

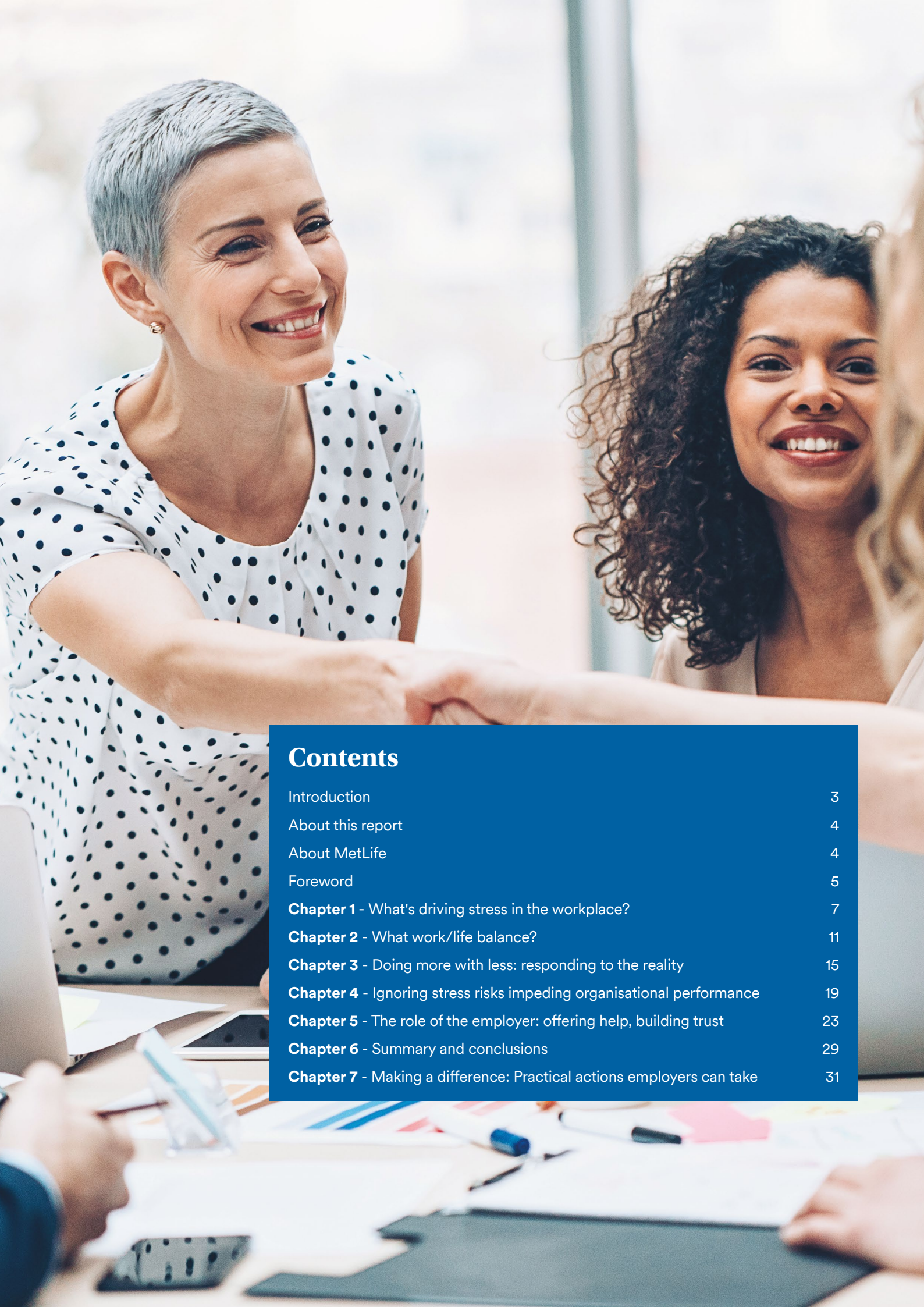
Mental Health and Stress:

Building Employee Resilience
in the Fourth Industrial Revolution



**“.. in the future,
talent more
than capital, will
represent the
critical factor
of production.”**

Klaus Schwab,
Founder,
World Economic Forum
14th January 2016



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Introduction

Businesses and workers in the UK are operating in and living with constant change. Technologies have disrupted long-established industries and traditional job roles and professions. Uncertainty is changing the nature of the job market in other ways: businesses are reluctant to invest in innovation and in people for the long term, leading to the growth of the so-called gig economy – bringing with it its own challenges and yet further uncertainty for workers.

MetLife conducted its first survey into stress in the workplace in 2014, publishing a 2015 report revealing that, whilst undoubtedly an issue for many, employers are uniquely positioned to strengthen their employees' mental health and better equip them for what has essentially become the new normal: not enough resources and constantly changing demands. With increased political and economic uncertainty in 2018, it seemed timely to run our research into Organisational Resilience again and uncover any changing trends.



There is a high cost: mental health is estimated to cost UK employers up to £42 billion a year and up to 2.3 million people at any time are experiencing problems that affect the amount of paid work they can do, according to the Money and Mental Health Policy Institute.

Encouragingly, increased awareness, a willingness to think differently about mental health and a recognition by employers that they have a role to play is starting to drive positive change.

The increased openness is encouraging, but our study shows that more needs to be done in key areas to help employees: simply putting in an Employee Assistance Programme and hoping employees will use it is not likely to make an impact or deliver lasting change.

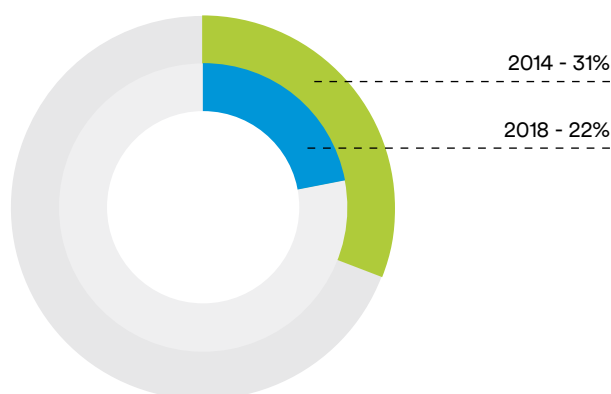
For employees to thrive, they need frameworks in place to support motivation, engagement, clear goals and direction, and good overall health and wellbeing.

The leaders of an organisation help to set the values and culture of an organisation and this requires clear communication to staff and visible and authentic leadership support. Critically, team leaders and managers need to understand the role they play and they too need frameworks to enable emotionally intelligent leadership.

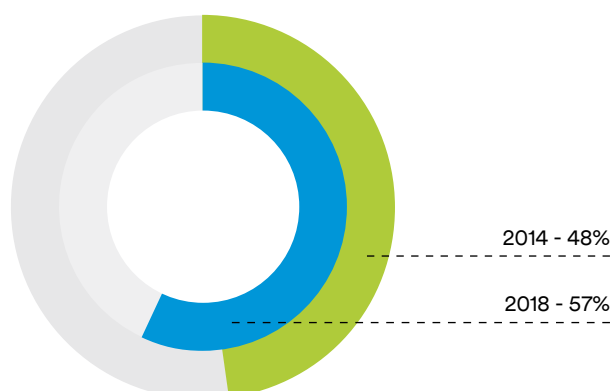
The outcome has commercial and societal benefits: stronger and more sustainable organisations that deliver for customers and shareholders, and less strain on public support networks like the NHS and, increasingly, schools.

This report sets out the causes of workplace stress, its impacts (on the individual and the employer) and the divergence in views between employees and employers on common challenges. It proposes practical solutions employers can implement to address the challenges of stress in the modern workplace and in doing so drive high performance and competitiveness in today's economy.

My job isn't stressful



My job has become more stressful in the last year





About this report

Research for the report was conducted between July 31st and August 1st, 2018 by independent research agency Consumer Intelligence among 1,068 UK adults aged 18+ in full time employment. Research among employers was conducted online by Pollright among a panel of 200 UK HR professionals in June 2018.

Research for the 2015 report was conducted among 1,052 adults aged 18+ in full-time employment by independent research agency Consumer Intelligence between November 4th and 10th 2014.

About MetLife

MetLife is a well-established and rapidly growing provider of group risk and individual protection in the UK, powered by a global brand. We have wide experience and deep expertise in the protection market and a strong track record.

We believe that employees can be at their best when they feel supported and have benefit plans that give them security and peace of mind, as well as physical and mental wellbeing. And when employees are at their best, businesses thrive.

