

Future Forum **Pulse**

Executives feel the strain of leading in the 'new normal'

New data shows employee sentiment and
experience scores dropping among the C-suite

October 2022



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About the Future Forum Pulse

Future Forum is a consortium focused on building a way of working that is flexible, inclusive, and connected. We conduct research and convene executives to design a people-centered and digital-first workplace. Since June 2020, Future Forum has conducted quarterly surveys of workers and managers across the globe, asking them a series of questions related to the employee experience, including about productivity, sense of belonging, and preferred ways of working.

This report summarizes the findings of the **Fall 2022 Future Forum Pulse**, a survey of 10,766 workers across the U.S., Australia, France, Germany, Japan, and the U.K., conducted from August 3–21, 2022.

Survey respondents were all employed full-time (30 or more hours per week) and either having one of the roles listed below or saying they “work with data, analyze information or think creatively”: executive management (e.g. president/partner, CEO, CFO, C-suite), senior management (e.g. executive VP, senior VP), middle management (e.g. department/group manager, VP), junior management (e.g. manager, team leader), senior staff (i.e. non-management), skilled office worker (e.g. analyst, graphic designer). For brevity, we refer to the survey population as “desk-based” or “desk workers.”



Key findings

Executives are reporting record-low experience and sentiment scores

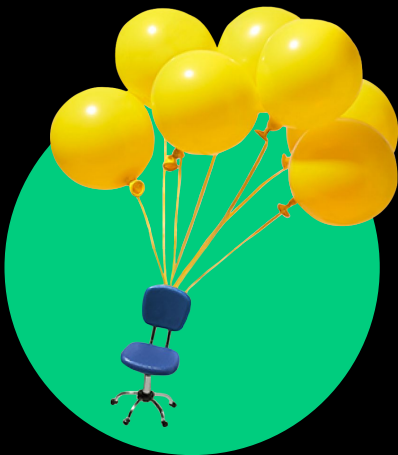
Findings from the Future Forum Pulse show that executives’ sentiment and experience scores have dropped to record lows as leaders struggle to navigate shifting work models. Over the past year:

- Executive scores for overall satisfaction have dropped 15%.
- Executives now report 20% worse work-life balance and 40% more work-related stress and anxiety.

➤ KEY FINDINGS

Burnout is on the rise, particularly among key groups

- Burnout rose to 40% this quarter globally—an 8% rise from May—with the most significant increase in the U.S., where 43% of desk workers report feeling burned out.
- There’s a notable gender gap between women and men on the issue of burnout, with female workers showing 32% more burnout than their male counterparts.
- Younger workers are more likely to experience burnout, with 49% of 18-to-29-year-olds saying they feel burned out compared with just 38% of workers age 30 and older.



Employees with flexibility show higher scores for productivity, connection, and company culture

- Workers who have full schedule flexibility are reporting 29% higher productivity and 53% greater ability to focus than workers with no ability to shift their schedule.
- Remote and hybrid workers are more likely to feel connected to their direct manager and their company’s values and equally or more likely to feel connected to their immediate teams as fully in-office workers are.
- Flexible remote work policies were cited as the number one factor that has improved company culture over the past two years.

Executive experience scores are dropping

Between August 2021 and August 2022, executives' employee sentiment and experience scores have precipitously dropped, while remaining relatively flat or slightly rising for non-executives. The downward trend in C-suite sentiment is present among executives at small and midsize businesses, but it's even more pronounced among executives at larger "enterprise" organizations of 1,000 employees or greater.

Parsing the data further by job level reveals that team leaders are struggling. While executives have shown the deepest declines in Pulse index scores over the past year, they're still reporting the highest scores overall, compared with senior executives, middle managers, and individual contributors. The leaders with the lowest overall scores for sentiment and experience are middle managers, particularly middle managers at enterprise-level companies, who show the lowest scores for work-life balance along with the highest levels of stress and anxiety.

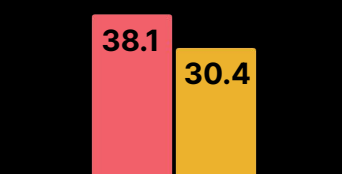
So what's driving this decline in experience for leaders? Executives and team leaders are facing new challenges caused by shifting workplace expectations and norms.

"In times of disruption, leaders can either lean in and learn new skills or fall back on what worked for them—often decades ago. Given macroeconomic stress, it's understandable that many want to go back to what worked in the past," says Brian Elliott, the Executive Leader of Future Forum. "But two generations of digital natives have now entered the workplace. Workforces are more diverse, and there's an accelerating pace of change and competition. That means that the job of leaders must change as well. And change, for everyone, can be daunting."

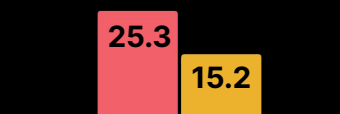
Executive sentiment and experience scores

■ Aug 2021 ■ Aug 2022

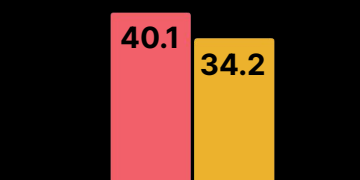
20% decline in work-life balance



40% worse rating for stress and anxiety



15% decline in satisfaction with working environment



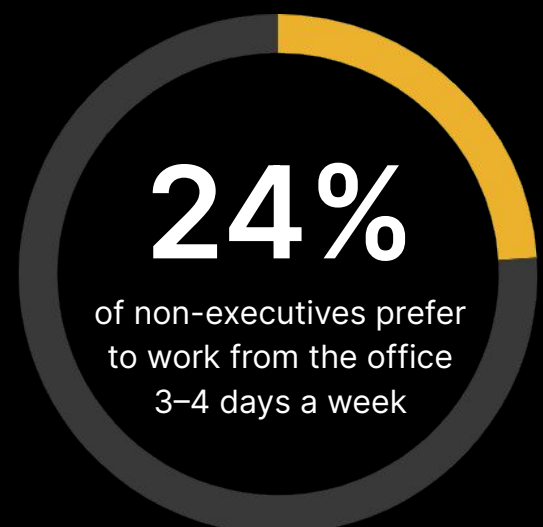
The in-office tug-of-war continues

Findings from the Pulse show that executives and non-executives alike are embracing the hybrid working model, with 65% of all workers saying they would prefer working some of the time from the office and some of the time remotely.

