

HOW TO REDUCE BURNOUT OF HOURLY EMPLOYEES





Table of Contents

Executive Summary

1

What is Burnout?

2

Causes of Burnout

3

Poorly managed breaks
Stressful work conditions
Lack of employee engagement
Inefficient scheduling

Cost of Burnout

6

Reduced productivity Increase in errors High staff turnover Increased sick time

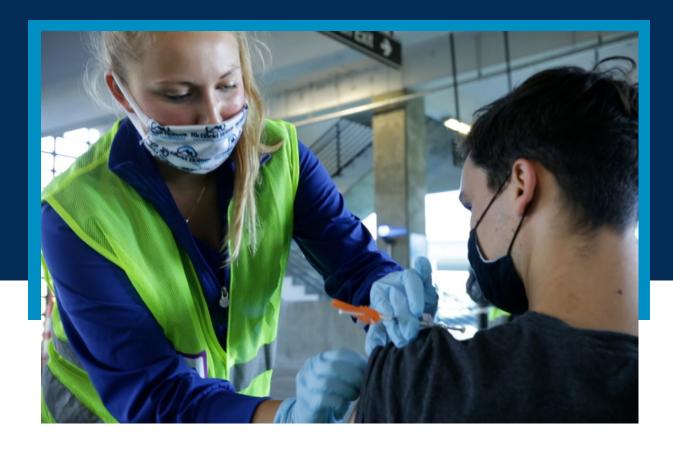
Reducing Burnout

8

Audit your scheduling Leverage granular data

WFM Fights Burnout

14



Executive Summary

Hiring the right people is paramount to a successful organization, but keeping those star contributors is an entirely different challenge. The Society for Human Resource Management shows the average number of workers quitting each month has been rising since 2017.

According to a 2022 <u>report</u> from Cengage research group, employee burnout is one of the main factors behind employee resignations. And the American Psychological Association has observed that "essential workers" — those in healthcare, the service sector, and education <u>are especially vulnerable to burnout</u>. We see the repercussions everywhere, and employers of hourly workers are short-staffed as a result. Many businesses have been left reeling and wondering what they can do to stem the tide.

Burnout isn't an individual problem but an <u>organizational one</u> that affects employees' health and well-being, as well as the company's bottom line. Companies can address burnout by first identifying its causes and associated costs, then by deploying improved scheduling tactics and collecting granular employee data.



What is Burnout?



Burnout is a feeling of exhaustion, both emotional and physical, in response to sustained, unaddressed job-related stress. Psychologist Herbert Freudenberger originally coined the term "burnout" while studying the phenomenon in the 1970s. By 1981, researchers had zeroed in on three facets of burnout — exhaustion, negativity or cynicism toward your job, and feeling like you're unable to do your job to the best of your ability — and created a tool called the Maslach Burnout Inventory, or MBI, to measure burnout.

The tool suggests as many as <u>15 percent</u> of employees are burnt out in all three measurements, according to a Harvard Business Review report. Half of employees are negative in at least one of those measurements, suggesting they may not be burnt out but could be headed in that direction.

The annual APA Stress in America report shows work is the leading cause of stress among Americans, and medical providers are taking notice. The World Health Organization added "burnout" to its International Classification of Diseases in 2019. It defined the phenomenon as a result of "chronic workplace stress." But not all industries feel the effects of burnout equally. Since the pandemic, the hospitality industry has been especially hard hit. A shocking 80 percent of hospitality workers surveyed by Paychex said they felt burnt out.





Causes of Burnout

Recognizing the symptoms of burnout is easier than identifying its causes. The reasons employees feel burnt out can vary from industry to industry: Construction workers may be more prone to physical stress, whereas nurses might be more likely to suffer mental stress, for example. Causes of burnout can even vary from job to job within a particular industry, making it difficult to pin down a single cure-all.

Most causes, however, can be attributed to some form of mismanagement.

Organizations should reflect internally on how they currently handle workforce management, and what they could perhaps do differently moving forward. Finding root causes in this way is an important first step in reducing burnout rates among employees because it helps shine a light on the solutions.

Poorly managed breaks



A review of a decade of studies by the <u>American Psychology</u>
<u>Association</u> showed short breaks during the day and the ability to completely detach from work during off-hours or off-days lead to happier, healthier, and more productive employees.

A <u>2017 Tork survey</u> of 1,600 North American workers demonstrates higher job satisfaction among employees who regularly take a lunch break. Most companies have mandated lunch breaks, and it's rare for management not to schedule those for employees. However, if employees feel unable to take those lunch breaks, supervisors must step in to make sure those breaks happen.

