

How Employee Experience Has Changed for 2021

by Jason Lauritsen

limeade



About Jason Lauritsen

Jason Lauritsen is a keynote speaker, author, and leadership trainer who will challenge you to think differently. He is an employee engagement and performance management expert who passionately believes that work can and should be a fulfilling experience for every employee.

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Jason uses a blend of research, practical experience, and storytelling to empower managers to have a more positive impact on their people.

As both a former corporate executive and entrepreneur, Jason has always been dedicated to creating organizations that are good for both people and profits.

Jason also led the research team for Quantum Workplace's Best Places to Work program for three years. There, he studied the employee experience at thousands of companies to understand what the best workplaces in the world do differently than the rest to engage their employees.

Jason is the author of two books, Unlocking High Performance: How to use performance management to engage and empower employees to reach their full potential and Social Gravity: Harnessing the Natural Laws of Relationships.

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We've seen disruption of the workplace before. The internet, mobile computing and a long list of other technological innovations dramatically changed how work happens within our organizations.

But the disruptions of 2020 were something wholly different. Unlike the past, where disruptions overtook us like a slow summer thunderstorm, these caught us off guard.

The 2020 disruptions felt more like an earthquake, arriving without warning and shaking everything around us. We were surprised, unprepared and left completely unsettled. And while an earthquake only lasts for a short time, these disruptions have continued to jar us for nearly a year.

In every disruption, arising from the chaos and pain are opportunities—if you're willing to look for them. Like the aftermath of an earthquake, those built upon a solid foundation emerged intact, but the poorly constructed collapsed, leaving space to build something better and more resilient in their place.

We also learn a lot about ourselves and those around us in times of disruption. True leadership reveals itself in times of crisis, and its absence is felt acutely. We discover that the people around us, whether neighbors or coworkers, are more kind, resilient and determined than we expected.

The experience of disruption like this changes not only the world around us, but it also changes us. There's no going back, no returning to normal.

There's only what comes next. And that's yet to be decided.

Work has never in history been disrupted on this scale so quickly. If you're up for it, there's a tremendous opportunity at hand.

Today, we find ourselves standing at a crossroads. We have the unique opportunity to look back and analyze what happened in 2020—what stood through the crisis, what fell, and what was left damaged and in need of repair.

And we can see there are two paths before us.

One path, which I suspect will be well-traveled, is the "back to normal" path. Those who choose this route will attempt to rebuild what was, get people back to the office quickly and make things as close to what they were before as possible.

This is the path chosen by fear of the unknown and a craving for nostalgic comfort.

The other path leads to the future. A place where how, where, when and why work happens is changed. It's a place where 2020 will be remembered as the turning point that replaced outdated ways of managing people with a more human approach that catapulted organizational results.

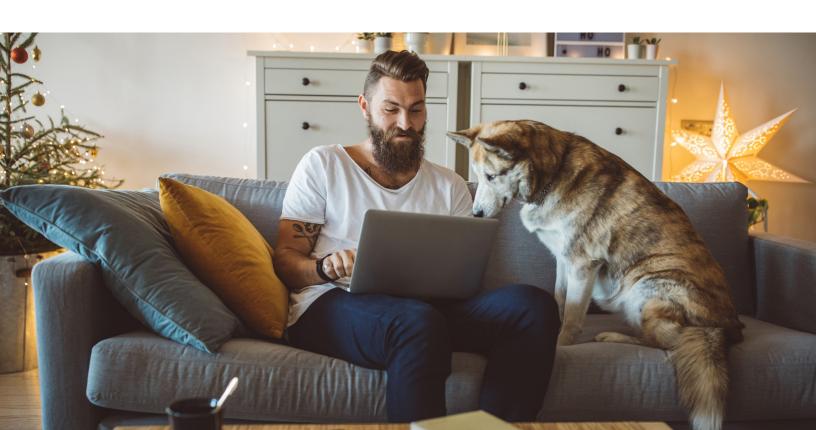
Fewer people will choose this path as it will undoubtedly be more challenging. Those who chose this path will do so out of deep care for both their employees and customers.

And because they recognize that this new way of working is what we should have been doing all along.

In the following pages, my goal is to equip you for choosing the path to the future. First, we'll look at the six major disruptions of 2020 that will shape how you should approach employee experience in 2021 and beyond. We'll paint a clearer picture of what happened last year and what it all means going forward.

