

INSIGHT PAPER

Designing an Inclusive Employee Experience

A Framework to Bridge the Gap Between Employee
Expectations and Workplace Reality

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Bringing Employee Expectations to Life

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Competing in the Age of Disengagement

This year, 2023, has been dubbed “the year of disengagement” as studies show that 85 percent of employees are not engaged or are actively disengaged at work. If you are seeing problems show up in your survey data, you are not alone. As organizations reimagine their employee experiences in response to internal and external pressures, it’s become more important than ever to hear directly from employees to learn exactly what they need.

Employees Reevaluating Effort They Devote to Work

Trends of “Quiet Quitting” and “Working Your Wage” Are Permeating Public Discourse

Engagement can be interpreted as a broad indicator of how motivated an employee is at work, and according to global estimates, **only 13 percent of people are engaged** at their current jobs. This contributes to a massive productivity loss. In the United States alone, **disengagement costs the economy around \$500 billion every year.**

While companies are relatively good at hiring for talent, especially when talent can be equated to hard skills or experience, they have been generally less apt at fostering a culture that ensures a sense of belonging and maintains engagement. This, coupled with the changes that the workplace has undergone over the past three years, has left employees reevaluating the amount of effort they are willing to devote to work. **Trends such as “quiet quitting” and “working your wage” are becoming more popular,** leaving organizations to fill the gap that results from disengagement.

Employee Engagement and Satisfaction Are Deeply Tied to DEI Priorities

53%

of Gen Z expect to see more diversity in leadership positions

This influential group has made it clear that they will not stay at a company where leadership doesn't reflect the larger workforce (and currently, less than 8 percent of the F500 has a diversified C-suite).

47%

of turnover is due to an unhealthy company culture.

Employers need to understand what their employees truly want from their workplace and invest in these imperatives to continue to retain and attract the right talent.

1.5–2x

of an employee's annual salary is what it costs to replace lost talent.

There is risk to waiting until you start losing top talent to discover vulnerabilities in your culture. Now more than ever, fostering inclusivity and trust between leadership and workforce is crucial to culture health.

Successful organizations will need to:



Mitigate the “disengagement tax” and “quiet quitting”



Create clear measurement and communication of progress on DEI goals



Be quick and thoughtful in their response to social justice events and societal crisis



Follow through on DEI commitments for building an inclusive talent strategy



Support and train overstretched and burned-out DEI staff



Build effective partnerships between and align goals of ERGs and larger business

2

The Trouble with Employee Engagement Surveys

In today's data-driven workforce, employee engagement surveys have become one of the primary sources of data on staff satisfaction, but the insights they provide are often superficial, and the data that comes from them tends to be insufficient to drive meaningful change. Many organizations are identifying talent challenges within survey data but don't have the information needed to solve them.

Insufficient Data to Drive Meaningful Change


This 'Check-the-Box' Exercise Rarely Leads to Change Outcomes

Surveys are the industry standard, and they give organizational leaders something deeply important—quantitative data that puts rigor behind assertions and is hard to argue with. However, it has been well documented that employees don't trust the anonymity of surveys implemented by their companies and, in fear that their manager will come after them, they inflate their responses.

And the data is often insufficient. When problems present themselves within the survey data, leaders are unable to follow up with respondents to understand the why and the levers to improve progress on the data they collect.


Employee Engagement Survey Data Alone Isn't Enough to Drive Meaningful Change:

1 Focused on Quantitative Data




Without the in-depth, qualitative responses that you would get from a live interaction to contextualize the data points, leaders are often left asking, "But why?"

2 Uncertain Anonymity




Employee participants often do not trust that their answers will be truly anonymous, leading them to respond untruthfully

3 Inability to Conduct Follow-Up




When problems present within the data, leaders are unable to follow up to dig deeper and get more information

4 Lack of Facilitation




Employee participants are unable to ask clarifying questions about what they are being asked

5 Impersonal




Employee participants are unable to speak to their own personal experiences and perceptions in specific detail

6 Surface-Level Questions




Leaders at the organization only get data responses to questions that they had the foresight to ask

7 Passive Responses



When replying to static surveys, employees typically feel like their input is going into a 'black box' that may or may not ever be directly addressed

8 Survey Fatigue



Surveys, especially ones that require detailed thinking, can inevitably cause what is known as 'survey fatigue,' which reduces the quality of the responses given

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5 Truths Your Employee Engagement Surveys Won't Tell You

