

2023

Introduction

Mindset underpins our personality, the relationships we form with others, and our general attitude towards challenges and success. As beliefs and attitudes are the source code of behaviors and results, it is important to understand the state of mind of top leaders in the companies and organizations that shape our society. The state of mind in the C-Suite has an impact on all of us.

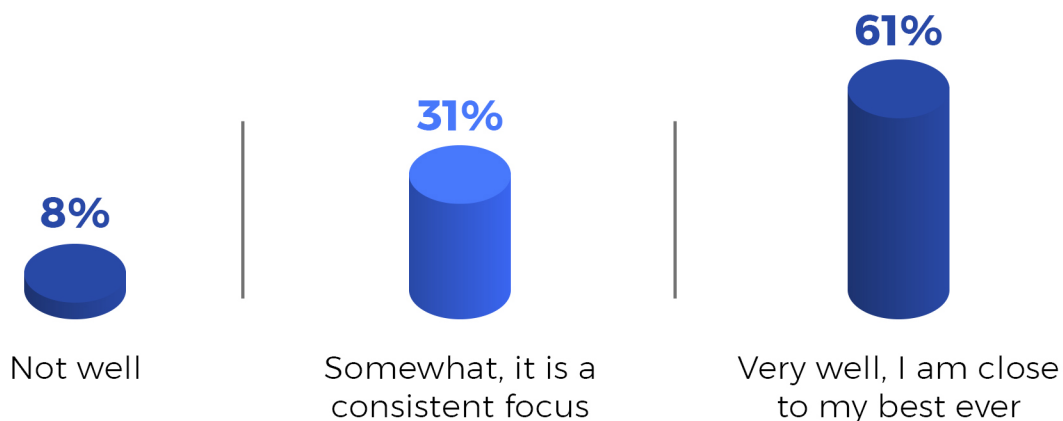
At the close of 2022, CMP conducted the second annual “C-Suite State of Mind” Pulse Check on 120 leaders in C-Suite positions to examine how their mindset has shaped their well-being and performance.

Self-Nurturing of Well-being

Well-being has largely been defined as the experience of positive emotions and being able to function effectively while feeling contented with situations around us. It has been linked to success in professional, personal and interpersonal levels, leading to higher productivity in the workplace. This implies that well-being is a function of one’s state of mind and by extension, a product of one's mindset.

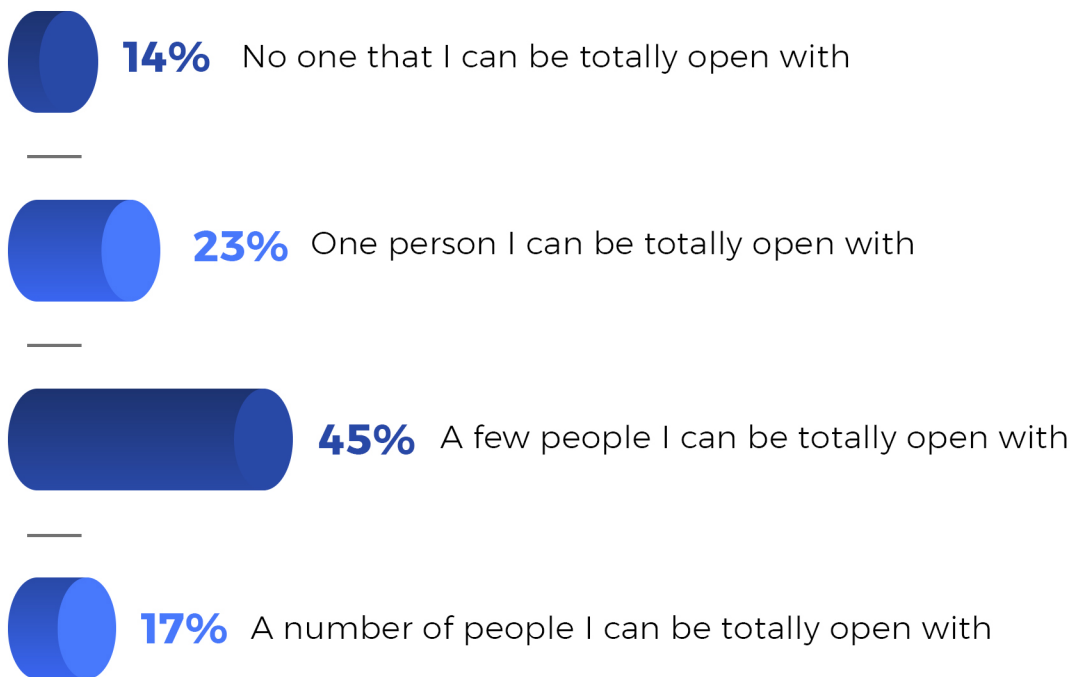
The C-Suite State of Mind Pulse Check Results demonstrated that executives in general do take conscious care of their state of well-being, with a majority 61% actively managing their physical health and 31% saying they are doing a great job about it. A smaller 8% felt that they were not doing a good job of managing their physical and mental health.

