
The State of Global Workplace Culture in 2023

An International Model for
Building Better Workplaces





Introduction

In June 2022, SHRM Research released its first study of global workplace culture trends in 12 countries around the world. While this research positioned a positive workplace culture as a powerful tool for attracting and retaining valuable talent worldwide, unfolding events in the past year have continued to turn the world of work upside-down.

Whereas employers struggled to attract new talent and retain existing staff in 2021 and early 2022—a period dubbed as the “Great Resignation”—the employment situation looked grimmer overall in early 2023, when this year’s data was collected. In fact, a series of intertwined crises in 2022 and 2023 had an undeniable effect on employees and employers around the world. Among other shocks, the invasion of Ukraine caused dramatic increases in food and energy costs, particularly in Europe and the Asia-Pacific region, with more than half the world seeing double-digit inflation. Economic slowdowns caused employers in much of the world to pause hiring and cut the work hours of thousands of employees; new rounds of pandemic-related lockdowns in China again disrupted the supply chain, causing layoffs and job uncertainty in industries and countries dependent on inputs from Chinese firms. Amidst this uncertainty, breakthroughs in generative

artificial intelligence, hallmarked by the public release of ChatGPT in late 2022, were accompanied by reports that AI could soon start replacing more occupations than previously thought. The result? The confidence employees felt during the Great Resignation seems like a distant memory.

In light of these financial and economic upheavals, it’s fair to ask, does a positive workplace culture still matter to employees around the world? And, by implication, should employers continue to invest in it as an essential tool for retaining and empowering employees globally?

These critical questions are at the heart of *The State of Global Workplace Culture in 2023* report. To answer them, we greatly expanded the scope and depth of this study for 2023, surveying 11,080 employees from 15 countries between December 2022 and April 2023. Not only did we survey more workers and in more countries, but we also sought to define aspects of workplace culture that have broad importance for employee outcomes in multiple countries.

The results of this study underscore that **workplace culture matters, perhaps now more than ever**. Regardless of where employees live and work, the reasons they choose to stay with their organization or look elsewhere are heavily influenced by company culture. In fact, our data paints a clear and consistent picture: Employees who work in organizations with a positive culture are not only more satisfied at work but are substantially more committed to their organization. In a time

when a volatile global economy has hampered many organizations' ability to offer higher compensation and financial benefits as a means to attract and retain employees, targeting company culture can help do exactly this without necessarily requiring costly financial investments. Even worldwide inflation cannot undo what SHRM Research has demonstrated time and again: Strategic investments in workplace culture continue to be vital for employers aspiring to maintain a competitive edge.

Number of Participants in the 2023 Global Culture Sample, by Country

Total sample size is 11080.



How We Addressed Cross-Cultural Differences in Global Results:

- #1** For global analyses, the sample was weighted to equalize the proportion of employees from each country. This increases the likelihood that the findings are equally relevant for all 15 countries.
- #2** Participants in some cultures are more likely to give answers that cast them in a positive light (called *social desirability*). We included a social desirability measure and used it to adjust participants' responses to a global average.
- #3** Participants in some cultures are more likely to *acquiesce*; that is, always agree with survey statements no matter what. Again, we took steps to minimize this effect by measuring this tendency and using it to adjust participants' responses to a global average.



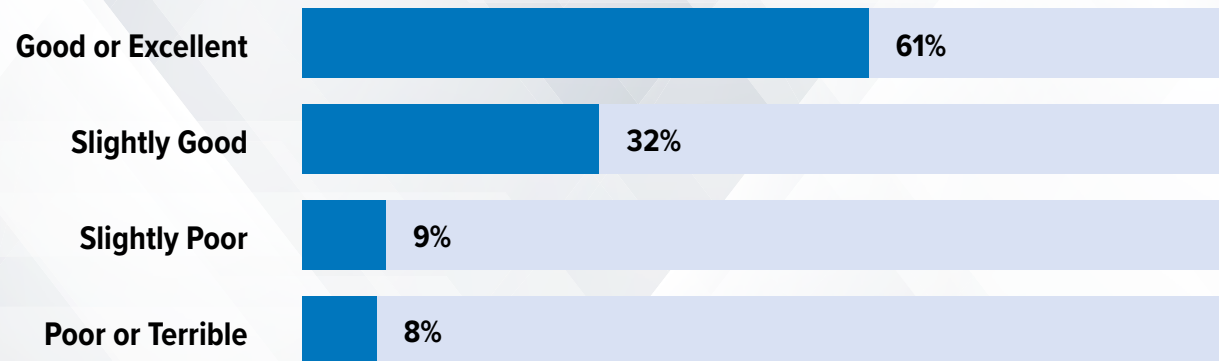
A Positive Organizational Culture Remains Vital

Despite the political and economic turmoil of 2022 and 2023, workplace culture perceptions remain largely positive: Worldwide, 61% of employees say that the culture at their organization is “good” or “excellent,” while

fewer than 1 in 10 describe it as “poor” or “terrible.” There is still room for improvement, however, since nearly a third of employees globally give their workplace culture a lukewarm rating of “slightly good.”

Global Employee Ratings of Organizational Culture (% of responses)

Based on raw data weighted by country size.



Undeniably, it is good news that perceptions of workplace culture are mostly positive. However, since the world of work has undergone drastic changes in the last year, the more pressing question is:

Has the importance of maintaining a good workplace culture changed as well?

To answer this question, we looked at two key indicators of organizational health and success:

#1 Employees' satisfaction at work (or dread about going to work). Positive emotional states have long been linked to higher productivity and performance at work. But since the COVID-19 pandemic, companies have invested in employee well-being with renewed vigor.

#2 Employees' commitment to remaining with their current organization (rather than trying to find a job elsewhere). Employee turnover is costly not just for organizations that must backfill positions, but also for employee morale and productivity. When employees leave, remaining employees are stretched thin while doing their own jobs *and* covering vacant positions. Importantly, research shows that when high-performing employees leave, other top performers are more likely to follow.

Our research findings are clear: The value of creating and sustaining a positive culture is one of the few constants during a year of change. In fact, we find that—regardless of the country where they live—employees

who rate their workplace culture highly are both more satisfied at work and more committed to their organization.

A Positive Culture Increases Commitment and Job Satisfaction and Lowers Intent to Quit Globally

Employees who rate their organization's culture as good or excellent (vs. poor or terrible) are:¹



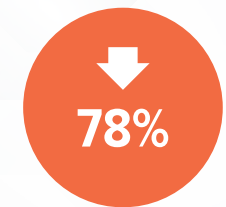
more likely to feel satisfied at work.



less likely to dread going to work.



less likely to be actively looking for a new job.

