

"Rethinking health"

How companies set the course for sustainable health and success.

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Leaders who care AG

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1 Corporate Health as a strategic competitive advantage

"Health" at work has become the big game changer between the top of class and the average performing companies. The importance and relevance of health appears to have finally sunk in now that media coverage has increased, celebrities have taken to social media to share fitness tips and discuss how they deal with depression, and companies have launched health-promoting products.

But appearances are deceptive.

Even though awareness is on the rise, mental and physical health is still an intangible taboo topic, especially in the workplace. The physical and mental signs are often recognized too late, even by those affected, so that the diagnosis of burnout usually comes as a shock at a moment's notice.

According to a study by the company health insurance fund Pronova, 61 percent of employees fear burnout due to overwork. 21 percent even consider the risk to be high. The health insurance fund itself can confirm this trend, as the number of burnout cases rose by 20% between 2022 and 2023. Those affected were absent from work for around 30 days.

The main reasons given were stress, constant pressure to meet deadlines and permanent availability. Overburdening can also be caused by shift work, a poor work-life balance and caring for relatives.

Source: https://www.pronovabkk.de/unternehmen/presse/studien/arbeiten-2023.html



The central topic for companies is to act now. And not just because of the skills shortage.

Considering health is "no longer a luxury for companies, but a **strategic competitive**adventage for navigating turbulent times in an increasingly complex society and

networked world"

Source: https://www.mckinsey.com/mhi/our-insights/reframing-employee-health-moving-beyond-burnout-to-holistic-health

1.1 What are the causes?

At a time when the world is facing difficult to solve problems, and in addition to various corporate challenges, mental health particularly should not be underestimated in terms of its importance for the company's success. Many companies and their employees have been unsettled by the acceleration of digitalization and its impact on job security, including far-reaching transformation processes. The future seems to have become unpredictable; in all areas of life, we are faced with challenges that we no longer know how to overcome with the strategies and tools we have acquired.

This fear of the future triggers stress in an increasing number of people and activates our archaic survival patterns (flight, attack or freeze). Our cognitive memory is severely compromised. This means that we find it difficult to reflect on our behavior. It tends to reinforce our habitual behavior patterns instead of allowing for change. We are less productive and tend to make more mistakes.



1.2 What is the solution?

In a complex and more dynamic world, it is critical for companies to empower their people to act in a solution-driven and future-oriented way. But how can this be achieved?

While we as entrepreneurs and managers cannot address and solve all the difficulties, we can make a huge difference by taking a holistic view of health, for the company as a healthy organization and individually as a healthy body, healthy mind. Many efforts in the past have gone in the right direction, from sports programs and social skills training to discussions about purpose and vision. It is now important to link these measures together to form a framework and thus rethink health in terms of business and as employees.

After all, health contributes greatly to the resilience of the individual and thus to the resilience of the company. It helps ensure that performance remains high, even in difficult times. In addition, mental strength and psychological security are key factors in a company's ability to innovate, because without security, no one will take the risks that can lead to innovation.

And the investment pays off: A McKinsey study surveyed 1,500 companies in 100 countries about organizational health. After one year, companies that had increased their organizational health to the top quarter of the group showed an 18% higher EBITDA compared to the lowest quarter.

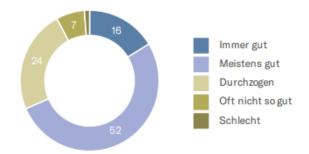
Source: https://www.mckinsey.com/capabilities/people-and-organizational-people-and-organi



2 The exhausted society

According to the 2023 CSS Health Study, the mental mood of the Swiss population has deteriorated significantly. While in 2021, nearly 75% of the population felt always or mostly in good spirits, this held true for only 68% in 2023.

Wohlbefinden der Schweizer Bevölkerung (Abb. 12) «Wie gut geht es Ihnen emotional bzw. psychisch?»



Source: https://www.css.ch/de/ueber-css/story/medien-publikationen/gesundheitsstudie.html#downloads



2.1 Impact on Switzerland's overall performance

The decline in the well-being of the Swiss population is also confirmed by the Axa Study Mental Health Report. It shows that in 2023, a total of 77% of the employees surveyed suffered from a mental health problem due to their work environment.

17% of employees alone stated that they had taken sick leave in the last 12 months due to mental health problems, which reduces the Swiss GDP by CHF 17.3 billion, or 2% of the GDP (with a GDP of around CHF 800 billion in 2023 and an average GDP growth of 1.2%).

