

Belonging: Tackling HR's Growing Crisis

2021 Research Report





William Akerman,
Founder and Managing Director
Connectr

"The pandemic has fundamentally changed the way people perform their jobs, with the working from home phenomenon significantly shifting what employees truly value. Many of our contacts in the media are predicting the 'great resignation', which will see many employees leave their current roles. To retain their talent, businesses must adapt and respond to these shifts in employee attitudes.

One key focus for this response must be employee belonging. With many working remotely, creating a sense of belonging has never been more challenging for employers. Yet, we know that talent who feel a sense of belonging contribute more to the business and remain longer than those who don't.

Too many employers are failing to recognise how important belonging is to both their existing talent and commercial success. There is a clear discrepancy between what employees want and what employers are offering. From our 2019 research,

this 'belonging crisis' was already present, and the pandemic has only exacerbated it further. Now is the time for employers to act. With no response, we will see millions of people leave their current roles in pursuit of competitor organisations that truly cultivate community and inclusion.

This report draws on data from thousands of UK office workers and HR professionals, highlighting the importance of employee belonging and the business case for ensuring talent of all backgrounds feel like they belong in the workplace.

HR decision makers who have an interest in supporting the progression, development, and retention of their talent, regardless of their background, will want to pay attention to the findings of this report to ensure they are doing everything they can to avoid being part of the UK's 'belonging crisis'."



**For businesses
where people
belong**

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Method



Method

The report draws on research conducted in August 2021 by Censuwide among 2,000 UK office workers and 250 HR professionals.

In sections of the report, this is compared with research conducted in February 2020 by Censuwide among 2,000 UK office workers and 250 HR professionals.



Executive Summary



Executive Summary

UK employers are facing a belonging crisis, with only **34% of office workers feeling as though they completely belong at their company**. This is having a significant impact on productivity, motivation, loyalty and engagement levels.

The problem is vast, with **16 million people suffering from alienation in the workplace**. Of these, **11.5 million are seriously considering leaving their current jobs** as a result. If nothing is done, a very disruptive time for UK business looms.

The pandemic hasn't helped the situation, prompting an era of remote working and furlough. It's no coincidence that employee priorities have substantially shifted during this time.

Whilst **salary remains the number one workplace perk for UK employees, with 63% of workers flagging this as key**, other emotional benefits, such as having individuality recognised

and feeling supported, are becoming more prevalent. In fact, being valued comes in as the second most important workplace perk for UK office staff. Added to this, even **salary is on the slide – falling by 7% compared to data collected in 2020**.

However, HR heads are missing the mark in judging what matters when it comes to building a sense of belonging. Just **15% list not feeling supported and not liking company culture as important reasons why people are walking out of jobs**.

With **16 million employees in the UK suffering from a lack of belonging, and 72% of them looking to move jobs** because of this, this is a huge and dangerous oversight. It is clear the importance of employee belonging is a blind spot for HR.

What's more, **93% of HR professionals believe their employees feel a sense of belonging to**

their organisation. This would mean that just **1.7 million workers are suffering from a lack of belonging – yet our candidate research puts this figure at 16 million**, meaning the crisis is **10 times bigger than HR teams realise**.

Even if HR heads do want to focus on belonging, four out of five say they don't have time to give it the attention it deserves.

This is disappointing when you consider that **46% of employees link a strong sense of belonging to feeling more motivated in the workplace**. Belonging is also a huge asset when it comes to attracting and retaining top talent. **41% of workers who have a sense of purpose within their organisations claim this makes them more loyal**.

Despite this growing challenge, there are solutions to be leveraged, such as digital platforms and mentoring schemes, that are proven to be valued by workers and will help employers foster a greater sense of community and belonging amongst their staff.

The Belonging Crisis



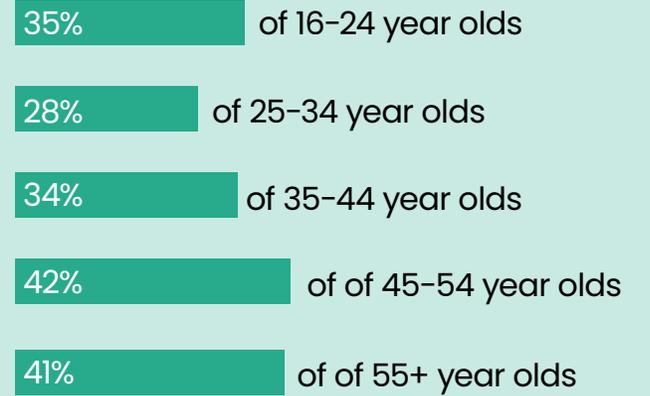
The Belonging Crisis

Just **34% of UK office workers overall feel as though they completely belong within their company**, despite this being essential for employees to feel motivated, dedicated and engaged.

