



## **Somerset County Council: the business case for managing pressure and stress at work**

Somerset County Council employs about 17,000 staff. In 2002 the Council decided to engage in an initiative to improve the Quality of Working Life (QWL) and well-being of their employees in order to reduce the cost of sickness absence (approximately £3.7 million in 2001/02), and to reduce their exposure to the growing risk of stress litigation and developments in legislation and case law. The Council was also aware of changes in employees' working conditions and practices associated with the impact of Government-initiated Best Value reviews and wished to understand the effect that these changes were having on their employees.

### **The Quality of Working Life initiative**

The Council commissioned a stress audit using ASSET, a stress risk assessment tool developed by Robertson Cooper, in order to identify the sources, locations and severity of underlying levels of stress across different staff groups.

Top management commitment was secured from the outset of the project – the Council's elected members, strategic management board and successive tiers of management across the Council were all involved in the QWL initiative. Funding approval was gained at the highest levels on an ongoing basis and the QWL initiative was included in the Council's comprehensive People Strategy.

The results of the stress audit provided the Council with a clear understanding of their starting position and therefore enabled accurate measurement of the achieved benefits when a subsequent survey was conducted.

The results of the stress audit were used to help construct a stress prevention strategy and action plan to address the aims, responsibilities, resources and time frames for resolving any problems identified across the organisation. Individual Directorates were given responsibility for implementation at a local level, while the central Corporate Department took responsibility for initiating Council-wide solutions.

The Council's QWL project team consisted of representatives from all major stakeholders, including Trades Union representation. Middle managers and employees were consulted in the process of constructing the action plan and their ideas used where relevant.

Following the audit, a broad mixture of interventions was introduced aimed at the individual, team and organisation level. Individual interventions included skills training to help staff cope with incidents involving aggression and conflict from members of the public, while at a team level, managers have been trained to manage stress more effectively in themselves and their teams. At the organisational level, training for both managers and staff in the Council's revised performance review and development system was aimed at both developing people to deliver higher performance standards and also to reduce the opportunity for performance management creating workplace stress, if undertaken inappropriately.

### **Outcomes of the Quality of Working Life initiative**

In 2001/02 sickness absence levels were very high at 10.75 days lost per employee, per year. Each lost working day cost the Council approximately £800,000. In 2004/05 this figure has fallen to 7.2 days. In monetary terms, this reduction represents a total saving of approximately £2.8 million over the last three years. Provided that absence levels remain at current levels or fall still further, then annual savings will continue to grow compared against costs of absence borne by the Council in 2001/02.

In addition to the financial implications of engaging in the QWL initiative, the Council has managed to embed the practice of improving QWL into the culture of the organisation. This has helped the Council to achieve its People Strategy goals, and in particular to become an employer of choice, improve the quality of recruiting and reduce staff turnover in key areas.

**Cost/benefit analysis of the Quality of Working Life initiative**

A cost/benefit analysis of the Council's QWL initiative over the three year period of 2002/3 – 2004/5 showed the process generated an annual saving of £1.3 million. The total saved on sickness absence costs over this period was £4.2 million, while the total cost of implementing the QWL initiative was £510,000. (The ASSET stress audit cost £30,000 and the QWL intervention budget accounted for the balance of £480,000.) Peter Rowe, Head of Human Resources at Somerset County Council said of the project:

“We have achieved cost saving of over 1 million per annum. We had assumed that we would need to employ more staff, but realized it would have made the problem worse.”

In addition to the cost savings identified above, the initiative reduced and re focused the costs of the Council's Occupational Health and Counselling contracts, ensured compliance with the Law, improved staff retention rates, made Council employees feel good about their employer and enabled the Council to achieve Government upper quartile sickness absence targets.

Somerset County Council's QWL initiative demonstrates how a comprehensive approach aimed at improving employee well-being can be constructed and delivered economically within a large organisation, resulting in positive change to key performance indicators as well as achieving lasting cultural change.

This case study has been recognised by the HSE as a “Beacon of Excellence” and is available to download in full from the HSE website ([www.hse.gov.uk/research/rrhtm/rr295.htm](http://www.hse.gov.uk/research/rrhtm/rr295.htm)).