CIPD
Championing better work and working lives

HEALTH AND WELLBEING
AT WORK 2021

How organisations approach health and wellbeing in the private, public and non-profit sectors

Health and Well-being

About the CIPD

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.

About the survey

The CIPD's _Health and Wellbeing at Work_ 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.

About this summary

This summary presents key findings from the CIPD's 2021 _Health and Wellbeing at Work survey_ focusing on how organisations approach health and wellbeing at work, and the challenges they face, in three different sectors: Private, public and non-profit.

Private, public and non-profit sector summary

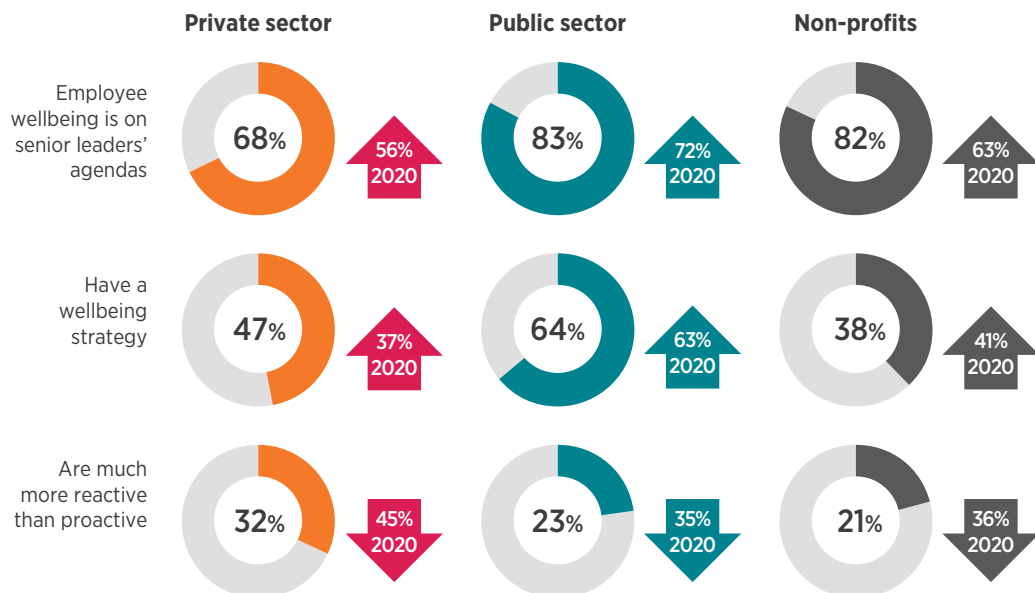# Health and wellbeing at work

Contents

① **The current picture**

Wellbeing has risen up the agenda but the private sector still lags behind

The COVID-19 pandemic has forced the issue of health and wellbeing more urgently into focus. Encouragingly, our findings show more senior leaders across all three broad sectors are focused on employee wellbeing, and fewer organisations take a reactive, rather than proactive, approach compared with last year (see Figure 1). Despite improvements in the private sector, public sector organisations are much more likely to take a strategic approach to wellbeing compared with both the private and non-profit sector.

Further, private sector organisations (particularly small and medium-sized businesses) are most likely to have no wellbeing activity (18% compared with 8% of the public sector and 6% of non-profits).

Figure 1: Organisations' approaches to wellbeing

	Private sector	Public sector	Non-profits
Employee wellbeing is on senior leaders' agendas	68% (56% 2020)	83% (72% 2020)	82% (63% 2020)
Have a wellbeing strategy	47% (37% 2020)	64% (63% 2020)	38% (41% 2020)
Are much more reactive than proactive	32% (45% 2020)	23% (35% 2020)	21% (36% 2020)

Public sector organisations are most active in promoting wellbeing and attendance

The majority of organisations across all three broad sectors use a range of methods to monitor and deter absence, support employees, and promote attendance and wellbeing. Most measures, with the exception of insurance/protection initiatives, are more common in public sector organisations (Figure 2).