Women are less likely to feel as though they truly belong, with only one third feeling as though they currently do, **compared with 35% of men**. Either way, the numbers are bleak.

Interestingly, **25-34 year olds suffer most from a crisis of belonging**, with just **28% having a sense of purpose and community** at their current employer. This improves when examining more mature age groups – **42% of 45-54-year-olds and 41% of 55+ year-olds do feel connected to their organisation**, however, this is still significantly below half.

This data demonstrates the growing crisis of employee belonging, with just **26% feeling a strong bond with their company**. Further to this, only **29% feel truly committed to their job**, under a third are glad to be part of their company (**32%**), and just **25% believe that being a part of their organisation makes a purposeful contribution to their identity**. What's more, just **23% of people feel a sense of community** within their company.



feel like they belong within their current company.

Change is Needed

In 2020, **one third of UK office workers reported feeling as though they completely belong within their company.** Things haven't improved to any extent.

This ongoing crisis needs to be addressed. There are **approximately 24.4 million full-time workers in the UK, and only 34% of these feel as though they belong.** This means **16 million people are suffering from alienation in the workplace.** This is a distressing reality, with the potential to be disruptive for organisations.

16 million
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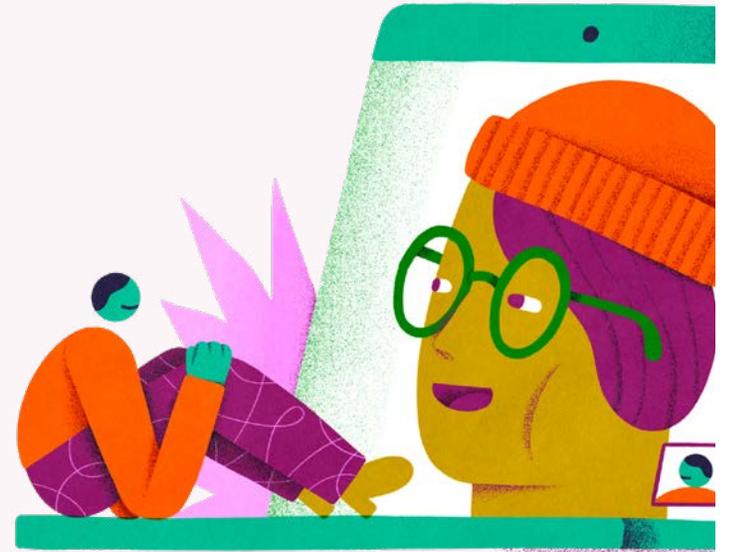
The Impact of Remote Working and Furlough

There have been a number of factors that have impacted belonging over the past year. Firstly, with the loss of the physical office, we've seen the loss of a central hub. More people

have been doing their job in isolation, which has led to an increased disconnect to their organisations and colleague community. The lack of human connection and 'learning via osmosis' has been significantly compromised, which many find important in the modern workplace. The feeling that 'we're all in this together' becomes undermined.

Secondly, the furlough scheme has also had significant implications on employee belonging. Up to ten million people have spent time on furlough over the past year, leading to uncertainty around their value and contribution to their organisation. This has had significant potential to erode team solidarity and spirit, whilst posing a huge challenge to employers looking to maintain engagement and a sense of community with their furloughed employees.

Despite these unique challenges, now isn't the time to give up on belonging – far from it. In fact, fostering a sense of belonging in the workplace is more important than ever. The workplaces that emerge from the pandemic placing value on belonging will stand out from the crowd.



Moving Market



Moving Market

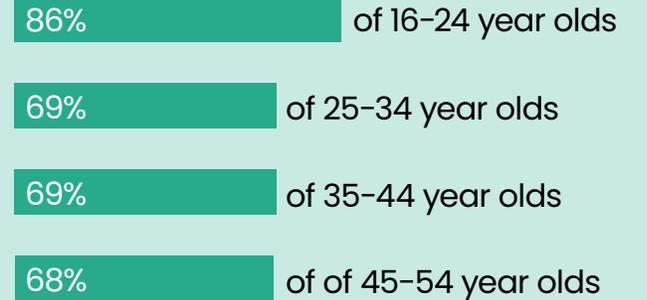
So, what impact is this belonging crisis actually having on UK businesses?

