

How being locked down unlocked a new working world.



State of the Nation
Report 2021

Executive Summary

WorkL's data shows a number of positives in spite of the difficulty and uncertainty the pandemic continues to bring to our working lives. We are encouraged to see men and women on par in terms of their happiness at work yet we see people who are disabled scoring low in a number of areas of their workplace happiness.

Key Summary



To reduce the flight risk, the area which needs most focus is improved management.



No longer is there a happiness gender gap.



People who are disabled are 12% more likely to be a flight risk than those who are not disabled.

There's a stark warning for businesses to improve the workplace happiness of employees who are disabled. Across all six steps, employees who are registered disabled scored lower than those not disabled



Of the Six Steps to Workplace Happiness, the lowest score in 2021 was for Well-being



The data shows lower scores from people identifying as LGBTQ+ compared to Heterosexuals.



The happiest industry is Technology.



Retail and Hospitality score poorly and are some of the least happiest industries



We need to keep investing in our culture, our people and our innovation.



Richard Walker

Managing Director, Iceland Foods

WorkL's Annual Summit 2021 Keynote Speaker
WorkL Happiness Podcast guest

Foreword

Richard Walker

Managing Director, Iceland Foods



We will make our colleagues' and customers' lives happier by listening and responding to their needs

Iceland has been in the happiness business for 51 years, so it naturally saddens me to see retail highlighted as one of the least happy industries in this report.

I can't claim, though, to be surprised. Food retailers never closed during lockdown, and our people were utterly heroic in their determination to keep serving the public, particularly the most vulnerable members of the community.

But they faced unprecedented pressures from panic buying, nervous and too often abusive customers, and massive changes in our business model as high street footfall slumped and we ramped up online delivery capacity, creating some 6,000 new jobs in the process.

Iceland has a unique culture as a family-owned business and a true business of families, with different generations commonly working alongside each other in stores and boardroom alike.

This loyalty is based on our founding principle of always treating every employee the way we would like to be treated ourselves: with courtesy, consideration, respect and above all with kindness.

"Be kind" is a great watchword for any employer.

For a retailer, it is also hard to improve on my Dad's mantra that "happy staff make happy customers, and that's what puts cash in the till."

Like all families, we sometimes have our differences but we keep talking. Our "Talking Shop" structure is embedded in all 1,000 of our stores and runs all the way up to our board. Our continuous two-way conversation is supplemented by regular feedback surveys that confirm where our colleagues feel we are doing well, and where we are falling short.

All our best ideas for helping people in lockdown – including the universally adopted "silver hours" giving priority to the elderly and vulnerable – came directly from our stores.

Iceland is a true community retailer, recruiting locally to our stores, and we operate in some of the most deprived areas of the UK.

My strong personal commitment to social and environmental justice is founded on direct experience of the struggle that so many of our customers face to feed their families.

By listening to our colleagues and our customers, we can and will make their lives easier and happier in the future.



Building back a better workforce.

Lord Mark Price, WorkL Founder



This year's WorkL Annual Report reflects on how our working lives have changed during the pandemic and looks ahead to upcoming trends as the world navigates a 'return to work'. What will that look like and how can employers strike a balance for a workforce who have been used to working from home for nearly two years?

With insight from Richard Walker, MD of Iceland Foods, who has been vocal in championing the plight of retail, we look across industries including Hospitality and the Travel Industry to learn from the past year. WorkL's report delves into our data taken from **over 250,000 individuals globally** and analyses what is making people happy at work and identifies the 'flight risk' of those unhappy in their jobs.

There's a stark difference in happiness between people who are registered as disabled and those who are not. With scores low across all Six Steps, businesses must ask themselves what more they could be doing to help those who are disabled. This year's findings also show a big difference in the happiness of managers compared to non-managers. Management is central to reducing Flight Risk and here at WorkL we urge employers to improve how they manage, with more open communication, improved information sharing, respect and trust.



Methodology

The data used in this report is from WorkL's Workplace Happiness Test which more than 250,000 people have taken. This test gives participants a score based on six key areas. In this analysis, the results collected span from August 2020 to July 2021.



Business as usual?

Was this the year when we would find a 'new normal' and get back into the office? Aspirations for getting life back on track were dashed at the beginning of 2021 as the UK went into its third Lockdown with businesses forced to shut.

It wasn't until March 2021 when the country gradually came out of Lockdown and the country was set on a path to normality with restrictions not easing completely until July 19th. This saw businesses return to normal, though many sectors have and are continuing to face challenges. From supply chain issues to recruitment, employers are endeavouring to play catch up since Lockdown and navigating an everchanging consumer landscape with a workforce divided between the home and office.

