

CMI RESPONSE TO THE GOVERNMENT CONSULTATION ON PROPOSALS TO REDUCE ILL HEALTH-RELATED JOB LOSS¹

1. INTRODUCTION

CMI

- 1.1 CMI is the chartered professional body for management and leadership. We are dedicated to improving managers' skills and growing the number of qualified managers and leaders across the UK.
- 1.2 With a membership community of over 130,000, CMI provides individual students, managers and employers with access to the latest management thinking and practical support to help them embrace change, build high-performing teams and improve individual and organisational performance. We are a UK awarding body for management and leadership qualifications and the only body that awards Chartered Manager – the hallmark of any professional manager.
- 1.3 Our vision is to create better led and managed organisations by improving the quality of management and leadership. As such, our response focuses on those elements in the consultation paper related to workplace culture, management skills and practices and leadership. We have not commented on proposals to reform Statutory Sick Pay or on proposals to improve access to occupational health services.
- 1.4 During August and September we surveyed 560 CMI managers across the UK to gather their views on aspects of this consultation paper². This data has informed our response.

2. THERE IS AN URGENT NEED FOR EMPLOYERS TO MANAGE AND SUPPORT EMPLOYEES WITH LONG TERM HEALTH ISSUES

Reducing ill health-related job loss makes good business sense...

- 2.1 Supporting employees with long-term health conditions is not only the responsible thing to do, but makes good business sense. At CMI, we know there are a range of benefits for employers and individual managers which arise from investing in employee health and wellbeing: it increases employee engagement, boosts morale, drives up productivity and helps attract and retain talent. This is why the best employers already go beyond the minimum statutory requirements and have systems and processes in place to actively support all employees with long-term health conditions (not just those considered to be disabled) and to help those returning from long-term sickness absence.

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https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/815944/health-is-everyones-business-proposals-to-reduce-ill-health-related-job-loss.pdf

² CMI online survey of 560 managers conducted between 20th August and 15th September. Throughout the report some tables and figures may not sum to 100% due to rounding. All percentages included in the report have been rounded to the nearest whole percentage.

An individual is defined as having a **long-term health condition** if they report having a physical or mental health condition or illness that lasts, or is expected to last, 12 months or more.

If a person with a long-term health condition or illness reports that it reduces their ability to carry out day to day activities, they are also considered to be **disabled**.

Long-term sickness absence is defined as a period of four weeks or more when an employed individual is prevented from working due to illness or injury³.

Examples of long-term health conditions include asthma, allergies, diabetes and depression⁴.

...and the cost of not investing in employee health and wellbeing is significant.

- 2.2 Not only does reducing ill-health related job loss make good business sense, but the costs of not investing in employee health and wellbeing are significant. As the consultation paper makes clear, ill health which prevents people working costs the economy around £100bn a year, and sickness absence costs employers around £9bn a year⁵.

The scale of the problem is clear...

- 2.3 We know there are around 12.7m working-age people with a long-term health condition, including around 7.6m disabled people whose condition reduces their ability to carry out day to day activities⁶.
- 2.4 This is reflected in the experience of the managers we surveyed. 56% of the managers we surveyed said they had managed someone with a long term health condition, and 64% of managers said they had supported someone returning to work after a period of long-term sick absence⁷.

Have you managed someone with a long term health condition?

| | |
|---------------------------------|------------|
| Yes – within the last 12 months | 22% |
| Yes – over 12 months ago | 35% |
| No | 42% |
| Don't know | 1% |
| Net Yes | 56% |

³ HM Government (2019), *Health Is Everyone's Business: proposals to reduce ill health-related job loss*, p.7

⁴

https://www.datadictionary.nhs.uk/data_dictionary/nhs_business_definitions/long_term_physical_health_condition_de.asp?shownav=1

⁵ HM Government (2019), *Health Is Everyone's Business: proposals to reduce ill health-related job loss*, p.7

⁶ ONS cited in HM Government (2019), *Health is Everyone's Business: proposals to reduce ill health-related job loss*, p.12

⁷ CMI online survey of 560 managers conducted between 20th August and 15th September

Have you supported someone returning to work after a period of long-term sick absence?

| | |
|---------------------------------|------------|
| Yes – within the last 12 months | 23% |
| Yes – over 12 months ago | 41% |
| No | 36% |
| Don't know | 0 |
| Net Yes | 64% |

2.5 Earlier CMI research on managing mental health in the workplace tells a similar story. This revealed that over half (51%) of managers have had a member of staff disclose a mental health problem⁸. This included more common mental health problems such as stress, anxiety and depression as well as rarer problems such as bipolar, eating problems and post-traumatic stress disorder.

