



GUSTO REPORT:

Community at work



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Last year, the percentage of U.S. workers who [Gallup](#) considered engaged in their jobs averaged 32%. The majority (50.8%) of employees were “not engaged,” while another 17.2% were “actively disengaged.”

Given how much time we spend at the workplace, there’s a lot of room for improvement. In particular, big companies seem to have a [bigger employee engagement problem](#) than small businesses. People who work for larger companies with more than 1,000 employees reported lower levels of engagement than those at smaller firms with fewer than 1,000 employees.

Could small businesses have cracked the code somehow? We set out to discover how employers and employees at small businesses perceive their sense of community at work. According to an article in the [Harvard Business Review](#): “Community means caring about our work, our colleagues and our place in the world, geographic and otherwise, and in turn being inspired by this caring.” In this report, we’ll offer fresh insights about what small business owners and employees really want when it comes to feeling connected, valued and energized at work.



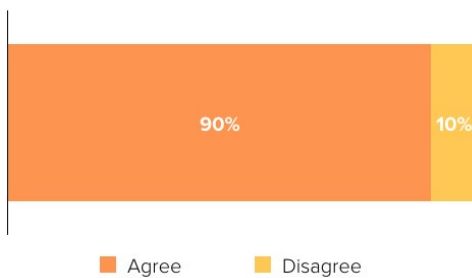
Community is key to success

The overwhelming majority of employers and employees at small businesses agreed that fostering a sense of community in the workplace directly contributes to their success. One way to boost office camaraderie could include celebrating milestones together, which two-thirds of small businesses do. It's no wonder over 80% of employees at small businesses feel personally connected to their coworkers.

Nearly all SMB employers and employees believe fostering a sense of community is important to the success of their business.

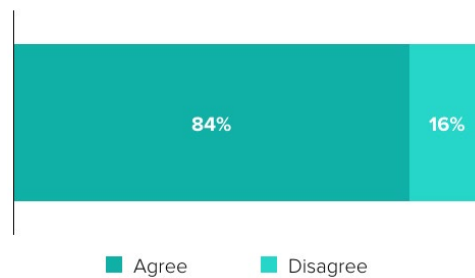
EMPLOYER

Q: Is fostering a sense of community at your workplace important to the success of your business?



EMPLOYEE

Q: Is fostering a sense of community at the workplace important to your employer?

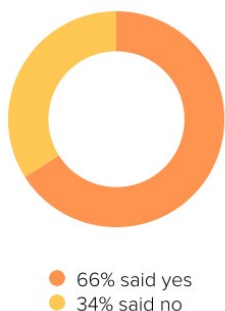


The communities at small businesses are tight-knit.

Over two thirds (66%) of small businesses celebrate birthdays, holidays, or other important milestones together.

EMPLOYER

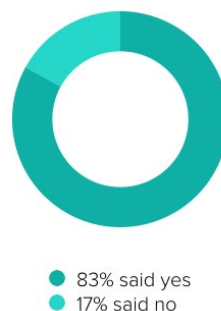
Q: Do your employees celebrate birthdays, holidays, or other important milestones together?

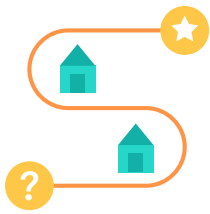


83% of employees agree they know their coworkers well and feel personally connected to them.

EMPLOYEE

Q: Do you know your coworkers well and feel personally connected to them?





It takes a village

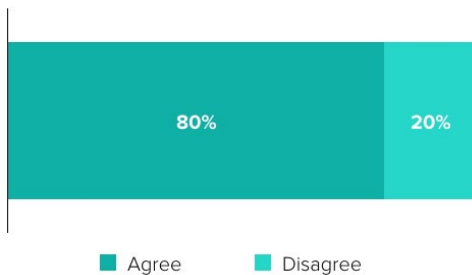
People want to get involved, and they're happier when they are given the freedom – or a compelling reason – to contribute. Small businesses that actively involve their employees in solving problems perform above average compared to other companies. Rallying around a common mission is also a motivating factor to most employees.

