







EXECUTIVE SUMMARY

In recent years manufacturers have realised that to keep highly skilled staff that they have trained and invested in, it is vital to look after the 'whole person' and their wellbeing. No longer is it enough to provide good working facilities and a nice canteen, the mental wellbeing of each and every employee is equally business critical.

In the last two years 58% of businesses have increased their spend on health and wellbeing support and half (50%) have increased their spend since the start of the pandemic, recognising the immense strain staff have been under. A further four in ten (45%) kept their health and wellbeing spend the same last year, against a background of falling orders and a difficult economic climate, with just 5% decreasing the amount they invested in this area. Some 33% of businesses spent between £10,000 to £50,000 on health and wellbeing annually, demonstrating the value placed on keeping a happy and healthy workforce within the manufacturing sector.

As a result of this spend, some 23% of companies making this investment in their people saw productivity increase, 24% increased staff retention and 21% saw a drop in the number of days lost to absence. The growing emphasis on the importance of mental health of staff is also acknowledged by the fact that more than a quarter (29%) of companies now have a board director responsible for mental health and 22% a senior manager dedicated to the role.

Our latest report also shows that 57% of companies offered staff bespoke mental health support, while 35% had in-house mental health services on offer. Engagement with staff has also increased with 46% of companies putting on regular support calls, 41% video calls with employees and over half (52%) offering bespoke mental health training to mangers with a further 29% planning to lay on specialist training for senior staff.

During the last year, remote working has placed a different and very isolating burden on many office staff who had to get used to working at home almost overnight. To keep staff morale up, 27% of companies have made it a priority to put on staff events during the pandemic to maintain a sense of togetherness and working as part of a team. Nearly half (46%) of manufacturers said they made sure to have regular calls with their employees to check on their wellbeing and to keep contact regular, while 41% said they made sure these catch ups were in the form of video calls to maintain face-to-face contact with their people.

ABSENCE IN THE MANUFACTURING WORKPLACE

If there were ever a time to explore sickness absence in the manufacturing workplace, it is now. Nobody could have predicted the events of the past 18 months, with employers and employees alike having to adapt to new ways of working. Manufacturing employers have found themselves managing workforces remotely, including managing absence.

Earlier this year, Make UK published its Absence Benchmark Report and despite the obvious concerns of dramatic increases in stress-related absenteeism, the number of sick days taken from work has remained static from the last figures we had from 2018. The average days lost to sickness absence in 2020 came in at 5.3 days and the average sickness absence rate was 2.3% - no uptick from absenteeism numbers from two years earlier.

There are a range of factors that may have influenced these results including the introduction of furlough, more employees working from home and potentially some presenteeism with employees keen to help their companies through the Covid crisis. But overall, absence rates were lower than perhaps we would have expected.

That said, employers are still experiencing short-term and long-term absences from employees. What has changed is the reasons behind these absences. This year the main reason for short-term absence was Covid-19 or self-isolation, with seven in ten manufacturers citing this as one of the two main reasons for absences. This is both unsurprising and expected. Covid-19 has affected employees directly, with many having contracted Covid-19 over the past year or so. Even employees who may not have contracted Covid-19

themselves may have found themselves absent from work owing to self-isolation rules. This may have been because a family member with symptoms or being told to self-isolate via the NHS Test and Trace system. Where employees have contracted Covid-19, this has led to it being cited as one of the top reasons for long-term absence also, with almost one-third (32%) citing it as one of the two main factors for long-term absence.

As we have seen in previous years of surveying manufacturers, physical illness remains the most common reason for long-term absence, and the second most common reason for short-term absence. Physical health has always been spoken about a lot more in the manufacturing workplace, given exposure to dust, noise, vibration and the like.

What is less commonly voiced is mental health. Yet an increasing number of companies cite this as a reason for short-term absence (22%) and long-term absence (31%). In addition, stress is cited as one of the two main reasons for both short-term and long-term absence (22% and 25%) respectively. We explore the increasing importance of mental health later in this paper.

MAIN REASONS FOR SHORT-TERM ABSENCE

(Manufacturers were asked to select up to two)

COVID-19/ SELF-ISOLATION PHYSICAL 32% 22% POOR MENTAL HEALTH

STRESS 22% 4% OTHER

MAIN REASONS FOR LONG-TERM ABSENCE

(Manufacturers were asked to select up to two)





POOR 31%





25% STRESS
OTHER 11%



DID YOU KNOW?