Figure 2: Sector differences in promoting wellbeing and attendance

More common in the public sector

Methods to monitor and deter absence (return-to-work interviews, trigger mechanisms to review attendance, disciplinary procedures for unacceptable absence)

Stronger approach to risk assessments in response to COVID-19

Employee support schemes (employee assistance programmes, counselling services, physiotherapy services, occupational health services, risk assessments to aid return to work, leave for family circumstances)

Health promotion benefits (such as wellbeing days, exercise/relaxation classes, in-house gym/subsidised gym membership and free flu vaccinations)
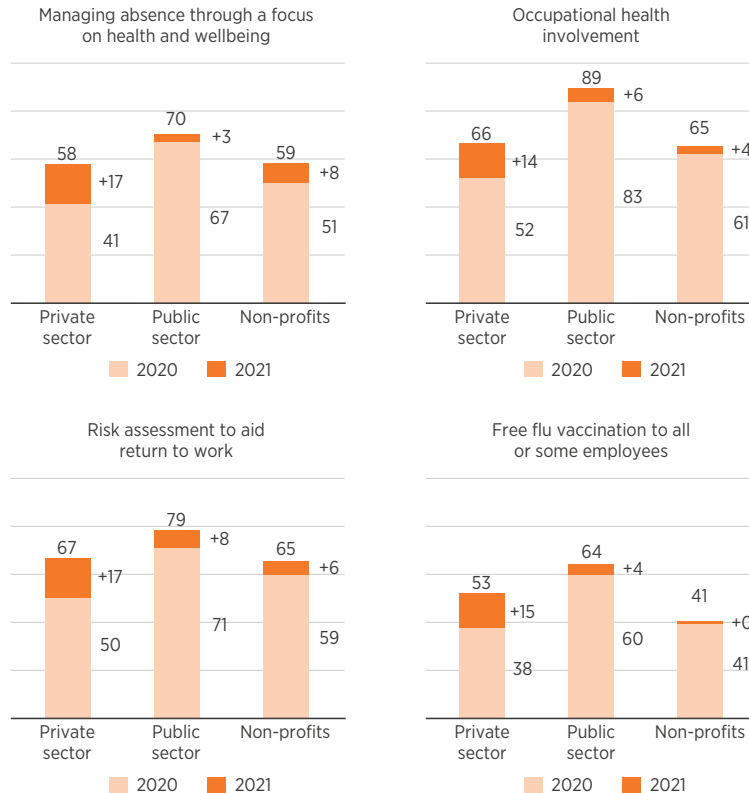
More common in the private sector

Health insurance/protection initiatives

The private sector is becoming more proactive

There has been a considerable increase this year in the proportion of private sector organisations that take a proactive approach to managing absence through a focus on health and wellbeing, as well as in the proportion that are providing occupational health involvement, risk assessments to aid return to work and free flu vaccinations (Figure 3).

Figure 3: Private sector organisations becoming more proactive (% point increase from 2020-21)

Managing absence through a focus on health and wellbeing

	Private sector	Public sector	Non-profits
2020	41	67	51
increase	+17	+3	+8
2021	58	70	59

Occupational health involvement

	Private sector	Public sector	Non-profits
2020	52	83	61
increase	+14	+6	+4
2021	66	89	65

Risk assessment to aid return to work

	Private sector	Public sector	Non-profits
2020	50	71	59
increase	+17	+8	+6
2021	67	79	65

