

The Importance of Establishing a Culture of Health



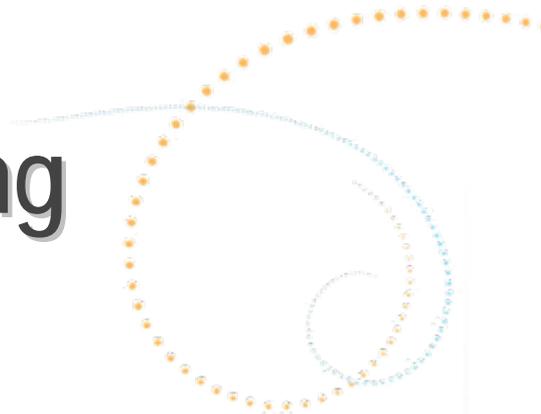
Steven M. Schwartz, PhD

*Director of Outcomes Research & Data Analytics
Wellness & Prevention, Inc.*

Wellness & Prevention, Inc.

A Johnson & Johnson COMPANY

The Importance of Establishing a Culture of Health



What is Culture?

What do we mean by Health?

Finding Operational Terms

*Culture*¹

- Knowledge/Tools
- Organizational Institutions
- Beliefs
- Art
- Values/Morals
- Custom
- Law

1. Tylor, E.B. (1871) *Primitive Culture*.

Health

is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity.²

2, Preamble to the Constitution of the World Health Organization as adopted by the International Health Conference, New York, 19-22 June, 1946; signed on 22 July 1946 by the representatives of 61 States (Official Records of the World Health Organization, no. 2, p. 100) and entered into force on 7 April 1948.

What is a Culture of Health?

"...a workplace ecology in which the dynamic relationship between human beings and their work environment nurtures personal and organizational values that support the achievement of a person's best self while generating exceptional business performance."

Nico Pronk, PhD, President,
International Association
for Worksite Health Promotion³

"...emphasizing the importance of the health of the worker, creating management support, and providing motivational programming that will reduce major health risk factors"

Crimmins and Halberg.
JOEM, 2009

"...the creation of a working environment where employee health and safety is valued, supported and promoted through workplace health programs, policies, benefits, and environmental supports."

Centers for Disease Control and
Prevention¹

1. <http://www.cdc.gov/workplacehealthpromotion/glossary/>.
2. Crimmins and Halberg. *J Occup Environ Med*. 2009;51:351-355.
3. Pronk N. *ACSM's Health & Fitness Journal*. 2010;14:36-38.

5 Pillars of a Culture of Health

- Leadership & Commitment
- Policy & Procedure
- Marketing & Communications
- Enterprise Programs
- Measurement & Outcomes

But Did You Know...



In companies with a strong culture of health, employees, on average, are **3 times** more likely to report taking action on their health.

Wellness & Prevention, Inc. Landmark Study, 2009.

And...

These same employees rate **all aspects of their performance** higher than employees whose employers do not have a strong culture of health

- 
- overall personal life
 - overall work life
 - job performance
 - career paths
 - ability to fulfill potential at work

Wellness & Prevention, Inc. Landmark Study, 2009.

What's More...

An employer's commitment to employee well-being is *as critical as* opportunity for advancement and *more important than* competitiveness of pay and benefits for overall job satisfaction

Aspect of Job	Correlation*
My company's commitment to my personal well-being	0.62
My career path/opportunity for advancement	0.62
My job gives me a sense of meaning and purpose	0.58
My relationship with my manager/boss	0.56
Find work meaningful & purposeful	0.54
The competitiveness of what I'm paid	0.48
The competitiveness of the benefits package I receive	0.43

*A Pearson product-moment correlation coefficient was used to correlate aspects of job to "my satisfaction with job overall."

Wellness & Prevention, Inc. Landmark Study, 2009.

Yet...



Less than 26% of employees believe their company has a strong culture of health.

Wellness & Prevention, Inc. Landmark Study, 2009.

We All Know...



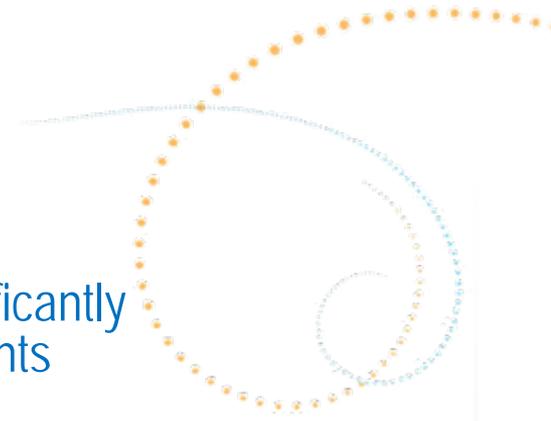
Lack of employee engagement is the biggest obstacle to changing health behaviors



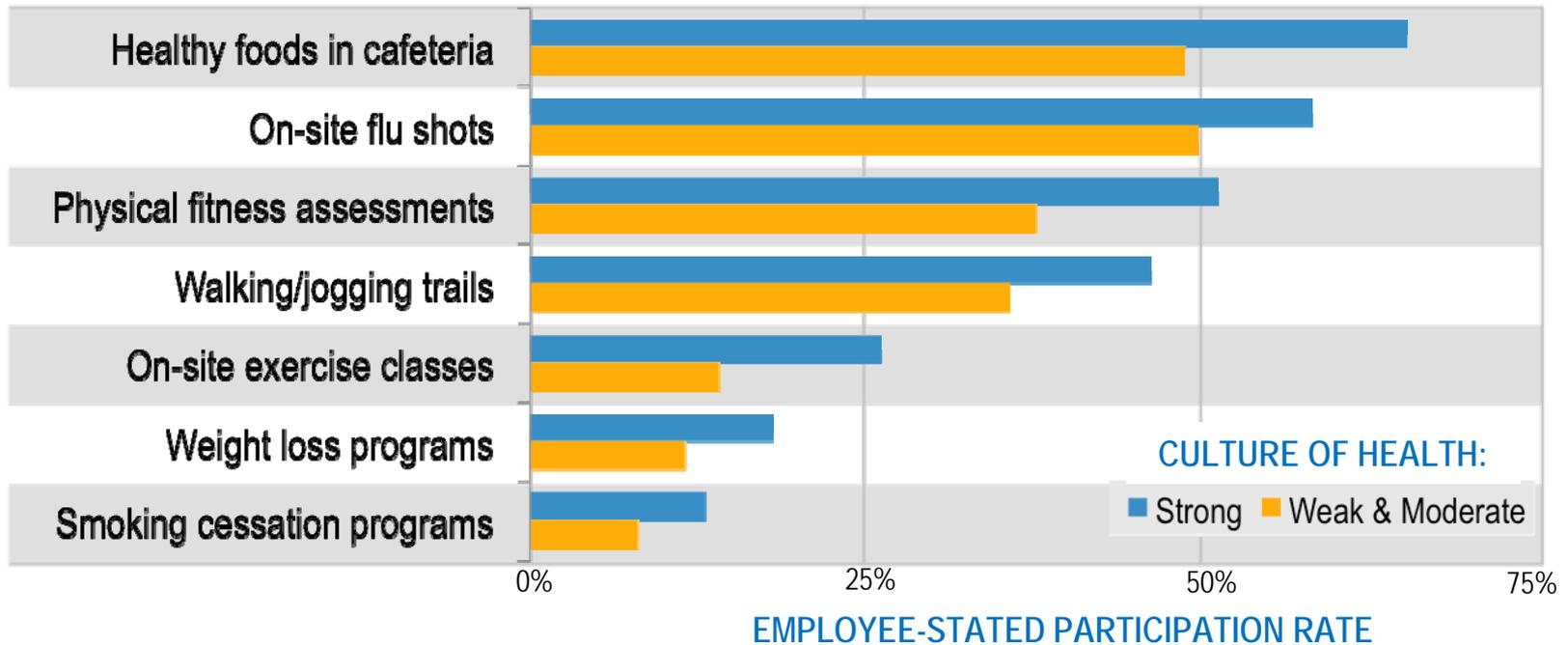
Purchasing Value in Health Care. Selected Findings From the Annual National Business Group on Health/Towers Watson Survey Report. 2010.

In Fact...

Companies with a perceived strong culture of health have significantly higher employee participation rates across ALL program elements



AVAILABLE HEALTH PROGRAMS



Wellness & Prevention, Inc. Landmark Study, 2009.

Culture of Health:

COMMON THEMES

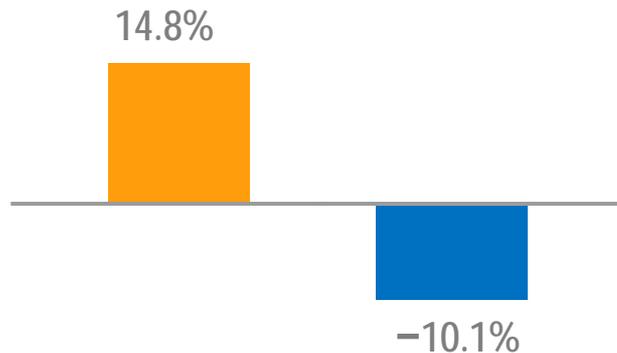
- A culture is the set of shared attitudes, values, goals, and practices that characterizes an organization
- Common themes across various definitions of a culture of health
 - Management support, commitment, and leadership
 - Motivational programs and environmental influences
 - Policies, procedures, and benefits that support employee health
 - Communication (employee ↔ employer)
 - Outcomes measurement (ie, risk factor reduction)



Culture of Health linked to Business Advantage

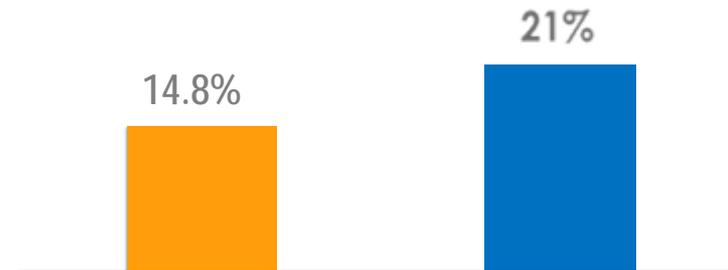
Companies committed to health as a business imperative achieve significantly better financial outcomes and lower employee turnover

BETTER 5-YEAR TOTAL SHAREHOLDER RETURN



 Companies that MOST effectively treat health as a business imperative

REDUCED TURNOVER RATES



 Companies that do NOT effectively link health to business imperatives

Towers Watson 2009/2010 Staying@Work Report.

