

# Capita

2020 APAC Workforce Insights

## **Driving Employee Happiness in the New Normal**



# Introduction

Even against the backdrop of a pandemic, talent management has taken on a greater importance within an organisation. A major aspect of this is will be employee happiness – a topic oftentimes misperceived by organisations as an easy task for HR leaders to manage. In reality, it is a complex issue that has crucial implications on your company’s survival and success.

The 2020 APAC Workforce Insights provide an overview of employee happiness levels in January 2020 (before Covid-19 was declared a pandemic by the World Health Organisation). This report will look at how driving employee happiness in this new normal can still bring about benefits for a company’s performance and productivity.

## Employee happiness is still key to organisational survival and success.

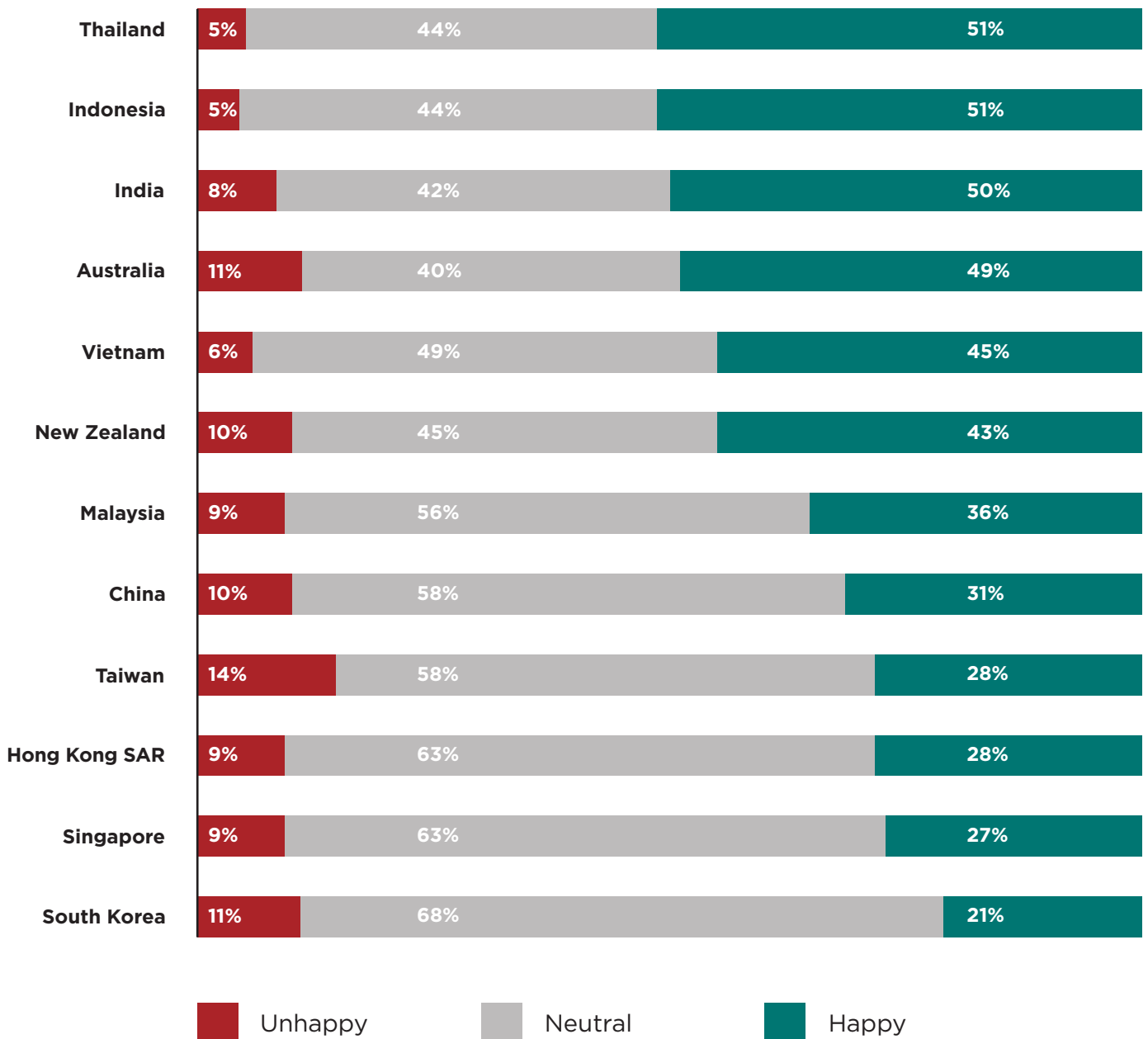
In January 2020, we found that happier staff are over twice as likely to stay in their organisations for 4 years or more, while unhappier workers are 4.5 times more likely to only stay for another year or less. This confirms a positive relationship between happiness at work and employee loyalty, such as the intended length of stay with their companies.



