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Because everyone
needs a back-up plan

Creating companies that care

Building a Blueprint for employers to engage with employees

WORKING PRACTICES

CULTURE

EMPLOYEE BENEFITS

LEADERSHIP

PROTECTING YOUR BUSINESS FOR THE FUTURE

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FOREWORD

Peter O'Donnell
Chief Executive Officer
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What does it mean to be a 'caring company' in 2014? It's now mainstream business practice for larger organisations to have a corporate responsibility policy, acknowledging a company's environmental and social impact. It's also mainstream business practice to have an HR presence that addresses employee engagement and diversity.

But is it working? According to a recent study[1], a third of workers felt they were only 'adequately or poorly' cared for by their employer. Worryingly, 1 in 5 (22 per cent) said they felt levels of wellbeing have got worse in the last three years, just as the UK is emerging from the recession.

Can workers really expect companies – which have focused their energies on staying solvent and agile in what economists generally describe as "the worst global financial crisis for nearly a century" – to focus on how they can be caring? They can, and they do. A third of employees in the legal, retail, media and advertising, accountancy and IT sectors that were surveyed said they would consider leaving a job due to poor workplace wellbeing.

The difference between the most recent recession and previous financial crises is the sheer quantity of knowledge the business world now has about the importance of how companies treat their employees. Even though the management buzzwords may have changed over the decades, business leaders now realise that they must take the welfare and needs of their employees as seriously as they do their balance sheets.

A company that cares for its staff will be an employer of choice – driving recruitment, retention and productivity – and in turn, boosting growth for the business. Yet there are still pressures on today's diverse workforce and challenges around engagement, retention and benefits.

With more than 40 years' experience providing back-up plans like Income Protection to injured or ill workers, Unum is perfectly placed to understand these. We are passionate about facilitating caring workplaces that provide for and protect employees. But it's not only about picking up the pieces when something goes wrong. We recognise the importance of preventative measures to care for people's health and wellbeing at work, and the vital role employers can play in that.

We developed the guiding principles of this Blueprint in conversation with a number of the country's biggest corporate names, and most innovative start-ups. We want to help employers make a case for the renewed focus on health and wellness at board level, and provide them with practical solutions to apply in their workplace. That's why this Blueprint sets out best practice in the most practical way possible.

[1] Wellbeing Lag, ICM Research commissioned by Unum – April 2014

THE BLUEPRINT

We have garnered, collated and edited the views of employees and employers at some of the country's most established brands and most innovative start-ups, to establish what being a caring company means.

We distilled these views into five central business areas that affect employee wellbeing:

- **Leadership and line management**
- **A caring culture**
- **Working practices**
- **Getting the employee benefits balance right**
- **Protecting your business for the future**

Acting in these five areas will address what employees expect to get from a caring employer, being: guided and mentored, trusted and enabled, rewarded and appreciated, and protected and provided for.

Being seen as a caring employer is a real differentiator for potential and current employees. Equally, the pace of change is now so great that it can be difficult for employers to remain relevant. Emerging from a recession it's unlikely that big employers – let alone start-ups and medium-sized companies – have the spare cash to offer talented employees more perks on top of a competitive salary.

Employee benefits and salaries may form the backbone of a caring employer strategy, but they are not the top and bottom of what it means to care about employee wellbeing. The notion of a caring employer means different things to different employees and different-sized companies in different sectors. SMEs may assume that they do not have the budget for a wide range of employee benefits for staff, but affordable solutions are available for smaller organisations, and they can introduce them to their workforce alongside the development of a culture of trust, support and informal learning. Large corporations can afford more comprehensive benefits packages, but may struggle to focus on individual employees' needs. The phrase 'one size fits all' couldn't be less relevant here.

"Big companies aren't just caring to be 'nice'. They are doing it because there is a business case for it." Carrie Longton, co-founder, Mumsnet.

LEADERSHIP AND LINE MANAGEMENT

Companies cannot survive in the long-term without effective leadership. Influencing and guiding employees to achieve common goals is essential for success. Good leaders create a positive company culture.

So a caring culture must be established from the very top of an organisation. Senior leaders must buy in to the concept of a caring organisation, help define it in relation to their company and accept its positive effects on the bottom line. They are also responsible for ensuring this culture is trickled down through the management layers in a company to line managers.

