Implementation of Employee Wellness Programmes within the SMEs in Johannesburg.

by

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DECLARATION

I, Langutela Siweya, declare that this research report entitled "Implementation of Employee Wellness Programmemes (EWP) within the Small and Medium Enterprises (SMEs) in Johannesburg" is my own unaided work. I have acknowledged, attributed, and referenced all ideas sourced elsewhere. I am hereby submitting it in partial fulfilment of the requirements of the degree of Master of Business Administration at the University of the Witwatersrand, Johannesburg. I have not submitted this report before for any other degree or examination to any other institution.

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Signed at Johannesburg on 29th March 2021

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ABSTRACT

This research study gained momentum following the consequences of the Covid-19 pandemic and the challenges experienced by most firms and their employees. The aim of this study was to test the feasibility of implementing employee wellness services within the SMEs looking at various factors that influence the adoption of such services. The assessment results were then used to assess whether such recommendations would make business sense by developing a business proposal.

The research drew on a literature review to build the research questions and hypothesis. Literature review was key to this study as it looked at the feasibility of the employee wellness programmeme and its foundation. The literature also identified gaps and recommendations from previous research done in the employee wellness space and SMEs in general.

Following a quantitative approach with a survey questionnaire design method, the study was divided into two groups to examine various factors and testing quantitative variables for firms with wellness services and firms without wellness service. An average Cronbach alpha of .891 was achieved which emphasises the reliability of data. Although the research was conducted during the national lockdown level-3 period which had strict regulations, the research results were achieved from the limited sample size.

The research found that there is indeed an intervention required to successfully implement wellness services within the SMEs. Although cost remained the biggest challenge in the SME space, most SMEs believed that such services would benefit their firms and employees at large. The research concludes by emphasising that service providers for employee wellness need to demonstrate value for money and detailed benefits when proposing a new offering.

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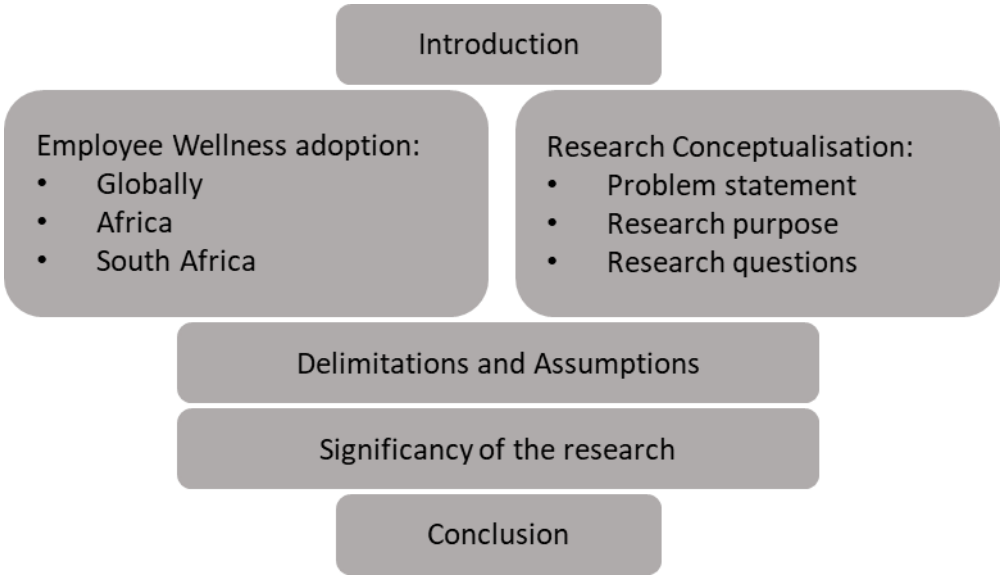


Figure 1: Chapter Overview

1.1 BACKGROUND AND CONTEXT

Well-being in the workplace has recently gained attention due to the economic impact introduced by the Covid-19 pandemic (Kaushik & Guleria, 2020). While healthcare costs have increased significantly, the research proved that only seven percent of the employers in the United States have comprehensive healthcare cover (Naydeck, Pearson, Ozminkowski, Day, & Goetzel, 2008). Given the fact that Small and Medium Enterprises (SMEs) play a crucial role in economic development and job creation, according to M. C. Cant and Wiid (2013), this shows a need to assess the state of wellness programmes in South African SMEs.

More generally, this research evaluates the effectiveness and drive to low adoption of the Employee Wellness Programmeme (EWP) within the Small and Medium Enterprises (SMEs). However, before the research conceptualisation (Section 1.2), the terms and concepts are introduced that have been used in conceptualising this research in Section 1.1 generally and broadly. Chapter 2 provides a more specific and detailed discussion on the research context. The research conceptualisation section

provides for the research problem statement (Section 1.2.1) and the purpose of this research (Section 1.2.2) as well as the research questions (Section 1.2.3). The delimitations and assumptions of the research study are in Section 1.3 while the significance of the research study is discussed in Section 1.4 and provides a preface to the research report in Section 1.5.

1.1.1 Wellness programmemes adoption in the United States and Europe

There is arguably a rapid growth in workspace-based wellness programmes around the world. Employee wellness support started from the 1950s focusing on decreasing illness and addressing employee personal problems (Conradie, Van Der Merwe Smit, & Malan, 2016). According to Hall (2013) the United States has the highest number of wellness programmes which is driven by various strategies which most companies have applied to improve the workplace traditional wellness programmeme. Mattke, Schnyer, and Van Busum (2013) argues that rewarding employees with incentives has contributed to wellness adoption by employees. Although the United States has the most expensive healthcare system, they remain the country with the highest workspace wellness adoption rate. On the other hand, the main drivers to wellness adoption in the European companies are productivity and health since these are critical factors that measure most of the companies' performance (Martínez-Lemos, 2015).

1.1.2 Wellness programme adoption in Africa

In the South African context, Conradie et al. (2016) suggests that there is improved financial performance for companies who have adopted workplace wellness programmes. Although there is no direct link between leadership support and employee wellbeing, Milner et al. (2015) suggests that the slow response to wellness adoption is mainly based on lack of support from senior management. Mattke, Liu, et al. (2013) argues that wellness programmes should form part of the organisational culture with full buy-in from all management levels.

While most studies were focused on corporate adoption of wellness programmes and their effectiveness, little was done for SMEs in both the international and the South African context.

1.2 RESEARCH CONCEPTUALISATION

1.2.1 The research problem statement

There is generally low adoption of employee wellness programmes for small businesses compared to the large corporate firms. This is supported by McCoy, Stinson, Scott, Tenney, and Newman (2014) who argues that there are fewer small businesses that have already adopted the workspace wellness programme and therefore there is a need for further research to "better understand why small businesses rarely adopt wellness programmes and to demonstrate the value of such programmes". Although this was derived from the American context, there is similar sentiment in the African context and arguably internationally(Leonard & Terblanche, 2020).

While most studies are focused on corporate adoption of wellness programmes and effectiveness, little was done for SMEs around the world. Since the inception of wellness programmes in the South African working sector in 1980, there is still a low adoption rate in SMEs (Leonard, 2019).

Although there is a high adoption rate in corporate firms of wellness programmes, according to Sieberhagen, Rothmann, and Pienaar (2009) the Occupational Health Act of 1978 requires employers to promote a health working environment and therefore most firms use wellness programmes to comply with these regulations. This is not always the case for SMEs, especially in the South African context, where, for example, firms with annual turnover lower than R1 million are not required to register for Value Added Tax (VAT) (Kunene, 2009).

Most reports suggest that workplace wellness prograemes do not add value to SMEs compared to larger firms since there is no differentiation between services offered at larger firms and at SMEs except for the different pricing models being used. Due to this, Cekiso and Terblanche (2015) argues that service providers mainly compete on

price and most SMEs do not support the existing models offered by most wellness providers.

1.2.2 The research purpose (aim and objectives) statement

The purpose of this research study was to assess the effectiveness of workplace employee wellness programmes currently offered in SMEs. In addition, the study also focussed on achieving the following objectives:

a) Determine the understanding and impact of workplace wellness programmes by SMEs.
b) Establish key drivers for the low adoption of wellness prograemes by SMEs.
c) Review existing literature about workplace wellness and adoption by SMEs.
d) Determine whether there is a required intervention for SMEs of existing workplace wellness solutions.

Two sets of survey questionnaires were conducted as tools to collect data to a) gain more understanding of the reasons behind low adoption of wellness programmes by SMEs, and b) evaluate challenges faced in the SMEs by existing wellness providers within the context. The data was then analysed and presented as the findings. Recommendations are provided in the last section based on the research findings and literature within the workplace wellness programmes and SMEs.

1.2.3 Research questions

Question 1: What are challenges experienced by the SMEs who already enrolled for EWP?

- Null hypothesis: Employee participation is not driven by incentives.
- Research hypothesis: Lack of incentives drives low participation in wellness activities by employees.
- Proposition: Staff members hardly participate in wellness programmes.

Question 2: What are the drivers of low adoption in employee wellness programmes within the SMEs?

- Null hypothesis: High cost and awareness does not drive wellness programme enrolment.

- Research hypothesis: Cost and awareness drives the enrolment into wellness services.
- Proposition: SMEs hardly enrol into wellness programmes due to high cost and lack of awareness.

Question 3: What are the results of wellness interventions within the SMEs?

- Null hypothesis: Employers do not benefit from a wellness intervention as it brings more administrative work.
- Research hypothesis: Employers benefit from the wellness intervention as more capacity is created to focus on core business operations.
- Proposition: Wellness programme interventions result in additional capacity for employers to focus on core business operations.

Question 4: What should inform a change in the wellness programme service offering to accommodate SMEs?

- Null hypothesis: No change is required.
- Research hypothes: Revised offering in wellness programme solely focusing on SMEs.
- Proposition: To ensure that there is a high adoption and effective wellness programme, a revised service offering should be proposed within SMEs.

1.3 DELIMITATIONS AND ASSUMPTIONS OF THE RESEARCH STUDY

The following were assumptions used for wellness support for SMEs:

- Most SMEs generate low profits and therefore cannot afford wellness programmes as an additional expense which could risk the company being liquidated.
- Service providers focus on corporate firms and compete on price to win contracts.
- Lack of trust and confidentiality.
- Lack of awareness in wellness benefits to both the employer and employees.

1.4 SIGNIFICANCE OF THE RESEARCH STUDY

There is a significant contribution made by the SMEs towards economic development as well as job creation (Kunene, 2009). Supported by a high rate of job losses, adaptation to working from home and Covid-19 infection restrictions implemented by the government (Kaushik and Guleria (2020), this research can provide guidance for international SMEs. Furthermore, most scholars focus mainly on larger firms and generalise the worksite wellness programme while they neglect the SME sector (Leonard & Terblanche, 2020).

1.5 PREFACE TO THE RESEARCH REPORT

This research was premised on the experiences of the Covid-19 pandemic of 2020 and its impact on the South African economy. It focuses on SMEs' growth and employee wellbeing pre- and post-Covid-19. The research also examines the current wellness service providers within SMEs.

This research adopted the quantitative questionnaire which seeks to obtain answers from employers within and external to workspace wellness programmes in the Johannesburg region. The research findings were used to assess if there is a need to introduce a new service offering for the SMEs.

1.6 SUMMARY AND CONCLUSION

This section focused on giving context to the workspace wellness requirements as well as the research conceptualisation. The research problem statement looks at the effectiveness of wellness programmes and the low adoption by SMEs. The main objective of this research was to establish whether there is a need for intervention in wellness services for the SMEs. Research questions were based on a deductive approach whereby the hypothesis is focused on understanding key factors impacting wellness services within SMEs and opportunities for intervention. Lastly, the chapter examined the importance of this type of study for SMEs in the context of the impacts that have been experienced as a result of the Covid-19 pandemic.

CHAPTER TWO: LITERATURE REVIEW

According to Rowley and Slack (2004), literature review comprises the summarising of different studies within one subject field to support the identification of research questions. Rowley and Slack (2004) further describes the significance of literature review as: a Supporting the identification of a research topic, question or hypothesis; b) identifying the literature to which the research will make a contribution, and contextualising the research within that literature; c) building an understanding of theoretical concepts and terminology; d) facilitating the building of a bibliography or list of the sources that have been consulted; e) suggesting research methods that might be useful; and f) analysing and interpreting results.

This chapter has three broad objectives, namely to understand the research problem, to identify the knowledge gap, and to develop a framework for interpreting the research findings. Specifically, in Section 2.1, the research problem is explained. In Section 2.2, the literature on studies that have attempted a similar study or research is reviewed. With information from Section 2.2, the qualitative attributes or quantitative variables that are key to this research are presented in Section 2.3 as well as a framework that is used to interpret the research findings in Section 2.4.

2.1 RESEARCH PROBLEM ANALYSIS

This section aims to examine available literature on employee wellness programmes in the South African context to better understand the problem statement in Section 1.2. The first step is to understand the employee wellness programme and why there is a need for such a service in the workspace. Secondly, analysis will be conducted on how wellness programmes are implemented and the benefits of such services. Thirdly, further analysis will be done to identify drivers of slow adoption of these programmes by SMEs. The last part of this section will provide a summary of all findings drawing on the literature.

2.1.1 Challenges faced by SMEs

According to M. C. Cant and Wiid (2013), financial challenges and support from the government proved to be the main challenges for SMEs in South Africa. Although M. Cant (2012) suggests that these challenges are due to insufficient marketing for the business in the SMEs, George and Quinlan (2009) in their study found that other factors contributing to SME growth challenges are chronic healthcare issues as well as increased operational costs.

According to Saunila (2017), the impact on SME performance is driven by ineffective performance measures from the employee to employer level. This is supported by Tov and CHAN (2012) who suggest that the cause of inefficient performance measures is due to multiple roles an employee performs within an SME which in turn may result in high degrees of stress.

2.1.2 Cost of wellness programme

According to Sieberhagen, Els, and Pienaar (2011), organisations that invest time and resources in an employee wellness culture, with the focus on being proactive rather than reactive, can expect a return on the investment. However, Mattke, Liu, et al. (2013) suggest in their report that a worksite wellness programme does not yield the healthcare cost saving results immediately after enrolment and therefore employers with wellness programmes may only realise the significant cost savings from the fourth year going forward. While larger firms can afford to invest in such, this could be a threat to most SMEs. Kunene (2009) suggests that most SMEs are focussed on short term investment and long-term sustainability.

Attridge, Sharar, DeLapp, and Veder (2018) argues that there is a misconception that price is the only difference in EWP and suggests that employers should not use price as the only factor when selecting the service provider but rather focus on the ability to deliver on the business objectives. Unfortunately for most SMEs, price could be the main factor in selecting the EWP service provider. Mattke, Liu, et al. (2013) argues that large corporate firms are more likely than small employees to offer a wellness programme as these are company-sponsored benefits. Within the South African context, most scholars revealed different funding methods for wellness programmes, for example, a) Budget: variable value, a headcount fixed allocation and

Fee-for-Service – pay as you use; b) Sponsored funding; and c) Combination of the two (Sieberhagen et al., 2011).

Attridge et al. (2018) suggests that costs for a wellness programme are relatively low and therefore price should not be the biggest factors for employers when appointing a worksite wellness provider. In their research study, Naydeck et al. (2008) found that lower healthcare costs can be achieved by implementing a "well-designed" wellness programme that promotes low employee health risk.

2.1.3 Drivers of effective wellness programmes

While the financial incentives has been the biggest driver to the effectiveness of most wellness programme in the United States with 69 percent of companies providing national wellness programmes (Mattke, Liu, et al., 2013), other scholars suggests that awareness and ethical consideration are amongst the top foundational contribution to successfully implement an employee wellness programme. Milner et al. (2015), on the other hand, strongly argues that senior management buy-in and dedicated support is the cornerstone of an efficient wellness programme. Apart from senior management support, (Mattke, Liu, et al., 2013) suggests that appointment of a wellness coordinator is one of the key factors in the success of wellness programmes.

From their research, Mattke, Liu, et al. (2013) reported the following factors as key to promote and enforce adoption to wellness programmes:

a) Building an effective communication strategy across the organisation;
b) Creating an opportunity and providing a platform for employees to engage with and participate in wellness activities;
c) Providing senior management support and engagement; and
d) Ongoing evaluation of wellness activities.

Attridge et al. (2018) suggests that an effective wellness programme can be measured by the reduction rate in absenteeism, improved attendance and increased turnover. This is the criteria most utilised in the United States when selecting a wellness service provider. In the South African context, however, most organisations do not have a tool to measure the effectiveness of their EWP (Sieberhagen et al., 2011).

2.1.4 Value of workspace wellness programme

Most scholars recommend wellness programmes as an important tool to reduce healthcare costs in the organisation. According to Attridge et al. (2018), the primary objective of implementing wellness services in the workplace is to restore the health and wellbeing of employees in a sustainable manner. This will then reduce long term healthcare costs and reward the employer with improved productivity. This is supported by Naydeck et al. (2008) in their study on the impact of wellness programmes which suggests that a well-designed wellness service encourages employees to effectively participate in lowering healthcare risks.

2.1.5 Workplace wellness challenges

Holt and Powell (2015) revealed that acute seasonal sickness remains the main challenge for SMEs in productivity and performance. This compels most small businesses to compromise on employee wellbeing whereby employees would be expected to practice sickness presentism. Holt and Powell (2015) further suggests that government intervention is required to prevent acute sickness in SMEs. Tov and CHAN (2012) suggests a different view whereby employee wellness should not only relate to physical sickness but also mental health and work stress.

(Merrill & Hull, 2013) argues that it is extremely hard to drive employee wellness participation since the benefit of wellness intervention is not realised immediately. According to Kaushik and Guleria (2020), the Covid-19 impact on employee wellness has been overlooked and the framework for working remotely has contributed to increased loneliness and isolation amongst employees. Therefore, wellness service providers must prepare themselves to consider the revised ways of working when designing service offerings for wellness programmes.

