THE EVOLUTION OF CORPORATE WELLNESS

From group exercise to game-changing technology

limeade
it’s totally possible.
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

- **1930s**
  - 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

LATE 1970s
The first smoking cessation programs launch
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 high-risk. 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.
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
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.

<table>
<thead>
<tr>
<th>2006</th>
<th>Limeade is founded and launches the first holistic well-being model</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009-2011</td>
<td>Fitness trackers from Fitbit, Jawbone and Nike bring everyday exercise monitoring mainstream</td>
</tr>
<tr>
<td>2011-PRESENT</td>
<td>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)</td>
</tr>
<tr>
<td>2014</td>
<td>Corporate wellness industry is worth more than $40 billion. 79% of U.S. companies offer a wellness program</td>
</tr>
<tr>
<td>2015</td>
<td>Dee Edington and Jennifer Pitts write <em>Shared Values—Shared Results</em></td>
</tr>
</tbody>
</table>
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:

Want to learn more?

LET’S TALK

limeade.com