



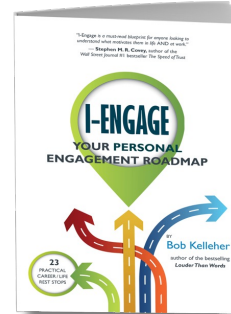
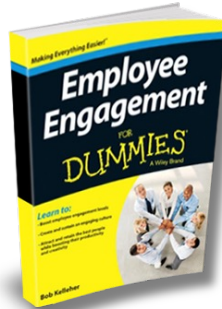
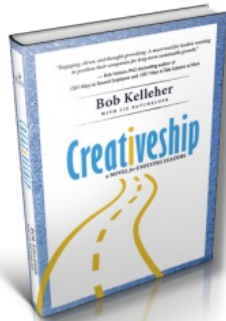
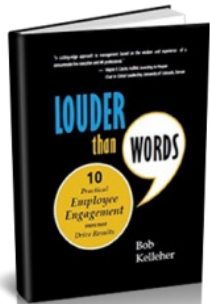
Engaging in These Times

By Bob Kelleher, December 6, 2023

Introduction: **Bob Kelleher**

Author | Keynote Speaker | Thought Leader

...have spent the better part of the past 35 years designing and implementing leadership and engagement initiatives - Today, Founder of The Employee Engagement Group



Agenda

1. *Our Current State – Workplace engagement is dropping*
2. *Boss Engagement - Dropping at a faster pace*
3. *YOUR current state*
4. *Empathy – A Key Engagement Driver*
5. *What happens at HOME impacts Engagement at Work*
6. *The HYBRID dilemma – Employer Needs vs Employee Freedom*
7. *Shifting Workplace Demographics*
8. *Staffing Shortages will continue*
9. *Compensation will continue to be a source of Disengagement (unfairness)*
10. *Appreciate and Recognize*

1. Our Current State



Our Current State

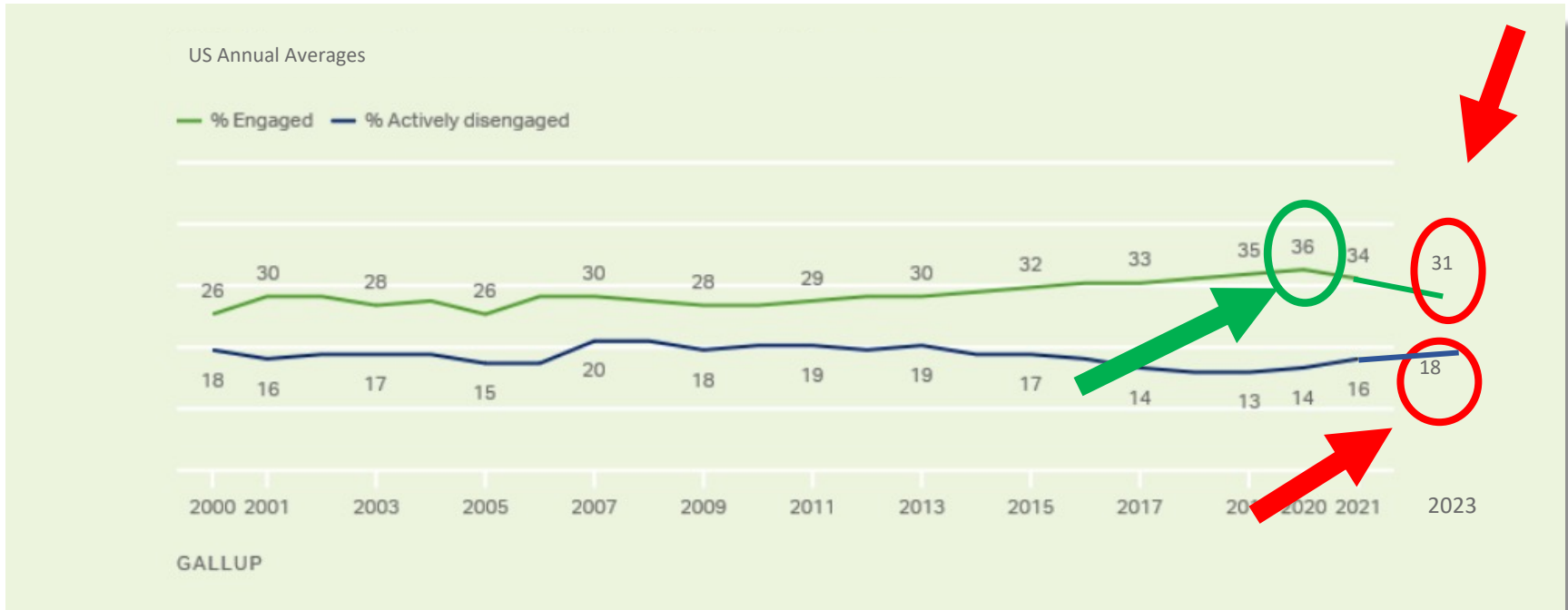
- We've moved on from Covid - sort of
- Remote employment is 'here to stay' – sort of
- Concerns that AI will disrupt jobs
- Emotional and mental health - increasingly a workplace need
- Diversity - Equity - Inclusion has become more than a 'program'
- Recessionary concerns are real - fueled by high inflation
 - 401K plans have been volatile (S&P 500 down 19.4% in 2022) – **resulting in many boomers deferring retirement**
 - Supply chain issues continue to impact quality of life
- Global unrest with Russia / Ukraine and Israel /Gaza wars
- Despite recessionary headwinds, we still see a scarcity of talent (...the unemployment rate was 3.7 percent in October)
 - leading to ongoing elevated compensation requirements
- And in the US, engagement trends continue to drop





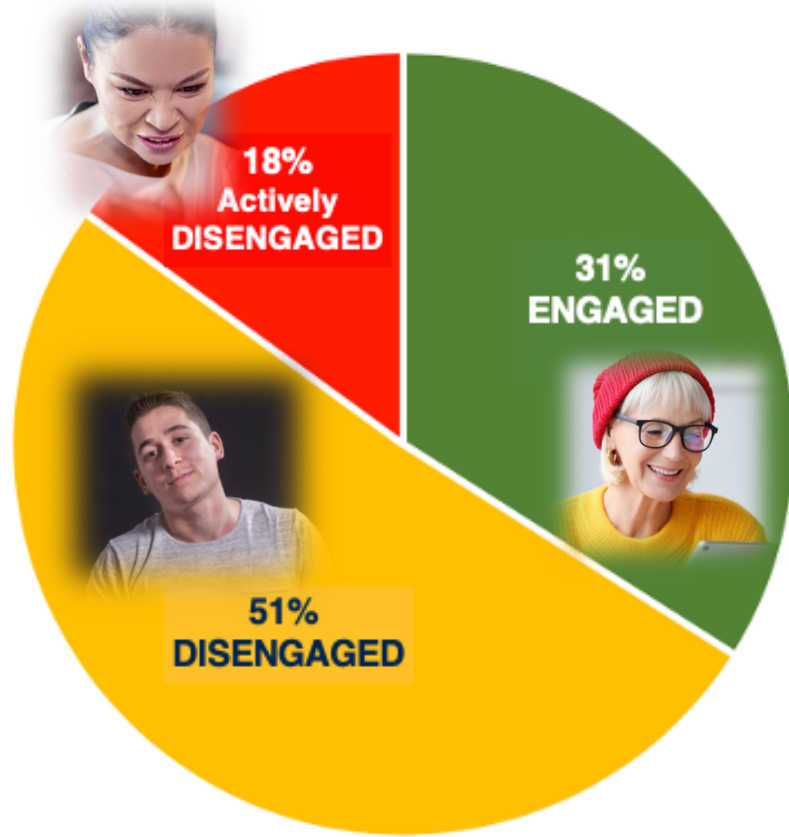
Workplace Engagement at a 23-year low

In The US, Workplace Engagement Trending Down



GALLUP 2023 Report

Gallup's,
Is Quiet Quitting Real?
May 17, 2023



- ENGAGED
- DIS-ENGAGED
- ACTIVELY DIS-ENGAGED

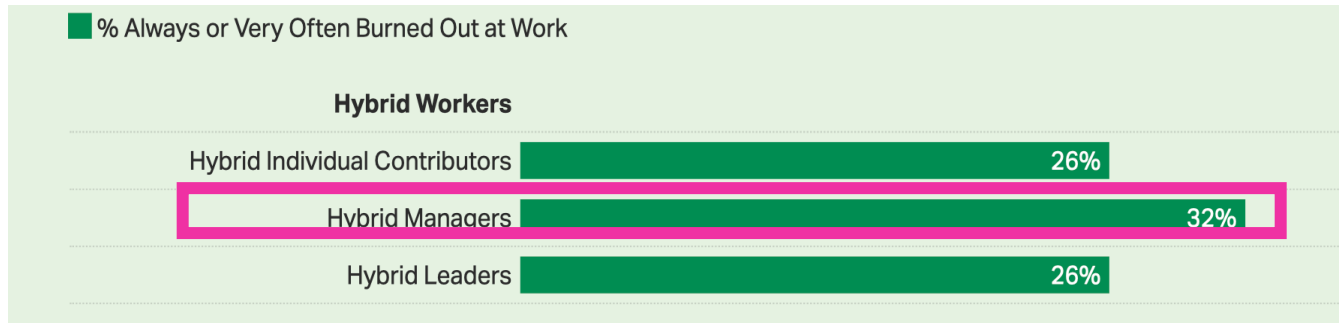
2. 'Boss' Engagement has dropped at a higher % than the employees they manage



State of the Workforce

Manager Engagement
Dropped 7% - now at 33%*

...and Hybrid Managers experienced the highest level of burnout in 2022**



*Gallup's State of the US Workplace Report, January 7th, 2022, *US Engagement Drops First Time in a Decade*
** 6 Trends Leaders Need to Navigate This Year, *Gallup Workplace*, January 31, 2023

