

SPECIAL EXCERPT

INTRODUCTION

For Marta, a pharmaceutical sales representative, the final straw was being reprimanded for not responding to her boss' email while on vacation, even though she told him she'd have no Internet access. After logging in 80-hour weeks the previous months to successfully launch a new product, Marta believed she had earned some much-needed rest. Having her personal boundary ignored over something a colleague later told her wasn't urgent made Marta realize how her private time was being disrespected and her contributions taken for granted.

For Omar, a mid-level information technology director, the "aha" moment came when he recognized there was nothing his manager, an executive vice president, could say or do anymore to restore trust in their working relationship. It was bad enough when the manager continuously embarrassed Omar in department meetings by cutting him off mid-sentence and trivializing his work while colleagues with similar responsibilities were allowed to drone on in detail. When his supervisor openly humiliated him in the boardroom, in front of senior management, treating him like a gofer, something deep inside Omar said, "Enough."

For Will, a financial services manager, the breaking point came when he heard his supervisor say, "Everybody in business lies" while bragging about a large business deal he had just signed. It made Will realize his boss could lie about anything, including performance reviews. The lack of honesty presented an ethical dilemma and a risk Will was no longer prepared to take.

And then there's Mary, a senior data analyst for a consumer products company. Her employer gladly embraced remote work arrangements during the COVID-19 pandemic, and she was told she could live anywhere provided she had a reliable Internet connection and could participate in weekly department Zoom calls held on Pacific time. Mary was grateful for the flexibility. Another department manager had been making unwelcome sexual advances and working remotely let her avoid him. Besides, her husband had just retired and her new freedom allowed them to sell their house and move to their dream home deep in the wine country, two hours further away from the office drama.

But three years later, her boss reneged on the remote arrangement, even though her work performance was exemplary. A companywide return to office policy went into effect, requiring her to be in the office five days a week or to find another job. Mary was torn by the news and felt betrayed, especially since she was only a few years away from retirement herself and leaving early meant sacrificing certain company benefits. She ultimately bit the bullet and resigned.

Perhaps you know someone like Will, Marta, Omar, Mary, or perhaps you *are* one of them. They're all solid performers, dedicated employees, and respected colleagues. No one expected them to give notice, least of all their bosses.

Employees have been reevaluating their life, clarifying priorities, and reexamining their careers for more than ten years according to research by Harvard Business School professors, Joseph Fuller and William Kerr, and that trend is here to stay they say. Employees are looking for a better way to live. They want more flexibility and autonomy.

Fairness at work is something employees expect and managers genuinely believe they're delivering. But low employee engagement rates reported by Gallup's annual State of the Global Workplace Reports say otherwise. Their 2023 Report estimates it represents an \$8.8 trillion global problem. And the biggest source of employee discontent and unease cited in the report? Unfair treatment at work.

The overall tolerance for unfair treatment has diminished due to a number of changing community standards, namely:

- the War for Talent amid the coming of age of two large workforce cohorts (Millennials and Gen X) that research says have different workplace needs than their predecessors and whose sheer size affords them the extraordinary market power of demanding change and rejecting command-and-control leadership;
- the #MeToo movement that mandates accountability from organizations for employees who use positional power to sexually harass and extort others in the workplace; and
- the Black Lives Matter (#BLM) movement whose social justice mission spills into the workplace with calls for more diversity along with meaningful inclusion and equity to counterbalance structural inequalities.

Employees have moved the high cost of unfairness at work into the “unacceptable” column on their emotional balance sheet. Evidence includes the growing visibility of employees “quiet quitting” and the Great Resignation spawned by the COVID pandemic where employees simply refuse to accept the intolerable anymore. Indeed, these changes in the labor market have permanently altered the very meaning of work, leaving organizations scrambling to catch up.

Fairness Matters

Fairness is a universal human value that transcends cultures around the world. Unfairness at work is demoralizing and is an especially toxic stressor because it attacks us personally according to Dr. E. Kevin Kelloway, Canada Research Chair in Occupational Health Psychology at Saint Mary’s University. It’s an affront to our dignity and core identity. And, as a toxic stressor, it’s impact can be felt far beyond momentary emotional stress and lead to serious physical symptoms. It attacks who we are, and when we’re under assault, our bodies get flooded with adrenaline and stress hormones such as cortisol.

Cortisol can wreak serious havoc. If we suddenly find ourselves experiencing frequent upset stomachs that our doctor later concludes is acid reflux, we can probably thank cortisol. Experiencing weight gain?

We probably can thank cortisol for that one too. Its impact is felt on our thyroid gland where it slows down our metabolism and on our adrenal glands where it can increase our hunger. Comfort foods high in fat and sugar content can temporarily make us feel better but tip the scales in an unhealthy direction. Cortisol's impact on the adrenal glands can also decrease our appetite for sex. So, between unhealthy weight gain and strained personal relationships it's common to feel depressed. Stress can even affect the body at the cellular level, weathering us from the inside out and contributing to premature signs of aging. Great, huh?

