



BDO WELLBEING IN BUSINESS INDEX

EXPLORING THE RELATIONSHIP BETWEEN
BUSINESS PERFORMANCE AND WELLBEING

JULY 2022



FOREWORD

Kia ora! Welcome to the inaugural BDO Wellbeing in Business Index – BDO Te Rangahau o ngā hauora pai.

Leading and owning a business has always come with both risks and rewards. It can bring high levels of personal satisfaction, professional development and growth. And for some, it can offer increased independence, lifestyle, flexibility and financial rewards. Yet, such roles also present challenges – many of which have potential to place your mental wellbeing at risk.

A UNIQUE INSIGHT INTO WELLBEING IN NEW ZEALAND'S BUSINESS COMMUNITY

Over the past two years, BDO New Zealand, as advisers to more than 16,000 businesses of all shapes and sizes across Aotearoa, has witnessed the mental wellbeing of business leaders being tested on an increasing scale.

Against a backdrop of COVID-19, inflation, supply chain challenges, along with unstable economic, political and now climate conditions, many businesses are finding it hard to plan - and for some, their financial situation is becoming increasingly fraught.

Wellbeing and business performance are both areas which receive regular coverage. But what is the relationship between the two among New Zealand's business leaders and owners? Through the BDO Wellbeing in Business Index, our goal is to jointly monitor both aspects – to better understand how they influence each other. In turn, we hope to find ways to help alleviate some of the stresses for business leaders – maintaining the best possible wellbeing levels to succeed.

While we advise businesses on a broad range of topics, at BDO, we're certainly not mental health experts. However, we know from our conversations with business leaders that financial pressures are a key driver of wellbeing – and this was borne out in the survey.

The BDO Wellbeing in Business Index measures the wellbeing of business owners by applying the World Health Organisation's globally recognised WHO-5 Wellbeing Index methodology. This unique study is the first bespoke investigation of its kind into the link between wellbeing (leveraging the WHO-5) and business performance in the New Zealand business sector – also incorporating specific insights for businesses operating in our leading industries; agriculture, tourism, retail, construction, healthcare and Māori business.

VIEW OUR SECTOR-SPECIFIC REPORTS AT [BDO.NZ/WELLBEING](https://www.bdo.co.nz/wellbeing)

Wellbeing is often only seen in a negative light – but positive wellbeing is something you can top up and maintain; so we also wanted to give tips for people to maintain their wellbeing when it's in a good space.

Our focus in this inaugural report has been to offer practical tips alongside our commentary – centring on the ways business leaders can maintain their business financial performance to minimise potential pressures on wellbeing.

We hope you find the BDO Wellbeing in Business Index useful. It's often said that small and medium-sized enterprises are the backbone of New Zealand's economy. However, at BDO, we acknowledge that it's the people like you running these businesses who are the real heart of the business sector - and only through supporting your wellbeing can we help you achieve your dreams and drive sustainable economic growth for Aotearoa.

Most importantly, it's never too soon or too late to reach out for help. Please lean on your trusted team - whānau, friends, colleagues and professional advisers - for the support you need in managing your wellbeing and business. You'll find details of useful contacts at the end of this report and at [bdo.co.nz/wellbeing](https://www.bdo.co.nz/wellbeing).

BDO WELLBEING IN BUSINESS LEADERS



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ABOUT THE REPORT

The BDO Wellbeing in Business Index – BDO Te Rangahau o ngā hauora pai – collates feedback from a total of 576 business leaders and owners across Aotearoa who completed our digital survey in late May 2022. Respondents span a wide range of range of industries and business stages. The survey targeted business leaders and owners (anyone who was not an owner, General Manager, CEO or Director was excluded from results). For the purpose of the report, we have referred to all respondents generically as “business leaders”.

SURVEY METHODOLOGY

The World Health Organisation's 'WHO-5 Index' score, adopted in this survey, is a point in time measure – reflecting wellbeing as experienced by respondents over the past two weeks. For this reason, the WHO-5 score is best tracked over time. To assist in providing a perspective of wellbeing trends in our inaugural measure, we asked respondents to indicate how their current wellbeing compares with when their business was worst impacted by COVID-19. Respondents were also asked to share where they expect their business performance and wellbeing to be in six months' time – and the key drivers for this.

The survey collects details of why respondents might have been feeling less mentally healthy recently. We also ask what they do to stay mentally healthy, both in their business and in their personal life.

FOR MORE



Scan the QR Code or visit bdo.nz/wellbeing for video insights, sector reports and more on the BDO Wellbeing in Business Index.

THE WHO-5 WELLBEING INDEX - STATEMENTS

I HAVE FELT CHEERFUL, IN GOOD SPIRITS

I HAVE FELT CALM AND RELAXED

I HAVE FELT ACTIVE AND VIGOROUS

I HAVE WOKEN UP FEELING FRESH AND RESTED

MY DAILY LIFE HAS BEEN FILLED WITH THINGS THAT INTEREST ME

HOW THE WHO-5 SCORE IS CALCULATED

Someone who scores 'all of the time' on a particular statement is given a score of 5, while if they score 'at no time' they get a score of 0 for that statement. The total raw score, ranging from 0 to 25, is multiplied by 4 to give the final score, with 0 representing the worst imaginable wellbeing and 100 representing the best imaginable wellbeing.

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EXECUTIVE SUMMARY - WHAT WE FOUND

SIGNS OF RESILIENCE AND REBOUNDING

In the inaugural measure of the BDO Wellbeing in Business Index – BDO Te Rangahau o ngā hauora pai – the wellbeing of New Zealand business leaders and owners averaged 69 out of 100 (applying the World Health Organisation's 'WHO-5 Index' methodology) – perhaps higher than many might have expected.

63% of all respondents said that they felt generally satisfied with life all or most of the time. A similar proportion, 61%, advised they are feeling better than they were when their business was experiencing the worst impacts of COVID-19. This indicates that, despite the troubles of the last two years, there is a potentially a degree of resilience among New Zealand business owners – at least over the short term.

Wellbeing fluctuates over time, and importantly, nearly half of businesses said that they have felt less mentally healthy than normal at some point in the past six months. So the key question here is how do businesses stay in a good space?



