

A blue stethoscope with silver metal components is resting on a light-colored wooden surface. The stethoscope is positioned diagonally, with the chest piece in the foreground and the earpieces extending towards the background. The background is a soft, out-of-focus light blue.

# SHRM RESEARCH: HEALTH AND WELLNESS BENEFITS

# SHRM Research: Health and Wellness Benefits

The management of health care costs continues to be a top priority for HR professionals, at a time when they must also keep abreast of requirements associated with the Patient Protection and Affordable Care Act (PPACA). Despite these challenging circumstances, there is little evidence that organizations are planning to abandon health care coverage for their employees. SHRM research shows that many employers are, in fact, relying on health benefits as a recruitment and retention tool, and HR professionals are using a variety of wellness programs as a means of controlling health care expenses at their organizations.

## Wellness Programs Gain in Popularity

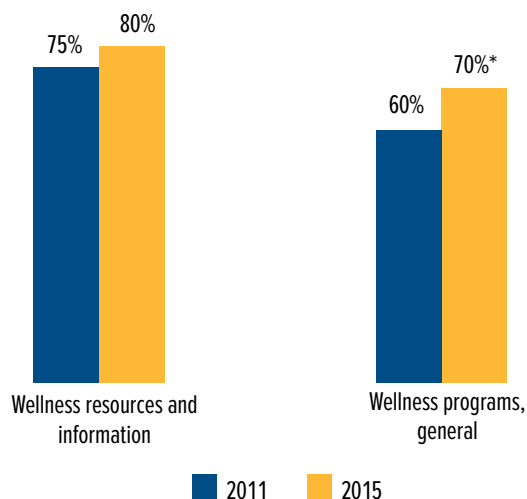
More organizations are now providing various wellness benefits for employees compared with five years ago, according to recent SHRM research. Many employers are also using financial incentives to encourage employee participation in these benefits.

- Four out of five HR professionals (80%) said their organizations provided wellness resources and information in 2015, according to SHRM's *2015 Employee Benefits* research report. More than two out of three HR professionals (70%) said their employers offered general wellness programs in 2015, up from 60% in 2011, as shown in Figure 1.<sup>1</sup>
- Employers are also getting more proactive in addressing their employees' health. More than two out of five (46%)

organizations offered health and lifestyle coaching in 2015, up from 37% in 2011, and another 40% provided preventive programs targeting employees with chronic health conditions, up from 33% in 2011 (see Figure 2).

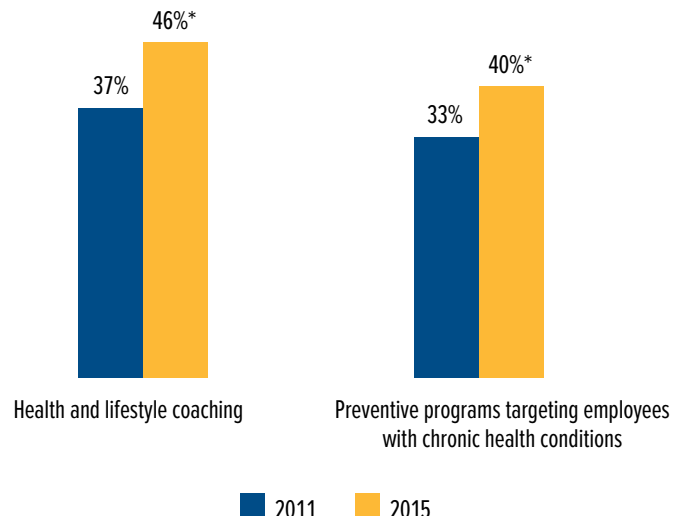
- Increasingly, employers are tying wellness programs with financial benefits for their employees. For example, nearly one out of five (19%) HR professionals said their organizations offered health care premium discounts for employees who avoided tobacco products, up seven percentage points from 2011 (see Figure 3).
- At least one-half of the HR professionals surveyed indicated their organizations offered several other wellness benefits, including on-site seasonal flu vaccinations (61%), wellness publications (60%), a 24-hour nurse line (51%) and CPR/first aid training (50%).

