



BRAD SMITH, PH.D.
Chief Science Officer

THE PIVOTAL ROLE OF MANAGERS IN EMPLOYEE WELL-BEING, PRODUCTIVITY, AND RETENTION: A 2023 meQ Member Research Report

EXECUTIVE SUMMARY

Since July 2020, meQuilibrium has been tracking changes in employee well-being through a series of bi-annual surveys of its member population—our Self Check surveys. Originally focused on pandemic-related well-being trends, the scope of the effort has broadened to take on new topics in its last several iterations. Sixth in a series, this report details findings related to well-being, retention, productivity and other topics across a sample of 5,483 meQ members. Data were collected via online survey in January 2023 and include respondents from a broad range of industries, featuring both individual contributors and managers.

FIVE CENTRAL FINDINGS EMERGED FROM THE MOST RECENT RESEARCH

- 1. OUR DATA CONFIRM A PRODUCTIVITY DECLINE, MOST NOTABLY AMONG EMPLOYEES UNDER 30.** The current data show that stress is interfering substantially with employee productivity. Self-reported stress-related productivity impairment is up by 33% over pre-pandemic levels. While employees across the age spectrum report productivity challenges, the impact is most acute among employees under 30 who are 62% more likely to report stress-impaired productivity than employees 60 and older. Further, younger employees were 2.7 times more likely to endorse the concept of “quiet quitting”—doing only the work one is paid for. The productivity challenges noted here are sufficiently widespread as to indicate the root cause is bigger than and different from mental health risks.

- 2. EFFECTIVE MANAGERS REMAIN PIVOTAL TO RETENTION, BURNOUT RISK, TRUST IN MANAGEMENT, AND MORE.** The evidence for the pivotal nature of managers for an array of well-being and business outcomes continues to mount. Effective managers who look out for team mental well-being provide psychological safety, cut burnout risk in half, and amplify trust in management. Managers who are attentive to team well-being can reduce turnover risk by as much as 78%. Despite—or perhaps due to—their pivotal role, managers are often at higher risk for poor outcomes than the employees they lead.

- 3. INCIVILITY AT WORK IS COMMON AND PROFOUNDLY COSTLY FOR RETENTION, WELL-BEING, AND PRODUCTIVITY.** Given the deepening polarization on political and social issues, coupled with widespread economic pressures and the return to on-site work, it is unsurprising that workplace incivility is reported to be on the rise. These data confirm that mild forms of incivility are in fact quite common among employees in 2023, with as many as 1 in 4 employees reporting being ignored or talked over at work. The data further show that low- to no-cost interventions such as improving manager support for mental well-being and enhancing psychological safety on teams are powerfully protective against workplace incivility.

- 4. THE MIX OF EMPLOYEES ACROSS WORK LOCATIONS—HYBRID, ON-SITE, AND REMOTE—CONTINUES TO SHIFT, BUT THERE IS NO EVIDENCE OF ADVERSE OUTCOMES AMONG THE REMOTE-ONLY WORKFORCE.** There has been an almost 50% increase in employees working at their normal work site since December 2021. Across all three work locations, engagement, productivity, and turnover intent among remote employees is on par with—or better than—other types of employees.

- 5. HIGHLY RESILIENT EMPLOYEES ALWAYS FARE BETTER, EVEN WHEN THINGS ARE DIFFICULT.** Individual resilience confers strong protection against poor outcomes. The most resilient employees are much less likely to endorse “quiet quitting” as a strategy at work, and show less than half the level of stress-related productivity impairment as their less resilient counterparts. Resilience is particularly valuable in challenging work environments characterized by a high degree of incivility. Turnover risk in low-incivility environments is reduced among the highly resilient by 41% in low incivility environments, but resilience reduces retention risk by almost 60% in high incivility environments.

PRODUCTIVITY IS DOWN, PARTICULARLY AMONG THE YOUNGEST WORKERS

Data from the Bureau of Labor Statistics indicates that worker productivity, which measures an employee output in goods and services per hour, experienced its sharpest decline on record since 1947 during the first half of 2022. This follows a robust 2021, where worker productivity grew by about 3% in each of the first and second quarters, and a stellar 2020 which saw double digit increases in what in many ways resembled a “wartime” economy.

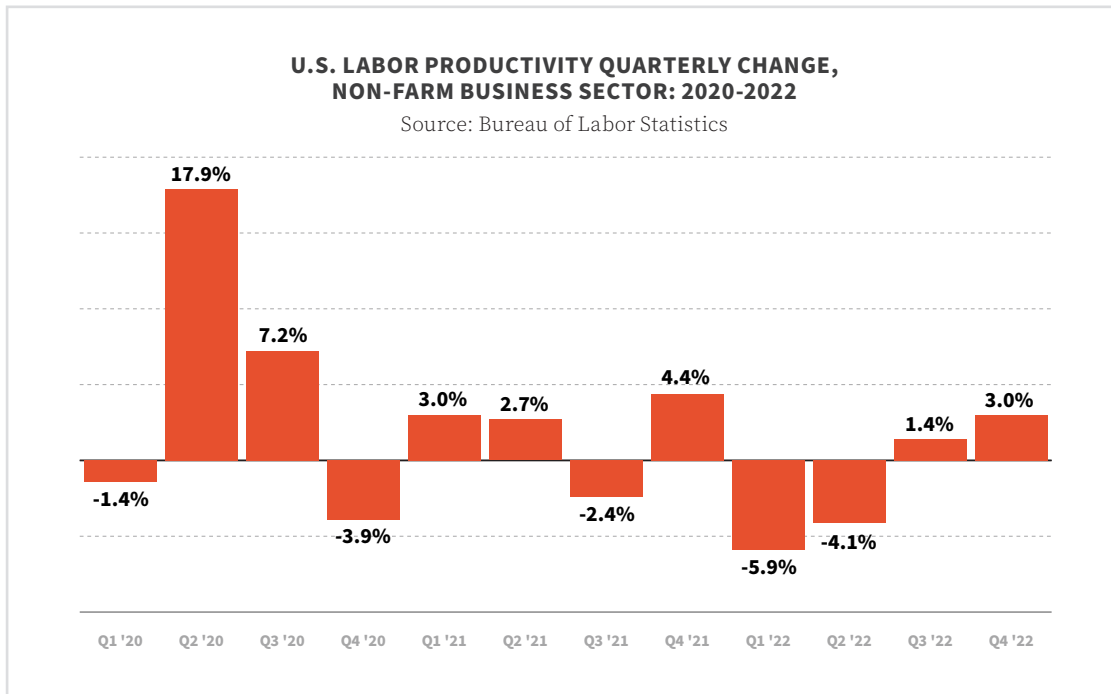


FIGURE 1

While productivity has rebounded somewhat since the first half of 2022, it remains top of mind for leaders across an array of industries. Depending on who you listen to, the productivity drop is either the impetus for—or a casualty of—the movement to return to on-site work.

IS SELF-REPORTED PRODUCTIVITY ALSO DOWN?

Whatever the genesis of the productivity conundrum, data from the most recent Self Check are largely consistent with recent reports of diminished productivity. Productivity was assessed with 2 distinct measures: 1) a question which taps into the idea of “quiet quitting”—the degree to which the respondent agrees that “employees should do only the work they are paid for” and 2) an overall self-report of productivity impairment/presenteeism. Given the challenges in assessing objective productivity across a wide variety of industries and occupations, productivity was measured with the Work Productivity and Activity Impairment (WPAI) questionnaire.

The current data show that stress is interfering substantially with employees' feelings that they are able to get things done. Self-reported productivity impairment scores are up (FIGURE 2) by a third—ten percentage points—over pre-pandemic levels.

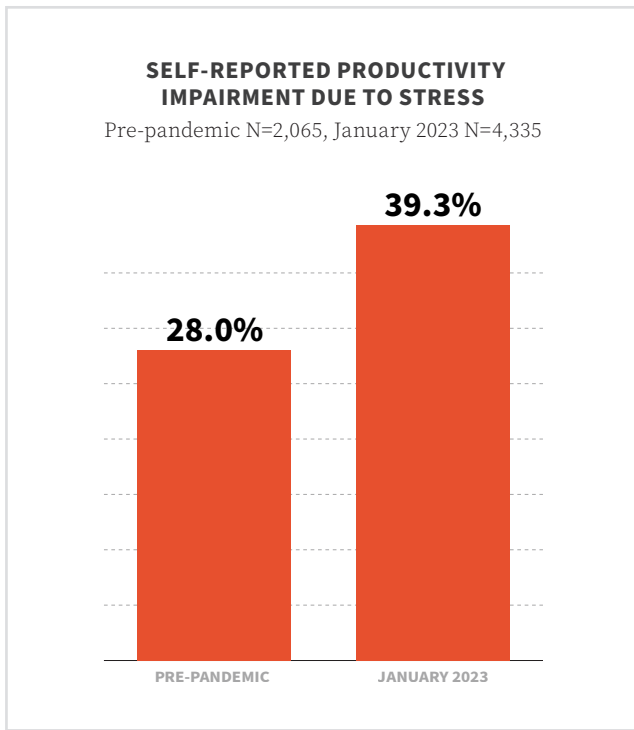


FIGURE 2

WHO IS MOST IMPACTED BY STRESS-RELATED PRODUCTIVITY ISSUES?

