

THE STATE OF WELLBEING IN AUSTRALIAN WORKPLACES



THELEADETSLAB
A MICHELLEMCQUAID PROGRAM





## LEADING TO THRIVE AT WORK

The start of this decade has seen unprecedented levels of disruption across the globe, with bushfires burning across Australia, the political fall-out of Brexit in Europe, the upcoming US elections, the coronavirus pandemic and the necessary closure of non-essential businesses in many countries leading to a severe economic downturn. The future is looking very uncertain, and this is impacting workers and workplaces everywhere.

Can workers and workplaces thrive amidst such significant disruption? Systems researchers suggest that it is at the edge of chaos when we are forced to learn, innovate and collaborate, that workers and workplaces discover their capacity for creativity, growth and resilience. This level of human agility, however, requires significant and consistent levels of physical energy, psychological flexibility and social intelligence. In a word, it requires workers to be 'well'.



It is possible for leaders and their teams to thrive even during times of chaos, and the good news is that leaders can have a significant impact on their workers' levels of wellbeing. For example, our research in The Change Lab 2019 Workplace Survey found the leadership approach taken in times of change can make a real difference to workers' levels of wellbeing, and the likelihood of successfully creating positive changes. But with uncertainty and disruption stretching into the foreseeable future, helping leaders understand how they can quickly and reliably support their workers' ability to care for their wellbeing should be a priority for every organisation.

## ABOUT THIS STUDY

The Leaders Lab Leading To Thrive Survey was first conducted in December 2019. A sample of 1,007 randomly selected workers, representative of the Australian workforce, completed the survey, which was based on the PERMAH Wellbeing Survey (www.permahsurvey.com) developed by Dr Peggy Kern from the University of Melbourne.

Our data was gathered, and our report drafted when hundreds of bushfires swept across Australia. The fires were barely extinguished when countries worldwide found themselves grappling with the coronavirus pandemic, which has resulted in Australia closing its borders, shutting down non-essential businesses, and causing one in ten Australians to lose their jobs.

In mid-March 2020 – just prior to non-essential workplaces being closed down – we created an additional set of questions to assess the impact of the bushfires, coronavirus and the economy on workplace wellbeing and performance.

352 of the December 2019 respondents completed the survey again. An additional 667 new respondents also completed the survey. This report presents the perspectives of the experiences of those 1,019 workers, comprising 478 self-identified 'Leaders' and 541 self-identified 'Team members'.



## LEADING TO THRIVE

Given the speed and level of disruption that most Australians have experienced, it was not surprising to find that 82.2% of leaders and 80.8% of team members reported that their levels of struggle had increased between December 2019 and March 2020. This has resulted in statistically significant changes in people's levels of wellbeing.

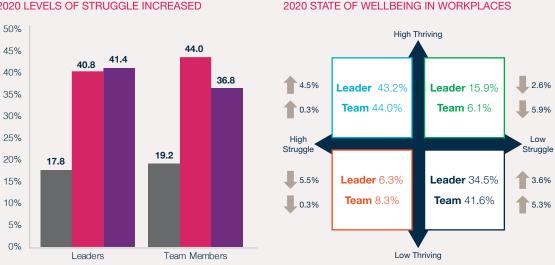
The number of leaders who were consistently thriving declined by 2.6%. Worryingly, although overall these leaders continued to report high levels of thriving, there was a significant decline in their performance which suggests that the current challenges are impacting their functionality, and they may find it harder to navigate the struggles ahead.

In contrast, leaders who were living well despite struggles experienced no decline in their levels of performance and continued to report significantly higher levels of performance than those who were not feeling bad but just getting by, or really struggling. These leaders appear to have personal resources that enable them to continue to thrive despite struggles. What can we learn from them?

Leaders who were not feeling bad but just getting by experienced a significant increase in their levels of job satisfaction and commitment to their organization. Interestingly the number of leaders really struggling declined and reported significant improvements in their performance levels. This suggests that our levels of struggle may be relative to what is happening in the world around us.

