Could Japan Leapfrog America in Employee Well-being?

By Paul Terry

Two transformations that are inexorably in motion in workplace based health promotion in America are the movement from wellness to well-being and the shift from a focus on a return on investment (ROI) to the use of value on investment (VOI) measures. I have written often about [these shifts](http://www.managedcaremag.com/blogs/paul-terry) as have [other experts](http://www.healthpromotionjournal.com/index.php?com_route=view_video&vid=133&close=true). What both trends share in common is a broadening of our approach to supporting health and showing the value of same. These [VOI measures](http://hero-health.org/wp-content/uploads/2015/02/HERO-PHA-Metrics-Guide-FINAL.pdf) are well documented and publicly available, but are we thinking broadly enough? This month HERO hosted a contingent from Tokyo University and the Mitsubishi Research Institute. [HERO](http://hero-health.org/) is the non-profit research think tank where I work and we, in partnership with Mercer, provide a national employee [health and well-being scorecard](http://hero-health.org/scorecard/) that our Japanese guests were eager to learn about.

Of the hundreds of USA based companies that use the HERO Scorecard, nearly all do so to benchmark their efforts against others. It’s a planning and assessment tool that we designed to support HERO’s vision of improving quality in employee health promotion. Why were our Japanese visitors interested? They began their presentation by discussing the dynamic between the Tokyo Stock Exchange and Japan’s Ministry of Economy, Trade and Industry ([METI](http://www.meti.go.jp/english/)). The two transformations that are inexorably in motion in Japan are the alarmingly large exodus of their elders from the workforce which is accompanied by the emergent realization that their future workforce will have ample choices about where to work. What’s more, their Stock Exchange and METI leaders believe that companies who care about employee health will have a competitive advantage in attracting and retaining investors, not just employees. For the Japanese this is not a subtle way to hedge their bets on future investments, it’s as clear as “black versus white.” Let me explain.

**Black and White Thinking about Employee Wellness in Japan**

Over five years, while I was working for a large healthcare provider, I studied and practiced Kaizen quality improvement principles. Kaizen is the Japanese term for continuous improvement and my training culminated in trips to Seattle and Tokyo where we teamed up with exemplary Kaizen run companies on their current Kaizen events. With this in my background, the reserved demeanor of our guests and their data driven approach to discussing business practices felt familiar. I made special note, then, of the times when they were more animated and leaning in during our discussion. That was when they were explaining “black and white companies.” [Apparently it’s a thing](http://www.tofugu.com/2014/04/25/awful-japanese-black-companies/). The talented university students that Japanese businesses covet refer to “white companies” as those who care about their employees and promise a high quality work life. “Black companies” are those that burn out their employees and can’t produce well-being measures that matter to these highly trained prospects. Worse, black companies are increasingly being outed with detailed exposes about horrendous practices.

What does this have to do with HERO’s scorecard? Our guests are studying the prospect of an accreditation system where investors can separate the black from the white. Japanese businesses, especially those that are Kaizen driven, are beholden to data so their visit to HERO started and ended with our sharing metrics about scorecard abetted health and well-being in corporate America. We were pleased to report that we will shortly be releasing the HERO/Mercer International Scorecard and our discussions will continue accordingly.

**Employee Health, Shareholder Value and the National Debt**

I recently hosted [Stephanie Pronk in a webinar](http://www.healthpromotionjournal.com/index.php?com_route=view_video&vid=137&close=true) where we examined trends in American based worksite wellness. Pronk is the practice leader for AON Hewitt’s National Health Transformation Team and, just coming off of my visit with the Japanese, I was taken by her conviction that attaching ROI to wellness programs over the past years had been a mistake. She went on to describe the “all-encompassing” approach AON is using to tackle obesity, a serious threat to America’s global competitiveness. It’s a vantage point for well-being that far surpasses what could be captured with ROI metrics derived from health care costs. And so it may be with an approach to accrediting companies according to whether they can claim to be “white companies.” Collecting such data may have a quality improvement subtext but it is primarily about tackling a national economic problem head on. It didn’t surprise me, based on Japan’s approach to Kaizen as a requirement led by management, when our guests described the growing examples from Japan’s Ministry of Health where companies are handed “mandatory employee wellness” regulations.

This Japanese orientation to wellness may represent a leapfrog strategy for the third largest economy in the world but it would take a [massive](http://money.cnn.com/news/economy/world_economies_gdp/) leap. To be sure, mandatory wellness won’t work in America. But if Japan makes big strides in wellness because of a truly broader value proposition if won’t be because America lacks other global thinkers like Pronk. Perhaps the best example of a leader who boldly attaches the work of wellness to our GNP and global competitiveness is Michael O’Donnell, the Editor in Chief of *The American Journal of Health Promotion*. He has written and presented often on the drag unhealthy lifestyles and companies reticent about health promotion are having on our national fiscal health. O’Donnell believes that nothing less than the [solvency of America](http://www.ajhpcontents.com/doi/full/10.4278/ajhp.27.2.iv) is at stake. Closely related to this, Ray Fabius, President of HealthNEXT, published a convincing analysis of the connection between companies that offer employee wellness programs and their [stock market performance](http://journals.lww.com/joem/Abstract/2013/09000/The_Link_Between_Workforce_Health_and_Safety_and.1.aspx). HERO is pleased to note that three new papers that build on these findings will be published next month.

How broadly should corporate leaders, especially those in the business of health and health care, be thinking when it comes to the role of health improvement in global competitiveness? HERO’s Board of Directors believes that employer leadership is vital to a vision where all workplaces positively influence the health of employees, families and communities. On that vision quest, HERO has teamed with the Robert Wood Johnson Foundation for the past two years to build the business case for employer engagement in building a culture of health in America. There are, of course, many impressive stories to be told about [what’s working](http://get-hwhc.org/) when health care organizations and others businesses and stakeholders team to make their communities attractive places to live and work. Let’s urge others to play leapfrog and then, let’s be sure we’re standing tall.

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