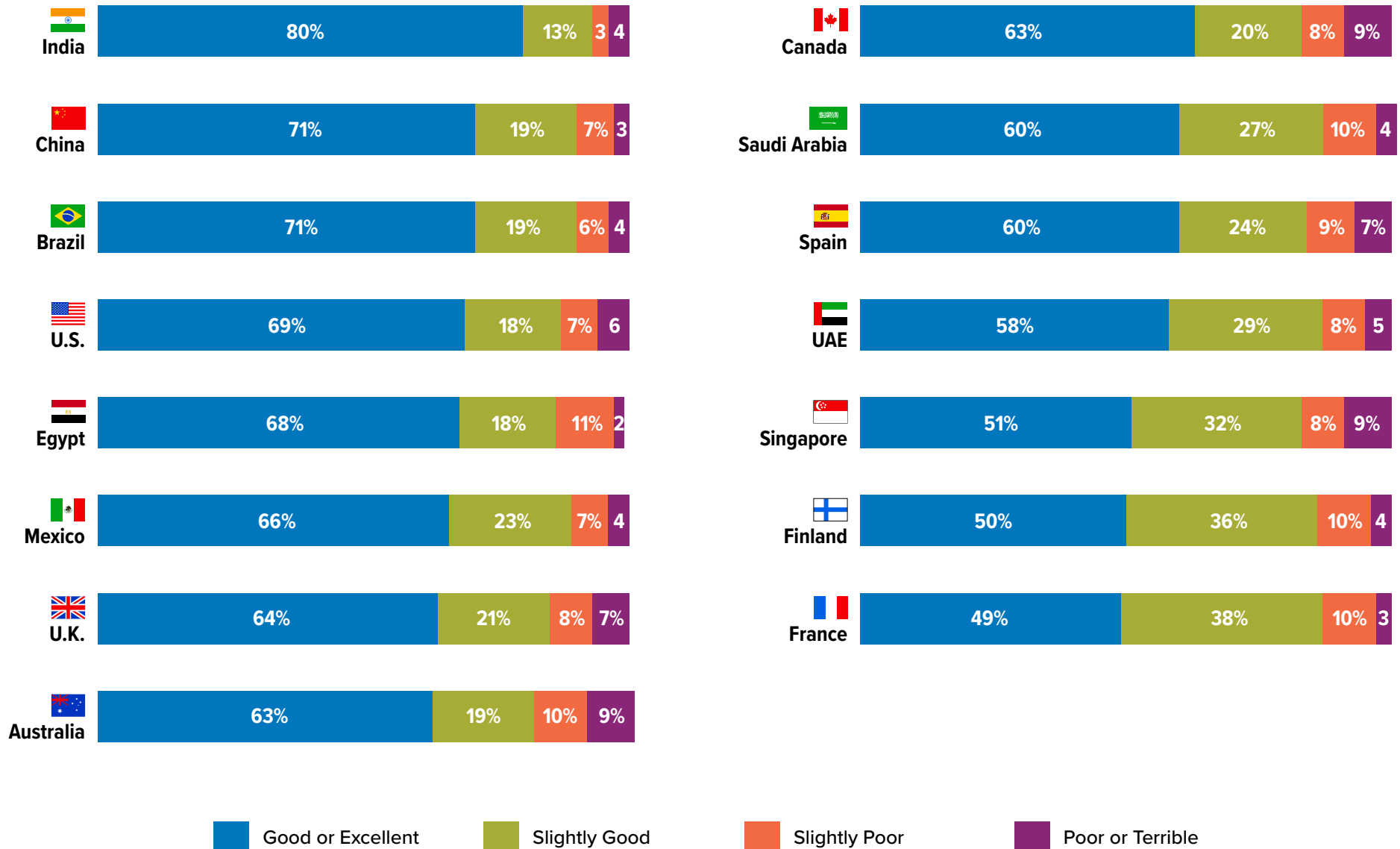


less likely to have actively looked for a new job in the last six months.

¹Based on relative risk ratios obtained from predicted probabilities of binary logistic regression models on each outcome while controlling for social desirability and acquiescence (weighted by country size). Predicted probabilities were obtained at average levels of social desirability and acquiescence.

Employees' Rating of Their Organizational Culture, by Country

(% of responses)²



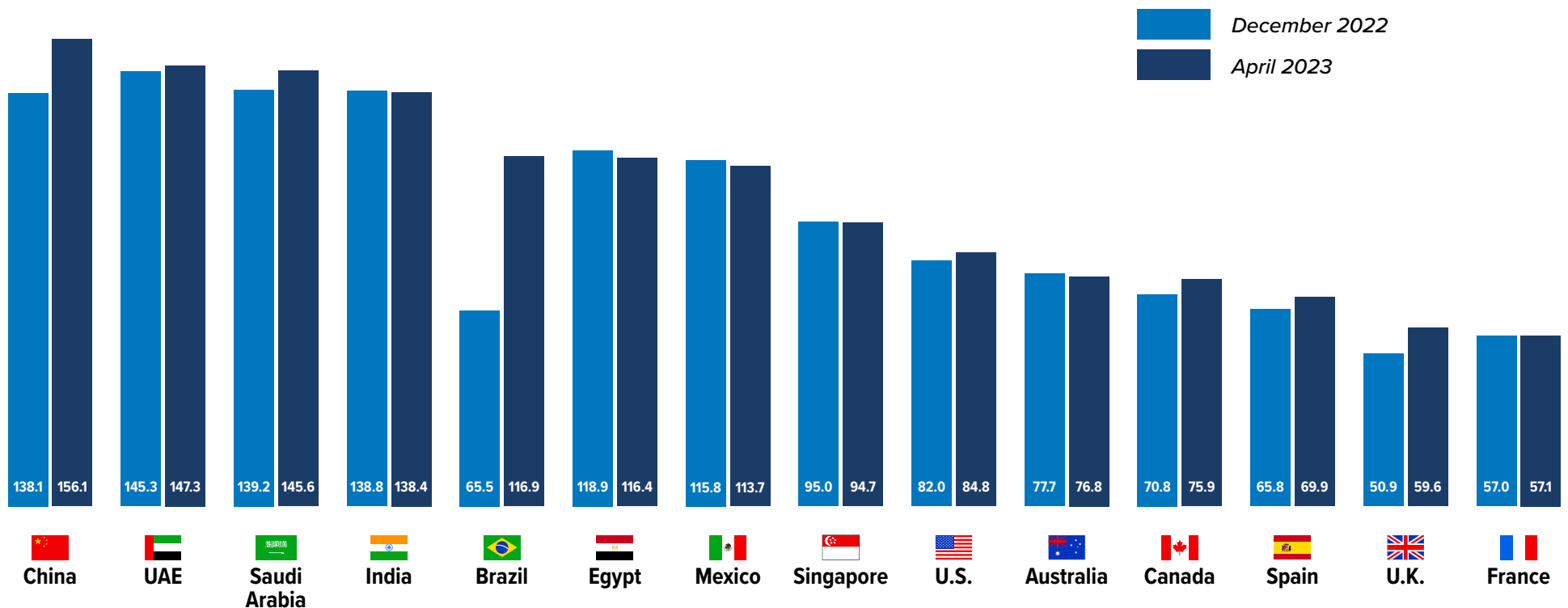
²Based on predicted probabilities derived from a multinomial regression model on culture ratings (good or excellent vs. all others) predicted by country while controlling for social desirability and acquiescence (weighted by country size). Predicted probabilities were obtained at global average levels of social desirability and acquiescence.

