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Social, Economic, and Legal Issues of Employee Workplace Depression

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Over 20 million people in the U. S. suffer from some type of depression, and according to the World Health Organization, by 2020 depression will be the second leading cause of disease burden in the world (Lanier, 2003). Employee depression is no longer a personal matter to be handled only by health care professionals. It is a matter that impacts every organization. The consequences for ignoring employee depression in the workplace can now result in social, economic, and legal issues for employers.

Stress on the job may lead to depression if left unrecognized and untreated. Employees who do not have a clear understanding of their jobs, feels overwhelmed with the workload, rarely receive recognition for their work, or are in continual conflict with their supervisors can experience depression (Paul, 2003). These work conditions may contribute to and magnify employee depression in the workplace (Paul, 2003). Depression is more than mood swings. It is a serious illness that creates mood, cognitive, physical, and behavioral changes (Lanier, 2003). In some cases, depression is triggered by a personal experience or event that an employee brings with him or her to the workplace.

A person's emotional response to a relationship or situation may be an indicator they are suffering from depression. A person typically appraises a situation and then makes a decision to act or react. Lazarus and Folkman's (1987) research on the cognitive-relational theory of emotion, views the person and environment as

being merged into a condition or state in which both work interdependently. The emotion process consists of a system of variables and one's response to these variables is through cognitive appraisals and coping (Lazarus & Folkman, 1987). Cognitive activity is the evaluation of information and appraisal concerns. The primary appraisal concern is motivational and thus evaluates how it affects one's well-being. The secondary appraisal concern is determining how much control one thinks one has over the outcome (Lazarus & Folkman, 1987). More recent research by appraisal theorists is focusing on the cognitive appraisal of events and subsequent emotional responses (McCarthy, Lambert, & Brack, 1997). In other words, the way people appraise their relationships (personal and professional) are influenced by their coping resources in these situations. Thus, the argument suggests if one is increasing one's coping resources, the initial appraisal of the situation may be viewed differently and not seen as a stressor (McCarthy et al., 1997). Studies have shown there is a different pattern of appraisal and coping when someone is depressed. A person suffering from depression is likely to feel more is at risk. His or her reaction in stressful situations include confrontive coping, self-control, escape-avoidance and accepting more responsibility or self-blame. The coping resources are more hostile, exhibiting anger or disgust and worry or fear. At the same time, the depressed person tries to control their impulses (Lazarus & Folkman, 1987).

In the workplace, most organizations conduct annual performance reviews for employees evaluating performance expectations that were agreed to by both the employee and the supervisor. If a supervisor observes or receives reports an employee is not meeting performance expectations, a meeting between the employee and the supervisor takes place to discuss performance issues. A supervisor focusing on poor performance may not realize the employee is suffering from some type of depression. Some signs of workplace depression can include decreased job performance, missed deadlines, working more slowly than usual, absenteeism, inability to concentrate, and lack of involvement (Lanier, 2003).

From a social perspective, organizations need to take a proactive role in addressing workplace depression. First, organizations can educate employees on the facts of workplace depression and promote awareness by making sure everyone knows the warning signs or symptoms of depression. This includes encouraging employees to talk with health care professionals. The organization is responsible for providing a safe working environment for all employees, which includes evaluating work accommodations (adjusting work load, job design, and temporary leave) as necessary. Second, organizations can perform an annual risk assessment to determine job stressors in the workplace, which includes employee absenteeism, safety accidents, and turnover rates (Lanier, 2003). Third, organizations can create formal programs that promote health and wellness. Many organizations have created employee assistance programs to provide a resource to the employees at no cost to them. It is important that managers periodically check in with their employees to ensure they are utilizing the programs (Lanier, 2003).

The economic burden of depression on American industry is a staggering \$53 billion annually. Loss of work productivity totaled \$33 billion. The cost of lost work productivity includes depression-related absenteeism that account for \$24.5 billion and depression-related impairment while at work accounted for \$8.5 billion (Wang, Simon, & Kessler, 2003).

Organizations face different types of economic costs related to depression, which include direct costs, indirect costs, and noneconomic costs. Direct costs are related to diagnosis and treatment of employees through health insurance plans, Medicare, workers compensation, and temporary disability payments. Indirect costs are the social costs of depression. This includes lost work performance, absenteeism, accidents, and other coexisting conditions (Paul, 2003). Finally, if depression remains undetected,

inadequately treated or untreated the consequences to an organization could result in more serious costs than dealing with depression upfront. These are the non-economic costs of employee suicide and violence to co-workers in the workplace.

The noneconomic costs alone should keep supervisors alert to employee situations. They need to respond quickly with appropriate actions if warning signs appear in an employee. Supervisors should never underestimate the unpredictability of harm by someone who is acting irrationally. An organization must remain vigilant to the emotional well-being of its employees (Kline, 2000).

