In the late 20th century, the Chinese economy was attracting foreign investment and encouraging the development of foreign invested companies. After China’s entry into the World Trade Organisation at the beginning of the 21st century, the domestic economy ran on the track of reform and opening up. Recent years have witnessed a Chinese economic boom, partly as part of the One Belt One Road initiative, and have seen domestic organisations speed up their “go global” strategy.

Changes bring with them not only profit but risk. Global businesses rely on the mobility of employees. However, the higher the mobility, the severer the risks posed to employees. A delay or suspension of an employee’s business travel assignment as a result of a medical or security incident can cause an organisation great economic loss. In light of this, to secure an efficient and smooth operation, it is essential for an organisation to introduce a preventative model: to adopt various risk prevention and management measures to ensure its employees’ health and safety. This will help the organisation be compliant, and will also bring positive returns. The China Enterprise Confederation has long been appealing to and encouraging organisations to live up to their social responsibilities and achieve sustainable development. It encourages organisations to offer employees decent jobs by starting a long-term stable relation with them and improving working conditions.

International SOS, with its 30 years’ experience of global travel risk medical and security assistance, analysed online survey data from 113 Chinese organisations and 108 foreign invested organisations in China, in over 11 industries, of more than 200 experts of health risk management. Admittedly, this research has its limitations in extensity and depth, for example, confined by the number of industries analysed. It does, however, offer professional and useful tips to organisations on how to prevent health risks, how to handle health issues and how to choose a health partner. Moreover, it also includes best practices worth recommending.

The implementation of Duty of Care is a crucial task requiring the consistent endeavor of all organisations and institutions. I, therefore, would like to extend my gratitude to the efforts and hard work International SOS has undertaken to help the company fulfill this responsibility.

Liu Peng
Vice President of the China Enterprise Confederation
Introduction

Corporate health is a complex, dynamic and long-term play. It represents how an organisation sets its strategy with regards to health risks that may impact its employees in the short and long term. Having healthy employees has proven to be one of the most significant factors leading to a successful business.

In the context of corporate health challenges within the borders of China, our research suggests that risks are generally deemed to be low and organisations can minimise risk by simply keeping abreast of and following the latest workplace legislation. However, by so doing, organisations might be taking a minimal required approach and not be following best practice in developing a healthy workforce.

With globalisation pushing Chinese organisations abroad, they are forced to integrate and deal with totally new legal, environmental, health and security situations to keep this corporate health agenda a business enabler.

Given its global footprint, International SOS sees these increasing, unique health needs from organisations in China and Chinese organisations working abroad. It became important to understand the exact challenges organisations are facing today in order to more closely support them.

This report highlights some of the corporate health challenges organisations are facing today and the benefits and underlying reasons of investing in employee health. It also looks at how organisations address various health incidents and the considerations of selecting supporting medical organisations. This report also analyses some real cases and examples to share some of the best practices in handling those challenges for organisations.

About the Research

The International SOS Corporate Health Challenges survey 2016 is a research project initiated to better appreciate corporate health challenges in China and the way they are dealt with. It is based on a quantitative online survey conducted between November 2015 to January 2016 among health professionals and executives involved in health risk management in China, whose organisations are clients of International SOS.

A series of drop-down questions was asked to understand the main health challenges organisations are exposed to, the preferred methods to handle them, and the reasons why organisations invest in employee health.

221 people completed the survey. The respondents, 90% of them Chinese, come from more than 140 organisations in over 11 industries.

Respondents’ Roles

<table>
<thead>
<tr>
<th>Role</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health, Safety, Environment Professionals (HSE)</td>
<td>38%</td>
</tr>
<tr>
<td>Human Resource Managers</td>
<td>17%</td>
</tr>
<tr>
<td>Medical Director</td>
<td>5%</td>
</tr>
<tr>
<td>Executive Director</td>
<td>25%</td>
</tr>
<tr>
<td>Risk Manager</td>
<td>3%</td>
</tr>
<tr>
<td>Legal and Compliance Manager</td>
<td>2%</td>
</tr>
<tr>
<td>Procurement Manager</td>
<td>4%</td>
</tr>
<tr>
<td>Operational and Technical Specialist</td>
<td>7%</td>
</tr>
</tbody>
</table>

Organisation Background

<table>
<thead>
<tr>
<th>Type</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chinese enterprise</td>
<td>113</td>
</tr>
<tr>
<td>Foreign enterprise</td>
<td>108</td>
</tr>
<tr>
<td>Total</td>
<td>221</td>
</tr>
</tbody>
</table>
Executive Summary

Demography

221 Respondents

41% Oil and gas
12% Engineering / construction
6% High tech, info tech and electronics
6% Heavy machinery and manufacturing
5% Education
5% Multi industries
5% Automobile, aerospace and defence
4% Banking, financial service and insurance
4% Mining
4% Pharmaceuticals
8% Others

