

“ There is a strong case for companies to step up to their responsibilities in this area, and to grasp the opportunities both for the business bottom line and the health of the nation.”

SIR NIGEL RUDD, CHAIRMAN, ALLIANCE BOOTS AND BUSINESS ACTION ON HEALTH CAMPAIGN

With particular thanks to all the members of the Business Action on Health Leadership Team



Business in the Community is a unique movement in the UK of over 750 member companies committed to improving their impact on society in the community, environment, marketplace and workplace

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 October 2006



Business <sup>in the</sup> Community Business Action on Health

COMMUNITY ENVIRONMENT MARKETPLACE WORKPLACE



# Managing the risks

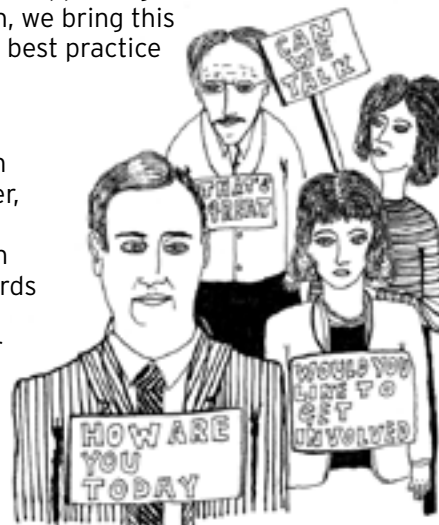
## Employee health and well-being affects business performance

**The Spend Now, Save Now research, launched by Business in the Community in 2005\*, identified the growing importance of a healthy workforce to businesses. It made the business case for companies to invest in employee health and well-being, making it more than just a leap of faith.**

At the same time however, it also revealed a lack of strategic and comprehensive management across the dimensions of safety, health and well-being.

Evidence from the UnumProvident Healthy Workplaces Award further highlights a considerable variance in approaches and effectiveness of management. Coupled with detailed insight from the companies supporting the Business Action on Health campaign, we bring this knowledge together to shape and share best practice in a practical way for employers.

Many companies are comfortable and articulate when talking about regulation and safety. The real opportunity however, lies in turning your thinking around from safety and sickness, or from health benefits packages and nice to dos, towards considering how health and well-being affects your company's ability to deliver its business strategy.



COMMUNICATE WITH AND INVOLVE YOUR EMPLOYEES

\*Spend Now, Save Now (2005) Business in the Community, vielife and HR Magazine

**"I am staggered that whilst investing in employee health and well-being makes clear business sense, so many companies continue to overlook or underplay it.**

**Through Talking Health we aim to prompt serious but simple conversations in companies to support increased action in this area. As best practice on health and well-being really takes shape in the UK, I encourage you to use these questions and guidance, to raise awareness in your organisation."**

MIKE BOWDEN, COMPANY SECRETARY, RWE NPOWER

This **Talking Health** research and analysis, builds on the **Spend Now, Save Now** business case research for health and well-being, to provide a framework, via 5 key questions, to guide businesses in prompting conversations on health and to improve their impact in this area.

### THE 5 KEY QUESTIONS COMPANIES SHOULD ASK THEMSELVES

**1** HOW MUCH IS SICKNESS ABSENCE COSTING OUR ORGANISATION?

**2** HOW HEALTHY IS OUR WORKFORCE?

**3** WHAT SUCCESS CAN BE ACHIEVED?

**4** WHAT INFORMATION DRIVES IMPROVEMENT?

**5** WHO NEEDS TO DRIVE IMPROVEMENT?

# How much is sickness absence costing our organisation?

“Robust and consistent management information proved difficult to come by in the early days. Introduction of a world-wide classification of absences and common metrics across the Group helped us get a handle on the scale of the issue. The reality was encouraging and sobering. Sickness absence was average for our sector, but the % of work days lost was still higher than we thought it should be. The most important step so far was probably the simplest. We converted the number of workdays lost into a cost to the business, projecting across the year. The outcome grabbed attention at the highest level. Remembering we were average for our sector, we were still losing around £35m per year.”

GARETH LLEWELLYN, GROUP CORPORATE RESPONSIBILITY DIRECTOR, NATIONAL GRID

**The cost of absence to companies is an important, but not a new, subject. The CBI have been reporting it for 19 years.**

Yet many companies still fail to relate these figures to their own businesses. The levels of absence, and the underlying causes, are an important starting point for any company embarking on a strategic approach to managing health and well-being. Companies however are often under-reporting, and should aim to collect consistent and fully-reported absence data. Importantly, relatively simple calculations about the costs of absence can provide the business case data to secure long-term resources and investment.

