Enterprise for Health –

A joint project between AOK for Lower Saxony and WHO
ENTERPRISE FOR HEALTH

Job insecurity harms health, even more than unemployment. In contrast, evidence now shows that the higher the level of job security, the higher the level of productivity. People in safe jobs better cope with stressful working conditions and life events. As a result, while “downsizing” can benefit the corporate balance sheet, it may actually be bad for business.

Further, being shut out from decision-making in such areas as work schedules, lunch hours, idea-sharing, and internal communications, erodes employees’ sense of well-being so much that numbers of on-the-job accidents and the incidence of sick days taken increase, while productivity decreases. Evidence shows that including employees in decision-making reverses this situation.

The bottom line is: a healthy workplace is good for business. But this means more than complying with government safety standards or providing employees with health insurance coverage. While many studies examine the effect of physical workplace conditions on health and safety in the workplace, WHO’s work links the healthy work environment to productivity, shown by higher output, lower absenteeism and creativity in the workforce.

WHO and AOK, the association of local sickness funds of Lower Saxony, one of the Länder in Germany, have launched a pilot project to measure the effects of comprehensive health promotion in and from the workplace. Health is a 24-hour-a-day issue that affects not just workers but their families and communities. The pilot project therefore involves government and community entities, as well as businesses.

OBJECTIVE

The nature of health, health care, lifestyle and family situations have changed over the past several decades, and the changes wrought by technology will continue to increase. Unfortunately, the policies designed to provide social and health care services are far from recognizing and adapting to these new changes.

Direct involvement in these functions is a matter for business and government, but WHO can identify and foster different policy options in various technical areas which would benefit health. Thus, WHO can usefully serve as an information clearing-house and provide incentives for further cooperation between business and government.

BACKGROUND

As unemployment in the European members of the Organization for Economic Cooperation and Development rose from 7% in 1990 to an average of 10.5% in 1997, levels of psycho-social stress rose in about the same proportion. One study shows that, in
the UK alone, up to 30 000 working hours were lost to stress-related illnesses and complaints in 1998.

Certain groups suffer disproportionately from job insecurity. Professionals and managers, for example, have less fear of losing their jobs and feel more certain of funding further employment of similar status than people in industries that are downsizing or closing altogether. In other words, a 50-year-old steel-worker in Dortmund was more likely to suffer from long-term stress than a middle-management financial services worker in Frankfurt.

Job insecurity has negative effects on business, too: lower employee output and commitment (if not downright psychological withdrawal). The shift in the industrialized world to a technology-driven society means business must rely more and more on its human resources to survive and be competitive. But under stress, employees rarely show such essential qualities as creativity and innovation.

Further, organizations under stress suffer from short-sighted “safe” managerial decisions, and negative public images which may impede overall functioning. What’s more, the increase in stress-related illnesses puts additional strain on health care systems and the insurance industry at a time when economic realities are forcing economies.

The real determinants of health are not only one’s genetic make-up and lifestyles, but also working conditions, education, environment, social support and living conditions. Taken together, these issues significantly affect business productivity and the general well-being of society.

THE PROGRAM

To quantify these findings and to measure the impact of concerted enterprise effort to create a healthy work environment, the WHO Regional Office for Europe embarked on a program to promote worker health in 1997. A joint venture was set up with the regional association of local sickness funds of Lower Saxony (AOK – Die Gesundheitskasse für Niedersachsen) and two other partners: the ministry of Social Affairs, Women, and Work, and the Institute for Technology and Work (Institut fur Technologie und Arbeit – ITA) at Kaiserslautern Technical University in Germany.

Lower Saxony was selected because its population size (7.5 million people – equivalent to many European countries), social make-up and concern for and funding of health issues, which may be applicable to many other countries in Europe. A total of 37 companies were recruited for the 5-year project. Participating companies received a bonus – a discount on the mandatory employee and employer payments to the sickness fund equivalent to one month’s contribution. The companies selected had already demonstrated a concern for and a competence in workers’ health above and beyond the physical workplace. An international WHO project team appraised the projects’ effects at mid-term.
The workplace health measures promoted by the WHO go well beyond the legally required health and safety measures. Indeed, the AOK/WHO project emphasized shifting the focus away from sickness and towards health.

The project follows a regular and comprehensive self assessment method. The companies are assisted with experts in work sciences, and review the developments in various areas, such as

Each area has specific questions related to health. The assessment is assisted by a project manager. Criteria for assessing both the status quo and the developments over time include, for instance, in how far management has shown commitment and if they provide a role model, how much resources are attributed to the project, in how far health is taken into account in the development of overall plans and strategies, or in how far the company cares for their staff, and makes sure that staff development programs are in place. Do employees actively participate in the process to put health high up on the company’s agenda?

Criteria for assessing the results include the effectiveness of company health promotion in relation to customers and suppliers; indicators of employee satisfaction, objective indicators for corporate health status; or the impact of company health promotion on the national economy, in order to show the responsibility towards society.

