

Presenteeism at work:

# Quantifying the cost to business in Aotearoa New Zealand of people working when unwell

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**Umbrella Wellbeing Report**

March 2025

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# 01. Introduction and Executive Summary

Tangata ako ana i te kāinga, te tūranga ki te marae, tau ana.

*A person nurtured in the community contributes strongly to society.*

In this Umbrella Wellbeing Report, we examine the state of presenteeism in workplaces around Aotearoa New Zealand. Sharing new data from thousands of workers, we demonstrate the health and economic costs of ignoring the problem, and explore how work and non-work stressors, remote working, and critical risk management create a business opportunity for addressing presenteeism that is too strong to ignore.

Presenteeism refers to being present at work (either in person or online) while experiencing ill health or poor wellbeing. Presenteeism often prevails when we should really take a sick day, but we push through or work from home instead. Or when we are experiencing high levels of stress, causing us to lose focus and, often, make costly errors in judgment, but we have to keep showing up at work.

Presenteeism, if businesses know about the concept at all, is usually a hidden phenomenon. Ignoring presenteeism means ignoring the significant impact it can have on the long-term wellbeing of both workers and organisations through lost productivity, prolonged illness and slowed recovery. Despite all this, there is some necessary (and even functional) presenteeism (more on this in [Chapter 6](#)).

Here's where it gets interesting. Aotearoa New Zealand has long been struggling with a productivity crisis. Put simply, we work longer hours for lower output than other OECD countries. It is a tough problem with a myriad of solutions. But it pays to mention that squeezing more out of employees by making them work longer hours is certainly not one of those solutions. All the evidence points to addressing presenteeism, by enabling *healthier* work not *harder* work, as a key part of the equation.

The size of the problem is too big to ignore. According to more than 8,600 people who have completed our Umbrella Wellbeing Assessment, more than a quarter of workers reported they had regularly worked while mentally unwell in the previous month. One-fifth of workers had regularly worked while physically unwell in the last month. For those who reported engaging in *any* presenteeism, the most common impact of working while unwell was being unable to take pleasure in work, finding it harder to handle job stress, and experiencing a lack of energy to complete work tasks ([Chapter 2](#)).

When considering their best possible performance while at full health, the average worker reported that, in the previous month, they had been working 33% below their peak. This indicates a monthly productivity opportunity loss of over \$2,000 per worker (assuming average salary) and up to \$46.6 billion annually when extrapolated across the entire New Zealand workforce. Even applying a conservative margin of error to this estimate does not downplay the size of the opportunity that comes with addressing presenteeism.

In [Chapter 3](#), we dive deeper into what these numbers mean and how they compare with other estimates, before discussing what causes presenteeism – both the individual and the workplace factors ([Chapter 4](#)). We tackle whether remote working is a blessing or a curse for presenteeism ([Chapter 5](#)), its outcomes, including whether presenteeism is ever “good” or “functional” ([Chapter 6](#)) and the relationship between presenteeism and critical risks ([Chapter 7](#)).

Finally, we outline what helps to address dysfunctional presenteeism and the interventions that can make a real difference ([Chapter 8](#)). To no one’s surprise, presenteeism is a thorny problem that can’t be resolved with a “one-and-done” effort. In [Chapter 9](#), we let you know where you can get started and how Umbrella can help.

Until the next report, mā te wā,

**The Umbrella team**

**Want to understand how presenteeism shows up in your workforce?**

Umbrella measures and advises on presenteeism and other workforce issues, and designs and delivers interventions to address them in organisations all over the country – helping to build thriving individuals, teams and businesses.

Find out more about our flagship Umbrella Wellbeing Assessment, strategy and consulting services, and evidence-based training programmes at [www.umbrella.org.nz](http://www.umbrella.org.nz)



# 02. A snapshot of the numbers: The business case



These findings are powered by data from more than 8,600 working Kiwi users of the [Umbrella Wellbeing Assessment<sup>1</sup>](#), an organisational survey designed by researchers and psychologists to help organisations understand what is driving employee wellbeing.

To understand how prevalent presenteeism is, we asked people how often, in the past month, they had gone into work (in-person or working from home) despite feeling unwell physically and/or mentally.

For physical illness, we used the examples of having a cold, flu, headache or back pain.

For mental illness, we used the examples of experiencing high levels of stress, depression or anxiety.

In Aotearoa New Zealand, **more than one-quarter of employees (27%) reported often or always working while mentally unwell in the past month** (hereafter called “mental health presenteeism”). **One-fifth (19%) of people reported often or always working while physically unwell** (hereafter called “physical health presenteeism”). **The majority of workers reported engaging in presenteeism at some point in the last month (87%).**

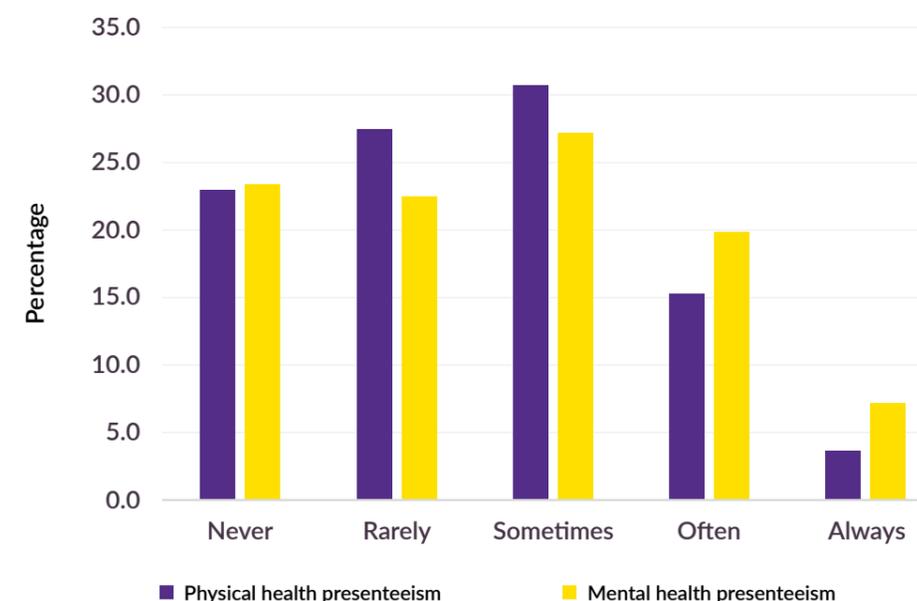


Figure 1. Proportion of respondents reporting physical and mental health presenteeism, ranging from “Never” to “Always”.

<sup>1</sup> All data were collected during 2022-2024 from working New Zealanders (N = 8,634) across 33 organisations from varied industries (e.g., social services and healthcare, construction and manufacturing, administration, financial and insurance services, and retail). These data were collected from organisations who opted in and, although invitations are sent to all workers in an organisation, participation was voluntary. A self-selection bias may therefore be present, and the sample may not be demographically representative of the New Zealand workforce at large.

