FTSE 100 Public Reporting on Employee Wellness & Engagement

Ipsos MORI Research Findings March 2011

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Contents

About BITC Workwell Campaign

- A common good, business led campaign
- Business case led, values driven
- Elevate employee wellness and engagement to being boardroom issue
- Proactive approach to employee physical, psychological and social health
- A strategic, integrated and holistic approach to employee wellness and engagement
- **Promotes public reporting on employee wellness and engagement as key objective**
- Responsible business practice - mission critical to long term sustainability

Vision

To create the most engaged workforce in
the world.

Mission

To inspire every organisation to help their people flourish by:

- Proving the case
- Spreading good practice
- Providing support

An investor perspective

Public reporting

- A direct link to good employee practices and strong business performance

- An understanding of how companies manage their staff is important in identifying good investments

- Generate useful insights for investment purposes

- Need for high quality public disclosure Human Capital Management (HCM) reporting by companies

- Business success is dependent on what a company does (e.g. product/service offering) **AND** how it does it (e.g. its corporate responsibility, CR)

- CR looks explicitly at the nature and quality of a company's relationships with its stakeholders – internal and external

- Employees ARE a critical company asset – companies need to demonstrate how they are managing this effectively
  - *"our staff are critical to our success"*
  - *"our employees are our most important and valuable asset"*

- Companies with progressive HCM business practices are potentially more likely to be financially successful over the long-term

Introduction

Background and Methodology

- Desk research to investigate FTSE 100 companies' public reporting on employee wellness and engagement

- Taking the latest published information in each case (i.e. reports published as at 1 January 2011), looking for published information that can reasonably be found in c. 30 minutes

- The objectives of the desk research were to:

  – Assess the number of FTSE 100 companies publicly reporting on employee wellness and engagement themes

  – Looking at Annual reports, CR/sustainability reports and company websites

  – Analyse the content of boardroom reporting, aligning the measures with the BITC Workwell Model – updating the structure of themes used for analysis in previous years

Examples of good practice public reporting have been included throughout this report. To view the reports, click on the company logos when in slide show view (Slide Show – View Show) – you will need internet connection. Links are correct at time of publication

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Summary findings

Summary findings

- All FTSE 100 include wellness & engagement themes in public reporting
  - Vast majority cover at least four out of five themes
- Talent management and Wellness & working environment are the themes most comprehensively covered
  - Eight in ten include impact metrics in each of these themes
- Attendance management/occupational health is the theme least likely to be included in public reporting
  - Only a quarter include impact metrics in this theme
- Some clear gaps in current public reporting emerge:
  - Strategic perspective: risks and opportunities, business benefits – very few report measures of the financial impact of their activities
  - Holistic approach: articulating the links between the themes
  - Measuring the impacts of training activities
  - Psychological health programmes: emotional resilience
  - Measuring the impacts of wellness programmes
  - Attendance management and early interventions
- When comparing the financial performance of a best practice reporters group to that of the rest of the FTSE 100, there is no statistically significant difference in average Total Shareholder Return for 2010 between the two groups

The theoretical context

BITC Workwell Model
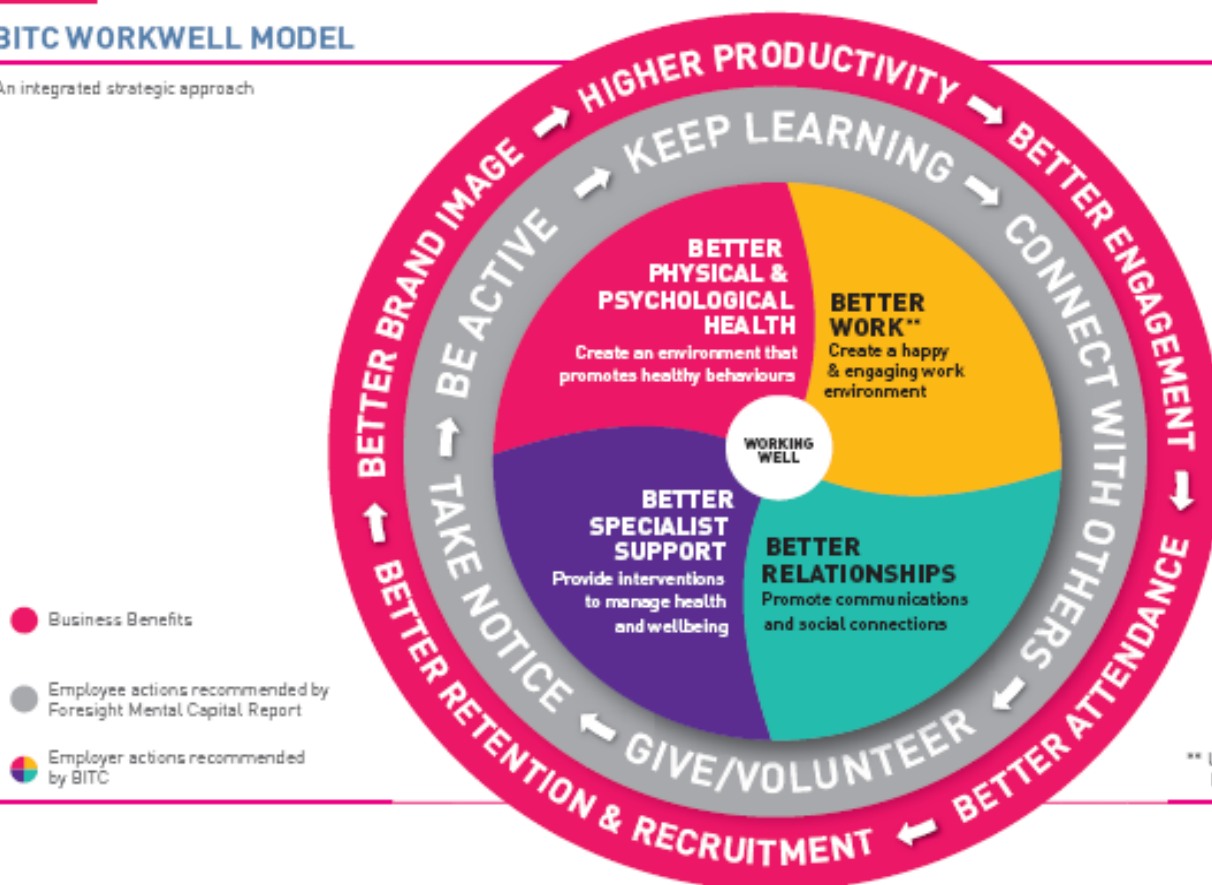
The structure of themes used for analysis - 1

1) Overarching – Leadership & accountability (i.e. relating to all quadrants of the Workwell model)
- – Commitment & resourcing (e.g. leadership & management)
- – Culture (e.g. values & principles, ethical behaviour)
- – Business strategy (e.g. business benefits, risks & opportunities)

2) Better Work – Talent management
- – Diversity & equal opportunity (e.g. gender, ethnicity/religion, sexual orientation, age, disability)
  - • Company employee profile (e.g. baseline audit: diversity profile, job function profile – identifying risks & opportunities to company from this)
- – Recruitment (e.g. acquisition of talent, induction)
- – Expertise & competence (e.g. training/professional development)
- – Good job design (e.g. job descriptions, autonomy)
- – Work/Life balance (e.g. flexible working, family-friendly policies)
- – Effective performance management (e.g. appraisals, recognition & reward)

The structure of themes used for analysis - 2

3) Better Relationships – Employee communication & voice
- – Consultation & motivation (e.g. surveys, feedback)
- – Labour relations (e.g. unions, employee reps, freedom of association, collective bargaining)
- – Social support networks/forums (e.g. socialising at work, virtual social networking for work groups)
- – Employee community engagement (e.g. volunteering, fundraising, community health initiatives/ facilities)

4) Better Physical & Psychological Health – Employee wellness & physical working environment
- – Promotion of healthy behaviours (e.g. preventative/proactive: physical & psychological health programmes, health-related benefits)
- – Chronic disease prevention/screening (e.g. HIV/AIDS, malaria, TB, cancer, diabetes, etc)
- – Workplace design and health & safety (e.g. ergonomics, lighting levels, H&S audits, RIDDOR data)

5) Better Specialist Support – Attendance management & interventions
- – Attendance management (e.g. sickness absence data)
- – Interventions in/treatments of existing conditions (e.g. existing physical & psychological conditions, occupational health)

Desk research findings: Overview

How many companies are reporting (at all)?

Level of public reporting on employee wellness & engagement

% FTSE 100 reporting on wellness & engagement (any mention of each theme)

Theme	%
Any reporting on wellness & engagement	100%
Leadership & accountability	92%
Better work - talent management	99%
Better relationships - employee comms & voice	96%
Better physical & psychological health - wellness & working environment	97%
Better specialist support - attendance management	64%

Base: All FTSE 100 companies, February 2011

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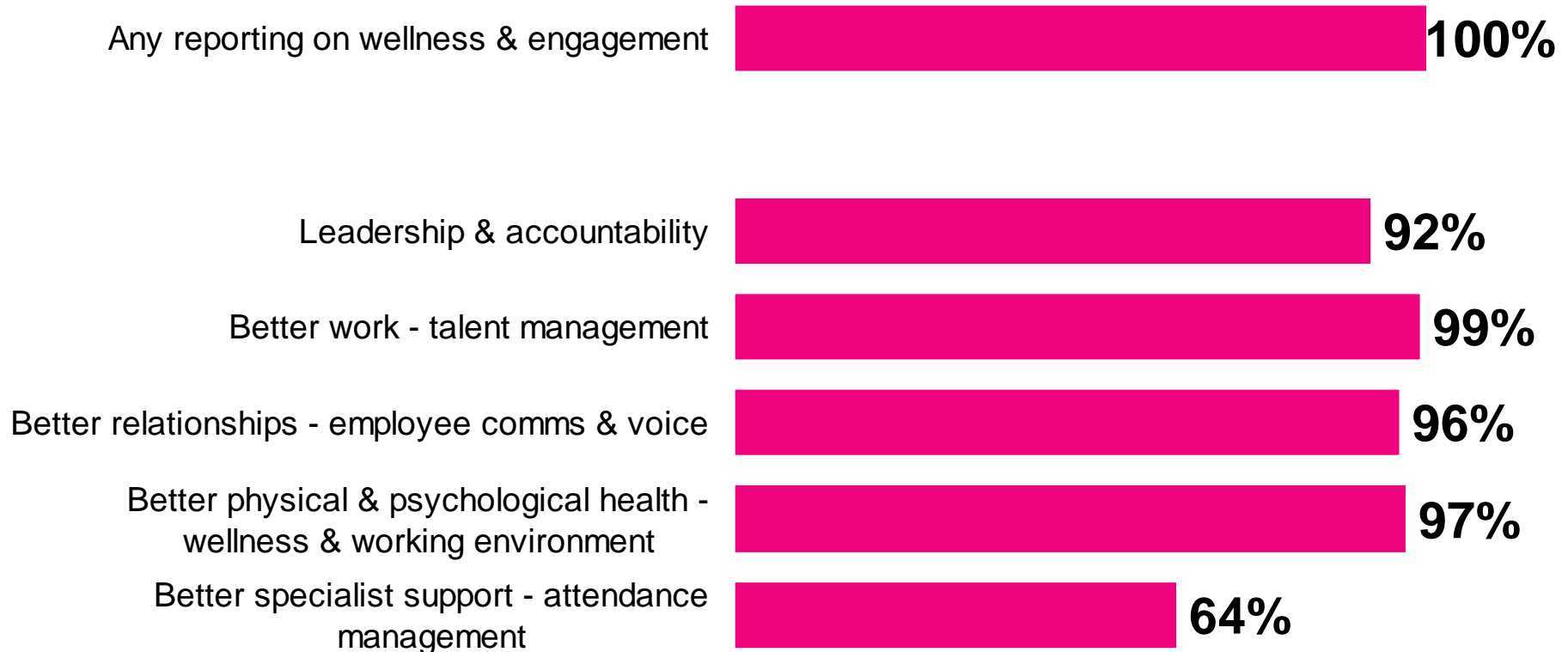
How many themes are covered?

