The Deeper Cause of the Great Resignation

Why companies must prioritize **employee connectedness** above all else

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Executive Summary

In 2021, roughly 47 million workers (on average more than 4 million per month) quit their jobs in what's become known as the Great Resignation. As these numbers continue to creep upwards in 2022 — nearly 26 million workers have quit in the first half of 2022 — it's clear that this troubling economic trend is far from over.

Dozens of studies have tried to identify the root causes of these abnormally high exit rates. However, these surveys often fail to assess one key factor: the role that feeling connected at work can play in an employee's decision to stay with their company. After all, the desire to socialize and have fun with others is a fundamental human need, one that people experience in both their professional and personal lives.

Yet many studies have overlooked this, focusing instead on factors like low pay or not enough opportunities for advancement. To better understand how a lack of connection could be impacting attrition and other key business outcomes, Airspeed partnered with research firm Workplace Intelligence to survey 1,600 C-Suite and employees at remote or hybrid organizations.

Who we surveyed:

800   **C-Suite executives**

800   **Full-time employees**

    At remote or hybrid companies

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The study revealed that feelings of isolation and loneliness are plaguing the modern workforce, even among employees who see each other in-person. The situation is so dire that executives believe **2 out of 3 workers** may soon quit their jobs because of how disconnected they feel. In fact, this is **the #1 reason** why employees say they'll leave and it's the **#1 challenge** leaders have faced while operating as remote or hybrid organizations.

A lack of connection is the #1 reason why remote workers say they'll quit

The survey also uncovered that while the vast majority of the C-Suite understands the importance of having a strong sense of culture and connection, 92% admit that these factors still need improvement at their company. Many executives are starting by taking a hard look at the technologies they offer to help people connect, which nearly **6 out of 10 workers** are dissatisfied with.

Fixing these problems will require leaders to take action and formulate a plan, and companies need to move quickly before it's too late. But for those that do prioritize a culture where people can connect with each other and have fun during the workday, the benefits are clear — a more engaged and productive workforce, and a workplace where people feel a true sense of commitment to each other and their employer.

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The shift to remote work has created new challenges for companies and employees

Nearly 8 out of 10 respondents say their company has been remote or hybrid for less than five years, and most made the shift within the past two years due to COVID-19. But while 91% of employees and 95% of executives say there are benefits of remote work, the transition to this new way of working hasn't been easy.

The #1 challenge for the C-Suite? Ensuring their employees feel a sense of belonging and connection. And it's not just employers who have struggled — **more than half** of workers say that remote work has its downsides, noting that it's made them feel isolated, lonely, and disconnected from the company culture.

Not surprisingly, these concerns around connectedness and culture came up time and time again in our research. And since remote work is here to stay, it's critical that employers understand these challenges and take steps to address them if they want to stay one step ahead in the ongoing war for talent.

The C-Suite's #1 challenge has been ensuring that employees feel connected, no matter where they are

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92% of the C-Suite admit that their company's culture and connection need improvement

The vast majority of the executives we surveyed say they're prioritizing making improvements to their company culture and employee connectedness. But time is of the essence, since at least 1 out of 3 workers report that they feel disconnected (36%), alienated (35%), isolated (34%), or lonely (33%).

To better understand this issue, we asked employees whether their colleagues show support for them both personally and professionally. To our surprise, we discovered that very few people feel that their co-workers know much about them or show genuine concern for them.

When employees were asked if their colleagues care about them, the results were shockingly low

% of employees who selected "many people" or "everyone" I work with

15% Know what my hobbies and interests are

28% Would celebrate if I got a raise or promotion

18% Know the names of my immediate family members

31% Typically wish me a happy birthday

26% Would reach out if I was sick for more than a few days

39% Would care or notice if I quit my job

These are troubling findings that paint a bleak picture of the culture in today's workplace. Employees are craving a fun workplace where they feel celebrated and connected to their co-workers, but it's apparent that many employers are missing the mark on this. And as we found out, this lack of connectedness could have a devastating impact on their retention efforts amidst the ongoing Great Resignation.

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Leaders believe 2 out of 3 workers may soon quit because of how disconnected they feel

It's clear that the workplace culture is lacking in most remote or hybrid organizations, but just how much are people struggling? What we uncovered is that employees feel so lonely and disconnected that many plan to find another job. In fact, **the #1 reason** workers say they'd quit is because **they don't feel connected to the company culture.**

The C-Suite is concerned about this as well – **66%** say their typical employee is seriously considering going to work for another company where they'd feel more connected to their co-workers. And an alarming **3 out of 4** executives believe their staff would leave even if it meant making major sacrifices like taking a pay cut or accepting a part-time role with a lower salary and no benefits.