61% ADVISED THEY ARE **FEELING BETTER THAN THEY WERE WHEN THEIR BUSINESS WAS EXPERIENCING THE WORST IMPACTS OF COVID-19**

FINANCIAL MANAGEMENT IN YOUR BUSINESS IS KEY TO WELLBEING

One of the key learnings from the report is that financial matters are an important driver of wellbeing among business leaders - both currently and in the next six months. Just over one-third (36%) of those respondents who indicated they had been feeling less mentally healthy than normal said that financial-related concerns in their business were contributing to this. Cash flow was specifically called out by 18% of this group.

Fortunately, there are ways for business owners to manage their finances – creating a robust financial management plan that enables you to regularly review cash flow is key, as is outsourcing where appropriate, along with taking the time to increase your financial literacy and engaging professional advice – from accountants as well as other business advisers.

Building a team of trusted advisers around you is among the best ways business owners can manage their wellbeing. It's hard at the top, and often people running businesses do not want to burden their family or friends with talk about financial concerns. Seeking professional advice to not only help with financial management, but also to bounce ideas off and simply have someone independent to talk to, can provide a real benefit to mental wellbeing for business owners.



36% OF THOSE FEELING LESS MENTALLY HEALTHY THAN NORMAL SAID IT WAS DUE TO **FINANCIAL CONCERNS** IN THEIR BUSINESS

RETAIL, HEALTHCARE AND TOURISM EXPERIENCING LOWER WELLBEING

Retail (56 out of 100), healthcare (60 out of 100) and tourism (63 out of 100) business leaders returned the lowest WHO-5 scores at the time of surveying – not surprising given the ongoing impacts of COVID-19 on these businesses. In contrast, business leaders in the construction sector (82 out of 100) and agriculture sector (80 out of 100) returned higher than average WHO-5 scores. These results likely reflect a strong pipeline of construction work and favourable recent product prices in the agriculture sector at the time of surveying (late May).

Looking ahead, while businesses are expecting to see further uncertainty over the next 6 months, the results indicate that they expect the impacts of COVID-19 to lessen.

As we undertake further survey measures, it will be important to see how business performance and wellbeing track over time. We hope this survey provides a valuable means for business owners to proactively manage their individual business performance and wellbeing, offering an opportunity to monitor trends and understand how others are effectively managing their mental wellbeing – creating a platform for business success.

TOP TIPS FOR MANAGING FINANCIAL PERFORMANCE

The BDO Wellbeing in Business Index – BDO Te Rangahau o ngā hauora pai – highlights that financial matters are a key driver of wellbeing for business leaders. Throughout this report you'll find tips for business leaders in managing some of the common financial challenges associated with running a business – summarised here:

-  Have a strong **financial management plan** – this should include comprehensive cash flow management and reporting to help you understand where your cash is coming from and where your monthly expenditure is going, as well as detailed financial projections.
-  Ensure you have **strong relationships with your lenders** so you can access additional resource when needed (you will have a stronger relationship if you can show you're managing your finances effectively).
-  Create a **solid business plan** that you regularly return to – this will help guide you both when business conditions are good and during times of disruption
-  **Stress-test your business plan and financials** against various scenarios – not just pandemics but changing technology, environmental concerns, employee preferences, industry trends and consumer habits, among other things.
-  **Patience with people matters** – You don't always have to find a solution immediately when a problem arises. Particularly in employee matters, it's really important to take the time to understand both sides of the story and work through a solution together. It's also a good idea to take the time to understand changing employee preference trends. What worked for you a few years ago may not work for the new generation coming through.
-  **Financial upskilling** – Get a strong foundation in financial literacy. This will enable you to much better understand where your business is at and make better business decisions as a result. A great place to start is by having conversation with your accountant to understand the financial skills best required for your business to succeed – be it a course, online module, financial coaching from your accountant or other adviser (BDO offers colour accounting and other financial literacy courses), or perhaps even complementing your own resource with a Virtual CFO.

-  Set aside time to **think strategically**. What are the critical success factors for your business and what KPIs will help you get there? Once you've set these, monitor and report against them every two to three months so you can continuously improve.
-  Remember **you don't have to do everything yourself**. Outsourcing need not be expensive and can save you a lot of time, giving you the opportunity to work on strategy and improve your business.
-  **Technology** is also a really important way for you to streamline processes as well as improve reporting accuracy.
-  Think about your business' **succession planning**. Look at who is up and coming and consider who you want to be your number two – it's important to have people around you who you can rely on for support.
-  When stressful situations outside your control arise, think about what you can control – a **robust plan and strategy** will help alleviate some of the burden.
-  It's important to **lean on your trusted team** for the support you need in managing your wellbeing and business - whānau, friends, colleagues and professional advisers, including your accountant. Your business circumstances are unique, but there are experts around you with experience and skills to manage most situations. Your local BDO team are always on hand to help with professional business advice and accounting solutions to help you stay on top of your business finances. You'll find details of useful contacts for wellbeing support at the end of this report and at bdo.nz/wellbeing.



SECTOR SPECIFIC TIPS

You can also view **sector-specific video insights and reports** for businesses operating in agriculture, construction, healthcare, Māori business, retail and tourism. For more, view our report online and click on the relevant sector tab. bdo.nz/wellbeing

BDO WELLBEING IN BUSINESS INDEX

WELLBEING IN OUR BUSINESS COMMUNITY



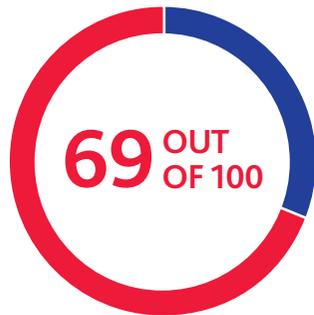
A RESILIENT BUSINESS COMMUNITY

THE NEW ZEALAND BUSINESS COMMUNITY AVERAGED 69 ON THE WHO-5 WELLBEING INDEX IN OUR INAUGURAL MEASURE

The World Health Organisation's 'WHO-5 Index' prompts respondents to score how they have been feeling during the past two weeks in relation to five key statements, as shown in Figure 1 below.

