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Driving business success for consulting firms in the built and natural environment

5 April 2019

Stephen King
Presiding Commissioner
Productivity Commission

By email to: mental.health@pc.gov.au

Dear Mr King and colleagues,

Productivity Commission's inquiry into mental health

I write on behalf of Consult Australia regarding the Productivity Commission's initial public consultation for the current inquiry into mental health. Consult Australia welcomes this inquiry, and the opportunity to contribute feedback. This letter outlines our submission, which focuses on key questions included in the inquiry's issues paper that relate to our recent areas of focus. Additionally, we are pleased to also provide a copy of Consult Australia's *Striving for Mentally Healthy Workplaces* report released in October last year to support our submission for the inquiry.

Consult Australia is the industry association that represents the business interests of professional services firms within the built and natural environment. These services include design, planning, civil engineering, architecture, technology solutions and project management. Our industry is estimated to employ over 240,000 people and generates a combined revenue of over $40 billion per year.

Factoring in the intangible costs of mental health in an assessment model on the effectiveness of current and potential future initiatives

Consult Australia believes it is critical that any assessment model that measures the effectiveness of current and potential future initiatives appropriately factors in the intangible costs of mental health. We believe the intangible costs of mental ill-health represents a significant proportion of the impacts on society.

From our perspective, we believe stigmas and discrimination associated with mental ill-health are some of the most important issues on the topic facing society at the moment. Stigmas and discrimination associated with mental health limit our ability to create an open and supportive environment where people are willing to discuss and manage concerns, and to seek appropriate support when needed. To this end, we see tackling stigmas and discrimination as a crucial first step to creating a mentally healthy society. Any assessment model that is accurately accounting these costs will also be effective at highlighting the actual benefits from having initiatives in place that focus on mental health promotion and changing society's broader views on the topic. These are areas that are currently difficult to quantify benefits from when compared to responsive initiatives to mental ill-health or a treatment-focused approach such as specialised mental health services.

In addition to the need to factor intangible costs relating to mental health stigmas and discrimination, we support the Productivity Commission's suggestion to include psychological distress, unpleasant side-effects of medication, social isolation, and lower social participation in an assessment model. Other workplace related intangible costs that should be a focus in the assessment model are negative productivity and mental health impacts from presenteeism, and the impacts on attrition in the workplace from mental ill-health.

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While many of the above focus areas are identified as intangible costs, Consult Australia believes many of their related costs or 'downstream' costs can be tangibly measured when they are broken down further or measured from an individual's perspective. For example, the direct impacts from psychological distress on an individual's ability to participate in society is perhaps clearer to initially determine and measure, and to then extrapolate to a whole-of-society perspective. This focus on measuring intangible costs could also encourage an improvement to the design of potential future initiatives by clearly targeting the change or the benefit being pursued. For example, a de-stigmatisation campaign on specific focus areas will likely be far more effective than a stigmatisation campaign that instead focuses on the broader challenge across society.

Reviewing costs related to mental health from an individual's perspective will also assist the Productivity Commission in identifying other less obvious costs. This includes current issues with salary continuance insurance, which is often not accessible to those with significant mental health illnesses or is only accessible at a very high rate.

We believe there are opportunities for the Productivity Commission to investigate international practices and some approaches to measuring intangible costs related to an individual, such as existing frameworks to measure what is described as 'intangible assets' or value created from people, when designing an assessment model on the effectiveness of current and potential future initiatives. The European Union have sponsored a number of research projects into measuring intangible costs and benefits, including various scorecard methods which identify various indicators and indices that are designed to measure for environmental and social purposes as opposed to financial metrics.[1]

Forms of promotion that will be effective in improving population mental health

Consult Australia's *Striving for Mentally Healthy Workplaces* report outlines the importance of picturing our mental health as a continuum, where people are flourishing at one end and languishing at the other. This concept was developed by Corey Keyes, and emphasises that the difference between being mentally healthy and experiencing mental illnesses is not 'black and white'. It instead acknowledges that we shift along this continuum day-to-day based on our own unique experiences.[2]

