# Experiential Belonging is The Future of Work

## 2023

### KEY FINDINGS & PREDICTIONS

# CONTENTS

# EXPERIENTIAL BELONGING

## What It Means & Why It Matters

Over the past few years, DEI practitioners (*ourselves included)* have put a lot of emphasis on belonging —and for good reason.

Do a quick Google search on the term, "Belonging at Work" and you'll find a deluge of information that ultimately **positions belonging as one of the biggest drivers of job performance.**

## *High levels of belonging correlate to:*

**5x** more likely to stay at an organization

**56%** increase in job performance

**18x** more promotions

**$52M** in yearly company savings

**167%** increase in employer promoter score

Source: HBR, BetterUp, McKinsey, Deloitte, Culture Amp

While most organizations would concede that belonging has some level of importance, **many are failing to fully integrate belonging into the employee experience.**

Source: HBR, BetterUp, McKinsey, Deloitte, Culture Amp

# WHAT WE HEARD...

Employees have a lot to say when it comes to DEI and belonging, here's some things we've heard over the years...

"**Leaders are behind DEI efforts because they want to be seen as a company that cares. They spent a lot of time crafting a mission statement and [achieving DEI] certifications that serve as little gold stars to symbolize they're diverse/equitable. But [in reality], leaders are more focused on building the business strategy... less so the employee experience.**"

"**Belonging comes with investing in people. Without that, we feel expendable.**"

"**DEIB can be a very 'corporate', reductive term, but the work we do requires so much empathy. [As a woman of color], when dealing with issues of race and social justice, it's something I react to with my experiences in mind.**"
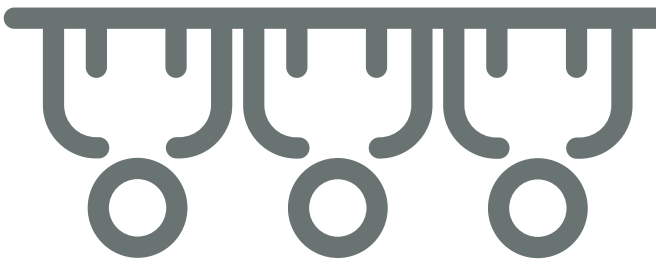
# WHAT WE'VE SEEN...

In our consulting work we've noticed that – when it comes to belonging, **most organizations fall in one of two camps:**



## CAMP 1

Over-rely on performative gestures and cultural celebrations

## CAMP 2

Expect workplaces to function as a "family unit"

While the intentions are well-meaning, neither of these camps satisfy the need to cultivate **experiential** moments that create and sustain inclusivity in the workplace.

It's time to move beyond the abstract notion of belonging as a sense of acceptance, and push towards concretizing how **all** employees experience work.

*At its core, Experiential Belonging takes place when employees feel empowered to do the work they care about, while also knowing they have the necessary support to be successful.*

# CRUCIAL INGREDIENTS

We've identified four crucial ingredients of **Experiential Belonging** in organizations:

Experiential Belonging

| INGREDIENT | EMPLOYEES FEEL THAT... |
|---|---|
| **Psychologically Safe to Disagree & Disrupt** | *My opinion matters - **especially** when it pushes against the norm.* |
| **Access to Growth Opportunities** | I know this is a place that I can grow |
| **Developing Managers into People Leaders** | My manager focuses on more than the task at hand and has been equipped to holistically engage their people so all employees can thrive. |
| **Values Alignment** | My organization takes an active role in supporting my mosaic of identities through its policies, procedures, and daily behaviors. |

Belonging is something we all desire and all benefit from. But to collectively build more human and healthy workplace cultures, **we have to explore the current knowledge gaps to ensure we do not repeat past inequities.**

This report is based on findings of survey and focus-group data across 10 organizations with over 500 respondents. Below we provide background information on our collection tools.

