Addressing employee burnout: Are you solving the right problem?

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Employers have invested unprecedented resources in employee mental health and well-being. With burnout at all-time highs, leaders wonder if they can make a difference. Our research suggests they can.

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The COVID-19 pandemic has accelerated and exacerbated long-standing corporate challenges to employee health and well-being, and in particular employee mental health.[1] This has resulted in reports of rapidly rising rates of burnout[2] around the world (see sidebar "What is burnout?").

Many employers have responded by investing more into mental health and well-being than ever before. Across the globe, four in five HR leaders report that mental health and well-being is a top priority for their organization.[3] Many companies offer a host of wellness benefits such as yoga, meditation app subscriptions, well-being days, and trainings on time management and productivity. In fact, it is estimated that nine in ten organizations around the world offer some form of wellness program.[4]

As laudable as these efforts are, we have found that many employers focus on **individual**-level interventions (as opposed to real systemic, collective change) that remediate *symptoms*, rather than resolve the **causes** of employee burnout.[5] Employing these types of interventions may lead employers to overestimate the impact of their wellness programs and benefits[6] and to *underestimate the critical role of the workplace* in reducing burnout and supporting employee mental health and well-being.[7] Completely agree

What is burnout?

Research shows that, when asked about aspects of their jobs that undermine their mental health and well-being,[8] employees frequently cite the feeling of always being on call, unfair treatment, unreasonable workload, low autonomy, and **lack of social support**.[9] Those are not challenges likely to be reversed with wellness programs. No. In fact, decades of research suggest that interventions targeting only *individuals* are far less likely to have a *sustainable* impact on employee health than **systemic solutions**, including **organizational**-level interventions.[10] Completely agree.

Since many employers aren't employing a **systemic approach**, many have weaker improvements in burnout and employee mental health and well-being than they would expect, given their investments.

Organizations pay a high price for failure to address workplace factors[11] that strongly correlate with burnout,[12] such as **toxic behavior**. I would say also things like not feeling sufficiently empowered, lovable, connected and contributing, or supported to resolve issues or to build sufficient trust and caring with others (especially the ones with whom one most need to do so) [13] A growing body of evidence, including our research in this report, sheds light on how burnout and its *correlates* may lead to costly organizational issues such as **attrition**.[14] Unprecedented levels of employee **turnover**—a global phenomenon we describe as the Great Attrition also called the Great Resignation or the Great Reset (also Quiet Quitting and Quiet Firing)—make these costs more visible. Hidden costs to employers also include absenteeism, lower engagement, and decreased productivity.[15] Yes, these are all more subtle than the actually turnover.

The McKinsey Health Institute: Join us!

In this article, we discuss findings of a recent McKinsey Health Institute (MHI) (see sidebar "The McKinsey Health Institute: Join us!") global survey that sheds light on frequently overlooked workplace factors underlying employee mental health and well-being in organizations around the world. We conclude by teeing up eight questions for reflection along with recommendations on how organizations can address employee mental-health and well-being challenges by taking a systemic approach focused on changing the causes rather than the symptoms of poor outcomes. While there is no well-established playbook We have one, we suggest employers can and should respond through interventions focused on prevention rather than remediation.

We are seeing persistent burnout challenges around the world

To better understand the disconnection between employer efforts and rising employee mental-health and well-being challenges (something we have observed since the start of the pandemic), between February and April 2022 we conducted a global survey of nearly 15,000 employees and 1,000 HR decision makers in 15 countries.[16]

The workplace dimensions assessed in our survey included toxic workplace behavior, inferiority complex, all struggles, isms, forms of misbehavior, actively disengaged sabotage sustainable work disengagement, inclusivity vs. cancel culture, estrangement, cliques, divisiveness, righteousness, etc. and belonging is there healthy belonging and significance?, supportive growth environment what is this and how does it get measured (SAS measures like trust, alignment, and engagement), freedom from stigma psychological safety and trauma-informed, organizational commitment retention, commitment, accountability, leadership accountability in every person so they manage relationships, productivity, engagement, etc., and access to resources needed for many things, including social and emotional intelligence support for management by all of relationships, productivity, engagement, etc..[17] Those dimensions were analyzed against four work-related outcomes—intent to leave turnover, work engagement disengagement and actively disengaged, job satisfaction high net promoter scores, and organization advocacy vs. complaining about conditions and conversations —as well as four employee mental-health outcomes—symptoms of anxiety, burnout, depression, and distress. Indicates need for trauma-informed dynamics[18] Individual adaptability was also assessed leader/follower agility, intrinsic motivation, including sense of choice, operating from task purpose and management of relationships, productivity, engagement, and progress

