



Creating the Workplace of the Future

An HR leaders guide to understanding
the importance of social connection
and well-being in the workplace

Key topics and takeaways

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Executive Summary

Creating the Workplace of the Future



Social connection and the workplace

Social connection is a critical component of a healthy workplace. In fact, the American Psychological Association's (APA) 2023 Work in America workforce survey revealed that 94% of respondents said it's somewhat or very important to them that their workplace be somewhere they feel they belong.

The problem is that only 30% of people surveyed said their workplace doesn't support them because of their identity and 20% somewhat or strongly disagreed with the statement 'When I'm at work, I feel like I belong.'

94%

of employees say they need to feel a sense of belonging in their workplace.

But

50%

don't feel supported or a sense of belonging.



A lack of social connection in the workplace leads to lower employee engagement and higher turnover rates, two key challenges many organizations continue to wrestle with despite various efforts over the past few years. In order to build the workplace of the future — one in which employees are happy and productive, and businesses thrive — leaders must uncover the foundation of today's workplace dynamics and employee sentiment. Understanding how employees feel and what they want will help guide important decisions about how to address these complex challenges.

EXECUTIVE SUMMARY, cont.

Circles, a Sodexo group company, is committed to better understanding and anticipating customers' needs in order to continuously evolve and offer services that are aligned with those expectations, and that begins with employees. To that end, Sodexo launched the Global Work Experience tracker on relevant topics for Circles, which helped reveal employees' attitudes, needs and behaviors, demonstrate knowledge to clients, and inform decisions about adapting and expanding service offerings.

Key Findings

Sodexo's research paints an accurate picture of the workplace experience today, with insights on these four areas for continued focus and improvements:

Work-life balance is crucial to retention. After compensation, 32% of respondents put work-life balance in their top three criteria for choosing an employer or deciding to stay with an employer.

Hybrid work arrangements offer the best experience, well-being, and motivation.

Today's workplace must support socialization and collaboration.

Health and wellness benefits and services are the most wanted benefit overall.

Methodology

The Global Work Experience tracker collected data on-line via YouGov panels from 3,000 employed adults per country, who work on a site with at least 100 employees for a private sector organization. Responses were collected between January 18 and February 9, 2023.

For each question, responses were broken out among three types of employees: 100% remote, 100% on-site, and hybrid. This breakdown offered unique and valuable insight into the relationship between work arrangements and work experience.

To build a clear picture of the current work experience, we combined this dedicated primary research, Sodexo's in-house expertise and supporting secondary sources.

32%

of employees put work-life balance in their **top three criteria** for choosing an employer, or deciding to stay with an employer.



EXECUTIVE SUMMARY, cont.

In order to deliver the best workplace experience and create a workplace where employees can be engaged and grow, organizations must adopt effective strategies in the following areas:

- (1) Provide work-life balance initiatives and services**
- (2) Build communities within the workplace**
- (3) Create a strong employer brand**

By prioritizing social connection in the workplace, organizations can positively influence the employee experience by delivering more of what employees need and want. The net result is higher engagement and retention along with higher levels of productivity and motivation, all of which create a thriving environment focused on innovation and growth.





Identifying Challenges and Opportunities

Creating the Workplace of the Future



Factors that shape workplace experience

For employees to fully benefit from social connection at work — and even be able to participate in it — organizations must first address the primary factors that shape the work experience: namely, work arrangements, workloads and work-related stress.



Finding balance (or at least some semblance of harmony) between the demands of work and the rest of employees' lives is a challenge for the organization as much as it is for people on an individual level. Understanding and accepting this reality — and finding ways to navigate those challenges — is essential to creating an environment where social connection can flourish.

Research, news coverage, and conversations among business leaders aren't always in sync, but when it comes to the key challenge of shaping the workplace of the future, there's a growing consensus around the importance of social connections at work — and the fact that many employees feel those connections are inadequate or missing altogether.

A lack of connection in the workplace leads to lower employee engagement and higher turnover rates — basically, a poorer quality employee experience.