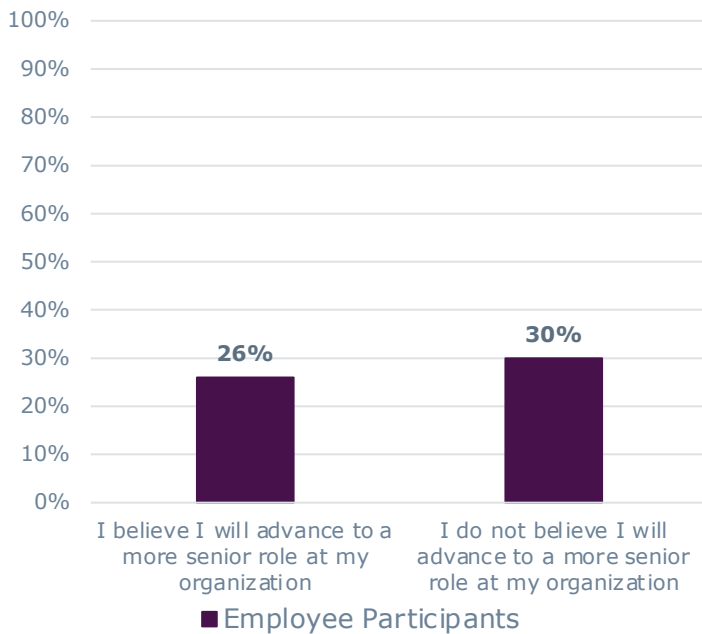
Seramount's Employee Voice Sessions (EVS) enable proactive listening that delves beyond a survey to probe into talent challenges and collect meaningful data to set goals and drive measurable progress. Drawing from EVS data, we've discovered five truths that many organizations may be overlooking if relying exclusively on engagement or inclusion surveys to understand the employee experience.

Belief in Advancement Doesn't Reduce Flight Risk

You might know the percentage of your employees that left last year or may leave in the next few years, but do you know what you can do to hold on to your most at-risk talent groups?

When conducting surveys or exit interviews, you've likely seen that the most common responses to the question of "Why are you leaving?" tend to be "To get a promotion" or "To earn greater compensation," but in fact, we find that people who say they're planning to leave are no less likely to think that they're going to get promoted than those who plan to stay.

Belief in Advancement Among Employee Participants Who Report They Will Stay at Their Company 3 Years or Less



KEY TAKEAWAY

Among those who believe they will advance to a more senior role at their organization, 26 percent planned to stay three years or less. Similarly, 30 percent of those who did not believe they would advance planned to stay three years or less. So, **belief in advancement doesn't appear to have much of an effect in reducing flight risk.**

“

At other companies I've worked in, there are special cross functional committees and skunkworks initiatives that look for volunteers. That is how you meet and develop relationships. We don't seem to do those things here.

Anon-236

Employee Voice Session Participant

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“

It is difficult to build relationships and find networking opportunities with higher levels. It's not clear how to build advocates other than showing good work on projects and initiatives. Mentoring should be a DEI initiative to retain talent and help people succeed.

