



HEALTH AND WELL-BEING AT WORK



The CIPD is the professional body for HR and people development. The not-for-profit organisation champions better work and working lives and has been setting the benchmark for excellence in people and organisation development for more than 100 years. It has 150,000 members across the world, provides thought leadership through independent research on the world of work, and offers professional training and accreditation for those working in HR and learning and development.

Private sector

Health and Well-being at Work

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1 Overall summary of findings

The findings of the CIPD's 2019 *Health and Well-Being at Work* survey, conducted in partnership with Simplyhealth, show that while most organisations engage in activities to improve employee well-being, they remain divided in how strategic and proactive they are. Overall, two-fifths have a standalone well-being strategy, while a similar proportion are much more reactive than proactive.

Positive findings show the average level of employee absence this year (5.9 days per employee per year) is the lowest rate ever recorded by this survey. 'Presenteeism' and 'leaveism' remain common, however, although we have seen a small decrease in the proportion observing leaveism in their organisation and more organisations are taking steps to discourage presenteeism.

Responses also point to an increased focus on mental health, which remains the most common cause of long-term absence and is a growing issue for nearly three-fifths of organisations. More are taking action to increase awareness of mental health and, while just a minority provide any sort of mental health training, the proportion doing so has increased compared with last year. Many organisations, however, still fall short in the attention mental health receives. Just half of respondents believe their organisation is effective at supporting staff with mental ill health or that it actively promotes good mental well-being.

Many organisations are also failing to provide line managers with the skills and support they require in this area. Line managers play a key role in managing absence and promoting well-being, but just half of respondents agree that their line managers have bought in to the importance of well-being. A minority believe their managers have the confidence and competence to support mental health.

Despite the positive trends in terms of absence levels and increased well-being activity, there remain clear divisions in the value organisations place on employee well-being and how strategic, targeted and comprehensive they are in their approach. Organisations that take a more proactive approach and conduct critical evaluation of their activity to ensure continuous improvement are considerably more likely to achieve positive organisational outcomes.

2 Private sector summary

This summary examines findings from the CIPD's 2019 *Health and Well-Being at Work* survey for a fuller understanding of the private sector's approach to managing employee well-being and absence, and the challenges it faces.

More organisations act on an ad hoc basis than take a strategic approach to well-being

Most private sector organisations are taking some action to improve employee well-being, but a fifth are not currently doing anything at all. Just a third (32%) have a standalone well-being strategy in support of their wider organisation strategy, compared with 60% in the public sector. Private sector organisations are more likely to act flexibly on an ad hoc basis according to individual need (66% versus 38% in public services) and nearly half (48%) believe they are much more reactive than proactive, compared with 38% in public services.

Just over half of those in the private sector agree that their senior leaders have employee well-being on their agenda (55%, compared with 70% of the public sector and non-profits), although this is a small improvement on last year (51%).

Well-being benefits focus more on being competitive as an employer of choice than managing identified health issues

Budgetary constraints tend to have greater influence on the purchase of well-being benefits in the private sector than managing identified health issues in the organisation, but this is also true in the public and non-profit sectors. Being competitive as an employer of choice is also a strong driver. As in previous years, health promotion and employee support benefits (such as counselling services and employee assistance programmes) are less common in the private sector than public and non-profit organisations. Insurance and/or protection initiatives remain more common in the private sector.

More are attempting to promote mental health through their well-being activity

Mental health is the most common focus of well-being activity in the private sector. This year 64% of the private sector report their well-being activity is designed to promote mental health (to a large or moderate extent), up from 56% last year. However, this compares with 82% of public sector organisations this year. We have seen a corresponding increase in the proportion of private sector organisations that provide employees with access to counselling services as part of their well-being benefits.¹

Other well-being priorities are very similar to last year. Collective/social relationships, good work, physical health and values/principles are commonly promoted, at least to a moderate extent, by approximately three-fifths of the private sector.