While both groups want a hybrid approach, executives want to spend more time in the office and less time remotely, while the opposite is true for non-executives. Nearly twice as many executives (38%) say they would prefer to work from the office three to four days a week, compared with 24% of non-executives. And non-executives are more than three times as likely as their bosses to want to work fully remotely.

But leaders who respond to new stressors by pushing for old ways of working—such as issuing top-down mandates designed to return workforces to the flexibility-limiting conventions of the old 9-to-5, five days in the office—are likely to experience resistance from their employees.

“If you’re thinking in terms of ‘returning’—returning to the old way, returning to the way the office used to be, returning to what worked for you—then it’s time to rethink that direction,” says Ryan Anderson, the Vice President of Global Research and Insights at MillerKnoll, one of the founding partners of Future Forum. “We need to move forward to a new path, and that requires engaging your employees to establish new ways of working together.”



Why “returning” is the wrong direction for a productive work environment

Executive experience is not all-employee experience

Future Forum data shows that **workforce policy planning is largely happening at the executive level**, with 60% of executives surveyed saying they’re designing their companies’ policies with little to no direct input from employees. This means they’re deciding these policies based primarily on the perspectives of people who share the same experiences and stressors as them.

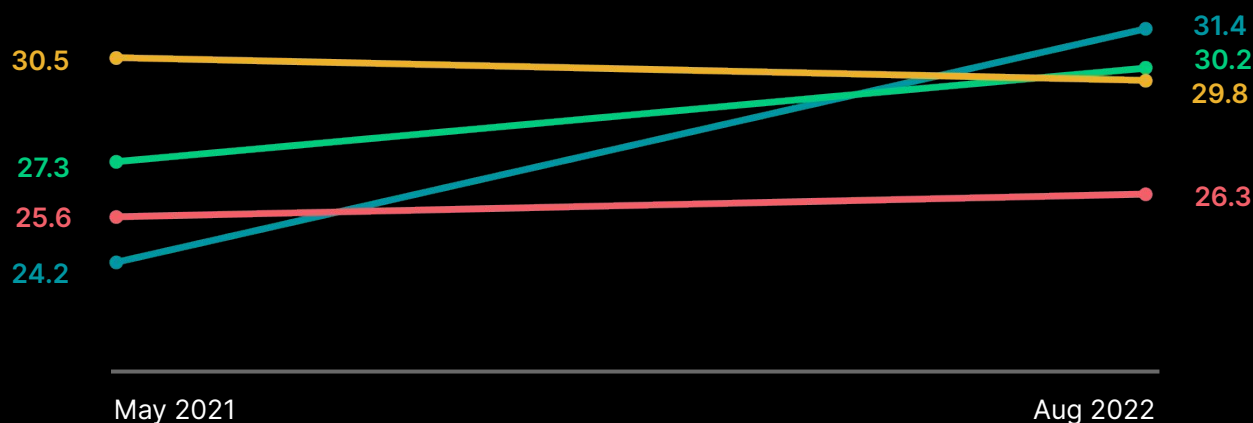
Executives who fall prey to confirmation bias and let their own declining experience guide their decision-making around workforce policies risk alienating employees and losing the battle for talent.

While sentiment and experience scores have dropped for executives in the past year during the broad adoption of flexible work, they’ve remained steady across most other groups and have strengthened for a few key groups:

- Individual contributors have seen gains, including 6% year-over-year gains for productivity, 11% gains for work-life balance, 12% more overall satisfaction with work, and 25% lower stress and anxiety.
- In the U.S., Black employees also made significant gains, and are now reporting the highest scores of any racial/ethnic group across many measures, including workplace flexibility, ability to focus, sense of belonging, and overall workplace satisfaction.

“Sense of belonging at work” scores, by race/ethnicity

Black Hispanic/Latinx Asian/Asian American White



➤ WHY “RETURNING” IS THE WRONG DIRECTION FOR A PRODUCTIVE WORK ENVIRONMENT

“The fact that Black knowledge workers’ sentiment and experience scores are up is something to celebrate—but it’s also something that leaders can’t take for granted,” says Tina Gilbert, Managing Director at Management Leadership for Tomorrow (MLT), a founding partner of Future Forum. “Increased energy, focus, and investment in DEI initiatives over the past few years coupled with the rise of workplace flexibility have made a positive difference for Black employees. But to ensure these gains are not just a one-time occurrence, leaders must continue to engage with their Black employees and learn about their experiences both in and out of the workplace.”

Concerns around degrading connection and culture in flexible environments are overblown

Many leaders also believe that fostering connections among employees and building organizational culture can only be done in person, in an office. Twenty-five percent of executives surveyed cited “team culture is negatively impacted” as a number one concern about offering employees more flexibility. And compared with non-executives, executives put more than two times higher priority on “facetime with management” and are more likely to value in-person meetings.

Despite concerns that flexible work damages employees’ sense of connection, new data shows that not to be true. Remote and hybrid workers are equally or more likely to feel connected to their immediate teams as fully in-office workers. And across the board, they are more likely to feel connected to their direct manager and their company’s values.

