



# THE MANAGER'S GUIDE TO WORKPLACE WELL-BEING



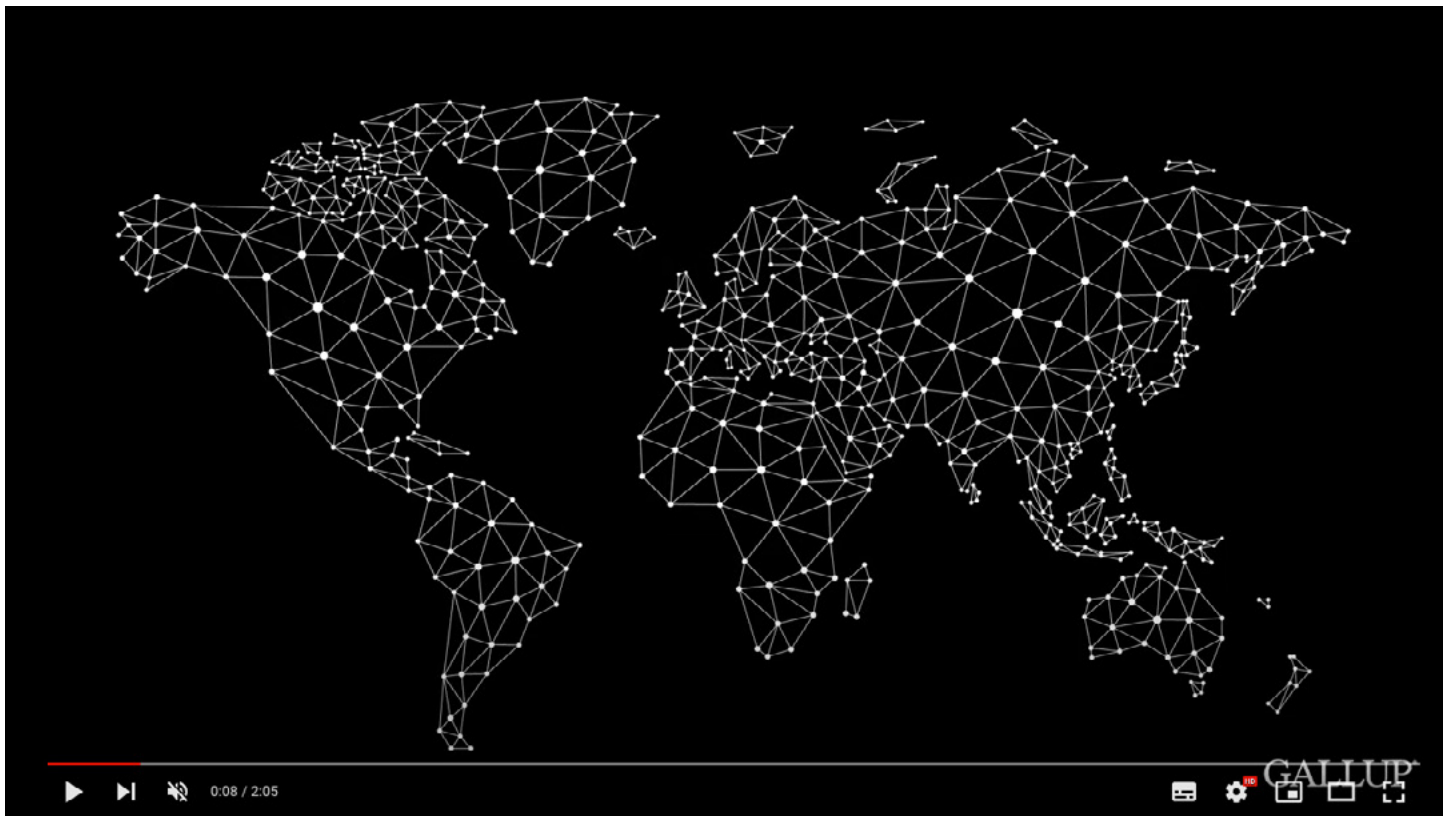
## INTRODUCTION



It's no secret Covid-19 has changed how many of us work.