# METHODOLOGY

## SURVEY DESIGN

The Experiential Belonging Index is designed to evaluate how employees' experience work through the lens of **four key drivers:**

**1**

### Safety to Disagree & Disrupt
*(i.e., Psychological Safety)*

*We tested if: I can voice a dissenting opinion without fear of repercussions.*

**2**

### Access to Leader Support

*We tested if: I feel seen and supported by my leaders.*

**3**

### Access to Growth Opportunities

*We tested if: Employees have equal access to growth opportunities.*

**4**

### Values Alignment

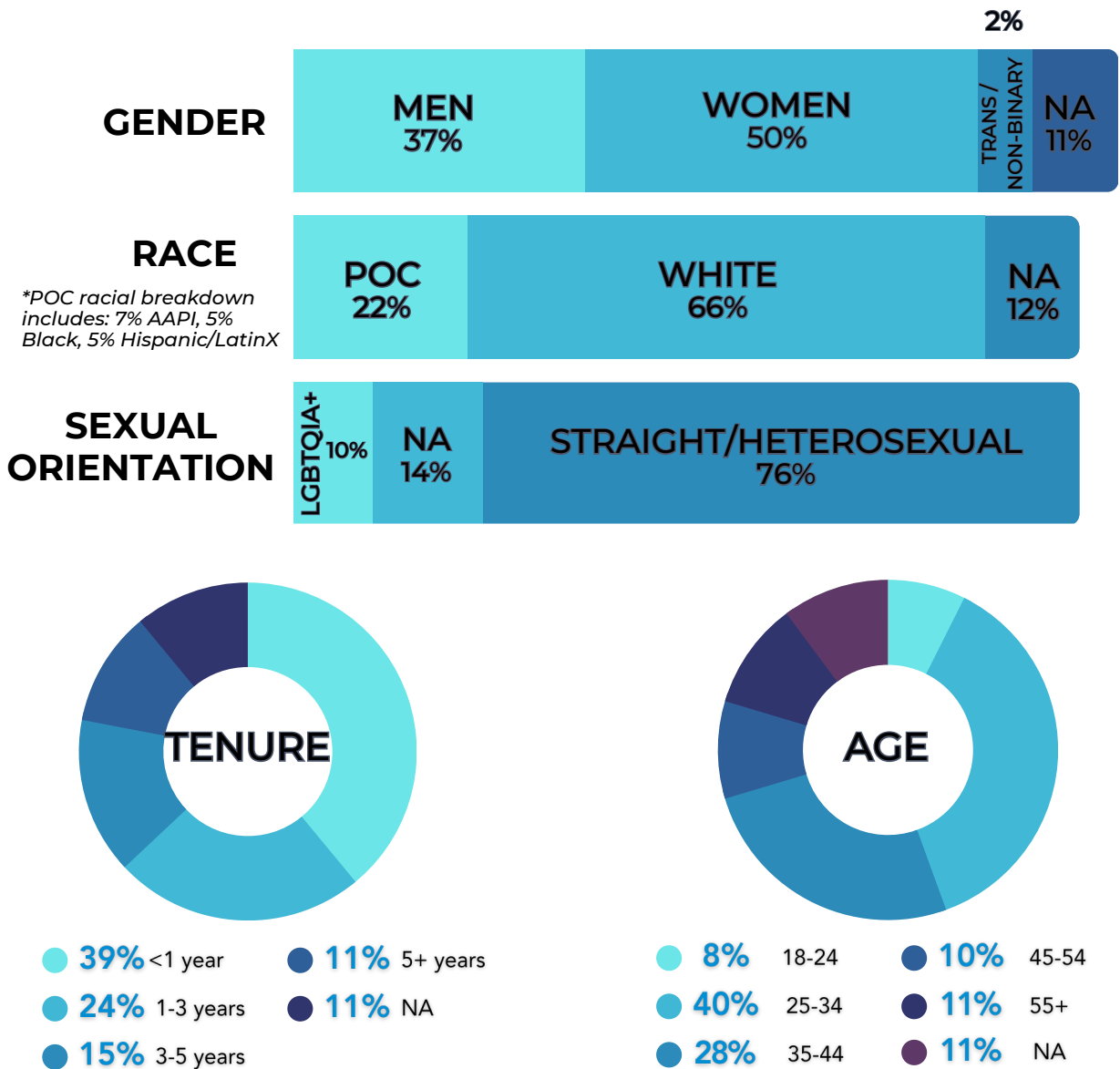*We tested if: I believe that my company values diversity, equity, inclusion, and belonging.*

The Courage Collective held multiple 60-min focus groups across organizations to gain a deeper understanding of how employees were experiencing belonging at work.
We spoke to more than 50 participants, spanning a variety of tenure, age, race, and gender demographics.