Anon-794

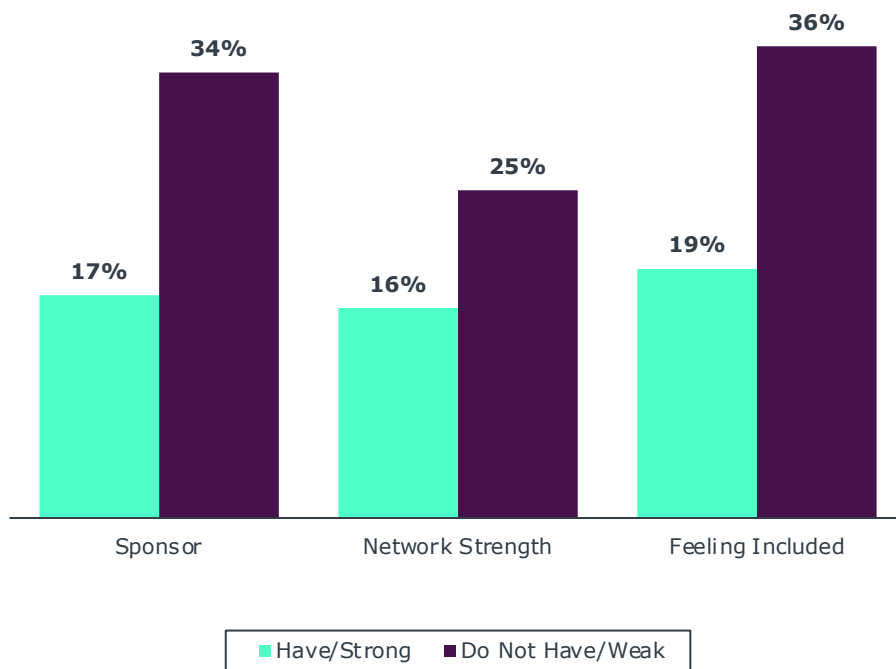
Employee Voice Session Participant

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Relationship Building Is Key to Retention

Sponsorship, Networking, and Team Inclusion Are in High Demand

Networks And Inclusion Among Employee Participants Who Report They Will Stay At Their Company 3 Years Or Less



KEY TAKEAWAY

What really keeps employees around are the relationships they have developed at their company, both with senior leaders and with their colleagues through sponsorship, networking, and team inclusion. In other words, in order to keep top talent, it is imperative to create and maintain a supportive, inclusive, and transparent work culture.

“

Honestly, I have great relationships with many senior leaders, but I had to be the one to reach out and establish a connection. It would be nice if senior leaders extended their hand to mentor others. Especially considering most of them are white and constantly talk about promoting diversity. A great way to do that is to connect with your diverse team.

Anon-394

Employee Voice Session Participant

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“

This is absolutely a who-you-know company. If no one wants to help you, then unfortunately you are stuck. Members of the leadership team are not interested in helping people build relationships. That would go a long way in people really believing that there is a good culture here, which for some reason the leadership seems to believe there is.

Anon-136

Employee Voice Session Participant

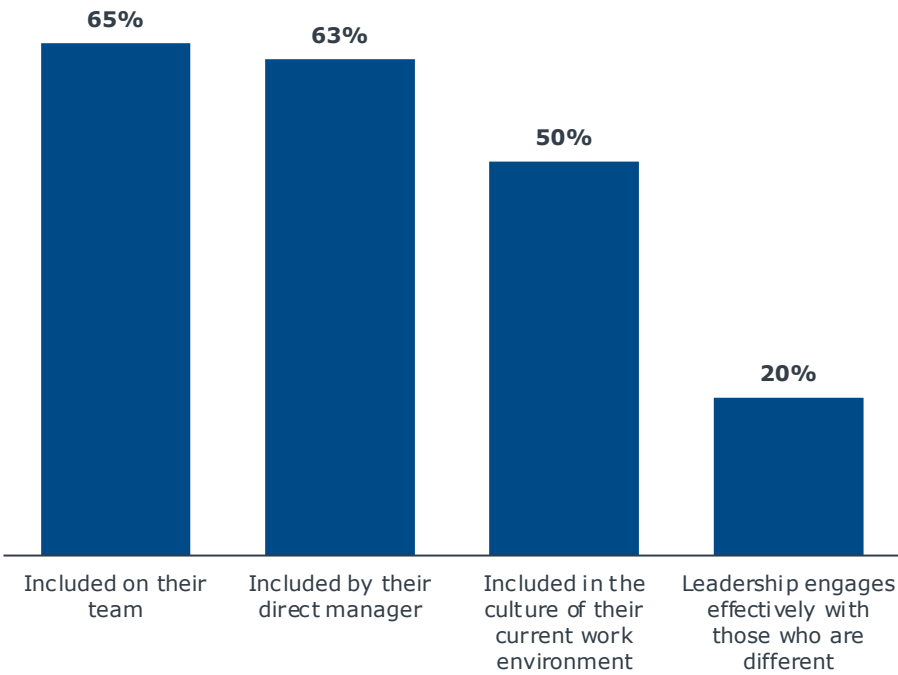
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Employees Feel Most Included by Close Individuals

Survey data may tell you the percentage of your employees who feel that your company is “an inclusive place to work,” but do you know how many employees personally feel included? Or who or what your employees feel included or excluded by? What are the specific behaviors that make them feel this way?

Obtaining this type of information from your employees requires a deep dive into how they are feeling. This can usually be accomplished in a psychologically safe space where employees do not feel that there is any chance retaliation can occur. This is the type of environment we create during our EVSs. Our sessions uncovered that the more proximal an individual is to the employee, the more likely that employee is to feel included by them.