These findings are immensely concerning, even for organizations who expect to see only a fraction of this turnover. Losing an employee can cost a company up to two times an employee's salary, due to the time and resources necessary to recruit, on-board, and train replacement staff.

> **75% of the C-Suite say their employees would make major sacrifices to work for another company where they'd feel more connected**

And a lack of connectedness can affect the bottom line in other ways as well. Various studies have found that **workers who regularly socialize and have fun with their colleagues are more creative, productive, and committed.** It's no surprise, then, that a whopping **96%** of the executives we surveyed agree that if their employees felt more connected to each other it would boost their **motivation** and **productivity**.

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The lack of meaningful connection has created an environment where work is transactional

The widespread feelings of isolation underscore a broader trend that's taking place in remote and hybrid workplaces — where employees feel little loyalty to their employer or to each other. It's clear that companies haven't done nearly enough to encourage a culture where people can socialize and have fun, and now many employees feel disengaged and disconnected.

The result is that work has become transactional, nothing more than a way to get a paycheck. That means if another company offers them a higher salary or better benefits, most remote workers won't hesitate to jump ship.

We've already seen this play out in the Great Resignation, which shows no signs of slowing down. However, our research confirmed that not only are many remote or hybrid employees likely to leave, but it won't take much incentive for them to do so.

For many dispersed team members, work is just a means to an end:

- 61% feel replaceable in their current role

- 52% say work is transactional — they're just in it for the paycheck

Remote workers feel little loyalty to their company or each other:

- Only around two-thirds feel a deep sense of loyalty to their company (62%) and their co-workers (69%)

- 52% say that having fun isn't prioritized — when they interact with their co-workers, it's just to get their work done, nothing more
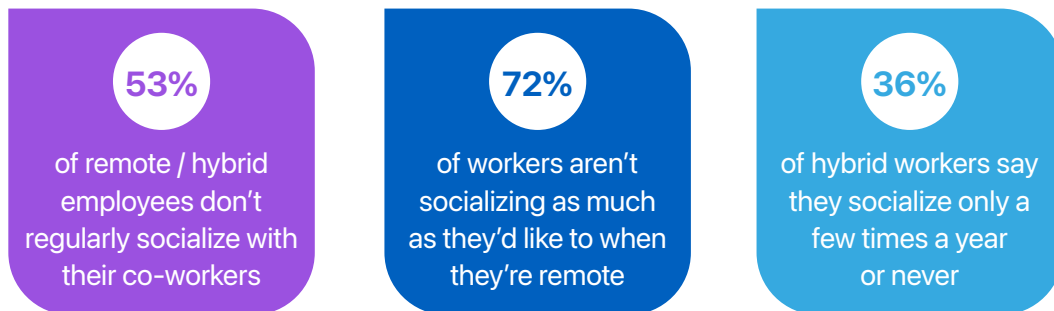
Most employees already have one foot out the door:

- 71% say that if they were offered a similar job at another company with a higher salary or better benefits, they would take it

- 58% of workers would take another job for only a 5% higher salary and 62% would leave for a $1,000 sign-on bonus

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Low levels of socialization are behind the dwindling sense of connection at work

There's no question that some employers have been so focused on maintaining productivity that they've forgotten to prioritize meaningful connections among their people. The result is that dispersed team members aren't spending nearly enough time getting to know each other, whether that's through informal conversations or simply by having fun during the workday. Here's what we uncovered:

53%
of remote / hybrid employees don't regularly socialize with their co-workers

72%
of workers aren't socializing as much as they'd like to when they're remote

36%
of hybrid workers say they socialize only a few times a year or never

Notably, even hybrid workers, defined as those who go into their workplace at least 1-2 days a week, aren't interacting very often. So it's clear that these problems around connection aren't limited to remote teams, nor are these new issues that only came about because of COVID-19. The reality is that the widespread lack of connection is a universal problem that's plagued the workplace for many years.

But employee expectations have drastically changed. While it used to be frowned upon to know your co-workers on a personal level, today's workers want to feel like they're part of a community — something that few companies are delivering. It's a longstanding issue that's finally getting the attention it deserves as employers reckon with the Great Resignation and plummeting levels of employee engagement.

Although executives understand this issue to some degree, most are still greatly overestimating how often their people are interacting. For example, 75% of the C-Suite believe that their employees are socializing every day or a few times a week, and they estimate that their workers are spending a whopping 9.3 hours per week socializing with each other!

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The #1 way to boost culture?
Offer the tools your employees need to connect

Not surprisingly, workers noted that cultural issues are partly to blame for their inability to socialize and have fun. Nearly half (44%) say that their manager doesn't encourage socialization, 36% say that it isn't part of their normal workday and workflow, and 33% report that they don't have time to socialize.

