

Marimba Wanda **FITNESS**

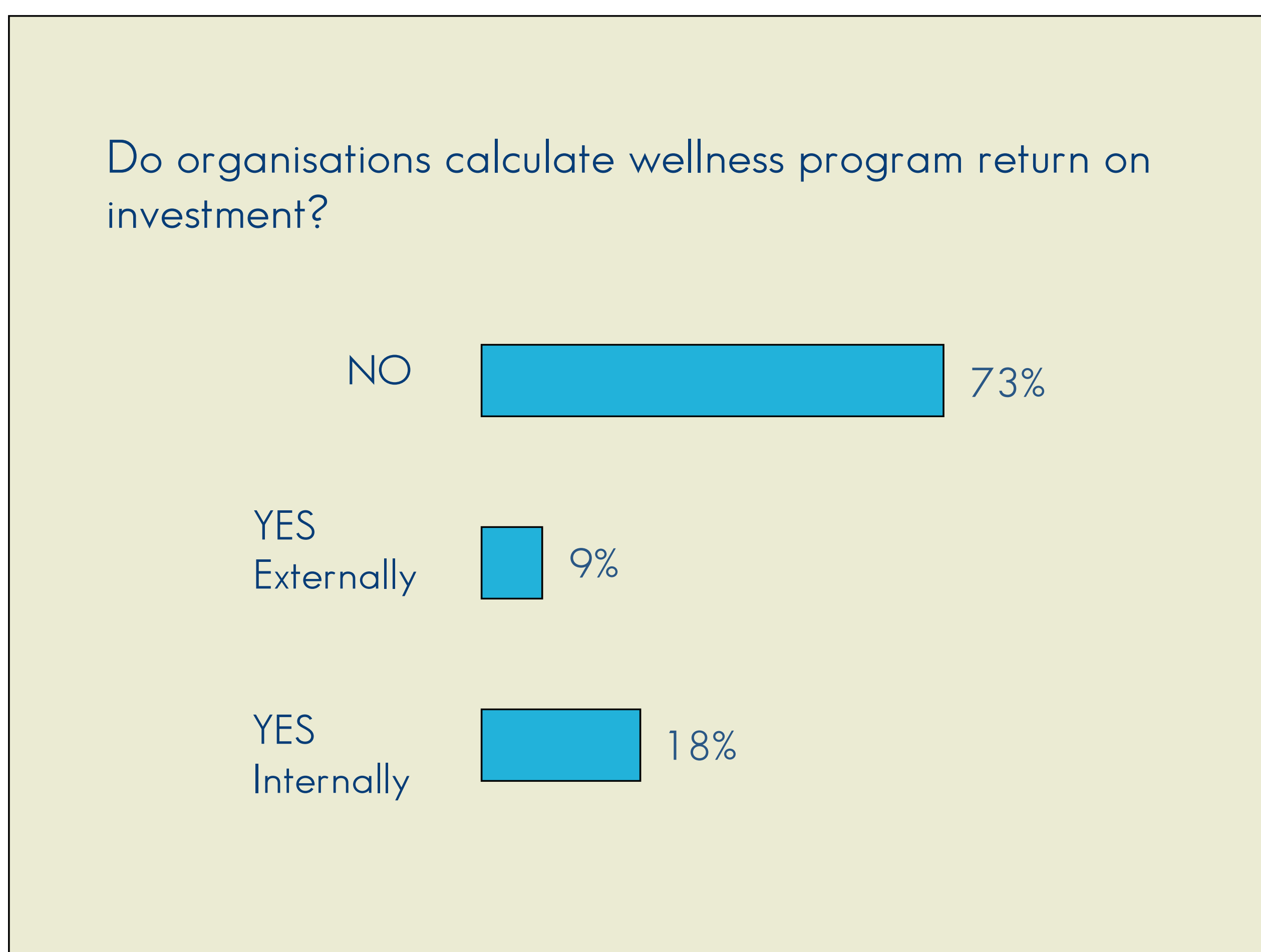
HOW TO CALCULATE THE ROI OF HEALTH & WELLNESS PROGRAMS



Simply put ROI means getting your money's worth, we won't get into formulas but if you are interested you can go deeper into the mathematics of ROI [here](#). From a financial standpoint, we expect a positive ROI to be one that has more returns than expenses and a negative ROI to be one that has more expenses than the return.

It's important for HR to accurately measure the ROI on their processes and projects as mistakes often have far-reaching consequences, especially owing to the fact that HR has one of the largest expenses in any organisation.

A 2019 report by **mercer** shows that 73% of organisations do not calculate ROI on their wellness programs.



SO WHAT ARE SOME OF THE MAIN INDICATORS A HR DEPARTMENT SHOULD BE LOOKING AT MEASURING?

EMPLOYEE TURNOVER RATE

This is the number of hired employees and those that exit the company over a certain period of time. This is often a good indicator for the employer on the attractiveness of their offer in relation to the market.

PRODUCTIVITY

This is a metric based on defined goals, it varies from company to company. A good productivity plan often focuses on the proficiency, experience and capability of the employee.

PRESENTEISM

This refers to employees who are present but lack involvement and show little interest in their work. This is often due to dissatisfaction with the company or management.

All these metrics are well interconnected and point to a cog in the HR system that is faulty, be it the health, training or motivation tactics employed by the HR team.

CORPORATE HEALTH & WELLNESS DONE RIGHT

One good example is Unilever's award-winning **Lamplighter program** that uses health risk appraisals alongside exercise, nutrition and mental resilience to help employees improve their health and wellbeing. The program is well focused on non-communicable diseases. Programs like this have a significant effect on employees wellbeing and in turn on the companies productivity.

SHIFT PERSPECTIVE

A high percentage of corporate wellness programs have **low participation** rates, even for those that are well executed there is little capacity to properly measure the ROI on these programs. The majority of wellness programs available attempt to provide a solution either by providing a discounted gym membership to fitness centres or attempt to influence behaviour change by providing a host of on-site services.

Unfortunately most wellness initiatives currently on the market, just don't provide companies with the kind of **ROI** they would like.

What if we looked at ROI differently? How would you measure the wellness of your child? analyze the number of sick days and biometric data and come up with a number at the end of the year? even if you may have saved some costs it really doesn't seem like the right way to measure wellness.

Looking at wellness from a cost perspective does not always give you the full picture. Would you spend more on a product that significantly enhances your health and wellbeing? Probably yes, and this would not be looked at as a cost, rather it would be viewed as an enhancement.

Let's go back to the earlier question: how would you measure the wellness of your child? Well, it is rather simple, you would simply look at how engaged your child is with his or her activities. You would instantly know that your child is not well if they are seemingly not involved in their day to day activities, it's the same with your employees, **engagement** is the key here. Your most active employees are probably your most productive.

PARTNER WITH US

MW Fitness provides a platform for companies to get their employees active.

If you want to learn more about partnering with us get in touch [here](#).

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