Workforce
Sustainability
Survey Report







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## Introduction

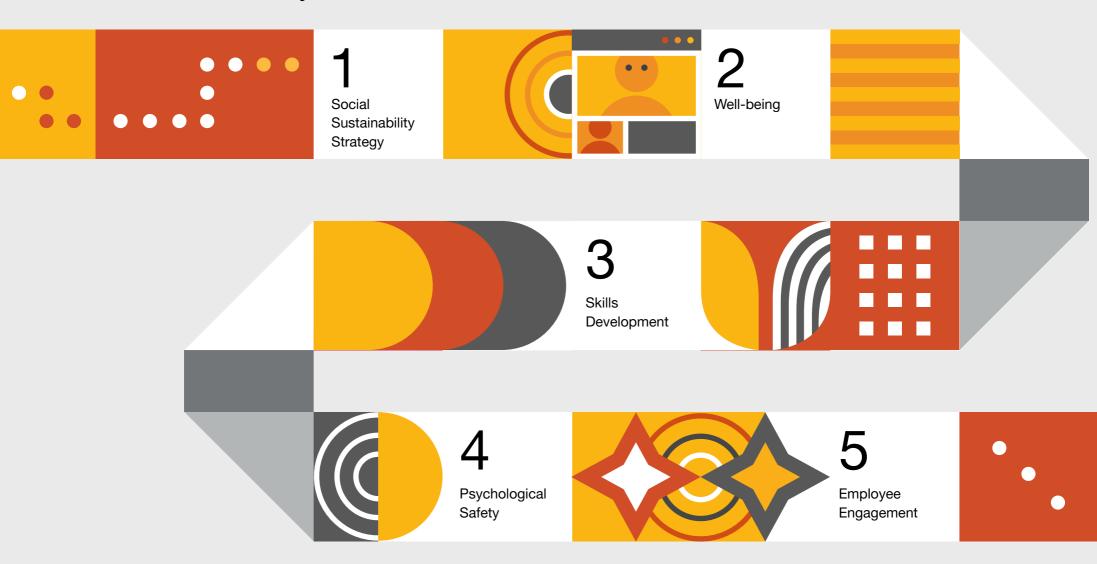
PwC Türkiye is publishing the Workforce Sustainability Survey, which was conducted in September and October 2022 in cooperation with Wellbees. Sustainability has become an important part of the goals and actions plans of many organizations around the world. Aiming to live today without damaging tomorrow and to sustain humanity's existence in the world, sustainability is addressed in three main aspects: environmental (E), social (S) and governance (G). United Nations' Sustainable Development Goals "End Poverty", "Zero Hunger", "Good Healthy and Wellbeing", "Quality Education", "Gender Equality", "Decent Work and Economic Growth", "Reduced Inequalities", and "Peace, Justice and Strong Organizations" are related to social sustainability goals.

Workforce equality, inclusivity, justice, ethics, well-being and skills of the future are focus areas of companies in the social aspect of sustainability.

In this survey, we provide insights on well-being, skills development and employee engagement, which are important for workforce sustainability, and we discuss possible actions to achieve a sustainable workforce.



## About the Survey



We focused on five subjects that are important for workforce sustainability and their interaction with each other.

#### **Social Sustainability Strategy:**

Does the organization consider social sustainability in workforce planning in the scope of its mid- and long-term strategy?

#### **Skills Development:**

Does the organization support its employees in developing the skills and talent that will be needed in the future?

#### Well-being:

How is employees' holistic health and happiness?

#### **Psychological Safety:**

Does the organization support psychological needs that allow its employees to be themselves? Do employees feel comfortable stating their opinions, making mistakes and raising their concerns?

#### **Employee Engagement:**

Are employees happy working for their current companies? Are they eager to perform for achieving company goals? Do they find their job inspiring and want to continue to work?

## Participant Demographics



Of the 308 participants, 48.4% were women, 50% were men, and 1.6% chose not to share their gender.



33.7% of participants were 36-45 years old, 33.1% 26-35, 18.5% were 46-54, 5.8% were 19-25, and 4.9% were 55 and above.



95.8% of participants were employed full-time (44.8% in an international organization, 20.5% in a local organization and 11.7% in a family business).



57.1% of participants work in a hybrid model, 32.8% work from an office and 10.1% work remotely.



55.5% of participants have bachelor's degrees, 37.3% master's degrees and 7.2% associate degrees, high school diplomas or the equivalent.