Free flu vaccination to all or some employees

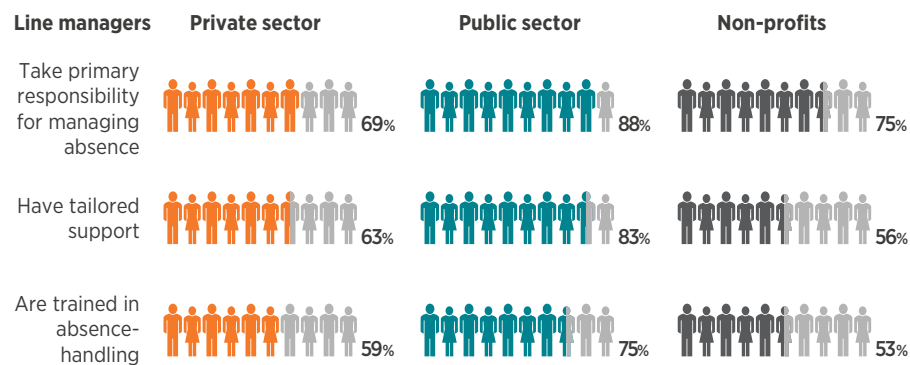|	Private sector	Public sector	Non-profits
2020	38	60	41
increase	+15	+4	+0
2021	53	64	41

2020 ■ 2021

3

Line managers play a key role in managing absence, particularly in the public sector

Line managers have primary responsibility for managing absence in the majority of public sector organisations and over two-thirds of those in the private sector, but not all organisations provide them with training for this role (Figure 4). The gap is particularly notable in the non-profit sector, where three-quarters of respondents report that line managers have responsibility for managing absence but just over half provide training in absence-handling and 56% of organisations provide tailored support.

Figure 4: The role of line managers in managing absence

Line managers	Private sector	Public sector	Non-profits
Take primary responsibility for managing absence	69%	88%	75%
Have tailored support	63%	83%	56%
Are trained in absence-handling	59%	75%	53%

Public sector organisations provide more support for people with a disability and/or long-term health condition

