



HEALTHIER, LONGER,
BETTER LIVES

INSIGHTS FROM THE NEW ZEALAND ADVISER WELLBEING RESEARCH 2021

How do we create healthier, longer,
better lives for advisers?



FOREWORD

At AIA NZ we are committed to helping people live Healthier, Longer, Better Lives – and that includes New Zealand's financial advisers and their businesses. For your business to be able to deliver meaningful impact, it must be in good shape. For your business to be in good shape, you need to be in good shape.

In September 2021, we committed to sponsoring an independent adviser wellbeing research project to better understand the current health and wellbeing of the adviser market in New Zealand. We know there has been a lot of change in recent times, and we wanted to understand the key challenges experienced by financial advisers locally - particularly in light of operating in a global pandemic, increased regulation and changing client needs.

Having reviewed the research findings, we believe that our role is to work collectively as an industry to ensure our advisers have the tools and support to be mentally healthy and focus on their wellbeing. For us, it's about guiding and supporting each other to think differently about the health of ourselves and our businesses; to make a greater difference for our clients, our business, our own wellbeing, and our communities.

To give some context, AIA Australia also took a temperature check of the mental health and wellbeing of Australian advisers. The findings provide a clear warning of the risks Kiwi advisers face if we don't address issues and challenges here in New Zealand, which is why we want this report – and the research findings – to start a conversation. We want to encourage discussion and collaboration within the adviser market, the wider financial services industry, and with policymakers. Our goal as an industry needs to focus on supporting our advisers, improving their overall wellbeing, and creating a safe and supportive industry now – and for generations to come.

We invite you to join the discussion.



A handwritten signature in black ink, appearing to read "Sharron Botica".

Sharron Botica
Acting Chief Executive Officer
AIA NZ

RESEARCH METHODOLOGY

The project was undertaken by independent researchers led by Dr Adam Fraser, founder of The e-lab, and Dr John Molineux from Deakin University in Australia.

Specifically, the project wanted to find answers to the following questions:

1. How are financial advisers in New Zealand doing in terms of their mental health, wellbeing, stress levels, work-life balance, quality of life, and engagement in their work?
2. For the advisers that have good wellbeing, mental health, quality of life, and work-life balance, what are the behaviours and strategies they implement to thrive in these areas?
3. What are the attitudes, behaviours, and key focuses of advisers who are evolving and innovating their businesses to cope with all the change they are experiencing?

Participants included advisers, business owners, home loan advisers, investment advisers, risk advisers, sole trader advisers, and general advisers, aged 18 to over 60, who were either qualified, partly-qualified, or unqualified.

In Study 1, advisers were asked to complete a survey that measured a broad range of psychological and wellbeing constructs, as well as demographic and business/role measures. 592 (392 male and 196 female; 4 did not specify) completed the online survey. In addition to this, Dr Molineux also interviewed (Study 2), 22 advisers (9 female and 13 male), to get a deeper understanding of the results gained from the survey.

The researchers used comparative data from existing studies completed by Dr Fraser's e-lab (evolution lab) to evaluate the financial advisory industry in comparison to other industries, including the banking industry, human resources, partners in professional services firms, executive leaders, and school principals.



Dr Adam Fraser
Human Performance Researcher who studies the importance of wellbeing to thrive in our ever-challenging and evolving world.



Dr John Molineux
Senior Lecturer in the Department of Management at Deakin Business School and Course Director of the Master of Human Resource Management programme.

Data from this research was compared with a similar study of advisers in Australia (commissioned by AIA Australia). Although this comparison is very insightful for the New Zealand market, it's worth noting that Australia has a very different regulatory environment and stricter education standards than New Zealand.

KEY INSIGHTS

The research determined that overall, advisers in New Zealand are in a good state of wellbeing when compared to advisers in Australia. However, there are some concerning findings for the New Zealand market, which, if left unchecked, could result in further deterioration, and wellbeing outcomes moving closer to those seen across the Tasman.



20%

Are seeking or have sought medical care for stress.



44%

Believe stress is impacting their ability to have adequate sleep.



15%

Have indicated that their doctor has advised them that they are in a high-risk category for heart disease or stroke.



25%

Are considering leaving their job due to work stress.



25%

Intend to take stress leave.

Identified key sources of stress



GOVERNMENT REGULATION

61% said it was highly to very highly stressful.



MANAGING REVENUE

27% said it was highly to very highly stressful.



WORK OVERLOAD

42% said it was highly to very highly stressful.



NEW BUSINESS

28% said it was highly to very highly stressful.



MEETING FUTURE EDUCATION STANDARDS

37% said it was highly to very highly stressful.



WORK CRISIS

34% said it was highly to very highly stressful.



WORK-LIFE BALANCE

29% said it was highly to very highly stressful.



DEALING WITH CONFLICT

27% said it was highly to very highly stressful.

More encouraging is that the researchers found that half of the advisers surveyed are working 35 to 40 hours per week or less (50%), with 67% saying that they are doing a good job of balancing the expectations of both their work and personal life, and 44% of advisers recorded that they feel their 'personal time is their own'.

Most advisers rated their interest and enjoyment in the role as 8 out of 10, supported by the fact that 83% of advisers surveyed said that they will continue in the industry.