Wellness & Prevention, Inc.

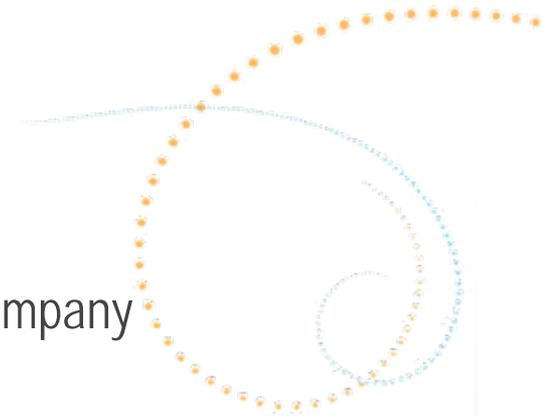
A Johnson & Johnson COMPANY



The Johnson & Johnson Experience

Success Factors for a Motivating Culture of Health

Johnson & Johnson



- The world's largest and most comprehensive health care company
 - 2009 sales of \$61.9 billion
 - More than 250 operating companies selling products worldwide
- Unique form of decentralized management of 115,000 employees worldwide

3 WORLDWIDE BUSINESS SEGMENTS:

CONSUMER PRODUCTS



MEDICAL DEVICES/DIAGNOSTICS



PHARMACEUTICALS



Business Value

"An important part of our Credo responsibility to our employees is providing them with resources to lead healthier lives. Good health is important to all of us. Good health is also good business."

- William C. Weldon
CEO Johnson & Johnson

Johnson & Johnson

"The health of the employee is inseparable from the health of the Corporation."

Why We Do What We Do

OUR VISION:

Have the healthiest, most engaged workforce for Johnson & Johnson allowing for full and productive lives

OUR MISSION:

Deliver a competitive business advantage to the Johnson & Johnson Family of Companies, by providing the leadership and resources that enable the well being, full engagement, and productivity of our employees worldwide



Evolution of a Culture of Health

1978

BIG GOALS

- LIVE FOR LIFE®:
Partnership between Benefits, Safety, Medical, Wellness, and EAP
- James E. Burke, Chairman and CEO, set 2 major goals
 - Encourage employees to become “healthiest in the world”
 - Reduce health care costs through on-site programs and services

1995

INTEGRATION

- Established health and wellness shared services in HR, integrating
 - Employee assistance
 - Occupational health
 - Wellness and health promotion
 - Disability management

2004

GLOBAL EXPANSION

- Global expansion of integrated services to provide
 - Leadership
 - Consultation
 - Guidance
 - Support

2007

HARMONIZATION

- Health and wellness key policies harmonized as part of global HR organization
- Global Health Risk Assessment Pilot

2008

NEW BUSINESS PLATFORM

- Wellness & Prevention identified as key new business strategy
 - Services and products to expand the power of a culture of health

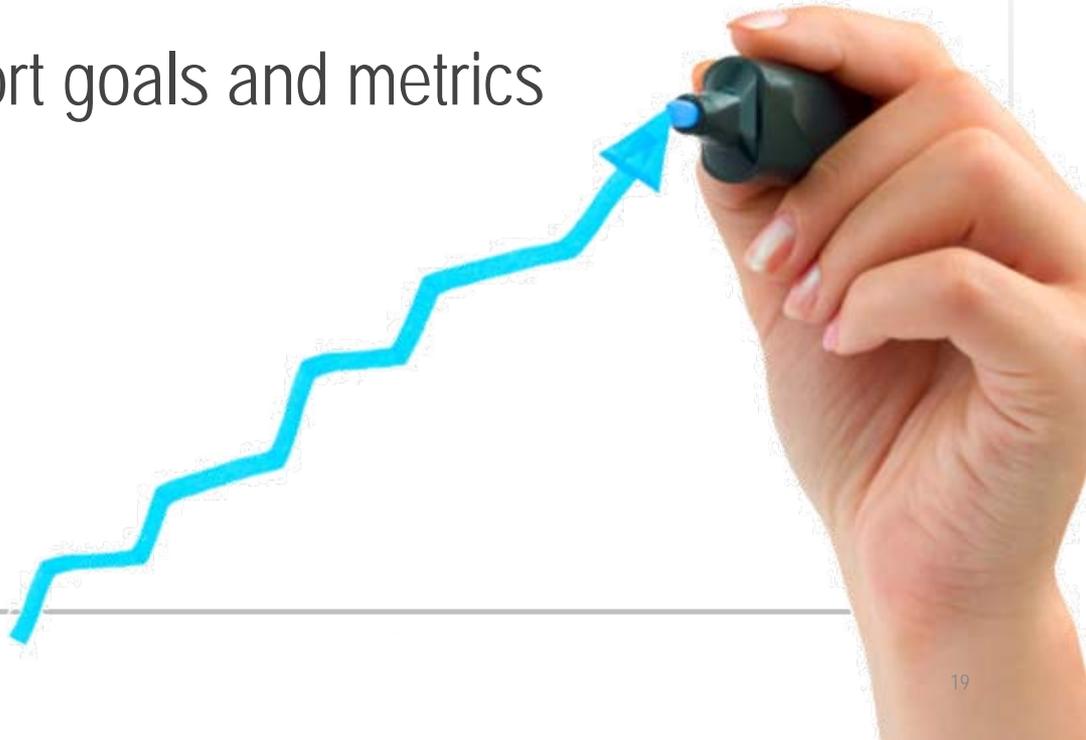
Policies & Procedures

- Globally harmonized procedures
 - Tobacco-free sites
 - Wellness programs, occupational health programs, employee assistance programs
 - HIV/AIDS
 - Others
- Standardized procedures (“toolkits”) that support program implementation worldwide



Global Health Strategies to Drive Results

- Foster a culture of health
- Integrate service delivery with a focus on prevention, behavior modification, and linkage to benefit design
- Use appropriate incentives
- Integrate data to support goals and metrics
- Commit long-term



Enterprise Programs

Mental Health & Well-Being

Access to employee assistance professionals

24/7 telephonic counseling

Online mental health screening

HealthMedia® Digital Health Coaching programs

Resiliency/stress management training

Yoga and meditation

Healthy Lifestyle Programs

Health profile and biometrics

Health profile counseling

Digital Health Coaching programs

Pedometers and million-step challenges

Weight Watchers and nutritional counseling

Tobacco cessation programs (PIQ)



**Johnson & Johnson
Employees and
Families**

Johnson & Johnson Global Health Services, 2010.

Occupational Health & Disease Management

Onsite occupational health clinics

Employee health centers

Medical surveillance compliance

Value-added services (phlebotomy, pharmacy, & physical therapy)

CareConnect & Health Advocate

Medical benefit integration

Health Education & Awareness Programs

My eHealth (tip of the day, family health guides, personal trackers)

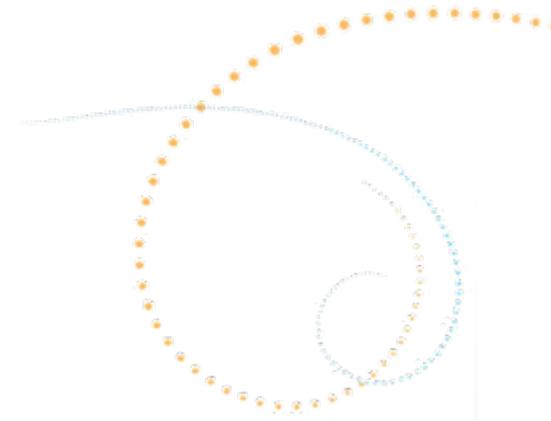
Healthy people news

Healthy people bulletin boards

Global health observances (i.e. Move for Health, World Diabetes Day, Breast Cancer Awareness, World AIDS Day)

Our Strategic Approach

- Address spectrum of needs
- Use proven programs/methods
- Measure outcomes/manage program investments



Setting Global Enterprise Health Goals

1. Create, Promote, and Sustain an Organizational Culture of Health

2012 Goal: 75% of companies will have at least 12 health offerings

2. Reduce Population Health Risk Factors

2012 Goal: at least 70% of the assessed population is defined as low health risk

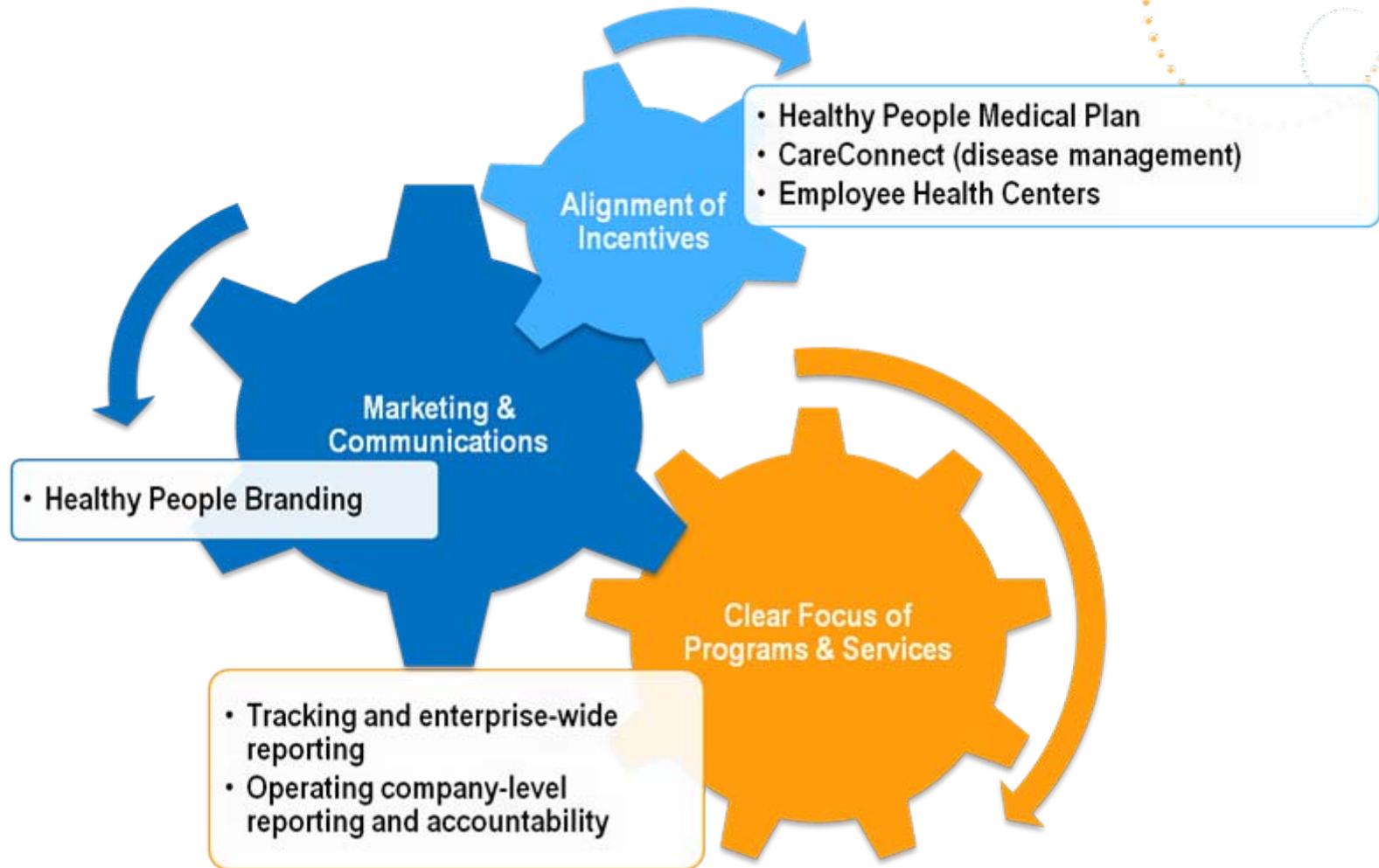
3. Assess and Manage Occupational Health Risks Identified Through the Medical Surveillance

