Where does wellness sit within the ESG movement?

I recently read an interview in the Financial Times with Harry Hyman of Primary Health Properties, who was asked the question 'what is your basic business philosophy?' His response was 'to run a business with recurring profits and a positive social impact.'

Temps de lecture : minute

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This is much of what the ESG movement is about; integrating a set of standards (transparency and accountability being two key ones) that ensure business is reducing any negative impact it might have on the environment or communities while positively working towards solving the world's meaningful problems.

What's missing in ESG?

I think there's a missing letter in ESG. We should be considering the placement of the letter 'H' at the beginning, to denote the word human. H-ESG; Humans driving Environmental, Social and Governance goals. Humans are at the heart of the ESG movement, specifically happy, healthy and resilient humans. If we are to solve the world's meaningful problems, for example transitioning to renewable energy sources and reversing climate change, then we need humans to do it. This means prioritising their wellness, so they have the energy and resilience to work on these problems.

Why this matters

There's a big focus on wellness at the moment, and for good reason. According to The Burnout Report 2024, published by Mental Health UK, 91% of the 2,060 adults surveyed in the UK reported experiencing high or extreme pressure and stress in the last 12 months. The statistics in the US are only slightly better; according to the 2024 Global Talent Trends report published by HR consulting firm Mercer (comprising 12,000 participants globally, including 9,500 employees, 84 investors, 845 C-Suite leaders, and 1,900 HR leaders), over eight out of 10 employees are at risk of burnout this year.

Burnout is a syndrome conceptualised as resulting from chronic workplace stress that has not been successfully managed. It is characterised by three dimensions:

- feelings of energy depletion or exhaustion;
- increased mental distance from one's job, or feelings of negativism or cynicism related to one's job; and
- reduced professional efficacy.

Burnout is caused by a number of different factors, including workload (perceived and actual), how connected you feel to your colleagues, your perception of how meaningful your work is, a feeling of equity and an unsustainable pace of work. There are twelve stages of burnout, as defined by psychologists Gail North and Herbert Freudenberger, ranging from working harder to demonstrate your worth to a full nervous system collapse at the opposite end of the scale.

Burnout can be prevented, at least to some considerable degree, by prioritising the wellness of your teams and creating a culture where wellness practices are considered normal. This might mean appointing a Chief Wellness Officer (as AT&T, EY and Aon have done), providing

wellness training to leaders and managers, creating a Wellness Manifesto or Handbook, or rolling out stress awareness courses to all employees.

After all, the health of your people is the health of your business.

Personal sustainability – the H in H-ESG

Think of the H as Personal Sustainability and the central idea is people are a renewable energy source. As a business leader what resources could you provide that allow your teams to stay energised? If your people don't have the headspace to contemplate these key issues, then won't be in solution-mode. Prioritising the wellness of your people isn't only the right thing to do, but it also contributes to the health or your business and the achievement of your ESG goals. Humans, or personal sustainability, and ESG are mutually beneficial and mutually inclusive.

What is Personal sustainability?

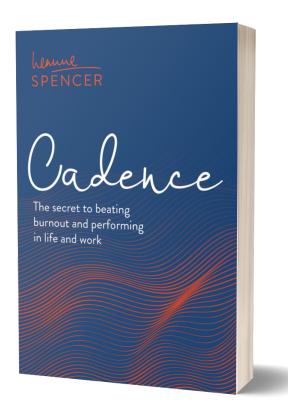
Personal Sustainability includes four key areas of focus for leaders and businesses to promote to their teams:

- Values: what are the values of wellness within your business? Do you
 celebrate successes, prioritise small opportunities for recovery during
 the day such as mini-breaks as well as encouraging your people to
 take periods of what author Alex Soojung-Kim Pang calls deliberate
 rest, such as taking holidays? Do you as a leader role model the
 desired behaviours that reinforce the idea of wellness being part of
 your culture?
- Identity: a positive sense of identity increases self-awareness, self-acceptance, and self-worth and helps you to feel included in a social group. By providing resources to your teams that help them shape a sense of identity (as it relates to wellness), you can promote positive habits. Promoting wellness as part of your ESG goals means your teams can see themselves as part of the solution.

- Community: we know from research into the <u>Blue Zones</u> that social connections can have a positive effect on our energy, vitality and longevity. Bonding with others, for example in what the Okinawans call a Moai, a small group of about five people that support each other, has positive effects on our sense of self-worth and purpose. Developing wellness strategies that focus on belonging and connection can significantly benefit the business as well as improve the wellness of the team.
- Resources: for a human to be resilience and purpose-driven, they require energy. Energy is a renewable resource. What tools or resources do you provide that support energetic human beings? We encourage people to create their own personal blueprint for good energy in the areas of strength, health, energy, mood and motivation. What one action will they prioritise in each category?

What we ask for, and expect from our leaders, is changing. Younger generations in particular have a different view of what leadership is, and are motivated by different factors that Gen X might have been. Wellness, or wellbeing as it's also termed, combined with empathetic leadership and a much greater focus on planet over profit, are often more important that more traditional benefits such as office space or a company car. Forward-thinking businesses will understand this, and ensure that wellness is part of their growth strategy as well as ESG goals. Personal sustainability will be key in meeting ESG targets. It takes sustainable people to create a sustainable planet.

<u>Leanne Spencer</u> is an award-winning global speaker on burnout prevention and wellbeing. She is also the author of <u>Cadence: The Secret</u> <u>to Beating Burnout and Performing in Life and Work.</u>



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