The Potential Influence of National Economic Conditions on Culture Perceptions

It is possible that national economic conditions may somewhat color employees' subjective perceptions of the workplace. For example, employees struggling to pay for food and shelter may have negative attitudes toward their employers in general. For their part, employers who anticipate a recession may delay filling vacant positions or suspend their efforts at organizational change (such as leadership training for front-line managers) as cost-cutting measures, causing their workforce to feel overworked and undervalued.

When comparing each country's workplace culture rating with data on consumer confidence during the time of the survey, we see that China, Brazil and the U.K. witnessed notable improvements in consumer confidence between December 2022 and April 2023—and these improvements might have amplified employees' workplace culture ratings. The opposite might be true for French workers, who had the lowest workplace culture ratings and the lowest consumer confidence during the time of the survey. However, economic conditions appear to be unrelated to workplace culture ratings in the UAE, Saudi Arabia, Egypt, the U.S. and Singapore, where we see no apparent association between respondents' ratings of workplace culture and overall consumer sentiment.

Global Consumer Confidence Index by Country, December 2022 and April 2023



Data from Morning Consult, Global Consumer Confidence Reports, January 2023 and May 2023. No index for Finland was available.



A Global View of Organizational Culture

While workplace culture clearly contributes to employees' satisfaction at work and their organizational commitment, exactly where should employers invest in order to improve and maintain employees' perceptions of a positive culture? In particular, how can employers determine which workplace investments to make, given the wide variation in workplaces and work norms globally? Would recommendations applicable to one country be relevant in another?

To effectively answer these questions, we presented our respondents with more than 50 employer practices. Then we examined which of

these practices were consistently associated with positive workplace culture perceptions and how those practices could be grouped to create actionable areas for employers. **We found that five key dimensions influence employees' workplace culture perceptions regardless of the country where they work.** We summarize these dimensions in our Global Workplace Culture Model.³ This model offers a concrete framework for organizations worldwide that seek to position themselves as sought-after employers, and it highlights critical areas of focus for organizations seeking to improve their workplace culture.

³Using confirmatory and measurement invariance analyses. Model fit across all countries was satisfactory (CFI = .98, TLI = .97, RMSEA = .04, SRMR = .03) and we found sufficient evidence for the presence of metric invariance (i.e., equal factor loadings across countries): CFI = .94, TLI = .94, RMSEA = .06, SRMR = .07. Evidence for scalar invariance was less strong, but still within satisfactory range: CFI = .92, TLI = .92, RMSEA = .07, SRMR = .08.

The Global Workplace Culture Model



⁴All differences are based on relative risk ratios obtained from predicted probabilities of binary logistic regression models on culture ratings (good or excellent vs. all other) by each of the five dimensions while controlling for social desirability and acquiescence (weighted by country size). Predicted probabilities were obtained at average levels of social desirability and acquiescence. All percentages have been rounded to the nearest whole number; because of this, relative risk ratios may not appear to follow directly from the percentages in the graphs.

Of course, multiple models of culture have been proposed, including [Edgar Schein's Model of Organizational Culture](#) and the [Schneider Culture Model](#). Like these, our model allows users to describe and compare different workplace cultures. However, our model was designed with an explicit focus on grouping employer practices across all levels of the organization (leadership, management and interactions with colleagues) into dimensions that are meaningful to employees across the globe. Importantly, our model does not merely describe components or types of cultures—it validates practices that employees globally associate with a good organizational culture. Because of this, it effectively complements existing workplace culture models. For example, regardless

of whether an organization relies on data or opinions to make decisions (a dimension in the Schneider Culture Model), that organization may be high or low in Equitable Leadership Practices, Career Fulfillment and so forth. Additionally, Schein's artifact level of culture (organizational characteristics that are easily seen) may reveal whether an organization is high or low on any of our model's five dimensions. For instance, an organization high in Equitable Leadership Practices likely has extensive policies and procedures that managers are expected to know and apply consistently. Thus, our model supplements other workplace culture models with specific information that can allow HR departments to diagnose and address specific areas for improvement.

How Employers Fare on the Five Dimensions of the Model

Relatively few employees give their organization low ratings on the five dimensions of the Global Workplace Culture Model.

However, there is still ample room for improvement, especially in terms of work/life integration.

Only
6% to 14%

of employees give their organization *low* ratings on each of the five dimensions.

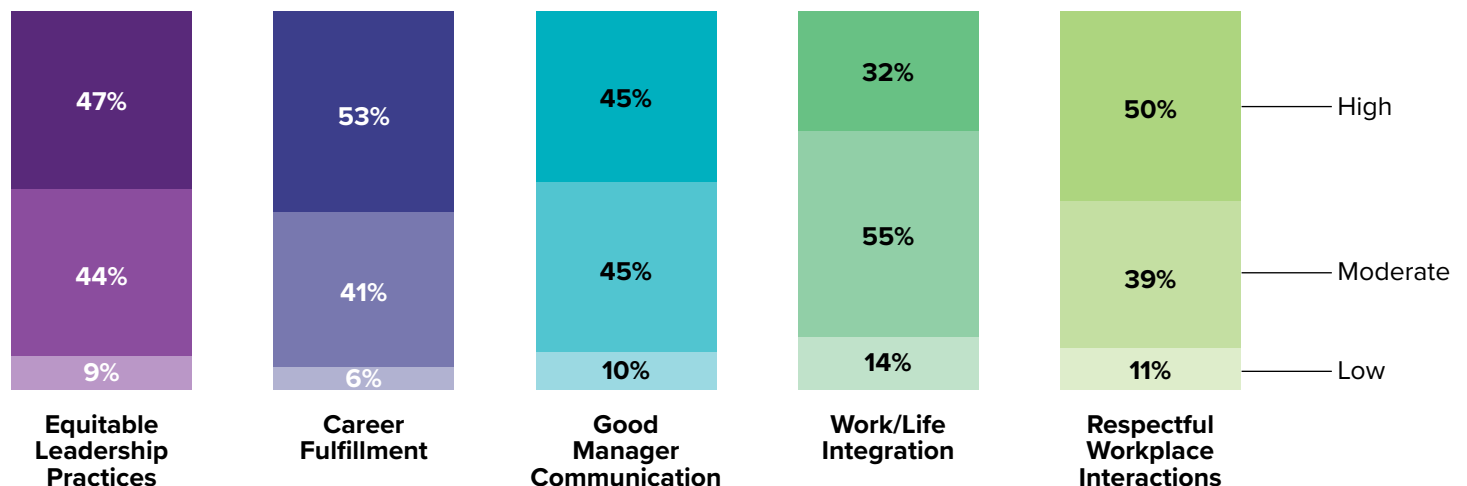
But only
32% to 53%
give their organization
high ratings.

Work/life integration seems to be a particular
area of concern:

32%
of employees experience *high* work/life integration, while
55%
report *moderate* work/life integration.

Worldwide Employee Ratings of Their Organization on the Global Workplace Culture Model

Based on raw data weighted by country size.





