

MedCity News. May 10, 2022

“A New Kind of CMO: Why Your Company Needs a Chief Medical Officer.”

“Companies in every industry are now hiring a Chief Medical Officer—an executive once found only in healthcare organizations—to implement and oversee programs that optimize employee well-being.

“A title once found only in healthcare organizations, now companies in every industry are recognizing the importance of taking a more proactive role in supporting and managing employee health. In fact, the number of job postings for Chief Medical Officer positions jumped nearly 20% in the first year of the pandemic as companies scrambled to implement Covid-related workplace initiatives.

But even with the crush of Covid-19 mostly over, the role of the CMO is as important as ever.

Here are five reasons why your organization needs to add a CMO to your leadership ranks:



Employees need care. In the last two years, over [40% of adults have delayed or avoided medical care](#) and millions more have suffered new or increased mental health issues. In short, employees need easily accessible healthcare now more than ever. By hiring CMOs to develop and deliver programs that promote and protect health and prevent diseases, companies could reach [more than 157 million full-time workers in the U.S.](#) with immediate access to care.



For “systems” management. Much like a CIO looks inwardly to manage and optimize the data and information systems your company depends on, a CMO looks inwardly at the health of the human systems your company depends on. Your people are your most critical resource, your most valuable asset and also your highest cost line item. It makes sense to fortify and optimize their performance just like you would your IT systems. Keeping them in good working order is essential for business continuity and success.

- 3 To set strategy.** Environmental, sustainability and governance (ESG) initiatives are becoming a high priority in every organization and ensuring the health and welfare of your people plays a huge role in achieving ESG metrics. A CMO can be a valuable part of ESG strategy by helping to anticipate and plan for adverse events (like a pandemic), proactively forecast needs (like mental healthcare) and deliver appropriate services to safeguard employees on the jobsite and beyond.
- 4 To meet privacy requirements.** Protecting the privacy of personal health information (PHI) is essential in any situation. But if providing workplace healthcare becomes part of the CMO's mandate, it's even more critical. Meeting PHI privacy requirements such as HIPAA compliance requires good data practices and hiring trained medical administrators and/or contractors. These steps are essential to ensure employees' PHI is protected.
- 5 It's a competitive differentiator.** The hiring market is tougher than ever right now, and employees are [seeking employers](#) who care about their overall well-being. In fact, [3 out of 5 employees](#) believe their employer has a responsibility to ensure they're mentally well and healthy. Hiring a CMO and making wellness and prevention a top priority can be a key differentiator when it comes to meeting employees' and prospects' expectations, which can reduce turnover and help you attract the best talent.

QUARTZ at WORK

"How to Design Workplace Programs for Mental Health According to One Chief Medical Officer"
Matthew Trowbridge, MD, MPH
December 21, 2022

"The pandemic and the Great Resignation that followed have the business world rethinking how to do more to support employee well-being. The root of the solution is to reform toward a people-first workplace culture. Part of that new strategy is to drive change at the decision-making level. Many organizations are now adding C-suite roles to effect cultural change such as chief well-being officers, chief diversity officers, or chief medical officers like me. These roles are to implement and oversee new policies and procedures—and provide insight on new designs—that make all employees feel welcomed, more confident about returning to the office in these (hopefully) post-pandemic times and stay engaged at work.

"As a chief medical officer, I spend a good amount of time explaining to leaders how investing for employee health and well-being is actionable in the daily decisions we make about everything an organization does in workplaces, from the way we design and operate our spaces to what kind of management policies we deploy for our people.

“Organizations that have installed C-level leadership to champion physical and emotional well-being for employees deeply understand the correlation between employee satisfaction, productivity, and the business bottom line. But the first line of work for well-being executives is often to institute cultural changes within their organizations.”

“Allocate executive-level resources to employee well-being. Be it chief medical officer, chief well-being officer, and/or chief DEI officer, companies that are thinking of long-term competitive edge are establishing similar roles across their organizations. It’s time to install your own C-level position and start driving actions. And make sure these roles are equipped with tools and resources to effect change.

“Globally, more than 30% of adults will experience a mental health condition during their lifetime. And the impact of mental health in the workplace is profound. The built environment serves as a powerful tool to help mitigate these adverse mental health outcomes through policies, programs and design. Implementing mental health strategies at workplaces has proven to support business resilience.”