Our business community averaged 69 on the WHO-5 wellbeing index*, indicating that at the time of surveying, they were feeling positive about their wellbeing most of the time. In addition, 60% of respondents said they felt cheerful and in good spirits all or most of the time.

FIGURE 1:
WHO-5 WELLBEING INDEX



We added two supplementary questions to this section (which did not have input to the WHO-5 Index calculation). Recognising that loneliness in business is becoming an increasing problem both across the globe and here in Aotearoa, we asked respondents to score how often, in the last two weeks, they have felt a strong sense of social connection. We also asked how often respondents have felt that they are generally satisfied with their life. Business leaders responded consistently to both these questions, with the majority of respondents rating that they felt this way most of the time:



49%

HAVE FELT A STRONG SENSE OF **SOCIAL CONNECTION** ALL OR HALF THE TIME IN THE LAST TWO WEEKS



63%

FELT **GENERALLY SATISFIED WITH LIFE**, ALL OR MOST OF THE TIME (IN THE LAST TWO WEEKS).

This indicates that, despite the troubles of the last two years, there is potentially a degree of resilience among New Zealand business leaders and owners. That said, we know that the WHO-5 scores is a snapshot of wellbeing at a point in time. As we track this measure, we will get a strong idea of how this is evolving, and what factors are causing either more positive or more negative wellbeing scores.

FIGURE 2: WHO-5 WELLBEING INDEX BY INDUSTRY



FOR MORE ON THE WHO-5 SURVEY METHODOLOGY, REFER TO PAGE 2

We saw significant industry variations across the WHO-5 Index. Retail scored the lowest WHO-5 score of 56, while the second lowest was healthcare (60), and third was tourism (63). Construction scored the highest (82), followed by agriculture (80).

These differences are a likely a factor of expected variability in wellbeing scores over time, as well as market conditions for each sector. At the time of surveying, construction was experiencing a boom with significant pipeline work, while agriculture was experiencing strong dairy prices and favourable weather in most regions. Meanwhile retail, healthcare and tourism have continued to face significant disruption from COVID-19. It will be key to track these trends moving forward.

YOU CAN VIEW MORE INDUSTRY-SPECIFIC INFORMATION, VIDEOS AND BUSINESS TIPS IN OUR SECTOR WELLBEING REPORTS AT [BDO.NZ/WELLBEING](https://www.bdo.co.nz/wellbeing).

HOW HAS COVID-19 IMPACTED WELLBEING?

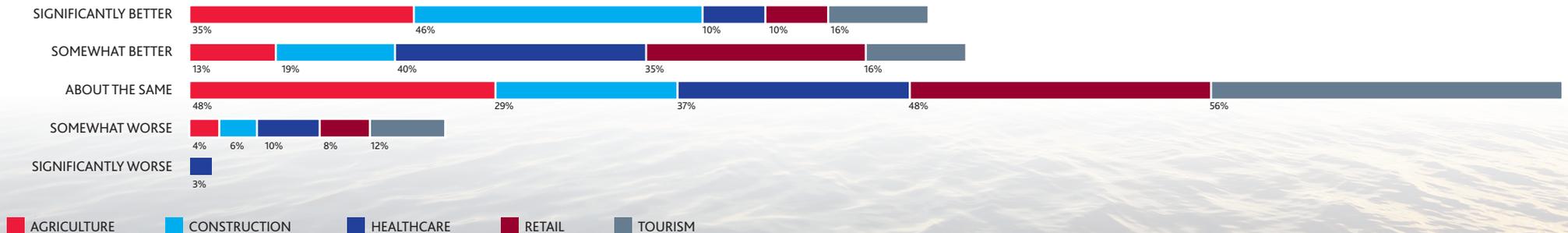
We also wanted to understand how COVID-19 has impacted wellbeing, and it was good to see that 61% of business owners are now feeling better than they did at peak COVID-19 disruption, with one-third saying they are feeling about the same.

FIGURE 3: CURRENT WELLBEING COMPARED WITH PEAK COVID-19 BUSINESS DISRUPTION



Again, there was significant variation with this metric across industries. Only 16% of tourism businesses said they were feeling significantly better than when COVID-19 was at its peak, compared to 56% who said they felt about the same. In retail and healthcare, only 10% said they were feeling significantly better. In construction, this figure was 46%.

FIGURE 4: CURRENT WELLBEING COMPARED WITH PEAK COVID-19 BUSINESS DISRUPTION – BY INDUSTRY



OVERCOMING POLITICAL AND ECONOMIC UNCERTAINTY

"It's great to see the majority of business leaders are feeling better than they did at their peak business disruption from COVID-19.

We're now seeing that interest rate hikes, inflation, political and economic uncertainty and supply chain issues are all having an impact on traditional business models, and the financial support that many businesses received through COVID-19 is now gone. This could well account for the remaining third of business leaders who are still feeling about the same or worse than at peak COVID-19 disruption.

These issues are already beginning to bite in the construction industry, and we do expect these issues to have a greater impact in the near future across other sectors. The businesses that perform the strongest will factor all of this into their business forecasting and stress testing."



MICHELLE HILL
BDO ADVISORY PARTNER

DRIVERS OF MENTAL WELLBEING IN BUSINESS

44% - NEARLY HALF OF BUSINESS LEADERS HAVE BEEN FEELING LESS MENTALLY HEALTHY THAN NORMAL AT SOME TIME IN THE LAST SIX MONTHS

When asked if anything has been causing business leaders to feel less mentally healthy than normal in the last six months, nearly half (44%) said "yes". Despite the higher than expected overall WHO-5 score, this reinforces that wellbeing among our business sector is in a constant state of flux, and there have been times over the past six months when business leaders' wellbeing has not been as high as they would like.

We wanted to find out what has been driving this, so asked respondents to rate the aspects of their life that has been causing them to feel less mentally healthy, both personally and in business.

UNDERSTANDING FINANCES TO HELP NAVIGATE UNCERTAINTY

"My clients who fared best through COVID-19 were the ones that were the most financially prepared before they went into the pandemic. Having a solid business plan, detailed financial projections, understanding where your cash is coming from, what your monthly expenditure is, what your working capital cycle is – all these things enable businesses to navigate much more easily when unexpected events happen. Owners with strong financial processes will also likely have a much stronger relationship with their lenders, meaning businesses can much more easily access additional resources when needed.