However, only 37% of the workforce were **happy at work**.

Further, given businesses' cost-cutting measures due to Covid-19, the happiness levels of the APAC workforce could be even lower now.

### What were the proportions of happy workers in the following countries?

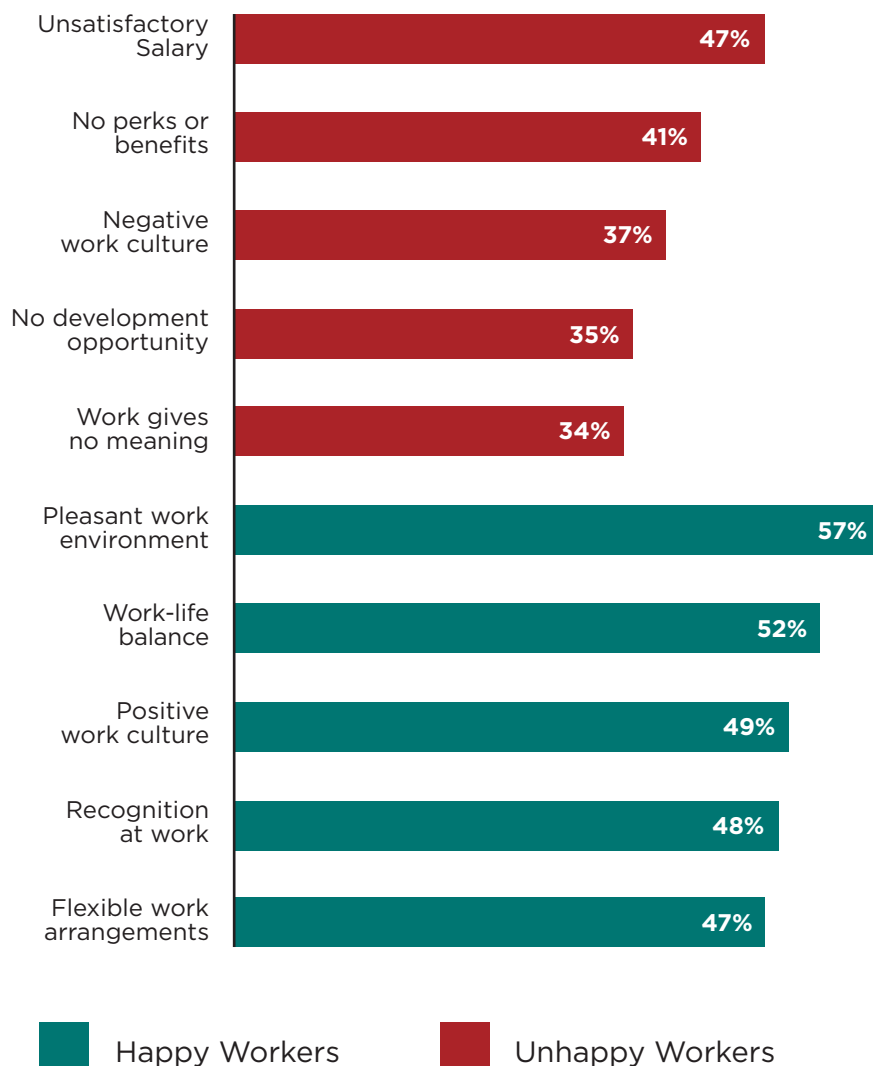


# What drove employee happiness before Covid-19 is **unlikely to change** in the new normal post-pandemic.

Covid-19 lockdowns forced companies to implement flexible work arrangements, mainly work from home (WFH), to keep employees safe and healthy. This period demonstrated the viability of WFH arrangements to most employees and employers. Both should embrace such flexible work arrangements in the new normal.

