in partnership with





HEALTH AND WELLBEING AT WORK 2021

Survey report April 2021



The CIPD is the professional body for HR and people development. The registered charity champions better work and working lives and has been setting the benchmark for excellence in people and organisation development for more than 100 years. It has more than 150,000 members across the world, provides thought leadership through independent research on the world of work, and offers professional training and accreditation for those working in HR and learning and development.

The CIPD's <u>Health and wellbeing at work</u> survey, in partnership with Simplyhealth, examines the practices organisations have to support people's health at work. It provides people professionals and employers with benchmarking data on important areas such as absence management, wellbeing benefits provision and mental health. The survey for this 2021 edition was conducted online and sent to people professionals and senior HR leaders in the UK. In total, 668 people responded.

Report

Health and wellbeing at work 2021 Contents

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1 Foreword from the CIPD

Building healthy workplaces is integral to the CIPD's purpose of championing better work and working lives, and the evidence presented here should enable organisations to help us fulfil that mission. This year, over 650 HR professionals took part in the survey, providing a valuable sample to inform our analysis.

This year's report is published over a full year since UK workplaces first rose to the enormous challenge of protecting their workforces in the face of COVID-19. Our findings show the pandemic has had a dramatic impact on organisations, prompting them to transform their working practices on an unprecedented scale to look after people's health, safety and wellbeing.

The NHS's rollout of the national vaccination programme is proceeding at scale in the UK, but COVID-19 is a global virus and will not disappear in the near future. As well as continuing to ensure workplaces are COVID-secure, organisations need to identify and manage the wider risks to people's health. The experience of the past year will have exacerbated – rather than alleviated – most of these challenges, including the pressure on many people's mental health.

In response to this continuing backdrop of uncertainty, the survey findings identify a number of priority actions for organisations, including the need to develop a strategic and holistic approach to people's health, safety and wellbeing. This approach should focus on prevention as well as providing effective support pathways for people if they become unwell. Organisations need to put in place a systematic framework, with tools to assess the main physical and psychological risks to people's health, so that they can target their activity where it's needed.

There also has to be visible commitment from the senior leadership team to make these aims a reality and ensure wellbeing is embedded – and taken seriously – across the organisation. In this respect our findings are encouraging, as they show a significant increase in the proportion of senior leaders who have employee wellbeing on their agenda. Now, more than ever, we need leaders who show compassion and actively foster a culture that engenders trust and kindness. This will encourage people to have the courage to discuss any health concerns in the knowledge that they will be listened to and receive understanding and support.

There are several other areas that demand attention, but the common thread running through almost every aspect of an effective wellbeing programme is the role that line managers play. There are still far too few organisations equipping line managers with the knowledge and skills to support people's health effectively. Managing people, and their health and wellbeing, is a big job – and an important one. Line managers are under considerable pressure in the current climate, and they'll also be experiencing many of the same concerns as those they

manage. The continuing impact of COVID-19 means they'll be managing a potentially complex mix of personal situations in their teams. To perform their role effectively, managers need the behaviours, education and capability they will only gain from receiving the right training, support and expert guidance.

It shouldn't have taken a global pandemic to push people's health and wellbeing to the top of the corporate agenda as a critical business continuity issue. The challenge, now, is to ensure employers view employee health and wellbeing as a strategic imperative beyond COVID-19.



Rachel Suff Senior Policy Adviser, Employment Relations, CIPD



Professor Sir Cary Cooper CBE President of the CIPD

2 Foreword from Simplyhealth

For over a year, employers have been dealing with the huge challenges presented by COVID-19. While employee wellbeing was already steadily rising up the corporate agenda, the last 12 months have really thrust it centre-stage.

With this in mind, we are delighted to partner with the CIPD for the eleventh year, to bring you the latest insights and trends into workplace wellbeing. Crucially, this year we'll be looking at it through the lens of the pandemic.

Preventive health and wellbeing

The importance of preventive health has been highlighted recently, and this is at the heart of what we do at Simplyhealth. Employers are well placed to make a big difference here by driving positive behaviours such as regular health checks, taking breaks, nutritional advice and increased physical activity.

In this report, it's encouraging to see more organisations showing a commitment to health and wellbeing, with half now taking a strategic approach. There's also been a significant fall in those who say their organisation is more reactive than proactive. Certainly, embracing a preventive health model reaps rewards in building a resilient, productive workforce.

While some organisations are taking additional measures to support wellbeing, surprisingly only a quarter have reported an increase in budget for health and wellbeing benefits over the past year. It will be interesting to see if the ongoing consequences of COVID prompt a longer-term shift in increased employee wellbeing investment.

The highs and lows of technology

Technology has been a vital lifeline, allowing us to stay connected to loved ones and colleagues, but it's also a double-edged sword. With blurred lines between work and home, it can be even harder to switch off at the end of the day. It has become incumbent on employers to establish clear boundaries for homeworking employees to avoid increased stress and, potentially, burnout.

That said, technology has been invaluable for our health. Virtual healthcare services like video GPs, telephone counselling, virtual triage services, and employee assistance programmes have come into their own at a time when physically attending appointments has been restricted. Employees can access these services from the comfort and safety of their own home, often getting help in a matter of hours.

Supporting the 'front line'

A consistent challenge we see is around the capability of line managers in supporting wellbeing. Managers have a critical role to play in influencing how an individual feels about their working life, from creating the right environment to enable people to thrive to being the first port of call when an employee is unwell or struggling with their health and wellbeing, through to managing absence. Yet too many organisations are not providing the support and training needed to ensure managers have the confidence and capability do this job well.

Employers have an opportunity and responsibility to equip line managers to have sensitive, and sometimes difficult, conversations about health, spot early warning signs when someone is struggling and effectively signpost them to further sources of help. On top of this, many line managers have been under increased pressure coping with the many challenges of the last year. It's essential not to forget that they need help too. Initiatives like local awareness-raising sessions, employee assistance programmes, mental health first aid programmes and resilience workshops can be helpful starters to create a robust, well-rounded approach that provides the support this cohort needs – as people managers and as people themselves.

In short, ways of working have changed for people everywhere, and it's uplifting to see many employers have stepped up to embrace and support this change. As the health landscape continues to evolve rapidly, wellbeing strategies need to continually adapt to provide the holistic, relevant healthcare people need and deserve. This report offers some clear areas of focus to keep employees mentally and physically well, ensuring people make the most of their working life through better everyday health.



Angela Sherwood Chief People Officer, Simplyhealth

3 Introduction

This is the CIPD's twenty-first survey report exploring absence and wellbeing practices in UK workplaces, in partnership with Simplyhealth. The survey explored the impact of the COVID-19 pandemic on employee attendance and health, and the response of organisations in rising to the consequent challenges. Our analysis explores the policies and activities implemented in organisations across key wellbeing dimensions, including:

- work-related stress and mental health
- wellbeing benefits provision
- employee financial wellbeing
- tackling 'presenteeism' and 'leaveism'
- the causes and management of absence
- managing people with disabilities and long-term health conditions

The survey took place in November/December 2020 and gathered insights from 668 HR professionals spanning the private (55%), public (28%) and voluntary (17%) sectors.

This main survey report is complemented by additional reports that explore aspects of health and wellbeing practice in more depth:

- **a summary report** comparing the survey findings across the private, public and voluntary sectors
- a guide for HR professionals drawing on key survey findings to identify priority areas for action
- a case study report showing how two organisations Co-op and Essex County Council have focused on employee wellbeing in the wake of COVID-19.

The aim of this research is to provide readers with a benchmarking and information resource on current and emerging practice in health and wellbeing practice.

4 How do employers manage health and wellbeing?

Key findings

- Employee wellbeing continues to rise up the corporate agenda. There's an encouraging fall in the proportion who report their organisation is 'much more reactive than proactive' (27%, down from 41% last year) on health and wellbeing, but a smaller increase in the proportion that have a formal wellbeing strategy (50%, up from 44% in 2020).
- Three-quarters (75%) of respondents believe that senior leaders have employee wellbeing on their agenda, up from 61% last year, and two-thirds (67%) report that line managers are bought in to the importance of wellbeing, up from 58% last year.
- Most organisations are taking additional measures to support employee health and wellbeing in response to COVID-19, most commonly through an increased

focus on mental health, tailoring support to individuals' needs, and providing additional support for people working from home.

