

IDENTIFYING THE PREVALENCE OF BURNOUT AND ITS RELATIONSHIP
TO WORKPLACE PERFORMANCE DURING COVID-19



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### **Executive Summary**

Burnout is a common phenomenon with 76% of employees reporting having experienced some level of burnout in 2019. Covid-19 has exacerbated this issue with major changes in employee's work environments and competing demands and expectations at home. However, far from being an individual's problem to solve, burnout is created by the structures within workplaces, and it is there that the solutions to burnout lie.

The 2020 Workplace Burnout Study investigated the experience of burnout during Covid-19 and its effects on job performance. A key focus of this study is to investigate the organisational

structures and work conditions that causes employees to experience burnout, rather than looking at individual factors. Over 1700 respondents from across 16 countries participated in the study.

With an <u>annual cost</u> of around US\$1 trillion each year in lost productivity, depression and anxiety issues such as burnout needs to be priortised as a key part of organizational strategy. A focus on well-being and burnout will have a direct positive effect on the bottom line and organisations that invest in preventing burnout will develop greater workforce resilience and agility, attributes that will be vital for future success.

Burnout isn't an individual issue – it's about the workplace and it affects the entire organisation.

## Key Findings

There is a strong correlation between burnout, job performance, the quality of work and overall well-being.

Over 30% of participants reported being less productive and producing lower quality of work in the last 6 months.

Womenwhoareinintermediatelevelroles (5+ years professionals/people managers) in the 35-44 age group have experienced the highest levels of burnout.



Women are experiencing higher levels of burnout than men



Middle management are experiencing the highest levels of burnout in an organisation



Average well-being score



Of respondents are experiencing some level of burnout

### Call to Action

- Make well-being part of your organisational culture: Leaders
   must set the example for taking action and integrate wellness into business plan with specific metrics identified.
- **Listen to your people:** Have an active listening strategy, and more importantly, take quick actions.
- **Review roles and job structures:** The modern workplace needs to be designed for sustainable roles performing purposeful work.



### Introduction

Organisations have been striving to increase productivity for decades. In the pursuit of increased performance and reduced costs, they have created lean structures that rely upon fewer people to do more work. As technology facilitates an "always on" environment with deadlines and demands constantly growing, the factors that cause burnout in employees are stronger than ever.

In 2019, <u>Gallup</u> found that 76% of employees experienced burnout on the job at least some of the time. Similarly, Deloitte found that 77% of professionals had experienced burnout in their current job. Deloitte's <u>research</u> was particularly concerning due to the impact of burnout it revealed among young workers, with 84% of millennials having experienced burnout in their current jobs.

This trend of rising burnout is such a problem that in 2019 the <u>World Health Organization</u> (WHO) declared burnout an occupational phenomenon in its global standard for diagnostic health information. The WHO's declaration reflects the growing recognition that the causes of — and solutions to — burnout lie in organisational structures and culture, rather than in individual medicalised approaches.

And yet despite the prevalence of burnout there is still stigma associated with the condition. A fear of discrimination, rejection and ridicule creates a barrier for people to ask questions or come forward with honest concerns. Organisations and their leaders must take ownership for creating a safe environment where burnout can be identified and discussed, and where diverse solutions are encouraged to emerge.



Of employees experience burnout at least some of the time

### What is burnout?

The <u>World Health Organization</u> defines burnout as "a syndrome [...] resulting from chronic workplace stress that has not been successfully managed". It can have significant physical and psychological effects on an individual including pain, changing sleep habits, decreased satisfaction and loss of motivation.

"Burnout is an occupational phenomenon stemming from the organisation, rather than an individual medical condition"

#### THE THREE DIMENSIONS OF BURNOUT

- 1 Feelings of energy depletion or exhaustion
  - · Drained and emotionally exhausted.
  - Unable to cope; feel down and lacking enough energy.
  - Tired, often leads to change in sleep habits.
  - Physical symptoms include pain and gastrointestinal problems.

### 2 Reduced professional efficacy

- Burnout mainly affects daily tasks at work, at home or when caring for family members.
- People with burnout are very negative about their tasks, find it hard to concentrate, are listless and lack creativity.

- **3** Increased **mental distance**, alienation and feelings of negativity or **cynicism** towards job
  - Find job increasingly stressful and frustrating.
  - Become cynical about their working conditions and colleagues.
  - Increasingly distance themselves emotionally and start feeling numb about their work.