Remote and hybrid workers were

52% more likely

to say their company culture has improved over the past two years compared with fully in-person workers—and they cite flexible remote work policies as the primary reason their culture is changing for the better.

It’s worth noting that transparency is another key enabler of connection and healthy work culture. People who believe their leaders are transparent feel nearly four times as high a sense of belonging with their teams and report more than six times as high satisfaction with their work environment.

“I often hear leaders say that working away from the office makes it harder to connect and collaborate and eats away at company culture, and about 25% of executives surveyed listed that as a top concern in our survey,” says Sheela Subramanian, Co-Founder of Future Forum. “But this might be an issue of executives believing that what worked for them in the past is what works best for everyone, and the data shows that executives and non-executives have very different experiences.”

➤ WHY “RETURNING” IS THE WRONG DIRECTION FOR A PRODUCTIVE WORK ENVIRONMENT

Embracing flexibility increases productivity

Executives cite declining productivity as their second top-most concern when it comes to flexible work. But this is another case where the data runs counter to conventional wisdom: flexible work is associated with increased productivity and focus, not less.

Future Forum data shows that workers with location flexibility report 4% higher productivity scores than fully in-office workers, a difference that across a workforce can add up to material improvements to the bottom line.

And schedule flexibility leads to even greater benefits. Workers who have full schedule flexibility report 29% higher productivity than workers with no ability to shift their schedule. They also report 53% greater ability to focus.

How we measure the data

The Future Forum survey uses **comparative analysis** to gauge how different factors—such as working flexibly—influence employee experience and sentiment, such as sense of belonging, productivity, and ability to focus.

To do this, we ask workers to rate their experience and sentiment on a five-point scale, from “very poor” to “very good.” We use responses to this question to calculate average scores for different groups, and then we compare those groups with one another. For example, when assessing the effect of flexibility on productivity, we compare the productivity scores of employees with access to flexible working locations and schedules to the productivity scores of employees with fixed, pre-set schedules and working locations.

People who believe their leaders are transparent feel nearly

4x greater sense of belonging

6x greater satisfaction with working environment

Future Forum

Executive miscalculations about worker productivity could have dire consequences. Pulse data finds that the Great Resignation shows no signs of slowing down. The number of workers who say they are likely to look for a new job in the next year rose from 55% to 57% this quarter. Women, working mothers, and people of color are most likely to say they would like to change jobs.

Employees want more choice and control over how, when, and where they work. If employers respond by measuring worker performance and productivity by how many hours employees spend in the office, they're likely to drive away top talent.

Burnout is on the rise, particularly for women, younger workers, and middle managers

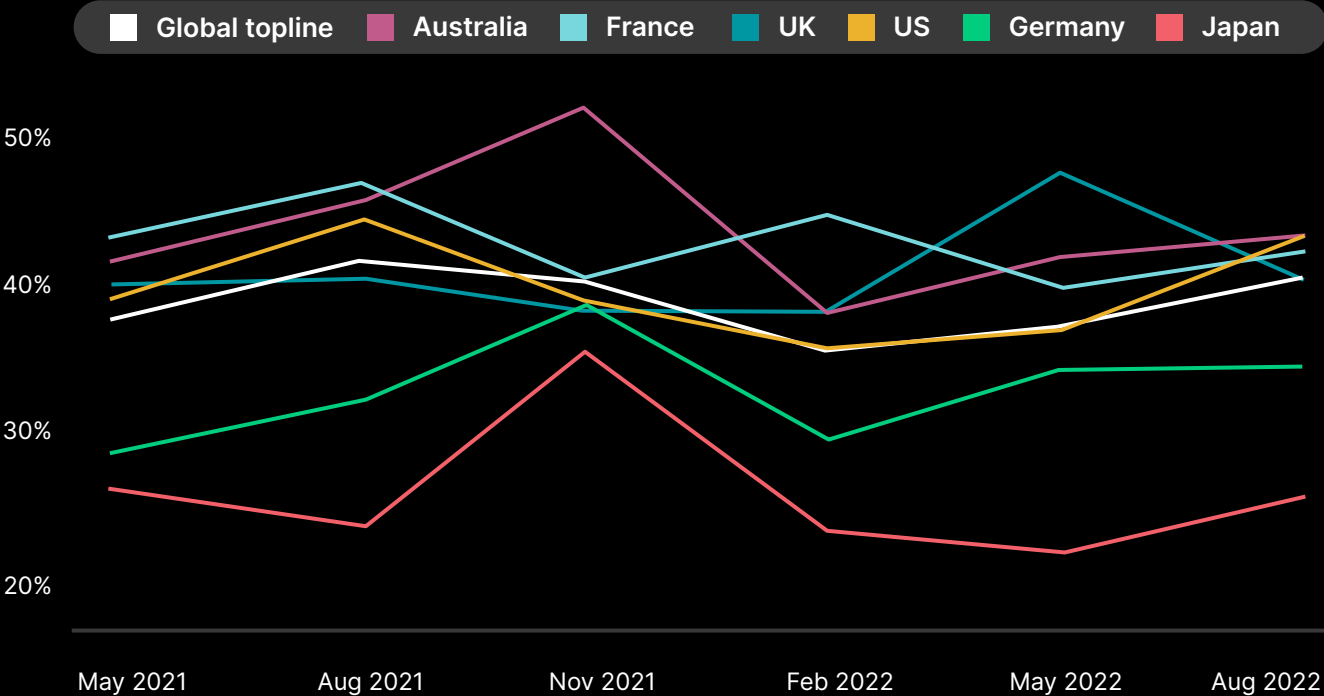
The percentage of employees who say they are burned out rose 8% among the global workforce (from 37% to 40%) between May and August. The rise was even more pronounced among U.S. workers, rising 16% between May and August from 37% to 43%. U.S. workers now show the highest incidence of burnout globally with more than two out of every five U.S. workers saying they are burned out.