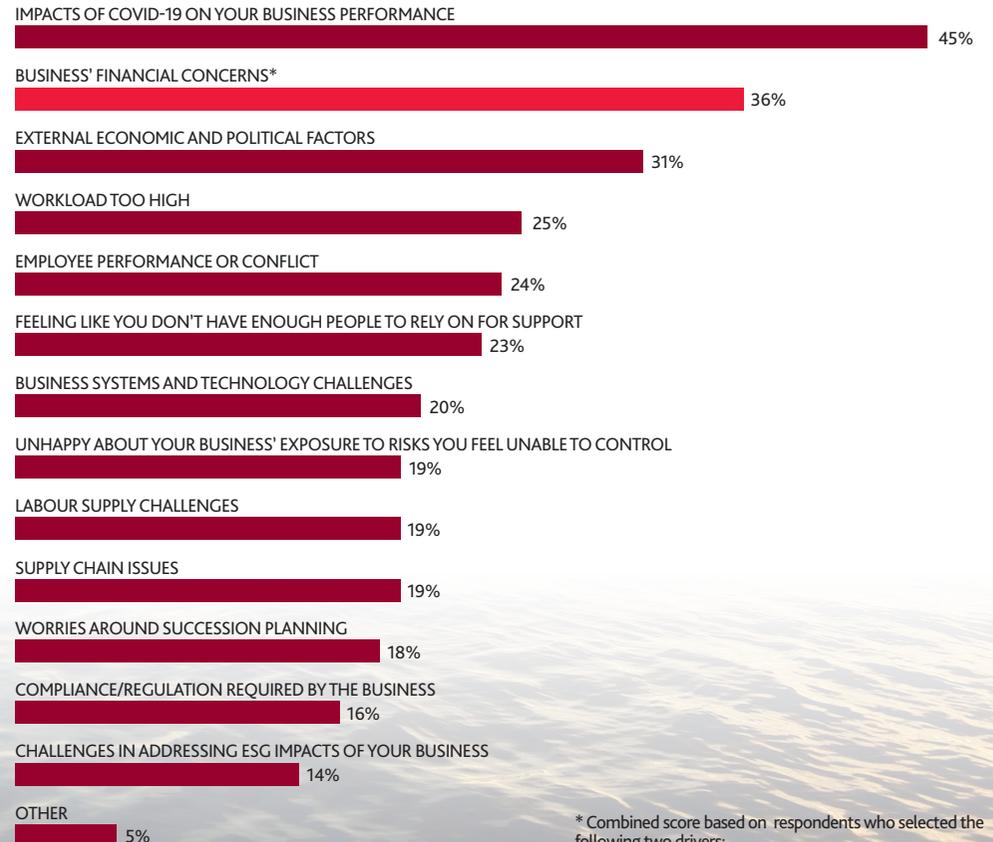
This really shows the value of stress testing. Yes COVID-19 was hard to predict, but all businesses should be planning for some form of disruption - creating strong forecasting and reporting mechanisms will enable you to stress test against various scenarios. Think about what business conditions may be like in 3 - 5 years' time, taking into account where technology is headed, what's happening with the environment, and where industry and consumer trends are going. Then work out what your business needs to do to thrive in this new environment."



GINA COOK
BDO ADVISORY PARTNER, HEALTHCARE SECTOR LEADER

UNCERTAINTY AND BUSINESS FINANCES CONTINUING TO CAUSE MENTAL HEALTH CHALLENGES FOR BUSINESSES

FIGURE 5: DRIVERS OF LOWER-THAN-NORMAL MENTAL HEALTH IN YOUR BUSINESS LIFE (LAST 6 MONTHS)



* Combined score based on respondents who selected the following two drivers:
Business' financial performance challenges 23%
Cash flow problems 18%

Of those who responded that they had been feeling less mentally healthy than normal, just over one-third (36%) said that financial concerns in their business were causing this. Of this group, 18% specifically called out cash flow problems as the key area of concern.

Unsurprisingly, COVID-19 continues to impact mental wellbeing, with 45% saying that this was a driver. Next after financial pressures was external economic and political factors (31%), followed by excessive workload (25%).

We can clearly see that exposure to risks and events outside of business leaders' control are having a significant effect on the wellbeing of respondents.

FIGURE 6: DRIVERS OF LOWER-THAN-NORMAL MENTAL HEALTH IN YOUR PERSONAL LIFE (LAST 6 MONTHS)



In their personal lives, around half of respondents were having problems with all three questions that we asked, with personal financial problems being the most common response.

ADAPTING TO EVER-EVOLVING EMPLOYEE EXPECTATIONS

"At the moment, the ability to attract and retain labour is causing a significant degree of stress for business leaders. The world is changing quickly – employees are much more concerned about environmental and social considerations in the businesses they work for, while flexible working has become the new normal. Particularly for some more mature businesses, they perhaps haven't yet quite understood how they can change along with this.

I know some clients are beginning to feel like they're making more mistakes trying to change than keeping things in the status quo. When this is happening, I like to sit down with clients and really help them understand what it is they're trying to achieve.

Normally, with business leaders, they try to immediately resolve a problem, quickly developing a solution and then moving on. This approach comes naturally to business people who are problem solvers at heart. However, in most cases, finding a quick solution isn't necessarily always going to be the best solution, particularly when it comes to employee differences. Business owners really need to stop, listen to their staff and work on hearing both sides of the coin – there will always be two sides to every story - and rather than jumping at something, it's about taking the time to stop and listen without judgement."



