

Workplace Wellness: a 360-Degree View

IRVINE COMPANY

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Can an office make employees healthier? A workplace that's intentionally designed for wellness positively impacts employee health, even if the company offers no formal wellness programming.

"Workplace Wellness" is a multi-billion-dollar industry and widely understood as an essential tool for tackling skyrocketing healthcare costs and stiff competition for top talent. *But not all approaches to workplace wellness are created equal*.

Traditional wellness programs include elements like smoking cessation support, fitness incentives, and nutrition education. These programs have a return on investment (conservatively) of \$1.50 to \$3 per dollar spent over a two- to nine-year timeframe, measured as a function of reduced healthcare spending and absenteeism. While these numbers grab headlines, methodology challenges make it difficult for discerning companies to identify the true value adds. The narrow definition of workplace wellness and equally narrow definition of ROI in these studies means that science is only capturing a small slice of what workplace wellness can do for businesses. The result: a mishmash of offerings without a clear, bigpicture strategy.

Compelling new research is exploring workplace wellness from a holistic, 360-degree perspective and expanding our understanding of true wellness ROI. Leading-edge companies that follow this 360-degree approach to wellness are seeing payoffs in productivity, engagement, and morale.

This white paper explores the science behind workplace design, employee health, and employee performance. We find that a successful holistic approach must take into account a workplace's The perceived cost of workplace wellness isn't as high as many think. Workplaces designed to intentionally optimize wellness deliver many benefits passively.

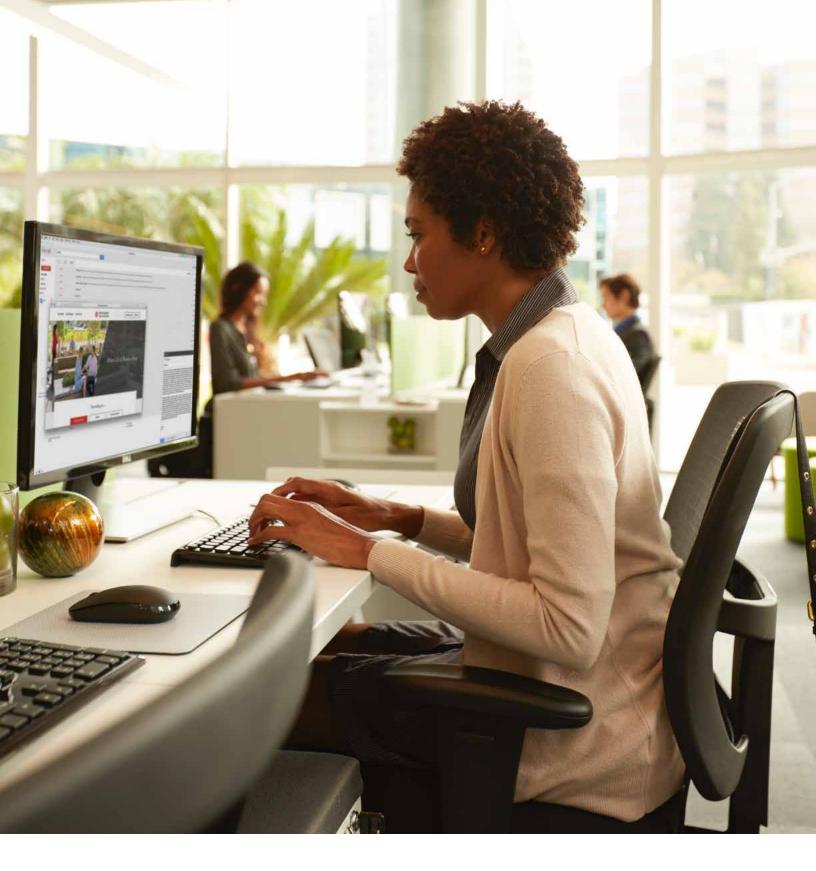
physical design, indoor/outdoor integration, amenity offerings, movement opportunities, mind-body wellness, and health care access.

Most importantly, this 360-degree approach reveals that workplaces designed to intentionally optimize wellness deliver many benefits passively. Then, what truly takes things over the top is free. It's a culture that supports wellness as a value, allowing employees to fully benefit from the environment provided.

