THE RESILIENCE IMPERATIVE

The Critical Role of Workforce Resilience in Uncertain Times





AFTER THREE YEARS OF DISRUPTION TO EVERY PART OF WORK AND LIFE, IT'S NOW CLEAR THAT CALM IS NOT RETURNING TO THE WORLD, OR TO THE WORKPLACE. WE'VE ENTERED AN AGE WHERE NEW RISKS LURK AROUND EVERY CORNER; ECONOMIC UNCERTAINTY AND VOLATILITY, CHANGES IN ATTITUDES ABOUT FLEXIBLE WORK, RISING BURNOUT, AND A TIGHT LABOR MARKET.

According to meQ research, it's likely that 1 in 2 employees lack the important mental skills to succeed in a volatile environment and help your business advance. The findings in this report make it clear that the skills of resilience deliver better business outcomes.

The data also makes it clear that people with low resilience have higher risk for burnout, depression and anxiety, are more likely to quit, and are less productive. These effects are universal, regardless of salary and education levels.

IN TIMES OF HARDSHIP, THE DIFFERENCE BETWEEN COMPANIES WHO ADAPT AND GROW, AND THOSE WHO STAGNATE, IS RESILIENCE. FORTUNATELY RESILIENCE IS LEARNABLE.

Resilient workers know how to identify and correct unproductive thinking patterns to face problems, yet at the same time, remain optimistic. They accelerate as disruptions and crises arise over time.

Resilience is the solution for building a thriving workforce in today's climate of volatility and disruption. At meQ, we've put the science of resilience into practice in a sustainable way for over a decade, for some of the largest and most complex organizations on the planet. In The Resilience Imperative, we unpack the science of resilience to show you how an effective, enterprise-grade approach can help you harness the power of your workforce.

Sincerely,



JAN BRUCE
CEO and Co-founder
meQuilibrium (meQ)

INTRODUCTION:	
THE CASE FOR WORKFORCE RESILIENCE:	
THE CASE FOR WORKFORCE RESILIENCE.	
THE RESILIENCE EFFECT:	
CLOSING:	

OVERVIEW

TO SUCCEED IN AN ENVIRONMENT OF RAPID CHANGE AND DISRUPTION, ORGANIZATIONS AND THEIR EMPLOYEES NEED TO ACHIEVE A NEW LEVEL OF RESILIENCE. IT'S NO LONGER SIMPLY HOW WELL A PERSON CAN PERFORM IN A STRUCTURED, FAMILIAR SITUATION, BUT HOW PEOPLE ACROSS DIFFERENT CULTURES REACT AND ADAPT TO NEW CHALLENGES AND CIRCUMSTANCES. THESE ARE THE CRITICAL SKILLS OF THE WORKFORCE OF TODAY AND TOMORROW.

Just as climate change has made extreme weather events more frequent and intense, globalization and the digital economy have made major business shifts more frequent and intense. The global pandemic is the most obvious example, but the list is long: rapid changes in international politics and trade, increases in the pace of innovation, rapid technology shifts across nearly all business sectors, and shifts in consumer behavior. Rare is the organization that operates the way it did just months ago.

As business leaders, if we're not helping our people go forward, and if we're not helping our organization become a force for good, we risk getting left behind. Employee resilience and organizational agility have replaced efficiency as the best predictors of business risks, and success, over time.



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As a <u>Mercer Global Talent Study</u> stated, "THE QUESTION IS NOT WHO CAN ADAPT, BUT HOW BEST TO DEVELOP AN ADAPTABLE WORKFORCE." Businesses are now reorganizing around the changed needs and behaviors of their customers, for example the mass retailers who now offer curbside pickup, or the exponential growth of video conferencing. This requires companies to rewire ways of working and—even more directly—ways of thinking, reimagining their organizations and adapting talent accordingly.

The level of rapid and disruptive change is revealing the cracks in operational and workforce systems built for efficiency. Amid worries about economic recession, job security, their health, and the health of their loved ones, employees' capacity to take on change in the workplace has plunged significantly, HR advisory firm **Gartner** said. "HR leaders now realize that efficient organizations are actually fragile. Most HR leaders expect an impact in the next 12 months as organizations shift from designing for efficiency to designing for flexibility."

That's where building resilience comes in. Beginning in the 1980s, meQ co-founder, Andrew Shatté, Ph.D., was among the first in the field of psychology to identify the core capabilities—problem solving, emotion control, optimism, and self-efficacy—of resilience. Shatté and his colleagues adapted the techniques of cognitive behavioral therapy for the real world of employee training. Their work demonstrated that resilience can be learned, reinforced, and spread through an organization. Co-founder and CEO Jan Bruce built meQ to help organizations bring Shatté's work to all employers; to make any workforce a force for growth.

The evidence is prevalent in meQ's database of member assessments. Because the digital system can be offered company-wide at any scale, meQ has assessed the resilience and tracked the progress of more than 550,000 individuals around the world, amassing 60 billion data points in the process. These insights are helping transform some of the largest organizations in the world.



ANDREW SHATTÉ, PH.D.
Chief Knowledge Officer and Co-founder,
meOuilibrium (meO)



JAN BRUCE CEO and Co-founder, meQuilibrium (meQ)

THIS PAPER EXPLORES THE RESEARCH THAT meQ'S TEAM HAS DONE TO UNDERSTAND THE ISSUES KEEP PEOPLE FROM BEING THEIR BEST, MOST RESILIENT SELVES — AT WORK AND IN LIFE.

The research also looks at the transformational impact that a targeted resilience training and support system can have on individuals and businesses.

It starts with resilient people, from entry-level to executives. The good news is, resilience isn't just something we have or don't have; resilience can be learned, and like a muscle, improved over time.

RESILIENT BUSINESSES EXPERIENCE:

- **10% 29% LESS TURNOVER**, saving an annual \$4.8M per 10,000 enrolled employees
- LOWER MEDICAL costs by an average of \$300 per person, per year
- TOTAL AVERAGE ANNUAL SAVINGS of \$2,005 per meQ member

RESILIENT PEOPLE ARE:

600 less likely to experience burnout

31% more engaged

less likely to exhibit signs of depression

88%

better at stress management

Key FINDINGS

"The foundation of a growth strategy starts with the resilient mindest of everyone across the organization that can move a workforce from the status quo to action and acceleration."