How comprehensive is public reporting of employee wellness & engagement across the different themes?

Number of wellness & engagement themes reported on

All five — **58%**

Four — **34%**

Three — **6%**

Two — **2%**

One — **0%**

92% mention four or five themes

On average, FTSE 100 companies mention between 4 and 5 of the five themes (4.48)
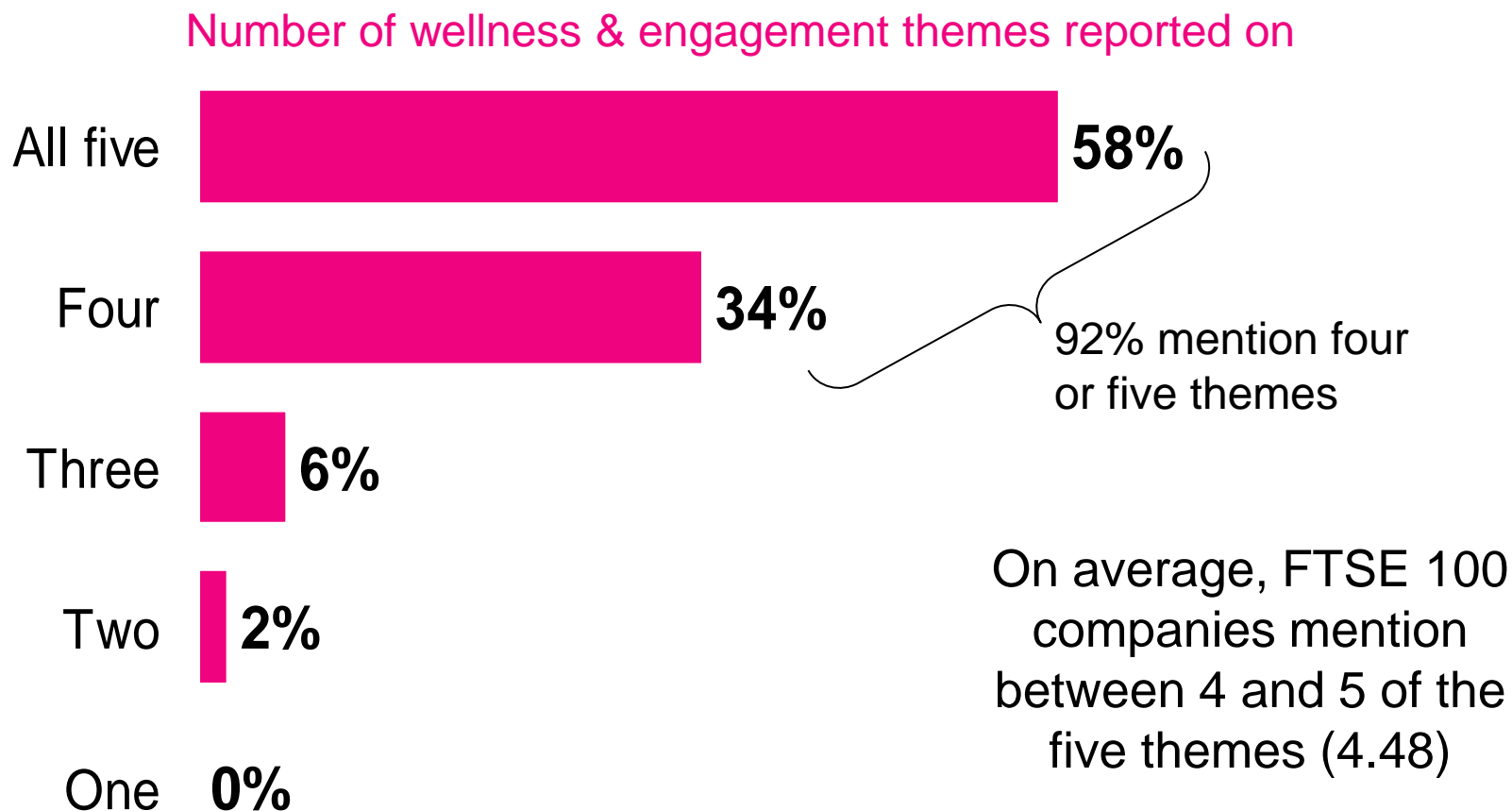
Holistic reporting: examples of linking themes

To view the reports, click on the company logos when in slide show view

BT

*"**Flexible working** helps employees achieve a better **work life balance** and reduces the environmental impact and cost of travel. Our experience shows that, for appropriate roles, it **motivates** people and increases their **focus** and **commitment**, improving **productivity**. This helps BT to attract and retain a more **diverse** pool of employees, with the wide range of abilities and life skills we need … **Volunteering** is part of our employee development process, benefiting both BT and our people. We have a charitable secondment programme which … is delivering considerable benefits to the charities, while developing **skills**, **motivation** and **self confidence** among BT secondees. Many employees completing the programme have expanded their skills and are now eligible for a broader range of roles within BT."*

BT Sustainability Report (website: 'Flexible Working' section

COMPASS GROUP

gsk GlaxoSmithKline

*"To retain a **productive** and **motivated** workforce we need to harness the **skills** and abilities of our people and invest in their future with us … We value the **diversity** of our people and strongly believe that a more diverse workforce is a more **creative** workforce, and one better able to **adapt to change**. We expect all of our employees to be treated with respect and dignity. The more our employees reflect the **diversity** of our clients and consumers, the better equipped we are to service their needs."*

Compass p39 Annual Report

centrica

*"Programmes to improve the **health** of employees and their families … increases employee **commitment** and **productivity** and reduces **absenteeism** and the **cost** of ill health."*
GSK CR Report (website: 'Wellbeing and work-life balance' section)

*"Building **leadership** and management **skills** supports higher **engagement** levels and lower **attrition** rates"*
Centrica CR Report (website: 'Training and skills' section)

How many issues are companies reporting on?

How comprehensive is public reporting on employee wellness & engagement within each theme?

Average number of issues reported under each theme
(based on all 100 companies)

Total number of issues under each theme
(% of issues covered on average)

Theme	Average	Total (%)
Leadership & accountability	4	28 *(14%)*
Better work - talent management	15	66 *(23%)*
Better relationships - employee comms & voice	5	38 *(13%)*
Better physical & psychological health - wellness & working environment	8	54 *(15%)*
Better specialist support - attendance management	2	23 *(9%)*

Base: All FTSE 100 companies, February 2011

How many companies are reporting impact metrics?

Level of public reporting of quantitative metrics of the impact of employee wellness & engagement

% FTSE 100 reporting metrics on wellness & engagement (any metrics on each theme)

Average number of metrics included*

Theme	%	Average number of metrics included*
Any metrics on wellness & engagement	98%	7
Leadership & accountability	66%	2
Better work - talent management	82%	3
Better relationships - employee comms & voice	63%	2
Better physical & psychological health - wellness & working environment	79%	2
Better specialist support - attendance management	24%	1
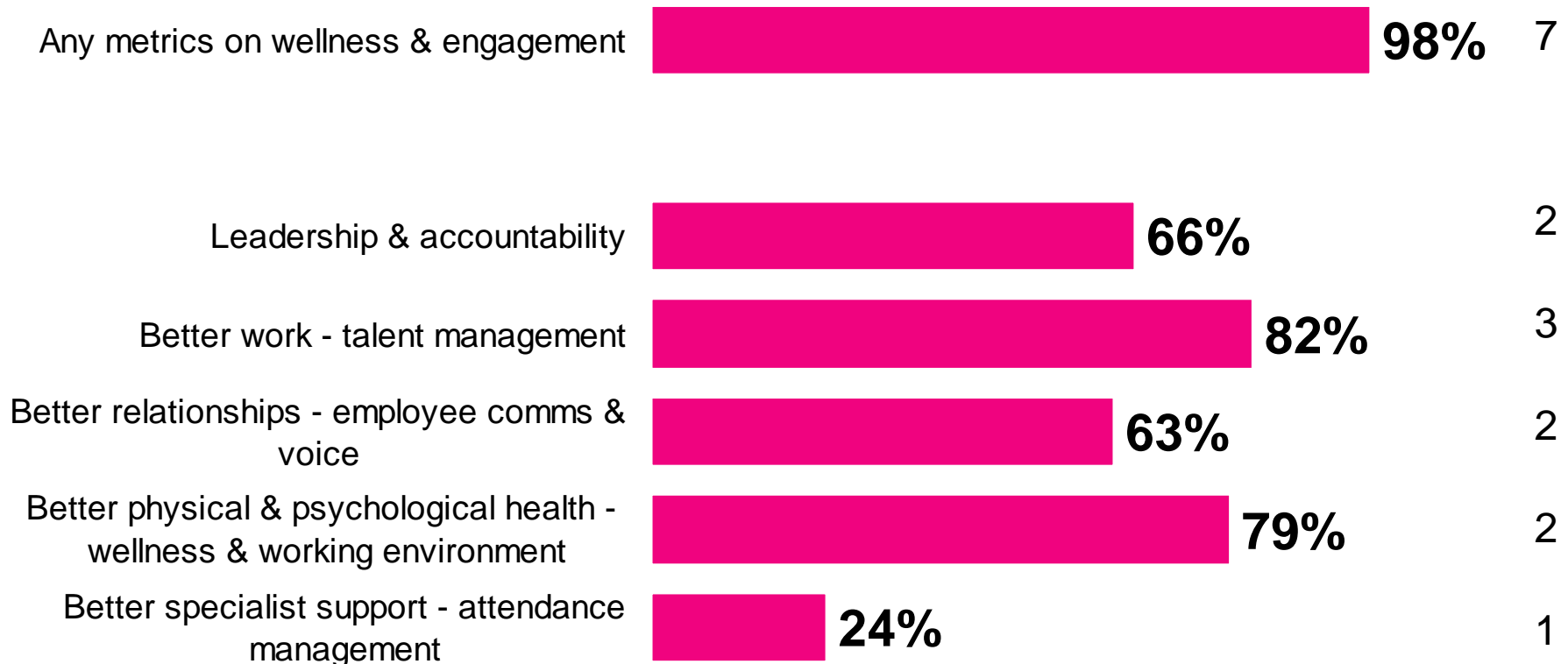
Base: All FTSE 100 companies, February 2011
* Average based on those companies including metrics under each theme

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Financial impact of activities: examples

To view the reports, click on the company logos when in slide show view

centrica

*"Our continuing focus on engaging and investing in our employees contributed to almost - halving our Group attrition rates from 14.6% to 8.8% in 2009. This resulted in **savings of over £41m** as we had to hire fewer people to fill vacancies."*
Centrica CR Report (website: 'Engagement' section)

Unilever

*"An earlier study we conducted in the UK, which was published in the 'American Journal of Health Promotion', estimated that the **return on investment** for these kinds of employee well-being programmes is in the region of **£3.49 for every £1 invested**."*
Unilever CR Report (website: 'Health, Safety & Wellbeing – Positive Results' section)