Weekends provide a welcome respite from workplace stress and opportunity to recharge. But the relief is short-lived. On Sunday afternoon our stomachs are in knots as we steel ourselves for the work week ahead. It's a phenomenon dubbed the "Sunday Scaries," and a survey commissioned by LinkedIn, the world's largest professional online network, discovered 80% of working adults experience it. So, while we may not be alone in suffering, it's a soul-crushing club we didn't particularly want to join; but one we may feel stuck in. It's no wonder employee engagement rates fluctuate within narrow bands in Gallup reports and surveys from year to year.

The Value of High Employee Engagement

Definitions of employee engagement vary depending on the source. The central idea is that when workers feel fairly supported to do their best work, when they are included and feel like they belong, they bring an extra degree of energy and discretionary effort to the table because they're more emotionally and intellectually committed. What *they* do matters. They matter. Their commitment to the organization therefore goes far beyond just showing up for work and robotically meeting job requirements in exchange for a paycheck. They feel empowered and inspired to go above and beyond the call of duty.

Employee engagement is incredibly powerful. Organizations vigorously pursue it because research shows those with a highly engaged workforce experience:

- 2.6 times higher earnings-per-share,

- double the net income,
- seven times greater 5-year total annual shareholder return,
- 19.2% higher growth in annual operating income,
- triple the profit growth compared to competitors,
- double the customer loyalty and employee productivity; and
- 87% less employee attrition.

Those are impressive numbers.

The Huge Cost of Low Employee Engagement

In contrast, and in addition to the physical and emotional cost to employees on both sides of the desk, organizations with low employee engagement miss out on its benefits *and* get penalized with 37% more absenteeism and lost productivity. Gallup estimates it costs employers \$3,400 for every \$10,000 a disengaged employee earns. In other words, it's a productivity penalty of 34% of their annual pay. Multiply that by the number of disengaged employees on a payroll, and the out-of-pocket opportunity cost adds up fast.

There is also a high correlation between employee engagement and retention. Research shows that there is a 48% chance that employees with low engagement will quit, making it a gateway to employee turnover. While managers may be willing to take that risk, believing they could reclaim some lost productivity with eager new hires, the reality isn't so rosy. Organizations are really swapping a large expense for an even *bigger* one.

The hiring and training cost of replacing an employee is between 30–50% of their annual salary at the entry level and up to 400% at the most senior ranks. What makes that turnover price tag deceptive is how it fails to include collateral damage resulting from coworkers who now have to work harder and longer in the interim, with the extra workload potentially contributing to their burnout. It also ignores the loss of valuable information, such as institutional knowledge when long-term employees leave, or the potential loss of proprietary information (absent a confidentiality agreement).

Other costs include hiccups in established business relationships when a customer-facing employee quits and lost revenue if they're able to transition customers to their new employer or start-up. Departing employees can also inspire those left behind to start looking for new positions, causing an even bigger exodus.

Worst of all is how employee churn destabilizes business operations. It keeps teams from gelling. It distracts leadership with a continuous recruiting process. It compromises the remaining employees' willingness and ability to learn new things because they're strapped for time doing extra work, and it kills momentum by chewing up resources that could otherwise be spent moving the business forward.

Meanwhile, disengaged employees who stay on the payroll can infect the organization's culture with their halfhearted approach and hamper performance because they're more likely to miss deadlines, goals, and sales targets. They also contribute to increased customer complaints and workers' compensation, harassment, and discrimination claims, and keep potential legal problems buried until they're too big to hide, at which point they're also more expensive to fix.

It gets potentially worse when employee dissatisfaction stems from mismanagement of a legal or an ethical issue, turning disgruntled workers into whistleblowers. Public disclosures can cause a firestorm of unwanted media attention, creating legal liability and reputation damage for individual managers and the organization as a whole.

Yet one of the most overlooked and distressing disengagement landmines is the connection to workplace violence. Disengaged employees are more likely to feel more stressed, worried, and angrier than their engaged peers. It sets the stage for conflict that can easily spill into threatening behaviors such as bullying, harassment, retaliation, or physical altercations.

Altogether, the financial and psychological toll of low employee engagement on the workplace is enormous.

The Urgent Need for Change

Evolving employee priorities are colliding with traditional command-

and-control style management that tends to view hiring its workforce transactionally, managing them with positional power and an emphasis on bottom-line metrics, rather than people-focused, relationship-building strategies. Simply put: old-school management isn't meeting new-school needs. It's a standoff that won't improve until managers understand *why* employees respond negatively to workplace culture and appreciate *how* low employee engagement, satisfaction, and retention are *symptoms* of a suboptimal culture, one that management controls and can change.

Leadership matters. Workers change jobs because they leave their manager, not the company. Indeed, the quality of supervisory personnel is the single biggest factor in job change decisions according to the book *It's the Manager*. Other research finds 75% of employees think their direct manager is the most stressful part of the job, and 65% say they'd rather have a new manager than a pay raise.

Ouch!

