Employee Experience: Reimagined

The Five Questions that will Shape Your Future Workspace Strategy

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INTRODUCTION

The employee experience has never been a more critical subject for business leaders.

For many organisations, their recent journeys through widespread remote working have forced them to reset the way that they think about ensuring their workforce feels engaged and productive, and to make these ways of working sustainable from a wellbeing and balanced life perspective.

The world of work has been turned on its head, and businesses need a fresh approach to ensuring that their colleagues have the environment, tools and support they need to be at their best. The way that this was delivered in the past is no longer effective. A recent survey by Qualtrics found that more than half of traditionally office-based professionals said it was more stressful to work from home, while more than a third admitted that they were not clear about what was expected of them as their workstyle was transformed overnight.

The employee experience is shaped by more factors than ever before. Salary and working hours remain major pull factors, but the culture, physical environment and workplace technology have become areas of huge importance. And with many organizations planning to keep remote working as standard practice, many professionals are looking for a renewed sense of community and purpose to feel truly engaged with their employer.

Understanding the employee experience is not something that can be taken with an annual survey. It is something that needs to be tracked, measured and acted upon from the point at which a new recruit is onboarded to the moment they leave the organization and beyond. It needs to be adapted in real-time to reflect the way that our behaviour changes over the course of a working days – particularly as the lines between our professional and personal lives become ever more blurred.

In the coming years, organizations will once again find themselves in a battle for talent, as they look to attract and retain the very best available skills from what has become a much wider, international field in the world of remote working. And for many, this will mean the creation of brand new roles as they transform their operations to harness the power of emerging technology. The vast majority of companies do not have a dedicated team of artificial intelligence, public cloud development, 5G or blockchain specialists in their ranks today, but they will have to develop the positions, career paths and environment in which they can flourish.

In this *White Paper,* we explore the five key questions facing organizations as they look to create a world-class employee experience that can support the future needs of their workforce.

Q. How will Working Styles Evolve?

Flexibility will be key to unlocking the potential of the future workforce.

The recent experience of many businesses that are not dependent on location-specific working, has shown that their employees can remain productive at a time when they have often had to juggle their workload around domestic or other commitments. More than three quarters of CEOs believe that the shift towards remote working will endure, according to a recent global study from PwC.

The number of companies that are shifting to a more flexible working policy grows ever longer, and includes brands as diverse as Uber, Spotify and Fujitsu, which has encouraged its 80,000 employees in Japan to work primarily remotely, while reducing its office footprint by 50%. Facebook expects half of its workforce to perform their jobs from outside its office network over the next five to ten years, and PAC/teknowlgy believes that we will see a similar ratio of hybrid working in sectors including financial, professional and business services.

It is not just in terms of location where businesses will rethink traditional approaches. The move away from the traditional nine-to-five working days has progressed more quickly in some regions that others. But the recent jolt to daily routines will force more employers to allow their staff to adopt more changeable hours so they can work when they feel at their most motivated, and spend time on other commercial or lifestyle pursuits, to give them the balance that makes them happiest.

Microsoft Japan has experimented with a four-day working week which it found not only increased productivity, but also boosted employee satisfaction and reduced energy consumption in its office estate. Within the next five years, PAC expects that the majority of businesses will not only be offering more flexible working hours, but will take a more outcome-focused approach, where the performance of colleagues is not judged on the hours that they work, but the results they deliver.

Next Steps to Consider: In order to create a lasting strategy that builds on recent experiments with remote working will require a significant overhaul of current policies. This is not something that HR leaders should perform alone, and should be developed in partnership with stakeholders from across the business, including IT and compliance. Remote working also requires a change in leadership styles and approaches with more emphasis needed on keeping people connected.

Factors such as security, working hours and - of equal importance – health and wellbeing – need to be considered and adapted to remain relevant for hybrid working models. One critical step is to review the roles that you have in place today and re-think the way that they are assessed based on productivity and successful delivery or value creation, rather than the number of hours worked. This will encourage the right sort of behaviour and provide employees with a clear sense of purpose at a time when many are feeling disconnected from the business.