*Why is Boss
Engagement
so low?*





Covid and Beyond

Insane Compensation Requirements

A hybrid workforce is a handful to manage

401K plans are down
(S&P 500 down
19.4% in 2022)

Divided Country

Social Unrest

Spikes in
Inflation...and a
looming recession

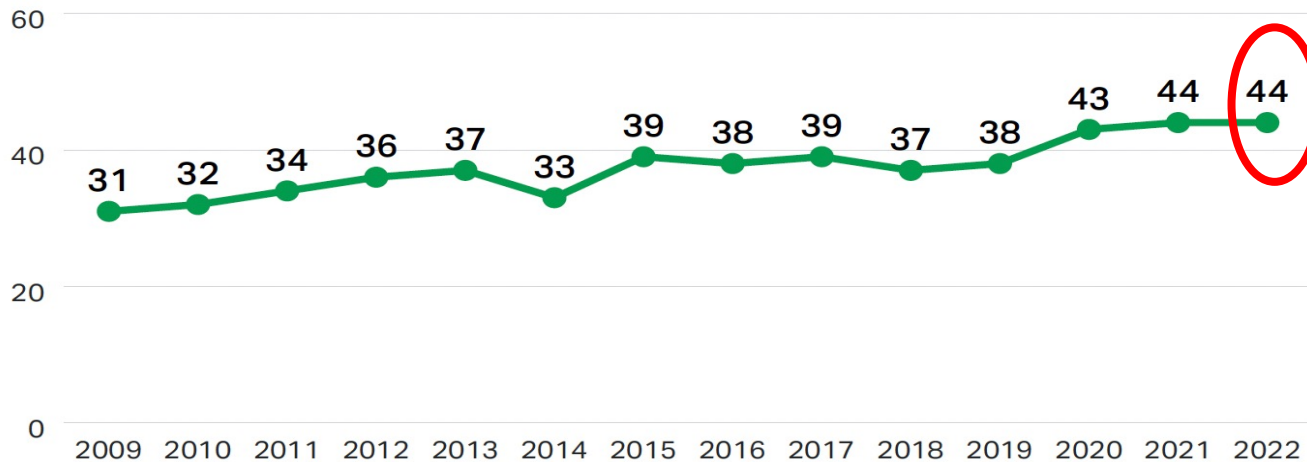
Global Unrest

Can't find
people
DOL for Sept - 3.7%

Daily Stress

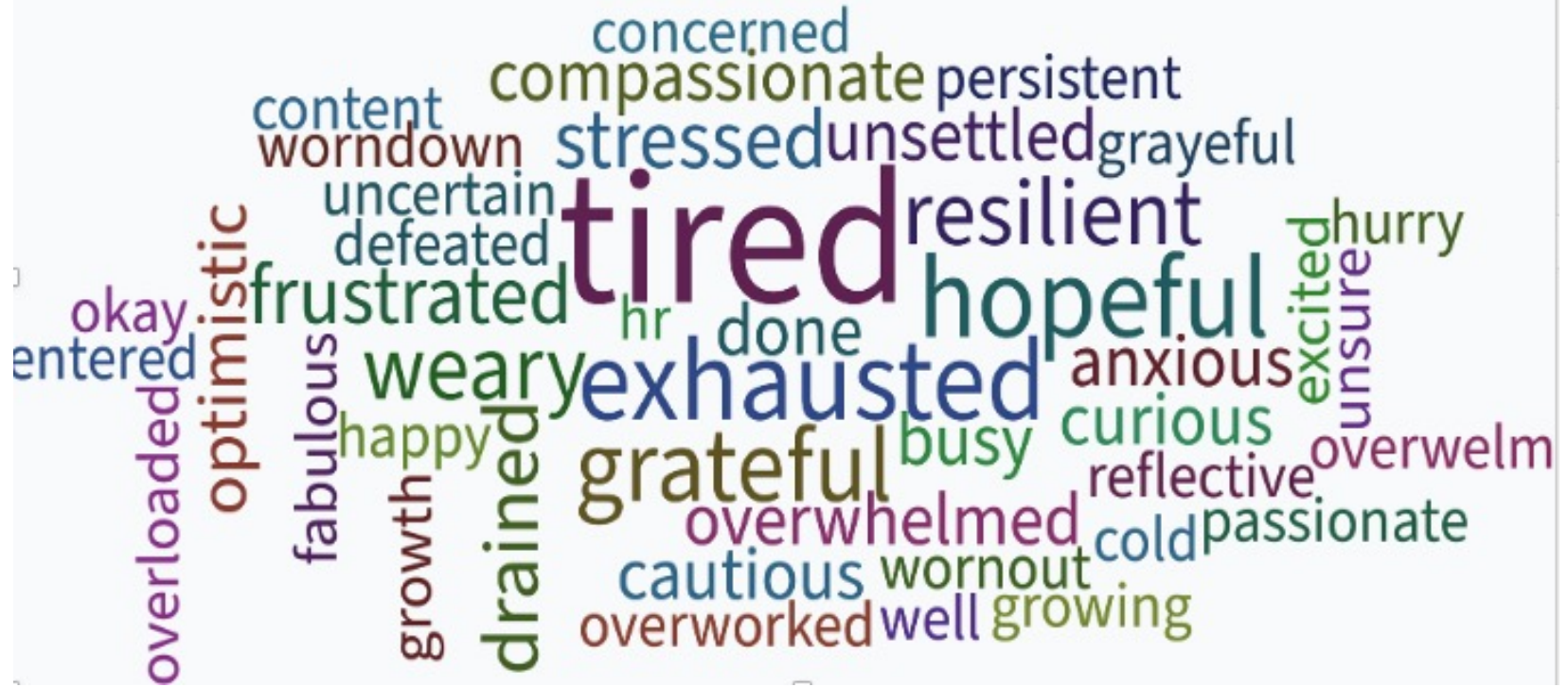
Did you experience the following feelings during A LOT OF THE DAY yesterday? How about stress?

● % Yes



Poll

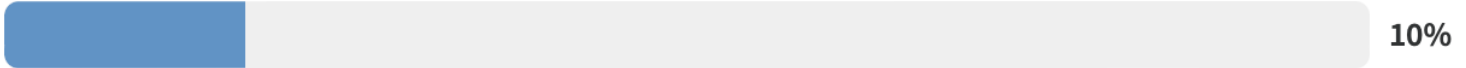
What is the one word that describes you today?



3. Your Current State



(A) Baby Boomer- born 1946- 1964



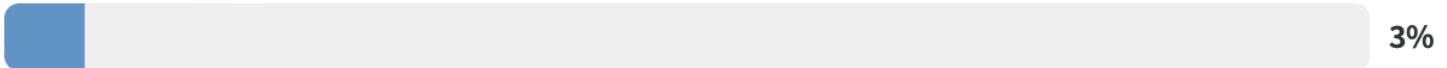
(B) Gen X- born 1965- 1980



(C) Millennials (Gen Y)- born 1981- 1995



(D) Gen Z- born 1996- 2010

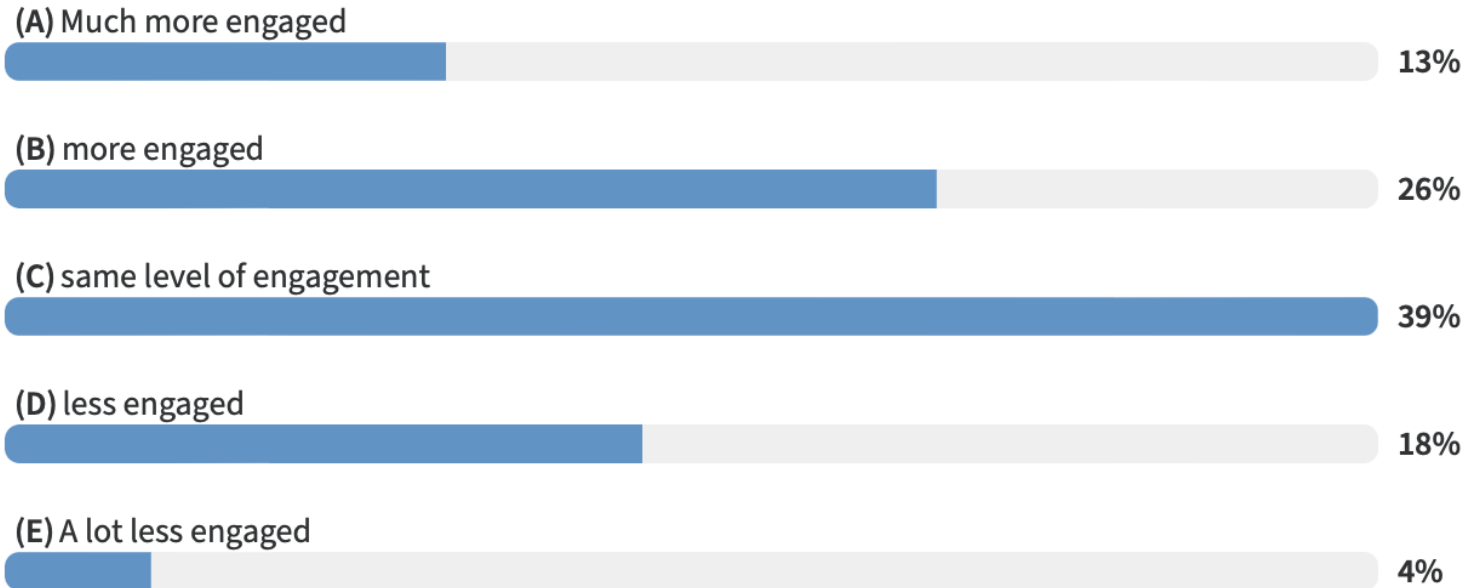


Instructions Responses More Clear responses

Which Best Describes You



Where are you today?



What concerns me most (select up to 2)?