Connection is also crucial for ongoing productivity and innovation and, from our observations, organizations struggling with a lack of connection in the workplace are more likely to lag behind in those other areas.

Social connections make work about more than just work. Humans are social creatures by nature, and we crave community.

At work, social connections foster a sense of belonging and purpose — something workplace experts say leaders need to work to cultivate.

The hefty gap between the desire for social connection at work and the presence of it, as reported by the APA, represents a huge opportunity for leaders to take swift action and make a big impact on the everyday reality for workers throughout their organizations.

In the following chapters, we'll present thought leadership and actionable strategies to create social connections at work — to foster a better future for employees and improve business performance at the same time.





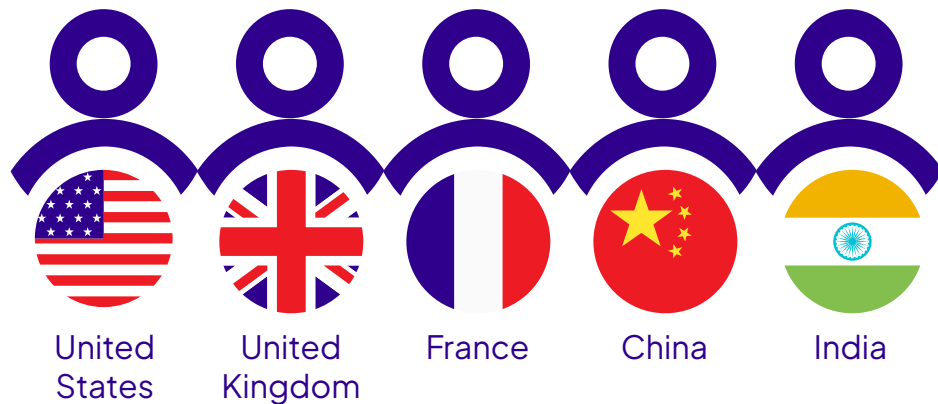
Unveiling Workplace Insights

Creating the Workplace of the Future



Creating a culture that fosters social connection cannot happen in a vacuum. Leaders must first understand other factors at play in the employee experience.

Fortunately, responses collected through the Global Work Experience tracker reveal a number of key findings that illuminate the reality of today's workplace dynamics and employee sentiment. Each of these insights — gathered from employees in five countries — have significant implications for the future of work on a global scale.





1. Work-life balance is a key driver of retention

Outside of compensation and regardless of type of employee or geographic location, respondents ranked a good work-life balance as the most important criteria for choosing an employer or deciding to stay with an employer, much above job responsibilities (32% put work-life balance in their top three criteria vs. 23% for job responsibilities).

32%

of employees put work-life balance in their **top three criteria** for choosing an employer, or deciding to stay with an employer.

Offering flexible work arrangements and services that help employees manage personal and family commitments should be top priorities for employers. The survey also revealed that U.S. workers highly value health insurance.

2. Hybrid work arrangements provide the best experience

Hybrid employees report a better work experience overall and the highest levels of well-being and motivation, compared to on-site or remote employees, by significant margins.

Employees who rate their workplace experience as “positive”

72–78%

hybrid
employees

66–67%

on-site
employees

60–72%

remote
employees

Hybrid employees also report better health:

Employees who rate their mental health as “good”...

76%

hybrid
employees

70%

on-site
employees

64%

remote
employees

...and their physical health as “good”

75%

hybrid
employees

67%

on-site
employees

62%

remote
employees



The proportion of hybrid employees who report being more willing to work hard for promotions and advancement is also higher than their on-site and remote counterparts.

Employees willing to work hard for advancement and promotion

62%

hybrid
employees

53%

on-site
employees

47%

remote
employees

3. Employees want a thriving community at work, so the workplace must support socialization and collaboration.

The motivations driving hybrid employees to visit the workplace primarily revolve around fostering a sense of community and connection.