DOUG HAINES
BDO ADVISORY PARTNER, DEPUTY CHAIR BDO NEW ZEALAND

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CURRENT BUSINESS PERFORMANCE IN AOTEAROA

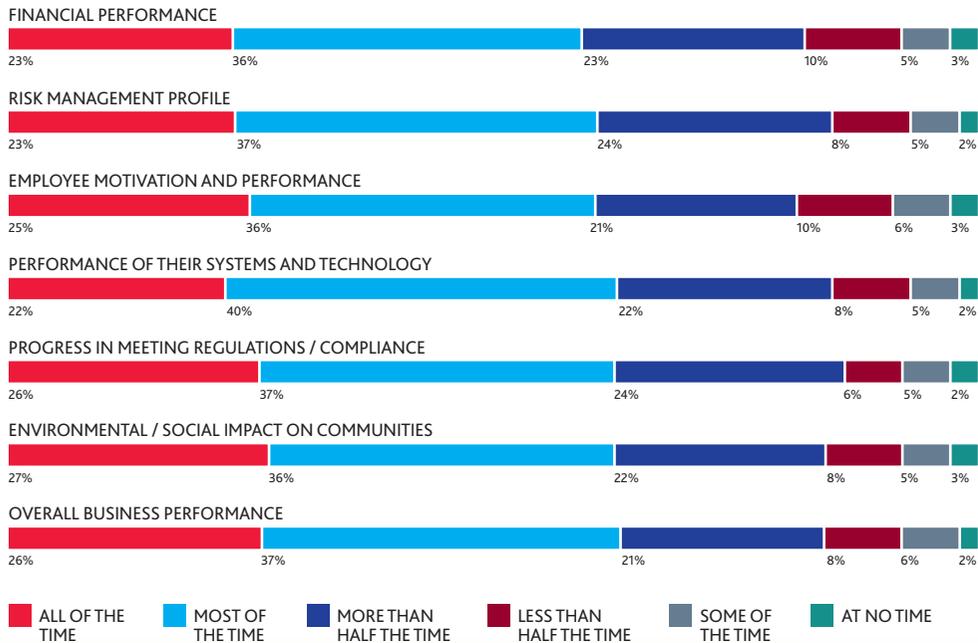


POSITIVITY ABOUT CURRENT BUSINESS PERFORMANCE

In order to get a gauge on current business performance, we asked respondents to rate how they had felt over the past two weeks against a range of measures.

FIGURE 7: BUSINESS PERFORMANCE SENTIMENT (LAST 2 WEEKS)

PERCENTAGE OF RESPONDENTS WHO HAVE FELT POSITIVE ABOUT THEIR:



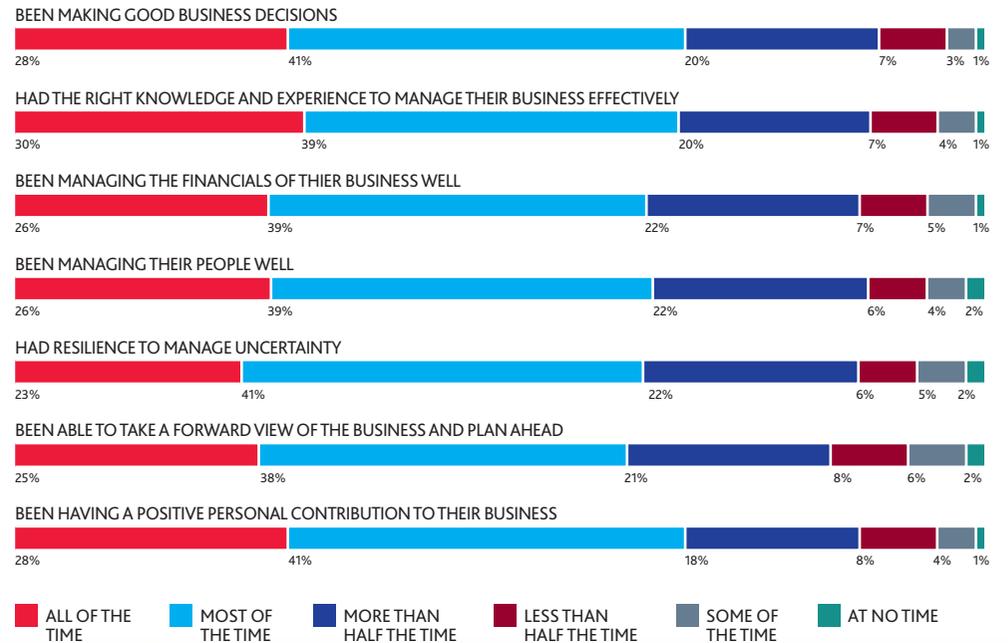
Again, the survey indicated a degree of resilience among New Zealand businesses, even in market conditions which have been challenging for many in recent times. Just under two thirds (63%) of business leaders said that they had felt positive about their business performance most or all of the time.

59% said that they have felt positive about their financial performance most or all of the time. Meanwhile, 60% said the same about their risk management profile. It will be interesting to see how this measure fluctuates over time in the face of continued local and international economic uncertainty.

MAKING A POSITIVE PERSONAL CONTRIBUTION TO BUSINESS PERFORMANCE

FIGURE 8: PERSONAL CONTRIBUTION TO BUSINESS PERFORMANCE (LAST 2 WEEKS)

PERCENTAGE OF RESPONDENTS WHO HAVE FELT THEY HAVE:



We wanted to get an understanding not just of wellbeing among our business community, but also how that might currently be impacting business performance. To support this, business leaders were asked to rate their personal contribution to business performance in the last two weeks. In response, over two-thirds of respondents (69%) said that generally, they felt that they are having a positive personal contribution on their business.

ESTABLISHING YOUR BUSINESS' CRITICAL SUCCESS FACTORS

"The business leaders I work with who tend to perform the strongest are the ones who understand their finances and also what their critical success factors are. Put simply, you don't know what you don't know, and a lot of business owners are so wrapped up in keeping their operations going that they don't necessarily get a chance to think strategically about what success means to them.

Once they have a solid understanding of their finances, they can more easily take a step back and think about what they want to achieve and how they can achieve it. Setting some KPIs around achieving those critical success factors, and monitoring and reporting against them every two to three months has helped a lot of my clients to stay focussed.

That monitoring piece is so important. Most aspects you monitor you can typically improve. Regular reviews of key aspects of your business should be tailored to your industry to really make the most of this stronger business understanding."



