3 Employee Support Essentials for the New Workplace

Dr. Rachel Cubas-Wilkinson

June 9, 2022

The **Myers-Briggs** Company

Dr. Rachel Cubas-Wilkinson

- My role is Head of US Consultancy, The Myers-Briggs Company

- I partner with organizations to make investments in talent learning and development to better support staff, teams, and leaders.

- I'm certified in these personality and psychometric assessments:

  ▪ MBTI® Step I™ and Step II™ ▪ CPI 260®
  ▪ Strong Interest Inventory® ▪ FIRO-B® and FIRO Business®
  ▪ Hogan assessments ▪ Everything DiSC®

- My education:
  - Doctorate: Transformational Leadership and Change
  - Masters: Organizational Leadership
  - Graduate specialization: Adult Learning Curriculum and Instruction

- I am based in Jupiter, Florida.

The **Myers-Briggs** Company

Agenda

1. **State of the Workplace**

2. **The Central Problem and the New Employee-Work Contract**

3. **People-Focused Strategies**

State of the workplace

State of the workplace

- Over 40% of all employees were thinking about leaving their jobs at the beginning of 2021, and as the year went on, workers quit in unprecedented numbers (MIT Sloan, 2021).

    - "Executives who think that employee attrition is easing—or is limited to particular industries—are misguided" (McKinsey, 2021).

    - Workers in all job categories, from customer-facing service roles to highly professional positions, are actively or passively job hunting at roughly the same rate (Gallup, 2021).

- **The US "quit rate" reached a 20-year high in Nov 2021, creating a scarcity of people to fill US all-time high of 10.1 million job openings** (Pew Research Center, 2022).

- **Job openings are up 55% from Jan 2021 and continue to outpace available employees** (Washington Post, 2022).

- "It is, by many measures, the tightest labor market ever" (Julia Pollak, Chief economist, ZipRecruiter, 2022).

    - This has led to a situation where workers increasingly have the upper hand, forcing companies to raise wages and offer a range of new perks to attract and keep employees (Washington Post, 2022).

The Myers-Briggs Company

Attrition and recruitment

What is the real cost?

> **"Losing your best people means losing your reliable winners, your constant innovators, and your most effective problem solvers"** (Gallup, 2022).

- Replacing an employee costs on average 6-9 months of an employee's salary (Society for Human Resource Management).

- EBN reported that it will cost:

  - $12k to replace an entry-level employee making $36k/yr

  - $20k to replace a manager making $60k/yr

  - $50k to replace an executive making $150k/yr

- This sets companies back financially and also puts a strain on day-to-day work and teams.

The Myers-Briggs Company

Attrition and recruitment

What is the real cost?

Strain on day-to-day work and teams

- loss of productivity
- loss of institutional knowledge and history
- loss of internal networks
- loss of cross-team collaboration
- disruptions to team morale

- added stressors for employees that cover gaps left by departing team members
- lingering feelings of unease created by vacated positions
- fundamental team cultural changes when new employees are brought in
- Some of your best performing employees could become your competitors

The Myers-Briggs Company

State of the workplace

- As the Great Resignation rolls on, **business leaders are struggling to make sense of the factors driving the mass exodus** (MIT Sloan, 2022).

  - Companies are struggling to address the problem, and many will continue to struggle for one simple reason: **they don't really understand why** their employees are leaving in the first place (McKinsey, 2021).

  - By not understanding what their employees are running from, and what they might gravitate to, company leaders are putting their very **businesses at risk** (McKinsey, 2021).

State of the workplace

- Workplace issues are not limited to exiting employees.

- Great discontentment exists among remaining employees.
    1. **Employee engagement is dropping.**
    2. **Active disengagement is rising.**

- A recent Gallup survey found that 66% of almost 60,000 respondents reported feeling **disengaged** at work in 2021.

- "It's not an industry, role or pay issue. It's a <u>workplace</u> issue" (Gallup, 2021).