2012 Goal: 90% or more of all planned Periodic Medical Surveillances will be completed

Global Enterprise Health Goals: Steady Progress

Type	Health Program Offerings	Progress
Core Offerings	<p>Create & Sustain Culture of Health</p> <p>2009 Target: 75% of companies with at least 8 Health Programs (fully implemented)</p> <p>2009 Result: US: 94%; OUS: 42%</p> <p>2012 Goal: All 13 Program Offerings</p>	
Secondary	<p>Reduce Employee Health Risk Factors</p> <p>2009 Target: 67% of participants defined as "Low Health Risk"</p> <p>2009 Result: US - 87%; OUS 60%</p> <p>2012 Goal: $\geq 70\%$ Employees have "Low Health Risk" Globally</p>	

Marketing & Communications



Incentives & Employee Engagement



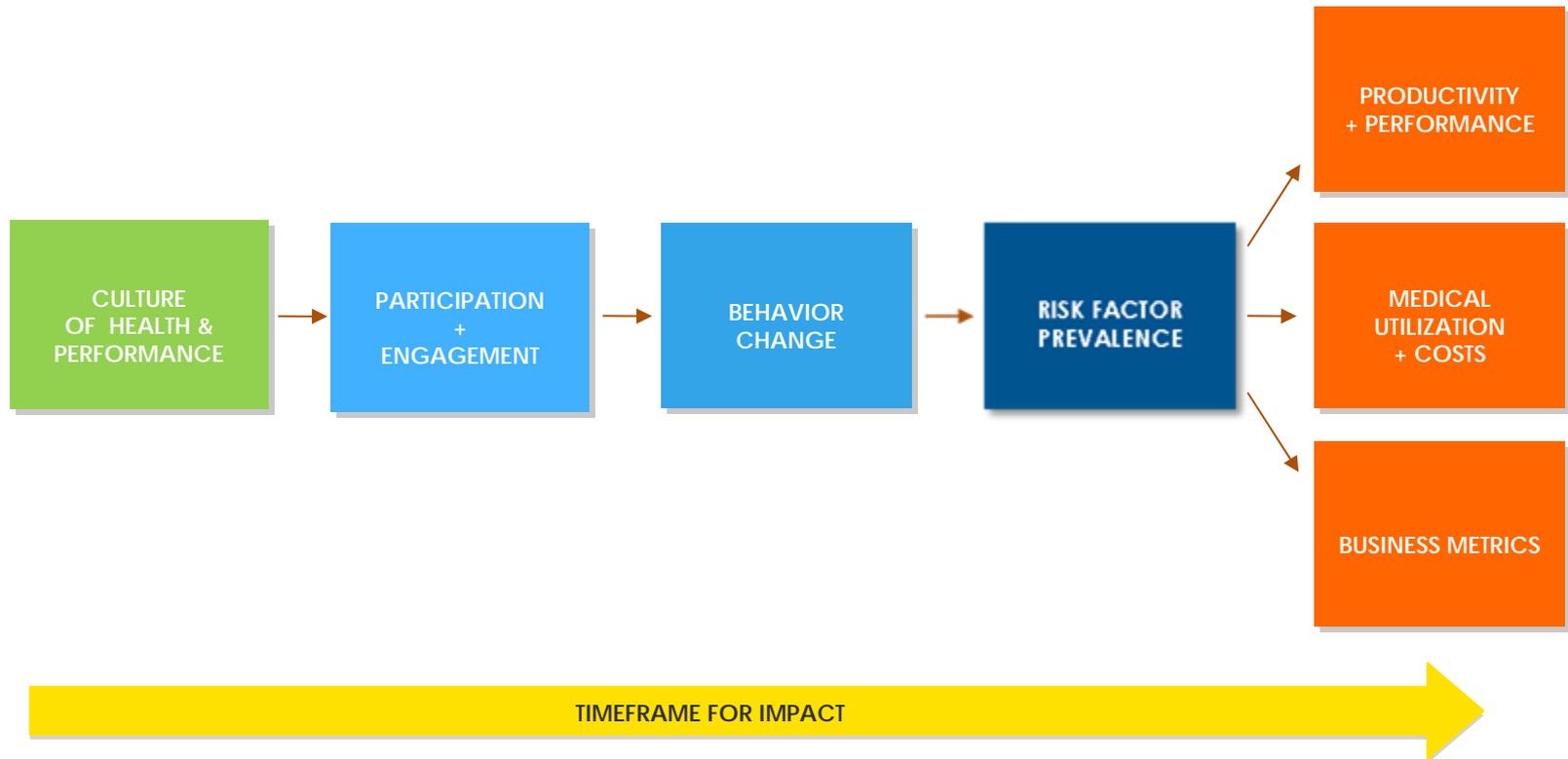
- **Employees receive \$500 discount on medical plan contributions**
 - Increased Health Profile participation from 26% to 93%
- **To maintain \$500 discount**
 - Employees take the Health Profile annually; invited to Health Advising if they show health risk
 - Health Advisors review results and refer employees to resources (e.g., HealthMedia® Digital Health Coaching, Million Step Challenge, Disease Management)
- **Financial Incentives for the HealthyPeople Medical Plan**
 - \$250 incentive for participation in Case/Disease Management
 - \$500 incentive for participation in Maternity Program (\$250 for enrollment plus \$250 for postpartum screening)
 - \$250 Preventive Colonoscopy Incentive (2010)
 - \$150 HealthyWeight Incentive (2010)

Measurements & Outcomes

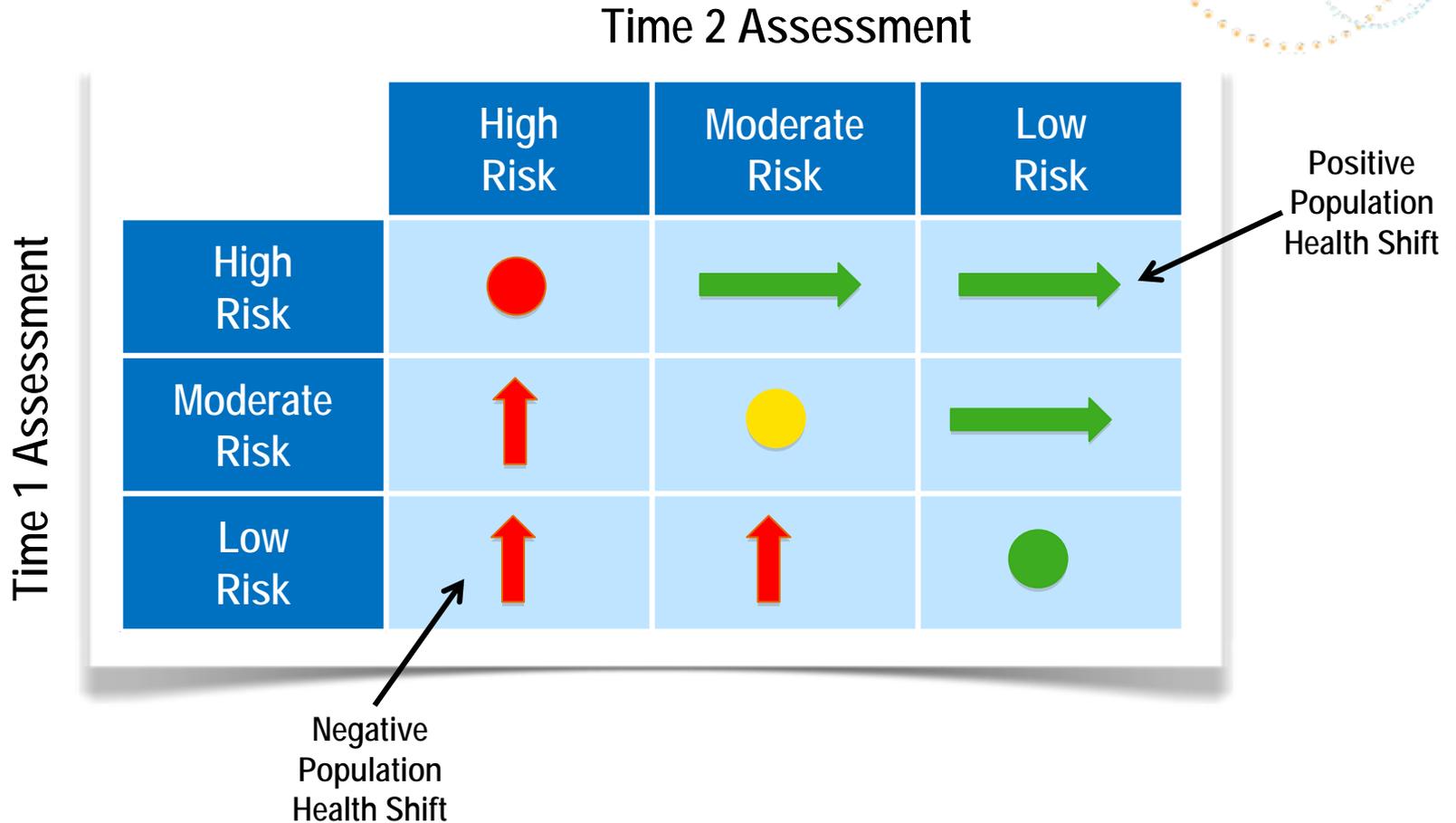
- Measurements in place to assess health and productivity goals
- Continuous feedback process
- Identify and address areas of opportunity