Of course, not all people who work while feeling unwell will notice an impact on their work. Low-level presenteeism is sometimes necessary (e.g., for those living with chronic pain). To understand the real impact of presenteeism, we also asked people how working while unwell impacted on their work-related behaviours, thoughts and emotions, using the [Stanford Presenteeism Scale](#). This scale was developed at Stanford University and has been used globally to assess productivity loss as a function of health status.

Of those people who reported any presenteeism in the past month (nearly 7,500 people), working while physically or mentally unwell led to them:

- being distracted from taking pleasure in work (47% agreed)
- finding it harder to handle job stresses (39% agreed)
- not feeling energetic enough to complete work (28% agreed)
- feeling hopeless about finishing certain work tasks (19% agreed)
- feeling unable to focus on achieving goals (16% agreed)
- being unable to finish hard tasks (9% agreed).

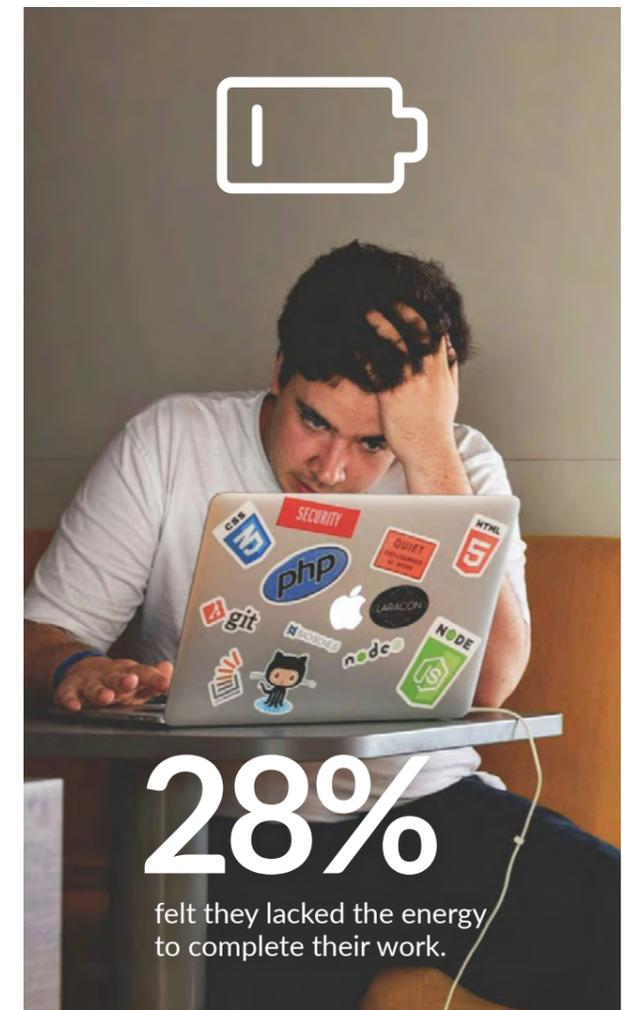
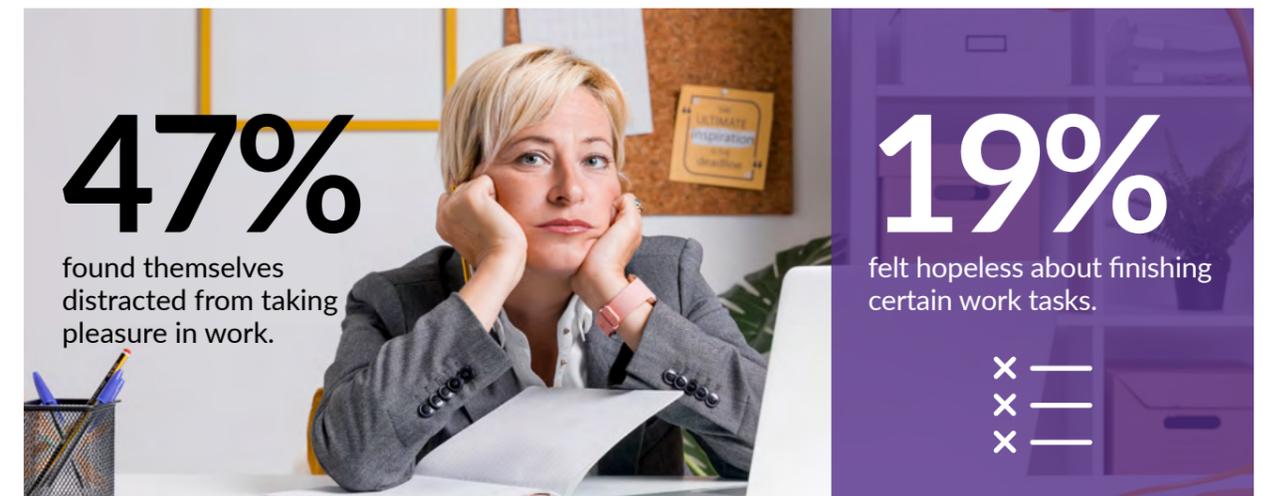
## What is the impact on productivity and business?

To understand the impact of presenteeism on performance and, therefore, the cost to business, we asked people to rate their overall job performance in the past month, compared to their usual performance, keeping in mind the times that they've felt unwell.

Using a method established by the [World Health Organization](#), our data suggest that New Zealand workers operated, on average, 33% below their best possible performance in the previous month when working while unwell. Put differently, the average worker is losing the equivalent of just over a week (6.25 productive days) each month due to presenteeism.

Based on average earnings in New Zealand<sup>2</sup>, this equates to a monthly business cost of \$2,032 per employee from impaired performance due to physical or emotional ill health, without even accounting for sick leave.

If that figure isn't staggering enough, it represents up to \$46.6 billion to be gained annually across the economy from effectively addressing presenteeism and poor mental and physical health in the New Zealand workforce. Even applying a conservative margin of error to this estimate (given the sampling methodology<sup>1</sup>), and acknowledging that presenteeism cannot be eliminated entirely, the size of the opportunity is clear.



<sup>2</sup> Quarterly Employment Survey (\$NZ) average weekly earnings for FTEs at \$1,620.53 and total employed FTEs of 1,910,200. All figures were taken from the September 2024 results. Total annual earnings across 228 productive days (i.e., not including public holidays and annual leave) are equivalent to \$73,896.17.

## What feeds into presenteeism at work?

Using predictive analyses, we found that the strongest work and non-work predictors of mental health and physical health presenteeism differ slightly.

