

THE CULTURE FACTOR: IMPROVING EMPLOYEE LOYALTY & RELATIONSHIPS

RESEARCH STUDY



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INTRODUCTION

Workplace culture cannot be represented by a single attribute or offering. Instead, it's the sum of a company's values, traditions, beliefs, interactions, behaviors and attitudes. When a company makes a serious commitment and takes pride in how its values and beliefs are embodied throughout its workforce, it can attract top-notch talent, increase happiness, create a sense of fulfilment, positively impact performance and ultimately, improve employee relationships, loyalty and retention.

When you read HR industry trend reports and news articles about employee satisfaction, engagement is often the star of the show. In today's digitally focused workplaces, many HR practitioners place a greater emphasis on driving transactional engagement than building and sustaining a culture that's fair, trusting, respectful, collaborative, accountable, transparent and inspiring. But as our study's findings indicate, the emphasis needs to shift towards culture - and how it plays a direct role in shaping, influencing and even improving employee happiness, relationships (from the bottom to the top), loyalty and retention.

In this research study, we will explore the various embodiments of culture within organizations, the ways in which companies communicate culture (and any changes to it) and the positive and negative impacts of culture on employee satisfaction, workplace relationships and loyalty.



SURVEY METHODOLOGY & OBJECTIVES

We surveyed over 1,000 employees in the United States and the United Kingdom to understand the various embodiments of culture within organizations, the ways in which companies communicate culture (and any changes to it) and the positive and negative impacts of culture on employee satisfaction, workplace relationships and loyalty. The survey was fielded in April 2019 and targeted employees across a variety of business categories, including retail, hospitality, entertainment, manufacturing, construction and consumer packaged goods.

KEY FINDINGS & TRENDS

Culture Eats Engagement for Breakfast, Lunch and Dinner

We've all heard the adage - culture eats strategy for breakfast. But in the digital workplace, strategy has now been replaced by engagement. And as our study's findings indicate, **culture** eats engagement for breakfast, lunch and dinner in the race to win over employees' satisfaction, loyalty and retention. This is supported by the fact that 74 percent of the surveyed US and UK employees said culture is important to them and another 58 percent said they would take a job with a competing company if the new company had a better culture than the current one. Just imagine if a company has 10,000 employees and over half of those employees would gladly leave to join a competing company simply because it has a better culture.

As if that isn't enough to make HR and employee experience practitioners believe in the importance of culture, we decided to take it a step further and asked the respondents to choose between two options - to work 60 hours per week or work for a company

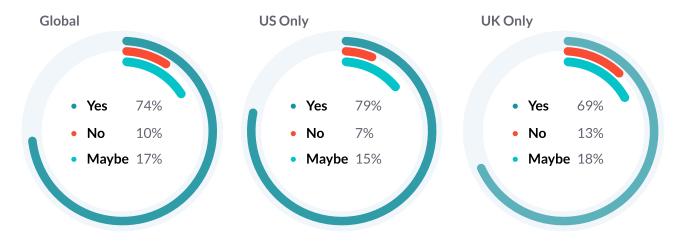
that doesn't value culture. The responses were enlightening. Almost half (48 percent) said they'd gladly work longer hours than sacrifice culture, while 27 percent said they'd rather work for a company that doesn't value culture. Another 25 percent said they don't know which option they'd choose in this scenario.

But the real eye-opener came upon dissecting and analyzing the country-specific findings. It highlighted just how different employee beliefs, values and priorities are in each country. Our data suggests that culture is far more important to American employees, while British employees place a higher premium on their personal time. In particular, 55 percent of the US respondents chose the 60 hour workweek, compared to their UK counterparts (42 percent). Meanwhile, 22 percent of the US respondents said they would prefer to work for a company that doesn't value culture, while a higher number (33 percent) of UK respondents chose this same option.