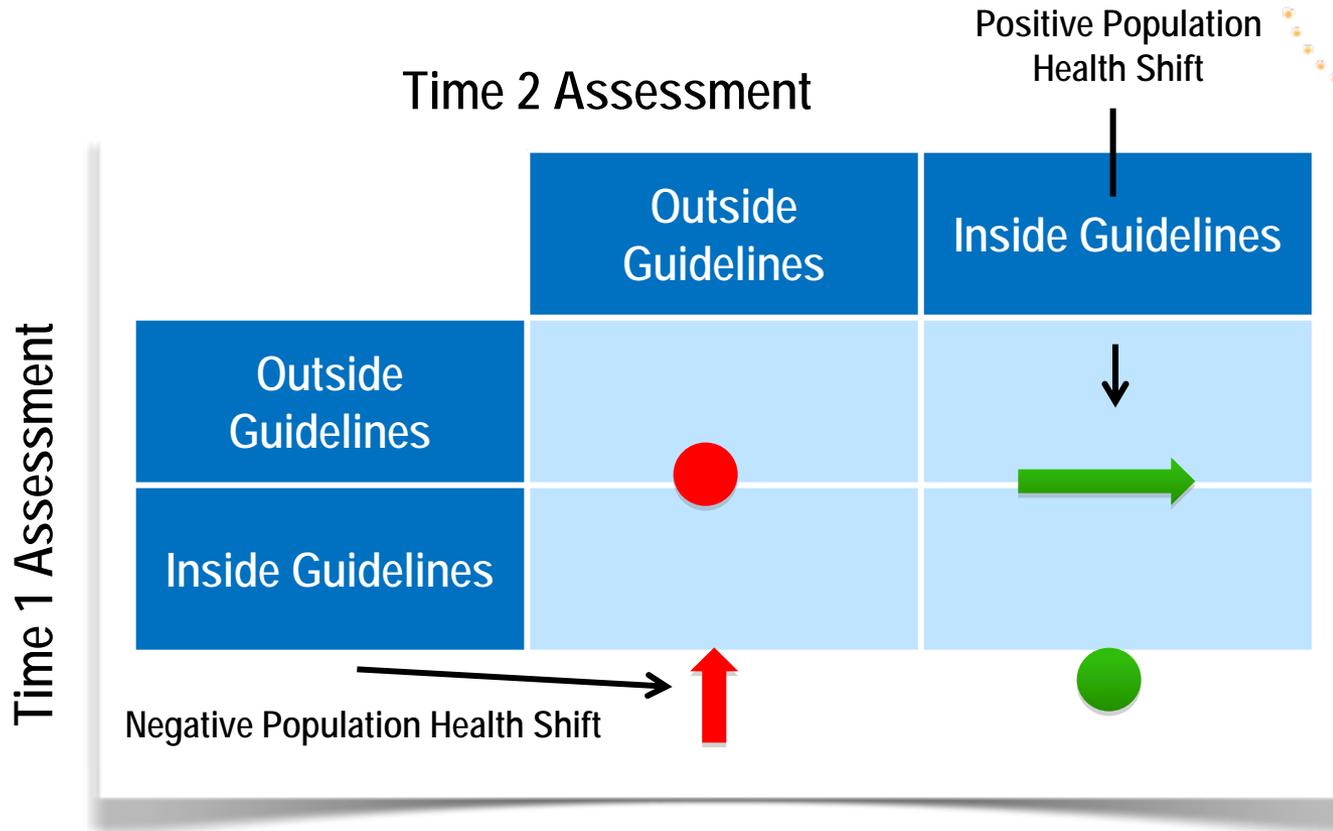
Program Outcomes Logic Map



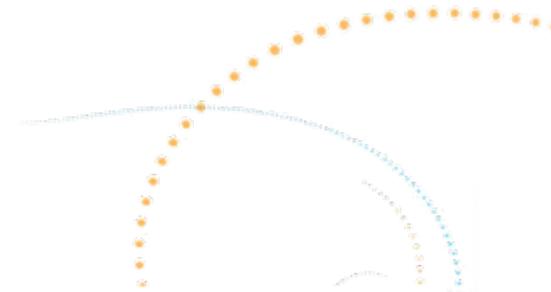
Risk-Based Outcomes Map



Guidelines-Based Outcomes Map



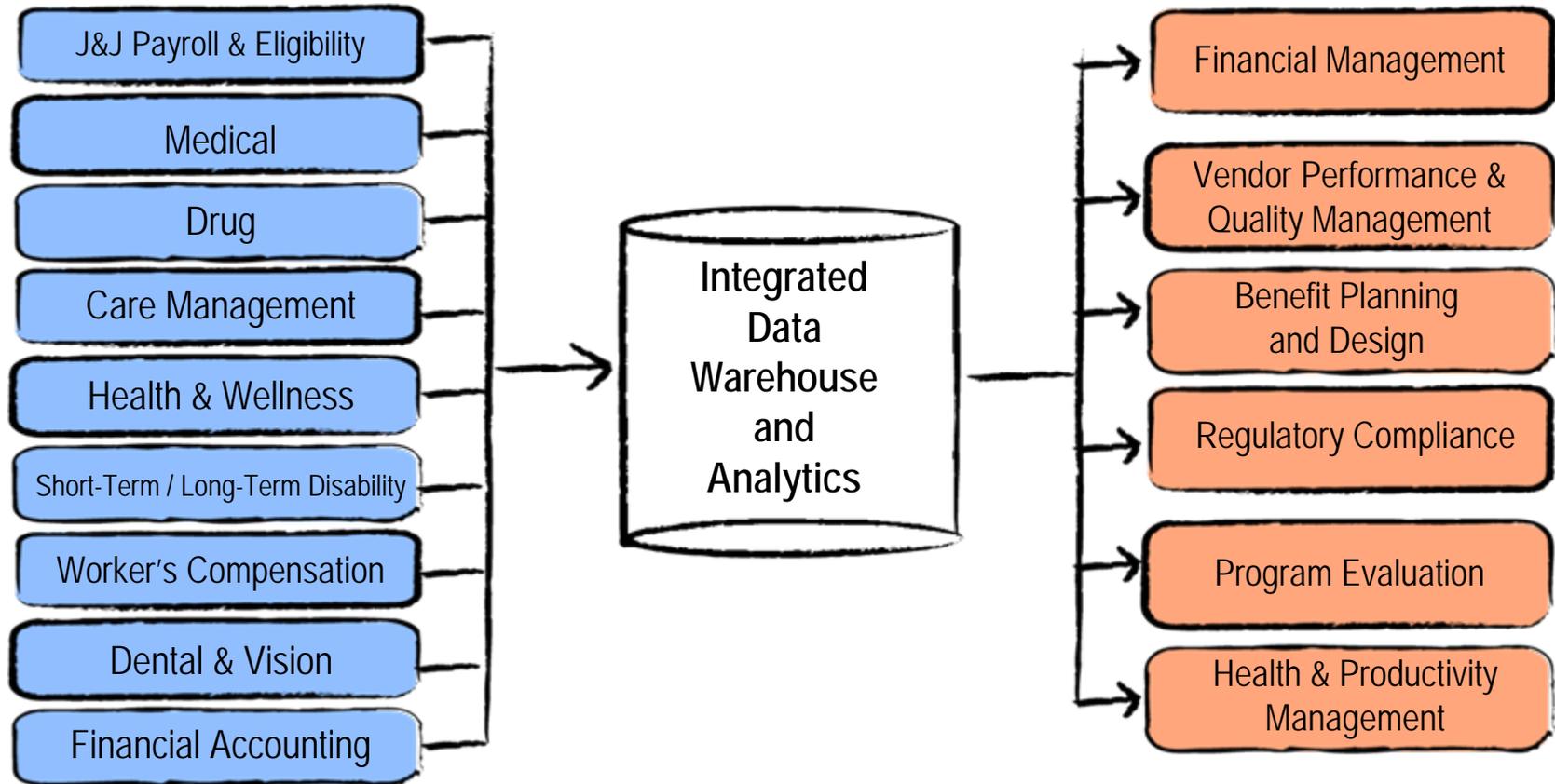
Global Enterprise Health Goals: Steady Progress



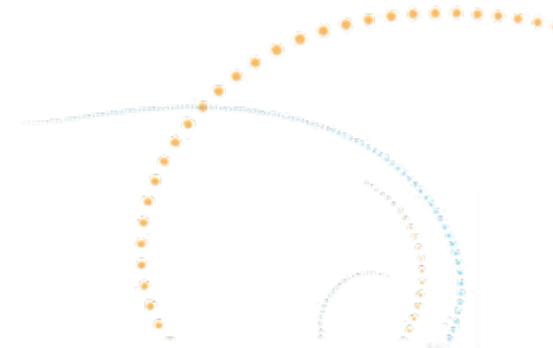
Type	Health Program Offerings	Progress
Core Offerings	Tobacco Free Worksites	98 %
	HIV Aids in the Workplace	88 %
	Mental Health Services (EAP)	82 %
	Medical Surveillance Programs	82 %
	Physical Activity Opportunities	83 %
	Health Profile Assessments (or equal)	54 %
Secondary	Stress Mgmt. & Resiliency	61 %
	Cancer Awareness & Prevention	63 %
	Education on Healthy Behaviors	84 %
	Healthy Eating Cafeteria	72 %
	Travel Health Resources	79 %
	Modified Work Programs	71 %
	Sickness & Absence Management	79 %

