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Employee Activism:

Accelerated Challenges and Opportunities

Key Takeaways

- Employees are critical to the success of every organization. COVID-19 and heightened mainstream awareness of social justice issues have accelerated shifts in expectations of leaders and employers.
- In particular, younger employees are often more vocal in speaking up about workplace matters and calling on their employers to act on cultural and political issues.
- Employee activism is taking on new forms, and the labor union movement is energized with President Biden in power. However, employee action does not need to be a full-scale walkout or protest to warrant serious consideration and response.
- As vaccinations herald a subsiding of COVID-19 and a return to the workplace for many, companies need to work even more closely with employees and give them opportunities to influence decisions and actions for the future.

What is next as we emerge from COVID-19?

In many ways, the shape of employee activism has shifted alongside the phases of COVID-19.

- In the first months of the pandemic, employers and workers changed their ways of working as many workforces transitioned to remote work and some businesses faced economic strain.
- In response, workers particularly those on the front lines made it known when they felt that their employers were not doing enough to protect their health and safety.
- The summer of racial justice protests then ushered in mainstream awareness and support for the concerns of BIPOC and other historically marginalized communities.
- Again, in response, through activism ranging from internal workplace discussions to full-scale protests and walkouts, workers called on their employers to do more to address inequities.

Now as more people are vaccinated, workers and employers are confronting new questions about returning to the workplace.

- Nearly <u>3 million</u> women have dropped out of the workforce as they confronted new caregiving demands.
- According to a Brunswick Insight survey of U.S. workers, there is a large gap between support that working parents receive from their companies and support working parents wish their employers could provide. The survey found that parents juggling work and remote learning need significantly more flexibility than organizations are offering, with 59% of parents saying their company should allow parents to work from home and only 49% saying their companies currently offer this.
- Additionally, alongside the Biden administration's support for new pro-labor policies, Gallup found that public support for labor unions is at a historic high.

While needs for different populations and workers may vary, it's clear that the pandemic has permanently changed the shape of the U.S. workforce and the relationship between employers and their employees.

The trends we saw emerging in the years prior to the pandemic – employees expecting more and more from their employers and joining together to demand change – are now more widespread, frequent, and diverse. Moreover, in the past year, many workers saw their CEOs speak out in bold new ways as employers went above and beyond to provide additional support to their employees and workers now expect these proactive postures and actions to continue and grow.

Today, organizations face a range of complex business, legal, and communication decisions. Proactive preparation before issues escalate is as important as ever. It remains true that the companies who navigate these challenges effectively are those that understand which issues pose reputational, operational, and financial risks and have plans in place to address them.

Employee activism comes in many forms:

- Protests / walkouts / strikes
- Petitions
- Social media campaigns
- Industry-wide mobilization of workers, or mobilization of employees across geographies
- Leaks of sensitive information
- Labor union organizing
- Openly acting against company or government guidelines and governance
- Resistance to return to the workplace after demonstrating adequate job performance while working remotely
- Calls for greater diversity, inclusion, and equity in the workforce, and equal treatment of employees
- Critical discussions and demands about working environment, childcare, and immigration
- Publicly calling for employer action regarding a particular employee, executive, or board member

A survey of U.S. workers conducted by Brunswick Insight found that 48% of U.S. workers overall expect there to be significant changes as more people return to the traditional workplace. Whether their employees are remote or onsite, urban or rural, junior or senior – among other distinctions – employers must understand the needs of different workers and offer responses that appropriately reflect their respective experiences. Brunswick Insight found that different employee groups now have varying views about returning to the workplace. 59% of salaried workers are interested in returning to the workplace in some capacity, compared to less than half (47%) of hourly workers. On the whole, 48% of salaried workers prefer working remotely, compared to 39% of hourly workers.

Workers also have different views on how prepared employers have been in facilitating a return to the workplace. Brunswick Insight found that while most (82%) of workers say that businesses have been either very or somewhat prepared for re-opening, 18% of workers say that business have not been well prepared.

In addition, certain populations, especially younger workers and those who are in or seeking to join unions, are more likely to pursue activist tactics. Almost half of union workers said they would join a strike, raise concerns to news media, and post on social media, versus approximately a quarter of non-union workers. These different expectations and approaches underscore that employers must take specific needs and concerns into consideration when engaging and communicating with different employee groups.