MICHELLE HILL
BDO ADVISORY PARTNER



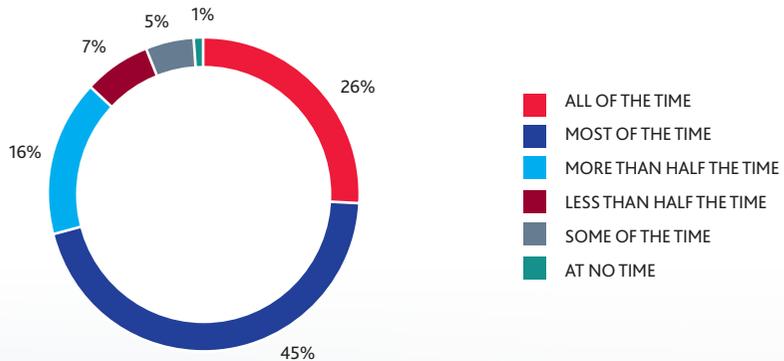
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LOOKING AHEAD – FUTURE BUSINESS PERFORMANCE AND WELLBEING



BUSINESS PERFORMANCE FACING A BRIGHTER SIX MONTHS

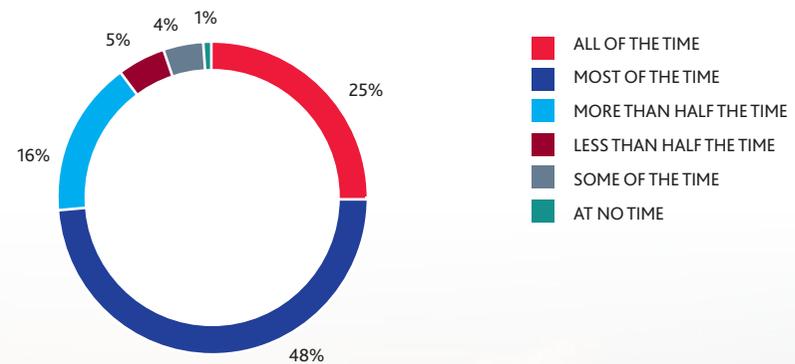
FIGURE 9: FUTURE BUSINESS PERFORMANCE SENTIMENT (SIX MONTHS' TIME)



Encouragingly, casting their mind six months ahead, 71% of business leaders said that they expect to feel positive about their business performance all or most of the time. This represents a significant increase on current business performance sentiment (63%) - potentially reflecting an expectation among business leaders that COVID-19 disruption will lessen during the second half of 2022.

OPTIMISM REGARDING FUTURE WELLBEING

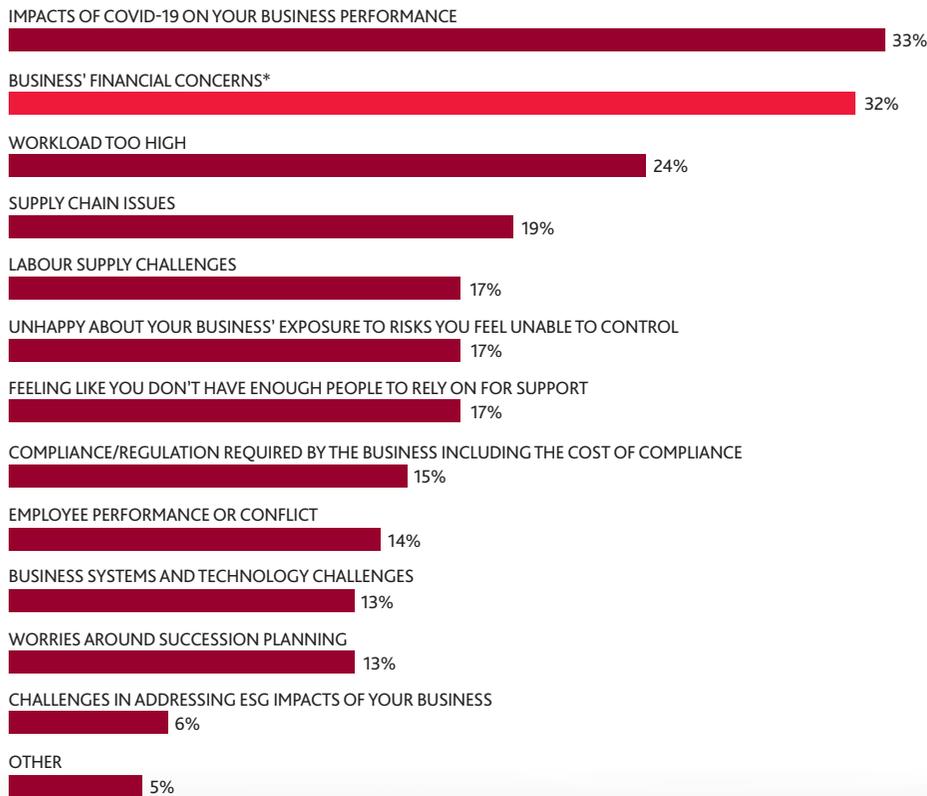
FIGURE 10: FUTURE WELLBEING IN BUSINESS LIFE SENTIMENT (SIX MONTHS' TIME)



When business leaders were asked how generally satisfied they expect to be with their life in six months' time, again, they scored highly. 73% of business leaders expect to feel generally satisfied with life most or all of the time. This compares with 63% in the current context.



FIGURE 11: FUTURE MAIN DRIVERS OF WELLBEING IN BUSINESS LIFE (SIX MONTHS' TIME)



* Combined score based on respondents who selected the following two drivers:
 Cash flow problems 22%
 Business' financial performance challenges 16%

In general, business leaders expect the key challenges to wellbeing in their business life to remain the same in the short term. COVID-19 (33%), excessive workload (24%) and cash flow problems (22%) are expected to remain key influencers of wellbeing in business life, as shown in Figure 11.

However, the survey highlights changing expectations regarding the degree to which these drivers will influence future wellbeing. 22% expect cash flow challenges to negatively impact their wellbeing in six months' time (vs 18% currently). Uncertain economic conditions and inflation are likely causing this sentiment. Encouragingly, only one-third expect the impacts of COVID-19 to be a main driver of negative wellbeing, a reduction of 12% from current drivers.

In their personal lives, business leaders expect personal financial problems to be the main trigger of any potential negative wellbeing in six months' time.