To say culture matters is a severe understatement. But when you consider that 27 percent of the global respondents either said culture didn't matter to them, or they weren't sure, paints an even bleeker image for employee happiness and loyalty. This is made worse by the fact that over one-third (35 percent) of the global respondents described their work culture as 'average,' while 14 percent described it as 'neutral,' 7 percent admitted to having a toxic culture and 3 percent confirmed their company has no culture at all. Although a higher number of US respondents (45 percent) described their culture as 'positive' than UK respondents (36 percent), that doesn't necessarily mean it's all good news for American employees and their employers. Plus, the amount of US respondents (9 percent) who admitted to having a toxic culture is nearly double the amount of UK respondents (5 percent) who expressed similar views.

Chart 1



Is company culture important to you?

Note: Figures may not add to 100 due to rounding.

Chart 2



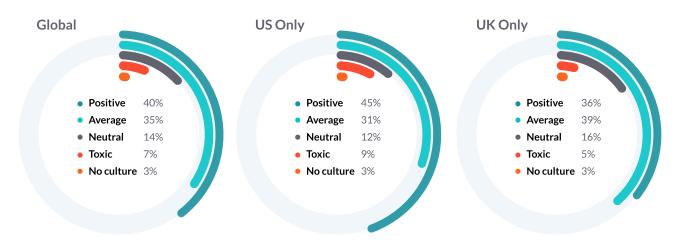


Chart 3

Would you ever take a job at a competing company because you felt its culture is/would be better than your current company's culture?

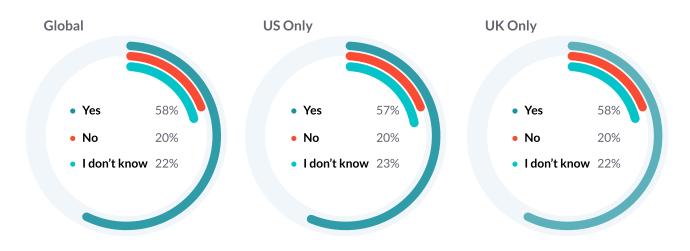


Chart 4

Would you rather work 60 hours per week or work at a company that doesn't value culture?







To Build a Strong Culture, Emphasize Respect, Fairness, Trust & Integrity Over Transactional Engagement

Now that we have surmised that **culture is important in improving employee satisfaction and loyalty**, it's important to understand what specific attributes contribute to a strong workplace culture. So we asked this specific question to the global respondents and the following responses ranked as the three most important attributes of a strong culture - respect and fairness (39 percent), trust and integrity (23 percent) and teamwork (9 percent).

However, only 2 percent of the global respondents said **employee engagement** was a key attribute of a strong culture and just 2 percent felt transparent communications made an impact. If you look at these responses, they reiterate what we were saying earlier - transactional engagement isn't what companies should be prioritizing if they want to create a positive, collaborative and trusting culture that attracts top talent, increases employee happiness and cultivates loyalty.

As you can see from these findings, these attributes have nothing to do with superficial perks and amenities like video gaming rooms, foosball and/ or ping pong tables and free meals/stocked fridges. Rather, they have everything to do with beliefs, values, behaviors and attitudes. This requires organizations to focus on building a workplace culture based on trust, respect, fairness and integrity. When your culture embodies these characteristics from within (and outwards), your organization will benefit immensely.

When we compared the responses from the US and UK respondents, there were some interesting differences in the most important attributes of a strong culture. For instance, 45 percent of the surveyed UK respondents cited respect and fairness as the most important attribute of a strong culture, while just 34 percent of the surveyed US respondents cited the same response.

The sad fact of the matter is that many companies today mistake physical perks or amenities as being a critical part of workplace culture. But they simply are not. By focusing on providing superficial perks, such as free lunches/snacks/beverages, ping pong and/or foosball tables, video games, yoga, social outings/ events and posters illustrating the company's values on walls, companies are proving that they don't understand what culture truly means, how it should be activated and how it can positively (and negatively) impact the **employee experience**. This misunderstanding, at its core, is where companies need to begin if they want to improve their workplace culture.

More often than not, companies either don't recognize that they have a culture problem - or don't know what signs to look for to foster a positive, respectful, trusting and fair workplace culture.









Once your organization recognizes and acknowledges the signs of an ineffective, poor or toxic culture, you will be better equipped to tackle the problem head-on and drive true change management within your organization.