> "*In the space of a few months, we have made 20 years of progress in attitudes towards flexible working.*"
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> **Emma Holden, Global Head of Human Resources, Schroders**

Q. What is the Future of the Office?

The rise of remote working does not signal the end of the office. However, the traditional environment as we know it will undergo huge changes in the coming years in order to adapt to changing workstyles and support increasingly pressing staff welfare and carbon efficiency targets.

Employee safety is at the top of boardroom priorities today, and we will continue to see workspaces reconfigured to ensure spacing and more flexible capacity management, while providing workers with a secure, non-intrusive experience. Technology has a major role to play, and the use of sensor-based systems will provide a safe, contactless passage throughout the workspace, and check temperature data from employees on entry. Algorithms will plan optimal routes for sanitation robots, which can use ultraviolet (UV-C) lights to irradiate bacteria.

Three quarters of financial services companies are reviewing their office space requirements, with many seeking to redefine their use. This shift will have a huge impact on the appearance of our commercial city skylines, and mean that the design and layout of office spaces in the worker's own properties will take on greater importance in the planning process. We will also see a surge in interest in home-working pods, both internal and external, which some employers will offer to colleagues as a joining incentive.

The rise of co-working spaces has been disrupted by the widespread shift to home-working, but it will rebound in a slightly different form. In addition to the co-working hubs based in traditional commercial centres, we will see more emerge in residential suburban areas where professionals will look for a more dynamic collaborative workspace that is closer to home that will also enable them to get involved in local community projects.

The other major factor that will reshape the office environment in coming years is the drive to support new Net Zero carbon targets. Office buildings will increasingly be connected to local grids, taking their power from solar arrays and using excess energy to charge their employees' electric vehicles or to sell back into the grid. We have already seen how smart building management systems can adapt heating and lighting to occupancy, and increasingly, these systems will be geared to the needs of the individual rather than the space, connecting with personal wearable devices to adapt to their specific needs to enhance comfort and productivity.

Next steps to consider. Hybrid working is here to stay and business leaders must reassess their current office footprint to support the future direction of the business. Existing facilities need to be reimagined and redesigned to enhance collaboration with a fluid experience between those both in and out of the office. Businesses have barely scratched the surface in terms of their use of smart building technology. But when creating the policies and data strategies for the next phase, they must strike a balance between the experience and productivity of their employers as well as the potential for energy efficiency.

"The notion of putting 7,000 people in a building may be a thing of the past."

Jes Staley, CEO, Barclays

Q. How Will We Protect the Wellbeing of Our People?

Many business have made strong progress in addressing employee wellness in their workforce strategies. However, there is a new opportunity to reimagine how work gets done using innovation to make it sustainable and to drive development of fairer and healthier habits for society at large.

A future built around extensive hybrid working will pose some new challenges, some of which have been exposed in recent months. According to the National Bureau of Economic Research, the average working day expanded by 48.5 minutes when people began working from home as a result of the pandemic, while the number of meetings increased by 13%.

This extra workload has contributed to a strain on mental health, with a study by LinkedIn, in partnership with the Mental Health Foundation finding that 56% of professionals felt more stressed and anxious since they started homeworking. It is not just increased stress that is a potential issue. An international workforce study by Qualtrics found that when asked what was the hardest part of working from home, the biggest reason, with 25% of responses, was feelings of social isolation.

Health and wellness has a huge impact on productivity, but should also reflect our society's core beliefs and values. The International Social Security Association (ISSA) in Geneva found that every €1 invested in occupational health generates a return of €2.20. More organizations will report on the wellbeing of their workforce in a similar way to how CSR strategies have evolved as common practice.