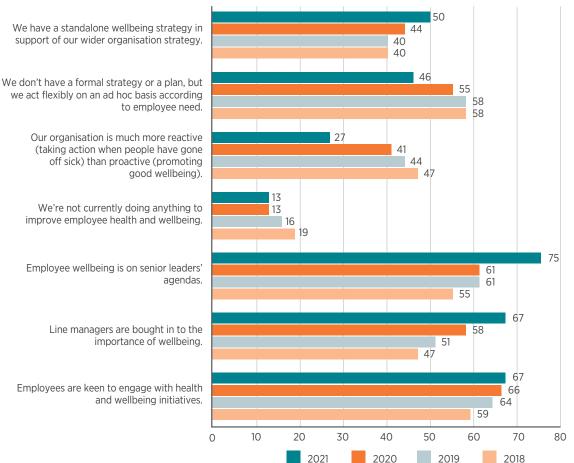
• Financial wellbeing remains a more neglected area. While nearly a quarter (23%) report their organisation has increased their focus on financial wellbeing in response to the pandemic, there are only small improvements in activity to promote financial wellbeing other than signposting people to external sources of advice.

The position of health and wellbeing in organisations

Over the last few years our surveys have indicated that employee health and wellbeing has been slowly creeping up the corporate agenda. The pandemic has forced the issue more urgently into focus, at least for some organisations. Our latest findings (Figure 1) show a step change in the proportion of senior leaders that have employee wellbeing on their agenda (75%, up from 61% last year), and a smaller increase in the proportion of line managers that buy in to the importance of wellbeing (67%, up from 58%).

The findings also show an encouraging fall in the proportion that report their organisation is 'much more reactive than proactive' (27%, down from 41% last year), although nearly half (46%) still lack a formal strategy or approach and tend to act on an ad hoc basis on health and wellbeing. As in previous years, public sector organisations are most proactive on wellbeing. SMEs (with up to 250 employees) are more likely to be taking no action compared with large organisations (250-plus employees) (16% versus 7%).

Figure 1: The position of health and wellbeing in organisations (%)



Base: 668 (2021); 1,018 (2020); 1,056 (2019); 1,016 (2018).

Responses to COVID-19

The vast majority of organisations have taken additional action to support employee health and wellbeing in response to COVID-19. In particular, many have increased their focus on looking after employees' mental health and are providing more tailored support to address individuals' needs and concerns (Figure 2).

With the growth in homeworking, it's positive that nearly three-quarters of organisations are providing new or improved support for people working from home, although less than half are providing new or better support for employees with caring responsibilities. Many employees have found themselves homeworking at makeshift workstations in less-than-optimal conditions, often while attempting to juggle home-schooling or childcare responsibilities.

Just under two-fifths are providing more line management training in supporting employee wellbeing. The role of line managers in identifying health risks and supporting wellbeing is particularly critical during periods of change. Organisations need to ensure they are equipped to do this effectively, particularly when they themselves are faced with additional demands in adapting to – and implementing – new working practices.

Over half of organisations have increased employee wellbeing support or benefits in response to the pandemic, while just over a third are focusing more on providing virtual health services. Just one in four, however, report their allocated budget for wellbeing benefits has increased as a consequence of the pandemic, with the majority saying it has remained the same (Figure 3).

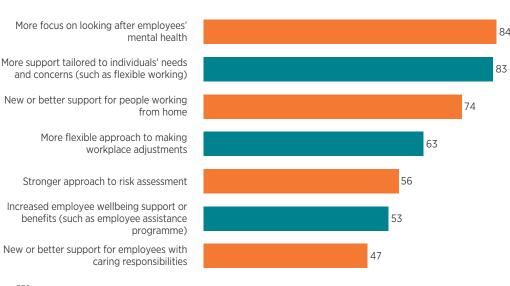
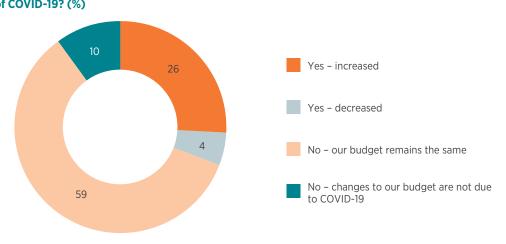


Figure 2: Additional measures to support employee health and wellbeing in response to COVID-19 (%)

Base: 539.

Note: This question was not asked of the 13% of respondents who reported their organisation hadn't taken any steps to improve employee health and wellbeing.



Base: 568.

Employee wellbeing during COVID-19

Building on the CIPD Good Work Index's investigation of job quality and working lives, the CIPD has explored people's experience of work during the COVID-19 pandemic on a monthly basis from April to September 2020.

The latest data shows a majority of workers are satisfied with their organisation's response during the pandemic (70%) and agree that their employer has been supportive (67%). Around the same proportion (69%) report they are satisfied with the health and safety measures their employer had put in place during COVID-19.

Just over two-thirds (68%) of employees say their line manager or employer has checked in on their health and wellbeing since the start of the pandemic, with those who are working from home at least one day per week more likely to say this has been the case (78%, compared with 56% of those not working from home regularly). Unsurprisingly, a significant proportion report that aspects of their wellbeing, including their physical and mental health, have worsened during the pandemic although for many there had been no change (see Figure 4).

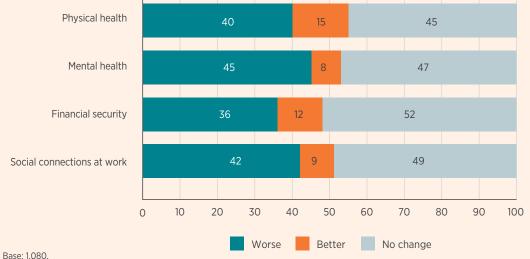


Figure 4: As a result of the COVID-19 lockdown, are the following better or worse off? (%)

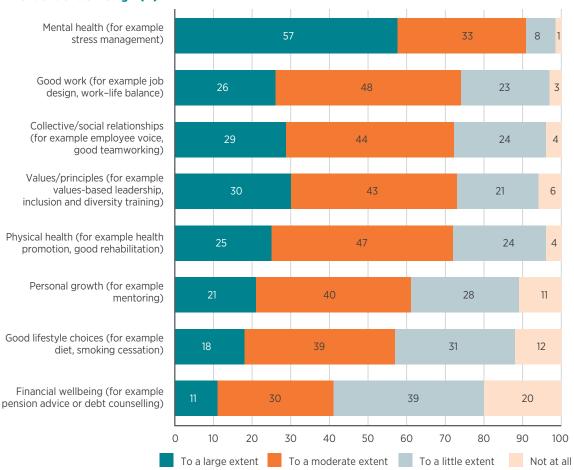
Figure 3: Has your organisation's allocated budget for wellbeing benefits changed as a consequence of COVID-19? (%)

Mental health is the most common focus of health and wellbeing activity

Over the last few years we have found that mental health is the most common focus of wellbeing activity. This year, substantially more organisations are focusing on this area to a large extent (57%, up from 41% in 2020), in line with our findings (Figure 2) that COVID-19 has prompted a greater focus on mental health.

The focus on other aspects of health and wellbeing remains similar to previous years. Most organisations make some effort to promote 'good work', collective/social relationships, values/principles and physical health (Figure 5). Financial wellbeing remains a more neglected area. The proportion who report their health and wellbeing activity is designed to promote financial wellbeing is very similar to previous years, despite our findings (Figure 2) showing that nearly a quarter of organisations have increased their focus on financial wellbeing in response to COVID-19. We explore approaches to financial wellbeing further below.

