

# Work Reimagined Employer Survey 2021

Companies redefining work with  
Humans @ Center

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Building a better  
working world

With you today



Duncan Meadows



Andrea Wolfson



Jennifer Baziuk

# Recap on previous session

## WE ARE EXPLORING INDUSTRY PERSPECTIVES ON WORKING MODELS

“ We may design what we think is the ideal model, but compliance rates remain low. Unless the message is clearly articulated, employees won't understand the need to come in. The behaviour of senior executives must match their vision for the future of the organization. ”

### A CONTINUUM OF PERSPECTIVES

**Learning On-Site**: Employees expected to be on site, flexibility treated as an exception. (Logos: JPMorgan Chase, Citigroup, Bank of America)

**Learning Hybrid / Flexible Model**: Employees in a hybrid model, splitting time between office and remote work environments. (Logos: Sun Life, Standard Chartered, Scotiabank, HSBC, BMO, CIBC, Citi, Deutsche Bank, HSBC Bank)

**Learning Work From Anywhere**: Employees have flexibility to work from anywhere. (Logos: PwC, Square, Shopify)

### Future of Work Challenges

- Recruitment**: Recruiting and retaining top talent is an ongoing challenge with increased employee options
- Culture Evolution**: Preservation and enhancement of a culture with reduced physical interactions
- Onboarding**: Appropriately integrate new talent into the organization
- Process Reimagination**: Updating legal/manual processes through digitalization, automation, revision, or removal
- Employee Care**: Reduce employee fatigue, stress, and burnout associated with virtual work
- Diversity and Inclusion**: Needs to ensure that diversity & inclusion is kept front and centre
- Organizational Lens**: Business look future of work models must align with the greatest organization

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## EMERGING LESSONS FROM RETHINKING WORK MODELS

Missteps		Keys to success	
<b>Bottom-up rather than vision-led</b> A vision allows questions to be asked "with purpose" and expectations to be managed	<b>Narrow ambitions</b> Real estate savings and meeting new employee expectations are important but not the only considerations	<b>Deeply understand your workforce</b> Identify what they need to be successful and what will motivate them as "whole people" to work in new ways	<b>Virtualize your culture</b> Identify what makes you who you are how you will sustain it in a hybrid working model
<b>Rethinking work is broader than remote work</b> Where employees work is only one of many important decisions	<b>Recency and confirmation bias</b> Lockdown showed many activities can be undertaken remotely but doesn't prove they should be	<b>Leadership at all levels</b> Prepare and enable managers to lead their teams to- and in- a new normal	<b>Double-down on change management</b> The thoughts, feelings and experience of those we ask to change make or break transformations
<b>Co-location isn't just "being in the office"</b> Co-location is about collaboration, culture, learning and employee experience	<b>Assuming today's technology for tomorrow's needs</b> Technology and design options will continue to evolve rapidly	<b>Focus on behavior</b> Identify which behaviors need to stop, start or continue to make new ways of working successful	<b>Align space, people and technology</b> Hybrid work models require employees to work in new ways, in new places and with new tools; all three must be in harmony

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## Our approach

Transform as you transition

**GEAR 1 (IN PROGRESS)**: Transition to a safe space return to work

**GEAR 2 (IN PROGRESS)**: Reimagine the work through a future focused transformation

**REBUILD**: Rebuild the model

**CULTURE & LEADERSHIP**: Ensure that the organization supports purpose and culture with new ways of working, building both mindset and skillsets focus on effectiveness of remote leaders and the from-to behaviors needed to evolve.

**REMOTE WORK POSITIVE**: Determine how roles may change, and what new opportunities will emerge, as a result of the new and collaborative ways of working.

**REAL ESTATE & WORKSPACE**: Determine need for real estate footprint and use of space for meetings, collaboration, isolation and work with customers. Consider additional RE needs (i.e. housing, physical health and safety, disaster recovery sites). Validate location needs, design, and expected usage of onsite space. Establish home workspace provisioning and create "work from home" approach including schedules, workspace reimbursement, and wellbeing.

**WORKFORCE EXPERIENCE & ANALYTICS**: Establish measurement of productivity, create a new listening platform to ensure engagement and wellbeing, and enhance experiential data to identify the experience enablers.

**TAX, PAYROLL & REGULATIONS**: Assess tax, payroll and legal / regulatory / compliance implications. Consider Cyber and resilience implications in decision making.

**REMOTE WORK TECHNOLOGY**: Establish needed home technology including internet standards, laptops, headsets, and associated software for planning, collaboration, file sharing, and video/audio conference and training.

