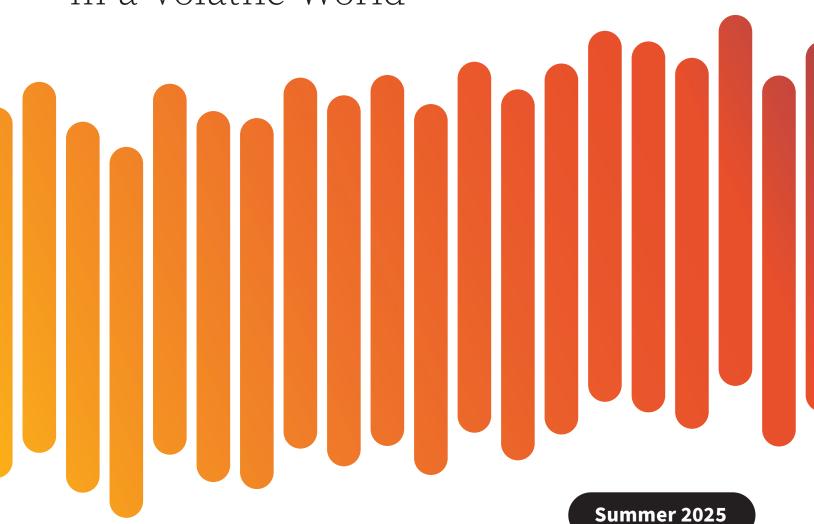


# State of the Workforce Report

Pessimism and Promise: Navigating Employee Disconnect in a Volatile World







# **Executive Summary**

IN AN ERA OF VOLATILITY, UNCERTAINTY, COMPLEXITY, AND AMBIGUITY (VUCA), THE MODERN WORKFORCE FACES UNPRECEDENTED CHALLENGES THAT DIRECTLY IMPACT ORGANIZATIONAL PERFORMANCE.

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. As we navigate 2025's volatile business environment, these psychological challenges have become defining characteristics of modern employment.

The urgency is well-founded: employee pessimism has reached critical levels with dramatic increases since 2023. Today, uncertainty stress affects nearly half the workforce, translating into significant productivity losses, and over half of employees show signs of organizational disconnect. Beyond individual impact, these conditions create severe business costs through reduced performance, increased burnout, and elevated mental health risks.

This report analyzes findings from 5,477 employees across various industries to provide actionable insights for building empathetic leadership, developing individual resilience skills, and leveraging organizational citizenship behaviors to protect both employee well-being and business outcomes in this challenging landscape.

## **Key Takeaways**

### The Certainty of Uncertainty

Uncertainty—the state of limited knowledge where information about a situation is unknown or incomplete—has become a defining characteristic of modern employment. Among US-based employers, the rapid pace of economic change, the advent of generative AI, and political and social unrest are just a few of the trends that shape uncertainty among employees. Nearly half (42%) of employees report a high degree of stress due to uncertainty on the job. This stress translates directly into business costs. Employees who experience a high degree of uncertainty-related stress show 68% higher productivity impairment, twice the risk of moderate generalized anxiety disorder, and increased burnout. Remote and hybrid workers bear a disproportionate burden, experiencing 27% higher uncertainty stress than their on-site counterparts.

**42%** 

Of employees report high uncertaintyrelated stress at work

## The Rising Tide of Pessimism

Employee pessimism—having a negative outlook on the present or future state of affairs—has reached critical levels, with 67% of employees feeling worse when considering the state of the country. More troubling is the sharp increase in employees' pessimism about their jobs and financial situations, up 60% and 21% respectively since 2023. This negative outlook carries severe consequences: employees with work-related pessimism experience over 60% lower productivity and face 1.3x greater risk of depression.

60%

Lower productivity

### The Great Disconnect

Also of concern is the emergence of widespread employee disconnect—a complex syndrome involving burnout, psychological contract breach, and an erosion of trust in leadership. A majority (55%) of the workforce shows at least one symptom of disconnect, with younger employees particularly affected (62% of those aged 18-29). Severe symptoms of disconnect have critical consequences for the organization, as these individuals suffer from as much as 66% greater productivity impairment.

66%
Higher productivity impairment among disconnected

employees

# Two Powerful Buffers against Pessimism, Uncertainty, and Disconnect

Despite these challenges, the findings identify two critical protective factors that are within reach of people leaders.

- Empathetic Management: Strong managerial support for mental well-being reduces uncertainty stress by 37% and cuts disconnect rates from 78% to 40%. Managers who prioritize team well-being create cascading positive effects throughout their organizations.
- Individual Resilience: Employees with high resilience—particularly the learnable skills of emotion control and realistic optimism—show dramatically lower rates of stress and disconnect. Among the most resilient employees, only 6% show signs of extreme disconnect compared to 59% of the least resilient.

37%

Lower stress among employees with empathetic managers

90%

Lower disconnect among highly resilient employees

### The Persistence of Human Connection

Remarkably, even in the face of widespread pessimism and disconnect, employees continue to support one another. Organizational citizenship behaviors—helping overloaded colleagues, sharing knowledge, providing emotional support—remain strong across all employee segments. The strength of peer relationships represents a vital organizational asset that persists even when trust in the organization falters.

