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THE ROADMAP TO  
**TRUE  
POTENTIAL**

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# BEYOND WELLNESS TO TRUE POTENTIAL

Wellness programs are out. Wellbeing strategies are in.

It's time for a new approach that goes beyond wellness to help individuals excel in every facet of their lives: physically, emotionally, socially and financially.

Something isn't right. As a country, we are getting sicker everyday. Productivity is on the decline, and most employees report not being engaged while on the clock. Relentless increases in healthcare costs are crippling organizations, and the future promises more of the same. We are quickly reaching a crossroads where the cost of healthcare and the impact of lost productivity will cause irreparable damage to organizations of all sizes.

To address this challenge, companies have relied heavily on worksite wellness programs, with high hopes of improving the health and reducing the cost of their populations. The problem is that many of these wellness programs were poorly constructed and inconsistently delivered. As more vendors poured into the space, the quality of services offered began to vary widely and choosing an effective partner became more and more challenging for employers. Even the higher quality programs available were limited in their impact because they focused only on physical health problems instead of fueling the whole person.

The bottom line is this:

Traditional approaches to wellness have not delivered on the promise of reduced cost and improved productivity. So it's time to go beyond wellness to true potential.

# What is **TRUE POTENTIAL?**



True potential occurs when individuals are exceling in every facet of their lives: physically, emotionally, socially, and when an organization is experiencing higher performance, organizational trustworthiness and employee engagement.

Reaching true potential is marked by:

- ✓ **Individuals who are thriving, contributing, connecting and learning.**
- ✓ **Lower healthcare costs and improved productivity.**
- ✓ **A culture built on trust where people do their best work.**

True potential isn't about managing someone's health or changing behaviors. It's about creating opportunities for individuals to live their best lives and do their best work. It's about establishing a fresh perspective,

shaping a trustworthy culture and nurturing healthy habits. This approach requires us to reevaluate everything we have come to accept with the status quo and to move beyond it.

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Setting the Mark:

# A NEW STANDARD IS NEEDED TO MEASURE TRUE POTENTIAL

Too often, vendors create their own metrics for demonstrating ROI, based on their specific strengths or self-generated formulas that don't hold up to intense scrutiny. This has created a lot of noise and eroded the credibility of outcomes generated by traditional wellness programs. Measuring ROI has been a huge debate and an enormous distraction for decades. In the new model, we must set our sights on a meaningful method to measure progress toward true potential, one that can be an accurate and credible barometer of value.

Where do we find such a standard? Thanks to foundational research by the University of Michigan, which spans 40 years and 4 million healthcare claims, we have the answer. Through this research, the University identified 15 benchmark risks in physical,

emotional, social and financial wellbeing that most directly impact healthcare costs and productivity. These risks are listed on the next page.

This set of benchmark wellbeing risks is the gold standard when gauging the effectiveness of wellbeing strategies aimed at fueling true potential. These benchmark wellbeing risks are the set of factors that most directly affect the bottom line and the wellbeing of a population, the factors that make the difference between reaching true potential and falling short of it. By using this scientifically-valid standard to measure and evaluate your efforts, you can hold vendors and partners accountable for delivering and demonstrating results and have confidence that you are receiving a return on your investment of time and money.

## PHYSICAL

- Blood Pressure
- HDL Cholesterol
- BMI
- Total Cholesterol
- Existing Medical Conditions
- Excess Sick Days
- Physical Activity

## SOCIAL

- Smoking
- Alcohol Use
- Seatbelt Usage

## EMOTIONAL

- Stress
- Life Satisfaction
- Job Satisfaction
- Perception of Health
- Medication for Relaxation

## FINANCIAL

85% of people are stressed about their finances

Financial wellbeing directly impacts physical, emotional and social health risks

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# How to Reach Your True Potential: **SETTING A WELLBEING STRATEGY**

To recap: a new approach is required. True potential is the goal. And success can be measured by reducing benchmark wellbeing risks. But how do we get there? By pushing beyond wellness and setting aside outdated approaches that no longer take us far enough to achieve success. There is a big difference between wellness and wellbeing. There is also a big difference between administering a program and implementing a strategy. Committing to an evidence-based, scientifically-valid approach is critical.



## **INTERPRET**

Complete a thorough wellbeing assessment of your population to create a baseline for building smart solutions. Using the benchmark wellbeing risks as your gold standard, you can identify your biggest opportunities for improvement.



