

GYMPASS PRESENTS THE *INFOPASS* SERIES:
MAXIMIZING YOUR (ROE)
Return On Engagement

Creating a culture of wellness that drives engagement is a vital part of the employee experience and key to the success of any company. In this *INFOPASS* SERIES report, HR professionals will uncover the real value of wellness in the workforce, how well-being can result in a more productive working environment, and how to create an engagement strategy that works best for your employees and your company.

The modern workforce is at a critical turning point. Today, 85% of the global workforce is disengaged.¹ The combination of workplace illness, injury, and absenteeism is costing companies an estimated \$225.8 billion annually.² At roughly \$1,600 lost per employee,² it stands to reason that **the cost of creating a healthy workforce is less than the cost of a disengaged workforce**. It's no wonder that expectations of HR and benefits leaders have never been higher.³

Despite the numbers, this serious issue has provided HR executives with the unique opportunity to develop a more equitable corporate landscape that fosters a culture of health and organizational growth. Upon further exploration, we found five overarching themes that reinforce the importance of providing a healthy working environment. These themes include:

- **A push towards wellness** and living a healthier lifestyle, both within the workplace and outside of it. This trend has been proven to positively impact corporate culture and productivity.
- **Experiences** that go beyond functional and job-related goals to inspire more holistic short- and long-term objectives.
- **Commuting options**, which give employees the convenience to work from home or virtually anywhere.
- **A creative rewards program** that provides recognition and a sense of pride.
- **Opportunities for social impact** in the community that promote feelings of accomplishment and satisfy personal moral obligations.

These types of talent acquisition and retention best practices illustrate a prominent 2018 business trend: investing in human capital. An ideal working environment should not only promote longevity in an individual's career, but their personal well-being as well. Across workforce generations, the evidence for this is stronger than ever. Deloitte's 2018 Millennial Survey found that 43% of millennials and a staggering 61% of Gen Z plan to leave their job within the next two years.⁴

The Real Cost of Disengagement

The concept of employee engagement is often confused with employee satisfaction or happiness; however, the actual term is defined as "the level of an employee's psychological investment in their organization."⁵ The implications are costly for organizations that fail to adapt to this new reality—with turnover costs estimated to be between 100%-300% of the original base salary.⁶

“ Many companies are experiencing a crisis of engagement and aren't aware of it. ”

The Value of Wellness in the Workplace

Today, job candidates are motivated by more than salary. In a recent survey, 95% of candidates believed that culture is more important than compensation in determining an employment choice.⁷

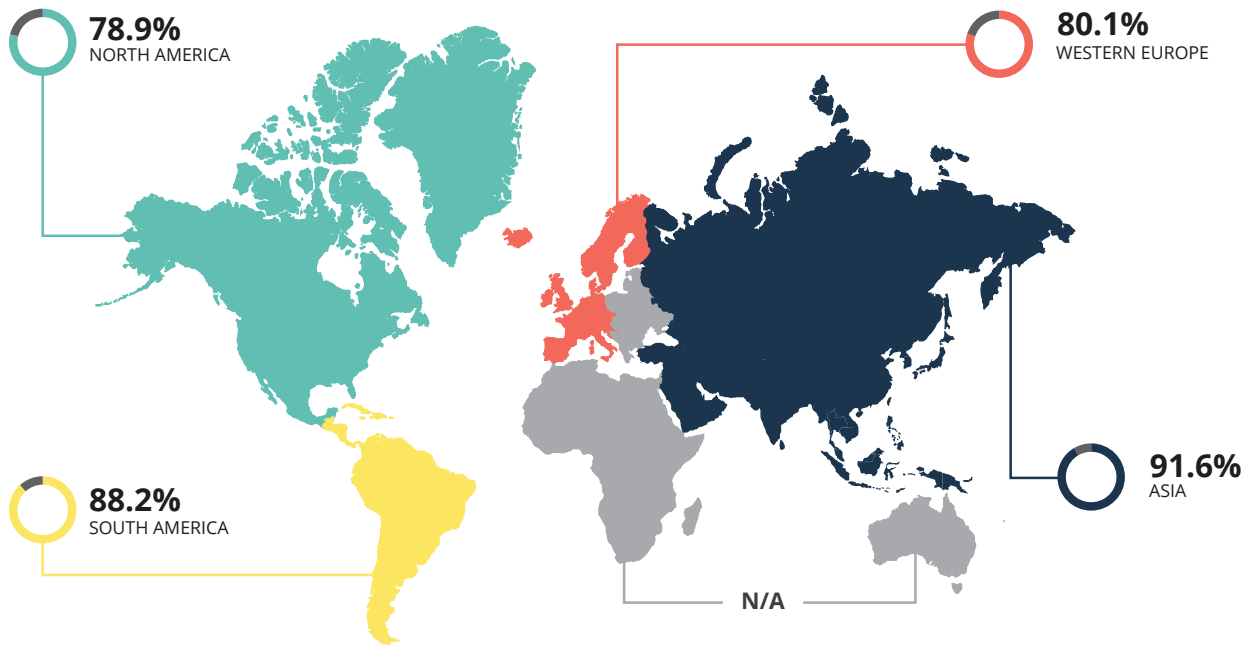
To fully understand how benefits are valued today, it's critical we first change the way we think about employee compensation. While espresso machines, ping-pong tables, and happy hours are great for building morale, a company culture cannot be bought. It's a long-term investment that requires your company and your employees to align on what's important. What's good for your employees, is good for business.