- Jan Bruce



COMPANIES WITH RESILIENT WORKFORCES OUTPERFORM THE MARKET



EMPLOYEE RESILIENCE PREDICTS
ORGANIZATIONAL AGILITY AND WORKFORCE
RISKS



RESILIENCE TRAINING CROSSES COMMON ORGANIZATIONAL DIVIDES



IN STRESSFUL TIMES AND HIGH-STRESS ENVIRONMENTS, RESILIENCE IS ESPECIALLY VALUABLE



RESILIENT WORKFORCES REDUCE COSTS AND RAISE PROFITS

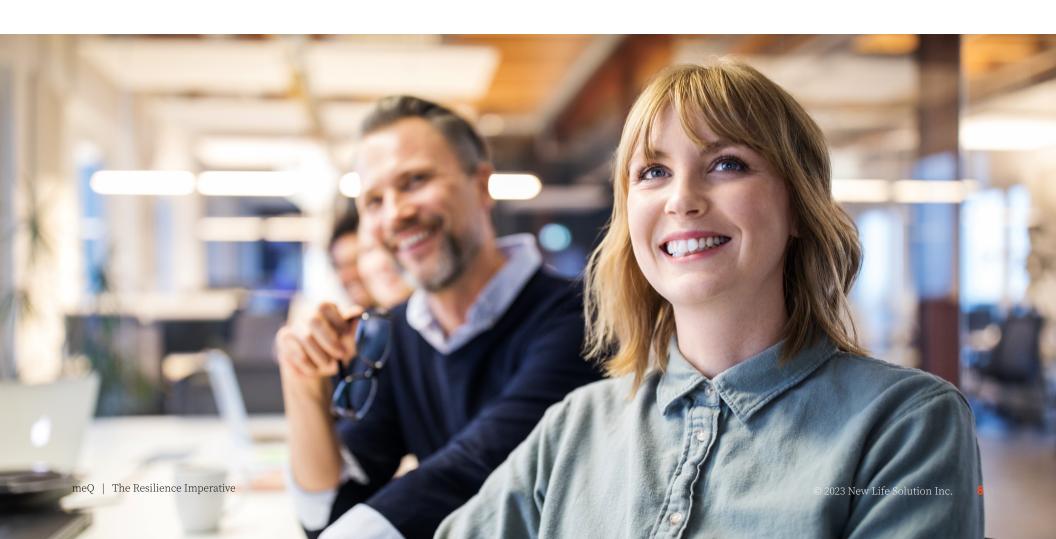


RESILIENCE MAKES WORKPLACES WORK

Understanding **RESILIENCE**

"Dealing with ambiguity has perhaps become the most important power skill during a time when all aspects of life have been upended."

- Josh Bersin, <u>Business Resilience: The Global COVID Pandemic</u> <u>Response Study</u>



BECAUSE IT INVOLVES SITUATIONAL AWARENESS, RETHINKING, PERSPECTIVE, AND—AT TIMES— REINVENTION, RESILIENCE IS CLOSELY TIED TO POSITIVE QUALITIES INCLUDING CREATIVITY, EMPATHY, AND OPTIMISM.

Scientific study of resilience is growing exponentially. Before the year 2000, there were only about 30 peer-reviewed resilience studies published in journals each year. By 2016, there were more than 900 per year. The upheavals of 2020 made the trend a tipping point. The organizational, economic, and personal impact of COVID-19 saw an explosion of attention to resilience from organization leaders, consulting firms, academics, and business media.

Much of the interest has come as psychologists determined that cognitive training could improve personal resilience. meQ's work demonstrates that resilience, once seen as an innate characteristic, is actually a set of learnable competencies that mitigate stress, accelerate response to challenges, and allow people, teams, and organizations to better adapt to change.

Led by the work of meQ co-founder Andrew Shatté, meQ's insight was that mental health is considered an issue for 10% of the employee population, and that unfortunately, society stigmatizes those diagnosed with mental health problems or illness. But just as everyone has physical health, every person has mental health, and can benefit from improving it.

Beginning in the 1990s, Shatté and others established that resilient employees demonstrate skills in seven key areas that help them remain psychologically robust when faced with challenges or adversity: **EMOTION REGULATION**, **IMPULSE CONTROL**, **CAUSAL ANALYSIS**, **SELF-EFFICACY**, **MEASURED OPTIMISM**, **EMPATHY** and **REACHING OUT**.

Resilience teaches us that each individual's growth is intrinsically linked to that of others. The value that's unlocked is greater than the sum of its parts.

- EMOTION REGULATION
 - The ability to control feelings like anger, fear, or grief in trying situations.
- The physical counterpart of emotion control. The ability to control one's behavior.
- CAUSAL ANALYSIS

 The ability to think through issues in new ways so that current or cultural mindset does not limit one's ability to address them.
- SELF-EFFICACY

 The belief in your own abilities and your impact on others.
- The ability to be realistic while seeing how a situation might improve.
- The ability to grasp someone else's perspective and approach.
- The ability to make connections so you can lean on others or provide support.

VALIDATING

meQ's Data

To document the correlation between meQ's assessment data and gold standard psychological measurement tools, meQ commissioned a series of independent studies of more than 2,000 respondents from national panels. Each panel completed a survey which included items from the meQ survey and from common psychometric measures of wellbeing, including:

The Psychological Capital Questionnaire (PSYCAP)

Copenhagen Psychosocial Questionnaire (COPSOQ)

Perceived Stress Scale (PSS)

Patient Health Questionnaire 9-item Depression Scale (PHQ-9)

Work Productivity and Activity Index (WPAI) Presenteeism Measure

DATA SHOW THAT THE meQ ASSESSMENT CORRELATES HIGHLY WITH OTHER MEASURES OF RESILIENCE, AND STRONGLY PREDICTS OUTCOMES SUCH AS STRESS,

DEPRESSION, ANXIETY, AND PRESENTEEISM.



BUILDING RESILIENCE IN AN ORGANIZATION

RECOGNIZING THE VALUE OF RESILIENCE IN AN ORGANIZATION, meQ CREATED A RESILIENCE-BUILDING AND SUPPORT SYSTEM THAT COMMONLY REACHES WELL MORE THAN HALF OF AN ORGANIZATION'S POPULATION. THE SYSTEM HAS AGGREGATED BILLIONS OF DATA POINTS ON MORE THAN 500,000 USERS FROM A NUMBER OF THE WORLD'S LEADING COMPANIES, PROVIDING DEEP PERSONAL, ORGANIZATIONAL, AND GLOBAL INSIGHTS.



