# **Sick Day**
# Special Report

# Contents

# The elephant in the room

**Oh, where have we gone wrong? In the face of multiple financial crises, we've ratcheted up the competition culture so much that fewer of us are taking time out when we need it. And it's showing.**

If we believe the stats, studies and reports, sick day absence is at a record low. BUT engagement is on the floor while mental ill health is heading for the roof. And presenteeism — that new(ish) monster born out of job insecurity — is spreading like a blight on the workplace.

Psychologists, wellbeing experts and leadership pundits agree it's time to acknowledge the elephant in the room. And do something about it. Not just for the seemingly fuzzy, human-centred engagement stats but for the measurable, business-critical facts: it's now affecting the bottom line.

So, let's shake off our head cold and see how we can ease the symptoms of this sickness.

# The true cost of sick days and presenteeism

The number of sick days taken by UK workers has reached an all-time low, but beneath the record-breaking headline is a sad, shocking truth — presenteeism and ill mental health is on the rise, and it's more costly than anyone could have imagined.

> 1 in 4 'struggle into work to show they're present, despite feeling ill'
>
> presenteeism costs at least twice as much as absenteeism
>
> half of businesses have taken "no steps to discourage it"

### Sickie Monday

You probably didn't miss it. The papers love a good story like this. The first Monday of February is the UK's national 'sickie' day, when the largest amount of UK employees supposedly take the day off work due to 'illness' (so the statistical story goes). In the UK a Dry January hosts a Blue Monday. For many February brings new hope (some use 'sickie day' for job interviews). For others, all it brings is a hangover.

### The good news — sick days reach record low

According to the Office for National Statistics (ONS), an estimated 137 million working days were lost to sickness or injury in the UK in 2016 (that's 4.3 days per worker). The ONS says the main causes were minor illness (coughs and colds), then muscular-skeletal disorders (MSD), followed by 'other,' which includes mental health. The good news, on the face of it, is this is the lowest since records began in 1993.

### The bad news — presenteeism higher than ever (and more expensive)

Since the global financial crisis of the early 2000s, more employees are working longer hours, fewer are staying at home when they're sick, and more are disengaged while they're at their desks. Enter a new term for a new era: presenteeism.

According to Google, presenteeism means "being present at work for more hours than is required, especially as a manifestation of insecurity about one's job." Others define it as being at work while ill. However you define the thing, downturns in wellbeing, engagement and productivity are the inevitable fallouts.

The use of the term 'presenteeism' has increased almost exponentially since the Nineties, according to Google.

According to the CIPD (the professional body for HR and people development), almost three quarters of managers (72%) report seeing presenteeism within their organisation. Its definition in the CIPD's Absence Management Survey 2016 is coming into work when unwell. It did find a "considerable increase" (from 31%-48%) in those who had "taken steps to discourage presenteeism" over the last 12 months.

But that still means that more than half of UK businesses have yet to take any steps to discourage it.

This is a worry, especially when we consider the cost.

The British Council for Offices says, in its Health And Wellbeing In Offices briefing note: "Presenteeism, turning up for work when unwell, is common, and the costs are at least twice as much as those for absenteeism." Others say presenteeism costs may be ten times more than sickness absence.

Okay, the cost of something so nebulous is debatable, but everyone agrees on one thing: working at less-than-full-capacity does no-one any good; it will have an effect on the bottom line, if not now at some point in the future.

### Mental ill health on the rise

The CIPD report concludes: "A higher proportion of organisations this year (nearly three-fifths overall) report that long working hours are the norm," something it describes as a "worrying trend." Its report finds that workload is the most common cause of stress-related absence and that the long-hours culture is linked to increases in reported mental health problems.

Mental health alone costs UK employers £35 billion a year in sickness absence (£10.6 billion), reduced productivity or 'presenteeism' (£21.2 billion) and replacing staff who leave their jobs because of their mental health (£3.1 billion), according to the Centre for Mental Health.

Stress, depression and anxiety accounted for a third of all work-related illness in 2016, according to the Health and Safety Executive in this infographic and report by Umum. One in three businesses reported an increase in stress-related absence during the year.

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Source: The Office for National Statistics (ONS).

"The companies that are designing and creating environments where people truly thrive are the ones that understand and respond to the needs of different individuals."

Source: Matt Grimshaw // Partner at The Pioneers.

THE PIONEERS

## "If you want people to flourish, they need more from their work than just a pay check."

This is backed-up by the CIPD report which shows that stress is the biggest cause of long-term absence and the second highest cause of short-term absence (behind minor illnesses like coughs and colds).

### "Businesses can't afford to ignore this problem"

According to data from 39,000 UK workers presented by business psychology company, Robertson Cooper, presenteeism is on the rise as an estimated one quarter of UK employees "struggled into work to show their bosses they are present, despite feeling ill".

