FROM STRESS *to* STRENGTH:

How You Feel Depends on Who You Are

FALL 2023

WORKFORCE WELL-BEING REPORT

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EXECUTIVE SUMMARY

SINCE JULY 2020, meQ 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. This report, the latest in the series, details findings related to well-being, retention, optimism, productivity and other topics across a sample of 4,466 meQ members.

Data were collected via online survey in August 2023 and include respondents from a broad range of industries, featuring both individual contributors and managers.

DISCOVER THE FIVE KEY FINDINGS THAT EMERGED FROM THIS DATA INSIDE.

KEY FINDINGS:

1. WELL-BEING TRENDS

WELL-BEING TRENDS ARE A MIXED BAG, WITH SOME SECTORS BEARING A DISPROPORTIONATE BURDEN

Though motivation is rising and somatic symptoms of stress are declining, data underscore persistent well-being vulnerabilities amid economic uncertainty and layoff threats. On one hand, motivation is up and physical manifestations of stress like headaches are decreasing. However, we are seeing concerning spikes in job stress across all respondents, but especially in the tech/communications industries (up 90%+). The stress trend, coupled with drops in positivity (75% feel worse about their country) and perceived manager support (down 12%), signals risks requiring continued employer attention. Employees feel less supported by managers, particularly those outside the US and those returning back to offices, suggesting a link between perceived manager support and remote work arrangements. Targeted support is needed to stabilize emerging risks of disengagement and turnover, especially for hard-hit sectors like tech. Proactive efforts to monitor employee well-being, transparently communicate, and provide compassionate leadership during difficult transitions will be key.

2. THE RISE OF PESSIMISM

RISING PESSIMISM REFLECTS WORKERS' "CIRCLES OF FEAR"

Though motivation is rising and somatic symptoms of stress are declining, the data underscores persistent well-being vulnerabilities amid economic uncertainty and layoff threats. The study asked participants whether thinking about their country, their finances, their work and their relationships makes them feel better or worse, and whether they think each area will get better or worse in the coming year. The pattern of decline suggests a set of concentric circles of fear. At the core is pessimism about their country: over 75% of meQ members report feeling worse when they think about the state of their country. Moving outward, about half feel worse when considering their finances, and over a third feel worse when thinking about their work situation. Study participants are least pessimistic about the state of their relationships. Feelings vary somewhat depending on one's situation. Hourly workers feel markedly worse about money compared to salaried workers. US-based members feel much worse about their country than non-US counterparts both now and looking ahead. However, most expect finances and work to improve in the coming year. Manager support powerfully buffers negativity about work and relationships. Resilience exerts an even stronger protective effect, with highly resilient people being far less likely to have a negative outlook across domains of work, relationships, finances, and the country. Building resilience through supportive leadership, peer connections, and stress management can help rekindle optimism.

3. RETENTION RISKS

ECONOMIC UNCERTAINTY PERSISTS, RETENTION RISKS LOOM

Retention challenges persist amid tight labor market conditions: 13.8% of meQ members surveyed say they are highly likely to leave their current position in the next 6 months. Mental demands, compensation, and growth opportunities remain top turnover triggers economy-wide. But manager support slashes turnover risk 44-55% by reducing susceptibility to key exit drivers like burnout and disconnection between work and life purpose. Resilience also strongly insulates against churn risks. Remote/hybrid work buffers work-life conflict and insulates against difficult workplace relationships that may fuel turnover, though remote status is associated with elevated concerns about job security. Targeted, flexible retention strategies accounting for employee differences in resilience levels, life stage, and preferences are needed to stabilize the workforce. Investing in supportive leadership training, resilience building, and creative work arrangements could strengthen retention.

4. PRODUCTIVITY AND PERFORMANCE

AUTONOMY TOGETHER WITH STRONG MANAGER AND COWORKER RELATIONSHIPS ARE KEY DRIVERS OF PRODUCTIVITY

After initial pandemic-driven gains, productivity growth has slowed significantly to **near 70-year lows**. Key drivers of productivity identified by members include autonomy at work, affinity with colleagues and perceptions of manager support. Key areas which diminish productivity identified by study participants include interruptions, events in the news, and caregiving duties. Compared to individual contributors, managers receive less productivity benefit from autonomy and from their own leaders. Managers also report a larger productivity hit from interruptions and the commute. Targeted improvements to leader development, work arrangements, and reducing unnecessary meetings and distractions could enhance focus and productivity. But productivity initiatives should account for employee well-being—mandates without support risk backlash.

5. HOW GEN Z IS DIFFERENT

GEN Z FACES DISTINCT WELL-BEING STRUGGLES AND TURNOVER RISKS

Gen Z exhibits far higher job stress than older peers but remains somewhat optimistic about the future, despite pessimism about current work and finances. Nearly 1 in 4 report likely near-term turnover, driven by financial strains and mental health demands. Distinct motivations like purpose and side gigs also drive exits. As Gen Z is projected to comprise at least **30% of the workforce by 2030**, employers must provide specialized support to manage their stress, money squeezes, and desire for purpose while developing their skills. Mentorship, financial guidance, and well-being benefits tailored to Gen Z could aid retention and growth.

WELL-BEING TRENDS ARE A MIXED BAG, WITH SOME SECTORS BEARING A DISPROPORTIONATE BURDEN

Over the past three years, meQ has tracked trends across a core set of well-being indicators. In **FIGURE 1**, we present the most recent trend data for five crucial indicators: somatic symptoms of stress, motivation, burnout, job stress, and positivity.

These data offer a mixed picture. On one hand, the outlook appears promising. Somatic manifestations of stress, such as headaches and back pain, have decreased year over year, motivation is on an upward trajectory, and the burnout indicator demonstrates stability over the past 12 months. However, on the flip side, the most recent responses reveal a noticeable uptick in job-related stress and a nearly 20% decline in overall positivity.

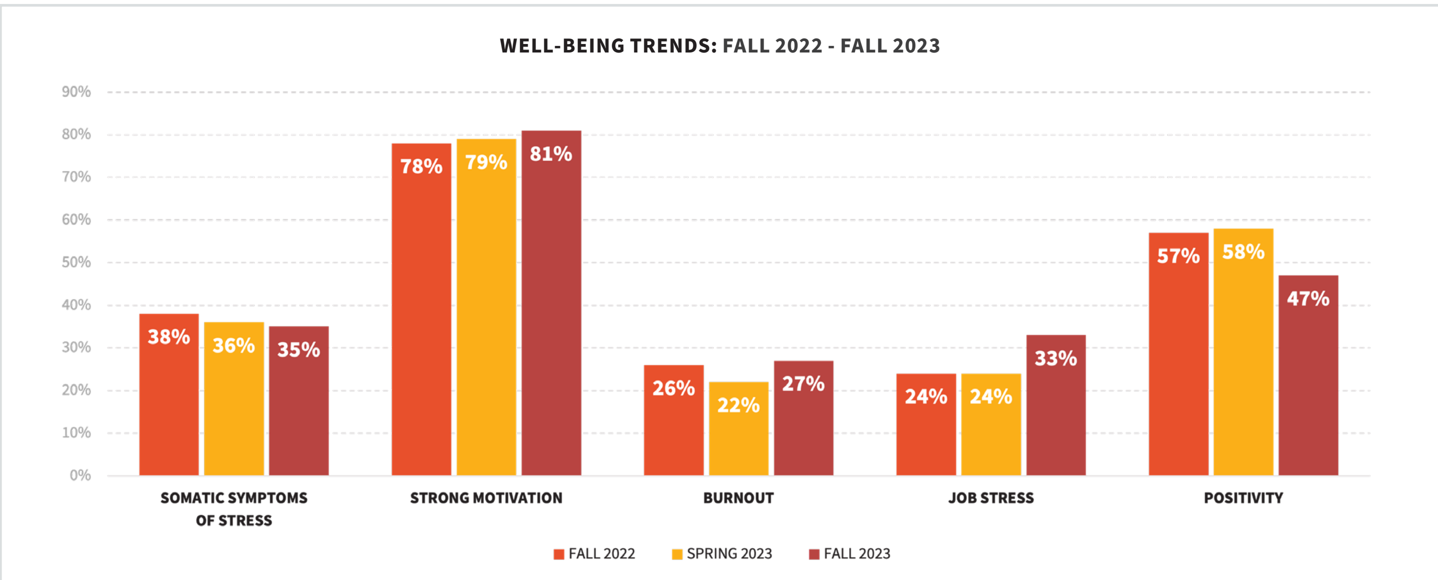

FIGURE 1

COMMUNICATIONS AND TECHNOLOGY INDUSTRY WORKERS SHOW THE LARGEST INCREASES IN JOB STRESS

The data from the entire sample indicates a noticeable year over year rise in job-related strain among meQ members. This surge in stress is hardly unexpected, given the current state of global economic uncertainty and inflation rates not seen since the 1980s.