Any wellness program, no matter how well intentioned, will not succeed in a vacuum. It must be fully integrated within the workplace community and company culture. It's a lesson we've learned here at Irvine Company Office, and it's one we are passionate about sharing with our customers.

In good health,

Mike Bennett Senior Vice President Irvine Company Office Properties



/ The Physical Workspace: Intentional Design for Wellness /

Workspace design can profoundly impact an employee's physical and mental health, affecting engagement, productivity, and creativity.

A poorly designed workspace can increase stress, trigger headaches, and exacerbate conflict. Conversely, a workspace that's designed for wellness will positively impact employee health, even if the company using the space offers no specific workplace wellness programming.

Erin Largo-Wight, an associate professor and program director at the Brooks College of Health at the University of North Florida, calls this "wellness by design.""Companies can improve health simply by providing an enviornment that facilitates health."

Three elements are key to workplace wellness design: workstation flexibility, outdoor access, and strategic daylighting.

Workstation flexibility is the perceived level of control an employee has over his or her physical environment, including the ability to regulate stimuli like light and sound.



Companies don't have to work very hard if they provide an environment that's facilitating health.

"When people feel that they have some control and decision-making ability, they are much more effective and productive," says stress management and executive performance consultant Jeffrey Gero.

The office floor plate must allow businesses to customize a workplace layout that's conducive to employee success, offering options for quiet solo work, small team gatherings, and larger all-staff meetings.





In smaller offices with limited square footage per employee, access to outdoor workspace provides employees with additional options for a flexible work environment.

Largo-Wight has extensively researched the connection between outdoor access and employee health.

WELL Standard suggests this subliminal flashing, along with insufficient illumination or improper lighting design, can adversely impact employees' circadian rhythms and concentration capabilities. Yet most indoor workplaces continue to rely on fluorescent lighting.

"Providing opportunities for your employees to be outdoors, giving them places to sit, giving them some focal points, and encouraging this workplace culture is a great way to improve health with very low effort, low commitment," says Largo Wight.

According to Largo-Wight's research, offices where employees spend time outdoors are positively correlated with lower stress levels and fewer employee health issues.

In addition to giving employees increased control over their physical work environment, regular outdoor access is also important for exposing employees to natural light and countering the fatigue, eyestrain, and headaches associated with long-term artificial light exposure.

Fluorescent light flashes on and off beyond our conscious perception. Recent research from



The research on daylight versus artificial light is well established. Since brighter, lighter workspaces feel less physically confining, strategic daylighting can also soften the psychological impact of smaller workspaces on employees, elevating mood and enhancing productivity.

To maximize the positive benefits of natural light exposure, companies should consider how it enters and diffuses through the workplace during the day. Something as simple as adding a light shelf – a horizontal surface placed above eye level that reflects daylight into the building – can pay employee wellness dividends for years to come.

/ What your business needs to know /



Design for wellness.

Choosing a workplace that's physically designed to optimize employee well being will positively impact employee health and productivity, even if your company offers no specific workplace wellness programming. Look for workplaces with strategic daylighting, outdoor access, and flexible layout configurations that give employees control over their work environment.



Promote space autonomy.

A sense of personal control is key. This can be enhanced through light management (e.g., diffused day lighting, automated shading and dimming controls), noise control (e.g., designated quiet spaces) and workstation flexibility (e.g., the option to work outdoors).



Invest in work-ready outdoor space.

Look for outdoor spaces that offer a range of options for individual work and for team interactions. Maximize outdoor workstation productivity by offering shaded spaces for glare control and access to power strips and WiFi.



Maximize natural light.

Whenever possible, utilize natural light as the primary source of lighting. Consider proximity to windows and opportunities for democratically sharing natural light and views. When supplementing natural light with indoor task lighting, situate computer monitors in a way that avoids glare and optimizes luminance contrast.

Set and forget: a workplace that's designed for wellness will positively impact employee health, even if your company offers no specific workplace wellness programming.



/ Managing Stress in the Workplace /



Workplace stress is a public health epidemic: 40 percent of employees report their job as "very or extremely stressful" and 26 percent report they are "often or very often stressed out by their work," according to research published by the Centers for Disease Control and Prevention.