Our parent company US-based MetLife Inc. is one of the largest life insurance companies in the world. Founded in 1868, it is a global provider of life insurance, annuities, employee benefits and asset management. Serving approximately 100 million customers, MetLife has operations in nearly 50 countries and holds leading market positions in the United States, Japan, Latin America, Asia, Europe and the Middle East.

Foreword

By Sir Kenneth Olisa OBE



I consider myself to lead a very privileged, some would say, exotic, life and part of the reason that I say that is because I can count in my circle of close associates, men and women from many walks of life. Four random examples make my point: a highly decorated military figure, a stay at home Dad, a senior female Board Director and a front-line charity worker.

In addition to being my friends, they have many other characteristics in common, one of which is that they all experience stress at work.

Obviously, the causes of their stress vary widely – being shot at engenders a different reaction to being late for the school run. Suffering something being mansplained doesn't feel the same as empathising with a street sleeper.

But the impact can be identical.

I know this from personal experience over a long career which, it's fair to say, has involved moments of great stress. Not to waste your time on my catalogue of woes, I would cite three massive examples: I was summarily dismissed from my job as General Manager of a major computer company when my bid to execute a management buy-out was rejected; I was in a minority of two on the Board of a FTSE100 mining company in a life and death battle over the compliance with the UK Governance Code; and I was member of IPSA (the body set up to sort out the MPs' expenses scandal) which was described by our Chairman in his final report as "part constitutional reform, part mud-wrestling, part pioneer frontiersman, and part voyager through Dante's Inferno"!

While these three memories are particularly dramatic, they join thousands of other less extreme moments from the callousness of the bullying boss, to the terror of my first public speech, to the panic of an approaching deadline or plucking up the courage to ask my first prospect for the order!

My point is that stress, like people, comes in all shapes and sizes. If it is short-lived and successfully tackled, it can be a good thing providing the adrenaline to aid better performance.

But the converse is also true. If it is chronic or so powerful as to knock you off your stride, it can be terribly destructive. And, because dealing with stress is a biological process, there is often no telling which way it will go until the moment it hits.

And equally importantly, it is vital to see stress for what it is – something which can enhance or damage any one of us depending on a host of factors – and not as a test of personal strength.

The battle-hardened soldier is as likely to suffer PTSD (post-traumatic stress disorder) as the book keeper working in a macho atmosphere is likely to have a nervous breakdown.

I have been lucky. I have had help. My survival despite those darkest moments has been due to the largely ad hoc kindness of trusted family, colleagues and friends.

But in the 21st century, that hit and miss approach is no longer acceptable. Those of us with responsibility for the wellbeing of our employees need to develop a much more structured attitude and approach to workplace stress. And the starting point is knowledge of the nature and causes of the problem.

That is why I commend MetLife for this excellent report and I was interested to note that it has identified trust as a vital prerequisite to creating an atmosphere within which the corrosive aspects of stress can be managed.

Of course, not all stress is bad and many of us require a degree of pressure to fulfil our potential.

However, it is a given that bad stress is bad.

And so, in closing, I would make one final point. Workplace stress management isn't just a matter of social justice – the ambition to build an inclusive society – it is also a matter of competitive advantage. If our human resources aren't operating at full capacity, just as with any other asset, we are acting sub-optimally.

Fortunately, many of those optimising levers are in our own hands – MetLife's research reveals that 45% of companies admit it is their own corporate culture that causes workplace stress.

The practical advice in this report is a good basis for a strategy to change the way we work. Having a three to five-year objective is crucial and companies need to ask what success looks like.

MetLife's report helps point the way and its message is clear – don't relegate stress management policies to the appendices of your Employee Handbook. Bring the topic to the front and encourage everyone to read it and to act upon it.

Sir Kenneth Olisa OBE
The Lord-Lieutenant Of Greater London

Chapter 1

What's driving stress in the workplace?

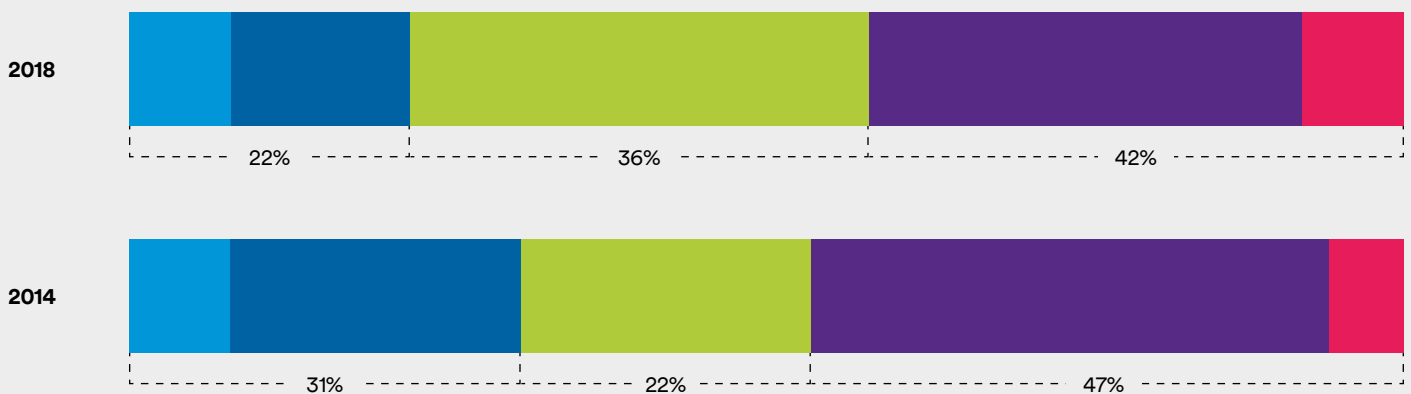


Stress is a fact of life and, some would argue, necessary for individuals and teams to strive for positive results. In work, as in life, things are rarely straightforward and the need to adapt and change our plans and our thinking is a given.

Given the spread of personality types in any organisation, some will naturally react and cope better with this than others. The frictions this can create can be considerable and, without intervention and simple frameworks to help, employees will not be able to perform at their best.

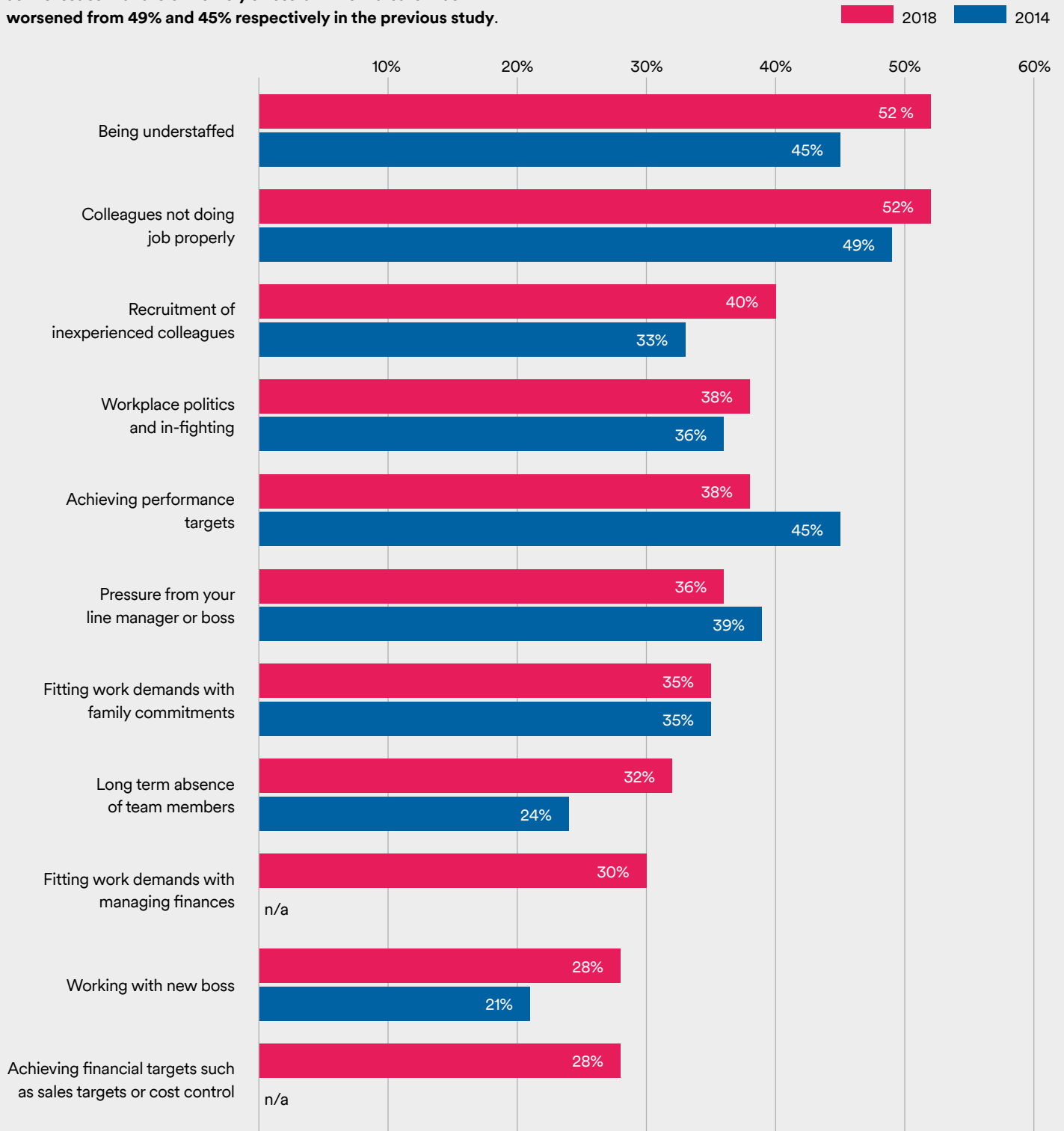
The chart below shows how employees' feelings about stress in their jobs have changed over the last 4 years. A slight improvement is shown overall, **with 42% in 2018 compared to 47% in 2014 saying their job is extremely stressful or stressful**. However, feelings about how their job has changed have worsened: 57% now think their job has become more stressful compared with 52% previously.

