

# WELLNESS

HAPPINESS

SATISFACTION

HEALTH

CONNECTION

BALANCE

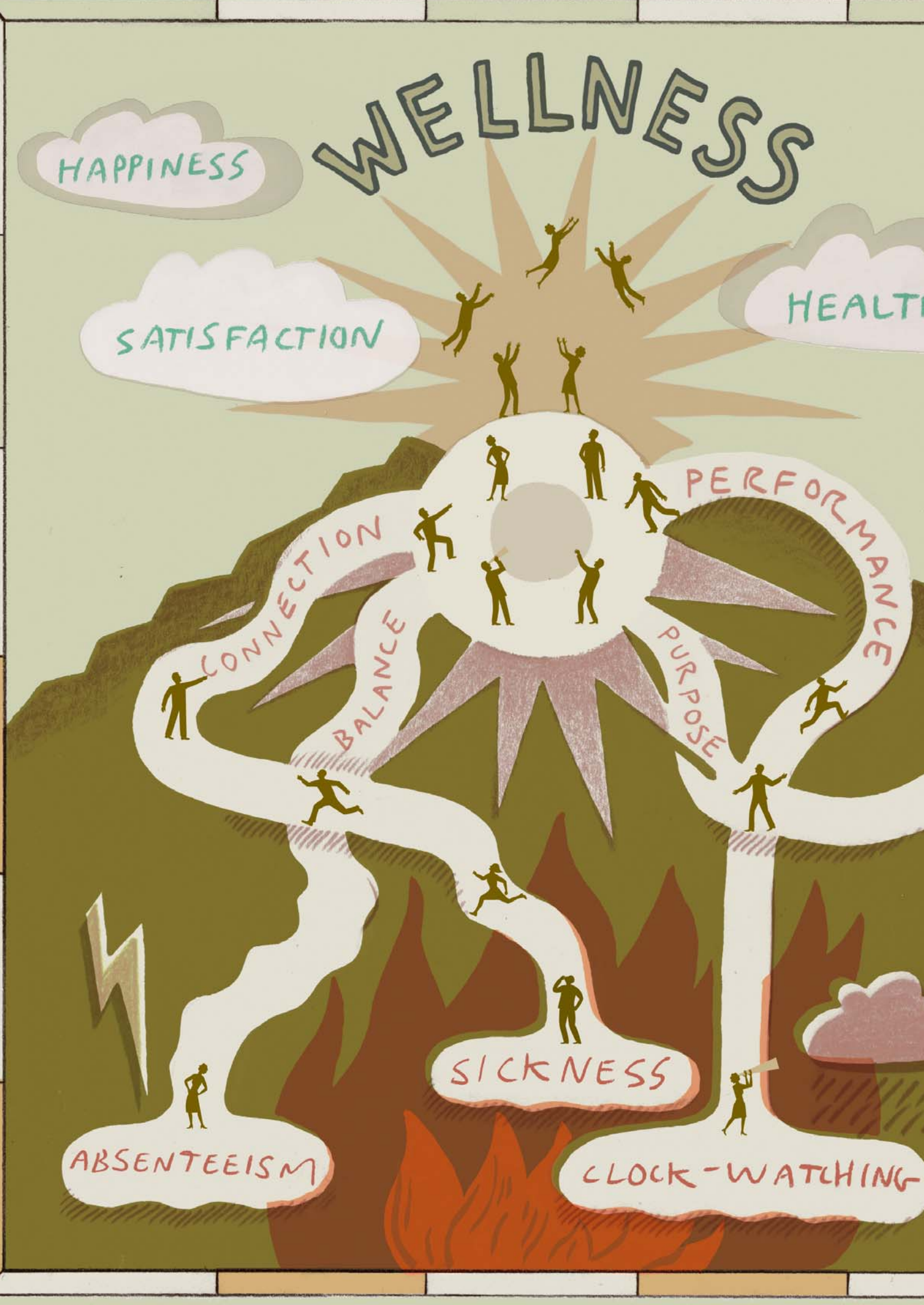
PERFORMANCE

PURPOSE

SICKNESS

ABSENTEEISM

CLOCK-WATCHING



# The morale **high** ground

Wellness management is the hot new trend in HR. It promises to solve the problems of staff turnover and absenteeism and transform demotivated and unhappy employees into healthy, high performers. In theory, it sounds uncontroversial; in practice, it divides opinion. Tina Nielsen finds out why. Illustration by Andy Baker

It's official: the UK workforce is unwell, and business is paying a high price. The Chartered Institute of Personnel and Development's absence management 2005 survey found that last year the average level of sickness was 8.4 days per employee per year. While this is a reduction on 2004, the cost of absence has increased to £601 per employee from £588 for the previous 12 months. The same survey reported that nine out of 10 organisations rated absence as a "significant" or "very significant" cost to the business. The Work Foundation estimates that a massive 45 per cent of people at work on an average day are underperforming because of physical and mental strain.

