

### The Happiness Report

What workers need from employers

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### Why happiness?

Henry David Thoreau once said that "Happiness is like a butterfly; the more you chase it, the more it will elude you, but if you turn your attention to other things, it will come and sit softly on your shoulder."

In general, happiness as a concept is something that everyone strives for but few know how to achieve. Philosophers for centuries have struggled with its meaning and path to get there, while modern scientists continue to try and quantify how to find it.

One thing appears clear: each of us has our own vision of happiness. What makes one happy might not make another person happy, because it depends on our own internal values system.

That doesn't mean that we can't find collective happiness in shared experiences.

At work is a perfect example. We create shared value systems (commonly referred to as culture in a work context), and in those shared values we can find happiness as individuals.

So if we think back to the butterfly, the responsibility of businesses is to provide the support and experiences that allow the individual employee to focus on the task at hand, so they can find their own happiness.

The onus is on HR and the C-Suite to understand, quantifiably, what they can do to make their workers happy at work. The Happiness Report is Traitify's way of helping businesses better understand how to provide what their employees need, so that everyone benefits.

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**Dan Sines**VP of Product





### Putting people at the center

In the last year the pandemic has collectively taught us all a great many things.

People are essential to our world and with the term "essential worker" coming to the forefront, it illustrates how traditional high-volume and hourly roles are crucial to maintaining our operations and economy.

Psychological research shows us that people who are happy at work are more engaged, stay longer, and perform better.

The pandemic, and the labor shortages that are being experienced across multiple industries, have made it abundantly clear that we must focus on understanding and meeting the needs of our high-volume workforces. We started by simply asking them what would make them happy at work and what is important to them when looking for a new job.

Based on our research, they want what everyone else wants: a good wage so they can support and feed their families, respect, consistency, stability, communication, paid sick leave, and job safety. These are things all workers deserve, and high-volume workers are no exception.

Common practices such as minimum wage pay, only part-time work, no paid time off, or no benefits at all, are the things that lead to lower productivity and higher turnover rates. As our businesses work towards recovery post-pandemic, we need to understand that taking good care of all of our workers will be vital to positively impacting the bottom line.

My hope is that with this research we can collectively start listening better to the needs of all our workers and making strides to ensure that businesses meet these needs.

**Heather Myers, Ph.D**Chief Psychology Officer

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### Find happiness at work

Data collection efforts focused on the high-volume hiring sector. Respondents were asked to indicate if they held a "common job," meaning a role held by numerous individuals at an organization.

At Traitify by Paradox, we seek to create happiness in the workplace. We were inspired to ask workers themselves how they had fared through these unprecedented times of 2020. At the crux of our inquiry was a desire to understand what life was like for workers amid the global pandemic. What happened to your job? Do you feel differently about it now than you once did? What would help?

Our inaugural Happiness Report provides a lesson for our times. What emerges is a reminder that the labor force is composed of human beings. Every role, particularly those to which we fixed the label "essential," deserves the same considerations given to other parts of your workforce.

### There were some key themes that emerged from our inquiry of high-volume workforces.

- Practical needs are top of mind. We must expand the definition of psychological safety, as these workers are focused on job security and the amount of pay.
- Job seekers care about easy experiences and communication.
   They don't want unnecessary hurdles when applying, and they need consistent communication.
- Feeling supported increases happiness. Unexpected time off, connecting with managers, and acknowledging current challenges, coupled with clear COVID-19 and safety protocols, will make workers happier.
- Convenience and safety are concerns for unemployed workers.
   Clear pandemic-related protocols and support for their lives outside of work will help get people back to work.

### **Key actions for HR leaders:**

### Extend considerations across the workforce.

Everything from worker benefits to establishing psychological safety should include the high-volume workforce, not just salaried workers. HR should look for creative ways to bring flexibility, additional compensation opportunities, and paid time off to all.

### Invest in your experiences.

Both candidate and employee experience have been a focus among HR leaders for years. The need to prioritize these is as important as ever. With a data-driven approach, leaders can anticipate where drop-off will occur, and take steps to fill gaps.

### Communicate with your workforce.

People want to hear from employers pre-hire, with timely updates and a clear yes or no. Create a culture of trust-building for the workforce, with continuing communication, transparency, taking responsibility, and creating meaningful connections between managers and employees.