YOU DON'T HAVE TO GO IT ALONE

"It's typical of the Kiwi 'number 8 wire' mentality that many businesses will try to save money by doing things themselves. Particularly with SMEs, many owners will be simultaneously their own bookkeeper, HR and IT person. This ends up amounting to a significant opportunity cost because they're so wrapped up in these functions that they don't have time to think strategically about how they could go out and generate more income or achieve their other business goals. Outsourcing need not be expensive, and if you're forecasting properly you can factor this into future projections to enable you to work out how much you can spend on any outside help.

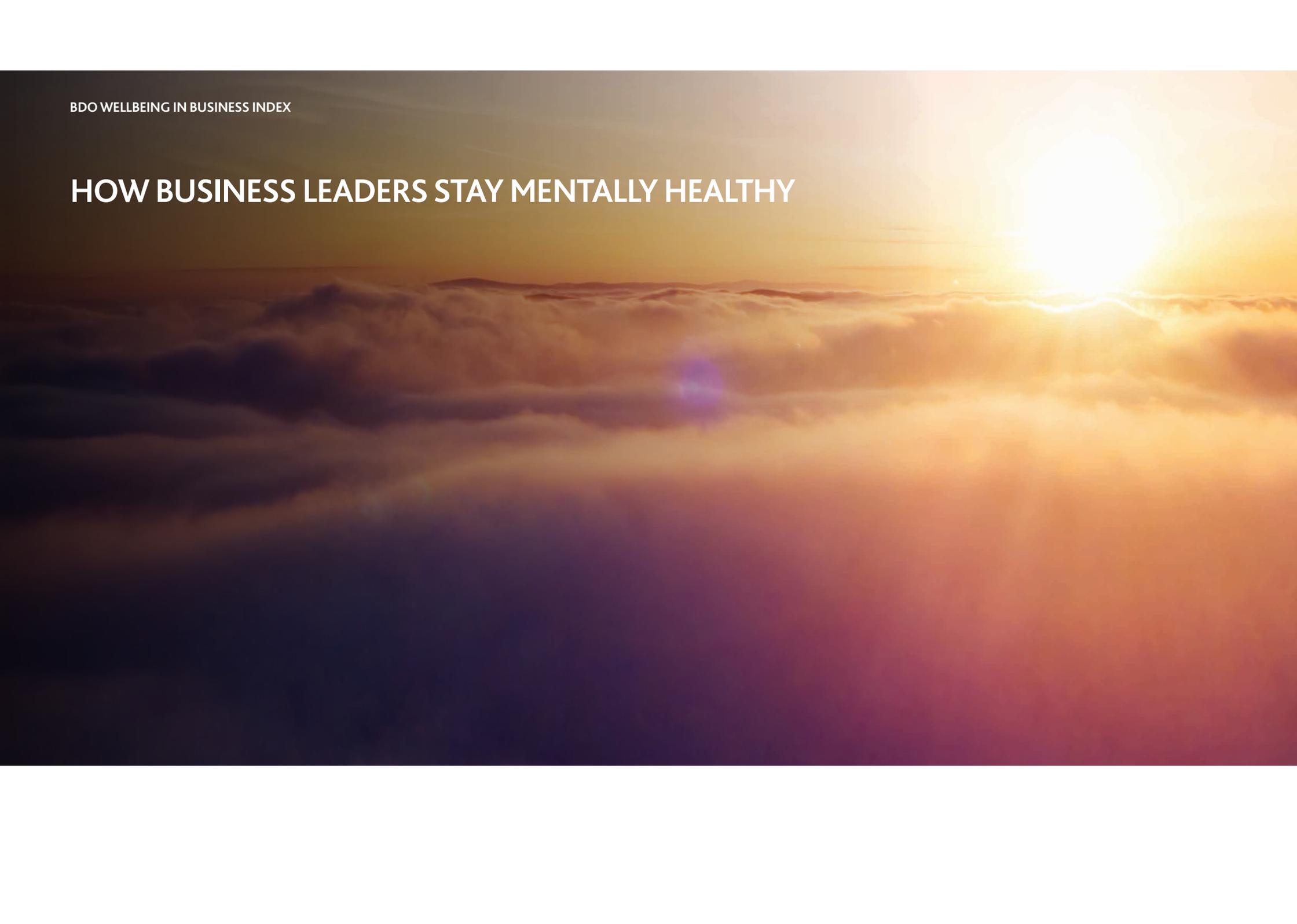
Likewise, technology can be really useful and again, particularly with scalable software-as-a-service, really doesn't have to be expensive. Not only will it remove manual processing, which should create more frequent and accurate reports, it will also create a lot of efficiency by streamlining processes - again, helping you to find more time to work on the things that matter, and working on your business instead of in it. Then we work out what your business needs to do to thrive in this new environment."



GINA COOK
 BDO ADVISORY PARTNER, HEALTHCARE SECTOR LEADER

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HOW BUSINESS LEADERS STAY MENTALLY HEALTHY

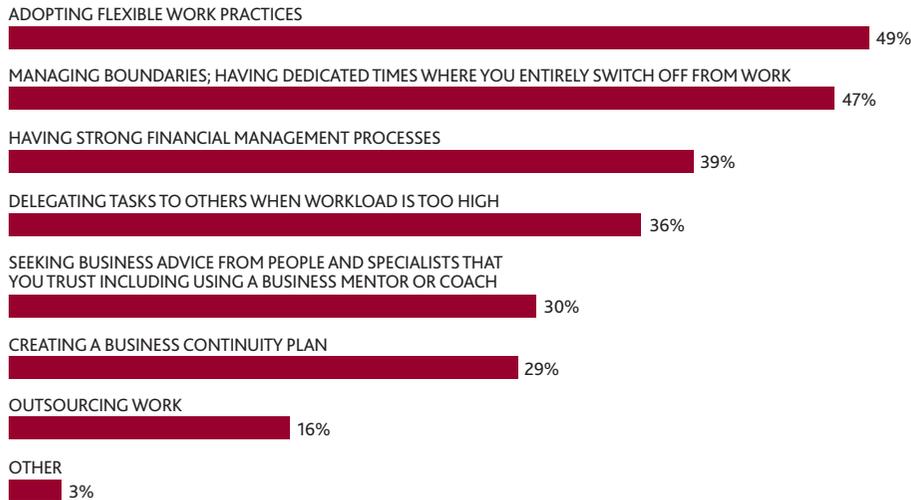


TIPS FOR WELLBEING AND RESILIENCE

Through the BDO Wellbeing in Business Index our aim is to share insights to support New Zealand's business community with their wellbeing and business goals. Given this, we asked business leaders what they currently do to stay mentally healthy.