Public sector organisations are more likely to have supportive frameworks in place to recruit, manage and/or retain people with a disability or long-term health condition than organisations in the private or non-profit sector (Figure 5). This could reflect their enhanced responsibilities in this area under the Public Sector Equality Duty. Public sector organisations are also more likely to collect and publish some form of disability data, although the majority do not disclose any disability data or narrative information.
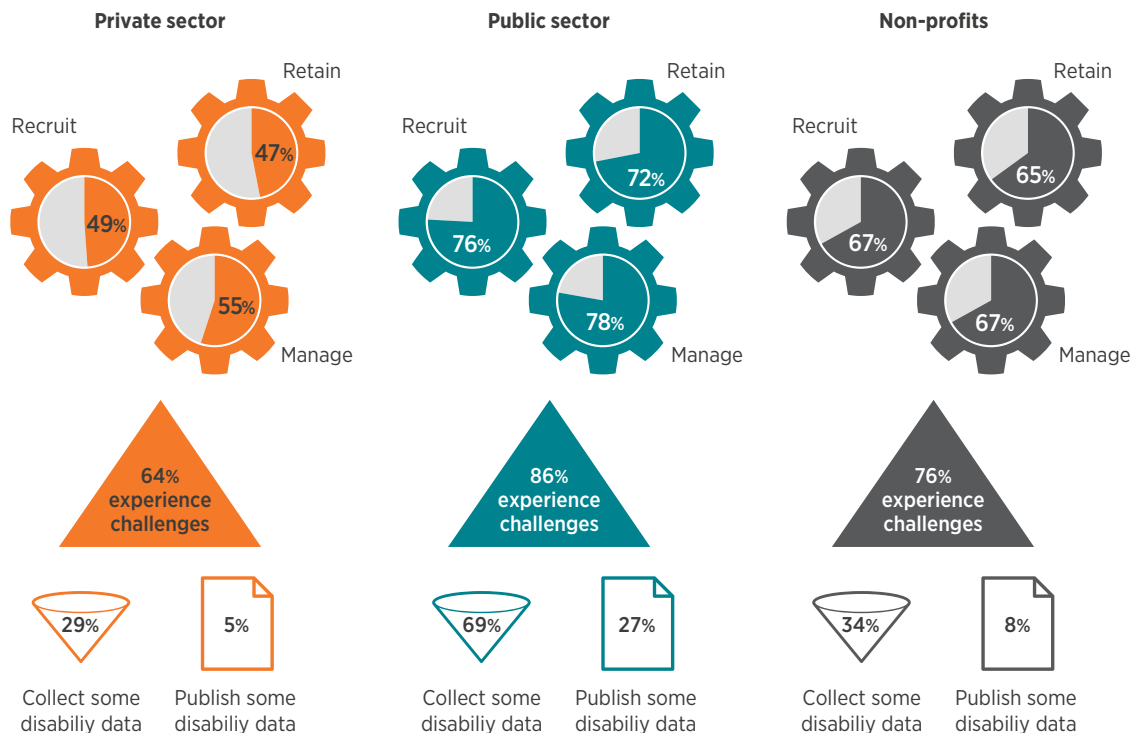
Figure 5 also shows that organisations in the public sector are most likely to experience challenges in managing people with disabilities or long-term health conditions. The most common challenge (for organisations in all sectors) is developing line manager knowledge and confidence. Nevertheless, less than half of the public sector (45%) and just 28% of private sector organisations and 29% of non-profits are making efforts to address this with training and guidance for line managers.
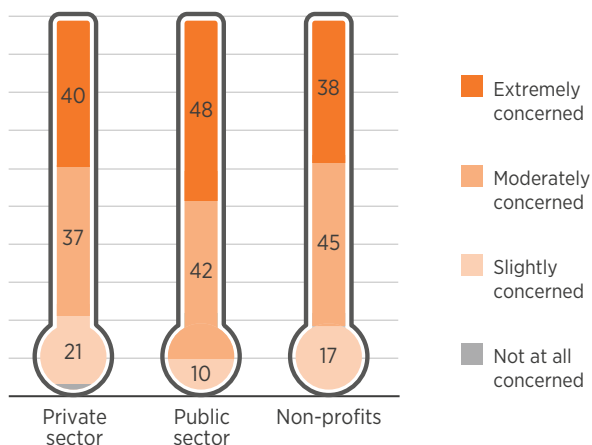
Figure 5: Organisations with a supportive framework to recruit, manage and/or retain people with a disability and/or long-term health condition

Private sector

Recruit
49%

Retain
47%

Manage
55%

64% experience challenges

29%
Collect some disabiliy data

5%
Publish some disabiliy data

Public sector

Recruit
76%

Retain
72%

Manage
78%

86% experience challenges

69%
Collect some disabiliy data

27%
Publish some disabiliy data

Non-profits

Recruit
67%

Retain
65%

Manage
67%

76% experience challenges

34%
Collect some disabiliy data

8%
Publish some disabiliy data

Growing concern regarding mental health, particularly in the public sector

Figure 6: Concern about the impact of the pandemic on employees' mental health (%)