However, for them to really lead by example, they need to believe in the cause and may need help in understanding the concept of being a company that cares and the reasons for embracing it. Your finance director, for example, might be very interested to know that the cost of replacing a key staff member earning £25,000 and above equates to £30,614 per person, so it makes financial sense to consider your approach to employee wellbeing[2].

It's also important to note that having a caring culture doesn't necessarily mean 'their view' of what it means to be caring.

While senior leaders create a company culture, it is line managers who reinforce it. Their behaviour can strengthen or weaken a caring culture and they also need to understand the reasons for adopting it in order to embed it in what they do. The day-to-day realities of an employee's experience of their workplace are dictated far more by their relationship with their line manager and colleagues, not the senior leaders. If an employee is under stress within their private life or working under pressure, it will be their line manager dealing with the daily impact.

"Employees might be in a large company, but they will be part of a small team. And it's really important to address that line managers – like everyone – have subconscious bias. We need to recognise that." Michelle Chance, employment law partner, Kingsley Napley.

Ensure the caring culture is embedded into all layers of the company. Alongside senior leaders, line managers must also buy in to the concept of a caring organisation and understand just how they can implement this within their teams. No matter how progressive leaders are, if line managers are not instilling the same ethos, it won't work. So what can be done?

IN PRACTICE
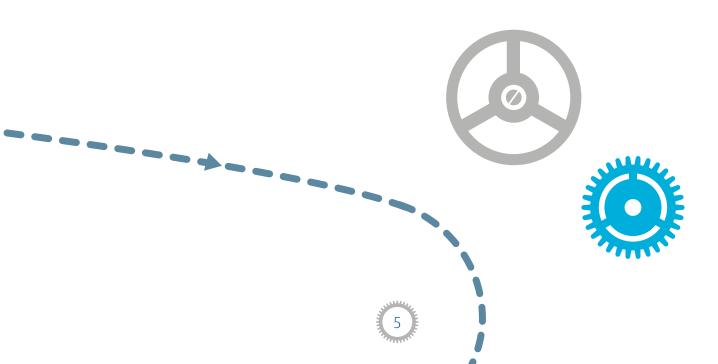
- It's important to put action behind words. It's easy for companies to say they're going to become a company that cares, but they then need to follow through with tangible actions.

- Look to examples of successful business leaders who are operating within and outside your sector and establish the reasons for their success. It's often the result of establishing the company's goals and aims, and then giving employees the autonomy to do their day-to-day jobs to reach these targets.

- Create a culture of trust at the top of the organisation, and make sure this is trickled down through all the management layers. Give line managers the autonomy to make decisions and the trust to get on with the jobs they have been hired to do, and in turn, they will pass this on to their employees.

- Think beyond the line manager. As companies grow and change, everyone needs to feel bought into the concept of being a caring company and be looking out for each other. If an employee is having a problem and their line manager isn't around, they need to know who to go to for support.

- Behave as you would expect every other employee in your business to behave. For example, if senior male leaders are working flexibly, less senior employees may do so too. Now that the law gives all employees the right to request to work flexibly, the opportunity to change working hours and location should become the norm, not just something women 'ask for as a favour'.

- Ask your employees when your company is at its best and consider what you can do to enhance this.

- Ensure a range of leadership and management training is available, whether more formal classroom-style learning, on-the-job development such as mentoring and coaching, or e-learning programmes on the company intranet, for example. Make it easy and make it useful. Consider how much you invest in skills and behaviour training for all your staff versus resilience and wellbeing training. Changes in the way we work today mean you may be better off investing in training to help staff cope with conflicting demands and time management than management training.

- Ensure line managers are familiar with the external landscape and the impact that new legislation could have. Make them feel empowered by knowing how to deal with situations before they arise.

- Train line managers to understand how to deal with flexible working requests from all employees, what impact it will have on their teams and how they can deal with it. Familiarise yourself – and them – with Acas' Code of Practice on Managing Flexible Working Requests.

- Equally ensure that line managers are trained in understanding the signs of stress within their teams, and give them the tools to deal with it, such as guidance from the Health and Safety Executive. Make staff accountable by creating targets for managing stress or flexible working and rewarding them once they are reached.

- In communal areas or on the company intranet, highlight to all employees the risk factors causing stress, any tips to reduce it themselves or where they can go to get help (line manager, HR department, Employee Assistance Programme (EAP), for example).

