

The Culture Report 2022 Presented by SGEi





The Great Resignation Is Here to Stay

As the Great Resignation continues mid Q3 of 2022, companies worldwide are looking to determine why their people are leaving and how they can better retain their workers. While the trend of workers leaving their jobs in droves may have been exacerbated by the Covid-19 pandemic, it has continued much longer than most organizations expected. The questions that continue to loom over large and small business owners alike are, 'who is going to resign and why?'

Shane Green and his team of employee experience experts at SGEi partnered with Stickybeak, survey and research specialists, to collect data from 570 workers on their behaviors and attitudes about their job satisfaction and what they are wanting from their current or future employers. Respondents included four generations, [Baby Boomers (22%), Gen X (20%), Millennial (22%), and Gen Z (36%)] and a representative sample across genders as well [Male (45%), Female (51%), and Non-binary (4%)].

The Big News:

Some of your best people are planning to leave you

of workers are thinking about or are already looking for a new job in the next 12 months

of workers are not satisfied with their current job

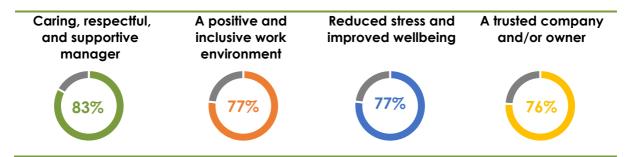
of workers who are satisfied are among those looking for a new job

of workers are actively unsatisfied at work; their disengagement is likely to negatively impact others' attitudes as well.

The bottom line is that even though workers might be satisfied with their jobs, it does not preclude them from looking for better opportunities elsewhere. This is why we are less likely to be involved right now in a "Great Resignation," but rather a "Great Reshuffle," where people are actively looking for a work situation that better suits their wants and needs.



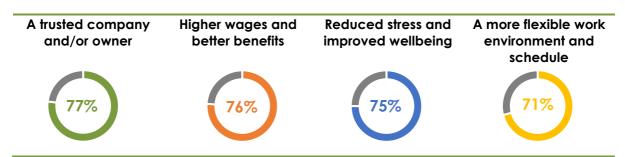
As far as those wants and needs, survey respondents rated the following as important or very important when it comes to their work satisfaction:



T4% in their importance when considering whether to stay in their current role or look for opportunities elsewhere.

These findings have tremendous value for companies as they look for opportunities to attract or retain the right people. While there is a lot of pressure right now to increase wages and improve benefits, there should be equal focus on developing a manager's leadership skills, ensuring a respectful and inclusive work environment, reducing stress and focusing on worker wellbeing, and prioritizing more transparency with information for managers and companies to build trust with their workers.

In research reported earlier this year, the SGEi team studied <u>what managers</u> <u>are looking for</u> from their employers. This research revealed that managers viewed a higher salary with better benefits and a more flexible work environment and schedule in their top factors for employment and retention.



The reality is that we are now in the new normal, a world where employees and managers are going to keep the pressure up on their employers to provide a work experience that meets their needs and expectations. Otherwise, they will comfortably make a change to a situation that does.



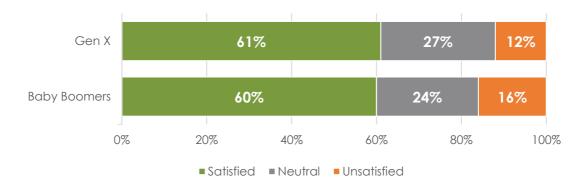
How Satisfied Are Your Employees, Really?

Our research found that employees seem to be somewhat satisfied overall, though 59% is nothing to get excited about.

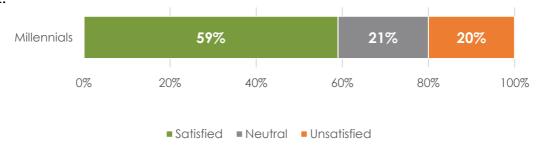
41%

of workers are **not satisfied**, therefore creating a situation where they are **likely to leave** – or possibly worse, remain in place, **disengaged**, **and disinterested** in performing anywhere near their best.

When we look at satisfaction by generation, we get a clearer picture of how our whole workforce is feeling. Baby Boomers and Gen X employees are nearly identical in terms of their satisfaction results.



