



Healthy Business, Healthy Bottom Line

Creating a Wellness Program for Your Small Business

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Executive Summary

The Affordable Care Act marked a historic shift in the way the nation addresses healthcare. For the first time, it placed a major emphasis on prevention and wellness—and with good reason. Evidence shows that wellness programs can help promote healthy behaviors among participating employees and improve employees' access to necessary health screenings, immunizations and follow-up care.¹ For employers, these programs have the potential to lower premiums, boost productivity and reduce employee absenteeism—all important considerations for small businesses operating with a small staff on narrow margins.

While large employers and public-employee unions have been expanding wellness programs in recent years, small businesses have lagged in this endeavor. Since small businesses employ nearly 50% of all private-sector workers, any comprehensive expansion of wellness and prevention efforts must include a role for this large swath of private sector employers. For small businesses to take advantage of wellness and prevention opportunities, it's crucial that we understand their opinions on wellness programs and how to message, design and deliver them in a way that will provide the best opportunity for widespread adoption.

In 2015, Small Business Majority conducted extensive research into the challenges small businesses face in adopting workplace wellness programs, and uncovered potential solutions to those challenges. According to a national survey,² many businesses are interested in implementing a workplace health promotion program, but fear that they are 'too small' to support a comprehensive program, or that the program will 'cost too much.'

We've found that small business owners are truly interested in workplace wellness programs. Caring and compassion for their employees—whom they often feel are like family—is a primary motivating factor for a small business owner to want to implement wellness programs. However, there are issues that can get in the way of—or, if not properly addressed, prevent entirely—small business owners implementing wellness programs at their businesses. These boil down to the time required to implement and administer a program, the money required to establish and administer a program, a lack of knowledge about what programs and policies are effective and where to begin. These findings are still encouraging, as these issues can be classified as obstacles to small business owners implementing a program rather than barriers to doing so, obstacles can be overcome.

The goal of this toolkit is to provide a concise resource that provides key information available on wellness program implementation, to help dispel fears and insecurities regarding implementation based on our research, to provide small businesses with a resource to help them start their journey into workplace wellness and to identify workplace wellness program components that small businesses will like and use.

What is a Workplace Wellness Program?

A workplace wellness program can be whatever you want it to be. Simply put, it is a basic investment in your employees, similar to how you invest in them when you offer training, mentoring, and other basic employee programs. Small employers often see many wellness programs as sizeable endeavors undertaken by large corporations, such as organized exercise competitions, on-site gyms or paid gym memberships or healthy food offered in corporate cafeterias. Small and simple programs that can lead to increased wellness and a culture of health are often overlooked, e.g., bringing fruit to company meetings, health education sessions, flu vaccine clinics, encouraging use of the stairs, noon-time walks or stretching breaks.

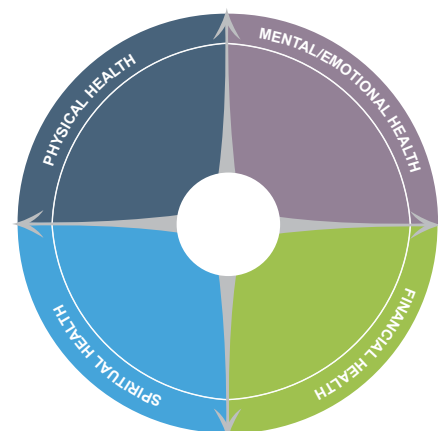
The goal of creating a program is to help your employees improve their health and reduce healthcare costs. This can be done through simple steps, like encouraging employees to walk more or eat healthier, or through more complicated endeavors, like creating an organization-wide wellness program with multiple activities and outcomes. Either way, it should support healthy behaviors in your employees and improve their health outcomes, which can in turn reduce absenteeism, boost employee morale and benefit your bottom line. In fact, according to the U.S. Chamber of Commerce, “Employers who offer wellness initiatives have achieved excellent returns on their investment—programs that follow best practice guidelines return \$2 to \$3 dollars for each dollar invested. These savings can be used to pay employees higher wages, invest in further adapting benefits to specific employee population needs, and create more jobs.”³

Simple wellness programs that encourage physical health activities can include:

- Health education and coaching
- Weight management programs
- Medical screenings
- On-site fitness programs
- Allowing time for exercise
- Providing on-site kitchens and eating areas
- Offering healthful food options in vending machines
- Holding "walk and talk" meetings

We are also seeing a shift in wellness programs from just promoting physical health to thinking about the healthy employee as a whole person, and using more in-depth wellness programs to address this line of thinking. This integrated “well-being” approach typically includes several components:

- Physical health (enhancing one’s physical fitness);
- Mental/emotional health (resources to balance one’s self, situation and others)
- Financial health (tools to attain financial freedom and success)
- And spiritual health (defined as one’s strong sense of self or purpose through beliefs, principles, values and ethical judgments)

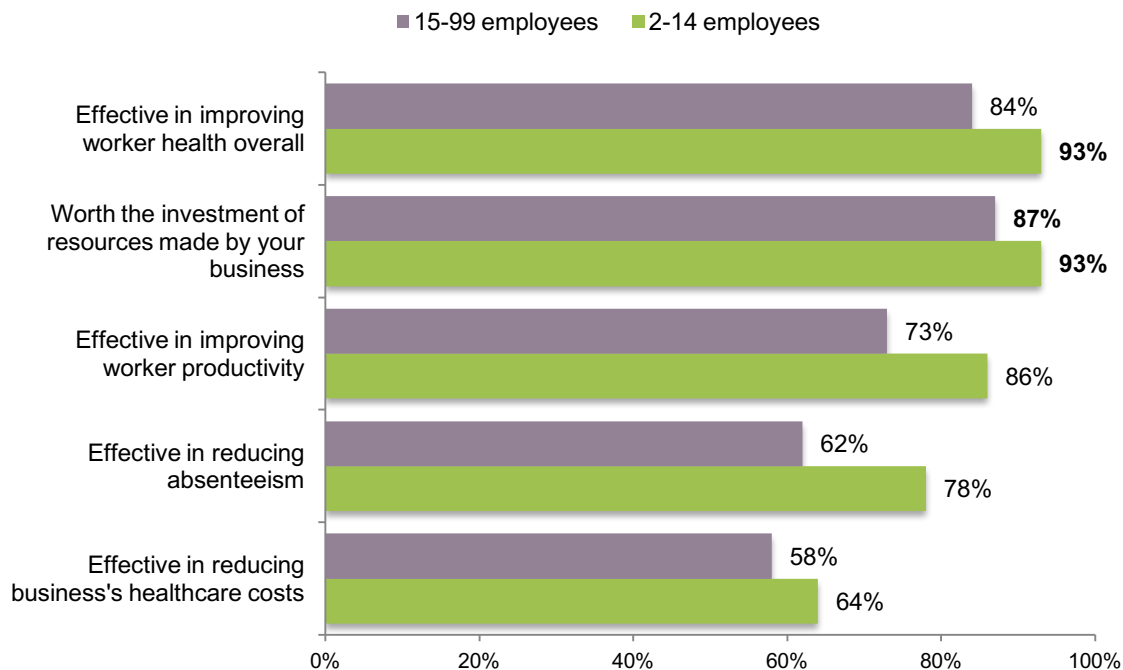


Why Wellness Works

According to the U.S. Small Business Administration, U.S. small business employed 56.8 million people, or 48% of the private workforce in 2013. For this reason, effective workplace wellness programs, policies and environments have the potential to significantly benefit a large amount of people through employers, employees, their families, and communities. For small business owners who often work day-in and day-out with the same people for years, employees feel like family. With the implementation of wellness plans, they not only see bottom-line benefits for their businesses like productivity gains, but more importantly this benefits the health of their employees, something that produces gains on multiple levels for the business.

In fact, research has found that participants in workplace wellness programs benefit from 25% lower medical costs and absenteeism rates than those who do not participate in wellness programs. And Small Business Majority's research found that small business owners who do offer wellness programs overwhelmingly see them as beneficial to their business. Of those that offer programs, 88% of businesses with 2-14 employees and 98% of businesses with 15-99 employees believe they are beneficial to their companies.⁴ They also provided high marks across several categories of effectiveness, including that they are effective in improving worker health overall, worth the investment, effective in improving worker productivity, effective in reducing worker absenteeism and effective in reducing their business' healthcare costs.