The Five Dimensions by Country

In breaking down employee ratings on the five dimensions of the Global Workplace Culture Model by country, a picture begins to emerge of national differences in organizational culture:

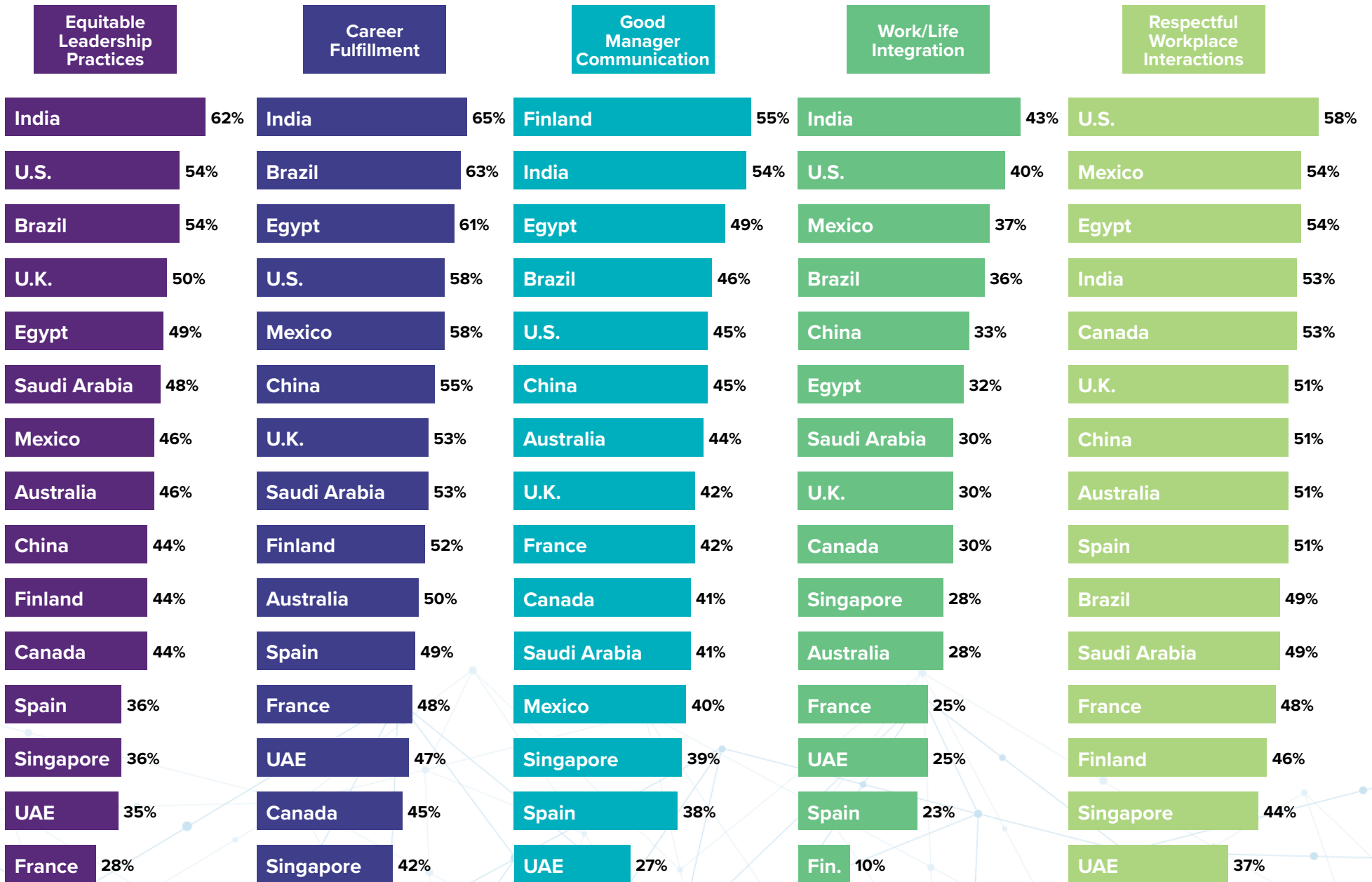
Career Fulfillment is one bright spot: In 10 of the 15 countries surveyed, at least half of respondents reported being highly fulfilled by their work.

By contrast, maintaining respectful interactions in the workplace seems to be a common challenge. In the U.S., the highest-scoring country on this dimension, fewer than 6 in 10 employees perceive highly **Respectful Workplace Interactions**, and 9 of the remaining countries cluster around the 50% mark.

Leadership practices and employee-manager communication are quite variable around the world, as these are the two dimensions with the largest spread across countries apart from Work/Life Integration. High ratings on **Equitable Leadership Practices** range between 28% and 62%, while high ratings on **Good Manager Communication** range between 27% and 55%.

Work/Life Integration is elusive. Even in India—which ranked highest on the Work/Life Integration dimension—only 43% of employees perceived work/life integration as characteristic of their employer. Employees worldwide appear to be struggling to balance work and personal commitments.

Employees Rating Their Employer Highly on Each Dimension of Organizational Culture, by Country⁵



⁵Based on relative risk ratios obtained from predicted probabilities of binary logistic regression models on each of the five dimensions predicted by country while controlling for social desirability and acquiescence (weighted by country size). Predicted probabilities were obtained at global average levels of social desirability and acquiescence.



Spotlight on Finland: The Happiest Country in the World?



The [2023 World Happiness Report](#) labels Finland the happiest country in the world, and it is not the first time Finland has earned high marks in this area. The official Finnish website for international talent recruitment advertises the country’s commitment to work/life integration as part of the reason: [“There’s time for it all—family, friends and a fulfilling career.”](#) So we were surprised to see Finland at the bottom of the Work/Life Integration dimension, with only 10% of Finns expressing satisfaction with their current condition.

What explains the discrepancy? To find out, we examined each of the four items in the Work/Life Integration dimension: balancing work and personal commitments; not leaving work exhausted; not feeling irritable at home due to work culture; and having a reasonable workload. Finnish employees had higher-than-average scores on these items, with one glaring exception:

While only 18% of employees worldwide said that they are expected to do an unreasonable amount of work, a staggering 63% of Finns said so.⁶

Multiyear employee data collected by the [Finnish Institute of Occupational Health](#) provides the context. Employee burnout in the country has steadily increased between 2019 and 2022. In fact, 1 in 5 university graduates and 1 in 3 workers without a degree in Finland is at [higher risk of burnout](#) now.

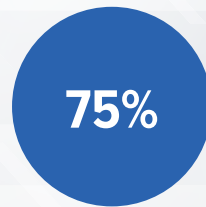
It is certainly not the case that work/life conditions are objectively worse in Finland than in any of the other 14 countries surveyed. Instead, it seems the COVID-19 pandemic has had a lasting impact on Finnish employees’ workload, and they have experienced the greatest recent decline in their perceived quality of life as a result.

The Global Workplace Culture Model Is Associated with Employee Satisfaction and Commitment

Employers seek committed, satisfied employees who bring value to their organization. But a sizable minority of our respondents do *not* have feelings of satisfaction in their work or commitment toward their

employer. Worldwide, one-quarter of employees report not being committed at work and more than 4 in 10 report not feeling satisfied. And 1 in 10 actively dread going to work—definitely not a desirable situation.⁷

Global Employee Commitment, Job Satisfaction and Dread of Work



are committed to their organization



feel satisfied at work



dread going into work

⁶Based on predicted probabilities obtained from a binary logistic regression model at average levels of social desirability and acquiescence.

