

The Workplace Connection Report

How to build connected, emotionally
resilient and productive teams



This report is presented by



Great people leaders around the world are working to engage employees and boost connection, not only to improve productivity, but to build a strong and resilient workplace culture, as well.

**Nebel Crowhurst, Chief People Officer,
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The loneliness landscape

No one will be shocked to learn that loneliness in the UK increased during the Coronavirus pandemic. While only 5% of the adult population said they often or always felt lonely in 2016, in February 2021, 7.2% of adults said the same.¹ In both years, loneliness was more prevalent in people aged 18 to 24.

Now, with the cost of living crisis still raging following the UK's 14th interest rate hike in a row, the financial burden of mortgages, food and other basics is taking its toll on social spending. People are going out less, leading to more isolation.

Loneliness has recently seen more focus in healthcare due to its connection with increased risk of serious physical and mental conditions, such as depression, anxiety, suicide, dementia, heart disease, stroke and premature death from all causes – a risk that may rival those of smoking, obesity and physical inactivity.²

It's a serious enough issue that some national governments have taken steps to address it. The UK appointed a Minister of Loneliness in 2018³ to solve what then-Prime Minister Theresa May called "one of the greatest public

health challenges of our time."⁴ In 2021, Japan followed suit with a Minister in charge of Loneliness and Isolation.

This issue is not just a sleeping public health risk – it's also a major challenge at work. In its guidance for employers, the UK government describes how loneliness can creep into the workplace from an employee's existing feelings of loneliness, from work events triggering or worsening loneliness, or from the isolation caused by work stress and long hours.⁵

While things look decidedly blue right now, there's a great deal of opportunity for visionary leaders to combat loneliness and improve employee connection in the workplace. After all, we do spend a quarter of our lives working together – that's a lot of time to help cultivate a sense of belonging and wellbeing. Strategies that effectively create connection and build resilience have the potential to reverse the loneliness trend at work and, with a bit of luck, spill over into your employees' non-working hours.

To understand the need for these strategies, let's first examine the current state of loneliness in UK workplaces to help build an understanding of who is most vulnerable and why.



How do these frequent or very frequent feelings of loneliness at work break out across roles, age and personality type?

Managers being significantly lonelier than employees reflects the relative isolation of leadership roles. As they say, it's lonely at the top.

When it comes to personality types, introverts are lonelier than extroverts. This is because, even though they need less social interaction, their instinct to reach out socially when needed is less

strong. It's interesting that ambiverts, those who consider themselves both introvert and extrovert, are the least lonely. This is due to their extrovert's drive to go out and find people when they need them, combined with an introvert's ability to enjoy solace.