Employee Participants Who Report Feeling Included At Their Workplaces



KEY TAKEAWAY

An employee’s immediate team members (or even direct manager) have the highest ratings of inclusion, whereas the company culture/work environment overall and leadership are comparably lower in terms of perception of inclusion or DEI commitment. When you are further from an employee or employee group, more effort needs to be expended to ensure they feel included. More inclusion by top management will be perceived with increased communication from leadership.

Three Major Hotspots of Exclusion

1

“Feeling less than”

Experiences like being assumed to be more junior, or even someone’s assistant; having one’s education or credibility questioned; or having one’s expertise or authority undermined by colleagues

2

“Experiencing some form of bias”

Experiences like having colleagues mispronounce or avoid saying one’s name, being mistaken for someone else of the same race/ethnicity or gender, or having colleagues think one was hired to fill a quota

3

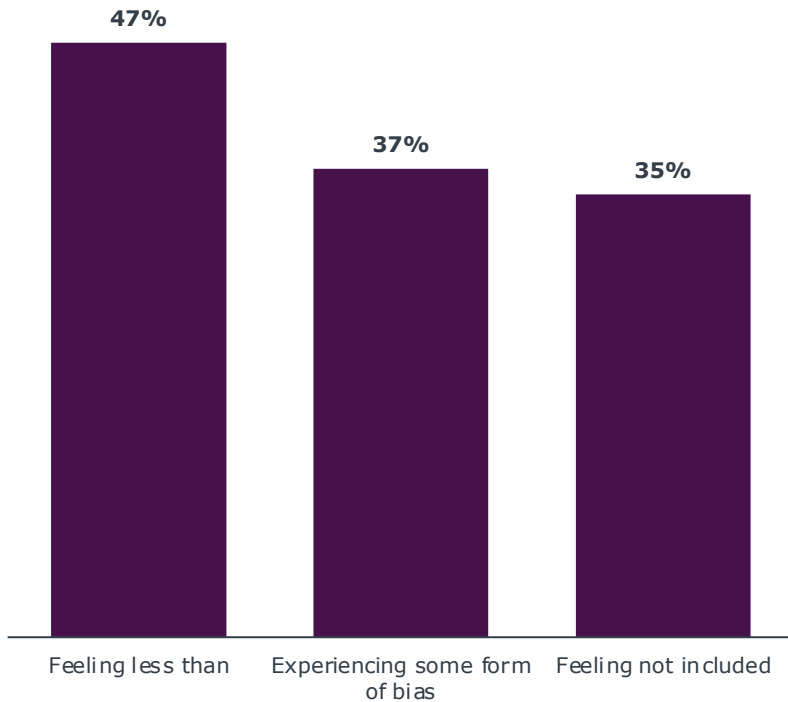
“Feeling not included”

Experiences such as colleagues not being supportive of one’s ideas during a meeting, not being involved in informal office conversations, or observing colleagues not asking about or showing interest in one’s personal life

The Negative Effects of Exclusion

Using the three major hotspots of exclusion as a framework, we've surfaced various negative effects exclusion can have on an employee.

Employee Participants Who Report Feeling Excluded at Their Workplaces



“

Sometimes because of my age, I am not included in conversations or get called out because “I wouldn’t understand.” I was also told that I wouldn’t have a great chance at an opportunity because I don’t have connections with the right people.

Anon-427

Employee Voice Session Participant

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1. Exclusion **Increases Flight Risk**

Employees who feel excluded become disengaged and are at risk of quitting.

28%

of participants who feel “less than” intend to leave their company within three years, compared to 12 percent who do not feel less than

2. Exclusion **Encourages Inauthenticity**

Exclusion encourages employees to compromise their authenticity in the workplace.

