

Establishing an On-Site Health/Fitness Center:

*Recommendations for an On-Site Health/Fitness Center at
XYZ*



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1. Introduction

The nature of work has changed dramatically from industrialization to a more knowledge-based economy over the last half century. Keeping workforce happy and healthy is still a principle. In the 1940s and '50s, companies encouraged social clubs and organized outings and picnics. By the '70s and '80s, however, the strategy had shifted to individual fitness and smoking-cessation programs. In the '90s, workplace spirituality motivational speakers and on-site yoga became popular. Today, the hottest trend is capitalizing on a little bit of them all under “workplace wellness”¹. The main reason behind this is that the average American spends more than half of his or her waking hours at work-and half say they frequently work on evenings and weekends. Days lost to illness or disability, meanwhile, have climbed each year since 2000, according to Bureau of Labor Statistics, when a wave of downsizing began and those who still had jobs were forced to work longer hours with fewer resources. More than half of the Fortune 500 downsized in the 1990s reported that productivity deteriorated as a result. If companies value their employees as key assets, it is essential they encourage them to stay mentally and physically healthy².

¹ Robin, R. 2003. Healthy, Wealthy and Wise. Canadian Business. Vol. 76 issue23. pg. 129 Toronto

² Robin, R. 2003. Healthy, Wealthy and Wise. Canadian Business. Vol. 76 issue23. pg. 129 Toronto

2. Literature Review

From a study conducted by the MEDSTAT Group and American Productivity & Quality Center found that organizations spent an average of \$8,621 per employee for health and productivity in 1997. Of this amount,

- \$5,003, or 58% was spent on health care expenses;
- \$1,897, or 22%, was spent on employee turnover;
- \$698, or 8%, was spent on unscheduled absences;
- \$630, or 7%, was spent on non-occupational disability and
- \$393, or 5% was spent on workers' compensation
- Moreover, results indicate that employers seek health plans that improve productivity, in addition to managing utilization and cost³.

In addition, Tommy G. Thompson, Secretary for United States Department of Health and Human Services, released a new report highlighting the significant economic toll that preventable diseases take on business, workers and the nation as a whole on September 16, 2003. This report highlights recent research showing the dramatic impact of chronic, preventable illnesses have on business' bottom line⁴:

- Obesity-related health problems cost U.S. businesses an estimated \$13 billion in 1994, including about \$8 billion in health insurance costs, \$2.4 billion for sick leave, \$1.8 billion for life insurance and nearly \$1 billion for disability insurance.
- Average health care expenditures for people with diabetes run about \$13,243 per person, compared with \$2,650 per person for people without diabetes. Even after the differences in age, sex, race and ethnicity are taken into account, people with diabetes had medical expenditures that were 2.4 times higher than comparable people without diabetes.
- One economic analysis found that a health plan's annual costs for covering treatments to help people quit smoking ranged from 89 cents to \$4.92 per smoker, while the annual costs of treating smoking-related illness ranged from \$6 to \$33 per smoker.

Secretary Thompson said, "More businesses need to recognize that poor health means lower productivity and higher health insurance costs. Smart business leaders

³ www.ibiweb.org

⁴ www.hhs.gov/news/

increasingly are finding that it is the right decision to promote health education, physical activity and preventive benefits in the workplace⁵.”

At the aggregate level, Bloom and Canning identified four pathways by which health can affect productivity: a healthy labor force may be more productive because workers have more physical and mental energy and are absent from work less often; individuals with a longer life expectancy may choose to invest more in education and receive greater returns from their investments; with longer life expectancy, individuals may be motivated to save more for retirement, resulting in a greater accumulation of physical capital; and improvement in the survival and health of young children may provide incentives for reduced fertility and may result in an increase in labor force participation – which may, in turn, result in increased per capita income if these individuals are accommodated by the labor market⁶.

As healthcare costs skyrocket – health expenditures per person rose 24 percent between 2000 and 2003 and are expected to double in the next decade⁷, Americans are just not as active as they need to be to stay healthy – the minimum recommended is 30 minutes of moderate exercise per day, 5 days a week. Three out of 4 Americans do not get the minimum amount of physical activity necessary to maintain a basic level of fitness, according to the Centers for Disease Control and Prevention. One in 4 Americans get “little or no” regular physical activity. The changing nature of the workplaces and communities, the rise in sedentary leisure activities, and reduced time for physical fitness education in schools and sports are some factors that contribute to the decline in physical

⁵ www.hhs.gov/news/

⁶ Bloom, D.E. and Canning, D. 2000. “The Health and Wealth of Nations.” *Science’s Compass* 287:1207-1209

⁷ *Ibid*

activity. This lack of physical activity comes at the cost of higher prevalence of illness and disease, and the higher healthcare costs associated with these conditions⁸.

Additionally, employers struggle to pay insurance premiums. For every dollar employees spend on healthcare, on average, employers spend \$5. With those costs rising, plus the impact on productivity and efficiency, employers have a vested interest in keeping employees healthy⁹. Companies are discovering that one way to shave costs is to promote healthier workers. A mix of prevention and wellness program – combined with common sense measures such as providing employee discounts at the local gym or stocking the cafeteria with healthy food – can help to promoting a healthier working environment¹⁰.

