



# THE HIDDEN COST OF OVERWORK

Our teams are constantly connected and have the technology and capability to be more productive than ever. As leaders, it's our job to set the standard: productivity, not at the expense of, but rather, fueled by, our team members' physical, emotional and mental wellbeing.

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# WELCOME TO THE WORLD OF "WHATEVER IT TAKES."

Working longer hours and adhering to a "whatever it takes" value system has become a badge of honor. People are praised for pulling all-nighters to get work done, for going to outrageous lengths to sign new clients, for working up until they're in active labor, and for working without regard for their families and well-being.<sup>1</sup> In today's work culture, these actions are often associated with a winning mindset, with being the kind of worker or leader who makes deals happen at all costs.

The old narrative has always been that being a part of a winning team could just about make up for anything. What's the problem here? It's all fine as long as people can sustain the pace and can push those personal issues (relationships, self-care, wellness, mental health, etc.) to the side.

When any of those other areas of life impede the ability to be productive, it's seen as a failing on the part of the individual, rather than **a predictable outcome from a work system and culture that's failing us.**

It's reasonable to want to spend time with family, to cheer on your children's academic and athletic pursuits, to make healthy choices regarding nutrition, fitness, and sleep. How did our overwork culture reach this point, where we devalue our individual needs and wellness, both to our own detriment and to the point where exhaustion-driven sub-performance is impacting those around us?

## OVERWORK AND OVERWHELM CULTURE: WHO'S AT FAULT?

Research indicates most employers can't differentiate between the work product of team members putting in 80 hours a week...and those who just claim to.<sup>2</sup> If extra hours don't necessarily mean extra productivity and if time spent doesn't necessarily correlate with output, why do so many companies develop a culture and climate that celebrates time spent working and employees pushing themselves to burnout over truly focused productivity? Why do managers praise the employee who pulls all-nighters and feel annoyed with the employee who leaves on time?

Some companies and managers correlate time worked with productivity simply because it's easier. They can track and observe hours sitting at a desk, logged into

technology, or plugged into a device. Productivity and results are what really matter, but they aren't nearly as easy to track on a timesheet. This attitude of time-over-results is one of the more toxic features of a "whatever it takes" culture, pushing people to spend extra time working instead of understanding the impact on results and other long-term implications. Pair that with the acceleration of work demands, artificial deadlines, and ever-expanding expectations and it fuels a constant cycle of overwork, overwhelm, burnout, and disengagement. This draining approach pushes good people to leave companies and seek opportunities with greater balance or more flexibility.

Companies like this represent one far end of the spectrum. They expect people to pay their dues by carrying a punishing workload, and consider "being married to the job" as a badge of honor. These companies are actively toxic but they're not the only organizations where people are getting burned out and disengaging.

There are plenty of other companies that want to give their employees the support they need, but that still aren't hitting the mark. Why? Because if an organization doesn't have a clear mandate around sustainable work, they're still going to be more likely to gravitate toward burning out their employees simply because of today's challenging work culture and the way it permeates every aspect of our lives.

## SOURCES OF PRESSURE TO WORK LONGER HOURS



Source: Indeed.com Employee Burnout Report, 2021

The majority of employees feel pressure (whether explicit or implied) from their managers to work longer and harder and to allow remote work to bleed over into every aspect of personal life. Remote work exacerbates the situation with demands to be always on, to turn on your videoconferencing camera and allow your co-workers and managers into your home and personal space, and with expectations to be available for calls, meetings, and tasks on short notice because "you're already at home" or "you don't even have to come in to the office."

Many organizations and leaders want to do right by their people, but they rely on their employees to **tell** them when they're burned out or need a break. However, most employees, especially those who are achievement-oriented or aiming for a promotion or a senior leadership role, aren't going to be the ones to step up and say "I've had enough."

Instead, they continue to push themselves, set strenuous personal expectations, and create a negative spiral of exhaustion, frustration, and burnout. All the while, they move themselves farther away from the achievements and success they crave because they haven't found a balance that maximizes their work productivity while also giving them the mental bandwidth to think creatively and lead proactively.

"A sabbatical isn't the solution for an unsustainable pace. A sustainable pace is the solution for an unsustainable pace." - Carey Nieuwhof

## TECHNOLOGY: POISON OR CURE?

Companies who want to help their employees with balance often invest in additional "solutions" to streamline efforts. However, this approach often makes the overwhelm mindset even worse. How? Leaders invest time and resources in buying and implementing technology-driven solutions to fix human-driven problems. Tech tools can be useful and boost productivity when used well. However, they can also make prioritizing and work focus nearly impossible.

The sharpest increase in overwork and overwhelm far has occurred since the onset of the COVID-19 pandemic, with more than two-thirds of all employees indicating that burnout has increased since early 2020<sup>3</sup>. What's made this time period so much more challenging than earlier eras of stress and strain?

