

# **Awareness and use of Occupational Psychology within the Not-for-Profit Sector**

**Vicky McLeod, AFBPsS, CPsychol, CSci**

**May 2012**

## **Executive Summary**

This research was undertaken by Meridian Wellbeing & Health CIC with support from the DOP@Work Fund of the British Psychological Society's Division of Occupational Psychology to establish the awareness and employment of Occupational Psychology within the Not-for-Profit (Voluntary, Third) Sector. The research was carried out in order to identify opportunities for occupational psychologists to expand their services into this sector, and to establish how the third sector can best benefit from the specialist knowledge and skills offered by occupational psychology, and where it can be targeted at the specific needs of this sector to achieve greater relevance for the sector for enhancement of third sector organisations and services.

A total of 15 voluntary sector organisations from across central Scotland took part in the survey which was conducted using both face-to-face and web-based formats. A total of 65 organisations were contacted. The survey was conducted from December 2011 to March 2012.

The key conclusions drawn from the study:

It is clear that occupational psychology as a profession is underutilized within the third sector. The main reasons for this are the perception that it is too expensive, and the belief that the same results can be achieved less expensively without using an occupational psychologist.

The not-for-profit sector may be overlooked by occupational psychologists in general as a marketplace. The voluntary sector now makes up 2.7% of the UK's workforce. Contrary to widely held assumptions, work in the voluntary sector is not necessarily unpaid.<sup>2</sup>

It is in the interests of the profession to actively market the services of occupational psychology to organisations of all sizes across all sectors, and aligning OP services and charges to encompass the differing needs of the not-for-profit sector, alongside those of the public and private sectors.

## Introduction

This research was carried out to determine the levels of awareness and use of occupational psychology services within the not-for-profit sector. Occupational Psychology has applicability to the performance of organisations, employees and volunteers across the sector, with a benefit of ultimately improving the standard of service offered to service users and beneficiaries. In Scotland alone, the third sector employs 137,000 people, across 45,000 voluntary organisations, with 1.2 million adults volunteering in Scotland in 2009. In 2009, the third sector generated 4.4 billion for the Scottish economy.<sup>3</sup>

Occupational Psychology is defined on the BPS Division of Occupational Psychology website as:

*“the science of people at work. Rigour and methods of psychology are applied to issues of critical relevance to business, including talent management, coaching, assessment, selection, training, organizational development, performance, well-being and work-life balance.”*

Overlooking the third sector as a relevant and viable marketplace for occupational psychology has an obvious downside for the interests of the profession across the UK. The third sector is a vast and growing sector, and the use of third sector organisations, social enterprises and volunteers is expanding, fuelled by the current economic climate, as well as sustainability agendas across the UK.

## Method

A total of 15 organisations responded to the questionnaire. Seven of these were completed using face-to-face interviewing techniques, and the remaining 8 were respondents from a web-based survey sent out to 58 not-for-profit sector organisations working within the central belt of Scotland (within and around the Stirling area). Eighty seven percent of the responding organisations were small to medium sized with under 100 employees, and 80% of the respondents had no more than 50 employees, two of the responding organisations had no paid workforce and were run entirely by volunteers.

In addition to those who responded to the questionnaire directly, I was also invited to have a meeting with a related organisation within the health sector. They expressed a direct interest in the research in relation to volunteer recruitment, retention and performance.

Volunteering as an occupational experience is increasingly relevant to occupational psychologists, and is a growing area. As an example, a strategy for volunteering in NHS Scotland outlines the supports in place to recognise and develop volunteering within the NHS. How this is carried out has direct applicability to occupational psychologists, as the areas of relevance include recruitment, training & development, performance, retention and motivation of volunteers. All areas directly addressed by the field of occupational psychology.<sup>2</sup>

The key areas of investigation for this research were:

- familiarity with the term 'Occupational Psychology' and other terms used to describe or identify occupational psychologists
- awareness of the activities of occupational psychologists and the benefits in using occupational psychology services
- uptake of services of occupational psychologists within the not-for profit sector
- overview of potential market areas for occupational psychology within the voluntary sector
- areas of service delivery with most relevance to the third sector

## Research Findings

Fifteen organisations responded to the questionnaire, the breakdown of which shows that 80% had less than 50 employees and volunteers.

It would be preferable that all organisations regardless of size should be able to access the services of occupational psychologists, without their size presenting a barrier to the accessibility or applicability of occupational psychology to their organisational needs.