When it comes to understanding what contributes to mental health presenteeism, about *one-third* of the differences in our data can be explained by work and non-work challenges. In comparison, work and non-work challenges only account for around *one-fifth* of the differences associated with physical health presenteeism.

This means that life's challenges seem to play a bigger role in our decision to work while mentally unwell, compared to working while physically unwell.

For both types of presenteeism, *non-work* challenges, like financial, family or health-related stress, do a better job of predicting presenteeism across the board than do *work* challenges like high workload or poor manager support.

The work and non-work factors we list above largely operate at a team, role or individual level. However, at a bigger scale, we know that organisational support for wellbeing – characterised by qualities like prioritising staff wellbeing, supporting a healthy lifestyle, and having a strong sense of community – plays into an individual's decision to engage in presenteeism, setting the tone from the top down.

In our data, poor organisational wellbeing support triples a worker's odds of engaging in mental health presenteeism and doubles their odds of engaging in physical health presenteeism. The culture that organisations build, the values that senior leaders communicate, and the day-to-day practices that demonstrate a commitment to healthy work are influential. And, as our data show, getting it wrong is costly.

### Interested in knowing these stats (and so much more) for your organisation?

We've run our [Wellbeing Assessment](#) with more than 25,000 employees across countless industries, helping organisations to pinpoint their strengths and risk areas. Our experienced researchers and psychologists have the skills and expert knowledge to turn information into action. Importantly, we remain independent and objective, reducing internal reporting bias and maximising employee trust and participation.

Get in touch to find out more: [office@umbrella.org.nz](mailto:office@umbrella.org.nz); 0800 643 000.

### Top predictors of mental health presenteeism:

-  1. Financial stress
-  2. Family stress
-  3. Stress from ill health
-  4. High work demands
-  5. Relationship stress

### Top predictors of physical health presenteeism:

-  1. Stress from ill health
-  2. High work demands
-  3. Financial stress
-  4. Low job autonomy
-  5. Commuting stress

# 03. Insights: What do the numbers mean?



## 1. Presenteeism is prevalent, it is hidden, and it is a cost to employers and employees.

Whether we like it or not, presenteeism is occurring everywhere in our organisations, with nearly 9 in 10 people reporting it at some point in the last month. The purpose of this revelation is not to evoke a “witch-hunt” to find it and stamp it out; presenteeism is not the problem of a handful of under-performers. More often, it is the result of entrenched workplace culture and norms, or workers who are struggling with a complex interplay of work and non-work stressors.

It hurts employers who are losing out on the productivity boost of a healthy and engaged workforce. It also hurts employees who are not supported by a healthy work environment, leading them to work while unwell, not taking time – or engaging with the resources available – to get support and recover well.



## 2. Presenteeism is a much bigger problem than absenteeism.

According to the Southern Cross and BusinessNZ [2023 Workplace Wellness Report](#), the average New Zealand employee took 5.5 days of sick leave in 2022, contributing to a \$2.86 billion cost for employers nationwide, or a 2.4% productivity loss based on 228 possible working days. What this number does not include are those days of continuing to work while sick or working below peak performance due to factors such as poor sleep, chronic pain, emotional stress, or work challenges.

In contrast, our estimates indicate that most employees worked while physically or mentally unwell at some point in the past month, a sizeable proportion of whom worked *often* or *always* in an impaired state. This widespread presenteeism leads to an estimated impact of over 6 lost productive days monthly per employee, and an annual \$46.6 billion total cost for employers nationwide.

*Using this estimate, presenteeism is up to 16 times more costly to employers in New Zealand than absenteeism.*

Fortunately, [research](#) has found that presenteeism is more predictable than absenteeism, and generally attributable to factors that are more controllable, like job demands (as opposed to fixed demographic factors). This means we have more room to influence presenteeism, rather than accepting it is an unchangeable norm.

The average New Zealand employee took

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Widespread presenteeism leads to an estimated productivity day loss of

# 6 days

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# \$46.6B

total cost for employers nationwide.

### 3. Mental health presenteeism is more common than physical health presenteeism and both are explained by controllable factors.

*Unfortunately, there is still a stigma that comes with taking sick leave for mental ill health, leading to more people working through periods of mental or emotional stress.*

The small comfort from this truth is that, while a sticky problem to solve, mental health presenteeism is at least partly predicted by factors that are within our control, according to our data. We find that non-work challenges play a big role – things like financial and family stress – but so too do work factors like workload and organisational support.

For physical health presenteeism, high workload and poor job autonomy play a role, along with organisational support.

By organisations better tackling physical and mental health at work, and pulling the levers that make a real difference, we can start to shift the dial towards workplaces that are healthy and productive, helping New Zealand function better as a whole.

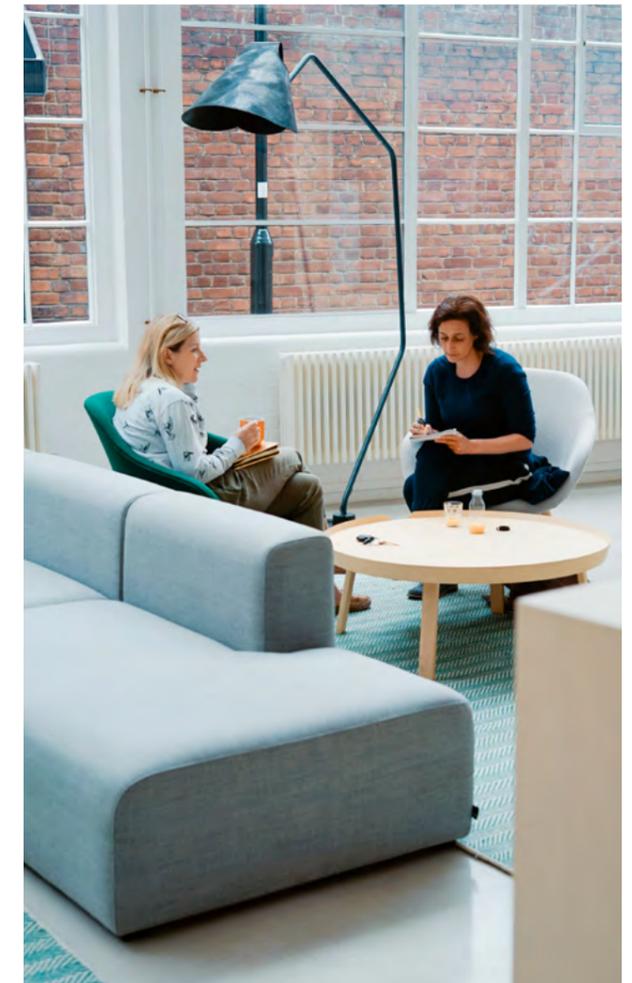


### 4. Presenteeism is depleting, leading to a downward spiral of health.

While absenteeism is both visible and energising (e.g., we take two days off work to recover from a period of sickness), presenteeism embodies the flipside – it is both *invisible* and *depleting*. Generally speaking, the more we engage in it, the further we deplete our resources.