The introduction of a digital system for resilience improvement changed companies' potential for participation from limited, mostly top-down individual training for managers to a whole-company approach that offers the opportunity to support people globally, and at scale, and truly change cultures.

To personalize user interactions and improve results, the meQ system gathers a uniquely broad spectrum of data points—focus, engagement, mental state, physical wellbeing, personal situation, and connection—on each user. Its onboarding questions categorize users into essential personality tendencies that predict each user's needs and how each individual is likely to react to training. It pinpoints each person's reaction to the most common stress factors. And it provides a baseline score—the meQ Score—that individuals can use to assess their resilience starting point and track improvement over time.

For individuals, this multidimensional assessment leads to a highly personal engagement with meQ's tools, content and training. The "assessment to assignment" algorithm allows the user's digital training to focus on each person's greatest need and highest potential.

AT THE TEAM AND ORGANIZATIONAL LEVEL, THE meQ DIGITAL SYSTEM OFFERS REAL-TIME INSIGHTS INTO WORKFORCE PRODUCTIVITY, WELLBEING, AND MINDSET—INFORMATION THAT IS SIMPLY UNAVAILABLE THROUGH COMMON HR SOURCES AND TOUCH POINTS.

At the global level, meQ data provides critical information on wellbeing trends, financial impacts, industry variations, and the universal human need for resilience in a vast and varied society. The findings answer critical questions about resilience training and its impact.

WORKPLACES ARE IDEAL FOR RESILIENCE IMPROVEMENT

THE WORK ENVIRONMENT, RESEARCH DEMONSTRATES, PROVIDES FERTILE GROUND FOR RESILIENCE TRAINING. WORK DECISIONS AND ACTIONS OFFER TRAINEES A PSYCHOLOGICAL DISTANCE THAT MORE PERSONAL (FAMILY, FRIENDS) SITUATIONS DO NOT, MAKING IT EASIER TO APPLY RESILIENCE SKILLS THAT LOWER THE EMOTIONAL TEMPERATURE OF THE MOMENT, IMPROVE DECISION-MAKING AND REDUCE STRESS.

A trove of research, including Improvements in Resilience, Stress, and Somatic Symptoms Following Online Resilience Training and several bi-annual meQ self-checks demonstrates that resilience can be learned and improved—by anyone. The training does not need to rise to the level of cognitive behavioral therapy, which calls for intensive individual work with a professional therapist, often over long periods of time. Instead, individuals can learn to understand their own patterns of thinking and response, which allows them to situationally end-run their more deeply held psychological patterns and history. When more people are able to show up at their best, the workplace becomes better for everyone.

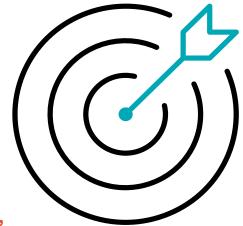
3.1X
more resilience
improvement

MEMBERS WHO COMPLETED
A DOZEN OR MORE SKILLS
HAD 211% RESILIENCE
IMPROVEMENT, COMPARED TO
THE RESILIENCE IMPROVEMENT
OF MEMBERS WHO COMPLETED
FEW TO NO SKILLS.

Businesses with Resilient Employees

OUTPERFORM THE MARKET

PUBLICLY TRADED meQCUSTOMERS WITH THE HIGHEST RESILIENCE SCORES HAVE FINANCIAL PERFORMANCE THAT CONSISTENTLY OUTPACES THE MARKET — IN BOTH UP AND DOWN MARKET PERIODS. AMONG meQ'S LARGEST PUBLICLY-TRADED CUSTOMERS, COMPANIES WITH HIGH RESILIENCE OUTPERFORMED THE DOW JONES INDUSTRIAL AVERAGE BY 2.5X (DECEMBER 2015 – JUNE 2022).



Over the last 7 years, the stock performance of meQ's highly resilient companies beat the DJIA by 2.5X.

But even in a bear market such as the one we've had in 2022, these companies benefit from a resilient workforce. The stock prices of these highly resilient companies are down, like most other companies, but down 72% less than the Dow Jones Industrial Average (4% compared to the 14% drop in the DJIA).

"In the world financial crisis of 2007 through 2009, McKinsey found that resilient companies generated about 20% greater shareholder returns. This accelerated to around 50% in the turnaround years of 2009 through 2011. But even more telling, these companies achieved 120% growth during the stable period of 2011 to 2017. These companies took advantage of a downturn so that they could accelerate during recovery. Now, meQ's own research has found that our publicly traded customers with highly resilient workforces, those with the highest average resilient scores outperform the market both in good times over the last bull market and even more recently."

-Jan Bruce, CEO and Co-founder, meQ

EVEN SMALL AMOUNTS OF TRAINING HAVE A POSITIVE IMPACT

EVIDENCE SHOWS A STRONG "DOSING EFFECT"— EACH TRAINING SESSION PROVIDES MEASURABLE IMPROVEMENT — FOR TIME SPENT IN PERSONALIZED, TARGETED RESILIENCE TRAINING. USERS WHO STARTED WITH LOW RESILIENCE SAW EXCEPTIONAL LEVELS OF IMPROVEMENT.

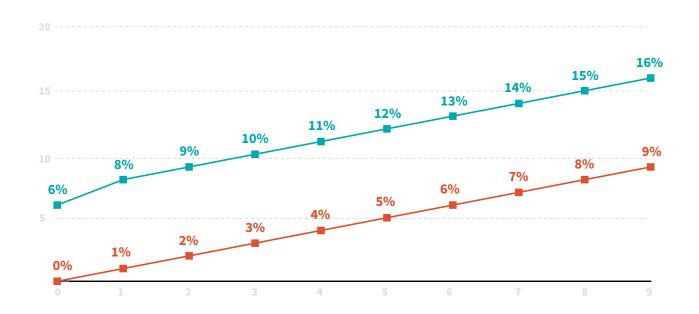


In work published in the <u>Journal of Occupational and Environmental Medicine</u>, meQ's research team showed resilience skill-building's "dosing effect". For the 600 randomly selected participants, correlation was nearly linear: time spent training led to markedly improved resilience levels, perceived stress levels, and reduced somatic (physical) symptoms of stress.