According to the Harvard Business Review, executives in the 1970s received about 1,000 communications annually. **Today, between phone, email, Slack and Zoom (among others), we receive close to 30,000 messages.**<sup>4</sup> Just processing that many conversations, meetings, and requests is a full-time job, one that has eradicated the boundaries of traditional working hours and eroded our capability to focus, prioritize, and get work done.

Leaders typically have less than seven hours a week to get focused work done.<sup>5</sup> Business decision-making processes are taking exponentially longer to complete and more people are involved in every decision-making process.

## WHAT'S THE COST?

When employees don't have the time, space, and support to regenerate their energy, it impacts everything about your organization. Burned-out team members don't produce their best work. They disengage, and that disengagement costs the organization.

A couple of showstopping examples - both the Exxon Valdez oil spill and the Chernobyl meltdown occurred in part because of the action (or inaction) of sleep-deprived, physically drained employees.<sup>6</sup> Even on a smaller scale, tired employees are more reactive and worse at interpersonal relationships. According to a Harvard Business Review study, lack of sleep was the biggest factor in how well a manager treated their employees. How might you be paying the costs of burned-out and exhausted workers in your day-to-day business operations? See the statistics on the next page, then complete our online assessment to gauge your overwork quotient.



**TAKE OUR ASSESSMENT: LEARN  
WHERE OVERWORK IS COSTING YOU**

## TURNOVER

**2.6X**

HOW MUCH MORE LIKELY  
BURNED-OUT EMPLOYEES ARE  
TO LOOK FOR NEW JOBS

## NO BALANCE

**84%**

OF EMPLOYEES USE THEIR PHONE  
FOR WORK OUTSIDE WORKING  
HOURS<sup>8</sup>

## EXPENSE

**\$190B**

ANNUAL BURNOUT RELATED  
HEALTHCARE COSTS<sup>9</sup>

# CAN YOU SHIFT FROM OVERWORK AND OVERWHELM?

These statistics are the result of a workforce that's been overworked and overextended for too long. At the same time, where companies are mindful in the way they support their employees' physical, emotional, and mental wellbeing, there's tremendous potential for people to do their best work and to create greater success for their companies and themselves.

If you're feeling stuck in the cycle of overwork and overwhelm, how do you empower yourself and your team to do things differently? **You get to the source. You manage and renew energy, rather than focusing on managing time.**

No matter what you do during the course of a day, you either spend or regenerate energy. Overwork-oriented companies evaluate their team members on their work hours, without necessarily tying those hours to outcomes or considering their true cost. Organizations that get the best from their employees give them the capability to manage their lives holistically - so they can be successful and engaged at work without compromising their health, wellbeing, and personal relationships.

Making these changes won't happen by investing more hours and pushing people harder or by shaming them about working too much while at the same time rewarding toxic productivity. **Instead, build an infrastructure that empowers people to use their energy as the cornerstone of their productivity, so they can be productive and do their best work.**

## TAKE THE TIME TO DISCUSS AND SET TEAM NORMS AROUND:

- **Responsiveness** - Do you give your team the opportunity to unplug outside working hours and to have focused time during the workday? If not, what gets in the way?
- **Meeting burden** - How can you reduce the number of meetings so people can prioritize, compartmentalize, and feel a sense of accomplishment? If you had to immediately cut your team's meeting hours by 20 percent, how would you creatively make that happen and how might it have a positive impact?
- **Autonomy** - Do people feel they have a say in what they work on and how the work gets done? Is this part of your regular 1:1s as you develop your people?
- **Productivity** - How are you managing your team's success? Are you looking at the perceived hours they're working or how fast they respond to your around-the-clock requests? Or, are you basing it on the quality of results and the positive energy they bring to the team?

# BURNOUT

**67%**

WORKERS WHO FEEL BURNOUT  
HAS INCREASED SINCE THE START  
OF THE PANDEMIC <sup>10</sup>

# ENGAGEMENT

**7 IN 10**

EMPLOYEES WHO FEEL  
DISENGAGED AT WORK <sup>11</sup>

# WASTE

**33%**

PORTION OF A DISENGAGED  
EMPLOYEE'S SALARY THAT IS  
WASTED <sup>12</sup>



# WHAT COULD YOU ACHIEVE BY STOPPING THE ENERGY DRAIN?

"Whatever it takes" works...until overwork catches up with you. A recent Regenerate Energy Quotient evaluation reaffirmed that we're far better at spending than renewing our energy. **We are operating at around 61 percent of our total capacity**, with many of us falling even lower because of overwork and increased physical, emotional, and mental demands.<sup>13</sup> **What kind of transformative productivity might we utilize if we could unlock the other 39 percent?**

Better work relationships, higher quality of work, and greater productivity. Research indicates self-affirming, emotionally secure people are more creative and better problem solvers.<sup>14</sup> People manage their work relationships significantly better when they sleep better.<sup>15</sup> Employees with more control over their work produce more creative ideas. And, most critically, relational energy has a significant impact on overall engagement and success within an organization.

