

# Wellness Management: the rapidly emerging new way of people management

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## Wellness Management: Definition and Impact

One of my predictions is that 60% of the FTSE 500 companies and many public sector organisations, such as NHS trusts, local authorities and government departments, will have wellness managers/directors by the end of 2007. Wellness Management will do to HR management what HR management did to personnel management, but much faster. Wellness Management will move to be a central discipline within organisations, with chief executives valuing highly the contribution of wellness managers, who will have a direct reporting line to them.

Wellness Management is defined by WellKom Corporate Services (WCS) as:

Well People + Well Managed = A Well Organisation™

The origins for this formula came from having to create a NikeTown in Germany: a store concept created to enhance the brand of Nike - a fun and informative shopping experience. The well-managed model was similar to that which I had used as part of the start-up team of B&Q Warehouse in the UK and later Taiwan. The Well People dimension was added to the equation almost by accident. Hiring sports-inspired people meant that we ended up with front-line people whose mental and physical habits enabled them to flourish in the face of the challenge of having to give great, friendly customer service to the thousands of potential customers (and sell, collect consumer insights and feed back service level variations systematically). All of this in Germany, which is the graveyard of many retailers, renowned for efficient but not necessarily friendly service. The results were a Well Organisation in terms of extremely high customer satisfaction ratings - the highest aspect of the whole shopping experience with 8.9 out of 10 rating the friendliness of front line people. Additionally, word-of-mouth referral was over 35% and customer retention was greater than 90%.

The contribution that Wellness Management will make to an organisation will be powerful and varied. It is a discipline which will:

- Protect the organisation in terms of risk management and legal claims. Just like deafness in the 1950s and 1960s led to multi-million payouts because organisations didn't have the right people practices, there will be more and more modern organisational health issues. Stress is just one of a host of physical and mental health risks which need to be managed now to avoid the potential of massive payouts in the next few years.
- Drive real competitive advantage. It will be a central part of a successful talent-management strategy and will have the backing of employees because it will help them enjoy life even more as well as enable them to perform at an even higher and more sustainable level at work.
- Sustain growth. It will provide a well environment for well people (both physically and mentally) to work in and enhance their capabilities to flourish in a world which has a relentlessly increasing pace of life and ever growing tensions to manage both inside and outside of work.
- Enhance the brand - permitting new and valuable contributions to society, for example through Wellness Coaching networks established by socially responsible employers. Tools such as those which WCS have developed will be used to measure and manage how well people are within the supply chain.

What's also clear from WCS's dealings across Europe is that all types of organisations are embracing Wellness Management, including:

- Major multinationals, as people in all countries have the same basic desire - to be well and be able to cope with modern life.
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- State owned and public sector services, which in many countries have the highest levels of people who say they are stressed. Employees there are beginning to welcome a refreshing and proactive approach to wellness as opposed to being offered the likes of stress tests and pressure indexes.
  - Small to medium size companies, including start-ups, where everyone is so vital to the performance of the organisation, face many of the same people challenges as larger organisations but often without the ability to employ people management experts directly. WCS is finding that if high-quality Wellness Management resources are available at affordable prices then they will invest, even though cash is at a premium.
  - Co-operatives of all sizes.

### Which Sectors Will be Most Responsive to Wellness Management?

Originally, WCS thought that the sectors most open to the concept of Wellness Management would be those such as retail, and service industries such as hospitality. How wrong we were. Why? Because we know from our experiences to date that Wellness Management is highly attractive to all types of organisations and all kinds of people in those organisations. Take a look at the list below.