Chart 5

Which one of the following is the most important attribute of a strong culture?

| | Global | US Only | UK Only |
|-----------------------------------|--------|---------|---------|
| Respect and fairness | 39% | 34% | 45% |
| Trust and integrity | 23% | 21% | 24% |
| Change and adaptability | 5% | 5% | 5% |
| Results-oriented | 1% | 1% | 1% |
| Teamwork | 9% | 10% | 8% |
| Employee engagement | 2% | 2% | 2% |
| Responsibility and accountability | 4% | 7% | 1% |
| Learning and growth opportunities | 5% | 7% | 4% |
| Sense of purpose/fulfilment | 3% | 4% | 3% |
| Transparent communications | 2% | 2% | 2% |
| Access to management | 1% | 1% | 0% |
| Employee loyalty and retention | 4% | 6% | 3% |
| Don't know | 2% | 2% | 1% |



Pre-Boarding Is the New On-Boarding

First impressions count. It only takes seven seconds to make a first impression on another human being, according to a Harvard study of communication. Just as important as first impressions are in our everyday lives, they also matter in the workplace. To that end, we asked the global respondents what makes them feel connected to a company's culture during the first 30 days on the job. 19 percent of the global respondents said being invited to join an employee communications app and communicate with colleagues before the first day of work and another 19 percent reported being assigned a buddy/mentor prior to the first day. Additionally, 21 percent of the global respondents said sharing the organization's mission, vision, values and underlying assumptions had the greatest impact on their alignment with the company's culture.

The aforementioned responses, in particular, should have significant meaning and weight for employers all over the world and reiterates what we've been seeing in our experiences over the last several years. **Pre-boarding** is just as important, if not more, than the on-boarding process. Rather than waiting to onboard new employees on the first day of work, companies will see better results if they start engaging with new employees from the moment an offer of employment is extended. The data from our study reiterates this point many times over. When we analyzed the country-specific responses, there were variations that may reflect specific cultural values and employment practices of those countries. For instance, being invited to join an employee communications app and communicate with colleagues prior to the first day is ranked highest (22 percent) by the UK respondents, while it is ranked lower (15 percent) by the US respondents. Plus, 24 percent of the US respondents feel it's far more important to be able to share the organization's mission, vision, values and underlying assumptions and 19 percent want to be invited to participate in multiple onboarding and training sessions in the first 30 days on the job. Team bonding also seems to be a bigger priority in the US, with 10 percent of the US respondents citing a team/supervisor lunch as beneficial in the first 30 days, compared to just 5 percent of the UK responses.

Conversely, our study's findings reveal that HR check-ins simply aren't as meaningful or important to employees as HR teams might think. In fact, only 5 percent of the US respondents and 4 percent of the UK respondents believe that a first month HR check-in would make them feel connected to their company's culture. This goes to show you the problems that can arise when perceptions don't match reality. In this case, HR teams should reevaluate their **onboarding processes** for the first 30 days of employment to make sure it's actually meeting the needs and priorities of employees.

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Remember, if HR teams simply do what they *think* employees want, it will not have a positive impact on the workplace culture and it certainly won't do much to improve employee loyalty and retention in the long-term.

As our data also suggests, receiving a welcome email from the CEO isn't as exciting or desired by new employees as some companies might assume. In fact, only 7 percent of the US respondents and 11 percent of the UK respondents cited this as being tied to their loyalty. One possible reason these percentages may differ between the US and UK could be that American employees are less swayed or influenced by this type of gesture than their British counterparts. Another reason could be that UK businesses run in a more formal manner and their employees, as a result, are more apt to want, appreciate and respect a welcome email from the CEO.

Chart 6

Which one of the following makes you feel connected to a company's culture during the first 30 days?

Below are suggested tactics to include in your pre-boarding phase (before new hires start their first day).

- Invite new hires to join the company's dedicated employee communications app so they can start seeing what their new colleagues are posting/sharing and begin interacting with those colleagues.
- Assign a buddy/mentor from within the company to welcome the new hire and answer any questions they might have about the company's culture, required attire/uniforms, scheduling protocols and anything else they want to know. This not only helps new hires understand the company's vision and priorities better, but it also gives them a head start in forging digital connections and bonds with their colleagues.
- Set up employees with logins/access to any HR, workforce management, payroll and scheduling systems prior to starting.