This is demonstrated clearly in our data where, of those who engaged in presenteeism, around half of workers found it harder to handle job stress, and a third did not feel energetic enough to complete work. When we work while unwell, we often exacerbate stress in our working environment and in our bodies, making it harder to resolve our ill health – be that mental or physical. Over time, this can lead to prolonged recovery time being needed, burnout, heightened emotional stress, greater risk for cardiovascular disease—and, therefore, greater presenteeism and absenteeism.

*For employers, this makes it crucial to set the tone for presenteeism assertively, making it known that health and wellbeing is a top priority before the downward spiral begins. Doing so maximises the health and economic gains to be made.*



## 5. There's a lack of quality data on presenteeism internationally, and in New Zealand.

We hope that this report will start the conversation and invite further research. In line with our data, international estimates suggest that presenteeism amounts to at least eight times the annual cost of absenteeism and is growing year-on-year ([Britain's Healthiest Workplace Survey 2023](#)). In estimates computed by the [New Zealand Institute of Economic Research \(2021\)](#), using international data, productivity loss due to presenteeism was estimated somewhere between 6.6% (low estimate) and 36.4% (high estimate). Our calculations map more closely to the higher end of their estimates.

Beyond this, and based on New Zealand data, examining just the impact of workplace bullying on presenteeism, [KPMG \(2024\)](#) estimated a total annual cost of \$369 million to New Zealand employers.

*More recent [New Zealand research](#) indicated a productivity loss ranging from 71 working days for those with the poorest mental health and 19 working days for those with the strongest mental health.*

In line with our findings, workers in this report were more likely to report working while mentally unwell than working while physically unwell.

While several other estimates add weight to the trends we see in this report, we note that presenteeism – if measured at all – is assessed using different operationalisations and recall periods. It is also very hard to get reliable data given the fear that employees feel about self-reported performance ratings, and the difficulty of recruiting a demographically representative research sample. All these factors make the comparison of results challenging.

This report provides a starting point for our understanding of presenteeism in New Zealand workplaces and we invite further research to replicate or challenge our findings, as well as to map how rates and effects of presenteeism change over time.

The impact of *workplace bullying* on presenteeism is an estimated total cost of

# \$369M

to New Zealand employers annually.



# 04. Work and non-work causes of presenteeism

Presenteeism is prevalent in Aotearoa New Zealand and is a source of significant economic burden. We've identified already that many of the key causes of presenteeism may be within our control. The next step in rectifying this burden is to understand the factors that might be contributing to it. These factors are often complex and interdependent, including factors both within and outside of our control.

## Workplace influences

Starting with workplaces, it is unsurprising that the environments in which we'll spend most of our time have a strong influence on how we behave when ill. There are explicit forces present, such as policies and employment contracts, but also implicit ones - like your team's culture.

When it comes to predicting presenteeism, leadership plays a key role in shaping a team's culture and attitudes towards attendance and work.

*Research has demonstrated that when leaders engage in presenteeism, their team members are likely to follow suit.*

On the flip side, training leaders to recognise the signs of presenteeism can significantly reduce its occurrence. In cultures where absence is berated or attendance is strictly enforced, presenteeism tends to be high. The same goes for jobs in which there is highly demanding work or high perceived job insecurity. Lastly - and not unexpectedly - job-related stress is associated with greater presenteeism and poorer health and productivity outcomes. Job stress is not only fatiguing; it fragments and unravels our focus. Employees may show up to work, but only a fraction of their cognitive energy is devoted to that work.

## Outside work influences

*Broader factors, outside the workplace, also affect how we function at work. Demanding life events such as the loss of a loved one, the end of a long-term relationship, or the onset of a significant illness within the family can impact on our ability to do our mahi (work).*

Research has shown that long-term health conditions also contribute to presenteeism. Psychological (depression) or musculoskeletal conditions (chronic back pain) are among the most common. In one study, insomnia alone accounted for 11.3 days of annual lost productivity for each employee experiencing the condition.

As explored in **Chapter 6**, however, some presenteeism can be functional – especially for those experiencing chronic conditions. Seasonal conditions can also determine whether we show up while feeling ill. For hay fever sufferers, levels of presenteeism have been shown to correlate with the amount of pollen in the air, and it is not unreasonable to see higher rates of presenteeism during cold and flu season. In a study conducted by Harvard researchers, allergies incurred the largest annual cost due to presenteeism over other health conditions, and the 2023 Workplace Wellness Report found that minor illnesses (like colds and flu) were the greatest contributor to turning up to work sick. Lastly, in line with the findings of this report, research has shown that financial stress and troubles with the cost of living also contribute significantly to presenteeism.



## Personal factors

*Finally, it must be recognised that we are human, meaning we all carry our own unique set of attitudes, values and previous experiences that influence our decisions to engage in presenteeism.*

The work environments in which we find ourselves are only one of a number of influences on our behaviour. It should come as no surprise that those we might describe as “workaholics” or people who have a conservative attitude towards absence, or those who treat work like home, are more likely to partake in presenteeism.

Moreover, people who find it hard to resist the wishes and expectations of others, or who are naturally more conscientious, are also more likely to attend work while sick.

Keeping in mind the varied contributors to presenteeism – both within the work domain and outside of it – there is no easy way to curb presenteeism, nor is any one person immune. Designing a solution that addresses presenteeism requires strategic thinking, and that means understanding some of the other forces at play, including remote work (**Chapter 5**), whether presenteeism is ever good for us (**Chapter 6**), and when it becomes a critical risk (**Chapter 7**).

**Our team at Umbrella is made up of experts in the world of navigating work and non-work stress.**

We deliver tried and tested, evidence-based training programmes to help you and your team to zero in on what matters, put into practice the tools that will help you thrive, and build a better relationship with work.

**Get in touch** to hear about our group training and eLearning options for managers, teams, and senior leadership teams: [office@umbrella.org.nz](mailto:office@umbrella.org.nz); 0800 643 000.

# 05. Remote working: A blessing and a curse

According to the latest estimates, two-thirds of New Zealand workers work from home at least some of the time.

This is a largely positive shift arising from the COVID-19 pandemic, with the same source showing that hybrid workers are, on average, happier and most productive. However, the impact of this increase in remote working on presenteeism warrants investigation.

The Southern Cross and BusinessNZ Workplace Wellness Report (2023) found that employers across New Zealand are, generally speaking, explicit in their encouragement for workers to stay home if they are sick. This messaging is positive and likely to succeed in lowering the risk of spreading infection. What it also succeeds in, however, is encouraging **remote presenteeism**.