plans in a blueprint (purpose, values, visions, goals, procedures and roles). [19] (see sidebar "What we measured").
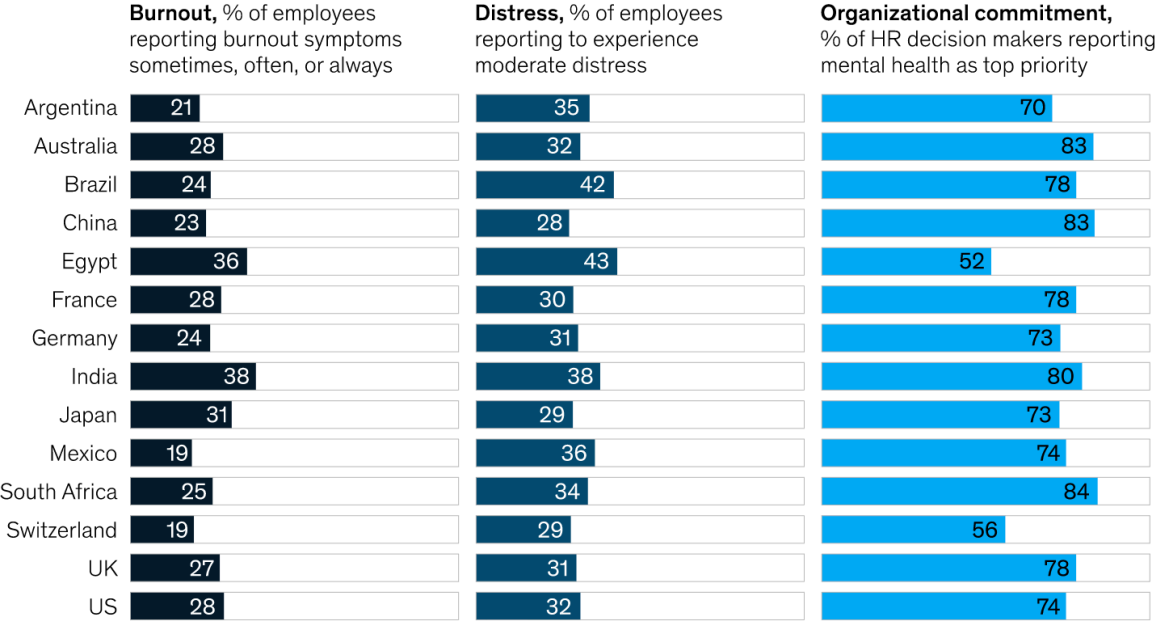
What we measured

Our survey pointed to a persistent disconnection between how employees and employers perceive mental health and well-being in organizations. We see an average 22 percent gap between employer and employee perceptions—with employers consistently rating workplace dimensions associated with mental health and well-being more favorably than employees. [20]

In this report—the first of a broader series on employee mental health from the McKinsey Health Institute—we will focus on burnout, its workplace correlates, and implications for leaders. On average, one in four employees surveyed report experiencing burnout symptoms. [21] These high rates were observed around the world and among various demographics (Exhibit 1),[22] and are consistent with global trends. Burnout is a symptom of general discouragement and a lack of feeling empowered, lovable, connected and contributing. [23]

Exhibit 1

Workplace outcomes by country

	Burnout, % of employees reporting burnout symptoms sometimes, often, or always	Distress, % of employees reporting to experience moderate distress	Organizational commitment, % of HR decision makers reporting mental health as top priority
Argentina	21	35	70
Australia	28	32	83
Brazil	24	42	78
China	23	28	83
Egypt	36	43	52
France	28	30	78
Germany	24	31	73
India	38	38	80
Japan	31	29	73
Mexico	19	36	74
South Africa	25	34	84
Switzerland	19	29	56
UK	27	31	78
US	28	32	74

Note: Employees and HR decision makers surveyed were not necessarily from the same organizations.
Source: McKinsey Health Institute Employee Mental Health and Wellbeing Survey 2022; employee, n = 14,509; HR decision maker, n = 1,389

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So, what is behind pervasive burnout challenges worldwide? Our research suggests that employers are overlooking the role of the workplace in burnout and underinvesting in systemic solutions.***** Could not agree more.

Employers tend to overlook the role of the workplace in driving employee mental health and well-being, engagement, and performance

In all 15 countries and across all dimensions assessed, toxic workplace behavior was the biggest predictor of burnout symptoms and intent to leave by a large margin[24] —predicting more than 60 percent of the total global variance. For positive outcomes (including work engagement, job satisfaction, and organization advocacy), the impact of factors assessed was more distributed—with inclusivity requires trust and cohesiveness and belonging and significance in which the 4 core needs are met, supportive growth environment emotional and social intelligence, psychological safety, mentoring, development of all people, sustainable work requires sustainable engagement, innovation, creativity, intrinsic motivation, leader/follower agility, and freedom from stigma psychological safety, resolved psychological contracts, trauma-informed care predicting most outcomes (Exhibit 2).

Exhibit 2

Toxic workplace behavior is the biggest driver of negative workplace outcomes, such as burnout and intent to leave.

Contributing factors to workplace outcomes, % of variance in outcome measure driven by factor
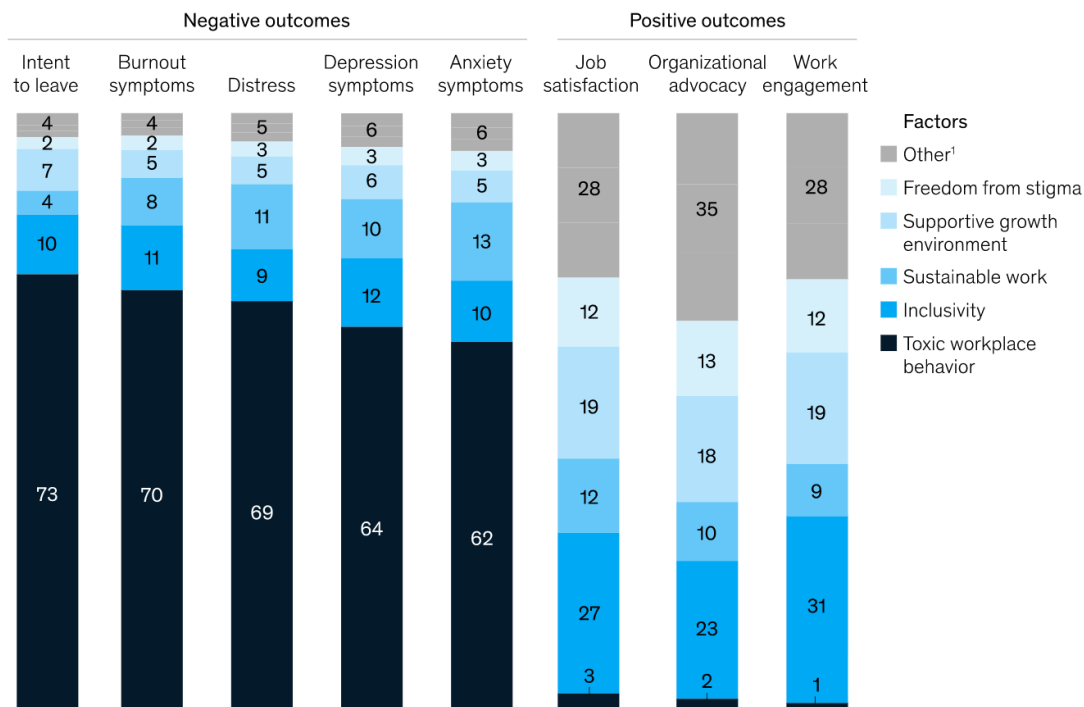
Note: % values indicate the relative contribution of each predictor to the proportion of variance explained for each outcome. These metrics were forced to sum to 100% (instead of R2 or no meaningful sum) to allow for direct comparisons of the proportion of total variance explained across outcomes. Total r-squared for each outcome: work engagement, 0.53; organizational advocacy, 0.51; work satisfaction, 0.51; burnout symptoms, 0.36; intent to leave, 0.34; distress, 0.22; depression symptoms, 0.21; anxiety symptoms, 0.19. Figures may not sum to 100%, because of rounding.

