

# WORKPLACE ENVIRONMENT

*Are corporations that ignore or contribute to our growing climate crisis more likely to have employees with mental health problems? – CK explores the question as it relates to productivity.*

BY SANJAY KHANNA

Unfortunate fallout from the global economic crisis – notably double-digit unemployment – is driving citizens of the most-affected countries to a mental breaking point. The global climate-change juggernaut is wreaking havoc, too, and not just with temperatures and sea levels: Bloomberg News reported this summer that drought in the U.S. Corn Belt had led to a 55 per cent jump in corn futures between mid-June and late July, while the Financial Times declared that pork and chicken prices would significantly rise, transforming everyday meats into luxury foods. In the era of austerity, the threat of rising grocery bills is yet another potential mental health stressor.

In the workplace, there is a compelling case to be made that this confluence of economic, environmental and climate volatility may increasingly add up to a decline in employee mental health and, by association, worker productivity. A smoke signal of note: a 2012 report sponsored by the National Wildlife Federation and co-authored by Lise van Susteren, a psychiatrist and trauma expert, stated: “The economic costs of climate change will be high by any measure. But its specific effect on U.S. mental health, societal well-being and productivity will increase current U.S. expenditures on mental health services, adding to our current \$300 billion annual burden.”

Rensia Melles is the manager of global solutions at Shepell.fgi, where she develops employee assistance and

health and wellness programs used by thousands of organizations around the world. She said company employees are affected directly and indirectly by environmental and climate change. “Direct experience can cause distress. So, too, can indirect experience through media and conversations with people, which may lead to anxiety about the future. There’s also the psychosocial impact related to the conflict between those who see that climatic change is happening and ‘deniers’ who say it’s not happening,” explained Melles.

And if a company is directly contributing, or perceived to be contributing, to the problem?

Take energy giant Enbridge, ranked by *Corporate Knights* as one of the Global 100 Most Sustainable Corporations. The company recently took a big hit to its reputation because of toxic oil spills in Alberta, Michigan and now Wisconsin. For example, a British Columbia newspaper reported that a movie audience in the provincial capital of Victoria booed when shown an Enbridge promotional video for its planned 1,000-kilometre Northern Gateway pipeline project. Could reactions like these affect the morale of Enbridge employees, who are witnessing more negative reports about the company in the news media? Do stress and anxiety afflict its workers more than those of an oil company like Cenovus, now seen as an up-and-coming corporate social responsibility leader? Similarly, did morale plunge at BP – and mental health claims rise – after

the Gulf of Mexico oil spill, or at Exxon Mobil after the company was regularly cited for funding organizations whose *raison d’être* was to discredit state-of-the-art, peer-reviewed climate science?

“There is no research available at this time that shows a negative correlation between a lack of corporate social responsibility and employee stress,” said Melles. However, research has shown that: “Companies that have a good reputation for corporate social responsibility, including employee care, are more likely to have employees who stay [and] are committed to productivity and to company objectives.”

Much depends on whether or not an employee views her job as a career, rather than as a paycheck, said University of Toronto professor Carolyn Dewa, head of the occupational health program at Ontario’s Centre for Addiction and Mental Health. “If the worker views her company as a place that is tied to her career, and that she contributes to the success of that company, she is at risk of experiencing more stress when the company is not successful,” said Dewa, noting that negative publicity could fuel this stress, particularly if the employer’s financial viability is at stake, and thus job security.

Keeping employees committed is why some organizations provide what could be termed “guilt offsets” – a way to counter how workers may feel about a given employer, its products and services, or its contributions to economic, environmental or climate crises. Such

offsets might include allowing workers to volunteer time for “feel good” programs such as Habitat for Humanity, or community charities.

“Corporate social responsibility has increasingly become a topic in social media and marketing, so it is hard for employees and consumers to ... see what a company is really doing,” said Melles. “Habitat for Humanity days have been co-opted into this external marketing and do have a positive effect for individual employees.”

