

Utilizing Incentives TO Maximize Participation

By David Hunnicutt, PhD

In the world of worksite wellness, incentives are red-hot right now—and for good reason. If used effectively, wellness incentives can significantly increase participation and improve the likelihood that employees will embrace, and ultimately adopt, healthier behaviors. In this article, we'll take a closer look at wellness incentives and how you can leverage them to improve your company's wellness programming efforts.

Specifically, this article is divided into seven main sections which include:

- ***The Motivation***
- ***The Mantra***
- ***The Methods***
- ***The Movers***
- ***The Models***
- ***The Message***
- ***The Miscellaneous Details***

By absorbing the information contained in this article, you will obtain a better understanding of wellness incentives from end-to-end. In addition, the information provided in this article should help you to better integrate wellness incentives into your current wellness programming efforts—thus improving employee health and well-being as well as containing rapidly-escalating healthcare costs.



Part 1: The Motivation

As mentioned previously, it seems that the entire field is clamoring to better understand wellness incentives. For the curious, the question becomes, “Why?” What is actually driving this obsession with incentivizing employees to get involved in wellness programs at the worksite?

As I looked more closely at the specific dynamics behind the field’s desire to utilize wellness incentives, I’ve come to the conclusion that there is really a ‘bad news-good news-bad news’ scenario that is unfolding on a national level—and this, I believe, is what’s largely fueling the typical health promotion practitioner’s desire to learn more about wellness incentives.

The Bad News

It comes as no surprise that both employers and employees are experiencing significant pain with respect to paying for healthcare in the U.S. Indeed, according to the Center for Medicare and Medicaid Studies, present U.S. healthcare expenditures have exceeded \$2 trillion and these costs are escalating at about 6.9% per year. If that’s not enough, CMMS estimates these costs will exceed \$4.1 trillion by 2016—thus consuming an astounding 19.6% of our nation’s GDP. Because U.S. employers—and their employees—will pick up the tab for a significant portion of these costs (not to mention the fact that the largest chunk of these costs are associated with potentially modifiable lifestyle-related chronic illnesses), worksites have developed an intense interest in not only implementing results-oriented wellness programs but also in finding new and novel ways of engaging employees (i.e., incentives) to get actively and immediately involved.

The Good News

Now for some good news. Driven largely by the pain of rapidly escalating healthcare costs, significantly more employers and employees are beginning to see the true value of workplace wellness programs as THE way to protect and enhance personal health status and contain costs. In fact, a recent survey conducted by Hewitt and Associates confirmed the notion that the vast majority of employers are offering and/or expanding their company’s current wellness programming efforts.

What’s more, it seems that employers are not the only ones who are getting religion when it comes to wellness. In fact, it looks like many employees are now coming to the conclusion, as well, that health promotion programs are, indeed, a good idea. According to a recent survey conducted by Guardian, entitled “Spotlight on Group Medical,” researchers reported that two-thirds of all U.S. employees believe that wellness programs can be a very effective approach to promoting better health practices at the worksite. In and of itself, this particular finding comes as very good news simply due to the fact that 158 million people get up and go to work every day in this country. And if two-thirds believe that wellness programs are effective in promoting good health, incentives might be just the thing.

However, and unfortunately, just because employees believe that wellness programs can be an effective way to promote better health doesn’t necessarily mean that they’ll take part regularly in employer-sponsored wellness programs.

The Bad News

And that’s where the final part of bad news comes into play. Once again, drawing from information obtained in Guardian’s “Spotlight on Group Medical,” researchers found that while two-thirds of employees believed that wellness programs are very effective in promoting good health, only 3 in 10 employees currently participate or have participated in the past three years in a wellness program!

And that is exactly the reason why incentives have become such a hot topic in recent months—8 in 10 employees believe that wellness programs can be an effective way to promote better health; but only 3 in 10 currently participate or have participated in the past three years.

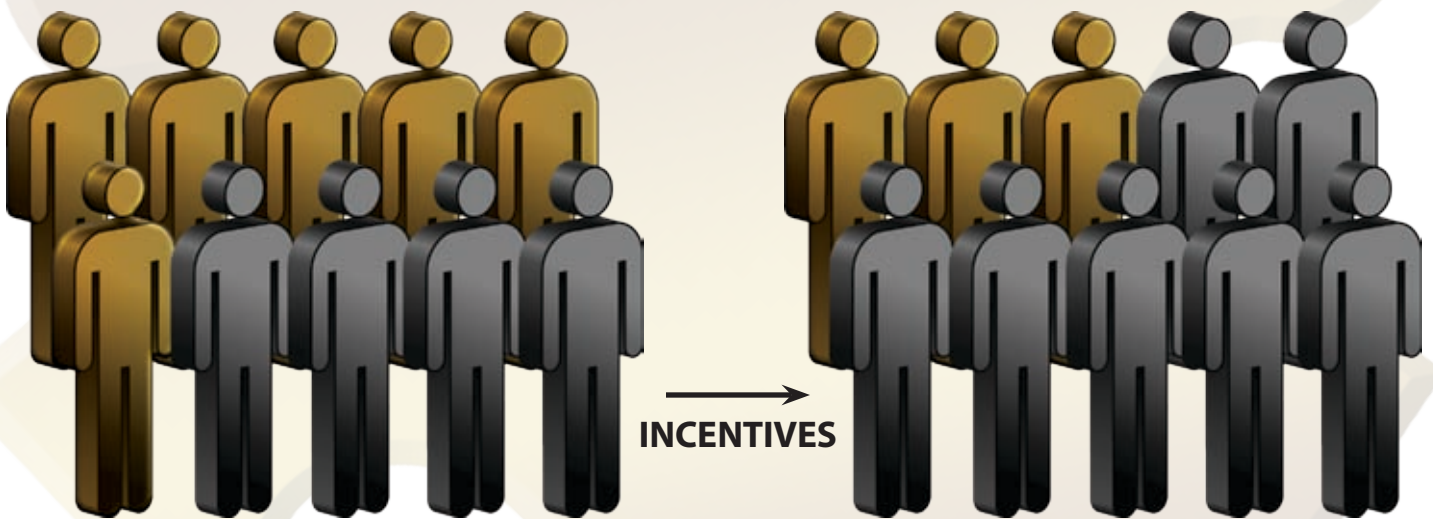
Hence, I believe that primarily due to this ‘bad news-good news-bad news scenario,’ incentives are emerging as an extremely important way of getting employees engaged in workplace wellness efforts.