How well have you managed your physical health & well-being in 2022?



Even more have designated close confidants with whom they can be totally open and act as their safe outlets.

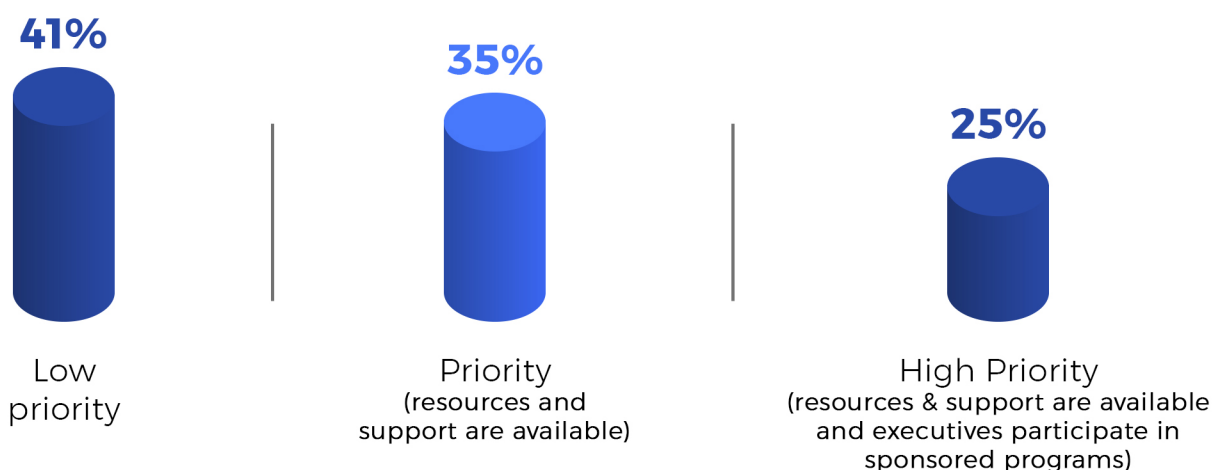
Do you have people who act as a safe outlet?



Investment in Well-Being of Executives

Disengaged employees were found by a Gallup study to cost US business a staggering \$450-500 billion annually. Employee engagement comes largely from the feeling that their organization is genuinely concerned with their well-being. CMP's Pulse Check revealed that the majority of executives feel that their organizations are not actively investing in their well-being, with 51% of executives indicating that they would leave their jobs to cater for their well-being. While the scope of the study did not focus on particular activities aimed at this objective, it shed light on the perception of our respondents who, being at the higher levels of leadership, indicate that organizations should do more to support the well-being of their people.

How would you evaluate your organization's investment in well-being at an executive level?