75%

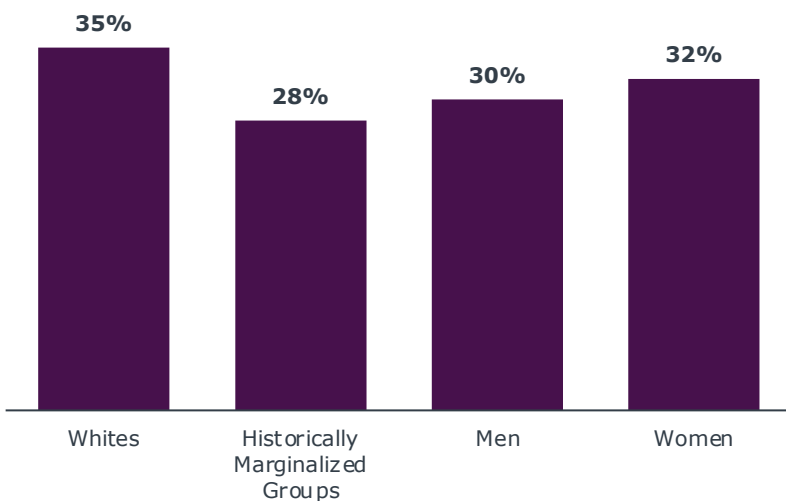
of employees who experience some form of bias compromise themselves in some way at work, compared with only 25 percent of those who do not experience bias

Relationship Capital Is Uneven Across Groups

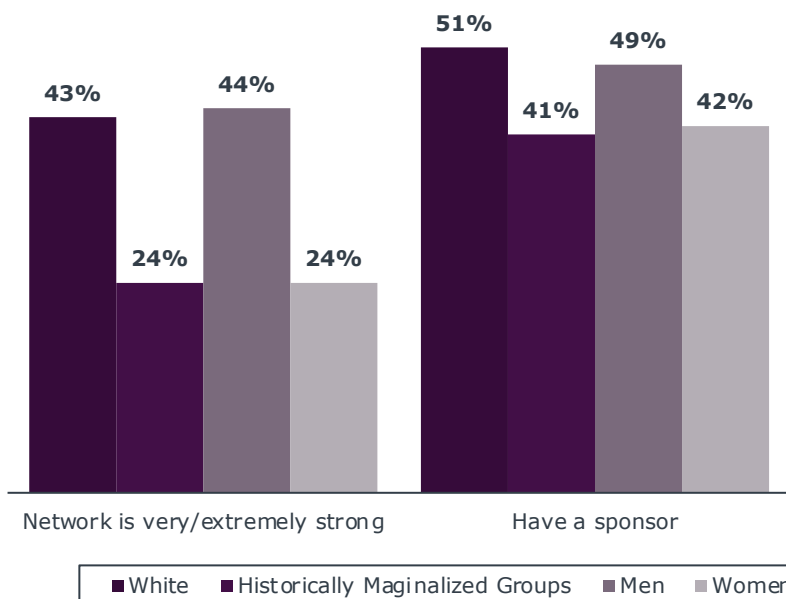
You might know that your employees who are members of historically marginalized groups aren't advancing, but do you know if they have the resources and relationship capital they need to gain visibility and win promotions?

From our EVS data, we've seen that the desire to advance in one's company is consistent across all demographic groups: overall, 30 percent of employees want to advance, and the rates are comparable across lines of difference, such as race/ethnicity and gender. But what is not consistent is the relationship capital across these groups. Relationship capital is not as robust on key measures for women and members of historically marginalized groups, which may be diminishing their chances of advancing.

Employee Participants Who Want to Advance



Relationship Capital of Employee Participants Who Want to Advance



KEY TAKEAWAY

Forty-four percent of men who want to advance rate their networks as "very strong," compared with only 24 percent of women and only 24 percent of people of color.

Our work has identified having a sponsor as a key driver of promotions. Among participants who want to advance, 49 percent of men state they have a sponsor, compared with 42 percent of women. Similarly, 51 percent of White employees state they have a sponsor, compared with only 41 percent of people of color.



I have lots of senior leaders who trust my technical experience and trust me with projects and programs, but I do not see them investing in my career development, advocating for me, or finding opportunities for me to gain visibility.