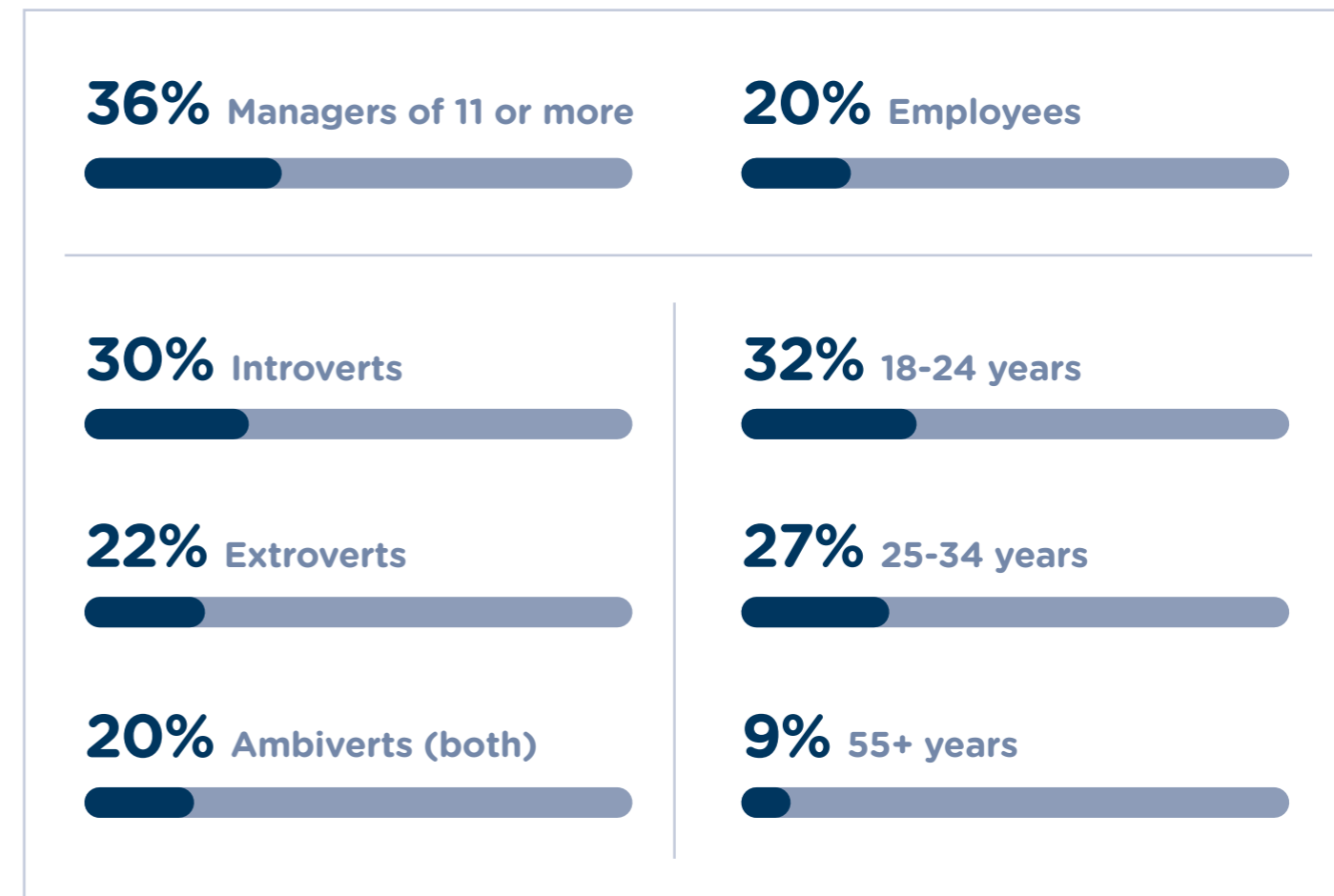
Finally: age. With a whopping third of all young people frequently lonely, this is an age bracket that merits special attention, in contrast to the significantly less lonely older workforce.

How lonely are we? A survey of disconnection

We at Reward Gateway felt that knowing more about the state and causes of loneliness could help us respond with solutions. So we reached out to 1,000 employees and 1,000 HR leaders across the UK to better understand loneliness and its remedies. Here's what we learned.

Employees are lonely and disconnected at work

Feelings of disconnection are widespread in today's workforce. Our survey found that **66% of employees don't feel a sense of connection and belonging at work.** And almost a quarter said they experience loneliness frequently or very frequently at work.





What types of work are the loneliest?

