

FIVE STEPS TO TACKLE PRESENTEEISM IN THE WORKPLACE

Productivity and wellbeing at work - Presenteeism



To support you and your organisation on this journey, we've developed a practical five-step guide to help you tackle presenteeism in the workplace

PRESENTEEISM & FIVE STEPS AT A GLANCE

PRESENTEEISM

As a leader we work with said, *"Presenteeism is a huge issue for us, and I am looking for pragmatic practical suggestions to address it."*

In response, our team has been working to review all recent research and best practice on this topic. We've confirmed that presenteeism is strongly related to wellbeing and productivity at work and want to share key insights with you.

Presenteeism can cut individual productivity by one-third or more and negatively impact on overall business outcomes.

The annual cost of presenteeism is estimated as at least £26 billion (\$NZ51.4bn) each year for UK employers – four times as high as the annual cost of absenteeism.

Tackling presenteeism brings together mental health, productivity and health & safety obligations for employers.

FIVE STEPS AT A GLANCE

- 1 Understand presenteeism
- 2 Identify the impact of presenteeism on your business
- 3 Get your leadership team on board
- 4 Develop a strategy
- 5 Prioritise wellbeing



STEP 1: UNDERSTAND PRESENTEEISM

Presenteeism is what happens when people show up to work – either online or in the office – when they are unwell. Unwell can mean having a pounding headache, feeling especially fatigued or experiencing anxiety about something that’s going on at home. This impacts on their ability to focus, engage in work and be productive. Being productive means being able to work smarter, not harder, and to have the cognitive capacity to address what work involves. Moreover, presenteeism almost always has downstream effects: persistent or worsening symptoms, mistakes made, prolonged bouts of absenteeism, and even emotional burnout.

Productivity losses from poor wellbeing occur via a combination of absenteeism (employees being absent from work) and presenteeism (employees present at work but working below capacity) – with recent estimates showing presenteeism accounts for at least 80 percent of productivity loss. In more concrete terms, research from RAND Europe suggests that the average worker loses 35 productive days per year due to presenteeism.

Developing shared understanding in your leadership team, and getting the board on board, are the first steps to tackling presenteeism in the workplace. For that, you'll need data and an estimate of the impact on business outcomes.



STEP 2: IDENTIFY THE IMPACT OF PRESENTEEISM ON YOUR BUSINESS

It's difficult to estimate on your own how much presenteeism costs to your organisation. What we know is that New Zealand's productivity is considerably worse than in other OECD countries such as the US, Denmark and Australia, despite New Zealanders working longer hours on average.

For many organisations, salaries and wages are the single biggest expense. We also know that absenteeism (such as sickness and annual leave) and staff turnover (including replacement costs) are huge contributors to these costs.

To move beyond anecdotal evidence, we need to draw on specific data about our people to know what's behind the closed doors, literally and metaphorically – what they're feeling like when, despite sitting at their desk for hours, they don't seem to get a lot done, or how they are doing in terms of their wellbeing and what makes them disengage, or what's on their minds that is causing them distress or worry at work.

Employee productivity loss at work, while much harder to measure, is estimated to cost businesses at least four times more than the annual cost of absenteeism, making it an obvious target for business improvement.



What is the impact on your organisation?



Standard engagement surveys won't adequately measure wellbeing and presenteeism in the workplace because people are likely to answer what you expect them to. The better approach is to partner with an independent wellbeing assessment provider who guarantees confidentiality to participants and provides aggregated data across the whole organisation, together with a written analysis and actionable outcomes.

CASE STUDIES OF PRESENTEEISM

What does presenteeism look like? Here are some examples.

Case 1:

Jane works in tourism, an industry that's facing a lot of challenges overall. However, now that things are picking up again, she just seems to be underperforming compared to both her colleagues and her former outputs. You hear a comment about her teenager being in trouble at the moment, but Jane's said nothing to you directly. You have a good EAP scheme, but don't think she's ever used it. She's always there, always on time, but barely says a word in team meetings, and seems to get less done than others.



Case 2:

Everyone's sick of COVID-19 and there have been huge changes in how your organisation has done business over the past two years – and where you're doing it. The leadership team and board are ready for things to really crank up, as soon as the Omicron wave is over. They're doing a good job of planning some incentives and getting ready for some new products. But you're really unsure how many of the team really have their hearts in it all any more. You're particularly aware of the change in "atmosphere" of your marketing and logistics teams – Bill, who has been there for years and was a real cornerstone of all the logistics problem-solving, seems kind of "off" and he's being pretty unhelpful to some of the new staff, who seem to be floundering a bit. In contrast, marketing are keen to be in the office in person and they're showing up to all the health and safety briefings and product planning meetings, but also seem more interested in having lunch with each other and checking out "Seek" for new jobs.