In terms of how the demographics affected the results, there were some interesting correlations:

- People with higher education levels practiced more self-care, scored higher in terms of psychological capital (hope, optimism, resilience, and confidence), were more engaged in self-development, drank less alcohol, and were less stressed.
- Age had a slight effect on the results with older advisers having a greater ability to get into the flow (a high-performance state where you are completely lost and immersed in a task), greater levels of self-care, work-family balance, and better mental health. Advisers over 60 have less stress and higher wellbeing. Advisers in their 30s and 40s have the highest perceived workload.
- In terms of working hours, people below 19 hours per week or above 50 hours per week are really struggling. Advisers working above 50 hours per week scored worst in work-family balance, boundary strength (ability to separate work and home), work overload, stress, recovery, the impact of stress, and mental health. Those who work less than 19 hours scored worst on wellbeing, flexibility, psychological capital (hope, optimism, resilience, and confidence), innovation, self-development, adaptive performance, and second-worst for mental health.



67% believe that they are doing a good job of balancing the expectations of both their work and personal life.

44%

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83% will continue in the industry.

KEY INSIGHTS

When it came to gender, women scored lower than men in terms of work/family balance and boundary strength, while they scored higher in terms of work overload, stress and stressful issues. However, women also scored higher in terms of self-development and engaging in industry support.

By far the biggest predictor of scores was the level of client engagement. Advisers with highly engaged clients are more likely to score high in work-family balance, flow, recovery at work and home, wellbeing, adaptive performance, mental health, and engaging in industry support. They were also more likely to have lower scores in feeling overloaded at work, stress, alcohol use, stressful issues, and the impact of stress on their mental and physical health.



CLIENT ENGAGEMENT

ADVISERS WITH HIGHLY ENGAGED CLIENTS ARE MORE LIKELY TO SCORE HIGH IN



Work-family
balance



Engaging
in industry
support



Recovery
at work and
home



Adaptive
performance



Wellbeing



Mental
health



Flow

THEY WERE ALSO MORE LIKELY TO HAVE LOWER SCORES IN



Feeling
overloaded
at work



Stress



Alcohol use



Stressful
issues



The impact of
stress on their
mental and
physical health

IMPROVING ADVISERS' WELLBEING AND MENTAL HEALTH

Based on the findings of the research, the team suggested recommendations for improving the wellbeing and mental health of advisers.



SEEK HELP FROM INDUSTRY SUPPORT SERVICES

This is a key factor in the success of advisers. The researchers recommend they look for support from FAPs, FANZ, and product providers.

BE AN ACTIVE MEMBER OF FANZ OR A LOCAL NETWORK

Interviewees who are active in an association or who belong to a local network get a lot more support and ideas than others.

FIND A GOOD MENTOR

A mentor (either industry, business, or personal) can help an adviser to focus on what is possible and get them to look at their business differently.

ENGAGE IN REGULAR RECOVERY ACTIVITY, INCLUDING PHYSICAL EXERCISE, MINDFULNESS, HOBBIES, AND DEBRIEFING WITH OTHERS

It is important that advisers look after themselves. Interviewees who were doing regular exercise and recovery found that they had more energy for work and their health and wellbeing improved overall.

SEEK PROFESSIONAL DEVELOPMENT/SELF-DEVELOPMENT

To succeed in business and understand the changing context of work, professional development is essential. There is a clear correlation between success in business and self-development.

WHERE POSSIBLE, EMPLOY STAFF TO UNDERTAKE ADMINISTRATION ACTIVITIES

We have seen in the data that a lot of administration and compliance work is undertaken by advisers. If you can, employ an administrative assistant to help.

BE CLEAR ABOUT WHAT'S WORK AND WHAT'S NOT

For many people, work and home became integrated during the Covid-19 pandemic. The research shows, those who have a higher work-family balance understand how to separate these roles, rather than integrate them.

Six recommendations for the financial advice industry



Opportunities for regulatory bodies



CONTINUE TO CONSULT WITH THE INDUSTRY

Seek to engage in a partnership with the industry to ensure that future changes are developed jointly, with clear benefits to clients and the industry.



REVIEW AUSTRALIAN PROCESSES, ISSUES AND CHALLENGES

Significant changes were made in Australia without sufficient consideration of the consequences* for the industry and its client base. NZ regulators should take a look at the Australian market to avoid any similar issues occurring here.



CONSULTATION AND COLLABORATION

We encourage regulators to continue to work together with advisers and relevant industry bodies to create future strategies.



AIA's commitment

What's next?

We are aware more needs to be done by the industry to support advisers when it comes to their mental health and wellbeing. We are committed to being a catalyst for change, and will look to action the following over the coming months:

- Share the 2021 Adviser Wellbeing Research report and findings widely across the market to ensure visibility.
- Raise the conversation with industry bodies and leaders with the challenge around what we can do to collectively make improvements for the future.
- Discuss findings with key government stakeholders and regulators to support change.
- Look at our own practices for ways to improve and investigate new opportunities for adviser support. Plans include:
 - » Extending AIA NZ's Best Doctors offering to all advisers that have a relationship with us. Best Doctors is a fantastic offering, supporting our advisers to live Healthier, Longer, Better Lives with the option of securing a second medical opinion on any medical diagnosis, as well as access to a range of medical experts including those specialised in mental health.
 - » Hosting a number of AIA NZ wellness-focused sessions for advisers throughout the year.
 - » Further enhancements to the current AIA Vitality programme offering on mental wellbeing.
- Consult with our AIA Vitality partner The Mental Health Foundation of New Zealand on opportunities to support advisers.
- Challenge other NZ insurers to explore ways to better support our adviser market to thrive.

LET'S START THE CONVERSATION!

If you have any questions on this document, please contact: NZ.COMMS@AIA.COM

To read the final research report visit [here](#)

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