Workers applaud employers’ COVID-19 response—but stress levels grow

Four months into the national emergency triggered by COVID-19, most American workers give their employer’s high marks for their response to the crisis. Importantly, they say their employers have provided them with the support they need to continue working effectively. They also report continuing improvement in a range of workplace metrics since the onset of COVID-19, including gains in productivity and in the quality of the work they’re producing.

Nonetheless, more than three-quarters of workers also say the demands of their job have increased over the past four months, with nearly half reporting that their mental health has declined. Those working remotely report less stress than those still trekking to the office or another physical location to perform their job. Perhaps as a result, a majority of all workers want to retain the flexibility to work remotely at least some of the time.

These are among the top insights from a KPMG American Worker pulse survey in July 2020 of more than 1,400 U.S. workers aimed at determining how well corporate responses to COVID-19 are working for their employees. A follow-up to the first American Worker survey conducted in early April 2020, during the early stages of stay-at-home orders in the U.S., this new research suggests employers have done much right in responding to COVID-19 and that their measures to facilitate remote work have been instrumental in that effort. But it also reveals opportunities to do more on several fronts, including helping employees enhance their skills in an increasingly digital workplace, making it easier for them to collaborate and connect with coworkers in a virtual environment, and helping them cope with stress. In particular, employers may need to reassess the demands placed on employees shouldering work once performed by colleagues who have been let go or furloughed. Extra work originally envisioned as temporary, but that is starting to look permanent, could lead to burnout.
Key findings

Most American workers are satisfied with their organization’s response to COVID-19 and seem to be adapting to their new working conditions.

Eighty-four percent of workers say they are satisfied with their organization’s response to COVID-19, with 83% agreeing their organization acted quickly to create a safe working environment for everyone. And 85% add that their organization provided resources to help employees work effectively under new conditions. All this seems to have generative positive outcomes for employers and employees alike—outcomes that have only been getting better, in some cases, as time goes on. Sixty-nine percent of workers say their productivity has increased over the past four months, for example, up from just over half (54%) who felt their productivity had improved in April. Seventy-nine percent say the quality of their work has improved over the past four months, up from 64% in April.

For remote workers, the “new normal” has led to higher levels of satisfaction and engagement with their employer.

Nine out of ten (91%) remote workers are satisfied with their employer’s response to COVID-19, versus 72% of those still reporting to an office or physical location. Employees working from home also are more likely to feel their employer acted quickly to create a safe working environment (89% versus 73%). Perhaps as a result, remote workers also are more likely to say that their organization has made them feel valued over the past four months (78% vs. 64%), their commitment to their organization has gone up (77% vs. 66%), and their desire to continue working for their employer (78% vs. 60%) has increased. Remote workers also are more likely to report an improvement in their work-life balance (74% vs. 57%) and satisfaction with the work they produce (73% vs. 66%).
While most workers feel more committed to their employer amid the current turmoil, many also say work demands have increased and their mental health has declined.

Seventy-three percent of workers say their organization has made them feel like a valued employee—a key driver of employee engagement. That may help explain why nearly three-quarters (73%) of workers say their commitment to their organization has increased over the past four months and 71% say their desire to stay at their organization has gone up. On the other hand, emotional and mental strains have been building as COVID-19 has worn on, perhaps reflecting, at least in part, furloughs at many companies that have left those still on the job carrying heavier loads. So, while 73% of workers say their commitment to their organization has increased, that’s down from 85% in April. Similarly, 76% percent of workers say the demands of their job have increased, up from 60% in April, and 49% say their mental health has declined. Employers aren’t blind to these issues and have responded with various approaches. For example, 40% have provided flexible work schedules to help employees meet non-work needs, 35% have provided access to mental health professionals, and 34% have provided resources developed by the organization itself. More than a quarter have encouraged employees to take time off (34%), surveyed employees about their mental health (29%), created an environment in which employees felt comfortable addressing mental health (27%), or provided resources from external groups (27%). Sixteen percent have offered sabbaticals or other paid leave, and 14% have offered childcare support. Only 17% have provided none of these resources. In almost all cases, remote workers were more likely to have received mental health support than in-office workers.
While most workers say the work experience itself has improved during COVID-19, a significant number report room for improvement—highlighted by less collaboration with peers and less engagement with their work.