Then, we'll explore the areas you should focus your energy and resources in 2021 to create a future for your organization built upon learning from the past and emerging stronger and more agile for the future.

By the time you finish reading, I hope you'll be resolute in your commitment to abandon any thoughts of "returning to normal," and instead begin immediately reinventing work within your organization.



The Six Disruptions of 2020 that Changed Employee Experience Forever

In a year defined by disruptions, some stand out and will have a lasting impact on the world of work as we know it. Here I present to you the six that I believe are most important to understand if you are to seize the opportunity in this moment.



The impossible became possible.

At the beginning of 2020, most organizations were dealing with an increasing tension created by employees' growing desire for greater flexibility in how they work. The requests revolved primarily around having more options regarding when and where they work.

In particular, employees' desire to work a day or two a week "remotely" from home or a coffee shop was becoming both more common and, in some cases, contentious. Some organizations seized upon this desire by using flexibility and remote work to attract talent. Others dug in their heels and refused even to consider it.

But then the pandemic struck.

A colleague recently shared a story with me of a client who is a substantial employer in the financial services industry. The executive team for this organization was considering a study of the feasibility of remote work for their employees days before the U.S. shut down in the spring of 2020. In their discussion, they concluded that it was "impossible" at their organization.

However, out of necessity, within two weeks of that discussion, they enabled nearly their entire workforce to work remotely and securely from their homes. The impossible became possible. A <u>recent survey</u> of corporate executives conducted by McKinsey & Company reveals that organizations' pace of acting on and implementing technology solutions has increased dramatically during the pandemic. In the case of enabling remote work, the respondents estimated that their organizations moved 40 times faster than they believed was possible pre-pandemic. "Before then, respondents say it would have taken more than a year to implement the level of remote working that took place during the crisis. In actuality, it took an average of 11 days to implement a workable solution."

As of early November 2020, the U.S. Census Bureau estimates that 37% of employees are working remotely. In major cities, that number is closer to 50% or higher, depending on each of the major employment sectors. Whatever you want to call it, the feasibility of remote, virtual or teleworking feasibility is no longer in question. It's not only possible—it's been shown that it can work even under formidable circumstances.

Organizations and leaders discovered that their capacity for change and innovation far exceeds what they thought feasible. And as a result, employees will no longer accept the response, "that's not possible here" in terms of work flexibility.

This genie cannot be put back in the bottle. Now that we've seen what's possible, there's no turning back—which brings us to the next disruption.

Executives were confronted with the reality that our traditional model of work is broken.

The biggest reason remote work was believed impossible was rooted in long-held beliefs about work and management. And, frankly, some pretty bleak assumptions about people's capacity to work in an unsupervised environment. If I had a dollar for every time I heard an executive speculate that people would watch Netflix all day or do laundry instead of being productive if allowed to work from home...

Most of the obstacles to allowing remote work were based on assumptions. Last year forced us into a grand experiment to test the efficacy of work from home (WFH). And this wasn't just a test of WFH, but a stress test in which not only are you working in your home, you may be doing it while overseeing school from home, sharing workspace with a spouse, contending with effects of forced isolation and so much more.

While there's still much to be learned about how to enable remote work more efficiently, particularly in a non-pandemic environment, one thing is for sure: People are far more capable of working effectively outside the workplace than anyone expected.

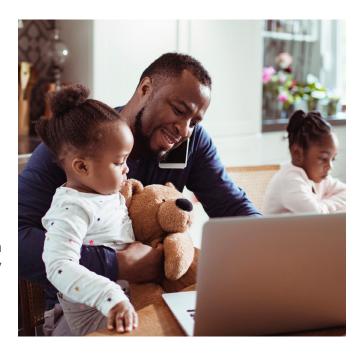
Some early studies have revealed counterintuitive findings that challenge assumptions about the challenges of working from home. For example, one survey conducted in the second quarter of 2020 found that when employees work alone at home, which they reported is about 57% of their time, they're significantly more productive than when working from the office—75% compared to only 63%.

What's more, they reported that they experience 78 minutes of interruptions per day when working in the office compared to only 43 minutes at home.

