

Global Survey Shows U.S. Managers Feel More Anxious About the Recession, Greater Confidence About the Future for Their Company

Chicago (June 19, 2009) – An international survey shows U.S. managers are more stressed about the recession than their global counterparts, but they are among the most optimistic about their professional future.

U.S. supervisors also are highly confident in their corporate leadership's ability to improve the business situation and their own roles in motivating workers, according to nearly 8,000 managers surveyed in 14 countries by BPI, a leading global management and human resources consulting firm.

The international "Managers Coping with the Recession" survey asked supervisors about their perception of the global economic downturn and its current and future impact on them, their teams and businesses. Along with the U.S., the survey included 10 European countries, plus Brazil, Russia and China. The survey's key findings and U.S. responses indicated the following:

- 86 percent of U.S. managers said the economic crisis has impacted their organization's stress level, while 82 percent say they personally feel stressed at work. Both measures are the highest of any countries surveyed, with the global average at 66 percent for organizational stress and 62 percent for personal stress in the workplace.
- Nearly 75 percent say the economic crisis has negatively affected working with their teams. The global average was about 50 percent.
- 45 percent of U.S. managers said the recession will lead to layoffs in their company, more than any other country surveyed. The average was 35 percent. They also feel the economic pinch in their own finances: About 77 percent said the economic crisis will impact their retirement plans, 86 percent said it will affect their savings, and 71 percent said it will affect their professional growth opportunities.
- 57 percent of U.S. managers say the economic crisis will last between one and two years, with 32 percent believing it will last more than two years.

Despite these findings, American managers remained positive about the professional future:

- U.S. managers were among the most confident (88 percent) that their company's leaders will effectively deal with the economic situation and will be attentive to the well being of their employees (nearly 82 percent). Only managers in Brazil were more confident in these areas, with 93 percent and 82 percent, respectively.
- U.S. managers are optimistic about the future of their jobs (84 percent), companies (85 percent) and professions (86 percent).
- 93 percent of U.S. managers believe they have the resources and tools to motivate their teams, but admit to being less equipped to attract new talent.

“While American managers say the economic downturn has had more serious consequences on their jobs and businesses than most other countries, they strongly believe this situation will ultimately improve the way their companies operate, communicate and engage employees,” said Jay Scherer, managing partner at BPI group, North America. “This underlying sense of optimism, along with the right leadership skills, can help managers effectively guide their companies and teams through times of tremendous change.”

The survey results also pointed differences among American managers based on their age, gender and company size. For example:

- Managers under the age of 39 are more anxious about their job security and professional growth opportunities. However, they are also more likely to believe the current crisis will help companies improve communications about business strategies, their openness to employee views, and corporate governance.
- Men are more confident than women in management’s ability to effectively address the economic situation at their company. Men also feel more confident about their own managerial responsibilities, including motivating their teams, developing their team’s skills, contributing to the company’s financial performance, implementing the corporate strategy, and attracting new talent.
- Managers in mid-size companies (100 to 499 employees) are feeling slightly more affected by today’s economy in terms of the stress level, work culture changes and financial stability of their companies. They are also more likely to believe the economic situation will lead to layoffs, longer working hours and mergers.

Based on the global survey results and experience in helping organizations lead change, BPI group offers the following three thoughts to help companies and their leaders cope with economic pressures in the workplace:

- **Emphasize and build leadership communication.** Challenging times demand great leadership. The hallmark of great leadership is organizational communication. Organizations should always practice timely, honest communication to build trust and confidence with their teams. The need for skilled communication is even more magnified when times are tough. Employees want to understand the issue, what’s being done to address the situation and what it means to them. Organizational change provides an excellent opportunity to build and enhance this critical executive capability.
- **Focus on re-engaging employees.** During these financially challenging times, many companies have made difficult decisions that have negatively impacted employees (e.g., layoffs, salary reductions, merit increase freezes, suspension of employee development spending). Proactive companies are planning now on how to re-engage their employees, so they can retain their high potential talent when the economy turns around.
- **Treat departing employees with respect.** Organizations should provide as much support to laid-off employees as possible. Providing competitive severance pay, benefit continuation and excellent career transition services help departing employees adjust their lives. Just as important, it sends a strong positive message to the people who remain in the company.

About the Survey

The second BPI International Survey on Management was conducted in partnership with BVA, a leading French market and opinion research institute, to understand how managers are coping with the recession in their businesses and markets. The survey was performed Dec. 8-17, 2008, in 14 countries with a sample of 1,000 managers per country in the United States, China and Russia; 500 managers per country in Brazil, France, Germany, Italy, Poland, Spain and United Kingdom; and 300 managers per country in Belgium, Finland, Romania and Switzerland.

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