

GLOBAL THOUGHT LEADERSHIP

Addressing the worldwide problem of employee burnout: Strategies to support your global workforce



Executive Summary

In this year's Global Employer Survey, **employee burnout emerged as one of the top concerns** for global multinational corporations. This creates a unique challenge for employers, as their priorities for the near term, particularly for US-headquartered firms, are focused on talent.

Here we explore some of our findings, examine burnout from a multinational employer perspective, look at how employees are feeling about work, and consider some data-driven actions that employers may consider as they look to support their workforce.

Key takeaways

- Employers are facing a number of particular challenges in building their talent pipeline, and are reporting that levels of burnout and turnover are increasing.
- Many employees appear to have a complicated relationship with work, with multiple factors contributing to stress in the workplace.
- Well-being support is desired by many workers, but some companies still feel that this is not something that employers should be responsible for.
- Focusing on strategies that address employee needs in this area may positively impact efforts in employee engagement and building the talent pipeline.

What is the impact of employee burnout?

Burnout as an 'occupational phenomenon'

Work burnout, a specific work-related stress, has far-reaching implications for employees and employers globally.

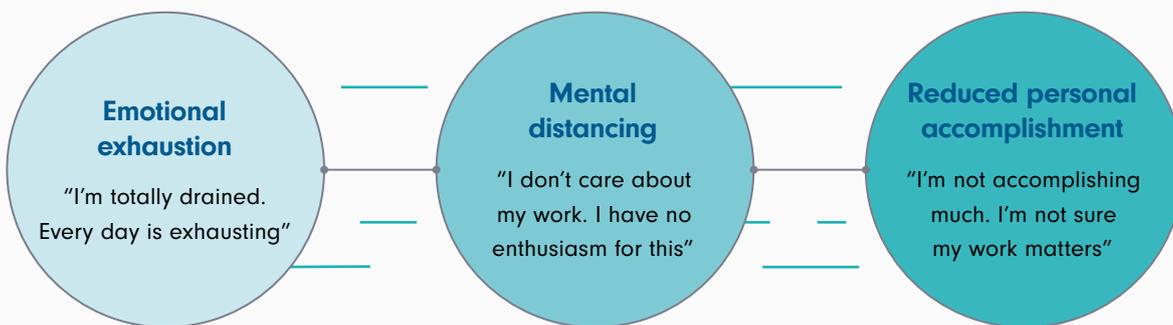
Burnout was highlighted as a growing issue by The World Health Organization (WHO) prior to the pandemic, when they reclassified burnout as:



“ An ‘occupational phenomenon’ resulting from chronic workplace stress that has not been successfully managed¹ ”

How might burnout present in your employees?

Burnout occurs on a spectrum, it's not dichotomous



¹The World Health Organization 2019

The impact of burnout

From an employee perspective, prolonged burnout may lead to significant physical and mental health concerns. This may cause workers to take time away from work and seek additional resources for support.

Depending on their circumstances, this may impact the employee's financial life due to loss of income and/or additional costs of associated health care and well-being services.

Implications for employers are also far-reaching, and cut across explicit and implicit financial costs, business outcomes and workplace culture.

Potential impacts on employers

 Employee costs	 Workplace culture	 Business outcomes	 Investor confidence
<p>Employees seeking additional resources for support may increase the employer costs for health care and employee support programmes. It may also lead to higher employee turnover resulting in increased hiring costs.</p>	<p>Hidden costs of burnout may include time and resources needed to onboard new employees, loss of experience and knowledge of exiting employees, and a negative impact on company culture.</p>	<p>Employee burnout may impact specific and measurable direct costs to employers such as absenteeism, decreased engagement, and a reduction in productivity, all of which impact deadlines and deliveries.</p>	<p>For publicly traded companies, increased employee turnover and associated costs, may signal broader cultural issues and potentially impact investor confidence.</p>

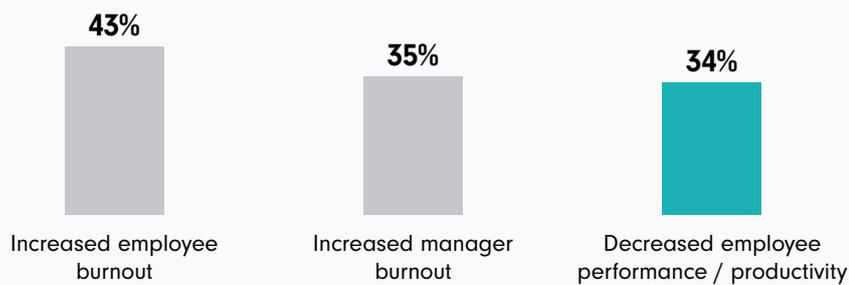
What are employers telling us about burnout?

To understand the employer perspective, we asked senior leaders if their company had experienced increased employee and/or manager burnout or decreased productivity in the last year. Through the survey, employers also shared their annual rate of employee turnover.

Employers across the globe share that they are experiencing increased employee and manager burnout.

