

Stress at work: a risk management approach



Summary

Work-related stress accounts for more working days lost to UK business than any other single cause, accounting for 13.4 million days in 2001/02. Employees off work with stress are typically absent for almost 30 days, and stress is contributing to a rise in long-term absence, particularly in the public sector.

The Health and Safety Executive (HSE) recently issued its first improvement order on an employer for work stress, and others are likely to follow.

Work stress, like other causes of absence, lends itself to a risk management approach and the HSE has recently published a set of six draft management standards that adopt measurement, action and review techniques.

Organisations are being encouraged to trial the management standards before they are finalised and adopted in 2004. Employers' adherence to the standards is voluntary but the standards could eventually form the basis for an Approved Code of Practice on stress if the HSE decides one is necessary.

An issue for business

The Health and Safety Executive (HSE) has launched the next stage in its campaign to tackle work stress by publishing a set of draft management standards. The draft standards on stress are a yardstick to help organisations assess and manage the UK's fastest growing workplace health issue and follow three years of research and consultation by the HSE.

The management standards will be tested over the next six to nine months before being revised and published in a final form during 2004. The Health and Safety Commission (HSC) will then decide whether an Approved Code of Practice (ACoP) on stress is necessary. HSC advisory codes have a similar status in law as the Highway Code - for example, an employer's adherence to an ACoP is taken into account when the authorities decide whether to prosecute for health and safety breaches.

Most experts agree that an ACoP on stress is unenforceable without a consensus on the standards of management practice against which to measure an individual employer's performance. The new management standards on stress

could provide this consensus and the HSE is likely to review the position on a possible ACoP once they have been tested.

Employers already have a duty of care under existing health and safety legislation to ensure that employees are not exposed to stress at work, and should not wait until the draft standards are adopted next year before taking action. The HSE recently issued the first improvement order on an employer for work stress and others are likely to follow.

HSE management standards

Tackling stress is partly a question of good management, according to stress experts. The HSE believes that cutting stress in many organisations will require a change in business culture. Its standards set out the state that needs to be achieved in an organisation to minimise work stress but do not prescribe how this state should be attained (although the HSE's website does contain a toolkit).



More generally, management standards allow employers to benchmark performance and identify areas for improvement. Management standards use risk management techniques to 'make real' the things organisations should be doing to manage stress. Many human resources professionals are familiar with the standards approach as a result of working with the *Investors in People* scheme and other initiatives on quality.

Guidance for Managers, published in 2001 by the HSE, set out the possible causes of stress. These 'stressors' form the basis for the six draft stress standards just published. Organisations will achieve the standard if:

- 85% of employees indicate they:
 - are able to cope with the demands of their job
 - have a say about, and some control over, the way they do their work
 - receive adequate information and support from their colleagues and managers, and if
- 65% of employees indicate they:
 - are not subjected to unacceptable behaviour, such as bullying, at work
 - understand their role and responsibilities, and
 - believe that the organisation engages them frequently during organisational change.

The standards are based on a population model that looks at the presence of stress in the wider workforce. Research suggests that 20% of the working population is 'very' or 'extremely' stressed as a result of exposure to the stressors identified by the HSE. As an increasing number of employers use the standards to assess what proportion of workers are exposed to stress, and take steps to reduce it, the proportion of people reporting stress generally should fall.

By setting an 85% cut-off for attaining the first three standards (demand, control, and support), the HSE hopes to reduce the 20% of very or extremely stressed people to 15% over time. A lower target of 65% employee satisfaction is set for attaining the standard for the second three stressors because less evidence exists to support a link between these and employee ill health.

The HSE proposes a six-stage process to achieving the standards, based on a risk management approach and using employee surveys:

- **Preparation:** those responsible for tackling stress at work need to obtain commitment from senior levels within the organisation and select a pilot group of employees on whom to apply the standards.
- **First pass:** determine current perceptions of stress using employee surveys, compare the position in your own organisation with the state set out in the management standards, and feed back the results to staff and others. One of the tools designed by the HSE for this first pass stage consists of six simple questions, one for each of the stressors, that can be distributed to all staff.

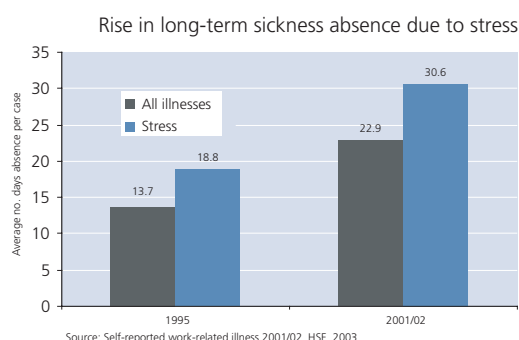
A second tool enables the organisation's performance under each stressor to be classified as green, amber or red, where red means the majority of staff feel the organisation is not achieving the standard. The results of this exercise will give a rough indication of how well employees think the organisation is managing stress and will identify any hotspots.

