

# How Employees Are Shaping the New World of Work



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#### **Executive Summary**

The workplace and workforce have been steadily evolving over the last decade, and yet no one could predict the unprecedented changes fueled by the COVID-19 pandemic. This has led many leaders to rethink what the future of the workplace looks like, especially as new research shows employees are beginning to hold their employers accountable – particularly when it comes to issues around the return to office, work-life balance, taking a stand on social issues and more.

Employee attitudes and expectations regarding company culture all signal for more transparency, trust and flexibility. These demands for workplace change from employees, coupled with the natural emergence of new technologies to make work from anywhere possible for many kinds of jobs, mean that employers will need to act swiftly to ensure they're not left behind and losing workers in the next evolution of the workplace.

"We've seen in the last three years how the pandemic has forever changed how we think about work," said John Arendes, Traliant Chief Executive Officer. "As we move forward, the key is to be adaptable and create a culture where leaders trust their employees to get the job done and listen to what's important to them, inside and outside of work, and then take action on those things. It's our job as leaders to ensure employees feel valued, included and psychologically safe."

A new study commissioned by Traliant and conducted by Propeller in September 2022 surveyed 2,000 full-time US employees — working onsite and in remote or hybrid settings — to get to the root of what employees are experiencing in their current workplaces, what they want to see more of from their employers, and what actions organizations can take to create an ethical work culture in which employees feel engaged, motivated and connected in meaningful ways.

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#### **Key Findings**

- Flexibility can help reverse the lingering effects of the Great Resignation Employees value organizations that offer flexibility and better work-life balance, as family/personal life and mental health become greater priorities.
- Employers need to create psychologically safe work environments

  Not only does a culture of psychological safety improve employee engagement, employees

  are more likely to speak up and report misconduct factors that can have long-term
  impacts on the bottom line.
- Fostering trust leads to more committed employees
   Employees who trust their organizations are more likely to stick it out in difficult times.
   They are also willing to be more open about their feelings and concerns, which can improve work culture.
- Personalization is key to effective compliance training
   Employees want compliance training that mirrors their job and work environment, and helps them better understand behavior expectations in a remote/hybrid setting.
- Building a speak-up culture must address retaliation concerns
  Employees who don't feel comfortable reporting misconduct say it's because they're
  worried they'll lose their job or it won't be kept confidential.
- Employees care about ESG and their company's impact
  Employees are increasingly vocal about environmental, social and governance issues, and
  an organization's ESG commitment is becoming a selling point for recruiting and retention.



# What Does the Future of Work Look Like to Today's Employees?

#### Priorities are changing

Employees are increasingly prioritizing their personal lives and wellbeing as the lines between work and personal responsibilities continue to blur. While technology has enabled many professionals to do their job from anywhere, other factors, including the rising expenses associated with commuting, caregiver responsibilities and the cost of living, mean that many who were previously onsite are now exploring hybrid or fully remote working options.

Nearly 1 in 5 employees said they would look for a new job if their employers required them to return to on-site work



The study found that nearly half of employees surveyed have prioritized their family/personal life (48.9%) and mental health (47.1%) more in the past year. In fact, a majority of respondents (81.7%) said that hybrid/remote working environments have provided them with better work-life balance. Because of this, organizations must recognize that the future of work will be rooted in flexibility. Employers who don't agree with this sentiment may see attrition and miss out on great talent as a result. The survey also found that nearly 1 in 5 employees (18.1%) said they would look for a new job if their employers required them to return to on-site work, with another 35.7% sharing that they would negotiate flexible working arrangements.

## Psychological safety is important whether employees are onsite or remote/hybrid

Employees who want flexible work options also want a culture of psychological safety and trust. Beyond worker health and safety issues, psychological safety is increasingly important to employees, whether they're onsite or in a remote or hybrid work world. When employees feel psychologically safe, they believe they can speak up, voice a dissenting opinion, take professional risks, admit a mistake and ask for help without being punished or humiliated.