The Workplace Wellness Report asked employers,

*“Are employees now more likely to continue working rather than take a sick day when unwell and working from home?”*

*More than half of organisations agreed that at-home employees were more likely to work when sick, and it was a behaviour that was more common in larger organisations.*

This represents a growing acceptance of remote presenteeism, where organisations implicitly endorse employees to “push on through” while unwell if they can work from home.

This behaviour runs the risk of reducing productivity and prolonging the recovery time needed.

However, we need note, again, that not all illness prevents someone from working. For example, a team member may still be infectious but no longer symptomatic (e.g., with a minor cold) or may be living with chronic illness or mental illness (e.g., depression), so it could be that working from home is an enabling force, keeping them engaged in meaningful and satisfying work while accommodating different health needs (more on this in **Chapter 6**).

Research on this topic is limited. Emerging evidence from a German sample confirms that employees are much more prone to presenteeism during remote rather than on-site work. The same research suggests that greater psychological detachment strategies (i.e., being able to draw firm boundaries between work and home life) might reduce instances of remote presenteeism. Similarly, strong manager support may work to mitigate dysfunctional remote presenteeism.

Remote working is both a blessing and a curse for presenteeism. The challenge comes with knowing when to draw the line between helpful and unhelpful remote presenteeism, both at the individual and organisational levels.

**Do you have a fully or partly remote workforce? Interested to know how presenteeism differs according to business groups?**

The Umbrella Wellbeing Assessment measures presenteeism and manager support, alongside numerous other comprehensive wellbeing measures. We can filter our results by categories of your choice, helping you to pinpoint where your wellbeing efforts are hitting the mark, and where you need to adjust them. We also deliver workplace training for managers and teams to maximise the effectiveness of remote work.

Get in touch with our friendly team at [office@umbrella.org.nz](mailto:office@umbrella.org.nz); 0800 643 000.

# 06. Outcomes: Is presenteeism ever good?



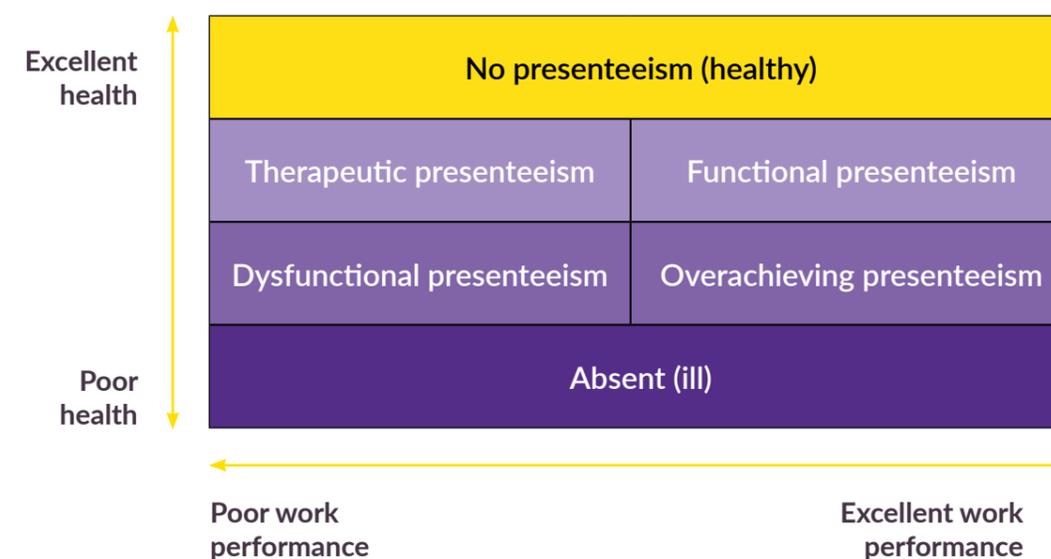
Throughout this report, we've alluded to the idea that we need to avoid simplistic, one-size-fits-all approaches to presenteeism. In other words, presenteeism does not always result in poor outcomes.

Research has proposed that there are different categories of presenteeism, ranging from dysfunctional to functional and encompassing a broad range of outcomes – good and bad. This categorisation is assessed according to two different dimensions: performance and health.

On one dimension, workers range from being fully healthy (no presenteeism) to very unwell (where absenteeism is necessary). When our health falls somewhere between those two poles, we are more likely to engage in presenteeism.

On the other dimension, workers range from performing to an excellent level (no presenteeism) to absenteeism, where they are unable to perform at all. Presenteeism usually falls somewhere between these two poles, where it impairs our performance to some degree.

Understanding the “in-between” spaces of these dimensions, where presenteeism creeps in and the outcomes differ, are where it gets interesting.



*Adapted from Karanika-Murray & Biron, 2019*

Figure 2. Types of presenteeism, ranging from poor to excellent work performance and poor to excellent health.

## 1. Dysfunctional presenteeism

Dysfunctional presenteeism occurs when a worker has *very poor health* and *performs poorly*. They are too unwell to be working and, as a result, their performance at work is impaired, leading to greater risk of mistakes, poorer health outcomes and subsequent absenteeism. In other words, dysfunctional presenteeism leads to a downward spiral of poor health and performance over time.

*For example, Sandra is recovering from major surgery but feels pressured to log on to her laptop to keep processing customer invoices. Because of the pain medication she's on, and her lack of sleep, she can't focus properly and makes serious mistakes in her calculations. Her performance is poor, and she takes a lot longer to recover from the surgery than she otherwise would have, leading her to take even more time off than planned.*

## 2. Overachieving presenteeism

Overachieving presenteeism occurs when a worker has *very poor health* and *performs well*. They are unwell, but able to maintain a high level of performance at the expense of their own recovery. This style of presenteeism is linked to poorer health (including longer term risk of cardiovascular disease), and higher burnout. While this tactic might be workable in very small doses, it is not sustainable and, as such, can only lead to negative outcomes when kept up over time.

*For example, Jose is a graduate in a law firm. He is experiencing severe anxiety because of stress in his work and personal life but feels unable to tell anyone and has been able to keep up his same level of work output, for now. While he seems "the same old Jose" to everyone on the outside, not taking care of his mental health is only making it worse. He knows it's going to blow up at some point, and he feels burned out by the pace of work.*

## 3. Therapeutic presenteeism

Therapeutic presenteeism, on the other hand, is when a worker has *impaired health* and *performs poorly* but chooses to engage with work because the act of working is therapeutic. This is the case for certain people who live with chronic illness, for example. For these people, working – especially where there are strong support systems present – is energising, not depleting. Although there are performance hits in the short term, the wellbeing benefit from working may lead to improved performance in the long term.