“Wellness programs are something we **do with and for** employees, not something we do to them.”

—Dr. David Hunnicutt



The Incentive Paradigm



6 in 10 employees believe worksite wellness programs are a good idea.

3 in 10 actually participate in worksite wellness programs.

— Guardian, Spotlight on Group Medical, 2008



Part 2: The Mantra

Having established the motivation for implementing wellness incentives, it's time to turn our attention to the mantra. In essence, a "mantra" is a sacred verbal phrase or formula whose power is realized when it is repeated over and over again; and in so doing, the hidden meaning suddenly becomes apparent. And, when it comes to workplace wellness programs, here's what I believe the mantra should be: "Wellness programs are something we do with and for employees, not something we do to them."

Because of its importance, it bears repeating: "Wellness programs are something we do with and for employees, not something we do to them."

The reason that this particular mantra is so important is because, when it comes to incentives, a lot of employers have the idea that if you offer an incentive you can get employees to do something they otherwise wouldn't—thus making incentives more a methodology for manipulating employees rather than a legitimate strategy employed by the organization in providing associates with temporary motivation in helping them to voluntarily adopt a healthier behavior.

Let's take a closer look at the distinction between the two.

In examining workplace wellness programs that have survived over the long-haul, it's been my experience that successful employers position the programs as a key company benefit—one that, if embraced, has the power to transform an employee's health status so that they'll not only experience a healthier, happier life now, but for

Compliance vs. Commitment

If people are good only because they fear punishment and hope for reward, then we are a sorry lot indeed.

—**Albert Einstein**

years to come (yes, even well into the retirement years). In this scenario, employers offer voluntary wellness programs for the personal benefit of all involved and they spend significant energy communicating the potential benefits to each and every employee.

Logistically, in this scenario, incentives are used to create initial interest and energy and also as a method of helping employees through the uncomfortable phase that often accompanies lifestyle change. Metaphorically speaking, incentives are the device that kicks the dominoes over—in other words, they get the needles moving in terms of creating buzz and, subsequently, participation. Specifically, as the employee begins to experience the positive benefits of behavior change (more energy, a better self-image, improved biometrics, etc.) and as they become part of peer groups that practice healthier behaviors, the incentive can be gradually reduced and perhaps even eliminated.

By contrast, this is a very different approach from an employer who really cares little about the employee's health and well-being and disingenuously offers up a \$25 gift certificate in the hope that the employee will become more physically active so that healthcare costs may, one day, be reduced.

And although the research on this exact point is a bit thin in the arena of workplace wellness, there are well-respected articles that we can draw important information from that have been written in other areas of business and management. One article that's definitely worth reading is "*Why Incentive Plans Can't Work*" by management scholar and Guru Alfie Kohn. In this article (available at www.HBR.com), Kohn specifically warns companies that incentive plans can't work indefinitely because what will happen is that people will be motivated only by the incentives and, because of this, you will be forced to keep offering greater and greater incentives each year to get people's attention. And unless your incentives increase every year, people won't take you seriously. It doesn't take a rocket scientist to come to the conclusion that if you keep offering higher incentives your ROI will become much more difficult to demonstrate.

The bottom line is this; for wellness programs to survive and thrive over the long haul, employees will have to genuinely embrace the concept of workplace wellness; if they don't, the program is doomed. In light of this reality, it's essential that employers view wellness programs as something we do for and with employees not something we do to them.



Successfully Increasing Participation With Incentives

- ◆ The Motivation
- ◆ The Mantra
- ◆ The Methods
- ◆ The Movers
- ◆ The Models
- ◆ The Message
- ◆ The Miscellaneous Details



Part 3: The Methods

Now that we've addressed the motivation and the mantra, let's look at the actual methods of incentivizing employees that we have at our disposal. And, if used effectively, these methods can create buzz, increase participation and, ultimately, promote behavior change.

Carrots and Sticks

Perhaps the most commonly known methods of incentivizing employees are carrots and sticks. Carrots are basically anticipated or desirable rewards designed to influence the performance of an individual or a group. They are the most widely used of all incentives in the workplace wellness arena. Carrots include things like t-shirts, merchandise, cash, and more (we'll spend a lot more time on the specifics in the next section). For now, what's important to know is that carrots are by far the most popular method of incentivizing employees.