Burnout, defined:

According to the [World Health Organization](#), burnout is a syndrome resulting from chronic workplace stress. It is characterized by three dimensions:

- feelings of energy depletion or exhaustion
- increased mental distance from one’s job, or feelings of negativism or cynicism related to one’s job
- reduced professional efficacy

“I feel burned out at work”



➤ WHY “RETURNING” IS THE WRONG DIRECTION FOR A PRODUCTIVE WORK ENVIRONMENT

There’s a sizable (and growing) gender gap between women and men on the issue of burnout, with women 32% more likely to experience burnout compared with men. And the younger the worker, the higher the burnout risk, with 49% of 18-to-29-year-olds saying they feel burned out (compared with 38% of all workers over the age of 30). In fact, workers under age 30 are 29% more likely to experience burnout than workers over age 30.

Middle managers are also at high risk for burnout, at 43%, followed by individual contributors at 40%, senior management at 37%, and executives at 32%.

Executives should take note of these findings since burnout is closely associated with degraded employee experience, lack of connection, and increased attrition:

- **Employees who are burned out report 22x worse stress and anxiety** at work compared with employees who are not.
- **Burnout is closely associated with degraded employee performance**, including 32% worse productivity and 60% worse ability to focus.
- **People who are burned feel far less connected.** They are 2x more likely to feel disconnected from company values, direct managers, immediate team, and executive leadership.
- **Burnout is a major driver of attrition.** People who are burned out report being 3x more “likely” or “very likely” to look for a new job in the coming year.

People who are burned out feel far less connected to their companies and report being

3x more “likely” or “very likely” to look for a new job in the coming year

What executives can do to actually solve the problem

Lead with trust by offering more choice and flexibility

Flexibility is highly desired, second only to compensation when it comes to workplace satisfaction. But while most conversations about workplace flexibility have centered on location—*where* people work—the question of *when* people work may be even more significant. While 80% of global desk-based workers say they want location flexibility, 94% say they want schedule flexibility.

Leaders have the opportunity to gain a competitive edge by providing schedule flexibility more broadly, since the data shows that schedule flexibility isn't just what people want—it also leads to stronger business results.

Schedule flexibility is highly correlated with positive employee sentiment, satisfaction, and performance: employees with schedule flexibility show the highest scores across the board for quality-of-life measures, such as three times better work-life balance, and performance measures, such as 29% heightened productivity and 53% improved ability to focus.

And workers with schedule flexibility are 26% less likely to be burned out and report more than five times greater ability to manage work-related stress.

So what does the data show about who has access to flexible schedules? Perhaps unsurprisingly, the more senior you are, the more likely you are to have schedule flexibility. Sixty-eight percent of executives say they are able to adjust their schedules with little to no constraints, compared with 39% of middle managers. And executives are three times as likely to have zero schedule constraints, compared with middle managers, indicating that schedule flexibility is still largely considered a perk or benefit of seniority.



80%

of global desk-based workers say they want location flexibility



94%

say they want schedule flexibility

➤ **WHAT EXECUTIVES CAN DO TO ACTUALLY SOLVE THE PROBLEM**

Offering schedule flexibility to employees at all levels could improve business outcomes while reducing burnout and increasing employee engagement and loyalty. Employees with no schedule flexibility are more than twice as likely to say they're "very likely" to look for a new job in the coming year, compared with employees with moderate schedule flexibility.

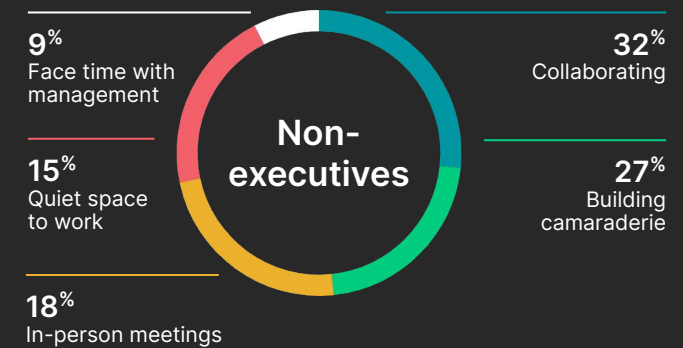
"Offering schedule flexibility is a genuine means to show your employees that you trust them, and trust begets engagement," says Helen Kupp, Senior Director and Co-Founder of Future Forum. "Schedule flexibility has long been a perk afforded to the C-suite, but the data makes a good case that flexibility should be offered more widely to all."

Prioritize fostering collaboration, social connections, and building camaraderie in both digital and physical workspaces

Collaborating is the number one reason motivating non-executives to go into the office (32%), followed closely by building camaraderie (27%). Executives, too, prioritize collaboration as their top motivator for in-office time, but at lower rates (30%), followed closely by "holding or participating in meetings" (25%), and "putting in facetime with management" (20%).

While building camaraderie is among the top reasons why non-executives want to spend time in the office, it's dead last for the C-suite, at just 12%, meaning non-executives value building camaraderie at more than twice the rate of executives. Executives, on the other hand, undervalue camaraderie and over value facetime and in-person meetings. This disconnect suggests that executives could be overlooking the need to make it easier for employees to collaborate and connect—in both physical and digital workspaces.

Primary motivations for going into the office



➤ WHAT EXECUTIVES CAN DO TO ACTUALLY SOLVE THE PROBLEM

Investing in a “digital headquarters” that makes it easier for people to collaborate and connect can pay dividends. Employees who work for companies they describe as technology innovators report 1.5 times as much productivity and 2.2 times the sense of belonging as employees who work for companies they describe as technology laggards. And employees working at digital laggards are 38% more likely to experience burnout than employees working at digital innovators.