The pandemic has shaken up traditional workplaces and our idea of what a workplace should be. Unfortunately, this combination of Covid, shrunken budgets and resources, and changing work environments has also taken a toll on our workplace well-being.

The Gallup 2021 State of the Workplace survey saw significant increases in stress (43 per cent), daily worry (41 per cent), daily anger (24 per cent) and sadness (25 per cent). With only 20 per cent of workers engaged globally, organisations are waking up to the need to prioritise employee well-being and resilience.



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01

WELL-BEING IN  
NEW ZEALAND AND  
AUSTRALIAN WORKPLACES



In a survey from 2020, [only 42 per cent](#) of New Zealand’s workforce rated their mental health as positive. Pre Covid, this number was sitting at 63 per cent. More recently, research has found employees in Australia and New Zealand experience higher rates of burnout, with [89 per cent of employees working late in 2021](#).

In short, employees are stressed, overloaded and struggling to balance work and life demands. But it doesn’t have to be this way. Already we’re seeing positive signs towards a well-being reset; wellness and mental health has fast become a priority for businesses over the globe.

The benefits are tangible too. Economic research in New Zealand has found that small businesses get up to [\\$12 return on every \\$1 they invest](#) in staff well-being initiatives.

To help businesses come to grips with the increased desire—and now expectation—for better workplace well-being, this guide will outline the key challenges facing organisations today. You’ll also find well-being cost and benefits analysis, and strategies for implement well-being initiatives and building employee resilience in the workplace.

## 02

THE COST OF UNWELL  
WORKPLACES

Well-being is more than health, it's also tied to happiness, job satisfaction, productivity and performance, and relationships in and out of the office.

It's also more than physical health, encompassing mental well-being, relationship well-being, career well-being and financial well-being. All of these factors can influence the overall wellness of your employees and how they engage and perform at work—which can cost businesses dearly, particularly in terms of customer experience. Poor well-being can lead to poor performing employees, which can in turn result in negative customer interactions, be it slow service or rude encounters.

However, there is also a whole other set of hidden costs that come with low well-being. Presenteeism.

### What is presenteeism?

Presenteeism is defined as working while not fully functional because of medical conditions or low employee engagement, such as feeling their job is meaningless. These conditions can include mental illness, back pain, food disorders, allergies, illness, and physical discomfort (e.g. arthritis, mensural pain, muscular pain).

In [one study](#), presenteeism caused over three months (57.5 days) of lost productivity. In New Zealand, presenteeism and absenteeism cost businesses an average of \$1,500 per employee—two thirds or \$1,000 of this is from presenteeism alone<sup>1</sup>.

As for how frequently it is happening, approximately [35 per cent](#) of New Zealanders turn up to work while sick. In Australia, it's as high as [66 per cent](#). While these numbers are from 2019 and the rate of people coming into work while physically ill with a cold of flu has likely decreased with the pandemic, the stress, financial and family strain from Covid-19 has likely seen other forms of presenteeism rise.

From a customer service point of view, presenteeism isn't a good look either and can cost you on customer experience and ultimately customer loyalty. From poor employee-customer exchanges to low quality experiences, it can pay dividends to prevent your staff from falling into a presenteeism mindset.

Read more: [How employee well-being drives profits](#)

1. Southern Cross Health Society, 2010. [A New Zealand study into the cost of unhealthy employees](#). Southern Cross, available at: [getcover.co.nz](#)



03

TOP WELL-BEING  
CHALLENGES IN 2021

Mental health

Stress

Work-life balance



# TOP WELL-BEING CHALLENGES IN 2021



## Mental health

With the uncertainty, worry and fear caused by the pandemic, it's not so surprising to see this at the top of the list in 2021. In the [2021 NZ Workplace Diversity Survey](#), 80.7 per cent of workers rated mental health as the major challenge facing organisations today, up from 74 per cent in 2020. In Perceptive's May 2021 survey of 1,000 New Zealanders, we found 46 per cent of Kiwis had experienced depression or anxiety in the workplace.