According to Mind's 2020/21 Workplace Wellbeing Index, only 10% of private sector employees who would benefit from taking time off when experiencing poor mental health will always or often take time off. More than half (51%) will always go to work and one in five (21%) will often go to work.



MENTAL HEALTH STIGMA

We must also be cognisant of the role mental health stigma might play in our results. Each year in England, one in four people will experience a mental health problem of some kind. However, many will choose not to disclose their poor mental health to their employer for fear of how they might be treated by their employer, manager, or colleagues.

Over the course of the pandemic, poor mental health has increased across the population, and one might reasonably expect this to be reflected in increased disclosures. However, research has shown that a great many employees could be even less likely to discuss their poor mental health in the current economic environment in which change management and redundancy conversations might be taking place.

WHAT IS MENTAL HEALTH STIGMA?

The overwhelming majority of people with mental health problems report being misunderstood by family members, shunned and ignored by friends, work colleagues and health professionals, called names and much worse by neighbours.

Stigma is the perception that a certain attribute makes a person unacceptably different from others, leading to prejudice and discrimination against them.

Mental health stigma and discrimination prevent people from seeking help: this can delay treatment and impair recovery. It isolates people, excluding them from day-to-day activities and making it hard to build new relationships or sustain current ones. It can stop people getting of keeping jobs.

- 9 out of 10 people who experience mental health problems say they face stigma and discrimination as a result.
- 60% of people said that stigma and discrimination are as damaging or more damaging that the symptoms of their mental health problems.
- 35% of respondents said that stigma had made them give up on their ambitions, hopes and dreams for their life.
- 27% said stigma had made them want to give up on life.

Figures come from viewpoint survey 2014/15 (Institute of Psychiatry). Survey of 1,000 people using secondary mental health services in five locations in England.

MANUFACTURERS ARE INVESTING IN HEALTH AND WELLBEING

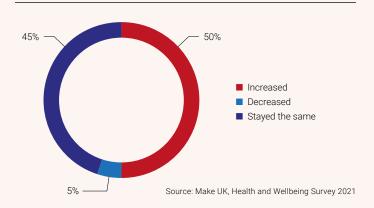
Health and wellbeing is a topic that may have been almost a taboo in years gone by but has demanded increased attention in recent years and rightfully so. A fit and healthy workforce can deliver increased productivity, increased staff retention, and reduced presenteeism where employees are often not fully engaged in their work.

Manufacturers have been investing in support for employees for quite some time and this has in the main increased year on year, but especially in a year with Covid-19. Half (50%) of businesses increased their spend since the onset of the pandemic with a further four in ten (45%) keeping their spend the same. This increase is likely to be linked to companies needing to offer nuanced and different support mechanisms as the pandemic forced large swathes of employees to work remotely almost overnight, totally disrupting their regular working practices and dramatically reducing normal human interaction. Manufacturers remained open and worked throughout the pandemic with a limited number of employees still working on site. Having a workforce where some are continuing to work onsite along with some working remotely naturally means two different support models are required.

Just 5% of companies have decreased spend, which, given the financial pressures so many companies have faced during the pandemic, demonstrates the value placed on health and wellbeing within the manufacturing industry.

Chart 1: Manufacturers have increased investment in health and wellbeing since the start of the pandemic

% of companies citing whether spend has increased, decreased, or stayed the same





Later in the paper we will examine the tools and technologies businesses are using to aid employees specifically with managing their mental health. It is worth noting that, although outcomes are hard to quantify when it comes to return on investment, businesses that have invested in health and wellbeing have seen certain improvements:



24% have seen an increase in staff retention



23% report productivity has increased



21% have experienced an overall decrease in sickness absence



20% have seen a reduction in absenteeism from employees regularly off sick



11% have seen reduced presenteeism

Closing the productivity gap has long been a problem for manufacturers and closing that gap will make the sector competitive on the global stage. Improving productivity will not be an easy fix, but having a workforce that feels supported, happy and accepted while at work can only help.

Working remotely has posed new challenges to businesses and maintaining a work life balance has become increasingly hard, as one's home has also become the workplace. Thus, tackling presenteeism has been important - encouraging employees to turn off their work laptops and have some time out is key to maintaining a good mental health. Empowering employees to call in sick if they are not feeling up to work is another major culture shift. In some cases, employees taking one or two days off to recuperate and recover from a stressful work environment can prevent a longer-term absence going forward with far greater cost to the company concerned. Enabling employees to make that decision to take a small amount of time to get well, is a message many companies are working hard to communicate to employees. Leadership within the business in supporting and promoting health and wellbeing is key for the culture to start to shift.



