WORKPLACE MENTAL HEALTH INSTITUTE

Peak Performance Research & Programs™

SILENT

EXPECTATIONS

The growing demands placed on managers and HR professionals to manage employees' mental health

1 IN 5 AUSTRALIANS IS AFFECTED BY A MENTAL ILLNESS EVERY YEAR

80%
AND THEIR TEAM CARRIES THE LOAD

Mental illness is a growing issue in Australian society, and the workplace. Not only are organisations feeling the impact of poor mental health, the dynamics in modern organisations are contributing to, and aggravating the problem.
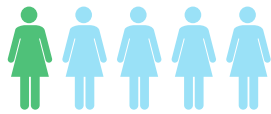
"People are saying they can no longer go to work. That's a dramatic judgement."

JIM MINTO, MANAGING DIRECTOR, TAL

Mental Health Challenges in Australia
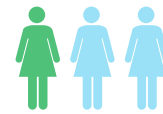
1 Million

Australians live
with Depression

1 in 5 women

1 in 8 men
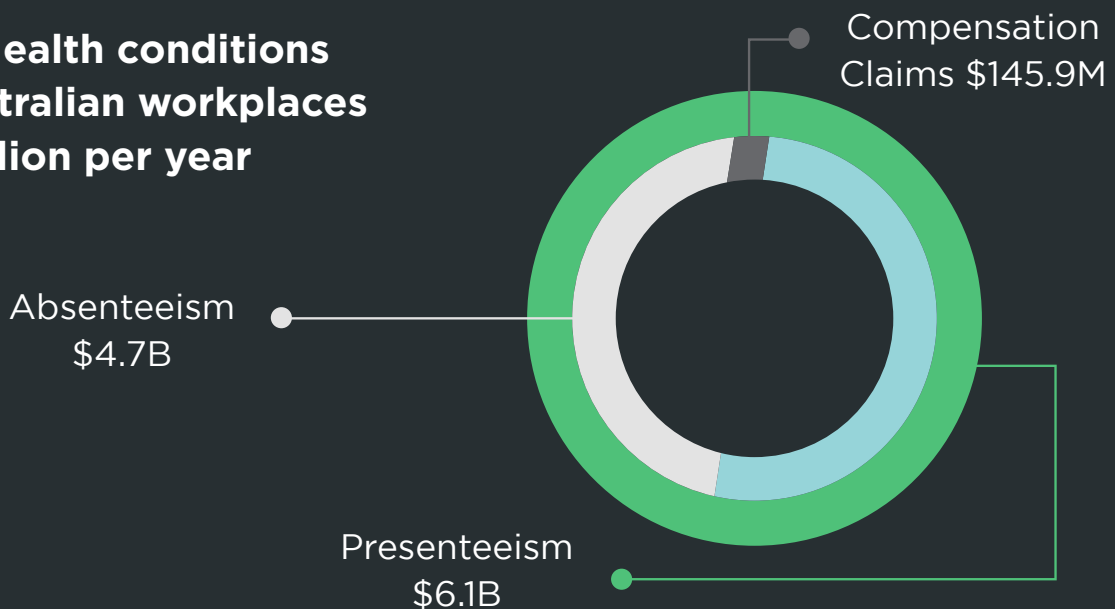
2 Million

Australians live
with Anxiety

1 in 3 women

1 in 5 men

8 Australians die by suicide every day – 5 are men

**Mental Health conditions
cost Australian workplaces
$10.9 billion per year**

Compensation
Claims $145.9M

Absenteeism
$4.7B

Presenteeism
$6.1B

**Cost of mental ill-health >4% of GDP
Australia = $60B**

Every 10 per cent gain in mental health of
Australians GDP would rise by 0.4 per cent

100% of the annual salary

The average cost of a single resignation due to stress and inability to cope.

$9,660 per worker per year

Cost of untreated depression for around 6% of your workforce.

6 times

Estimated cost of presenteeism as a multiple of absenteeism.

$250,000

The average cost of a successful mental injury claim.

Arguably the key objective for managers and HR professionals is to bring out the best in people - to create a high performance culture of collaborators and innovators.

But when an employee is suffering from a mental illness, their productivity declines. Their team mates are affected. Their customers are less well served. If not addressed, the situation can become chronic and lead to excessive sick leave, resignation and in extreme cases, self harm and suicide.

The impact is not just on the individual - the team and the organisation is impacted.

What's causing the decline?

While the reasons for declining mental health are varied and complex, discussions with a number of leaders and HR professionals has uncovered the following themes:

Intensification of work

It's no secret that we're working longer hours, and being expected to take on more responsibility. The volume of work is enormous and relentless. On top of this, the level of knowledge required to stay current in a role or profession is increasing exponentially.

Many people have chronic mental fatigue and adrenal burnout caused by prolonged levels of stress, poor diet and exercise habits and too much alcohol and caffeine.

Untreated, chronic stress is a precursor to mental illness, and an aggravating factor for an existing condition.