BRITISH AIRWAYS

*"This scheme [to provide earlier interventions] is achieving a **Return On Investment of 2.3 : 1** (May 2009)."*
BA p41 CR Report

Other examples: To view more information, click on the logos:

BT
Absence & injury cost to business; BT p19 Annual Report

BT
Financial value of volunteering time; BT Sustainability Report (website: 'Our Investment' section)

Desk research findings: The Details

Leadership and Accountability: themes used for analysis

- **Commitment & resourcing**
  - Board director has responsibility for wellness & engagement (or elements of it)
  - Managers' remuneration is linked to performance on wellness & engagement
  - Managers' performance appraisals include measures of people management capacity
  - Level of resourcing (people/ budget) associated with wellness & engagement
  - Management training on wellness & engagement
  - Employee survey includes how management performs on wellness & engagement
  - *External recognition/awards for wellness & engagement*
  - *Benchmarking vs. sector averages/ leading companies on wellness & engagement*
  - *Employee survey results on how management performs on wellness & engagement*
  - *Number of legal proceedings/ fines/ prosecutions/ (any employee-related cause)*
  - *Number of disciplinary cases/ actions against employees (any cause)*

- **Culture**
  - Clear values/ principles/ codes for employee behaviour
  - Training initiatives on culture/ values/ principals/ ethics/ tools for ethical decisions
  - Employee survey includes ratings of culture/ respect/ values/ principles/ ethics
  - Policies on harassment
  - *Employee survey results on culture/ respect/ values/ principles/ ethical behaviour*
  - *Number of disciplinary cases/ dismissals for breach of codes of conduct/ ethics/ business principles/ number of whistle blowing cases*

- **Business strategy**
  - Identified material wellness & engagement issues, risks/ exposures/ opportunities in terms of the strategic goals of the business
  - Stated recognition of the business benefits of wellness & engagement
  - Holistic approach/ recognition of the links between wellness & engagement themes
  - *Any measures of impact of wellness & engagement on business performance*
  - *Any financial measures of savings/ return on investment in wellness & engagement*

Leadership & Accountability: Overview

Overview of how many companies are reporting on this theme, and in what level of detail

% FTSE 100 reporting on theme: Leadership & Accountability (overarching, since it relates to all quadrants of the Workwell model)

Any mention of this theme	**92%**
Any quantitative metrics of impact	**66%**

% using each vehicle to report on this theme

Annual report	**64%**
CR/sustainability report	**59%**
Website	**73%**

Out of 28 Leadership & Accountability issues:

Average number of issues included in reporting	**4**

Base: All FTSE 100 companies, February 2011

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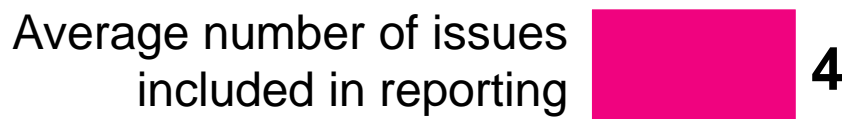
Leadership & Accountability: Grouped Issues

Which issues are most commonly reported? (grouped issues)

% FTSE 100 reporting on each grouped issue, and including measures of impact

	Mentioning issues	Including measures of impact	Average number of issues included*
Commitment & resourcing	71%	64%	2
Culture	69%	16%	2
Business strategy	30%	6%	2

■ Mentioning issues
■ Including measures of impact

Base: All FTSE 100 companies, February 2011
* Average based on those companies including issues

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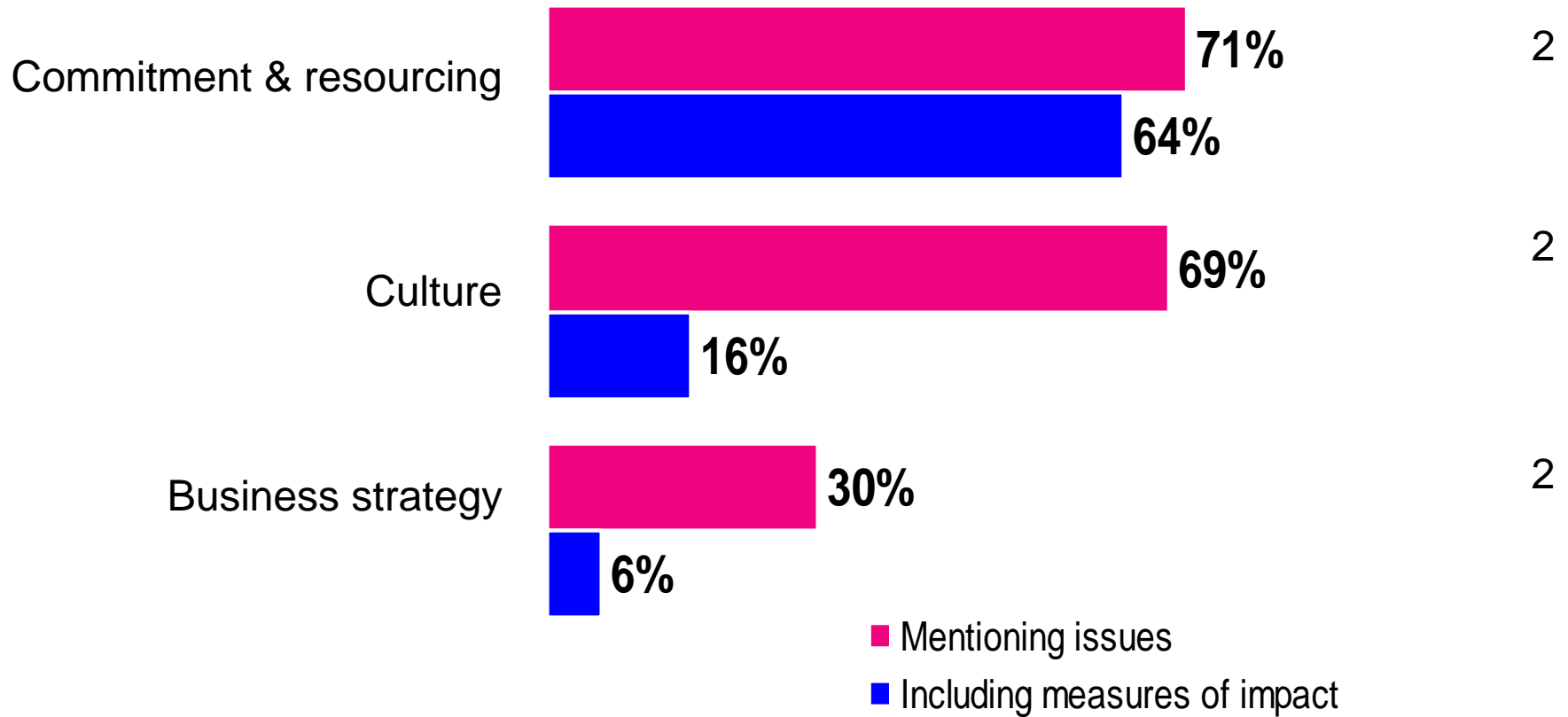
Leadership & Accountability: Detailed issues

Which issues are most commonly reported? (individual issues)

% FTSE 100 reporting on each issue (top issues)

Issue	%
Clear values/ principles for employee behaviour	63%
Training/ tools on culture/ values/ principles/ ethics	26%
Stated recognition of business benefits of wellness & engagement	25%
Board director has responsibility for employee wellness & engagement	21%
Identifies wellness/engagement risks/opportunities in context of strategic goals	19%
Employee survey includes rating of management performance	18%
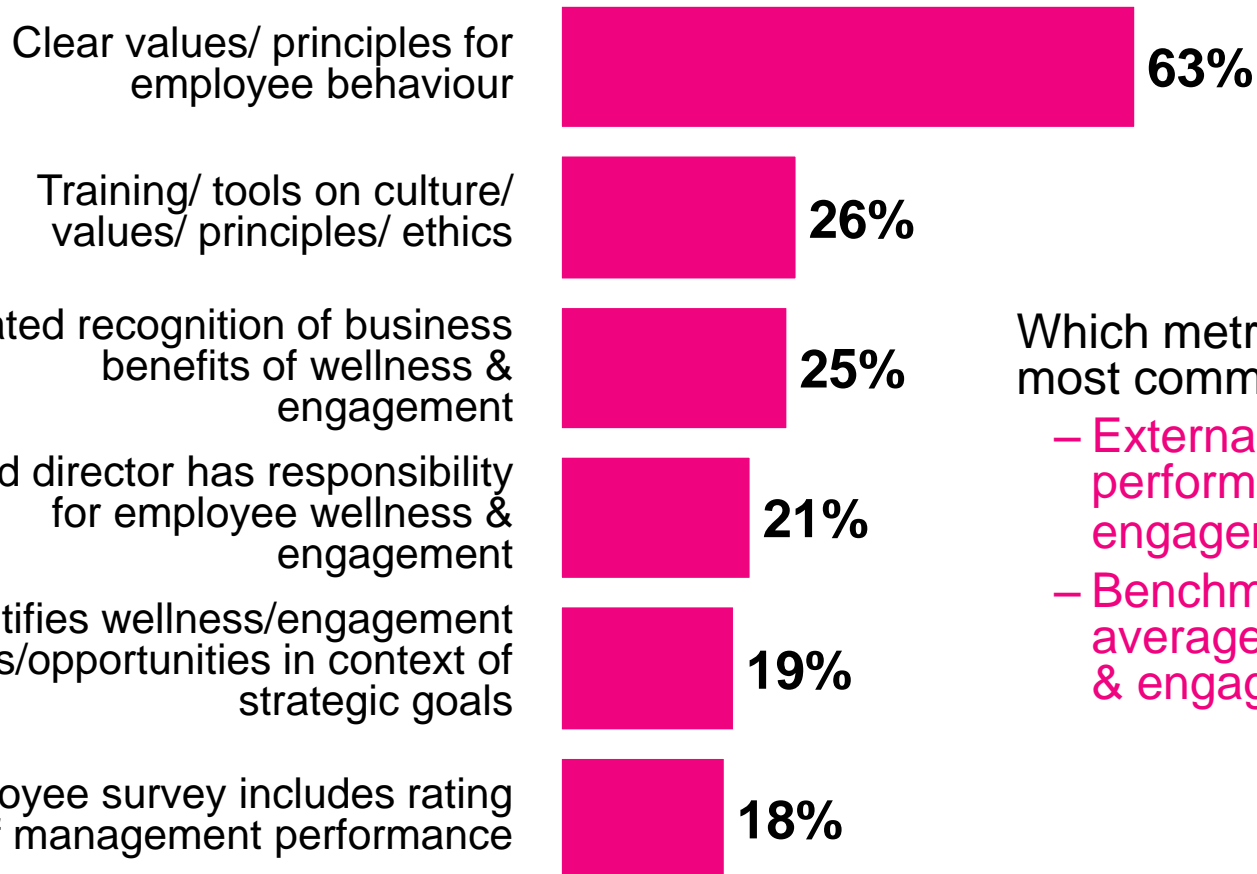
Which metrics of impact are most commonly reported?

