MEDIA RELEASE

**“We can’t go back” – 80% say pre-pandemic
sector constraints a major determinant of current burnout**

With burnout and fatigue increasing among employees and volunteers in the Social Purpose sector, latest research also uncovers a strong message about pre-existing systemic impacts on the sector’s mental health and wellbeing.

The latest interval of **The Xfactor Collective’s** **RESET 2020 National Impact+Need Research Study** has found 40-45% of the sector are now often or always in high levels of stress, exhaustion and overwhelm, with 80% stating that the existing (pre-pandemic) ways of working are partly to blame. This compares to pre-pandemic wellbeing indicators that already showed nearly 1 in 5 were not taking good care of themselves, 16% felt their workload was unachievable, and 1 in 10 were overwhelmed, exhausted and stressed.

Conducted over September and October, the research overall paints a picture of a workforce who are finishing the year working longer hours (now at 38%, up from 17% in May 2020), with less volunteer support (23% lost volunteers due to illness/caring responsibilities since June 2020), and less income (58% have had a decline in revenue since June 2020).

Operating reserves continue to be a lifeline, with 44% of organisations drawing on reserves since June 2020, and 40% having six months or less of reserves. Access to JobKeeper and other grant support has been important, although 37% of respondents were not receiving any form of assistance (including 49% not receiving JobKeeper).

**Julia Keady, Founder/CEO, The Xfactor Collective**, who has led the RESET 2020 project, said while the wellbeing findings largely validate what organisation and sector leaders are observing, there is a strong message from the research about sector recovery and rebuilding.

“The research clearly says ‘We can’t go back!’ - that existing constraints in the sector exacerbate the impacts on mental health and wellbeing.

“Research participants have called for funders of the sector to use the pandemic as a chance to re-think the way they fund and grant, with some citing ‘dreadful grants management practices’, and ‘short term funding “strategies”, and asking funders to “move away from program/project-based funding and fund core and capacity”.

“The current research is a must-read for all, showing clearly what organisations need in terms of practical strategic and operational support, but it’s also giving us a chance to reflect on the culture of self-sacrifice and increasingly a sector working under unacceptable health conditions.”

The **RESET 2020** research project has been a collective and collaborative effort to capture the impacts of COVID-19, initiated and lead by The Xfactor Collective, supported by Equity Trustees and has included wide outreach from 20+ sector leaders and outreach partners.

**Jodi Kennedy, General Manager, Trusts and Philanthropy, Equity Trustees** said the RESET 2020 data continues to provide valuable insights for the sector, to inform future interventions and support.

“We are now able to track the ongoing and evolving impacts against a June 2020 baseline, and monitor a broad range of measures that will continue to provide invaluable insights as we all navigate the coming months and years together.

“This study has highlighted that we are at a real tipping point for the sector, and that we have the opportunity to reconsider how we work, how we better support one another so that we can ensure we are there for those who need the sector’s support.”

Both of the RESET 2020 data sets are available for free users in [Seer data platform](https://seerdata.com.au/access/RESET2020). Organisations can extract tailored insights to use in funding and advocacy efforts in 2021. Both written reports and a pack of graphics are also available for download from [The Xfactor Collective website.](https://xfactorcollective.com/reset-2020)

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**SNAPSHOT OF THE FINDINGS**

The 47-page Research Study report includes measures to understand the direct impacts of COVID-19 and the supports that organisations would find most valuable at this time. A snapshot of these findings are below:

**WELLBEING**

* 80% believe that existing sector constraints exacerbate the impacts on mental health/wellbeing
* 45% are feeling stressed/anxious often/always (*up from 13% pre-pandemic)*
* 41% are exhausted/frustrated (*up from 9% pre-pandemic)*
* 40% are not taking care of themselves often/always (*up from 18% pre-pandemic)*
* *69%* of organisations rate the overall impact on their leadership team as negative
* 48% rate the overall impacts on their Boards as negative

**WORKFORCE CAPACITY**

* 38% have staff working longer hours to deal with demand (*up from 17%)*
* 15% have stood down temporarily or made redundancies (*up from 9%)*
* 11% have reinstated staff to usual hours, and 25% state no impact on their workforce
* 25% have employed or trying to recruit staff *(up from 5%)*
* 46% feel the greatest impact are the levels of uncertainty and change *(down from 53%)*
* 37% believe the additional workload is having the greatest impact *(up from 24%)*
* 34% report staff and volunteer mental health is being affected (*up from 28%)* and 31% report staff and volunteer morale is being impacted (*up from 16%)*

**SERVICE DELIVERY**

* 91% still report an impact on service delivery (50% significantly impacted)
* While 38% still see a demand decrease, the trend reverses in this interval with 48% now experiencing some or significant increase for services/programs
* Uncertainty about the coronavirus situation (36%), inability to run fundraising events (34%) and managing impacts on staff/volunteer mental health and wellbeing (34%) are the three main factors impacting organisations

**FINANCIAL**

* 11% are in a dire situation, with 47% citing they have lost revenue but can continue for now
* Of the 58% who have lost revenue, 28% have a decline of 50% or more
* Overall 58% have had a decline in revenue since July 2020
* 57% of revenue loss is from community events/fundraising (compared to 60% in May)
* 41% are seeing general donations decrease (up from 36% in May)

**GOVERNMENT SUPPORT**

* Only 18% have received JobKeeper for all employees in their organisation
* 78% of organisations in rural areas were not receiving any form of JobKeeper support payments
* 52% were receiving Cashflow Boost from the Australian government, and 37% some form of state government grants or support, however 31% were not receiving any form of support.
* 44% have drawn on reserves since the pandemic began, and 40% of organisations have six months or less in reserves

**VOLUNTEERING**

* 75% report that the impacts on volunteer’s mental health and wellbeing as being extremely or somewhat negative
* 23% report losing volunteers to illness or caring responsibilities *(up from 17%)*
* 46% have reduced volunteers hours (*up from 43%)*
* Only 4% have reinstated volunteers since 1 June 2020
* Only 10% have let volunteers go since 1 June 2020

**SUPPORT NEEDS – OPERATIONAL & STRATEGIC**

* 30% need support for advocacy to government for continued support
* 22% need support to identify new or diversify existing revenue streams
* 20% need support to attract, retain and engage donors, sponsors/partners

**SUPPORT NEEDS – TO ADDRESS IMPACTS ON STAFF AND VOLUNTEERS**

* 31% would like help to manage staff and volunteer mental health and wellbeing
* 20% would like assistance to recruit additional staff and volunteers (up from 10%)
* 19% would like assistance to develop online support systems for staff and volunteers (up from 11%)

**SAMPLE COMMENTS FROM THE RESEARCH REPORT**

* **Primary Focus – Disability; Revenue $5 - $50 million:** “I feel like it's an exacerbation of the pre-COVID situation; that there is an expectation for the For Purpose sector to solve all the issues, but on the smell of an oily rag. Now that has been become even more pronounced.”
* **Primary Focus - Disability; Size $1 - $5 million: “**More direct intervention in our self-care. I know from my work that just opening a door and hoping people walk through is rarely enough, because we will downplay our problems. Strategies and tactics that lead us in and proactively get us all working on our mental health will be more effective.”
* **Primary Focus - Human Services; Size <$250,000:** “Coaching and support for me to manage it all! I have been diagnosed with early exhaustion and burnout and simply need a break/relief for time out but financially I have to keep showing up to steer the ship through the storm.”