“Digital-first doesn’t mean never in-person,” says Debbie Lovich, Managing Director and Senior Partner at Boston Consulting Group (BCG), a founding partner of Future Forum. “The majority of people want to be physically together, especially for collaborating and building camaraderie. But leaders and their teams need to plan their time in the office differently. Regular office time should be used for interactive work: brainstorming, training, team building, and networking. Without this intentional shaping of team calendars, office workers will be commuting to just sit at their desks on Zoom calls all day—and that will erode morale.”

In summary

The pandemic accelerated many workplace dynamics that were already well underway, including heightened connectivity, shifting workforce demographics, and growing demand for equity. This, combined with uncertain macroeconomic conditions, the ongoing Great Resignation, and the tug-of-war between executives and employees on issues of workplace flexibility are spurring a rewrite of the leadership playbook, not to mention the C-suite’s job descriptions.

But you can’t devise future-of-work strategies by looking to the past. The future of work is flexible, inclusive, and connected, and employees are demanding work environments that foster the ability to work together across locations and time zones. Executives who embrace the shift in workplace expectations by leading with trust and transparency will shape a more productive and more fulfilling future that’s better for their people and their businesses.

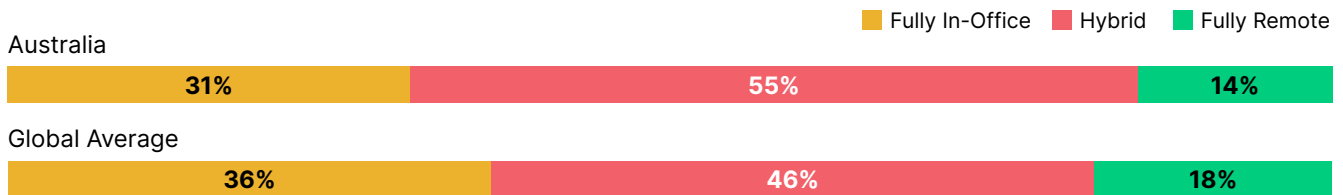


Appendix: Trends by country

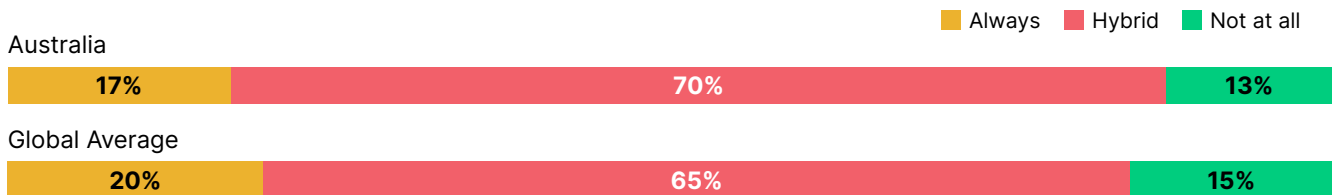
Australia

In Australia, more survey respondents are working either fully remote or hybrid, compared with the global average. More workers in Australia say they're very likely to seek employment at another company in the next 12 months than the global average.

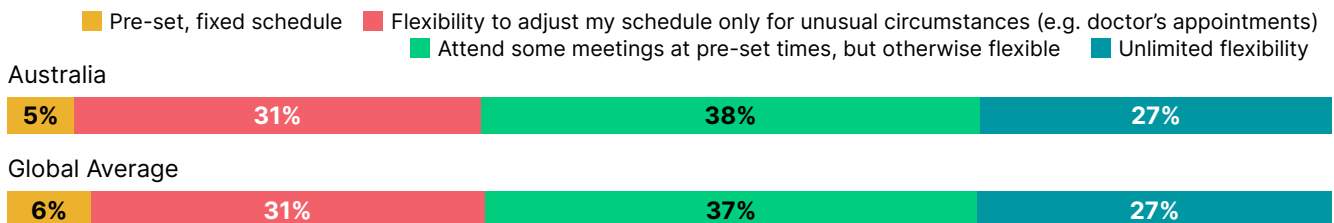
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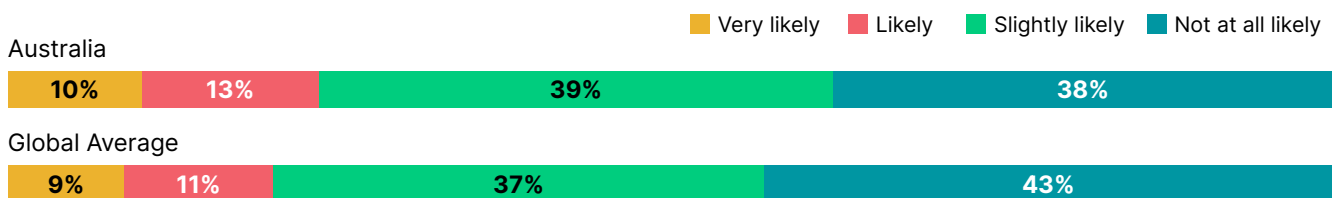
2. What is the desire for location flexibility?