## Jobs undergo major changes

Over a third of workers experienced some sort of change to their job.

Our survey found that only 53.4% of our high-volume respondents held a steady permanent job that was unchanged for the pandemic months of 2020. Job loss was considerable, impacting 14.7% of individuals, either with outright layoffs or furloughs.

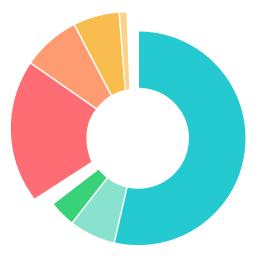
How did others fare? Almost one in five survey-takers (19.4%) stayed with the same employer but experienced a change to their job. We included several examples of how jobs might change among these individuals — changes in weekly hours, a switch to remote work, a reduction or deferral in pay, or taking on a new role or set of responsibilities.

For many workers in the high-volume sector, relative job unpredictability is already the norm, with variable schedules, high turnover impacting job roles and coworkers, seasonal changes, and the like. It's of particular note that these workers nevertheless cited a new wave of changes characterizing their work lives from the pre-pandemic era to the winter months of 2020.

Discussion of the impacts of the pandemic era on the world of work for employees in high-volume hiring industries must include not merely job losses, but account for disruptions to how jobs looked from day to day.

### Over a third of workers experienced a change.

- 19.4% reported that, although they maintained consistent employment during the pandemic, they underwent a job change
- 8.2% lost their job
- 6.5% were furloughed
- 1.0% began gig working during this time
- 53.4% held jobs that remained unchanged
- 6.8% were working as gig workers throughout the pandemic months
- 4.1% were unemployed when the pandemic began or remained so throughout the pandemic months



### Shifts in job satisfaction

1 in 4 workers are less happy with their job than one year ago. We asked common-job holders to gauge "how happy you are with your job overall" and then to compare this assessment with their job satisfaction when the pandemic began. Our data shows that a considerable segment of workers did experience a drop in job satisfaction. More than one-fourth (26.8%) reported being "somewhat" or "much" less happy with their job.

Despite this concerning finding, there were some individuals who experienced an opposite effect. Nearly one in five respondents (18.2%) said they were either "somewhat" or "much" happier with their jobs than they had been pre-pandemic.

### Does being on the job make us feel better?

One might assume that a job might have its own mitigating effect to guard against a stressful world — specifically, that being at work acts as a boost to one's state of mind. This was explored by asking how one's time spent in their current job compares to their happiness level while away from work.

The most common response was that individuals experience no particular difference in happiness during these two times (46.4% of responses). When a difference does exist, on-the-job hours are more likely to include a drop in one's emotional state.

Survey takers were likely to indicate they were "somewhat less happy" on the job (25.7%) than "somewhat happier" on the job (11.4%).

More than 1 in 10 respondents appear to experience their work hours as a considerable damper on their happiness, with 11.6% indicating they were "much less happy" on the job than when not working.

In contrast, only about 1 in 20 respondents reported a significant mood boost provided by the experience of working, with 4.8% indicating they were "much happier" on the job.

# When the going gets tough, workers value certainty

Two-thirds of respondents need the most basic type of "psychological safety."

We asked respondents to "Think about the factors that influence your happiness with a job the most, whether you are currently employed or not." Individuals could choose among several response choices. In a year of widespread challenges, we found that worker concerns largely centered around basic needs. Compensation and job security outweighed other factors.

Two out of three respondents (66.4%) selected job security as a top-three factor in determining their happiness with a job.

Equally vital for workers? Income. About the same number (66.7% of respondents) selected "How much I am paid" as a factor determining their happiness with a job.

### **Expanding the definition of "Psychological Safety"**

While organizations have in recent years started to embrace the value-enhancing concept of "psychological safety," noting the importance of constructive feedback, shared brainstorming, and the like, our findings in the Happiness Report suggest that these discussions must be widened to include workers across all workforce settings.

For many, "psychological safety" may involve basic worker protections, but also environments in which workers receive logistical support amid a culture of being valued. Comfort with communicating shift preferences, flexible scheduling, willingness to report procedural breaches, access to sick days, and consistent, reliable income all constitute psychological safety for considerable numbers of workers.