Among those enjoying flexibility, the workplace becomes a hub for:



in-person meetings (39%)



social interactions (39%)



collaborative endeavors (38%)

Moreover, the work environment itself significantly influences employees' choices regarding their preferred workspace. Having a more comfortable workplace is a key motivator for working in the office more frequently.

28%

of employees rank having a comfortable workplace in their top three reasons for visiting their workplace.



4. Health and wellness services are the most wanted benefit overall.

Among the various perks provided by employers to enhance the employee experience, wellness benefits stand out as the most effective in creating a superior work environment.

When it comes to specific services, the following benefits and amenities are highly sought after:



Free food at the workplace



Areas to relax and rest



On-site gym and yoga; fitness subsidies



Healthy family meals to bring home

Considering all of these findings, we can conclude human connection is the missing link to the evolving workplace. While this concept may not be new or even revolutionary, it has been overlooked and undervalued in conversations around keeping employees engaged (regardless of work location), improving retention, and motivating people to work in the office more often.

Connection in the workplace starts on a one-to-one basis and employees' relationships with their managers are often the most powerful. However, many managers are currently feeling the same lack of connection and support that their employees' experience, and they are also experiencing their own disengagement to some degree.

Helping managers find a mindset shift and incorporate concrete actions that build human connection — such as regular check-ins with each employee — can go a long way toward fostering a culture of connection.

This is a win for employees and the business alike, as employees who feel more connected to their managers and the organization are more productive, engaged and loyal.



The current state of the workplace experience

The current state of the workplace experience, as revealed by Sodexo's Global Work Experience tracker, represents a unique view into the realities that many employees face on a daily basis. The good news is that, among the research, there is a lot of good news. But even better, it reveals actionable takeaways:

70%+

of employees agree with positive statements about their workplace, with **hybrid employees reporting the highest satisfaction levels.**



3 out of 4 employees say their mental health is good; but those with poor mental health **attribute it to work-related issues.**

Work-life balance is key factor

#2

when choosing an employer, following compensation.

Most office employees report a positive experience. In all countries surveyed, a majority of employees agree with positive statements about their workplace and culture (70–78%). And, as mentioned earlier, hybrid employees consistently report higher levels of satisfaction across every category related to work experience.

Overall, office employees report experiencing good mental health. Across employee types, a majority (74%) say their mental health is good. However, those who experience poor mental health are likely to report work-related issues as the cause, revealing an opportunity for organizations to provide better support.

Work-life balance continues to be a key factor when choosing an employer. Respondents rank work-life balance as the #2 decision criteria after compensation but before job responsibilities or flexibility in work schedule.

Understanding the impacts of these insights on organizational culture — whether already realized or simply as potential threats — is key to navigating the coming months and years.

For instance, research has consistently linked low employee satisfaction and poor experience with toxic work culture and low morale. Oftentimes, those conditions also lead to lower productivity, which can also be fueled by poor well-being. Toxic work culture also reflects poorly on the employer brand, increasing the challenges around talent attraction and retention. The mole hill can quickly become a mountain.

Fortunately, organizational leaders can take action to address the mole hill before it grows. Proactively creating a positive work culture and workplace experience can lead to higher morale. Intentionally boosting social connection at work can decrease anxiety and loneliness, thus contributing to better employee well-being and ultimately higher productivity. Employers of choice typically have healthy, supportive work cultures and often report higher levels of connection and engagement, alongside lower turnover. The reasons for prioritizing connection and community in the workplace are nearly infinite.





Creating a Future-Ready Workplace Culture

Creating the Workplace of the Future



Social connection builds a healthy culture

Keeping social connection as a priority, this chapter outlines three strategies for building a healthy, sustainable organizational culture.

- (1) Provide work-life balance initiatives and services**
- (2) Build communities within the workplace**
- (3) Create a strong employer brand**





Provide work-life balance initiatives and services

- **Create a thriving culture where well-being is a high priority in policy as well as behavior.** This is possible through offering flexible work arrangements (preferably hybrid, based on the findings we discussed earlier) but also with additional paid time off, stress management tools, and work-life balance programs that help alleviate what we all have to juggle every day.
- **Consider employees as the real, whole people they are.** This can help when making choices about which programs and services to offer.
- **Focus more on life events and moments that matter** rather than repetitive daily tasks. This inspires employees to feel more engaged, stay connected, and enjoy a healthier lifestyle.

