Older 'Life@Work' Columns" />

The New York Times | http://nyti.ms/1FZ7NS6

DealBook WITH FOUNDER ANDREW ROSS SORKIN

When Employee Engagement Turns Into Employee Burnout

MARCH 13, 2015

Life@Work

By TONY SCHWARTZ

Is there a company of any significant size that doesn't seek and venerate "employee engagement?"

Twelve years ago, a colleague and I wrote a book called "The Power of Full Engagement." The concept now needs a major overhaul.

For the last two decades, measuring employee engagement has been the primary way that large companies try to determine their employees' level of commitment and productivity. In turn, dozens of studies have reported a correlation between high employee engagement and performance. Nearly every large organization now administers some form of engagement survey to its workers.

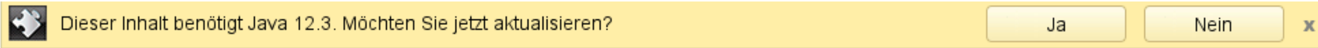
So what's the problem?

Let's start with the fact that the most common definition of engagement is "the willingness to invest discretionary effort at work" — that is, to go above and beyond what's expected. That sounds good if you're an employer. But too often, it refers to employees who get to work early, stay late and remain connected at night and on weekends. That's a recipe for burnout, not enduring high performance. Put another way, "willing" does not guarantee "able."

Sure enough, an engagement study conducted in 2012 by the consulting firm Towers Watson — involving 32,000 employees in 29 markets around the world — found that high engagement as it has been traditionally defined is no longer sufficient to fuel the highest levels of performance.

The companies with the highest profit margins had a different employee profile. "Sustainably engaged" is the clunky moniker Towers Watson came up with to describe employees who felt their companies energized them by promoting their physical, emotional and social well-being. The top two drivers of performance were having leaders who built trust by demonstrating a sincere interest in employee well-being and having manageable stress levels, with a reasonable balance between work and personal life.

Companies in which employees reported feeling well taken care of — including not working too many hours — had twice the operating profit margins of those with traditionally engaged employees, and three times the profit levels of those with the least engaged employees.



The elephant in offices all around the world is that people are running on empty. Just last week, one of my team members worked with senior executives at a large global company. Their wake-up call, several of them said, was that over the last year, a series of colleagues in their division had died suddenly and prematurely, including two leaders who committed suicide and two under the age of 50 who had heart attacks. At another one of our client companies, two successive chief executives suffered nonfatal heart attacks in recent years.

Last week, Fortune Magazine released its list of the top 100 companies to work for, compiled by the Great Place to Work Institute. I'm familiar with many of the companies on the list. I'm not aware of a single one that isn't struggling with the issue of employees who feel exhausted and pushed to their limits.

If you are expected to work 60 or 70 hours a week, or to stay connected in the evenings and on the weekends, or you can't take at least four weeks of vacation a year, or you don't have reasonable flexibility about when and where you work, then your company can't be a great place to work.

This is true even if the company has a noble mission and a higher purpose beyond profit. Several weeks ago, I attended a conference held by the Committee Encouraging Corporate Philanthropy, which was founded by Paul Newman. More than 30 chief executives from such companies as Allstate, Western Union, the American International Group and Merck spent the morning sharing the often ambitious initiatives they had started. It was inspiring and a cause for optimism that many chief executives were recognizing their responsibility for more than the financial interests of their shareholders.

At the same time, it's not realistic to expect employees to invest in a higher purpose if their employers aren't meeting their core needs. I can think of several companies that have a mission to make a positive difference in the world, but essentially do so on the backs of their employees. "Oppression by purpose" is the way an employee at one of these companies recently described it to me.

I've observed a parallel phenomenon among employees who work in mission-driven organizations like hospitals, schools and social service agencies. These people are highly inspired to go above and beyond in their work on behalf of others, but they're rarely supported by their own organizations in taking care of themselves. Over time, many begin to suffer from a syndrome called "compassion fatigue" — another version of "willing but not able."

Several years ago, I listened as the chief executive of a huge global company opened a gathering of his leaders by describing how he had recently flown home from another country and arrived in the United States at 4 a.m. Rather than heading home after a week on the road, he told his audience, with visible pride, he decided to go directly to the office, so he could accomplish a few more hours of work before others arrived. And that's what he did. This executive was plainly fully engaged, but at what cost — not just to himself over time, but in the message he was sending to everyone else in his organization?

What companies really need to measure is not how engaged their employees are, but rather how consistently energized they feel. That means focusing not just on inspiring them and giving them opportunities to truly add value in the world, but also on caring for them and providing sufficient time to rest and refuel.

In 2005, Eugene O'Kelly, then the chief executive of the accounting firm KPMG, was told he had a brain tumor. In the final months of his life, he wrote a book called "Chasing Daylight," reconsidering the life he had lived.

"What if I hadn't worked so hard?" Mr. O'Kelly asked."What if, aside from doing my job and doing it well, I had actually used the bully pulpit of my position to be a role model for balance? Had I done so intentionally, who's to say that, besides having more time with my family, I wouldn't also have been even more focused at work? More creative? More productive?"

Mr. O'Kelly died shortly after writing those words, before he could answer his own question. No chief executives of any large company that I'm aware of have truly stepped up to use their bully pulpits to be models and spokesmen for a balanced life — meaning not just offering perks like meditation classes, but a culture that truly meets people's multidimensional needs. That's what we need now, more than ever — chief executives truly willing to make the care of people their highest priority, beginning with themselves.

Who will be the first?

© 2015 The New York Times Company