Mental Health and
A Challenge to

Work-related stress now represents one of the greatest occupational health problems in the European Union.

When half of the roughly 150 million employees in Europe now feel exposed to substantial pressure at work, the damage to companies and the economy is considerable: The EU estimates the material costs alone which are caused by stress at the workplace at roughly €20 billion every year in the Community.

Increasing work intensification, excessive work and pressure from deadlines mean that increasing numbers of employees no longer feel they can cope with the work assigned to them. Equally, too little work, monotony and a lack of communication and information also cause stress. Often workers feel there is no sense in their work and that they are not appropriately “rewarded” by their employer for their commitment.

What can companies do to counteract the negative consequences of stress? What role does stress play in the economic development of companies and what action can executives take to support their employees?

The European network “Enterprise for Health” dealt with these issues at its meeting held in Mondragon, Spain, in October 2003.

The network “Enterprise for Health” (EfH) is an international group of companies initiated in Germany by the Bertelsmann Foundation and the Federal Association of Company Health Funds (BKK, Germany) and is headed by the EfH President Rita Süssmuth. It deals with the development of a corporate culture based on partnership and a modern company health policy.

Why invest in healthier workplaces?
Graham S. Lowe (Alberta, Canada) identified four key arguments why employers today should be interested in developing healthier working environments. They are:

• reduced health and disability costs
• improved learning and skills development in the workplace
• promotion of a culture of innovation and enhanced productivity
• improved use of human capital, particularly with ageing workforces.
Leadership
Corporate Culture and Corporate Health

Job stress – a key determinant of workplace health
In all developed countries there is strong evidence that a large percentage of the working population is affected by high levels of occupational stress. This is often attributed to high-pressure workloads combined with an individual employee’s feelings of lack of control.

Relentless – and sometimes conflicting – job demands, coupled with little influence over the pace or method of working, have an accumulative effect on an employee. Other significant work stressors include a lack of support from co-workers or supervisors, job insecurity and the physical demands of some occupations.

These pressures are increasing with work intensification. Economic conditions are forcing more companies to adopt a range of measures to improve productivity, including staff reductions, the introduction of non-standard working hours and higher individual and team performance expectations.

These changes have led to an implicit redefinition of a person’s employment contract. In North America and elsewhere, many companies undergoing restructuring and downsizing make it clear that they expect 110 percent effort from remaining employees – the “psychological employment contract.”

Apart from the negative consequences for health and other aspects of quality of life, these changes reduce the capacity of organisations to develop and improve the skills and knowledge base of their operations. They also limit the capabilities of organisations to implement change, resulting in negative impacts on innovation and general performance.

Graham Lowe argued that companies tend to focus on health-related absenteeism and overlook the fact that the main cause of reduced performance and productivity today is people being at work but not being fully productive, which has become known as “presenteeism.” The only effective way to tackle this problem is for organisations to invest in healthier workplaces, adopting employee-friendly working practices and environments.

Stress and its impact on learning and innovation
There is a broad consensus that knowledge is the main source of competitive advantage in today’s business world. Graham Lowe argued that the negative impact of job stress on learning and innovation is the key to understanding the strategic necessity of developing healthier work environments, yet the link has not been properly understood.

He highlighted the fact that the chief characteristics of a “learning organisation” resemble very closely those of a “healthy workplace.” Therefore the only question was how to create or facilitate the development of a healthy work environment to maximise an organisation’s innovative and economic potential.

The economies of companies – and ultimately countries – depend more and more on the contribution of “knowledge workers.” If organisations fail to recognise, or take appropriate steps to mitigate, the damaging effects of work intensification and other stressors on these and other employees, then it follows that the organisation’s future could be in jeopardy.
Healthy organisations – the way forward

A healthy organisation, as defined by Graham Lowe, goes beyond workplace health promotion to link health and performance. It addresses individual health risk factors and work environments. A healthy organisation needs to balance customer expectations, organisational goals, employee skills and health needs. In order to achieve this the organisation needs systematic change and the collaboration of occupational health services, human resources, organisation development and line managers.

One of the cornerstones of a healthy organisation is that it is value-led. Trust, fairness and respect are crucial in terms of employees’ expectations. There is a clear link to the “psychological contract” described earlier which means that in practice an organisation which values fairness becomes a psychologically healthy workplace.