- Consider whether there's a need to change internal perceptions around needing to talk and asking for help.

- Ensure line managers fully understand the range of tools at their disposal and the support from their leaders to help develop and retain talent.

- Train line managers to understand how to deal with employees with short and long-term medical conditions, and ensure they are aware of the package of support the company offers.

- Manage your company's social media profile. Share information on social networking sites about working policies and other caring aspects of your culture, especially when recruiting. Respond swiftly, honestly and constructively to any negative comments about your reputation as an employer.

A CARING CULTURE

There is a difference between paternalism and assuming you know what's best for your employees, being caring and recognising their personal needs. These differ from employee to employee. Does a caring culture involve treating everyone the same or as individuals? You need to consider this question in relation to your own company.

However, it's also important to recognise that as with any relationship, it's reciprocal and needs to work both ways. In order to get the best out of your employees, you need them to feel like they want to work, rather than they have to work.

Remember that creating a caring culture isn't just about changing one thing – a number of areas need to be addressed. Offering an environment that supports learning and embraces new ideas is a good start towards creating a culture that sees employees as the company's legacy.

Develop a culture of continuous learning and development, every day. Employees should be developed in order to motivate and engage, not just to up-skill them. This means moving away from the idea of all the training the company provides as being part of a budget set by the CFO and delivered by the HR department. Just as not every aspect of a business' success is measurable, nor is every aspect of employee wellbeing or individual success. Some benefits are far less tangible and instead contribute to an overall trusting and caring culture.

Employees need to feel able to approach their manager or colleagues if they feel pressure at work or at home, so a culture of team organisational support is developed, in which this can happen. However, it's just as important to recognise that some employees will be more private than others, they won't all want to share information about their private lives. Usually, just knowing the resource is there if needed will be enough.

A caring culture doesn't mean giving employees everything they want. It means being honest and very clear about what their personal responsibilities are, from the outset of your relationship. If they know what they can expect from you, and you have made clear what you expect from them, they are more likely to feel engaged and motivated, and you can expect productivity to increase.

Think about the times in an employees' life where they are most vulnerable and will need more support, for example when they start a family or are approaching retirement.

"We have to have very flexible responses and we have to be able to respond on an individual and personal level. It's also about having open communication which is partly about what is happening within the business, and this is your part in it, then getting feedback on that." Mark Jarvis, co-founder, the7Stars.

IN PRACTICE

Clearly set out to new employees what their responsibilities are and what they can expect from you in return, during the induction process. Go through the same process when people are promoted.

Ensure that job profiles are up-to-date, reasonable and accurately reflect what the employee does or will do. Update job profiles when employees are promoted. Include the role that job plays in the overall success of the company. Make them easily accessible for employees to read.

Link the work employees do to the goals of the company. Highlight at the induction stage the role an employee's job has in the entire company's success. Explain how the employee's role in the company's success will be rewarded.

Create a peer-to-peer network in which employees can talk to their colleagues – not necessarily senior – about any problems they have with their workload, for example. Consider who feeds into this group and how feedback is gathered so that you close the loop and action can be taken, rather than it becoming a forum for whinging and offloading.

Think about advocacy. How many of your staff would recommend working at your company to a friend or family member? Do you know who these people are and how can you use them?

Smaller companies can consider introducing an EAP, which is not an expensive solution. Any EAPs must be publicised to new employees and marketed to everyone on an intranet, posters or emails.
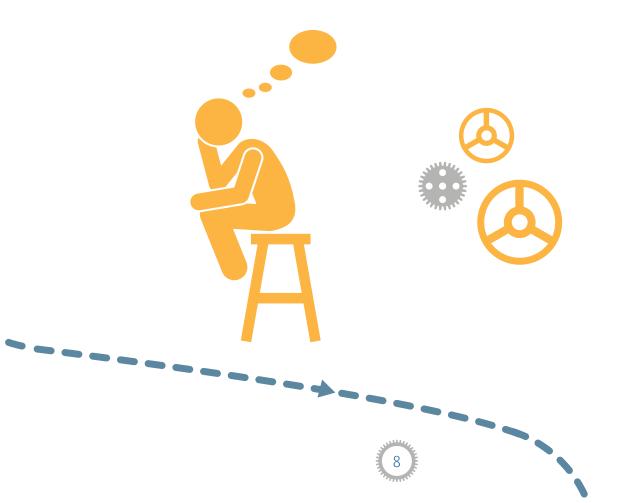
Reward employees for work that has had a direct impact on business success. This could be anything from a financial bonus to share ownership, an extra day's leave or an all-expenses-paid day out. Ultimately, show employees you care, don't just say it.

