

Rethinking Corporate Wellness: Why Active Design and Tech May Be the Best Place to Start



The traditional office as we know it is obsolete.

Factors such as smart technology, demographic shifts, the increasing popularity of collaborative spaces and a push for more sustainability have forever changed how and where we work. One of the strongest catalysts for change, one that has bridged a gap between personal life and work life, has been the rise of corporate health and wellness initiativesⁱ. Mobile devices and wellness tracking have become popular among millions of consumersⁱⁱ, and millennials, who will make up nearly 50 percent of the workforce in 2020, want employers to be involved in their well-being more than any other generation in historyⁱⁱⁱ.

Companies are shifting their cultures and redesigning their workplaces to accommodate these global trends, but they are also looking to eliminate high healthcare costs. One study found that approximately 67% of employers identified their employees' poor health habits as one of their top three challenges to maintaining affordable health coverage^{iv}.

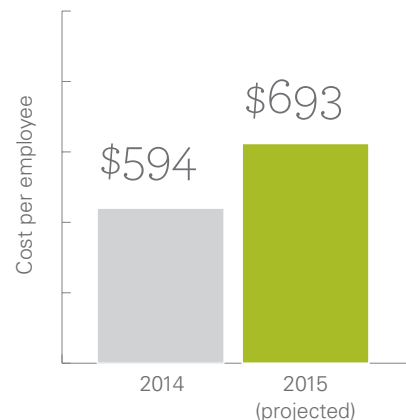
Through the implementation of successful wellness programs, employers in the United States not only stand to benefit from a healthier, happier and more productive workforce, but they will be eligible for Affordable Care Act incentives. Under the new law, businesses are rewarded for organizational wellness programs and related healthy activities^v.

This white paper explores some of the effects arising from the push for corporate wellness programs, which have become a global trend, and why companies who wish to foster a culture of well-being may be more successful focusing on active design and integrated technology instead of one-size-fits-all fitness and nutrition initiatives.

A LONG WAY TO GO

In 2014, corporate employers spent an average of \$594 per employee on wellness-based incentives^{vi}. Spending was expected to increase to \$693 per employee in 2015^{vii}. It is no surprise that corporate wellness has grown into an \$8 billion industry^{viii}, but organizations still have work ahead in order to build long-lasting, successful programs. While surveys and trends are indicating that employees, millennials and corporate leaders look favorably upon the concept of workplace wellness, the results of actual programs are mixed.

AVERAGE CORPORATE
SPENDING ON WELLNESS-
BASED INCENTIVES



Some reports indicate that company health and wellness initiatives lead to unnecessary stress. As an example, Swedish trucking manufacturer, Scania, has rolled out an extensive wellness program that includes smoking cessation assistance, biometric screenings, and fitness challenges^{ix}. The programs are intended to benefit employees both at work and at home, but workers have reported feeling increased pressure to stay healthy and look fit. In addition to concerns about conforming to some sort of healthy "standard,"

some employees are uncomfortable blurring the lines between personal fitness time and work. One recent article^x from Bloomberg News explored the awkwardness of swapping office etiquette for gym etiquette when employees workout together.

Factors like these may be contributing to low levels of employee participation. A 2014 Gallop study^{xi} showed that of companies with 1,000 employees or more, only 40% participate in company wellness activities. Another report said 50% of employees take part in health-risk appraisals, but only 10% to 20% engage in lifestyle change and disease management activities^{xii}.

PARTICIPATE IN COMPANY WELLNESS ACTIVITIES



TAKE PART IN HEALTH-RISK APPRAISALS



ENGAGE IN LIFESTYLE CHANGE



Why is there such a disconnect between leadership and reality? Companies may not have measures in place to successfully evaluate the effectiveness of their own programs. A study from RAND found that while the majority of employers they interviewed felt confident their programs were having a positive impact, only half stated they had formally evaluated the results.^{xiii} The same study found that while participation in wellness programs over a five-year period did appear to lower annual healthcare costs, the amount was so minimal that it was not statistically significant.

Organizations may have good intentions, but research is showing that the blueprint for a successful, company-wide health and wellness program—with significant participation rates and return on investment—is still evolving.

FOSTER A CULTURE OF WELLNESS THROUGH ACTIVE DESIGN

The functionality, aesthetics and acoustics of a space are viewed as critical to employee and team performance^{xiv}. Thanks to the arrival of the International WELL Building Standard in 2014^{xv}, space design is also seen as essential to keeping workers healthy. Research has shown that when employees simply see their employer take an active and positive stand for employee health, safety, and wellness, they are more likely to report higher levels of job satisfaction and demonstrate higher commitment levels^{xvi}. Design—more specifically, active design—can be a smart place for companies to start.