The productivity slowdown appears to be particularly acute among the youngest employees. Employees under 30 show both the highest stress-related productivity impairment on the WPAI measure (**FIGURE 3**) and also endorse “quiet quitting” at the highest rate of any age group (**FIGURE 4**).

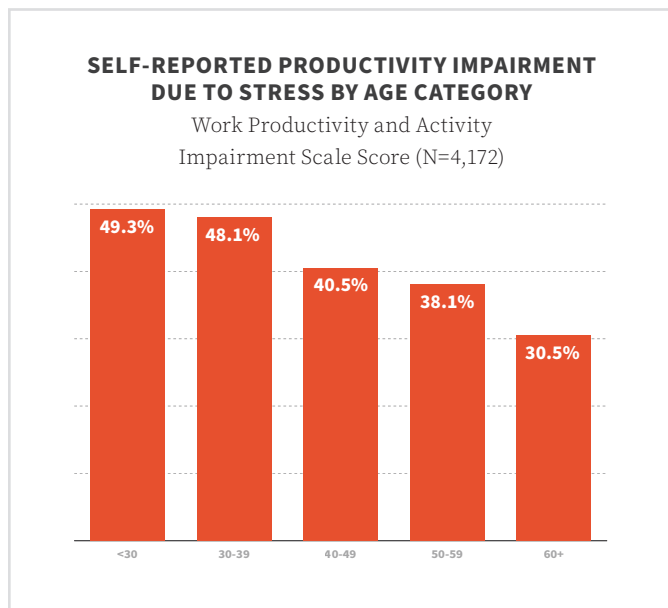


FIGURE 3

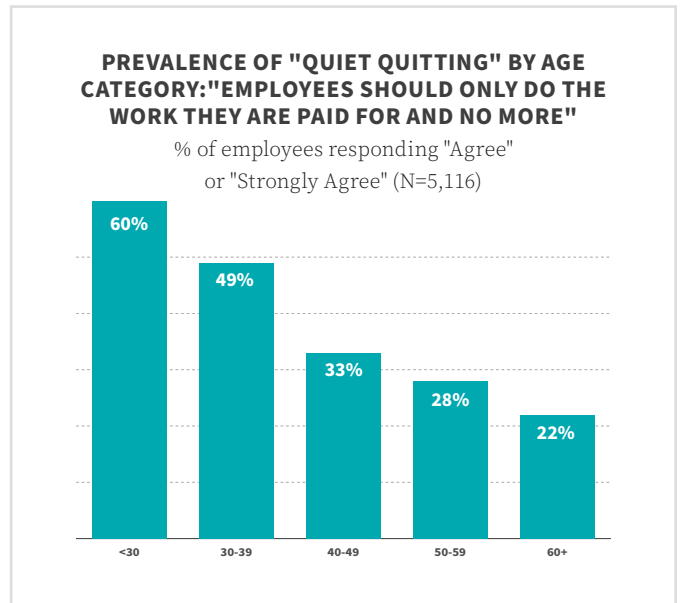


FIGURE 4

MANAGERS REMAIN PIVOTAL TO TEAM WELL-BEING AND PRODUCTIVITY BUT ARE THEMSELVES AT HIGHER RISK

During the pandemic, managers took on additional work, and also provided care for their teams which in many cases were spread out. Previous waves of the Self Check showed that employee perceptions of manager support were powerfully protective for employee mental well-being. Post-pandemic, the evidence for the pivotal nature of managers across an array of critical measures continues to mount. Effective managers who look out for team mental well-being dramatically improve retention, speed innovation by ensuring psychologically safe environments, cut burnout risk, amplify trust in management, boost productivity, and provide an important buffer against incivility.

HOW MUCH DOES MANAGER SUPPORT IMPACT EMPLOYEE MENTAL WELL-BEING?

It's difficult to overstate the impact of manager support for mental well-being on employee outcomes. Well-supported employees are 25% less likely to struggle with somatic symptoms of stress (39.7% vs 30%), 33% less likely to have a hard time getting motivated in the morning, and 56% less likely to have high work stress. The prevalence of burnout is 58% lower among employees who enjoy strong manager support for mental well-being. The cumulative impact of strong manager support is aptly summarized by the retention risk differential noted in **FIGURE 5**: employees who don't feel well supported by their manager are 4.5 times more likely to be a retention risk (17.4% vs 3.8% considering quitting their job).

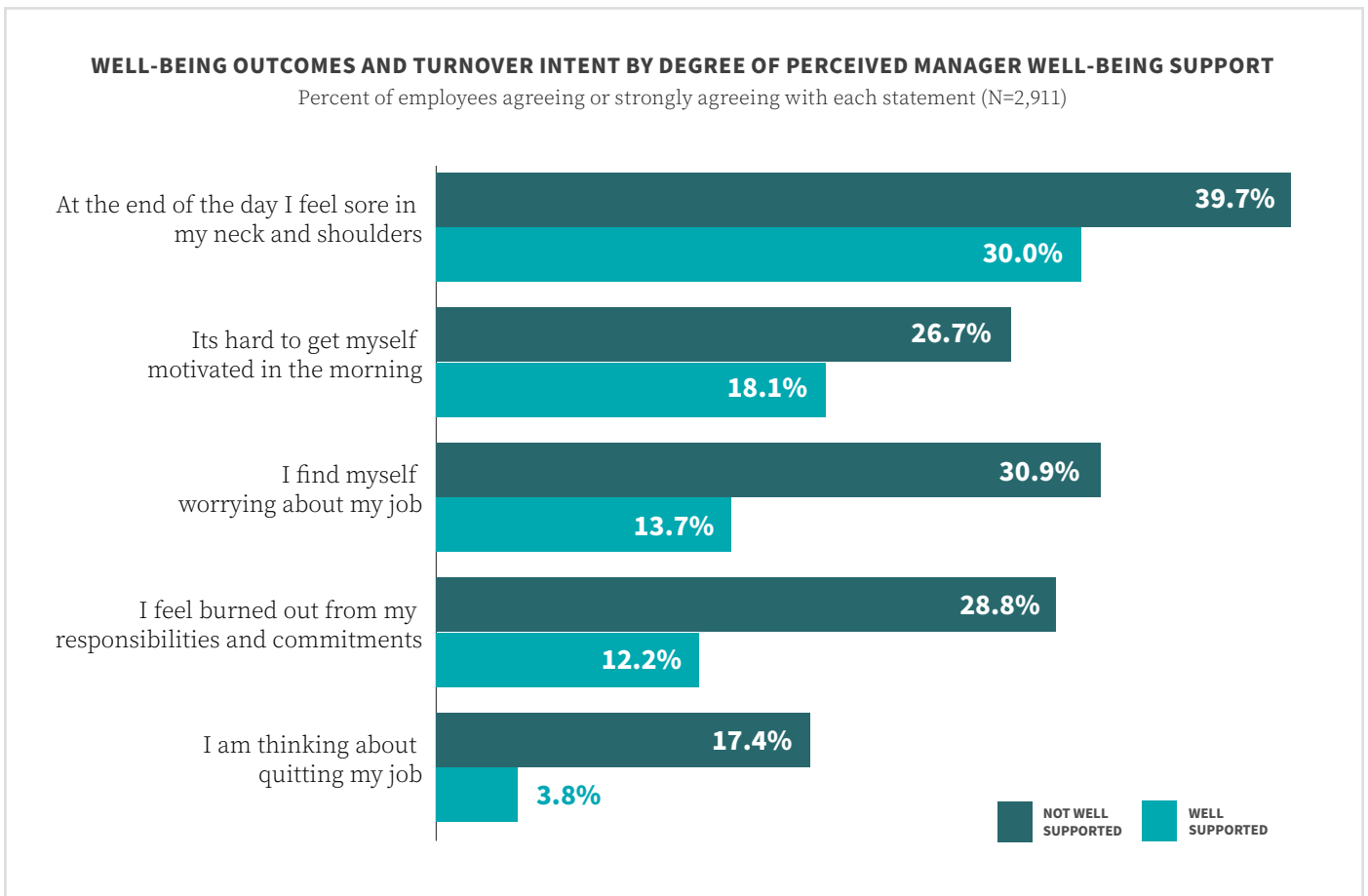


FIGURE 5

ARE MANAGERS TAKING ADEQUATE CARE OF THEMSELVES?

The risk to managers' own well-being has been a recurring theme since the inception of meQ's Self Check series. With the dramatic and sudden changes in the nature, scope and structure of work that accompanied the pandemic, managers disproportionately took on new tasks and roles, and typically showed worse well-being outcomes than the teams they led. That theme carries through in the present data as well.

Due in no small part to the cumulative impact of these well-being deficits, managers show elevated risk for productivity, burnout, and retention. While managers are less likely to endorse "quiet quitting", they report that their stress interferes with their productivity at a higher rate than the average non-manager (43.4% impairment vs 37.6% impairment, **FIGURE 6**). Further, one in every three managers reports feeling burned out, compared to one in five non-managers reporting the same (**FIGURE 7**). A similar pattern was noted for turnover intent. Compared to the typical non-manager, a third more managers report seriously considering leaving their job in the near term (15.2% vs 12.3%).