The goal of the voluntary sector, generally set up to meet a gap in provision between the private and public sectors, is to continue to provide their service and secure sufficient funding to do so. The goal of the private sector is to generate a profit through the provision of a service, and the goal of the public sector is to fulfill a preventative, supportive, or service need, for the public good.<sup>5</sup> While the goals of these sectors differ, their need to support their human resource and perform well at all levels is shared. In addition, there is a growing trend towards the contribution of the third sector to public service delivery, due to the specialist expertise of many third sector organisations in working with disadvantaged, vulnerable and hard-to-reach groups.<sup>8</sup>

Further research would be needed to determine the breakdown of employees and volunteers. The survey questionnaire did not distinguish between the two. Within this

survey, two of the organisations who responded were run entirely with the support of volunteers and had no paid employees. All of the areas of occupational psychology can be effectively applied to volunteers, and this is potentially an area for further study. The move by many public organisations, such as the NHS<sup>2</sup>, to utilise the support of volunteers to contribute widely to the ongoing success of their service has implications for other public and private sector organisations as well as the not-for-profit sector.

The following graphic shows the size of organisations interviewed, where volunteers are included alongside employees.

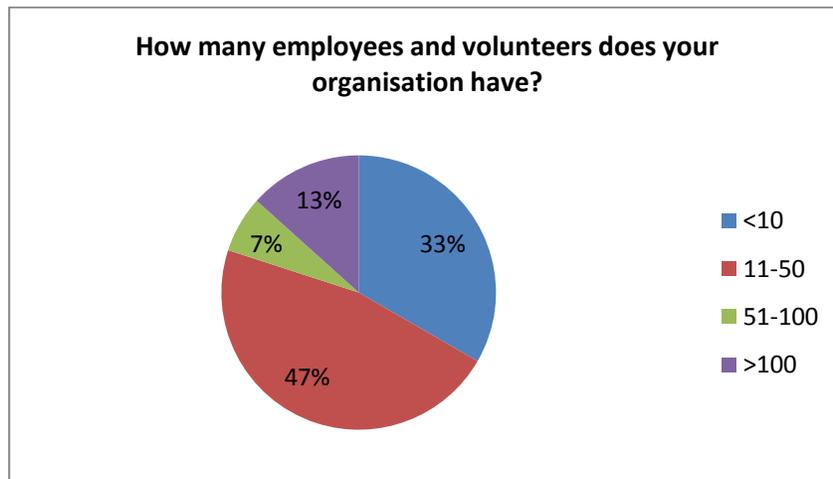


Figure 1 Size of organisations surveyed

## 1. Awareness of what occupational psychologists do

There was an appreciation that the areas covered by occupational psychology take in many of the main issues addressed in managing and leading organisations. Responses provided to the question on “what occupational psychologists do” yielded mixed qualitative responses. These included a reference to OPs improving employee attitudes and motivation, OP uses within recruitment, training and employee supports - leading to effective performance, OPs use in helping to understand psychological and cultural processes at play at work, a reference was made to the individual influences including individual circumstances, expectations and life challenges, and one response indicated an awareness of occupational psychology as also being referred to as industrial psychology. Only two of the respondents stated that they were not familiar at all with the term occupational psychology, within the context of this survey, this represented 13% of the sample.

Overall, the qualitative responses given indicated an understanding of the areas and concepts addressed by occupational psychology and its scope across management and human resource issues. There appeared, from the responses provided, to be an appreciation of the benefits of utilizing the science of occupational psychology to workplace problems and challenges across the not-for-profit sector.

## 2. Awareness of activities an Occupational Psychologist might be involved in.

There was some misconception expressed by the responses to this question. There was a degree of confusion between occupational psychology and occupational therapy with over a third of respondents including occupational therapy in the list of things OPs might do.

The results of the responses also indicated that the profession is more closely associated with the softer aspects of employee development and support such as health & wellbeing, work-life balance, workplace counselling, attitudes and motivation, and less so with the more performance related aspects such as psychometric assessments, workplace design & ergonomics, assessment, selection & talent management.