This isn't to suggest that remote working is a utopia. Depending on which data you review and when it was captured, the conclusions about the efficacy of WFH are mixed. We need to remember that this is all happening under unique and complex circumstances where options are limited.

What's important is that executives who once felt there was only one right way to facilitate work have had their eyes opened and realized that opportunity exists to innovate. According to the 2021 Deloitte Human Capital Trends survey, "executives are shifting their focus away from work optimization and redesign toward work reimagination, with 61% saying that they would focus on reimagining work going forward as opposed to 29% before the pandemic."

When executives are talking about "reimagining work," it's time for action. The time is now to abandon best-practice thinking and instead use this opportunity to rethink everything about how work happens within your organization.



Our sense of safety was lost.

Unless you worked for an organization where physical safety measures were part of the job, most employees and leaders rarely gave safety at work a thought before the pandemic. That's not to say there shouldn't have been more focus on safety, but rather that most people took for granted that they generally felt safe at work.

COVID-19 changed all that seemingly overnight.

Suddenly, groups of people in shared spaces represented danger. So many places where we assumed safety, including our workplaces, now felt far less safe than before. When schools, offices and businesses were closed in the spring of 2020, our safety bubble burst.

And despite efforts on behalf of employers and government, the loss of safety is a lingering concern. As an example, **Edelman research** published in August 2020 shows that less than one-third of people deem public transportation safe. And, perhaps more importantly, only half of employees consider corporate offices safe.



Employers across all industries have been taking measures to make their workplace safer, but it doesn't seem to be enough. OSHA data shows that COVID-19 related workplace safety complaints rose 350% between April 20 and August 20, a trend that continually climbed throughout the year.

It seems that feelings of safety weren't only lost but may continue to decline.

A <u>PWC pulse survey</u> of employees and executives in November revealed that nearly half (48%) of employees surveyed either "strongly or somewhat agree that they are forced to sacrifice personal safety to remain employed." For essential workers, that number was predictably higher (52%). But, perhaps most surprisingly, 45% of remote workers expressed this same concern, likely in anticipation of being recalled to the office.

Reclaiming that safety is likely to be a long, slow process that's ultimately about trust. And the PWC data suggests that trust is lacking. "While 75% of CFOs agree their company can quickly identify anyone exposed to a colleague who is sick with COVID-19, only 32% of employees strongly agree. And just 33% of employees strongly agree that the modifications their company has made to the layout of their physical worksites make them feel safe working on-site."

The lack of safety and trust in senior leadership to restore it will be a driving factor in what the post-pandemic world of work looks like, particularly for those whose workforce transitioned to WFH. **Gallup data** from October 2020 shows that 35% of employees prefer to work from home, and another 30% favor it due to COVID-19-related safety concerns. **That's two-thirds of employees who have no interest in returning to the office**.



Employee experiences varied widely across and within organizations.

The disruptions of 2020 weren't evenly distributed—particularly for employees. While much of the discourse about work throughout the pandemic focused on those who transitioned to WFH, well over half of employees have had a wildly disrupted experience that has nothing to do with working remotely.

When considering safety issues, those working in healthcare, retail or hospitality face a completely different set of challenges and threats than those working from home or even in an office environment. In fact, according to a **McKinsey study**, the potential to work remotely is concentrated in a relatively small number of sectors. Based on their analysis, 61% of the workforce in the U.S. can work no more than a few hours a week remotely or not at all.

The McKinsey study shows that some employees have more access to flexibility and advantages than others regarding where, when and how they work. Where this line falls could easily contribute to real and perceived inequity if we aren't cognizant that different groups experience work very differently.

For example, McKinsey notes that the sectors where remote work is most feasible have a high percentage of employees with college degrees. U.S. Census Bureau data also shows that low-earning families had less work flexibility than higher earners. According to their data, 61% of households making over \$75,000 per year reported being able to substitute "teleworking" for some in-person work compared to only 21% for families earning less than \$75,000.

The bottom line is that we must remember that there's no singular employee experience of work within your organization. Particularly now, where work and life have intertwined like never before, an individual's job and life circumstances create unique needs and challenges. As we move forward, our efforts to support and create employee experience must be far more granular.

Writer <u>Damian Barr</u> powerfully articulated this challenge in a poem published earlier this year:

We are not all in the same boat. We are all in the same storm. Some are on super-yachts. Some have just the one oar.