Members employed in the technology and communications sectors (as depicted in **FIGURE 2**) have experienced some of the most substantial impacts, with job stress surging by 91% and 83% year over year, respectively. The trend here is likely influenced by recent prominent layoffs in both the **tech** and **communications** sectors. While the increase is comparatively smaller in the Health Services sector, no industry remains untouched by the uptick in work-related stress.

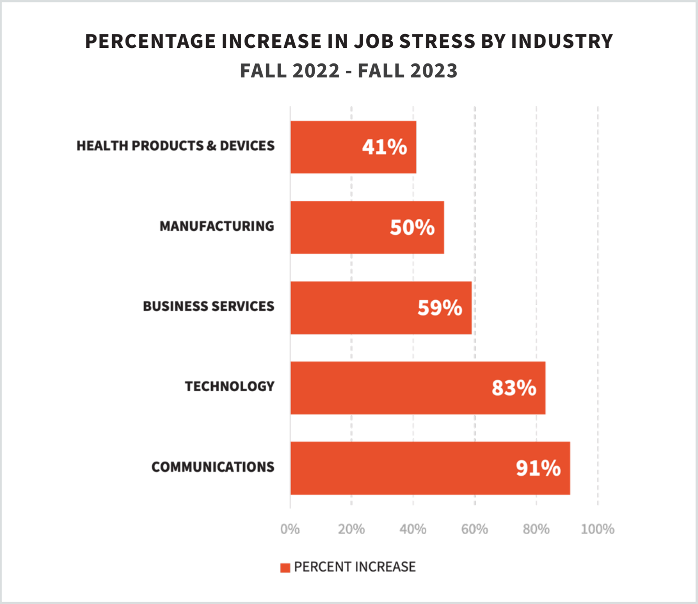

FIGURE 2

EMPLOYEES REPORT FEELING LESS WELL SUPPORTED AT WORK DUE AT LEAST IN PART TO RETURN-TO-OFFICE MANDATES

In addition to monitoring core indicators of well-being, meQ has been consistently tracking the evolving trend in perceived support from both employers and managers. Previous reports have elucidated the substantial protective influence of perceived employer support against turnover intent, burnout, stress, and other key indicators.

Initially, the workforce well-being studies focused on gauging support specific to the COVID-19 pandemic ("My employer is doing a good job supporting employees..."). However, given the diminishing impact of the pandemic on both work and home life, and recognizing the substantial influence of managers on employee well-being in prior studies, the measure of employer support has transitioned to a more general approach. As of early 2023, the self check studies now inquire about the member's agreement with the statement, “My manager supports my mental well-being.”

FIGURE 3

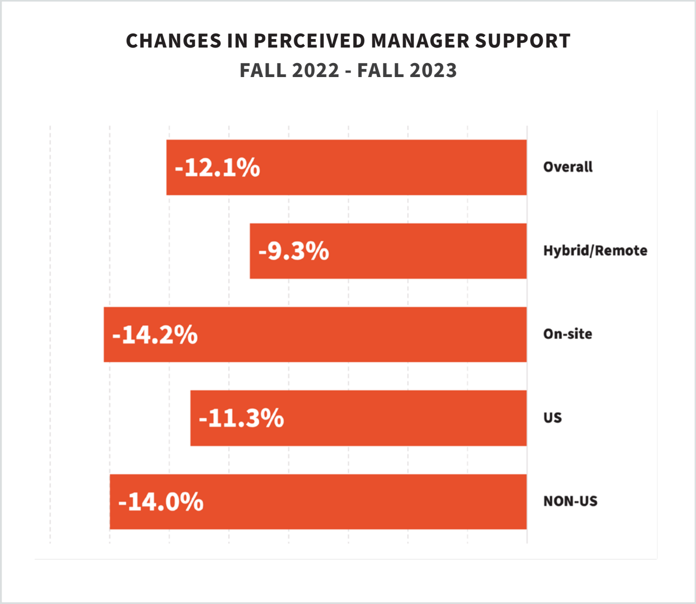

FIGURE 4

Over the previous six months, employees’ perceptions of manager support for their mental well-being dropped by just over 12% (66.2% to 58.2%, **FIGURE 3**). While only minimal differences in this overall pattern were observed across demographic groups, there were noticeable differences in the pattern of change by work location and country of residence, as depicted in **FIGURE 4**. meQ members residing outside the US experienced a more pronounced decline in perceived manager support compared to their US-based counterparts (-14% vs -11.3%). Additionally, employees working full-time at their company's standard work location saw a more significant decrease than those in a hybrid or fully remote environment (-14.2% vs -9.3%).

WELL-BEING TRENDS

The disparity shown above related to work location strongly suggests that the observed decline in perceived support is, in part, a consequence of a growing initiative to transition remote workers back to a hybrid or fully in-office work arrangement.

In summary, the latest well-being data from meQ reveals a mixed picture. While some indicators like motivation and somatic symptoms of stress show improvement, concerning trends have emerged around increased job stress and declining positivity. Employees in the communications/tech sector experienced dramatic 91% and 83% spikes in job stress, respectively. Meanwhile, across the workforce, perceived manager support for mental health dropped over 12% to 58.2%, with remote workers and those outside the US seeing the steepest declines. This highlights a growing need to bolster mental health support amidst economic uncertainty, especially for struggling industries like tech and remote-transitioning employees feeling neglected. Though some progress has occurred, the data underscores persisting well-being vulnerabilities requiring attentive employer and leadership support.

"CIRCLES OF FEAR:" THE RISE OF PESSIMISM

To better understand changes in positivity, the most recent self check asked members about their outlook related to four specific topics, ranging from the national to the local and personal. Members were asked whether it made them feel better or worse when they thought about the state of the country, their money situation, their work situation and their relationships. A set of followup items asked whether each area would get better or worse over the next year.

Overall results are shown in **FIGURE 5** and reveal a generally pessimistic outlook marked by a set of concentric "circles of fear." At the core are members' feelings about the country. More than 75% of members—doubtless representing views across the political spectrum—report that thinking about the country makes them feel worse. At the next level out from the center, members show concern about their money situation, reflecting the impact of the job stress findings detailed above. Nearly half (45.8%) of members say thinking about their money situation makes them feel worse. At the next level of worry are feelings about work: more than a third (38.7%) of respondents say thinking about work makes them feel worse. At the outer edge, members' relationships seem to be a relative safe haven. Just over 1 in 4 (27.5%) members report that considering their relationships makes them feel worse.

