

myob

# MYOB SME Mental Health Report

June 2022





## Time to talk about mental health

**It's no secret that running your own business can be hard. The long hours, intense workload, taking responsibility for your own livelihood and those of your employees, while being the driving force, decision maker, chief strategist and leading worker can all take their toll.**

By their nature, Aussies and Kiwis are resilient and resourceful. But the independent spirit we are so proud of doesn't make us impervious to the mental cost of stress and worry that comes from running a business.

The experience of the COVID-19 pandemic, and its broad range of implications for businesses on both sides of the Tasman, has brought this home. Small and medium enterprise (SME) owners and operators are doing it tough – not just from a business perspective, but also in terms of their wellbeing.

Operating for years on end in unknown territory – especially when business operators rely so much on certainty to plan and make the myriad decisions they are faced with every day – has made this period especially challenging.

In the last year, more than half of Australian SME operators reported that running their business had a direct impact on their mental health. In New Zealand, around a third of local business operators say they have experienced some form of mental health condition since starting or taking over their business.

High levels of stress and anxiety are being felt across both countries as ongoing worries about the impact of the pandemic, combined with financial pressure and a lack of sleep, are negatively affecting the wellbeing of SME operators. Continued economic uncertainty and rising

cost of living are also likely to exacerbate stresses and pressures, increasing the strain on mental health and wellbeing.

Our research has highlighted that many business operators have developed some strategies to manage their mental wellbeing. Getting exercise, socialising, even catching up on sleep, can do a world of good. But talking more about mental health is something that could make a fundamental difference for business owners.

We continue to highlight this issue because it is one many people still experience in silence. Talking about mental health is the first step – and one of the key ways business owners and their staff can share any stresses and concerns they are facing. As our partners at Smiling Mind state, being proactive about managing our mental wellbeing can help turn things around before they become overwhelming.

By sharing this information, and encouraging more conversations around mental health, we hope to support business owners and operators across Australia and New Zealand to face the inevitable challenges that come their way.



**Helen Lea**  
MYOB Chief Employee Experience Officer

## Australia

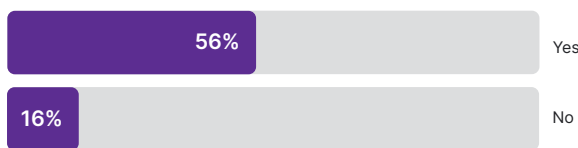
The experience of the pandemic and the ongoing stresses of running a business, have raised awareness around mental health for Australian business owners and operators. In 2022, mental health topped the leading concerns of local SME owners and operators, with 31% ranking it as their highest immediate concern – up on 26% in both 2021 and 2020.



### Experience of mental health conditions

More than half (56%) of the business operators surveyed in Australia said that running their business had a direct impact on any feelings of anxiety or depression they had experienced. Likely reflecting the easing of pressure from the height of the pandemic, this number is down from nearly two thirds (62%) of the business owners we surveyed in both 2020 and 2021.

**Running my business has had a direct impact on any feelings of anxiety or depression I've experienced**



Younger business owners were more likely to report running their business has had an impact on their experience of mental health conditions (Gen Y 66%).

Owners of SMEs in the sectors which have been particularly hard hit by COVID-19 disruptions were also more likely to report a direct impact on their mental health. This is particularly evident among business owners in the retail and hospitality sector (72%) and the manufacturing and wholesale industries (71%).

### Stress on the rise

Over the last 12 months, Australian SME operators have reported higher levels of stress, especially when compared to the start of the pandemic. The experience of anxiety, however, has declined over the same period.

**Which mental health condition(s) have you experienced in the last 12 months?**

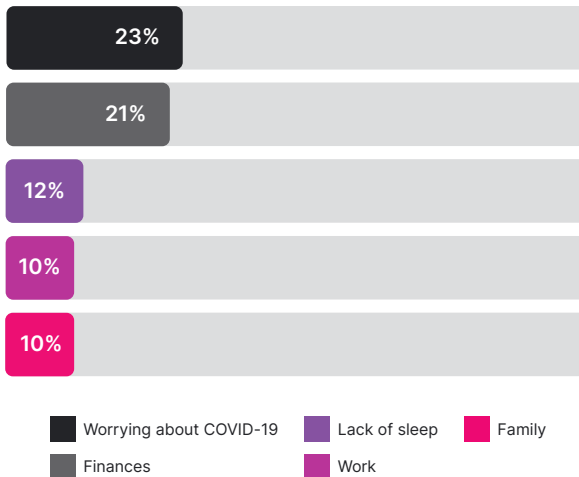
	2020	2021	2022
Stress	45%	52%	53%
Anxiety	50%	45%	44%
Depression	20%	26%	20%



## What's impacting wellbeing?

For business operators in Australia, 2022 is the first year that worrying about COVID-19 has outstripped financial concerns for local business owners as the factor most negatively impacting their wellbeing, highlighting the lingering effects of the pandemic. Other impacts on wellbeing include financial worries, lack of sleep and workload.