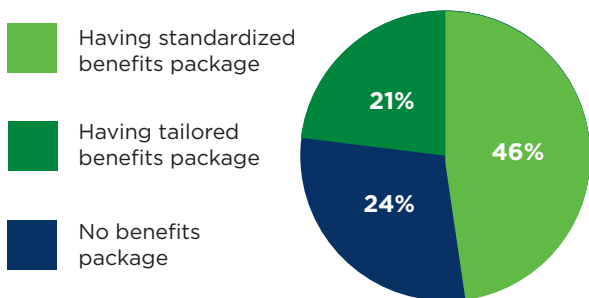
Distributed and virtual workspaces could become more commonplace. This would inevitably impact a company's work environment and work culture – some of the top factors found to be driving both happiness and unhappiness at work before the Covid-19 pandemic. As such, employers should not overlook these factors even during this new normal.

## What are the top 5 drivers of happiness and unhappiness at work?

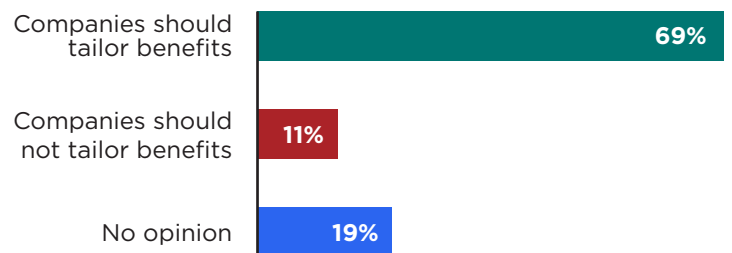


Aside from dissatisfaction over their salary, perks or benefits was also found to be the main source of unhappiness among workers. This could be due to most employees having standardised benefits or even none at all. Further, most of the workforce wanted a benefits package that is tailored to their individual needs

### What are the types of benefits package that workers were receiving?



### How much of the workforce prefers their benefits to be tailored?



Tailor employees’ perks and benefits, starting with the option of flexible work arrangements.

Offering flexible work arrangements will be even more relevant as part of efforts to tailor employees’ perks and benefits. Beyond the new normal, this could provide employees with greater work-life balance, which was found to be one of the top drivers of happiness at work.

Employers can also benefit from offering flexible work arrangements as part of employees’ tailored perks and benefits. First, such arrangements can help mitigate future outbreaks in their companies and keep employees safe. Second, just providing this option can serve to improve employees’ happiness at work.

Foster a positive culture and pleasant environment across a distributed workforce.

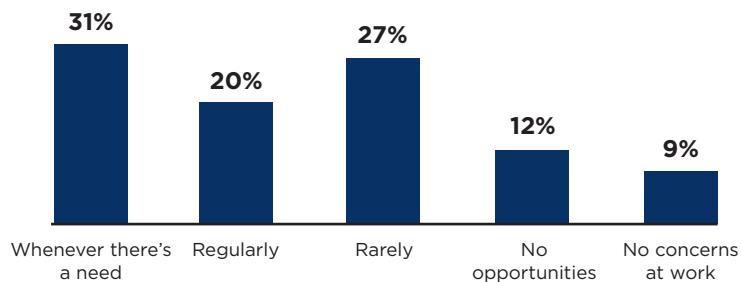
As more of the workforce have flexible work arrangements, a company’s work environment and culture will be more virtual and distributed. Employers should nurture a work environment and culture that is pleasant, positive and conducive for work, regardless of an employee’s location.

However, these challenges may not be as complex or difficult as first thought. Most regional or global companies have been nurturing such virtual work environments across borders for the past few decades.

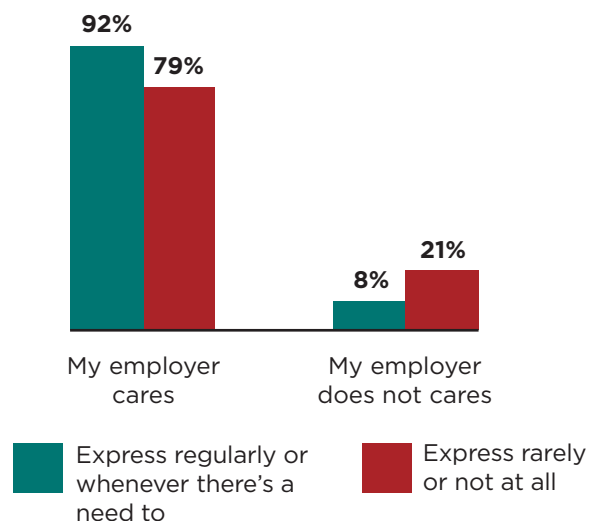
# Having the ability to express concerns at work regularly can also improve employee happiness.

