# **GALLUP**°

SEPTEMBER 6, 2022

# Is Quiet Quitting Real?

BY JIM HARTER



#### STORY HIGHLIGHTS

- At least half of the U.S. workforce is quiet quitting
- The workplace, amid the pandemic, got worse for younger workers
- Managers are essential to combatting quiet quitting

"Quiet quitters" make up at least 50% of the U.S. workforce -- probably more, Gallup finds.

The trend toward quiet quitting -- the idea spreading virally on social media that millions of people are not going above and beyond at work and just meeting their job description -- could get worse. This is a problem because most jobs today require some level of extra effort to collaborate with coworkers and meet customer needs.

U.S. employee engagement took another step backward during the second quarter of 2022, with the proportion of engaged workers remaining at 32% but the proportion of actively disengaged increasing to 18%. The ratio of engaged to actively disengaged employees is now 1.8 to 1, the lowest in almost a decade.

The drop in engagement <u>began in the second half of 2021</u> and was concurrent with the rise in job resignations. Managers, among others, experienced the greatest drop.

The overall decline was especially related to clarity of expectations, opportunities to learn and grow, feeling cared about, and a connection to the organization's mission or purpose -- signaling a growing disconnect between employees and their employers.

Many quiet quitters fit Gallup's definition of being "not engaged" at work -- people who do the minimum required and are psychologically detached from their job. This describes half of the U.S. workforce.

Everyone else is either engaged (32%) or actively disengaged (18%). The latter are "loud quitters." Actively disengaged employees tend to have most of their workplace needs unmet and spread their dissatisfaction -- they have been the most vocal in TikTok posts that have generated millions of views and comments.

Most employees who are not engaged or actively disengaged are already looking for another job.

## The Workplace Has Gotten Worse for Younger Employees

Gallup finds a decline in engagement and employer satisfaction among remote Gen Z and younger millennials -- those below age 35.

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This is a significant change from pre-pandemic years. Since the pandemic, younger workers have declined significantly in feeling cared about and having opportunities to develop -- primarily from their manager.

These younger employee advantages have mostly disappeared.

- The percentage of engaged employees under the age of 35 dropped by six percentage points from 2019 to 2022. And during the same time, the percentage of actively disengaged employees increased by six points.
- Younger workers have dropped 10 or more points in the percentage who strongly agree that someone cares about them, someone encourages their development, and they have opportunities to learn and grow.
- Fully remote and hybrid young workers dropped 12 points in strong agreement that someone encourages their development.
- Disturbingly, less than four in 10 young remote or hybrid employees clearly know what is expected of them at work.

### Solving the Quiet Quitting Crisis

It's clear that quiet quitting is a symptom of poor management.

First, address manager engagement. Only one in three managers are engaged at work. Senior leadership needs to reskill managers to win in the new hybrid environment.

Managers must learn how to have conversations to help employees reduce disengagement and burnout. Only managers are in a position to know employees as individuals -- their life situation, <u>strengths</u> and goals.

Gallup finds the best requirement and habit to develop for successful managers is having one meaningful conversation per week with each team member -- 15-30 minutes.

Managers need to create accountability for individual performance, team collaboration and customer value -- and employees must see how their work contributes to the organization's larger purpose. Decisions about where people

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work -- on-site, remote or a hybrid schedule -- should keep these factors in mind. Importantly, every organization needs a culture in which people are engaged and feel they belong.

Gallup's findings are based on a random sample of 15,091 full- and part-time U.S. employees aged 18 and over, surveyed in June of 2022.

#### Build an engaged workforce that goes the extra mile:

- Learn what employee engagement means and how to improve it.
- Partner with Gallup to discover what your employees need to succeed.
- Explore the Q<sup>12</sup>, Gallup's science-backed survey for measuring employee engagement.

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<u>Elements of Great Managing</u> and <u>Wellbeing: The Five Essential Elements</u>.

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AUGUST 3, 2022

# The Old Workplace Is Gone. What's a Board to Do?

#### BY JIM CLIFTON AND CHAD HOLLIDAY



There are 125 million full-time employees in the United States. Of them, 56% tell Gallup they can do their office jobs remotely -- so, 70 million U.S. workers say they can work from home (WFH).

Of these, 30% say they don't want to come into the office anymore and prefer fully remote, 60% say they want a hybrid arrangement, and only 10% prefer to work fully on-site.

A new will of the world has emerged -- one that we couldn't have imagined the day before the pandemic.

Who knew we would all wake up the same morning in one global Zoom conversation? And so far, it sort of works.

What are you going to do about this new will as a board member? How you <u>bring</u> <u>employees back to the office</u> is closely connected to very large amounts of money that go beyond expensive office space.