And while carrots have been the preferred method of motivating employees, it is also important to know that when it comes to motivating people, sticks are gaining in popularity among wellness practitioners. Relying on leveraging negative or undesirable consequences in order to influence the performance of an individual or

a group, sticks are a powerful tool that you have at your disposal. To date, there's little question that sticks have been used much less often than carrots but they can be quite powerful motivators nonetheless. In fact, many highly-respected organizations like Union Pacific Railroad and Whirlpool have implemented sticks to discourage unhealthy lifestyle practices (smoking) among employees.

Now, unless you're relatively new to the field of workplace wellness, chances are pretty good that you have some familiarity with the previously mentioned concepts of carrots and sticks. However, just because this terminology has been the most widely-used in our field doesn't necessarily mean it is the most useful. Indeed, I am of the opinion that the whole metaphor is short-sighted at best.

Here's the problem.

Carrots and sticks have been used since antiquity as methods to motivate livestock—most notably horses. I think just by the very nature of the terminology associated with carrots and sticks it, in many ways, interferes with the mantra we've espoused in the previous section. After all, when people talk about carrots and sticks, they usually are no longer talking about incentives as altruistic inducements associated with getting people more interested in taking on healthy

lifestyles. More often than not, they're really looking at them more as methods of manipulation to get the rank and file to shape up. Personally, I think the present terminology of "carrots and sticks" is terribly shortsighted as it's an approach that doesn't recognize the true value of a human being.

Fortunately, there is a better approach.

Introducing PICS and NICS

PICS and NICS were first introduced by Dr. Aubrey Daniels in his remarkable book, "Bringing Out the Best in People." Specifically, the term PIC's is an acrostic for Positive, Immediate, and Certain. Similarly, NIC's represent the concept of Negative, Immediate, and Certain. According to Daniels, PIC's are great ways to help people adopt new behaviors and NIC's are best used when you are trying to extinguish certain behaviors.

Let's take a closer look at how PIC's and NIC's have been used in worksite wellness programs.

A short time ago, Ohio Savings Bank, a large employer headquartered in Cleveland, implemented a PIC in an effort to stimulate participation in the completion of a Personal Health Assessment. Adeptly outlining the PHA process to their 2,400 employees, the coordinators of the project offered up two movie tickets as an inducement to get employees to take part in the process. With an excellent communication plan in place, the PHA process was launched and, when the completion period ended, the project coordinators were pleased to discover that they had far exceeded the national norms for participation rates.

Obviously, there are lots of other PIC's besides movie tickets that can be used in worksite wellness programs, but this brief case study provides a clear example of a how a PIC—Positive,

Carrots & Sticks



Carrot—An anticipated positive or desirable reward designed to influence the performance of an individual or group.

Stick—An anticipated negative or undesirable consequence designed to influence the performance of an individual or group.



Immediate, and Certain—can be used to increase the adoption of a new behavior.

Before proceeding, it's important to reiterate that PIC's are used to help employees adopt new behaviors and NIC's are most often used in helping people to extinguish certain behaviors. With that in mind, let's now look at NIC's in action.

Perhaps the most widely-recognized NIC's that have been used in the field of workplace wellness target tobacco use. And that's certainly true in the case study of CEO Howard Weyers and his Michigan-based company, WEYCO. For years, Mr. Weyer's was genuinely concerned about the health toll tobacco was taking on the employees of WEYCO. After much soul searching, Weyers was finally moved to take action. Committed to using a NIC, Weyers spent several years putting the right pieces into place. Beginning in 2002 with an aggressive and sincere

communications plan, Weyers invested a lot of energy and effort in personally communicating why it was imperative that WEYCO go tobacco-free. From there, and over the course of the next several years, he proceeded to implement policies that prohibited the hiring of tobacco users at WEYCO. Continuing on, he increased premium rates for current tobacco users and even initiated a testing protocol. While it's beyond the scope of this article to outline the case study in its entirety (you can access the complete document at www.welcoa.org), suffice to say, Weyers was successful in dramatically lowering the incidence of tobacco use within his organization.

The Importance of PIC's and NIC's

Hopefully, the information presented in this section has given you a better and more useful approach than the much relied on—but shortsighted—concept of “Carrots and Sticks.” However, before we proceed on to the

next section it's important to reiterate the mantra; “wellness programs are something we do for and with people; not something we do to them.” As a result, PIC's and NIC's should be used as methods to help motivate people to voluntarily adopt healthier behaviors and leave behind more problematic ones. And, if used correctly, both PIC's and NIC's can provide much needed motivation for individuals to make important lifestyle changes.

Oh, and by the way, according to experts in the field (see the Bill Sims interview later in this issue of *Absolute Advantage*) PIC's should far outnumber the use of NIC's. In fact, in a recent conversation I had with Bill, he reiterated, “There are times when you have to use negative reinforcement, but negative reinforcement should be used as a means of last resort.” Because PIC's are the preferred form of incentivizing employees for most health issues, the rest of the article will zero in on the specific information that is relevant to them.