Perhaps as a consequence of having less frequent and close contact with each other while working remotely, 30% of American workers say their relationship with their coworkers has worsened over the past four months. Thirty-five percent say their team’s ability to collaborate has deteriorated, and a similar percentage say their organization’s culture has worsened (35%). Developments like these have consequences. Thirty-five percent of workers say their level of engagement with their happiness at work. In-office workers are significantly more likely than remote workers to say their happiness at work has declined (53% vs. 30%) and that their company’s culture has worsened (43% vs. 29%). On the other hand, remote workers are more likely to say their relationship with coworkers has gotten worse (34% vs. 24%).

While nearly three-quarters (72%) of all workers say their organization is invested in them, professional development has nonetheless taken a backseat at some organizations during COVID-19. Forty-six percent of workers say they’ve spent less time on professional learning and development over the past four months, with fewer than half receiving any training at all in highly applicable areas such as using new technologies to work remotely (42%) or using new technologies to adapt to the future of work (37%). Thirty percent of the total sample received training in how to lead a virtual meeting, and only 28% received training on leading in a virtual environment. Being left to fend for themselves in these areas could be contributing to worker angst. Forty percent of all workers say they are concerned about being laid off or furloughed, and 29% are worried that technology, not another person, will replace them.

Many worker perceptions in the wake of COVID-19 vary depending on their classification, such as manager or non-manager, parent or non-parent, essential worker or non-essential worker.

Workers who feel valued by their employer are more likely than those who don’t to say that their productivity has increased over the past four months, and significantly more likely to say their commitment to their organization has increased (86% versus 39%). Managers are more likely to feel valued than non-managers (82% vs. 66%) and that their happiness at work has improved (66% vs. 53%). Across a wide range of metrics, both managers and employees who feel valued also report a more positive experience with remote work. Parents, perhaps grateful for their newfound flexibility to work remotely while children are home from school, are more likely than non-parents to say their happiness at work has improved (64% vs. 56%) and that they feel valued (78% vs. 70%). Essential workers, who mostly have not had the option to work remotely, aren’t as pleased as non-essential workers; only 78% of essential workers say their organization acted quickly to create a safe working environment, versus 89% of non-essential workers. Part-time workers also have had a less favorable experience. Compared to full-time workers, they are less likely to feel valued by their organization (65% vs. 73%) and more likely to say their commitment to their organization has decreased (37% vs. 26%)—as has their desire to stay there (40% vs. 28%).
Despite their positive feelings about the past four months, a majority of workers want the flexibility to work remotely at least some of the time.

Sixty-four percent of workers say they want the flexibility to work remotely at least part of the time, including 17% who want to work remotely all of the time, 24% who want to spend some days in the office, and 23% who want to work on premises most of the time but still have the flexibility to work remotely on occasion. While some workers may not have an option to work remotely—grocery store clerks or hospital nurses, for example—it is possible that some who favor working on their employer’s premises simply don’t know what they are missing. Among those currently working remotely, 55% prefer to continue working fully or mostly remotely. Among those currently working in an office or other physical location outside of the home, only 19% favor remote work.

Overall, these findings suggest that most workers trust their employers to provide a safe work environment no matter where they’re located. Indeed, 82% of American workers who can transition back to the office say they are satisfied with their organization’s plan for returning employees to the office or another employer workplace, with 84% adding that they trust their organization will do whatever it takes to ensure employee safety when that happens. More than a third of workers say their organization has asked what their preference is on where they work (37%), and 42% say their employer has allowed for non-mandatory workplace attendance until employees feel safe there. Half (50%) say their employers are phasing their reopening, and 66% say their employer has implemented health or safety regulations that will apply when employees return to the workplace.

Where organizations plan to move to either a flexible or fully remote working model, the benefit most identified by workers as valuable is flexible or staggered hours, cited by 57% of survey respondents who have the ability to work fully remotely. Within that group, approximately 4 in 10 also named as valuable ongoing training on best practices for working remotely (41%), monthly reimbursement for utilities (44%), a one-time allowance to buy work-from-home equipment (44%), resources to increase collaboration with teams (40%), and opportunities to build connections with coworkers (37%). Only 31% cited blackout hours—time periods when phone or video calls would not be allowed.

