

**INTERNAL  
RESOURCES  
VS. OUTSIDE  
VENDOR:  
WHICH IS  
BETTER?**

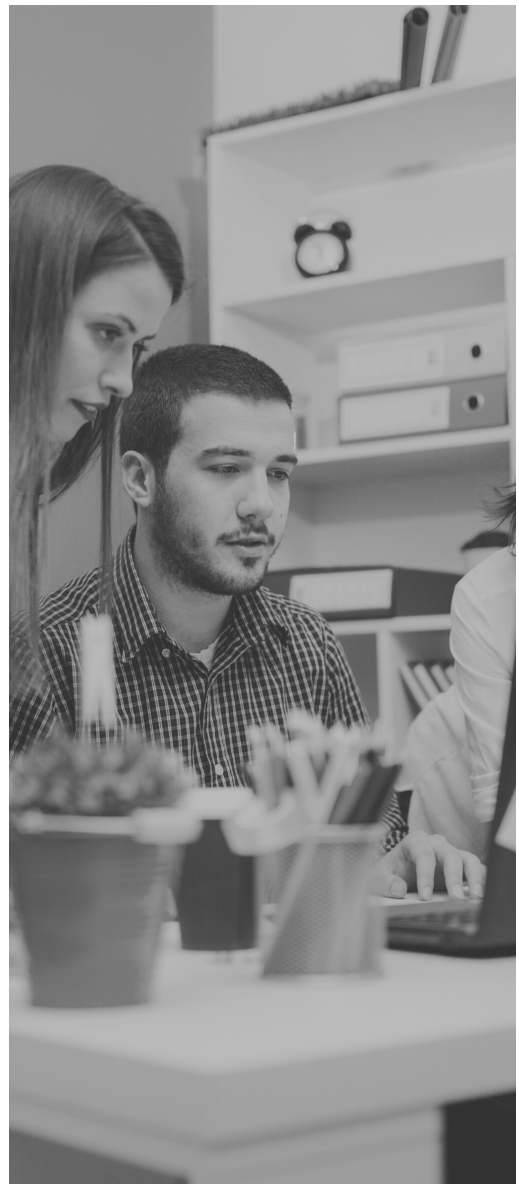
# PROS AND CONS

---

Even if you already know the activities you want to include in your corporate wellness program, it could be difficult to decide whether you want to implement it using your internal resources or through a vendor. To make your life easier, here are some advantages and disadvantages of each option.

## Pros and Cons

INTERNAL VS. EXTERNAL RESOURCES



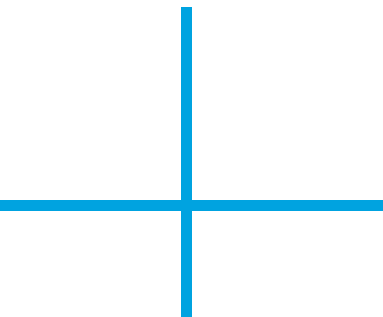


# USING INTERNAL RESOURCES

## PROS

- Get to use your own staff.
- No costs incurred from hiring a third-party vendor.
- Have complete control over every aspect of the program

## CONS

- Lack data and experience in building a successful program. Staff assigned to the project will need to learn by trial and error to organize a successful program.
  - Lack expertise; can't organize programs that call for specialists such as biometric screening assessments or flu clinics.
  - Most of the time staff will need to work on the wellness program in addition to their regular job responsibilities. Your staff simply might not have the time to execute a full corporate wellness program from scratch.
  - Building a program from scratch may cost more than hiring a third-party provider because you're responsible for all aspects of the program, which may involve things like building a booking platform, something that outside vendors would offer inclusively.
  - Potential conflict of interest or low participation rate may take place when employees have to report their personal health information to a co-worker.
- 

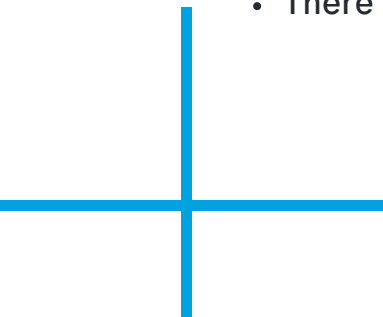


# USING AN OUTSIDE VENDOR

## PROS

- Suitable for programs that call for specialists such as biometric screening assessments or flu clinics.
- May cost less than building a program from scratch depending on the specific service.
- Wellness providers know what it takes to build a successful program and have the tools in place to measure success rates.
- No conflict of interests involved; employees can share their information more freely and openly knowing it remains private and confidential.
- Minimal investment of resources from internal staff; you would just need one or two point-of-contacts to coordinate with the outside agency.
- An outside agency can offer an online booking platform to make scheduling specific services like biometric screenings and flu clinics easy for the employees. Most companies won't have this capability internally.