THE AVERAGE MEMBER SAW A 5% IMPROVEMENT IN RESILIENCE WITH SIX HOURS OF TRAINING. EACH ADDITIONAL HOUR OF RESILIENCE TRAINING LED TO AN INCREASE OF 1.3% IN RESILIENCE.

Having a lower level of resilience at the time of enrollment tended to produce greater improvements in resilience for the same time invested in training. A member who began the program with low levels of resilience could expect to see a 10% improvement with just 4 hours of training.

The study also found a strong dosing effect for stress reduction. Depending on time invested in the program, decreases in perceived stress ranged from 0% to 13%, and decreases in somatic symptoms ranged from 0% to 9%. After 5 hours of training, those with lower baseline resilience reported a 15% and 11.1% decrease in stress and somatic manifestations, respectively.



2.8X
USERS WITH THE HIGHEST NEED
HAVE A HIGHER RETURN ON TIME
SPENT ON RESILIENCE

10x
USERS WHO MADE SIGNIFICANT
INVESTMENTS IN RESILIENCE
TRAINING HAD ON AVERAGE 10x
THE IMPROVEMENT OF USERS
WHO MADE MINIMAL INVESTMENTS

RESILIENCE SKILLS IMPROVE LIVES ACROSS MANY MEASURES

THE CORRELATIONS ARE TOO STRONG TO IGNORE: PEOPLE WITH HIGH RESILIENCE SKILLS ARE ON THE WHOLE ARE MORE ENGAGED, MORE EFFECTIVE, HAPPIER AND HEALTHIER.

By just about any measure of either overall wellbeing or employment effectiveness and satisfaction, resilience leads to success.

Resilient people are much less likely to burn out, quit, or spiral into more serious issues such as depression or unmanaged anger. They suffer fewer of the physical (somatic) manifestations of stress, such as insomnia. And they are more engaged, contributing more to an organization's efforts.

Low resilience correlates with poor overall health. In fact, employees with low resilience are more than twice as likely to be overweight and twice as likely to report a hospital stay in the past year. In addition, 50 percent of those with low resilience have indications of depression, compared to only one percent of those with high resilience.

5x

AS MANY HIGH RESILIENCE
USERS REPORT BEING IN VERY
GOOD OR EXCELLENT HEALTH

30%

THAN LESS RESILIENT
EMPLOYEES

3x

THAN 3x LARGER AMONG
THOSE WITH LOW RESILIENCE

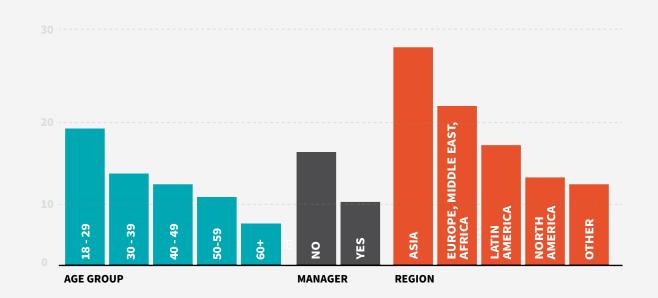
RESILIENCE DATA PROVIDES PREDICTIVE INSIGHTS

ACROSS TIME, TEAMS, REGIONS, AND INDUSTRIES, RESILIENCE ENGAGEMENT BRINGS DEEP LEARNING TO ORGANIZATIONS.

Significant population and trend analysis requires robust data. Analysis of meQ's dataset, along with real-world evidence, shows that organizations offering resilience assessments and training to their entire workforces are rewarded with statistically valid insights into population trends for mindset, resilience, and wellbeing. The data presented here is an excerpt of actual findings for a large global company that had recently begun to offer resilience services during the early stages of the COVID-19 pandemic. Human Resource management at the company immediately reacted to this risk analysis data, looking to improve many of the numbers over time.

EMPLOYEE CATEGORIES AT HIGH RISK FOR ANXIETY

Percentage of Users at Very High Risk Compared to meQ Norm



EMPLOYEE CATEGORIES AT HIGH RISK FOR

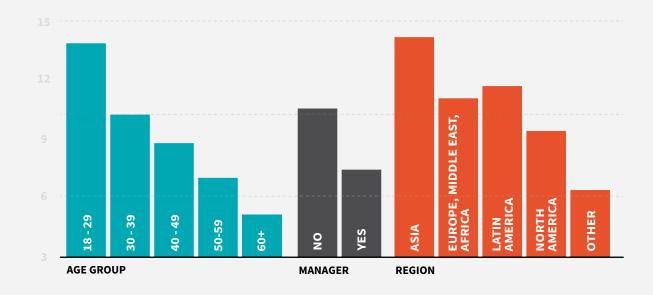
BURNOUT

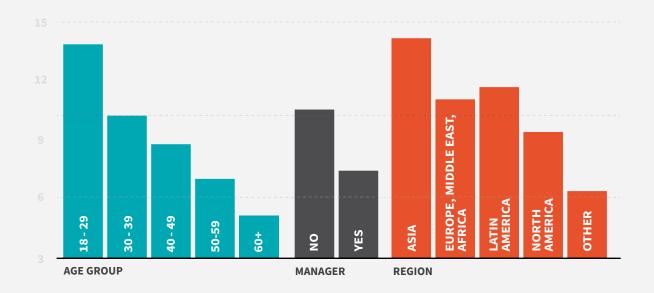
Percentage of Users at Very High Risk Compared to meQ Norm

EMPLOYEE CATEGORIES AT HIGH RISK FOR

LOW PRODUCTIVITY

Percentage of Users at Very High Risk Compared to meQ Norm





EMPLOYEE CATEGORIES AT HIGH RISK FOR LOW

RESILIENCE

Percentage of Users at Very High Risk Compared to meQ Norm

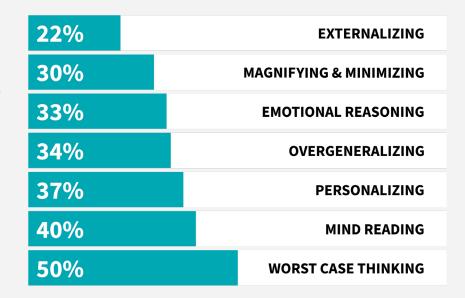
PREDICTIVE INSIGHTS

can also be derived from tracking cognitive patterns such as **EMPATHY**, **EMOTIONAL INTELLIGENCE**, and **PROBLEM-SOLVING**



THINKING TRAPS

Percentage of users with common thinking traps



For many organizations, WORKFORCE RESILIENCE IS

WORKFORCE RESILIENCE IS THE OVERLOOKED ELEMENT.



