The Business Case for Improving Mental Well-being in the Work Place

Laurence Dunn

Partner DC Employment Solicitors
laurencedunn@dcemployment.co.uk

DC EMPLOYMENT SOLICITORS
http://www.dcemploymentsolicitors.co.uk/

The Problem

Employees are increasingly expected to frequently adapt to organisational change outside of their control, often requiring them to perform better, faster and with improved outputs. These changes may be accompanied by decreasing rewards and less job security.

...

CBTrl
CBT Rehabilitation Ltd

www.cbtrl.com   info@cbtrl.com   0330 333 6689
35/37 Ludgate Hill London EC4M 7JN   Tel: +44 (0)20 8712 1585
5 St Vincent Street, Edinburgh, EH3 6SW
Registered in England & Wales No: 07584579   Reg. office: 35/37 Ludgate Hill London EC4M 7JN

The result of such pressures can (and often does) result in employees becoming unwell, usually in the form of stress-related illnesses, anxiety or depression.

To compound the problem, those most likely to suffer mental ill-health are the high achievers, who are often the business' most valuable asset. The cost of lost productivity or reduced output quality from such staff inevitably has a disproportionately negative impact on the business.

a)   The statistics

According to a report by the Secretary of State for Work and pensions in December 2013[1], more than 11.5 million working-age people in the UK manage a long-term health condition or impairment, of which more than half (6.5 million) are classified as disabled under the Equality Act 2010 and hence have the protection of disability discrimination legislation.

Of those absent from work because of long-term health conditions, about half are due to mental ill-health[2].

ACAS reports[3] that a total of 91 million days are lost to mental health problems every year and that nearly half of all long-term sickness absences are caused by a mental health problem. They estimate that the annual cost to business is over £30 billion.

b)   Visible effects

This typically has a negative impact upon the organisation in:
- Long-term sickness absence;
- The cost of sick pay and employing temporary staff to cover;
- Business disruption;
- Falling productivity and quality;
- Customer complaints;
- Demotivated or stressed colleagues impacted by the staff member's absence;
- Higher turnover of staff.

c)   The hidden costs

In addition to the more quantifiable cost of the visible effects of mental ill-health absences, there is a significant and growing invisible cost to businesses, in the form of 'presenteeism'.

This is where an employee is suffering from ill-health, but is nevertheless still attending work and either masking, disguising or not recognising their illness.

---

[1] '*The disability and health employment strategy: the discussion so far*' Cm 8763
[2] The Society of Occupational Medicine's journal 'Occupational Health'
[3] Source: ACAS guide '*Promoting positive mental health at work*', quoting The Centre for Mental Health, 2011

Presenteeism is more likely to occur where an employee is suffering from mental ill-health (as opposed to a physical medical condition), because of the stigma attached to it, the fear of being seen as failing in their job, and because of increasing levels of job insecurity. This is examined further below ('Cultural issues').

It is difficult to quantify the cost to businesses of presenteeism, but it has been estimated that it costs the UK economy £15.1 billion per annum[4]. Some of the other obvious results of it are:

- Disruption in the workplace (conflicts with other work colleagues, grievances, etc);
- Loss of work productivity and quality;
- Damage to the organisation's reputation or brand;
- Increased pressure on work colleagues, compensating for under-performance by sick staff;
- Falling staff motivation;
- Increased staff turnover.

Increasing levels of presenteeism are not only a worrying factor in their own right, but they distort the levels of reported sickness absences, as they do not appear in the statistics.

d)   The evidence

There are many reports and surveys which illustrate the damaging effect upon organisations of mental ill-health at work. One such source is The Teacher Support Network (**TSN**), which supports staff in schools and in further and higher education, and has a telephone helpline staffed by counsellors, which staff in distress can access anonymously.

Their 2014 survey[5] concluded that poor mental health was prevalent amongst teachers and adversely impacted their performance. Key statistics are:

- 88% said they suffered from stress;
- 72% said they suffered from anxiety;
- 45% said they had depression;
- 60% said that their work performance suffered;
- 70% said they lost confidence as a result;
- 27% said they had to take time off work because of their mental health condition;
- 13% left their job as a result;
- The vast majority blamed work-related factors for their mental ill-health;
- 89% blamed excessive workloads;
- 54% cited the rapid pace of change;
- 53% cited unreasonable demands from managers.

---

[4] Source: ACAS guide '*Promoting positive mental health at work*', quoting The Centre for Mental Health, 2011
[5] Teacher Support Network Group's Education Staff Health Survey 2014, which polled 2,463 people working in schools, colleges and universities across the UK in September 2014

Of the 29,000 calls to TSN's counsellors, between September 2013 and August 2014, 24% of them related to mental health issues[6].

One of the key conclusions of the Report is that "*poor mental health at work is destroying the quality of teaching*"[7].

Worryingly, the survey demonstrates a deteriorating picture in relation to the management of mental well-being in the workplace. Compared with a similar survey carried out by TSN in 2008, the numbers reporting symptoms of work-related stress, anxiety and depression all increased over the 6 year period.

