How turning insights into action helps organizations navigate uncertainty
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SECTION ONE

Intro
Workplace anxiety is on the rise.

Starting in the fall of 2022, layoffs began in the tech industry and started spreading more widely. These cuts, paired with continued uncertainty about the economy and the future of work, threaten to have severe consequences for organizations.

Given this context, how can leaders rally and re-energize their people to hit strategic objectives? It starts with surfacing insights and translating them into behavior change.

The companies that weather uncertainty—and emerge from it stronger than ever—are those whose leaders pinpoint and then empower every employee to take the exact actions that are proven to drive improvements to retention, performance, and the employee experience.

Across our customers, we see that turning insights into action is the most effective way for organizations to do big things, especially during times of change.

In this eBook, we'll walk through the top findings from our proprietary research and outline how to translate them into action at every level of your company. As always, we're here to help.

The current climate—and its cost

89% of Human Resources leaders say that employees have recently voiced concerns about job security, leadership changes, or reorgs

74% of remaining employees experience a decline in engagement and productivity following layoffs

45% of people say that they would take a job with more stability over a job with a higher salary

42% of people say that they are less motivated than they were one year ago

39% of people feel less ambitious than they were one year ago

SECTION TWO

Common myths about uncertainty
In our conversations with Human Resources (HR) leaders, we hear over and over that teams are overwhelmed, stretched thin, and anxious.

Our research shows that this prolonged stress has a profound negative impact on every mission-critical people metric, from innovation to motivation to performance.

To rally people under these conditions, leaders need to first understand the primary drivers of workplace anxiety—and how they differ across teams. Without a clear picture of why employees are disengaged and nervous, leaders cannot equip themselves or their people with the tools they need to navigate the challenges of the modern workplace.

We analyzed survey responses and behavioral data from over 80,000 workers to identify the root causes of employee anxiety. We then pinpointed what leaders and managers can do to better support their people. With many teams still operating in a hybrid or remote environment—a Gallup survey in June 2022 found that 8 in 10 people are working hybrid or remote—we also looked at the unique challenges that employees who do not have much in-person time face.

Our research surfaced important insights that disprove four common misconceptions about today’s work environment.

Humu proprietary research:

Anxious employees are...

- **56%** more likely to say that their productivity declined over the past six months

- **52%** less ambitious than they were one year ago

- **17%** less creative and innovative in their work

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1. Gallup, 2022
How behavioral science can help organizations navigate uncertainty

**MYTH #1**

**2020 uncertainty = 2023 uncertainty**

While the future certainly felt up in the air at the start of the pandemic, there are notable differences in what employees wanted then versus now.

In the spring of 2020, employees were most concerned about work-life balance and family support. Later that year, the data show that people became eager for growth opportunities at work – likely because many development efforts were put on hold as companies adjusted in mid-2020.

Today, growth seems to be taking a backseat to stability. While the majority of people told us that, in an ideal world, their next job would offer growth and a higher salary, about half admitted that they would forgo growth for less turmoil. Even more surprisingly, half of people also admitted that they would take stability over a higher salary.

**Top employee priorities**

**2020**

1. Work-life balance
2. Growth
3. Family support

**2023**

1. Stability
2. Salary
3. Clear direction
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MYTH #2

Layoffs are the top driver of workplace anxiety

While layoffs—and news about layoffs—are certainly a cause for concern among employees, our data indicate that the biggest and most important driver of on-the-job stress is a lack of clear prioritization and direction. People who feel directionless at work are three times more likely to experience anxiety. This level of stress is significantly larger than that caused by leadership changes, reorgs, or seeing colleagues getting laid off.

Feeling directionless isn’t just unpleasant, it also has severe consequences for performance. Employees who don’t have a good sense of their team’s priorities are 47% more likely to say that their productivity declined over the past six months, and 38% more likely to say they are less ambitious than they were a year ago.