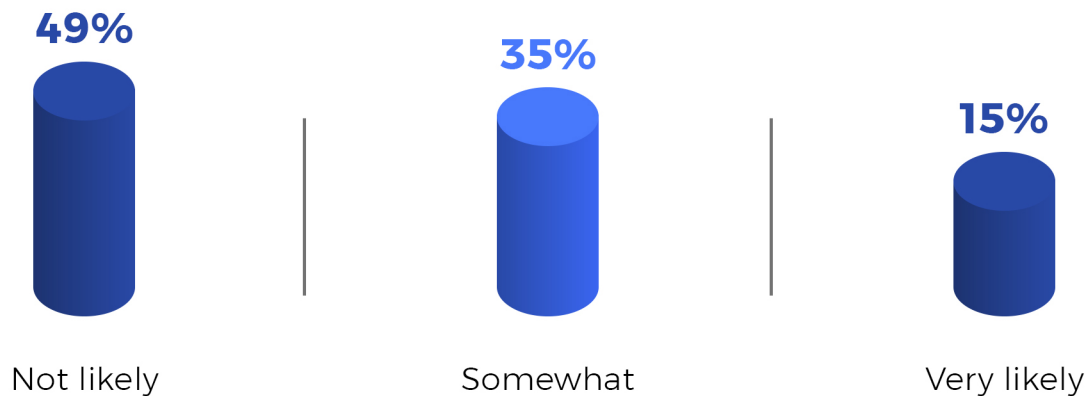


C-Suite Turnover

Employee turnover is costly – the direct cost is often 1.5-3 times annual salary; and that does not include the exponential indirect costs. The Great Resignation is a sign that people are being more proactive in ensuring their well-being. However, this sentiment is not uniform across all employees and C-Suite executives. A Deloitte study showed that 70% of executives are willing to quit their jobs and find better ones that support their well-being.

In contrast, the majority of employees involved in the CMP Pulse Check said they were not likely to quit their jobs to improve their well-being. Only 16% said they were likely to quit, and 35% were somewhat likely.

How likely are you to quit your job to improve your overall well-being?

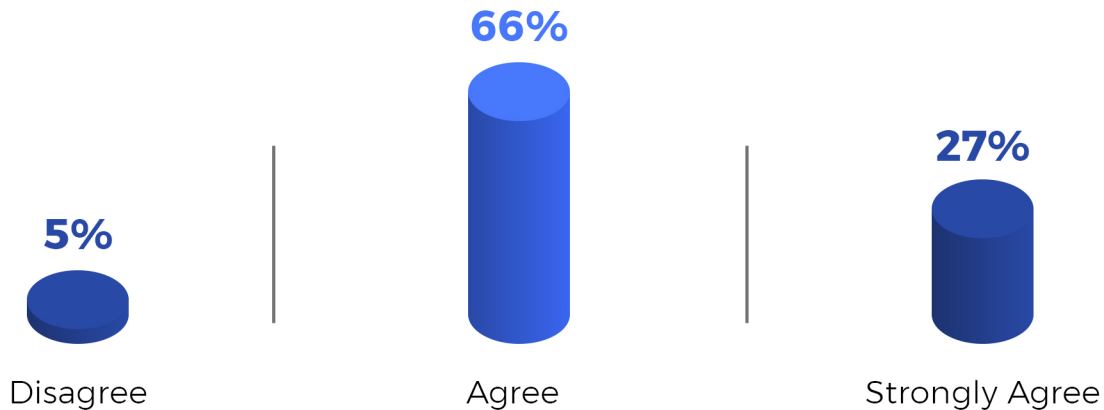


A Gallup study found that 50% of the US workforce is composed of “quiet quitters”, employees who do only the minimum requirements of their job. The study also revealed that this employee disengagement resulted from lack of opportunities to learn and grow, feeling not being cared about, lack of clear expectations, and a disconnect from the organization’s objectives.