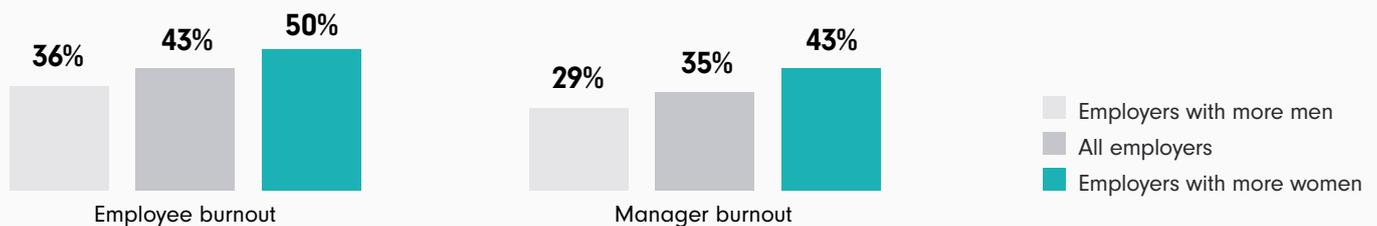
43% of respondents expressed that they have seen an increase of employee burnout within their company over the past year, and **35% of respondents** experienced an increase in manager burnout.

Additionally, a third of employers report that employee performance/productivity decreased in the last year.



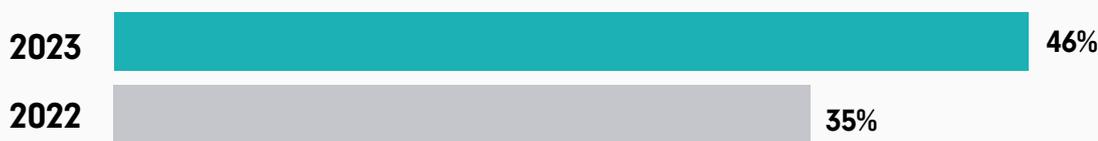
Question: Which of the following has your company experienced over the past year?
Source: The Fidelity Global Employer Survey 2023.

Strikingly, employers with more female employees are reporting higher levels of burnout.



Question: Which of the following has your company experienced over the past year?
Source: The Fidelity Global Employer Survey 2023.

Employers are reporting that workers are leaving their firms at higher rates than the prior year.



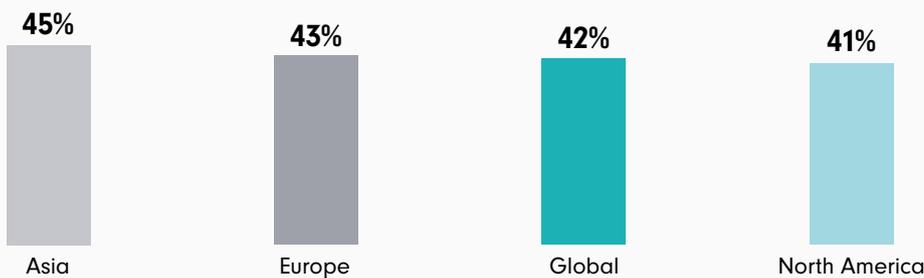
Question: Which is the annual turnover rate at your company?
Source: The Fidelity Global Employer Survey 2023.

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How does the employer experience compare across regions?

Employers reported increased employee and manager burnout and decreased productivity consistently across industries and regions, while slightly **more employers headquartered in Asia reported experiencing increased employer or manager burnout than other regions.**

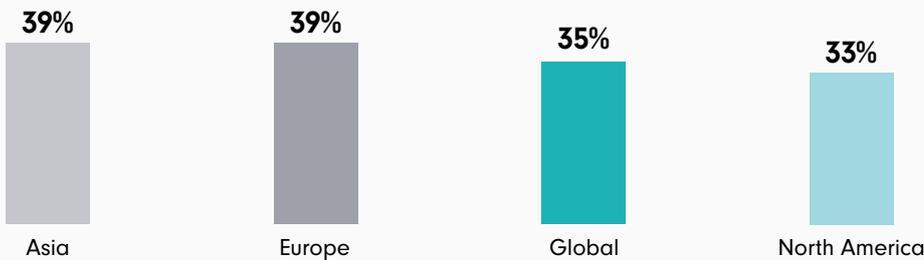
Increased employee burnout was felt more keenly by respondents in Asia.



Question: Which of the following has your company experienced over the past year? Question: Where is your company headquartered? Respondents: Global (1,002), Asia (122), North America (598), Europe (231).

Source: The Fidelity Global Employer Survey 2023.

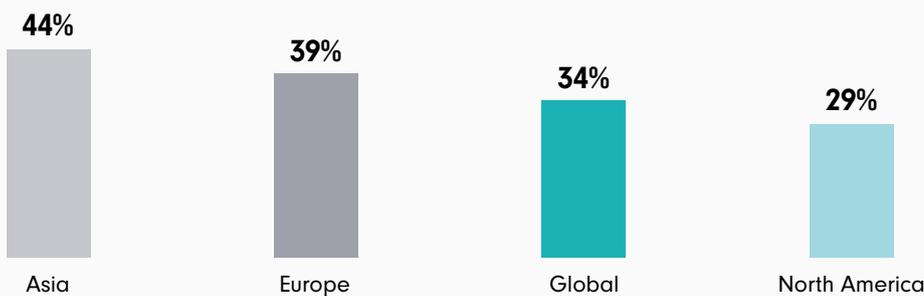
Employers in Asia and Europe were more likely to report increased manager burnout than those in North America.



Question: Which of the following has your company experienced over the past year? Respondents: Global (1,002), Asia (122), North America (598), Europe (231).

Source: The Fidelity Global Employer Survey 2023.

Similarly, employers in Asia and Europe were more likely to report reduced employee productivity.