Figure 5: To what extent is your employee health and wellbeing activity designed to promote the dimensions of wellbeing? (%)



Base: 539 (organisations that take steps to improve employee health and wellbeing).

Wellbeing benefits on offer

Most organisations provide one or more wellbeing benefit to employees (Figure 6). The vast majority offer some form of health promotion benefit (most commonly free eye tests). A higher proportion now offer free flu vaccinations to all employees (49%, up from 38% last year). This coincides with a national effort to expand the NHS flu vaccination programme in order to reduce the burden on the NHS and the risk of death for those who contract both flu and COVID-19 simultaneously.

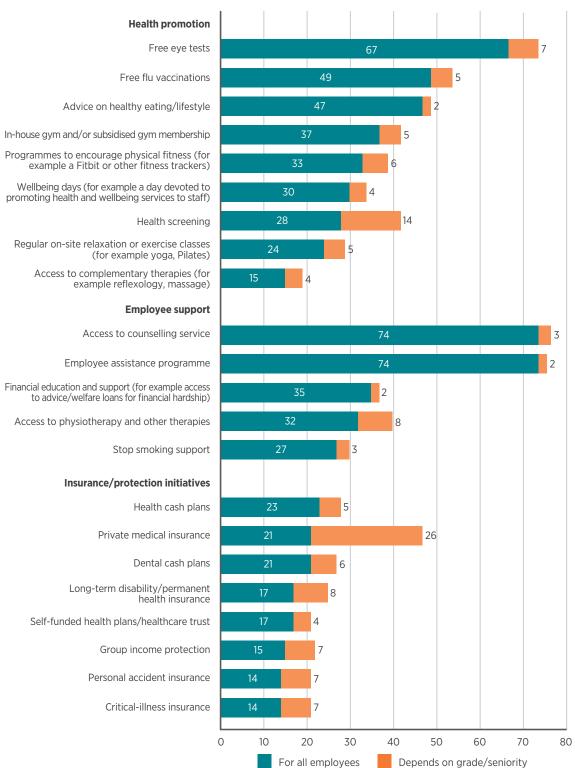


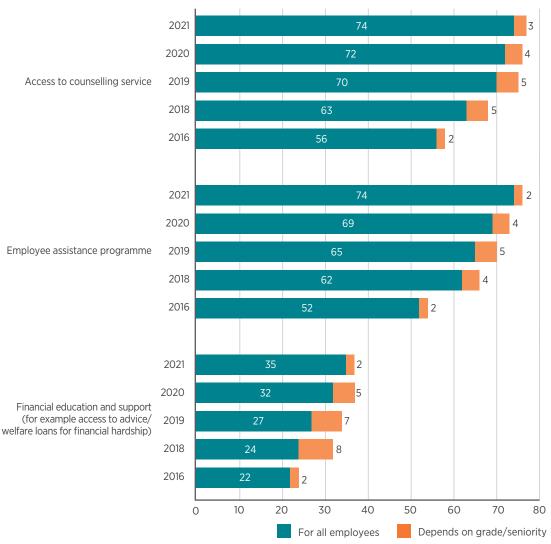
Figure 6: Employee wellbeing benefits provided by employers (%)

Base: 582.

Most organisations also provide some form of employee support. Nearly three-quarters provide counselling services and employee assistance programmes to all employees, a proportion that has been gradually increasing over the last few years (Figure 7). Our findings also reveal a gradual increase in the proportion of organisations that offer financial education and support, although this remains far less common (in line with our findings in Figure 4 that financial wellbeing is the least common focus of wellbeing activity).

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Overall, just under two-thirds of organisations (64%) offer some sort of insurance or protection initiatives, at least to some groups of staff; this is little changed from previous years. Insurance and protection benefits remain considerably more common in the private sector. Counselling services, employee assistance programmes, 'stop smoking' support, wellbeing days, regular relaxation or exercise classes, and free flu vaccinations are more common among public sector organisations (see Appendix 1).





Base: 582 (2021); 895 (2020); 1,009 (2019); 994 (2018); 805 (2016). Note: No report was published in 2017.

Financial wellbeing lacks attention in most organisations

There continues to be a lack of attention to employees' financial wellbeing in most organisations (see Figure 8). Despite the impact of the pandemic on many household incomes, our findings show only small improvements (since we last explored this issue in our 2019 report) in the proportion of organisations that are:

- taking a strategic approach to financial wellbeing (2021: 19%; 2019: 13%)
- regularly consulting employees to assess how well current benefit offerings are meeting their financial needs (2021: 22%; 2019: 17%).

As in 2019, less than half of respondents report their organisation regularly communicates its reward policies to staff.

Our findings here show that nearly a quarter of respondents report that poor financial wellbeing is a significant cause of employee stress in their organisation (Figure 8). Nevertheless, just 13% believe that their organisation has allocated an adequate budget to improve employee financial wellbeing. The CIPD's latest <u>Reward Management Survey</u> highlights the need for every employer to have a financial wellbeing policy in place to acknowledge the vital role employers play as income providers in their workers' financial wellbeing.

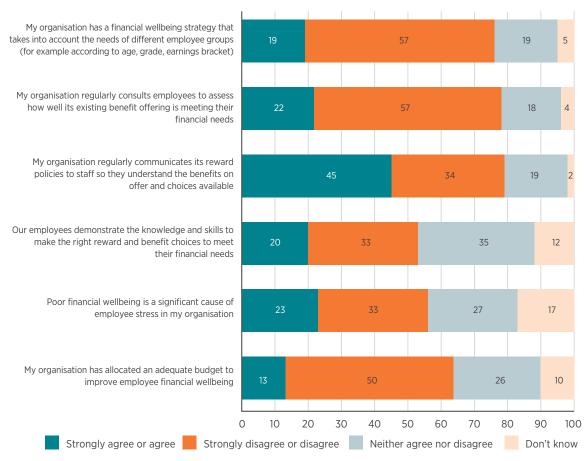


Figure 8: Organisations' approaches to financial wellbeing (%)

Base: 513.

There's been little change to pay, benefits and financial support

There has also been little change since 2019 regarding the policies and practices organisations have in place regarding pay, benefits and financial support (Figure 9). Most respondents report their organisations' pay rates are above the statutory National Living/Minimum Wage (presumably the rest meet the statutory requirements). Public and non-profit sector respondents are more likely to report their organisation has a fair and equitable pay system than those in the private sector (see Appendix 2). Retirement provision also remains considerably more generous and flexible in the public sector compared with other sectors. Flexible benefit schemes that allow staff to pick benefits are more common in larger organisations.

Just under two-thirds of organisations provide induction materials on rewards for new starters, but far fewer provide ongoing communications regarding rewards and benefits. Just under a quarter of organisations survey staff regarding their existing benefit offering, while around one in ten make efforts to provide financial education for staff or train line managers to provide staff with pay and benefits information.

The proportion of organisations offering support – such as debt counselling, interest-free loans, access to independent financial advisers and credit union membership - is also similar to 2019. However, there's been a notable increase in the proportion of organisations that are signposting employees to external sources of free advice (43%, up from 29% in 2019) as well as to online budgeting/saving modellers or calculators (19%, up from 11% in 2019). It seems likely that at least some of this increase will be directed at employees who are experiencing financial challenges stemming from COVID-19 (see Figure 2).