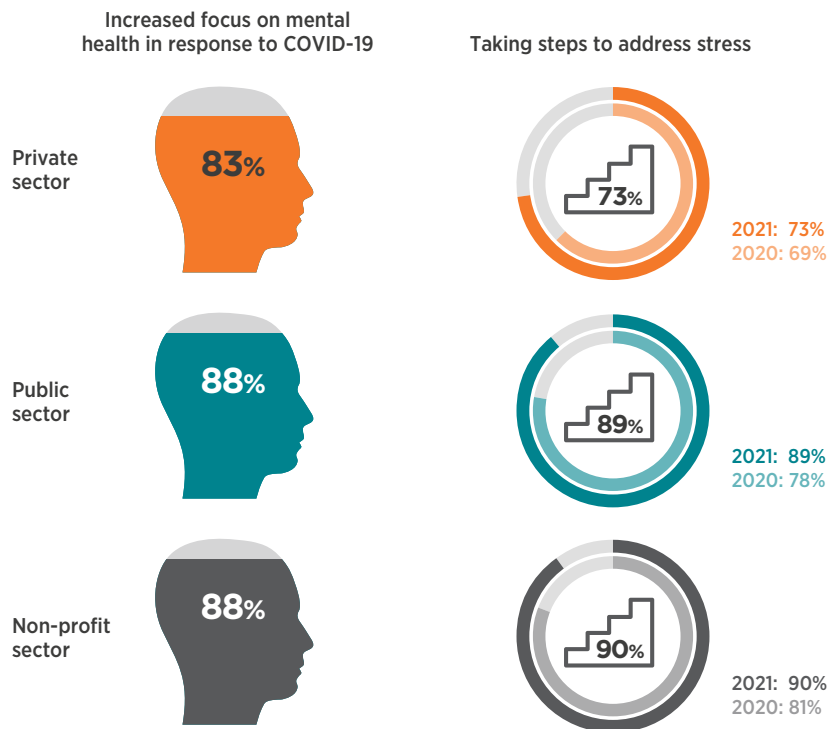|	Private sector	Public sector	Non-profits
Extremely concerned	40	48	38
Moderately concerned	37	42	45
Slightly concerned	21	10	17
Not at all concerned			

As in previous years, mental ill health and stress are among the top causes of absence across all sectors, but particularly in the public sector. COVID-19 has exacerbated the risks to many people's mental health, reflected in our findings. Nearly half of public sector respondents and around two-fifths of those in the private and non-profit sectors report they are 'extremely concerned' about the impact the pandemic has had/is having on employees' mental health; a similar proportion are 'moderately concerned' (Figure 6).

Figure 7: Increased focus on mental health and stress

Increased focus on mental health in response to COVID-19

Taking steps to address stress

Private sector

83%

73%

2021: 73%
2020: 69%

Public sector

88%

89%

2021: 89%
2020: 78%

Non-profit sector

88%

90%

2021: 90%
2020: 81%

Most organisations have increased their focus on mental health in response to the pandemic.

There's also an increase this year in the proportion of organisations that are taking steps to identify and reduce stress compared with last year, particularly in the public and non-profit sectors (Figure 7).

Within all three sectors employers' use of employee assistance programmes, training to build personal resilience and staff surveys and/or focus groups to identify the causes of stress have increased. All of these approaches, however, remain more common in public sector and non-profit organisations than in the private sector.

There are corresponding improvements in the proportion of respondents who believe their organisation actively promotes good mental wellbeing and that senior leaders encourage a focus on mental wellbeing through their actions and behaviour. However, private sector respondents remain less positive than those in public sector and non-profit organisations (Figure 8). There is also clear room for improvement. For example, just half of respondents in all sectors believe their organisation has been effective in tackling workplace stress or in identifying and managing the mental health risks arising from COVID-19. Less than a third believe that managers are confident and competent to spot the early warning signs of mental ill health.