**SURVEY SAMPLE**

**531 respondents** completed the survey spanning **10 organizations** and **6 different industries.**

**GENDER**

| MEN 37% | WOMEN 50% | TRANS / NON-BINARY 2% | NA 11% |

**RACE**

*POC racial breakdown includes: 7% AAPI, 5% Black, 5% Hispanic/LatinX*

| POC 22% | WHITE 66% | NA 12% |

**SEXUAL ORIENTATION**

| LGBTQIA+ 10% | NA 14% | STRAIGHT/HETEROSEXUAL 76% |

**TENURE**

- **39%** <1 year
- **24%** 1-3 years
- **15%** 3-5 years
- **11%** 5+ years
- **11%** NA

**AGE**

- **8%** 18-24
- **40%** 25-34
- **28%** 35-44
- **10%** 45-54
- **11%** 55+
- **11%** NA

***A Note on Intersectionality:*** *As DEI consultants, we know that if we aren't evaluating belonging through an intersectional lens, it's incomplete. For every question analyzed, we broke the data down into various cross sections to identify discrepancies (if any). The cross sectional analysis includes:*

- *Gender, age, level, tenure, race, sexual orientation, industry*
- *Race + Gender; Sexual Orientation + Race, Age + Gender, Tenure + Gender, Tenure + Race, Tenure + Level, Race + Level*

# BELONGING DRIVER 1: SAFETY TO DISAGREE & DISRUPT

**4**

KEY DRIVERS OF EXPERIENTIAL BELONGING

## TOP LINE FINDING

*Managers are foundational to belonging given they impact an employees' experience of the organization at every stage of the employee life cycle.*

When managers don't feel empowered to voice dissent, they are excluded from driving change. Our findings reveal that **POC [People of Color] managers don't feel safe voicing dissenting opinions**, a concerning indication of the impact of identity on not only a manager's personal experience but also on their overarching influence within an organization.
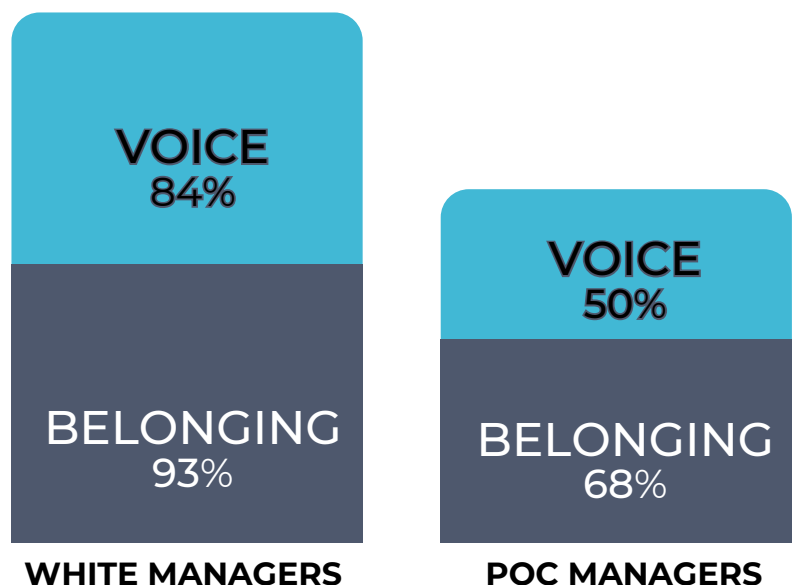
## WHY DOES THIS MATTER?