Human Resources Director

May 21, 2021

“7 Reasons Why Your Organization Needs a Chief Medical Officer”

- 1** To coordinate a pandemic or health response network. “Among the aspects of a pandemic response network that only a CMO can manage are ensuring the medical accuracy of your organization’s healthcare messaging, training volunteers in proper medical protocol, and liaising with the medical professionals of third-party healthcare providers.”
- 2** To develop pandemic communication strategies
- 3** To plan for post-pandemic scenarios
- 4** To implement and monitor new healthcare regulations
- 5** To monitor and manage employees’ general and mental health
- 6** To maintain customers’ health and safety
- 7** To help with community strategies involving healthcare

Financial Times

“Covid-19 has brought the role of the company chief medical officer...to the fore. Typically...they work with human resources and senior executives to develop and implement strategies to take care of employees’ physical and mental health, as well as overseeing workplace safety.”

“As the impact of the pandemic has become clearer, more companies are seeking to create positions that oversee wellbeing. Medical officers’ responsibilities during Covid-19 began with trying to reduce the risk of employees and their families catching the disease, and have moved on to looking at the effects of Long Covid...”

Harvard Business Review

“...But even for organizations with employees working mostly remotely, or in jobs that don’t expose them to infection, hiring an in-house medical expert is an important signal that your leaders cares about their people. “Consulting outside experts” does not suffice. You need to show that employee physical – and mental – health is a fundamental concern.”

Excerpted from Larry Fink’s 2022 Letter to CEOs*

Larry Fink's Annual 2022 Letter to CEOs | BlackRock

A new world of work

No relationship has been changed more by the pandemic than the one between employers and employees. The quit rate in the US and the UK is at historic highs...

While turnover and rising pay are not a feature of every region or sector, employees across the globe are looking for more from their employer – including more flexibility and more meaningful work. As companies rebuild themselves coming out of the pandemic, CEOs face a profoundly different paradigm than we are used to. Companies expected workers to come to the office five days a week. Mental health was rarely discussed in the workplace. And wages for those on low and middle incomes barely grew.

That world is gone.

Workers demanding more from their employers is an essential feature of effective capitalism. It drives prosperity and creates a more competitive landscape for talent, pushing companies to create better, more innovative environments for their employees – actions that will help them achieve greater profits for their shareholders. Companies that deliver are reaping the rewards. Our research shows that companies who forged strong bonds with their employees have seen lower levels of turnover and higher returns through the pandemic.

Companies not adjusting to this new reality and responding to their workers do so at their own peril. Turnover drives up expenses, drives down productivity, and erodes culture and corporate memory. CEOs need to be asking themselves whether they are creating an environment that helps them compete for talent.

What are you doing to deepen the bond with your employees? Where and how we work will never be the same as it was. How is your company's culture adapting to this new world?

**Larry Fink is the CEO of BlackRock, one of the world's leading providers of investment, advisory and risk management solutions. He has written a widely-read annual letter to CEOs since 2012.*

FOOTNOTES:

1. Bloomberg: [Executive Level: Companies Look to Add Chief Medical Officers During Covid - Bloomberg](#)
2. Wall Street Journal: [Covid-19 Is Elevating New Type of Executive: Chief Medical Officer - WSJ](#)
3. Human Resources Director Magazine <https://www.hcamag.com/us/news/general/7-reasons-why-your-organization-needs-a-chief-medical-officer/256360>
4. MedCity News: <https://medcitynews.com/2022/05/a-new-kind-of-cmo-why-your-company-needs-a-chief-medical-officer/>
5. Deloitte: <https://www2.deloitte.com/us/en/insights/topics/leadership/ceo-role-employee-health-wellness.html>
6. Harvard Business Review: <https://hbr.org/2020/10/does-your-company-need-a-chief-medical-officer>
7. Quartz at Work: <https://qz.com/how-to-design-the-workplace-for-mental-health-according-1849921055>
8. Excerpted from Larry Fink's 2022 Letter to CEOs*: <https://www.blackrock.com/corporate/investor-relations/larry-fink-ceo-letter>