If breaks are loosely thrown into a schedule with no real policy backing them, or if company culture glorifies overworking and shames downtime, employees could feel pressured to skip their breaks.

Compounding over weeks and months, this can virtually render scheduled breaks meaningless. Management needs to communicate clearly that breaks are mandatory, and appropriate scheduling and timekeeping software needs to help enforce this mandate.



Stressful work conditions



Mentally taxing work and physically exhausting work can be two different paths to the same destination: burnout. The emotional and mental stress of healthcare work is a prime example — 64 percent of healthcare workers frequently felt burnt out in 2021, and one in five quit. The physically tiring nature of construction and manufacturing is also a good example, with both industries ranking in the top five highest burnout rates, according to a Paychex survey.

Lack of employee engagement



Employees who feel unseen, unheard, and unfulfilled at work are less likely to be engaged, which can lead to burnout and lackluster results.

Management must communicate with employees early and often to understand how workplace operations could be smoother. Frontline employees often have valuable insights when it comes to day-to-day issues like scheduling. Closing off valuable avenues for internal feedback and consistently ignoring employees creates disengagement in the workplace and hinders job performance.

Continuous progress and regular goal setting are also important for an employee's intrinsic motivation. With no viable path for upward mobility, employees can feel directionless. Taking on increasingly important responsibilities and working towards tangible incentives are key in reinforcing continuous improvement within a company, and yet, many companies find themselves forgetting about these measures.

Employers must also make sure that employee values are aligned with company values. Misalignment in this area can result in feelings of resentment and disengagement towards the company, which in the long run, is never sustainable. Employees often only feel fulfilled when working towards goals they believe in alongside peers who share their mindset - without this internal meshing of beliefs, burnout is almost always inevitable.



Inefficient Scheduling



Scheduling is one of the prime contributors to burnout that is under a company's direct control. There are many harmful practices managers should avoid when scheduling shifts in order to avoid burnout. "Clopening" shifts, for example, damage the ability of workers to get sufficient sleep, leading to slow reaction times that could result in safety issues and irritability that may translate to poor customer service.

Other scheduling tricks look better on paper than they do in practice. Overtime is great for paychecks but can quickly lead to burnout through overwork. A National Institute of Health report from 2016 showed 44.1 percent of nurses working overtime are also burnt out, compared to the 38 percent burnout rate for those who don't take on the heavier workload.

Uncertainty can also play a role in burnout. Covering shifts last minute keeps workers from being able to reliably take time to rest and rejuvenate between shifts, and not having the proper staffing levels means too much work for too few people. Allowing this to happen too often can lead to underperformance and feelings of inadequacy.



Cost of Burnout

Burnout isn't just debilitating for those suffering from it; stressed, tired, and disengaged employees weigh heavily on a company's bottom line, too. Often, companies find that burnout is usually the underlying cause of many unnecessary and seemingly unresolvable costs.

Nagging costs associated with employee burnout can sometimes go undetected for a long time, only to finally be addressed in the wrong way. Employers may see the problem as an opportunity to increase efficiency by doing more with less, leaving behind a wake of laid-off employees and reduced wages. However, some costs cannot be addressed purely from an efficiency standpoint like this; rather they should be addressed by looking at how to improve the lives of employees.

It is valuable first to identify the costs your business is experiencing due to employee burnout. Doing so will help you measure the severity of the problem and will help guide solution efforts. While burnout may not result in all of the following costs, it inevitably causes at least one. If left unchecked, any of these issues could rapidly deteriorate the health of an entire organization.

Reduced productivity



Simply put, burnt out workers do not perform as well in their jobs. Both mental and physical fatigue play a role in this reduced productivity. Less productive workers lead to a direct loss in revenue.

Figures vary, but a Gallup study determined disengaged employees cost their company 18 percent of their annual salary because they are less productive. The firm estimates 67 percent of the workforce is disengaged - a sentiment that can quickly spiral out of control into burnout. Employees suffering burnout are 13 percent less likely to feel confident in their performance, but they are only half as likely to have a conversation with their manager about their work goals. That means it's on managers to keep a sharp eye out for symptoms.



Increase in errors



Burnout can lead to poor sleep, and tired employees make mistakes. This can lead to hard costs like wasted products or broken machinery. It can also incur soft costs like worse customer service because lack of sleep can lead to irritability. Errors on the administrative side of things regarding scheduling and payroll practices could also lead to crippling legal fees if companies are found to be breaking labor laws.

High staff turnover



Staff suffering from burnout are 2.6 times likelier to be looking for a new job, according to a <u>2018 Gallup report</u>. Replacing burnt out staff who quit costs businesses both time and money. It requires posting help wanted ads, interviewing prospects, and onboarding employees. Then it takes time to train replacements to do the job as well as the employees who left, which puts a heavier burden on existing staff in the meantime.