Top 5 corporate health challenges

<table>
<thead>
<tr>
<th>Health challenge</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crisis management</td>
<td>27%</td>
</tr>
<tr>
<td>Occupational Health hazards awareness and education</td>
<td>17%</td>
</tr>
<tr>
<td>Workplace health management</td>
<td>9%</td>
</tr>
<tr>
<td>Infectious diseases outbreak prevention and management</td>
<td>8%</td>
</tr>
<tr>
<td>Lifestyle and non-communicable diseases</td>
<td>8%</td>
</tr>
</tbody>
</table>

Ways to handle corporate health challenges

- 14% Consult a doctor (external)
- 23% Contact International SOS
- 14% Engage with a nearby medical provider
- 11% Ask the organisation health insurance
- 10% Ask a consulting firm
- 9% Consult a doctor (internal)
- 8% Solve it internally
- 7% Obtain peer advice from other organisation
- 3% Online searching
- 1% Don’t know how to handle

Top 3 reasons to invest in employee health

- Legal compliance
- Prevention of occupational disease
- Building a healthy workplace

Groups that Duty of Care efforts are showcased to:

- Investors
- Government
- Suppliers
- Media
- Buyers
- Trade Union
- Bankers
- Others

Top 3 reasons for choosing a health partner

- Global footprint
- Headquarter requirement
- Industry-specific good case practice

61% engage with medical resources

In an attempt to better understand how Chinese organisations and organisations in China are addressing the health needs of their employees, International SOS conducted a survey amongst its clients. The objectives were to appreciate the corporate health challenges in China, and to know how organisations address health incidents.

Crisis management, Occupational Health hazards awareness and education, and workplace health management emerge as the dominating challenges organisations deal with. Some examples of recent crises indeed highlight the complexity of dealing with the unexpected, especially so for Chinese organisations operating overseas.

Interestingly, business travellers’ health risks rank relatively low, which seems to be an underestimated risk, given the frequency of road traffic accidents, for instance. Similarly, sick leave management and return to work do not rank highly, as sick leave costs are covered by State social security and by employers in China. Since indicators to measure their financial burden are usually missing, it is believed the real cost of overseas cases is unknown by organisations.

Legal compliance emerges as the dominating factor to drive employee health, with the prevention of occupational diseases and the building of a healthy workplace among the top three driving forces. Indeed, occupational diseases prevention and control has become more stringent in China, and global organisations are challenged to define standards that are applicable worldwide.

Only 10% of respondents believe that economic benefits are the key consideration to invest in employee health. It is still the case that health programs are not perceived as having a direct, or even an indirect, business and financial impact on organisations. They are not considered investments with a potential positive return, but as costs. This may explain why 39% of respondents believe that medical issues can be managed by non-medical resources. Nevertheless, organisations consider their health partners’ global footprint as the most important factor to support them. Company headquarters’ requirements and industrial good case practice also appear to be strong driving forces influencing the choice of health partner.

Finally, Duty of Care seems to be the primary reason to invest in employee health, as stated by 86% of respondents. Beyond compliance, many organisations are committed to exceed country regulations. This also reveals that health insurance is no longer considered enough to proactively address health risks.

With growing business agendas overseas, and constant evolution of health regulation in mainland China, organisations in China are facing a constant set of new challenges with regards to their employees’ health. This survey shows that while some perceptions on the return of prevention are still distorted, Duty of Care practices are becoming integrated in the development strategy and the Corporate Social Responsibility agenda of organisations in China.
Corporate health challenges today

The main corporate health challenges faced by organisations in China

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crisis management and emergency response</td>
<td>27%</td>
</tr>
<tr>
<td>Occupational Health hazards awareness &amp; education</td>
<td>17%</td>
</tr>
<tr>
<td>Workplace health management</td>
<td>9%</td>
</tr>
<tr>
<td>Infectious disease outbreak prevention and management</td>
<td>9%</td>
</tr>
<tr>
<td>Lifestyle and non-communicable diseases</td>
<td>8%</td>
</tr>
<tr>
<td>Business travellers’ health risks</td>
<td>8%</td>
</tr>
<tr>
<td>Employee mental health</td>
<td>7%</td>
</tr>
<tr>
<td>Sick leave management and return to work</td>
<td>7%</td>
</tr>
<tr>
<td>Compliance to health regulations in different countries</td>
<td>6%</td>
</tr>
<tr>
<td>Remote site health management</td>
<td>6%</td>
</tr>
<tr>
<td>Workplace health management</td>
<td>5%</td>
</tr>
<tr>
<td>Remote site health management</td>
<td>5%</td>
</tr>
</tbody>
</table>

61% of respondents believe that health challenges are preventable

Health challenges in an increasingly globalised world

The rise of China’s economy has become the spotlight of the world. In the past 10 years its GDP has recorded an average annual growth of 9%\(^1\), transforming itself as one of the world’s fastest growing economies. As a global hub for manufacturing and international trading, more and more Chinese businesses operate overseas. On another level, it continues to attract foreign businesses expanding to China.