Data Integration is Vital

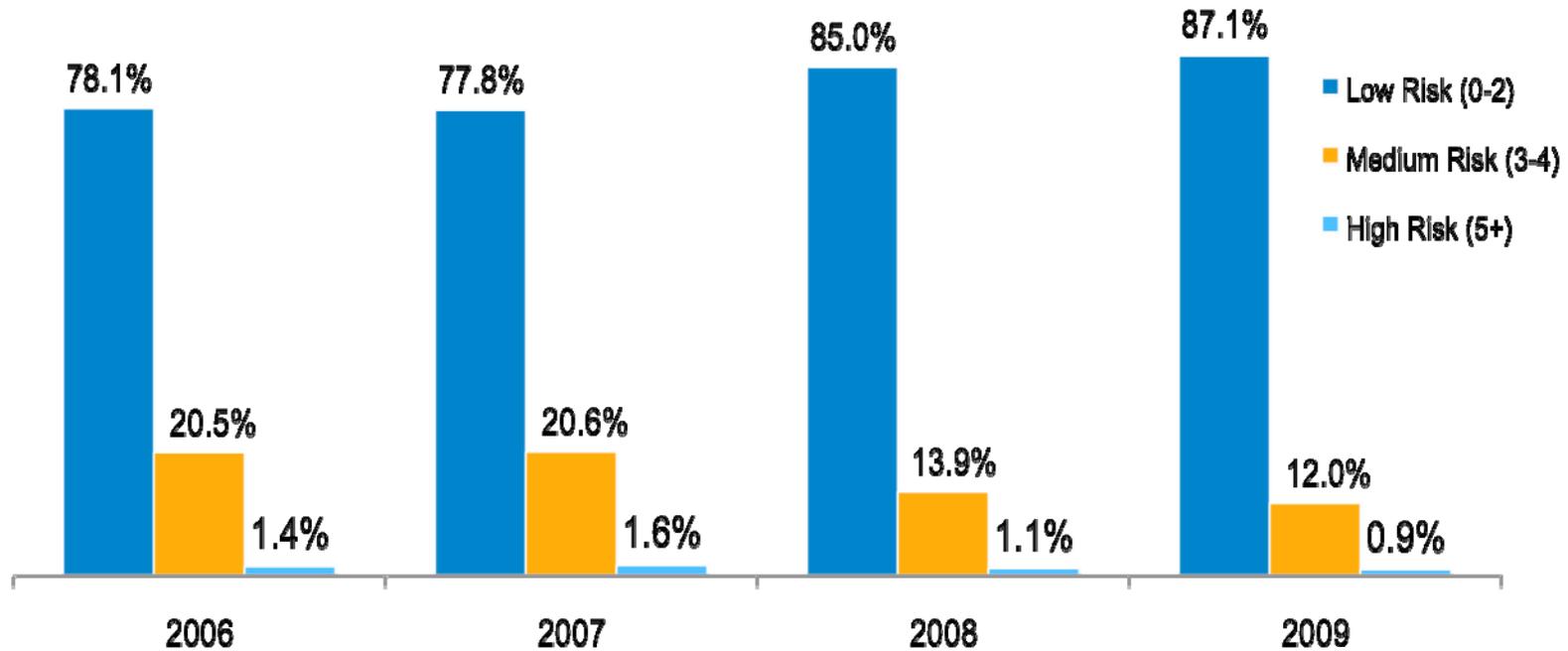
Integrated data drive planning and enable evaluation to achieve total economic value from benefit investments



Improving Health Risks via an Engaged Culture of Health



Population Health Risk Reduction (2006-2009)



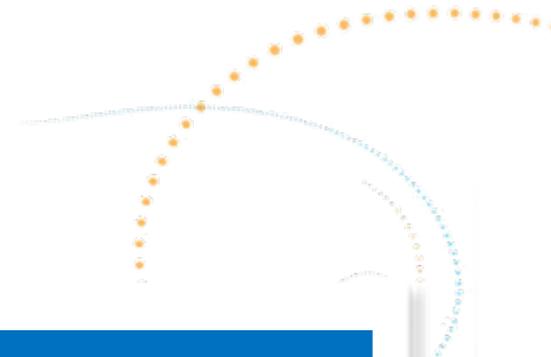
OVERALL INCREASE IN LOW-RISK CATEGORY OVER TIME



OVERALL DECREASE IN MEDIUM/HIGH-RISK CATEGORY OVER TIME

Employee Health & Well-Being

Leading in Business by Leading in Health



U.S. Health Risk Trends			
Health Risk Factor	J&J 2009	CDC US Data*	Service Provider - Book of Business
Unhealthy Eating (<5 Servings / Day)	60.0%	75.6% (2007)	70.2%
Obesity (BMI 30.0+)	20.4%	34.1% (2003-2006)	33.5%
Inactivity (<150 Moderate Minute Equivalents)	20.4%	30.5% (2005-2006)	NA
Hypertension (Blood Pressure 140+/90+ mmhg)	6.3%	17.9% (2003-2006)	8.1%
Cholesterol (Total Cholesterol 240+ mg/dl)	5.3%	16.3% (2003-2006)	6.4%
Tobacco Use (Current User of Any Tobacco)	3.9%	29.6% (2006)	14.9%
Glucose (126+ Fasting)	2.5%	NA	NA
Stress (Heavily or Excessively Stressed)	1.6%	NA	2.8%

*Based on "Health, United States, 2009" a publication by the Centers for Disease Control and Prevention and National Center for Health Statistics, except for "Unhealthy Eating" which is based off of the Behavioral Risk Factor Surveillance System (BRFSS) data from 2007

Employee Health & Well-Being

LEADING IN BUSINESS BY LEADING IN HEALTH

- 2009 Health & Wellness Program Evaluation
- Johnson & Johnson continues to improve employee health and produce cost saving years after implementation
- Benchmarking against similar industry shows an average rate of growth in medical and pharmaceutical costs that is 3.7% lower
- Lower increases in ER and Inpatient admissions and higher increases in doctor visits and prescription drug fills compared to other large companies
- Johnson & Johnson's Health & Wellness program had a projected return on investment (ROI) of \$3.71 for every \$1.00 spent
- Johnson & Johnson health risk trends significantly better than US and other industries in many areas

* Excerpts from 2010 Executive Summary on J&J Health & Wellness Programs (from Thomson Reuters and Emory School of Public Health)

Johnson & Johnson – Future Directions



Healthy People 2015

- Continued focus on cultivating a culture of health
- Continued global expansion
- Enhanced focus on energy for performance training to demonstrate how it can improve personal and organizational performance
- Continued measurement of our progress and performance

Wellness & Prevention, Inc.

- Expanding our mission and experience beyond Johnson & Johnson

Wellness & Prevention, Inc.

Mission: Transform employee health from an accelerating burden to a competitive advantage for companies and their people

HEALTHY PEOPLE
Better Health. Better Future.

Global Benefits and
Health Resources



- Johnson & Johnson has 30 years of experience building a culture of health
- Significantly lower health risks & costs versus the industry



Acquired October 2008

- Scalable, Digital Health Coaching with proven outcomes
- Addresses broad range of health risks (*lifestyle risks, behavioral health issues, and chronic conditions*)



HUMAN PERFORMANCE[®]
I N S T I T U T E

Acquired December 2008

- Science-based training for leaders to manage and maximize their energy for greater health & performance

We Believe...

- Today's health care costs are indeed preventable
- A focus on health risk factors can yield strong results
- Productivity impairment and low employee engagement generate significant costs to health plans, the economy and the nation at large
- We can all play a role in addressing the crisis by improving health, engagement and productivity, while reducing health care costs
- Establish health as a business imperative and focus on creating a strong culture of health—a critical foundation for addressing employee health and productivity
- Johnson & Johnson has established a comprehensive and integrated approach to employee health and productivity
- Our success springs from the Culture of Health, which is built into the fabric of the business





Questions?

The Importance of Establishing a Culture of Health



Steven M. Schwartz, PhD

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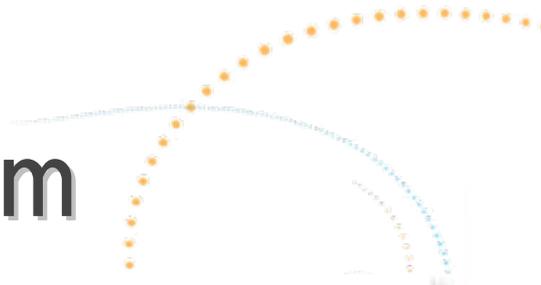
Director of Outcomes Research & Data Analytics

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The Culture of Health Spectrum



COH 1: Programs are not visible or evident

COH 2: Programs are talked about but not put into practice

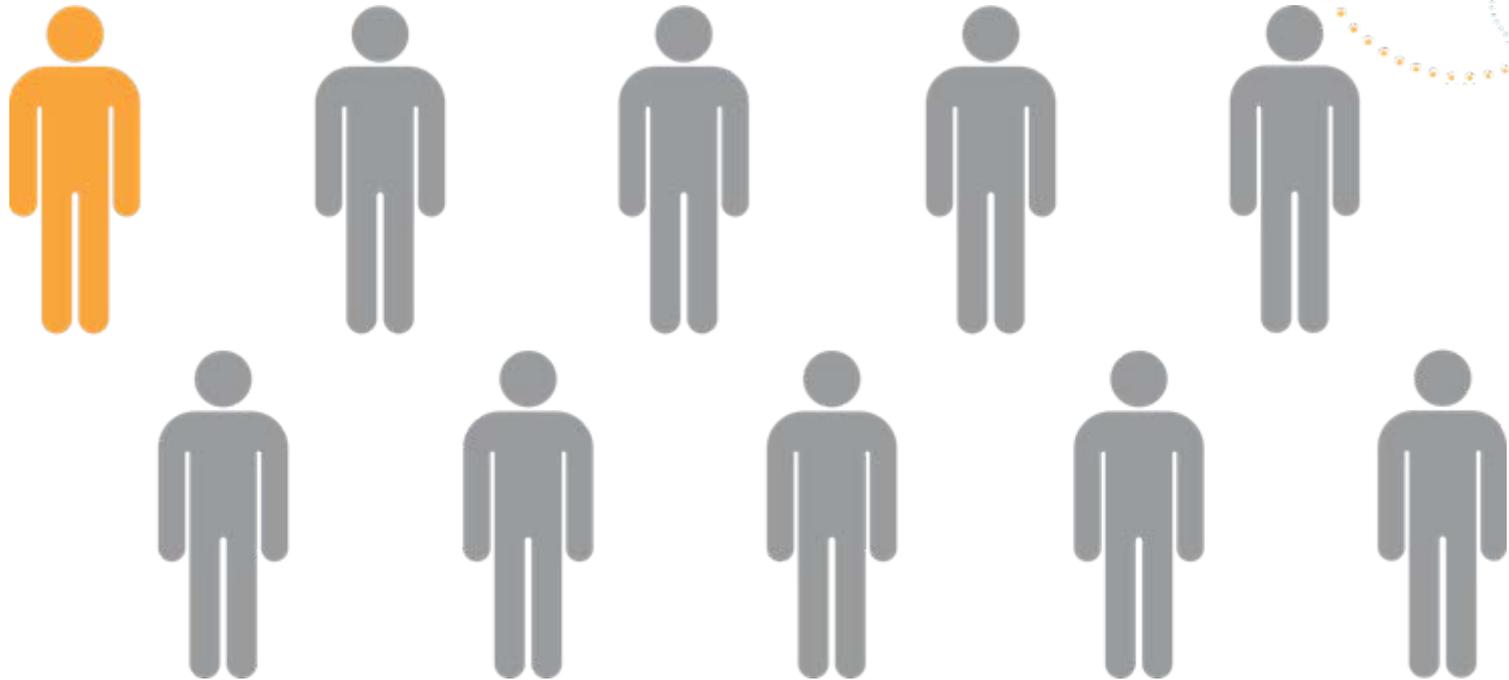
COH 3: Programs are offered but not supported