2.2 RESEARCH KNOWLEDGE GAP ANALYSIS

The aim of this section is to identify research knowledge gaps and further research recommendations within the employee wellness programmes in South Africa. This was achieved through multiple literature reviews focusing on the research data, methods, findings, conclusions and recommendations made during past research conducted. The approach in this section commences with deep analysis on literature

and then summarises findings regarding the research knowledge gaps which support the need for this research paper.

2.2.1 Organisational Design and Development (ODD)

Employee wellness is part of organisational development and the study therefore commences with seeking to understand the organisational design foundation which underpins the employee wellness programme.

According to Anand and Daft (2007), there are three eras of organisational design: a) self-contained organisational design which dominated from the 1800s to the 1970s; b) the horizontal organisational design which allowed for collaboration between departments within organisations; and c) The organisational boundary extension came in the mid-1990s focusing on opening up boundaries for both internal and external players in the organisation. Ruffini, Boer, and van Riemsdijk (2000) argues in support of this view that a well-designed organisational operation would assure better and more sustainable performance.

2.2.2 Human Capital Management (HCM)

According to Hayton (2003), the concept of human capital (HC) was initially formulated by Nobel prize-winner and economist Theodore Schultz in the early 1960s as a way of explaining the advantages of investing in education on a national scale . According to Afiouni (2013), human capital management is not a new term but rather the beginning of a new era for human resource management which is more business-oriented. Bontis and Serenko (2007), on the other hand, believes that most firms invest in employee-focused strategies to build strong organisational brands. Afiouni (2013) suggests that a framework needs to be built that closely considers employee knowledge, ability and skills. Garavan, Morley, Gunnigle, and Collins (2001) argues that while investment in human capital should aim to benefit both the employee and the organisation, it serves no purpose if staff members are not capable or skilled to perform the job.

2.2.3 Employee Value Proposition (EVP)

Browne (2012) links the employee value proposition to employer branding and argues that organizations with effective EVPs enjoy significantly higher levels of commitment from their employees. Top-performing organizations have 30-40% of their workforce displaying high levels of commitment, compared to less than 10% in underperforming organizations. Pawar and Charak (2015) concurs with this and further suggests that employers should invest in their employees to build stronger brands, and retain and attract more customers.

2.2.4 Why an Employee Wellness Programme?

As explained by Hayton (2003), an HRM is an era where HR is more strategic, more business-oriented, more integrated with other functions, more flexible and more future-oriented as shown in the proposed HCM framework.

According to Ngeno and Muathe (2014), the main objective of worksite wellness programmes is to help staff members manage their healthcare risks and drive their health practise. From the employer perspective, Parkinson (2013) argues that employers have an important role to play in improving employee health status as well as reducing healthcare costs and therefore the need for wellness programmes will benefit both the employee and employer.

Parks and Steelman (2008) found in their study that employees also benefit in these programmes as most organisations incentivise the wellness participation. Supported by Merrill and Hull (2013), most companies would give a performance bonus for employees who participate in wellness programmes. Berry, Mirabito, and Baun (2010) not only view the benefits of wellness programmes as a cost saving and productivity exercise but also as a tool to increase employee morale.

According to Leonard (2019), most studies are focused on the corporate firms and neglect the importance of wellness services with the SMEs. This is supported by Mattke, Liu, et al. (2013) when they recommended further research to be done on the effectiveness of wellness programmes with SMEs. Although this was suggested by

Cowen (1994), most research studies still show a need to bring alternative offerings into the wellness space.

Pricing is another factor which most scholars revealed requires further research, according to Noach, Segal, and Hutchinson-Keip (2014). According to Bjerke and Elvekrok (2020), further research would be required to consider the feasibility and value for sponsored wellness programmes.

2.3 QUANTITATIVE VARIABLES KEY TO THE RESEARCH

Bryman (2016) distinguishes quantitative and qualitative research by implying that the former employs some form of measurement while the latter does not. According to Sukamolson (2007), a quantitative research approach seeks to explain the research phenomenon using sets of numerical data-related questions. This is not limited to quantitative data, but questions could be set to have an outcome of quantitative results.

Following the quantitative approach, the study is broken down into sub-variables which are considered and supported by literature about the relationship on these variables and the study. Quantitative research variables used for this study which influences adoption by wellness programmes include:

- Age of the organisation
- Number of employees
- EWP budget
- EWP bost
- EWP awareness
- EWP benefit
- EWP participation
- EWP effectiveness.

Most SMEs are financially impacted by the current economic challenges which lead to the neglect of the wellness services (Holt & Powell, 2015).

Holt and Powell (2015) argues that SMEs usually have long working hours compared to large corporate firms and therefore absenteeism comes as an additional challenge since the workload would increase for an already limited staff complement.

2.4 FRAMEWORK(S) FOR INTERPRETING RESEARCH FINDINGS

2.4.1 Employer Health and Productivity Roadmap

The University of Pittsburgh Medical Centre (UPMC) Health Plan and Work Partners have developed an integrated strategy called the Employer Health and Productivity Roadmap (EHPR) to address the core drivers of poor health, excessive medical costs, and lost productivity (Parkinson, 2013). This study followed similar approaches in interpreting the theoretical framework and intervention related to the ineffective and low adoption of employee wellness programmes particularly within SMEs.

The EHPR has six main elements which provide an integrated and incentivized strategy for employers to address the core drivers of poor health, excessive medical costs and lost productivity as suggested by Parkinson (2013):

- Optimize environment: Building a sustainable environment that complements health culture, performance and productivity is key to business competitiveness and health status.
- Increase health behaviours: Health behaviours includes healthy eating, physical activities, low alcohol consumption and non-smoking. All these result in low productivity and healthcare related wellness costs. Holt and Powell (2015) highly recommends employee rewards as an incentive to drive health behaviours through healthcare assessments, screening tests and immunisation.
- Minimize acute care: This focuses on proactively managing the avoidable illness by site visits as opposed to telephonic services. This is complemented by convenient access to healthcare which is supported by the view of Holt and Powell (2015) that acute illness can be avoided by providing efficient healthcare.

- Optimize chronic care: The cost of chronic diseases can be minimized by incentivising the enrolment and participation in tailored health-coaching-programmes.
- Reduce excessive surgery: Most chronic surgeries are expensive both in healthcare and employer productivity, including "spinal pain and cardiac procedures, hip and knee replacements, and advanced imaging in the absence of clinical red flags".
- Speed transition Care-Home-Work: The research shows that most of the absenteeism is caused by mental health, social concerns and musculoskeletal conditions which require close monitoring to prevent high productivity costs.

2.4.2 Product development (Lean Start-up)

Taking into consideration the EHPR, the study followed the product development process to assist in interpreting the research findings. Veryzer Jr (1998) suggests the use of product development in building competitive advantage and improving profitability. March-Chorda, Gunasekaran, and Lloria-Aramburo (2002) on the other hand argues that the product development also works on existing product whereby new value-adds can be incorporated or a complete product redesign done to remain competitive.

Ernst, Hoyer, and Rübsaamen (2010) suggests key stages to be considered during implementation of a product or service as being Concept development and Product/Service Design. Acording to Shepherd and Gruber (2020) learn start-up uses five stages to help minimise the risk of failure in an incremental manner: a) Finding and Prioritising Market Opportunity; b) Designing Business Model; c) Validated Learning; d) Building MVP; and e) Persevere or Pivot with Cause of Action.

As opposed to the traditional product development where there is a requirement thatone stage is 100% complete before the next task, Blank (2013) suggests an agile approach in product/service development which gives the flexibility to build small deliverables in an incremental and iterative manner which minimises the risk of

failure and increases the chances of being competitive. This method will be used in a business venture proposal to help interpret the findings.

2.5 SUMMARY AND CONCLUSION

2.5.1 Summary of literature reviewed

The literature review revealed the need for wellness intervention in the SMEs. Most scholars suggest that wellness programmes are being viewed as an additional expense in SMEs. However, over the long term there is a significant value in productivity and healthcare expense reduction. It is evident that there is a gap in most scholarship as the focus tends to be on wellness research in the corporate entities.

With the Covid-19 impact being experienced by most businesses and the role that SMEs play in economic development, the literature review supports the need for further research in this subject field. This section also revealed that investment in worksite wellness does not realise the benefits in the short term. In this case most SMEs perceive a wellness programme as an additional cost as opposed to an expense.

2.5.2 Proposed research strategy, design, procedure, and methods arising from the literature reviewed

Most literature followed the qualitative research strategy to measure challenges and efficiency of worksite wellness programmes. Limited literature followed either a quantitative approach or a mixed research strategy. Although most studies followed the survey interview research design, few articles draw on case studies and observation in conducting their research. The structured interview appears to be the most favoured approach where both qualitative and quantitative questionnaires were designed.

CHAPTER THREE: RESEARCH STRATEGY, DESIGN, PROCEDURE AND METHODS

3.1 INTRODUCTION

In Section 1.2.3, four main questions were posed that this research report intended to answer: "Whether wellness programmes are effective in the SMEs for companies already enrolled for such programmes?"; "What are drivers of low adoption of employee wellness programmes within the SMEs?"; "What are the results of wellness interventions within the SMEs?"; and "What should inform a change in the wellness programme service offering to accommodate SMEs?". The literature was reviewed and an interpretative as well as conceptual framework developed which was used as a guide to select the most appropriate techniques for conducting the research. This chapter identifies and describes research approach, design as well as procedure and methods that were employed to collect, process and analyse empirical evidence. Broadly, it has three objectives: namely, to identify and describe the research strategy (Section 3.1), the research design (Section 3.2), as well as the procedure and methods (Section 3.3). The chapter also describes the reliability and validity measures (Section 3.4) that this research applies to ensure credibility as well as the technical and administrative limitations of the choices (Section 3.5).

3.2 RESEARCH STRATEGY

According to Bryman (2016), research strategy is a general orientation which is used to undertake social research. This includes the three strategies available in conducting research: qualitative, quantitative and a mixed strategy which sometimes is called a hybrid strategy.

3.2.1 Research philosophy

Before discussing the research approach for this study, the research philosophy is discussed as well as approach followed for this study. Bahari (2010) defines the research philosophy as primarily an assumption in the social world and therefore uses the assumption to shape the process to be followed in conducting social research.

Bryman (2012) and Bahari (2010) provide views of the epistemological and ontological social research philosophies:

Table 1: Research Philosophy

Philosophy	(Bryman, 2012)	(Bahari, 2010)	Comment
Positivism	The positioning of a theory in justifying the use of natural science method in the real world	Positivism always assumes that there are social facts about the reality than human belief.	Positivism used to prove that social world exists
Interpretivism	This philosophy appreciates the different between objects and human beings and requires social scientists to interpret the social action.	Allows the researcher an opportunity of a role-player with the assumption that all values are similar.	Interpretivism is less strict and allows the researcher an opportunity to use their understanding of the social world
Objectivism	Justifies that the meaning of social research has an existence which is not dependent on the social actor	Belief that the reality is to be found and therefore the researcher should look at "nature of relationships among the elements of their constituent". Mainly used in quantitative research.	Objectivism supports the interdependency of social actors in the social world
Subjectivism/ Constructivism	Believes that "social phenomena and their meanings are accomplished by social actors"	Mostly applied in a qualitative research type, it assumes that social life is the result of interaction by social actors.	Subjectivism suggests that reality is dependent on social actors.

Given the nature of this research and its objectives, the researcher adopted the positivism epistemological orientation approach which is objective-oriented in

interpreting the social world. On the other hand, this research study followed an objectivism ontological orientation which supports the interdependency of participant and researcher.

3.2.2 Research approach

Before choosing a research approach, different research strategies were explored. Starting with the qualitative research strategy, Sukamolson (2007) describes this method as a deductive approach to interpret the relationship between the theory and research. This strategy uses quantification during data collection and analysis (Bryman, 2016). In contrast, Richard (2013) describes a quantitative research strategy as one that follows an inductive approach which focuses on a scientific numerical model to collect, analyse and interpret the variables of a research. Lastly, a mixed strategy is a combination of the quantitative and qualitative research strategies in one research. However, Bahari (2010) describes qualitative research type as being intensive while quantitative is deemed as extensive.

Considering the literature and given the national restrictions in South Africa related to Covid-19, a quantitative strategy was the best choice to conduct this research. The quantitative strategy is also supported by Newman, Benz, and Ridenour (1998) who argues that the quantitative approach has an advantage of revealing the common reality which is evidence-based. The quantitative approach also complements the research questions and the hypothesis of the study which, according to Richard (2013), provides the custodians with a complete view and depth of understanding of the research concept.

The quantitative research strategy was followed by McCoy et al. (2014) during the evaluation of factors influencing the adoption and effectiveness of wellness programmes in small businesses. By applying a quantitative strategy, McCoy et al. (2014) managed to evaluate the participation rate in wellness programmes. The benefit of using the quantitative dominant strategy, referred as "dominant-less-dominant" approach by Schulze (2003), is the fact that it complements strengths and limitations for a qualitative approach.

Given the nature of the research topic, Schulze (2003) argues that it is necessary to ensure that the research result is accurate and therefore quantitative strategy is the only strategy that can offer the assurance of the findings.

3.3 RESEARCH DESIGN

According to Bryman (2012), research design provides a framework for the collection and analysis of data. This is supported by Durrheim (2006) who defines research design as a methodology that serves as a bridge between the research questions and how the research is executed. A choice of research design reflects decisions about the priority being given to a range of dimensions of the research process (Bryman, 2012). According to Khalid, Abdullah, and Kumar M (2012), it is critical for the research to assess different research designs aligned to their objective as this will help shape the research project. Bryman (2012) suggested five generic research designs:

- Experimental: This research process is favoured within the quantitative approach and therefore used to gain roboust confidence of the research findings compared to non-experimental research.
- Cross-sectional: Uses surveys for data collection in a structured interview or questionnaires aimed at bringing a deep connection into people's minds. This is mainly used for a quantitative research strategy.
- Longitudinal: This research design allows for a mixed research strategy whereby both quantitative and qualitative approach is used. This research type is not favoured within social research due to timeframe and cost associated with it.
- Case study: This type of design favours qualitative approach as opposed to quantitative since it involves unstructured interviews.
- Comparative design: Compares two or more contrasting cases using similar methods to help better understand social phenomenon.

This research study followed a cross-sectional survey design as the best design method given the context and consequences of Covid-19 and national lockdown restrictions and the practice of social distancing. Most literature in the wellness

discourse follows a cross-functional survey research design although some used a qualitative research design.

3.4 RESEARCH PROCEDURE AND METHODS

This section documents the actual procedure and the methods employed in this research to collect, collate, process and analyse empirical evidence. Broadly, the data and information collection instruments are explained (Section 3.4.1), the target population and sampling of respondents clarified (Section 3.4.2), the ethical considerations during the research process (Section 3.4.3), data and information collection process and storage (Section 3.4.4), data and information processing and analysis (Section 3.4.5) presented, as well as the background description of the respondents who provided empirical evidence for this research study (Section 3.4.6).

3.4.1 Research data and information collection instrument(s)

Bryman (2012) defines the data collection instrument as a method used to collect information from more respondents. Two more common methods are explained below:

- Observation schedule: This method seeks to observe the human behaviour through a set of objective questionnaires with the aim of collecting data (Williams, 2007). In this method Kothari (2004) argues that respondents are not being interviewed but rather being investigated whereas according to Bryman (2012) the researcher either watches or listens to others.
- Interview schedule: Part of the structured interview and this method of collecting data is usually carried out in a structured way where output depends upon the ability of the interviewer to a large extent (Kothari, 2004).
- Self-completed questionnaire: This method is convenient due to its self-administered capability and can cover a range of respondents faster than other methods (Bryman, 2012).

This study followed a self-completion questionnaire due to the convenience it gives to the respondents, and since according to Bryman (2012) this method was not impacted by the character of an interviewer. Given the Covid-19 restrictions, Kothari (2014) argues that the questionnaire method would assist in reaching respondents

who were not going to be available for interviews or observations. The research instrument followed for this research study is detailed in the Appendix.

Bryman (2012) describes research data collection instrument structure as a form of administration for the research data collection: a) Fully structured: Respondents are given the exact same questions; b) Semi-structured: More general questions but the sequence could change based on the interviewer; c) Unstructured: Interviewer would only have topics to be covered as a guideline and would have to choose how to phrase the question.

Based on the chosen self-completion questionnaire research design, this study therefore followed the fully structured data collection approach. According to Kothari (2004), the structured questionnaire allows the questions and answers to be coded upfront. The source of research questionnaire was based on the literature review which was also supported by the research objectives.

3.4.2 Research target population and selection of respondents

3.4.2.1 Research target population

The target population for this study was SMEs within the Johannesburg region where there are at least five staff members. The researcher targeted 15 SMEs for the employers without wellness services and five companies where there is an existing wellness provider.

3.4.2.2 Research sampling

Singh (2006) defines sampling as a key and dependent technique for research work which looks at reducing the total population. According to Shields and Twycross (2008), there are two types of sampling in a quantitative research: a) Representative focuses on ensuring that the research covers almost everything to achieve unbiased and usually randomised results; b) Convenience sampling is favoured by researchers whereby there was less work done on the subject.

The researcher followed the convenience/purposive sampling due to the Covid-19 pandemic and literature review on South African SMEs. Although reliability can be questioned in this method, Singh (2006) argues that it gives control to the significant variable which is supported by the quantitative approach.

3.4.3 Ethical considerations when collecting research data

According to Guillemin and Gillam (2004), there are two types of ethical consideration when collecting data for research purpose: a) procedural ethics: this involves the completion of the form that requires the committee to grant permission; b) ethical practice: ensuring ethical consideration during the daily research activities.