Wellbeing at risk

The Wellbeing of staff would have been one of the top priorities for many employers over the past year. Managing a workforce from afar and virtually has been one of the biggest challenges and the Wellbeing of staff has, quite rightly, been a focus. In last year's report we saw how much life during the pandemic had taken its toll on our working lives with people feeling more anxious and depressed about their work. We saw a rise from 58% to 61% in people saying they feel anxious.



This year, our Wellbeing Risk score indicates that the groups most at risk are non-managers (compared with managers), LGBTQ+ and registered disabled.

There is a marked difference in Non-Managers compared to Managers. Non-Managers Wellbeing Risk is 36% compared to 28% for Managers. There is a marked Wellbeing Risk for those registered disabled (39%) and those identifying as LGBTQ+ (38%).

With a move to working from home have people who are disabled encountered difficulties with this transition?

If we look at which industries have a high Wellbeing risk we can see Hospitality (35%), Retail (38%), Chemicals Mining and Metals (43%) and Health and Social Care (36%) all have high scores.

Wellbeing question set

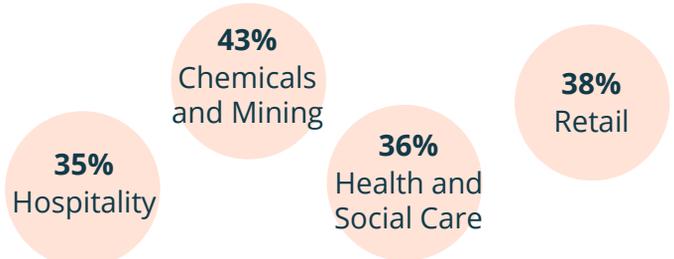
Take the full happiness at work test [here](#)



Psychotherapist and WorkL Ambassador, Lucy Cavendish:

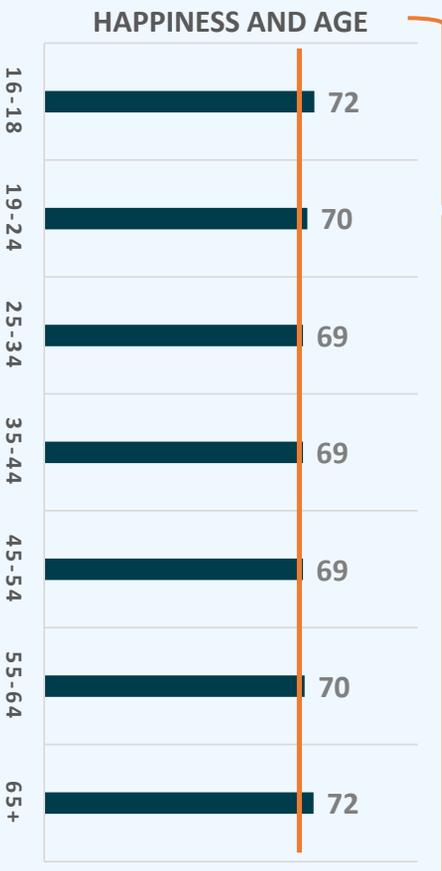


"As the pandemic blurred the lines between home and work, people have been working longer hours and it's no surprise people's wellbeing has suffered. Eighteen months of working from home has taken its toll. After the initial joy of working from home at the start of the pandemic, many are weary of endless zooms and a lack of physical contact. It is essential employers are sensitive to how employees transition to perhaps a hybrid way of working. Bringing back the commute is going to be tough, not only financially but mentally for many. Employers must ensure their employees don't burn-out. This next year employers need to support employee's wellbeing and learn the lessons of the past year".





How engaged are we at work?



The happiest age group is those aged 16-18 and 65+ year olds. Could it be that those who are unhappiest are in the depths of their careers, climbing the career ladder?

Ethnicity



Asian / Asian British are the happiest ethnicity.



Black, African, Caribbean's coming a close second.

Gender

We are pleased to see no real difference between genders but encourage employers to engage with their employees and encourage an open conversation about diversity and happiness at work.



This year the happiness gender gap has decreased with both male and females scoring a similar 70% (female) and 69% (male). Last year we saw a marked increase in happiness scores and these have stabilised with no significant movement.



Engagement improvement areas

Worryingly the least happy demographics are LGBTQ+ and those registered as disabled. Compared with people who identify as heterosexual (71%), LGBTQ+ scored lower (68%). We delve further into the happiness of people who are disabled later in the report but when compared to people who are not registered as disabled (71%) they score a full 4 points lower.

We are pleased to note that this year the happiness gender gap has decreased with both male and females scoring a similar 70% (female) and 69% (male). Last year we saw a marked increase in happiness scores and these have stabilised with no significant movement.