Increased sick time



Burnout takes a toll on the mental, emotional, and physical health of an employee. Employees who don't feel their best are more susceptible to illness, which can result in increased unplanned work absences. Gallup discovered that burnt out employees are <u>63 percent more likely to take a sick day</u> and <u>23 percent more likely to visit the emergency room</u>.

If your company offers sick leave, this means paying employees who aren't actually working. Even if sick days aren't part of the benefits package, they still lead to short-staffed shifts, increasing the pressure on other employees to pick up overtime.



Reducing Burnout

Once your company has identified the leading causes of burnout among your staff and quantified how that burnout is affecting the bottom line, you can work toward solutions. Supervisors can reduce burnout in two ways. First, they can audit their scheduling to make sure they are adhering to best practices. Second, they can measure workforce data to identify and act on patterns and behaviors unique to their workplace.

1

Audit Your Scheduling

Employees who feel supported by their manager are 70 percent less likely to experience burnout, according to Gallup.
That support should start by ensuring the schedule works for both your company and your employees.





Ensure staff are taking proper breaks



The Fair Labor Standards Act may not require breaks, but beyond any state laws you must meet, ensuring your employees have time to relax during their shift is a best practice for all businesses. To do this well, use scheduling.software to build breaks into schedules automatically and make sure employees clock in and out for them. In other words, don't just allow breaks — encourage-them.

You can incentivize meaningful breaks by making the break room comfortable, quiet, and welcoming. You can also encourage breaks by making them easier for employees and managers to coordinate. Connect scheduling software to manager and employee phones via an app to improve communication. Managers can track when staff are on break and are notified whenever breaks are missed. Employees should also be able to easily see breaks and clock in and out for them right from their phones.

Allow for an appropriate amount of time between shifts



Make sure you have internal controls set in your <u>scheduling software</u> to prevent staff from being scheduled too soon after their previous shift. For example, your scheduling software should prevent managers from scheduling "clopening" shifts. These are exhausting shifts where employees are scheduled to open up a business immediately after they worked a closing shift the day before.

You should also regularly rotate staff working night and late shifts, so no single individual bears the full burden. However, to avoid exhaustion, it's important not to rotate an employee between night shifts and day shifts daily. When dealing with long, 12-hour shift schedules split between days and nights, it is worth researching the <u>best patterns out there</u> to mitigate burnout.

Troublingly, a 2019 Bureau of Labor Statistics report showed 36 percent of wage and salary workers had no flexibility or input in their scheduling. To that end, management should seek to involve employees as much as possible in the scheduling process to better accommodate employee external commitments and financial needs.



Provide schedules far enough in advance



Depending on your location, you may need to follow Fair Workweek laws dictating how far in advance employees must be given their schedules. Regardless of whether you legally need to follow these region-specific labor laws, it is almost always a good idea to do so. Communicating and being transparent with your employees regarding their schedules helps mitigate surprises, stress, and, of course, burnout.

Only <u>55 percent of workers know their schedule four weeks ahead of time</u>, according to the Bureau of Labor Statistics. Worse, <u>19 percent receive just a few days of notice</u>. This "just-in-time" scheduling makes it hard for workers to <u>know their income month to month</u>. It can even cost them food benefits if they don't meet the program requirements because of a schedule created without their input.

Meanwhile, unpredictable hours scuttle regular childcare plans and can result in missed workdays. It also inhibits workers from improving their education or taking on a second job to make ends meet.

Make it easier to fill shifts



Searching for last-minute shift replacements is a hassle for both management and employees. Finding a replacement adds an extra burden to employees already facing illness or another personal issue. Meanwhile, managers face the cascading effects of that absence on the schedule for the rest of the week, or even the month. This hassle can lead to poorly scheduled shifts, stress, and of course burnout.

The best solution is to make sure the process for managers to find shift replacements is quick and painless; this starts with having an automated <u>shift replacement tool</u>. When an employee can't make it in for a shift, this tool can systematically search for other staff based on availability and suitability for the role. It can automatically send that employee a notification asking whether they can fill a shift. If they accept, all a manager needs to do is simply approve the replacement.

Rotate staff between roles



Some roles may be more stressful or frustrating than others; some people may even get burnt out feeling like they're stuck doing the same job day in and day out. To counteract this, rotate staff between jobs and activities where possible. Employees are <u>43 percent less likely to experience burnout</u> if they have some ownership in the kind of work they do.

