

work[^]
different[^]

The future of work in 2021

Perspectives on the next normal



qualtrics^{XM}

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Introduction

For all the devastation the pandemic has wrought, it has shown us a new way of working is possible. During the crisis, employees found more meaning at work, and we're learning that workplace flexibility and productivity go hand-in-hand, according to research with 4,000 global employees conducted by the XM Institute.

Frequent business travelers are ready to get back in the sky, but most of us are excited to keep some of the improved experiences we've discovered over the last year — particularly in healthcare, restaurant, and retail.

As we cautiously navigate returning to work, we must recognize that customer and employee needs and priorities have shifted. We have a unique opportunity to listen directly to them and build on what we've learned during the pandemic.

Right now, every company is undergoing an experience transformation. There is no one-size-fits-all approach. But understanding how people think and feel can help organizations make the right decisions, at the right time, in the right way, to improve the experiences they are delivering. Return-to-work strategies need to start with listening to what customers and employees want and need, then taking action based on that feedback. And that will create better experiences in the future and will differentiate between good and great companies.



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SECTION 1

Finding purpose in work

Finding purpose in work

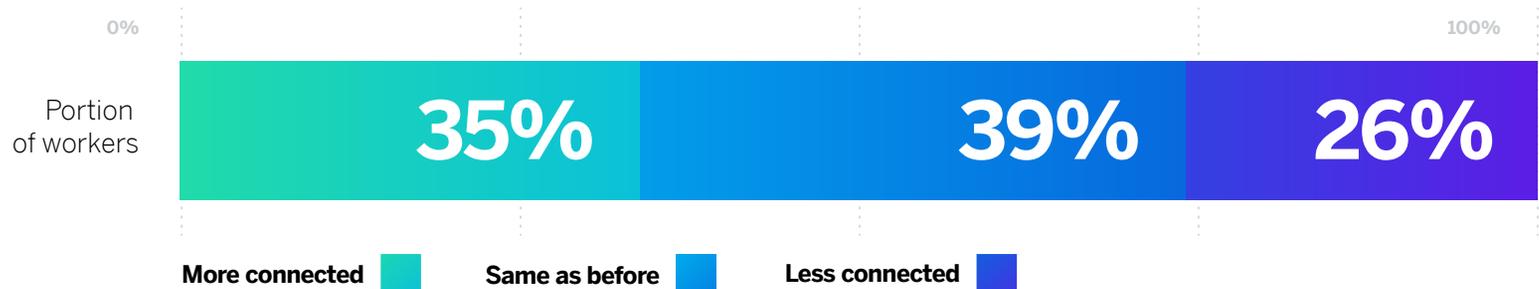
The pandemic forced us all to live and work apart, but the vast majority of employees feel their organizations have done a stellar job delivering on their individual missions, despite the challenge. In fact, more than half say their company's purpose resonates with them more now than it did before the pandemic. Most employees also agree that their connection to their work community has either remained the same or improved over the last year. In a nutshell, we found ways to grow together, even while we worked apart.

Company as community

More than a year into the pandemic, remote work and physical separation haven't prevented employees from feeling closer to their co-workers.

35% of employees actually feel MORE connected with co-workers than before (vs. 26% who feel less connected)

How connected have workers felt to their co-workers and community while working remotely during the pandemic?



Finding meaning

With everything else in flux, a majority of employees (53%) say their organization's purpose resonates with them more now than it did before the pandemic. In fact, a year into the pandemic, for every employee who says their organization's purpose did not resonate with them, 10 say that it did.

10X for every employee who says their organization's purpose did not resonate with them, 10 say that it did

But the in-person office experience still appeals to employees. Any future-of-work plans will have to include ways for employees to gain access to diverse perspectives and ideas. Here are the top 3 things employees say they missed while working remotely:

