Policy Liaison Group
Workplace Wellbeing

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Employer-led consensus on 'The Keep Britain Working Review'

Sir Cary Cooper; 50th Anniversary Professor of Organizational Psychology and Health at the Alliance Manchester Business School, University of Manchester.

Virtual

Professor Sir Cary Cooper

Introduction

Participants explored the Keep Britain Working Review, published at the beginning of November, and reflected on the broader question posed by the Review: What does good business look like today? The UK's workforce health crisis, with long-term sickness now keeping almost 3 million people out of work, costing the economy up to £85 billion a year. Participants agreed that employee wellbeing can no longer be treated as a peripheral initiative but must be embedded into organisational systems, cultures, and expectations, and be treated as a fundamental part of business strategy.

Throughout the discussion, employers emphasised the need for clarity on roles and responsibilities between government, organisations, and employees, and stressed that cultural change, manager capability – including emotional intelligence – and a coherent national framework are essential to progress. The conversation also highlighted the reality that SMEs, who employ the majority of the UK workforce, require targeted support if the Review's recommendations are to translate into practical, lasting change.

Professor Sir Cary Cooper's reflections

Professor Sir Cary Cooper set the tone for the discussion by emphasising that the UK has "been here before", with multiple government reviews on wellbeing over the past two decades – not least his government-commissioned report published in 2008 – but argued that the stakes are now significantly higher.

Sir Cary highlighted how a decade and a half of disruption, from the financial crisis to Brexit and the pandemic, has pushed wellbeing from an individual issue to an organisational and economic imperative. Cooper stressed that workplace culture must be the foundation, moving beyond stress-management programmes to reshaping how organisations are designed and led. He underscored the need for managerial competence and emotional intelligence, calling poor people management "one of the critical dimensions we still haven't tackled." He also urged employers to see wellbeing as a productivity strategy, not a corporate add-on, noting that risk and pressure are inherent to work. Businesses flourish when organisations continually gather employee voice, adapt to change, and build the right infrastructure. **Strategic, data-driven culture change, supported by government incentives and SME inclusion, is essential if the UK is to break out of its long-standing productivity stagnation.**

Key takeaways

A shift from reactive approaches to prevention and culture change

- Deliver a healthy organisational culture by moving from reactive wellbeing measures towards prevention and early intervention. Previous approaches have focused too heavily on individual stress rather than systemic organisational factors.
- "Zero harm and risk is an immature premise… risk is inherent to any operation," underlining the need for workplaces where people can thrive, not to simply focus on avoiding harm.
- Toxic cultures are significant drivers of ill health, presenteeism, and poor retention. Psychological safety, fairness, and trust continue to be common and persistent weaknesses across employers of all sizes.
- Effective wellbeing requires stronger alignment between HR, health and safety, occupational health, and line managers, who often operate in silos.
- Middle managers are the most influential in shaping day-to-day employee experience. The group stressed the need for improved people-management capability, prioritising emotional intelligence.

Embedding accountability – governance, data, and board-level responsibility

- Organisations need a clear internal structure to deliver wellbeing: board-level ownership, operational leadership, and consistent measurement.
- There is a need for "integrated data, showing cause, effect and impact". Fragmented engagement, wellbeing, and performance metrics undermine effective decision-making.

- The proposed Workplace Health Intelligence Unit was welcomed for its potential to improve national consistency, provided it offers practical guidance on what "good" looks like.
- Employers welcomed the idea of nationally coherent metrics and reporting expectations, noting the value of previous regulatory levers such as gender pay reporting in creating board-level accountability.

The central role of financial wellbeing in employee health

- Several contributors argued that the Review does not sufficiently address financial insecurity, despite its major impact on mental and physical health.
- Employers reported increasing numbers of staff opting out of taxable health benefits because of cost pressures, with several warning that benefit-in-kind taxation is becoming a barrier to uptake of essential health support.
- Financial wellbeing should be considered part of prevention, particularly given slow wage growth, high housing costs, and wider economic pressures affecting workforce health.

SMEs require targeted, practical support to implement the Review's vision

- SMEs face disproportionate challenges: fewer resources, little or no HR or occupational health capacity, and significant vulnerability when staff become unwell. "If one person goes off, that could be 25% of their total workforce."
- While the proposed Workplace Health Provision was welcomed, employers cautioned that it must offer hands-on, accessible support rather than simply issuing guidance.
- Larger employers could, and should, share expertise with SME suppliers, following the example of existing ESG and supply-chain support models.

Clarifying national responsibilities across government, employers, and employees

- There needs to be a coherent national framework defining the roles and responsibilities of government, employers, and employees.
- Recent policy initiatives, including employment law changes and new health standards, have created uncertainty around expectations.
- There should be clearer definitions of psychosocial hazards. "We need systemic change, and we need to look at everything, not just stress."
- Progress depends on parallel investment in the NHS and public health systems, ensuring employer expectations remain realistic and achievable.

Issues raised

Lack of coherence across regulatory frameworks

Participants highlighted conflicting expectations across employment legislation, health standards, and wellbeing initiatives. “We are creating a completely different industry and calling it health and wellbeing, but we already have a health and safety regulator.” This lack of alignment risks duplication, confusion, and fragmented practice within organisations.

Capacity and resource challenges limiting SME participation

SMEs are disproportionately affected by current requirements due to limited HR or occupational health capacity and reliance on overstretched NHS and GP services. Without accessible, affordable support, the Review could unintentionally widen the gap between large and smaller employers. These constraints limit SMEs’ ability to adopt proactive and early-intervention approaches.

Risk of employer disengagement due to expanding expectations

Without clear frameworks, incentives, and realistic expectations, the volume of change could lead to disengagement. Shifting population-level health responsibilities onto employers without sufficient structural support risks undermining the Review’s intended impact.

Recommendations

- Create clear governance for workplace health, including board-level responsibility and consistent reporting of wellbeing metrics.
- Introduce tax incentives and remove financial barriers to employer-funded health and wellbeing support, particularly for lower-income staff.
- Provide targeted, practical support for SMEs, including subsidised access to occupational health, simple guidance, and shared-resource models.
- Align national policy and regulatory frameworks, clarifying expectations on psychosocial risks and reducing conflicting standards.
- Establish integrated data systems that link wellbeing, attendance, and performance, supported by a Workplace Health Intelligence Unit with practical guidance.
- Invest in manager capability, with training focused on people leadership, emotional intelligence, and health-related conversations.
- Embed prevention and early intervention by redesigning work environments, addressing root causes of ill health, and reducing reliance on reactive measures.
- Strengthen financial wellbeing support, recognising its direct impact on mental health and enabling access to affordable benefits.
- Encourage flexible, locally agreed working arrangements, avoiding rigid formulas and empowering teams to co-design sustainable models.

Links

- GOV.UK, Keep Britain Working: Final report
- Mental Capital and Wellbeing:Making the most of ourselves in the 21st century, led by Sir Cary Cooper

We would like to thank the members of our Advisory Board for their contributions and continuing support.

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