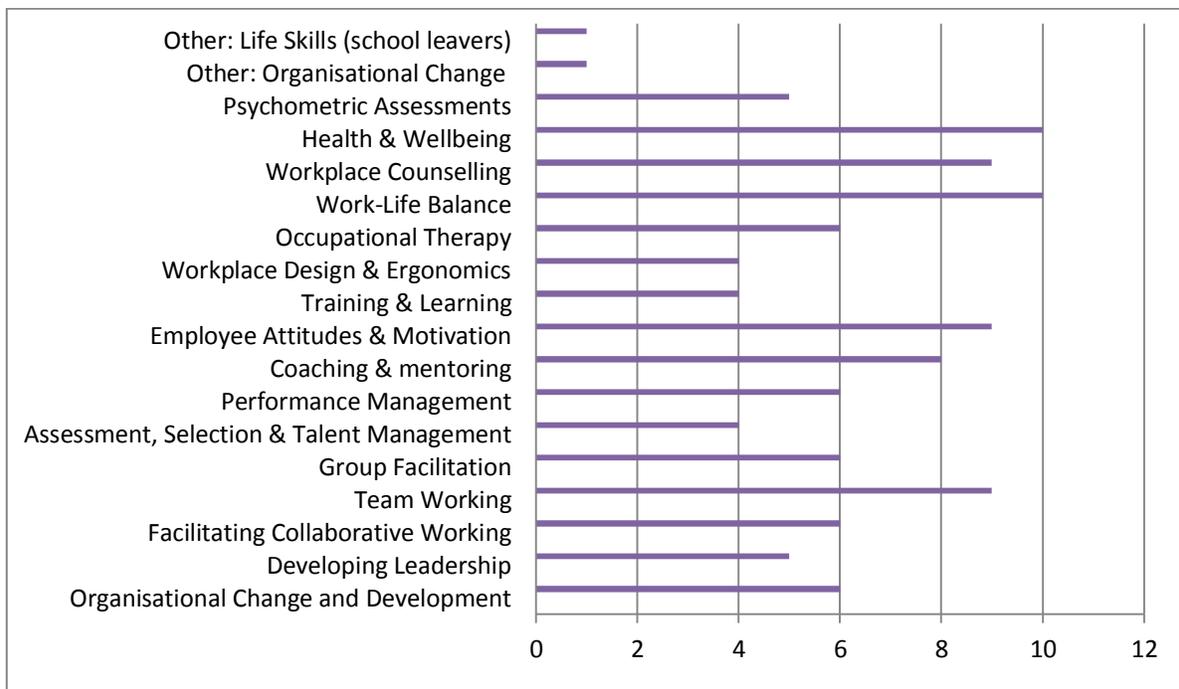


Figure 2 Awareness of activities an OP might be involved in

Further research would be required to determine if there is a correlation between the

areas occupational psychologists are most associated with, and the skills for which occupational psychologist would be sought within this sector. If they would be most sought for development and support areas, this would seem to contrast with the areas of highest spend indicated in the private and public sectors<sup>1</sup>, where highest spend in organisations is more on areas such as leadership/management development, change management and selection.

The chart above provides a breakdown of the responses, indicating that the softer areas of health and wellbeing and work-life balance, associated with employee wellbeing were recognized as most associated with OP.

### **3. Use of services of an Occupational Psychologist currently or in the past**

Across the responding organisations, none had knowingly used the services of an occupational psychologist, currently or in the past, and none had any plans to do so in the future.

This is a disappointing result, however it raises the possibility that given occupational psychology can and should be applicable to all areas of the world of work, and given that within the not-for-profit sector in Scotland alone there are approximately 45,000 organisations<sup>8</sup> with 137,000 paid employees, 1.2million adult volunteers<sup>3</sup> and the sector has a combined turnover of £4.4 billion, this is a vast untapped market within which occupational psychologists could be active.

It is important to note that volunteering itself is increasingly actively pursued by those who are unemployed, retired, employed people looking to change careers or expand experience, students and graduates hoping to gain relevant work experience, as well as those who wish to give back to society or pursue a specific area of interest for personal or other reasons.

There is also a growing trend for private and public sector organisations to participate in development programmes within the not-for-profit sector as part of their community investment programmes, with input from their own employees. *“Third sector partnerships have been found to be mutually beneficial in developing leadership talent and sharing knowledge and experiences as well as increasing access by reducing the direct costs of leadership development from bursaries and pro bono mentoring.”<sup>4</sup>*

#### 4. Reasons for not using Occupational Psychologists

The main reason cited by respondents for not using the services of an occupational psychologist was the perception that they were particularly expensive and therefore inaccessible or unnecessary for the voluntary sector. Respondents also felt they were able to cover any additional skills offered by occupational psychology as part of their existing internal functions such as HR, or gaps weren't considered at all, so there was no perceived loss in not hiring the skills of an occupational psychologist, and therefore no perceived gain in hiring one.