Heterosexual Score



71%

LGBTQ+ Score



68%

Registered Disabled Score



71% (-4% compared to average)



Improvements Wanted

What can make people's working lives happier?

It's an aged-old question that haunts employers. In WorkL's Happiness Test, employees are asked what three changes would improve their workplace happiness?

Managers in last year's report scored flying colours- it seems the pandemic saw Managers step up to their responsibilities. Are we now seeing a return to the past, pre-covid, whereby employees are looking for better management and communication?

Top three areas of change employees are looking for:

Anonymous WorkLer

Change theme	frequency (%)
Pay	27%
Workload	25%
Management	12%

Over 50,000 words have been subjected to thematic analysis to identify common issues, irrespective of the language used. The top three areas of change employees are looking for are: **pay, workload and management**. If we look at the frequency of themes being mentioned we can see pay comes in top with 27%, workload with 25% and management next with 12%.

Disability

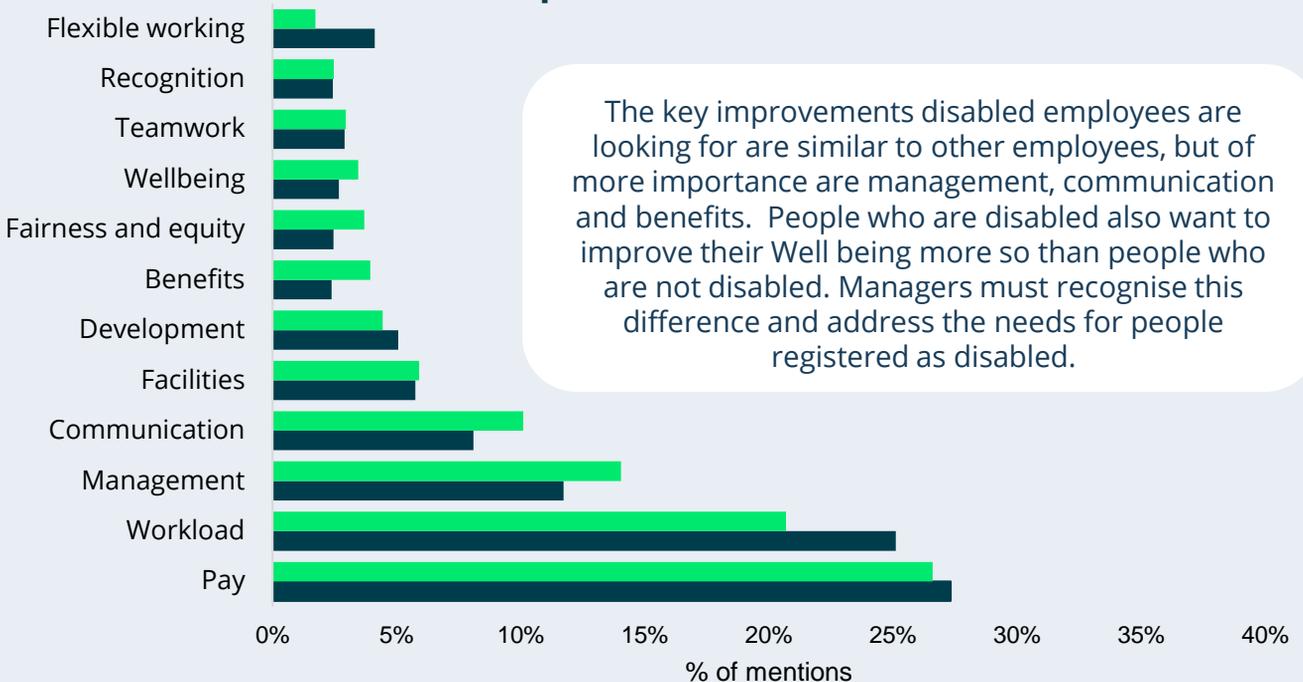
Employees who are disabled are likely to be less happy at work than other employees. A key takeout of this report is the marked difference between those who are disabled and those who are not.

Happiness Score

67%
Registered
Disabled

71%
Not
Registered
Disabled

Improvements Wanted



The key improvements disabled employees are looking for are similar to other employees, but of more importance are management, communication and benefits. People who are disabled also want to improve their Well being more so than people who are not disabled. Managers must recognise this difference and address the needs for people registered as disabled.

Disability continued

If we take a look at the qualitative comments in the survey and the questions, **'What 3 things would make you happier at work?'**, we can see many people who are disabled feel bullied and discriminated against. Managers are also singled out as needing to do more.