**Figure 1: Employers Offering Wellness Benefits**



<sup>1</sup>The difference between 2011 and 2015 is statistically significant ( $p < .05$ ).  
Source: 2015 Employee Benefits (SHRM, 2015)

**Figure 2: Employers Offering Health Coaching and Preventive Benefits**



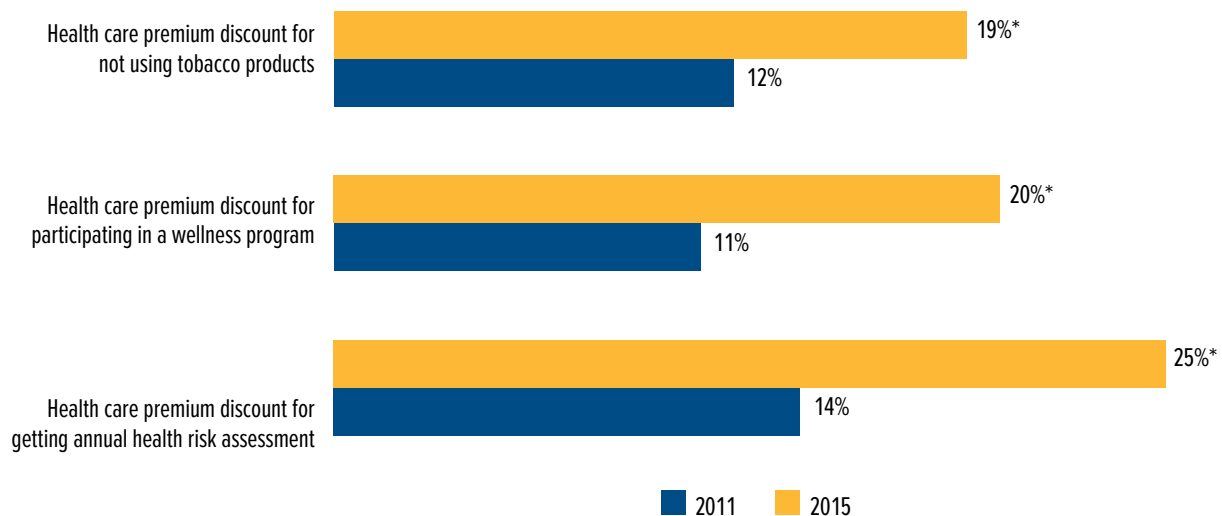
\*The difference between 2011 and 2015 is statistically significant ( $p < .05$ ).  
Source: 2015 Employee Benefits (SHRM, 2015)

### Health and Wellness: A Priority for Both Employer and Employee

Other recent SHRM research shows that health and wellness benefits rank highly for employees when determining job satisfaction. Employers also view these offerings as important tools for controlling health care costs, and employee participation in these programs either grew or remained the same in 2015 at a vast majority of organizations.

