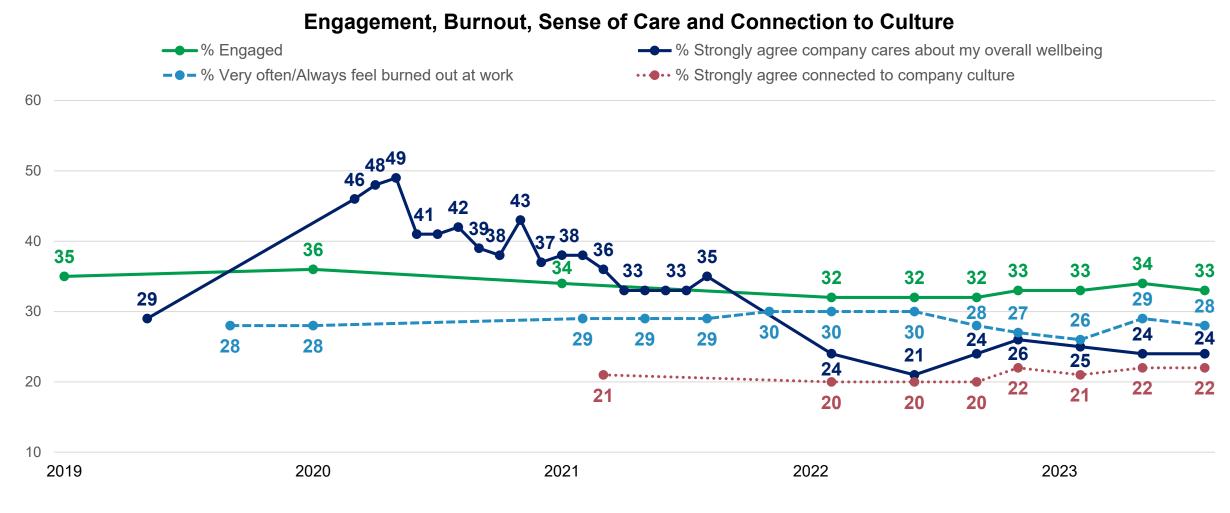
GALLUP

The State of the Workplace

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Engagement + Wellbeing = Thriving Workplaces



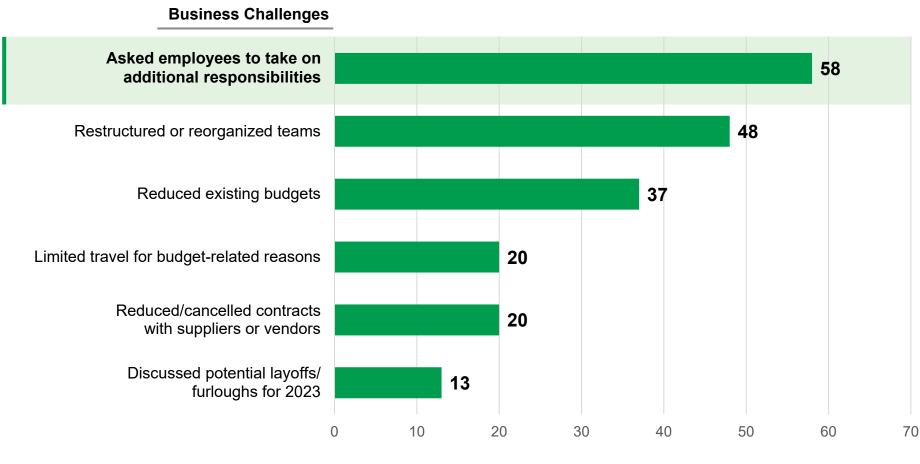
WF Q3 2023, U.S. Employees MOE: ±1 point

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Impact of Economic Challenges on Work Teams

In the past 3 months, has your organization done any of following? $_{\%~\text{Yes}}^{\text{Ves}}$



"Taking on additional responsibilities" is the most common and impactful challenge.

People asked to take on additional responsibilities are:

- 2.5x as likely to feel burned out at work very often or always
- 55% more likely to be watching for or actively seeking a new job
- 39% less likely to be engaged at work
- half as likely to think their employer cares about their wellbeing

WF Q1 2023, U.S. Employees MOE: ±1 point



Engagement Matters More Than Where Employees Work

Much has been made about the pros and cons of remote, hybrid or fully on-site work. Some employees find working from home more conducive to focused work, while others find they focus better in the office.