A minority take a strategic approach to financial well-being

Just over a third of private sector organisations report their well-being activity is designed to promote financial well-being, while 15% have a financial well-being strategy that takes into account the needs of different employee groups, but a similar picture emerges in the public sector. Over a fifth (22%) believe that poor financial well-being is a significant cause of employee stress in their organisation and just 27% agree that their employees demonstrate the knowledge and skills to make the right reward and benefit choices to meet their financial needs.

Half of private services organisations (52%, compared with 41% of those in the public sector) and just under two-fifths of manufacturing and production (38%) regularly communicate reward policies to staff so they understand the benefits on offer and the choices available, but far fewer regularly consult employees to assess how well existing benefit offerings are meeting their financial needs (20% of private services and 13% of manufacturing and production). However, private services organisations are more active than public sector organisations in regularly communicating reward policies to staff so they understand the benefits on offer and the choices available.

Nearly a quarter see no benefits from their health and well-being activity

Just under a quarter of private sector organisations report that no achievements have resulted from their health and well-being activity over the last 12 months, but the same picture is evident in the public sector. More than half of private sector organisations report their activity has improved morale and engagement, while two-fifths report a healthier and more inclusive culture, again in line with the public sector. Just under a third report their well-being activity has resulted in lower sickness absence and/or enhanced employer brand and one in five report improved productivity.

¹ Access to counselling service – for all employees: 61% (2019), 56% (2018), 44% (2016).

Access to counselling service – depends on grade/seniority: 6% (2019), 7% (2018), 3% (2016).

Organisations that evaluate well-being activity are more likely to report positive outcomes

Nearly two-thirds (64%) of the private sector agree or strongly agree that impact evaluation is an important step in the development of their well-being programme, compared with three-quarters in the public sector. Just a third of private sector respondents (34%) report their organisation takes a continuous improvement/feedback loop approach to improve their programmes and just 22% that their organisation critically assesses the quality of well-being outcomes for those involved, and there is no significant variation in the public sector.

Organisations that critically assess the quality of well-being outcomes for those who participate in activities, that assess activity through regular employee well-being assessments and, in particular, those that take a continuous improvement/feedback loop approach to improving well-being programmes are much more likely to report their activity has had positive outcomes compared with those that don't take such a rigorous approach to evaluations.

Average levels of absence have fallen

Average absence levels in the private sector have fallen in comparison with previous years, particularly in the private services sector, where they are at the lowest level ever recorded by this survey (4.4 days per employee per year, manufacturing and production: 5.6 days). In comparison, public sector employees had an average 8.4 days of absence over the last year while those in the non-profit sector had 6.3 days.

More absence due to mental ill health

Just over half (53%) of private sector organisations report an increase in the number of common mental health conditions, such as anxiety and depression, among employees in the last 12 months compared with 72% of public sector organisations. A third (34%) of private sector organisations report an increase in stress-related absence. More private sector organisations include mental ill health among their top three causes of short-term absence compared with last year (33%, up from 24% in 2018), and it remains the most common cause of long-term absence in the private sector overall (although musculoskeletal injuries are more common in manufacturing and production organisations). Stress and acute medical conditions are also among the main causes of long-term absence.

More are taking action to support mental health but many remain ineffective

Nearly two-fifths of the private sector has a policy that covers mental health (compared with half of public sector organisations) and a further 23% are in the process of developing a policy, compared with 11% in the public sector. Most private sector organisations (83%) are taking some action to manage mental health at work and a growing proportion are increasing awareness of mental health issues across the workforce (2019: 55%; 2018: 43%; 2016: 21%).

An increasing minority of the private sector are also providing training – for managers to support staff with mental ill health (38%, up from 27% in 2018, but 44% do so in the public sector in 2019); to help staff build resilience (24%, up from 17% in 2018); and for mental health first-aiders who can offer support/signposting (26%, up from 15% in 2018).

Overall, less than half of respondents based in the private sector believe their organisation is effective at supporting people with mental ill health (compared with 56% of public sector organisations) and just 44% agree that it actively promotes good mental well-being (compared with three-fifths of the public sector). Less than a third agree that senior leaders encourage a focus on mental well-being through their actions and behaviour (the same as the public sector) and a minority agree that managers have the skills

and confidence to manage mental health effectively. Manufacturing and production respondents are particularly negative regarding their organisations' effectiveness in supporting mental health.