Instructions

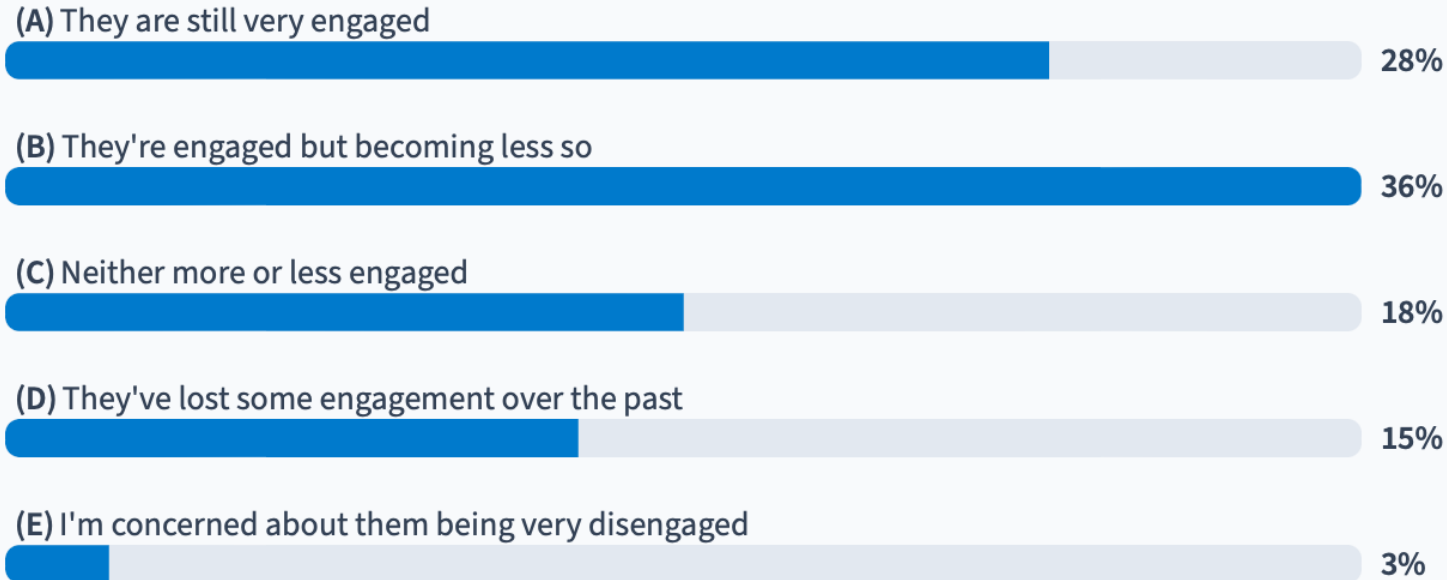
Responses

More



Clear responses

How would you best describe your employees in your team / department



4. Empathy Needed More Than Ever





Definition of EMPATHY

Empathy is the ability to identify and understand another's situation, feelings and motives. It's our capacity to recognize the concerns other people have. Empathy means: "putting yourself in the other person's shoes" or "seeing things through someone else's eyes."

Empathy is connected to
Trust in Leadership

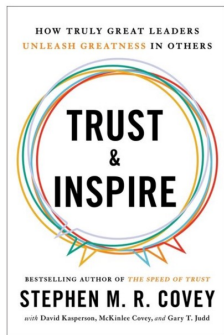
What can Leaders Do to Build Trust?

3. Competence - 69%
2. Integrity - 78%
1. Show concern for the wellbeing of people (Empathy) - 79%





Stephen M.R. Covey

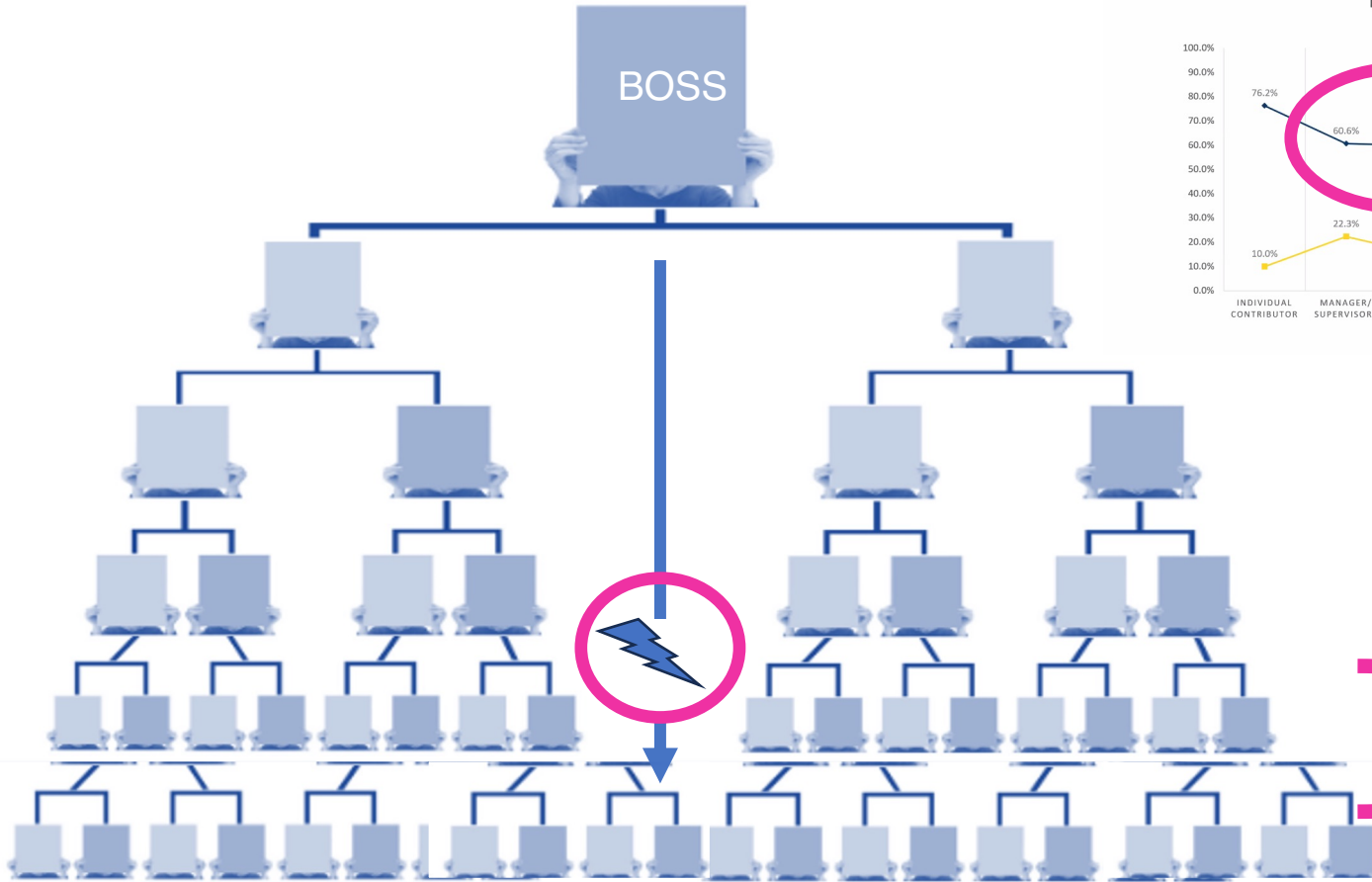


*“Trustworthy + Trusting =
TRUST”*

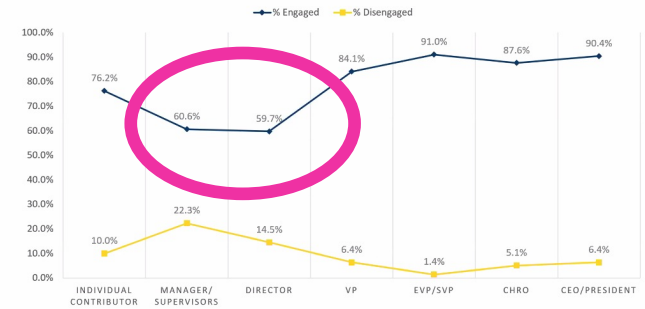
*You must be trusting, not just trustworthy.
We are not trusting enough when trusting our
managers or our teams.*

