

## Assessing the impact of Employee's Burnout on customer satisfaction; A case study on selected Developed Nation Private Sectors.

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### ABSTRACT

This study examines the impact of job burnout on customer satisfaction in service-based firms in developed nation. The research uses structured questionnaires and the Maslach Burnout Inventory to gather data from employees. The findings reveal that high levels of burnout are prevalent, particularly in telecom and real estate sectors, with 60% experiencing moderate to high burnout. This burnout is linked to decreased job satisfaction, poor work-life balance, and impaired job performance. It also negatively affects customer service quality, particularly in high-contact sectors. The study emphasizes the need for intervention to reduce burnout and improve employee well-being. The findings suggest that burnout is a systemic issue that requires comprehensive organizational strategies.

### I. INTRODUCTION

Human capital is crucial in organizations for aligning employees and achieving business objectives Fulmer & Ployhart, (2013). The performance of human resources significantly influences organizational progress and success (Wuryani et al., 2021). Burnout, a psychological syndrome resulting from prolonged workplace stress, affects employees' performance, customer satisfaction, and loyalty. It is a widely researched topic in the business context. A study conducted in the Developed Nation Private Sectors, aimed to determine employees' perception of customer satisfaction in telecommunication, banks, utility, and real estate services industries. The research used questionnaires to establish a relationship between employee burnout and customer satisfaction, highlighting the importance of understanding the relationship between human capital and organizational performance.

Burnout as per Bakker and Demerouti (2017), is a response to job characteristics and organizational conditions, often caused by job demands and buffered by job resources. It is a professional concern due to its strong correlation with negative organizational outcomes (Mokhtar & Yunus, 2023). Employees experience decreased productivity, increased absenteeism, and affect their morale and well-being,

impacting end-users. Service-provider sectors like telecom and banking are more sensitive to burnout, (Lubbadeh & Ásványi, 2021) as employees are more sensitive to customers of different backgrounds and attitudes. While organizational, occupational, and individual influences are primary causes of burnout, it is not a condition, as others can manage similar working conditions.

Employee burnout is a significant issue in modern businesses, impacting human health and organizational effectiveness. It has three main dimensions: emotional exhaustion, depersonalization, and reduced personal accomplishment. In developed nation, the service sector is particularly susceptible to burnout due to constant contact with consumers in industries like telecommunications, banking, utilities, and real estate. Burnout is strongly correlated with emotional labor, which involves managing emotions to meet job demands. High employee burnout can negatively affect organizational effectiveness, customer satisfaction, and retention, as it can lead to a decline in client contacts and a decline in employee performance.

The Job Demands-Resources (JD-R) model emphasizes the importance of balancing job demands and resources to prevent burnout Demerouti et al., (2001). In Developed Nation Private Sectors, cultural factors and the focus on customer satisfaction complicate the issue of burnout. Cultural stigmas can hinder open communication and support for burnout treatment. Burnout is not classified as a mental issue for treatment, but symptoms can be recognized.

### II. METHODOLOGY

This study investigates the impact of staff burnout on customer satisfaction in selected Developed Nation Private Sectors. The research employs a quantitative method, collecting numerical data for statistical analysis to identify patterns, correlations, and links (Hirose & Creswell, 2022). The study aims to provide a solid empirical foundation for the conclusions and improve generalizability.

The study uses structured questionnaires to collect data from the target population, focusing on industries with significant customer engagement and employee performance. The study population includes employees with at least one year of experience and customers who have interacted with service

providers within six months. The sectors involved include telecom, banking, utilities, and real estate.

The research process comprises numerous phases:

**A. Problem Identification and Literature Review:** Define the research problem, review existing literature on employee burnout and customer satisfaction, and identify research gaps.

**B. Research Design Development:** Develop the research design, including the formulation of research questions, hypotheses, and the selection of appropriate methodologies.

**C. Data Collection Instrument Design:** Design structured questionnaires to collect data from employees and customers.

**D. Sampling and Data Collection:** Identify the study population, determine sample size, and distribute questionnaires.