It's against this backdrop of workplace discontent, including a staggering 59% of workers being disengaged, or "quiet quitting" in Gallup's 2023 parlance, and another 18% being actively disengaged, or just plain miserable at work and "loud quitting," that *Seeking Fairness at Work* begins.

As a business strategist and attorney, frustrated employees have shared their feelings of helplessness and anger with me many times over the years. They were upset about the organization's willful blindness to management behaviors that torched their dignity, confidence, and psychological safety. When raising a serious issue about the behavior of a senior vice president with the head of human resources at a large manufacturing company, for example, an employee was essentially shooed away. "It's worse in other departments," they were told. In desperation, they consulted a lawyer.

This story is but a small sample of the misguided leadership behaviors I've witnessed over the years that damage trust and result in unintended negative consequences. No, they didn't always trigger

lawsuits. Although, many could have. But they were always costly in terms of diminished employee engagement, retention, and definitely satisfaction.

Book Overview

The goal of *Seeking Fairness at Work* is to help employees recognize they are not alone in feeling frustrated at work and that their expectations of fairness are reasonable. The chapters ahead give voice to their stories, with names changed to protect their privacy.

But even more important than providing solace to workers, by sharing the employee perspective, *Seeking Fairness at Work* offers managers a roadmap for change by giving them a clear-eyed view of the cultural norms in their organization that nobody wants to talk about, an explanation of why they may not realize how off-putting those behaviors are, and why the imbalance of power in the employee-employer relationship puts the onus on them to take the lead in addressing fairness at work by delivering on implied social contract inherent in every employee-employer relationship.

Even though leadership and management are different from a technical standpoint, I use them interchangeably throughout the book because they both share a common need to get work done through others, to influence and motivate them; and both leaders and managers find themselves struggling with how to inspire more employee commitment and productivity.

Cracking the new code of employee engagement, retention, and satisfaction requires an understanding of how unfairness at work is experienced by employees. It's impossible to solve a problem without understanding it's dimensions and scope.

That's why this book begins with Part 1: What Employees Secretly Wish they Could Tell their Boss About Unfairness At Work (*And What Bosses Really Need to Hear*). And Part 2: A Five-Part Strategy for Improving Fairness at Work offers an integrated,

multipronged approach to instilling more good faith and fair dealing into the organization's culture to help raise employees' game instead of their defenses.

To read more, get your copy of *Seeking Fairness at Work*, available wherever books are sold and on [Amazon](#).



Hanna Hasl-Kelchner is a champion for fairness in the workplace. She helps organizations gain clarity to make more informed decisions by reducing complex concepts into sensible, bite-size pieces.

Hanna accomplishes this as a business strategist and President of Business M.O., LLC; through her writing, speaking, consulting, and popular syndicated podcast, [Business Confidential Now](#).

Hanna brings a unique perspective to the table, growing up in an entrepreneurial family and running a business before age 30 and blending it with decades practicing business law. Those experiences enabled her to successfully bridge the gap between the two disciplines during her career as a trusted advisor to influential decision makers ranging from startups to the S&P 500, Big Tobacco, and the White House. She has also had the privilege of being on the faculty at two top-ranked MBA programs: The Duke University Fuqua School of Management and the University of Virginia, Darden School of Business.

Hanna’s first book, *The Business Guide to Legal Literacy* (Jossey-Bass, 2006), was an Amazon bestseller. Her articles have appeared in various print media and she’s been a paid weekly contributor to Answers.com and AllBusiness.com. Hanna has also been quoted in the *Los Angeles Times*, *Bloomberg News*, and *Society for Human Resources HR Today Magazine* among others.

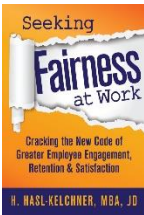
As a media source and acclaimed speaker, she has also appeared on radio and TV, including *Moving America Forward*, hosted by William Shatner. She was also filmed by Emmy Award-Winning Director and Producer Nic Nanton for a segment of *America’s Premier Experts* that aired on ABC, NBC, CBS, and Fox affiliates nationwide.

Hanna is a proud member of the editorial board of *The Journal of Business Ethics Education*, having served since 2002, and as a certified mentor for SCORE (the nation’s largest network of expert business mentors, a resource partner of the U.S. Small Business Administration) she received its highest honor (National SCORE Platinum Leadership Award) and the SCORE Chairman’s Award.

Other accolades include being recognized by Dun and Bradstreet as a Twitter #BizInfluencer in the Specialty Strategy category (before Twitter became X) and called “a lawyer you can love” by a *Chicken Soup for the Soul* co-author.

Her formal education includes an undergraduate degree from Duke University, an MBA from Cornell University, and a JD from the Rutgers University School of Law.

Follow Hanna on [LinkedIn](#), [Twitter](#), and YouTube; through her websites ([BusinessMO.com](#) and [SeekingFairnessAtWork.com](#)); and podcast (*Business Confidential Now*, available wherever you get your podcasts).



Seeking Fairness at Work is available wherever books are sold.