Gallup analysis finds that **engagement** has

3.8X as much influence on employee

stress as work location.

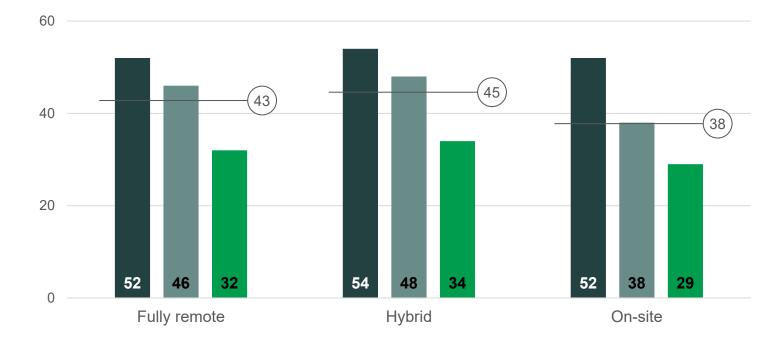
Leaders need to ask if poor remote work performance or poor hybrid work performance is a *location problem* or a *management problem*.

Daily Stress by Engagement and Work Location

Did you experience the following feelings during A LOT OF THE DAY yesterday? How about stress?

(%) Experience stress

% Among those who are: Actively disengaged Not engaged Engaged



Source: Gallup's State of the Global Workplace: 2023 Report



GREAT MANAGERS HAVE

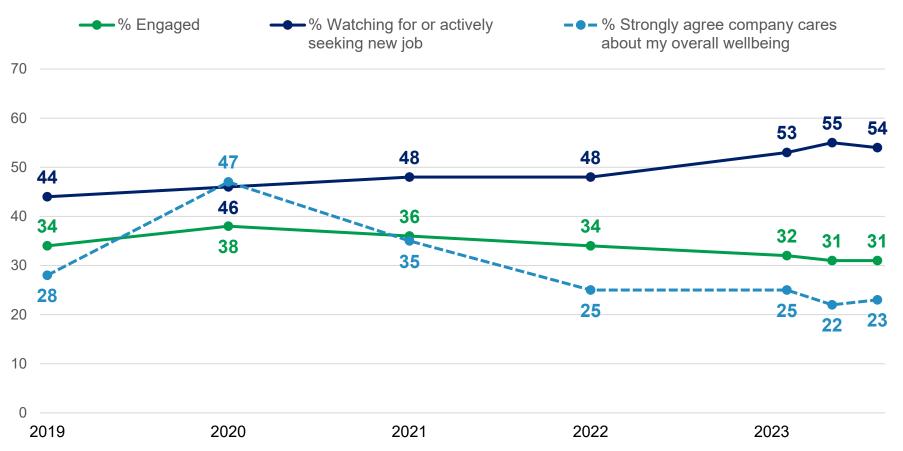


on employee engagement and wellbeing than a person's work location



The Declining Manager Experience

Manager experiences based on Gallup's employee engagement, intent to leave and sense of care survey items



As managers' engagement and perceptions that employers

↓ care about their ↓ wellbeing decline,

their

† intent to leave rises.

WF Q3 2023, U.S. Managers MOE: ±3 points



The Items That Matter for Engagement — Gallup's $Q^{12^{\circ}}$

GROWTH How do I grow?	ENGAGEMENT ELEMENT	EMPLOYEE NEED
	Q12. This last year, I have had opportunities at work to learn and grow.	Challenge me.
	Q11. In the last six months, someone at work has talked to me about my progress.	Help me review my contributions.
TEAMWORK Do I belong?	Q10. I have a best friend at work.	Help me build mutual trust.
	Q09. My associates or fellow employees are committed to doing quality work.	Help me feel proud.
	Q08. The mission or purpose of my company makes me feel my job is important.	Help me see my importance.
	Q07. At work, my opinions seem to count.	Hear me.
INDIVIDUAL CONTRIBUTION What do I give?	Q06. There is someone at work who encourages my development.	Help me grow.
	Q05. My supervisor, or someone at work, seems to care about me as a person.	Care about me.
	Q04. In the last seven days, I have received recognition or praise for doing good work.	Help me see my value.
	Q03. At work, I have the opportunity to do what I do best every day.	Know me.
BASIC NEEDS What do I get?	Q02. I have the materials and equipment I need to do my work right.	Free me from unnecessary stress.
	Q01. I know what is expected of me at work.	Focus me.
OVERALL SATISFACTION	Q00. How satisfied are you with your company as a place to work?	