3.4.3.1 Permision

This study adopted the ethical consideration whereby clearance was obtained from the Wits Business School (WBS) ethical committee before conducting the research. Attched to Appendix 1 is the "informed consent letter" which was sent to the organisations seeking permission to conduct research within their organisation. This form clearly articulates the purpose and the importance of the research.

3.4.3.2 Participants

The researcher also attached the consent form to the survey questionnare which has the ethical form where the respondent or participant agrees to the terms before starting with the questionnare. Please refer to Appendix 1, "consent form" section.

3.4.3.3 Data Instrument

The data instrument is developed in such a manner that it protects the employers in a quantitative manner. A range was used as opposed to the company giving an exact figure, for example "How long have you been in an uninterrupted business operation?", and this question had responses that ranged from "0 to 1 year", "1 to 5 years".

3.4.3.4 Summary

Apart from the above ehtical considerations, the researcher committed to the following:

- The respondent information was kept confidential and interpreted without revealing the respondent details.
- No harm or stress was caused to the respondents.
- Respondents were given the right to opt out at any given time during the research.
- The informed consent form was obtained from the respondent before the interview/questionnaire was provided.

3.4.4 Research data and information collection process

Many scholars describe data collection as the critical point of any research project, and Bryman (2012) emphasises that research question cannot be answered without data gathering. There are four research data collection methods, namely participation observation, interviews, focus group discussion and documents.

As previously discussed in section 3.3.1, this study adopted the questionnaire method in data collection. As per the POPI Act and according Staunton and De Stadler (2019), respondent information must be protected and secured.

3.4.5 Research data and information processing and analysis

3.4.5.1 Research data and information processing

Kothari (2004) describes the data processing exercise as critical for quantitative research as it involves editing, coding, classification, and tabulation for analysis. Following are some data processing exercises for the quantitative research strategy.

Data editing: In this study, the researcher used the SPSS tool to review the raw data and remove anomalies and invalid data before processing. According to Kothari (2004), data is assessed whereby errors are detected and corrected with the intention of having a good quality data set before analysis. This process is sometimes called data clean-up. Bahari (2010) emphasises the use of statistical analysis for a quantitative survey research design. According to Van den Broeck, Cunningham, Eeckels, and Herbst (2005), data cleaning exercise is an important aspect and a first step for all quantitative data analysis. Van den Broeck et al. (2005) further argues that

Data cleaning requires these steps before any evaluation can take place as it consists of screening, diagnosis and editing. While supporting the importance of data clean-up, Chu, Ilyas, Krishnan, and Wang (2016) argues that data clean-up consists of error detection and repairing. Most common errors in quantitative research studies are a) Duplication Error, b) Attribute Error, and c) Relevant Error.

Data coding: Kothari (2004) defines coding as a process of categorising answers into either numerics or symbols for ease-of-use for the researcher. For this research study, most of the coding exercise was already applied during the survey questionnaire design. The researcher only applied coding to the following survey questions.

Table 2: Employers without EWP

Question	Answer and code
After enrolling for employee wellness programme, what are the most related results?	1 = Capacity created to focus on core business objectives 2 = Additional administration which resulted in reduced capacity for core business activities 3 = No changes
In your opinion what could be improved to make employee wellness effective?	1 = More Engagement 2 = Change offering 3 = No Improvement required 4 = Other
If wellness service provider would propose to implement employee wellness programme at your worksite, what is the most important aspect to consider? Please choose only 2 items:	1 = Guarantee on productivity 2 = Cheaper pricing 3 = Guarantee on staff wellbeing 4 = Decrease in medical expenses
Do you believe government should sponsor SMEs on wellness services?	1 = Yes, it is expensive 2 = No, it is company's responsibility 3 = Not sure
In your opinion, why are companies reluctant to enrol for employee wellness services?	1 = High cost 2 = No proven return 3 = Awareness 4 = Other

Table 3: Employers with EWP

Question	Answer and code
In your opinion what could be improved to make employee wellness effective?	1 = Improve on engagement 2 = Introduce new services 3 = Improve on awareness

3.4.5.2 Research data and information analysis

According to Singh (2006), research data analysis refers to the process of studying and rearranging the processed data with the intention of finding meaning or interpretation. There are multiple data analysis methods which includes regressions analysis, multi-regression analysis and correlation analysis.

This research study followed a descriptive statistic in data analysis as a first step and then moved to correlation and regression analysis to show relationships between variables per each grouping (Employers with and without wellness services). These methods undertake a depth analysis for both dependent and independent variables to show negative and positive correlations as suggested by Kothari (2004).

3.4.6 Description of the research respondents

As briefly explained in section 3.4.2.1, the researcher collected data from the following respondents:

- Directors of the selected SMEs within the Johannesburg region.
- Due to the limitation on available SMEs during Covid-19, the researcher looked at employers in the following sectors: IT, Media, Consulting and Retail.

3.5 RESEARCH STRENGTHS

3.5.1 Validity

According to Heale and Twycross (2015), validity is referred as the method used in a quantitative survey to measure the extent in which a concept is accurate. Bryman (2012) argues that validity is an important aspect of the research since it looks at the integrity of the conclusion driven from any research study. Kothari (2004) on the other hand believes that validity cannot be looked at in one view and therefore extends validity into three categories: a) content validity which looks at only providing adequate coverage of the research topic; b) criterion-related validity which focuses on an estimated prediction of any outcome of a situation; c) construct validity which looks at a theoretical proposition to measure the extent of the estimated correlation.

In the study, the research followed the necessary steps for data collection, analysis and reporting which was based the research results as well as the literature. This was the basis of the validity of the study before reaching a conclusion.

3.5.2 Reliability

Bryman (2012) describes reliability as the question of whether the conducted research study could be repeated. For example, according to Heale and Twycross (2015), the researcher should be able to obtain the same results whenever this research study is conducted. Heale and Twycross (2015) describes three types of reliability measures: Homogeneity, Stability and Equivalence. Kothari (2004) believes that a reliable research instrument can be validated. With this, the researcher followed a thoughtful research instrument which is supported by the literature and steps prescribed when conducting a structured interview research approach to support the validity of the study. Cronbach's alpha was used as a primary tool to test the reliability of the data received for the Employers with EWP and Employers without EWP respectively.

3.6 RESEARCH LIMITATIONS

The research adopted a quantitative strategy which, according to Bryman (2012), presents a concern in that the researcher cannot easily generalize findings. With this, the researcher justified the scope of the study when drawing conclusions.

One of the main limitations of the research design for this study was the availability of respondents given the type of respondent and the prevailing national lockdown restrictions. The selected sample for respondents was directors of SMEs and not general employees. Although purposive sampling would have been a solution to this, as Singh (2006) explains, the research would need substantial knowledge in the population.

The administrative activities used during this research study were as follows:

- Data collection took place from 1st December 2020 to January 30th 2021. These timelines were limited as most SMEs close during the December month and therefore limited this study to only collecting data either before December or in January 2021.
- Due to Covid-19 restrictions and the adopted model of working remotely, the researcher at some point used telephonic as well as email appointments to access and interact with respondents. The challenge posed with this approach

relates to events where there is no response to the email or telephone contact. The preferred approach would be site visits which could be limited due to the national lockdown restrictions on physical visits.

- The questionnaire was sent via email and via SMS as a secondary option. The Survey Monkey tool was used to create the questionnaire which was then distributed as a weblink. The limitation to this was that some SMEs block such emails or put these into the spam folder which limits the research execution.

3.7 CONCLUSION

This section was divided into four sub-sections to look at the best literature on research methodologies and justification for why one method was preferred over the others. The researcher chose a quantitative approach to this research which followed a deductive approach. Due to limitations of Covid-19 restrictions, the sampling was purposive, and the data collection method selected was a survey questionnaire which allows for self-completion.

In this research study, the survey questionnaire was used to obtain feedback on the existing SMEs already enrolled for the wellness programmes and from employers and employees where a wellness programme is not adopted. With this, incumbents were given an opportunity to point out challenges experienced with the existing service providers while non-wellness employers had to look at factors preventing them from adopting the worksite wellness programme in a deductive manner.

Key takeaways for this section were that most studies in the wellness context followed a qualitative approach and interviews while few adopted the quantitative approach. The researcher followed quantitative approch due to national regulations against covid-19. The data analysis and processing approach followed was statistical with limited coding required.

CHAPTER FOUR: PRESENTATION OF RESEARCH RESULTS

Data was collected using the research method discussed in the previous section. This section presents the research results based on research questions for each sub-section as prepared from section 1.2.3. These results were then analysed in a statistical form and presented in the form of research question, hypothesis, and proposition. Once all the detailed results are presented in this section, a summary will be presented as a conclusion.

4.1 CRONBACH'S ALPHA

According to Tavakol and Dennick (2011), Cronbach's alpha is used to determine the reliability of data where there is a correlation between variables where higher value reflects higher correlation. The researcher used the data obtained from the survey. For the researcher to do an analysis of the data he/she must determine if the data is reliable or not. To test for reliability, the researcher used the statistical tool called the SPSS to determine the Cronbach's alpha. The tables below show the Cronbach's alpha measured in SPSS for each survey.

Table 4: Cronbach's alpha for Employers with EWP

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.952	.976	4

Table 5: Cronbach's alpha for Employers without EWP

Reliability Statistics

Cronbach's Alpha	N of Items
.830	5

Cronbach's alpha for the study is 0.952 and 0.830, respectively. According to the literature these are good ratios, and this indicates that the data has high internal

consistency and is reliable. The researcher can therefore continue with the data analysis. In the next step, the researcher will analyse the relationship between the variables using the correlation coefficients. The following table shows the correlation coefficients for the variables in the study.

4.2 DEMOGRAPHIC INFORMATION

The tables below illustrate the demographics for the selected samples for both employers with and without the wellness service programme. All participants were based in the Johannesburg region. More details on the statistical details refer to the next section (descriptive statistics) and appendix.

Table 6: Employers with existing wellness service

Participant	1	2	3	4
Number of employees	Less than 10	Between 20 and 50	Between 50 and 100	Between 50 and 100
Age of the organisation (years)	Between 2 and 5	Over 10	Over 10	Over 10 years

Table 7: Employer without existing wellness services

Partic-ipant	1	2	3	4	5	6	7	8	9	10
Number of employees	Less than 10	Bet-ween 20 and 50	Bet-ween 10 and 20	Bet-ween 20 and 50	Bet-ween 20 and 50	Bet-ween 10 and 20	Less than 10	Bet-ween 50 and 100	Over 100	Less than 10
Age of the organisati on (years	Bet-ween 5 and 10	Bet-ween 5 and 10	Over 10	Bet-ween 5 and 10	Over 10	Bet-ween 5 and 10	Bet-ween 2 and 5	Bet-ween 1 and 2	Bet-ween 5 and 10	Bet-ween 1 and 2

4.3 DESCRIPTIVE STATISTICS

Nick (2007) defines descriptive statistics as a tool used to give a detailed view of the characteristics of a population using variables. The participant's responses are explored and any special findings for employers with and without wellness services respectively are noted.

4.3.1 Employers with Wellness Services

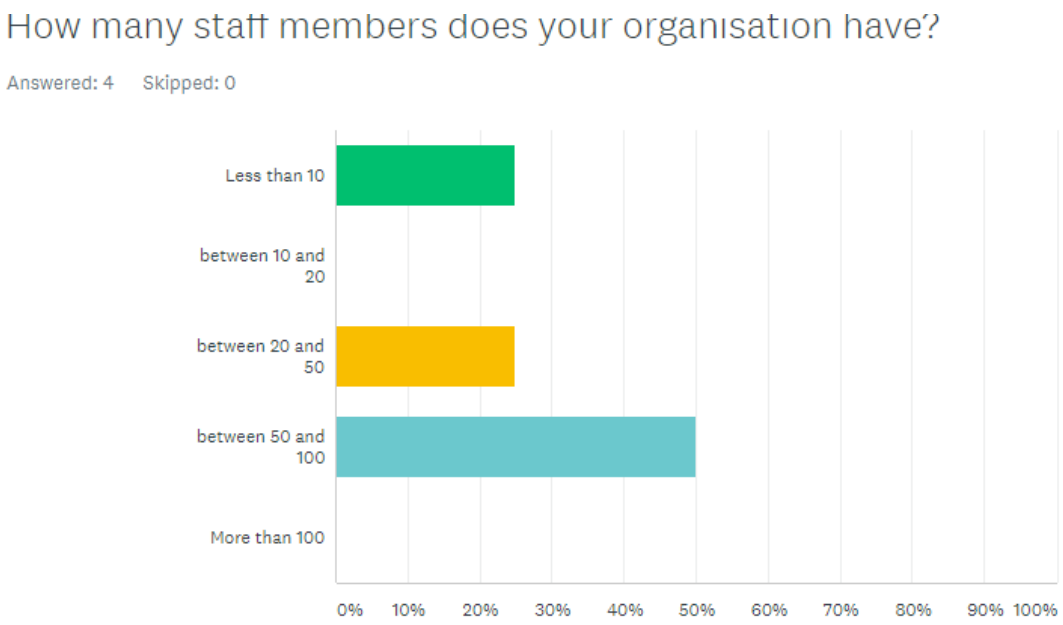


Figure 2: Number of Staff Members

None of the SMEs had more than 100 staff members but the majority have at least 50 while only one SME had less than 10 staff members.

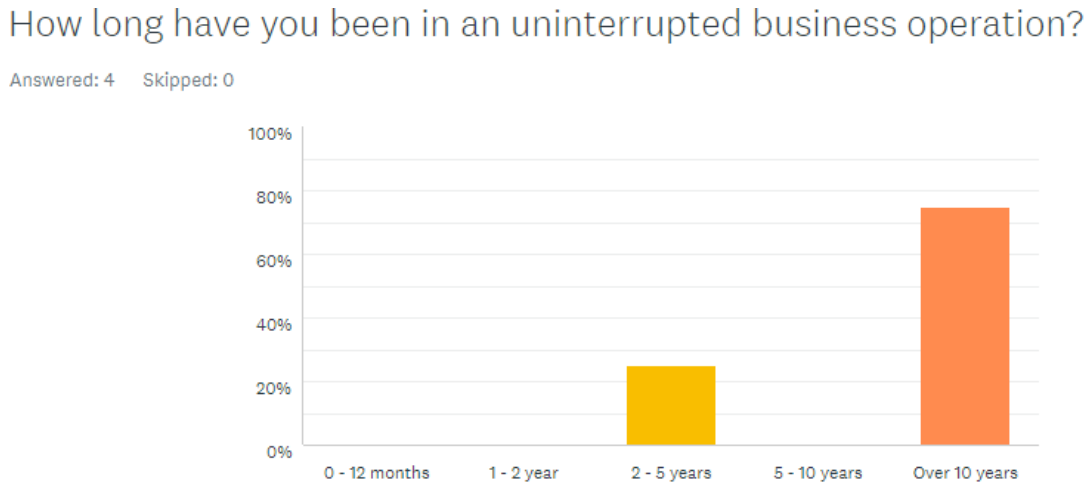


Figure 3: Years in Business Operations

The above information indicates that most SMEs have been in business operations for 10 years.

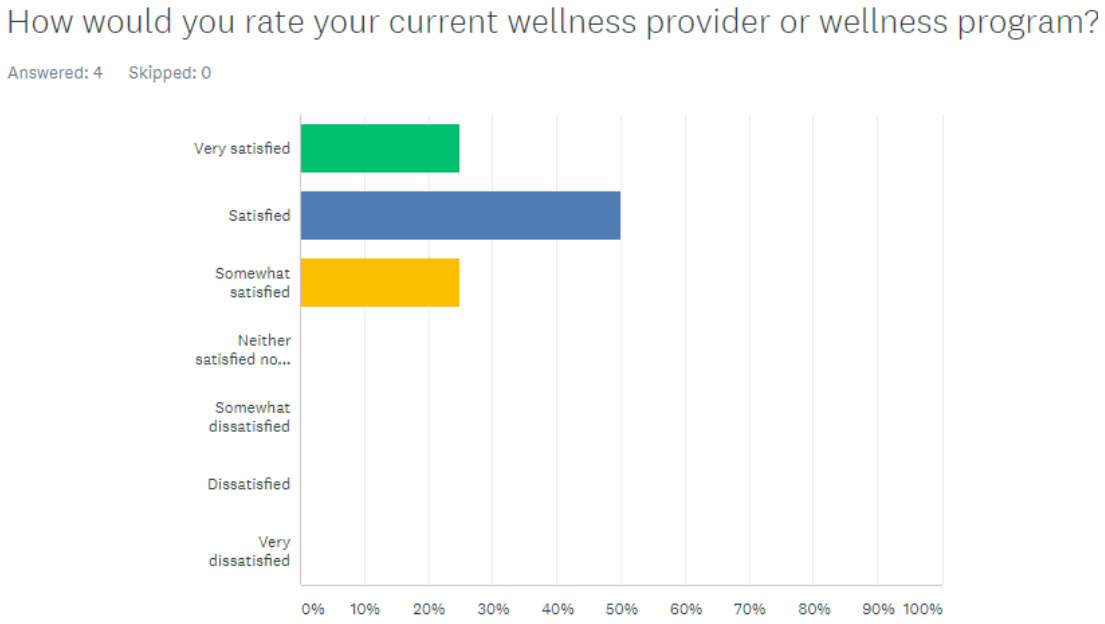


Figure 4: Rate your wellness service provider

Although the majority of SMEs were satisfied with their wellness services, at least 25% of SMEs were not fully satisfied with the services.