### Teamwork in common-job workplaces

The next set of top responses referenced the interpersonal relationships that shape the workday: "How well I get along with other people on my shifts/ team," was selected by 58.4% of workers, followed closely by "My relationship with my manager/supervisor," tapped by 56.1% as a top happiness-producing factor.

From there, 55.6% of respondents chose "receiving benefits like health insurance and paid time off" as an indicator of being happy at work. Another 40.7% chose "feeling safe while working."

### Differences by gender identity

Both women and men emphasized compensation, with both groups endorsing overall pay and job security as their top two concerns. We found that 69.9% of women selected their level of pay as a top factor, a priority also cited by 64.0% of men. Mirroring this finding, 69.1% of women identified job security as an indicator of happiness, along with 64.0% of men.

Beyond this shared emphasis on a paycheck, some gender differences were noted. For example, women cited relational aspects of the workplace at a higher rate than men. 61.5% of women identified "my relationship with my manager/supervisor," compared to 50.0% of men. Regarding co-workers, 63.3% of women selected "how well I get along with other people on my shifts/team" as a contributing factor, compared to 51.7% of men.

Though our survey offered the opportunity to identify oneself outside the traditional gender binary, there was not a large enough sample size of respondents to draw conclusions about their happiness needs.



## Understanding what appeals to workers

Mental health support, safety rules, and communication have a positive impact on happiness at work. We asked our survey-takers to evaluate steps employers could take, speculating on the effect of each on their at-work happiness. Response choices were a 100-point scale from a decreasing effect (0) to an increasing one (100), with a middle-of-the-road response (a score of 50) indicating no effect one way or the other.

The employer initiative of "Granting an unexpected paid day off to promote mental health" was seen as producing the biggest boost to employee happiness, with a mean score of 78. Further, the most common response was a 100, indicating that many respondents were strong proponents of this idea.

The next most happiness-boosting measure: safety. The choice "My company provides a list of safety rules employees must follow and enforces them" received a mean score of 64. This ranking indicated the importance of workplace safety mid-pandemic, an emphasis we believe is unlikely to operate according to a simple "on/off switch" in the minds of many. Ongoing prioritization of safety, particularly implementing long-term adaptations post-COVID, is warranted.

### Granting an unexpected paid day off to promote mental health

Decreases Happiness	No Effect	70	Increases Happiness
0	50	70	100

### My company provides a list of safety rules employees must follow and enforces them

Decreases Happiness	No Effect	64	Increases Happiness
0	50	04	100

### Communication and empathy

Given the influence of managers on happiness in the last chapter, a similar result was seen for "My manager starts asking me more than once a week how I'm feeling and how my life is going," which had a mean score of 63. Additionally, respondents chose "My company sends out emails to employees acknowledging that life mid-pandemic is challenging for many" (mean score of 63), "My company hosts 'virtual meetups' to socialize" (mean score of 54), and "My company eliminates quarterly performance reviews during the pandemic" (mean score of 58) as other measures that could have a positive impact on their happiness.

The only employer step that produced a net-negative estimation from our survey-takers was "My manager talks a lot about the new normal," receiving a mean score of 48, just slightly in the negative-effect range.

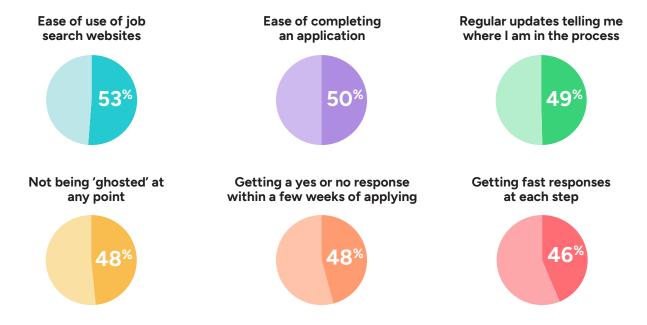
### Mid-pandemic, employees judged their employers favorably

On a related issue pertaining to how well employers actually handled the pandemic in the eyes of their workforces, we asked survey-takers to "rate how well you think your employer has responded to the challenges of the pandemic, from mid-March 2020 to today." They were provided with a 1-100 scale with higher scores indicating better performance. The mean response was 71. Notably, the most frequent response, provided by 9.3% of workers, was the maximum value of 100.