Human resources specialists claim that a wider syndrome of corporate "unwellness" lurks behind these statistics. High levels of absence and presenteeism (where people come to work but perform badly) are symptoms, they say, of an ailing management culture. If leadership, teamwork and communication are poor, people feel disengaged; the psychological contract is broken.

"In an unwell organisation, people resent the time they spend in the office and sit all day clock-watching just to rush out come five o'clock," says Ruth Spell-

man, chief executive of Investors in People, the organisation dedicated to improving performance through employees. "That usually means that they are not enjoying what they are doing".

So how exactly do you provide an environment that is happy and healthy? Consultants say "wellness management" is the answer. This means looking beyond the physical and mental health of the individual to corporate behaviour, culture and values. "You are never going to get a good place of work if you don't question the culture that is creating the ill health," says Pauline Crawford, founder and managing director of consultancy Corporate Heart.

Crawford believes that many companies define wellness in narrow, health and safety terms. They "plaster over the cracks" when often what's needed is fundamental cultural change. "In order to get a well organisation, the biggest thing is allowing people to be a part of the equation—you need well leaders, but you also need leaders who can let go and trust everybody else," she says. "The thing that increasingly worries me is that employers do things because legislation dictates it—morally, that's totally crazy."

Anthony Phillips, the managing director of consultancy Wellkom Wellness Management, shares Craw-



ford's concern. "The UK's approach to wellness management is characterised by a health and safety agenda driven by compliance—it is a very reactive approach," he says.

Crawford and Phillips want companies to be more active and foster wellness through effective communication. Crawford puts forward what she calls the "Wellness Map" as a platform for change. It has four key domains—balance, connection, purpose and performance. Once there is a "true alignment of the individual with their role, their team and their mission, vision and values of the organisation" things will move forward; optimum levels of performance will follow. To find out where a client is on the Wellness Map, Crawford gets staff to fill in an online survey. The results highlight the areas for improvement.

Last year, Corporate Heart hosted four wellness debates, bringing together a variety of experts to discuss the four areas of the Map. The number of people who turned up, and the buzz accompanying each debate, leads Crawford to believe that the tide is turning.

Phillips claims that wellness managers will eventually replace HR professionals. "HR people are ill-placed to manage this change [to a well organisation] because structures tend to splinter them into facilities management, health and safety, learning and development, business improvement and so on. There isn't an integrated approach, and that is what organisations will need," he says.

But there are those who seriously doubt the usefulness of the "wellness management" concept. For Roger Thornman, managing director of employee research company Pulse Check, it muddies the water. What directors need to focus on, he says, is what makes a business work as a business.

"When proper academic research is conducted in this area, you find that one of the biggest determinants of whether people feel engaged or satisfied or happy is performance," says Thornman. "The largest driver of how people feel at work is either how well the business is doing or whether the business allows them to perform. People confuse correlation with causation. Because they find a large number of satisfied employees in successful businesses, they assume that the satisfaction is causing the performance, but it is the other way round in large parts."

John Freeman, a partner in Business Analytics, a company turnaround specialist, agrees. Financial success creates a kind of virtuous circle, as he explains: "If your business is successful, people become happier, the organisation has increased wellness, which increases the financial success. The faster that wheel spins, the more successful the company will be."

Freeman argues that the primary consideration in an organisation should be the wellness of the leader. The health of the organisation and its employees ultimately depends on the health and happiness of those at the very top. "Bottom up" staff welfare policies won't make a difference. Thornman goes further, say-



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ing that poorly implemented wellness management could be little more than a displacement activity.

"It is a kind of comforting idea that if you can make your staff a bit happier then your business will do better. That is just not the case, unless you can get your business working properly," he says. "If the business is not working well in the first place, you can be as satisfied, fit and caffeine-free as you like but you are not going to be happy at work."

Thornman is outraged at the thousands of pounds spent each year helping staff feel engaged in what they do and maintains that surveys asking staff about their satisfaction with work are an utter waste of

## Government help for small companies

Earlier this year, the **Health and Safety Executive** launched **Workplace Health Connect**, a national advice-line for small businesses. It estimates that only three per cent of employers have access to occupational health support and says the challenge to reduce absence levels is particularly tough for small businesses. "We believe that there are a lot of small businesses that want to make the workplace nice and healthy, but they don't know what to do," says project director Elizabeth Gyngell. "The service is aimed at people who are willing to change, and the whole idea is to equip organisations with skills for the future."