COH 4: Programs are somewhat supported

COH 5: Programs are strongly promoted and supported

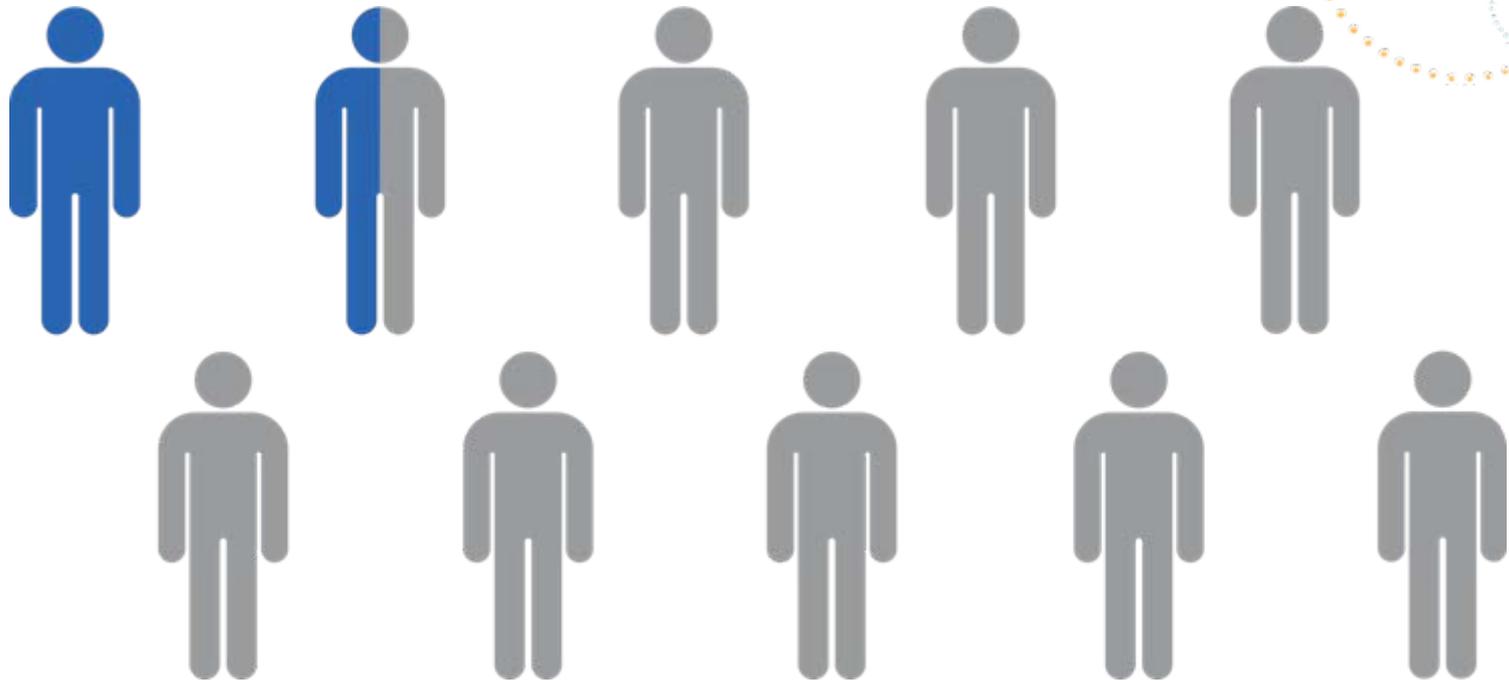
COH 6: Programs are integral to the company mission and goals

The Culture of Health Spectrum



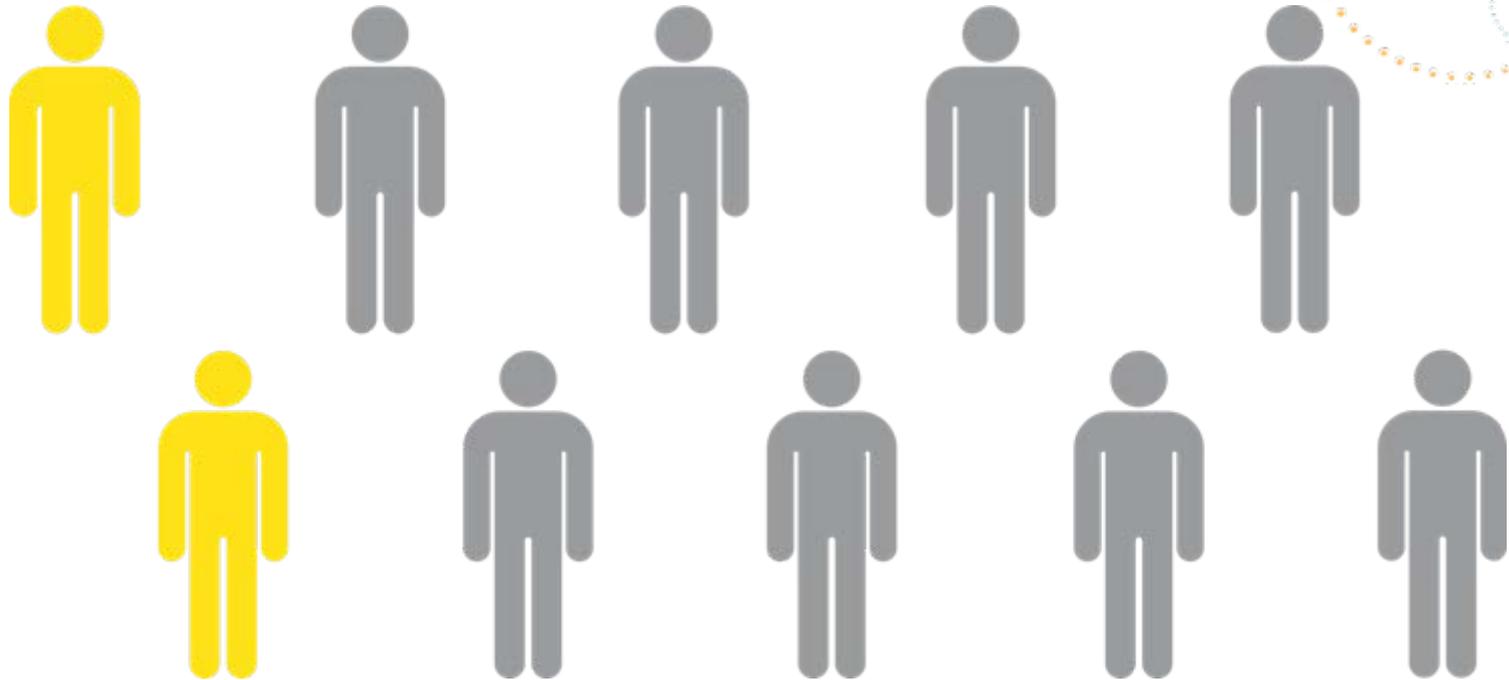
COH 1: **1 in 10** employees believes programs are not visible or evident

The Culture of Health Spectrum



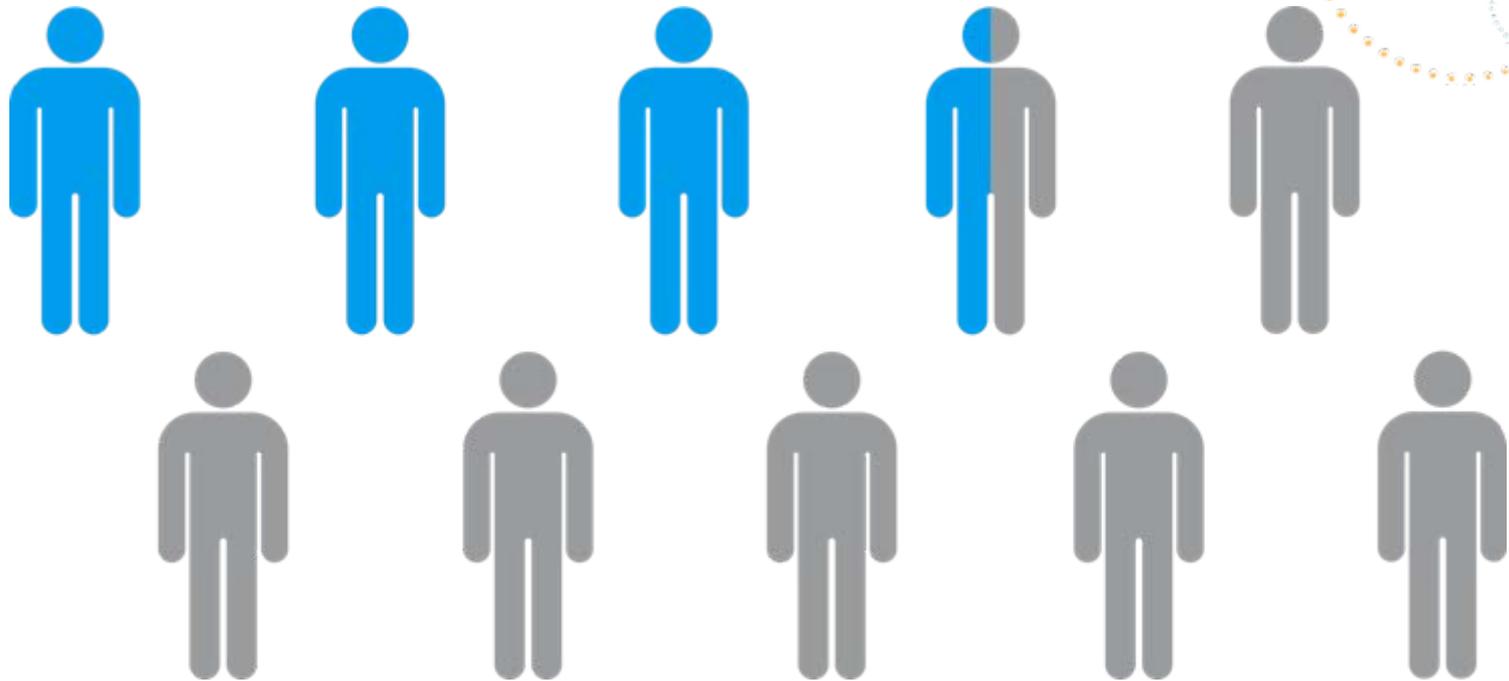
COH 2: **15%** of employees believe programs are talked about but not put into practice