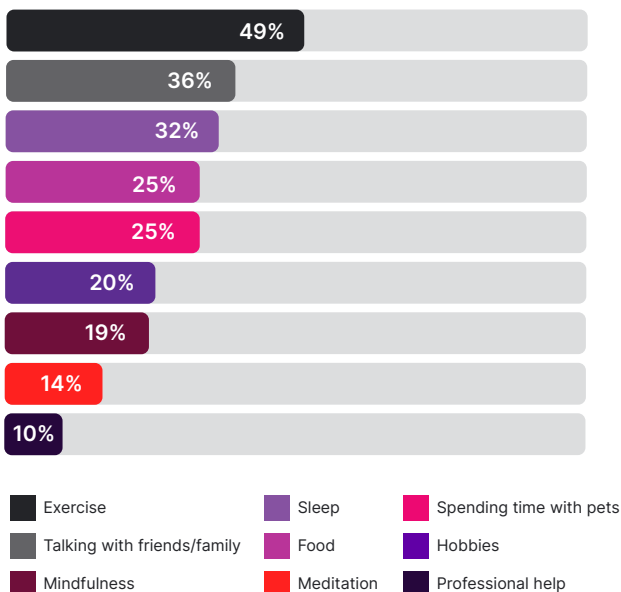
### Wellbeing factor that has been the biggest challenge (last 12 months)



## Managing mental wellbeing

To help improve their mental wellbeing, SME operators focus on getting exercise, spending time socialising with friends and family and catching up on sleep. Just 10%, however, seek professional help to manage their mental health.

### What SMEs do to help manage their mental wellbeing





## Taking responsibility for mental health

More than half (55%) of the SME operators we surveyed said they feel responsible for the mental health and wellbeing of their employees.

Over half (53%) of our survey respondents also said they'd be open to introducing mental health and wellbeing initiatives for their employees. Gen Y business operators in particular are most open to initiating mental health and wellbeing initiatives in the workplace for their team members (67%).

However, 30% overall said they find it difficult to initiate a conversation about mental health and wellbeing with their employees.

Over the last two years, Australian SMEs have introduced a range of initiatives designed to support their employees' wellbeing.

### What do you currently offer your staff in terms of workplace wellness?

	2021	2022
Vaccination leave	n/a	22%
Additional leave entitlements (e.g. finish early in summer, birthdays off)	23%	20%
Provided meals or snacks	24%	19%
Mental health support (e.g. EAP)	12%	8%
Training budget	6%	6%
Volunteer days	7%	5%
Health benefits (e.g. gym membership, yoga etc)	5%	4%
Study reimbursements	6%	4%
Free or discounted insurance	2%	3%
Other (please specify)	1%	2%
None of the above	32%	34%

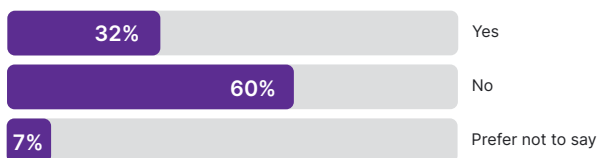
## New Zealand

SME owners and operators in New Zealand see mental health as a significant issue for the whole country. In MYOB's pre-Budget survey, almost two-thirds (62%) of SME operators thought the Government should be spending more on mental health.

### Experience of mental health conditions

Over the course of running their business, around a third of SME owners and operators in New Zealand said they have experienced a mental health condition. Following an increase in 2021, when 36% of SME operators reported experiencing conditions, slightly fewer business operators reported an impact on their mental health (32%) in 2022.

### Since starting or taking over running your business, have you ever experienced any mental health conditions such as depression, anxiety, etc?



Working in the retail and hospitality sector has a measurably higher impact on the mental health of SME operators. The sector, which is characterised by long hours under high pressure, has also been one of the most affected by COVID-19 disruptions. In New Zealand, 43% of SME operators in the retail and hospitality sector said they have experienced a mental health condition since starting or taking over their business.

### Stress and anxiety on the rise

Running a business is well-recognised as causing stress, but 2022 has seen a spike in levels of stress and anxiety experienced by SME operators in New Zealand. By age of business, those experiencing the most stress include business operators who have been running their SME for between two and five years (88%) and those which are more established (10 years plus: 87%), compared to start-ups (under 2 years: 78%) and maturing businesses (5-10 years: 84%).