A more connected world triggers an increase in talent mobility which is reflected by a rise in the number of business travellers. As predicted by some consulting firms, a 50% growth of mobility levels is expected\(^2\). What are the underlying health implications of the enlargement of business? With different health issues emerging around the globe, employees are exposed to more diverse health risks. They may be exposed to a flu outbreak, a road traffic accident or may get sick because of inappropriate lifestyle behaviour. Recent outbreaks of emerging diseases (i.e. Zika virus disease) or re-emerging diseases (i.e. Ebola virus disease) in various countries have shown that no place is totally safe for travellers.

The recent case of Chinese employees infected with Yellow Fever in Angola reminds us of the permanence of risks, even for well-known diseases. Apart from employee health issues, operating overseas also bring challenges at an organisational level especially when it comes to different countries’ regulations and legislative procedures.

From the survey, it seems that respondents are facing a wide range of health challenges, ranging from workplace health management to lifestyle and non-communicable diseases. Nevertheless, some clear priorities emerge: crisis management emerges as the dominating challenge organisations have to deal with, ranked number one by 27% of respondents. The next most commonly cited challenge is Occupational Health hazards awareness and education (17%) and workplace health management is the third issue ranked by 9% of respondents overall.

Crisis management – The main challenge

In the context of health risks, crisis management refers to the ability of an organisation to handle the sudden occurrence of hazards affecting employees’ health, in a coordinated, structured approach.

Crisis management requires a lot of preparation in terms of identifying risks in a dynamic way, developing adequate emergency response plans and keeping preparedness levels high among people. Globalization brings another layer of complexity, as organisations need to manage crises overseas, in countries where their own capacity and that of the country’s ability to support, is challenging.

Being the main perceived challenge demonstrates that this goal is hard to achieve. Indeed, some examples of recent crises highlight the complexity of dealing with the unexpected, especially so for Chinese organisations operating overseas. From the 2003 SARS outbreak, the 2008 Sichuan earthquake, the 2013 Shanghai H7N9 avian flu, and the 2015 Tianjin explosion, some organisations have learned lessons the hard way on effective crisis management when facing these incidents.

Many organisations may consider crisis management a challenge precisely because their preparedness plans are limited to non-health risks. It may also be because they rely on outdated pandemic flu preparedness plans that are no longer appropriate. Changing from a reactive model to a proactive one is becoming increasingly important for these organisations.

Evidently, an organisation’s stakeholders, from employees to society at large, now have growing expectations on its capacity to respond to a crisis. The crisis management plan has to be inclusive, proactive and adapted. People traveling or assigned overseas more and more so assume their employer will inform and protect them anytime. This means that for organisations dealing with health challenges, factoring in employees’ beliefs and background is critical.
Corporate health challenges today

Occupational and workplace health

Occupational Health hazards appear to be a priority, with 17% of respondents reporting that it's their main corporate health challenge from an awareness and education standpoint. This is consistent with the fact that workplace health management, as a subset of Occupational Health, also ranks among the top challenges organisations deal with.

Some of these challenges relate to awareness and education:

- Occupational Health accidents and incidents are mostly due to the lack of implementation of Health, Safety and Environmental procedures by employees;
- More Occupational Health standards and regulations to comply with means there is a need for more education for employees and line managers;
- Workplace health is becoming complex as it now integrates employee wellness needs. The workplace no longer needs to simply be safe; it has to also promote healthy behaviours.

In China, office ergonomic programs are becoming commonplace, given their impact on long-term sick leave reduction. Similarly, cardiovascular disease prevention programs are also increasingly valued by Chinese organisations operating overseas, as their effectiveness in cardiac accidents reduction becomes evident.

To keep their workforce healthy, organisations need to look at both health protection and the health promotion agenda. Health protection is to prevent occupational diseases and this is mostly pushed by local country Occupational Health legislation. Health promotion is meant to improve the overall health of the workforce, to keep them at work. This is mostly driven by the organisations’ Duty of Care agenda. Total worker health or workplace health are the emerging terminology.

Business travellers’ health risks - Pay attention...

Business travellers’ health risks are associated with the highest financial cost among all other health challenges because of the high occurrence of travel incidents. Taking a look at the growth rate of business travellers both inbound to and outbound from China, the total business travel spend grew 16.5% in 2014 – more than double the rate of China’s GDP growth.