Empathetic People Leaders are Essential for Engagement

Engagement by Job Level



ENGAGEMENT BY JOB LEVEL



Leverage

*The #1 Driver of both
Employee Engagement and
Employee Disengagement?*

*....one's first line
supervisor (the boss)*

* Gallup survey of 80,000 Global Employees

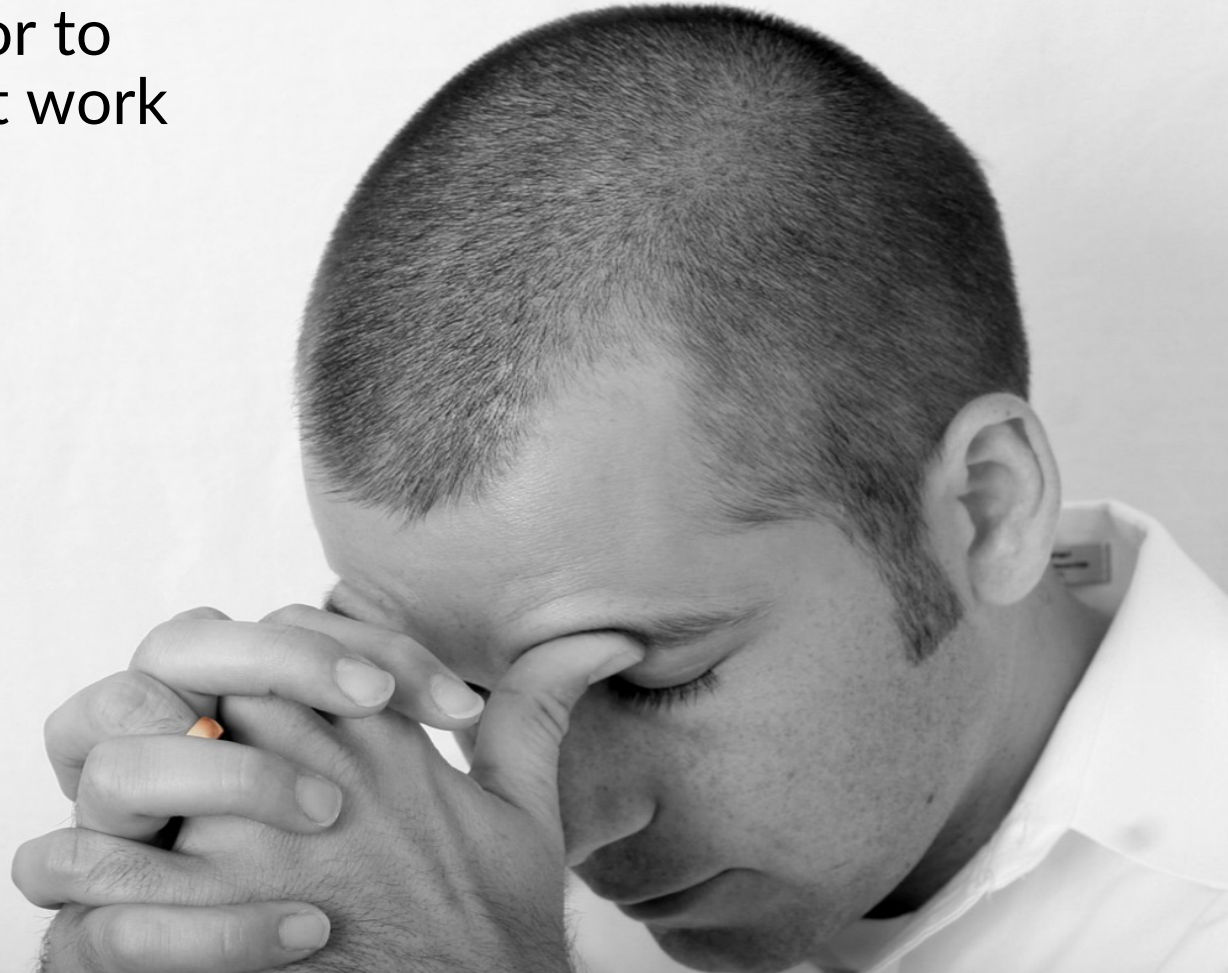
*75% of people voluntarily leaving jobs say their boss is the reason**

* Gallup survey of 80,000 Global Employees

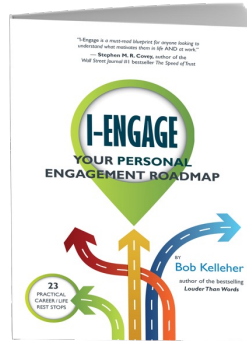
Communicate to them BEFORE communicating with their employees



5. What happens at HOME has never been more of a factor to one's engagement at work



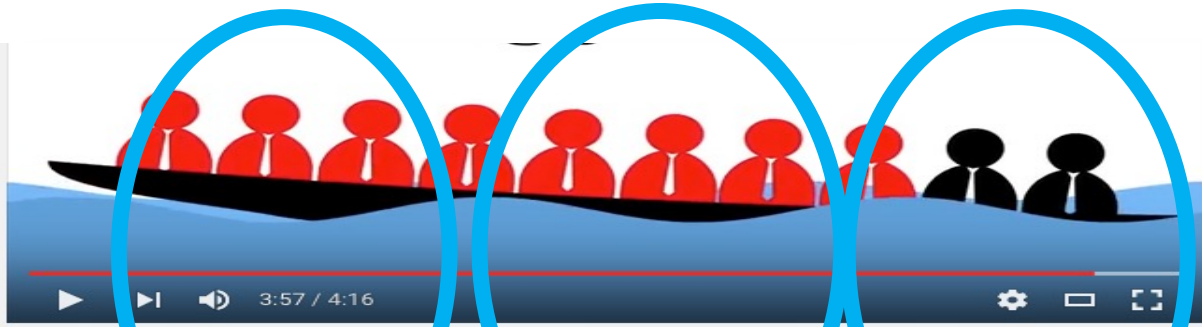
...what we discovered:



Most engagement efforts are centered around the work experience, and not the **WHOLE** person



Who's Sinking Your Boat?



Employee Engagement - Who's Sinking Your Boat?



Bob Kellener

Channel settings

1,300,000

+ Add to Share More

1,834 52

Who's Sinking Your Boat?



Employee Engagement 2022

Why Is Your Boat STILL Sinking?

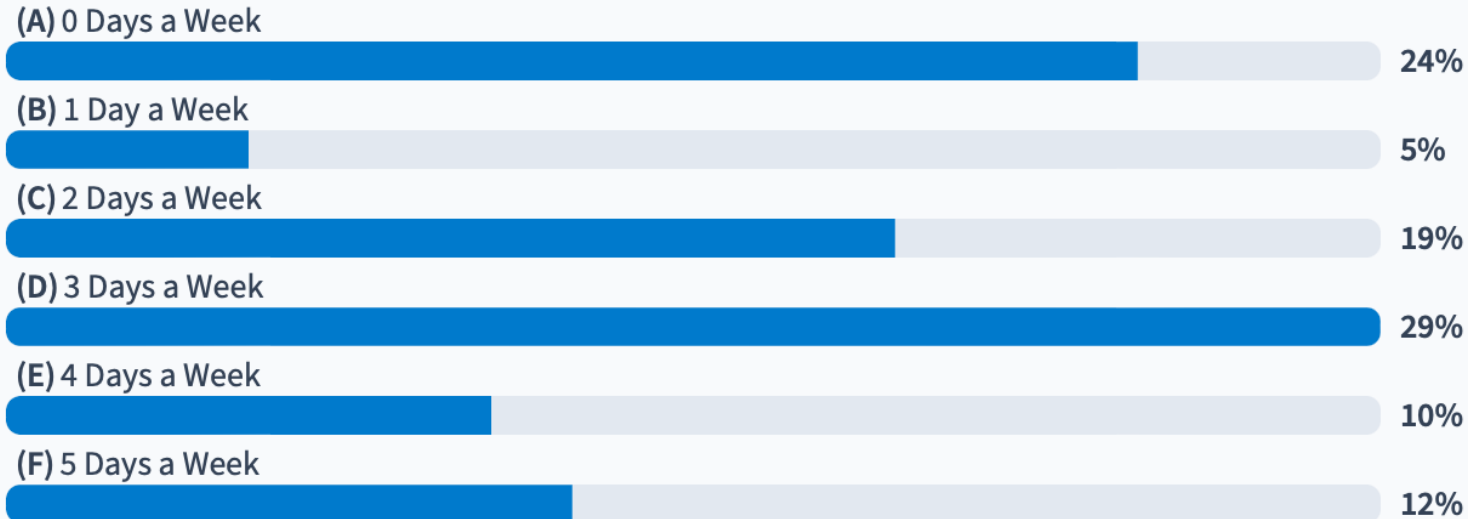


Employee Engagement 2017 3:52

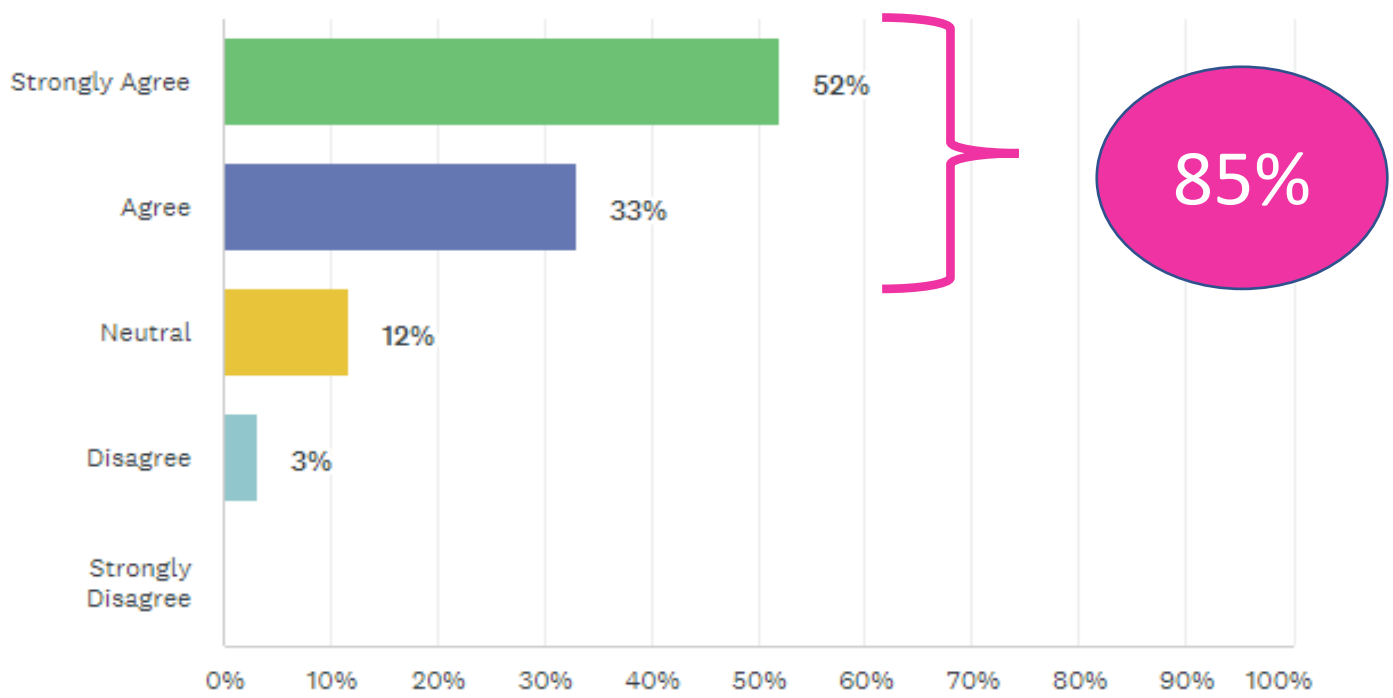
6. The HYBRID dilemma – Employer Needs vs Employee Freedom



What best describes your Organization - Employees are required to be in the office a minimum of:



9. Work flexibility (i.e., the ability to adjust the workday and/or the ability to choose which days to take off) is important to potential candidates.



