[Using the "Presenteeism" Factor to Justify Your HR Programs](#)

Exactly How Does Your HR Program Contribute to This Company's Profitability?

Five years ago, if CFOs put a question like this to their HR director they'd probably have gotten a response that included the line "a company's most important assets are its people." In today's climate, a platitude like that won't get you far. An era of rising costs and falling budgets demands more persuasive answers.

Of course, people are the company's most important asset. But what specifically are you and your program doing to optimize the value of that asset?

One of the best ways to demonstrate the value of your HR program is to link it to productivity. Of course, it's one thing to assert that HR programs increase productivity and another to prove it. What makes this especially challenging is that traditional views of productivity are being challenged by a concept known as "presenteeism." Here's a look at the presenteeism phenomenon and how HR directors can use it to prove their value to the organization.

What Is Productivity

In its simplest form, productivity is about getting the most out of your employees. Traditional HR activities contribute to productivity by helping a company:

- Make sound hiring decisions;
- Communicate the expectations associated with particular jobs;
- Hold employees accountable for job performance;
- Deliver the training and support employees need to perform their job functions; and
- Keep employees safe and healthy so they can do their jobs.

Let's concentrate on this final aspect. How exactly does health and safety affect productivity?

Presenteeism & the New Conception of Productivity

The traditional view is that the biggest threat comes from physical hazards such as

dangerous machines, chemicals and fall hazards that cause employees to get hurt and miss work. This view remains fundamentally sound.

However, modern research suggests that the traditional OHS program's emphasis on eliminating workplace dangers that can cause accidents leading to absences is not, in fact, the *most* effective way to avoid productivity losses.

Although it remains a key factor, we now have a better understanding of how health and safety affects employee productivity. Specifically, we now recognize that health and safety hazards can harm productivity in 2 different ways:

1. The Absenteeism Factor

Simply stated, employees who miss work because of an injury or illness are less productive than employees who show up for work. So as far as health and safety are concerned, the name of the game has been to implement measures to prevent the kinds of injuries and illnesses that can cause employees to miss work.

However, recent studies show that most health- and safety-related productivity losses are *not* the result of absence. For example, the seminal American Productivity Audit (APA) study surveying over 28,000 employers that appeared in the December 2003 *Journal of Environmental & Occupational Medicine* found that employees who were absent accounted for only 29% of health-related productivity losses. Only 23% of these absences were due to injury or illness to the employee missing work. The other 6% were due primarily to the health of the employee's family member. Twenty-three percent is a lot; but clearly there are other more important factors involved. What are they?

2. The Wellness Factor:

The overwhelming majority of health-related productivity losses—71%—were the result of reduced performance by the employees who actually *did* show up for work. These losses had gone largely unnoticed, the APA Study noted, because the ailment detracting from the employee's performance isn't serious enough to keep her from missing work.

According to the APA Study, employees on the job suffer from five main performance-impairing conditions:

- Headache/Pain;
- Cold/Flu;
- Fatigue/Depression;
- Digestive Problems; and
- Arthritis.

Productivity losses from these conditions cost businesses than $180 billion per year, the APA Study claimed.

Presenteeism & the Importance of Wellness Programs

Health-related productivity losses attributable to the diminished capacity of employees suffering from minor ailments who still manage to drag themselves to work is known as "presenteeism."

The best thing a company can do to reduce presenteeism productivity losses is to concentrate on the little ailments that detract from the performance of employees who do come to work. A company must also attack the soft and squishy problems that affect productivity such as fatigue and pain.

The implications of this finding are enormous and, at least to some companies highly disruptive of the existing internal order. Traditional health and safety programs are best suited to tackling the industrial hazards that lead to absenteeism. While those programs are still necessary, they're not as well suited to preventing the ailments that lead to presenteeism.

The bottom line: To minimize productivity losses, companies need not just traditional health and safety measures but a wellness program that will enable employees to maintain peak physical and mental fitness levels.

Implementation: The Manitoba Model

Integrating elements of a wellness strategy into a safety program isn't the kind of thing you can do overnight. It takes time. And, as with any other safety initiative, it requires the support and commitment of management and employees. But if you're serious about pursuing a wellness strategy, a good starting point is to consider the model set out by the Canadian Mental Health Association, Manitoba Division (Manitoba Model).

Unlike most wellness plans which count on employees to take responsibility and supply initiative for their own health and wellbeing, the Manitoba Model is controlled from above by management by means of a steering committee that includes both the HR and OHS directors. The Manitoba Model is essentially a feedback loop involving three basic stages:

- Evaluation;
- Intervention; and
- Re-evaluation.

The basic idea is to keep track of how employees are feeling, measure their productivity and make appropriate changes on the fly.

Four-Step Strategy

The Manitoba Model isn't just a lot of academic hot air. It's based on case studies and best practices involving companies across Canada. The case studies suggest that the Model works best when it's phased in gradually within a particular business unit rather than imposed across the organization in one fell swoop. The Model suggests a four-step process:

Step 1. Obtaining Employee Feedback

The first step is to have employees fill out a HYPERLINK "https://hrinsider.ca/province-2/questionnaire-work-productivity-activity-impairment" questionnaire to determine their perceptions about their health, well-being and what causes them to feel stress at work. Respondents should remain anonymous so they provide candid responses.

Step 2. Evaluation of Feedback

Next, the HR director and other members of the steering committee must evaluate the results of the questionnaire to identify problems that need to be addressed. For example, questionnaires might reveal that a certain process is unusually stressful or fatiguing to the employees who perform it.

Step 3. Intervention

This step involves prioritizing the problems and deciding when and how to address

them. Management should let employees know when they take steps to resolve problems to reassure them that their concerns are being taken seriously.

Step 4. Re-Issuance of Questionnaires

The first set of questionnaires serves as a baseline. Once the results have been processed and interventions taken, the cycle begins again. How long should the cycle last? Answer: Between one and three years, according to the Model's authors.

Conclusion

To be fair, the Manitoba Model is a strategy for implementing a wellness program controlled by management across an entire organization. It's not a pure HR program. Still, it's an effective approach that HR directors can use to introduce and integrate elements of wellness into their overall program.