Just half of the private sector report their efforts to reduce stress are effective

The public sector and non-profits are more likely to be taking action to tackle stress than the private sector (public sector: 78%; non-profits: 77%; private sector: 66%).

However, the two-thirds of private sector organisations taking steps to identify and reduce stress in the workplace represents an increase on previous years (2019: 66%; 2018: 63%; 2016: 57%; 2015: 51%). Nevertheless, just half of those taking steps report their efforts are effective. Those that take a continuous improvement approach to well-being programmes, that have line managers on board and take a proactive approach to health and well-being are more likely to report their efforts are effective.

An increasing minority of organisations are taking steps to discourage 'presenteeism'

In a similar pattern to the public sector, four-fifths of private sector organisations have observed 'presenteeism' (working when unwell) in their organisation over the last year and a quarter report it has increased during this period. Just a third of those that have observed presenteeism among employees have taken steps to discourage it over the last 12 months, although this is an improvement on last year's findings (26%), and also represents a higher proportion than in the public sector, where less than a quarter (23%) are taking action.

A quarter have taken steps to address 'leaveism'

'Leaveism' (for example, using leave inappropriately, such as working when on holiday or when unwell, or working in one's own time to get work done) is commonplace in the private sector, as it is in organisations across the economy. Half (49%) report that employees work outside contracted hours to get work done, a third (35%) that employees use allocated time off (for example holiday) when unwell and a quarter (24%) that employees use allocated time off (for example holiday) to work. Just over a quarter (27%) of private sector organisations have taken steps over the last year to address these issues, the same proportion as in the public sector.

Less than half believe that line managers have bought in to the importance of well-being

Line managers have primary responsibility for managing short-term absence in three-fifths of the private sector (compared with four-fifths in the public sector), while 31% report they also have primary responsibility for managing long-term absence, compared with two-thirds of public sector organisations. Line managers also have a critical role to play in monitoring workloads (the most common cause of stress), in spotting the early warning signs of mental ill health and in discouraging presenteeism and leaveism.

Nevertheless, just under half of respondents in the private sector agree that line managers have bought in to the importance of well-being (47%, compared with 55% in the public sector). Moreover, across all sectors this year an increased proportion of organisations include management style among their top causes of workplace stress (2019: 43%; 2018: 32%). Despite the critical role they play, just half of private sector organisations provide managers with training in absence-handling (52%) or managing stress (47%). Fewer (38%) train managers to support staff with mental ill health, or provide managers with training/guidance to spot warning signs of presenteeism (40%) or leaveism (36%).

3 Looking forward

There is considerable variation in the private sector in the emphasis and attention paid to employee well-being, although this is true across all sectors in the survey. Some private sector organisations are very proactive, but most tend to act flexibly on an ad hoc basis and a sizeable minority are not taking any action. Being competitive as an employer of choice tends to have more influence on their well-being agenda than managing identified health issues in the organisation.

Positive findings this year show that levels of absence have fallen to their lowest levels since we began the survey. Non-genuine absence has fallen, but we are seeing an increase in reported mental health conditions and stress-related absence. This underlines the importance of not just focusing on headline absence rates to fully understand the factors that are driving employee health and behaviour in organisations. Encouragingly, it is evident this year that more private sector organisations are responding to these health challenges through an increased focus on mental health services, awareness and training, but there is considerable variation across the sector in attention to these issues and the effectiveness of organisations' efforts.

Our findings suggest that many private sector organisations would benefit from a more strategic and targeted approach that identifies and addresses the underlying threats to well-being. They also need to ensure that well-being initiatives are achieving results through evaluating outcomes and taking a continuous improvement approach.

Increasing organisational awareness of the value of a healthy workforce and gaining the commitment of senior leaders and managers is essential for embedding healthy practices into the organisational culture. Organisations also need to ensure that managers are equipped with the skills, confidence and support they require to help manage the main risks to people's well-being and ensure effective and timely interventions.



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