Wellness programs are an all-round win. A survey conducted by American Association of Occupational health Nurse Inc. focusing on 500 employees nationwide about their perceptions of corporate wellness programs found more than three quarters of all participants indicated these wellness programs are a good way to improve their overall health, and nearly 60 percent consider these offerings an incentive to remain with their current employer¹¹. Employees like wellness programs because those programs improve their health and well-being. The company likes those programs because healthier workers have fewer absences-they are on the job, and doing their jobs. Moreover, comprehensive health promotion programs saved more than \$3 for each dollar invested when savings are measured in terms of medical cost, absenteeism, worker's comp, short-term disability and

⁸ Ibid

⁹ Ibid

¹⁰ www.medstat.com

¹¹ Simpson, S. Jul 2003. "Good for employees, good for business". Occupational Health & Safety. 72,7

presenteeism (how productive the employee is during the time on the job)¹². Furthermore, a 1998 study conducted by the Health Enhancement Research Organization found that physically active individuals had significantly lower medical costs than inactive individuals. Thirty-two percent were inactive, with no vigorous exercise in a typical week. The workers have mean medical expenses of \$1,712 and median expenses of \$353, indicating some very high-cost claims for a smaller number of individuals. After adjusting for demographics and other risk variables, lower medical expenses were associated with those who were physically active¹³. Also, every body wins because wellness programs build team spirit, improve work attitudes and commitment, and lead to increase productivity.

- **The Role of Fitness Center in the wellness program**

Fitness centers play an important role in the wellness program. Employees who are physically fit have less absenteeism, perform better on the job and file fewer health insurance claims. Employers with onsite fitness centers find that they are spending less for healthcare coverage. Research shows that company morale tends to stay high because healthier employees are happier employees¹⁴. The below diagram summarizes the benefit and consequence of offering an onsite health/fitness center. Further commentary from academic research follows.

¹² “Investing in a healthy workforce to control healthcare costs,” the University of Michigan News and Information Services, News Release, July 5, 2001.

¹³ BlueCross BlueShield Association. June 2003. Research Digest on Physical Activity, health and Health Costs

¹⁴ Rogoski, R. Fitness centers become key employee benefit.
<http://www.bizjournals.com/triangle/stories/1998/11/16/focus4.html>

Pros and Cons of On-Site Health/Fitness Center

Pros	Cons
<ul style="list-style-type: none">• Strategically aligned with business strategy• Might be used to attract new employees, retain current employee and motivate employees to achieve high performance• Sends a message to employees that the company cares about their health• Reduces turnover rate/ increases retention rate• Can customize programs or courses that fit employees' needs• Cultivates a healthier workforce• Increases productivity• Increases company-wide morale and intra-company camaraderie through programs and activities• Reduces health care cost and absenteeism.• Employees don't have to leave work to go to a gym• Reduces workers' compensation through preventing on-the-job injuries• Reduces stress• Increases the effectiveness of disability management programs	<ul style="list-style-type: none">• Time consuming to build• Increased labor costs or contractor costs (in terms of staffing the fitness center)• Company may be liable for injury during exercise

- **Corporate Examples**

An intensive study conducted for **Johnson & Johnson** by the Medstat Group showed that participating employees have dramatically lowered medical expenses and realized overall improvements in several health risk categories, including high cholesterol, hypertension, and cigarette smoking. According to this study, medical care cost savings amounted to \$225 per employee annually. The saving derived from reductions in hospital admissions, mental health visits, and outpatient service use. Savings increased in the program's third and fourth years. J&J saved an average of \$8.5 million annually for the same four-year period after the program began, mostly because of lower administrative and medical utilization costs¹⁵. Moreover, another study showed that this program reduced its hospital costs by a third and its absenteeism rate by 18 percent during the first five years of its health promotion program.

Metroplitan Life saved \$3.15 on every dollar and **Motorola** saved \$3 on every dollar invested¹⁶. **Kennecott Copper Co.** estimates it has saved \$5.78 on every dollar it invested in a fitness center. At **Tenneco Auto**, women who did not exercise regularly filed twice as many medical claims per year as women who participate in the in-house exercise program. They also discovered that the average annual medical claim was at least 50 percent lower for fitness program participants versus non-participants. At **Prudential Life**, employees who participated in the company's fitness program averaged 5.1 fewer absentee days. Two years after it opened its wellness center, the **Adolph Coors**

¹⁵ Parchman R. & Miller, F. March 2003"Keys for Increasing Employee Utilization of Wellness programs". Employee Benefit Plan Review. 57 .9. p 21

¹⁶ Parchman R. & Miller, F. March 2003"Keys for Increasing Employee Utilization of Wellness programs". Employee Benefit Plan Review. 57 .9. p 21

Co. found that its cardiac employees had reduced the time they needed to be out of work by more than 30 percent, resulting in salary saving of \$430,000¹⁷.