#### 2020 LEVELS OF STRUGGLE INCREASED

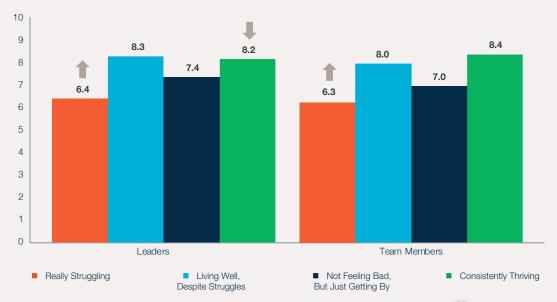
No Increase



#### INDIVIDUAL PERFORMANCE BY 2020 STATE OF WELLBEING MEANS

High Increase

Moderate Increase







# WAY POWER, WILL POWER, & WE POWER

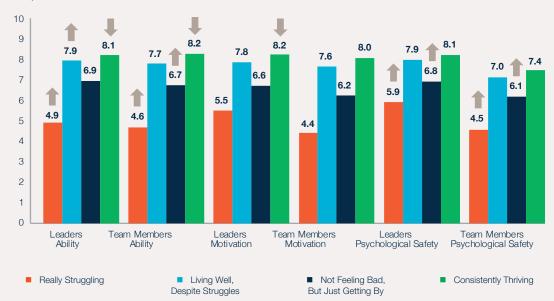
Leaders and team members who reported higher levels of confidence in their ability to care for their wellbeing (way power) continued to be more likely to be consistently thriving, or living well despite struggles, than others.

However, leaders and team members who were consistently thriving reported a significant decline in their feelings about their wellbeing ability. In contrast, those who were not feeling bad but just getting by reported significant increases in their ability to manage their own wellbeing, which may be related to the significant increase they also reported in their feelings of safety to talk about problems and mistakes at work.

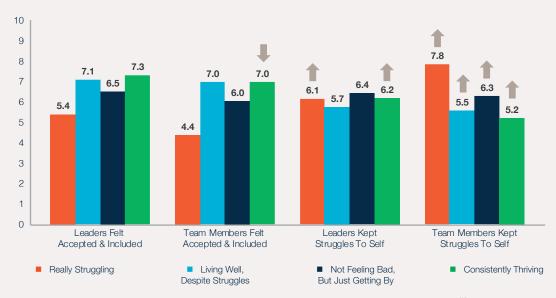
Leaders and team members who reported higher levels of motivation to improve their wellbeing (will power) continued to be more likely to be consistently thriving, or living well despite struggles, than other workers.

Leaders and team members who reported higher levels of psychological safety (we power) continued to be statistically more likely to be consistently thriving, or living well despite struggles, than others. Those who were not feeling bad but just getting by significantly improved their feelings of psychological safety. Leaders generally have significantly higher levels of psychological safety than team members and need to take note that all team members reported a significant increase in feeling that it is best to keep their struggles to themselves at this time. What can leaders do to help?

#### ABILITY, MOTIVATION & PSYCHOLOGICAL SAFETY BY 2020 STATE OF WELLBEING MEANS



#### FELT ACCEPTED & INCLUDED WHEN STRUGGLING MEANS





# LEADERS NEED TO PAY WELLBEING FORWARD

One way to understand, measure and action evidence-based approaches for caring for wellbeing is Professor Martin Seligman's PERMAH Wellbeing Framework, which suggests that wellbeing comprises Positive Emotion, Engagement, Relationships, Meaning, Accomplishment and Health. These six factors are interconnected and influence one another. Feeling poorly in one area can result in feeling poorly in other areas as well.

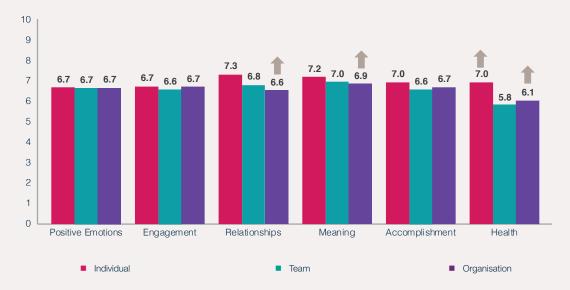
Leaders reported significantly higher scores on each of the PERMAH factors than their team members, which helps us understand why leaders are significantly more likely than their team members to be consistently thriving, even during this challenging time.

So while team members reported significant improvements in their workplace's support of their Relationships, Meaning and Health, leaders need to consider what else they can be doing to pay forward what's working for them across the PERMAH factors to help their teams and their team members care for their wellbeing. This will be particularly important as many team members are now forced to work remotely, and they lose their opportunities for daily physical connection. How can leaders pay PERMAH forward?