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The danger of toxic workplace behavior—and its impact on burnout and attrition

Across the 15 countries in the survey, toxic workplace behavior is the single largest predictor of negative employee outcomes, including burnout symptoms (see sidebar "What is toxic workplace behavior?"). One in four employees report experiencing high rates of toxic behavior at work. At a global level, high rates were observed across countries, demographic groups—including gender, organizational tenure, age, virtual/in-person work, manager and nonmanager roles—and industries.[25]

Sidebar

What is toxic workplace behavior?

Toxic workplace behaviors are a major cost for employers—they are heavily implicated in burnout, which correlates with intent to leave and ultimately drives attrition. In our survey, employees who report experiencing high levels of toxic behavior[26] at work are eight times more likely to experience burnout symptoms (Exhibit 3). In turn, respondents experiencing burnout symptoms were six times more likely to report they intend to leave their employers in the next three to six months (consistent with recent data pointing to toxic culture as the single largest predictor of resignation during the Great Attrition, **ten times more predictive than compensation alone**[27] and **associated with meaningful organizational costs**[28]). The opportunity for employers is clear. Studies show that intent to leave may correlate with two- to three-times higher[29] rates of attrition; conservative estimates of the cost of replacing employees range from one-half to two times their annual salary. Even without accounting for costs associated with burnout—including organizational commitment[30] and higher rates of sick leave and absenteeism[31] —the business case for addressing it is compelling. The alternative—not addressing it—can lead to a downward spiral in individual and organizational performance.[32] The business case has always been there. Even Quiet Quitting is a euphemism for *actively disengage* and *disengaged* behaviors which for years have been up around 71% in total.
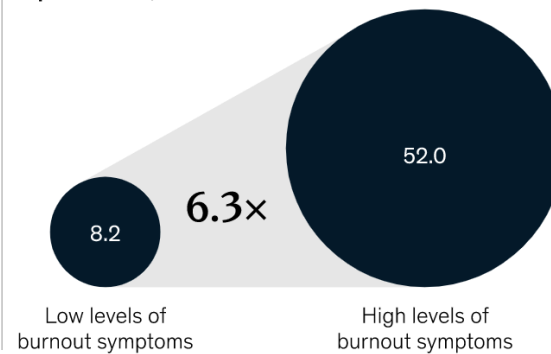
Exhibit 3

Employees reporting high levels of toxic behavior at work are more likely to experience burnout, leading to an increased intention to quit.

Share of employees reporting burnout symptoms by level of toxic behavior reported at work, %
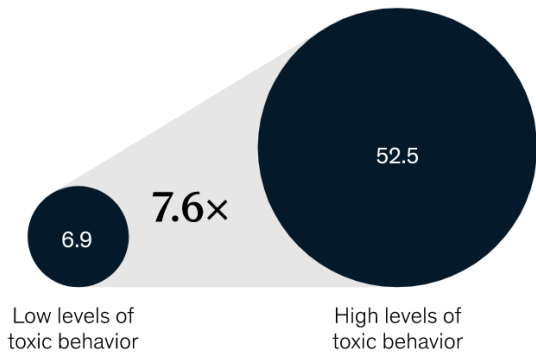
Share of employees reporting intent to leave their job in the next 3–6 months by level of burnout experienced, %

6.9 — 7.6× — 52.5

Low levels of toxic behavior — High levels of toxic behavior

8.2 — 6.3× — 52.0

Low levels of burnout symptoms — High levels of burnout symptoms

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Individuals' resilience and adaptability skills may help but do not compensate for the impact of a toxic workplace

Toxic behavior is not an easy challenge to address. No. This is why we use an immersive process that addresses mindset AND behavior change. Some employers may believe the solution is simply training people to become more resilient. No, they must become responsible, intentional, trustworthy, collaborative, accountable, agile in leading and following (as needs dictate), confident, intrinsically motivated, purpose and values-based, committed to the success of all, and much more.