72% of people who don't feel a sense of belonging within their workplace are considering leaving their jobs in the next 12 months. This rises to 74% among women.

With **16 million workers in the UK struggling to feel that sense of community**, we can determine that right now, more than **11.5 million members of the UK's workforce are seriously reconsidering their current roles**. These are startling statistics.

For businesses that aren't prioritising employee belonging, or delivering effective strategies, this evacuation of talent presents a genuine crisis. Organisations could be looking at substantial talent walkouts leading to shortages – leaving behind an ageing workforce, as well as the huge financial implications of replacement hires to fill the talent void.

If there is any doubt about just how important belonging is to UK workers, let's examine what work benefits, in 2021, are being prioritised.



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What Do Workers Value Most?



What do Employees Value Most?

It is clear that the ongoing implications of COVID-19 has changed how we value the world of work.

Whilst **salary remains the number one workplace perk for UK employees, with 63% of workers flagging this as key**, other more emotional benefits are becoming more prevalent. **Added to this, even salary is on the slide – falling by 7% in 2021.**

Which workplace benefits are most important to you?



Changing Priorities

Many employees, for different reasons, continue to prioritise the financial gain of employment. With working from home, people have continued to enjoy the economic value of work, but many have been left feeling like there is a hole in their lives.

Remote working is redefining what many need and want from careers. The BBC recently reported that despite the privilege of relative job security, many professionals across industries are looking to change companies, switch sectors, retrain or even set up their own businesses. During a time of such economic uncertainty, why are so many skilled professionals open to fresh experiences?

The answers tell us a lot about how our career needs are shifting as a result of COVID-19 – and how to be happy at work in the future.

The Rise in Importance of Cultural Attributes

Being valued comes in as the second most important workplace perk for UK office staff. It is clear that cultural attributes are now far more important than many of the monetary

incentives traditionally favoured by employees, overtaking the likes of a subsidised gym membership (7%), office parties (8%) and health insurance (17%).

In 2020, **8% of workers listed having their individuality recognised and supported as one of the most important work benefits.** Now, this figure has **more than doubled and 20% think this way.** A further **13% of workers deem having role models and colleagues to identify with to be important.** This wasn't even reported with any statistical significance in 2020.

Other work benefits that have become more important to people include being proud of the company they work for, having their opinions listened to, and being part of a supportive and inclusive team. In fact, there is only a **3% difference in the number of workers who value an annual bonus (29%) compared with feeling supported and included at work (26%).** This suggests that employers need to better celebrate, nourish and support their talent, particularly those from underrepresented groups.

It is Millennials and Gen Z driving these shifting workplace trends. Just **44% of 16-24-year-olds consider salary as the most important workplace benefit.** Employers need to be ready for this change in mindset – especially given that **by 2025, millennials will make up over 75% of the global workforce.**

However, the importance of feeling valued is shared across the UK's entire workforce.

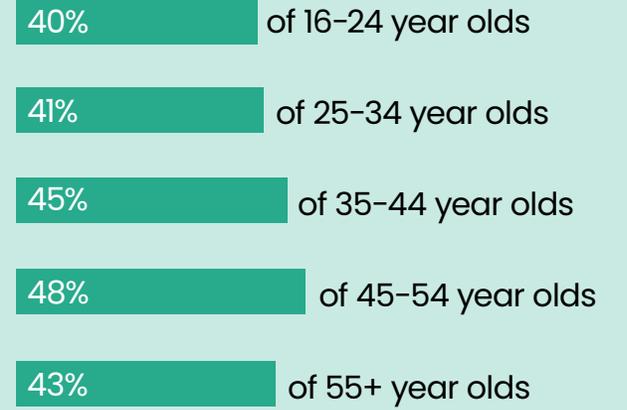


New Working Landscape

These cultural benefits summarise what it now means to feel a sense of belonging in the workplace. And it is obvious that employees aren't going to ignore them.

HR teams within organisations must react to this and ask themselves – are we doing enough to be active allies for our talent? If organisations are serious about supporting what their workforce value, steps must be taken to create inclusive workplaces in which all diverse talent can feel valued, appreciated and respected.

The organisations that get this wrong will lose their existing talent, and struggle to attract and retain top talent moving forwards.



list feeling valued as the most important workplace benefit



Belonging – the HR Blindspot



Belonging – the HR Blindspot

The issues commonly experienced by employees are still relevant – such as a lack of progression and development opportunities, wanting to pursue a different career path, being poached by another company and redundancies.

