

HOW TO INTRODUCE AN EMPLOYEE WELLBEING STRATEGY

This tool covers:

- Understanding why you need to invest in employee wellbeing
- Initial assessment of the health and wellbeing of your workforce
- Application of targeted and needs-based employee wellbeing strategy and initiatives
- Evaluation of your employee wellbeing strategy and initiatives
- General principles to consider when selecting your employee wellbeing initiatives
- Examples of employee wellbeing initiatives

Understanding why you need to invest in employee wellbeing

- Poor health and wellbeing is a significant problem in the UK, with almost 1 in 3 individuals suffering from a long-term health condition.
- Annually, illness and long-term health conditions among the working age population are estimated to cost the UK economy £100 billion and the UK loses approximately 131 million working days due to employees’ sickness absence.
- The manufacturing sector has the second highest sickness rate of all industry sectors.
- Increasingly, organisations are making a connection between poor employee wellbeing, low productivity and deteriorating quality of output or service.
- Other negative impacts of poor employee health and wellbeing include pressure on reduced personnel due to sickness absence; increased employee turnover; associated recruitment and training costs; and displacement costs (e.g. time spent by HR and line managers managing the consequences of poor wellbeing).

Initial assessment of the health and wellbeing of your workforce

HR	OH	FINANCE
<ul style="list-style-type: none"> • Analyse sickness absence rates; overtime; agency cover; and employee turnover • Conduct employee engagement surveys • Analyse other employee feedback e.g. exit interviews • Identify challenges, needs and define wellbeing • Identify current wellbeing initiatives and check take up/success. • Conduct gap analysis 	<ul style="list-style-type: none"> • Check health and safety compliance levels • Analyse sickness absence and health and safety records • Identify main challenges and wellbeing needs • Identify current wellbeing initiatives and check take up/success. • Conduct gap analysis 	<ul style="list-style-type: none"> • Record sickness absence; overtime; agency cover; employee turnover and recruitment costs • Estimate displacement, presenteeism and lost productivity costs • Calculate cost of current wellbeing initiatives • Perform cost-benefit analysis for current wellbeing initiatives

- Conduct an initial fact-finding exercise to identify your employees' actual wellbeing needs, establish your current levels of support and see if there are any gaps in wellbeing services.
- Do this in partnership with the Occupational Health and Finance functions (and also for the application and evaluation stages below) to ensure that there is input (and associated 'buy-in') from all areas of the business.
- Analyse your sickness absence, accident and health and safety records to check for any patterns or problem areas in terms of location, department, job categories, etc. Also look at employee turnover, overtime and agency cover records to see if there are other common problem areas.
- Don't just look at the 'hard figures' from absence and displacement. Take account of hidden costs such as overtime/agency cover, displacement costs and low productivity.
- Consider carrying out an employee engagement survey, holding focus groups amongst staff and analysing other forms of employee feedback such as return to work and exit interviews.
- When you have established the problem areas for wellbeing in your workforce, agree with key stakeholders (e.g. HR, OH, Finance, senior managers, trade unions) what 'good wellbeing' should look like in your organisation.
- Taking into account budget and adopting a needs based approach, adopt your own definition of 'wellbeing'. This could simply cover physical and/or mental health or it could extend to other types of wellbeing such as social or financial wellbeing.
- Take stock of your existing wellbeing initiatives. What's the take up? Are the initiatives working? Are they worth the cost?
- After carrying out a cost benefit analysis of current initiatives, perform a gap analysis to see if there are any areas which have been neglected and need more investment.

Application of targeted and needs-based employee wellbeing strategy and initiatives

HR	OH	FINANCE
<ul style="list-style-type: none"> • Set HR objectives (e.g. reducing absence levels or improving productivity) • Consult on strategy and initiatives to match wellbeing objectives • Communicate strategy and initiatives to workforce • Train line managers and encourage senior manager role-modelling • Monitor take up and success 	<ul style="list-style-type: none"> • Set OH objectives (e.g. reducing health and safety breaches or accident levels) • Consult on strategy and initiatives to match wellbeing objectives • Monitor take up and success 	<ul style="list-style-type: none"> • Set FINANCE objectives (e.g. reduction in sickness absence related costs) • Set budget and realistic return on investment (ROI) targets • Monitor costs associated with wellbeing initiatives • Record details of savings or tax efficiencies

- Work with OH and Finance to establish wellbeing objectives which are targeted to help you achieve your own definition of employee wellbeing (e.g. reducing sickness absence, improving productivity, or eliminating accidents – whatever is vital to your workforce wellbeing requirements).
- Taking into account your current wellbeing initiatives and the results of your gap analysis, select wellbeing initiatives which match your objectives.
- Communicate your new wellbeing strategy and initiatives effectively to your workforce bearing in mind factors such as their age, gender, geographic location, business division and whether they are native English speakers. Consider different types of communication (e.g. email, posters, desk flyers).
- Ensure line managers receive adequate training on implementing your wellbeing strategy. Their role is crucial to the effective operation of your strategy.
- Encourage senior leadership to take ownership of the wellbeing agenda and demonstrate why it matters through active role-modelling (e.g. using leave entitlements; not working excessive hours).
- To allow for effective evaluation of your strategy and initiatives at a later stage (and to ensure you sustain effective buy-in from all relevant stakeholders), continue to monitor and record take up of wellbeing initiatives, any results (good or bad) and related costs.
- Keep a close eye on costs and ask Finance to calculate not just the ‘upfront’ costs but also the return per pound spent or the return on investment (ROI).
- Set budgetary constraints as well as realistic ROI targets to help you accurately evaluate the benefits of your wellbeing strategy when it’s time to carry out a review.
- Don’t forget to note any particular savings or tax efficiencies that are being made through investing in wellbeing – this will help to increase buy-in from senior management.