Participants are from 18+ industries, primarily technology, retail and consumer products, healthcare and automotive.



As for departments, 24.4% work in HR, 25% in finance and accounting, and 14.3% in sales and marketing, and employees of more than 12 departments participated in the survey.



57.1% of participants said they are responsible for managing a team.

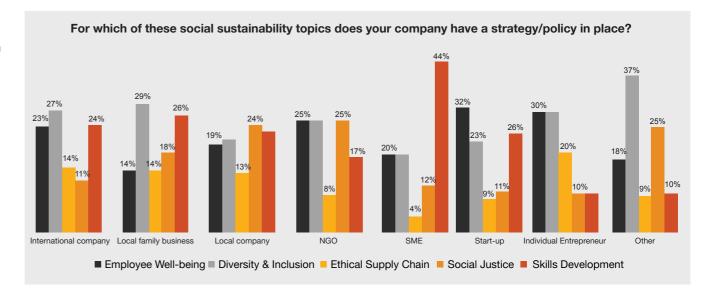


Organizations focused on social sustainability are prioritising subjects such as ensuring equality among communities, access to healthcare and health related resources, protecting human rights, building social justice, having suppliers with ethical practices and developing skills such as flexibility, digitalization and change management. We asked the participants which of the main social sustainability strategy pillars are on their companies' agendas.

The most popular strategy on companies' agendas was diversity and inclusion, while the least popular strategy was having an ethical supply chain. Split by company type, SMEs have different agendas and place importance on "talent and skills acquisition/ development".

1	Diversity & Inclusion (Gender, Generations, Race etc.)	24.9%
2	Skills Development (Trainings, Project assignments etc.)	22.8%
3	Employee Well-being	20.6%
4	Social Justice (corporate social sustainability initiatives etc.)	19.3%
5	Ethical Supply Chain	12.5%

However, while commenting on these results, it is important to consider that these results may be related to the participants' awareness of their company's strategies. Information about subjects concerned more with employees, such as talent acquisition, diversity and inclusion are more likely to be transparent and subjects such as ethical supply chain, are less transparent. This result might be a signal for companies to implement efficient communication agendas for their strategies, commitments and actions.







Well-being began to play an important role on organization agendas, especially with the onset of the pandemic. The thinning line between work and home due to remote work becoming widespread made it critical to provide work-life balance.

According to Gallup's 2022 survey, only 33% of employees say their overall well-being is good.2 In this survey, we examined various well-being opportunities implemented in organizations, employee vitality and positive and negative feelings.

We asked participants which well-being opportunities exist in their companies.

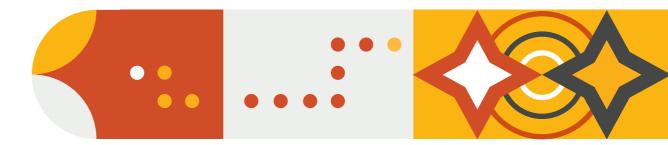
The most common well-being opportunity was "flexible work opportunities", stated by 27.4% of participants, while "stress management" and "programmes to quit smoking" were the least common opportunities.



<sup>1</sup>\_https://wellbees.co/tr/urun https://www.gallup.com

<sup>&</sup>lt;sup>2</sup> workplace/349484/state-of-the-global-workplace-2022-reportaspx

Participants from international and local companies and local family businesses say all seven well-being opportunities have been implemented in their companies. The three most common opportunities are "flexible work opportunities", "wellbeing trainings" and "wellbeing support from experts such as psychologists, dieticians and workout trainers".

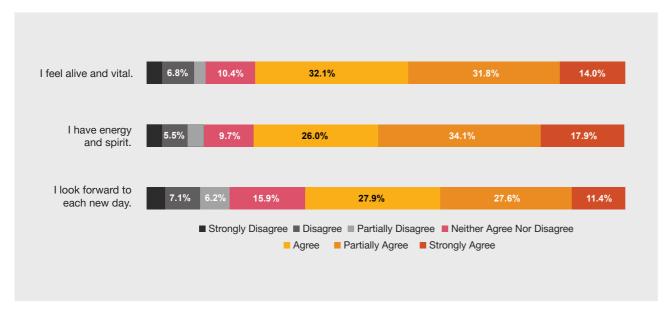




#### **Vitality**

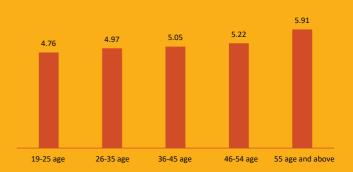
The term vitality is the state of lust for life, it describes an energetic and excited approach to life, beyond physical health. Vitality means the amount of energy left to one's own self and it is considered the most essential measure of well-being and happiness in many psychology laboratories. As the most powerful indicator of happiness and well-being, vitality also feeds productivity, socialization and passion, and feeds from them.

