

The ‘Ugly Truth’ Behind Rising Employee Disengagement

Most workers are not thriving at work, Gallup poll reveals

By Varvara Budetti | March 20, 2023

American workers are feeling stressed, burned out and uncertain about their career paths, and those feelings are negatively impacting their work, according to new research from **Gallup**. Whether stress or worry is holding them back, a majority of employees aren’t actively engaged in their work.

Data from Gallup shows that employee engagement slumped to a seven-year low in 2022, down to 32%. And though businesses with happier workers have 23% higher profits, there appear to be few companies where employees are truly thriving.

Likewise, disengagement is a costly problem. According to Gallup, the loss in productivity stemming from employee disengagement costs \$7.8 trillion globally. That means if disengagement were a country it would be the world’s third largest economy.

If there is a solution to be found, the root of the problem may be a good place to look, sources told Agenda.

“We’ve experienced the largest workforce transformation after Covid disruptions changed beliefs, policies, common practices and value proposition for employers and employees around the world — from workplace trends like the Great Resignation and quiet quitting to employees’ expectations of their employers and employment trends driven by navigating the rising cost of living and so on,” CEO of **WorkForce Software** **Mike Morini** said.

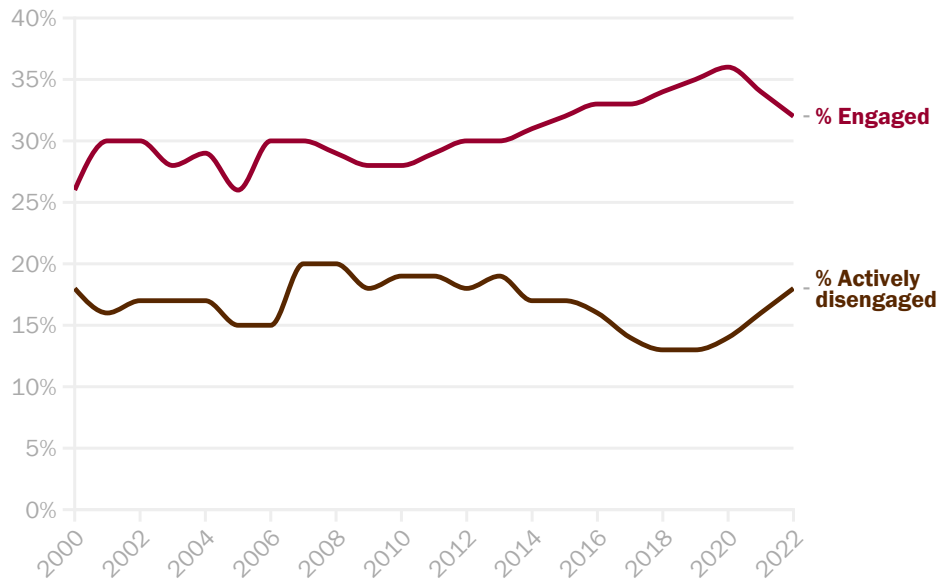
“The pandemic and economic uncertainty have taken a toll on people, leaving them feeling stressed, isolated, burned out, and exhausted, which is having a major impact on their overall engagement.”

The Gallup poll found that recent decreases in active engagement came from five key areas. Employees were less likely to have clarity of expectations, connection to the mission of their company, and opportunities to learn and do what they do best, and they were less likely to feel cared about at work.

Younger generations, who make up larger swaths of the workforce each year, have been most impacted by the pandemic. Those under 35 saw a four-point decrease in engagement and a four-point increase in active disengagement.

The Great Disengagement

Employee engagement reaches seven-year low



Source: Gallup

Active disengagement is Gallup’s “technical term” for being miserable at work.

  AGENDA 
“We are now seeing significant discussion around the broader concept of employee engagement,” said **Dimitris Tsingos**, co-founder and president of workplace learning provider **Epignosis**. “Companies now, all of a sudden, face a new reality. And they need to find how to deal with this situation.”

Tsingos said that, though engagement is taking the conversational forefront now, “good companies have always been working on employee engagement, and now it only became more important and the effects of not working on that are becoming more evident for everyone.”

Learning opportunities can help increase engagement and happiness in a workplace and bring people together, he said, and finding solutions often begins by simply asking.

“You first of all need to ask the question, what would you like to be offered to you in terms of learning opportunities. This so simple first step is often ignored, and unfortunately many companies ask a consultant.”

But answers from each workforce will also need to be interpreted. For example, Tsingos said Epignosis began offering a masterclass in philosophy as part of its available internal training after workers expressed a desire for finding purpose and ways to deal with stress. Employees flocked to the new offering, which became the company’s most popular course.

Tsingos said that, though fringe benefits like philosophy classes are a great way to keep employees engaged in the workplace, they shouldn’t be the first line of defense against burnout. Instead, he advises companies to first look at their budgets and assess their ability to provide quality of life improvements like pay increases.

“It is an ugly truth that cost of living has been increasing a lot and the first response is that companies, to the extent that they can, must try to adjust compensation,” he said.

Whether it's increasing pay or offering learning opportunities, increasing workplace engagement will be an investment.

AGENDA



“If employers are not modernizing and providing employees with digital management and communication tools they can use from their phones, they will end up having a workforce with low engagement and productivity, and eventually they will lose great talent,” Morini said.



“Employers need to make investments in this type of technology so managers can better communicate and collaborate with their employees, create a happy work environment and a better employee experience, and make it easier for workers to perform their daily tasks and stay connected with one another.

Given the technology to facilitate effective communication, employees can focus on what matters at work instead of adding to their to-do lists, Morini added.

“Retail employees who have easy, tech-enabled access to information won't waste time looking around the break room for printouts of work-related updates on processes or scheduling. And manufacturing workers won't have to stay late after their shifts to complete trainings.”

Gallup also suggests embracing a hybrid work schedule, which allows remote-ready workers flexibility while building on office culture.

Communication has changed a lot since 2020, too, but by having open conversations with employees, management can get a sense of how they're feeling and what can be done.

 Print |  Email | Text A A

 Prev Next 

Contact the reporter: vbudetti@money-media.com

Purchase a reprint: [click here](#) or (212) 542-1265