Get your internal communications right. The way you talk about your culture is key to employee engagement.

Market your company as 'caring'. If staff members are interviewed by the media ensure that the caring culture is a central part of the message. Include the concept of caring in company values and employer marketing literature.

Encourage a culture of coaching. If you have the budget, get coaches for line managers, otherwise online guidance on coaching is easily available. Make the central message about giving people the space to trust their own judgement in their jobs, whether they are line managers or not. Give line managers the freedom to decide how their teams need to be developed.

Think about how you frame the level of investment in individuals' personal growth and development. This could be communicated as part of their overall benefits package. Create a high level of perceived organisational support, with clear and frequent internal marketing about what benefits and guidance are available to help employees, from the recruitment stage throughout the employment relationship. Remember that some employees will seek more guidance than others.

WORKING PRACTICES

The way we work in the UK now is vastly different from how we did thirty or so years ago. Demographic, technological, global social, political, and economic changes have had a profound effect on working practices.

The increase in the number of women in the workplace, and the ageing workforce, has increased the diversity of the workforce, and the length of time they work for. It is now far more important to employees to look to establish some kind of balance between their work and private lives. This affects the way we can, and want, to work and the way business operations are carried out.

Equally, the globalisation of business and advances in communications technologies has necessitated that some employees pick up work outside their typical hours. Smartphones, video conferencing technology and the internet more generally have changed the way we work, allowing us to work anywhere and everywhere and blurring the lines between work time and leisure time. Technology is changing so rapidly that understanding the opportunities available to companies is a challenging task. It has made flexible working a real possibility for many types of job, but it has also resulted in people being 'constantly available'. The consequences of this are yet to be fully realised.

However, flexible working has become such a significant part of working life that from 30th June 2014, the UK government extended the right to request changes to their working hours, working times or location to all employees with at least six months' notice. No longer do just working parents and carers have this right.

But there is not just a legal imperative for flexible working. Employee stress and burnout caused by working more than their contracted hours, is alive and well in some sectors, and staying at their desks longer than their bosses do does not make employees work smarter. So it's vital that both employees individually, and the organisation as a whole, know the difference between hard work and productive work.

Flexible working helps with this. But recognising that it does not just mean family-friendly is really important, and not just in terms of creating a level playing field for all your employees. Those without children or elderly or disabled relatives to care for may want to work flexibly to spend time on a hobby. Or they may have a long commute and want to travel to work outside peak hours. If they can make their job work, these kinds of requests should be considered. This contributes not just to a caring culture, but to increased levels of retention, decreased absence and overall good feeling about an employer.

Think about what your company's position is in relation to this new reality. For example, if you have given your staff a mobile phone, does that mean there is an expectation they must respond to calls and emails in the evenings and weekends? Make sure your expectations are clear from the outset and clearly communicated.

Whilst you need to consider the impact of flexible working, 'working flexibly' doesn't have to be a formal arrangement. To get the best out of your people, you need to think about working responsively and in ways that fit both their needs and the company's. There must be a culture of trust within the company. Trust can have a tangible effect on motivation and engagement, unlike micro-management which doesn't tend to work. People will generally get on with the jobs they need to do, when they are given all the information they need, and left to get on with it, as long as there is a clear support network in place.

"I always say to my employees when they start that their job is to make themselves redundant. If they can think about how best to do their own job then they can do the job of the person above them. And that is how they can grow their wages and career development." Tom Adeyoola, CEO and founder, Metail.

By giving people power and control over their work you can empower them to examine the best ways to do their job more effectively and efficiently. By allowing them to make changes to their day-to-day working practices you can instil a clear sense of trust and motivate them. This will contribute to your succession planning programme and talent pipeline. Not only can empowered, trained and experienced employees stand in for their bosses, but if their boss leaves the organisation, you have a ready replacement.

