Goodwill Industries of the Chesapeake’s JOURNEY to become an EMPLOYER OF CHOICE

FOCUS/ WELLNESS
Presenters:

• Amy Newman, VP-Human Resources

• Lisa Rusyniak, COO

• Marge Thomas, President
• Goodwill Industries of the Chesapeake has been recognized as one of the best places to work by the Baltimore Business Journal.

• American Heart Association Fit-Friendly award
  – 2008 – Platinum (one of only 3 MD companies)
  – 2009 – Platinum
  – 2010 – Gold

• Member of Healthiest Maryland Businesses-
  MD Department of Health and Mental Hygiene

• How did we get here and how does this relate to wellness?
And…why did we even care?

• HIGH TURNOVER
• DIFFICULTY RECRUITING
• MORALE
• PRODUCTIVITY
• ACCIDENTS
• ASSOCIATED COSTS
• IT’S GOODWILL
Five Points to Employer of Choice

- **Employee Engagement** - Employee contributions making a difference
- **Career Growth Opportunities** - Employee’s full potential is realized
- **Positive Culture** - Providing an environment of fun, respect, and that is mission focused
- **Team of Winners** - Winning both individually and organizationally
- **Work/Life Balance** - Respecting employee’s personal time and promoting personal wellness and health.
I. Employee Engagement: Employee contributions making a difference

• New Employee Orientation
• Task Teams
• President’s Lunches
• Suggestions
• Employee Satisfaction Survey
• Feedback
• Additional or improved equipment
• Upgrades to technology
  – Equipment
  – Software
  – Training
• Rapid repairs for safety & environmental issues
• Improved communication
• Better understanding of policies and procedures (and changes when they didn’t make sense)
II. Career Growth Opportunities - Employee’s full potential is realized

- Emphasis on promotion from within
- Implementation of Lominger competency plans for all supervisors
- Expanded Tuition Reimbursement
- Expanded Training Opportunities
- Task Teams
III. Positive Culture - Providing an environment of fun, respect, and that is mission focused

- Graduation event
- I Had No Idea
- Training for Internal Customers
- SOWEBO Sports Teams
- Newsletter Recognition
- Birthday & Anniversary Cards
- Latino Initiatives
- Employee Events
- Diversity Training
- HBDI
Employee Events

- Lunch with the President
- Annual Picnic
- Wellness Activities & Fair
- Financial Wellness Fair
- Quarterly Breakfasts
- Goodwill Fashion Show
- Goodwill Idol
IV. Team of Winners- Winning both individually and organizationally

- Starbucks
- Employee Survey
- Use of Financial Benefit Programs
- Promotions
- Reduction in Turnover
- Reduction in Accidents
- More diversity in employment
- Improvements in the employee survey
V. Work/Life Balance- Respecting employees’ personal time and promoting personal wellness and health.

- Flex time & telecommuting
- Improved vacation in first year
- Sick time usage for immediate family members & domestic partners
- Pension/401 K
- More flexibility in attendance policy
- Wellness Program
- Health care coverage exploration
- Financial Wellness Fair
A major impact has been the building of trust and comfort between the employees and management!
Our Dream

To truly be an Employer of Choice and to live up to our Mission in Service to our CoWorkers and our Clients, we believe in the following words of Matthew Kelly, author of The Dream Manager…
“A Company Can Only Become the Best Version of Itself to the Extent its Employees are Becoming the Best Versions of Themselves…”
Most Employees Feel Like They are Being Used…
But What if We Helped Them to Dream and to Make Their Dreams Come True…
WHAT THEN COULD WE ALL ACHIEVE!
WELLNESS PROGRAMS

So all this relates to the topic of the day…HOW?

Lisa Rusyniak will discuss our wellness program

Amy Newman will present the results.
Goodwill’s Wellness Program

The Business Case and Components
Basics

• Began in 2007
• Multiple year double digit health insurance increases
• Employee Observation: smoking, weight issues, stress

• Hired a consulting firm, WellAdvantage, to develop and manage the program
Why We Started A Wellness Program: 
Increased Productivity

A healthier workforce means less absenteeism and increased productivity.
Why We Started A Wellness Program: Increased Productivity

• Job-related stress is estimated to cost up to $300 billion annually.*
• Employee absences can cost an organization the equivalent of 35 percent of its payroll (Mercer, 2010)**

*American Institute of Stress, 2011m http://www.stress.org/job.htm
Why We Started A Wellness Program: Long Term Health Care Savings

• Two-thirds of adults are overweight or obese*.

• These chronic health issues mean a higher incidence of accidents, worker's compensation, and health insurance costs.