**60%**<sup>+</sup>

Of employees pitch in to help overloaded coworkers, regardless of disconnect

## **Strategic Implications**

Organizations seeking to avoid the high costs associated with disconnect and uncertainty should prioritize:

- Developing empathetic leadership skills at all levels of management
- Investing in evidence-based solutions designed to enhance emotion control, realistic optimism, and overall resilience
- Leveraging the natural tendency toward peer support to build stronger organizational cultures

Success in today's volatile environment hinges on balancing honest recognition of the growing challenges of distrust and disconnect with strategic investment in human potential. By developing empathetic leaders and building resilience skills across the workforce, organizations can convert current challenges into opportunities for advancement.

# **Uncertainty Is a Breeding Ground** for Stress

Uncertainty is seemingly unavoidable in the modern age. Individuals and organizations operate within contexts characterized by VUCA—volatility, uncertainty, complexity, and ambiguity. These conditions create a set of distinctive psychological demands that can challenge not only mental well-being, but also impact the workplace through retention and productivity.

Levels of uncertainty-related stress among employees were assessed by the degree of agreement or disagreement with two statements: "I am stressed due to uncertainty in the workplace" and "People are stressed due to uncertainty in the workplace."

I am stressed, but everybody is more stressed than me. Employees' responses suggest an interesting perception gap in stress recognition. Data indicate that 42% of respondents said they agreed or strongly agreed that they are experiencing personal stress due to workplace uncertainty. When identifying uncertainty stress levels among their colleagues, fully 50% more (63% of employees) said that "people" were stressed at work due to uncertainty.

Say they are stressed due to uncertainty

Managers play a critical role in moderating the impact of uncertainty on stress levels. Managers are a key conduit for information about workplace matters and company performance more broadly. Due to their status as mentors and role models, it is also managers to whom employees look when they are coping with a volatile, uncertain environment. Employees' assessments of the level of manager support for team mental well-being (Figure 1) paired with uncertainty stress data tell this story clearly.

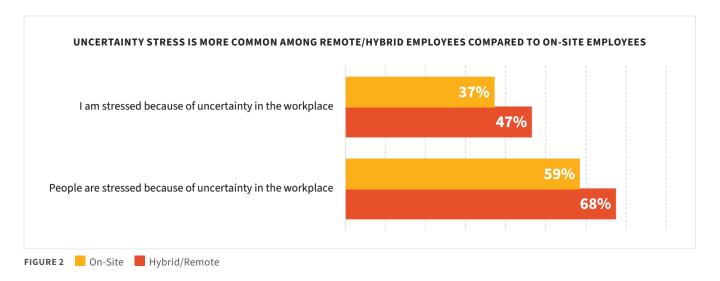
Say "people" are stressed due to uncertainty



Among employees reporting strong manager support, self-perceptions of uncertainty stress decrease by 37% compared to those with less robust managerial backing, while perceptions of colleagues' stress levels similarly reduce by 14%.

These findings underscore the critical role managers play in mitigating both experienced and perceived uncertainty-related stress within teams. Effective, empathetic management practices appear to create a dual benefit: directly reducing individual stress responses to uncertainty while simultaneously fostering a workplace environment where collective stress perceptions are diminished.

Remote/hybrid workers bear a higher burden of uncertainty stress. Remote and hybrid workers bear a disproportionate burden of uncertainty stress. Data reveal marked disparities, with remote/hybrid employees reporting 27% higher personal uncertainty stress than on-site counterparts, coupled with 15% higher perceptions of stress among their colleagues as well. This differential likely stems from several interconnected factors: limited informal communication, reduced visibility into company dynamics, concerns about career advancement in distributed roles, and technological challenges specific to remote work.



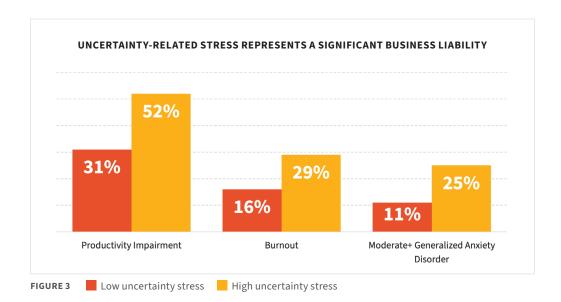
# The Thrill Is Gone: Has the well-being advantage of remote/hybrid work faded?

Well-being trend data spanning over the last four years tell an interesting story. Onsite employees now show better overall well-being scores compared to their hybrid/remote counterparts. A notable shift can be seen in somatic symptoms of stress, where onsite employees are now less likely than hybrid/remote employees to report neck and shoulder pain (41% vs 34%). The reversal is particularly striking when considering that many key well-being metrics, including job-related stress, showed remote workers faring better in the early post-COVID period (24% in June 2022) compared to onsite (27%), but by late 2024 into 2025, remote/hybrid employees were more likely to experience high job-related stress (31% vs 27%). The disparity extends to positivity as well. Onsite employees now are more likely than hybrid/remote employees to report more positive than negative emotions during the workday (51% vs 47%), where in 2022 the pattern favored remote/hybrid employees.

## The Certainty of Uncertainty: **Real Business Costs**

High degrees of workplace uncertainty stress translate directly into quantifiable business costs that impact the bottom line (Figure 3). Individuals who report a high degree of uncertainty-related stress also report 68% higher productivity impairment (52% vs 31% impaired), indicating that uncertainty may be reducing output by as much as half.

