



Corporate Run Teams White Paper

Introduction

Every corporation today faces a number of challenges related to staffing. Motivation, retention, the rising cost of providing health benefits, communication, the list goes on and on.

Staff also face their own challenges; the increase pressure on their leisure time, their own health, their social life. 63% of Canadians are not active enough to achieve optimal health benefits which leaves them at risk for premature death, chronic disease and disability.

This paper will attempt to address some of those concerns by discussing some of the benefits of starting a corporate running program. The cost to the employer can be surprisingly low considering the number of benefits and the investment is well worth it. Studies in the U.S. have shown that for every dollar spent on employee wellness, up to nine dollars are returned in the form of better productivity, lower insurance premiums, less sick days and other more intangible benefits.

Even when the cost of wellness programs are transferred to the employees and the employers are just facilitating the programs, many of the benefits are still valid.

Corporate Benefits

Employee attraction.

Potential employees are often attracted to employers who offer a variety of good benefits.

Employee retention

Existing employees are often retained as a result of the benefits they receive being competitive within the marketplace. 85% of Canadians value physical activity.

Better Motivation

Studies have shown that people who perform regular physical activity have a better, more positive outlook. They tend to set goals and work towards them.

More productivity

A result of better motivation is better productivity. Also contributing to productivity is the fact that filter employees take less sick days.

Employee socialization

Setting up a corporate wide run team allows employees to interact with others they would not usually do so with. Running can be a great team building exercise and



allow your employees to feel part of a bigger community.

Less sick days

Physically active employees take less sick days than their sedentary counterparts. The length of time they are sick is also reduced. They have less illness such as heart disease, diabetes, less back pain and less obesity.

Better communication and teamwork

Members of the run team will get to know each other leading to better on-the-job communication and teamwork. Run teams help to break down corporate silos.

Corporate identity and promotion

Local running events can be a great way to promote your business especially if your run team is large. Your company could be promoted even more if you supply the team with company team T-shirts.

Cost saving on health insurance

With the rising costs of insurance benefits, many insurance carriers now offer discounts to corporations that provide wellness programs to their employees. Your company could benefit from lower employer-paid premiums simply by allowing your employees to participate.

Employee benefits

Reduces stress

People who exercise regularly report lower stress levels than those who don't. Taking time for yourself provides great stress relief and greater self worth.

More energy

Regular exercise is a great energy booster. Exercise also gets you ready for the days challenges. Studies have also shown that regular exercise can increase IQ.

Better socialization

Training with a group gives your employees a chance to meet new people. Having fun together is a great way to build new friendships.

Health benefits

Obviously there are many health benefits related to regular exercise. Cardiovascular exercise can lower the risk of heart disease, diabetes and some cancers. It can also delay the onset of osteoporosis and lessen the effects of Asthma and high blood pressure. The list goes on and on.

Lifestyle benefits

As well as the health benefits there are lifestyle benefits related to regular exercise such as looking healthier, feeling more energized and being better prepared for what life throws your way. A well-managed exercise program can improve your mind, body and spirit: the three components of total wellness.

Convenience

By facilitating fitness programs for your employees at a time and place that is convenient to them you will remove the number one reason people use to not



exercise. Our programs are run at, or close to, your work facilities around the time people usually finish work. This way they can exercise right before they go home and before other commitments distract them.

Social Benefits

Corporate identity in community

By having a large run team training together you will be demonstrating to the surrounding community that the welfare of your employees is important. This will show that your company is socially responsible especially if they are training to raise funds for a charity. It creates awareness and the team can become your company's ambassadors.

Fundraising opportunities

Having a run team at a local event is a great way to raise funds for worthwhile causes or your Corporation's charity partners. Many races have corporate challenges based on performance as well as funds raised.

Concerns

Safety

Our programs are designed with safety as the highest priority. All participants are required to abide by our safety rules at all times. Every route we run is pre-screened to ensure the safety of all participants and they are reminded of the risks and how to minimize them throughout the training.

Liability

Every participant is required to sign an industry standard par-Q form developed by Health Canada and if necessary obtain additional sign off from their doctor before starting the training program. They must also sign a significant release and waiver that notifies them of the risks associated with running and indemnifies their employer as well as any program sponsors or associates.

Appendix A – Return on Investment

Sourced from the Public Health Agency of Canada <http://www.phac-aspc.gc.ca/>

COST/BENEFIT

1. The Coors Brewing Company found that, in 1990, it returned \$6.15 for every dollar spent on its corporate fitness program. This was the sixth year of its fitness program with annual returns ranging from \$1.24 to \$8.33. (Wellness Councils of America 1991)

Kennecott Copper Company showed that, over four years, for every dollar invested in its corporate fitness program the company returned \$5.78. (American Institute of Preventative Medicine 1991)

Equitable Life Assurance realized a return on investment of \$5.52 : \$1 in the first year of its corporate fitness program. (Fitness in Business 1987)

In the first year of its TriHealthalon employee fitness program, General Mills, received a payback of \$3.10 per dollar invested. In its second year, the payback increased to \$3.90 : \$1. (American Journal of Health Promotion 1989)