HELPFUL DEFINITIONS WHEN TALKING ABOUT MENTAL HEALTH

Mental health: We all have mental health, just as we all have physical health. How we feel can vary from good mental wellbeing to difficult feelings and emotions to severe mental health problems.

Mental wellbeing: Mental wellbeing is the ability to cope with the day-to-day stresses of life, to work productively, to interact positively with others and to realise our own potential. When we talk about well-being, we are referring to mental well-being.

Poor mental health: Poor mental health is when we are struggling with low mood, stress, or anxiety. This might mean we are also coping with feeling restless, confused, short tempered, upset or preoccupied. We all go through periods of experiencing poor mental health – mental health is a spectrum of moods and experiences – and we all have times when we feel better or worse.

Mental health problems: We all have times when we struggle with our mental health. A mental health problem is when difficult experiences or feelings go on for a long time and affect our ability to enjoy and live our life in the way we want. You might receive a specific diagnosis from your doctor, or just feel more generally that you are experiencing a prolonged period of poor mental health.

Common mental health problems: These include depression, anxiety, phobias, and obsessive-compulsive disorder (OCD). These make up the majority of the problems that lead to one in four people experiencing a mental health problem in any given year. Symptoms can range from comparatively mild to very severe.

Severe mental health problems: These are less common and include conditions like schizophrenia and bipolar disorder. They can have very varied symptoms and affect everyday life to different degrees. Such conditions may require more complex and/or long-term treatments.

Work-related stress: Work-related stress is defined by the Health and Safety Executive as the adverse reaction people have to excessive pressure or other demands placed on them at work. Stress, including work-related stress, can be a significant cause of illness. It is known to be linked with high levels of sickness absence, staff turnover and other issues such as increased capacity for error. Stress is not a medical diagnosis, but severe stress that continues for a long time may lead to a diagnosis of depression, anxiety, or other mental health problems.

Burnout: Burnout is not technically a diagnosis, but instead refers to a collection of symptoms. You may feel exhausted, have little motivation for your job, feel irritable or anxious and you may see a dip in your work performance.

Stigma: Stigma is the perception that a certain attribute makes a person unacceptably different from others, leading to prejudice and discrimination against them.

Self-stigma: Self-stigma is where a person with a mental health problem becomes aware of public stigma, agrees with those stereotypes, and internalises them by applying them to the self.

Compassionate leadership: Compassionate leadership in practice means leaders listening with concern to those they lead, arriving at a shared (rather than an imposed) understanding of the challenges they face, empathising with and caring for them, and then taking action to help or support them.

THE INCREASING IMPORTANCE OF MENTAL HEALTH

Mental health as an issue has dramatically moved up the agenda for businesses, and that is demonstrated by the fact that some 29% of businesses now have a board director responsible for the mental health of employees, while a further 22% have a designated senior manager taking responsibility for that role.

This is a welcome sign and shows the importance that is being placed on health and wellbeing in the workplace. More than one-third (34%) of companies say that overall responsibility sits with HR, which can still be a board-level post. A handful (9%) of companies said nobody has overall responsibility for mental health in the workplace so there is still work to be done.

It is important to note that, along with support and tools, businesses should also foster a culture that promotes wellbeing through a continuous programme of work. This promotion should not just be an emergency intervention when an employee is struggling, but the business should promote wellbeing from the moment an employee is recruited. This culture can only be fostered with buy-in from the 'top'. Fundamental to the creation of a mentally healthy workplace is the need for strong leadership and a positive, transparent, and clear organisational culture that values staff and their wellbeing. Line managers need to take the first step by sending a signal that staff mental health is valued and that

employees can feel confident that disclosure of poor mental health will lead to support, not discrimination.

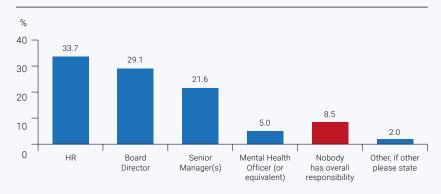
There is a multitude of support mechanisms companies can offer to aid with employees' mental health/wellbeing; these tools do not have to be costly.

