

Title:

PRESENTEEISM: Another Dimension

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Summary:

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Keywords:

Article Body:

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Disengaged employees are those employees that are at work but their minds are not necessarily on their jobs. The term presenteeism has also been used to describe disengaged employees. Their minds are somewhere else. They could be thinking about their children, their upcoming date, a party, last night's basketball game or be engrossed thinking about their own personal problems. From a productivity perspective this may not be that serious for a person working manually on repetitive tasks. However, in the advanced economies of the world such as those found in North America, Europe, Japan and elsewhere, where the contribution of knowledge workers to the GDP is greater than that associated with production workers in the manufacturing sector. Mental performance is the key determinant of productivity and profitability. In this setting if an employee's mind is not on their jobs they become a significant liability to their organization. The mind today is the ultimate productivity weapon.

This new paradigm has brought awareness to the serious increase in the rise of mental disabilities. For example, it is estimated that the cost of depression to the US economy is approximately \$150 billion a year. Forty to 50% of the cost of absenteeism is on account of mental disabilities in medium to large North

American organizations. Prescriptions such as Prozac, Welbutrin, Zoloft, Paxil and others used to treat mood disorders and other types of mental disabilities are among the fastest rising category of drugs. To respond to this situation, managers are increasingly challenged to create workplaces that will support a mentally healthy environment.

We also know that there are anywhere from 10%-15% of employees who suffer from depression and who are not absent but who are in fact are at work. This group of employees is incapable of working at peak performance. They are at work and they fall squarely into the disengaged or presenteeism category of employees. To add to this new research in the October 2004 issue of the Harvard Business Review showed that there was an additional dimension to presenteeism. There is another threat to productivity that can be added to the presenteeism group: physically sick workers who show up at work but are not fully functioning. In a research study commissioned by Lockheed Martin in 2002, the single largest group of employees who were at work and were suffering from allergies and sinus problems had a prevalence rate of 60% and were costing the company close to \$2 million in lost productivity, followed by chronic lower back pain at 21% and \$859,000 in lost productivity, arthritis at 20% and \$860,000, depression at 14% and \$787,000, dermatitis or other skin conditions at 16% and \$610,000, and flu at 18% and \$607,000 in lost productivity. This research estimates that presenteeism costs the American economy about \$150 million in lost productivity.

What Can We Do?

1. Human Resource Departments need to begin to collect and use the absenteeism and other health statistics in a strategic way. This means being proactive in their organizations to begin to educate their own managers.
2. Train managers to manage for performance as well as managing for health. If they see a performance change in an employee who is considered a good performer, managers need to be given the language to enter into the appropriate conversation with their employee to discern the problem. The manager is not being asked to be a doctor or psychiatrist. She is being asked to point the employee in the right direction, i.e. going to EAP or whatever is the most appropriate course of action to restore the employee to fully productivity.
3. Educate your employees. This can be done using lunch and learns. Use your own internal health statistics to determine the priority for the programs.
4. Ensure that your absenteeism policies are not encouraging sick employees to come to work.
5. View employee productivity from a systems perspective. Employee health is inexorably linked to productivity. Therefore all managers should be held accountable for both their own business performance measures as well as for their unit's absenteeism. In other words the health of their employees is

now their responsibility and not the responsibility of their health department. We worked with a client where this was instituted. The health of the employees in their department was discussed along with business issues at the weekly departmental meetings. Absenteeism decreased and productivity increased.

6. Assess your company drug plan. Does it support a healthy workplace or is it acting as a disincentive. You may be surprised what you find. Make sure that in your assessment you consider the whole system. Look at the cost side and also look at what is gained by supporting for example, employees who may be suffering from allergies and with the correct medication are able to be fully productive.

7. Introduce health promotion programs. There is a litany of programs and you have to choose the most appropriate for your organization. For example, EAP, flu shots, blood pressure testing, exercising, smoke cessation, weight loss and stress management programs.

8. But before you lunge into any of these programs make sure you understand root causes of the disabilities in your organization. For example, how much are organizational practices and leadership behaviors contributing to stress, chronic back pain and depression. Although health promotion programs can be effective, their effectiveness is dramatically reduced if organizational causes are not addressed first. The use of a leading edge diagnostics such as the Entec's Employee Engagement Survey that measures both organizational factors and employee health factors can be an invaluable first step to identify causes of employee ill-health and to create a framework for improving health and productivity.

Better management of employee health can lead to improved productivity and this in turn can create a competitive advantage. With scarce resources you may discover that reallocating funds towards health from training dollars will achieve greater productivity gains.