



# Vitality CASE STUDY

## EMPOWERING CHAMPS, INTEGRATING BENEFITS AND LEVERAGING INCENTIVES TO CREATE INCLUSIVE ENGAGEMENT

Carhartt is an American apparel company based in Dearborn, Michigan, producing high-quality workwear and outdoor gear for hardworking consumers everywhere. A partner of Vitality's since 2013, Carhartt has a particularly diverse population, from supply chain associates in Kentucky and Tennessee, to retail associates across 40 different stores, to their corporate headquarters in Michigan. Carhartt's Vitality program has worked hard to meet the needs of its entire U.S. workforce.

One way the workwear company is able to do so is by giving their Champs, engaged Vitality members who want to share their knowledge and enthusiasm about Vitality with others, the autonomy to create programming they feel resonates with their colleagues, rather than only promoting company-wide initiatives.

**“We have such strong Champs. They are not afraid to ask if they can do X, Y, or Z through the Vitality program, and they look for different ways to really engage the folks at their locations.”**

*-Danyetta Gray, Senior Benefits Manager at Carhartt*

For example, one particularly successful event is an Easter egg challenge. Gray explains, “Associates will have Easter eggs hidden outside around the facility and an exercise in each of the eggs. So when an associate finds an egg, they might do five squats, then they'll go on to find more eggs and do that exercise. They get points for participating, and it's a really fun event that works with the culture of that particular location.”



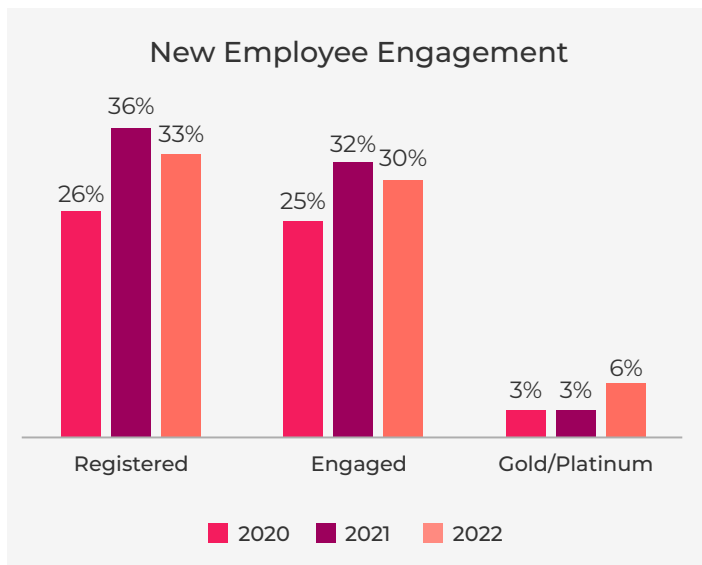
To ensure other Champs can learn from their peers, the Champs meet monthly to share ideas and learnings. Theresa O'Rourke, Benefits Specialist at Carhartt, shares, "At our monthly Champ meeting, Champs share what they're doing at their location that is working well. This helps to inspire someone at another location to do the same or adapt it for their coworkers." Gray adds, "Hearing about different events taking place at different locations – our hope is that it will inspire interest in other facilities to create something of their own, something that will work for their culture and their associates." Gray shares the value of the Champs by adding, "The Champs use their creativity to come up with things that will resonate with associates where they work. The Champs look for different opportunities to run their challenges and find unique ways for associates to earn points by engaging with the program."

The Champs also play an important role in Carhartt's strategy to engage new hires with the Vitality program. Local Champs are encouraged to reach out to new hires to help answer any questions about getting started with Vitality and to provide ongoing support to their new colleagues. Carhartt has seen a significant increase in new hires over the last several years, and Champs work hard to get and keep new members engaged.