⁷Based on raw data weighted by country size. Commitment was defined as the percentage of employees who said they had not actively searched for a new job in the past six months *and* had no intention to voluntarily leave their organization in the next six months. Of the 11080 participants, 1934 did not receive a yes/no commitment score because their commitment was either unclear (e.g., had actively searched for another job in the past six months but were not searching now, or vice versa) or irrelevant (e.g., because of impending retirement).

Our research shows that each dimension of the Global Workplace Culture Model improves all three of these outcomes:

Employees who rated their organization positively on *any* of the five dimensions were significantly more committed to their organization, significantly more satisfied at work and significantly less likely to feel dread. This was true across our entire sample, as well as in each individual country.

The link between work/life integration and dread was especially notable: Employees who reported low work/life integration were more than **34 times** more likely to dread going to work than their peers with high work/life integration.

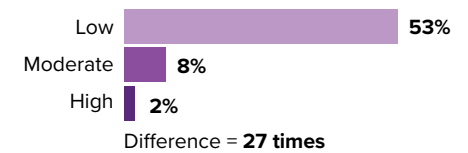
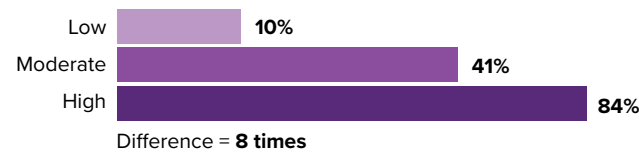
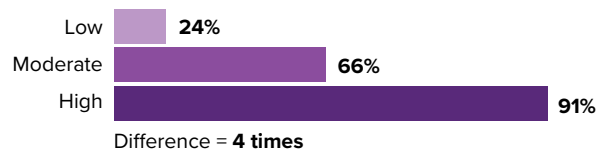
Effects of a Positive Workplace Culture on Desired Employee Outcomes Globally⁸

Commitment

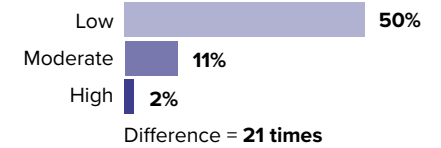
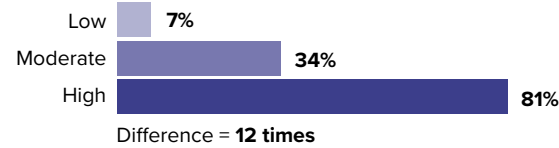
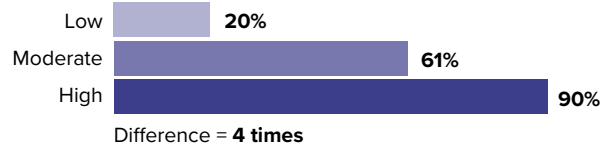
Job Satisfaction

Dread of Work

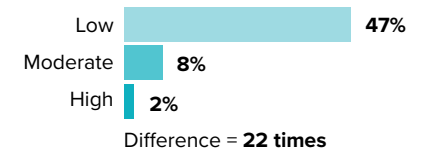
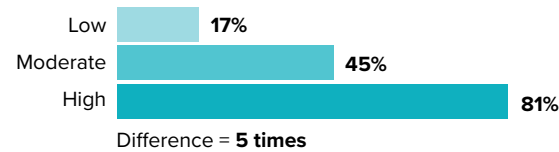
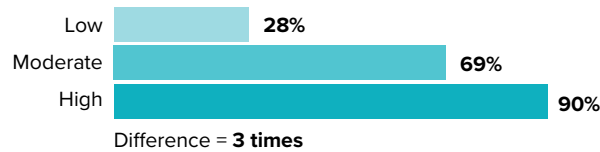
Equitable Leadership Practices



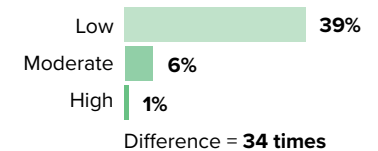
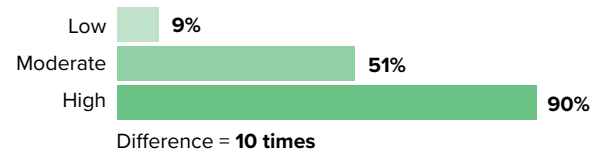
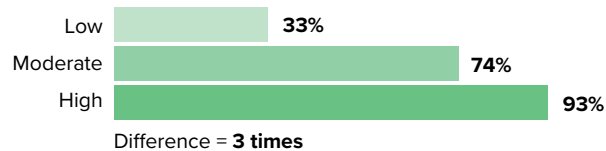
Career Fulfillment



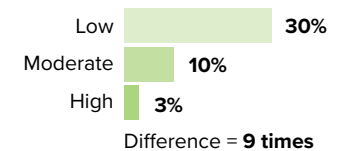
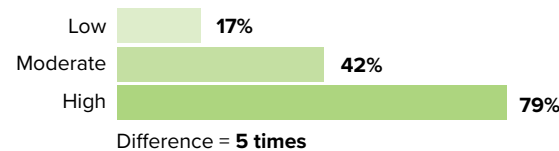
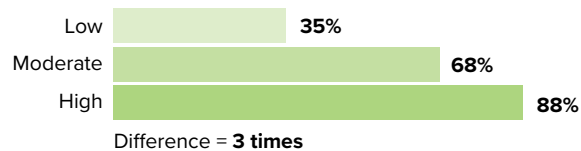
Good Manager Communication



Work/Life Integration



Respectful Workplace Interactions



⁸All differences are based on relative risk ratios obtained from predicted probabilities of binary logistic regression models on commitment (yes vs. no), job satisfaction (high vs. all others) and dread (high vs. all others) as separately predicted by each of the five dimensions while controlling for social desirability and acquiescence (weighted by country size). Predicted probabilities were obtained at average levels of social desirability and acquiescence. All percentages have been rounded to the nearest whole number; because of this, relative risk ratios may not appear to follow directly from the percentages in the graph.

Spotlight on France and India: Factors Besides Culture Influence Employee Commitment

French employees rate their employers fairly negatively: France ranks last in high workplace culture ratings, and only 28% of French workers rate their organization high on the Equitable Leadership Practices dimension. Yet, French employees are also the second most committed group in our sample. In India, we see the opposite pattern: The country ranks first for

workplace culture, and Indian employees give their organizations chart-topping scores on the Equitable Leadership Practices, Career Fulfillment and Work/Life Integration dimensions. Yet, Indian workers have the lowest commitment ratings in our sample. Why is this?

French labor laws create a significant safety net for employees: Length of service governs benefits such as severance notice requirements, amount of paid time off and protections against termination. The fear of legal repercussions and associated costs can deter employers from firing underperforming employees, leading to a phenomenon known as *mise au placard*, or being “put in the closet,” where employees are kept on the payroll but stripped of meaningful work. We see this reflected in our data: Only 10% of currently job-hunting French employees cite poor job security as a top reason for leaving (vs. 25% of departing employees globally), and only 12% report inadequate benefits (vs. 24% globally).



