The 2021 Employee Experience Imperative

Meeting Complexity With Resilience, Flexibility, and Opportunity
Introduction

As organizations prepare to face the future with a mixture of anxiety and hope, the contours of the new world of work are coming into sharp relief. We all know the old ways of working are gone, but what does that really mean for the way C-suite leaders think about supporting, equipping, and engaging workers across the enterprise?

To find out, we conducted our annual survey on over 3,000 employees at large enterprise companies in North America and Europe — gathering insights on a range of topics from health and safety to business continuity, productivity, and the future of work.

Conducted in September 2020, this survey paints a picture of worker perceptions at a significant moment — after the first wave of the pandemic has passed, how are workers really feeling about their organization’s responses and prospects? As vaccines are rolled out while COVID-19 continues to rage, how can organizations ensure they’re supporting workers in the midst of complexity and uncertainty? The research revealed three key themes that can help leaders navigate these challenges in a world that is forever changed:

1. **There’s a need for C-suite–driven resilience and wellbeing.** Just *53% of employees agree* that their organization has taken sufficient steps to help them manage the stress of working remotely.

2. **In a new world of hybrid work, the digital experience takes center stage.** *63% of respondents* indicate a preference toward some amount of remote work, while just 15% prefer a permanent remote work situation.

3. **Employees see complexity and opportunity within the new talent landscape.** *62% of employees agree* that COVID–19 will have a significant impact on their work experience for years to come (among desk workers working remotely, this incidence is as high as 72%).

In this report, we’ll discuss these insights and explore how organizations can use them to reinvent and enable agile and supportive experiences that drive productivity, engagement, and innovation.
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C-suite-driven Resilience: The Only Way Forward
There is no going back. The only way to move forward is to accelerate the resilience needed to handle an uncertain, ever-shifting future.

Resilience is the ability to bounce back from adversity, absorb change, and maintain a consistent, high level of productivity despite challenges and setbacks. We’ve all witnessed countless examples of organizations and workers who have demonstrated resilience this year — but more challenges are coming. The scientific literature predicts (and recent studies confirm) that crisis fatigue has and will take its toll. Strengthening your organization’s resilience will require new and ongoing support — from the very top of the organization and throughout.

**Resilience:** The ability to bounce back from adversity, absorb change, and maintain a consistent, high level of productivity despite inevitable challenges and setbacks.

**High Satisfaction With Initial Pandemic Response**

C-level leadership, management, and digital technologies provided vital support for employees in 2020. Employees report positive results regarding their employers’ commitment to safety, manager check-ins, and productivity — and even the furlough experience.

- **81%** agree that their employers have demonstrated commitment to their safety during the initial days of the pandemic.
- **68%** agree that they have received support and care from their manager or direct supervisor.
- **57%** agree their employer made their furlough a human and dignified experience.
- **76%** of furloughed workers hope to return to work in some capacity for their same employers.

**Industry Differences:**

Among industries of focus, workers from Banking/Finance (87%) were most likely to approve of their employers’ approach to safety — those in Education (71%) were significantly less likely to agree.
Concerns for Long-term Health, Wellbeing, and Readiness

However, though employees recognize their employers’ efforts in the early days of the pandemic, they are split when it comes to helping them manage ongoing stress and preparing for the future. Only 53% agree that their organization has taken sufficient steps to help them manage the stress of working remotely. This aligns with results from another recent study we conducted, “The Work Survey,” which revealed that 60% of employees and 44% of executives believed their organizations would prioritize business continuity over workplace safety. For issues as important as health and safety, seeing these clear splits between employees who trust and agree with their organization’s responses is concerning — especially as responding to continued waves of COVID-19 and vaccine rollouts will only get more complicated.

53%

of employees agree their organization has taken sufficient steps to help them manage the stress of working remotely

60%

of employees believe their companies would prioritize business continuity over workplace safety

These results underscore the need to continue supporting health and wellbeing in the face of persisting (and in some cases, intensifying) challenges:

- **Digital burnout**: Over two-thirds, or 69%, of employees are experiencing burnout symptoms while working from home.