Factors contributing to the problem

a)   Cultural issues

In many work environments, there is a strong negative stigma attached to mental ill-health. As a result, staff suffering from symptoms of it are less likely to seek medical health or report their symptoms to their employer or, if they do seek help, they do so at a later stage, when the symptoms have become more chronic and long term.

b)   Fear of being seen to fail

Apart from the stigma issue, many employees (particularly high achievers) have a significant fear of being seen as having failed, which often deters or delays them from seeking medical help or reporting their problems to their employer.

c)   Lack of understanding

Perhaps related to the stigma attached to mental ill-health is a general lack of understanding of the causes, symptoms and effects of mental ill-health. Poorer still is an understanding of the support available for those suffering from it, or the prognosis for the sufferers (which is generally very good, following appropriate treatment).
As a result of this lack of understanding, very few managers or their staff have an accurate insight into when they or a colleague is suffering from mental ill-health, and little or no understanding of the support available to them.

d)   Job insecurity

As businesses have rationalised and re-organised during the recession and the public sector has faced funding cuts year-on-year, job security has been severely eroded over the last 7 years. Consequently, staff suffering from chronic health problems have found themselves more fearful of loss of their employment, encouraging presenteeism and the disguise of serious medical conditions.

---

[6] Education Staff Health Survey 2014 Report
[7] Julian Stanley, Chief Executive of Teachers Support Network Group

This is particularly so in the case of chronic mental health problems, where it is often assumed that the sufferer is permanently incapable of performing their role, or will be unreliable in the future.

e)   Poor communication channels

Few businesses (other than the very large corporates) have appropriate channels of communication in place, through which staff can communicate any concerns they may have about themselves or colleagues who are suffering from mental ill-health. This can further delay the detection and treatment of staff suffering from mental ill-health, and exacerbates the problem.

f)   Lack of appropriate support mechanisms

Many organisations simply rely on their employees, who are suffering from ill-health, to report their symptoms to their GP and assume that the GP will provide the necessary medical treatment to make the employee well again. However, while GPs are highly trained in the detection and treatment of illnesses, few are trained in occupational medicine and may therefore be unable to advise employers about what steps they can take to support a member of staff who is suffering from mental ill-health. Although GPs are now required to complete a Fitness Note for staff absent for more than a week, which includes recommendations to the employer to help rehabilitate the employee, they do not generally have the necessary training to identify reasonable adjustments that an employer can adopt to support the employee.

As a result, few businesses have appropriate support mechanisms in place for staff suffering from mental ill-health. At best, most businesses can only offer employees a confidential helpline (employee assistance programme, or similar), which is a general advice service available to help with a wide variety of problems that employees may be experiencing.

g)   Delayed treatment

It is medically well-recognised that mental ill-health is most successfully and easily treated if appropriate support is provided at an early stage[8].

Many of the above factors (especially stigma; fear of being seen as failing; lack of understanding; poor communication; and job insecurity) conspire to worsen the effect of mental ill-health in the workplace, by delaying the diagnosis and hence preventing early and appropriate management of it.

Why can't employers address the problem?

The stigma that generally surrounds mental ill-health, coupled with the general lack of knowledge and awareness concerning mental health issues and appropriate workplace support, means that the existence and extent of mental illness within an organisation may be hidden, at least until employees become completely incapacitated and enter long-term sick leave. Because it can be difficult to detect, the problem is difficult to tackle.

---

[8] See for instance the National Institute for Health and Care Excellence ('NICE') report '*Workplace policy and management practices to improve the health and wellbeing of employees*' report, published on 24 June 2015

The problem is compounded because the organisational consequences of mental ill-health may be hidden or disguised and only emerge at a much later date (especially those associated with presenteeism).

However, the fact that it is a major concern to organisations is clear from a recent CIPD report[9], which reported that "*there are still a significant percentage of organisations, particularly in the public sector, reporting an increase in stress and mental health problems among employees as well as an increase in presenteeism*."

The same report warns that "*ignoring employee health and well-being can result in significant costs to an organisation in terms of sick pay and temporary staffing cover as well as having a negative impact on employee morale, colleague workloads and ultimately business productivity*."

What is being done to improve mental well-being at work?

The available evidence[10] suggests that mental ill-health can only be effectively addressed through cultural change in the workplace, driven and championed by the organisation's most senior staff.

Some of the larger corporations have recognised that the mental well-being of their staff is crucial to the success of the business[11] and have put in place strategies and resources to address the problem.

There is little statistical evidence available to measure the effectiveness of these strategies, but an important absence management survey[12] reported that organisations, which had already invested in improving well-being at work, were not only more likely to continue that investment (even in the cash-strapped public sector), but that they were also more likely to increase their investment in subsequent years. It is clear that organisations that have invested in improving mental well-being at work have found that the benefits obtained from it make the investment worthwhile.

ACAS has recognised the significant cost to all employment sectors of mental ill-health at work, by releasing its guidance 'Promoting positive mental health at work', early in 2015. In the introduction to the guidance, ACAS' Chair (Sir Brendan Barber) says: "*Over the last 10 years, we have all noticed the increasing impact of mental ill health in the workplace. Stress, anxiety and depression, albeit not all work-related, have led to higher rates of absenteeism and lost productivity due to presenteeism*."