Turning a workplace into an active workplace involves finding work tools that adjust to the user, promote spontaneous movement and counter the negative effects of sedentary behavior. The active workspace encourages balance, so workers can build more activity into their daily routine for long-term health. Giving employees a way to increase small movements throughout the workday has been shown to improve energy and productivity while lowering feelings of tension and depression.^{xvii}

Humans spend approximately 55% of their waking hours in the workplace

Starting with active tools like standing or treadmill desks can be a less intimidating and an easy-to-implement wellness initiative that gives users autonomy over when and how they get active. Recent research shows that standing desks can improve health and contribute to significant psychological benefits, and Gensler found that choice is a huge factor in terms of employee satisfaction^{xix}.

Humans spend approximately 55% of their waking hours in the workplace^{xx}, so tools that help them feel better while in the office may also lead to significant benefits outside the office—which is very important to the newest workforce generation.

THE IMPACT OF MILLENIALS AND TECHNOLOGY

Many critics have dismissed millennials as entitled, lazy, and narcissistic, but they have entered the workforce over-educated and in the midst of two of the worst recessions in recent history^{xxi}. As a result, their concepts of health and wealth differ greatly from generations before them.

According to Karen Marlo, Vice President of the National Business Group on Health, “employees are increasingly defining well-being to include physical, emotional, financial, and social health, and they will expect their employers to support them in their efforts to be healthy^{xxii}.” This presents a unique shift from generations before who saw the workplace as place of productivity that allowed them to support a life away from work.

Marlo continued by saying, “employers have a unique opportunity to engage and motivate the millennial generation and they are likely to get the strongest results by demonstrating the benefits of establishing healthy habits and behaviors.”^{xxiii}

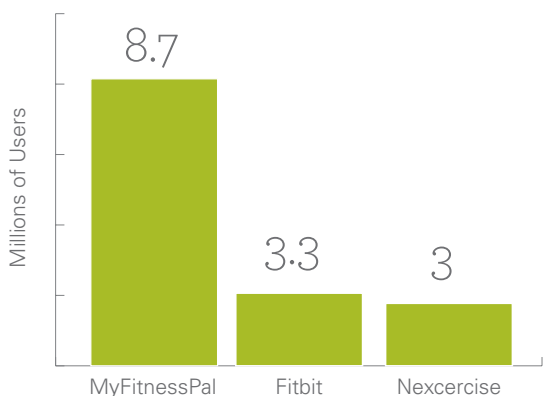
There are three key pieces to understanding the motivations of millennials at work^{xxiv}:

- 1. Millennials are often wrongly labeled as lazy.** This may be a simple reflection of the generation’s comfort level with technology. Having grown up with Google and GPS enabled smartphones, they’re used to having to finding the answers quickly and simply. It’s a new twist on working smarter, not harder.
- 2. Millennials grew up with instant gratification that older generations didn’t have.** Overall, many people want the immediacy of chat or email, rather than waiting to discuss briefly in person. Companies are encouraged to create policies, or environments, which make face-to-face communication as simple as opening up a chat window, or allow for the privacy of chat window just the same.
- 3. According to Aon Hewitt, more than half of millennials (55%) report their motivation for exercise is “to look good”** and not as much to “avoid illness”. Employers should tailor their strategy and communications to show how poor health can impact an individual’s energy and/or appearance.

While millennials are reshaping the workforce with their desire for holistic well-being and their voracious use of technology, millions of consumers are discovering the power of technology in their quest to lead a healthier life.

Digital applications, like Calorie Counter & Diet Tracker by MyFitnessPal, Fitbit, and Nexercise have 8.7 million, 3.3 million and 3 million users respectively. The biggest feature on the apps, besides tracking fitness, is the social aspect. A Nielsen survey^{xxv} found that 47% percent of consumers said their family and friends were the most helpful for staying motivated. For many, being able to share daily updates to social media or via text is almost as important as the tracking itself.

DIGITAL FITNESS, CALORIE COUNTER & DIET TRACKERS



In short, companies could benefit from even more engagement and interest in wellness initiatives by integrating technology into their active designs and giving employees the option of merging their at-work wellness data with the data they have collected in their personal time. Furthermore, by seeking out methods of attaching smart technology to active office tools, organizations could leverage associated data insights^{xxvi} to make more informed decisions about their wellness programs and other areas, such as design and facilities management.

CONCLUSION

Now more than ever, health and wellness is at the forefront of corporate strategy. Starting with active design and related tools could be a more effective, organic method of engaging a diverse workforce in well-being initiatives. Coupling this strategy with the latest technology may propel usage rates even further and will give companies access to valuable data insights—insights that will help optimize space design and will truly help to create a happy, healthy and productive workplace.

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