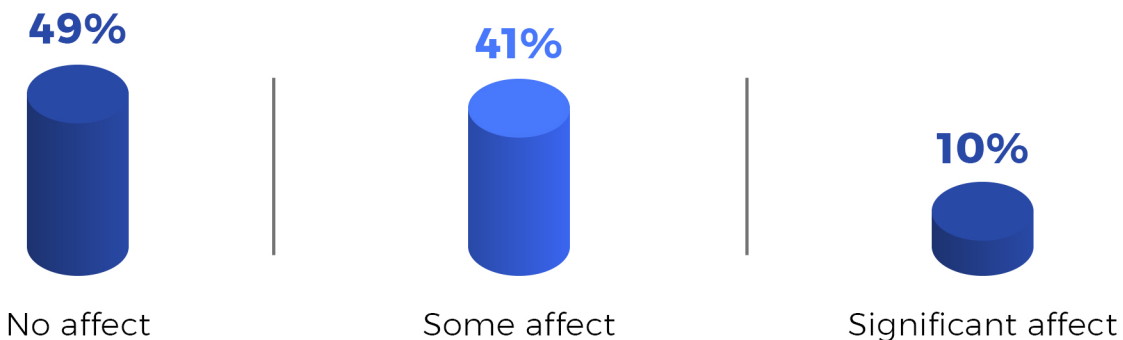
CMP's C-Suite Pulse Check asked C-Suite executives whether an organizational culture of nurturing their well-being would end "quiet quitting". 27% strongly agreed, 67% agreed, and 6% disagreed.

A company's culture of well-being can help end 'quiet quitting'?



The C-Suite Pulse Check also showed that the Great Resignation has significantly affected retention at the executive level in 10% of organizations while only having some effect in 41% and no effect on 49% of companies.

How has the Great Resignation affected your executive-level retention?



Mental Health

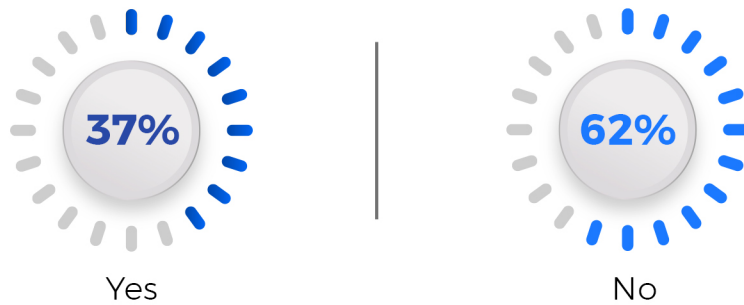
Undoubtedly, well-being is intricately connected to mental health, which according to the Center for Disease Control, is among the most burdensome health concerns in the United States. Stress puts the body into a fight-or-flight mode by stimulating the body to release adrenaline and cortisol into the blood. This spikes the heart rate and blood sugar which harms overall health.

The CDC reports that depression degrades a person's ability to complete physical job tasks about 20% of the time and reduces cognitive performance about 35% of the time, which reduces their effectiveness, productivity, and engagement. According to the Mental Health Foundation, addressing well-being at work increases productivity by as much as 12%.

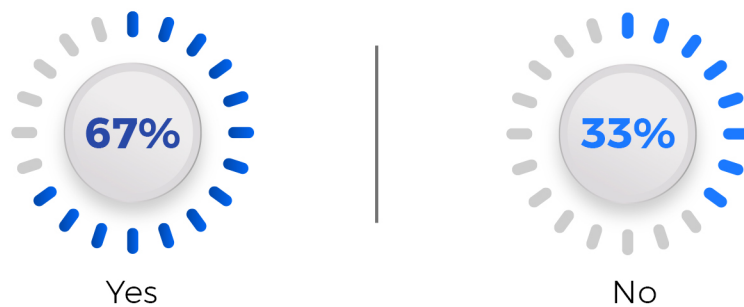
The 2022 Pulse Check found that 63% of executives have not sought mental health support in the past 12 months, yet a similar number has remained open about their challenges with their colleagues.



In the past 12 months, have you sought mental health support?



Are you transparent about your health and well-being actions with colleagues and employees?



Failure to support employee mental health often leaves people to find their own coping mechanisms, some of which are not healthy. C-Suite executives involved in our study reported using various coping strategies from exercising, hiking and meditation to alcohol and pharmaceutical substances.