#### COLLECTIVE PERMAH WELLBEING FACTORS MEANS FOR LEADERS



#### COLLECTIVE PERMAH WELLBEING FACTORS MEANS FOR TEAM MEMBERS





# LEADERS NEED HR'S HELP

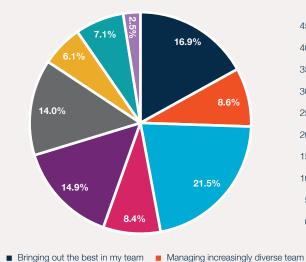
Leaders identified their biggest struggles as dealing with the increasing complexity in the ways they are working (21.5%), bringing out the best in their teams (16.9%), navigating the uncertainty and volatility of their workplace (14.9%), and navigating the volatility of their industry (14%). Given the changes workplaces are experiencing, these challenges are understandable.

Leaders and team members who reported high levels of worry and anxiety (stress) about the impact of coronavirus or the economy were performing just as well as those with low levels. In contrast, those who reported medium levels of worry and anxiety about these challenges were significantly more likely to report lower levels of performance.

Why might this be the case? Worry about the virus or the economy might motivate productive action, whereas moderate worry might reflect uncertainty and passivity that undermines performance. For immediate performance, lower or higher levels of anxiety may be better; however, over the longer term, high levels of anxiety will likely become less productive.

As they tried to navigate these struggles, leaders were significantly more likely than team members to be reaching out to HR teams. Given HR teams were found to be the people most likely to improve workers' ability to care for their wellbeing, this resource is still being woefully underutilised at a time when it is needed the most. How can leaders leverage the impact of HR support?

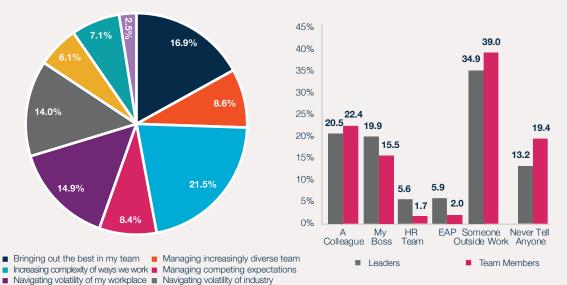
#### **TOP 3 STRUGGLES FOR LEADERS**



■ Navigating volatility of my workplace ■ Navigating volatility of industry

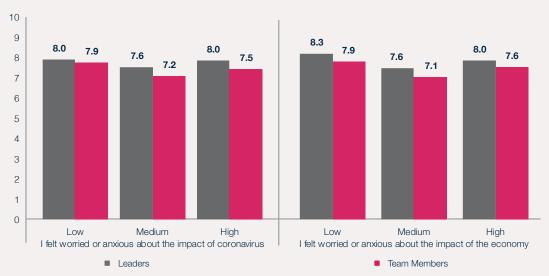
Having energy to lead

#### WHO I REACH OUT TO FOR HELP



#### IMPACT OF WORRY & ANXIETY ABOUT CORONAVIRUS & THE ECONOMY ON PERFORMANCE MEANS

Having motivation to lead





# UNCERTAIN ABOUT THE FUTURE

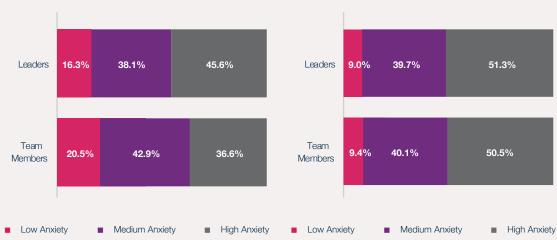
While it is not surprising that 82.2% of leaders are feeling worried and anxious about the impact of the coronavirus, of particular concern are the 16.2% of leaders and 20.5% of team members who are not worried about catching or spreading it. This may be because they are following government guidelines. However given the highly contagious nature of the coronavirus, it will only take a small number of people to ignore these to spread further chaos into our workplaces and communities. What role can leaders play in this?

Workplaces should also note that only 24% of leaders and team members feel certain about what actions they should be taking in response to coronavirus. While community updates are changing daily, 76% of leaders and team members are likely to benefit from clear and consistent communication on the actions their workplaces want them to be taking.