Pace of change

Organisational change is a fact of life in today's organisations. Our desire for better products, cheaper and faster means that organisations have to move quickly to capture or maintain market share.

Silicon Valley continues to show us that two guys in a garage can disrupt entire established industries almost overnight. Growing organisations have fast paced cultures with a high level of intensity; declining companies experience job insecurity and anxiety; acquiring & merging companies experience clashes of culture as established cultural patterns and power structures are thrown into chaos.

This all results in a constantly unstable and unfamiliar environment for employees.

> *"Many HR issues are in fact a symptom of Mental Illness."*
>
> **RACHEL CLEMENTS,** DIRECTOR PSYCHOLOGICAL SERVICES, CENTRE FOR CORPORATE HEALTH

Environmental Uncertainty

As if there wasn't enough change in organisations, we currently have an economy and environment in flux. Recent high profile closures in the manufacturing industry not only cause anxiety and uncertainty in those industries, but in the supply chains and adjacent industries that rely on them. Climate change continues to make its presence felt in the form of natural disasters, which have a significant economic and social impact.

These stressors all impact the family unit. Stress from work doesn't stay at work, and stress from home doesn't stay at home. Many employers are supportive of employees with mental health issues, whether it's by providing access to counseling, or providing access to leave, but they expect employees to take responsibility as well.

And many employers don't feel employees are taking enough responsibility - that often, they're being taken for a ride.

Managers & HR professionals are caught up in a silent epidemic

Managers and HR are increasingly called upon to manage the welfare of employees but where do they learn these skills? Certainly the days of saying 'harden up' are gone. The average cost of a successful mental injury claim is $250,000. People are rightly reluctant to risk getting it wrong.

Options like Employee Assistance Programs and well regarded, but not always practical, due to the stigma of seeking help or being referred.

Managers & HR professionals are often 'put on the spot' and have to deal with an issue the best they can. They are expected to make a judgement call (the right one, by the way) on whether the employee is genuine or not, especially when mental health is used as a 'weapon' in a performance management process.

> *"It seems mental health is stuck where OH&S was 20 years ago."*
>
> **PROFESSOR ALLAN FELS,**
> CHAIR, NATIONAL MENTAL HEALTH COMMISSION

The Risk of Doing Nothing

Workplace Health & Safety

Must provide a safe & healthy workplace that does not cause physical or mental ill health or aggravate existing conditions.

Disability Discrimination Act

Must not discriminate or harass employees with mental health conditions.

Fair Work Legislation

Must ensure the workplace takes no adverse action against an employee because of a mental health condition.

Privacy Legislation

Must safeguard privacy of employees but must also discharge duty of care.

Organisational culture

Doing nothing leads to conflict, reduced morale and, in the extreme, suicide and its impacts in the workplace.

"Gone are the days of telling people to harden up'. Managers are no longer willing to take that risk."

HR DIRECTOR - NATIONAL HEALTH CLUB CHAIN

6 KEY AREAS WORKPLACES NEED TO ADDRESS

1 Smarter work design

2 Increasing the awareness of mental illness and reducing stigma

3 Promoting and facilitating early help and early intervention

4 Building a positive and safe work culture

5 Enhancing personal and organisational resilience

6 Supporting recovery and return to work

93% of leaders surveyed would like more tools for managing mentally unwell employees

According to recent research by consulting firm, PWC

$2.30 IN BENEFITS FOR EVERY $1 SPENT

"Importantly, the results of this analysis are conservative as they do not consider the full range of costs to an organisation caused by untreated mental health conditions, such as high turnover. Estimates also do not include the many intangible benefits of a mentally healthy workplace for all employees, such as improved morale. This potential for additional benefits further reinforces the business case to invest in mental health."

PWC

Benefits for improving workplace mental health:

Increased productivity

Sustain higher workloads for longer and avoid recruitment and training costs associated with stress-related attrition.

Increased creativity & resourcefulness

Under chronic stress, thought patterns switch to survival, not creativity & collaboration - the new drivers of business value.

High performance culture

Retain and attract employees with a valuable employer brand, and avoid acquisition premiums for top talent.

Reduced legislative risk

Reduce insurance premiums and exposure to breaches of WH&S, Discrimination & Fair Work legislation.

About the Institute

The Workplace Mental Health Institute is dedicated to research and the formulation of strategies to improve the mental wellbeing of employees around the world.

We believe there are as many pathways to mental health as there are people. We have been providing education, consulting and mental health services for the past 25 years. Over this time, we have distilled the very best of 'what works' for mental health recovery and resilience building. Our approach is to bring a balanced, respectful and common sense approach to creating resilient, sustainable, high performance cultures.

If you have any workplace mental health related questions or concerns, please visit us at **wmhi.com.au**

"We shouldn't expect leaders and HR to be mental health professionals, but we can equip them to discharge their duty of care, monitor stress levels and know when to call in the experts."

PEDRO DIAZ, CEO, WORKPLACE MENTAL HEALTH INSTITUTE

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