Employees who don’t have a good sense of their team’s priorities are:

- **47%** More likely to say their productivity declined in the past 6 months
- **38%** More likely to say they are less ambitious than they were a year ago
All teams have been impacted in the same way

In our research, members of remote or hybrid teams experience more anxiety at work, especially around layoffs. And this makes sense: Spending less time in person with leadership, your manager, and your team can mean you lose out on an important social buffer against stress.

We see that remote employees are 32% more likely to feel anxiety in the wake of news about layoffs, and are much more concerned about getting a new manager during a reorg.

This doesn’t have to be true. The pandemic showed that remote and hybrid teams can be highly effective, but that creating the conditions for productivity requires more intentionality and a different set of people strategies.

Q&A with Dr. Sara Gottlieb-Cohen: Remote work doesn’t have to equal stress at work

Dr. Sara Gottlieb-Cohen is a Senior Data Scientist at Humu and an expert in using behavioral data to uncover predictive workplace trends. She previously led statistical support services at Yale University and holds a PhD in cognitive psychology from UC Berkeley.

Q: Can you share more about Humu’s remote-focused research?

A: Pre-pandemic, a customer asked the Humu team to help one of their largest call centers determine how many work-from-home days per week was optimal for productivity and performance. After analyzing over a year’s worth of data, our results showed that when the norm was to work in-office full-time, the ability to work from home 1-2 days per week led to the highest levels of performance and satisfaction. After that (i.e. when employees worked 3 or more days from home), performance first plateaued and then started to decline.

I bring that up because, in our current research, fully remote employees seem to be struggling the most. This is likely because they miss out on the important benefits of some in-person time: learning more about what’s happening across the organization and getting to know people outside their immediate team. In other words, remote workers have less of a social buffer against anxiety about their place within an organization.

In our data, remote workers were 32% more likely to be negatively affected by this kind of news than those who spent at least some time in the office with coworkers. We also found that people who go to the office at least some of the time – whether that be hybrid or fully in-person – are less likely to say uncertainty has impacted their productivity.
**Q: Should we get rid of remote work and mandate that people return to offices?**

**A:** Not at all. Employees really really want remote opportunities: 50% of people say that remote work is a priority for them, and only 4% said they would seek out an in-person role. I think what our data shows is not an indication that remote work is bad, but that most organizations haven't yet figured out how to create connection and belonging within a distributed environment. We're working with many customers to solve exactly that problem, and are seeing some early but convincing signs that it can be done.

**Q: What recommendations do you have when it comes to remote work, especially around retaining top talent?**

**A:** First, don't take away the ability to work remotely. Again, the flexibility that being on a distributed team offers is important to high-performing employees. Instead, train managers to have more frequent check-ins, to find opportunities for more cross-functional collaboration, and set aside time to surface and address employee concerns. The goal should be to create a strong sense of inclusion—and a social buffer—for remote workers.
MYTH #4

Leaders have to choose between investing in empathy or performance

Our data reveals that leaders don’t have to make a trade-off: investing in empathy = investing in performance. We consistently see that managers with the highest-performing teams excel in both the traditional areas of management – think creating structure, helping with prioritization, and providing feedback – and in interpersonal areas.

In an analysis of more than 80,000 employees across industries, we saw that people used consistent, empathy-focused language to describe extremely effective managers.

We also found that people who notice their manager taking action on soft skills-focused nudges from Humu are 16% happier than their peers. In another analysis of 32,000 employees and 5,000 managers across industries, we saw that employees hired post-pandemic (i.e., between April and June of 2020) were less satisfied at work than their peers who were brought on pre-pandemic. However, post-pandemic hires who observed their manager take action were just as happy as their peers. In other words, when managers make noticeable efforts to support their employees, their employees feel better about the company, the team, and their work.

It’s clear that the data reveals a more complex, nuanced story than news headlines might indicate. In the next section, we’ll walk through what leaders can do based on these insights.

