Text of Remarks

By

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(Check Against Delivery)
I am pleased to be here this morning and appreciate the kind words.

A short while ago, Honorable Michael Wilson – Chairman and CEO of RT Capital Management, our former Minister of Finance and the Honorary Chairman of the Business and Economic Roundtable on Addiction and Mental Health – spoke to a CEO breakfast kick-starting this conference.

He spoke of the purposes of the Roundtable – which is to make the business case for mental health and addiction-free work settings.

He spoke of the high-profile, volunteer efforts the Roundtable receives from leaders in the business, education and health sectors and briefly, here, I want to acknowledge those same people who are with us for this plenary session:

Over the past couple of years, the Roundtable has attracted a great deal of media attention in this country, the U.S. and late last year, in Europe. We have been successful, I submit, in putting mental health and addiction issues on the business pages of the nation.

Which was an early objective.

This implies raising the awareness of the readers of those business pages – executives, entrepreneurs, investors, consultants, a range of people with a direct interest in business affairs – as to the stakes which business people have in the mental health of the labor force as well as the managerial leadership of corporations in this country and around the world.

Awareness-raising is important and I don’t want to de-value it. But it is a limited objective. Our goals must go beyond that.

This morning I want to focus sharply on the substantive content of our efforts to cause a sea change in the way in which mental health and addiction issues are perceived and acted upon as bedrock business concerns.

Let me underline that point.
We are not searching out “good cause” reasons to engage the interest of business people in these matters. We aim to engage them on business grounds.

The incentives for decision-makers to become informed about mental health and addiction issues are powerful. The nature of the 21st century economy in which we compete makes that so.

For example, there’s no doubt that innovation today is a key determinant of corporate success. It differentiates one company from another. It sharpens the competitive edge. It is also a mental function.

The Roundtable calls the knowledge-based economy that lifted off the wing of the revolution in micro processing -- “the economy of mental and behavioral performance, the economy of mental health.” Consider what that economy entails:

- This is an economy where innovation can protect or expand market share.

- This is an economy where the “thought content” of products can have greater commercial value that the physical properties housing those products – plastics, steel, aluminum, carbon by-products.

- This is an economy, Mr. Wilson pointed out this morning, where the capacity of employees, managers and executives to think, use ideas, be creative and be productive in mining and applying information is the new value-added of the modern market place.

- This is an economy where mindsets not just skillsets carry a high premium in the recruitment and selection of new talent.

- This is an economy where human mental agility and information technology is a powerful new productivity weapon.

- In fact, this historic combination of humankind and machines has shrunk the time it takes to produce a ton of steel, revolutionized the design of automobiles, introduced the miracle of mass customization and re-cast the way business does business.

In business, thinking is in.

In the old industrial economy, thinkers and doers were in different jobs, different pay brackets and different dining rooms. Today, thinkers and doers must be in the same person.

If organizational health means anything today, it means a work environment which allows people to think, conceive, perceive, relate to each other sensibly and productively.
If organizational health means anything today, it means promoting the mental health of the labor force and not skirting the reality of mental health disorders in the work place – and I will come back to this point.

If organizational health means anything today, it means creating the conditions in which the sustainable performance of the organization – and the people in it – are mutually assured.

If organizational health means anything today – in support of the financial and competitive interests of the business –

- It means reducing unhealthy stress at work. The Roundtable has published the top ten sources of stress and a series of remedies to rein them-in. I will speak to those momentarily.
- It means distributing work fairly, transparently and wisely.
- It means reforming management practices which pollute the culture …
- *By rewarding the wrong things* ...
- *By tolerating office politics if not outright condoning it* ...
- *By rendering yesterday’s priorities today’s forgotten laundry* ...
- *By leaving pervasive uncertainty unspoken to* ...
- *And by robbing employees of the control they need to do the work expected of them.*

If you see what employers are looking for in new recruits today, you are coming close to a definition of mental health that clinicians themselves would be fairly comfortable with.

- It is the springboard to how we think, communicate, learn and grow.
- It is productive behavior.
- It is self-esteem.
- It is the resiliency we demonstrate when things change around us.
- It is the capacity to roll with the punches when things disappoint us.
- It is the instinct not just to share the work but to share the glory.
• It is a tendency to be generous and forgiving.
• It is a capacity to trust and be trusted.
• It is an inkling to do what is right.
• It is meeting deadlines.
• It is the capacity to contain our anger and not lash out.

This the profile of job candidates who are human not superhuman, valuable not perfect, an investment to protect not a cost to bear.

In all of this, the Roundtable is not claiming any special privileges for mental health and addiction issues in the course of doing business.

We are claiming status for people – in terms of risk management and investment – which historically we have given to things such as plant and equipment.

For instance, property and casualty insurance products protecting businesses against sudden loss of physical and financial capital is rooted in strong principles of maintenance and partnership between the insured and the insurer.

Insurance protecting employers and individuals against the sudden loss of human capital – such as group health insurance or disability coverage – is rooted in neither.

