

## From our CEO

US organizations spend about \$5 billion annually on harassment prevention training, which can include lawyer or HR trainers or online training programs. And yet, harassment, bias and discrimination persist generation after generation and neither employers nor employees have figured out how to stop it.

I've devoted my legal and business career to stopping harassment and bias. And I've discovered two truths about this problem: (1) these topics require strong interpersonal "people" skills because situations are often less obvious than everyone thinks, and (2) we need data to solve this problem. Organizations are not embracing either truth. In 2017, Emtrain started building a new solution to teach employees the skills to navigate interpersonal conflict; to show everyone, in a safe way, how others view these tricky people issues and to aggregate and benchmark diagnostic data on core indicators of harassment to solve this persistent problem.

This first report, showcasing 2.5 million employee sentiment responses from 40,000+ employees and more than 125 companies, is our first step. The early results are fascinating and substantiate what many of us have long suspected but could never "prove" to business leaders. I'm excited to collaborate with culture leaders to actually solve these tricky people issues and spare Gen Z from workplace harassment and bias.

Sincerely,

Janine Yancey

Founder & CEO, Emtrain

2017 Association for Talent Development Report showed \$127 per person/annually for compliance training, which typically reflects budget for 4 topics: harassment, code of conduct and two other compliance topics, relevant to the workforce. We've made a conservative calculation of harassment spend at an average of \$9 dollars per person/annually and there are 66 million employees working in the United States at companies with 500 or more employees. (See BLS.gov)

## **Table of Contents**

From our CEO	1
Culture: Unlocking a Strategic Advantage	3
The Workplace Culture Diagnostic™	5
In-Group/Out-Group Dynamics	7
Power Dynamics	15
Organizational Norms & Practices	22
Unconscious Bias	28
Social Intelligence	33
Pre-existing Mindsets & Behaviors	40
The Workplace Culture Benchmark™	47
The Methodology	49





# Workplace Culture Report 2020

## Culture: Unlocking a Strategic Advantage

2020 has arrived. It's a milestone that once represented "the future"—a more efficient world in which scientific advances and social harmony create better lives for all. Companies have invested significant resources to build collaborative, creative teams and strong corporate cultures that enable innovation to build this future. Yet worklife is fraught with miscommunication, organizational leadership remains disconnected from their diverse talent, and our differences continue to cause rifts in our working relationships.

At Emtrain, we've spent the last 15 years uncovering and analyzing tricky people issues in the workplace, particularly in the context of bias, discrimination, harassment, and ethics. By creating compelling workplace videos and allowing employees to use our Workplace Color Spectrum™ to color code the behaviors they see, we've been able to collect a wide range of perspectives. The more scenes we show—and the more polling questions we ask about behaviors, expectations and observations (about self, managers, colleagues)—the more we learn. Eventually, we developed a hypothesis on the most common workplace problems and the distinct challenges they pose to developing a positive, productive workplace culture.

In 2019, just as California, New York and Illinois mandated training all employees on harassment prevention, we launched a new type of online training that embeds dialogue-based research tools within the learner experience. Our goal: help the learner and their organization with behavior change, informed by real data on the situational dynamics that lead to culture problems. Today, we have a database of workforce insights with over 2.5 million responses from 40,000+ employees at 125+ companies. We're still at the beginning of our journey to diagnose, predict and fix culture problems. As our dataset expands, we'll continue to share our insights and observations. We're eager for feedback and collaboration from other passionate practitioners who are on the front lines of workplace culture.

## 2.5 Million

Today, we have a database of workforce insights with over 2.5 million responses from 40,000+ employees at 125+ companies.

Source: Emtrain Workplace Culture Report 2020, ©2020

### emtrain° | 2020 Culture Report

This report leverages our 2019 dataset and provides brand-new insights on workplace culture problems. We hope our diagnostic approach enables workplace culture experts, senior leadership, and employees to identify issues, change behaviors and solve problems. Specifically, we have four goals for this report:

- 1 Shine a spotlight on the situational dynamics at the root of culture-failures
- 2 Illuminate six key indicators and how they manifest themselves in organizations today
- 3 Provide a diagnostic framework to understand what influences healthy workplace culture
- 4 Quantify company performance across a Workplace Culture Diagnostic Benchmark

## The Workplace Culture Diagnostic™

Workplace culture, broadly stated, is how we interact and treat each other in our workplace. Our interactions reflect our social skills, regardless of whether they're personal or professional. Every social outcome is preceded by situational dynamics that predict it. Core culture issues are no different.

From our extensive data, we've identified six social dynamics that we believe underpin the functioning of every organizational culture, and which, when well-managed, can lead to a workplace more resistant to conflict, stress, and ultimately crisis. These indicators include both the unique dynamics of organizational cultures that have been built over time and the mindsets, skills, and behaviors of the employees that work there.



## Organizational indicators

Every organization has its own unique culture and norms. While influenced by an organization's official values and code of conduct, these are the practices that constitute "how things really work around here," the sometimes unspoken rules about what behavior is acceptable and what is not.

When functioning well, an **organization's norms and practices** encourage respect, inclusion, and open dialog when issues arise, and mitigate the negative impact of social dynamics innate to any group: **in-group/out-group dynamics** ("us vs. them" conflict) and the **power dynamics** that are present in any hierarchy. When not functioning well, they lead to an environment that is more tolerant of disrespect, where conflict goes unaddressed, and where employees are uncomfortable speaking up.



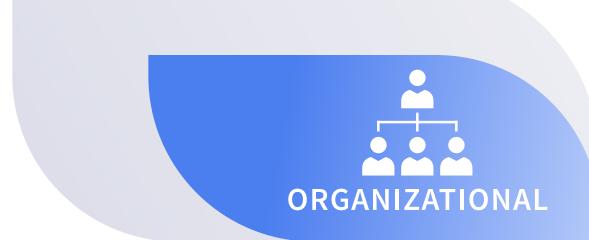
## People indicators

At the same time, individual employees come into an organization with their own beliefs, biases, experiences, and capabilities. These indicators—pre-existing mindsets and behaviors, unconscious bias, and social intelligence skills—influence their internal model of what they believe is acceptable workplace behavior, how they expect to be treated, and how they interact with others. Thus, while leadership may be trying to create a healthy workplace culture, they do not have full control or visibility of the culture drivers. The culture is equally shaped by the employees of the organization.

In the sections that follow, we provide data-driven insights on each of these indicators and their impact on the state of modern workplace culture.

## emtrain® Workplace Culture Diagnostic™

6 Indicators Impacting Workplace Culture



PEOPLE

The degree that 'us vs. them' mentality and behaviors drive employee acceptance, inclusion, and perceived value.

IN/OUT-GROUP DYNAMICS UNCONSCIOUS BIAS Everyone has it. How does it shape the judgment and behaviors of your employees around tricky culture issues?

The impact that power disparity/hierarchy has on the interactions between management and employees and the resulting impact on employee power and psychological safety.

POWER DYNAMICS

SOCIAL INTELLIGENCE How skilled are employees at identifying and adapting to the differing attitudes, needs and communication styles of others.

Not just what is communicated, but what people actually do; what is acceptable workplace behavior and what is not.

NORMS & PRACTICES

PRE-EXISTING MINDSETS How past experiences shape the expectations, mindsets and behaviors of your workforce.

©2020 Emtrain. All Rights Reserved. www.emtrain.com

The subject matter contained in this report is currently patent pending.



## What is it?

The human brain is hardwired to categorize people as "us" or "them." In prehistoric times, the ability to distinguish other tribes was a survival skill. Today it can be a disruptor, creating assumptions that can thwart productive collaboration. Race and gender are powerful signals to our "Us vs. Them" circuits, other signifiers age, physical ability, mannerisms, personal interests, team preferences, political beliefs, etc.—are too.

In the workplace, where certain groups are favored or perceived to be favored, there's power in belonging to an "in-group" and disadvantages to being in the unfavorable "out-group." Many companies work hard to promote teamwork and belonging, to create a culture of shared values and purpose, and to establish an allcompany "us" rather than damaging out-group exclusion. But even with these efforts, 38% of employees cite Us vs. Them as the greatest source of conflict in their organizations.

of employees cite "Us vs. Them" as the greatest source of conflict in their organizations.

Source: Emtrain Workplace Culture Report 2020, ©2020



## **Key Findings**

- **Every organization has in-group/out-group** dynamics that negatively impact the workplace experience for people in out-groups.
- Out-group employees experience less empathy, are judged more harshly by their co-workers, and feel less safe to speak up than their peers.
- Strong positive cultural norms, specifically around the issues of diversity and inclusion and psychological safety, lessen the negativity of ingroup/out-group dynamics.

"Sometimes, people with the company believe the old time friends for their face value instead of real facts presented by someone who is relatively new to the company."

— anonymous employee

## What's going on?

In-groups exist in every company. In-group/out-group biases are part of being human, but they play a unique role in workplace culture. Employees at companies of all sizes are able to name in-groups that exist in their organizations.

Some types of groups are common across all companies, many of which are well known.

- Department teams, such as sales vs. product teams, engineers vs. programmers, shift 1 vs. shift 2
- Younger vs. older employees
- Groups that form by gender, race, sexual orientation
- Employees in one location vs. another

There were also in-groups mentioned at only a few companies such as drinkers vs. non-drinkers, churchgoers vs. non-churchgoers, ping-pong players vs. non-ping-pongers, or even those that are unique to a particular organization, like when people join through acquisition or work on a specific product launch. As a result, the mosaic of groups, and the divisions to be watched out for, are unique to each organization.

#### Company 1

Older vs Younger Tream vs Team
Sales vs Pre-Sales
Experienced employees In-office vs Dev Sales vs Non-Sales
vs New employees In-office vs PM Sales vs Non-Sales
Vs PM Sales vs Services
Vs PM Sales vs Services
Vs PM Sales vs Services
Vs PM Sales vs Non-Sales
Vs PM Sales vs

#### Company 2



## What makes a group an in-group?

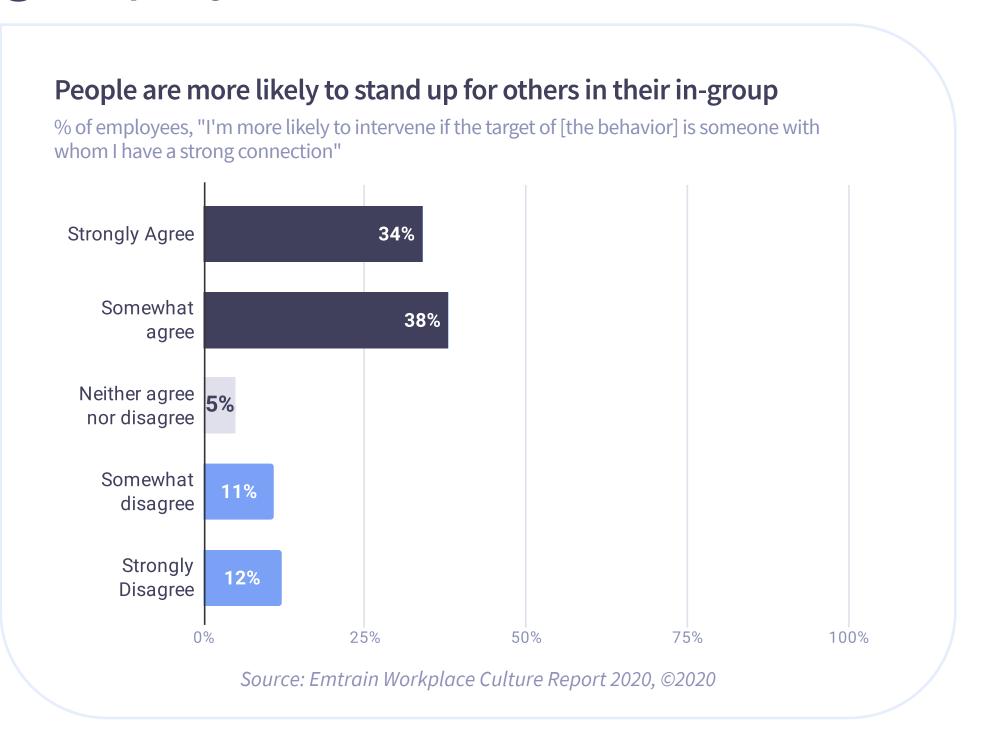
Companies are made up of many functional groups. Some people work in sales and some work in fulfillment. Different functional goals—meeting our quarterly sales numbers vs. controlling costs of delivery—can cause conflict unrelated to us vs. them dynamics. But when the conversation shifts from "How do we meet our sales goals while controlling our costs?" to "Sales-people don't care about anything but making their quota!" that's an us vs. them mindset which makes solving the real problems much harder.

While many employees comment positively about the inclusivity of their organizations, others in those same companies report a different experience.

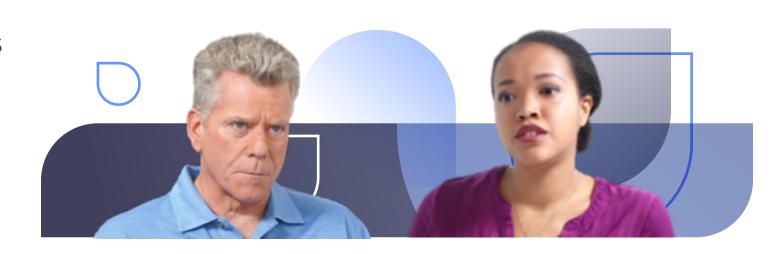


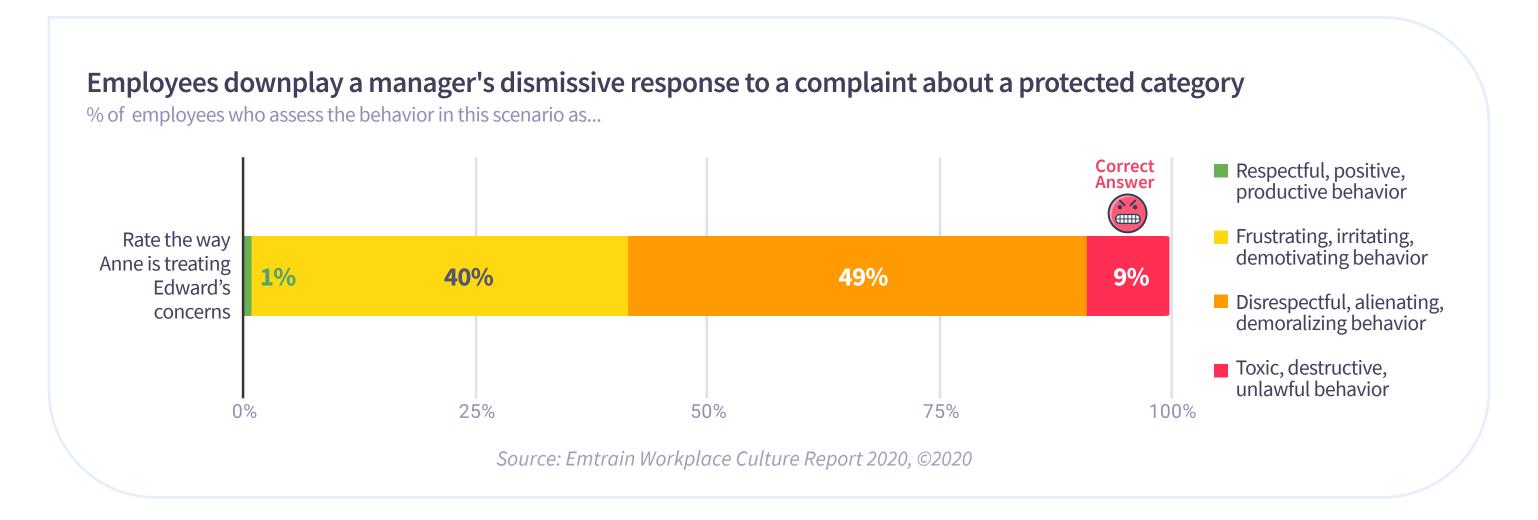
## Why in-group/out-group dynamics matter

We treat in-group members (those like us) with more trust, generosity and cooperation. We're more likely to apologize to in-group members if we feel we've harmed them. We're more likely to assume that their intentions and motivations are good. In contrast, not only do we approach out-group members (them) with less of all of these prosocial behaviors, we tend to judge their intentions and motivations more skeptically. Our data confirms, us vs. them dynamics make it less likely that bystanders will become upstanders.



There are also indications that us vs. them dynamics are not seen as serious issues in the workplace. In a video scenario, an older employee reports to his boss that he is the target of ongoing and pervasive jokes and insults because of his age. The manager tries to dismiss his concerns. When participants are asked to assess the severity of the incident, only 9% correctly identify it.





In another scenario, an employee repeatedly refuses to call a transgender colleague by her chosen name. When asked if it is reasonable for the colleague to feel excluded by this behavior, almost 1 in 10 people say it is not, and 83% of people rate this scenario as less severe on the Workplace Color Spectrum<sup>®</sup> than it actually is.