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Workers take a generally positive view of their employers’ response to recent social and political events around racial inequality, too—but point to little evidence of concrete action.

COVID-19 isn’t the only factor capturing public attention in 2020. So, too, are heightened tensions around racial inequality. Eighty-one percent of workers whose employer issued a response to recent political and social events focused on this issue say they were satisfied with the response. Still, from a list of eight possible actions, only two were taken by more than a third of organizations: making a commitment to address inequality (37%), and encouraging conversation surrounding inequality (34%). Only 21% of workers said their employer had donated to organizations fighting racial equality. More than 3 in 10 said their employer had taken none of the eight actions listed. Worker satisfaction with employer responses were highest in the technology, media and telecom industry group (93%), followed by the financial services sector (92%). They were lowest for government employers, where 39% of workers said their organization did not issue a response. Demographic factors also play into worker perceptions. Workers who feel valued by their organization are much more likely to be satisfied with their organization’s response than those who don’t feel valued (90% vs. 54%). So are managers versus non-managers (86% vs. 77%).

Seventy-nine percent of workers believe their organization wants to positively address workplace inequality, and around three-quarters (71%) say their organization has a clear path to doing so. Nonetheless, about 3 in five (58%) workers say their organization should be doing more, and 51% think the leaders at their organization are actually part of the diversity and inclusion problem.
Key steps for employers to take now

More than four months into the most dramatic upheaval in the world of work since the Great Depression, American workers have formed clear opinions on what they’d like to see from their employers moving forward. For many, working remotely or in an office is no longer an either-or proposition. Nearly two-thirds (64%) want the flexibility to work remotely at least part of the time. Even so, a large portion of respondents indicate the desire to be in the office or onsite most of the time (59%). That affinity for the office may reflect, in part, the negative experiences of a significant minority of workers during COVID-19, including those who say team collaboration has worsened, their engagement with their organization has decreased, and their happiness at work has gone down. And even though parents included in the survey are more likely than non-parents to say their happiness at work has improved, some harried parents juggling working and parenting from home would likely welcome the chance to resurrect more durable boundaries between the two activities.

Based on the survey’s findings, KPMG has identified five areas where employers can better care for their workers as COVID-19 drags on—and build a work environment that can make their organization even more competitive when it’s gone.
Reshape how works gets done. COVID-19 has already spurred dramatic changes in the way work gets done, accelerating the trend toward flexible work-from-home schedules, reducing business travel, and spurring the development of touchless ways to serve customers. Ultimately, it has called into question whether many old ways of working deserve to be carried over into a post-pandemic world. To thrive when that new world arrives, companies can’t be thinking about how to get back to where they were. Rather, they must keep their foot on the gas and plot a path toward a new model of work for tomorrow. So even as they’re thinking about how employees can practice social distancing in the office while COVID-19 still rages, or how other workers can continue to collaborate and innovate effectively from home, they also need to think about how they’re going to have an agile, digitally enabled workforce when COVID-19 dissipates. Under this new model, powered by skilled employees supported by advanced artificial intelligence technologies like machine learning and robotic process automation, the entire organization should be connected end-to-end, collaborating across functional boundaries in service of the customer. And everyone should be encouraged to function as an innovator and a leader, with the space they need to take risks on promising ideas, drawing on teams that feature a diversity of experience, skills and backgrounds.

