



HR Leader's Definitive Guide

**BEYOND FITNESS: WHY HOLISTIC
WELLNESS PROGRAMS WILL BE
CRITICAL IN 2021**



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In the world of employee benefits, the term “wellness” has long been thought of as a synonym for “fitness.” Today that definition needs a makeover as mounting evidence points to the fact that physical health is important, but not the only factor that contributes to a happy, engaged workforce. As we wrap up what has been one of the most stressful and challenging years many of us have ever faced, it’s time to expand our definition of what employee wellness means and create programs that are broad, inclusive, and holistic.

THE IMPORTANCE OF WELLNESS PROGRAMS

The 1970s was the decade when the first official workplace wellness programs began, introduced by Johnson & Johnson¹ and Control Data Corp.² (both in 1979). This was also when medical researchers began focusing more on how employee health could impact the bottom line of a company—both positively and negatively.

Today, workplace wellness is almost universally offered by employers. More than 9 in 10 organizations surveyed by the International Foundation of Employee Benefit Plans³ (IFEFP) had some level of wellness benefit available to employees. More than 60 percent of organizations reported having a budget for their wellness program, and at least half expect that budget to increase over the next two years. Moreover, at least 25 percent of companies increased their wellness offerings between 2016 and 2017, while just three percent reduced benefits.

WHY FITNESS IS NO LONGER ENOUGH

Broadening the definition of your workplace wellness program to include more aspects of overall wellness—and become more holistic in your approach—can lead to a more effective program that benefits employees and your organization.

Companies clearly understand the benefits of offering wellness perks to their employees, but the biggest challenge for many organizations today is having programs that only address physical fitness and physical health, with benefits centered around:

- Health risk assessments (HRAs)
- Health and biometric screenings
- Exercise programs, on-site fitness facilities, or gym membership discounts
- Smoking cessation

While physical fitness is certainly important for wellness, it is only one piece of a much larger puzzle. Even the most physically fit employees can still experience high levels of financial stress, mental health issues, and social stress—all of which can have just as much or more impact on well-being and work performance.

For example, a 2016 study by the Center for Retirement Research⁴ at Boston College found that workers who reported experiencing high levels of financial stress had twice the level of absenteeism than their counterparts with low or no financial stress. Even when they were at work, those employees reported being “highly distracted” from their duties, which contributed to the equivalent of another 12 missed days of work.

HOW “HOLISTIC WELLNESS” WAS DEFINED IN THE PAST

It’s hard to pinpoint exactly when the term ‘holistic wellness’ appeared in discussions about employee wellness. In the early 2010s as employers discussed the need for a more holistic approach, they were still often focused almost exclusively on physical health factors. That was driven by research that showed how chronic health conditions cost companies a lot of money, and how wellness initiatives aimed at reducing obesity, diabetes, heart disease, and high blood pressure could reduce healthcare costs.

Articles and studies by Harvard Business Review⁵ and Rand Corporation⁶ showed how disease management delivered a whopping

86% in healthcare cost savings, while lifestyle management was much harder to measure in terms of ROI. At-risk employees who suffer from chronic health conditions tend to have more avoidable healthcare costs like emergency room visits or hospital admissions.

The scientific research and theory behind a disease management approach made sense at the time, but it placed all the emphasis on physical health to the detriment of other aspects of employee wellness. When HR managers are under pressure to prove ROI in the short term when focusing exclusively on physical health benefits, it creates a disincentive to focus on more holistic wellness initiatives that have higher impact in the long-term.

KEY COMPONENTS OF A HOLISTIC WELLNESS PROGRAM

To truly achieve a holistic employee wellness program, employers must take into account all aspects of well-being: physical, financial, social, mental, and emotional health.

Financial Wellness

In recent years financial stress has become one of the biggest concerns for employees. A 2016 IFEBP report, *Financial Education for Today's Workforce*,⁷ revealed top financial concerns:

- Debt (66 percent)
- Retirement savings (60 percent)
- Paying for a child's education (51 percent)
- Affording basic living expenses (48 percent)
- Medical expenses (36 percent)

These things are classified as “financial stress,” but the effects are not limited to a person's bank account. Many people who experience financial stress also experience physical symptoms⁸ of fatigue, headaches, depression, and anxiety. These physical manifestations of stress make it difficult or impossible to separate personal and work life. Employees with high financial stress report poor overall health, more sick day absences, more unplanned absenteeism, and lower productivity while at work. A significant number of respondents in a Bank of America Merrill Lynch Workplace Benefits Report⁹ (40 percent) reported spending three hours or more per week on personal finances during work hours, and about half of those respondents were spending five or more hours.