## Shattering the Stigma: **Burnout Myths**

have been confronted by our working life: either our own, in someone close to us, or in someone we have worked with - **76 percent of employees** in the survey experience burnout at least some of the time.

Yet, despite the prevalence of burnout, it is a topic that is rarely discussed in the workplace due to the associated **stigma**. stigma is not only problematic in its own right; it also creates a powerful social force that acts as a barrier to people seeking help.

One key to shattering this

and its causes. A common burnout at some point in misconception is that burnout is caused mainly by overtake a day off or a vacation. Another misconception, even with the WHO classifying burnout as an 'occupational phenomenon', is that burnout is still commonly treated as an individual problem and responsibility. These myths need to be challenged before we can seriously address burnout.

A survey by Gallup identified the top 5 reasons for employee burnout. As this list shows, stigma is to expand the do not lie with individuals, choose to.

Most people in the workforce **understanding of burnout** but with **organisations**. To destigmatiseburnout, leaders and organisations need to ask the right questions and work. Typical treatment learn how to talk openly and advice is to work fewer hours; honestly about its causes. A do more yoga or exercise; common yet poor approach is to ask, 'what's wrong with this person?' or 'what can we do to treat or help this person through their burnout?" Instead, organisations need to ask themselves:

> "What is wrong with our structure and culture that it is making people burn out?"

While this idea is challenging to confront, the **good news** is that every cause of burnout lies within an organisation's the core reasons for burnout power to change - if they

#### THE TOP 5 REASONS FOR EMPLOYEE BURNOUT

Unfair treatment at work



Unmanageable workload



Unclear communication from managers



Lack of manager support



Unreasonable time pressure



## Why Leaders Should Care About Burnout

All leaders should be concerned with their employees' physical and psychological health. But beyond the moral imperative, there are a range of strategic reasons for prioritising the mitigation of burnout within your organisation.

## Toxic work environment



Without a healthy culture and workforce structure, organisations will be unable to achieve their organisational strategies.

## Increased people costs



Employees experiencing burnout will create higher costs in terms of absenteeism and turnover.

# Reduced performance



Employee performance is significantly reduced and can be contagious to other team members. One burned out employee can trigger a downward performance spiral for an entire organisation.

## Inability to prepare for the future



Burned out employees are not thinking about the future, they are in survival mode. This will present a major barrier to preparing for the future.



Of employees have experienced burnout at their current job



As likely to be actively seeking a different job

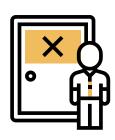


More likely to take a sick day



The psychological and physical problems of burned-out employees cost an estimated \$125 billion to \$190 billion a year in healthcare spending in the U.S.

Burnt-out employees are <u>twice as likely</u> to have tried to convince another colleague to leave the job with them.





### 2020 BURNOUT STUDY | 10

## Who participated in the 2020 Burnout Survey?

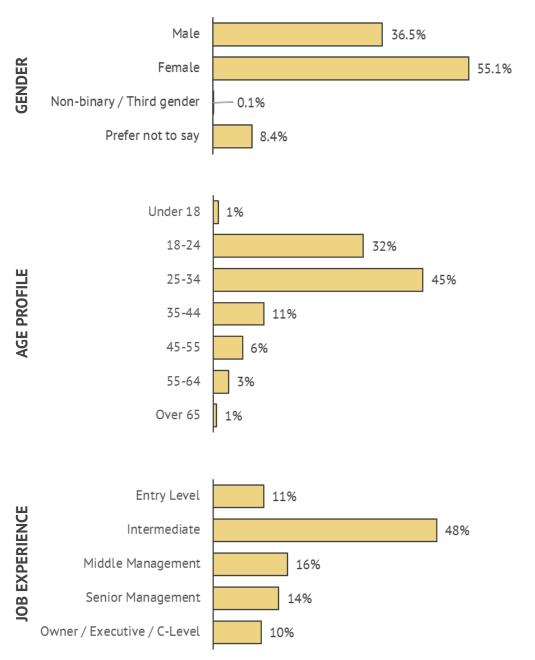
The 2020 Workplace Burnout Survey is 1,760 people completed the survey from a global study which asked particpants about their experience of burnout during Covid-19 and its effect on job performance.

including LinkedIn and Facebook between September and October 2020. A total of to identify and address burnout.

16 different countries.