U.S. Employee Engagement Trend, Annual Averages

— % Engaged   — % Actively disengaged

33 34 36 34 32
16 13 14 16 17
2016 2018 2020 2022

36 34 32
14 16 17
2020 2022
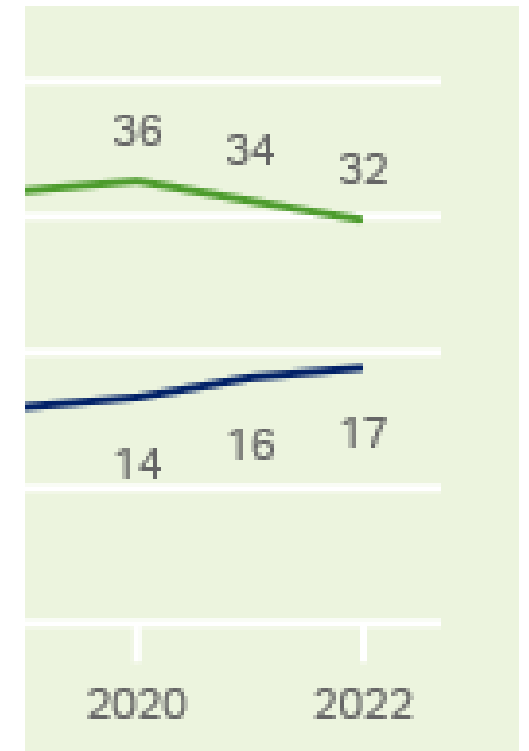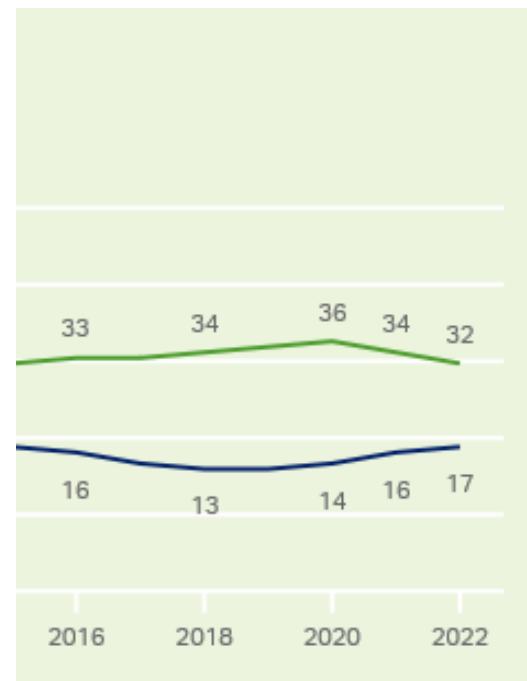
Disengaged employees

What is the real cost?

Retention

Low engagement teams have 18-43% higher turnover than highly engaged teams (Gallup, 2021).
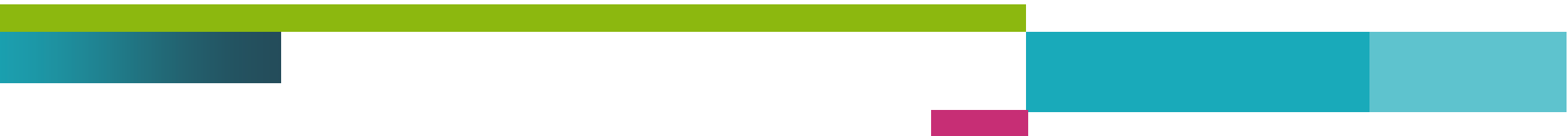
Quality & Safety

put others at risk- 60% more errors / defects in work performance, 49% more accidents (Gallup, 2021).

Morale

affect morale- One person's bad attitude reduce team performance 30% to 40% (Goleman, 2021).

Absenteeism

use more sick time- 69% higher absenteeism rates (Gallup, 2021).

Productivity

are less productive- 18% less productive than their engaged counterparts (Gallup, 2021).

Brand Impact

affect the brand- increased customer complaints (McKinsey & Company, 2018).

The Myers-Briggs Company

The Central Problem and the New Employee-Work Contract

The Myers-Briggs Company

The central problem

- There is a **mismatch** between the job environment employees want — and now expect — and the one their organizations have.

- Fundamentally, we have experienced disruption, and we are now different.
    - 9 million Americans lost a family member due to COVID
    - 22 million jobs were lost
    - 8 million Americans fell into poverty (Guardian, 2022).
    - Adaptations to new ways of working – 83% of employees in the U.S. working remotely (Pew Research Center, 2022).
    - Fear, trauma, psychological shock, prolonged stress, anxiety, and depression (up 30% from pre-pandemic levels) has led to our brains literally rewiring.
    - The psychology of disruption cannot be underestimated. "Covid Will Be an Era, Not a Crisis That Fades (New York Times, 2021).

