

## EXECUTIVE SUMMARY

# GETTING HITCHED ON WELLNESS: WHAT DOES IT TAKE TO GET TO EMPLOYEE ENGAGEMENT?

JANUARY 20, 2010

Engaging employees in managing their health takes more than a single communication, a single change in the benefit plan or even a single incentive. Instead, persuading employees to get “hitched” on wellness requires a well-integrated package of plan design, communication and motivation to create “win-win” results for companies and their workers.

That message was delivered by multiple speakers on January 20 at *The Alliance Learning Circles™* event, **Getting Hitched on Wellness: What Does It Take to Get to Employee Engagement?**

## A Neuroscience Approach

Neuroscience helps explain why different individuals respond differently to the same information, according to Vic Villanueva, managing consultant for the ROC Group.

Villanueva said the rate at which individuals embrace change is influenced by whether the change is “outside-in” as a result of rational arguments, which typically have slower acceptance, or “inside-out” as a result of emotional appeals, which result in faster change.

Inside-out change requires messages that appeal to the limbic area of the brain, which continually scans the environment. Six types of appeals trigger responses in the limbic area of the brain:

- » **What’s in it for me (WIIFM)** appeals to self-interest.
- » **Solid contrast** is typically based on comparison of gains and losses.
- » **Beginning and end** reflects studies showing people are more likely to retain information delivered at the beginning and end of any message.
- » **Tangible appeals** are based in clear, concrete explanations of results.
- » **Visual stimuli** take advantage of the optic nerve’s ability to process information 25 times faster than auditory messages.
- » **Emotional elements** have high appeal, especially the universal triggers of money, family and friends.

## Overcoming Sensitive Issues

Two tactics suggested by Villanueva can help create messages with high impact while sidestepping sensitive issues:

- » **Visuals of animals.** In one example, penguins were substituted for workers to add humor and universal appeal while avoiding diversity concerns.
- » **Children’s artwork.** Kids’ drawings and the related captions can be used to deliver wellness messages that would appear insensitive or even harsh if they came from human resources. Contests are a good way to gather these drawings and captions.

## Lavatory Learning

One way to reach employees in manufacturing settings where there are few gathering areas is to place posters in bathrooms, including the inside of bathroom stalls. For example, Trek Bicycle Corporation announces fitness events on bulletin boards in every lavatory.

Villanueva noted that another company used the headline, “Don’t just sit there,” to grab the attention of its captive audience and encourage them to join a walking challenge.

## Speaking to Generations and Genders

Employees' perceptions also are shaped by their generation. Four generations now power the workforce:

- » **Generation Y**, born from 1980-1994, are team-oriented, family-oriented individuals who rely on the Internet and social media for communication and are passionate about social causes. They are loyal to employers, but expect work/life balance. They enjoy giveaways; like humor and irony; and respond well to recognition.
- » **Generation X**, born from 1965-1979, values individuality and entrepreneurship and relies on the Internet and word-of-mouth for information. They can be skeptical of hype; dislike fads and labels; appreciate step-by-step instructions; are more loyal to their career than their employer; and are avid researchers.
- » **Baby Boomers**, born from 1946-1964, are dreamers who enjoy "what if" scenarios. They are attracted by images and slogans and enjoy contributing information in group discussions. While they can be team-oriented, they're driven by "what's in it for me."
- » **Matures**, born before 1945, are highly loyal to employers. They prefer rational arguments and linear thinking, so they want to see the business case and weigh all sides of a proposal. While they are slow adopters of social media, their use of the Internet is growing rapidly.

Gender also plays a role. Men tend to be more hierarchical and competitive, so team challenges and messages from the CEO can work well. Women are more relational and empathetic, responding well to testimonials and support networks.

## Focusing on Employee Response

Cheryl Larson, vice president of the The Midwest Business Group on Health, presented results from a focus group on what drives employee engagement. They conducted nine focus groups involving 54 employees drawn from three employers with a combined workforce of more than 22,000. The focus groups were followed by paper surveys to collect additional information.

Larson said personal health management programs must be simple and easy to implement while clearly explaining how to earn incentives. She recommended using a sequential process that helps move the employees toward wellness.

Key findings in employees' perceptions of personal health management include:

- » They have desire to actively manage their health, but are hindered by time, money and know-how.
- » They are most confident in their ability to choose a doctor, but typically rely on word-of-mouth.
- » They lack confidence about the accuracy of health care charges.
- » They are "turned off" by programs that require too much effort to achieve the results.

### Employee Preferences for Wellness Programs

44%	Classes covering various health topics, such as "lunch and learn" events
40%	Access to physician or nurse by phone or e-mail to ask private questions
38%	Online self-training tools
31%	Onsite weight management programs
31%	Hands-on classes such as healthy cooking
27%	Onsite personal trainer/health coach
16%	Onsite group exercise class
13%	Tobacco cessation support

Source: Midwest Business Group on Health survey

Reassuring employees about confidentiality is crucial to gaining acceptance of programs that help them manage their health, such as health risk assessments (HRAs). Additional key findings in employees' perceptions of plan design and program administration include:

- » They want flexibility to choose from different programs to manage their health and health care costs, but are skeptical of attempts to steer them.
- » They want to be in the driver's seat, along with trusting their doctors to help them make the right decisions.
- » Employees wonder how information could be used against them, making confidentiality a big concern.
- » Management or non-management status impacts perceptions. In general, management employees are more accepting of employer programs, while non-management employees are more skeptical.
- » Employees are interested in programs that are interactive, rather than static.