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## How we are helping our clients to reimagine and reset?

- Employee Survey**: understands employees' perspective and desired experience
- Purpose & Culture**: define and establish the future beliefs and values
- Workforce Resilience Enablement**: equip managers and employees with the capabilities and behaviors to embrace a compelling experience
- Employee Reference (TrueChoice)**: measures what employees value with their preferences, perceived money values, expectations and value gaps
- Management Consultations**: understand management's preferences with respect to physical on-site working requirements
- Organizational Consultations**: understand how a distributed or nodal real estate portfolio could function for the business and its people
- Workplace Considerations**: define the conditions of the physical on-site premise that would have to be in place to ensure a productive yet safe physical working environment
- Distributed Workforce Modelling**: determine roles and individuals that can be delivered remotely with the technological enablement required
- Strategic Workforce Planning**: transform the workforce in terms of capability, capacity and composition to drive cost optimization and enable the future business objectives
- Accommodation Planning**: determine who and how people will work in the future to characterize demand requirements
- Portfolio Planning**: develop a holistic view of a real estate portfolio, whether owned or leased, and provide scenarios to optimize the broader portfolio, considering demand and market conditions

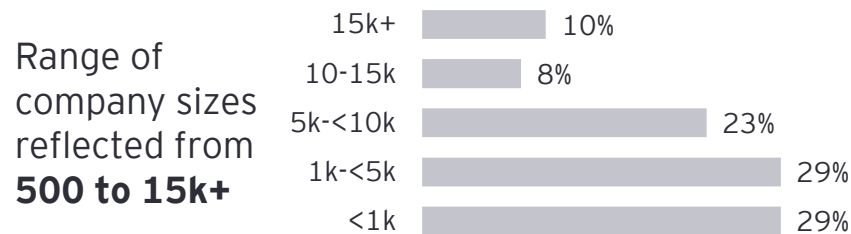
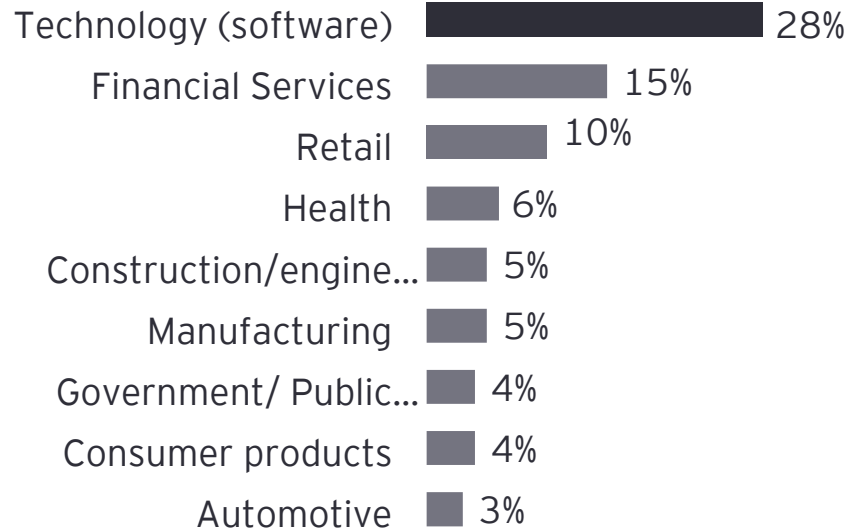
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# Work Reimagined Employer Survey – survey demographics and focus

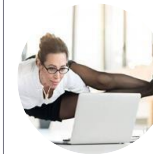
**1,083** respondents across **9** countries

Country	Number of respondents
United States	500
India	101
UK	100
Germany	100
Brazil	100
Australia	51
China	51
Canada	50
Japan	30

**25 industries represented, with most coming from Technology (28%)**



## We asked...



How will employers evolve **new ways of working and flexibility to balance retention, attraction and productivity needs?**



What is the **intent of the company office** in creating an environment to support networking and collaboration?



Which attributes are **key drivers** of employer and workforce segment driving new ways of working (e.g., geography/ industry / company size other)?



How will **business travel and mobility** be used in the new normal environment?



How can companies create a **connection to culture and purpose** with a mix of physical and digital experiences and avoid have and have nots?

