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# PRESENTEEISM & PRODUCTIVITY

## Two Reasons Employee Assistance Programs Make Good Business Cents

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### Abstract

This article addresses the prevalence, etiology, and potential solutions for the productivity-loss problem of presenteeism in today's workplace. Over the last decade, economists have identified that presenteeism, the first cousin of absenteeism, occurs when employees show up for work but, because of mental or medical illness, do not function productively or perform at 100%. Depression is ranked highest among conditions contributing to presenteeism and takes the largest chunk out of employer's pocketbooks. While there are various ways of supporting employees and addressing underperformance, employee assistance programs (EAPs) make perfect business "cents," offering an effective means to address lost productivity and presenteeism caused by depression.



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## Introduction

In Hermann Melville's story, *Bartleby the Scrivener*, a clerk named Bartleby replies, "I prefer not to," to every request made of him. Today Bartleby would join a growing number of employees who show up for work, but because of illness or stress-related problems, do not function productively or perform at 100%. Economists have coined the term presenteeism to describe this productivity-loss problem.

Worker absenteeism has long been a costly problem for employers, but health-care organizations can no longer afford to view absenteeism as the single greatest factor impacting on productivity. Researchers are finding that presenteeism accounts for a significant portion of lost productivity that is invisible to employers because it occurs on the job. Organizations can combat presenteeism by addressing its prevalence, calculating its cost, and limiting it through supportive and effective methods that keep employees healthy and productive.

## Causes of Presenteeism

In today's work environments, which are more fractured and difficult than in previous decades, employees carry increased workloads with fewer organizational supports and resources. As a result, many workers find themselves stressed and frequently unable to perform at their best. It is not surprising that employee job satisfaction declines and mental and physical health suffers as a result.

A study reported in the *Journal of the American Medical Association* (Stewart, Ricci, & Chee, 2003), based upon 25,000 interviews with employees from diverse occupations, estimates that \$180 billion is lost annually from absenteeism and presenteeism due to health conditions. The Institute for Health and Productivity Management identified mental health (primarily depression and stress-related problems), musculoskeletal problems (low back pain, arthritis), and respiratory conditions (colds, flu, and asthma) as the leading reasons for lost productivity (Table 1). A study reported in the *American Journal of Psychiatry* (Druss,

**Table 1: The top health reasons for work absences and presenteeism.**

### Health Reasons for Absence

- 1.) Musculoskeletal conditions (low back pain, arthritis)
- 2.) Mental health conditions (primarily depression)
- 3.) Pregnancy

### Health Reasons for Presenteeism

- 1.) Mental health conditions (primarily depression)
- 2.) Musculoskeletal conditions (low back pain, arthritis)
- 3.) Respiratory conditions

Schlesinger, & Allen, 2001) by the Yale School of Medicine found depression to have a more substantial and persistent association with diminished productivity than any of the other illnesses and a far larger impact on presenteeism than absenteeism. Recent research in the *American Journal of Psychiatry* (Wang, 2004) supports these findings and identifies depression as the only condition associated with a decrease in an employee's ability to stay focused on tasks, a clear contributor to diminished productivity.

Unfortunately, many organizations fail to recognize the toll depression has on their workplace because they fail to link it with productivity loss. A recent report in the *Journal of the American Medical Association* (Stewart et al., 2003) estimates that depressed employees cost organizations \$44 billion per year in lost productive time. The average number of lost productive hours per week from health problems is 5.6 hours for employees with depression, as compared to 1.5 hours for individuals with no depression.

At any one time, approximately 1 in 10 employees will have a depressive disorder. Depression affects both the quantity and quality of an employee's work. It saps mental and physical energy, impedes concentration and memory, slows reaction time, increases irritability, and perpetuates negative or cynical attitudes. Employees with depression are not the only ones who suffer; coworkers and customers also pay a price through failed teamwork, low morale, and attitudinal problems.