There is merit in investing in adaptability and resiliency skill building. Research indicates that employees who are more adaptable tend to have an edge in managing change and adversity.[33] We see that edge reflected in our survey findings: adaptability acts as a buffer[34] to the impact of damaging workplace factors (such as toxic behaviors), while magnifying the benefit of supportive workplace factors (such as a supportive growth environment) (Exhibit 4). In a recent study, employees engaging in adaptability training experienced three times more improvement in leadership dimensions and seven times more improvement in self-reported well-being than those in the control group.[35] Typically it is only for some people and is not the whole solution. It's a strengthening of individuals but not a collective community.

Exhibit 4

Although affective adaptability buffers the effect of toxic workplace behavior, it is not sufficient to overcome a bad environment.

Share of employees reporting high work engagement
by level of adaptability and level of toxic behavior at work, %

● High affective adaptability
● Low affective adaptability
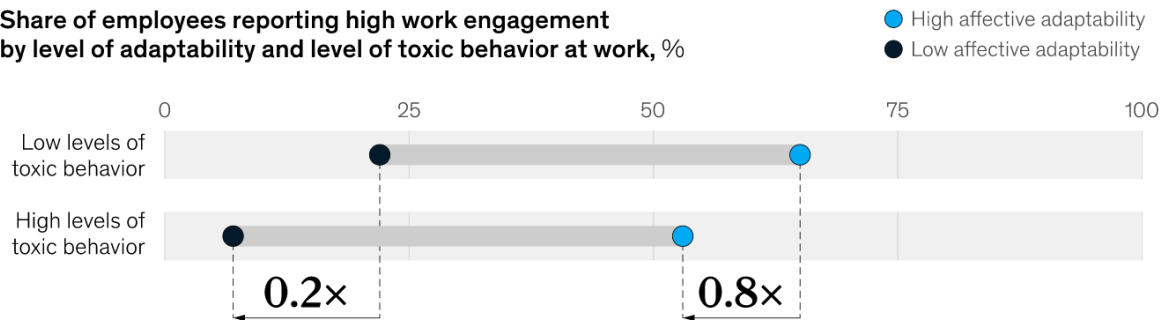
Note: "Low" refers to bottom quartile of respondents; "high" refers to top quartile of respondents.
Source: McKinsey Health Institute Employee Mental Health and Wellbeing Survey 2022, n = 14,509

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However, employers who see building resilience and adaptability skills in individuals as the sole solution to toxic behavior and burnout challenges are misguided. Here is why.

Individual skills cannot compensate for unsupportive workplace factors. When it comes to the effect of individual skills, leaders should be particularly cautious not to misinterpret "favorable" outcomes (for example, buffered impact of toxic behaviors across more adaptable employees) as absence of underlying workplace issues that should be addressed.[36] Bingo. I feel this is why people don't always recognize the importance of full distribution in a change process so all members hold responsibility for it.

Also, while more adaptable employees are better equipped to work in poor environments, they are less likely to tolerate them. This is why we see that *fully engaged* staff (typically around 30%) often LEAVE an organization and they are the ones responsible for thousands in additional revenues. In our survey, employees with high adaptability were 60 percent more likely to report **intent to leave** their organization if they experienced high levels of toxic behavior at work than those with low adaptability (which may possibly relate to a higher level of self-confidence[37]). Therefore, relying on improving employee adaptability without addressing broader workplace factors puts employers at an even higher risk of losing some of its most resilient, adaptable employees. Been saying this for 20 years now.

Employees with high adaptability were 60 percent more likely to report intent to leave their organization

if they experienced high levels of toxic behavior at work than those with low adaptability.

What this means for employers: Why organizations should take a systemic approach to improving employee mental health and well-being

We often think of employee mental health, well-being, and burnout as a **personal** problem. That's why most companies have responded to **symptoms** by offering resources focused on **individuals** such as wellness programs.

However, the findings in our global survey and research are clear. Burnout is experienced by individuals, but the most powerful drivers of burnout are systemic organizational imbalances across job demands and job resources. So, employers can and should view high rates of burnout as a powerful warning sign that the **organization**—not the **individuals** in the workforce—needs to undergo meaningful systematic change.

Employers can and should view high rates of burnout as a powerful warning sign that the organization—not the individuals in the workforce—needs to undergo meaningful systematic change. I would say both!

Taking a systemic approach means addressing both toxic workplace behavior and redesigning work to be inclusive, sustainable, and supportive of individual learning and growth, including **leader** and **employee** from CEO to front-line staff adaptability skills. It means rethinking organizational systems, processes, and incentives to redesign work, purpose and values-based, collaborative job expectations support and trust highest priorities, and team environments. team vs. a working group!

As an employer, you can't "yoga" your way out of these challenges. Employers who try to improve burnout without addressing toxic behavior are likely to fail. Our survey shows that improving all other organization factors assessed (without addressing toxic behavior) does not meaningfully improve reported levels of burnout symptoms. Yet, when toxic behavior levels are low, each additional intervention contributes to reducing negative outcomes and increasing positive ones. Yes, everything gets better! Recognition of differences with appreciation, celebration of everyone, engagement increases, etc.