01 Spontaneous interactions with colleagues

02 Simply being around other people

03 Exposure to a diversity of perspectives and ideas

SECTION 2

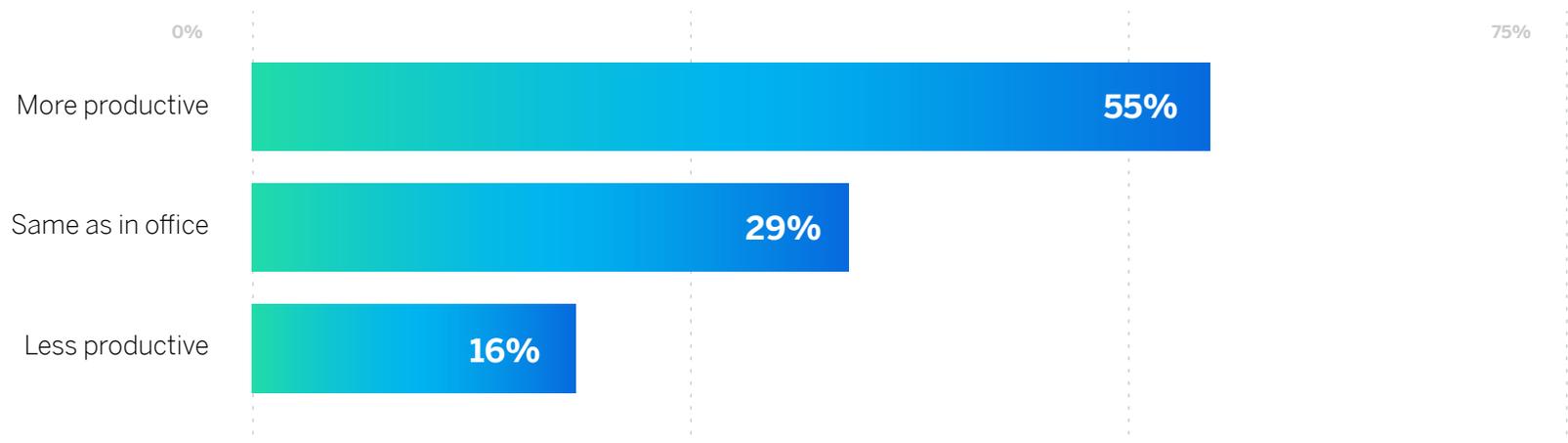
Productivity and well-being gains

Productivity and well-being gains

Productivity gains

51% of employees believe they have been more productive working remotely and 15% believe they have been less productive. Their managers even agree: 55% of managers think their direct reports have been more productive, while only 16% report less productivity.

Overall, managers believe their direct reports have been more productive working remotely