Climate change’s visible environmental impacts include raging wildfires in Colorado and fast-melting ice in the Arctic or Greenland, as witnessed in 2012. But perhaps the most debilitating stressor will be its broader economic impacts – increased food prices, higher insurance premiums, more expensive energy and high adaptation costs. One need only look to Europe to observe how an economic breakdown in the

affected 1.3 million adults and cost 86 million days and tens of billions of dollars in lost productivity each year. As the past four years have unfolded – and job insecurity has become a source of constant worry for working Americans – the number of U.S. workers affected by depression and a whole array of mental health issues can only have trended upwards.

Dewa has been watching the trend closely. “I work with a lot of different organizations and companies looking at their disability data,” she said. “There has been a rise in disability-related mental illness over the past 10 years, which is why there’s an interest in programs for improving mental health among the working population.”

A paper co-authored by Doug Smeall, assistant vice-president of health management services at Toronto-based health insurer Sun Life Financial, found that it isn’t uncommon these days to find that

pete ruthlessly for scarce resources. But more research is clearly needed.

In the meantime, some organizations are taking pre-emptive actions. Joel Levey and Michelle Levey are clinical psychologists based in Seattle, Washington, who have worked with Intel, NASA, the U.S. Army Green Berets, the Clinton Global Initiative and many others to help leaders and employees develop the psychological skills required to adapt to volatility, uncertainty, complexity and ambiguity – the four telltale fingerprints of the 21st century. Today, they collaborate with the Google Mindfulness Laboratory, where they teach meditation techniques to help Google employees manage stress, improve working relationships and create breakthrough innovation.

“For leaders, developing employees’ ability to work effectively under the more chaotic and overwhelming circumstances [of economic and climate



“The bad news often associated with eco-information is itself a source of anxiety. People become overwhelmed by the sheer scale, complexity and ‘wickedness’ of the problems we are facing. A form of ecologically induced dread most likely affects many people and leads to their becoming distressed.”

– Glenn Albrecht, sustainability professor, Australia

eurozone – marked by high unemployment and austerity programs that target cuts in health and social services – is contributing to a wide range of mental health issues. These include rising suicide rates among the unemployed and a growth in chronic stress owing to job insecurity.

The World Health Organization estimates that since the European economic crisis began in 2007, mental health problems have led to a 3 to 4 per cent drop in the gross national product of EU countries. In Greece, suicide rates rose by 40 per cent in the first half of 2011 compared with the same period in 2010. Today, the need for mental health services has grown so pressing that some medical facilities cannot provide adequate treatment, referral or follow up.

There’s no reason to think North America is immune. In the United States, prior to the 2008 financial crisis, a study funded by the National Institute of Mental Health estimated that depression

mental health issues account for 30 to 40 per cent of a company’s short-term disability claims. “For most companies, the prevalence of mental health conditions is approaching 30 per cent of all long-term disability cases and has been increasing at a rate of approximately 0.5 to 1 per cent per year over the past several years.”

Significant numbers like these explain why many countries are beginning to set occupational health standards for “psychological safety” in the workplace. The question is whether those numbers are poised to rise even faster. An emerging expert consensus points to climate change as an added mental health burden that could multiply the debilitating mental health impacts associated with economic crises. Climate change could end up being the “mother of all stress multipliers,” given its ability to waylay agriculture, drive up food prices, contribute to job insecurity, and spur nations and organizations to com-

crisis] is a worthy and noble endeavour,” Joel Levey said. “These people will be the innovators for the new systems, organizations and communities that have the most long-term viability.”

As the toll of the economic crisis on mental health continues to grimly unfold – and the impacts of climate change inexorably weaken societal resilience – the stakes for human civilization grow higher each day.

Leaders who feel in their guts that the mental health of workers may grow worse as jobs become less secure and the climate becomes more unpredictable and inhospitable should address employees’ well-placed concerns and prepare for potential organizational impacts. The C-suite must convince their boards that the adaptability and flexibility needed to sustain business success requires ambitious, innovative, and scalable mental health and wellness programs. And, last but not least, a strong commitment to clean capitalism. 