

HEALTH AND WELL-BEING AT WORK

Private sector
March 2020



The CIPD is the professional body for HR and people development. The registered charity 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 more than 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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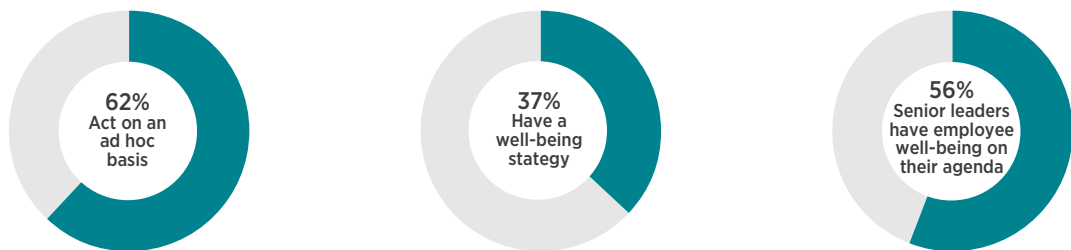
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1 The current picture

Most organisations take an ad hoc approach to well-being

This summary presents key findings from the CIPD's 2020 *Health and Well-Being at Work* survey, focusing specifically on the private sector. It looks at how private sector organisations approach employee well-being, the challenges they face, the methods and steps they are taking, and the perceived impact and effectiveness of their efforts.

Figure 1: Organisations' approaches to well-being



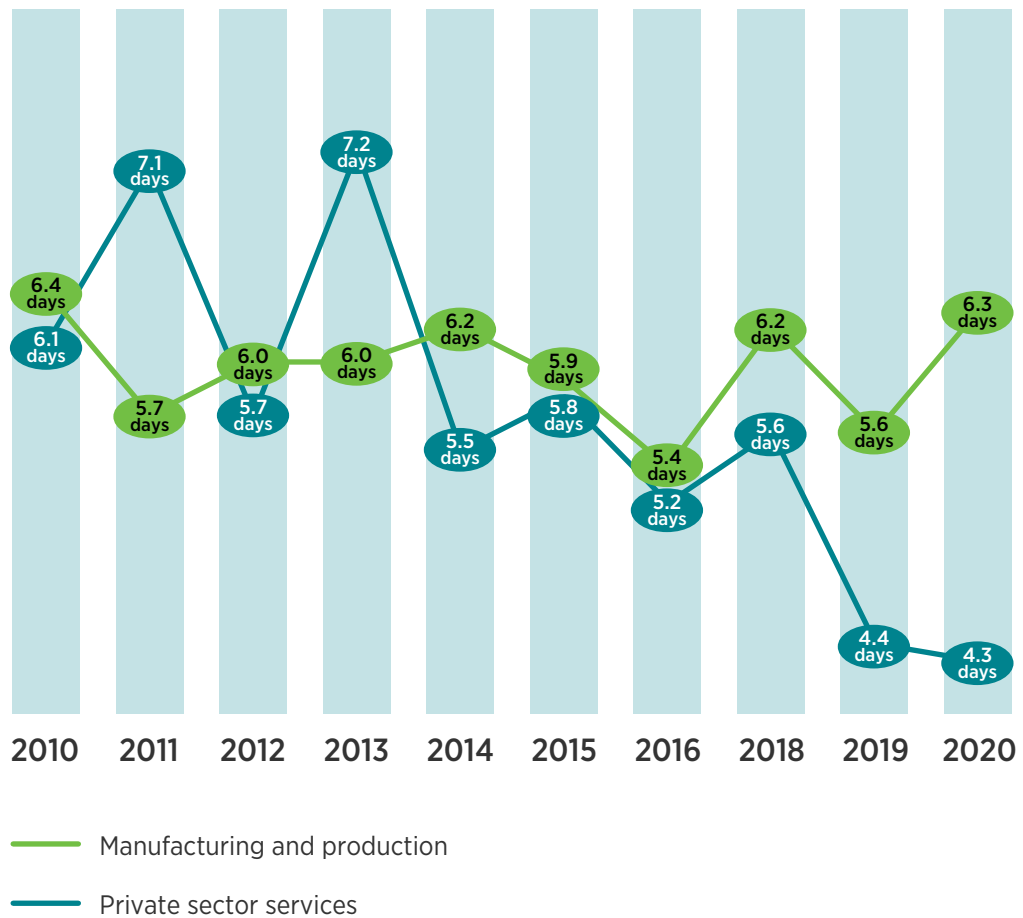
Most private sector organisations take some action to improve employee well-being, but they are more likely to act on an ad hoc basis (62%) than take a strategic approach (37%). This is in contrast to the public sector, where the reverse is true (37% act on an ad hoc basis and 63% have a standalone well-being strategy). Less than three-fifths of private sector respondents agree that their senior leaders have employee well-being on their agenda (compared with 72% from the public sector) (see Figure 1).