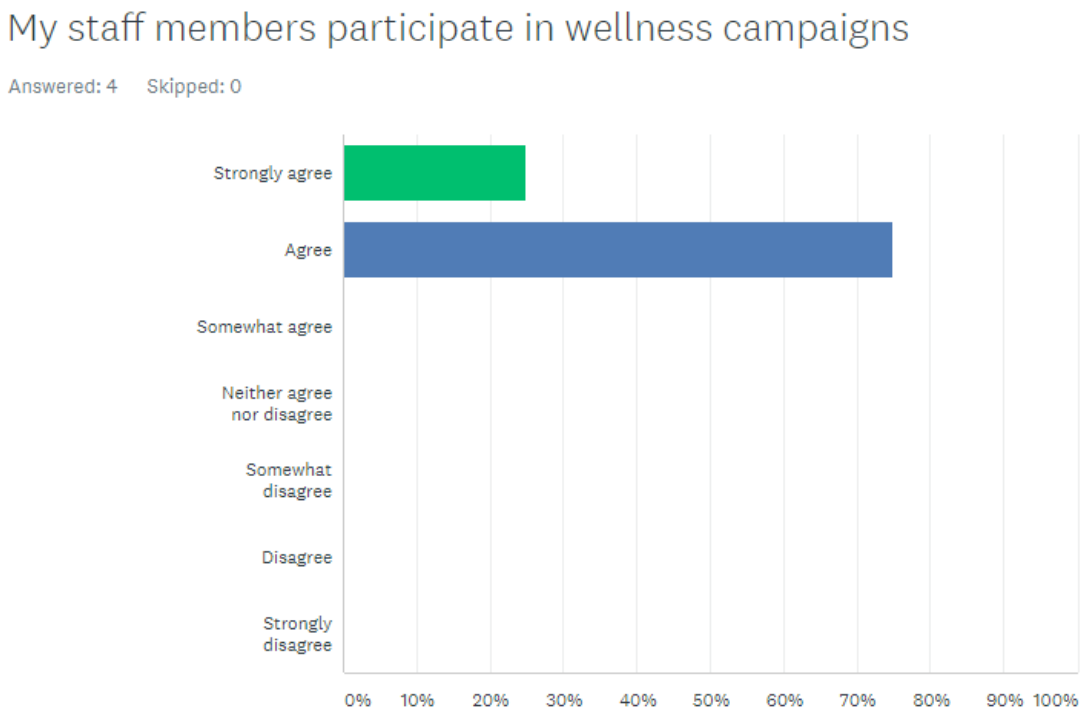


Figure 5: Wellness participation

The majority of the SMEs agreed that their staff members do participate in wellness services.

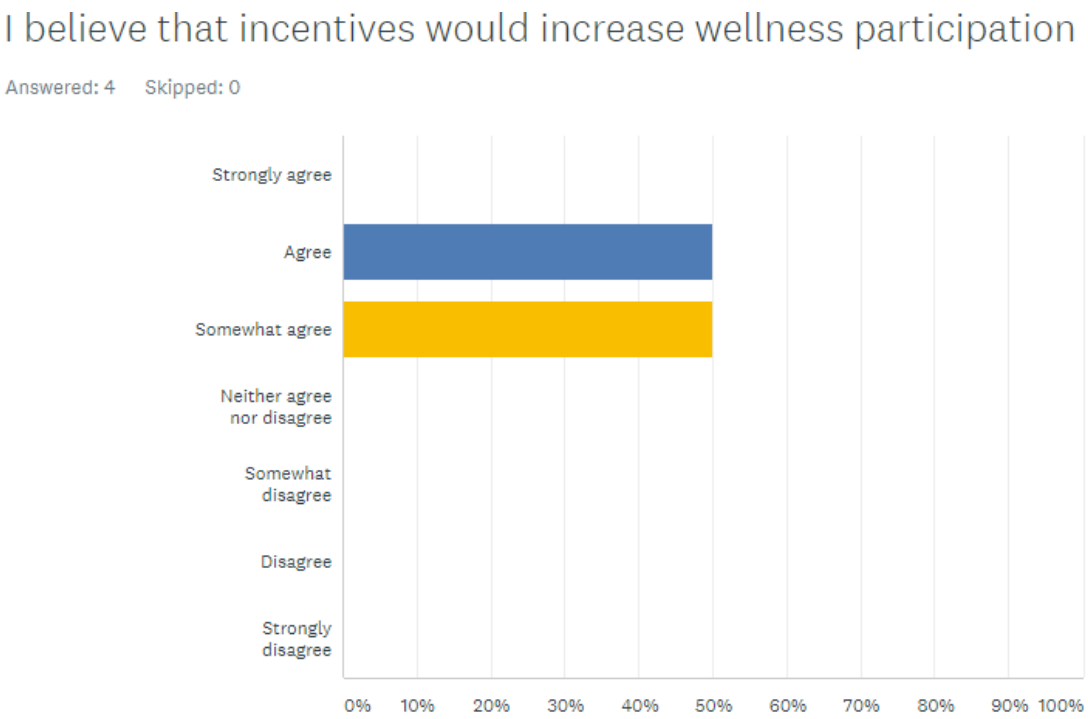


Figure 6: Employee Incentive for Wellness Participation

Most SMEs believe that incentives would boost participation in wellness services.

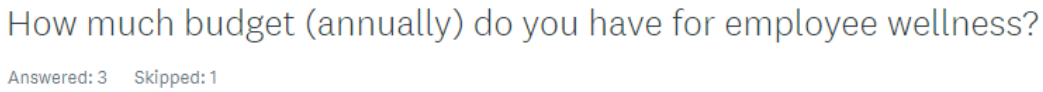


Figure 7: Wellness Budget

Although one participant did not respond to this question, the average budget for SMEs was about R27 000.

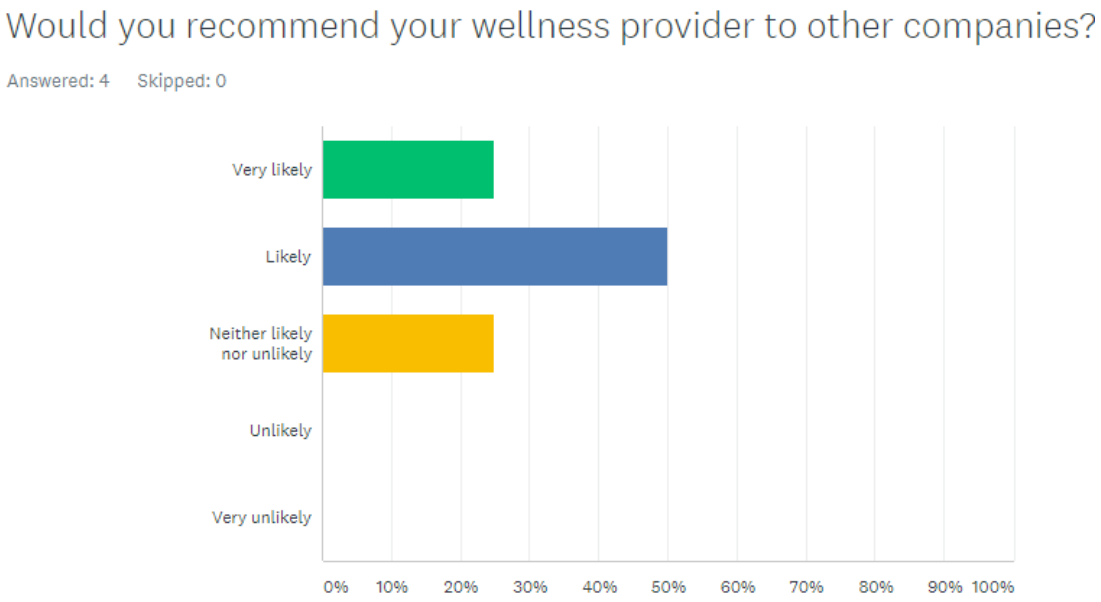


Figure 8: Rate your Wellness Service Provider (part 2)

Most companies are likely to recommend their services; however, other SMEs showed that they are unsure about recommending their wellness service providers.

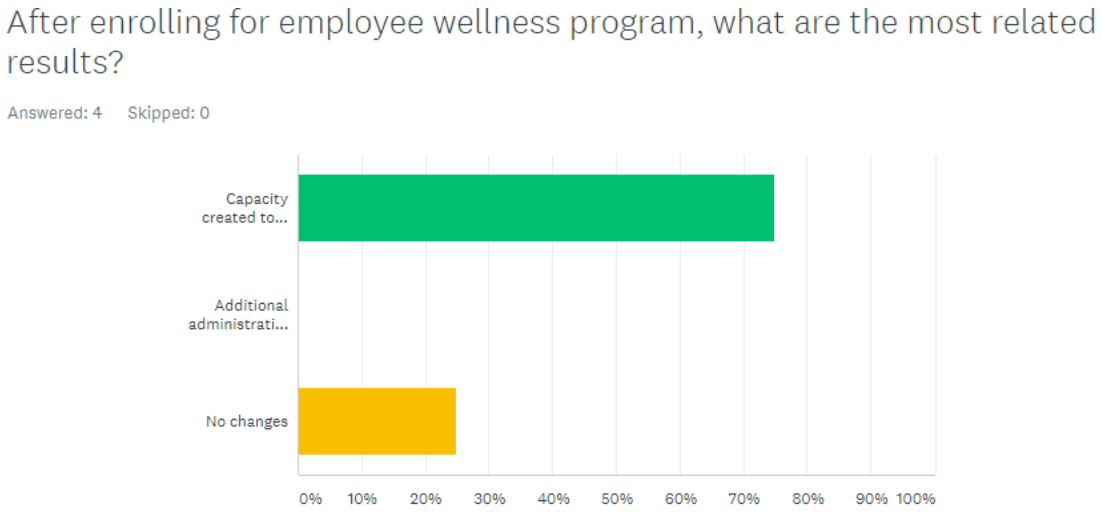


Figure 9: Wellness Intervention Results

Of the participants, 25% indicated that there were no changes to the wellness intervention although the remaining 75% believe that capacity was created for them to focus on core business operations.

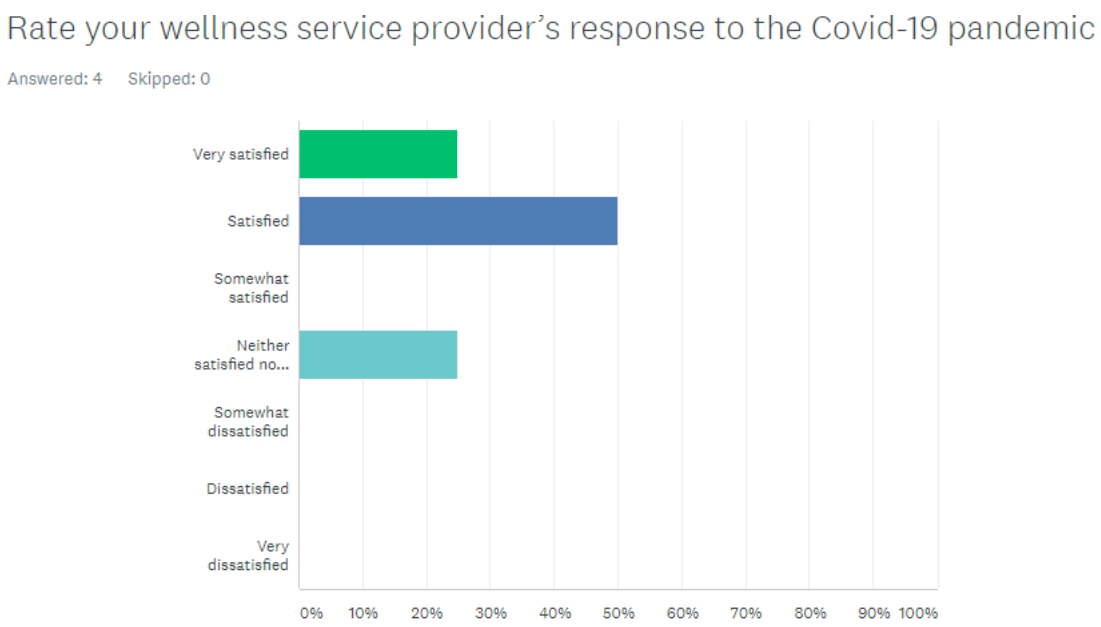


Figure 10: Wellness Response to Covid-19

While more than 50% of the participants were satisfied with the wellness service response to Covid-19, 25% did not indicate their satisfaction.

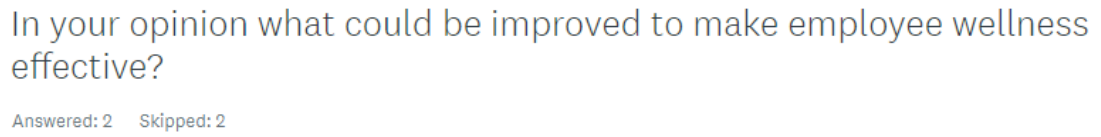


Figure 11: Wellness Service Improvement Recomendations

Although two participants did not respond to this question, 50% of the respondents revealed that wellness services should be more practical with a high engagement rate.

4.3.2 Employers without Wellness Services

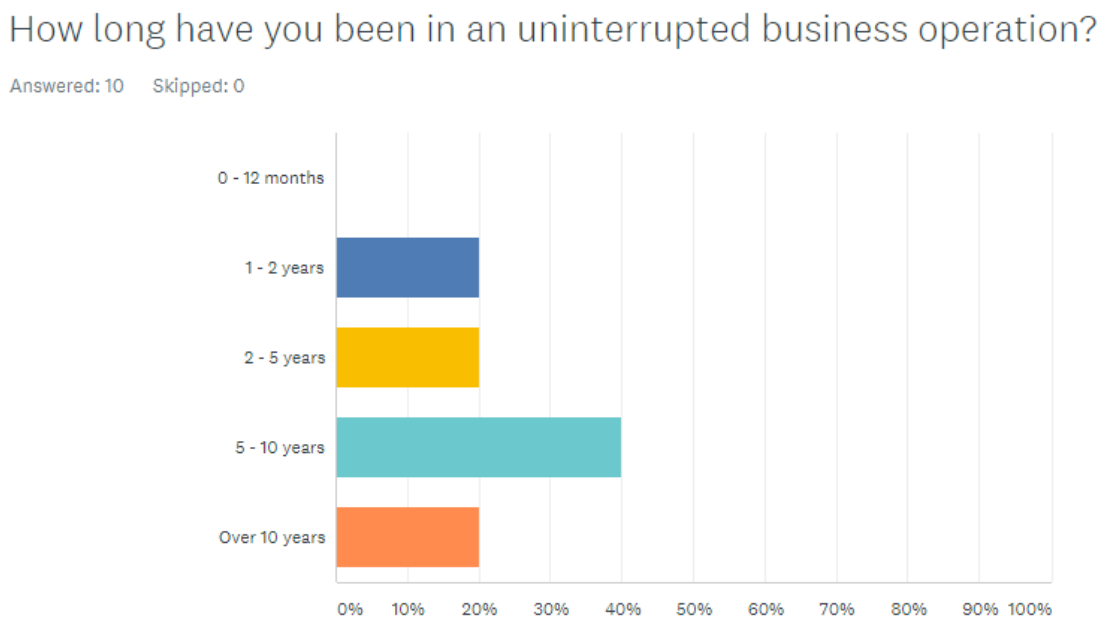


Figure 12: Age of the organisation

It was noted by respondents that 40% of the SMEs have been in business for at least 5 years. It was also noted that all the SMEs were in business for at least 12 months.

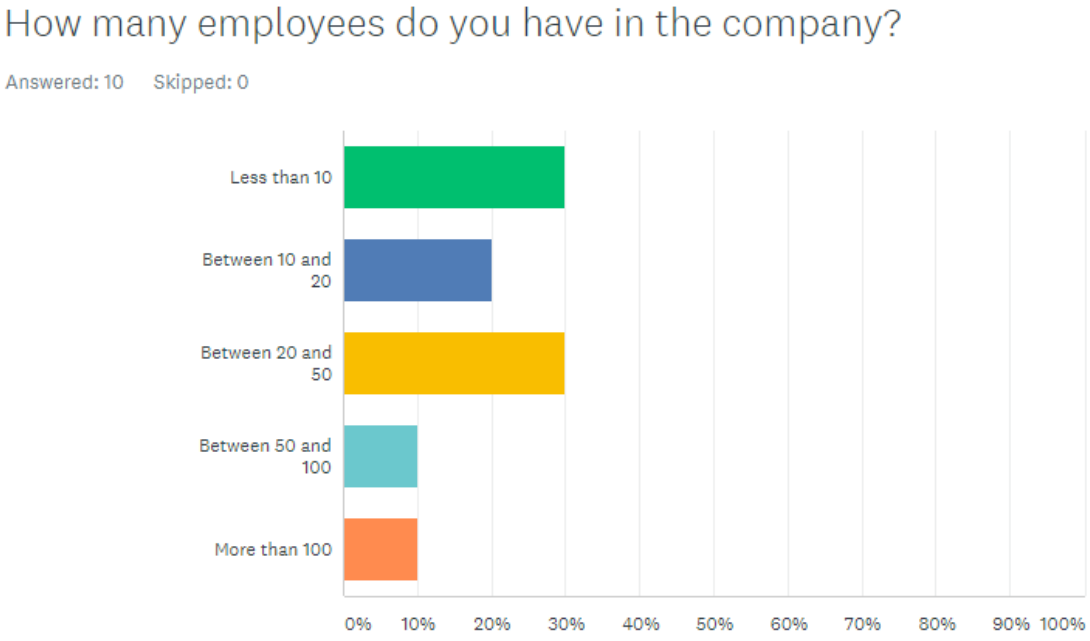


Figure 13: Number of Staff Members

Respondents indicated that 30% of SMEs have fewer than 10 staff members while 30% have at least 20 staff. Only 10% of the SMEs had more than 100 staff.

