



NEWS RELEASE

(For immediate release)

New research from Health Enhancement Research Organization identifies shifts in financial incentive strategies in workplace well-being initiatives

Study identifies and compares the effects of four distinct incentive designs on participation and population-level health outcomes, identifies changing employer patterns for well-being incentive strategies

WACONIA, MN (October 06, 2020) — Incentives are a core component of workplace well-being initiatives, with an estimated 78% of larger employers offering them in some form. While past research has shown that incentives are effective in motivating people to participate in wellness programming, a new study from the Health Enhancement Research Organization ([HERO](#)) is among the first to assess the impact of incentive design on both participation and workplace health outcomes at the organization-wide level.

The study, "[Influence of Incentive Design and Organizational Characteristics on Wellness Participation and Health Outcomes](#)," published in the October 2020 issue of the *Journal of Occupational and Environmental Medicine* suggests that the impact of an incentive strategy is influenced not only by the incentive amount, but also by the actions required to achieve the incentive, organizational characteristics, and the degree to which leadership supports employee health. The study also identified common shifts in incentives strategies for employers over time.

"This study is the first to explore the connection between the way in which employers structure incentives and how those strategies change over time, along with the impact this has on employee well-being participation and health outcomes," said Jessica Grossmeier, Ph.D., the lead author of the study. "There is no magic bullet when it comes to the influence of incentives on employee well-being, but employers can look to this research for a better understanding of how different incentives strategies can influence program participation and outcomes."

Grossmeier added that the following study takeaways provide a basis for an evidence-based strategy that can enhance workplace health and deliver measurable outcomes.

1. Any incentive approach must be supported by an organizational commitment to a culture of health, senior leadership support, ongoing comprehensive communications, and SMART (i.e. specific, measurable, attainable, relevant, and time-bound) objectives.
2. Incentives that incorporate a combination of participation and health-related objectives are associated with higher levels of well-being program participation and statistically significant reductions in population levels of cholesterol, blood pressure, and blood glucose.

3. Incentives alone appear insufficient to produce significant improvements in population levels of body mass index.

The HERO study tracked the implementation of incentives and employee health status through quasi-longitudinal data provided by three national suppliers of health and well-being incentive administrative services. The study relied on population-level data from 174 unique organizations that ranged in size from 95 to 24,940 employees. Detailed findings include the following.

Four common patterns in incentives strategies

Evaluation of employer data in the HERO study revealed four common patterns in incentive designs, which evolved over the three-year average study period:

- Incentives focused on participation (participation-focused);
- Incentives focused on health improvement or outcomes (outcomes-focused);
- Incentives focused on a combination of participation and outcomes (combination); and
- Incentives that started with a focus on participation and then shifted to a focus on outcomes (participation-to-outcomes).

According to Grossmeier, while most employer well-being initiatives used a mix of outcomes- and participation-focused incentives, the most successful also invested in creating and sustaining a more supportive workplace health culture. For example:

- Combination companies offered the most cultural support for well-being.
- Outcomes-focused companies offered the highest incentive amounts but the least organizational support.
- Outcomes-focused companies had the highest participation in completion of health assessment surveys and biometric health screenings but recorded lower participation in health improvement interventions.
- Combination companies recorded the second highest completion of the incentive activity, and a slight increase in participation over time.

HERO researchers also found companies that used a combination of participation-focused and outcomes-focused incentives achieved more favorable outcomes. See [infographic](#) for additional results.

Funding for this research was provided by HERO research partners including Kaiser Permanente; StayWell and WebMD Health Services; and Prudential Financial. Study collaborators included Bravo Wellness, Optum, HealthCheck 360, Mangen Research Associates, and members of the HERO Research Study Subcommittee.

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About HERO – HERO (the Health Enhancement Research Organization) is a not-for-profit, 501(c)3 corporation that was established in 1996. HERO is dedicated to identifying and sharing best practices that improve the health and well-being of employees, their families and communities. To learn more, visit www.hero-health.org. Follow us on [Twitter](#) @heroehm or [LinkedIn](#).