Positive effects of wellness programs



**Asked among companies that have offered a wellness program for at least a year (Sample: N=29 SIZE 2-14, N=53 SIZE 15-99)*

Source: Small Business Attitudes on Wellness Programs, Small Business Majority, 21 July, 2014

In addition, a large number of businesses with wellness programs report they are beneficial to their employees. Ninety-seven percent of small businesses with 2-14 employees and 89% of small businesses with 15-99 employees report their wellness programs are good for their employees.

Additional surveys and research studies have found the positive impacts of workplace wellness programs in a variety of areas.

Physical Activity

- Studies show physically active employees are absent less frequently than their inactive counterparts, and employees who get at least 75 minutes of vigorous physical activity per week miss on average 4.1 fewer days of work per year.

Healthy Nutrition and Weight Management

- Overweight and obese workers are absent more frequently, are less productive at work, more likely to require short-term disability benefits and more likely to take disability pension.
- Specifically, studies have estimated the costs of reduced productivity from obese workers to be between \$54 and \$506 per worker per year and the average annual disability costs (including short-term disability and disability pension insurance) to be \$55 higher for the average overweight employee and \$349 higher for the average obese worker, relative to normal weight employees.

Tobacco Cessation

- In the United States, smoking accounts for approximately 7-9% of total annual healthcare spending.
- For individual employers, smokers cost \$1,623 per smoker per year in excess medical expenditures (not including lost productivity), whereas comprehensive tobacco cessation benefit programs cost an average of merely \$1.20 to \$4.80 per person per year.
- Smokers have higher health and life insurance premiums and claims, greater absenteeism and lower productivity rates.

Stress Management

- Employees who are stressed are more likely to miss work, quit, be involved in an accident and perform worse than their less stressed peers.
- Eighty percent of workers reported feeling stress on the job, 40% reported feeling very or extremely stressed and 25% viewed their jobs as the number one stressor in their lives.
- High stress levels lead to an estimated one million workers absent every day.
- Past research has shown that healthcare expenditures are nearly 50% greater for employees reporting high levels of stress in comparison to their less stressed peers.

High Blood Glucose Management

- The total cost of diabetes care and management comes to approximately \$245 billion each year. Of that, more than \$60 billion each year is attributed to factors that directly hurt businesses: increased absenteeism (\$5 billion), reduced productivity (\$20.8 billion), inability to work caused by diabetes-related disability (\$21.6 billion) and early mortality (\$18.5 billion).⁵

Alcohol Management

- Alcohol abuse directly impacts an estimated 15% of the U.S. workforce, a total of 19.2 million workers each day.
- Alcohol misuse leads to absenteeism, tardiness, high rates of turnover, injuries and violence.

- Employees who abuse alcohol are three and a half times more likely to be involved in a workplace accident than coworkers, and approximately 40% of industrial fatalities and injuries can be linked to alcohol misuse.
- The total cost of these alcohol-related productivity losses came to \$129 billion in 2002 and \$161 billion in 2006.

For most employers, the most expensive healthcare claims come from so-called catastrophic events, such as a heart attack or stroke that occur to a minority of their employees. Yet, they may not always tally the aggregate costs due to chronic conditions such as diabetes. The fact is, however, that catastrophic events account for only 20% of an employer’s health costs. By contrast, the Coalition on Catastrophic and Chronic HealthCare Costs estimates that 70-80% of overall healthcare costs is attributable to chronic health conditions, most notably, cardiovascular disease, diabetes and asthma.⁶

Create Your Own Wellness Program

As stated earlier, a top motivation for utilizing wellness programs is to promote the health and wellness of employees. When starting to think about developing a workplace wellness program, keep in mind these guidelines outlined below.

Step 1 – Conduct a Workplace Health Assessment

Ask your employees a few simple questions to understand the current state of health at your company. This can be done through informal conversations, a call for ideas (suggestion box or bulletin board), or even an online survey.

Understanding the answers to these questions will not only help you develop a program unique to your business, but it will also begin to involve employees in the wellness program. Employee involvement is key to the long term success of your program.