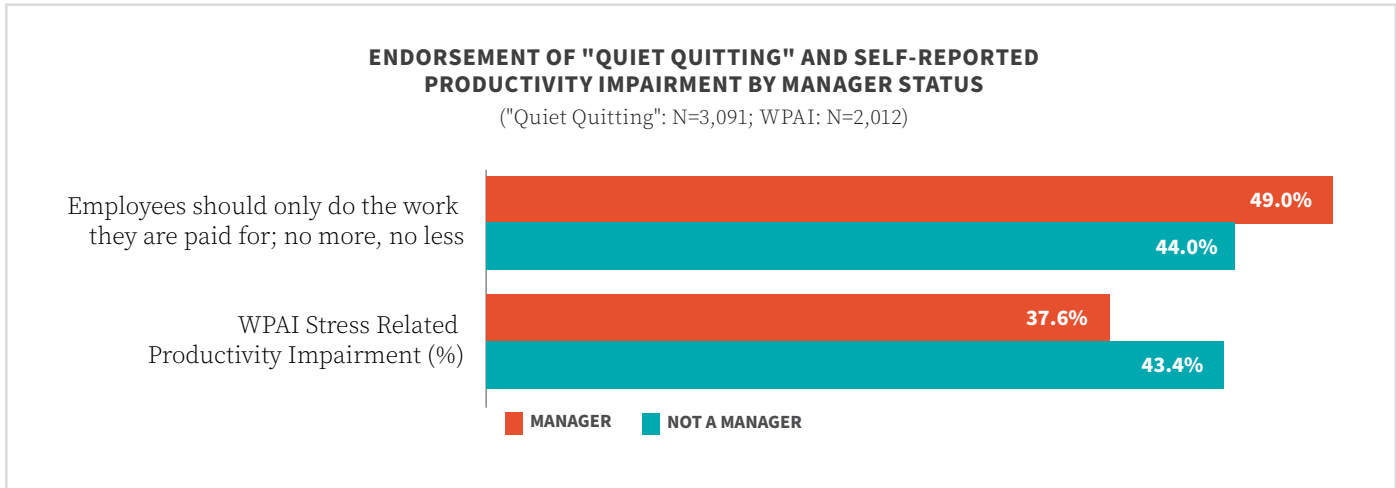


FIGURE 6

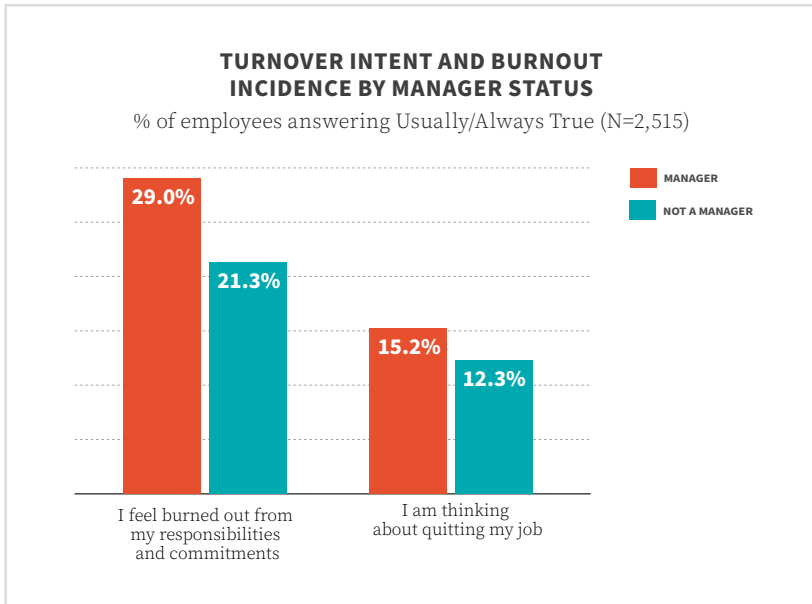


FIGURE 7

THE COST AND SCOPE OF WORKPLACE INCIVILITY

The rate of social and political upheaval in the U.S., accelerated by the pandemic, has created a situation that puts people on the defensive. The American Psychological Association's [March 2022 Stress Survey](#) found that well over half (64%) of people feel their rights are under attack. [Deepening economic uncertainty](#) over job security and inflation has only accelerated the negative trend. Given this context, it's unsurprising that, as many workers return to their normal work sites, [incivility is reported to be on the rise](#), due in no small part to workers being out of practice when it comes to dealing with their fellow co-workers in person. Workplace incivility can have negative impacts on both employees and the organization as a whole. When employees are subjected to rude, disrespectful, or aggressive behavior in the workplace, it can lead to decreased job satisfaction, increased stress, and decreased productivity. This can ultimately result in higher rates of absenteeism and turnover, and decreased organizational performance. Additionally, workplace incivility can create a toxic work environment that undermines team cohesion and collaboration, erodes trust between employees and their managers, and can ultimately damage the organization's reputation.

WHAT TYPES OF UNCIVIL BEHAVIOR ARE EXPERIENCED? HOW OFTEN?

The prevalence and impact of workplace incivility was one of the topical focuses in meQ's most recent Self Check. Incivility was measured using a [well-known and widely-used tool](#), which asks respondents how often they have experienced a variety of types of uncivil workplace behavior over the past year. **FIGURE 8** summarizes the rate at which respondents indicated they had ever experienced each event in the past year.

Uncivil behaviors such as coworkers addressing colleagues in an unprofessional manner, being ignored, or having one's judgment questioned were relatively common. As many as 1 in 4 employees in our sample reported one of these experiences on the job. While relatively fewer employees experienced more severe forms of workplace incivility, the prevalence of extreme events is disturbingly common: about 1 in 20 employees reported being targeted with angry outbursts, being yelled at, being accused of incompetence, or being the butt of jokes from coworkers.

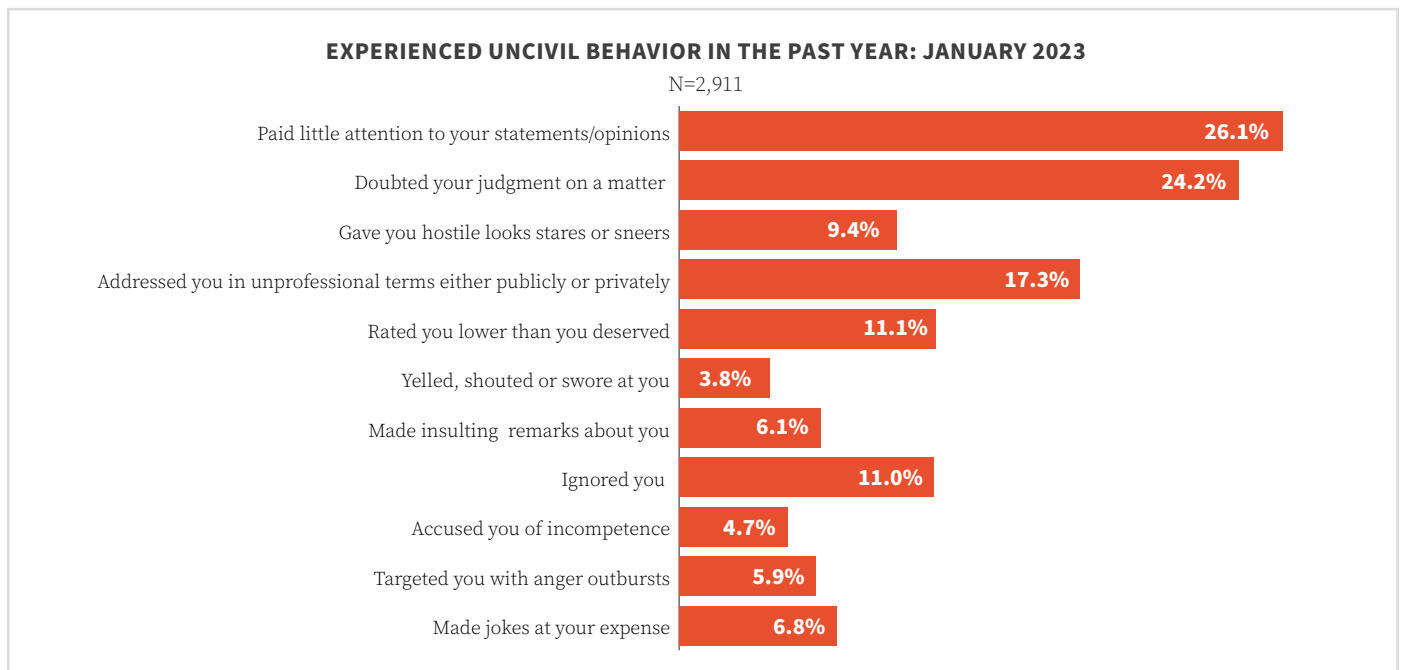


FIGURE 8

WHAT IMPACT DOES UNCIVIL BEHAVIOR HAVE ON WELL-BEING, TURNOVER INTENT AND PRODUCTIVITY?

In addition to the focus on incivility, the Self Check inquired about a variety of indicators or mental well-being, drawing from meQ’s clinically validated assessment. Employees were divided into four equal groups based on the extent of incivility they reported in their work environment. **FIGURES 9** and **10** contrast well-being, productivity and turnover intent measures between employees from low and high incivility work environments.

Across the almost 3,000 respondents who completed both the incivility and well-being portions of the survey, toxic workplaces have a universal and profoundly negative impact across well-being outcomes. **FIGURE 9** shows that employees facing high incivility work environments report elevated risk of poor outcomes ranging from 68% (sore neck and shoulders to 259% (job worries) compared to employees who face the least incivility at work.

