



**OTC 20265**

## **The Value of Wellness—Working in Remote Locations**

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### **Abstract**

#### **Description of the Proposed Paper:**

The value of wellness paper is a comprehensive research review that proposes a conceptual model of the costs associated with high and low risk employees on an annual and career model. This model accurately addresses the variables specific to the oil and gas industry including the internal and external factors which must be addressed by the organization prior to engaging in wellness activities. This paper accurately portrays the specific costs by division as well as highlights the effect of wellness on safety as it relates to health as well as regulatory burden and license to operate.

#### **Application:**

This conceptual model provides the audience with the accurate costs, factors and concerns associated with wellness initiatives in remote environments. Several factors such as senior managements role, medical costs, replacement workers and re-training are relayed to the audience encompassing the full scope of wellness risk as it exists in the offshore.

#### **Results, Observations, and Conclusions:**

The value of wellness paper quantifies that a high risk employee can cost a company \$125,000 per year if encompassing all high risk factors and up to 2.65 million dollars over the course of a career. This paper concludes that by adopting a wellness culture and controlling for wellness risk the organization can avoid serious costs and gain intangible advantages in regulatory burden, license to operate and brand equity and company loyalty.

#### **Significance of Subject Matter:**

Wellness may be a substantial contributor to both HSE and value to an organization. Companies controlling for wellness risk with a comprehensive wellness program will control costs, operational issues such as safety and license to operate as well as retain and maintain employees in a competitive aging job market.

### **Introduction**

Organizations frequently ask wellness professionals specific questions around the *cost* of wellness. How much does it *cost* to run a 'best practice' wellness program, how much should our *cost* be relative to our risk in an approach to employee's wellness and are our current wellness arrangements cost-effective? The reason for focusing on cost is that financial directors, board members and human resources directors have all identified cost minimisation as a critical element in ensuring an efficient and effective approach to an employee's wellness as part of a wider human resources and operational strategy. The following document demonstrates that examining the cost of wellness is just one part of the equation. Organizations also have to examine the value a wellness program provides.