There are many wonderful assessment tools readily available, including ones created by the CDC, our partner Wellable, and the WorkWell Missouri Toolkit, just to name a few.⁷ A few common categories and questions often seen in assessments are shown below:

WELLNESS

- What is your current physical activity level?
- Do you use tobacco products?
- How often do you eat fruits and vegetables?
- How often in the last 30 days have you felt anxious or depressed?

POLICY

- Would you participate in wellness screenings?
- What kind of incentives interest you?
- Would you like more policies surrounding food choices for meetings and conferences?
- Are you familiar with our current policy regarding _____



INTEREST AREAS

- Are you interested in joining small groups for regular activity?
- Are you interested in discounted memberships at local health clubs?
- Are you interested in attending educational presentations or having information regularly mailed to you?
- Are you interested in being provided healthier snack and meal options?

Step 2 – Plan the Program

Now that you know the health needs of your organization, you can create a program that reflects those needs.

Establish your Champion. Start with identifying one point of contact for your organization. This person will be your “health champion” and will not only help design the program, but also be the one to rally employees to participate. Your champion should be able to communicate clearly and succinctly the program and its goals to other employees.

Create a Plan. Now that you have a champion, have him or her work with management to create a plan to implement the program. Some elements to that plan should include:

- Establishing a committee to help plan the program.
- Creating the program to address the health challenges unique to your business.
- Defining success of the program.
- Establishing resources such as costs, local partners and staffing for the program.
- Creating your marketing message system for the program.

Keep in mind that workplace wellness programs do not have to cost significant amounts of money. There are many simple programs available that can be no or low-cost for small businesses.

Step 3 – Implement the Program

An ideal program will have a mixture of health related programs and policies you can implement in your business. These should all be supplemental to health insurance, which is the biggest health benefit you could establish for your employees.

Some examples of programs you can establish:

- **Physical Activity:** Establish a weekly yoga class, create a running club, encourage stair use, put up a rotating art display in stairwells or around the office, set walking meetings or install standing desks.
- **Healthy Nutrition and Weight Management:** Provide nutrition education, stock healthy options in vending machines and breakrooms, make water available and encourage nutrition labeling.
- **Tobacco Cessation:** Eliminate ashtrays or provide low-cost or no-cost healthcare options for tobacco cessation services and aids.
- **Stress Management:** Hold financial literacy classes, provide training for management for early identification and action on stress-related issues, provide a dedicated relaxation space, host social events to build strong team relationships, allow and encourage physical activity during the workday, or provide benefits designed to increase a work-life balance such as elder or childcare, flexible scheduling and opportunity for advancement.
- **High Blood Glucose Management:** Provide free screenings, provide diabetes educational workshops and promotional materials, provide low-cost or no-cost healthcare options for employees with or at risk of diabetes or implement healthy nutrition and weight management and physical activity wellness policies.
- **Alcohol Management:** Provide low-cost or no-cost healthcare options for alcohol management, counseling and treatment, or provide a free alcohol program to employees and spouses that is hosted by a professional resource, does not require a referral to participate, provides confidentiality and holds no penalties for participation.

Some examples of policies you can establish:

- **Physical Activity:** Create policies allowing for flexible work schedules or breaks during the day to allow employees and management time for physical activity, to exercise or to attend health programs.
- **Healthy Nutrition and Weight Management:** Create healthy eating policies that support environmental changes (e.g., healthy vending machines, healthy foods in cafeterias or required nutrition labeling).
- **Tobacco Cessation:** Create a written policy banning tobacco use on company grounds and post signs to that effect.
- **Stress Management:** Policies that are not specifically health-related may have health impacts on employees. Human resources policies such as those related to work hours or leave (e.g., vacation time), flexible scheduling, work organization and supervisory style should be developed with desired health goals in mind.⁸
- **High Blood Glucose Management:** Implement policies related to healthy nutrition and weight management and physical activity, such as healthy food choices and break times for physical activity.
- **Alcohol Management:** Consider whether alcohol should be allowed and what happens if someone violates the policy. The Substance Abuse and Mental Health Services Administration (SAMSHA) has a model policy designed for employer use.⁹

Other benefits could include discounts or subsidies for fitness facility memberships, creation of a supportive leadership structure and environmental measures such as control of dust, fumes and vapors, good lighting and well-designed work spaces.