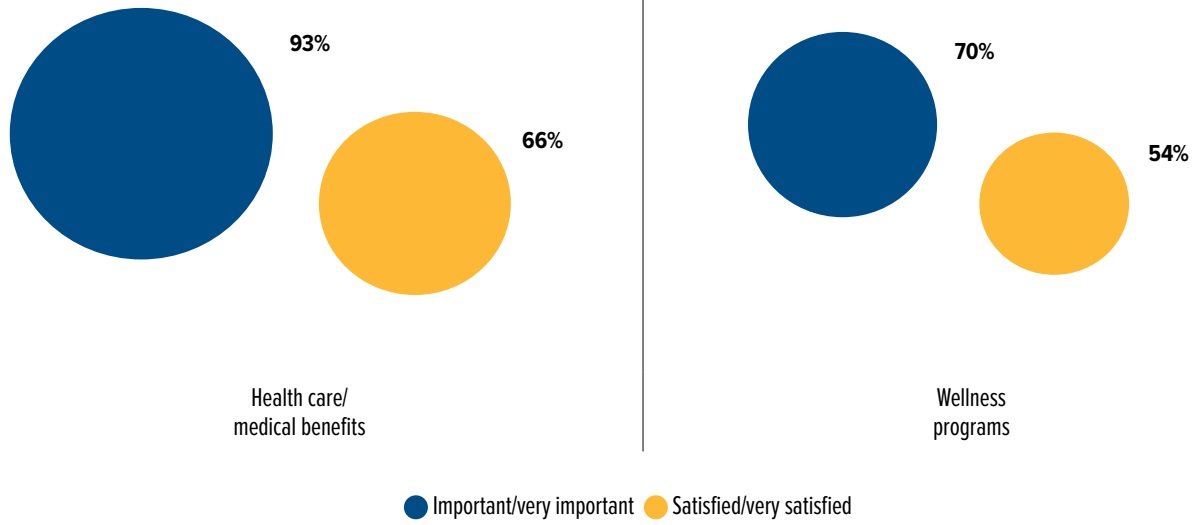
- More than nine out of 10 employees (93%) reported that health care/medical benefits were somewhat or very important to their overall job satisfaction, according to SHRM's *Employee Job Satisfaction and Engagement* research report. Another 70% pointed to wellness programs (24% said "very important" and 46% said "important") as a contributor to job satisfaction, as shown in Figure 4.<sup>2</sup>
- In 2015, the average total monthly premium for family health care coverage was \$1,449.<sup>3</sup>
- In a separate study, HR professionals reported widespread success for wellness initiatives as a means of controlling health care expenses and improving employees' health (see Figure 5). More than three out of four (77%) said wellness initiatives were somewhat or very effective in reducing the cost of health care at their organization, for example.<sup>4</sup>
- Given these results, it is no surprise that more than one-half (52%) of HR professionals indicated employee participation in wellness initiatives has increased, as shown in Figure 6.

**Figure 3: Employers Offering Financial Incentives for Wellness**



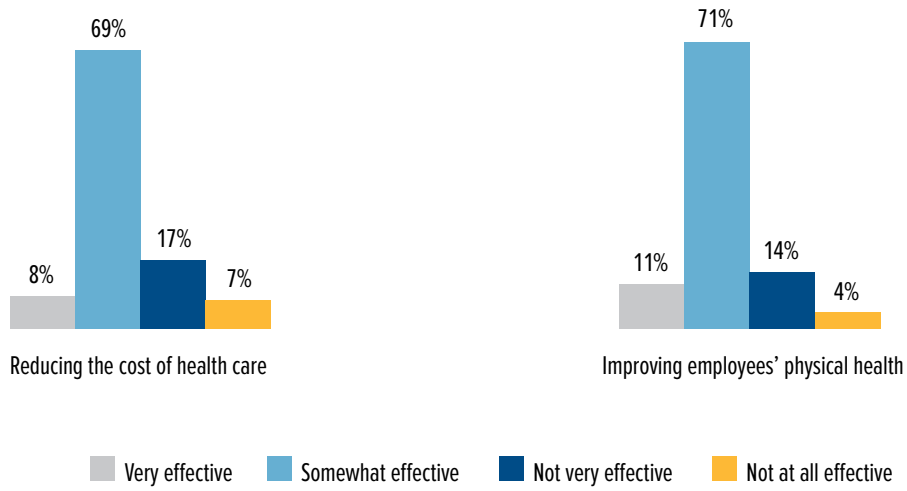
\*The difference between 2011 and 2015 is statistically significant ( $p < .05$ ).  
Source: 2015 Employee Benefits (SHRM, 2015)

Figure 4: Importance of and Satisfaction with Health and Wellness Benefits



Source: Employee Job Satisfaction and Engagement (SHRM, 2015)

Figure 5: Effectiveness of Wellness Initiatives



Source: Strategic Benefits: Wellness Initiatives (SHRM, 2015)

### Important Tools for Staffing Management

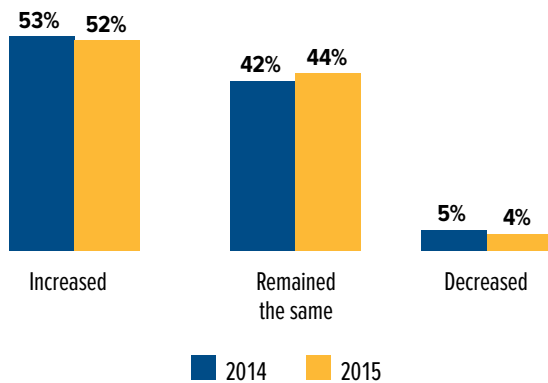
With limited growth in base salaries in recent years for most job categories, benefits have become an often-used resource for recruitment and retention of workers at all skill levels. Health-related benefits are leveraged quite often by HR professionals as part of their staffing management strategies, SHRM research has shown.