Technology can also help us plan our time better using AI to ensure we are not in back to back meetings, putting aside time for us to think and be creative automatically detect when we are most creative and scheduling focus time for those times. And AI and automation can take care of routine time consuming tasks, organising meetings for us by acting as our personal intelligent digital assistants.

In the absence of water cooler conversations, professionals have missed the kind of social interaction that is difficult to replicate in online meetings. Businesses will increasingly encourage more open communication through social platforms to create communities of individuals with shared interests. Fujitsu is currently running a program where its 5,800 global delivery employees can join virtual "tribes" to develop initiatives around the UN's Sustainable Development Goals.

Next Steps to Consider: Employee wellness is increasingly critical to productivity and retention, and to enhancing your company's brand in the market for talent. It deserves to be treated as a board-level priority, and the business needs to develop an actionable strategy that monitors and reports on levels of health and wellness based on dynamic feedback processes. We will see the role of Chief Wellness Officer become commonplace across businesses in all sectors, with responsibility for managing the link between employee wellbeing and business performance.

"It is important to normalize mental health in the workplace and take care of it very much like we would our physical health."

Jen Fisher, Chief Wellbeing Officer, Deloitte

Q. How Will People Engage and Collaborate?

The ability of many businesses to keep their employees connected during the sudden shift to remote working was nothing short of miraculous.

But while these solutions have served as short-term fixes, business leaders now need to plan a new strategy for enabling truly effective collaboration and communication in the new world of hybrid working. How do we ensure people remain connected and able to be creative at pace?

Many of today's collaboration tools serve as means for mobile workers to stay connected and keep performing business-as-usual tasks remotely. They were not designed to replace the type of often spontaneous collaboration that takes place in a physical office environment, and is vital to enabling people-led co-creation.

Video conferencing fatigue is already widespread as employees move from one call to the next while managing e-mails, texts and chats. Virtual collaboration sessions will be made more engaging through multi-sensory elements, including sound and impactful visuals which will bring ideas to life. Business will also use virtual and augmented reality platforms to help teams visualize concepts during the design process, and to provide a sense of being in the same space as their colleagues. They can also create more immersive sessions for employee training exercises, where they can practice tasks in a way that mirrors a real-life experience.

The physical meeting room will be redesigned in order to connect to virtual sessions and with team members meeting in the same place less frequently, provide a setting for a more engaging and compelling interaction. Visual collaboration tools will be key, enabling teams to work asynchronously while having real-time access to what their team are working on so they can adjust and respond accordingly.

Intelligent automation will increasingly shoulder the administrative burden in the collaborative journey. AI will help to automatically identify and provide the details of participants on virtual sessions. Digital assistants will automatically transcribe and translate what individuals say in a meeting and share notes across the team.

Next Steps to Consider: As a first step, businesses need to ensure seamless and secure integration between the multiple communication platforms that have become essential to hybrid working. In order to tackle the limitations of domestic networking technology, organizations should explore the use of visual collaboration tools, asynchronous ways of working and how they can harness the power of edge computing and SD-WAN approaches to provide employees with access to the data and systems that they need at their fingertips.

Physical meeting rooms need to be smoothly connected to the outside world, and should leverage cloud-enabled platforms that enable participants to share content from their personal or work devices. And policies need to be developed around how virtual assistants can support sensitive stages of the collaboration process without compromising corporate data compliance or security requirements. Future collaboration tools need to be grounded in the user experience.

"By 2025, VR/XR collaboration will be the new standard in working life."

Timo Toikkanen, CEO, Varjo

Q. What Will be the Relationship Between People and Technology?

Professionals have never been more on dependent on technology to perform their work and to connect with their colleagues.

However, the next five years will see a period of unprecedented change with virtual agents freeing up professionals from many of the more mundane aspects of their work. This ranges from low-level administration tasks such as schedule and timesheet management through to critical but repetitive aspects such as contract development in the legal and financial services sector. Several major corporations are pushing ahead with ambitious plans to make robots a ubiquitous presence across the workplace. Ericsson is aiming to automate all the repetitive tasks by allocating a personal robot to support each one of its 90,000-strong workforce.