**Consider the extent of under-performance of those at work.**

Many factors influence the difference between peak and under performance of individuals in work. Whether work-related or not, these influences affect the way that people approach, and perform in, their jobs. Enlightened employers are addressing under-performance and low morale, as well as absence, by investing in health and well-being programmes, thus reaping the benefits of increased productivity.

# How healthy is our workforce?

**Understanding the health status of your employees is fundamental in taking a strategic approach to improving and maximising their health and well-being.**

There are factors employers can affect in the workplace environment, and on individual lifestyle choices.

Increasingly companies are gathering this health information in order to;

- Identify how the health of their workforce could affect the capability of the business, now and in the future
- Provide appropriate and targeted interventions and activities
- Engage those who need it most, not just the worried well
- Monitor and measure participation, changes and impact

Leading companies are conducting assessments of risks to the business through;

- Health and lifestyle surveys for all employees
- Health check-ups or screenings
- Stress audits

**DON'T JUST COLLECT THE INFORMATION, USE IT**

There are a range of interventions and activities companies are then using to support and engage employees;

- Health education information such as stress, smoking and nutrition guides
- Health promotion activities such as health fairs and sports activities
- Lifestyle support such as flexible working and concierge services
- Benefits such as private medical insurance and gym membership
- Confidential support such as freephone 24 hour a day counselling services

“ We offer an incentive to employees to complete our online health assessment, which has helped push completion rates towards 85%, and I am confident this will lead to an ever more effective health and well-being programme.”

MIKE HALL, CHIEF EXECUTIVE, STANDARD LIFE HEALTHCARE

# What success can be achieved?

**Companies that take a considered, relevant and long-term approach, are able to demonstrate both clear business and health benefits including;**

- Tangible return on investment;
- Reduced absence, accidents and sickness
  - Increased employee productivity
  - Cost savings including reduced health insurance spend and other efficiencies

- Increased employee engagement;
- Enhanced positioning as employer of choice
  - Improved staff retention
  - Greater employee engagement and morale

Improved health;

- Identified potential health concerns through health checks
- Improved awareness of health issues
- Supported employees to make healthy choices
- Improved actual health measures such as stress, smoking, cholesterol

Some key factors are emerging from the Healthy Workplaces Awards for Excellence as underpinning success;

- Leadership from the top
- A comprehensive approach based on the fundamentals of good health and safety and good human resources management
- Relevant health and well-being strategy based on evidence
- Training and support for managers
- Clear involvement and communication with employees



TRAIN AND SUPPORT YOUR MANAGERS IN HEALTH AND WELL-BEING

# Parcelforce Worldwide

Parcelforce Worldwide's comprehensive approach for a "Safer workplace and a Healthier workforce" is based on clear objectives;

- Better understanding of ill-health to prevent absence and support absent employees
- Fewer injuries and absences resulting from accidents
- Helping employees to improve their own, and their families', health

They achieved this by first influencing management behaviour, raising awareness of health and well-being and providing new management information. Local managers were then encouraged to take forward the programme with the Head Office providing the appropriate incentives and support.

The results speak for themselves;

- Reduced sick absence by 1/3, saving 55,000 days and £5 million
- 45% fewer accidents
- Reduced the number and values of compensation claims by 2/3
- Increased employee satisfaction by up to 1/3 on different measures
- Contributed towards 12.5% productivity increase and 50% customer service improvement

" Parcelforce Worldwide have successfully managed to turn high absence and low employee satisfaction around by providing an extensive and integrated health and well-being programme, which is supported at every level.

After suffering huge organisational change, which was essential to gain financial success, they identified a clear strategy to re-engage their employees.

Parcelforce have achieved some outstanding results, which came about from dedicated commitment from the top. What shone out was that Parcelforce demonstrated; they are passionate about the health and well-being of their staff, they have a sustainable programme and can see the benefits to their organisation."

JOANNE HINDLE, CORPORATE SERVICES DIRECTOR, UNUMPROVIDENT & CHAIR OF THE HEALTHY WORKPLACES AWARD JUDGING PANEL



# What information drives improvement?

**" We introduced an Employee Assistance Programme (EAP) 5 years ago and this has been hugely important to our progress on health and wellbeing. It concentrates on aspects of support to individuals that go wider than traditional occupational health. Data from the EAP provider respects the confidentiality of individuals but gives us the patterns to understand what is affecting their life inside and outside the company. This makes for better targeted interventions. The value is reflected in the feedback collected in employee surveys and the business alignment this demonstrates."**

LIZ ELLIS, HUMAN RESOURCES DIRECTOR, DANONE DAIRIES UK

**Companies are using a wide range of information to drive improvement, including both direct health and well-being and wider employee measures.**

Directly health related;

- Participation in health risk assessments and programmes
- Health data and trends
- Comparative absence levels
- Underlying causes of absence
- Costs of private medical insurance and profile of claims
- Number and costs of ill-health early retirements
- Levels, and analysis of usage, of Employee Assistance Programmes

Wider employee measures;

- Employee satisfaction and perceptions
- Employee retention levels
- Exit interview data
- Productivity increases
- Customer satisfaction levels

As with any area of business management, quantitative figures used in isolation can be mis-leading. Don't just look at average statistics, think about the nature of your business and employees in different areas.