- Four out of five HR professionals (80%) leveraged health care benefits as part of their retention plans for employees at all levels of their organizations in 2015, according to SHRM's Strategic Benefits Survey findings (see Figure 7).<sup>5</sup> Nearly two out of five (38%) HR professionals touted their organizations' preventive health and wellness benefits when retaining employees at all levels.
- HR professionals expect these benefits to remain an integral part of retention strategies for the foreseeable future. Nearly two-thirds (65%) said health care benefits would increase in importance as a retention tactic in the next

three to five years, and more than one-half (53%) said the same for preventive health and wellness benefits (see Figure 8).

- These benefits are also extremely valuable for HR professionals as part of their recruitment efforts. SHRM's research on strategic benefits found that more than four out of five HR professionals (84%) leveraged health care benefits when recruiting new employees, and nearly one-third (31%) used preventive health and wellness benefits (see Figure 9).<sup>6</sup>
- Similar to their outlook for retention strategies, HR professionals said these benefits would increase in importance for recruitment in the next three to five years, as shown in Figure 10. Two-thirds (66%) said health care benefits would become more important for recruitment, and more than two out of five (42%) said the same about preventive health and wellness benefits.

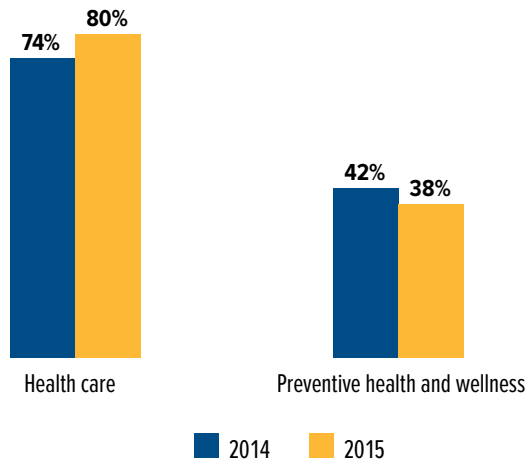
**Figure 6: Change in Employee Participation in Wellness Programs**



Source: Strategic Benefits: Wellness Initiatives (SHRM, 2015)

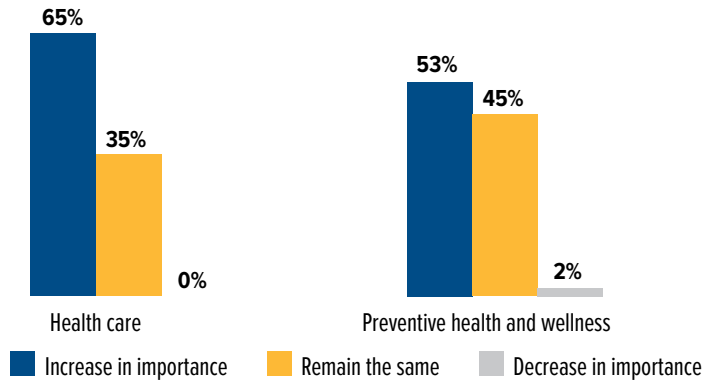


**Figure 7: Benefits Leveraged for Employee Retention**



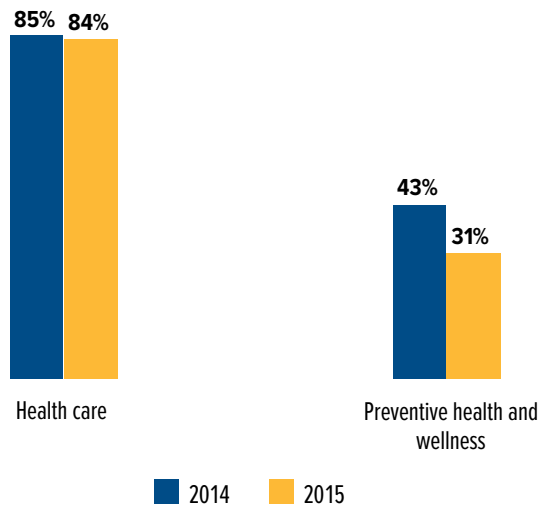
Source: 2015 Strategic Benefits—Leveraging Benefits to Retain Employees (SHRM, 2015)

