

SMART BUDGETING FOR EMPLOYEE WELLNESS



INTRODUCTION

So your organization is interested in taking advantage of the great benefits of employee wellness programs...

“How much?” will be the first question leadership will ask. To prepare you for that conversation, this eBook has your step-by-step guide for budgeting and winning support for an employee wellness program. Since no two worksites are the same, following the steps will allow you to create a customized budget, designed specifically for the employees at your organization.

Financial support is critical for wellness program success. Research shows that effective wellness programs can save \$3 to \$15 for every dollar invested. If you don't invest much, then you can't expect much of a return on investment from the program. Unfortunately many organizations end up being “penny wise and pound foolish” and fail to invest enough in their wellness programs. That being said, spending money recklessly will only lead to wasted dollars, and employee wellness programs do not need to be expensive.

The four main steps of the budgeting process for an employee wellness program include: (i) finding and establishing champions within your organization; (ii) assessing wellness options; (iii) prioritizing your *needs* and *wants*; and (iv) calculating the total costs and making sure it stays within your budget.



"An ounce of prevention is worth a pound of cure."

- Ben Franklin

4 STEPS TO SMART BUDGETING

Step I: Champion

Get the right people on-board to champion the wellness program. Support from the beginning is essential in building a successful program. Talk to your leadership and run ideas by them to get them involved and excited. Put together a wellness committee and have a top down support system throughout the organization to keep the momentum going and maintain an effective program over time. The wellness committee will be critical in identifying options and executing upon your wellness strategy.

Step II: Assess Options

Identify all the different possible components of an employee wellness program and the pros and cons of each. Organizations often make the mistake of creating a budget before a true assessment of opportunities is done. Don't put the cart before the horse! Good news is that the resources found herein will help expedite this process. You can also leverage your health plan and insurance broker for assistance.

Step III: Prioritize

Unless you have an unlimited budget, you won't be able to have it all. Even if you could have it all, a great wellness program is often times a simple one that focuses on the needs and wants of your employees. Understand what your employees are asking for and what makes the most sense for your culture. Make a list of must-haves, nice-to-haves, and things you can do without.

Step IV: Calculate

Do your research! Find out if there are free opportunities or low cost alternatives for what you're looking for. Part of answering the question of "how much" requires you to be able to back up recommendations to leadership and explain why you went with the option you chose and how that choice is best for your wellness program. You'll look like a rock star if your program components meet expectations within a very reasonable price range. Also, it will be significantly easier to get the final seal of approval to kick-off your program.



1 CHAMPION

All successful wellness cultures are championed by the leadership within a company. Employees seek guidance and support from their leaders, and their support is essential for a strong company wellness program. Work with your leadership to align the vision of the company with your program. For example, if your organization has offices in various locations and part of the vision is to have a unified company presence, then think of ways that a wellness program could help the different offices bond over a common goal.

Although senior leadership will help set the tone for wellness at the organization level, it's important to bring this down to the grassroots level of your company. Here is a guide for putting together a group that will spearhead these initiatives and bring them to the core of each department.



“Every successful individual knows that his or her achievement depends on a community of persons working together.”

- Paul Ryan

Wellness Committee

Wellness committees are important in that they create a sense of ownership in the program and facilitate various tasks involved in wellness programming at the workplace. The committee should be composed of a cross-section of employees representing various occupations, levels, and subgroups within the organization. A common mistake is filling the committee with the most health/fitness conscious people in the company. Make sure that your committee members have enough authority and autonomy to help run an effective wellness program.

The committee should meet at least once a month to review the previous month's activities and plan future ones. When the program is just starting, the committee may need to meet on a weekly basis until things get going. In general, the committee's duties fall into three areas: planning, promoting, and helping to run programs.

Planning

- Planning and organizing worksite-wide events such as wellness challenges
- Reviewing reports prepared by the program staff and making recommendations
- Designing a long-term strategy for wellness

Promoting

- Organizing promotional strategies using newsletters, signs, bulletin boards, computers, and other media available within the workplace
- Recruiting colleagues to engage in the program
- Encouraging workers to maintain their engagement in the program

Helping

- Setting up equipment for various activities
- Helping to conduct worksite-wide activities
- Monitoring and reviewing the performance of the professional staff
- Acting as wellness mentors to fellow employees

The size of the wellness committee will be dependent on the size of the organization. The following can be used as a guide for committee size:

COMPANY SIZE	WELLNESS COMMITTEE SIZE
Fewer than 300 employees	5 to 8
300 to 1,000 employees	8 to 12
1,000 employees or more	12+

2 ASSESS OPTIONS

Too often human resources can be overwhelmed with all the options available for an employee wellness program. An organizational understanding and assessment of these possibilities will help you appreciate the differences in various employee wellness programs and the pros and cons of each. Before you can even begin to put numbers together, first take a look at the possibilities.