The physical impact of this stress on employees is significant: 62 percent of employees end the day with work-related neck pain, 44 percent experience stressed-out eyes, and 34 percent struggled to sleep at night due to workplace stress, according to a Harris Interactive poll.

This stress is jeopardizing employees' long-term health by increasing the risk for heart attacks, cardiovascular disease, and chronic health problems. It's also costing U.S. businesses an estimated \$30 billion per year in absenteeism alone, according to research published in the Harvard Gazette. Some researchers put the total impact even higher, estimating as much as \$300 billion per year in lost productivity. Workplace stress is the perception of having little control but lots of demands. Stress severity depends on the magnitude of the demands and an employee's sense of control in dealing with these demands. As a result, workplace stress is both a universal and highly personalized phenomenon. For example, the high-pressure deadline that drives one employee to excel may be perceived by another employee as yet another impossible demand.



"Meditation supports emotional health, improves objectivity and decision-making, and helps employees develop the emotional intelligence they need for leadership success," says Jeffrey Gero, stress management and executive performance consultant.



"When someone is under stress, physiologically they experience a fight or flight response," says stress management and executive performance consultant Jeffrey Gero. "This response can cause irrational thinking and is the opposite of productivity and peak performance."

Ideally, when an employee is experiencing workplace stress, he or she will be able to take immediate action to release this stress. Critically, when companies provide multiple options for stress relief, employees receive a double benefit: stress relief and a perceived increase in autonomy.

While stress relief activities at any time can beneficial, Gero recommends taking a break to interrupt the buildup of stress whenever employees become aware it is impacting performance.

Research conducted by Erin Largo-Wight, an associate professor and program director at the Brooks College of Health at the University of North Florida, supports these break benefits. According to Largo-Wight, these benefits are greatest when employees are able to take a 10-minute break outside.

"In our correlational study among 503 employees, the frequency that employees took a break outside was the strongest predictor of their stress and health," says Largo-Wight. "All breaks reduced stress, but outdoor breaks were significantly more impactful."

In addition to outdoor access, workplaces that offer space for meditation – and a company culture that encourages employees to utilize this space – will see benefits that extend to their bottom line, says Gero.

"Meditation supports emotional health, improves objectivity and decision-making, and helps employees develop emotional intelligence," said Gero. "When managers are trained in emotional intelligence, the company is 20 percent more productive and does 20 percent better financially."



/What your business needs to know /



Take a midday break.

A midday break improves performance and focus by interrupting the daily stress buildup process. Maximize benefits by taking the break outside, whether that's quiet contemplation at a water feature or a short walk on a nature path.



Give employees options.

Since every employee responds to stress differently, there is no magic bullet for workplace stress. Providing employees with a variety of options, including physical exercise, yoga, walking paths, team socialization, and meditation, empowers employees to choose what's right for them. This increased perception of control boosts stress relief benefits.



Create space to unwind.

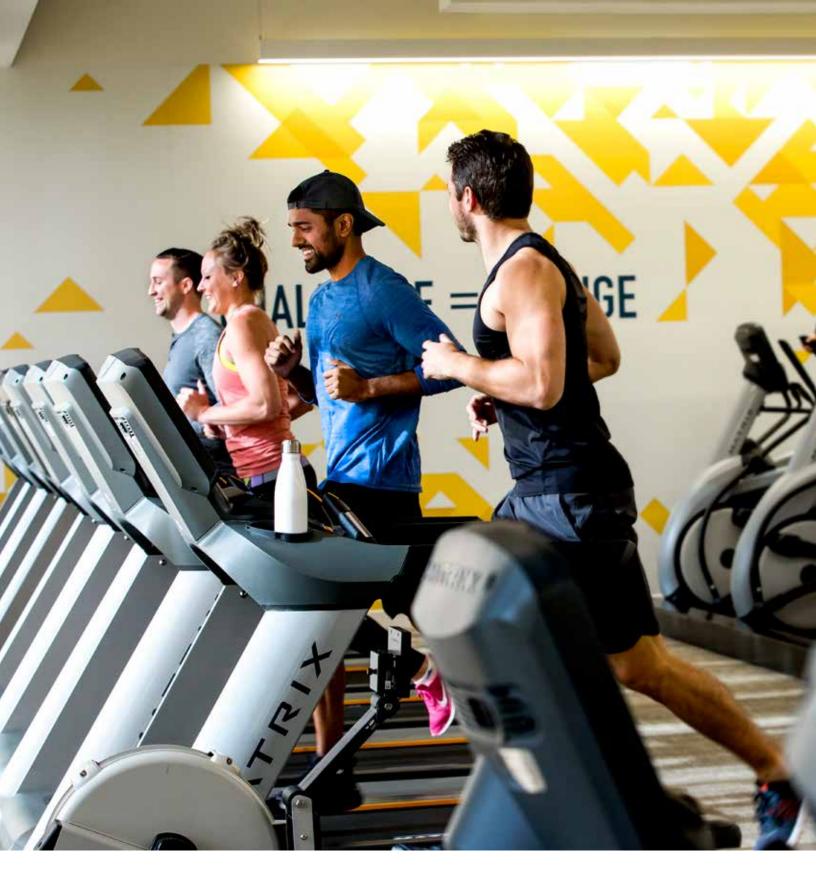
A designated lounge area equipped with casual, comfortable furniture provides an alternative environment for employees to take a midday mental break. Games like bocce ball offer employees an opportunity relieve stress and reconnect with coworkers in a relaxing space.