In this information age, organizations can measure the degree to which depression is decreasing their productivity. A convenient and easy way to do this may be found at [www.depressioncalculator.com](http://www.depressioncalculator.com). This website provides an online productivity impact model that will determine the incidence of depression within an organization, predict the expected number of

days each year employees will be absent or suffer low productivity due to depression, and estimate the savings an organization would accrue if those employees suffering from depression received treatment.

## What Can Be Done

Relatively small investments in screening, treatment, and education on depression can reap substantial productivity gains (Hemp, 2004). With proper diagnosis and treatment, 80% of depressed employees can return to work. In a study on the benefits of investing in behavioral health-care (Jones & Brown, 2003), researchers found that after only 3 weeks of treatment the number of depressed employees who were work-impaired was cut in half, and after 21 weeks of treatment almost three-fourths were no longer impaired.

Some organizations offer education on depression to their employees. They also conduct periodic stress audits and job satisfaction surveys, which help identify risk factors and opportunities for supportive interventions. In addition, organizations that have invested in an employee assistance program (EAP) have an excellent vehicle for managing presenteeism and improving productivity.

EAPs are worksite-based programs designed to assist in the identification and resolution of productivity problems associated with employees impaired by emotional stress; mental health concerns (particularly depression); marital, family, financial, and substance abuse problems; or other issues that may adversely affect job performance (Watkins, 2004). Because EAPs hold a broad view of employee problems, they are in an ideal position to assess the environment, employee morale, and organizational stress levels and can assist organizations in handling employee underperformance.

Assessment, counseling, and referral are generic elements of all EAPs, but the

scope of EAPs is broadening from a strictly clinical emphasis to an additional and deliberate focus on workplace productivity. In his article, "Defining the Business of EAPs," author John Burke (2004) argues that some of this change is because, in order to serve the business community, a business mentality must co-exist with a clinical perspective, and workplace knowledge combined with clinical knowledge creates a distinct psychotherapeutic professional.

EAP counselors who are behavioral and mental health specialists function not only as clinicians, but also as management and executive coaches (Pilette, 1997), providing logical measures to enhance productivity for individuals in leadership positions. Reaching out, listening to concerns, and supporting the resiliency of employees at all levels within a system helps restore faded organizational commitment (Christie, 2004).

The vast majority of employees who contact an EAP are self-referrals who are seeking help with life and work issues that may or may not have compromised their job performance. Employees bring their psychological burdens and baggage to work. They do not necessarily act out their problems at work, but often struggle to contain them. Thus, sitting in front of an EAP counselor is not just an employee, but that employee's family and his or her strengths, values, and beliefs in juxtaposition to the organization's norms and values. An EAP counselor occupies a very privileged seat in this unique counseling relationship because he or she gets to assess and assist the emotional and work life of the client within an organizational context.

Soliciting feedback from employees at intake sessions and again at regular internal sessions enables EAP counselors to benchmark care, outcomes, and productivity levels (Jones & Brown, 2004). In each session, the counselor asks the same set of questions as a means of tracking employee progress from the initial to the final session. The following sample self-report assessment is a valuable snapshot upon which to build a portrait of an employee's typical work performance.

**The employee reports that he or she is**

- **Not able to finish work tasks.**
- **Not able to focus on goals and responsibilities.**
- **Not energetic enough to complete work.**
- **Repeating jobs or tasks.**
- **Working more slowly than usual.**
- **Experiencing problems with supervisors or peers regarding the amount of work he or she is doing.**
- **Having accidents or making errors at work.**

The utilization rates of EAP programs are good barometers of the organizational climate. An increase in utilization can target stress points around organizational initiatives and changes that may require interventions and educational programs to enhance health and productivity.

### Conclusion

Wood Allen once stated that 80% of success in life can be attributed to simply showing up (Hemp, 2004). Today's organizations are realizing that just showing up can be more costly than not. Organizations seeking a competitive edge and financial stability can combat presenteeism by addressing employee stress and depression and utilizing the services of EAPs. EAPs make good business cents and allow an organization the opportunity to connect the dots between presenteeism and productivity.

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