Managers: working smarter and faster or harder and longer?

In the new millennium, happiness in the workplace is well and truly back in vogue. There has been an explosion of research into happiness, optimism and positive character traits. What is driving this renewed interest into employees' and managers' job happiness and performance?

In the twenty-first century, effective managers' performance is even more central to the success of organizations. Pressures to manage within these increasingly complex local, national and global workplace dynamics are greater than ever before. In these circumstances successful organizations are dependent on managers' capacity to achieve and maintain high levels of individual job performance.

Managers are now expected to perform in a business context where significantly increased performance is demanded. These circumstances have given rise to a generation of managers who are both "time poor" and "wellbeing poor". Eventually, declines in managers' performance will hamper the capacity of organizations and national economies to create wealth.

As a consequence, predictors of improvement or deterioration on managers' performance, such as happiness, are critical to the success of organizations. These changes in the workplace emphasize the need to understand how managers can retain their positive affective wellbeing by working smarter and faster, rather than harder and longer.

Moving the goal posts

Pressures to manage within increasingly complex local, national and global workplace dynamics are greater than ever before. Restructuring, deregulation, tariff reductions, outsourcing, rapid uptake of technology and internationalization are just some of the competitive forces that continue to drive organizations to intensify workplace productivity.

Long working hours, necessitated by "downshifting" as organizations move from "lean to mean", are impacting on individual performance and organizational productivity from the "shop floor to the top floor". The consequence of these pressures is that fewer managers are doing considerably more work in an effort to maintain and improve organizational output.

Seismic shifts across all sectors of the workplace have led to a more insecure work environment where managers are expected to efficiently perform a wider range of complex functions. Increasingly, knowledge creation and the management of knowledge workers are a particularly challenging aspect of the ever expanding roles expected of managers. These unsettling and relentless changes to the work environment are having a major impact on managers at all levels in the workplace which are in turn flowing through to the employees.

In combination, pressures for change and the propensity of organizations to maximize short-term financial and capital gain are impacting on the wellbeing of managers. Not surprisingly, this scenario is a potential source of considerable anguish for managers as well as for the organizations that rely on their performance.
Successful organizations are dependent on managers who are capable of achieving and fully maintaining high levels of individual job performance. Individual and collective levels of managers’ performance are therefore critical to the survival and prosperity of small and large-scale organizations alike. In this ultra competitive marketplace, the capacity of organizations to be productive and profitable is very reliant on managers creating a work environment where employees are fully engaged, contributing and committed.

**Otherwise engaged**

A negative outcome of ignoring managers’ affective wellbeing and intrinsic job satisfaction is the alarming and counterproductive increase in actively disengaged and demotivated employees. Diminished performance resulting from disengaged employees is very costly to organizations. Attaining and sustaining the optimal individual and collective performance of employees in this dynamic environment is impacting on the happiness and performance of managers. The corollary of the problem of dealing with disengaged employees is contributing to the demise of managers’ affective wellbeing.

Increased pressures to lift individual performance in organizations have reached critical mass. Managers are now expected to produce higher quality goods and services with fewer resources. The result of economic rationalization and globalization is directly attributable to the high incidence of stress, burnout and depression amongst employees and managers. These dramatic and ongoing changes to the macro economic environment have driven substantial changes in managers’ roles and their performance.

**“Squeezing the pips”**

As mentioned earlier, organizations are under increasing pressure to improve productivity while simultaneously reducing costs. An enterprise formula has emerged – “1/2×2×3” - whereby half as many people are being paid twice as much, to produce three times more. This trend for “squeezing the pips” is particularly evident for managers, where the incidence of stress and burnout is increasingly common. There is also a pervasive sense of unease about the lack of job tenure.

To reach and sustain heightened levels of performance and to avoid burnout in this environment, it is desirable that organizations develop strategies for maintaining managers’ affective wellbeing and intrinsic job satisfaction. Of the three psychological aspects of burnout (emotional exhaustion, depersonalization, diminished sense of personal accomplishment), emotional exhaustion is becoming increasingly prevalent in workplaces.

