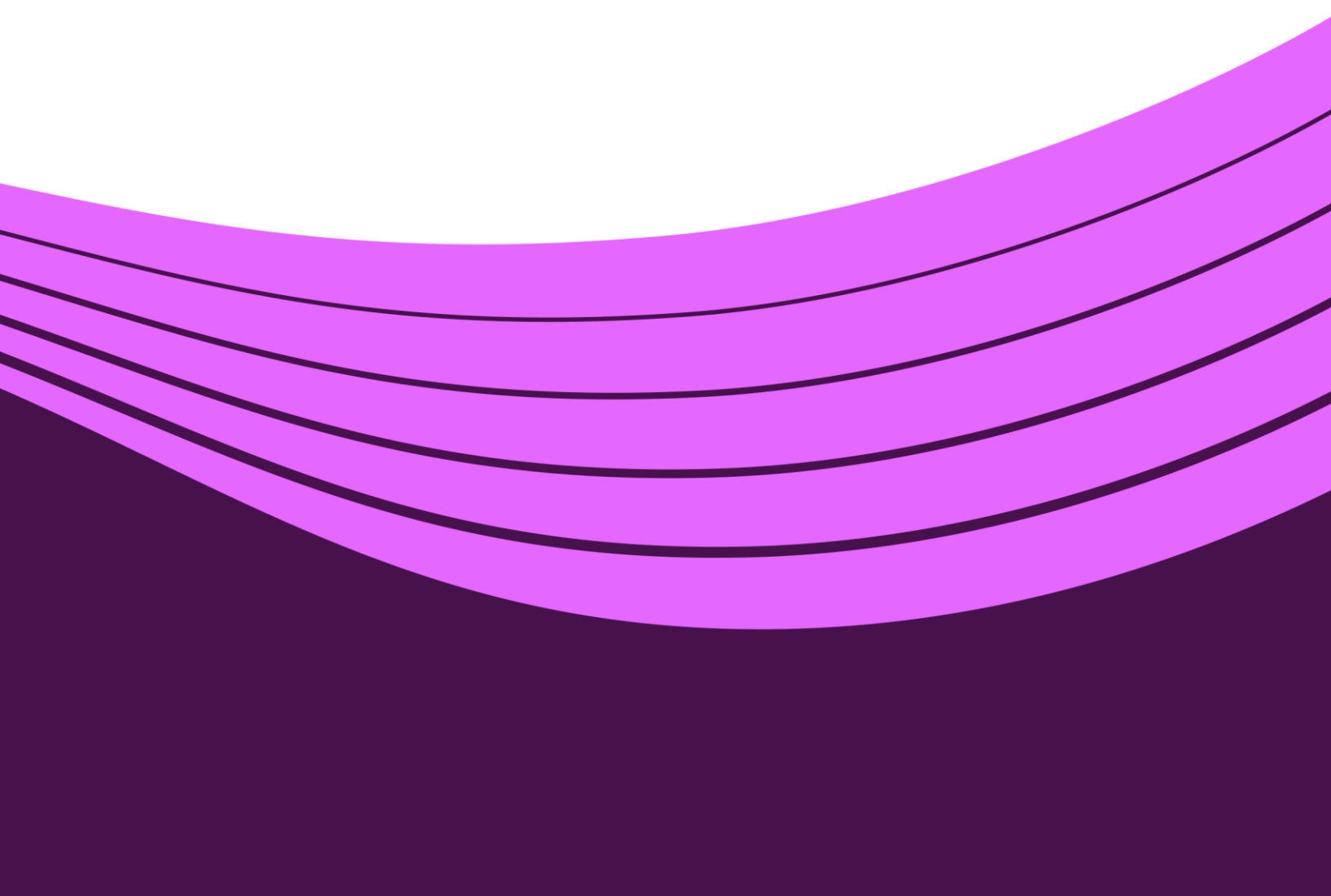


GUIDE

How Can HR Effectively Respond to the Workplace Culture Crisis?



HR's Response to Low Employee Engagement

The **challenges of workplace culture are outpacing HR leaders' efforts** to make it a priority.

There is increasing pressure to make sure workplace culture is highly embedded into every aspect of HR planning and strategy, from leadership development to improving retention. In the strategic planning process, you have likely heard phrases like "we want a great leadership development culture" or "we need to have a culture of innovation."

