



readiness<sup>\*</sup>  
Insight Presents ...

# Leading indicators for *wellbeing* downturn to watch for in 2023

With a tumultuous 2023 ahead your high-performing employees' resilience is crucial. At Readiness, we specialise at the intersection of holistic wellbeing, technology and performance. Through our partners, research and first-party data, we have identified key leading indicators to monitor that may suggest a downturn in wellbeing is going to effect output.

With economic uncertainty in 2023 underpinning a variety uncertainty around demand, employment, business priorities this provides a specific perspective which leaders must be attuned to in their teams.

Leadership & Wellbeing specialist Poppy Griffiths, founder of UnlimitU High Performance consultancy, worked with us using her 'mental fitness model which comprises of physical, emotional, social health factors' to help create a baseline for 2023 wellbeing. Mrs Griffiths goes on to explain "Most leaders are not trained in building mental fitness, and not aware of how to practically support the physical, emotional and social wellbeing of themselves and their team".

Amongst ever growing organisational complexity sometimes looking for a short-cut or simplified answer is tempting, but the truth is the best leaders are leveling up their skills and tools to meet the complexity and help their people and teams thrive.

Instead of a short-cut, consider these executive trigger moments that there could be an undercurrent of wellbeing issues within your team this year.

**Physical health** is a critical wellbeing factor driving high-performing employees' resilience. A healthy lifestyle, which includes regular exercise, a balanced diet, and sufficient sleep, help employees maintain energy levels and mental clarity. The data from Readiness Insight shows a strong correlation between negative reports on physical factors being a precursor to anxiety. Triggers could include noticeable changes in routine, hearing word of sleep problems or habits forming around cheap, unhealthy options becoming regular 'desk eating practice'.

Another important factor that contributes to resilience is **social relationships**. Strong relationships with colleagues, friends, and family can provide comfort and encouragement during difficult times. KPMG found 54% of people left CV-19 lonelier than they entered it. Try not to assume the strength of even your most extroverted employees' support networks. Building good social relationships enables people to feel psychologically safe and show up at their best, to belong and feel included in the team, to make valuable contributions and validate their self-worth.

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**Emotional health** is also a critical component of resilience. High-performing employees with robust emotional health can maintain a clear perspective in the face of stress and adversity. The trend that no team is immune to is the WHO finding a worldwide increase of +13% in mental health diagnosis' in 2022. Again, looking for deviations from 'standard' behaviour and ensuring their are services to healthily talk through any hardship is within the remit of strong management practices. Leaders need to be aware of the levels of positivity and optimism in the team, how much flow-time employees are afforded to do their job well, and how well self-care is role modelled and championed.

With inflation, cost of living, interest rates and the universal squeeze on the economy, means this year financial factors have also made the shortlist.

**Financial stress** says Dr. Vinita Godinho, CEO of Financial Resilience Australia, *"is typically defined as having difficulty meeting basic financial commitments due to a shortage of money."* However financial stress doesn't just refer to an individual's mental and emotional wellbeing in relation to their personal finances. Longitudinal research in Australia and overseas, and indeed Readiness Insight, finds that financial stress is the root-cause of a downturn in many health and wellbeing factors, including employee productivity in the workplace.