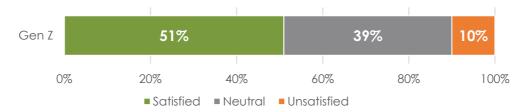
Millennial employees, while similarly satisfied at 59%, have the highest percentage of dissatisfaction at 20%. This dissatisfaction indicates that employers are not focusing on the right things when it comes to the Millennial employee's experience at work. As you will read later in our report, there are some clear expectations that Millennial workers have of their employer that need to be incorporated into any cultural strategy moving forward. Most importantly, this generation needs reduced stress and improved well-being at work.



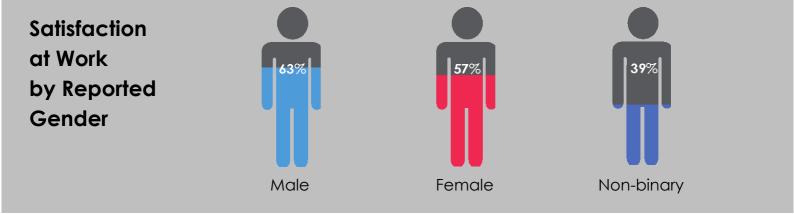
The least satisfied group of employees are our Gen Zs at just 51%. A staggering 39% feel simply "neutral" towards their work, suggesting a high number of employees not engaged in their work. It is critical for business



owners and managers to have a strategy in place to connect with younger workers and get them more present and involved in making a difference at work. Review our employee engagement scorecard to consider how well your engagement strategy is working for your Gen Z-ers.



When it comes to gender, there is not a significant difference in satisfaction levels between the male and female sexes; however, non-binary respondents were significantly less satisfied. While the sample size is small, respondents identifying as non-binary placed a significant level of importance (85%) on working in an environment that reduced stress and improved their wellbeing.



How to Engage Your Employees

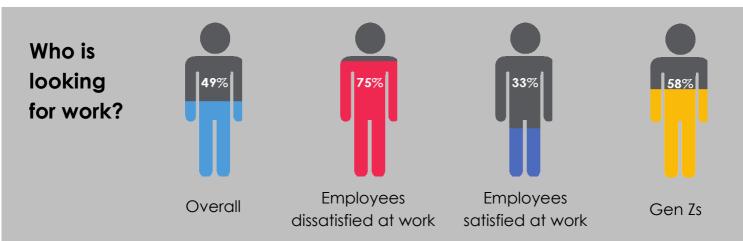
Your employees' engagement level is dependent on a few key moments in their employee experience. SGEi research has identified the following key moments. How consistent are you with these for each employee?

- Do you acknowledge each week how an employee made a difference at work?
- Do you allow your employees to make decisions at work?
- Do you provide feedback to your employees on how they are performing?
- Do you recognize your best performers?
- Do you create opportunities for staff to connect socially at work?
- Do you work alongside your employees and share your expertise with them?
- Do you ask your employees for ideas on how to improve the way they work?
- Do you share objectives and plans with your team?
- Do you start conversations with "how are you doing?" rather than "what are you doing?"
- Do you know the personal passions and priorities of your employees?
- Do you know each employee's career aspirations?



Who Is Going to Leave You in 2022?

Nearly half of workers surveyed report that they are currently looking or are thinking about looking for a new job within the next 12 months. This result is comparable to <u>recent McKinsey data</u>, revealing that over 40% of workers there are likely to leave their jobs in the next 3-6 months.



It is not surprising to learn that 75% of those who are dissatisfied with work are looking for new jobs. However, this also suggests that 25% are dissatisfied but willing to stay in the job that they have. These dissatisfied workers will cause a significant drag on the productivity and performance of the companies they remain with. Knowing this, it will become increasingly important to not only focus on retention, as is obvious, but to focus as well on holding your people accountable for their performance, both good and bad. It does you no good to keep people on who are simply taking up space.

33%

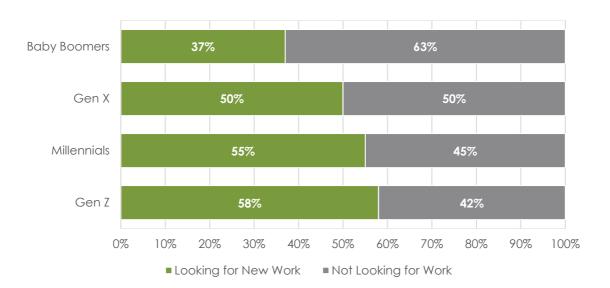
of satisfied employees are looking for work in 2022

Now, the fact that 33% of your satisfied employees are looking for work in 2022 highlights the challenge that businesses face in keeping their best people. "She'll be all right" or "Good enough" is no longer right or enough when it comes to employee retention today. Review our employee engagement test on the previous page to see if you are doing everything possible to engage your employees now.