**Figure 8: Change in the Importance of Benefits for Retention in the Next Three to Five Years**

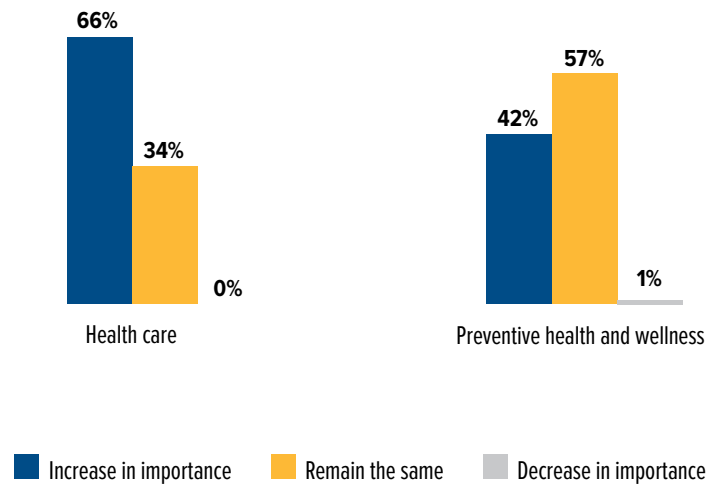


Source: 2015 Strategic Benefits—Leveraging Benefits to Retain Employees (SHRM, 2015)

**Figure 9: Benefits Leveraged for Employee Recruitment**



Source: 2015 Strategic Benefits—Leveraging Benefits to Recruit Employees (SHRM, 2015)

**Figure 10: Change in Importance of Benefits for Recruitment in the Next Three to Five Years**

Source: 2015 Strategic Benefits—Leveraging Benefits to Recruit Employees (SHRM, 2015)





### About SHRM

Founded in 1948, SHRM is the world's largest HR membership organization devoted to human resource management. Representing more than 275,000 members in over 160 countries, the Society is the leading provider of resources to serve the needs of HR professionals and advance the professional practice of human resource management. SHRM has more than 575 affiliated chapters within the United States and subsidiary offices in China, India and United Arab Emirates. Visit us at [shrm.org](http://shrm.org).

### About SHRM Research

SHRM Research, as part of the Knowledge Development division supporting SHRM and its members, produces high-quality, leading-edge research on human resource management issues and trends, the economy and the workplace for the purpose of advancing the HR profession. SHRM Research acts as an advisor to SHRM and generates and publishes research used by human resource professionals and other business leaders to develop their knowledge and to provide strategic direction to their organizations.

This report is published by the Society for Human Resource Management (SHRM). All content is for informational purposes only and is not to be construed as a guaranteed outcome. The Society for Human Resource Management cannot accept responsibility for any errors or omissions or any liability resulting from the use or misuse of any such information.

© 2016 Society for Human Resource Management. All rights reserved.

<sup>1</sup> Society for Human Resource Management. (2015). *2015 employee benefits: An overview of employee benefits offerings in the U.S.* Retrieved from [www.shrm.org](http://www.shrm.org)

<sup>2</sup> Society for Human Resource Management. (2015). *2015 employee job satisfaction and engagement: Optimizing organizational culture for success.* Retrieved from [www.shrm.org](http://www.shrm.org)

<sup>3</sup> SHRM 2015 Customized Benchmarking Service [unpublished data].

<sup>4</sup> Society for Human Resource Management. (2015). *Strategic benefits series: Wellness initiatives.* Retrieved from [www.shrm.org](http://www.shrm.org)

<sup>5</sup> Society for Human Resource Management. (2015). *Strategic benefits series: Leveraging benefits to retain employees.* Retrieved from [www.shrm.org](http://www.shrm.org)

<sup>6</sup> Society for Human Resource Management. (2015). *Strategic benefits series: Leveraging benefits to recruit employees.* Retrieved from [www.shrm.org](http://www.shrm.org)