3. What is the desire for schedule flexibility?



4. How likely are you to look for a new job at another company in the next 12 months?



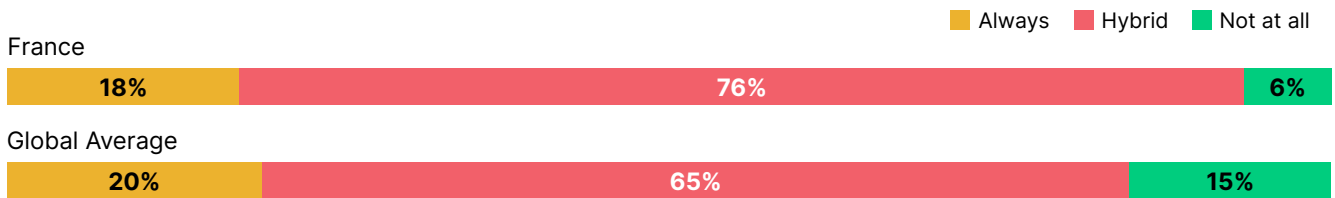
France

In France, **fewer survey respondents are working either fully remote or hybrid**, compared with the global average. **Fewer workers in France say they're very likely** to seek employment at another company in the next 12 months than the global average.

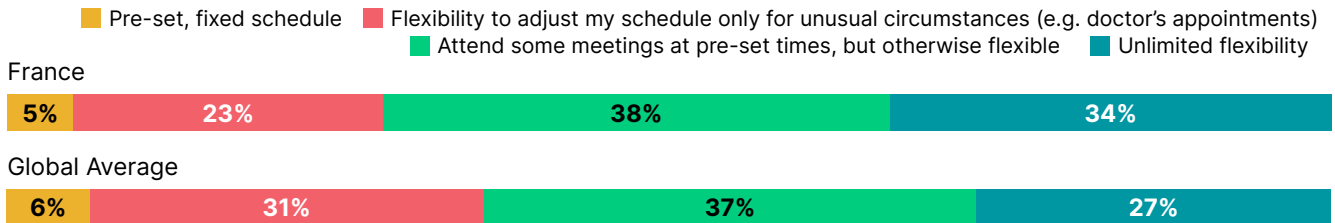
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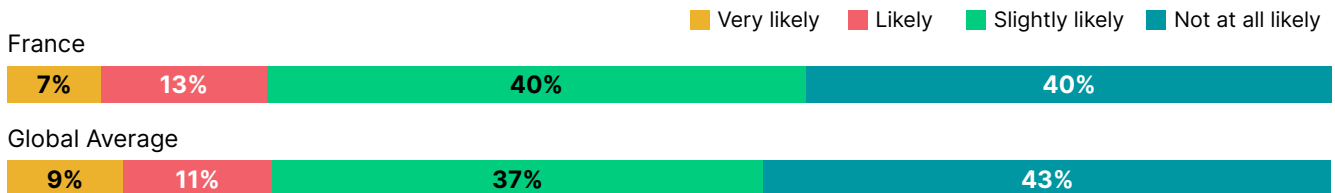
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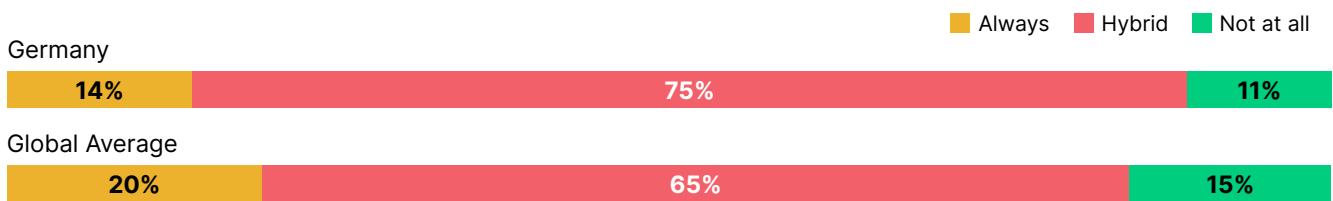
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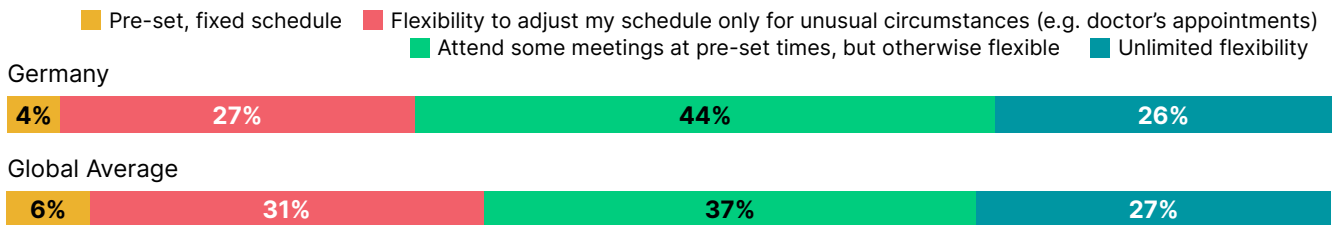
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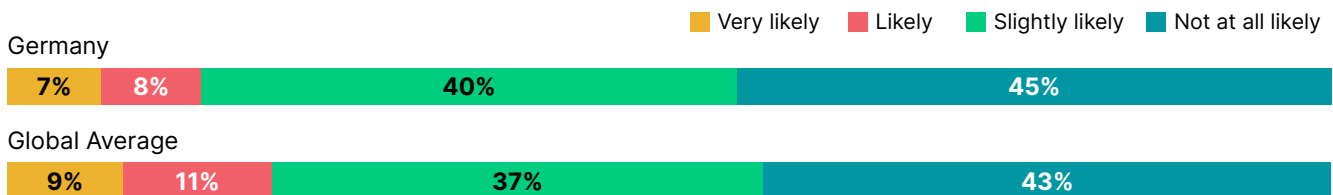
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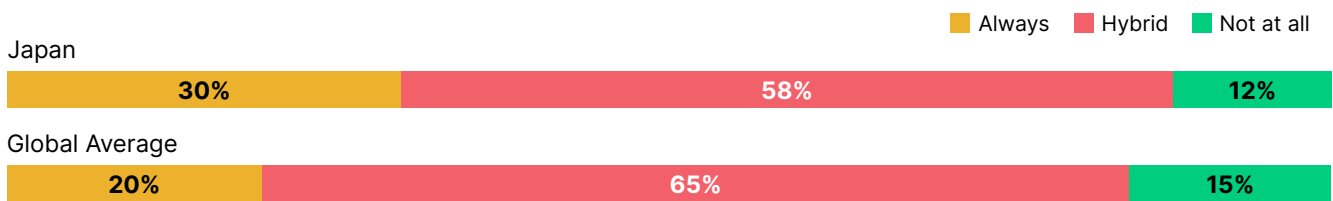
Japan