#### Which mental health condition(s) have you been affected by since starting or taking over running this business? (Of those business owners who have struggled with mental health)

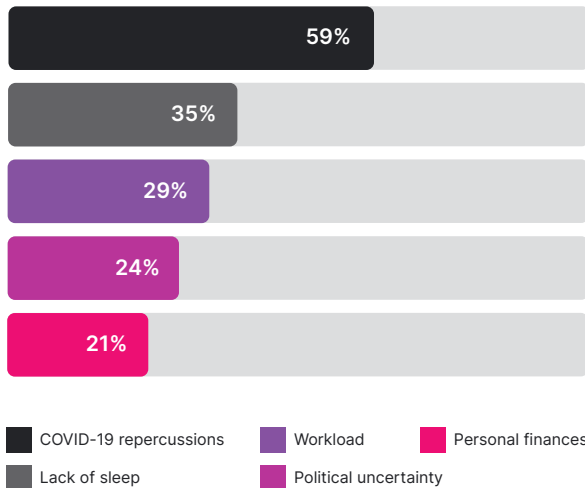
	2021	2022
Stress	76%	85%
Anxiety	64%	71%
Depression	43%	39%



## What's impacting wellbeing?

For business operators in New Zealand, the repercussions of COVID-19 continue to have an impact on their overall wellbeing. This has been compounded by a lack of sleep, a high workload and political uncertainty.

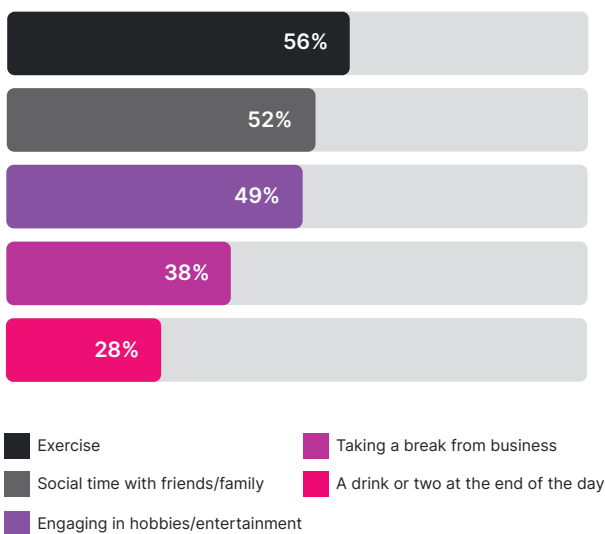
### Biggest factor negatively impacting wellbeing (last 12 months)



## Managing mental wellbeing

Exercise and socialising with family and friends are key strategies employed by SME operators in New Zealand to cope with the pressures of running a business. The proportion of business owners and operators seeking support from a qualified coach or councillor is even lower in New Zealand than Australia, with just 7% enlisting professional help to manage mental wellbeing.

### What SMEs do to help manage their mental wellbeing

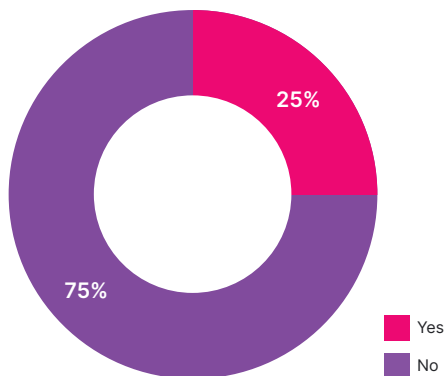


## Talking about mental health

Talking about mental health can be a major challenge, with only a quarter of SME operators talking to their employees or colleagues about mental health in the last year.

Having these conversations can be particularly difficult for older generations, with 80% of baby boomers and 89% of traditionalists in New Zealand saying they hadn't discussed mental wellbeing with their team compared to 60% of SME operators aged 25 - 39.

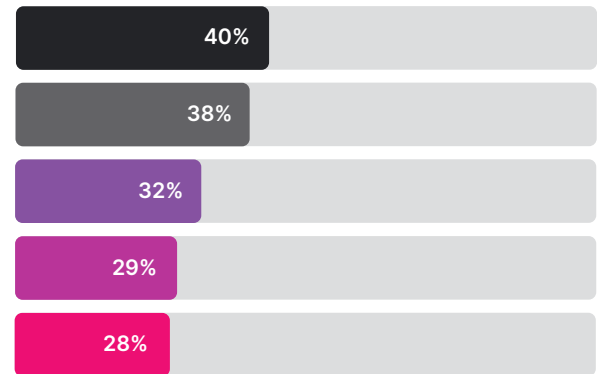
Have you discussed mental wellbeing and support with your employees/colleagues over the last 12 months?



