

# THE START OF TIME SMART LEADERSHIP

*Ashley Whillans*

A former student recently let me in on a secret: He procrastinated during the day *on purpose*. When he turned in work quickly, his boss accused him of rushing. So instead, he sat idle, completing mindless tasks until he felt like he could turn something in without judgment. His organization was so “clock” focused that it had lost sight of the importance of distinguishing quality output versus hours spent. At his company, busyness and long hours were synonymous with commitment, regardless of how productive those hours were. Unfortunately, most companies rely on hours (vs. output) as a heuristic for quality. Meanwhile, unnecessarily long work hours create miserable, overworked, and overburdened employees.

Using busyness as a signal of commitment is one of many time traps that contribute to rising rates of “time poverty,” which I define as having too many things to do and not enough time to do them. Time poverty is a problem because it undermines happiness and productivity and increases stress. According to research conducted by Stanford Business School professor Jeffrey Pfeffer and NUS (National University of Singapore) professor Joel Goh, stress-related mental health concerns such as depression costs employers \$210 billion per year. Similarly, as I wrote about in an article in *International Journal of Management Research*, the costs associated with stress-related

disorders like anxiety totaled \$46.6 billion in 2019 in the United States, with 75% of these costs stemming from lost or reduced productivity in the workplace. Overall, time poverty creates stress, which undermines productivity and profit. Thus, leaders should care that their workforce is time poor. However, there are solutions that can help any organization become more time affluent.

## Time Poverty and Why It Matters for our Workers

No one is immune to the crushing feelings of stress that time poverty creates. In 2012, 50 percent of working Americans reported that they were “always rushed,” and 70 percent “never had enough time.” In 2015, more than 80% didn’t have all the time they needed. And this isn’t only an American phenomenon. Employees across the globe feel increasingly time poor. As I have found in my research, including for my new book *Time Smart: How to Reclaim Your Time and Live a Happier Life*, from which this article is adapted, the pervasiveness of time poverty is a serious problem for individuals and organizations.

At the individual level, people who are time poor are less happy, less productive, and more stressed out. They exercise less, eat fattier food, and have a higher incidence of heart disease. The effects and costs of time

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poverty are so stark that researchers have compared it to a *famine*—a severe, drastic shortage of time that affects all of society—and that carries all of the resulting negative consequences that a natural disaster produces.

## The First Step in “Time Smart” Leadership: Understand Why Workplaces Make Us Time Poor

Social structures—like our organizations and workplaces—inadvertently and intentionally perpetuate time poverty. The first step to developing “time smart” leadership is to recognize whether and how your workplace is making you, your team, and your workforce time poor.

The *digital transformation of work*—where our workplaces are now increasingly reliant on technology to complete their core functions—is one of the largest culprits of rising time poverty. At the highest level, it has created occupational instability—where an increasing number of professions are at “at-risk” of being replaced by technological innovation. To offset the effect of these changes, many employees have gone back to school—either to learn new technological skills or to change professions altogether, at great cost, accruing debt. According to the Brookings Institute, the average annual borrowing for later career professionals attending graduate school has risen 110% in the past 25 years. My research suggests that this debt, combined with the fear of losing a job in an increasingly volatile market, conspires to make working adults focus more on earning money at the expense of having more time.

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The tools that enable the digital workplace to exist have also eroded quality free time away from the office. This is known as the “autonomy paradox.” Technology was supposed to free employees from the office. Yet, employees now take their offices everywhere—the beach, the soccer pitch, the hospital while their children are born. Constant digital disruptions turn our leisure into “time confetti”—small units of free time that are too short to produce moments of joy or reduce stress.

The advice to leaders on this point is clear: *Allow employees to disconnect from their technology.* To truly enable employees to unplug, it is critical to model this behavior yourself. When you are on vacation, set an auto-reply. If you are replying at “off-hours” clearly indicate that you do not expect a reply. The feeling of constant connection is one of the most major contributors to the feeling of time poverty—in part because it ruins our leisure time. Speak with your team and set clear norms around when your employees can and should be on their email.

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Many workplaces create time poverty by *imposing unnecessary administration*. In a survey of more than 700 average income earners (who make about \$50,000 per year) that I conducted with my colleagues, 99.9% said they were routinely asked to complete unimportant tasks that wasted their time—like unnecessary phone calls, emails, and paperwork. When forced to wade through workplace drudgery, we are reminded of the other tasks that we could be doing, increasing our feelings of time poverty. We *feel* the opportunity costs viscerally.