- **Parenting fatigue**: Remote school, remote work, or a combination of the two has made the pandemic particularly hard on parents — especially for the 1 in 4 women who are considering downshifting or leaving their careers.

- **Social isolation, anxiety, and stress**: Roughly a third of Americans have consistently reported symptoms of anxiety disorder since late May, according to the CDC.

- **Health anxiety**: Even as the vaccine continues to roll out, the pandemic and its reverberating effects are far from finished.

Remote vs. Office vs. Field Workers

Notably, there’s a statistically significant difference between the perceptions of those working from home and those in the field or at a worksite — which makes sense given many organizations’ tendencies to overemphasize the needs of desk-based “laptop jockeys” transitioning to remote work.

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3Source: https://www.cdc.gov/nchs/covid19/mental-health.htm
The lesson for C-suite leaders is this: Don’t let up! To solve these challenges, employers must renew their commitment to supporting and equipping employees, with a special focus on their unique needs and work experiences for each kind of worker. Keep reading to find out how.

Now Is the Time to Expand, Not Relax, Your Commitment to Resilience

The high level of care and employee-centricity exhibited by many employers in the initial pandemic response needs to be maintained and expanded to cover all employees, not just those working from home. Now that so many organizations have unique combinations of remote, field, and office employees, the workplace experience has become more complex — and more important — than ever before.

No matter where employees work, they are feeling fatigued and stressed, which means manager interactions must be more human, more supportive than in the past. The C-suite must ensure managers are equipped and enabled to improve employee check-ins, both in quantity and quality. Leaders can support a culture of resilience by continuing to champion an open listening, communications, and follow-through strategy. They must employ the right tools and processes to strengthen cohesion, connection, and resilience for the entire organization — those at home, at the office, and in the field.

The C-suite must:

- Redesign and improve the workplace experience for those who must show up to work, whether in the field or the office
- Support managers to support employees, both on-site and at home
- Make the high variability of a hybrid experience work seamlessly across the enterprise
- Simplify complex moments like remote onboarding, returning to the workplace, offboarding to reboarding furloughed employees
- Help HR prepare for new kinds of employee issues (such as vaccination policies or health and safety issues), sense them early, and respond with agility

My organization has taken sufficient steps to help me manage stress amid a broader shift to remote work.

- Desk-based employees agree: 72%
- Worksite employees agree: 49%
- Field employees agree: 39%

My organization’s culture is more supportive of workers in different life stages, such as those caring for aging parents or supporting school-age kids at home.

- Desk-based employees agree: 69%
- Worksite employees agree: 57%
- Field employees agree: 50%

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Taking these actions will be key to ensuring employees have the technical and emotional support they need to maintain and drive momentum in this new normal. Next, we’ll dive into the tools and processes leaders must have to support it.
In a Hybrid World, the Digital Experience Is the New Workplace
Digital transformation was a business imperative pre-COVID-19, with $7.4 trillion of projected spend over the next three years. Post-COVID-19, digital transformation will only accelerate.

Business leaders see their organization’s ability to adapt, drive efficiency, and support workers as a strategic priority because they know the future of work will be neither fully remote nor fully in person, but a hybrid, distributed version that gives workers the flexibility they want. We’re already seeing this environment become a settled reality in the workplaces of leading companies like Microsoft, UBS, Barclays, and other organizations across the globe.

Employee preferences mostly align with this movement, yet there’s a clear trend for flexibility over complete digitization. More than 6 in 10 prefer some amount of remote work, but just 15% prefer a completely remote work experience.

These preferences for more flexibility are further evidenced in employees’ eagerness to kill the daily commute. This aligns with earlier findings from “The Work Survey,” where 99% of executives and 94% of employees reported seeing benefits of working remotely, including improved team efficiency through technology and saving time by avoiding traveling and commuting.
Yet the preference for a hybrid, distributed arrangement intensifies the importance of human interactions. While a hybrid working environment increases convenience for individual employees, it adds complexity and fluidity to the overall work experience. This makes the digital experience even more paramount to get right — it’s the connective tissue that allows workers to communicate and collaborate, from wherever they decide to be, and with whomever they need to connect.

