



# 2024 Employee Happiness Trends in the US

## Annual Report



## About the research:

Our 2024 trends report contains data and analysis gathered from a 2023 survey of 591 verified employees working across Fortune 500 companies in the United States, plus current statistics from third-party sources.

## About the report:

Our annual report forecasts upcoming 2024 trends in employee happiness and workplace recognition by examining the latest data on gratitude across enterprises.

## The landscape of work is changing. In 2023, we saw a slight return to in-person work environments, but societal shifts are still transforming the office as we know it—forever.

One thing's clear: flexible work is here to stay. Hybrid work, in particular, has risen in 2023, with over half of all remote-capable jobs **now offering flexible arrangements to employees.**<sup>1</sup>

But, many hybrid or remote workers found that a distributed workforce still has its trade-offs. With limited in-person collaboration came less connection to corporate culture and continued isolation, ultimately impacting productivity and employee happiness. In the past, employees formed bonds with in-office shout-outs, company events, birthday celebrations, happy hours and more, but this doesn't translate as well to a virtual world.

So in 2023, what does the data tell us? How are enterprises evolving to improve employee happiness and develop a culture of gratitude and belonging virtually and in-person? More importantly, how are companies making employees feel seen and recognized for their work?

Let's look at the data.



How happy are employees in the U.S.?

According to BambooHR, 2023 saw a steep 9% drop in employee happiness, “declining at a rate 10x faster than the previous three years.”<sup>2</sup>

Increases in burnout and stress were major contributors to the decline. 57% of American workers state that they are currently experiencing at least moderate levels of burnout, up from 52% in previous years.<sup>3</sup>



The effects of unhappiness were felt broadly in performance and peer-to-peer communication at enterprises.

**Employees frequently cited symptoms of work-related stress as:<sup>4</sup>**

**31%**

emotional exhaustion

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**26%**

lack of motivation to  
do their very best

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**25%**

a desire to  
keep to themselves

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# The hidden costs of unhappy employees

When employees are unhappy, enterprises see regrettable attrition and lower productivity—all of which has a material impact. The cost of replacing an individual employee **can range from 3 to 4 times their salary depending on the role.**<sup>5</sup>

Hybrid and remote work, while offering many positive benefits to employees, can also cause unhappiness in environments that haven't caught up to current trends. Working from home, even just a few days per week, severs ties to company culture and limits communication. These factors **can cause higher rates of isolation and fatigue** if left unchecked—ultimately leading to turnover.

When asked to rank the top 3 biggest challenges with working remote or hybrid, employees cited:<sup>6</sup>

78%

sense of belonging

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68%

communication

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40%

burnout

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Regardless of the challenges,

**98%**

of employee are happy  
to stay working remotely.<sup>7</sup>

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A photograph of three business professionals sitting around a dark wooden conference table in a modern office setting. On the left, a man with glasses and a beard, wearing a green shirt, is looking towards the center. In the middle, a woman with red hair, wearing a maroon blazer, is smiling and looking towards the right. On the right, a woman with glasses and dark hair, wearing a blue t-shirt, is looking towards the center. There are laptops, mugs, and a blue folder on the table. A pair of glasses is visible in the foreground on the left. The background shows a white wall with a green panel and a bookshelf.

**Employees crave  
connection**

2023 data shows that employees still crave a higher sense of belonging that translates to all working environments — in-person, hybrid, remote. They are looking for authentic connections and companies that prioritize happiness. When asked about priorities at work:



**85%**

rated company culture, team connection, and employee happiness as a **high priority**.

**14%**

rated company culture, team connection, and employee happiness as a **medium priority**.

**1%**

rated company culture, team connection, and employee happiness as a **low priority**.

Unfortunately, many also find that organizations undervalue the positive impact of employee recognition.

Those who receive appreciation and those who offer it are clearly divided in their perception of its value and its impact on happiness, connection, and productivity.

91%

believe that most companies **undervalue the effects of employee gratitude**, underestimating how much it means to be appreciated.

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97%

agree that receiving **recognition often has more impact** than what givers originally anticipate.

