

August 2009

## From stress to distress: the impact of the economic recession on mental health at work

The *Acas Policy Discussion Papers* series is designed to stimulate discussion and debate about key employment relations issues.

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We welcome your comments and opinions. These should be sent to the author c/o [strategy@acas.org.uk](mailto:strategy@acas.org.uk)

According to a report by the Royal College of Psychiatrists (RCP)<sup>1</sup>, if you go to your GP suffering from mental illness you only have a 50% chance of the GP diagnosing your problem. Mental health problems, the report says, can range from fairly mild problems, such as sleep deprivation and fatigue to common disorders, such as anxiety and depression, and, in limited cases, to severe mental illnesses such as schizophrenia and bipolar disorder.

The report, published in March 2008, says that of the 5.5 million people in Great Britain with a common mental disorder, only 1.3 million are currently being treated. Measuring the impact of the current economic recession on mental wellbeing in the workplace is difficult because mental health problems can take time to develop and even more time to become recognised. The stigma associated with mental health problems also creates a veil over the true extent and complexity of issues like anxiety and depression. Individual employees are understandably frightened of being labelled 'mentally ill'.

With the first ever national mental health strategy due to be launched later this year, this discussion paper asks three questions:

1. What do we know about the impact that the current economic recession is having on mental health problems?
2. What is being done to tackle mental health at work?
3. What, if anything, can we learn from the way stress has been managed in the workplace?

### The rising cost of mental ill health

The Sainsbury Centre for Mental Health<sup>2</sup> estimates that the total cost of mental health problems at work is nearly £26 billion each year (equivalent to £1,035 for every employee in the UK workforce). The majority of this cost (nearly 60 per cent) is due to the adverse impact mental health has on the way employees do their jobs – for example, individuals may typically be less productive, often suffering loss of concentration, fatigue and memory problems. Another third of the cost is accounted for by absenteeism and £2.4 billion by staff turnover. The RCP report states that “the proportion of all claimants of Incapacity Benefits who are claiming because of mental health problems has risen over the past decade from 25% to 40%.”

If the scale of mental health problems is growing – figures from the NHS and local authorities show they spent about £5 billion on adult mental health services in 2006/07 compared to £3.6 billion in 2001/02<sup>3</sup> – the current economic recession is likely to further exacerbate the situation. Mental health charity Mind has also reported higher numbers of appeals on issues specifically relating to money worries from people who do not have a diagnosis but are extremely distressed by their financial

situation. *Occupational Health* magazine<sup>4</sup> has reported that “studies of previous downturns suggest there will be an increase in GP and hospital appointments, particularly among men, and higher rates of smoking, drinking and drug use, as well as separation and divorce.”

One of the pitfalls of discussing mental health problems is that of terminology. As many mental health charities and support groups rightly argue, any diagnosis can quickly become a label. The term ‘mental distress’ has been widely adopted partly as an attempt to make the whole issue of mental health more human and accessible. Certainly, a broader and more integrated description of mental health issues is helpful. According to the NHS website our mental health is about the way we “think, feel and behave”. In other words, it permeates every part of our personal and working lives. What causes an individual to develop mental health problems is complex, but contributory factors can include our parents, upbringing, where we live and what we do. There are some recognisable factors that often trigger the onset of mental distress, such as:

- significant events like bereavement, redundancy and divorce or other major changes in our emotional, physical or social environment
- extreme stress combined with low coping mechanisms.

Redundancy, along with debt, is probably the most significant event associated with an economic recession. Latest figures from the Office for National Statistics<sup>5</sup> show that the unemployment level for the three months to April 2009 was up 232,000 from the three months to January 2009 at 2.26 million and is widely tipped to reach 3 million before the end of the recession.

## Work and the recession

There is a growing body of research – from the Work Foundation and others – supporting the idea that work is good for your health and wellbeing. Work can help to maintain self-esteem and social networks and speed up rehabilitation from illness. However, although being in work may be good for your health, being under the threat of losing your job – in what is called the anticipatory phase – is often a cause for extreme anxiety. This chimes with Acas’ experience of how change can adversely affect an employee’s morale and level of motivation, particularly when it’s poorly managed.

One of the main problems in analysing mental health problems at work is that psychological, physiological and emotional problems can not always be isolated.

According to Mind, depression and anxiety often present themselves as bundles of despair, often made up of several different but interlinked problems – such as family breakdown, debt, poor health and redundancy.

Mental disorders can be hereditary but there are obvious links between the economic climate and mental disorders. An economic recession can provide many potential stumbling blocks – tipping individuals from ‘coping well’ into stress, or from stress into anxiety or depression. The cost to the UK economy is clearly not just organisational but inter-personal. One of the common symptoms of stress and mental health problems is a breakdown of relationships – whether in a family, social or work setting. Acas mediators have worked extensively in workplaces where stress has eroded the usual channels of communication and people have become isolated. Employees and their line managers often, inadvertently, adopt entrenched positions that help to reinforce the stigma of mental distress. For example:

- employees may become remote, tetchy or withdrawn in an attempt to defend their sense of vulnerability and despair
- line managers may avoid tackling what are often considered complex and very personal problems.