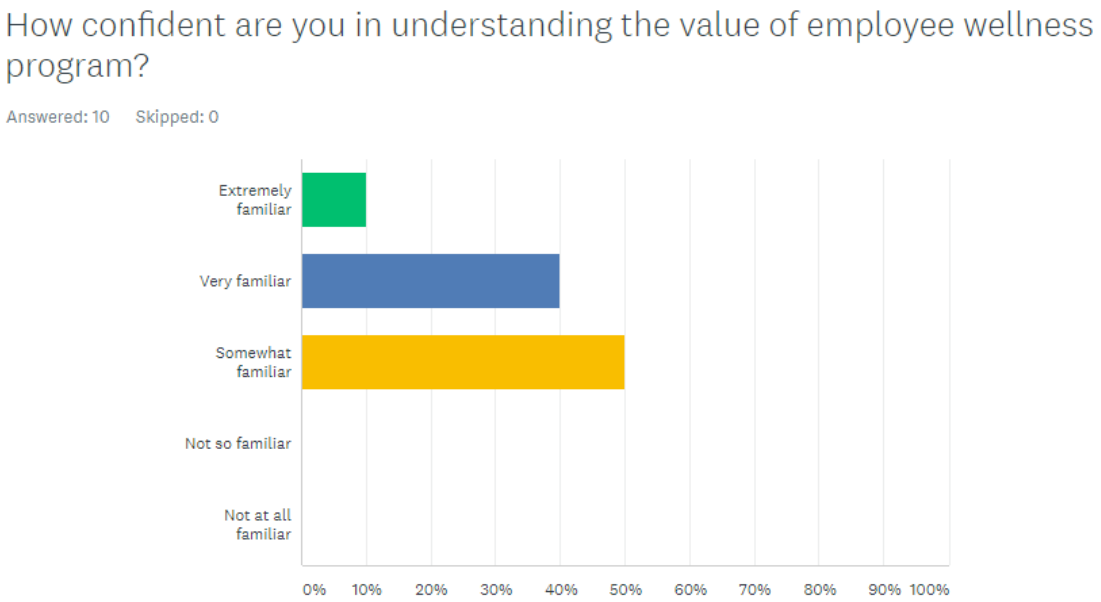


Figure 14: EWP Value Awareness

Respondents stated that 50% of the SMEs were not confident with the understanding of the value that employee wellness brings to the organisation.

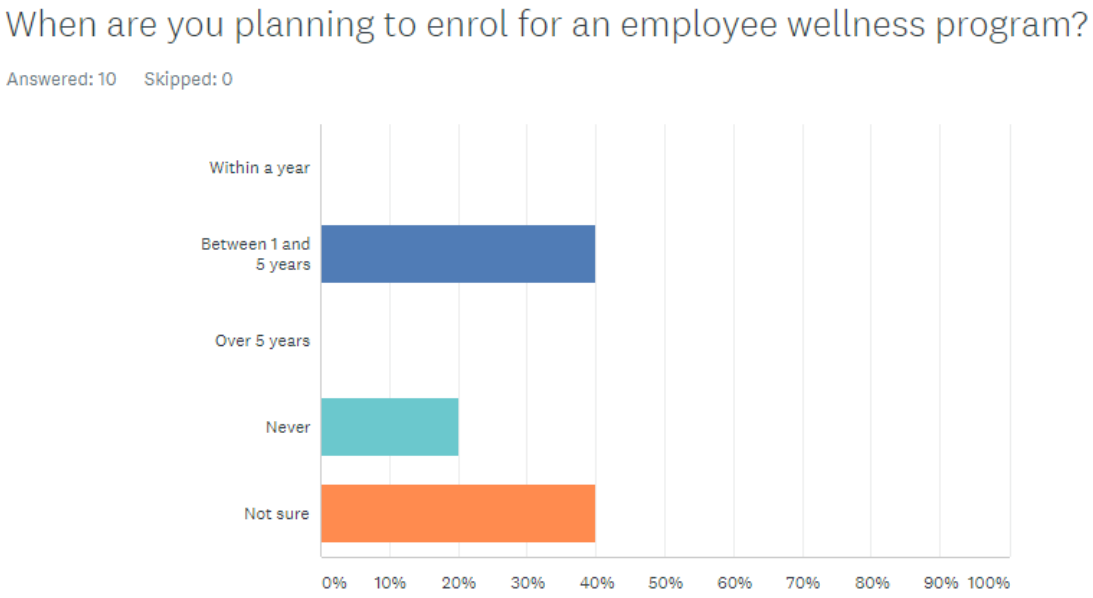


Figure 15: Plan to Enrol for EWP

Of the respondents, 40% indicated that they are not sure when to implement wellness services while another 40% mentioned that they are planning to enrol in one to five years, while 20% highlighted that they will not enrol in a wellness programme.

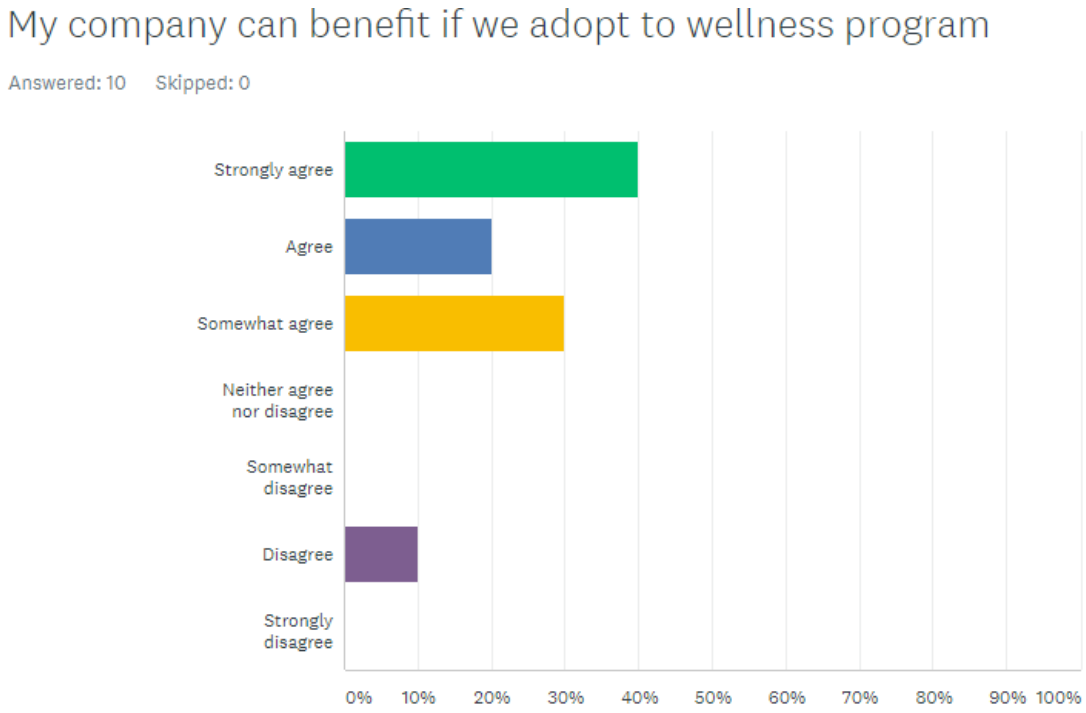


Figure 16: Benefit on EWP Enrolment

Of the participants, 60% believe that their company would benefit if they enrolled in wellness services while 10% disagreed and 30% slightly agreed.

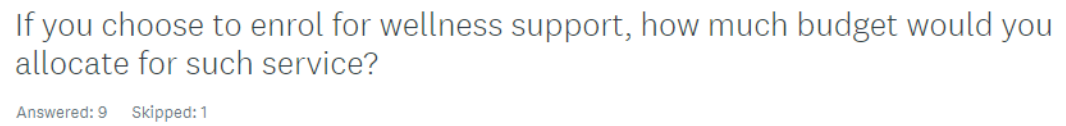


Figure 17: Budget for EWP

One participant did not respond to this question while 30% were not sure and 60% indicated that they would spend an average of R37 000.

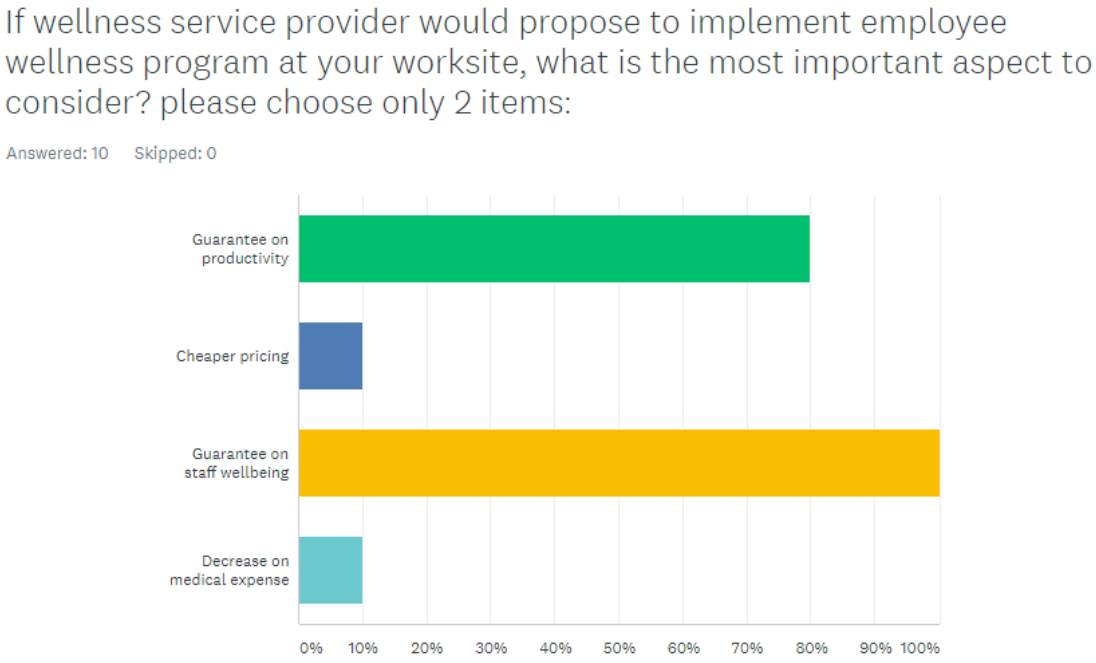


Figure 18: Most Important Value for EWP Enrolment

A guarantee of staff wellbeing is the most favoured measure of wellness programme effectiveness with 100%, while a guarantee of productivity follows at 80%. All cost-related aspects were considered the least of the challenges at only 10% respectively.

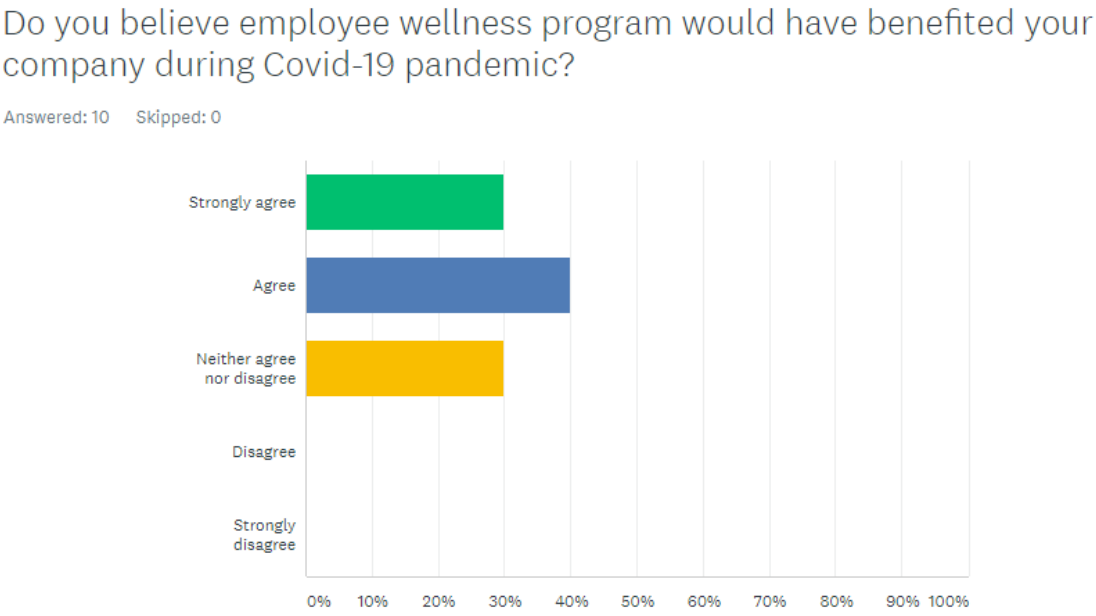


Figure 19: Wellness Desire During Covid-19

It was noted that 70% of SMEs believed that wellness programmes would have benefited them during the Covid-19 pandemic. Only 30% of the SMEs indicated that

they were not sure whether a wellness programme would have have benefited them during the Covid-19 pandemic.

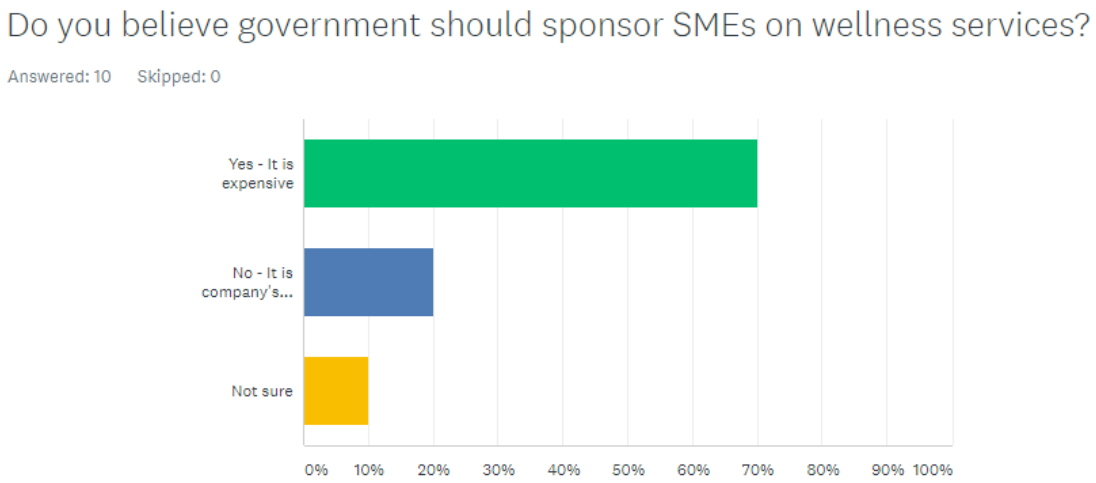


Figure 20: Expectation on EWP Sponsorship from Government

Of the respondents, 70% of the SMEs believed that the government should subsidise wellness services within the SMEs while 20% argued that it is the company's responsibility.

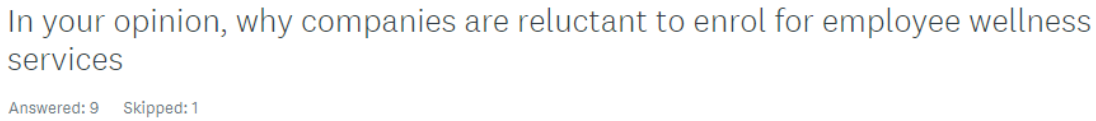


Figure 21: Most Reasons for EWP Enrolment Reluctancy

One SME skipped this question, but 50% of the SMEs highlighted that cost is the biggest factor and 20% highlighted lack of wellness values as the main concern. This highlights that most SMEs hire employees on a contractual basis.

4.3.3 Summarised descriptive statistics

Following the detailed descriptive statistical view on each question, the section below summarises the distribution for each question.

Table 8: Descriptive statistics for some questions in the study for companies with no EWP

Statistics

		How long have you been in an uninterrupted business operation?	How many employees do you have in the company?	How confident are you in understanding the value of employee wellness programme?	When are you planning to enrol for an employee wellness programme?	My company can benefit if we adapt to wellness programme
N	Valid	10	10	10	10	10
	Missing	0	0	0	0	0
Mean		2.6000	2.5000	3.0000	2.0000	4.9000
Median		3.0000	2.5000	3.0000	2.0000	5.0000
Mode		3.00	1.00[a]	2.00[a]	2.00	6.00
Std. Deviation		1.07497	1.35401	1.05409	.81650	1.10050
Range		3.00	4.00	2.00	2.00	3.00
Minimum		1.00	1.00	2.00	1.00	3.00
Maximum		4.00	5.00	4.00	3.00	6.00
Percentiles	25	1.7500	1.0000	2.0000	1.0000	4.0000
	50	3.0000	2.5000	3.0000	2.0000	5.0000
	75	3.2500	3.2500	4.0000	3.0000	6.0000

Table 9: Descriptive statistics for companies with no EWP

Statistics

		If you choose to enrol for wellness support, how much budget would you allocate for such service?	If wellness service provider would propose to implement employee wellness programme at your worksite, what is the most important aspect to consider? Please choose only 2 items:	Do you believe government should sponsor SMEs on wellness services?	Do you believe employee wellness programme would have benefited your company during Covid-19 pandemic?	In your opinion, why are companies reluctant to enrol for employee wellness services?
N	Valid	10	10	10	10	10
	Missing	0	0	0	0	0

Mean		2.4000	1.5000	5.7000	1.4000	2.4000
Median		2.0000	1.0000	6.0000	1.0000	2.0000
Mode		2.00	1.00	6.00	1.00	2.00
Std. Deviation		.96609	.84984	1.25167	.69921	1.26491
Range		3.00	2.00	3.00	2.00	4.00
Minimum		1.00	1.00	4.00	1.00	1.00
Maximum		4.00	3.00	7.00	3.00	5.00
Percentiles	25	2.0000	1.0000	4.0000	1.0000	1.7500
	50	2.0000	1.0000	6.0000	1.0000	2.0000
	75	3.2500	2.2500	7.0000	2.0000	3.2500

The tables above show the descriptive analysis for some of the study questions as mentioned in the table. This table presents the components of the measures of spread **(range and standard deviation)** and measures of central tendency **(mean, mode and median)** and also shows the percentiles which are commonly known as the quartiles (Q1, Q2, Q3), Q1 being the first quartile which shows 25% of the data points,Q2 being the median showing 50% of the data points and Q3 being the third quartile showing 75% of the data set.

