IMPLEMENTING
THE A4S ESSENTIAL GUIDE
TO SOCIAL AND HUMAN CAPITAL ACCOUNTING
WORKED EXAMPLE

WORKPLACE SAFETY AND INSURANCE BOARD (WSIB)
The Prince’s Accounting for Sustainability Project (A4S) was established by HRH The Prince of Wales in 2004 to convene senior leaders in the finance, accounting and investor communities to catalyse a fundamental shift towards resilient business models and a sustainable economy.

In March 2017, the Canadian Chapter of the A4S Chief Financial Officer Leadership Network was launched in partnership with CPA Canada. The A4S CFO Leadership Network is a global network that brings together a group of leading CFOs from large organizations seeking to embed the management of environmental and social issues into business strategy and processes, and is currently the only Network of its kind.

For its first project, the Canadian Chapter members implemented learnings from the A4S Essential Guide to Social and Human Capital Accounting, which was published in May 2017 and is available on the A4S website. 

**Patrice Impey (co-chair)**, Chief Financial Officer and General Manager of Finance, Risk, and Supply Chain Management, City of Vancouver

**Brian Lawson (co-chair)**, Managing Partner and Chief Financial Officer, Brookfield Asset Management

**Lawrence Davis**, Senior Vice President, Finance, BCI

**Doug French**, Executive Vice President and Chief Financial Officer, Telus

**Karen Higgins**, Executive Vice President, Finance and Chief Financial Officer, The Co-operators Group

**David McGraw**, Chief Financial Officer, Ontario Teachers’ Pension Plan

**Victor Pang**, Chief Financial Officer, Vancouver Fraser Port Authority (VFPA)

**Maarika Paul**, Chief Financial Officer, Caisse de depot du placement Quebec

**Jocelyn Perry**, Executive Vice President and Chief Financial Officer, Fortis Inc.

**Jonathan Simmons**, Chief Financial Officer, OMERS

**Pamela Steer**, Former Chief Financial Officer, Workplace Safety and Insurance Board (WSIB) and Chief Financial Officer, Payments Canada

**Philip Witherington**, Chief Financial Officer, Manulife
It is a pleasure to participate in the first Canadian Chapter of the A4S CFO Leadership Network project to implement guidance from the A4S Essential Guide to Social and Human Capital Accounting.

At WSIB, our mission is to get people back to work after an injury. Historically, physical injuries were our main focus. However, we recognize the importance of mental health in promoting safe, healthy and productive workplaces.

Our worked example focuses on our Mental Health Strategy to increase awareness of mental health, decrease the stigma that is all too often associated with the subject and create an environment where mental health truly matters.

As CFO, I understand that having a mentally healthy workforce will provide financial benefits to the organization and allow those we support to return to work after an instance of mental health trauma.

Pamela Steer, Former Chief Financial Officer, Workplace Safety and Insurance Board (WSIB)
EXECUTIVE SUMMARY

WHAT
The Workplace Safety and Insurance Board (WSIB) administers compensation and no fault insurance for workplaces in Ontario – the largest province in Canada. We provide workplace injury and illness insurance for over five million people and over 300,000 businesses in Ontario. Our vision is to make the province of Ontario the safest and healthiest place to work and set the standard for outcomes in recovery, return to work, occupational health care and claims decision making.

In Ontario, mental health is one of the top three drivers of short term and long term disability claims. Based on our internal experience at the WSIB and the ongoing work to set a standard across the province, we have started the implementation of a new mental health strategy for our own employees.

HOW
We began by asking ourselves what social and human capital means to our organization. As part of this process, we validated that investing in our people is critical to the service that we provide to our customers. The diagram below provides an overview of our approach to defining, implementing and measuring our mental health strategy.

**STEP 1**
Recognizing the value of our people
- Our most important asset – employees
- Real benefits to investing in our people

**STEP 2**
Bringing in the right people at the right time
- Buy in from senior leadership and the Board
- Involvement across operational business areas, the union, policy and strategy partners, finance and HR

**STEP 3**
Managing expectations and understanding risks
- Increase in awareness and use of mental health resources
- Early intervention and prevention of mental health related disability

**STEP 4**
Monitoring, evaluating and refreshing
- Mental health dashboard reporting and trends
- Continuous improvement of mental health initiatives
Collaboration from the different disciplines was essential, and including finance in this mix allowed the project to make use of their data validation, performance evaluation, budgeting and risk assessment skills and experience. Finance colleagues also ensured we embedded controls in the data measurement process so we are able to have confidence in the quality of the data we are using to measure our performance.