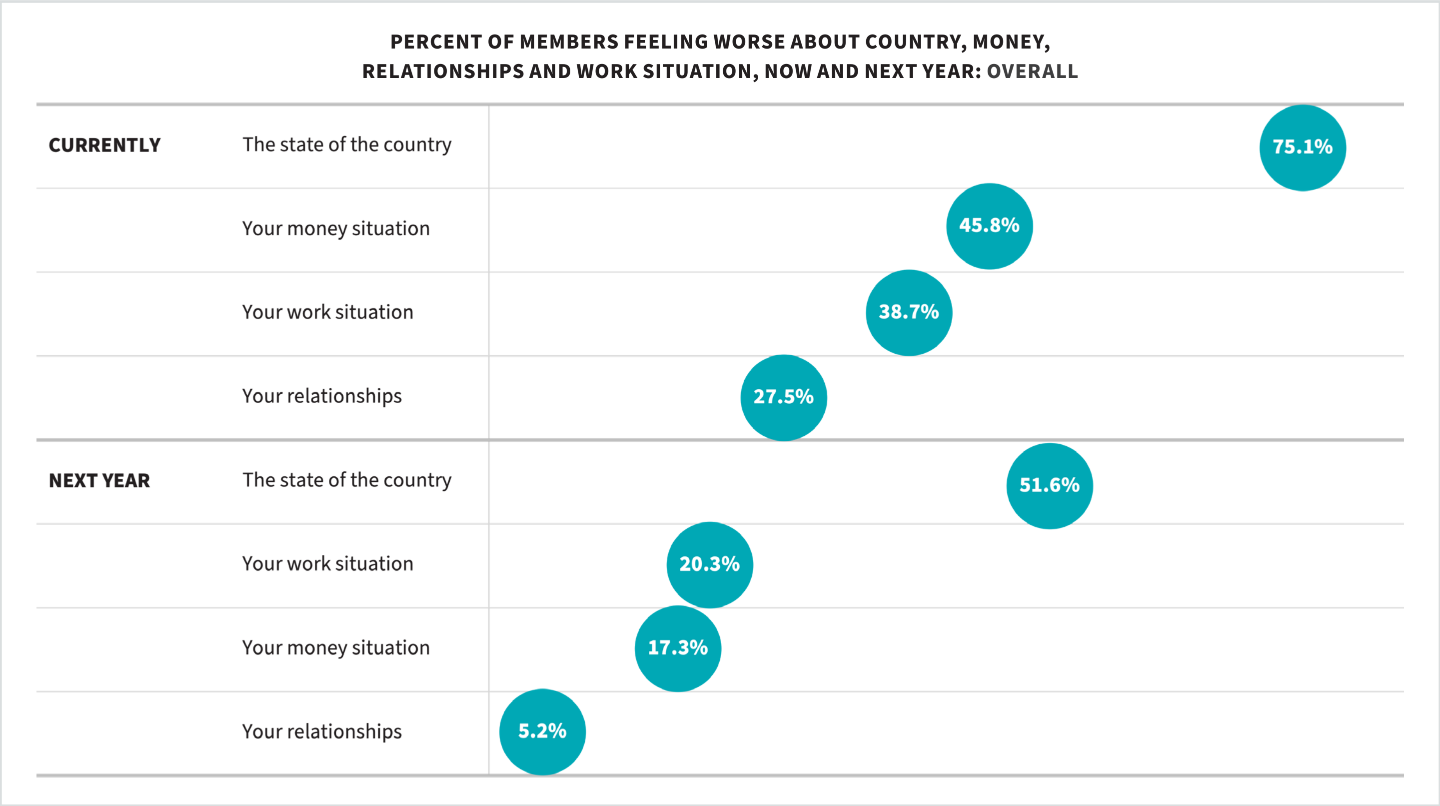

FIGURE 5

Looking ahead, a more optimistic outlook emerges. The majority of members anticipate an improvement over the next year (just 5.2% anticipate a worsening). The pattern marks a fascinating paradox: members simultaneously think things will get better for them next year, but will worsen for the collective. The majority of members believe that their financial and work situations are likely to improve in the next year but more than half of members (51.6%) expect the situation with their country to get worse over the coming months.

HOW YOU FEEL DEPENDS ON WHO YOU ARE

The pattern of present and future state feelings varies across groups. A comparison of hourly workers to salaried workers shows a broadly similar pattern with the exception of the member's current money situation. Compared to salaried members, 24% more hourly members say thinking about their money situation makes them feel worse (53.7% hourly vs 43.2% salaried, not shown). Responses from US and non-US members also align closely, except for their perspectives on the current and future state of the country (**FIGURE 6**). These findings highlight an American exceptionalism, but of an undesirable sort. This pattern extends to future state views: members in the US are 65% more likely than non-US members to anticipate things worsening in the future (55.1% vs 33.8%).

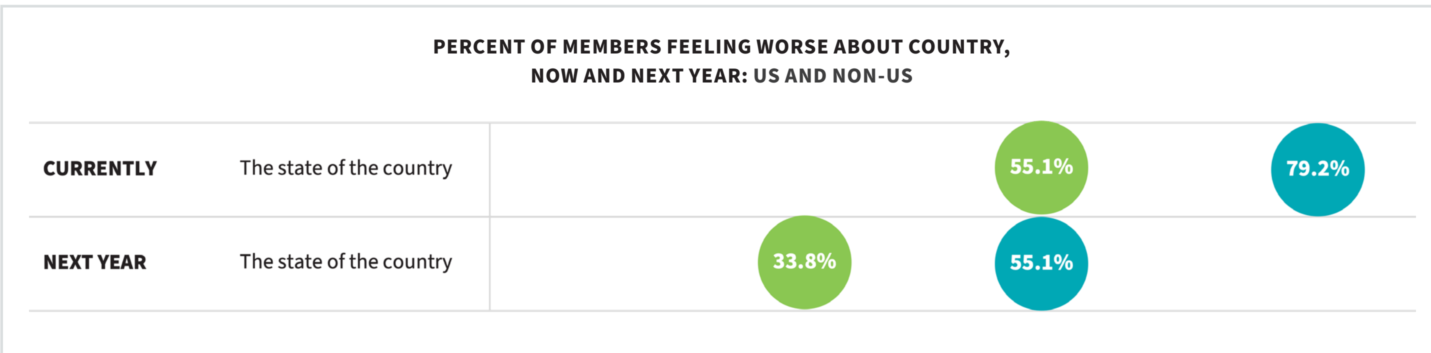

FIGURE 6 US NON-US

MANAGER SUPPORT POWERFULLY BOOSTS OPTIMISM AT WORK

Member perceptions about these four topics also varied between employees who perceive their manager as strongly supportive of their well-being and those who feel less well supported by their leader. The strongest protective effect was noted for employee attitudes toward work (**FIGURE 7)** where well-supported employees were approximately half as likely to say thinking about work made them feel worse, and about half as likely to think things will be worse in the future.

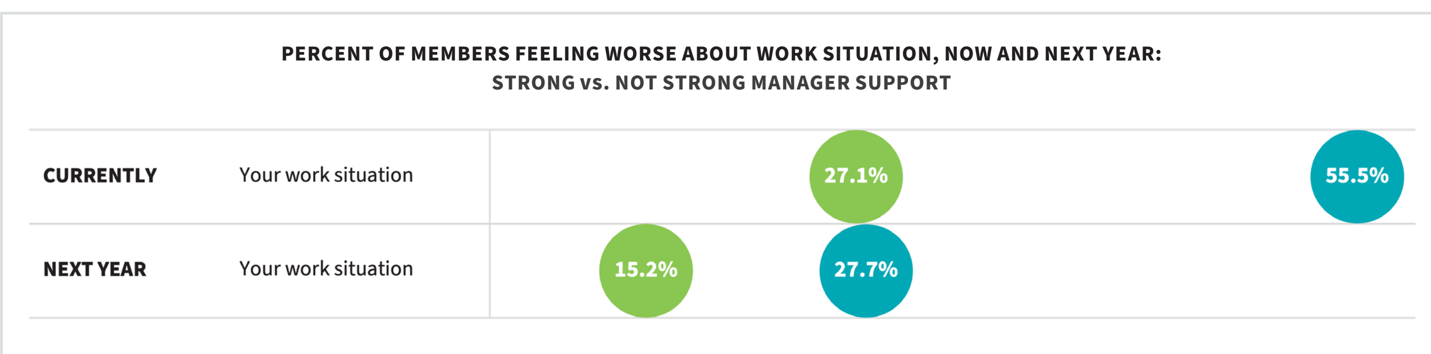

FIGURE 7 STRONGLY SUPPORTED BY MANAGER LESS STRONGLY SUPPORTED BY MANAGER

THE RISE OF PESSIMISM

Further evidence of the power of managers to increase overall well-being, strong manager support was shown to be powerfully protective for areas not obviously related to work, including relationships and money. Testifying to the deep level of concern about the country and a possible limit to manager influence, well-supported and less-well-supported employees report that thinking about the state of the country makes them feel worse at about the same rate.