General Motors found that employees who were in a physical fitness program has a 50 percent reduction in on-the-job accidents, a 40 percent reduction in lost time and a 50 percent reduction in job grievances. **General Electric** reduced healthcare costs for member of its fitness program by 38 percent in an eight-month period, while non-members' healthcare costs rose 21 percent. The **Coors Brewing Company** found that, in 1999, it returns \$6.15 for every dollar spent on its fitness program. **Steelcase**, an office furniture company, found that during a three-year period, medical costs for active employees were 55 percent lower than for inactive employees. **DuPont** reduced absenteeism by 47.5 percent over six years for its fitness program participants. At **Northern Gas Company** in Denver, Colorado, employees who are in a corporate exercise program have 80 percent fewer sick days than non-exercising employees. The **Canada Life Assurance Company** found turnover among fitness program participants was 32.4 percent lower compared to non-participants. **Caterpillar** offers a Healthy Balance Program aimed at motivating workers to make positive changes to reduce their health risks and improve their long-term health. The company projects long-term savings for this effort totaling \$700 million by 2015. Last but not the least, at the **Pillsbury Company**, each dollar spent on wellness saved the company \$3.63 in health-related costs.

¹⁷ Rogoski, R. "Fitness centers become key employee benefit."
<http://www.bizjournals.com/triangle/stories/1998/11/16/focus4.html>

3. Suggested Process for Establishing a Wellness Program

Employers need to re-evaluate corporate philosophies and what is really most important in the context of employee satisfaction and productivity. There are several things that firms need to take into considerations while designing wellness programs or building an On-Site Health/Fitness Center.

Step 1. Determining Wellness Needs:

Every workforce is unique, and so are its wellness needs. It is very important to understand those needs to tailor a wellness program to the organization and its people. No two corporate wellness programs are the same because every organization is different in some way. A firm needs to assess age, gender, family status and types of work within the company that might affect employees' coverage priorities. The best way to ensure a good fit between employees and a wellness program is to involve employees in the process. One efficient way to do is through company-wide employee survey (see attachment i.). Moreover, through a benchmarking survey (see attachment ii.) can enable firm's ability to understand what other companies are doing and the end results of the programs.

Step 2. Gaining Management Support:

To be successful, wellness programs must be employee-driven and management supported. Obtaining top-management buy-in can be achieved by showing wellness makes good business sense and the key to doing that is through a solid business case.

Step 3. Designing Programs

A well-designed, next generation wellness program integrates the following key components, each contributing to an increase in overall utilization¹⁸.

¹⁸ Parchman R. & Miller, F. March 2003 "Keys for Increasing Employee Utilization of Wellness programs". Employee Benefit Plan Review. 57 .9. p 21

- Communication: communications on programs and services that promote well-being are effective to the extent that they are coherent, consistent, and timely. The goal is to change employee behavior from passive receivers of health care to proactive and informed consumer of health care.
- Access: Delivering information and services through telephone, the Web, or on-site simplifies access and removes barriers that impede utilization. In addition, worksite wellness programs make it easier for time-constrained employees to participate.
- Integrated approach: The most compelling benefit of integrating these services is making the whole greater than the sum of the parts. For instance, the ability to efficiently locate qualified childcare or elder care frees up time to participate in a weight management or smoking-cessation program. The ready availability of one service promotes the utilization of another.
- Successful outcomes: Positive experiences promote increased utilization. Organizations that promote successful outcomes – through a company newsletter or other communications channels – will see an increase in utilization.
- Personal coaching: It is made even more effective by personal coaches who can tailor regiments to that individual employee. Hands-on counseling, support, and treatment promote rapport with employees, which turns the activity or session into something the employees look forward to.
- Special event: On-site health fairs and other events are high profile and widely advertised to the workforce. This raises awareness, builds anticipation, and creates a sense of excitement, all of which result in increased utilization.

- Group programs: Make wellness fun, not work. On-site programs (e.g. fitness) promote “esprit de corp” and increase utilization by turning the wellness service into an eagerly anticipated group event. Friendly competitions in which business units compete to outperform others in achieving a wellness goal does much to encourage reluctant employees to join in.

Step 4. Build Employee Participation

One of the biggest challenges for wellness programs is getting employees—particularly those with greatest health risks—to participate in their programs. While wellness programs continue to gain acceptance and are implemented by an increasing number of organizations, the degree to which these benefits are fully realized is determined by utilization. While a number of organizations provide financial incentives to promote utilization, such as awarding bonus points that are redeemable for cash or prizes, organizations can see more significant returns by engaging a more effective, dynamic service delivery model that address today’s fluid, fast-paced, and highly competitive workplace¹⁹.

Step 5. Market the Program:

Wellness programs are like anything else: they need to be “sold.” Many companies blanket their employees with wellness communications including newsletters, town hall meetings, lunch-and-learn sessions, bulletin boards, email announcements, intranet, company website, and more. It is also important to call on the organization’s leaders to lend their personal support to help promote wellness activities.