NEXT STEPS

As part of the process, our finance team identified that calculating Value on Investment (VOI) would be insightful as a way of measuring the success of the mental health program. We believe that VOI is a better measure of success than Return on Investment (ROI) because it encompasses the broader benefits of employee health and wellbeing.

In setting up and implementing this initiative we are proud of what we have achieved. In the next phase of the initiative we hope to measure VOI, and in doing so hope to account for factors such as employee engagement, decreased absenteeism, increased productivity, positivity and talent retention as well as savings on healthcare costs, much of which we already measure.

“We believe that VOI is a better measure of success than Return on Investment (ROI) because it encompasses the broader benefits of employee health and wellbeing”

A key takeaway from the initiative is more leaders and front line employees understand their roles and responsibilities in building a culture that supports psychological safety.

We expect that further changes in decision making in the future will be driven by insights we gain from analysis of performance data and through management of the mental health program.
BACKGROUND AND CONTEXT

ABOUT US
The Workplace Safety and Insurance Board (WSIB) administers compensation and no fault insurance for workplaces in Ontario – the largest province in Canada. We provide workplace injury and illness insurance for over five million people and over 300,000 businesses in Ontario. We have 3,870 employees, located in 14 regional offices across Ontario. We also operate in an environment that is 75% unionized.

VISION
Our vision is to make the province of Ontario the safest and healthiest place to work and set the standard for outcomes in recovery, return to work, occupational health care and claims decision making.

VALUES
Our values influence how we work everyday and guide behaviours of our employees in their interactions with clients and customers.

PUBLIC VALUE
We deliver public value to people living in the province of Ontario by reducing the disruption and devastation caused by workplace injuries and illnesses, while making Ontario a safer place to work.
**ISSUE DESCRIPTION**

When people are unable to work due to mental health, or they are at work but are not being productive or motivated to increase their discretionary efforts, it has a knock on effect on the organization.

Mental health is one of the leading causes of short and long term disability in Canada and takes a significant toll on Canadian workplaces. As shown in the diagram, statistics from the Mental Health Commission of Canada\(^1\) state that the cost of mental health to the Canadian economy is estimated to be $51 billion per year.

---

500,000 Canadians, in any given week, are unable to work due to mental health problems

One in three workplace disability claims are related to mental health

70 per cent of disability costs are mental health related

Mental health is estimated to cost the Canadian economy $51 billion CAD per year

---

**TRIGGER FOR ACTION**

In 2016, following analysis of the WSIB’s internal short and long term disability data, we recognized the need to address mental health within the organization. The results of our internal analysis were consistent with trends across the province. In Ontario, mental health is one of the top three drivers of short term and long term disability claims. Also in 2016, the Mental Health Commission of Canada released the first psychological health and safety standard, and established key steps organizations can adopt in order to ensure both the physical and psychological safety of staff.

---

\(^1\) *Making the case for investing in Mental Health*, Mental Health Commission of Canada, 2012
We began by asking ourselves what social and human capital means to our organization. As part of this process, we validated that investing in our people is critical to the service that we provide to our customers. We engaged senior leaders early on to obtain buy in, which we feel was critical to the development and execution of our mental health strategy. The initial parts of our mental health strategy focused on increasing employee awareness and use of mental health resources. We then embedded mental health into the corporate business planning and objective setting process for our senior leaders. As this strategy is implemented, we continually monitor and observe opportunities for improvement through our mental health dashboard, which shows trends in take up of the mental health programs we provide for our employees. The diagram below provides an overview of our approach to defining, implementing and measuring our mental health strategy.

Based on our internal experience at the WSIB and the ongoing work to set a standard across the province, we started the implementation of a new mental health strategy in 2017.

**STEP 1**
Recognizing the value of our people
- Our most important asset – employees
- Real benefits to investing in our people

**STEP 2**
Bringing in the right people at the right time
- Buy in from senior leadership and the Board
- Involvement across operational business areas, the union, policy and strategy partners, finance and HR

**STEP 3**
Managing expectations and understanding risks
- Increase in awareness and use of mental health resources
- Early intervention and prevention of mental health related disability

**STEP 4**
Monitoring, evaluating and refreshing
- Mental health dashboard reporting and trends
- Continuous improvement of mental health initiatives

For the full mental health strategy roadmap, please see Appendix A.
STEP 1 – RECOGNIZING THE VALUE OF ‘OUR PEOPLE’

In 2017, we spent $427 million on salaries and short term benefits for our most important asset – our people. Investing in our people is critical to what we do as an organization. We rely on them to provide valuable services to Ontarians. Therefore, we not only want staff coming to work able to do their jobs, we want to ensure our people come to work engaged and motivated to go above and beyond and make discretionary efforts to innovate and improve service levels.