The interactive graphic shows the estimated interplay between the drivers and outcomes, based on our survey data (Exhibit 5).
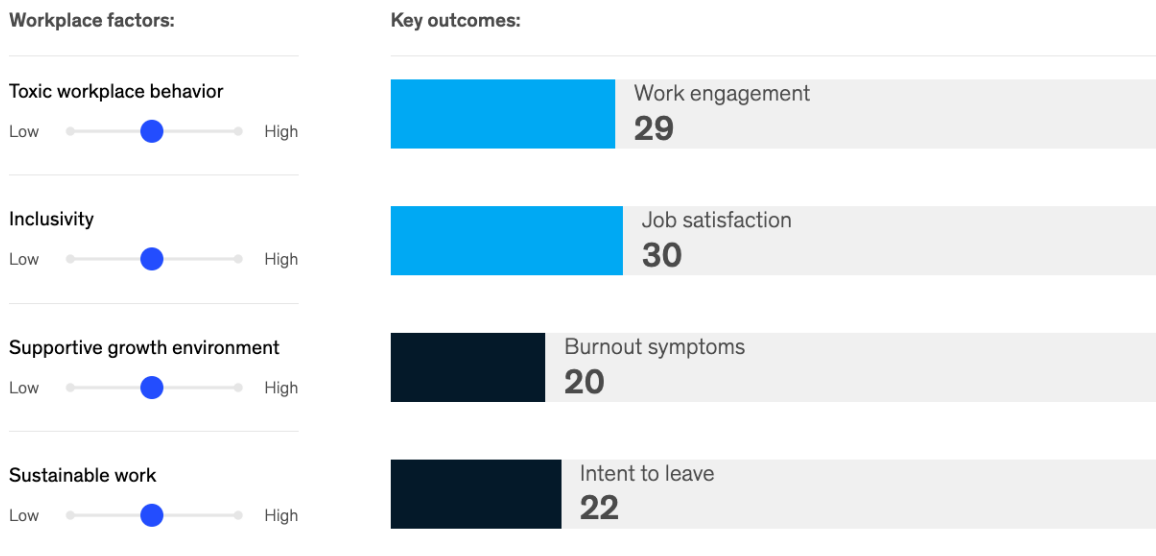
Exhibit 5

==When there are high levels of toxic behavior, addressing other organizational factors does not meaningfully improve burnout or intent to leave.==

Adjust workplace factors to see how it affects the below key outcomes.

Employee health and business outcomes by work environment type, % of respondents with high level of outcome

Workplace factors:

Toxic workplace behavior
Low ———●——— High

Inclusivity
Low ——●———— High

Supportive growth environment
Low ——●———— High

Sustainable work
Low ——●———— High

Key outcomes:

Work engagement
29

Job satisfaction
30

Burnout symptoms
20

Intent to leave
22

Note: "Low" refers to bottom quartile on organizational factor; "high" refers to top quartile on workplace factor or outcome
Potential impact on outcomes shown calculated based on regression analyses using survey data (predictor weight of each workplace factor calculated from multiple regression models; standardized regression coefficients were used to determine the dynamic relationship between workplace factors and outcomes.)

Definitions:
Toxic workplace behavior: Employees face negative interpersonal experiences such as unfair treatment, exclusion from leaders or co-workers, derogatory and undermining behaviors, and abusive management; Inclusivity: Organization systems, leaders and peers foster a welcoming and fair environment for all employees to be themselves, find connection, and meaningfully contribute; Sustainable work: Organization and leaders promote work that enables a healthy balance between work and personal life, including a manageable workload and work schedule; Supportive growth environment: Managers care about employee opinions, well-being, and satisfaction and provide support and enable opportunities for growth; Work engagement: An employee's positive motivational state of high energy combined with high levels of dedication and a strong focus on work; Job satisfaction: An employee's level of contentment or satisfaction with their current job; Intent to leave: An employee's desire to leave the organization in which they are currently employed in the next three-to-six months; Burnout symptoms: an employee's experience of extreme tiredness, reduced ability to regulate cognitive and emotional processes, and mental distancing (Burnout Assessment Test).

Source: McKinsey Health Institute Employee Mental Health and Well-being Survey (2022), n = 14,509

Taking a **preventative**, **systemic** approach—focused ==on addressing the **roots** of the problem== ==(as opposed to remediating symptoms==)—is hard. But ==the upside== for employers ==is a far greater== ==ability to **attract and retain valuable talent** over time==.

The good news: Although there are no silver bullets, there are ==opportunities for leaders to drive material change==

We see a parallel between the evolution of global supply chains and talent. Many companies optimized supply chains for "just in time" delivery, and ==talent was optimized to drive operational efficiency and effectiveness==. As supply chains come under increasing pressure, many companies recognize the need to redesign and ==optimize== supply chains for ==resilience and sustainability==, and the need to take an end-to-end approach to the solutions. ==The same principles apply to **talent**==. People transformation!

We acknowledge that the _factors_ _associated with improving_ employee **mental health** and **well-being** (including **organizational**-, **team**-, and **individual**-level factors) are numerous and complex. ==And taking a whole-systems approach is not easy==.

Despite the growing momentum toward better employee mental health and well-being (across business and academic communities==), we're still early on the journey==. For over 30 years I have felt aware of this need and felt out ahead of it until only recently. We are still early however! ==We don't yet have sufficient evidence to conclude which interventions work most effectively—or a complete understanding of why they work== and how they affect return on investment. We have sufficient evidence and understanding. That's why we have an immersive, fully distributive, scalable system.

That said, efforts to mobilize the organization to rethink work—in ==ways that are compatible with both employee and employer goals== I call these _conditions and conversations that expand potential and bring about healthy belonging and significance_ —are likely to pay off in the long term. To help spark that conversation in your organization, we offer eight targeted questions and example strategies with the potential to address some of the burnout-related challenges discussed in this article.

==Do we treat employee mental health and well-being as a strategic priority?== It was not until I was told by clients and futurists that what we had was trauma-informed and created psychological safety that I myself made the specific connection to mental health. It was not until I read things like "The Body Keeps the Score" and "So What Happened to You?" that I can see how the work of LifeWork Systems is directly connected to mental health and well-being because of _developmental_ trauma in homes, schools and workplaces that I can see the connections more all the time.