According to recent research conducted by the Forum for Expatriate Management*, 86% of participants believe their organisation is exposed to risk in relation to business travel and 71% of participants confirm that senior managers are aware of exposure to risk but only half are taking action now or in the future.

Accidents and injuries account for 12% of all life years lost in China. Road traffic accidents rank as the 5th main type of injuries causing death among the general population*. In our survey, business travellers’ health risks rank relatively low; 7% of respondents put it as the top health challenge. Given the attention paid to this topic by other global organisations, this may mean that this risk is either underestimated or underreported by respondents in China.

Organisations in China may also believe the risk is limited to a few international travellers, which may be a misperception, if looked at in the context of the number of road traffic casualties that occur during domestic business trips. Organisations that put in place sufficient preventive measures, such as travellers’ tracking system, travel policy, emergency response plan, education and training, manage this risk appropriately.
Corporate health challenges today

Sick leave management – A growing burden

While respondents did not rank sick leave management and return to work among the top three challenges, it is believed the perception of this issue may not be sufficiently acute. In China, sick leave costs are covered by State insurance and by organisations. It is perhaps not high on the human resource agenda because of the limited costs associated with it. In addition, the majority of sick leave cases are easy to handle, and only the minority of cases require heavy and lengthy management.

Most organisations may not have the real picture of this burden because metrics and indicators to measure its parameters, from causes of sick leave to their average duration, are not in place. In addition, as physicians are typically not involved in the process to manage the duration and legitimacy of the medical leave, there is generally no proactive management of cases.

Chinese organisations operating abroad do not appear to address sick leave management any differently from when operating within China, but since State coverage is not available overseas, it is anticipated that this has the potential to become a real cost to the organisation.

This can become even more intricate when overseas, as there is usually no professional Occupational Health doctor to manage employees’ absenteeism and their return to work.

The survey shows that sick leave management does not appear to be a high priority, but this may change as organisations gain a better understanding of the value of optimizing the duration of sick leave with specific medical input. Organisations that conduct a sick leave cost analysis may find it a painful hidden issue to manage. A sound integrated policy of medical interaction with employees can help reduce off-work sick days.

Sick leave management: a challenge both in mainland China and overseas

For Chinese organisations operating overseas, when there is a medical emergency, it is common for the organisation to attempt to evacuate the patient to a safer or more capable place to be treated. Even when after the event the patient is cured, it can still be a headache for the organisation to manage that employee’s absenteeism and to organise their return to work. Without the support of a professional Occupational Health doctor, assessing the relevance of the case and managing the duration of sick leave is virtually impossible.

For multinational organisations operating in China, successfully managing prolonged sick-leave cases can be a hassle. Usually there is not a professional Occupational Health doctor within the organisation to review the employees’ medical files. When sick-leave is prolonged or becomes complex, it can be challenging for the organisation’s Human Resources or Health, Safety and Environment departments to manage absenteeism. It is, however, quite easy for the employees to obtain a sick leave certificate.

What drives investment in employee health?

Under China’s healthcare reform, the Chinese government declared the pursuit of “Healthy China 2020,” which is a program to provide universal healthcare access and treatment for all of China by the year 2020. As it raises awareness of ensuring the health of workers in the private sector, more organisations are investing in health programs to create a healthier workplace.

There are in fact several factors that motivate corporations to put more resources into employee health, such as legal compliance, employee job satisfaction, corporate brand building and employee productivity.

In this survey, respondents were asked which factors motivate their investment in employee health. Legal compliance emerges as the dominating factor, cited by 27% of respondents. The next priorities are prevention of occupational diseases (23%) and building a healthy workplace for employees (20%).
Reasons for investing in employee health

Legal compliance - The main driver

Health legislation in China has been evolving dramatically in recent years, to address more Occupational Health aspects. China promulgated the ‘Law on Prevention and Control of Occupational Diseases’ on May 1st 2002. With the rapid change of China’s economy and society and as the manufacturing centre of the world, occupational diseases prevention and control has become gradually more stringent. On December 31st 2011, the ‘Law on Prevention and Control of Occupational Diseases’ was amended to match the economic and social changes in the country.

The Occupational Health supervision, inspection and penalty function has moved from the Ministry of Health to the State Administration of Work Safety (SAWS). A specific Occupational Health division has been established in SAWS and different levels of the Work Safety Bureau to manage Occupational Health and safety supervision and inspection. The Ministry of Health and its associated institutions focus purely on Occupational Health preventative and clinical services. With this functional change, organisations receive more regular supervision and inspection from local safety bureaus.

Prevention in Occupational Health

Prevention is considered a priority by many respondents. It is an integral component of Occupational Health as it drives actions that aim to reduce workplace hazards exposure.

Many interventions target specific risks that may have an impact on the health of employees, as individuals or collectively.