However, mental health has always been a major issue and challenge for Australia and New Zealand, even before Covid-19. It was the number one challenge in the 2019 NZ Workplace Diversity Survey while coming in third in 2018 and 2017. While the impact of Covid-19 on mental health—particularly the mental health of our youth—has yet to be measured, [psychologist and Professor Richie Poulton has described it](#) as “pouring gasoline on an already vulnerable group”.

A pre-Covid report from Australia found [91 per cent](#) of employees believe mental health in the workplace is important but only 52 per cent believed their workplace was mentally healthy.

Good mental health in the workplace is particularly challenging for minority groups. Our May 2021 survey found 76 per cent of neurodivergent workers, 75 per cent of disabled and 67 per cent of LGBTQ+ workers had experienced depression or anxiety while at work.

Read more: [Supporting minority well-being](#)

In short, mental illness—be it anxiety, mood disorders, burnout or addiction—is highly prevalent in Australia and New Zealand. The good news is that Covid-19 has done a lot to shine a light on the issue and many workplaces

are already implementing solutions to help manage their employees' mental health. These can include:

1. Employee Assistance Programmes.
2. Mental well-being workshops—for staff and leadership.
3. Wellness and meditation apps such as [Mentemia](#), [Melon](#), [Headspace](#), [Mindshift](#) and [Just a Thought](#).
4. Making reasonable accommodations such as changing the work environment, hours, allowing staff to take time off and permitting frequent breaks.
5. Restructuring jobs and tasks to better suit a person's capabilities.

Read more: [How to build mental resilience in your workplace](#)

As a manager and/or business leader, it is important to understand the risk factors that can lead to poor mental health among your staff. These include:

- » inadequate health and safety policies
- » poor communication and management practices
- » limited participation in decision-making or low control over one's area of work
- » low levels of support for employees
- » inflexible working hours
- » unclear tasks or organisational objectives
- » unsuitable tasks for a person's competencies
- » lack of resources to do what is expected
- » unrelenting workload
- » bullying and psychological harassment.<sup>2</sup>

2. World Health Organisation. 2021. [Mental Health and Substance Use: Mental health in the workplace](#). who.int



## Stress

Coming in at number two and with 78.8 per cent of New Zealand employees rating it as a major well-being challenge is stress.<sup>3</sup> While stress is often included alongside mental health, in our minds it is a big enough issue to warrant its own category in this list. Moreover, in addition to contributing to depression, anxiety, substance abuse, and insomnia it can also have a range of cognitive, emotional and physical symptoms that can impact your employees' ability to fully function.

On the cognitive side, stress can cause problems around focus, memory, confidence and decision making. Emotionally it can lead to moodiness, irritability, agitation and low morale. Physical symptoms can include headaches/migraines, gastrointestinal problems, a weakened immune system, high blood pressure, cardiovascular disease, stroke<sup>4</sup> and, as [some research suggests](#), reduce insulin sensitivity.

For businesses with under 50 employees, workload is usually the number one cause for work-related stress, followed by working relationships. Businesses with over 50 employees also had workload as number one and changes at work as second.<sup>5</sup> A post-Covid-19 study found that [11 per cent](#) of New Zealanders are stressed at work.

### WAYS YOU CAN HELP ALLEVIATE STRESS IN THE WORKPLACE:

- » Employee Assistance Programmes
- » Flexible working arrangements
- » Review workloads
- » Reduce the number of meetings/video calls
- » Improve processes.

3. Diversity Works. 2021. [New Zealand Workplace Diversity Survey 2021](#), diversityworks.nz.org.nz

4. CAMH, 2021. [Stress | CAMH](#), camh.ca

5. BusinessNZ and Southern Cross, 2019. [Workplace Wellness Report 2019](#).



## Work-life balance

As both a cause and effect of high stress and poor mental health, work-life balance is critically important to building a positive and performing workplace. In the [2021 NZ Workplace Diversity Survey](#), 74 per cent of workers identified work-life balance as a challenge.