==This is fundamental to success==. When a large organization achieved a 7 percent reduction in employee burnout rates (compared with an 11 percent increase in the national average within the industry over the same period), the CEO believed that ==leadership and sustained attention from the highest level of the organization were the "key to making progress==."[38] ==Senior executives recognized employee mental health and well-being as a strategic priority==. The article from The Fast Company is saying the same thing in their article _4 Leadership Trends to Watch in 2023._ Executives publicly acknowledged the issues and listened to employee needs through a wide range of formats—including town halls, workshops, and employee interviews (==our research suggests that leaders are not listening to their people== nearly enough). One my partners Tara Gregor says this all the time however, I don't think the employees or their

employers have the answer for how, when, why and to what ends. Neither fully know what they don't know. They prioritized issues and defined clear, time-bound measurable goals around them—with a standardized measure of burnout being given equal importance to other key performance metrics (financial metrics, safety/quality, employee turnover, and customer satisfaction). Although anonymous at the level of the individual, results were aggregated at division/department level to allow executive leadership to focus attention and resources where they were most needed.[39] This is why we do strategic alignment surveys with all staff (SAS) measuring levels of trust and trust gap, alignment (with purpose, values, visions, goals, procedures and roles, and engagement levels). This is one assessment tool for determining well-being of an organizational culture. This example highlights how CEOs have the ability to create meaningful change through listening to employees and prioritizing strategies to reduce burnout. Listening helps but does not necessarily lead to viable or excellence in solutions. That requires an understanding of *causal* factors.

Do we effectively address toxic behaviors?

Eliminating toxic workplace behavior is not an easy task. Organizations that tackle toxic behavior effectively deploy a set of integrated work practices yes, integrated like we do!!! to confront the problem,[40] and see treatment of others as an integral part of assessing an employee's performance. Everyone's in the same boat and how the boat is doing is impacting every person's performance. Manifestations of toxic behavior[41] are flagged, repeat offenders either change or leave, and leaders take time to become aware of the impact their behavior has on others. None of these necessarily help an organization to *land upon* effective responses to root causes. If you lead part of an organization, looking at your own behaviors, and what you tolerate in your own organization, is a good place to start.[42] Yes, but it's a mistake to focus **only** on the leaders. **Everyone** is in the group dynamic. The Leaders need to understand the **causes** and the most **effective solutions** for real and lasting change and then make sure the **right** *integrated work practices* that address **causes** and **develop everyone**, are put in place and in a way that they "stick." This is why we believe in an immersive process!

Leaders with higher self-regulation may be better, less toxic leaders True but most either come to this because they are fairly healthy to begin with, have been exposed to evolving human systems information and have a positive, healthy ego that does not need to prove anything.

Another component of eliminating toxic behavior is cultivating supportive, psychologically safe work environments, where toxic behaviors are less likely to spread across the organization.[43] Yes!!! Effective leaders know that **emotional contagion[44]** may go both ways: displaying vulnerability and compassion fuels more compassionate teams; displaying toxic behavior fuels more toxic teams.[45] 100% That's why you must dismantle the root cause practices and make sure purpose and values-based strategies replace them and fully STICK. There are two caveats: toxic behavior may not be intentional It's NOT generally —particularly if individuals are not equipped to respond with calm and compassion under pressure—and regardless of intent, toxic behavior spreads faster and wider than good behavior.[46] That's why they must be EQUIPPED and properly and fully across the teams at every level (from CEO to front-line staff). To prevent unintentional dissemination of toxic behaviors, role modeling from adaptable, self-regulating, compassionate leaders may help Yes, but it must not be seen as the job of the leaders alone, or even more than the staff. Role modeling from adaptable

(leader/follower agility), self-regulating, compassionate behavior should be things ALL are responsible to become. (see sidebar "Leaders with higher self-regulation may be better, less toxic leaders"). Yes, toxic leaders can do more harm than toxic staff because of their position but anyone can influence positive change (8th grade story)

Do we create inclusive work environments?

Most leaders recognize the established associations between performance and inclusion, but inclusion does not happen by accident. Inclusion is a multifaceted construct that must be addressed comprehensively and proactively. Most companies define inclusion too narrowly and thus address it too narrowly as well. Over the past three years, we've broadened our perspective on how to create truly inclusive workplaces and developed a modern inclusion model. The model includes 17 practices (based on frequency of desired behaviors) and six outcomes (based on perceptions of effectiveness). Each practice falls into one of three relationships that shape workplace inclusion: **organizational systems, leaders, and peers/teammates.** This is why we have a fully distributive, immersive implementation that mixes the levels and works with individuals and the collective (enterprise wide when possible, and with departments. We do not segment leaders and peers/teammates (direct reports or front-line staff. We purposely mix the levels to break down artificial barriers.)

The 17 inclusive-workplace practices, when done consistently well, drive workplace inclusion and equity for all employees by providing clarity into actions that matter. For example, among employees working in hybrid models, work–life support was the top practice employees desired improvements on—with nearly half of employees recommending prioritizing policies that support flexibility—including extended parental leave, flexible hours, and work-from-home policies. We are not necessarily focused on these specific policies but they come about when toxicity is dissolved and trust and healthy teamwork ensue. Then inclusion, encouragement and support bring about the necessary choices. Inclusion is a natural result of our healthy, responsibility-based culture that focuses heavily on purpose, values, intrinsic motivation and a teal model for evolving.

A truly inclusive workplace implements systems that minimize conscious and unconscious bias, allowing employees to express themselves and connect with each other. This causes people to get out of an activated inferiority complex, the root of all bias, isms, separation, cancelling, etc. It also features leaders who not only advocate for team members and treat them impartially but also uphold and support all organizational systems and practices. Yes, that's why I wrote an article called *Do You Have A Powerful, Positive and Helpful Ego?* For example, one employer defined data-driven targets for the representation and advancement of diverse talent across dimensions (beyond gender and ethnicity) and role types (executive, management, technical, board)—leveraging powerful analytics to track progress and foster transparency along the way.