These differences in experiences at the employee level have turned up the urgency in another area as well.

Equity and inclusion became urgent issues.

2020 was a perfect storm of exposing systemic racism, inequity, exclusion and more. Over the past decade, organizations had been slowly dipping their toes into the work of inclusion. Words were published on websites, and inclusion may even have been stated as a value. But the culture and systems never changed.

Then, on May 25, 2020, in the throws of the pandemic, George Floyd was killed by the police. His death sparked protests and an intensified national interest in addressing systemic racism. The magnitude of the reaction is on a scale like we've rarely seen in the past. While it may be tempting to assume that the intensified focus on racial justice issues may fade in time, some compelling data suggests that the younger generations in our workforce see this as a vital issue to address.

Even before May, members of Gen Z saw inclusion as vitally important. A <u>Monster.com</u> survey published pre-pandemic reported that 83% of Gen Z job candidates "indicated that an organization's commitment to diversity and inclusion is important when they're choosing an employer."

Then, data from market research firm YPulse done in June reinforced this generation's commitment when 55% of young consumers surveyed said they had participated in protests or awareness efforts for the Black Lives Matter movement. And 69% of millennials and Gen Z think brands should be involved in the Black Lives Matter movement.

There's an expectation of action that hasn't existed in the past. And addressing racial inequity and injustice is but one of the pressing problems at hand for organizations. The gender pay gap and the Me Too movement are uncovering present and unresolved issues that the pandemic may worsen.



Recent workforce survey data from PWC shows that a significantly larger percentage of women than men feel that an unmanageable workload is interfering with their ability to be productive. What's more concerning is that 70% of these same women feel "unable to ask for help managing work stress" compared to an average of 52% for all survey respondents.

Add to that this prediction from Gartner's head of HR Research, **Brian Kropp**:

"Men are more likely than women to return to work at the workplace. And those who return to the workplace are more likely to get higher raises and promotions than those who continue to work from home. The combination of these two factors will worsen the genderwage gap in 2021."

All of this is simultaneously a call for help and a call to action for employers. It's far past time to meaningfully address these and other issues to create an experience at work that's truly inclusive and equitable for all people.



A mental health crisis is building, and organizations seem dangerously overconfident.

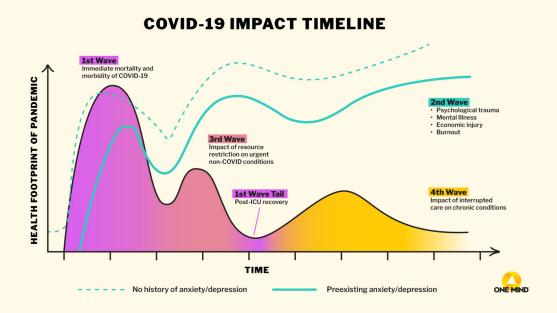
The final disruption is one that may have the most immediate and severe effects. While the pandemic's physical health impacts are easy to see, its effects on our mental health are much harder to quantify and recognize.

On the positive side, the pandemic has ushered in an era when mental health and mental illness are being discussed more frequently and openly than ever before.

Since one of the primary challenges in addressing mental health issues is overcoming the stigma associated with them, the increased awareness and discourse feels like a step in the right direction.

That said, given what many predict is coming in terms of mental health challenges, we'll need to take a lot more steps forward—and quickly.

Below is an image shared by the World Economic Forum that maps the long-term impacts we might expect from the pandemic. The disturbing thing is that as the physical impact of COVID-19 decreases, the mental health impact is just beginning.



Mental Health America is a community-based nonprofit dedicated to addressing the needs of those living with mental illness and promoting overall mental health. They offer free and anonymous mental health screens through their site. Some of the trends they report are sobering and another more tangible reminder of how serious this issue is becoming.

Here are a few stats from their report, The State of Mental Health in America:

From January to September 2020, 315,220 people took the anxiety screen, a 93% increase over 2019.

534,784 people took the depression screen in the same time frame, a 62% increase over 2019.

In September 2020, the rate of moderate to severe anxiety peaked, with more than 8 out of 10 people who took an anxiety screen scoring moderate to severe symptoms.

More than 8 in 10 people who took a depression screen have consistently scored moderate to severe depression symptoms since the beginning of the pandemic in March 2020.