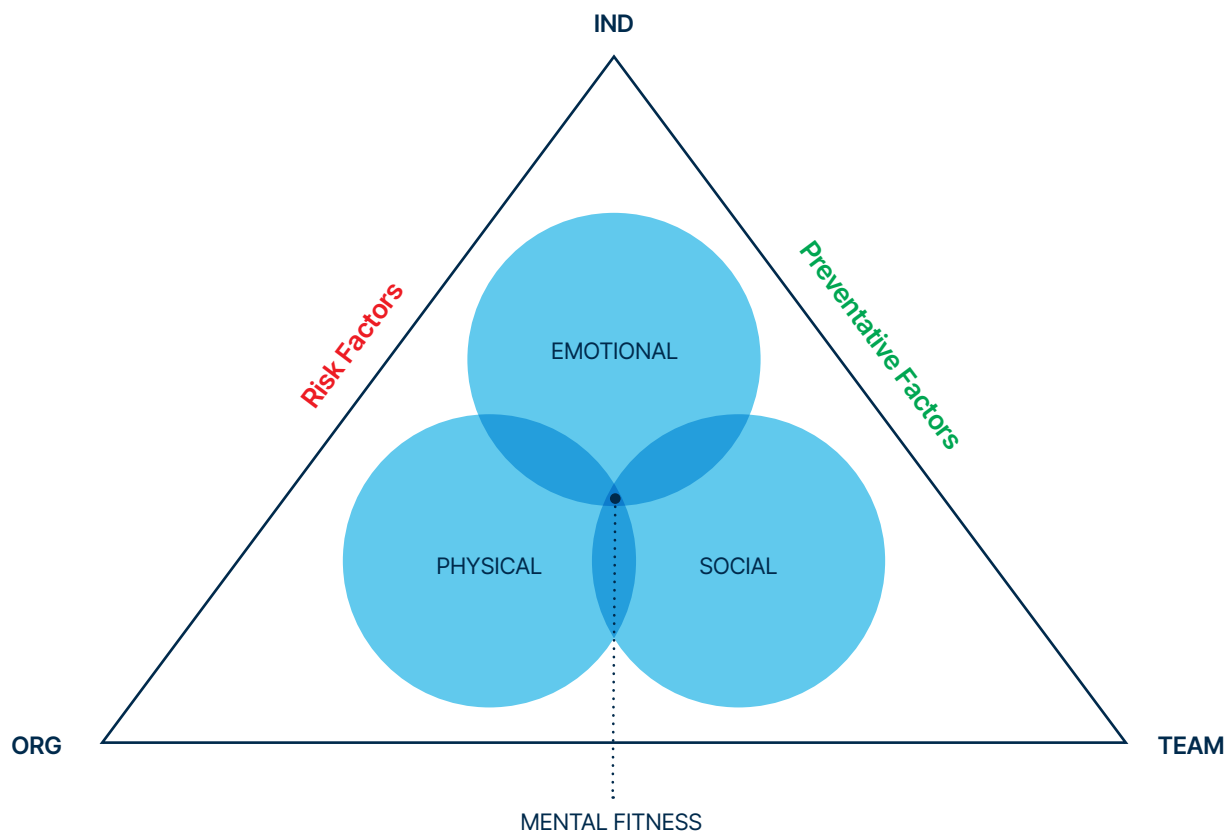
The latest data on **financial wellness in Australian workplaces** shows that employee financial stress has almost doubled in the last few years.

Rising living costs and the emotional and financial uncertainty precipitated by the COVID pandemic have hit Australian workers hard, particularly pre-retirees, women and single parents, who are more likely to be financially vulnerable. 1 in every 5 are unable to work productively, costing the economy a staggering \$66.8bn in lost economic revenue p.a. Supporting employee financial wellbeing is therefore good for the employer, employee, and the overall Australian economy as a whole.

What struck us was the lack for workplace factors that a manager is not directly accountable for. Yet, your team's performance may hang in the balance and be critically reliant on those external factors.



Poppy suggests starting by listing 'considering emotional, social and physical health and how these 3 factors impact the performance and wellbeing of individuals, teams and the whole organisation. Leaders want to be understand what poses risk, and what is a preventative safe-guard for all 3 health factors, and it helps to think about where these risks lie and what may help prevent them at the individual, team and organisational level.'



"Where emotional, physical and social factors can be best handled in private settings", Dr. Godinho suggests that "financial wellbeing initiatives are best carried out in a group setting without anyone person in particular being singled out to avoid a negative reaction."

Given that Australian employers now have legislative obligations to manage **psychosocial hazards** in the workplace, it is also important for managers to consider what their role could be in supporting the financial health and wellbeing of their employees. Financial stress is much more difficult to observe than physical ill-health, and can also be a deeply personal challenge which employees may not want to disclose to their employer, line manager or co-workers. It is therefore pleasing to note that workplace financial wellness programs are rapidly emerging across the world, making it easier for managers to play a role in promoting this aspect of health and wellbeing across their teams.





Some important tips include focusing on financial wellness across groups of employees in order to respect individual privacy and confidentiality; providing access to financial education and financial products and services that are easily accessible, tailored & engaging and addressing any gender or other inequities such as pay-gaps or opportunities for career progression. Australia's National Mental Health Commission has established the [National Workplace Initiative](#) to provide a nationally consistent approach to workplace mental health. They have also recently released a wide range of resources via a [dedicated portal](#) which managers and employees can freely access to support good workplace mental health.



[Poppy Griffiths](#)

Founder & Director [UnlimitU](#) high-performance consultancy, specialising in unleashing human potential of organisations through group coaching workshops and high energy keynotes. Poppy brings expertise and passion, supporting organisations to accelerate the inclusion of working parents, the leadership development of women and the mental fitness of leaders and teams.



[Vinita Godinho](#)

Wears many hats whilst balancing a multi-disciplinary portfolio career focused on wellbeing for vulnerable Australians. As the CEO of [Financial Resilience Australia](#), a social enterprise providing a range of professional services to support good financial health, she regularly provides practical advice on how to manage financial stress to enhance financial wellness.

# readiness

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