Eliminate environmental stressors

Noise levels, lighting, and even workplace temperature can impact employee stress levels. Consider whether the physical design of your workplace exacerbates or ameliorates environmental stressors and what options employees have for controlling their environment.

Employers that offer dedicated space for a regular, 10-minute break boost employee productivity and engagement.



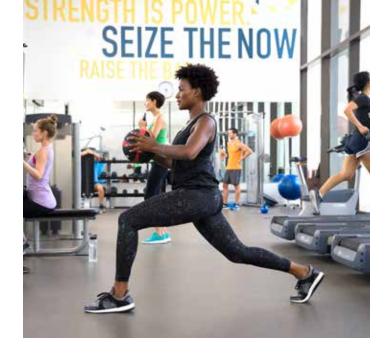
/ Workplace Wellness Programs: Employee Health and ROI /

Corporate wellness programs are an \$8 billion industry in the United States and expected to grow at least 7.8 percent through 2021.

While programs differ between workplaces, many have similar features. They often start with health risk assessment, which is a self-reported summary of health and behavior. Programs may include employee education initiatives focused on healthy diet and exercise benefits, smoking cessation, and stress reduction. Finally, they may integrate wearable technology to incentivize behavioral changes, like using a Fitbit to monitor daily exercise.

For employees who discover undiagnosed health issues, like high blood pressure, the program benefits are certainly significant. But these benefits may also extend to employees who use the program for preventive health, like obtaining a free annual flu shot.

In the study "Doing Well by Making Well: The Impact of Corporate Wellness Programs on Employee Productivity," Timothy Gubler, an assistant professor of management at the University of California, Riverside School of Business found that employees who improved



their health following the introduction of a corporate wellness program saw productivity increases of 10 to 11 percent.

Even employees who were not identified by study doctors as sick, and that did not improve health in measurable ways in the year following participation, experienced improved productivity after participating in the program. Gubler and his co-authors theorize the improvement appears to be linked to higher employee motivation levels driven by increased job satisfaction, gratitude, and reciprocity.

"Workers feel positively about a program that provides them value, even if they see no immediate health benefit," says Gubler.





Measuring the precise ROI of employer wellness programs can be challenging.

Zirui Song, assistant professor of health care policy at Harvard Medical School and an internal medicine physician at Massachusetts General Hospital, and colleagues conducted a metaanalysis of existing workplace wellness ROI studies. He is now working on further research that aims to establish more rigorous, causal evidence on workplace wellness programs in a randomized controlled study. Song cautions that most studies he reviewed touting high ROI benefits had methodological limitations that render their conclusions difficult to interpret.

"In our 2010 review of workplace wellness research, we found an average return on investment of about three to one," says Song, who notes that other meta-analyses showed larger ROIs per dollar invested. "That would be roughly \$3 returned in health care or absenteeism savings for every dollar invested."

Song says the current state of the evidence still does not offer a rigorous sense of the ROI yet. Future results from his new study should tell us more. Until then, industry experts like Gubler remind us of the role participation plays in ROI.