Burnout is also powerfully associated with uncertainty. Nearly 1 in 3 employees who report a high degree of uncertainty stress show a high degree of burnout. Among those with lower uncertainty stress, half as many exhibit high burnout risk. **Burnout drives increased turnover costs**, with industry estimates placing replacement expenses at 50-200% of the employee's annual salary.



For employees who stay, the cost of uncertainty can still be significant, impacting the bottom line through increased **absenteeism**. The cost of uncertainty extends to mental health expenses. Among those with high uncertainty stress, the prevalence of moderate or worse generalized anxiety disorder stands at 25%, more than double the 11% rate noted among those with lower degrees of stress. Generalized anxiety disorder is known to at least **double health care costs**. Employees ill-equipped to handle uncertainty represent measurable financial liabilities that directly impact a company's bottom line.

While uncertainty stress represents one significant challenge to organizational health, our research reveals it operates alongside another critical threat: employee disconnect. Together, these forces create a perfect storm of reduced engagement and productivity.

Higher productivity impairment among employees with high uncertainty stress

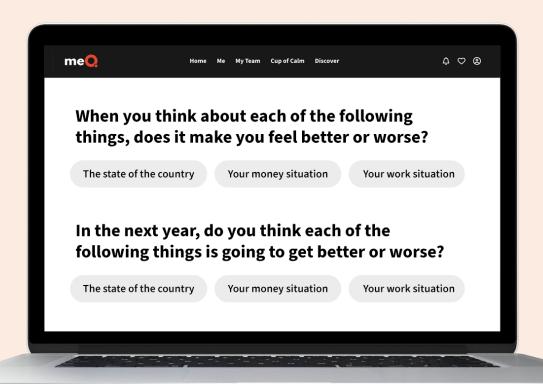
**Employees ill**equipped to handle uncertainty represent measurable financial liabilities that directly impact a company's bottom

# Risk Amplified: The Psychological and Operational Toll of Pessimism

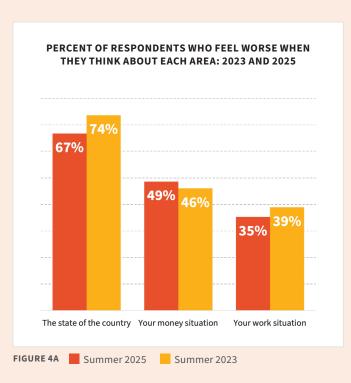
None of us works in an emotional vacuum. As employees, we bring our complex feelings, reactions, and perceptions about everything we're experiencing at personal, professional, and sociopolitical levels. Understanding workforce well-being requires considering not just how people feel about their jobs, but also their broader financial situations and reactions to current events on a national and global scale.

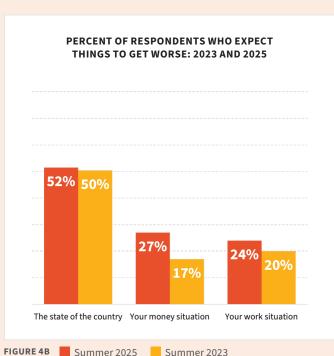
To assess the full picture, we asked respondents how thinking about their work situation, financial circumstances, and the state of the country affects their mood. Respondents also predicted whether conditions in each domain would improve or deteriorate over the coming year. For clarity, we present responses through a "pessimism lens," the percentage who reported that thinking about each topic made them feel worse, or in the case of the future state, the percentage who think things will get worse in the coming year. Data from meQ's Summer 2023 State of the Workforce study provides context to illustrate trends.

To gauge the degree of pessimism, we asked employees two sets of questions:



Pessimistic outlooks are common among survey participants, with pessimism about the current state of the country far and away in the lead (Figure 4A). More than two-thirds of surveyed employees indicate that they feel worse when they think about the state of the country. Pessimism regarding personal finances has increased modestly, with nearly half of respondents reporting negative feelings when considering their financial situation. Employees' pessimistic outlooks extend to the future as well (Figure 4B). More than half of employees believe the country's situation will worsen over the next year. Most concerning are the significant shifts in financial and workplace outlook: we observed a 60% increase in pessimism regarding personal financial expectations and a 21% increase in pessimism about future work situations.





A pessimistic outlook among employees carries critical psychological and performance risks. Pessimism in the workforce represents more than just an unpleasant interaction with a negative coworker. Pessimistic outlooks constitute a significant business liability with measurable impacts on both individual and organizational outcomes.

Pessimistic outlooks significantly amplify mental health risks (Table 1), with employees exhibiting pessimism about their work situation having a 128% greater risk of depression and a 108% greater risk of generalized anxiety.

Beyond these concerning mental health implications, pessimism directly undermines workplace productivity, with our findings showing more than a 60% increase in productivity impairment among those with work-related pessimism.

These effects extend beyond individual performance to influence team dynamics, as pessimistic employees often demonstrate decreased motivation, diminished focus, and reduced collaboration with colleagues.

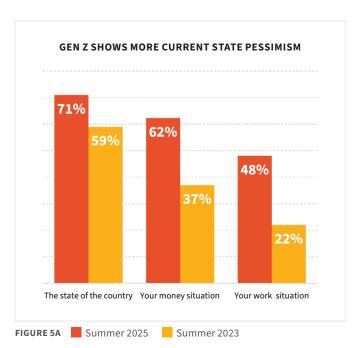
Pessimism isn't merely an attitude problem, but a significant operational risk that demands strategic intervention to safeguard both employee well-being and organizational performance.

