

Bridging the gap between employee wellbeing and occupational health



## Introduction

### *Human and labour rights*

The 1948 United Nations Declaration of Human Rights, in its article 23 states the right of everyone "to just and favourable conditions of work," while article 24 states that "everyone has the right to rest and leisure, including reasonable limitation of working hours and periodic holidays with pay."<sup>1</sup> Likewise, the United Nations Global Compact in its Principle 1 states that "businesses should support and respect the protection of internationally proclaimed human rights." Hence, while businesses take care of human rights in the work context, the close relationship between human and labour rights is clear.<sup>2</sup> Then, the meaning of these articles varies in different contexts: for instance, when it comes to harsh working conditions and poor health and safety practices in developing countries, it relates to the fundamental right of these workers to a better life. For us here in the UK, as regulations

and practices allow for better working conditions in the first place, the meaning of these sentences may stretch beyond basic human and labour rights, while for instance, keeping a focus on the provision of safe and healthy working conditions.

### *Employee wellbeing and occupational health*

Organisations wishing to gain further competitive advantage on their human capital ensure a certain level of employee wellbeing, and along with employee retention and satisfaction, achieve results in the matter of occupational health. The following case study focuses on the latter. It first helps define employee wellbeing and its relation to occupational health in practice; defines areas of focus in achieving employee wellbeing and then seek to bridge the gap between achieving excellence in employee wellbeing, enhancing occupational health as a labour right, and business performance.

## Employee wellbeing and occupational health

### *Employee wellbeing*

The CIPD (Chartered Institute of Personnel and Development) defines employee wellbeing as "creating an environment to promote a state of contentment which allows an employee to flourish and achieve their full potential for the benefit of themselves and their organisation."<sup>3</sup> While such a definition is large, aspects may include work/life balance, health (e.g. corporate gym), job satisfaction and many others, both physical and psychological, that contribute to developing employee wellbeing; in turn, occupational health may be enhanced through improving employee wellbeing. Not only is employee wellbeing a key factor in fighting work-related occupational accidents or work-related injuries, it also makes business sense, as employee wellbeing directly influences performance.

### *Occupational health*

Both the International Labour Organization<sup>4</sup> (ILO) and the World Health Organization<sup>5</sup> (WHO) define occupational health as follows; "occupational health should aim at: the promotion and maintenance of the highest degree of physical, mental and social well-being of workers in all occupations; the prevention amongst workers of departures from health caused by their working conditions; the protection of workers in their employment from risks resulting from factors adverse to health; the placing and maintenance of the worker in an occupational environment adapted to his physiological and psychological capabilities; and, to summarize, the adaptation of work to man and of each man to his job." The definition helps further explore why employee wellbeing and occupational health are keys to enhancing labour issues and rights.

## Achieving employee wellbeing

### *Managing health*

A key factor in enhancing employee wellbeing and health is to consider their personal needs as well as their business needs and adopt a flexible approach in dealing with them. Employees may feel they need more training to move forward in their career or that they need more flexible work schedule to manage their work in a more efficient and less stress-generating way, or they may need an on-site day care centre for their kids.<sup>6</sup> Whatever the appropriate requirements are, employers should consider finding out, and where possible, helping employees achieve better health and consequently further achieve human and labour right excellence in their organisation. Wellness programmes focusing on exercise, nutritional information through company gyms and canteens work from the perspective of prevention while fostering employee engagement. When it comes to the complex linguo and choices related to health insurance benefits or pensions however, employees sometimes get confused and consequently do not fully appreciate what it can do for them. Encouraging them to talk between each other about it and to seek advice may help solve the problem.<sup>7</sup> To tackle occupational health and employee wellbeing, O2, for instance, implemented a voluntary health and well-being programme for its staff, including activities such as stress management, weight watching, nutritional advice, cholesterol testing or yoga classes.<sup>8</sup> The company develop initiatives around balancing aspects of life, between work, personal development, family and friends, as well as community. It introduced for instance family days where employees have the chance to introduce their children and partners to their workplace and colleagues.<sup>9</sup>

***"Up to 60% of all absences from work are caused by stress."<sup>10</sup>***

***Stress has a negative impact on our health, happiness and home life as well as our performance at work, say three quarters of executives.<sup>11</sup>***

### *Managing psychological factors*

Psychological factors may greatly influence employee wellbeing. It is worth noting that workplace relationships, including between employees, in spite of being underestimated as a factor of stress by employees, are actually the strongest predictor of psychological wellbeing. What employees identify as their most important source of stress though is lack of task ownership. They want to be able to deal with their own problems, find solutions, make decisions, take actions and consequently do their job more effectively. The worst case scenario is having their manager take the problem away from them, which results in the perception that they are losing control of the task. Good practices include involving them in important conversation about the business,<sup>12</sup> or offering them a degree of choice, for instance flexible working hours or conditions, to let them manage their work load.<sup>13</sup> For instance, the communication agency Michaelides and Bednash Ltd aims "to create a working environment that enables people to fulfil their true creative potential and for the company to create agenda-setting output for all its clients," says Graham Bednash, Managing Director. Among various initiatives, the agency uses regular company meetings, which it calls Forums, to discuss all business issues with staff; funds further education course fees; and also integrate peers' views into annual staff reviews.<sup>14</sup>