But it's equally important to remember that not everyone is as ambitious as we might want them to be. Some staff members are happy to continue to do the job you have employed them for. You need to understand what motivates people and what to do with that information.

"There's a whole world of women out there who just want a job that can give them some meaningful employment and pays the bills, and allows them to be a parent." Carrie Longton, co-founder and CEO, Mumsnet.

Personal development can mean different things to different people. Being mentored in order to be able to 'act up' in a manager's absence with the ultimate aim of promotion is an option for some individuals. Learning more skills to be able to do a current job more effectively and efficiently is another. Equally, development that is far more personal – life skills and other experiences – may just be desired for the sake of getting the experience.

As a result, a range of development opportunities are vital. From traditional training to coaching and mentoring, from volunteering to 'jollies', there are many ways – with a varying price tag – that employees can be developed. Again, asking employees what kind of personal development they want and why will be really important. As a caring employer, you may need to consider teaching them new skills that help them manage their work life balance.
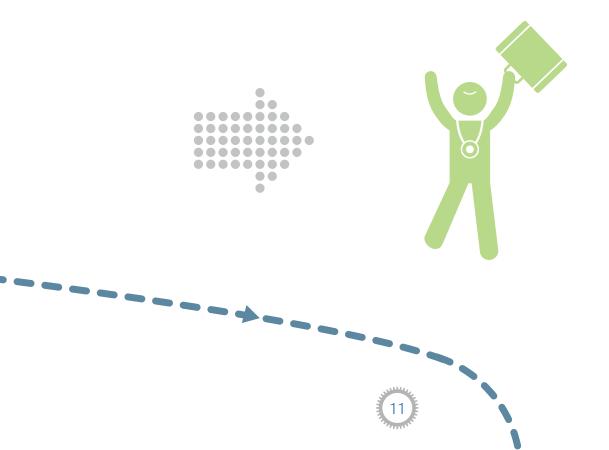
"We're a start-up and can't compete with salaries of Google, but we need to hire people with PhDs, so we offer a lot of responsibility, accountability and career development. Even if things go wrong with the business we will have developed employees through the process and they will be able to find another, better job." Tom Adeyoola, CEO and founder, Metail.

"The effects of working hard depend on how staff feel about their job. If you are committed to an organisation and feel that it is committed to you, then you'll get on with that effort and put more in. If the employee is disengaged, it becomes imposed effort, stress and ill health. Caring companies can make a huge difference to the productivity of employees." Mark Beatson, chief economist, CIPD.

IN PRACTICE

- Allow, where possible, employees to work from home a day a week, it's usually cost-effective and very appealing.

- If you have adopted flexible working, only hold meetings within core business hours, and ensure they don't overrun so that all who need to attend – who may work flexibly – can do so.
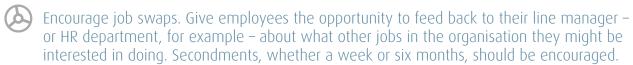
- Clarify flexible working policies to new and potential recruits during the induction or interview stage. Highlight this in tandem with the message about their specific role within the company's success and highlight the overall caring culture.

- Once you have flexible working in place, you need to adopt a level of transparency to explain what it looks like in practice as it will affect everyone.

- Don't quibble about employees being late due to an appointment, for example. This can not only create a trusting and caring culture, but it is a perk SMEs in particular can offer really easily.

- Think longer term – what may seem like a short term reward like offering free fruit or being flexible about medical appointments can have a longer term impact on staff feeling card for.

- Consider up-skilling your HR department in wellbeing and best practice in being a company that cares.

- Give people the opportunity for paid work experience or probation periods that enable them to assess you as an employer, just as you can assess them fitting into the demands of the job and your company culture.

Give line managers the power to train their reports in different aspects of their jobs, gradually increasing levels of responsibility, so that when they do go on holiday, for example, the employee is trusted to do their boss' job.

Encourage job swaps. Give employees the opportunity to feed back to their line manager – or HR department, for example – about what other jobs in the organisation they might be interested in doing. Secondments, whether a week or six months, should be encouraged.

Whatever your budget, it's vital to offer training and development opportunities to employees so they can develop their skills in certain areas. This could be anything from on-the-job coaching to more classroom style learning. Companies' success in the fast-changing economic environment is dependent on employees who are constantly updating their skills and knowledge, not just in doing the job they are employed for, but in areas in which they may need to work in the near future.