– External awards/ recognition of performance on wellness & engagement (53%)
– Benchmarks against the sector average on employee wellness & engagement (22%)

Leadership & Accountability: business benefits examples

*"Progressive, high-performing organisations are increasingly recognising that **engaged** employees are more **committed** to organisational goals and values, and more willing to embrace **change** and improve **customer service** … High performance **leadership** means that our managers can **engage** with and involve their people in achieving world-class levels of **productivity**."*   British Airways p32/39 Annual Report

*"Our people are fundamental to the delivery of our core **values**. It is their **talent** that drives **innovation** and their **commitment** that upholds the high standards of **quality** and **service** our customers expect. **Attracting** and **retaining talent** is essential to our long-term **growth** and will ensure the business is in the best possible position to capitalise on **opportunities** as we emerge from recession."*   M&S p40 Annual Report

*"There are several necessary ingredients on the journey from failed institution to recovery story, and in the end to market leader. Perhaps the most crucial of these ingredients is people … Our people face significant headwinds. Yet **good, motivated, well managed people are a vital necessity** for achieving each of our three overriding goals."*
RBS p5 Annual Report

Other examples: To view more information, click on the logos:

Ethical culture; GSK CR Report (website)	Related to business model; GSK CR Report (website)	Employer of choice; Capita CR Report (website: 'Supporting Our People' section)	Skills enables to compete successfully; BT p9 Sustainability Review	Success depends on people; Compass p39 Annual Report

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Better Work – Talent Management: themes used for analysis 1

- **Diversity & equal opportunity**
  - Diversity policy, statement of commitment to diversity/ equality
  - Diversity champions/ forums/ networks/ councils
  - Employee survey including ratings of diversity/ treated with fairness
  - Case studies of diversity programmes
  - *Measures of workforce age/ethnic diversity/ gender, etc*
  - *Company employee profile (e.g. baseline audit: diversity profile, job function profile – identifying risks & opportunities to company from this)*
  - *Measures of diversity profile of those in management positions*
  - *Number of legal proceedings/ fines/ prosecutions/ grievances upheld for poor diversity practices/ unfair discrimination*
- **Recruitment**
  - Recruitment strategy, statement of commitment to recruiting talent
  - Induction programmes
  - Size of talent pool
  - *Staff costs/ recruitment costs/agency fees*
  - *Measure of staff turnover/ retention*
  - *Average length of tenure/ service/ % long serving employees*
  - *Apprentice/recruitment intake*
  - *Average ratio of applicants per vacancy/ posts*
  - *Annual number of speculative applicants*
- **Good job design**
  - Policies, commitment to good job design
  - Clear job descriptions/ commitment to fitting right people to right roles
  - Autonomy, control and task discretion

Better Work – Talent Management: themes used for analysis 2

- **Expertise & competence**
  - Skills development policies, commitment to training/ professional development
  - Training & development systems/ infrastructure/ vocational qualifications
  - Talent management initiatives (e.g. mentoring/ coaching)
  - Succession planning strategy/ activities
  - Management development programmes / management skills training
  - Number / % of employees undertaken training & development
  - Number of training & development programmes
  - Number of training & development hours completed/ spend on training
  - Employee survey includes satisfaction with training/ professional/ personal development
  - Case studies of training / talent management programmes
  - *Employee survey results on satisfaction with training/ professional/ personal development*
  - *Number / % of internal promotions*
  - *Internal applicant rates for senior level posts*
  - *Participant ratings of impact of training/ % participants achieved certified standard*
  - *Number / % of promotions following training*
  - *Measures of increased productivity following training*
  - *Customer satisfaction rates*
  - *Employee productivity/ efficiency/ utilisation rates*
  - *Measure of product innovation/pipeline*
  - *Number of disciplinary cases/ dismissals for poor performance/ misconduct*

Better Work – Talent Management: themes used for analysis 3

- **Work/Life balance**
  - Flexible working policies, commitment to job shares, remote working, etc
  - Family friendly policies (maternity, paternity, carer, etc) and facilities
  - Employee survey includes satisfaction with work/ life balance, flexible working, etc
  - Case studies of flexible working/ family friendly programmes
  - ➢ *Number/ % of staff with flexible working arrangements*
  - ➢ *Hours worked per employee/ % working long hours/ trend in total hours worked*
  - ➢ *Employee survey results on satisfaction with work/ life balance, flexible working, etc*

- **Effective performance management**
  - Performance management policies/ commitment to appraisals
  - Performance-related pay/ bonuses
  - Internal staff achievement awards schemes
  - Number/ % of staff undergoing formal performance management reviews/ appraisals
  - Employee survey includes satisfaction with performance management/ processes
  - Employee survey includes satisfaction with rewards and benefits
  - ➢ *Employee survey results on satisfaction with performance management/ processes*
  - ➢ *Employee survey results on satisfaction with rewards and benefits*
  - ➢ *External benchmarking of company's remuneration/ benefits vs. industry*

Better Work – Talent Management: Overview

Overview of how many companies are reporting on this theme, and in what level of detail

% FTSE 100 reporting on theme: Better Work – Talent Management

Any mention of this theme	**99%**
Any quantitative metrics of impact	**82%**

% using each vehicle to report on this theme

Annual report	**87%**
CR/sustainability report	**67%**
Website	**84%**

Out of 66 Better Work - Talent Management issues:

Average number of issues included in reporting	**15**
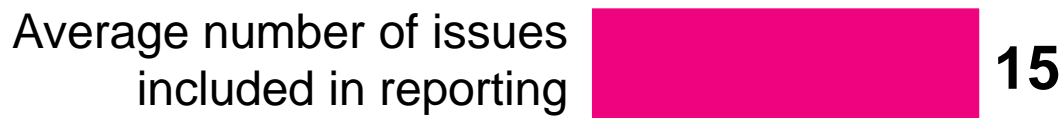
Better Work – Talent Management: Grouped Issues
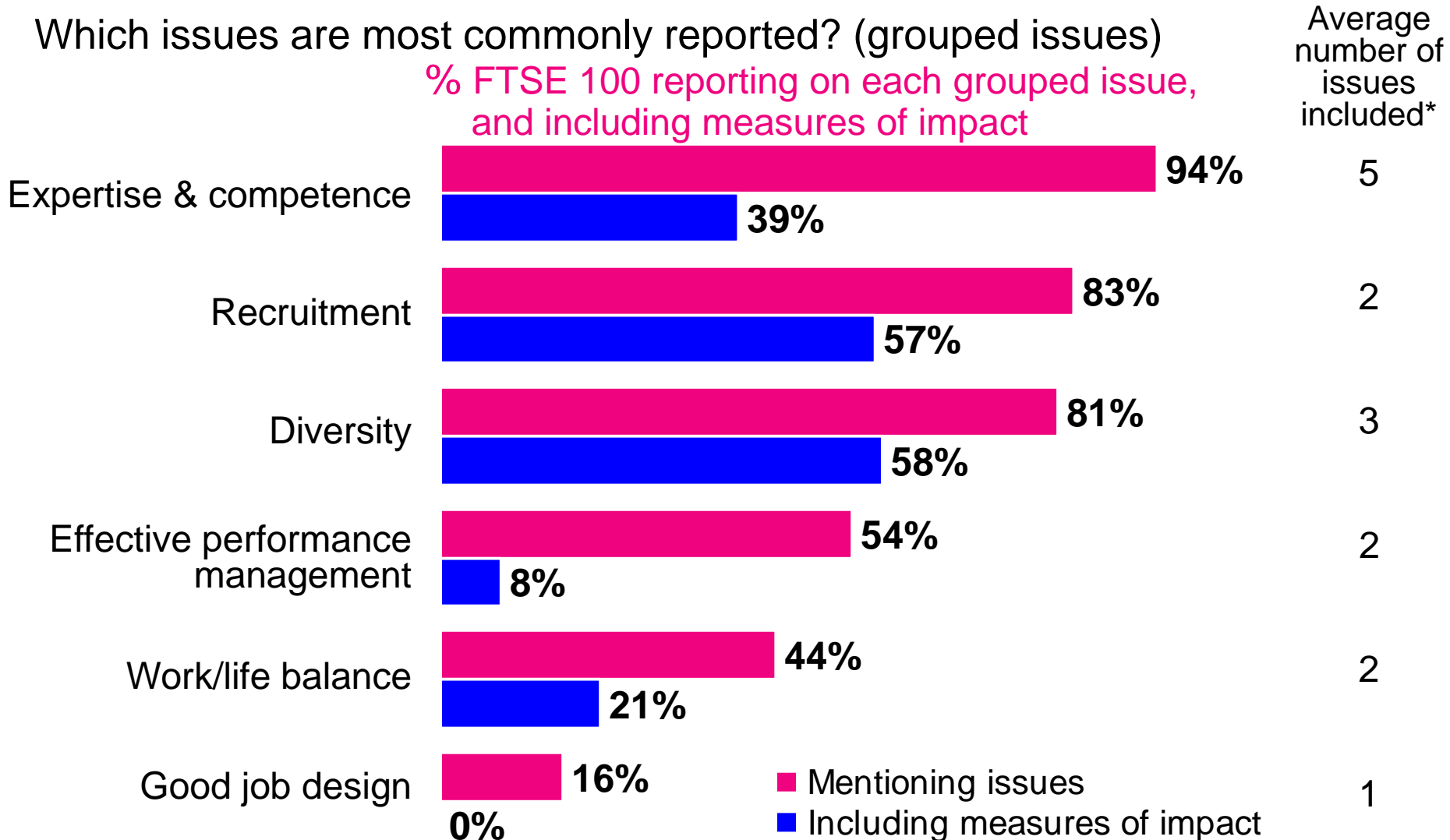
Which issues are most commonly reported? (grouped issues)

% FTSE 100 reporting on each grouped issue, and including measures of impact

Issue	Mentioning issues	Including measures of impact	Average number of issues included*
Expertise & competence	94%	39%	5
Recruitment	83%	57%	2
Diversity	81%	58%	3
Effective performance management	54%	8%	2
Work/life balance	44%	21%	2
Good job design	16%	0%	1

■ Mentioning issues
■ Including measures of impact

Base: All FTSE 100 companies, February 2011
* Average based on those companies including issues

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Better Work – Talent Management: Detailed Issues 1

Which issues are most commonly reported?

% FTSE 100 reporting on each issue (top issues shown)

Issue	%
Skills development/ policies/ commitment to training	92%
Diversity policy/ commitment to equality	79%
Training & Development systems /infrastructure /qualifications	78%
Recruitment strategy/ commitment to attracting talent	65%
Succession planning strategy	48%
Management development programmes/ leaders training	41%
Talent management initiatives	37%
Performance management policies /committed to appraisals	37%

Base: All FTSE 100 companies, February 2011

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Better Work – Talent Management: Detailed Issues 2

Which issues are most commonly reported?