- Not stressful at all
- Not very stressful
- Neutral
- Stressful
- Extremely stressful



So what is causing this?

Employees are telling us that a major cause of stress at work is the people they work with – either there aren't enough of them or the ones that are there are failing to deliver. Employees rated being understaffed and working with colleagues who fail to perform as a major cause of the stress they feel. **52% of staff rated those factors as the issues that are extremely stressful. This indicator has worsened from 49% and 45% respectively in the previous study.**



Millennials and Stress – Can't Cope, Won't Cope?

In MetLife's 2017 UK Employee Benefit Trends Study, financial wellbeing (or lack of it) emerged as a significant challenge for employees and in turn the companies they work for. We therefore asked employees this time round about this: 30% told us that fitting work demands around managing their finances caused them stress – a clear signal to employers that intervention here will bear positive results.

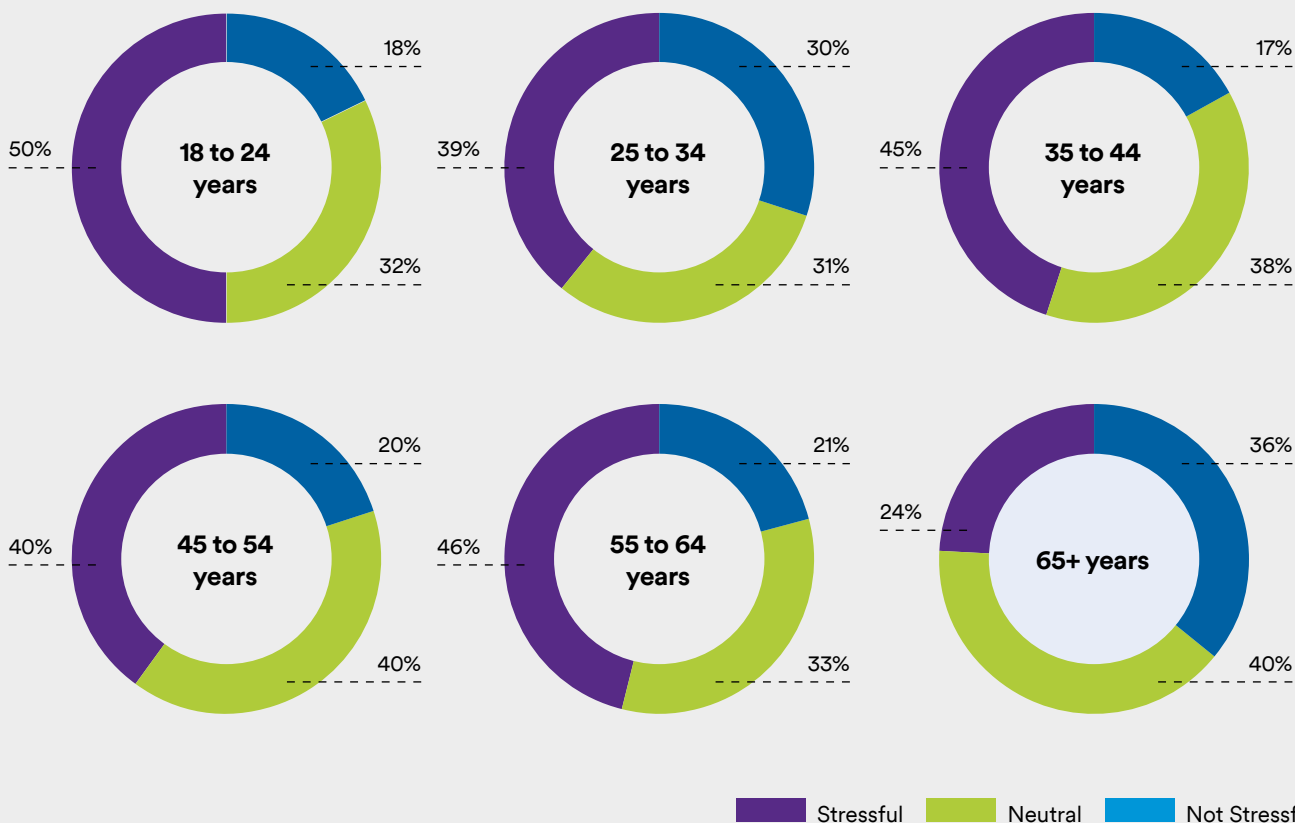
An area that has improved over the period is pressure from line managers or bosses, where in 2018 36% of employees cite this as a cause of stress compared to 39% in 2014.

The challenge of managing millennials is something employers are increasingly encouraged to think differently about. We hear a lot

about this generation's demand for varied and interesting work, high expectations in terms of salary and reward, and flexibility in working locations and patterns. A daunting shopping list for any employer and unheard of in terms of attracting and retaining previous generations who were happy with a carriage clock at retirement and a Christmas party at the end of the year.

However, the reward for employing millennials and making the effort to respond to their needs may not be what employers need it to be: **50% of 18 to 24 year-olds say their job is stressful – the highest of any cohort.** High levels of stress tend to correlate with lower levels of retention, making this a costly hiring strategy, if frameworks aren't in place to reduce the stress these workers say they feel.

Thinking about your current role, how stressful do you think your job is on a day-to-day basis?



Chapter 2

What work/life balance?

Working in an “always on” world



UK employment is at a record high with 75.5% of the population in employment and 32.397 million working. But as the nature of employment is changing does this mean that fear of periods without work is driving behaviours in the workplace and impeding individuals and organisations in contracting to work and be “worked for” based on mutual trust and understanding? It would appear so.

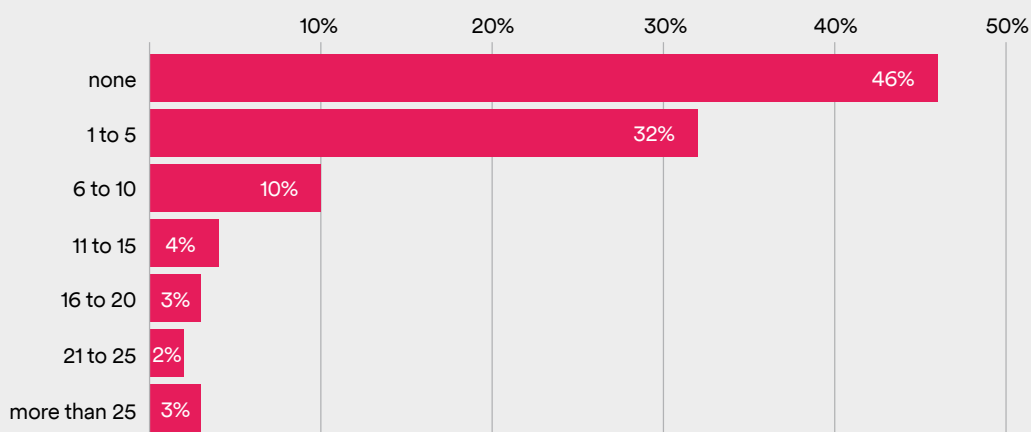
Ways of working are in many organisations a world apart from even a decade ago. New technologies make it easy to work wherever you are and globalisation and needing to work with colleagues around the world have changed the pattern of working hours. The high cost of office space has led many employers to adopt agile and remote working, with fewer people in the office every day and more working from home or more flexibly. It is estimated that just 6% of the workforce now work 9am to 5pm.