From a health perspective, the main risks and hazards targeted are being unfit for work and Occupational Health hazards and unhealthy behaviours. Many programs and interventions are available for employers to address these risks, from Occupational Health management systems to health check programs, to awareness education programs.

As they go abroad, the challenge for organisations is to be aware of the evolution of health regulations in all the countries they operate. Global organisations are challenged to define standards that are applicable worldwide, and to comply with any country regulations they are operating in.

Workplace health risks assessment, periodical health screening or health surveillance activities are regulated in many countries, and subject to constant changes. Organisations that are found non-compliant may face heavy fines and penalties.

Building a healthy workplace - The ultimate goal

From the survey results, it seems that most organisations are involved in building a workplace that addresses health holistically. Indeed, challenges such as workplace health, awareness and education, infectious diseases outbreak, prevention and management, are their priorities.

More and more studies demonstrate how well thought out workplace design and organisation may be conducive to healthy practices.

Occupational diseases cases in China

According to the National profile report on occupational safety and health in China 2014:

- 29,972 legal occupational disease cases
- 90% (26,873) are silicosis cases
- 486 are acute occupational poisoning cases
- 795 are chronic occupational poisoning cases
- 1,818 are other occupational diseases cases.

The challenge with prevention is that the benefits may not be immediately tangible and it requires substantial investment.

Although prevention is widely used as a daily workplace slogan within many organisations here in China, it does not mean systematic prevention measures are in place. It is sometimes driven by people and not by procedures. To have a prevention system in place, it is important to have clear procedures implemented by people on a daily basis.
Reasons for investing in employee health

Economic benefits - Health as an asset

10% of respondents stated their belief that economic benefits are the key consideration to invest in employee health.

From the survey results, it seems that organisations invest not primarily because of economic benefits; they mainly invest for the good of employees. Indeed, only 10% of respondents believe that economic benefits are the key consideration to invest in employee health, which is far below other considerations.

This shows that health programs and health interventions are not yet perceived as having a direct, or at least an indirect, business and financial impact on organisations. They are not considered investments – worth the financial incentive – but just costs.

Although health program costs are usually well known, the vast majority of organisations have not set up mechanisms to measure the benefits they directly and indirectly generated. Most organisations are not in a position to tell how much a health check program or a health promotion program can bring in savings in terms of avoided costs (sick leave, medical evacuation, in-patient, etc.), hence the uncertainty.

An example of Return on Prevention on health check program

<table>
<thead>
<tr>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of the prevention measure (year 1)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Scenario 1:</th>
<th>Benefit (Avoided costs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>3% health problems during year 2</td>
<td>7 medical evacuations and mission failures</td>
</tr>
<tr>
<td>5% health problems during year 3</td>
<td>12 medical evacuations and mission failures</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Scenario 2:</th>
<th>Benefit (Avoided costs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2% health problems during year 2</td>
<td>5 medical evacuations and mission failures</td>
</tr>
<tr>
<td>3% health problems during year 3</td>
<td>7 medical evacuations and mission failures</td>
</tr>
</tbody>
</table>

Benefit-cost ratio (scenario 1): 2.53

Benefit-cost ratio (scenario 2): 1.6

Despite these findings, studies are increasingly pointing to the fact that investing in employee health does generate economic value to organisations. It may come with an increase in employee productivity, direct reduction of costs in handling health crises and emergencies or in other ways. According to a 2012 study by the Society for Human Resources Management, a potential 65% of health-related costs are directly connected to the well-being of workers.

Investing in employee health - Beyond compliance

Prevention of occupational diseases and risk mitigation ranks as the second most important driver for investing in employee health for organisations in China, regardless of industry sector. This means that organisations do understand the value of implementing programs that reduce employees’ exposure to workplace hazards.

From a medical standpoint, the evidence is certainly obvious: preventing people from being infected, from being exposed to toxics or to road traffic accidents is an achievable objective. However, decisions to invest in prevention programs rest with other managers outside the medical community.

Prevention is not only a short term strategy to ensure employees remain at the workplace the next day: it is also a long-term one which drives their commitment and engagement with their employer (top talent attraction and retention). Investing in employee health is also about taking into consideration low level risks or those that may materialize at a later stage, and not only those which appear on the immediate horizon or are of a higher risk level.

Understanding the long-term value of prevention falls under the same criteria used for long-term investments, with regards to the human capital of the organisation. There is indeed a direct return on prevention from activities which aim to avoid the exposure of employees to risks that individually may be odd and exceptional, but which collectively become a genuine burden for the employer.

From the survey, we understand that this concept of prevention seems mainly driven by the need to comply with either internal standards or with country regulations, regardless of the industry sector. This is certainly good corporate citizenship, as organisations have to comply with self-imposed or legal constraints, but this is not considered enough anymore as a responsible approach.