STEP 3: GET YOUR LEADERSHIP TEAM ON BOARD

Actionable knowledge is what will help you shift a presenteeism issue in the organisation. Get to know what is happening for your people and what the psychosocial hazards in your workplace are that may be lessening optimum wellbeing and, therefore, productivity and engagement. With that knowledge and data in hand, you can back up your strategy for change, using real return on investment (ROI) data unique to your business. Tackle presenteeism in the workplace and improve your business outcomes.



If you are not sure how to get this data, Umbrella can help. [Umbrella's Wellbeing Assessment](#) measures presenteeism (prevalence, impact, and estimated productivity cost for each business) in its comprehensive online survey – alongside key markers of wellbeing and mental health and the key work and non-work factors that influence these. Accurately measuring presenteeism rates and, crucially, the main factors contributing to them means that businesses can begin to take decisive action on improving their productivity and their performance, without harming (and, instead, boosting) employee wellbeing in the process.

*To book a free trial and get to know about our Wellbeing Assessment,
email office@umbrella.org.nz or call us on 0800 643 000*

STEP 4: DEVELOP A STRATEGY THAT WILL IMPROVE WELLBEING AND PRODUCTIVITY AT THE SAME TIME

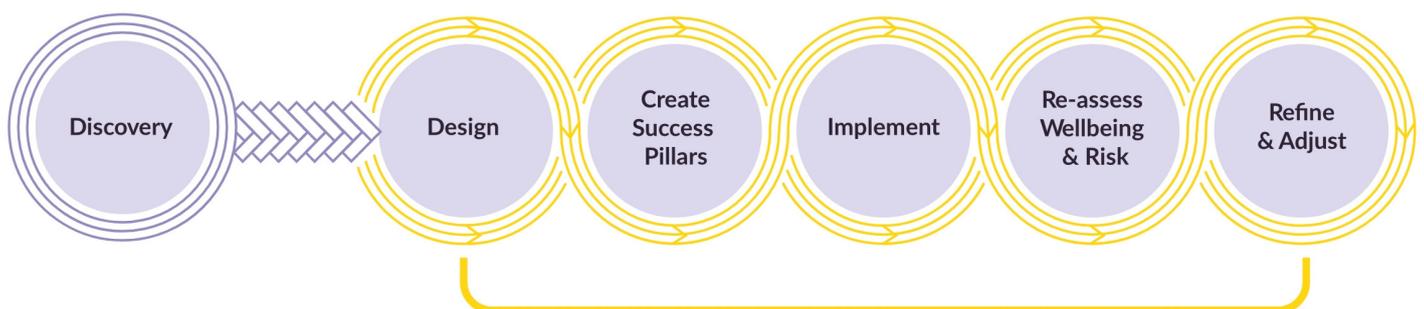
"THE WELLBEING CULTURE HAS MOVED FROM BEING A NICE-TO-HAVE TO A BIG STRATEGIC ISSUE."

Sir Cary Cooper, Professor of Organisational Psychology, University of Manchester

People's wellbeing is a fundamental component of organisational resilience – and leads to competitive advantage. It is not “just an HR issue”. We advocate for a strategic, informed, and targeted approach to wellbeing which begins from creating psychological safety at work at all levels.

How can you best ensure that your wellbeing programme is creating real impact? As a starting point, you will want a strategy that roughly follows the Umbrella's process diagram below, enabling you to:

- Understand your wellbeing metrics and baseline
- Improve health and safety in the workplace through proactive and targeted measures
- Establish controls and systems to manage psychosocial risks in the workplace
- Identify opportunities to enhance social support and belonging within your organisation
- Implement planned and effective wellness initiatives to support wellbeing at work
- Achieve a co-ordinated approach to wellbeing that leverages existing functions within your business.



STEP 4 CONTINUED

Umbrella's consultation approach provides a formal and systematic process to fulfil your organisational wellbeing aspirations and obligations. We focus on the key components that underpin successful wellbeing programmes, and guide you through the process of programme implementation, measurement and evaluation.