Such labor regulations lead both employees and employers to approach job changes cautiously. So, what are the top reasons why French employees choose to leave?

- #1 Inadequate pay** (59% of French employees vs. 58% of employees globally).
- #2 Insufficient regard for employee well-being** (37% of French employees vs. 27% of employees globally).
- #3 Lack of opportunities for career growth** and a **poor manager** (tied at 32% of French employees vs. 36% and 29%, respectively, of employees globally).

Indian employees’ organizational commitment seems to be heavily influenced by financial considerations and the rising cost of living. For example, a [Randstad survey](#) found that among workers from 34 different markets, Indian employees were the most likely to leave their employer to secure a higher-paying position. Our data confirms this pattern. The top three reasons Indian employees gave for currently seeking new employment are:



- #1 Inadequate pay** (39% of Indian employees vs. 58% of employees globally).
- #2 Insufficient job security** (35% of Indian employees vs. 25% of employees globally).
- #3 Lack of career growth** (33% of Indian employees vs. 36% of employees globally).

What, then, leads Indian employees to stay with their employer? The answer comes down to organizational culture. The top three reasons committed Indian employees shared are:

- #1 Good organizational culture** (64% of Indian employees vs. 37% of employees globally).
- #2 Job security** (60% of Indian employees vs. 53% of employees globally).
- #3 Fair treatment** (59% of Indian employees vs. 42% of employees globally).

Surviving vs. Thriving: A Closer Look at Employee Retention

We have shown that the Global Workplace Culture Model predicts employee commitment. But what drives employees' decisions to stay with or leave their employer? After all, such decisions are influenced not only by aspects of workplace culture, but also by other considerations (such as finances). To determine which factors are most relevant, we presented employees who said they were actively looking for a job (n = 2 807) with

an extensive list of possible reasons for doing so and asked them to select the top reason(s) influencing their decision to leave. We did the same for employees who said that they had no intention of voluntarily leaving their organization in the next six months (n = 7 572). In both cases, respondents could select multiple reasons.

Top Reasons Why Workers Voluntarily Leave or Stay with Their Employer Globally

Inadequate pay was the single most selected reason for leaving. This should hardly come as a surprise. After all, earning enough money to sustain oneself and one's family is a key need—arguably *the* key need—for people around the world. However, the cultural factors of **insufficient**

career growth opportunities, poor management, insufficient learning and professional development opportunities and unfair treatment are collectively mentioned more often than any individual financial consideration.

Top Five Reasons Why Employees Worldwide Plan to Leave Their Employer

(% of responses)



N = 2 807. Respondents could select multiple reasons.

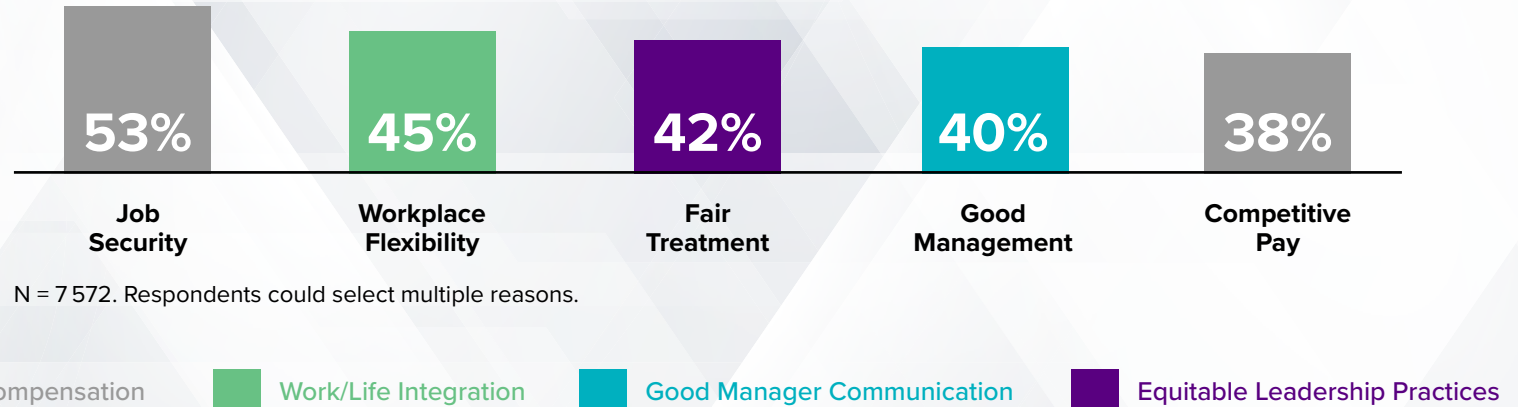
■ Compensation ■ Good Manager Communication ■ Career Fulfillment ■ Equitable Leadership Practices

The top reasons why employees leave underscore the critical importance of workplace culture: While adequate compensation is a basic need that can turn into a dealbreaker if it remains unmet, employees need more

than pay to move from surviving to thriving. We see this clearly in the reasons employees provided for *staying* with their organization.

Top Five Reasons Why Employees Worldwide Plan to Stay with Their Employer

(% of responses)



While employees most often cited a financial motivation for staying—**job security**—we once again see that the second (**workplace flexibility**), third (**fair treatment**) and fourth (**good management**) most selected reasons are all aspects of a positive organizational culture. Importantly, each of these is ranked above competitive pay.

The verdict? Employees' decisions to stay with their organization or look elsewhere are complicated, so workplace culture and financial considerations both matter. But collectively, aspects of workplace culture outrank financial concerns.





An Action Plan for Raising Organizational Culture Based on the Global Workplace Culture Model

Strategically changing an organization's workplace culture takes considerable time. Moreover, each employer has its own unique needs and may need to invest in different areas of the Global Workplace

Culture Model to ensure a good return on investment. Given this, how can employers decide which area(s) to focus on initially for maximum organizational change? Here is what we suggest.

STRATEGY 1: Focus on the Top 10 Drivers of a Positive Workplace Culture

We examined the 19 features of the Global Workplace Culture Model to determine which ones had the greatest effect on respondents' impressions of a positive workplace culture. Not surprisingly, five of the 10 most highly influential features belong to the **Equitable Leadership**

Practices dimension. The other five fall into the **Career Fulfillment** and **Good Manager Communication** dimensions. These 10 features are where organizations can most effectively direct their resources and energy to improve perceptions of workplace culture in a timely manner.

Top 10 Drivers of Positive Workplace Culture⁹

- #1** Transparent communication from leadership.
- #2** Fair performance evaluations.
- #3** Employees' pride in their work.
- #4** Active solicitation of employee feedback by the organization.
- #5** Employee can trust what the manager says.
- #6** Appreciation of employees' unique backgrounds, perspectives and experiences.
- #7** Ability to make a complaint about a leader without punishment.
- #8** A meaningful career.
- #9** Manager seeks employee input before making decisions.
- #10** Opportunities for career growth.

⁹Based on a Shapley regression weighted by country using Lindeman, Merenda and Gold (LMG) indices on organizational culture perceptions as predicted by all items of the Global Workplace Culture Model.