RESILIENT EMPLOYEES CONSISTENTLY CARRY A MORE POSITIVE OUTLOOK

By far the widest gap observed in these data with respect to present and future feelings about work, money, relationships and the country is across levels of resilience. Realistic optimism, a crucial aspect of meQ's resilience model, provides a unique protective factor, particularly in challenging situations. **FIGURE 8** illustrates the contrasting sentiments of members regarding these four topics, comparing responses from highly resilient and less resilient individuals based on their scores in the meQ assessment. Specifically, resilient individuals exhibit:

- **57% LOWER LIKELIHOOD** of feeling worse when contemplating their work situation
- **78% LOWER LIKELIHOOD** of feeling worse when considering their relationships
- **57% LOWER LIKELIHOOD** of feeling worse when assessing their financial situation
- **12% LOWER LIKELIHOOD** of feeling worse when reflecting on the state of the country

Furthermore, this positive protective effect of resilience extends to future outlooks, with the most resilient individuals consistently being less likely to anticipate worsening conditions in the coming year.

PERCENT OF MEMBERS FEELING WORSE ABOUT COUNTRY, MONEY, RELATIONSHIPS, AND WORK SITUATION, NOW AND NEXT YEAR: RESILIENT vs NOT

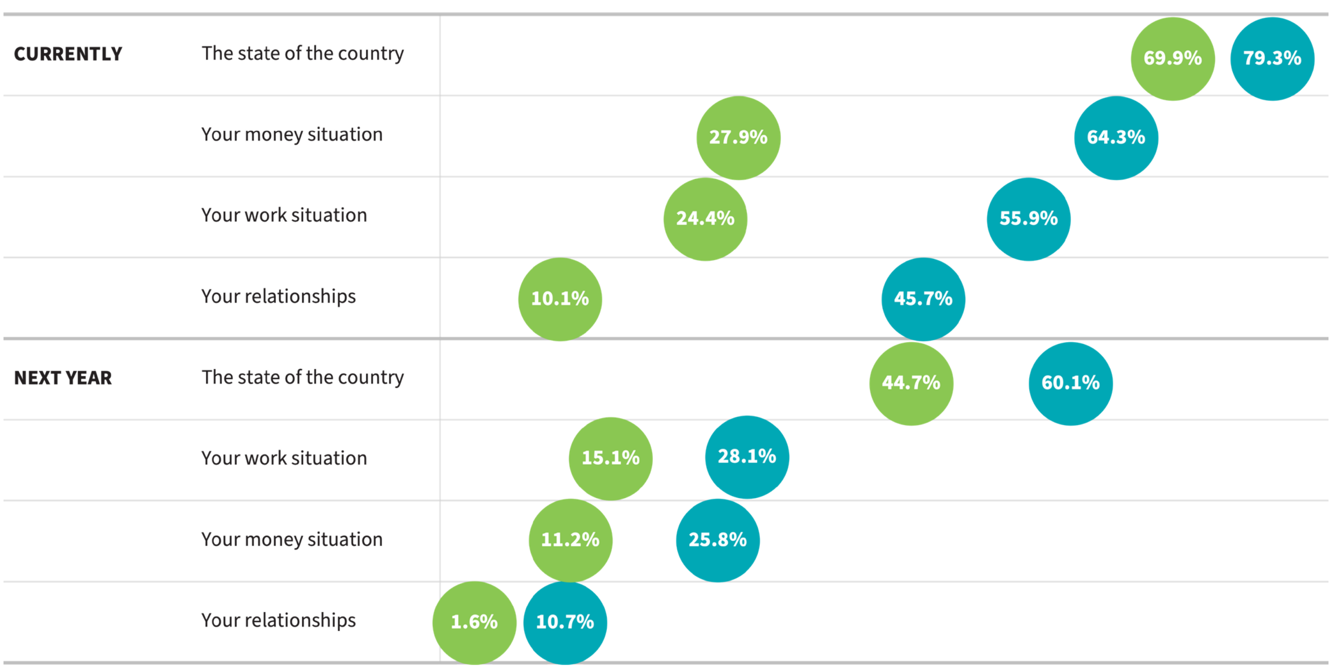

FIGURE 8 HIGHLY RESILIENT LEAST RESILIENT

THE RISE OF PESSIMISM

The latest data reveals declining positivity across multiple facets of life. Over 75% of members report feeling worse when thinking about the state of the country, while nearly half feel worse about their finances and over a third feel worse about work. However, most anticipated improvement in their money, work, and relationships in the coming year, though over half see the country's situation worsening.

IN SUMMARY, POSITIVITY HAS DECLINED AMIDST ECONOMIC UNCERTAINTY, BUT MANAGER SUPPORT AND RESILIENCE CAN SUBSTANTIALLY MITIGATE NEGATIVITY.

JOB STRESS, MONEY, AND GROWTH OPPORTUNITIES DRIVE RETENTION RISK

Even though the impact of the Great Resignation has largely receded, retention remains a key priority for employers. In what **remains a tight labor market** in many sectors such as healthcare, employees retain bargaining power and have multiple alternatives for different jobs if they are unsatisfied (Leonard, 2022). Turnover continues to be very costly for companies, with **some studies estimating the cost of replacing an employee** at 6-9 months salary on average. Recent research suggests that the majority of businesses **are having trouble keeping top employees**. The long tail of the return-to-office holds additional potential as a retention risk. For the foreseeable future, retention is expected to remain a pain point requiring proactive efforts to understand (and meet) employee desires and build an engaging employee experience.

Given the continued focus on retention, meQ included a section in the most recent self check delving into the key drivers of turnover, shedding light on the distinctive impacts they exert across diverse positions and industries. In an era where attracting and retaining top talent has become paramount, understanding the intricacies of turnover is not only important but timely, particularly for sectors that continue to grapple with the persistent challenge of workforce stability.

The self check asked individuals to rate the likelihood of leaving their position within the next 6 months on a scale of 0-10 where 0 is extremely unlikely and 10 is highly likely. For the purposes of this report, individuals with responses of 7 or greater were considered to be high turnover risk; individuals with lower scores were considered to be lower turnover risk. To better understand the key drivers of turnover intent in the present job market, the survey asked each individual to identify whether each of 11 unique drivers (**FIGURE 9**) made them more or less likely to consider leaving their job. For ease of presentation, the analyses below display the percent of individuals who identified each factor as a strong driver of turnover intent.

UNIQUE DRIVERS SURVEY

☐ How much money I make
☐ How much my job requires of me mentally
☐ How much my job requires of me physically
☐ Job security
☐ My commute to work
☐ My relationship with my coworkers
☐ My relationship with my manager
☐ My responsibilities at home/with my family
☐ Other jobs for pay that I have
☐ The hours I work
☐ The opportunity to grow in my current company
☐ The sense of purpose I get from my job

FIGURE 9

NEAR-TERM TURNOVER INTENT IS NOT NEGLIGIBLE

The most recent self check data show that 13.8% of members report being highly likely to leave their job in the next six months. The key drivers of near-term turnover intent for the member population as a whole are unsurprising. The top three identified by meQ members are mental demands of the member's current position (identified by 34.6% of members), money (32.9%), and opportunity for growth (31.4%). The unsurprising nature of the population-level key drivers gives way to a surprising degree of variability in the salience of turnover drivers across various subgroups.

MANAGER SUPPORT FOR MENTAL WELL-BEING IS AMONG THE STRONGEST DETERRENTS OF TURNOVER INTENT

It is commonly said that employees don't leave jobs, they leave managers. That folk wisdom is strongly borne out in these data. One of the key differentiators is degree of manager support. Here, as it seems to be everywhere, manager support is pivotal. A manager looking out for an employee's well-being reduces the risk of turnover across the board, even among what are otherwise the strongest drivers at the population level (**FIGURE 10**).