Leadership for health – how to create healthy organisations

Strong leadership is a fundamental prerequisite for developing healthy organisations. The critical question challenging business leaders is how to create the trust that the organisation needs to embark on change. Managers need to address the following questions:

- What is your vision of a healthy organisation?
- What values support this vision?
- How can you live these values?
- How can you be a catalyst and an enabler for change?

Mental health from a European work science point of view

Eberhard Ulrich (scientific head of the Efi) addressed the subject once again from the European work science point of view and referred to a series of promising prevention and intervention strategies in the efforts to tackle stress in the workplace.

In order to understand the phenomenon of stress, it is worthwhile considering the sense and purpose of work and, in particular, two important concepts:

When people feel that they can really produce something with their own efforts, they consider themselves as “self-efficacious” (the self-efficacy concept). Unfortunately, the feeling among an increasing number of workers nowadays is “In fact, I can’t produce anything!” This feeling frequently leads to stress, which may not only entail depressive moods but is closely connected with cardiovascular illnesses.

In addition, more and more people feel that while they do their best in work, their efforts are not adequately recognised or rewarded. So-called “gratification crises” can result, with some workers believing they do not receive the pay or the praise of their supervisor or manager which they think they have earned.
This “effort-reward imbalance” can have dramatic consequences, especially in the medium and long term. The latest long-term analyses and studies show, for example, that people suffering gratification crises are 3.42 times more likely to suffer a heart attack than those who do not have the same feelings. According to a recent Finnish study, the risk of cardiovascular mortality is roughly 2.4 times higher for people in gratification crises.

**How can work-related stress be reduced?**

According to Eberhard Ulrich, we in Europe have gathered a great deal of information and experience about stress reduction in the workplace since the 1980s, through the work of groups such as the International Council for Quality of Working Life.

Strategies to reduce stress focus the spotlight on all work activities and the organisation as a whole. A workplace environment which includes a participation-oriented and participative management, together with measures such as staff development and career planning, agreed targets, team building and appropriate reward/pay systems, can all help to promote health and avoid mental stresses.

In addition to a supportive culture in an organisation, specific jobs can allow for an individual’s personality and have a motivating, less stressful effect if the following criteria are satisfied:

- Completeness
- Variety of tasks
- Possibility of social interaction
- Autonomy
- Opportunities for learning and development
- Sense and purpose.

The completeness of tasks – where an employee is involved from start to finish in a particular activity – is a main focus for European organisations seeking to design jobs which reduce stress and promote health. Here, very good procedures have already been developed which offer the possibility of measuring the subjective experience of the workers in relation to the completeness of their work activities.

*Eberhard Ulrich* warned that companies must consider the impact of new technology on individual employees. The precise requirements of various modern technologies and production processes, together with planning and control systems which establish workflows down to the last detail, can result in some employees being trapped in repetitive, limited jobs which offer none of the six job satisfaction criteria listed above and therefore become a source of discontent and stress.

Stress prevention at a time when employees face an intensification of work and an increasing loss of sense and control is a fundamental challenge. *Eberhard Ulrich* is convinced that investments in a corporate culture based on partnership and a comprehensive company health policy will pay dividends for every organisation.
Investments in corporate culture based on partnership and company health policy are worthwhile. It is indisputable that they make important contributions towards achieving a company’s economic objectives.

How to develop the business case for workplace health improvement

Graham Lowe suggests that organisations should make workplace health a fundamental part of their overall change management strategies. To be successful, initiatives have to be backed by a strong sense of urgency with clear communications which inform and stimulate both managers and employees.

Healthy workplaces and productivity

Graham Lowe reported the main findings of research undertaken in the USA which showed that comprehensive workplace wellness programmes deliver impressive cost savings and improve productivity. Evidence also suggests that there are causal links between working conditions and interventions designed to create healthier workplaces, better employee health and overall productivity. The research provided examples of return on investment (ROI) of $3 – $8 for every $1 invested in workplace health promotion programmes over five years.

However some opinion leaders remain unconvinced by ROI data. Graham Lowe acknowledged that it was difficult to prove a direct connection between an intervention and organisational change, but he stated that there is sufficient knowledge available to persuade companies to act now.

To help confirm the link, future research will need to focus on a number of areas, including:

- the combined impacts of workplace health promotion, HR and organisational redesign initiatives on company performance
- the links between job design and productivity and the related outcomes such as learning and development, absenteeism, turnover and job performance
- the assessment of benefits to society in general of creating healthier workplaces.

At the moment there are no systematic data collection routines, within individual companies or across multiple organisations, which deliver the above.