## Wellbeing practices

While just 11% of local business operators report implementing new wellbeing practices or support for employees over the last 12 months, those that have introduced workplace wellness initiatives are focusing on increased flexibility, time off and mental health support.

What new mental wellbeing practices or support for employees has your business implemented over the last 12 months?



- Regular check-ins to help manage workload
- Introduced flexible hours to provide better work/life balance
- Mental health day(s) off
- Education around mental well-being practices
- Having a dedicated person within the business who employees can come to for advice/help

Of those business operators who hadn't implemented any new wellbeing practices for their employees, 15% said it was because their staff didn't need them, 14% said they already offer sufficient practices or support and 13% had never thought about implementing mental wellbeing support for staff. Just 5% were concerned about the cost involved for their business.





# Support

Dr Addie Wootten, clinical psychologist and CEO of Smiling Mind said the impact of the past few years on the mental health of SME owners and operators cannot be underestimated and unfortunately the complexity and uncertainty isn't going away for many businesses.

One silver lining of the pandemic has been the increased awareness of the importance of proactively looking after our health, and our mental health and the growing openness to talk about mental health. There is still a tendency to wait until problems emerge but more and more people are putting strategies in place to support their mental health everyday – just like we take care of our physical health. Tuning into what works for you and your mental health and making time to do these things on a regular basis will not only support how we feel but it also helps us perform at our best when running a business.

The Smiling Mind [Small Business Program](#), developed in partnership with MYOB, provides proactive, preventative wellbeing to support small businesses before they reach that moment of overwhelm. The Small Business Program is free to use with the [Smiling Mind app](#).



## Tips on stress prevention in the workplace



### 1. Talk to your colleagues

A lot of the time when things get busy, daily interactions slip to the wayside. Being able to air something that is causing you stress can help share the load. If you're a manager, you can acknowledge that a conversation about mental health and wellbeing might be uncomfortable. Make sure your team members know they don't need to share their own experiences, but that you care about their wellbeing and will be there to support them, or direct them to someone who can help, if needed.



### 2. Learn how to build your emotional awareness skills so you can take action

Many of us often feel overwhelmed by emotions that feel like they come out of the blue but learning how to build our emotion awareness skills can help us manage these emotions more proactively. Actively checking in on yourself regularly can help you understand where stress might be coming from, and catch it before it escalates.



### 3. Practice mindfulness

Mindfulness can reduce stress and increase productivity - try the free Smiling Mind app and take 10 minutes for your mind today. Available for all SMEs to download on the App Store or Google Play Store for free.

## Free resources

Helpline services are available in Australia and New Zealand that offer support, information and help.

### Australian national helplines

- [Lifeline](#) - 13 11 14
- [Beyond Blue](#) - 1300 22 4636
- [AheadforBusiness.org.au](#)

### New Zealand national helplines

Need to talk? Free call or text 1737 any time for support from a trained counsellor.

- [Lifeline](#) - 0800 543 354 (0800 LIFELINE) or free text 4357 (HELP)
- [Healthline](#) - 0800 611 116
- [Samaritans](#) - 0800 726 666

# Methodology

## The MYOB Business Monitor

### Australia

The MYOB Business Monitor researches business performance and attitudes regarding areas such as profitability, cash flow, pipeline work, technology usage and the government. This report presents the summary findings for key indicators from the MYOB Business Monitor comprising a national sample of 1,000 business owners, managers and directors (operators), conducted from March 22nd to April 21st, 2022.

The businesses participating in the online survey were both non-employing and employing businesses. All data has been weighted by industry type, location and number of employees, which are in line with the Australian Bureau of Statistics (ABS - Counts of Australian businesses, including entries & exits - 8165.0).

### New Zealand

Running since 2009, The MYOB Business Monitor is a national survey of 1,000+ New Zealand small and medium business owners, managers and directors, from sole traders to mid-sized companies, representing the major industry sectors. The Monitor researches business performance and attitudes in areas such as profitability, cash flow, pipeline, technology usage and the government.

The 2022 Business Monitor survey was conducted by independent market research firm Kantar, from February 3rd - March 7th 2022, and polled a national sample of 1,006 SMEs. All data has been weighted by industry type, location and number of employees, which are in line with Statistics New Zealand (New Zealand Business Demography Statistics: At February 2021: ISSN 1174-1988).