Now that you have a program in mind, get it started!

Step 4 – Determine Impact through Evaluation

It is important to assess how well your workplace health program can be sustained over time, how it is received by employees and management and its return on investment.

It is key to select an evaluation method that works for your business. There are many types of surveys to choose from, and the CDC Workplace Health Promotion toolkit provides a comprehensive overview of how to design, administer, and analyze your assessments, discusses pros and cons for each format, and provides links to example surveys.¹⁰ Whatever assessment your business chooses to utilize, stick with it over the course of your wellness program to effectively measure change over a period of time. Some of the more common survey formats include:

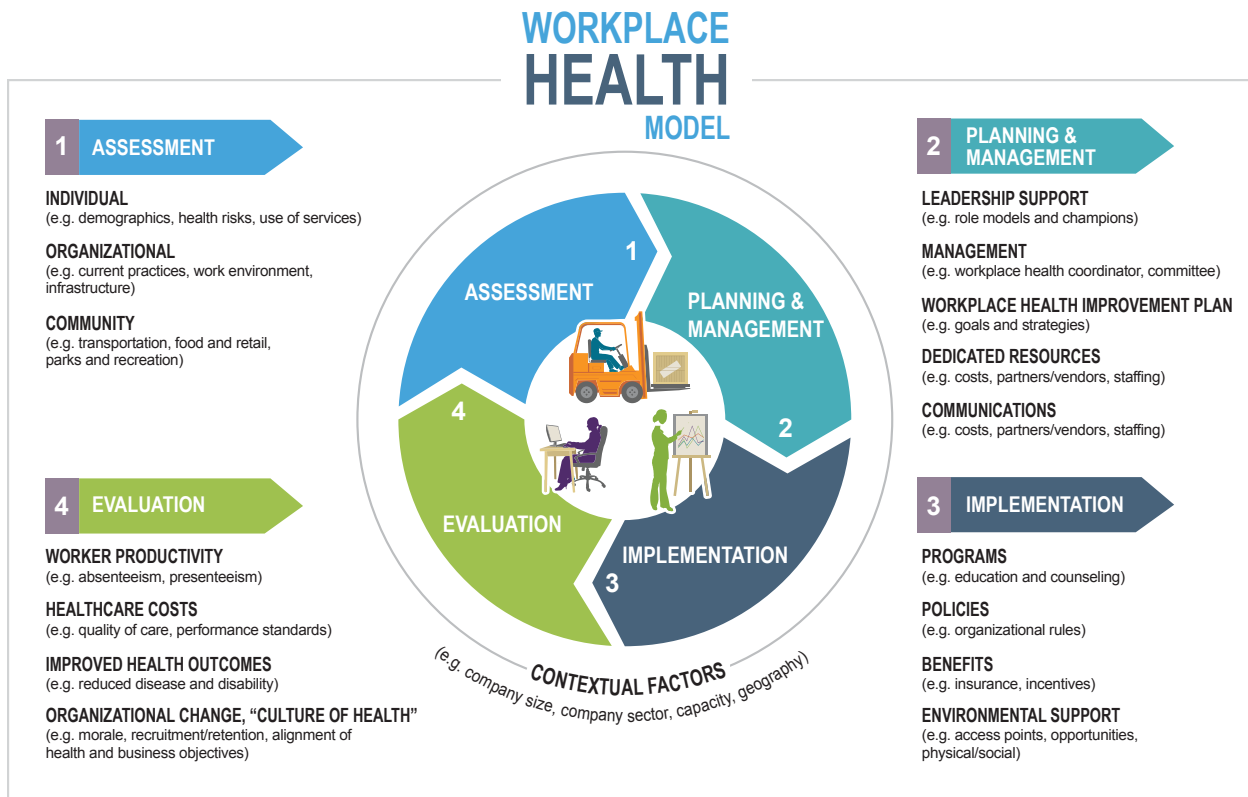
- In-person paper and pencil questionnaires
- Mailed or emailed questionnaires
- Web-based tools such as Survey Monkey or Zoho Survey
- In-person interviews or focus groups

We recommend that your evaluation focus on questions that are relevant and useful to those who will use the findings. The goal of the evaluation should be to strengthen and improve existing wellness programs and activities, identify potential gaps or areas of improvement and describe the effectiveness of the program.¹¹

The U.S. Chamber of Commerce provides some key insights into the type questions you should ask in the evaluation phase, which include the following:

- Are employees aware of the wellness program components?
- Did you provide multiple opportunities throughout the year for feedback from employees?