HR professionals are right to highlight these ongoing reasons for people leaving their jobs – but too often they remain ignorant to vital pieces of the picture.

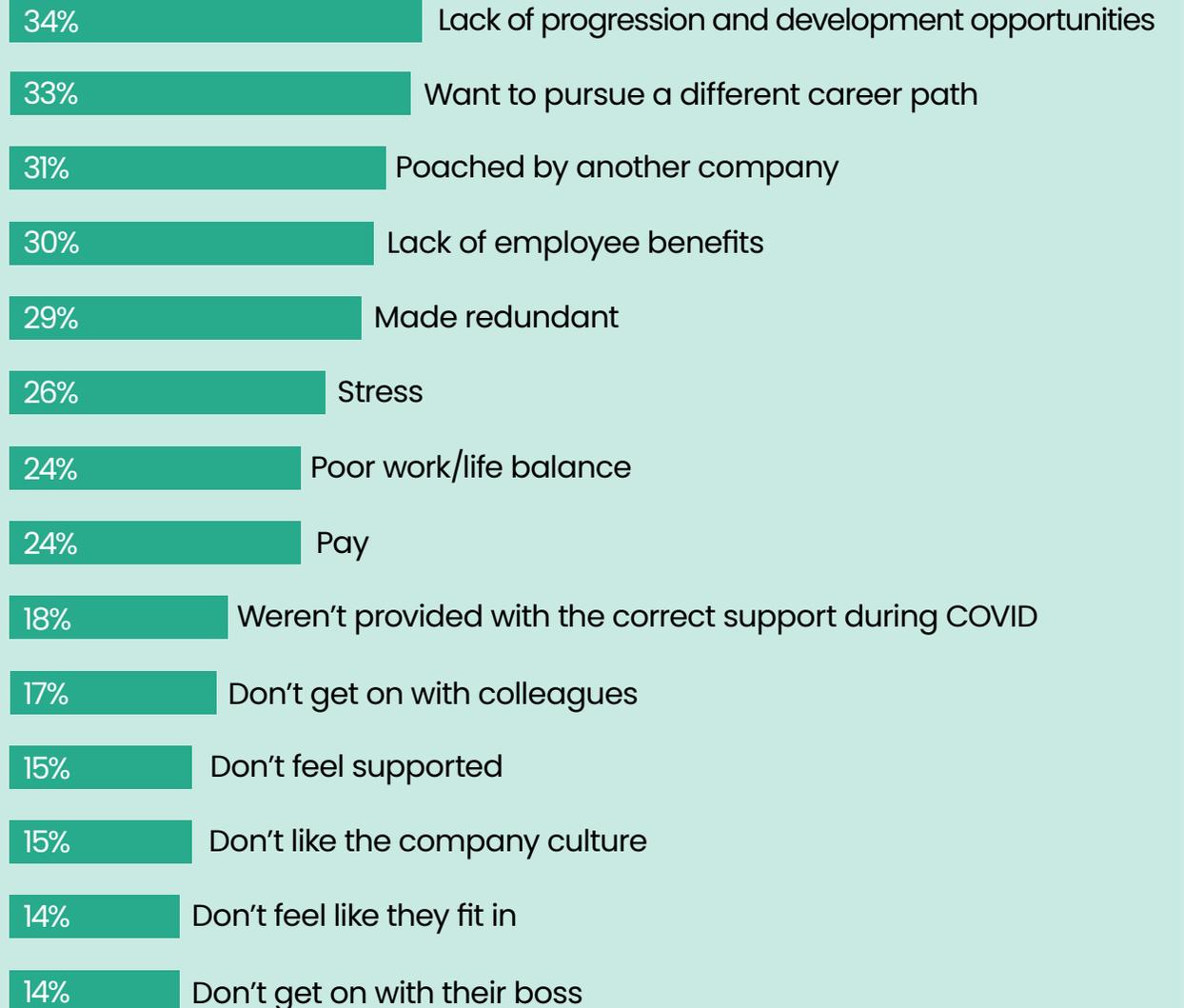
Just 15% of the HR heads list not feeling supported and not liking company culture as important reasons why people are walking out of jobs.

And only **14% believe that not fitting in is a factor behind employee retention rates.** In fact, amongst HR professionals these three considerations are the lowest ranking reasons why people are leaving companies.