**Productivity Stays High While Collaboration Suffers**

Findings from "The Work Survey" indicated early on that a vast majority of executives (93%) and employees (83%) had concerns about remote work. Executives were worried about delays in service or product delivery, while employees were mostly worried about collaboration. Yet despite executives’ fears, employees have reported that digital productivity has remained high. But as employees predicted, collaboration itself has taken a big hit.

- **73%** believe that their organization’s digital collaboration and communication tools have allowed them to stay productive.
- **40%** of desk workers (both worksite and remote) feel collaboration is less effective than it was before COVID-19.
- **42%** say losing in-person interactions will erode their ability to contribute at work.
- **53%** want to be in an office and see people face to face.
The results point to a unique tension around the role of collaboration platforms and tools. This may suggest that workers feel equipped to stay busy and get work done, but don’t feel like the quality and results of their collaborative work is as effective as it was pre-pandemic. It’s clear that employers have more work to do to find new ways to support and encourage collaboration in a distributed work setting.

**Hopeful Expectations for the Future**

Indeed, employees see this disruption of 2020 as a trigger to develop new and more innovative ways of working remotely — especially with digital tools for collaborating and communicating with colleagues in a hybrid, distributed workplace. A majority of respondents report high expectations for improved technology to support the new work experience. They’re banking on a flexible working environment that includes a mixture of digital and in-person interactions, and they know they’ll need the right tools to go along with it. Two specific segments were significantly more likely to share this more hopeful outlook: remote desk workers and employees from the banking and finance industry. These two groups have had a taste of what’s possible — and have high expectations for continuous improvement.

- **76%** of employees say digital collaboration and communication tools will better support individuals no matter where they are working.
- **74%** of employees say the same for teams, no matter where the individual team members are working.
- **88%** of remote desk workers agree.
- **86%** of banking and finance employees agree.

With better tools to support the hybrid work experience, a majority of employees hope to be able to shift effortlessly between digital and face-to-face collaboration. Whether their employers will be able to deliver is another question.

- **65%** say they hope to have a hybrid approach to digital and in-person interactions — as long as in-person interactions are safe.
Employees clearly don’t want to go back to the way things were. They want to lock in the upsides and recover from the downsides as we enter new phases of getting back into the workplace. This means that leaders have a unique opportunity to recast expectations for what constitutes a safe and productive workplace, digitally and physically. To do that, they’ll need to accelerate their organization’s ability to deliver a seamless work experience for this quasi-digital world.

**Accelerating Digital Transformation**

Even in in-person industries, where work requires face-to-face interactions and physical presence, support and enablement functions will become remote and “hybridized.” In other words, not everyone is coming back to the workplace full time.

“Digital workflows are the way business gets done in the 21st century. There’s no going back.” — Bill McDermott, ServiceNow CEO

There’s going to be a change curve that takes time as our behaviors, habits, and use of tools adapt to the loss of constant shared workspaces. In this new future, we’re gaining autonomy and speed of communication in the digital workplace, but we’re also experiencing losses related to human connection, serendipitous interactions, networking, and relationship building.

Employers must continue to deliver on the flexibility employees need with novel and supportive approaches to in-person and digital interactions and collaboration. A new set of digital experiences will be needed to realize and execute this vision, as well as be responsive to employee signals and opportunities for continuous improvement along the way.

SECTION 3

Risk and Opportunities in the Future of Work
This nuanced combination of gains and losses is reflected in the way workers responded to our survey. They sense both opportunity and risk in the future of work – and this is even more pronounced among workers from the younger generations. Despite the challenges ahead, millennials are the most hopeful, compared with Gen X workers and baby boomers.

62% agree COVID-19 will have a significant impact on their work experience for years to come

39% worry about having a stable future in the workforce

39% of workers say that since so much work has been distributed, they plan to pursue opportunities that they might not have pre–COVID-19

43% say that the changes underway, sometimes captured as “the future of work,” will create new opportunities to progress in their careers

Gen Z: Talent Interrupted

While this research did not capture enough responses from Gen Z workers to qualify as statistically significant, it’s worth noting that this generation faces some particular perils. Many are having their education plans disrupted or choosing not to go altogether, as evidenced by decreased enrollment rates (such as this fall’s 20% drop at Harvard University).5

Others have just entered the job market and are finding few opportunities, facing higher rates of unemployment than other generations.6

For those who are employed, they’re facing this year’s challenges like the rest of us – but without the benefit of years of experience and emotional skill-building to help manage the load.