Health Risk Assessments

A health risk assessment (HRA) is a health questionnaire, used to provide individuals with an evaluation of their health risks and quality of life. Most HRAs incorporate three key elements: (i) an extended questionnaire, (ii) a risk calculation or score, and (iii) some form of feedback. Often, the feedback is delivered through a one-on-one meeting with a health coach.

Cost Range

Cost typically depends on the vendor, type, and reporting structure chosen for your group. The majority of health risk assessment providers will charge between \$2 to \$15 per participant. This does not include the follow up coaching/programming so make sure you include additional costs to fund the initiatives enacted post-HRA. Also, many health plans offer free HRAs so check with your health insurance provider or broker to learn if this resource can be offered to your employees for free.

PROS	CONS
<ul style="list-style-type: none">• Employees receive assessment of health status• Employer receives assessment of population risk (assuming enough participation; be wary of extrapolation bias)	<ul style="list-style-type: none">• Data is self-reported, may be inaccurate or falsified• High participation often requires financial reward for completion• Limited value to employee if not coupled with coaching• Does not boost employee engagement

Employee Health Screenings

A biometric screening is a general health check that can identify any significant cardiovascular or nervous system problems. This health check provides several biometric measures, including, but not limited to, cholesterol/lipid profile, blood pressure; blood glucose, as well as a measurement of height, weight, and body mass index (BMI). *Note: There is a fair bit of debate on the [value of biometric screenings](#). The analysis below outlines the pro, cons, and costs associated with biometric screenings and does not weigh in on their efficacy.*

Cost Range

The cost of a biometric screening varies according to level of service provided by vendors and the total number of employees to be screened. Screenings typically cost between \$40 to \$70 per participant. Before choosing any on-site biometric screening vendor, be sure to look into the whole cost of the program. Unfortunately, some vendors tempt companies with low initial pricing, which does not include all of the costs. Incremental costs can include shipping of supplies, bilingual staff, travel reimbursement, and small site fees.

PROS	CONS
<ul style="list-style-type: none">• Employees receive assessment of health status• Employer receives assessment of population risk (assuming enough participation; be wary of extrapolation bias)• Screening administered by registered clinician (RN, etc.)	<ul style="list-style-type: none">• High participation often requires financial reward for completion• Limited value to employee if not coupled with coaching (best to deliver immediate feedback)• Potentially inaccurate feedback has financial and health risks• Does not boost employee engagement

Health Coaching

Health Coaching is a process that facilitates healthy behavior change by challenging a client to develop their inner wisdom, identify their values, and transform their goals into action. Health coaching draws on the principles from positive psychology and appreciative inquiry, and the practices of motivational interviewing and goal setting. Health coaching can be used for all employees or for a specific group of people who are found to be at “high-risk” (based on HRA or biometric screening data). Coaches vary in background and can include dietitians, exercise physiologists, nurses, and health education specialists.

Cost Range

Costs for health coaching vary based on the type of program chosen, duration, and number of participants. There are three common forms of coaching, including one-on-one, group, and executive level. Coaching can be delivered telephonically or in person and sessions range from 20 to 60 minutes. Group coaching should not exceed 12 people per session and is most affordable when provided telephonically. Pricing can be expected to be under \$250 per session per group. Individual telephonic coaching sessions typically start at \$100 but can vary based on program duration.

PROS	CONS
<ul style="list-style-type: none">• Personalized attention for employees• Focuses on behavior change and meaningful changes to health	<ul style="list-style-type: none">• Typically requires minimum six sessions to deliver any results• Does not scale as well as other wellness offerings• If multiple coaches utilized, employees' experiences will not be standardized

Health Fairs

A health fair is an educational and interactive event that is meant to be a fun and fresh way for employees to gain access to information and resources aimed at driving wellness in all aspects of life. Organizations will often plan this event during lunch or early morning to give employees an opportunity to take a break and attend. They consist of a variety of vendors and exhibitors that educate on all aspects of health, wellness, fitness, and lifestyle improvements. Some health fairs use the event as a opportunity to also deliver biometric screenings.

Free resource: [How-To Guide For Health Fairs](#)

Cost Range

Great news! Many vendors will [freely attend](#) and bring goodies. These vendors are gyms, local juice stores, chiropractic facilities, etc. Check with your health plan or insurance broker for a list of local vendors that actively participate in employee health fairs. Some premium vendors will charge a fee, which vary based on their service. If you plan to have food or other employee perks, such as a massage chairs, your budget for the event will have to increase.

