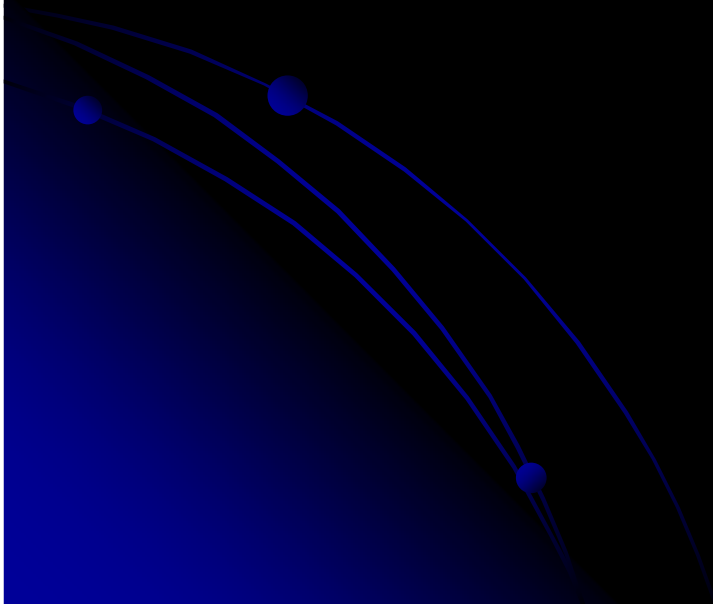


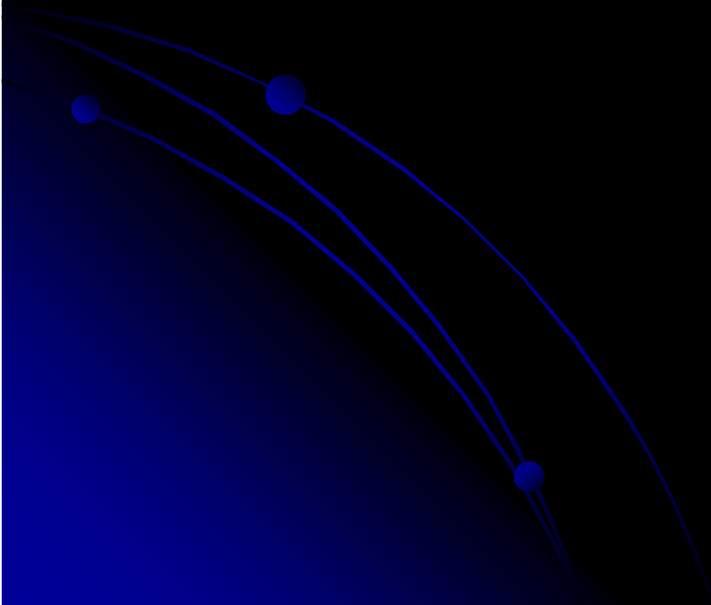
Employer Engagement in Employee Lifestyle and Health Risk Management

Dr Kim Margaret Hobbs
Director of Global Well Being Services and Health Benefits
IBM Asia Pacific
August 2006



Content

- Corporate Policy, framework , strategy
- Program
- Results and outcomes





Policy
Framework
Strategy

Policy Example :

Responsibility for employee well-being and product safety

Policy Letter

Number: 127H
Date: June 20, 2001

Subject: Responsibility for employee well-being and product safety

IBM has a long tradition of excellence in employee well-being and product safety. The importance we place in these efforts demonstrates our commitment to employees, customers and business partners.

Corporate strategies, instructions, and procedures must support our commitment to employee well-being and product safety. Each of us, manager and employee alike, shares a personal responsibility for the following objectives:

- **Provide a safe and healthful workplace for our employees.**
- Provide products that are safe for use by our customers and employees.
- Meet applicable legal requirements and voluntary practices to which we subscribe where we operate and sell products.
- **Incorporate employee well-being and product safety requirements in business strategies, plans, reviews, and product offerings.**
- Implement, measure, and continually strive to improve well-being processes for preventing work-related accidents, injuries and illnesses.
- Foster employee involvement and provide appropriate well-being education to employees to enhance their ability to work safely and productively.
- Perform audits and self-assessments of our conformance with employee well-being and product safety requirements with results reported to senior executive management.
- Investigate and address work-related and product safety incidents.
- Provide appropriate resources to fulfil these objectives.