Try to encourage a culture of continuous learning, with modules on the intranet or bite-size learning sessions at lunchtime hosted by an external expert or employee.

Offer a suggestion box for all employees to find ways in which their own work can be simplified. Reward the best ideas.

Gather feedback intermittently from employees about what kind of development they want, what their development needs are and where they want their career to go. Remember they may be happy with the job they are in.

Encourage employees to bring their own device – smartphone, laptop or tablet – to work in order to carry out tasks. Enabling company software to be compatible with employees' devices is considered to increase employee productivity. They are more familiar with their own technology, which has a positive effect on their morale, increasing levels of convenience, trust and flexibility.

GETTING THE EMPLOYEE BENEFITS BALANCE RIGHT

All too frequently, companies have invested in benefits packages that are not used or publicised. It's common for not just employees to be unaware of what benefits they are entitled to, but for employers to be unfamiliar with what they are paying for too. For example, with the exception of pensions, over a third of employers never communicate with their staff about core financial benefits[3].

Communicating benefits appropriately to potential and current recruits is a vital part of any reward programme, and a failure to do so can have a very tangible impact on a business. Research by Unum shows that failure to effectively communicate benefits package costs UK companies £2.7bn every year through increased staff turnover and sickness absence[4].

To overcome this, it is important to familiarise managers and staff with the benefits that your organisation has invested in. Ensure that leaders and line managers are familiar with the company's entire benefits package, and provide regular training to update them on any new employment policies. Outlining benefits should form part of the induction process and any time new perks are introduced these should be communicated to the company as a whole. It's also important to ensure easy access to that information for all employees at the moment of need, which could be through your intranet system or employee handbook.

But effective communication of benefits is not just about making sure staff know what is on offer, it is also an opportunity to find out what benefits they value most and evaluate whether your current offering reflects this. Research from Unum shows that 63% of employers haven't reviewed their benefits package in three years or more. However, demographic, economic and social changes mean that employee needs and priorities may have changed significantly over that time.

So what might have an impact on the benefits staff most value? The appeal and subsequent take up of employee benefits is personal, and depends on a number of external factors. Having a wide variety of ages in the workplace will mean employees want different benefits at different stages in their lives. Their lifecycle should be a fundamental part of a flexible benefit offering. For example, you could offer employees who have to leave on time to pick up children a sticker for their car, explaining that they need to exit the car park quickly so must not be blocked in. This is simple and effective and the cost is negligible.

"Employees' needs can change with time. We know that younger staff tend to be more interested in softer, immediate benefits such as gym membership, whereas older workers are much more cognisant of the importance of financial stability and favour benefits like a good pension and Income Protection." Peter O'Donnell, CEO, Unum

[3] Personnel Today Hot Topics – April 2012
[4] Comms Chasm, Cass Business School – July 2013
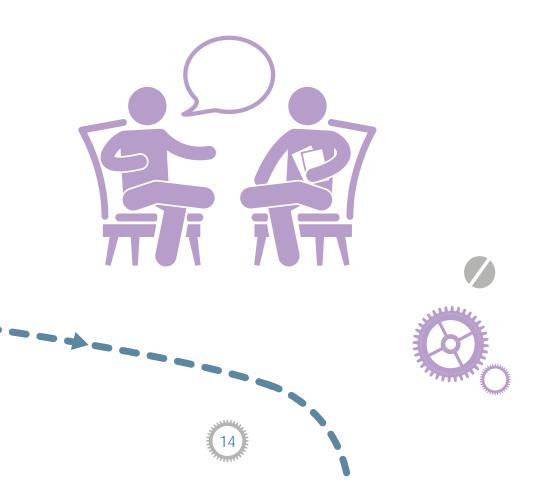
Social and governmental changes will also affect the kinds of benefits that you are able to offer, and that employees and potential recruits may value. The ageing population and changes to the NHS, for example, will affect what benefits become more popular. And with employee stress becoming one of the biggest causes of workplace absence, well-publicised tools such as an EAP, or even line managers or peers trained in understanding the signs of stress and how it can be managed, are very important. As is the simple solution of ensuring you have guidance regarding stress management that all employees can access – on an intranet or handbook in a common area, for example. The same is true of changes in diets and lifestyles – employees may appreciate nutritional guidance or advice on how to improve their fitness, for example.