If organizations truly want to create vibrant workplaces where **all** employees experience the benefits of belonging, it is paramount that historically marginalized voices are elevated, not silenced.
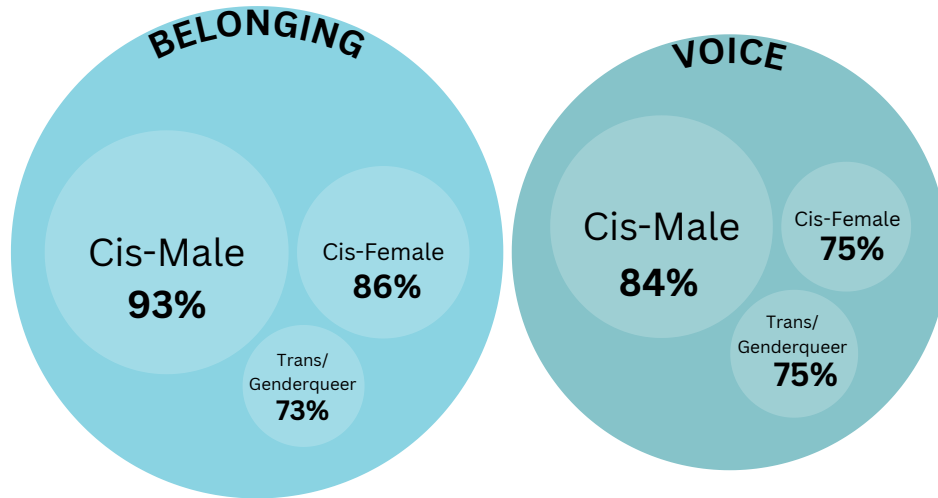
Doing so means creating work environments where **everyone** feels safe to bring up tough issues, take risks, and believe their unique ideas - especially those that go against longstanding systems and processes - will be heard.

*If those who have historically held power are the only ones who feel comfortable disagreeing, innovating, and taking risks that lead to change, we are likely to repeat the same inequitable workplace cultures.*

### COMPARING BELONGING TO SAFETY TO DISAGREE

VOICE
84%

BELONGING
93%

**WHITE MANAGERS**

VOICE
50%

BELONGING
68%

**POC MANAGERS**

DRIVER
01

**SAFETY TO DISAGREE & DISRUPT**
We tested if: I can voice a dissenting opinion
without fear of repercussions.

**BELONGING**

Cis-Male
**93%**

Cis-Female
**86%**

Trans/
Genderqueer
**73%**

**VOICE**

Cis-Male
**84%**

Cis-Female
**75%**

Trans/
Genderqueer
**75%**

## POC Managers Don't Feel Safe Disagreeing

Since 2020, organizations have **invested billions of dollars** into diversifying their workforce with intentions to create more representation in leadership and management roles. At the same time, organizations are finding that POC turnover, especially in managerial roles, remains high. *But why?*

Well, one key perpetuator of this cycle is hiring or promoting POC managers into leadership positions without empowering them to push against the status quo.
**While the vast majority of white managers feel safe disagreeing (84%), only 50% of POC managers feel the same.**

## As Women Get Older, They Are Less Likely to Voice Dissent - For Men, the Opposite Is True

While women make up half the workforce, gendered ageism *(i.e., the compounding discrimination of of being both over 50 and a woman)* results in women feeling less valuable to their organization. One clear way this dynamic has emerged in our data is by analyzing whether men and women from the same age group believe their voice matters.

*Whereas 100% of men over the age of 55 feel they can voice a dissenting opinion without fear of repercussions, only 67% of women in the same age group felt the same.*

DRIVER
01
# SAFETY TO DISAGREE & DISRUPT
We tested if: I can voice a dissenting opinion
without fear of repercussions.

## POC Millennials Are Especially Reluctant to Voice Disagreement

Who gets to feel consistently safe and secure in voicing their opinions?
According to the data, it's not POC millennials. In fact, **only 63% of POC employees ages 25-34 years old feel safe voicing a dissenting opinion.** Whereas white millennial employees gain confidence speaking up once they enter managerial roles, **POC millennial managers score 20% lower than POC individual contributors.**
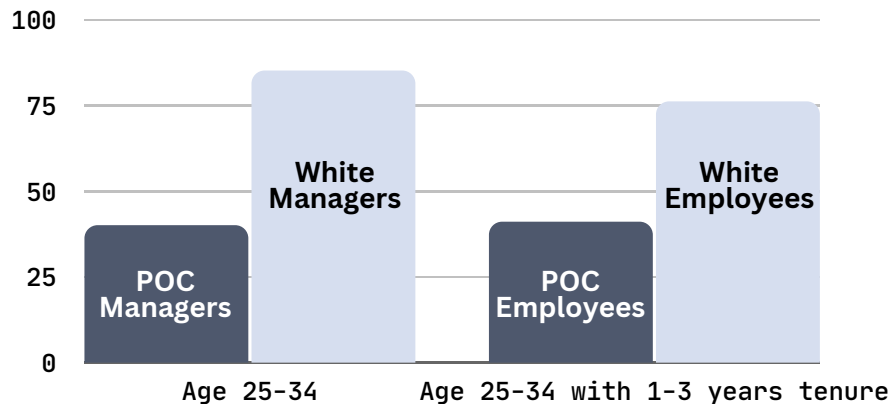