The study focuses on the organisational factors that affect burnout using the newly developed IP Burnout Scale. Survey respondents were recruited This report presents the key findings through various social media platforms and identifies practical and actionable insights to support organisational efforts





## How are people's overall well-being?



Overall, we're doing ok. The Workplace Burnout 2020 asked respondents to rate their overall well-being from 0 and 100, with 0 being completely burned out and 100 being completely engaged in response to the question:

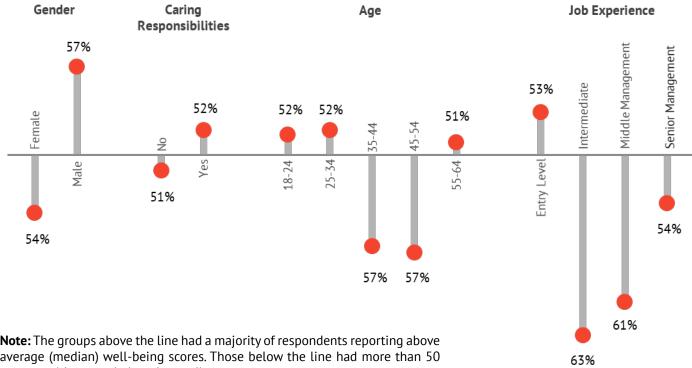
"How do you see yourself overall at the moment?"

mean response However, there some concerning and striking differences among cohorts. employees reported lower well-being scores than men. People aged 35-54 reported below average well-being.

The lowest well-being scores were found among employees in intermediate and middle managment roles.

There are many possible reasons for this, for example, it could be that intermediate level employees are feeling isolated and struggling to find opportunities to advance their careers whilst working from home. What is important, at all levels of the organisation, is that leaders open up a constructive dialogue with employees to understand the challenges they are facing and design appropriate policies.

#### ABOVE AVERAGE WELLBEING



**Note:** The groups above the line had a majority of respondents reporting above average (median) well-being scores. Those below the line had more than 50 percent with scores below the median.

BELOW AVERAGE WELLBEING

## Insights

- Women experienced lower overall well-being than men during this period 54% of women rated lower than the median response, where only 44% of men reported lower than the median.
- Respondents aged 35-54 responded with the lowest level of well-being among all age groups 57% of 35-54 year olds responded below the median.
- Respondents who are in intermediate level roles (<5 years experience) rated the lowest in terms of well-being 63% responded below the median
- Women aged 35-44 who are in entry and intermediate level roles responded with the lowest levels of well-being of any group the well-being score of this group was 30% below the median.



### How common is burnout?

The study measured the prevalence of burnout using the newly developed **Infinite Potential Burnout Scale** (IPBS) based on the WHO's burnout dimensions.

This new tool builds on previous measures by focusing on the organisational factors, such as effort at work, that cause burnout rather than physical symptoms such as headaches or fatigue.

While the IPBS is not a diagnostic of individual burnout. It enables us to assess the prevalence of organisational factors that could lead to burnout.

The results show that 42 percent of respondents are experiencing some form of burnout. Across the three dimensions, exhaustion was consistently the most prevalent cause of burnout.



Of respondents are experiencing some level of burnout

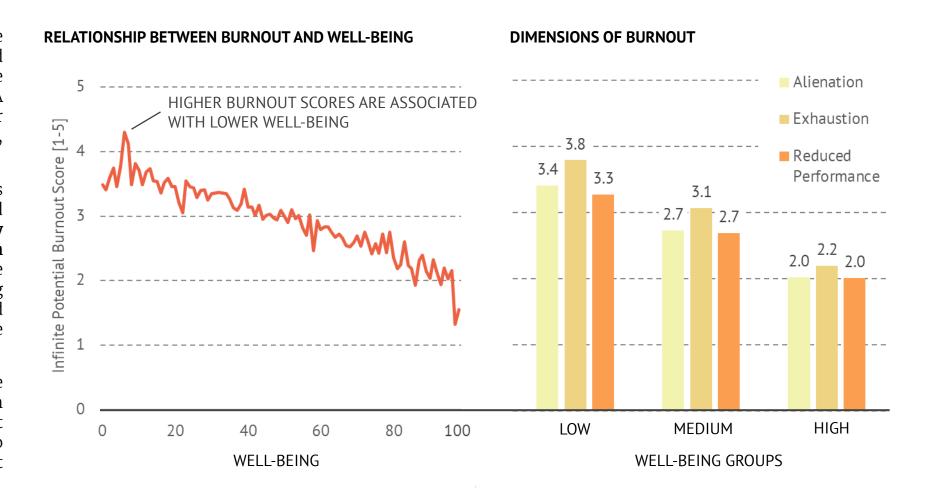


# How are burnout and well-being related?

The analysis showed a strong negative correlation between well-being and burnout, as measured by the Infinite Potential Burnout Score (IPBS). A higher burnout score indicates a higher prevalence of burnout. As scores increase, well-being declines.

