

BRIEFING

LARGE BUSINESSES SUPPORTING WELLBEING IN THEIR SUPPLY CHAIN

This briefing contains insights from a roundtable webinar with Business in the Community (BITC) members discussing how larger businesses can support smaller businesses with their wellbeing.

Context

Conversations about employee wellbeing have been increasingly mainstreamed in recent years – however, SMEs are struggling compared to large, well-resourced corporates. Research by the Federation of Small Businesses (FSB) shows that 24% of SME owners had a mental health problem, which increased to 34% after the pandemic.ⁱ This has impacted women more than men, with 86% of female SME owners reporting a mental health problem compared to 77% of men.ⁱⁱ

A large part of the issue for SMEs is lack of resources. BITC research shows that over 55% of all SMEs have no health or wellbeing support offered to employees, compared to just 13% of larger businesses. Similarly, 77% of line managers in SMEs have never received any mental health training.ⁱⁱⁱ

Some of the common mental health challenges for SME owners include:

- 61% say they have worried about money in the past 12 months.
- 35% report struggling to switch off.
- 28% feel demotivated to restart their business after COVID-19 lockdowns.
- 21% say their confidence has been impacted^{iv}.

INSIGHTS FROM OUR GUEST SPEAKERS

Federation of Small Businesses, Martin McTague, National Chair

Most people leading an SME have no HR function to support them. Their focus is often on running the business, meaning that their own mental health needs are often ignored. These problems have been exacerbated by the pandemic – often SME owners feel unable to admit to their family when their business has been damaged financially, or to their employees for risk of undermining their confidence. This contributes to feelings of loneliness and isolation. Large businesses can support by:

- Urging the government to publicise the [Access to Work scheme](#) and the help that is available for mental health for the self-employed.
- Requesting that the National Institute for Care and Health Excellence (NICE) review its clinical guidance associated with poor employment outcomes for neurodivergent people.
- Reintroducing statutory sick pay rebate for SMEs and include mental health nurses for sick pay notes.



HOW CAN LARGE BUSINESSES SUPPORT WELLBEING IN THEIR SUPPLY CHAIN?

- Signposting to specialist support and advice or offering access to occupational health perks to their supply chain; HMRC have indicated there is no tax issues related to this.

AXA, Chris Tomkins, Head of Wellbeing Propositions

Despite making progress to destigmatise mental health, AXA's 2022 Mental Health study found that 52% of the UK is struggling or languishing.^v This comes at a significant cost – 70 million workdays were lost in 2019, costing employers £2.4 billion.^{vi} This shows that there is a significant return on investment for employers to invest in wellbeing.

Large corporate providers can also support SMEs by creating simple and flexible wellbeing products and services which encourage them to invest in and champion the wellbeing of their workforce. AXA, for example, provide modular healthcare including online GPs.

Workplaces can be a force for good where wellbeing is supported by good networks, social connections, and openness, reducing the likelihood of loneliness. These can all be provided in the workplace with the right conditions, providing a bedrock of support that will allow small businesses to flourish.

Pawprint, Anna Orr, Business Engagement Manager

In a start-up, there are unique challenges – everyone is incredibly passionate, but this can lead to long working hours, overstretched resources, overlapping roles and responsibilities and a lack of capacity to implement formal wellbeing initiatives. Pawprint supports employees by conducting quarterly health and wellbeing team surveys on how to improve wellbeing in the workplace. Suggestions from the team have included:

- Bringing in an expert to talk about nutrition.
- Implementing wellbeing as a chance to recharge outside of annual leave.
- Organising whole team walks and encouraging meetings outside where possible.
- Using MoreHappi for business one to one business support.

Large businesses can help by providing guidance to SMEs. This can be as simple as providing a template of an HR policy. This can support a business owner without an HR department who is trying to write a fair policy that works for their staff.

TOP TIPS FOR LARGE BUSINESSES

Get the fundamentals right: poor wellbeing is usually related to financial problems and 23% of SMEs reported issues with late payments. As a minimum, all larger businesses should ensure they are paying SME suppliers on time. Check out the [Good Business Pays campaign](#) to find out more about paying invoices faster.

Support your supply chain: the most direct impact that a large business can have, is through its supply chain. Support can be provided through sharing resources such as survey questions, policies, and guidance, or providing opportunities for business to come together and discuss common challenges and solutions.

Signpost: businesses can also signpost to other external resources such as the [FSB Wellbeing Hub](#), [BITC's Workwell Model](#), or other specialist mental health support organisations.

Provide mentoring: as SMEs are often overstretched, providing a mentor can help to alleviate stress by providing a neutral sounding board. Contact your relationship manager to find out more about how you can support SMEs through BITC's small businesses programmes.

FURTHER INFORMATION

BITC has a range of resources designed to support members to take a whole systems approach to health and wellbeing:

- [What if your job was good for you?](#) report identifies actions employers can take to transform wellbeing at work.

HOW CAN LARGE BUSINESSES SUPPORT WELLBEING IN THEIR SUPPLY CHAIN?

- [BITC / Public Health England toolkits](#) were produced in partnership to help every organisation support the mental and physical health of its employees.

REFERENCES

ⁱ FSB (2022), *Business without Barriers*, available here: <https://www.fsb.org.uk/resource-report/business-without-barriers.html>

ⁱⁱ Mental Health UK (2021), *Four in five small business owners tell us they're experiencing poor mental health*, available here: <https://mentalhealth-uk.org/blog/four-in-five-small-business-owners-tell-us-theyre-experiencing-poor-mental-health/>

ⁱⁱⁱ Business in the Community (2020), YouGov Mental Health at Work 2020 research

^{iv} SimplyBusiness (2021), *New survey reveals mental health crisis looming among SME owners after COVID-19*, available here: <https://www.simplybusiness.co.uk/knowledge/articles/2021/01/survey-reveals-looming-mental-health-crisis-among-sme-owners>

^v AXA (2022), *AXA publishes its annual study of Mind Health & Wellbeing*, available here:

<https://www.axa.com/en/press/press-releases/axa-publishes-its-annual-study-of-mind-health-and-wellbeing>

^{vi} Mental Health Foundation, *Mental health in the workplace*, available here: <https://www.mentalhealth.org.uk/our-work/mental-health-workplace>