We realized that addressing mental health is not only the right thing to do, it also adds value to investment in our people. We believe this additional value translates into real benefits on how we support people we serve in the province of Ontario. Intuitively, we knew that investing in our staff in terms of salaries and short term benefits is a useful proxy for value, enough to satisfy that they are our most valuable asset.

In the future, we would like to develop a more insightful measure of value by using the concept of Value on Investment (VOI). VOI includes financial return but also takes into account more abstract value received from an investment like encouraging increased discretionary efforts or employee engagement. As a measure we understand it is gaining in popularity in the employee wellness space. We would like to consider how we may be able to use VOI as a way of measuring the success of the mental health program.

VOI is not always straightforward to measure, what makes a valuable outcome needs defining, and a suitable and consistent way to measure the value of outcomes needs to be determined. Because of this, comparison between the initial investment and the value of outcomes can be difficult.

However, we do believe that VOI is a better measure of success than Return on Investment (ROI) because it encompasses the broader benefits of employee health and wellbeing. In measuring VOI we hope to account for factors such as employee engagement, decreased absenteeism, increased productivity, positivity and talent retention as well as savings on healthcare costs, much of which we already measure.

The following are some of the outcomes that we anticipate will materialize as our mental health strategy evolves. We anticipate that in the future we will be able to measure and incorporate the benefits of these outcomes into our VOI:

<table>
<thead>
<tr>
<th>Outcome</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decreased claims</td>
<td>Decreased volume and duration of mental health disability claims (short term and long term)</td>
</tr>
<tr>
<td>Decreased absenteeism</td>
<td>Decreased employee absenteeism for mental health reasons</td>
</tr>
<tr>
<td>Employee engagement</td>
<td>Increased employee engagement</td>
</tr>
<tr>
<td>Employee retention and commitment</td>
<td>Lower turnover / higher retention rate and commitment to organization</td>
</tr>
<tr>
<td>Cost savings</td>
<td>Decreased recruitment costs caused by turnover</td>
</tr>
<tr>
<td>Increase awareness of resources</td>
<td>Increased resource awareness, such as employee and family assistance program</td>
</tr>
<tr>
<td>Commitment to National Standard of Canada</td>
<td>Align with the principles outlined in the, “Psychological Health &amp; Safety in The Workplace” standard</td>
</tr>
</tbody>
</table>
STEP 2 – BRING IN THE RIGHT PEOPLE AT THE RIGHT TIME

We knew that the first key to success was getting buy in from senior leaders and various business areas. From the outset, we involved operational business areas, the union, policy and strategy partners, finance partners, and human resources. Collaboration from the different disciplines was essential, and including HR analytics and finance in this mix allowed the project to make use of their data validation, performance evaluation, budgeting and risk assessment skills and experience. Finance colleagues also ensured we embedded controls in the data measurement process so we are able to have confidence in the quality of the data we are using to measure our performance.

Our internal Healthy Workplace Centre used data, like short term and long term disability drivers, to secure support from senior leadership and the Board of Directors. This prompted them to take action and go as far as writing a memorandum of agreement into the Collective Agreement (the Collective Agreement is related to bargaining unit (unionized) employees), and creating our first ever Mental Health in the Workplace policy, signed by our President and CEO, Tom Teahen. Having buy in from the senior level in the organization, and embedding our commitment in critical documents, gave a strong mandate to develop and execute a mental health strategy.

STEP 3 – MANAGE EXPECTATIONS AND UNDERSTAND RISKS

The benefits from mental health initiatives such as ours are generally long term, and achieving those benefits often requires a culture change. Changing an organization’s culture doesn’t happen overnight. Once buy in was secured, the next step was to manage expectations using a logic model—a program evaluation tool divided by short, medium and long term goals. It allows us to outline process measures and create a blueprint that will eventually lead to a culture shift.

Our goals focus on increasing awareness of existing resources in the short term and influencing behavioural changes in the medium term, such as increased use of our mental health services (i.e., our Employee and Family Assistance Program (EFAP), peer support program, etc.). With an increase in our employees’ use of these services, we expect to realize a reduction in short and long term disability cases due to prevention and early intervention activities. We expect to realize this benefit over the long term. As expected, in 2017, we saw a two per cent annual increase in the use of the EFAP, and additional four percent increase in 2018. This logic model allows the WSIB to track progress over this implementation journey, with a view towards creating the culture change required in a strategic and meaningful way.