- Did you set up a process for input and suggestions and make employees aware of the process?
- What are your short-term and long-term results? This may include financial impact as well as less tangible impacts such as improved employee morale.
- Have you met the goals you lined out in the planning phase? If not, how can you change your program to obtain those desired results?
- Are employees more productive?
- Was your initial financial investment enough, and were your partnerships effective?
- Are employees participating in all the components of the program?



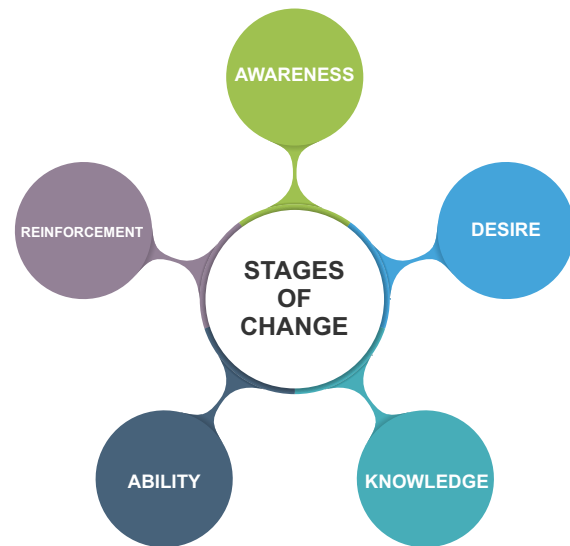
Source: *Workplace Health Model, Centers for Disease Control and Prevention, May 2016*

Now that you have a program, how do you entice your employees to join?

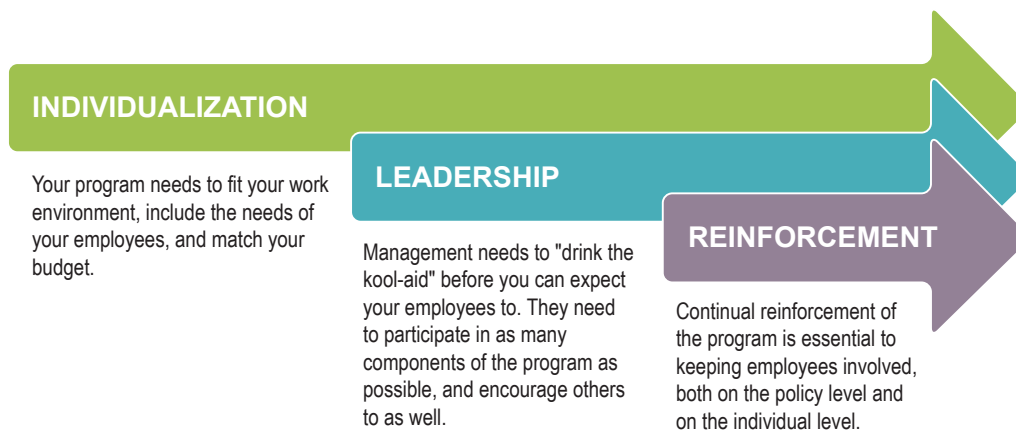
It is extremely important to focus on this portion of your wellness program. Your business may have a great idea, provide key fitness and nutritional activities and create robust policies, but all of that will be for nothing if you do not have strong employee participation. Keep in mind that a 50-60% participation rate is typical for companies with “state of the art” wellness programs.