To measure vitality we asked our participants three of the Subjective Vitality Scale's leading questions, the international validity and credibility of which has been proven.3 It is known that as vitality level, which is positively related with self-realization and self-respect, increases, the level of depression and anxiety decreases. In other words, vitality is a quick, effective measure of both psychological well-being and satisfaction in life.



<sup>3</sup> Ryan, R. M., & Frederick, C. (1997). On energy, personality, and health: Subjective vitality as a dynamic reflection of well-being. Journal of Personality,65(3), 529-565.

#### **Vitality Score**



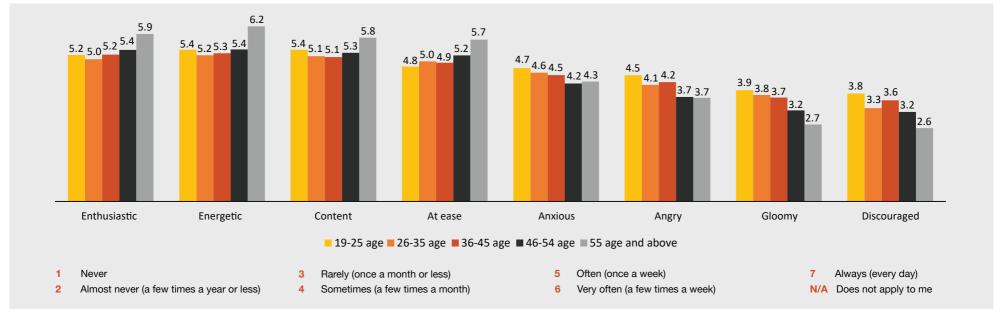
When results are split by age, it is observed that vitality increases with age.





#### **Emotions in the Workplace**

According to the CDC well-being measure model, we asked the participants how often they experience positive and negative emotions as a result of their jobs.4 The positive emotional states were eager, energetic, content and comfortable, while negative states were worried, angry, hopeless and discouraged.



<sup>&</sup>lt;sup>4</sup> NIOSH [2021]. NIOSH worker well-being questionnaire (WellBQ). By Chari R, Chang CC, Sauter SL, Petrun Sayers EL, Huang W, Fisher GG. Cincinnati, OH: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Institute for Occupational Safety and Health, DHHS (NIOSH) Publication No. 2021-110

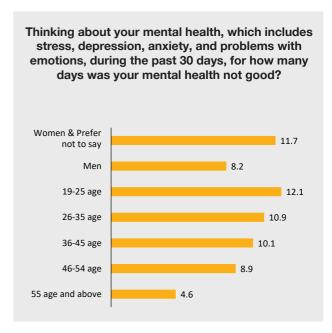
#### **Number of Days with Poor Mental** Health

In line with the CDC's recommendations, we asked the participants how many days they felt bad in terms of mental health in the last 30 days.

Women participants and those in the I'd rather not say category were found to have experienced negative emotional states more often than male participants. Also, the average number of days on which male participants had poor mental health were fewer than for women participants and those in the I'd rather not say category.

Broken down by age, the results show that as age increases, the frequency of feeling negative emotions and the number of days with poor mental health decrease. These results are in line with Harmony Healthcare IT's Generation Z survey published in September 2022, which reported that participants aged 18-24 have 10 poor mental health days on average in each month. According to the same survey, 42% of participants from Generation Z have been diagnosed with a mental disorder, mainly anxiety.5

These trends may be related to the fact that women and young workers have higher awareness of mental health and are more open to talking about mental health issues, thus they report higher number of bad days. Many surveys show that men are less likely than women to seek help for mental issues.6



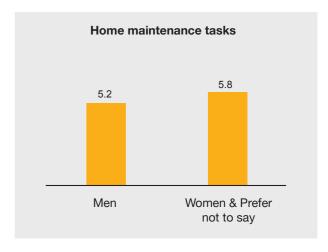
<sup>5</sup> https://www.harmonyhit.com/state-of-gen-z-mental-health/

<sup>6</sup>\_https://pubmed.ncbi.nlm.nih.gov/25788391/

#### **Activities Outside of Work**

Taking time for activities outside of work that feed us physically, emotionally and mentally allows us to recharge, increases our endurance and positively affects our overall well-being. We asked our participants how often they perform activities outside of work such as sports, cultural activities and socializing with family and friends.



