Out of Crisis and Into Another: US Workers Not Happy

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One of the biggest consequences of poorly executed strategy is decreased employment commitment (in fact, 67% of local leaders thought that this was THE biggest consequence of strategy gaps – click here for that article; http://www.councilforquality.org/about_newsletter.cfm). But that's not the ONLY thing impacting employee morale. Consider these startling data: 46% of workers say their jobs are stagnant; 50% of stagnant workers (and 33% overall) just do their jobs and go home; and only 45% of American workers are satisfied with their work. 45%. In a day when many still can't find good work, it won't be long until many organizations can't find good workers…

Maybe it's the convergence of factors these days: a tough economy, stressful jobs and stressful lives, organizations continuously cutting and clamping down. But whatever the cause(s), for those American workers lucky enough to have jobs in this economy, more and more are growing unhappy with them.

For those who love data, let me present some startling facts…

In a Conference Board study (http://www.conference-board.org/utilities/pressDetail.cfm?press_ID=3820) published last month, only 45% of Americans were satisfied with their work. That is a 4% drop from Conference Board's 2008 study and the lowest in more than 22 years of studying the issue. In case you can't do the quick math, that means fully 55% -- more than half our workforce – are NOT satisfied with their jobs.

Pause. Let that sink in a minute: 55% of American workers are not satisfied with their work.

The recent drop in employee satisfaction might partially be blamed on the poor economy – it has been, after all, one of the worst economic periods since the Great Depression, which certainly made it difficult for some to find work, let alone find challenging, engaging, and meaningful work.

But employee satisfaction has been dropping for more than 20 years.

"It says something troubling about work in America," says Linda Barrington, managing director of human capital at the Conference Board. "It is not about the business cycle or one grumpy generation." According to Conference Board, workers have grown steadily dissatisfied for many reasons:

- Only 51% find their jobs interesting.
- Only 43% feel secure in their jobs.
- Only 51% are satisfied with their boss.
- And other factors – like incomes not keeping up with inflation and the rising cost of health insurance taking more and more of take-home pay – are contributing to overall dissatisfaction.

Another study – "Pulse of the Workforce," conducted last summer by Development Dimensions International, a 40-year old Pittsburgh-based talent management firm – may show yet another contributing factor. In surveying over 1000 nonmanagement workers, they found:

- 46% of workers who say their jobs are stagnant (this is similar to Conference Board's study that found that 51% of workers find their jobs interesting…or 49% that find them uninteresting).
- 50% of stagnant workers (and 33% overall) who just do their jobs and go home.
- 32% of those who said their jobs are stagnant who cited no room to advance as the reason (see http://www.ddiworld.com/thoughtleadership/hrtrendresearch.asp).

Perhaps the last bullet is related to the economy: organizations are not hiring and people are not leaving, so therefore there isn't much room for advancement. In "good times," a little excess capacity creates opportunity, as workers rotate positions, high performers advance, and employees move around a bit within organizations. It keeps it fresh; it facilitates development; it promotes energy, growth, and learning – all quite the opposite of stagnation.

But today, our jobs (and our organizations?) are stagnant. According to DDI: "All at a time when organizations can ill afford to have unproductive, poorly engaged individual contributors."

And according to the Conference Board study: "If the job satisfaction trend is not reversed, economists say, it could stifle innovation and hurt America's competitiveness and productivity."

Workers who find their jobs interesting, as the report says, are more likely to be innovative and take the calculated risks and the initiative that contribute to economic growth. "What is really disturbing about growing job dissatisfaction," says Lynn Franco, another co-author of the Conference Board study, "…is the way it can play into the competitive nature of the US workforce down the road and on the growth of the US economy – all in a negative way."

So an obvious danger is lurking for our organizations and our economy: if we don't address worker satisfaction, it will impact our long-term productivity, competitiveness, innovation, and growth. It will also impact customer satisfaction.

But there's another long-term danger. Conference board claims that not only does employee dissatisfaction stifle innovation and hurt competitiveness and productivity, but "…it could make unhappy older workers less inclined to take the time to share knowledge and skills with younger workers."

And that brings me to my biggest long-term fear: remember that thing called a worker shortage just three or four years ago? Remember when we couldn't find enough skilled workers and many, many companies were capacity constrained? And remember all of the doomsday predictions regarding the impact of retiring Baby Boomers on the overall economy – the impact of tens of millions of workers retiring, taking their knowledge, their expertise, and their capacity out the door? Remember that? Well, it's still coming – admittedly delayed a few years due the recent recession (and probably delayed retirements due to the stock market decline), but it is still coming.

Several years ago, the US Department of Labor forecasted a shortage of 3 million workers by 2012, and that an additional 10 million positions would go unfilled because workers lack the specialized skills required to fill vacancies. I searched for revised forecasts and couldn't find anything, but I do believe as the economy improves – and as Baby Boomers continue to age (nothing has delayed that process, unfortunately!) – we will be faced with a classic workforce shortage in this country. We simply will not have enough workers to satisfy demand. And if we experience a worker shortage at the same time that employee satisfaction is dropping, I think the consequences are obvious.

But I have one more piece of the doomsday puzzle to offer (sorry to be a downer this month). Reported by PassionWerx (a local consulting firm that specializes in helping people and workers find their passion), an estimated 50-70% of your best and brightest workers will be looking for new positions once the recession lifts. They claim "…the reality is that most managers spend over 80% of their time with the least engaged employees, while their most engaged people are left alone to do the bulk of the work." Their conclusion? Engaged workers need engaged managers.

So employees are not happy, many of your best employees will look to leave as the economy improves, and the overall economy will have a labor shortage once Baby Boomers really do start to retire. Sounds somewhat catastrophic.

The solutions to the worker satisfaction issue are obvious, but not easy. We need to:

Measure and manage the factors that drive employee satisfaction and engagement.

- Identify “critical talent” and work to retain these workers.
- Train and develop your workforce – on those things that are important to the success of your people and your company (and not anything else).
- Build systematic ways to transfer knowledge and skills among employees.
- Adapt to different work styles.
- Eliminate organizational waste.

Each of these could be their own article (or book), but for a summary of thoughts, see the article “Help Wanted: Confronting the Workforce Shortage.”

We are (hopefully) emerging out of a very challenging economic time for most organizations. But without thoughtful, systematic, and proactive preparation, we may be heading into another one.