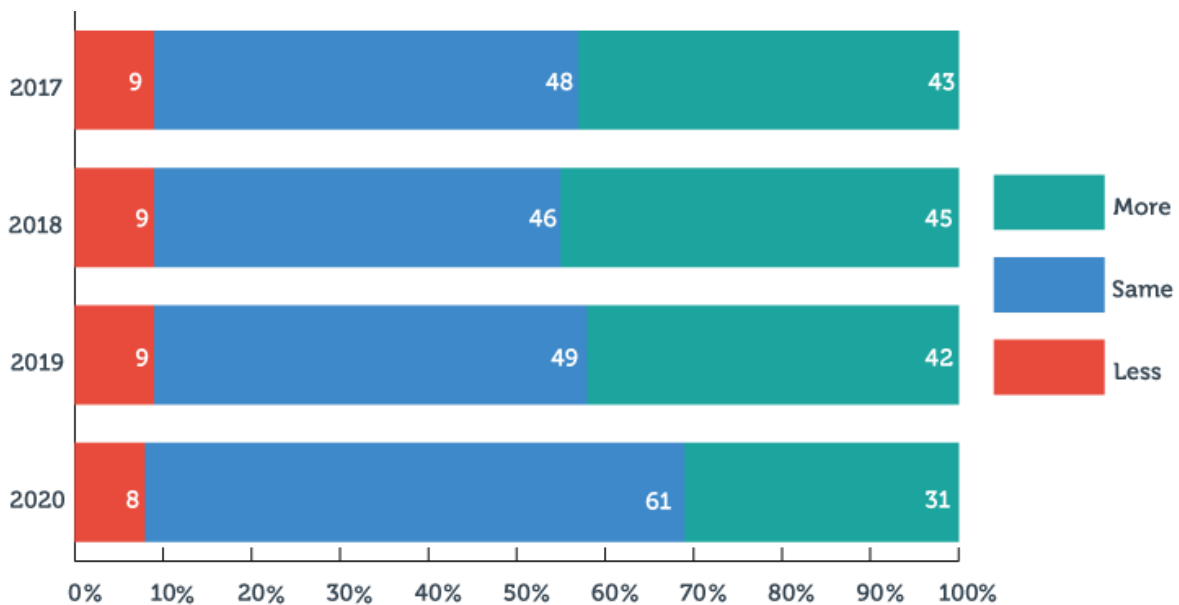
## CONS

- Unnecessary for simple programs that don't require expertise.
  - Costs incurred from hiring a third-party vendor.
  - There will be a research period to find the right vendor for your needs.
- 

# HIRING AN OUTSIDE VENDOR IS BECOMING THE NORM

According to the 2021 Wellness Trends Report by Shortlister, companies are turning to outside wellness vendors rather than using internal resources. Employers are doing more of the “same” of this in 2020 than in any other year, which shows that hiring an outside vendor is becoming the norm. If you aren’t considering hiring an outside vendor over using internal resources or a carrier program, you should be.

## Percent of benefit consultant clients whose clients are doing “more,” “less,” or the “same” of implementing wellness via a third-party vendor



Shortlister; Wellness Trends 2021: Report Overview



# QUESTIONS TO ASK POTENTIAL VENDORS

While there are pros and cons to doing wellness internally versus hiring a vendor, using outside partners are generally less expensive and have more experience. Plus, hiring a vendor means less of a burden on the Human Resources department.

If you decide to hire an outside vendor, keep in mind the following questions:



# CHOOSING YOUR VENDOR

## 1. DO YOU & THE VENDOR SHARE A SIMILAR VISION?

- Determine if the vendor's philosophy around health promotion is consistent with your company's philosophy.
- Discuss your goals and objectives and how the vendor's product/service can meet the needs of your company.
- Coordinate a presentation or demo with your company and request a proposal from the vendor.

## 2. WHAT IS THE QUALITY OF THE VENDOR'S SERVICES AND SOLUTIONS?

- Ask to view the following:
  - Experiential documentation of health or cost impact
  - Evaluative data to support the effectiveness of their programs
  - Can the vendor provide integrated products/services or does it specialize in one area?
  - Will the vendor customize the product to meet the needs of your company?

## 3. WHO ARE THE PROFESSIONALS INVOLVED?

- What type of education and training do the health professionals involved with the program have?
- Is the performance of the health professionals audited by the vendor for effectiveness, efficiency, accuracy, etc?

# CHOOSING YOUR VENDOR

## 4. WHAT DOES THE DELIVERY AND CUSTOMER SERVICE LOOK LIKE?

- Does the vendor provide you with an “account manager” who will take full responsibility for your complete customer satisfaction?
- Establish clear expectations with all parties involved in writing.
- Establish a contract with your organization and the chosen vendor.

## 5. WHAT KIND OF EVALUATION AND REPORTING WILL YOU RECEIVE?

- Does the vendor collect adequate and accurate data on activity and outcomes?
- Can the vendor provide reports and other aggregate data in appropriate electronic formats?

## 6. WHAT IS THE PRODUCT COST AND VALUE?

- Is the cost of the product/service competitive with the cost of other vendors? Is the pricing all-inclusive (no hidden costs)?
- Do the results of the product/service justify the price?





# SEEING A RETURN ON INVESTMENT TAKES TIME

In reality, It takes time for your wellness program to get off the ground, and even longer before you start to see the return on investment. Keep in mind that this is a long-term commitment, especially for blue-collar organizations, but it will be well worth the wait.

**Looking to  
Get Started?**

**Let's Talk!**