Although there are many ways to support employees, among the most utilised is bespoke third-party mental health advice, which just over half use (57%). A further 55% use line manager support, with line managers specifically trained in mental health. Other support includes the offer of mental health apps, which 30% of companies use; 35% have in-house mental health support and 24% use focus groups to discuss challenges and provide peer to peer support.

There is no one single support measure when it comes to offering the correct support. Usually, the answer is a mix of different support – anything from simple signposting to the ability to call upon a colleague or the availability of a third-party

Chart 2: Board directors increasingly have responsibility for mental health

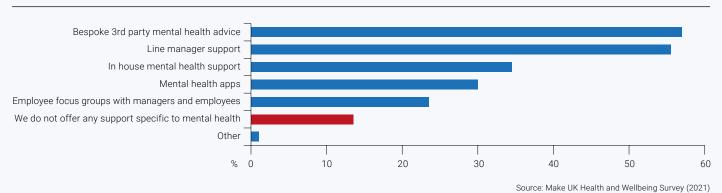
% of companies citing who in the business has overall responsibility for mental health



Source: Make UK Health and Wellbeing Survey (2021)

Chart 3: A range of tools is used to support employees' mental health

% of firms citing tools and techniques to support mental health in the workplace



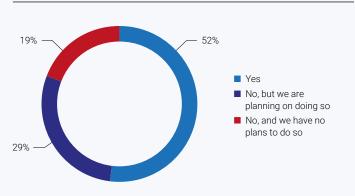
contact to discuss how an employee is feeling. All employees are different and should be celebrated for their differences. Equally, all will need different support and will go through different challenges. Yet despite this 14% of manufacturers.

different challenges. Yet, despite this, 14% of manufacturers do not offer any specific support regarding mental health.

The pandemic has raised further challenges regarding how to support staff, especially when large numbers are working from home and the 'chats by the water cooler', for the moment at least, for many have become a distant memory. Employers had to act fast to find the right tools to keep supporting employees with their mental health and to deliver that support in different and nuanced ways. Almost half (46%) of manufacturers have ensured they are having regular calls, with 41% saying they have made these weekly video calls to maintain a semblance of face-to-face contact. We know from previous research that manufacturers were quick to move to remote working, both onsite and off-site, and the use of video technology has meant that employers have been able to stay engaged with their employees during a challenging time for everyone.

Chart 4: Majority of manufacturers are offering, or plan to offer, training on mental health

% of companies citing whether they offer mental health training to line managers



Source: Make UK, Health and Wellbeing Survey 2021

Moreover, 27% have put on all-staff events to keep employees engaged during the pandemic, to ensure that employees retain that sense of togetherness and working as a team. These are all positive signs, demonstrating that businesses recognise the need to stay engaged and in contact with employees regularly. A lack of contact can lead employees to feel isolated, stressed or experiencing increased pressure not only from working from home but also from having other responsibilities to juggle.

The support offered is a positive sign and is welcomed; however, almost one in five (18%) manufacturers said that they have not engaged with staff on the topic of mental health during the pandemic illustrating that there is still work to be done.

Coupled with this, almost one in five manufacturers (19%) offer no line manager training on mental health and have no plans to do so. However, it is pleasing to see that more than half (52%) do offer line manager training and a further 29% do not currently but have plans to do so.

This shows then there is still progress to be made on raising the awareness around the importance of mental health. However, a failure to have line managers trained does not mean the business does not offer ample support in other ways, as some businesses will choose to offer out of house support from bespoke professionals rather than adding this to the workload of their day-to-day managerial teams. And some line managers will just be told to sign post rather than offer support directly. But building awareness in mental health and the importance of wellbeing across a company's line managers is a good sign that maintaining a happy and healthy workforce is at the heart of a business. Encouragingly this is happening more and more with each year that we carry out our Health and Wellbeing survey and Make UK will continue to work with its members to further improve our sector's offering in this critical area of workforce engagement.

TOP TIPS FOR BEGINNING YOUR MENTAL HEALTH JOURNEY WITH NO BUDGET

Adopt a person-centred approach. Everyone is an individual, with their own unique circumstances and their own experiences, concerns and worries. The coronavirus really highlighted that while we have all been in the same storm, we've been in very different boats, depending on whether we've had or not had the virus, whether we've had to shield, whether we've had parenting or caring responsibilities, whether we've lost a loved one during this time, and whether we've been working from home or on the front line.