• A review of 32 studies of corporate wellness programs found claims costs were reduced by 27.8%, physician visits declined by 16.5%, hospital admissions declined by 62.5%, disability costs reduced by 34.4%, incidence of injury declined by 24.8%.


Why We Started A Wellness Program: 
Increased Quality of Work

The average worker typically spends 43.5* hours per week at work, not including commuting time. Technologies such as computers, cell phones and email have sharply decreased the level of physical activity in the workplace.

The lack of physical activity reduces stamina, mental acuity and increases levels of stress, all of which negatively impacts the quality of work performance.

Why We Started A Wellness Program: Well Being in the Workplace

Gallup advises that all five should be implemented for optimal benefit:

• career well being
• social well being
• financial well being
• physical well being
• community well being.

The Gallup research team maintains, "people thrive -- and so do businesses."

Gallup Management Journal, May 12, 2010
Why We Started A Wellness Program: Most Importantly

WE CARE ABOUT OUR 650 EMPLOYEES & TRAINEES WHO MAKE OUR BUSINESS SUCCESSFUL!
Components of Goodwill’s Program

• Benchmarking: Health Risk Assessments
  – Body Mass Index
  – Waist Circumference
  – Blood Pressure
  – Cholesterol
  – Glucose
Components of Goodwill’s Program

• Walking and Movement Challenge
  – Runs 8 weeks
  – Combines both diet and fitness
  – Participants earn points weekly
  – Group or individual participation
  – Leadership involvement
  – Trophies awarded to highest achiever
Components of Goodwill’s Program

• Ultimate Loser Challenge
  – Based loosely on the “Biggest Loser”
  – 10-week program
  – Strive for healthier lifestyle
  – Personal weigh-ins
  – Prizes for winner
Components of Goodwill’s Program

- Health Fair
  - Seminars on health issues
  - Trending reports for returning participants
  - Biometric screenings
Components of Goodwill’s Program

• Flu Shots
  – Free
  – Travel to many sites
  – Reimbursement for farther outlying areas
Components of Goodwill’s Program

• Changes to our prescription plan (self-insured)
  – Over the counter medications to quit smoking
Components of Goodwill’s Program

• Gym Memberships
  – Y of Central Maryland-discounted rates
  – Waived initiation fees
  – Reimbursement of up to $20 for other fitness clubs if Y is not convenient
Components of Goodwill’s Program

- Healthy Rewards
  - Gather points throughout the year
  - Rewards include:
    - GNC gift cards
    - Exercise DVDs
    - Goodwill branded merchandise
  - Participation in activities
  - Check up exams with both a regular physician and dentist
Components of Goodwill’s Program

• Site Coordinators
  – Each location
  – Cheerleader
  – Help with registrations, point calculations and tracking
  – Regular conference call meetings for updates and upcoming activities
Components of Goodwill’s Program

• Financial Wellness
  – Financial Education-seminars, employee newsletter articles, orientation
  – One on One Support-on site or off
  – Benefits Connections
  – Advocacy & Referrals

Files kept separate from Personnel Files
  • Budgeting
  • Debt Management
  • Saving/Investing/Retirement
  • Credit Counseling
  • Foreclosure/Refinancing
Components of Goodwill’s Program: Lessons Learned

• Leadership buy-in and participation
• Site Coordinators needed to champion program
• More engagement with group activities
• Incentives
Reducing Health Risks

The key point in building a wellness program is to understand that changes in health care costs follow changes in health risks.

## Goodwill

9 Matched Participants 2007 – 2010

<table>
<thead>
<tr>
<th>Number of Risks</th>
<th>2007 Participant Risks</th>
<th>2008 Participant Risks</th>
<th>2009 Participant Risks</th>
<th>2010 Participant Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>3</td>
<td>2</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>1</td>
<td>4</td>
<td>4</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>2</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Low Risk</td>
<td>8 with 6 risks 89%</td>
<td>8 with 8 risks 89%</td>
<td>8 with 7 risks 89%</td>
<td>9 with 10 risks 100%</td>
</tr>
<tr>
<td>3</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>4</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Medium Risk</td>
<td>1 with 3 risks 11%</td>
<td>1 with 4 risks 11%</td>
<td>1 with 3 risks 11%</td>
<td>0 risks 0%</td>
</tr>
<tr>
<td>5+</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>High Risk</td>
<td>0 risks 0%</td>
<td>0 risks 0%</td>
<td>0 risks 0%</td>
<td>0 risks 0%</td>
</tr>
</tbody>
</table>
# Goodwill