As outlined in table 1 below, an individual is demonstrating a high-level of resilience and wellbeing when they are at the green end of the spectrum. An individual in the yellow area may be experiencing some difficulties coping with current challenges. In the orange area, an individual is finding it more difficult to cope and symptoms may be increasing in severity and frequency. At the red end, an individual may be experiencing severe symptoms and may be at risk of self-harm and suicide. These symptoms could include social withdrawal and irritability, feeling overwhelmed, hopeless and/or worthless, reduced productivity, and alcohol and drug use.[3]

Positive and healthy functioning   Severe impact on everyday functioning
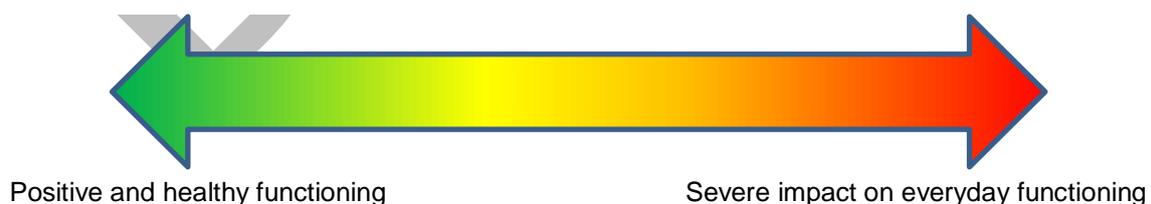
Table 1: The mental health continuum[4]

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[1] Karl-Erik Sveiby, Methods for Measuring Intangible Assets (2018)
[2] Corey Keyes, The Mental Health Continuum: From Languishing to Flourishing in Life (2002)
[3] Beyondblue and Heads Up, Developing a workplace mental health strategy: a how-to guide for organisations
[4] Ibid.

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This continuum highlights the value of having a community and population approach that does not exclusively focus on addressing concerns when people are experiencing symptoms in the red area, but also on delivering measures focused on encouraging individuals to 'flourish' and building resilience to limit the severity of mental ill-health. A focus on encouraging individuals to remain thriving in the green area of the continuum has been a recent focus of many mental health initiatives in the workplace, and Consult Australia recommends this approach be upscaled and promoted further across the community – through an integrated model focused on promotion, protection and support.

One example of a community-wide integrated approach with a particular focus on promotion is the mentally healthy city project in Townsville being delivered by the Tropical Brain & Mind Research Foundation. The project is developing a Townsville-centric 'wheel of wellbeing' framework that aims to improve mental health across the community. The project will also promote the integration and networking of mental health support to support individuals and the community, centred on a 'step care' model – an evidence-based, five staged system comprising a hierarchy of interventions from the least to most intensive designed to match to an individual's needs (health promotion, early intervention, low intensity services, face-to-face services, and multiagency care). We encourage the Productivity Commission to further investigate the approach taken under Townsville's mentally healthy city project which is the first of its type across Australia.

Frontline mental health services, including those with crossovers to broader social issues such as domestic violence, are severely underfunded. Therefore, when looking at other forms of improving population mental health, such as funding for research and new initiative, we must continue to ensure funding is balanced across all areas. This is important because a holistic approach to mental health needs to appropriately respond to severe problems, in addition to promoting positive and healthy functioning.

Approaches to support people with a mental illness to find and keep a job

Consult Australia believes many of our member firms are leaders in the workplace initiatives they have in place to support the mental health of employees. A common theme behind why many consulting firms operating in the built and natural environment are implementing these steps is the desire to improve the livelihood of employees, to make it easier for staff to address any mental health concerns in the workplace, and to improve the overall performance of the business as a result.

A trend from initiatives shared by Consult Australia member firms for our *Striving for Mentally Healthy Workplaces* report is a clear objective to create a working environment that builds the confidence of employees to independently seek help in the workplace if they are experiencing mental illness. The focus here is removing barriers, particularly from the employee's 'on-the-ground' perspective, to being open about mental health and using the support measures available.

These initiatives also recognise the importance of training and providing support to 'frontline' managers and other operational leaders in consulting firms. Managers and operational leaders are in the best position to embed a change around the perception of mental health in the workplace and to have a conversation with people who may be struggling with mental illness. A focus on embedding support within existing management structure highlights how mental illnesses can be best managed through existing relationships and through everyday circumstances, particularly at a first response stage.

