Culture Economy: Health and wellbeing

Espresso version:
Short and sweet but still full of information

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Last year, we created an extensive report into the value of company culture and its impact on the wider SME economy. This is this second in a series of espresso versions of the original. Short and sweet but still full of information.

So if you are having a coffee break, pause the inbox and immerse yourself in what culture really means for businesses.

Health, wellbeing and the business agenda

Evidence shows that negative workplace cultures have profound effects on people's health. In fact, research from Mind suggests that poor mental health in the workplace is costing the UK economy a staggering £100 billion per year. In addition, the HSE Health and Work Strategy revealed that work-related stress is the second greatest cause of occupational ill-health, representing 37% of all cases and 45% of working days lost.

The good news is that more businesses are focusing on employee health and wellbeing and as a result, they are reaping the rewards of creating a happy, productive workplace.

There is also a well-established link between physical and mental health with many employers providing benefits packages which include medical insurance, subsidised gym membership and cycle-to-work schemes, among other allowances. Richard Branson once said, "Look after your people and they will look after your business" and this has since been echoed by many other successful entrepreneurs.

> "Look after your people and they will look after your business."
> - Richard Branson

Company culture and mental health

The facts are sobering: one in four people will experience a mental health problem at some point in their lives. These statistics make it all the clearer why businesses should be doing all they can to support those suffering and having the right processes in place.

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Although as a society we have a long way to go in terms of de-stigmatising mental health and creating a culture where people feel comfortable talking about it, we are moving in the right direction. Accounts of high-profile public figures -- from Prince Harry, Frank Bruno, Stephen Fry, Fearne Cotton, Adele and Carrie Fisher -- who have experienced mental health issues first-hand and been open about their experiences are encouraging others to open up too.

Deloitte's Tipping Point report revealed the scale of the issue outlining that with over 31 million people in work in the UK, over 5 million workers could be suffering from a mental health condition each year. This is an extraordinary number of people and with increased pressure on public sector health services and resources, it's not a problem that's going to go away quickly. Businesses and organisations, however, can go a long way to supporting employees who are in need. In essence, managers today need to make time, grow trust and engage with tenderness in order to build positive workplace relationships and a supportive culture.

The toxic twins: absenteeism and presenteeism

Although high levels of absenteeism are indicative of an unhappy workforce, so too is persistent presenteeism. This is where employees are at work for more hours than needed and don't feel comfortable switching off. There's no doubt this contributes to stress and burn-out, and this has a knock-on impact to motivation and performance.

Presenteeism is common in cultures where employees are required to be available outside of working hours and where managers work long hours, expecting others to do the same. A high level of presenteeism can indicate a toxic culture which is draining people rather than motivating them to be results-focused. This is as common in small businesses as it is in larger companies.

"FTSE 100 companies including a high number of references to health / wellbeing delivered three times on average than their peers." - SOMA Analytics

Research by SOMA Analytics analysed references to mental health and / or wellbeing within FTSE 100 annual reports. It found 74% of these businesses didn't mention mental health and 33% didn't refer to wellbeing. At first glance, these statistics paint a negative picture but consider the next section of the report which adds that: "FTSE 100 companies including a high number of references to health / wellbeing delivered three times on average than their peers."

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SOMA observes: "Mental health or wellbeing mentions are an implicit measure of corporate investment in employee health and that is reflected in increased profitability."

Although SOMA's statistics focus on large corporate companies, the agility of smaller businesses enables them to establish a framework for creating and growing a culture which supports health and wellbeing quicker than their larger competitors.

This is an important factor in terms of recruiting and retaining staff. There's no doubt that this helps smaller businesses sharpen their competitive edge, as well as providing their workforce with the support they deserve. It is both a catalyst for social responsibility and business growth.

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What next?

Our recommended takeaways to
start improving employee health and wellbeing are:

■ Carry out a company health check

Combine surveys with face-to-face discussions, making sure that everyone is
aware that their feedback is highly valued and not held against them.

■ Consider the benefits your business provides

Perks such as cycle-to-work schemes, health insurance and gym
membership can be costly, however, by helping people improve their
physical and mental wellbeing, they're often highly worthwhile
investments which pay for themselves many times over.

■ Monitor peoples' working hours, absence and annual leave

Excessive overtime and a failure to make use of annual leave allocation
could be signs of underlying issues that need addressing. Do people feel
comfortable switching off outside of working hours? If not – and they're
working excessive hours – the quality of their work may be deteriorating as
a result. Breathe's software includes functionality for managing employee
holidays quickly and easily.

■ Identify the time-consuming and stress-inducing processes

Email overload is a notorious cause of stress. Could this be relieved by
adopting collaborative software applications such as Slack, or implementing
a policy that restricts people's' access to emails outside of working hours?

■ Foster an open culture

You can roll-out all the perks in the world, but ultimately if your culture isn't
open and people don't feel they can talk to managers it's pointless. Creating
space for mental health and wellbeing discussions requires a trusting,
collaborative and caring culture. At Breathe we support Mind's Time to
Change campaign as another step to show our commitment.

This is a brief summary of one of the Culture Economy chapters, please click here to
download your full copy of the Culture Economy report.

In 2018 we launched the Breathe Culture Pledge so all organisations can commit to
putting their people at the heart of their business. To sign up to the pledge, and join
hundreds of other SMEs, please click here.

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Say hello to Breathe, cloud-based software that equips businesses with the tools and confidence they need to end employee admin.

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