



A New Health Care Prescription

Companies are finding that investing in employees' emotional well-being can mean a healthier bottom line.

In the midst of all the talk about health-care reform and the need to rein in medical costs, a new prescription is emerging. At its core is the simple yet powerful notion that a person's psychological state has a strong bearing on his or her physical health. Scientists have long understood the power of the mind when it comes to illness and disease, but the research gaining momentum today goes far beyond the mind-over-matter approach. It sets forth evidence showing that a person's lifestyle, behavior, attitudes, emotions—and even thoughts—can not only help an individual in recovery from an illness but, perhaps more important, can also prevent him or her from getting sick in the first place.

In today's 24/7 global society, the stress drivers behind this mind-body movement are easy to spot. Cellphones, e-mail, pagers, and instant messaging—all designed to make life easier and more convenient—have made it virtually impossible to leave work behind. For the substantial cadre of people who telecommute, finding a way to distinguish between work

employee was," says Anderson. "Today, research is showing that a person's physical and emotional well-being is often a more accurate measure of how productive he or she is going to be."

To spread the word about the evidence supporting a mind-body connection, the APA is about to launch the latest phase of a public education campaign begun in 1996. One important purpose of the campaign, says Dr. Russ Newman, executive director of the APA's practice directorate, is "to raise awareness that tending to emotional health and well-being of individuals can not only have a direct and positive impact on physical health, but can have an equally positive impact on organizations as well."

For employers, that translates into creating what the APA calls a "psychologically healthy workplace." The characteristics: helping workers be involved in decision-making and the success of the company; putting a premium on health and safety issues; investing in employees by offering career growth and development opportunities; employee recognition;

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and home life is even more challenging. This fast-paced world, coupled with job uncertainty, family demands, economic issues, and the country's pervasive unease about future security threats, means Americans are facing more—and more intense—stress than ever before.

Left unmanaged, this pent-up stress can manifest itself in any number of ways. Studies have shown that general aches and pains, headaches, high blood pressure, obesity, respiratory disease, mental illness, and even death from heart disease and cancer can result when a person's emotional well-being is ignored. Dr. Norman Anderson, CEO of the American Psychological Association (APA) in Washington, D.C., says that corporate America needs to tap into the role that lifestyle, behavior, and emotions play in a person's ability to stay healthy. "Businesses used to think productivity was only a function of how motivated the

and fostering an atmosphere that values work-life balance. Currently, the APA honors companies for specific innovative best practices after the companies have been recognized at the state level as psychologically healthy workplaces. And, in 2006, the APA will roll out a national Psychologically Healthy Workplace Award to recognize companies whose total activities have combined to create a psychologically healthy workplace. Says Newman: "Research shows that attending to the things that stress employees—feeling like they aren't able to influence decisions, or that they have little or no control over their own schedules—goes a long way in creating an atmosphere that is less stressful, has less absenteeism, and allows greater productivity."

The Silent Killer

Stress is linked to the six leading causes of death, which include heart disease,

cancer, and suicide. And the cost is high. According to the American Institute of Stress, in Yonkers, nearly one million employees miss work each day because of workplace stress. The annual tab for all these lost hours due to absenteeism; reduced productivity; turnover; medical, legal, and insurance costs; and workers' compensation claims comes to \$300 billion or \$7,500 per worker.

Even when workers show up, a poor mental outlook or mounting stress takes its toll. A 2003 study by the Institute of Health & Productivity Management defines "presenteeism" as the invisible loss when workers are at work but are unable to function to their potential. Ailments such as depression, fatigue, backaches, headaches, and stomach maladies cost employers more than \$180 billion annually in lost productivity. As the president of one company puts it, "When a key manager is stressed out and frazzled, he isn't going to be productive even though he shows up for work every day."

Some organizations faced with a stressed workforce—and the ailments that follow—might be tempted to support health-care programs that merely medicate away the symptoms. But the APA's aim is to educate the public and employers that they can and should have a more active role in health-care choices that prevent illness, not just treat the symptoms once they appear. For some, simply learning how emotions and behavior can affect health is enough. Others will need more help to develop strategies to manage stress or engage in healthier behavior. Those who cannot do it on their own, a 2004 poll commissioned by APA shows, people want to find help by talking to a trained professional such as a psychologist before even considering medication. In fact, a *Consumer Reports* survey published in October 2004 found that among 3,079 readers who rated their care for depression and anxiety, most found that if their treatment was "mostly talk" and lasted for at least 13 sessions, they had a better outcome than those whose treatment was "mostly medication."