Key Findings:

- Deal with workplace bullying; Stop disability discrimination; Fair and equal treatment for everyone
- Made to feel valued
- Give time to people with disabilities
- For our manager to talk and actively listen to staff member
- People being more understanding
- For them to realise I exist as a person
- Treated with respect from management
- The management actually caring about your well-being and not just ticking boxes
- Being respected; Treated as an equal; Accepted for my condition and get the help that I need without having to keep asking all the time
- To stop disability discrimination in the workplace



Improvement Area

Kate Mannerings, Head of Sales, at Percussion Play, a world leading outdoor musical instruments manufacturer, reflects on being an amputee and its impact on her workplace happiness.



PercussionPlay
Outdoor Musical Instruments



Having lived with my disability since I was young, I've never known any different. I am physically mobile and have no issues navigating my workplace as an amputee. I work in an office however I can see how those with mobility issues may find their work environment challenging- particularly physical work such as manufacturing.

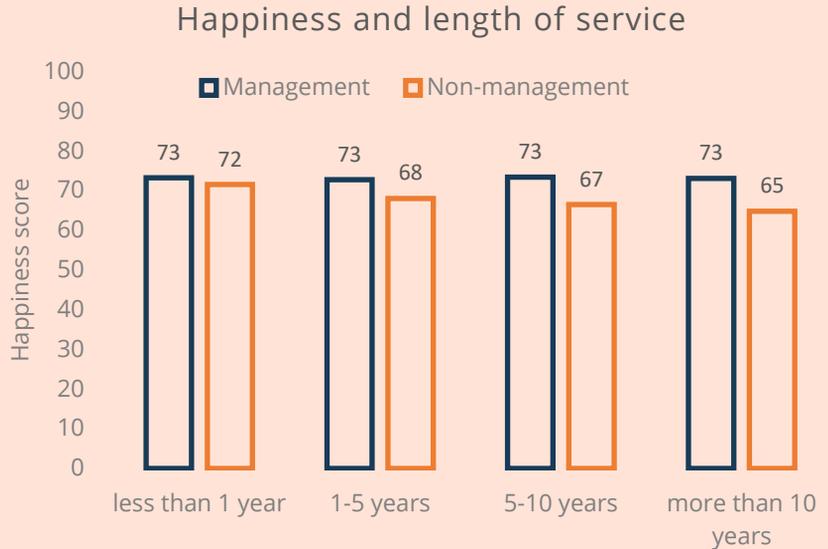
I'm lucky to work in an environment which is open and sensitive to my needs. Percussion Play has a welcoming and inclusive office and the management understand if I have to attend hospital appointments. I am not surprised by WorkL's findings that people with a disability are less happy at work. The past year must have been challenging for anyone trying to navigate the transition to home working whilst trying to access healthcare - particularly with the demands put on our hospitals and health services by the pandemic. It's essential managers are flexible and sensitive to medical appointments whilst treating everyone equally - regardless of disability.



Is Happiness a job for life?

Should employees be happier as they stay longer at their place of work? According to our data happiness tends to decline with length of service. However, this only applies to employees not in management.

Non-Managers who are just a year into their job score 72% for happiness but this declines to 65% after more than ten years of service. Managers however have no decline in their happiness regardless of length of service.



Managing Happiness

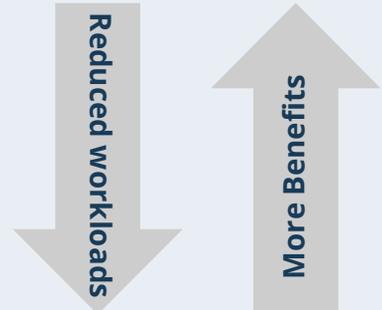
As outlined in the previous chapter, Managers tend to be happier than Non-Managers. Managers score 73% where as Non-Managers score 68%.

The improvements Managers and Non-Managers are looking for are similar, but Managers are more likely to want reduced workloads and more benefits. While Non-Managers are more likely to look for better managements and communications.

If businesses can improve management there are multiple benefits including reducing Flight Risk. With the jobs market in the UK hitting a record high of 1 million vacancies, it has never been more important for organisations and businesses to improve their management and retain employees.

This encompasses better training for managers, respect, trust and culture. Improving communication is also vital to reduce Flight Risk.

Managers want:



Non-managers want:



“ Job vacancies surge past one million in new record ”

*BBC News 14.09.21



Flight Risk Indicators

- 'I am fairly paid'
- 'I have a good relationship with my manager'
- 'I enjoy my job'
- 'I am being developed'

Looking at the combination of management and disability shows that **Non-Managers who are disabled have nearly twice (1.8 times) the flight risk of Managers who are not disabled.**

As discussed, to reduce the flight risk, the area which needs most focus is improved management.