## 21 Matched Participants 2008 – 2010

<table>
<thead>
<tr>
<th>Number of Risks</th>
<th>2008 Participant Risks</th>
<th>2009 Participant Risks</th>
<th>2010 Participant Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>6</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>1</td>
<td>7</td>
<td>11</td>
<td>7</td>
</tr>
<tr>
<td>2</td>
<td>2</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td><strong>Low Risk</strong></td>
<td><strong>15 with 11 risks</strong></td>
<td><strong>18 with 17 risks</strong></td>
<td><strong>20 with 21 risks</strong></td>
</tr>
<tr>
<td></td>
<td><strong>71%</strong></td>
<td><strong>86%</strong></td>
<td><strong>95%</strong></td>
</tr>
<tr>
<td>3</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>4</td>
<td>3</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td><strong>Medium Risk</strong></td>
<td><strong>5 with 18 risks</strong></td>
<td><strong>3 with 11 risks</strong></td>
<td><strong>1 with 3 risks</strong></td>
</tr>
<tr>
<td></td>
<td><strong>24%</strong></td>
<td><strong>14%</strong></td>
<td><strong>5%</strong></td>
</tr>
<tr>
<td>5+</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Number of Risks</td>
<td>2009 Participant Risks</td>
<td>2010 Participant Risks</td>
<td></td>
</tr>
<tr>
<td>----------------</td>
<td>------------------------</td>
<td>------------------------</td>
<td></td>
</tr>
<tr>
<td>0</td>
<td>6</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>12</td>
<td>14</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>11</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td><strong>Low Risk</strong></td>
<td><strong>29 with 34 risks</strong></td>
<td><strong>30 with 35 risks</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>76%</strong></td>
<td><strong>79%</strong></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>4</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>2</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td><strong>Medium Risk</strong></td>
<td><strong>6 with 20 risks</strong></td>
<td><strong>8 with 26 risks</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>16%</strong></td>
<td><strong>21%</strong></td>
<td></td>
</tr>
<tr>
<td>5+</td>
<td>3</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>High Risk</strong></td>
<td><strong>3 with 15 risks</strong></td>
<td><strong>0 risks</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>8%</strong></td>
<td><strong>0%</strong></td>
<td></td>
</tr>
</tbody>
</table>
# Goodwill
## Identified Risks 2007 to 2010

<table>
<thead>
<tr>
<th>Risks by Assessment</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cholesterol</td>
<td>17</td>
<td>25</td>
<td>9</td>
<td>7</td>
</tr>
<tr>
<td>HDL</td>
<td>23</td>
<td>25</td>
<td>35</td>
<td>20</td>
</tr>
<tr>
<td>Systolic BP</td>
<td>19</td>
<td>44</td>
<td>25</td>
<td>21</td>
</tr>
<tr>
<td>Diastolic BP</td>
<td>15</td>
<td>40</td>
<td>21</td>
<td>13</td>
</tr>
<tr>
<td>Body Composition</td>
<td>94</td>
<td>69</td>
<td>57</td>
<td>54</td>
</tr>
<tr>
<td>Glucose</td>
<td>--</td>
<td>---</td>
<td>---</td>
<td>24</td>
</tr>
<tr>
<td>Waist Circumference</td>
<td>--</td>
<td>---</td>
<td>46</td>
<td>43</td>
</tr>
</tbody>
</table>

Total number of individuals with improved results in each of the following categories:

<table>
<thead>
<tr>
<th></th>
<th>Total Cholesterol</th>
<th>HDL</th>
<th>Blood Pressure</th>
<th>Body Composition</th>
<th>Waist Circumference</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>9</td>
<td>19</td>
<td>11</td>
<td>10</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>26%</td>
<td>56%</td>
<td>31%</td>
<td>34%</td>
<td>45%</td>
</tr>
</tbody>
</table>

Eight individuals improved their results enough to drop risks:
- 5 risks to 3 risks ~ three individuals
- 4 risks to 2 risks ~ one individual
- 3 risks to 2 risks ~ one individual
- 2 risks to 1 risk ~ one individual
- 2 risks to 0 risk ~ one individual
- 1 risk to 0 risk ~ one individual

Many individuals had improvement but did not reduce a risk.