PREDICTS
ORGANIZATIONAL
AGILITY



WORKS ACROSS
COMMON
DIVIDES



CRITICAL IN STRESSFUL TIMES



REDUCES COST AND RAISES PROFITS



MAKES WORKPLACES WORK

EMPLOYEE RESILIENCE IS THE BASIS OF ORGANIZATIONAL AGILITY

ORGANIZATIONAL AGILITY CALLS FOR LEADERSHIP, VISION, TECHNICAL FACILITY, AND OPERATIONAL FLEXIBILITY. BUT BUSINESSES ARE ONLY AS AGILE AS THEIR WORKFORCES ALLOW. A WORKFORCE THAT IS RESISTANT OR OVERWHELMED BY CHANGE WILL FALTER AT REINVENTION.

The workforce qualities that manifest as agility at the organizational level are, at the individual level, resilience. meQ's research shows that resilience is the basis of creativity, innovation, and positive change management.

AGILITY ATTRIBUTES

ADAPTIVITY

+28%

RESILIENCE IS A KEY DRIVER OF THE ABILITY TO ADAPT TO CHANGE.

Employees who had the highest resilience as measured by meQ Score were 28% more able to adapt to changing circumstances, and were more likely to display attributes such as creativity, acquiring new skills, adapting to others, and responding quickly to new challenges.

CREATIVITY

+30%

HIGH RESILIENCE SCORES CORRESPOND TO 30% HIGHER DEMONSTRATIONS OF NEW THINKING AND CREATIVITY.

- willingness to go beyond the status quo
- a desire to be innovative
- a pattern of trying numerous methods to find new solutions

AGILITY ATTRIBUTES

QUICK THINKING

+30%

HIGH RESILIENCE SCORES
CORRELATE TO A 30%
HIGHER ABILITY TO
RESPOND QUICKLY TO
UNFORESEEN CHALLENGES.

- reorganizing work to adapt to new circumstances
- quickly resolving problems
- rapidly analyzing novel situations

SKILL BUILDING

+32%

RE-SKILLING AND UPSKILLING TALENT IS CRITICAL FOR A RESILIENT AND ADAPTIVE ORGANIZATION.

Those with low resilience are 32% less likely to engage in training and skill-improvement to enhance their performance compared to those with highest resilience, who are more likely to:

- volunteer for new and different assignments
- improve their skills
- proactively find training opportunities
- bring innovation to their tasks

INTERPERSONAL ADAPTABILITY

+20%

INTERPERSONAL
ADAPTABILITY INCLUDES
THE ABILITY TO WORK WELL
WITH DIFFERENT TYPES OF
PEOPLE—A CRITICAL ABILITY
IN TIMES OF CHANGE AND AN
ERA WHEN COMPANIES ARE
MAKING DELIBERATE EFFORTS
AT DIVERSITY AND INCLUSION.

The highest levels of resilience are associated with 20% higher interpersonal adaptability.

- an openness to other viewpoints
- placing a high value on relationships and collaboration
- willingness to adjust one's communication style to fit different circumstances.



Without Workforce Resilience HIGHLY AGILE TEAMS CAN SUFFER

Because agility requires constant adaptation, it calls for psychological skills that support positive reactions to change. meQ's data shows that high organizational agility demands in a low-resilience workforce is associated with much higher levels of depression and anxiety risk.

Improving both <u>resilience and agility</u> show strong benefits across three outcomes: depression, anxiety, and absenteeism. **HOWEVER**, **BUILDING AGILITY ALONE IN LOW-RESILIENCE EMPLOYEES MAY PRODUCE UNANTICIPATED CONSEQUENCES**.

UNANTICIPATED CONSEQUENCES:

+27%
depression risk increase

+54% anxiety risk increase

The park of the pa

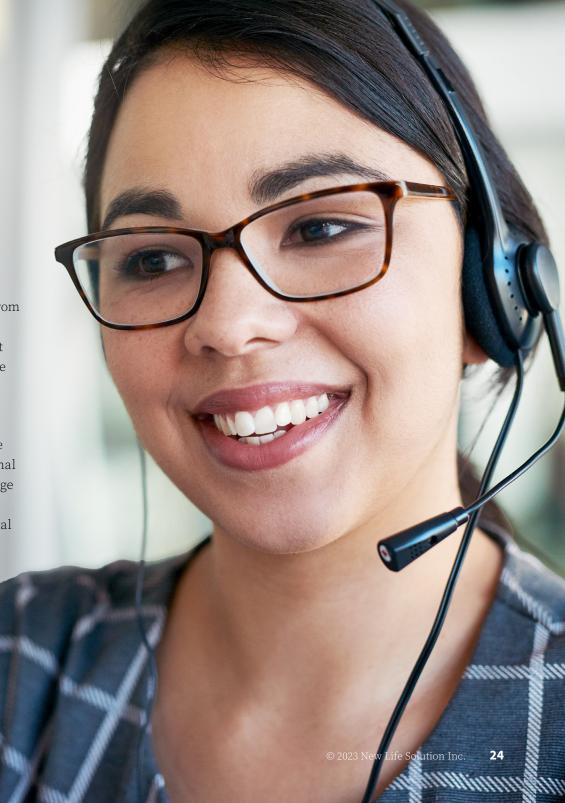
RESILIENCE TRAINING

Works Across Common Organizational Divides

The idea of resilience is universal. Religions, literature, and drama from every culture and every moment in history reflect the importance of personal and group resilience in the human experience. The fact that virtually everyone appreciates and desires resilience allows corporate resilience initiatives to cross all the matrices that make up a diverse organization.

Some of meQ's first deployments were in large call centers, where the staff had limited autonomy and had to remain positive and professional at all times. As meQ's deployments grew, they encompassed knowledge workers, health care professionals, government workers, and senior executives, often in large (Fortune 500) companies that offer the digital system to every employee.