## A look at the apply process

Around half of respondents value ease-of-use and communication when applying for a job.



Our investigation explored worker perceptions through the apply process, finding that candidates value an efficient and easy experience, particularly one that includes a feature often missing from high-volume approaches: frequent communication.

Responses indicate that applicants appreciate convenience and timeliness, but also value a process that is a give and take. Receiving updates on their progress was a frequently cited plus, along with the related feature of simply not being "ghosted" by the employer.

Less-popular choices were all those that are not widely used across high-volume applications. Including:

15%
opportunity to a personalized experience

20%
get something out of the experience

As echoed in other areas of this report, treating high-volume workforces in equitable ways to salaried workers could also provide incremental improvement to the apply process.

### Listening to those outside the paid workforce

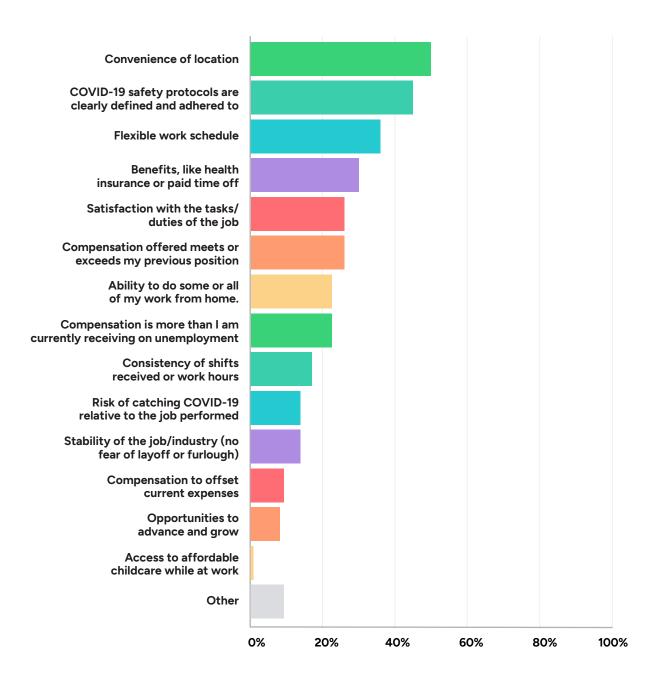
We were additionally interested in individuals currently unemployed. Though a relatively small sample size (n=55), the trends within the sample were informative.

It's important to understand what unemployed individuals cited as top priorities when accepting a new position. Asked to select what they look for in a job, the most common response (selected by 49.06% of this group) was the convenience of the location. Nearly as popular was the clarity of and adherence to COVID-19 safety protocols, cited by 45.28% of this group.

Rounding out the top four factors were "Flexible work schedule", chosen by 35.85% of respondents, and "Benefits, like health insurance or paid time off" chosen by 30.19%.

As pandemic restrictions gradually lift nationwide, industry leaders would be wise to consider what changes can be made to bring people back to work faster. Typical benefits and considerations previously reserved for the "zoom class," should be implemented to help attract unemployed high-volume workers. Clear safety protocols, increased pay, flexible schedules, and paid time -off/sick days are just a few examples of measures that could reduce turnover, increase productivity, and aid in the bounce-back from COVID-19.

Two-thirds of our sample of unemployed individuals indicated they were not actively seeking employment at the time of the survey.



## Creating happiness at work

### It's time to move forward.

When we do that with the benefit of data-driven insights, we can enable a more purposeful and efficient approach. The Happiness Report provides notable findings that can be used to guide strategic next-steps among HR leaders.

### Amid disruptions, priorities turned practical.

Workers most frequently cited their job security and their pay when reporting what ensured their happiness at work. Evidence was not seen that the workday midpandemic acted as an escape from everyday stress. When life itself is challenging, the benefit of a job appears to come primarily from its value in **ensuring that material needs are met**.

### What can employers do? Give workers back some time.

When speculating on the impact of hypothetical employer steps to address employee wellbeing, workers honed in on one wellness booster in particular: **paid time off to address burnout.** Giving workers space to care for themselves will give businesses a leg up on attracting and keeping talent.