Our support for well-being through prevention is vital to our innovation, productivity, and morale. We have realized enormous dividends through customer and employee confidence in the safety of our products and our workplaces. The IBM Company expects nothing less in our efforts than the excellence we have attained in these areas.

Original signed by:
J. Randall MacDonald
Senior Vice President, Human Resources

Corporate Instruction HR 110: IBM Employee Wellbeing (Extract)

Purpose:

The health and well-being of IBM employees is a fundamental line management and employee responsibility. This responsibility includes complying with IBM and regulatory requirements and identifying, assessing and controlling well-being risks. Our support for healthy work environments and improved health through prevention is vital to our innovation and productivity.

IBM intends to be recognized for a work environment that promotes employee well-being and strives for continuous improvement.

This Instruction is based on the foundation set by Corporate Policy 127 and provides additional worldwide direction for IBM's Well-Being Management System and supporting requirements and programs.

Instruction HR110 (extract of specific elements of the instruction)

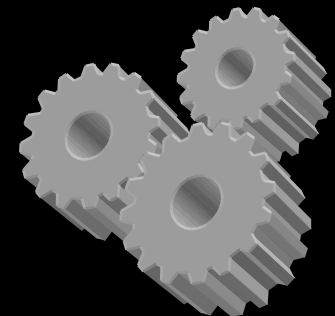
Managers will

- *Actively engage in and promote proactive programs and a positive employee well-being culture based on prevention*
- *Properly train employees to recognize and control potential workplace well-being risks*
- *Foster employee involvement in workplace well-being programs*

→ Lifestyle / Health Risk Assessment and Management requirements are integrated into the IBM Global Well Being Management System (WBMS).

Drivers for Employer Involvement

- **Well Being Management System:** Interface with Workplace Risk arising from workplace tasks
- **Health care cost reduction**
 - Initial dominant driver in countries that provide health care benefits to employees and retirees
 - Quantifiable
- **Corporate Culture and Sustainability**
 - Health risk factors within employee population correspond to **improved productivity** measures (such as absenteeism, sickness absence)
 - Workforce management(aging skills, training and investment)
- **Employee Expectation**
 - Attract and retain productive and innovative employees
 - An indicator of corporate culture

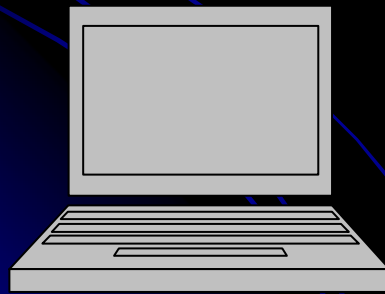




Some Aspects of Program Design

Health Profile of Australian Employees: Medicare Study Nov 2005 (Survey)

- 62% Overweight
 - 56% High Risk behaviour
 - 53% Stressed
 - 50% Minimal exercise
- Employees with poor health behaviour have up to 9 X annual sickness absence.
 - Employees with high well being scores rate themselves twice as productive as those with low scores.
 - Employees with high well being scores report working up to three times more productive hours than those with low scores.
 - Employees participating in workplace fitness programs report less stress and improved psychological well being.



Workplace Program Design and Delivery

• Design

- Address Risks
 - Obesity
 - Lack of exercise
 - High fat diet
 - Mental stress
 - Smoking
 - Excess alcohol
- Component of Total well being programs within an organisation eg
 - Financial planning
 - Social Programs
 - Work life balance
 - Employee Assistance Programs (EAP)
 - Diversity
 - Spiritual etc
- Provide Incentives for Motivation
- Pre/ Post participation and ongoing monitoring,
(people like and respond to measurements.)
- Complementary programs components eg
 - eg Information,
 - personal risk screening
 - follow up intervention programs
 - and self assessment tools
- Intensive well planned communications programs

● Delivery

- Focus on teams delivery and strong management support
- Leadership through participation
 - “Brand” program as legitimate one that company takes seriously
- Deliver through regular business operations where possible
- Report back on progress to date of programs and highlight success
- Easy access and reliable tools
- Provide skills and create environment conducive to participation and behaviour

Access to Programs (example)

GlobalMedic

Health and Wellness Companion

Please bookmark this page for your convenience



- ✓ Learn about **prescription** and **non-prescription** medications
- ✓ Evaluate your **health risks**
- ✓ Discover great **new ways to:**



- improve your nutrition
- maintain a healthy weight
- manage stress
- quit smoking

...and much more!