Given that feeling supported, liking company culture and fitting in are all important factors for employees, and instil a sense of belonging in the workplace, it is the case that HR leaders are missing the mark in judging what matters for belonging.

With **16 million employees in the UK suffering from a lack of belonging, and 72% of them looking to move jobs**, this is a huge and dangerous oversight. It is clear the importance of employee belonging is a blind spot for HR.

Asking HR: What do you think are the primary reasons for losing employees?



Hearing from HR



Hearing From HR

Not only are employers underestimating the importance of belonging, but our research suggests that many are too complacent about this aspect of their business. **93% of HR professionals believe their employees feel a sense of belonging to their organisation.**

According to the HR departments, just **1.7 million workers are suffering from a lack of belonging** – yet our candidate research puts the figure at **16 million**. In short, the crisis is almost 10 times bigger than HR teams realise.

93%

of HR professionals believe their employees feel a sense of belonging to their organisation.

Missing the Mark

Even if HR heads do want to focus on belonging, four out of five say they don't have time to prioritise it. A staggering **92% say that they struggle to get buy-in from senior leadership around the issue of belonging, whilst 89% admit to belonging becoming less of a focus during the pandemic. Also 30% of HR personnel say they only start building relationships with new employees after six months.**

Employers are not giving belonging the time and attention it deserves, and UK employees are recognising this. Even among those who do report a sense of belonging, **62% say little is proactively done to cultivate it.**



The Brilliance Of Belonging



The Brilliance Of Belonging

There are many solid commercial reasons why senior HR leaders should place belonging at the forefront of their people, inclusion and diversity agendas.

Feeling a sense of belonging in the workplace leads to more than just a happy workforce. It is key for a business' performance and retention.

When employees feel like they belong, there are direct and substantial bottom-line benefits. **46% of employees link a strong sense of belonging to feeling more motivated in the workplace. 40% report being more engaged, and one third say they'll be happier to support their colleagues.** These traits are known for their longstanding history of increasing job performance.

Belonging is also a huge asset when it comes to attracting and retaining top talent. **41% of workers that have a sense of purpose within their organisation attribute this to making them more loyal, with 35% saying they'll be less likely to leave as a result. In addition, 29%**

What impact does belonging have on your work ethic?



of people report that a sense of belonging in the workplace makes them more likely to recommend the company to friends as a good place to work, increasing the level of top talent available to hire.

The power of belonging can inspire future leaders. **24% of workers attribute a sense of belonging to making them more ambitious to progress through the company.**

So, how can belonging be best nurtured?

How Can Employers Build Belonging?



How Can Employers Build Belonging?

When asked what factors would most make them feel like they belong within their company, it is unsurprising to see that **nearly half of UK office workers want to feel valued, and a further third want the opportunity to progress.** These have long been important for cultivating belonging. However, a significant number of employees crave access to digital platforms designed to support people and provide them with access to mentoring schemes.

In fact, out of the UK's workers who have been at home since March 2020 and say that they were made to feel like they were still valued by their companies, **28% put it down to online support platforms and 16% attribute it to mentoring schemes.**

Similarly for those who were furloughed during the pandemic but maintained a sense of belonging, **30% credit online platforms and 20% mentoring schemes** – that's half of all furloughed workers, upwards of five million people, stating that mentoring and digital solutions are essential in cultivating their sense of belonging.

This is just as crucial for younger generations. **59% of furloughed workers between the ages of 16 and 34 credit their sense of belonging to online platforms and mentoring.**

Given that Millennials – who, as discussed, will represent **75% of the global workforce by 2025** – want to work for organisations that value belonging and work actively to foster it, employers need to respond and invest in solutions that are already proving themselves in today's workplace.

59%

of furloughed workers between the ages of 16 and 34 credit their sense of belonging to online platforms and mentoring.

What belonging strategies, if any, does your company currently have in place?



Despite the demand from UK workers for digital platforms designed to support staff, just **33% of organisations use them**. And only **28% host mentoring schemes**, again, despite the obvious demand.

With literally millions of office workers across the UK likely to benefit from digital platforms and mentoring schemes, the data suggests it is time for organisations to start leveraging these strategies as a practical response to the belonging crisis.

28%
of organisations host
mentoring schemes

Mentoring: The Crucial Belonging Tool



Mentoring: The Crucial Belonging Tool

Mentoring is a huge support to talent of all backgrounds and plays a crucial role in cultivating belonging. It is also key in supporting employee progression, development and retention.