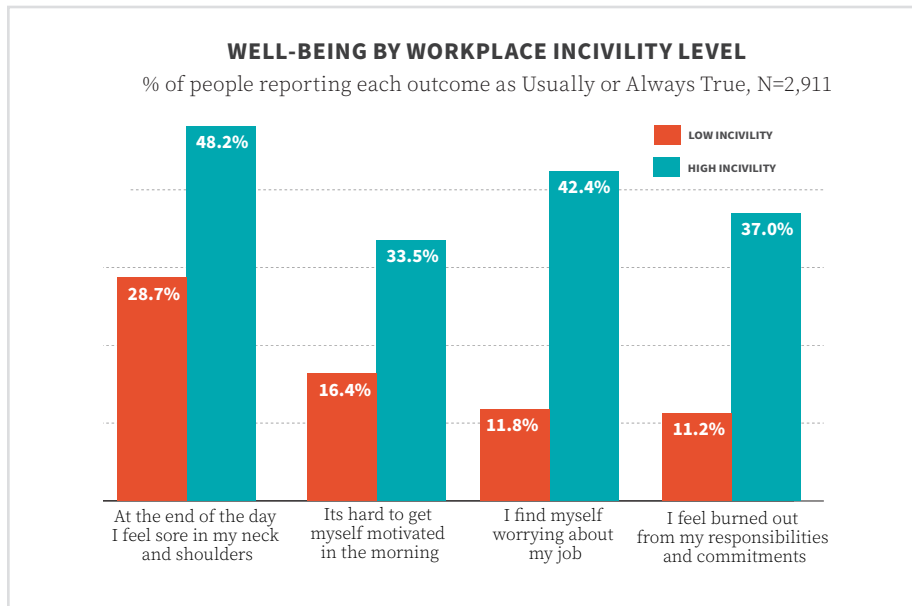


FIGURE 9

The negative impact of incivility extends to productivity measures and turnover risk as well (**FIGURE 10**). Workplace incivility raises the risk of endorsing “quiet quitting” by 87%, almost doubles the rate of self-reported productivity impairment and quintuples the risk that an individual will be seriously considering quitting their job.

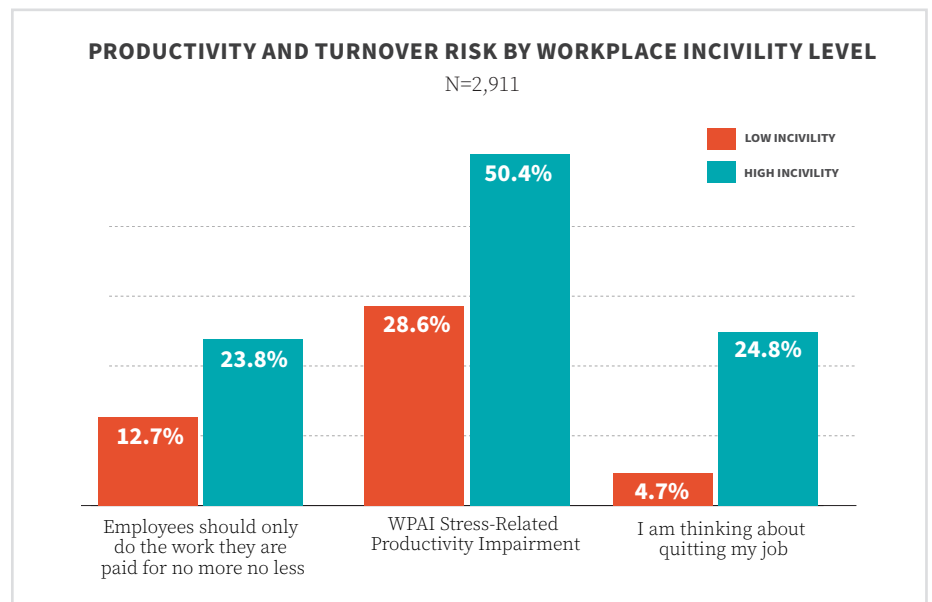


FIGURE 10

WHAT PROTECTS AGAINST WORKPLACE INCIVILITY?

Workplace incivility is less likely in the presence of several factors. In addition to the requisite workplace policies and procedures that explicitly prohibit the most egregious forms of incivility, data from this study underscore the value of having strong and effective leadership that models and enforces positive behaviors to both set the tone for acceptable conduct as well as promote a culture of civility. The Self Check asked employees whether their direct manager offered support for their mental well-being. The perception of positive support from one’s manager substantially reduces the risk that employees experience uncivil behavior at work—ranging from about 25% lower to as much as 66% lower depending on the type of behavior (**FIGURE 11**).

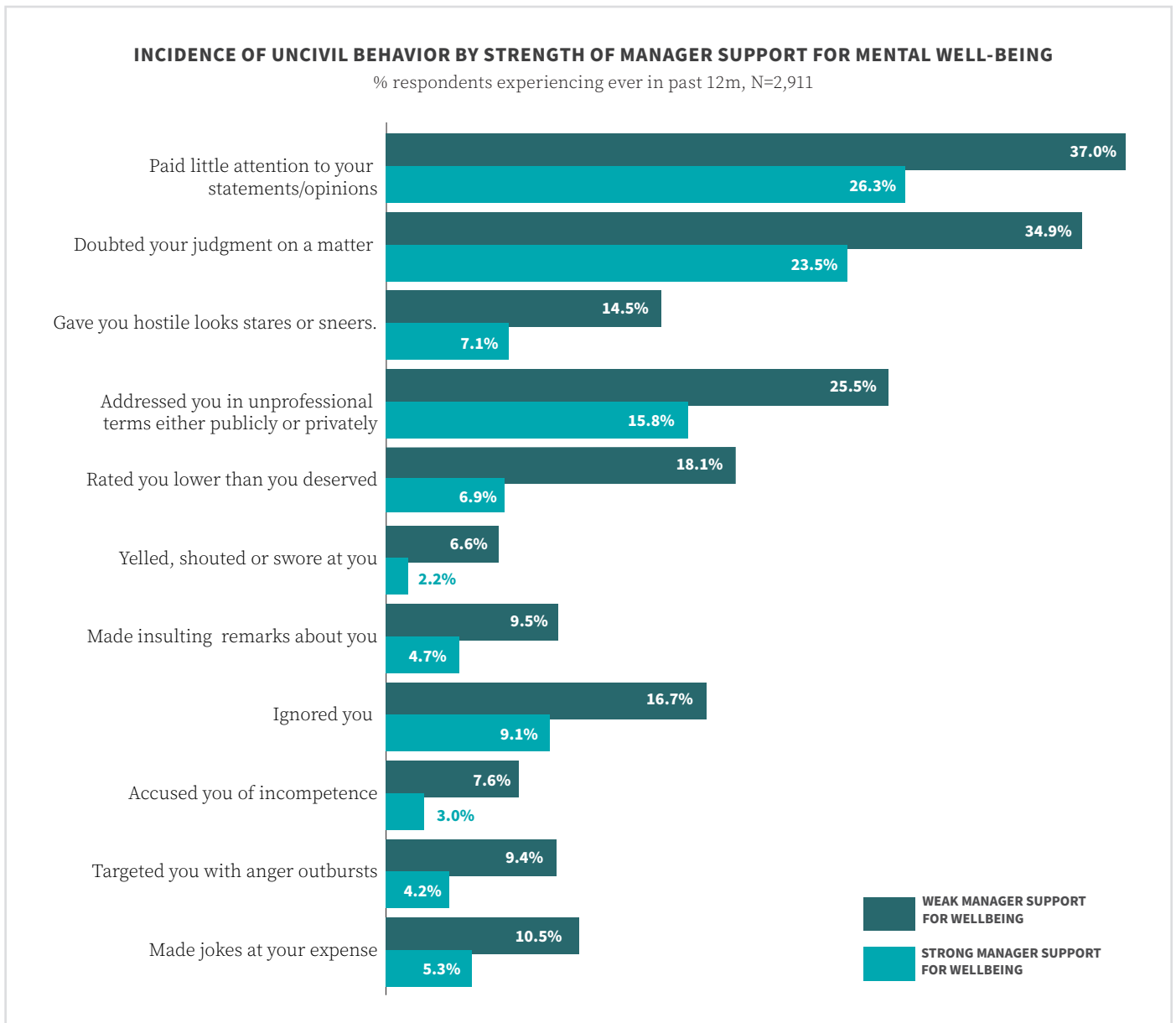


FIGURE 11

The value of manager support—and the role managers play in building a positive team culture more broadly—is underscored by the power of **psychological safety** against workplace incivility noted in **FIGURES 12** and **13**. Psychological safety, an often-misunderstood concept, is the shared belief held by members of a team that it’s OK to take risks, make suggestions, air concerns, speak up with questions, and to admit mistakes — all without fear of repercussions. Employees on teams characterized by high levels of psychological safety rarely experience uncivil behavior in the workplace. **FIGURE 12** shows the percent of employees who have any experience of incivility in the past year; **FIGURE 13** displays the rate at which employees have frequently experienced incivility in the past year, showing that frequent incivility is all but completely absent in teams with the strongest psychological safety.