The most common cause of poor work-life balance is long hours, and the lack of separation between work and home during Covid-19 has only exacerbated the issue in recent months. In Australia, the average worker's overtime nearly doubled from [236 hours in 2019 to 426 hours](#) in 2020. Meanwhile in New Zealand, [a poll found 46.3 per cent](#) of respondents were working more hours than they had before the pandemic. What's more, two-thirds of that number were not being paid for those extra hours.

Poor work-life balance can lead to a range of emotional, mental and work performance issues including stress, depression, anxiety, burnout, becoming quickly angered and/or frustrated, low morale, low productivity and problems sleeping. Inadequate work-life balance is also more prevalent for women—who shoulder the bulk of caring and domestic work—along with parents, caregivers of sick, elderly or disabled relatives, women who care for both children and elderly or sick relatives.

In terms of the roles and occupations that experience the least adequate work-life balance, [research](#) has found those at greatest risk of burnout in 2021 are:

- » **managers**  
(219 per cent more likely to be burned out)
- » **workers under 29 years**  
(206 more likely to be burned out)
- » **essential workers**  
(over 150 per cent more likely to be burned out)
- » **workers in large firms**  
(over 150 per cent more likely to be burned out).

Australia and New Zealand are above the global average for burnout with [77 per cent](#) (nearly 8 in 10 workers) having suffered burnout in 2020. Moreover, employees who say they often or always experience burnout at work are [63 per cent](#) more likely to take sick days, which adds to your absenteeism costs.

### WAYS TO BUILD BETTER WORK-LIFE BALANCE IN YOUR WORKPLACE:

- » Flexible hours
- » Flexible working arrangements
- » Parental and caregiver support
- » Encourage staff to use annual leave
- » Review workloads
- » Set boundaries with staff and clients—i.e. no calls/work-related messaging between certain hours.

Read more: [Supporting minority well-being](#)



04

WHY IMPLEMENT A WELL-BEING PROGRAMME?



Your staff are one of, if not the most, valuable assets of your business and it pays to take care of them.

Studies from across the world have consistently found organisations that actively promote well-being are eight times more likely to have engaged employees<sup>6</sup>, which in turn leads to better productivity, financial performance, customer loyalty and innovation.<sup>7</sup>

Wellness programmes can also help you retain your staff. In fact, 78 per cent of employers offer wellness programmes for precisely this reason—to attract and retain their talent. Moreover, staff who are engaged in a wellness programme experience better physical and mental health, which helps reduce absenteeism, presenteeism, and staff turnover.

New Zealand recently made headlines for being one of the least productive countries in the OECD. Australia is also below average compared to the rest of the OECD<sup>8</sup>. Add into

the mix that both countries have only 20 per cent engaged employees it becomes clear that employee wellness and well-being initiatives should be part of the solution to getting our workforces back on track.

However, like any new project or workplace initiative, well-being programmes perform best when they are monitored and measured to ensure they are working in the way they were intended. They are not set and forget, but rather a continual process of improvement. What is working? What isn't? What can be changed, built upon or scaled up to get meet the needs of your employees?

Read more: [How to measure employee well-being](#)

6. World Economic Forum and Right Management, 2010. [The Wellness Imperative: Creating More Effective Organizations](#).

7. [World Economic Forum](#), 2010; [WellSteps](#), 2021; [Aberdeen Group](#), 2015; Ibid; [World Economic Forum](#), 2010.

8. OECD (2021), GDP per hour worked (indicator). doi: 10.1787/1439e590-en (Accessed on 07 July 2021).



05

HOW TO BUILD A  
RESILIENT WORKFORCE



## HOW TO BUILD A RESILIENT WORKFORCE



Building resilience in your workplace doesn't happen overnight, but with the right approaches, you can set your business on the right course.

### What do we mean by resilience?

Resilience is our ability to bounce back from challenges or setbacks. It is an attribute you can build both as an individual and as an organisation. Ideally, you should aim to enhance both in your well-being programme.