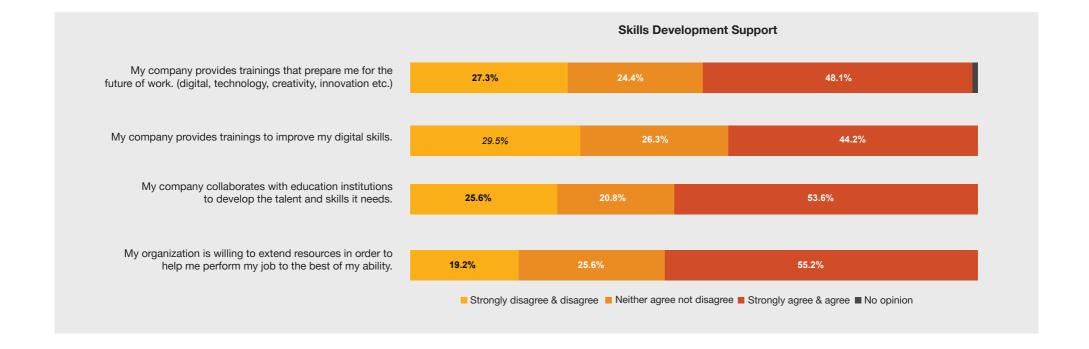


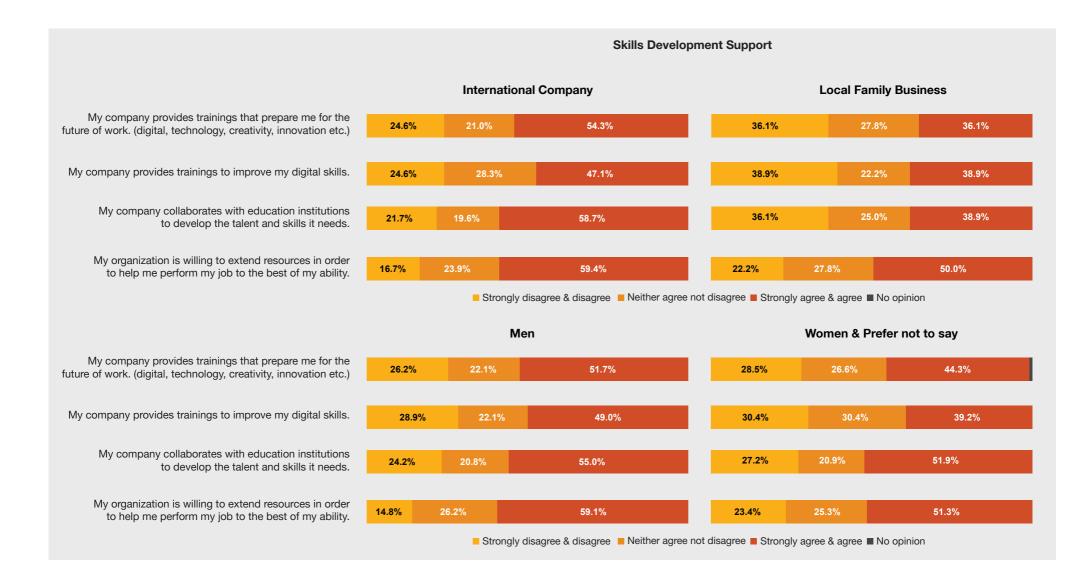
Housework was the most common activity outside of work among our participants. These include cooking, gardening, cleaning, repairs and maintenance. When results are split by gender, it is observed that women participants and those from the I'd rather not say category perform housework more often than male participants.

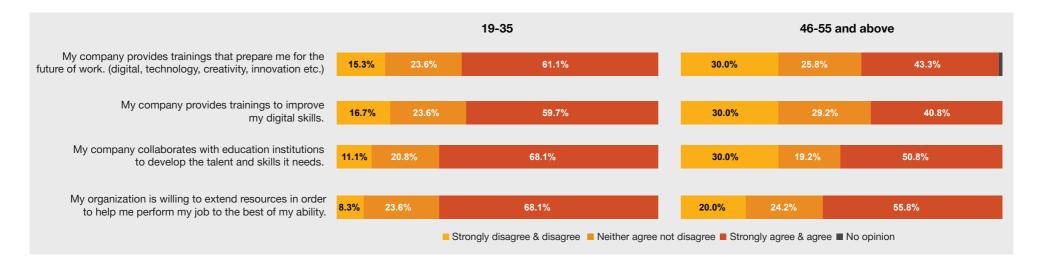
We need to be careful here as to whether housework is considered as self-care and taking time for yourself/family or if it is considered as a burden or a result of pressure.