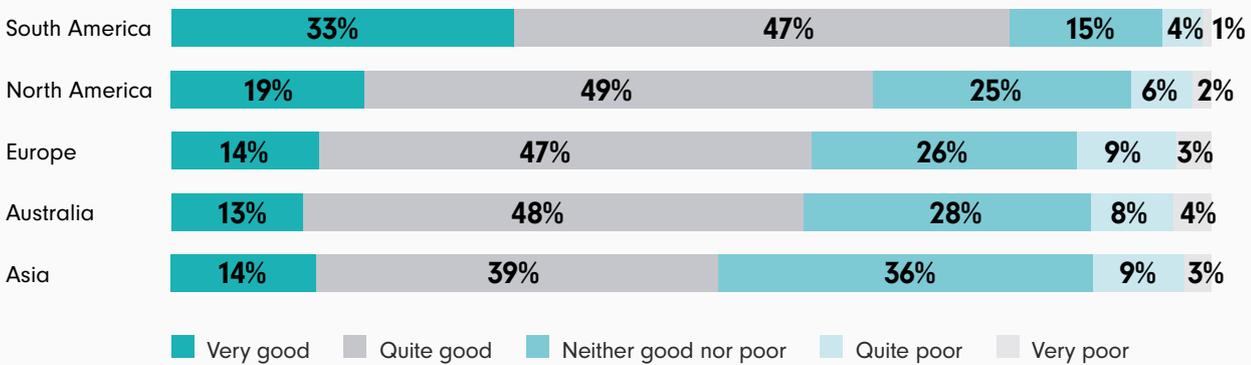
Question: Which of the following has your company experienced over the past year? Respondents: Global (1,002), Asia (122), North America (598), Europe (231).

Source: The Fidelity Global Employer Survey 2023.

How are workers around the world feeling about work?

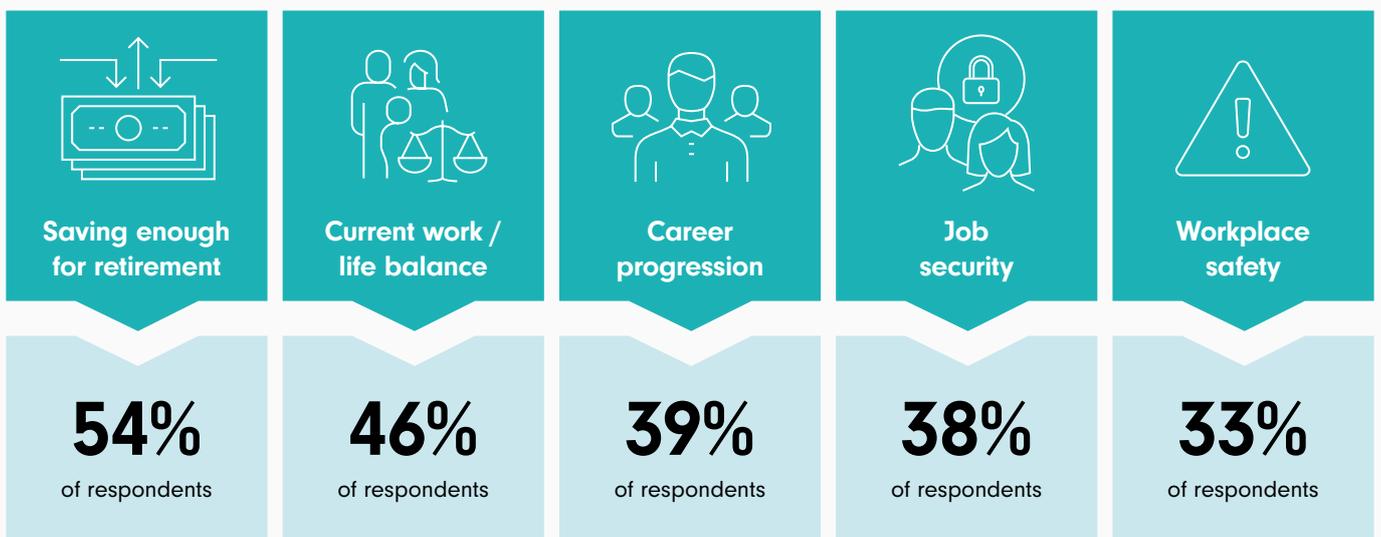
While employers are observing increased burnout and turnover, workers are indicating a more complicated relationship with work. Our research found that employees can both feel good about their current state of work and also report work as a source of stress.

Many workers across regions, gender and age groups describe the state of their work as 'very good/quite good', with workers in Asia less inclined to rate their work positively.



Question: How would you describe the current state of your work?
 Source: The Fidelity Global Sentiment Survey 2023. Respondents: Total (26,000), South America (1,000), North America (4,000), Europe (10,000), Australia (1,000), Asia (10,000).

Work also continues to be a source of stress for some workers globally. Workers shared the following as causing them stress in the past six months.



Question: To what extent are the following causing you stress over the last 6 months?
 Source: The Fidelity Global Sentiment Survey, 2023.

What potential actions could employers consider taking to support their workers?

Workers globally are looking for a wide range of assistance from their employers to support their well-being, from mental health support, financial benefits, and work flexibility.

We looked at actions employers have reportedly taken, and the potential impact of these actions, in these areas.