The Business Impact of Highly Engaged Business Units and Teams

Gallup research of more than 112,000 teams — over 2.7 million employees

Differences in Business Outcomes: Teams With Top-Quartile vs. Bottom-Quartile Engagement

Median Percent Differences Across Companies in Gallup's Database

• Top-quartile teams • Bottom-quartile teams



Teams in the top quartile of employee engagement, compared with teams in the bottom quartile:

•

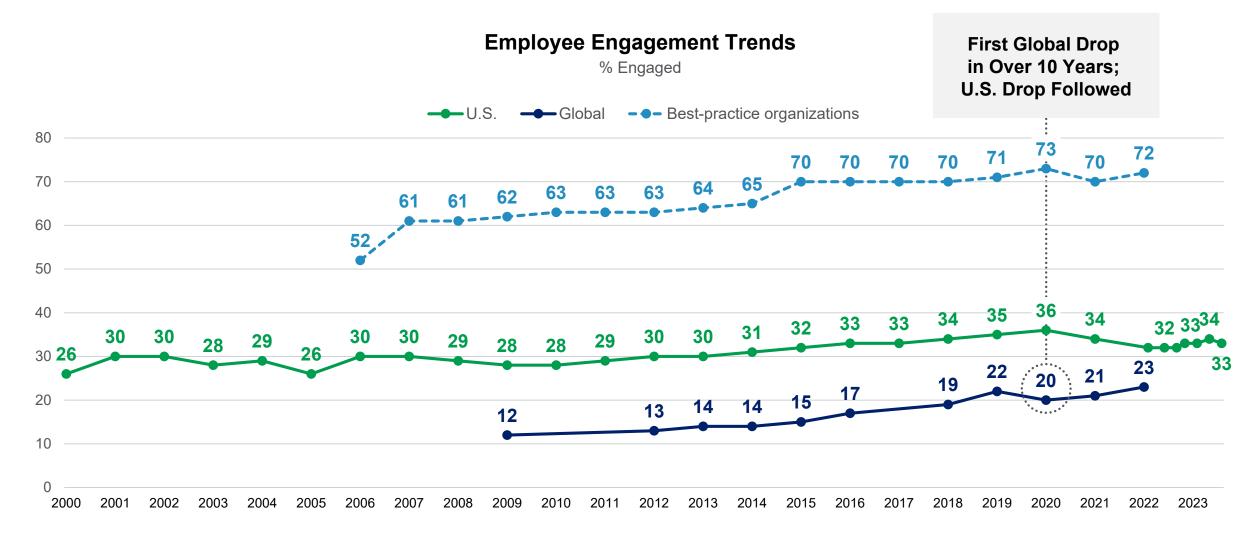
- achieved higher performance on positive outcomes (customer loyalty, sales, productivity, profitability, wellbeing and organizational citizenship)
- realized fewer negative outcomes (absenteeism, turnover, shrinkage, safety incidents and quality defects)

Source: The Relationship Between Engagement at Work and Organizational Outcomes: 2020 Q^{12®} Meta-Analysis: 10th Edition

*High-turnover organizations are those with more than 40% annualized turnover. Low-turnover organizations are those with 40% or lower annualized turnover.

8

Employee Engagement in the U.S., World and Best-Practice Organizations



WF Q3 2023, U.S. Employees MOE: ±1 point. 2022 Gallup World Poll, Global Employees MOE: ±1 point. Percentages for best-practice organizations are average percentages of engaged employees across annual Gallup Exceptional Workplace Award winners; percentages reflect the year that Gallup collected the winners' engagement data — not the year that Gallup named the award winners.



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