In a survey we conducted last year, almost half of Gen Z workers reported having already experienced burnout and job stress was ranked the worst part of their current job or internship. Both experiences have likely only increased with the events of 2020.

49% Pre–COVID-19, 49% of Gen Z workers were already reporting having experienced burnout in their short careers

6Source: https://www.epi.org/publication/young-workers-covid-recession/
The Talent Hub Has Changed

Employees and employers alike are already sensing the flexibility and opportunities opened by the possibility of long-term remote working. This is a great opportunity to widen the candidate pool and start hiring unconventional candidates — whether from under-recruited geographies, diverse backgrounds, or even with disabilities that would normally preclude in-person work.

However, this changing talent hub also poses challenges for employers. Almost half of employees don’t see opportunities for growth at their current organization — yet a significant percentage feel optimistic about career prospects in a world more open to remote work.

There’s a tension between the disruption, opportunity, and possibility that workers are aware of — employers must take note and capitalize on this before it’s too late. Many employers may be banking on economic uncertainty to keep turnover low and employees satisfied, but as employees are seeing promise in the new world of work and limitations at their current organizations, the foundation of retention may not be as solid as once thought.

Reinventing an Employee Experience That Fuels Opportunity

As the expectations and circumstances of today’s talent evolve, the employee experience must evolve with them. This new era demands the complete transition away from shallow perks and amenities that dominated the employee experience conversation pre-COVID-19.

The employee experience must expand to offer the kinds of personally meaningful and lasting human experiences employees need to remain engaged, such as:

- Learning, development, and curiosity
- Connection, communication, and genuine collaboration
- Support, networking, and feedback
- Innovative hybrid work arrangements like solutions for childcare, subsidizing work from home, and work-life balance
Employers must adapt the work experience to not only a new environment, but a new way of being, in line with the new hopes, anxieties, challenges, and opportunities of today’s workforce. With the right employee experience, employers can fan the flame of optimism while addressing some of the more nuanced problems, like collaboration, career growth, commutes, and hybrid work options.
Workflowing the New Employee Experience With ServiceNow
Delivering great enterprise-wide employee experiences is complicated. ServiceNow makes workflowing them simpler.

While the future remains uncertain, one thing is clear: The employee experience has become more complex, more important, and more digital than ever before. This new world of work will bring challenges in managing stress and wellbeing, fostering collaboration and mitigating the complexity of hybrid work, and taking advantage of expanded talent pools while retaining current employees.

To do this well, employers need the right approach and technology to help them design for the variety and volatility of the new work experience.

ServiceNow is here to help you create connected and engaging experiences for your employees using intelligent workflows. You can accommodate the needs of remote, worksite, and field workers, and deliver engaging experiences that drive productivity, collaboration, resilience, and innovation. To learn more, contact us today.
Research Information

Methodology

To conduct this study, we surveyed 3,892 full-time, part-time, or furloughed employees at companies with 2,000 or more employees in September 2020. We focused specifically on North America and Europe.

Sample Profile

Country of Employer
- United Kingdom: 21%
- Germany: 25%
- United States: 23%
- France: 25%
- Canada: 6%

Generation
- Gen Z, 2000 to present: 19%
- Millennials, 1980 to 1999: 37%
- Gen X, 1965 to 1979: 43%
- Baby boomers, 1946 to 1964: 1%

Current Employment Status
- Full-time/reduced hours: 83%
- Part-time: 12%
- Furloughed: 5%
About ServiceNow
ServiceNow (NYSE: NOW) is making the world of work, work better for people. Our cloud-based platform and solutions deliver digital workflows that create great experiences and unlock productivity for employees and the enterprise.

For more information, visit: www.servicenow.com.