One of the biggest obstacles found to-date is managers’ attitudes towards health – that health and safety are economic burdens, rather than assets. In addition, front-line workers tend to resent health decisions made for them by management.
The appraisal of the projects undertaken by the participating companies shows that new work and health measures lead to a decline in the number of sick days, and improvements in staff morale, employee-employer relations and productivity.

Every company obviously sets its own priorities, according to where best health gains can be achieved. Thus, the programs in the individual companies vary considerably.

EXAMPLES

Company A started as a small family-run food-production business but is now part of a large holding company. It has extended its definition of health to include physical and mental well-being. Management has analyzed health hazard at work, arranged feedback of the findings to employees and established health circles to define and tackle work-related health problems. Company A also conducts regular employee opinion surveys. The executives’ goal is to implement at least two thirds of employees’ recommendations. Thus far, the company has allowed workers to select their own shifts; organize work to accommodate family arrangements and social interaction between employees; ensured work rotation, and made regular appraisals and training plans. Workers have access to company-supported recreational facilities outside the workplace.

Company A has seen sickness rates fall; a decline in overall health complaints 0.2%, and 3.2% drop in absenteeism. Staff moral has improved.

Company B is a large, award-winning manufacturer of complex engineering products. It is already known for its high quality working environment; but the WHO project allowed the company to go further in tackling three employee-identified health issues in particular. 1) Manufacturing processes have been totally redesigned so that self-managing teams now take responsibility for different stages of the production process; 2) flexible work systems have been introduced so that individuals and teams can decide the hours they want to work; 3) special efforts are being made to increase the number of women and disabled employees, as the company’s form of engineering traditionally has employed few women.

The new working systems have decreased the feelings of isolation reported by workers, while improving worker communication and job satisfaction. Today half of all apprenticeships are offered to women. The number of accidents per year dropped by more than 4%; days missed from work due to sickness or accidents fell by nearly 80%.

INFRASTRUCTURE

An important characteristic of the project is inter-organisational learning. Some of the issues that enterprises face in addressing worker health improvement are not unique to that organization. Therefore, a “Companies’ Working Group” was set up which meets on a regular basis to discuss things that they have learned and identify problems which need to be addressed on a wider scale than individual enterprises. This group aims to increase
the individual and institutional capacity as well as commitment, as the partnerships that are built over time are able to support individual companies also during difficult times of change.

Another innovative aspect was to clearly link the operational level with policy development processes. Therefore, an “Umbrella Group” was established comprising all crucial political stakeholders who may be instrumental in reducing identified “barriers” to the project’s implementation. The umbrella group’s remit includes how best to influence the political – highly sensible - context to support the successful implementation. The group also brings together other potential stakeholders, such as the business partners, sickness fund managers and researchers. The great benefit of this partnership is that different perspectives are applied to worker’s health. This process clearly improves the understanding between the different groups, and enhances communication.

Such an ambitious project needs a sound infrastructure:

- Each of the participating companies is supported by an AOK project manager who advises companies in their development towards health improvement.
- The financial budget of the overall project, over a time frame of five years, is 25 Million USD (fifty million Deutsch-Marks).
- The project managers provide support to the self assessment process and bring an external perspective on practices elsewhere.
- Once the self-assessment has been completed the companies draw up an action plan to tackle areas of weakness as well as selecting some specific health improvement programmes to work on.
- The companies have a relatively free hand in how they approach these programmes.

ADDITIONAL FINDINGS

The project found that workplace-based innovation had a ripple effect on various government agencies who have an effect on population health. Often, the health sector has to pay for population health damages that occurred through decisions made in other sectors. On the contrary, there are opportunities to identify policy options that would benefit economic, social and health development. Health is fundamentally influenced by the way, for example, social services are organized, environmental protection is secured or financial flows are guided. Thus, health development has to be intersectoral by nature. Above all, it has to be recognized that the prime purpose of non-health sectors is not health promotion. What is needed is to find ways in which the different interests involved in economic and social development can achieve their prime objectives in a way that also improves people’s health and well-being.

Health is a crucial social and personal resource that requires nurturing. If investments are oriented in a way that secures positive health, then we know that this in turn often triggers economic and social benefits.
In addition, insurance agencies can benefit from the experience gained from the AOK/WHO project by reviewing the criteria on which treatment is based. People’s involvement in their own health care, as seen in the project, may change the demands on insurance coverage. Indeed, the real savings in health care expenditures will come from improving health, rather than minimizing the cost of transactions for treating illness.

WHAT NEXT?

How can these short-term findings be transformed into long-term improvements? Will workplace health incentives be as appealing without and immediate financial bonus? Can the effects of lower health-related costs at the workplace be translated into reduced sickness fund contributions, as well as increased productivity? Better cooperation between the different sectors concerned clearly could result in lower expenditures by government and business in the future. In the long-term, the AOK/WHO project includes setting up a Europe-wide clearing house for workplace health questions. The project partners discovered that, while many companies could identify health problems, solving them was another matter. WHO regional project managers and a data bank can make suggestions to companies from similar cases and help to devise plans to address health issues. Thus, identifying incentives for Workplace Health Promotion is the first step in linking healthy workplaces with healthy and productive communities.