In particular, employers should focus on:



Transparent communication from leadership

Top leaders send clear and consistent messages. Changes of direction or priorities in the organization are clearly communicated and their rationale explained.



Fair performance evaluations

Employees understand the criteria on which their job performance will be evaluated and trust that they will be evaluated equitably.



Employees' pride in their work

People are matched to roles that fit their talents and interests. All employees understand how their role contributes to the organization's mission and vision.



Identified areas of growth for the organization

A confidential survey of how employees rate the workplace on all five dimensions may reveal weaknesses unique to a particular organization. Considering these items within the context of the top 10 drivers can customize the action plan to the most pressing issues within the organization.

STRATEGY 2: Emphasize Building Equitable Leadership Practices

We cannot overstate the importance of instilling Equitable Leadership Practices across the organization. This is the dimension with by far the greatest influence in the Global Workplace Culture Model, making it an excellent first step. Equitable leadership sets a norm that all employees are respected for the unique backgrounds and talents they bring to the workplace. Employees also understand that they will be treated fairly and can express their concerns without fear of reprisal from leadership. These are foundations of a diverse, inclusive organizational climate in

which all employees feel welcome. Our data clearly shows the power of making Equitable Leadership Practices the foundation of any organizational change effort: When employees already have high Career Fulfillment (the second most influential dimension), increasing Equitable Leadership Practices can raise their perceptions of a positive culture by **up to 8.2 times**. In contrast, if Equitable Leadership Practices (the most influential dimension) are already high, efforts to increase Career Fulfillment only raise perceptions of a positive culture by **1.5 times**.¹⁰

Employers are likely to see the biggest payoff for their efforts through ensuring that the Equitable Leadership Practices dimension is high.

¹⁰Based on relative risk ratios obtained from predicted probabilities of binary logistic regression models on organizational culture ratings (good or excellent vs. all other) while controlling for social desirability and acquiescence among those who rated their organization high on equitable practices, career fulfillment and/or manager communication (weighted by country size). Predicted probabilities were obtained at average levels of social desirability and acquiescence.

STRATEGY 3: Recognize the Importance of a Fulfilling Career

The single most common reason respondents in our survey gave for planning to leave their current employer was **compensation**. Particularly in countries where the economic outlook is uncertain and the cost of living is increasing significantly, many employees are struggling to make ends meet. Unfortunately, many organizations are not in a financial position to provide substantial pay raises. What alternative is there? Our data suggests that it is a **meaningful career with opportunities to learn and grow**:

- Career fulfillment—doing work that feels meaningful, having a job one feels proud of and having opportunities to grow—is the most important predictor of employee commitment (employees who rate their career fulfillment highly are 4 times more likely to be committed to their organization than those who do not) and job satisfaction (employees who rate their career fulfillment highly are 12 times more likely to feel satisfied at work than those who do not).

- Lack of fulfillment is also a substantial driver of feelings of dread: Employees who are not fulfilled in their careers are nearly 21 times more likely to dread going to work compared to their peers with high career fulfillment.

Organizations can take several steps to help their employees find fulfillment in their career: Beyond offering formal opportunities for promotion (which might not always be available), employers can carefully match employees with jobs that give them opportunities to grow in the desired direction. For example, employers can offer employees short-term assignments that “stretch” their skills. They can also communicate how each job advances the organization’s overall goals and mission. Finally, employers can offer both formal and informal opportunities for learning.

STRATEGY 4: Use the Five Dimensions of the Global Workplace Culture Model Strategically to Retain Your Best Employees

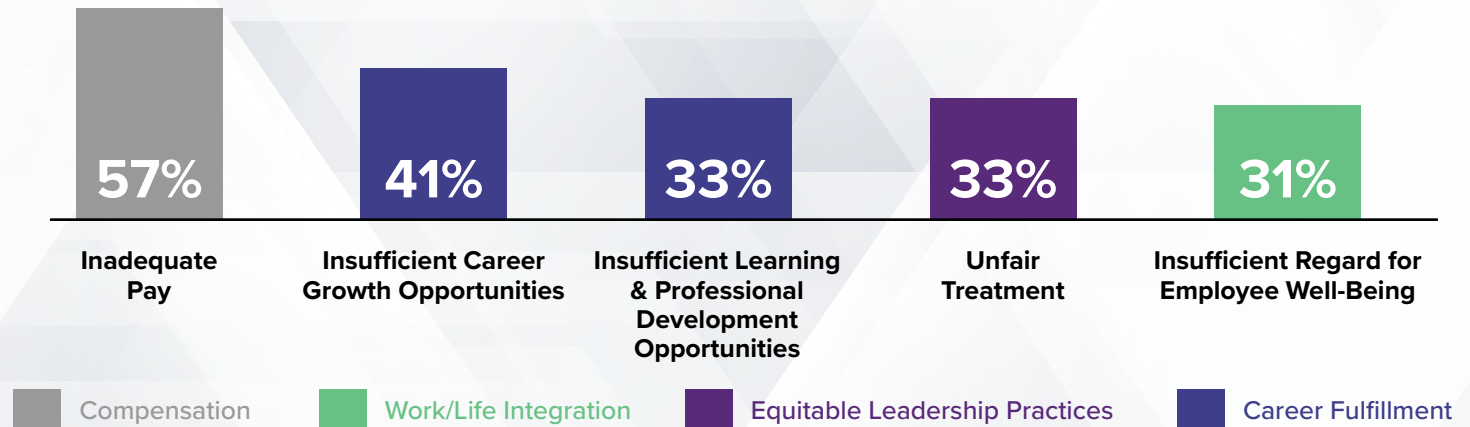
Arguably, retaining high-value employees is a priority for all organizations. Assuming that employees who report putting extra effort into doing their work well are the ones employers most want to hold on to, our research offers insights for retaining these employees. In particular:

- This is the only segment of workers who cite **“insufficient regard for employee well-being”** among their top five reasons for planning to leave their current employer.

- High-value employees place relatively greater importance on opportunities for **career growth** (41% vs. the average of 36%) and **professional development** (33% vs. the average of 29%).
- These employees are sensitive to **inequitable leadership practices** that cause them to feel they are treated unfairly (33% vs. the average of 28%).

Top Five Reasons Why High-Value Employees Seek New Employment

(N = 1331)



Looking at the flip side—what motivates high-value employees to stay with their current employer—we see that **career fulfillment** is critical to this group:

- Among employees overall, 38% cited competitive pay as motivating their decision to remain with their current employer. High-value employees, however, *do not* cite competitive pay as an influential

factor. Instead, for them, having **meaningful work replaces competitive pay** in the top five reasons for staying with their employer.

- Interestingly, for employees overall, not having a fulfilling career was among the top reasons cited for choosing to leave an employer, but a fulfilling career was not cited as a reason for choosing to stay with an employer. But high-value employees cite **career fulfillment as a top motivator for both leaving and staying.**

Top Five Reasons Why High-Value Employees Stay with Their Employer

(N = 4304)



As with so many things in life, a one-size-fits-all approach is not ideal. Highly motivated workers have somewhat different needs compared to the general employee population. By being responsive to the needs of

this select group, employers can reap the rewards of retaining highly productive employees.