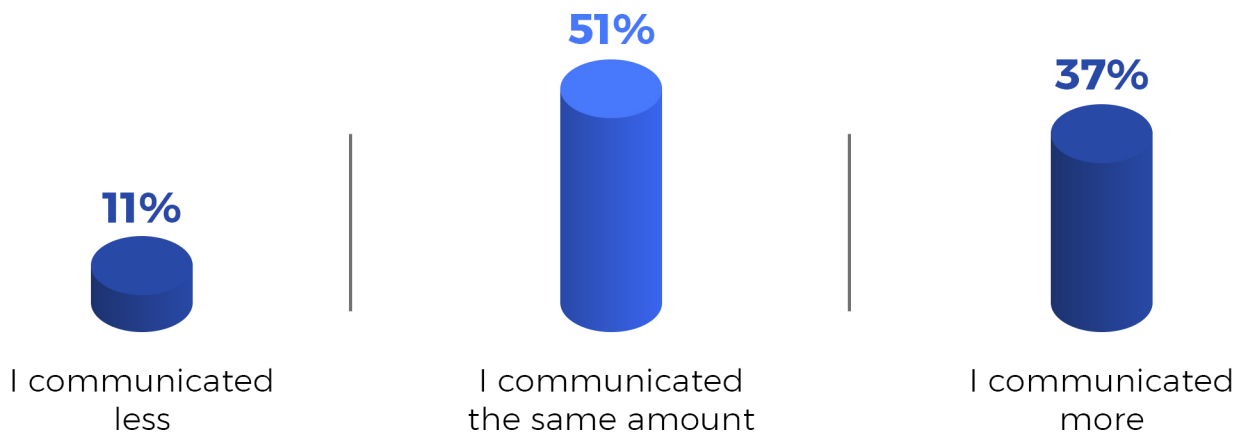
In a Forbes interview, Jeff Bezzo, CEO of Amazon says that taking the first remedial step after a stressor has been identified such as sending an email, reduces the stress dramatically. This suggests that organizations should establish simple routines and mechanisms for supporting employee stress management and mental health.

Effective Communication

A C-Suite executive is the focal point of communication among different factions in an organization, and acts as an interface with board members, stakeholders, staff and customers among other key constituents. Although many leaders are good at pitching to stakeholders, communicating to employees requires a different approach to ensure the message does not get watered down and is clearly understood to effect the changes needed.

While this highlights the need for adaptive communication that speaks to multiple generations of employees using suitable methods, tone and clarity, our study found that over 50% of C-Suite employees interviewed did not change their communication, with 11% communicating even less over the last 12 months.

Over the last 12 months, how has your communication changed as a leader?



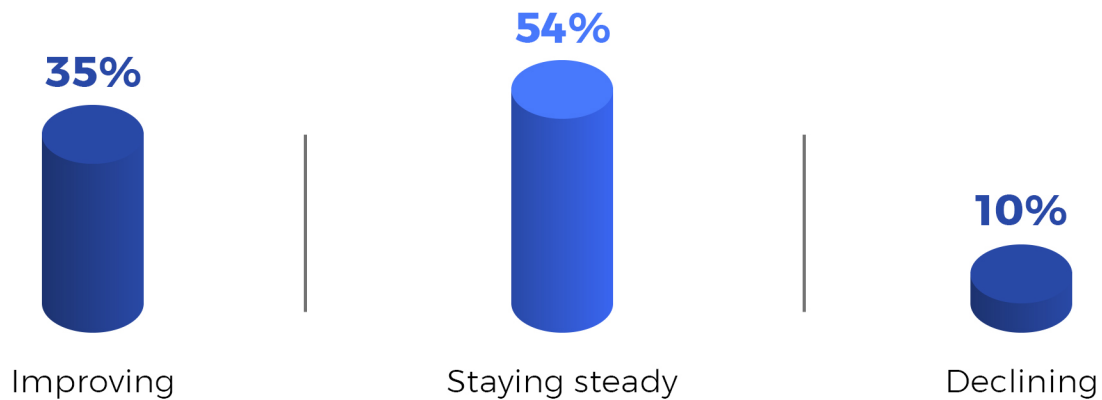
Effective flow of information is critical in any organization and when executed strategically, can lead to business growth. According to this Grammarly and Harris Poll study, US businesses lose up to \$1.2 trillion every year due to ineffective communication, further highlighting the need for C-Suite executives to ensure that messages are understood clearly across all functions and levels of the organization.

