

Workforce Listening Study
Report: Reaching the Tipping Point
April 2021

Leading Indicator Systems recently released the highlights of its most recent Workforce Listening study, showing that American workers are emotionally exhausted and more at risk at any point since the beginning of the pandemic. This paper explores the findings in more detail from the survey, conducted during March 2021 with a population-representative sample of American employees who are currently working full time for companies with at least 20 employees. The national online survey of 820 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.

Workforce Listening Studies employ both traditional cognitive and innovative emotional approaches to measure employee wellbeing and how specific employer responses have supported, or failed to support, these employees. Because the survey tracked many of the same questions from previous Workforce Listening Studies fielded in April 2020 and September 2020, we are able to

evaluate the degree of change in the emotional wellbeing of the American workforce over this difficult period. Unique among workforce surveys LIS uses its proprietary AgileBrainSM technology, a powerful image-based approach, to measure employees' unmet emotional needs.

In addition to tracking the continuing impact of COVID-19 on the workforce, the survey expanded into new territories, covering attitudes toward vaccination, Diversity, Equity, & Inclusion (DEI) topics, and an expanded list of key outcome variables, including employee engagement, productivity, and retention.

Summary of Findings

A Stress-Level Tipping Point?

While increasingly confident that the very worst has passed, the cumulative effect of the pandemic has left employees emotionally scarred as evidenced by a doubling of the incidence of experiencing a close personal death from COVID (two in five) and increasing fears for mental and physical health.

Since the last wave conducted in September 2020, there has been a doubling of the proportion of employees who are extremely concerned about key elements of their

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mental health:

- Concerns for one's own mental health have doubled, from 18% to 35%.
- Vulnerability to addiction to cope with increased stress has more than doubled, from 12% to 27%.
- Reflecting the well-established links between mental health and physical health, concerns for one's own physical health have also increased substantially, by three quarters, from 21% to 37%.

Increased employee stress is “spilling over” onto their dependents. Since the last wave conducted in September 2020, there has been a substantial increase in the proportion of employees who are extremely concerned about key elements of their families’ well-being:

- Concerns for the mental health of family and friends have increased by three quarters, from 18% to 32%.
- Concerns for the physical health of family and friends have increased by half, from 24% to 36%.

With concerns about dependents rising, anxiety is increasing regarding the ability of employees to care for their dependents. Since the last wave conducted in September

2020, there has been a substantial increase in the proportion of employees who are extremely concerned about their ability to provide for their dependents:

- Concerns for potential loss of income or employment have increased by two thirds, from 21% to 34%.
- Concerns regarding the ability to care for one's family have nearly doubled, from 16% to 30%.
- Concerns for having access to essentials like food and medicine have more than doubled, from 15% to 31%.
- Unmet needs for child/elder care have increased substantially; such unmet needs are the single most important predictor of poor mental health in each wave of our study. Increases are also seen in feeling “unsafe at home” and reporting that one's home is not emotionally supportive.

High Stress Levels are reflected in the latest Workforce Emotional Profile

LIS's Workforce Listening Studies includes our proprietary image-based AgileBrainSM technique for assessing authentic emotions that can't be accessed by traditional survey methods, providing unique predictive and explanatory power to the results.

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AgileBrainSM results show that since the start of the pandemic, there has been a consistent erosion of positive emotion accompanied by a consistent increase in negative emotion, such that negative emotion now outweighs positive emotion in the American workforce.

Over the three waves of research, there has also been a consistent rise in the salience of Spiritual needs, specifically, the need to remove feelings of injustice, immorality, and materialism, as well as needs for reducing feelings of insecurity, pressures to conformity (Self), and lack of recognition (Social).

Results show that employee emotions are among the strongest predictors of every one of the important outcomes measured in this study (i.e., employee engagement, mental health status, challenge of work, intention to quit), suggesting that emotions should be systematically incorporated into employee surveys.

Alarmingly, the company performance attribute with worst performance (by more than 10 points to the next weakest) was “My company regularly monitors my emotional wellbeing,” suggesting a clear need for employers to act.

The Cumulative Effect on Work

As businesses struggle to reopen, they need to be mindful of the fragile state of their workforces. The challenge of working under COVID for over a year has created unhealthy levels of stress.