...and is only going to increase.

2.6 Given that the workforce is aging, and people are living longer, we know that managing employees with long-term health conditions is only going to become more common.

2.7 Of the managers we surveyed, nearly a quarter had either managed someone with a long term health condition, or supported someone returning to work after a period of long-term sick absence, in the last 12 months⁹.

Some employers already have systems in place...

2.8 As the consultation paper notes, many employers understand the importance of investing in employee health and wellbeing. At CMI we know the best managers and leaders understand this too.

2.9 There are legal obligations for employers to support staff who are disabled. But there are many actions that employers can also take to support staff with long-term health conditions who are not considered disabled. For many, the first step is often to put in place a specific policy to help manage and support staff who are not disabled but who have a long-term health issue. This can show the organisation's commitment to investing in health and wellbeing, provide managers with advice and guidance and provide support to employees.

2.10 Of the managers we surveyed, over two thirds (67%) said their organisations have a policy in place to help manage and support staff with long-term health conditions who are not considered disabled. And around 1 in 6 (16%) managers said that they had made use of such a policy¹⁰.

⁸ <https://www.managers.org.uk/about-us/media-centre/cmi-press-releases/mental-health-awareness-week-managers-not-trained-to-manage-mental-health-in-the-workplace>

⁹ CMI online survey of 560 managers conducted between 20th August and 15th September

¹⁰ Ibid.

Are you aware if your organisation has a policy in place to help manage and support staff with long-term health conditions who are not considered to be disabled?

| | |
|---------------------------|------------|
| Yes – and I have used | 16% |
| Yes – but I have not used | 51% |
| No | 23% |
| Don't know | 10% |
| Net Yes | 67% |

- 2.11 There was some difference according to the size and sector of organisation managers worked in. Whilst 76% of managers in the public sector said their organisation had a policy in place, only 61% of managers in the private sector did. And whilst 74% of managers in large organisations said their employer had a policy in place, only 58% of managers in SMEs said this was the case¹¹.

Are you aware if your organisation has a policy in place to help manage and support staff with long-term health conditions who are not considered to be disabled?

| | Size | | Sector | |
|----------------|------------|------------|------------|------------|
| | Large | SME | Public | Private |
| Net Yes | 74% | 58% | 76% | 61% |

...but there is more to do to equip line managers.

- 2.12 Having a policy in place can be a useful first step towards managing and supporting staff with long-term health conditions who are not considered disabled. However, this will not be enough if workplace practices are poor or if workplace cultures are unsupportive. At CMI we know that line managers are key to changing behaviours and they will be key to changing how organisations help people with health conditions remain in work, and support people to return to work after a period of sickness absence.
- 2.13 The best employers will train line managers on ways to improve employee health and wellbeing. However, as our survey shows, this appears to be the exception rather than the rule. Less than 3 in 10 (28%) of the managers we surveyed told us they had training on how to manage and support staff with long-term health conditions who are not considered to be disabled¹².

Have you received training on how to manage and support staff with long-term health conditions who are not considered to be disabled?

| | |
|---------------------------------|------------|
| Yes – within the last 12 months | 8% |
| Yes – but over 12 months ago | 21% |
| No | 71% |
| Don't know | 1% |
| Net Yes | 28% |

¹¹ Ibid.

¹² Ibid.

3. INTRODUCING A RIGHT TO REQUEST WORKPLACE MODIFICATIONS WILL HAVE LIMITED IMPACT

We support the intention behind the proposed new statutory right...

- 3.1 Employers already have a duty, under the Equality Act 2010, to make reasonable adjustments to the workplace for disabled employees. We agree that making reasonable adjustments is important in helping all those with long-term health conditions remain in work, and remain productive in work. As such, managers should be confident to have conversations about reasonable adjustments and employees should be confident to make such requests. It is not clear, however, whether introducing a new statutory right is the best way to achieve this.

...but question whether it would work in practice.

- 3.2 The consultation draws parallels with the statutory right to request flexible working. The right to request flexible working, in its current form, has been in place for over 5 years. However, we know that there are still significant structural and cultural barriers which prevent people from working flexibly. For example, research suggests that most employees want to work flexibly but fewer than 1 in 10 job adverts offer flexible working¹³. CMI research has also shown that only 1 in 5 (17%) employees cite their statutory right when asking to work flexibly¹⁴.
- 3.3 There is also a question over how well the right to request flexible working is understood. CMI research on the right to request flexible working earlier this year revealed that only 3 in 4 managers (74%) were aware that employees had a statutory right to request flexible working, and only 1 in 4 (26%) fully understood that the statutory right allows employees to request a change in hours, time or location of work¹⁵. For any new right to request workplace modifications to be effective, it will need to be clearly communicated and understood throughout the workforce.
- 3.4 At CMI, we believe the best way to improve workplace practices is not through more regulation but through better management and leadership.