There are, however, some indications that private sector organisations are becoming more proactive in their approach to managing absence. This year two-fifths (41%) report they are focusing on health and well-being as part of their approach to absence management compared with 31% last year.

Absence levels remain lower in the private sector

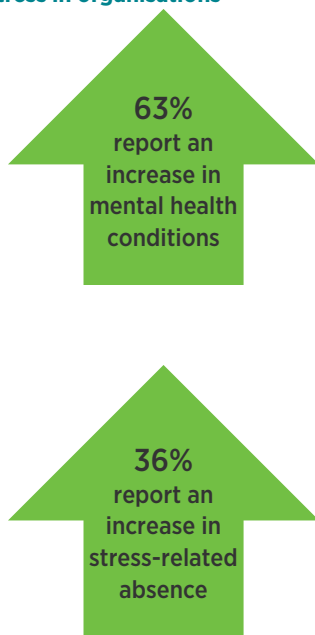
Average absence has fallen very slightly in the private services sector to the lowest level ever recorded by this survey (4.3 days per employee). In contrast, average absence has increased in manufacturing and production organisations from 5.6 days per employee last year to 6.3 days (see Figure 2). There is, however, considerable variation within sectors. On average, absence remains considerably lower in the private than the public sector (eight days per employee).

Figure 2: Average number of days lost per employee per year, by sector (5% trimmed mean)



Base: 204 (2020); 262 (2019); 278 (2018); 436 (2016); 222 (2015); 188 (2014); 212 (2013); 281 (2012); 196 (2011); 249 (2010)

Figure 3: Mental health and stress in organisations



Increase in mental health conditions

Nearly two-thirds of the private sector report an increase in reported common mental health conditions among employees in the last 12 months. Mental ill health is the most common cause of long-term absence in the private sector. Nearly three-fifths report it is in their top three causes of long-term absence (56% versus 67% in the public sector) and over a quarter (27%, public sector 30%) among their top three causes of short-term absence.