# WHAT EMPLOYEES ARE SAYING...

"**This job and culture has become extremely toxic. I feel that when I speak up about things that are concerning to me, I am not heard or respected, only considered someone to be 'stirring the pot.' Myself and many other employees have been trying to find new jobs.**"

"**I need to constantly fight for my voice and opinions to be heard, respected, and acted on.**"

**What it is:** Psychological safety refers to the belief you won't be punished or humiliated for speaking up with ideas, questions, concerns, or mistakes. When employees don't feel safe voicing dissent or speaking up with ideas, it **not only impacts their sense of belonging, but it also decreases their overall engagement and motivation to contribute.**

FOOTNOTE:
It's widely known that white cis-men experience higher levels of psychological safety compared to their POC colleagues. Our data supports these findings.
- Whereas 87% of white men feel safe to speak up, only 33% of Black men, 67% of Black women, and 64% of AAPI women felt the same security in their ability to dissent without repercussion.
- 88% of AAPI men feel they can voice a dissenting opinion compared to 64% of AAPI women.
- 80% of heterosexual employees feel safe voicing a dissenting opinion compared to 70% of LGBTQ+ employees.

# BELONGING DRIVER 2: ACCESS TO GROWTH OPPORTUNITIES

# 4

## KEY DRIVERS OF EXPERIENTIAL BELONGING

DRIVER
02
**ACCESS TO GROWTH OPPORTUNITIES**
We tested if: Employees have equal access to
growth opportunities at my company.

## TOP LINE FINDING

*Employees are discouraged by the lack of career growth clarity within their organizations. Our findings indicate this alarmingly prominent trend is most prominent among employees with 1-3 years of tenure, a time when employees should feel <u>most</u> hopeful about their growth trajectory.*

## WHY DOES THIS MATTER?

In our work as DEI consultants, we frequently advise organizations on inclusive recruiting practices. When discussing this topic with leaders, we often hear leaders express frustration with the prevalence of "job hopping," which is understandable given the monetary and human cost of onboarding new employees. However, what we hear our leaders address far less often is a frustration that there aren't clearly articulated growth opportunities within the organization.

Opportunities for growth are critical to enhancing employee engagement and the overall workforce experience. **Who** has access to those opportunities plays a significant role in **who** feels like they are included and connected to their organization. So, it is critical to assess who has access to growth opportunities and who does not.

## The Longer Employees Stay, The Less Opportunities They See to Grow

When employees first enter a new organization, there is a sense of optimism for their future and excitement to learn and grow. As the initial glow wears off, and they pass through a few performance cycles, the frustration with the ambiguity or lack of career advancement opportunities seeps in. This sentiment especially resonates with employees between the 1-3 year tenure mark.

**75%** of employees who have been at an organization **less than a year** feel there is equal access to growth opportunities. **Compared to 57% of employees who have been at the organization between 1-3 years.**

DRIVER
02

ACCESS TO GROWTH OPPORTUNITIES

We tested if: Employees have equal access to growth opportunities at my company.

# Millennials Are Hopping Onward
## *(in Hopes to Go Upward)*

Millennials, often referred to as the "Job Hopping Generation", are more likely to leave when there is a lack of career growth clarity. Across age demographics, millennials were least satisfied with career growth opportunities at their current organization.

## Who believes they have equal access to growth opportunities?

**65%**
Millennials (ages 25-34)

**57%**
Millennial Women

**49%**
POC Millennials

**71%**
White Millennials

Image Credit: The Business Journals

# WHAT EMPLOYEES ARE SAYING...

"

**"I don't feel like we invest in growth opportunities for team members - it's more of a sink or swim, do your job type of environment. There aren't enriching opportunities unless you self advocate for them."**

"

**"When you can't see your future growth path at a company, it can feel very stifling."**

**What it is:** Growth opportunities pertain to an organizations' ability to meet the needs of their workers' personal and professional aspirations, including technical skills training, rotational programs, seminars, and career advancements.