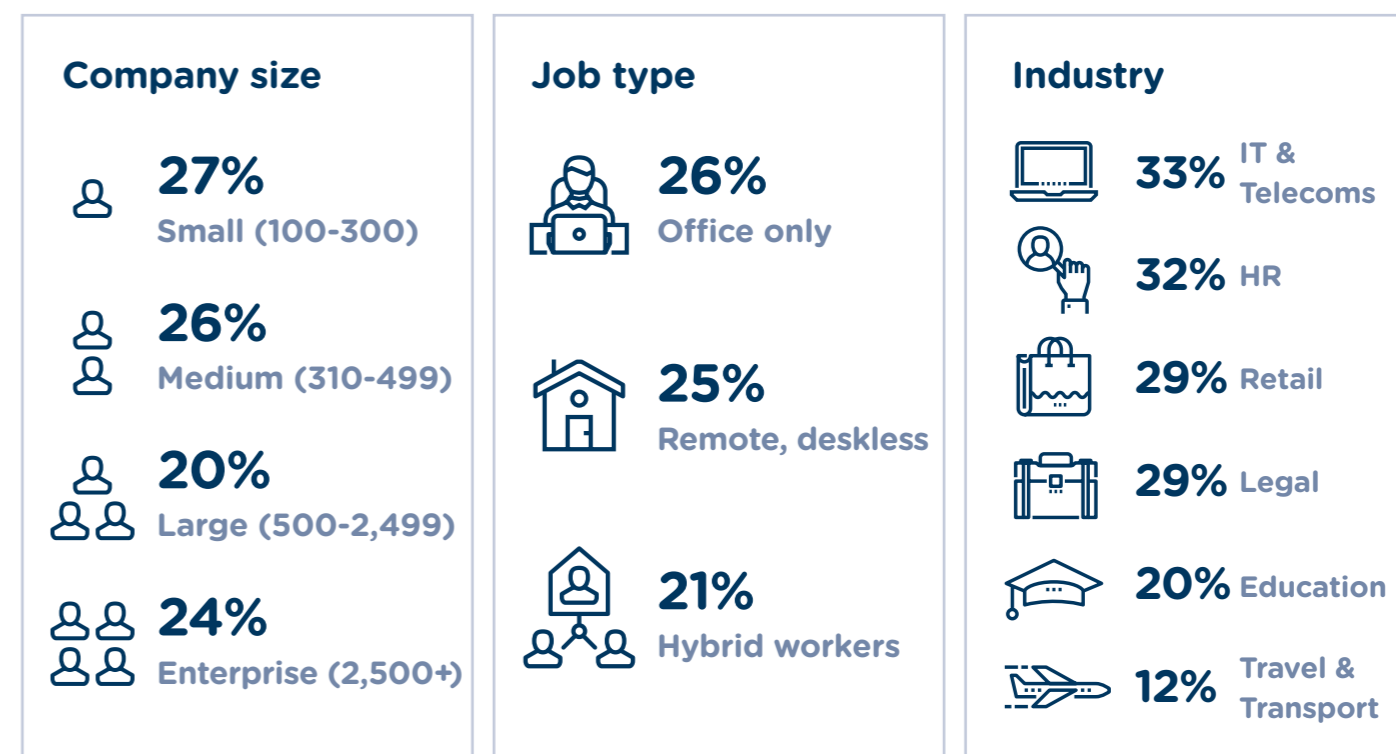
It may surprise some that loneliness is a greater problem at smaller companies, where you might imagine a friendlier and less impersonal work environment. This may be due to less formalised culture initiatives to keep people connected, or perhaps higher turnover and higher workloads having an outsized impact on smaller teams, this is something for organisations to be on the lookout for.

How does loneliness correspond to job type? The least lonely group is hybrid workers, while those who go to the office every day are about equal in their experience of loneliness with those who work remotely. While many leaders are

aware of the risk of disconnection for fully remote employees, that same focus may not be present for office-based employees. Efforts to build connection should not skip those that are in the office or on the front lines. With all types of employees indicating more than 1 in 5 is frequently lonely, efforts at connection should include all groups.

Looking at loneliness by industry is revealing. Industries with above-average loneliness include IT & telecoms and legal, which makes sense since both industries feature many isolating job types. But there is also a high degree of loneliness in HR and retail, whereas the least lonely industries are education and travel and transport, which of course are highly people-facing.

Rate of Loneliness



Having a social network alone does not solve loneliness

Almost 2 in 5 (36%) employees surveyed said they do not have a social community or support network at work. This number is lowest in managers who manage 11 or more (27%), and highest in employees without direct reports (43%).

It's worth noting that those with a social network are slightly less likely to be lonely (22%) than the average (24%) and those without a social network (27%). But loneliness and social isolation are not the same thing. Someone who is socially isolated (having few or no relationships) isn't always lonely. And a person surrounded by friends and acquaintances can still be lonely.

This bears out in the case of managers, who are more likely to have a social network, but are also more likely to be lonely, as noted earlier. What's more, 18-24-year-olds are the most likely to have a social network at 81%, but are the most likely age group to be lonely, as seen above.

Risk factors for being lonely⁶

- Being unemployed
- Being widowed
- Being single
- Living alone
- Being a carer
- Being LGBTQ+
- Being between 16 and 24 years old
- Being from an ethnic minority community
- Having a long-term health condition or disability
- Living in rented accommodation

Developing a strong diversity, equity and inclusion programme safeguards your most important asset: your people. It's critical to provide a forum to hear employee voices on your blind spots and where you need to focus within your employee culture. Then, to drive change, engage DEI champions. At Reward Gateway, we encourage positive improvement through participation in networks for open communication and insight sharing.