**E. Data Analysis:** Use statistical tools to analyze the collected data, interpret results, and test hypotheses.

**F. Reporting and Dissemination:** Compile the findings into a comprehensive report and disseminate the results to relevant stakeholders.

The questionnaire has two primary sections:

- Employee Questionnaire:** This section covers demographics, occupational characteristics, and burnout. Given its popularity and validity in measuring burnout, the Maslach Burnout Inventory (MBI) is used for this (De Beer et al., 2024).
- Customer Questionnaire:** The SERVQUAL methodology analyzes service quality across five dimensions: tangibles, reliability, responsiveness, assurance, and empathy (Yeong, Knox, & Prabhakar, 2022) to assess customer satisfaction.

### III. FINDINGS

Table below provides a summary of the study population and sample collection across the sectors

Sector	Employees	Customers
Banking	83	123
Telecom	34	48
Utilities	27	96
Real Estate	29	104
Total	<b>173</b>	<b>371</b>

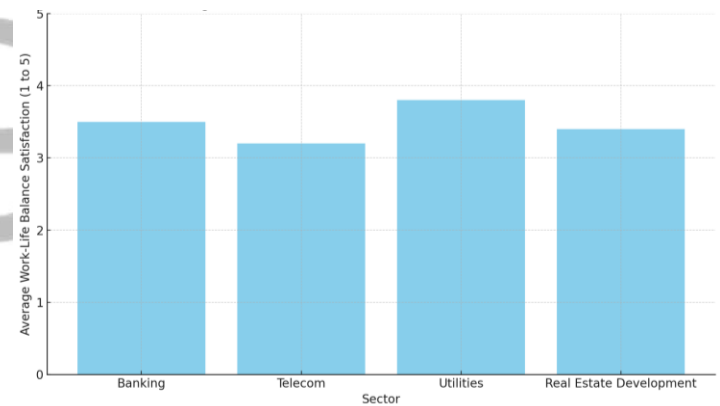
**Job tenure** significantly connected with burnout. Over-10-year employees had increased burnout, with 65% scoring 3

or higher. Continuous job stressors raise burnout risk, especially in high-pressure industries like real estate and utilities (Malinauskas et al., 2022).

Job Tenure	Low Burnout (1-2)	Moderate Burnout (3)	High Burnout (4-5)
Less than 1 year	10%	15%	5%
1-3 years	15%	20%	10%
4-6 years	20%	25%	20%
7-10 years	30%	30%	40%
More than 10 years	25%	10%	25%

#### Work-life balance and job satisfaction

**Work-life balance and job satisfaction** were measured using the same 5-point Likert scale. Work-life balance unhappiness was expressed by 55% of respondents, with 30% scoring 2 or lower. Telecom and Real Estate Development workers were the most dissatisfied, with 60% and 50% scoring 2 or lower.



Kasbuntoro et al. (2020) found a considerable correlation between poor work-life balance and low job satisfaction, especially in high-demand industries. Telecom and Real Estate, which have significant client interaction and demand, have worse job satisfaction and work-life balance, which contributes to burnout

#### Correlation Between Burnout and Customer Satisfaction

The analysis focused on employee fatigue and consumer satisfaction. High burnout (scores of 4 or 5) is negatively correlated with customer satisfaction ( $r = -0.65$ ), especially in telecom and real estate development. Shoshan and Sonnentag (2019) found that employee exhaustion significantly reduces customer satisfaction.

Sector	Correlation Coefficient (r)
Real Estate Development	-0.65
Telecom	-0.60
Utilities	-0.55
Banking	-0.50

*Correlation Between Burnout and Customer Satisfaction*

#### IV. CONCLUSION

This study shows that staff burnout negatively impacts job satisfaction and customer service across sectors. About 60% of employees, especially in telecom and real estate development, experience moderate to extreme burnout. Burnout is significantly linked to job discontent, with over 45% of respondents reporting work-life balance issues. These findings support Malinauskas et al. (2022) and (Prasetyo et al., (2021) research linking burnout to lower job performance and satisfaction.

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