The central problem

- While we all want some version of "returning to normal", as a company strategy, **this falls short**.

    - Going back to normal or returning to how things were neglects employee changes and needs. "This isn't good enough" (Samuel, 2021).

    - "Employers are trying desperately to ignore that we've become fundamentally different humans" (Guardian, 2022).

- **Many employers are handling the situation similarly**—

    1. failing to invest in a more fulfilling employee experience
    2. failing to meet new demands for autonomy and flexibility at work (McKinsey, 2021).

The opportunity

**Reimagining
the workplace
experience
to better support
employees and
teams**

- Organizations that take the time to learn why employees are leaving and what employees are looking for—**and then act thoughtfully**—will have an edge in attracting and retaining talent AND in holding on to valued employees (McKinsey, 2021).

- "**This pivotal moment in history is taking the workforce in a positive direction**".

  We will see changes in flexibility, skills-based hiring, training opportunities, and a new chance to re-engage with each other from a place of trust and support that's been lacking in the workplace (Forbes, 2022).

The **Myers-Briggs** Company

People-focused strategies

Three employee support essentials

People-focused strategy #1: **Flexibility**

Flexibility of <u>where</u> we work and <u>when</u> we work.

- **45%** of workers who quit a job in 2021 cite a **lack of flexibility** to choose when they put in their hours (Pew Research Center, 2022).

- **52%** of employees say the **loss of flexibility** is their greatest fear about returning to in-person work, second only to COVID concerns and safety measures (State of Workplace Empathy, 2022).

- "Of all the benefits organizations can offer to employees, one benefit—the flexibility to work when and how they want—is the most **empowering**" (Forbes, 2022).

- Of workers who took new jobs, **50%** cite now having work hours / location flexibility and improved work/life balance (PRC, 2022).

- "Almost **0%** of our top-talent are interested in **100%** back in the office" (D&S Executive Recruiter).
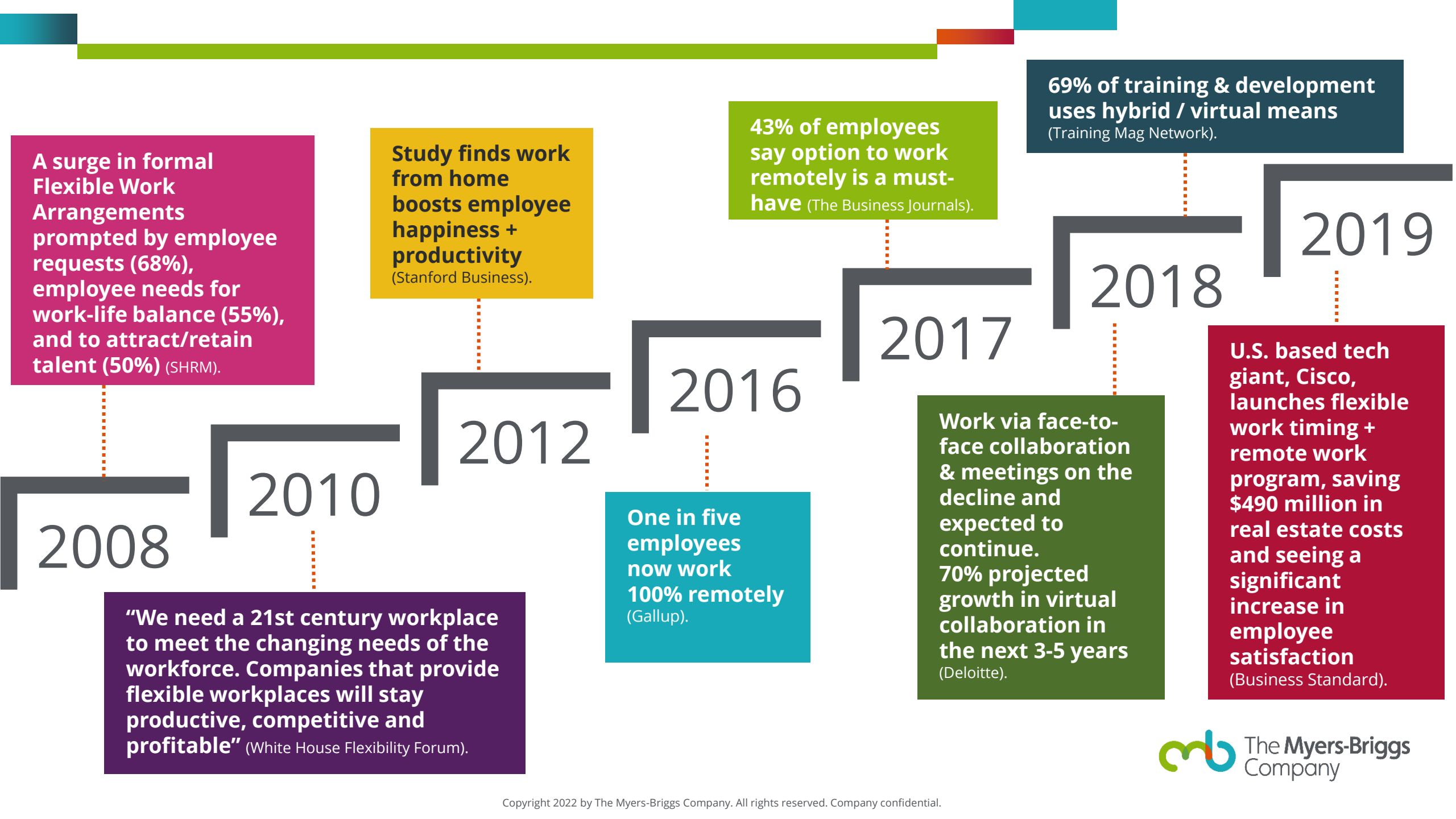
The **Myers-Briggs** Company