It's not hard to see **why culture has become more of a company-wide issue**. On the macro-organization level, [strong culture is shown to improve both revenue and average annual returns](#). On the micro-individual level, culture is one business priority that both [employees](#) and [executives](#) overwhelmingly agree on.

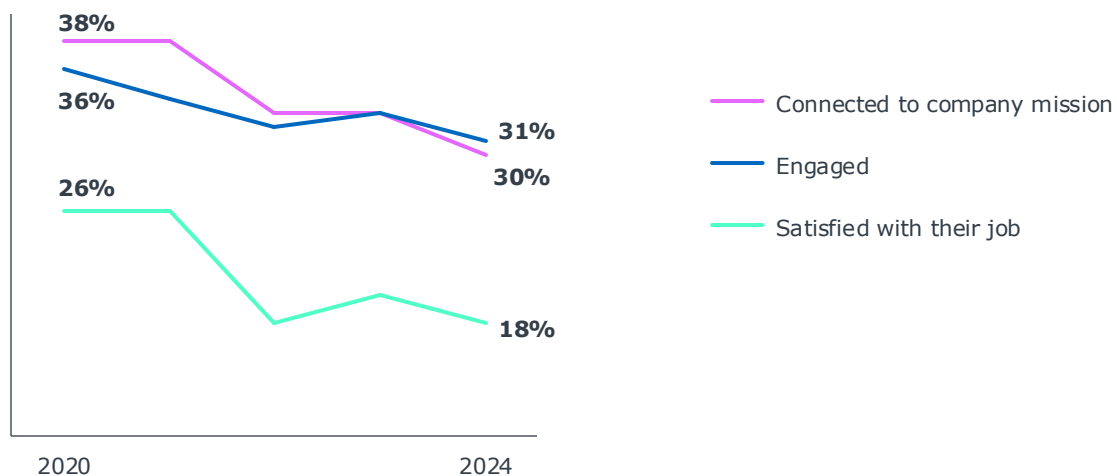
Accordingly, HR leaders are now expected to oversee the development and maintenance of company culture but also to measure and improve it. Many organizations have already begun this process, most noticeably in the shift toward more culture-driven and [human-centric HR titles and job descriptions](#) such as "People Analytics" and "Workplace Experience."

However, **many workplace culture factors being overlooked**. In our [2025 State of the Workforce research](#) we found that there is a clear disconnect between our approach to culture and employee satisfaction.

This divide is leaving many HR leaders wondering: **Do we have a culture problem?**

Workplace Culture Crisis by the Numbers

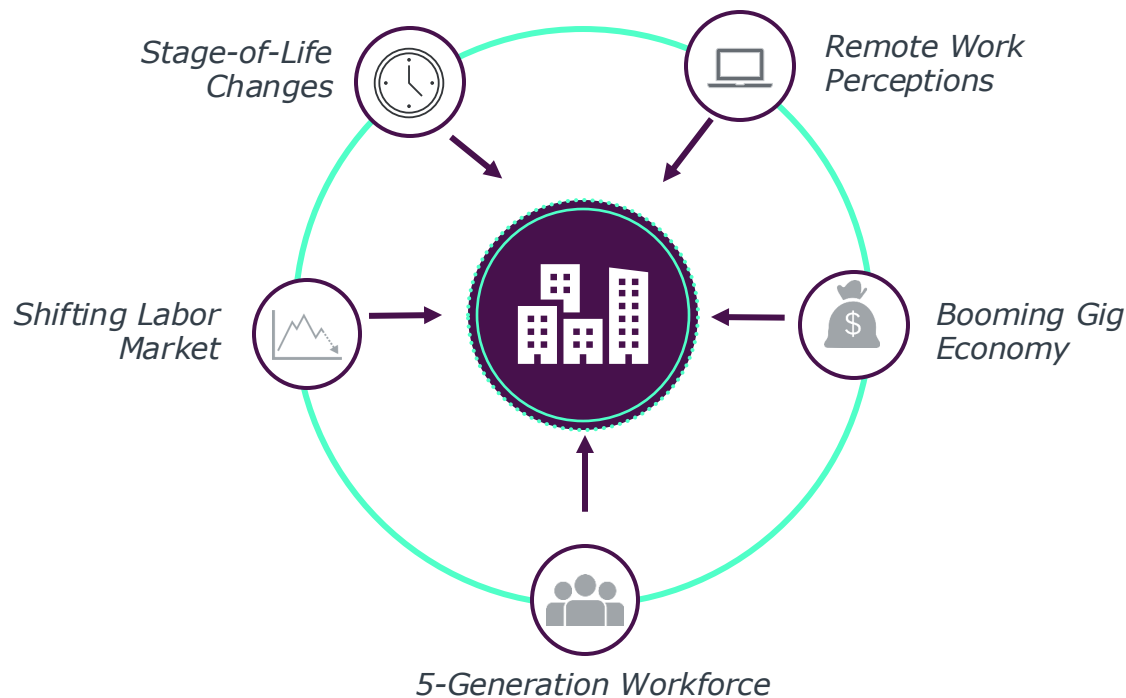
Percentage of Employees Engaged, Satisfied, Connected to Mission (2020 - 2024)