Organisations do understand the value of prevention and risk mitigation. They also consider it important to communicate about it, as this reflects well on their Duty of Care priorities. From the survey, it appears that showcasing Duty of Care is mainly directed to investors, government and suppliers, which represent 59% of the answers, while media represents 16%. Self-promotion is only one consideration, whereas the good health of employees, sound Corporate Social Responsibility practices in the community and responsibility towards government all play a part.

86% of respondents believe that Duty of Care is the primary reason to invest in employee health.
A comprehensive approach in handling corporate health challenges

Corporate health challenges represent the total liabilities an organisation may have with regards to its health agenda; in other words, it is the exhaustive amount of all known health risks employees are exposed to individually and collectively within their organisation. Beyond well-known health challenges, such as Occupational Health hazards, (i.e. exposure to noise, chemicals, and ergonomics), organisations are now exposed to more risks given their global footprint, and given the environment travellers and international assignees are sent to. This calls for a comprehensive and dynamic mapping of all health hazards employees are exposed to.

To prevent, mitigate and respond to risks associated with international work-related travel and assignments, organisations should:

- Develop and maintain policies and arrangements to protect workers and their dependents in respect of those risks
- Integrate these into the organisation’s broader policies and procedures
- Establish, maintain and continually improve a system to identify threats and hazards and assess their likelihood, impact and severity
- Motivate management, workers and their dependents to improve travel and assignment safety, health and security.

Approaches today - Crisis management isn’t enough

Today, many organisations consider that crisis management is the appropriate answer to manage health risks. Being able to react to crises such as accidents, casualties and diseases is often still thought to be enough. Though this is a critical pillar of health management, it only covers its very last stage, which is typically the most costly one and can include medical evacuation, repatriation, hospitalization and compensation. In reality, addressing health challenges requires a structured approach, encompassing threat and hazard identification and risk assessment, risk prevention and control, information and training, and emergency management.

Approaches to managing health issues

- Professional help: 82%
- External help: 79%
- Medical resources: 61%
- Professional help: 23% Contact International SOS
- 14% Consult a doctor; external
- 14% Engage with a nearby medical provider
- 11% Ask the organisation health insurance
- 10% Ask a consulting firm
- 9% Consult doctor; internal
- 8% Solve it internally
- 7% Obtain peer advice from other organisation
- 3% Online Searching
- 1% Don’t know how to handle

Health risks assessments must be conducted by Medical Professionals

Organisations have to conduct, on a regular basis, evaluations of the risks employees are exposed to, whether at the workplace (i.e. Occupational Health hazards) or regarding their environment (healthcare services, local diseases, etc.). Only medical professionals with a good understanding of the business environment and of the local health and healthcare set up can conduct meaningful assessments that are both realistic and medically sound.
A comprehensive approach in handling corporate health challenges

An integrated medical & economic approach. See appendix for explanations of the terminology.

Health partners’ profile

The survey suggests that there are four key elements influencing an organisation when selecting health partners. The dominating consideration is the medical partner’s global footprint, as mentioned by 20% of the respondents.

Cross-border businesses require a sophisticated network to assist their health and medical needs, and an intimate knowledge of the local environment. The needs could be a medical emergency response plan, health policy and guideline at headquarter level or simply as an accessible hospital nearby their office for employee use. Considering a partner with a global view of risk coupled with a global network capability will add value to organisations as this may help to save human resources, time and cost.

Ranking closely behind with 19% of respondents is a consideration of organisation headquarters’ requirements and regulations. This is an important influencer in making decisions as more foreign invested organisations expand to China and compliance is very crucial to most multinationals.

Industry specific good case practice also plays an important role and it is cited by 17% of the respondents. Organisations chase for the best standard and strive for excellence, hence health partners with sufficient industry specific experience could provide tailor-made solutions which best fit their needs. This unique guidance can help organisations to maximize efficiency and return on investment.

Last but not least, word-of-mouth was rated by 16% of the respondents. Credible health partners act as gatekeepers to high quality services and can provide high quality employee health programs to organisations.

Ultimately, choosing the right health partners is one of the key elements in bringing the organisational and employee health to an acceptable level which may lead to business success.

Key elements that influence choice of health partner

When it comes to tackling the root cause of corporate health challenges, the medical approach is the ultimate solution, if coupled with an economic approach. The economic approach usually refers to health insurance, as it ensures organisations have sufficient financial resources to handle emergency incidents, and employees can receive immediate treatment.

Some organisations may think as long as the crisis is insured, business continuity is guaranteed. But there are many side effects if organisations do not address the consequences, such as loss of reputation and credibility, employee dissatisfaction and poor employer branding. These intangible items are the most valuable assets of an organisation. That is the reason why corporate health challenges need to be tackled comprehensively with both medical and financial tools, as the ‘find it and fix it’ mentality is no longer appropriate.