While the rise of the robots is often perceived as a threat to employment levels, many workers believe that it will significantly improve their experience. A *PAC* study found that more than 80% of professionals believe that AI, in forms such as digital virtual assistants will have positive impact in their daily working lives. One of the legacies of the pandemic will be a change in attitude towards technology, which is increasingly perceived by professionals as something that should embraced as it can enable them to be more productive and to live a better life.

Many businesses are at a critical juncture in their IT strategies as they look to move on from the monolithic back office systems that have sustained them for decades. This presents a major opportunity for them to deliver the kind of consumer-like experience that employees have long demanded, providing them with interfaces that are designed around their needs. Systems will be developed with the requirements of a scalable, distributed workforce in mind, and will increasingly be cloud-based. More than 50% of all software investment will be on Software-as-a-Service solutions within five years, compared to a level of 30% today.

With technology playing an increasingly critical role in enhancing the employee experience, so will the effectiveness of the IT support function. Professionals already have high expectations of the performance of their workplace technology based on their consumer experience, and want assistance at the fingertips. While AI will help traditional service management platforms to proactively identify and address issues before they occur, virtual assistants or chatbots will help to guide employees to online resources or support agents to help with any problems.

Next Steps to Consider: IT leaders need to first understand where the new bottlenecks and pain points are occurring following the shift to remote working. Some issues may be clearly identified by performance dashboards, but others can only be grasped through understanding the new reality of the employee experience. It is vital that the future corporate IT landscape – including aspects such as intelligent automation – are designed around employee behaviour. Ericsson is using "citizen developers' in its automation journey, training non-developers to pinpoint which processes that would truly benefit from the support of robots.

"AI is the key technology in the process of digital transformation. But for us, the focus remains on people."

Michael Würtenberger, Head of "Project AI," BMW

CONCLUSIONS

A workplace revolution is in progress, giving business leaders an unprecedented opportunity to reimagine the way they work.

Now is the time to craft a new strategy that puts the employee experience at its centre. A radical re-think is required in how we put the changing needs of the employee first, in terms of roles, workstyles, technology and culture.

The lasting shift towards remote working models presents businesses with many clear cost advantages with the potential to dramatically cut back the office footprint. But for others, there is cause for concern as to how this trend will impact their productivity, and their ability to attract, retain and harness the best talent.

Our guidance would be to embrace this change and to adapt your mindset to one that is based fully around the empowerment of your employees. Firstly, understand the workstyles and roles that they want in the hybrid working world, and build the right frameworks around them in terms of how they are incentivized and how performance is measured. Value creation rather than timesheet efficiency should be how we view their contribution going forwards.

There has never been a greater risk of employees become detatched from the organization. Be clear on the values and culture that your business stands for, and develop the platforms and communities that give the workforce the opportunity to connect with their colleagues, and pursue the areas and interests they are passionate about, This will drive a lasting investment in the brand.

There will be no return to the old ways of working, and the systems and processes that are in place today were simply not designed to enable productivity, collaboration and engagement across a hybrid working environment. Employees must have access to the data, applications and services they need at their fingertips regardless of location, and the workplace technology strategy should be built around a flexible, cloud-based, user-centric approach.

Now is the time to lay the foundations to ensure that your organization can truly deliver a data-driven experience to the workforce that adapts to their ever-changing needs and provides them with the tools they need to be their very best.

Business leaders should build on today's accelerated pace of change to create an environment where employees feel happy, engaged and productive. People need to feel that what they are doing has a purpose and that they are achieving fulfilment in both their working and personal lives. Sacrificing one for the other is no longer viable, and those organizations that can successfully provide the right balance will be the long-term winners in harnessing the next generation of talent.

"*Digital technology has the power to significantly change the way people live and work.*"

**Takahito Tokita,
CEO & CDXO,
Fujitsu Ltd**