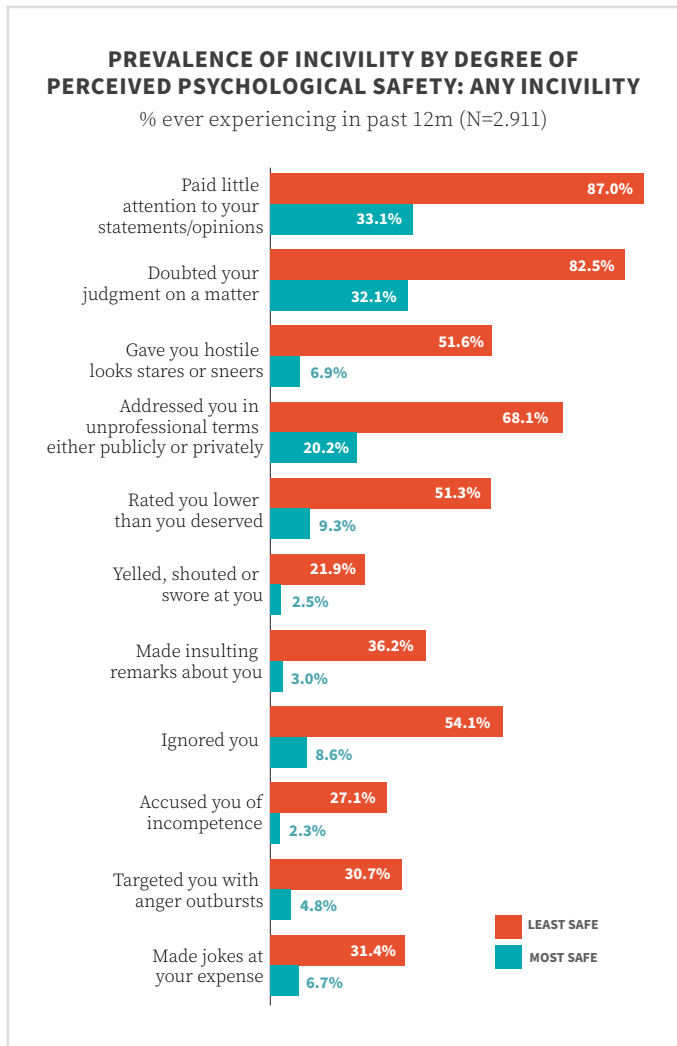


FIGURE 12

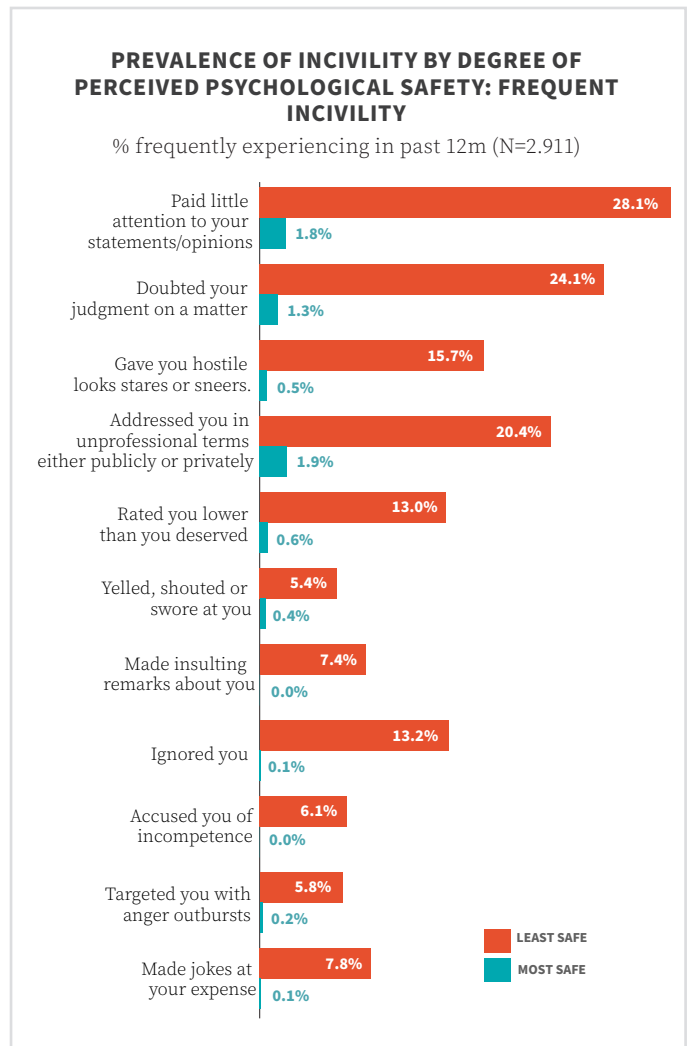


FIGURE 13

THE REMOTE KIDS ARE (STILL) ALRIGHT

Concurrent with the move to remote work that occurred during the COVID-19 pandemic, concerns emerged about the well-being and output of remote employees. Working remotely can make it difficult for employees to connect with their colleagues and build relationships, which can impact their sense of community and overall job satisfaction. Additionally, remote work may blur the boundaries between work and personal life, leading to longer working hours and increased stress levels. These concerns are accompanied by fears about decreased productivity and limited accountability when employees are working from home, as managers find it difficult to monitor progress and ensure goals are met with remote teams.

The risks and rewards of remote/hybrid work have been central to the work our research team has done here at meQ. Back in March, the implications of remote/hybrid work figured prominently in our research report, [The New Hybrid Workplace](#). We've also been tracking well-being outcomes for remote, hybrid, and onsite workers since not long after the pandemic started, noting differences in the value of employer support in our [January 2022 Self Check report](#).

In stark contrast to the recent negative turn of opinion, previous Self Check data suggest that the remote and hybrid workforces perceive their team environments as having a much higher degree of psychological safety than the onsite workforce.

After looking at changes in the distribution of employees across work sites over the last year, the present Self Check drills down a bit further into differences in engagement, productivity, and turnover risk.

ARE EMPLOYEES CONTINUING TO RETURN TO THEIR NORMAL WORK SITES?

The last year has seen a massive shift from remote to hybrid/onsite work arrangements among meQ customers (**FIGURE 14**). The rate of employees working remotely has shrunk by 42%, while the rate of employees in hybrid and remote arrangements are both up 46%.

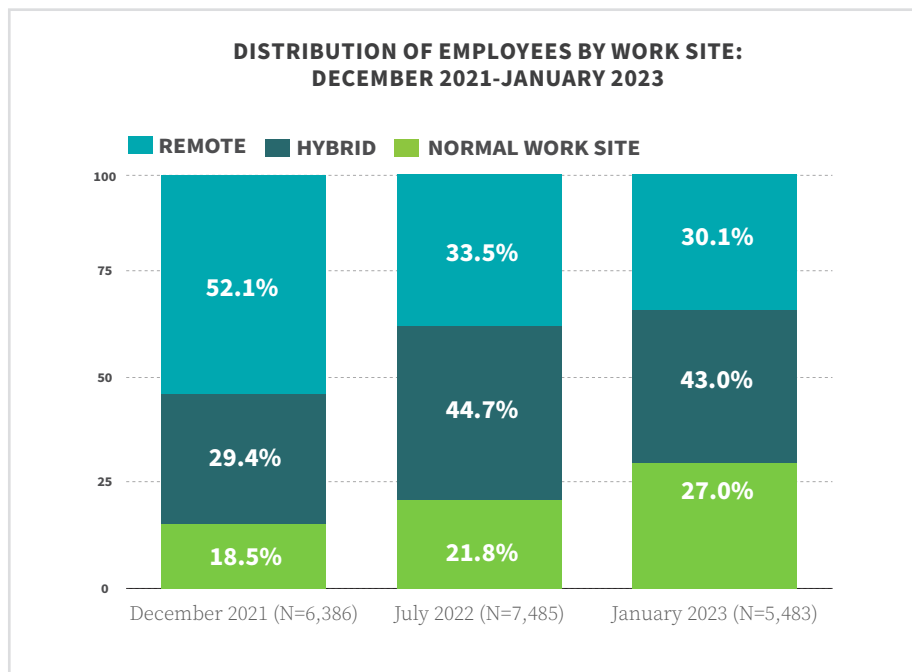


FIGURE 14

HOW DOES REMOTE WORK IMPACT ENGAGEMENT AND VERTICAL TRUST IN THE WORKPLACE?

At least part of the move back to on-site work is predicated on the widely held belief that innovation and engagement all suffer outside of a fully on-site model. In order to investigate the impact of work location on engagement, the most recent Self Check included a handful of questions drawn from the Institute for Employment Studies (IES) [engagement measure](#). Two representative questions from the IES tool are shown in **FIGURE 15** and show only trivial differences in employee engagement across the three work statuses. Remote employees are just as likely to speak highly of their employer and to agree that the organization inspires the best in them.