## **STRATEGIZE**

Based on your wellbeing assessment, set a long-term plan to reach true potential. Your sights should be set on a 25 percent reduction in benchmark wellbeing risks. This will require a three-year strategic plan geared specifically toward addressing these risks.



## **ENGAGE**

Motivate individuals to make progress on their journey to true potential and surround them with tools for improving physical, emotional, social and financial wellbeing. Your goal should be to drive participation of at least 80 percent to achieve your desired results.



## **MEASURE**

Leverage robust reporting to measure the success of your wellbeing strategy, ensure progress toward your goals and establish accountability for creating value. Make sure you have a clear picture of benchmark wellbeing risk reduction and its impact on medical costs and productivity. Be sure that you know if your goals are being met and how you can improve.

Let's examine three key examples of how to transition from old to new thinking so that you can reach true potential with your population...

# 01

## Focusing Only on Physical Problems is Out, **FUELING THE WHOLE PERSON IS IN**

Remember, true potential occurs when individuals are excelling in every facet of their lives: physically, emotionally, socially and financially. Traditional approaches focus only on physical problems and fail to comprehensively address the four interconnected domains of wellbeing. To reach true potential, you must go beyond the physical to a balanced approach that includes the the four domains below.

Obviously, we can't lose our focus on critical health concerns such as diabetes, obesity and heart disease, but these physical risks are only part of the picture. Even more importantly, the other three domains of wellbeing (emotional, social and financial) directly impact an individual's physical wellbeing. A strategy that only addresses the physical is doomed from the start. It won't produce the results needed to reach true potential.



### **PHYSICAL** WELLBEING

Tackling specific issues that are sapping productivity and spiking healthcare costs



### **EMOTIONAL** WELLBEING

From job and life satisfaction to managing stress, focusing on helping individuals with mindfulness and emotional intelligence



### **SOCIAL** WELLBEING

Building a culture of trustworthiness, making connections and strengthening relationships.



### **FINANCIAL** WELLBEING

Improving financial confidence by tackling topics such as budgeting, bank accounts, student loans, credit cards and retirement.

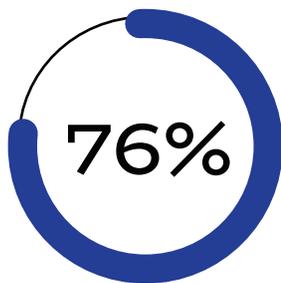
# 02

## Creating a Culture of Health is Out, SHAPING ORGANIZATIONAL TRUSTWORTHINESS IS IN

There was a time when companies believed creating a culture of health was the ticket to higher performance. They began offering healthy snacks in vending machines and plastering their offices with motivational posters. While these actions are positive steps, we have to push further to achieve true potential. To create a place where people do their best work, you have to foster a state of personal wellbeing in individuals and establish organizational trustworthiness, both among

individuals and teams, as well as with overall leadership. According to author and research Paul Zak, “By fostering organizational trust, you can increase employees’ productivity and energy levels, improve collaboration and cultivate a happier, more loyal workforce.” In his book, Trust Factor, Zak shares the extraordinary value of trust as a driver of high-performing organizations.

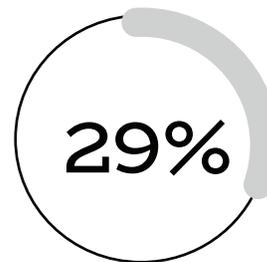
Consider these statistics from Zak’s research: Compared to people at low-trust companies, people at high-trust companies report



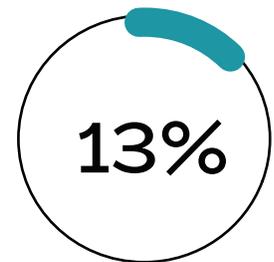
More Engagement



Less Stress



Greater Life Satisfaction



Fewer Sick Days

Your wellbeing strategy should squarely contribute to the overall trustworthiness of your organization. It should enable an environment where individuals are connecting in new ways, coming together for common goals and engaging in healthier habits. It should be an

environment where individuals take accountability for their own wellbeing and start making daily choices that positively improve their lives and their ability to do great work.



## Incentives are Out, **REWARD PROGRAMS ARE IN**

Incentives once were considered the silver bullet for driving participation and engagement in initiatives aimed at improving health. However, incentives have a negative connotation with many consumers and are more commonly viewed as punitive measures if a certain activity isn't completed, instead of positively reinforcing healthy behaviors. Many programs have allowed participants to self-report activity to collect on incentives, without any verification that they had fulfilled the requirements of the incentive. This reinforced poor habits instead of nurturing healthy ones.