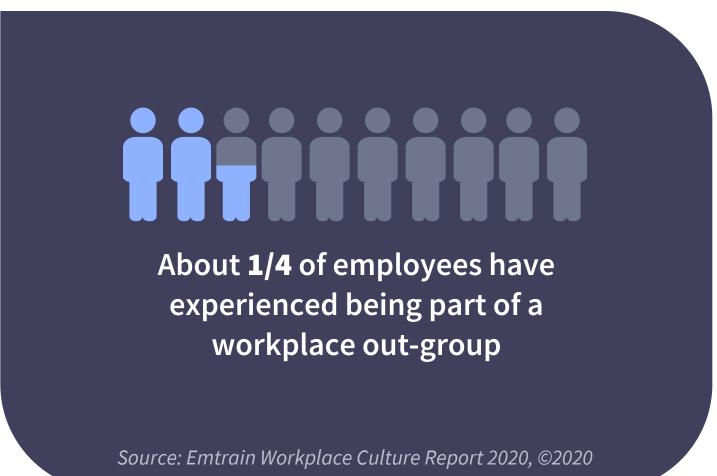




## The impact of being in an out-group

People are members of groups based on job, family status, leisure-time activities, religious beliefs, etc.,but in the workplace, the in-groups that matter are the ones with more power. Being in the out-group of an organization with strong us vs. them dynamics has consequences.

Our data shows that one in four employees feel that they have had to "minimize their heritage or personal identity to fit into a job." These employees experience being part of an out-group defined by personal characteristics. The other three-quarters of their colleagues do not feel that way.

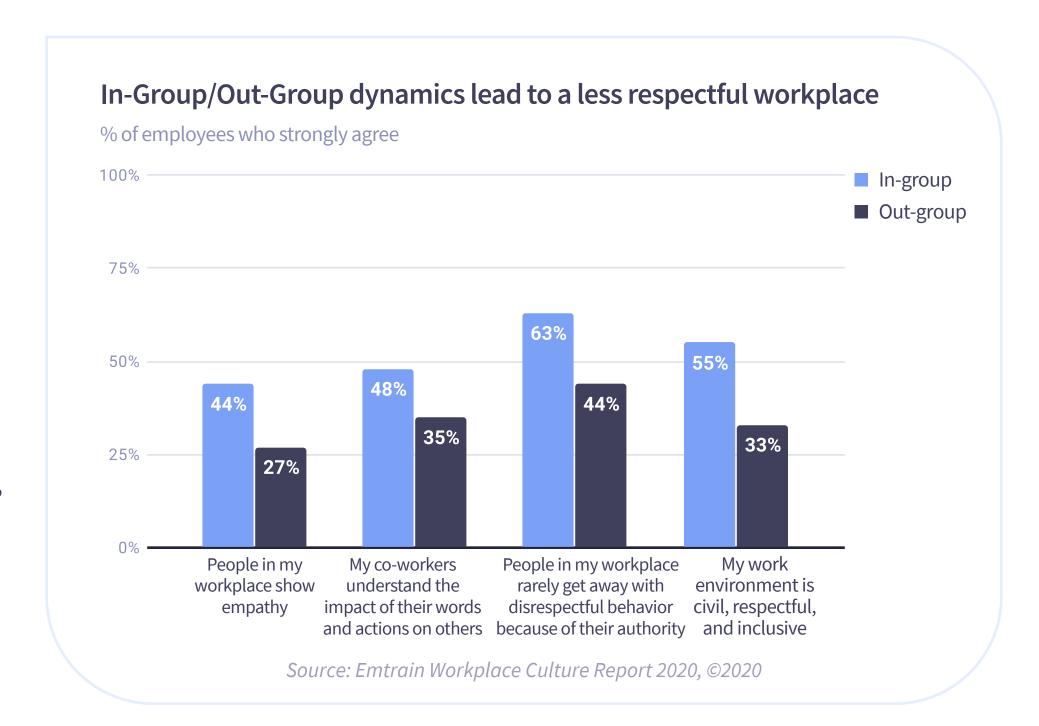


We looked at how the workplace experience of people in this self-identified out-group differed from their in-group colleagues. There are two areas where they differed significantly

- 1 Perception of empathy and respect
- 2 Trust in management and co-workers

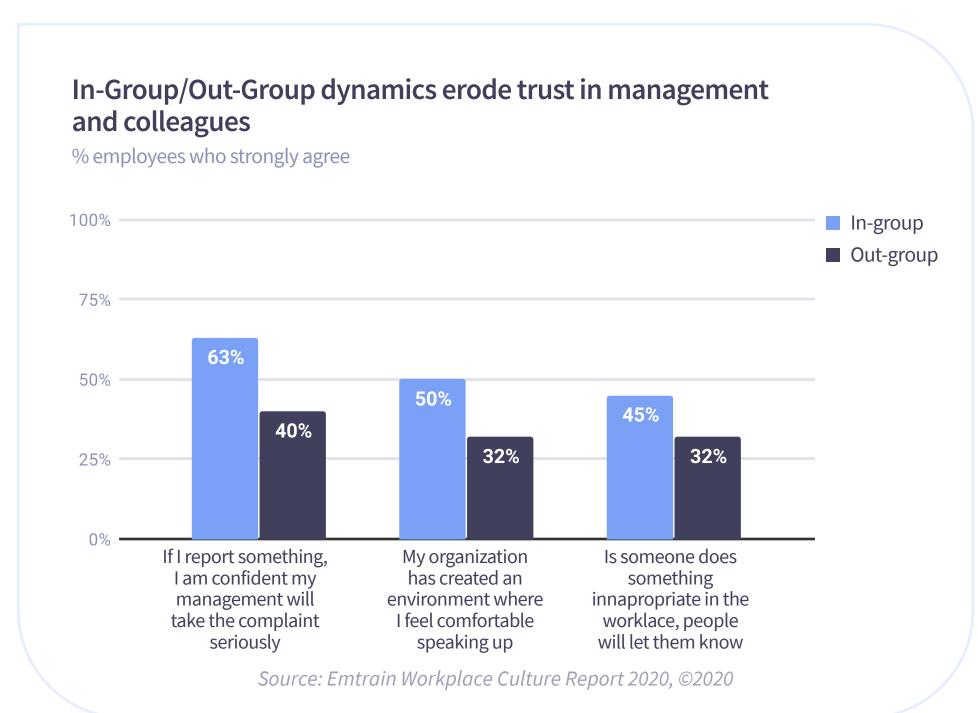
## Perception of empathy and respect in the workplace

87% of all employees strongly agree that empathy is an important workplace skill, but out-group members feel considerably less of it than their colleagues. People in outgroups are also more likely to see their colleagues as lacking empathy, and to more frequently experience disrespectful behavior from people in power.



## Trust in management and co-workers

The 26% of employees in the outgroup also have less trust in the support of their management and colleagues. Only 40% of out-group members have confidence that if they report a workplace incident, their management will take them seriously. That's 23% lower than their in-group colleagues. Out-group members are less comfortable speaking up, and less trusting that their colleagues will speak up for them.



In this report, we are only looking at the out-group experience based on "heritage or personal identity." While that is a broad and heavily charged category, us vs. them dynamics can be based on other power-correlated ingroups like education, role/tenure in the organization, or even alignment with high-status projects or locations.

Wherever in-group status becomes more important than the shared goals of the whole organization, respect, empathy and trust erodes.

## Is the out-group the problem?

It's not uncommon for in-group members to see "them" as being overly sensitive and assume that the disrespect they feel is just a perception. The data says the opposite.

In over 40,000 evaluations of 19 workplace scenarios that deal with workplace issues, from inappropriate sexual conduct, to bullying, cultural insensitivity, age-bias and political conflict, both groups code the behaviors in these scenes with the same distribution of green, yellow, orange and red. With only two exceptions<sup>2</sup>, there is no significant difference in how our in-group and out-group segments evaluate these scenarios.

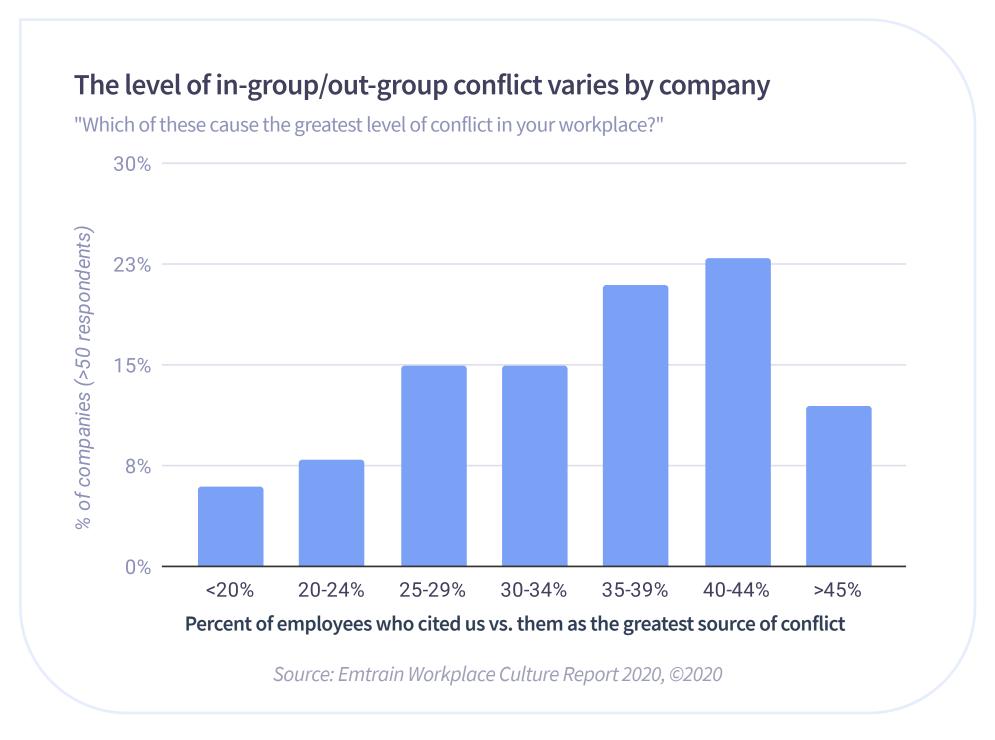
Since the effect of us vs. them dynamics is not a matter of situational sensitivity or perception, it indicates to us that the experience of people in out-groups is largely impacted by the culture in which they sit.

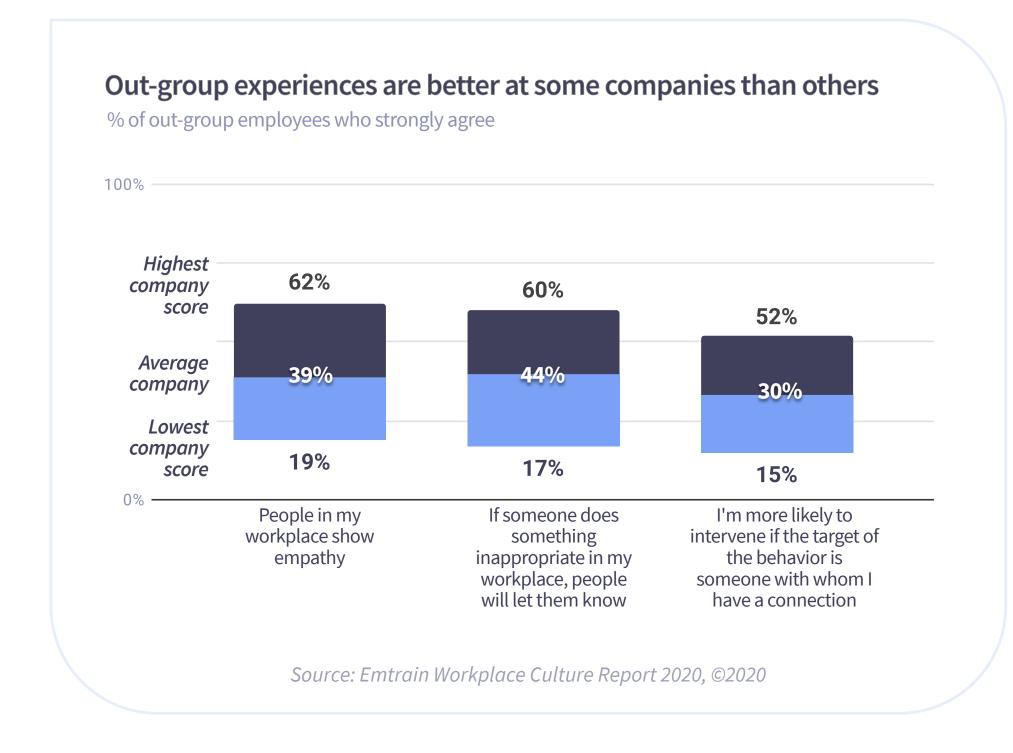
2 Interestingly, the only two videos where there is noticeable difference between in-group/out group responses are about dating colleagues, and in both, the outgroup segment judged the behavior more harshly than our experts. We're still researching to determine a possible correlation.

## How do in-group/out-group dynamics differ across companies?

Employee responses show that ingroup/out-group dynamics are more problematic in some organizations than others. At one end of the spectrum are companies where less than 20% of employees cite us vs. them as the greatest source of conflict. At the other end are companies where greater than 45% of employees see in-groups/out-groups as the greatest source of conflict.

And the impacts of being relegated to an out-group are more pronounced at some companies than at others.

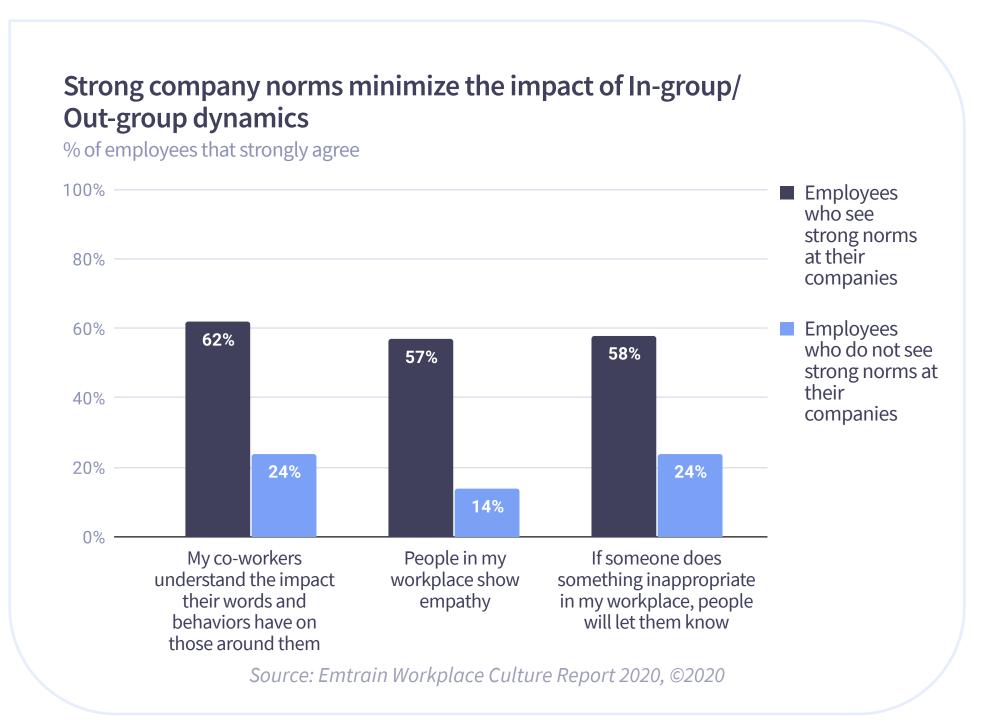






What drives these differences? It is not that companies with a greater percentage of out-group employees have greater in-group/out-group conflict. In fact, there is no correlation between the two.

We believe the differences are the result of deliberate company actions to establish healthy norms of behavior. Our data indicates that these norms enable some companies to better minimize the impact of ingroup/out-group dynamics in their workplace versus other companies where the impact is felt more acutely.



## Questions to Ask?

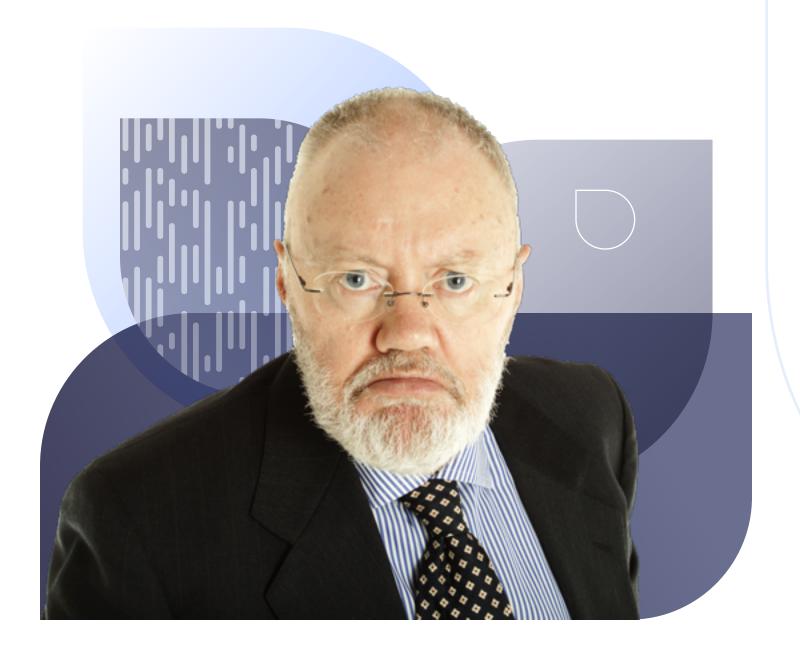
- Which in-groups and out-groups exist in your organization? Which ones are perceived as powerful and which ones are perceived as lacking power?
- Are there successful teams comprised of both in-group and out-group members, and if so, can you identify the dynamics that enable or support their success?
- Can you share stories of out-group members with the workforce to build empathy for out-group employees and support inclusion?
- Can you increase focus on achieving the mission so that achieving the mission is the "true north" and minimizes the impact of in-group/out-group dynamics?



