

Workforce Listening Study

COVID-19's Deepening Crisis of Employee Wellbeing October 2020

LIS conducted an online survey during the month of September with a population-representative sample of American employees who are currently working full time for companies with at least 20 employees. The national survey of 805 employees has a statistical confidence level of 95 percent with a margin of error of 3.4 percent. Data are weighted to the Bureau of Labor Statistics distributions of employment by employer size (Table F. Distribution of private sector employment by firm size class: 2019). This step ensures that the sample is representative of the US population of similarly situated workers.

The survey tracked many of the same questions from our previous Workforce Listening Series study, entitled “The Emotional Toll of COVID-19”, which was fielded in April 2020, nearer to the start of the pandemic. As a result, we are able to evaluate the degree of change in the emotional wellbeing of the American workforce over this trying period. The survey focused on both cognitive and emotional indicators of employee wellbeing, and how specific employer responses have supported, or failed to support, these employees. The survey also included an image-based exercise to profile employees’ unmet emotional needs.

In addition to tracking the continuing impact of COVID-19 on the workforce, this survey dove deeper and looked further. To better understand the employee-employer relationship, the survey probed a comprehensive set of employee engagement questions, which permitted a deeper analysis of the pandemic’s impact on this key leading indicator. This quarter’s survey would have been incomplete without considering recent events; accordingly, the survey included a thorough assessment of social justice perceptions.

Summary of Findings

Employee outlook is bleak

The US workforce increasingly fears that the *worst is yet to come* from the pandemic, increasing significantly from 57% to 63%.

- Fearing that the *worst is yet to come* is significantly associated with two negative emotions, feeling *unethical* (lacking morality) and feeling *materialistic* (lacking purpose).
- Largely the same pattern holds regarding the belief that there is a *greater risk from opening the economy too quickly* than too slowly.

Workforce Listening Study

COVID-19's Deepening Crisis of Employee Wellbeing October 2020

- The percentage of those extremely concerned about *having access to essentials like food and medicine* and about *being able to care for family members* have both increased by 50%.
- There is a dramatic difference in the prevalence of worrying about *being able to care for family*: 62% among those who say they already have unmet care needs, and 28% for others.
- The percentage extremely concerned about a potential *breakdown of society* has doubled from 12% to 24%.
- The increased concern for the fragility of society is also evidenced in the changing profile of emotional needs, which are marked by an increased need to eliminate feelings of *injustice*.
- The percentage extremely concerned about their *own physical health* has increased by 62%, from 13% to 21%.
- The percentage extremely concerned about *coming into contact with infected people* has increased significantly from 27% to 31%.
- 28% report that they have health conditions that put them at increased risk of complications from COVID, consistent with the previous wave.

The pandemic has touched home

The percentage of the workforce who knows someone personally who has tested positive for COVID-19 has doubled from 27% to 46%; eight percent have themselves tested positive.

- Nearly one in five (19%) know someone personally who has died of COVID.

Mental health is eroding

Underscoring the pervasive emotional impact of the pandemic, the percentage extremely concerned for their *own mental health* has increased by 38% from 13% to 18% (nearly one in five). The top predictor of poor mental health is an emotion, feeling *uncared for*.

- The emotions best differentiating those most concerned about *family mental health* are feeling *cared for*, and feeling a sense of *justice and purpose*.
- The percentage extremely concerned about being *vulnerable to an addiction* to cope with the increased stress has more than doubled from five percent to twelve percent, a 140% increase.

Workforce Listening Study

COVID-19's Deepening Crisis of Employee Wellbeing October 2020

- The emotional profile is highly predictive of *vulnerability to addiction*, chiefly strivings to *escape from conformity/express one's individuality*.
- No improvement is seen in support systems.
- The variable in the previous wave of research that was most predictive of negative mental health status was *having an unmet need for childcare or elder care*. The incidence of these unmet needs has remained unchanged at one-in-ten, and its ability to predict mental health status is again confirmed.
- *Concerns for own mental health* and that of *family and friends* is nearly twice that of the overall population.
- *Feeling unsafe* is the emotion that best distinguishes those reporting unmet care needs.
- Eleven percent of employees continue to be psychologically isolated with no support network whatsoever.
- Perhaps most worryingly, the study finds that the incidence of feeling *unsafe at home* has risen dramatically from 0.02% to 1.8%, a sevenfold increase. Although this level of danger is relatively rare, the

emotional data consistently demonstrate pervasive feelings of *threatened safety*.