Figure 9: Financial benefits, communications and support (%)

Pay and benefit policies Pay rates above the statutory National 80 Living/Minimum Wage 71 64 30 51 50 36 23 63 33 24 23 12 59 43 28 19 9 17 10 0 10 20 30 40 50 60 70 80

A fair and equitable pay system

Good opportunities for staff to develop and progress

Benefits scheme allowing staff to pick benefits from their pre- and/or post-tax pay

Retirement planning

Pension plan with a minimum total pension contribution of at least 10%, including 6% from the employer

Access to pension and/or retirement advice and guidance

Phased retirement, for example three- or four-day week

Pre-retirement courses/training for staff approaching retirement

Employee communication

Induction material on rewards for new starters

Timely email alerts to employees on changes that will affect their financial wellbeing Staff surveyed about existing benefit offering and any

desired change

Total reward statements to all staff

Mandatory staff training including information about benefits/importance of making long-term financial provision

Financial awareness programme, for example financial education days for staff

Line managers trained to provide staff with pay and benefits information

Employee support

Employee assistance programme offering debt counselling

Signposting employees to external sources of free advice (for example debt charities, Citizens Advice)

Interest-free loans for staff (for example to help with season tickets, deposits for rented housing)

Access to independent financial advisers

Signposting employees to online budgeting/saving modellers or calculators

Early pay access (for example, ability to have advance on portion of wages before pay day)

Credit union membership offering staff payroll deductions for loans, investments, and so on

Base: 514

5 Managing work-related stress and mental health

Key findings

- Most respondents are concerned about the impact of the pandemic on employees' mental health, and many organisations have stepped up their efforts to tackle mental ill health and stress.
- More organisations are providing employee assistance programmes and training to build personal resilience, and more are taking a preventative approach to manage stress through efforts to identify risks and causes.
- Just over three-quarters (77%) of respondents believe their organisation actively promotes good mental wellbeing (up from 58% last year), although just half believe it is effective in tackling workplace stress or in identifying and managing the mental health risks arising from COVID-19.
- Respondents remain less positive regarding the skills and confidence of managers to support and assist with mental health, despite improvements over the last few years.

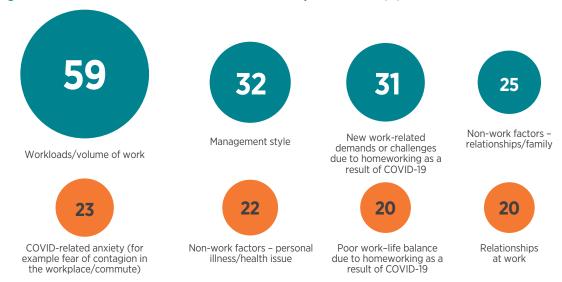
Stress at work

Our findings below show that stress continues to be one of the main causes of shortand long-term absence (see Section 8: Causes of absence, for more information). Overall, nearly four-fifths (79%) of respondents report some stress-related absence in their organisation over the last year (9% don't know), although this rises to 91% of organisations with more than 250 employees.

COVID-19 is among the main causes of stress at work

Workloads remain by far the most common cause of stress at work, followed by management style, as in previous years (Figure 10). The COVID-19 pandemic has created additional causes of stress, which also feature among the top causes of stress at work. As in previous years, relationships, at and outside work, are also commonly blamed for stress, as are personal/health issues.

Figure 10: The most common causes of stress at work in top three causes (%)

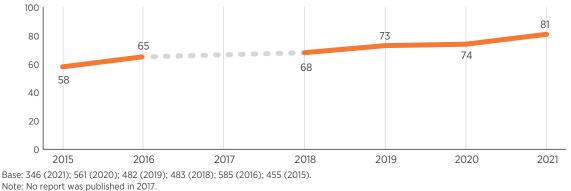


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More organisations are taking steps to identify and reduce stress

Figure 11 shows an increasing proportion of organisations that experience stress-related absence are taking steps to address it. Nevertheless, nearly one in five respondents report their organisation is not taking any steps to identify and reduce work-related stress.





Methods used to identify and reduce stress

Organisations that are taking steps to identify and reduce stress are using an increased range of methods to do so (Figure 12). More than four-fifths are using employee assistance programmes, up from just under two-thirds last year. The findings also show a substantial increase in the proportion taking a preventative approach to managing stress, for example, through using staff surveys or focus groups to identify the causes of stress or by carrying out stress risk assessments/audits. In addition, an increasing proportion of organisations are providing training, particularly to build personal resilience.

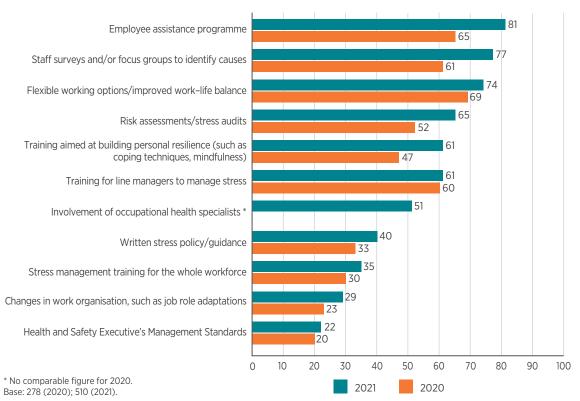


Figure 12: Methods used to identify and reduce stress in the workplace. Respondents in organisations that are taking steps (%)

Managing work-related stress and mental health

Just half (50%) of respondents in organisations that are taking steps to tackle stress believe that their organisation is effective at reducing workplace stress (21% disagree/ strongly disagree that they are effective). These figures show no improvement on last year (2020: 51% of those taking steps agreed their organisation was effective, 15% disagreed) despite our findings above that organisations are using an increased range of methods. It's possible that organisations' efforts are not keeping up with increased levels of stress this year, exacerbated by the pandemic. However, the findings also imply that many organisations need to address the deeper organisational factors that have an adverse impact on health, such as workloads and management style.

Managing mental health

Mental ill health has been a significant and growing challenge for organisations over the past few years, further exacerbated by COVID-19. Research conducted by the CIPD on the impact of COVID-19 on UK working lives shows a range of worsening mental health effects on many people, particularly those with an existing mental health condition (as explored in the **Employee wellbeing during COVID-19** box earlier). In November 2020, mental health charity Mind revealed that more people had experienced a mental health crisis during the COVID-19 pandemic than ever previously recorded. Many people are experiencing a range of mental health issues, including stress, anxiety, depression, post-traumatic stress symptoms and burnout, and the effects are anticipated to be long-lasting for some.

Over two-fifths (42%) of respondents are 'extremely concerned' about the impact of the pandemic on employees' mental health, and a further two-fifths (40%) are moderately concerned. Just 1% report they are not at all concerned. Public sector respondents are most likely to be extremely concerned (48%* compared with 40% of the private sector and 38% of non-profits).

Over the last few years we have seen an increasing proportion of organisations taking steps to support mental health at work. This year's findings (Figure 13) show that more have stepped up their efforts during the pandemic. The biggest increases are in the provision of employee assistance programmes and training staff to build resilience, as well as in the promotion of flexible working options. We are also seeing continued growth in the use of mental health/wellbeing champions and mental health first aiders, although it's disappointing that more organisations are not training managers to support staff with mental ill health given the critical role they play in identifying issues and preempting threats.

Our findings above (Figure 10) show that the potential challenges posed by homeworking as a result of COVID-19 and its impact on work-life balance are among the most common causes of workplace stress. Just over two-fifths of organisations have increased their focus on identifying mental ill health among people who work remotely. Enforced homeworking during the pandemic has led to tensions between work and family responsibilities. Remote working can also exacerbate feelings of isolation and contribute to a deterioration in work-life balance. Keeping in contact and moving quickly to address threats to wellbeing is essential in these circumstances.

^{*} This rises to 87% of the 23 public sector respondents who work in health, reflecting the high demands on workers in this sector.

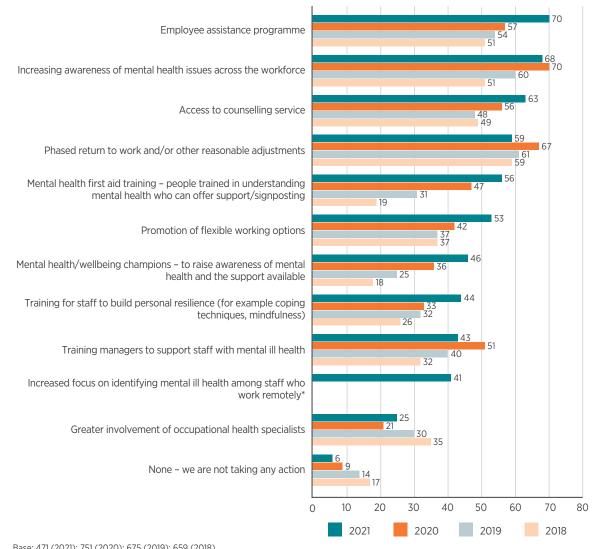


Figure 13: Actions taken to manage employee mental health at work (%)

Base: 471 (2021); 751 (2020); 675 (2019); 659 (2018). * No comparable figures for previous years, as this was a new option.