Well-being boost

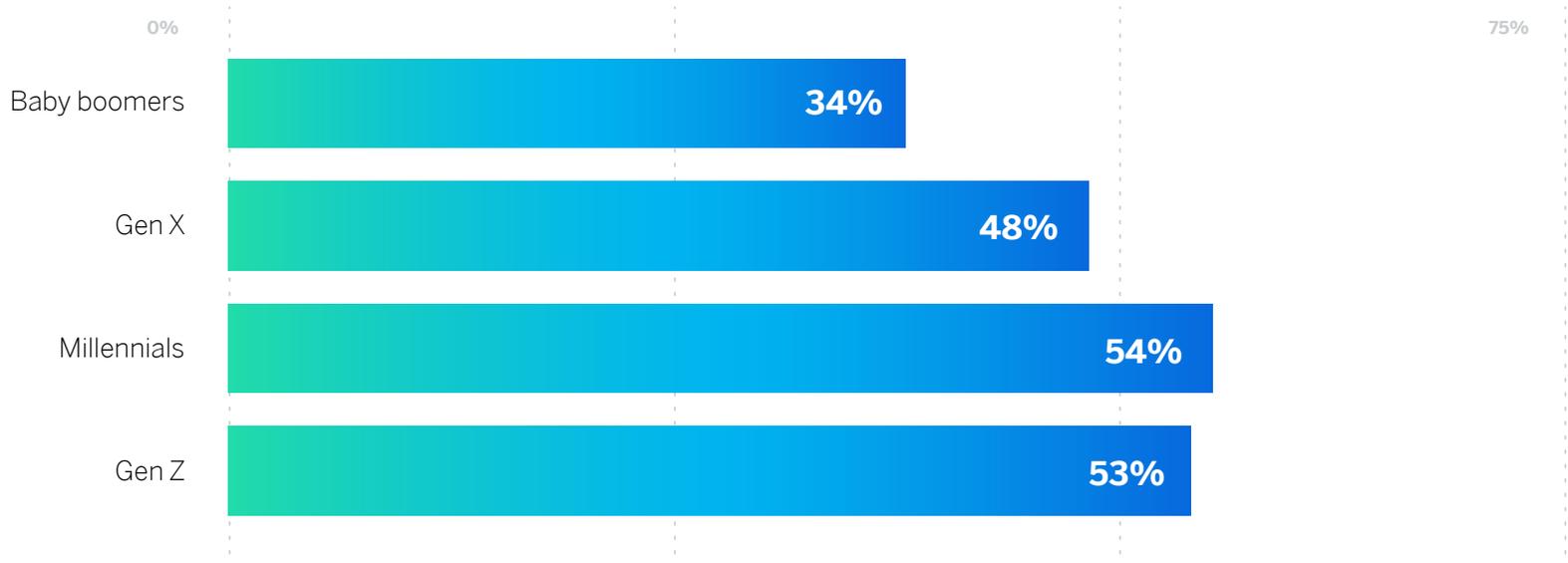
2X

for every employee who says their well-being has declined, two say it's gotten better.

Younger vs older employee productivity

Millennials and Gen Z are both more likely than older generations to say they've been more productive since working remotely:

The portion of each generation reporting higher productivity since working remotely



Taking action

For employees whose well-being has declined, here are 5 ways they say employers can offer meaningful help:

- 01** Conversations with my peers about the difficulties I'm facing
- 02** Conversations with my manager about the difficulties I'm facing
- 03** Access to the resources I need to do my job effectively (e.g. materials, equipment, technology, support services)
- 04** Communication from my company leadership
- 05** My manager demonstrating an interest in my personal well-being

The drag of uncertainty

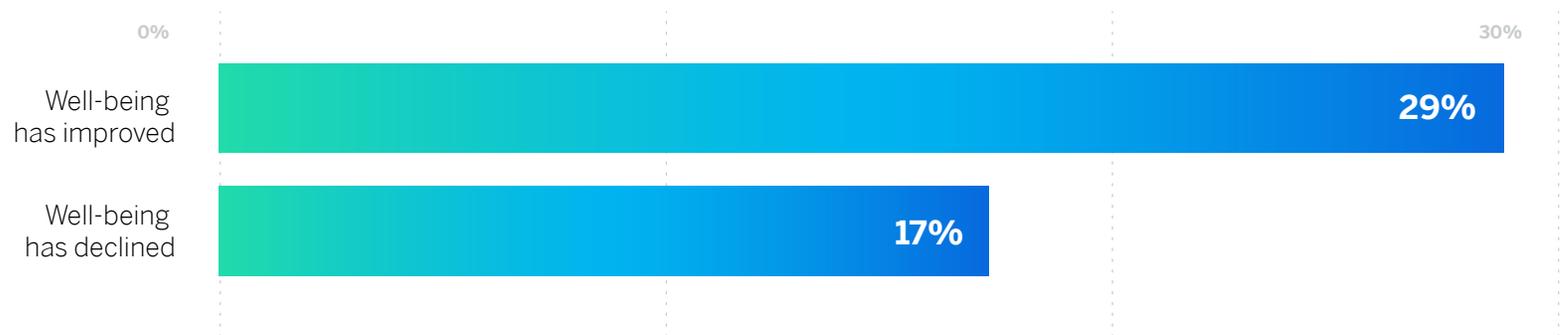
Uncertainty is a bad experience. Something as simple as communication of plans can help employees in cascading ways. Employees at organizations with announced plans are nearly 3X more likely to feel more connected to the company's community than those whose companies have not announced plans.

And employees at companies that have been proactive about announcing post-pandemic plans are 88% more likely (62% vs 33%) to say their overall well-being has improved than employees at companies who have not shared plans.

Well-being and retention

Well-being correlates with important factors like an employee's intent to stay at a company. Employees who report improved well-being during the pandemic are 65% more likely than others to say they'll stick with their current employer long term.

I intend to stay longer at this company



Those whose well-being has improved are more than twice as likely to have been more productive since working remotely than those who say their well-being has declined.