Fortunately there are ways that employers can help ease some of these burdens, beyond giving employees a raise (although that probably wouldn't hurt if they are due for one). Holistic wellness programs that include financial literacy and education, as well as other financial planning resources, can significantly reduce the stress employees feel about money.

Programs like benefits education, retirement planning, and financial literacy can help employees feel more in control of their personal finances. Benefits managers should consider adding educational classes or on-demand offerings that cover topics like:

- Savings
- Investing
- Insurance
- Budgeting
- Retirement planning

It's also important for employers to recognize that there is no one-size-fits-all approach to financial wellness. Financial goals and concerns vary based on many factors. In the Bank of America Merrill Lynch report younger generations (Gen Z and Millennials) were far more concerned about paying off debt like student loans, but only four percent of organizations have benefits to help with that, according to the 2017 Employee Benefits SHRM survey.¹⁰

Younger employees are also more likely to worry about buying their first home and growing savings, while older employees (Gen X, Baby Boomers, and Silent Generation) see savings as a lower priority to retirement savings and paying off credit cards and mortgages. For example, Cisco now provides a wider variety of financial tools and employees can select the ones they need based on five "personas"¹¹ in various stages of life.

To be truly effective, a holistic wellness program must provide customized and personalized tools for employees based on their priorities and goals.

Emotional Wellness & Mental Health

Social health and emotional well-being are other aspects of wellness that have long been ignored in the workplace. Over the past several months as much of the workforce moved to more isolated work-from-home settings and interactions that used to occur in person now happen entirely online, these emotional needs have become even more apparent.

Anxiety and depression are the most common mental health disorders, affecting millions of people in the U.S. every year.¹² These conditions are often treatable, but limited access to mental health resources, and a stigma around seeking help for mental health often keep people isolated and alone. Someone with anxiety and depression is three to five times more likely to go to the doctor, and six times more likely to be hospitalized, according to the Anxiety and Depression Association of America.

There is a significant body of research¹³ that shows that people who have satisfying social relationships with friends, family, co-workers, and others in their community live longer, healthier lives.¹⁴ Unfortunately our modern workplace (whether at home or even in the office pre-COVID-19) doesn't always lend itself to

these interactions. We can complete most of our work online or through technology tools, and spend most of our workdays face-to-face with a computer screen rather than other people.

There might not be much employers can do to reduce the volume of work people do online, but there are ways that a holistic wellness program can help facilitate meaningful social interactions. For example, companies can encourage volunteering or facilitate workplace get-togethers where people have a chance to meet others with similar interests and hobbies. They can also encourage employees to participate in wellness activities together, such as online group classes or attending financial wellness workshops as a group.

Emotional well-being activities in a wellness program can also include:

- Mindfulness and meditation activities
- Tools to improve employees' understanding of how to get higher quality sleep
- Involvement in charitable causes or organizations that employees are passionate about
- Access to mental health professionals and resources to address anxiety and depression

Family Wellness & Parenting

The United States has struggled when it comes to workplace policies that support family and parental leave. It remains the only developed country¹⁵ without mandated parental leave policies—other countries without parental leave laws¹⁶ are Papua New Guinea, Suriname, and a few island nations in the South Pacific.

This lack of parental leave creates a significant challenge for new mothers. About 40 percent of women¹⁷ exit the workforce after the birth of their first child, according to Shadiah Sigala, CEO of childcare benefit provider Kinside. The average maternity leave is 10 weeks,¹⁸ but many women take less than that before going back to work, and 16 percent reported taking almost no time off at all. Some women fear discrimination at work or negative repercussions for their

career, while others might not be able to afford more time off. The Family Medical Leave Act (FMLA) requires employers to provide 12 weeks of maternity leave for full-time, but that is unpaid leave and only applies to a segment of the workforce.