Effectiveness in promoting good mental health

Over three-quarters of respondents agree/strongly agree that their organisation actively promotes good mental wellbeing, a significant increase on previous years, reflecting organisations' increased efforts to manage employee mental health (Figure 14). There has also been a clear improvement in the proportion reporting that senior leaders encourage a focus on mental wellbeing through their actions and behaviour (in line with our findings in Figure 1 that more senior leaders have employee wellbeing on their agenda).

Respondents are less positive regarding the skills and confidence of managers to support and assist with mental health, despite improvements over the last few years. Managers often face conflicting demands to deliver on targets while also managing people and supporting wellbeing. Organisations need to ensure that managers are equipped with the skills and support to manage this balance effectively.

While 84% of organisations have increased their focus on mental health in response to the pandemic (Figure 2), just 54% believe they have been effective at identifying and managing the mental health risks arising from COVID-19 (Figure 15).

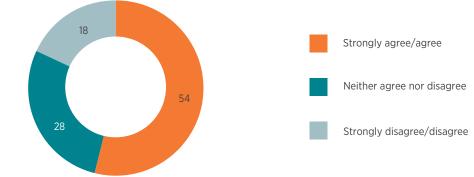
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Figure 14: Effectiveness in promoting positive mental health (%)



Base: 470 (2021); 749 (2020); 658 (2019); 658 (2018).

Figure 15: My organisation has been effective at identifying and managing the mental health risks arising from COVID-19 (%)



Base: 468.

6 'Presenteeism' and 'leaveism' are still widespread

Key findings

- The overwhelming majority of respondents (84%) have observed 'presenteeism', both in the workplace (75%) and while working at home (77%), over the past 12 months.
- Seven in ten (70%) have observed some form of 'leaveism', such as working outside contracted hours or using holiday entitlement to work, over the past 12 months.
- More organisations are taking steps to address both 'presenteeism' and 'leaveism' compared with last year, although over two-fifths of those experiencing these issues are not taking any action (43% for those experiencing presenteeism; 47% in the case of leaveism).

'Presenteeism' remains widespread

Over the last few years our survey has found the vast majority of respondents have observed people coming into work when unwell ('presenteeism'). This year, due to the considerable increase in homeworking during the COVID-19 pandemic, we asked respondents about 'presenteeism' among employees working at home as well as among those in the workplace. Our findings show that 'presenteeism' remains common regardless of where people work (Figure 16). Just 16% of respondents had not observed any form of 'presenteeism'.

'Leaveism' is also common

<u>The term 'leaveism'</u> describes the use of allocated time off, such as annual leave, for sickness or to catch up on work. Our findings this year show that 'leaveism' remains commonplace, with 70% of respondents reporting some sort of 'leaveism', in little change from last year (Figure 17).

'Presenteeism' and 'leaveism' often co-exist

As we've found in previous years, 'leaveism' is more common in organisations that also experience 'presenteeism'. Seventy-nine per cent of respondents who have observed 'presenteeism' in their organisations have also observed 'leaveism', while 45% of those who haven't observed 'presenteeism' have observed 'leaveism'. With the recent increase in homeworking, digital technology has the potential to enable an 'always on' culture. There's a concern that the boundaries between work and home life can be increasingly blurred, making it more difficult for many people to switch off.

Figure 16: Are you aware of 'presenteeism' (people working when ill) in your organisation over the past 12 months? (%)



Base: 468.

Figure 17: Have you observed 'leaveism' in your organisation over the last 12 months? (%)



Base: 511.

More steps needed to address 'presenteeism' and 'leaveism'

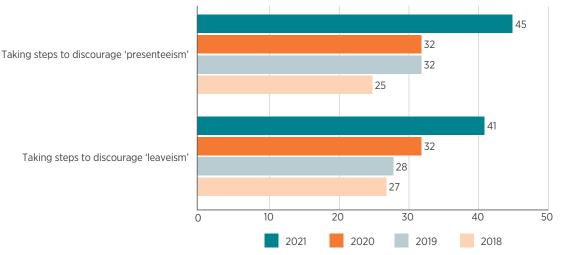
There's an increase in the proportion of organisations taking steps to address both 'presenteeism' and 'leaveism' compared with last year (Figure 18). This progress may be related to our findings (Figure 1) that an increased proportion of senior leaders and line managers have employee wellbeing on their agenda.

'We actively discourage leaveism by pre-leave handovers.'

Private sector respondent

Both these groups play a key role in tackling unhealthy working practices like 'presenteeism' and 'leaveism' through role-modelling healthy practices. Despite these improvements, over two-fifths (43%) of organisations experiencing 'presenteeism' and 47% of those experiencing 'leaveism' aren't taking any steps to address them (12% don't know if they are taking steps to address either).

Figure 18: Organisations that have taken steps to discourage 'presenteeism' and 'leaveism' over the last 12 months (% of those experiencing 'presenteeism'/'leaveism')



3ase: 'Presenteeism': 389 (2021); 661 (2020); 558 (2019); 557 (2018); 'Leaveism': 358 (2021); 565 (2020); 452 (2019); 548 (2018).

(7) Supporting people with a disability or long-term health condition

Key findings

- Approximately three-fifths of respondents report their organisation has a supportive framework to recruit, manage or retain people with a disability and/or long-term health condition.
- Developing line manager knowledge and confidence is the most common challenge organisations face in managing people with a disability or long-term health condition, but less than a third provide managers with training and guidance.
- Approaches to managing people with these conditions most commonly include access to support services, such as counselling or occupational health, and a flexible and inclusive working culture.
- Just two-fifths of organisations collect some form of workforce disability data or narrative information. Very few publish any of this data externally.

Disappointingly, there has been little change in the proportion of organisations with supportive frameworks in place to recruit, manage and retain people with a disability and/ or long-term health condition since we last explored this in 2018. Overall, around three-fifths of organisations have a supportive framework to recruit (60%), manage (64%) or retain (57%) people with such conditions (15–18% of respondents don't know if their organisation has such frameworks). Private sector organisations are less likely to have any supportive frameworks in place compared with those in the public or non-profit sectors.

Line manager knowledge and confidence is the most common challenge

Just 28% of respondents believe their organisation doesn't experience any challenges in managing people with a disability and/or long-term health condition (2018: 23%). Private sector organisations (regardless of size) are most likely to report they don't experience any challenges (36%, compared with 14% of the public sector and 24% of non-profits). As in 2018, the most common challenge is developing line manager knowledge and confidence (Figure 19).

Figure 19: The key challenges in managing people with a disability and/or long-term health condition (%)



Base: 383.

How organisations are managing people with disabilities/long-term health conditions

Organisations' efforts to manage people with a disability and/or long-term health condition most commonly include providing access to support services, such as counselling or occupational health, and developing a flexible and inclusive working culture (Figure 20). Just half report their approach includes fair and inclusive absence and performance policies and practice.

Despite our findings above that developing line manager knowledge and confidence remains the most common challenge, less than a third (32%) provide training and guidance for line managers as part of their approach to managing people with disabilities/long-term health conditions, while just over two-fifths (42%) report they have a supportive line management style that treats people as individuals.

All of these approaches are generally considered effective by those who use them (although between 12% and 22% of respondents didn't know if they were effective or not).

