

Putting NICE guidance into practice

Resource impact report: Workplace policy and management practices to improve the health and wellbeing of employees (NG13)

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Summary

NICE is publishing this resource impact report, 2 economic modelling reports, an economic model (excel spreadsheet) and an interactive cost calculator to help organisations improve the health and wellbeing of their employees.

Potential areas for benefits locally are:

- Improved productivity as a result of changes in staff absence rates.
- Reduced annual staff turnover. This could avoid the costs of recruiting and training new staff.
- Reduced staff sickness absence.

For some organisations, implementing the guideline could lead to significant gains in productivity for a relatively small cost. These are likely to vary widely and this may not be the case for all organisations.

Employers may be responsible for paying for the interventions to maintain and improve employees' health and wellbeing or may offer employees the opportunity to participate in interventions at their own expense.

1 Introduction

- 1.1 The guideline offers best practice advice on improving the health and wellbeing of employees, with a particular focus on organisational culture, context and the role of line managers.
- 1.2 The resource impact report refers to the economic analysis which aims to help organisations plan for the financial implications of implementing this NICE guideline.
- 1.3 This guideline was previously published as NG13 in June 2015 and is being reissued as NG13 with the addition of some recommendations for older employees. This resource impact report will replace the existing costing statement for NG13.

2 Background

- 2.1 There is consistent evidence that a relatively small investment in line manager training (and its effects on their behaviour and that of their employees) can lead to worthwhile improvements in worker satisfaction, which in turn are linked to gains in productivity for the organisation.
- 2.2 During 2013/14, 1.2 million working people had a work-related illness. Half a million of these were new illnesses ([Health and Safety Statistics Annual report for Great Britain 2014/15](#) Health and Safety Executive).
- 2.3 Demographic changes, and changes to the state pension age, mean the proportion of older employees in the workforce is likely to continue to increase. Capacity for this increase depends on the workforce being in good health, and a person's health will affect their ability to stay in work and continue earning an income.
- 2.4 Poor-quality leadership has been linked with stress, burnout and depression ([Mental capital and wellbeing: making the most of ourselves in the 21st century](#) Government Office for Science). It

can also affect how well employees relate to the organisation, their stress levels and the amount of time they spend on sick leave

([Preventing stress: promoting positive manager behaviour phase 4: How do organisations implement the findings in practice?](#)

Chartered Institute of Personnel and Development; Westerlund et al. 2011).

3 Economic models

3.1 An [economic model](#) (excel spreadsheet) and [modelling report](#) were commissioned by NICE from The Work Foundation (Levy et al. 2014). This may help users estimate the financial impact of improving the health of employees.

3.2 An interactive [cost calculator](#) and [modelling report](#) from York Health Economics Consortium was also commissioned for interventions to improve workplace health in older employees (those aged over 50 in paid or unpaid work).

3.3 The models contain typical values which help users who are considering implementing workplace interventions. The sources of these are explained further within the models and the modelling reports.

3.4 Organisations are encouraged to use these to estimate the local costs and savings that could result from implementing the recommendations in the guideline.

4 Benefits and savings

4.1 Addressing the needs of employees and improving their health through improved workplace practices may help to support retention, reduce absenteeism and increase productivity of staff.

About this resource impact report

This resource impact report accompanies the NICE guideline on [workplace policy and management practices to improve the health and wellbeing of employees](#) and should be read in conjunction with it. See [terms and conditions](#) on the NICE website.

This report is written in the following context

This report represents the view of NICE. It is based on careful consideration of the available data and the advice of healthcare professionals.

Assumptions used in the report are based on assessment of the national average. Local practice may differ, and the resource impact should be estimated locally.

Implementation of the guideline is the responsibility of local commissioners and providers. Commissioners and providers are reminded that it is their responsibility to implement the guideline, in their local context, in light of their duties to have due regard to the need to eliminate unlawful discrimination, advance equality of opportunity and foster good relations. Nothing in this resource impact product should be interpreted in a way that would be inconsistent with compliance with those duties.

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