Another theme of the case studies shared by Consult Australia member firms is the development of an overarching strategy to inform the range of targeted initiatives aimed at creating mentally healthy workplaces. This highlights how measures are underpinned by considerable research and all form part of a connected approach to improving mental health in the workplace. These strategies have also allowed some Consult Australia members to also develop performance measures for their initiatives, which provides a valuable insight into their effectiveness and to continuously improving workplace practices.

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These initiatives also recognise the importance of driving cultural changes in the workplace. A cultural change around mental health and stigmas must be championed from the top through senior leaders and embedded by 'frontline' managers and other operational leaders. This change is instrumental to ensuring staff are comfortable seeking support with any mental health concerns and is key to a mentally healthy workplace.

Please refer to pages 12 to 22 of Consult Australia's report for case studies on the initiatives in place at some member firms on supporting mental health in the workplace. Consult Australia's Mental Health Working Group, which includes representatives from these firms, is also happy to provide any further information to the Productivity Commission on approaches in place to support people with a mental illness in the workplace.

Consult Australia believes support for people with a mental illness to enter the workforce should firstly be underpinned by appropriate protections under appropriate legislative frameworks across Australia, including anti-discrimination and equal opportunity requirements. Furthermore, we believe there is an additional role for education support to improve recruitment practices in the workplace, particularly focused on tackling stigmas and discrimination with a focus on unconscious bias. We also see additional initiatives in the workplace, and by governments across Australia, to provide additional support to those experiencing mental ill-health to find a job, particularly as the right job can be paramount to helping an individual manage mental ill-health symptoms and increasing their participation in society. We believe mental health NGOs have a lot to offer in assisting with the design of effective initiatives.

Effective mental health in the workplace programmes by governments

Consult Australia believes the range of initiatives developed by SafeWork NSW on mentally healthy workplaces is a strong example of effective mental health in the workplace programmes by governments. SafeWork NSW has led the development of a comprehensive and integrated approach to addressing mental health in the workplace through their *Mentally Healthy Workplaces Strategy 2018-2022*. The strategy, released in June 2019, represents a $55 million funding commitment over a four-year period to improving the mental health of NSW workers. These initiatives include the development of a benchmarking survey to help determine a business's performance; a mental health champions and ambassador programme to help promote industry-wide changes; and a range of free targeted training for micro, small and medium sized businesses on tackling stigmas and on appropriate support for staff. Consult Australia believes a similar approach taken by Worksafe NSW could also be upscaled in a community setting.

Another effective approach to governments supporting mental health in the workplace is through partnerships with industry and mental health non-government organisations (NGOs). Consult Australia's report identified the importance of building a strong workplace culture to help change perceptions on mental health and to tackle stigmas. To this end, we believe this highlights why government initiatives should not be inputs focused, or take a 'black and white' regulatory approach, as these do not consider nuances and differences between workplaces and individuals experiencing mental ill-health.

Consult Australia believes an effective funding model and approach by governments to supporting an improvement to mental health in the workplace would be to incentivise industry to partner with mental health NGOs such as Beyondblue and the Black Dog Institute. This support by governments could include funding for proof-of-concept trials between sectors and mental health NGOs to demonstrate the effectiveness of an approach before scaling up and embedding them into the broader system (through private investments when a clear business benefit has been demonstrated or additional government funding).

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Aside from specific government programmes focused on mental health in workplace, there are also 'downstream' mental health benefits by improving government procurement practices. A challenge facing many of our member firms is that procurement arrangements with clients can create circumstances where high demand and high intensity work is prevalent. Mental health concerns can be a potential impact of procurement arrangements that are unclear, have onerous risk allocation, tight timeframes or involve short tender periods. Following advocacy activities by Consult Australia on tender deadlines, the Queensland Department of Transport and Main Roads are an example that is seeking to understand potential impacts of procurements arrangements and have introduced internal guidance on tender deadlines over the end-of-year and January period. While this is an example of a small step, we do believe it highlights the tangible changes that governments can support when focusing on mental health impacts as part of broader decisions.