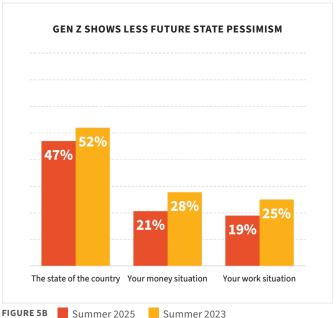
#### PESSIMISM HAS POWERFUL IMPACTS ON MENTAL HEALTH AND PERFORMANCE

PERCENT INCREASE IN RISK COMPARING PESSIMISTIC RESPONDENTS TO LESS PESSIMISTIC RESPONDENTS									
Pessimism about	Increased Depression Risk	Increased Anxiety Risk	Increase in Productivity Impairment						
Country	26%	44%	13%						
Money	115%	132%	28%						
Work	128%	108%	64%						

TABLE 1

While pessimism remains consistent across most demographic groups, there are notable generational differences between Gen Z and older employees. Gen Z displays significantly higher levels of current state pessimism (Figure 5A) across all measured categories, with 71% expressing negative views about the country's state compared to 59% of older employees. This pessimistic outlook extends to personal circumstances, with Gen Z reporting higher dissatisfaction regarding their financial situation (62% vs 37%) and work situation (48% vs 22%). Interestingly, this pattern reverses when considering future prospects, shown in Figure 5B, where Gen Z demonstrates consistently lower levels of pessimism. While Gen Z may be more critical of current conditions, they maintain a degree of optimism about what the future holds.





State of the Workforce data reveal that pessimism varies significantly across industry sectors:

- **Government employees** show the highest concern levels across nearly all categories, likely due to sweeping changes from the recent federal administration transition.
- **Health Products & Devices workers** demonstrate above-average pessimism about both current national conditions (75%) and future outlook (63%), possibly driven by uncertainty over federal health policy changes.
- **Finance/Insurance and Health Services sectors** report similar high levels of concern about personal finances (52% and 54% respectively).
- **Technology Services workers** express the greatest pessimism about their current work situation (42%), potentially reflecting anxiety about generative AI's impact on their jobs.

### CURRENT AND FUTURE STATE PESSIMISM IS HIGHEST AMONG GOVERNMENT AND HEALTH PRODUCTS/DEVICES EMPLOYEES

	Business Services	Energy	Finance/Insurance	Government	Health Products & Devices	Health Services	Manufacturing	Technology Services	
CURRENT									
The state of the country	69%	64%	65%	82%	75%	69%	65%	64%	
Your money situation	52%	39%	52%	48%	44%	54%	39%	42%	
Your work situation	32%	20%	35%	39%	32%	35%	39%	42%	
FUTURE									
The state of the country	51%	47%	50%	70%	63%	57%	49%	49%	
Your money situation	31%	21%	25%	35%	37%	30%	26%	26%	
Your work situation	25%	21%	21%	29%	28%	22%	27%	30%	

# Burnout, Breach, and Broken Trust: Mapping the Great Disconnect

Workforce disconnect is **emerging as a critical organizational challenge**, reflecting a profound misalignment between employees and their workplace that goes beyond simple dissatisfaction.

To get a sense of its breadth, depth, and character among the sample of employees surveyed here, we conceptualized disconnect as a multifaceted phenomenon encompassing at least three key elements:

- 1 High subjective burnout that drains emotional and cognitive resources
- Psychological contract breach where employees feel their company or leader has failed to meet implicit expectations
- 3 A fundamental distrust of supervisors that erodes the foundation of effective working relationships

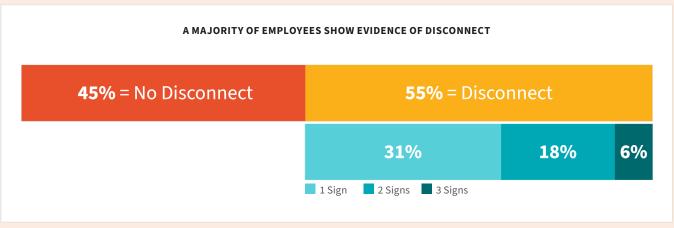


FIGURE 6

The numbers tell a sobering story (Figure 6): more than half of the workforce displays at least one symptom of disconnect. The disconnected group shows varying degrees of severity. Roughly one-third of disconnected employees (31%) show a single sign, while 18 percent exhibit two symptoms. Most concerning are the 6 percent who display all three indicators, representing the most severely disconnected segment of the workforce.

What makes disconnect particularly noteworthy is its pervasive nature. Disconnect transcends virtually all the divisions we think of in the workforce. Whether employees work remotely, in hybrid arrangements, or onsite makes no meaningful difference in the rate of disconnect. Management status offers no protection, nor does compensation structure—salaried and hourly workers face similar risks. Gender, too, proves irrelevant to disconnect levels.