It's widely known that white cis-men experience higher access to growth opportunities compared to their POC and trans counterparts. Our data supports these findings.

*When asked if employees have equal access to growth opportunities, white men were more than 2x more likely to agree than Black men, 1.7x more likely to agree than Black women, and 1.5x more likely to agree than AAPI women.*

This trend held true across cis and trans employees, with **cis-men being 1.5x more likely** to perceive equitable access to growth opportunities **than trans/genderqueer employees.**

# BELONGING DRIVER 3: LEADER SUPPORT

**4**

KEY DRIVERS OF EXPERIENTIAL BELONGING

DRIVER
03

**LEADER SUPPORT**
We tested if: I feel seen and supported by my leaders.

## TOP LINE FINDING

*Access to leadership support is crucial to ensure employees feel seen and valued at their organization. Our findings indicate that leaders have a unique opportunity to increase their efforts on connecting with AAPI Women, trans employees and employees with 1-3 years tenure.*

## WHY DOES THIS MATTER?

Leaders set the tone for the importance and prioritization of inclusion and belonging within an organization. When leaders communicate the significance of inclusive practices and policies—including equitable growth opportunities and advocating for psychological safety throughout the organization—it ensures that belonging is of critical importance at the organization.

When leaders treat belonging as an afterthought, or do not spend the time and energy on articulating the "why" behind it, the outcome can be a perceived lack of support by employees. Our research demonstrates a trend where employees feel a strong connection to their managers while inversely feeling more disconnected from executive leadership.

## AAPI Women Employees Feel Least Connected to Leaders

AAPI Women in particular feeling disconnected from leaders is a trend we've seen across multiple clients. Themes we have heard in focus groups include not feeling seen, affirmed, or validated by leaders. The result is often disempowerment, which is **further reinforced by low representation of AAPI women employees in leadership positions, lasting impacts of the model minority myth, and the erasure of nuanced discussion about AAPI experiences.**

When leaders lack the necessary knowledge about AAPI cultures and contexts to unveil unique opportunities and challenges within subgroups of the overall demographic, it often leads to them showing up without understanding and/or empathy towards the broader community.

**61% of AAPI women feel seen and supported by leaders.**          61%
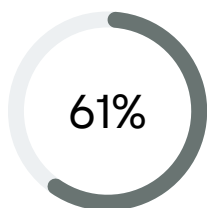
**78% of White women feel seen and supported by leaders.**          78%
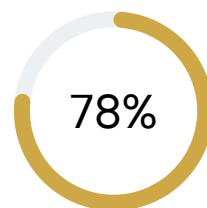
# WHAT EMPLOYEES ARE SAYING...

> "I have not historically felt supported by the leadership team—we shy away from specific topics such as Anti-Asian hate. My people are being attacked in the streets and we're not talking about it. Leadership picks and chooses what they want to talk about and are not inclusive about what they communicate."

## Trans Employees Need Leader Support Now More Than Ever

2023 continues to showcase a rapid influx of anti-trans legislation, targeting trans employees' civil and human rights. This uncertainty and targeted discrimination is only compounded by corporations giving and then rescinding support at the first sign of backlash from far-right activists.

**Trans employees are exhausted, afraid, and angry; more than ever, they need reassurance that their leaders see and care about their well-being.**

*In our findings, only 67% of trans employees feel that support from leadership, whereas 92% of trans employees feel seen and supported by managers.*

While we're encouraged by the strength of support management has shown trans employees in this time of turmoil, **leaders need to step up and actively denounce anti-trans discrimination** so that trans employees know their workplaces are and will remain safe.

# WHAT EMPLOYEES ARE SAYING...

> "When I see senators proposing harmful anti-trans legislation it feels bad not to discuss openly. There's been times where we're not talking about those things internally—it just sits with us, and it weighs on me."

# Perception of Leader Support Plummets After Year 1

Our findings demonstrate a unique need for leaders to find ways to actively engage employees who have passed the threshold of new joiners but are perhaps not fully committed to a future at their organizations.

**88%** of employees with less than a year of tenure feel seen and supported by leaders compared to **67%** of employees with 1-3 years of tenure. That number jumps back up to 83% for employees who have been at the organization longer than 5 years.