The advice to leaders here is obvious: *Don't assign time wasting activities*. Better yet, recognize time wasters and institute time-affluent replacements. Clearly communicate when and for whom a meeting is mandatory versus optional, so people can spend less time stuck in unnecessary meetings. Reassign a weekly meeting that no one finds valuable as mandatory “walk-outside” time. Encourage idle time—the difficult to use 10–30 minutes in between meetings or while waiting for their next assignments—to be used as “water cooler” time. Put social time on the schedule. As one executive recounted, “Something as simple as grabbing lunch with a colleague can be immensely important. When my colleague started to encourage weekly lunches, my morale and the morale of my team brightened. All of our tasks became more manageable because we knew we always had a small social break to look forward to.”

## Where To Go From Here?

Management plays a significant role in shaping employees' time affluence. Financial incentives are a cornerstone strategy for boosting performance, and they work. However, my research shows that financial incentives carry costs that could outweigh the productivity gains.

In a large-scale data set my colleagues and I analyzed, *performance incentives* fundamentally shaped how employees spent their time. Employees who were paid additional incentives for their performance spent 2% less time each day socializing with friends and family.

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## *Management plays a significant role in shaping employees' time affluence.*

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In contrast, they spent 3% more time socializing with customers and co-workers. While these differences seem small, they add up quickly. In one year, this amounts to 5 fewer days with friends and family, and 8 more days with clients and colleagues who are less likely to boost our happiness.

This “*time-as-money*” *mindset* is especially pernicious for nonsalaried employees. As other researchers, including Professors Sanford E. DeVoe (UCLA Anderson School of Management) and Jeffrey Pfeffer (Graduate School of Business, Stanford University) have noted elsewhere, hourly workers—regardless of whether they are lawyers, accountants, or grocery store workers—are more likely to think about their time as money and feel concerned with wasting time, saving time, and using time in profitable ways. As one lawyer explained, “Billing hours creates an adversarial relationship with time. I feel like if I do something other than work for an hour, I have to pay that hour back later. To not feel in time debt, *I forgo leisure altogether.*”

Where possible, a shift away from performance incentives and billing hours would be a massive boon for employees' well-being. Employees do not need another reason to think about time as money—*taking employees' time “off the clock”* is a critical step in cultivating time affluence.

There are several other strategies “time smart” leaders can consider for increasing time affluence.

## Reward Employees With Paid Time Off

Workplaces can help employees become time affluent by rewarding them with it. In the United States, one out of four private sector employees receive no paid vacation. Yet, my research suggests that employees who are offered and take all of their vacation time are more engaged, creative, and productive. They derive more meaning and satisfaction from their jobs. After taking their vacation, most employees report feeling less tired, more energetic, and they more readily savor their daily experiences.

One long vacation is less beneficial than many shorter ones, so organizations should encourage employees to take “getaways” and reward them with short stints away from the office—technology-free. In one survey of 150,000 employees, only those who “regularly” took vacations benefitted. This is because after two weeks, our post-vacation blissed out feeling evaporates, and we go back to being overscheduled and burned out.

## Make Employees Take Their Paid Time Off

In addition to offering time off, companies should encourage workers to use it—by any means necessary. Unused vacation time is an especially American scourge: In a survey I conducted with Hanne Collins, a doctoral student in the organizational behavior program at Harvard Business School, 75% of U.S. employees did not take all of their paid vacation days. According to the U.S. Travel Association, more than 700 million vacation days go unused each year. This is a lot of untapped happiness, and it slows the economy too. Unused vacation takes \$255 billion of spending out of the economy each year. Leaders need to *tell their workforce*: If I left a giant stack of money on your desk, you wouldn’t walk away from it. By failing to take paid vacation that is what you are doing—walking away from a gift of time worth thousands of dollars.

You could force employees to take their vacation time. In one extreme example, the CEO of a marketing consulting firm (SimpliFlying) revealed in a 2017

*Harvard Business Review* article that he forced his employees to take one week off work—paid—every seven weeks. If an employee checked their office email, Slack, or any other work-related communication platform during this time, he took away their pay. However, after vacationing, SimpliFlying employees’ self-reported creativity increased by 33%, happiness increased by 25%, and productivity increased by 13%. As it turns out, companies do not suffer when their employees are well-rested; they thrive.