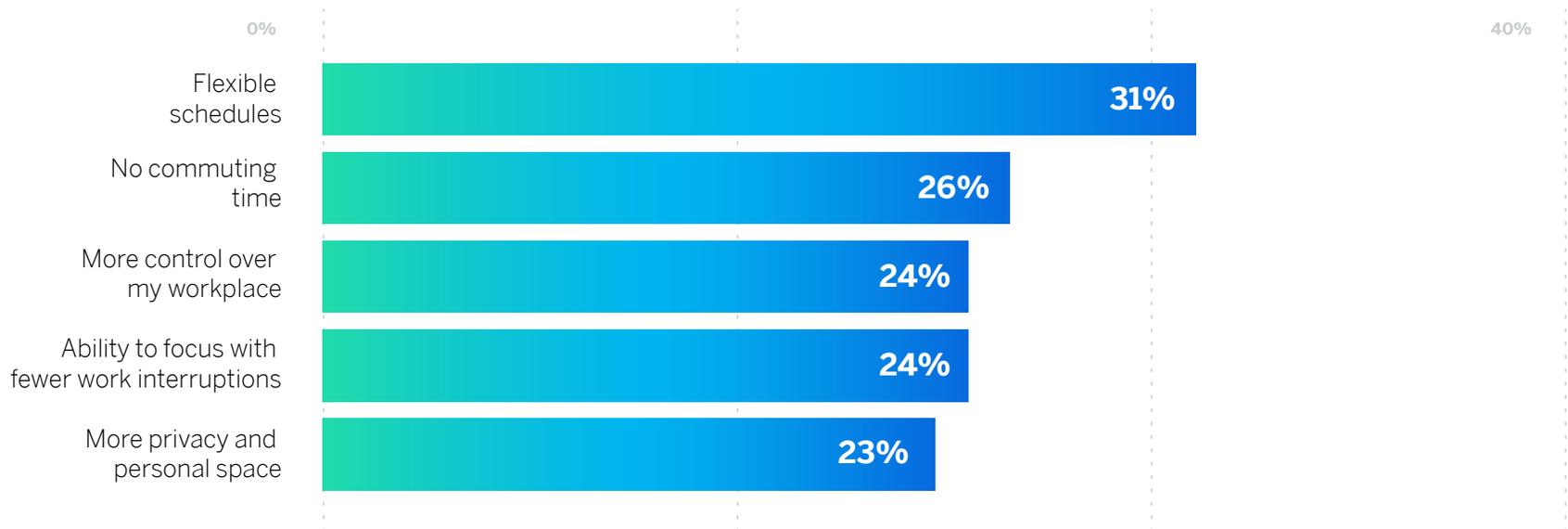
Productivity over time

In April of 2020, employees were also more likely to report being more productive working remotely than less. However, they were only 39% more likely to feel more productive then, compared to 240% more likely now.

Taking Action

Leaders who want to maintain high productivity among remote employees should take note of what employees themselves say is helping them do better work.

Employees say productivity is better because of:



SECTION 3

Lifting the anchor

Lifting the anchor

The ability to travel, move, and live away from an office — while still working their jobs — gave many a flexibility to lift the anchor they don't want to give up after the pandemic is over. In fact, 4 out of 5 employees considering a new role say the ability to live and work remotely is important to them.

Flexibility rules



80%

among employees considering a new role, 4 out of 5 say the ability to live remotely is important to them