Source: https://www.axa.de/presse/mediathek/studien-und-forschung/mental-health-report-

2023#:~:text=AXA%20Mental%20Health%20Report%202023%20AXA%20Studie%20ermittelt% 20den%20mentalen,den%20emotionalen%20Zustand%20der%20Deutschen.

A study by Auctority shows the same picture among managers in Germany. Nearly two-thirds of managers feel fatigued. Of the 1,000 managers surveyed, 62% stated that they were exhausted. Women in management positions are slightly more affected (65%) than men (60%). And young managers are under particular strain: In the 30 to 39 age group, as many as 72% said they were exhausted.

The survey also asked how the issue of "exhaustion" was going to develop. More than 40% of respondents, and up to 47.4% of those in the working age group, stated that exhaustion would continue to increase. This means that there is no reversal of the trend in sight.

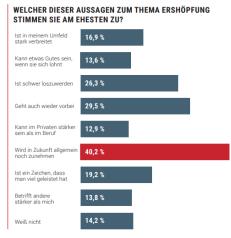


24 | Was erwarten wir

Wir haben die Teilnehmenden der Befragung gebeten, auszuwählen, welchen von acht Aussagen zum Thema Erschöpfung sie am ehesten zustimmen. Die mit 40,2 % am häufigsten ausgewählte Aussage war: "Erschöpfung wird in Zukunft allgemein noch zunehmen". In allen berufstätigen Altersgruppen lag dieser Wert zwischen 42,2 % und 47.4 %, lediglich in der Gruppe 65+ fiel er auf 28,5 %. Für die meisten berufstätigen Menschen, die sich als erschöpft bezeichnen, ist in dieser Hinsicht also keine Besserung in Sicht.

HÄUFIGSTE AUSSAGE: ERSCHÖPFUNG WIRD IN ZUKUNFT ALLGEMEIN NOCH ZUNEHMEN.

40,2%



Source: <u>AUCTORITY-Studie-Erschopfung_2023</u>



2.2 Different facets: Absenteeism

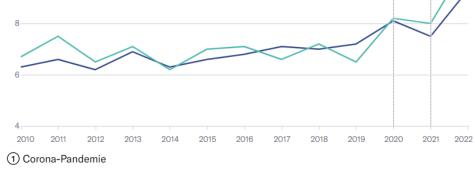
Absenteeism is a clear indicator of the "health" of a company. How does your company compare to the Swiss average? In 2022, employees in Switzerland were absent for an average of 9.3 working days. That is 1.8 days or 20% more than in 2021, and 33% more than in 2010 (Swiss Federal Statistical Office). The increase is even more pronounced among young workers aged 15 to 24.

Erhöhte Abwesenheit beim Personal

✓ Total ✓ 15- bis 24-Jährige







Nur Vollzeitangestellte, ohne Arbeitnehmer in der eigenen Firma und Lehrlinge Quelle: Bundesamt für Statistik Daten herunterladen

NZZ / dba.

Source: https://www.nzz.ch/wirtschaft/sind-wir-alle-ploetzlich-haeufiger-krank-erklaerungsansaetze-fuer-das-raetsel-der-stark-angestiegenen-absenzen-bei-der-arbeit-ld.1750636



20 days of incapacity for work per employee – that is the outcome in Germany in 2023. The role of mental illness is particularly striking, accounting for a significant proportion of absenteeism with an average of 29.6 days of absence per case. This trend underscores the growing importance of mental health in the workplace, as the proportion of psychological causes of disease was 15.3%, an increase of 48% compared to 2012.

Source: https://www.aok.de/pp/bv/pm/fehlzeiten-report-2023/#

These figures underscore the urgent need to strengthen preventive measures and support programs in the field of mental health in the workplace to address rising absenteeism and its impact on employee productivity and well-being.



2.3 Different facets: Internal resignation

However, it is not only direct absenteeism due to illness, accident or family circumstances that poses a problem for companies. Indirect absence, not being engaged at work, also known as "quiet quitting", also leads to a loss of productivity.

Gallup's "State of the Global Workplace 2024 Report - the voice of the world's employees" clearly shows this "quiet quitting". One of the report's key findings is that employee engagement is low around the world. Low engagement means that employees are often not satisfied with their work and, as a result, with themselves, and work is often no longer a fulfilment factor in life. This leads to low morale and low productivity.