"The ROI of wellness programs depends significantly on participation rates," says Gubler. "Research suggests that anything that encourages participation and supports people making lifestyle changes are the most things that an organization can do to support the success of these programs." As wearable technology adoption continues, industry observers predict companies will use incentives and gamification to drive program engagement. For example, walking 10,000 steps a day could reduce an employee's health insurance premium. Employee engagement platforms like "YouEarnedIt" also reward employees with points they can redeem for prizes.

However, employers must be careful not to rely solely on financial incentives to drive program participation.

"Motivating people on price may result in a behavior change, but it does not result in attitudinal commitment, it does not result in a change in passion or perspective – it's just superficial," said John Quelch, a professor of business administration at Harvard Business School and a professor in the Harvard Chan School's department of health policy and management.

For lasting change, employers need to embrace a holistic approach to corporate wellness that starts with company culture.

/What your business needs to know /



Reduce barriers to access.

Maximize preventive health care benefits by making it easier for employees to access this care. Partnerships with local wellness centers or a special "on-site care day" make it easier for employees to obtain essential preventive care like annual flu shots and blood pressure screenings.



Incentivize engagement.

From gamification to financial rewards, carefully consider the right incentive structure for your wellness program. Find a balance between short-term participation gains and long-term attitudinal changes.



Consider passive benefits.

Even if employees do not actively utilize corporate wellness offerings like an onsite fitness center or health screening, simply providing these offerings can improve employee productivity, thanks to increased job satisfaction, gratitude, and reciprocity.



Combat presenteeism.

Don't ignore output in favor of input. A workplace equipped with video conferencing technology makes it easier for employees to telecommute when they are sick, limiting the transmission of illness without compromising productivity.

Corporate wellness programs may deliver ROI benefits even if employees do not report health gains.



/ Integrating Movement into the Workday /



Forward-thinking business leaders are exploring new options for bringing movement to the workplace – and reaping the benefits of an engaged, productive team.

The average American spends approximately 13 hours each day sitting, a large portion of it at the office, and it is hazardous to our health. A metaanalysis of studies published between 1989 and 2013 found that adults sitting 10 hours a day had a 34 percent higher risk of mortality. Inactivity is damaging to our mind, our sleep cycle, and our organs.

Headlines decrying the dangers of the "sitting disease" are nothing new. Yet 80 percent of employees continue to not get adequate exercise, according to the Centers for Disease Control and Prevention. Compounding the problem: sedentary jobs have increased 83 percent since 1950, according to the American Heart Association. Our average workweek is also longer, with full-time employees clocking in 47 hours – the vast majority spent seated.

Integrating movement into the workday as part



of a corporate wellness program is one of the largest contributors to lowering healthcare costs. A University of Michigan study found average employer savings as follows:

- \$1,200 a year on employees who lower their cholesterol levels from 240 mg to 190 mg
- \$1,100 a year for every employee who stops smoking
- \$177 a year for each worker who sheds enough pounds to move from obesity (more than 30 pounds overweight) to a healthy weight

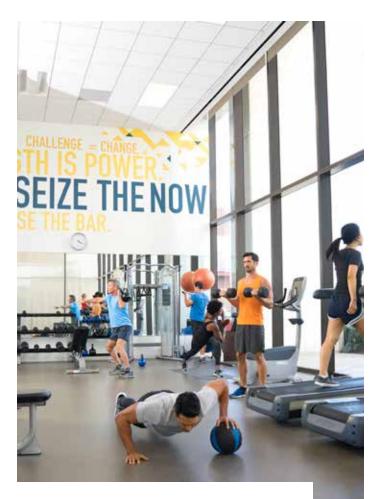
Physical activity in the workplace can play an essential role in lowering stress. But the cognitive benefits of regular exercise during work hours go far beyond that to include improved concentration, memory recall, learning speed, and mental stamina as well as greater creativity.

On-site fitness opportunities offer another important benefit: camaraderie. When

employees practice yoga together, join a morning walking group, or sweat it out to an on-demand workout, they're interacting in a non-traditional work setting. Away from the stressors of work, employees bond with co-workers in a new way. This fosters a culture of cooperation and respect, improving employee satisfaction and reducing turnover.