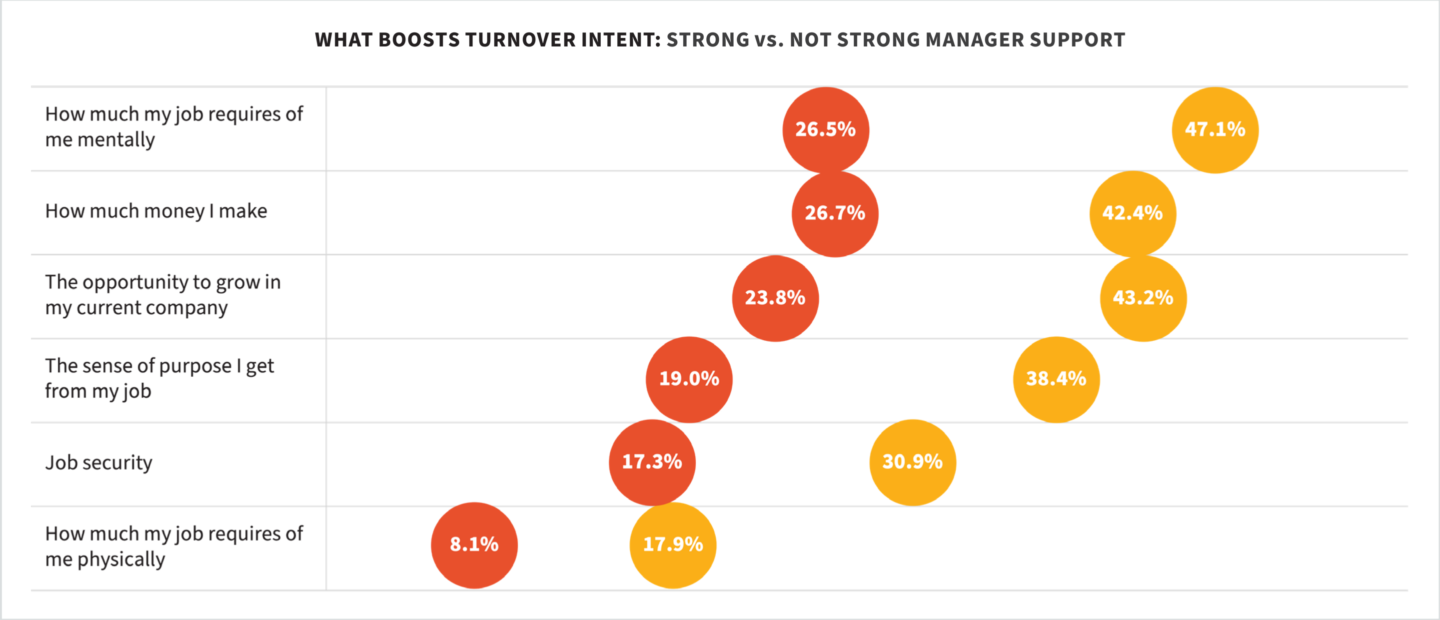

FIGURE 10 FEELS WELL SUPPORTED NOT WELL SUPPORTED

EMPLOYEES WHO FEEL STRONGLY SUPPORTED BY THEIR MANAGERS ARE:

- **44% LESS LIKELY** to identify mental demands as a key driver of turnover intent (26.5% vs 47.1%)
- **37% LESS LIKELY** to cite money (26.7% vs 42.4%)
- **45% LESS LIKELY** to identify lack of opportunity to grow (23.8% vs 43.2%)
- **49% LESS LIKELY** to identify lack of sense of purpose
- **44% LESS LIKELY** to flag job security as a concern (17.3% vs 30.9%)
- **55% LESS LIKELY** to flag physical demands of the job (8.1% vs 17.9%)

This pattern strongly reinforces the powerful impact a caring, supportive manager can have on employee retention, significantly reducing the pull of some of the most prevalent turnover triggers.

RESILIENT EMPLOYEES ARE HIGHLY INSULATED AGAINST NUMEROUS KEY DRIVERS OF TURNOVER

Stark contrasts also emerge when comparing the most common turnover drivers reported by highly resilient employees versus less resilient peers (**FIGURE 11**). Highly resilient individuals are substantially less likely to cite certain factors as churn risks, including:

- mental demands of the job **(64% LOWER LIKELIHOOD)**,
- compensation **(40% LESS LIKELY)**,
- sense of purpose **(54% LESS LIKELY)**,
- work-life balance with family responsibilities **(67% LESS LIKELY)**, and
- long working hours **(58% LESS LIKELY)**.

This pattern confirms resilience's protective effects against turnover, as those with higher resilience are insulated from the most common turnover triggers found across the broader workforce. By fostering resilience, organizations may be able to strengthen retention, as resilient employees are much less swayed to quit by dynamics like burnout, work-life conflict, limited purpose, and compensation inequality.

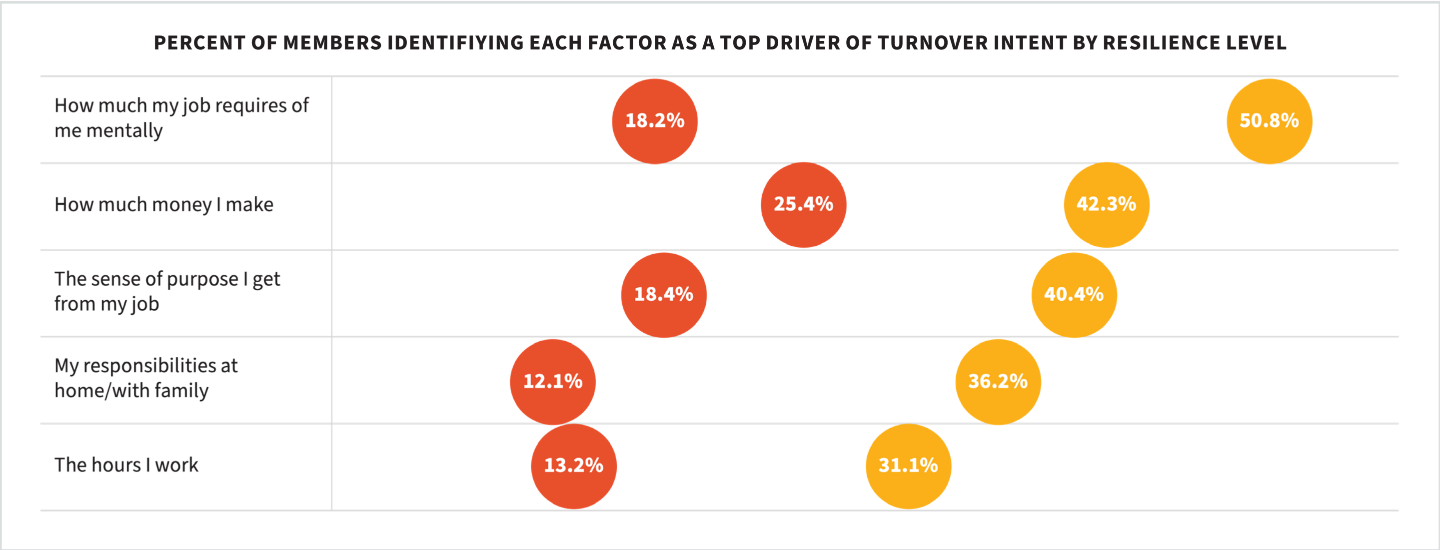

FIGURE 11 HIGHLY RESILIENT INDIVIDUALS LESS RESILIENT INDIVIDUALS

REMOTE/HYBRID ARRANGEMENTS ATTENUATE KEY RETENTION RISKS

Of lesser impact, but still notable as a buffer against turnover intent is work location. **FIGURE 12** contrasts members in hybrid/remote arrangements against members working on-site. The data show that remote/hybrid status confers important turnover-intent-reducing benefits against a number of threats. The value of hybrid/remote arrangements for work life balance are highly apparent, with hybrid/remote employees being 23% less likely to identify family responsibilities as a key factor driving turnover intent. Remote work also appears to help buffer the stress from difficult relationships with managers and/or co-workers. Hybrid/remote employees are 29% less likely to cite as key drivers of turnover intent their relationship with their coworkers and 20% less likely to cite their relationship with their manager.

Employees working at home appear even willing to trade compensation for flexibility, to a point: hybrid/remote employees are 24% less likely to cite money as a key driver of turnover. However, employees in remote/hybrid arrangements do appear to be concerned that their work arrangement may be accompanied by diminished job security: these employees are 30% more likely than their on-site counterparts to flag job security as a factor contributing to turnover intent. In summary, while not a panacea, hybrid and remote options appear to reduce turnover risks associated with work-life conflict, difficult workplace relationships, and pay - but may also elevate other risks around job stability that warrant attention.