*As we dive deeper into the data, we see this need is highest, and opportunity greatest, among POC employees.*

Image Credit: Lolly Daskall

# BELONGING DRIVER 4:
# VALUES ALIGNMENT

**4**

KEY DRIVERS OF
EXPERIENTIAL
BELONGING

DRIVER
04

**VALUES ALIGNMENT**
We tested if: I believe that my company values diversity, equity, inclusion, and belonging.

## TOP LINE FINDING

*As organizations continue shaping the Future of Work, it is crucial that they are aware of what contemporary employees value most. There is a growing trend of employees seeking socially conscious workplaces— a sentiment felt most prominently by POC, Gen Z employees.*

## WHY DOES THIS MATTER?

**Today's workforce demands holistic and individualized work cultures that are both inclusive and inspiring.** As with every generation before us, what we value at work is informed by both micro interpersonal interactions and macro environmental factors, including the state of the economy. Today's work cultures, often governed by Baby Boomers and Gen X'ers, are at odds with Gen Z values, a generation who would rather take a pay cut than work at a company that does not share their values.

Gen Z's childhoods were shaped by the 2008 financial crisis, as they witnessed a system fail their parents' hopes for job security and the corporations who caused it to go unpunished. Now, they grapple with a post-pandemic workforce that continues to rattle their generation's sense of job security.

*"All this inequality... means the American dream feels unattainable. Why work 50, 60, 100 hours a week only to pay for someone else to siphon out all the value?"*

-- Kyla Scanlon, a financial educator and member of Gen Z for Fast Company

**If organizations cannot align with Gen Z's values, and cannot provide them growth opportunities, can we blame them for being disenchanted?**
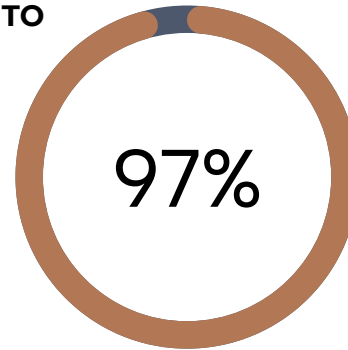
# Organization's Commitment to DEIB Resonates with White Gen Z Employees, Falters with POC Gen Z Employees

**73%**
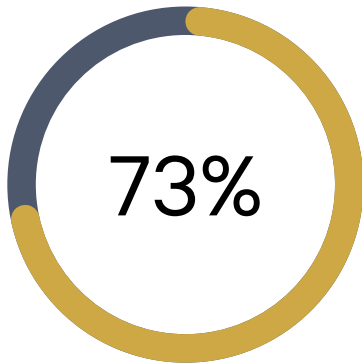
**COMPARED TO**
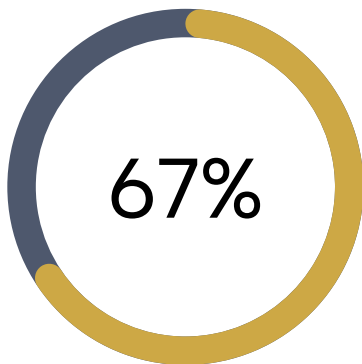
73% of POC Gen Z employees believe their organization values DEIB.

**97%**

Compared to 97% of white Gen Z employees.

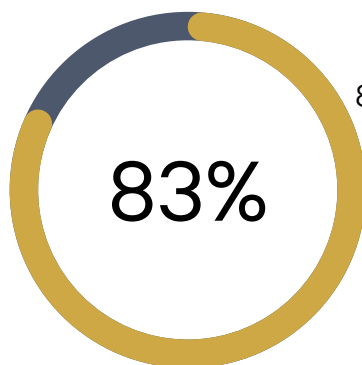# POC Managers Doubt Organization's Commitment to DEIB

**67%**

**COMPARED TO**

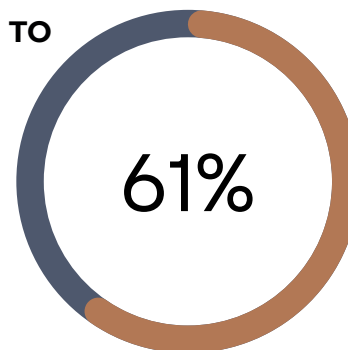67% of POC managers believe their organization values DEIB.