“ Companies that invest in the employee experience are 4x as profitable and have more than 2x the average revenue.⁸ ”

As the line between work and life continues to blur, employees are demanding that organizations expand their benefit offerings to include a wide range of programs for physical, mental, financial, and spiritual health. In response, employers are investing in wellness programs as both a talent acquisition and retention strategy.

In fact, **50% of employees** cited in Deloitte’s 2018 Human Capital Trends **ranked these types of programs as “valuable” or “highly valuable”**.⁹ Even so, large gaps remain between benefits that employees value and what corporations are delivering. The survey further demonstrated that the percentage of people who ranked workplace well-being as “important” or “very important” remained consistently high across global markets, regardless of company size.⁹

HOW IMPORTANT WELL-BEING IS TO EMPLOYEES WORLDWIDE⁹



The Business of Well-being

According to the Deloitte's Rise of the Social Enterprise article, 43% of respondents feel that programs designed to benefit employee well-being reinforce the organization's mission and vision, with 60% reporting that these initiatives positively impact employee retention. Further, 61% believe they improve employee engagement and overall productivity.⁹

PROGRAMS THAT ENRICH AND FOSTER A CORPORATE CULTURE OF WELLNESS RESULTED IN³:



Creating a culture of wellness improves employee engagement and inspires workers to generate more innovative ideas, create more new business, and have the most entrepreneurial energy. These same employees had **70% fewer accidents, 56% fewer sick days, and 25% less absenteeism.**⁷ It's no wonder why companies with engaged employees outperform their competition by 200%.³

Establishing a Plan That Works

Workplace well-being and employee engagement programs should be considered a cost of doing business in 2018. However, it is important to remember when it comes to employee wellness and engagement, there is no such thing as one size fits all.

Take these four different employees for example:

DIFFERENT EMPLOYEES. DIFFERENT NEEDS



MIGUEL SEARCHES FOR MEANING

Having a workplace environment where he can do quality work is just as important as being rewarded in a personalized way.



SIENNA LOOKS TO MAKE AN IMPACT

She wants her work to have an impact on her community.



RICKY NEEDS TO FEEL APPRECIATED

He seeks constructive feedback and acknowledgment of his work to feel satisfied in his job.⁸



FARRAH WANTS TO CONNECT

She values her strong connections to colleagues, managers, the company and the corporate community.

Each of these employees have different needs, and creating the right engagement strategy requires satisfying all of them. An a la carte, or voluntary benefits plan, can be a low-cost solution employers can implement to overcome the complicated and challenges of meeting diverse employee needs.

Voluntary programs allow the employer to offer a broad palette of benefits without adding additional costs to the company. Flex time, gym memberships, childcare, and mentoring programs are all examples of voluntary benefit options.

Take Amazon, for example. Amazon offers a generous tuition benefit and onsite schooling for hourly employees. What's more startling is that, unlike companies that provide education benefits to job-related areas of expertise, Amazon focuses on providing workers with opportunities to foster personal growth goals.¹⁰

Gym programs provided through reimbursements or in-house facilities have also demonstrated increased employee morale and productivity.¹¹

While you can't make everyone hit the gym, creating a workplace culture that encourages employees to engage in healthy behaviors builds a tight-knit corporate community that positively impacts corporate culture and your bottom line.

More than ever, it is vital that HR professionals view employees as investments in the future success of your organization. Take the time to recognize them, value their contributions, and reward their efforts.

As a leader in your company, you have the unique opportunity to move beyond a promise and take real actions that can positively impact the health, happiness, and productivity of every employee – ultimately yielding a stronger, more competitive organization.

Gympass can effectively partner with you to accomplish this by providing your employees with a holistic solution that works. To learn how Gympass is helping companies and their employees lead a more engaged lifestyle, visit www.gympass.com/us/corporate.

About Gympass

Gympass is a corporate benefit that helps companies enable their workforce to become more active. Our mission is to defeat inactivity by helping employees find an activity to love. With a single membership, employees gain unlimited access to the largest global fitness network.

Headquartered in New York, Gympass has over 36,000 locations across 6,000 cities in 14 countries.

Gympass has over 900 employees across major cities, including: Chicago, Atlanta, Houston, Los Angeles, Sao Paulo, Mexico City, Buenos Aires, Santiago, Madrid, Paris, Munich, Amsterdam, London, Milan, Lisbon, and Dublin.

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