



Burnout & the Bottom Line

Why Holistic Well-being Matters to Business Leaders



Three in four employees are experiencing symptoms of burnout.¹ In turn, employers are feeling the impact in the form of record turnover, reduced productivity, and increased healthcare costs. Addressing burnout by investing in holistic well-being can have a tangible effect on employee health – and a company’s bottom line.

In 2019, the World Health Organization (WHO) updated its definition of burnout, categorizing it as “a syndrome conceptualized as resulting from chronic workplace stress that has not been successfully managed.”²

The WHO’s official definition describes the symptoms of burnout as:

- **Feelings of energy depletion or exhaustion**
- **Increased mental distance from one’s job or feelings of negativism or cynicism related to one’s job**
- **Reduced professional efficacy**

In 2020, 76 percent of employees reported symptoms of burnout, such as exhaustion, detachment from work, and reduced work performance.¹ Added stressors driven by the ongoing global pandemic – social distancing, office closures, and economic uncertainty – clearly exacerbated burnout levels, with 44 percent of workers saying they were more burned out in 2021 compared to 2020.³

At the same time, the pandemic prompted heightened awareness of the implications of burnout for employees and employers alike. As the definition of how and where we work continues to evolve, tackling burnout – and its root causes – is at the heart of the discussion.

The High Cost of Burnout

Burnout is a condition caused by working too much or having an unhealthy work-life balance, and it was around long before COVID-19. Initially defined in 1974, burnout has been the focus of significant research ever since. As a result, the condition – and its causes – are much better understood.

Burnout affects employees at all levels within an organization, with highly engaged, high-performing employees often the most susceptible. Younger generations (Gen Z and Millennials) are more likely to report symptoms of burnout, but rates are also rising steadily among Gen X and Baby Boomers since the start of the pandemic.⁴

Left untreated, burnout leads to employees feeling disengaged, anxious, and depressed. It can also contribute to stress-related health issues, including diabetes and heart disease.

According to research by the World Health Organization, people who work an average of 55 hours or more per week have a 35 percent higher risk of stroke and a 17 percent higher risk of dying from heart disease than those who work 35 to 40 hours per week.⁵

Companies also pay a high cost. Estimated burnout-related health care costs are between \$125 billion and \$190 billion per year.⁶ In addition, Gallup researchers calculate that burned-out employees cost their employers \$3,400 for every \$10,000 in salary through disengagement and decreased productivity.⁷

Throughout 2021, record numbers of employees took action against work-life imbalances and burnout by voluntarily leaving their current positions.⁸

The significantly higher turnover rates are being called “the Great Resignation,” and they’re causing additional hiring and retention challenges for employers.



Addressing Burnout Through Holistic Well-being Strategies

Behind the statistics, there's a bright spot for companies looking to reduce burnout. The primary causes of burnout are largely organizational issues that leaders can affect and change – and see the impact on business performance.

According to experts, burnout stems from six root causes:⁹

- **An unsustainable workload**
- **Perceived lack of control**
- **Lack of social support**
- **Lack of recognition for effort**
- **Absence (or perceived absence) of fairness**
- **Mismatched values or skill levels**

Creating an authentic culture of well-being backed by a wellness strategy is crucial as companies address workforce stress and burnout. Employees – especially younger generations – are actively seeking support from their employers to help them improve their work-life balance and overall well-being, both physical and emotional. Overall, the top reason people want to make a job change is to achieve a better work-life balance. Notably, balance ranks ahead of higher pay.¹⁰

A strategic approach to well-being starts with an examination of the company's culture and how it aligns (or doesn't) with work-life balance. How are workloads distributed? How much flexibility do employees have regarding their work schedule? What are the expectations about being available outside of defined working hours?

How much time are employees spending in meetings compared to focused work? It's essential that expressed values line up with the day-to-day practices of frontline managers and executives.

When workloads are overwhelming and employees have minimal discretion over how the work gets done, it negatively impacts their mental well-being and significantly increases their risk for diabetes and heart disease.¹¹ Giving employees more discretion doesn't always mean enabling remote or hybrid work options. Even when work needs to be accomplished on-site, relatively simple adjustments like offering choices in start and stop times or making it easier for employees to swap shifts can make a positive difference.

Along with refining the company culture to help address the root causes of burnout, taking a strategic approach to wellness can also move the needle. Rather than a series of separate wellness initiatives, companies are helping employees connect the dots by delivering holistic programs that support physical, mental, social, and financial aspects of well-being. This type of approach puts the emphasis on overall wellness and gives employees an integrated menu of tools and resources they can leverage based on their individual needs. Today, 55 percent of companies have an over-arching well-being strategy in place.¹²

As companies look to the future, eight in ten report they are prioritizing well-being as a business essential. And the focus has bottom-line implications. When a company achieves a 3 percent increase in wellness measures, it sees a corresponding 1 percent increase in customer retention. And a 4 percent boost in well-being drives a 1 percent increase in company profits.¹²

5 Action Steps for Tackling Burnout

For most companies, taking on burnout involves enhancing existing wellness programs and culture rather than a complete overhaul. Incremental actions over time can have a noticeable and lasting impact on employee well-being and company performance. Consider the following five action steps to tackle employee burnout.

- 1** Identify opportunities to add flexibility to how work gets done – and offer options that give employees additional control.
- 2** Take a holistic approach to wellness incorporating physical, emotional, social, and financial aspects vs. implementing separate wellness initiatives.
- 3** Ensure executive leaders and frontline managers are “walking the talk” by modeling best practices regarding work-life balance, so employees feel they have permission to do the same.
- 4** Make wellness programs easy for employees to engage in, including during working hours. And leverage technology to ensure the program is accessible for employees across locations and shifts.
- 5** Provide a range of support and resources that meet the diverse needs of employees who are at different places along their wellness journeys.





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We enable employers, health plans, and consumers to go beyond the scale to improve overall wellness by offering multiple ways to succeed along the road to healthy living: eating healthier, moving more, and shifting mindset while seamlessly integrating into the places where we work and live.

For further information about how you can partner with WW Health Solutions, contact us at 1-800-8-AT-WORK (800-828-9675) or visit us at [WW.com/us/hr](https://www.ww.com/us/hr).

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