THE QUALITY OF WORKING LIFE.

Exploring managers' wellbeing, motivation and productivity.

EXECUTIVE SUMMARY

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CMI Chartered Management Institute

FOREWORD

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> *Good, skilled managers know that they need to switch off and allow their employees to do the same.*

The long-hours culture familiar to most managers has now given way to the 'always-on' culture. Connected devices, like smartphones, are driving more and more managers to regularly check their emails out of hours. According to the 1,574 managers we surveyed for our latest Quality of Working Life report, they're working, on average, an extra 60 minutes every day on top of their contracted hours. In total this equals 29 days a year, which effectively cancels out the typical holiday entitlement of 28 days.

This 'always-on' culture is having a deleterious effect on the health of managers. Many report suffering increased stress and associated problems, such as persistent headaches and insomnia. The impact on managers' work is great: the longer the hours they put in, the less productive they say they become. This should be a big flashing warning light for employers.

Good, skilled managers know that they need to switch off and allow their employees to do the same. The report highlights the difference that good management makes to wellbeing, to engagement and ultimately to performance. The conclusion is inescapable: helping managers to strike the necessary work/life balance must be a priority for every organisation facing up to the challenge of improving productivity.

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2

INTRODUCTION

CMI's research on the Quality of Working Life explores the connections between managers' wellbeing, their motivation and productivity.

Started in 1997, it has tracked how changes in the business environment affect employees – and has demonstrated that managers have a pivotal role to play in supporting employee engagement, job satisfaction and wellbeing.

The last report in the series was published in 2012, when the impact of a challenging economic climate was evident in high levels of organisational restructuring and increased strain on managers. With the economy having recovered slowly in the years since, *The Quality of Working Life* 2016 looks at what's changed.

Based on a survey of 1,574 managers, the results provide insights into the impact of working hours and management style on the productivity challenge faced by the UK. With long hours identified as a major factor in stress and health problems, the 2016 report also highlights how our increasingly digital environment could be creating a new form of presenteeism.

This executive summary presents the key findings and our recommendations. The full report, available separately, includes more detailed analysis and case studies from employers who have committed to improving employee wellbeing, looking at how they engaged managers in changing cultures and achieving improvements.

The Quality of Working Life is evidence of the impact that management and leadership has on wellbeing. The insights and lessons it offers should help managers understand what they can do to improve the quality of working life in their organisations.

KEY FINDINGS

The new normal: longer hours, digital presenteeism and stress

Extra working hours cancel out annual leave entitlement – managers' contracted working hours have risen by one hour daily compared to 2012, which is equivalent to an additional 29 days extra each year. That's more than a typical annual leave entitlement of 20 days plus eight bank holidays. What's more, 92% of managers work longer than their contracted hours.

It's hard to switch off – 61% of managers say that technology has made it difficult to switch off from work. Around one in five managers say they now check their email all the time outside of working hours; over half (54%) check frequently.

Time to turn off? Overall, 39% of managers agree that their employer should restrict out-of-hours email access – including 43% of those who say they check email all the time.

High connectivity, high stress – those who struggle to switch off from work and check email more report lower personal productivity and job satisfaction levels, and they experience more frequent stress. 68% of those who rate themselves as less than 70% productive say technology has made it hard to switch off from work, compared to 56% of those who are more than 90% productive.

Long hours increase stress: 54% say that working hours are having a negative effect on their stress levels, although that's fewer than in 2012 (59%). Stress was more than three times as common among those working long hours: 20% of those working over three hours a day extra said they are often stressed, compared to only 6% of those working no additional hours.

Workload and health – Managers perceive their workload and the resulting long working hours to have a negative impact on their health. Many managers reported suffering from various health issues in the last three months. Insomnia and muscular aches topped the list – reported by 57% of managers, followed complaints such as headaches and constant irritability.

In spite of it all, managers are overall content with their jobs

Job satisfaction has improved – 67% of managers say that overall they're satisfied with their jobs, substantially more than in 2012 (55%) or even 2007 (62%).