The risk this new “always on” culture brings is that work never stops for some, and working late at night or early in the morning is normal and even expected. Home and work life bleeds into

one with potentially detrimental effects on employee performance and wellbeing.

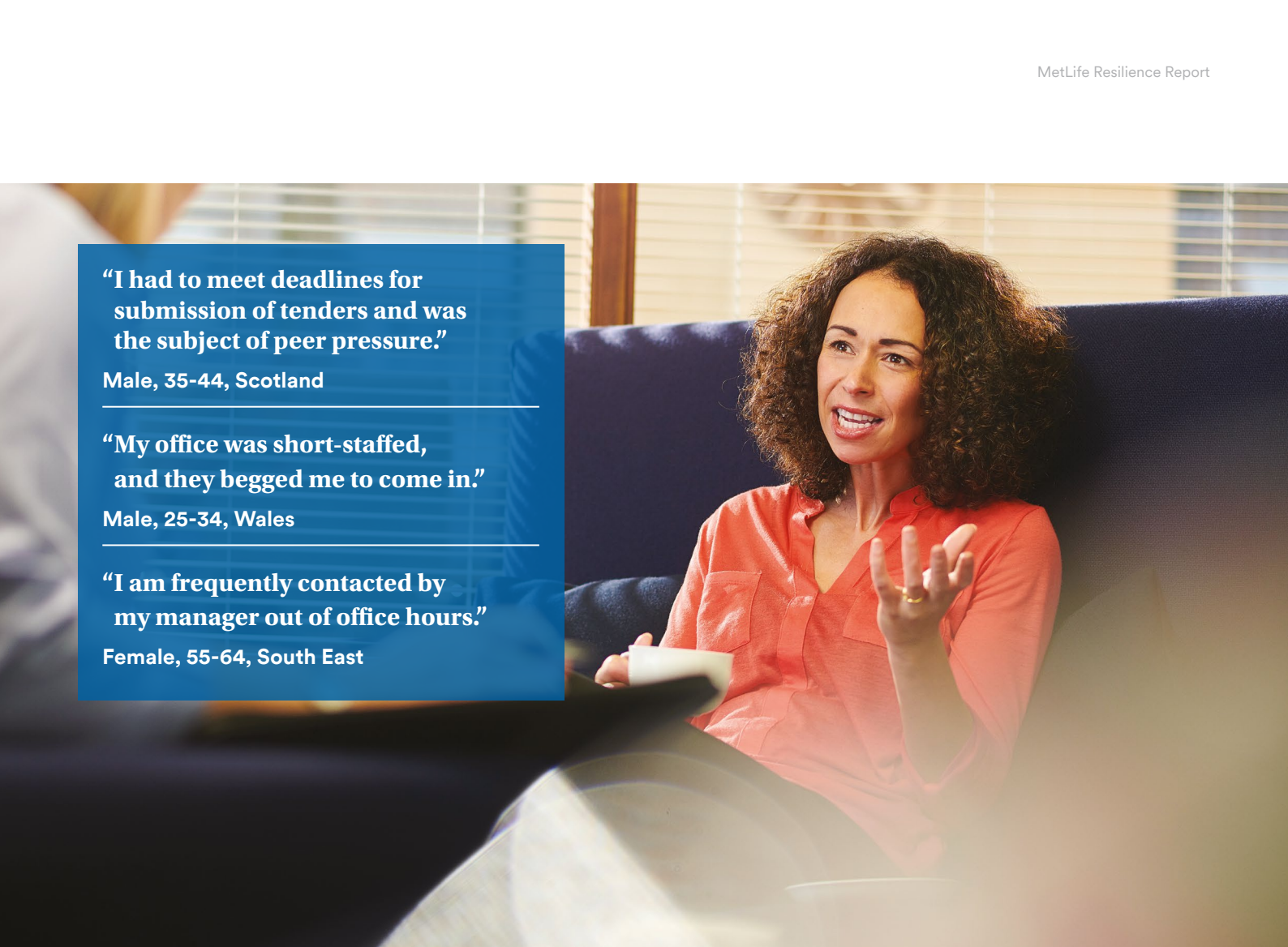
- Around a third of employees (35%) say fitting work demands around family commitments such as caring for relatives is a cause of stress at work
- Nearly two-thirds of employees say they regularly work extra hours on top of their contracted weekly hours

Around 62% of employees say their working week includes contracted time at weekends, reflecting the nature of the UK’s service economy. However, the 38% who are not contracted to work at weekends are finding it difficult to switch off. More than half (54%) have had weekends disrupted by work issues in the past year and on average they have 4.1 weekends a year disrupted by work. Around one in eight have had more than 11 weekends in a year disrupted by work.



Over half of employees say they work at weekends as they need to catch up on tasks they could not complete during the working week, reflecting the earlier data point we saw around understaffing causing employees to feel stressed. A further 29% say they struggle to switch off and for an unfortunate 16% their employer demands they are always available.





“I had to meet deadlines for submission of tenders and was the subject of peer pressure.”

Male, 35-44, Scotland

“My office was short-staffed, and they begged me to come in.”

Male, 25-34, Wales

“I am frequently contacted by my manager out of office hours.”

Female, 55-64, South East

Well-meaning employers may have put in support systems such as an Employee Assistance Programme to help their employees manage their stress, however as highlighted in the introduction, simply putting these in place does not address the issue.

49% of the employers we surveyed said that they are taking action to monitor excessive working hours. The same numbers believe limiting email access outside normal working hours would improve mental health and a solid 40% say it would increase engagement and morale. The test is in the actions they take: good intentions do not always translate to policy and practice.

Chapter 3

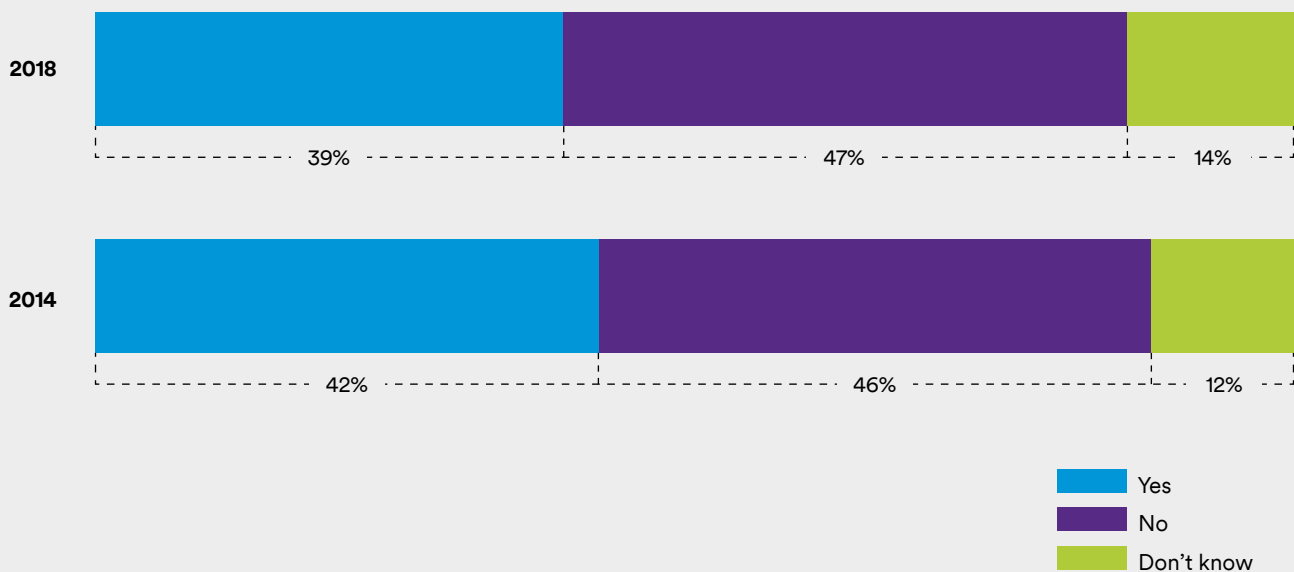
Doing more with less: responding to the reality



As we saw in the previous section, employees are exhibiting the behaviours you would expect to see in times of high unemployment at a time of high employment. Worrying about work and working weekends is affecting them and this seems to be linked to their view that they are understaffed.