Encourage new hires to send a company-wide "Hello, I've arrived or I'm joining soon" type of message on the employee communications platform to introduce themselves and provide some context on their background, role and even personal interests.

| | Global | US Only | UK Only | |
|---|--------|---------|---------|--|
| Invited to join employee comms app/communicate w/colleagues prior to first day | 19% | 15% | 22% | |
| Being assigned a buddy/mentor prior to first day | 19% | 16% | 21% | |
| Receiving welcome email from CEO prior to first day | 9% | 7% | 11% | |
| Sharing organization's mission, vision, values | 21% | 24% | 17% | |
| Invited to participate in multiple onboarding/training sessions | 17% | 19% | 14% | |
| 1st month HR check-in | 4% | 5% | 4% | |
| Welcome drinks | 4% | 3% | 6% | |
| Team/supervisor lunch | 7% | 10% | 5% | |



Job Guidance, Positive Recognition and Shift/Schedule Flexibility Go a Long Way to Motivate Employees Long-Term

Once a new employee has officially started their first day on the job, the pre-boarding phase ends and the **on-boarding** phase begins. This should typically last anywhere from between 30 to 90 days and shouldn't be a one-and-done approach.

The stakes are high in this phase and could make or break a new hire's employee experience before it even has the chance to form. This is supported by our study's findings. More specifically, we asked the global respondents what makes them feel connected to a company's culture after the first 30 days. The responses to this question reiterate just how high the culture stakes truly are. For instance, 27 percent of the global respondents said ongoing job guidance and support makes them feel connected to the company culture, while 20 percent cited recognition and rewards and 14 percent said shift/schedule flexibility has a similar effect. If you consider that the vast majority of deskless workers work in shifts that can vary each day and sometimes run into the late evening hours and weekends, it makes sense that employees would consider shift/schedule flexibility to be a contributing factor to workplace culture.

However, regular social outings/events (4 percent) and access to tools/technology that improve productivity (5 percent) both ranked lower on the list of factors. The fact of the matter is that social outings/ events, while they are fun and appreciated, fall into the superficial category of culture that we discussed earlier. That doesn't mean companies should ditch hosting social outings for their employees; it simply means that it shouldn't be given the highest priority or used as a replacement for other important initiatives that will truly drive change management and create a culture of trust, integrity, respect and fairness. When we analyzed country-specific responses, here's what we found. Shift/schedule flexibility seems to matter more to US employees (15 percent) than UK employees (13 percent). On the other hand, UK employees care more about getting face-time with management (17 percent) and constructive feedback (16 percent), while American employees care more about ongoing job guidance (28 percent) and positive recognition and rewards (21 percent). It's interesting to note that access to technology/ tools ranked similarly low as a priority among both US respondents (5 percent) and UK respondents (5 percent).

Below are suggested tactics to include in your on-boarding phase (typically anywhere from 30-90 days).

- If they didn't already do so during the preboarding phase, encourage new hires to send a company-wide "Hello, I've arrived or I'm joining soon" type of message on the employee communications platform to introduce themselves and provide some context on their background, role and even personal interests.
- Invite new hires to attend multiple onboarding sessions over the course of their first 90 days on the job. These can include various topics, such as company mission/business goals, store/team goals, company culture and values, organizational and team structure, employee code of conduct, payroll/benefits, etc.
- Set up individual meetings between new hires and their team/different departments to understand what their roles are, how they execute their roles, if and how collaboration may be required, etc.
- Set up personalized training sessions (both online and in-person) for new hires that are specific to their roles/responsibilities. For example, a new retail associate may need to attend multiple training sessions (both online and in-person) to properly learn how to use the store's point-of-sale (POS) system.
- Set up 30, 60 and 90 day check-ins with the new hire's direct manager/supervisor as well as HR to gauge various aspects of the new employee's experience - including observations, challenges, feedback, areas for improvement and questions.



