

Reimagining Employee Engagement Amid and After the COVID-19 Pandemic

The impact of remote work, homeschooling, uncertainty, and stress upon employee engagement and well-being





During the COVID-19 pandemic, employee engagement strategies have been tested like never before. Many companies stepped up and faced challenges head on, addressing the safety and security of their workforce. But genuinely caring for your employees goes beyond these basic needs. People Element surveyed thousands of people in a COVID-19 workplace study and found a higher percentage of positive experiences from those who said their organization communicated concern for their well-being.

Workplace well-being is a key factor in determining the long-term effectiveness of an organization. Studies show direct links between productivity and engagement and the well-being of the workforce. Today, people work remotely, homeschool, and are available online at all hours, blurring the lines between work and personal time. Engagement practices that previously worked may no longer apply.

Employee well-being also affects retention.

More than one-third of HR professionals surveyed (37%) said they are likely to leave their organization within the next year due to work-life imbalance.

Within the constraints of COVID-19 and the remote age we are in, creating a healthy balance between work life and home life is more of a challenge, yet more essential than ever.

Life is a balancing act of work, relationships, money, hobbies and more. Acknowledging that every employee has both a work life and a home life is necessary. The concept of whole person engagement — physical, emotional, and work well-being — is not a question of applicability, but a matter of how to integrate in an organization.



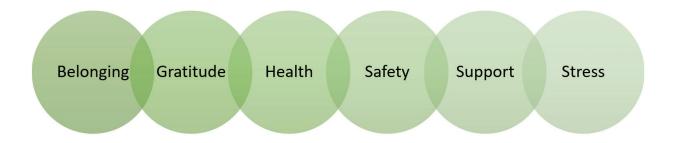
Defining Engagement and Well-being

There is no one definition of employee engagement that we see as superior to others. Based on years of applied research, we at People Element define it as:

"the extent to which a person is emotionally attached to their work and their organization. It's beyond the contractual agreement a person has with their organization; it's more than doing a job for a paycheck. The People Element engagement index measures the level of commitment, effort, connection, and advocacy a person feels for their organization."

The idea of well-being is a central concept in positive psychology which studies the positive aspects of the human experience. We focus on employee well-being as it relates to a person's feeling of safety at work, sense of belonging, ability to manage normal stresses of life, and supportive relationships.

A healthy workplace is one in which leaders and employees can collaborate to create a safe and happy environment by addressing the following elements:



Well-being and Engagement as a Mutual Force

Academic research supports the links between employee engagement and well-being. For example, Brunetto et al. (2012) reported that work engagement is associated with higher levels of psychological well-being. Schaufeli et al. (2008) stated that work engagement is negatively correlated with burnout, while Soane et al. (2013) found that "meaningful work leads to lower levels of absence because people are engaged with their work" and that "the association between meaningfulness and engagement is strengthened by well-being".

There is a strong correlation between high well-being and engagement levels as these two states are mutually reinforcing. Bevan (2010) states "The relationship between employee health and employee commitment and engagement is multifaceted. Indeed, there is research evidence that suggests a two-way, possibly self-reinforcing relationship: healthy employees are more committed and committed employees are more healthy."



According to a Hay Group study, organizations with high levels of engagement showed turnover rates 40% lower than organizations with low levels of engagement. Replacing employees can cost up to 150% of the departing employee's salary. Highly engaged organizations have the potential to reduce staff turnover by 87%; the disengaged are four times more likely to leave an organization than the average employee (Corporate Leadership Council, 2008).

Well-being and engagement build off one another. When a person is happy with their job, it positively affects their health. When a person is feeling great mentally and physically, they feel happier at work. Gallup discovered that when employees are engaged and thriving, they are more likely to be agile and resilient, so major organizational changes or disruptions in their personal lives are unlikely to throw them off course. Likewise, engaged and thriving employees have fewer health problems. These factors add up to big savings for organizations' bottom line in terms of staff costs, productivity, and performance (Gallup, 2013).

There is growing evidence that employees who feel demotivated or disengaged from their work, or who find their work stressful, are more likely to resign from their position (Bevan, 2010). This is because dimensions of psychological well-being are known to affect the 'attachment' of individuals to their employing organizations, which is linked to loyalty and one's ability to be resilient in times of pressure and change (Bevan et al., 1997).

