

Is healthy business good business?

By Jon Anders Lone and Even Halland

Survey-based research in Europe reveals a trend of increased time pressure and intensification of work (Parent-Thirion et al. 2007). Rapid development in information and communication technology, globalisation and increased competitive pressure are increasing the demands placed on workers ability to cope with continuous change and lack of predictability. A number of studies indicate that changes in the professional world are raising levels of stress and biopsychosocial health risks, with serious implications for the individual, organisation and society as a whole (Lowe 2003).

On the individual level workers in high stress professions are at increased risk of cardiovascular disease, depression, burnout and a range of psychosomatic impairments (Shirom 2003). On the organisational level suboptimal working conditions can cause increased turnover and absenteeism (Murphy 2003). Finally, the workplace has a potentially large impact on public health (WHO 1999).

In the pursuit of increased profit and competitiveness the needs of the individual in the organisation are often overlooked. Interventions to improve employee health are often considered costs rather than contributing organisational performance. In other words there seem to be conflicting interests when it comes to investment in the well-being of employees. We ask: *Is it possible to simultaneously promote organisational effectiveness and worker well-being?*

Models of healthy and productive work organisations

In the 1960s and 1970s the quality of working life movement argued that jobs could be redesigned to ensure high quality work performance, high satisfaction and low absenteeism. According to this perspective high internal motivation was fostered by providing workers with performance feedback, higher degree of autonomy and increased responsibility. This stood in sharp contrast to the view of the labour force as inherently lazy and motivated only by the prospect of financial gain as advocated by Taylorism and scientific management in the early 1900s (Furnham 1997).

Another important contribution to the field comes from the job-stress literature. Theorell and Karasek link the psychosocial work environment with health and productivity through a model known as the demand-control-support model. According to this model high demands (e.g. time pressure) will stimulate job performance and well-being as long as both high degree of control (e.g. autonomy) and high degree of social support are present. The model has been used to successfully predict job stress, absenteeism and psychological and physical well-being (Karasek et al. 1990).

Building on the work-redesign and job-stress literature, models of “healthy work organisations” (HWO) have been developed. A HWO is an organisation that has both financial success and a healthy workforce. Research on HWO seeks to identify those organisational factors which predict both health and performance outcomes. One model of HWO was developed by the National

Institute of Safety and Occupational Health (NIOSH). Based on survey data from a large manufacturing company NIOSH identified factors associated with organisational culture and climate, management practises and core company values that were related both to worker well-being and organisational effectiveness.

These factors included:

- *Leadership that values employees as key assets*
- *Supportive supervision*
- *Employee participation*
- *Job control*
- *Open two-way communication*
- *Opportunities to learn*
- *A culture that gives priority to work-life balance and individual wellness*

(Adopted from Lowe 2003)

How to create a healthy work organisation?

The HWO-models provides a conceptual basis for organisational interventions. Perhaps the greatest contribution is that these models require employees and managers to think about the workplace more holistically. Creating a healthy organisation requires changes in an organisation's structure, processes and culture (Riedel et al. 2001).

Barriers and facilitators

According to the European Agency for Safety and Health at Work (EU-OSHA 2004) many companies are still unaware of the economic aspects of occupational safety and health. Few firms systematically measure and evaluate organisational and individual health indicators. As a result, many companies do not invest in these areas.

To clarify the relationship between health and productivity, organisations should track the following factors: Employee health outcomes, the costs of health benefits plans, absenteeism, and the quality of the work environment (Lowe 2003). However it is not always possible to link aspects of employee health directly to productivity. Health-related variables affect productivity in a variety of ways, often through complex mechanisms.

The concept of presenteeism serves as a good example. The term refers to the problem of workers being on the job but, due to stress and medical conditions, they are not fully functioning. While the cost of absenteeism is well-known and kept track of by most companies, presenteeism can be considered a "hidden" cost because the employee is on the job but not performing at full potential. Some researchers estimate that the costs of presenteeism might exceed the costs of absenteeism. This concept illustrates the difference between direct organisational costs and more intangible performance loss, and reminds us why it is vital to evaluate a variety of health-related indicators (Cooper 1998).

Even when reliable data on health costs are available, the company's values and culture may not support workplace health promotion. In these cases even the best designed interventions may fail. Strong management commitment is necessary for an organisational intervention to be successful. Conversely, lack of leadership support makes change very difficult. Management resistance may stem from an unwillingness to commit to change processes that potentially undermine their authority. Other stakeholders may also attempt to avoid change processes perceived as a threat towards their interests. A partial solution to this problem is to involve all parties as early as possible in the change process and enable them to make positive contributions (Lowe 2003).

Success factors

Although there are different types of strategies and interventions to create a HWO, some common success factors have been identified.

A HWO should:

- *Combine business targets and human resources activities*
- *Take a wide approach to health promotion to include not only health conditions but also employee attitudes and corporate culture*
- *Use comprehensive occupational, safety and health (OSH) improvement programmes, rather than specific interventions*
- *Incorporate OSH in technical innovations and organisational improvements; OSH investments should not be isolated from other investments as this may leave OSH out of management's concerns*
- *Carry out systematic measurement and evaluation to demonstrate return of investment, both prospectively and retrospectively*

(Adopted from EU-OSHA 2004):

Current trends

World Health Organization (1999) considers the workplace a priority setting for health protection and health promotion in the 21st century. Healthy working conditions clearly contribute to improving the population's health and can be considered an aspect of corporate social responsibility. Furthermore, a commitment to health promotion in the workplace may be crucial to a company's reputation. In today's knowledge-based economy, becoming an employer of choice is essential to the survival of modern businesses.

Interestingly, the defining features of healthy work organisations have considerable overlap with the subjects categories used by Fortune Magazine to select the 100 Best Companies to Work For (Murphy 2003). This may be interpreted as an increasing emphasis on high-quality working conditions in the business world. Another example of the increased awareness of the relationship

between productivity and health is “Enterprise for Health” (EfH 2007), a network of international enterprises sharing the same basic conviction:

"Activities of a corporate culture based on partnership and a company health policy are investments in the future of an enterprise. They ensure competitiveness in the long term by building-up and maintaining innovative human wealth."

To summarize, by designing proactive organisational interventions it is possible to simultaneously foster employee well-being and organisational effectiveness. To achieve this occupational safety and health considerations must be included in day to day decision making. In line with a strategic human resource management perspective, there is a need to link human resources with strategic company goals and objectives. This can also be seen in light of economic theory. Traditionally, good health has been regarded a result of economic prosperity, but recent theory propose that economic growth also depends on a healthy workforce (Brandt-Rauf et al 2001).

This brings us back to the title of our paper, “is healthy business good business?”. It is possible to simultaneously promote organisational effectiveness and worker well-being. Promoting health in the workplace is not only to the benefit of employees, but also crucial to the competitiveness and survival of organisations. Looking at society as a whole, healthy work organisations contribute to a sustainable economic development and improved public health.

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