To maximize the benefits of fitness offerings, employers must consider two factors: access and precedent. Providing access is the first step to fostering a workplace fitness culture. For employees who work long hours or have demanding personal responsibilities outside the workplace, finding time to squeeze in exercise outside of business hours can be a challenge. An on-site fitness center removes this barrier. However, it is not enough for companies to simply offer access. Employees also need to feel comfortable taking time away from their desks to utilize the offerings. When an executive prioritizes a midday workout, employees feel more comfortable doing the same.

While access to a state-of-the-art fitness center and on-demand exercise programming is certainly a desirable amenity, employers can still promote daily physical activity with more "lowtech" offerings. An on-site bike share program and secure bike locker storage, for example, provide employees with an alternative commute option while encouraging daily physical activity. The key is to offer movement opportunities.



To maximize the benefits of fitness offerings, employers must consider precedent as well as access. Access alone is not enough if employees do not feel comfortable utilizing the amenities.



/What your business needs to know /



Set a precedent for movement.

Access to a fitness center is not enough; employees need to feel comfortable trading desk time for sweat time. When the executive team prioritizes movement, other employees will feel comfortable doing the same.



Hold your next meeting outdoors.

There's no such thing as being too busy to reap the benefits of being more active. Encourage your employees to take meetings on the move outdoors. Being outside soothes the mind by reducing blood flow to the subgenual prefrontal cortex where anxious thinking occurs, clearing the way for fresh ideas.



Access matters.

If your workplace does not offer an on-site fitness center, think creatively about how you promote physical activity during the workday. Options include converting unused office space into an exercise room with on-demand fitness classes, installing a bike share in front of your office, and providing maps of local walking and running trails.



Take short breaks.

Encourage employees to take a five-minute break every hour to stretch, take a lap around the office, and engage in movement. Even a one-to-two minute break from sitting can minimize insulin resistance and long-term weight gain.

Regular exercise during work hours improves concentration, memory recall, learning speed, and mental stamina as well as enhancing creativity.

/ Next Steps /

The science around workplace wellness clearly demonstrates the benefits of a holistic approach connecting workplace design with employee health and performance. But while ROI is shown to be consistently positive, it is also variable due to a mechanism that science is limited in its ability to measure: workplace culture.

A workplace's physical design – including workstation flexibility, outdoor access and strategic daylighting – can impact everything from employee stress levels to physical activity options. When a workplace is intentionally designed for wellness, employees benefit, even if the company offers no formalized corporate wellness programming.

New technologies are providing employers with data and insights into what encourages employees to stay healthy – and shaping the future of corporate wellness programs. Fitness wearables, for example, can track performance and allow companies to reward employees who meet activity goals. However, relying primarily on financial incentivizes to motivate employee participation is short-sighted.

"If it's not a part of the culture of the company, if it's a one-off thing, then research has shown that does not work," said Marjorie Paloma, director of the Robert Wood Johnson Foundation.

As companies consider how to best structure their corporate wellness offerings, they need to take a holistic view:

- Creating a "culture of health" must go beyond insurance offerings, sick days, and financiallyincentivized corporate wellness programs. This starts with a belief in the fundamental value of wellness at the senior executive level that trickles down, establishing precedent.
- If your workplace does not offer on-site wellness amenities, consider how you can integrate movement and mental health breaks into the day. A walking meeting, for example, gets employees moving without the need for a specialized fitness facility. Setting an example at senior levels gives the rest of your workforce implicit permission to do the same.

Create an environment where employees feel comfortable taking short breaks throughout the day from their work. The research here is clear: the amount of times employees take a break outside is the strongest predictor of their health and stress levels. Optionality is also key. Employees benefit the most when they feel they are in control of how, when and where they choose to work, be active or take a mental health break.

For lasting change, forward-thinking employers need to embrace a holistic approach to corporate wellness that starts with company culture. When the executive team prioritizes wellness, employees will as well – and everyone benefits.

Forward-thinking employers need to embrace a holistic approach to corporate wellness that starts with company culture.



A holistic, 360-degree approach to workplace wellness is key to energizing teams, attracting and retaining top talent, and supporting the productivity that drives business success.

About Elevate Perspectives from Irvine Company Office

Elevate Perspectives from Irvine Company Office explores essential issues as they impact your business from multiple angles, sharing our proprietary knowledge and curating compelling insights from top research experts and journalists to help your business flourish.

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