Most employees feel they and their coworkers are aligned around a common mission that motivates them.

80% of employees feel they and their coworkers are aligned around a common mission that motivates them.

EMPLOYEE

Q: Are the employees at your company aligned around a common mission that motivates you?

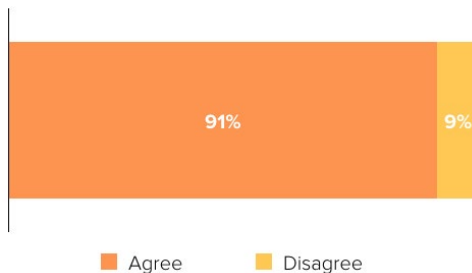


Employers and employees agree — employees can be part of solving problems at work.

If there is an issue at work, the majority (91%) HR/business owners believe their employees feel they can be part of solving it.

EMPLOYER

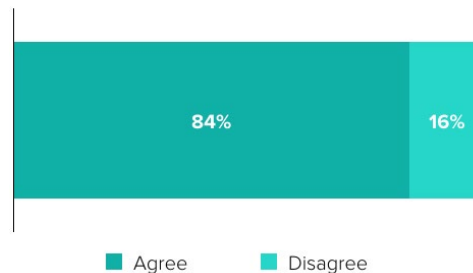
Q: If there is an issue at work, do your employees feel they can be part of solving it?



84% of employees feel that if there is a problem at work they can be a part of solving it.

EMPLOYEE

Q: If there is an issue at work, do you feel you can be part of solving it?





People stay for the people

In the past, many people defined their careers by their loyalty to companies. Today, most people report that working with a great team is their primary motivator. Most people have left or contemplated leaving a company because they didn't feel strong ties to a community there. On the flip side, talented employees tend to stay with their companies longer because they enjoy collaborating with colleagues.

When it comes to employees staying at their jobs, a strong sense of belonging to a community is the tie that binds.

Over half (52%) of employees have **left a job or strongly considered leaving a job** because they did not have a strong sense of belonging to a community.

EMPLOYEE

Q: Have you left a job or strongly considered leaving a job because you did not have a strong sense of belonging to a community?



Over half of employees (54%) have **stayed at a job longer than their best interest** due to a strong sense of belonging and community.

EMPLOYEE

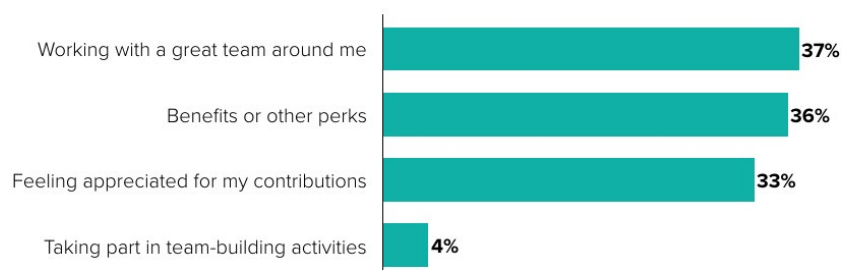
Q: Have you stayed at a job longer than your best interest due to a strong sense of belonging and community?



The top reason employees said they stay at their company is working with a great team.

EMPLOYEE

Q: Beyond salary, what is the most important reason for staying at your current company?





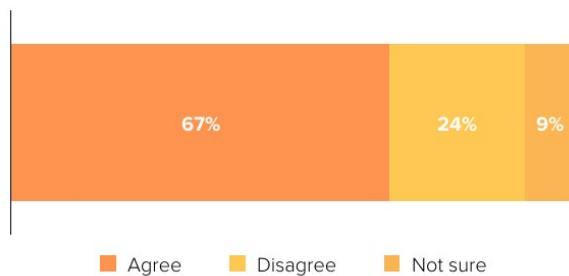
Room for improvement

Small businesses aren't perfect in the community department, though. While 57% of employers said they know their employees well, less than half of employees reported they have meaningful connections with their coworkers. Employers and employees also disagreed about the most effective ways to retain talent. Employees named working with a great team as their top motivator, but employers considered recognizing individual contributions or offering benefits more enticing to people. Perhaps small businesses could improve if they had a better pulse on how their employees feel, but almost a quarter of them don't measure employee satisfaction in the first place.