Developing the skills'and talent demanded by the evolving business world is critical for workforce sustainability. We asked our participants about actions taken by their companies to prepare them for the future.







Almost half of the participants say they participate in trainings that prepare them for future, develop their skills and help them perform better in their jobs. However, when split by gender, male participants participate in more trainings than female participants and those in the I'd rather not say category.

Inspecting the results split by age reveals that participants aged 19-35 say fewer development opportunities are provided compared to participants aged 46-55 and above. The reason for this difference may be that participants aged 19-35 place more importance on developing skills. According to PwC's Global Hopes and Fears Survey, 44% of participants in Generation Z are concerned with developing enough technological and digital skills, whereas this percentage is 29% for baby boomer participants<sup>7</sup>

According to NHSS's survey, the top reason for Generation Z to change jobs is to gain new skills and 67% of participants want to work for companies where they can learn skills that will be useful in advancing their careers.8

<sup>&</sup>lt;sup>1</sup>/<sub>https://www.pwc.com/gx/en/issues/workforce/hopes-and-fears-2022.html</sub>

<sup>8</sup> https://www.nshss.org/lp/2022-career-interest-survey

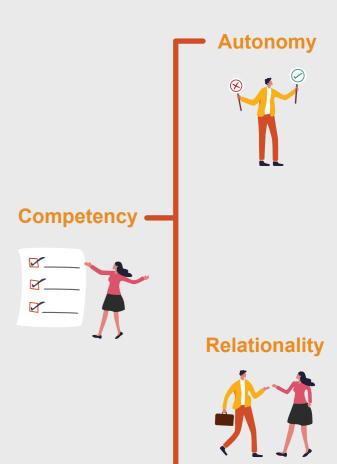


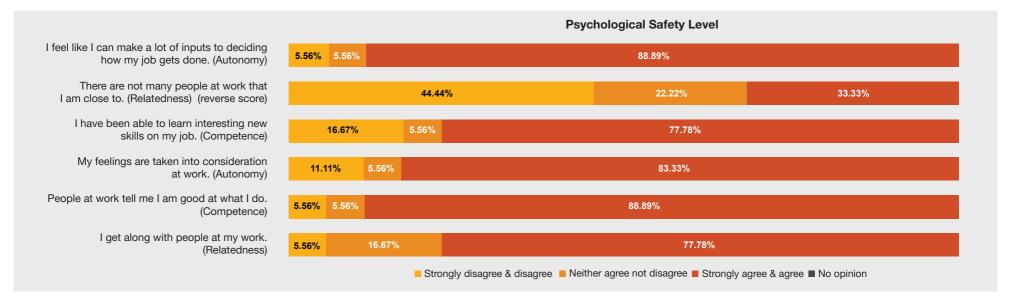
Amy Edmonson from Harvard Business School describes psychological safety as employees feeling safe in taking risks and believing they will not be punished for sharing their opinions, making suggestions, raising objections or asking questions. Edmonson's surveys show that psychological safety increases learning, development and team performance.9

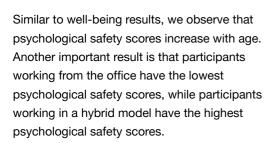
We refer to Self-Determination Theory on how to create this feeling of safety. According to this theory, in order for a person to have a fulfilling experience in any aspect of life, their basic psychological needs should be supported. Because these basic psychological needs are milestones of the emotional, social and mental capital of human beings, they cannot be transferred, switched or even exchanged for each other. These basic needs are autonomy, competency, relationality.

- Autonomy: Everyone needs to have their will respected and to have their emotions and opinions acknowledged.
- Competency: Everyone wants to demonstrate their abilities and be supported in this.
- Relationality: Everyone deserves love and respect in this process and needs meaningful, mutual, fulfilling relationships.