We present three questions for employers to consider:

1 Could doing more to support employee well-being impact the satisfaction of your workforce?



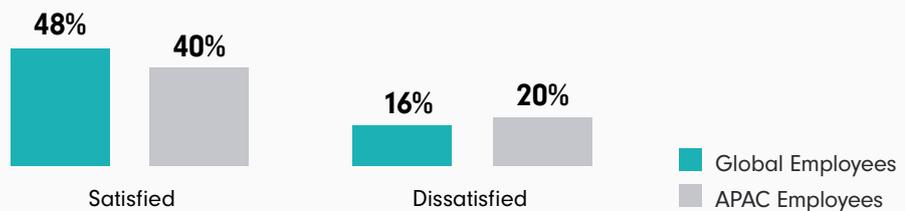
2 Could defining financial wellness more broadly impact talent outcomes, and is your definition aligned with your employees?

3 Could a holistic approach to flexibility have more impact in your company?

Could doing more to support employee well-being impact the satisfaction of your workforce?

With employers reporting increasing rates of burnout and turnover, and less than half of global employees saying they are satisfied with their job, employee well-being is clearly a pressing concern for employers.

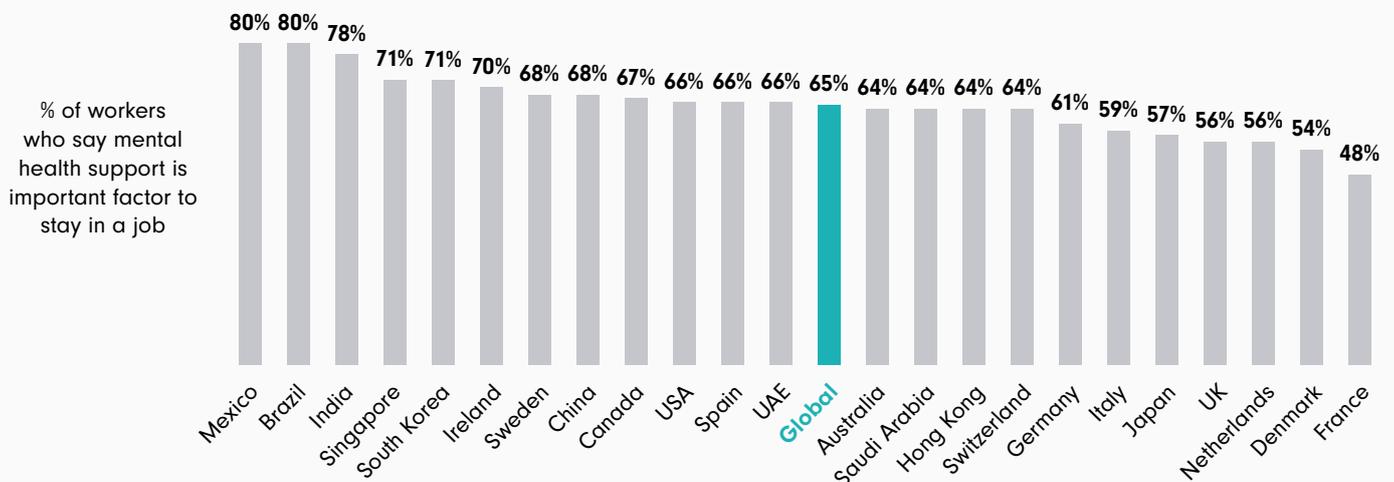
Less than half of employees globally say that they are satisfied in their jobs, and workers in Asia have the lowest satisfaction and highest dissatisfaction rates.



Question: How satisfied are you with your job overall?
 Source: The Fidelity Global Sentiment Survey 2023. Respondents: Total (26000), APAC (8856).

When it comes to mental health, many employees globally said support from their employer was an important factor in staying at a job, this suggests that support in this area may be one of a number of actions that employers could consider when it comes to the well-being of their workforce.

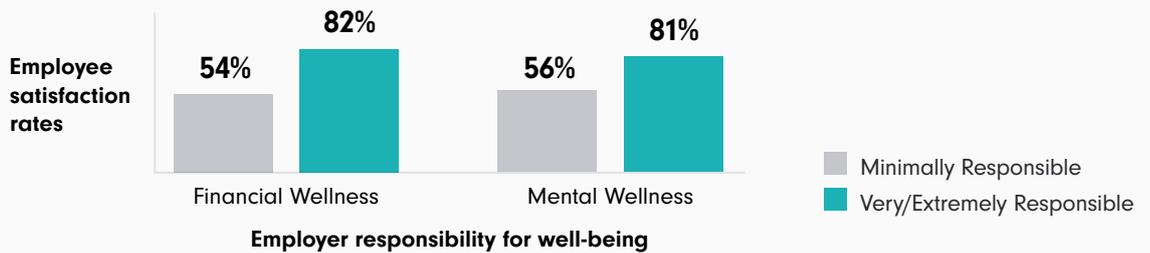
Many workers value mental health support.



Question: On the next several screens are things that people might look for in order to stay with their current company. For each of the features you see, please indicate whether or not it is important to you for staying at a job. Features will include compensation, insurance/retirement, time off, other paid benefits, location/balance, work/workload, development, relationships & culture, well-being, and fulfillment.
 Source: The Fidelity Global Sentiment Survey, 2023.

Our research shows that there may be an opportunity for employers to influence satisfaction through an increased focus on well-being. We found that those employers that recognise their role in well-being and feel more responsible for the state of their employees' well-being tend to fare better themselves, and report significantly higher levels of employee satisfaction.

Employers that are more responsible for their employees' well-being fare better themselves, with higher satisfaction rates.



