



PUTTING THE PIECES TOGETHER

LINKING HEALTH AND BUSINESS PERFORMANCE MEASURES

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EXECUTIVE SUMMARY

Background

Organizations need high-performing human capital in order to achieve their business objectives. However, investments in human capital—such as recruitment and training—cannot produce value when illness keeps employees away from the job or prevents them from putting in their best performance.

Business leaders often overlook how employees' health impacts their ability to create value because many jobs and tasks in today's economy do not have directly measurable outcomes. To meet this challenge, human resources (H.R.) and benefits professionals can effectively demonstrate the value of a healthy workforce by using leaders' preferred business performance measures.

In preparation for research on how businesses assess the value of their human capital—and how health measures could provide a fuller picture—IBI administered a pilot survey to 71 participants at its Annual Health and Productivity Forum in February 2016. An additional 15 responses were collected from organizational members of the Florida Healthcare Coalition.

Findings

- Nearly all participants said their companies had some measures of human capital performance, such as employee satisfaction or absences, and important business outputs, such as customer satisfaction or service errors. Two-thirds had some measure of how well their organization is achieving their business objectives—typically financial information such as revenues, profits or sales.
- Two-thirds have information on human capital performance, business outputs, and business objectives that would allow them to model the impact of health on business performance.
- In spite of the availability of important business performance measures, a minority of respondents said their companies (about 41%) link these to health measures.

- In making the business case for health, common challenges include: sharing and integrating health and business performance information across business functions and program siloes; establishing and assessing a strong workplace culture of health; and getting senior leadership invested in the subject of health and business performance or connecting it to broader discussions of employee well-being.

Implications for employers

- Map your company's business strategy in a way that identifies how illness impacts employees' ability to show up for work and put in their top performance, and how this, in turn, impacts critical business outputs.
- Use existing business performance measures as a proof of concept for more intensive analyses.
- Coordinate your internal and external data stakeholders to deliver the measures needed for a compelling business case for health.

About IBI

Founded in 1995, the Integrated Benefits Institute (IBI) is a national, non-profit research and educational organization committed to helping business leaders and policy-makers understand the value of workforce health and to recognize the competitive advantages of helping employees get and stay healthy. IBI is supported by more than 1,175 member companies representing over 20 million workers.

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