More people are reporting frequent thoughts of suicide and self-harm than have ever been recorded in the MHA screening program since its launch in 2014.

People screening at risk for mental health conditions are struggling most with loneliness or isolation.

This is just a small sampling of the data suggesting the rise of mental health issues. Limeade's own data published last fall showed that 72% of employees surveyed were experiencing burnout compared to only 42% the year before.

It's a colossal problem. And while it appears there's awareness of this issue at the employer and executive level, we're likely underestimating the challenges it will present within our workforce and what it will take to navigate through it successfully.

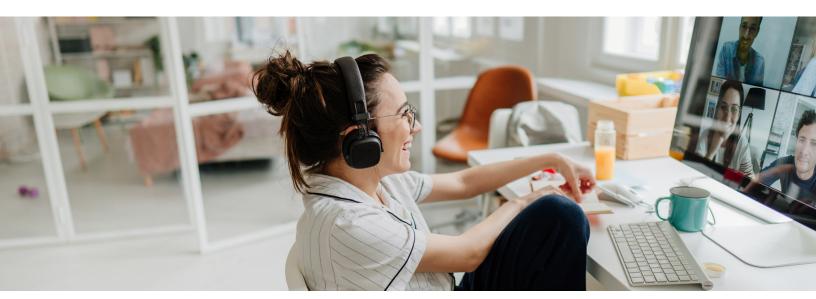
These challenges are illustrated in the PWC pulse survey data, where 84% of CFOs strongly or somewhat agree that their company has successfully addressed employee wellness. Contrast this with the fact that only 31% of employees strongly agree that their company has successfully addressed well-being, including mental health. That number is even lower for remote workers (27%).

This data should be a wake-up call for us all. Our journey to understand and support mental health has just begun. And unless we accelerate our learning and action now, the coming storm could have catastrophic impacts on our employees.

How to Approach Employee Experience in 2021

In disruption there's opportunity. As 2021 begins, our imperative is to ensure that the past year's pain and uncertainty can be turned into learning and growth. There has never been more fertile soil for innovation in the field of employee experience.

What follows are suggestions for focusing your time and energy to maximize your efforts in reimagining the future of work for your organization. It's time for big ideas and bold action.



Invest in mental health education, tools and resources for your managers and employees.

The mental health storm is coming (if it's not already here), so there's no time to waste. As the data shows, it's safe to assume you're both too overconfident and underprepared to respond to the mental health challenges your employees are facing.

But, it's not too late to dedicate your organization to this challenge.

There are many great resources, tools and partners to help you navigate this with your organization. Below are some great resources to find expert advice about how to proceed. Take action now.

Recommended resources:

- **Center for Workplace Mental Health**
- **Mental Health America**
- **National Alliance on Mental Illness**
- **Wellness Council of America**

Move your organization to action in addressing issues of equity and inclusion.

If 2020 made anything clear, it's that it's past time to make progress on issues of equity and systemic discrimination. We must move beyond merely talking about and making token gestures toward inclusion. It's time to take real action to make inclusion and equity part of how your organization works and makes decisions.

As a jumping-off point, engage your leadership team in a conversation and process to define what inclusion and equity mean for your organization. Create or co-opt some definitions and commit them to writing. Capture the reasons these things are important and how achieving them will impact your organization. Then, determine how you're going to measure your progress.

Next, take a good hard look in the mirror to take stock of your current state and identify your most significant gaps. This should involve digging into the employees' experience of work through surveys or focus groups.

Ask hard questions and prepare to hear uncomfortable answers. And you must follow these inquiries with visible actions and follow-up to honor the feedback.

Your look in the mirror should also include digging into your data. If you're committed to equitable pay, then it's vital you run the analyses to see where you have gaps to close. Chances are, you have a wealth of data available to you once you're ready to look at it.

Finally, if you're committed to making real progress, create accountability through transparency by publishing both your intentions and data. More companies are publishing their goals and progress related to diversity, inclusion and equity every year. For example, check out <u>Salesforce</u>, <u>Google</u> and <u>Twitter</u>.

Given the nature and intensity of these issues, it's natural to worry about getting it right. Tackling problems of this nature head-on is challenging. If you feel uncomfortable or uncertain about moving forward, reach out for help. Having an experienced consultant or advisor by your side as you navigate can be incredibly valuable.