EMPLOYEE SURVEY

What top managers do differently, according to free text responses from 80,000 of their people

- “Makes me feel valued”
  - Baseline (1x):
  - 2x: 5.5x
- “Genuinely cares about others”
  - Baseline (1x):
  - 3x: 4.7x
- “Takes the time to get to know me”
  - Baseline (1x):
  - 3x: 3.6x
- “Makes me feel comfortable”
  - Baseline (1x):
  - 3x: 3.3x

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Employees are voicing concerns

89% of HR leaders say their employees have recently surfaced concerns about job security, leadership changes, or recent reorgs.

The top sources of workplace anxiety:
- Lack of direction or prioritization
- Hearing about layoffs in the news
- Leadership changes

First and foremost, employees want stability

In the face of uncertainty and anxiety, employees are seeking greater stability over everything else. They are even willing to give up a higher salary and career growth for jobs that feel more stable.

1 in 2 workers would pick more stability over growth opportunities

47% would pick more stability over a higher salary

Our data shows that a lack of direction has the biggest and most noticeable impact on how employees feel and perform at work. People who told us their priorities were unclear were also more likely:

- To say their productivity declined over the past six months (47%)
- To feel less ambitious than a year ago (38%)
- To feel anxious at work most days (300%)
SECTION FOUR

What the science says: successfully navigating uncertainty
Based on the findings outlined in the previous section, our team of behavioral scientists identified four focus areas we call "drivers."

These drivers are proven to effectively reduce the type of uncertainty-focused anxiety that can stand in the way of organizational success.

At Humu, we know that leaders and employees are busy. That’s why we make things simple by helping organizations pinpoint a few, mission-critical areas on which they should act. In other words, our approach is realistic about the constraints on people’s effort, energy, and cognitive capacity.

Here are the four primary behavioral science drivers proven to have the biggest impact on performance and wellbeing during uncertain times. In the next section, we’ll share examples of how to translate each of these into specific actions.
Employees ranked clear direction as their top priority, and behavioral science backs them up. Successfully navigating uncertainty depends on everyone within an organization understanding the company’s vision—and exactly what they need to do to make it a reality.

Clarity involves establishing clear roles and responsibilities, outlining team goals and how they fit into the bigger picture, and establishing processes for achieving those goals.

Employees who know what metrics they’ll be measured on ahead of time are more likely to meet—and exceed—expectations.

Investing in this area is especially important for remote and hybrid teams. When everyone works in the same office, it’s easy to catch up in the kitchen or talk through misunderstandings while walking to and from meetings. Since remote teammates don’t have access to these casual interactions, leaders need to be more intentional about making sure everyone is on the same page—and headed in the same direction.

Clarity

How behavioral science can help organizations navigate uncertainty

Humu.com
Purpose

Employees are better and more quickly able to rally together after a big change when they understand both the what (team and company objectives) and the why (the impact) of their work. That’s why 84% of executives say that a strong sense of shared purpose is crucial to any transformation efforts.3

People who continue to perform during uncertainty believe that their efforts improve the world around them. When people feel connected to their company’s vision and values, they’re more likely to stay motivated and focused, even on less glamorous projects, because they know they are in service of an important mission.

Our research shows that employees who believe their work contributes significantly to their company’s vision are also 6.3x less likely to leave.

One of the most effective ways to invest purpose is recognition. Celebrating someone’s efforts and explaining how it ties to a meaningful vision accomplishes two objectives: it boosts that employee’s motivation and also helps others understand that mission-critical work will be rewarded. In our data, employees whose managers celebrate their efforts are 6.9x more intrinsically motivated and 4.9x innovative.

3 Harvard Business Review. 2020
In the most adaptable companies, employees trust that leadership has their best interests in mind and that their coworkers will be supportive, accountable, and helpful. When people feel they have visibility into why decisions are made and that they are being treated like adults, they’re far more willing to weather stormy situations and go above and beyond to improve things. Trust tends to drop during organizational shifts (think layoffs, reorgs, or leadership changes) so it is imperative that leaders prioritize earning it back in the following months.

Employees are also more likely to flag important issues or jump in to help solve problems when they feel safe speaking up. Psychological safety, when people feel safe taking small risks like surfacing a mistake, is proven to increase innovation and can boost productivity by as much as 12 percent.  