What support are employees and line managers being given to help them cope with increased levels of stress and mental ill health? A CIPD survey<sup>6</sup> reports that only one in five employees in organisations affected by the recession have been given additional help. This help, when available, most commonly takes the form of financial advice (9%), employee assistance programme helpline (8%), health and wellbeing programmes (7%) and access to face-to-face counselling (6%).

Additional help, especially in the form of one-to-one communication and counselling, can be particularly beneficial for those affected by ‘survivor syndrome’. Sufferers of survivor syndrome often experience feelings of guilt, low morale and a general sense of disengagement from their organisation after surviving job cuts. In common with the symptoms of many mental health problems, survivor syndrome undermines relationships at work. A recent survey from the IRS Employment Review<sup>7</sup> finds that almost two-thirds (65%) of employers surveyed reported that stress had increased among employees who have survived one or more redundancy programmes and a similar amount (63.8%) agreed that “it is difficult to ensure employees continue to trust us following redundancy programmes”.

## What is being done to promote good mental health management?

In March this year the government announced funding for what are called ‘talking therapies’ – the most prominent being cognitive behavioural therapy (CBT). These are aimed at helping unemployed people suffering anxiety and depression to get back to work. Dame Professor Carol Black recently carried out a review of the health of Britain’s working age population<sup>8</sup> that recommended, among other things, an integration of health support with employment and skills programmes – bringing occupational health into mainstream healthcare and making clear links between work, health and wellbeing. In November 2008 the Government responded to the review and proposed an extensive programme of initiatives to implement the findings and recommendations of the review.

One of the review’s specific suggestions – for an electronic ‘fit note’ – is already undergoing consultation with the aim of being introduced next year. There have also been several pilots offering a combination of psychological help and employment help to people who go to their GPs suffering from depression and anxiety, often as a result of losing their jobs. The idea is to provide practical advice on getting back to work, such as developing skills and writing CVs, as well as therapy for mental health problems. The government’s Improving Access to Psychological Therapies Programme was started in 2006 in two demonstration sites in Doncaster and Newham and is being expanded to cover 35 primary care trusts.

The government has promised to roll out the talking therapy service around the country throughout 2009 with services beginning to be available in every area by 2010. Other services include:

- health advisers on a dedicated NHS Direct phone line (0300 123 2000)<sup>9</sup> being trained to spot people who might be experiencing depression because of economic problems and refer them to help
- better online advice and information about the availability of services near to people’s homes through NHS Choices.

This programme and the main focus of the government’s action on mental health are based on the guidelines set out by the National Institute for Health and Clinical Excellence (NICE)<sup>10</sup>. These guidelines, used in primary care and hospital settings, are likely to form the blueprint for training line managers to help them manage mental health at work. The first stage in dealing with an individual suffering mental distress is described as

‘watchful waiting’. For a health professional, such as a GP, this involves arranging a follow-up appointment to assess the situation. For a line manager it may mean keeping an eye on a colleague to monitor their behaviour and having a quiet word to assess their mood. Another significant stage involves ‘self-help’. This is partly an admission that mental health problems are not always diagnosable and that individuals know themselves and their problems better than anyone else. In a sense, individuals have a responsibility to manage their cases and those with more extreme forms of mental distress are even being encouraged to make out ‘advance statements’ or ‘crisis cards’ to alert employers and others to the most suitable form of treatment and care should they become suddenly ill.

The key element of the government’s strategy to tackle mental distress is the use of CBT. CBT is being heralded as an economic way of providing practical solutions to often complex problems. Mind describes CBT as dealing with emotional problems by focussing on the “thoughts, images, beliefs and attitudes that we hold and how this relates to the way we behave”, and it can often be used to change the meaning we attribute to events or actions. Critics say that CBT is used like a plaster, covering up more deep-rooted problems, but supporters say that the alternatives – such as psychotherapy – can take an indefinite period of time and be very costly. Put crudely, more formal psychotherapy tends to focus on the journey a patient takes and what they discover along the way, while CBT and similar forms of therapy tend to focus on getting to the end destination.

Perhaps the most important message the government is putting across – and one that charities and pressure groups have been championing for many years – is the need to overcome the stigma associated with mental health. Mind are currently running a campaign called ‘Time for Change’ which aims to promote awareness of mental health issues and challenge what it calls “one of the last taboos”.