#### What is it?

Power Dynamics refers to the way people use power in group and individual interactions—including the authority that comes from job titles and reporting relationships. A manager can use hierarchical power in qualitatively very different ways, from coercion (less healthy), to influence, to empowerment (most healthy). Power dynamics can also cause suboptimal behavior from those who are not in power, because they feel constrained from speaking their mind, contributing ideas, or doing anything that could bring risk to them or their role.

The reason power dynamics are so important in understanding the health of workplace culture—where a manager has discretion over the daily activities, career progress and livelihood of other employees—is that the consequences of employees speaking up in an unhealthy situation can be so, well... consequential.



### **Key Findings**

- Managers, who play a key role in setting norms, are often unaware of the impact of their power on workplace interactions.
- Employees are often not comfortable saying no to even inappropriate requests from a manager because of the potential consequences.
- To create a healthier workplace, managers must become more aware of power dynamics and how their actions build or erode trust and respect in the workplace.

"...employees who were not in management did not speak up in meeting[s] when directors, senior managers and management were present."

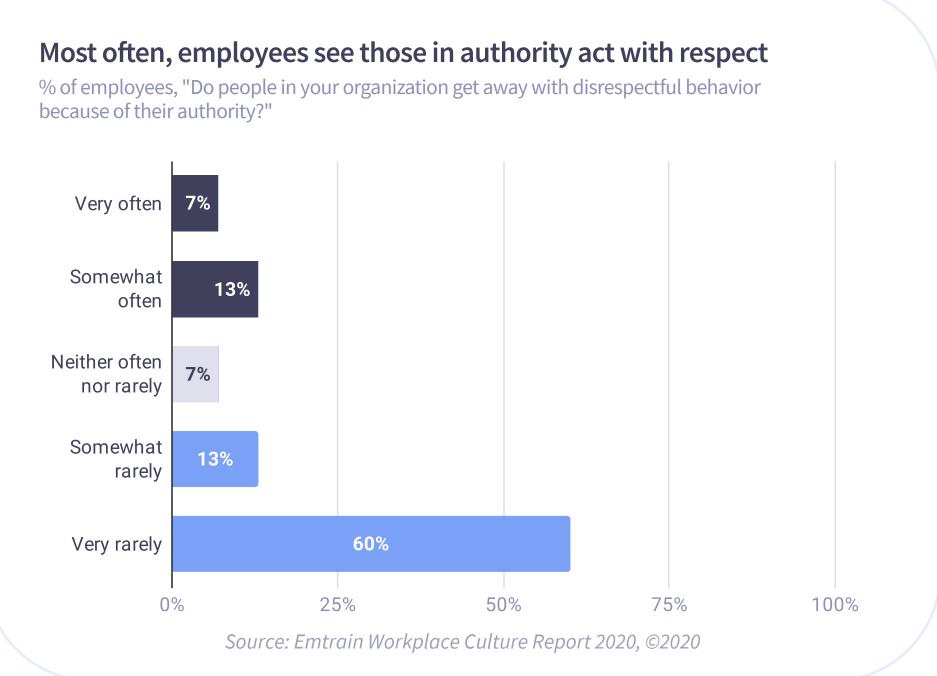
— anonymous employee

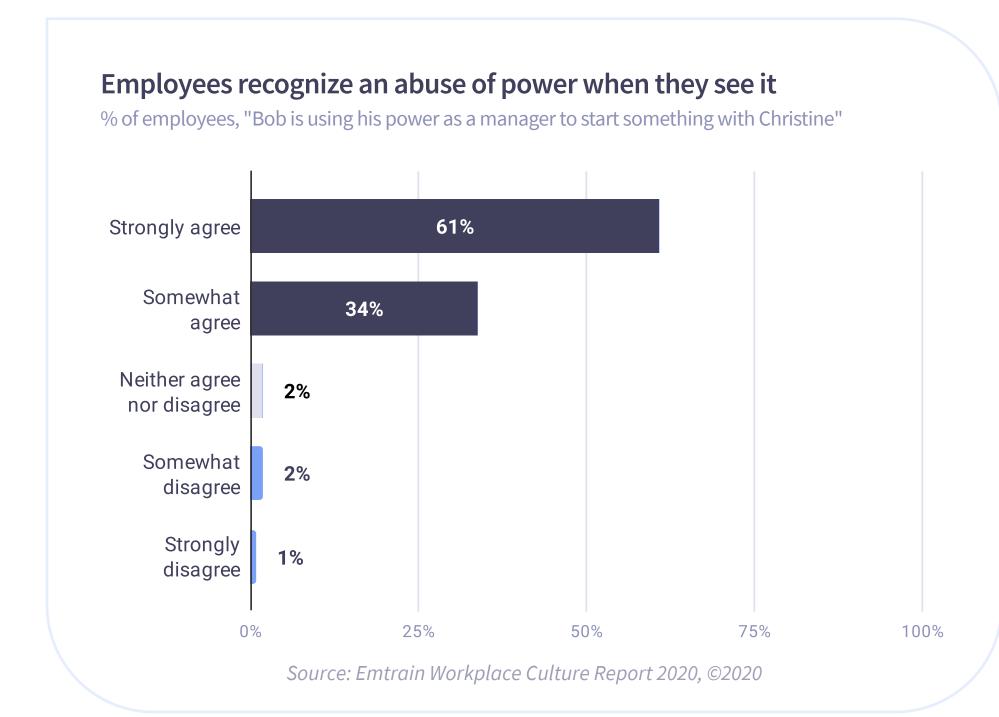
## What's going on?

When power dynamics are strong, particularly when there is a strict hierarchy and large gaps between the power of a junior and senior employee, it can complicate daily workplace social interactions. **Nearly one-third of participants identify power disparity as causing the greatest level of conflict at work.** 

This doesn't mean that our workplaces are full of manager-tyrants. Almost three-quarters of employees believe it is rare for people to get away with disrespectful behaviors because of their authority.

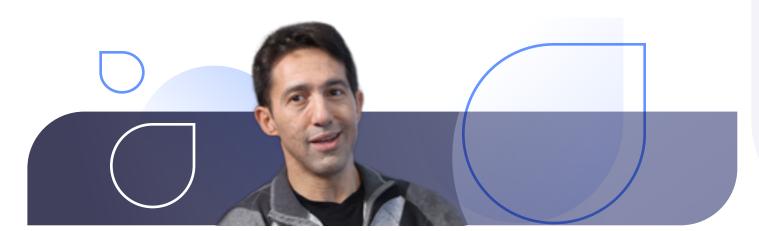






And when we consider the most consequential kinds of power abuses, people at all levels of authority recognize them when they see them. For example, when employees see a workplace scenario of a manager persistently pushing an uncomfortable subordinate to attend an event with him outside of work, though this isn't (legally) harassment, 95% at least somewhat agree it is an abuse of power.

But as we know from the news, and from the 5% who don't see a problem with the manager's behavior in this scenario, left unchecked, misuse of power can lead to abuse of power, and to real and sometimes catastrophic damage in the workplace. Why is that still happening?



20%

of employees indicate that in their organization, people in authority often get away with bad behavior.

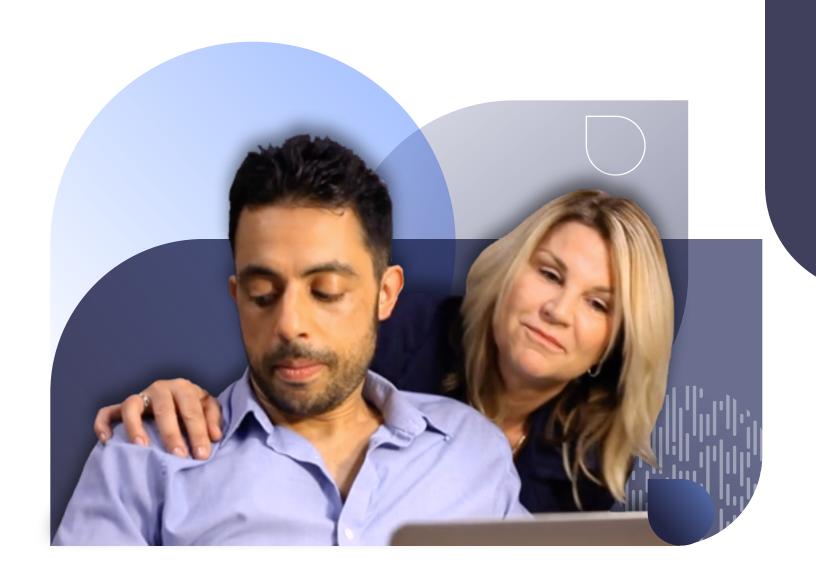
Source: Emtrain Workplace Culture Report 2020, ©2020

While toxic managers—who consistently use power to fulfill their own needs—do exist, the mistakes of well-intentioned-but-clueless managers are more common. Their lack of awareness leads to a lack of trust.

### A lack of awareness

One reason abuse of power happens (even in healthy workplaces), is that people with authority are often unaware of how power impacts their interactions with subordinates. Conversely, people with less authority are very aware of the power differential and the potential consequences of ignoring it. The result: managers do not get the feedback they need when they misstep and employees tolerate disrespectful behaviors they would not accept from others.

When we ask people if they think managers understand how hard it is for employees to say no to inappropriate requests, only 20% of all employees strongly agree that managers are aware of this dynamic.





Only **1** in **5** managers understand that it is difficult for an employee to say no to an inappropriate request from a manager

Source: Emtrain Workplace Culture Report 2020, ©2020

To assess the employee perspective, participants watch a workplace scenario in which a manager asks a visibly uncomfortable employee to walk on his back after a long day (like all of our video scenarios, this is drawn from a real-life incident).





Only **3** in **10** employees are unlikely to say no to a boss inappropriate request

Source: Emtrain Workplace Culture Report 2020, ©2020

Despite the obvious inappropriateness of the request, and visible discomfort of the employee, one-third of all participants say an employee is unlikely to say no when a boss makes an inappropriate request like this.



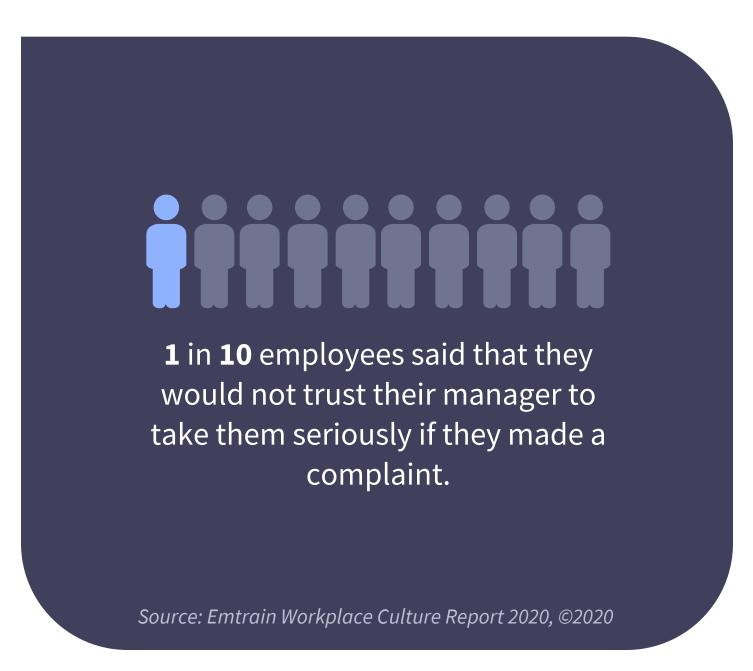
Because managers are often unaware of the effect power has on workplace interactions, they misread the feedback—both verbal and nonverbal—that employees are giving them.

#### The result:

managers do not get the feedback they need when they misstep and employees tolerate disrespectful behaviors they would not accept from others. In investigations, it's not uncommon for the boss to say, "If they really had a problem with my request, they should have just said no." And maybe they would...if the power dynamics weren't so out of their favor, if they felt they could trust their manager to have a rational response, and if the potential consequences of speaking up weren't so grave.

### A lack of trust

When asked, almost one in ten employees said that they would not trust their manager to take them seriously if they made a complaint. Here, the power dynamics silence a portion of the population who may be the most vulnerable, disabling their recourse when they see or experience a serious issue. One reason may be a perceived lack of empathy. Only 31% of employees say that managers in their organizations show empathy and curiosity toward their direct reports. Managers who don't demonstrate empathy are less likely to be perceived as understanding employee concerns and more likely to be perceived as having selfish motives for their actions.

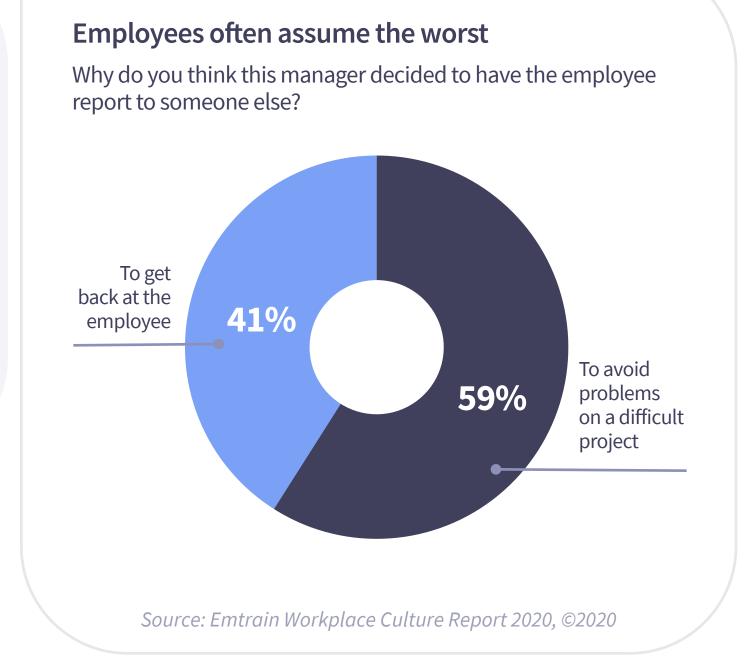


31%

of employees say that managers in their organizations show empathy and curiosity towards their direct reports.

Source: Emtrain Workplace Culture Report 2020, ©2020

In a workplace scenario, a manager reassigns an employee to another team member after a conflict. Though the manager explicitly states that her motivation for the reassignment is to reduce friction on an upcoming project, 41% of employees believe that the reassignment is actually retaliation by the manager. The manager uses her power to rearrange the work assignments, leaving the employee to endure the social consequences of the reassignment.





### So where does that leave us?

Unhealthy power dynamics create conflict and stress for employees. Supervisors are often unaware of how power dynamics impact their interactions with subordinates. People with less power are reluctant to speak up, in part because they fear lack of support or even retaliation. As a result, those with good intentions, and the outliers who misjudge inappropriate behavior, are not getting feedback that might help them rethink their actions.

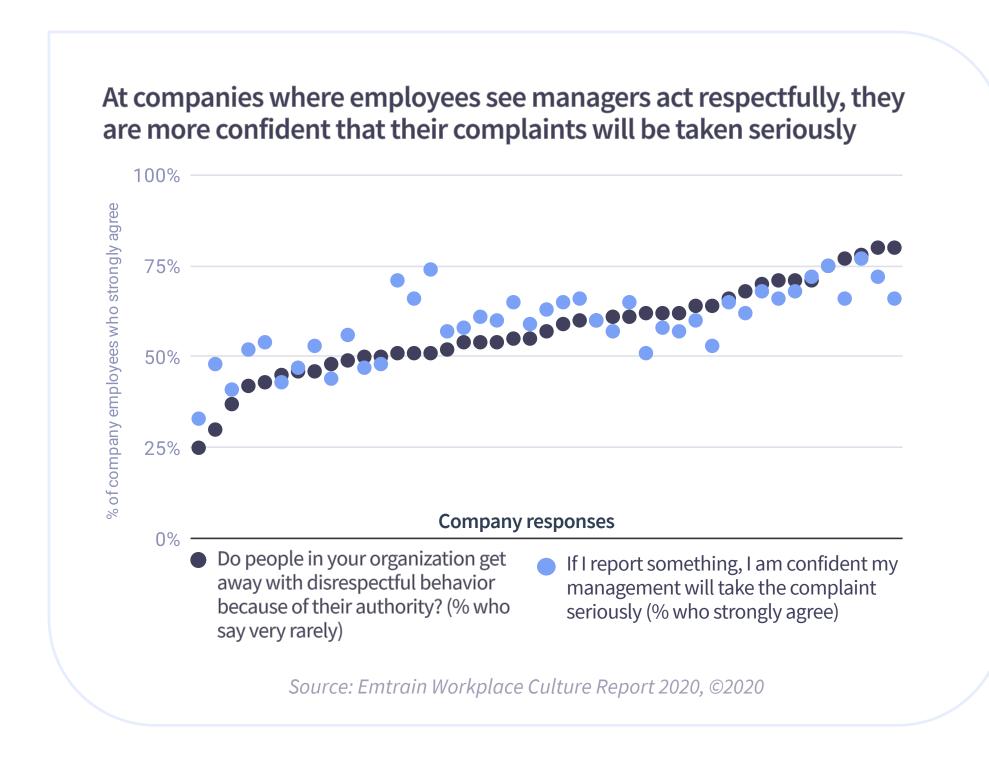
But workplace power dynamics don't have to be a source of conflict and stress. When empathetic managers are aware of how power differentials affect their interactions with employees, they can use their power more appropriately—to help resolve conflicts and build a safe, productive working environment.