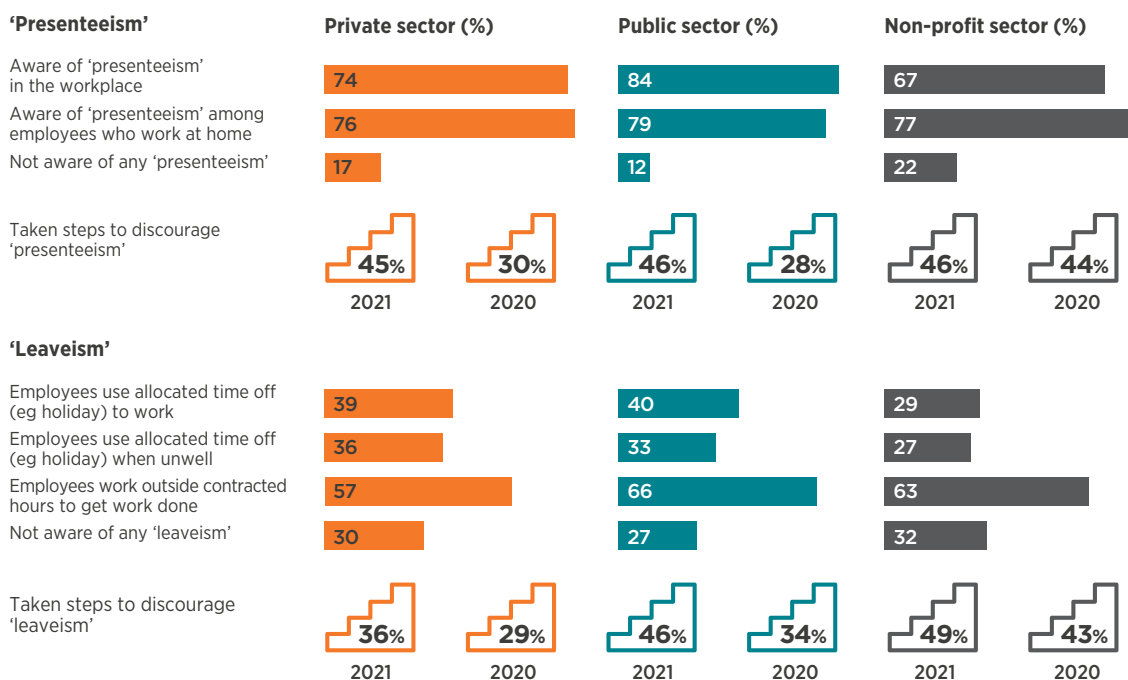**Figure 8: Promotion of good mental health (% point increase from 2020-21)**

My organisation actively promotes
good mental wellbeing

	Private sector	Public sector	Non-profits
2021	71 (+17)	82 (+19)	84 (+21)
2020	54	63	63

2020 ■ 2021 ■

Senior leaders encourage a focus on
mental wellbeing through their actions
and behaviour

	Private sector	Public sector	Non-profits
2021	43 (+11)	51 (+18)	58 (+19)
2020	32	33	39

2020 ■ 2021 ■
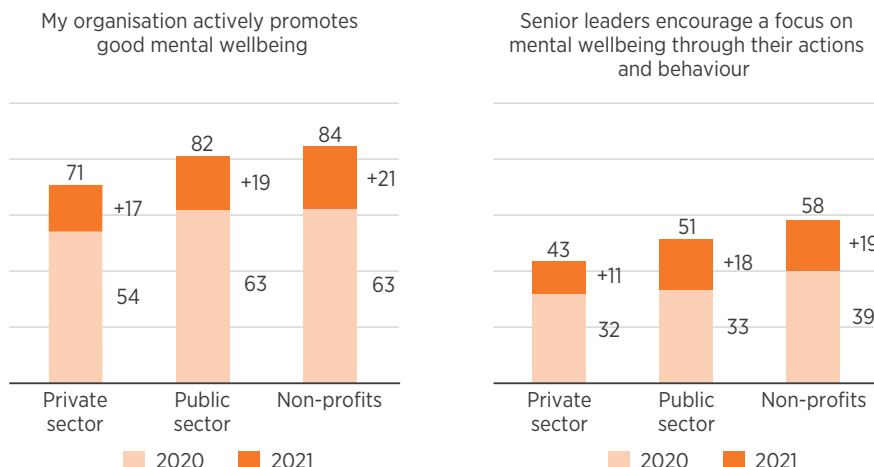
'Presenteeism' and 'leaveism' remain widespread

'Presenteeism' (people working when unwell) and 'leaveism' (such as people working outside contracted hours or using annual leave to work or when unwell) can have serious potential implications for employees' physical and mental health, as well as for productivity. Our findings show that both 'presenteeism' and 'leaveism' remain widespread across all sectors, although 'presenteeism' *in the workplace* has been more prevalent in the public sector than in the private or non-profit sector over the last 12 months (Figure 9). This may be at least partly attributable to the increased workloads of many keyworkers during the pandemic.