Why could this be? An increased 'feel good factor' reflects the return of growth: 39% of managers report that their organisation is growing, up from 34% in 2012. But the evidence shows that management and business culture are key. 79% of managers feel that their line manager trusts them. Around three quarters (76%) say they're proud to work for their employer, higher than in 2012 (64%). The same number believe in the values of their organisation and 61% feel fairly treated by their employer, up from 54%.
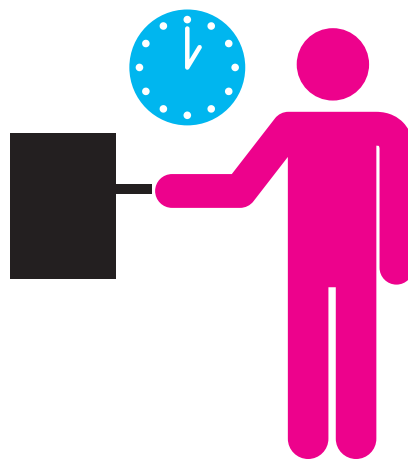
Change is not as good as rest

Change risks undermining rising job satisfaction – most managers report that work has become more intense as a result of changes, with 78% reporting that the volume of work has increased and 67% that its pace has increased. 59% say that employee morale has dropped and 49% that levels of psychological wellbeing have fallen.

Change is the norm but is failing to deliver benefits – 97% of managers report that their organisation went through some form of change in the last 12 months, up from 92% in 2012. Yet only 27% of managers say productivity has increased as a result of change, just 20% report that decision making has become faster and only 36% say that financial results have improved.

Confidence in senior leaders is low – only 28% of managers feel that senior managers in their organisation are managing change well. That's even lower than the previous low point recorded in 2012 (30%). Overall, 52% of managers say they have trust and confidence in senior managers. That's better than in 2012 but still a lower level than immediate line managers (62%).

The impact on absence – 26% of managers say that poorly managed change initiatives have resulted in increased absence levels, up from 23% in 2012.

Quality of management determines quality of working life

Line managers have a critical role to play in driving employee engagement, motivation and wellbeing.

Managers need to drive engagement – the five biggest drivers of engagement levels are a sense of achievement from work; feeling part of a team; the line manager relationship; the ability to decide how to get jobs done; and prospects for career advancement. Managers have a role to play in all of these.

Management style – more open, empowering management styles are connected to lower levels of stress, higher job satisfaction and greater personal productivity than more 'command and control' styles. The worst generate up to four times more stress than the best: as many as 28% of those whose line managers are secretive or suspicious in style report that they often feel stressed – compared to just 7% of those whose managers are empowering.

Increased job satisfaction – the best management styles drive job satisfaction levels up to 2.5 times higher than the worst. Where innovative, entrepreneurial and empowering management styles are found, more than 84% of managers are satisfied with their jobs. Where line managers are secretive and suspicious, fewer than 38% are satisfied.

Personal productivity – managers report being twice as productive where the best management styles prevail. Where managers are innovative, 43% of managers rate their personal productivity as 90% or better. Where managers are secretive or suspicious, only 20% score highly for personal productivity.

Organisational growth and decline – where organisations are growing, managers tend to be accessible, empowering and trusting. Declining firms are relatively more likely to have secretive, risk-averse and authoritarian managers.

CONCLUSIONS AND RECOMMENDATIONS

1. Empower your people, promote productivity

The most powerful drivers of job satisfaction are intrinsic to the job, flowing from the sense of satisfaction it offers, the quality of team and line manager relationships and the opportunities for development. Managers have a key role to play. They need to be empowered – and in turn empower their teams – to perform.

Give autonomy – make managers masters of their destiny. Employees should have the freedom, trust and autonomy to make their own decisions about how they work. Show trust in their judgement. Hold people accountable for the outcomes of their work, but do not be prescriptive about how they work.

Job design – ensure jobs and the processes behind them are structured to enable role autonomy and also to give people opportunities to be part of a team, another key driver of satisfaction.

Tailor reward and recognition strategies – recognise values-based behaviour and reward it accordingly. Recognise what people have done to achieve results. If managers are working the equivalent of a typical annual leave entitlement in excess hours, is an extra day of holiday truly going to be perceived as an incentive?

Recognise employees' value – a sense of achievement is fundamental to job satisfaction and engagement, so design recognition strategies to enhance employees' sense of value.

– Telefonica's recognition scheme is based on a mobile app, which has allowed colleagues to recognise one another across the Telefonica network. It has achieved increased workforce motivation and satisfaction as well as improved peer-to-peer relationships.

Support personal and professional development – provide employees with clarity about how they can progress their careers and support their development, aligning with business needs.

Encourage innovation – managers have a responsibility to create environments in which innovation is encouraged not stifled. Invite employees to freely share ideas for using their time more productively and test possibilities quickly.

– Google's famous "20% projects" allow engineers to spend time on projects that interest them to stimulate thinking. The same dedication may not be realistic in all businesses but the principle of dedicated time to innovate could be beneficial. Try dedicating the last 10 minutes of monthly meetings to an open discussion of new ideas, insights and suggestions. Encourage regular 'walkabouts' to stimulate conversations with colleagues on other teams or in other areas of the business.