The State of Well-being and Engagement

Gallup (May 2020) reported "the percentage of U.S. adults who evaluate their lives well enough to be considered 'thriving' has dropped to 46.4%, matching the low point measured in November 2008 during the Great Recession." Currently, significant daily worry and stress are near a record high. Gallup reports a 48% greater likelihood that people with low engagement and well-being will leave their organization.

Our realities and circumstances have drastically changed in 2020 which means our approaches to work and our people must change. <u>Deloitte's 2020 Human Capital Trends</u> report calls out employee well-being and belonging as top concerns for organizations as the No. 1 and 2 trends, respectively. While some organizations have recognized the humanitarian crisis of the pandemic and prioritized the well-being of employees as people as opposed to employees as workers, others have pushed employees to work in conditions that are high risk with little support — treating them as workers first and people second (<u>Gartner 2020</u>).

Based on our COVID-19 Impact Study, we identified significant changes in the employee experience.

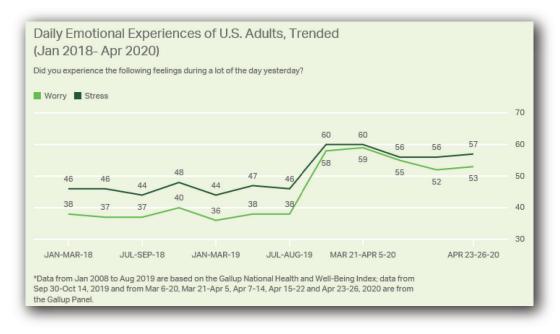
- Nearly 1 in 3 people reference "health" and "safety" as being top of mind right now
- 80% of people feel their organization is concerned for their well-being
- Leaders can increase confidence in employees by showing more empathy



People were asked to list a few things that were top of mind during this pandemic. Not surprisingly, "health" was the number one topic that came up in people's thoughts. Next to health, was overall feeling of "safety." Among the uncertainty of the economy and job security, people's well-being and mental health have been a common concern. Employee well-being is quickly becoming a topic of conversation in many organizations. Whether you offer well-being programs today or not, there is a growing number of wellness concerns for people post-pandemic. Stress, anxiety, fear, and isolation are just a few of the feelings people expressed they are dealing with, while trying to do their jobs, stay healthy, and care for their families.



Employee engagement has been a rollercoaster in 2020, hitting both historic lows and record highs. Gallup found engagement levels in June had dropped to the most significant low in U.S. history since 2000, and by July had rebounded to a new high of 40%. While at the same time, the percentage of people experiencing unprecedented stress and worry increased in the first half of March with stress rising 14 percentage points to 60% and worry rising 20 points to 58%. In practical terms, about 51 million more adults were suffering significant worry in late March/early April 2020 than were in August/September 2019 (Gallup 2020).

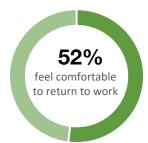




At People Element, we have seen significant fluctuations in employees' experiences since the onset of COVID-19 based on variances in industry, personal circumstances, remote work, and onsite work. A significant factor in the employee experience is understanding that it is personal and individualized. Each person's unique needs can pose a challenge to organizations who apply a "one size fits all" approach to engagement and well-being.

Our data shows that only 52% of people report feeling comfortable returning to work as offices reopen. This is due to a variety of unique and personal circumstances in which people are trying to find the balance they need to work, feel safe, protect their families, and care for children and loved ones.

More than one-third of people (36%) say their stress level is unmanageable. This places a huge toll on people's overall health, ability to be productive, and balance the demands of work and home life.





WHOLE Person Engagement – The Plaid Effect

In an interview with Bob Kelleher, author of *I-Engage*, he says:

"Technology has really changed the boundaries. To me, it's no longer a balance. It's a blending. That's the term that I use now that it truly is work/life blending. It's going to continue to be such as we go forward because ... we are continually connected. Technology has blended work/life balance in such a way that it's almost impossible to escape it. Allowing for some flexibility during work, recognizing that your employees are giving during their life part, that whole blending, it's almost like plaid. It's all interconnected."