Motorola returned \$3.15 per dollar from its employee fitness program. (Fitness Systems 1990)

PepsiCo found its corporate fitness program had a 300% return on investment: \$3 for every \$1 invested. (Fitness Systems 1990)

Over a six-year period, DuPont had a return of \$2.05 for every \$1 invested in its employee fitness program. (Health Behaviors 1992) Prudential Life Insurance found, in a five year study, it returned \$1.91 per dollar invested in its employee fitness program. (American Institute of Preventative Medicine 1991)

Johnson and Johnson averaged a 30% return on investment from its Live For Life employee fitness program over a 12 year period, 1978-1990. (Preventative Medicine 1990)

Blue Cross Blue Shield of Indiana found that its corporate fitness program had a 250% return on investment; \$2.51 for every \$1 invested over a five-year period. (American Journal of Health Promotion 1991)
The Economic Benefits of Regular Exercise, IRSA, 1992

2. A two year study conducted by Mesa Petroleum revealed that its corporate fitness program had a benefit-to-cost ratio of \$1.07. (Compensation and Benefits Management, Spring 1993)



New York Telephone saw a return of \$1.95 for every \$1 spent on its corporate fitness program. (Compensation and Benefits Management, Spring, 1993)
The Economic Benefits of Regular Exercise, IHRSA, 1996

3. From 1980 to 1991 there were 24 published studies evaluating the health benefits and, in some cases, the cost benefits of comprehensive health promotion and disease prevention programs in the worksite. In those previous studies, all 24 indicated positive health benefits and every study that analyzed for cost effects and / or cost benefit demonstrated a positive effect.

There were 24 new studies conducted between 1991 and the early part of 1993. Of the studies that analyzed cost- effectiveness or cost benefits, every one indicated a positive return.

- City of Mesa B/C of 3.6
 - Travelers Insurance Company B/C ratios ranging from 1.4 to 14
 - Reynolds Elec. & Engineering Co. B/C ratio of 1.68 for evaluation period
 - DuPont Health Promotion Program B/C ratios of 1.11 (1985) and 2.05 (1986)
 - Johnson & Johnson "Live for Life" Program B/C ratio of 1.30 for evaluation period
 - General Mills Health Promotion Program B/C ratios of 3.10 (1985) and 3.90 (1986)
 - Adolph Coors Wellness Program B/C of 1.24, 3.75 and 8.33
 - Heart at Work Program B/C 1.15 and 1.28 for interventions groups
 - Northern Telecom B/C ratio of 1.54 for evaluation period
 - Blue Cross/Blue Shield of Indiana B/C ratio of 1.45 for evaluation period
 - Prudential Fitness Program B/C ratio of 1.93 for evaluation period
 - Mesa Petroleum B/C ratios of .76 and 1.07
 - Municipality of Metropolitan Toronto B/C of ratio of 1.41 for evaluation period
 - Equitable Life Assurance Program B/C ratio of 5.52 for evaluation period
- Messer, Jeffrey, Worksite Fitness and Health Promotion Benefit-Cost Analysis: A Tutorial, Review of Literature, and Assessment of the State of the Art, AWWHP's Worksite Health, 34-43, Summer 1995*

4. 10-year, independent follow up study of the Canada Life program showed a return of \$6.85 on each corporate dollar.
Kisby, Russ, The ROI of Healthy Workplaces, Canadian HR Reporter, 31

5. In reviewing the most recent 24 studies, all but one evidenced positive health outcomes. Again, of the studies which analyzed cost-effectiveness or cost benefits, every one indicated a positive return. (studies published between 1991-1993)
Pelletier, Kenneth, A Review and Analysis of the Health and Cost-Effective Outcome Studies of Comprehensive Health Promotion and Disease Prevention Programs at the Worksite: 1991-1993 Update, American Journal of Health Promotion, 8(1), 50-62, September/October

6. Reports of ROI include:
 - Travelers Insurance Co. =\$3.40
 - Kennecott Copper =\$5.78
 - Metropolitan Life =\$3.15
 - Equitable Life = \$5.52



- Blue Cross/ Blue Shield of Indiana =\$2.51
- Mesa Petroleum = \$2.16
- Prudential =\$1.91
- Motorola =\$3.00
- New York Telephone = \$1.90

Stead, Bette A., Worksite Health Programs: A Significant Cost-Cutting Approach, 37(6), 73, November 1994



References

"Economic Impact of Sport", a study carried out for HKSDB in 2001 by an independent economic consulting firm, Business and Economic Research Ltd (BERL).

Stead, Bette A., Worksite Health Programs: A Significant Cost-Cutting Approach, 37(6), 73, November 1994

The Public Health Agency of Canada <http://www.phac-aspc.gc.ca/>

About The Author

Tony Denford is a personal trainer and owner of Hit the Road. He has been training primarily runners since 2002 and has worked with beginners all the way to Boston Qualifier Marathon runners.

Tony emphasizes balance and variety in his training methods and always tries to make sure his client's fitness routines are fun as well as beneficial.

Visit www.hittheroadrunning.com for more details on Hit The Road's programs and services.