State of the Global Workplace: 2024 Report

Europe



Employee Engagement

Based on Gallup \mathbf{Q}^{12} items; see "Appendix 3: Support Information" for item wording.

THRIVING AT WORK

% Engaged

Regional

13% 🏻

Global 23%

QUIET QUITTING % Not engaged

Regional

72% 🏻

Global

LOUD QUITTING % Actively disengaged

Regional

16% •

Global 15%



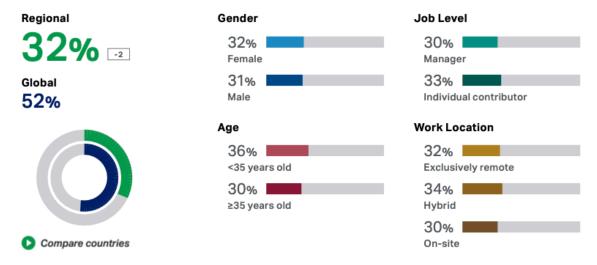
In the region of Europe, only 13% of respondents stated they were thriving and engaged at work. A large majority, 88% in total, are not engaged and have "quietly quit" or are actively disengaged, so called "loudly quitting". It is striking that at 72%, the proportion of "quiet quitting" is significantly higher in Europe than the global figure of 62%.

Surprisingly, only 32% of employees, or one in three, actually intend to change jobs. Globally, it is every second employee.

Intent to Leave

To what extent are you currently looking for a different job than the one you have now? Are you actively looking for another job, watching for opportunities but not actively looking, or are you not looking for another job?

% WATCHING FOR OR ACTIVELY SEEKING NEW JOB



Source: https://www.gallup.com/workplace/349484/state-of-the-global-workplace.aspx



2.4 Different facets: Avoiding turnover

According to a study, 75% of employees are open to changing jobs. While this represents an opportunity for companies to attract in-demand talent, it also poses a risk of losing employees.

Retention is the big issue in times of skills shortages. The less turnover there is, the more efficiently a company can operate. Valuable knowledge and experience stay within the company, strengthening its competitiveness. But employer branding, a good working environment and an attractive employer image also make it easier to attract new talent.

Recruiting and training new employees is not only highly time consuming, but also expensive. In turn, high turnover creates bottlenecks that put additional strain on existing employees. And that can trigger even higher turnover.

Source:

https://www.viavanta.ch/fileadmin/dokumente/downloads/Digitalrat_Artikel_Viavanta_F eb24.pdf



2.5 Different facets: Probabilities and effort

But it's not just the loss of working hours and the additional workload for the other team members that is a problem. It is also possible that sick employees will not return at all. It turns out that the longer they stay away from work, the greater the probability that they will not return. While after 30 days there is still a 95% probability that the person will return, and after 60 days this probability is still at 90%, it drops rapidly to 15% after 90 days.

The effort required to reintegrate employees into the workplace is inversely proportional. While the increase in effort caused by an absence of 60 days is about 25%, it rapidly rises to 75% for an absence of more than 90 days. This effort puts a strain on the entire team, requiring time for discussion and clarification, planning or rescheduling and more.



Source. Swiss Federal Social Insurance Office



3 Approaches and solutions

Various studies confirm; Health as a holistic factor in the workplace is an increasingly important economic business factor.

The first approach to take is to analyze the causes and collect the relevant data. Without reliable baseline data, it is not possible to measure progress.

A clearly stated strategic objective, management support and the long-term nature of the agreed measures are the most important criteria for successful implementation of organizational health. The active involvement of managers to promote employee health and the health of the entire organization is also elementary. Employees do not expect their managers to organize everything for them. However, when it comes to taking a more proactive approach to mental health, it is important that the entire organization and each individual take shared responsibility.

3.1 What is the role of managers?

Managers have a significant impact on the health of their employees and therefore on the success of the organization. It is always easy to say that they can set an example and show how they themselves strengthen their own (mental and physical) health. Or that they can encourage an open dialogue about stress and mental health issues, helping to reduce the stigma that still often surrounds them.

In reality, however, the task is much more complex, requires extensive knowledge and involves a lengthy process. The often sought-after "low-hanging fruits" or "quick wins" are also rare. The following real-life example shows what the journey can look like for a company and the successes associated with this holistic approach.