Rewarding individuals for taking steps toward improving their wellbeing can be highly impactful, as long as it is strategic. Much can be learned from reward programs

developed and deployed by major consumer brands to encourage transactions for everything from hotel rooms to airline tickets. The way these big brands maintain the loyalty of their customers and strategically drive specific buying habits over time increases the value and deepens the relationship they have with each individual. The same approach must be applied if we are to help individuals reach their true potential.

Instead of blindly dishing out gift cards or “lump sum” incentives for one specific action (i.e. completing a screening), we need a more scientific approach that drives high levels of participation while delivering rewards that positively influence the development of healthy habits across the benchmark wellbeing risks.

The strategy must answer the following questions:

- ✓ **What are the rewards being used?**
- ✓ **How frequently are rewards granted?**
- ✓ **How much value does each reward carry?**
- ✓ **What mix of activities and/or outcomes are being rewarded, and why?**
- ✓ **How are rewards verified to confirm specific behaviors and actions have occurred?**

Ultimately, the goal of a reward program is for every individual in a population to have a sense of personal wellbeing. When healthy habits have been nurtured long enough to take root, individuals start to make healthier decisions above and beyond the activities that are rewarded. It becomes a way of life. They might

choose to park further from the front door to get extra steps, to have one beer instead of two after work, or to pause and do a breathing exercise to improve their mindfulness and reduce stress. You don't get there by randomly awarding t-shirts. You get there through a scientific approach.

# The Power of TRUE POTENTIAL

What does true potential really look like at the end of the day? What type of value is created for an organization?

The chart below depicts results from an organization that designed a wellbeing strategy specifically to reduce benchmark wellbeing risks. In their baseline

year, this organization averaged 2 risks per participant. For illustration purposes, if this company had 1,000 employees, then overall they would have 2,000 total benchmark risks across their population. Three years later, their average risks per participant was 1.5, leaving the organization with 1,500 wellbeing risks. This was a reduction of 25 percent.

	Baseline (2014)	2015	2016	2017
Average Risks Per Participant	2.0	1.8	1.6	1.5
Risk Reduction Percentage	-	10%	20%	25%
Participation Percentage	74.2%	88.3%	96.4%	98%
Average Age	48	48	48	49

Examining the same strategic approach across multiple industries, The chart below highlights impact across manufacturing, municipalities and medical groups that mirrors the results demonstrated in our first example.

	Baseline	Year 1	Year 2	Year 3
Manufacturing Organization	2.4	1.9	1.9	1.8
Municipality	2.0	1.8	1.7	1.5
Medical Group	1.8	1.7	1.6	1.4

The value of reaching true potential by reducing benchmark wellbeing risks is significant. Combining data from leading organizations, such as the American Diabetes Association and the American Heart Association, with a multi-year, proprietary analysis of healthcare claims, we conservatively estimate that the average annual cost for each benchmark wellbeing risk approaches two thousand dollars in medical costs alone. When you factor in lost productivity from presenteeism, absenteeism and workers compensation, the total cost of a benchmark risk goes up by a multiple of four. Reducing benchmark wellbeing risks has a dramatic impact on the bottom line.

Let's take it a step further, though. In addition to the cost decreases and productivity gains that can be

generated by reducing benchmark wellbeing risks, consider what happens if an organization does nothing to impact them.

Our company conducted an analysis to document the difference in costs for individuals participating in improving their wellbeing with those who are not taking part in the support being offered to them. We found that over the course of three years, non-participants cost twice as much as those actively engaged in improving their wellbeing. The chart below shows the growing delta between these two groups. At the onset of this study, non-participants were costing this company 25 percent more than the participant group. Three years later, non-participants experienced an 80 percent increase in costs compared to participants.



## Are You Ready?

To thrive today, organizations must be trustworthy while nurturing a culture where people do their best work. There is no shortcut to true potential, but CHC has a proven roadmap to reduce benchmark wellbeing risks. If you are ready to go beyond wellness to true potential, we would love to share our secrets, set a strategy and help you shape your culture. Let's get started!

# WHY CHC WELLBEING?

We go beyond wellness to true potential. We help individuals excel in every facet of their lives. Our belief is that everyone has a right to thrive.



Our focus is on benchmark risks for physical, emotional, social and financial wellbeing



We reduce these benchmark wellbeing risks by

**25%**



The reduced risks directly impact cost and productivity



We shape a culture of organizational trustworthiness and embed a state of personal wellbeing