

# Forging tighter links between workplace health and productivity: An action plan for Canada

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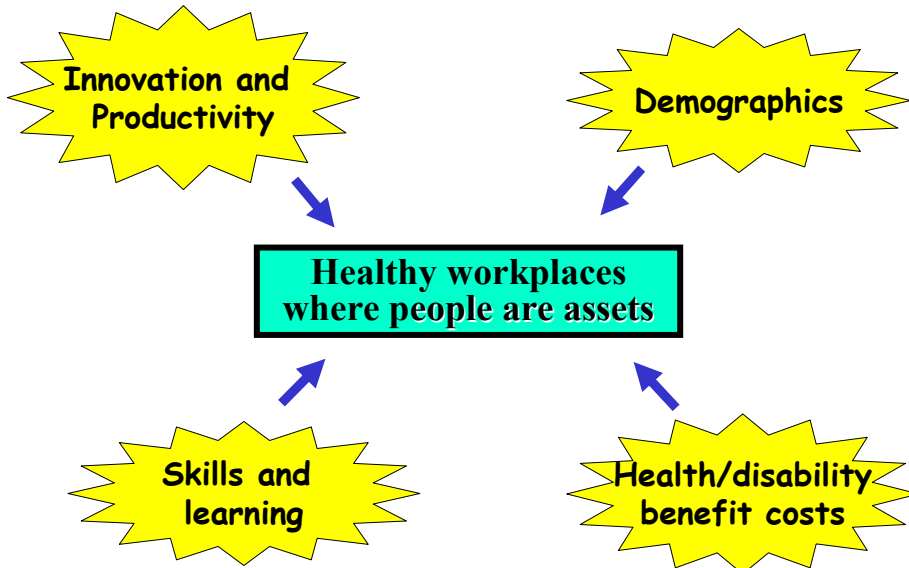
Keynote presentation at the Round Table Project on Safe & Timely Return to Function & Return to Work. Toronto, 8 September 2003.



## Key points

- The need for a comprehensive focus on health and productivity
- Disability prevention and management as components of a healthy workplace
- Defining a healthy workplace
- Benefits of healthy workplaces
- Change strategies and actions

## Pressures to create healthy workplaces



## Return on investments in workplace health promotion

- The economic case (ROI) for health promotion is compelling
  - Evidence shows that workplace health promotion programs result in improved health outcomes for employees, reductions in employer health care costs, and improved productivity
  - Comprehensive interventions have more positive impacts than single-focus programs
- Cost-benefit ratios run between \$3 and \$8 (US) for every \$1 invested in health promotion programs within 5 years
  - Most productivity gains are through reduced absenteeism
- Organizational barriers to ROI analysis
  - Volume and quality of data required, lack of research expertise, and the long-term commitment needed
- Not all employers need data
  - More important is the value management places on human resources

## Healthy workplaces boost competitiveness

- Corporate and policy agendas converge on two goals: [innovation](#) and [healthy workplaces](#)
- The federal government's innovation strategy claims that "(k)nowledge is the main source of competitive advantage, and it is people who embody, create, develop and apply it". *Achieving Excellence: Investing in People, Knowledge and Opportunity. Canada's Innovation Strategy*. Industry Canada 2002 [www.innovationstrategy.gc.ca]
- Healthy work environments contribute to Canada's economic success by creating the conditions in which knowledge can be developed and applied

## Filling future labour and skill shortages

- Workforce aging, baby-boomer retirements, and fewer younger workers means employers will not be able to meet labour requirements by recruitment only
- Must develop strategies to make better use of existing human capital
- Employers must tap into underutilized talent pools to re-skill and re-engage: employable unemployed, disabled not in labour force, employees on disability leave, injured workers, older workers
- In the longer-term, public policy and employer practices must reduce work-related absenteeism, injury and disability, and increase individual employees' productivity

## Learning organizations = healthy workplaces

- How can employers make better use of existing talent?
- Need to create *enabling conditions* for the continuous use and development of skills
  - *a healthy and supportive work environment*
- A healthy workplace has human resource management practices and work systems that support learning
  - E.G.: 'being too busy' is main barrier to job-related training and a major stressor
- All workers can be 'knowledge workers' if given continuous learning opportunities in a healthy environment