Question: In general, how would you rate the financial wellness of your workforce?
Question: In general, how would you rate the mental/emotional health of your workforce?
Question: To what degree does your company feel responsible for taking steps to support employees' financial wellness?
Question: To what degree does your company feel responsible for taking steps to support employees' mental wellness?
Source: The Fidelity Global Employer Survey 2023.

Despite the desire for well-being support from employees and the benefits of adopting well-being strategies to influence employee satisfaction, surprisingly, one in five employers around the world feel minimally responsible for the wellness of their workers, which highlights the opportunity for employers to shift their thinking about their roles.

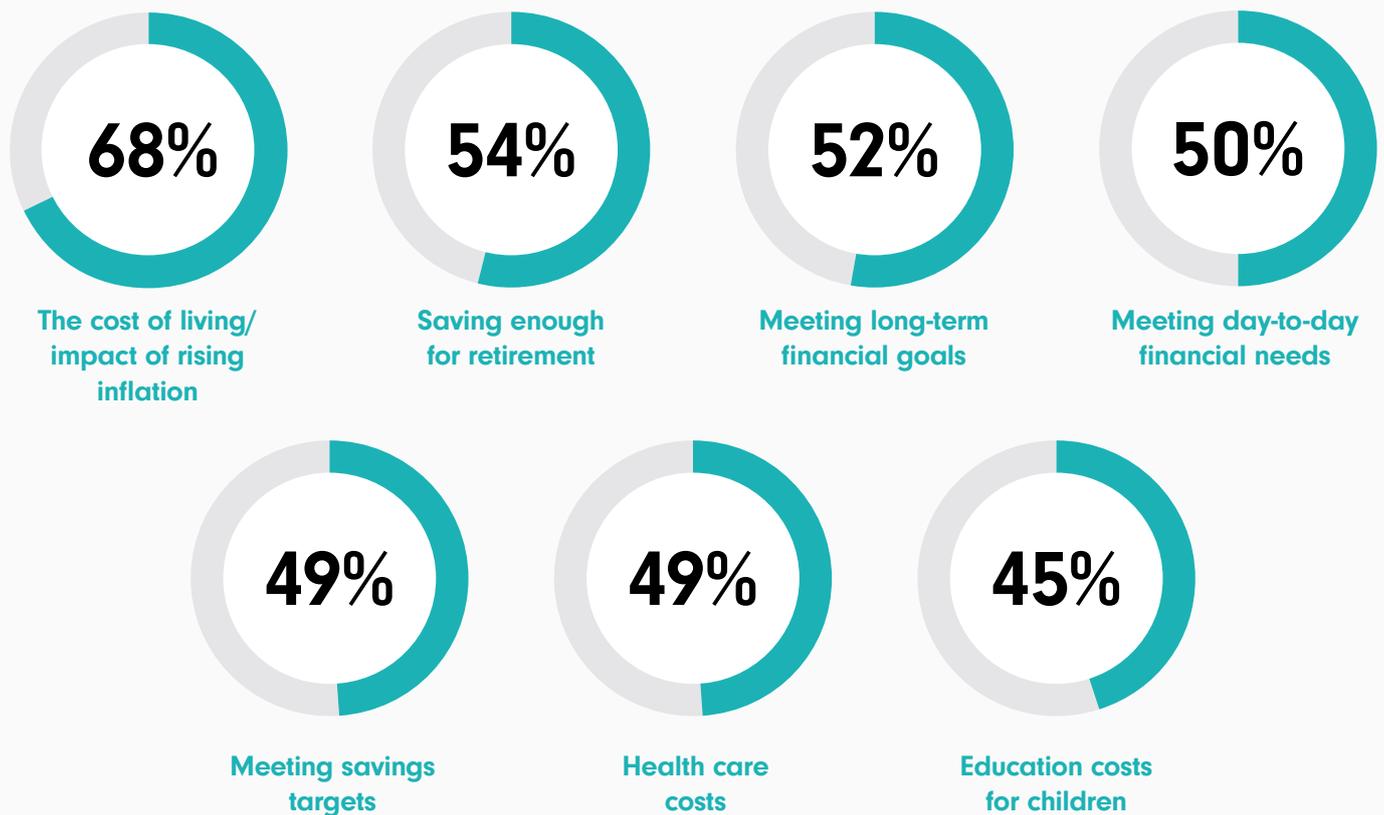
The opportunity for employers

This research highlights an opportunity for employers to re-examine their well-being programmes and to take action in the areas of wellness that have potential to enhance employee satisfaction and positively influence their talent retention outcomes.

Could defining financial wellness more broadly impact talent outcomes and is your definition of financial wellness aligned with your employees?

Global employees are focused on finances, with a broad range of financial factors causing stress in the half of this year. This has been intensified by the cost-of-living crisis with 68% of global workers saying the cost of living/impact of rising inflation is causing them stress².

Top causes of financial stress for global workers in the first half of 2023.



Question: To what extent are the following causing you stress over the last 6 months?
Source: The Fidelity Global Employer Survey 2023.