Two recent studies have yielded different results in finding ways for employers to address costs associated with employee depression in the workplace. A study conducted by Birnbaum, Cremieux, Greenberg and Kessler (2000) focused on the economic rather than clinical or quality of life aspects of depression and argued in favor of a more intense outreach that identified depression symptoms in employees earlier and initiated treatment sooner. Their conclusion was to address high disruptive costs (indirect costs) before the costs were elevated to a disability claim.

In other economic research, Wang, Simon and Kessler (2003) argue that early detection and initiating early treatment does not necessarily yield higher costs savings for the employer. Their research shows that even in long duration treatment, work impairment lagged behind treated symptoms. Therefore, the employer would still be paying indirect costs after the employee completed treatment because the treatment and work impairment are not parallel.

Failure to take care of depressed employees and protect coworkers can result in litigation, fines, back pay, and punitive damages (Paul, 2003). Employers must stay current on legislation (federal, state, and common laws) to better understand how mental illness is addressed and to be familiar with court cases testing these laws that are filed by employees claiming that the laws discriminate against them and their illness and who may seek compensation for workplace depression. Key laws include the Rehabilitation Act and Americans with Disabilities Act (ADA), the Civil Rights Act of 1964 (Title VII), the Occupational Health and Safety Act (OSHA), and the Mental Health Parity Act (MHPA).

Most lawsuits that have been filed either for compensation or discrimination have tried to prove that Long Term Disability Insurance should not be protected under the safe harbor clause in the Americans with Disabilities Act (Prall, 2003). Most of the arguments have

focused around payment of benefits. A person who has a physical disability can receive long-term benefits until the age of 65; a person who has a mental disability can only receive benefits for up to two years (Prall, 2003). The argument that a mental disability is no different from a physical disability when it comes to worker productivity continues to be debated in Congress and in the courts.

Continuing to evaluate employee performance strictly on whether a person meets or does not meet expectations without taking a closer look at what's going on with the employee will continue to raise social, economic, and legal issues for organizations. Numerous studies document that employee depression is common in the workplace. The challenge is to get organizations to recognize the facts about employee depression. Addressing employee depression is an opportunity for employers to show how they value people and the importance of human systems. Organizations must get past prejudices towards mental illness and change workplace cultures. Leadership training to recognize the symptoms of depression and the costs and consequences to an organization could be a first step. In addition, organizations have to change their cultures by demonstrating tolerance, encouraging diversity, and eliminating the myths surrounding depression. A majority of depression cases are treatable through medication, usually antidepressants, and through psychotherapy. Unfortunately, neither of these treatments brings quick results.

More research needs to be conducted on how mental health-care issues should be addressed through outreach and patient treatment programs that can ultimately benefit the employee and the employer. A research project could include reviewing current laws that appear to diminish the validity of the serious health impacts that stress and depression cause to an individual that can result in a permanent disability. The laws to protect employee rights

of those suffering from depression and reducing the economic burden on employers also need to be reviewed.

There are several research efforts underway to begin addressing depression treatment. One project will look at providing incentives to primary care physicians to spend more time on detecting and treating patients suffering from depression. The key is to get managed care plans to agree to incentive structures (Wang et al., 2003).

Another effort called the Harvard Health Performance Initiative is a research project that is currently underway seeking to address barriers with primary care physicians and create competitive pressure on insurance companies by placing employer demands on "value-based purchasing" to deliver a higher quality of care for treating employees with depression (Wang et al., 2003). The project is working on a business case that demonstrates that enhanced treatment has a positive impact to the employer (absenteeism, job related accidents, turnover, and return on investment). The analysis will include cost-effectiveness data on the effectiveness of enhanced care for depression (Wang et al., 2003). This data will help employers see the economic benefit of how treatment affects work outcomes.

The results of these types of research projects will provide information to public policy makers and health plan managers to allow them to address laws that improve outreach programs and health-care benefits that address the social, economic and legal burdens faced by organizations when dealing with employees suffering from workplace depression.

If left unexamined, employers and employees are both at risk. Employers will continue to face higher costs in health-care premiums, loss of worker productivity, and litigation. Moreover, employees will not receive the treatment or legislation they need to heal mentally and physically.

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Biography

Sara Morgenroth received her Bachelor of Liberal Studies from St. Edward's University in 2001 with a major in Public Administration and a minor in Communications. She received her Master of Arts in Human Services from St. Edward's University in 2006 specializing in Conflict Resolution. Morgenroth is currently employed by the Lower Colorado River Authority in Austin, Texas, where she has managed and developed numerous public outreach and public involvement strategies.