

# It's time to enhance our mental capital

Cary Cooper looks at the finding of the Foresight Report and examines how the research can help employers find ways of reducing stress and improving the wellbeing of their staff



By making the wellbeing of our employees a key performance indicator we might reinforce the message that our employees' health, and ultimately their performance, is high on the corporate agenda



COOPER: "in England alone the total cost of depleted mental capital and wellbeing is calculated at £77bn a year"

The recent Foresight Report on mental capital and wellbeing has provided extensive evidence of the costs of mental ill health and lack of wellbeing to British society, as well as to the economy. The report covers the lifespan from birth to old age, highlighting what inhibits and enhances our mental capital through life according to the science.

More than 80 science reviews were commissioned involving more than 450 scientists and experts including educational psychologists, psychiatrists, brain scientists and occupational health specialists. In England alone the total cost of depleted mental capital and wellbeing is calculated at £77bn a year – so this area matters.

The report highlights the evidence around the factors that enhance wellbeing and those that detract from it. It goes on to make a number of suggestions about what interventions or policies might be considered.

The globalisation and intensification of work during the "good times" has increased the demands on many of us and has had a major impact on our wellbeing. The current economic situation is making jobs less secure and is exacerbating stress and mental health problems in our workforces.

The costs of depleted mental capital in the workplace are very high: work-related absenteeism accounts for 10-14 million lost working days costing £750m a year; presenteeism (people being at work but not delivering their product or service) costs £900m a year; reduced profitability when employees lose their jobs as a result of work-related mental health problems costs £82m a year; and incapacity benefit costs more than £12bn a year – 40 per cent of which is due to stress and mental health problems.

The Foresight work has led to a number of suggestions about what can be done to help minimise stress and maximise mental capital. These recommendations cover a wide range of areas as outlined below:

- **Learning and skill development:** It is important to train and retrain throughout our working lives to have the skills to compete for jobs in a less "job-secure" climate. There are already government programmes to help in this area including pathways to work, access to work and train to gain from the Learning and Skills Council, but improvement is still required.
- **Skill for managers:** It is important that organisations develop the personal, social and interpersonal skills of their managers. The research indicates that poor managers can undermine employees' wellbeing; for example, if they have autocratic or bullying management styles, by not letting their subordinates have enough autonomy to do their job as they see fit or by creating a long working hours culture. All of this behaviour prevents people from feeling and doing their best.

- **Flexible working:** It is time for public and private sector bodies to consider providing more flexible working arrangements for staff – especially given the increasing numbers of working families and the negative impact of working consistently long hours on health, family life and productivity. The evidence is that this can provide substantial benefits given the costs involved. Now that we are primarily a service-based economy, we cannot ignore the potential that new technology has for enabling us to work partly from home and partly from the office.
- **Performance indicators for wellbeing:** We often hear the words "the most valuable resource we have is our human resource". If HR directors really believe that why don't companies and public sector bodies highlight this in their annual reports? By making the wellbeing of our employees a key performance indicator (KPI) – taking in factors like sickness absence, employee job satisfaction levels and regrettable labour turnover – we might reinforce the message that our employees' health, and ultimately their performance, is high on the corporate agenda. This might also mean that employee health indicators become a KPI for managers themselves.
- **Regular wellbeing audits:** All organisations should consider conducting regular wellbeing audits to try to identify problems before they become crises. The HSE management standards on work-related stress provide a good starting point for carrying out such audits and many commercial tools are also available. Identifying problems early and dealing with them is far better than firefighting when things go wrong, as is borne out by recent examples of workplace stress litigation.

These are really sensible and well thought through recommendations and they put me in mind of what Studs Terkel suggested in his acclaimed book, *Working*: "Work is about a search for daily meaning as well as daily bread, for recognition as well as cash, for astonishment rather than torpor; in short, for a sort of life rather than a Monday through Friday sort of dying."

The direction suggested by the Foresight report acknowledges this and in doing so provides a powerful template for improving our working lives.

- More information about Foresight can be found at [www.foresight.gov.uk](http://www.foresight.gov.uk)

**Cary L Cooper is professor of organisational psychology and health at Lancaster University Management School, director of Robertson Cooper and lead scientist on the Foresight Mental Capital and Wellbeing project. Read his blog at <http://carycooperblog.com/>**