Elon Musk Gives Twitter Employees a Back-to-Work Ultimatum

**ELON MUSK TO TWITTER EMPLOYEES
'GET YOUR BUTTS
BACK TO THE OFFICE
... Or Bye Bye'!!!!**

f 8.5K



11/11/2022 6:09 AM PT



But, we are increasingly seeing people return to the office

Why?

- Let's face it, face to face management is easier
- We're social animals
- Need to maintain culture
- Benefits of collaboration and celebration
- Career tracks may / will stall if remote is your norm (“out of sight, out of mind”)



The Challenge? Employees Want it Both Ways*

70 percent of employees say they want to choose the days they come in

...but 76 percent say on the days they go in they want their colleagues to go in, too.

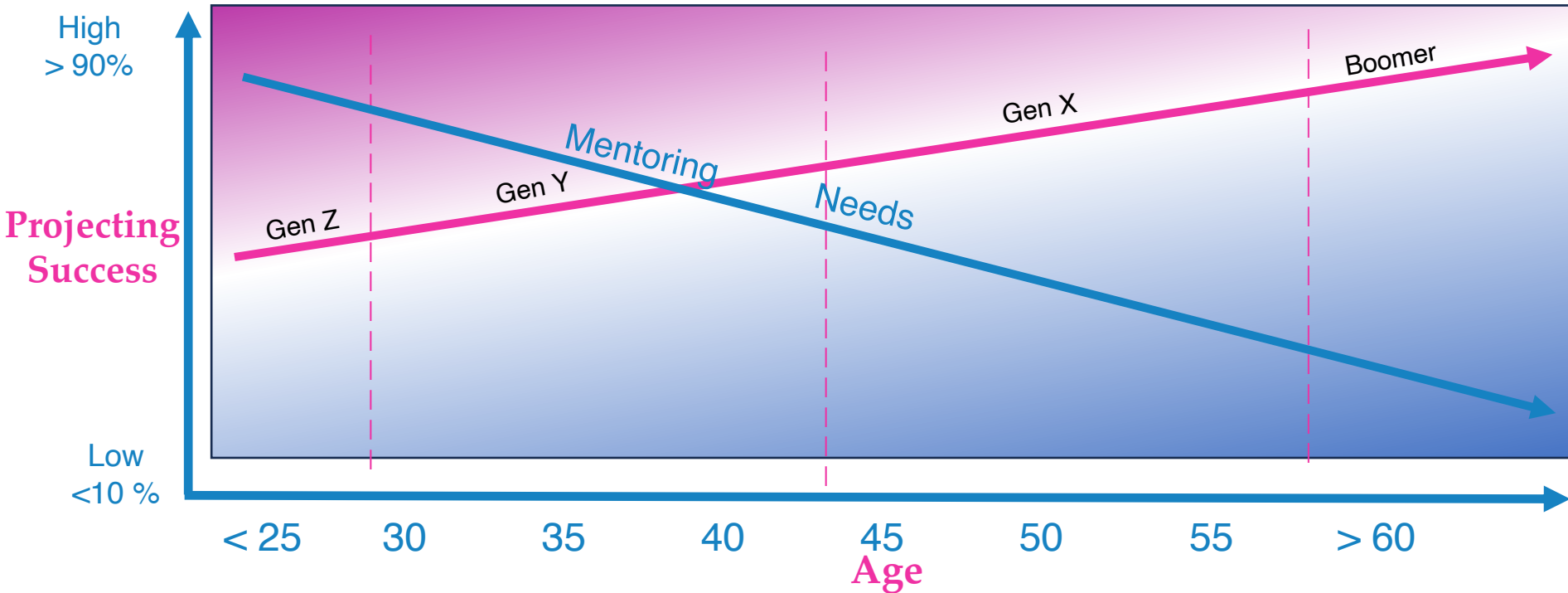
*According to a March 21, 2022 Boston Globe article by By Beth Teitell, Globe Staff citing a survey conducted by Nicholas Bloom, a Stanford University economics professor.

Generational Engagement and the Hybrid Model

- Since Covid, there has been a decline in engagement among remote Gen Z and younger millennials -- those below age 35 (dropping 4% from 2019 to 2022).
- ...also since Covid, Gen Z and younger millennials say they don't feel as cared about and are seeing fewer opportunities to develop




Projecting Success of Remote Work by Generation

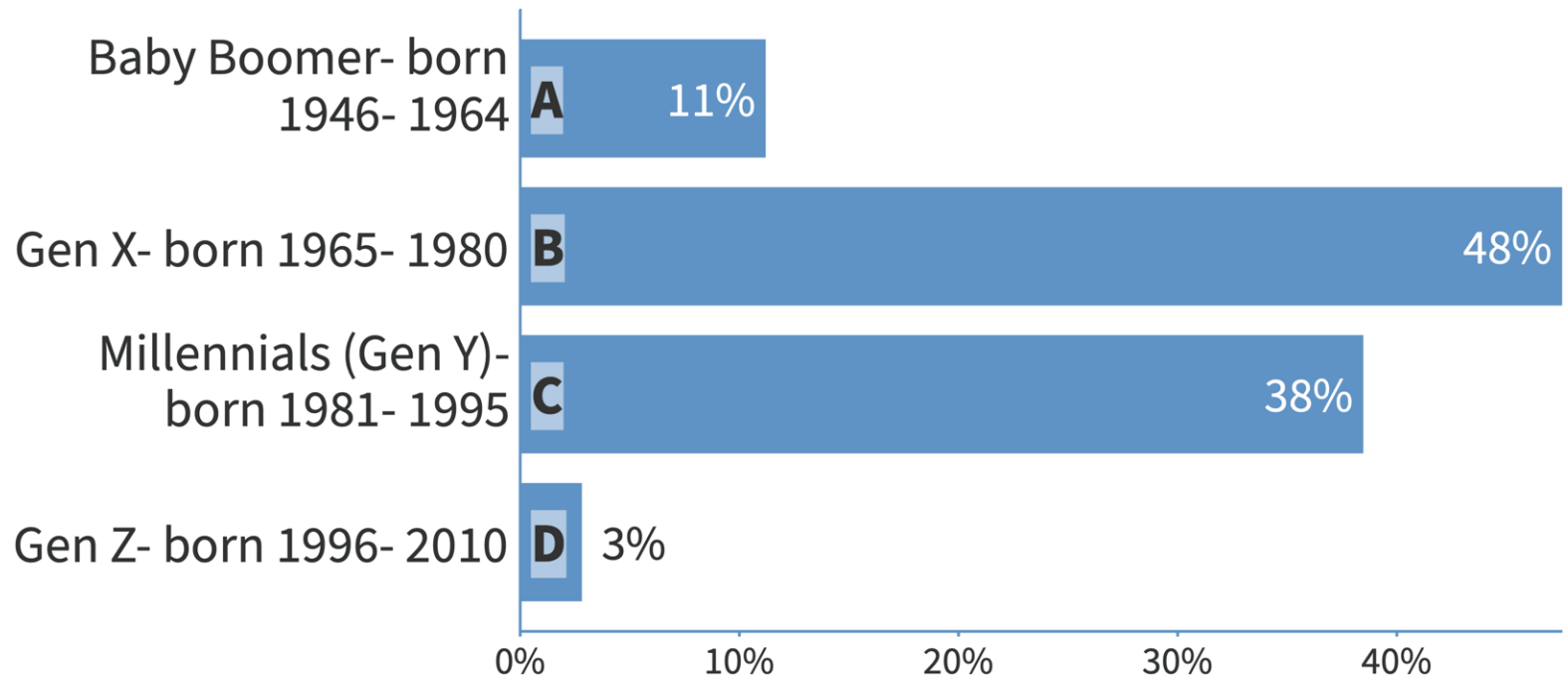


7. – Shifting Workplace Demographics

GEN Z
MILLENNIALS
GEN X
BOOMERS

A top-down view of a lined notebook on a dark wooden surface. The notebook page is filled with handwritten text in large, bold letters. The text lists four generations: 'GEN Z' and 'MILLENNIALS' are written in black, while 'GEN X' and 'BOOMERS' are written in red. A red marker with a black cap lies on the right side of the notebook. To the left of the notebook, there is a pile of crumpled, yellowed paper.

What's your generation?



What's your generation?