## Incentives and Communication

Monetary incentives alone are unlikely to build participation in value-based design or wellness, Larson said. But incentives can encourage employees to get started and can help motivate continuing participation when combined with tactics such as peer persuasion or management endorsement.

It's important for employers to show that wellness incentives are in place because the employer cares about the health of employees. Well-organized team challenges can provide encouragement for employees, but the most powerful incentive for participation can be a new diagnosis or the death of a friend or relative.

## An Employer's Perspective: Nord Gear

Nord Gear, an assembler of gear reducers and motors with facilities in Waunakee, Wis., formed a Wellness Committee to guide wellness initiatives for its North American operations in 2004. Its first push was an HRA that required a score of 70 or better for the incentive of a reduced health premium.

Employees had to fast for the HRA blood test offered on-site, so the company added an element of fun by offering a tasty breakfast that drew 99% participation. Over time, Nord Gear added a walking program, activities, health fairs and smoking cessation. In 2006, the company began offering health benefits through a Health Savings Account (HSA) to increase employee accountability.

"Through education and awareness, it got them to think like consumers," said Dennis Brown, human resource, health safety and environmental manager. The wellness program faltered in 2007 due to an employee transition, but the company regrouped in 2008 and divided the wellness committee into two rotating teams that design the wellness campaign and produce the newsletter.

### Visualizing the Impact of Fat

Buying a replica of five pounds of human fat has proven to be an effective visual to support wellness efforts at Nord Gear. Ideas for using the large, unappealing chunk of yellow plastic to support wellness include:

- » Taking the fake fat along as a visual aid when giving speeches.
- » Placing the fake fat on tables where food is served during company events to discourage over-consumption.
- » Adding eyes to the fake fat to show "someone is watching," a la the Geico TV commercials.
- » Mounting the fake fat on a piece of wood to create a traveling trophy for weight-loss challenges.

Getting spouses involved is crucial to wellness efforts, because without spouse participation it can be difficult to tackle engrained habits such as smoking or a poor diet. The company also went to a “push-pull” approach that combines the “carrot” of incentives with the “stick” of higher costs or other penalties. An example is smoking cessation, where the \$300 annual benefit for smoking cessation is backed by a no-smoking policy on company property.

Team weight-loss challenges have proven effective in using competition to motivate health improvements. During the last challenge, employee teams lined up outside the weigh-in room to cheer for their teammates’ weight loss, while doughnuts provided by a vendor went uneaten.

“That’s the type of electricity we want to get going,” Brown said. Nord Gear is now engaged in a community weight loss challenge involving four companies. They have pledged to donate a pound of food to the local food pantry for every pound lost in the challenge.

## Trek: Wellness is Part of the Product

Wellness has a clear tie to the product at Trek Bicycle Corporation, Waterloo, Wis. “It’s part of who we are,” said Wellness Coordinator Kristi Schalow.

Support for wellness comes from the top, where the company president is a fervent fitness advocate. Trek serves a wide range of workers with its wellness program, from employees who regularly participate in triathlons to those who lack interest in fitness or nutrition.

Wellness participation has grown from 21% of the workforce when Trek introduced HRAs and other wellness programs in 2005 to almost 100% in 2008 and 2009, when Trek began requiring employees who refused to participate in HRAs to pay COBRA rates for health coverage.

Schalow shared Trek Bicycle Corporation’s top tactics for building employee engagement:

- » **Lavatory learning** communication to provide information about activities and events.
- » **Daily fitness classes** offered on-site.
- » **Health Value Pricing**, or the “**Twinkie tax**,” which altered the cafeteria menu and vending machine contents to charge a penalty on unhealthy items and offer healthier alternatives at a lower cost (see box).
- » **Go By Bike Challenge**, which organized 210 of Trek’s 800 employees into 10-person teams to compete to earn rewards by replacing car trips with bicycle travel between Memorial Day and Labor Day in 2009.
- » **The Biggest Loser**, a 12-week program that organizes employees into teams to meet weekly and program challenges. Participants pay fees for some services provided as part of an intense fitness and nutrition regimen.

### Trek’s Twinkie Tax Examples

Items removed from the menu:

- » Jalapeno peppers
- » Biscuits and gravy
- » Potato beef casserole
- » Scalloped potatoes and ham
- » Chicken and dumplings

Items that were repriced:

- » Average salad is \$2.40, or half of the fair market value
- » Cheeseburger is \$3.50, a 50% price increase
- » Bottled water is \$1 while soda is \$1.50, a reversal of previous prices

## Health Coaching

Health coaching services can offer the “glue” to help employees stick with wellness programs, according to Donna Owens, vice president of Health Solutions Ltd.®, Sheboygan, Wis.

Owens noted that pairing HRA results with health coaching sessions can generate valuable information and personalized recommendations. Health coaching sessions can address health concerns, offer health information, and gain feedback from participants about programs and incentives.

Coaching differs from mentoring, consulting or teaching services because it leads employees to personal decision-making. “This really becomes the center of your program if done correctly,” Owens noted. Coaching can offer reinforcement and personal advice before, during and after wellness activities and events.

## Crafting the Right Messages

Learning Circle participants joined the discussion by identifying challenges and best practices for employer’s wellness efforts. Their contributions are captured in a **summary of the group discussion**.

As employers continue to explore methods for boosting employee engagement, the speakers seemed to agree their efforts will benefit from abandoning “one size fits all” approaches. As Villanueva noted, the key is to identify the actions that you want specific groups of employees to take, and then craft the wellness activities and communications that will motivate them to make the right response.