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4 Gallup, 2017
In an inclusive workplace, all employees feel valued, heard, and empowered to succeed. Despite the $8 billion invested in diversity and inclusion each year, 40% of workers still report feeling isolated on the job⁵ and 75% of employees in underrepresented groups report no personal benefit from inclusion initiatives.⁶

Employees who feel left out are less likely to stay engaged or offer new ideas.

Fostering inclusion can have an even more noticeable impact on remote teams by providing more of a social buffer against anxiety. Leaders need to take care that physical distance doesn’t turn into psychological distance. As our data show, siloed employees are much more susceptible to workplace anxiety—and its consequences.
Q&A with Liz Fosslien: Let’s talk Human Resources (HR)

Liz Fosslien is Humu’s Head of Content and Communications and an expert in how to make work better. She is also the author of the bestselling books Big Feelings and No Hard Feelings, which explore how to effectively embrace emotions at work and have both been translated into 15+ languages.

Q: How should leaders think about company culture when the future feels uncertain?
A: Something I hear executives say in tough times is that they’ll get around to culture when budgets are flush again and the economy has recovered. But culture is always present. It’s always being shaped by the people who belong to it. By being intentional about the culture, you’re much more likely to get the outcomes you’re looking for, like high performance or organizational loyalty.

Here are 3 key questions to ask yourself about your organization:
1. How do people treat each other here?
2. What behavior is acceptable (and what is not)?
3. How are decisions made, and how are they communicated out?

Q: If you could pick only one action for HR leaders to take, what would it be?
A: Make it a priority to recognize the efforts, expertise, and achievements of your team. Recognition is an especially useful way to improve resilience, build connection, and boost confidence.

Q: Is there specific advice you’d give to HR leaders who have had to lead a layoff?
A: Social networks change after a layoff, which often means that employees lose valuable communication channels. Get ahead of miscommunication by rebuilding those channels and sharing information as much and as often as possible.

Q: It’s an emotionally exhausting time to be in HR. What advice do you have for HR leaders?
A: Take care of yourselves. You need to make sure you have the emotional energy to handle everything that is being thrown at you. I know when I’m feeling overwhelmed, all I want to do is lay on my couch. But the research says that investing in meaningful activities that replenish you is so important. Exactly what that looks like will be different for different people, but it often means spending time in nature, meditating, being physically active, or being with loved ones who can offer support.
SECTION FIVE

Empowering your people to amplify and act on mission-critical drivers
The fastest way to invest in the behavioral science drivers outlined in the previous section is to empower managers to act on them.

Managers matter. A lot.

Managers are:

- **2x** more influential than individual contributors when it comes to company culture.
- **3 in 4** say their manager has a big impact on how motivated they feel at work.
- **95%** of employees say a bad manager makes everything worse.
- **58%** say a bad manager is the #1 contributor to burnout.

Managers, especially in remote and hybrid environments, determine both how employees feel and what they do in their day-to-day. Managers clarify roles and responsibilities (or leave them murky), facilitate connections between members of their team and the broader organization (or let them become siloed), and inspire their people with a sense of purpose (or leave them unmotivated and disengaged).

The saying that people don’t quit jobs, they quit bosses is a cliche for a reason. A 2018 study found that employees were most likely to quit when their strengths weren’t being leveraged, when they stopped working on the kinds of projects they enjoyed most, and when they stopped learning and growing—all factors determined by their immediate managers.7

In our analyses, managers are consistently a top driver of employee motivation and engagement. People who feel their managers offer them growth opportunities are 7.8x more likely to stay at their organization, and those who report learning new skills in the flow of their work are 4.8x more likely to stay.

Gallup finds that it takes more than a 20% pay raise to lure most employees away from a manager who engages them, but almost nothing to poach a disengaged worker. Meanwhile, the lost productivity of not engaged and actively disengaged employees is equal to 18% of their annual salary. For a company of 10,000 employees with an average salary of $50,000 each, disengagement costs $60.3 million a year.8

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7 Harvard Business Review, 2018
8 Gallup, 2021
Boost in employee engagement, productivity, and retention when employees see their manager take action on survey results.

