

Healthy Workplaces and Productivity: A Discussion Paper

**Prepared for the Economic Analysis and Evaluation Division, Health
Canada, by:**

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Health Canada's Workplace Health Strategies Bureau (www.hc-sc.gc.ca/whb-smt): The creation of a safe, healthy and supportive work environment is a vital component of Health Canada's efforts to improve the health of Canadians and their families. The mandate and key activities of the Workplace Health Strategies Bureau include strategies and understanding of comprehensive workplace health, building national and international capacity through partnerships, establishing links with other federal and provincial stakeholders, and the dissemination of workplace health research, and information on best practices.

Other activities include the development of a National Workplace Health Agenda which will further the work of organizational health and its relationship to productivity, sustainable development and reduced health-care costs.

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Abstract

This paper examines two health issues of crucial importance to practitioners and policy makers: the work environment and organizational factors that positively influence workers' health and well-being, and the relationship between healthy workplaces and productivity. Research in diverse disciplines agrees on the importance of supporting employees to be effective in their jobs in ways that promote, not compromise, their health. The ingredients include leadership that values employees as key assets, supportive supervision at all levels, employee participation, job control, communication, opportunities to learn, and a culture that gives priority to work-life balance and individual wellness. There is also evidence of causal links between working conditions, interventions designed to create healthier workplaces, employee health, and firm-level productivity. Studies suggest that successful healthy workplace initiatives are comprehensive in scope, integrated with other human resource programs, and have well-designed implementation strategies based on strong leadership, good communication and extensive participation. While significant knowledge gaps remain, these should not deter employers, employees and policy makers from taking action now to create healthy organizations.

Executive Summary

This paper addresses two questions using an interdisciplinary perspective: What are the work environment and organizational factors that positively influence workers' health and well-being? Are organizations that support the achievement of good health for their employees also more productive?

Answering the first question, research on workplace health promotion, family friendly workplaces, healthy organizations, job stress, high performance workplaces, and strategic human resources management converge around the importance of supporting employees to be effective in their jobs in ways that promote, not compromise, their health. The ingredients include leadership that values employees as key assets, supportive supervision at all levels, employee participation, job control, communication, opportunities to learn, and a culture that gives priority to work-life balance and individual wellness.

The answer to the second question is more qualified. Some initiatives, such as comprehensive workplace wellness programs, deliver impressive cost savings and positively influence productivity. High performance workplaces, while showing productivity dividends, less often reveal positive outcomes for worker health, mainly because such measures are not included in these studies. Overall, evidence points toward causal links between working conditions, interventions designed to create healthier workplaces, employee health, and firm-level productivity. We also know that successful healthy workplace initiatives are comprehensive in scope, integrated with other human resource programs, and have well-designed implementation strategies based on strong leadership, good communication and extensive participation.

However, significant knowledge gaps must be addressed. A future research agenda includes: examining the synergistic effects of combining specific health promotion interventions; analyzing the psychological links between job design and productivity-related outcomes such as learning and development, absenteeism, turnover, and job performance; using a wider range of outcome measures such as the psycho-social work environment and productivity outcomes in evaluations of workplace health promotion initiatives; greater focus on health and productivity issues in small workplaces, firms located in rural or isolated locations, in high-risk industries, and in non-standard employment; and examination of the larger economic and social benefits and costs of creating healthy workplaces.

These knowledge gaps should not deter employers, employees and policy makers from taking action now. We know enough about the connections between work environments, employee health and productivity to give much higher priority to creating healthy organizations and to justify investments in pursuit of this goal. Indeed, existing knowledge gaps would diminish more quickly if future initiatives were systematically documented, evaluated and disseminated. In this respect, shared learning is a prerequisite for creating healthy and productive workplaces.

For employers, the paper's central message is that workplace wellness programs can yield cost savings and productivity payoffs. However, the underlying determinants of health and productivity can only be altered through changes to job design, organizational systems, human resource management practices, and the overall culture of the workplace. The emerging healthy organization model can guide this, as can the high performance workplace model presented in human resource management research.

Another key implication for employers is the importance of integrating occupational health and safety, workplace wellness, work-family concerns, with other human resource management initiatives. A coordinated approach will increase the likelihood that change barriers are removed, and that the underlying organizational and work environment determinants of wellness and employee performance are addressed.

For policy makers, the paper's major insight is how healthy work environments contribute to the well being of individual workers and the performance of the economy. Healthy and safe work environments reduce the overall costs of health care, both public and private. Healthy organizations are ones that support workers to use their skills and talents, thereby contributing both to the quality of work life and performance. A far more explicit connection must be made between healthy work environments and Canada's success in a global, knowledge-based economy. Thus, governments can no longer afford to treat health, employment, and economic issues as separate policy spheres.

Beyond this basic challenge, policy makers should take an incremental approach to ensure that all Canadian workers can exercise their right to a healthy workplace. It is too simplistic to suggest that workplaces are either healthy or unhealthy, productive or unproductive. Both characteristics fall on continuums. Given the great diversity of workplaces in Canada, there will be numerous kinds of opportunities, small and large, to make improvements where it can be shown that benefits exceed costs. Governments can enable and facilitate in ways that maximize the number of workplaces that are moving toward the 'healthy' end of the continuum.

In light of growing concerns about the escalating costs of public and private health care, governments must also explore ways of including employers, unions, and professional associations – as well as individual workers – as partners in a variety of healthy workplace programs. Taking action now is crucial, for as evaluation studies show, it takes years for productivity-related health improvements to show up.

For researchers, the major implication is that they must push far beyond their disciplinary boundaries in order to contribute to meaningful change in workplaces. Improving workplace health depends almost entirely on management priorities and decisions, making it important that research be responsive to the concerns of employers. At the same time, much of Canada's economic and social policy rests on the assumption that productivity improvements are a means to improved living standards and quality of life. The practical challenge in framing an action-oriented workplace research agenda is striking the appropriate balance between the interests of employers, employees (and their unions and associations) and society as a whole.