Therefore the challenge to organisations is to design and implement research, tailored to their own specific business circumstances, which produces robust data and analysis on the relationship between workplace health, HR and organisational redesign initiatives and company performance, as measured by operational indicators, financial benefits and customer or quality-related outcomes.
What gets measured gets managed …  

Measuring progress is critical to proving the effectiveness or otherwise of any corporate initiative. A business case has to be supported by evidence.

Graham Lowe recommended that every organisation should construct its own model, including specific factors which drive employee performance and takes into account how these factors impact on other areas of business performance. Such a model would help integrate workplace health into the corporate agenda.

He encouraged organisations to recognise that they already have a lot of data available to them and that it is not necessary to “reinvent the wheel”. Sources would include administrative data, employee surveys, evaluations and qualitative statistics. He said it is important to measure processes as well as outcomes. One valuable process is benchmarking – both external and internal.

He recognised the value of external accreditation, such as the UK’s Investors in People and the EU’s Best in Europe awards and called for separate or additional recognition for “healthy organisations”.

Absenteeism – Presenteeism

One of the most common existing indicators used to demonstrate the effectiveness of workplace health promotion interventions is cost-saving through reducing absenteeism.

However, reduced absenteeism does not necessarily increase productivity. There are two kinds of “presenteeism:” firstly, the concept of the “working sick”, where employees go to work whether ill or injured and, secondly, where employees put in excessive working hours as an expression of commitment or as a way of coping with heavy workloads and/or job insecurity. Both stem from heavy work pressures, although the working sick may suffer from pre-existing medical problems.

Graham Lowe stated that one cause of absenteeism in a company may be the absence management programme itself, the way it is structured and implemented. Organisations using such a programme must examine whether it has unintentional outcomes.
From Practitioners for – Successful Examples

At Kostal CR, spol. s r.o. (Czech Republic) stress problems are found both in the production departments and in the administration and management sectors.

Pavla Prihodova reported that in the production sector stress mainly results from the working conditions, e.g. monotony, shift work, ergonomics, from human relations and the work organisation. In the administrative sector the permanent work at a PC screen and the increasing work load can also cause stress in addition to the human conflicts.

Kostal has successfully managed to reduce the main mental stressors, above all through the health-promoting design of work and working time. In addition, flexibilisation in these areas, for example, is backed up by various staff development programmes (job rotation, qualifications etc.), medical care with preventive check-ups for psychosomatic and muscular-skeletal disorders and the deployment of a psychologist.

While all company divisions and worker groups are included in the company’s stress prevention activities – according to Pavla Prihodova – Kostal also resorts to external support and, in addition to problem analysis and the health report from the in-house works physician, also selectively applies external expertise.

It is planned in the future to concentrate more on the problem of the work stress of the management, to focus on ergonomics at the workplace, devote more attention to mental health problems and invest in improved information and communication, flexibility, work variation and employee motivation. Furthermore, two systems are to be developed which, on the one hand, are intended to support individual stress management – with elements such as relaxation/recovery, communication – of the workers and, on the other, to permit a survey of the subjective perception of stress.

Pavla Prihodova also mentioned in connection with the subject of mental stress special challenges which arise from the (further) development of an economic area (globalisation, international markets) and of the companies domiciled there and which may well also become stressors. The changes in the Czech Republic over the last 10 years necessitated a number of organisational developments both in the company group and at Kostal itself.

Using the example of the function of a supply chain manager, it became clear to what extent work activities can change in specific terms: For example, the holder of this position now bears the responsibility for the entire process – from the customer order to dispatch – which, in addition to the increased demands and possibly stresses, also offers opportunities for higher work satisfaction and career development.

One particular problem at Kostal is the 12-hour shift system. For its introduction, for which the company obtained advice from the National Health Institute (NIOH), reasons such as the loss of information when work was passed on – resulting in quality losses – and the necessary reduction in travel times played a crucial role. In general, some studies do not report any negative effect of a 12-hour shift system but this arrangement is generally not recommended in the case of high physical or mental stress. The consulting NIOH recommended Kostal operate a maximum of three consecutive shifts (2 night shifts), for example, followed by a 1-2-day recovery period.