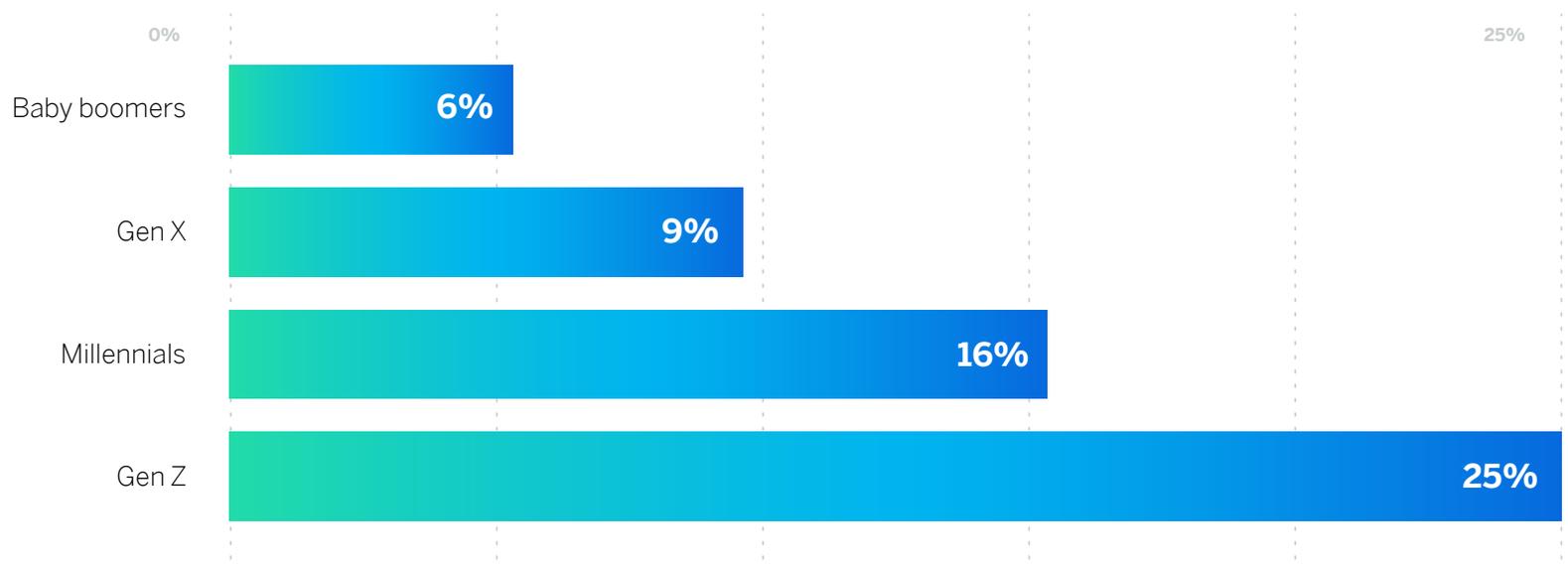
In July 2020, people were more than twice as likely to prefer working from home as they were to prefer working from the office. But what a difference a few months make. By early 2021, employees clearly preferred the flexibility in getting back to the office.

The great emptying

The pandemic migration may be permanent for large swatches of the workforce. For employees that moved during the pandemic, nearly half (47%) don't plan on moving back.

And mobility among the youngest employees was especially pronounced. With more fragile job security and less to weigh them down, younger employees were much more likely to have moved during the pandemic. In fact, 25% of Gen Z and 17% of Millennials reported doing so, compared to less than 10% of their older peers.

The portion of each generation that moved during the pandemic



For the 8% of workers who moved out of a city during the pandemic, here are the top 5 reasons why:

01 “I want to be closer to family and friends”

02 “I just felt ready for a change”

03 “I want to be somewhere with more space”

04 “I want to upsize my residence”

05 “I’m not held there by work anymore”

Taking action

If you have remote employees (or plan to continue having remote employees), hardware and software tools are the most important resources they say they want from the company:

- + Team communication software (Slack, Microsoft Teams, etc.)
- + Productivity software/tools (for private, non-supervised use)
- + Monitors and workspace electronics
- + A work-provided smartphone
- + Project and task management tools for the team