Employer support is backsliding

“COVID fatigue” is setting in for both employees and employers:

- The percentage of workers who currently have access to *the resources they need to do their jobs effectively* has decreased significantly from 77% to 73%.
- There has been a significant decline in *understanding of company's plans for getting back to work*, from 79% to 71%.
- The proportion of workers finding it at least somewhat *challenging to work* during the pandemic has risen dramatically from two-thirds to nearly three-quarters; two in five (38%) find it *very or extremely challenging*, up significantly from one in four (27%) in Q2.
- Although traditional (rational) survey items (e.g., *having resources, an involved manager*, etc.) were able to explain 17% of the variance in perceived challenge, emotional measures explained more than twice this amount (39%), suggesting that employee resilience is mediated primarily by emotions, not thoughts, and that

Workforce Listening Study

COVID-19's Deepening Crisis of Employee Wellbeing October 2020

measurement of employee emotions is essential for effective management.

- The emotions most predictive of perceived challenge were feeling *stifled (unable to grow)*, *unsafe*, *uncared for*, and *lacking purpose*; this set of insights has sweeping implications that go far beyond typical narrow assessments.

Settling in for the long-haul

The one bright spot in the results is the finding that workers are settling into the routines demanded by the “new normal”:

- There has been a substantial decrease in agreement with the statement, *with the work situation in flux I can't establish a productive routine*, from 38% to 25%.
- *Feeling connected to the people you work with* has increased significantly from 56% to 61%.
- Reported compliance with social distancing, PPE, and health guidelines ranges from 72% to 78%; similarly, 80% feel that “safety is a priority” at their company, and 75% agree that their company invests in equipment and services to make the work environment safe.

- However, these levels of agreement suggest that between one-fifth and one-quarter of workplaces are viewed as unsafe by employees.
- The percentage extremely concerned about the *future of the economy* has dropped slightly from 34% to 30%, perhaps reflecting the unexpectedly strong stock market.
- Nevertheless, 78% of those with unmet needs for childcare or eldercare have fears about the *future of the economy*.

Increasingly, workers expect the nature of work to change fundamentally

The proportion of workers expecting work to *change fundamentally* has increased significantly from 35% to 44%.

A small minority (only 13%) continues to believe that things will go “back to normal”

- Expectations are becoming increasingly polarized suggesting that the pandemic has been a “moment of truth” for employers. Nearly half of American workers expect their bond with their employer to change as a result of COVID-19:

Workforce Listening Study

COVID-19's Deepening Crisis of Employee Wellbeing October 2020

- 27% expect it to grow stronger, up significantly from 23%
- 18% think it will get weaker, up significantly from 12%, a 50% increase.
- The emotions that best differentiate these groups are feeling *successful* (vs. *failing*), feeling *autonomous* (vs. *trapped*), and feeling that one is *progressing toward one's full potential* (vs. *feeling stifled*), respectively.
- In light of the many unmet needs faced by employees, the percent who expect their employer's health & wellness benefits to be expanded has risen dramatically from 12% to 22%, nearly doubling.
- Extreme fear for *loss of income or employment* has remained constant at one-in-five; the percentage who expect full time jobs to be cut back to part time has nearly doubled from 9% to 17%.
- The company doesn't take unfair advantage of employees (43%)
- The company gives equal pay for equal work (41%)
- The company has responsible governance (41%)
- Challenging tasks are offered fairly (41%)
- The company is committed to social justice (40%)

The profile of employee emotional needs continues to reflect new priorities

The single biggest change in the emotional profile is an increased need to rid oneself of feelings of *injustice*, which is part of a general increase in emotional needs for justice and ethics. This finding is consistent with the doubling of fears that *society will break down*.

The new set of aspirational strivings that emerged in the wake of the pandemic continues to dominate motivations, eclipsing "normal" material and utilitarian needs. These top needs include:

Significant social justice issues remain

Between 40 and 50 percent of all workers do not agree (bottom 3 box) that...

- *Executive compensation is fair* (46%)
- *The company is committed to environmental sustainability* (45%)
- *Fulfillment of personal potential*
- *Feeling a sense of inclusion and belonging*
- *Feeling safe*

Workforce Listening Study

COVID-19's Deepening Crisis of Employee Wellbeing October 2020

- Feeling *successful*
- Feeling a sense of *autonomy*
- Feeling a sense of *justice*

However, there is evidence of a slight shift back toward “old” (pre-COVID) employee emotional needs for *autonomy*, *immersion*, *success*, and *recognition*, all of which have slightly increased their shares of total motivation. These gains have been made at the expense of some of the “new” emotional needs measured in the immediate wake of the outbreak (*purpose*, *caring*, and *authenticity*), as the employees slightly shift their focus back toward material goals and the need to remain employed.



Realize One's
Potential



Inclusion



Safety



Success



Autonomy



Justice

A new focus for employer success

Employers may wish to seriously consider the new emphases on social justice and fulfilling personal potential that have emerged among their employees.

