

Perspective 1:

How Financial Stress Can Impact Mental Health in Your Workplace

If we've learned anything from our ongoing Health & Wealth research since 2014, it's that mental, physical and financial health are inextricably linked. What does that mean for Canadian employers? Simply that addressing any one area, without addressing the other two, yields only partial solutions less likely to "stick."

Take the linkage between financial and mental health. According to the **2016 Manulife Financial Wellness Index**, the 40% of Canadians who say they're "financially unwell" are more likely to report feeling stress associated with their money troubles, compared to those who are "financially well."

Among the former group, 88% say they're "often" or "sometimes" worried about their finances, and nearly half (49%) say it distracts them at work. What's more, a troubling 81% say, "dealing with money causes me stress."

Why should sponsors be concerned?

While a certain amount of stress is normal, prolonged exposure to high stress can be associated with mental health concerns such as depression and anxiety.¹

Chronic stress can also be associated with less dramatic but still relevant workplace behaviours such as lack of engagement and distraction. It can also exact a tremendous toll in lost productivity and absenteeism.²

Canadian businesses are already familiar with the alarming costs associated with workplace mental health issues. In an average week, 500,000 Canadians miss work, and a whopping 30% of disability claims and 70% of disability costs are associated with mental health issues and illnesses.¹

And that's just reported impacts. A still lingering social stigma means mental health challenges are likely under-reported.

Of course, these are just the measurable impacts. The emotional and financial tolls on individuals and their families are incalculable.

An opportunity to promote holistic wellness

Our Health & Wealth research has helped to highlight the importance of financial health, alongside physical and mental health, as a key component of wellness. The relationship between finances, stress and mental health demonstrates the importance of an integrated approach. As a result, more and more businesses are providing their employees with resources to promote holistic health – mental, physical and financial. No question, the needle is shifting.

Among today's best practices for Canadian plan sponsors: embrace comprehensive health strategies that include assessment, prevention, intervention and return to work support. In addition to workplace mental health programs, plan sponsors have an opportunity to promote financial knowledge and preparedness for the 40% of Canadians who say they are "financially unwell" and therefore feel stressed. For plan sponsors, getting ahead of the problem can help reduce its impacts down the line.

All references are from 2016 Manulife Financial Wellness index unless indicated:

1. Mental Health Commission of Canada (MHCC) - Case Study Research Project, 2015 Interim Report

2. Study by Kim and Garman, in 2004

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