Evaluation of your employee wellbeing strategy and initiatives

HR	OH	FINANCE
<ul style="list-style-type: none"> • Set realistic timescale for evaluation of objectives • Use a combination of evaluation metrics (e.g. ‘hard’ figures and employee feedback from surveys) • Communicate results to senior management • Consider wider reporting on wellbeing (e.g. statutory framework) • Review and adapt strategy as necessary 	<ul style="list-style-type: none"> • Set realistic timescale for evaluation of objectives • Use a combination of evaluation metrics (e.g. ‘hard’ figures and employee feedback from surveys or focus groups) • Communicate results to senior management • Review and adapt strategy as necessary 	<ul style="list-style-type: none"> • Check ROI within realistic timescale • Perform cost-benefit analysis on new strategy and initiatives • Communicate results to senior management • Review and adapt strategy as necessary

- Evaluation of your wellbeing strategy and initiatives is essential. Use solid metrics to compare results to the business objectives that you established at the outset. A combination of hard figures along with employee feedback should give a well-rounded view of how successful the strategy has been.

- To evaluate employee engagement, you could have a look at email open rates, intranet or portal hits, or send out evaluation forms to encourage feedback. Also consider employee engagement surveys or focus groups as cost-effective and efficient methods of evaluation.
- Bear in mind that one-off employee engagement surveys are unlikely to be enough to evaluate wellbeing effectively. Ongoing evaluation is required to ensure that wellbeing strategies have maximum impact and meet changing employee needs.
- Use available resources such as the Government’s online workplace wellbeing tool: <https://www.gov.uk/government/publications/workplace-wellbeing-tool> to assist with working out the costs of poor employee health to a business. Various HR and wellbeing technology platforms are also available to assist with metrics.
- It is widely acknowledged that employers are unlikely to see immediate success with most wellbeing strategies. Be prepared to wait at least 12 to 18 months before you see results.
- Communicate the results of your evaluation reports to all key stakeholders. This will demonstrate the worth of investing in health and wellbeing where your initiatives have been successful. It can also set out your plan of action where the strategy needs revising to improve results.
- Consider wider reporting of your results to employees and, potentially, on a voluntary basis via the new statutory framework established by the Department for Work and Pensions in November 2018. Wider reporting can help to establish your organisation externally as an employer of choice who proactively supports employee wellbeing.

General principles to consider when selecting your employee wellbeing initiatives

- *Focus on wellbeing objectives and target employees’ needs:* Your choice of initiatives should be directly linked to achieving your wellbeing objectives and target employees’ wellbeing needs. Ideally, your choice will be influenced by employee feedback and consultation as well as careful data analysis to understand the real health risks impacting your business.
- *Work towards parity of treatment for mental and physical wellbeing:* Adopt a holistic approach taking into account the rising concerns over mental health and wellbeing. This is particularly important in the manufacturing sector where mental ill-health is increasingly prevalent.
- *Remove the stigma around mental health conditions:* Action is required to change workplace culture and ensure that staff are well informed of organisational support and confident that their organisation encourages openness about mental health. See below for examples of internal management initiatives that could support this.
- *Prioritise prevention and early intervention:* not all illnesses are preventable but, in cases where they are, there is a cost-effective benefit to business and also for individuals with improved quality of life. See below for examples of prevention driven wellbeing initiatives.
- *Don’t underestimate the importance of “good work”:* wellbeing initiatives don’t always have to be benefits that are purchased from external sources. The concept of “good work” consists of “autonomy, flexible working, fair pay, work life balance and opportunities for progression and the absence of bullying and harassment.” It is also influenced by organisational culture, job design and employees’ control and autonomy over their work. Initiatives which focus on “good work” are particularly important in relation to mental wellbeing where heavy workload is often the main cause of stress.

- *Consider working with external organisations:* help is available when it comes to selecting the right wellbeing initiatives for your workforce. Consider consulting industry groups, trade unions, regulators, professional bodies, OH providers, EAPs, Fit for Work (advisory service only), Disability Confident, the HSE and charities such as Mind, or Heads Together. These organisations can all provide guidance and support to employers when choosing wellbeing initiatives and developing wellbeing strategies.

Examples of employee wellbeing initiatives

- There is no “one size fits all” for wellbeing strategy and the choice of different wellbeing initiatives you can select to fulfil your policy goals is vast. Here are some examples that you may want to consider, according to your particular needs.

Health promotion and early intervention	Support services	Internal management initiatives and training	Insurances
<ul style="list-style-type: none"> • Health risk assessments • Free eye tests • Advice on healthy eating • Subsidised gym membership • Health and lifestyle screening • Physical fitness programmes and technology (e.g. fitbit/health apps/tracker devices/running clubs) • Cycle to work scheme • Smoking support • Health and wellbeing days or workshops (e.g. pet therapy/sleep workshops) 	<ul style="list-style-type: none"> • Occupational health services • Employee assistance programmes • Counselling services • Physiotherapy services • Dental services • Therapeutic services (e.g. massage therapy/yoga classes/access to complementary therapy/mindfulness sessions) • Financial education (e.g. advice on debt and referrals for welfare loans) 	<ul style="list-style-type: none"> • Line manager training on handling sensitive conversations • Senior leader role-modelling (e.g. switching off from emails while on holiday, talking openly about health conditions, etc.) • Mental Health First Aider training • Flexible working and leave purchasing programmes • Mental resilience training • Rehabilitation and return to work services • Conflict resolution workshops 	<ul style="list-style-type: none"> • Private medical insurance • Long term disability or permanent health insurance • Personal accident insurance • Group income protection • Critical illness insurance • Self-funded health plans • Health cash plans • Hospital treatment insurance