2008

A surge in formal Flexible Work Arrangements prompted by employee requests (68%), employee needs for work-life balance (55%), and to attract/retain talent (50%) (SHRM).

2010

"We need a 21st century workplace to meet the changing needs of the workforce. Companies that provide flexible workplaces will stay productive, competitive and profitable" (White House Flexibility Forum).

2012

Study finds work from home boosts employee happiness + productivity (Stanford Business).

2016

One in five employees now work 100% remotely (Gallup).

2017

43% of employees say option to work remotely is a must-have (The Business Journals).

Work via face-to-face collaboration & meetings on the decline and expected to continue. 70% projected growth in virtual collaboration in the next 3-5 years (Deloitte).

2018

69% of training & development uses hybrid / virtual means (Training Mag Network).

2019

U.S. based tech giant, Cisco, launches flexible work timing + remote work program, saving $490 million in real estate costs and seeing a significant increase in employee satisfaction (Business Standard).

The Myers-Briggs Company

A surge in formal Flexible Work Arrangements prompted by employee requests (68%), employee needs for work-life b[...] and to attr[...] talent (50%[...]

Study finds work from home boosts employee happiness + productivity (Stanford Business).

43% of employees say option to work remotely is a must-have (The Business Journals).

69% of training & development uses hybrid / virtual means (Training Mag Network).

2019

2018

2022- AirBnb announces global work flexibility option.
800K+ visitors flood their jobs website
(Yahoo Finance, 2022).

2008

[...]ed tech [...]sco, [...]s flexible [...]ning + [...] work [...], saving [...]lion in real estate costs and seeing a significant increase in employee satisfaction (Business Standard).

"We need a 21st century workplace to meet the changing needs of the workforce. Companies that provide flexible workplaces will stay productive, competitive and profitable" (White House Flexibility Forum).

employees now work 100% remotely (Gallup).

[...] continue. 70% projected growth in virtual collaboration in the next 3-5 years (Deloitte).

The Myers-Briggs Company

The **flexibility** gap

- Companies and managers are still reticent to offer flexibility despite multi-year trend toward flexible work arrangements as well as strides made during the pandemic.
    - Only 22% of American workers said their managers trust them to be productive and hard-working during remote working hours (Goodhire, 2022).
    - As of April 2022, 77% of US managers are prepared to fire, cut pay, or limit promotion opportunities for workers who do not comply with return to office mandates (Business Wire).

However:

- "Flexibility is the new norm and expectation from employees" (Kelley, CMO, Career Builder). "Employees do not want to go back to the 'old way' and will go elsewhere if those options are not available to them. Companies need to accept this and **adapt their business** to retain employees" (Javor, CEO, Step-by-Step).
- Employees have been statistically proven more efficient <u>when given agency in when, how, and how much they work</u>. Remote workers spend more time working and are more effective than their office counterparts who face traditional office settings with constant distractions and interruptions (Mustain, 2022).