Anon-586

Employee Voice Session Participant

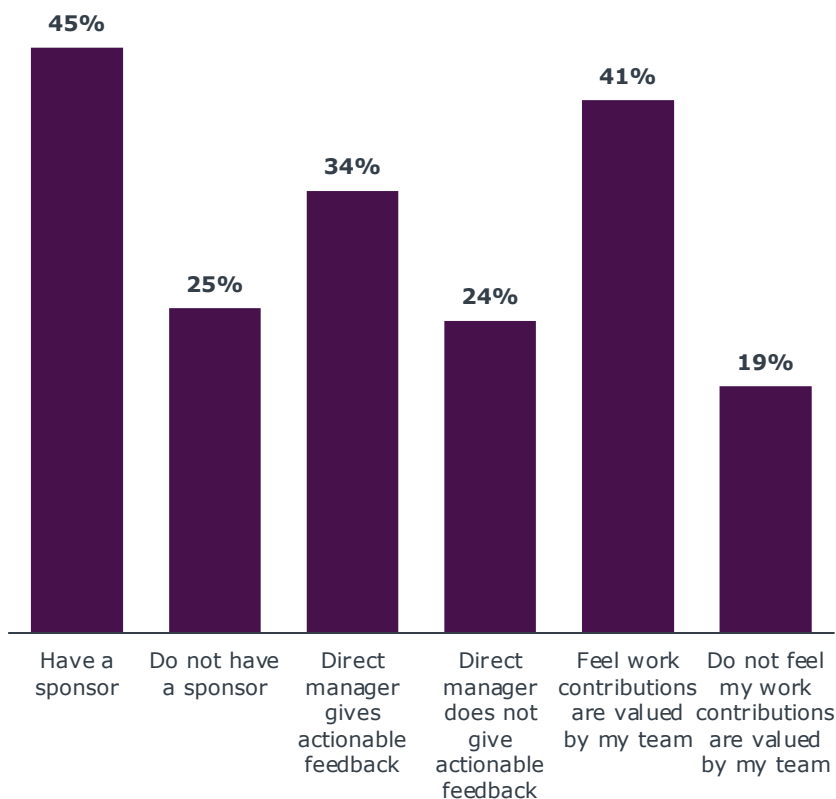


There Are Many Factors That Affect Employee Confidence


You might know that your employees feel stalled and dissatisfied with their rate of advancement, but do you know what influences their perception of a sustainable career path at your company? What do they need to see and feel in order to believe they can succeed in your organization?


We've found that less than half of employees (40 percent) across all demographics believe they will advance at their companies. This figure is only slightly higher when looking exclusively at employees who explicitly indicate that they want to advance (46 percent). While searching for what is stalling many employees, our data has revealed that relationship capital, specific manager behaviors, and certain aspects of team inclusion all affect an employee's confidence in their ability to advance.


Employee Participants Who Believe They Will Advance



Employee Sentiments Revealed Many Different Manager Behaviors That Affected Their Confidence

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"I get general pats on the back and occasional sharing of opportunities, but it's not always connected to my goals or development. Feels like it is only connected to when I can do something for my manager."
- 

"My manager is from a different era. He needs to be more aware of the motivators and drivers of the younger generations."
- 

"My manager has a lot of people reporting to him and it can be hard to get feedback. He rarely meets with us, and career conversations are not his priority."

KEY TAKEAWAY

Again, **sponsorship proves to be key**. Forty-five percent of employees who have a sponsor believe they will advance, compared with only 25 percent of those who do not have a sponsor. Direct managers also have an impact: 34 percent of employees whose manager gives them actionable feedback believe they will advance, compared with 24 percent of those whose manager does not. Last, peer support plays a role: 41 percent of employees who feel their work contributions are valued and respected by their teams believe they will advance—twice as many as those who do not.

The Level of Inclusivity a Manager Exhibits Has Impact

You might know that your employees experience exclusion. You might even have a training program around unconscious bias or a one-size-fits-all inclusive leadership course. But do you know the specific things that managers can do to combat exclusion within your organization?