As the data on those looking for new work is cross-referenced with age, we find that **58% of Gen Z-ers** stated that they are likely to look for new work within the next year, followed closely by the **Millennial generation at 55%.** This data is similar to findings from <u>The Deloitte Global 2022 Gen Z and Millennial Survey</u>, which provided an additional data point – roughly a third of those



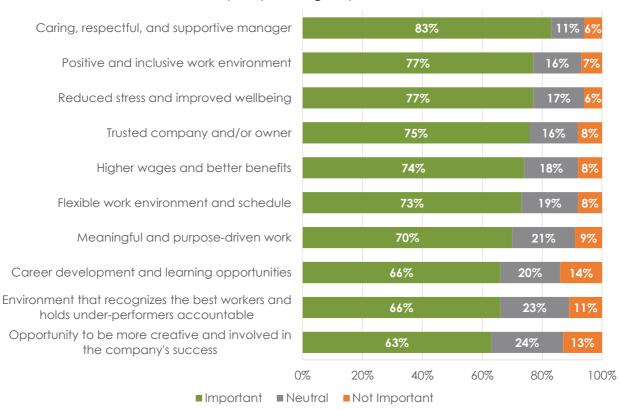
who are considering leaving their current role would do so even if they didn't have another job lined up. Consider the makeup of your own workforce and who in your organization is ready to leave you this year.





What Do Your Employees Need from You?

Survey respondents were asked to rate 10 different factors on how important each would be to keep them in their current job. The table below shows the results across the whole survey response group.



01 It's all about the manager

By a large margin, the most important characteristic across the board for increased job satisfaction is good management. And while yes, management matters, specifically, today's workers are concerned about the leadership qualities of caring, respecting, and supporting people. Management is about getting things done, but leadership is a focus on people. While companies often put a premium on getting work done, it is obvious that our workers want leaders who care.

Across all genders, generations, and levels of satisfaction at work,

all workers rated a caring, respectful, and supportive manager as the most important factor in terms of their work experience and job satisfaction.



How do you know if a manager cares?

Employees do not care how much a manager knows until they know how much that manager cares. Based on our employee experience research and work with clients over more than a decade, we have identified the following leadership behaviors that indicate whether or not a manager cares:

- They are approachable and available to their teams. When they are not available, they are quick to get back to their employees to see what they need.
- They see and acknowledge the strengths, talents, and value in others.
- They get to know an employee's personal passions and priorities away from work and are responsive to those needs when necessary.
- They know an employee's career aspirations and are active in helping them work towards their goals.
- They listen empathetically to understand the other person's point of view. They
 put down their technology and remove distractions as they listen.
- They trust their employees to make decisions and work unsupervised.

A lack of acceptance, diversity, and inclusion at work are driving your people away

The most diverse generation of workers is entering the workforce as we speak. They are not interested in outdated, biased, and exclusive thinking. The good news is, neither is anyone else. Companies have a responsibility to get their diversity and inclusion act together by no longer tolerating people that aren't interested in respecting, including, and helping others.

A focus on diversity and inclusion must also prioritize reducing bias in recruitment, recognition, career development, and performance management processes. There must also be a concerted effort to teach and guide managers on both how to reduce their own biases and how to coach their employees through times when bias and prejudice are apparent.

02





1t's time to get real about stress and mental well-being in the workplace

While we cannot remove stress entirely from many work situations, companies could be more considerate of those controllable elements that cause stress. Consider stressors such as employees not having the right tools, equipment, information, or support when things go wrong. These are all preventable, or at least, quickly fixable issues. Companies can also do more to teach employees stress-reducing techniques that can be applied throughout the day – particularly focusing on ensuring employees take breaks that actually refresh and recharge.



employees indicated that reduced stress and improved well-being is important to their employee experience

O4 Building trust must be a priority – do know how your employees feel about your company?

When companies share their objectives, plans, and how they are performing on a regular basis, our research and work indicate that this creates a higher degree of trust. Companies should also share 'why' they are making changes and invite employees to share their ideas on how to facilitate those changes if they want to maintain a high degree of trust with their employees.