Flexibility roadmap

Beyond the tech...Realigning work to support employees and teams

Build Top Level Support	Create a Flexibility-Positive Culture	Eliminate Flexibility Stigmas	Align Incentives with Outcomes	Develop Managers/Leaders
• Significant change needs support from the top. • HR and Executive leaders can either limit or empower the people managers and team leaders to be able to offer flexibility in work arrangements. • People managers often caught in the middle of policy and employee needs.	• Intentionally create a culture of flexibility. • Forms: • Work location independence • Flexible arrival and departure times • Choice and control in work shifts • Part-time or job share • Compressed workweeks • Sabbaticals or career breaks • Unlimited PTO • Caregiving leave	• Actively change your company's culture as needed so no one is looked down on for taking advantage of flexibility options (Business News Daily, 2022). • Change negative perceptions including biases toward in-office employees. • Needed across all levels of the organization.	• Instead of requiring face-time or hours logged (which employees can perceive as inauthentic), set smart goals and ongoing manager feedback (vs clock in and out). • Productivity is not guaranteed by the where and when of work.	• Leaders create the employee's day-to-day experience. • Shift leader paradigms for the future of work • Many leaders lack the confidence and skills to lead from a distance and to support employees with flexibility. • Help leaders build trust in employees regardless of when/where they work.

The Myers-Briggs Company

People-focused strategy #2: Employee Engagement

1 | Employee Wellbeing

2 | Company Culture

3 |Leaders/Managers

Brand Impact
affect the brand-increased customer complaints (McKinsey & Company, 2018).
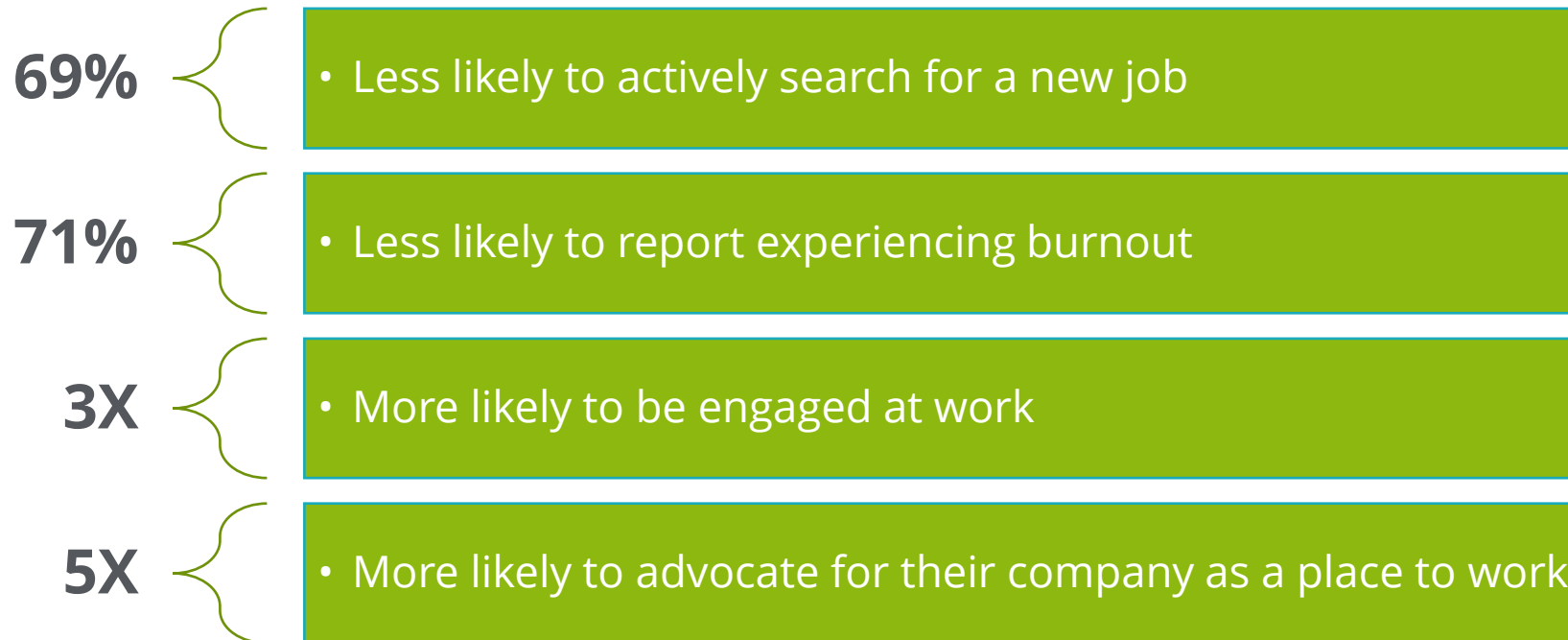
Morale
affect morale-One person's bad attitude reduce team performance 30% to 40% (Goleman, 2021).