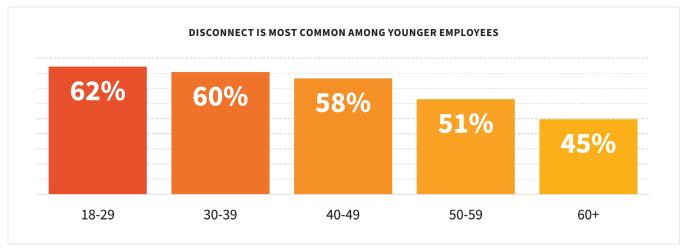
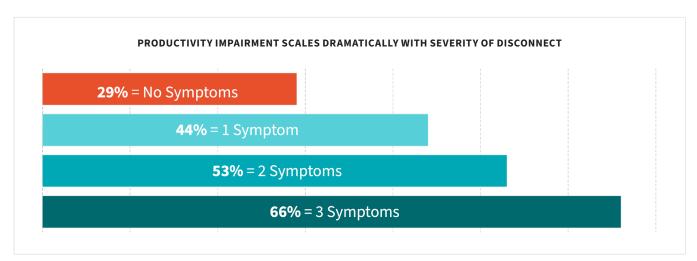


FIGURE 7

The exception to this pattern is age. Younger employees are the most likely to show at least one sign of disconnect (Figure 7), and disconnect rates decline steadily with age. Reflecting the varied challenges faced by Gen Z entrants to the labor force, 62 percent of employees between 18 and 29 years of age show at least one sign of disconnect. Only after age 60 does the rate fall below half, reaching 45 percent.

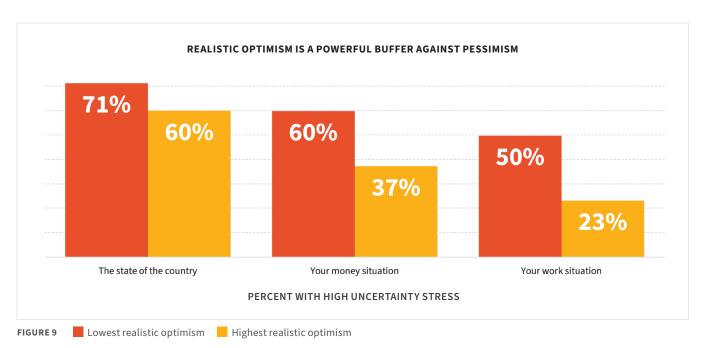
Disconnected employees dampen organizational productivity. Disconnect represents far more than an unfortunate absence of loyalty toward company or leadership—it directly undermines organizational performance. The true cost of a disconnected employee becomes apparent when we examine its correlation with productivity (Figure 8). The impact intensifies as disconnect deepens. While employees with no signs of disconnect report an average productivity impairment of 29 percent, those suffering from severe disconnect report a 66 percent impairment—effectively doubling the level of productivity loss and creating a substantial drain on organizational capacity.



# Powerful Buffers against Pessimism, Uncertainty, and Disconnect

Despite the multiple challenges identified here, several factors show promise in moderating the impact of pessimism, uncertainty, and disconnect on both individual well-being, as well as the organization's balance sheet. Each critical protective factor can be actively cultivated by an organization's people leaders.

**Pervasive pessimism is treatable by building realistic optimism.** These data show that psychological resilience provides a substantial protective mechanism against negative outlook development. Realistic optimism, defined as the capacity to recognize, understand, and effectively manage responses to stressors while maintaining a positive yet grounded outlook, constitutes a fundamental component of resilience. This capability enables individuals to process difficult situations while maintaining cognitive flexibility and adaptive problem-solving capacity under adverse conditions.



Realistic optimism is the most significant protective factor against pessimistic outlooks across multiple life domains (Figure 9). Respondents with high realistic optimism consistently demonstrate lower levels of pessimism compared to those with low realistic optimism. The most significant differential was observed in employees' outlooks on work, with comparable disparities in financial outlook and feelings about the state of the country.

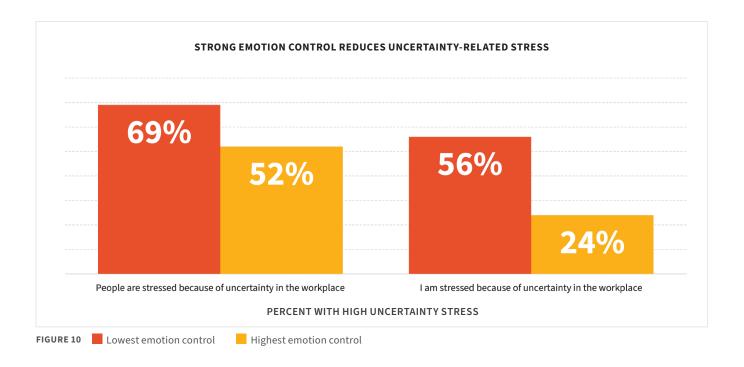
Nurturing skill sets around realistic optimism enables individuals to maintain more balanced and constructive perspectives during challenging circumstances, increasing overall resilience and improving psychological well-being. The consistent pattern across all three measured domains underscores realistic optimism as a valuable skill for organizations seeking to foster more positive, solution-focused mindsets among their workforce.