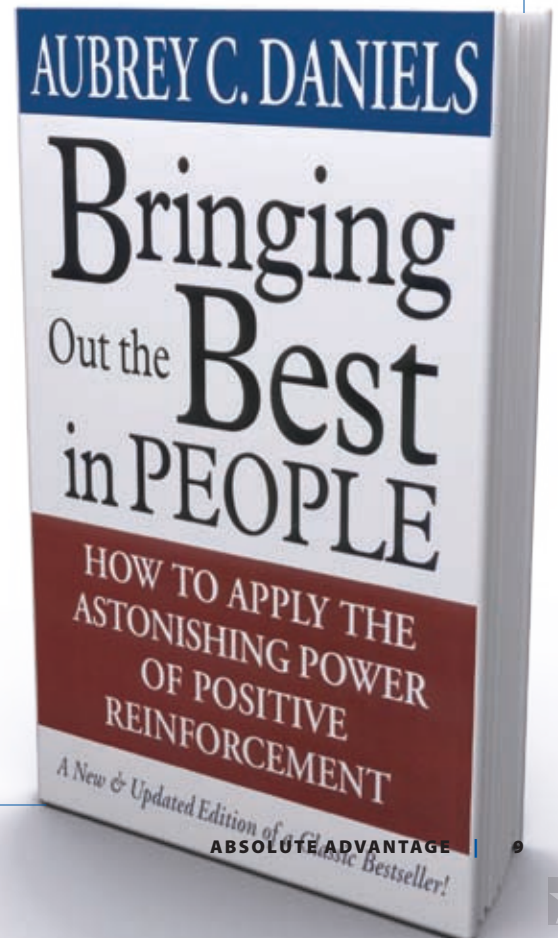
Introducing PIC's & NIC's

PIC's

- ◆ Positive
- ◆ Immediate
- ◆ Certain

NIC's

- ◆ Negative
- ◆ Immediate
- ◆ Certain



Part 4: The Movers

In the context of this article, the movers refer to the actual categories of PIC's that can be implemented to get the needles moving (i.e., generate buzz and stimulate participation). Specifically, in this section, we'll look more closely at four specific categories of movers: Trinkets and T-Shirts, Merchandise, Cash, and Premium Reductions on Healthcare.

Trinkets and T-Shirts

Trinkets and T-Shirts refer to the first category of PIC's and include things like water bottles, hats, pedometers, and of course, the beloved and widely-distributed, T-Shirt. When communicated effectively, anecdotal evidence suggests that Trinkets and T-Shirts can garner participation rates that approximate anywhere from 10 to 15%. And while Trinkets and T-Shirts often take a beating in the discussion of incentives, for programs

that are just getting started, they do have a place at the table. For example, Trinkets and T-Shirts may not be the best option for a company that has been "doing" wellness for a number of years. However, for a business that is just beginning their efforts, Trinkets and T-Shirts are certainly appropriate—and having 10 to 15% participation right out of the chute is not necessarily a bad thing.

Merchandise

Merchandise is the second category associated with PIC's and can include such items as sneakers, workout gear, movie tickets and gift cards. Again, according to anecdotal evidence, using merchandise as an incentive can move your programs from good to better and will usually generate participation rates in the neighborhood of 15 to 50% depending upon the type of merchandise being offered. Obviously an iPod will get a warmer reception than, let's say, a \$10 gift certificate.

But in either case, merchandise will generally increase your participation rates more significantly than Trinkets and T-Shirts.

Cash

The third category of PIC's is cash. And, in economically challenging times, cash can be a very effective motivator. While cash does require a very specific and tangible outlay of a precious asset, the good news is that you don't have to offer up a lot of cash to get great participation rates. In fact, if you talk to experts like Larry Chapman of WebMD, you'll find that a \$25 tax-advantaged incentive can get you participation rates in the neighborhood of 35 to 75 percent. Before moving on, when we talk about a tax-advantaged cash incentive, we're really referring to the notion that taxes are already taken out of the incentive thus leaving the employee with the full amount. For example, there's nothing that will throw cold water on a program faster

The Movers

- ◆ Trinkets and T-Shirts **10-15%**
- ◆ Merchandise **15-50%**
- ◆ \$25-\$50 Cash **35-75%**
- ◆ Premium Reductions
on Healthcare **50-80+%**

than telling employees that if they participate they'll get a certain dollar amount—only to have them discover that the \$25 they were promised really turned into \$16.50 after taxes—to learn more about the tax implications of incentives, always make sure to talk with your company's benefits and payroll experts.

Premium Reductions

The fourth and final category of PIC's is a reduction in the employee's annual health insurance premium. In this scenario, employers typically make available a \$100 to \$250+ reduction in monthly/annual health insurance premiums. Because health insurance is so expensive, this PIC can be an excellent motivator to get people on board with the organization's wellness initiative. Logistically, to get the ball rolling, employers will announce to the employee population that specific premium reductions will occur for those who take part in the program(s). More often than not, the process is finalized during the company's open-enrollment benefit registration period. By formally opting into the wellness program, employees then receive their incentive in the form of a premium reduction. To receive the incentive the employee is usually required to complete a personal health assessment and/or take part in a specific program(s) like walking or medical self-care.

Which PIC To Pick?