FLEXIBLE WORK, MANAGING BOUNDARIES AND STRONG FINANCIAL MANAGEMENT IS KEY

FIGURE 12: WAYS RESPONDENTS STAY MENTALLY HEALTHY IN THEIR BUSINESS LIFE



Flexible working was the highest-ranked means of staying mentally healthy in business life.

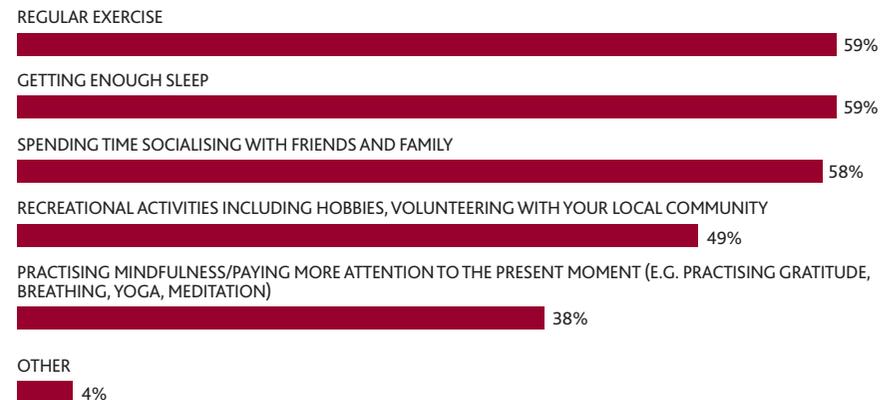
Linked to this is the need to manage boundaries which ranked second. Perhaps conversely, this can sometimes be harder when people are working flexibly, as the boundaries between home and work blur. It's encouraging to see business owners are actively managing these boundaries – increasing their potential to enjoy the full mental health benefits of flexible working.

We have seen throughout the survey that finances, both business and personal, are key drivers of wellbeing. It's therefore not surprising to see that strong financial management processes ranked as the third most important way for business owners to stay mentally healthy. This includes creating a cash flow management plan, reviewing accounts regularly, and closely following a business plan and strategy.

Ranking fourth was delegating tasks when workload is too high - and again, we have seen throughout the survey that workload is a problem for business leaders.

Seeking business advice from trusted people and specialists ranked fifth. This includes using a business mentor or coach.

FIGURE 13: WAYS RESPONDENTS STAY MENTALLY HEALTHY IN THEIR PERSONAL LIFE



In their personal life, business leaders ranked regular exercise and getting enough sleep joint first, while spending time socialising with friends and family was ranked third. As we know, loneliness is becoming a global problem, and business leaders, who are often so busy that they find it difficult to find time to spend with others, clearly know this and actively try to manage it.

FINDING PEOPLE YOU CAN RELY ON

"It can be easy to feel a sense of loneliness and isolation at the top - you're up there on your own making all those important business decisions. My role as an adviser is often less about reviewing accounts and financial statements, and instead has become more of a coaching role - checking in, asking how clients are doing, and seeing where their pain points are. Often, business owners just want to have a chat, and talking to someone is invaluable in helping them take their business forward.

It's really important therefore to look at who is your number two in the business - who are your new up and comers who you want to help rise up through the ranks? This will help you identify who you can most rely on. Having strong succession planning in place is becoming even more essential given the huge scarcity of labour we're seeing now. Developing a clear exit plan long term also goes hand in hand with this."



DOUG HAINES,
BDO ADVISORY PARTNER, DEPUTY CHAIR BDO NEW ZEALAND

PLANNING AND STRESS TESTING TO HELP YOU FEEL IN CONTROL

"The business owners we work with tend to get the most stressed when they feel a lack of control. This is the case for everyone, but particularly business leaders and owners - whose personal financial situation can sometimes be at the mercy of events outside of their control. COVID-19 and the current supply chain and inflation crises are good examples of this. However, what is in their control is how they plan around these events.

Having a robust plan and strategy in place that arises from comprehensive stress testing and risk analysis will help business leaders much more easily deal with stressful situations when they arise, and enable them to focus on the things they can control rather than what they can't."



GINA COOK,
BDO ADVISORY PARTNER

FINAL THOUGHTS AND FURTHER SUPPORT

We hope you have found the survey useful – business owners do amazing mahi and yet have it extremely tough at times. At BDO, we are proud to have developed a resource that we hope can provide extra support for business owners as you navigate through both the incredibly rewarding and challenging task of running a business.



Scan the QR Code or visit bdo.nz/wellbeing for video insights, sector reports and more on the BDO Wellbeing in Business Index.

It's important to lean on your trusted team for the support you need in managing your wellbeing and business - whānau, friends, colleagues and professional advisers, including your accountant. Your local BDO team are always on hand with professional business advice and accounting solutions to help you stay on top of your business finances.

WELLBEING SUPPORT

For wellbeing support, please don't hesitate to reach out to your trusted contacts or one of the sources below.



XERO ASSISTANCE PROGRAMME (XAP)

BDO is proud to be the first Xero Global Partner. Xero provide Xero small businesses, their employees, and their families access to the Xero Assistance Programme (XAP). XAP offers free, confidential access to face-to-face, telephone, live chat, and online counselling. [Find out more here.](#)



1737

1737 is a free Government-run advice line for anyone who is feeling stressed or just needs someone to talk to. You can ring them for free or text on 1737. [Find out more here](#)



FIRST STEPS

Find targeted resources for business owners, leaders, and entrepreneurs, at [First Steps here.](#)



MENTAL HEALTH FOUNDATION OF NEW ZEALAND

For further support, for yourself or others, visit the [Mental Health Foundation of New Zealand website.](#)