However, employees also pointed to issues with technology — **58%** say they're **not satisfied** with the technologies their company offers to help them connect and 24% don't have the tools they need to socialize. Even the C-Suite agrees that the **#1 way** to move the needle around connectedness is by offering the right technologies and tools.

81% of employees like using technology to socialize with their co-workers — here are the top 2 reasons why:

- It lets them interact with people when it's convenient

- It allows them to connect with a large group of people

But 68% of workers say the legacy technologies they use to connect are falling short, for these reasons:

- It feels impersonal and inauthentic when they interact with people

- Others don't get a sense of their true selves

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Outdated legacy technologies aren't living up to employees' expectations

Despite the benefits of using technology to connect, many people report that the tools their company offers are letting them down. In fact, **60%** aren't using these technologies very often, with more than 1 out of 5 complaining that there are too many different technologies, the quality is poor, and these tools don't do everything they'd like them to.

Employees also noted specific ways that their company's current technology offering isn't meeting their needs:

44% say it doesn't allow them to get to know their co-workers on a more personal level

27% say it doesn't provide a way to celebrate people's work milestones or achievements

32% say it doesn't facilitate connections with colleagues who have similar interests

24% say it doesn't let them celebrate people's personal milestones (e.g., birthdays, a new baby)

Notably, on average **89%** of the C-Suite think that their technologies *are* meeting people's needs in these four ways! Of course, there's likely a generational component at play here, since the leaders we surveyed were older than our employee audience. They may not fully comprehend that today's tech-savvy workers have enormously high expectations when it comes to the technologies they use to stay connected.

But while some executives may be overestimating the effectiveness of their current offering, **52% are taking action by offering the right technologies and tools to help employees connect.** Leaders are also focused on making it easier for employees to recognize each other (52%), learn about each other's personal lives and interests (44%), and connect with colleagues who have similar interests (44%).

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An integrated technology platform could unlock culture and connection for today's workforce

One takeaway from our research that came through loud and clear is that most people don't feel connected at work. Fortunately, executives recognize how critical the situation is. Nearly **9 out of 10** say that improving culture and connection is one of their top priorities this year and **85%** agree that employees would be less likely to leave if they felt more connected. Meanwhile, **87%** are adapting their overall strategy around remote working as a result of voluntary turnover.

The C-Suite also recognizes the key role that technology can play in charting a new course for their remote workforce. Many leaders are focused on consolidating their tools into a **"one-stop shop" technology** to boost company culture and help employees connect in a fun and authentic way, noting that this type of tool would improve people's day-to-day work experience (92%) and make them more likely to stay with their company (87%).

However, most companies have a long way to go — just 40% offer a comprehensive technology platform for their staff. But among those who don't yet have this in place, **83%** say they plan to consolidate the technologies their company uses, with 79% noting that they'll do this in **2 years or less.**

88% of the C-Suite say that improving culture and connection is a top priority this year
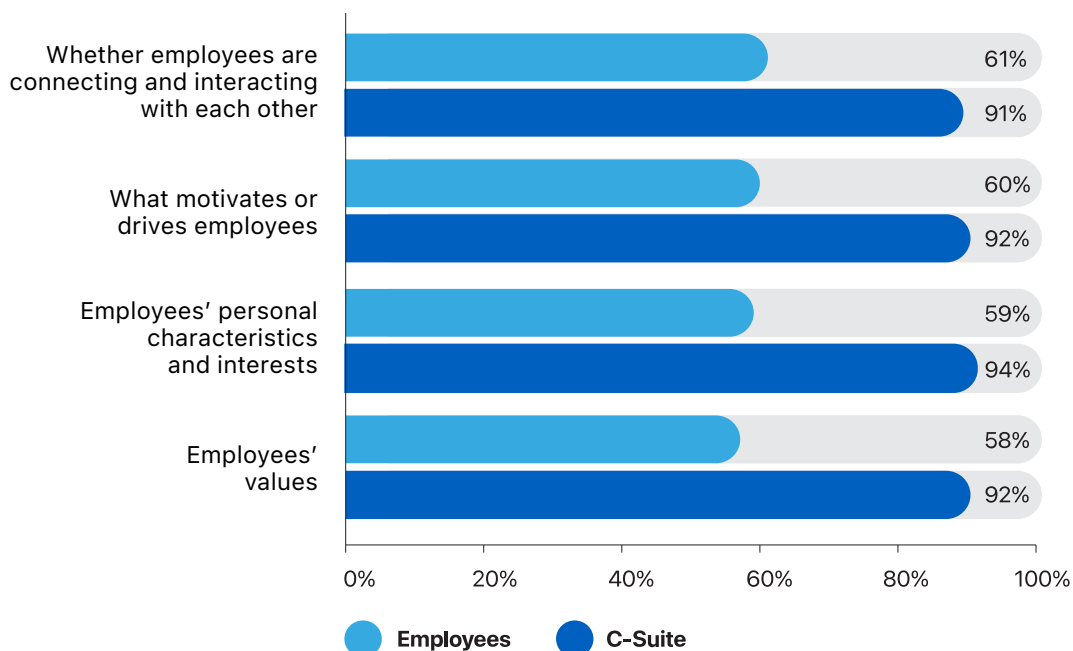
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An integrated technology platform can also help create an operating system for culture