¹⁹ Parchman R. & Miller, F. March 2003. “Keys for Increasing Employee Utilization of Wellness programs”. Employee Benefit Plan Review. 57 .9. p 20

Step 6: Offer Rewards and Incentives:

Almost all organizations with wellness programs offer some type of rewards to encourage employee participation. Some build participation in a wellness program into their total scorecard of employee performance. Others offer distinct rewards for the wellness program alone.

What is really important is to focus on the services that will make a difference to employees and, ultimately, to business success. Healthy employees are confident, positive, motivated, enthusiastic, and more productive. One can't buy that competitive advantage at any price.

4. Suggested Measure for Wellness program

Measuring a wellness program performance is an increasingly important concern for HR professionals, senior line managers and CEOs. The challenge of measurement becomes particularly salient when the CEO and senior management team ask HR to justify a program's contribution to the organization. A scorecard enables two important things: (1) manage a program as a strategic asset and (2) demonstrate a program's contribution to a firm's financial success²⁰. In this step HR professionals need to develop a valid measure in order to understand how well the programs are aligned with their strategy. HR professionals need to develop measurement that allows the firm to estimate the impact of their policies, practices and procedures. However, this requires not only a new perspective on measuring performance, but also the solution of some technical issues that many HR professionals may not be familiar with. Here are some tips for getting started from Steve Bates²¹.

- From the outset, don't be shy about seeking help from industrial/organizational psychologists and other experts, either in-house or from outside the organization.
- Identify precisely what you want to measure and why. It should be something that's appropriate for and important to your organization. What works for another organization might not be of much value in yours.
- Go beyond measures of how HR does its job. Focus on what drives people to generate business success.
- Make sure that senior management buys in to your plans. Without that interest and support, you might be wasting time and resources.
- Make sure that your results will be practical enough to drive action. If the numbers aren't used to improve the organization, why gather them?
- Don't try to measure too much, especially at first. Excessive data can overwhelm people and turn them off to the project.
- Make sure that you can find and collect the right data when you need it. Some operations are difficult to quantify objectively, and different parts of your

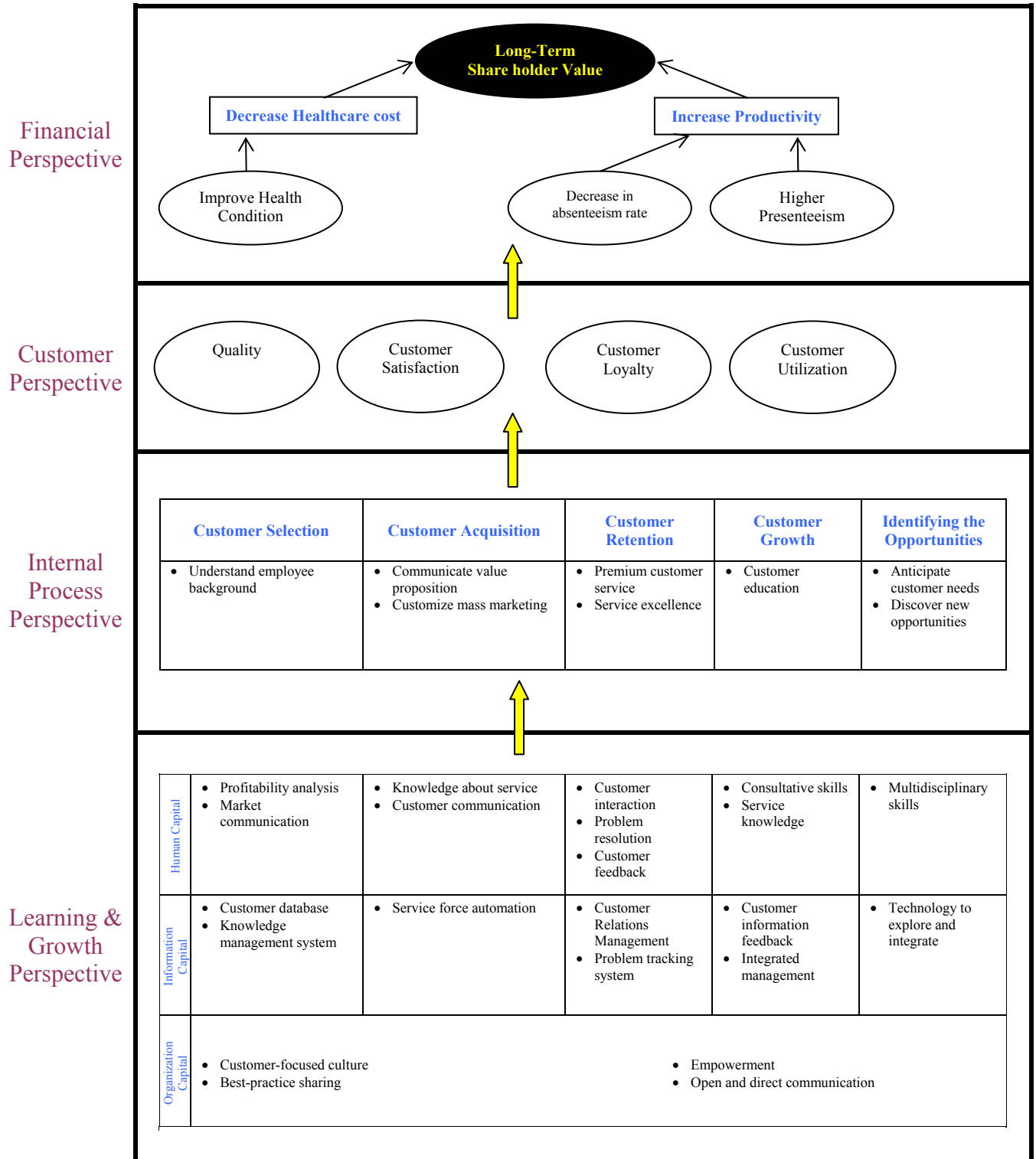
²⁰ Becker, B. & Huselid, M., Measuring HR – Benchmarking is Not the Answer., HRMagazine.Dec,2003., P.53

