The Aspiring Workforce in Canada: Building a business case for employers to actively recruit and retain people living with mental illness

Backgrounder
From Mental Health Commission of Canada

Description
The Mental Health Commission of Canada report, A Clear Business Case for Hiring Aspiring Workers, is a summary of the full research report, The Aspiring Workforce in Canada: Building a business case for employers to actively recruit and retain people living with mental illness. The summary report offers a condensed version of the study’s key findings.

The aspiring workforce includes people who have been unable to enter the workforce, are in and out of the workforce due to episodic or persistent illness, or who wish to return to work after a lengthy period away from work. This study focused on the segment of aspiring workers who are struggling to remain in the workplace and would not be able to stay without accommodations and supports.

This study examined five Canadian businesses from three different provinces where the employers took active steps to hire and accommodate aspiring workers. Researchers consulted employers and employees working in the food service, agriculture, banking, and public-sector industries. In all, 30 participants were interviewed across the five organizations, including workers with mental illness, managers, co-workers and champions of mental health.

For each of the businesses, data was gathered to give a comprehensive economic breakdown of the estimated net benefit and benefit-to-cost ratio of accommodation from the perspective of both the employee and the employer. These data were then combined and projected over a five-year span.

To the knowledge of the MHCC and its researchers, this is the first study to explore the business case for hiring aspiring workers. This small but in-depth study begins to make a compelling case that employing aspiring workers is a financial win-win proposition for both the employer and employee. In addition to crunching the numbers, the study offers recommendations to employers on what elements are needed to successfully hire and retain aspiring workers.
Why conduct this study?

- Among those with the most severe and complex mental health problems and illnesses, unemployment is estimated at between 70 and 90 per cent.
- The Canadian Chamber of Commerce has identified skills shortages as one of the top 10 barriers to competitiveness in Canada, with one source estimating a workforce shortage of two million by 2031 and a cost to the Canadian economy of billions in lost GDP annually.
- Approximately $9.6 billion is spent each year on disability support benefits for people in Canada living with a mental illness who are not working.
- Mental health problems and illnesses are the leading causes of disability in Canada, affecting almost seven million working age adults.

Summary of Key Findings

- Across all five organizations, employers attending to a healthy workplace culture is critical to supporting the diverse needs of employees.
- Many workers living with mental illnesses rely on informal processes for securing workplace accommodations, either by drawing on universally available supports such as sick days, or negotiating an individual arrangement with their employer.
- All completed stylized case studies* found there was a significant return on investment for accommodating workers with mental illness, both workers and employers gained financially.
- For workers, the projected five-year benefit-to-cost ratio of being accommodated was approximately 4 to 12, with net benefits ranging from $31,000 to as high as $67,000.
- For employers, the projected five-year net benefit was approximately 2 to 7 times greater than the cost of accommodation, with net benefits ranging from $56,000 to as high as $204,000 over five years. The savings resulted from factors such as decreased absenteeism/presenteeism, lower turnover and increased productivity.
- This study also captured a myriad of intangible benefits to employers and workers such as improved organizational climate/culture, increased organizational reputation, and increased job satisfaction.

*A stylized case study was not completed for one of the five organizations due to the inability to recruit the full complement of workers required to gather data for the economic analysis. Qualitative data was gathered and informs the report’s non-economic findings and recommendations. See summary report for more detail.

A Case Study Example

Organization 5 – Large, public sector organization

One of the stylized case studies is of a large public sector organization. It is a provincial government agency having multiple sites with a total of 11-12,000 workers, most of whom are unionized. The aspiring worker featured in this case is an inspector who has worked for the agency for 12 years. He experiences bouts of severe
depression and episodic anxiety attacks. Due to the nature of his work, the inspector spends most of his working hours in the field, with required check-ins at the office at the start and end of each work day.

The inspector is open with his manager and co-workers about his mental illness; they support his condition and accommodate his needs through a series of regularly scheduled meetings. These meetings help ensure the accommodation process is working effectively, and factors such as attendance and workload are considered as part of the benefit equation. In addition, he sometimes uses his sick days and vacation time, and he has taken a medical leave of absence, which are benefits available to all employees within the organization.

A five-year projected net benefit to the provincial government agency of $204,000 was calculated as a result of the accommodations provided. In addition, a five-year projected net benefit of $67,000 to the inspector was calculated because he was accommodated by the agency. It is important to note that several significant intangible benefits were also gained by the agency and the inspector because of the accommodation measures. These include: increased job satisfaction, increased quality of work-life balance, improved organizational climate and culture, improved relationship between co-workers, and amplified organizational citizenship.

A complete breakdown of the cost-benefit of accommodation for Organization 5 is available on pages 35 to 37 in the full research report. This report is available upon request.

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