Research has demonstrated just how valuable mentoring is to employees:

- **94% of employees would stay longer at their company if it invested in their careers**
- **97% of those with a mentor say they are valuable**
- **Mentees are promoted five times more often than those without mentors**
- **79% of Millennials see mentoring as crucial to their career success**
- **89% of those who are mentored will go on to mentor others, creating a cyclical culture of learning and development**

Despite these statistics, the lack of organisations running mentoring schemes demonstrates a clear disconnect between appetite for mentorships and the opportunities available.

Mentoring goes way beyond a mentee's personal development, also delivering significant impact to mentors and the wider business.

Mentoring programmes help people identify and achieve career goals, establish and grow a new network and learn from senior figures they can identify with whilst on the job. The programmes also improve confidence, foster a sense of belonging and give employees access to new perspectives, whilst being able to visualise their career trajectory within the business.

94%

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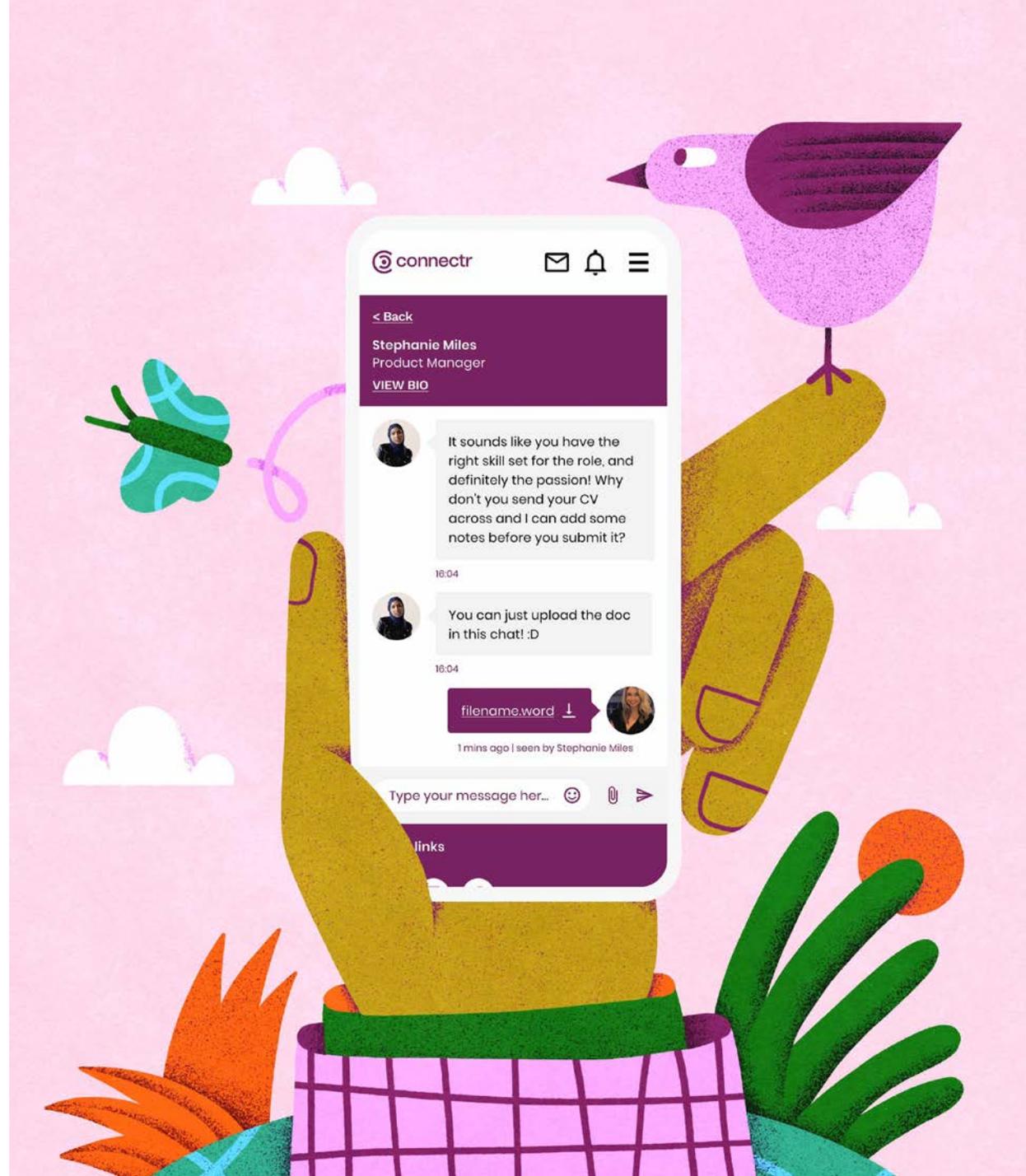
Technology as a Gamechanger