When it comes to tackling the root cause of corporate health challenges, the medical approach is the ultimate solution, if coupled with an economic approach. The economic approach usually refers to health insurance, as it ensures organisations have sufficient financial resources to handle emergency incidents, and employees can receive immediate treatment.

Prevention, incident and post-incident mitigation are the three stages that every organisation will encounter in handling corporate health challenges. If organisations plan ahead in those three stages according to their specific industry situation, the effectiveness of this prevention approach will far outweigh the reactive-only approach, as outlined in the International SOS Foundation Global Framework.

20% Global footprint
19% Headquarter requirement
17% Industry specific good case practice
29% Others
16% Word of mouth
16% Word of mouth

When it comes to tackling the root cause of corporate health challenges, the medical approach is the ultimate solution, if coupled with an economic approach. The economic approach usually refers to health insurance, as it ensures organisations have sufficient financial resources to handle emergency incidents, and employees can receive immediate treatment.

Some organisations may think as long as the crisis is insured, business continuity is guaranteed. But there are many side effects if organisations do not address the consequences, such as loss of reputation and credibility, employee dissatisfaction and poor employer branding. These intangible items are the most valuable assets of an organisation. That is the reason why corporate health challenges need to be tackled comprehensively with both medical and financial tools, as the ‘find it and fix it’ mentality is no longer appropriate.

Prevention, incident and post-incident mitigation are the three stages that every organisation will encounter in handling corporate health challenges. If organisations plan ahead in those three stages according to their specific industry situation, the effectiveness of this prevention approach will far outweigh the reactive-only approach, as outlined in the International SOS Foundation Global Framework.

20% Global footprint
19% Headquarter requirement
17% Industry specific good case practice
29% Others
16% Word of mouth

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Conclusion

1. Health challenges are preventable

With growing business agendas overseas and the constant evolution of health regulation in mainland China, organisations in China are facing a constant set of new challenges with regards to their employees' health. Globalization is also accelerating the spread of diseases, either infectious ones through travellers, or non-communicable ones, through bad lifestyle habits. Adding to this list travel health security risks such as road traffic accidents, the workplace, in the broadest sense, is becoming a challenging arena for health hazards.

Although employees’ health needs and expectations are growing, there is a real belief among respondents that most of the risks employees are exposed to are preventable, whatever the industry sector and whichever country they are working in. Health professionals appear to be needed more than ever to support managers to handle these challenges.

We understand from the survey that employee mobility is a real driver for organisations to develop strategies and plans to protect them. Results show that most organisations start to embrace the concept of prevention, not only for a few high-risk employees, but for everyone. Prevention strategies, programs and solutions are now widely available and applicable to any industry, to safeguard employee’s health and support the business. Prevention is now considered the way forward when it comes to managing the overall risk profile of organisations.

2 Mitigating health risk is achievable through sustained measurement

The definition of the workplace is now understood by many organisations with an inclusive meaning, encompassing the place where employees undertake a business task. This means that business mobility, be it domestic or international, is now fully integrated in this definition of workplace health.

Since the risks associated with this new dimension have been proven to be preventable and long-lasting, efficient prevention programs must be implemented. It is critical to embed metrics and Key Performance Indicators in these programs to be able to gauge the benefits they bring as savings to the organisation. The return on prevention must be demonstrated to support long term investment i.e. the measures implemented should force behavioural change to increase the efficacy of the programs and organisation targets.

The only way interventions such as health education programs, fitness to work programs, road safety initiatives and health hazard identification, can be considered profitable investments, lies in the quality of reporting of their tangible outcomes, such as preventing accidents and scenarios involving in-outpatient, preventing the need for medical evacuation, etc. This requires strong management support and commitment within organisations, and it is only achievable if benefits of health programs can be measured against their costs.

3 Duty of Care drives employee health and economic value

From the survey, it seems that organisations already engaged in tackling health challenges are taking the Duty of Care agenda seriously: 86% of the recipients believe that Duty of Care is the primary reason to invest in employee health. Whatever the understanding of Duty of Care is, it shows that beyond compliance to both country regulations and to organisation-specific standards, many organisations are committed to exceed these requirements. It also reveals that health insurance is no longer considered enough to proactively address health risks.

Organisations understand the link between employee health, the overall status of their organisation and its profits. While employee productivity and sick leave are not the main drivers for health programs implementation, having a safe, health-conducive, enriching workplace clearly appears connected to business continuity and efficiency.