### Five ways to build resilience at work

#### 01 Make purpose clear

Communicate to your employees why their work matters and how their efforts are contributing to your organisation. Making purpose clear is often touted as key to business success—and it is. But more overlooked is its role in contributing to employee engagement and resilience. In fact, understanding how their daily work contributes to the greater scheme matters to [83 per cent of employees](#); it allows them to find personal fulfilment in what they do and bolsters their ability to adapt to change and challenges.

#### 02 Recognise and celebrate the wins

Not only is it great for morale but recognising and celebrating the wins can have a profound impact on our emotional health. In short, gratitude is powerful and frequently practising it in the workplace unifies employees, solidifies purpose, and decreases feelings of imposter syndrome by nipping any feelings of inadequacy in the bud.

As MD Tanmeet Sethi explains in her [TEDx talk](#), “Gratitude promotes the release of dopamine. It makes us happier. When we practice gratitude, we stimulate the same parts of the prefrontal cortex that modulates stress and pain. When we change our brain, we change our experience.”

Whether it's a work anniversary or hitting sales quotas, a record NPS score from your customers or recognising an employee who's always there to lend a hand—there are plenty of opportunities big and small worth celebrating.

#### 03 Be a coach, not a boss

Make coaching part of your leadership mindset.



Companies are moving away from the traditional command and control practices.

—Herminia Ibarra and Anne Scoular,  
[Harvard Business Review](#)



[Research](#) shows staff who are coached have better employee satisfaction and performance and contribute more to organisational goals. What's more, it's an excellent way to retain your top talent rather than continually shelling out the cost of recruiting and training new staff. Also consider that it can take new employees six to eighteen months to reach the productivity of an existing staff member.<sup>9</sup>

Read more: [Taking care of remote employee well-being](#)

9. LawsonWilliams. 2020. '[NZ Staff Turnover in 2020](#)', lawsonwilliams.co.nz





The vital elements of a coaching mindset are:

- » Set clear performance expectations and deadlines
- » Set individual goal setting and feedback
- » Ask and listen
- » Support rather than instruct.

By adopting a coaching mindset, your staff are given clear goals and timeframes to achieve them (which also contributes to making purpose clear mentioned earlier) as well as opportunities to grow along with the sense that they are valued.

More: [The Leader as Coach](#)

## 04 Effective communication

Communication is the backbone of modern business, but the importance of communicating *effectively* is often overlooked. Two-thirds of managers are uncomfortable communicating with employees<sup>10</sup>, while miscommunications are costing companies of 100 employees an average of US\$420,000 per year<sup>11</sup>.

Communication is more than what we write or say. It is how we say it and how we engage in conversations, from the body language we use to the emotions we project, and poorly managing these various aspects can have a detrimental effect on your business.

What makes effective communication?

1. **Honest, straight talk.** According to [Gallup](#), companies that successfully transitioned to remote work and strengthened engagement through the pandemic did so with frequent, honest, manager-led conversations. Regular stand up/ work in progress meetings are a great start.
2. **Consider non-verbal cues.** Is one of the strongest forms of communication, particularly in office environments and working face-to-face. Non-verbal cues include eye contact, posture, gestures, facial expressions and tone of voice. Consider the impact negative nonverbal cues can have. For example, if you come into work frustrated because of something that's happened at home, your

colleagues may not be privy to why you're feeling this way and assume they are the cause of your frustration—this can be hugely detrimental to morale.

3. **Emotion control.** Following on from the non-verbal cues above, consider how you express your emotions while at work. As [Vanessa McCamley, neuroscience of leadership](#) specialist, says, "Leaders need to be conscious of emotion contagion. Because even when you're under pressure, how you show up actually really matters." Practice empathy and consider other points of view.
4. **Ask questions.** [McCamley says](#), "When you ask insightful questions, people have those eureka moments, it gives them a nice dose of dopamine which is part of the reward circuit in the brain. When we put people in a reward state, even if the times are challenging and tough, they'll perform better for longer periods of time."