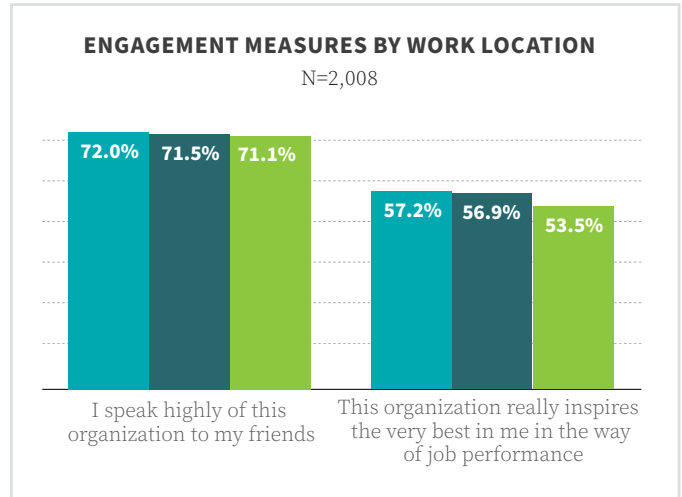


FIGURE 15

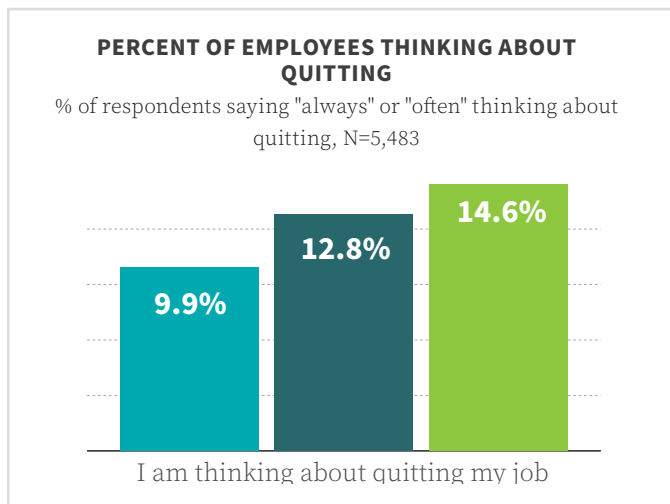


FIGURE 16

The Self Check also inquired about turnover intent and vertical trust. Vertical trust represents the degree to which employees trust leaders to manage in a fair, honest, and forthright way. Findings in each of these areas generally favored employees in a remote status. Turnover intent was substantially lower among remote employees compared to those who are at their normal work location. Just 10% of remote employees reported seriously considering quitting their jobs vs 12.8% of hybrid and 14.6% of on-site employees who reported the same (**FIGURE 16**).

Compared to workers in hybrid or on-site situations, remote workers consistently exhibit the highest degree of trust in managers across all four measures of vertical trust included in the Self Check (**FIGURE 17**).

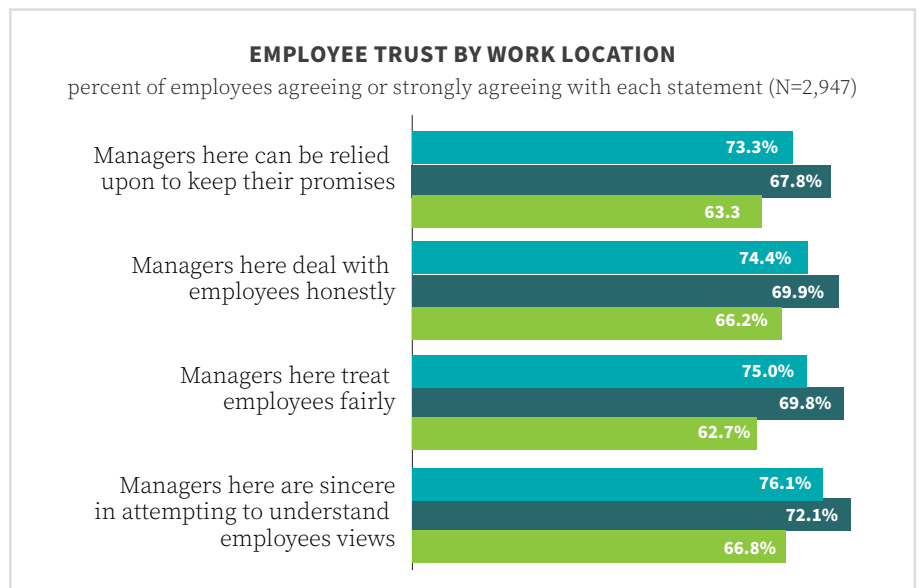
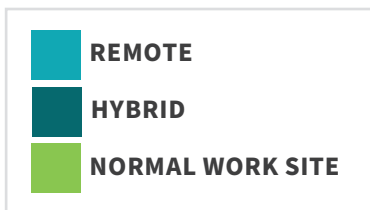


FIGURE 17

HOW DOES PRODUCTIVITY LOOK ACROSS WORK LOCATIONS: ON-SITE, HYBRID, AND REMOTE?

Although stress-related productivity impairment does appear to be up in the post-pandemic period, it does not appear to be unique to remote workers. Across the three work locations (**FIGURE 18**), self-reported productivity impairment was approximately equal, showing no particular cause for productivity concerns for remote employees.

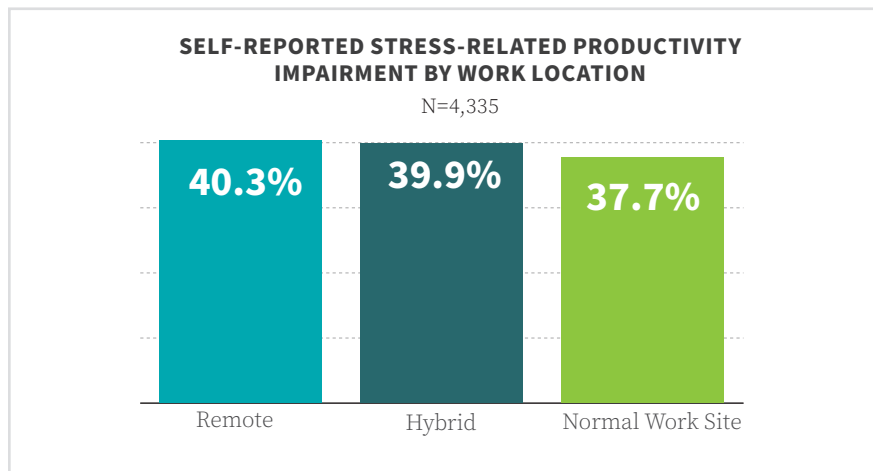


FIGURE 18

RESILIENCE IS A HIGHLY EFFECTIVE BUFFER AGAINST POOR HUMAN CAPITAL OUTCOMES

The value of resilience during difficult times has been an enduring through-line from the first Self Check. Resilient individuals are better equipped to handle the demands of a rapidly changing business landscape, manage conflict, and overcome obstacles to achieve their goals. Echoing the seminal findings in our [validation study](#), the present data underscore the importance and extend our understanding of the value of individual resilience for performance, retention, and well-being.

DOES RESILIENCE PROTECT WELL-BEING AND REDUCE RISK?

Data from the most recent Self Check confirm that a sizable well-being gap remains between highly resilient and less resilient employees. A subset of 16 items from the broader meQ assessment was used to identify overall resilience level. “Most resilient” individuals are those whose scores are in the top 25% of the sample; “Least resilient” individuals have overall scores in the lowest 25%. Across each of the four well-being measures in **FIGURE 19**, ranging from expressions of somatic symptoms of stress to burnout, the most resilient individuals demonstrate only a fraction of the risk noted among the least resilient. The pattern carries over to retention risk as well: highly resilient individuals are 80% less likely (5% vs 23.5%) to be at risk for turnover.



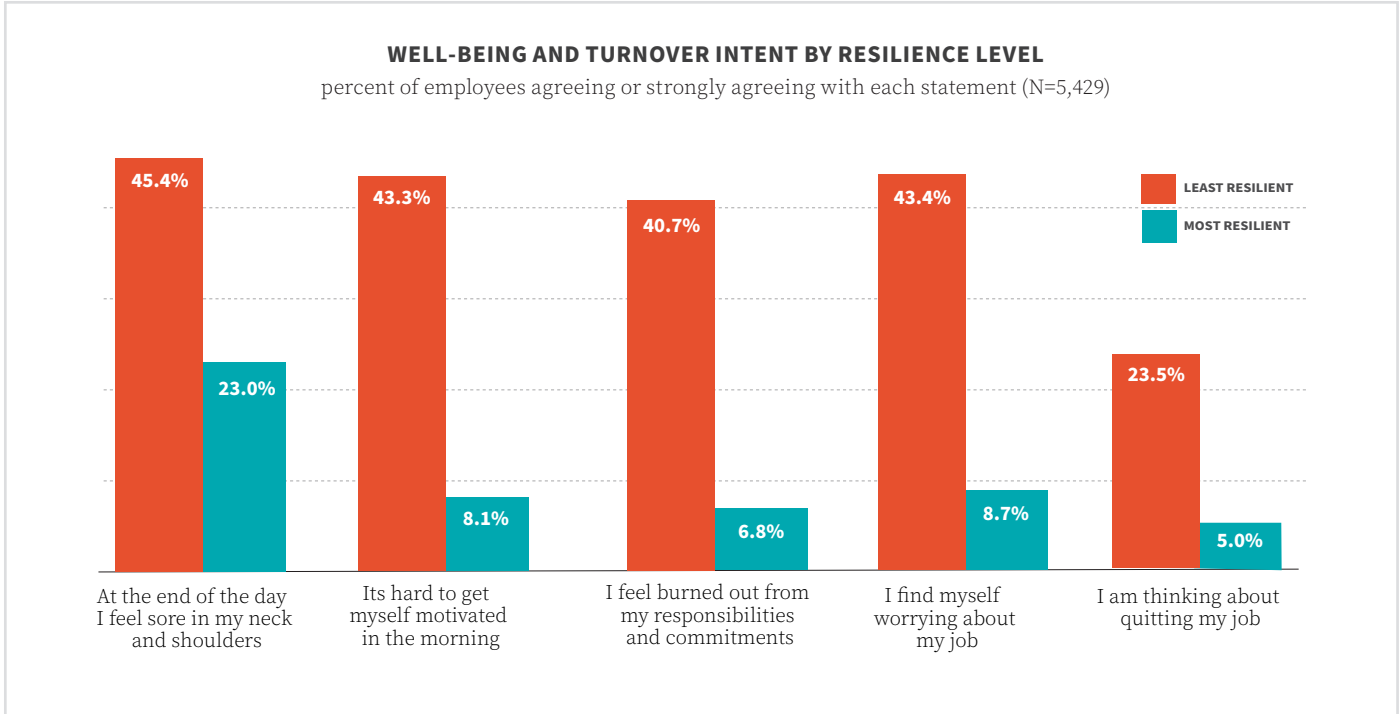


FIGURE 19

Resilience also insulates against the productivity risks noted above. **FIGURE 20** shows that the most resilient individuals are both much less likely to endorse “quiet quitting” as a strategy at work and show less than half the level of stress-related productivity impairment as their less resilient counterparts.