A psychologically safe workplace not only creates a more positive experience for employees, it improves teamwork and performance, helps prevent burnout and builds trust — all of which can have long-term benefits to an organization. Employees who trust their organization said they're more likely to work overtime (56.5%), stick it out in uncertain times (50.6%) and advocate for their company (54.2%). On the flip side, when employees don't trust their organization, they're less committed (43.8%), less willing to take on extra responsibilities (44.7%) and don't feel connected to the company (56.3%).

#### Employees who trust their organization are:

More likely to work overtime

More likely to stick it out in uncertain times



More likely to advocate for their company



#### A commitment to ESG

With the rise of social, environmental and political conversations taking center stage in the media and on social platforms, it's inevitable that they will bleed into the workplace. Among those surveyed, nearly 60% said their company has spoken about Environmental, Social and Governance (ESG) issues within the organization, while nearly 25% said their employer has publicly spoken out. While nearly a third of employees surveyed (30.6%) say their company has not yet spoken about ESG issues at all, more than half (54.1%) would leave their company for another organization that is more aligned with their ESG values.

When asked what they'd like to see from their employer's ESG commitments, nearly half of respondents (47.8%) say they'd like to be more involved in opportunities to make real change. While this may not have been the case a decade ago, we're seeing this issue gain prominence, particularly for a millennial generation that has been at the center of these conversations - many of them on social media - for a majority of their lives. This is underlined by the fact that 45.9% of workers aged 25-34 and 57.1% of those 35 to 44 say a company's commitment to ESG issues in

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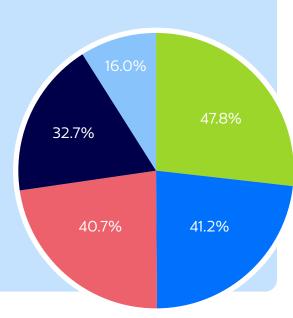


the workplace was highly important to them.

When it comes to the topics employers have actively addressed in the last year, the top responses were ethical practices and policies (40.3%), diversity, equity & inclusion (39.6%), employee engagement (38.4%), data protection and privacy (37.1%) and human rights (34.3%). Other areas that are less talked about, but likely to become more prevalent as conversations around global warming increase include sustainability (28.9%), labor standards (25.6%), energy (25.2%), waste (24.6%), carbon footprint (21.3%) and pollution (19.6%).

### When asked what they'd like to see from their employers regarding ESG commitments in the next 1 to 2 years, here's what workers shared:

- Be more directly involved in opportunities to make real change
- Encourage employees to share their thoughts around ESG commitments
- A leadership team that is more transparent when it comes to social, political or environmental issues
- Be more vocal about social, political or environmental issues
- Be less vocal about social, political or environmental issues



#### In Today's Complex Environment, Employees May Be Afraid to Speak Up

Questions around the current state of the workplace are hard to answer clearly, as companies grapple to adapt to the ongoing fallout from the COVID-19 pandemic and evolving employee expectations. With a mix of onsite, fully remote and hybrid workers, employers are having to rethink everything from office space to ensuring that the organization's code of conduct and other workplace policies and practices are relevant and understood by a diverse, intergenerational workforce.

When asked how operating in a remote/hybrid setting might impact misconduct and ethics, 17.3% of those surveyed said employees may be less likely to adhere to workplace standards and policies; 13.9% of those surveyed think people will get away with more and 17.5% expect it will be harder to prove misconduct.

With increased risk of misconduct, it's up to leaders to put measures in place that address the changing landscape. And, according to research, this is a key area where many are coming up short – more than a quarter (27.4%) surveyed reported their employer has not defined its workplace misconduct policies for a hybrid or remote setting.