The IPBS is based on the three dimensions of burnout – alienation, exhaustion and professional efficacy. **Professional efficacy had the highest, (negative) correlation with well-being.** This is important because it could indicate that a person exhibiting what would otherwise be considered a performance issue might instead be experiencing burnout.

Respondents in the highest 30% of the well-being group scored 60% lower on the IPBS than respondents in the lowest 30% group. This major gap within the two groups indicates the effects that burnout can have on individual well-being.



### Top 5 reasons for low well-being scores

"I lack enthusiasm and motivation to do my best on the job"



"At the end of my day, I find myself feeling emotionally exhausted"



"In recent months, I feel more tense and stressed than usual"



"I feel under an unreasonable level of pressure to succeed"



"I get upset or sad at work without knowing why"



These reasons provide insights into the symptoms of those experiencing burnout. To address this, organisations need to develop strategies that addresses their root causes. This will involve an organisation reviewing their organisational structures and culture.

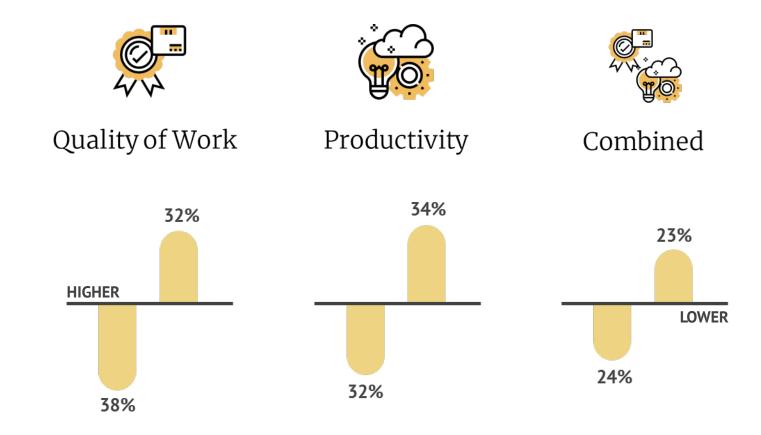
### Productivity and Quality of Work

As organisations rapidly adapt to new ways of working, there seems to be a real divergence in how employees have responded.

Almost 40 percent of people surveyed reported a decrease in the quality of their work over the last 6 months. At the same time a similar number, 32 percent, reported an improvement. A similar pattern is seen in productivity with almost a third of workers reporting lower levels of productivity.

There was considerable overlap between those who reported lower productivity and lower quality. Almost a quarter of those surveyed reported being both less productive and producing lower quality work.

Demographic characteristics and experience had relatively little impact on productivity and work quality; there were no discernible differences in terms of gender or caring responsibilities. Age had some effect: 27 percent of those in the 25-34 age group reported falling productivity and quality of work, the highest of any age group.



# How does burnout impact productivity and quality of work?

Burnout has a significant effect on both productivity and quality of work, however, the nature of this effect is somewhat counter intuitive.

Individuals with above average burnout scores were significantly more likely to self-report producing higher quality work and having higher levels of productivity over the past 6 months.

This is important. Research has repeatedly demonstrated the long-term negative impact of burnout on performance. There is a significant risk that by ignoring burnout, organisations may be at risk of losing some of their most productive and best employees because of their simultaneous experiences of high stress and burnout symptoms.

People experiencing high levels of burnout were...



...more likely to report producing **higher quality work** over last 6 months.



...more likely to report being **more productive** over last 6 months.

### THE PITFALLS OF PERFORMANCE MANAGEMENT: KPIs, METRICS AND BURNOUT

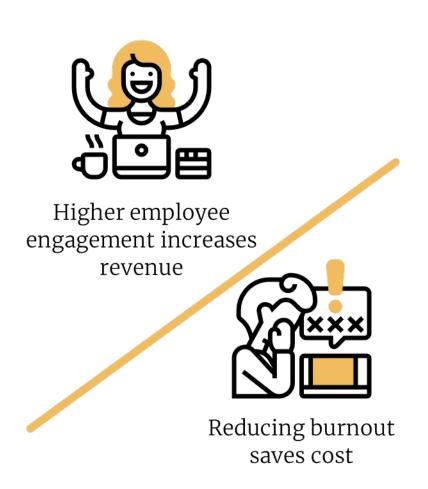
Measures of productivity tell employees and their managers how they are performing. When employees begin experiencing burnout, they lose motivation and productive efficiency, and the quality of their work decreases. It feels pointless to work hard when external factors can easily obscure one's best efforts.