The potential for those outcomes - it's worth it. Creating, building, and sustaining your energy to meet the challenges of the modern workplace will be foundational to thriving in the months and years ahead. **We're at a watershed moment with remote and hybrid work -- there's no better time to set new expectations and create new energy-renewing ways of working.**

You can't add more hours to the day.  
You can add more energy to your hours.  
Let's do it together.

You don't have to start with a huge all-the-bells-and-whistles program. Instead, look for small ways to make an impact for your team, for interventions you/they may not have previously considered and that can make a big impact. We've outlined some action steps on the next page, items you can consider as you create new norms of productivity and sustainability for your team. Changing a culture takes time and commitment. You can't do it all overnight, but you can start with shifting your own leadership mindset.

## #1 LOOK AT THE COMPANIES DOING IT RIGHT.

Which companies do employees really love, and how are their people treated? No one company is perfect, but you can gather the best, most workable ideas from companies who are dedicated to creating a lasting solution for employee wellbeing. Some examples include:

- Data management company Lotame built a loyal, focused team around their CEO's cultural mandate that people shouldn't spend Sunday night dreading coming to work on Monday.<sup>16</sup> Their CEO also models work-life integration by taking time during the week to coach his daughter's basketball team.
- USAA gives employees paid time off to volunteer in the community.<sup>17</sup>
- American Express provided flexible work options long before COVID and offers reimbursement for employees who commute.<sup>18</sup>

These companies and others like them are retaining, growing, achieving, and producing real results -- not by prioritizing winning at all costs but by showing their people they are valued and that their total wellbeing is a priority. Figure out your new value proposition when it comes to making flexibility and work-life balance a business discipline and using it as a tool for enhanced corporate performance and growth,

## #2 DROP YOUR OLD ASSUMPTIONS ABOUT WORK TIME.

As demands increase, competition stiffens, and new opportunities arise, how do leaders try to stay ahead? Often by working more hours and expecting their team to do the same. They equate "more" with "better." Instead, look at evidence-based outcomes from working fewer hours -- longer hours reduce overall output, particularly in knowledge-based roles.<sup>19</sup>

Measure performance, not hours and evaluate quality of work rather than time spent on work. The increased productivity and sustainability is a win-win as workers are more loyal, retention increases, and output remains high.

## #3 CREATE A SCHEDULE THAT WORKS.

It's not hard to work 60 hours a week. It's hard to take control of your work so you can truly get more done and be more productive in less time. Consider mandating 40-45 hour work weeks or email quiet hours as a way to normalize working normal hours.

Let go of the guilt that so many of us have internalized regarding our work hours and schedules. Instead, design a schedule that maximizes your own circadian rhythms and takes into account the life you want to live outside the office.<sup>20</sup> And, encourage your team to do the same.

## #4 REVIEW & IMPROVE YOUR PAID TIME OFF POLICIES.

Employees who have more leave and more control over using their leave are more likely to utilize preventative health care, keeping them healthier and more able to work in the long-term.<sup>21</sup> Grouping together sick days, vacation days, and holidays can give employees greater autonomy over their schedules and make it easier for them to ask for days when they're most needed to manage family matters or alleviate burnout.

And, when employees take time off - treat it like time off. Have them designate people who will manage their responsibilities while they are out, and encourage them to take a re-entry day (no meetings, just catching up and re-centering) on their first day back from leave.



## #5 DEFINE & CENTER YOUR PURPOSE.

Purpose-driven organizations have higher employee engagement, better customer satisfaction, and an increased ability to innovate and transform.<sup>22</sup> Ask yourself and your team -- Why is the work you do important and how does it serve company progress and goals? Why does your team matter and how are they connecting to the organization's goals?

## #6 FOCUS ON OUTSIDE-OF-WORK HOURS.

Improving the quality of your time spent outside work can improve your thought processes and your ability to connect when you're at work. Leading CEOs take DJ gigs, practice Jiu-Jitsu, and do competitive races.<sup>23</sup> As employees take time to engage seriously in an extracurricular pursuit or to disconnect from devices to spend time with family, they're more capable of thinking creatively and proactively during their on-the-clock hours.<sup>24</sup>

If you're always switched on, you're continuously draining your battery. When you take time to recharge and regenerate, you'll work more sustainably; recruit, engage, and retain the best people, and play a critical role in shaping the ideal future of work and productivity. Moving forward consistently with tenured and engaged teams wins championships. Bold companies that commit to shifting their culture from overwork and overwhelm will be the ones most able and empowered to create the ideal future of work.

### **READY TO START THESE CONVERSATIONS?**

Regenerate works with companies and high-performing leaders to ensure they're tapping into their energy and performing sustainably.

A PUBLICATION FROM **REGENERATE**

**ENERGY IS OUR MOST  
PRECIOUS,  
UNDervalUED  
RESOURCE.**

**MAKE IT WORK FOR YOU.**

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**RE<sup>2</sup>ENERGATE**  
COME BACK STRONGER

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