

## THE BUSINESS CASE FOR A COMPREHENSIVE ORGANIZATIONAL HEALTH & WORKPLACE WELLNESS PROGRAM

### Workplace Stress Consequences

When we consider the economic and social burden of workplace stress, the costs are staggering. A decade of research has demonstrated a pervasive set of negative effects – on organizational capacity, organizational culture, recruitment and retention, absenteeism and presenteeism. All of these arise from the impact of sustained stress on individuals, which has profound effects on physical and mental health, behaviors and interpersonal abilities.

Levels of workplace stress have been increasing over the past decade and are expected to continue to escalate - along with the negative effects. It is critical that organizations approach the issue as a central operational concern.

There is already a strong business case for addressing workplace stress. Research consistently demonstrates a return of \$2.00 to \$5.00 for every dollar invested in comprehensive population-based wellness programs.

Here at TEND, we are specialists in high stress, high trauma workplaces and know that the effects of stress are only magnified in these environments. Our wide range of programs, resources, research and consultation services are all designed to reduce stress consequences by:

- Increasing individual and organizational resiliency
- Reducing stress levels and mitigating stress effects
- Supporting sustainable and positive culture change



## ORGANIZATIONAL COSTS

### Absenteeism and presenteeism costs:

- Sick leave and disability costs
- Overtime
- Replacement workers
- Return to work protocols
- Cost for managing disability cases
- Work overload for colleagues
- Loss of critical skill capacity
- Indirect harm to work team
- Loss of intellectual capital
- Increase in errors
- Decrease in quality of work
- Decreased morale
- Lower employee satisfaction
- Increased conflict
- Increased health burden in work force
- Increased health care costs
- Increased grievances and legal disputes
- Staff turnover and retention challenges
- Increased recruitment and training costs
- Higher proportion of "new in position" workers
- Increased cross generational conflict
- Internal communication challenges resulting from higher turnover
- "Siloing" as divisions and units isolate
- Increased resources devoted to "unintended consequences"
- Lost productivity
- Challenges to client/community relations



## STRESS-RELATED FACTS

- 1 in 3 North American workers are living with extreme stress daily
- One half of deaths in the US and Canada are caused by stress-related illness and disease
- The leading cause of death is cardiovascular disease, 75% of coronary heart disease is related to stress
- Between 70 - 90% of all physician office visits are for stress-related complaints and conditions
- Employees with high stress have 46% higher health-care costs
- Stress is the single highest cause of long-term employee absenteeism
- Stress-related absences cost Canadian employers an estimated \$3.5 billion annually
- Stress, depression, and/or anxiety accounts for 46% of illness-related absences and are collectively the largest cause of all illness-related absences
- Companies with the most effective health and productivity programs achieved 11% more revenue per employee, delivered 28% higher shareholder returns and had lower medical trends and fewer absences per employee
- Indirect costs of poor employee health (such as absenteeism, disability, and lost performance at work) are 2 to 3 times higher than the direct medical costs
- A review of 42 published studies of worksite health promotion programs shows an average 28% reduction in sick leave absenteeism, 26% reduction in healthcare costs, 30% reduction in workers' compensation and disability management claims costs and a corresponding \$5.93 savings for every dollar spent

\*(Refs: The American Psychological Association; Global Business and Economic Round-table on Addiction and Mental Health; The American Institute Of Stress, Workplace Stress; The Canadian Council On Integrated Healthcare (CCIH); Goetzl et al., and The Health Enhancement Research Organization Research Committee; Statistics Canada; The World Health Organization, Absence Management 2012 survey report from the Chartered Institute of Personnel and Development and Simply Health; C. Cooper and P. Dewe, "Well-being—absenteeism, presenteeism, costs and challenges," Occupational Medicine, vol. 58, no. 8, pp. 522–524, 2008; (TowersWatson, 2010, p. 2; Staying@work report: The Health and Productivity Advantage ); Partnership for Prevention, The Value of Prevention, Chapman LS. Meta-evaluation of worksite health promotion economic return studies. The Art of Health Promotion. 2003;6(6):1-16.



## STRESS EFFECTS ON INDIVIDUALS

Extensive research has demonstrated the widespread effects of prolonged stress on individuals. Consequences include:

### Physical health problems:

- Cardiovascular disease
  - Stroke
  - High blood pressure (hypertension)
  - Elevated cholesterol
  - Insomnia
  - Increased fatigue
  - Depressed immune system
  - Increased cancer rates
  - Overweight and obesity
  - Type II diabetes
  - Inflammatory bowel disorders
  - Arthritis
  - Premature death
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### Mental health problems

- Clinical depression and mood disorders
- Anxiety spectrum disorders
- Lower self-esteem

### Behavioral problems

- Physical inactivity
  - Increased smoking and alcohol use
  - Poor nutrition
  - Increased risk for accidents
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### Interpersonal problems

- Poor communication
- Social withdrawal
- Increased aggression
- Cynical attitude
- Mistrust of others
- Defensiveness
- Family breakdown and violence



## IMPORTANT QUESTIONS

- What does workplace stress cost your organization?
- How significant are each of the listed stress effects for your organization?
- Are the stress symptoms more or less prominent in different areas of your organization?
- Can you sustain your current levels of stress symptoms and be a well-functioning organization?
- Have the stress symptoms increased or diminished over the past 5 years?
- Do you need to address this in an effective and comprehensive way?
- Can we be helpful to you?

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To care for, look after or pay attention to.