One potential risk we foresaw was that workplaces only have a limited amount of influence over behaviours. We can offer resources and programs but we cannot force people to take action. To mitigate this potential risk, we created an extensive communications plan that involved a roadshow to all our regional offices to teach people about self care, as well as rolling out various new digital tools and providing resiliency training. We also introduced mandatory mental health training for senior leaders so our management team can take an active role in creating a mentally healthy and safe work environment.

Furthermore, we know that many people’s actions are influenced by what is outlined in their formal objectives, so we embedded mental health into the corporate business planning and objective setting process for our senior leaders. In addition, supporting our mental health strategy is featured in a number of our C-Suite mandate letters, which further encourages support and stewardship of this important initiative.
STEP 4 – MONITOR, EVALUATE AND REFRESH

Using data is vital to our strategy. We maintain a dashboard that shows trends in our mental health programs. This allows us to monitor and assess what is changing in our organization, how staff are reacting and where specific attention needs to be paid. We meet regularly with senior leaders from all areas of the business to break down the data for their teams and adjust based on the trends we are seeing. This often includes specialized training that addresses specific needs within a team. For example, we offered a suicide prevention training program called ASIST to our nurses who often manage crisis calls. The feedback from this training program indicated high adoption of best practices and enhanced awareness of the available supportive resources. In another business area, we offered specialized training in emotional de-escalation to support a reduction in escalated callers, and by extension decrease employee exposure to challenging conversations.

As a result of ongoing monitoring and evaluation we have made some changes to the resource allocation in the Mental Health team. In 2017 the team consisted of two Mental Health consultants. To drive implementation and in the wake of Chronic Mental Stress (CMS) and Post Traumatic Stress Disorder (PTSD) legislation changes for our customers, in 2018 a CMS consultant was added as well as a Mental Health program coordinator.

We are monitoring the various programs we offer to review usage trends. For example, we offer a Fitness Incentive Tracking program, through which people can receive a financial incentive for getting a fitness assessment, which we have been promoting as part of our work on self care. In 2016, we had 619 participants, and after our increase in promotion in 2017, we had 760 participants, which was followed by 841 participants in 2018 representing 35% increase over three years.

Monitoring and evaluation helps us tweak the program on an ongoing basis. We expect further changes in decision making will be driven by insights we gain from analysis of performance data and through disability management of mental health.
Outcomes

Staff attitudes are shifting. More leaders and front line employees understand their roles and responsibilities in building a culture that supports psychological safety. There is also an increase in confidence of leaders in managing mental health concerns in the workplace (measured through attitudinal surveys and training evaluation surveys). Despite the outcomes achieved, we are still early in our journey. To achieve the required culture change, we will need a concrete shift in behaviour by both leadership and employees. Many of these efforts are long term and will require time to mature.

Our achievements so far include:

01 Excellence

Excellence Canada Silver certification (2017) in the Mental Health in the Workplace accreditation program.

02 Employee & Family Assistance Program

EFAP utilization increased 4% in 2018, with mental health continuing to be one of the top three emerging issues, similar to most comparable organizations.

03 Leadership Engagement

All senior leaders trained through the Mental Health in the Workplace program.

04 Wellness Programs

Increased usage of wellness offerings: FIT-fitness test bonus participation increased by 35% between 2016 and 2018.
OUTCOMES (CONTINUED)

We have established comparative analytics to be able to observe and measure the long term success of the mental health strategy and the outcomes it has for our employees. Please see our key findings to date below:

- Slight increase in 2017 in the short term disability containing mental health as primary diagnosis compared to 2016.
- The average duration of a mental illness leave was two times that of a leave with a primary physical diagnosis.
- Mental illness remains the top diagnostic category for both short and long term approved disability leave claims at the WSIB.
- Use of prescription drugs for mental health has slightly increased from 2016 to 2017.
- The percentage of employees utilizing a Psychologist slightly increased in 2017.

The trends above show initial movement in the direction of our goals, i.e., increasing awareness of existing resources and increased use of those resources to provide better support to our employees and their mental health. However, we need to determine how these outcomes interrelate to our future VOI measure and whether they form part of the ‘value’ calculation. See Appendix B for more detail on some of the key milestones achieved.
LEARNINGS TO DATE

Through our journey we came to realize how great a partnership we have between different areas of the organization. In particular the collaboration of HR and finance played a vital role in building the business case. Our CFO became a vocal champion of the initiative, speaking about the importance of mental health in the workplace to WSIB staff and other financial professionals nationally and globally.