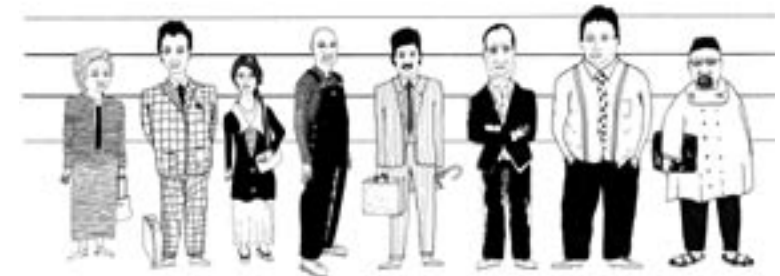
# Who needs to drive improvement?

The success of a company's approach is dependent on the commitment of its leaders. Those exercising leadership, by monitoring health and well-being at board level, use trends in absence and ill-health, alongside participation in and the results of health assessments and programmes. Accountability also is key, with companies giving responsibility and targets to leaders throughout their businesses.

Additionally, effective management involves people across functions, divisions and locations. Many companies create health committees, which include people from human resources, health and safety, occupational health, facilities and senior management. Companies also have input from trade union representatives and run employee focus groups.

DID YOU KNOW...

**At Nationwide Building Society, their strategy, once agreed and signed off by the Board, is then communicated to their senior management team, whose responsibility it is to ensure its successful delivery. Performance is reviewed at a variety of levels, including the Executive Directors Committee and Board, where their Chief Safety Officer presents a formal report on health and safety activity and progress, as well as outlining future initiatives and objectives."**



AVERAGE FIGURES CAN HIDE THE REAL STORY

# Call to action

**1** Use the 5 questions in this publication to prompt dialogue in your organisation

**2** Register at [talkinghealth@bitc.org.uk](mailto:talkinghealth@bitc.org.uk), to receive support, advice and feedback on your progress

**3** Enter the UnumProvident Healthy Workplaces Award for Excellence

**4** Sign up to visit a healthy workplace through our Opening Doors programme

**5** Contact the **Business Action on Health Campaign** at **Business in the Community**

“ At Henderson, we are now convinced that employee health and well-being as a whole is fast becoming a strategic challenge for the companies we invest in. In turn, this requires a strategic response in terms of board commitment, integration into core business processes, along with clear communication and reporting to investors. The prize is not just to stop the waste that ill-health represents, but to grasp the potential of enhanced employee engagement and productivity.”

NICK ROBINS, HEAD OF SRI FUNDS, HENDERSON GLOBAL INVESTORS

“ Companies must take an interest in the health of their workforce and assign responsibility for it in the boardroom.

In my experience, this level of attention leads to target setting, monitoring, measurement and reporting and is absolutely fundamental to getting things done.”

SIR NIGEL RUDD, CHAIRMAN, ALLIANCE BOOTS AND BUSINESS ACTION ON HEALTH CAMPAIGN

# Best practice



**UnumProvident Healthy Workplaces Awards for Excellence, supported by the Department of Health and in association with the Health and Safety Executive.**

The Awards for Excellence are the primary way that Business in the Community captures, celebrates and communicates best practice achievements across corporate responsibility.

## Winner

Parcelforce Worldwide in 2006  
3M (Aycliffe) in 2005

## Highly Commended

Danone Dairies UK in 2006  
London Underground in 2005

## Big Ticks 2006

3M (Aycliffe)  
AstraZeneca  
London Underground  
Nationwide Building Society  
Northbrook Technology Northern Ireland  
Royal Mail Group  
Standard Life Healthcare



“ The growing number of businesses taking a wider view of their health and safety responsibilities by addressing health and well-being in the workplace is encouraging.

I hope that we will see, over time, more businesses playing a key role in taking forward this strategy that focuses on the prevention of work related illness and injury, encourages intervention when health problems arise and provides the right treatment quickly.

It is imperative that we continue our work with Business in the Community and business to publicise the benefits of the Health, Work and Well-Being strategy to stakeholders.”

BILL CALLAGHAN, CHAIR, HEALTH AND SAFETY COMMISSION