In Japan, fewer survey respondents are working either fully remote or hybrid, compared with the global average. Fewer workers in Japan say they're very likely to seek employment at another company in the next 12 months than the global average.

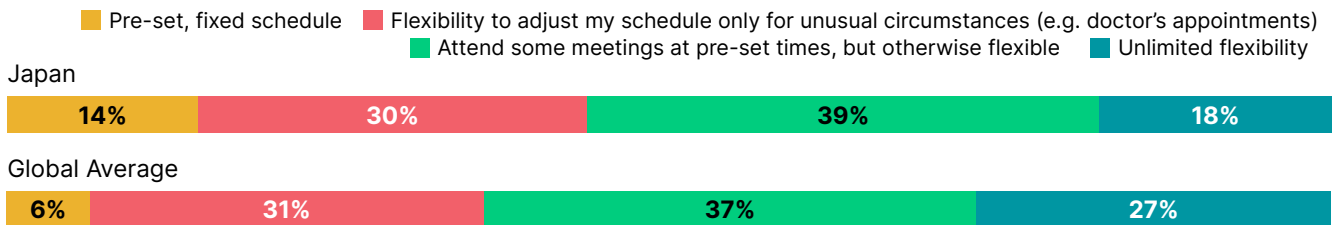
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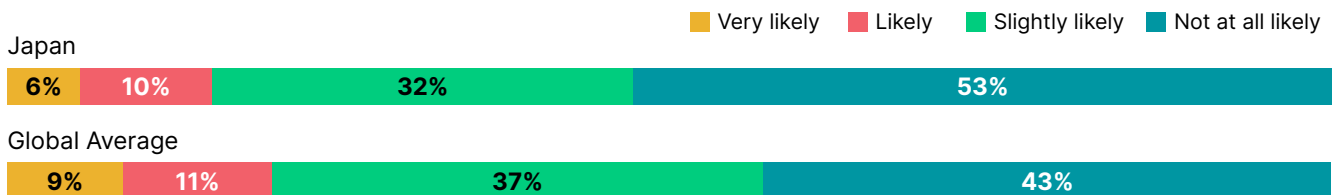
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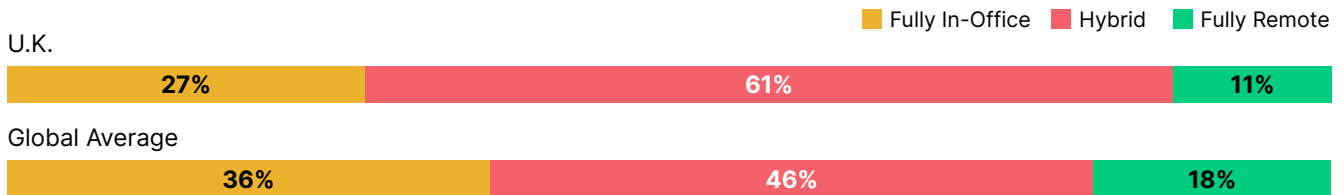
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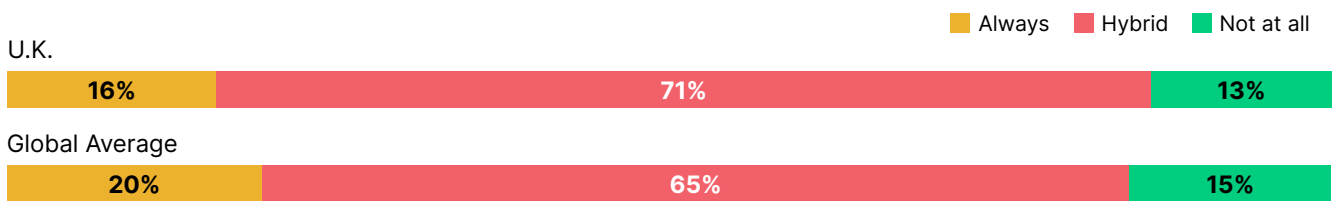
United Kingdom

In the U.K., **more survey respondents are working either fully remote or hybrid**, compared with the global average. The percentage of workers in the U.K. saying they're very likely to seek employment at another company in the next 12 months **is the same as** the global average.