Even when women return to work, they spend a significant time worrying about the safety of their child and the financial costs of childcare, which averages around \$16,000 a year for infants but varies widely from state to state.¹⁹

Workplace wellness programs that address the need for more both maternal and paternal leave, as well as flexibility in the workplace to attend to childcare needs, can help women remain in the workforce as they raise children.

The need for work-life balance for parents has substantially increased in 2020 due to COVID-19.

Millions of schools and daycares closed to prevent the spread of the coronavirus, leaving parents stranded trying to find childcare resources or stressed trying to work from home while also helping children adjust to online learning or caring for young infants and toddlers.

Since the start of the pandemic, women have left the workforce at a rate four times higher than men,²⁰ as the burdens of work, childcare, and home demands left them with no other choice. Experts

predict that it could negatively impact women's participation in the workforce and earnings for decades,²¹ perhaps even a generation or more.

As employers and benefits managers examine offerings for 2021 and beyond, finding ways to help all employees (and especially women) balance home and work obligations with childcare resources and assistance can improve overall well-being.

Physical Health Initiatives Need a Makeover

Physical health remains an important part of overall wellness and should not be ignored. However, many of these programs need a makeover. Companies that look beyond gym memberships and annual health assessments to incorporate customized options that meet employees where they are in their personal health and wellness journey will find more participation and satisfaction with these initiatives. Expand your definition of physical health by offering options like standing desks, on-site clinics or preventive care like flu shots, and personalized tools for nutrition, diet, and exercise. There are also programs that support aging populations, chronic conditions, and adaptive exercise programs for people with disabilities.

WHY IT'S TIME TO PIVOT TO TECHNOLOGY

A great holistic wellness program is about more than just what the program delivers; it's also about how your company delivers it.

Many workplace wellness programs have historically provided in-person benefits like on-site fitness centers or healthy snacks in the breakroom. Even before 2020, workplaces were trending toward geographically dispersed employees with more flexible schedules and work-from-home options. Those who didn't work or live in the immediate vicinity of the office couldn't really take advantage of any of these wellness benefits.

COVID-19 has sped up what was an inevitable shift in the workforce away from centralized offices, necessitating workplace wellness programs that can be delivered virtually. The biggest challenge with a shift to virtual tools is the risk of losing some of the human connection and collaboration that keeps employees motivated and engaged. BurnAlong offers the best of both worlds, with virtual classes that span a wide variety of wellness areas, plus the ability for each employee to select the customized benefits they need most, and facilitate social interactions via private group classes that further boosts engagement.

FINAL TIPS FOR A BROAD AND INCLUSIVE WELLNESS PROGRAM

As you're looking for a broader and more inclusive wellness program, here are some helpful tips to get started.

- **Ask for input.** Before you implement any wellness program, ask your employees what benefits they want and what tools they prefer.
- **Individualize and customize.** The more employees can pick and choose the things that are most beneficial to them, the more likely they will participate. Offer a wide range of benefits to cater to employees of all ages, genders, health levels, and life stages.
- **Tell everyone about it.** One of the biggest barriers to employee participation in wellness programs is often simply not knowing the benefits exist.²² Create a comprehensive communications plan to share the information with all employees. Consider creating incentives like prizes to motivate participation.
- **Make it easy.** The easier it is to participate in a wellness program, the more employees will get involved. Find tools that allow people to participate in multiple ways that are most convenient for them.
- **Involve families.** We are all influenced by the behavior of those in our closest circles, so offering wellness programs that get families involved increase the chance of long-term employee buy-in and participation.

YOU'VE IMPLEMENTED A HOLISTIC WELLNESS PROGRAM, NOW WHAT?

Once you've chosen the right holistic wellness program, the next step is making sure that everyone in your organization is aware of the benefit and can participate. Use these tips to improve activation and long-term engagement:

- **Create a comprehensive communications plan** that reinforces the wellness program multiple times in multiple ways throughout the year.
- **Partner with your wellness provider** to promote the program to your employees.
- **Get buy-in** from the top and designate champions within your organization to promote the program.
- **Incentivize and encourage** participation from the start.
- **Don't penalize** people for non-participation.
- **Transparency and leadership** is the key to employee buy-in and their desire to want to live a healthier lifestyle.

You can find more in-depth information about these steps in our e-book [Implementing and Launching a Wellness Program](#).

Ready to
implement
and launch
your corporate
wellness
program?

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