% FTSE 100 reporting on each issue (other issues shown 20%+)

Number/ % of employees who have had training — **35%**

Flexible working policies — **34%**

Performance related pay/ bonuses — **33%**

Number of hours/ spend on training — **22%**

Which metrics of impact are most commonly reported?
- Measures of workforce diversity (53%)
- Staff turnover (44%)
- Measures of management diversity (40%)
- Numbers of apprentice/ graduate intake (26%)

Only 5 companies report metrics on the impact of training (as opposed to the number of participants)

Better Work – Talent Management: examples

centrica

*"Our future success depends on **attracting and retaining the best people**. To create an environment in which all employees can flourish we are committed to supporting **skills development**, promoting **equal opportunities and diversity** and providing regular opportunities for open employee engagement."* Centrica p25 Annual Report

nationalgrid

*"Underpinning our leadership strategy is a **suite of solutions** for employees to assist them in **maximising their performance**. Our learning resources range from technical and soft skills classroom courses to e-learning and virtual video courses. In 2009/10, our workforce participated in over one million hours of training."* National Grid p12 CR Report

CAPITA

*"Our managers develop **individually tailored career paths** for our employees, delivering training through the most appropriate channel … In 2009, we **invested £11.9m in employee training**, providing **4,100 training days** for our employees … In addition to formal training, many employees receive **workplace training, coaching or group instruction** ... Currently **16.75%** (2008: 18%) **of our employees are being sponsored to undertake a professional qualification** in their relevant field, and **24.5% of employees are involved in ongoing specific professional training** … Since the [Vocational Learning] programme was introduced in 2007, **over 1,000 employees have taken part and achieved qualifications**."* Capita CR Report (website: 'Developing our employees: Training' section)

centrica

*"Recruiting more older workers and people from ethnic minorities helps us to better **reflect the diverse customers** and communities we serve."* Centrica CR Report (website: 'Diversity')

Unilever

*"We have created an **inclusive environment** where people can bring their whole self to work; they do not have to change to fit in. We want people to be themselves. This drives a **higher level of engagement** and, as a direct result, improves all-round performance."* Unilever p28 Annual Report

gsk GlaxoSmithKline

*"**Empowerment** enables better and faster decision making, creates a more agile and responsive organisation, and results in simplified processes. It also helps motivate people, encourages innovation, and improves our ability to deal with challenges."* GSK CR Report (website: 'Our People' section)

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Better Work – Talent Management: examples of reporting the impact of training

*"Training helps our people keep up with **changing technology**. For example, as a result of our Right First Time programme and investments in our network, **reliability** has improved and **we need fewer engineering visits to repair faults**."*

BT p10 Sustainability Review

*"This year we have improved on shelf availability largely through restructuring and **retraining** our merchandising and allocation teams. At the same time as delivering **improved sales** and **better availability** we have managed to **reduce levels of waste**."*

M&S p26 Annual Report

*"In September 2009, we launched a global leadership programme, 'INSights', to develop emerging leaders for both regional and key functional roles. Over 23 countries have already taken part in the programme … Since participating, **a quarter of those who took part have been promoted** or moved into a new and more challenging role within the business as a direct result of the programme…Since its launch in December 2007, the Group's English language training programme has provided more than 1,000 people from over 30 countries with the opportunity to improve their English language skills. A recent user satisfaction survey indicated that the programme achieved an **82% satisfaction rating from users** with 92% of users citing that the learning was relevant to their job."*

Compass p39 Annual Report

Better Relationships –Comms & Voice: themes used in analysis 1

- **Consultation & motivation**
  - Regular employee surveys on engagement/ satisfaction, etc
  - Regular feedback with managers
  - Employee share ownership
  - Schemes to promote sharing of ideas to improve the business / action plans from surveys
  - Exit interviews to understand reasons employees leave
  - ➢ *Employee survey results on engagement, satisfaction, loyalty, motivation, comms, etc*
  - ➢ *Employee survey results broken down by type of employee, business area, etc*
  - ➢ *External survey/ ranking/ index of employee engagement*
  - ➢ *Employee voluntary turnover rates, impact of programmes on retention*

- **Labour relations**
  - Employee relations policy, commitment to work with unions
  - Policies on freedom of association, allowing workers to join unions/ work councils
  - Number/ % of employees who are members of trade unions/ work councils
  - Number/ % of employees covered by collective bargaining agreements (CBAs)
  - ➢ *Number of industrial disputes/ strikes/ days lost/ cost of lost time*
  - ➢ *Number of grievances and disciplinary cases/ outstanding*

- **Social support networks/forums**
  - Employee forums, social support networks, commitment to social support at work
  - Opportunities for virtual social networking to promote work relationships
  - Socialising at work, group activities, sports clubs, etc
  - Employee survey includes encouragement to socialise with colleagues, best friend at work

Better Relationships –Comms & Voice: themes used in analysis 2

- **Employee community engagement**
  - Employee volunteering policy/ commitment to promoting volunteering
  - Employee charity fund-raising, matching scheme
  - Community and family access to healthcare benefits/ facilities
  - Health & wellbeing initiatives for the community
  - Employee survey includes encouragement to contribute to local community
  - Case studies of employee community engagement programmes
  - *Employee volunteering rates /days /hours /per employee*
  - *Value of matched giving distributed*
  - *Employee survey results on encouragement to contribute to local community*
  - *Measures of wider benefits of wellbeing programmes to families/communities*

Better Relationships – Comms & Voice: Overview

Overview of how many companies are reporting on this theme, and in what level of detail

% FTSE 100 reporting on theme: Better Relationships – Employee Comms & Voice

Any mention of this theme	**96%**
Any quantitative metrics of impact	**63%**

% using each vehicle to report on this theme

Annual report	**78%**
CR/sustainability report	**63%**
Website	**69%**

Out of 38 Better Relationships – Employee Comms & Voice:

Average number of issues included in reporting	**5**
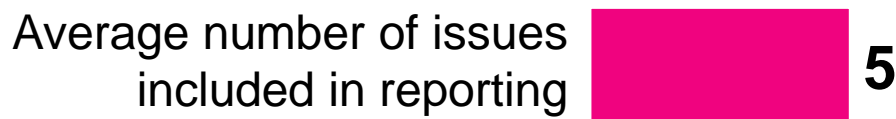
Better Relationships – Comms & Voice: Grouped Issues

Which issues are most commonly reported? (grouped issues)

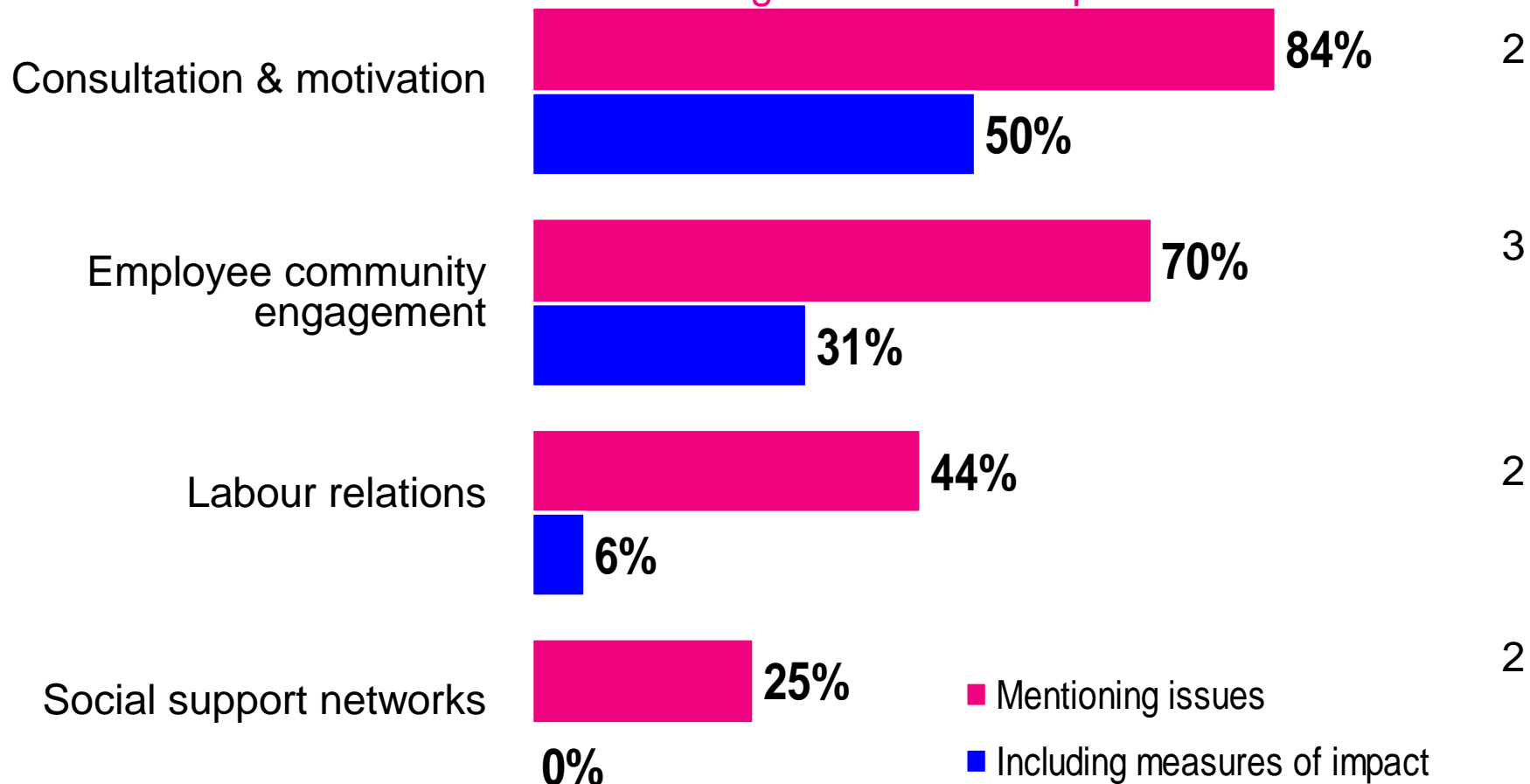% FTSE 100 reporting on each grouped issue, and including measures of impact

Average number of issues included*

Grouped issue	Mentioning issues	Including measures of impact	Average number of issues included*
Consultation & motivation	84%	50%	2
Employee community engagement	70%	31%	3
Labour relations	44%	6%	2
Social support networks	25%	0%	2

■ Mentioning issues
■ Including measures of impact

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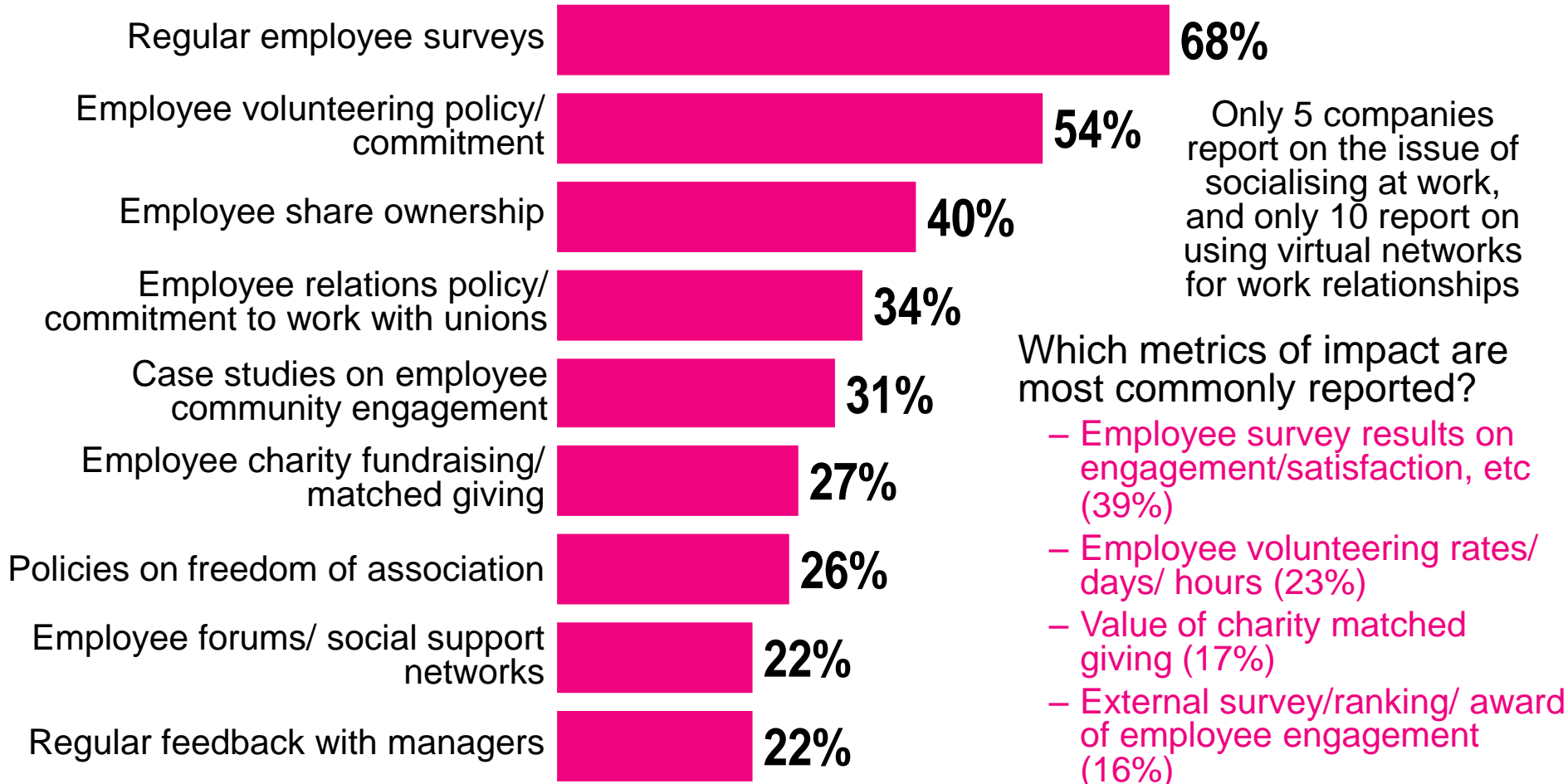
Better Relationships – Comms & Voice: Detailed Issues

Which issues are most commonly reported?

