# THE EVOLUTION OF CORPORATE WELLNESS

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From group exercise to game-changing technology

limeade

it's totally possible.

#### WELLNESS FOR WORKPLACES HAS BEEN AROUND FOR QUITE SOME TIME NOW. BUT DID YOU KNOW THAT ITS HISTORY STRETCHES BACK MORE THAN A CENTURY?

These early initiatives (think executive stretching and employee housing) aren't necessarily what we think of when we think of wellness.

**Corporate wellness began with an occupational health-focused program for executives** — which paved the way for the programs we see today.

#### **READ ON TO LEARN ABOUT:**

- History of wellness
- Present-day wellness programs
- Where wellness is going

# THE EARLY DAYS

The roots of corporate wellness predate the first World War.

Ford and other manufacturers invested in these early programs because they thought they'd see increased production out of healthier employees. These initiatives were the exception, not the rule — and they were crude by today's standards. But they started a revolution. Companies saw the benefits of a vital workforce, and they began tapping into the programs long before the establishment of health insurance.

By World War II, major companies had introduced corporate health and wellness benefits.

#### • 1879

Pullman Company establishes an athletic association in its employee-only housing

#### 1880-1900

National Cash Register institutes twice-daily exercise breaks and builds an employee gym

## 1926

Ford introduces the 40-hour work week

# **1**930s

Hershey Foods builds a recreation complex for its employees

# 1950s – 1970s

Post-World War II, companies started paying for employee healthcare coverage and offering employee assistance programs and other benefits.

In conjunction with the Surgeon General's report of the dangers of cigarette smoking, leaders began to understand that their employees' behavioral decisions affected the state of their health. Even so, leaders were mostly concerned with illness prevention — only one small aspect of a person's well-being. Their primary concern was to prevent absences and injuries in the workplace, rather than promoting healthy behaviors in their employees.

### 1950s -1960s

Companies like Texas Instruments, Rockwell and Xerox all launch employee fitness centers

## 1965

The U.S. Congress passes the Cigarette Labeling and Advertising Act

### 1970

The U.S. Dept. of Labor establishes Occupational Health and Safety Administration to prevent workplace accidents and injuries



The first smoking cessation programs launch

# 1980s – EARLY 2000s

In the late 20th century, programs like smoking cessation, stress management and nutrition became commonplace.

Focused on treating high-cost employees, companies created employee wellness programs that only targeted those with the highest risk for health issues. Leaders (especially in the '90s) felt this was the most efficient use of their resources since these employees cost more to insure. But low participation rates and high failure rates made these programs unsuccessful. By the early 2000s, research from Dee Edington overhauled this high-risk-only approach. Edington found that people naturally flow from high-risk to medium and to low-risk, and from low-risk to medium to highrisk. So the best programs encourage healthy behaviors from everyone, in addition to helping the high-risk population reduce risks.

This realization shed light on a key component of wellness: the importance of the well-being of all employees — which ignited a split between Wellness 1.0 and Wellness 2.0.

#### ↓ EARLY 1980s

Johnson & Johnson is the first company to release reports that tie the effectiveness of wellness programs to the productivity and profitability of the company

### 1982

The world's first wireless wearable heart rate monitor becomes commercially available

## 1984

Boeing is one of the first large companies to ban smoking in the workplace

## 1992

USDA publishes the Food Guide Pyramid

# 2001

Dee Edington introduces "Changing the Natural Flow" concept, revolutionizing the wellness industry

# MID-2000s TO PRESENT: WELLNESS 1.0

Some companies never got out of the healthcare-costs-only trap of wellness. As healthcare expenses continued to spiral upward, they depended on wellness providers to help them keep these costs in check.

But punitive measures against unhealthy employees — such as increasing premium costs — became less and less effective as diminishing returns on these programs set in. This model drove employees away from the program, which ultimately led to its failure. Companies that spent so much time on the employees who were most expensive to insure missed the point. They ignored all the other employees who needed encouragement and a number of other factors that play a role in the well-being of their people — including stress level, job satisfaction, fitness, nutrition and sleep.

↓ ↓ 2002 WebMD Health

Services forms

2003

Health Savings Accounts (HSAs) are established 2005-2007 Insurers add wellness

components that primarily focus on disease management 2010

The Affordable Care Act passes

### 2011

NIOSH launches the Total Worker Health (TWH) Program

#### ↓↓ 2012

A record number of employers controversially ban tobacco use, even at home, while obesity rates (and the costs associated with it) continue to rise

# 2013

Launch of healthcare exchanges

# MID-2000s TO PRESENT: WELLNESS 2.0

The Internet, along with social media sites, such as Facebook and Twitter, brought forth and shared new ways of thinking and new fields of research.

Around the same time, Daniel Pink wrote on motivation, BJ Fogg spoke on Tiny Habits, Christopher Peterson and Martin Seligman researched positive psychology and Dr. Laura Hamill applied behavioral science to the workplace. These thought leaders blazed the trail for the masses to adopt these philosophies and behaviors for a more holistic, mindful lifestyle.

This shift to well-being, along with the industry move toward whole-population-wide programs, led to the creation of Wellness 2.0 companies like Limeade.

# 2006

Limeade is founded and launches the first holistic well-being model

#### 2009-2011

Fitness trackers from Fitbit, Jawbone and Nike bring everyday exercise monitoring mainstream

#### 2011-PRESENT

Studies show that the risk factors of sleep, stress and depression can be as high as traditional health-only markers (like high BMI and metabolic syndrome)

# 2014

Corporate wellness industry is worth more than \$40 billion. 79% of U.S. companies offer a wellness program

## 2015

Dee Edington and Jennifer Pitts write *Shared Values—Shared Results* 



# WHERE WE ARE TODAY

Corporate wellness is about your people. Within the last decade, employers have started taking a holistic approach that embraces the whole employee — not just their health risks. And there's a lot of evidence that shows the value of creating an authentic program that focuses on, engages and challenges the whole employee.

More important, leaders now know they can't tackle one area of health and well-being and hope for success in all areas. They have to take a whole employee approach that respects an individual's physical, mental, social and even financial health.



## EMPLOYERS ARE JUST SCRATCHING THE SURFACE

Why does the evolution of corporate wellness matter? We've come a long way from the days of group pushups on the factory floor — but we can do better.

#### LIMEADE THINKS WELLNESS COMPANIES COULD HEAD IN 3 DIRECTIONS – HERE'S A SNEAK PEEK:

 MORE INTEGRATIONS: Integrating all HR programs into a single sign-on is the future of workplace well-being. This seamless, hub-type experience will drive participation and engagement in all programs.

#### STRONGER CLINICAL CONNECTIONS: Technology is changing the wellness game, especially for physician care. Look out for mobile devices, self-monitoring, bio feedback, virtual coaching, point-of-care testing and more.

#### IMPROVED ENVIRONMENTS:

Employers will remove cultural obstacles to foster organizational support for well-being — otherwise employees won't feel comfortable and behavior change won't stick.

#### IT'S TOTALLY POSSIBLE. WE CAN SHOW YOU HOW.

#### Resources

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# Want to learn more?

limeade.com