*For example, Cora is a nurse who lives with chronic back pain. She's experiencing a particularly bad flare-up, meaning she can't do her usual rounds with patients. Her performance output is considerably lower than normal, but simply getting out of the house and seeing her colleagues helps her to feel better. She knows that coming into work now will make it much easier to get back into the swing of things when her back starts feeling better.*

## 4. Functional presenteeism

Finally, functional presenteeism is possible when a worker has *impaired health* and *performs well*. The key feature of this state is that engaging in work does not further tax the worker's health. This is only possible when the worker operates within an environment that is supportive (e.g., strong manager and peer support) and where work factors are reasonable (e.g., workload). In this context, functional presenteeism allows workers to work within their own boundaries – identifying the work that they are in a good state to be completing, without compromising their health and recovery.

*For example, Grayson is a mechanical engineer who is recovering from a nasty bout of COVID-19. He is still weaker than usual but is no longer infectious and is keen to get back into work. His manager makes sure his week is front-loaded with administrative work to keep him off his feet, and his team encourages him to take regular breaks so that he doesn't overdo it too fast. This gradual re-entry to work while Grayson works his way back to 100% means that he continues to recover well, without any setbacks.*

Understanding the range of presenteeism states – functional and dysfunctional – and their varied outcomes means taking a more nuanced approach to addressing presenteeism at work. Rather than seeking to remove all instances of working while unwell, workers should be enabled and encouraged by supportive peers, managers and organisational culture. This empowers workers to make decisions in the best interests of their health, knowing that this is likely to lead to improved performance over time, too. We'll explore what this looks like in [Chapter 8](#).

### Think you might be engaging in dysfunctional presenteeism?

Know someone who is? Psychological support and coaching are tools to help you reflect on your attitudes, beliefs and behaviours, especially as they relate to your wellbeing - including identifying the factors in your environment that are helping or hindering you and what to do about it. Umbrella's team of experienced psychologists and counsellors offer a range of services to help individuals, teams and managers, including a high-quality Enhanced EAP package for organisations.

**Please reach out** to see how we can help you (and your team):  
[office@umbrella.org.nz](mailto:office@umbrella.org.nz), 0800 643 000.

# 07. When presenteeism becomes a critical risk

As noted throughout this report, presenteeism is often a hidden phenomenon, but its consequences can ripple throughout an organisation if not proactively addressed.

Beyond the immediate effects on employees' health, wellbeing and productivity, presenteeism can also lead to significant errors and costly mistakes that could compromise the health, safety and wellbeing of others.

In some industries, particularly those that are safety-critical, these errors can escalate into critical risks, serious accidents, or even fatalities. Healthcare, construction, and transportation are prime examples of sectors where errors due to presenteeism can have particularly dangerous consequences for employees and the public.

## Presenteeism as a critical risk in the workplace

When we talk about “critical risks”, we refer to those workplace factors that, though less frequent, have the potential to cause the greatest harm. One of the hidden dangers of attending work while unwell is that we're much more likely to make mistakes. Generally, researchers agree that poor employee health is a key predictor of work-related errors. More specifically, presenteeism is linked to higher rates of workplace accidents. And, because presenteeism so often goes unnoticed, when employees push through illness at work, these mistakes can escalate quickly leading to severe consequences.

These severe consequences might look like:

- An employee suffering from fatigue and flu symptoms might lose focus while operating heavy machinery, resulting in a failure to notice a safety hazard. This could lead to a serious accident, such as a worker being crushed by equipment or falling from a height, causing life-threatening injuries.
- A nurse who is unwell may misread a patient's prescription or administer the wrong medication, leading to an adverse reaction or even death. In high-stakes healthcare settings, even small lapses in attention can have grave outcomes.

While the link between showing up to work while sick and critical risks may seem distant, the physical and mental strain employees endure when pushing through illness can often amplify the likelihood of errors. Even small mistakes, compounded over time, can escalate into more significant issues that may go unnoticed, ultimately putting both employees and the public at risk of serious harm.

## Why do we make more mistakes if we're unwell?

As we explored in the previous chapter, employees who work despite feeling physically or mentally unwell are more prone to experiencing strain and symptoms of mental ill health, such as anxiety or depression. These negative effects are also suggested as being likely to compromise our ability to do our job effectively. It's also no surprise that mental and physical illness negatively impacts on both the quantity and quality of work – further reinforcing the productivity problem.

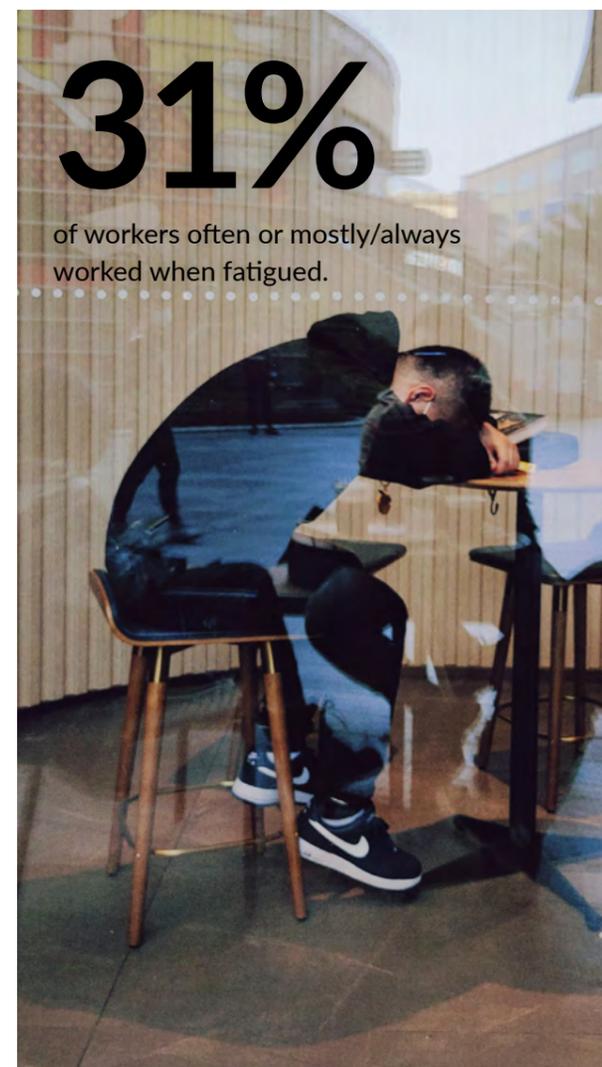
When we attend work while unwell, it requires significantly more effort to remain focused and overcome the symptoms that are negatively affecting our work. When we're constantly battling the need to overcome our illness and enhance our concentration, this can contribute to mental strain. This mental strain is what leads to higher rates of errors and lapses of judgement, as our capacity to pay attention to the things around us and monitor our own behaviours becomes significantly impaired. In short, mental and physical ill health interrupts our usually straightforward cognitive processes of attention and monitoring, making us much more error-prone.