The Culture of Health Spectrum



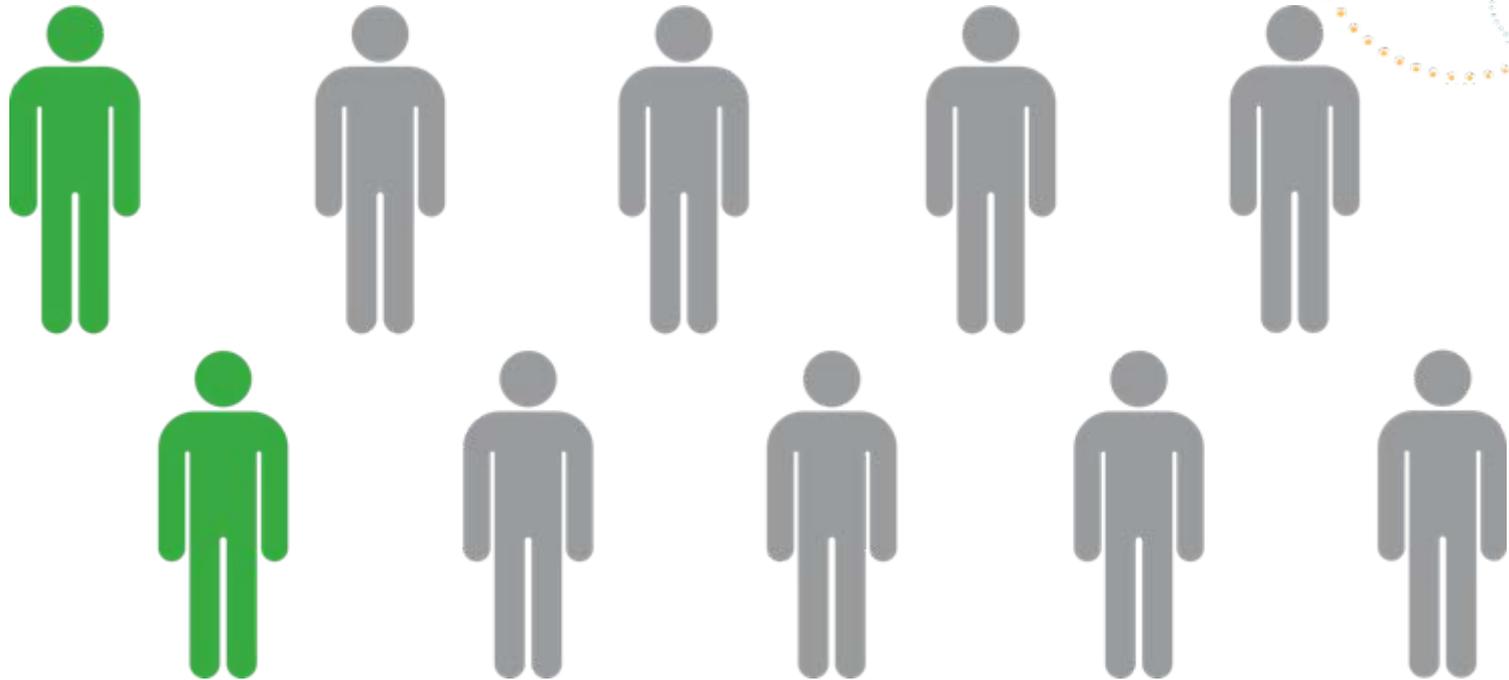
COH 3: **1 in 5** employees believes programs are offered but not supported

The Culture of Health Spectrum



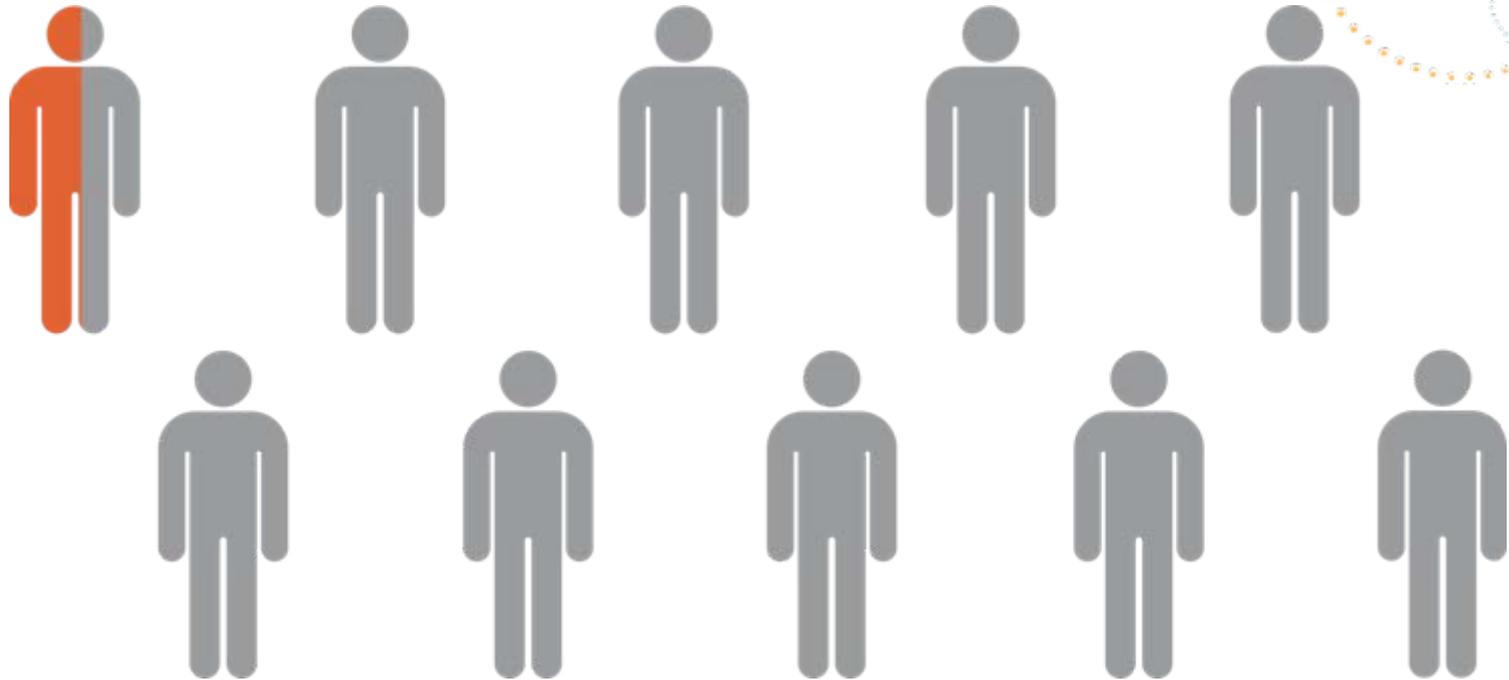
COH 4: **35%** of employees believe programs are somewhat supported

The Culture of Health Spectrum



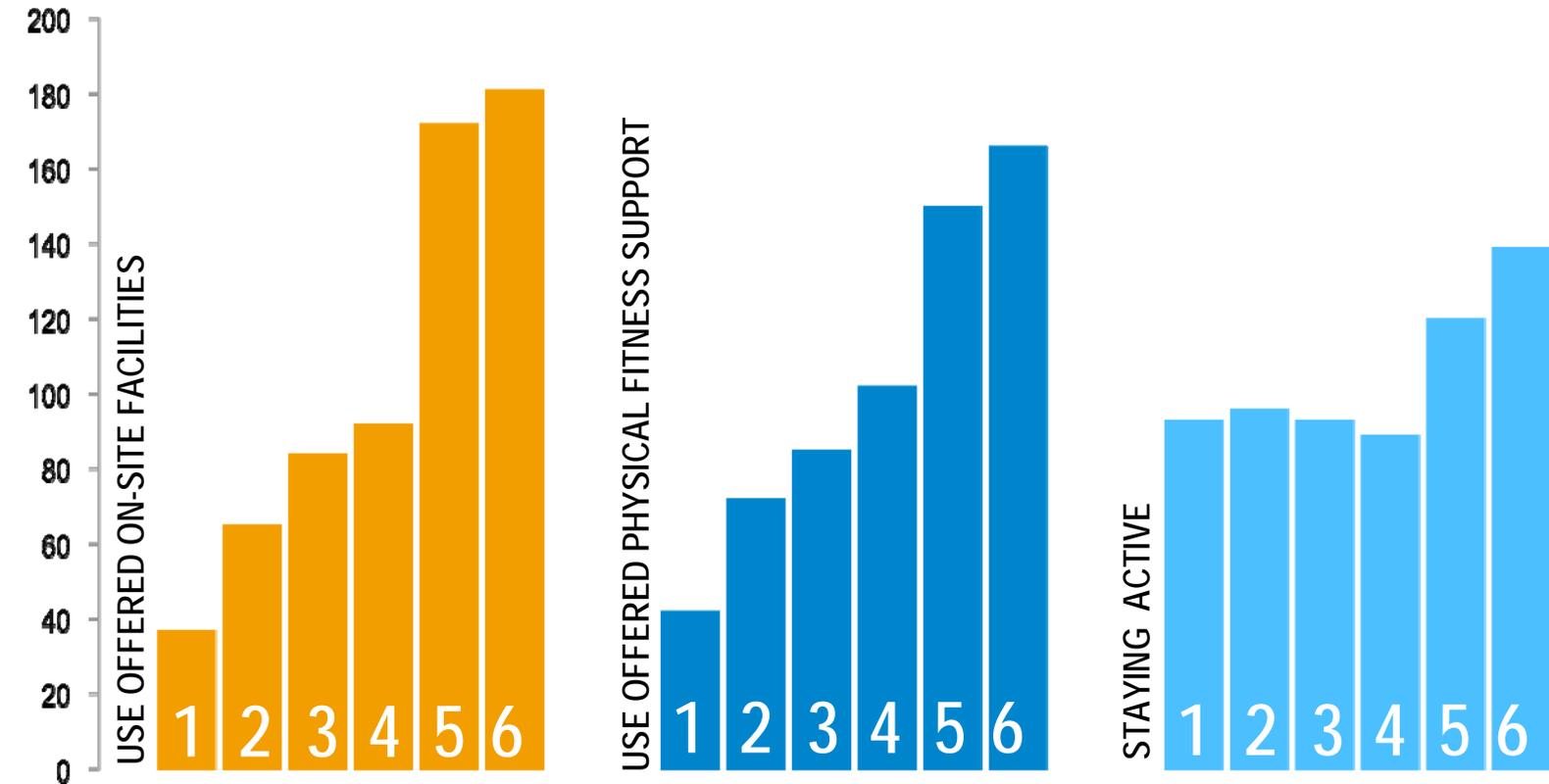
COH 5: **1 in 5** employees believes programs are strongly promoted and supported