All in all, according to Pavla Prihodova, Kostal is currently focusing on the individualisation of the working time in its stress prevention activities and is also discussing whether it would be better to establish more short breaks or whether halving the 12-hour shift could lead to greater success.
Practitioners from Corporate Practice

Stora Enso (Finland) relies on a corporate culture based on partnership which is based on a clear mission, vision and common values and which also safeguards sustainability for the forest industry. Paavo Jäppinen presented the “Stora Enso Survey System” which, as a web-based, comprehensive questionnaire system was introduced with a consulting firm in January 2003.

At that time it was not only the special significance of cultural values, management practices as well as employee and customer satisfaction that led to favour of this new development. The various company divisions and business units also wanted a standardised system, which permits benchmarking in relation to both internal and external data.

At present, the Stora Enso Survey System covers the following key points:
1. The surveying of values and attitudes, conducted among the senior management.
2. The surveying of internal customer satisfaction, which measures the satisfaction with the services and functions of the corporate staff and service units.
3. The surveying of employee satisfaction, which is conducted in various units at Stora Enso. It is based on a standardised questionnaire but also leaves room for possible unit-specific questions.

For example, the questionnaire on employee satisfaction (Employee Satisfaction Survey) at Stora Enso, which is already available in 16 different languages, comprises 52 standard questions on the areas communications, organisation and efficiency, management and social relations, job satisfaction, employer image, values, quality and leadership style. An Employee Satisfaction Index (0 – 100) is based on 25 standard questions and was compared with various standards. In addition, three other indexes are in use, related to organizational culture, competence development and attracting talent.

It is planned at Stora Enso, according to Paavo Jäppinen, to apply the specially developed survey system throughout the entire Group by the end of 2005. The survey system is an important element of the employee well-being concept and the approach to Corporate Social Responsibility (CSR). Continuous benchmarking with various other systems is aimed here at keeping a successful tool competitive – also from the viewpoint of the individual company divisions.
GlaxoSmithKline (GSK) (UK) recognises that, to succeed in a highly competitive environment, it needs a corporate culture that protects and enhances the resilience of its workforce.

Poor resilience among employees can adversely affect GSK in many areas, such as lack of engagement/commitment, impaired business performance, burnout and in the area of compliance/litigation. The company has therefore developed “Team Resilience” – an important strategy and set of management tools to enhance performance and provide human sustainability within GSK.

Sue Cruse again emphasised the importance of the team and its supervisor when considering employees’ experience of workplace pressures. Stress or pressure management at GSK means not only supporting the individual but also focusing on teams.

As well as covering psychological or mental well-being issues, it also addresses a broader resilience – i.e. the ability to succeed personally and professionally in the midst of a high-pressured, fast-moving and continuously changing environment.

The company’s overall Team Resilience Strategy, a Team Resilience Process has been developed, based on a contract agreed by all members of the team. Comprehensive assessments of team resilience and the effects of workplace pressure then become the foundation for team action planning. Activities designed to promote resilience and reduce stress are implemented and evaluated.

Management at all levels are responsible for addressing pressure at GSK, with support from a group dedicated to dealing with employee health, in partnership with Human Resources.

Managers are given support to foster team resilience and promote the psychosocial well-being of their employees. This is achieved through open communication on the sources of pressure and the understanding of roles, objectives and priorities of the individual and the company. Over 2000 people are currently actively participating in the Team Resilience Process in the UK and this is growing daily and spreading across GSK in Europe and worldwide.

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Sue Cruse presented the GSK Team Resilience Questionnaire which is used at the start of the process – as an online version or on paper. This identifies potential causes of stress in the team which not only affect the individual employee’s well-being but also have operational consequences for activities such as innovation, sales and delivery punctuality.

It also covers relationships, work demands, corporate culture, career and development, control of work, management practices and individual factors such as attitudes and characteristics of team members. To ensure confidentiality, the questionnaire is only used for teams of eight people or more.

After evaluation of the questionnaires, the supervisor receives a detailed report on the results which disclose the team stressors and provide information on their effects on health, well-being, engagement, motivation and work in the company. The report therefore also contains statements on the identification and affinity of the employees with the company, employee satisfaction, the work-life balance experience and the innovation climate.

During a team meeting, the identified key stressors and their sources are discussed and focal areas defined for the improvement process. An action plan is worked out, implemented and then evaluated together. The plan not only enables a team to address any impediments to optimal performance, but also has implications for the success of the whole organisation.
From Practitioners – Successful

Business Case for Workplace Partnership and Corporate Health

Franz Netta outlined the business case for the commitment to and heavy investment by Bertelsmann AG in a corporate culture based on partnership and a company health policy using two tools.