## Presenteeism and productivity

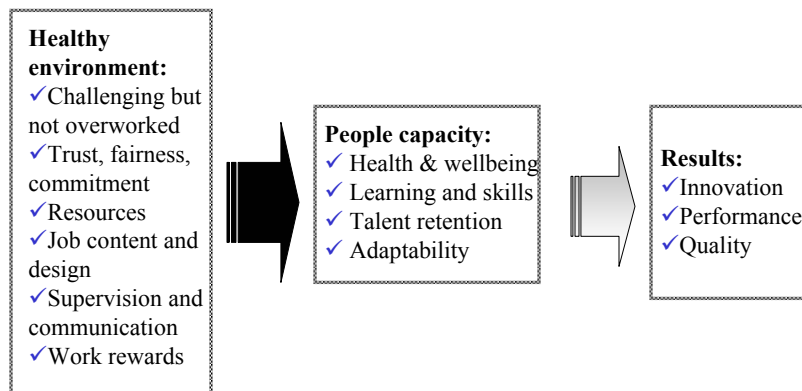
- Reduced absenteeism does not necessarily increase productivity
- There are two perspectives on presenteeism:
  - 1) **Pressure**: Putting in excessive work hours as a perverse expression of commitment or a way of coping with heavy workloads and/or job insecurity.
    - "The phenomenon of 'presenteeism', an overwhelming need to put in more hours or, at the very least, appear to be working very long hours, is another dangerous symptom of the explosive degree of pressure in the workplace." Cary Cooper, Professor of Organizational Psychology and Health at Manchester University
  - 2) **Working sick**: Employees going to work sick or injured. In this sense, presenteeism is a new term for an old problem.
    - Observing this, AON Consulting describes presenteeism as "a relatively new term used to describe workers who remain on the job but who are not as productive as usual due to stress, depression, injury, illness, or something as simple as a migraine headache."
- Similar causes for both forms of presenteeism:
  - Constant workplace change, rising workloads, and growing job pressures have become basic characteristics of working life and therefore health risks in their own right

## Moving to the next level: ***The Healthy Organization***

- There is a consensus among experts that successful interventions must target underlying workplace and organizational factors
  - This is based on a population health model
  - The Institute for Work and Health documents that the limitations of workplace health promotion programs can be remedied by promoting the workplace *determinants* of health, which address job, organizational and work environment causes of health and wellness
- This shifts our focus from health as a characteristic of *employees* to a characteristic of the entire *organization*
  - Scientists at the US National Institute for Occupational Safety and Health (NIOSH) define a healthy organization as “...one whose culture, climate and practices create an environment that promotes employee health and safety as well as organizational effectiveness.”
- Reframing employee health in broader organizational terms transforms it from the status of a ‘policy’ or ‘program’ into a core characteristic of how a business or public service operates

## The logic of a healthy organization

***Here’s how a healthy work environment, people capacity, and improve results are linked:***



## Including everyone

- The healthy organization model fits large organizations and their full-time employees
  - This leaves out one-third of the workforce: freelancers, contract and temporary workers, home-based workers, part-time workers, and self-employed
- If employers want to set new levels of excellence in workplace health, they need to be *inclusive*
- This can be achieved by embedding healthy workplace goals into a *corporate social responsibility* framework
  - This builds healthy relationships with contractors, suppliers, temporary workers and customers, and contributes to a healthy community

## Health as a corporate social responsibility

- The European Union wants “health at work” to be part of a corporate social responsibility framework
  - Encourage firms to adopt voluntary “good practices” that exceed legislated requirements
  - Integrate health at work into a European employment strategy
  - Link promotion of quality employment with full use of human productive potential

See: *Adapting to change in work and society: a new Community Strategy on health and safety at work 2002-6*. Commission of European Communities, March 2002.

## Change strategies

- Even though the *process* of creating healthy workplaces is not well documented, we can identify common features
- This is based on assessments of comprehensive workplace health promotion initiatives that address environmental conditions and individual health behaviours
- However, most did not jump to the next level – ***the healthy organization*** – because health outcomes and organizational results were not linked
- Making that leap requires a clear understanding of the following success factors....

## Success factors in workplace health promotion

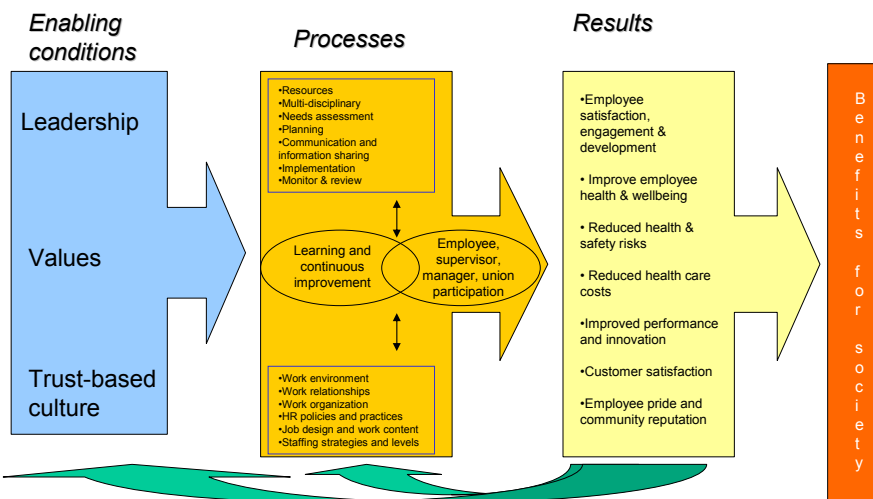
- Supportive corporate environment and leadership commitment
- Non-health issues are important health promoting factors
- Participative change process, involving all levels of employees
- Comprehensive combination of workplace and employee interventions
- Rigorous project management (needs analysis, priority setting, a plan, monitoring and evaluation)
- An integrated, multidisciplinary approach
- WHP embedded in regular management practices and the corporate plan
- Increased employees' sense of control and autonomy

## Three steps to organizational change

1. Create enabling conditions
2. Launch a change process based on learning and participation
3. Set goals and measure results

## An action model for creating healthy organizations

### Regulatory environment



Adapted from E. Menckel and L. Österblom, *Managing Workplace Health* (Swedish National Institute for Working Life, 2002) p. 118.