The Government also launched its 'Fit for Work' Scheme in May 2015, which is being rolled-out across the country, under which a free occupational health referral can be made by businesses for employees who will be absent for 28 days or more. However, this scheme only addresses the problem once long-term absence has occurred and does not prevent the problem from occurring, or promote early intervention.

---

[9] Such as the CIPD Annual survey report 2014 '*Absence Management*'
[10] NICE report, ibid
[11] Unilever, BT etc
[12] CIPD Annual survey report 2014 '*Absence Management*'

The Solution

Effective improvement in mental well-being at work, with all the accompanying benefits, is best achieved by organisations which adopt a comprehensive well-being strategy and allocate sufficient resources to implement them.

The strategy takes several forms:

Leadership buy-in

It is essential that there is leadership buy-in, where changes to the organisation's culture or structure are needed to improve mental well-being in the workplace. Without the support, encouragement and example set by the leadership, cultural change is unlikely.[13]

Cultural and organisational change

Having secured leadership buy-in, it is then necessary to evaluate the workplace stressors within an organisation and (if necessary) change its culture and policies, in order to:

- Identify the workplace stressors that might cause mental ill-health;
- Make all staff aware of mental health issues and how to recognise the symptoms;
- Destigmatise the issue;
- Adopt appropriate policies to set out the organisation's strategy to improve mental well-being at work and adapt other existing policies to ensure that they are consistent with the approach in the Mental Well-being Policy;
- Set up appropriate support mechanisms within the organisation;
- If possible, provide resilience training for managers and staff, to help prevent mental ill-health;
- Ensure that appropriate resources are in place to fund training and any external help to support staff and managers (e.g. occupational health referrals; counselling/coaching; etc);
- Put in place communication channels for staff to discuss concerns they have about mental health issues, either for themselves or for colleagues;
- Appoint internal 'mental well-being champions' and train them in relation to the recognition of mental illnesses and the appropriate support to be given to staff experiencing the problem;
- Ensure that 'mental well-being champions' treat any information they receive in confidence, but that they have appropriate channels available to seek and obtain further advice, support for staff with problems and access to external resources such as counselling; occupational health advisers; resilience trainers; etc.
- Capture and support mental ill-health problems early;
- Clearly sign-post support mechanisms available to staff, e.g. secondary health services available;

---

[13] NICE report, ibid

- Make appropriate use of occupational health. Note that the employee's consent is needed to disclose their medical records to the occupational health adviser. Without such consent occupational health advice will be of limited value (and sometimes of no value);
- Ensure that the appropriate level of occupational health adviser is engaged;
- Ensure that the referral to the occupational health adviser contains all relevant information and asks appropriate questions. Do not simply rely on standard templates;
- Following the receipt of an occupational health report, discuss (and, if possible) agree the report with the employee;
- Prepare and (if possible) agree a Return to Work plan with the employee;
- Monitor and review the effectiveness of the Return to Work plan.

The benefits

There is strong supporting evidence[14] to show that the investment in improving mental well-being in the workplace will result in:

Better:

- Workforce resilience;
- Workforce engagement;
- Workforce motivation;
- Retention of staff;
- Business continuity;
- Productivity/production;
- Quality of output; and
- Customer satisfaction.

With less:

- Stress to colleagues who are not unwell;
- Sickness absence;
- Presenteeism;
- Customer complaints;
- Cost of sick pay and temporary staff cover;
- Business disruption;
- Staff turnover;
- Customer complaints.

And with more:

- Customer satisfaction;
- Demand for products/services;
- Achievement of organisational goals.

---

[14] CIPD Annual survey report 2014 'Absence Management'

<u>Halving sickness absence</u>

There is no hard data from reliable research resources to prove the extent to which sickness absences will be reduced by the successful implementation of mental well-being at work strategies. The extent to which this will succeed will depend upon the level of workplace mental health stressors; the coping resources of staff; and the support mechanisms already in place. There is, however, anecdotal evidence to support the proposition that sickness absences can be halved through these strategies.

One recent example...... following the provision of psychological therapy and resilience training for a local School, the level of sickness absence halved in the academic year following the intervention, when compared with the previous full academic year.

There is also growing evidence from academic studies[15] that mental well-being strategies not only improve the quality of life, motivation, retention, health and performance of workers, but also that they improve the quality of service delivered by organisations to their customers, thus enhancing the reputation and brand of the organisation.

Although we believe it is realistic to aim to achieve a reduction in sickness absences by half by implementing a mental well-being strategy, this is not the only advantage to be expected from the investment. It is becoming clear that there are many other valuable benefits, to the workforce and to the organisation, from doing so.

The business case for enhancing the mental well-being of organisation's staff could hardly be more compelling. After all, staff are most organisations' most valuable asset!

---

[15] For example, see '*Compassion-based initiatives in educational settings*', by Mary Welford & Kasim Langmead, The British Psychological Society, 2015