²¹ Bates, S., The Metrics Maze – Measuring Human Capital is a Tricky, Evolving Discipline. HRMagazine. Dec,2003., P.52

- organization might measure them differently, calling into question the validity of your results.
- Interpret and present statistics in a way that will be easy for employees and managers to understand. Don't invest heavily in whiz-bang technology just for its looks.
 - If you get stuck or are not confident about the results, step back and reconsider your goals and how to reach them.

This wellness scorecard contains four themes: Financial Perspective, Customer Perspective, Internal Process Perspective, and Learning & Growth Perspective. Here, the “customer” in the wellness program will be the company’s employees and/or invited guests. The first step would start with identifying the value creation chain, which helps to understand how value is created through this wellness program. And from that value creation chain, the wellness scorecard will be identified and aligned with the business strategy.

5. Value Creation Chain of the Wellness program



(Partially adopted from Kaplan, Robert S & Norton, David P. Strategy Maps. Harvard Business School Press. Boston Massachusetts.)

6. Wellness Scorecard

	Strategy Map		Balanced Scorecard		Action Plan	
	Objectives		Measurement	Target	Initiative	Budget
Financial Perspective		<ul style="list-style-type: none"> Reduce Healthcare Cost 	<ul style="list-style-type: none"> Workers' Compensation Health insurance Claims FMLA leaves 		<ul style="list-style-type: none"> Employee Database Management 	\$ xxx
		<ul style="list-style-type: none"> Lower Absenteeism 	<ul style="list-style-type: none"> Sick day leave Absenteeism rate 			
		<ul style="list-style-type: none"> Productivity 	<ul style="list-style-type: none"> Productivity 			
Customer Perspective		<ul style="list-style-type: none"> Quality of Service 	<ul style="list-style-type: none"> Customer Satisfaction 		<ul style="list-style-type: none"> Customer Satisfaction Survey 	\$ xxx
		<ul style="list-style-type: none"> Customer Satisfaction 	<ul style="list-style-type: none"> Customer Satisfaction 		<ul style="list-style-type: none"> Customer Satisfaction Survey 	
		<ul style="list-style-type: none"> Customer Loyalty 	<ul style="list-style-type: none"> Customer Retention 		<ul style="list-style-type: none"> CRM 	
		<ul style="list-style-type: none"> Customer utilization 	<ul style="list-style-type: none"> Utilization 		<ul style="list-style-type: none"> Utilization Management System 	
Internal Process Perspective	Selection	<ul style="list-style-type: none"> Understand Customer needs 	<ul style="list-style-type: none"> The degree to which the program fits customer needs 		<ul style="list-style-type: none"> Employee Needs Assessment Employee Database 	\$ xxx
	Acquisition	<ul style="list-style-type: none"> Communicate value proposition Customize mass marketing 	<ul style="list-style-type: none"> Communication Campaign Response Rate 		<ul style="list-style-type: none"> Survey CRM Management/ Client Analysis 	\$ xxx
	Retention	<ul style="list-style-type: none"> Premium customer service 	<ul style="list-style-type: none"> Customer Satisfaction 		<ul style="list-style-type: none"> CRM Management Customer Satisfaction Survey 	\$ xxx
	Growth	<ul style="list-style-type: none"> Customer education 	<ul style="list-style-type: none"> Hours with customer Customer Knowledge Change 		<ul style="list-style-type: none"> CRM Management/ Customer Satisfaction Survey 	\$ xxx
	Identifying the Opportunities	<ul style="list-style-type: none"> Anticipate customer needs Discover new opportunities 	<ul style="list-style-type: none"> The degree to which the program fits customer needs 		<ul style="list-style-type: none"> Customer Satisfaction Survey Employee Needs Assessment 	\$ xxx
Learning & Growth Perspective	Human Capital	<ul style="list-style-type: none"> Develop strategic competencies Attract and retain top talent 	<ul style="list-style-type: none"> Human Capital Readiness Key Employee Turnover 		<ul style="list-style-type: none"> Identifying Human Capital ERM System Exit Interview 	\$ xxx
	Information capital	<ul style="list-style-type: none"> Develop strategic CRM System Increase Knowledge sharing 	<ul style="list-style-type: none"> Application Portfolio Readiness KMS hits/employee 		<ul style="list-style-type: none"> CRM System KM system 	\$ xxx
	Organization Capital	<ul style="list-style-type: none"> Create customer-focused culture Best-practice sharing Empowerment Open & direct communication 	<ul style="list-style-type: none"> Customer Survey KMS hits/employee Employee Survey Employee Survey 		<ul style="list-style-type: none"> Customer Survey KM system CRM Management Employee Survey Open-door Policy 	\$ xxx
Total Budget						\$xxx