In Germany alone, a staff survey was carried out which resulted in 27,000 data records being evaluated. The survey included specific questions on health – such as what employees regard as health protection. Analysis of the results came to a clear conclusion: Health depends very much on personal autonomy or “self-realisation.”

The survey confirmed that working time arrangements and transparency of corporate objectives through effective information and communication play an important role. According to Franz Netta, senior company executives have a crucial influence on both factors, particularly in establishing goals and creating latitude for employees.

In addition, over 100 major companies in the Bertelsmann group included in the staff survey were ranked by the central controlling department according to economic success, based on their return on sales. The results were then correlated with the survey responses from employees about their level of identification with the company and with their own jobs. Collated in a ranking list, the results provided an important business case conclusion:

The 25 Bertelsmann companies which exhibit the highest levels of employee identification also belong to the 25 most economically successful with the highest return on sales. At the same time the 25 companies with the lowest level of identification also represent the group of the 25 least successful companies.

Using the latest statistical methods (path analysis, structural equation model) not only were relationships (correlations) between the answers and factors of the survey shown but also the effects and the factors actually influencing the level of identification:

Whereas wages and salaries represented a negligible influencing factor of less than 1 percent, autonomy and “self-control” – with a calculated influence of 62 percent – played a crucial role in addition to the information on the company’s business strategy and the working conditions. This was another area where management had a direct impact; activities such as staff development and training also promoted the staff’s autonomy and self-control.

At the same time the employees see a clear connection between the latitude granted to them in their personal work and the protection of their health by the company. If the sickness rates are included, the connection can also be verified objectively.
Thus the "Partnership – Identification – Success" formula for corporate culture represents a powerful business case argument and a win-win situation for both employees and the company.

A new tool was developed at Bertelsmann to advance a pan-Group learning culture: The “Learning and Reporting System on Corporate Culture” was established as a self-control system to initiate dialogue and share learning in a bid to continuously implement and advance the group’s corporate culture.

The focal point is the Bertelsmann culture and partnership index, which is based on surveys throughout the group. The surveys gather facts and opinions on eight main areas, including common values and objectives, delegation, leadership, information/communication, participation and staff development. They also provide information to the managements of the different Bertelsmann companies on successful, in-house practices and initiatives which, in a targeted global information and know-how transfer, are being successfully carried out elsewhere in the group.

It is the connection with the assessment by the employees that provides information on the actual efficiency of the action and tools selected. As part of this control system, these staff surveys on more individual topics, such as autonomy at the workplace, health and satisfaction of the employees and questions on work design, provide regular feedback and help detect weaknesses and judge the effectiveness of workplace practices and policies.
Practical Consequences
Stress Reduction and

The exchange of experience in the EfH Network resulted in the following conclusions and recommendations for practice:

1. Greater focus on a widespread phenomenon: The intensification of work

Work intensification has a considerable impact on the health in a company, productivity and competitiveness. While the health consequences are already being discussed in depth in the public debate, the effects on innovation and learning have so far been neglected: People under great pressure from work are finding less and less time for learning and personal development. New and innovative ideas therefore fall by the wayside.

2. Mental health: The Achilles’ heel of a knowledge-based economy

Political and company decision-makers have long since agreed that qualifications and knowledge have become the decisive competitive advantage worldwide. People are the bearers of this valuable capital. With their abilities and creativity “knowledge workers” represent a crucial competitive factor: adapting to unforeseen changes. If companies do not look after the health of their employees appropriately in view of the increasing work strains, they are exacerbating the vulnerability of their own economic basis: the quality of human capital.
Healthy Leadership

3 Task of a value-oriented management

A leadership declaration is necessary on the development, design and maintenance of a healthy working environment which enables the workforce to meet the demands imposed by work and their private life and which will, at the same time, ensure a successful company development. Management and a leadership style which are based on appropriate values sets the course for everyone in the company and creates a common identity. Value-oriented companies are based on cost-efficiency as well as on trust and fairness. This successful combination is the cornerstone of all business relationships, whether internal as regards the employees, or external as regards the customers or shareholders. Trust and fairness are the key resources for sustainable success in the economy and society and the mainstays for company health.

4 A step towards a healthy company

In the past, workplace health promotion often concentrated on the individual behaviour of the employees. Healthy companies are now going one step further: They are also looking after the ability of each individual not only to be and remain prepared for change in times of upheaval but also to be able to actively support such change. This approach combines work organisation, work design, supportive leadership, learning, innovation and health.