Do we enable individual growth?

Evidence suggests that **individual** growth, learning, and development programs are effective[47] ways to combat burnout and to retain and engage employees, and therefore are important for addressing growing talent and skills shortages within organizations. To us, it's always about developing ALL individuals and helping each to be a better team player simultaneously. People must have healthy *individuation* and *social interest,* where they

consider what they cause one another and are intentional in what they choose to *cause*. Employers who "double down" on talent redeployment, mobility, reskilling, and upskilling tend to see improvement across a range of financial, organizational, and employee experience metrics. In a recent study of extensive employee data, offering lateral career opportunities was two-and-half times more predictive of employee retention than compensation, and 12 times more predictive than promotions[48] —signaling an opportunity for leaders to support employee desires to learn, explore, and grow way beyond traditional career progression. We cover this in the 4 intrinsic motivators. This alone won't create a healthy organization or culture but it is definitely a part of it.

Investing in your employees' capabilities this is job competencies but it's also emotional and social capabilities can drive financial returns, is often cheaper than hiring, and signals to employees that they are valued and have an important role in the organization.

Do we promote sustainable work?

Promoting sustainable work goes beyond managing workload. It's about enabling employees to have a sense of control and predictability, Sense of Choice is one of 4 intrinsic motivations. flexibility, and sufficient time for daily recovery. It's also about leading with compassion and empathy[49] Yes, a culture based in purpose, values, trust, personal responsibility and healthy support for all develops many skills, including skills that build compassion and empathy. — tailoring interventions based on where, when, and how work can be done, and how different groups are more likely to (re)establish socio-emotional ties after a long period of isolation and loss of social cohesion. Isolation and loss of social cohesion does not occur (even during a pandemic) where people have used the LifeWork Systems culture model.

One technology company is using real-time data on employee preferences to rapidly test and iterate solutions that work for specific groups around return-to-office options. To find solutions that work for your employees, consider adopting a test-and-learn mindset. This approach can help the organization make progress while adapting as context evolves (a hallmark of more productive organizations).

Are we holding leaders accountable?

Many organizations consider people leadership criteria in their performance management. Yet, there is substantial room to grow when it comes to employers providing transparency around employee mental-health and well-being objectives and metrics.[50] While I believe leaders are where real change begins, I am not a fan of focusing on leaders above others. We also teach that accountability is an inside job and one cannot hold another accountable. We need to support leaders in understanding what really promotes performance management effectively. Often they don't know and therefore don't see a clear path or why it works when they first see one.

Organizations that are doing this well have set clear expectations for managers to lead in a way that is supportive of employee mental health and well-being.[51] Some leaders are pre-disposed temperamentally to be concerned about the emotional and social well-being of people. Having said this, any leader can learn to appreciate the connection between mental health and well-being with performance and profitability. They offer training to help managers identify, proactively ask about, and listen to employees' mental-health and well-being needs. Regardless of whether employees even understand that these matter or are in danger,

foundational understanding needs to be shared among all people regarding what expands human potential in individuals and groups. This knowledge may be lacking in all, even leaders and therefore a big reason organizational change and evolution is not sought, recognized, etc. People at all levels often *don't know what they don't know.* Most recognize it when it's explained well to them and at the *causal* level. They also introduce mental-health "pulse" checks and incorporate relevant questions into the broader employee satisfaction surveys, to establish a baseline and track trends in how employees are feeling. Yes, and knowing symptoms does not always translate into knowing an effective solution or cure that gets to the root causes. Discussion on employee mental health and well-being can be incorporated into regular leadership meetings, including concerns, risks, and potential actions. And awareness must be combined with systems that lead to changed conversations and changed behaviors or they are simply exercises in awareness raising.

To encourage leaders to lead by example and increase their accountability, some employers embed employee mental-health support into leaders' reviews based on anonymous upward feedback from their teams. Finally, some companies are exploring if they can go even further and tie incentives to short- and long-term employee mental-health and well-being objectives. First, I don't know that most people associate mental health with healthy organizational culture. I am only realizing the incredible connections fully in this. I also am not a fan of using incentives for motivating change. This goes against our model for operating from intrinsic motivation and not extrinsic motivation to bring about change in anyone.

Are we effectively tackling stigma?

As noted in a previous McKinsey [article](#), the majority of employers and employees acknowledge the presence of stigma[52] in their workplaces. Stigma has been shown to have real costs to workforce productivity, often exacerbating underlying conditions because of people being afraid to seek help for mental-health needs and driving down an employee's self-worth and engagement. That's why I have not focused on the aspects of mental health. I tell people we are human systems engineers and not psychologists or counselors. However, our work is based in the psychology of Alfred Adler and we are clear about this in our training. We also mention psychological safety and now trauma-informed as the level of lay understanding of this is growing. People frequently tell us, *"This culture transformation work in our company has done more for me than years of therapy."*

We see several actions that organizations are taking to eliminate stigma.[53] Leading by example can make a difference, with senior leaders stepping forward to describe personal struggles with mental health, using nonstigmatizing language.[54] Leaders showing vulnerability helps to remove shame and promote a psychologically safe culture.[55] Yes, and at the same time, a lot of people do not self-identify as having mental health issues and yet, everyone benefits greatly from an environment in which conditions and conversations begin with dissolving inferiority complex and building up healthy belonging and significance.