Types of workplace interventions the inquiry should explore as options to facilitate more mentally healthy workplaces

Building on the mental health continuum and the idea of keeping individuals 'in the green', Consult Australia believes the Productivity Commission should explore the benefits of a prevention and promotion approach in the workplace rather than approaches that focus solely on reacting to mental health concerns after they have developed. An approach focused on preventing concerns and promoting positive mental health is also more cost-effective for organisations, as it is more efficient than focusing on one individual at a time through a treatments-focused approach.[5]

Consult Australia encourages the inquiry to also investigate the range of research available on the benefits of 'thriving' workplaces. This concept is primarily based on the idea that a proactive approach becomes cost-effective because while these initiatives are focused on preventing mental ill-health, they also improve the productivity and resilience of an organisation. Thriving workplaces also allow employees to feel empowered to perform at a high level, to confidently pursue challenging goals, and comfortably balance work into an overall healthy life.[6]

Furthermore, we believe the inquiry should explore benefits of taking a strategic approach to creating a mentally healthy workplace. Beyondblue and Heads Up's report, titled *Developing a Mental Health Strategy*, outlines the value to organisations from having a mental health strategy in place, primarily around making the workplace more attractive to staff, the potential for a significant return on investments, and simply to meet legal obligations such as work health and safety (WHS).[7] We recommend the Productivity Commission specifically investigate the additional benefits from putting in place an integrated and strategic approach to mental health in the workplace, with strong buy-in from senior leaders, ensuring ongoing meaningful participation from all employees, and embedding changes through ongoing communications. An assessment of these additional benefits should consider differences in the effectiveness of other approaches, particularly those that could be described as piecemeal and ad hoc initiatives.

The role industry associations can play to support small and medium-sized businesses

Consult Australia is passionate about the role that industry associations can play in supporting the development of mentally healthy workplaces and tackling mental health stigmas across a sector, and particularly in supporting small and medium sized businesses. This is why Consult Australia has chosen to play an active role in this space.

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[5] Everymind, Prevention and Promotion Approaches
[6] University of Western Australia and PWC, The Opportunity to Thrive (2015)
[7] Beyondblue and Heads Up, Developing a workplace mental health strategy: a how-to guide for organisations

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We believe the key role industry associations can play is providing a platform and encouraging a knowledge sharing culture. We have conducted a review of initiatives at firms in our sector which highlights a range in how comprehensive, prevalent, and entrenched approaches are to creating mentally healthy workplaces. To help close this gap, a focus of Consult Australia and its Mental Health Working Group has been sharing the experiences of firms further along the journey to creating mentally healthy workplaces, particularly those with a comprehensive and overarching strategic approach in place. Furthermore, Consult Australia is using also this expertise from leading firms to also develop support material that particularly focuses on smaller and medium-sized firms who may not have the organisational capacity to develop these in-house.

Industry associations can also assist member firms by being removed from client and service provider relationships, and competition within the sector for business. This allows industry associations to act as a 'circuit breaker' and lead conversations on government policy relating to mental health.

A key finding from our research on creating a positive workplace culture around mental health is the importance of having leaders with visible and active commitments to the cause – including a willingness to speak openly on the topic (including any personal experiences) and to set the tempo on how we can respond to challenges on mental health. While many businesses have leaders in this position, we believe industry and a sector as a whole can benefit from having active leaders willing to play this role beyond their own organisations. Consult Australia believes this is where industry associations can also play an important role by helping to connect these leaders with the wider sector and industry, including in workplaces who may not have leaders in a similar position. As such, Consult Australia is shortly establishing a Mental Health Ambassador Network of over 12 senior leaders from our member firms.

Furthermore, our mental health report outlined a number of other priority areas that we as an industry association can play a role to particularly support small and medium-sized businesses. This includes:

- A sector-wide mental health strategy, scalable for firms of all sizes;
- the development of a 'Mental Health Knowledge Hub' on our website to provide support material to our sector in on central location; and
- using our communication channels and reach to promote a greater understanding on mental health challenges.

Consult Australia would be happy to be contacted to further discuss the priority areas that we have committed to taking a lead on to help support consulting firms operating in the built environment sector to create mentally healthy workplaces and to tackle mental health stigmas. We believe there is a strong case that we can achieve greater and more meaningful changes by helping to build a strong partnership approach across our sector, and by providing a valuable link to enable our sector to better understand the importance and value of promoting better mental health practices in the workplace.

Consult Australia thanks the Productivity Commission for the opportunity to contribute to this initial public consultation. If you would like to discuss our submission, please contact James Robertson (Policy Advisor)

Yours sincerely,

Nicola Grayson
Chief Executive
Consult Australia