You might say figuring out how to bring employees back is a job for the CEO and

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management team, not the board. We see this as a major strategic decision that should be implemented by the management team but probed and tested by the board.

A board member's job is to ask the right questions to support the CEO in making the final decision. For example: Have we lost mission-critical people to other companies because of our WFH policies? Why? Do our customers have a preference regarding our WFH approach, or do they just care about the results?

Another critical question: How have we developed our <u>managers to be effective in a WFH or hybrid environment?</u> Right now, managers don't know what to do and are accumulating dangerous levels of stress and subsequent burnout (real mental health issues).

According to Gallup's recent U.S. panel research, managers are more miserable at work than their employees. Your team leaders have likely never been taught how to manage a much less attached worker.

Right now, managers don't know what to do and are accumulating dangerous levels of stress and subsequent burnout (real mental health issues).

Worldwide productivity is on the line, especially because your customer connections run through your workplace. The money players in your company are the customer-facing teams. As goes the quality of those relationships, so goes sales, profit and stock price. The simplest way to say it is that your employees know all your customers. Therein lies the new risk.

The risk the board and CEO need to consider is a potential customer retention problem, which will eventually affect stock price far more directly than employee retention.

Respected CEOs are all over the place about how to bring employees back. "Come back to normal or you are fired." Others are saying, "You don't have to ever come back -- fully remote is fine." There remains an unanswered question in every board room -- will giving approval to hybrid and remote employees cause overall productivity to go up or down? That is the question.

Gallup's answer: If you get it right, productivity can soar.

Have you received this call, "Hey boss, great news -- the family and I are going to sell our home in the city and move to the lake house. So cool, my office will be in the boat house." Then they always say this, "It won't hurt my productivity at all -- I am more productive out here than in the office."

Your senior executives are moving to the hills, too. Dear CEO, "Mavis and the kids love the environment so much at our Montana place, we are going to live out there much of the year now."

CEO says, "Have you gone nuts? We need you here in customer sessions."

When Gallup asked the 70 million U.S. <u>employees why they'd rather not come in anymore</u>, their first response is "the commute." Their next answer is it "helps my wellbeing" and the third is "it works better for my family."

## Worldwide productivity is on the line.

Has your board discussed if you even *need* people in tall buildings in big cities anymore?

The appeal of working in shiny steel buildings with enchanting lobby water sounds won't bring employees in anymore. Eventually, this will crush commercial real estate as well as supporting retail shops and cafes.

What if the shift to WFH crushes GDP per capita, America's ultimate performance measurement? All because Zoom doesn't work as well for customer retention and

buildouts. So, deal-making can no longer ride on relationships and ideas quite like before.

Have you ever noticed that humor doesn't come across Zoom? Does it make you wonder what else isn't coming across -- like trust and caring?

On the other hand, GDP per capita -- the sum of all the stuff we make and sell each other -- has largely been in deceleration for 50 years. So, it isn't like, "We have to get back to what works." We would argue, along with other experts, that America has needed transformational workplace change for 50 years.

Doesn't it seem that our American management system was already broken if 90% of our 70 million office workers say they don't want to come back to the office full time? Whether it's, "I want out and I am never coming back to that rat race again" or, "I am dropping off the grid -- forever."

A new will of the world has emerged -- one that we couldn't have imagined the day before the pandemic.

The board and CEO need to know the big potential risks. Productivity, customer retention, wellbeing (mental health) and fast declining relationships that bind the place together with employees and customers -- could now all be at high risk.

Here is how to restart your workplace.

Call your board and CEO together and commit to hybrid. Do that or nobody with any talent will ever work for your firm again. It is your biggest current decision and has extraordinary implications for growth, profit and stock price.

Establish on-site days as Tuesday/Wednesday/Thursday. This is a promise employees make to each other, not a promise they make to management. We need to know which days we are all in together so we can collaborate. We also need to

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know when we can celebrate successes, meet new colleagues and tell each other customer stories.

Not all employees will be hybrid, of course. Ten percent (10%) of your total office and executive workers want to be on-site Monday through Friday. That's great. In addition, managers need to know which employees will be fully remote so they can be reviewed and coached differently.

Require a recently discovered silver bullet: The manager must now hold one meaningful conversation per week with each employee -- 15 to 30 minutes, usually about goals, customers and wellbeing. This prevents employees from morphing into gig workers. Gallup finds this leadership habit magically develops rich, high-performance relationships.

And lastly, aim every workplace decision at the customer relationship, which is hard-wired to your employee relationships.

Do these four things well, and a new hybrid workplace will work better than your old one.

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RELEASE DATE: September 6, 2022

SOURCE: Gallup https://www.gallup.com/workplace/398306/quiet-quitting-real.aspx CONTACT: Gallup World Headquarters, 901 F Street, Washington, D.C., 20001, U.S.A

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