Manager action-taking improves important business metrics

Manager took visible action:

- No
- Yes

Rating out of 7

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Boost in employee engagement, productivity, and retention when employees see their manager take action on survey results.
Here are specific ways managers can act on the four drivers outlined in the previous section—and encourage their teams to act on them, too.

**Clarity**

Rally the team around a 3-month mission

When things feel up in the air, giving teams a goal to work towards can instill them with a renewed sense of purpose—and connection. Encourage managers to unite their people around an ambitious but achievable short-term goal. For example, an engineering team might set a three-month mission to launch a new product feature and, at the end of every week, meet to celebrate shared progress and shout out each other’s individual achievements.

**Bonus:** Have each person on your team set a personal 3-month mission for themselves. Is there a specific skill they’re hoping to develop or a type of project they’re excited to work on? Find ways to help them set a clear goal for the coming months, and then look for opportunities to help them get there.

**Purpose**

Make it a point to recognize effort

To re-energize your team, find ways to celebrate their work. Even better, highlight the efforts of a small group of individuals to emphasize the importance of collaboration. For example, highlight what two or three people were able to accomplish together, rather than giving them separate shout-outs.

You can also make recognition a team or organizational practice. At Humu, we have a #cheersforpeers slack channel where Humuns regularly call out and celebrate each other.

**Trust**

Make the most of 1:1s

If your one-on-ones focus solely on status updates, you’re missing out on a valuable opportunity to better understand and support your team members. Worse, you might inadvertently send the message that you only care about pressing tasks and to-dos, which can leave your reports feeling expendable and anxious. Try asking questions like:

- What can I do to better support you?
- Is anything unclear or blocking your work?
- What has been a challenge recently?

**Tip:** Find an alternative channel for status updates (think email, Slack threads, or brief team meetings) to leave more room for personal conversations in one-on-ones.

**Inclusion**

Set up a team ritual

To create a sense of belonging for your people (especially if you’re managing a distributed team), be sure to recognize unique ideas or perspectives on the team, build stronger ties by setting up one-on-ones between team members who don’t often interact, and set up time for everyone to have fun together as a group.

Our favorite recommendation here is to set aside the first 5 minutes of every team meeting for a fun ritual. You can have everyone share a personal challenge and accomplishment, or have the group answer a light-hearted prompt, like, “What food is underrated?” These activities bring teams closer and give people a way to get to know each other on a more personal level.
Top nudges for managers during uncertainty

Our People Analytics team analyzed millions of nudges (short, science-backed suggestions) that we delivered to managers over the past year. These are the top nudges, measured by how effectively they drove action and led to improvement. While nudges focus the recipient on a specific action, each recommendation addresses several of the drivers proven to help organizations successfully navigate uncertainty.

86% of low-performing managers who acted on nudges became strong or outstanding performers in one year.
Top nudges for individual contributors during uncertainty

Managers can’t be maximally effective if their teams aren’t taking action, too.

To make an initiative stick, you need to activate everyone. Frontline employees tend to be cynical about their company’s capacity for improvement than managers are, and are more likely to be disengaged and unmotivated by lofty long-term goals. It’s crucial to meet employees where they are, breaking down goals into bite-sized actions they can take in the flow of their everyday work.

Nudges, or short, science-backed suggestions, are just that: highly relevant, easy-to-do suggestions that activate everyone at every level, not just those at the top. They’re action management in action.

INDIVIDUAL CONTRIBUTOR NUDGE

Reflect on a recent decision

Take a moment right now to think about a recent decision that impacted your work. Ask yourself:

1. Do you think the decision was fair?  
2. What clarifying questions could you ask about how the decision was made?  
3. In hindsight, would you have done anything differently to gain insight into the decision-making process or raise concerns?

Why? We can’t always control decisions that affect our work, but gathering more information about how they are made—and voicing concerns if you have them—can lead to increased fairness.