**88%**
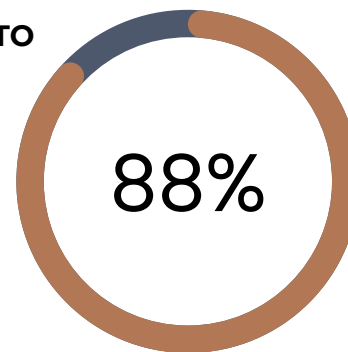
Compared to 88% of White managers.

# POC New Joiners Feel Confident in Organization's Commitment to DEIB, Those with 1-3 Years... Far Less So

**83%**

**COMPARED TO**

83% of POC employees who joined the company within the year believe their organization values DEIB.

**61%**

Compared to 61% of POC employees with 1-3 years tenure.

FOOTNOTE:
It's widely known that white cis-men employees feel their organization values DEIB at higher rates than their POC and trans counterparts. Our data supports these findings.
- 93% of cis-men compared to 73% of trans/genderqueer employees feel their organization values DEIB.
- 93% of white men compared to 56% of Black men feel their organization values DEIB.

# THE **COURAGE**COLLECTIVE

# WHAT'S NEXT?

## Experiential Belonging is The Future of Work

# WHAT'S NEXT?

In the wake of DEI bans, high turnover of Chief DEI Officers, and a general sentiment of apathy when the words Diversity, Equity, and Inclusion are uttered—we're often asked, "Are you concerned for the future of DEI?"

Regardless of your stance on this hotly debated topic, it's undeniable that the world of work is changing. **Demographics are rapidly shifting in a way that requires organizations to shift with the times.** So, we think the better question is:

*Will organizations evolve to meet the needs of an increasingly diverse workforce? Or will they try to force their workforce into past norms?*

From our combined experiences in the DEI consulting space, two things are clear:

**While most (if not all) employees want to experience belonging, a disproportionate number of folks from historically marginalized groups do not feel seen, heard, nurtured, or encouraged at work.**

**The way organizations currently think about DEI will never solve the belonging gaps we, and so many other researchers, are seeing.**

# Why aren't DEI efforts working?

Because reactive and acute—one-off—interventions will never solve centuries of systemic problems. DEI cannot be effective if it is relegated to being a "catch all" for marginalized groups—a one stop shop for education, commiseration, and socialization that often wane as quickly as they begin. The truth is, the results are at best unsustainable, and at worst detrimental; exacerbating the very inequities for the identities these efforts were originally designed to serve.

Let's think through this scenario:

> **When a manager is told they're responsible for their team's performance, it's a readily accepted norm and (most) managers understand the comprehensive efforts they'll need to meet the demand. When a manager is told they're responsible for DEI, the first thought is often, "I need to improve the representation percentages on my team."**

This illustrates how DEI is often viewed as *transactional* versus an ongoing human experience.

*If managers viewed their primary role as driving belonging on their team—which we know increases their team's performance, retention, and engagement—it would change the way their employees experienced work.*

# We strongly believe that Experiential Belonging is the future of work.

In order for it be felt by all employees, it must be integrated into the systems, processes and strategies of the organizational design.

Achieving Experiential Belonging is not an elusive, transactional effort, but it does require a certain level of curiosity and care. From a **people manager** standpoint, this means taking time to consistently ask everyone on your team questions like:

*Do you feel safe to speak up and disagree on this team? If not, how can we change that?*

*Are you clear on the growth path here? How can I support you in getting to where you want to be? And if not me, what type of guide can I connect you with?*

As an **executive**, creating a culture of belonging requires re-examining your organization's values, and consistently communicating and operationalizing these values.

*What are our organizational values and why?*

*Do our values connect with what our workforce values? Are they reflected in our products & services?*

*How are our values maintained in our daily behaviors? How are they rewarded?*

*How am I demonstrating that I care about how employees experience work? How am I supporting ALL employees in feeling seen, supported, nurtured, and heard?*

## The world is evolving. Your people & culture should be too.

> *"In times of change, learners inherit the earth,*
> *While the learned find themselves beautifully*
> *Prepared for a world that no longer exists."*
> *-- Eric Hoffer*