

Importance of Well-Being

At this moment, we live in a situation that aggravates productivity, mental health, and stress. A lot of news has been published in the past year. Some highlights:

“With the pandemic, the productivity of work in the industry dropped 0.6% in 2020, said CNI”

“The pandemic is increasing mental health problems”

“Covid-19 is a growing risk for mental health”

“Stress increases in pandemic times”.

Stress and mental and physical health not only affect people but also have a great impact on our current society and world economy.

Working remotely due to Covid has created problematic factors, which people must fight against, such as:

- Children at home, housework, social isolation, and noise of neighbors impair well-being by increasing daily effort and stress.
- Less exercise is practiced.
- The workload is increased.
- Sleep habits are affected.
- Inability to disconnect from work at the end of the day.
- Being with one's family 24/7 creates tension and arguments.

It creates some consequences that mark our life, such as:

- **Physical and Physiological**, e.g.: heart and cancer diseases; inhibition of the immune system; musculoskeletal injuries and digestive disorders.
- **Behavioral**, e.g.: increased consumption of alcohol and tobacco; isolation and aggressiveness; propensity to make mistakes.
- **Psychological and Emotional**, e.g.: irritability; anxiety, anguish, fatigue; sleep disturbance; depression, and burnout.
- **Cognitive**, e.g.: decreased concentration, memory, and learning capacity; difficulty in decision making; decreased engagement and commitment.

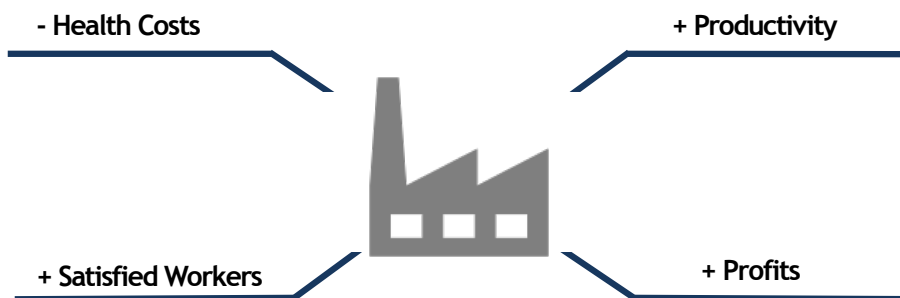
Now, more than ever, we need to create wellness strategies that reinforce our resilience, especially within our business.

Why should our Well-Being be central to any business strategy?

The importance of well-being in the individual is demonstrated through cause and effect. With more well-being, the person will have:



Having happy employees, what will this represent for the company?



- It will lower health care costs.
- Deloitte did a study in which they interviewed 11,000 Human Resources leaders and also businesses in 30 different countries. This study concluded that greater well-being implies higher productivity.
- It is common sense that having satisfied employees within the company will help it to progress in the market.
- Having an overall healthy company will create the desirable profits that investors are seeking.

Costs of not prioritizing well-being

An OPP study shows us absenteeism and presenteeism taxes. Due to stress and mental illness problems, people tend to lose 7.4 and 14.8 workdays per year, respectively to absenteeism and presenteeism. Depending on the number of workers, it can result in, approximately, 30% productivity losses.

3 out of 5 employees experience mental health problems and stress due to work. These types of issues lead to a loss of 3.2€ billion annually. For Portuguese companies, these losses can cost 0.9% of the total business volume.

Recently, Guilherme Pinheiro participated in EDP Winter Recall, where he and his team concluded that the EDP loses 58.55 million euros per year, due to absenteeism and presenteeism (*).

ROI – Return of Investment

Following the WHO study in 2019, if a company invests 1\$ on well-being, it will generate a profit of 4\$ in return.

The table below is a copy from Matrix, 2013. They conducted a study that summarizes the benefits and costs of mainstreamed programs by sector for a one-year period.

The study's programs show an overall benefit-cost ratio between 0.81 € and 13.62 €. Also, the healthcare system, social welfare system, economy, and employers will profit, depending on the program implementation.

	Without programme	Universal		Targeted		Treatment	
		Workplace Improvement (WI)	Acceptance & commitment therapy (ACT)	Stress Management (SM)	Email CBT (ECBT)	Exercise (Ex)	CBT
Effects							
Effect on depression rate	-	-34%	-80%	-45%	-25%	-72%	-43%
Programme costs							
Cost of programme per person	-	€ 15.8	€ 68.2	€ 487.8	€ 478.0	€ 722.8	€ 1,204.9
Cost of programme	-	€3bn	€11bn	€14bn	€14bn	€11bn	€18bn
Opportunity cost of recipients' time	-	€28bn	€22bn	€4bn	€2bn	€4bn	€2bn
Costs by sector							
Healthcare system	€63bn	€56bn	€46bn	€61bn	€62bn	€44bn	€52bn
Social welfare system	€39bn	€38bn	€36bn	€39bn	€39bn	€36bn	€37bn
Economy	€242bn	€229bn	€212bn	€237bn	€239bn	€209bn	€222bn
Employers	€272bn	€235bn	€186bn	€257bn	€263bn	€178bn	€215bn
Total costs	€617bn	€558bn	€480bn	€593bn	€603bn	€467bn	€527bn
Benefits							
Net benefit	-	€28bn	€103bn	€6bn	-€3bn	€135bn	€70bn
Net benefit per person	-	€ 171	€ 631	€ 202	-€ 90	€ 9,125	€ 4,708
Benefit-cost ratio by sector							
Healthcare system	-	€ 2.94	€ 1.60	€ 0.20	€ 0.11	€ 1.80	€ 0.64
Social welfare system	-	€ 0.47	€ 0.26	€ 0.03	€ 0.02	€ 0.29	€ 0.10
Economy	-	€ 5.03	€ 2.73	€ 0.37	€ 0.21	€ 3.12	€ 1.12
Employers	-	€ 3.36	€ 5.66	€ 0.81	€ 0.47	€ 8.42	€ 3.04
Overall benefit-cost ratio	-	€ 11.79	€ 10.25	€ 1.41	€ 0.81	€ 13.62	€ 4.91

SOURCE: MATRIX, 2013

When wellness practices are combined with individual commitment to healthy behaviors and attitudes, it has a positive impact not only on the individual but also on companies and the relationship with their customers. Statistically speaking, company strategy in addition to the practice of healthy habits will produce many benefits for a business.

In conclusion, there are 5 fundamental dimensions that well-being encompasses which are emotional, physical, professional, social, and financial. If a company invests in its employee's well-being, the company and its employees will see. **Now, more than ever, we need to create wellness strategies that reinforce our resilience, especially within our business.**

(*) Note: At EDP Winter Recall, the team presented a web interface to their mentors to help EDP interact more with their employees and help workers be more relaxed throughout the day, which will definitely increase their well-being. The team's mentors loved the idea and are thinking about implementing it in their system.

This interface idea is an aggregation of goods apps, like Health from Apple or Live Well at Accenture. However, this is the most complete one. Each employee can personalize his interface.

For obvious reasons, the author didn't want to make his idea public. If you want to find out more about it, you can contact him.

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