Stigma can also be reduced by companies prioritizing mental wellness as critical for peak performance instead of rewarding overwork and toxic relationships and reactions at the expense of rest and renewal—rewarding an "athlete" mindset instead of overemphasizing a "hero." This can begin to shift perception of signs of burnout or other mental-health needs as being indicative of a moral failing. Finally, creating a dedicated role to support employee mental health and well-being and appointing a senior leader, such as chief wellness officer,

will increase awareness and show commitment. While a wellness officer can help a lot, my experience is that wellness is part of a much larger systemic change than most wellness officers understand. Many still associate wellness with physical experiences alone. Wellness includes a holistic approach to how to be as people.

Do our resources serve employee needs?

Leaders should evaluate whether mental-health and well-being resources are at parity with physical-health benefits and how frequently they are being used by employees. An increasing number of employers have expanded access to mental-health services[56] ; When these are divorced from the collective changes needed, they become individual mental health counseling, etc. This is mitigated by healthy peer discussions, mentoring and practices that bring about safety, effective communication, resolution of frustrations and toxic behavior, and more. however, research shows that almost 70 percent of employees find it challenging to access those services.

In a previous survey, 45 percent of respondents who had left their jobs cited the need to take care of family as an influential factor in their decision (with a similar proportion of respondents who are considering quitting also citing the demands of family care). Expanding childcare, nursing services, or other home- and family-focused benefits could help keep such employees from leaving and show that you value them. Patagonia, long the standard-bearer for progressive workplace policies, retains nearly 100 percent of its new mothers with on-site childcare and other benefits for parents.

Never in history have organizations around the world devoted so much attention and capital to improving employee mental health and well-being. It is lamentable that these investments are not always providing a good return regarding improved outcomes. I was recently on a panel where I was the only one not a psychologist. I was favored afterwards because there are not enough counselors, psychologists or psychiatrists to meet the demand even when people do come forward. The audience appreciated that our model helped everyone create the conditions and conversations that resulted in health and well-being and copious support. Employers that take the time to understand the problem at hand—and pursue a preventative, systemic approach focused on **causes** instead of symptoms—should see material improvements in outcomes and succeed in attracting and retaining valuable talent. We totally see it. Often people want a fast fix. When there is an immersive, self-sustaining, integrated long-term model, change is lasting and hugely helpful. More broadly, employers globally have an opportunity to play a pivotal role in helping people achieve material improvements in health. With collaboration and shared commitment, employers can make a meaningful difference in the lives of their employees and employees for their employers too and the communities they live in. 100%. We hear people in companies say, "This is helping me at home." We hear people in our parenting and school reform projects say, "This is helping me at my workplace." Good human systems are good everywhere.

The McKinsey Health Institute (MHI) is collaborating with leading organizations around the world to achieve material improvements in health—adding years to life and life to years. As

part of that, MHI is focused on improving employee mental health and well-being at scale—in a way that is good for business, for employees, and for the communities they live in.

To stay updated about MHI's initiative on employee mental health and well-being, sign up at McKinsey.com/mhi/contact-us.

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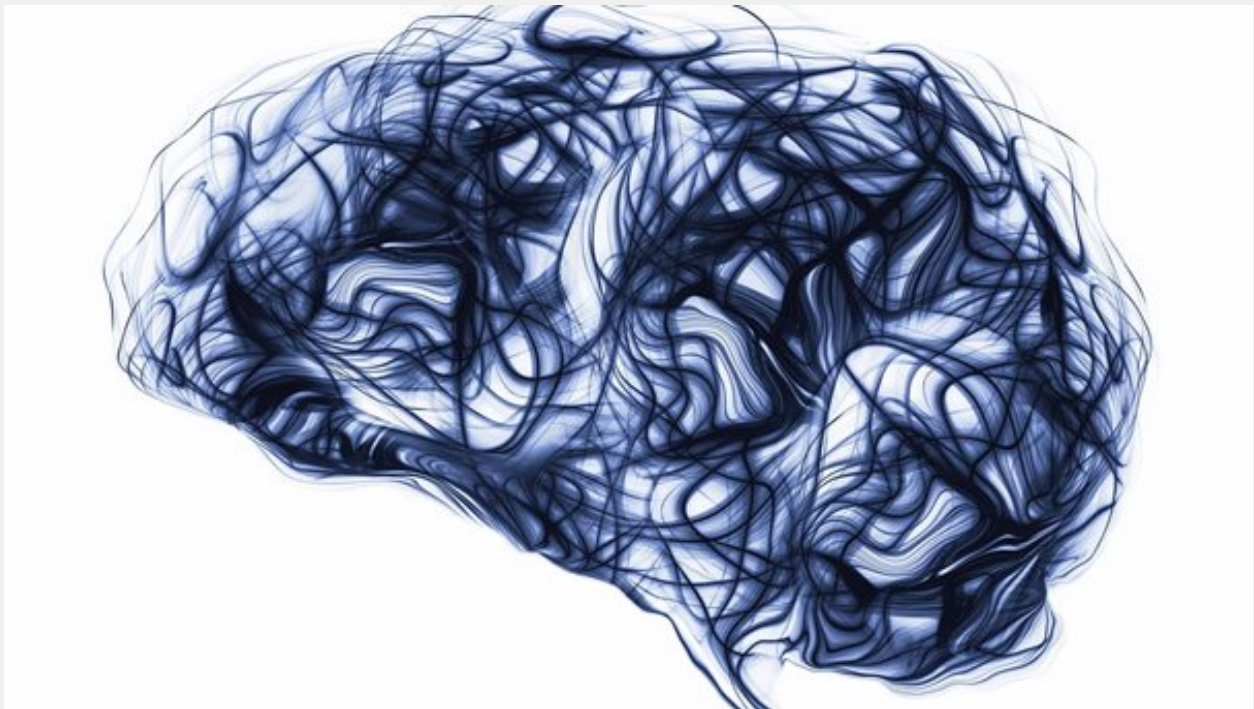Talk to us

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