As usage grew and meQ's science team gathered data, evidence showed that resilience is an asset for every job. As companies increasingly recognize the value of diversity and the importance of cultural awareness within its ecosystem, resilience training offers common ground and unifies successes



EVERYONE BENEFITS FROM RESILIENCE

WE ALL NEED RESILIENCE: AT EVERY LEVEL OF <u>INCOME AND EDUCATION</u>, MORE THAN 40 PERCENT OF PEOPLE STUDIED HAVE LOW meQ RESILIENCE SCORES.

To drill down into the need for resilience training bottom to top, meQ's research team contrasted resilience levels across a range of income and education levels, controlling for the effects of age and gender.



HIGHLY PAID, HIGHLY EDUCATED EMPLOYEES ARE AT RISK FOR THE NEGATIVE CONSEQUENCES OF LOW RESILIENCE: feeling burned out, having sleep issues, experiencing more absences, and having impaired productivity.

INCOME

Low resilience was common among employees regardless of compensation. 41%

OF THOSE WHO EARNED \$150,000 OR MORE A YEAR HAVE LOW RESILIENCE

59%

54%

OF THOSE WHO EARNED BETWEEN \$75,000 AND \$100,000 HAVE LOW RESILIENCE

46%



THE HIGHLY EDUCATED, WELL-PAID, BUT LOW RESILIENT POPULATION HAD SEVERELY HEIGHTENED RISKS FOR DEPRESSION (3x) and twice the rate of absence and turnover intent than those who scored high in resilience.

EDUCATION

A similar pattern of findings was seen for resilience by level of educational attainment. 40%

OF THOSE WITH A MASTER'S
DEGREE OR HIGHER SCORED BELOW
AVERAGE FOR RESILIENCE

60%

47%

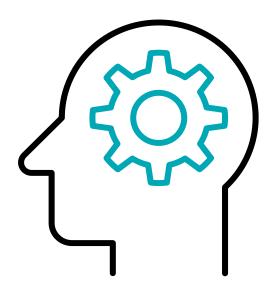
OF THOSE WITH A BACHELOR'S DEGREE SCORED BELOW AVERAGE FOR RESILIENCE

53%

RESILIENCE SKILLS ADDRESS EVERYDAY CHALLENGES IN EVERYDAY LANGUAGE

The broad appeal of resilience is reflected in the kinds of psychological skills that highly resilient people demonstrate. So is the improvement that diverse workforces gain from resilience training. In a before and after study, meQ users reported marked gains in everyday skills.

SKILL	MANIFESTATION	AVERAGE IMPROVEMENT
COOL YOUR ANGER	When things go wrong, I get angry.	20%
CURB YOUR FRUSTRATION	When I am stuck in a problem, I get easily frustrated.	16%
EMBODY YOUR CORE VALUES	I feel "blah" about my life.	12%
TRAIN YOURSELF TO SEE THE POSITIVE	I can easily dispel negative thoughts that pop into my mind.	38%
CLEAR YOUR HEAD	I easily get bogged down in thoughts that turn over and over in my mind.	30%



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RESILIENCE IS INVALUABLE IN STRESSFUL TIMES

The evidence is overwhelming that resilience is valuable across a variety of mental health, physical health and general wellbeing outcomes. But resilience has even more value when the going gets tough. Whether a company is facing a crisis or a turning point, or is by its nature a high-stress environment, resilience skills are reflected in employee effectiveness, happiness, engagement, and psychological safety.

PURPOSE

IN HIGH CHANGE SCENARIOS,
GIVING INDIVIDUALS A SENSE OF
CONNECTION TO AND MEANING IN
PURPOSE-DRIVEN WORK IS NOT
ONLY GOOD FOR THE EMPLOYEE,
BUT ALSO KEY TO ENSURING A
HIGH-FUNCTIONING, COMPETITIVE
ORGANIZATION.

Employees who have a personal connection to their work and see how their work and life purposes intersect are more committed and motivated on the job.



BURNOUT

EMPLOYEES FACED WITH THE
STRESS THAT COMES WITH AN
ENVIRONMENT WHERE CHANGE IS
THE ONLY CONSTANT ARE AT HIGH
RISK FOR BURNOUT, which can
show up as physical or emotional
exhaustion, cynicism, detachment,
or feelings of being ineffective.

Resilience and agility are strongly protective against work burnout.



TURNOVER INTENT

RESILIENT AND AGILE EMPLOYEES ARE ALMOST 50% LESS LIKELY TO QUIT.

The positive impact of resilience and agility extends beyond burnout to turnover intent.

Employees who are both highly resilient and have higher agility are about half as likely as those with low resilience and agility to plan to leave their job in the next six months.



EVEN IN CHALLENGING ENVIRONMENTS, RESILIENT WORKERS CONTINUE TO THRIVE

RESEARCH SHOWS A POWERFUL PROTECTIVE EFFECT OF
RESILIENCE FOR ALL EMPLOYEES, BUT A PARTICULARLY STRONG
EFFECT FOR THOSE EMPLOYEES WHO WORK IN SITUATIONS
WHERE THEY ARE REQUIRED TO DELIVER QUICKLY, HAVE LITTLE
AUTONOMY, OR RECEIVE RELATIVELY LITTLE SUPPORT.

meQ's current client population reflects a huge range of occupations and work situations—frontline workers, knowledge workers, management, professionals, and executives. In a peer-reviewed article published in the Journal of Occupational and Environmental Medicine, meQ studied resilience in high-stress workplaces.

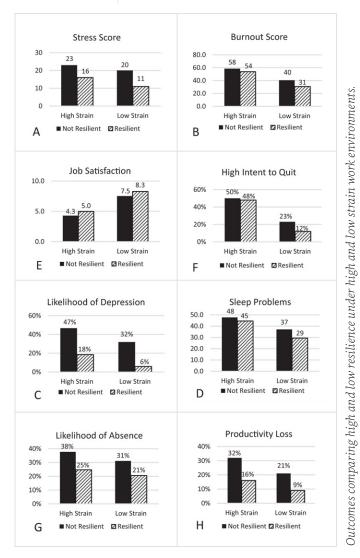
The work environments were assessed using elements from the Copenhagen Psychosocial Questionnaire, specifically job demands, autonomy, and social support at work.

- Across every outcome and regardless of work environment, highly resilient employees fare better than less resilient employees.
- Resilience often has its highest payoff in high strain environments. For depression, absenteeism and productivity impairment, resilience is more protective in high strain relative to low strain environments.