Five External Factors Influencing Workplace Culture

There are many factors influencing your company culture that may go overlooked. For example, Millennials and Gen Z bring their own values and priorities to the workplace, and as they become more prevalent in the labor market, many companies must rethink their culture strategy. More broadly, Seramount research has identified several forces and norms that are creating **an overall shift in the employee/employer compact**.

The Forces Redefining the Employee-Employer Compact



Stage-of Life-Changes

Employees across the spectrum of age are seeing shifts in stage-of-life-milestones. With less tying them down, a large portion of employees are feeling less committed to their companies.



Shifting Labor Market

Market fluctuations are creating a whiplash effect causing "job hugging," where employees are forced to stay in unsatisfying jobs but don't feel like they can leave. This puts HR in a difficult position without a clear path to resolution other than voluntary attrition.



Booming Gig Economy

Employees are using side hustles to explore new interests and build new skills. The prevalence and availability of gigs have many considering replacing full-time work with a portfolio of gigs.



Remote Work Perceptions

Geography is no longer a strict limiter for employees. Employees have access to far more opportunities without the worry of uprooting their lives and moving somewhere new.



5-Generation Workforce

HR leaders are seeing less consensus on values and priorities than ever before, with each generation presenting their own preferences. These generational differences, or common misconceptions of them, are causing friction and bias that impact hiring and managerial processes.

What Kind of Workplace Cultures Do Employees Expect?

Beyond alignment with values and mission, there are several factors of workplace culture that have become table stakes for employees, both prospective and current.

It may seem that employees expect more from organizations than ever before. However, research shows that staff expect more because they believe HR leaders can deliver change. This means that HR leaders have an incredible opportunity to drive employee satisfaction and retention across the employee lifecycle.

What Do Employees Expect from Their Employers?

1

Flexibility

Remote and hybrid work is proven to move the needle for [recruiting top talent](#) and for [retaining key team members](#).

In fact, recent surveys show that **76 percent of workers said that flexibility in when and where they work** influences their desire to stay with an employer.

2

Psychological Safety

Mental health and workplace psychological safety have become increasingly important aspects of workplace culture. Burnout is a leading concern; however, [mental health factors beyond burnout are compounding the mental health crisis](#).

This is particularly impactful as research shows that “[rage applying](#)” is an outlet for many employees feeling stressed.

3

Belonging and Inclusion

Overwhelmingly, [employees want to work for a company that makes them feel like they belong](#). This is particularly true of [Millennials and Gen Z](#), who will make up much of the labor market in 10 years.

Increasingly, companies are fulfilling this need through [employee resource groups](#).

4

Professional Development

Employees want to feel that their organizations are invested in their long-term professional development. A recent [LinkedIn Workplace Learning report](#) identified that learning opportunities make staff feel more connected to their company and improve their sense of purpose.

[Leveraging internal gigs](#) and internships can be an excellent opportunity to better professional development and upskill talent.