The cost of living crisis is making people lonelier

Rising costs are further impacting connectedness. Those who say they are struggling financially are more likely to say they have felt lonely in the last three months (32% compared to 23% of the wider population), and 28% of them have decreased their spending on socialising in the last 3 months.⁷ To make matters worse, 22% feel their company's environment is not trusting and open for employees to discuss their financial situation.

The impact of loneliness on business

It's clear that people are lonely, some more than others. But how does this affect everyday work and your bottom line? An analysis of our survey results explains how the disconnection of employees can hurt your business.

Lower productivity

Social connections can affect how much work people are able to do. Those who have a social network are more than twice as likely to say they are very productive as those who do not have a social network – 37% vs. 17%. On average, about 30% of employees are inspired to go above and beyond for their organisation. But for people who report they are frequently lonely, this drops to 16%.

More burnout and sick days

Those who have a social network are also less likely to frequently experience burnout than those who do not – 35% vs. 43%.

In the past year, lonely people are twice as likely as the average to have taken 10 or more unplanned days off due to poor mental health, at 8% vs. 4%.

Higher attrition

A caring, fun atmosphere where people feel like they belong goes a long way in encouraging people to stay at your organisation. Among those looking for a new employer, 1 in 5 said it was due to thinking their employer does not care about their wellbeing. One in 10 said it was because they do not have friends at work. Given the amount of time to hire, the lost knowledge when an employee leaves and the risk of further burnout as your employees take up the slack for the missing role, this is an area worth focussing on.

Managers who care less

As we've seen, people who manage 11 or more people are much more likely to experience loneliness than employees. The impact of a disconnected manager cannot be overstated. When managers are in the grips of loneliness, they may struggle to feel empathy for employees and to work at creating connections with and among their direct reports. More so than employee apathy, manager apathy can trigger higher rates of burnout and attrition. Those who are not currently looking for work are more than twice as likely to say their manager cares about them than those who are looking to change employers.



Strategies to inspire and deepen connections across the workforce

In its efforts to combat loneliness, the UK government released a series of excellent recommendations.⁸ These were based partly on input from an advisory Employers' Leadership Group that included a number of Reward Gateway clients, including Crown Prosecution Service, Financial Ombudsman Service, Transport for London and Nationwide Building Society.

We are offering a slightly different take: 10 strategies rooted in our most recent survey and our deep experience in employee engagement. Implementing any number of these strategies, especially the ones that best align with your organisational culture, can help you connect employees, battle loneliness and improve productivity.

