# INQUIRY INTO PREVALENCE, CAUSES AND IMPACTS OF LONELINESS IN NEW SOUTH WALES

**Organisation:**  Infinite Potential

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# Work as a Driver of Loneliness

Infinite Potential Submission to the New South Wales Legislative Council's Standing Committee on Social Issues: Inquiry into prevalence, causes and impacts of loneliness in New South Wales

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# **About** <span style="color:orange">Infinite Potential</span>

Infinite Potential is an independent think tank based in Sydney, NSW, that partners with leaders in business, government, and community services to provide insights and solutions to complex issues through robust research and analysis. Through a systems approach to understanding and providing solutions to the root causes of complex issues, Infinite Potential works closely with organisations in multiple domains to embrace a collaborative and holistic approach to transform strategies into actions.

We are focused on research that is practical and relevant to the workplace. To ensure the research is fit for purpose and actionable by leaders, we work together with other experts, lived-experience advocates, and the business community to guide us at every stage of our process – from the research topic, through ethical and respective data gathering and analysis, to the communication of the findings.

Infinite Potential's core mission is to make work a source of enrichment and engagement for everyone. Through our broad expertise, we look to help leaders and organisations understand how to create sustainable workplaces. A workplace where wellbeing and inclusion are embedded into how work is designed, how work is completed, and people's relationship with work. A sustainable workplace is one where people and organisations can mutually thrive.

At Infinite Potential, we believe that by building better workplaces, we can build a better society.

Infinite Potential acknowledges Aboriginal and Torres Strait Islander peoples as the Traditional Custodians across the lands, seas and skies on which we walk, live and work.

# Focusing on the effects of loneliness in the workplace

Infinite Potential welcomes the opportunity to provide input to the inquiry on the prevalence, causes and impacts of loneliness in New South Wales. Research into loneliness and social isolation has shown a clear link to mental and physical ill health. While loneliness is still not well understood within the community, there is even less understanding of the interplay between loneliness and people's work lives. The relationship between loneliness and productivity has been overlooked, with individual physical and mental health and workplace productivity benefiting when loneliness is reduced. As the government looks to address loneliness and, at the same time, improve productivity, it is imperative to investigate and understand the link between these issues.

Work is a social determinant of health and plays an essential role in our relationships. Recent research has shown that a person's relationship with their direct manager has a stronger impact on their wellbeing than their partner. For most adults, the workplace is where much of the social interactions occur outside the home. The quantity and quality of this experience can have a great deal of impact on the individual.

As job demands increase and measures intended to improve efficiency all too often come at the cost of joyful interactions, there is a new level of workplace isolation that is affecting the working population. Just as it's not possible to leave our personal life outside of the workplace, it is becoming increasingly difficult to leave our work life out of our personal life.

The growing levels of workplace burnout and loneliness across the globe have witnessed a similar trajectory. The World Health Organization has defined burnout as 'a syndrome resulting from chronic workplace stress that has not been successfully managed.' Those experiencing burnout are less likely to interact with anyone inside or outside the workplace. This inability to interact caused by workplace burnout is determinantal to the person's mental health and their ability to productively contribute to their workplace, their personal life and society as a whole.

## Loneliness and the Workplace

Infinite Potential has been conducting global research on burnout for the past 4 years with over 10,000 participants from over 40 countries. This research has investigated the link between burnout and loneliness in recent years and has found profound insights:

- Three out of five people experiencing burnout are also experiencing loneliness.

- While burnout increases the likelihood of loneliness, loneliness does not increase a person's likelihood of experiencing burnout.
- Those experiencing loneliness are 26% less engaged, 62% reported being less productive, and 66% reported producing lower-quality work.

Our research has shown that most employees feel that their colleagues don't have time to engage in meaningful conversation, pointing to a work environment that prioritises productivity over connection.

## The Link Between Loneliness and Work

Most adults spend the majority of their waking hours working. The amount of time spent commuting and working continues to increase. As technology further erodes our time away from work, most adults are left with little time and headspace for meaningful social interactions.

Poverty or the lack of financial stability contributes to loneliness. While it's not the only cause, a lack of financial means does exacerbate loneliness. Those in the lowest income bracket are more than twice as likely to report being very lonely most of the time compared to those in the highest income bracket. With the cost of living increasing, people's pressure to focus on work, above social interactions, also increases.

On the other end, loneliness can be a significant unseen cost for organisations in terms of productivity, absenteeism, presenteeism, and other health issues. While we don't know the costs of inaction, addressing loneliness provides clear value for money. In 2019, economic modelling conducted by the National Mental Health Commission showed that for every $1 invested in programs that address loneliness, the return on investment is between $2.14 and $2.87, respectively.[1]

## Loneliness and Work Location

Solving loneliness in the workplace is not simply having everyone in the office. Research from Infinite Potential shows that those working in the office 4-5 days a week reported similar rates of loneliness as those who worked from home 4-5 days a week. Those working in a hybrid modality (2-3 days in the office) reported the lowest levels of loneliness.

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1  https://treasury.gov.au/sites/default/files/2021-05/171663_ending_loneliness_together.pdf

# Key Recommendations

As the cost of living and other economic demands drive organisations to pressure their workers for higher productivity, the prevalence of loneliness will be exacerbated. A more detailed and clear understanding of the interrelationship between loneliness and work is needed to deliver a more sustainable, effective, and efficient response to loneliness and social isolation as a symptom of an unsustainable workplace. Infinite Potential urges the New South Wales government to address two major gaps.

- Address the lack of research and insight into how work (especially work demand, work hours, and bullying/harassment) affects loneliness.
- Improve the understanding and insights into the link between loneliness (and other mental health issues) with productivity and increasing business costs. There is a need to provide specific dollar costs when loneliness and other mental health issues are not addressed for an organisation.

Infinite Potential recommends the New South Wales government address these gaps through the following actions:

1. Establish a uniform definition and diagnosis of loneliness in the workplace. Deliver an evidence-based approach to standardise the measurement and evaluation of loneliness in the workplace.
2. Deliver a community awareness campaign about loneliness and include a focus on the stigma associated with talking about loneliness in the workplace. Encourage organisations to provide evidence-based approaches, training, and solutions (e.g., through SafeWork) to address loneliness in the workplace.
3. Support research to understand the economic effects of loneliness on organisations, governments, and society to meet the need for up-to-date data and insights to raise awareness and prioritise prevention by business leaders.

# Conclusion

In today's fast-paced, complex world, many barriers keep us from meaningful interactions, which has resulted in increasing levels of isolation and loneliness. Work is a social determinant of a person's health. It can be a factor that improves a person's health or the source that drains a person's physical and mental health. By fostering a positive work environment, the workplace can play a huge role in addressing loneliness. Not only will this help individuals, organisations and our society, it will also address the productivity struggles that governments are also dealing with.

We invite the New South Wales government to work with Infinite Potential, the leading authority in understanding complex workplace issues, to co-design solutions through a collaborative process to gather data and actionable insights to help solve tackle loneliness and productivity for the people of New South Wales.

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