Access to GlobalMedic and the information contained there is made available by Global Well-being Services to active IBM employees. For more information on programme content click [here](#)

To preview some of the benefits enter the Health & Wellness companion. Visit the health library an A-Z of symptoms, causes, treatment and prevention or complete a personal assessment.

If you have already registered with the Health & Wellness Companion go to member log in.

[Click here to access GlobalMedics Health and Wellness companion](#)



Results , Outcomes and Conclusions

What Constitutes a Successful Outcome In Workplace Lifestyle Risk Intervention Programs ?

- **Changes in Health Risk : Individuals benefit**

*** *Change in Measurable Risk*

(smoking cessation, reduced BP, less alcohol consumption)

*** *Change in BMI >*

*** *Change in risk based behaviour >*

Change in numbers of those “ready to act” >

Program Completion rates >

Participation rates >



- **Corporate Culture / Improved Productivity: Corporate benefit**

(Indirect and likely multifactorial basis for improvement in results)

Improved Employee Morale Index

Less Absenteeism

Improved attrition

.....>>> Improved Business Outcomes



- **Measurable Reduced Health Benefits Costs / ROI : Community benefit**

most powerful but data not so readily available for employers in Australia

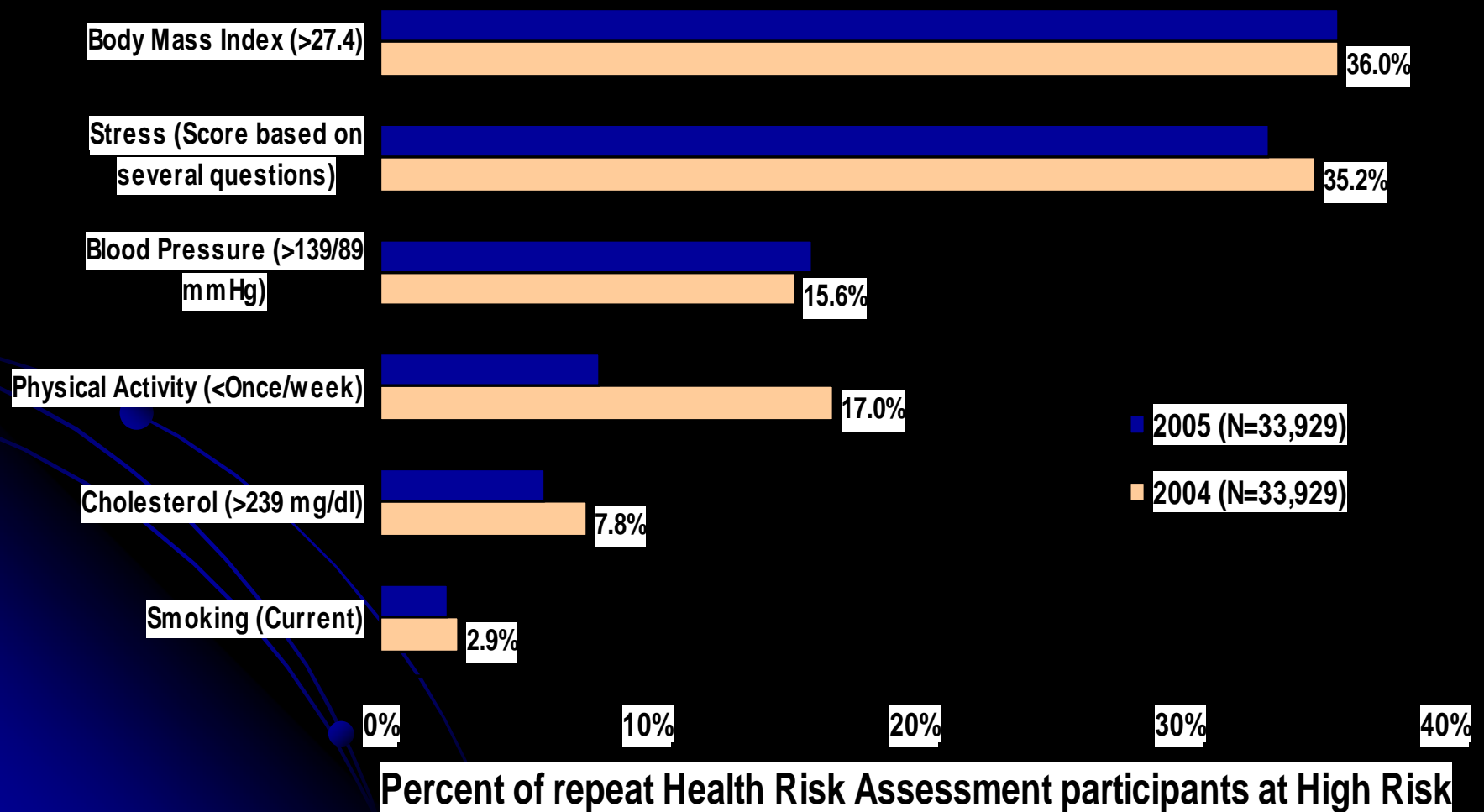