Even before Covid-19 struck, we found that only half of the workforce could express their concerns regularly or whenever they needed to. Such employees were found to be 16% more likely to feel that their employers cared about their concerns, as compared to those with little or no opportunities to voice their concerns.

## How often can workers express their concerns with their managers?



## How does an employee's ability to express concerns impact their perceptions of their employers' care for them?

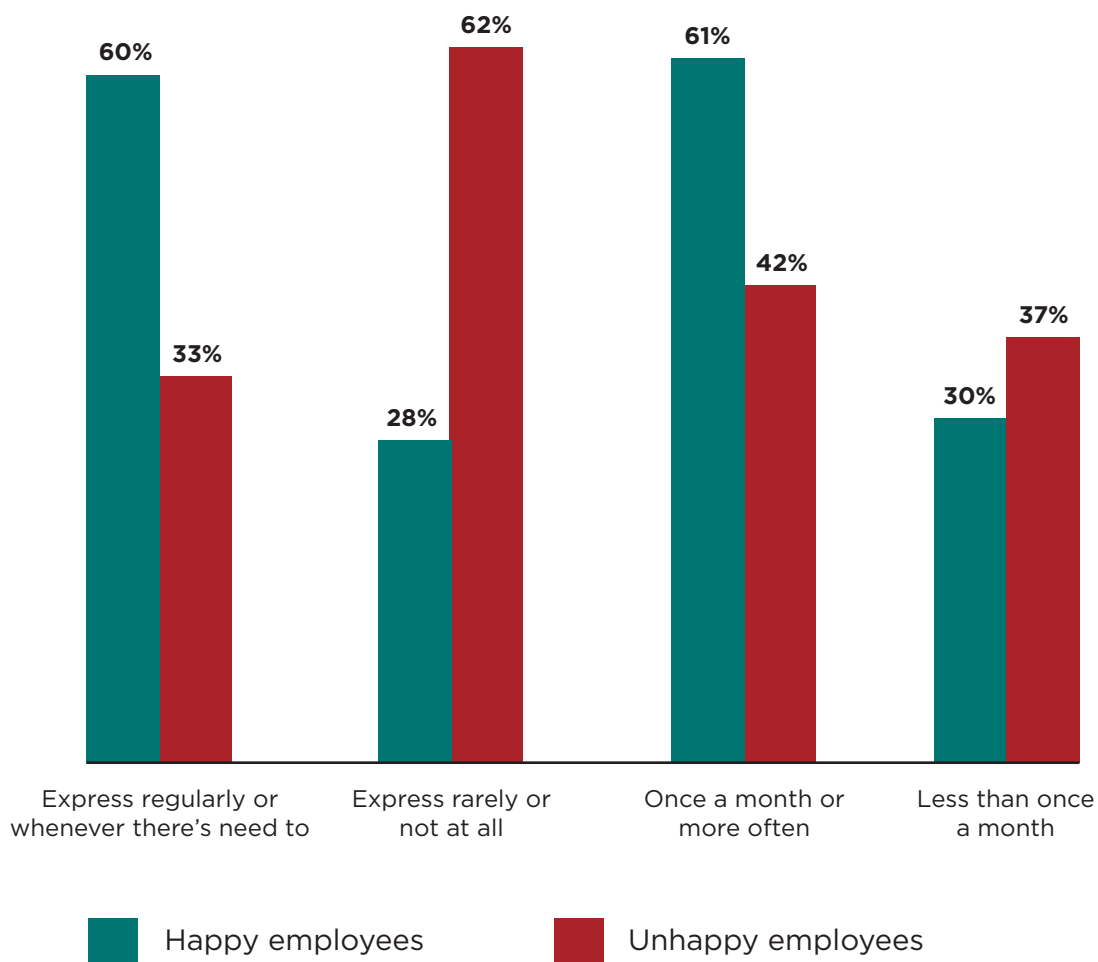


In a new normal of increasingly distributed workforces, managers need to provide regular opportunities for employees to voice their concerns. This helps to surface employees' sources of unhappiness and maintain a pleasant and united work environment.