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98%

say that people **would work harder and be happier** if they felt more appreciated at work.<sup>6</sup>

# The power of authentic appreciation



**"Appreciation from my manager makes me feel more inclined to work for them, talk to them more casually."**

**"Receiving meaningful appreciation makes the work I do feel worthwhile. It encourages teamwork and makes people feel seen."**



**"It's very nice to hear that you feel you're being appreciated because you don't always get that message from people around you."**

In the workplace, gratitude and recognition create happier, more productive employees. When asked about their experiences with employee appreciation, our surveyed group of US staff members across various industries said:<sup>8</sup>

**"Appreciation makes me feel motivated and positive. If I don't get it, I stop caring as much."**

**"Appreciation should be felt, not just received. "**



**"I give 1000% at work and to feel noticed means a lot."**

**"Appreciation from my manager gives me reassurance. Shows me I'm working on the right things"**

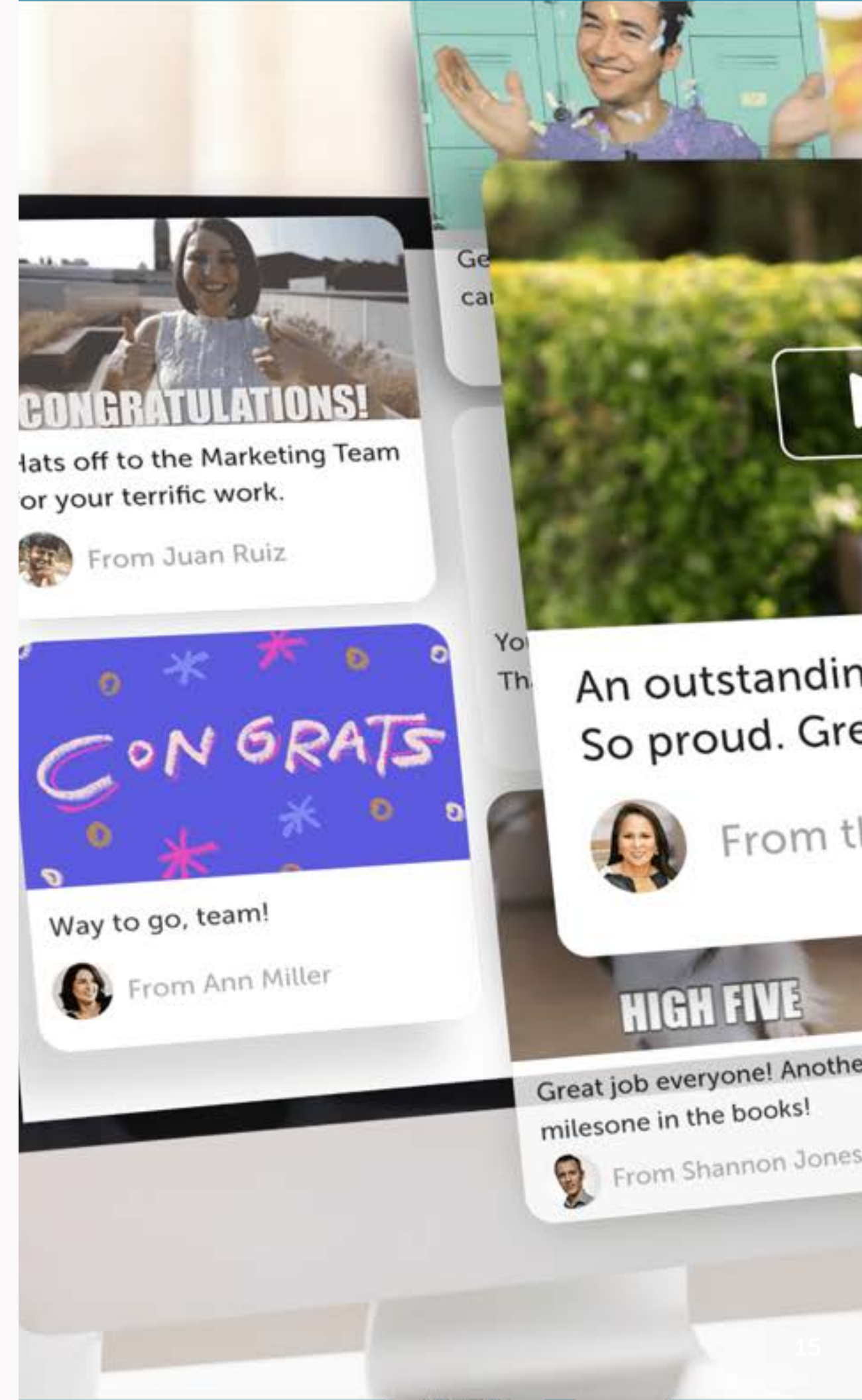


A man with a beard, wearing a light blue button-down shirt, is smiling and looking at a laptop screen. He is sitting at a wooden desk with a laptop, a mouse, and a white cup. In the background, another man is visible, also smiling and working at a desk. The office environment is bright and modern.