This approach is also cost effective. According to the Group Health Association, employees receiving mental health counseling lowered their use of medical

insurance by 31%. Conclusion: Providing employees with early and adequate attention to mental health problems is not only good for the employees, says the APA, but also helps a company cut down on expensive medications and other forms of care.

The Big Payoff

Are employers really interested in a psychologically healthy workplace? Just ask the folks at Liberty Precision Industries, a high-tech machine-building company based in Rochester, N.Y., and an APA "Best Practice" honoree, which discovered the value of improving communication.

According to the APA poll, people say better communication would reduce stress at work. An overwhelming 91% of Americans prefer to get help from a mental health professional who uses talk therapy as a first course of treatment rather than deal with one who would start off with prescription drugs.

A few years ago, Liberty Precision Industries decided to improve communication by creating an employee development program called the "Liberty Culture-Change Process." The impetus for the program, says Jean Steinmetz, manager of employee development, came from a desire to expand the company and the responsibilities of its senior managers. "Our president, Doug Woods, understood the importance of an emotionally healthy workplace from watching his grandfather start a successful business in Rochester years ago," she says.

Working with Dr. James Kestenbaum, a local corporate psychologist, senior managers of Liberty met every other week for four hours a session to identify their strengths and weaknesses. "We worked on how they could communicate more effectively with better time management," says Kestenbaum. From the beginning, the company emphasized that these skills would be portable. "We don't want good people to leave the company," Kestenbaum says, "but we wanted everyone to know that we were looking to help people become more skilled here at Liberty, and more marketable in the future, even if they weren't at the company."

The payoff so far has been dramatic. Steinmetz says retention has improved



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significantly, not a minor issue at a company like Liberty. “Because of the technical work we do, we have very highly trained workers,” she says. “It takes a long, long time for these folks to be fully productive, and it would be catastrophic for us to have high turnover.” Liberty’s development program has also helped identify key employees for better succession planning.

Strengthening the skills of its senior people has enabled the company to explore new business opportunities. Five years ago Liberty began a technical services division and transferred one of its senior managers to run it. However, it wasn’t until Dr. Kestenbaum began coaching this manager one-on-one that the business really took off. Today, Steinmetz says, technology services is a “multimillion-dollar business with double-digit growth.” And there’s more. “We don’t have lots of people calling in sick or wasting time complaining about dysfunctional managers,” Kestenbaum says. “When you have a psychologically healthy workplace, employees spend their time in better ways.”

Coaching Leaders

Sysco Foods Services of Albuquerque, another APA “Best Practice” honoree, also realizes that a psychologically healthy workplace fosters better communication between managers and workers. With about 430 workers, Sysco provides food and related products to hospitals, restaurants, and educational institutions. Tim Hogan, the company’s president, initiated a development program for managers about two years ago. “We found that our managers were really struggling with delivering bad news to employees or correcting performance that wasn’t up to par,” he explains. “The dilemma for them was how to fix the problem without doing the work themselves.”

Rather than let managers flounder, Hogan partnered with the business school at the University of New Mexico to provide coaching sessions for his top 25 executives. Three trainers from the university came to Sysco’s offices for three hours every week. By role-playing different situations, the coaches helped the managers learn how to hold workers accountable without being overly critical, how to deal with superiors on sensitive issues, and, perhaps most critically, how

to foster competence in other people. “Our managers knew that their people usually had the answers to whatever problems they were having,” says Hogan. “But sometimes an employee just needs help getting it out.”