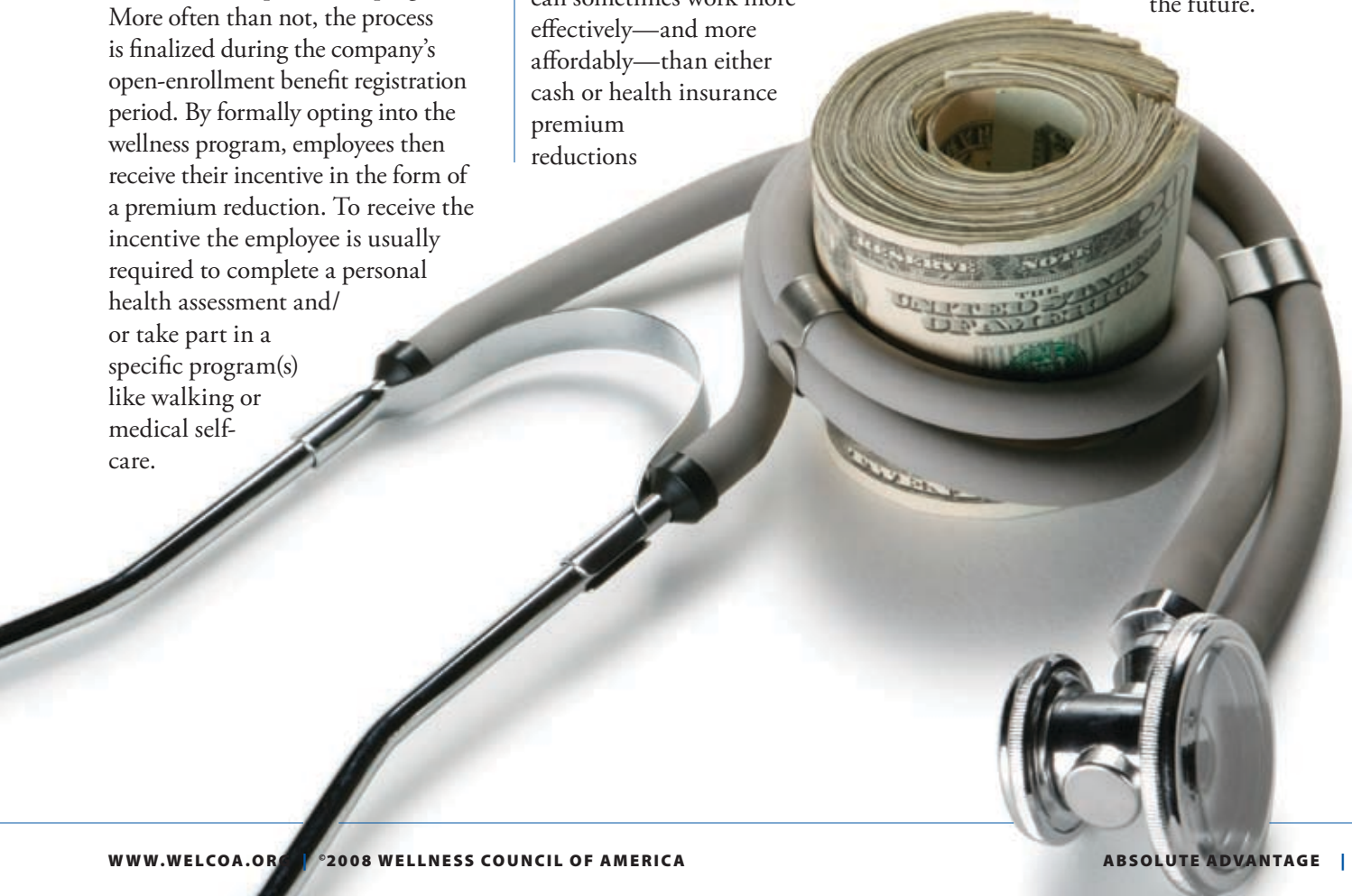
This is really the most essential question that needs to be answered. And unfortunately, there's a lot of art and very little science to guide us. Anecdotally, I can tell you that, in my experience, merchandise is generally more effective than offering Trinkets and T-Shirts. Similarly, cash is generally more effective than merchandise or Trinkets and T-Shirts. And, as you might guess, premium reductions on health insurance oftentimes generate more participation than any other type of incentive. For the most part, this observation is a pretty good general rule of thumb that you can use to guide you in your quest to offer up the right incentives.

However, be warned, there are exceptions to every rule.

For example, Bill Sims, one of the nation's most informed professionals on incentives, warns that merchandise can sometimes work more effectively—and more affordably—than either cash or health insurance premium reductions

(be sure to read the Expert Interview with Bill Sims in this issue for more information on this topic).

Until the research gives us more definitive answers, I would encourage you to start slowly and implement your incentives carefully using smaller dollar values up front. In so doing, you will be better able to understand where the "sweet spot" is when it comes to incentivizing your employees. Certainly some may disagree with this approach, rationalizing that offering a \$250 discount on a health insurance premium right off the bat will generate the appropriate level of participation that they're looking for. To the contrary, what if a \$30 gift card generated the same levels of participation as did the premium reduction? By starting slowly, you will have saved \$220 per employee—big dollars in economically challenging times. Plus, you've got a lot of room to increase your incentives in the future.



Part 5: The Models

In this section, we'll explore the various incentive models that have been used effectively by companies to increase participation levels. Specifically as we move forward, it's once again helpful to rely on the principles of "good, better, best." Thus, with respect to the various incentive models, we'll now proceed to provide you with concrete examples using this framework.

Good

When it comes to the "good" model of incentivizing your employees, we would recommend using a pre-packaged incentive campaign. Specifically, pre-packaged incentive campaigns are turnkey programs that provide wellness practitioners with easy-to-implement and cost-effective incentive programs to increase participation within the company's wellness program. Each incentive campaign generally

includes a Director's Guide which provides the big-picture overview as well as the specific steps that will need to be accomplished in order to successfully implement such a campaign. In addition to the Director's Guide, a pre-packaged incentive campaign will also include Participant Handout Masters which can be reproduced or posted on a company's Intranet site. These handouts provide the instruction and guidance necessary for your employees to successfully take part and complete the incentive campaign. Finally, a pre-packaged incentive campaign will include various documents like participation logs, score sheets, and evaluation forms by which wellness practitioners can keep track of the results of the campaign.