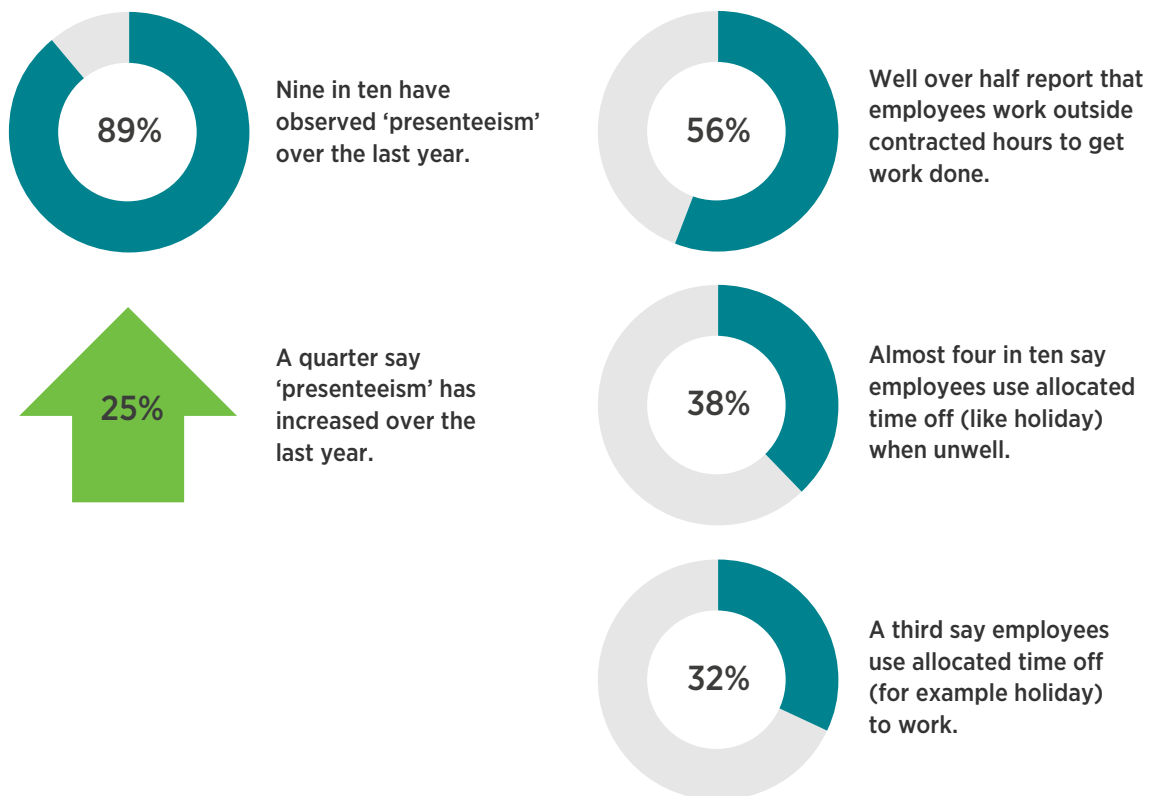
Increase in stress

More than a third of private sector organisations report an increase in stress-related absence over the last year. Stress-related absence is less common in the private sector than the public but nevertheless a third of the private sector (33% versus 50% in the public sector) include it among their top causes of short-term absence and nearly two-fifths among their top causes of long-term absence (38%, public sector 70%).

'Presenteeism' and 'leaveism' are common

'Presenteeism' (people coming to work when unwell) and 'leaveism' (such as people working outside contracted hours, or using annual leave to work or when unwell) are critical indicators of the health of an organisation's culture. These unhealthy workplace practices have serious potential implications for employees' physical and mental health, as well as for productivity. Our findings show that both 'presenteeism' and 'leaveism' are common in the private sector (as well as the public and non-profit sectors).

Figure 4: Presenteeism and leaveism in organisations

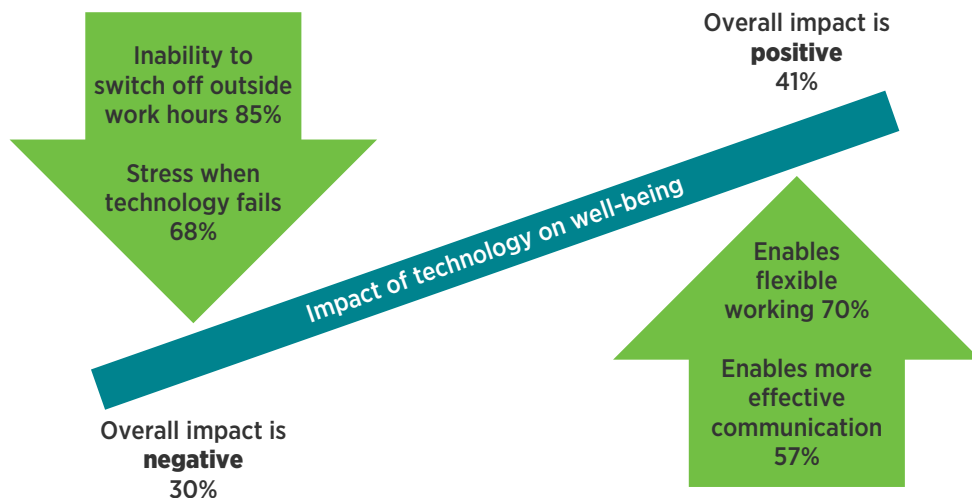


Technology has both positive and negative effects on well-being

Most private sector respondents report that technology has both positive and negative effects on employee well-being in their organisation, but more believe the overall impact is positive. The overall results are similar to the public sector.