Almost a quarter (24%) of small businesses don't measure employee satisfaction.

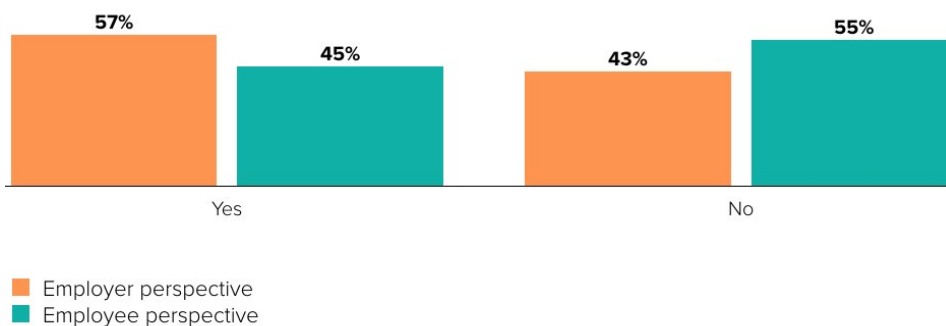
EMPLOYER

Q: Do you currently measure employee satisfaction or actively solicit employee feedback?



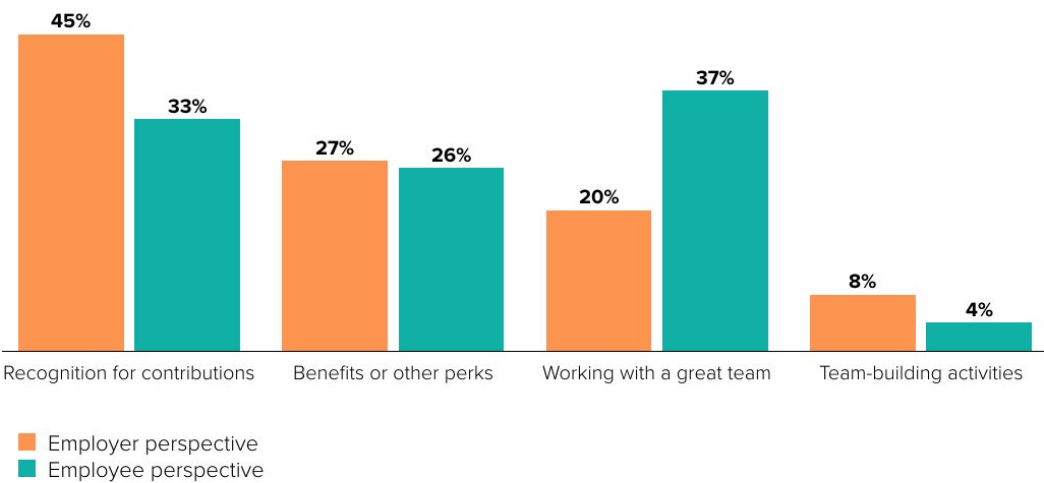
More employers say they have personal connections to their employees than employees who say they know their coworkers well.

Q: Do you know your employees / coworkers well and feel personally connected to them?



Employers and employees have different ideas about what motivates people to stay with their companies.

Q: Beyond salary, which of the following do you think is the most effective way to retain strong employees?



Survey Methodology

The survey was conducted online within the United States by Google Consumer Surveys on behalf of Gusto on July 21, 2016 among two groups:

1. 618 small business owners or HR administrators who are ages 18 and older at companies with fewer than 100 employees
2. 501 employees ages 18 and older who work at small businesses with fewer than 100 employees

This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated. For complete survey methodology, please contact Rachel Kim: rachel@gusto.com.