## Two approaches to creating healthier workplaces

### *Program strategy*

- **thought → plan → action**
- Tends to get bogged down in the planning stage
- Imitation driven, imported methodologies
- Narrow project focus
- Top-down change with some formal group participation
- Expert-led
- Heavy on planning
- Limited diffusion

### *Learning strategy*

- **thought ↔ action**
- Results in greater health improvements
- Vision driven
- Strategic business dialogue
- Broad problem definition
- Top-down / bottom-up change process
- Empowerment with many committed
- Wide diffusion

Adapted from E. Menckel and L. Österblom, *Managing Workplace Health* (Swedish National Institute for Working Life, 2002) p. 57.

## From thinking to acting

- A big hurdle to overcome is moving from thinking and talking to acting
- Closing this “knowing – doing” gap is where many change initiatives fail (Pfeffer and Sutton, *The Knowing – Doing Gap*, 2000)
- Execution is “The way to link the 3 core processes of any business – the people process, the strategy, and the operating plan – together to get things done on time.” (Bossidy and Charan, *Execution: The Discipline of Getting Things Done*, 2002)
- “Trouble in implementing change comes not from misunderstanding *what* to do, but from a lack of discipline about *how* to do what needs doing.” (Becker, Huselid and Ulrich, *The HR Scorecard*, 2001).

## Avoid the over-planning trap

- Act yourself into a new way of thinking, rather than think yourself into a new way of acting
- Continuously reflect on and learn from your actions

## Knowledge gaps

- We know enough to act now, but future research needs to:
  1. Explore the combined impacts of specific health promotion, HR and organizational redesign initiatives on organizational performance
  2. Examine the psychological links between job design and productivity-related outcomes such as learning and development, absenteeism, turnover, and job performance
  3. Use a wider range of process and outcome measures in evaluations of workplace health promotion initiatives
  4. Focus on health and productivity issues in small workplaces, firms in rural or isolated locations, high-risk industries, and among non-standard workers
  5. Assess the benefits, and costs, to society of creating healthy workplaces

## Limits of evidence-based change

- The best data won't convince skeptics:  
"It is ironic that the need for well-documented ROI data has been a barrier to the growth of worksite health promotion, given its popularity with employees and modest cost ... Employer health plans routinely pay for extremely costly surgeries, medical procedures, and pharmaceutical agents based on no ROI data at all."
- D. R. Anderson, S. A. Serxner, and D. B. Gold. 2001. "Conceptual Framework, Critical Questions, and Practical Challenges in Conducting Research on the Financial Impact of Worksite Health Promotion." *American Journal of Health Promotion* 15(5):281.

## The challenge for governments

- Federal and provincial governments can no longer afford to treat health, employment, and economic issues as separate policy spheres
- The workplace is off bounds for most public policy, so governments must find ways to encourage employers to take a leadership role in creating healthy organizations

## Actions for policy makers

- Develop a unified policy framework (horizontal policy thinking) linking health, employment, and economic issues
- Key message: Canada's success in a global, knowledge-based economy depends on healthy work environments
- Communicate how healthy workplaces enhance individual well being *and* economic performance
- Make workplaces major sites in the health care reform agenda, where health care costs can be reduced and individual health improved
- Support employers that are moving toward the 'healthy' end of the continuum
- Form partnerships among employers, unions, professional associations and other stakeholders
- Lead by example: create healthy organizations for government employees

## Partnership Example: Improving the quality of work-life for nurses

- Led by Canadian Nurses Association, a professional association
- April 2002 multi-stakeholder workshop in Ottawa
- Nursing unions involved
- Health Canada's Office of Nursing Policy a major supporter
- Reached consensus on five practical and available *Quality of Work Life Indicators for Nurses* ([www.cna-nurses.ca](http://www.cna-nurses.ca)) :
  - full time employment, absenteeism, overtime hours, professional development hours, unresolved grievances
- These organizational-level indicators are being pilot tested by researchers at University of Toronto
- These measures are imperfect, but must start now because the problems of recruitment, retention and performance are urgent
- Canadian Council of Health Services Accreditation's *Indicators 2003* includes these for health service organization accreditation

## Actions for employers

- Shift focus from symptoms to causes
  - The underlying determinants of health and productivity can only be altered through changes to job design, organizational systems, human resource management practices, and workplace culture
  - The healthy organization model can guide these changes
- Take a comprehensive approach
  - Team effort by professionals in occupational health and safety, workplace wellness, organizational development, human resources, and executives and line managers
- Directly involve employees
- Understand how a healthy organization is better able to meet workforce and workplace renewal challenges
  - This is a sure way to become an “employer of choice”

## Concluding points

- Workplaces can either nurture or compromise individuals' health and well being
- This has huge implications for organizations, the economy and society
- Employers must take the lead in creating healthy workplaces
- For workers, a healthy workplace should be a right, not a work reward or negotiated condition