The positive and negative impacts reported have not changed over the last two years, raising questions as to whether organisations could do more to address the detrimental effects of technology on well-being or exploit its potential benefits.

Figure 5: Impact of technology on well-being



Base: 492

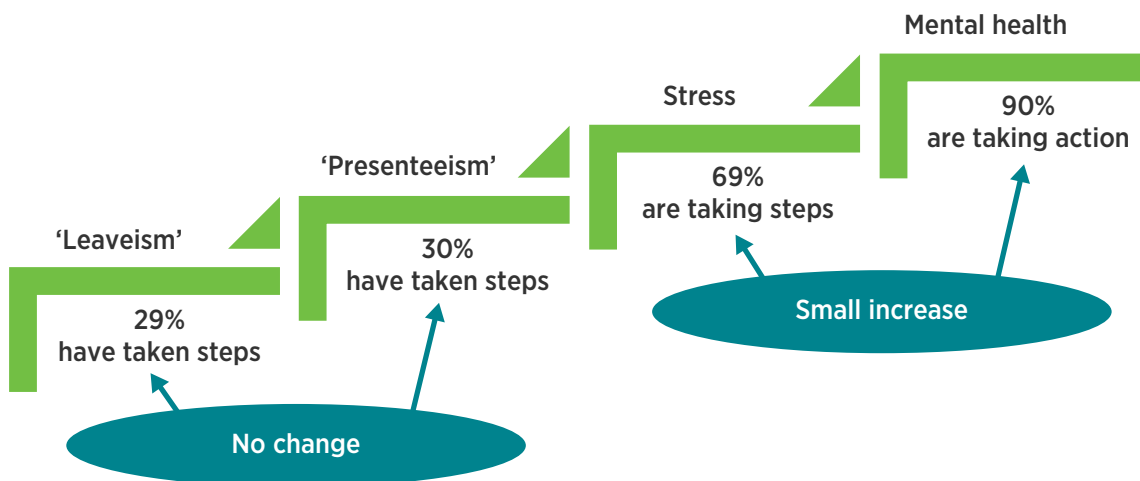
2 Action taken to improve mental well-being

Small increase in efforts to promote mental health and reduce stress

We have seen a gradual increase in the proportion of private sector organisations that are taking steps to reduce stress and promote good mental health over the last few years, and the majority are now taking action on both these fronts. Less than a third are taking steps to tackle ‘presenteeism’ and ‘leaveism’, however (see Figure 6).

There has also been a notable rise in the proportion making efforts to increase awareness of mental health issues across the workforce (2020: 68%, 2019: 55%). Nevertheless, private sector organisations remain less active and less strategic in their approach compared with public sector organisations. In particular, private sector organisations are less likely to make efforts to identify the causes of stress through risk assessments/stress audits (private sector: 40%, public: 77%), or by using staff surveys/focus groups (private sector: 55%, public sector: 69%).