- Major retailers in sectors such as food, confectionary and DIY. The champions can be the managing director, the retail operations director, the logistics director or the head of learning & development. The common denominator we have found in all of these real cases is a personal understanding of wellness and an understanding and desire to make their businesses better - they have made the connection.
  - NHS trusts and care organisations, led by enlightened leaders and people management professionals, are wanting to provide real answers to the oft-asked questions concerning people employed by these organisations: who takes care, and how do you take care, of the carer?
  - Housing associations, are investing through forward thinking operations directors, who are a match to any commercial organisation in terms of their vision of why Wellness Management has to be the future for their organisation.
  - In the further education sector, leadership development approaches are being developed by Ashridge Leadership Centre, which draws on the best practices of other sectors. One competence which the Centre and WellKom see as being vital for leaders in the future is Wellness Management. This competence includes one's own personal wellness; the wellness of others and a strategic understanding of how Wellness Management adds value to the organisation. More research is planned in this area in 2004.
  - Multinational manufacturers with plants in Britain want to set global benchmarks for the wellness levels of their people. The function of the director/manager doesn't matter, for example one of the thought leaders WCS knows is the commercial director.
  - Some emergency services, in our experience, have senior management who are leading the way in their thinking. The head of HR for a fire service, for example, who not only has the day-to-day activity of "fire and rescue" but also has to support the management in what is the first major taste of organisational change for many years as the service is nationally restructured. Police want to have more officers out on the beat but also want to ensure they are alert and physically able to protect themselves. Ambulance commanders also recognise the need to be proactive in developing personal wellness management capabilities.
  - The advent of six-star hotels in places like Dubai drives even higher investment in hotel facilities. However, the guest experience is shaped very much by the many personal interactions. Some are even offering almost one-to-one service, so it is no surprise they are interested in Wellness Management.
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## Why This Revolution Towards Wellness Management?

There are a number of reasons behind this trend towards Wellness Management. Of course, there are the changes in the legal landscape. These include corporate manslaughter and the duty of care being actively enforced by the Health & Safety Executive, meaning it is important to know how well and how stressed your people are. There are the increasing costs and risks associated with sickness, long-term absence and the likelihood of making mistakes. Leaders in risk management are now beginning to be very conscious of the fact that their current array of services does not include enough assessment of how well the people doing the work are. One of the main drives is that some of the most senior people welcome an approach which carries no stigma or any hidden or implied message that "you are stressed" or "threatens to legitimise stress", and most importantly is proactive and early in nature. You don't have to psychologically admit to yourself that you have a problem to actively participate, unlike as some people have related to us the "mental hurdle" with EAP approaches - note the word "assistance" in the description employee assistance provider. Some learning and development professionals are acknowledging that their training needs approach or requests systems can be leading them to treat symptoms instead of root causes. People may exhibit behaviours which imply a lack of sales skills, customer handling, innovation, team working, etc., but it could be that they are not well physically and/or mentally. Furthermore the learning abilities of these people will be lower than normal so the training will be even less effective.

Personal Wellness Management development is, and will be, one of the fastest and biggest areas of development - like time management in the 1980s but with two important differences: everyone is interested in personal wellness not just managers, and this is not a fad but a major shift in attitudes and action that is here to stay. Powerful reasons, and proof for chief executives and boards of all kinds of organisations, to balance the long-term interests of their people against other interests, such as those of shareholders, is provided recently by The Work Foundation with the development of a High Performance Index. This is one of their key findings:

*"The productivity issue is not one of efficiency. It is one of effectiveness. ... In the 21st century the goal must be to create higher productivity through smarter work, rather than harder work. ... With lower productivity than all our G8 competitors except Japan and Russia our workforce already close the gap by working as hard and as fast as it can. No wonder job-related ill-health has doubled since 1990."*

WCS is working with The Work Foundation in the one of the next phases of related research: The UK Wellness Study. It will use the latest diagnostic tools and services, as well as creating Wellness Centres of Excellence in a number of organisations.

The signs of the Wellness Management revolution will include:

- Wellness directors/managers replacing HR directors/managers.
  - Wellness functions integrating occupational health, HR, health & safety and risk management.
  - Wellness Centres of Excellence being established in all types of organisations nationwide.
  - New management metrics and reports relating to people - how well and how well managed they are. This information will be integrated into enterprise-wide management reporting systems (such as Cognos) so organisations can understand and act on how wellness can improve performance and reduce all kinds of risk.
  - Organisations of all types including personal wellness in their training needs analyses - not stress, as this has negative connotations - to improve the effectiveness and return on investment in training and development.
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- Continuing professional development, via professional associations, and courses even earlier in the learning cycle (first professional qualification stage) will include modules on personal wellness management (like that designed into the first week of a Swiss University's international MBA programme).
- Wellness coaching becoming an accredited profession and specialism like life coaching and executive coaching, but will offer much more measurable outputs of success: mental and physical health and improved abilities to manage personal tensions.
- Many organisations will have "in-house wellness coaches", qualified to a certain minimum standard, who will provide a network for local organisations to share each others' resources and provide highly valuable and meaningful personal development for employees, as well as being a real mark of corporate social responsibility.

If you would like to get up to speed and learn more about Wellness Management, or you have some comments or insights, we would really like to hear from you.

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