Our survey includes 163 financial institutions including a significant number of insurers

# Significant change is underway and employers are optimistic about it; but they also anticipate key talent risks

With challenges posed by the pandemic, employers are planning extensive changes and see silver linings

**Employers are in action:** 83% are already or have already planned for action (17% still waiting) when asked about where they are on the journey to post-COVID-19 “new normal”

**Workplaces are changing:** 84% employers expect moderate to extensive change to establish safety and another 77% say the same about workplace real estate strategy

**Hybrid is growing:** 79% of employers anticipate remote/hybrid work to change at least moderately; with 57% describe return-to-office philosophy as “hybrid” vs. 35% planning a more traditional “office optimal”

**Leadership is critical:** 82% agree leaders will model Future of Work (FoW) behaviours and 83% agree that leaders are aligned regarding the FoW approach

**Flexibility is key:** 8 in 10 employers agree that it is important to provide flexibility in where/when employees work and 7 in 10 agree that their company’s approach to flexibility will impact their ability to attract/retain talent

However, employers envisage risks as they embark on their workforce transformation journey

**Fairness/equity is the top challenge** with some jobs requiring fixed location/schedule (45%); Other key challenges include retaining talent and provide flexibility to employees (43%); culture/creativity/collaboration (40%); developing next-generation talent (39%) and establishing and measuring productivity (36%) are the top risks that employers anticipate

Insurers are less positive about hybrid working vs other industries - 39% of employers strongly agree it is important to offer flexibility vs 56% across all industries. Only 29% of insurers think their flexible work approach will strongly impact talent attraction vs 42% on average



# Emerging themes: mitigating risk and making investments



To mitigate evolving risks, employers will invest in people and their development, as well as prioritizing non-financial factors to succeed in the long-term

- ▶ **Change to learning and skills are near universal: 100%** employers are considering at least one change/enhancement in policy as part of their post-COVID-19 approach to learning and skill development
- ▶ **Long Term Value is front and center: 87%** are likely to prioritize “non-Financial factors” (i.e. society, employees or customers) when making decisions about their workplace post COVID-19
- ▶ **Business travel for employees is valued but will be redesigned: 84%** of employers have already started or plan to restart business travel in 2021 - with 48% thinking it's highly/extremely important for leadership of the future. However, 51% expect an overall decrease in post-COVID-19 business travel and many are re-evaluating their approach as a part of their new mobility strategy.



Employers plans investments in tools/technology to transition to new ways of working both in office and virtual environments

- ▶ **Onsite tech is key: 65%** are planning on making investments in better technology in the office
- ▶ **Health and safety is ongoing norm: 59%** have implemented or are considering to include health evidencing procedures to ensure workplace safety and most are looking at expanded vaccination mandates/incentives
- ▶ **Offices will be redesigned: 48%** are planning to invest in enhanced space for collaboration/networking
- ▶ **Companies are investing in virtual productivity: 50%** employers are planning to invest in software to support collaboration to enhance home office productivity
- ▶ **WFH stipends are expanding: 86%** of employers have allocated budget for annual WFH stipend; the average is \$719 per employee

Only 43% of insurers are planning on making significant investments in technology to enhance remote working vs 63% across all industries

# Key areas of alignment and differences: Employer vs Employee perspective

Employer thinking broadly mirrors that of employees, with some notable differences



## Employer View

## Employee Expectation



Culture and Productivity: Employers are more positive than employees with respect to company culture and productivity

Employers believe company culture has changed and gotten better during the pandemic

72%

48%

Employers agree productivity of most jobs can be accurately measured regardless of where employees work

82%

67%

Employee believe company culture has changed and gotten better during the pandemic

Employees agree that the productivity for their job can be accurately measured by their company irrespective of where they work

Flexibility is the new normal: Employers and employees view flexibility as a key parameter in the post pandemic world

Employers agree on the need to provide flexibility in where/when employees work

~80%

~90%

Employers have implemented or plan to implement condensed workweek options

56%

38%

Employees want flexibility in where and when they work

Employees want to be offered shorter working weeks by their employers

Business Travel: There is a tension between employees' views and employers expectation with regards to business travel

Employers anticipate a moderate to significant decrease in business travel post-pandemic

51%

66%

Employees want to continue business travel post-pandemic

Trust appears to be lower in the insurance industry, with 64% of insurers tracking employees whereabouts vs 41% across all industries

# Companies are at different stages of planning for the “new normal” and this has an impact on their outcomes in terms of culture and productivity