3.2 Pamela: A real-life example

But how do you address this topic as a company and as a manager? How do you talk to employees before they are diagnosed with "burnout" or, in medical terms, "fatigue depression" and unable to work for an extended period of time?

Dr. Bernhard Kaumanns, CEO of Leaders who care, discussed this very question with Dr. Pamela Herget-Wehlitz, former CIO of MTU Aero Engines. For years, she conducted return-to-work interviews with employees affected by burnout.

"People think that burnout always has to have a professional connection, but it's more complex than that. Each of us has many different life domains. By life domains, I mean work, relationships, family, friends, or the environment in general. If things are difficult in only one area of your life, you can usually manage. But if you feel that there is a crisis in several areas of your life, and you feel that you are losing your self-efficacy, then it becomes critical.

Added to this is a perceived or actual loss of control over one's own performance. Coupled with a lack of appreciation or simply ignorance from those around you, this is the breeding ground for burnout. "No matter what I do, I can't seem to finish the to-do list (anymore)" is a typical pattern.

I remember talking to an employee in his mid-30s who was happy in his personal life and outwardly successful at work. One morning he could not get out of bed. What had happened? A passionate motorcyclist, on one of his tours he had ridden past the place where a friend of his had been killed in an accident. At that moment he asked himself whether his life was fulfilled. He couldn't answer the question. And that threw him off course.



Or I remember the story of a friend who had successfully overcome breast cancer and the subsequent treatment, a woman who was stable again, both professionally and personally. Then she got a new boss, the mood in the team changed, the appreciation and recognition of her work started to disappear, and she began to feel like she couldn't do anything right. After a while, she became so desperate that one morning she did not know why she should even get up to go to work. She fell into an acute depression that had to be treated.

For me, one of the key questions was whether there were signs that employees were at risk of developing burnout. In my discussions, I wanted to get to the bottom of this question. But I could never really answer it. When do you realize that someone is really in the red zone? I believe that the threshold between orange and red is small and can be crossed very quickly.

In many cases, even those closest to the person do not realize what is going on because a lot remains concealed, or even hidden from oneself. Most of them did not recognize the signs themselves or did not interpret them correctly. It's this fixation on the idea that "I have to function". Maybe I can't afford to be weak because I need the job or I need to support my family.

A vicious cycle develops. The mountain (of tasks) gets steeper and steeper, and your strength dwindles. You try harder and harder, but you achieve less and less. You firmly believe that you can do it, pull yourself together and think that you just have to hold on a little longer until things get better. And then it only takes a small trigger to suddenly realize the hopelessness that leads to giving up. That can happen from one second to the next."



3.3 A new perspective: Thinking about health instead of thinking about illness

In most companies, the pathogenesis model, the model of thinking about illness, is usually still deeply rooted. Pathogenesis deals with the question of which circumstances make the employee ill, with the aim of maintaining the physical labor force and thus the "functioning employee". A shift towards health thinking, to the salutogenesis model is needed.

Salutogenesis focuses on what keeps an employee mentally and physically healthy. It's about the shift from "human ressource" to "human being".

Pathogenesis is about the question of which circumstances make the employee ill with the aim of maintaining the physical workforce and thus the "functioning employee". A change must take place here towards salutogenesis. Because in salutogenesis, the focus is on the question of what keeps an employee mentally and physically healthy. It's about the shift from "human resource" to "human being".

Here is another excerpt from the interview with Dr. Pamela Herget-Wehlitz on what managers can do to ensure they don't lose sight of their employees' mental health:

"Courses on burnout, depression and addiction were organized for managers, team leaders and department heads, where we learned a lot about what a healthy mind and body need, the role of a healthy diet and adequate sleep.

These courses were very popular and often booked out for years. The exchange with experts on the latest findings was particularly important. This included breaking the taboo of talking about burnout, exhaustion and doubt, and how to approach employees openly and specifically. Destignatizing treatment options, including temporary medication, is also necessary and plays an important role in acceptance.



I have learned to pay attention even to small signals. If someone keeps talking about their workload. Or when a person withdraws, no longer actively participates in meetings, seems tired and exhausted. Then, in a safe environment, it is important to ask if you can help provide relief. Essentially, it's about people being able to recognize when things are getting too much for them. For I can't always judge from the outside when a situation is okay and when it's not.

The small-group discussions with trained psychologists and social counselors also helped me a lot to talk about my own observations and to get support for talking to affected employees. As a manager, you want to help. But the question is always how. That's why it's important to get support here."