To be effective this would needs to be part of a wider organisational change.

- 3.5 We asked the managers we surveyed what additional support – if any – they would need if a new right to request workplace modifications for employees with long-term health conditions who are not disabled was introduced. The results appear to support our view that a new right to request alone will not deliver the change in workplace practice that the Government is seeking.
- 3.6 Only 1 in 5 managers said that they currently feel prepared to manage a request for workplace modifications. A third said they would need training, over 40% said they would need support from senior leaders, just under half said they would need support

¹³ <https://timewise.co.uk/article/flexible-working-talent-imperative/>

¹⁴ <https://www.managers.org.uk/about-us/media-centre/cmi-press-releases/less-than-1-in-5-employees-using-legal-right-to-flexible-working>

¹⁵ <https://www.managers.org.uk/about-us/media-centre/cmi-press-releases/right-to-request-flexible-working-not-working>

from HR and the same proportion said they would need an organisational culture that was supportive and empowers line managers. Exactly half said they would need additional budget¹⁶.

If employees had a right to request workplace modifications on health grounds in your workplace, what would you need as a line manager to make this effective?

| | |
|---|-----|
| I would need budget to make modifications | 50% |
| I would need a supportive culture, which encourages managers to prioritise staff health and wellbeing | 46% |
| I would need support from HR | 46% |
| I would need clear commitment from senior leaders | 42% |
| I would need training | 33% |
| I would not need anything/already feel prepared to make workplace modifications if needed | 18% |
| Other | 4% |

4. ANY NEW GUIDANCE FOR EMPLOYERS NEEDS TO FOCUS ON ACTIONS THAT REALLY MAKE A DIFFERENCE

Strengthening existing guidance for employers is welcome...

- 4.1 There is a critical role for employers and managers in helping employees back into work after a period of long-term sick absence, and there are a range of actions and interventions that can really make a difference.
- 4.2 Consolidating existing employer obligations and good practice into new comprehensive, statutory guidance for employers seems sensible. If it is to apply to all employers including SMEs, it should be flexible and principles-based and not rigid and prescriptive.

...but needs to be focussed on what really works.

- 4.3 As the consultation paper makes clear, and as acknowledged in the *Taylor Review of Modern Working Practices*, the line manager has a central role to play in helping employees return to work after long-term sick absence. Managers need to be equipped with the tools to have conversations about reasonable adjustments and involved in the planning of an employee's return to work. To encourage this, the principle of good line management needs to be at the heart of any new guidance for employers.
- 4.4 If managers are to be equipped to help employees return to work after a period of long-term sick absence, then they need to be supported and empowered to do so.

¹⁶ CMI online survey of 560 managers conducted between 20th August and 15th September

However, this is not always the case. Of the 357 managers we surveyed who said they had supported someone returning to work after a period of long term sickness absence, nearly half had faced challenges. Around 1 in 5 (21%) said the workplace culture was not supportive of those with long-term health conditions or of those returning after a period of long-term sick absence. A similar proportion (20%) said they had experienced a lack of support from senior leaders. Around 1 in 6 (15%) said there had been a lack of support from HR and just over 1 in 10 (13%) had experienced a lack of funding¹⁷.

Did you face any of the below challenges?

| | |
|---|-----|
| Organisational culture unsupportive of employees with long term health conditions/those returning from long-term sick absence | 21% |
| Lack of support from senior leaders | 20% |
| Lack of support from HR | 15% |
| Lack of funding | 13% |
| The workplace modifications requested were not reasonable | 9% |
| None of these – I did not face any challenges | 54% |
| Other | 6% |

- 4.5 At CMI we know that the role of senior leaders is essential to creating change and believe that there are lessons that employers can learn from the work that they are doing to build diverse and inclusive workplaces, and to achieve gender balance in the workplace. For example, having a board level sponsor, setting targets, finding senior level role models, promoting flexible working and creating central funds for programmes and initiatives are all actions that can help address the challenges that managers often face in building inclusive workplaces, and may help here. Any new guidance for employers needs to make clear that if line managers are to be effective in supporting employees back into work after long-term sickness then leaders will need to take action too. Without the support of a company's leadership, there is little hope for genuine progress.

CMI
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¹⁷ Ibid.