

# WORKPLACE WELLBEING

An unhappy workforce can cost an organisation dearly, says **Cary Cooper**

Does it matter in hard times?

Over the past 18 months several important government reports have extolled the virtues of quality of working life and mental wellbeing in the workplace. Dame Carol Black's report Working for a Healthier Tomorrow and the government's response to it set the ball rolling; then came the Foresight report on mental capital and wellbeing. More recently, David MacLeod's work on employee engagement and Dr Steve Boorman's review for the NHS have continued the trend and expanded its scope. Between them they have created a positive agenda for wellbeing that is set to define HR policy, process and behaviour for years to come.

All of these reviews have come to similar conclusions: that organisations are better and workforces happier when sources of workplace stress are identified and minimised; when people are engaged with their work and when opportunities for better work-life balance are created.

Furthermore, when leaders and managers understand their impact and are encouraged to manage people by balancing reward, challenge and support, the wellbeing of individuals is enhanced. In short, there is now little doubt that these aspects of working life lead to both better employee health and organisational performance.

The key thing we have learnt is that the different elements of wellbeing really matter for the bottom line of any organisation. It's as true in the public sector as the private – investing in wellbeing is not a luxury, a preserve of a bygone era of unending growth and prosperity when we could afford these “softer” interventions. Indeed, the Sainsbury Centre for Mental Health conducted an economic analysis before the recession that focused on figures for 2007. It showed that lack of mental wellbeing in the workplace cost £25.9bn in terms of absenteeism, presenteeism and labour turnover, plus an additional £12bn relating to incapacity benefit (40 per cent of which was due to stress and mental ill-health at work). These costs were seen as significant and mattered during good times, so it seems obvious now, when costs are more important than ever, that wellbeing can make a big difference to your

organisation's effectiveness and productivity. The fact is, wellbeing has gone mainstream – it's a strategic issue that is routinely considered by boards. And that's because senior managers have come to understand that if you get wellbeing right – if you integrate its management with your key organisational processes – it's a win-win for your staff and organisation alike.

During a recession it's common to see increased job insecurity, a lack of mobility in the job market, a more robust management style in the workplace and tougher economic targets. Does any of this sound familiar right now? The result tends to be that pressures on people at work weigh even more heavily and the challenge of coping is felt even more keenly. Yes, quality of working life is more likely to suffer in the short term – but there is good news too. When times are tough, people begin to reflect on what is really important in their personal and work lives. This reflection not only affects those on the shop floor, but also leaders on the top floor. We are seeing a greater interest in happiness and wellbeing, partly stimulated by the fact the costs to society of not doing anything have now been highlighted, but also because people want more from life than a daily grind. As Studs Terkel wrote in his 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 lasting impact of the credit crunch on workplace culture may be starting to trickle through. For example, Mercer, the global HR consultancy, highlighted in their engagement scale that the four top engagement characteristics identified across the world were: being respected at work; having a stimulating, interesting job where the boss values your contribution; better work-life balance; and providing a good service to customers. Basic pay as a motivator was just below these four, with bonuses at the bottom of the list – so bankers take note!



**CONCLUSIONS:** “organisations are better and workforces happier when sources of workplace stress are identified and minimised”

We are now beginning to see real and positive movement, with many of these reports contributing to a culture change in working Britain. Key recommendations have been picked up by government departments, the private sector and even further afield in the EU. At the recent World Economic Forum at Davos, I was involved in a session focusing on the link between chronic disease and wellbeing. The issue of creating work environments that help prevent employee ill-health was top of the agenda and one of their global agenda councils this year will be developing a “wellbeing footprint” – designed to enable organisations to benchmark themselves against others in their sector and in different countries. It is intended as a means of driving improvements in employee health, happiness and the quality of working life globally.

In 1965, Arthur Kornhauser wrote a book entitled The Mental Health of the Industrial Worker, in which he summarised the characteristics of a mentally healthy work environment for the individual employee: “What is important in a negative way is not any single characteristic of his situation but everything that deprives the person of purpose and zest, that leaves him with negative feelings about himself, with anxieties, tensions, a sense of lostness, emptiness and futility.”

The challenge for all of us is to prevent this situation – to create work environments that engage people; respect and value them; to provide the framework for balance and happiness in their total life. The good news is that we now know that this goal is achievable.



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