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The Positive Effect of Resilience on Stress and Business Outcomes in Difficult Work Environments



meQ | The Resilience Imperative







THE COVID-19 PANDEMIC PRESENTED A
REAL-WORLD LABORATORY FOR RESILIENCE
RESEARCH IN MYRIAD WAYS, FROM THE IMPACT
OF LARGE SCALE TRAUMA ON EMPLOYEE MENTAL
WELLBEING TO INDUSTRY-SCALE ANALYSIS OF
CRISIS REACTION AND MANAGEMENT.

meQ's research kept close tabs on member wellbeing throughout the pandemic. Bi-annual "check-ins" starting in June 2020 tracked mental wellbeing in samples totalling more than 30,000 members over the past 2 years. Four findings that emerged from our pandemic research retain broad applicability to employee mental wellbeing even as we transition out of pandemic-driven volatility and uncertainty into the next set of economic or political challenges that await us

THE MENTAL WELLBEING OF YOUNGER WORKERS
IS CONSISTENTLY AT HIGHER RISK THAN THEIR
OLDER PEERS. Throughout the pandemic, we
saw that younger employees consistently had
poorer outcomes compared to their older
colleagues. For example, mid-pandemic we
saw that EMPLOYEES UNDER 40 EXPERIENCED
A 23% INCREASE IN DISORDERED SLEEP, versus
an increase in sleep issues of only 1% in older
workers. Over the same period, younger workers
experienced 3X THE DECLINE IN MOTIVATION
that older workers saw (45% vs 14%). Burnout

also trended up much more severely among younger workers compared to older workers. More than any other demographic, younger employees stand to benefit from supportive, resilience-building interventions.

SELF-CARE THROUGH DIGITAL RESILIENCE COACHING IS A POWERFUL, POSITIVE FORCE FOR MENTAL WELLBEING. Across every outcome from job

wellbeing. Across every outcome from job stress to motivation and from sleep to burnout, members who engaged with digital resilience coaching at the highest intensity had the best results.

Across a population that showed very large increases in job stress on average, individuals who spent the least amount of time in self-care through meQ participation had 20X LARGER INCREASES IN JOB STRESS than individual who were highly engaged in self-care. Similarly, where disordered sleep and burnout were each on the rise among most members early in the pandemic, highly engaged users actually experienced slight reductions in the rates of disordered sleep and burnout

EMPLOYER SUPPORT FOR EMPLOYEE WELLBEING IS

CRITICAL. From the onset of the pandemic there was an ebb and flow to employee perceptions of employer support. What remained consistent was its positive, protective impact. meQ

members' work-related stress increased almost universally during the pandemic. However,

THE RATE OF INCREASE AMONG EMPLOYEES WHO FEEL UNSUPPORTED BY THEIR EMPLOYER

was more than 10x Higher than the rate of increase among those who felt strongly supported by their employer. Increases in disordered sleep, symptoms of burnout, and motivation difficulties were also all markedly higher (1.9X to almost 30X) among those who reported low employer support than among the well-supported. Clear and frequent communication and flexible work arrangements were among the elements of employer support often cited by employees as being most helpful.

MANAGER SUPPORT FOR EMPLOYEE WELLBEING

of work kicked off by the pandemic required new ways of getting things done. Much of the burden in the transformation fell on managers. Compared to individual contributors, managers were significantly more likely than individual contributors to take on new duties during the pandemic. New managerial tasks often extended to checking in on and looking out for mental wellbeing among their team members. The protective power of manager support for team mental wellbeing both for employee mental health as well as engagement was very strong.

EMPLOYER SUPPORT MAKES A CONSIDERABLE DIFFERENCE WHEN EMPLOYEES FACE MENTAL CHALLENGES.

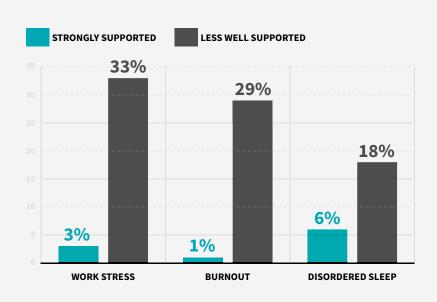
THOSE MOST ENGAGED WITH RESILIENCE TRAINING FARED CONSIDERABLY BETTER THAN WORKERS WHO WERE LESS ENGAGED.

35 32% 27% 25 21% 20 15% 29%

-4%

BURNOUT

HOWEVER, EMPLOYER SUPPORT MADE A CONSIDERABLE DIFFERENCE.



Because all of the subjects were meQ members, the results are specific to the meQ product.

MOTIVATION

Those **MOST ENGAGED** with resilience training **FARED CONSIDERABLY BETTER** than workers who were less engaged.

-1%

SLEEP

THOSE WHO LEVERAGED LESS RESILIENCE TRAINING EXPERIENCED:

33%
Increased feelings of STRESS

Increased feelings of BURNOUT

-29%Decreased feelings

of MOTIVATION

-27%

Decreased feelings of **POSITIVITY**

1%

STRESS

ROI: RESILIENT WORKFORCES REDUCE COSTS AND RAISE PROFITS

meQ research shows that when people can improve their coping skills and become more resilient, they become more engaged, more productive, are less likely to miss work or quit their jobs, and have increased psychological safety. At scale, that can be worth millions.

An increase in resilience helps stress symptoms and illness rates, absences, disability rates and duration, turnover, work engagement, and productivity. The meQ Score measures the change in those factors—and supports a financial analysis. Data on resilience combined with company data on pay scales, absence and turnover rates, and healthcare costs demonstrates the payoff.

COMMONLY-ACHIEVED RESILIENCE
IMPROVEMENTS STAND TO RAISE
PERFORMANCE BY \$2,005 PER MEMBER OR
MORE THAN \$2.5M PER 10K EMPLOYEES.

The model assumes an average salary of \$50,000, 25% enrollment of eligible users, 50% engagement, and a 30% resilience improvement, all typical of a meQ implementation.



WORKFORCE ROI IS DIRECTLY IMPROVED BY RESILIENCE TRAINING OUTCOMES

Any employee is at risk for underperformance, whether through absence, "presenteeism", or burnout. Highly resilient employees are both more productive and more effective.