Stage of Action	Unique Characteristics	Culture Outcome	Productivity Outcome
<p><b>Waiting</b> “On the couch: still watching and waiting”</p>	<ul style="list-style-type: none"> <li>▶ <b>Much more likely</b> to be an “essential business” (90% vs 72% avg.)</li> <li>▶ <b>Much more likely</b> to say the business has experienced a “high impact” from COVID-19 (62% vs 39%)</li> <li>▶ <b>Much more likely</b> to want a full post-COVID-19 return to office/worksites (68% vs 35%)</li> </ul>	<p>73% agree it's changed &amp; gotten better</p>	<p>70% agree it's changed &amp; gotten better</p>
<p><b>Planning Now</b> “Stretching to go for a walk: starting to plan for action” + “In the driver’s seat: planning for action and have a plan”</p>	<ul style="list-style-type: none"> <li>▶ <b>Least likely</b> to be planning to implement condensed work week options (45% vs 56%)</li> <li>▶ <b>Least likely</b> to think that mobility is significantly important for global workforce planning &amp; talent management (35% vs 49%)</li> <li>▶ <b>Most likely</b> to be planning for a conditional hybrid return to work (66% vs 57%)</li> </ul>	<p>65% agree it's changed &amp; gotten better</p>	<p>60% agree it's changed &amp; gotten better</p>
<p><b>Actioned Already</b> “Communicated action plan with staff” + “Built the next Rocketship/ already taken market leading action”</p>	<ul style="list-style-type: none"> <li>▶ <b>Much more likely</b> to have evaluated and implemented policies on employee relocation (33% vs 26%)</li> <li>▶ <b>Most likely</b> to consider post-COVID-19 approaches to workforce technology (45% vs 38%)</li> <li>▶ <b>Most likely</b> to consider post-COVID-19 approaches to learning and skill development (42% vs 37%)</li> </ul>	<p>80% agree it's changed &amp; gotten better</p>	<p>76% agree it's changed &amp; gotten better</p>

Position on the “new normal” continuum

Insurers are significantly behind other industries with only 22% having communicated a detailed action plan to return to ‘new normal’ vs 40% across all industries



# A majority of employers are planning a hybrid return to work model for their workforce

## Return-to-office philosophy

### 35%: Office Optimal

Everyone must return to office (return to pre-COVID-19 levels and policy)

### 57%: Hybrid Hopeful

To follow a conditional hybrid plan and a flexible hybrid plan

### 7%: Remote Ready

Hire and work from anywhere (100% remote work; eliminating geographical constraints)



## Office Optimal

**Almost equally split (~33%)** between the three stages (no action, planning now and already actioned) with respect to their future approach to “new normal”

**48%** have already started company-sponsored travel for client/internal events for selected markets

**Most likely (70%)** have already implemented or plan to implement condensed work week options providing schedule flexibility if location flexibility is not an option

**A majority (58%)** believe that “establishing fairness/equity of the new approaches to working with some jobs requiring fixed location/schedule” is the risk they are most concerned about



## Hybrid Hopeful

**The largest proportion (49%)** are in the “planning now” stage with respect to their future approach to “new normal”

**61%** plan to start company sponsored travel in H22021

**48%** have already implemented or plan to implement condensed work week options

**The largest proportion (41%)** believe that “maintaining culture /creativity /collaboration” and “ability to retain talent and provide flexibility to employees” are the risks they are most concerned about



## Remote Ready

**The largest proportion (51%)** are in the “already actioned” stage with respect to their future approach to “new normal”

**42%** plan to start company sponsored travel in H22021

**53%** have already implemented or plan to implement condensed work week options

**The largest proportion (42%)** believe that “developing next-generation talent” is the risk they are most concerned about