## How do power dynamics differ across companies?

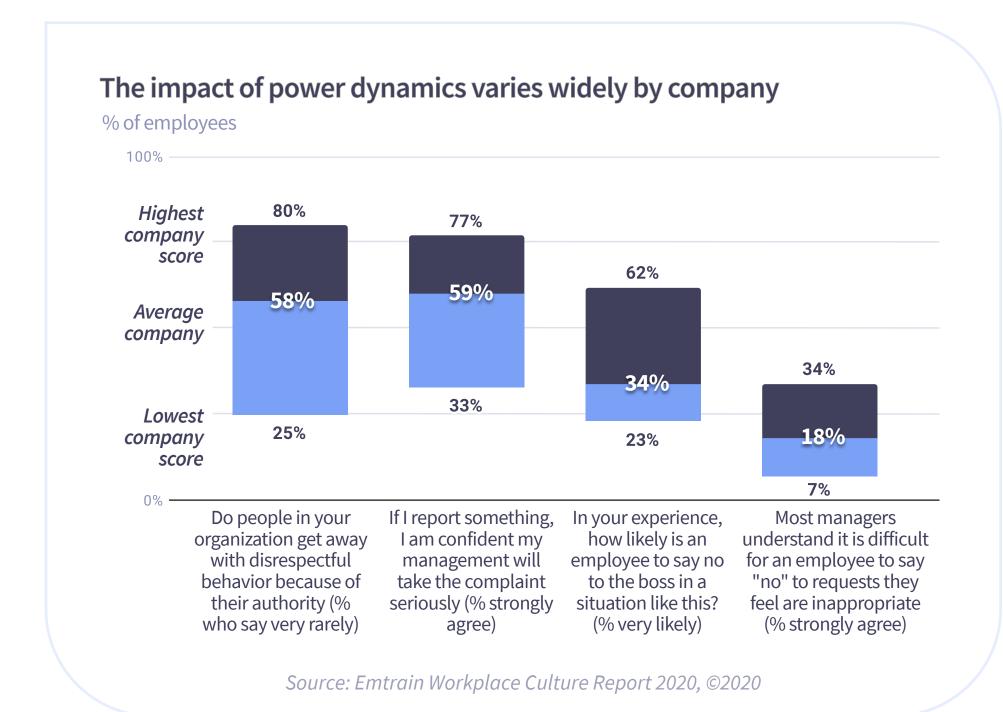
Given the hierarchical structure of organizations, power dynamics are always a foundational factor in the health of workplace culture.

Two of the power dynamics indicators stand out as strongly correlated with each other:

- How frequently people in authority get away with disrespectful behaviors
- Whether employees believe their complaints will be taken seriously if they do speak up



The strong correlation indicates that employees are more likely to speak up at companies where they see managers acting respectfully. And companies that achieve high scores on both of these show up consistently in the "healthier companies" segment of our benchmark.



The broad range of scores by company on key power dynamics indicators points to how significantly they can impact the employee experience. Imagine how different it must be to work at a company where 80% of employees very rarely see people get away with disrespect compared with one where only 20% do.

## Questions to Ask?

- Are managers in your organization seen as getting away with disrespectful behavior?
- How comfortable are your employees about saying no to unreasonable requests from managers?
- Do employees feel confident that if they raise an issue their manager will take it seriously?
- Do your managers receive management training that addresses power dynamics?
- Are people good at giving upward feedback? Do you train employees on how to give it?
- Is there a process for giving cross-functional feedback?
- Do you have a neutral, third-party mechanism for employees to submit their complaints or concerns?



**ORGANIZATIONAL FACTORS:** 

## Organizational Norms & Practices

#### What is it?

Every organization has its own behavioral norms and practices—the spoken and unspoken rules that govern what behavior is and is not acceptable in the workplace. Norms are formed from policies, training, what leaders model and often, the collective "drift" of unconscious behaviors.

In most companies there is an idealized, top-down view of what those norms and practices should be, and there is also a bottom-up reality of "how things really work." Understanding the gap between the ideal and the real is an important step in building a healthier workplace culture.

## Think of organizational norms and practices in a few ways:

- As an immune system that corrects inappropriate behavior that could otherwise undermine the respect, trust and safety in the workplace.
- As a social contract between people with diverse experiences, values, mindsets and behaviors.
   Strong norms and practices create a shared definition of "how we treat each other here."
- As a vision of our best selves. Organizational norms and practices should be aspirational. We know we won't always do the right thing, but we will have a shared picture of what the right thing is.

## **Key Findings**

- Deliberate, positive norms are the strongest predictor of healthy culture, yet only half of employees see them at their company.
- Strong norms counterbalance the negative impacts of bias, power abuses, in-group/out-group conflict, and low social intelligence.
- Top-down messaging and role modeling by company leaders, integrated processes and systems, and skill-building for all employees can create strong positive norms.

"...any sort of a cheat sheet/
decision tree that would help
with making decisions or
judgments about a particular
situation with a co-worker. We
don't have anything."

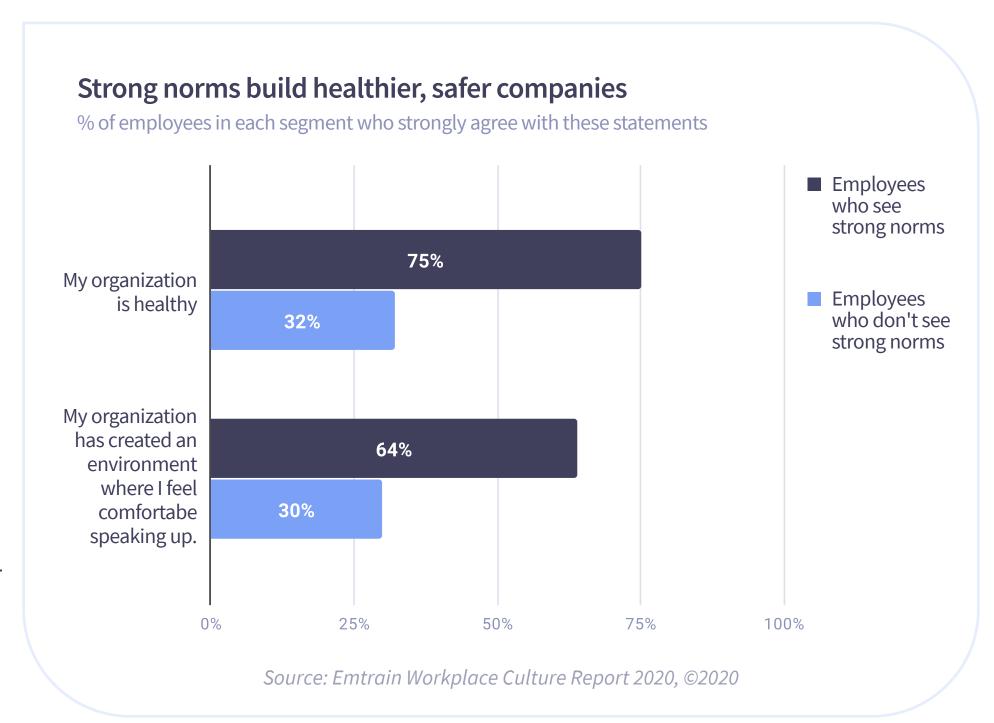
— anonymous employee

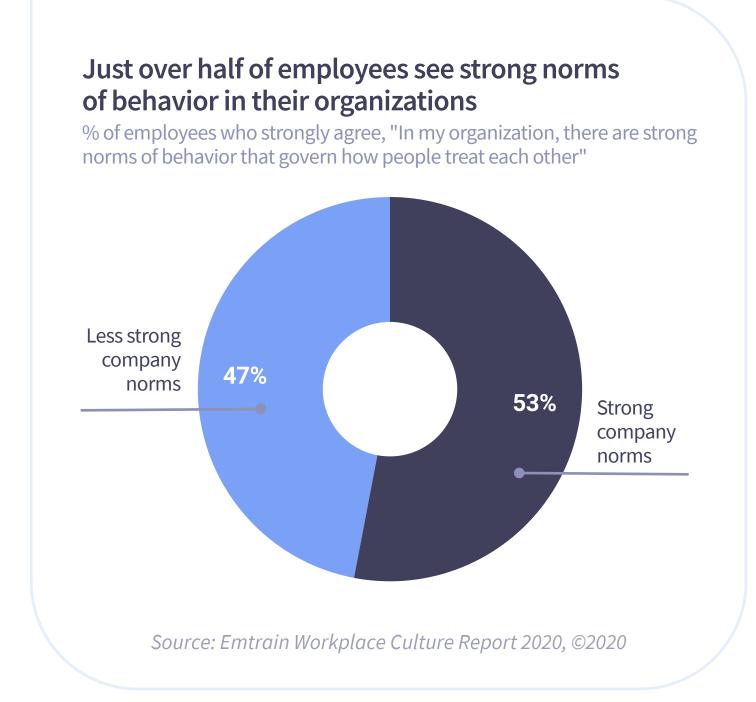
## What's going on?

Employees who see that their organization has "well-understood norms of behavior that govern how people treat each other" are more than twice as likely to say that their workplace culture is healthy.

Strong organizational norms and practices emerged from our analysis as the most significant factor in building a healthy and respectful workplace culture, because it is both strongly correlated with employee assessments of cultural health AND because it is something that culture leaders can directly impact.

Yet only 53% of employees strongly agree that their organization has well-understood norms of behavior.



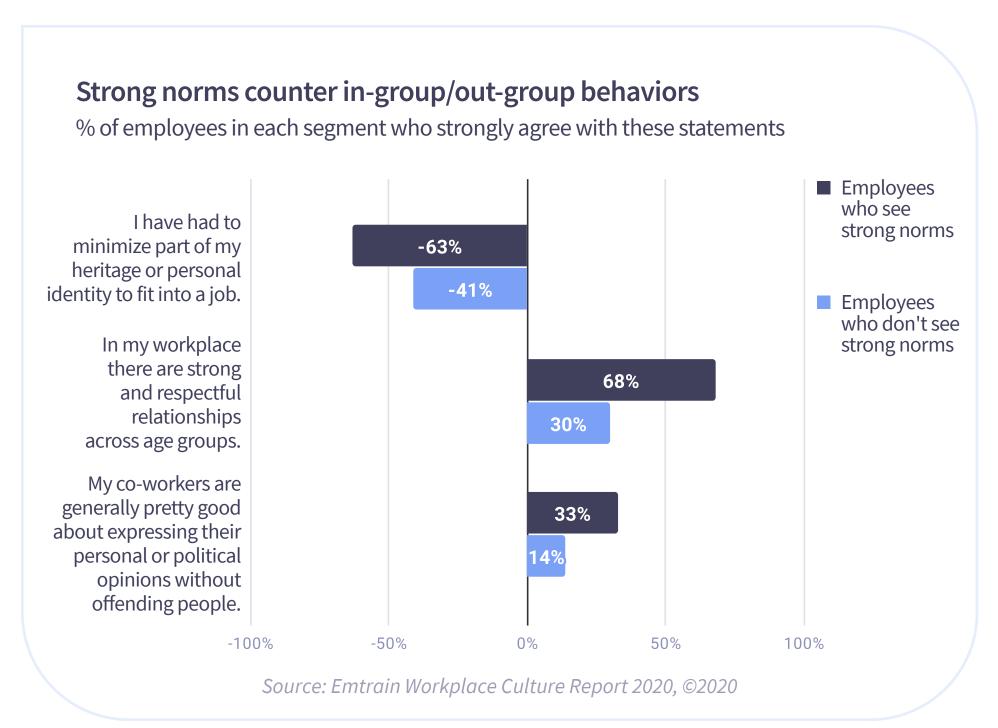


In other areas in our Workplace Culture Diagnostic, strong norms correlate with a healthier, more inclusive environment that is better at regulating inappropriate behavior and more resistant to culture-failures. Working in a company with strong norms is a strikingly different experience than working in a company without them.



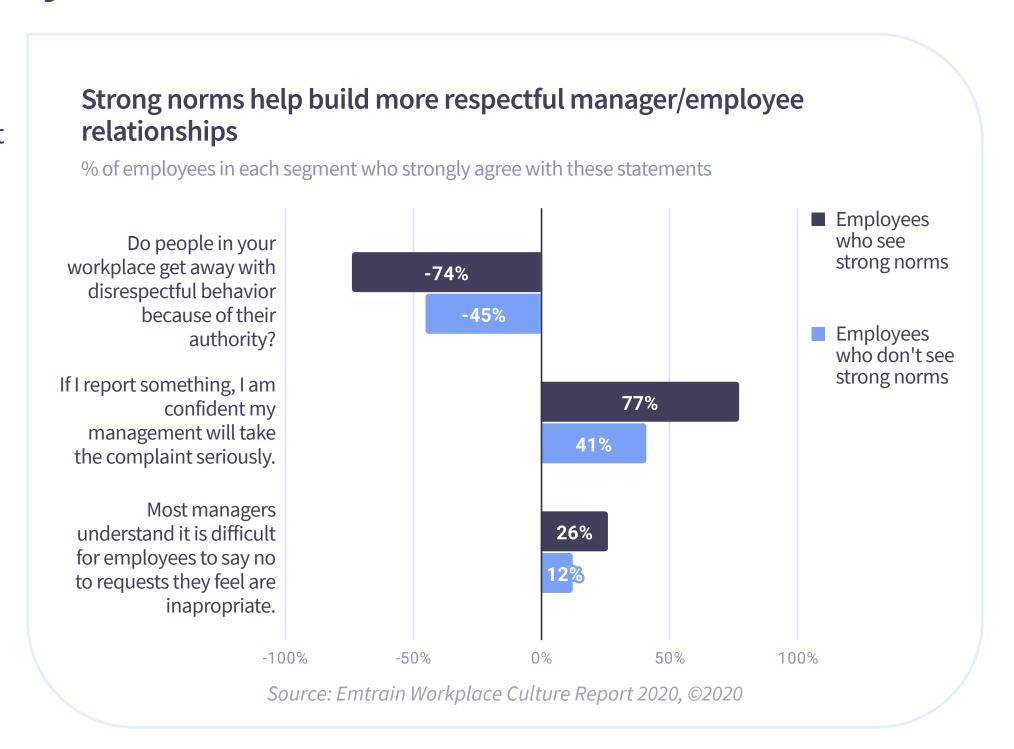
## Impact on in-group/out-group dynamics

When people are guided by strong norms in their co-worker interactions, they are less likely to feel like they are part of the out-group. They are also more likely to have respectful relationships with people of different backgrounds and more likely to express their personal beliefs in ways that are respectful of those who might not share them.



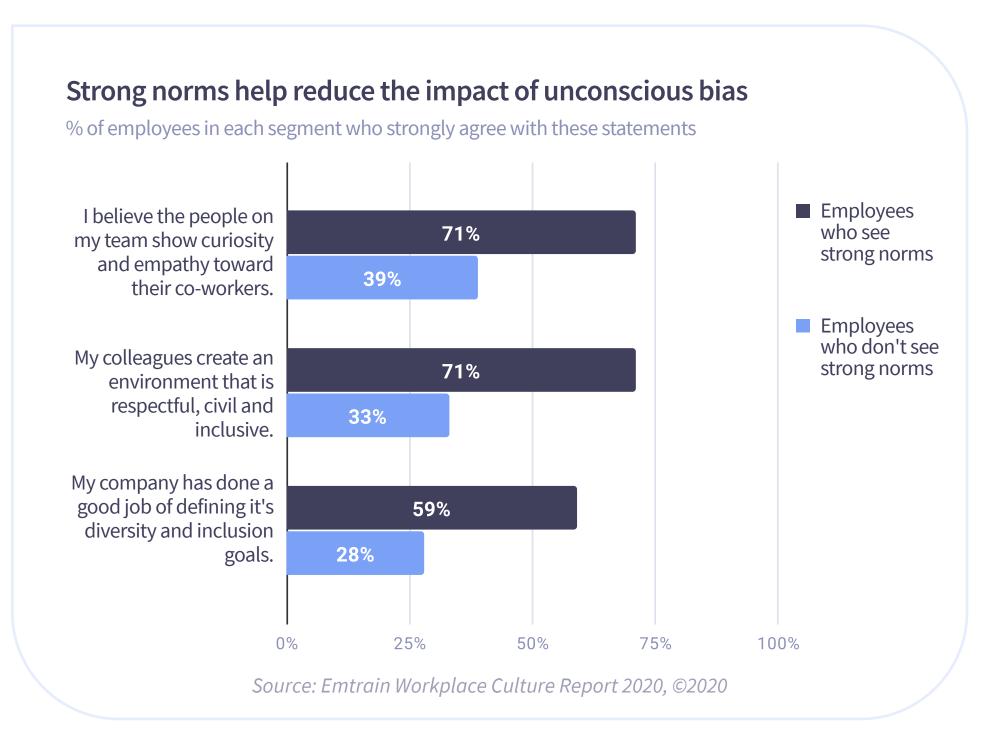
## Impact on power dynamics

Strong norms create healthier power dynamics. The presence of strong norms is correlated with greater trust in management, more respectful behavior between managers and subordinates, and greater comfort in speaking up when requests from those in power make employees uncomfortable.