In addition to boosting employee engagement and retention, an integrated technology platform can make it easier for organizations to maintain an operating system for culture — a central place where culture moments can be captured and searched. This type of system is critical because it can help companies understand their people on a deeper level, which is essential for any employer that wants to improve its worker experience.

Nearly all of the C-Suite **(91%)** believe that having an operating system for culture is important, but it appears that many organizations could benefit from taking a closer look at their current set-up. While 90% of the leaders we surveyed feel that their company already has a strong system in place, just 63% of employees agree. And only around 6 out of 10 workers — but 9 out of 10 executives — say that their company has a deep knowledge of its workforce.

There's a significant opportunity for leaders to learn more about their employees – beyond just their work
% who say their company knows this information "very" or "somewhat" well

Whether employees are connecting and interacting with each other
- Employees: 61%
- C-Suite: 91%

What motivates or drives employees
- Employees: 60%
- C-Suite: 92%

Employees' personal characteristics and interests
- Employees: 59%
- C-Suite: 94%

Employees' values
- Employees: 58%
- C-Suite: 92%

● Employees   ● C-Suite

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Companies must prioritize connection or they'll risk losing their most important asset — their people

Amidst the ongoing war for talent, it's imperative that employers turn their attention to creating a culture of connection for their people. Tackling the widespread lack of connection is the **#1 challenge** facing the C-Suite and it's the **#1 reason** why 2 out of 3 remote workers may soon quit.

In fact, for many people work has become nothing more than a transaction and employees feel little loyalty to each other or their company. **And it's not just remote workers who are affected — people who see each other in-person don't feel connected either, revealing that this issue is much more pervasive than one might think.**

Whether they're in an office or at home, there's no question that today's workers expect more than just a competitive salary and good benefits — they crave a sense of true belonging and community, and they want to have fun while they're at work. But building connection in the age of isolation will be challenging, and companies need to act quickly or they'll risk falling victim to the Great Resignation.

That's why more and more leaders are relying on technology to reimagine their remote worker experience. They know that companies who leverage the right tools will enjoy greater success in charting a new course for the modern workplace and they'll be more likely to reap the benefits of an engaged, happy, and productive workforce.

Are you prioritizing connection for your employees? Find out how Airspeed can help.

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About Airspeed

Airspeed is where fun happens. It's an internal social platform — a simple and fun way for employees to connect with their co-workers, beyond their LinkedIn profiles.

When employees were all in the office, they would discover shared interests and find work friends during social moments like breaks or team lunches. Airspeed recreates those opportunities for connection, regardless of physical location. Workplace connections increase company loyalty, engagement, productivity, employee satisfaction, and more.

At Airspeed, we believe that:

- Every worker deserves to feel a sense of belonging

- Employees should be able to share their authentic selves

- Work should be more than back-to-back meetings

- Modern workplace relationships are in desperate need of transformation

- When employees can socialize and have fun at work, they're more connected, compassionate, and productive

Above all, we believe that connected teams are happy teams.

We're revolutionizing the workday by empowering employees to have fun together and thrive with a sense of belonging. Our mission is to help every worker feel connected and celebrated.

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Study methodology

Research findings are based on a survey conducted by Airspeed and Workplace Intelligence in the U.S. between March 8 – March 20, 2022. For this survey, 800 C-Suite and 800 employees working at remote or hybrid organizations were asked questions about their perspectives on remote working. The study targeted people working full-time and between 18 and 76 years of age. Respondents were invited to take part via email and were provided with a small monetary incentive for doing so.

Company Size

- 21% <100 employees
- 33% 100 - 999 employees
- 18% 1,000 - 2,499 employees
- 15% 2,500 - 9,999 employees
- 14% 10,000+ employees

Race / Ethnicity

- 67% White
- 15% Black or African American
- 11% Hispanic
- 6% Asian
- 1% Native Hawaiian or other Pacific Islander
- 1% American Indian or Alaska Native

Age

- 9% Gen Z (18 - 25)
- 53% Millennials (26 - 41)
- 27% Gen X (42 - 57)
- 11% Baby Boomers (58 - 76)

Gender

- 58% Male
- 42% Female

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