- **Second pass:** the results of the first pass are more closely examined, focusing on problem areas.
- **Consultation:** focus groups of employees can be used to help confirm the nature of the problem and are also a good source of potential interventions. It is important to get employees' 'buy-in' for further action.
- **Taking action:** the HSE encourages employers to focus initially on interventions that can be introduced relatively quickly before seeking longer-term changes in organisational culture.
- **Review:** interventions must be reviewed and the results of any evaluation should be communicated to all employees. If little or no work stress is identified, the HSE recommends repeating the first pass filter tool annually.

Stress and absence

Employee stress is a major contributor to absence in UK organisations. The latest official study on self-reported work-related ill health concludes that 563,000 people believe they were suffering from stress, depression or anxiety, caused or made worse by their current or past work, in 2001/02. Stress is the second most prevalent cause of work-related ill health next to musculoskeletal disorders. The number of work stress cases has doubled over the past ten years as other causes of ill health have fallen.

Stress tops the league in terms of working days lost to business because mental ill health absence lasts longer. An estimated 13.4 million working days were lost to work-related stress in 2001/02, and an employee off work with stress is typically absent for around 30 days, compared with nearer 20 days for a back or other musculoskeletal problem.



Stress is contributing to a rise in long-term absence cases across all areas of business and the economy, forcing employers to refocus absence management policies and practices onto rehabilitation and prevention rather than short-term triggers and targets. A recent survey by the Chartered Institute of Personnel Management (CIPD) found that nearly three-quarters of employers have changed their approach to absence in the past two years. In one third of

cases, this has meant increasing the role of occupational health (OH) professionals. Almost three-quarters of organisations in the CIPD study now involve OH in the management of long-term absence.

Women are more likely to report work stress than men, and rates of stress tend to rise with job status; the highest rates occur in lower managerial and professional groups and the lowest in routine occupations. Teachers and research professionals are the two occupations most likely to report stress. Eight professional groups, including several in the public sector, account for around half the cases of self-reported work stress identified by the HSE research.

Risk management and stress

The draft HSE standards, based on assessing the scale of the problem, analysing its impact and intervening to tackle it, are likely to foster the wider adoption of risk management approaches to work stress.

Risk management techniques are increasingly gaining a foothold in the human resources departments of UK business as organisations recognise that much of their value in a knowledge-based economy is enshrined in employees and their ideas, rather than in physical assets.

The management of absence, of which stress is a major cause, lends itself particularly to a risk management approach. Absence from work is the most obvious way of measuring an employer's exposure to a whole host of risks associated with employee health, wellbeing and morale. Absence is the third most important business risk in the UK, behind losing key staff to competitors and supply chain failures, and ahead of high impact events such as terrorism and IT security failure, according to one recent study (*Managing risk in Europe 2002: a Marsh survey of mid-sized firms*, www.marsh.co.uk).

It is important to cost stress-related absence to demonstrate the potential savings from adopting risk management tools to tackle stress. An organisation with an absence rate of 4% and absence costs of £300 per employee, per percentage point, is incurring absence costs of £1,200 per employee per year. Costs can total around £1.2 million a year in an organisation employing 1,000 staff. Clearly it is a significant cost.

On the basis of these figures, tackling stress, the most important cause of work-related long-term absence, by auditing, intervening and revisiting strategies will bring obvious savings to profitability and productivity.

Many risks that employees pose to an organisation are eventually manifested in unscheduled absence if left unchecked, and stress is no exception. Absence from work, due to stress or any of the other major causes of sickness absence, is one of the biggest risks businesses face in the human capital arena, but is controllable. Absence due to stress can quickly become a productivity issue. Employers are beginning to examine the organisational practices that permit behavioural risks like stress to grow, in addition to implementing tertiary interventions such as training and counselling.

Self-report tools

Staff surveys and questionnaires are an important part of the HSE's risk management approach to stress. Employers are already legally required to assess the risks of work stress and to address any emerging issues. Self-report tools such as questionnaires are the most straightforward way of doing this.

However, organisations must be wary of purchasing off-the-shelf solutions for measuring stress, as research suggests that some of these are badly designed, or ineffective if used inappropriately. For example, one-off stress audits can only provide a snapshot of the situation in an organisation at any one time, so are not the best way to examine the causes and effects of work stress. Risk assessment for stress must be ongoing, something made possible by web-enabled measurement tools such as the Stress Risk Evaluation service launched in summer 2003.

For further information on the HSE stress standards or the Stress Risk Evaluation service, please contact your usual Marsh representative.

Stress sources

HSE website: www.hse.gov.uk/stress/

Self-reported work-related illness in 2001/02, HSE, 2003.

Employee absence 2003: a survey of management policy and practice, CIPD, 2003.

Tackling work-related stress: a manager's guide to improving and maintaining employee health and wellbeing, HSE, 2001.

Best practice in rehabilitating employees following absence due to work-related stress, HSE, 2003.



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Tower Place, London, EC3R 5BU Tel: 020 7357 1000
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