So, the Roundtable advocates, simply, the application of the same business wisdom we use to protect our investment in human capital as we do in the case of other forms of capital. In fact, we will – this year – set out the principles of what we describe as the human capitalization of business. More on that in a moment.

If managing disability – in the words of Royal Bank CEO John Cleghorn – is good business, then promoting mental health as a risk management strategy must have an investment dimension. And any business investment – including those in mental health – must produce a discernible return.

That being so, as business people, we must set financial targets so we can measure the costs and benefits of investing in management and business strategies which are aimed squarely at the following:

- One, detecting earlier mental health disorders at work, this to reduce their impact;
- And two, promoting mental health as a desired end state within the labor force across the organization top to bottom.
Future business investments in mental health are a desirable and hopeful scenario.

But, meanwhile, the financial profile of mental health issues – in business terms – are already being shaped by a very different collection of powerful forces which behave in a very different and more urgent, emergent and troubling way. A word on that.

The world faces what Harvard University calls “an unheralded crisis” in world mental health. A pandemic which will disable more people than AIDS, cancer and traffic accidents combined.

The profile of this crisis is harsh.

Depression is, today, the leading cause of disability in Canada and the world – and by a big margin. No close calls here.

This one disorder costs business and the North American economy an estimated $60 billion (US) a year in the form of lost wage and wage replacements, absenteeism direct costs, disability dollars and productivity impairments.

When we combine the NAFTA region and the European Community, the costs of depression increase exponentially – at about $120 million a year and again, the biggest chunk of that cost relates to business performance.

In Canada, we estimate that mental disorders generally cost us $16 billion a year. This is equivalent to nearly 14 per cent of the net annual operating profits of all businesses in Canada combined.

Globally, mental health disorders represent eight per cent of the worldwide burden of disease – number three among all forms of disease and injury. This is an order of magnitude which has become known only in the past five years thanks to the landmark Harvard study.

As Mr. Wilson noted earlier, in plain business terms, despair – which is depression – costs business more money each year than strikes or product defects. This is useful perspective.

Depression is growing, not just comparatively, but absolutely, according to Canadian epidemiological studies. And it is getting younger.

The average age of onset of this possessive disorder is 27. But in nearly half the cases, it is 20. In other words, depression is increasingly attacking people in their prime working life or on the threshold of it.

These are stark numbers telling a garish story. They also reveal an irony.
Despite the spreading prevalence of this one disorder and others such a package of mental conditions called anxiety – the fact is, depression is treatable and beat-able most of the time. In 75-80 per cent of the cases, in fact.

But here’s the rub.

Only one in four of the 3 million estimated cases of depression in this country are diagnosed – and only one in four of that number – or less than seven per cent of the overall total of estimated cases – receives proper treatment.

In a progressive country which rightly trumpets its social conscience and universal health care system (as we do in competing for the Olympics and foreign investment), this is a disgraceful statistic.

The spreading effects of mental health disorders also materialize in the disability insurance claims experience of some of our major employers.

At the Royal Bank Financial Group, where Michael Wilson works, more than a third of all disability stems from mental disorders and addictions. A new norm is confronting disability managers, insurers and employers in this country. One we must urgently come to understand and act on.

Which, essentially, is the purpose of the Roundtable’s portfolio of initiatives aimed at arming business decision-makers with the tools to reverse current trends in mental health which present such a powerful threat to business performance in the most basic terms imaginable.

I said earlier that business investments in mental health must not have a privileged status on the balance sheet. The business case for mental health is not about charitable giving. It is about strategic investments, in valued assets – our people – and that collateral which supports those assets – their health.

If we look carefully enough, we will find mental health on the balance sheet and income statements:

- **It is present at the top line.** The generation of revenues happens through sales and customer relations. Both are factors of human performance and behavior. Mental health disorders can corrupt both.

- **It is present in cash flow.** The collection of receivables happens on a crisp current basis when employees are able to concentrate and feel the motivation to do a very demanding, often repetitive job. Depression and anxiety drains both.
• It is present in competitiveness. Sustainable financial performance, market share, the value of shares traded all hinge in any business on the sustainable performance – and adequate leadership – of people throughout the organization. All these matters rely on human behavior. All are facilitated by the presence of mental wellbeing. All are stalled by the presence of mental distress, distraction or ill health.

• It is present at the creation of new and defining approaches to product design and service delivery. The innovation factor.

The challenges posed business and the economy by a world mental health crisis are formidable and complex. But let us not scurry for cover in our witness of its garish light.

The Roundtable calls for a global business and economic strategy to turn that light down and eventually off.

A strategy which begins with a 12-step business plan to defeat depression at work, a plan consisting of standards and tools of management which we hope to roll-out over the next 12-to-24 months.

The business plan for depression starts with and centres on CEO leadership.

We aim to create a high-level constituency of business leaders to receive and promote chief executive briefings as a basis for galvanize individual companies to “get a handle” on depression on a priority operating issue.