Powerful Managerial Behaviors to Advance Employee Sense of Belonging



Maintaining regular contact with direct reports



Getting to know direct reports personally



Empowering team members to make decisions



Making sure every team member is heard

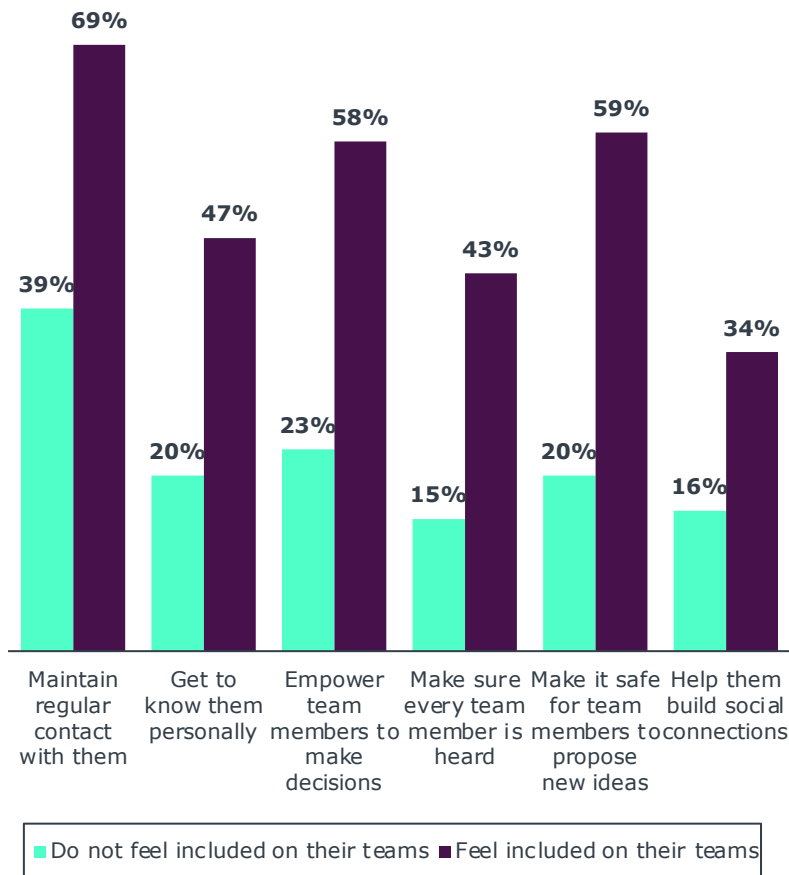


Making it safe for team members to propose new ideas



Helping team members to build connections at work

Employee Participants Who Have Managers That Exhibit the Powerful, Inclusive Behaviors



KEY TAKEAWAY

Approximately twice as many employees who feel included report that their manager engages in each of these behaviors, compared with employees who do not feel included on their teams. **The level of inclusivity a manager exhibits can impact a variety of areas, from collaboration and networking to innovation and psychological safety.**

“ I never receive feedback. I will receive negative comments if I make mistakes, but never receive coaching to improve in my weaker areas.

—Anon-598

Employee Voice Session Participant

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Bringing Employee Expectations to Life

Actively listening and gathering qualitative feedback as well as quantitative feedback in a safe and anonymous space gives you critical insight on the needs of your employees. These insights develop a framework for organizational leaders to ensure that they are focusing their DEI priorities in the right areas for employees.

A Framework for Focused DEI Programs

Qualitative Discussions Create the Perfect Framework for Customized Manager Capacity Training Programs

Leadership Abilities and Professionalism

Sentiments Identifying a Need for Leadership and Professionalism Training



- “My manager is very closed about work the team is doing. I need to consistently ask my manager to be part of conversations and meetings.”
- “Manager shows favoritism amongst other members in the group.”
- “Refers to his directs as Mr. X or Mr. Z...but then addresses me by my first name in the same meetings. My guess is that it’s because of my perceived age compared to my peers (they’re older). I’m also the only minority in the group...I would hate to think it’s the latter.”
- “Yes, I am punished if I do not agree. I am put in the penalty box, such as not getting included in certain meetings.”

Career Pathing

Sentiments Identifying a Need for Career Pathing Training



- “She does not invite me to meetings with people that could assist in my career development.”
- “My manager only shows a direct interest in new hires. After the team member has a year of experience, conversations about career advancement do not leave employees feeling hopeful about a future with the company.”

Transparency and Investment

Sentiments Identifying a Need for Transparency and Investment Training



- “Direct manager is fine, upper-level management is out of touch and only worries about charts and numbers.”
- “I’m not invited to particular events; only a few of the employees get invited or offered access to professional events.”



How Can Seramount Help?

Solutions to Help You Design and Maintain an Inclusive and Engaging Employee Experience

ASSESS360

Capture unparalleled and unfiltered insight into the perceptions of your workforce to identify levers for building a culture of trust and transparency.

One partner organization avoided **\$600K+** in disengagement tax after utilizing Assess360.

DEI RESEARCH PARTNERSHIP

Evolving research and advisory services to support CDOs and DEI Practitioners in managing rapidly changing DEI needs and priorities

"Their DEI research is exceptional. Whether you're building a DEI program from scratch or already have one in place, **Seramount is a must have partner.**"

LEARN MORE

Schedule a consultation with one of our experts by visiting seramount.com/contact-us.

We empower the world's
most inclusive workplaces.