As many of the skills offered by occupational psychologists are utilized across the different areas of management, leadership, HR, performance, coaching etc., it is important that occupational psychologists show a unique benefit of bringing all these issues under one banner, and can effectively package it to meet the needs of smaller and less affluent organisations within the not-for-profit sector. The third sector is often more flexible and more quickly able to adapt to changes and innovations, with staff that are flexible and are accustomed to fluid job roles and functions.<sup>5</sup>

Fear of the term 'occupational psychologist' and lack of knowledge were also cited by one respondent as a barrier to using an occupational psychologist. This mirrors the results found by Scott-Jackson and Bourne who explain that *"some managers are unaware of the existence of occupational psychology, let alone its potential."*<sup>1</sup>

One respondent noted that " ... recognising the need within an organization may result in or reveal a need for change which can be difficult/uncomfortable for long term volunteers who can feel that work (they have achieved) over some long time period is no longer valued – (they may feel) threatened".

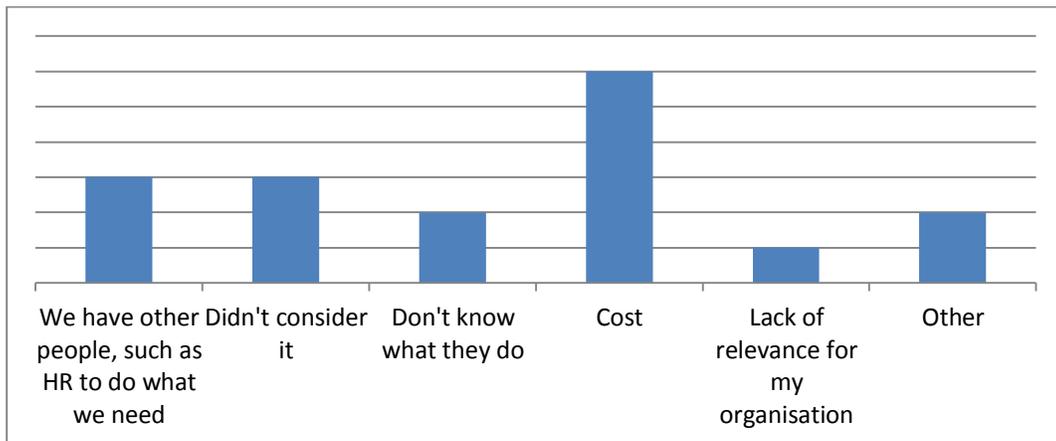


Figure 3 Reasons for not using Occupational Psychologists

The fear of change could be combated with effective information and support for organisations.

## **5. Main uses of external specialist skills**

Only 4 responses were provided for this question, and one of these was an “I don’t know” response. Of the remaining three, the responses were: 1) none whilst in the current economic climate, 2) change management & team building and 3) organisational & personal development. Although the responses to this question were minimal, all the areas listed fall within the remit of Occupational Psychology.

There is a potential for occupational psychology to be utilized within the not-for-profit sector where external provision is currently sought. All the specialist areas that were listed as utilized externally could have potentially been addressed by the services of an occupational psychologist. It is not clear from the responses what types of external providers were used to address these issues. Two of the respondents stated in another part of the questionnaire that they had never knowingly used an occupational psychologist. It may be possible that they have unwittingly used an OP under a different name.

## **6. Familiarity of other terms that might be used to describe an Occupational Psychologist**

This question provided a suggested list, and so this may have prevented the free flow of information that would have been allowed if no examples were given. However, when analyzing the results, see the chart below, the term with the highest association with occupational psychology was ‘work psychologist’, which shows some understanding of the function of OP. Next was motivational expert, and the term registered psychologist, which indicates there is a recognition that this is a registered profession. Surprisingly there was only one response which associated business, organizational, or industrial psychologists with OP. This may indicate that the terminology used and focus within the not-for-profit sector is more people than profits based compared with the private sector, as might be expected, given the differences in their goals. <sup>6</sup>



Figure 4 Familiarity of other terms used

## 7. Benefits of Using Occupational Psychology for own organisation

One of the main focuses currently within the voluntary sector is the most effective ways to utilise and maintain the input of volunteers. In addition, NHS is focusing strongly on volunteer input, and it is likely that this area will grow in the future, as large organisations seek end user and community involvement.