More: [Taking care of remote employee well-being](#)

## 05 Active listening

Employees who feel their voice is heard are 4.6 times more likely to feel empowered to perform their best work.<sup>12</sup> However, only [15 per cent of employees feel completely heard by their organisation](#).

Active listening is not listening in the usual sense. It is about fully engaging in a conversation, withholding any judgement, and paraphrasing to show you understand. It is an excellent way to build trust and empathy within your teams, as well as to create a safe space for staff to feel supported, particularly during tough times.

Listening is not just limited to individual manager and employee conversations. It also includes gathering employee feedback and acting upon it. Employee surveys such as Employee Net Promoter Score (eNPS) and Gallup can provide a useful barometer on your employee experience and engagement. These surveys can be done anonymously so employees feel safe being honest without fear of repercussion.

More: [Which leadership style is best for well-being?](#)

10. Solomon, Lou. 2016. '[Two-thirds of managers are uncomfortable communicating with employees](#)', Harvard Business Review

11. SHRM. 2013. '[The Cost of Poor Communications](#)', shrm.org

12. Salesforce. 2017. '[Workplace Equality and Values Report](#)', salesforce.com

06

IDEAS TO IMPROVE  
WORKPLACE WELL-BEING



## IDEAS TO IMPROVE WORKPLACE WELL-BEING



Well-being is more than physical health, it also includes emotional and mental well-being, financial well-being, social well-being and career well-being. To help cover all aspects, here's a list of ideas big and small to help improve your workplace well-being.

### Physical well-being

- » Health screening or corporate discounts, e.g. optometrist, dentist, physiotherapy.
- » Corporate discounts for health insurance.
- » Corporate discount at health facilities, e.g. gyms, pools.
- » In-office health activities, e.g. lunch walks, cycle to work initiative, office yoga.
- » Nutrition advice/workshops.
- » Providing healthy meals/snacks.
- » Staff sport teams.
- » Stipend for employees to spend on their physical well-being, e.g. vouchers to help them buy a new pair of running shoes.

More: [How to implement a well-being programme](#)

### Emotional/mental well-being

- » HR policies that include fairness and transparency.
- » Counselling services, e.g. Employee Assistance Programme (EAP).
- » Providing access to mental health apps, e.g. meditation and mindfulness apps.
- » Provide learning and upskilling opportunities.
- » Encourage employees to take annual leave.
- » Flexible work hours.
- » Flexible work locations.
- » Offer livable wages.

### Financial well-being

- » Financial literacy programmes.
- » Providing learning opportunities and skills training.
- » Provide employee discounts, e.g. everyday items, education, health discounts.
- » Destigmatise talking about finances.
- » Provide learning and upskilling opportunities.
- » Be generous with family and sick leave.
- » Corporate discounts for income protection, life, and health insurance.

More: [Employee burnout and how to prevent it](#)





Community volunteering events such as tree planting, rubbish clear up or soup kitchen.

## Social well-being

- » Team building days.
- » Community volunteering events, e.g. tree planting, rubbish clear up, soup kitchen.
- » Create a social club/calendar for after-work activities.
- » In-office social activities, e.g. quizzes, card and board games, darts.
- » Celebrate the cultural dates that are important to your staff, e.g. Matariki, Chinese New Year, Diwali.
- » Celebrate birthdays (you may choose to go the extra mile and arrange a morning tea or give the employee the day off).
- » Team lunches—take them out or put it on yourself (Tip: for a bit of extra fun, make it themed).
- » Team/office competition, e.g. a bake-off, board game, ping pong.

## Career well-being

- » Provide on-the-job training.
- » Offer opportunities for staff to develop or upskill their capabilities.
- » Mentorship programmes.
- » Secondment opportunities.
- » Providing regular career planning one-on-one discussions.

Last and most important, improving your workplace wellness starts at the top. Without buy-in from your leadership team, it will be difficult (read: impossible) to affect positive change. Part of this involves setting up leaders to lead by example and setting up a dedicated working group to organise and drive well-being initiatives.





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