Social justice

The societal backdrop of the Black Lives Matter protests and social disparities between haves and have nots highlighted by the pandemic are fueling employee demands for social justice. Employers need to seriously examine their unspoken values and practices in light of these concerns, including, but going well beyond, an examination of their diversity and inclusion processes. The results of these self-examinations will, in most cases, require action, and both the findings and corrective actions (systemic reforms, not one-off fixes) should be made known to all employees.

Personal potential

Employers may also wish to focus on working with employees to understand their own true personal goals, not those imposed on them by the company or by the role they happen to occupy. The fact that this need is represented among both the top positive emotional needs

COVID-19's Deepening Crisis of Employee Wellbeing October 2020

(towards personal growth) and the top relief-from-negative emotional needs (stifled growth) suggests that personal growth is a strong employee need right now. Talent Development professionals can use this time to design development plans that actualize employees' visions of fulfilling their personal potential. This can mean personal growth and development toward greater mastery of the skills needed to impact what matters most to them in their current role and desired future roles. This may also mean valuing projects both in and outside of work that address what matters most.

A new approach to employee measurement

This wave's results again underscore the value of measuring employee emotions alongside standard survey items. Time and time again, the emotional variables outperform the standard survey items in terms of their ability to explain variance. The predictive power of the emotions is more than 5 times that of the traditional predictors. This means that effective emotional measurement can improve important predictions such as intent to stay, organizational commitment, and success-in-role (especially important for hard-to-fill positions such as executives and sales associates), which means less wasted time

and money.

The importance of emotional wellbeing.

The unique ability of emotional measures to predict important behavioral outcomes suggests that employee emotions are a leading indicator. In recognition of its importance, employers should consider investing in the emotional wellbeing of their employees; a first step might include instituting an ongoing emotional wellbeing monitor.

An improved (emotional) model of engagement?

The consistent superiority of the emotional measures has implications for how we assess key metrics such as employee engagement. By comprehensively embracing these emotions, and clearly delineating their relationships with one another, human capital practitioners will be poised to create effective win-win interventions that improve the bottom line while improving the lives of employees.

Workforce Listening Study

COVID-19's Deepening Crisis of Employee Wellbeing October 2020

Appendix: Sample Characteristics

Employment Size	Percent
5,000 or more employees	28.5%
1,000-4,999	18.6%
500-999	14.9%
100-499	21.2%
50-99	10.1%
20-49	6.6%
Total	100.0%

Household Size	
Black	11%
Asian	6%
Hispanic	15%
White	66%
Other	3%

Household Income	
Less than \$50,000	14%
\$50,000 to \$99,999	38%
\$100,000 to \$149,999	29%
\$150,000 or more	19%

Demographics	
Male	57%
Female	43%
Median Age	49

Designated "essential worker" during pandemic?	%
Yes	48.9
No	51.1

Health Status	
Excellent/very good health	62%
Know someone personally who has tested positive for COVID-19?	46%
Know someone personally who has died from COVID?	19%
Have you tested positive for COVID?	8%
Are you at potentially high risk for COVID complications?	28%

Currently	
Working from home	44.4
Hybrid by employer design	9.3
Hybrid by own design	3.4
Full time at company location	42.9

Frequency of Customer Contact	
Little/no direct contact	23.3
Infrequent	19.3
Frequent	32.5
Constant	24.9

Health Status	
Excellent/very good health	66%
HH member at high-risk	33%
Known someone personally who tested positive for COVID-19	27%

Workforce Listening Study

COVID-19's Deepening Crisis of Employee Wellbeing October 2020

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Position	%
Upper Management	15.3
Middle Management	19.2
Frontline Manager/Supervisor	8.4
Trained Professional	27.1
Skilled Laborer	6.1
Consultant	1.7
Sales	2.6
Administrative Staff	8.6
Support Staff	7.7
Other	3.2

Work Environment	%
Office	69.0
Warehouse	3.7
Factory	4.7
Retail	5.6
Mobile	2.2
Outdoors	3.3
Remote	11.6

Industry	%
Banking, Finance and Insurance	11.0
Manufacturing	9.3
Information Services & Software	8.2
Retail & Wholesale	4.7
Government and Public Administration	9.6
Health Care and Social Assistance	11.3
Real Estate & Construction	2.3
Religious & non-profit	1.6
Transportation and Warehousing	4.5
Utilities & Telecommunications	2.1
College, University, and Adult Education	6.6
Hotel and Food Services	2.7
Primary/Secondary (K-12) Education	7.9
Scientific or Technical Services	3.7
Legal Services	1.0
Arts, Entertainment, and Recreation	0.6
Agriculture, Forestry	0.4
Broadcasting & Publishing	0.2
Other Industry	12.0