# Powering gratitude at scale

# What are companies investing in?

Many enterprises onboard an appreciation platform like Kudoboard to empower colleagues to celebrate milestones, recognize their peers, and create campaigns. These solutions build connections between employees working remote, hybrid, or in-person with group cards, appreciation boards, and more.



When asked about the primary cultural issue they want to solve with Kudoboard:<sup>6</sup>

**48%** want employees to feel appreciated.

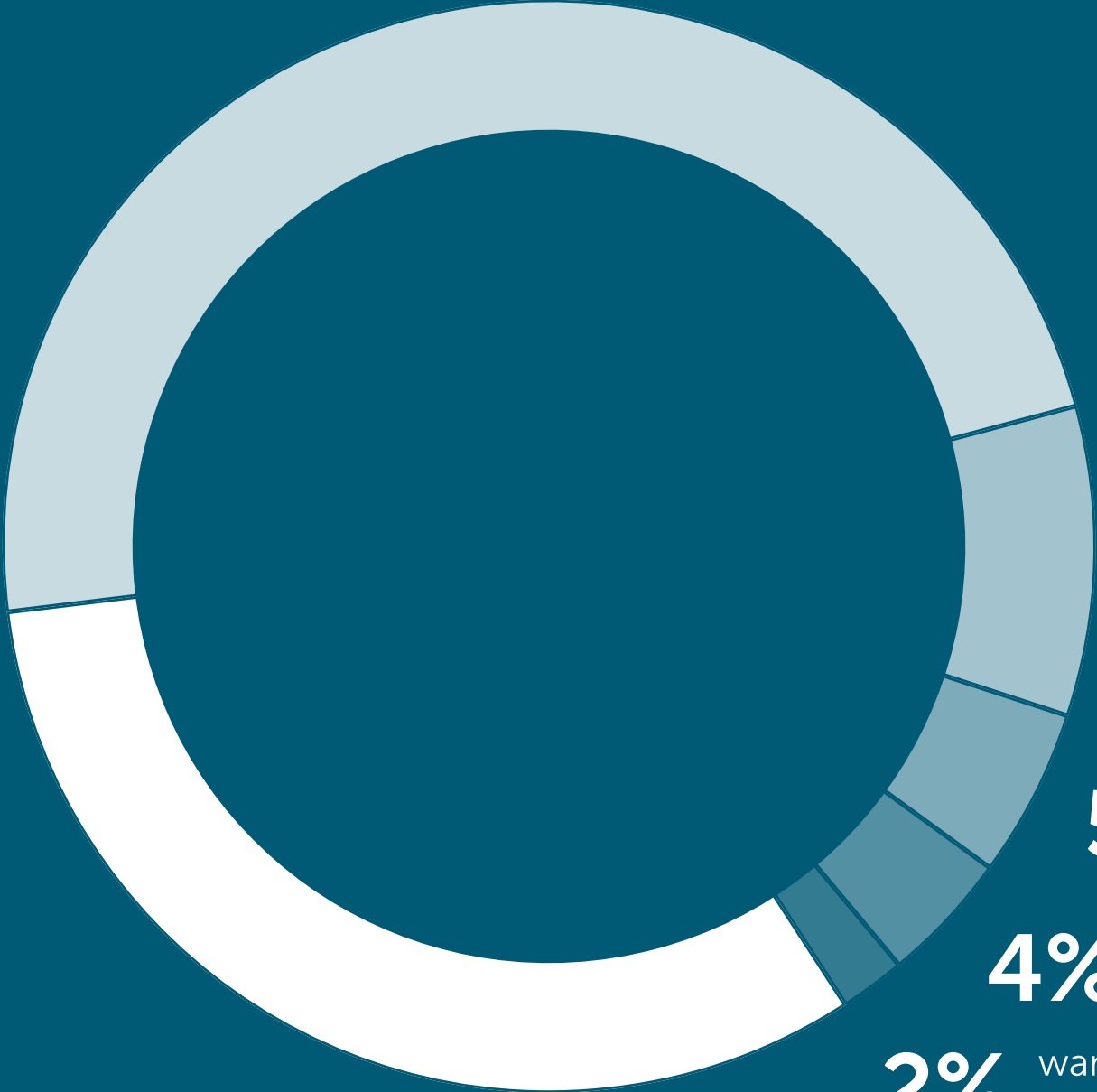
**32%** want employees to feel connected.