The Myers-Briggs Company

The engagement gap: employee wellbeing disconnect

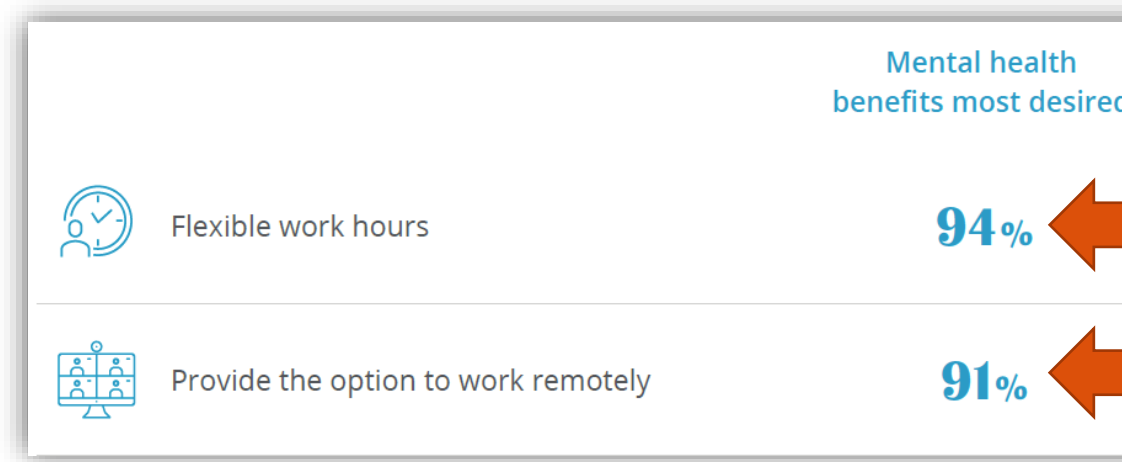**Employees who strongly agree their employer cares about their overall wellbeing are:**

69%
- Less likely to actively search for a new job

71%
- Less likely to report experiencing burnout

3X
- More likely to be engaged at work

5X
- More likely to advocate for their company as a place to work

The Gap

As of March 2022:
fewer than 1 in 4 US employees feel strongly that their organization cares about their wellbeing
--
the lowest percentage in nearly a decade.

Gallup, 2022

The Myers-Briggs Company

The engagement gap: employee wellbeing disconnect

- When asked **how their organization could support their wellbeing**:

  - 94% cited flexible work hours as <u>most desired benefit</u>

  - 91% cited the option to work remotely.

- For employees, **flexibility** goes beyond the where and when of work. It connects to their **wellbeing** and **mental health**.

Mental health
benefits most desired

Flexible work hours   **94**%

Provide the option to work remotely   **91**%

State of Workplace Empathy, 2022

The **Myers-Briggs**
Company

The engagement gap: company culture

- 82% of employees would consider leaving for a more empathetic organization (Business Solver).

- Lack of recognition/reward of high-performing employees= top 5 attrition predictor (MIT Sloan, 2022).

- A toxic corporate culture is a leading indicator of attrition, over 10X more important than compensation in predicting turnover (MIT Sloan, 2022).
  - Failure to promote diversity, equity, and inclusion.
  - 57% of employees who quit their jobs cited they did not feel respected at work.

- While "most leaders agree culture is important, that seems to be where the agreement stops. Many leaders disagree over exactly what culture is, why it is so important, or even what a healthy organizational culture looks like" (Burkus, 2021).

However:

- **In 2022, companies will need to increase their focus on people-centered programs**. According to a Gartner survey, those initiatives include DEI strategies, which now rank in HR leaders' top priorities for 2022 (Forbes, Gartner, ADP, 2022).

