



Finding Balance in the Modern Workplace

A guide to understanding the evolving challenges surrounding mental health in the modern workplace from the perspective of employers and employees, based on research commissioned by Allianz.¹

The impact of the pandemic on wellbeing in the workplace



Defining balance in the modern workplace

70% of employees are no longer able to find time to transition between their work and personal life.¹

Working in a pandemic world has seen the line blurred between work and personal life, and while striking this balance is important for managers and employees alike, there is a disconnect in how to tackle the challenges ahead.



69% of Australian employees have not had a conversation with their employer about their mental health since the start of the pandemic¹

As the global pandemic continues to evolve and put pressure on organisations and individuals, Australian workplaces are presented with different challenges in managing employees' mental health and subsequent psychological injuries.

The urgency for open dialogue around mental health couldn't be more pressing. Allianz Workers Compensation has released data revealing workplace mental health injuries are on the rise – with active psychological claims increasing by five per cent, for the last financial year.²



Over 2 in 3 Australians are struggling with balancing work and personal life since the start of the pandemic¹

Julie Mitchell, Chief General Manager Personal Injury at Allianz Australia said, "There is no doubt that the last 18 months have been tough, with our working environments and situations changing constantly. Better understanding these changing environments and their impact on individuals' mental health is key to achieving balance in the modern workplace, but also in proactively preventing and managing workplace mental health issues."



Two in five employees admit they're unable to find balance as they don't have a transitional space, and 40% feel there is an expectation to work longer hours due to COVID-19.¹ Furthermore, three quarters of employees say they work some form of overtime to complete set tasks.¹



From an employer perspective, staff working remotely (68%), maintaining a positive culture (28%) and staff meeting targets/deadlines (28%) are the biggest barriers in fostering a culture of balance and boundaries.¹



Discussions on the topic are needed, as almost nine in 10 medical/health employees say they have not spoken to their employer about their mental health since the start of the pandemic, with one in four (24%) saying they wanted to but felt they could not discuss it.¹



This is also evident in the IT, Telecommunications, Banking & Finance sectors, where almost two in three managers say that they have not had a discussion with their direct reports about their mental health since the start of the pandemic.¹



After a year of upheaval, employees in transport/travel (90%) are more likely than employees in all other industries to say that they would like to see an increase in mental health initiatives from their employer.¹

Unlocking The Third Space™

“It’s not uncommon for managers and employees to have differing perceptions of mental health and balance in the workplace. While there is no one-size-fits-all solution, at Allianz we encourage our employees to balance their work and personal life, for example by empowering them through our new ways of working or flexible work options. By championing The Third Space we endeavour to nurture work–life balance and wellbeing within the workplace.”

- Julie Mitchell



The Third Space

According to Dr Adam Fraser, author of *The Third Space*™³ the “First Space” is what you’re doing now. The “Second Space” is what you’re about to do and the “Third Space” is the gap in the middle. The beauty of the Third Space is that it can have different meanings for everyone, so it is important to recognise and speak openly about this.



Work–life balance

For employers, it is key to encourage a flexible work–life balance for employees. This can be achieved through hybrid working models, promoting the use of the Third Space, open dialogue and respecting set boundaries with employees.

- Managers working in the banking and finance sector (82%) are more likely than those working in the consumer goods and retail sectors (59%) to believe that it is their responsibility to ensure that employees find this time to switch off and transition to their personal lives.¹
- Managers who currently work in an office/onsite or in a hybrid capacity are more likely to say they are somewhat or very effective at managing their employees’ workloads compared to those who work remotely (84% and 84% compared to 72%).¹



Taking the steps

As an employee, it’s important to proactively take the first steps and discuss balance and mental health with your manager. It’s also encouraged to initiate regular discussions, set clear parameters to suit your work–life balance, and share feedback with your manager on what mental health initiatives you’d like to see in the workplace.

How the industries compare when employees were asked if they find the time to transition between work and personal life:¹

- Nine in 10 construction workers don’t always find the time.
- Eight in 10 banking/finance and education/academia don’t always find the time.
- Three in four consumer goods, retail and medical/health service employees don’t always find the time. In contrast, eight in 10 transport/travel employees say they always find the time.

A snapshot of wellbeing in the workplace

In addition to flexible working hours and physical exercise, regular check-ins and dialogue between managers and employees is key to understanding what tools and initiatives work best to create mentally healthy workplaces. Key findings include¹:



35%

of employees working in an office environment are more likely than those working in a non-office environment (26%) to say that their workplace has a better understanding of work–life balance and its importance on employee mental health, since the start of the pandemic.



71%

of managers believe it is important to express empathy and build emotional intelligence to manage their team.



49%

of employees are looking to a future workplace that sees managers respecting their personal time.



57%

of employees would like flexible working hours.



37%

of managers say encouraging workplace flexibility and creating a space that fosters a safe and collaborative environment (35%) are the measures needed to ensure the future success of the organisation.



32%

of employees would love to see regular mental health programs and leave days for mental health implemented within the workplace.



42%

of employees, within the Third Space, typically listen to music, watch TV (42%) or exercise (38%) to help transition between work and personal life.



74%

of managers state they have a plan to implement mental health strategies in the future.

How to find balance in the modern workplace



Set clear parameters that suit your work–life balance

As an employee, discover and communicate what measures and boundaries will help you achieve a more sustainable work–life balance, based on your industry and role. This can be achieved by setting clear expectations about your working hours, making time to transition from work to personal time, avoiding work-related communication platforms outside of work hours, and scheduling breaks throughout the working day.



Encouraging a healthy work–life balance

As an employer, it's key to encourage open and safe dialogue with employees on mental health and balance within the workplace. Scheduling regular check-ins with staff to discuss wellbeing, and encouraging staff to switch off at the end of the day are great ways to start the conversation with employees. While every environment is unique, it's important to consider your industry and provide tangible solutions on how to support employees in establishing a safe and rewarding workplace.



Leading with empathy

Consider an empathetic approach across all mental health and initiatives that facilitate a work–life balance, to help ensure staff feel supported during a stressful time. For example, avoid contacting staff outside of their set/agreed-upon working hours, set guidelines and parameters on responding to work-related communications outside of the working day, and set tasks that are realistically achievable to avoid their loss of the Third Space.

Notes

- 1 Statistics from Allianz Finding Balance in the Modern Workplace Report 2021. This research was commissioned by Allianz and conducted by YouGov Plc. The survey was conducted online with a nationally representative sample of 1,049 Australian employees (middle managers and below designations) and a nationally representative sample of 524 Australian senior managers (senior managers and above designations) and was carried out between 26 July and 6 August 2021. All data was post-weighted by age, gender and region to reflect the latest population estimates.
- 2 Allianz Workers Compensation claims data comparing the 2019/20 (July-2019 to June-2020) and 2020/21 (July-2020 to June-2021) years as at the end of each year from a representative portfolio of Allianz Australia Underwritten insurance. Note: Statistics from Allianz Australia's own data on incidence and cost of mental health in the workplace, relating to workers compensation. The data has been taken from one data set – the Allianz Workers Compensation Underwritten insurance portfolio – which covers workers compensation claims across the privately underwritten states and territories of Australia.
- 3 Fraser, A (2021) The Third Space. Penguin Life (Original work published 2012).



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“At Allianz, we are committed to supporting and providing **tangible solutions** for creating mentally healthy work environments. We believe in creating workplaces that are safe and rewarding, as well as championing transparent and empathetic conversations on mental health so employees and employers can find sustainable balance throughout the pandemic and beyond.”

- Julie Mitchell, Chief General Manager Personal Injury at Allianz Australia

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