If we look closer at Flight Risk we can see that this is higher for employees serving more than ten years, for Non-Managers compared with Managers, for LGBTQ+ employees, and for registered disabled employees.

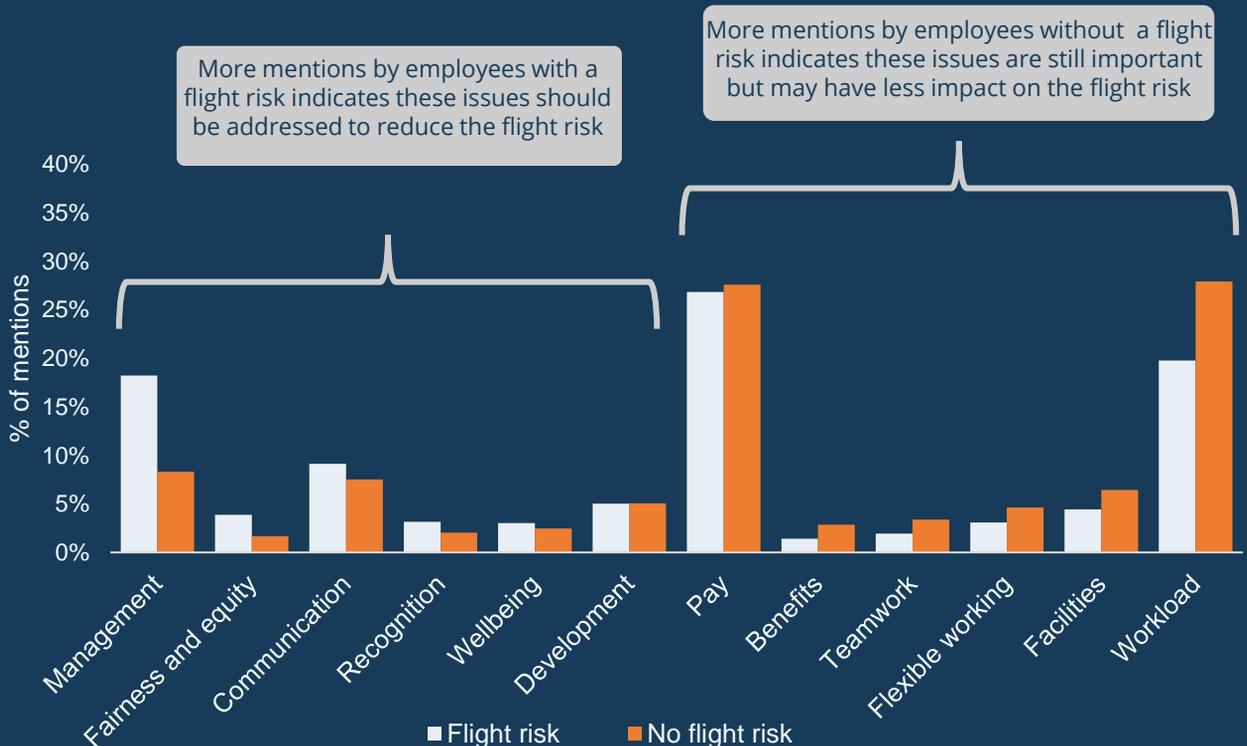
People who are disabled are 12% more likely to be a Flight Risk than those who are not disabled.



Improvements Wanted

This is illustrated by comparing the improvements most wanted amongst those at Flight Risk and those not at risk. **Management was mentioned by more than twice the number of employees with a Flight Risk than those without a Flight Risk.**

Although Pay was the most commonly mentioned factor, there was little differentiation between those with a Flight Risk and those without, indicating that while important, it's not the priority for reducing the Flight Risk.



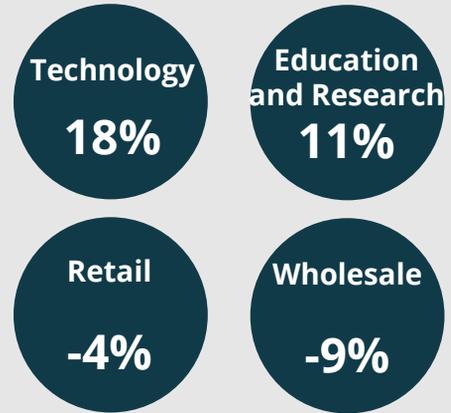
What are the Most Engaged Industries?

Industries have had to adapt over the past year particularly Retail, Hospitality and the Travel industry. Surviving Lockdowns, travel bans and a change in consumer spending, these industries have been hardest hit.