To rotate staff successfully, appropriate cross training is needed. Employers who take the time to cross train add resiliency to their team by making sure multiple people on staff know how to perform critical tasks. Cross training also benefits employees; they add new skills and poise themselves to take on more responsibilities and reap further rewards.

It's still important for supervisors to understand their staff well and try to cross train employees in areas that any with each individual's strengths. Employees placed in roles that play to their strengths are <u>57</u> percent less likely to suffer from burnout, according to Gallup.

If it's not a change in roles but a change in some duties, make sure this is communicated to staff directly on their schedule. It should also be communicated in person and far enough in advance so they can prepare.



Leverage Granular Data

The days of the printed-out calendar clipped to a clipboard and hung from a thumbtack in the breakroom are gone. Companies that care about fostering and retaining engaged employees who feel empowered to do their best every day build schedules based on objective, actionable data.



2

Collect staff feedback



While being available is important, avoid having an "open-door policy" as the only way to collect staff feedback. <u>Open-door policies are often intimidating, too broad, and generally go unused.</u>

Supervisors must still identify issues before they get out of hand, though, so offer multiple ways for employees to provide feedback. Ideally, your workforce management system should collect feedback data after every shift by automatically prompting employees to rate what did and did not go well every time they go to clock out. Offer opportunities to provide anonymous feedback as well. You'll likely get more honest answers.

Take all this information and analyze it for patterns. If you see trends emerging, address them immediately. When staff report issues that don't get addressed, they feel unheard and unappreciated. Even if it's to explain why an issue can't be fixed, supervisors should always respond. Unfortunately, they often don't. Only 27 percent of supervisors offer positive support when faced with an employee suffering burnout or heading in that direction, according to the World Economic Forum.



Analyze demand



Your scheduling software should communicate seamlessly with your point-of-sale system. This way, key data on sales and demand, foot traffic, and appointments booked all show up in your scheduling software. This tight integration is what makes it possible for managers to schedule shifts based on demand, look at trends, and measure productivity.

Make sure this data is automatically utilized by your <u>scheduling</u> <u>software</u> to prevent accidental understaffing during busy and stressful shifts. By taking into account valuable demand data, businesses can recognize their staffing needs better, and in turn, avoid burning out their employees with consistently understaffed schedules. This data helps managers automate healthy, manageable schedules that lead to employees who feel better supported and more productive.

Track employee metrics



Employees who know their metrics, understand them, and feel like they have a say in them are <u>55 percent less likely to experience burnout</u>, according to Gallup.

Tracking those metrics can also help supervisors spot potential issues before an employee starts to feel overwhelmed. For example, if you see the sales data of a typical superstar starting to dip, it might be time to step in and see if they need help or new training.

Supervisors can compare workweeks across different roles to make sure there isn't one employee who is taking on far more hours than their colleagues. Workforce management software also lets supervisors see attendance records at a glance, which can give them a chance to address any troubling patterns of employees who show up late or not at all.

A system like this is also the place to track when employees are scheduled for breaks and ensure they are taking them. Digital reports quickly show if employees are neglecting to rest when they are supposed to or not taking long enough breaks.



Workforce Management Fights Burnout

Burnout is not a given. Companies can prevent burnout with compassionate and efficient workforce management. A workplace that engages and accommodates employees in the scheduling process will ultimately build a reputation for fewer errors, better customer service, and higher profits.

Burnout looks different from industry to industry, workplace to workplace, and even person to person. When you recognize symptoms of burnout - like negativity, cynicism, fatigue, or a dip in productivity - in your workforce, it's time to search for the underlying causes.

Poorly managed breaks, stressful work conditions, inefficient scheduling, and a lack of autonomy and upward mobility can all contribute to burnout.

Burnout also manifests itself in business costs, too. Employees suffering burnout accomplish tasks slower or with lower quality, commit more errors, call in sick more often and quit sooner.



Once you recognize the root causes contributing to burnout among your workforce, and understand the costs associated with them, you put yourself in a better position to produce smarter solutions. Ensure staff take breaks, allow sufficient time between shifts, post schedules far in advance, make replacing shifts easy, and rotate employees through different roles.

Putting these solutions in place effectively is made much easier with workforce management software. It's automated, smart, and drives efficiency, while also possessing enough of a human touch to understand and accommodate employees' needs.

With Workforce.com you have all the tools necessary to solve burnout right at your fingertips. It provides supervisors with the valuable data they need to gauge worker satisfaction and productivity. Labor forecasting and reporting functionality help you optimally schedule breaks and shifts. The automated system also empowers employees to take charge of their schedules by making shift swaps simple for staff and management alike.

<u>Book a demo today</u>, or start a <u>free trial</u> to see how <u>Workforce.com</u> can help you eliminate burnout and reduce business costs.