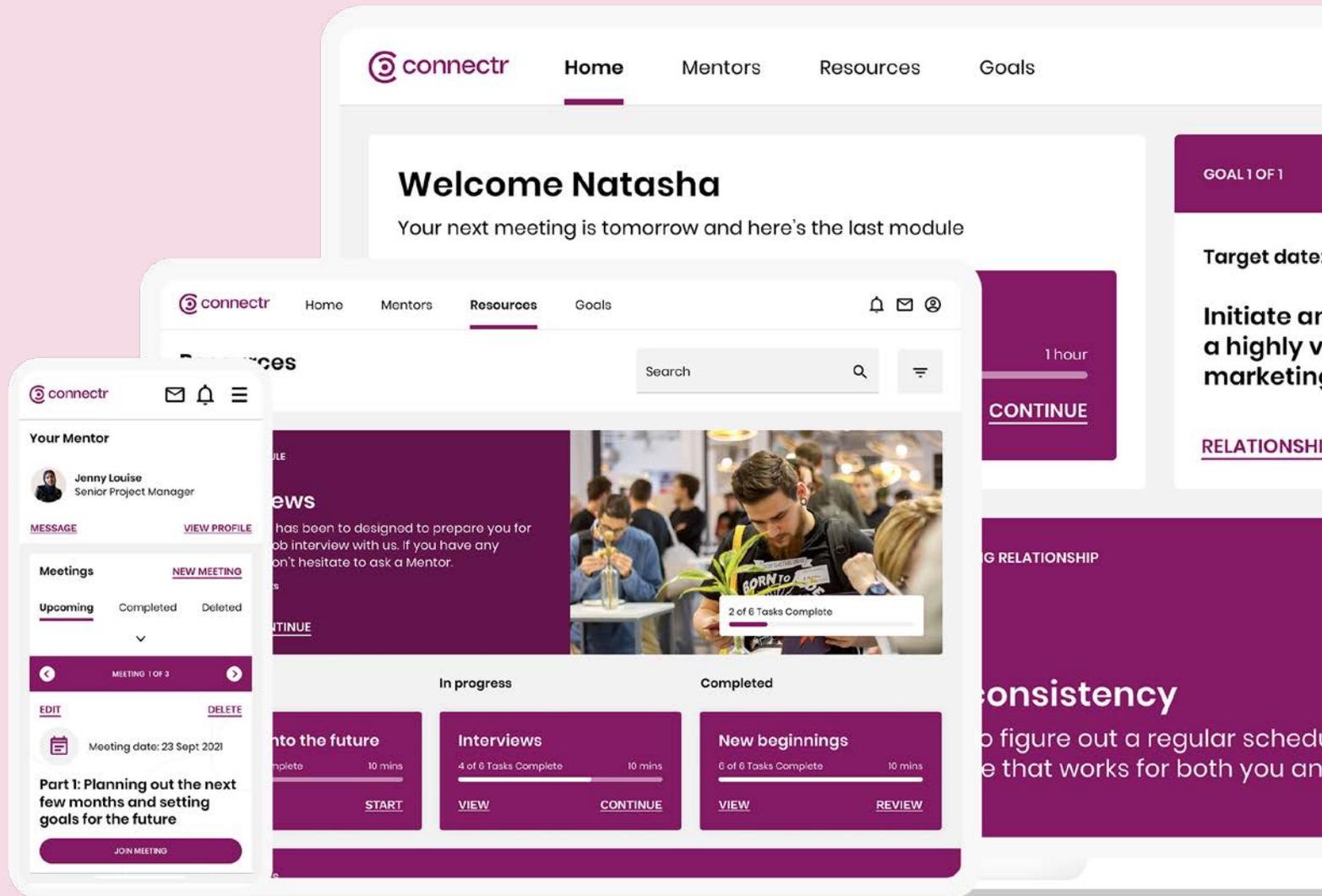


Technology as a Force for Change

When delivered effectively and with purpose, mentoring can offer real and tangible benefits for both businesses and their talent.

Connectr's employee engagement platform empowers existing talent to drive their own development and progression.