Pre-packaged incentive campaigns are available through a variety of organizations including WELCOA and Michigan-based, Health Enhancement Systems (www.hesonline.com) just to mention a few.

Generally, a pre-packaged incentive campaign will cost between \$100 and \$300 (not including the incentives themselves). WELCOA members receive incentive campaigns as a part of their annual membership dues.

More often than not, pre-packaged incentive campaigns are usually

sold and distributed in hard copy format. However, as the Internet increases its reach within corporate America, many providers of pre-packaged incentive campaigns are now developing online versions.

Better

If you are looking to take your program to the next level, you may want to consider a more comprehensive approach. Specifically, we would recommend using nationally-recognized providers like Integrated Health and Wellness, Wellsteps, and Wellsource, again, just to mention a few. When using campaigns from these providers, you will find a much more sophisticated element of wellness programming and much greater online interactivity as well as enhanced technical support. For example, if you select a provider like Integrated Health and Wellness, you'll find that your employees will be able to participate in six, four-week incentive campaigns ranging from exercise and nutrition all the way to dental health and humor. Not only will Integrated Health and Wellness provide you with six, four-week campaigns, they'll also provide program marketing and participant registration support as well. Be sure to read the interview with Aaron Hardy also contained in this issue of *Absolute Advantage*.

Criteria Is King



When using the aforementioned providers, you can expect to pay somewhere in the neighborhood of \$25 to \$40 per employee per year. To date, many companies have used these providers and experienced great success with their assistance.

Another option in the “better” category is developing a customized incentive campaign that is unique to your organization and driven by your company’s metrics and health goals. In order to do this, you’ll need to engage companies like the Bill Sims Company or HealthForce Partners. Certainly there are others, but these are two that have been used successfully by scores of companies across the United States. Before moving on, if you do choose to develop a custom-designed incentive campaign, remember that criteria are everything. In fact, in order to be successful, you need to be crystal clear in the criteria that employees will need to meet in order to achieve the incentive. An example of some commonly used criteria is provided in the illustration below. If you do choose to move forward with a custom-designed incentive campaign, be sure to work with your provider in

establishing the criteria that’s right for you and your company.

Best

Perhaps the “best” approach in increasing wellness participation levels is formally linking your wellness program to your benefit plan design. In this approach, companies will generally incent employees to the tune of a \$100 to \$250 health insurance premium reduction when they participate in the company’s wellness initiative. Generally, this means that employees will not only have to complete a confidential personal health assessment, but they’ll also be required to participate in the appropriate low-, moderate-, or high-risk level program depending upon the employee’s results of the PHA in order to receive the full incentive. Because, in this instance, the incentive is large enough to attract a lot of attention—and because we are in economically difficult times—this approach will generally garner 70 to 90% participation levels.

As you would expect with the “best” approach, there are a lot of issues to become familiar with including the HIPAA regulations regarding wellness

incentives as well as ADA (Americans with Disabilities Act) guidelines which ensure that everyone has an equal and fair opportunity to successfully participate in the company’s wellness programs. While it’s beyond the scope of this article to explore these regulations, we would encourage you to read an article that was published in the Journal of Occupational and Environmental Medicine (www.JOEM.org) regarding the development of Johnson & Johnson’s wellness program (JOEM, Volume 44, Number 1, January 2002). This article will provide significant insight into how these programs can be successfully established.

There’s no question that linking your wellness program to your company’s benefit plan design can generate significant participation and create important outcomes—both financially and in terms of the improvement of health status for employees. However, we would once again encourage you to move methodically and systematically when implementing such a program. Always pay particular attention to the legal issues and be sure to get the blessing of your company’s legal counsel before moving forward.



- Completion of an HRA
- Completion of a health screening
- Completion of a physical activity requirement
- Completion of a nutritional component
- Completion of a stress component
- Participation in a community health event
- Ergonomic work station assessment
- Completion of a medical self-care component
- Reading of a monthly online newsletter and completion of a quiz
- Non-smoker



Part 6: The Message

Having addressed the various incentive models through the “good, better, best” paradigm, it’s time to turn our attention to the message. In a nutshell, the message refers to the specific content of the communications that should accompany—indeed precede—the implementation of any incentive program. Having learned from experience, I can share with you that there is a formula that accompanies an effective wellness communication campaign. Here are the major points.

We Care About You

The first primary point of any wellness communications campaign needs to begin with the message, “We care about you.” Although this seems logical, it’s astounding at the number of business/wellness leaders who fail to begin their communications with this message. Instead, many will lead with something like, “Healthcare costs are going up and unless you (the employee) take more responsibility, it will soon be unaffordable.” By failing to begin with the primary message “We care about you,” I can tell you that you’ve made a huge mistake. In fact, if you don’t lead with this message, employees may feel like they’re about to get stuck with additional costs (similar to what’s happened with rising gas prices, mortgage payments, food prices, etc.) and they’ll simply tune you out.

Your Health Is The Pearl of Great Price

The next major point that needs to be communicated when you announce your incentive campaign is “Your health is the pearl of great price, and we want to help you protect it.” Coupled with “We care about you,”

this message is powerful in that it tells the employee that you understand the value of good health and the importance of providing assistance in helping them maintain and enhance it. As the baby boomers continue to age, this message will resonate with a large segment of your population, thus increasing the likelihood of a sympathetic hearing for your message.