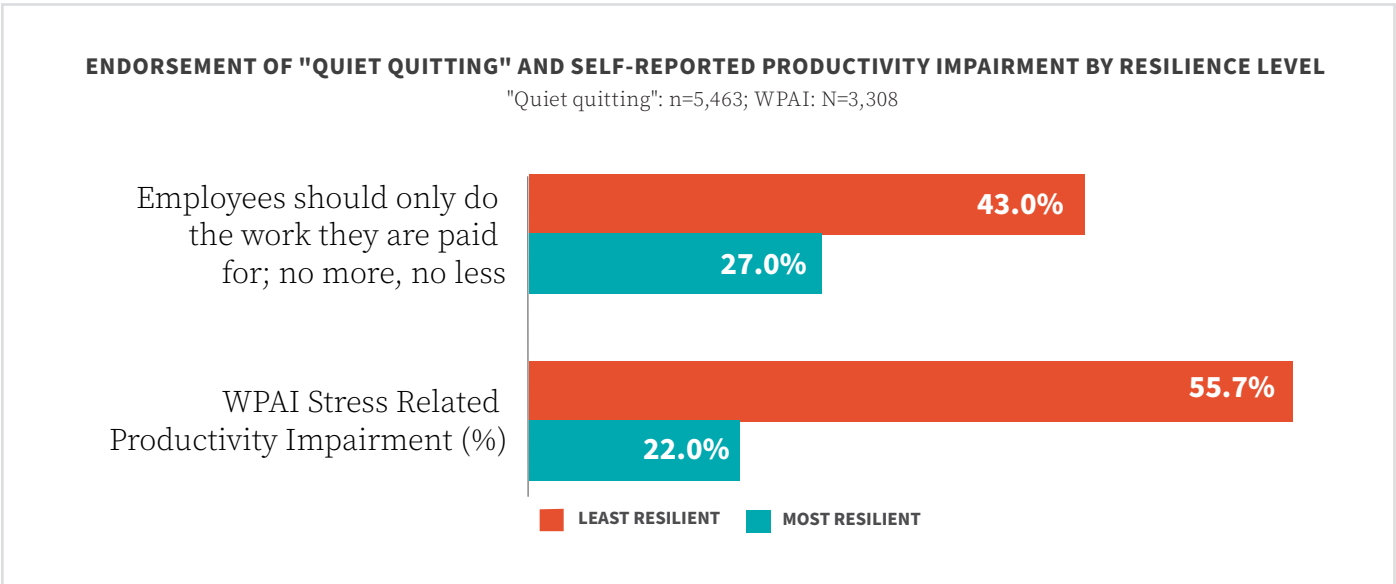


FIGURE 20

IS RESILIENCE BENEFICIAL EVEN IN UNCIVIL WORK ENVIRONMENTS?

Given the findings above related to the profound negative impact of workplace incivility on employee well-being and productivity outcomes, it is natural to ask whether individual resilience maintains its protective effect even in the face of an uncivil work environment. Pairing resilience data with data on employees' experiences of incivility offers a unique opportunity to explore the value of resilience across work environments at different ends of the incivility spectrum. **FIGURES 21** and **22** show four key well-being outcomes along with retention risk contrasting the experiences of employees whose resilience levels put them at the top ("most resilient") or bottom ("least resilient") of Self Check participants. **FIGURE 21** shows the impact of resilience in low incivility work environments while **FIGURE 22** shows the impact of resilience in high incivility work environments.

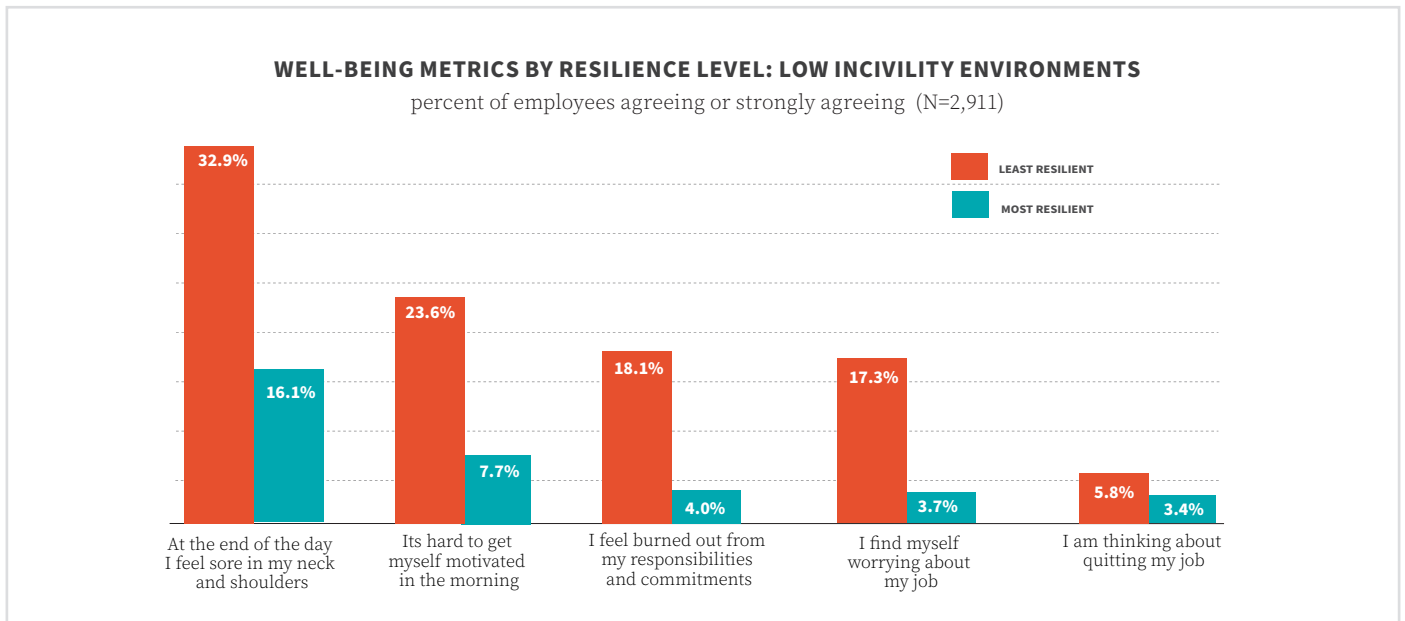


FIGURE 21

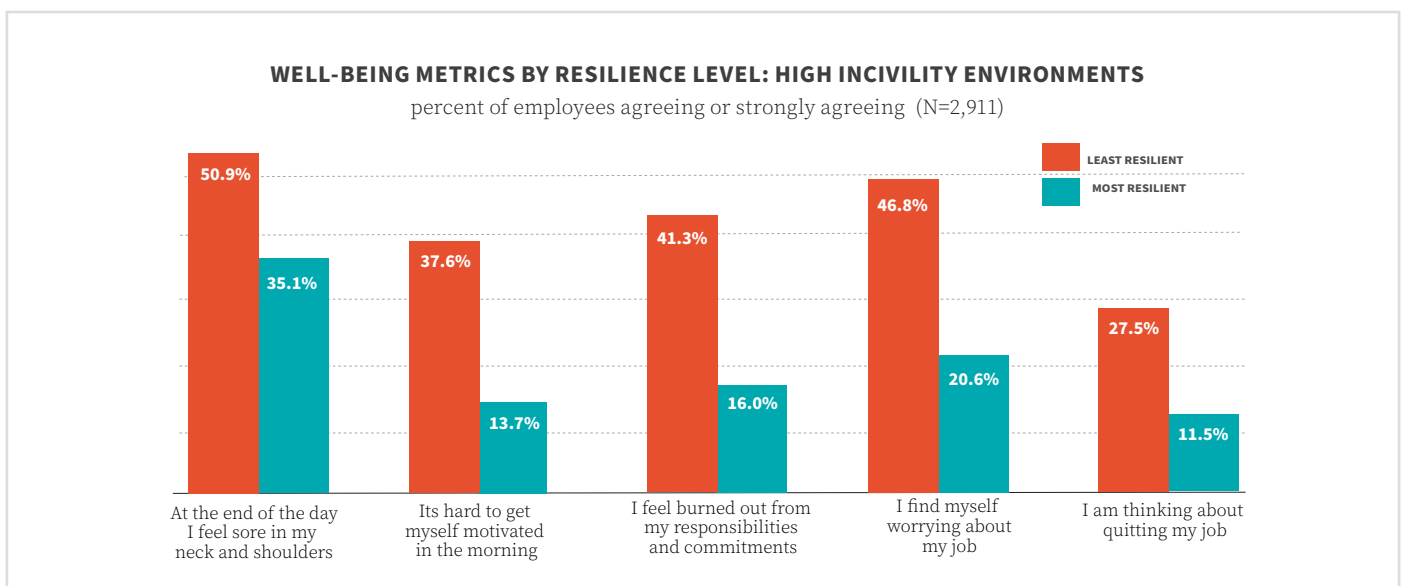


FIGURE 22

Regardless of the degree of workplace incivility, highly resilient employees fare better. They express fewer somatic symptoms of stress, are less likely to say they are burned out, have less job stress, and far fewer motivation challenges. Further, these data strongly show that resilience is particularly valuable in challenging work environments characterized by a high degree of incivility.