Finally, although this data was gathered just prior to the shutdown in Australia of non-essential businesses, 91% of leaders and team members were already anxious about the impact of the economic downturn. With analysts predicting that Australia may be headed for one of its worst recessions, workplaces need to be mindful that this uncertainty will present ongoing struggles for leaders and workers when it comes to caring for their wellbeing.

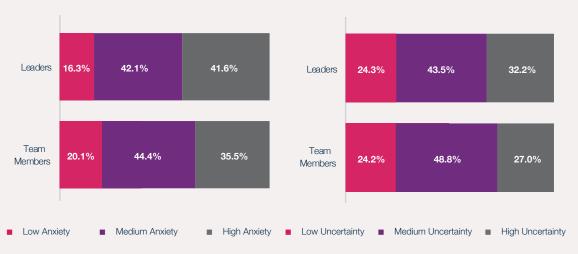
#### CORONAVIRUS ANXIETY LEVELS

### ECONOMY ANXIETY LEVELS



#### CORONAVIRUS ANXIETY CATCHING/SHARING

#### CORONAVIRUS UNCERTAINTY ACTIONS TO TAKE



# AN AH-HA MOMENT

During this time of extreme disruption or change, leaders need to pay forward their ability to individually and collectively care for their wellbeing to help their team members improve their levels of way power (wellbeing ability), will power (wellbeing motivation), and particularly their we power (psychological safety) as they navigate the struggles ahead.

HR teams have an important role to play in helping leaders during these times as more team members turn to their bosses and rely on their teams and workplaces to help support their wellbeing.

Organizations need to help leaders understand how to lead their teams to thrive, with a focus on wellbeing support provided through coaching style leadership in a virtual environment.

How are you helping your leaders pay forward their ability to care for wellbeing during this time of extraordinary disruption, challenge and change?





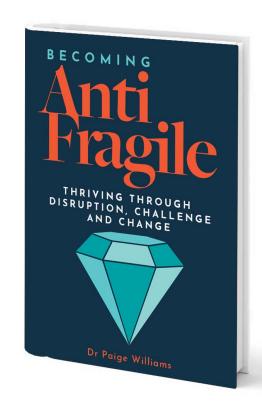


# BECOMING AntiFragile

Dr Paige Williams

Practical Guiding Principals for Leaders To Thrive in the Decade of Disruption

Available mid-2020!







## ABOUT THE LEADERS LAB RESEARCHERS



#### **DR. PAIGE WILLIAMS**

Determined to help leaders move beyond just the need for resilience so they can become anti-fragile. Paige Williams, PhD teaches people how to leverage their energy, attitudes and mindsets to benefit from the dynamic, complex, and uncertain environment in which most organizations operate. A lecturer and researcher at the Centre for Positive Psychology at the University of Melbourne, Paige uses a potent blend of positive psychology, neuroscience, leadership research, and her years of international business leadership experience to provide practical, evidence-based pathways to help people and organizations thrive through change. You can find out more about Paige's work at www.drpaigewilliams.com.



#### DR. MICHELLE MCQUAID

Dr. Michelle McQuaid is a best-selling author, workplace wellbeing teacher and playful change activator. An honorary fellow at the University of Melbourne's Graduate School of Education, in addition to hosting the highly acclaimed weekly podcast, "Making Positive Psychology Work" which features leading researchers and practitioners from around the world, Michelle blogs for Psychology Today, The Huffington Post and Thrive, and her work has been featured in Forbes, The Harvard Business Review, The Wall Street Journal, Boss Magazine, The Age and more. You can find more of Michelle's work at www.michellemcquaid.com



#### DR. PEGGY KERN

Dr Peggy Kern is an associate professor at the Centre for Positive Psychology at the University of Melbourne's Graduate School of Education. Her research is collaborative in nature and draws on a variety of methodologies to examine questions around who thrives in life and why, including understanding and measuring healthy functioning, identifying individual and social factors impacting life trajectories, and systems informed approaches to wellbeing. She has published 3 books and over 85 peer-reviewed articles and chapters. You can find out more about Peggy's work at www.peggykern.org

#### LEARN MORE ABOUTTHE LEADERS LAB

The Leaders Lab helps leaders to thrive, and to create thriving workplaces, by using evidence-based approaches that draw on the latest research in neuroscience, positive psychology, leadership and systems thinking to move beyond just the need for resilience, and to become antifragile.

To learn more contact paige@theleaderslab.net.



