



# The Employee Burnout Crisis

## U.S. Survey Shows Burnout Is Seriously Undermining Workforce Retention

The results of a new study on employee burnout conducted by Kronos® and HR advisory and research firm Future Workplace show that 95 percent of human resources leaders agree that burnout is affecting employee retention.<sup>1</sup> While that represents a significant majority, the problem could be more manageable than many think as long as organizations are willing to explore solutions to address the issue proactively.

In this national survey, HR leaders from across the U.S. provided a candid look at the causes of burnout, how it drives turnover, and why there is no easy solution despite 87 percent of respondents calling improved retention a high/critical priority. The contributing factors are many, but several stood out.

### The cost of talent “burn and churn”

With nearly half of HR leaders saying burnout is responsible for up to half of their annual workforce turnover, it’s not surprising there is difficulty in building an engaged workforce. And though burnout touches organizations of all sizes, larger organizations seem to suffer more. Fifteen percent of HR leaders at organizations with more than 2,500 employees said burnout causes 50 percent or more of their annual turnover.

### Burnout issues within HR’s control

The top three issues contributing to burnout were identified by respondents as unfair compensation (41 percent), unreasonable workload (32 percent), and too much overtime/after-hours work (32 percent).

However, respondents also identified key burnout factors that fall under talent management, employee development, and leadership that should be in their control, including poor management (30 percent), employees seeing no clear connection between their roles and corporate strategy (29 percent), and a negative workplace culture (26 percent).

### Barriers to improving retention

Despite 87 percent of HR leaders calling improved retention a critical or high priority over the next five years, 20 percent said there are too many competing priorities to focus on fixing the issue.

HR leaders in the study also pointed out that the C-suite must step up their commitment, and cited lack of executive support (14 percent) and a lack of organizational vision (13 percent) as additional roadblocks to improving retention.

**Nearly one out of five HR leaders reported their current tech as being too manual and lacking automation of repetitive administrative tasks, which weakens their ability to act strategically to fix big problems.**



Increased absenteeism



Health problems



Less socializing

## SIGNS OF EMPLOYEE BURNOUT



Working excessive hours



Decreased productivity



Poor job performance

## Recruiting new vs. retaining existing talent

Despite the costs of employee turnover, organizations are more likely to invest in recruiting new employees than they are in retaining existing talent. The survey found that 97 percent of HR leaders are planning to increase their investment in recruiting technology by the year 2020, including nearly a quarter (22 percent) who anticipate a 30 to 50 percent increase in such spending.

However, budget was continually cited by respondents as a deterrent to programs that would help retain existing talent. This includes 27 percent who said funding is the biggest hurdle to implementing new HR-related technology, such as tools that would reduce manual or administrative work so they could act more strategically; and 16 percent who said lack of budget is the primary obstacle to improving employee retention in the next 12 months.

## The way out of burnout

Many organizations continue to react to burnout after the fact rather than put pre-emptive measures in place — replacing talent as it's lost and creating a never-ending cycle of turnover that undermines larger engagement initiatives.

Today's advanced technology solutions empower HR and operations managers to be more proactive in preventing burnout, such as providing the ability to schedule rolling rest periods between or even during shifts for as long as a year. Workforce analytics also provide valuable insight into scheduling and absenteeism trends that may indicate an employee is on the path to burnout so corrective changes may be made.

## Our human capital management solutions

Our solutions can be implemented as part of an overall strategy for improving your culture and employee experience. With a wide range of tools to meet the needs of your organization and industry, we offer capabilities that can help you effectively manage burnout and engagement to support and retain a high-performing workforce, including:

- **Self-service** functions that provide employees with better visibility and control
- More effective ways to **track and manage attendance and absences**
- **Scheduling** that delivers a more consistent employee experience
- **Analytics** for improving visibility into the issues that drive burnout

*"While not all burnout can be eliminated, much of it can be avoided using critical strategies that balance consistency and personalization of schedules and workload; leverage managers as models for how their team can achieve work/life balance; and implement tools and technology that proactively manage burnout or otherwise support these efforts."*

**Mollie Lombardi, co-founder and CEO**

<sup>1</sup>Study source: Future Workplace, LLC and Kronos Incorporated, *Employee Engagement Lifecycle Series* (November 2016). See additional survey details at: <https://www.kronos.com/about-us/newsroom/employee-burnout-crisis-study-reveals-big-workplace-challenge-2017>.