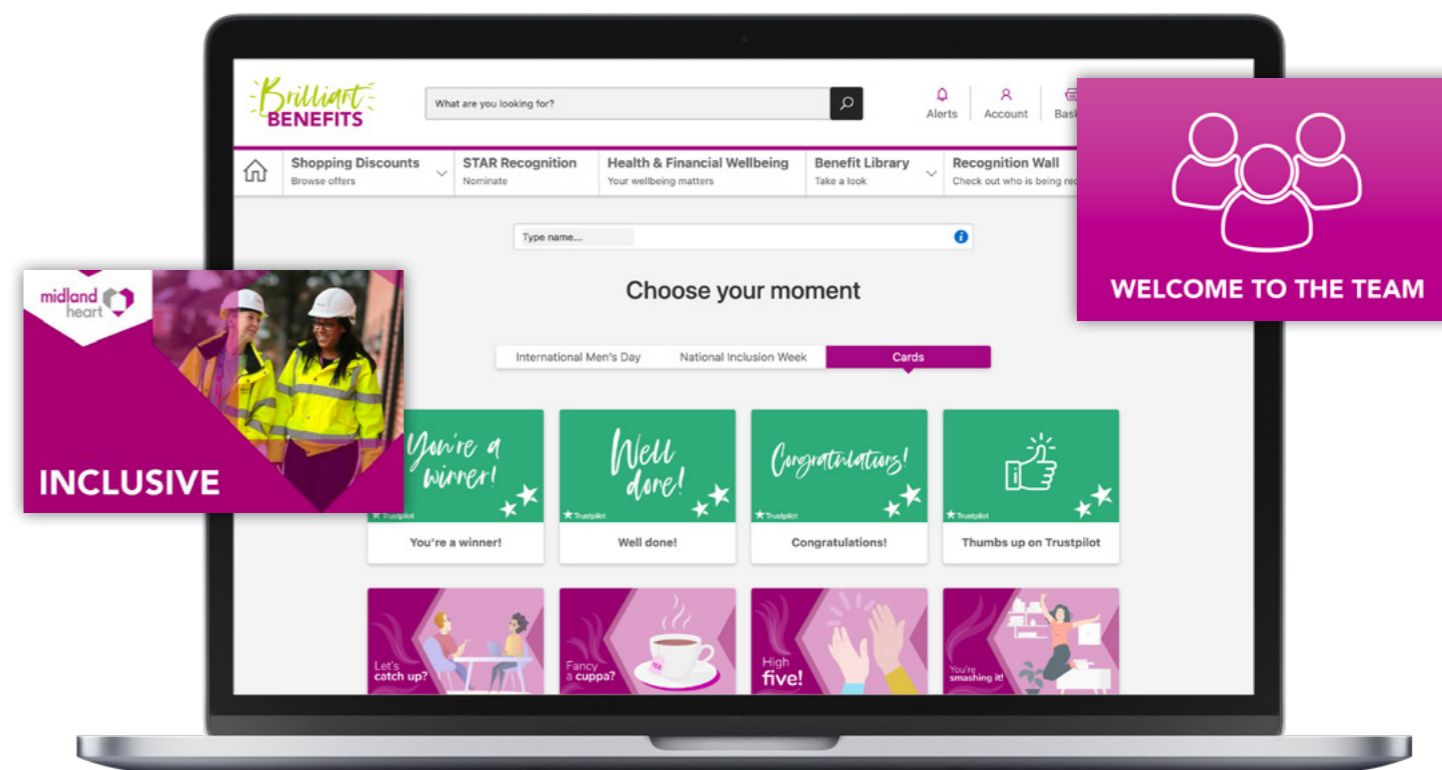


What is a healthy workplace culture? It's one that enables all employees to show up as their authentic self. It's one that fosters a culture of psychological safety. It's one that provides space for people to voice their views, opinions, ideas and needs in a supportive, non-judgemental and constructive environment. Healthy workplaces help each person thrive, grow and be highly productive.

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1. Celebrate teamwork and connectedness

When employees were asked what would drive better connection, **the overwhelming first choice across all age groups was recognition, at 54%**. Recognising and rewarding people for their successes helps link their efforts into the success of the organisation as a whole and makes work more meaningful. In fact, **26% of people said that more meaningful work would help them feel more connected**. Recognising employees for their work should always be at the top of the list, but at Reward Gateway, we also recognise people for reaching out and connecting with others. Survey says: double win.



Housing association **Midland Heart** offers eCards that celebrate everything from teamwork and service to birthdays and work anniversaries to build connections among its dispersed workforce.

2. Schedule manager-employee one-on-ones

In our survey, the second most popular choice for driving connection was regular check-ins with managers, at 33%. Again, this is tied to the element of more meaningful work, since ongoing contact with managers can help knit an individual's accomplishments to the vision and mission of the company while providing a platform for employees to have a voice in the organisation.

3. Build loneliness awareness into wellbeing programmes

Our survey shows that mental wellbeing support at work is paying off. Among the employees who rated their employer's mental wellbeing support as excellent or good, only 17% said they frequently experience loneliness at work. But among those who rated that support as poor, 42% said they frequently experience loneliness at work.

A high-quality mental wellbeing support programme is just the first step in creating a strong and resilient workforce. You also need to make sure your employees take advantage of these programmes by spreading awareness of the risks of loneliness and reducing the stigma associated with it. Identify wellbeing champions or mental health first aiders to talk about loneliness, communicate the supports available and encourage connection.



4. Don't shy away from asking about the state of loneliness

It's important to have a pulse on loneliness in your organisation. An anonymous survey can highlight how widespread it is, and whether employees are aware of and pleased with the wellbeing supports available to them. Our survey highlights a gap between the perception of HR and that of employees: **57% of HR leaders** rated their mental wellbeing offerings as excellent or good, with 10% rating them poor. However, **only 49% of employees** rated mental wellbeing support as excellent or good, with 19% rating it as poor.