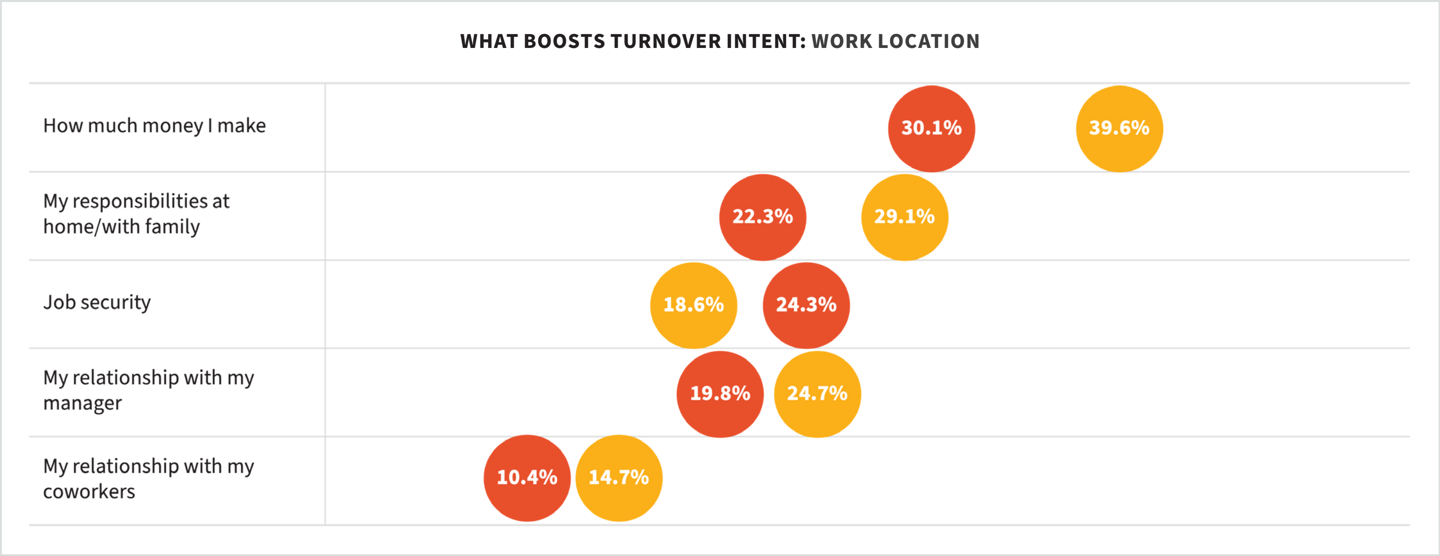

FIGURE 12 HYBRID/REMOTE I AM WORKIING AT MY COMPANY'S NORMAL WORK SITE

The data reveal a complex web of factors driving turnover intent, with significant variability across different subsets of the workforce. While compensation and growth opportunities remain prevalent turnover triggers, the impact of manager support and employee resilience is profound, greatly reducing susceptibility to many common churn risks. Remote and hybrid work arrangements also confer notable protective effects against work-life conflict and difficult workplace relationships fuelling turnover, though these arrangements may elevate other risks around job security warranting attention. In summary, tailored retention strategies accounting for employee differences offer significant potential to strengthen workforce stability amidst a still-turbulent talent market. Proactive efforts to train supportive managers, build resilience, and creatively leverage flexible work options could pay dividends in shoring up retention.

KEY DRIVERS OF PRODUCTIVITY AND PERFORMANCE

After initial pandemic-driven gains, productivity growth in the US began to slow markedly over the course of 2022 as the impact of COVID-19 disruptions faded. **Bureau of Labor Statistics data** showed productivity declining by 7.3% in early 2022, the largest year-over-year drops since 1947. Multiple factors drove this downward turn, including diminishing efficiencies noted earlier in the pandemic, the pressure of inflation, labor shortages, and fears of broader economic uncertainty. At the time of this report, the return-to-office trend is being driven at least in part by the belief—**right or not**—that employees are more productive when they are in the office. Despite the intense focus on employee output, there is not a lot of current data on the factors that increase or decrease employee productivity.

In order to better understand the factors which drive and diminish productivity, the present study asked meQ members to identify whether each of 13 different factors (**FIGURE 13**) contributed positively or negatively to self-reported productivity. Responses on a scale of -3 (strongly reduces productivity) to +3 (strongly increases productivity) were averaged for visualization (**FIGURE 14**). Markers falling on the left side of the midline indicate factors that are productivity drags. Markers falling to the right side of the midline represent factors that are productivity boosts. The findings presented here are a preview of an expanded treatment of productivity drivers and detractors that will be the subject of a forthcoming deep-dive.

PRODUCTIVITY SURVEY

- ☐ How much control I have over how I get my work done
- ☐ My relationships with coworkers
- ☐ My relationship with manager/leader at work
- ☐ My work location (remote/home vs office)
- ☐ My physical health
- ☐ My commute to work
- ☐ How much work I have to do
- ☐ My mental health
- ☐ Household chores
- ☐ Caring for elders
- ☐ Raising children
- ☐ Issues I hear about in the news/media
- ☐ The amount of interruptions at work (emails, slacks, meetings)

FIGURE 13

AUTONOMY, STRONG MANAGER AND COWORKER RELATIONSHIPS ARE THE KEY DRIVERS OF PRODUCTIVITY

Across the population of meQ members who participated in the study, three clear productivity boosters emerged. Employees were most likely to identify having autonomy—some degree of control over the how and when work gets done—as a top productivity booster. Autonomy was joined by supportive coworkers and trusted managers among the top 3 boosters; members reported these relationships make them significantly more productive at work. The data also shed light on what members perceive to be productivity killers. By far the top candidate identified was interruptions. Trailing distantly behind were external events reported in the news as well as non-work responsibilities like eldercare, family, and household chores.

FIGURE 14

MANAGERS ARE LESS LIKELY THAN NON-MANAGERS TO SEE THEIR LEADERS AS ENHANCING PRODUCTIVITY

What employees consider a productivity driver or detractor varies widely depending on who they are. **FIGURE 15** shows contrasts between managers and non-managers on the factors where role had a large impact on responses.

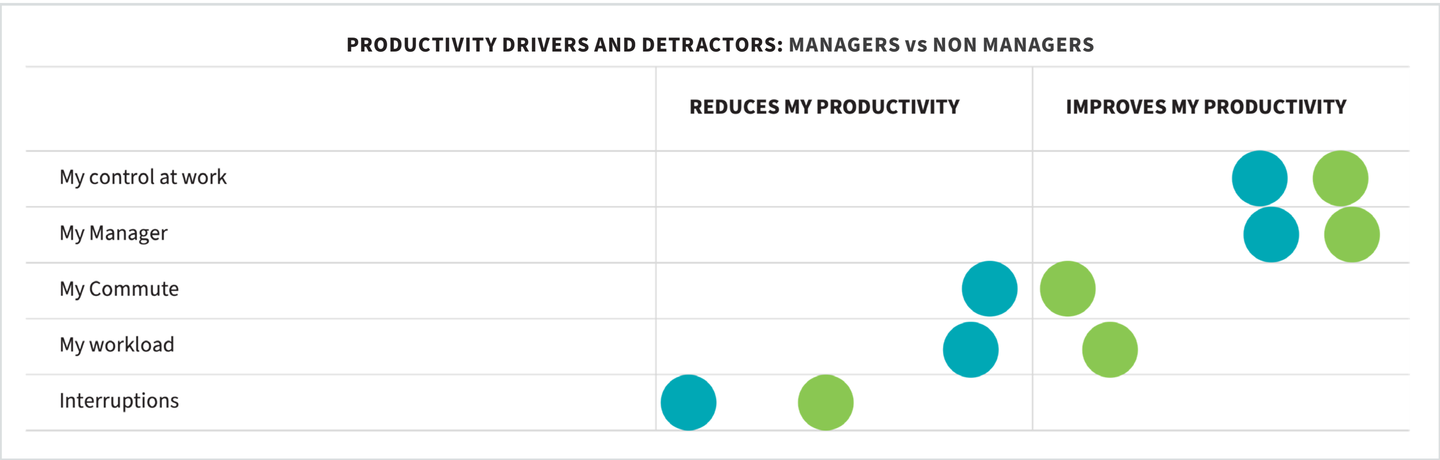

FIGURE 15 MANAGER NON MANAGER

While autonomy is generally seen as a productivity boost, managers find less productivity benefit –or perhaps just less autonomy–from their level of autonomy at work. Managers' ratings of the impact of autonomy on productivity are on balance 25% less rosy than non-managers. Managers also assign about 25% lower value to the productivity-boosting impact of their relationship with their own manager than individual contributors. This finding echoes **previous meQ research** which showed that managers fare worse than non-managers on burnout and stress, and that they are less likely to feel well-supported by their own leaders.

