

# Working Towards Wellness\*

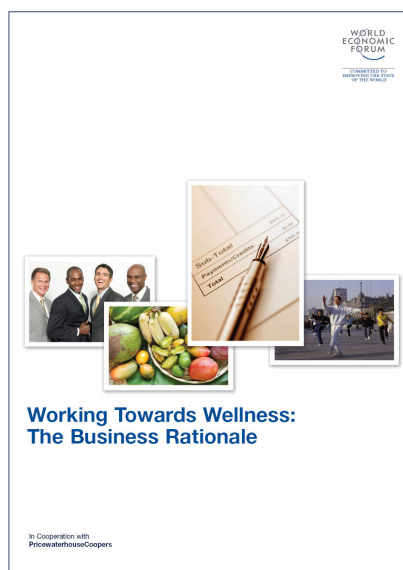
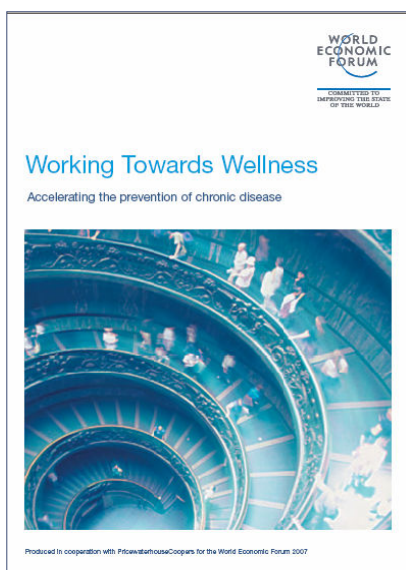
## Chronic Disease Prevention: The Business Rationale

February 2008

\*connectedthinking



### Recent reports



## Working Towards Wellness: A call to action

- **Take the pulse:** Business leaders should assess the health risks of employees
- **Embed a culture of health:** Wellness must be inseparable from business objectives and long-term mission.
- **Manage the change:** Commit the right resources to improve employees health and help them to change and sustain improvements in their lifestyles with the right programs.
- **Collaborate and consolidate:** with the wider community to enhance the effectiveness of wellness programs.
- **Lead by example:** Executives – starting with the CEO – must demonstrate their personal commitment to a healthy work environment by engaging with employees and their communities on health initiatives

## There is a Business Rationale for Working Toward Wellness

“We have to move from illness to wellness. Businesses will have to invest in wellness. There is no choice. Its not philanthropy. It's enlightened self-interest”

- Shrinivas M. Shanbhag, Group Medical Adviser, Reliance Industries, India

## The Four Pillars of the Business Rationale for Wellness

- **Healthcare Costs** and health system burden are impacted by chronic disease disproportionately and with exponential impact
- **Productivity** losses associated with chronic disease are even greater than direct cost – productivity includes unplanned absence, disability, presenteeism, safety, vitality, effectiveness, and quality of work
- **Human Capital** investments can be positively impacted by workplace wellness efforts - creating an engaging environment can help attract, retain and sustain the workforce in developed and developing countries
- **Sustainability** is threatened by the epidemic of chronic disease – global organizations must focus on societal risk, community responsiveness, organizational image and reputation in order to survive and thrive in the world marketplace

## Top 10 Drivers of Healthcare and Productivity Costs

Rank	Healthcare Cost	Productivity Cost	Total Cost
1	Other cancer	Fatigue	Back/neck pain
2	Back/neck pain	Depression	Depression
3	Coronary heart disease	Back/neck pain	Fatigue
4	Other chronic pain	Sleeping problem	Other chronic pain
5	High cholesterol	Other chronic pain	Sleeping problem
6	Gastroesophageal reflux disease (GERD)	Arthritis	High cholesterol
7	Diabetes	Hypertension	Arthritis
8	Sleeping problem	Obesity	Hypertension
9	Hypertension	High cholesterol	Obesity
10	Arthritis	Anxiety	Anxiety

Source: "Health and Productivity as a Business Strategy", by Ronald Loeppke et al., *Journal of Occupational & Environmental Medicine*, July 2007.

- **Productivity losses** associated with workers with chronic disease are as much as 400% more than the cost of treating chronic disease. Losses in productivity include disability, unplanned absences, reduced workplace effectiveness, increased accidents and negative impacts on work quality or customer service.
- The most costly conditions and health risk factors related to productivity are different from those when considering only the cost of treating the disease. Depression, as well as fatigue and sleeping problems – conditions or risks that are often co-morbid with chronic diseases – have the largest impact on productivity. As with healthcare costs, more risk factors multiply the losses in productivity.

## Summary

The four critical issues – healthcare costs, productivity costs, human capital investment and sustainability – can drive a focus on wellness in an organization, especially if **leadership** believes that:

- Chronic disease is a major global threat
- Organizations have the capability to take action
- More extensive partnerships and collaborations can help address the broader environment

## For more information

- Michael Thompson, Principal,  
michael.thompson@us.pwc.com,  
+1 646 471 0720
- Sandy Lutz, Director,  
sandy.lutz@us.pwc.com,  
+1 214 754 5434
- Caitlin Francis, Director,  
caitlin.francis@au.pwc.com,  
+612 8266 1648