(A) Baby Boomer- born 1946- 1964

0%

(B) Gen X- born 1965- 1980

0%

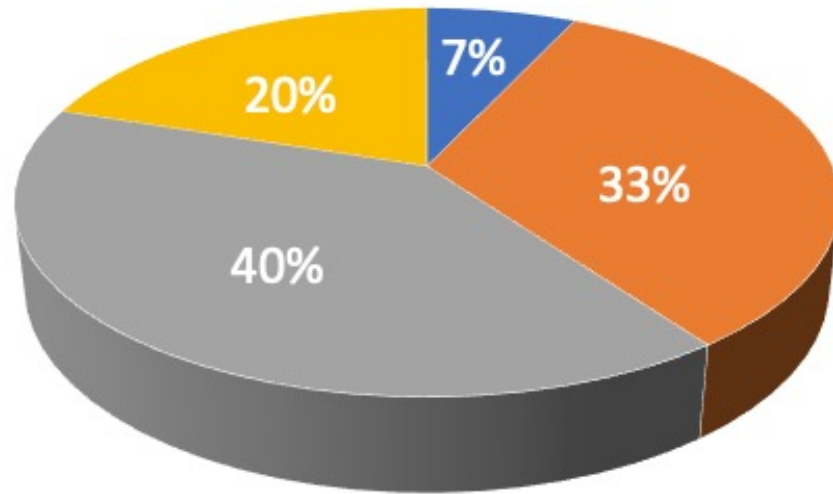
(C) Millennials (Gen Y)- born 1981- 1995

79%

(D) Gen Z- born 1996- 2010

21%

Workforce in 2025



■ Boomers ■ Gen X ■ Millennials ■ Gen Z

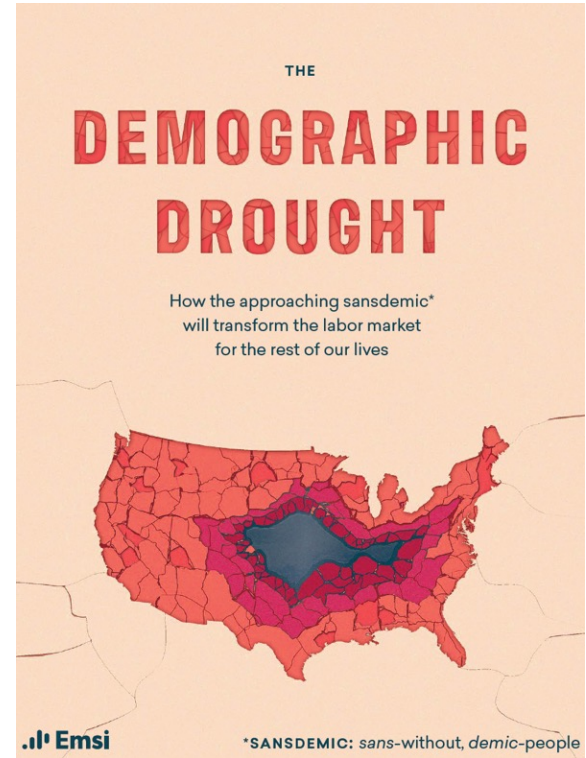
8. Staffing Shortages Will Continue



Korn Ferry predicted that by 2028, a deficit of 6 million workers in US, while 85 million jobs go unfilled around the globe.

In most organizations, growth is fueled by adding employees....

But what if there are no more employees to find?

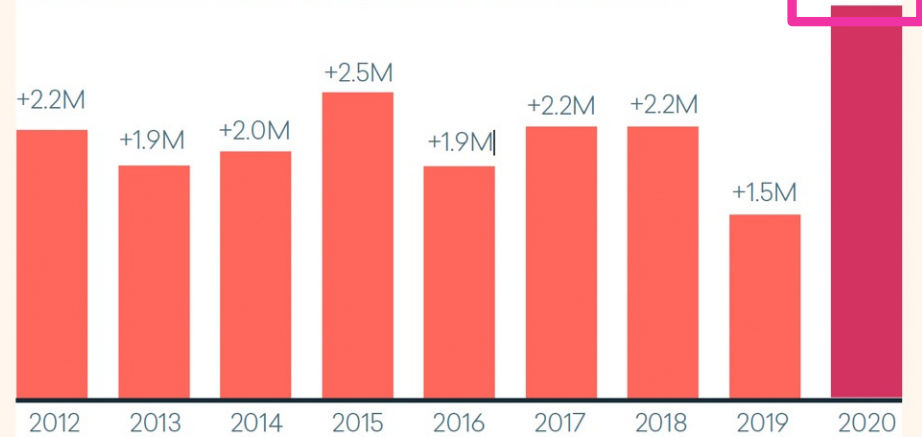


4 Big Factors at play

1. The mass exodus of baby boomers

The children and grandchildren of baby boomers are not replacing the boomers who leave the workforce.

Annual **increase** in Boomer retirements

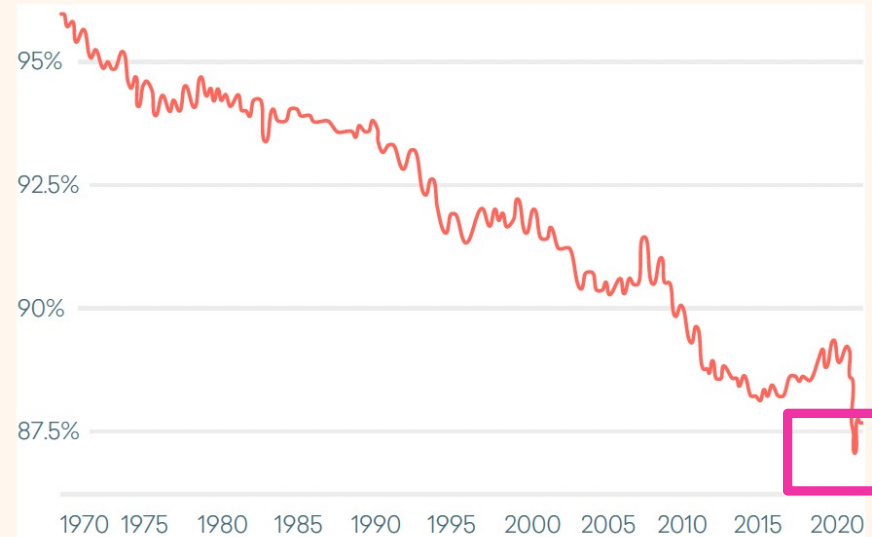


Source: Pew Research Center analysis of July, August and September Current Population Survey monthly files (IPUMS)

4 Big Factors at play

1. The mass exodus of baby boomers
2. Record-low labor force participation rate (LFPR) of prime age Americans (workforce present) as many have voluntarily opted out of looking for work

Prime-age male labor force participation rate plummeted from 94% in 1980 to 89% in 2019



Source: BLS Current Population Survey.

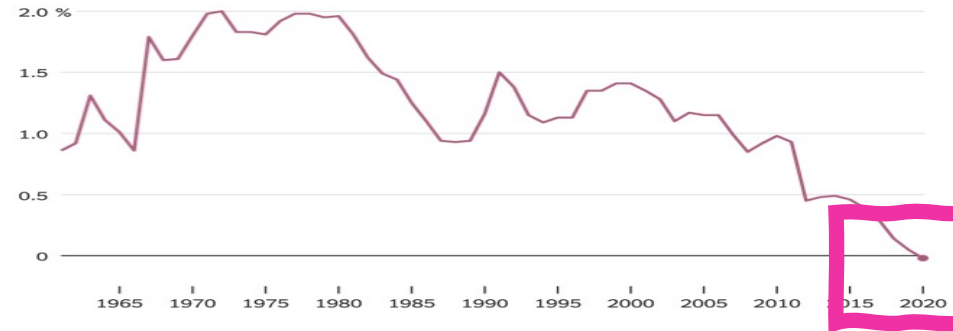
4 Big Factors at play

1. The mass exodus of baby boomers
2. Record-low labor force participation rate (LFPR) of prime age Americans (workforce present) as many have voluntarily opted out of looking for work
3. The lowest birth rates in US history

U.S. Working-Age Population Is No Longer Growing

The number of people between the ages of 20 and 64 shrank in 2020 for the first time on record.

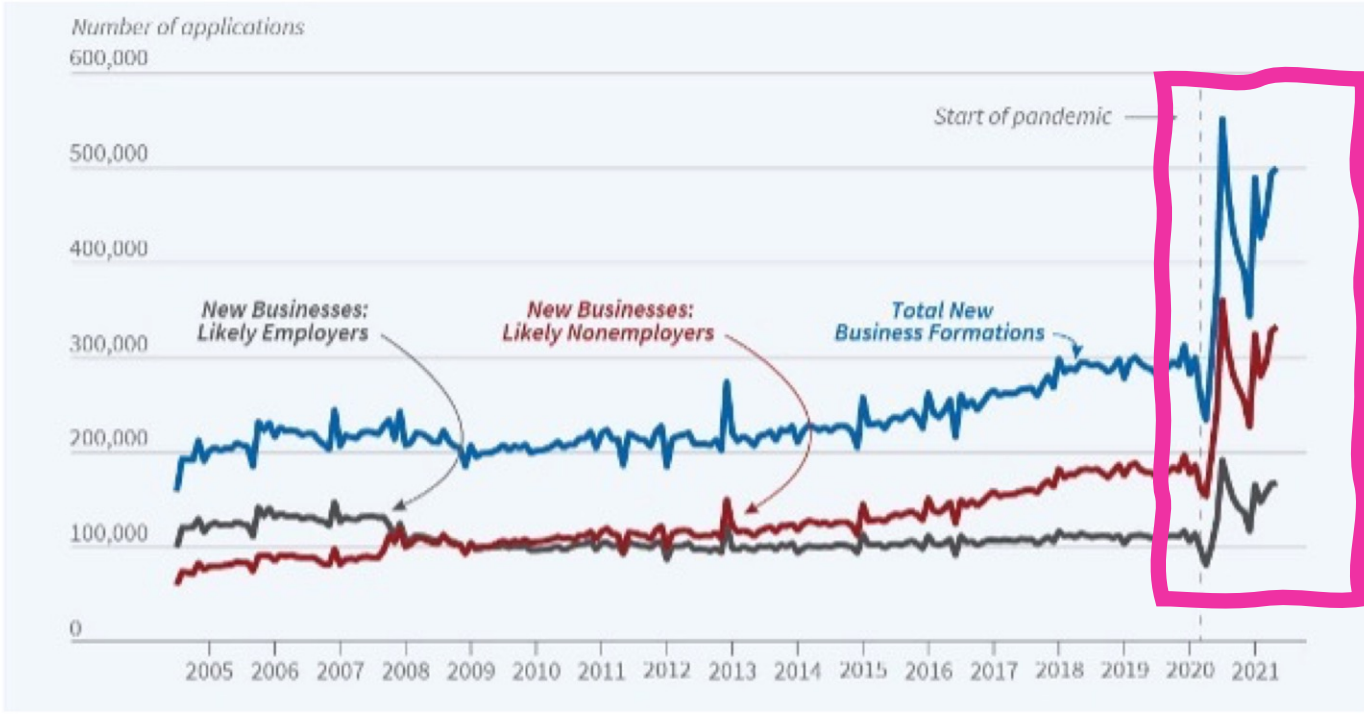
Year-over-year percent change



By The New York Times | Source: Conference Board analysis of Census Bureau data

4 Big Factors at play

1. The mass exodus of baby boomers
2. Record-low labor force participation rate (LFPR) of prime age Americans (workforce present) as many have voluntarily opted out of looking for work
3. The lowest birth rates in US history
4. Post covid launch of entrepreneurs



#SHRM23

C-SUITE ANALYTICS
Business-Driven Employee Solutions

What this means?