INTERRUPTIONS, WORKLOAD AND THE COMMUTE ARE MANAGERS' LEADING PRODUCTIVITY KILLERS

Contrasting managers' and non-managers' views on factors such as commuting and work volume/pace also yields interesting results. Where non-managers see their commute (or perhaps lack of commute for remote/hybrid employees) as a productivity boost on average, managers in general see the commute as a productivity killer, perhaps reflecting different expectations placed on leaders and line employees by senior leadership. A similar pattern was noted for workload where managers tend to see their workload as something that detracts from productivity compared to individual contributors who generally see their workload as more appropriate in pace and volume, thereby contributing to their productivity. The finding among managers is consistent with data **reported by meQ** and elsewhere that managers disproportionately took on new tasks and duties during the pandemic. Finally, managers also report particularly salient and negative impacts of interruptions on their productivity. Compared to non-managers, managers assign a 67% worse assessment of interruptions as a productivity killer.

In summary, the key differences center on autonomy, manager relationships, commuting, and interruptions. Compared to non-managers, managers report deriving less productivity benefit from autonomy and support from their own managers and face bigger productivity hits from commuting and interruptions. A deeper exploration of the differential impact of these factors across demographic and other subgroups will be provided in a subsequent report.

HOW GEN Z IS DIFFERENT

Gen Z workers (defined here as ages 18-29) are exceptional in many ways. Gen Zers tend to be highly tech-fluent, desire workplace flexibility, seek opportunities for rapid advancement, and desire to work for employers that are in alignment with their values. Gen Z is also unique in their well-being profile. **Recent research** shows that Gen Z has much higher rates of anxiety, depression, and distress than any other age group. Findings from previous meQ studies consistently bear this out–the youngest employees exhibit the highest stress and poorest well-being outcomes of any age group.

GEN Z FACES DISTINCT WELL-BEING STRUGGLES AND TURNOVER RISKS

The present data are no exception. **FIGURE 16** traces the time trend in job stress for Gen Z compared to older employees. Even a year ago, 50% more Gen Z employees than older employees reported high job related stress. While the gap has narrowed slightly over time, nearly half (48%) of Gen Z employees reported high job stress compared to 1 in 3 (32%) older employees. The observed stress differential may be due in part to their occupying more junior–and therefore more at risk in periods of economic uncertainty–positions in the workforce. However, Gen Z employees may also not be getting what they need from their leaders, as they are also less likely to say that they feel their manager supports their mental well-being (52.2% Gen Z vs 59.2% older employees).

FIGURE 16

GEN Z FEELS MORE UPBEAT ABOUT TOMORROW THAN YESTERDAY

Unlike older employees, Gen Z workers tend to have a more pessimistic view of their current personal situations, including money, work, and relationships (**FIGURE 17**). Surprisingly, Gen Z bucks this trend when it comes to perspectives on the state of the country. They are significantly less likely than older employees (62.9% vs 75.9%) to have a negative outlook on the current national climate, and far less likely to think things will deteriorate next year (34.7% vs 52.5%). With the exception of relationships, Gen Z exhibits much more optimism about the future than their older counterparts, showing markedly more positive attitudes on whether national, work, and financial situations will improve in the coming year.

PERCENT OF MEMBERS FEELING WORSE ABOUT COUNTRY, MONEY, RELATIONSHIPS, AND WORK SITUATION, NOW AND NEXT YEAR: GEN Z vs ALL OTHERS

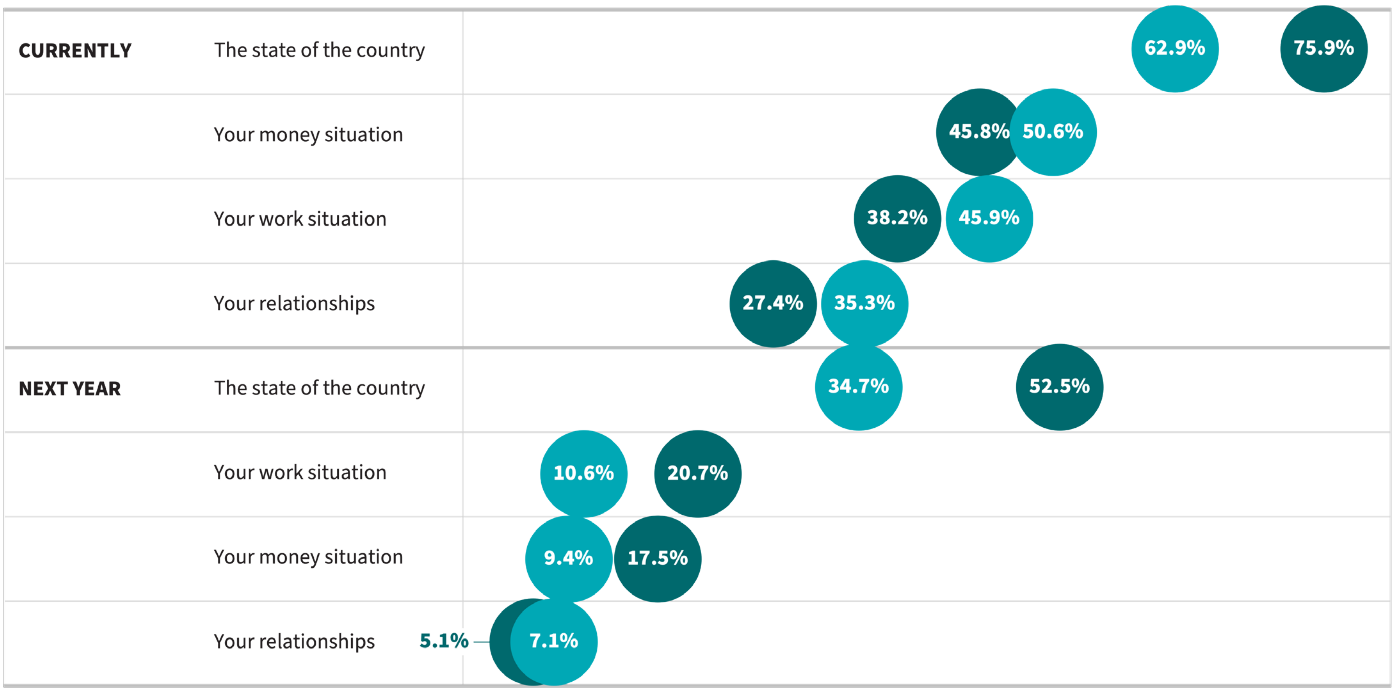

FIGURE 17 GEN Z ALL OTHERS

MENTAL HEALTH AND COMPENSATION ARE LEADING PUSH FACTORS FOR GEN Z JOB EXITS

Compared to older employees, Gen Z also faces higher retention risks. Nearly a quarter (23%) of younger workers report being highly likely to switch jobs in the next 6 months, compared to just 13% of older employees. The factors pushing Gen Z to leave also diverge dramatically from older generations. Money tops the list of reasons why Gen Zers are thinking about leaving, reflecting rising costs of living which have fallen hard on young people. **Recent research shows** only about 25% of Gen Z feels they can comfortably afford their monthly expenses. In addition to money, nearly a third of Gen Z respondents cite the mental demands of the job as a key push factor. Other notable drivers of turnover intent reflect Gen Z's unique traits - over 30% point to lacking a sense of purpose and the demands of other jobs they hold for pay. In summary, Gen Z's distinct financial and motivational needs make their retention more challenging for employers (**FIGURE 18**).