When it comes to misconduct and unethical behavior, the research uncovered that fear of retaliation may be holding employees back from voicing their concerns. While nearly a quarter (22.3%) of employees surveyed reported unethical behavior in the past year, more than one in five (20.7%) have been targets of retaliation. Most employees (59.1%) reported feeling uncomfortable filing a workplace misconduct complaint out of concerns it won't be confidential. Other reasons people feel reluctant to report misconduct: 39.7% said there was favoritism in the workplace, while 35% are worried they'll lose their job. Further, 30.1% said, 'my opinion doesn't matter' and 29.9% said, 'I don't trust my HR department.' This becomes a situation with potentially dangerous after effects, as a fear of speaking out against misconduct contributes to a toxic work environment, increases the risk of compliance violations and undermines efforts to foster a more open, ethical work culture.

Among those who witness misconduct and actually want to speak up, many don't even know where to begin. Consider that those in lower-level positions (entry, associate and specialist) are less likely to be extremely confident that they know what to do when experiencing or witnessing misconduct in the workplace than higher level employees in managerial and leadership positions.



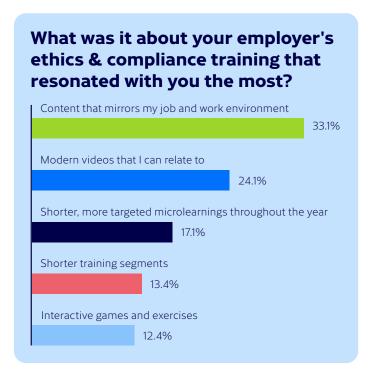
"Every employee needs to feel comfortable reporting any ethical or compliance violation without fear of losing their job — and that starts with leaders who set the example, along with a strong code of conduct and bulletproof non-retaliation policy."

- Maria D'Avanzo, Chief Evangelist Officer, Traliant



## Employees value compliance training when it reflects their job and work environment

There's no way around it: as we look to return to a new normal, employees are burned out. These feelings have wide-ranging implications for a returnto-work move and, even for those remaining in remote or hybrid roles, feelings of burnout are cause for concern. While the majority of employees surveyed are happy with their company culture, those who aren't said it was because their work environment promotes burnout. Beyond this, more than one-fifth (21.6%) of survey respondents don't feel their workplace promotes psychological safety, and the number one reason they feel this way is because their company fails to address issues related to burnout. Training, ongoing learning and development and regular communication can be effective tools to address these critical issues that affect employees' wellbeing, productivity and efforts to create a positive, supportive work culture.



Two-thirds of workers acknowledge the importance of ethics & compliance training in the workplace, with 61.4% saying it promotes a better work environment. Nearly 56% said training is valuable and 45.3% of respondents said it prevents workplace misconduct. At the same time, more than half of those surveyed (56%) reported their employers could help them better understand the standards for workplace behavior in a hybrid or remote setting by offering updated training, underscoring an unfilled workplace need.

For ethics and compliance training to be effective, personalization is key. When asked what training resonated with employees the most, the top answer (33.1%) was 'content that mirrors my job and work environment,' followed by modern videos that employees can relate to (24.1%).

## What is the likelihood of you applying any of the information gained from the training?



- 89.7% Likely or Very Likely
- 8.6% Neither Likely or Unlikely
- 1.7% Unlikely or Very Unlikely

When asked the likelihood of employees applying the information they gained from training, almost all (89.7%) said it is likely or very likely they would apply what they learned. This is key to driving true behavioral change.

These employee sentiments reflect the evolution of compliance training from a generic, check the box approach to one that is tailored to an employee's industry and job. An office environment is different than working in a restaurant, hotel or hospital and training should engage learners in settings they can relate to.

#### What Should Employers Do Now?

## The traditional notion of the workplace will never be the same.

In the wake of COVID-19 and other uncertainties, as we look ahead one thing is clear: the workplace of today is constantly evolving with the employer-employee relationship at the forefront as never before. Employees are increasingly vocal about employers adapting to the new way we work, including better work-life balance, creating psychologically safe environments, developing training tailored to mirror their work environment, fostering ethical standards of behavior in a remote/hybrid setting and demonstrating a commitment to ESG issues.