The happiest industries are Technology and Marketing and Advertising, which seem to have been least affected by the pandemic. Last year Technology was also the happiest industry and now two years in a row Technology is a place where employees are the happiest. More reliance on technology during the pandemic could have seen a boom in start-ups and innovation, producing a sector that has benefited from Lockdowns and a switch in behaviour from the physical to the virtual.

NPS across Industries

NPS represents the number of employees who would recommend their organisation to their friends and family.



*Email stuart.Duncan@workl.co for information on your sector

Least Engaged Industries

Most Engaged Industries



The unhappiest industries are Manufacturing of Consumer Goods, Wholesale and Chemicals, Mining and Metals Manufacturing. Hospitality and Travel and Leisure score towards the bottom end of the scale both scoring 69% and Retail comes fourth from bottom with 67%. A year of Lockdowns with non-essential shops shutting but increased pressure and demand on supermarkets has made for a turbulent year in retail and hospitality has been besieged by the so-called 'Pingdemic' with a high number of vacancies and too few staff. Working on the frontline in retail and hospitality has been a challenge.

WorkL's Net Promoter scores asks if employees would recommend their place of work to their friends and family. Technology, Health and Social Care and Business and Management Services scored highest and Manufacturing of Consumer Goods, Wholesale and Retail scored lowest.



Expert Insight: Reflections on the state of Hospitality



William Sitwell

Food writer, restaurant critic and broadcaster



HAPPINESS is at the core of what hospitality aims to deliver. I can't think of another industry that this applies to in such a wholehearted measure. Travel broadens the mind, holidays recharge the batteries, theatres and cinemas entertain and educate, the media questions and informs, retail sales and feeds us. Only hospitality toils for our contentment in such a direct way. We dine out for business, for birthdays, to see friends and family and we dine to invest in memory. The latter might not be the reason we do it at the time, but as the food fed us so the memories can nourish the mind for years.

So it is all the more shocking, if not unexpected, that WorkL's State of the Nation report finds that hospitality - the people that work in the business, be it hotels, bars, restaurants or nightclubs - form the unhappiest of sectors in 2021. Because a chef might be a great cook, a waiter brilliantly adept at service but not everyone in hospitality can be expected to be a great actor. And if you're selling happiness, be it with a plate of scallops, or a glass of white Burgundy, when you're miserable and worried inside it's hard to make the smile you need to wear be heartfelt.

To seem happy it helps if you are happy. And customers are quite good at spotting the real thing or a fake. As food has improved in recent decades so has the service in the UK. Today we expect accomplished dishes delivered in good spirits. But the industry has been under enormous pressure over the past year or so. Uncertainty, with the pandemic, made life almost unbearable for countless people. The staff shortage is making business very hard to operate today.

But while the government's path to assistance and rescue was shaky its strategy saved it from disaster. And as chefs, restaurateurs and suppliers are some of the most creative, innovative people in the UK the industry is now bouncing back. There is currently a frenzy of openings. A career in hospitality offers the most diverse prospects imaginable: you can manage a business, cook, bake, serve and sell wine or design.

The limits are down to your ambition and imagination. And that should put a smile on your face. As hospitality gets back its mojo so the rest of us must play our part, the fun bit; to eat and drink out. If we can invest - and honour every booking - the smiles will be genuine and we can be joyfully infected with the best bug of all: happiness.