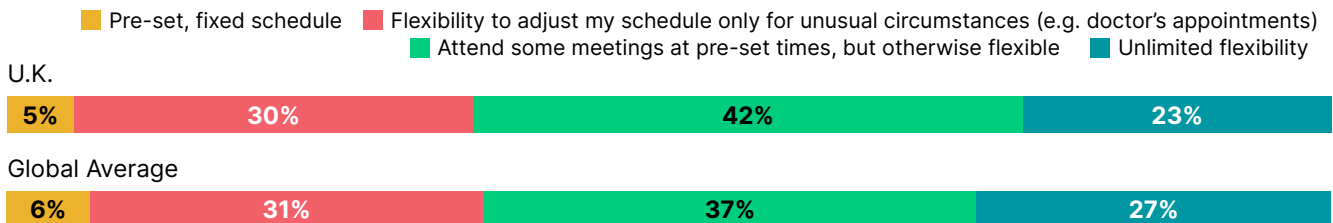
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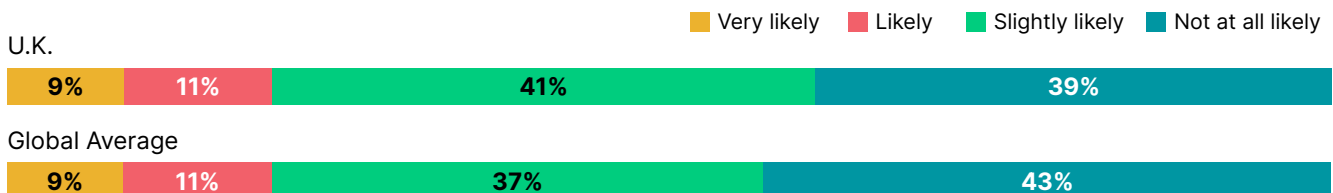
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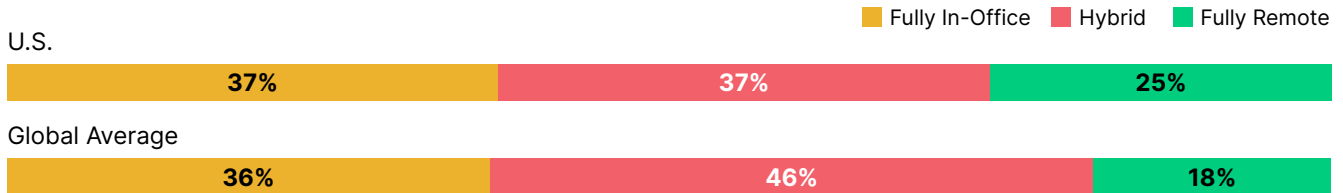
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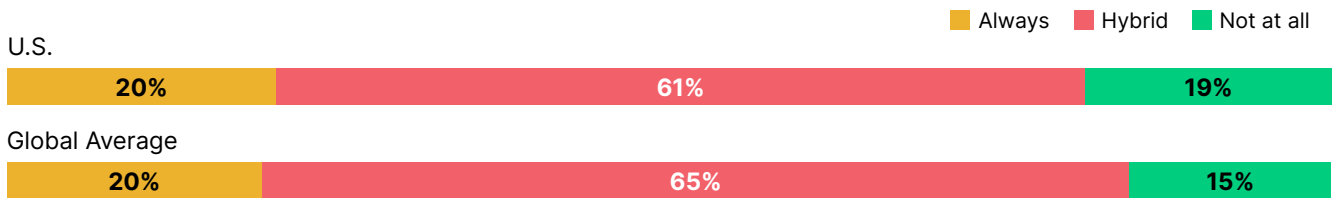
United States

In the U.S., fewer survey respondents are working either fully remote or hybrid, compared with the global average. Slightly more workers in the U.S. say they're very likely to seek employment at another company in the next 12 months than the global average.

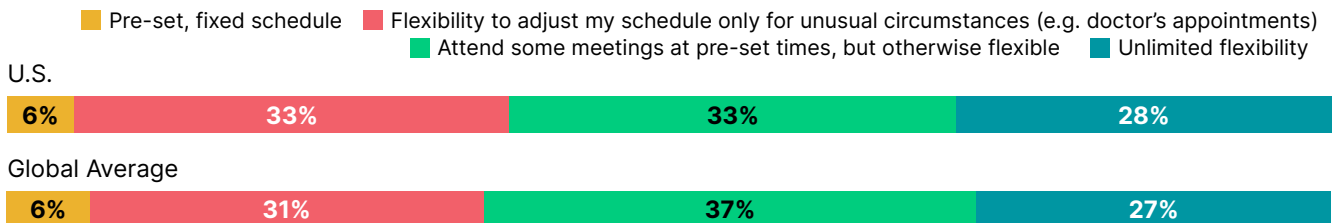
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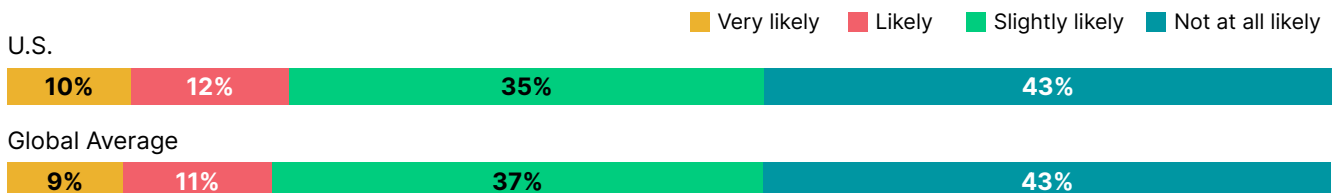
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Methodology

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Survey respondents were all employed full-time (30 or more hours per week) and either having one of the roles listed below or saying they “work with data, analyze information or think creatively”: executive management (e.g. president/partner, CEO, CFO, C-suite), senior management (e.g. executive VP, senior VP), middle management (e.g. department/group manager, VP), junior management (e.g. manager, team leader), senior staff (i.e. non-management), skilled office worker (e.g. analyst, graphic designer). For brevity, we refer to the survey population as “desk-based” or “desk workers.”

The Future Forum Pulse measures how desk-based workers feel about their working lives on a five-point scale (from “very poor” to “very good”) across eight dimensions on an index from -60 (most negative) to +60 (most positive).

Explore our research

Future Forum conducts the Pulse survey quarterly and will release the results from the next survey in January 2023. In the meantime, stay tuned for future research and explore past results at futureforum.com/pulse-survey/.

Future Forum is a consortium of founding partners including



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