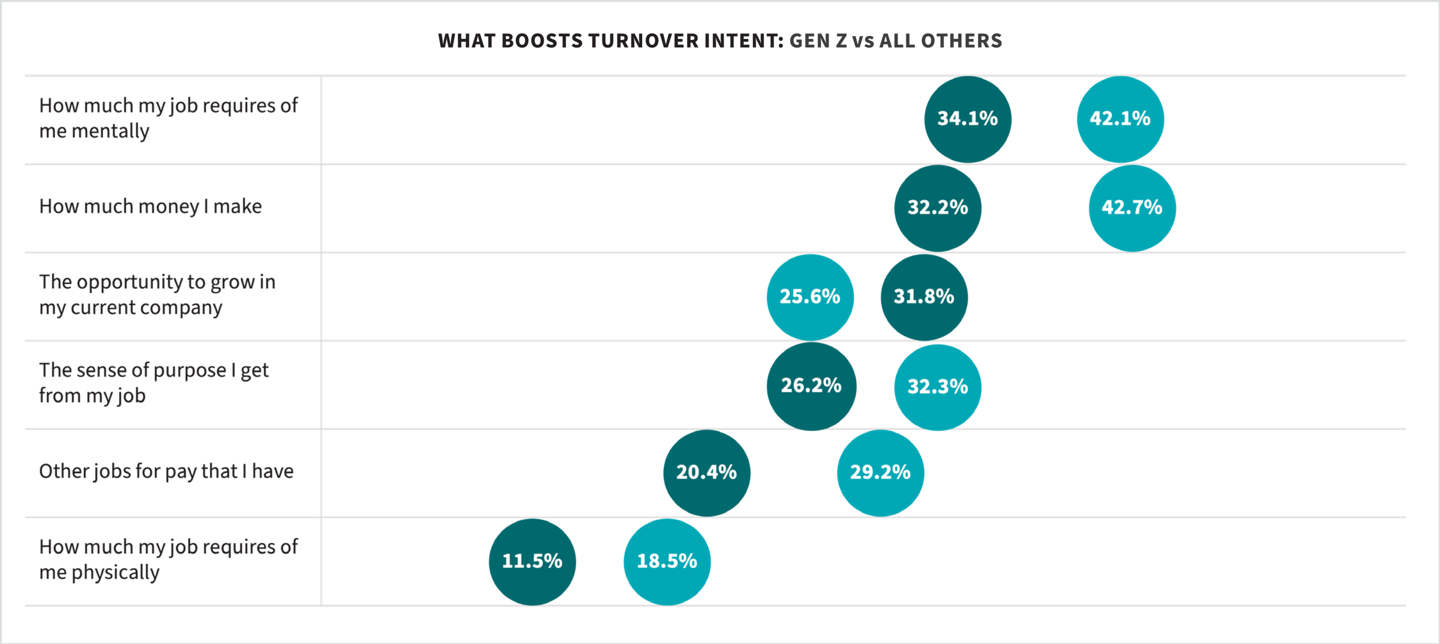

FIGURE 18 GEN Z ALL OTHERS

GEN Z PRODUCTIVITY DISPROPORTIONATELY IMPACTED BY CURRENT EVENTS AND MENTAL HEALTH

Gen Z also shows a unique pattern when it comes to the factors which enhance and reduce productivity. Gen Z respondents are substantially less likely than their older counterparts to say autonomy or work location are productivity boosts. Consistent with the elevated level of mental health concerns noted among this age group, they are substantially more likely than older employees to cite mental health as a factor which negatively impacts their productivity. Gen Z respondents also are more likely than older members to report that their productivity is negatively impacted by current events (**FIGURE 19**).

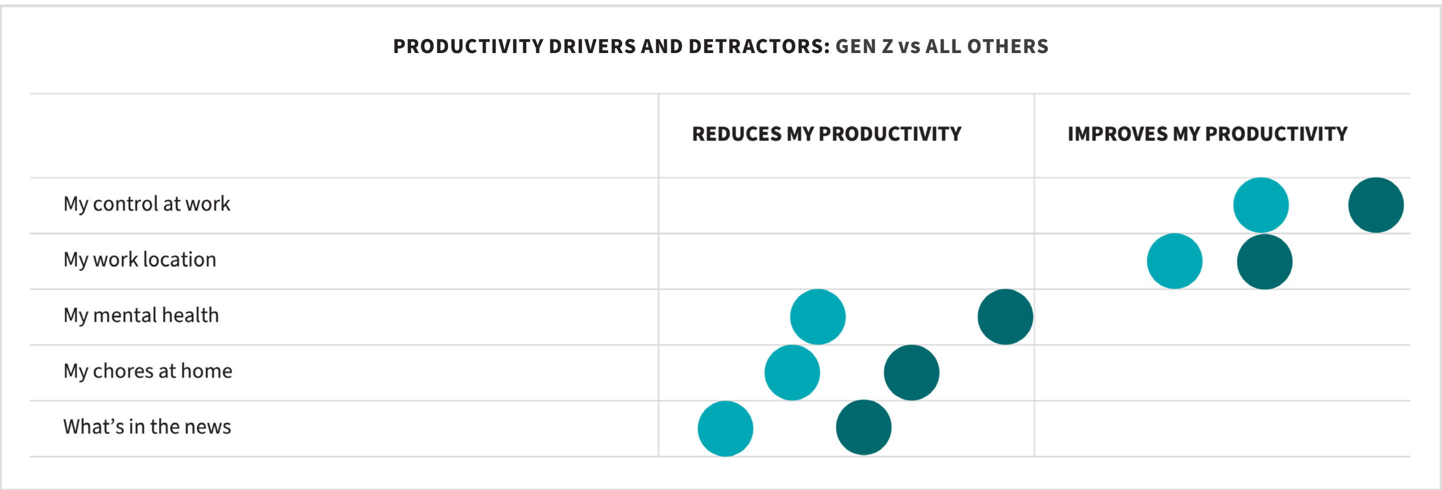

FIGURE 19 GEN Z ALL OTHERS

Gen Z employees (29 and under) have a unique well-being and work profile. They exhibit far higher job stress levels than older workers (48% vs 32% highly stressed) and feel less supported by managers. Despite current pessimism about work and finances, Gen Z is more optimistic than older peers about future improvement in these domains. However, 23% report likely turnover in 6 months, driven by money woes and mental demands. Household duties and current events also disproportionately harm their productivity versus older cohorts. As Gen Z is projected to comprise **over 30% of the workforce by 2030**, employers will need to tap into the strengths of this cohort while providing the development and guidance needed to shape them into long-term contributors. Effectively leveraging the emerging Gen Z talent pool will require a nuanced approach that caters to their preferences while developing the well-rounded skill sets needed in the modern workplace.

CONCLUSION

In the light of persistent economic uncertainty, and fueled by ongoing and expanding crises and conflicts around the world, active efforts to understand and support employee well-being remain critical. While optimism exists that the worst economic impacts may have passed, concerns linger and uncertainty still looms large. The findings presented here reveal areas of progress but also mounting vulnerabilities requiring attentive employer support.

Overall, the well-being picture is mixed amid crosscurrents buffeting the workforce. Motivation and physical manifestations of stress show signs of improvement, signaling possible resilience building underway. However, spikes in job stress–especially in hard-hit industries like tech–merit close monitoring. Declining positivity and perceived support highlight emerging risks of disengagement that could hamper retention and performance if unaddressed. Encouragingly, supportive leadership and resilience-building emerge as powerful stabilizers, greatly reducing susceptibility to turnover triggers, negativity, and burnout risks. Yet, targeted interventions are still needed for the most vulnerable sectors of the workforce such as Gen Z.

Persistent vigilance and care for employee well-being and engagement remains vital. Proactive efforts to monitor emerging risks, creatively strengthen retention, restore positivity, and build resilience can pay dividends. With compassionate leadership support, employees have shown remarkable endurance amid great adversity. As new challenges emerge, harnessing these hard-won strengths while providing tailored aid to those still struggling will pave the way forward.

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