### The Emotion Control component of resilience is also powerfully protective against uncertainty-related

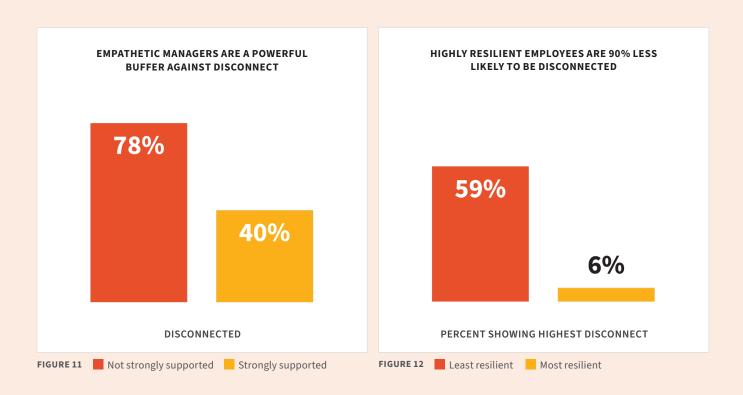
stress. Defined as the ability to regulate one's emotional responses to challenging situations, emotion control enables individuals to process and respond to workplace uncertainty in a more balanced and adaptive manner. Emotion control skills significantly reduce the risk of uncertainty-related stress-and its productivity-killing consequences-in the workplace (Figure 10).

Employees with the weakest emotion control skills perceive both general workplace uncertainty and their own uncertainty stress to be more severe than their counterparts with high emotion control. The biggest difference appears in personal experiences of uncertainty stress, where employees with strong emotion control skills show 57% lower uncertainty stress compared to those with poorer emotion control.

While resilient individuals still recognize uncertainty as a workplace reality, their ability to manage emotional reactions helps prevent uncertainty from translating into personal distress, creating a protective buffer against uncertainty-related stress.



Resilience and empathetic management diminish disconnect. Two factors emerge as powerful buffers against disconnect. First, empathetic management makes a remarkable difference. Among employees who don't feel strongly supported by their supervisors, 78 percent show signs of disconnect (Figure 11). This drops to just 40 percent for those who experience strong managerial support. **Second**, individual resilience provides even more protection (Figure 12). Among the most resilient employees, only 5.9 percent fall into the highest disconnect category. In contrast, among the least resilient workers, 59 percent—a tenfold increase—experience maximum disconnect.



The evidence presented here offers genuine cause for optimism: manager support, emotion control, and realistic optimism represent skills that can be systematically developed. Rather than accepting workplace pessimism, uncertainty stress, and disconnect as inevitable byproducts of modern organizational life, leaders can actively cultivate these protective factors within their teams. The substantial risk reductions documented for disconnect, pessimism, and uncertainty-related stress suggest that organizations willing to invest in developing these capabilities will see meaningful returns in both employee well-being and organizational performance.

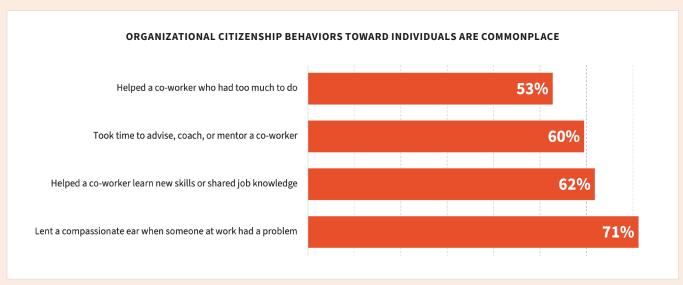
# The Ties That Bind: Organizational Citizenship as Culture "Glue"

Given the psychological demands associated with widespread volatility and uncertainty, organizations must look beyond the job description to build a positive organizational culture that can buffer against these stressors.

Organizational citizenship behaviors toward individuals (OCBIs) represent voluntary actions employees take to help colleagues, that go beyond assigned duties. Essentially, how well one "plays well with others" in professional settings. These prosocial, voluntary behaviors include things like pitching in to help a coworker with a heavy workload, orienting new team members to job duties, or lending a sympathetic ear when colleagues share personal problems.

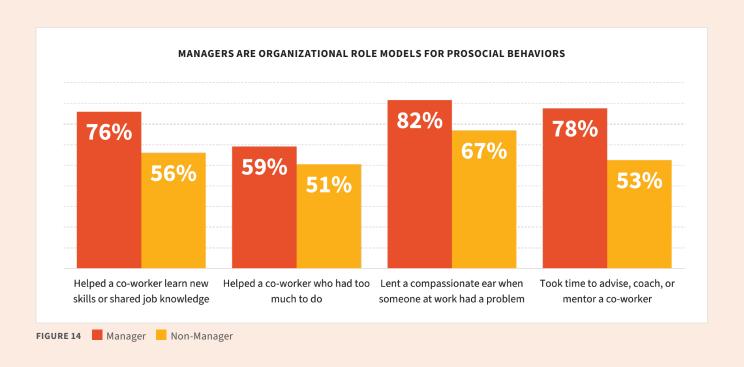
Organizational citizenship behaviors build support networks between coworkers, moderating psychological strain. When employees voluntarily "show up" for one another, they build the social and emotional capital necessary to navigate organizational challenges, enhancing both individual and team effectiveness.

OCBIs were measured using four specific items that capture distinct forms of voluntary interpersonal support in the workplace. The items assessed whether employees helped coworkers learn new skills or shared job knowledge (knowledge transfer), assisted colleagues who were overwhelmed with work (task assistance), provided emotional support by lending a compassionate ear during difficult times (emotional support), and dedicated time to advise, coach, or mentor fellow workers (developmental guidance).