Connectr delivers mentoring with purpose through:

- A fully branded platform with none of the manual management or delivery of traditional mentoring programmes
- A smart-matching algorithm that uses data to accurately recommend mentoring options, with mentees able to choose the best match for them
- A mentor resource hub providing custom-made content to continually upskill mentors on all aspects of a purposeful mentoring relationship
- Agile mentoring relationships that allow mentees to easily communicate with mentors through instant, in platform live chat, or set up meetings with video conferencing
- Real time reporting to track and measure the scale and impact of your mentoring programme

The Results

Connectr is proven to deliver unrivalled engagement and satisfaction results amongst employees.

To date, the platform has achieved:

93%
user engagement



Average user
rating of

4.7/5



Conclusion



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The pandemic has changed the way millions of workers evaluate what is important for them. Cultural attributes now matter. They cannot be ignored, and organisations need to respond by authentically prioritising and driving belonging in the workplace.

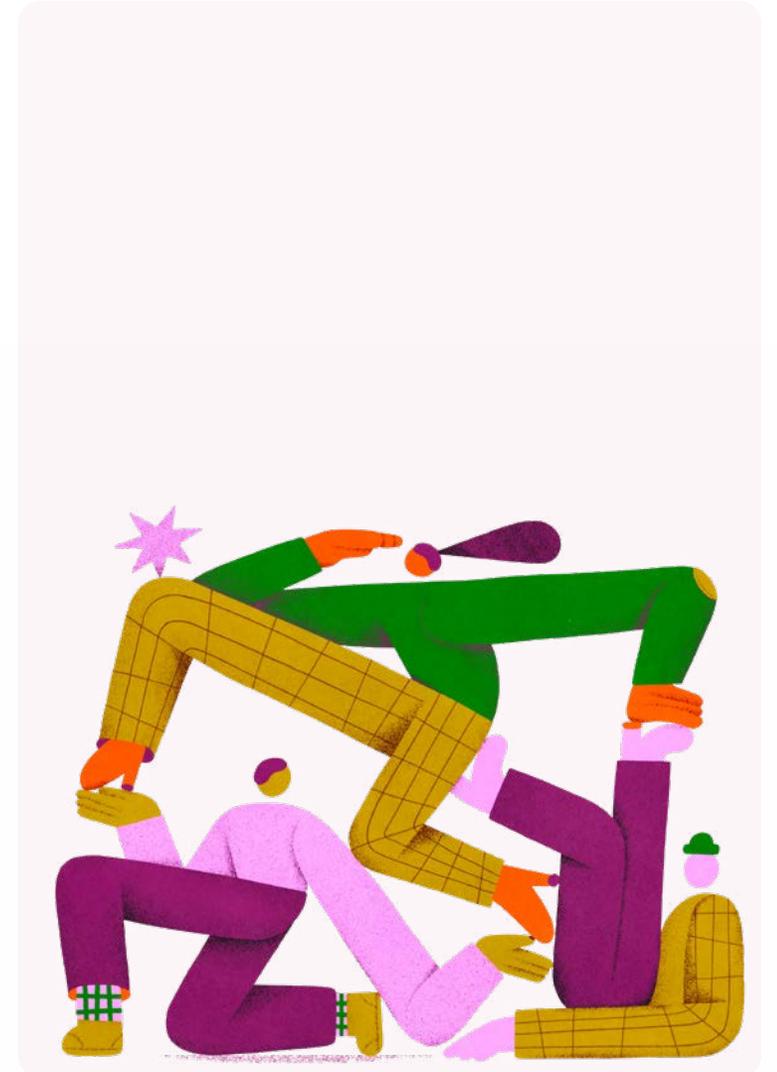
Belonging isn't simply a nice to have. And it isn't a tick box exercise. The research demonstrates that it is vital for employers that want to be productive with an engaged, motivated and loyal workforce – critical for avoiding the predicted 'great resignation'. Too many employers are underestimating its importance and/or overstating their performance in this area. The belonging crisis is 10 times bigger and twice as important than is being realised.

Such an imbalance is dangerous. Belonging must be much higher up in HR agendas.

The good news is that it's not too late to take action. At Connectr we're working with employers to address this gap and champion their employees' sense of belonging. In particular, talent from underrepresented backgrounds, so employers can actively address HR's growing belonging crisis and set their workforce up to succeed.



William Akerman,
Founder and Managing Director
Connectr



Get in touch to lead the change for your organisation



0207-620-4463



team@connectr.com



www.connectr.com