Overall view of group’s comparison results

<table>
<thead>
<tr>
<th></th>
<th>Total Cholesterol</th>
<th>HDL</th>
<th>Blood Pressure</th>
<th>Body Composition</th>
<th>Waist Circumference</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Improvement</strong></td>
<td>9</td>
<td>19</td>
<td>11</td>
<td>10</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>26%</td>
<td>56%</td>
<td>31%</td>
<td>34%</td>
<td>45%</td>
</tr>
<tr>
<td><strong>Less favorable shift</strong></td>
<td>18</td>
<td>10</td>
<td>6</td>
<td>15</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>53%</td>
<td>29%</td>
<td>17%</td>
<td>44%</td>
<td>34%</td>
</tr>
<tr>
<td><strong>No Change</strong></td>
<td>7</td>
<td>5</td>
<td>19</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>21%</td>
<td>15%</td>
<td>53%</td>
<td>14%</td>
<td>21%</td>
</tr>
</tbody>
</table>

♥ HDL and waist circumference were the areas with the most improvement. One third of the group had a positive change in blood pressure and body composition. There is still work to do with total cholesterol and body composition.
Out of the 20 individuals who were identified as having a potential metabolic syndrome risk:

- 5 dropped one risk
- 1 individual dropped two risks (this individual is no longer at risk for metabolic syndrome!)

Having an individual reduce their risk is a significant finding.
Investment In Our Employees

• 2007- 2010 Budgeted $80,000 (average of $20,000 per year)

• 2011 Budget:
  – Consulting Firm: $15,000
  – Flu Shots: $3,500
  – Healthy Rewards: $1,500
  – Incentives: $500
  – Coordinator Calls: $500
  – Gym Memberships: $13,000
  – TOTAL $34,000
Financial Impact - ROI

• Total cost of health insurance $1.6 million
• 0% increase in health insurance premiums for 2010-2011
• Factoring a conservative increase of 10% in premiums for this plan year, we saved $160,000
• Savings has covered the budgeted $114,000 for our program with an additional $46,000 to use in future years
• 2011 budget for our wellness program is only 2% of the total health insurance cost
Actual Whole Group Health Care Cost Savings

- $1,261.00 difference between 0-2 risks and 3 to 4 risks.
- $3,321.00 difference between 3 and 4 risks and 5 risks.

<table>
<thead>
<tr>
<th>Number of risks per employee</th>
<th>Number of risks reduced 2009</th>
<th>Number of risks reduced 2010</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>15</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>48</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>18</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Low Risk</strong></td>
<td>81 individuals / 84 risks</td>
<td><strong>96 individuals</strong></td>
<td>+15 (+18%)</td>
</tr>
<tr>
<td>3</td>
<td>13</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Medium Risk</strong></td>
<td>19 individuals / 63 risks</td>
<td><strong>4 individuals</strong></td>
<td>-15 (-80%)</td>
</tr>
<tr>
<td>5+</td>
<td>0</td>
<td></td>
<td>$18,915.00</td>
</tr>
<tr>
<td><strong>High Risk</strong></td>
<td>0 individuals</td>
<td>0 individuals</td>
<td>$18,915.00</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>100 with 147 risks</td>
<td>100 with 117 risks</td>
<td>-30 risks ($15,090.00)</td>
</tr>
<tr>
<td></td>
<td>1.47 risks/person</td>
<td>1.17 risks/person</td>
<td>(-30%)</td>
</tr>
</tbody>
</table>
Projected Soft Cost Savings

According to the University of Michigan Health Management Research Center Cost Benefit Analysis and Report of 2006,

The potential average value for risk avoidance is $350 per person per year.

The potential average value for risk reduction is $153 per person per year.

30 Risks Avoided x $350 = $10,500.00

30 Risks Reduced x $153.00 = $4,590.00

$15,090.00 Soft savings
## Projected Savings

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risks Avoided 30 x 350.00</td>
<td>$10,500.00</td>
</tr>
<tr>
<td>Risks Reduced 30 x 153.00</td>
<td>$4,590.00</td>
</tr>
<tr>
<td>Savings in Medical Costs due to reduction in excess risk classification patients.</td>
<td>$18,915.00</td>
</tr>
<tr>
<td><strong>Total Savings</strong></td>
<td><strong>$34,005.00</strong></td>
</tr>
</tbody>
</table>

# Impact of Potential Risk Reduction

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated costs decrease from risk reduction</td>
<td>$34,005.00</td>
</tr>
<tr>
<td>Program cost – Goodwill 2011</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$34,000.00</strong></td>
</tr>
<tr>
<td>2011 Program costs covered by estimated decrease from risk reduction</td>
<td></td>
</tr>
</tbody>
</table>
## Projected ROI

| No increase in premium | $160,000.00/$114,000.00 (total program costs over 5 years) | $4.70 per $1.00 spent |

NEXT STEPS

• Explore new activities to encourage employee participation
• Develop strategies to encourage more employees to complete a health assessment
• Continue providing health education
• Consider one-on-one coaching as a tool for at-risk employees
• Consider financial incentives to increase participation