Redefine productivity.

There are few words I've heard more frequently since March than "productivity." Most of the time, it's used to express concern about or interest in maintaining employee productivity in the face of all of the pandemic's challenges. And this is certainly a reasonable concern. After all, without performance, an organization ceases to exist.

While the intentions of many who worry about it may be noble, productivity is one of those problematic concepts with its roots in the industrial era. In the age of industrial production, productivity was about maximizing each employee's output as if they were a piece of machinery. As the means of production, the goal was to squeeze the most possible from each employee, even if it meant the use of coercion, fear or any other means.

Today, the word "productivity" still invokes the notion that employees are a means of production that must be maximized for optimal returns. Thinking of productivity in this way leads to micro-management, employee surveillance and a general dehumanization of work. Working in an environment that views productivity like this is disengaging at best and soul-crushing at worst.

We need a new definition of productivity.

Stop for a moment and think back on a recent day that felt productive. What is it about that day that makes you think of it as productive? What happened that day that led to your productivity?

For me, the formula is pretty simple. A productive day is one where I'm able to accomplish everything that needs to be done that day, do it well and do it in less time than I expected.

I'm guessing your experience is similar. Being productive at the individual level is about maximizing our time and talents to effectively and efficiently get done the work that matters. When that happens, we feel great. We feel accomplished. It's energizing.

We should focus on helping our employees experience that kind of productivity. Not only is it focused on getting work done, but it also helps the employee better use their time and feel more engaged.

The work of supporting modern productivity boils down to two things: First, each employee must be crystal clear on what's expected of them and what success looks like. Second, you need to understand what they need to work at their best and either help them find it or get it for them. Then, get out of the way and let them do the work.

Teach and give managers permission to be human.

One of the great ironies of human resources is that we've trained managers to be less human. HR told managers never to become friends with the people they manage because it will complicate how they feel about doing the cold, hard work of management.

HR scared managers out of talking with their employees about anything of substance that isn't "work related." Don't ask too many questions, particularly personal questions, because we don't want to invite all of that drama into work. Stick to the safe topics.

The entire policy manual is full of weirdly inhumane mandates where we assume people will behave as ill-intentioned children (e.g., bring me a note to prove you went to the doctor). The poor managers are left to enforce these rules like some sort of deputized posse members. And we wonder why our frontline managers with limited training are struggling to "engage" their people.

Having spent a decade as a corporate HR executive, I know that all of this was wellintentioned to manage risk for the organization. But we went too far. Now more than ever, when life and work are so intertwined. managers need to adopt a more human and relationship-based approach to management.

There are many ways to create and shape employee experience within the organization, but few are more powerful than manager behavior.

When an employee has a great relationship with their manager, they're more likely to feel like they have a great work experience overall. Our mandate moving forward is to teach managers how to form healthier, richer relationships with their people.

This requires rethinking the skills we train and develop in managers. New managers need to be equipped with the skills and mindsets needed to develop relationships, including listening, appreciation, care, vulnerability, commitment, accountability and compassion.

It's also important to give managers permission to be human. Traditional management training often focuses as much on what managers should avoid as it does what they should do. It leaves managers afraid and playing defense, keeping people at arm's length to be safe. We need to give managers permission to invest in relationships with people and err on the side of doing what's right for the person over doing what's least like to create any risk.





Use employee-centered design to create different experiences for different employees.

As the past year has revealed, who we are and our circumstances can dramatically alter how we experience things, work included. It's like Barr's poem reminds us—we might be in the same storm, but we're in different boats. This is a reminder that to enable employees to be most productive (new definition), we need to take a more nuanced approach to how we think about employee experience.

One helpful tool for doing this successfully is the design process. When we design, we have clarity about what we're trying to accomplish, who it's for and what they need. Design process is used widely in various fields and disciplines, but it's less common when it comes to designing workplace or HR processes.

In my book, **Unlocking High Performance**, I dedicate a few chapters to applying the design process to employee experience. I'll share the short version with you here to get you started.