2. Switch off: avoid digital presenteeism

Mobile technology can empower employees and help organisations become more agile, but organisations need to avoid developing a culture of digital presenteeism. Just because people can be 'always on' doesn't mean they should be.

Give employees licence to switch off – this may mean encouraging them to turn mobile phones off after a specific time. Leaders should set expectations about working hours and out-of-hours contact. Firms like JP Morgan and Barclays have introduced 'protected weekend' policies to discourage logging in and working outside the working week.

Review communication policies to reduce unnecessary emails – could emails to colleagues on the same office floor or in the same building be banned in favour of phone calls and face-to-face interactions?

– The French IT services company Atos banned internal emails back in 2011 as part of a 'Zero email' policy; whilst boasting a reduction in disruption and email overload by 60%, such change requires adaptation in employee behaviours and a wider cultural shift, as recognised by Atos bosses.

Consider restricting remote access to company servers – some companies go so far as to turn email servers off out of working hours. One, Daimler, has installed software to automatically delete emails sent to staff whilst they are on holiday.

3. Develop better line managers

The role of line managers is key. How they manage has a hugely powerful impact on people throughout an organisation. So, when it comes to improving the quality of working life – and improving the management of change – you need to develop managers with the capacity to empower and engage.

Provide more regular feedback – ensure managers seek feedback on how colleagues perceive their management style and behaviour. This shouldn't only be in the annual appraisal: catch-ups with line managers should be an opportunity for feedback. Ask questions like as *'how am I performing in relation to X?'* or *'What could I do differently to be more effective?'* Then jointly develop personal development plans.

Understanding personal management styles – provide management and leadership development that helps managers to reflect on their own behaviours and the impact of their actions. For example, 92% of Chartered Managers say that becoming Chartered increased their self-awareness[1]. Provide opportunities for feedback, formal and informal, for example through mentoring schemes or 360° feedback programmes.

Avoid the accidental manager syndrome – new managers need appropriate development to learn how to manage and lead. Selection for promotion in management roles should be based on management behaviour and team leadership capabilities. Look at how people get results, not just the results themselves.

Create more opportunities to learn – identify opportunities for leadership which are not tied to formal management positions. Give people the chance to practice skills and build confidence through managing specific projects or leading processes.

4. Improve change management

Managers' assessment of how senior leaders are managing change is at a low point. Too many managers say change initiatives are failing to deliver business benefits. With change becoming the norm across nearly all organisations, addressing this should be a priority.

Culture change needs leadership – behaviour needs to be role-modelled throughout the management hierarchy from the top, with senior managers committed to empowering and trusting their people.

Improve communication – be transparent and create channels for two-way communication. How effective are your organisation's upward and downward communication mechanisms? Ensure senior leaders regularly receive news from the 'frontline'. Seek the views of employees and involve them in shaping change.

Protect trust – senior managers need to reflect on how their actions might affect employee trust and confidence. Trust is fragile and precious – once damaged, it's likely to be hard to restore. How does your leadership behaviour influence the perception of projects in the organisation?

Define goals in terms of behaviours – define the changes you want to achieve through change, but look at these in terms of employee attitudes and behaviour, not just business performance outcomes.

Measure and monitor the impact on people – regularly monitor and review the impact of change. Has it delivered the anticipated business benefits? If not, what can be done? How has it affected employees and what opportunities are there for improvement?

5. Improve wellbeing

For many managers, long hours and the pressure of work continue to create stress and squeeze out time for exercise or their personal life. Improving health and wellbeing may need dedicated action across an organisation to change the culture and reshape negative attitudes. Management buy-in is vital.

Make the business case – win buy-in and support from managers by showing the costs of poor health and wellbeing and the benefits of improvement.

Measure, prioritise and monitor – ensure you have the data on wellbeing you need to assess what problems you face and the areas that action should focus. Monitor and report on progress.

Tackle taboos – improving wellbeing means tackling any stigma that may be attached to discussion of health, whether it's stress and mental health or physical illness. Start conversations and provide information that makes it easier to ask for help.

Engage managers – managers can have a direct impact on the motivation, engagement and ultimately on the wellbeing levels of the people they work with. They need to be informed and engaged on quality of working life and wellbeing issues. Don't leave it to HR.

[1] *Mapping Management Excellence: Evaluating the impact of Chartered Manager,* (2015), CMI.
www.managers.org.uk/insights/research/current-research/2015/may/mapping-management-excellence

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