



Australian Government

Comcare



HEALTH AND PRODUCTIVITY

FACTS

We currently have four generations at work. Participation and engagement of all workers is essential for dynamic and vibrant workplaces. With longer and healthier lives comes the opportunity for many people to work longer and possibly change career pathways. The relationship between health and work is critical to get right. Employers need to make sure they capitalise on the critical role of the workplace in keeping people in employment healthy and productive. An ageing workforce, chronic disease, disability and mental ill health can all pose obstacles to a rewarding and productive life in work.

Chronic disease is a substantial burden for Australian employers—33 per cent of working-age Australians between 25 and 64 years report having at least one chronic disease (*PWC Workplace Wellness in Australia*—source Australian Institute of Health and Welfare).

The AIHW 2010 Risk Factors and Participation in Work report found that 96 per cent of working-age Australians had at least one chronic disease risk factor and 72 per cent of working-age Australians had multiple risk factors. (*PWC Workplace Wellness in Australia*).

Australian employers bear many of the indirect costs associated with chronic disease and ill health. The estimated cost of absenteeism to the Australian economy is \$7 billion each year, with the cost of presenteeism (not fully functioning at work because of medical conditions) being nearly four times more at almost \$26 billion in 2005–06 (*PWC Workplace Wellness in Australia*).

In 2012, 14.8 per cent of the APS were between 50 and 54 years of age¹.

¹ Australian Public Service Commission 2010, State of the Service Report 2011–2012

Back injuries, arthritis and mental health disorders account for almost half of all Australians who retire early (before the age of 55)².

When employee health and wellness is managed well the percentage of engaged employees increases from 7 per cent to 55 per cent and self-reported creativity and innovation increases from 20 per cent to 72 per cent³.

WHY IT MATTERS

The workplace is well placed to reduce the rising prevalence of lifestyle related chronic disease by positively influencing the health and wellbeing of its workers.

Investing in health and wellbeing makes good business sense. Organisations that invest in health and wellbeing initiatives see benefits that are broader than just financial gains. Research on the relationship between health and productivity finds healthy workers are more productive at work than unhealthy workers⁴. Health and wellbeing programs that address the health risks of workers within the organisation lead to increased staff engagement, reduced turnover and higher productivity.

Research supports that building cultures of health and safety provides a competitive business advantage. "Companies that build a culture of health by focusing on the wellbeing and safety of their workforce yield greater value for their investors".

Fabius R, Thayer RD, Konicki DL, Yarborough CM, Peterson KW, Isaac F, Loeppke RR, Eisenberg BS, and Dreger M. The link between workforce health and safety and the health of the bottom line: tracking market performance of companies that nurture a "culture of health". Journal of Occupational and Environmental Medicine. 2013; 55(9):993-1000.

HOW IT'S DONE

Take an integrated approach

Workplaces need to take an integrated approach to managing health and productivity which seeks to prevent harm, promote health and improve participation in work. The *Work Ability and Ageing Framework for Action* helps address the challenges of a multigenerational workforce through integrated strategies in workforce planning, health and safety, skills and human capital development.



2 Australian Bureau of Statistics 2008b, Health of Mature Age Workers in Australia: A snapshot, 2004-05 Cat. No.4837.055,001 . ABS, Canberra.

3 Right Management 2009, Wellness and Productivity Management: A New Approach to Increasing Performance, 15 July 2011, <http://www.rightmanagement.com.au/assets/x/50990>

4 Mills, P 2005, The Vieliflife/IHPM Health and Performance Research Study, 1 July 2011, http://www.ieu.asn.au/vielife_research_report.pdf

Make the business case

Organisations can mitigate the risks of poor health by developing workplaces conducive to health and wellbeing and by encouraging staff to make healthy lifestyle choices. Investments in employee health and wellbeing need to be strategically targeted to ensure they are effective.

Better match the work to the worker

The design of work, work processes and systems are fundamental for the health and productivity of all workers. A good match between the work and the worker contributes to job satisfaction, improved health and wellbeing, increased employee retention and increased productivity.

Promote the health of workers and support those who have illness, injury or disability

Create a workplace that supports and promotes health and wellbeing. Embed health and wellbeing into the way things are done in the organisation. Align health and wellbeing programs to organisational strategies and integrate into organisational systems. Provide flexibility (working arrangements, modifications) in the workplace to enable workers to contribute to the best of their ability.

FOR MORE INFORMATION

Available through the Comcare website:

- > *Promoting health and safety—Work health and Wellbeing*

Other resources

- > The Department of Health's Healthy Workers Portal
- > PriceWaterhouseCooper's *Working Towards Wellness*, which reviews best practices in developing launching and maintaining wellness programs.
- > The Health & Productivity Institute of Australia's *HAPIA Guidelines for Best Practice in Corporate Wellness*.
- > The United Kingdom Department for Work and Pensions, Health, work and wellbeing—evidence and research page provides evidence, research and policy papers related to health, work and wellbeing.