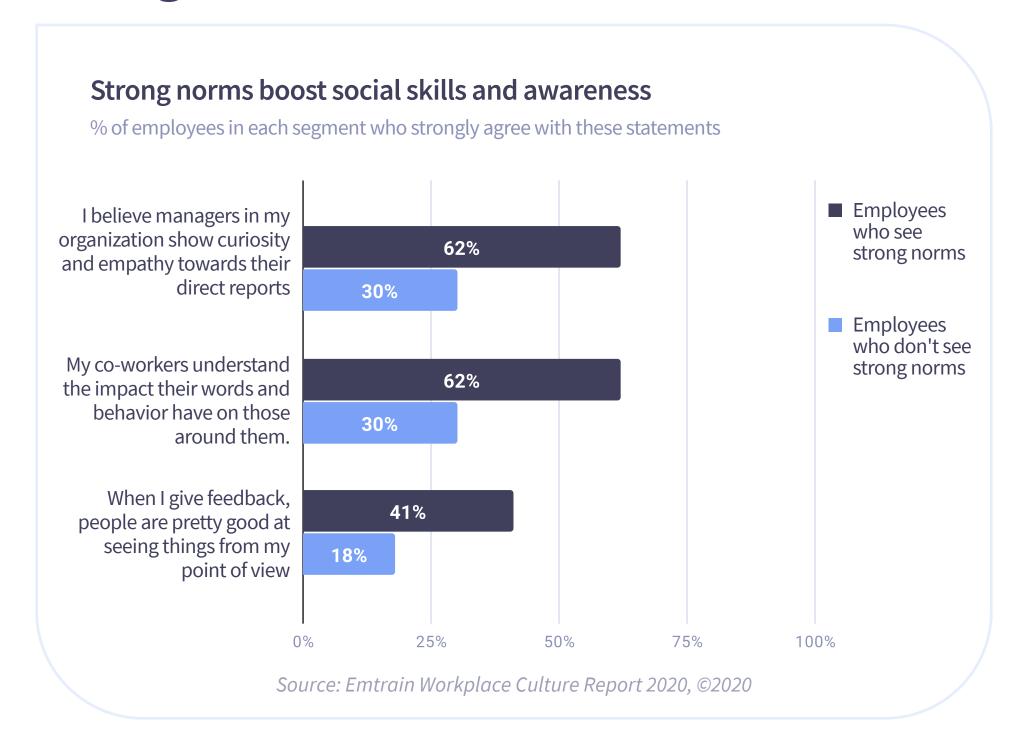
## Impact on unconscious bias

Employees in companies with strong norms experience more empathy from co-workers in an environment that they see as more civil and inclusive. Companies that clearly define diversity and inclusion goals strengthen norms in ways that are clearly recognized.



## Impact on social intelligence

Social awareness, both from managers to direct reports and between colleagues, is stronger in environments with strong norms of behavior. The critical corrective skill of feedback seems to be more effectively practiced in companies with strong norms and practices.



## How you build strong norms and practices

Building strong organizational norms and practices is a behavior change challenge. Like other transformation initiatives that organizations face, it requires deliberate, coordinated action.

While change management frameworks vary, most include these critical elements:

#### A compelling change story.

We hope that this report, the benchmark data shared across companies, and the confidential culture reports we share with our customers will serve as the basis for a compelling change story for workplace culture. For too long, culture leaders have worked in a vacuum, without a way to objectively assess and compare the challenges they experience with those faced by other organizations.

#### **Role modeling from leaders**

Company leaders have an outsized influence on organizational norms. This makes them pivotal change agents and therefore a population that warrants particular focus. We hope the data in this report will help convince business leaders that change is needed and to support their culture leader colleagues in advancing the organization's longer term, strategic talent goals.

#### **Building new skills.**

Norms are created when a critical mass of people adopt shared ways of doing things. Given the variety of pre-existing behaviors people bring to your organization, it's imperative that we train them in the behaviors and practices that constitute the new "way we do things around here."

#### **Formal reinforcement**

For change to become part of the cultural fabric, it must be woven into the operating system of the organization. This can be through specific processes, for example those that counter bias during recruiting, giving and receiving feedback, evaluation, and meeting participation. Just as importantly, we believe ongoing measurment of cultural health and a process for responding to those findings is key to building and sustaining a healthy, resilient culture.

## What are the differences between companies?

Companies with well-understood norms of behavior are healthier companies.





### Questions to Ask?

- Can you identify the norms and practices of your organization? Can your employees? Are they the same?
- Are there negative norms that are tolerated and result in disrespectful behaviors?
- Are your norms written policies and/or top-down communications? Or are they living principles that govern behavior?
- How have your top business leaders leaned in to help establish the org norms and practices and foster everyone's adoption of those practices?
- Are there programs that teach and reinforce your organizational norms and practices?



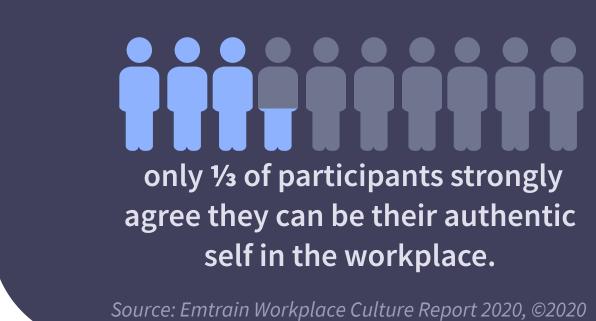
#### What is it?

Unconscious biases are learned stereotypes, shaped by our life experiences, that influence our judgments about others. These beliefs, often around social and identity groups, are deeply ingrained, automatic, unintentional, and everyone has them. Unconscious bias is often far more prevalent than conscious bias and can even conflict with a person's conscious values.

A substantial amount of research demonstrates the impact of unconscious bias across the criminal justice system, academia, healthcare, and the workplace.

Unconscious bias is having a greater impact in the workplace as employers increasingly commit to diversity goals to better reflect their community and customers, and their workforce becomes more multicultural and multigenerational.





## **Key Findings**

- Unmitigated unconscious bias increases ingroup/out-group dynamics since unconscious bias automatically assigns people to groups.
- Those that feel part of an out-group feel less respect, empathy, and safety in the organization.
- In addition to positive cultural norms, concrete practices exist to counter the impact of unconscious bias.

"My current work environment lacks diversity regarding race or socioeconomic background and most staff are blind to our group dynamics that hamper our department. It's sad, really. And if I speak up I believe I will become more of an outsider."

— anonymous employee

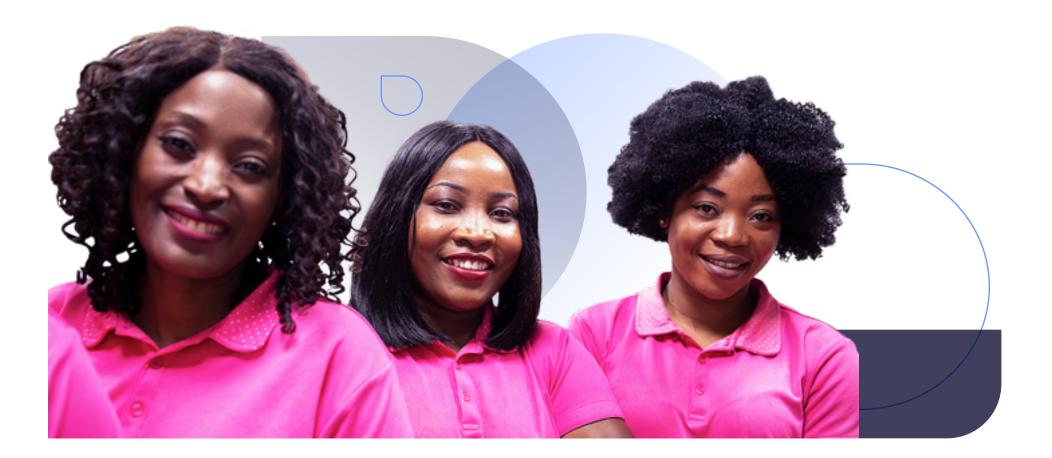
## What's going on?

It is no great insight to say that diversity is increasing in the workplace. More than half of employees report working with five or more races, genders, and generations in their workteams, though they have yet to see that same diversity in their executive team.



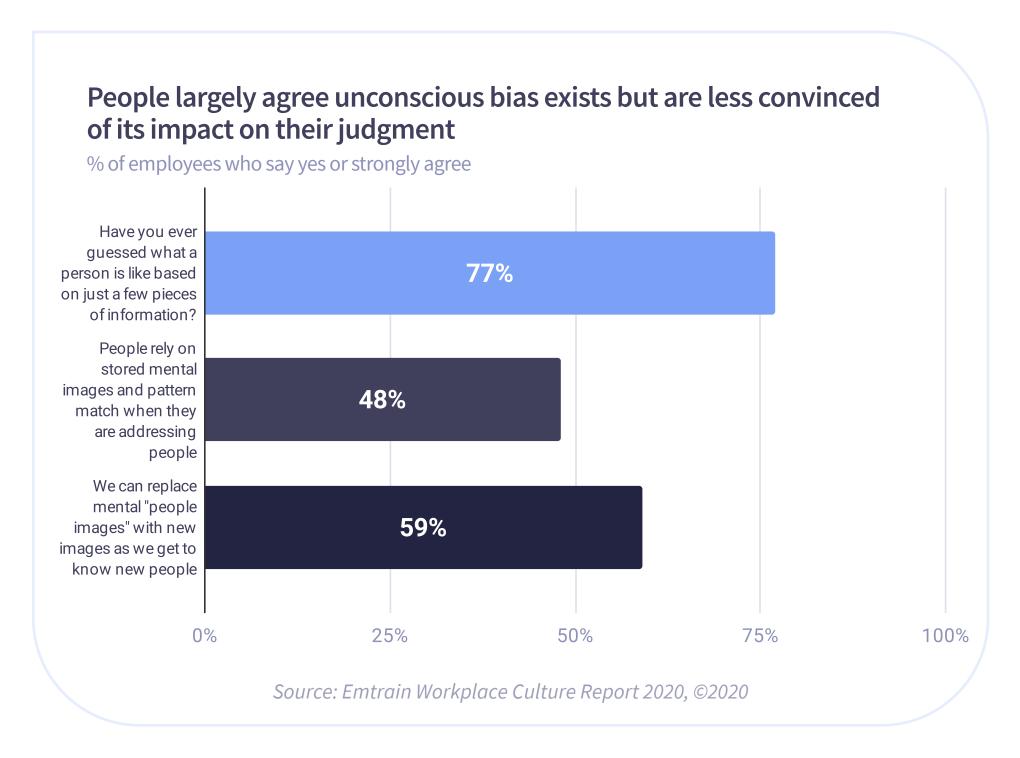


The high percentage of people who do not feel like they can bring their whole self to work is a clear indication that biases are impacting our increasingly diverse workforce. When employees are unaware of, and/or do not manage their unconscious biases, in-group/out-group dynamics are amplified. Unmanaged bias can amplify both the tendency to assign people to groups and to confer or deny status to those groups for the wrong reasons.



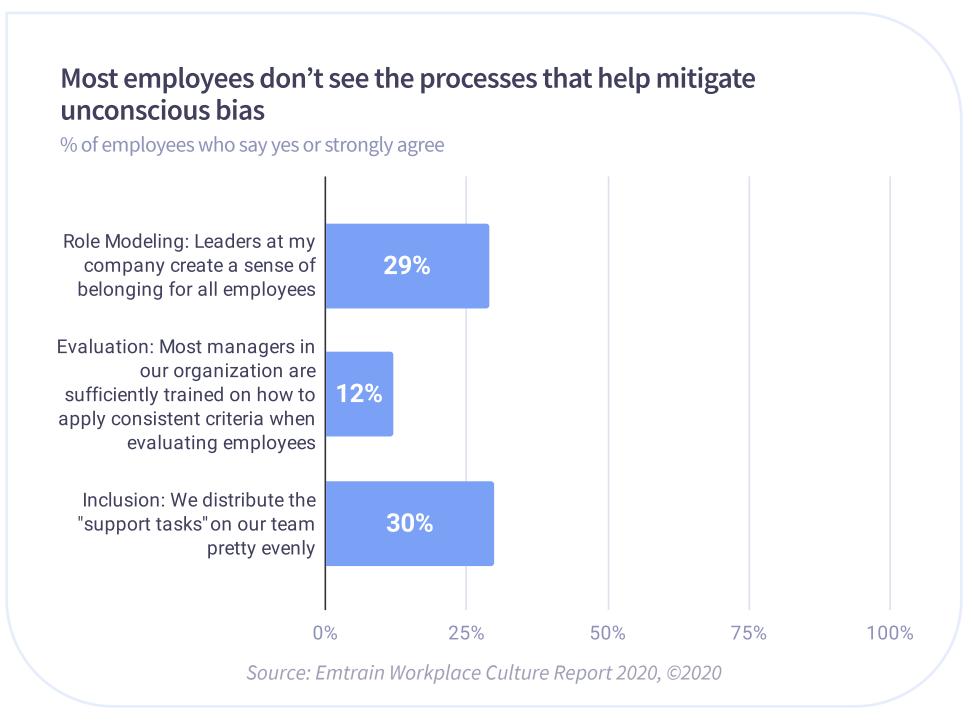
## Awareness is important

Despite the increased diversity in the workplace, and companies' efforts to build awareness of bias, people are still unclear about how unconscious bias works and the extent to which it impacts judgment, in spite of our increased awareness.



## But norms and practices are required

Bias experts agree that awareness is just the first step, and awareness alone will not decrease the impact of unconscious biases. In addition to awareness, strong organizational practices are necessary to mitigate the impact of bias in the workplace. Research suggests that consistent and objective practices for common business processes like hiring, performance evaluation, meeting facilitation, and decision-making create an environment that reduces the impact of bias and leads to better business outcomes. But less than onethird of employees see their organizations having processes in place to mitigate the influence of bias.

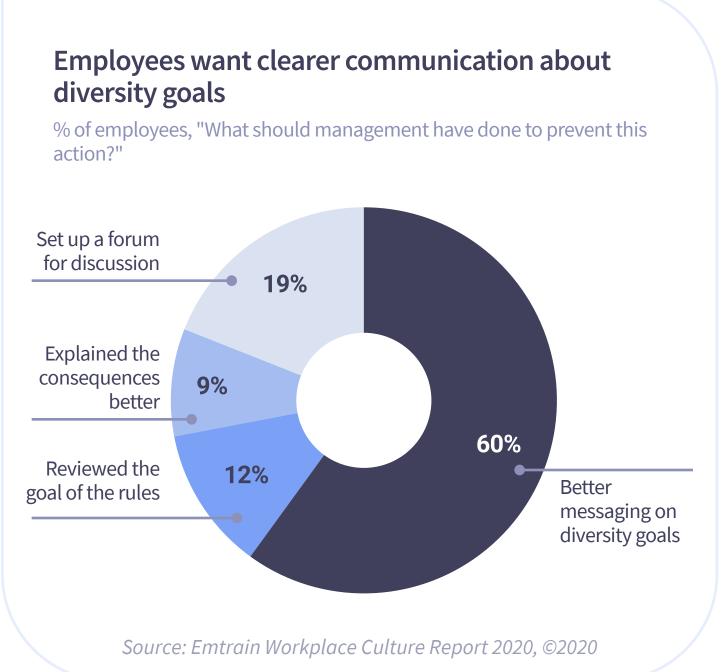


## What do employees think should be done to prevent bias?

In response to a workplace scenario where unconscious bias causes broad organizational conflict when one employee posts a gender-biased "manifesto" in an a company-wide channel, we ask employees what companies should do to prevent this kind of incident.

While clear communication of diversity goals is the most selected, a sizable 40% select other priorities. It is likely that a combination of approaches is needed, and that understanding the pre-existing perspectives and behaviors of your employees is an important part of creating norms and practices to guide your workforce.





## How does unconscious bias differ between companies?

As of the publishing of this report, we have limited data on employee experiences stemming from unconscious bias to analyze the differences between companies in our benchmark. As our data grows, we expect to be able to provide more actionable insights on the correlation of unconscious bias and workplace respect.

One interesting but inconclusive observation: after a scenario that causes dramatic conflict between a manager and her subordinate due to the unconscious bias of the manager (the manager wanted to call the police on her teenage son), we ask employees what they would do if they were the employee in the scenario. Most employees said they would re-engage the manager, or seek help from HR or a senior leader. Fifteen percent said they would look for another assignment in the company, or even another job. To us, that looks like 15% of the workforce who are either already disengaged or are close to it.

While anecdotal, some employees identified themselves as people of color and commented about this scene that they would not feel "safe" talking to either the manager or HR regarding the incident—despite the obvious unconscious bias of the manager. Clearly, our perspectives vary based on our life experiences.