SECTION 4

The office as a landing pad

The office as a landing pad

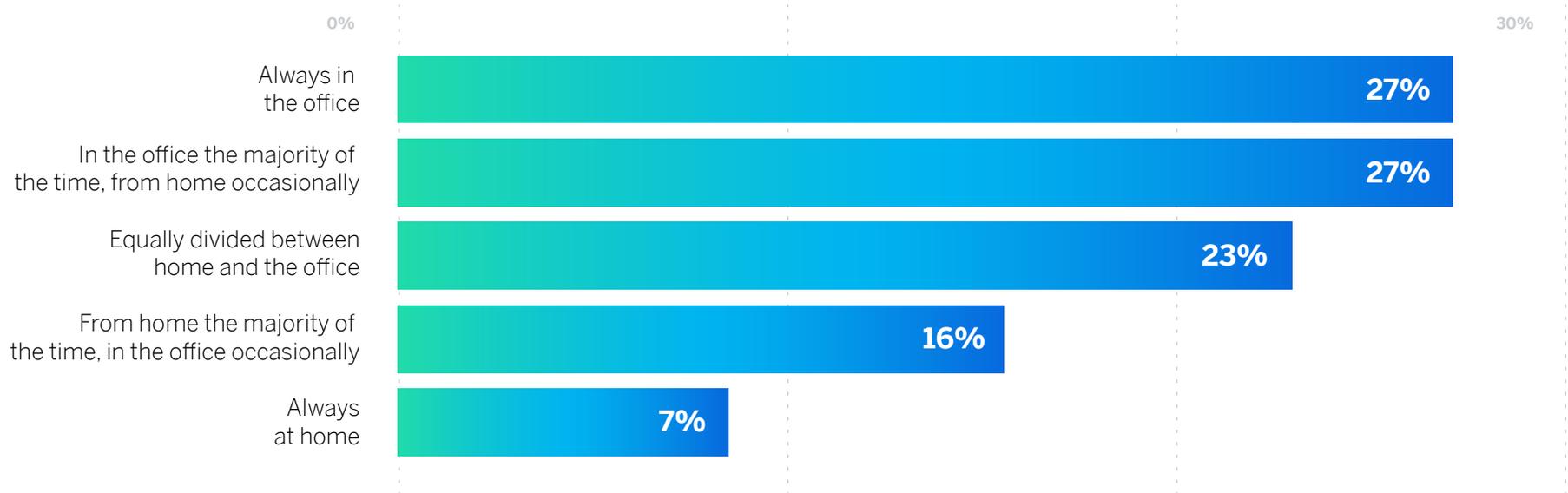
Employees want to land in the office sometimes, not live there. During the pandemic, employees — many for the first time — enjoyed malleable work schedules, private and personal “office” space, more time with family, and time back that they normally would have spent commuting. While most employees don’t want to work from home exclusively, the consensus is clear: they don’t want to give it up completely. In fact, many believe offices with a hybrid schedule will outperform those without, especially as they cater to the individual needs of their employees.



Going back

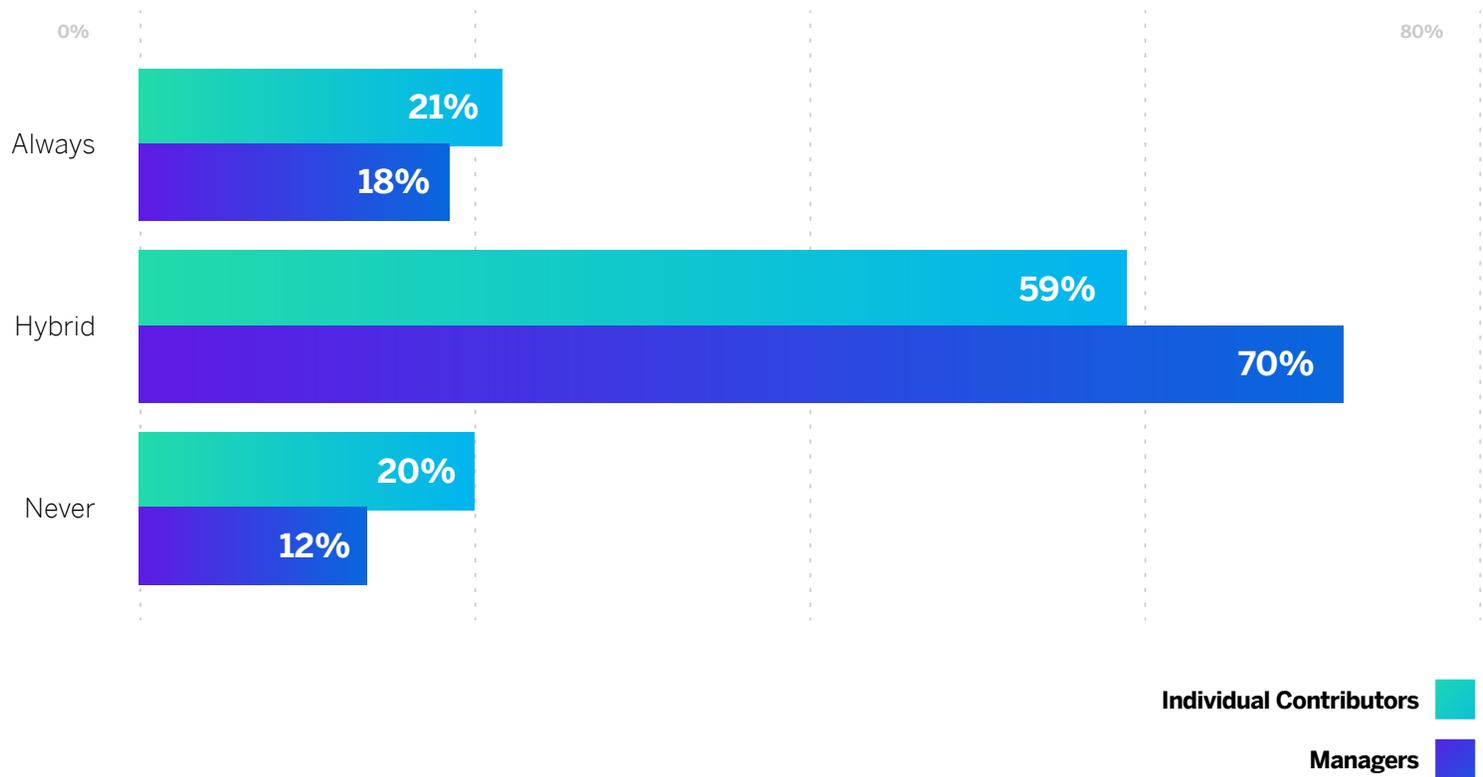
Only 27% want to go back to the office full-time, but fewest of all (7%) want to work from home full-time. The vast majority (73%) want to work remotely at least 1-2 days a week. Generally, employees want to be in the office some or most of the time after the pandemic:

Which of the following work setups would you prefer after the pandemic?



Managers and executives, even more than individual contributors, prefer a hybrid work schedule.

Individual contributors vs. managers
How much do you want to work from the office?



Better spaces

The return to work will offer a chance to upgrade the work experience: 46% of employees want to see the layout of their office space change significantly following the pandemic, and those working in large, open offices are over 30% more likely to want to see their office space change than those in divided spaces. The open office experience that provides employees such flexibility is ripe for change, according to employees. Getting back to the office, their top priorities include:

01 More quiet and private working spaces

02 More flexible meeting and collaborative areas

03 More space between desks

Taking action

From on-demand space to occasional face time, employees cited the following as the changes that would improve remote productivity for them the most:

- 01** Access to office space when needed
- 02** Ability to meet up with colleagues in person when needed
- 03** Access to physical resources in the office when needed
- 04** Ability to meet with clients, customers, and other external parties in person
- 05** Being able to plan ahead more reliably



SECTION 5

Improving experiences

Improving experiences

What's getting better

When challenges come, we hurt, we fail, we learn, and we grow. The pandemic has given the world a chance to change where it should, and go back to normal when it can. While frequent business travelers are eager to get back on the road or in the sky, customers want some pandemic-era changes to stick around. As the world moves forward, experience and data will lead the way.