Less than half of organisations that experience 'presenteeism' or 'leaveism' in all three sectors are taking steps to address these unhealthy working practices, although this is an improvement compared with last year (Figure 9). There has been some improvement in the proportion taking steps to address 'leaveism' across all sectors, but particularly in the public sector. Private sector organisations remain less likely to be making efforts to reduce 'leaveism' compared with the other two sectors.

Figure 9: The extent of 'presenteeism' and 'leaveism'

'Presenteeism'	Private sector (%)	Public sector (%)	Non-profit sector (%)
Aware of 'presenteeism' in the workplace	74	84	67
Aware of 'presenteeism' among employees who work at home	76	79	77
Not aware of any 'presenteeism'	17	12	22

	Private sector		Public sector		Non-profit sector	
Taken steps to discourage 'presenteeism'	45%	30%	46%	28%	46%	44%
	2021	2020	2021	2020	2021	2020

'Leaveism'	Private sector (%)	Public sector (%)	Non-profit sector (%)
Employees use allocated time off (eg holiday) to work	39	40	29
Employees use allocated time off (eg holiday) when unwell	36	33	27
Employees work outside contracted hours to get work done	57	66	63
Not aware of any 'leaveism'	30	27	32

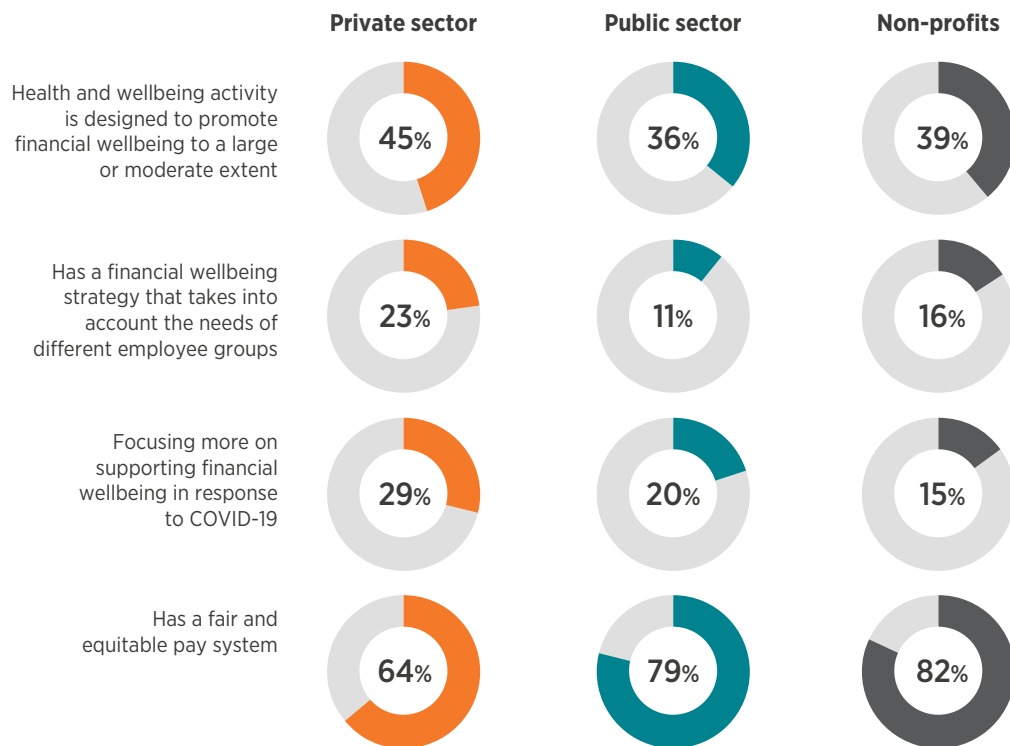|	Private sector		Public sector		Non-profit sector	
Taken steps to discourage 'leaveism'	36%	29%	46%	34%	49%	43%
	2021	2020	2021	2020	2021	2020