Table 10: Descriptive statistics for companies with EWP

Statistics

		No of employees	Length of service	WP rating	Employee participation	Incentives
N	Valid	4	4	4	4	4
	Missing	0	0	0	0	0
Mean		2.6667	3.3333	3.0000	1.0000	4.6667
Median		3.0000	4.0000	3.0000	1.0000	5.0000
Mode		1.00[a]	4.00	2.00[a]	1.00	5.00
Std. Deviation		1.52753	1.15470	1.00000	.00000	.57735
Minimum		1.00	2.00	2.00	1.00	4.00
Maximum		4.00	4.00	4.00	1.00	5.00
Percentiles	25	1.0000	2.0000	2.0000	1.0000	4.0000
	50	3.0000	4.0000	3.0000	1.0000	5.0000
	75	.	.	.	1.0000	.

Table 11: Descriptive statistics for companies with EWP

Statistics

		No_of_employees	Length_of_service	WP_rating	Employee_participation	Incentives	Budget	Reccommendation	Enrolment_results	WP_Covid19_response	Improvements
N	Valid	3	3	3	3	3	3	3	3	3	3
	Missing	0	0	0	0	0	0	0	0	0	0
Mean		2.6667	3.3333	3.0000	1.0000	4.6667	2.3333	2.6667	1.6667	4.0000	3.00
Median		3.0000	4.0000	3.0000	1.0000	5.0000	2.0000	3.0000	2.0000	4.0000	3.00
Mode		1.00[a]	4.00	2.00[a]	1.00	5.00	2.00	3.00	2.00	3.00[a]	2[a]
Std. Deviation		1.52753	1.15470	1.00000	.00000	.57735	.57735	.57735	.57735	1.00000	1.000
Minimum		1.00	2.00	2.00	1.00	4.00	2.00	2.00	1.00	3.00	2
Maximum		4.00	4.00	4.00	1.00	5.00	3.00	3.00	2.00	5.00	4
Percentiles	25	1.0000	2.0000	2.0000	1.0000	4.0000	2.0000	2.0000	1.0000	3.0000	2.00
	50	3.0000	4.0000	3.0000	1.0000	5.0000	2.0000	3.0000	2.0000	4.0000	3.00
	75	.	.	.	1.0000	.	.	.	.	.	.

The tables above show the descriptive analysis for some of the study questions as mentioned in the table. This table shows the components of the measures of spread **(range and standard deviation)** and measures of central tendency **(mean, mode and median).** It also shows the percentiles which are commonly known as the quartiles **(Q1, Q2, Q3)** Q1 being the first quartile which shows 25% of the data points,Q2 being the median showing 50% of the data points and Q3 being the third quartile showing 75% of the data set.

4.4 CORRELATION

There are research questions that drive this study and the variables in the study need to be studied and understood. In order to study and understand the variables, the researcher investigated the relationships amongst variables. This relationship between variables is studied through a statistic known as a correlation coefficient. According to Nick (2007), correlation is simply a summary that measures two variables with the intention being to determine linear significancy of their continuous relationship. The researcher used the SPSS tool to determine the relationship between variables for each survey, respectively.

The coefficient ranges from -1 to +1. The -1 shows a negatively perfect relationship and a +1 shows a positively perfect relationship. A negative relationship is one whereby if one variable increases, the other decreases whilst the positive relationship

is one whereby one variable increases when the other one increases and decreases when the other decreases (Nick, 2007).

4.4.1 Research question: What are challenges experienced by the SMEs who already enrolled for EWP?

Table 12: Incentive vs. Employee Participation

Correlations

		Incentives	Employee participation
Incentives	Pearson Correlation	1	.623
	Sig. (2-tailed)		.
	N	4	4
Employee participation	Pearson Correlation	.623	1
	Sig. (2-tailed)		
	N	4	4

Table 12 above shows the relationship between the incentives and employee participation. The correlation coefficient obtained is 0.623 which shows a relatively good relationship between the two variables. It has a positive relationship, meaning there is a direct proportion between the variables. This means that the respondents believe that the more the incentive, the greater employee participation in the employee wellness plan is likely to be

.

Table 13: Budget vs. Employee Participation

Correlations

		Budget	Employee participation
Budget	Pearson Correlation	1	.213
	Sig. (2-tailed)		
	N	4	4
Employee participation	Pearson Correlation	.213	1
	Sig. (2-tailed)	.	
	N	4	4

Table 13 above shows the relationship between budget and employee participation in the employee wellness plan. It shows a positive relationship, but it is a significantly weak relationship. Although it is a weak relationship, this explains that the employee participation depends on the budget, and if there is no budget for the wellness plan in the company, there will not be any employee participating in the wellness plan as the company will not be in a position to afford the service. For the employees to take part in the wellness plan the company must have the means to afford the plan. This relationship shows that the more budget the company has the more access for employees to participate in the wellness plan.

Table 14: Improvement vs Employee Participation

Correlations

		Improvements	Employee participation
Improvements	Pearson Correlation	1	0.622.
	Sig. (2-tailed)		.
	N	4	4
Employee participation	Pearson Correlation	.622	1
	Sig. (2-tailed)	.	
	N	4	4

Table 14 above shows a relationship between improvements and employee participation. This shows a correlation coefficient of 0.622 which is a positive and strong relationship and implies that the employee participation increases with an increase in new offerings to the wellness services. The more improvements in the wellness solution, the greater the employee participation in the employee wellness plan is likely to be.

4.4.2 Research question: What are the drivers of low adoption in employee wellness programmes within the SMEs?

Table 15: Budget vs. Reluctancy

Correlations

		If you choose to enrol for wellness support, how much budget would you allocate for such service?	In your opinion, why are companies reluctant to enrol for employee wellness services?
If you choose to enrol for wellness support, how much budget would you allocate for such service?	Pearson Correlation	1	-.309
	Sig. (2-tailed)		.385
	N	10	10
In your opinion, why are companies reluctant to enrol for employee wellness services?	Pearson Correlation	-.309	1
	Sig. (2-tailed)	.385	
	N	10	10

In this case there is a negative relationship. This means that if the company has more budget, then the company will not be reluctant to enrol for a wellness plan but if the company has low to no budget, there will be reluctance to enrol for a wellness plan. The relationship between the two variables has a negative correlation coefficient with a value of 0.309 that shows a relatively weak relationship between the two variables. This then demonstrates reluctance.

Table 16: Government sponsor vs Company reluctance to adopt EWP

Correlations

		Do you believe government should sponsor SMEs on wellness services?	In your opinion, why are companies reluctant to enrol for employee wellness services?
Do you believe government should sponsor SMEs on wellness services?	Pearson Correlation	1	-.056
	Sig. (2-tailed)		.878
	N	10	10
In your opinion, why are companies reluctant to enrol for employee wellness services?	Pearson Correlation	-.056	1
	Sig. (2-tailed)	.878	
	N	10	10

In this part of the research, the researcher was investigating the relationship against the reluctance to enrol in a wellness programme. It is clear from the table above that the relationship between the two is very weak and negative with a value of -0.056. This implies that if the government offers enough support in the wellness programmes of the SMEs, then the companies would be less reluctant.

Table 17: Enrolment results vs Covid-19 responses

Correlations

		Enrolment results	WP_Covid19_ response
Enrolment results	Pearson Correlation	1	.866
	Sig. (2-tailed)		.333
	N	4	4
WP_Covid19_response	Pearson Correlation	.866	1
	Sig. (2-tailed)	.333	
	N	4	4

There is a strong positive result with a value of 0.866. This value implies that the two variables are directly proportional to each other. This means that the enrolment results would go up in response to the wellness plan in relation to the Covid-19 pandemic. This could be because of the increased sponsorship from the government

to support SMEs during the pandemic to ensure good employee health. The companies would enrol more in a high response to the Covid-19 pandemic.

Table 18: Enrolment vs Company benefits

Correlations

		When are you planning to enrol for an employee wellness programme?	My company can benefit if we adapt to wellness programme
When are you planning to enrol for an employee wellness programme?	Pearson Correlation	1	-.371
	Sig. (2-tailed)		.291
	N	10	10
My company can benefit if we adapt to wellness programme	Pearson Correlation	-.371	1
	Sig. (2-tailed)	.291	
	N	10	10

It is clear from the table that the correlation coefficient has a value of -0.371 which shows a weak and negative relationship between the variables. Most participants do not believe that their companies will benefit if they were to enrol for the EWP.

4.4.3 What are the results of wellness interventions within the SMEs?

Table 19: Benefits of adoption vs benefit from Covid-19 for companies without the EWP

Correlations

		My company can benefit if we adapt to wellness programme	Do you believe employee wellness programme would have benefited your company during Covid-19 pandemic?
My company can benefit if we adapt to wellness programme	Pearson Correlation	1	.375
	Sig. (2-tailed)		.285
	N	10	10
Do you believe employee wellness programme would	Pearson Correlation	.375	1
	Sig. (2-tailed)	.285	

have benefited your company during Covid-19 pandemic?	N	10	10

The table shows the relationship between the considerations of a wellness plan against the benefits from the Covid-19 pandemic. The researcher observed a relatively positive relationship, implying that more companies would consider adopting the wellness plan due to the Covid-19 pandemic. This will have been driven by the fact that companies will want to ensure employees' good health through the wellness plan.

Table 20: Company benefit vs Considerations

Correlations

		My company can benefit if we adopt to wellness programme	If wellness service provider would propose to implement employee wellness programme at your worksite, what is the most important aspect to consider? Please choose only 2 items:
My company can benefit if we adopt to wellness programme	Pearson Correlation	1	.416
	Sig. (2-tailed)		
	N	10	10
If wellness service provider would propose to implement employee wellness programme at your worksite, what is the most important aspect to consider? please choose only 2 items:	Pearson Correlation	.416	1
	Sig. (2-tailed)		
	N	10	10

Table 20 above depicts the correlation coefficients of consideration when implementing an EWP and the related company benefits. This gave a value of 0.416

which shows a weak and positive relationship. From this the researcher concludes that the more the consideration of EWP implementation, the more the benefits to the company, which may include, for example, government support or investments from other bodies to benefit the company to enrol.

Table 21: EWP rating vs Enrolment results

Correlations

		WP_rating	Enrolment results
WP_rating	Pearson Correlation	1	.866
	Sig. (2-tailed)		.333
	N	4	4
Enrolment results	Pearson Correlation	.866	1
	Sig. (2-tailed)	.333	
	N	4	4

A positive and strong relationship was observed between the variables. The correlation coefficient of 0.866 shows a direct proportion in relationship meaning that an increase in the enrolment results will result in an increase in the ratings.

4.4.4 What should inform a change in the wellness programme service offering to accommodate SMEs?

Table 22: Recommendation vs incentives for companies with EWP

Correlations

		Recommendation	Incentives
Recommendation	Pearson Correlation	1	.500
	Sig. (2-tailed)		.667
	N	4	4
Incentives	Pearson Correlation	.500	1
	Sig. (2-tailed)	.667	
	N	4	4

The relationship between recommendations and incentives is positive and fair. This implies that there would be more recommendations of the wellness service providers with more incentives given to the participants. The more incentives the employees get, the more likely that the employee will recommend the wellness plan.

Table 23: Sponsor vs budget allocation for companies without EWP

Correlations

		Do you believe government should sponsor SMEs on wellness services?	If you choose to enrol for wellness support, how much budget would you allocate for such service?
Do you believe government should sponsor SMEs on wellness services?	Pearson Correlation	1	.570
	Sig. (2-tailed)		.086
	N	10	10
If you choose to enrol for wellness support, how much budget would you allocate for such service?	Pearson Correlation	.570	1
	Sig. (2-tailed)	.086	
	N	10	10

The relationship between support and budget allocation is positive and fair. This suggests that there will be more budget allocation from more support from the government as that will enable the company to have extra funds to use specifically for the wellness plan.

Table 24: Recommendations vs improvements

Correlations

		Improvements	Recommendations
Improvements	Pearson Correlation	1	.866
	Sig. (2-tailed)		
	N	4	4
Recommendations	Pearson Correlation	.866	1
	Sig. (2-tailed)		
	N	4	4

A positive and strong relationship is observed between the variables. The correlation coefficient of 0.866 shows a direct proportion relationship, meaning that an increase in the improvements will result in an increase in the recommendations.

Table 25: Awareness vs Benefits vs Enrolment

Correlations

		How confident are you in understanding the value of employee wellness programme?	My company can benefit if we adopt a wellness programme	When are you planning to enrol for an employee wellness programme?
How confident are you in understanding the value of employee wellness programme?	Pearson Correlation	1	.862**	.258
	Sig. (2-tailed)			
	N	10	10	10
My company can benefit if we adopt a wellness programme	Pearson Correlation	.862**	1	.371
	Sig. (2-tailed)			
	N	10	10	10
When are you planning to enrol for an employee wellness programme?	Pearson Correlation	.258	.371	1
	Sig. (2-tailed)			
	N	10	10	10

In this table there were three variables tested against one another. Their correlation coefficients all show a positive relationship, meaning that they are directly proportional with each other. The only difference is the strength of the relationship between the variables. Understanding vs benefit has the highest correlation with a value of 0.862 which is a very good result since is close to one. This is followed by enrolment versus benefits with a value of 0.371, and the last is enrolment versus understanding with a value of 0.258.

4.5 REGRESSION ANALYSIS OF VARIANCE (ANOVA)

Similar to correlation, regression analysis seeks to measure relationship between two variables. However, its focus is on the quantitative influence which one variable has with the other (Nick, 2007). This is where the significancy is used to draw inferences about the research questions. The p-vales are compared to the alpha-values to either reject or accept the null hypothesis. The following table shows a list of the p-values for different variables.

4.5.1 What are challenges experienced by the SMEs who already enrolled for EWP?

- Null hypothesis: Employee participation is not driven by incentives.
- Research hypothesis: Lack of incentives drives low participation in wellness activities by employees.
- Proposition: Staff members hardly participate in wellness programmes.

Table 26: ANOVA analysis for Participation,

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.329	4	1.832	10.066	.064[b]
	Residual	.546	3	.182		
	Total	7.875	7			

Null hypothesis: Employee participation is not driven by incentives. From the table above, the p-value (sig) is 0.064 which is greater than the alpha value of 0.05, thus the researcher rejects the null hypothesis. Staff members hardly participate in wellness programmes.

4.5.2 What are the drivers of low adoption in employee wellness programmes within the SMEs?

- Null hypothesis: High cost and awareness does not drive wellness programme enrolment.
- Research hypothesis: Cost and awareness drives the enrolment in wellness services.
- Proposition: SMEs hardly enrol in wellness programmes due to high cost and lack of awareness.

Table 27:ANOVA Budget vs Awareness vs Reluctancy

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4.741	6	.790	.419	.232[b]
	Residual	5.659	3	1.886		
	Total	10.400	9			

The p-value (sig) is 0.232 which is less than the alpha value of 0.05, thus the researcher fails to reject the null hypothesis. Thus, the high cost and awareness does not drive the wellness programme enrolment.

Although this was a combined analysis, it is clear that cost is not the key driver to wellness adoption, but that lack of awareness alone remains the key driver of low adoption rate in the wellness space. Supported by the participant response, most people tend to have a perception that wellness services are expensive but the main factor is that they do not know its value and benefits.

4.5.3 What are the results of wellness interventions within the SMEs?

- Null hypothesis: Employers do not benefit from wellness intervention as it brings more administrative work.
- Research hypothesis: Employer benefits from the wellness intervention as more capacity is created to focus on core busines operations.
- Proposition: Wellness programme interventions result in additional capacity for employers to focus on core business operations.

Table 28: ANOVA Results vs Benefit vs Consideration

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.167	1	.167	.037	.879[b]
	Residual	4.500	1	4.500		
	Total	4.667	2			

The p-value (sig) is 0.879 which is greater than the alpha value of 0.05, thus the researcher rejects the null hypothesis. Therefore, the wellness programme interventions result will result in additional capacity for employers to focus on the core business operations.

4.5.4 What should inform a change in the wellness programme service offering to accommodate SMEs?

- Null hypothesis: No change is required.

- Research hypothesis (directional or non-directional): Revised offering in wellness programme solely focusing on SMEs.
- Proposition: To ensure that there is a high adoption and effective wellness programme, a revised service offering should be proposed within SMEs.

Table 29: ANOVA Improvement vs Recommendation

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4.167	1	4.167	8.333	.712[b]
	Residual	.500	1	.500		
	Total	4.667	2			

The p-value (sig) is 0.712 which is greater than the alpha value of 0.05; thus the researcher rejects the null hypothesis. The researcher can reject the null hypothesis which will in turn allow the researcher to accept the alternative hypothesis. This means that the proposition, to ensure that there is a high adoption and effective wellness programme, a revised service offering should be proposed within SMEs will stand.

This last research question and the ANOVA results already introduces the next chapter which seeks to examine best proposed wellness solution to the SMEs in the form of a Business Venture.

4.6 CONCLUSION

In summary, the data collected for employers both with and without wellness services were reliable with high Cronbach Alpha values of .952 and .830 respectively. Data distribution was tangible with a fair standard deviation. The descriptive statistics showed that few participants skipped questions with financial information as well as own opinionated questions.

The relationship between variables showed a weak relationship to most direct variables. Although most variables used in the research question showed somewhat strong correlation to draw conclusions, further analysis was conducted using

ANOVA to test whether the researcher should accept or reject the research hypothesis.

All research hypotheses were accepted except for the drivers of low wellness adoption where it was found that cost is not a big driver to wellness adoption but that awareness is.