Diversity and Inclusion

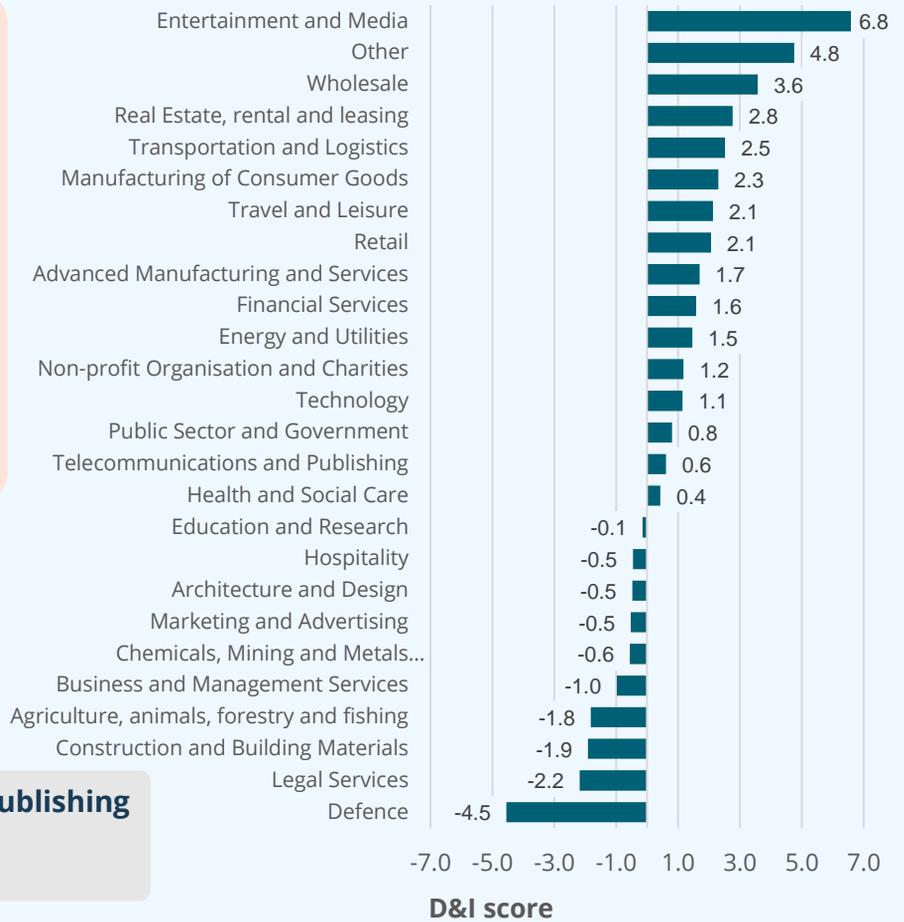
Our Diversity and Inclusion (D&I) measure indicates that **the industry with the best attitude and initiatives in place for promoting diversity and inclusion is Education and Research**. At either **ends of the spectrum is the Defence sector and Entertainment and Media**. The happiest industry, Technology, scores relatively well with a D&I score of 1.1.

Improvement Area



This graph displays the percentage points of difference between the minority and majority employees at this organisation. A positive score means the minority groups have scored more highly, a negative score means the majority groups have scored more highly. Organisations should aim for a D&I score of 0.

D&I and industry



Good D&I Scores and NPS:

Health and Social Care

NPS: **17%** (2nd top industry score)

Telecommunications and Publishing

NPS: **12%**

Looking closer across ethnicities we can see Asian/Asian British score the highest (71) for feeling developed at work compared with those who are white scoring 63.

On information sharing, Arab people score poorly, a full 8 points behind white people and if we look at if employers care for their wellbeing, Arab people again score the lowest with 65 compared to Asian/Asian British scoring 71.

Arab people score poorly (58) when rating whether they rarely feel anxious or depressed about work and are the least happy at work compared to the most happiest, Asian/Asian British.

Bad D&I Scores and NPS:

Entertainment and Media

NPS: **7%**

Defence

NPS: **11%**

Six Steps to Workplace Happiness



Reward and Recognition



Job Satisfaction



Information Sharing



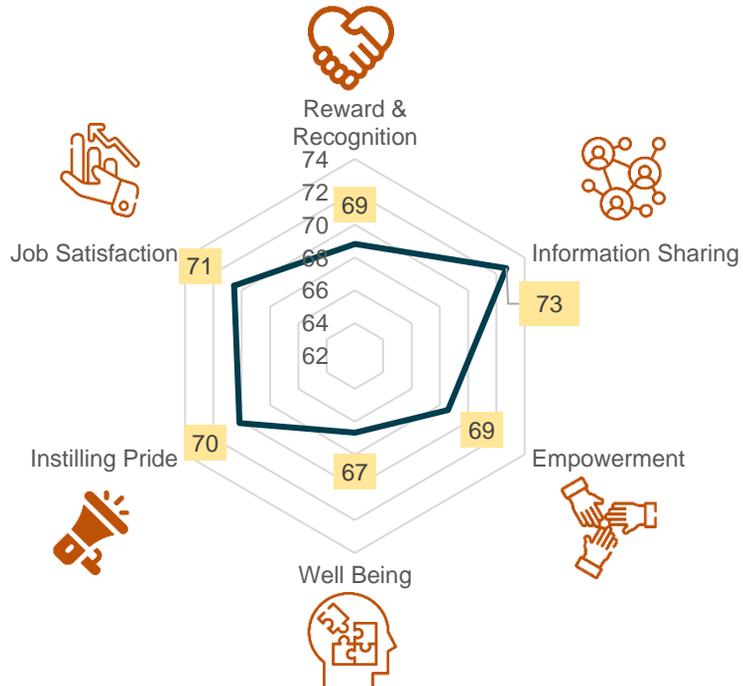
Empowerment



Well-being

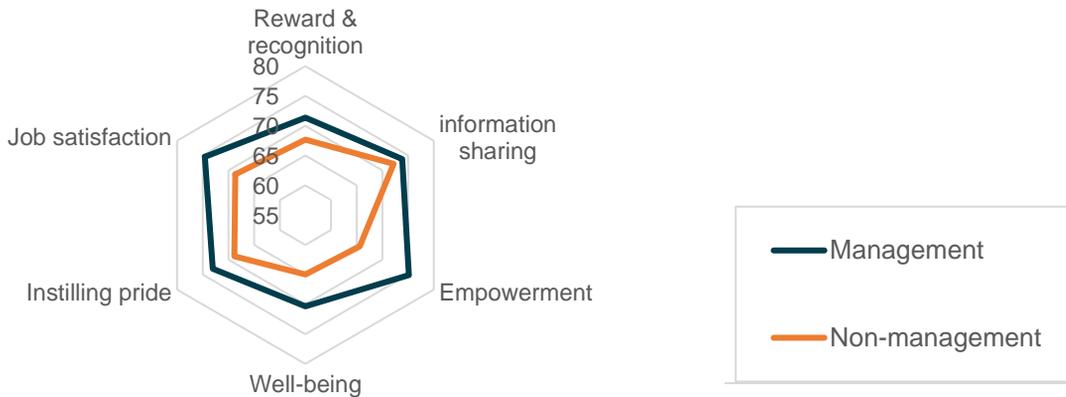


Instilling Pride



Of the six steps to workplace happiness, the lowest score in 2021 was for Well being. Across all Six Steps, aside from Information Sharing, Managers scored more highly than Non-Managers.

Six steps: Managers v Non-managers



Improvement Area



There's a stark warning for businesses to improve the workplace happiness of employees who are disabled. Across all Six Steps, employees who are registered disabled scored lower than those not disabled.

Men and women scored similarly across the Six Steps whereas we see lower scores from people identifying as LGBTQ+ compared to Heterosexuals.



WorkL Happiness Podcast

Insights from business leaders featured on **our WorkL Happiness Podcast**. Listen on our **Resource Centre**, Apple Podcasts and Spotify.

Charlene Prempeh, Founder of A Vibe Called Tech & FT Contributing Editor

“Actually getting on and doing it – there is no better training.”



Roann Ghosh- Founder Epiphany and host of The Self Centred Podcast

“We often make work the diversion. Don’t make anything a replacement for good mental health”.



Lavinia Stennett, Founder of The Black Curriculum

“If you see something that’s wrong, or you have an opinion, make it known



Emma Stewart MBE, Co-Founder, Timewise

“Control, autonomy in the workplace, a sense of opportunity, progression, ambition – all of that- we don’t always define it as happiness but when you are happy, you work hard, you enjoy your work and you deliver great results”.



Bob King, Founder of Humanscale

“Without obstacle, you don’t have opportunity”



Jo Ruxton, Founder Ocean Generation

“If you stand your ground, people will listen and change will happen”.



Tina Wilson, Founder and CEO, Wingman

“I just thought when you know, you know. I thought I’m going to do it and I’m not going to live with the regret of not giving it a go”.



James Ashton, Author and Journalist

“One key thing for successful leaders is being able to take the people around you and beneath you with you.”



What’s next for WorkL?

Next month WorkL is looking at **Flexible Working** and how, post pandemic, people are potentially seeking out new ways of working, demanding some autonomy over how, when and where they work.

We want to hear what today’s workforce want in terms of flexibility and discover how employers can respond and support.

[Click here to take the short survey](#)

WorkL
In association with **timewise**

WorkL Workplace Awards 2021

The winners of the **WorkL Workplace Awards 2021**, supported by The Telegraph, will be announced on the 26th October 2021. The awards recognise organisations across 26 sectors which have achieved high level employee engagement over the last year. Every organisation with an average workplace satisfaction score of above 60% will be a WorkL Workplace Awards Finalist. Our winners will be awarded Gold, Silver and Bronze status. Additionally we'll recognise the following:

-  1. Industry star - top performers from our 26 industry categories
-  2. Most Inclusive organisations - covering Sexual Orientation, Ethnicity, Gender and Disability
-  3. Best in Well being
-  4. Most engaged employees



WorkL Workplace of the Year Awards 2021

Supported by **The Telegraph**

Visit here on the 26th October to view the winners.

WorkL for Business Enquiries

Find out how happy employees at your organisation are by searching for your organisation on our free, public **Happiest Companies list**.

Can't find your organisation? Check out our new, unique engagement indicators as pictured to the right. Working with us, your organisation's dashboard could look like this.

For more information on any of the data provided and to speak to our team about employee engagement services contact stuart.duncan@workl.co or support@workl.co.