Workplace Health Connect offers free advice on everything from health issues to communication problems and, in some regions, will visit companies to assess their specific needs.

[www.hse.gov.uk/workplacehealth/index.htm](http://www.hse.gov.uk/workplacehealth/index.htm)

## Case study

### Breaking the mould

In 1996 Sam McCrea, managing director and co-owner of SAM Mouldings, based in Antrim, Northern Ireland, asked his staff what they thought of him as a manager. He got an unpleasant surprise. An employee survey revealed that there was general discontent among staff, (15 at the time), and that poor morale, poor pay, and lack of communication were causing major problems.

The survey highlighted the gap that can exist between management perception and reality. When McCrea's co-owner, his wife Julienne, first mentioned the need for change, he had disagreed. "In my mind, things were going really well, but after the survey, I realised if we were going to make a difference, I had to change my attitude, which was a little authoritarian," he says.

They decided to bring in Investors in People to help.

In 2004, SAM Mouldings, a family-owned manufacturer of MDF moulded products, became one of the first Investors in People "champions". To date, the company remains the only manufacturer to earn the title, awarded to organisations that improve performance through staff management and development.

McCrea asked all members of staff to be honest about what they wanted from

the organisation. Crucially, he then acted on what they said, beginning with a 13 per cent pay rise for all employees.

An HR system was put in place—Julienne became director of business excellence. Today, employee benefits include a free annual health check and individual and team bonuses.

The company holds annual staff surveys and offers twice-yearly personal development plans. A welfare team with representatives from each department regularly communicates with management.

McCrea compares running the business to running a family: "We want to make sure we look after our people and if somebody in your family is unhappy, you want to help fix it."

He makes a point of making sure staff surveys are not anonymous: "There is absolutely no point in talking about people if you are going to turn them into numbers," he says.

In the six years between gaining Investors in People status and becoming champions, the organisation saw a 350 per cent increase in turnover, and a 185 per cent rise in profits.

McCrea is adamant that staff wellness is linked directly to the bottom line. "If you ask your employees what they want and invest in their wellness, you will see some remarkable results," he says.

everyone's time. So should you just simply accept that your principal duty is to your shareholders and get on with making money? Not quite.

"Any business should, in a moral sense, be concerned with health of employees and work-life balance. I am not saying these are irrelevant—just secondary," explains Thornman.

And even the most hard-headed of companies has to recognise that there are risks attached to neglecting staff. Elaine Aarons, an employment specialist at law firm Withers, says: "The law has got an enormous amount to say about what an employer's obligations are in relation to stress. Any employer will be less vulnerable to a claim if they have provided employees with some kind of employee assistance programme, so staff feel that there is somebody they can contact for counselling or advice."

For his part, Phillips claims there is a clear business case for wellness in the workplace. "Adopting wellness management means you can get a return three times the level of investment very fast," he claims,

citing the FTSE-100 company that was quoted an increase of £100,000 in its insurance premium thanks to a rise in legal risks such as stress claims. Advised that the company was embarking on a wellness management programme, the insurance company gave it another year to reduce claims.

Similarly, research carried out by Investors in People in 2004 showed that companies that have achieved the IiP standard are twice as profitable as companies that haven't. IiP's Spellman believes that wellness is as much something pragmatists to consider as it is for philanthropists.

"In a tight labour market, there is an issue for organisations that lose staff for the wrong reasons. People are not easy to replace and they cost a fortune. It is about organisations understanding the difference people make to their business," she says.

But aren't these arguments about the merits or disadvantages of wellness management academic as far as many businesses are concerned? Surely directors in smaller enterprises, for instance, have enough to



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do just running the business. They surely lack the time and resources for a "well office".

Spellman again disagrees. She claims the way to change the workplace culture is straightforward and not necessarily a job for the consultants. "If you are going to value your staff you need to be consistent and that doesn't need to be expensive. You just need to think about it carefully and plan it and implement it properly," she comments.

Creating the right environment is not simply dependent on a grand, paternalistic vision or corporate largesse either. Phillips, for instance, emphasises the role of the individual, describing his work as "self-enablement".

Ian Parsons of Best Companies, which every year compiles the 100 Best Companies to Work For list for the *Sunday Times*, believes that the duty of the employer is to "lead the horse to water". As he puts it: "It is up to a company to provide an environment that encourages wellness and then people can decide whether they want to be part of that culture." ■