The engagement gap: the direct manager effect

Impact of direct manager
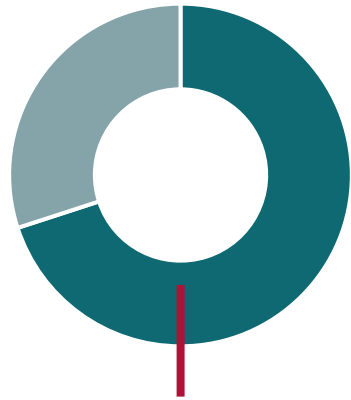
70%

the variance in team engagement is determined solely by the manager

McKinsey & Co. study of 80,000 leaders

Leader Perception

When leaders were asked: 77% felt they were doing well engaging people and creating productive employees.

!

Employee Perception

When employees were asked, 82% said their leaders were not good at engagement and productivity.

Data shows that managers are one of the most important pieces of a satisfactory and enjoyable workplace, so are workers actually quitting their bosses? (Goodhire, 2022).

Engagement recommendations

Realigning work practices to support employees and teams

Create an Irresistible Culture	Create a Wellbeing-focused Culture	Focus on Relational elements	Develop Managers/Leaders	Invest in Current Employees
• "How do I improve my organizational culture? Put engagement at its center (Gallup, 2022)." • People-focused= Appreciation, recognition, inclusion, belonging, empathy, morale, transparency, psychology safety, and meaning in work (Josh Bersin, 2022, Deloitte, 2019).	• Employee engagement is foundational to improving the <u>wellbeing</u> and <u>resilience</u> of a workforce because it contains elements of communication, caring, development, involvement and collaboration (McKinsey, 2021)." • Don't overlook flexible work arrangements as empowering.	• "Employers overlook key drivers for attrition, relational elements such as lack of inclusion, belonging, and feeling valued at work and by their manager (McKinsey, 2021)." • Focus on inclusion – developing inclusive teams and inclusive leaders.	• While managers are responsible for employee/team engagement, the skill to do it well isn't automatic. • Provide managers and leaders training tools, resources and development they need to engage and coach employees: (Gallup, 2022). • Spot stress/burnout, support wellbeing, psychological safety, and inclusion.	• Lack of reward / recognition of your high-performers is a top 5 leading attrition predictor (MIT Sloan, 2022). • Deliver meaningful employee recognition - 66% say feeling recognized would reduce the desire to job hunt (Achievers, 2022). • When organizations invest in employee development, employee abilities, engagement, and retention rates grow (Forbes, 2022).

The Myers-Briggs Company

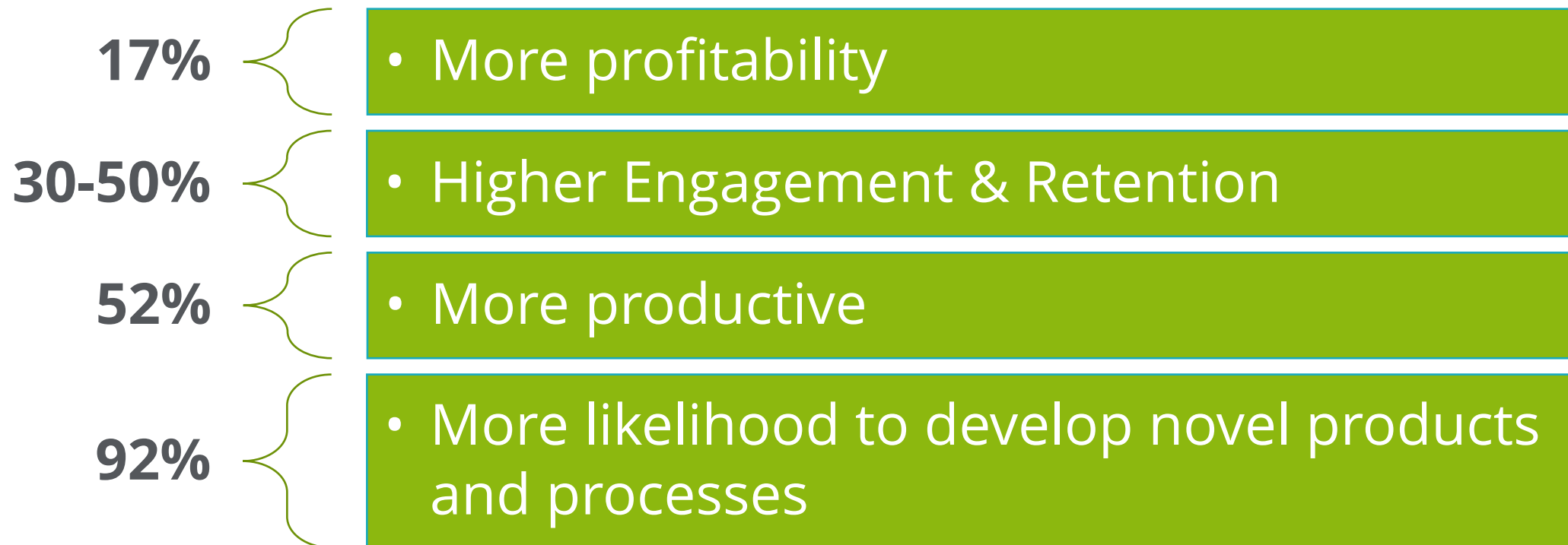# People-focused strategy #3: **Employee Development**