Managing director of the Manchester firm, Professor Ivan Robertson, says the causes include feelings of job insecurity, which is likely to have been inflamed by the recession: "People feel under pressure to be at work; they believe that by showing their faces even when they are ill, they are demonstrating their commitment, despite being unproductive.

"Businesses can't afford to ignore this problem. Most employers focus on reducing absenteeism levels and the associated costs, but often forget that tackling presenteeism is also a significant opportunity to reduce costs and improve productivity.

"Get both right and the impact on the business can be profound. In the long-term investing in the health and wellbeing of workers pays dividends in terms of improved employee engagement and productivity. It delivers considerable savings over and above those caused by driving down absenteeism."

In leadership circles, wellbeing and absence are linked closely to employee engagement and experience, and it's rising up the agenda.

"Wellness is fast-becoming a top topic and one that is being watched closely by the newest generations of workers," says Jeff Wellstead, a partner at management innovation consultancy, The Pioneers. "It comes out time and again as leading issues for companies and their people — it's something that organisations are now taking seriously."

The Pioneers have identified seven sources of motivation for people at work: belonging, significance, autonomy, fairness, positive emotions, progress and meaning.

As partner Matt Grimshaw explains: "In the past, companies tried to motivate their employees almost exclusively with carrots and sticks. Everyone has now recognised that this approach creates unhealthy workplaces.

If you want people to flourish, they need more from their work than just a pay check.

"In our view, the companies that are designing and creating environments where people truly thrive are the ones that understand and respond to the needs of different individuals.

"While there's solid scientific research behind each of the sources of motivation we've identified, we believe that different individuals need a different mix of these factors and that this mix will also shift over time. For example, at the start of my career, learning and progress might be most important to me, but if I start a family, perhaps autonomy and the ability to manage my own time overtakes this.

"Great workplace cultures are the ones that allow everyone to flourish and you simply can't achieve this with a one-size fits all approach to employee experience and wellbeing."

# Disengagement and sickness absence — healing through culture and environment

**There's a link between employee engagement, workplace satisfaction and sickness absence. Of course, there's more going on than our physical environment — leadership and culture for starters — but what's around us is more important than we might think.**
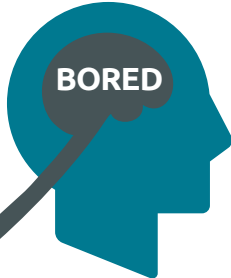
Employee engagement is a much-reported topic these days. Gallup's State of the Global Workplace report says that as much as 85% of staff worldwide are "not engaged or actively disengaged." That's a big number. A global study by US furniture supplier, Steelcase, paints an equally bleak picture, saying only 13% of workers are "highly engaged."

It's a worry. Because disengagement is one of the causes of absenteeism, says this Forbes article: "Employees who are not committed to their jobs, coworkers and/or the company are more likely to miss work simply because they have no motivation to go."

Meanwhile, businesses are counting the cost of sick day absence while presenteeism and mental ill health are rising steadily.

**BORED**

> Disengagement is a cause of absence sickness

> 85% of staff worldwide are "not engaged or actively disengaged"

> Employee engagement correlates with workplace satisfaction

> One in three UK workers are not happy with their workspace

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## Employee engagement correlates with workplace satisfaction.

One third of UK workers are just not happy with their workspace, according to the Steelcase Global Report. In fact, the UK falls below the global the norm on "almost every workplace satisfaction metric," says the furniture supplier, which claims that "employee engagement correlates with workplace satisfaction" and "engaged employees have more control over their experiences at work".

Complaints ranged from an uncomfortable temperature to bad lighting in the survey which spanned more than 12,000 workers across 17 countries. In the UK, almost two thirds of workers (59%) say they can't choose where to work in the office based on the task, two out of five (43%) say they can't concentrate easily and half report they can't work in teams without being interrupted.

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## Leesman **Index Results**

Leesman Index results corroborate Steelcase's results. It turns out that most employees are not satisfied with the following (in order, least satisfied first):

### % Dissatisfied

| | |
|---|---|
| **72%** Availability of quiet rooms | **61%** air quality |
| **71%** temperature control | **61%** atriums communal areas |
| **70%** variety of work spaces | **58%** décor |
| **69%** noise levels | **52%** ability to personalise workstations |
| **69%** plants/greenery | **43%** office lighting |
| **64%** informal work areas & break-out zones | **43%** natural light |

**How do we fix this?**

Of course, we can't tackle engagement and sick day absence just by changing our physical environment. It starts with our organisation's culture. But workspace design is a huge part of the mix. "It's all about management and leadership," says Jacqui Kemp, director of Your People Potential. "They have a responsibility to set the standards and culture. But work environment is so, so important in terms of wellbeing, mental health. We can't underestimate the impact it has on us."