A Call to Action: Strategically Foster Workplace Culture

As we have emphasized throughout, workplace culture matters everywhere. It even continues to matter as employees combat economically driven financial challenges. It goes without saying that workplaces—even within a single country—have many differences: Whether it be organizational mission and vision, business model, or

people strategy, each stands out from other workplaces in some way. Fortunately, there are aspects of the workplace that, when present, help to make all organizations, no matter their differences, good places to be for employees around the world:

- #1 Equitable employer practices.**
- #2 The opportunity for a fulfilling career.**
- #3 Open communication with managers.**
- #4 Work/life integration.**
- #5 Respectful treatment regardless of employees' background or identity.**

Workers take notice of these dimensions. In fact, their decision to stay with or leave their current employer depends to a high degree on the presence or absence of these dimensions. In light of these findings,

our message is clear: A strong culture is always built deliberately. The Global Workplace Culture Model can meaningfully guide this purpose for organizations that are ready to become true employers of choice.

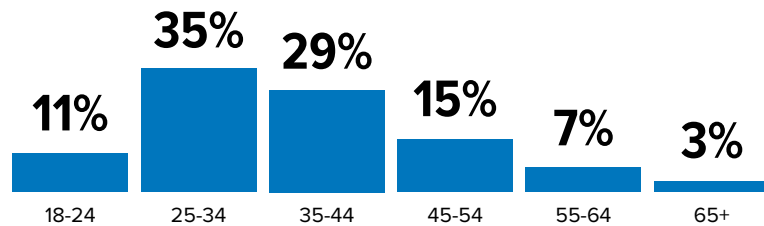
Resources for International Employers

- [SHRM global resources and Express Requests](#)
- [GlobeSmart Culture Guides](#)

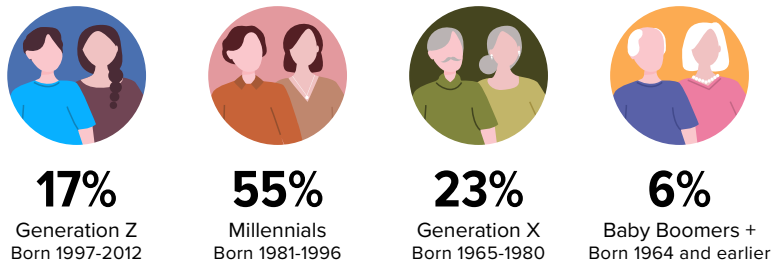
Methodology

A sample of 11 080 participants from 15 countries was recruited using a third-party online panel between December 2022 and April 2023. Participants were equally balanced by gender and ranged across all age groups and generations, as shown in the following graphs.

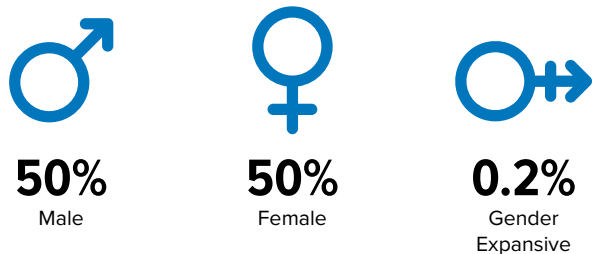
AGE



GENERATION

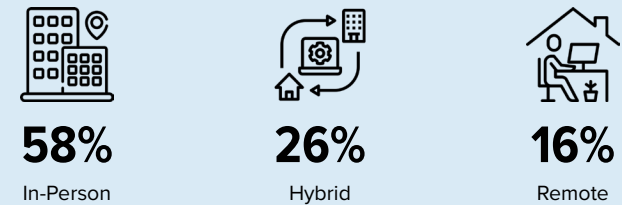


GENDER

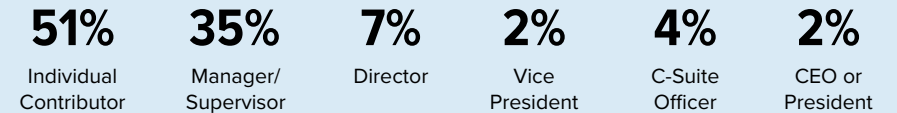


The participants worked for organizations of all sizes and ranged in tenure with the organization from less than one year to more than 10 years. Most participants were either individual contributors or front-line managers, but a small number of high-level executives also took part.

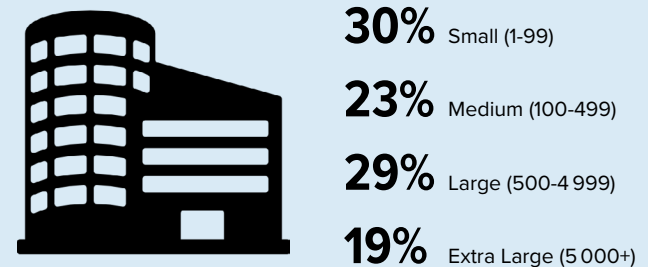
WORK MODEL



ROLE LEVEL



ORGANIZATION SIZE



TENURE



Steps Taken to Enhance the Validity of Global Findings

Comparing survey results from employees across the globe can be challenging because participants' answers to survey questions are influenced by cultural differences as well as their true opinions.

Social desirability: Participants from some cultures are more likely to give answers that cast them or their group in a positive light. To adjust for this tendency, we administered a social desirability measure that included statements such as "I never lie." We then evaluated all participants' other responses (e.g., their organizational culture rating) at globally average levels of social desirability.

Acquiescence: In some cultures, participants are likely to enthusiastically agree or disagree with statements regardless of their content. In others, participants may need to have much stronger feelings before they will select "agree" or "disagree" responses. Therefore, we calculated participants' tendency to acquiesce—that is, to agree or strongly agree—across 21 positively worded and 21 negatively worded items. We did this by calculating the proportion of survey items that each participant answered with "agree" or "strongly agree" and then subtracted

We identified and took steps to account for two well-documented cross-cultural differences in our sample:

the proportion of survey items that they answered with "disagree" or "strongly disagree," resulting in an estimate of their tendency to agree more than they disagree. We used this estimate to evaluate all participants' responses (e.g., their organizational culture rating) at globally average levels of acquiescence.

Global Workplace Culture Model: We used advanced statistical methods in creating our Global Workplace Culture Model.¹¹ These methods confirmed that the dimensions were consistent across all countries. That is, all practices we grouped under a specific dimension belong under that dimension regardless of a participant's country. For example, employees in all 15 countries agreed that having transparent leadership communication was an equitable leadership practice. These steps enhance the cross-cultural validity of this model.

Authors:

Anna Dragotta, Ph.D., SHRM-SCP, former senior researcher, SHRM Research
Kirsteen E. Anderson, data communications specialist, SHRM Research

¹¹Using confirmatory and measurement invariance analyses. Model fit across all countries was satisfactory (CFI = .98, TLI = .97, RMSEA = .04, SRMR = .03) and we found sufficient evidence for the presence of metric invariance (i.e., equal factor loadings across countries): CFI = .94, TLI = .94, RMSEA = .06, SRMR = .07. Evidence for scalar invariance was less strong, but generally still within satisfactory range: CFI = .92, TLI = .92, RMSEA = .07, SRMR = .08.