Has the coaching paid off? “Absolutely,” says Hogan. “Before, the thinking was, ‘Here’s how you solve the problem.’ Now, managers have been taught to ask the right questions of their employees to get to the answer. It’s a lot better to have the brainpower of the whole company at your disposal, rather than just the top 25 people.” The training has also alleviated the stress that many of Sysco’s top people were feeling. Before the sessions, one district manager was so frustrated and overwhelmed by employees “dropping every problem into his lap,” says Hogan, that his productivity and performance began to suffer. After the coaching, the manager was better able to help his team solve these same problems on its own, and his performance began to improve as well.

Offering a Helping Hand

A premium on health and safety is a hallmark of a psychologically healthy organization, says the APA. “When employees feel that they are valued and that their well-being is noticed and nurtured, it can have a direct and positive impact on retention, loyalty, and, of course, the bottom line,” says Dr. Newman. Bank One certainly understands the benefit of looking out for its workers. The company, which recently merged with J.P. Morgan Chase, has spent the past two years developing and refining its “Recognize and Refer” program to help address the psychological, physical, and financial toll of domestic violence among its employees. Its efforts here resulted in an APA “Best Practice” honor.

Dr. David Hayes, a clinical psychologist and a member of Bank One’s Employee Assistance Program, says the company began the program because it views domestic violence as a major public health problem. “Violence doesn’t stay home when victims of violence come to work,” Hayes says. In fact, about three-quarters of women who are victims of domestic violence at home say that the abuse continues at work. “Some of these men will simply wait all day in the

parking lot, or make dozens of harassing phone calls, or jam the fax machines with abusive messages," he says.

Aside from creating an atmosphere of fear and shame for the individual, domestic violence takes an economic toll on a companies. According to the Bureau of National Affairs, domestic violence costs businesses between \$3 billion and \$5 billion a year in lost productivity, increased turnover and absenteeism, and increased medical costs. Hayes says one recent study showed that it costs an average of about \$1,800 more a year in medical costs for an abused woman than for one who is not abused.

The goal of Bank One's "Recognize and Refer" program, Hayes says, is to teach employees to recognize signs of abuse—bruises, frequent lateness or

chologically healthy workplace, says the APA, is a sense that employees have some say in the success of the company. "When you allow people to be involved and actually have an impact, they're more invested in the outcome and actually feel less stressed by work demands," says the APA's Newman. Steelscape, a steel manufacturing plant in Kalama, Wash., takes employee involvement to a new level and won an APA "Best Practice" award for its efforts. Like many other manufacturing companies, Steelscape uses self-directed teams to boost productivity and efficiency. But the company goes one step further by allowing those teams to be completely involved in the hiring of new employees.

William Freemel, vice president of organizational development and human

Employees who receive mental health counseling cut their use of medical insurance by nearly a third, according to one study.

absenteeism, and comments about stress at home, to name a few—and then to guide victims to the appropriate professional help. "So many women who are abused feel that if they bring the issue up or seek help, they are going to lose their job," says Hayes. "This program proves that they don't have to choose between getting help and keeping their jobs."

Although the program is still in its early stages, Hayes is optimistic. Only one or two Bank One employees a year sought help for domestic abuse before the program began. Now it's up to nearly a dozen women a year. "The numbers are small, but it does show a pent-up need for this kind of service," Hayes says. Perhaps more promising is the fact that 90% of employees surveyed said that if they needed help they would use the program. And employees perceive that Bank One cares about their health and safety—97% said they knew that Bank One cared about the issue of domestic violence.

The Success Quotient

Another one of the cornerstones of a psy-

resources at the company, says once a candidate is included in a pool of potential employees, it's up to the teams to interview that person when there is an opening. "Allowing the teams to ask a potential employee questions helps us make much smarter hiring decisions," he says. It also fosters of sense of partnership. "Our employees feel they own the business," says Freemel. "If someone comes to visit our facility and doesn't put on the proper safety gear, he won't get very far before an employee tells him to put some on. There's that kind of a ownership."

Creating a work atmosphere that adds to the emotional well-being of employees can only be a plus for businesses. The APA, in getting the message out through its public education campaign, is providing the leadership, research, and support in what's proving to be a major shift in how Americans will define health care in the years ahead. "Companies are looking for peak performance," Newman says. "If they really want their organizations—and their employees—at their best, they need to help them capitalize on the mind-body connection that serves as the engine for peak performance." —Susan Caminiti