^{Chart 7} Which one of the following makes you feel connected to a company after the first 30 days?

| | Global | US Only | UK Only | |
|---|--------|---------|---------|--|
| Shift/schedule flexibility | 14% | 15% | 13% | |
| Regular face-time with management | 15% | 14% | 17% | |
| Constructive feedback provided | 15% | 13% | 16% | |
| Ongoing job guidance and support | 27% | 28% | 25% | |
| Positive recognition and rewards | 20% | 21% | 19% | |
| Access to technology/tools to improve performance/productivity | 5% | 5% | 5% | |
| Regular social outings/events | 4% | 4% | 5% | |

Don't Underestimate the Power of Job Security and Benefits in Shaping Job Satisfaction

Amidst all the industry talk about culture and engagement, sometimes the basics of job security and benefits get lost behind other more important attributes. But that doesn't mean they are any less important or should be prioritized any less. The data from our study supports this, with job security ranking as the clear winner (68 percent rated it as having a high impact) when we asked the global respondents to specify how much of an impact various factors have on their job satisfaction. Meanwhile, 58 percent of the global respondents rated great benefits/perks as having a high level of impact on their job satisfaction.

Surprisingly, learning and career development opportunities (49 percent) was cited as having less of an impact on job satisfaction than many other factors, including good work-life balance (65 percent), good relationships with supervisors (60 percent), good relationships with colleagues (61 percent) and appreciation for work (66 percent). Plus, only 41 percent rated alignment with company values as having a high impact.

When we analyzed country-specific responses, we found that job security was ranked as having a higher impact on US employee satisfaction (74 percent) compared to UK employees (62 percent). It's somewhat surprising to see that a good work-life balance has a higher impact (71 percent) on US employee satisfaction compared to UK employees (59 percent) given that UK companies and legislation

are far more protective of employees' rights. It's equally surprising considering the fact that **Brexit has caused a great deal of confusion and uncertainty** about European employees living in the UK and their jobs. This could also be tied to the impending **'right to disconnect' legislation** that has been proposed (and may be enforced) in the United States (New York, to be specific).

Another reason American employees may place a higher premium on job security than their UK counterparts could be related to the current **retail apocalypse** taking over the US. **According to a recent investment report by UBS**, an estimated 75,000 US stores that sell clothing, electronics and furniture will close by 2026. This is in addition to the thousands of retail store closures that have already been occuring. Payless ShoeSource, for example, filed for Chapter 11 bankruptcy in February of this year and is closing all 2,100 of its U.S. stores. Meanwhile, children's clothing retailer Gymboree is shutting down its 800 locations. The outlook for American retailers hasn't been looking too good over the last few years, with UBS stating that retailers have closed more than 15,000 stores since 2017, including Radio Shack (closed 1,470 stores), Toys R Us (closed 735 stores) and GNC (closed 700 stores).

Chart 8

How much of an impact do each of the following factors have on your job satisfaction?

| | | Global | | | US Only | | | UK Only | |
|---|-----|--------|------|-----|---------|------|-----|---------|------|
| | Low | Medium | High | Low | Medium | High | Low | Medium | High |
| Appreciation for work | 5% | 29% | 66% | 3% | 24% | 73% | 7% | 34% | 60% |
| Good relationships with colleagues | 4% | 35% | 61% | 4% | 36% | 60% | 4% | 34% | 62% |
| Good relationships with supervisors | 5% | 35% | 60% | 4% | 32% | 64% | 6% | 37% | 56% |
| Good work-life balance | 5% | 30% | 65% | 4% | 25% | 71% | 6% | 35% | 59% |
| Job security | 4% | 28% | 68% | 3% | 24% | 74% | 6% | 32% | 62% |
| Alignment with company values | 7% | 52% | 41% | 6% | 47% | 47% | 7% | 57% | 35% |
| Trusting, collaborative and fun culture | 7% | 44% | 49% | 6% | 41% | 54% | 8% | 47% | 45% |
| Learning and career development opportunities | 8% | 42% | 49% | 9% | 39% | 53% | 8% | 46% | 46% |
| Great benefits/perks | 6% | 36% | 58% | 4% | 27% | 69% | 9% | 45% | 46% |



Companies Are Too Stuck in their Ways When It Comes to Culture Improvements

Change can only happen when people are open to listening to feedback and willing to acknowledge that the current practices and approaches may not be as effective as they believed. To put it in the words of former Girl Scout CEO and Presidential Medal of Freedom honoree Frances Hesselbein: "Culture does not change because we desire to change it. Culture changes when the organization is transformed the culture reflects the realities of people working together everyday." We couldn't have said it any better.