Our strong hypothesis is that companies which have put concrete practices in place to ensure that decision-making is based on well-defined, objective criteria will show improved cultural health over those that have not.

## Questions to Ask?

- How many different races, genders, generations are reflected in each level of your workforce?
- What percentage of your workforce strongly identifies as being part of an out-group?
- What percentage of your workforce accepts that unconscious bias influences how they perceive people?
- Have you shared stories of unconscious bias and the experiences of some employees with your workforce to build empathy and motivation to adopt new practices?
- Do you have strong organizational practices to filter out bias in recruitment, hiring, performance management, career development?



#### What is it?

Social intelligence is the ability to recognize, and skill to negotiate, the social dynamics of the workplace. While stereotypes exist about how social skills vary by role, gender, ethnicity, or generation, the fact is that these skills vary widely in every group. Social intelligence is shaped by experience, and multiple studies have shown that social skills are learnable.

A workforce with greater social intelligence will likely earn a competitive advantage. As talent pools grow more diverse, we are all working alongside colleagues from a variety of backgrounds and experiences. Increased diversity has a positive effect, driving better decision making, and greater innovation, but it also demands greater awareness and skill from employees trying to navigate the complex social dynamics of the workplace.

86%

of employees strongly agree empathy is important at work. Less than half that number strongly agree that they see it from their colleagues.

Source: Emtrain Workplace Culture Report 2020, ©2020



### **Key Findings**

- Social intelligence is the combination of innate capabilities and learned skills that help individuals navigate workplace social interactions.
- When employees experience lower levels of social intelligence from their colleagues, they also experience lower levels of trust and respect.
- Healthier companies in our benchmark achieve better scores on social intelligence indicators.

"I'm a little chubby and there is this co-worker that keeps calling me teddy bear, it's making me feel uncomfortable."

— anonymous employee

## What's going on?

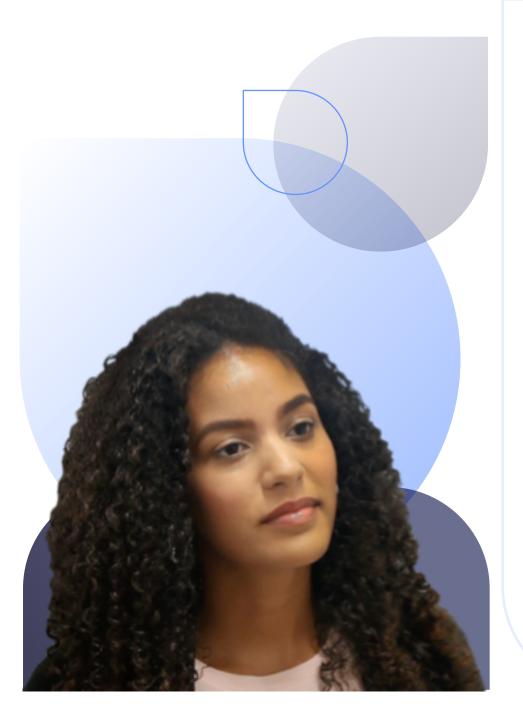
Understanding the social skills and awareness of the workforce is a critical starting point for anyone who wants to build a healthier, more resilient workplace culture.

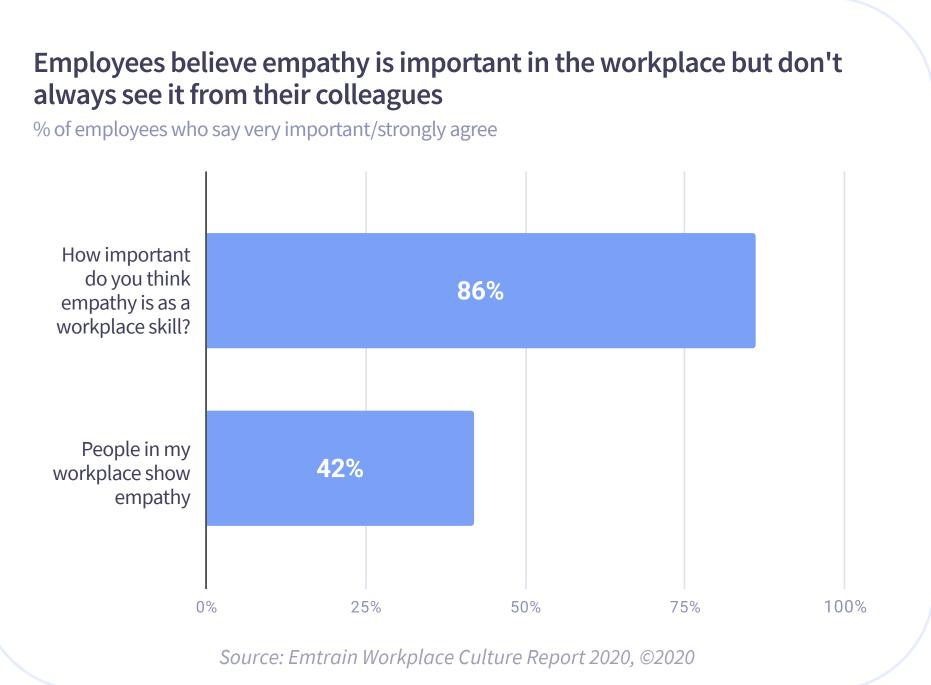
People in your workforce who have less-developed empathy, social skills, and awareness of non-verbal communication can struggle to understand the motivations and emotional states of their colleagues—and to navigate conflict when it arises. Communication is a two-way street. Speakers need to make sure their communications are both received and understood. However, workplace communications are complicated by deadlines, competing goals and power dynamics that can make them challenging for even skilled social navigators.

We ask employees if they feel that their colleagues do or don't understand the impact of their words and behaviors on those around them—a good indicator of social intelligence. Employees who report that colleagues have low social intelligence see co-workers with less empathy, decreased social awareness, and less-developed social skills.

## Empathy and curiosity towards others

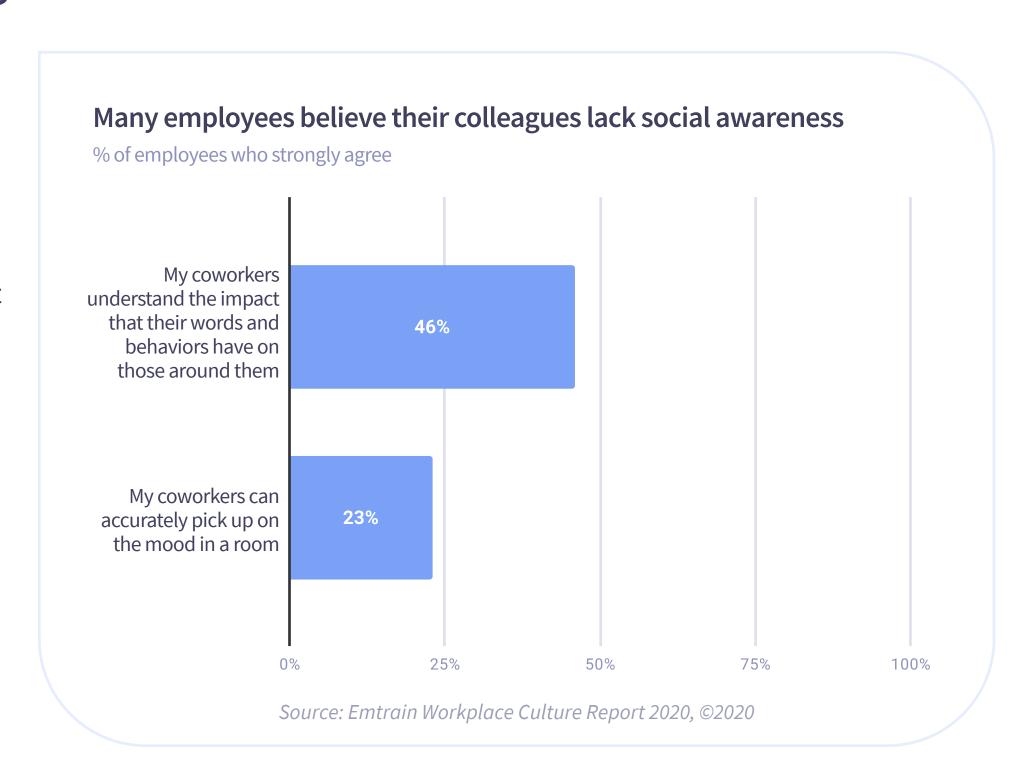
The development of social awareness and the motivation to build social skills starts with empathy towards and curiosity about our fellow humans.



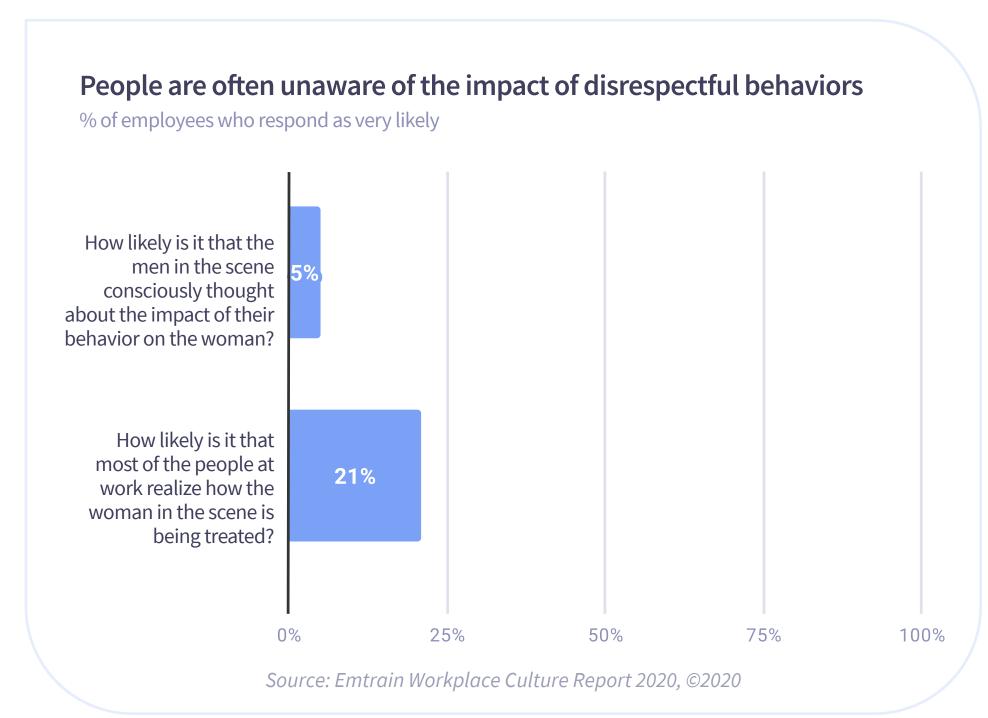


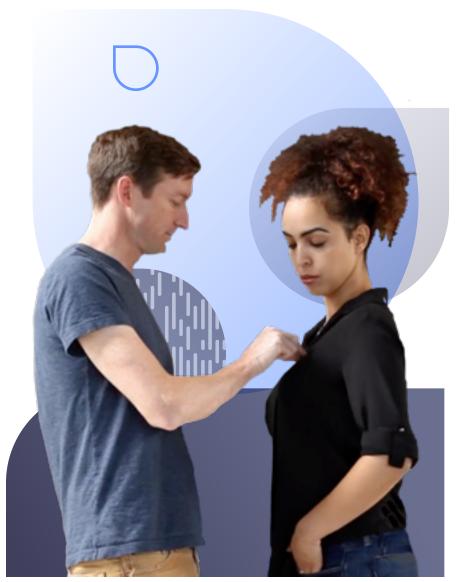
#### Social awareness

Social awareness is the ability to recognize and understand interpersonal and group dynamics, including interpreting the emotions of people with whom you interact. Participants in our programs see that some of their colleagues are challenged in this area, with a large number saying that co-workers struggle to recognize the social cues others give and the impact their words and actions have on others.



As an example, employees watch a video montage of a woman who is repeatedly exposed to disrespectful behavior from men in her office. None of the incidents are severe, but together they create an oppressive environment for her. When asked how likely it was that the men and the other employees understood the impact of their behavior on the woman, participants expressed skepticism that either the men or the others in the scene were socially aware.

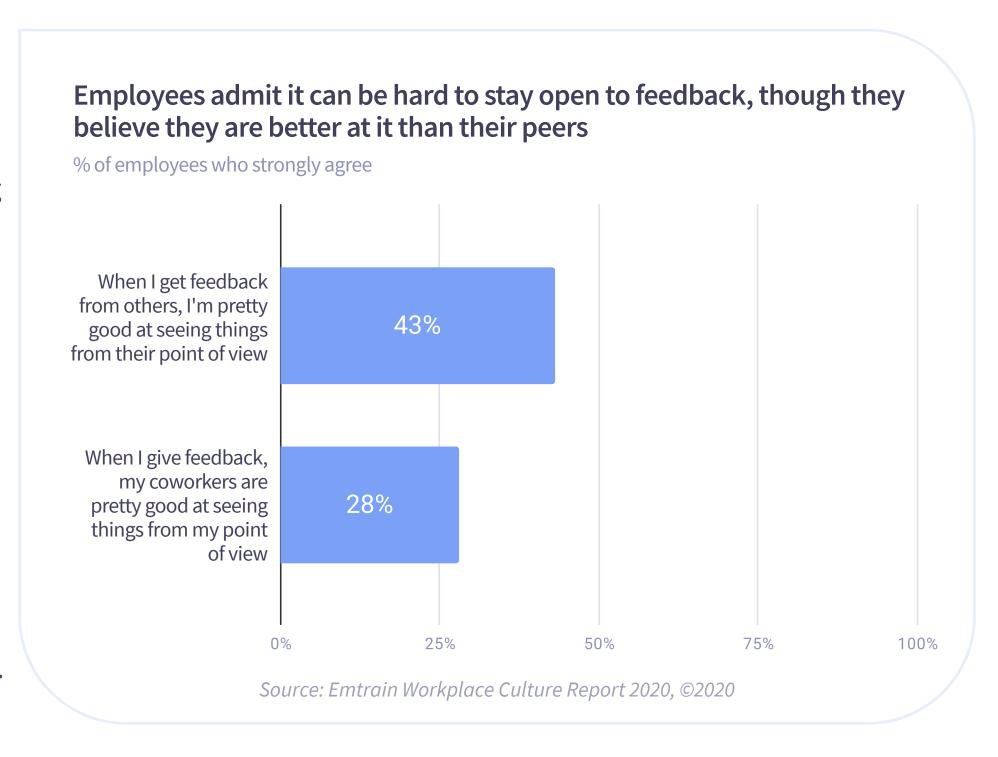




# Skills to navigate

Not everyone is an ambassador or a politician. The ability to navigate tricky social situations doesn't necessarily require a black belt in the social arts...it requires some basic awareness of when interactions have gone off the rails and the ability to recover when missteps do occur.

Practices like calmly receiving feedback, asking open-ended questions to understand the other person's point of view, and apologizing go a long way towards maintaining respectful relationships. Employees admit that it can be hard to stay open and empathetic when they are receiving feedback, though they see their own ability to receive feedback as stronger than their colleagues' abilities. This concern about conflict has a chilling effect on employees speaking up about unhealthy behavior. "If I don't think it's likely that they will take it well, I'm less likely to say anything in the first place."



The impact of working with colleagues with low social intelligence

Working with colleagues with high social intelligence—empathy, social awareness and social skills—helps avoid conflict. Colleagues with social skills might sidestep conflict, or, resolve it more effectively. Where social intelligence is lower, respect and psychological safety suffer. And a decreased chance that people will report a workplace respect issue when it occurs.

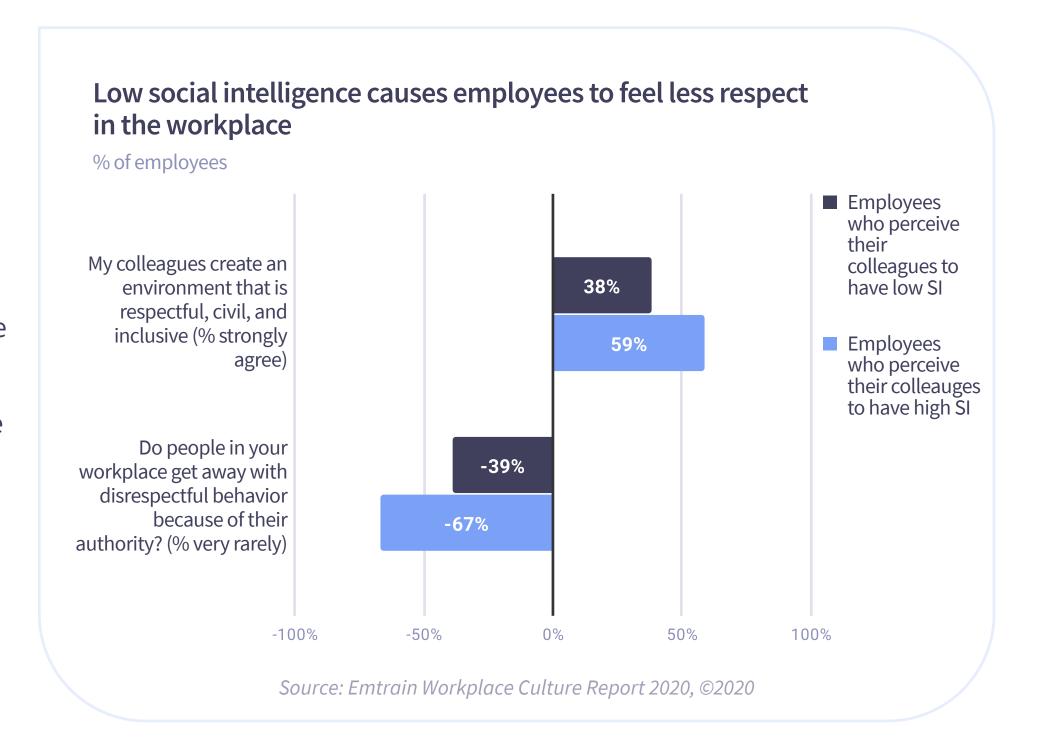


What's it like when you work with colleagues who have less empathy or are less sensitive to social cues?