## The role of fatigue

Fatigue can feed into both presenteeism and heightened critical risk. Fatigue is a state of physical or mental exhaustion, causing presenteeism when we choose to work through it and compromising our ability to perform work safely and effectively. Examples of work factors that feed into fatigue include high cognitive demands (such as sustained concentration); lack of recovery periods between shifts; and environmental stressors at work (such as light, noise, climate). Of course, there are several non-work factors that also feed into fatigue, too (things like poor sleep or mental illness).

In 2021, the New Zealand Workforce Segmentation and Insights Programme found that approximately 31% of workers often or mostly/always worked when fatigued. Interestingly, the data also suggested that:

- women were more likely to suffer fatigue than men,
- fatigue levels dropped significantly among workers over 50 years old, and
- professional, scientific and technical service workers were more likely to report working when fatigued compared to those in physical industries such as agriculture, forestry, manufacturing, and electrical/gas work.



As stated in the Australian Work Health and Safety Code of Practice 2024, fatigue – when we work through it (i.e., presenteeism) – can increase the risk of injury and other harm or incidents. Safety risks from fatigue-related incidents occur when:

1. It reduces employees' capacity (e.g., slower reaction times, reduced alertness, compromised strength and coordination, impaired memory and concentration, and poor judgement), and
2. Health and safety depend on employees' performance (e.g., there are inadequate systems in place to prevent employees from making fatigue-related errors or to protect employees and others from the consequences of these errors).

In fact, several studies show similarities between fatigue-related impairment and alcohol-related impairment in cognitive and physiological functioning. This becomes dangerous when

presenteeism continues to occur while fatigued, especially in safety-critical jobs. Indeed, fatigue is considered as one of the major causes of accidents and “near misses” in safety-critical work.

When stress, fatigue, and illness are combined, this can create the perfect storm for safety-critical errors. Presenteeism can reduce an employee's ability to monitor their environment effectively and can impair key cognitive functions, which are essential to avoiding workplace accidents and errors in the first place. As a result of these cognitive impairments, employees may fail to notice potential hazards or engage in risky behaviours or shortcuts that would otherwise be avoided when in a more optimal mental and physical state. At its worst, this may cause injury or fatality for the worker, or those around them. Once again, the business case for not investing in sound presenteeism-prevention practices is too strong to ignore.

### Need help identifying critical psychosocial risks in your workplace?

Wondering about how presenteeism, psychological distress, and other health behaviours might be impairing the performance and safety of your workers?

Get in touch to learn more about our Psychosocial Risk Assessment, and how we align with ISO 45003 to ensure your people and your work are protected: [office@umbrella.org.nz](mailto:office@umbrella.org.nz), 0800 643 000.

# 08. What helps? Tackling dysfunctional presenteeism

In this report so far, we have examined the data on presenteeism in Aotearoa New Zealand, what the numbers mean, the causes of presenteeism, how it manifests in remote working and safety-critical roles, and when it is functional and dysfunctional. It's time to consider what helps to address it.

The good news is that the same interventions that help to *prevent* dysfunctional presenteeism can also *protect* functional presenteeism. For example, a psychosocially safe organisational culture will disincentivise dysfunctional presenteeism while also enabling the support systems necessary to engage in functional presenteeism.

Importantly, organisations need to act at different levels to ensure a coordinated approach. This means tackling organisational values, manager and team norms and individual factors in synchrony. All this action needs to begin with, and remain underpinned by, robust measurement.

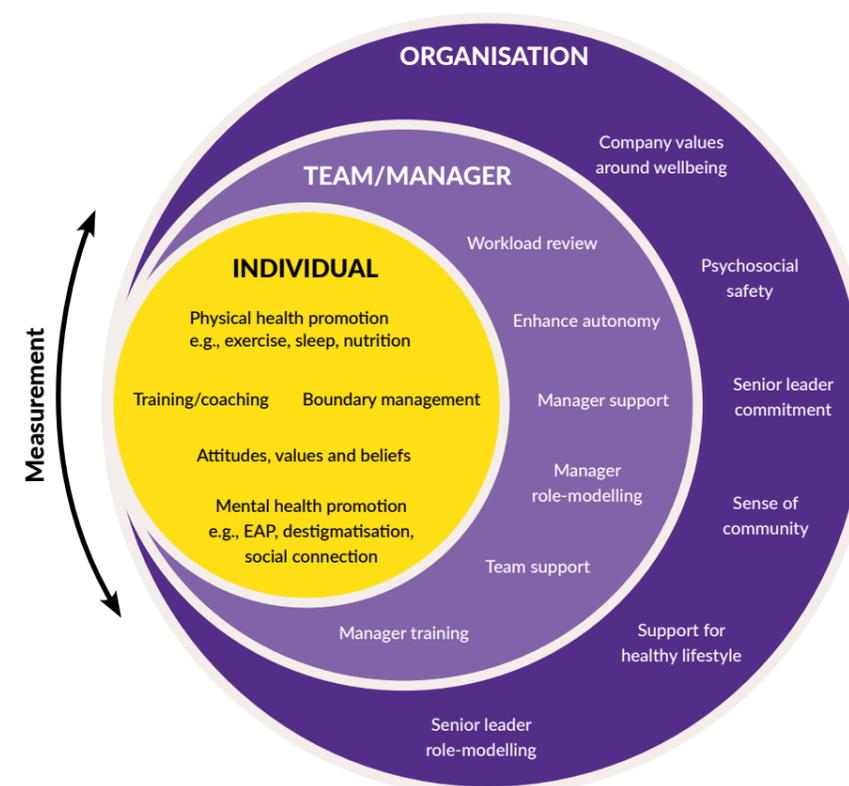


Figure 3. Integrated solutions to address dysfunctional presenteeism at the individual, team/manager and organisational levels.

## 1. Measurement

*Put simply, you don't know the size of your presenteeism problem until you measure it.*

This lack of visibility has been established in [research](#), stating that presenteeism monitoring via surveys is crucial. Our aggregated sample found that more than one-quarter of employees reported *often* or *always* working while mentally unwell in the past month, and one-fifth of people reported *often* or *always* working while physically unwell.

With data, you can compare your organisational averages to normative estimates, establish the different factors that feed into presenteeism, and which teams (if any) are doing better or worse. These steps are necessary to establish a baseline, but ongoing monitoring is key, too. This means assessing the effectiveness of initiatives over time at shifting physical and mental health markers, and presenteeism.

Using our proprietary [Umbrella Wellbeing Assessment](#) tool, we can assess these markers for you, customising questions and reporting to meet your business needs, and partner with you during implementation to ensure maximum impact on health and productivity outcomes.



## 2. Organisational interventions

When we say “organisational”, we mean top-down interventions that establish organisation-wide values, norms and ways of working. In our data, we found that poor organisational wellbeing support tripled the odds of engaging in mental health presenteeism and doubled the odds of engaging in physical health presenteeism.