The results of the survey cited increased performance of the organisation, retention of employees or volunteers and increased health and wellbeing of employees, volunteers and service users as the biggest benefits of using services such as OP. As the service users and beneficiaries within the not-for-profit sector are often the most vulnerable and least powerful members of our society, such as people with disabilities and the elderly, the benefits of using OP in this sector must be most closely aligned with the relevant people issues of the organisations working in this sector. This emphasis contrasts with the areas I have most often seen OP utilized, such as assessment centres and performance initiatives designed to increase the performance of employees in order to increase the performance and profits of the organisation.

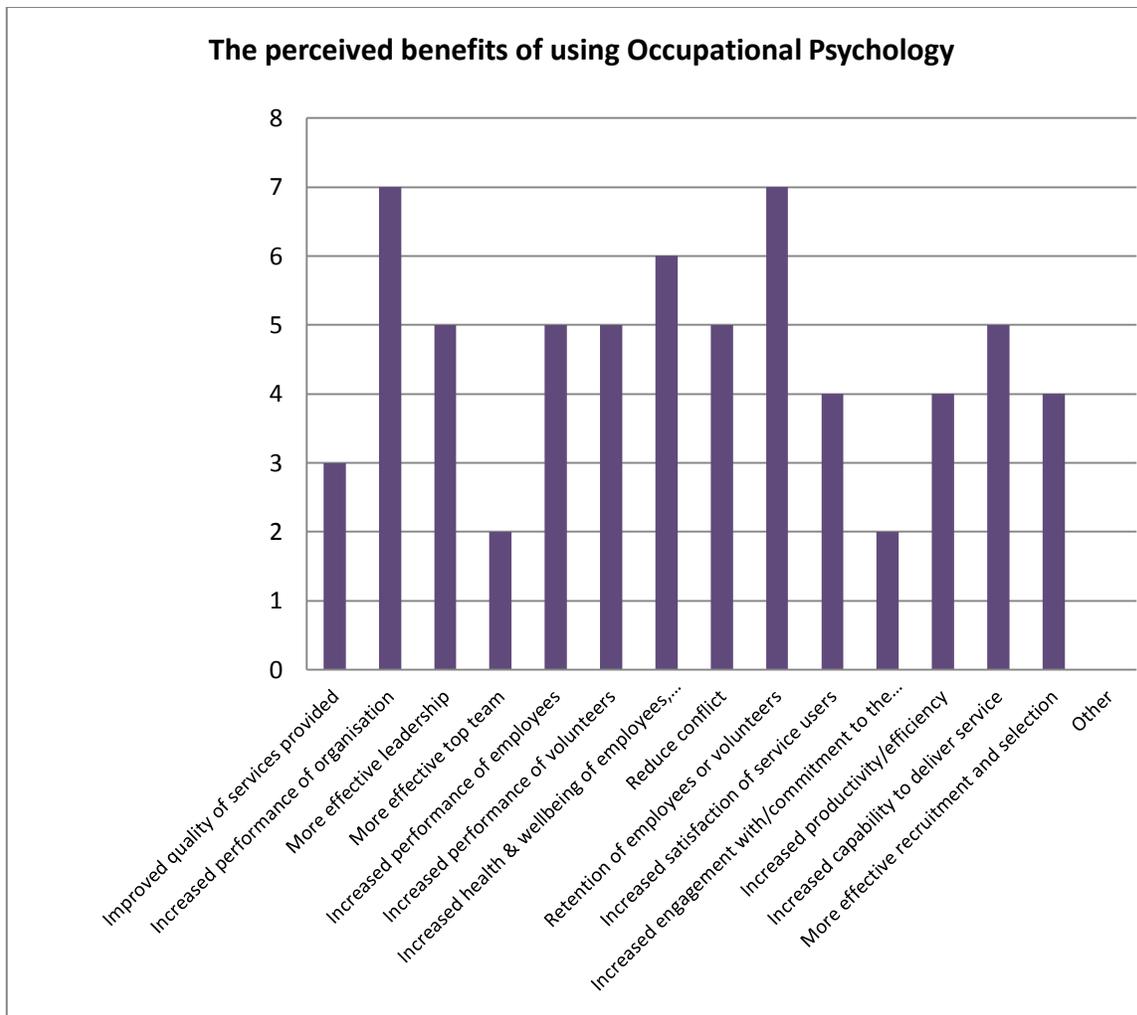


Figure 5 The perceived benefits of using Occupational Psychology

Within the not-for-profit sector there is still a need to increase the performance of individual employees or volunteers, in order to increase the performance of the organisation, but with an outcome of increasing the service provided to the beneficiary – there is no profit, and because any profits generated are done so only to fund an increase in the service provided to the beneficiaries, the needs of the sector will have a different outcome focus, but increasingly with the same professional approach.

## 8. Importance of areas of work to the organisation, employees and volunteers

This question was posed as a likert-type scale, with respondents asked to indicate which

organizational areas of work were considered of most importance, with a view to determining which would therefore be best targeted in marketing by OPs. The responses to this question were determined by totaling all scores, and the result showed that the areas of team development, diversity awareness and stress management were considered of highest importance to this sector. Other areas cited included personal development, performance management, improving work-life balance and team coaching & mentoring.

Because the focus of many not-for-profit organisations is the people they serve, the way employees and volunteers are supported is important to the overall performance of the organisation. Further research would be required to determine most accurately the best areas for OPs to focus on when approaching the sector, but the results here are indicative of a likely result.