% FTSE 100 reporting on each issue (top issues shown)

Issue	%
Regular employee surveys	68%
Employee volunteering policy/ commitment	54%
Employee share ownership	40%
Employee relations policy/ commitment to work with unions	34%
Case studies on employee community engagement	31%
Employee charity fundraising/ matched giving	27%
Policies on freedom of association	26%
Employee forums/ social support networks	22%
Regular feedback with managers	22%

Only 5 companies report on the issue of socialising at work, and only 10 report on using virtual networks for work relationships

Which metrics of impact are most commonly reported?

– Employee survey results on engagement/satisfaction, etc (39%)
– Employee volunteering rates/ days/ hours (23%)
– Value of charity matched giving (17%)
– External survey/ranking/ award of employee engagement (16%)

Base: All FTSE 100 companies, February 2011

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Better Relationships – Comms & Voice: examples

To view the reports, click on the company logos when in slide show view

centrica

*"**Engaged employees are essential to deliver our business objectives**, particularly against the backdrop of global economic downturn. Measuring engagement and the factors that drive it are a key focus of our people strategy, as this enables us to **benchmark** results more robustly."*
Centrica p9 Annual Report

Unilever

*"In 2007 we also made new software available to enable employees to hold **virtual meetings** through **online discussion forums**, document-sharing and presentation capability. This enables people to work more flexibly and interact with their colleagues from work, home or while travelling. An estimated **97 000 virtual meetings were held during 2009**, with between four and five participants at each meeting."*
Unilever CR Report (website 'Health, Safety & Wellbeing: Agile Working' section)

BRITISH AIRWAYS

*"**Live online forums** have also played their part in encouraging wider dialogue and understanding."* BA p40 Annual Report

Other examples: To view more information, click on the logos:

AVIVA

Engaging employees to co-create the future of the business: Aviva p69 Annual Report

gsk GlaxoSmithKline

EmpowerMe case study: GSK CR Report (website)

BT

Town hall meetings and webchats: BT p20 Annual Report

YOUR M&S *Only at*

Open dialogue with employees: M&S p41 Annual Report

gsk GlaxoSmithKline

*"**Volunteering** not only provides much-needed support to communities and organisations around the world; it also helps GSK employees gain new experiences and skills, and in many instances helps deepen our understanding of patient needs."*
GSK CR Report (website: 'Developing our People' section)

Better Relationships – Comms & Voice: examples of use of employee surveys

To view the reports, click on the company logos when in slide show view

RBS — RBS has a separate webpage for reporting detailed survey data (and other employee metrics), referenced in the RBS Sustainability Report

centrica — Centrica includes a breakdown and segmentation of its employee survey scores and an interactive charting tool on a separate webpage for survey data and other metrics: Centrica CR Report (website: 'Engagement' and '2009 Results' sections)

CAPITA — *"In our employee survey this year, over 90% of employees felt that they were **treated fairly** regardless of race and ethnicity, disability or sexual orientation."* Capita CR Report (website: 'Diversity, Inclusion & Human Rights' section)

nationalgrid — National Gris uses employee survey data to outline its performance across different issues: National Grid p16/17 CR Report

Better Physical & Psychological Health – Wellness & Working Environment: themes used for analysis 1

- **Promotion of healthy behaviours**
  - Policy / commitment to promoting healthy behaviour among employees
  - Proactive approach to promoting employee health specified/ evident
  - Physical health programmes e.g. physical activity, fitness, healthy eating, nutrition, weight loss, musculoskeletal health, smoking cessation, alcohol/drug misuse
  - Psychological health programmes e.g. building emotional resilience, stress management
  - Health related benefits and schemes
  - Catering at work: diet & nutrition schemes
  - Private health insurance/ medical insurance provided
  - Number / % of employees participating in / reached by health initiatives
  - Employee survey includes rating of health, wellbeing, stress, etc
  - Case studies of health programmes
  - ➤ *Trends in employee fitness levels*
  - ➤ *Participant opinion of scheme impacts, partner organisation opinion of scheme impacts*
  - ➤ *Measures of improvements in awareness, wellness, action/ treatment levels, attendance/ absence rates, retention, and/or productivity due to proactive programmes*
  - ➤ *Cost savings of reduced absence/ healthcare costs, or increased productivity/ sales from improved attendance/retention rates due to programmes; financial return on investment*
  - ➤ *Number of referrals / take up of health insurance*
  - ➤ *Employee survey results on health, wellbeing, stress, etc*
- **Chronic disease prevention/screening**
  - Policy/ commitment to chronic disease prevention in workforce
  - Prevention/screening on HIV/AIDS, malaria, TB, cancer diabetes, etc
  - Number/ % of employees participating in/ reached by chronic disease prevention schemes
  - Case studies of chronic disease prevention programmes
  - ➤ *Number/ % of diagnoses / referrals for treatment*
  - ➤ *Trends in % employees in different risk categories*

Better Physical & Psychological Health – Wellness & Working Environment: themes used for analysis 2

- **Workplace design and health & safety**
  - Health & Safety policies/ commitment to safety/ management systems
  - Health & Safety monitoring/ reporting systems
  - Health & Safety risk assessments/ audits
  - Policy/ commitment to addressing health impacts of workplace design
  - Ergonomic assessments
  - Desk/ location audits
  - Number Health & Safety/ ergonomic risk assessments conducted, % of sites covered
  - Employee training on Health & Safety/ ergonomic risks
  - Number/ % of employees who have undertaken Health & Safety/ ergonomic training
  - Suggestions /employee input/ working groups on improving working environment
  - Employee survey includes satisfaction with working environment/ safety culture
  - Case studies of Health & Safety/ workplace improvement programmes
  - External Health & Safety award
  - ➢ *Accident/ incident/ injury rates/ lost-time-injury rate/ RIDDOR data*
  - ➢ *Number/ rate of fatalities*
  - ➢ *Number/ rate of near misses*
  - ➢ *% sites certified to OHSAS 18011 or equivalent/ company's own safety standards*
  - ➢ *Number/ % staff certified in Health & Safety/ passed qualification*
  - ➢ *Results of Health & Safety risk/ ergonomic assessments, incident rates, breakdown of causes of incidents*
  - ➢ *Number of employee suggestions on improving working environment/ implemented*
  - ➢ *Employee survey results on satisfaction with working environment / safety culture*

Better Physical & Psychological Health – Wellness & Working Environment: Overview

Overview of how many companies are reporting on this theme, and in what level of detail
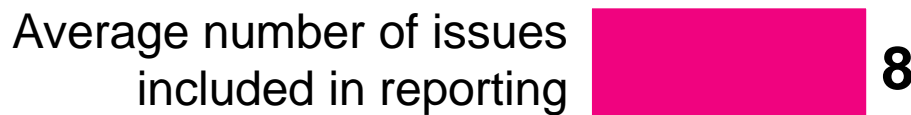
% FTSE 100 reporting on theme: Better Physical & Psychological Health – Wellness & Working Environment

Any mention of this theme	**97%**
Any quantitative metrics of impact	**79%**

% using each vehicle to report on this theme

Annual report	**71%**
CR/sustainability report	**64%**
Website	**80%**

Out of 54 Better Physical & Psychological Health – Wellness & Working Environment issues:

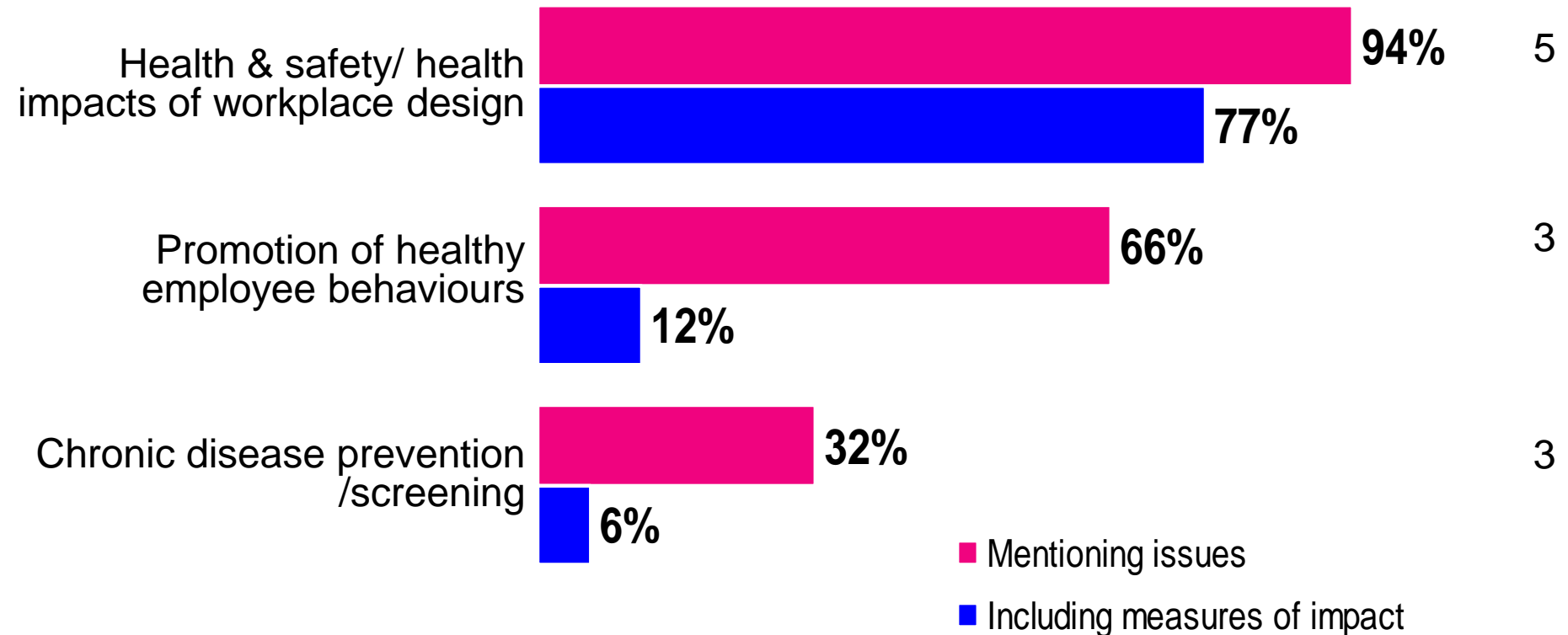|	
Average number of issues included in reporting	**8**