- 80% of employees who **sought new roles** considered professional development and training offerings to be important when accepting a new job (HR Dive, 2022).

- 45% of surveyed employees said they would be **more likely to stay at their current jobs** if they were offered more training and development (Monster).

- Employees cite that professional development is the **number-one way to improve company culture** (2022 Linkedin Global Talent Trends Report).

And the consequences of neglecting development are significant.

- 86% of professionals said that they would **change jobs** if a new company offered them more opportunities for professional development (The Execu|Search Group).

The Myers-Briggs Company

Benefits of a learning organization

Organizations with a "strong learning culture" see:

17% — • More profitability

30-50% — • Higher Engagement & Retention

52% — • More productive

92% — • More likelihood to develop novel products and processes

Deloitte

The **Myers-Briggs** Company

The employee development disconnect

"Most employee engagement research shows that learning opportunities, professional development, and career progression are among the top drivers of employee satisfaction." (Deloitte).

Organizational Sentiment

98% of employers say they have people and career development programs in place.

Employee Perceptions

Only 27% of employees find their employers' L&D offerings to be "embedded in the organization, meaningful and useful."

33% of employees rate company L&D offerings as "enthusiastic but off-the mark."

41% feel their employers' L&D offerings are just something to "tick the box" or talked about by execs but never acted upon.

80% of workers said they were "on their own" to navigate their career development.

Only 32% of American workers said their manager really cares about employee career progression.

Goodhire, 2022

The Myers-Briggs Company

Employee development priorities

Realigning work practices to support employees and teams

Create a Learning Culture

- **Make employee development a consistent priority and go beyond investment in top-levels of leadership.**
- **Essential to employee engagement is having opportunities to learn, grow, and develop** (Gallup, 2021).
- **Leaders must be rewarded beyond making numbers and into developing people, moving people into their best role, promoting retention** (Deloitte).

Develop Leader Emotional Intelligence

- **Workers are 400% less likely to leave a job if they have a manager with high EQ** (Initiative One, 2021).
- **57% of employees who quit cited they did not feel respected at work** (MIT Sloan, 2021).
- **Having EI helps leaders develop stronger working relationships, environments, and performance** (Impact Plus, 2022).

Develop Empathetic Leaders

- **82% of employees consider leaving to work for a more empathetic company** (Business Solver).
- **Empathy makes leaders more effective, facilitates employee engagement and productivity, affecting the bottom line.**
- **"Practices like these are critical to not only address burnout but also build culture and create a sense of belonging** (McMahan, Wiley CPO).

Develop Inclusive Teams and Leaders

- **DEI ranks as top 2022 priority** (Gartner, 2021).
- **A well-designed DEI training program can elevate employee morale, boost customer satisfaction, and drive bottom-line business success** (BND, 2021).
- **Leaders make up to 70% of the difference whether an employee feels included and appreciated** (HBR, 2020).

Boost Self-Awareness for All Employees

- **People report self-awareness is particularly helpful when:**
  -Working with others in a team (58%)
  -Coping with stress (54%)
  -Acting as a coach (53%)
  -Dealing with change (50%)
  -Managing and leading others (45%)
  -Dealing with clients (33%)
  -Receiving coaching or feedback (28%)
  (The Myers-Briggs Company)

The Myers-Briggs Company

Summary: Three employee support essentials

Realign work practices to support employees and teams

Questions

- Email marketing.uk@themyersbriggs.com

- Please visit us at https://eu.themyersbriggs.com/

The Myers-Briggs Company