The current picture

Financial wellbeing remains neglected

Financial wellbeing remains the most neglected area of wellbeing across all sectors. Private sector organisations are somewhat more likely to make efforts to promote financial wellbeing than those in the public or non-profit sectors, but even so, less than half make efforts to promote financial wellbeing to a 'large or moderate extent', while less than a quarter take a strategic approach (Figure 10). Moreover, fewer than two-thirds of private sector respondents report they have a fair and equitable pay system, compared with around four-fifths of those in the public and non-profit sectors. Retirement provision also remains considerably more generous and flexible in the public sector compared with other sectors.

Figure 10: Approaches to financial wellbeing

	Private sector	Public sector	Non-profits
Health and wellbeing activity is designed to promote financial wellbeing to a large or moderate extent	45%	36%	39%
Has a financial wellbeing strategy that takes into account the needs of different employee groups	23%	11%	16%
Focusing more on supporting financial wellbeing in response to COVID-19	29%	20%	15%
Has a fair and equitable pay system	64%	79%	82%

② Looking forward

Many organisations have increased their efforts to support employee wellbeing during the pandemic and mitigate risks. Public sector organisations remain most proactive, although we have seen more private sector organisations stepping up this year. Clearly, however, there remain considerable differences within as well as between sectors in the value placed on employee wellbeing, in the challenges they face and in the effectiveness of their efforts.

The *Health and Wellbeing at Work* survey report has key implications and recommendations relating to all key areas of inquiry. Our findings here highlight some further thoughts for organisations across all sectors to consider to enhance their wellbeing practice.

How well do organisations understand the costs of ill health and the value of wellbeing?

Keeping costs, including sickness absence, under control is essential for many organisations, particularly given the current economic challenges and the uncertainty regarding the long-term impact of the pandemic on physical and mental health. The

upfront investment required to adequately pre-empt risks and promote wellbeing can often be far more cost-effective than responding to the consequences of ill health, particularly when staff absence creates a vicious cycle by increasing workloads and stress for other employees. Moreover, employees will judge organisations on how they are valued and supported. Those that stepped up during the pandemic and supported employees will benefit from enhanced loyalty, employee engagement and productivity. Those that did not could potentially lose out in terms of employee morale and wellbeing, particularly when the economy recovers.

How do an organisation's culture, policies and practices support or threaten wellbeing?

Heavy workloads and management style remain the main causes of stress at work. 'Presenteeism' and 'leaveism' remain widespread, and with increased job insecurity for many people, there's a danger these issues will increase if not addressed. An effective approach to wellbeing needs to start by understanding and addressing unhealthy working practices, including those rooted in less tangible cultural expectations. Wellbeing initiatives will have limited impact unless underlying issues are addressed.

The importance of trust and relationships

Understanding employees' experience is critical to pre-empt threats to wellbeing. Organisations need systems and processes for employees to relate concerns and access support, underpinned by trust so employees have confidence to raise issues openly before problems escalate. Do employees believe that organisations value their wellbeing? Are line managers trained in how to spot early warning signs of mental ill health or distress, and have sensitive conversations with people? How do organisations encourage this, and how do they respond?

The need for a holistic approach

The pandemic has highlighted the connections between the various dimensions of wellbeing: the impact of social isolation, concerns about others, job insecurity, and so on, on mental health and the reinforcing relationship between physical and mental health. Employers have rightly stepped up their efforts to support mental health but need to ensure that other aspects of wellbeing are not neglected, particularly with changing working practices such as homeworking. With musculoskeletal issues already a major cause of absence, organisations need to ensure remote workers have appropriate ergonomic equipment and are supported to make healthy decisions and maintain connections with other employees. The value of supporting financial wellbeing is also likely to increase due to the impact of the COVID-19 pandemic on household incomes.

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