5. Promote financial wellbeing resources

Our survey highlighted the link between financial issues and isolation. People struggling with the cost of living are more likely to be lonely and reduce their spending on socialisation. But how much are you supporting your employees through these issues?

Again, our survey highlights another gap between the perception of HR and that of employees: Over half (54%) of HR leaders surveyed said their financial wellbeing support was excellent or good, and a scant 11% said they were poor. But only 38% of employees surveyed said services offered were excellent or good, and a full 25% rated them as poor.



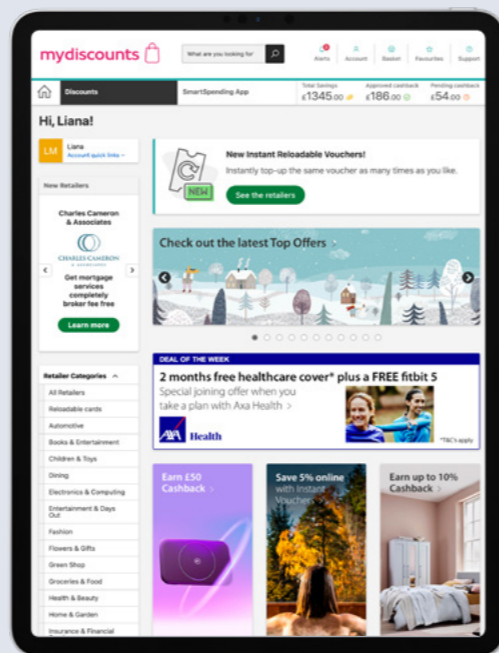
The disconnect between these numbers shows that even though HR believes it has provided what people want and need, it has not. Actively listening to employees, ensuring initiatives align with their wants and needs, and communicating what's available can have a big impact on the business.

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Whether financial wellbeing support is actually poor or simply not well marketed, it's clear that companies have an opportunity to improve this low-cost and effective support. For example, Reward Gateway client Norfolk County Council was able to save its employees **£110,000** in just a year using employee discounts. Similarly, the charity Guide Dogs saved their employees **£64,000** in a year and used their platform's reward capabilities to send out cost-of-living credits to employees.

Transport for London boosts employee buying power

Transport for London has over 16,000 employees actively using their Reward Gateway mydiscounts platform, with more signing up each day. This accounts for over 60% of its workforce, especially impressive given that most employees work in the field without regular access to a computer. Five months after launch, employees had spent over £5.25 million through the platform and benefited from a total savings of over £360k. This engagement shows their confidence in and affection for the platform, which was designed specifically around their input and needs.



6. Add connection to the agenda

Connecting with someone on a personal level is almost always enjoyable. But it's also an effective (and free) way to combat loneliness. In fact, when employees were asked what would drive connection, the third most popular suggestion (at 32%) was time and space for non-work-related conversations with colleagues. For people aged 18-24 and 55+, the third choice was regular face-to-face contact with their team.

Connecting can be personal or professional; light or more in-depth; or across roles, levels, and departments. A simple first step is to encourage managers to start meetings with a few moments of light conversation or a story. Chatting for five minutes is not a waste of time: It's an investment in relationships. At Reward Gateway, we encourage employees to set up one-on-ones with people within and outside their departments. These check-ins focus on personal and professional topics to build relationships and make working together easier and more fun.



7. Highlight diversity, equity and inclusion programmes

It will come as no surprise that employees in marginalised groups are more likely to be lonely. And only 37% of respondents said they can bring their authentic self to work. Here again we see a disconnect between the perception of employees and that of HR. A full **19% of employees** said their company wasn't doing anything to promote inclusivity, while only **6% of HR leaders** felt that was the case.

Promoting diversity, equity and inclusion in the workplace is a win all around – not just because it creates belonging and engagement, but because an overwhelming majority (90%) of employees think it's important.



At Reward Gateway, we believe that diversity, equity and inclusion is a fundamental strategic value. We encourage employees to use resource groups called EPIC Networks (for Encouraging Positive Improvements Continuously) because we want our people to play an active role in how we build and grow an inclusive culture. Diversity and belonging promote innovation, growth and improved business results. But most importantly, they create equity.

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Inclusivity and benefits

If you haven't updated your Employee Value Proposition lately, it might be worth a look to ensure it's still relevant and compassionate. Could your EVP be excluding people unintentionally by its very nature? Does your benefits and compensation package have something for everyone? What about your mission, vision, values, culture and policies? Qualitative insight through surveys can offer more objective insight if you're having trouble seeing your EVP from multiple perspectives.