### A sizable segment of workers grew less satisfied at work.

For many, their happiness level at work was unchanged from where it stood prepandemic. Still, signs of discontent were seen, with **more than 1 in 4 workers reporting a drop in their happiness at work.** Awareness of this segment of the workforce has implications for achieving employee engagement, reducing turnover, and improving worker morale as the most acute phase of the COVID-19 pandemic passes.

### For job-seekers, keep it easy, and make it a give-and-take.

Your job applicants want to hear from you. The current state of hiring has not lessened the need for seamless application experiences and, of particular note, good communication. To keep talent pipelines full, HR must invest in streamlining processes, achieving top-tier ease of use. Talent acquisition professionals should focus on ensuring that applicants are updated, that there are no lengthy gaps between application steps, and that no one is left hanging — it's time to stop "ghosting" candidates.

### Make work a place people feel good about.

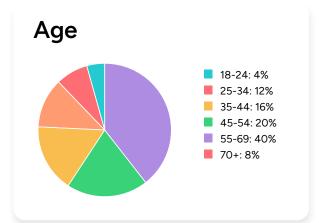
Through some of the toughest months of the pandemic, the large majority of workers (83.7%) did not gain any mental health boost from the hours spent at work. For many, work had a null effect on their happiness. **But a startling 37.3% of our respondents said they felt happier away from work than on the job.** These findings paint a stark picture for employee morale, suggesting that workforces include many workers who simply aren't happy in their roles. These are likely to be clock-watchers and turnover risks, performing far below their potential. There's major room for improvement among employers to create environments where their employees are happy to spend hours a day.

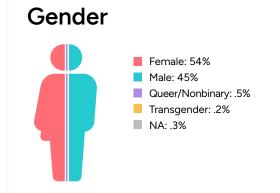
It's been a time of widespread challenge, and we've all had to endure. As we move further into a post-pandemic landscape, we have an opportunity to change things for the better, not just as we juggle public health needs, but forever. By listening to workers, we can grow in understanding, and we can do better, for everyone.

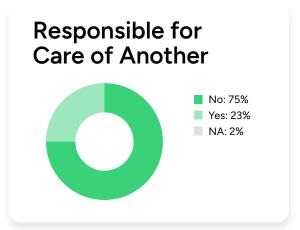
Driven by the power of human insight, <u>Traitify</u> will continue to bring actionable understanding of job fit and employee development to candidates, employees, and employers — even in the most unprecedented of times.



## Survey sample data

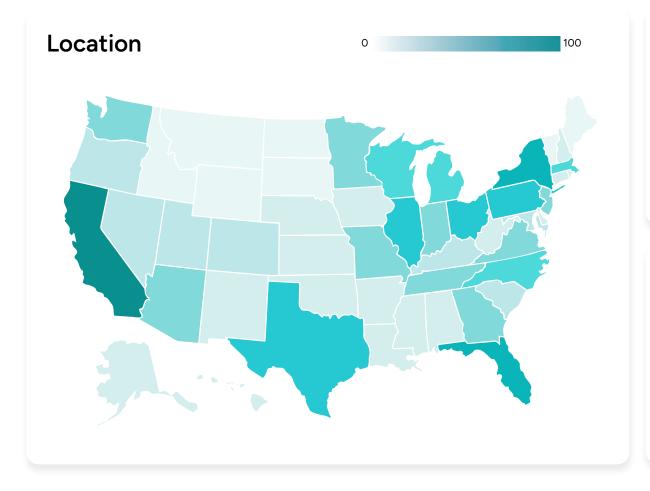


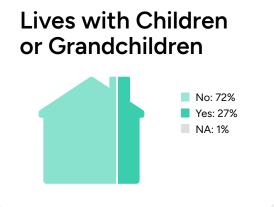


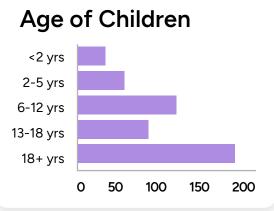


### Methodology

Traitify engaged with a thirdparty vendor to solicit responses from a representative sample of participants in the US. Participants accessed the survey online, in a self-paced format. The survey was accessible on all devices. Responses were sought between Dec 2-14, 2020. In all, 3,202 individuals began the survey. We excluded all those who did not self-report that they worked as the holder of a "common job," which we defined as roles held by numerous individuals within one organization, a gig worker, or specialized trade. That left a sample size of 1,103 respondents included in our analysis.







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