From Perks to Purpose: Why Employee Engagement Programs Must Evolve When Workers Are Hybrid, Mobile and Economically Stretched



For many years, employee engagement programs followed a familiar formula. Organizations invested in workplace perks designed to create a positive and energetic culture. Free lunches, social events, wellness initiatives, and recognition programs were expected to boost morale and reinforce a sense of community.

These initiatives were often effective in traditional office environments where employees spent most of their time working together in the same physical space. Informal conversations, shared experiences, and visible leadership presence reinforced those programs and helped create a strong sense of workplace identity.

However, the structure of work has changed significantly across Canada. Hybrid work arrangements have become common in many sectors. Employees face increasing financial pressure from housing costs and inflation. Career mobility has also increased, meaning employees often view employment relationships differently than previous generations did.

In this environment, engagement strategies built primarily around workplace perks are losing their impact. Employees are evaluating their workplaces through a different lens. They are asking whether their work is meaningful, whether leadership is transparent and fair, and whether their compensation and flexibility reflect the realities of their lives.

For HR leaders, this shift does not mean engagement programs should disappear. It means engagement strategies must evolve from symbolic perks toward deeper workplace foundations built on fairness, purpose, leadership quality, and flexibility.

The Workplace Has Become Distributed

Traditional engagement programs were designed for workplaces where employees were physically present most of the time. Social events, shared meals, and office celebrations were effective because they reinforced relationships built through daily

interaction.

Hybrid and remote work arrangements have disrupted that model.

According to Statistics Canada, a significant portion of Canadian workers now operate in remote or hybrid environments. Many employees who primarily work from home still commute periodically, creating a hybrid experience that blends remote work with occasional office presence.

This distributed structure changes how employees experience workplace culture. Programs designed around the office environment may unintentionally exclude employees who are not physically present. A catered lunch or team celebration may boost morale for employees in the office while leaving remote colleagues feeling disconnected.

Engagement strategies must therefore focus less on physical events and more on how teams communicate, collaborate, and maintain connection across different work locations.

When engagement is tied too closely to office presence, organizations risk creating uneven employee experiences.

Economic Pressures Are Reshaping Engagement

Another major factor affecting engagement is the financial pressure facing many employees.

Statistics Canada has reported that a growing portion of Canadian households are experiencing financial strain. Housing costs, transportation expenses, and everyday living costs have increased significantly in many regions.

When employees are financially stretched, the way they evaluate workplace benefits changes. Perks such as snacks, social events, or occasional gifts may still be appreciated, but they carry far less significance than issues such as pay fairness, career progression, and long-term financial stability.

Employees who are worried about housing affordability or commuting costs are unlikely to view symbolic perks as meaningful engagement initiatives.

This shift is particularly evident among younger workers. Deloitte’s research on Generation Z and millennial employees has shown that many workers now prioritize financial security, career development, and meaningful work over traditional workplace perks.

For HR leaders, this means engagement strategies must address the economic realities employees face.

Programs that focus only on workplace atmosphere may miss the deeper issues influencing employee commitment and retention.

Purpose and Meaning Are Central to Engagement

Employees increasingly want to understand how their work contributes to something meaningful.

This does not necessarily mean every organization must present itself as a social mission. However, employees want to see how their work affects customers, communities, or organizational success.

When employees understand how their role contributes to a broader purpose, they often feel more motivated and engaged.

Purpose also strengthens engagement during periods of change. Employees who understand the organization’s direction and priorities are more likely to remain committed even when challenges arise.

Leadership communication plays an important role here. When leaders explain why decisions are made and how organizational strategy evolves, employees feel included in the broader mission.

Without this context, engagement programs can appear superficial.

Leadership Behaviour Matters More Than Programs

Research consistently shows that employee engagement is shaped primarily by leadership behaviour rather than HR programs.

Employees experience the workplace through their direct managers. Supervisors influence workload expectations, communication practices, performance feedback, and opportunities for development.

A manager who communicates clearly, recognizes contributions, and supports employee growth can create a highly engaged team even without elaborate engagement programs.

Conversely, a team led by an unsupportive or inconsistent manager may experience disengagement despite well-designed programs.

This is why leadership development is increasingly central to engagement strategy.

Organizations that invest in manager capability often see stronger engagement because employees experience supportive leadership in their daily work.

Legal Developments Are Changing the Engagement Conversation

The evolution of engagement strategies is also influenced by legal developments across Canada.