At the same time, challenges including burnout and strain on mental health cut across different groups of workers. Brunswick Insight found that 39% of workers stated that their mental health had worsened because of the pandemic.

• Companies who ignore employees, when they speak loudly about issues affecting them, do so at their own peril. Rather than ignoring or punishing those employees, it is in the best interest of employers to build a participatory model of influence and action to give employees opportunities to be heard and take positive action that strengthens company culture.

Assessing Company Risk

Before taking steps to understand which issues are most important to employees, companies must seek to understand the landscape of issues impacting employees' attitudes. If emotions are high, actions are more likely.

Drivers for Heightened Employee Action

- Anxiety about job and economic security
- Demands of balancing caregiving with work
- Extreme gap between CEO / leadership compensation and wages
- Differing views among employees on hot button issues & company's position on issues
- Disappointment in employer's lack of follow-through on COVID-19 or social justice / DEI commitments
- Confusion about shifting ways of
- Inconsistent/opaque processes for hiring, compensation, or promotion
- Burnout & fatigue



- Health & Safety: Concern about returning to the workplace amid varying levels of COVID-19 vaccinations
- Mental Health: Strain on workers' mental health
- Data & Privacy: Concerns over disclosure of COVID-19 vaccination or infection status; Anger in response to data breach / leak of personal information
- Lack of support for how the pandemic has affected workers in different, personal ways
- Split between workers who want to return to workplace and those who want to continue working remotely
- Worry about future ways of working and loss of freedoms gained while working remotely

Key Questions

After identifying the drivers for employee action that may be relevant to their workforce, companies must consider which are most likely to affect company reputation, operations, finances, or culture.

Outlined below is a set of initial questions that can be used to determine which issues pose a risk. These questions can also be used to gather information about the issue to determine its scope and what actions the company should take.

- What issues are most important to our workforce? And how do these priorities vary between different types of worker populations?
- Did any of these areas already present conflict / dissatisfaction with employee groups?
- Does the issue tap into national, social, or political debates related to citizen discontent?
- Is there a reputational, operational, or financial threat to the company?
- Are there potential material, legal or regulatory ramifications if the matter is proven true?
- Does the issue run antithetical to the company's ethos, values or mission?
- Is the complaint / issue supported by few or a significant number of employees? (E.g., is there one squeaky wheel or is it part of a larger tide?)
- How often does the complaint / issue come up? (E.g., is it a one-time complaint or a perennial issue?)
- How does our workforce expect our leadership to address this issue?

In addition to answering the questions above, it is important to determine the severity of the issue, which informs the communications planning and response process. Using an escalation matrix which reflects internal considerations and is reflected in a regular global heat mapping exercise, can serve as a useful tool.

Tier 1 **Low Severity**

- Unsubstantiated issue
- Small number of complaining employees
- No risk of material, legal impact or relevance to regulators
- Unlikely to receive significant or major market media coverage if leaked
- No direct involvement of senior leadership and / or executive-level decision-making

Tier 2 **Medium Severity**

- Substantiated issue
- Significant number of employees involved, across multiple locations
- Potential material, legal or regulatory impact on the company
- Likely to gain local and / or industry media coverage if leaked
- Tied to a current issue being debated on a national or international level
- Can be tied to executive-level decision-making

High Severity

- Substantiated issue
- Significant number of employees involved across multiple locations; external employee advocates
- Has high reputational risk as well as material, legal and / or regulatory impact
- Matter is about to become, or has already become, public and will receive / is receiving significant media interest
- Tied to a current issue being debated on a national or international level
- Directly involves senior leadership and or executive-level decisionmaking

Steps for Mitigating Risk

When building a risk mitigation plan, companies must consider the following question: How can we best build relationships with our employees—during a time of fast-paced decision making—before their voices become actions and their actions become activism? Below, we outline the five steps that must occur and should be continually evaluated when crafting an effective mitigation strategy.

1. Put humans first

First and foremost, workforce and business continuity decisions should be centered on an assurance to protect human life, ensuring that businesses and communities can survive and thrive, which in turn contributes to a better society.

While it should not be the rationale for putting this into action, it is worth noting that the media has been closely tracking the support companies are providing their employees. This has given some companies the opportunity to create a halo effect around their subsequent actions externally while also building or rebuilding trust with their employees.