### Approach to new normal

### Business travel plans

### Option for condensed work week

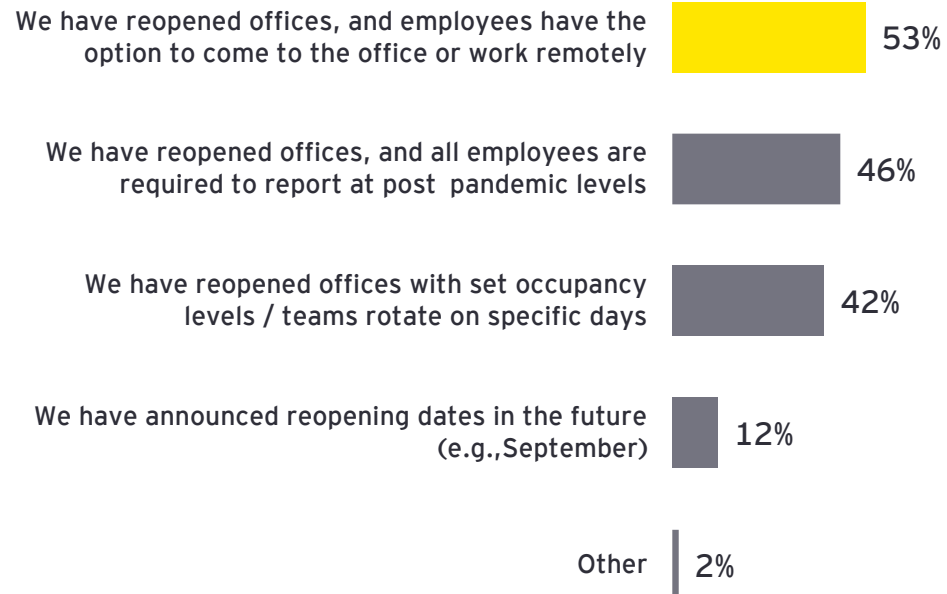
### Most anticipated risk

Where insurers have decided their philosophy, it mirrors other industries in terms of the percentage of office, hybrid or remote-centric

# Leader and employee perspectives need to be aligned on new ways of working

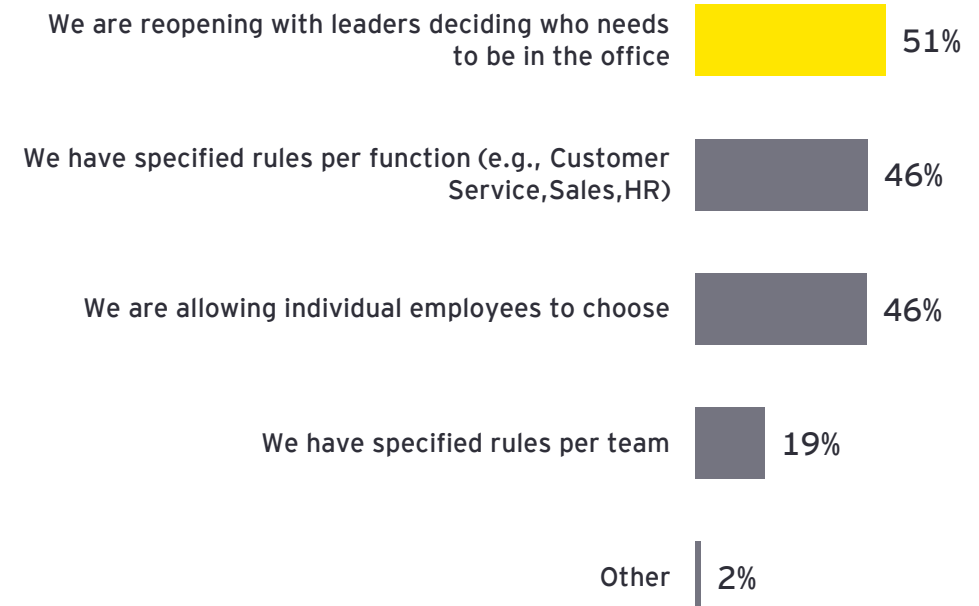
Currently, a **majority of employers offer employees the option** to come to office or work remotely

For those employees not part of an "essential" group, where are you at with reopening of offices?



Going forward, a **majority of employers would approach reopening offices with leaders deciding** who needs to be in office

