

WHITEPAPER

# How to build a business case for wellbeing

The results are in. The evidence is clear. The doubters are silenced. It's a scientific fact that workplace wellbeing programmes aren't a 'nice-to-have' employee perk but a 'must-have' employer strategy.

Next step? Presenting the business case. One that conveys the urgent need for your new initiative, that'll get heads nodding and drive intrigue and excitement.

### **The wellbeing business case involves four key steps:**

- 1. Cancel the case for doing nothing.**
- 2. Uncover wellbeing's real ROI.**
- 3. Turn the page on traditional programmes.**
- 4. Focus on driving change, not just raising awareness.**





01

HOW TO BUILD A BUSINESS CASE FOR WELLBEING

# Cancel the case for doing nothing

**There's never been a more critical time to invest in employee health and wellbeing.**

Most senior leaders are already aware of this, but by highlighting some areas below it'll help drive urgency and open up their eyes to why the budget requested is needed.

## The urgent need to address employee health and wellbeing:

- **Chronic disease rates are through the roof:**  
1 in 3 people worldwide suffer from a multiple chronic diseases<sup>1</sup> and employers are feeling the effects. Whether it's the disease or risk factors - obesity, smoking, high blood pressure, physical inactivity - more and more employees are taking leave of absence to address their health and it's costing employers - up to \$36.4 billion in the US alone<sup>2</sup>.
- **High absenteeism and presenteeism is impacting productivity:**  
A recent survey showed that 30% of employees are taking sick leave for mental health reasons<sup>3</sup>. Together with the





impact of the pandemic on physical health, organisations are being hit by productivity losses across the board. So better employee health, less sick leave. Sounds like an obvious cost-cutter, right? Maybe to you but senior leaders will want to see the numbers. So, take out the calculator and see how much absenteeism and workplace injury is costing your organisation. Do all your staff actually put in their sick leave? Or will you need to account for some discrepancies in the data. Once you've worked this out, you'll be one step closer to presenting that business case.

- **Employees are more disengaged than ever:**

It's a worldwide issue - data shows that 85% of employees are not engaged in their job.<sup>4</sup> Yet, among who are inspired by their company culture to make healthy choices, 80% are engaged, citing satisfaction with their work, team members, manager and benefits.

- **The Great Resignation:**

Employee turnover has a hit a new high since the onset of the pandemic as masses of people change jobs or even careers. Actually the phenomena is so massive, it's been coined 'The Great Resignation'. But even prior to this, a company was already four times more likely to experience a loss in talented workers if employees were not satisfied with wellness promotion.<sup>5</sup> Translated into dollars, the cost of turnover and replacement has been cited as anywhere from 21% to 150% of an employee's salary, based on skills, experience, and industry.

- **The mental health epidemic:** Uncertainty. Isolation. Stress. It's no wonder 1 in 4 adults worldwide have reported depression or anxiety during the pandemic. And employers around the world are feeling the effects with productivity and performance taking a hit. The cost of mental health related absenteeism cost the UK alone £14 billion in 2020!<sup>3</sup>

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A company is four times more likely to experience a loss in talented workers in the next year if employees are not satisfied with wellness.

— Independence Blue Cross,  
Preventative Health and Wellness  
Department



02

HOW TO BUILD A BUSINESS CASE FOR WELLBEING

# Uncover wellbeing's real ROI

## Getting buy-in for wellbeing programmes requires laying out a case for results — highlighting the return on investment (ROI).

- **Recognition as an employer of choice:**

Employees/prospective employees are more likely to stay with/seek an employer that promotes wellbeing; 64% of workers who are satisfied with health promotion say they plan to stay a minimum of five years at their company.<sup>6</sup> This percentage holds even greater value when faced with data that turnover-related costs represent more than 12% of pretax earnings for the average company, loosely translated into \$180 million for a Fortune 500 company.<sup>7</sup>

When health and wellbeing are actively promoted, companies are 2.5 times more likely to be viewed as a top performing organisation<sup>8</sup> — and, in fact, are top performers: More than 40% of the companies listed among Fortune magazine's "America's 100 Best Companies to Work For" also appear on the Fortune 500.<sup>9</sup>

- **Happier, more productive and profitable employees:**

Regardless of your business model (public, private, non-profit), your people power your business. To do that in the most efficient and effective way, you need them showing up for work healthy, engaged, productive, driven and satisfied. Employee satisfaction, behaviour and turnover in a given year all can be used to predict the following year's profitability, and also have a strong correlation to customer satisfaction.<sup>10</sup>

- **Better integration with other corporate priorities.**

When done the right way, wellbeing programmes can seamlessly go hand in hand with other business initiatives. For instance, workplace safety through injury-prevention and ergonomic programmes. Both wellbeing and ergonomic initiatives are linked to lower injury rates, absenteeism/presenteeism, and workers' compensation, plus higher productivity and morale. Investing in wellbeing can naturally flow into positive gains for similar employee priorities.



