# The High Cost of Pessimism

Today's Greatest Workforce Threat... and What to Do About It





### **Uncertainty + Pessimism + Disconnect + Cost**

The **meQ Summer 2025 State of the Workforce Report** reveals a triple threat eating away at your workforce right now, quietly eroding performance and engagement. It's creating risks to your people, your teams, and your business.

This comprehensive study examines the psychological state of the modern workforce in the age of VUCA—volatility, uncertainty, complexity, and ambiguity–a concept adopted by the military to describe post-Cold War conditions but now perfectly capturing our business landscape.

It starts with the pervasive uncertainty we're all feeling about AI, the economy, politics... virtually everything.



## Uncertainty

Uncertainty isn't going away. It's the new normal in work and life, and the result is stress.

42%

of employees report a high degree of stress due to uncertainty on the job

## 27%

higher uncertainty stress is reported by remote workers compared to their on-site counterparts

## **68%**

higher productivity impairment in employees experiencing high uncertainty-related stress



higher burnout risk in employees experiencing high uncertainty-related stress



## Pessimism

Uncertainty is driving pessimism, a negative outlook on the present or future state of affairs. Compared to 2023 our research shows:

• Pessimism about financial situations is up 60%

Pessimism about jobs is up 21%

**67%** of employees feel pessimistic about the state of the country

Pessimism in the workforce directly undermines workplace productivity and mental health. Employees with work-related pessimism experience over 60% lower productivity, and face 1.3x greater risk of depression.



Disconnect

Together, uncertainty and pessimism drive employee disconnect, a complex mix of burnout, psychological contract breach, and an erosion of trust in leadership.

Disconnect doesn't discriminate. Remote, hybrid, job title, seniority, compensation structure, and gender do not matter. All employees are at risk. Severe symptoms of disconnect have critical consequences for the organization, as these individuals suffer from as much as 66% greater productivity impairment.

Uncertainty, pessimism, and disconnect are more than a case of the Mondays or complaints at the water cooler.

#### They are business liabilities.

## **The Impact on Business**

Within your workforce, the triple threat of uncertainty, pessimism, and disconnect are actively driving the mental health issues that translate to significant business costs. Here are just some of the risks they bring to your organization.



#### **BURNOUT**

Uncertainty stress can increase burnout risk **by up to 81%.** 

Employee burnout costs companies anywhere from **\$4,000 to \$21,000 per employee, per year**.



#### TURNOVER

Besides disrupting morale and triggering a possible **resignation domino effect**, replacing an exiting employee can cost **50-200% of the employee's annual salary**.



#### LOST PRODUCTIVITY

Poor mental health costs U.S. companies **<u>\$47.6</u> <u>billion a year</u>** in lost productivity.

Uncertainty, pessimism, and disconnect are all actively contributing to this drag across your workforce, right now.



#### **ABSENTEEISM**

Pessimism drives increased risk of depression.

Employees with depression miss about **27 days of work per year** compared to their peers. You might not see it coming.

# Employees do not automatically recognize their own stress—or how it affects their safety and performance.

42% of respondents agreed that they are experiencing personal stress due to workplace uncertainty. When identifying stress levels of their colleagues, fully 50% more (63% of employees) said that "people" were stressed at work due to uncertainty.

This suggests that stress is likely underreported to leadership.

## **Key Recommendations**

3 Key Steps business leaders can take to address uncertainty, pessimism, and disconnect in the workforce:



#### Invest in developing realistic optimism skills among employees.

This trait consistently shows the strongest protective effect on reducing pessimism.



#### Strengthen managerial support systems as a priority intervention strategy.

Managers who support team mental well-being reduce personal uncertainty stress by 37% and create environments where peer support flourishes, reducing disconnect by nearly 50%.



## Build emotion control capabilities.

Employees with strong emotion control skills show 57% lower uncertainty stress, making this a highly actionable target for workplace interventions.

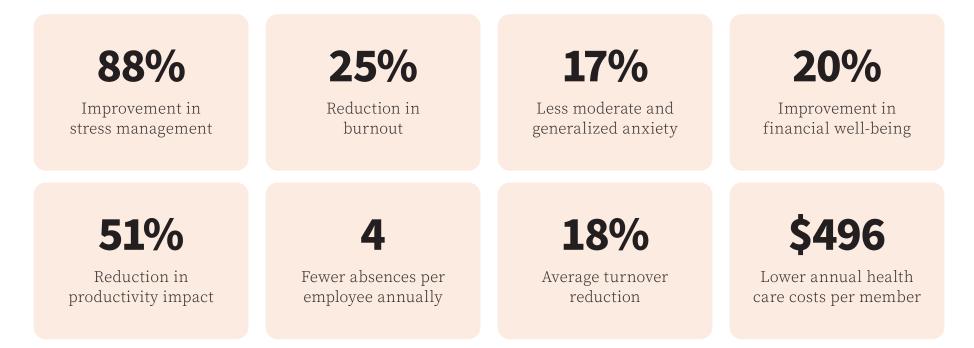
For a deeper dive on the current trends impacting your workforce, as well as 2 more key recommendations, download the full <u>State of the Workforce Report.</u>





## meQ Drives Results for Performance and Well-being

meQ pinpoints the performance and well-being risks affecting your workforce and helps you address them at scale, with a full suite of interventions.





## **Get Started Today**

Find out how meQ can improve the well-being of your people, and reduce healthcare costs for your company. Get started today!

#### **Contact a meQ Specialist**

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