(Partially adopted from Kaplan, Robert S & Norton, David P. Strategy Maps. Harvard Business School Press. Boston Massachusetts.)

7. Implementation of the Wellness Scorecard

To make the wellness scorecard work, the very first step involves getting the right people to design and implement it. Once a team has been assembled, the scorecard team will then brainstorm the value propositions and value chain to create the wellness scorecard. At the same time, management will need to start sending out messages to employees, informing them that there may be changes in the way that company measures success and making sure they are willing to prepare for the upcoming change. After rolling out the wellness scorecard, the team will monitor the progress of employees through proper data collecting and provide feedback. Also, the team will try to align other HR practices, such as training and development, compensation and rewards, performance appraisal, and so on, to the wellness scorecard.

8. Conclusion

It is important to recognize how a healthy workforce can assist company in achieving strategic success. With the understanding of the current statistic report and the capabilities needed for the future, HR is able to build and deliver a workforce that creates values to firm's business. With the wellness Scorecard will assist firm to succeed in achieving its aggressive goals. However, in order to make this new management and measurement system work, the support for top management and the commitment from the employees is imperative.

It is very important for the HR professionals to create and maintain a culture that support this new program. Constructed thoughtfully, the wellness scorecard will help the firm deliver increased value to its firm, employees, customers, and investors. This approach requires that HR professionals desire to make a difference, align their work to business strategy, apply the science of research to the art of HR, and commit to learning from constant experimentations²².

Having a wellness scorecard will allow the firm to accomplish its strategic goals and objectives with the acceptance, support and involvement from their workforce and management as well as linking HR to firm performance.

²² Becker, Brain, Huselid, Mark, & Ulrich, Dave. The HR Scorecard- Linking People, Strategy, and Performance. Harvard Business School Press. P. 205

Attachment A

Fitness Center Survey

1. What is your sex?

- Male
- Female

2. What category contains your current age?

- >20
- 20 – 29
- 30 – 39
- 40 – 49
- 50 +

3. Which Schering-Plough site do you currently work at?

- Kennilworth
- Union
- Cranford
- Springfield
- Berkeley Heights
- Madison
- Branchburg

4. In a typical week, how many days do you typically exercise (ex; gym, jog, aerobics, etc...)?

0 (if 0 skip to Q. 8)

1 2 3 4 5 6 7 days

5. When you exercise, how much time do you typically devote to each session?

- < 30 minutes
- 31 – 60 minutes
- 61 – 90 minutes
- 91 minutes

6. Where do you exercise most often? (please check only one)

- Home
- Commercial fitness center
- Local YMCA, YMHA, YWCA, YWHA
- Tennis or golf club
- Other

7. What is the monthly membership fee \$_____ per month
8. What is your primary goal of exercise (please check only one)
- An opportunity to socialize
 - Recreation
 - Weight control
 - Muscle tone
 - Stress reduction
 - Health and wellness
 - Other (please specify) _____
9. What does your typical [pipe in response to Q.5] exercise routine consist of (please check one or all that apply)?
- Aerobic Equipment– Stationary Bike, Tread Mill, Stair Master, Step Training, Cross Country Skiing Machine, Upper Body Ergometers (bike),
 - Other Programs/Classes - Aerobic Classes, Spin Class, Cardio Kick, Low Impact, High Impact, Step Class, Pilates Programs, Yoga, Swim, Wellness programs (smoking cessation, home exercise program, fitness assessment, weight management, stress management, etc...)
 - Free Weights (dumb bells, etc...)
 - Free Weight Machines
 1. Row Machine
 2. Tread mill
 3. Weight lifting – free weights
 4. Bicep Machine (curls)
 5. Tricep Machine (reverse curls)
 6. Lat Pull Down
 7. Quad Machine
 8. Hamstring Machine
 9. Calf Machine
 10. Hip abduction & adduction
 - Outdoor Activities – bike, jog, walk, swim, and sports
10. What time of day do you typically exercise?
- Before work
 - During lunch or break
 - After work

Fitness Program Profile

Schering-Plough (SP) is exploring employee preferences as they relate to company subsidized fitness programs. There are 2 possible programs under consideration.

One possibility is that SP continues to provide employees with a partial reimbursement of the cost of joining an external fitness center.