#### **Psychological Safety**





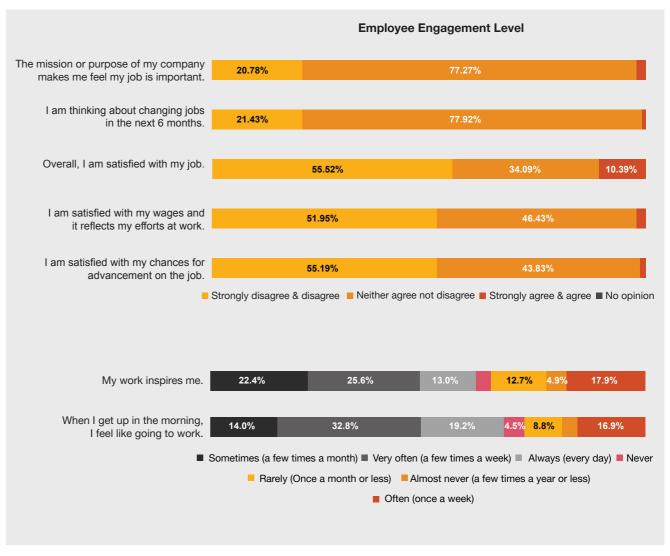








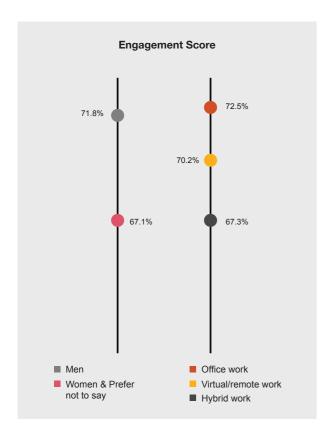
Employee engagement measures the employee's motivation and contentment in working at their organization. A survey by Gallup showed that employee loyalty positively affects profitability, productivity, employee turnover, corruption, absenteeism and work safety. High employee engagement is critical for creating a sustainable workforce with employees who are motivated and work for the company to succeed for a long time, enable higher return of investment on people. In this study, we used questions related to the employee satisfaction model suggested by the CDC.<sup>10</sup>



<sup>&</sup>lt;sup>10</sup>https://www.gallup.com/workplace/236927/employee-engagement-drives-growth.aspx

The average employee engagement score of survey participants is 69.5%.

Similar to the psychological safety and wellbeing scores, we found that male participants and participants working in the hybrid model have higher engagement scores.

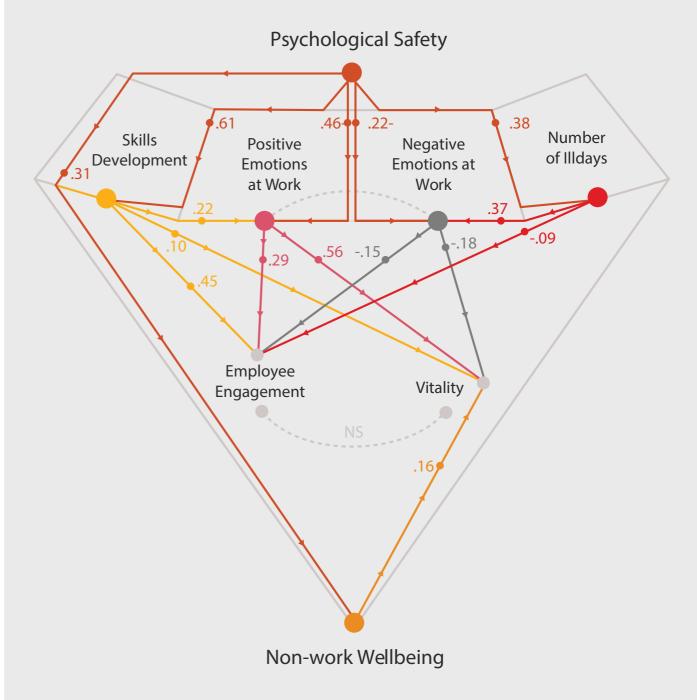






#### **Interaction Model**

We looked at the interactions between these subjects that are important for workforce sustainability. Through our path analysis, we found that all these parameters are statistically meaningful, and our margin of error is between one in a thousand and five percent. The figures in the image are regression coefficients. In other words, the degree to which that variable predicts the other variable shown at the end of the arrow. For instance, one standard deviation increase in the psychological safety score provides a 0.61 increase in skills development, a 0.38 decrease in the number of poor mental health days, and a 0.22 decrease in negative emotions in the workplace.



#### What can we derive from the Interaction Model?



Having positive emotions is the subject most related with vitality.



A high score in **positive feelings** in the workplace affects employee engagement both directly, and indirectly, by providing high skills development results.