Base: All FTSE 100 companies, February 2011

Better Physical & Psychological Health – Wellness & Working Environment: Grouped Issues

Which issues are most commonly reported? (grouped issues)

% FTSE 100 reporting on each grouped issue, and including measures of impact

Health & safety/ health impacts of workplace design
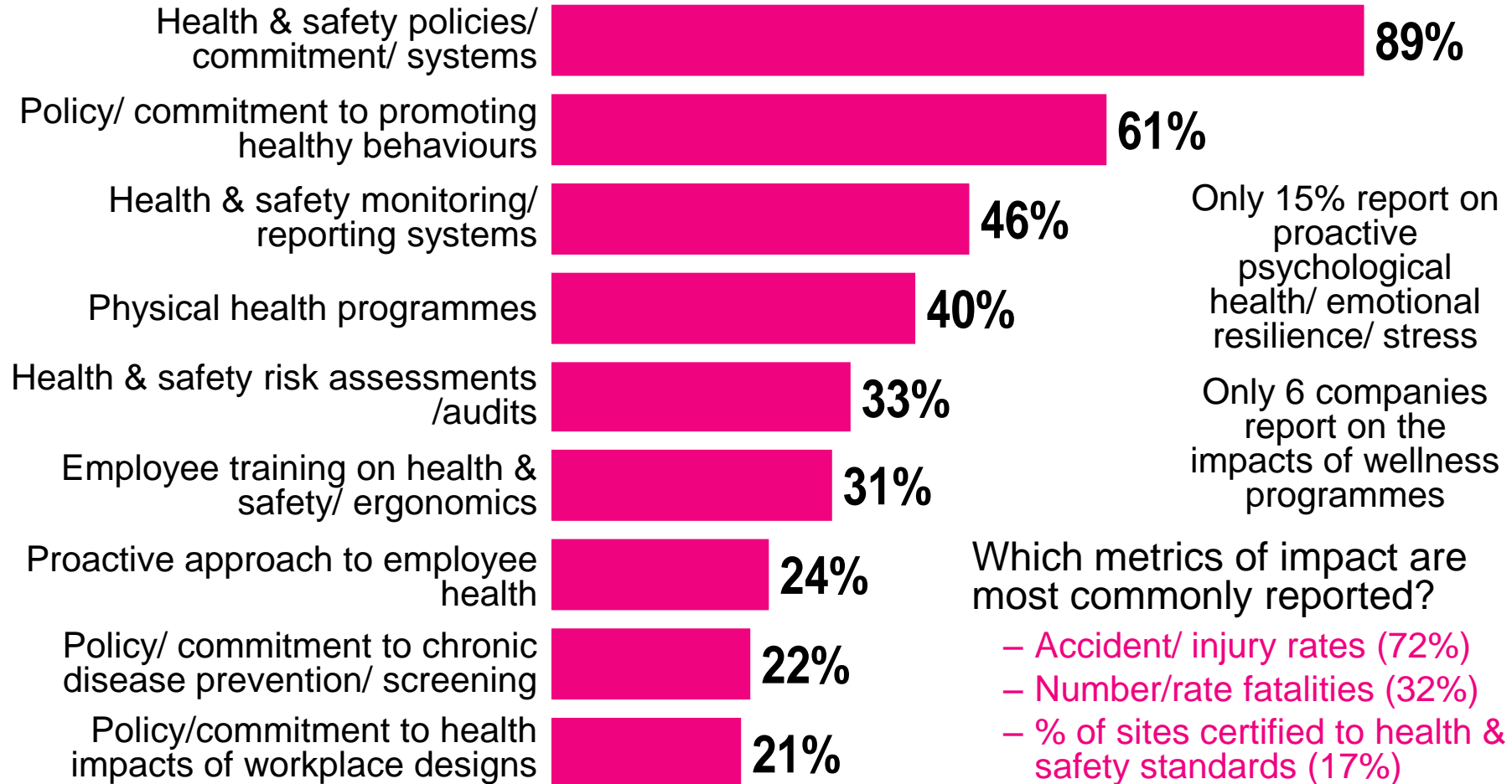- **94%**
- **77%**

5

Promotion of healthy employee behaviours
- **66%**
- **12%**

3

Chronic disease prevention /screening
- **32%**
- **6%**

3

■ Mentioning issues

■ Including measures of impact

Base: All FTSE 100 companies, February 2011
* Average based on those companies including issues

engage workwell flourish 51

Better Physical & Psychological Health – Wellness & Working Environment: Issues

Which issues are most commonly reported?

% FTSE 100 reporting on each issue (top issues shown)

Issue	%
Health & safety policies/ commitment/ systems	**89%**
Policy/ commitment to promoting healthy behaviours	**61%**
Health & safety monitoring/ reporting systems	**46%**
Physical health programmes	**40%**
Health & safety risk assessments /audits	**33%**
Employee training on health & safety/ ergonomics	**31%**
Proactive approach to employee health	**24%**
Policy/ commitment to chronic disease prevention/ screening	**22%**
Policy/commitment to health impacts of workplace designs	**21%**

Only 15% report on proactive psychological health/ emotional resilience/ stress

Only 6 companies report on the impacts of wellness programmes

Which metrics of impact are most commonly reported?

– Accident/ injury rates (72%)
– Number/rate fatalities (32%)
– % of sites certified to health & safety standards (17%)

Better Physical & Psychological Health – Wellness & Working Environment: examples of business benefits

To view the reports, click on the company logos when in slide show view

BRITISH AIRWAYS

*"Our targets: Wellbeing
Improve communication with our employees with the aim of **increasing motivation and reducing absence**" BA CR p35*

Unilever

*"The Lamplighter programme enables employees to assess, track and improve important aspects of their health such as blood pressure, fitness, mental resilience and diet. This in turn **improves the health of Unilever as a business**, with **fitter, more engaged employees**."*
Unilever p11 Sustainability Report

gsk GlaxoSmithKline

*"When employees have energy they can **focus better** and **work more efficiently**. The Energy for Performance (E4P) programme teaches participants how to manage their physical and mental energy more effectively, and helps them develop habits that improve their performance at work … Healthy, collaborative and motivated teams are **critical to business success**. The team resilience programme helps employees and their managers to identify sources of pressure on their teams"*
GSK CR Report (website: 'Energy for Performance' section)

nationalgrid

*"The **business impact** of these programmes is difficult to quantify at this stage but is expected to help improve employee **performance** and **productivity**, employee **engagement** levels and **attendance**."*
National Grid, p32 Annual Report

Better Physical & Psychological Health – Wellness & Working Environment: examples of proactivity

To view the reports, click on the company logos when in slide show view

*"Our WorkWell scheme supports staff with a **stress management** programme and we continue to provide two year **breast screening** cycles for female employees and female partners of employees. We have introduced a Your Wellbeing **website**, a dedicated portal that provides all staff with access to health and wellbeing information, as well **interactive tools** to help monitor their progress."*   M&S p40 Annual Report

*"Our commitment to employees goes beyond safety and we aim to have a **long-term impact** by helping people to stay healthy. This helps to reduce absenteeism, increase productivity and promote Centrica as a great place to work."*   Centrica CR Report (website: 'Health and wellbeing' section)

*"We will **focus** our greatest energy on those workplace and personal safety and health risks which have the **highest toll on productivity, health, and cost** at GSK. Through data analysis we have identified these as musculoskeletal / human factors issues, driver's safety, and depression … We focus on the **leading causes of employee illness** and disability such as depression, non-work-related injuries, heart disease, stroke and respiratory infections."*
GSK CR Report (website: 'Health & safety management' and 'Health and wellbeing programmes' sections)

*"BA Health Services has a **responsive and proactive strategy** that focuses on:*
*• Continuation of an **early intervention** programme, with particular regard to the needs of colleagues returning to the workplace following absence.*
*• Provision of a flexible and healthy lifestyle programme that encourages all BA colleagues to **take personal responsibility** for their wellbeing."*   BA p 40 CR Report

Other examples: To view more information, click on the logos:

All operations have wellness programmes, but with different focuses Anglo American p27 Annual Report

Focus on behavioural and lifestyle change. Time lost to sickness absence given, with cost to business. BT p19 Annual Report

Better Physical & Psychological Health – Wellness & Working Environment: examples of psychological health

*"We believe that working to maintain and improve the health of employees can deliver real benefits for both company and colleagues. The workplace provides a means and an opportunity to tackle health issues. Initiatives are promoted to help employees be physically energised, **mentally focused**, **emotionally connected** and aligned to company values"*
Scottish & Southern Energy p30 Corporate Responsibility A-Z

*"Personal vitality is also something we feel strongly about and we have programmes and activities in place which are designed to help everyone in the business take care of themselves and encourage a better quality of life. By creating a vitalising work experience and environment for our people we help them **feel energised** and **able to perform** to the very best of their ability."*
Unilever p28 Annual Report

*"**Resilience** is described as the ability to be successful in a high-pressure, fast-paced and continuously changing work environment. Resilience helps **prevent mental illness due to stress**, a leading cause of ill health and disability at work. It also supports **good performance**."* GSK CR Report (website: 'Energy and Resilience' section)

*"In total, 5,000 employees from 25 countries have attended [Energy for Performance] workshops between 2007 and 2009. **Over 89 per cent reported significant improvement** in their physical and mental performance and emotional energy. Participants found that their improved energy levels **persisted for at least 12 months** after the workshop … Since the [team resilience] programme began in 2003 it has been completed by teams in 51 countries, comprising 27,500 employees. Participants have identified **positive outcomes**, including more successful team work, more efficient machine operation and better sales. A **25 per cent drop in work-life conflict** and a **21 per cent increase in satisfaction** with GSK as an employer have also been recorded."*
GSK CR Report (website: 'Energy Performance' and 'Team Resilience' sections)

Better Physical & Psychological Health – Wellness & Working Environment: examples of impacts

*"'Tastelife', our Australian health and wellness programme, has been shown not only to increase the **wellbeing** of the individual but help reduce **employee absenteeism**, increase **employee retention** and **productivity**, increase **social interaction** and reduce **injury claim costs**."* Compass CR Report (website: 'Active Life, healthy workforce' section)

*"Our activities have contributed to a **fall in absence rates** to 7.7 days per employee in 2009 from 8.8 in 2008."* Centrica CR Report (website: 'Health and wellbeing' section)

*"In those countries where [our] Lamplighter [programme] has been implemented, health improvements have been significant. **Participants have reported improvements** in their sleep, energy levels, motivation and work performance in countries such as Pakistan, Tanzania and Mexico. Globally, **3.75% of our people have transitioned out of the high risk status,** … there has been a 1% increase in the medium risk status but more importantly a 5.25% increase in the low risk status group.*

*"These health risks improvements translate into real personal improvements for our people and we have noted **reductions in the number of overweight** and/or obese employees; those with hypertension and hypercholesterolemia; those classed as having poor nutrition or being under-nourished; and also in smokers. An improvement in health risk status has been seen in those people undertaking physical activity. During 2009, we … began internal reporting on some key performance measures including the percentage of employees **attending their annual health check-up**, the number of cases of **work-related illness** and **absenteeism** …*