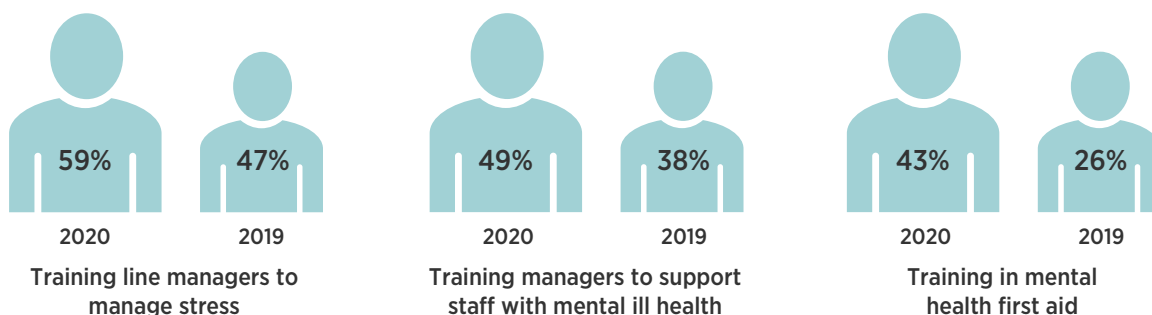
Figure 6: Proportion of private sector organisations taking action on well-being



Greater focus on training managers to manage stress and mental health

Private sector organisations are considerably less likely than those in the public sector to provide training for employees, particularly training to build personal resilience (private sector: 38%, public sector: 67%) or stress management training for the whole workforce (private sector: 26%, public sector: 42%). This year, however, a greater proportion of private sector organisations report they are providing training for line managers to manage stress and support staff with mental ill health and for mental health first aiders. While these types of training interventions remain more common in the public sector, the gap has reduced.

Figure 7: Training interventions for mental health

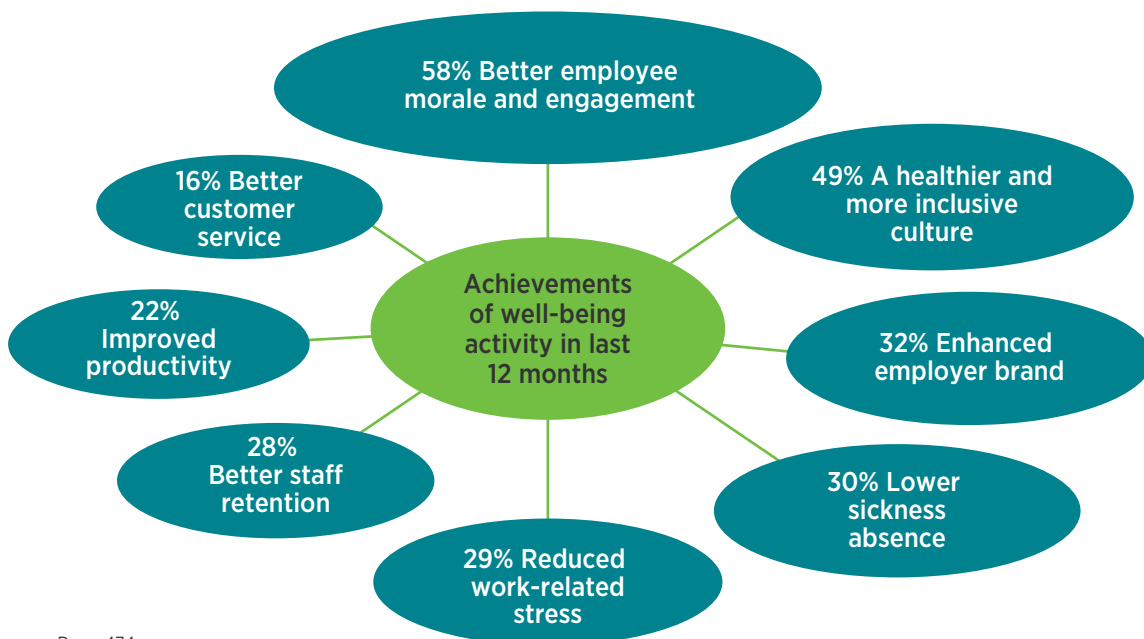


3 The impact and effectiveness of well-being initiatives

Improving well-being leads to better morale and engagement

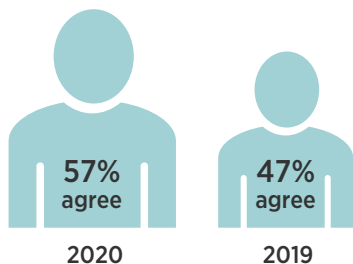
The majority of private sector organisations that take action to promote employee well-being report it has resulted in a range of benefits (as in the public and non-profit sectors) (see Figure 8).