**9%** want employees to feel engaged.

**5%** want employees to have fun.

**4%** want employees to feel rewarded.

**2%** want to retain employees.



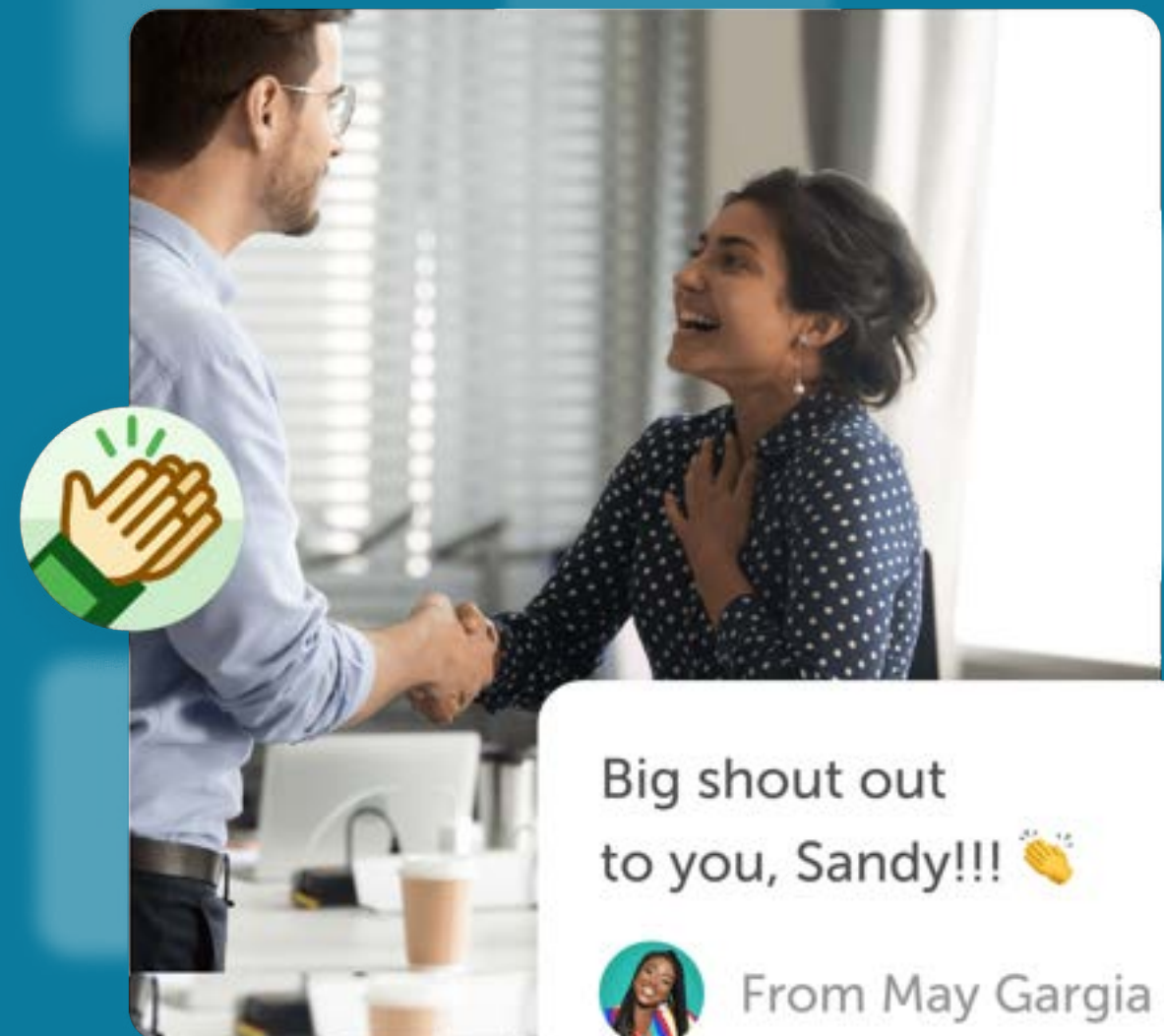


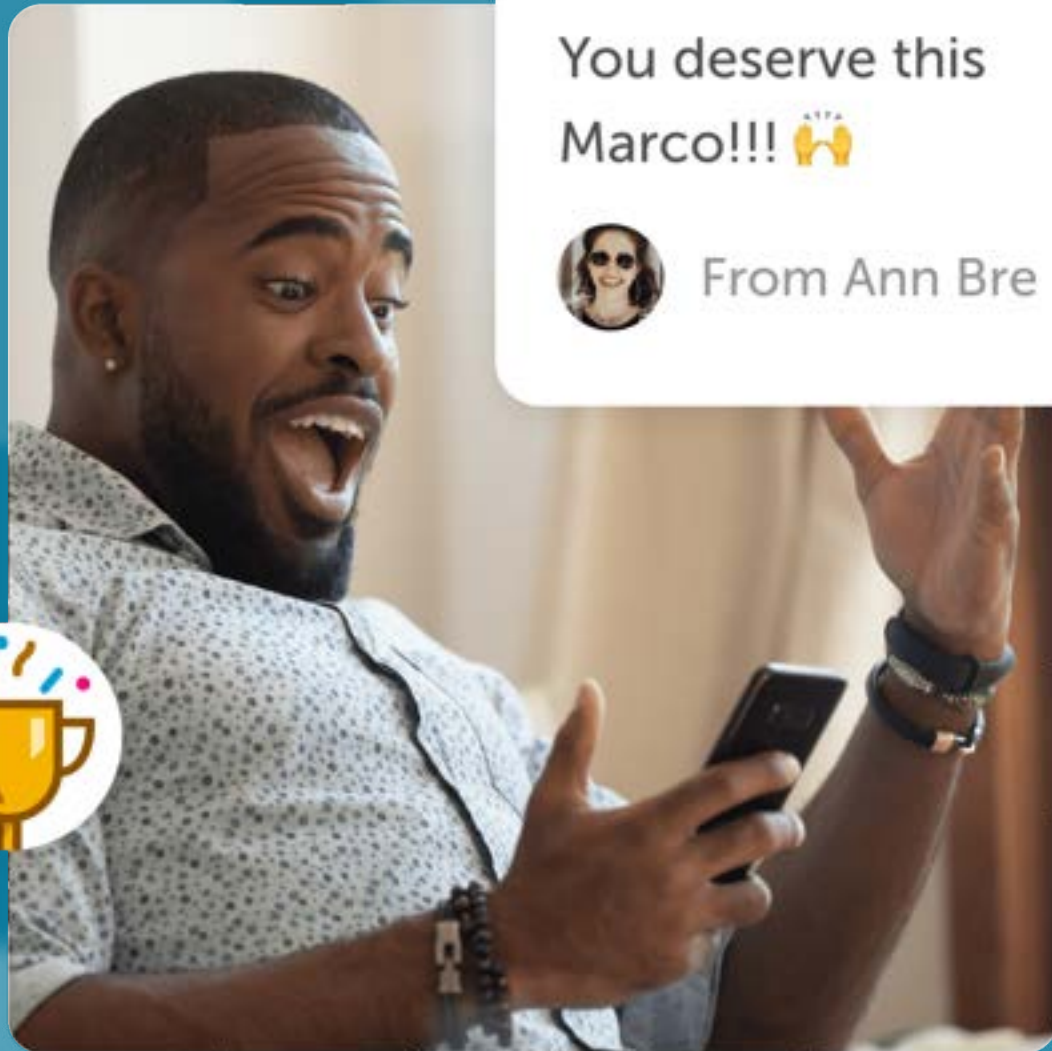
**But, the primary value-driver amongst users and administrators is a simple desire to spread employee happiness.**




# 92%

believe that **expressing gratitude towards others** in a Kudoboard makes them feel happier at work.<sup>6</sup>





You deserve this  
Marco!!! 🏆

 From Ann Bre

# 91%

think that **receiving gratitude and appreciation** in a Kudoboard makes them feel happier at work.<sup>6</sup>



# Authenticity Wins.

Between printed cards, Slack messages, and platforms like Kudoboard, employees often have multiple ways to express appreciation towards others. But, in order for a program to be successful, recognition has to be done properly. It needs to be authentic.