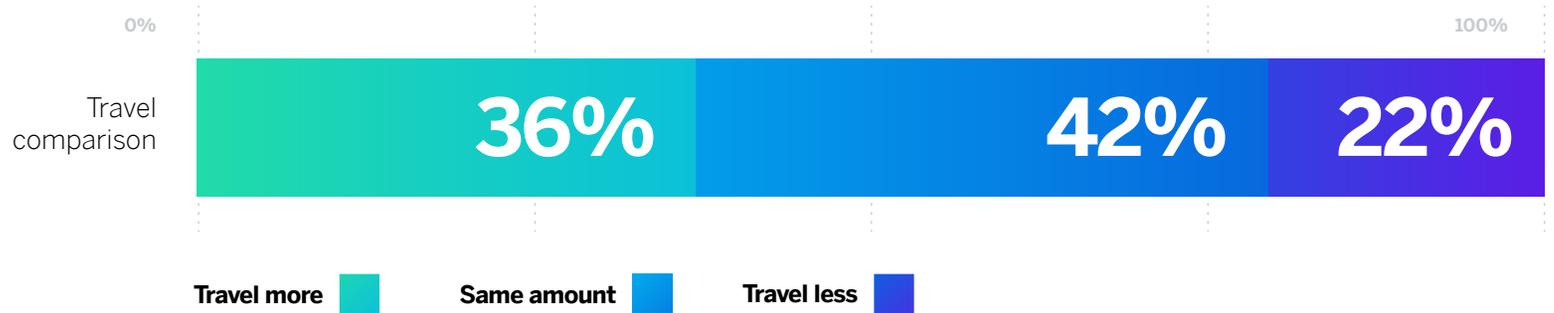
Ready to fly

After a year of empty airports, demand is building as business travelers look forward to getting back on the road and in the air. Many want to return to their previous amount of travel, and 1 in 3 would like to travel even more than before.

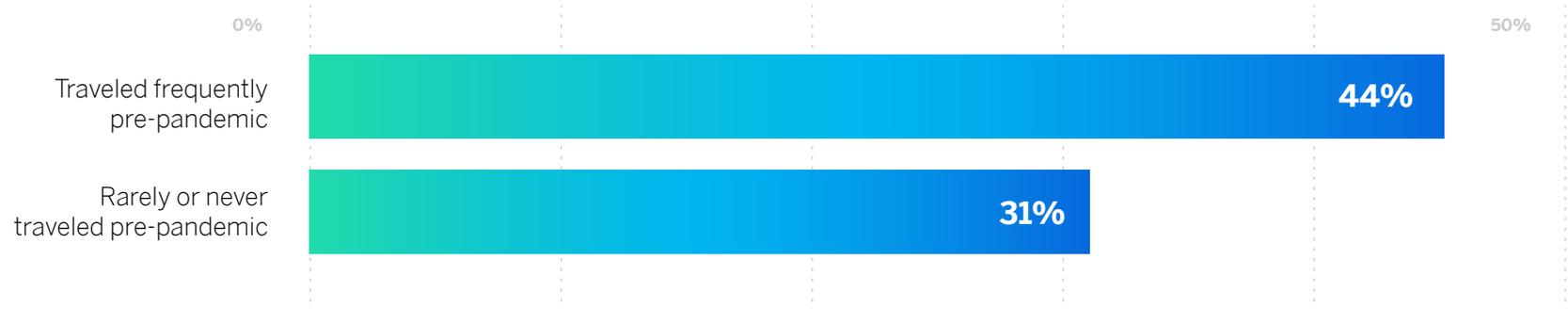
How much do workers want to travel after the pandemic?



Going forward, how much would you like to travel compared to pre-pandemic?



Would like to travel more after the pandemic



3 experiences consumers want to keep

Extended lockdowns forced many businesses to innovate or find good-enough alternatives to their regular products. While few will clamor for more socially distanced sporting events or virtual tourism, some new services may have a post-pandemic future. Here are the top 3 respondents would like to see stick around:

01 On-street outdoor seating for restaurants

02 Curbside grocery pick-up

03 Pre-ordered shopping

SECTION 6

Conclusion

Conclusion

The working world is witnessing a profound experience transformation. The pandemic has been long, difficult, and devastating, but it's also created an opportunity to reflect and experiment in ways we otherwise may not have. As a result, we've discovered better ways to work. We've realized that flexibility is the future and that different people work in different ways. Organizations across the globe are rewriting their playbooks, and those successfully undergoing this transformation will look, with deep empathy, at people's needs and expectations.

As organizations build their return-to-work strategies, one size won't fit all, but they can create these better experiences by continuously listening to their employees, then taking action on the feedback they receive — now and in the future.



Methodology

To measure the current broad state of the workforce and work expectations going forward, this global study was conducted between March 9 and March 23, 2021 in the United States, the UK, Ireland, Australia and New Zealand. The n=4,000 respondents were employed throughout the pandemic and were 52% male and 48% female. Before the pandemic 70% of the respondent group worked full-time in their organization's physical workplace/office. After the pandemic began, 35% of the respondents worked entirely remotely and 46% worked remotely for at least some of the time. All results reported here fall within 95% confidence interval and a 3% margin of error.

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