But as our research indicates, some companies aren't as open to change as their employees would like. In fact, 32 percent of the global respondents said their company is stuck in its ways and isn't open to suggested improvements to culture. To make matters worse, 33 percent of the global respondents admitted their companies don't make an effort to consistently audit and communicate culture changes/ enhancements. These are not inconsequential findings at all. The fact of the matter is that culture plays a direct and influential role in making employees feel happy and ensuring their loyalty (hence, reducing the likelihood of turnover).

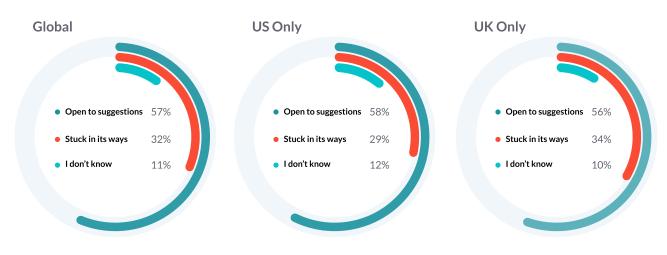
If you don't think culture has a direct correlation to employee turnover, then think again. According to Salary.com, turnover in the US hit 19.3 percent in 2018, rising more than 3.5 percentage points since 2014. Meanwhile, Monster estimates that the average employee turnover rate in the UK is 10 percent per year. These numbers should not go unnoticed by employers. If you aren't willing to make culture improvements, it could lead to frustrated, less happy and less loyal employees, which can lead to high turnover. What's also interesting is that companies in the US and UK opt for more traditional methods and channels to communicate culture (or changes to it) to their employees. When we asked the global respondents to specify in which ways they see culture (or changes to it) communicated at their company, the most common method was via inperson meetings (37 percent). This demonstrates that, as much as digital, mobile and social devices and tools have added choice, convenience and control to our lives, there is still a real need and desire for human interactions in the workplace. For employers, the message is clear: find a healthy balance between digital communications and human interactions with your employees. Don't rely too heavily on one or the other, otherwise you won't be delivering an employee experience that meets your employees' wants and needs.

Our data also suggests that it's more common for UK companies to communicate culture changes to their employees through company-wide feed updates sent via an employee comms app/tool (22 percent) than it is for American companies (16 percent) to do so in this manner. Also, British employers are more likely to send group-specific messages via an employee comms app/tool (16 percent) compared to US employers (10 percent). This could indicate that US companies aren't personalizing their internal communications enough. However, our data suggests that American companies are more inclined (43 percent) to use in-person meetings to communicate culture changes to employees than their UK counterparts (32 percent).

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Chart 9

Is your company open to suggested improvements to culture, or is it stuck in its ways?



Note: Figures may not add to 100 due to rounding.

Chart 10

In which ways do you see culture (or changes to it) communicated at your company?

| | Global | US Only | UK Only | |
|---|--------|---------|---------|--|
| Company-wide emails | 22% | 20% | 25% | |
| Company-wide feed updates via employee comms tools | 19% | 16% | 22% | |
| Group-specific messages via employee comms tools | 13% | 10% | 16% | |
| In-person communications at meetings | 37% | 43% | 32% | |
| Other | 8% | 11% | 5% | |



Workplace Relationships Are the Lifeline of Culture and Engagement

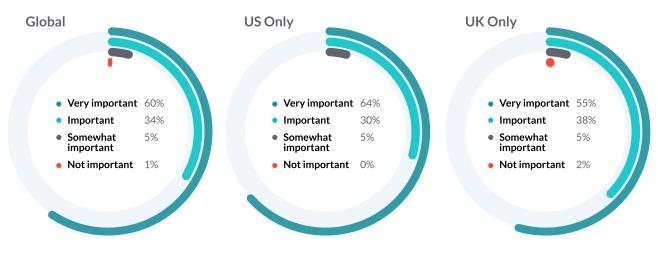
Workplace relationships are one of the most critical, often overlooked, element of company culture. Yet, so many companies prioritize transactional communications and engagement initiatives as a means of reducing turnover. But the answer is often staring them right in the face.