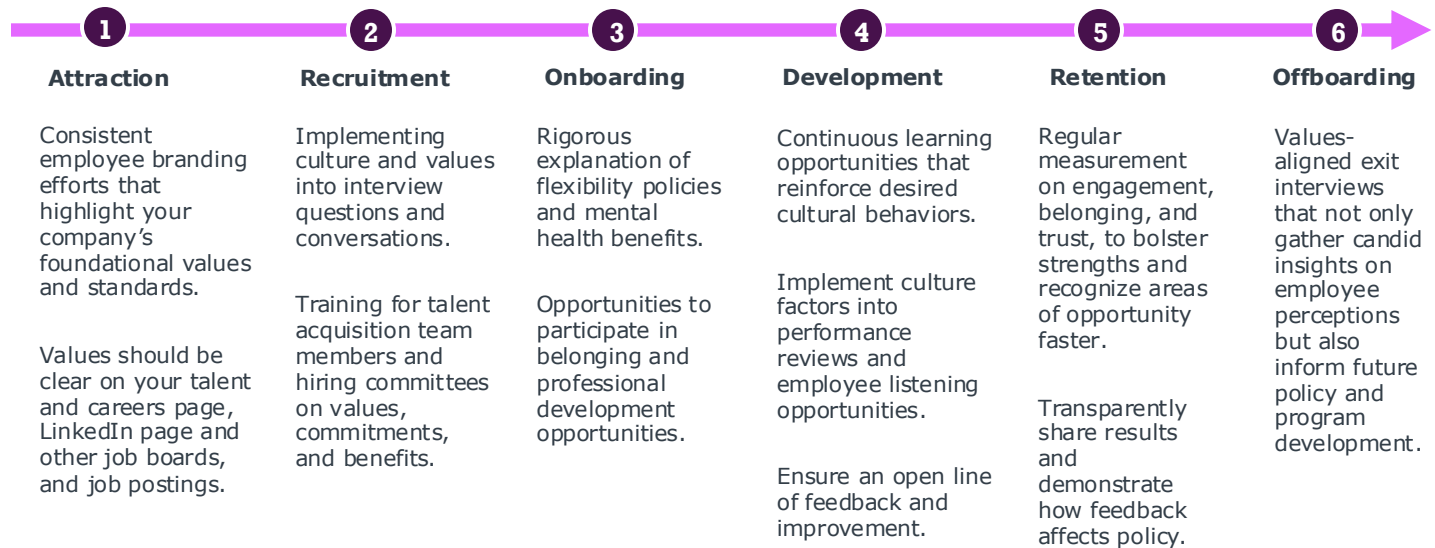


Learn more about the factors impacting workplace culture in our [2025 State of the Workforce research report](#).

Promoting Culture Across the Employee Lifecycle

If you want to make lasting change, it is vital to understand how culture impacts the entire employee lifecycle. Focusing on just one area, such as recruitment or development, reduces potential impact of new policies and can lead to duplicated efforts.

Embedding Culture from Attraction to Offboarding



An Employee Lifecycle Impacted by a Strong Workplace Culture



Connect with a Seramount expert to get actionable insights on improving culture across your employee lifecycle.

Conclusion

Strong workplace cultures are built through deliberate action and ongoing investment. Given the nature of the forces affecting culture, HR departments are uniquely positioned to be a driving force at the forefront of culture change.

Particularly given the challenges organizations are facing to recruit and retain talent, HR leaders can no longer afford to treat culture as a background initiative or a future goal. The organizations that differentiate themselves in the employment market will be those that act decisively to embed culture into every element of the employee experience.

Now is the time to move from defining culture to deliberately building it, turning it into a measurable driver of business performance. This investment will be tangible in the effect it has on recruiting top talent and supporting current employees to go above and beyond in their roles.

Next Steps



Review

Employee listening data to see if your company is affected by any of the issues we've discussed



Identify

Opportunities to improve your culture to meet the needs of current and future employees



Refine

The ways you implement culture across the employee lifecycle from attraction to offboarding

► Ready to take action? [Contact us](#) to get started.

Explore More Resources



Webinar

[*Do We Have a Culture Problem?*](#)



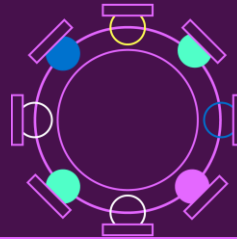
Research

[*2025 State of the Workforce*](#)



Blog

[*The Most Interesting Things We Heard at Seramount's Inaugural CHRO Roundtable*](#)



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