How Work-life Balance **Impacts the Employee Experience**

A leading pharmaceutical and biotechnology company acknowledge their employees were working incredible long hours during the pandemic, which was leading to burnout. Recognizing the importance of work-life balance, they partnered with Circles to develop a virtual and on-site solution that also offered errand running. The program has empowered employees to concentrate more effectively on their work, saving an average of 2.7 hours per request.

Read the whole story in this [Case Study](#).



(2)

Build communities within the workplace

There's 'work culture' and then there's 'work cultures.' The reality is that every healthy, productive workplace consists of many smaller, thriving communities. Employees deserve a workplace that fosters connection, provides socialization, and collaboration by design, not by accident.

Regular reporting and data analytics can help organizations discover what employees want and need, and inform decisions about building, adapting, or expanding programs that serve those needs.

This might include creating or expanding support for employee resource groups, employee social events, and other desired perks. Continued reporting is essential for measuring success, and the most effective ways to do that are with usage and employee satisfaction surveys that tally Net Promoter Scores (eNPS).

With remote work and the social isolation that comes with it, employees seek a sense of belonging and connection. Workplace communities solve for that, and can:

- help employees feel more engaged;
- increase collaboration, productivity, and innovation;
- improve well-being by reducing burnout rates, stress levels, and job dissatisfaction.



Community Management Supports Employees

In their quest to enhance their employee concierge program, an American multinational financial services corporation partnered with Circles to create a scalable, digital, and inclusive solution. The result was a groundbreaking community management program that supported over 63,000 employees across all 50 locations and returned 85% on their investment year over year.

Read the whole story in this [Case Study](#).

(3)

Create a strong employer brand

A strong brand includes clear mission vision and values, making it easier for potential candidates to see whether the organization aligns with their feelings and goals. Conveying a brand that accurately reflects organizational culture is just as important and relies on authentic employee recommendations, word-of-mouth recruitment (including employee referrals), and intentional storytelling through your recruitment marketing efforts. Job seekers are especially interested in learning what it's really like to work in a given role so behind-the-scenes content is helpful. At the end of the day, the employer brand matters as much to current employees as it does to job seekers, because how a brand acts is a true reflection of how much the organization values people.

Community Management Supports Employees

One of Circles' clients, the largest law firm in the world, was searching for a practical tool for busy executives that would help them balance their work-life demands. Circles launched a company name branded program to provide attorneys and senior staff with errand running and other support services to save them time and reduce their stress levels. The program is a resounding success, with 65%+ employees using the service, and 92% repeat users.

Read the whole story in this [Case Study](#).



There are many effective ways to advertise your employer brand through recruitment marketing, including social media, career pages, and employee referral programs. All of these efforts can help attract and reach potential candidates who may be a good addition to your organizational culture.

How the organization interacts on a local scale can also influence the strength of the employer brand. Creating relationships with local partners is an effective way to sustain local business and potentially control environmental impact. Getting involved with social causes that benefit the larger community — such as partnering with organizations and events working to address food insecurity, education access, or other charitable efforts — is another way to strengthen employer brand and attract local talent.



Conclusion

Creating the Workplace of the Future

Creating social connection will future-proof your organization

Amid ongoing talent shortages and continually rising employee turnover, creating more social connection in the workplace can help organizations retain top performers and attract quality candidates. Working to understand the realities of the employee experience is the first step.

With that context in mind, organizational leaders can implement proactive strategies to shape the workplace environment — from the look and feel of physical spaces to work schedules and relationships. In doing so, organizations can create a workplace that helps employees feel supported and equipped to take on whatever challenges lie ahead.





Prepare your Workplace for the Future.

Give Circles experts a call at
(800) 871-7778 or visit circles.com