CHAPTER FIVE: THE BUSINESS VENTURE PROPOSAL

This section provides a comprehensive report and recommendations based on the findings in a business venture proposal which will look at addressing challenges faced within most SMEs in South Africa regarding the employee wellness programme. Although the proposal is aimed at SMEs, the same proposal can be applied to macro enterprises as well.

The key objective of this section is to explain the business opportunity based on the research findings and provide a step-by-step plan on how to maximise this opportunity. According to Blank (2013), starting up a new venture is a hit-or-miss and therefore a "learn start-up" is recommended which minimise risks associated with new start-ups failing at an implementation stage. This approach provides an alternative to the entrepreneur should the initial plan not work as well as an exit strategy. Before provided detailed information about the learn start-up, the employee wellness market is examined, particularly in the SMEs.

With the adoption of agile methodology in implementation, this section is divided into five sub-sections. The sections are compiled as a form of the five learn start-up building blocks recommended by Shepherd and Gruber (2020) which are: a) Finding and Prioritising Market Opportunity; b) Designing Business Model; c) Validated Learning; d) Building MVP; and e) Persevere or Pivot with Cause of Action. Within these building blocks, the research also included some of the key aspects of the traditional business proposal, for example, financial projections and implementation plan.

5.1 FINDING AND PRIORITISING MARKET OPPORTUNITY (INDUSTRY MARKET ANALYSIS)

The researcher followed the PESTEL model in assessing the healthcare industry while focusing on the employee wellness category. The industry of providing psychological services to companies, especially for employee wellness, seems to be a

growing industry in South Africa. According to Informa Markets (2020), the healthcare industy is expected to grow by 4.7% from 2017 to 2027 reaching a value of US$47.1 billion by 2027.

Chapter 2 explained that companies usually compete on the scope of services, prices, branding, evidence-based records, trustworthiness, reputation, partnerships, and affiliations. The following sections provide a summary of the market outlook and position the new venture proposed resources/capability compared to existing players.

5.1.1 Porter's 5 forces

The table below summarises the attractiveness of the worksite wellness market using Porter's 5 forces:

<table>
<tr><td>Threat to Entrant:
Registering as a profession
High cost of service
Weak public awareness
Brand reputation/Trust</td><td>Threats of Substitute:
Telephonic counselling
Digital/Online counselling
Social media counselling</td></tr>
<tr><td>Power of Customers:
Big players influence price
Few players in the industry</td><td>Power of Suppliers:
Easy to challenge price or start own company
Misrepresentation to clients</td></tr>
<tr><td colspan="2">Competitive Analysis:
Larger scope of services to choose from
Partnership and affiliations
Very few players
Price vs. Cost of service</td></tr>
</table>

The table below shows how competitive the market is by rating each force with justifications for such rating.

Force	Rating	Justification
Competitive rivalry	High	Low at SME level but high on corporate level Industry growth due to Covid-19 Economies of scale – ability to deliver service to different locations.
Threat of new entrant	Medium	Professional human resources Brand loyalty as wellness services is long-term contract. Economies of scale
Threat of substitution	Low	Employer owned wellness programmes. Automated wellness programmes
Power of supplies	Medium	The possibilities of affiliates to hike the price are low given that they also want additional cash.
Power of buyers	High	Since buyers are the employers, they may want to replace the service provider or insource the services. The ability to insource requires skills and capacity which the employers might not have as wellness is not their core business function.

Based on the above results, the workspace wellness market is extremely attractive within SMEs.

5.1.2 VRIO Analysis

Resource / Capabilities	Valuable	Rare	Inimitable	Organisational Support	Impact on Competitive Advantage
Reward Programme	Yes	Yes	Yes	Yes	Sustainable competitive advantage
Virtual Counselling	Yes	Yes	No	Yes	Temporary competitive advantage
Online	Yes	No	No	Yes	Competitive parity

Presence					
Qualified Professionals	Yes	Yes	No	Yes	Temporary competitive advantage
Economies of Scale	Yes	Yes	No	Yes	Temporary competitive advantage

The table above indicates that the strongest competitive advantage for the proposed start-up would be on the reward programme. There are other temporary competitive advantages that could still be sustainable based on the reaction of competitors: a) Qualified professionals; b) Online Counselling; and c) Economies of scale. Online presence is only a competitive parity as it can be imitable, and it is already available in the market.

5.2 LEAN BUSINESS MODEL CANVAS

Table 30: Traditional business model canvas

Key Partners:	**Key Activities:**	**Segment:**

• Professionals
• HR representation
• Medical aid schemes
• Medical centres
• Advisors
• Nutritionist
• Insurance and Companies
	• Counselling
	• Training
	• Assessments
	• Workshops
		• Small to Medium companies:
		  ○ industries with the dominant operational working class.
		  ○ Middle class professional

Key Resource required:	**Value proposition:**	**Channels:**

• Receptionist/Admin personnel
• Laptop and office phone
• Capital for:
  ○ Labour
  ○ Business Reg
  ○ Website/App
• Mobile branch
• Research professional
	• Increase employee productivity at an affordable price
	• Add justification for value for money (freemium offering)
	• Creating healthy working environment
	• Performance improvement through awareness
		• Web/Online
		• App
		• Mobile branch
		• Word of mouth
		• Social media
		• Radio
		• PR (Awareness)

	• Drive commitment to healthy lifestyle	
Cost Structure: • Marketing • Operational • IT • Business administration	**Customer relationship:** • Customer satisfaction surveys • Personalized follow-ups • Open online/technical servicing	**Revenue Stream:** • Long term employee wellness contracts • Workshops/Training • Seminars • Charity/Voluntary work

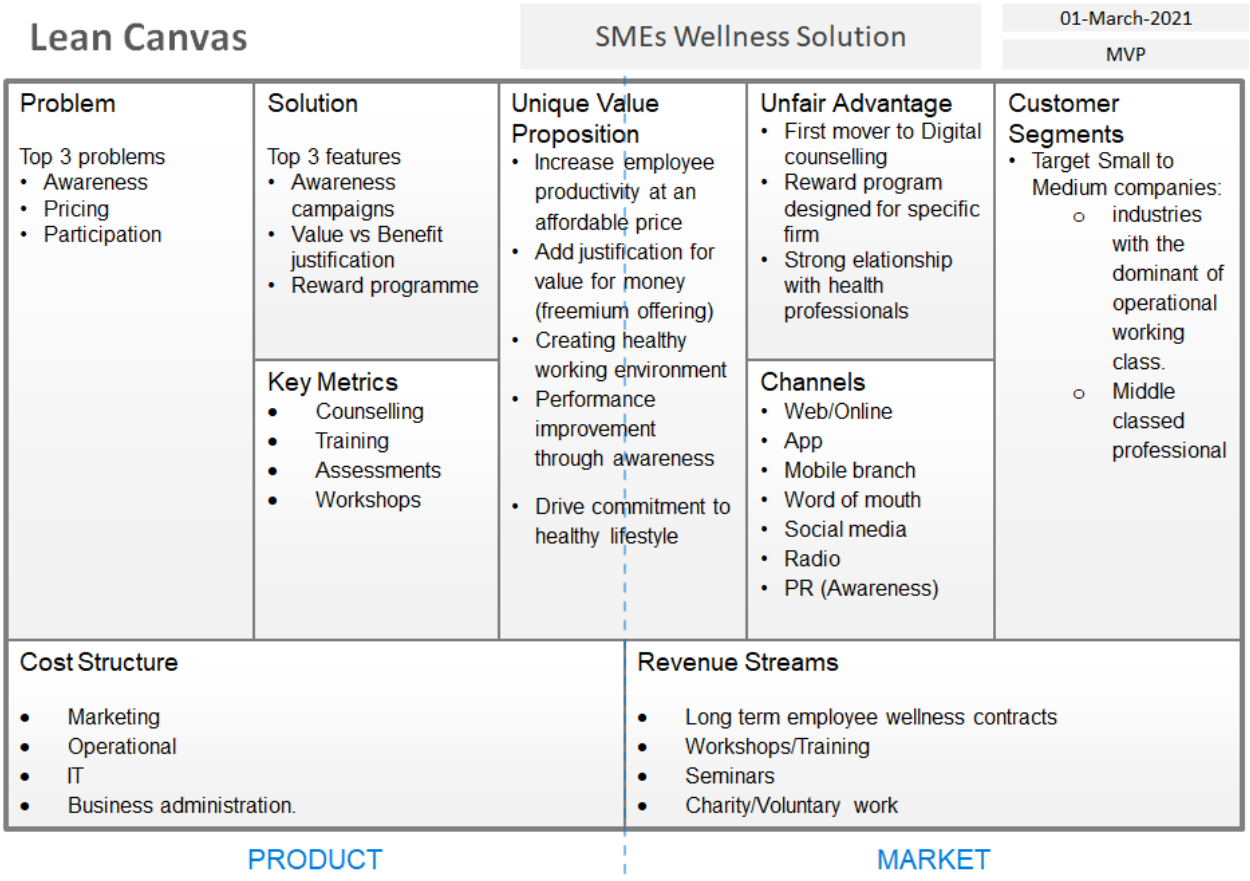


Figure 22: Lean Canvas Model

The above business model shows the value proposition which is supported by the research findings and literature.

- **Increase employee productivity at an affordable price:** This proposal looks at how employee productivity could be improved while minimizing the cost of such services. The service provider will therefore prove to the employer that there is a value in wellness services and show increase in

productivity before full payment is made. A freemium approach will be adopted to showcase the need for such service and the practical benefit.

- **Emphasize value for money in the proposal**: The proposal should be able to reflect how the employer will benefit from the amount of investment made for such services. This is an important aspect as the research revealed that wellness services are expensive at an SME level whereas it is not part of core business operations.
- **Creating healthy working environment through engagements:** As opposed to being a service provider, the wellness services providers will create a working partnership with SMEs and being proactive with training requirement, proactive wellness risk detections and build a reward programme which will allow employees to participate with incentives attached to it. The research revealed that incentives help with wellness participation.
- **Performance improvement through awareness:** Important part of the proposal is driving awareness which will be offered for free. This includes common employee wellness issues and potential risk for both the employer and employee. This proposal will help both the employer and employee understand the need for such services in their organization.

5.3 VALIDATED LEARNING

The initial validated learning was performed using the research survey questionnaire as part of the research study to test the hypothesis around the factors influencing adoption of wellness services as well as challenges within the SMEs space. According to Shepherd and Gruber (2020), the hypothesis should aim to answer the questions: a) Do potential customers understand that there is a problem? b) If the solution is available, will they consider it? c) Can we build the solution to solve the problem?.

The research questions were aligned to the one recommended by Shepherd and Gruber (2020) in which the hypotheses were tested using the selected sample. These were the results which the researcher established from the analysis.

5.3.1 Hypothesis 1: Lack of incentives drives low participation in wellness activities by employees.

The research revealed that the biggest challenge faced by SMEs who have already enrolled for wellness services is the lack of participation from staff members. The hypothesis was to test whether participation could be improved by incentivising employees, and this was proven to be correct with a significancy value of 0.064. Although the significancy is above 0.05, there could be other factors that influence participation. According to the correlation tables, incentives and participation variables had 0.623 correlation value which shows positive directional relationship between the two variables.

5.3.2 Hypothesis 2: Cost and awareness drives the enrolment in wellness services.

The research hypothesis was accepted during analysis which proved that the key drivers of low adoption of wellness services by SMEs is high cost and lack of awareness of such services. Regression analysis showed strong significancy for cost, awareness and enrolment in wellness services. Looking at the correlation table, the below was also revealed:

- Budget vs Reluctancy: A negative relationship of -0.309 which shows a relatively weak relationship between the 2 variables. This means that costs have low influence in the adoption of programmes by SMEs.
- Awareness vs. Reluctancy: A positive relationship of 0.745 which shows that if employers are fully aware of the value and benefits of the wellness service, they will be more likely to enrol for wellness services.

5.3.3 Hypothesis 3: Employer benefits from the wellness intervention as more capacity is created to focus on core busines operations.

Research hypothesis was accepted with the significant value of 0.879 which suggests that wellness intervention creates more capacity for the companies to focus on core business operations. This also justifies the need for wellness intervention in SMEs which solely focuses on creating more capacity for the firm to be productive in its business operations.

5.3.4 Hypothesis 4: Revised offering in wellness programme sorely focusing on SMEs.

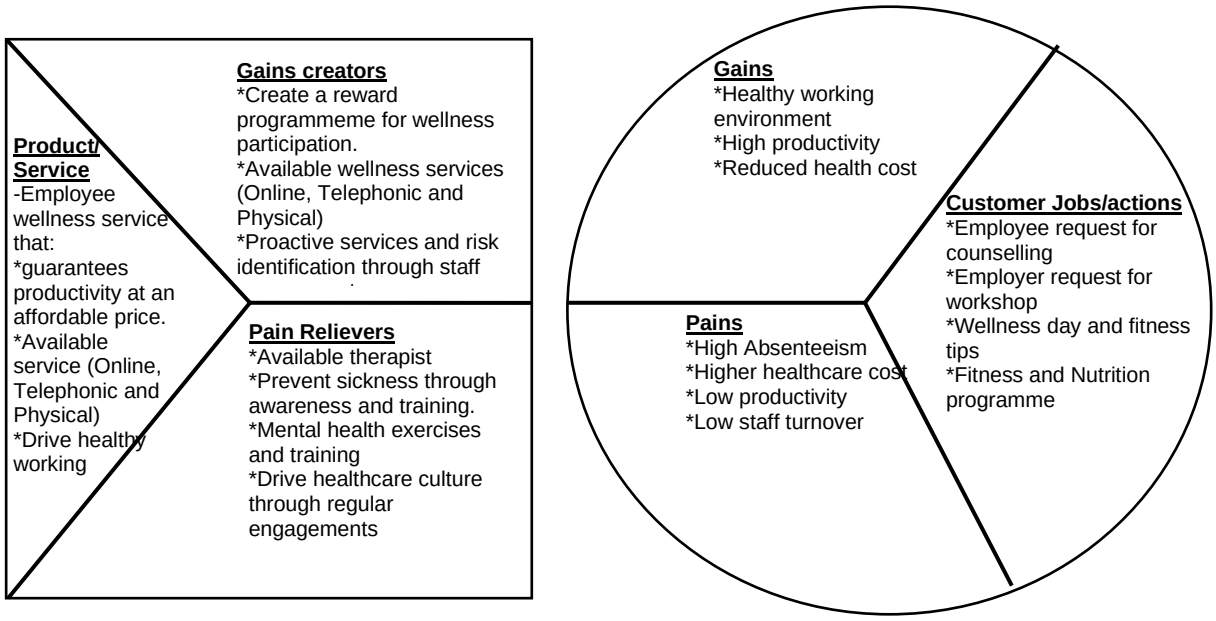
The research hypothesis was accepted with a significancy value of 0.712 which is considered positive and proves that there is a need for a revised offering in the wellness space solely focusing on SMEs.

With the validated learning results above, the researcher can proceed to develop an MVP focussing on the lean model canvas value proposition.

5.4 MINIMUM VIABLE PRODUCT (MVP)

5.4.1 Value Proposition Canvas

The MVP is designed by looking at the lean canvas model and then focusing on the value proposition aimed at relieving pain and create gain. The Value Proposition Canvas shows how the proposed MVP was extracted. According to Shepherd and Gruber (2020), MVP can be developed using the agile methodology which allows for small incremental implementation in an iterative manner.



5.4.2 Marketing and Implementation Plan

From the industry analysis results, it was identified that the market is moderately competitive. However, awareness was deemed to be the biggest challenge for new

players to succeed in the industry. The research findings revealed that existing wellness services struggle to drive participation. The next step is to develop a marketing and implementation plan to achieve the MVP and also the growth stage of the new venture.

Below is a list of the proposed marketing objectives prioritised from a timeframe perspective.

5.4.2.1 Market Size

According to Statistics South Africa (2019), SMEs in South Africa contribute 29% of the industry turnover. This shows the significance of the market and the strong contribution of SMEs to job creation.

5.4.2.2 Key Objectives

The following are the key objectives:

- Drive wellness value and benefits awareness to SMEs and employees
- Break-even by end of year one
- High adoption rate for wellness services in SMEs.

5.4.2.3 Positioning (Price and Benefits)

The new evolution towards wellness solutions focus on driving productivity in the working class through promoting and empowering employees through an affordable healthcare solution. The solution makes wellness programmes seamless and enjoyable by employing a rewards programme which incentivise employees when they meet wellness goals.

5.4.2.4 Implementation Plan

The research recommends a lean synchronisation approach in implementing the employee wellness service for SMEs. This approach allows for a margin of error at an earlier stage by building a minimum viable product (MVP) which could be rectified before a full product or service can be rolled out.

Objective 1: Drive wellness value and benefits awareness to SMEs and employees					
Initiative	Tactical elements				
Brand activation	HOW are they implemented?	WHAT is implementation timetable?	HOW will it be monitored?	WHO is responsible?	Budget
	• Wellness campaigns in the office parks and public schools • Roadshow/Marathon with branded shirts	• Quarterly (end of quarter) • First week of the month	• Proposal acceptance rate and participation level • Number of participants	Business Development Manager	• R100 000 annually campaign • R50 000 Annually (Mostly sponsored)
Advertising	• Social media • SMEs site visits • Billboard	• Weekly feeds on wellness themes • Weekly exercise • After MVP stage	• Reaction rate and comments • Service take-up rate • Leads rate	Business Development Manager	R30 000 first year R40 000 first year R50 000
Objective 2: Break-even by end of year one					
Initiative	Tactical element				
Drive awareness	HOW are they implemented?	WHAT is implementation	HOW will it be monitored?	WHO is responsible?	Budget

		timetable?			
	• Wellness workshops • Wellness seminars	• 2nd month of start-up • First month of start-up	• Repeated business • Feedback surveys	Wellness Operations Manager	R5 000 per workshop R5 000 per seminar
Objective 3: High adoption rate for wellness services in SMEs					
Initiative	Tactical elements				
Penetrate the SME market	• Offer free one month trial for wellness in SMEs • Build reward programme for employee participation	• 3rd month from start-up • Between 6 month and 12 months	• Take-up rate after trial period • Participation rate and goal achievement rate	Business Development Manager Wellness Operations Manager	• Budget is based on the number of employees. Average R10 000 per company per month • R150 0000

5.5 PERSEVERE OR PIVOT WITH CAUSE OF ACTION.

5.5.1 Financial and Operational Plan

The financial projections are divided into categories whereby cost and revenue is estimated for each stage as explained in greater detail below.