The design process I find easiest to understand and apply is called the <u>Double Diamond process</u>. The process has essentially four steps to follow when you're trying to design something:

- **1. Discover -** The first step is to gain a true understanding of the problem you're trying to solve. This means replacing assumptions with information. For our purposes, this will always involve conducting employee research.
- 2. Define Based on the information gathered during discovery, you can specifically describe and define the challenge or problem to be solved.
- 3. Develop Once your problem or challenge is clearly defined based on solid information, then you can start imagining and creating possible solutions.
- **4. Deliver -** This process involves testing any iteration of the solutions you create. Often, you use small pilots or tests to explore the effectiveness of a solution before finalizing and deploying broadly.

That's a concise primer on the design process. The most critical element of design is discovery. It's something we haven't traditionally done well in work design. We've designed work and jobs around what works best for the organization, technology or policy rather than what works best for the employee. Design flips that on its head.

For example, if your organization is planning to maintain WFH as an option, launching a discovery process to learn how to better enable remote work would be wise.

In the process, you'll likely discover you have various employee profiles that require different solutions (e.g., the parent with no private office, the single person with a home office, etc.). Knowing and defining each of these groups' unique needs will equip you to deliver much more meaningful solutions.

As you navigate 2021, when you encounter a work process or approach that seems like it isn't working ideally, use design to fix it. Through design, you can reimagine work in a way that finally works best for how your employees actually work.

Conclusion

The disruptions of 2020 have revealed that the way we worked before may not be the best path forward. The year of the pandemic cast a giant spotlight on the workplace and illuminated where change is desperately needed.

The disruptions also created opportunities to reshape and reimagine the future of work within our organizations and beyond. The uncertainty of 2020 opened minds and hearts to consider things that were almost unthinkable a year ago.

But, this opportunity is fleeting.

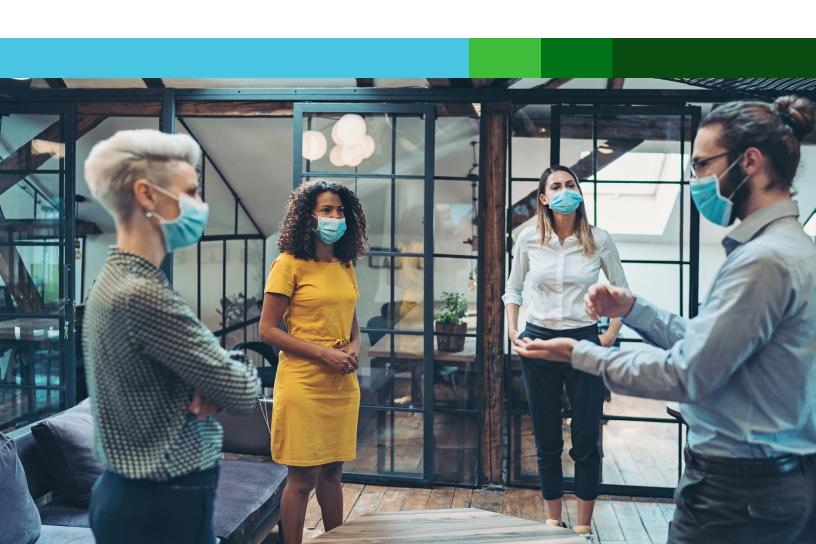
With vaccine rollouts in process, many executives—out of a desire to feel some sort of normalcy and control—will start applying pressure to see plans to return to the way things were before.

The past year's discomfort caused many to forget just how dysfunctional our in-person workplaces were before the pandemic disrupted everything.

Returning to that dysfunction will be catastrophic and painful for employees and managers. It's our responsibility to lead the organization to a new and better "normal."

Seize upon this opportunity and leave your legacy on the future of work. What's next shouldn't look like the past, and it won't look like the present. What it will look like is up to you.

What future will you create?



Limeade is an employee experience software company that helps build great places to work.

Founded in 2006, Limeade has been a pioneer in the HR technology industry and is consistently recognized for its own award-winning culture. Today, users in approximately 100 countries utilize the Limeade Well-Being, Limeade Engagement and Limeade Inclusion solutions powered by the Limeade ONE platform.

Limeade helps every employee know their company cares, while delivering people and business results that matter. Limeade partners with its customers to support their goals of improving employee well-being, engagement and sense of inclusion, in addition to reducing the risk of unwanted turnover and burnout.

To learn more, visit <u>www.limeade.com</u>. (ASX listing: LME)



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