When skills development is not supported, negative feelings in the workplace increase.



A high psychological safety score enables higher vitality by providing fewer bad mental health days.



As skills development is supported, positive feelings increase. Higher scores in psychological safety, skills development and positive feelings result in higher engagement score.



A high psychological safety score also enables skills development. Just as a child who doesn't feel psychologically safe doesn't play at a playground, scared to explore and learn, an employee who doesn't feel psychologically safe does not explore and develop in work life.



In workplaces where psychological safety is high, employees spend more time on their well-being outside of work.



High social and spiritual well-being enables high well-being and stand out as protectice factors.



Spending time on well-being activities outside of work and psychological safety are two variables that feed each other.



As vitality, positive feelings, psychological safety and engagement decrease and skills development is not supported, the number of bad mental health days increases and physical, emotional and spiritual well-being decrease. Only social and intellectual well-being trend independently of the number of bad mental health days.

In other words, when we put these variables into an interaction model, an interesting picture emerges. In this image that looks like a diamond, we see employee engagement and vitality as two different variables, yet they feed from the same parameters. This shows that, even though there is a thin line between work and life and they affect each other, people can differentiate between the two. In conclusion, we may have employees who have low engagement but high vitality. Quiet quitting can be explained by employees who have low engagement and high vitality whereas **burn out** can be explained by employees who have high engagement and low vitality. When a balance is not struck between these two variables this may lead to talent loss, high turnover, productivity decrease and eventually an unsustainable workforce.



#### **Beyond Tick-the-Box: People Focused Social Sustainability Equation**

We can think of employees as precious and fragile, vet durable diamonds. What is important is to process these diamonds with skilled hands. Through a carefully planned social sustainability strategy, we can increase the number of enthusiastic, bright, cheerful, efficient and healthy days for employees both in the workplace and outside of work.

#### Because, according to this model:

If we intervene, we can detect, predict and change employee engagement by 5%, talent development by 37%, negative feelings by 25%, poor mental health days by 15%, positive feelings by 38% and vitality by 57%, which is the ultimate goal.

#### 7 Important Matters for People-focused Sustainability Equation



Companies need to develop a holistic social sustainability strategy.

5



Young employees want to develop their skills. Training and development programmes to prepare them for the future are important.

2



Employees should be supported in spending time on activities outside of work that help them recharge, and their work-life balance should be improved.

6



Flexible work opportunities should be provided while the value of face-to-face work and socializing shouldn't be overlooked.

3



Female employees and young employees should be supported in well-being and psychological safety.



Managers are critical for ensuring psychological safety.



Social and spiritual well-being should be supported.

### Companies need to develop a holistic social sustainability strategy.

It is important for companies to develop a holistic social sustainability strategy that takes into account their workforce, products, stakeholders, the society in which they operate and the actions they can take for social justice.11

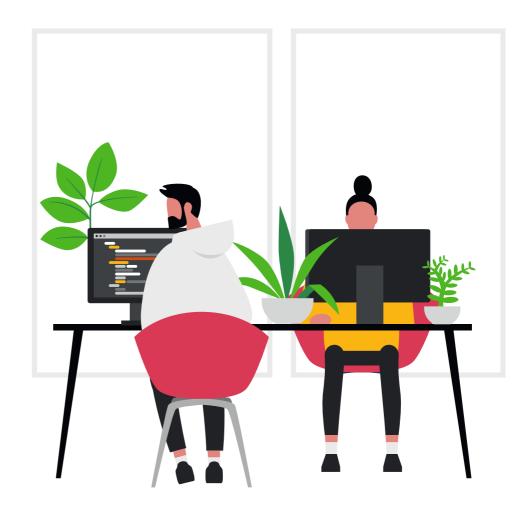
There are examples where volunteering employees and committees formed by paying attention to diversity and inclusion are included in the process while determining and implementing the social sustainability strategy.

Following a continuous improvement approach and regular measurement and monitoring, starting with the "0 point" measurement to observe the progress achieved with the actions taken in line with the strategy are critical factors that lead to success.



## Employees should be supported in spending time on activities outside of work that help them recharge, and their work-life balance should be improved.

People are no longer just looking for flexibility. They also want to have the autonomy to position this flexibility in their lives. While they may not have autonomy over all business decisions, for example, if you have a hybridwork policy where employees are at the office two-days a week, give employees the freedom to decide on which day that can happen. It should be kept in mind that psychological safety is not limited to the workplace, but is also about making space for the employee's nonworking well-being activities. In companies, there are examples such as hobby clubs, partnerships with wellbeing companies, social responsibility projects, where employees can reflect their values outside of work.