We aim to produce a module for HR managers, line operating personnel and employee representatives to use to get the CEO’s time and attention on this matter.

The business plan for depression calls for concrete financial targets as the incentive to reduce the effects of depression at work through early detection.

We call for annual 35-50 per cent improvements in the combined rates of early detection and treatment of symptoms associated with this disorder.

We call for targeted annual savings of $10,000 per affected employee through savings in prescription drugs and wage replacements. And this is just the tip of the iceberg.

We call for EAP systems which are customized to manage clinical depression preferably in its early stages.

We call for efforts to improve employee utilization of EAPs – now running at a low seven per cent – not to spend money but to save it. The need is there and the costs of ignoring far outweigh the costs of meeting it.
We call for management and attitude development programs to help all of us root out stigma in our own approach to mental health issues and, in turn, recognize early symptoms in order to take early and appropriate action with -- not against -- the employee exhibiting them.

This is especially acute in cases where employee or executive performance has deteriorated, where relationships, for some reason, have waned and output defaulted. We prescribe what we call a “rule out rule” – which says this:

- Before we punish or impugn a person for performance problems – especially inexplicable ones – encourage that person to seek the necessary professional assistance to “rule out” health problems compromising that individual’s performance and “rule in” appropriate action if, in fact, there is evidence that they are doing just that.

We call for and will help design benchmarks for defining the likely incidence of depression at any one work site – noting that in the U.S., 40 per cent of all EAP referrals in several leading companies related to symptoms of depression.

We call for and will help design dollar value standards of healthy work climates bearing upon the outlooks, stamina and mental agility of the people working there.

We plead with co-workers, supervisors, managers and executives to effect – immediately -- an E-mail ceasefire in offices across Canada.

Information overload and the emerging 24/7 work cycle – with E-mail at the centre of the crisis are – if I might get technical for a moment – driving a lot of us crazy.

We believe the treadmill at work must be slowed down and turned off. People are distressed less by the volume of work and more by too much to do at once.

Our 12-step plan recommends inventories of emotional hazards at work, the over-throw of office politicians, the reversal of behaviors among managers which lower the premium on the time of others and wastes time on the clock.

We visualize “take home” information packages for executives, managers and employees suffering the effects of mental health problems among family members with no clear path to follow in contending with them.

Our 12-step plan advocates the creation of a health index to shape productivity measures of the future. We call for specific anti-burn-out measures and, in time, we hope to offer a CEO hotline.

Mental health problems touch leaders as well. There is virtually nothing for them to use in an emergency referral which is appropriate for the position they hold and the influence they have on the share value and public image of the company itself.
An ambitious slate of objectives. But just a starting point, really. The Roundtable will continue to reach out and search out partners to develop this quest on practical, well-anchored grounds.

On that front, I can report very encouraging developments.

The Centre for Addiction and Mental Health in Toronto, a WHO centre of excellence, a distinguished centre of research and teaching, and the largest treatment facility of its kind in Canada, is now formally affiliated with the Roundtable and we are thrilled by that.

It deepens our capacity, expands our knowledge and fuels our belief that these issues can be tackled and eventually brought to heel.

The Canadian Chamber of Commerce is now officially part of the Roundtable family. Which is a breakthrough for us.

It gives us enormous reach into the Canadian business community and the international community through the chamber of commerce movement outside this country.

We are in the early phases of creating a global advisory committee on mental health to be chaired by Michael Wilson. We dream of “CEO desks” in Asia, the Americas, the United States, a number of countries in Europe. We have two lined-up already. More on that next fall.

The goal, ultimately, is to define and refine a schedule of internationally-accepted standards of management and business which support mental health as the underlying value of human capital in an economy of mental performance.

This constitutes what I called earlier the human capitalization of corporations.

In all of this, I want to be clear on something.

While I talk about business and private sector employers, let us not exclude government – as employer.

Without blaming anyone, it is fair to observe that the public sector work place – for a variety of dynamic reasons – is one of the most stressful work places of all. It might be construed, in these terms, as polluted.

We call upon government executives to join our efforts as employers in their own right and welcome them for their challenge they face and contribution they make.

I opened my remarks by talking a bit about what Michael Wilson said at breakfast this morning. I will close the same way.
He spoke of a line written by George Bernard Shaw that, in the telling, was eventually attributed to the late Robert Kennedy: “Some people see things as they are and ask why. I see things as they might be and ask why not.”

In the days ahead, as we consider the matters I have tried to discuss on this platform, I hope we ask the second question more often than the first.

If we can see, one day, a world rid of the stigma of mental illness … a world less rattled, worried and hurried …

If we can see in the ache penetrating others the opportunity for us to bring relief …

If we can, as business people, see the stake we have in mental health and act rationally on that vision …

Then surely -- like the poet and the pragmatist -- we can fearlessly ask ourselves why not – why not, for goodness sake, a world like that?

Thank you

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