- **Increased collaboration and innovation:**

There's never been a more urgent time to connect employees. With remote working the norm, it's critical employers find a solution to bring their teams and people together, wherever they are. That's where a [digital wellbeing programme](#) with a team-focus can help - to ignite banter, boost culture and unite employees.

In short, everyone — whether current employees or prospective ones, managers or executives — can be engaged and energised about being part of a company they believe is doing the right thing for the right reasons. That energy becomes embedded in company culture in ways that pay off on the balance sheet.



The ROI & VOI of healthy employees

GET THE TOOLKIT



03

HOW TO BUILD A BUSINESS CASE FOR WELLBEING

## Turn the page on traditional wellness programmes

**Gone are the days of the office fruit box delivery, gym memberships and the occasional company fun run. Re-imagine the way you deliver wellbeing.**

### ▪ **Go Digital**

A digital age calls for a digital solution. One that reaches and connects your employees wherever they are. One that leverages AI technology to address personal employee health and wellbeing needs. And one that drives the measurable business outcomes for your organisation.

### ▪ **Instill long-term lifestyle changes**

- Organisations are realising that a once-off meditation or yoga class won't go very far when it comes to instilling long-term healthy lifestyle changes. You can Break down the wellbeing journey into small, yet significant goals.
- Let people choose goals that are meaningful to them.
- Reward people for reaching their goals.
- Create a community that recognises and celebrates success.
- Help people revise and refocus if they lose steam along the way.



# 04

## HOW TO BUILD A BUSINESS CASE FOR WELLBEING

# Focus on driving change, not just raising awareness

Engaging a wellbeing solution like [Virgin Pulse](#) that supports your employees in making small changes that add up to healthy lifestyles.

- **Wearable health technology** In 26 studies involving more than 2,700 participants, users with fitness trackers increased their physical activity by 26.9%, reduced their body mass index, and lowered their blood pressure.<sup>11</sup> A device is a great trigger—a reminder to maintain your habit and do more when possible.
- **Sleep and food journals** In a study of 1,700 people, those who kept a food diary for six months lost twice as much weight as those who didn't.<sup>12</sup>
- **Mindful meditation to connect brain and body, enhance performance, and reduce stress.** Meditation has been shown to reduce anxiety and stress, increase memory, and improve attention.<sup>13</sup>
- **Company-sponsored volunteer events to strengthen a sense of community and connectedness beyond the workplace.** Volunteers show lower mortality rates, greater functional ability, and lower rates of depression than people who don't volunteer.<sup>14</sup>

There are meaningful and measurable goals for employees (steps taken, hours slept, calories eaten/burned, hours volunteered, and more) when using holistic metrics. HR managers can and should build their wellbeing plans around those goals and their accompanying metrics, because there is broad and sustainable value that can be found in these holistic areas. ROI will appeal to CEOs if they can see how it affects their bottom line.





## HOW TO BUILD A BUSINESS CASE FOR WELLBEING

# Vouching for value: how wellbeing investments make a difference



**By Tom Sondergeld**

*Tom Sondergeld is the Senior Director of Benefits and Wellbeing at Walgreen Co., where his primary responsibility is to direct and coordinate the health care and wellness activities at Walgreens for all 240,000+ team members and dependents*

If I only had five minutes to make my case to a company CEO about the importance of investing in employee wellbeing, I would say the wellbeing of any workforce has been tied directly and indirectly to its revenue. But apart from that, we invest not necessarily to show ROI or to save money in the near-term, but to give our employees tools and resources to make smart, healthy decisions, which in turn adds value to the company and increases employee retention. When I look at employees holistically (overall health, nutrition, energy, focus, productivity) I can clearly see ROI in investing in wellbeing programmes.

**Discover how investing in wellbeing transformed these organisations:**

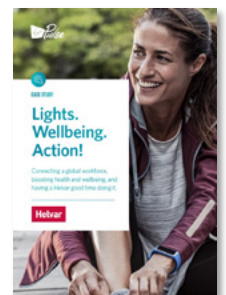
### SEQRUS



### H1 SYSTEMS



### HELVAR



[Get in touch to learn more how Virgin Pulse can help you build your business case.](#)

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