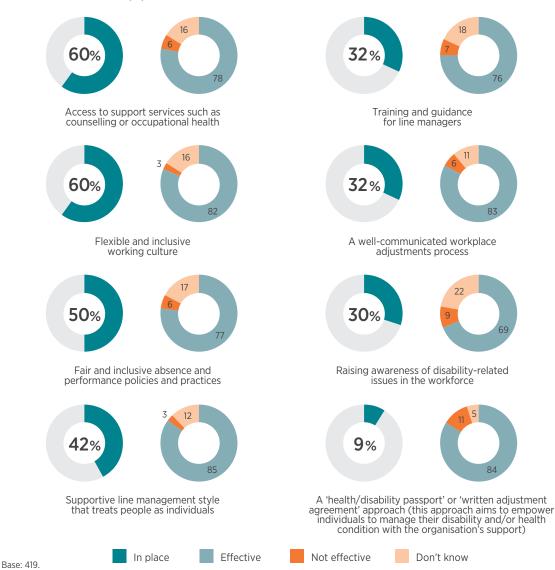


Figure 20: Approaches in place to manage people with a disability and/or a long-term health condition and how effective these are (%)

Workforce disability data and narrative information

Overall, just two-fifths (40%) of respondents report that their organisation collects some form of workforce disability data or narrative information and very few publish the information they collect externally (Figure 21). These figures, however, mask considerable sector differences. Public sector respondents are more than twice as likely to report their organisation collects some form of disability data (69%) compared with those in the private (29%) or non-profit sectors (34%), not surprising given their responsibilities under the Public Sector Equality Duty. They are also more likely to publish at least some disability data externally (27%, compared with 8% of non-profits and 5% of private sector organisations).

Barriers to disability reporting

Nearly two-thirds of respondents report the main barrier to disability reporting is lack of disclosure from employees (Figure 22). One in four report they lack the resources, systems/infrastructure or guidance/support for good practice in disability reporting. A few respondents commented that they didn't feel a need to collect this information because they were too small and/or had no disabilities within their workforce.

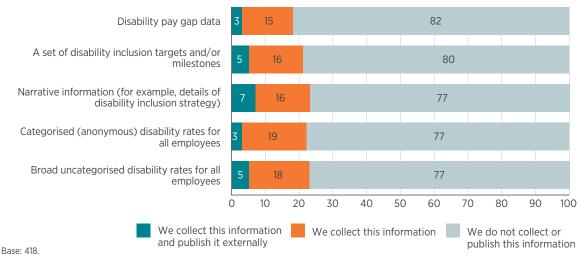


Figure 21: Collecting and disclosing workforce disability data and narrative information (%)

Figure 22: Barriers to disability reporting (% of respondents)

11	64 %	Employees don't disclose this information so we are unsure of the true disability rate figure for our organisation.
11	25 %	My organisation lacks the resources (for example, management time) to be able to focus on disability reporting.
11	24%	My organisation lacks the systems/infrastructure to be able to collect high-quality data.
11	23%	There's a lack of guidance and/or support regarding good-practice disability reporting.
11	13%	Senior management is not convinced of the business case for disability reporting.
11	11 %	We don't know how to ask employees whether they have a disability.
; }	8%	Other

Base: 413.

Awareness of the voluntary reporting framework for disability, mental health and wellbeing

In November 2018, the Government launched a <u>voluntary reporting framework</u> to encourage and support businesses to report how many of their staff have a disability or health condition, and also regarding the mental health and wellbeing of staff. The framework is aimed at organisations with over 250 employees but can also be used to support smaller employers who are keen to drive greater transparency in their organisation.

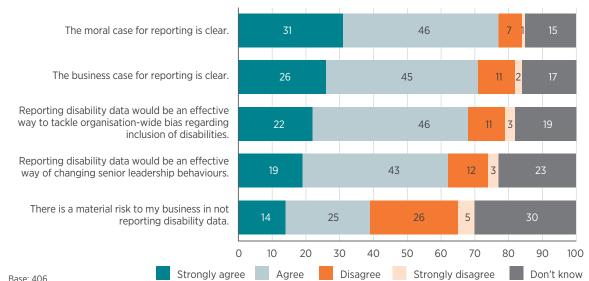
Our findings show that awareness of the framework remains limited. Just over a fifth (21%) of respondents were aware of the framework, regardless of sector or whether they worked in small, medium or larger organisations. Of these, nearly two-fifths (37%) had adopted at least part of the framework (21% in full, 16% in part) and a further 35% were working towards adopting it. Over a quarter (28%) report their organisation has no plans to adopt the framework, although this rose to 54% of SMEs (compared with just 16% of organisations with more than 250+ employees).

The value of reporting disability, mental health and wellbeing data

Over three-quarters of respondents agree or strongly agree that there is a clear moral case for reporting disability, mental health and wellbeing data and nearly as many that there is a clear business case (Figure 23). Just over two-thirds agree that reporting disability data would be an effective way to tackle organisation-wide bias regarding disabilities, while more than six in ten agree this would be effective in changing senior leadership behaviours. Respondents from larger organisations are more likely to agree with both of these statements than those in SMEs.

Overall, respondents are less clear and more divided on whether there is a material risk to their business in not reporting disability data. Public sector respondents and those in organisations with more than 1,000 employees are most likely to believe there is a material risk.

Figure 23: The value of reporting on disability, mental health and wellbeing workforce data (%)



Base⁻ 406

Causes of absence 8

Key findings

- Just 10% of organisations report they haven't experienced any absence due to COVID-19 (excluding business closures or furloughing staff).
- Four in ten (39%) include COVID-19 among their top three causes of short-term absence and 16% among their top three causes of long-term absence.
- Mental ill health remains the most common cause of long-term absence followed by musculoskeletal injuries and stress. These are also among the most common causes of short-term absence

Absence due to COVID-19

The pandemic and the government response, such as social distancing, have had a deep impact on the UK labour market. Temporary absences from work have increased as many businesses have had to close temporarily or operate at reduced capacity, with considerable numbers of employees furloughed, shielding or isolating. The disruption to many businesses in terms of working time has been incalculable in many ways.

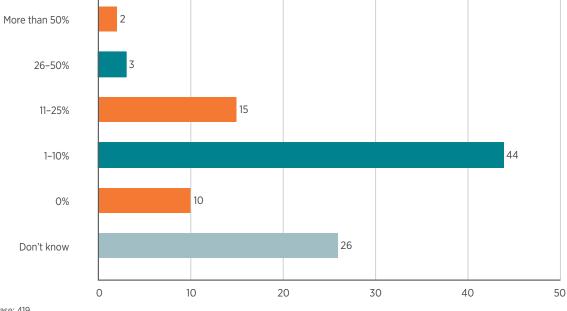
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These changes, coupled with differences between organisations in which aspects of COVID-19-related absence, if any, they include in their absence rate (such as suspected or confirmed cases, self-isolation, quarantine, shielding), mean we are unable to provide a valid average sickness absence rate from our data this year.

Nevertheless, it's clear that COVID-19 has significantly contributed to absence levels in the majority of organisations. Just one in ten organisations report they haven't suffered any absence due to COVID-19-related illness, quarantine, self-isolation or shielding (Figure 24). A small proportion have lost more than 25% of working time, while a further 26% don't know how much time has been lost to COVID-19. These responses (collected between 25 November and 18 December 2020) don't take into account the impact of the steep rise in cases from the end of December 2020 into 2021.

Latest figures from the Office for National Statistics (ONS) have shown COVID-19 accounted for 14% of all sickness absence since April 2020. While the pandemic may have led to additional sickness absence, measures such as furloughing, social distancing, shielding and increased homeworking appear to have helped reduce other causes of absence, allowing the general downward trend to continue, says the ONS. It reports the UK sickness absence rate has fallen to 1.8% in 2020, the lowest recorded level since their reporting began in 1995.