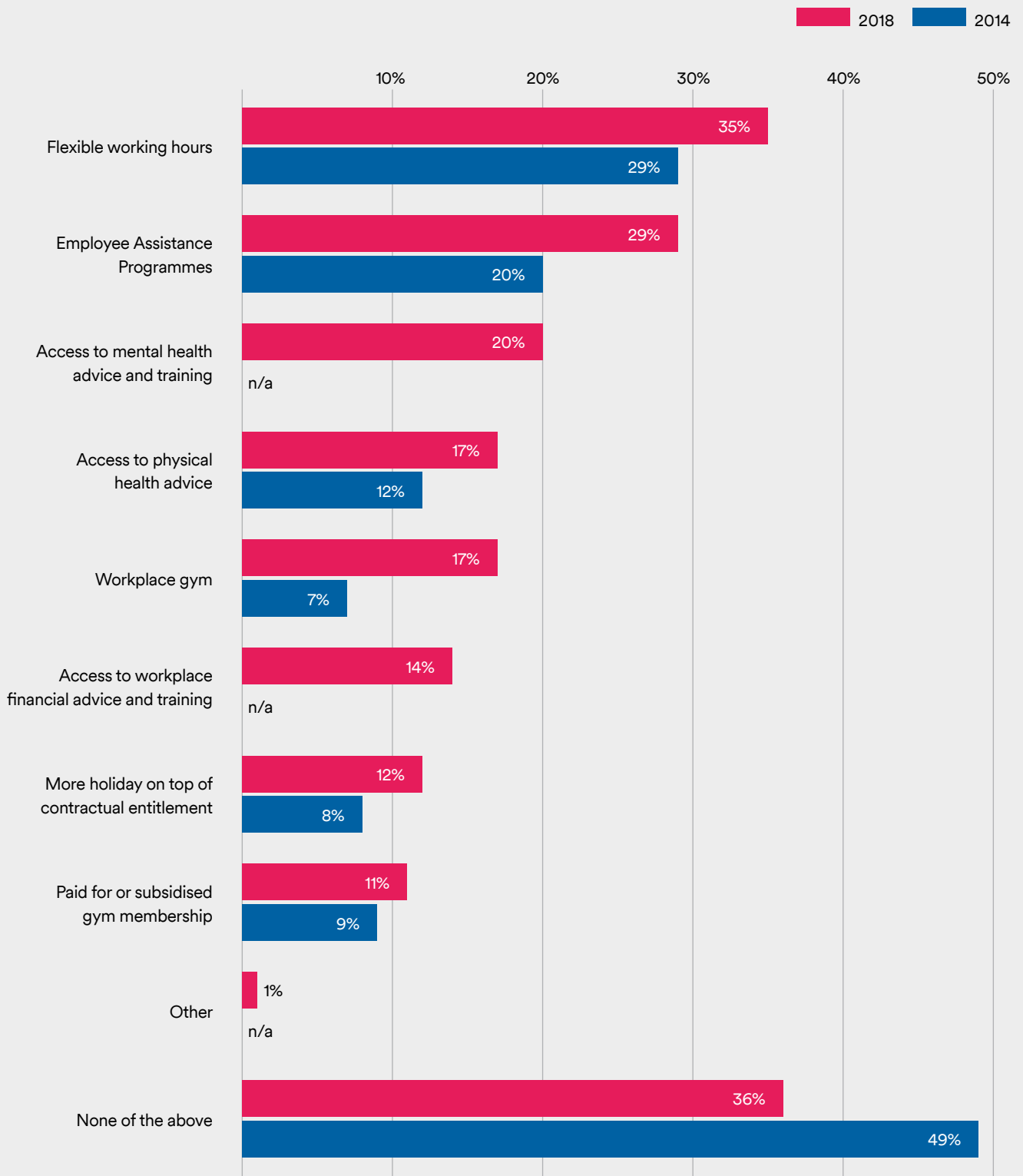
The number of employees who think that their employer is doing enough to help them – individually or collectively – to deal with work pressure has worsened since the previous survey, falling from 42% to 39%.

Do you feel your employer does enough to help you individually or collectively to deal with work pressure? (2018 vs 2014)



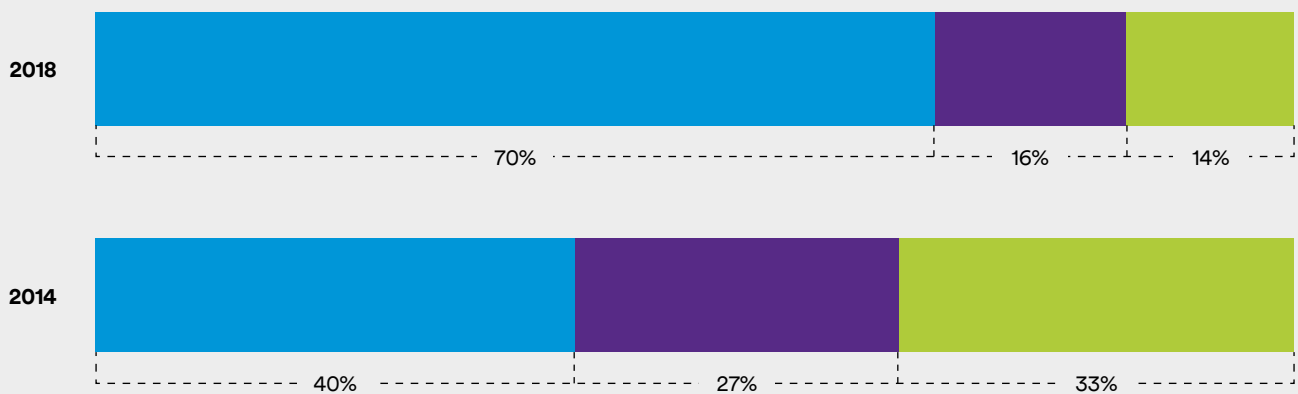
This makes disappointing reading for employers, whose efforts to strengthen employee resilience are improving, at least on paper: this time round 64% of employees said their employer offered some form of help and support in the workplace compared to 51% last time round. But for employees, this clearly isn't meeting their needs.

As we said earlier, intention does not equal policy and practice. Even with policies in place, organisations must work hard to ensure that the benefit of these policies is being felt. Looking at aspects like communication and culture is critical to drive impact from initiatives that they invest in. It is no good creating a flexible working policy if employees don't feel they can ask to be considered.



As we saw earlier, many employees feel their organisation is understaffed. 70% of those most recently questioned said their job would be less stressful if there were more staff compared to 40% in 2014.

■ Yes
■ No
■ Don't know/not applicable



This lack of resource means that it is even more important for the staff that are in place to collaborate, well under pressure and a resilient outlook. A missed opportunity, employees feel, is to reflect this in the recruitment process. Just 37% believe their companies are honest at recruitment stage about the demands on employees. The divergence between employer and employee views is stark: 56% of HR leaders questioned believe they do make this clear as part of the recruitment process.

Chapter 4

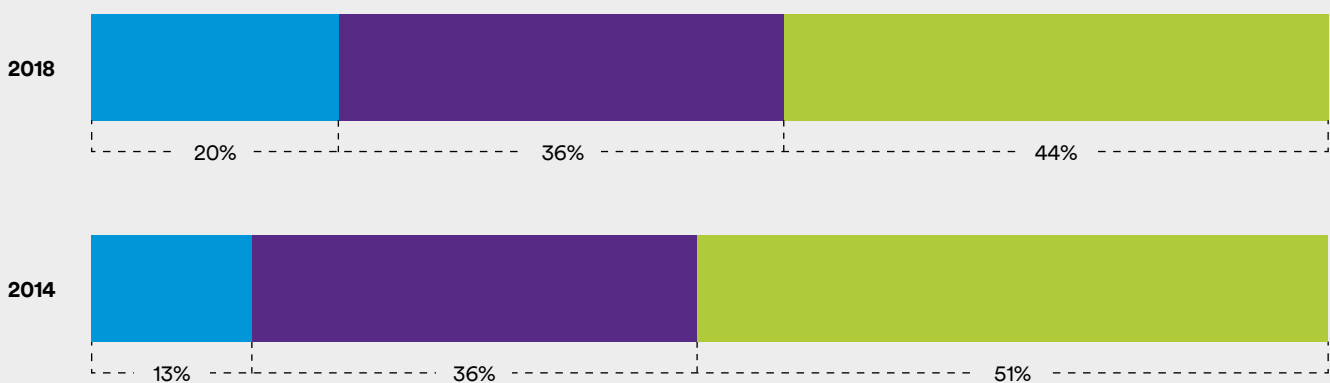
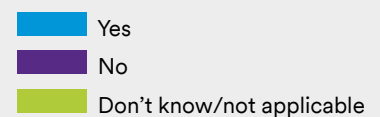
Ignoring stress risks impeding organisational performance



Ignoring or failing to adequately address the challenges employees feel in the modern workplace has significant commercial impact on employers. Our data showed that 43% of employees would consider leaving their jobs in the next 12 months if stress levels do not improve. This compares to 31% four years ago.