While there have been several innovations to ensure this type of working style and work/ life balance is possible, for many the new way of work has come with its own challenges. Working parents, for example, have struggled with managing their professional responsibilities with caregiving duties. As many individuals and families left major cities for the suburbs and country, the cost of living has also skyrocketed, making a return to office nearly impossible between commuting costs and potentially longer distances between home and work.

For those who are unable to make it in-person, there is a fear of being left behind as the concepts of "productivity paranoia" and "quiet firing" become trends that many believe will mean the loss of a job, being passed over for a promotion and/or having to take a salary cut.

At the core of every workplace are the connections that we build and the values we share. Conducting monthly surveys, implementing an anonymous suggestion box and holding regular town hall meetings are some practical ways to support teams, surface issues and build a more inclusive, ethical workplace culture. Together, these strategies help employers gauge how employees are feeling overall about the work environment, which can increase employee engagement, satisfaction and retention.

Employers who choose not to prioritize employees and don't focus on creating a safe, ethical work environment will most certainly see this decision have a ripple effect across their organization. Not only will it mean reduced retention and challenges with recruiting, but this way of thinking can also have a dramatic impact on their overall bottom line.

"The connections we make and the values we share are core to creating a healthy, resilient organization. In the new world of work, leaders who are flexible, empathetic and willing to try something new can benefit from employees who are engaged, happy and productive."

- Maggie Smith, VP of Human Resources, Traliant



#### Key Takeaways and Actions

The good news is that amid ongoing changes and disruptions, inside and outside of the workplace, employees want to be engaged. They care about what their organizations stand for. They want work to be a meaningful experience, to have a sense of purpose. And while mental health and family and personal life have become more of a priority in the past year, if employees trust their organization, they're willing to go the extra mile and stick it out, even during uncertain times.

"When you trust employees to get the job done and hold them accountable, they can work from anywhere. There's nothing stronger than trust to build a culture and build a business."

- John Arendes, Chief Executive Officer, Traliant

Start by building trust and psychological safety While creating a culture of trust and psychological safety is a long-term process, there are simple steps to take now that can make a difference. Schedule more check-ins with individuals, proactively ask for feedback and ideas, train managers on how to promote psychological safety and create a respectful remote workplace.
Rethink the 9-to-5  Take matters related to employee work-life balance seriously. If you're not already a flexible workplace, consider opportunities to move in that direction. Beyond flexible work models, employees want benefits that address their evolving needs, from mental health to caregiver responsibilities. Flexibility in how leaders approach all things related to the employee experience can strengthen company culture and motivate and inspire teams.
Foster a speak up culture  Encourage employees to voice concerns and reassure them they will not face retaliation. This goes to the heart of creating an ethical, speak up culture. Employees should be aware of different ways to report misconduct (ethics hotline, anonymous email, designated contact), and managers should receive ongoing training and communication on how to appropriately handle complaints and avoid any behaviors associated with retaliation.
Adapt training, learning and development to the modern workplace Update your training to include scenarios for remote/hybrid environments, especially when it comes to matters of workplace ethics and misconduct. Ensure trainings are personalized and more relevant than ever, reflecting your industry, employees' roles and responsibilities and specific issues and situations they may encounter.
Bring employees into conversations about ESG Provide opportunities for employees to participate in making real change, whether it's helping leadership develop new ESG initiatives and goals or developing a DEI program, collaborating with employees keeps them informed, involved and engaged.

#### About the Authors



With a mission to transform compliance training from boring to brilliant, Traliant's award-winning training helps organizations create and maintain respectful, inclusive workplaces. Our modern approach to eLearning is designed to motivate positive behavior through realistic video scenarios and up-to-date content that is interactive, easy to customize and connects with today's mobile workforce.

Traliant currently serves over 8,000 organizations across industries and geographies. The company is ranked No. 234 on Inc. magazine's list of the 5000 fastest-growing private companies in America, and is No. 13 on Deloitte's 2020 Technology Fast 500 list. Traliant is backed by PSG, a leading growth equity firm partnering with lower middle-market software and technology-enabled service companies.



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