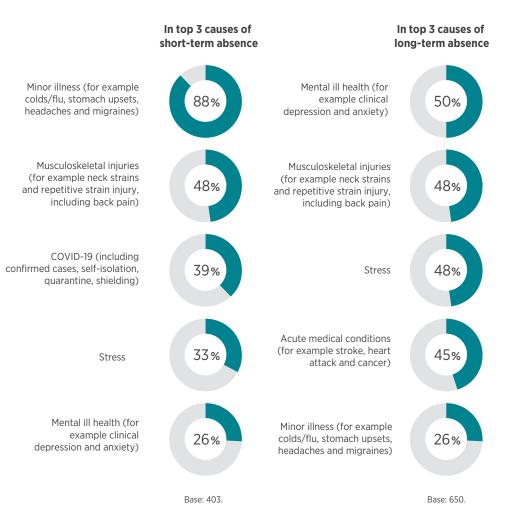




Base: 419

Overall, just under two-fifths (39%) of organisations include COVID-19 (confirmed cases, self-isolation, quarantine, shielding) among their top three causes of short-term absence, while 16% include it among their top three causes of long-term absence (latter figure not shown in Figure 25). The other main causes of absence are similar to previous years (Figure 25). Minor illness remains by far the most common cause of short-term absence (four weeks or less) followed by musculoskeletal injuries. Mental ill health, musculoskeletal injuries, stress and acute medical conditions are the most common causes of long-term absence (four weeks or more).





9 Managing absence and promoting attendance

Key findings

- Most organisations use a combination of methods to deter and manage sickness absence and promote attendance. Return-to-work interviews, trigger mechanisms to review attendance and leave for family circumstances remain the most common methods used.
- There's more expectation on line managers to take primary responsibility for managing both short- and long-term absence compared with last year. However, there has been a smaller increase in the proportion providing managers with training in absence-handling and/or tailored support to ensure their competence.
- There's an increase in the proportion of organisations offering employee assistance programmes and taking a proactive approach to absence and attendance by focusing on health and wellbeing.

The overwhelming majority (96%) of organisations take some steps to manage absence and promote attendance. Overall, the most common methods used are similar to previous years (see Figure 26). Most use a combination of methods to both deter absence (such as return-to-work interviews, trigger mechanisms to review attendance and disciplinary/ capability procedures) and provide support (for example, leave for family circumstances, changes to working patterns or environment, occupational health services and employee assistance programmes).

Encouragingly, there's a continued increase in the proportion of organisations taking a positive and proactive approach to managing absence through focusing on health and wellbeing (Figure 27), although nearly two-fifths (39%) of organisations are not doing this. There's also a step increase this year in the proportion of organisations providing employee assistance programmes.

More organisations now look to line managers to take primary responsibility for managing both short- and long-term absence compared with last year (Figure 28). This expectation isn't matched by a corresponding increase in the proportion training managers in absence-handling and/or providing them with tailored support.

As in previous years, public sector organisations (which have the highest levels of absence) are more likely to use a wide range of approaches to absence management (although private sector organisations are more likely to use private medical insurance).

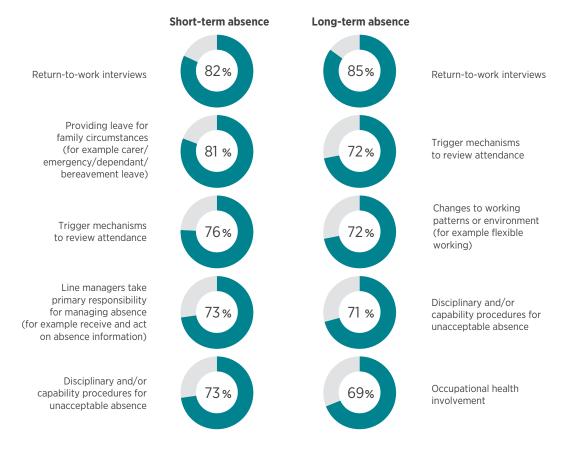


Figure 26: Top five most commonly used approaches for managing short- and long-term absence (%)

Base: 425.

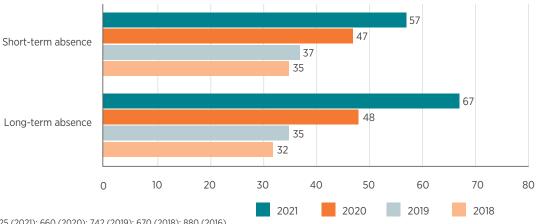
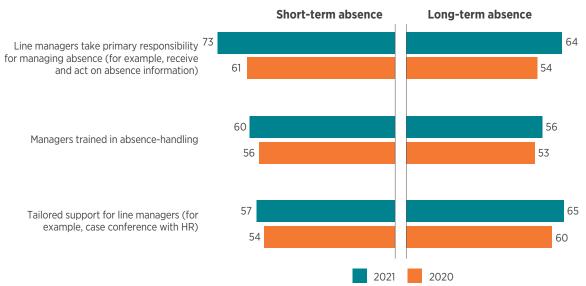


Figure 27: Proportion of organisations managing absence through a focus on health and wellbeing (%)

Base: 425 (2021); 660 (2020); 742 (2019); 670 (2018); 880 (2016).

Figure 28: More organisations give line managers responsibility to manage absence (%)



Base: 425 (2021); 660 (2020).

Conclusion 10

The COVID-19 pandemic has already posed unimaginable risks to populations across the globe. Its impact has extended directly into UK workplaces and is obvious across a number of our survey findings. The huge disruption caused to employee attendance means this is the first time in 20 years that we haven't been able to provide a reliable sickness absence rate, for example. The survey also highlights a very high level of concern on the part of HR professionals for people's mental health as a result of the challenges they face.

On a more optimistic note, our survey shows evidence of most organisations increasing their focus on health and wellbeing and doing their best to support people in a holistic way. It's encouraging that senior leaders are taking more serious notice of wellbeing issues because they have the influence to transform the culture as well as practice in organisations. A key priority for HR professionals is to ensure that health and wellbeing continues to receive heightened attention in the boardroom when the threat from COVID-19 recedes and it's no longer an urgent business continuity issue.

Health and wellbeing practice can never stand still because it needs to evolve to meet the constantly changing influences of the wider environment and employee needs. There are several other areas where HR professionals need to fine-tune their approach, including a stronger focus on financial wellbeing, improving the capability of line managers to support people's mental health, and improving practices for managing people with disabilities and long-term health conditions. This latter point has particular relevance for making sure organisations provide adequate support for those suffering from long COVID in the months ahead.

Finally, a word for HR professionals: we know you have been at the heart of your organisation's response to combatting COVID-19 and have been doing all you can to keep people safe. There's a risk that your own wellbeing is severely challenged during these difficult times, and it can all too easily fall between the cracks. Seeking help is a sign of strength, not weakness, and the wellbeing offering we introduced for CIPD members last year is there for anyone who needs it.

11 Background to the survey

This is the twenty-first annual CIPD survey to explore issues of health, wellbeing and absence in UK workplaces. The survey was conducted online from late November to mid-December 2020. The analysis is based on responses from 668 organisations in reference to 2.7 million employees.

The survey consists of 29 questions completed through an online self-completion questionnaire. Many questions remain the same as previous years to provide useful benchmarking data on topics including wellbeing, absence, 'presenteeism' and 'leaveism', work-related stress and mental health. This year, we also explore organisations' responses to supporting employee health and wellbeing through the COVID-19 pandemic and revisit organisations' approaches to managing people with a disability or long-term health condition (last explored in our 2018 survey report).

Sample profile

The survey was sent to HR and L&D professionals (CIPD members and non-members).

Most respondents (76%) answered the questions in relation to their whole company/ organisation, although 14% answered in relation to a single site and 7% in relation to a single division. A small minority responded for specific regions or parts of the business.

Respondents come from organisations of all sizes (Table 1) and work within a wide range of industries (Table 2). Overall, 55% work in the private sector (41% of respondents in private sector services, 14% in manufacturing and production), 28% in the public sector and 17% in voluntary, community and not-for-profit organisations (referred to in the report as 'non-profits'). This distribution is similar to previous years.