There are no one-size-fits-all solutions to mental health and wellbeing issues because we all have different needs. Tools such as <u>Wellness Action Plans</u> are really useful to understand what these unique needs are and how you can best support your staff. They provide a simple framework of questions to explore with a team member to understand how they best perform at work. For managers less confident in having wellbeing conversations, such tools effectively provide a script to follow.

Listen to your staff and routinely monitor wellbeing. Understand what work factors are pressurising, what the pinch points in processes or the year are, what systems could be improved or are current contributors to workplace stress. You might undertake this through one-to-one conversations, team audits or staff surveys. Once undertaken, this puts you in a strong position to begin to address some of the routine work-related causes of stress in your business. Why not introduce **team temperature checks** to team meetings or team huddles? Ask your staff how they would assess their mental wellbeing at that moment on a scale of 1 to 10 and, if they're comfortable to share, why they'd give it this score. This can support managers to understand the workplace pressures or concerns staff might be feeling alongside any external or home factors that might be weighing in and the need for managerial support.

Ask twice. The average person in the UK says they're fine 14 times a day. The simple act of asking twice reinforces that you care about an employee's answer and have the time and space to invest in their response. In your approach to adopting personcentred principles and consulting staff, don't be afraid to ask an employee twice if there's anything you can do to support them or how they are doing – it might be the space they need to be open and honest about their mental health.

Signpost to available support. If your employees are experiencing poor mental health, it's important that they can easily find directions to support. For a larger employer, this might be about prominently advertising how staff can access an Employee Assistance Programme, Occupational Health, or other services. If you're a smaller organisation, be sure to signpost to the support available nationally such as Mind's Infoline, Samaritans, SHOUT text service and through the NHS.

Be sure to consider the format and location of this information and the role that stigma might play in an employee who might not wish to be seen to be consulting it. An intranet might be perfect for office-based staff but be less accessible to a majority of staff on a manufacturing line – posters, flyers and regular reminders in meetings might prove more effective. Printed flyers available in locations that employees can pick up and read privately at a later time can also be particularly effective in organisations where open conversations around mental health are not yet culturally embedded.



Source: Mind, Home | Mind, the mental health charity - help for mental health problems

BARRIERS REMAIN BUT MUST BE OVERCOME

As a sector, we have come a long way in the health and wellbeing space, with a majority of companies offering support for employees along with the vast majority of manufacturers increasing or keeping their support budget the same in light of the pandemic. This will result in not only a happier and more comfortable workforce but also a better-performing company with reduced absences and better staff retention. To have employees who feel empowered to share how they are feeling and to be supported through those feelings will be good not only for the individual but for the business as well.

But there are still barriers for businesses looking to offer health and wellbeing support.

Time constraints: Almost two-fifths (37%) of businesses cite this as a main barrier to supporting employees with mental health problems. Supporting employees should not be seen as an optional extra that is a bonus if you can fit it in. For your workforce to be performing consistently at their top level they need to feel supported, and they need to be happy while working. If an employee is not happy or supported and is feeling stressed or anxious, they will not be fulfilling their potential, and this results in reduced output.

When considering how to support your employees' health and wellbeing needs, what needs to be at the centre is how to make the workplace a safe and accepting environment where employees feel comfortable to talk about their struggles.

Employee engagement: One-third (32%) of businesses say engagement is a barrier. To properly engage with employees, you need first of all to make them feel comfortable to address the topic of mental health within the workplace. Once that is achieved, you can begin, but be sure to look at several different engagement tools to see which one works best. There is a plethora of ways to engage with your workforce through focus groups, all-staff events, surveys, and informal meetings, to name a few. But each employee may engage differently, so the need to use a variety of ways is key to capture all the workforce.

Managerial engagement: One-quarter (24%) of manufacturers cite managerial engagement. Given that some line managers have not been trained in mental health (as our survey suggests), this is somewhat unsurprising. Moreover, with a lack of subject knowledge (cited below) a barrier, there is a clear need to engage managers on this topic. Empowering managers to speak about mental health will also go some way to improving overall employee engagement.

Lack of subject knowledge: One-third (32%) say a lack of subject knowledge is a barrier. This is a slightly more straightforward barrier to remove through training and awareness. If senior members of the team are lacking knowledge on the topic, factory floor staff are really going to be struggling. There are many free resources managers can use to improve their knowledge and assist the workforce better. Line managers do not need to be experts in the field, but they can carry out an important function even if that is simply signposting employees to support.