There are keys to improving employee participation in wellness programs, and it starts with each individual’s willingness—and readiness—to make healthy changes. According to experts, people typically go through several stages when facing lifestyle changes:

- Awareness of the need to change
- Desire to participate and make the change
- Knowledge of how to participate in activities
- Ability to participate in the activities
- Sustained reinforcement of the program and the program initiatives



In order to maximize individual willingness, you should focus on three key organizational factors. These factors have the ability to ultimately influence and drive your employee’s participation and the length of time they stay involved.



Once you have these three key factors in place, focus on keeping the momentum going. Here are a few tips to keep your employees involved in your wellness program:

- Share success stories.
- Remind people of the benefits of the program.
- Make it easy to be involved in the program.
- Provide incentives to encourage participation.

Legal Guide and Considerations

Workplace wellness programs must be voluntary, non-discriminatory, be reasonably likely to promote health or prevent disease and protect the confidential health information of their employees. Small Business Majority encourages you to have your attorney review any new policies and programs you are considering implementing.

Resources

National

American Heart Association

- Workplace Health Solutions
 - The American Heart Association's Workplace Walking Program Kit: Toolkit that provides materials and messages to help employers start a worksite walking program
 - AHA's Workplace Health Achievement Index: A confidential self-assessment that measure seven best practice categories

http://www.heart.org/HEARTORG/HealthyLiving/WorkplaceHealth/Workplace-Health_UCM_460416_SubHomePage.jsp

Centers for Disease Control

- CDC's National Healthy Worksite Program
 - Workforce health promotion toolkits: Toolkits that address program design and planning for workplace health programs. Toolkits contain checklists, guides, budgets and other tools.
 - CDC Worksite Health Scorecard: An assessment tool for employers to help prevent heart disease, stroke and related health conditions
 - CDC Work@Health Program: Provides materials and messages to help employers start a worksite wellness campaign

<https://www.cdc.gov/workplacehealthpromotion>

HealthAdvocate

- Guide to Workplace Wellness: Healthier Employees, Healthier Bottom Line management programs

http://healthadvocate.com/workplace_wellness.aspx

Population Health Alliance

- Program Measurement and Evaluation Guide: Core Metrics for Employee Health Management: A free guidebook to help employers evaluate their employee health management programs

<http://hero-health.org/wp-content/uploads/2015/02/HERO-PHA-Metrics-Guide-FINAL.pdf>

SHRM Foundation's Effective Practice Guidelines Series

- Promoting Employee Well-Being: Wellness Strategies to Improve Health, Performance and the Bottom Line

<https://www.shrm.org/about/foundation/products/Pages/HealthWellBeingEPG.aspx>

U.S. Chamber of Commerce

- Conferences, trainings, and publications with information on employee wellness programs, the benefits of wellness programs, and the legal parameters associated with implementation.

<https://www.uschamber.com/issues/health-care/workplace-wellness>

Wellness Council of America, WELCOA

- Free resources and information on wellness

<https://www.welcoa.org>

Missouri

Health Care Collaborative of Rural Missouri

- **Wellness Works:** An extensive and interactive online fitness tool to help employers launch and track a health and wellness program

<http://wellnessworks.hccnetwork.org>

Missouri Department of Health and Senior Services

- **Worksite Wellness—Building a Healthy Missouri Workforce**
 - **Worksite Challenge:** Resources, materials and suggestions for implementing a worksite wellness challenge
 - **Workplace Toolkits:** Links to multiple workplace wellness toolkits and resources

<http://health.mo.gov/living/wellness/worksitewellness>

Missouri Council for Activity & Nutrition, Missouri Department of Health and Human Services and University of Missouri Extension

- **WorkWell Missouri toolkit:** Free toolkit that provides a six-step process your worksite can follow to implement a wellness initiative.