# Female employees and young employees should be supported in well-being and psychological safety.

Being able to see the demographic map of the current workforce, understanding which personas it consists of and identifying how the needs of different personas differ is an important first step. Developing different programs for these differentiating needs will provide quick wins. In our research, we see that there is a need for special programs for especially women and young employees.

We see that the domestic workload, which is the most common non-work activity, is done more frequently by women compared to men. There are examples of supporting the non-work well-being of female employees with working models that will improve work-life balance and provide flexibility, and programs that will support male employees in responsible parenting.

There are examples of different programs that bring Y and Z generations together with X and baby boomer generations such as reverse mentoring programs, digital mentoring/agent programs where younger generations transfer their digital talents, and employee committees in which young people are given the oppurtunity to take an active role in company matters.





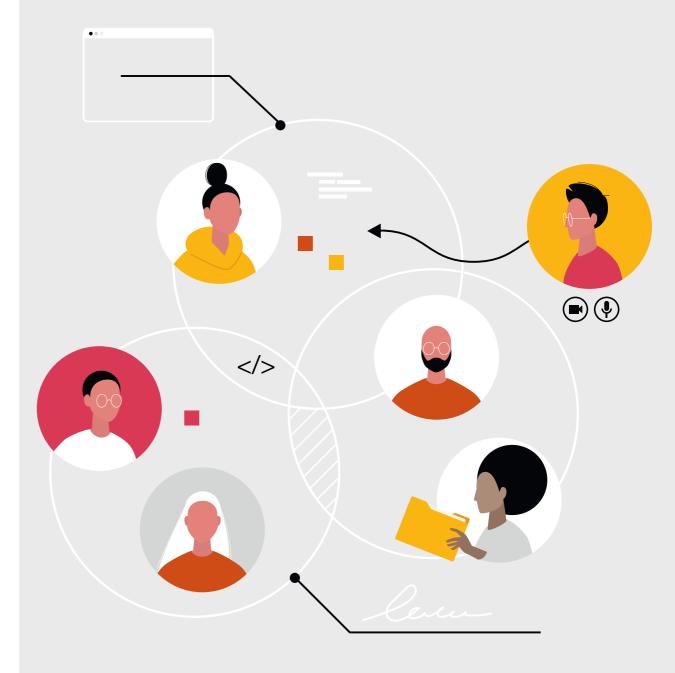
## 4 Social and spiritual well-being should be supported.

When we examine well-being as a subject, it is necessary to consider it with eight dimensions and with different interventions for each dimension. Since the needs of each person are different, it may be necessary to work with various suppliers that will respond to different needs of each dimension. According to Wellbees data, while newly graduated young people like to look at their well-being through challenges, clubs and sociality, parents want to organize hours for themselves during the day where they can be alone, have sessions with psychologists or consume well-being content. Managing well-being manifests differently in each persona.

## Young employees want to develop their skills. Training and development programmes to prepare them for the future are important.

According to Linkedin's Workforce Confidence Index, development opportunities are one of the main reasons why young people change jobs. 12 Training programs, project assignments, employee committees that will support the development of young employees and online learning platforms such as udemy and EdX, considering the flexibility of young people in digital learning, are examples that will enable them to manage their own development.

According to PwC's Global Hopes & Fears Survey, 19-25-year-olds are more concerned about not being seen for their achievements and performance than other age groups. Development should also be supported by reward and recognition programs.



## Flexible work opportunities should be provided while the value of face-to-face work and socializing shouldn't be overlooked.

As Prof. Dr. Neil Greenberg said, resilience is not in the individual, but in the bond between individuals. Emphasizing social well-being and the relationship between individuals is more valuable than ever.

It is important to create spaces for working together, collaboration and socializing in offices. We observe examples where socialization is supported with celebrations and group activities.

## Managers are critical for ensuring psychological safety.

A company that started its well-being journey with Wellbees in 2020 experienced a serious decline in mood in July 2021. Focus group discussions were held with employees to understand the cause of decline. One of the main reasons for the decline appeared to be that managers stopped doing one-to-one meetings, which they held without interruption in the first year of the pandemic.

Thereupon, the meetings were started again and the mood gradually rises again. According to Wellbees data, employee moods correlate with their manager's moods with only 5% deviation. How our managers feel and their emotional awareness is perhaps more critical than ever.



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