Table 1: Number of people employed in respondents' organisations (% of respondents reporting	
for whole organisation)	

	2021	2020	2019	2018	2016	2015	2014	2013	2012
Fewer than 50	15	14	11	11	18	18	14	13	6
50-249	26	31	33	36	34	38	37	38	34
250-999	24	23	23	21	19	22	21	22	31
1,000-4,999	19	16	18	18	14	13	15	14	19
More than 5,000	16	15	15	15	15	10	13	13	10

Base: 506 (2021); 797 (2020); 802 (2019); 788 (2018); 912 (2016); 467 (2015); 413 (2014); 499 (2013); 592 (2012).

Table 2: Distribution of responses, by sector

	Number of respondents	%
Private sector	365	55
Professional and business services (legal, accounting, architectural and engineering, advertising and market research)	58	9
Manufacturing	53	8
Financial and insurance	29	4
Construction	27	4
Health	26	4
Information and communication	25	4
Wholesale and retail	24	4
Transportation and storage	20	3
Accommodation and food services	17	3
Education	16	2
Arts, entertainment and recreation	9	1
Utilities (electricity, gas, water, sewage, waste management)	7	1
Primary industries (agriculture, forestry, fishing, mining and quarrying)	4	1
Public administration	2	0
Real estate	2	0
Other	46	7
Public services	187	28
Public administration	59	9
Education	51	8
Health	35	5
Information and communication	4	1
Arts, entertainment and recreation	3	0
Accommodation and food services	2	0
Financial and insurance	2	0
Professional and business services (legal, accounting, architectural and engineering, advertising and market research)	2	0
Transportation and storage	2	0
Manufacturing	1	0
Real estate	1	0
Wholesale and retail	1	0
Other	24	4
Voluntary, community and not-for-profit	116	17
Health	22	3
Education	15	2
Arts, entertainment and recreation	7	1
Accommodation and food services	5	1
Professional and business services (legal, accounting, architectural and engineering, advertising and market research)	4	1
Financial and insurance	3	0
Real estate	3	0
Information and communication	2	0
Public administration	- 1	0
Transportation and storage	1	0
Other	53	8
Base: 668.		0

Note on abbreviations, statistics and figures used

Voluntary, community and not-for-profit organisations are referred to throughout the report as 'non-profit organisations'.

The 'private sector' is used to describe organisations from manufacturing and production and private sector services. These two groups are combined for reporting purposes where there are no significant differences between their responses.

SMEs refer to organisations with fewer than 250 employees.

Where we report on figures by organisation size, the analysis is based on the responses of those who report for the whole organisation. Those reporting only for employees in a single site/division/region are excluded for comparison purposes.

Some respondents did not answer all questions, so where percentages are reported in tables or figures, the respondent 'base' for that question is given.

All figures in graphs have been rounded to the nearest percentage point. Due to rounding, percentages may not always total 100.

12 Appendices

Appendix 1: Wellbeing benefits on offer, by sector (%)

		Manufacturing	Private		
	All respondents Base: 582	and production Base: 77	sector services Base: 234	Public services Base: 164	Non-profit sector Base: 107
Health promotion					
Free eye tests					
For all employees	67	74	62	68	71
Depends on grade/seniority	7	5	10	4	3
Free flu vaccinations					
For all employees	49	47	48	58	39
Depends on grade/seniority	5	8	4	6	2
Advice on healthy eating/lifestyle					
For all employees	47	47	49	54	35
Depends on grade/seniority	2	4	3	2	0
In-house gym and/or subsidised gyn	n membership				
For all employees	37	31	37	46	30
Depends on grade/seniority	5	5	8	3	2
Programmes to encourage physical fitne	ess (eg walking/pedome	eter initiatives sucl	h as a Fitbit o	or other fitne	ss trackers)
For all employees	33	27	33	40	24
Depends on grade/seniority	6	9	9	4	0
Wellbeing days (for example a day d	evoted to promoting	health and wellb	peing servio	ces to staff)	
For all employees	30	21	26	38	30
Depends on grade/seniority	4	3	6	4	3

Health screening

···· y									
For all employees	28	43	26	32	14				
Depends on grade/seniority	14	22	20	6	6				
Regular on-site relaxation or exercise classes (for example yoga, Pilates)									
For all employees	24	10	24	32	23				
Depends on grade/seniority	5	5	8	3	1				
Access to complementary therapies (for example reflexology, massage)									
For all employees	15	12	17	14	14				
Depends on grade/seniority	4	6	7	2	1				
Employee support									
Access to counselling service									
For all employees	74	56	69	88	79				
Depends on grade/seniority	3	9	3	2	2				
Employee assistance programme									
For all employees	74	66	72	80	73				
Depends on grade/seniority	2	8	2	1	1				
Financial education and support (for exam	ple access to ac	lvice/welfare I	oans for fina	ancial hardsh	ip)				
For all employees	35	25	37	38	32				
Depends on grade/seniority	2	5	3	2	0				
Access to physiotherapy and other therap	ies								
For all employees	32	25	30	39	31				
Depends on grade/seniority	8	17	11	4	3				
Stop smoking support									
For all employees	27	21	23	40	20				

Insurance/protection initiatives

Health cash plans						
For all employees	23	29	26	15	26	
Depends on grade/seniority	5	5	9	2	2	
Private medical insurance						
For all employees	21	23	35	7	13	
Depends on grade/seniority	26	49	33	9	18	
Dental cash plans						
For all employees	21	17	26	12	26	
Depends on grade/seniority	6	8	10	2	1	
Long-term disability/permanent health insurance						
For all employees	17	22	25	8	12	
Depends on grade/seniority	8	14	12	4	2	

Self-funded health plans/healthcare trust

For all employees	17	17	21	13	13
Depends on grade/seniority	4	4	8	2	1
Group income protection					
For all employees	15	23	23	4	11
Depends on grade/seniority	7	17	10	2	0
Personal accident insurance					
For all employees	14	16	23	4	11
Depends on grade/seniority	7	9	9	5	4
Critical-illness insurance					
For all employees	14	16	24	4	8
Depends on grade/seniority	7	9	10	4	2

Appendix 2: Financial benefits, communications and support, by sector (%)

	All respondents Base: 514	Manufacturing and production Base: 66	Private sector services Base: 211	Public services Base: 140	Non-profit sector Base: 97
Pay and benefit policies					
Pay rates above the statutory National Living/Minimum Wage	80	83	74	84	84
A fair and equitable pay system	71	61	64	79	82
Good opportunities for staff to develop and progress	64	62	66	66	56
Benefits scheme allowing staff to pick benefits from their pre- and/or post-tax pay	30	33	33	29	22
Retirement planning					
Pension plan with a minimum total pension contribution of at least 10%, including 6% from the employer	51	41	33	81	52
Access to pension and/or retirement advice and guidance	50	52	42	65	43
Phased retirement, for example a three- or four-day week	36	41	25	62	18
Pre-retirement courses/training for staff approaching retirement	23	18	7	55	18
Employee communication					
Induction material on rewards for new starters	63	64	65	58	63
Timely email alerts to employees on changes that will affect their financial wellbeing	33	23	38	29	35
Staff surveyed about existing benefit offering and any desired change	24	17	28	20	27
Total reward statements to all staff	23	23	27	26	11
Mandatory staff training including information about benefits/importance of making long-term financial provision	12	12	12	15	9
Financial awareness programme, for example financial education days for staff	11	9	11	14	9
Line managers trained to provide staff with pay and benefits information	9	9	13	8	4

Employee support

Employee assistance programme offering debt counselling	59	53	57	63	64
Signposting employees to external sources of free advice (for example debt charities, Citizens Advice)	43	39	39	48	46
Interest-free loans for staff (for example to help with season tickets, deposits for rented housing)	28	23	30	24	32
Access to independent financial advisers	19	23	22	12	20
Signposting employees to online budgeting/ saving modellers or calculators	19	9	20	24	19
Early pay access (for example ability to have advance on portion of wages before pay day)	17	14	19	16	16
Credit union membership offering staff payroll deductions for loans, investments, and so on	10	2	3	23	11







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