Feeling challenged to work during the pandemic has increased from two-thirds to nearly eight in ten; feeling “extremely challenged” has tripled from 8% at this time last year to 25% now.

Although relatively few lack the necessary work resources, one quarter to one third may be vulnerable to burnout. Although security is expected for those who keep their jobs (salary intact, expanded benefits), fears of job loss are soaring, and hopes of having control over work location are evaporating.

In a worrying sign for employers hoping to achieve herd immunity in their workforces, the survey finds that fully one third of all employees do not trust either the health care delivery system or their own senior management. Between one in four and two-in-five have serious doubts about the ethics of their company’s leadership. This trust gap is evidenced in increasing polarization in the bond felt with employers. One third are actively considering leaving their current

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employer, and those who feel that their bond is weakening are most likely to quit.

The Struggle to Vaccinate the Workforce

Despite the epidemiological, economic, and societal imperatives for getting American employees vaccinated against COVID-19, nearly one third are resistant to vaccination.

When asked when they would be comfortable getting vaccinated, nearly one third (30%) of American employees said that they plan to “wait and see what happens with others,” a more cautious approach than might be expected in light of the great loss of life to date. Astonishingly, roughly two in five American workers report at least some “anti-vaxxer” sentiments, with fully 40 percent agreeing that they are “opposed to vaccinations in general” and “don’t trust the government’s oversight of this vaccine.” One third believe that the vaccine is “not worth the risk.” Far fewer, less than one quarter, admit that they might not be well-informed about the details of COVID vaccines, suggesting that many anti-vaxxers will not be open to appeals from government or employers. They believe they know better.

Another concern is the prevalence of “brand consciousness” when it comes to vaccination. More than half of American employees (52%)

agreed that they are “waiting for their preferred choice of vaccine” from among the different pharmaceutical brands (e.g., Pfizer, Moderna) in defiance of Dr. Fauci’s dictum that the best vaccine is the one that is available.

Despite the fact that COVID vaccinations are free, a fact recognized by forty five percent, the majority believe there is an out of pocket cost for getting vaccinated, with the median cost estimated at \$7. Fully one quarter believe this cost will be substantial (\$60+).

In terms of time investment, the median estimate for time away from work is two hours, although the top quartile believe it will take 6 or more hours.

Because of the high prevalence of misconceptions about the vaccines and the process of vaccination, we evaluated the potential of ten statements that, if communicated, might move hesitant employees closer to vaccination. Results indicate that the most impactful message overall relates to effectiveness of the vaccines against all known variants, a claim that unfortunately cannot yet be made without further data. The next most impactful statement concerns the fact that there are no out of pocket costs for vaccination, a testament to the pervasiveness of the cost

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misconception. The third most impactful statement emphasizes the protection conferred to one's family and friends.

An important component of this analysis is the identification and sizing of the population that cannot be reached by any of these messages, which we label the "unmoveables." For the overall population 12 percent are "unmoveable."

Conclusion

Although employees see light at the end of the tunnel, many aren't sure they can make it that far. Positive emotions that supported them through the pandemic have been overwhelmed by negative ones. A full range of risks have spiked (physical and mental health, risk of addiction and access to basic needs). Employers that have responded effectively to these challenges have strengthened emotional bonds with their employees. Unfortunately, a large minority of employees feel that bond weakening and, consequently, record numbers of them are looking for an exit.

About Leading Indicator Systems

Leading Indicator Systems, a trusted partner to human capital consultants and professionals for more than 20 years, provides a portfolio of assessment solutions designed to help move the needle on the human capital challenges that matter most. Leading Indicator's Workforce Listening Series is a source of insights on the issues that keep human capital professionals up at night. Offering comprehensive, complementary service offerings that range from discrete projects to ongoing programs to full platform outsourcing, Leading Indicator Systems delivers assessments that are rigorously scientific while providing partners peace of mind. Company offerings include Talent Development, Leadership Development, Employee Engagement, Diversity & Inclusion, Organizational Alignment, and more. Leading Indicator assessments are used by millions of employees throughout the globe. For more information, visit <https://www.leadingindicator.com>.