"If you think about what employees needed thirty years ago in terms of health, cancer – which is now seen as very survivable – was actually a killer. And people were given life insurance to support them. A lot of illnesses now are much more curable but have benefits packages changed? No they haven't. Still more people have life insurance than have Income Protection." Peter O'Donnell, CEO, Unum.

The wider business environment can also have an impact. It's very important to spend time understanding different employees' needs and how benefits can meet them, especially when trying to recruit against competitors.

When evaluating current benefits packages, employers must remember that employee benefits should not be a one-size-fits-all. Caring employers try to engage as individually as possible with employees to establish what kinds of help and support they value. This can be done through offering flexible benefits, where employees can choose the benefits that best suit their needs.

It is also important to strike the right balance between hard and soft benefits. Softer perks can offer a useful and cost effective way to motivate and engage employees. For example, having a 'Dress Down Friday' or giving employees a day's holiday for their birthday as a matter of course can make a real difference but cost very little. Benefits that are tied to personal development goals can also offer a useful and cost effective way to motivate and engage employees, but how easy this is to do, and how successful it is in practice, depends on the organisation. There are challenges in engaging people one to one, particularly in larger organisations.

"Even if a wider business is established, that doesn't mean that the business isn't changing or growing in its own way. People's engagement with the firm and the time they spend working with us should be about personal development and experience. Even if it's not new for the company, it's new for them. One of the things we pride ourselves on is being entrepreneurial in the world of a big professional services organisation." Anna Anthony, partner, EY

"There are lots of SMEs out there who are absolutely terrified to participate in this. A small organisation is even more at the mercy of its employees than large organisations because of the potential gap in resources. But there is very much the desire to engage in these ways, and there are different ways for small organisations to participate. For us, it's about reputation and culture to attract new employees. It's not about what we can offer them that another company can't. It has to be about softer tactics." Jeremy Torz, co-founder, Union Hand Roasted Coffee.

However, this must also be underpinned by more robust financial benefits. In recent years, employees have increasingly come to value benefits that offer financial protection in tough times, such as Income Protection, Sick Pay Insurance and Private Medical Insurance. Income Protection, for example, provides a valuable back-up plan for the 1 in 10 employees who go on long-term sick-leave during their working lives, and is also one of the few benefits to provide a payback for the employer if they need to claim (by not having to pay Occupational Sick Pay and through other indirect cost savings). These benefits have rapidly become more popular than softer perks such as subsidised gym membership and part of being a company that cares is to get the balance right.

PROTECTING YOUR BUSINESS FOR THE FUTURE
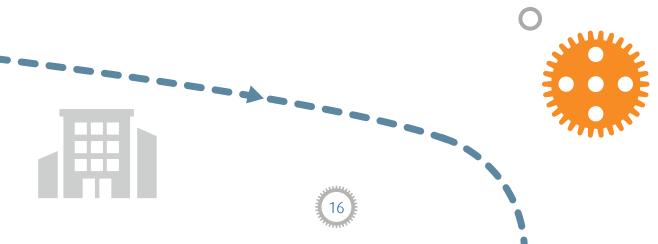
The pace of change in the workforce has been rapid in the last thirty years and will continue to be so in the next. Technological advances are increasing in speed and frequency, and workplaces within all sectors often struggle to keep up and understand how best to use technology for their companies.
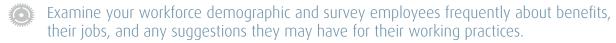
The economic growth of Brazil, Russia, India and China and the swift migration of millions of young, skilled, educated people around the world that we have already seen will be followed by growth in Mexico, Indonesia, Nigeria and Turkey. The ageing demographic within Western economies will have to respond to these pressures.

Retention will become even more important with demographic changes. With the pension age increasing and people staying in the workforce for longer, some workplaces have employees across four different generations, all with differing working styles and needs in the workplace. As people live longer, more employees have commitments outside of work to care for elderly relatives. And with childcare costs so high and expectations of work changing, more mothers are returning to the workforce, at the same time as fathers are beginning to ask to work flexibly.