3.4 A new perspective: Dealing with stress

In companies, we need a new way of dealing with stress. Stress is often seen as the cause of burnout and the enemy of peak performance, but research with competitive athletes has shown that stress stimulates rather than inhibits growth. The real problem is the lack of breaks, because without breaks, stress becomes chronic and energy reserves are quickly depleted.

Unlike an athlete, a manager works 10, 12, or more hours a day. Usually with just a short break. While athletes enjoy an off-season of several months, managers are lucky to get three or four weeks of vacation a year.

Source: https://hbr.org/2001/01/the-making-of-a-corporate-athlete

As a result, exhaustion seems to be becoming a permanent condition in the workplace – suggesting that recovery is becoming the exception. We are not creating a balance. But if



we want to continue to enable performance and productivity, we need to rethink our understanding of performance and our relationship to "recovery".

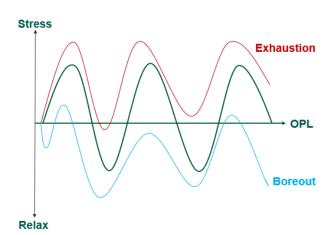
Source: https://www.auctority.net/wp-content/uploads/2023/12/AUCTORITY-Studie-Erschöpfung 2023.pdf

The following graph of the "OPL – Optimal Performance Level" is an appropriate model. The optimum is not in under- or over-exertion, but right in the middle, in the balance between stress and relaxation. And there is no right level for everyone, it is very individual. And it's not a constant state either, but one that keeps adapting to changing conditions.

Finding the OPL – Optimal performance level







What the graph clearly shows is that too much stress without periods of relaxation will eventually lead to exhaustion. On the other hand, underchallenge and boredom can also lead to exhaustion in the form of the so-called boreout syndrome.



The goal is to find the optimal level of performance. That means the right amount of stress that we need to achieve peak performance.



4 Who are "Leaders who care"?

At "Leaders who care", our name also says it all. We look at how performance can be achieved in a healthier way. In other words, how we as leaders can take better care of ourselves and our teams. So that we can be healthy and successful in the long term.

4.1 Goal

Healthy peak performance, both personal and organizational, is more necessary now than ever to lead us out of the current crises and challenges. We need a change to a culture of healthy performance. Energizing instead of energy-sapping cooperation, team spirit instead of egoism, focus instead of confusion and values that provide clarity and direction.

4.2 We offer

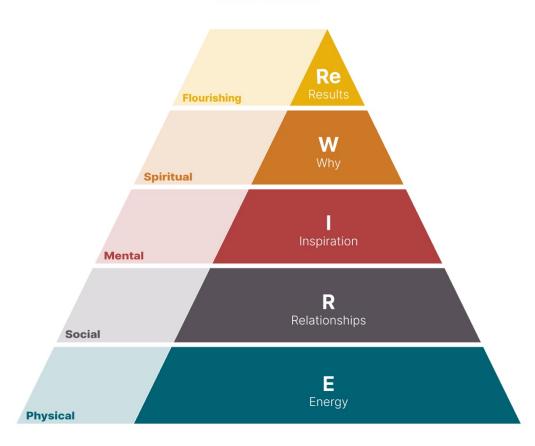
Re.W.I.R.E.™ – the "Leaders who care" path to a healthy performance culture

Results, Why, Inspiration, Relationship, Energy

We call it the mountain of healthy performance culture that is being climbed. Step by step, one step closer to cultural change, to healthy performance, to the Champions League.



Re.W.I.R.E.



Our methods are based on insights from business, science, medicine, positive psychology and our own experience. All validated by the success of the measures.

This is our approach: A clear process with measurable results. You set the goals, we guide you to success.

- 01 Diagnosis status quo & analysis
- 02 Strategy qualitative & quantitative goals for a healthy performance culture
- 03 Transformation realization with target group specific offers
- 04 Stabilization anchoring & consolidating the results



The measures are always about how we can perform in a healthier way. We look at all 4 levels of health:

- Physical health what is my energy level?
- Social health how well do we work as a team?
- Mental health do we have a clear focus, clear priorities?
- Spiritual health do we know our purpose and work in alignment with our values?

All four dimensions are critical to long-term success. So it's not about any single set of measures. It's about making healthy performance a way of life, a way of thinking within the company.

This is the basis for the roll-out in the company, where we support the management team and the next level.