*So, it matters whether employees perceive their organisation as being explicitly supportive of healthy lifestyles, prioritising psychological wellbeing, and establishing a company-wide sense of community and support.*

Another way of conceptualising organisational support, “[psychosocial safety climate](#)” (PSC), refers to how workers perceive the policies, practices, and procedures in place to protect workers’ psychological health and safety at work, and reduce their risk of harm.

PSC is usually regarded as an organisational or cultural factor, reflecting aspects such as:

- management values (e.g., mental health prioritised at the same level as productivity)
- commitment to health and wellbeing
- strong communication around psychological health and safety
- worker participation in psychological health and safety issues.

Companies that start with PSC as their foundation are much more likely to achieve long-lasting presenteeism changes, in part because workers feel that their organisation’s approach to health is genuine, grounded in care and wanting the best for worker health, not a scapegoat-hunting or tick-box exercise. This is supported by numerous research studies (e.g., [Biron et al., 2021](#); [Chen et al., 2015](#); [Loh et al., 2024](#); [Wang et al., 2022](#)).

We cover more about building psychosocial safety in our [2024 Wellbeing Report](#), but the basics start with ensuring that there is authentic executive and senior leadership support for worker health (including mental health), and that this is at the heart of all organisational practices.



### 3. Team and manager interventions

*While organisational values and psychosocial safety set the scene, line managers and co-workers are the ones who craft day-to-day norms for presenteeism.*

In our data, for example, we found that high workload (and poor autonomy for physical illness) were predictors of engaging in presenteeism. Most line managers are in a position to review and re-distribute workload to a certain extent, ensuring that there is sufficient cover to enable people to take time off. For more on managing workload, read our [article here](#). It may be that [effective training](#) is needed, to equip managers with the tools to lead in a way that enhances wellbeing and productivity while reducing presenteeism.

As well as actively reviewing workload, simply being a supportive manager (forming a strong, mutually caring relationship) is found in research to [buffer against workaholism](#) and improve presenteeism. The power of this relationship is further evidenced in [research](#) where leader presenteeism (visibly working while sick) is associated with employee presenteeism. Leaders need to support employee health, starting with prioritising their own and role-modelling what healthy work practices look like. [Leadership coaching](#) can help with this.

As much as managers are influential in addressing presenteeism, [newer research](#) has explored the (often untapped) potential of co-worker support. Health-promoting collaboration among teams (things like valuing each other's health, noticing when others aren't well, and role-modelling healthy behaviours) is important for presenteeism, wellbeing and work performance. The researchers concluded that [team training](#) may be an effective tool for improving health-promoting collaboration, especially important in a remote working context.



### 4. Individual interventions

Finally, and perhaps most intuitively, individual interventions are needed as part of a cohesive presenteeism strategy, alongside group and organisational measures.

*Employee beliefs, values and attitudes around working while sick are deeply personal and impactful.*

For some, working while sick is a way to express loyalty and commitment to the job (interestingly, this attitude can even [buffer the impact of presenteeism](#) on productivity, although can still result in health deterioration).

Awareness campaigns around presenteeism may be useful to help workers assess their values and priorities. [Research](#) has also suggested that training programmes that support people to draw boundaries between work and private life are helpful, especially for remote or hybrid workers.

Finally, non-work factors were dominant in predicting both mental and physical health presenteeism in our sample, with financial, family and ill health stress ranking highly. While these are traditionally not in the domain of influence of employers (with the exception of paying people more to alleviate financial stress), there is still an opportunity here to support worker health.

Health promotion programmes (targeting [nutrition](#), [physical activity](#) and [sleep](#), for example) can reduce presenteeism, improve productivity and enhance health outcomes. This might include subsidised gym memberships, health insurance, educational programmes and/or access to financial advisors and other support services.

Above all else, [research](#) supports that interventions in the presenteeism space need to be tailored to the condition that is being dealt with. Generic catch-all “health promotion” campaigns may not be specific enough to create meaningful change. Again, measurement and high-quality data will allow organisations to strategically map out a plan for addressing presenteeism. In one [case study](#), mental health presenteeism was targeted through a series of tailored interventions including personal stories from leadership, [expert-led workshops](#), manager and employee training and regular sharing focus groups. Figure out what works for your people and let the benefits flow.

At Umbrella, we provide an end-to-end wellbeing service for organisations, including strategic measurement and support to build psychosocial safety, team and manager training and coaching, and individual behaviour-change support. Tackling health and productivity across all levels of an organisation to create thriving workers, teams and business is what we do.

Get in touch with us to learn more: [office@umbrella.org.nz](mailto:office@umbrella.org.nz), 0800 643 000.

# 09. Where should you start?

Know where to go for help

It's no surprise if you find yourself getting stuck.

Addressing presenteeism can be tough work, especially when you are unsure of the size, scope and nature of the problem. Whether it's related to organisational culture, pockets of poor manager support, or serious psychosocial risks that workers are exposed to, these are all tricky, complex situations that need time and energy to lead well.

If nothing else, in the previous chapter we outlined how good data on presenteeism, and the key work and non-work challenges experienced by workers, will give you an excellent starting point for tackling presenteeism. Once you have data, you can assess the target areas for change, what's already working well, and whether there are any teams that need more urgent assistance. Tailored and data-driven wellbeing initiatives will always come out on top, especially for something as complex and multi-faceted as reducing presenteeism.

Sometimes it can be useful to receive psychological insight or advice from an independent expert. If that's the case for you, our team members at Umbrella are skilled at facilitating a range of [leadership and team training sessions](#) and [eLearning programmes](#) that centre around mental health, healthy work practices, and psychological wellbeing.

We've also run tens of thousands of [Umbrella Wellbeing Assessments](#), [Wellbeing Pulse checks](#), and [Psychosocial Risk Assessments](#) over the last few years, helping individuals to assess their wellbeing while providing expert, objective guidance and insight on your critical psychosocial risks, and presenteeism outcomes, at the organisational level. We'll also guide you on where to start with minimising presenteeism, helping you to enhance the health and performance of your workforce.

For more individualised support, we offer leadership coaching, evidence-based business advice, and [strategic consulting](#), allowing you to tap into our experienced network of registered [clinical and organisational psychologists and researchers](#). For team members who want safe and effective psychological support, check out our [Enhanced EAP](#) package and make the switch to a better EAP.

[Get in touch](#) if you'd like to find out more about presenteeism and how we can help you to build thriving workers, teams and business.

We work with clients throughout Aotearoa New Zealand and have offices in Auckland and Wellington.

**PO Box 24445, Wellington**

**P: 0800 643 000**

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# Keen to discuss the state of presenteeism at your workplace?

Contact:

[office@umbrella.org.nz](mailto:office@umbrella.org.nz)

0800 643 000