1. We can't find people today and tomorrow



2. Quality of Life



Today, it is often much more difficult to find employees than finding customers /clients



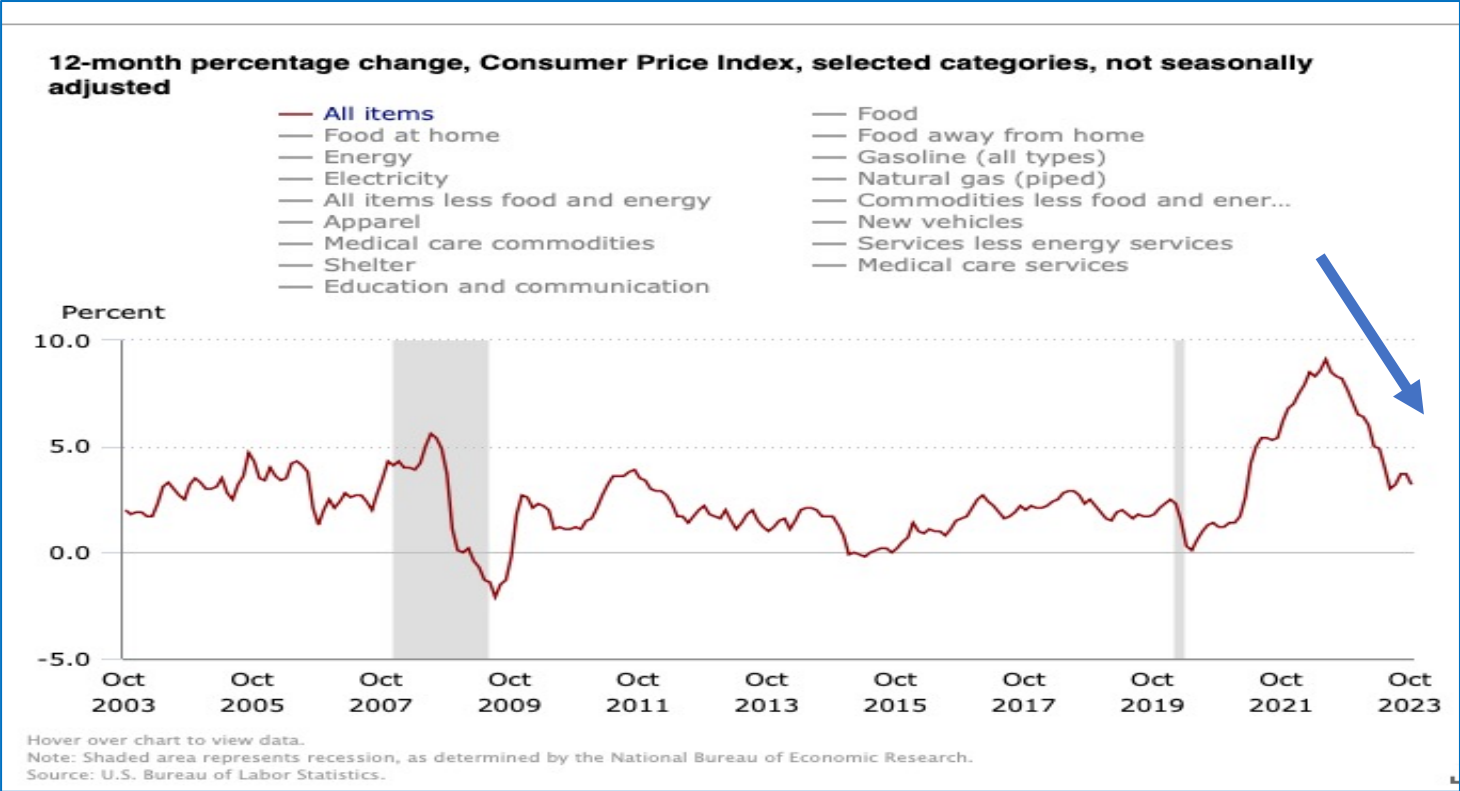
9. Compensation will continue to be a source of disengagement (unfairness)

UNFAIR

FAIR



CPI has stabilized after the inflation spike of 2022, but still elevated



Number of unemployed persons per job opening, seasonally adjusted

Click and drag within the chart to zoom in on time periods



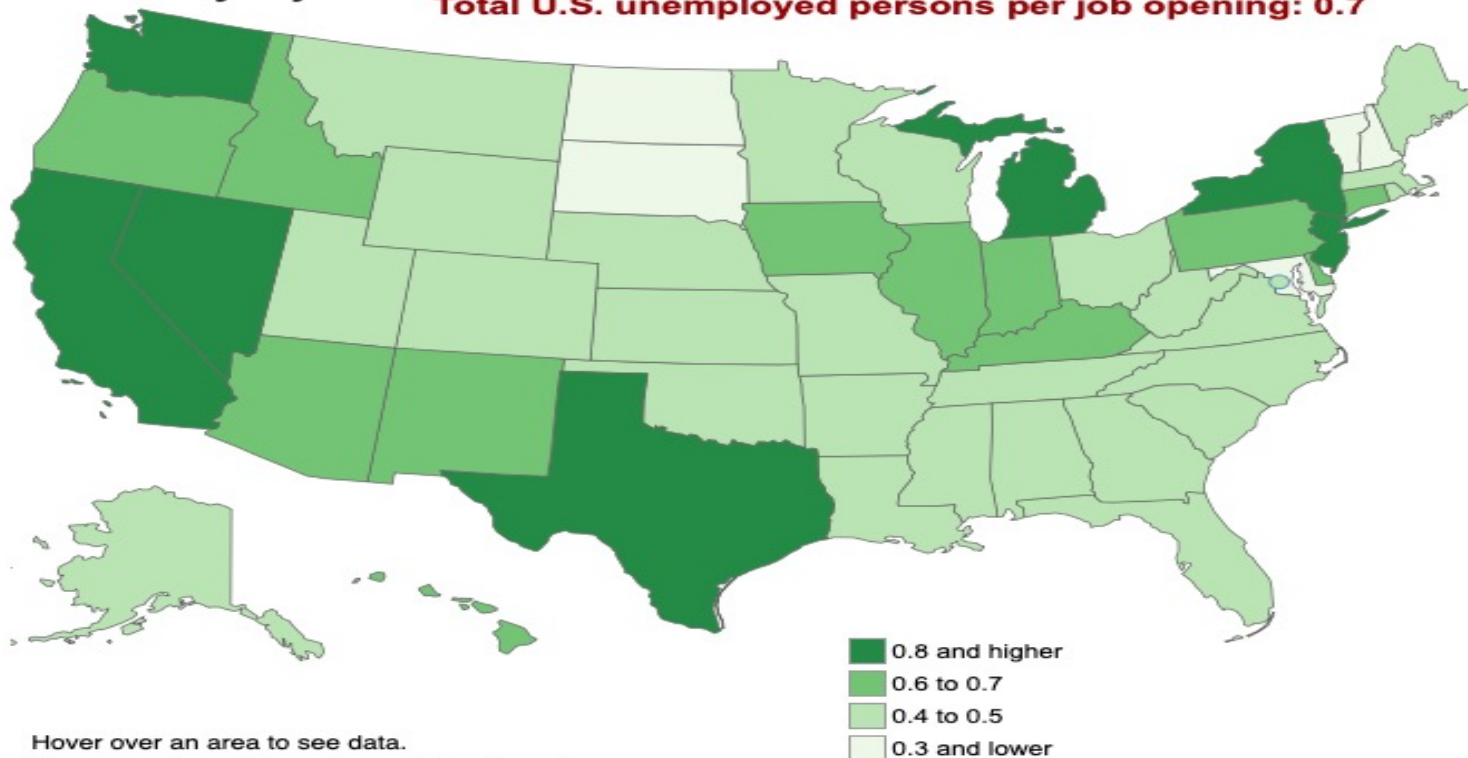
Hover over chart to view data.

Note: Shaded area represents recession, as determined by the National Bureau of Economic Research.

Source: U.S. Bureau of Labor Statistics.

Number of unemployed persons per job opening by state, September 2023, seasonally adjusted

Total U.S. unemployed persons per job opening: 0.7



Hover over an area to see data.

Hover over legend items to see states in a category.

Source: U.S. Bureau of Labor Statistics.