INCENTIVE SCHEMES: Healthy Living Rebates: (USA)

Evolution of Healthy Living Rebate Programs

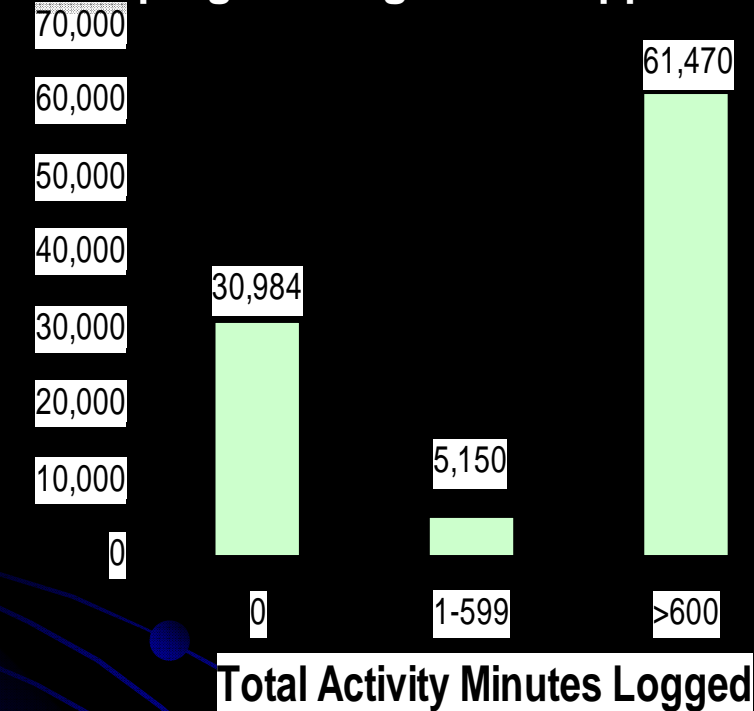
2003	2004	2005	2006
Non-Smokers Discount: <ul style="list-style-type: none">▪ \$11/mo. premium discount▪ Not smoking or smoking cessation program	Physical Activity Rebate: <ul style="list-style-type: none">▪ \$150 cash rebate▪ 20 min. 3 days/wk for 10 out of 12 weeks▪ Log activity on Virtual Fitness Center (VFC) Smoke-Free Rebate: <ul style="list-style-type: none">▪ \$150 cash rebate▪ Not smoking or smoking cessation program	Physical Activity Rebate: <ul style="list-style-type: none">▪ \$150 cash rebate▪ 20 min. 3 days/wk for 10 out of 12 weeks▪ Log activity on Virtual Fitness Center (VFC) Smoke-Free Rebate: <ul style="list-style-type: none">▪ \$150 cash rebate▪ Not smoking or smoking cessation program	Preventive Care Rebate: <ul style="list-style-type: none">▪ \$150 cash rebate▪ Complete online HRA▪ Set action dates for preventive screenings & health risk reduction▪ Review hospital quality using Web-based resources Physical Activity Rebate: <ul style="list-style-type: none">▪ \$150 cash rebate▪ Option 1: 30 min. 4 days/wk for 10 out of 12 weeks▪ Option 2: 30 min. 2 days/wk for 10 out of 12 weeks, plus web-based coaching▪ Log activity on Virtual Fitness Center (VFC) New Hire Smoke-Free Rebate: <ul style="list-style-type: none">▪ \$150 cash rebate▪ Not smoking or smoking cessation program