When you're looking at developing your wellbeing strategy, there are some key points we think you should keep in mind:

Context is everything. It is important that your wellbeing programme is suitable for your work context. This involves understanding the challenges and opportunities that exist within the organisation to enhance and promote wellness. Taking the time to understand what work looks like for your people, and how the organisation operates, is fundamental to ensuring your approach is fit for purpose.

What's the problem?

To develop your wellbeing strategy, you will need to have a good understanding of the concerns that your strategy is designed to address. This includes understanding the organisational psychosocial risk factors and employee wellbeing needs, through a targeted tool like the [Umbrella Wellbeing Assessment](#).

What's the opportunity?

There will be aspects of your workplace that are positively impacting on your people's wellbeing or acting as protective factors. Your strategy should align with these aspects to integrate wellbeing as a "whole-of-organisation" approach and minimise psychosocial risks.

What are your aspirations?

You want to be clear about what your strategy is aiming to achieve. What is it you are looking to create within your organisation? A culture of wellbeing where people are engaged and passionate about their work? A culture of wellbeing where people are productive and contribute to the overall business success?

Participation. An effective wellbeing strategy requires engagement from everyone within the organisation. To secure ownership of wellbeing across your organisation you need to actively harness employees' opinions and better understand stakeholders' needs for impact measurement, and to have the data on the current state of your organisation.

STEP 5: PRIORITISE WELLBEING

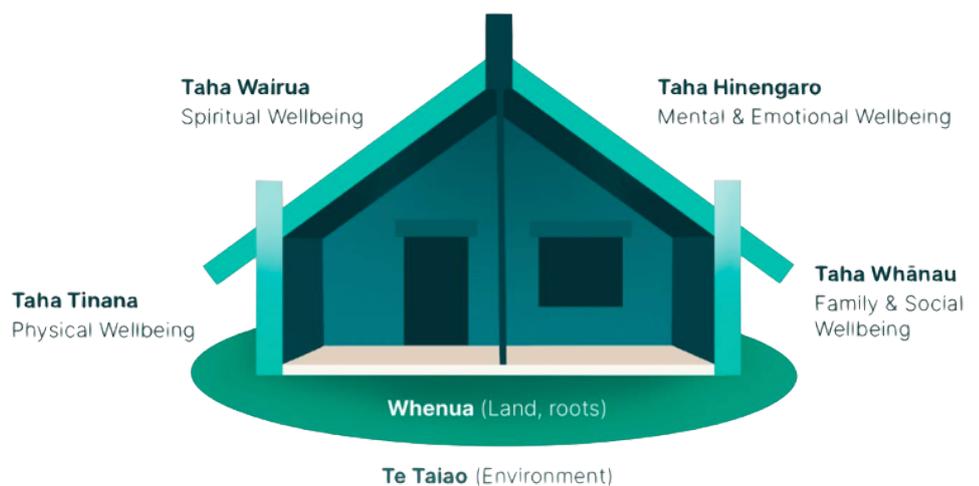


The definition of wellbeing that we go by in New Zealand is one informed by the Māori model of health, Te Whare Tapa Whā. Designed by Sir Mason Durie, Te Whare Tapa Whā is a holistic model that describes health and wellbeing as a whareniui (meeting house). Our health is strong when our emotional, social, spiritual, and physical wellbeing is well-supported.

By extension, research also shows that our productivity is best when our emotional, social, spiritual and physical wellbeing is strong. Productivity and wellbeing are not a matter of “either/or” – the same effective strategies turn them into “both/and”. Employees who are mentally and physically well are also high-performing and highly productive.

Addressing presenteeism takes effort by individuals, leaders, and organisations. Strengthening resilience and promoting wellbeing in the workplace is crucial, and presenteeism will decrease due to a thriving culture of wellbeing.

These five first steps to tackle presenteeism is a useful framework to get to know exactly what is happening in your organisation on various levels. This knowledge and data, backed up by science and best practice, will create a solid foundation for sustainable change.



If this sounds like a lot of work for you on your own, we can support you on this journey. Email office@umbrella.org.nz or call today on 0800 643 000 to speak with our team.

About Umbrella

Umbrella Wellbeing – a team of psychologists who provide end-to-end workplace wellbeing support. We partner with organisations to consult on strategic wellbeing, build leadership skills and competence in managing wellbeing and mental health, and help develop high performing and resilient teams.

Website: <https://umbrella.org.nz/>



LEARN MORE BY GETTING IN TOUCH WITH THE TEAM

Contact

Umbrella Wellbeing

0800 643 000

office@umbrella.org.nz