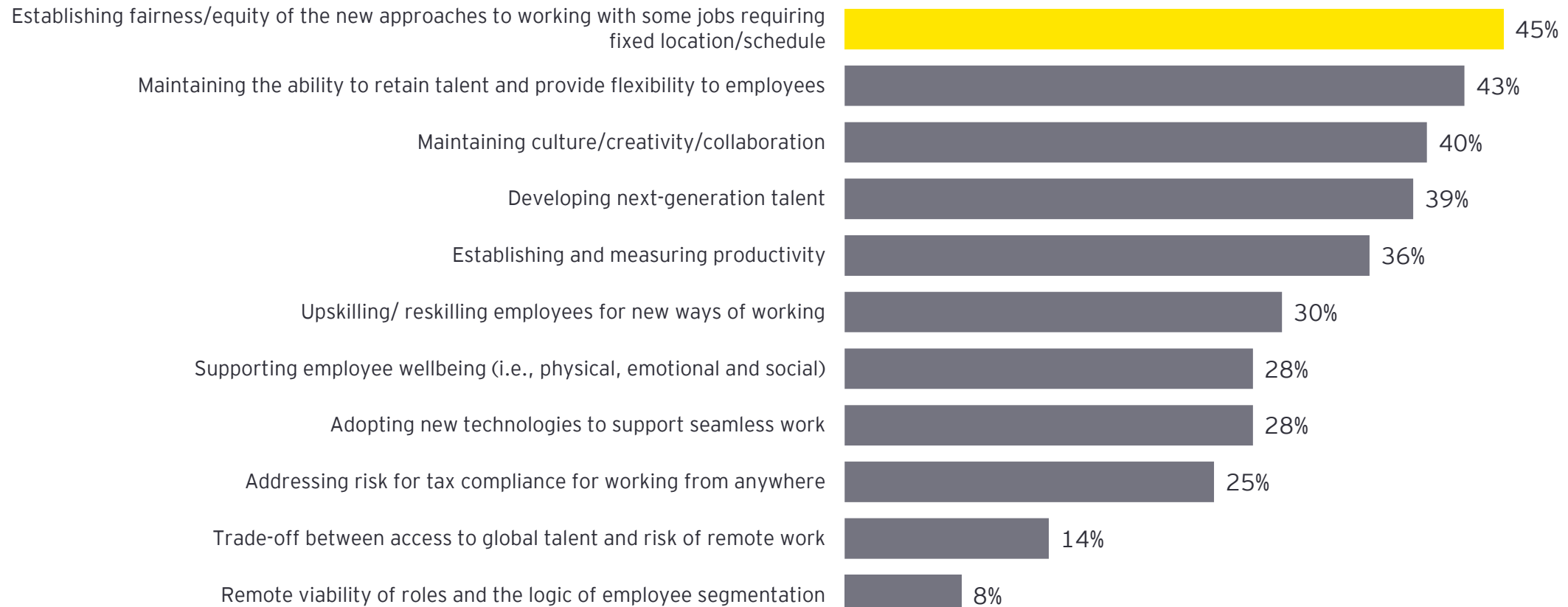
For those employees not part of an "essential" group, what approach are you taking to how you are reopening offices?



Insurers are more pessimistic about the impact of the pandemic on both culture and productivity vs other industries

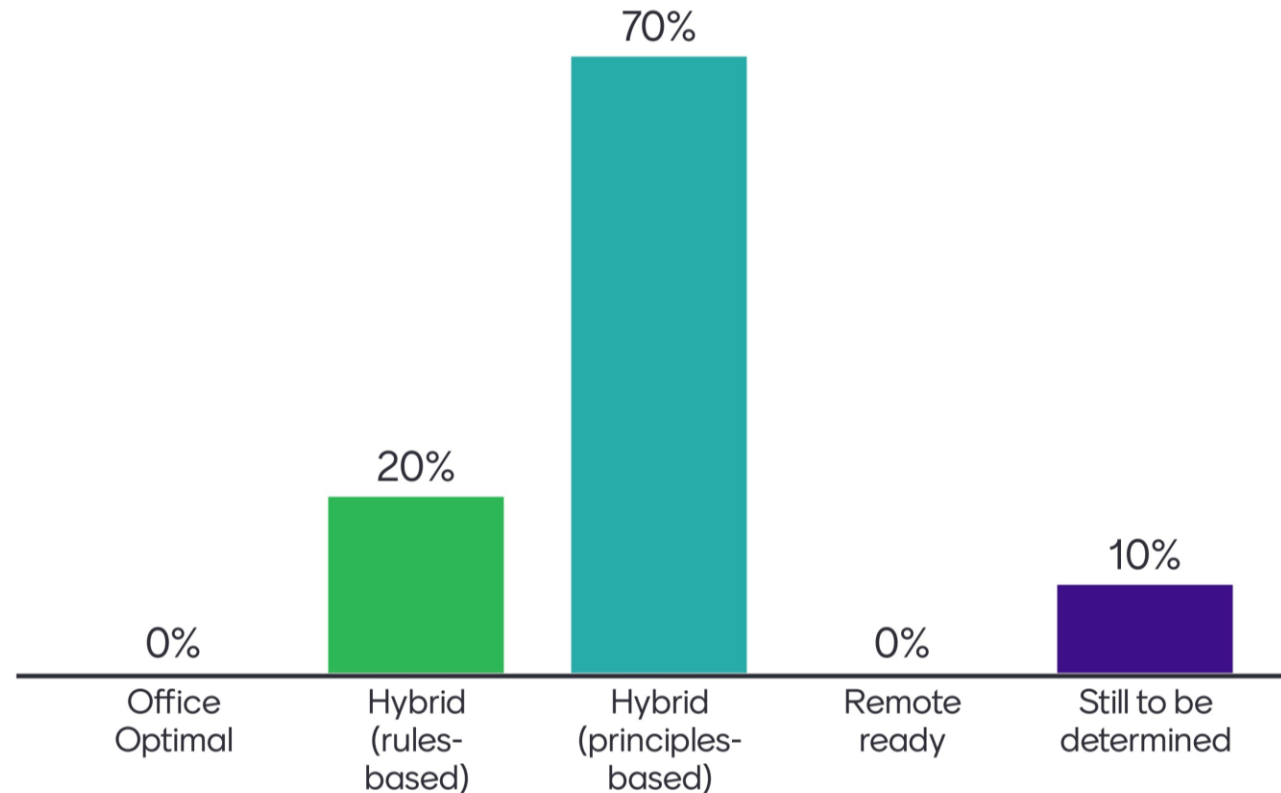
However, employers are also concerned about a number of risks and will need to take necessary actions to establish a smooth transition