Positive citizenship behaviors are widespread. Employees are meaningfully and substantially engaged in organizational citizenship behaviors (Figure 13), with all four behaviors being practiced by the majority of participants. Emotional support emerged as the most common form of OCBI, with 71% of respondents reporting they lent a compassionate ear to colleagues experiencing workplace problems. Knowledge sharing was the second most prevalent behavior at 62%, followed by mentoring and coaching activities at 60%. Task assistance, while still practiced by a majority, showed the lowest prevalence at 53%, suggesting that employees may find it easier to provide emotional support and knowledge than to directly assist with getting the work done. Despite widespread volatility and uncertainty, employees maintain strong prosocial behaviors that contribute to organizational resilience and collective well-being.

Managers shoulder a substantial "citizenship burden" beyond their formal responsibilities. Managers engage in prosocial workplace behaviors at dramatically higher rates than non-managers across all dimensions (Figure 14).



The most striking differential appears in mentoring and coaching activities (78% vs. 53%)—a 25 point gap reflecting managers' key role in team development. Knowledge sharing shows a similar 20-point difference (76% vs. 56%), confirming that managers serve as critical conduits for organizational learning and skill transfer. While the gap in emotional support is narrower (82% vs. 67%), the fact that over 80% of managers regularly provide compassionate listening highlights the emotional labor inherent in leadership roles.

These findings underscore a crucial organizational dynamic: managers don't just direct work; they actively maintain the social infrastructure that enables productivity. Managers bear disproportionate responsibility for fostering supportive work environments in addition to meeting expectations for their own performance.

**Empathetic management pays off for organizational citizenship in teams.** Managerial support for mental well-being demonstrates a consistent positive association with organizational citizenship behaviors across all measured dimensions (Figure 15). Employees who report strong managerial support engage in OCBIs at rates 5-9 percentage points higher than those without such support.

This pattern reveals how supportive leadership runs in teams. When managers are intentional about looking out for team well-being, they create environments where peer-to-peer support naturally flourishes. The most pronounced boosts to OCBIs appear in mentoring activities (63% vs. 54%) and emotional support provision (74% vs. 68%), suggesting that empathetic leadership builds the psychological safety necessary for employees to invest time in colleagues without fear of being penalized for these helping behaviors. Under supportive managers, knowledge sharing increases by 6 percentage points (64% vs. 58%) and task assistance rises by 5 points (55% vs. 50%), underscoring a multiplier effect.

Managers who prioritize team mental well-being not only directly benefit their team members, but also cultivate organizational climates where good-citizen behaviors become normative. These findings reinforce that supportive managers create cascading positive impacts throughout their teams, with employees feeling empowered to engage in the full range of citizenship behaviors, particularly developmental activities that support their colleagues' professional growth.

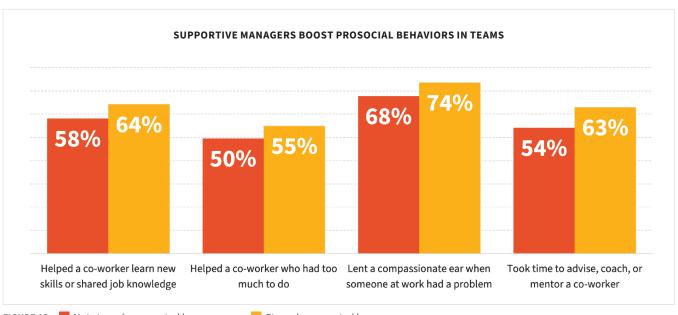
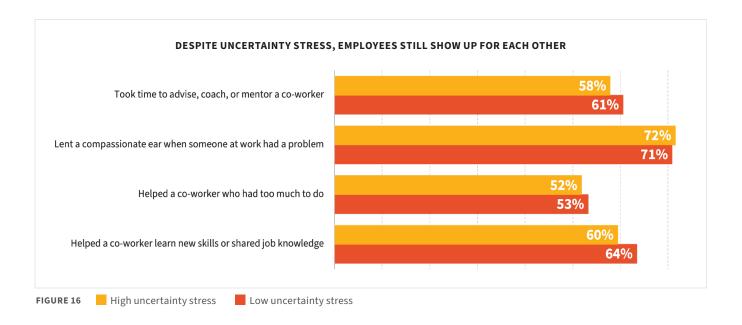


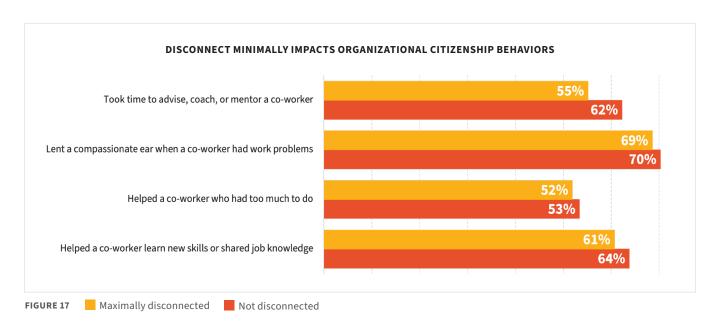
FIGURE 15 Not strongly supported by manager Strongly supported by manager

### In the face of pervasive uncertainty in the workplace, co-workers continue to show up for each other.

Organizational citizenship behaviors are strong, even in the face of challenging work environments. A comparison of OCBIs between individuals with high and low uncertainty stress (Figure 16) shows that good workplace citizenship is minimally impacted—or in some cases even enhanced—by personal perceptions of high stress. Even when facing personal anxieties and systemic uncertainties, workers still show up for each other. Coworkers are not just physically present, but are emotionally and professionally invested in their colleagues' success, maintaining the social fabric that helps organizations navigate turbulent times.