The reality is what happens after work has as much to do with engagement as what happens during work. An employee is both a person who comes to work and a person who has a life outside of work, regardless of whether they're working remote or onsite.

We view Employee Experience (EX) as the connection between an employee's expectations, their work and home environment, and the experiences that shape their journey with an organization. These experiences are the accumulation of events that occur in or out of work and can be both planned and unplanned.

So, what can organizations do to create a positive employee experience during these unprecedented times?



Steps to Engaging the WHOLE Person

Lead with empathy



First, you must listen. Listen even when you don't think you need to. Remove your assumptions and listen with the intent to understand how the other person sees the situation. This is a crucial step if you want to open doors and break down walls, especially in a crisis. By taking the time to let someone provide their perspective you can then show empathy. Stephen Covey says "When you show deep empathy toward others, their defensive energy goes down and positive energy replaces it. That's when you can get more creative in solving problems." These steps build trust and open the door to finding a solution. Incorporate a continuous listening strategy such as pulse surveys to identify and address concerns in real-time.

Cultivate inclusion



Inclusion refers to the behaviors and cultural norms that make people feel welcome. Diversity and inclusion in the workplace create an environment where all people can feel accepted and valued. When people feel accepted and valued, they are happier in their work and more engaged. As a result, companies that create a culture of diversity and inclusion tend to have a more productive workforce and lower turnover. Bringing people in who have unique experiences, diverse backgrounds, and individual differences creates a dynamic and innovative workplace. However, companies should assess if their environment and culture is respecting and appreciating those differences. Diversity, inclusion and belonging can be assessed as the extent to which employees are valued, respected, accepted, and encouraged to fully participate in the organization. When belonging is intentionally fostered in the workplace, employees feel accepted and connected with each other around a shared sense of purpose.

Personalize your approach



There are distinct challenges each employee is dealing with. Meet your employees where they are and address unique needs and pain points with the appropriate communication, response, and resources. Tailor your communication and response to different audiences. While all workers experience challenges, the range of experience varies widely. Find creative ways to use technology to create a positive and personal employee experience. Personalization is about trying to address an individual, not a crowd. When you address your audience, each person should feel like they're the only one in the audience. Our COVID-19 impact study shows the number one suggestion for leaders and companies is to provide frequent and authentic communication. People feel leaders need to connect with them in a real and honest way. Personalization is a journey, and you'll only progress if you evolve over time.

Meet essential human needs



People are scared for their safety and their jobs. If these basic needs are not met, it will affect not only employees' health and well-being, but their productivity and engagement. As leaders, you need to look at the fundamental psychological needs of your employees. When you satisfy your employees' needs at work, they're more likely to be engaged, productive, healthy, and loyal. Allowing employees to work where, when, and how they would like serves a growing need for freedom and flexibility, and ultimately for life balance.



People First, Employees Second

There is an opportunity for organizations to reimagine the employee experience in ways that respect the WHOLE person —home life, motivators, personal preferences, mindsets, expectations, and other factors—while adapting to organizational needs. By understanding employees' needs and types of support, you can tailor actions to create a shared feeling of well-being and belonging.

Ask your employees to share their feelings and experiences to help you assess and understand the factors that may be supporting or hindering their well-being at work. You can do this with a quick survey to get a comprehensive overview of well-being in your organization along with a health score to guide in development of a healthier workplace. A culture that promotes a healthy and happy environment reinforces that employees are important and valued, and in turn helps an organization's efforts to attract and retain people. Management practices that strengthen a sense of well-being can often be overlooked but easily implemented with the help of employee feedback which results in a payoff to both employees and the business.

Above all, demonstrate compassionate leadership. Leaders can focus on making a positive impact by demonstrating <u>awareness</u>, <u>vulnerability</u>, <u>and empathy</u>. In positive psychology, compassion is regarded more like action rather than emotion, involving elements of empathy, love, care, and compassionate expressions. Be deliberate in which approach you take and be mindful of the effects on employee experience, which will be long-lasting. Address inequities and engage employees to create an inclusive culture.

Show up for your employees and support them. At the end of the day, we're all human. Now is the time for leaders to lead for the well-being of their people.