- 1 People are less likely to experience a respectful workplace
- 2 People are less likely to feel safe speaking up

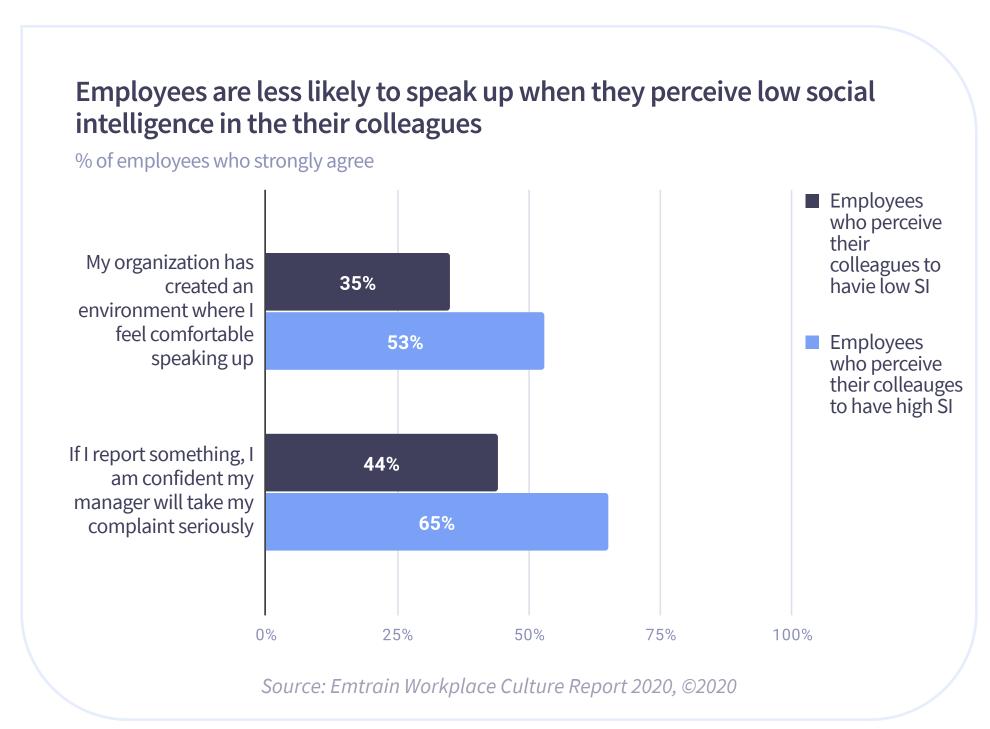
# People are less likely to experience a respectful workplace

People who do not believe their colleagues understand the impact of their words and behaviors on those around them are less likely to believe they work in an environment that is respectful, civil and inclusive and are almost twice as likely to see disrespectful behavior from those in positions of authority.



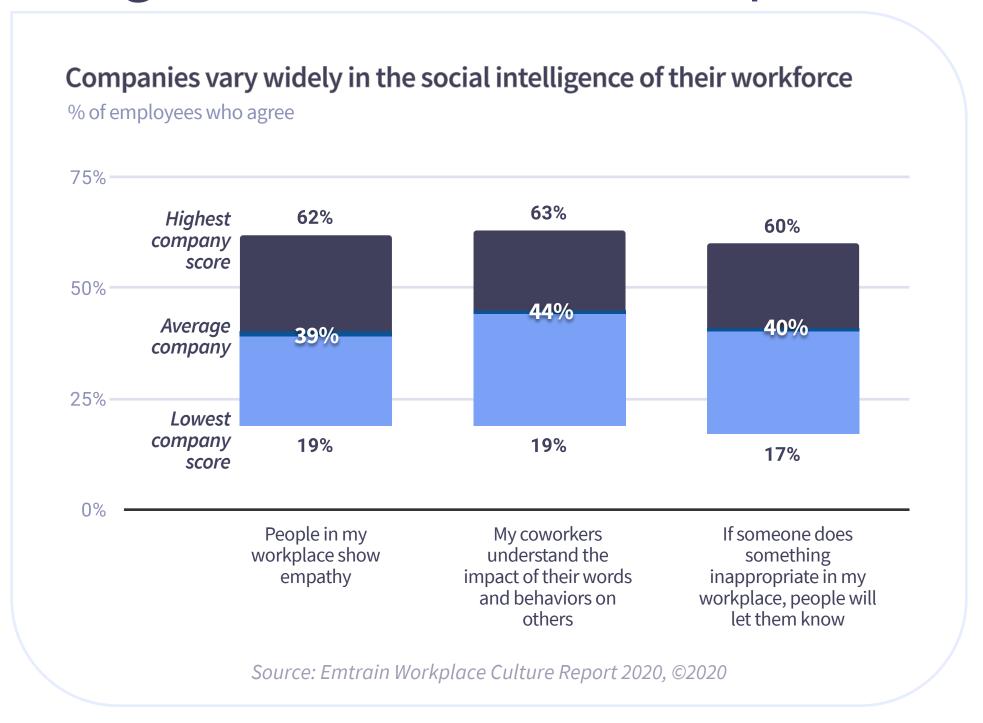
# People are less likely to feel safe speaking up

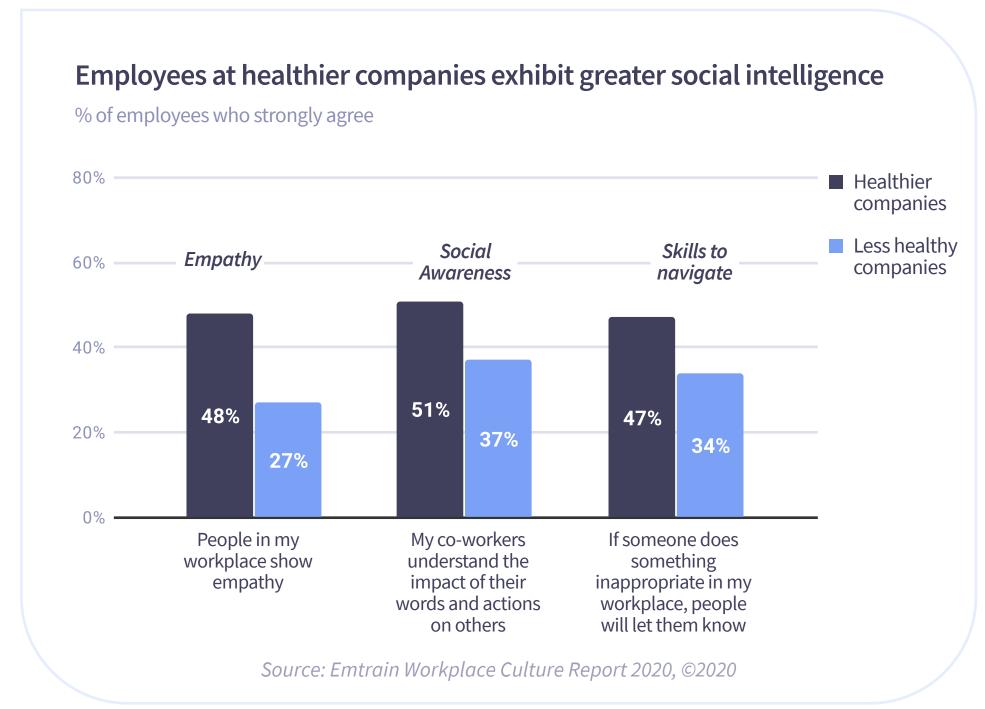
People who are surrounded by colleagues with low social intelligence also feel less safe speaking up and are less confident that management will take them seriously if they were to make a complaint.



# How does social intelligence differ across companies?

The presence of social intelligence, empathy, awareness, and the skills to navigate social interactions varies widely across companies, with some companies outperforming their peers by a factor of three.





Not surprisingly, social intelligence is also correlated with company health, with healthier companies performing above average on each of the social intelligence dimensions, and less healthy companies showing below average performance.

Companies who are seeking to create a respectful workplace should start by understanding what their employees are experiencing today in terms of social intelligence, and put in place specific norms and practices that help employees with less developed social skills and create a safer environment for all employees.

# Questions to Ask?

- What percentage of your workforce believes their co-workers can accurately "read" the mood in a room? What percentage of your workforce believes their co-workers do not understand the impact of their actions?
- What percentage of your workforce believes their peers are open to receiving feedback about their actions?
- Are people good at giving "peer feedback"? Do you train employees on how to give peer feedback?



PEOPLE FACTORS:

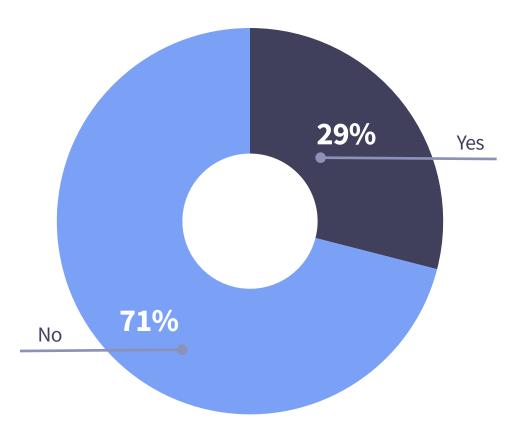
# Pre-Existing Mindsets & Behaviors

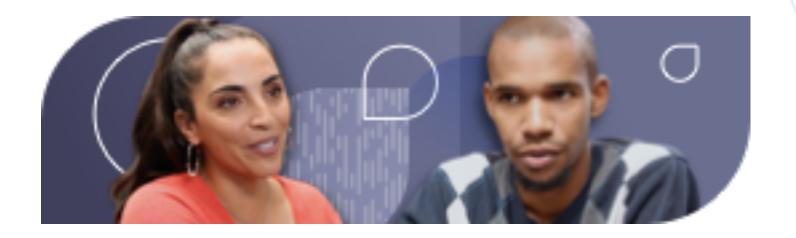
### What is it?

People enter an organization with a unique set of values, behaviors and learned mindsets shaped by their life experience. As our workforce diversifies, so do the range of background experiences that shape employee mindsets and behaviors. One person's notion of what constitutes harassment or respectful behavior may be very different than another person's view. As issues escalate, employees also respond differently to conflict. This may have implications on turnover: almost one-third of people in our survey report having left an organization because of conflict.

# Almost 1/3 of employees have left an organization because of workplace conflict

% of employees, "Has workplace conflict ever triggered you to leave an organization?"





Source: Emtrain Workplace Culture Report 2020, ©2020

### **Key Findings**

- Employee expectations and perceptions about what constitutes respectful behavior are informed by life experience. As our workforce diversifies, employee perspectives will likely diversify as well.
- Left to their best judgment, both managers and employees will apply their own standards and ongoing, inevitable conflict will ensue.
- Establishing common standards for acceptable behavior and healthy approaches for addressing conflict are necessary to create positive and respectful alignment about "how we do things around here."

"Making decisions just because 'that's the way it has always been done before.' Not open to trying new ideas. Hostile to new ways of thinking."

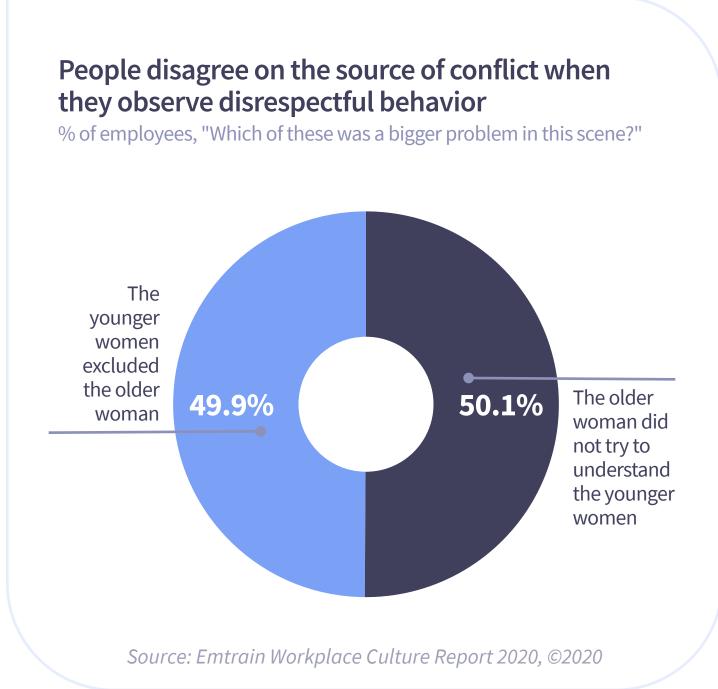
— anonymous employee

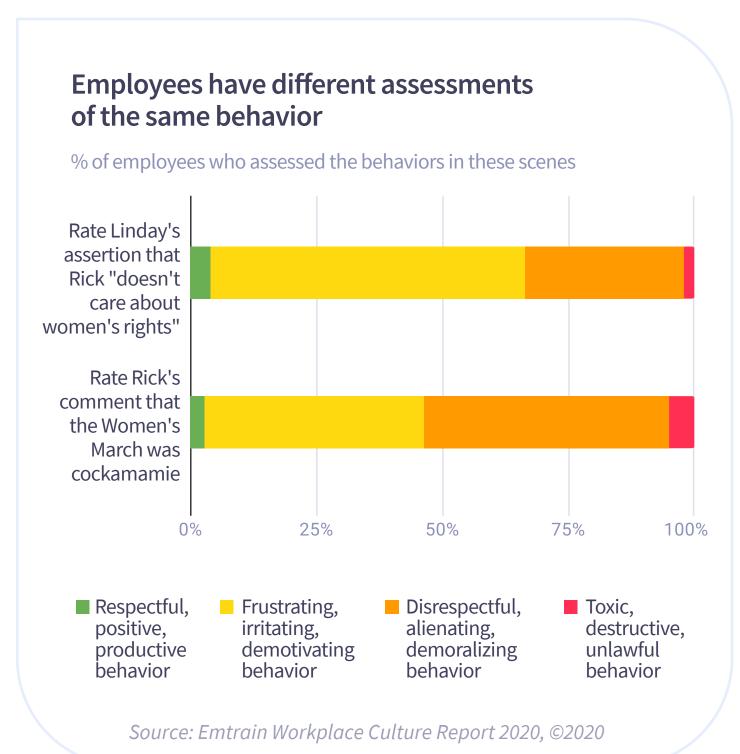
# What's going on

Employee reactions to a pair of workplace scenes help illustrate the extent to which past experiences shape our perceptions and how we handle the conflict that comes from it.

In one, older and younger women are discussing a recent news story about an actor accused of harassment. The older woman dismisses the younger women's perspective, and the younger women dismiss the older woman—along with others in her generation. We ask employees, whose behavior is more problematic in the scene? Responses are evenly split, and employees on both sides are surprised at the opposing view.







In another scenario, a conversation about the Women's March turns into a heated exchange between a man and two of his female colleagues. Though the accusations of the young woman in the scene are more personal and likely problematic from a legal standpoint, employees assess the man's behavior as the bigger problem.



# The impact of conflict

Employees describe myriad examples of lack of sleep, tension, or inability to focus as a result of workplace conflict, often due to to disrespectful social dynamics:

"An employee saying I was harassing him over a safety issue" "Constantly being told that you and your team are terrible and... [we may] need to replace the team with younger new talent" "My manager followed me into an enclosed office and began yelling at me"

"I was unfairly treated by my male manager after I came back from maternity leave"

"I had a lot of dread and tension when a certain vendor came to make a delivery" "[There were] certain standard practices that I did not fully agree on but it was the norm in the workplace"

Employees walk away from past experiences with different perceptions of the same conduct, different conclusions about the causes of or motivations for behavior, and different approaches to resolving conflict. They bring these views with them when they join your organization. Often, they see their perspective as the "correct" one, amplifying the potential for misunderstanding and conflict. As we ask people to bring their whole selves to work, these diverse perspectives will become more prevalent, and potentially problematic.

**Strong norms and practices will help.** To create an environment of mutual respect and build skills to help resolve conflict when it arises, we should proactively agree on "how we behave when things get tricky around here."