The rapid adoption of information technology has also accelerated the pace of work and increased role expectations. Ease of access to the Internet has exacerbated the demand for a “24/7” (24 hour, seven days a week) work culture that requires immediacy of responses to management and customers demands. This development needs to be seen as a part of the movement to team-based work becoming more widespread, downsizing forcing employees to exert more effort, pressures to deliver results in shorter time frames, customer service being emphasized and “fields of work” replacing specific “jobs”. In all, a number of countervailing forces are apparent as, “Organizations are becoming more flexible, participative and simultaneously tougher and more humane”. These rapid changes to the working environment will eventually impact on the levels of affective wellbeing experienced by managers and this is deleterious to long-term performance.

**Mental health problems in the workplace**

Organizations that do not take care of workplace happiness ultimately experience diminished individual performance. Over the last decade, mental health problems in the workplace have increased substantially for both industry and government. Approximately, one in ten employees is estimated to be suffering from depression, anxiety, stress or burnout in Australia, the European Union, the USA and Canada. Some 3-4 per cent of GNP worldwide is estimated to be expended on mental health problems in the workplace,
which are rapidly becoming the most common reasons for allocating disability pensions and for people opting to retire early.

By 2020, it is estimated that depression will be the most common health problem in the workplace. In addition to workers' compensation claims, employers who fail to address workplace mental illness can expect to pay increased higher compensation and insurance premiums. Other problems in the workplace resulting from neglecting to look after managers' affective wellbeing are: disengagement, absenteeism, higher staff turnover, higher accident rates, reduced productivity and morale.

International estimates of the cost of depleted mental health show a consistent and disturbing trend. The incidence of mental health problems in the workplace is an issue that has reached alarming proportions. The resultant cost to organizations and nation-states is unacceptably high and is increasing exponentially. This has led governments in developed countries to begin to legislate to force organizations to accept the consequence of inappropriate management decisions on employee health. Deteriorations in managers' affective wellbeing and intrinsic job satisfaction can lead to disillusionment and burnout, which is likely to result in severe reductions in individual job performance.

All this bad news about diminished mental health in the workplace needs to be countered by good news. Evidence of this can be found in a new movement rapidly taking hold – positive organizational scholarship (POS).

**POS – putting the head back on the body**

There are sound social and economic reasons for promoting happiness through healthy workplace practices. Numerous studies have shown that happy people are successful in many aspects of life, including friendship, marriage, income, health and job performance. A link between happiness-success is evident where PA engenders success. In essence, the POS movement is metaphorically reattaching the head on to the body of organizational and occupational psychology.

Pressures, strains and stresses on managers in the workplace have been identified as an important determinant of a person's mental health. Individual levels of affective wellbeing, intrinsic job satisfaction and performance have the potential to eventually impact on organizations' productivity. More importantly the personal cost of the demise in affective wellbeing to an individual's life is immense. An improved understanding of the way in which changes in affective wellbeing and intrinsic job satisfaction impact on performance will assist in identifying what can be done to promote a healthier and more productive work environment for managers.

Managers are in the front line of an ever shifting, difficult and dynamic business landscape. Increased calls for efficiency gains, cost cutting and improved employee performance, including their own, require managers to simultaneously cope with workplace stress, fatigue and burnout. Managers seem to be unaware of the factors that influence individual performance which results in organizational productivity. A better understanding of 'performance levers' that managers should be pulling, and encouraging others to pull, to improve workplaces is needed.

**Improving employee wellbeing**

Providing more rigorous measures of performance has the potential to guide the implementation of human resource development initiatives to improve individual managers' performance. Timely feedback about affective wellbeing and intrinsic job satisfaction may assist organizations to monitor and implement changes to managers' jobs in order to sustain and improve their performance. More refined assessments of performance may facilitate managers' self-development, as they indicate what managers need to do in order to enhance their potential and to perform with sustainable effectiveness.

There are many advantages to improving managerial practices in relation to affective wellbeing. Circumstances that might otherwise lead to a managers' dismissal or burnout
may be less likely to arise if there is a means to identify managers "at risk". Such information can be used to assist in identifying defective organizational practices that have the potential to damage managerial affective wellbeing and intrinsic job satisfaction.

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