Connect the workforce. With more than a quarter of American workers saying their relationships with coworkers (30%) and their ability to collaborate (35%) has worsened amid COVID-19, companies must find a way to better connect employees and build the networks and relationships that can help drive problem solving and innovation. One place to start is by encouraging managers to act as “connector managers” who take proactive steps to ensure their teams remain engaged. They can inform their efforts by asking employees what’s not working, why they feel disconnected, and what they were able to do before COVID-19 that they can’t do now. They can also promote more frequent meetings between mentors and mentees, which may be especially helpful for new workers and for certain groups of people, including women and people of color, who have sometimes found it more difficult to advance in corporate environments that have not always been inclusive. Companies should also make sure employees have the tools they need to connect more easily with their teams in a virtual environment, and encourage their use not only for formal group meetings but also for informal one-on-one video chats.
Uncover new personas. Many organizations will find that changes forced on them by COVID-19 have led to the creation of new employee personas in their workforce—new groups of employees with similar traits, experiences, behaviors and expectations—that they may not have shared in the past. Parents working from home, for example, may be wrestling with an array of new challenges, especially if they are working in tight quarters with children at home. Other employees, with fewer outside distractions available to them, and workspace and home no longer physically separated, may find themselves working long hours, especially if their team has been reduced in size by furloughs. Companies should act to understand these new personas and use the findings to drive a positive employee experience. Employers may find they can by limiting virtual meetings to certain hours of the day and shortening meeting times, for example. They can set expectations around things like when it’s okay to call people or when emails or texts need to be addressed. And they can offer flexible work schedules and encourage employees to take paid time off. By creating a more positive work experience in which employees feel validated and appreciated, companies may reap benefits not only for employees but also for their organization. In the July survey, for example, workers who feel valued are more likely to say that their productivity has increased over the past four months (74% vs 70%), they are more committed to their organization (86% vs 73%), and their work quality has improved (84% vs 79%).

Rethink diversity and inclusion. Unacceptably high numbers of workers say their organization should be doing more to address inequality in the workplace (58%) and about half (51%) say their leaders are part of the diversity and inclusion problem. Meanwhile, fears of being replaced by technology have been amplified for certain groups, including women, people of color and members of the LGBTQ community, that have been particularly hard hit by rising levels of unemployment. All these factors can make it difficult for employees to throw themselves into their work. Accordingly, companies may wish to rethink their diversity and inclusion strategy to demonstrate deeper levels of commitment and accountability across the enterprise, starting with a series of questions, such as: How are we using data to better understand our current diverse workforce? Can we do more to strengthen relationships with the communities where we do business? And what measures are we taking to retain those who employees who contribute to the diversity of our workforce? Promoting—and living—diversity and inclusion isn’t just the right thing for businesses to do, it’s the smart thing. It can provide companies with greater access to a diverse range of thinking and contribute to higher levels of employee engagement. Companies should use these latest survey findings as a catalyst for crafting a sustainable, long-term strategy around diversity and inclusion that includes a commitment to continuous improvement and accountability, and equitable access to employment and promotion opportunities for a diverse community of people.
Reframe the learning experience. With remote work almost certain to remain a bigger part of the work experience going forward, the traditional 70-20-10 learning model in which employees get the bulk of their knowledge through in-office work experiences and interactions with others will have to evolve. Just as machine learning and other artificial intelligence tools are changing the way work gets done, so too can they be deployed to change the way learning gets done—making just-in-time microlearning experiences available to workers as they need them to do their jobs, wherever that may be. In this new, virtual and highly customizable learning ecosystem, an employee who acquires a new skill should also have ready access to tools for sharing what they’ve learned with their peers. There will still be a place for more formal, face-to-face learning, of course, but it should be inventive, too, featuring real-world scenarios and role play, supplemented perhaps with games and computer simulation. With employees working apart from each other more often, there also should be a new focus on human skills, including empathy, collaboration, interpersonal dynamics, and teamwork as practiced in a virtual environment. Finally, to alleviate widespread worker concerns about technology taking their jobs away from them—which can compromise their engagement with work today and even prompt them to reject those technologies—employers also will need to do a better job of communicating with employees about how they can equip themselves to thrive in that new environment.
Conclusion

Great companies don’t just respond to crises, they seize them as an opportunity to become better—to cast off what is no longer working and pivot to new ways of doing business that will. The bigger the crisis, the greater the opportunity.

COVID-19, measured both by its devastating impact on public health and its equally devastating impact on the global economy, is a multigenerational challenge and opportunity. We know from this survey that American workers have thus far demonstrated remarkable resiliency under its pressures. But we also know that three-quarters (74%) of them have seen the demands of their job go up and that nearly half (49%) say their mental health has declined. To keep moving forward, they want continued flexibility in how and where they work, additional training and support when they are working from home, and more opportunities and resources for collaborating with colleagues.

Companies that leverage today’s advanced technologies to make these things happen will be not only supporting the employees they depend on today, but also taking the necessary steps toward building a more agile, innovative, and sustainable workforce for tomorrow.
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