### Which of the following risks are you most concerned about?

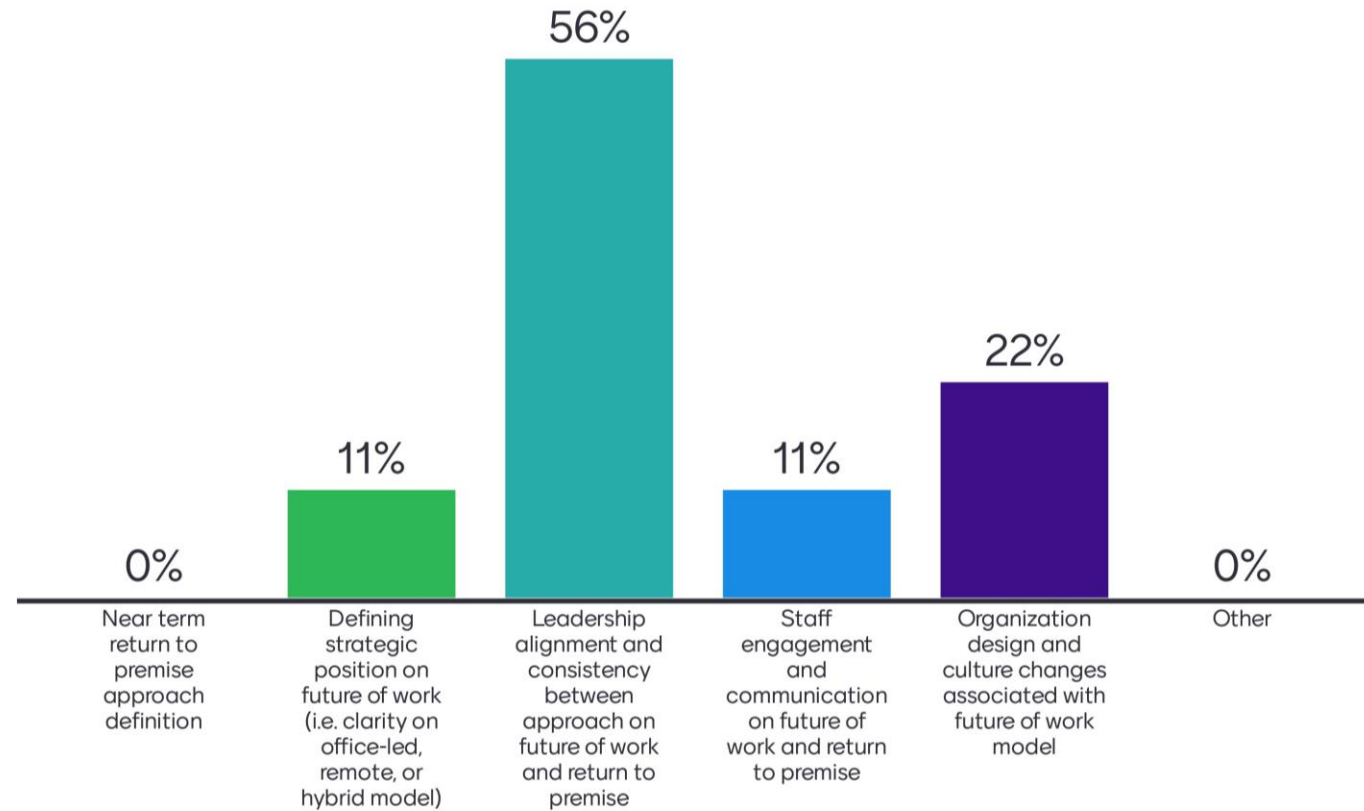


Insurers are particularly concerned about developing the next generation of talent and establishing fairness/ equity in new approaches to work vs other industries