The Culture of Health Spectrum



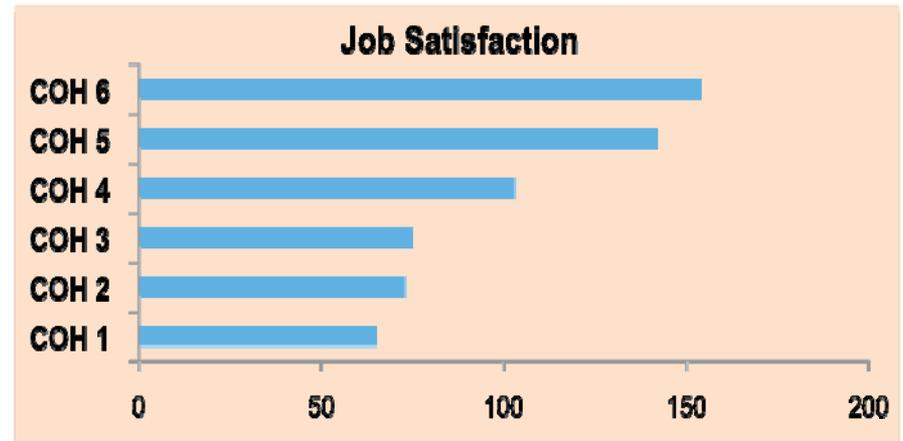
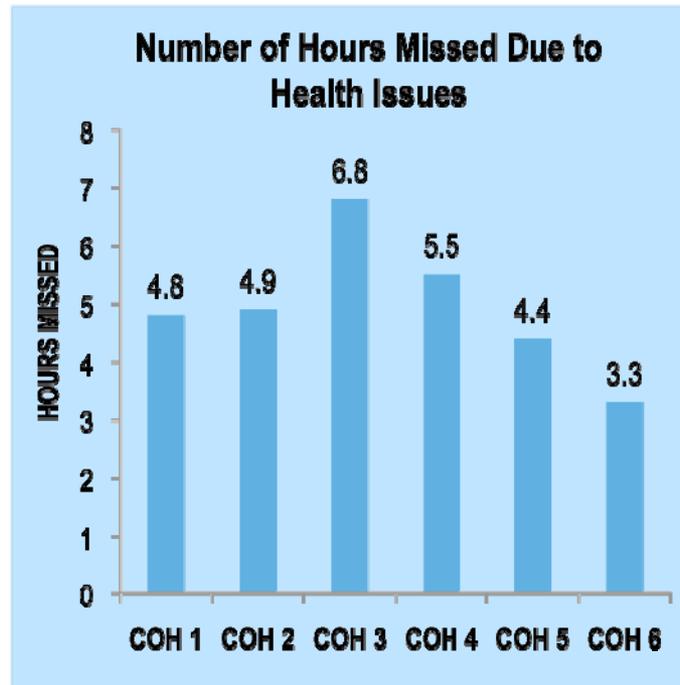
COH 6: **6%** of employees believe programs are integral to the company mission and goals

Culture of Health Spectrum: Physical Activity Benefits



Culture of Health Spectrum:

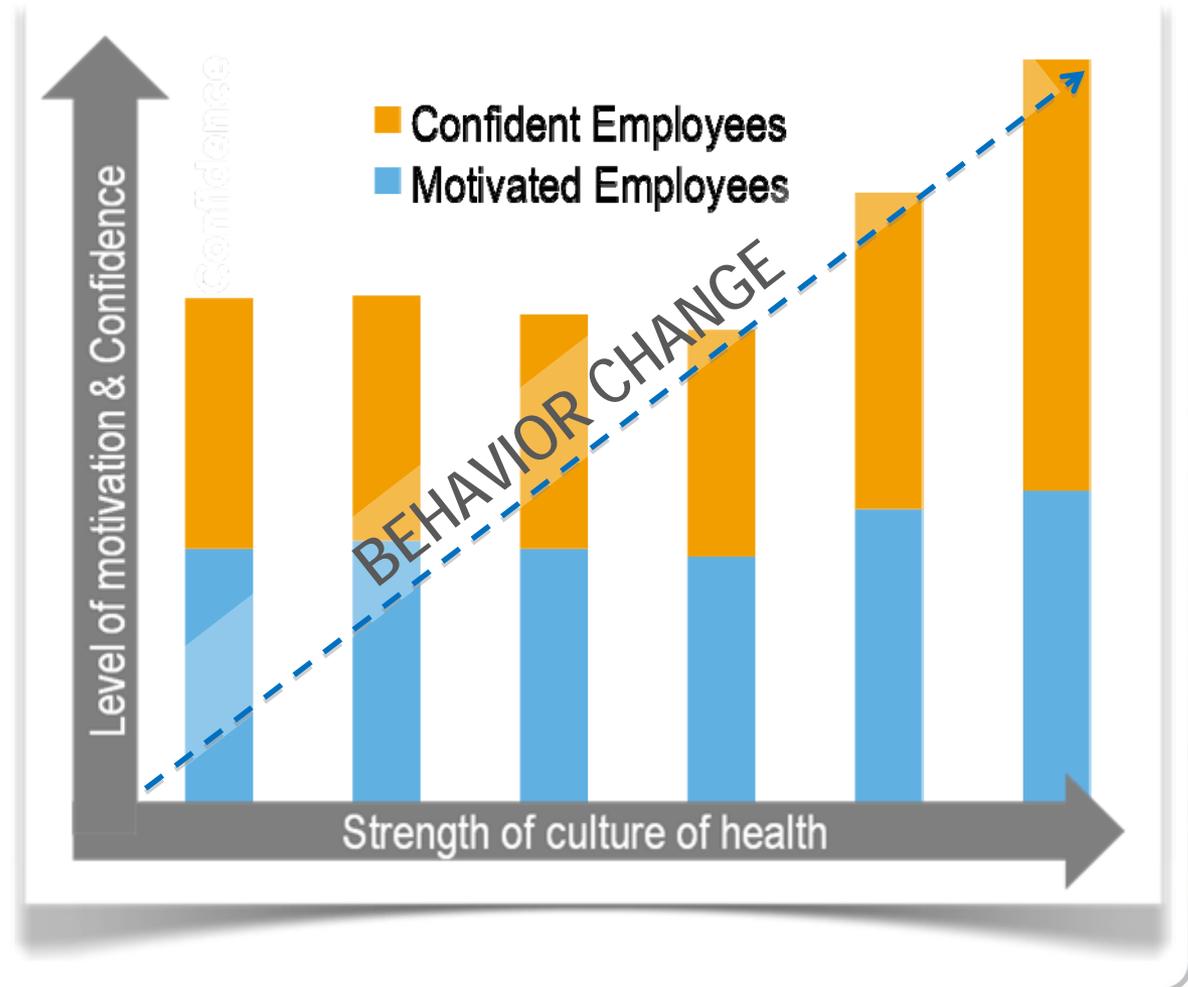
Health, Job Satisfaction and Performance Benefits





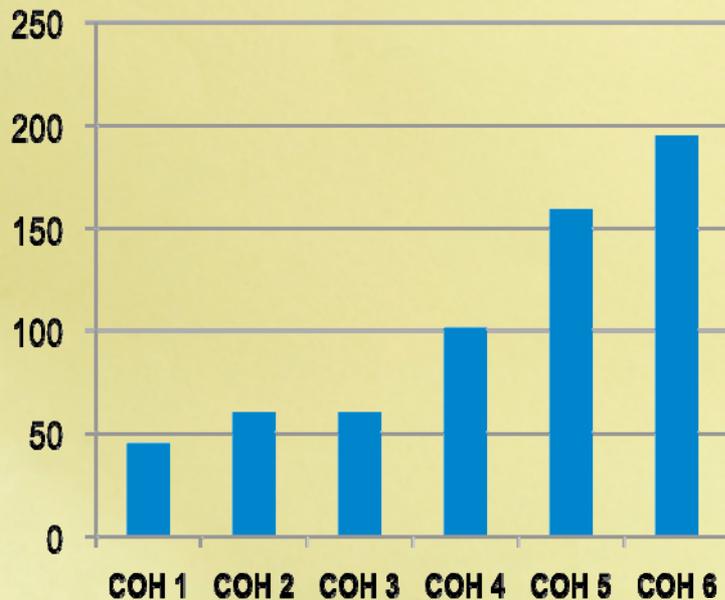
But, HOW does a Culture of Health create this type of change?

- Behavioral Science tells us that the key determinants of action are:
 - 1) Motivation
 - 2) Confidence
- The culture and environment in companies with a stronger culture of health creates greater motivation and confidence for employees which drives behavior change



Culture of Health Continuum: Employee Satisfaction and Performance Benefits

Feel Their Company is Committed to Them



Employee Commitment to the Company

