

Executive summary

Policies to promote employee health and well-being not only protect from occupational risks, but also provide benefits for individuals and employers. While employment, safe working environment and work conditions are important determinants for employee health and well-being, lifestyle habits are also key contributors. Unhealthy lifestyles, such as sedentary behaviour, overweight, smoking, harmful alcohol use and stress, are major causes of chronic diseases and thus affect the health of employees and negatively impact workplace productivity. For instance, the productivity losses associated with obesity-related diseases are equivalent to 54 million fewer full-time workers across 52 OECD, European Union, Group of 20 countries, which is similar to the number of employed persons in Mexico.

Combined with the prevention of occupational risks, workplace health promotion programmes benefit employees, while also producing benefits for the employers.

- **Workplace-based programmes can reach out up to 610 million people employed** in the formal sector in OECD countries. About two-thirds of these people are employed in small and medium sized enterprises (SMEs) that are less likely than large companies to implement such programmes due to limited resources and lack of scale in absence of specific incentives.
- **Workplace health promotion programmes are worth the investment.** Employers who implement workplace health and well-being programmes, in addition to preventing occupational risks, can reduce health care spending, decrease sickness absenteeism and increase work productivity. For instance, based on OECD models, scaling up programmes to address sedentary behaviours and promote physical activity at work could improve employment and productivity equivalent to having an increase of 37 000 workers per year in 30 OECD countries, with a positive economic return of USD 4 for each USD 1 invested. Promoting employees' health also strengthens corporate image – which helps recruit and retain talent – and may increase employees' satisfaction and work engagement.
- **Employees generally benefit from workplace programmes**, with evidence suggesting that such programmes improve lifestyles and health (e.g. smoking cessation, healthier weight) in the short and medium-term. High participation is crucial for maximising the potential effectiveness of such programmes. Organisational factors – such as integrated approach into OSH prevention, and healthy workplace culture – also contribute to the success of workplace health-promoting programmes.
- **A growing number of companies are implementing health promotion programmes** across European countries. The European Survey of Enterprises on New and Emerging Risks shows that 32% of the respondent companies implemented measures raising awareness of nutrition among employees in 2019, compared to 28% in 2014.

Governments use a range of policy levers to support employers in promoting health and well-being in the workplace.

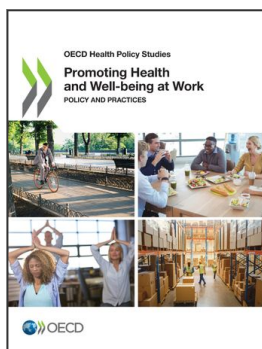
As identified in an analysis of ten countries, including the Group of 7 (G7) and OECD countries in the Asia and Pacific region, a number of policy levers can help to promote health, healthy lifestyles and well-being at work:

- **Workplace regulations** set minimum standards in terms of preventing risks and managing health, safety and well-being at work, and feature prominently in efforts to prevent long working hours, limit smoking, and promote timely return-to-work following sickness absence. In some countries such as federal governments, sub-national authorities may play an important role in OSH regulation and enforcement.
- **Financial incentives** include lower insurance premiums, tax credits and subsidies for employers of SMEs. These incentives are important levers for governments to encourage and facilitate employers – particularly in SMEs – to go beyond basic accident prevention and safety, and to promote health and well-being at the workplace.
- **Disseminating information and guidance** developed together with other stakeholders, such as charities, trade unions and employer associations, can facilitate the promotion of health and well-being at the workplace. This can increase awareness – especially for stigmatised health issues such as mental health-related issues – and increase understanding among employers and managers of effective measures. Guidance related to COVID-19 has also been widely disseminated to employers, typically related to sanitary measures, ventilation, teleworking, facilitation of sick leave and self-isolation.
- **Certification and award schemes** provide reputational benefits for employers, by certifying that employers meet certain standards relating to health and well-being promotion at work, such as the Health and Productivity Management programme in Japan. These schemes often go hand-in-hand with the disclosure of information on company-led programmes and health and well-being in the workplace, which can be used to inform both policy and employer interventions, although collection of such data can raise concerns about data protection and privacy in some countries.

Government efforts to promote health and well-being at work can be amplified by attracting environmental, social and governance (ESG) investments towards companies that prioritise employee health and well-being.

Institutional investors and private funds are seeking to direct investment towards companies that promote the health and well-being of their employees, in particular, investment that is aligned with ESG and human capital considerations. Such investments can encourage employers to implement health and well-being programmes.

- **Investors may consider companies that promote employee health and well-being to be more valuable.** In the United States, between 2001 and 2014, companies that were awarded for their workplace health programmes saw their combined stock value appreciated up to three times more than companies comprising the Standard & Poor's 500 Index. In Japan, companies certified by the Health and Productivity Management programme also perform better on the Tokyo Stock Exchange.
- **Attracting ESG investments requires making comparable data available** on health and well-being at work that would allow investors to differentiate between companies that effectively promote the health and well-being of their employees and those that do not. To this end, governments and other stakeholders are taking a step forward: regulatory changes that require companies to report information on health and well-being programmes, as well as voluntary initiatives promoting information disclosure. Standard-setting initiatives, such as the Global Reporting Initiative, play an important role in harmonising and standardising the disclosure mechanisms through work across countries and companies.



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