Organizational Culture That Promotes Employee Engagement

While communication is a pillar of employee engagement, there are many other factors that come into play such as connection and trust in leaders, work-life balance, feeling sufficiently rewarded, and the organizational culture.

According to Deloitte, actively managing culture has been shown to result in 30% higher levels of innovation and 40% higher levels of retention. Our study showed that levels of engagement for C-Suite executives have remained unchanged in an environment of relatively unchanging organizational culture.

How would you characterize your current level of culture and engagement over the last 12 months?

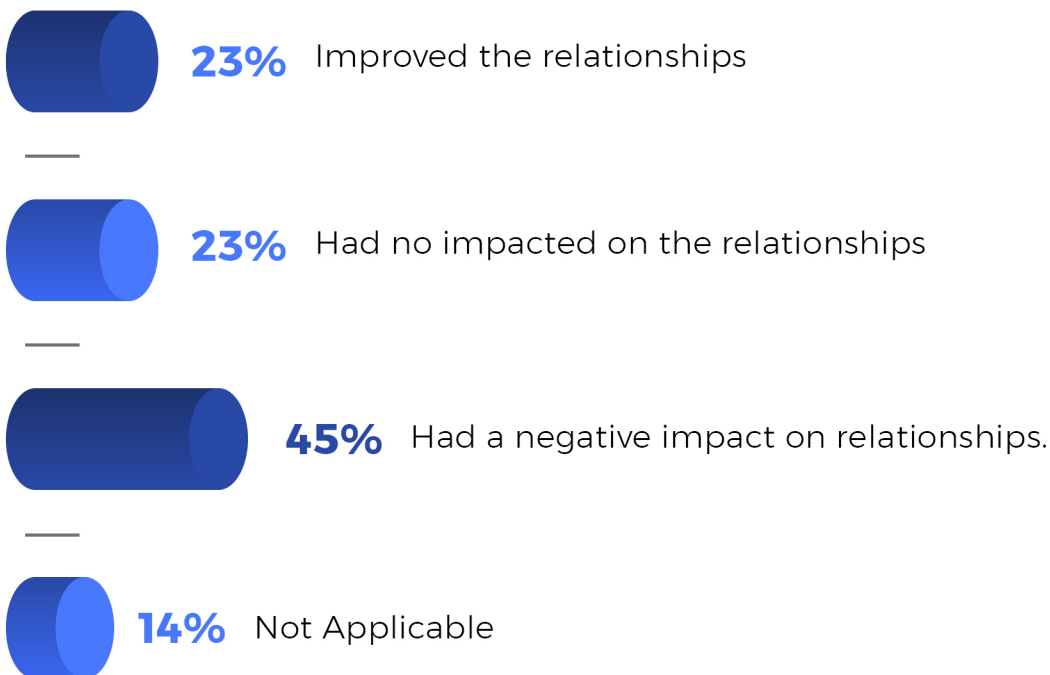


Remote Working Negatively Impacts C-Suite Relationships

In the post-pandemic world, remote employees are a reality, and therefore, a point of concern for organizational goals. While the ADP Research Institute study found that two-thirds of remote workers feel their teams are highly supportive, others like Buffer’s 2022 State of Remote Work Report found that 52% feel less connected.

CMP’s C-Suite State of Mind Pulse Check found that 39% of C-Suite executives feel that remote work has had a negative impact on their relationship with the rest of the leadership team, while 24% feel it has improved team relationships. And, 24% report that working remotely had no impact.