<http://extension.missouri.edu/hes/workwell>

¹ Caloyeras, John P, Huang, Christina Y., et al. (2013). *Workplace Wellness Programs Study*. http://www.rand.org/content/dam/rand/pubs/research_reports/RR200/RR254/RAND_RR254.pdf

² Small Business Majority (July 2014). *Small Business Attitudes on Wellness Programs*. <http://www.smallbusinessmajority.org/our-research/healthcare/small-business-attitudes-wellness-programs>

³ U.S. Chamber of Commerce (2016). *Workplace Wellness*. <https://www.uschamber.com/issues/health-care/workplace-wellness>

⁴ Small Business Majority (July 2014). *Small Business Attitudes on Wellness Programs*. <http://www.smallbusinessmajority.org/our-research/healthcare/small-business-attitudes-wellness-programs>

⁵ American Diabetes Association (March 2013). *The Cost of Diabetes*. <http://www.diabetes.org/advocacy/news-events/cost-of-diabetes.html>

⁶ National Association of Manufacturers (February 2005). *The Coalition on Catastrophic and Chronic Health Care Costs (HC5)*. www.nam.org.

⁷ Centers for Disease Control (2016). *Workplace Health Resources*. <https://www.cdc.gov/workplacehealthpromotion/tools-resources/workplace-health/workplace-health.html>;

University of Missouri Extension (2016). *WorkWell Missouri Toolkit*. <http://extension.missouri.edu/hes/workwell/WorkWellToolkit.pdf>; Wellable (2017). *Resources*. <https://www.wellable.co/Resources>

⁸ Centers for Disease Control (May 2016). *Workplace Health Model*. <http://www.cdc.gov/workplacehealthpromotion/model/index.html>

⁹ Substance Abuse and Mental Health Services Administration (September 2016). *Develop a Policy*. <https://www.samhsa.gov/workplace/toolkit/develop-policy>

¹⁰ Centers for Disease Control (2016). *Workplace Health Promotion*. <https://www.cdc.gov/workplacehealthpromotion/index.html>

¹¹ Centers for Disease Control (May 2016). *Workplace Health Model*. <http://www.cdc.gov/workplacehealthpromotion/model/index.html>

A Guide for Developing Your Workplace Wellness Program

- Develop Your Team:**
 - Enlist the support and participation of management from the beginning to model participation and increase success.
 - Identify a key employee(s) to help coordinate the program. Tasks include:
 - Onboarding/enrolling employees
 - Promoting the program components and key events
 - Coordinate with local resources for screenings, materials and programs.
- Set Your Goals:** Each of you will have your own specific goals for your wellness plan. Identify the key outcomes you wish to see after the implementation of your program. Some common examples include:
 - Reduce healthcare costs
 - Increase employee morale
 - Decrease absenteeism
 - Provide an employee benefit for retention
- Create Your Timeline:** Develop a timeline that works for your employees. Each company is unique in its needs and budget, therefore your wellness plan should run for as long as you need in order to increase participation, but without causing undue stress or stalling participation.
- Assess Your Needs** by one of the following methods:
 - Employee Surveys—Anonymously ask employees about what type of programs they are interested in, a critical component of your program.
 - Health Risk Assessments (HRAs)—Conduct assessments to provide employees with an in-depth summary of their risk for disease and help highlight unhealthy habits that can be addressed by your wellness program.
 - Biometric Screenings—Provide screening opportunities to create awareness of unknown health issues, which could help shape your program.
- Prepare Your Environment:** Implement key components of your wellness program to create a healthy workplace environment. Some common examples include the following:
 - Create or enhance tobacco-free policies.
 - Provide healthy snack and drink options.
 - Provide places to exercise or relax.
- Develop Your Program:** Identify the options you would like to offer your employees. The more options you are able to provide, the more participation you will see! Common examples include:
 - Fitness center memberships
 - Smoking cessation programs
 - Onsite classes or seminars
 - Online tracking programs such as Wellable
- Promote Family Fitness:** Try to provide ways employees can include their families in some of the activities.
- Develop Your Communication Strategy:** In order to maximize your company participation, develop a communication strategy that utilizes multiple components and continues throughout your program.
 - Hang educational materials in high traffic areas, such as break areas and kitchens. Free resources are often available on the CDC website and in your state and local health departments.
 - Create a forum for sharing stories and feedback.
 - Hang sign-up sheets in high traffic areas.
 - Utilize multiple communication methods such as social media, email, posters, company newsletters, etc.
- Provide Incentives:** Who doesn't love a reward for changing their behavior! Offer incentives throughout your program to encourage participation.
- Celebrate Your Success:** Celebrate group efforts, announce totals on a regular basis and host celebration activities throughout the program.