Baby Boomers

rate a trusted company and/or owner as the second most important factor to their employee experience



Money is something, but not everything in 2022

Yes, money is important, maybe even more so given the current economic environment. However, it is not the **most** important factor employees want from their job. Companies must pay a competitive wage, one that is at or above average within their industry – but increasing wages to chase the financial markets rather than the labour markets is not a recommended strategy. Paying too little will demotivate employees, but as our research has shown, this does not mean that paying people more and more will increase their satisfaction or

At 79%, Gen X

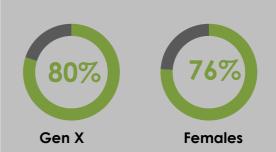
workers rated higher wages and better benefits a top priority, higher than any other generation

their motivation. Ensure that you are regularly assessing the average wages for each position in your company to remain competitive. Employees are more interested in benefits that have a positive impact on themselves and their families now.

Of Greater flexibility is now a given – be sure you are providing it

Employees have been asking for greater flexibility around their work schedule and environment for a while. The COVID-19 pandemic gave employees and companies an extended trial period of what that flexibility might look like. As it turns out, employees liked it a lot, and companies found that for certain positions it worked out okay.

Companies can have the opportunity to work with a deeper bench of talented employees if they allow more part-time or outsourced employees to



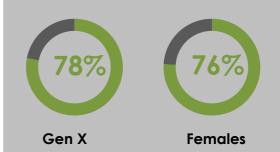
indicated that a flexible work environment and schedule was important to them

be involved in their business. Flexible work schedules and policies can especially allow those with family responsibilities to contribute more easily, ensuring companies are not losing valuable talent due to those life-changing events. Finally, it's important to note that with some employees able to work from home, companies need to be more efficient and more meaningful with a person's time spent at the office in person.



Help your employees make meaning and find purpose at work

Employees want to know that they can make a difference. This means that companies and managers allow their people to make decisions, ask for their feedback, and invite them to be involved in making the company better. Employees also find meaning in a company's contributions to their local community and efforts to protect the environment. Companies that can clearly articulate why they are in business (purpose), what they want to achieve beyond making money (mission), and what they want to be known for (vision) have staff that feel their work is more meaningful.



feel that meaningful and purpose-driven work is important to their job satisfaction

08 Give your people the L&D they crave

People are invested in their development and see businesses as playing a bigger role in helping them achieve their professional goals. If employees are not learning, then they are thinking about leaving. Learning and development is about more than just pre-packaged e-Learning or rote classroom training programs. Most people will learn on the job, which means that managers must be actively sharing their expertise and providing feedback on how a person can get better. In addition, L&D can come from inviting your people to

At 78%, Millennials
feel most strongly that
learning and development is
important to their employee
experience

cross-train with other departments. This provides the added bonus to your organization of having versatile workers in place who can perform more tasks than just the one they were initially hired on to do. And, it will help your Millennials feel their development is truly prioritized, which will keep this strong group of up-and-coming leaders satisfied and staying.



09 Accountability is key – for your best and your worst people

Employees that perform well should be rewarded. Similarly, employees that do not perform, and therefore become a frustration to their peers, need to be coached or counselled to improve. In companies where we have conducted culture strategy surveys, we have found overwhelmingly that employees are frustrated when their best performance is not recognized or rewarded or when poor performers around them are not held accountable.

68% of both
Millennials and
females rated an
environment of rewards and
accountability as being
important to their job
satisfaction

10 Get out of the box, and let your Millennial workers do the same

Companies that encourage and expect their employees to be creative and are consistent about involving them in brainstorming new ideas have a higher level of engagement and satisfaction from those staff. It is important that companies nurture a culture of creative thinking, so people are always looking to improve and move themselves and the business forward.



Our newer generations in the workplace disagree on the importance of having an opportunity to be creative and involved

While each of the elements we studied are considered important parts of an employee's experience, by understanding the order of priority and some of the differences between genders and generations you can begin to develop an employee experience (EX) strategy that fits your individual workforce's needs.