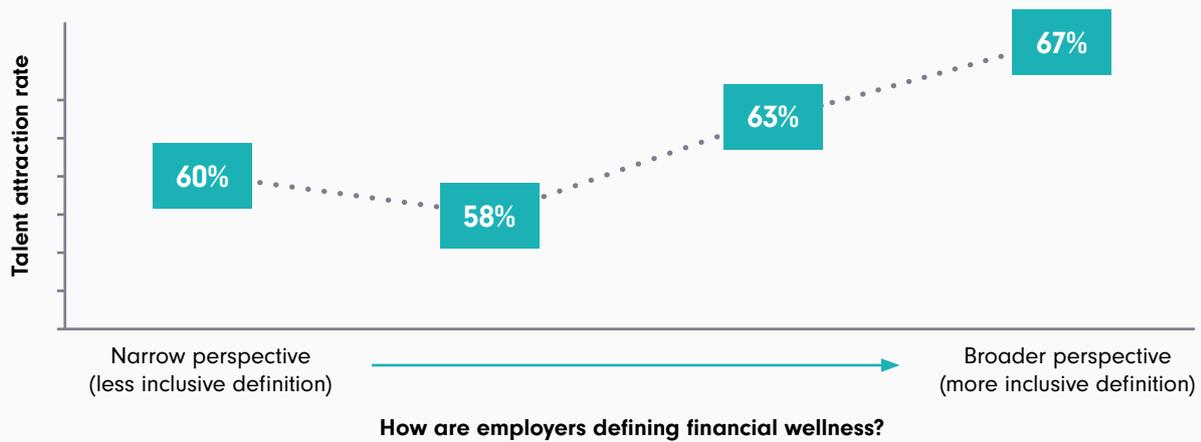
²The Fidelity Global Sentiment Survey 2023.

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The breadth of employee financial challenges is wide and from the employer perspective, our research shows that a broad perspective on financial wellness may be beneficial.

Those employers who take a more holistic view of financial wellness, with a more inclusive definition, report the highest attraction rates, even after accounting for firm and workforce characteristics.

Employers with a more inclusive definition of financial wellness report higher attraction rates.



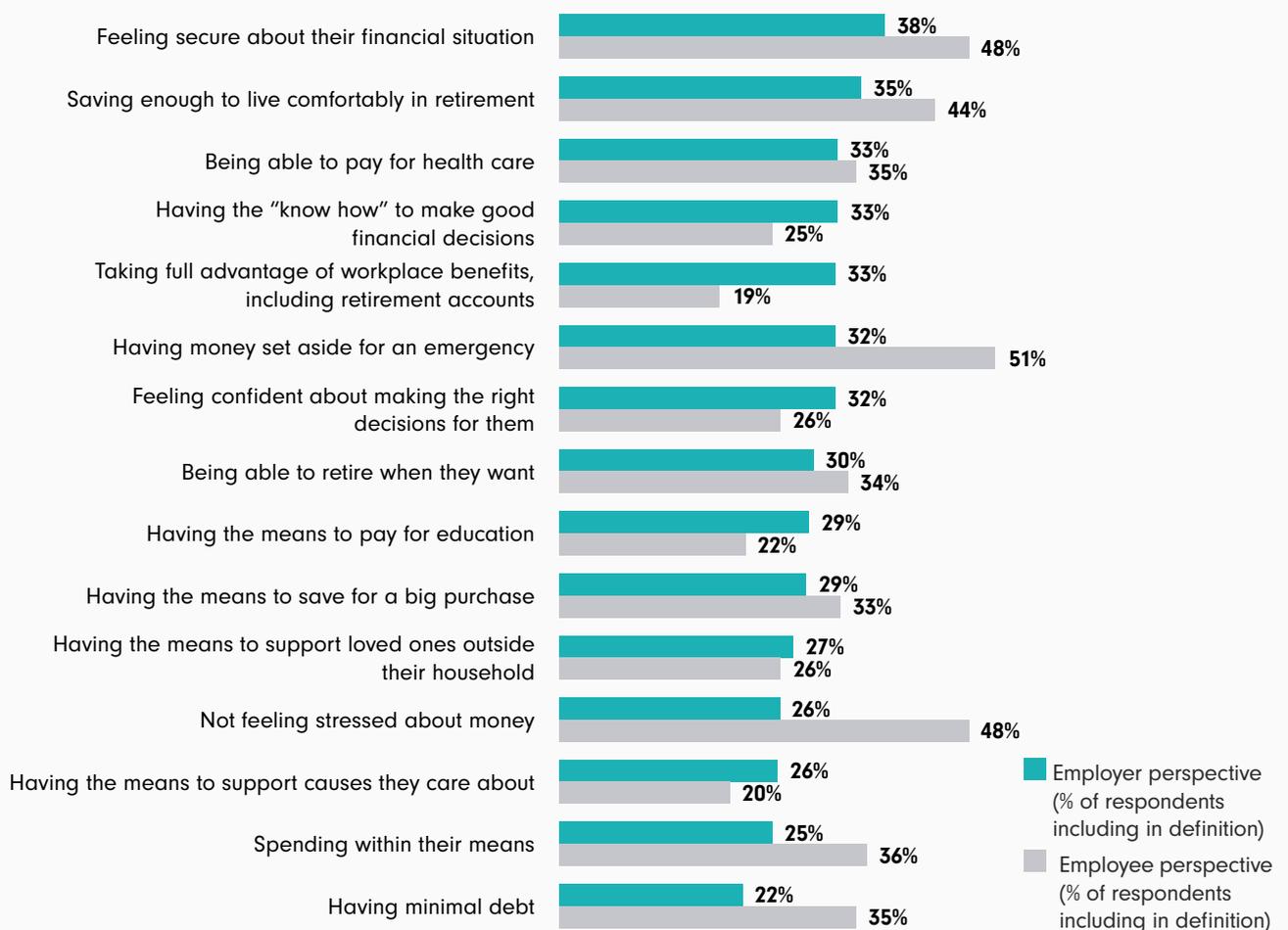
Question: In your company's view, what does it mean for employees to be "financially well"?
Source: The Fidelity Global Employer Survey 2023.