The second possibility is that SP construct an on-site fitness center located on the Kennilworth site. Hours of operation would be from 6 AM to 7 PM. The center would be made available to any employee who becomes a member of the fitness center. Membership would require employees passing a standard “fitness check” evaluation and pay a monthly membership fee. Standard benefits of membership would include:

- Fitness professionals who would be available for consultation and individual exercise program development
- Fitness equipment including aerobic, weight machines, and free weights
- A room designed for Aerobic and Exercise classes
- Men’s & lady’s locker rooms equipped with showers

11. Which possible program would you prefer?

- Partial reimbursement of external fitness program
- SP construction of on-site fitness center
- Neither
- Other please specify _____

12. Were you aware that SP offered partial reimbursement of the cost of an external fitness center?

- Yes
- No

13. Moving to the potential on-site fitness center, what types of fitness professionals would you expect to see at on on-site SP fitness center?

- Exercise Trainer
- Physical Therapist
- Aerobics Instructor
- Nutritionist
- Massage therapist
- Other _____

14. What types of fitness equipment would you expect to see at an on-site SP fitness center? And which would you use regularly?

Aerobic Equipment

- Stationary Bike
- Tread Mill
- Stair Master, Step Training
- Cross Country Skiing Machine
- Upper Body Ergometers (bike),

Free Weights (dumb bells, etc...)

Free Weight Machines

- Bicep Machine (curls)
- Tricep Machine (reverse curls)
- Lat Pull Down
- Quad Machine
- Hamstring Machine
- Calf Machine
- Hip abduction & adduction

15. What types of aerobic classes would you expect to see at an on-site SP fitness center? And which would you use regularly?

- Spin Class
- Cardio Kick
- Low Impact
- High Impact
- Step Class
- Pilates Programs

16. What other programs would you like to see offered at a SP fitness center? Additional programs may or may not be associated with ad hoc fees.

- Yoga
- Aqua
- Smoking cessation
- Home exercise program
- Fitness assessment
- Weight management
- Stress management
- Towel Service
- Sauna
- Other please specify _____

Attachment B

Benchmarking Survey

1. Does your company have an on-site wellness/Fitness Center?
 - Yes. (go to question #2)
 - No. (go to question # 26)

Company with onsite Health/Fitness Center

2. The objective of our on-site wellness/Fitness Center is/are _____
(check all that apply)
 - To improve employee health
 - Used as a type of employee benefit
 - To align with company's vision, mission, and strategy
 - To provide a place for employees to socialize
 - As an 'employer of choice' strategy
 - Other, please specify _____
3. Our fitness center was established in year _____
4. Our fitness center is managed by
 - My company
 - Third-party contractor (go to question #6)
 - Other, please specify _____
5. Our fitness center has about _____ staff (including instructors, trainers, administrators, etc...) to manage this facility.
 - Less than 10
 - 11-30
 - 31-50
 - 51-70
 - 71-90
 - 91-110
 - More than 110
6. Our fitness center is open from _____
 - Monday through Friday
 - Monday through Sunday
 - Other, please specify _____
7. The specific hours of operation of our fitness center are _____

8. Most of our employees use this facility _____
- Before work
 - During break
 - After work
 - Other, please specify _____
9. The membership fee of this center is _____
- FREE
 - \$1-10
 - \$11-20
 - \$21-30
 - More than \$30
10. Does your fitness center open to invited guests (i.e. family members and friends) of the employee?
- Yes (go to Question # 11)
 - No (go to Question # 12)
11. The membership fee for invited guests (i.e. family members and friends) is _____
- FREE
 - \$1-10
 - \$11-20
 - \$21-30
 - More than \$30
12. Our fitness center has equipments such as _____ (check all that apply)
- Aerobic Equipment– Stationary Bike, Tread Mill, Stair Master, Step Training, Cross Country Skiing Machine, etc
 - Free Weights (dumb bells, etc...)
 - Free Weight Machines
 - Other, please specify _____

13. Our fitness center has _____ (check all that apply)

- Basketball court
- Volleyball court
- Badminton court
- Racquetball room
- Squash room
- Indoor golf range
- Indoor track
- Indoor spinning area
- Multi-purpose room
- Swimming pool
- Rockwall
- Outdoor track
- Outdoor golf court
- Outdoor basketball court
- Outdoor baseball court
- Outdoor tennis court
- Other, please specify _____

14. Our fitness center offers programs such as _____ (check all that apply)

- Wellness seminar
- Smoking cessation
- Personal strength training
- Home exercise program
- Fitness assessment
- Weight management
- Stress management
- Family parenting
- Cardiovascular
- Cholesterol management
- Other please specify _____

15. This fitness center offers specific classes/courses such as _____
(check all that apply)

- Aquatics
- Boxing & kickboxing
- Step Aerobics
- Aromatherapy
- Massage
- Qigong
- Tai Chi Chuan
- Yoga
- Meditation
- Martial Arts
- Dance
- Outdoors Sport (Tennis, golf, etc...)
- Other, please specify _____