Look for context

The next time you’d like more information about a decision, try asking something like, “Can you help me to understand your priorities in making this decision?”

Why? It can sometimes be tough to understand a change when you can’t put yourself in the shoes of the “decider.” Asking for clarification can be a low-conflict way to get the info you need.

INDIVIDUAL CONTRIBUTOR NUDGE

Look to help others learn

The next time a colleague asks you to perform a task, think about whether it’s a good opportunity to teach them how to perform the task themselves. Not sure what to share? Look for these criteria:

1. It’s related to their role and skill set  
2. It helps them do their job better or faster  
3. It’s something they might have trouble learning on their own without your help

Why? Research suggests that learning from colleagues benefits mentors and mentees alike.

8 McKinsey, 2016

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How turning insights into action helped a company navigate uncertainty
The Humu approach in action: FARFETCH

FARFETCH is the leading global platform for the luxury fashion industry. Its Marketplace connects customers in over 190 countries and territories with 1,400+ of the world’s best brands and boutiques.

Given FARFETCH’s focus on connecting people with great experiences, the company also strives to deliver world-class employee experiences to its global workforce of more than 7,000 employees. FARFETCH has partnered with Humu since 2017 to drive its commitment to cultural excellence forward.

Creating an exceptional culture in the midst of uncertainty

At FARFETCH, Humu’s solution is mapped to align nudges to the company’s six core values, supporting outcomes related to employee happiness, retention, and inclusion. Humu also runs company-wide diagnostics to enable FARFETCH’s leadership team to regularly gauge employee sentiment in each of these areas. Findings from Humu are then used to define workplace strategies and initiatives.

This partnership empowered FARFETCH to support managers and employees during the instability of the COVID-19 pandemic. While transitioning to a newly ultra-distributed global workforce, FARFETCH also experienced significant headcount growth. Despite many moving pieces, leadership was committed to building a flex work program that maximized employee wellbeing, was intentional about inclusion, and kept a pulse on employee sentiment. They turned to Humu to help make it happen.
**Flex work that really worked**

Research shows that employees with a strong sense of happiness and inclusion perform better—indeed, their NPS scores are 17% higher than those with low happiness and inclusion scores.

In looking to define its flex work strategy, FARFETCH partnered with Humu’s People Science team to perform a custom analysis. The analysis was designed to determine the optimal number of in-office days per week to support happiness and inclusion. It also measured sentiment around flexible work and surfaced the factors most likely to bring people together in-office.

Humu’s analysis helped FARFETCH determine its strategy to provide choices for employees, while still leveraging data to recommend two in-office days per week. It also helped its People Team identify key resources employees needed to feel supported under the new recommendations. Additionally, the results made clear that coming into the office would need to be clearly purposeful to the employee. Now, a cornerstone of the strategy anchors on creating magical moments that celebrate FARFETCH’s unique culture and allow everyone to participate, drawing more people into the office more frequently.

By combining the data-backed insights from Humu with direct employee feedback, FARFETCH was able to successfully roll out flex work recommendations where a staggering 84% of employees say they feel valued, heard, and empowered to succeed.

The team is continuing to measure sentiment around these recommendations and uses Humu to zoom in and learn from pockets of the organization thriving under them and those that need greater support.

“One thing I really appreciate about Humu is that their team gives us three things to celebrate and three things to work on. I love the bias towards action. It’s easy to get caught up in the details of the data vs. cutting to action on things that actually matter.”

Kim Wylie
Director of People Development & Change

**The manager effect**

Action-taking is baked into the culture at FARFETCH at every level. “Employees see our People Team taking action based on what they’re saying—which makes them much more likely to share honest feedback,” Kim said.

FARFETCH knows its managers are instrumental to inspiring action, too. The People Team regularly runs enablement sessions with managers that remind and inspire them to keep acting on the Focus Areas Humu surfaces to improve company outcomes over time. **Manager action-taking at FARFETCH has led to a 9% increase in happiness scores and a 10% more positive sentiment on retention.**
Don’t let uncertainty stand in the way of doing big things.

Get started today >>