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Employers may also benefit from aligning their definition of financial wellness with their workforce, to ensure that any related support provided meets the needs of their employees.

Our research shows that employers are focused on employees feeling secure, saving enough for retirement, and being able to pay for health care. While employees are also focused on feeling secure, they are more focused on having money set aside for an emergency and not feeling stressed about money.

There are marked differences in employer and employee perspectives on the definition of financial wellness.



Question to Employers: In your company's view, what does it mean for employees to be "financially well"?
 Question to Employees: In your view, what does it mean for you to be "financially well"?
 Source: The Fidelity Global Employer Survey 2023 and The Fidelity Global Sentiment Survey 2023.

The opportunity for employers

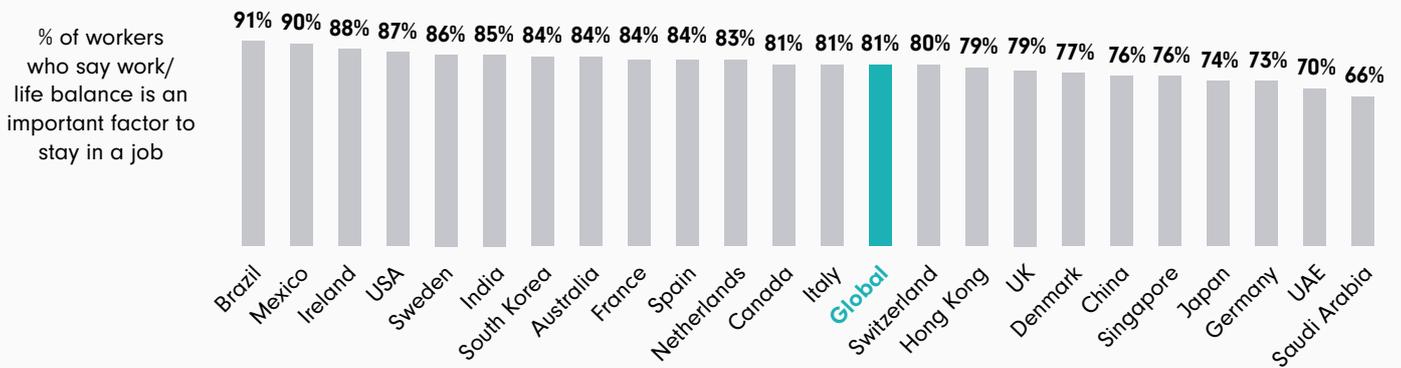
Globally, over half of workers surveyed have sought financial advice over the last six months. But the sources of that advice vary significantly, from regulated sources such as advisors, brokers, or financial services companies to unregulated sources such as friends and family, social media and podcasts.

Employers are in a unique and trusted position to assist employees through engagement and guidance on financial wellbeing and aligning their financial wellness support to their employees' needs.

Could a holistic approach to flexibility have more impact in your company?

Post pandemic, flexible working remains a key focus for employers, with more than 9 in 10 employers saying they are embracing flexibility at work in terms of where and when their employees work, either now or they plan to within the next 1-2 years³. Our research underscores that flexibility on the job is also valued by employees, who are looking for greater autonomy over their working lives.

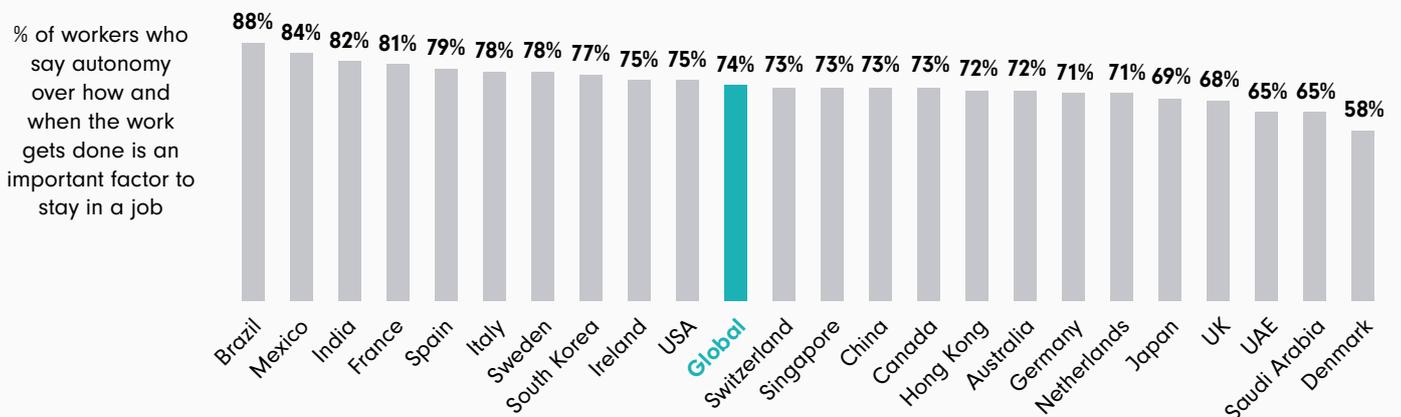
Most employees value work/life balance.