16. Our fitness center also offers services, such as _____

- Onsite Physical therapist
- Onsite Chiropractics
- Onsite massage therapist
- Onsite nutritionist
- Other, please specify
- None of above

17. In general, our employees feel _____ about the establishment of this onsite wellness/fitness center.

- Very positive
- Positive
- Neutral
- Negative
- Very Negative

18. In general, our employees are _____ with the service of this center.

- Very satisfied
- Satisfied
- Neutral
- Dissatisfied
- Very dissatisfied

19. After the establishment of this onsite wellness/fitness center, over years, the claim of worker's compensation has _____
- Decreased
 - Stayed the same
 - Increased
 - Don't know
 - Other, please specify _____
20. After the establishment of this onsite wellness/fitness center, over years, the claim of health insurance has _____
- Decreased
 - Stayed the same
 - Increased
 - Don't know
 - Other, please specify _____
21. After the establishment of this onsite wellness/fitness center, over years, the claim of sick day leave has _____
- Decreased
 - Stayed the same
 - Increased
 - Don't know
 - Other, please specify _____
22. After the establishment of this onsite wellness/fitness center, over years, the claim of FMLA (Family and Medical Leave Act) _____
- Decreased
 - Stayed the same
 - Increased
 - Don't know
 - Other, please specify _____
23. After the establishment of this onsite wellness/fitness center, over years, the absenteeism rate _____
- Decreased
 - Stayed the same
 - Increased
 - Don't know
 - Other, please specify _____

24. After the establishment of this onsite wellness/fitness center, over years, the retention rate has _____

- Decreased
- Stayed the same
- Increased
- Don't know
- Other, please specify _____

25. Do you want to receive the Executive Summary of this survey?

- Yes (go to question #44)
- No (go to question #44)

Company without onsite Health/Fitness Center

26. Does your company have a health/Wellness related program?

- Yes (go to question # 27)
- No (go to question # 44)

27. The objective of our wellness/Fitness program is/are _____
(check all that apply)

- To improve employee health
- Used as a type of employee benefit
- To align with company's vision, mission, and strategy
- To provide a place for employees to socialize
- As an 'employer of choice' strategy
- Other, please specify _____

28. Our program was roll out in year _____

29. Our program offer our employee to _____ (check all that apply)

- Join an off-site fitness center
- Join an off-site tennis club, golf club, etc...
- Enroll in wellness related class/program
- Enroll in health related class/program
- Have a massage service
- Other, please specify _____
- None of above

30. My company _____ for this program

- Fully reimburse the cost (go to question # 32)

- Partially reimburse (go to question # 31)
 - Other, please specify _____ (go to Question # 32)
31. My company (pipe in the answer of question 30) up to _____ dollar per year.
- Less than \$50
 - \$51-100
 - \$101-200
 - \$201-300
 - \$301-400
 - More than \$400
32. Is any invited guest of the employee eligible for this program?
- Yes (go to Question# 33)
 - No (go to Question # 35)
33. My company _____ for this program for the invited guest of our employee
- Fully reimburse the cost (go to question #35)
 - Partially reimburse (go to question # 34)
34. My company (pipe in the answer of question 33) for invited guest up to _____ dollar per year.
- Less than 50
 - \$51-100
 - \$101-200
 - \$201-300
 - \$301-400
 - More than \$400
35. In general, our employees feel _____ about this health/wellness program.
- Very positive
 - Positive
 - Neutral
 - Negative
 - Very Negative
36. In general, our employees are _____ with this health/wellness program.
- Very satisfied
 - Satisfied
 - Neutral
 - Dissatisfied

- Very dissatisfied
37. After rolling out this health/wellness program, over years, the claim of worker's compensation _____
- Decrease
 - Stay the same
 - Increase
 - Don't know
 - Other, please specify _____
38. After rolling out this health/wellness program, over years, the claim of health insurance _____
- Decrease
 - Stay the same
 - Increase
 - Don't know
 - Other, please specify _____
39. After rolling out this health/wellness program, over years, the claim of sick day leave _____
- Decrease
 - Stay the same
 - Increase
 - Don't know
 - Other, please specify _____
40. After rolling out this health/wellness program, over years, the claim of FMLA (family and Medical Leave Act) _____
- Decrease
 - Stay the same
 - Increase
 - Don't know
 - Other, please specify _____
41. After rolling out this health/wellness program, over years, the absenteeism rate _____
- Decrease
 - Stay the same
 - Increase
 - Don't know
 - Other, please specify _____

42. After rolling out this health/wellness program, over years, the retention rate

- Decrease
- Stay the same
- Increase
- Don't know
- Other, please specify _____

43. Do you want to receive the Executive Summary of this survey?

- Yes (go to question #44)
- No (go to question #44)

Company Information

44. Company Industry is _____ (check all that apply)

- Chemical
- Pharmaceutical
- Consumer Products
- Medical Devices
- Other, please specify _____

45. Company Size is _____

- Less than 100
- 101-300
- 301-500
- More than 500

46. Contact information (for sending Executive Summary use only)

Name: _____

Title: _____

Company Name: _____

Email : _____