Trailing Indicators



- Your Pay Bands
- Market Data
- Industry Salary Benchmarks

Leading Indicators

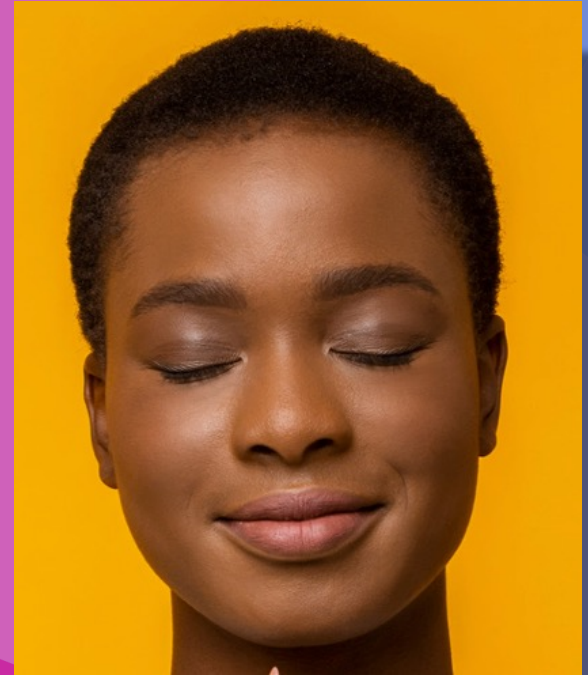


- Economic indicators
- Current engagement surveys
- Exit Interviews
- New Hire Interviews

10. Appreciate and Recognize



Close your eyes –
and think of the
Best Boss you ever had???



Now, close your eyes –
and think of the
WORST Boss you ever had???



What's behind RECOGNITION?

We're all driven to **ACHIEVE**

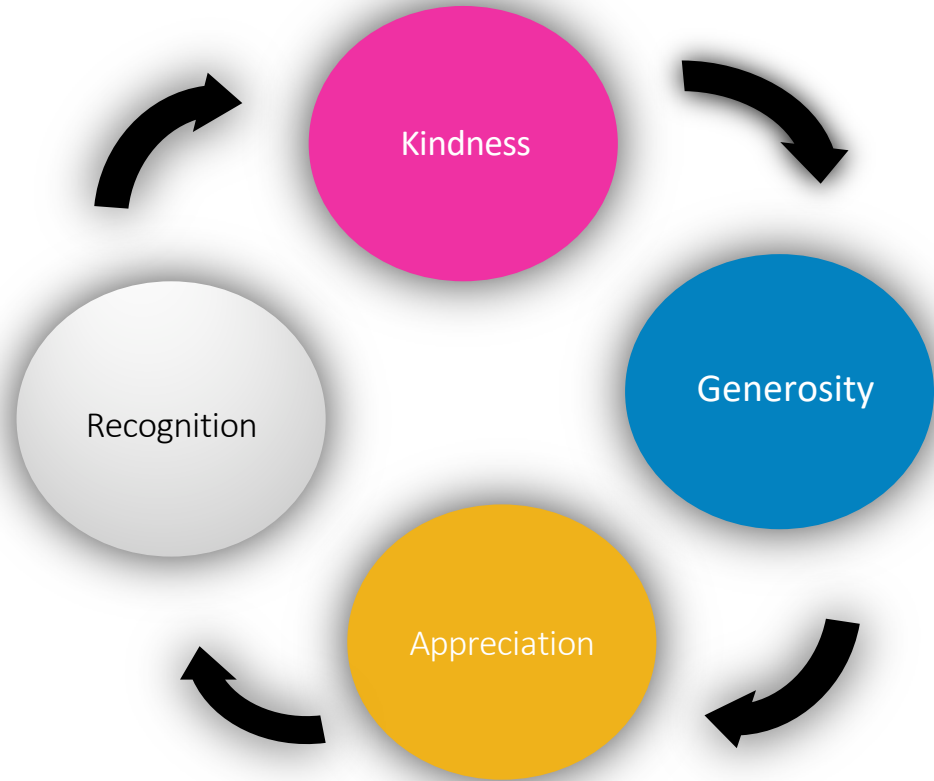




People are Motivated by Recognition and Appreciation



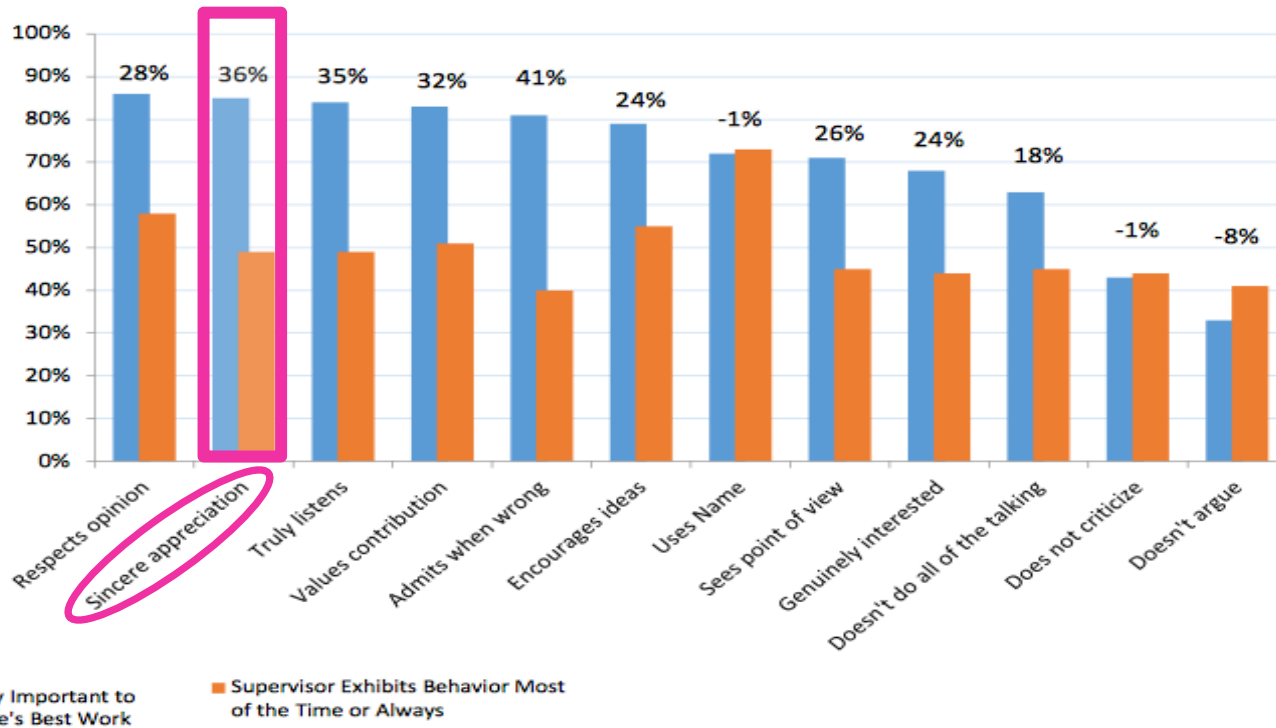
Simon Sinek



69% of employees say they'd work harder if they were better appreciated*

*8 Employee Engagement Statistics you need to know,
SMARP, December 2021

Sadly, we have some work to do



*“...but we don't
have the time...”*



Tara,
I hope this message finds you well. I wanted to take a moment to express my sincere appreciation for your exceptional work and dedication. Your efforts have truly gone above and beyond, and it hasn't gone unnoticed. Your commitment and enthusiasm have made a significant impact on our team and the projects you've undertaken. Your attention to detail and willingness to go the extra mile have been invaluable.

Thank you for your hard work, positive attitude, and unwavering dedication. Your contributions make a real difference, and I am grateful to have you as part of our team.

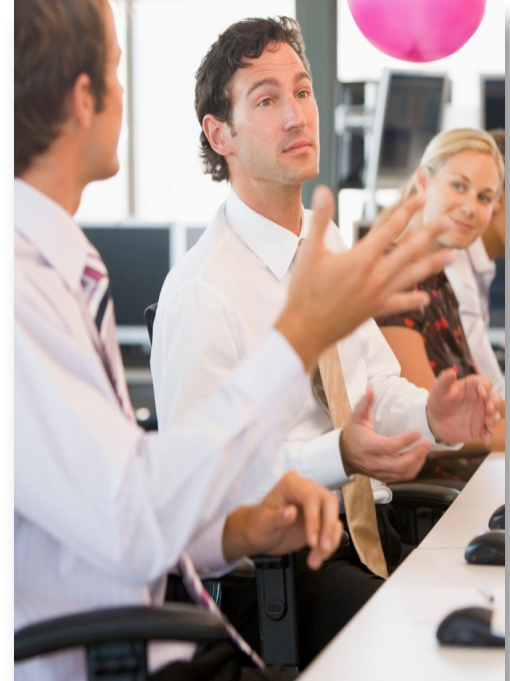
Keep up the fantastic work!

Hi Meg,
I hope this message finds you well. I wanted to extend my heartfelt gratitude for your willingness to take on additional duties over the upcoming week. Your proactive approach and willingness to go beyond the expected responsibilities truly stand out.

Your commitment to ensuring the team's success by shouldering extra tasks does not go unnoticed. Your initiative and dedication are immensely appreciated, and it speaks volumes about your reliability and dedication to our goals.

Thank you for stepping up and making a significant contribution. Your effort and positive attitude are invaluable assets to our team. Wishing you success in managing these additional responsibilities!

In Closing, remember to take care of YOU first



A sunset scene with a bright sun low on the horizon, casting a warm orange glow over a range of mountains. The sky is filled with soft, dark clouds. The foreground shows the dark silhouette of a hillside.

Thank You

Bob Kelleher

The Employee Engagement Group

rkelleher@employeeengagement.com

www.EmployeeEngagement.com



Thank You!



www.EmployeeEngagement.com



...Following our Forum



- Evaluations
- Poll Summary
(in Bob's presentation)
- PDF's of Presentations
- HRCI and SHRM credit forms

Some workforce 2025 themes

- Gen Z will be a 'player' – 27% of the workforce in 2025
- Gen Y will be over 50% of workforce (learning, money, and security will grow in importance)
- Gen X will become even more in demand
- More people will opt for the 'gig' economy (nontraditional employment relationships)
- Think assignments rather than position descriptions
- Passion, curiosity, and empathy will be key competencies of leaders
- Elder care will become a hot workplace issue and benefit
- Your employment brand will become increasingly important