When employees enjoy working with their colleagues, they feel happier and are less stressed. When employees have strong bonds across the entire organization, they feel more energized; they come into work with a renewed sense of purpose every day; they act as brand champions outside of work too. The data from our study supports this: 94 percent of the global respondents said having a positive working relationship with their manager is either very important or important.

But the negative consequences of having poor working relationships can have serious repercussions. According to our study's findings, 13 percent of the global respondents admitted that they don't have a positive relationship with their direct/line manager. In the UK, specifically, the percentage for this finding went up slightly (14 percent), while it dropped somewhat for US respondents (11 percent). Nevertheless, this is still a startling and unfortunate finding. If you consider a UK retailer with 50,000 employees, 14 percent is equivalent to 7,000 employees with poor relationships with their managers. And if you take a retailer in the US with the same number of employees, that 11 percent comes to 5,500 employees who don't get along with their managers. Those are not small numbers, by any means.

Chart 11

How important is it for you to have a positive working relationship with your direct/line manager?



Note: Figures may not add to 100 due to rounding.

Chart 12

Do you have a positive working relationship with your direct/line manager?



Lack of Guidance and Unclear Instructions Create Friction Between Employees and Managers

The relationship between employees and their managers has often been a complicated one and one that requires active investment, participation and understanding from both parties. But in some instances, something goes wrong and this leads to a strained relationship. But the cause for this breakdown can often be tough to pinpoint.

To that end, we asked the global respondents to specify their biggest complaint about their relationship with their direct/line manager. Lack of guidance and support ranked high, at 14 percent, while unclear instructions provided for tasks followed closely behind, at 13 percent. These complaints make sense when you consider that most deskless employees perform task-focused work on a daily basis. So if they don't get guidance and clear directions from their managers, it could not only cause them to make unnecessary mistakes, but those mistakes could also lead to negative repercussions for the employees.

More specifically, 10 percent of the UK respondents said their biggest complaint about their relationship with their manager is not having access to them, while just 7 percent of their American counterparts had the same complaint. Lack of guidance/support (16 percent) and failure to provide clear instructions (15 percent) were more common complaints among the UK respondents, compared to the American respondents (12 percent and 12 percent, respectively). Meanwhile, poor or non-existent communications seems to be a bigger problem in the US (11 percent) than it is in the UK (8 percent). Whatever the cause may be for a relationship breakdown between employees and managers, below are useful tips for how both employees and their managers can improve the situation.

- Communicate clearly, honestly and frequently: Oftentimes, strained relationships can be caused due to a breakdown in the frequency and quality of communications. Communicate with each other as often as possible and be honest and clear in how you communicate.
- Go beyond communicating: Bring an open mind to the table. Put yourself in the shoes of the other person. Try to understand each side's perspective and needs.
- Create a safe place for feedback: It's one thing to encourage employees to give honest, constructive feedback. But if you don't convey and reiterate to them that they are safe to challenge managers with their opinions, you will simply have a docile and unengaged workforce that's going to have one foot out the door.
- Treat others with respect:

Respect is a two-way street. But each person has a different expectation of respect. Find out what each person's expectations are and be respectful.

Help others out:

No company can be successful without teamwork. If a team member or colleague needs help with a task or project, offer yourself up. If an employee is struggling to hit their sales quota or received a negative customer review, help them reach that quota or increase their customer satisfaction scores. It's easy to dwell on the negative; instead, focus on finding a solution together.



The benefits that your company will derive from improving workplace relationships will be tremendous. As we mentioned earlier, turnover rates are high and job security these days is hard to come by amidst tough economic times. By improving workplace relationships, your company will be on the path towards increasing employee loyalty and reducing turnover. That's a win-win.