We’re Offering You A Great Opportunity

The third major point associated with the launch of an incentive campaign will also include, “We’re offering you a great opportunity to get involved in a health promoting program.” Having established this foundation, you can begin to lay out the requirements and details associated with your incentive program. Although it can be difficult, we would encourage you to keep this section brief and if you need to provide more in-depth information, simply include it as an attachment. In so doing, you’ll keep the message clear, crisp, and most importantly brief.

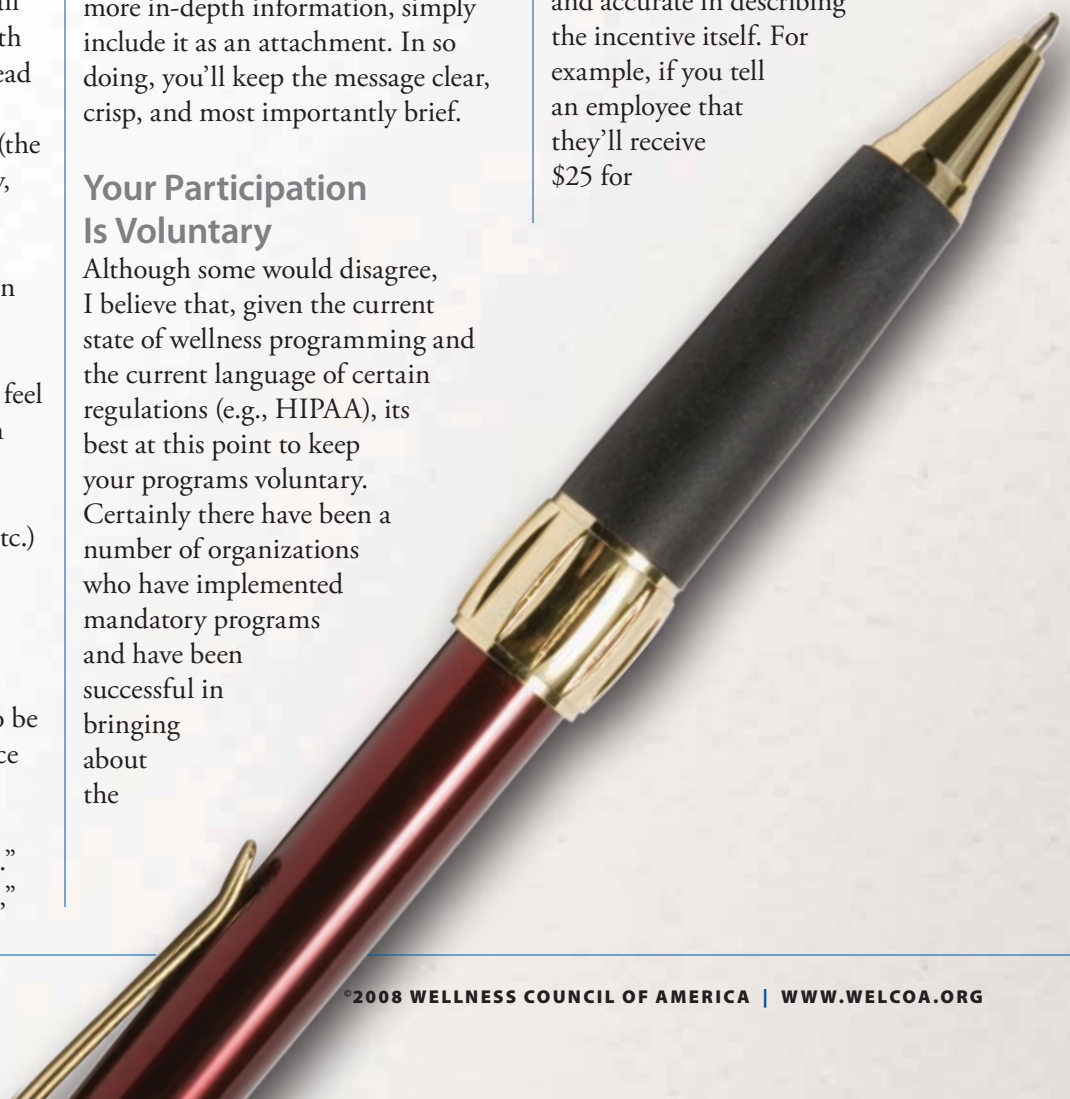
Your Participation Is Voluntary

Although some would disagree, I believe that, given the current state of wellness programming and the current language of certain regulations (e.g., HIPAA), it’s best at this point to keep your programs voluntary. Certainly there have been a number of organizations who have implemented mandatory programs and have been successful in bringing about the

desired changes in behavior. However, these programs have required intense involvement with labor attorneys, benefits specialists, and senior executives. Given the fact that most wellness programs are not sophisticated enough to successfully engage all of these constituents, my suggestion would be to proceed methodically, systematically, and, if necessary, slowly. By letting your employees know that their participation is voluntary, you’ve taken a huge step toward avoiding potential litigation.

If You Participate, You Will Receive An Incentive

At this point, it’s time to communicate the incentive that employees can expect to receive when they participate in and complete the incentive program. It is imperative that you are straightforward and accurate in describing the incentive itself. For example, if you tell an employee that they’ll receive \$25 for



participating, and they get a check for \$16.50 (after taxes), a lot of people will be upset. By failing to let employees know all of the details, you've created expectations that can't be met. The bottom line is this: Present your incentive with accuracy and precision.