Organisations need to take this seriously and understand the equivalent level amongst their own employees and then take steps to address the risks as part of their people strategies. Even if employees don't actually leave, the impact on engagement can be significant.

Employee trust is built around what they see their company do, not what it says. Where employees have spoken up, only 20% said action was taken as a result compared to 36%, who said nothing was done.

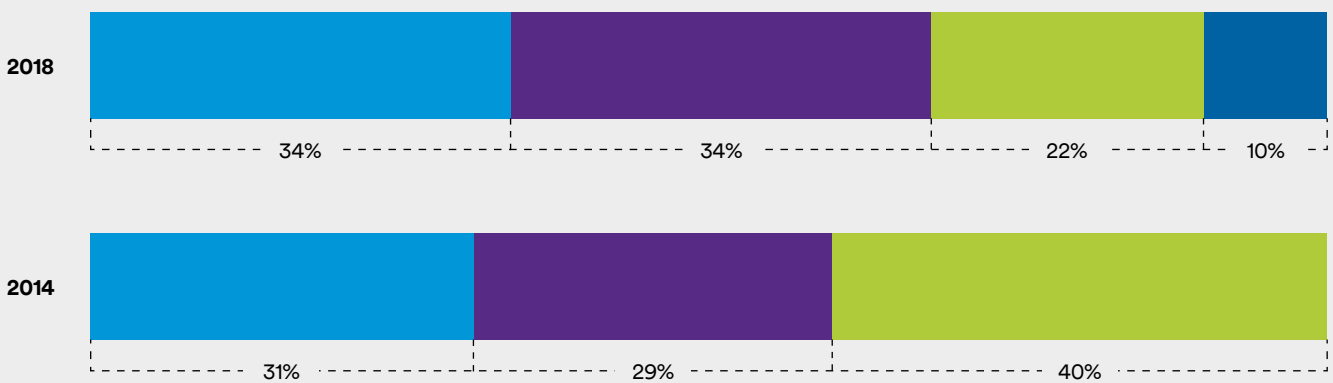
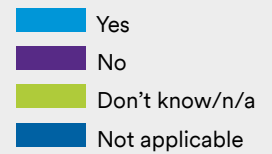


Employers concede that they need to do more: just 40% believe they have done enough to promote resilience in their workplaces.

- Two-thirds (66%) believe resilience must be driven from the top by the organisation's leadership
- 57% of employers recognise they need to do more to create a culture of resilience

The role of the line manager: friend or foe?

Our study told us that employees have mixed feelings about being able to discuss the impact of home life stress on their working lives with their managers. Around 34% say it would help them, with the same number saying it wouldn't. However, the movement in responses since last time round does not bode well: the percentage saying it would not help them has increased from 29% to 34% in 2018.



Employers appear somewhat in the dark about this: 56% of employers think their employees would be happy discussing stress with their managers. The gulf between what managers and leaders think and what employees feel can be addressed, but again culture change is key.

Employees' concerns around discussing stress with line managers need to be considered seriously as it appears that, despite employer efforts to implement programmes and initiatives, employees aren't willing to engage. Why is this?

- 44% say they fear it would make them look weak
- 35% say it would make them look as if they are not committed to their job
- 28% fear it would harm their career

"I do not feel my manager would be very interested or helpful."

Female, 25-34, North East

"My boss is not interested in home life as they feel it should be left at home. They do not recognise stress happening at work as they're not stressed themselves."

Female, 35-44, Yorkshire

"Management is generally unapproachable and look at staff as numbers rather than people."

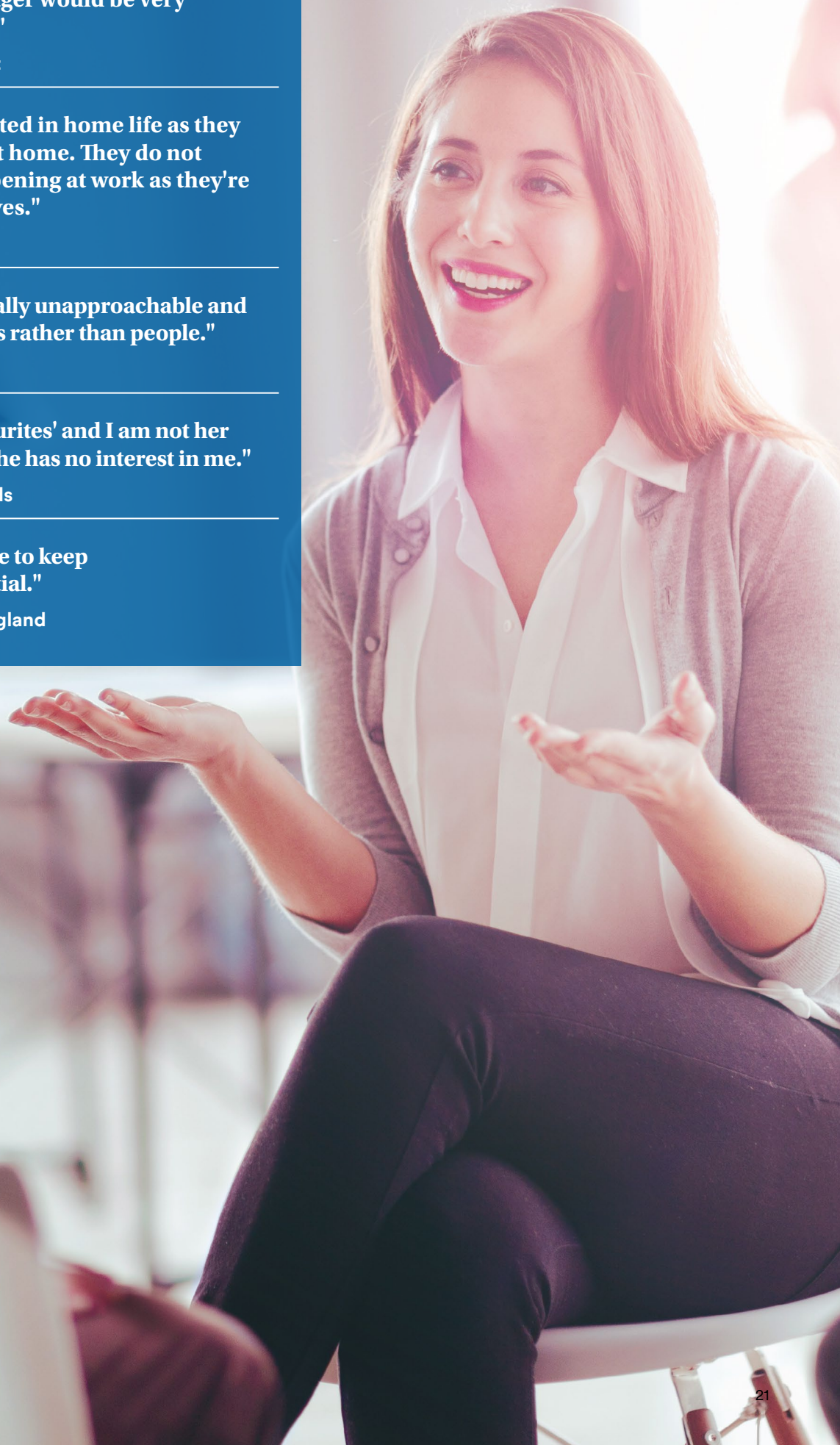
Male, 35-44, Scotland

"My Manager has 'favourites' and I am not her current favourite, so she has no interest in me."

Female, 65+, East Midlands

"My manager is not able to keep information confidential."