## What can we learn from stress management?

The Health and Safety Executive (HSE) defines work-related stress as “the adverse reaction people have to excessive pressures or other types of demand placed on them at work”. If someone has an existing mental health condition, excessive stress can trigger the illness. There is also no doubt that the recession could impact on individuals’ stress levels and cause an increase in common mental health problems such as anxiety and depression.

The latest HSE statistical report<sup>11</sup> shows that 39.9% of the total number of days (nearly 34 million) lost due to work-related ill health in 2007/08 were already linked to stress, depression or anxiety. It is not hard to predict the impact the current recession might have on the six organisational issues the HSE has identified as being the root causes of stress at work:

- **demands** on employees are increasing. Organisations may suffer higher rates of absence or individuals may feel they have to continue working whatever their physical, emotional or mental state
- **relationships** are likely to come under greater strain and there will be more pressure on line managers to deal with 'people issues'
- if badly managed, the uncertainty of **change** can adversely affect an employees health and sense of wellbeing
- the **role** an employee plays within an organisation may become more complex as workloads increase. Some employees may even feel guilty about having a role to play at all
- **support** is needed more than ever in a recession but budgets are being cut and employees may feel less inclined to make a fuss about a lack of support, coaching or personal development
- the **control** an individual has over the way they do their job may be reduced and many employees may experience a sense of powerlessness if employers neglect to consult with their staff.

Despite this gloomy prognosis, there are signs that employers are making the link between work, health and wellbeing. The latest tool developed by the HSE is directed at the competences line managers need to manage stress and covers things like 'managing emotions', being 'considerate' and 'empowering'. A recent survey by IRS<sup>12</sup> shows that of the 121 organisations it questioned approximately half have undertaken research or risk assessments to assess levels of stress. Many have stress management measures in place, such as offering flexible working options (79%) or providing an employee assistance programme (49%). Eighty-one percent of employers in the survey gave training to line managers in people management skills (68% gave training in managing stress). The survey also showed that:

- almost half of employers surveyed do not initiate action on work stress until a problem is brought to their notice
- the main motivators for undertaking stress management were promoting employee wellbeing, reducing absences and complying with the law
- most employers are uncertain whether their efforts to manage stress have been successful.

The survey shows that many employers recognise the impact the recession is having on employee's health and wellbeing and are responding in the best way they currently know how – through established stress management policies. It is clear that, although the intention is often good, many employers are still working in the dark in terms of knowing whether their efforts to manage stress are having an impact.

## The role of line managers

Employers have a duty of care to prevent their employees becoming ill at work – and this includes their mental wellbeing – but it is line managers who often find themselves on the front line in terms of trying to maintain or rebuild working relationships badly affected by mental distress. To help them manage mental health problems effectively line managers need:

- **training** – to raise their awareness of stress and mental health issues so they know, for example, when a member of their team may be suffering from additional or excessive pressure. The Sainsbury Centre for Mental Health has recently been delivering a training programme for line managers in mental health, carried out by the Australian organisation 'BeyondBlue'
- **good interpersonal skills** – to help nurture trusting relationships with staff who may be understandably anxious about disclosing their mental health problems. Employers may need to look at the competences they use to recruit line managers or build on those they may have already developed for managing stress
- an **organisational infrastructure** that supports and guides them by providing, amongst other things, clear policies and procedures for managing mental health. These policies should make explicit the link between line managers, HR and occupational health services.

How employees feel and perform has as much to do with what's going on beneath the surface – in terms of individual psychology – as what you see above the surface, particularly during periods of significant change or economic downturn. We need managers who are comfortable with this interface and who have the right skills, competences and training to manage mental health issues. But training and people skills will only take them so far. It is the organisational framework, and commitment, that will guide line managers towards the line of appropriate intervention – whether this is a one-to-one conversation or referral to occupational health – and away from the fear that they are getting involved in something out of their depth.

Individuals also have a responsibility to look after themselves and to communicate with their line managers. IRS Employment Review has published<sup>13</sup> a case study involving BT's fairly advanced strategies for managing stress and mental health. These include a voluntary mental wellbeing 'passport' which is used to document an individual's current or possible future mental health problems and the best way of dealing with them. These passports can be completed in collaboration between an employee and their line manager and are an example of the kind of organisational tool line managers need to manage mental health effectively.

## Conclusion

Managing mental distress is still in the early stages in terms of how organisations develop their own policies, train their line managers and work more closely with health practitioners. Raising the profile of mental distress and fighting the stigma attached to it must go on regardless of the economic climate. The role of line managers is critical but, as this paper has argued, it is not the responsibility of line managers alone. During this difficult and pressurised economic environment it is even more important that employers, line managers, HR and occupational health practitioners work together to ensure that employees suffering from mental distress receive the support they need. Preferably such interventions can take a preventative form. A range of good practice guidance for line managers on managing mental health already exists but these need to be built on and endorsed by a wider audience of employers and employer groups.

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