If You Have Questions Or Concerns, Please Contact Us

The final portion of the communiqué is a blurb providing employees with an opportunity to give you feedback or express concerns. This is a particularly

important part of the overall letter in that it allows you to identify concerns early on so that you can take aggressive and swift measures to address them. Be prepared to receive more feedback in the first year of the program since employees will generally have questions and/or concerns about anything that's new. Over time, these concerns and questions will dissipate, but you should definitely be prepared to handle employee feedback as it comes your way.

In closing out this section, it's also important to let you know that your

overall message should be sincere, specific, personal, and timely.

Sincerity is key in a communiqué of this sort. If employees perceive that you are disingenuous, it could severely hurt your overall participation.

In addition, it's important to personalize the letters that are distributed—by using first names, you can take a big step toward building trust and communicating your genuine interest in helping your employees.

THE MESSAGE

1. We care about you.
2. Your health is the pearl of great price.
3. We're offering you a great opportunity.
4. Your participation is voluntary and the results are confidential.
5. If you participate, you will receive an incentive.
6. If you have questions or concerns, please contact us.



Part 7: The Miscellaneous Details

In this final section, we'll address the miscellaneous details associated with successfully utilizing incentives in your company's wellness program.

Always Think "Good, Better, Best"

As you proceed in your wellness efforts, it's helpful to always think "good, better, best." I know it sounds overly simplistic, but it does provide a useful context to rationalize where your program is presently positioned and, perhaps more importantly, the steps you're going to take in order to move to the next level. The reason that the "good, better, best" framework is important is that it will keep you

from getting discouraged as your program begins to take shape. Too many times, wellness practitioners feel like their programs are inadequate or substandard when compared with the Platinum level companies. However, this is not the case as there's always a learning curve and a step-wise progression that needs to be overcome in order to successfully weave your program into the fabric of the organization's culture.

You May Want To Exclude Senior Execs From Participating

I know that this sounds like heresy, but there is some wisdom in altering the roles of your senior execs from participants to cheerleaders when it comes to your company's wellness incentive campaign. In fact, it can be disheartening (employees will use other

more graphic terms) when a senior exec finishes first in the company's incentive program. If this happens, employees will come to the logical conclusion that it's not a level playing field—which most of the time, it's not. Indeed, it's hard to argue the fact that senior level execs have more latitude in order to walk and exercise than do middle managers and frontline employees. To overcome the potential ill will that could surface, I would recommend engaging your senior level execs as cheerleaders and carve out a roll for them to encourage others to participate and succeed.

Expect People To Game The System

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completing the tasks. I guess you could write it off to human nature, but I would strongly suggest that you prepare yourself for the fact that some people will try to take advantage of what you're doing. To address this concern, many wellness practitioners have incorporated simple language into their registration forms that says something to the effect, "I will abide by program requirements and will honestly take part in this program." By incorporating a simple statement like this, you can help to let people know what your expectations are.

Always Run Your Incentive Plans Past Your Corporate Attorney Or Benefits Administrator

Because of the tax implications and current benefit laws, it's always a

good idea to run your plans past your corporate attorney and/or benefits administrator. In so doing, you will be able to proceed confidently knowing that, not only do you have their blessing, but you are conducting your program with everything on the up and up.

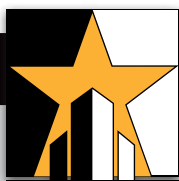
Be Prepared To Deal With The Unexpected

The final miscellaneous detail I'll leave you with is to be prepared for the unexpected. Anytime you're working with large groups of people, you'll encounter things that simply cannot be anticipated up front. Take for example the Fortune 500 company that provided personal walking "night lights" to those employees who completed a 16-week walking campaign shortly after 9/11.

By way of background, these walking night lights attach to your belt and they can be programmed to flash (and even beep) so that cars or bikers will see you (or hear you) when you're walking or biking at night.

Logistically, at the completion of the incentive campaign, the wellness team mailed the battery-operated night lights out to each of the successful participants via interoffice mail. While being stored in the company mailroom, many of the devices began to beep and flash—probably due to low batteries—resulting in the city's bomb squad infiltrating the corporate mailroom in an attempt to get to the bottom of things. The lesson learned is this: Because you can't anticipate everything, it's essential that participants and company officials alike know who the key contact is in case of emergency, if questions arise, or if unanticipated events transpire.

In this article, we've provided an aerial view of how to increase participation by utilizing incentives. As you move forward, I would encourage you to keep the seven M's in mind as you look to maximize the effectiveness of your wellness program. ★



ABOUT WELCOA

Based in Omaha, Nebraska, the Wellness Council of America (was founded in 1987 as a national non-profit membership organization dedicated to promoting healthier life styles for all Americans, especially through health promotion initiatives at the worksite.

Working Well—Specifically, WELCOA focuses on building Well Workplaces—organizations that are dedicated to the health of their employees. The Well Workplace process provides business leaders and members with a structure or blue print to help their organizations build results-oriented wellness programs. Ultimately these programs help employees make better lifestyle choices, and positively impact the organization's bottom line. To date, over 700 companies have received the prestigious Well Workplace award.

Leading-Edge Wellness Information—In addition to helping organizations build structurally sound wellness programs, WELCOA serves as a national clearinghouse and information center on worksite wellness. WELCOA responds to thousands of requests for information and materials by publishing a number of source books, a monthly health and wellness newsletter, an extensive line of brochures, as well as conducting numerous training seminars.

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