Providing regular opportunities to voice concerns is even more important for distant employees to surface any grievances.

From regular calls to virtual townhalls, employers should encourage open discussions among their employees and managers. We found that the frequency of such conversations impacts employees' happiness at work. Employees with enough opportunities to express their concerns are twice as likely to be happy. The ideal frequency of such one-to-one conversations seems to be at least once a month.

### How does an employee's ability to express concerns impact their happiness at work?

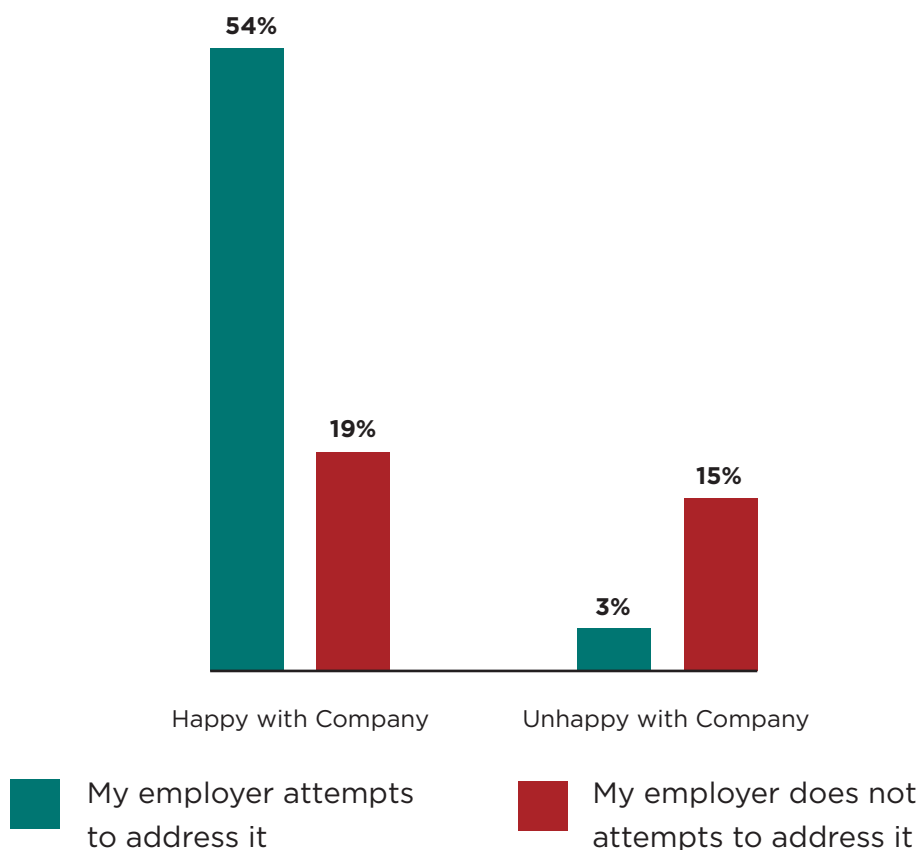


Having such regular conversations will take on greater importance as workforces become more distributed and distant in this new normal.

Employees voicing concerns is one thing, employers addressing their concerns is quite another.

Employees who feel like their concerns are being addressed by their managers were found to be 3 times more likely to be happy at work.

### How does employers' attempts to address employee concerns affect the latter's happiness with their company?



The Covid-19 lockdowns left some employees feeling isolated. Employers were faced with even greater challenges of both listening to and addressing their employees' concerns remotely. Managers needed to virtually check in with their teams more regularly to demonstrate care for their staff and maintain a sense of teamwork.

As businesses try to recover during this new normal, companies need to remember that their employees will play a big role in their survival and subsequent success. There remains a great need for employers to maintain their employees' happiness and revitalise their workforce's morale.