Debi O'Donovan,
director of the Reward &
Employee Benefits Association (REBA),
agrees: "If you walk into an office and it feels friendly, and it's bright, clean, and modern — it's not dated, dirty and everybody isn't tucked away in dark holes — that's going to make you feel better. It does make a difference."









> **"Work environment is so, so important in terms of wellbeing, mental health. We can't underestimate the impact it has on us."**

Source: Jacqui Kemp // Director of Your People Potential.

Your
People
Potential

## Friendships improve performance

Debi is a big believer in the power of autonomy, community, trust and flexibility to tackle sickness absence.

"Emotional and social health is an indicator of high engagement which correlates with wellbeing," she says. "I'm starting to hear this more and more with the organisations we're working with. They're either banning eating at their desk or encouraging people to have breakfast or lunch together because they can see how that builds relationships in the workplace.

"If you're thinking about workplace design, having somewhere where people can come together, whether to work or eat, is important. I am seeing this coming through in employers' wellbeing strategies — they see it as important and are putting that element where they can — because the social impact on wellbeing is huge."

The World Health Organisation criteria include social and emotional wellbeing in the determinants of health. And Gallup asks the question about having friends at work in its twelve key dimensions that describe great workgroups. It says those who had a best friend at work were 43% more likely to receive recognition and praise for their work. Best friends improved performance in other areas too, it says, such as being recognised for progress, having their opinions count and having the opportunity to do what they do best every day.

### Flexibility, support and trust

Debi adds that flexibility of where you work (where the role allows), allows people to still be productive if they need time off for personal reasons, whether they need to look after an elderly relative or they feel like they "just can't face the world".

She says: "Being flexible like this will help with absence levels. If your employer makes it hard to talk about these delicate topics, it's easier just to say you have a cold and call in sick. So, support and trust from your line manager — and the ability to have honest conversations — is crucial. If you can trust your line manager enough to be honest about why you can't come into work, that means you don't have to lie, which helps your own stress levels and you will feel mentally better. Line managers are key to all this."

According to the CIPD's Absence Management Survey 2016, the fourth most common cause of work absence is home/family/carer responsibilities. The second is stress.

### Latest trends "no silver bullet"

"Break-out spaces, entertainment areas, a variety of workspaces and community-focused designs are great for our wellbeing," says Jacqui. "But it needs to be managed properly. It has to be done for the right reason, and it has to be effective, not just to show off to clients. Hot-desking and home working can also be negative for some people if it's not managed correctly.

"We are territorial beings. We like consistency. Knowing where we are working every day, and personalising the space, is important for (emotional) security. So, it can create anxiety if not handled correctly. Home working, too, can mean people miss out on social and work-related opportunities, and it can damage team working."

Debi agrees: "Offering a variety (of workspaces) is good, but only if they want to. Most people are creatures of habit. Some things like hot-desking aren't great if you tell them where to work. There's been a big rise in hot-desking, and I get a lot of employers saying that it's not a silver bullet. People are tribal, they want to sit in teams in their groups. People want control. That's about autonomy."

# "A distinguishing characteristic of engaged employees is that they have a greater degree of control over where and how they work."



## Autonomy = satisfaction

The Health and Safety Executive (HSE) management standards cover six key areas of work design that, if not properly managed, are associated with poor health, lower productivity and increased sickness absence rates. Among the standards are 'demands' (including how well work environment concerns are addressed) and 'control' over how much say the person has in the way they do their work.

## A range of adjustable work environments

What's notable in Steelcase's report in relation to satisfaction and engagement is the lack of autonomy. Only two out of five said they would adjust office temperature, while one in five could change the lighting. If you extrapolate that to every aspect of the office, it hits engagement big-time, says Christine Congdon, director of global research communication and editor of Steelcase's 360 Magazine.

"Our research has consistently shown that the most engaged workers are those who have autonomy over how and where they work, whether adjusting the temperature, lighting, or workspace to suit their needs," she says.

"When people feel like they have choice and control over various aspects of their physical work environment, it leads to greater satisfaction overall. Everybody is different and personal preference will depend on an individual's natural physiology, their mood on a particular day and the task they are working on. To cater to these constantly changing needs, employers should pay more attention to providing a range of working environments, including the ability to adjust workspace basics as required."

"Most importantly," says Jacqui, "if you're going to change anything, consult the people using it or they'll draw their own conclusions, and that's not always good."

"A distinguishing characteristic of engaged employees is that they have a greater degree of control over where and how they work, including access to privacy when they need it. They are empowered, both by organisational decisions and the spaces made available to them within their workplace, to make choices about where and how they work.