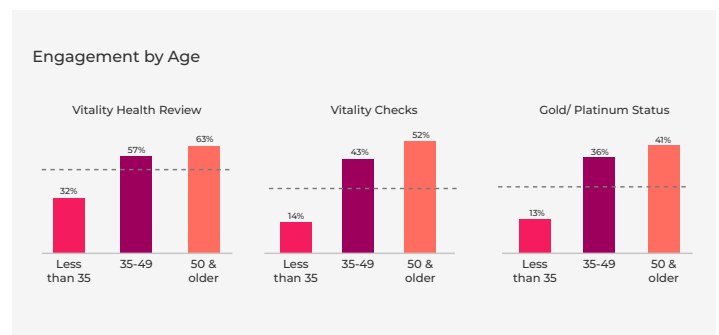
increased the difficulty of their Employer Incentive requirement to help drive further engagement at a higher level. In addition, they added the Active Rewards program in 2022 to help keep their workforce engaged and continually challenged to reach new goals each week.



The Champs are also focused on building inclusive engagement. With many non-technical employees across the organization, a program focused purely on engaging via the smartphone app would exclude many of the workforce. The Champs helped advocate for rewarding participation in other ways for the non-technical employees, such as completing printed wellness handouts. A review of Carhartt's engagement led to an interesting finding about engagement by age. Contrary to popular belief that older people are less interested in smartphone-based wellbeing programs, Carhartt found that their older associates were engaging with Vitality at higher rates than their younger associates. While this certainly was a positive finding in one regard, Carhartt continues to make necessary adjustments to ensure that the program is personalized and tailored to maximize organizational engagement inclusively.

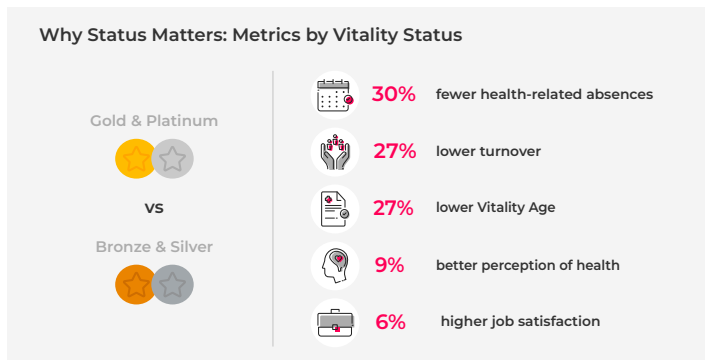


Carhartt's Champs are valuable on-the-ground resources with their fingers on the pulse of what's working well and where there's room for improvement. The Carhartt Total Rewards team learned through regular meetings with the Champs that many people were reaching the upper limit of their potential engagement and were lacking an incentive to keep them engaged in the program. As a result, they





The emphasis on engagement is an important one. Higher levels of engagement in Vitality are correlated with improvements in various quality-of-life, job performance, and self-perception metrics. Carhartt employees who reached gold or platinum status report better perceptions of health, lower Vitality Age differentials, higher life and job satisfaction, and have higher job performance, fewer health-related absences, and lower job turnover rates. In addition, an actuarial analysis of health risk factors of Carhartt associates over time reveals a 16.3% better-than-expected change in risk groupings, demonstrating a tangible impact on the health of employees.



These improvements in employee health are a reflection of Carhartt's dedicated efforts to ensure their associates are up to date on preventive care they may have forgone during the height of the pandemic.

Carhartt is also taking advantage of the flexibility of the Vitality program through partner ecosystem integrations by looking for opportunities for individuals to earn points for doing things important to the company, such as taking a Diversity, Equity, and Inclusion (DEI-) related course on LinkedIn Learning or watching safety videos. They have also recently partnered with Lyra, a company that helps match people with the mental health services they need.

Looking forward, Carhartt hopes to increase Vitality program engagement among senior leadership by helping to make the connection between wellbeing and workplace productivity. Gray elaborates,

**“We want to help connect a person's wellbeing and their performance at work, and why it's important that they engage in programs like Vitality. The end result is that folks are going to be in better health, and thus, they're not going to need to take leaves of absence from work.”**



*Vitality*