Female, 35-44, East of England

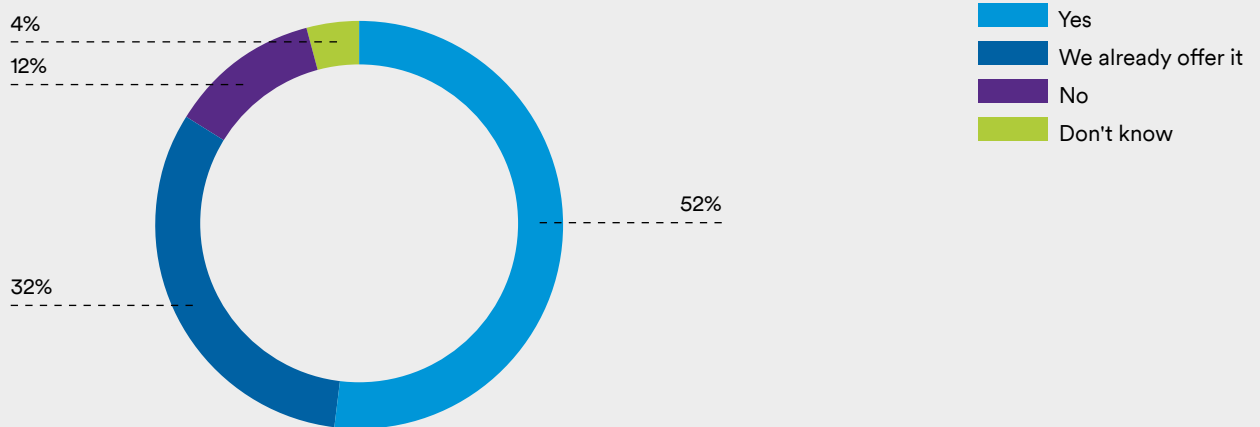


Chapter 5

The role of the employer: offering help, building trust

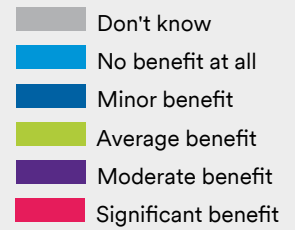


Rising awareness of the need to help individuals tackle mental health issues is driving action amongst employers to play their part. Our research showed that 32% of employers are offering specialist training or courses to help employees cope with work pressures, with 52% believing it should be introduced in their organisation.

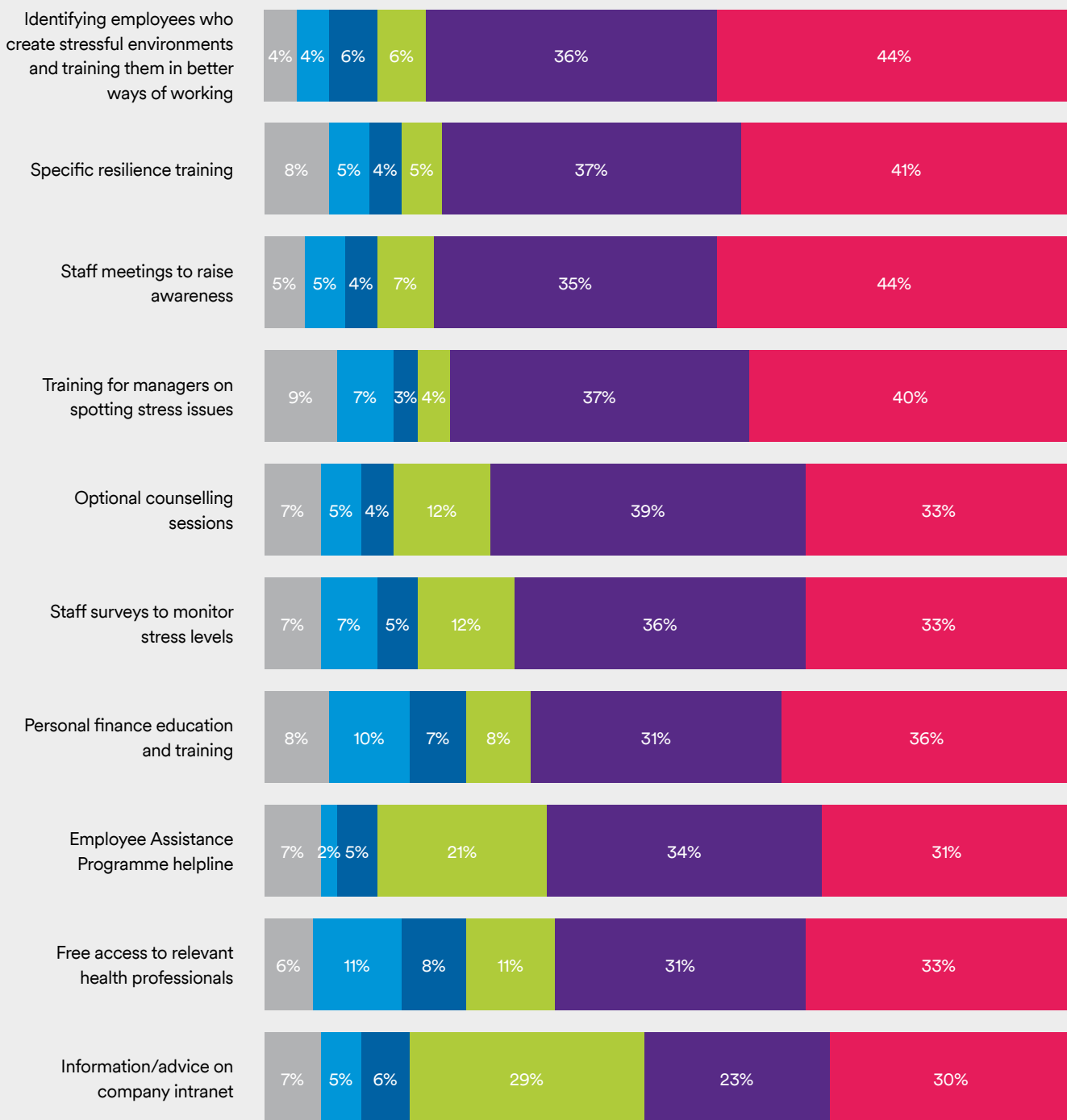


Employees, too, are in favour of the introduction of training with 54% saying they would welcome it. However, as we have seen, culture and practice often diverge and employers need to tackle the issue from both sides in order to achieve results.

The tools that employers believe will have the biggest impact on enhancing employee resilience are mental health awareness and training (79%), financial education programmes (71%) and flexible working (67%). Enabling more working from home and embracing flexible working also feature highly: in many cases these can be implemented at little or no cost.