At Haier UK & Ireland, our DEI initiatives prioritise belonging and fostering connections. Our Diversity & Inclusion champions act as ambassadors to attentively engage colleagues by marking key inclusive dates through organised events, celebrations or fact sheets to ignite conversations on inclusivity and recognition. Our women's empowerment programmes encourage coaching and collaboration, giving rise to the 'Women at Haier' group. Colleague-focussed listening addresses wellbeing, engagement and belonging to drive impactful action plans led by senior leaders. This encourages our managers to discuss topics and feedback in a safe space. Policy listening groups further cultivate connections by enabling colleagues to share views, sparking positive policy changes while connecting with like-minded colleagues.



Alex Burrows, HR Engagement, Wellbeing and Learning Business Partner

8. Establish mentoring programmes

Mentoring programmes help mentees gain new skills, insight into work culture and guidance from an experienced professional. But mentors benefit from these programmes as well, gaining leadership experience, recognition of their expertise and new learnings from their mentees.

Whether you focus on connection between departments and roles, or multigenerational support (younger employees gaining insight in their first workplace or seasoned employees re-entering the workforce), mentor/mentee relationships are a great way to build connections on a deeper level.

9. Train managers to integrate mental health in 1-to-1 chats

Over a fifth (21%) of HR managers surveyed think their company's environment is not trusting and open for employees to discuss their mental health. This can be made worse by general feelings of shame about discussing loneliness. But surprisingly, 42% of those surveyed said they go to their managers when they are struggling with their mental health, only slightly below the percentage that would reach out to their co-workers (43%). This demonstrates a level of trust that is pleasing to see. The question is: Are your managers trained to comfortably speak with their employees about mental health issues?

Preparing managers to address issues and ask questions is crucial to the wellbeing of employees, not just for those trusting 42%, but also for the 9% who said they don't have anyone to go to.

In fact, organisations need to set the expectation that wellbeing check-ins are part of a manager's role. Managers don't need to play the role of therapist; simply listening, asking questions and recommending available EAP resources to help with mental wellbeing is extremely helpful. But be aware, 28% of those same managers are lonely themselves. And that leads into our next and final strategy.

10. Focus on managers' mental wellbeing

It's hard to help others when you need help yourself. Because healthy, happy, confident managers have an untold positive effect on the workplace - in terms of both wellbeing and productivity - it's critical to focus on managers' wellbeing. Make it clear that it's okay to talk about mental health issues, and ensure managers understand that support programmes are there for them as well.



About Reward Gateway

Reward Gateway helps companies engage, motivate and retain people – every day, all over the world.

Our unified employee engagement hub provides the best of recognition, reward, wellbeing, surveys, benefits and discounts that support talent acquisition, retention and values-driven growth.

Get in touch with us to learn more about Reward Gateway solutions:

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Building resilience, boosting productivity

We hope you’ve enjoyed reading about the state of loneliness in UK workplaces and learned some effective strategies for reversing the significant challenge of disconnection.

This year’s survey confirmed our beliefs, but also uncovered some surprising insight about the face of disengagement and its repercussions, insight that we used to create these 10 strategies.

Our longtime experience working with companies of all types and sizes has shown us that employers are in a unique position to not only boost resilience, engagement, retention and productivity at work, but also to have a big impact on their employees’ sense of self and personal achievement. Implementing even a few of these strategies will help you draw people out of their isolation and into a deeper engagement, in terms of both social connection and meaningful, productive work.

Survey methodology

This research involved 1,007 employees and 1,001 HR managers in companies with more than 100 employees in the UK (Aged 18+).

References

- ¹ Office for National Statistics, 2021
- ² CDC: Loneliness and Social Isolation Linked to Serious Health Conditions
- ³ The Guardian, Jan 2018
- ⁴ Reasons to be Cheerful, 2021
- ⁵ Gov UK Guidance: Guidance: Employers and Loneliness
- ⁶ Mental Health Foundation: The Loneliness Report
- ⁷ LV=: A third of people struggling financially also feel lonely 2022
- ⁸ Gov UK Guidance: Guidance: Employers and Loneliness

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