As an integral part of their Corporate Social Responsibility agenda, and under good governance schemes, a growing number of organisations in China demonstrate that Duty of Care is integrated in their development strategy. This survey is a good demonstration of why and how organisations invest on employee health, in full alignment with their core principles of safeguarding employees and society at large.
Acknowledgements

We would like to thank the 221 respondents across different industries who participated in our survey. We are grateful for the input, perspectives and insight of all participants.

International SOS, China

We would like to thank the following people from International SOS, who provided professional direction in the study, medical experience and insight for the overall research paper.

John WILLIAMS (China)
Managing Director Partnership and Government Affairs, International SOS

Dr. Philippe GUIBERT (Singapore)
Regional Medical Director, Asia, International SOS

Dr. Vincent YUE (China)
Medical Director, Medical Services, International SOS

Jason LEUNG (China)
Medical Consulting Sales Coordinator, North Asia, International SOS

About International SOS

International SOS is the world’s leading medical and travel security risk services organisation. We care for clients across the globe, from more than 1,000 locations in 90 countries.

Our expertise is unique: more than 11,000 employees are led by 1,400 doctors and 200 security specialists. Teams work night and day to protect our members.

We pioneer a range of preventive programs strengthened by our in-country expertise. We deliver unrivalled emergency assistance during critical illness, accident or civil unrest.

We are passionate about helping clients put Duty of Care into practice. With us, multinational corporate clients, governments and NGOs can mitigate risks for their people working remotely or overseas.
Appendix

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<tr>
<th>Prevention</th>
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<tr>
<td><strong>Corporate health policy</strong>&lt;br&gt;This is a policy with a clear statement of intent and procedures in safety, security and health issues.</td>
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<tr>
<td><strong>Threat and hazard identification and risk assessment</strong>&lt;br&gt;This should be regularly done by organisations to identify threats and hazards, and to take appropriate measures to mitigate the risk. It should include:&lt;br&gt;1. The geographic perspective&lt;br&gt;2. The environment&lt;br&gt;3. Travel and work-related processes and activities, such as commuting from a hotel to a work site.</td>
</tr>
<tr>
<td><strong>Health education and training</strong>&lt;br&gt;Regular health education and training needs to be delivered to employees to ensure they are working in a safe, healthy and secure manner, especially to business travellers and those exposed to occupational hazards.</td>
</tr>
<tr>
<td><strong>Internal stakeholder communication</strong>&lt;br&gt;Effective communications are maintained between all parties, addressing work practices as well as prevention, control and emergency procedures. Employees are encouraged and able to consult on the latest travel and assignment safety, health and security issues.</td>
</tr>
<tr>
<td><strong>Clearly defined roles and responsibilities</strong>&lt;br&gt;Roles and responsibilities are clearly defined among senior management, HSE managers, employees and contractors to make sure that organisational health plans are well executed and implemented.</td>
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<tr>
<td><strong>Comprehensive planning</strong>&lt;br&gt;A plan with clear objectives and measurable outcomes needs to be developed specifically to address health, safety and security issue. This also requires strong implementation and regular review.</td>
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<tr>
<td><strong>Emergency response plan</strong>&lt;br&gt;This is a plan to guide the organisation in handling crises and incidents. The management team must be familiar with the plan and able to take action when needed.</td>
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<tr>
<td><strong>Financial risk assessment</strong>&lt;br&gt;This is to evaluate the financial risk of emergencies and to balance between the financial resources invested and the sustainability of the business.</td>
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<tr>
<td><strong>Appropriate health insurance</strong>&lt;br&gt;Choose an appropriate health insurance in financing the health incident expenses according to the financial risk assessment.</td>
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<th>Incident management</th>
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<td><strong>24/7 tracking and assistance</strong>&lt;br&gt;Ensure workers have sufficient safety, health and security support in the functioning of their work and global movement. The real time situation of their workers can be tracked by organisations.</td>
</tr>
<tr>
<td><strong>Crisis management</strong>&lt;br&gt;An emergency management team needs to react to both global and local incidents.</td>
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<tr>
<td><strong>Consult and communicate with medical and insurance partners</strong>&lt;br&gt;Organisations are handling emergency issues with the best approach when they consult with their medical and insurance partners.</td>
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<th>Post-incident</th>
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<td><strong>Post-incident</strong>&lt;br&gt;Post-incident reporting needs to be well documented and accessible. Periodic reviews should help avoid repeating mistakes.</td>
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<tr>
<td><strong>Evaluation and continual improvement</strong>&lt;br&gt;Key performance indicators need to be reviewed, and the underlying reasons of incidents analysed. Action items for continual improvement are crucial for every organisation.</td>
</tr>
<tr>
<td><strong>Follow up with medical and insurance partners</strong>&lt;br&gt;Follow up is an administrative but important process in ensuring the health of workers and the financial sustainability aspect of the organisation.</td>
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References


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