Question: On the next several screens are things that people might look for in order to stay with their current company. For each of the features you see, please indicate whether or not it is important to you for staying at a job. Features will include compensation, insurance/retirement, time off, other paid benefits, location/balance, work/workload, development, relationships & culture, well-being, and fulfillment.

Source: The Fidelity Global Sentiment Survey, 2023.

Autonomy in how and when the work gets done is important for many workers.



Question: On the next several screens are things that people might look for in order to stay with their current company. For each of the features you see, please indicate whether or not it is important to you for staying at a job. Features will include compensation, insurance/retirement, time off, other paid benefits, location/balance, work/workload, development, relationships & culture, well-being, and fulfillment.

Source: The Fidelity Global Sentiment Survey, 2023.

Despite its popularity and prevalence, defining workplace flexibility strategies may be challenging for some employers (and some employees). The practice can look different across regions, industries, and even between business units, teams, and individuals on the same team.

For example, remote working is the style of work most associated (and sometimes, the only one available to workers) with flexibility at work. Yet, when it comes to remote working there is a mixed response, with men more likely to prefer going into their workplace full time and a slightly higher number of women preferring to be fully remote.

Approximately half of male workers would prefer going into the office whereas approximately 1 in 3 female workers prefer to go into the workplace. Women are more likely to prefer to have a choice where they work.

	All	Men	Women
I would like to go into my workplace full time	42%	47%	36%
I would like to go into my workplace for a certain number of days per week or month	29%	27%	31%
I would like to have the choice to work from anywhere (in my workplace or remote)	20%	18%	22%
I would like to be remote full time	9%	8%	11%

Question: Which of the follow describes your preferred working situation?
 Source: The Fidelity Global Sentiment Survey 2023.

The opportunity for employers

Our research shows that flexibility is established as a priority for many companies, there is now an opportunity for employers to consider broad (and multiple) strategies that meet the needs of their workforce including:

- **Where the work happens** – remote and hybrid working
- **When the work happens** – flexible and/or condensed hours
- **Who makes the work happen** – role sharing
- **How work gets done** – control over what tasks and projects to work on and how those tasks get done.

Suggested actions for employers to consider

By better understanding the needs of workers in their company, employers may be able to offer cost-effective benefits that meet the needs of their workers.

Data-driven actions have the potential to positively influence talent-related issues, such as employee engagement, and help employers to manage the impact of rising burnout and turnover while placing themselves as an employer of choice in an increasingly competitive talent market.

 <p>Align on flexibility</p>	 <p>Engage on employee well-being</p>	 <p>Invest in employee financial wellness</p>	 <p>Promote a supportive work culture</p>
<p>Consider how you define flexibility to meet the needs of your workforce, and provide a consistent, company-wide approach to implementing flexibility strategies.</p>	<p>Ensure your employees understand the resources available to them. Advocate for mental health support in the workplace and establish employee resource groups and peer-to-peer mentoring programmes.</p>	<p>Understand how providing financial wellness support can help your employees to build financial confidence. Consider a solution like Fidelity Financial Wellness as an easy-to-implement, education-first solution that can provide financial wellness support for your employees.</p>	<p>Encourage a supportive and inclusive workplace culture, encourage collaboration and celebrate successes to foster belonging. Continue to support and train managers on well-being strategies and resources that support their teams and integrate well-being into development conversations.</p>

For more workplace research & insights visit retirement.fidelityinternational.com

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Acknowledgements

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The Fidelity 2023 Global Employer Survey refers the data collection, research, and analysis in regard to multinational firms, also known as global employers. The survey sample consisted of 1,002 senior leaders at U.S. and non-U.S. based MNCs where the company has a presence in two or more international markets (average = 10), employs at least 1,000 workers, is for-profit or non-profit (government bodies were excluded), in some cases there may be responses from more than one senior leader from a particular company. The survey was conducted by Dynata, a third-party market research company using their global research panel in conjunction with their partner vendors. The survey was fielded in March 2023.

The Fidelity 2023 Global Sentiment Survey refers to the data collection, research, and analysis in regard to global employees and was completed in partnership with Opinium, a strategic insight agency. Data collection took place in July 2023. The sample consisted of 26,000 respondents with the following qualifying conditions: aged 20-75; either they or their partner were employed full-time or part-time; not all regions were asked about sexual orientation or gender identities (individuals that did not identify as either as male or female did not represent a statistically significant sample size and are not presented within this piece); a minimum household income of: Australia: AUD \$45,000 annually; Brazil: BRL \$1,501 monthly; Canada: CAD \$30,000 annually; China: CNY ¥5,000 monthly; Denmark: DKK Kr.100,000 annually; France: EUR € 20,000 annually; Germany: EUR € 20,000 annually; Hong Kong: HKD \$15,000 monthly; India: INR ₹55,001 annually; Republic of Ireland: EUR € 20,000 annually; Italy: EUR €15,000 annually; Japan: JPY ¥1.5m annually; Mexico: MXN \$4,500 monthly; Netherlands: EUR € 20,000 annually; Saudi Arabia: SAR ر.س. 4,000 monthly; Singapore: SGD 2,000 monthly; South Korea: KRW ₩1.0m monthly; Spain: EUR €15,000 annually; Sweden: SEK kr200,000 annually; Switzerland: CHF CHF20,000 annually; United Kingdom: GBP £10,000 annually; United Arab Emirates: AED ا.د. 5,000 monthly; United States: USD \$20,000 annually.

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