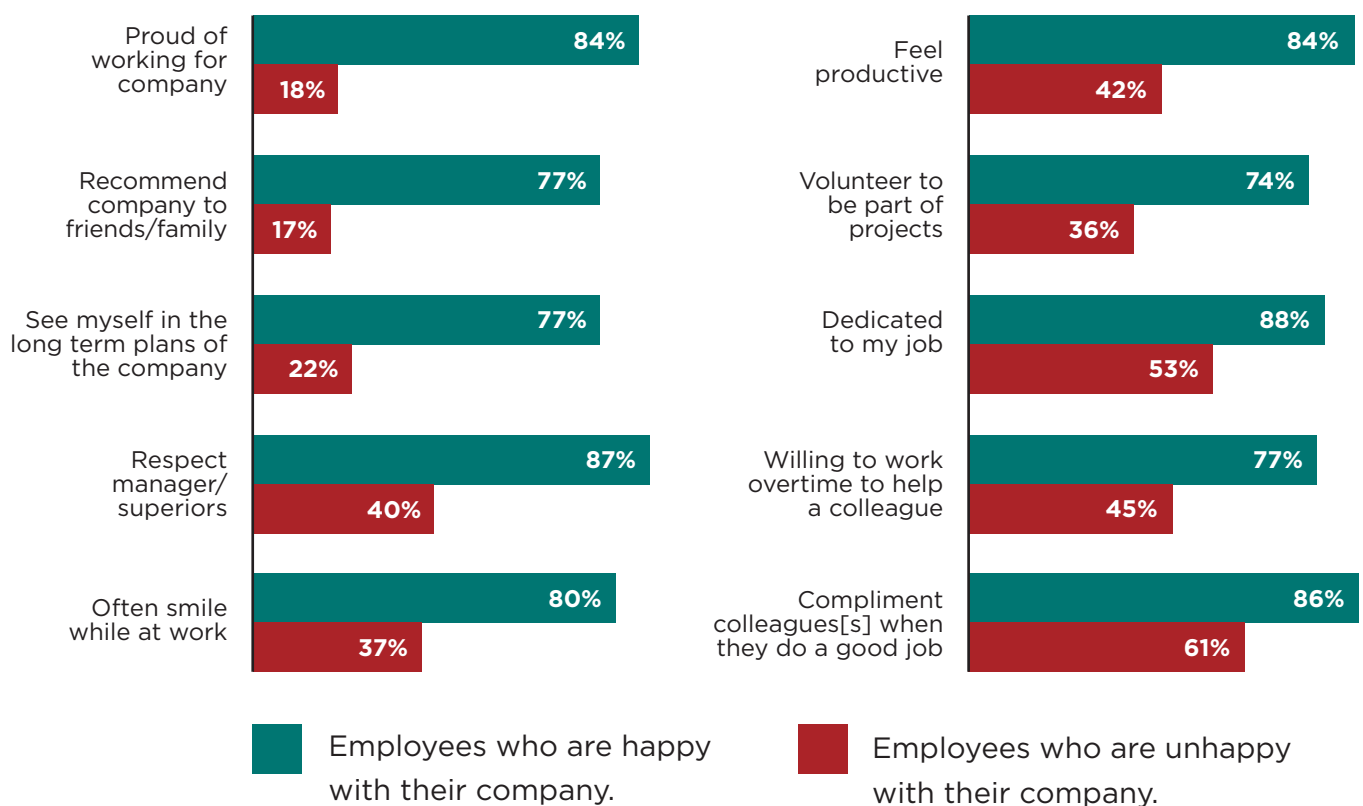
This will require managers to continue showing care for their staff, and the frequency of one-on-one conversations between managers and employees should remain high – especially amid a more distant and distributed workforce.



# Happier employees tend to be **more productive** and contribute to workplace happiness – in this new normal and beyond.

Productivity will remain an important factor in determining whether a company can survive Covid-19 and thrive in the new normal. Before Covid-19 struck, we found that happier employees were more likely to feel dedicated and productive, as well as willing to take on additional work tasks, such as going the extra mile to help a colleague or volunteering for projects.

## How does happiness impact employees in the following areas?



We also found that happier employees were more likely to maintain a strong working relationship with their managers and compliment their colleagues for a good job. This is unlikely to change any time soon.

As we adapt to a new normal, employers can and should continue to nurture happiness, mainly by providing employees with flexible work arrangements – as part of providing the type of tailored perks and benefits that employees want – as well as ample opportunities to voice their concerns, regardless of their work location.

This can then lead to a happiness loop at the workplace. Such positivity can only help to lift the doom and gloom of emerging from the Covid-19 crisis. This can improve the happiness of their fellow employees, and ultimately help companies thrive during and beyond this new normal.