Work Experience Priorities by Generation

Born 1964 or earlier	Caring, respectful and 78% supportive manager	Trusted company and/or 72% owner	Positive and inclusive work 70% environment	Reduce stress and improve 68% wellbeing	Higher wages and better 67% beneifits	Environment that recognises the best workers and holds 64% under-performers	Flexible work environment 63% and schedule	Meaningful and purpose- 63% driven work	Opportunity to be more creative and involved in the 60% company's success	Career development and 52% learning opportunities
				Z		-	Y			
Born 1965-1980		Positive and inclusive work 83% environment	Reduce stress and improve 82% wellbeing	Flexible work environment 80% and schedule	Trusted company and/or 79% owner	Higher wages and better 79% beneifits	Meaningful and purpose- 78% driven work	Career development and 66% learning opportunities	Environment that recognises the best workers and holds 66% under-performers	Opportunity to be more creative and involved in the 61% company's success
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Born 1981-2000		Reduce stress and improve 81% wellbeing	Positive and inclusive work 79% environment	Trusted company and/or 77% owner	Higher wages and better 76% beneifits	Flexible work environment 75% and schedule	Career development and 75% learning opportunities	Meaningful and purpose- 72% driven work	Opportunity to be more creative and involved in the 71% company's success	Environment that recognises the best workers and holds 68% under-performers
Born 2001 or later		Positive and inclusive work 72% environment	Trusted company and/or 72% owner	Flexible work environment 71% and schedule	Higher wages and better 70% beneifits	Reduce stress and improve 69% wellbeing		Environment that recognises the best workers and holds 61% under-performers	Meaningful and purpose- 60% driven work	Opportunity to be more creative and involved in the 54% company's success
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Work Experience Priorities by Gender

	Female		Male	
-	Caring, respectful and supportive manager	85%	Caring, respectful and supportive manager	82%
2.	Positive and inclusive work environment	81%	Positive and inclusive work environment	75%
۳.	Trusted company and/or owner	78%	Reduce stress and improve wellbeing	75%
4.	Reduce stress and improve wellbeing	78%	Trusted company and/or owner	74%
5.	Higher wages and better beneifits	76%	Higher wages and better beneifits	72%
6.	Flexible work environment and schedule	76%	Flexible work environment and schedule	70%
7.	Meaningful and purpose-driven work	76%	Meaningful and purpose-driven work	65%
∞ਂ	Career development and learning opportunities	%69	Environment that recognises the best workers and holds under-performers accountable	65 %
9.	Opportunity to be more creative and involved in 68% the company's success	%89	Career development and learning opportunities	64%
10.	Environment that recognises the best workers and holds under-performers accountable	68%	Opportunity to be more creative and involved in the company's success	58%



What Is Your Strategy to Attract, Engage, and Retain Your Best People?

This report provides important insights into the attitudes and associated behaviors of global workers in 2022. Knowing that satisfied, otherwise content workers are still looking for new work means that executives, owners, and managers in all businesses, large and small, must act now to create and implement a clear and effective employee experience (EX) strategy.

By understanding the needs and wants of their employees, businesses can prioritize investments of time and money into those processes, tools, and technology that will support their ability to attract, engage, and retain the right people. This knowledge can also help direct a manager's behaviors and attitudes with regard to their people, none more important than the care, respect, and support they provide their teams.

Looking for more insights on the employee experience, or want a more personalized approach to improving your EX strategy? Reach out to our team at connect@sgeinternational.com for consultation and coaching to determine where your organization should begin its EX transformation.



SGEi

SGEi is a global consulting and training business founded by Shane Green, a world-renowned consultant, keynote speaker, author of *Culture Hacker*, and television personality. SGEi works with global Fortune 500 leaders and innovative start-ups on customer experience, organizational culture, and leadership. They have worked with brands like the NBA, W Hotels, Westfield, MGM Resorts International, Foot Locker, NetJets Inc., Cisco Systems, United Airlines, and BMW to reprogram their employee experiences to elevate performance and deliver better customer experiences.

Stickybeak

Stickybeak's start-up launched globally two years ago. It uses chatbots to make quantitative market research more conversational and less boring for respondents and faster and less expensive for companies. Unlike conventional research, which uses professional paid responders' panels, Stickybeak recruits unique respondents fresh for each survey via social media. The company is based in Auckland, New Zealand, and is backed by some of the country's most successful investors. Global clients include the World Health Organization, Dole, SCJ, Tetra Pak, O2, Vodafone and Costco and global agencies like Ketchum, Fleishman Hillard and Golin.

The Research

The research was conducted on the Stickybeak platform to understand global workers' behaviors and attitudes regarding their employment. Survey audiences were recruited via social media (Facebook, Instagram, Twitter and TikTok). The survey sample included n=570 working adults. The final respondents were comprised of:

- Age: Gen Z 205 (36%), Millennials 126 (22%), Gen X 113, (20%), Baby Boomers 126 (22)
- Gender: Male 221 (45%) Female 275 (51%), Non-binary 24 (4%)

Questions were designed to provide a comparison to data previously collected from managers. The maximum margin of error (at 95% confidence) for a random sample of n=570 is +/-4.1