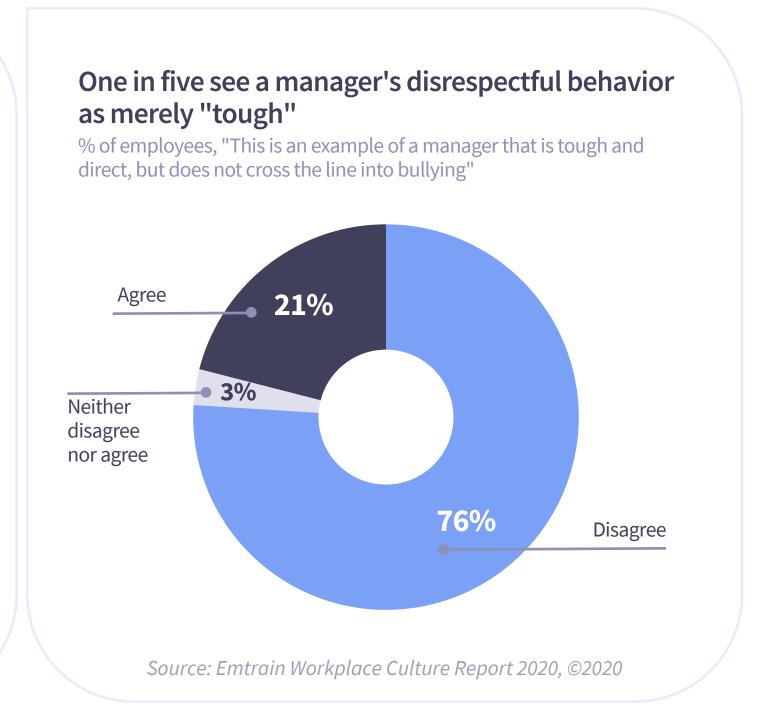
People don't see their own perspective— shaped by a lifetime of experience—as just one possible perspective, they see it as the clear and obvious one.

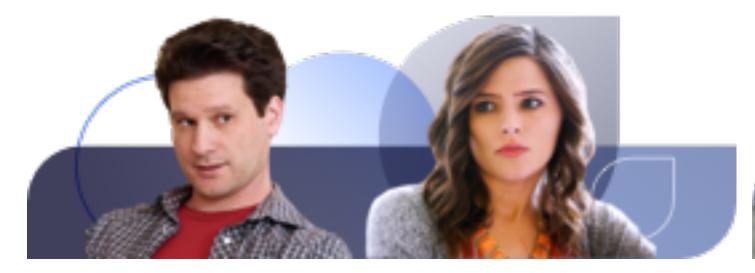
Source: Emtrain Workplace Culture Report 2020, ©2020

# The minority point of view

Differences in learned mindsets don't always lead to a split in how people evaluate behavior. Sometimes there is a strong majority perspective that something is unacceptable, and in those situations, people who hold the minority view are more likely to run into strong conflict and judgment from their colleagues. In a pair of workplace scenarios, employees are largely in agreement about labeling these behaviors as inappropriate, but a minority—nearly 1 in 10 and 1 in 5 respectively—see them as not problematic.







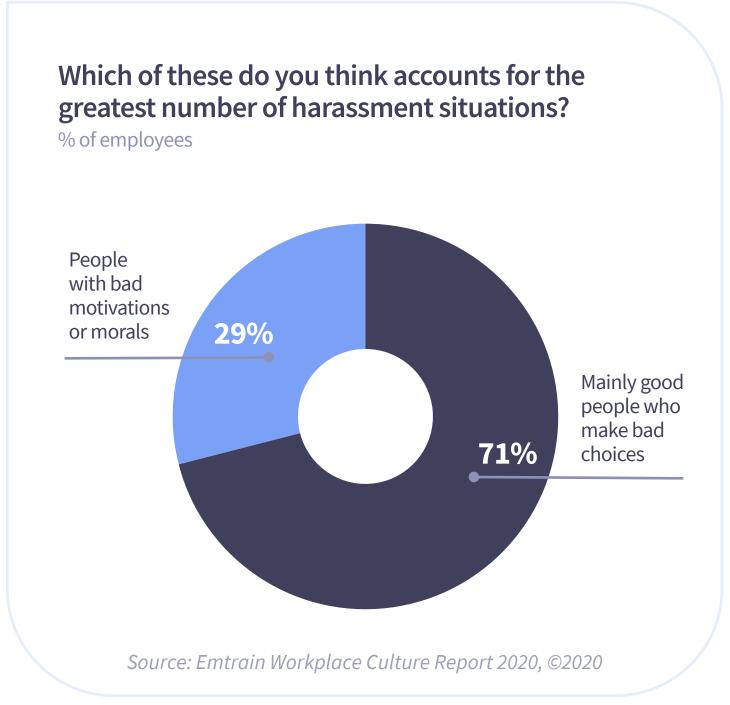


There will always be differences in people's perceptions about what is and isn't acceptable in the workplace. For organizations to navigate these without undue conflict, strong cultural norms and practices need to define behavioral expectations and create a culture where the minority get heard and conflict can be discussed respectfully and with empathy.

# Different assumptions about the causes of behavior

People's varied backgrounds lead them to develop very different "theories of mind," explanations for why people do the things they do. Perhaps one of the most fundamental is the question of whether people who do bad things are bad people, or are more likely to be good people making bad judgments. With regards to harassment, the majority of employees blame bad judgment, but nearly a third point to a more fundamental attribution of people being "bad."

You can imagine that people who hold these different "theories of mind" might take very different actions based on their beliefs. For example, if I think you did what you did because you are a bad person, I'm less likely to give you feedback, but may be more likely to report it. If I think you just made a bad call, I'm more likely to let you know, but less likely to want to report a "good person."



# Different approaches to resolving conflict

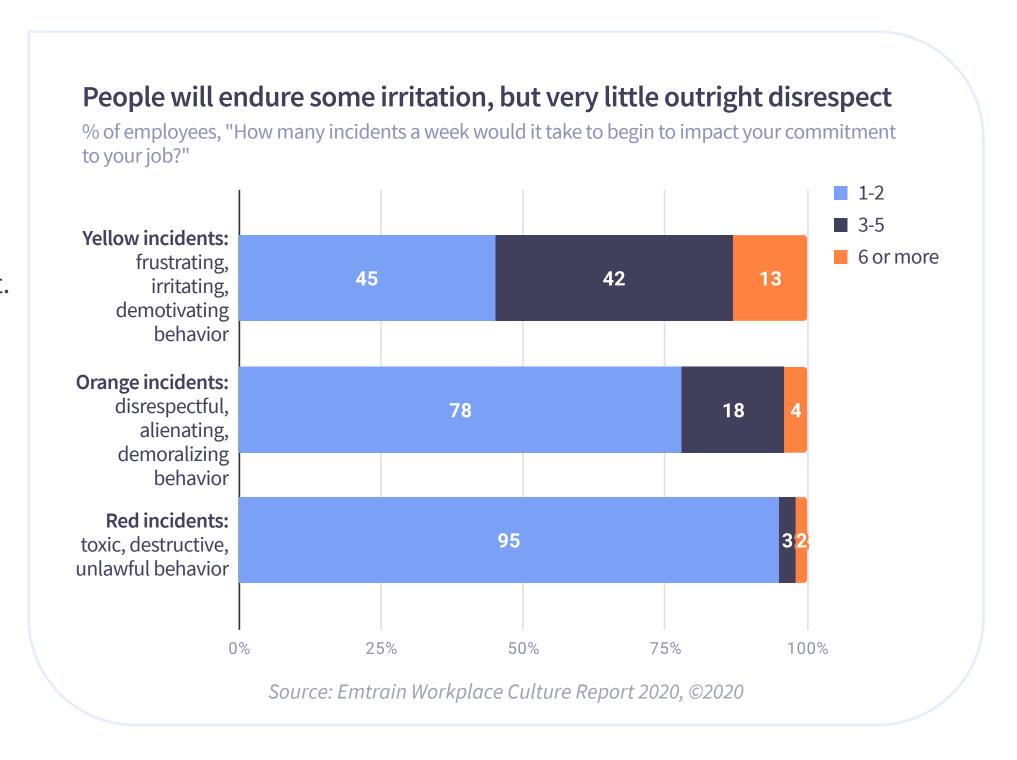
People with different backgrounds also form different ideas about how to address conflict when it occurs. After a scenario showing a significant conflict between people with different life experiences, we ask people how they would resolve the conflict. The vast majority say they would take the issue head-on, but the rest choose different approaches, ranging from ignoring what happened to actually leaving the organization. Teaching healthy conflict resolution skills could make the difference between keeping and losing top talent.



### Different tolerances of bad behavior

Employees tell us they have different tolerances for disrespectful behavior. Statistically, a single employee who complains of disrespectful behavior may be the one less tolerant of it, but not the only one who is experiencing it.

The world-view we build based on a lifetime of experience is a powerful filter for what we expect, what we see and how we respond to social dynamics in the workplace. The data we've collected so far shows a wide range of perspectives in even small companies.



The breadth of employee behaviors that result from diverse learned mindsets have profoundly different impacts on the organization: a valuable employee might leave, a manager with blindspots may or may not get important feedback—and absent strong norms and practices encouraging positive behaviors, those outcomes are determined by perspectives that were formed long before an employee joined your organization.

We believe that culture leaders seeking to build a more respectful and inclusive culture need to build both employee awareness of this diversity of experience and build strong organizational norms and practices that create common ground in a diversifying workplace.

# How do pre-existing mindsets and behaviors differ across companies?

Each workforce is composed of a unique set of individuals with their own professional backgrounds and life experiences. What is shared by all companies is that their people are unique to them. Understanding the breadth and texture of those differences is critical to any organizational change process.

# Questions to Ask?

- How many stressful incidents in a quarter would it take an employee to disengage? To leave? ("yellow" on Emtrain's Workplace Color Spectrum®)
- How can you best show your workforce that different people will view a situation differently and find different actions culpable?
- Do your people have good conflict resolution skills? Can you help them develop?

# The Workplace Culture Benchmark

Above we explore the situational dynamics at the root of culture-failures and identify six key indicators—in-group/out-group dynamics, power dynamics, organizational norms and practices, unconscious bias, social intelligence, and pre-existing mindsets and behaviors—and how they manifest themselves in organizations today.

Data from the Workplace Culture Diagnostic shows:

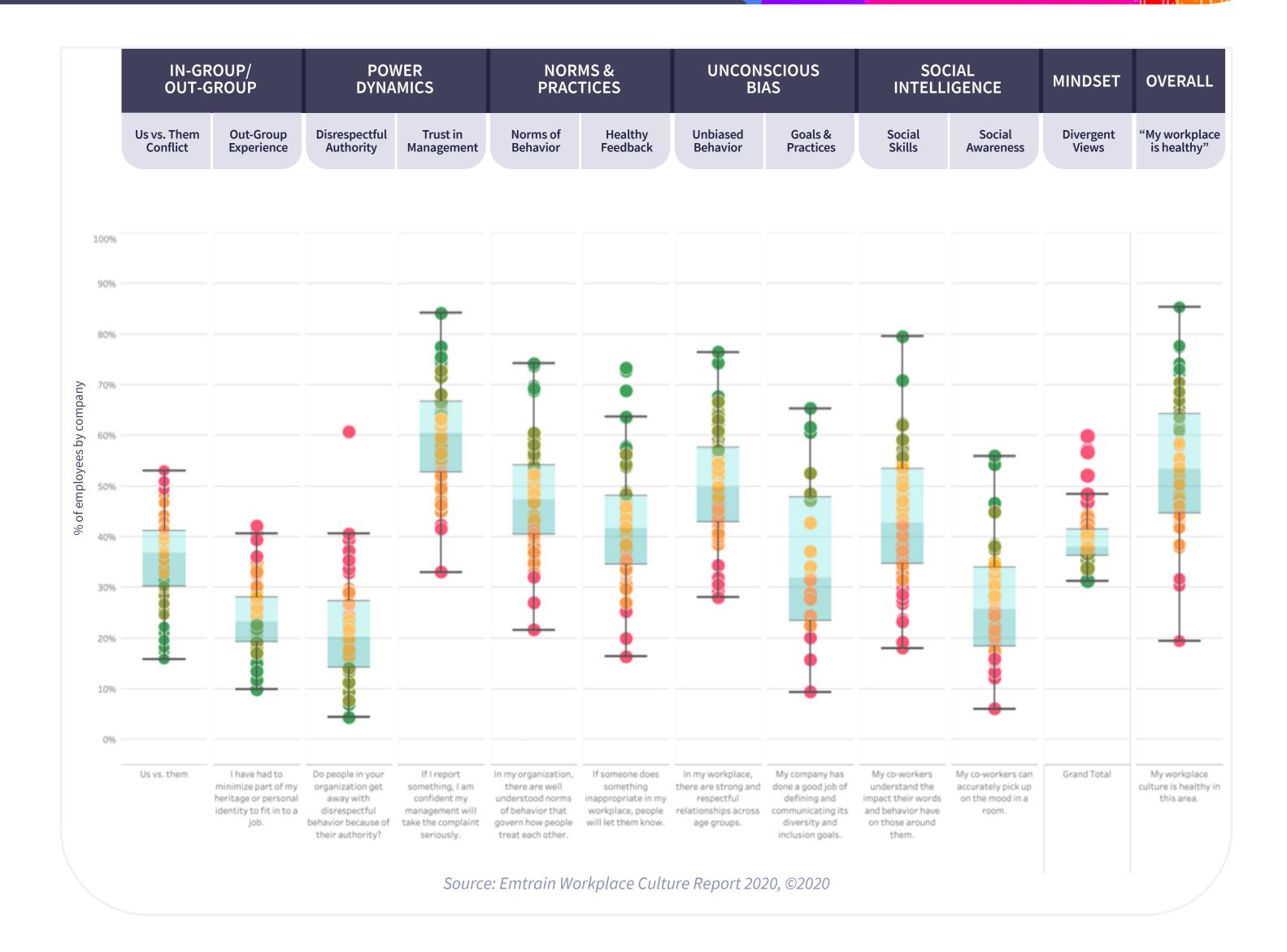
- Each of the six indicators show strong correlation with employee perceptions of the health of their workplace culture.
- Strong organizational norms and practices play a special role, creating a shared definition of "how we do things here" that reduces conflict and increases respect.
- Indicators are connected. Power disparity issues are exacerbated by low social intelligence. In-group/out-group dynamics are amplified when employees do not manage their unconscious biases.

Workplace culture experts, senior leadership, and employees now have a data-driven framework to identify issues, change behaviors and solve problems. To create a basis for further analysis and comparison, we offer the Workplace Culture Benchmark™.

We assembled key underlying data for our six diagnostic indicators into a single analytical tool. Using the data most strongly correlated with employee responses to the statement, "My workplace culture is healthy...," we aggregated average employee responses by company for each indicator into a color-coded box and whisker plot. Healthiest company scores are green, least healthy scores are red.

Our Workplace Culture Benchmark™ provides new insight, derived from the employee perspective, on what makes company culture healthy.

### emtrain<sup>®</sup> | 2020 Culture Report



As mentioned above, we're still at the beginning of our journey to diagnose, predict and fix culture problems. As our dataset expands, we'll continue to share our insights and observations.

We're eager for feedback and collaboration from other passionate practitioners who are on the front lines of workplace culture. Join our culture community and help us make these issues more visible so we can solve them for the next generation.

Please reach out...we are #alwayslearning.

Email: hello@emtrain.com



# The Methodology

The data in this report is based on 2.5 million anonymous employee sentiment responses from 40,000 employees at more than 125 companies who participated before December 2019 in Emtrain courses on Preventing Workplace Harassment and Managing Unconscious Bias. In the process of learning key concepts, participants are asked to reflect on their own experiences at work and their company's workplace culture. In addition, they are shown video scenarios of workplace conflict and are asked to assess the severity of those interactions using the Emtrain Workplace Color Spectrum®

#### **Employee workplace experiences**

The majority of the data about employee experiences is based on employee responses to 7-point scales appropriate to each question. In the report, data is displayed as those who felt most strongly (top 2 box combined), least strongly (bottom 2 box combined) and those who were more neutral. Where a different analysis is used, we have noted it. At times, we define segments of employees based on their top 2 box response to a single question and then compare segment responses, using the same methodology as for the all-employee analyses.

#### **Company analyses**

For all company-level analyses in the report, we use aggregate employee responses at those companies with more than 50 employee respondents, using the same methodology as above. For the healthier/less healthy company comparisons, we compared employee responses at the companies where employees most strongly agreed with the statement "My workplace culture is healthy" with the companies whose employees least strongly agreed.

#### **Emtrain Workplace Color Spectrum®**

At many points throughout our courses, we ask participants to color code a video scenario to assess the severity of behaviors using the Emtrain Workplace Color Spectrum® and we give them feedback on the "correct" answer as determined by our experts. In the report, analyses of Emtrain Workplace Color Spectrum® responses are calculated relative to the correct answer. For example, if experts deemed a scenario to be red, employees who color coded it green, yellow, or orange would be deemed as assessing the observed behavior as "less severe" than it actually is.

#### Workplace Culture Benchmark™

The Workplace Culture Benchmark™ is comprised of twelve indicators that differentiate healthier companies from less healthy companies. Company scores are arrayed from highest to lowest based on their employees' average response on that topic. The upper and lower bounds of each indicator are defined by the highest and lowest companies' responses. Though healthier companies in general perform better on these indicators, the top and bottom companies for each indicator vary and even the healthier companies have middling scores in some areas.