Figure 8: Impact of well-being activity in the private sector



Base: 474

Figure 9: Line managers and well-being



Line managers are bought into the importance of employee well-being

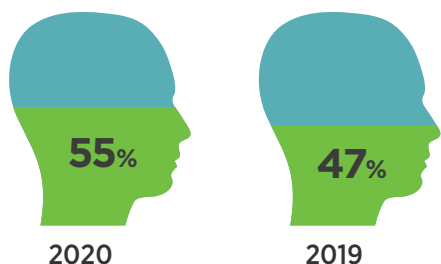
More line managers are on board with well-being

This year more private sector respondents report that line managers in their organisation have bought into the importance of employee well-being (bringing them in line with the public sector). Nevertheless, despite findings that a growing proportion of the private sector are training managers to support staff with mental ill health, respondents are still more likely to disagree than agree that managers have the skills and confidence required to manage mental health effectively.

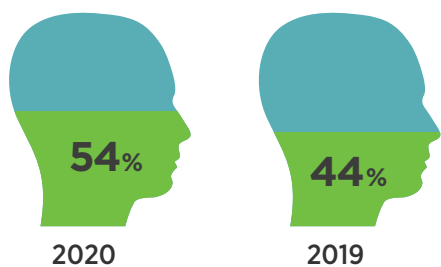
Just over half are effective at supporting people with mental ill health

In line with our findings showing an increase in the proportion of private sector organisations taking steps to improve mental health, this year more respondents agree their organisation is effective at supporting people with mental ill health. There is a corresponding increase in the proportion agreeing that their organisation actively promotes good mental well-being. As in other sectors, private sector organisations are less likely to agree that their organisation is effective at reducing workplace stress (40%, rising to 52% of those who are taking steps to identify and reduce stress).

Figure 10: Employers' approach to mental health



Agree their organisation is effective at supporting people with mental ill health.



Agree their organisation actively promotes good mental well-being.

4 Looking forward

While our findings show some encouraging trends, most private sector organisations are still taking an ad hoc approach to employee well-being and many report it is not high on their senior leaders' agenda. More positively, findings this year show that a higher proportion of private sector respondents believe their line managers are bought into the importance of well-being.

While average absence levels remain low, at least for private sector services, 'presenteeism' and 'leaveism' are common and many report increases in mental health conditions and stress. Positive findings show a gradual increase in the proportion of private sector organisations that are stepping up to tackle stress and mental health, but findings are mixed regarding the effectiveness of their efforts.

Key insights and recommendations for the private sector

Our findings highlight the need for a more targeted and holistic approach to employee well-being:

- Develop an evidence-based understanding of the key risks to well-being and the causes of absence. Efforts to promote good health, rehabilitate and support an effective return to work will have a limited impact if well-being activity fails to address the underlying issues.
- Take a holistic approach by reviewing the impact of organisational policies and practices on all aspects of well-being. Do recognition policies and practices or management behaviour reinforce a long hours' culture? Do employees feel appreciated and connected at work? How does remuneration affect financial well-being?
- Establish healthy guidelines around the use of technology, particularly out of work hours. Review the role and potential of technology to assist in furthering well-being objectives, for example through enabling flexible or virtual working, monitoring health, or providing confidential access to information, counselling or coaching through apps or discussion forums.
- Gain commitment from senior leaders and managers through demonstrating the value of a healthy workforce and the potential costs of unhealthy practices such as 'presenteeism' and 'leaveism'.
- Regularly review the negative impact of employee ill health and the positive effects of well-being activity to help maintain a strong focus on the importance of employee well-being, and ensure well-being investments and policies are effective.
- Highlight the value of role-modelling healthy practices and ensure line managers have the skills, confidence and support required to promote and support well-being. Having senior leaders and line managers on board is critical to ensure that policies and practices are clearly communicated and understood, embedded in the culture and consistently applied throughout the organisation.



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