2. Ensure a strong foundation

Decisions and communications should align with the company's behavior and values. If employees see a disconnect, employees will feel, at best, disappointed, and at worst, betrayed. To increase the likelihood of satisfied employees, a leader's first step should be aligning their company's behaviors with its values. Activism often is sparked when companies are perceived to fail to live up to their values.

Employee communications must be done with transparency, integrity, and intensity, while also promoting trust. That cannot happen until an organization determines its north star, or philosophy for decision-making, which it then communicates and adheres to.

3. Prepare and constantly update

While every situation will be unique, there are steps companies can take to prepare core materials that can serve as a basis for responding to potential employee activism in the future. These should be based on the work done to assess employees' concerns and should include language on the value placed on employees' points of view.

Tailored materials that respond to specific areas of potential risk should be developed in response and reflect where the company, and importantly the management team, stand on key social issues and external conversations. It is critical to have senior leadership's buy-in on these position statements and ensure they are comfortable taking the agreed stance internally and externally. Invite employees to be heard and influence where they can

This environment makes it particularly critical to listen to employees. Gathering the views of employees will help inform re-opening strategies, uncover the values and culture drivers that employees find most meaningful and communicate to employees that their voices matter. Examples of ways to establish a dialogue with employees include:

- Listening sessions with leaders and teams
- Surveys to solicit inputs on process, policy and infrastructure decisions
- Engage actively and regularly with affinity groups not just when a relevant issue arises
- Virtual focus groups to gather concerns and inputs
- Inside-out research pulling views shared on social media and external platforms
- Anonymous feedback

4. Establish proactive platforms for employees to take positive actions

Companies need to be ready to listen to employees, to be influenced by what they are hearing, to provide opportunities for employees to influence company decision-making, and to encourage ongoing positive actions. This is where employee engagement comes into play.

True employee engagement extends beyond internal communications. It happens when employees have the opportunity to interact with leaders, raise their voices to influence the actions of the company, participate in conversations with each other to discuss and respond to changes, and are provided a way to take positive action. Today's employee engagement keeps employees feeling calm, informed, motivated and possibly even inspired. Examples include:

- Developing dialogue platforms or working groups to solicit ideas and actions
- Providing organizational support for Employee Resource Groups (ERGs), where different types of employee populations can build community and an ongoing dialogue with management/leadership
- Establishing new outreach programs beyond a first round of donations for how the company will continue supporting society, and build distinct ways for employees to get involved
- Creating new culture programs to bring in what has been learned, help change the way people work, and how the business operates
- Inviting employees to new learning or training opportunities to prepare them for the future of the company

How Brunswick Can Help

Assess

- Evaluate your risk
- Conduct an audit of existing engagement approaches
- Map your internal audiences

Mitigate

- Develop engagement campaigns driven by leadership
- Recommend and develop campaigns for new engagement platforms
- Build new measurement strategies
- Advise on manager engagement programs
- Build your activism response plan

Respond

- Strategic and tactical support for live activism situations (union and non-union) and employee crisis response
- Draft content and coordinate multi-stakeholder response
- Coordinate response team efforts across advisors and internal functions

Employee Engagement Team

Brunswick takes a holistic approach to Employee Engagement, tying together human insights, data, and the external world. We work with clients to understand their business strategy and vision, clarify impacts and implications on people, amplify global, political and social drivers, use data purposefully, and implement effective employee-centric strategies and programs.

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She has worked in the U.S. and London, with global experience across Europe and Asia. Before joining Brunswick in 2018, Rebekah was a member of the leadership team at a strategy execution firm focused on transformation communications, leadership development, employee engagement and culture initiatives for Fortune 500 companies.



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She specializes in helping companies position themselves to global stakeholders, both internal and external, around times of significant change, with a focus on crisis events and significant strategy shifts. An employee engagement specialist, Katharine aids companies in developing change communications campaigns that empower and engage employees around business-critical issues.



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Before joining Brunswick, Stephanie worked in external communications at a USAID-implementing international development non-profit. She previously worked on Hillary Clinton's 2016 presidential campaign facilitating press engagements in battleground states. Previously she served as Special Assistant for the U.S.-China practice of Albright Stonebridge Group.

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Brunswick Insight Survey: Workforce Outlook – Survey among 1,000 U.S. workers per wave, conducted regularly over the course of mid-2020 through present.