## Offer Time-Saving Rewards

*Smaller time rewards* instead of performance-based cash rewards can help organizations combat time poverty. Researchers at Stanford University School of Medicine—led by Magali Fassiotto and published in the journal *Academic Medicine*—conducted a pilot study in which doctors were rewarded with vouchers for time-saving services such as grocery delivery and funding to pay for research assistants to help them with creating lecture slides. The program gave credit to physicians who were completing tasks that were not always recognized—like supporting a colleague, volunteering to guest teach in someone else’s course, or mentoring. Doctors who involuntarily received these credits reported higher work-life balance and lower intentions to quit. As one physician explained,

*If I volunteer to teach in someone else’s course, I get credits, can use those credits to order groceries because I don’t have time to go to the store. You can also use the credits to gain help with grant writing support or help with presentation slides when you are giving a lecture. These vouchers really help to restore my time.*

To motivate workers, *assign rewards a cash value*. To help employees take paid vacation or time-saving rewards, appeal to employees’ money-first mindsets and make time savings *seem* financial. As one leader explained to me in an interview, which I note more extensively in the *Harvard Business Review* article “Time Poor and Unhappy: Why the Pursuit of Money Isn’t Bringing You Joy and What Will,”

To better motivate people to apply for jobs that tend to have lower pay and more vacation, we should show the total compensation package, not just the salary, putting a value on health care, child care, public transportation subsidies, vacation, and sick leave, and calculating it all. This way employees will know what they are truly paid.

## Let Workers Ask for More Time

Employees are similarly hesitant to request more time at work. Employees worry that asking for more time to complete tasks will make them appear incompetent and unmotivated. Across 10 studies that my colleagues and I conducted, employees who felt “time poor” avoided *requesting deadline extensions*, even when these extensions were adjustable. Of course, avoiding extension requests can undermine employee performance. In one experiment, we assigned business school students to write a paper, but if they needed more time, they could email the instructor to request an extension without penalty. Students who requested an extension received higher grades. Women and junior employees are especially unlikely to ask for more time because they worry about how this request will be perceived. Unfortunately, these employees are often the busiest due to higher levels of personal and job-related demands.

The key to combating this fear of asking for more time as a leader is to *normalize the behavior*. Communicate the fact that asking for more time is okay. Employees who are overwhelmed and secretly desperate for more time to work on a project need to be told that they are not alone. Communicating the prevalence of granting extensions could be an easy and powerful way to reduce employees’ fears of being singled out as incompetent and unmotivated.

Often the strictness of deadlines is ambiguous: Employees may not know if the deadline is moveable. When facing ambiguity, most workers will avoid asking for more time just in case. When assigning tasks, managers should *clearly communicate* whether a deadline is adjustable.

## Let Workers Work From Anywhere

Companies that let workers decide where and when to do their jobs have workers who are happier, more productive, and less likely to quit. Research by my Harvard Business School colleague Prithwiraj Choudhury found employees with “work from anywhere” arrangements were 4.4% more productive than employees with “work-from-home” policies that required them to live closer to the office. The researchers estimate the productivity gains result in an average of a \$1.3 billion boost to the U.S. economy each year. Of course, these employees worked in specific jobs that made this arrangement possible. COVID has forced workplaces to make this option available. My ongoing research suggests that the benefits of allowing employees to work from anywhere are not currently being fully realized in the COVID environment. Unsurprisingly, parents have to complete more childcare and housework than they did before; and women are taking on more of the burden. Junior employees are in more meetings than ever before, but report having less understanding of the meetings that they are in because they no longer have informal conversations with more senior colleagues over coffee or in taxis. These initial data suggest that a lot more research is needed to help all employees not only survive but thrive in virtual work due to increased personal responsibilities and fewer informal interactions with peers and colleagues about work-relevant content.

## Continue to Cultivate Time Smart Leadership

For many leaders, a mindset shift is in order that may feel uncomfortable but that is backed by data: *You will earn better talent and more loyal employees by helping your workforce increase their time affluence*. It is easy for workplaces to lose sight of the fact that the best data show that employees who take the most time off, ask for extensions when needed, and uptake time-saving rewards are the happiest, most productive, and least likely to quit.

When it comes to workplace policies that encourage time affluence, leadership is crucial. Executives have to lead time-off trends via personal practice and developing “Time Smart” leadership. By saying “I would like to take more time to respond to your proposal than originally discussed,” or by fully disconnecting during vacation, leaders can help their employees feel more comfortable doing the same. In contrast, sending work emails when you are supposed to be out of the office sends a strong signal that your team should always be available too.

There is a lot of work to be done. When it comes to finding creative solutions, individual action is not enough. We need a paradigmatic shift. This shift starts where time poverty originates: the workplace. As leaders, this institutional change is in your hands. Money matters, yet time is the most valuable resource any of us have. So, let’s find ways to help our workers have more of it.

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