Two-Year Financial Projections

Employee Wellness Solution: Financial Projections								
		MVP		Lean Feedback		Growth		
		Start-up		Early growth (Covid-19)		Growth (post Covid-19)		Maturity
Item description		Month 1		Month 2 - 6		Month 7 - 12		Year 2
Revenue:	**R**	**-**	**R**	**422 500,00**	**R**	**1 206 250,00**	**R**	**12 062 500,00**
Wellness Awareness Drive @R250 per staff (	R	-	R	62 500,00	R	156 250,00	R	1 562 500,00
Once off Wellness workshops @R300 per Staf	R	-	R	300 000,00	R	750 000,00	R	7 500 000,00
Long term EWP contract @1000 per staff	R	-	R	60 000,00	R	300 000,00	R	3 000 000,00
Costs:	**R**	**48 000,00**	**R**	**409 875,00**	**R**	**1 055 187,50**	**R**	**6 656 875,00**
Research and Development	R	15 000,00	R	30 000,00	R	105 000,00	R	315 000,00
Operating Costs (Paying Affiliates)	R	15 000,00	R	147 875,00	R	422 187,50	R	4 221 875,00
Other Opex	R	10 000,00	R	40 000,00	R	80 000,00	R	200 000,00
Salaries and Wages	R	-	R	160 000,00	R	400 000,00	R	1 800 000,00
Marketing Activities	R	8 000,00	R	32 000,00	R	48 000,00	R	120 000,00
Operating profit	-R	48 000,00	R	12 625,00	R	151 062,50	R	5 405 625,00
Tax @ 28%	R	-	R	3 535,00	R	42 297,50	R	1 513 575,00
Net Profit	**-R**	**48 000,00**	**R**	**9 090,00**	**R**	**108 765,00**	**R**	**3 892 050,00**
Cash Flow	**-R**	**48 000,00**	**-R**	**38 910,00**	**R**	**69 855,00**	**R**	**3 961 905,00**

5.5.1.1 Start-up

At this stage, an estimated two directors will inject cash for the business start-up whereby MVP will be built at month one. The MVP will be tested with a few SMEs free of charge where its dedicated focus will be on wellness awareness. The main focus at this stage will be: a) Research and Development; b) Paying affiliates who will be conducting wellness awareness; c) Other business operation expenses, including registrations; and d) Marketing activities. The researcher noted that no salaries would be paid during this stage.

5.5.1.2 Early growth

This stage is also called lean feedback which focuses on taking feedback received from the initial concept built to correct or advance the proposed solution. At this stage the researcher estimates that SMEs will understand the value of EWP to their organisation and most of them would like to test if this would benefit them. Therefore, the researcher would start implementing the once-off workshops with

SMEs during month two to month six. The researcher will also look at proposing a long-term contract with a few SMEs given that they have seen value in the once-off workshops conducted. Costs estimated at the start-up increase while the firm begins to earn its revenue with income received from all three core business activities (awareness, workshops and long-term contracts). The firm is expected to break-even at this stage and therefore salaries are expected to be paid to the directors and supporting staff.

5.5.1.3 Growth

After six months, the firm is expected to start seeing some growth. At this stage, long term contracts will gain more visibility while once-off workshops will be expanded to regions outside Johannesburg as well as other metropolitan areas. Revenue is expected to rise to at least R1,2 million in year 1 with key revenue drivers being once-off workshops for different wellness themes. Net profit is expected to be at least R100 000 after allowance for salaries and wages.

5.5.1.4 Maturity

The researcher estimates a revenue of R12 million by the end of year 2 with costs projected to almost R7 million. This estimate is based on the fact that long-term contracts would have gained significant momentum in the SME space and all services deployed nationwide in South Africa. At this stage, the firm will have partnered with corporate and other medium enterprises to host charity wellness events at schools and not-for-profit organisations. Key activities involved in the revenue drivers include a) Significant investment in Research and Development which focuses on building a rewards programme for wellness participation; b) Inviting more affiliates to partner with the firm for fitness services as well as nutrition; c) Spike increase in the medium enterprise market with high staff turnover.

5.5.2 Success Measures

5.5.2.1 Start-up

At the end of this phase, the company should have offered the wellness awareness workshop to at least five firms virtually or face-to-face with the self-invested funds.

If this cannot be achieved, then the business should consider a re-design of MVP or consider ceasing activities.

5.5.2.2 Early growth

Key measurement of success at this stage is for the business to break-even and start being profitable. It is also expected that the business should be able to pay salaries with an expense of at least 15% of its revenue. At least two wellness service contracts to be obtained and more than 50 once-off workshops should have been conducted.

5.5.2.3 Growth

After year one, the firm should have accumulated at least R1 million in revenue. Significant growth in long-term contracts should be expected with at least 10 contracts. At this stage, the key success measure would be revenue generation (R1 million) as well as wellness awareness workshops to be conducted for at least 100 firms.

5.5.2.4 Maturity

At this stage, it is expected that the offering would have been matured in most of the metropolitan areas in South Africa. Therefore, the success measure is affiliates across all the metropolitan areas. Given reduction in the Covid-19 restrictions, Profit Before Tax (BT) at this stage is expected to be at least R4 million as well as,

a. Full implementation of the rewards programme
b. Extending the service, the medium enterprise and corporates
c. Visibility with voluntary services for schools and welfare organisations.

5.6 CONCLUSION

This section demonstrates that new business ventures could begin to address the challenges faced by SMEs and help employers adapt to the wellness services through awareness. Taking advantage of the Covid-19 pandemic outcomes, the proposal would accelerate awareness and maximise the opportunity to enrol wellness services in most SMEs during this period. It appears likely that the business venture in this market would succeed given the proposed implementation strategy and the marketing proposition statement.

Lean business start-up was recommended as a tool that will help prevent the failure rate as well as providing an opportunity for learning and making changes as the business takes off. The MVP was also focused on driving awareness while the biggest investment would be in building a rewards programme and acquiring professionals/partnerships.

CHAPTER SIX: SUMMARY, CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS

This section provides a summary of all activities within this report and gives the reader an opportunity to reflect on the research paper and identify any gaps within the research.

The section has four sub-sections: a) Summary – a shorter version of the research findings; b) Conclusion – the researcher's view on the findings and what they agree or disagree with; c) Limitations –Understanding the scope of the research and any areas which are not in scope for this research; d) Recommendations – A summarised version of research gaps and areas where further research is required.

The section is focused on the researcher's view and as a result it is important for the reader to link this section with the introductory section where most of the questions raised are addressed.

6.1 SUMMARY

The main purpose of this paper was to establish the challenges faced by SMEs in their adoption of employee wellness programmes. During the research, literature was conducted to review research gaps in the employee wellness space as well as analysing findings by previous researchers on wellness adoptions and challenges faced by firms with regard to employee wellness programmes.

Data reliability were tested for each survey with .79 Cronbach's alpha obtained for firms without EWP and .91 obtained for firms with EWP. This gave the researcher an opportunity to proceed with analysis whereby relationship between variables were used to test correlations and the significancy of such relationships.

6.1.1 Research objective

The theme below is aligned to the research objective and shows whether the research objective was achieved.

Understanding of workplace wellness programme values by SMEs

The research finding showed that some SMEs do understand the benefits of wellness services in such segments, but most SMEs are still reluctant to adopt such service even though understanding its value. The finding also revealed that some SMEs do not fully understand the value of wellness services.

Key drivers to low adoption into wellness programmes by SMEs

According to the research finding, drivers to low adoption of wellness services is a lack of awareness of such services and the value thereof. Although cost had low significancy value on regression analysis, the descriptive statistics showed that there is a stereotype about wellness services being expensive.

Literature about workplace wellness and adoption byo SMEs

Literature supports some of the findings in this research about the low adoption of wellness services by SMEs. Attridge et al. (2018) supports the findings by suggesting that cost for wellness programme is relatively low and therefore price should not be the biggest contributor for the employer to appoint a worksite wellness provider. Based on this, cost cannot be considered as the only driver in the adoption of wellness services by SMEs.

Intervention in the existing workplace wellness solution to SMEs

The research shows that government should intervene to support SMEs in sponsoring wellness services. Holt and Powell (2015) suggests that government intervention is required to prevent acute illness in SMEs. The cost issue will not be resolved alone.

The research strongly suggests that a new offering is required in the SMEs that will focus on driving awareness and participation through a rewards programme in order to incentivise the participants to attain specific goals.

6.1.2 Research questions

A combination of statistical analysis methods was used to test the research hypothesis for each research question.

6.1.2.1 Question 1: What are the challenges experienced by the SMEs who are already enrolled for EWP?

The researcher found that most employers enrolled for EWP are somewhat comfortable with their existing service providers while a few indicated challenges with their employees' participation with their wellness programmes. This is mainly due to how the employee wellness programmes are being positioned by the providers. The proposition was then accepted that employees hardly participate in workspace wellness programmes.

6.1.2.2 Question 2: What are the drivers of low adoption in employee wellness programmes within the SMEs?

The research identified that apart from the fact that some SMEs view the cost of employee wellness programmes as the main challenge to the adoption thereof, the lack of awareness from senior managers is the biggest driver of low adoption of such services by SMEs. It was further identified that SMEs have the desire to enrol for employee services.

6.1.2.3 Question 3: What are the results of wellness interventions within the SMEs?

The researcher rejected the null hypothesis which resulted in the proposition that employee wellness interventions result in additional capacity created for employers to focus on core business operations.

6.1.2.4 Question 4: What should inform a change in the wellness programme service offering to accommodate SMEs?

The researcher drew on the findings and literature to propose a new offering to the SMEs which looks at a) driving EWP awareness at SME; b) Tailored affordable solution with one-month free trial; c) Drive participation with rewards programme; and d) Create a healthy working environment. This will be achieved using a lean start-up approach whereby minimal solutions will be built and tested before committing to a full solution.

6.2 LIMITATIONS

This research study encountered some limitations which are explained below:

- **Covid-19:** This research was conducted during strict restrictions of national lockdown. This imposed a serious challenge as the research was limited to physically visited SMEs in the Johannesburg region and mainly relied on internet, email and telephonic conversation. Most SMEs did not provide the opportunity for the researcher to propose the request for participation.
- **Participants:** This research was based on gathering information from the employer as opposed to employees. This posed a limitation in the probability of getting responses in time. Furthermore, most directors had limited time for the survey although the survey was simplified to an estimated completion time of 3 minutes.
- **Timing for SMEs:** Apart from the Covid-19 regulations, the research data collection took place during the period where most SMEs were temporary closed due to long holidays in South Africa. This caused delays in obtaining responses in a timely manner.

6.3 RECOMMENDATIONS

6.3.1 Employee wellness service in South Africa

Based on the research findings and supported by literature in the wellness space, new offerings of wellness services are required to focus on: a) driving awareness on the value and benefits of employee wellness programme within SMEs; b) driving participation in the wellness programme by rewarding employees who reach certain wellness goals, and c) Enforce wellness programme as an organisational culture in the working environment as opposed to being perceived as an additional administrative task.

Supported by the research findings, there is a strong view that government should consider funding SMEs for the provision of wellness services. Further research is required to assess the feasibility of the government sponsoring SMEs for wellness services.

The recommendations above can be tested in other regions within South Africa as well as neighbouring countries as most SMEs are likely to expand to neighbouring countries such as Lesotho, Swaziland, and Botswana. Further research is required to test the hypothesis in these countries before any solution can be developed or recommended.

6.3.2 Employee wellness service in African SMEs

Although there are limited studies conducted in the African continent which focus on wellness services in the SMEs space, information that assesses whether an intervention is required to support SMEs is limited. Therefore, further studies are required to assess whether similar interventions proposed in the South African context will be accepted by SMEs in other African countries

6.3.3 Employee wellness service to global SMEs

Based on the research findings, the following recommendations are made for consideration at the international level:

- Further studies to be conducted in assessing the effectiveness of employee wellness services and key drivers of adoption within SMEs.
- Further studies should be conducted to assess whether government institutions should consider sponsoring SMEs for employee wellness services.

6.4 CONCLUSION

There is a strong intervention required for SMEs to fully understand the value of worksite wellness services. Since most SMEs are challenged from a financial point of view, they perceive wellness intervention as an additional expense and therefore the perception has emerged that EWP is expensive. Impactful awareness drives are required to help SMEs realise the benefits of EWP. The wellness service providers are also required to reposition their offering such that they drive wellness participation as being a fully integrated component of the organisation.

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APPENDIX 1: DATA COLLECTION INSTRUMENT(S)

Informed Consent letter

University of the Witwatersrand
Wits Business School
Master of Business Administration
P. O Box 98, Wits
Johannesburg 2050
Contact: 011 717 3544

Date: _____

Dear participant

Re: Permission to conduct research at your company.

My name is Langutela Siweya, I am studying for an MBA in the Business School at the at the University of the Witwatersrand. I am seeking permission to do research at your organisation.

I am conducting research on the challenges faced with South African SMEs adopting to the wellness programmemes. This research is based on the wake of Covid-19 pandemic in t he South African economy. It focuses on SMEs growth and employee wellbeing during and post Covid-19. The research also looks at what are challenges faced with the current wellness service providers within SMEs. The researcher selected your organisation since it falls within the SMEs category in Johannesburg and its contribution to the economy.

The research will entail collecting data from one director of this organisation about the state of employee wellbeing.

I will invite one of the director or senior managers from your organisation to participate in this study. If they agree, they will be asked to complete an online questionnaire which will take no more than 10 minutes to complete. The participant's response will be stored in the Online "survey monkey" database as well as the researcher's password protected database.

Participants will be asked to give their written or verbal consent before the research begins which will form part of the questionnaire. Their responses will be treated confidentially, and identities (their names and the name of the organisation) will be anonymous unless otherwise expressly indicated. Individual privacy will be maintained in all published and written data resulting from the study.

The results will be communicated as part of the academic journal and only for the purpose of the academic studies.

The research participants will not be advantaged or disadvantaged in any way. They will be reassured that they can withdraw their permission at any time during this project without any penalty. There are no foreseeable risks in participating in this study. The participants will not be paid for this study.

All research data will be destroyed after the completion of the study. The academic information could be used for further studies.

I therefore request permission in writing to conduct my research at your organisation. The permission letter should be on your organisation's headed paper, signed and dated, and specifically referring to myself by name and the title of my study.

Please let me know if you require any further information. I look forward to your response as soon as is convenient.

Yours sincerely,

Student (Researcher)
Langutela Siweya
Cell: 078 981 2713
Email: 2069267@students.wits.ac.za

Lecture (Supervisor)
Dr Manamela Matshabaphala
Tell: 011 717 3668
Email: Manamela.Matshabaphala@wits.ac.za

Consent form:

This form will be incorporated as part of the survey questionnaire for both the groups and would be in the first page whereby the participant will not be able to continue without acceptance of

Question	Answer
Name of the participant. *I agree to participate in this research project. The research has been explained to me and I understand what my participation will involve. I agree to the following:	

(Please circle the relevant options below)	
I agree that my participation will remain anonymous	Yes No
I agree that the researcher may use anonymous quotes in his / her research report	Yes No
I agree that the interview may be audio recorded	Yes No
I agree that the information I provide may be used anonymously after this project has ended, for academic purposes by other researchers, subject to their own ethics clearance being obtained.	Yes No

Data collection Instrument (Questionnaire)

Group 1: Employers with an existing wellness service provider:

Question	Range of Answers
How many staff members does your organisation have?	Scale 1 to 5
How long have you been in an uninterrupted business operation?	Scale 1 to 5
How would you rate your current wellness provider or wellness programme?	Scale 1 to 7
My staff members participate in wellness campaigns	Scale 1 to 7
I believe that incentives would increase wellness participation	Scale 1 to 7
Would you recommend your wellness provider to other companies?	Scale 1 to 5
After enrolling for employee wellness programme, what are the most related results?	• Capacity created to focus on core business objectives • Additional administration which resulted in reduced capacity for core business activities • No changes
Rate your wellness service provider's response to the Covid-19 pandemic	Scale 1 to 5
In your opinion what could be improved to make employee wellness effective?	

Group 2: Employers without wellness service provider:

Question	Range of Answers
How long have you been in an uninterrupted business	Scale 1 to 5

operation?	
How many employees do you have in the company?	Scale 1 to 5
How confident are you in understanding the value of employee wellness programme?	Scale 1 to 7
When are you planning to enrol for an employee wellness programme?	Within a year Between 1 to 5 years Over 5 years Not sure
My company can benefit if we adopt to wellness programme	Scale 1 to 7
If you choose to enrol for wellness support, how much budget would you allocate for such service?	
If wellness service provider would propose to implement employee wellness programme at your worksite, what is the most important aspect to consider? please choose only 2 items:	Guarantee on productivity Cheaper pricing Guarantee on staff wellbeing Decrease on medical expense
Do you believe employee wellness programme would have benefited your company during Covid-19 pandemic?	Scale 1 to 7
Do you believe government should sponsor SMEs on wellness services?	Yes - It is expensive No - It is company's responsibility Not sure
In your opinion, why companies are reluctant to enrol for employee wellness services	Yes Maybe No