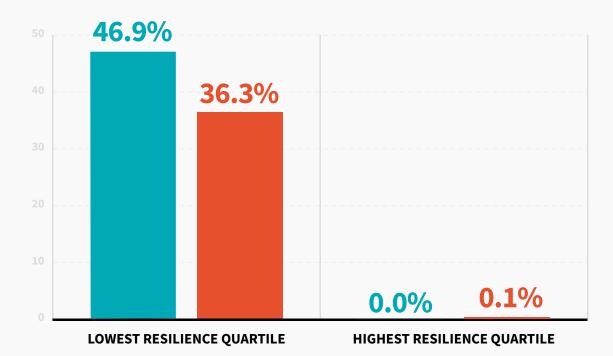
PERFORMANCE



MENTAL HEALTH

Percentage of population with **MODERATE OR HIGHER DEPRESSION** (PHQ-9) and **MODERATE OR HIGHER ANXIETY** (GAD-7) per quartile





Perceived Stress Scale Scores by **RESILIENCE** and **POSITIVITY** Level

20.4% LOW RESILIENCE

9.5%
HIGH RESILIENCE

9.4%
HIGH RESILIENCE &
HIGH MINDFULNESS

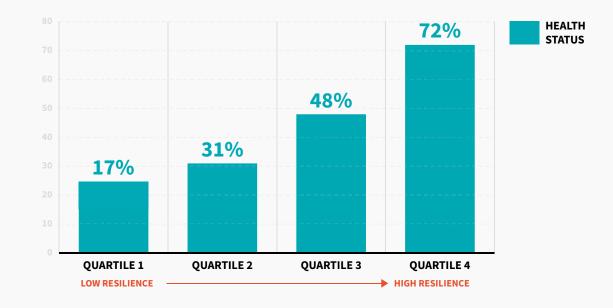
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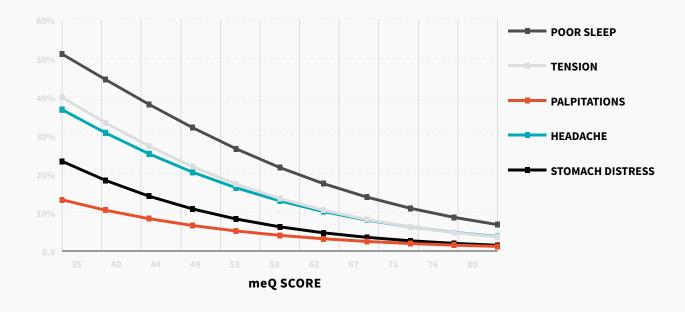
PHYSICAL HEALTH

OVERALL meQ SCORE AND HEALTH STATUS

PERCENT OF RESPONDENTS

REPORTING SYMPTOMS





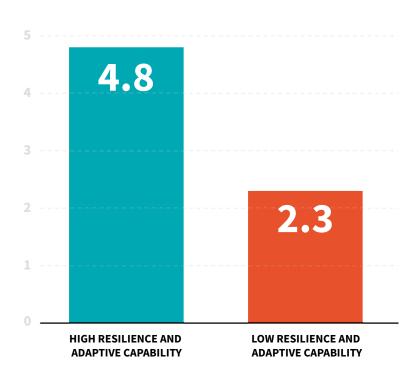
RESILIENCE MAKES WORKPLACES WORK

More than 20 years of research by Gallup shows that employee engagement is strongly connected to outcomes essential to a business's financial success, including profitability, productivity, and customer satisfaction. Resilient employees have almost 2x the sense of connection to meaning and purpose at work which is key to ensuring a high functioning competitive organization.

MEANING AND PURPOSE AT WORK



AGILITY



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RESILIENCE MAKES WORK A HAPPIER, HEALTHIER EMPLOYEE EXPERIENCE

Improving resilience has numerous positive benefits for employee experience. In addition to meQ's own research, management research conducted by multiple independent sources confirms that:

 Resilience is associated with positive perceptions about work such as satisfaction, commitment, good citizenship, conflict resolution, and purpose.

• Resilience is associated with fewer negative perceptions about work such as disengagement and cynicism as well as disruptive behaviors.

• Employees with high levels of resilience report a lower intent to quit and look for other jobs less often.

• Those with high resilience are more open to and less cynical about change in their organizations.

• Resilient individuals report feeling more hopeful and optimistic about their jobs.

 Those with high resilience have higher levels of optimism about their ability to succeed.

• Resilient employees report higher levels of psychological wellbeing at work



RESILIENCE BOOSTS FOCUS, ENERGY, AND DEDICATION

meQ'S RESEARCH SHOWS DEFINITIVELY THAT RESILIENCE HAS A POWERFUL, POSITIVE EFFECT ON EMPLOYEE PRODUCTIVITY. RESILIENCE IMPROVEMENT INCREASES THE ABILITY TO FOCUS, REDUCE DISTRACTIONS, AND WORK WITH PURPOSE. In addition to our own research, the peer-reviewed management literature strongly supports the consistent and strong association between resilience and job performance.

- Self-reported productivity, manager-reported productivity, and objectively measured performance all improve with resilience
- The resilience of supervisors seems to improve the performance of the workers they supervise
- Interventions that improve resilience produce measurable improvements in performance
- Resilience makes employees more confident when taking on challenging tasks
- Individuals with higher resiliency are more energized and better able to come up with multiple solutions to problems than their low-resilience counterparts
- Resilient employees are more likely to engage in positive behavior such as mentoring newcomers



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Finding RESILIENCE

THE SCIENCE OF RESILIENCE HELPS ORGANIZATIONS BECOME A FORCE FOR GROWTH.

Success and resilience need each other, it's that simple, and it's something meQ knows a lot about.

Responding to evolving market demands successfully doesn't happen without a resilient workforce of people. Our resilience solutions help individuals rise above everything that life throws at them. Our workforce analytics reveal what's impacting performance so leaders can make more informed decisions about their people and their business in ways that enable the organization to balance immediate risk with long-term strategic transformation.

Improved resilience changes the way organizations grow, and how their teams perform together. People are able to show up at their best, and the workplace becomes better for everyone. Being resilient makes us better teammates, more present family members, and strengthens our culture.

You can't afford to wait and see, you need to see and do. meQ is helping organizations adapt for the now and prepare for the future.

LET'S TALK

617.916.1262 meQuilibrium.com

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