*"In 2009 we commissioned the Lancaster University Centre for Organisational Health & Wellbeing in the UK to carry out an **independent study of the effectiveness** of the Lamplighter programme … in our London headquarters. The study showed a number of significant improvements in employees' health after participating in the programme. These included **positive improvements in eating habits**, **fitness levels** and how **engaged** people felt at work … Programmes such as Lamplighter have important **short- and long-term business as well as health benefits** … The long-term benefits are in **lower healthcare costs** for companies and society. An earlier study we conducted in the UK, which was published … estimated that the **return on investment** for these kinds of employee well-being programmes is in the region of £3.49 for every £1 invested."* Unilever CR Report (website: 'Health, Safety & Wellbeing – Positive Results' section)

Better Physical & Psychological Health – Wellness & Working Environment: examples of health & safety

*"Our rigorous management system reduces the risk of harm to our employees and helps them stay healthy … As well as being the right thing to do, this **improves business performance** by increasing **attendance**, improving **productivity** and reducing **healthcare and insurance costs**."* GSK CR Report (website: 'Health & Safety' section)

*"Good workplace and job design, known as ergonomics and human factors, helps employees to do their jobs effectively while reducing the risk of musculoskeletal illnesses and injuries. Ergonomics and human factors, if applied properly, can **reduce illnesses and injuries**, as well as **work performance errors** and **lost time**."* GSK CR Report (website: 'Ergonomics and Human Factors' section)

*"We have achieved a **33 per cent improvement** in the ergonomics-related injury and illness rate between 2006 and 2009. This is more than double our 15 per cent improvement target for the same time period."* GSK CR Report (website: 'Ergonomics and Human Factors' section)

*"We **review those areas where accidents have been most frequent**. In two areas we have **introduced key initiatives to reduce safety risks**. At TV Licensing, where we have a large field force, we commissioned an investigation to understand why the rate of **verbal and physical assaults** on some field officers was much higher than on others. We found that this is influenced by individual field officers' approach to dealing with potentially aggressive situations. As a result we have introduced a **training programme** to provide them with the skills to help them in avoiding and diffusing these situations."* Capita CR Report (website: 'Employee Wellbeing: Specific Risk Areas' section)

Better Specialist Support – Attendance Management: themes used for analysis
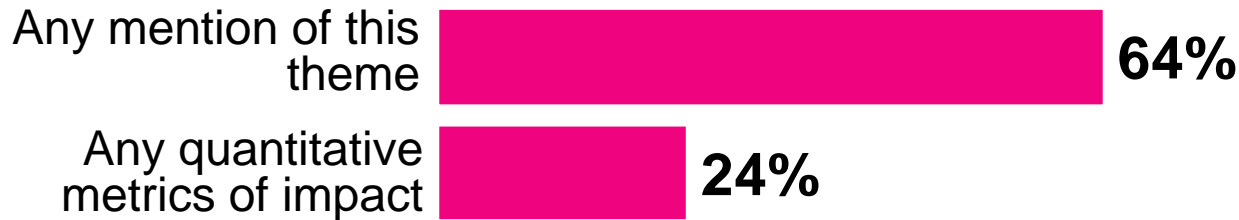
- **Attendance management/ Interventions in/ treatments of existing conditions**
  - Occupational health policies, health risk assessments
  - Attendance/ absence management policies/ commitment/ management systems
  - Proactive approach to attendance management/ early interventions
  - Musculoskeletal interventions/ treatments
  - Mental health/ stress interventions/ treatments
  - Assessment of employee "resilience"
  - Chronic disease management (of existing conditions), HIV/AIDS, malaria, TB, cancer, diabetes, etc
  - Employee assistance programme/ counselling service/ helpline
  - Uptake of employee assistance programme/ number of helpline calls
  - Disability Discrimination/ access/ modifications for disabled employees
  - Adjustments to help people return to work
  - Access to work for those with conditions such as dyslexia, dyspraxia
  - Working practices related to ageing workforce
  - Manager training in attendance management, conducting return to work interviews
  - Number of sick / fit notes
  - *Sickness absence data/ illness metrics, days lost, root cause analysis*
  - *Cost of lost time due to illness*
  - *Measures of improvements in attendance/absence rates, retention, and/or utilisation/ productivity/ efficiency due to intervention programmes*
  - *Cost savings from reduced absence/healthcare costs, or increased productivity/sales from improved attendance/retention rates due to programmes; financial return on investment*
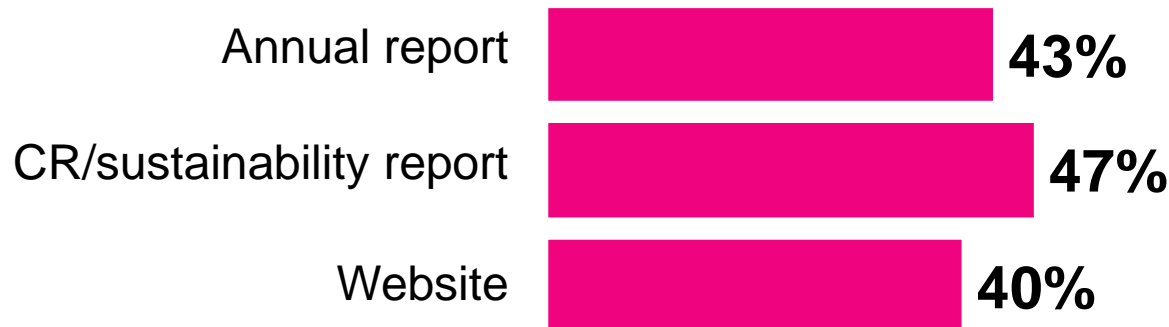
Better Specialist Support – Attendance Management: Overview

Overview of how many companies are reporting on this theme, and in what level of detail

% FTSE 100 reporting on theme: Better Specialist Support – Attendance Management

Any mention of this theme	**64%**
Any quantitative metrics of impact	**24%**

% using each vehicle to report on this theme

Annual report	**43%**
CR/sustainability report	**47%**
Website	**40%**

Out of 23 Better Specialist Support – Attendance Management issues:

Average number of issues included in reporting **(based on all FTSE 100 companies)**	**2**

Better Specialist Support – Attendance Management: Issues

Which issues are most commonly reported?

% FTSE 100 reporting on each issue (top issues shown)

Issue	%
Occupational health policies/ health risk assessments	**27%**
Access for disabled employees	**24%**
Employee assistance/ counselling provision	**23%**
Adjustments to help disabled employees return to work	**13%**
Attendance management policies/ commitment/ systems	**11%**

Only 9 companies report on proactive early interventions

Which metrics of impact are most commonly reported?

– Sickness/ absence data (16%)

Base: All FTSE 100 companies, February 2011
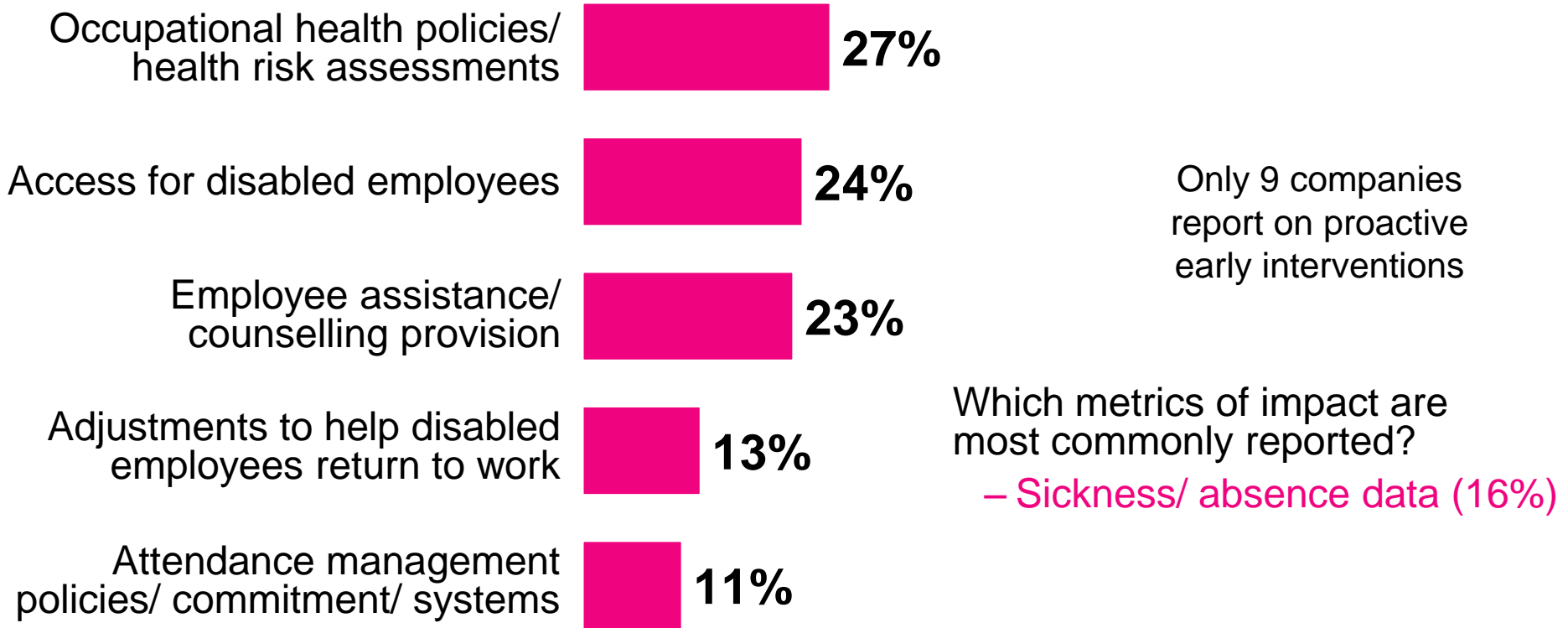
Better Specialist Support – Attendance Management: examples

To view the reports, click on the company logos when in slide show view

AngloAmerican

*"Anglo American's occupational health programmes cover all employees and are aimed at **preventing occupational disease through prevention of exposure at source**."*
Anglo American p27 Annual Report

CAPITA

*"Our Group Insurance and SH&E team engaged with Zurich Rehabilitation. This innovative approach to injury management, brings together traditional insurance, risk management and injury management to help employees **return to work sooner** and therefore helps to manage **the cost of business risk**."*
Capita CR Report (website 'Employee Wellbeing: Injury Management' section)

SSE

*"We work in partnership with **occupational health specialists** to provide a comprehensive health service including: pre-employment screening; employee assistance programmes, including a 24-hour free counselling service; absence management; occupational health case management; employee well-being surveys; health surveillance; and drug and alcohol programmes … A healthy, committed workforce is clearly central to business success. SSE's policy is to **deal with all sickness absence in a sympathetic and constructive way**, helping people make a speedy return to health and to work by seeking and acting on medical advice. During 2009/10, the **average number of days of absence** from work was 5.31, compared with 5.89 in the previous year."*
Scottish & Southern Energy p30 A-Z of Corporate Responsibility

BRITISH AIRWAYS

*"The aim of the scheme is to provide **earlier interventions** than can be achieved by the NHS. There needs to be a cost benefit to the Company and the treatment should have an 80% success rate. Earlier treatment should allow absent colleagues to **return to work earlier**, thus contributing to our aim to **reduce sickness absence**…This scheme is achieving a **Return On Investment of 2.3 : 1** (May 2009)."*   BA p41 CR Report

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For further information

**Please contact: jenny.dawkins@ipsos.com
or visit:**
http://www.bitc.org.uk/workplace/health_and_wellbeing/