"This means they can manage their need for privacy so they can concentrate easily and work with teams without disruptions. Engaged employees tend to work in organisations that support two-way communication: Real-time information about the company is available and people are able to freely express their ideas. This finding suggests that a key design principle for the workplace is to create a range of spaces — for groups and individuals, mobile and resident workers — and corresponding work policies that enable employees to make choices about the best ways to work."

# Seven tips to reduce sick days

**Our work environment and leadership culture have a huge impact on our wellbeing, which directly affects absenteeism and presenteeism. Here are seven ways to reduce sick day absence in both the office and the C-suite. Our suggestions come from a mixture of experts in wellbeing, leadership and workspace design.**

## 1 AUTONOMY

We're delicate beings. Too much change without permission can upset us. So, consult everyone instead of just telling them where they're sitting. Offer an element of control. (Hoteling apps, which allow employees to reserve workstations, can help here.) When they can decide where, how and when they work, it improves morale, keeping people psychologically safe, fit and healthy.

We are also a territorial, tribal species. So, offer a permanent space if it makes someone feel secure, or a shared space with their team if they work better like this. Compromise is key here. Think about the humans, not just the bottom line. Otherwise, the very people whose lives you're trying to improve may feel a lack of control over their work environment, which can lead to stress, anxiety and disengagement, driving up sick absence, whether genuine illness or fake sickie days.

## 2 VARIETY

Adopting an agile approach to workspace design — offering a variety of zones and workspaces from collaboration areas to focus booths — has been shown to yield leaps forward in productivity, collaboration and creativity.

To help reduce musculoskeletal disorder problems, think about the amount of time people spend working in the newer workstations — the sofas, cabins, community tables — not just the traditional 'office desk and task chair' where you know people will be working for a long time.

## 3 FLEXIBILITY

Offering flexible work locations and times can cut real estate costs and yield greater productivity through engagement. But there's a real human angle here too (which is why it works). As we live and work longer, more of our employees have elderly relatives. Flexibility allows some workers to deal with personal issues like home, family and carer responsibilities (the fourth reason for short-term absence).

Also, stress is the second most common cause of sickness absence, and some people just find it easier to work from day to take the pressure off. Of course, there's a trust issue which many employers find hard to resolve. But, if you can crack this code it forges better relationships, building loyalty and dedication.

## 4 HONESTY & TRUST

The ability to have honest conversations with line managers about reasons for absence is key to reducing sick days (when sickness is not really what's happening). If you don't have to lie when you call in 'sick' you feel much better about yourself, your boss and your job. Understanding goes a long way. Read more here.

## 5 COMMUNITY & FRIENDS

The value of friends and community is fundamental to wellbeing, engagement and productivity. Community-focused design and practices are high on the agenda of caring, people-centred organisations because they build relationships. These employers are working to humanise the workplace. And having a friend at work has been shown to improve performance.

## 6 GET THE BASICS RIGHT

Not every business can drastically change its workspace. Some are in serviced offices or long-term leases. For those that can, the best advice is don't jump straight into trendy workspace designs to impress clients or compete with competitors for talent. Get the hygiene factors right first — bright, modern, clean (especially the toilet and kitchen) — before you make the whole office a hot-desking haven, or kick everyone out for remote working. Like IBM, you may regret it later.

## 7 NATURE, NOISE & COLOUR

Exposure to sunlight and outdoor views led to 6% fewer sick days than those without, according to research by the University of Oregon. Research shows biophilic design (plants and natural light) lowers staff turnover and sickness absence rates. Another study draws links between employee engagement and adjustments in temperature and artificial light. Meanwhile, the International Well Building Institute — a movement to help people "work, live, perform and feel their best" — is gathering pace.

A bit of research into how colour affects productivity, psychology and cognitive task performances is also a worthy investment in time. Wellbeing expert, Jacqui Kemp, from Your People Potential says: "Different colours have psychological impact on us, and dark colours are not good for us. Living things like plants lighten our mood and, like light and colour, soften the work environment."

# There's a change coming

**It's hard to tell if mental ill health, engagement and presenteeism are really worsening or that we're starting to form a picture from our countless surveys. (That's how the stats game goes.)**

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**Nevertheless, we're keeping score, and that's a good thing.**

**So, what's next?**

We can't do anything about genuine minor illness. We're all human. But we can improve musculoskeletal disorders, mental ill health and false sick days through wellness, workplace design and culture.

Where do we look for answers? Our leaders? Naturally. Our people and our culture? Definitely.

Where does that leave our work environment? Adapting our workspace is not the panacea. We know that.

But commentators agree we can't underestimate the impact it has on us.

Let's humanise the workplace. Let's make a place where people tell us they can do great work, not place them where we think they should work.

Incidentally, as we're talking about signs of change, office design is also a visual barometer of evolutions in the way we work. And there's a huge change happening right now. (More about that next month.)

The question is: are we ready for it?

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