### *Allowing employees to "make a difference"*

Some employees want to be able to make a difference through their work. Companies such as TNT encourage employees to reach the community through volunteering or fundraising. TNT Express Services UK and Ireland chose to partner up in the long-run with Wooden Spoon, a charity that helps disabled and disadvantaged children. Its employees take time on their work and their own time to raise funds and volunteer for the charity, while also engaging directly with the children and seeing the result of their voluntary actions.<sup>15</sup>

## Competitive advantage

A 2008 report by UK insurance group Norwich Union Healthcare revealed that companies are reluctant to invest into employee wellbeing because of a lack of government incentives and because they lack occupational health information, especially in the case of small companies.<sup>16</sup> Nonetheless, the competitive advantage employee wellbeing can bring to an organisation is undeniable. It helps improve performance as productivity increases, reduce sickness and absenteeism and enhances employee retention.<sup>17</sup> In fact, Thomas Wright, from Kansas State University found that wellbeing contributes to 10 to 25% of the variance in work performance.<sup>18</sup> The benefits of investing in employee wellbeing range from reducing costs (e.g. less illness), increasing returns (e.g. employee engagement), building brand, to enhancing corporate social responsibility credentials.<sup>19</sup> In terms of return on investment, a 2008 study by the Department of Health, the Department for Work and Pensions carried out by PricewaterhouseCoopers estimated the return on £1 invested in employee wellbeing to be £2.50, mostly from a reduction in sickness absence.<sup>20</sup>

## Conclusion

In conclusion, excellence in employee wellbeing and occupational health, in addition to going beyond human and labour rights requirements, bring a number of positive outcomes for forward-thinking companies. While basic human and labour right requirements in occupational health are generally met in the UK, the examples and research presented in this case study clearly show the possibility for companies wishing to gain further competitive advantage on their human capital as well as enhancing human and labour rights to do so by fostering employee wellbeing. Not only does its direct impact on occupational health reduce costs linked to sickness, illness and absence, it also contributes in creating a workplace where employees can thrive for their own benefit as well as that of the business, through better performance. In addition, it contributes to corporate image and corporate social responsibility practices, while strengthening links with internal stakeholders.

<sup>1</sup> <http://www.un.org/en/documents/udhr/>

<sup>2</sup> <http://www.unglobalcompact.org/AboutTheGC/TheTenPrinciples/principle1.html>

<sup>3</sup> <http://www.cipd.co.uk/default.cipd>

<sup>4</sup> <http://www.ilo.org/global/lang-en/index.htm>

<sup>5</sup> <http://www.who.int/en/>

<sup>6</sup> <http://wfnetwork.bc.edu/blog/how-workplace-characteristics-impact-employee-wellbeing>

<sup>7</sup> <http://business.timesonline.co.uk/tol/business/management/article6275817.ece>

<sup>8</sup> <http://www.nhsemployers.org/PayAndContracts/NHSPensionSchemeReview/Age/Pages/Age-Legislation-BeyondCompliance.aspx>

<sup>9</sup> <http://cr2008.o2online.ie/Workplace/Employee-Engagement/Perfect-Balance.aspx>

<sup>10</sup> [http://www.biam.org.uk/index.php?option=com\\_content&task=view&id=18&Itemid=9](http://www.biam.org.uk/index.php?option=com_content&task=view&id=18&Itemid=9)

<sup>11</sup> WHEATLEY, R. (2000) *Taking the strain: a survey of managers and workplace stress*. London: Institute of Management.

<sup>12</sup> <http://www.internalcommshub.com/open/news/robertsoncooper.shtml>

<sup>13</sup> <http://business.timesonline.co.uk/tol/business/management/article6275817.ece>

<sup>14</sup> [http://www.article13.com/A13\\_ContentList.asp?strAction=GetPublication&PNID=533](http://www.article13.com/A13_ContentList.asp?strAction=GetPublication&PNID=533)

<sup>15</sup> [http://www.article13.com/A13\\_ContentList.asp?strAction=GetPublication&PNID=1367](http://www.article13.com/A13_ContentList.asp?strAction=GetPublication&PNID=1367)

<sup>16</sup> <http://www.internalcommshub.com/open/news/wellbeing.shtml>

<sup>17</sup> [http://www.freshbusinessstinking.com/business\\_advice.php?AID=5092&Title=Employee+Wellbeing+%96+Does+It+Generate+A+Healthy+Business+Return%3F](http://www.freshbusinessstinking.com/business_advice.php?AID=5092&Title=Employee+Wellbeing+%96+Does+It+Generate+A+Healthy+Business+Return%3F)

<sup>18</sup> <http://www.k-state.edu/media/newsreleases/feb09/wellbeing20309.html>

<sup>19</sup> [http://www.wellbeingwizard.com/index.php?option=com\\_content&task=view&id=415&Itemid=184](http://www.wellbeingwizard.com/index.php?option=com_content&task=view&id=415&Itemid=184)

<sup>20</sup> <http://www.personneltoday.com/articles/2009/09/04/51923/making-the-case-for-employee-wellbeing.html>