Risk Modification Effects of Repeated Participation in Health Risk Appraisals (USA data)

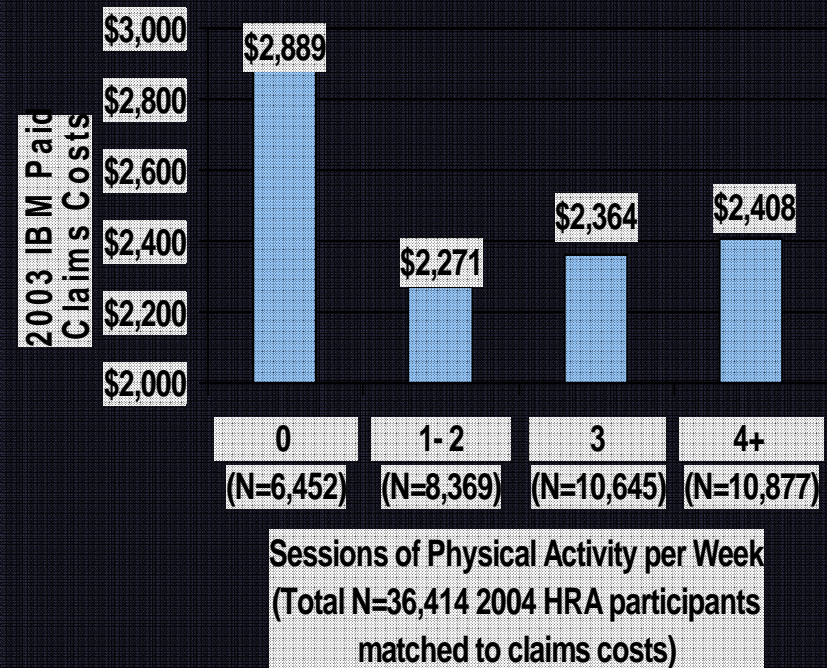


Physical Activity Rebate (USA data)

Great progress -significant opportunity



Inactivity associated with higher cost



Lifestyle-related modifiable health risk factors significantly impact employee work performance.

1. Better quality of work performed and overall job performance
2. Higher cardio respiratory fitness related to reduced decrements in quantity of work performed...

(J Occup Environ Med. 2004;46:19-25)

Ongoing Review and Improvement to our knowledge about delivery of these programs in the workplace

- **Program Quality:** What works for a given population, what elements of program design determine success
 - Content
 - Delivery tools
 - External environment
 - Program communications ****
 - Incentives*****
- **Results / Data Quality and Validity :**
 - Much data health and wellness programs are self reported (eg behaviour change aspects such as exercise frequency, diet etc)
 - Pre / post program self assessment validation often not in evidence
 - Ensure Privacy
- **Return on investment (ROI) :**
 - Will differ within differing social environments and work cultures and benefits systems
 - Capacity to measure ROI may be more complex where main measure of return is productivity

Conclusions

- The provision of lifestyle and personal health risk management programs can form a meaningful element of corporate occupational health and safety strategy.
- These programs are increasingly relevant in those workplaces where sedentary work-life, high mental workloads and unusual or irregular work hours prevail .
- In these environments it is likely that lifestyle style based factors present as the dominant risks affecting employees' quality of life and long term prospects for development of chronic disease.
- Incentives can be shown to significantly affect participation and adherence to these program
- Health Risk management programs in the workplace can be shown to positively influence individual employee health experience, well being and personal risk factors for chronic disease .
- In addition, in situations where employers provide health insurance (eg USA example) there is evidence that participation in such programs has a positive influence on costs of providing health benefits.
- Providing personal health risk management programs to employee can also positively affect employee productivity and influence broader corporate climate and culture of an organisation .