Trusted Partner to Organizational Change Agents

ASSESSMENT AND STRATEGY

Uncover the Real Levers to Unlock DEI Progress

Unfiltered insight into the employee experience powered by innovative technology and over 40 years of DEI data and insights

RESEARCH AND ADVISORY SERVICES

Set Strong Foundations and Build Actionable Roadmaps

Expert guidance rooted in research and benchmarking to support your strategic talent priorities

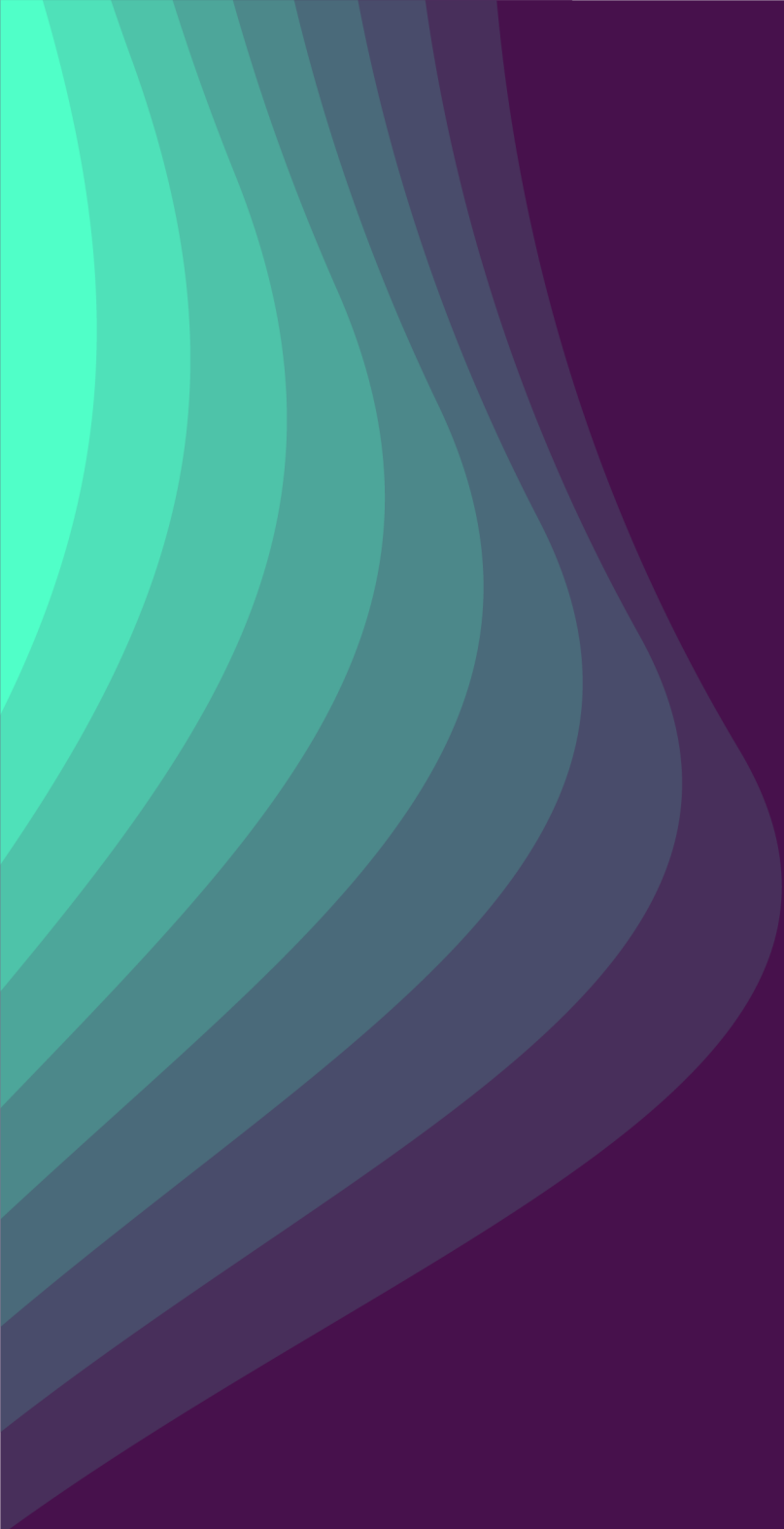
LEARNING AND DEVELOPMENT

Transform Your Culture by Enabling DEI at Scale

Impactful workshops and events that build core leadership competencies at every level

We partner with **450+** corporations, government entities, and nonprofits **globally**.

We guide **~50% of the Fortune 100** and **~25% of the Fortune 500** on their DEI journey.



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