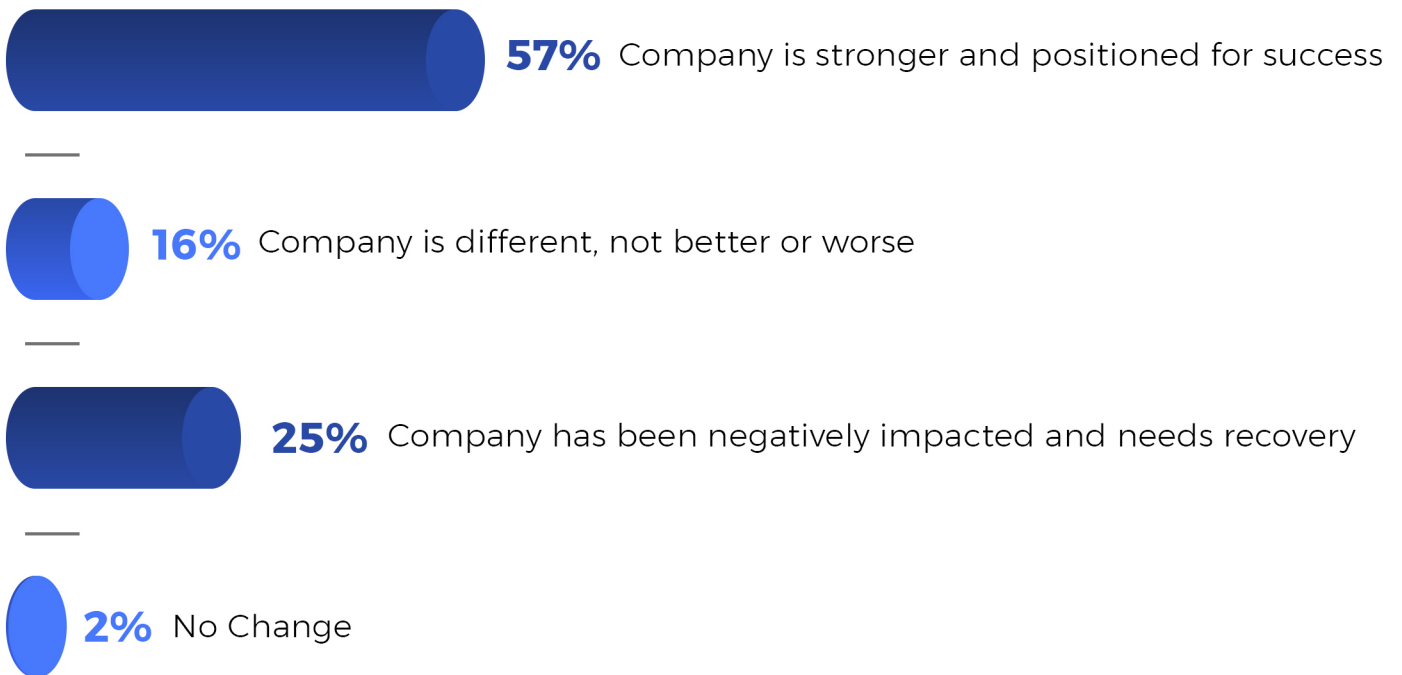
How has remote work impacted your relationships with your leadership team?



2021 vs 2022

In the 2022 CMP C-Suite Pulse Check, we asked business leaders how they feel their companies fared in 2022 as compared to 2021. 57% of executives feel that their companies are stronger and better positioned for success by Quarter 4 of 2022, while 25% said that their companies had been negatively impacted and needed recovery. 16% said there were evident changes, but neither better nor worse than 2021.

We are in Quarter 4 of 2022, how do you view your company now compared to 2021?