FIGURE 23 shows the difference in risk across each of five outcomes for highly resilient individuals compared to less resilient individuals. In most cases, the risk reduction that comes from high resilience in high-incivility environments is on par with or exceeds the risk reduction associated with being resilient in lower incivility environments. Case in point: retention risk in low-incivility environments is reduced among the highly resilient by 41% in low incivility environments, but resilience reduces retention risk by almost 60% in high incivility environments.

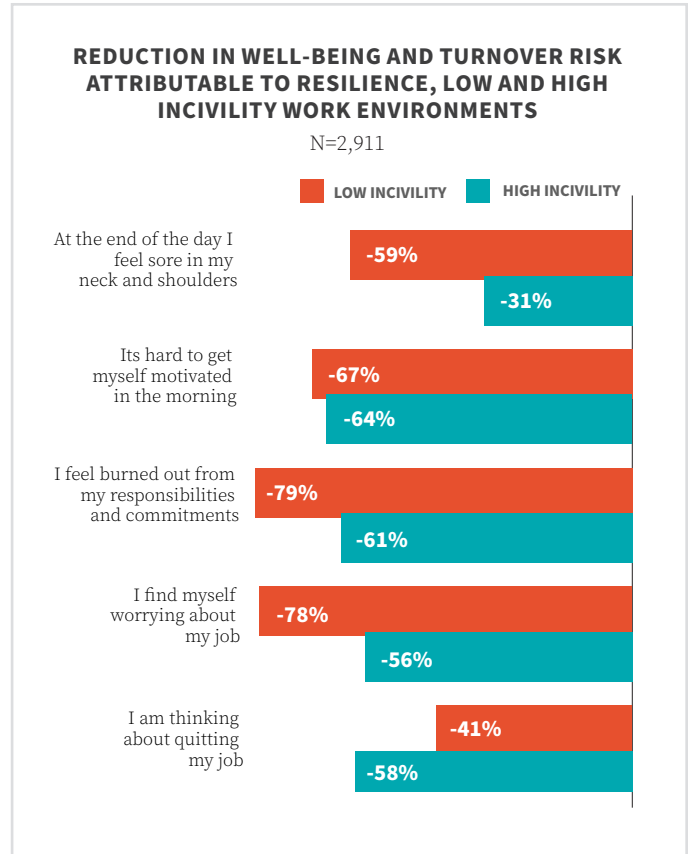


FIGURE 23

FIGURES 24 and **25** extend the story to productivity metrics. Regardless of work environment, highly resilient employees are less likely to endorse the concept of “quiet quitting”, and also report substantially lower overall stress-related productivity impairment compared to less resilient employees. In work environments characterized by incivility, highly resilient employees are 56% less likely to endorse “quiet quitting” and show 52% lower stress-related productivity impairment compared to less resilient employees.

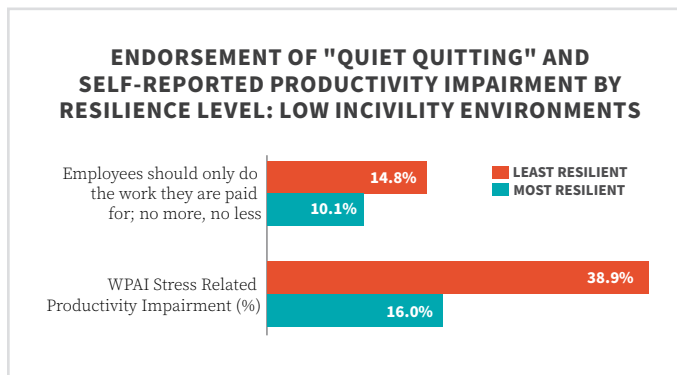


FIGURE 24

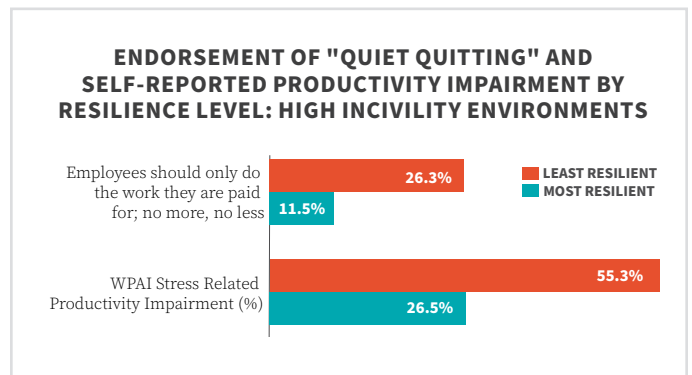


FIGURE 25

CONCLUSION

These findings suggest a number of challenges and opportunities for senior leadership. We see three important avenues for action:

- 1. THINK DIFFERENTLY ABOUT CARING FOR AND UPSKILLING MANAGERS.** These data indelibly underscore the role that managers play in improving retention, preventing incivility, reducing burnout risk, increasing vertical trust, enhancing psychological safety, and securing team well-being. However—as we have seen in every wave of the meQ Self Check to date—managers themselves are at higher risk of poor outcomes than the teams they lead. Data from the present study show that managers report higher levels of stress-related productivity impairment, higher burnout, and elevated turnover risk compared to non-managers. Reminding managers to put on their own “oxygen mask” first is an important first step, but given the additional duties most managers have taken on, this is often easier said than done. It is necessary to refresh and enlarge our concept of leadership training to emphasize the necessity of leading by modeling resilience while maintaining one’s own well-being as the top priority.
- 2. THINK BIGGER THAN EXPANDED EAP TO SOLVE FOR PRODUCTIVITY AND PERFORMANCE.** Pandemic stress yielded to new sources of stress. Widespread layoffs, rampant inflation and general economic uncertainty are all new to the scene and represent a significant weight on the workforce. To meet growing mental health needs, large companies are increasingly reaching for expanded/enhanced EAP programs designed to serve a larger share of the workforce. Providing access to wraparound or extended EAP services is a necessary—but insufficient—step to support employee emotional well-being and address stress-related productivity impairment. The reach of expanded EAP programs remains limited due in no small part to the stigma attached to seeking help for mental health issues. Moreover, such programs by their nature are focused purely on clinical mental health treatment when a broader approach to advancing well-being is needed. The strong, positive relationship shown here between individual resilience and productivity evidences the value of broad-based, resilience-building digital coaching programs designed for 100% of the population.
- 3. THINK BEYOND SYMPTOMS TO ROOT CAUSES: ADDRESS THE RISKS IN THE PSYCHOSOCIAL ENVIRONMENT.** These data outline some of the challenges to well-being that accompany the return to on-site work. Addressing the challenges of coming together again after extended remote work must begin by helping employees and managers grow their empathy and emotional intelligence. Conducting an inventory of psychosocial risks in the workplace is an essential and underutilized step in addressing the underlying causes of diminished well-being at work. Most modern enterprises have robust data collection in place around employee experience/engagement and physical health risks. Some even have access to comprehensive sets of data on well-being. Data from these sources often reflect the impact of features of the work environment, whether workplace incivility, bullying, work pace, or other issues stemming from the structure and nature of work. Individual-focused solutions like EAP or digital well-being coaching help address symptoms but cannot fully address root causes. Undertaking a comprehensive risk assessment of the work environment following well-established guidelines (e.g. [ISO 45003](#)) can help leaders see the extent of well-being risks presented by the work environment. Using a validated, evidence-based tool such as the Copenhagen Psychosocial Inventory (COPSOQ) is the critical first step in understanding the extent to which the structure and nature of the workplace environment impacts well-being.

METHODOLOGY

meQuilibrium offers a digital resilience coaching solution that enhances well-being and is available to more than 5.5 million employees around the globe. To better understand the impact of the rapid pace of change in work and the workplace on health and well-being in our member population, meQ invited a sample of members to participate in a well-being Self Check survey in January 2023. The survey consisted of a set of questions derived from the clinically validated meQ assessment, focused on well-being, spanning topics including sleep, burnout, motivation, and stress. A second set of questions was offered to employees who volunteered to complete a few additional items, including measures of engagement, productivity impairment, and workplace incivility. A total of 5,483 members, a sample broadly representative of the meQ member population, provided responses to the first section of the survey. Sample sizes for the optional section of the survey are slightly smaller and noted in the body of the report. Respondents were not incentivized to complete the survey. All data collected are anonymized, aggregated, fully privacy protected, and processed and stored in full compliance with HIPAA guidelines.

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