# What is your Mutual's philosophy on return to office?

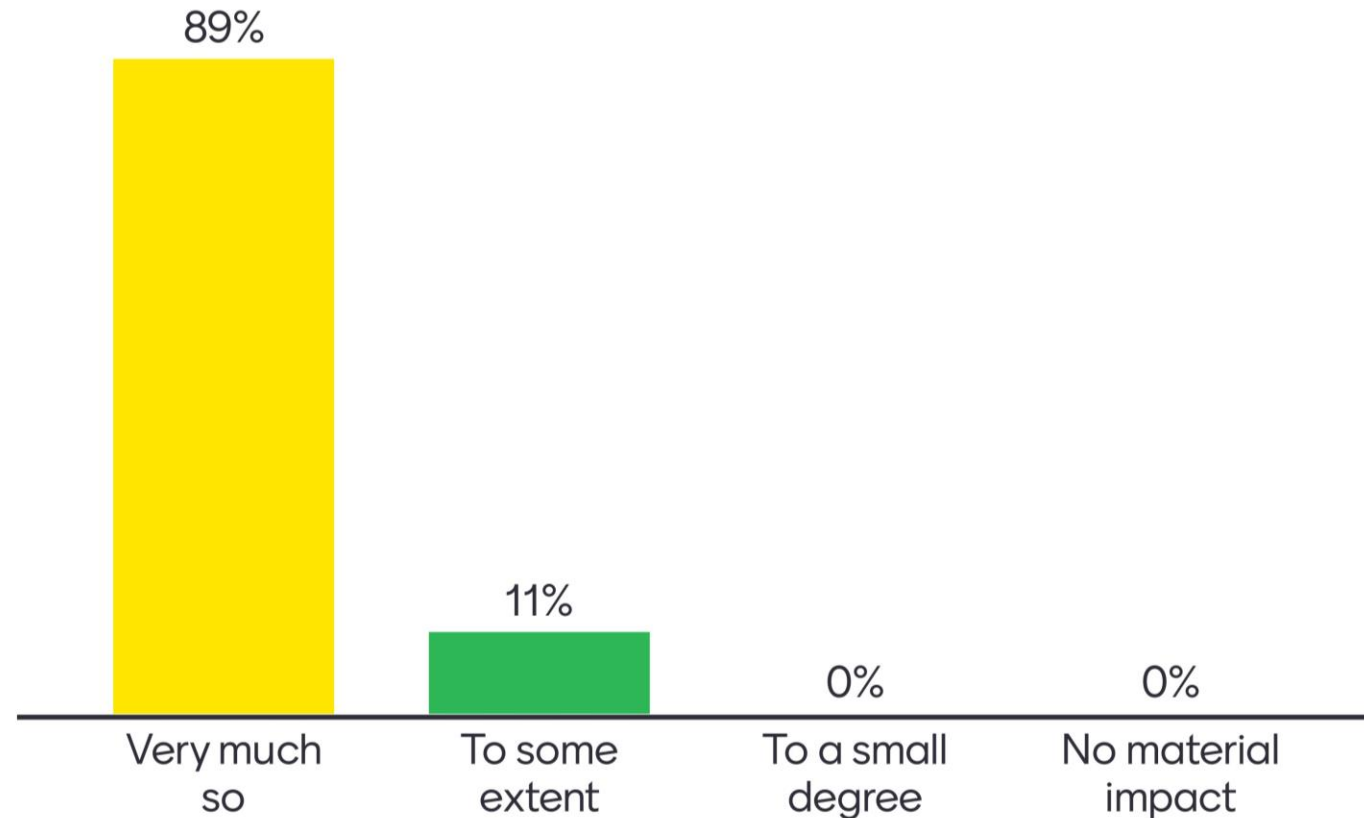


# Where do you see the most effort being required in your future of work strategy?





# Will insurers' hesitance to embrace hybrid or remote working impact their ability to attract and retain talent?



In small breakout groups please spend 20 mins discussing:

- 1) Your thoughts and reactions on the survey and Menti questions asked
- 2) Where do you see the biggest points of friction between what employees want and company policy?
- 3) Why do you think insurers are more hesitant than other industries to embrace flexible working? What can be done to combat this?

Please be prepared to present back for 2-3mins on your group's perspectives

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