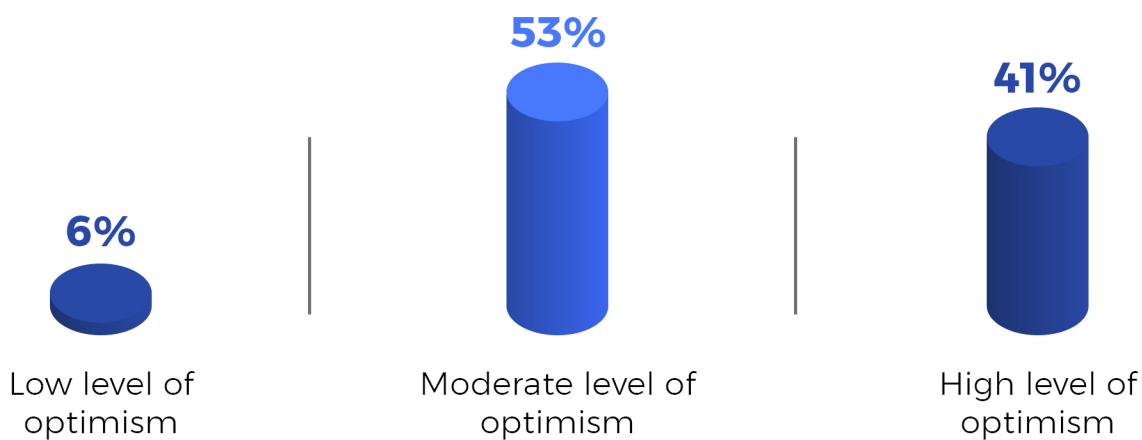
41% of executives in our study were highly optimistic about their organizations for 2023, while 53% had a moderately optimistic outlook. Only 6% had low expectations for the 2023 financial year.



Outlook 2023

Despite the high inflation and high costs witnessed in 2022, business leaders are optimistic about their organizations for 2023. We asked C-Suite staff how they feel about the position of their company in comparison to 2021. Results were similar to Nationwide's 2022 survey which reported that 73% of executives were positive that 2023 would be a good year for them. Similarly, while business leaders are not optimistic about the economy in general, the JP Morgan 2023 Business Leaders Outlook in the US reported 66% are optimistic about their own companies.

What is your current level of optimism about your company for 2023?



We asked executives to freely share their thoughts and 21% felt that change and adapting to it is the way forward. 11% cited constantly managing organizational culture as necessary, another 10% said that leading with a purpose was key to success, while yet another 10% felt that remaining positive would help them steer their organizations in the right direction.



Key Take Aways

As we emerge from a pandemic-centric business environment in 2023, we see a broader recognition of the importance of mental health. Employees are increasingly seen as whole people whose personal and professional lives are integrated. More than ever, we are talking about mental health and the need to support mental health in the workplace – work, home, mind, body and emotions are the new territory of responsible employers and deeper employee engagement. This is especially true for leaders at the top of organizations. Their decisions have immense impact on performance, and more importantly, on the lives and well-being of people and communities.

The sources of stress for leaders are numerous and increasing. If leaders are not taking care of themselves and their well-being, stress will impact their perspective and decision making. And, if there is one constant truth, it's that stress never informs the best decisions. As a result, leaders have a fiduciary responsibility to get the support they need so they are the stable influence their organization needs. Below are some key well-being practices for C-Suite leaders:

- **Unplug from work and do what rejuvenates you** – whatever brings you joy refreshes your mind and emotions. Whether it be watching old movies, jogging, riding motorbikes, photography, or reading non-fiction, make time to go to your “happy place” and make deposits to your emotional bank account. You will come back to the issues in your organization with a fresh perspective and new insights.
- **Have a safe outlet or two** – as a top leader there are few, if any, in your work orbit with whom you can safely share your concerns, worries and full vulnerabilities. Having people outside your hierarchy and/or organization who you can talk fully and openly with is critical for mental health.
- **Foster well-being focus in your leadership** – get to know the people who you work with, be attuned to their personalities and needs. Create an open-door policy to address any concern with you. If people are not actively opening-up with work concerns and connecting with you, get some feedback on why this isn't happening.
- **Facilitate well-being in your organization** – ensure employees know what is available to them in support of their mental health such as an EAP line, enlightened Human Resources organization, and flexible work arrangements. Be sure to assess the health and engagement of your organization regularly and implement an “early warning” mechanism if managers are operating in a manner that creates an unhealthy environment.

As we lead in this new world of work, it's clear that fortune will favor the enlightened leaders who build their personal and organizational reservoir of mental and emotional health.



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