As an individual's performance and quality of work falls, their anxiety levels grow. This further feeds a negative cycle of hopelessness that in turns fuels burnout.

In this context, productivity and quality metrics — which should track success and show improvement — become a source of chronic despair and frustration for the individual.

The solution is to define well-being metrics that are used alongside existing performance measures, enabling managers to identify the warning signs in their reports.

# Summary: The growing burnout crisis can no longer be ignored



In the shadow of Covid-19, burnout is a silent pandemic that is escalating around the world. Covid-19 has resulted in new levels of **stress and uncertainty**, therein promoting an environment in which burnout thrives. Leaders no longer have the option to **ignore burnout**; they can either handle it now or face its impacts on their long-term strategic agendas later, potentially at a **higher cost**.

Having an engaged, agile, high-performing workforce is every organisation's goal. Organisations continuously accelerate the velocity of change and leverage technological advancement as their primary strategy to improve performance. The challenge for organisations is to ensure that their people are not burning out trying to keep up.

Employee burnout is a major barrier to achieving strategic goals, and its costs are high. On the flip side, engaged employees are more productive and creative, and are thus in a better position to improve results. Circumventing the causes of burnout keeps engagement high and overhead costs low, resulting in a win-win for both organisations and their employees.

Whether you are an employer determined to create a mentally healthy workplace or an employee dead-set on finding one, the starting point is an organisation's willingness to incorporate well-being as part of its strategy. A mentally healthy workspace is an environment where employees feel comfortable discussing mental health concerns without fear of discrimination or stigma.

### THE GROWING BURNOUT CRISIS CAN NO LONGER BE IGNORED

A healthy workplace is one where employees don't have to sacrifice their well-being to be stars at work. Providing yoga, mental health days, resilience and mindfulness classes are all terrific tools for optimising individual mental health and managing stress. But when it comes to employee burnout, it is the organisational priorities, demands and structures that leaders set that can play the greatest role in preventing or driving stigma, not individual employee behaviour.

Burnout is **preventable** and there are great **social and financial benefits** for preventing it. Prevention requires organisations to invest in – and commit to – developing **sustainable structures**: they need **better data** to ask the right questions about culture; and they need willing leaders to **incorporate well-being** as part of their **organisational strategy**.



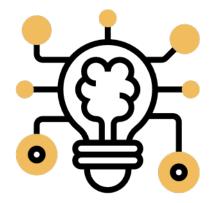
### Insights & Recommendations

### 1. Burnout is common

Burnout is prevalent among individuals all around the world, no matter the gender, age, industry, or level in an organisational hierarchy.

### 5. Tailor Support

Burnout is more prevalent on certain populations.
Organisations need more data to tailor strategies to combat burnout.



### 2. Performance & Quality of Work

COVID-19 had no consistent impact on performance and quality of work. A third of employees report increased performance and quality, but half report falls on both measures.

### 4. Organisational Phenomenon

Burnout is an organisational phenomenon and initiatives targeting burnout need to address organisational structures and culture, not just individual well-being.

### 3. Exhaustion, Alienation & Decreased Performance

Among the three symptomatic dimensions of burnout, exhaustion is consistently the most prevalent among all respondents.

# Create a safe environment within your organisation to discuss burnout

What does burnout look like, what are its causes, and how can your organisation make changes to alleviate its structural drivers. Leaders need to help remove the stigma on discussing burnout or admitting to feelings of being burnt out.

### Prioritise manager development

Educate managers on why burnout is an important organisational issue and help managers develop the skills to identify burnout. Managers should be taught how to work with employees to codesign solutions that alleviate burnout.

# Develop targeted initiatives to address burnout

Expand initatives to deal specifically with burnout not just wellness. Broad programs should continue, but initiatives that review organisational structures and culture are needed to properly deal with burnout.

### About the Author



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Dr. John Chan has 20+ years of global experience designing people strategies to transform work into a place that empowers individuals to realise their whole potential. Dr. Chan's career has taken him from Silicon Valley start-ups to NYSE and ASX-100 companies. He specialises in helping organisations design business and people processes that align to create flexibility, engagement, and high-performance. As a thought leader in HR and people analytics, John regularly publishes articles and speaks at national and international conferences.





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