Chart 13

What's your biggest complaint about your relationship with your direct/line manager?

| | Global | US Only | UK Only |
|---|--------|---------|---------|
| Not enough access to them | 9% | 7% | 10% |
| Poor or non-existent communications | 9% | 11% | 8% |
| Lack of guidance and support | 14% | 12% | 16% |
| Clear instructions not provided for tasks | 13% | 12% | 15% |
| Don't celebrate positive achievements/successes | 10% | 10% | 11% |
| No feedback provided | 6% | 6% | 7% |
| Don't feel safe giving feedback | 4% | 4% | 3% |
| We don't get along | 2% | 1% | 3% |
| I don't have one | 33% | 38% | 27% |



Poor Internal Communications, Lack of Team Unity and Toxic Culture Can Tear Apart Workplace Relationships

Beyond the employee-to-manager relationship, workplace relationships run across an entire organization and across all functions, teams, regions and levels of seniority. So it's not just important for employees to forge strong connections and bonds with their direct supervisor; it's also beneficial to interact, engage and build relationships with fellow colleagues.

But as our study found, forging and maintaining strong relationships is easier said than done. When we asked the global respondents to cite the biggest detriment to workplace relationships, poor/lack of internal communications (20 percent), lack of team unity (20 percent) and toxic company culture (18 percent) were cited as the three biggest detriments.

In particular, 22 percent of the US respondents cited poor/lack of internal communications as the biggest detriment to workplace relationships, compared to just 18 percent of the UK respondents. Americans, as a whole, are known for being direct, no-nonsense communicators and value consistent communications to avoid misunderstandings and to improve relationships. That could potentially be one reason for why more of the US respondents cited **poor or lack of internal communications** as the biggest detriment to workplace relationships. The more they value and cherish internal communications, the more likely it is to damage relationships if and when it's delivered poorly or not at all.

Just look at what's been occurring at the immensely popular ride-sharing company, Uber, for the last 18 months. Its CEO resigned amid allegations of improper business allegations, while its head of HR similarly left the company following rumors that her team ignored reports of racism. All the while, the word 'toxic' has repeatedly been used to describe **Uber's work culture and environment**. As the company is now headed for a public IPO, building a positive culture will be critical in protecting its reputation, driving sales and revenue growth as well as maintaining a healthy share price.

Chart 14

What is the biggest detriment to workplace bonds/ relationships?

| | Global | US Only | UK Only | |
|--------------------------------------|--------|---------|---------|--|
| Toxic company culture | 18% | 19% | 17% | |
| Poor/lack of internal communications | 20% | 22% | 18% | |
| Hierarchical structure | 12% | 9% | 14% | |
| Bureaucratic processes | 10% | 8% | 13% | |
| Lack of team unity | 20% | 21% | 20% | |
| Lack of recognition | 9% | 7% | 10% | |
| Lack of leadership/guidance | 11% | 13% | 9% | |



CONCLUSION

Upon analyzing all of our study's findings, one thing is crystal clear - culture needs to be given a bigger seat at the HR table. When workplace culture is founded on values, such as trust, integrity, respect and fairness, employees will feel happy, engaged, and ultimately, become vocal advocates of the company, both internally and externally. On top of that, they will feel a stronger sense of connection and loyalty to the company, which will make them less inclined to leave. Richard Branson, founder of The Virgin Group, has a unique point of view on how his brand has built and maintained such a positive, collaborative and trusting culture. To quote Branson, "There's no magic formula for great company culture. The key is to just treat your staff how you would like to be treated." Branson is well known for being a vocal advocate of the benefits of a people-first culture this much is true when you look at the strong levels of engagement amongst the employees of Virgin Atlantic. It's something other organizations can look to for inspiration to effectively build and maintain a positive workplace culture.



ABOUT SPEAKAP

Speakap provides branded communication platforms that enable companies to have structured dialogue with their frontline to support and inform their deskless workers from anywhere, at any time. The company's innovative solution, available on both mobile and desktop, connects workforces and empowers employees to provide optimal customer experiences. From messaging and news items to private groups and events, Speakap provides businesses the opportunity to deliver relevant and timely content to their workforces and supports both business growth and employee retention.

Founded in 2011, Speakap has partnered with more than 400 organizations around the globe across various industries - such as hospitality, retail, manufacturing, and more - and has locations in New York, London, Amsterdam, Barcelona, Cologne and Brussels.

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