One important change involves pay transparency.

British Columbia’s Pay Transparency Act now requires employers to include wage or salary ranges in publicly advertised job postings. The legislation also requires employers of increasing size to publish pay transparency reports over time.

Ontario has introduced similar requirements related to publicly advertised job postings under amendments to the Employment Standards Act.

These laws reflect growing expectations around fairness and transparency in compensation practices. When employees face financial pressure, transparency about pay structures becomes an important component of workplace trust.

Engagement strategies that ignore compensation fairness while focusing on symbolic perks may appear increasingly disconnected from employee concerns.

Another important legal consideration involves remote work and accommodation.

Canadian human rights law requires employers to accommodate employees based on protected grounds such as disability to the point of undue hardship. In some

situations, remote work arrangements may form part of an accommodation strategy.

Organizations designing hybrid or return-to-office policies must therefore ensure those policies do not inadvertently conflict with accommodation obligations.

Finally, workplace monitoring has become an emerging issue.

Ontario now requires employers with 25 or more employees to maintain written policies describing whether and how electronic monitoring occurs in the workplace. Although these policies do not prohibit monitoring, they reinforce the importance of transparency.

Employees who believe they are being heavily monitored may interpret those practices as a lack of trust, which can undermine engagement.

Case Studies: Organizations Redesigning Engagement

Some organizations have already begun redesigning engagement strategies to reflect these new realities.

Atlassian, the Australian technology company behind collaboration platforms such as Jira and Trello, introduced a “Team Anywhere” model that allows employees to work from a wide range of locations. Rather than attempting to recreate office culture virtually, the company redesigned how teams collaborate. Structured communication practices, intentional meeting design, and clear expectations about asynchronous work became central elements of its engagement strategy.

Microsoft has also emphasized redesigning the employee experience rather than simply restoring pre-pandemic office culture. Internal discussions about the future of work have focused on flexibility, leadership communication, and digital collaboration rather than traditional workplace perks.

In Canada, some organizations have moved in the opposite direction by strengthening return-to-office requirements. Several major banks have expanded expectations for in-office work, arguing that collaboration and mentorship benefit from physical presence.

These examples illustrate an important point. There is no single engagement model that works for every organization.

However, successful organizations are approaching engagement as a strategic workplace design challenge rather than relying solely on symbolic programs.

A New Engagement Model for 2026

HR leaders seeking to redesign engagement strategies may find it useful to focus on several foundational principles.

Fairness before perks.

Employees evaluate engagement initiatives through the lens of fairness. Transparent pay structures, reasonable workloads, and consistent policies create the foundation for trust. Without these elements, perks often appear cosmetic.

Flexibility with clear expectations.

Hybrid work arrangements can strengthen engagement when expectations are clear. Employees need to understand when physical presence is required, how collaboration

will occur, and how remote employees will remain included.

Purpose connected to daily work.

Purpose becomes meaningful when employees understand how their work contributes to organizational goals. Leadership communication that connects daily tasks to broader outcomes strengthens engagement.

Manager-driven engagement.

Employees experience engagement through their supervisors. Investing in leadership development helps ensure that managers can support their teams effectively.

Financial wellbeing as an engagement factor.

In an environment of economic pressure, engagement strategies must address financial realities. Compensation transparency, development opportunities, and career mobility often have greater impact than symbolic perks.

Inclusive engagement across work modes.

Hybrid and remote employees should have equal access to development opportunities, recognition, and visibility. Engagement strategies must consider how distributed teams experience workplace culture.

Trust and transparency.

Policies around monitoring, data use, and workplace expectations must be communicated clearly. Employees who trust leadership decisions are more likely to remain engaged.

Engagement Must Reflect Workplace Reality

The shift from perks to purpose reflects a broader change in how employees evaluate work.

Workers today are navigating hybrid work structures, financial pressures, and evolving career expectations. Engagement strategies that fail to acknowledge these realities may struggle to resonate.

This does not mean workplace perks are irrelevant. Social events, recognition programs, and wellness initiatives can still contribute to a positive workplace environment.

However, they are no longer the foundation of engagement.

Employees want workplaces where leadership is trustworthy, compensation is fair, development opportunities are visible, and work contributes to something meaningful.

Organizations that design engagement strategies around these deeper foundations are far more likely to build lasting commitment.

For HR leaders, the challenge moving forward is not simply creating new engagement programs.

It is designing workplaces where engagement can naturally thrive.