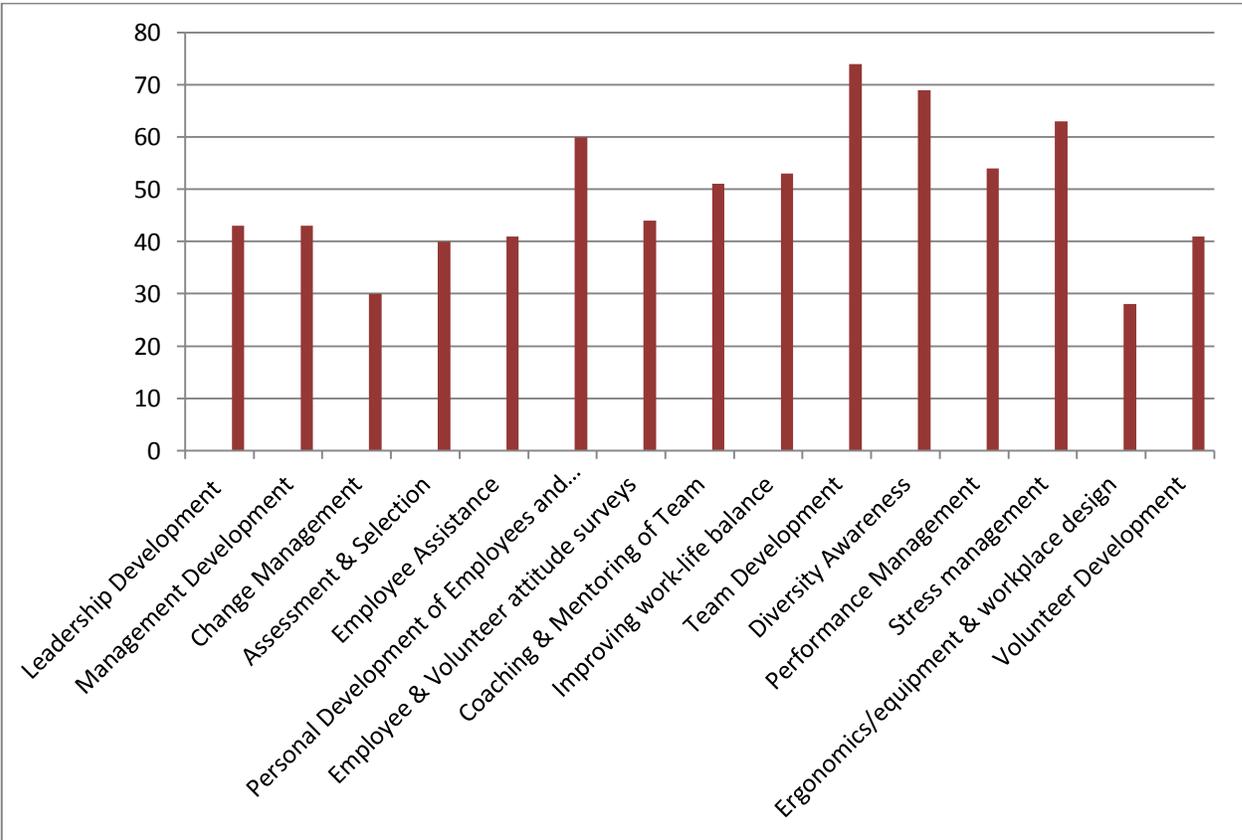


Figure 6 The perceived importance of different areas of work to the organisation

## Discussion

This paper has sought to challenge current perceptions of occupational psychology as being a branch of psychology with relevance only for the public and private sectors. It hopes to encourage DOP and its members to be more inclusive of the not-for profit sector and to seek maximum responsiveness to the needs of this sector. It has also sought to establish the level of awareness and use of occupational psychology within the not-for-profit sector and has found that while there is an awareness of occupational psychology within this sector it would benefit from clarification, and as a service is underutilized within the sector.

Occupational Psychology can and should be influential across all sectors of the economy and across all life stages of the workforce. It can provide useful and accessible interventions for often currently overlooked areas of entry to the labour market: volunteering, pupils, women returners, undergraduates, graduates, unemployed and underemployed, people with disabilities, parents and carers, and those entering and in retirement. These are all areas for which the not-for-profit sector can contribute widely for the wellbeing of the wider community, rather than predominantly for the performance and profitability of the private and public sectors, the areas more often the focus within Occupational Psychology.

## Recommendations

- The Division of Occupational Psychology should work to expand its service provision to be more applicable to small and medium sized organisations across the private, public and not-for-profit sectors, for whom large scale interventions such as assessment centres would have little relevance, but who may benefit on a smaller scale from Occupational Psychology interventions.
- Occupational Psychologists should seek to expand the opportunities available outside the private and public sectors, where currently most opportunities for Occupational Psychologists are located.
- Occupational Psychology should be accessible (e.g. cost) and relevant to all within the world of work, including current, future and past members of the world of work, and volunteers.
- Within the not-for-profit sector, utilizing Occupational Psychology should be seen as a

