

Whirlpool Corporation

DATE: September 18, 2008

TO: Dana Donnley
Director of Employee Communication, Whirlpool Corporation

COPY: Human Resources, Whirlpool Corporation
Whirlpool Insurance Provider
Legal Department, Whirlpool Corporation
Corporate Communications, Whirlpool Corporation

FROM: XXXXXX XXXXXX
Employee Communication Manager

SUBJECT: Implementation of New Whirlpool Corporation Employee Wellness Program

This memo recommends that Whirlpool Corporation announce a new expansion to the Employee Wellness Program: the inclusion of spouses of employees. By offering annual physicals to employees and their spouses, Whirlpool hopes to see a decrease in company insurance spending and an increase in employee productivity and general wellbeing.

BACKGROUND

Whirlpool Corporation developed the Employee Wellness Program in hopes of maintaining healthy and productive employees, as well as decreasing the use of insurance benefit dollars. In the past, this program included an annual mini-physical offered to each employee at the company's expense. This physical is comprehensive, mainly serving as a screening program to let our employees know the general condition of their health. A company doctor performs the physical and mails the results directly to the employee, thereby ensuring complete confidentiality. Recently, it has been proposed that this program now be offered to the spouses of our employees, something that Whirlpool thinks will be advantageous in the health of our company. However, there are several barriers to the success of the addition to this program.

DISCUSSION

The benefits of the Whirlpool Corporation Employee Wellness Program are both financial and efficient. These annual physical examinations will promote health awareness and increase the chance of exposing serious illness at earlier stages. Because the new program exposes spouses to these benefits, it is even more likely that our employees lead healthier and happier lifestyles.

Implementation of New Whirlpool Corporation Employee Wellness Program

September 18, 2008

Page 2 of 3

Financially, the success of this program will decrease Whirlpool's spending in insurance benefits payouts. This will allow for increased spending in other areas of our company, creating a more productive budget. In addition, participation in the Wellness Program will provide employees that are able to work more often and more efficiently. This will undoubtedly increase productivity and decrease turnover. With 39,000 employees in the United States and 30 foreign nations, it is imperative that we maintain healthy and productive employees.

Because of these significant benefits, it is crucial that we maintain and improve participation in the program. However, there are several concerns that may hinder such participation:

1. Despite Whirlpool's guarantee of confidentiality, many employees do not trust the company with such private information.
 - a. Employees have expressed their fear in the use of the information. They are concerned that their health status may negatively affect their position in the company.
 - b. Although it is assured that no records are kept, employees fear the leak of private health information to their peers. If information was leaked, they fear the effects on their reputation and social standing within the company.
2. In order for the new addition to our program to be successful, it is important that we stress the benefits to our current employees.
 - a. If our employees do not believe that this program is worthwhile or beneficial, they will not pass the option on to their spouse.
 - b. We must make the inclusion of our employees' spouses a simple and readily available option. The ease of the process will only facilitate more participation.

RECOMMENDATIONS

It is my recommendation that the addition to the Whirlpool Corporation Employee Wellness Program be implemented as soon as possible. In order to this successfully, I believe that the following should occur:

Implementation of New Whirlpool Corporation Employee Wellness Program

September 18, 2008

Page 3 of 3

- 1. Send a letter to each employee announcing the addition to the Wellness Program.** By sending this letter, it will remind our employees of the benefits already available to them and hopefully increase participation. In addition, the letter will tell of the new addition to the program, something they will share with their spouses. Rather than contacting the spouses directly, it is important to convince our own employees of the benefits first. To do so, the letter must assure the ease of this process. (Action: Employee Communications)
- 2. Place an announcement on the company website and bulletin board to promote awareness of the opportunities the program has to offer.** Because this program is voluntary, it is very possible that our employees forget about this opportunity or believe they don't have time for the physical. By placing a reminder in a popular location, it is more likely that employees will be aware of the opportunity and participate. (Action: Employee Communications, Human Resources)
- 3. Increase confidentiality by using an outside doctor and include legal terms to ensure discretion.** It seems that confidentiality is the biggest concern in this problem. I believe if we used a doctor with no affiliation with our company, employees will be more likely to have confidence in the process. In addition, as part of the paperwork, the doctor will sign a confidentiality agreement with the patient, prepared by our legal department. (Action: Insurance Provider, Human Resources, Legal Department)

OTHER ISSUES

- Whirlpool must define the term spouse. Is this program only extended to spouses recognized by the federal government? Our company must be ready with a response for questions that may arise.
- While the addition of this program will definitely benefit the company financially and in terms of productivity, it is important to realize the added cost of additional physicals. While this cost may be only short-term due to its benefits, it is important to note the increased volume of physicals, and therefore the increased funding the program will need.
- Because we hope to stress the ease and accessibility of this program, it is imperative that we detail the logistics as soon as possible. The company must decide when the physicals should occur, with attention to the increased volume due to the inclusion of spouses. Because of this increased volume, we must also take into consideration the payment of the doctor, as well as the hours he or she can maintain.

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