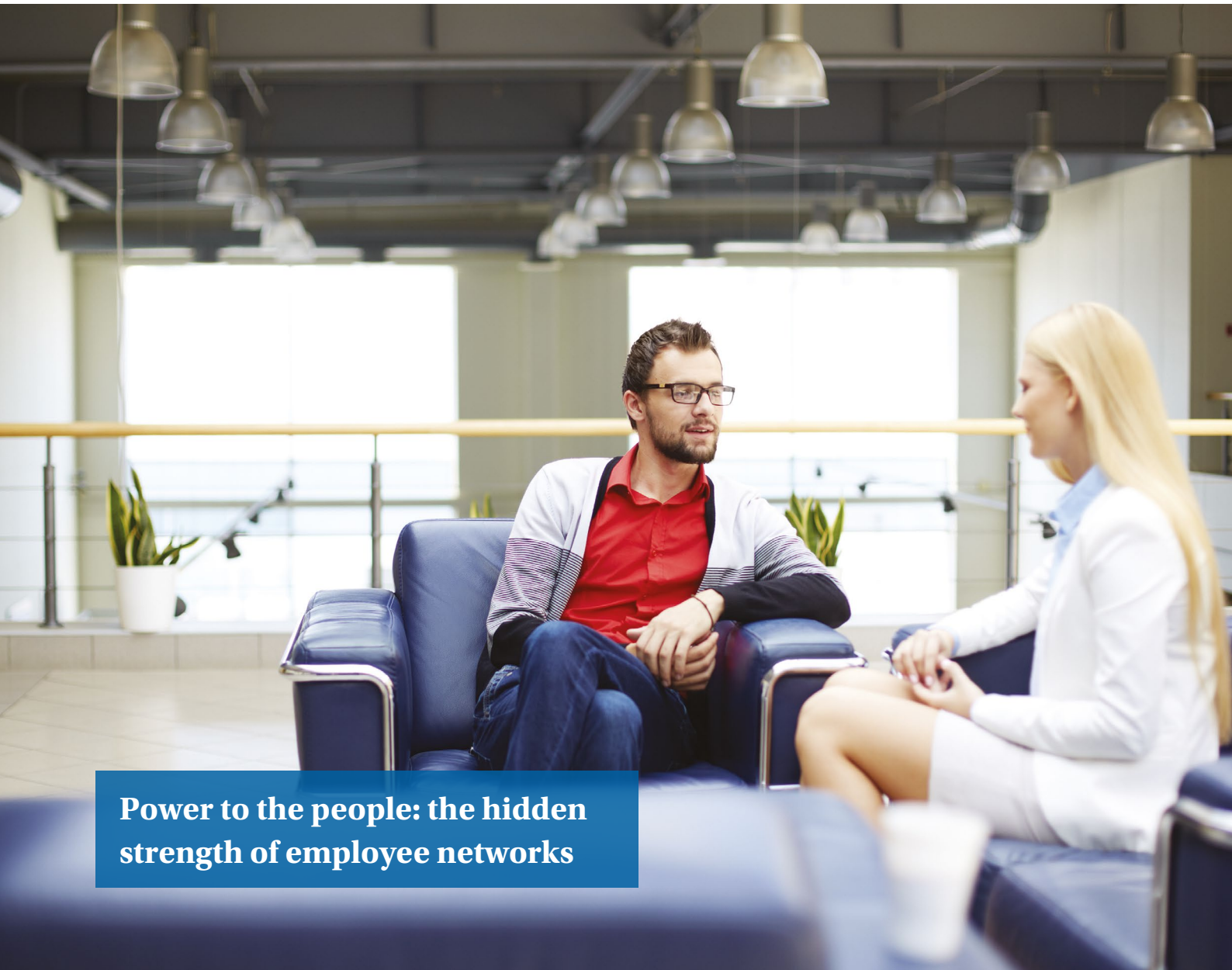


The issue of stress is multifaceted and therefore a programme to address it needs to reflect this. 80% of employers we surveyed said that identifying staff who create stress and training them in better ways of working will have a significant impact in addressing stress in their organisation. 41% also recognise the importance of training for managers, who as we saw are critical and often overlooked in terms of the role they play – good or bad.



There is a strong view from employers that much of the issue is driven by culture: 45% of employers in our survey said that their organisational culture created stress. Despite this, 40% believe

they have worked hard to create a caring and inclusive culture. Employees disagree: just 18% feel the same way.

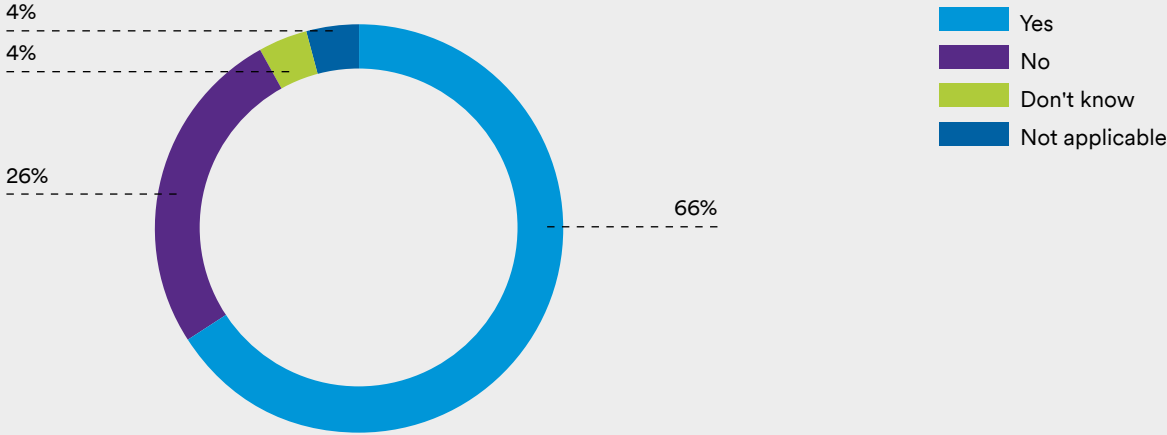


Power to the people: the hidden strength of employee networks

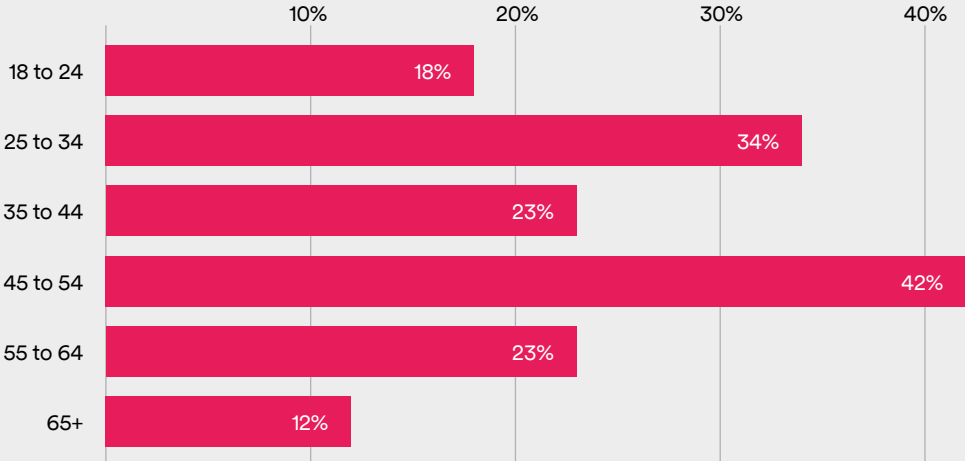
The formal methods for helping employees manage stress and pressure will undoubtedly have a positive impact when coupled with meaningful and sustained commitment to addressing the cultural issues that can help or hinder them. However, employers would benefit from looking beyond this and into the informal networks that exist, which our data showed can be powerful and effective. Asked if they felt able to discuss workplace stress with colleagues, 66% of employees agreed they were.

This is a significant increase on last time which saw 31% saying they were. Capitalising on this trust between colleagues can build further trust in the organisation, especially if colleagues are recognised for supporting rather than competing against other team members. As the bar chart shows, willingness varies between age groups with the strongest negative responses coming from the 25 to 34 and 45 to 54 year old age groups. The youngest and oldest cohorts are much more likely to look to colleagues for support.

Do you feel able to discuss workplace stress and the impacts of workplace pressure with your colleagues?



All who selected "no" by age group



Chapter 6

Summary and conclusions



Stress is a fact of life and in modern workplaces and challenging economic conditions, a failure by organisations to help employees minimise the stress they feel will put a brake on performance.

What employees feel is real, and despite views from management that they are taking action to help employees it is clear from our study that more needs to be done. This shouldn't deter employers. Whilst some programmes come with a cost, many initiatives can be created and implemented that do not.

The employers we surveyed are clearly saying that they need help: 84% said there is no clarity on best practice to address mental health issues in the workplace. It may be that the explosion of interest in the topic is confusing employers into inaction, and this is a very clear opportunity for employee benefits consultants in tandem with insurance providers to step up and help.

Group risk offerings have evolved and elements that, in the past, may have been seen as "added value" benefits are now front and centre in employer decision-making. But employees themselves aren't feeling the benefits, pointing to another clear need – for purposeful and non-judgemental communications.

As change remains constant, it is imperative that employers recognise the important role they play in supporting the foundation of their organisations: their people.

Chapter 7

Making a difference: Practical actions employers can take



Build trust across the organisation, including amongst peers

34% of employers said it was their organisational culture that drives stress. Building trust takes time and requires commitment, but the benefits are significant in terms of employee engagement, performance and retention, and succession planning. Creating a common purpose builds engagement across all age ranges, and in particular for millennials who seek purpose and authenticity in all aspects of their life. Recognising individual employees' natural working styles is another very effective way to build collaboration and respect amongst teams and functions – this should further drive up the numbers of employees willing to talk to colleagues about the stresses they feel.

Recognise the role of line managers

Line managers are in the middle, with the pressure from above to lead and deliver, coupled with the expectations from below to be on their side and listening to challenges they may not be able to influence or change. Especially with the resourcing pressures of today, it can be a lonely place to be. Employers need to recognise these unique pressures otherwise line managers can feel overwhelmed and ill equipped to help and coach employees in handling stress – and ultimately not perform in their own roles. Support within Employee Assistance Programmes (EAPs) for line managers is usually part of the package on offer, so work to understand this and build into line manager training – then recognise the managers that do it well.

Communicate with purpose, transparency and check understanding periodically

Employees are often unaware of all the support they have and employers who do a good job of communicating benefits will see an increase in engagement. Group Risk providers will offer support and MetLife has dedicated client relationship managers who can help ensure the impact of communication strategies are maximised. Communicating with purpose and transparency is absolutely essential: coach communicators in this, helping everyone involved in communication to understand the behaviour change they are trying to achieve. Leaflets in the staff canteen about mental health are not sufficient to make a difference.

Decide what to measure, and measure it often

Encouraging employees to complete surveys can be challenging, but should not deter employers from trying. Short, simple surveys focusing on different aspects of work and stress will help to pinpoint emerging issues and enable leadership teams to course correct their strategies. It goes without saying that it is important to act swiftly on the findings so that employees feel heard and in turn well supported.

Want to know more?

For more ideas and suggestions as to how MetLife can help visit <https://www.metlife.co.uk/sme/>

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Navigating life together