We believe that one of the fundamental reasons for successful implementation of the program was due to the engagement of the board, which had already observed mental health claims to be on the rise.

In capturing the data and measuring the results we faced a number of challenges, for example, many of the measures could only be proxies and were influenced by a number of variables. As well, we were unable to launch a Mental Health specific survey as the implementation of the program coincided with the Employee Experience survey, and so a true baseline for many of the indicators could not be achieved.

We have learned that while ROI in the long term is important, the key is recognizing the value of people as an asset to the organization and realizing that non monetary value can be created by taking mental health seriously.

NEXT STEPS

In setting up and implementing this initiative we are proud of what we have achieved and how early signs demonstrate that progress is being made.

In order to be able to articulate success over time, both internally and externally, we are keen to develop fully the concept of VOI within WSIB. To do this we need to develop our approach further to defining and measuring outcomes, and determine how we can usefully aggregate these and compare them to the investment in the mental health program.
APPENDIX A – MENTAL HEALTH STRATEGY ROADMAP
APPENDIX B – EXAMPLES OF WSIB MENTAL HEALTH STRATEGIC ACTIONS

Below is a list of strategic actions and key milestones achieved to implement the mental health program:

- Hired a mental health consultant and expanded the internal mental health team.
- Released a mental health policy that demonstrates our commitment to a psychologically healthy, safe and supportive workplace.
- Launched an organizational engagement survey.
- Participated in the Workplace Mental Health Leadership Certificate Program as a training pilot for management. Morneau Shepell developed this program in partnership with Bell Canada and the Faculty of Health Sciences at Queen’s University. The program is the first of its kind in Canada and aligns with evidence-based and industry best practices, including the National Standard for Psychological Health and Safety in the Work Place.
- Launched a mental health communication and engagement plan.
- Trained senior leadership in mental health.
- Introduced mental health awareness training for all employees.
- Integrated mental health best practice in our disability program.
- Launched resiliency training pilot.
- Launched a Respect & Civility campaign to raise awareness about leadership’s expectations of respectful, ethical workplace behaviours that foster positive mental health.
ACKNOWLEDGEMENTS

CANADIAN CHAPTER OF THE A4S CFO LEADERSHIP NETWORK

SOCIAL AND HUMAN CAPITAL ACCOUNTING PROJECT TEAM

Rami El Jurdi, Vice President of Finance, Brookfield Asset Management
Lori Pearson, Managing Partner and Chief Operating Officer, Brookfield Asset Management
Andrew Yorke, Vice President, Corporate Finance Services, The Co-operators Group
Michelle Lennox, Assistant Vice President, Group Finance, Manulife
Yulia Reuter, Director, Sustainability Accounting, Manulife
Alka Johri, Senior Planning Advisor, Metrolinx
Robert Siddall, Former Chief Financial Officer, Metrolinx
Leslie Morgan, Executive Director, HR Analytics, WSIB
Andrey Timofeev, Senior Finance Advisor, Office of the CFO, WSIB

A4S CANADIAN CHAPTER TEAM

Davinder Valeri, Executive Director, Canadian Chapter of the A4S CFO Leadership Network
Andrew Kornel, Project Manager, Canadian Chapter of the A4S CFO Leadership Network
Gia Runcie, Administrative Assistant, Canadian Chapter of the A4S CFO Leadership Network
Helen Slinger, Executive Director, A4S, Quality Assurance and Technical Support team
Hannah Brockfield, Senior Project Officer, A4S
Susan Whyte, Senior Manager – International, A4S
Dilek Eybek, Technical Support, PwC
Laura Plant, Member of the Social and Human Capital Accounting Quality Assurance and Technical Support team, PwC

CONTACT INFORMATION

To learn more about the Canadian Chapter of The Prince of Wales’s Accounting for Sustainability Project (A4S) CFO Leadership Network please contact Davinder Valeri, Executive Director, Canadian Chapter of the A4S CFO Leadership Network A4SCFONetwork@cpacanada.ca

DISCLAIMER

This worked example was prepared by the Chartered Professional Accountants of Canada (CPA Canada) as non-authoritative guidance. CPA Canada and the authors do not accept any responsibility or liability that might occur directly or indirectly as a consequence of the use, application or reliance on this material.

Copyright © 2019 Chartered Professional Accountants of Canada
All rights reserved. This publication is protected by copyright and written permission is required to reproduce, store in a retrieval system or transmit in any form or by any means (electronic, mechanical, photocopying, recording, or otherwise). For information regarding permission, please contact permissions@cpacanada.ca