**“Appreciation should be felt, not just received.”**

While the printed group greeting card was once the platform of choice, times have changed. Many employees find that the sharing appreciation digitally allows for more personalized and sincere expressions.

**77% believe contributing to a Kudoboard feels more authentic and fun than a paper card.<sup>6</sup>**

With GIFs, videos, messages, and more, many also find them to be more genuine experiences than traditional methods due to their personalization options.

**85% would prefer a Kudoboard over a paper card passed around the office.<sup>6</sup>**



# Boosting happiness works

In 2023, employees became more connected and engaged by recognizing each other with Kudoboard.

95%

saw an **increase in team appreciation, engagement, and productivity.**<sup>6</sup>

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92%

saw **Kudoboard as a valuable tool at work.**<sup>6</sup>

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Many also found that appreciation boards had individual benefits for their remote or hybrid employees.

83%

found that Kudoboard **specifically improved employee morale.**<sup>6</sup>

92%

thought Kudoboard had an impact on **improving a sense of belonging and connection** between team members.<sup>6</sup>

# Evolving to a culture of gratitude

Great culture is great business. The data shows that when employees feel valued, their happiness and productivity levels improve as a result.

Although overall employee happiness in the U.S. declined in 2023, the appetite for authentic appreciation grew. Enterprises must evolve to meet the desire for employee recognition cultures and connection to teams.

Through appreciation platforms like Kudoboard, organizations can create authentic experiences that improve productivity, reduce regrettable attrition, and boost morale. By powering authentic experiences in a way that other methods of gratitude never could, companies can fuel a thriving workforce.

**Ready to invest in employee happiness?**

Visit [kudoboard.com](https://www.kudoboard.com)





# 2024 Predictions

**“Societal shifts will continue transforming the way we work, driving companies to evolve and invest in campaigns that improve employee happiness.”**

To do so, many enterprises will turn their focus to prioritizing employee wellbeing and supporting adaptive work arrangements. Top-tier talent will actively seek out organizations that value their happiness and encourage work-life balance, and companies will look to adopt the tech and flexible schedules that will attract and retain them.

But in-person work will continue to grow in various industries, fueling a demand for robust, positive in-office cultures. As employees transition back full-time, they'll require strong bonds with team members to stay happy. To increase workplace satisfaction, employers will look to provide in-person team members with more employee engagement opportunities that encourage collaboration and foster a sense of belonging.

Whether in-person, hybrid, or remote, organizations investing in appreciation campaigns will discover the “virality” of gratitude in the workplace. When given a platform and outlet, employees in positive cultures will start to take recognition, celebration, and events into their own hands—simply because they want to. Encouraging these internal trends will be key to unlocking productivity, increasing retention, and fueling robust, positive corporate cultures.

## About Kudoboard

Established in 2015, Kudoboard is a platform empowering employees worldwide to celebrate the moments that matter. Organizations use Elevate, by Kudoboard for employee milestones, shout outs, and everything in-between — bringing the transformative impact of gratitude and recognition to the workplace.

## About our data

We conducted our survey in May, 2023 with a sample size of 591 verified Kudoboard users working for Fortune 500 organizations. Responses were gathered through SurveyMonkey, and respondents were paid for their contributions. User responses were gathered by a third party with oversight from the Kudoboard product team.

# Sources

<sup>1</sup><https://www.gallup.com/401384/indicator-hybrid-work.aspx>

<sup>2</sup><https://www.bamboohr.com/resources/guides/employee-happiness-h1-2023>

<sup>3</sup><https://news.ibiweb.org/remote-and-hybrid-work-associated-with-higher-rates-of-anxiety-and-depression-according-to-integrated-benefits-institute-analysis>

<sup>4</sup><https://www.apa.org/pubs/reports/work-in-america/2023-workplace-health-well-being>

<sup>5</sup><https://www.shrm.org/resourcesandtools/hr-topics/talent-acquisition/pages/the-real-costs-of-recruitment.aspx>

<sup>6</sup>Kudoboard Survey May, 2023

<sup>7</sup><https://www.forbes.com/advisor/business/remote-work-statistics/>

<sup>8</sup>Kudoboard Workplace Experience User Research 2023



[www.kudoboard.com](http://www.kudoboard.com)