Longer life expectancy and a gap in pensions provision means that wellness and good health have become imperative to how employers treat their employees. A sick workforce cannot carry out its work commitments efficiently. The 19th and 20th century industrial philanthropists recognised that, and today's employers will increasingly need to do the same as their workforce ages. The links between wellness and productivity are particularly significant as the UK lifts itself out of the recession, and seeks to improve the country's low level of productivity.

The globalisation of business, and the development of technologies that allow people to work outside core office hours and from a variety of locations, have made the traditional model of 9 to 5 in a central office inappropriate for the modern workplace. It also means that companies have to compete with global organisations to recruit talented people. This is a complex proposition. Aiming to fill skills shortages in particular regions with employees from different countries and differing educational backgrounds can be highly competitive. Businesses' reputations as caring companies are more relevant than ever, particularly in the social media age. Companies are porous and a jobseeker does not need to look far to find out how companies treat their employees.

IN PRACTICE

- Examine your workforce demographic and survey employees frequently about benefits, their jobs, and any suggestions they may have for their working practices.

- Regularly review your benefits package and salaries. Make sure they are tailored to your workplace demographic, and not uniform.

- Regularly market your benefits package to potential and new recruits.

- Keep abreast of legislative changes that affect your working practices and benefits package.

- Assess the jobs in your organisation and how they may be carried out more efficiently – working from home, at different hours, as part of job shares, for example.

- Ensure those promoted into or hired as line managers get training in benefits, dealing with stress and flexible working, for example.

- Establish where your talent shortages lie and consider whether your employer branding and positioning is appealing to the right sorts of recruits.

- Establish an image as a caring company in employer branding, job adverts, the press and social media.

- Being a caring company isn't a one-stop process, it needs to be reviewed constantly.

CONCLUSION

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While the vocabulary varies – from employee engagement, to high performance working, to being a company that cares - managers, academics and consultancies are all trying to find the best ways companies can ensure their staff are happy, skilled, productive and loyal. You've read many of the ways that your organisation can become a company that cares. But, in reality, why should you?

The reality is that not being seen as a caring employer is now a risky strategy for any company to take. There are four major reasons to become a company that cares:

1. **It pays dividends.** Perhaps the most important and overarching imperative is that being a caring employer makes good business sense. Employees who feel cared for are 27 per cent more likely to stay with their current employer for over five years, compared to those who feel only adequately or poorly looked after[5]. Our surveys show that dissatisfied employees are looking for the exit. When you consider that the direct costs of filling a vacancy can easily be £5,000 or more and a recent estimate for five sectors that the value lost while an employee gets up to speed averages over £30,000, the financial benefits of staff retention become clear[6]. In contrast, employees who see their employer taking active steps to improve their well-being are more likely to reciprocate with energy and enthusiasm.

2. **Morally, it's the right thing to do.** Many companies that emerged from the Industrial Revolution and the birth of capitalism, such as Kellogg's and Cadbury, had philanthropic tendencies towards employees which were sometimes driven by religious imperatives. The moral case remains important although the main driver is the impact on a company's reputation. How a company treats its employees is one of the most important factors influencing its reputation with consumers[7].

3. **You need to keep up.** 'Everyone else is doing it so we had better do it too', is something that employers really must consider. Keeping an eye on what peers and competitors are doing applies to all aspects of business. Knowing when you need to match your rivals' approach to employees and knowing when you can benefit from differentiating yourself from the competition can mean the difference between success and failure.

4. **Legally, you have to.** Employers have a duty of care to their employees under health and safety legislation. In addition, there are many specific requirements on business that protect employee well-being, such as paying the National Minimum Wage, ensuring staff on maternity leave do not suffer discrimination and disadvantage when they return to work and – most recently – giving proper consideration to requests from employees for flexible working arrangements. The penalties for non-compliance can be substantial but the impact on what employees, potential employees and customers think of you is even more important.

The people working for you are your company. The more you care about them and show them you care, the more they will care about their work. This caring attitude will also translate through to your employees' dealings with customers and external stakeholders, giving them a better experience too. Get it right, and it's a win win situation.

What next?

Visit the Daily Telegraph and Unum's Companies that Care Hub for more ideas for your workplace – www.telegraph.co.uk/unum.

[5] Wellbeing Lag, ICM Research commissioned by Unum – April 2014
[6] Oxford Economics commissioned by Unum "The cost of brain drain", February 2014
[7] CIPD, "Are organisations losing the trust of their workers?", December 2013.

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