means of increasing the performance and productivity of organisations and service providers, for the benefit of service users and beneficiaries.

- It should be born in mind that “business can only prosper within healthy communities”, and actively forming cross-sector partnerships is mutually beneficial in developing leadership talent , sharing knowledge and good practice as well as empowering the not-for-profit sector for the good of the wider community. Fulfilling a corporate social responsibility to the communities within which they work, has a benefit for the performance of private and public sector organisations, as well as their customers and shareholders. This can be applied to all organisations, including Occupational Psychologists.4
- The not-for-profit sector is a viable marketplace within which to promote Occupational Psychology. Pursuing this sector would be potentially beneficial in promoting the visibility and value of Occupational Psychology to the wider community.

## References

1. Scott-Jackson & Bourne, (2006) What Works at Work? The application and benefits of Occupational Psychology, Division of Occupational Psychology (British Psychological Society) and Centre for Applied HR Research, Oxford Brooks University Business School
2. The Scottish Government (2008), Refreshed Strategy for Volunteering in NHS Scotland [http://www.sehd.nhs.uk/mels/CEL2008\\_10.pdf](http://www.sehd.nhs.uk/mels/CEL2008_10.pdf)
3. SCVO (2010), Scottish Voluntary Sector Statistics, <http://www.scvo.org.uk>
4. Corporate Citizenship for Association of Chief Executives of Voluntary Organisations (2008), Investing in Leaders: a new aspect in corporate social responsibility, Strengthening third sector leadership through cross-sector partnerships
5. Wittenberg, Ben (02, 2007), The Interplay Between State, Private Sector & Voluntary Activity: A Vision for the Future, The Directory of Social Change
6. Institute of Customer Service (2012), <http://www.instituteofcustomerservice.com>
7. Simply Hired (2011), The Voluntary Sector – Simply Hired UK Blog, <http://blog.simplyhired.co.uk/2011/11/the-voluntary-sector.html>
8. The Scottish Government (2011), The Opportunities and Challenges of the Changing Public Services Landscape for the Third Sector in Scotland: A Longitudinal Study <http://www.scotland.gov.uk/publications/2011/02/23102624/6>