

The Benchmark

B&D BOILERS

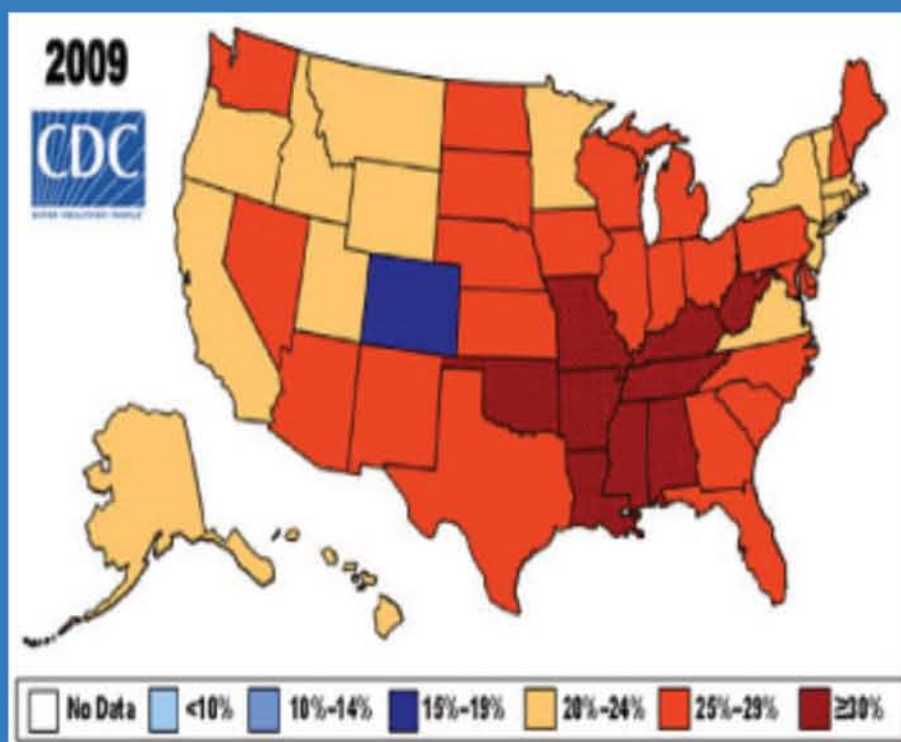
Winter 2011

Obesity and Work-related Injury

Obesity is growing globally. The U.S. has the highest incidence of obesity of all reporting countries. In 1999, none of the fifty states had prevalence equal to or greater than 25%. By 2009, thirty-three states had prevalence equal to or greater than 25%.

Work-related injuries are far more costly if the injured worker is obese. In addition to dramatically higher medical costs, injuries sustained by obese workers are more likely to result in permanent disabilities.

The range of medical treatments and medical costs typically are greater for obese claimants relative to those of non-obese workers, given the same original injury. Moreover, there are systematic differences in the outcomes for obese and non-obese claimants with comparable demographic characteristics.



Implement a Fitness Program or Cut Costs? Who Says You Cannot Have Both?

In 1990, an employee of Bell Atlantic approached the company's human resources department about converting a small, unutilized space into a fitness center. Bell Atlantic later became Verizon Wireless, and that first 500-square-foot room housing one treadmill and a stepper has grown into a nationwide network of in-house fitness centers. Various companies in the health market space, such as Johnson & Johnson, producer of Band-Aids and Tylenol, introduced wellness programs in the late 1970's. Thirty years later, J&J pride themselves with an 80% employee participation rate.

Corporate sponsorship of fitness is nothing novel; however, the gravity of health and worker's comp expense to corporations has come to the forefront of overhead costs. Ironically, for every one dollar invested in a fitness program, a minimum of three-dollars can be returned. Thus, it is not surprising that about six of every ten employers offer at least some form of wellness benefit (according to the Kaiser Family Foundation). Some estimates put the number at eight of every ten employers for companies with at least 50 employees.

Companies with Corporate Fitness Programs will:

- Reduce healthcare expense
- Increase productivity

- Decrease absenteeism
- Increase morale
- Decrease injuries

A less known statistic is the rate of "presenteeism". This is when an employee is present at work, but does not produce at his or her potential. Common sense will conclude that this hurts margin and morale; however, it can reach a cost as high as 60% of the cost of medical/disability benefits and absenteeism. A study on NASA employees conducted by the Association for Fitness in Business showed that employees in the study who exercised increased stamina and productivity by 12.5%.

The truth is that working toward a healthier lifestyle can be less costly than the alternative. In addition to minimizing long-term health risks, exercise is the healthiest means of coping with stress. Less stress equates to more quality production at any level.

An unaccounted, but very valuable, contingent benefit to the company of a corporate wellness program is the camaraderie created between participants. This camaraderie strengthens relationships among co-workers and strengthens the team. For small businesses such relationships are the foundation of successful operations.

B&D Fitness

As companies are forced to become leaner in today's economy, often employees are expected to take on additional responsibilities with the same [or even less] pay. This can shift personal budgets and alter lifestyles. There is no doubt that many of us may benefit from prioritizing and reducing extra-curricular expenses. Unfortunately, one of the first things to be cut is exercise. Whether it is the time or the expense, we tend to rationalize a reduced [or omitted] exercise program.

The overall objective of a Corporate Fitness/Wellness Program is to promote a culture of healthy living. Fortunately for the corporation this can also equate to a reduction in overhead and an increase in productivity.

B&D management has always promoted a safe and healthy work environment. As a part of our continued renovations of the Charleston facility, we've included the addition of a fitness center. In addition to the center, we have instituted a wellness program featuring two accredited physical trainers: Ms. Jonnie Furmanchik from the East Shore Athletic Club and Mr. Mel O'Keefe of Virtualfitnesscoach.com. In addition to providing an exercise/training schedule, each trainer provides goal setting and nutrition counseling.

B&D has set hours of operations, but in practice hours are anything but "set". We are on call 24/7/365. With the everyday hustle and bustle of life, it is easy to rationalize a multitude of reasons why you cannot fit an exercise routine into your schedule. Another obstacle to participation is finding commonality among potential participants. To overcome these obstacles, we 1) built a custom fitness center 2) hired two personal trainers, each with a distinct style and 3) allow employees flex hours to accommodate workouts.



Jonnie Furmanchik

Ms. Furmanchik is a certified trainer who concentrates on corporate fitness programs with Chick-Fil-A, Charleston County School, and Barling Bay, LLC- voted the number #1 company to work for in SC. She works with all levels of fitness helping employees love exercise and think outside the box about their abilities and potential. The basis of her training is applying such concepts to the work environment.



About the Trainers



Mel O'Keefe

Mr. O'Keefe has been a personal trainer in gyms and at people's homes for the last 30 years. A few years ago Mel was frustrated with the [financial] obstacles for individuals to become fit. He and a team of programmers developed a virtual version of him as a coach. By supplementing a majority of the face-to-face training, his website <http://www.virtualfitnesscoach.com> allows him to significantly reduce the cost for a corporate training program. He meets monthly with each participant and the rest is real-time communication through the web. In addition to corporate programs, Mel has a passion for competing in and training individuals for triathlons.



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