Even disconnected employees show up for their colleagues. Organizational citizenship behaviors seem to persist even in the face of extreme disconnect (Figure 17). Even as employees mentally check out from their organizations and supervisors, they continue showing up for their coworkers. This resilience in peer relationships stands in sharp contrast to the damage disconnect inflicts on productivity.



#### **SUMMER 2025**

# **Conclusion: Building Organizational** Resilience in an Era of Uncertainty

Our findings illuminate the complex interplay between pessimism, uncertainty stress, and organizational citizenship behaviors in today's volatile workplace environment. The data reveals several key insights that organizations can leverage to build greater resilience and productivity.

Pessimism represents a significant operational risk, with measurable impacts on mental health outcomes and productivity. Employees exhibiting work-related pessimism show more than double the risk of depression and anxiety, alongside a 64% increase in productivity impairment. These effects vary across generations and industries, with Gen Z showing higher current pessimism but greater future optimism, while government and health sectors demonstrate particularly elevated concern levels.

Realistic optimism—a thinking pattern that can be nurtured—emerges as the most significant protective factor against pessimistic outlooks. Those with high realistic optimism consistently show more positive outlooks across work, financial, and national domains, highlighting this skill as a valuable target for organizational development initiatives.

Uncertainty stress—experienced by 42% of respondents personally and perceived in 63% of colleagues—translates directly to business costs through reduced productivity, increased burnout, and higher anxiety rates. Employees with high uncertainty stress demonstrate markedly higher productivity impairment, nearly double the burnout rates, and more than twice the prevalence of generalized anxiety disorder compared to their less-stressed counterparts.

Despite these challenges, organizational citizenship behaviors remain remarkably resilient. Even in the face of disconnect and uncertainty, employees continue to support colleagues through emotional assistance, knowledge sharing, and mentorship. Managers shoulder a disproportionate "citizenship burden," engaging in prosocial behaviors at significantly higher rates than non-managers.

Throughout these findings, two critical protective factors stand out: empathetic management and individual resilience. Strong managerial support reduces uncertainty stress by 37% and cuts disconnect rates nearly in half. Individual resilience skills particularly emotion control and realistic optimism—provide substantial buffers against diminished mental well-being as well as the productivity impairment and burnout that drive up costs to business.

# **Key Recommendations**



**Invest in developing realistic optimism skills** among employees, as this trait consistently shows the strongest protective effect against pessimism across all domains (work, financial, and national outlook), with particularly powerful impact on reducing pessimism.

- Developing realistic optimism requires more than advising employees to "look on the bright side," but can be accomplished through structured workshops where employees practice transforming catastrophic thinking patterns into solution-focused approaches, learning to ask "What specific steps can I take to influence positive outcomes?" rather than dwelling on worstcase scenarios.
- Managers can also be trained to model realistic optimism by openly discussing challenges
  while demonstrating forward-thinking problem solving approaches. Weekly team reflection
  sessions can reinforce these skills, by focusing on concrete wins and extracting actionable
  lessons from setbacks.



**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%.

- While we shouldn't expect managers to be therapists, a powerful protective effect for the team can be realized by expanding check-ins to extend beyond task management to include structured conversations about well-being, stress levels, and personal challenges.
- Training in mental health first aid techniques can also be helpful in learning to recognize early
  warning signs of burnout or disengagement, and understanding when to facilitate connections
  with professional support resources.
- Creating peer support networks among managers themselves acknowledges that supporting others' mental health can be emotionally demanding and requires its own scaffolding.
- Comprehensive manager toolkits containing conversation guides, resource directories, and follow-up protocols can enhance support for managers, and establish clear pathways for escalating mental health concerns with appropriate confidentiality.



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

- Provide employees with evidence-based psychological tools to teach critical resilience skills like cognitive reframing, present-moment awareness without judgment, and identifying thinking traps (automatic, deep-seated thought patterns that can lead to negative emotions).
- Digital well-being platforms can provide on-demand access to guided exercises, mood tracking tools, and personalized coping strategies that employees can use during challenging moments.
- Develop internal wellness champions who can model and mentor resilient thinking and behavior.



**Provide additional support for remote/hybrid workers**, who experience higher uncertainty stress than on-site employees. Supporting remote and hybrid workers demands recognition that distributed teams face unique challenges around uncertainty and connection.

- Enhance communication channels beyond standard video calls, implementing regular informal check-ins, virtual coffee chats, and structured opportunities to give remote workers visibility into company dynamics and strategic direction.
- Create digital spaces for casual interaction that replicate the informal support networks in physical offices, while ensuring remote employees have equal access to mentoring relationships and career development opportunities. These steps can reduce feelings of professional isolation and uncertainty about their trajectory within the organization.



**Foster organizational citizenship behaviors**, as these prosocial behaviors persist even during periods of high stress and disconnection, creating informal support systems that help mitigate workplace challenges.

- Create systematic opportunities for employees to engage in prosocial activities that build
  informal support networks and resilience. This can take the form of volunteer programs, crossdepartmental collaboration projects, and peer recognition systems that encourage employees
  to support one another beyond formal job requirements.
- Recognize and celebrate organizational citizenship behaviors through formal acknowledgment programs.

By addressing the individual and business impacts of pessimism and uncertainty, organizations can build a more resilient, productive, and engaged workforce capable of thriving in today's complex and uncertain world.

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