Monetary cost: Around one in five (22%) of businesses state that money is the biggest barrier. While money can aid in offering a bespoke and more comprehensive suite of support, money is not the be all and end all when it comes to supporting employees. As highlighted earlier in the paper, there are a lot of things businesses can be doing to support employees without breaking the bank.

Its vitally important that we overcome these barriers to unleash the full potential of workforces up and down the country. Healthy bodies and healthy minds can only benefit our sector.

CONCLUSION AND NEXT STEPS

Health and wellbeing remains a core part of manufacturers' priorities. The pandemic has shone the spotlight on the importance of looking after staff, not just physically, but also mentally. As a manufacturing industry we have long spoken about health and safety but less so about wellbeing; however, this is changing.

This year's survey has revealed that stress and mental health problems are increasingly cited as reasons for both short-term and long-term absence, therefore employers need to support employees with this. We have seen some positive trends, including an increasing number of tools offered to support employees with their mental health, and more support and training for line managers.

That said, not all manufacturers are offering such support. A handful of companies still offer no support specific to mental health and have no plans to train line managers. These employers may find themselves experiencing higher sickness absence rates, as well as disengaged staff. Our survey has

shown that offering support and investing time, and in some cases money, into health and wellbeing pays dividends.

There are barriers to offering further support on wellbeing, and in particular mental health, which we have uncovered. These include time pressures and monetary costs, as well as a lack of subject knowledge and employee engagement. But these barriers can be overcome.

We asked manufacturers what support they would like to see from either the government or organisations such as Make UK. Below highlights the sorts of measures and programmes employers want to see:



WHAT SHOULD THE GOVERNMENT DO NEXT?

- 1. Make Statutory Sick Pay available from day one.

 During the pandemic, Statutory Sick Pay (SSP) has been available from day one (as opposed to day four) for those with Covid-19 or symptoms. This should be made permanent and extended to ensure that those employees with poor mental health have support from day one.
- 2. Work with industry bodies on a joint campaign to raise awareness on mental health and how employers can better support their employees. Mental health is increasingly on employers' agenda; however, manufacturers are still looking for further guidance and support. Government should work with industry bodies, such as Make UK, to help signpost to free resources and guidance and a campaign to ensure that all employers are supporting their employees.

WHAT SHOULD EMPLOYERS DO NEXT?

- 1. Sign up to the Mental Health at Work Commitment.

 The Mental Health at Work Commitment is a simple framework for organisations to improve and support the mental health of their people. The Commitment is free to sign up to and can demonstrate your organisation's prioritisation of employee mental health and wellbeing. Supported by Mind, the Commitment, since its launch in late 2019, has had more than 1,200 organisations of all sizes and sectors sign up. You can find out more by visiting www.mentalhealthatwork.org.uk/commitment
- 2. Put together a mental health and wellbeing plan. Look to evaluate the activities and interventions you might already be delivering and the challenges to mental health and wellbeing your employees might be facing, drawing from any research, insights, or feedback you have from staff. Put together a plan that sets out what you want to deliver with the resources you have, how these are to be prioritised and who in the organisation will lead on establishing and implementing them.
- 3. Begin addressing stigma. Stigma is a significant barrier to employees accessing support when they need it and a barrier to effective, open, and honest conversations with line managers in preventing poor mental health and addressing causes of workplace stress in the first instance. Culture change is not easy, but senior sponsorship of your mental health interventions is important. Look to ensure senior management are involved in your activities, attend awareness events, participate in mental health training, and share their own experiences of poor mental health and workplace stress and the coping mechanisms they have in place to support and manage their own health.



HOW MAKE UK CAN HELP

Support for employers to take care of your workforce

Make UK's team of HR, health and safety and legal practitioners can help you create a supportive environment that improves the wellbeing of your workforce.

- Research and analysis to identify the wellbeing priorities and obtain clarity on your objectives and KPIs
- Expertise to manage risks, engage your workforce and ensure legal compliance throughout
- Specialist training and support delivered by our carefully selected mental health practitioners
- Vision sessions and consultancy to set the business agenda and get the support from the board
- Off-the-shelf packages to deliver impactful support for your employees

Find out more

About how we can help your workforce be more happy, healthy and productive:

www.makeuk.org/hawb



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