PROS	CONS
<ul style="list-style-type: none">• High participation rates if properly communicated• Opportunity for employees to interact outside the context of work• Can select vendors based on employee interest	<ul style="list-style-type: none">• Can require significant planning to organize vendors, setup, etc.• Only available to employees that work at the location of the health fair

Health And Wellness Classes

Health and wellness classes can offer a wide variety of fun and interesting ways for employees to get healthy. Employers can offer anything from yoga to cooking classes to lunch-and-learn seminars about managing stress. Employers can also provide on-going programs that last from 4 to 8 weeks. These health and wellness classes allow participants to better understand and engage in improving their health.

Cost Range

Classes range significantly based on the type and duration of class. Group sessions can start as low as \$50 and go as high as \$500+. Bundling classes is great way to lower per class costs. Also, seeking free or low cost classes through your health plan or another provider is a great way to limit spending. For example, many organizations give free financial wellness lunch and learn seminars so the costs of that program could be limited to the food.

PROS	CONS
<ul style="list-style-type: none">• Fun and diverse opportunities for education and engagement• Single sessions allow for easy planning	<ul style="list-style-type: none">• Scheduling may be after business hours• Only available to employees that work at the location of the session• Limits on class size and participation

Wellness Challenges

The purpose of wellness challenges is to encourage better lifestyle behaviors through healthy competition among colleagues. Challenges can include physical activity, nutrition, and more. Challenges are successful when a supportive, positive climate of fun and camaraderie help people adopt or maintain a healthy way of living. To participate in the challenge, employees track their healthy behaviors and earn points that feed into an individual or team leaderboard. Employers can keep the challenges fun and fresh by switching up the focus (physical activity, nutrition, etc.) as well as changing up teams.

Cost Range

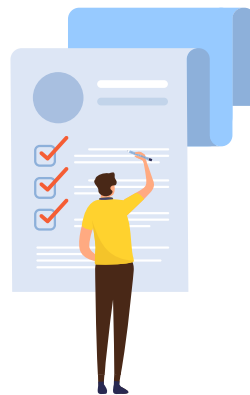
Many employers launch wellness challenges for what seems like a very low cost. Beware of this trap because the logging of activities and administration of challenges have [hidden costs](#). The good news is that you can find a wellness challenge platform for as low as \$10 per active employee. More expensive platforms can go as high as \$100 per active employee.

PROS	CONS
<ul style="list-style-type: none">• Builds community and drives employee engagement• Everyone does not need to receive a reward to encourage participation• Focuses on healthy lifestyle and behavior change	<ul style="list-style-type: none">• Management of program can be difficult• Does not incorporate clinical information like biometric screenings

3 PRIORITIZE

Easing into a wellness program is the best way for an organization to get started. Taking on too much at once will overwhelm human resources and the wellness committee. Company cultures vary so surveys can be very helpful in figuring out what employees want so you can prioritize programs and make the most of your budget. Here is an [employee wellness interest survey starter kit](#) to help you get started. Between the survey and wellness committee, you should be able to gather information and be able to review options in Step II.

Another reason to start small and grow from there is that it will allow you to learn from the launch of your program. Feedback during and after your initial program will help empower your decisions going forward. As you prioritize your wellness wants, make sure to incorporate flexibility in you plans. In short, your wellness wish list will not be written in stone so feel free to make adjustments as your learn from the growth of your program.



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4 CALCULATE

After you prioritize your list, you can calculate how to best use your budget and/or propose a budget to management. The key to this process is to be creative and appreciate the value of quality over quantity. Be creative in how you can lower costs by using free or low-cost resources. A great way to incorporate low cost resources will be in your rewards allocation. Gift cards and prizes can add up quickly so think about ways to incentivize employees with cheaper options – [here is something to get you started](#).

In regard to quality over quantity, remember that the brand your wellness program has internally is very important. Having several decent programs will have a weaker brand internally compared to one great program. A stronger brand will help with launching future programs and improve engagement long-term. It will foster a stronger culture of wellness, which will help you create a sustainable program. Get the most for your budget but don't spread it too thin.



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ABOUT WELLABLE

Wellable operates next-generation wellness challenges and health content technology platforms and complements these solutions with on-site services, such as fitness classes, seminars, health coaching, and more.

The technology's flexibility allows organizations to customize and configure a program to meet their needs and objectives while providing a rich experience for end users. Wellable works with employers and health plans of all sizes across the world, with active users in more than 23 different countries.

Visit us online at www.wellable.co and follow us on social media!

