

home[®]

Roundel 2021

The Home of **global employee experience** trends

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2021: welcome to a whole new world of work

We couldn't have predicted the events of 2020 – and if we had, no-one would have believed us.

Last year saw wave upon wave of seismic change: entire organisations moving to remote working overnight, three-year digital transformation programmes completed in days. We now share a whole new vocabulary: lockdown, pivot, Zoom fatigue, furlough, home-school, unprecedented change, new normal. And of course, there's a wider context – political unrest, economic challenges, elections. In the middle of the year, the Black Lives Matter movement exploded into our collective consciousness, a renewed force for change that held up an unflinching mirror to both organisations and individuals.

2020 was a lot.

But our profession rose to the challenge, bringing enormous amounts of energy and innovation to the workplace as we grappled with the big questions. How do you engage a remote workforce? How do we support line managers when no-one knows the answers? How do we help leaders to show up differently, with less PowerPoint and more authenticity?

How do we help our organisation stay true to its purpose? And above all, what does all this mean for our people and our customers?

This is a watershed moment for our profession. Here at Home, we believe there is a clear choice ahead: do we get through the next few months as best we can before heading 'back to normal'? Or do we grasp this once in a lifetime opportunity to truly transform the world of work?

This is the era of the employee experience. In 2020 it was critical to business performance, and even business survival. As one of our respondents commented: "Ever since the pandemic started, the definition of employee experience has continually shifted, and my team has tried to keep up in terms of engagement."

We believe it's time to revolutionise work. 2020 was extraordinary. We had an incredible opportunity to see our people more fully, to better understand their lives outside work, their motivations, and their goals. With Roundel 2021, we hope to help you take a small step back to benchmark and absorb all those experiences, before stepping-up to lead the change we all crave.

Because yes, Black Lives Matter – so how, collectively, are we going to do things differently? Yes, mental health and wellbeing has never been so important, so how are our organisations going to support it? And yes, inclusion has never felt so urgent, so how can we make sure every voice is heard?

We are incredibly excited to share the results of this year's Roundel 2021, a benchmark of the trends and practices in our sector. We heard from 634 professionals from employee experience, HR, internal communications and employee engagement in organisations big and small. We're privileged to have shared their experiences and hope this report helps our community take this collective knowledge forward into 2021.

Let's face it, none of us are sorry to see 2020 go, so let's look forward to 2021 and work together to build on the good. There's a lot of it about.

Who did we speak to?



What is the global headcount of your company?



A reimagined experience

60%

of employees are working remotely

For many organisations, the move to remote working had a positive impact on...

51%

saw more empowerment

40%

increased engagement

39%

are more innovative

38%

better culture

35%

are more productive

34%

saw more collaboration

91%

of organisations are offering **more flexibility** in how, when and where work gets done

Remote working

was seen to have a positive impact on productivity, collaboration, innovation, empowerment, engagement and culture

27%

think better L&D would be the one big thing that would drive a great employee experience

54%

believe increased flexibility will be the biggest long-term trend

8/10

organisations say increased flexibility hasn't hurt their business

Increased flexibility saw on average **24% more of a positive impact** across productivity, innovation, empowerment, engagement and culture

#1 Mental health and wellbeing

is the number one **employee experience focus area** in 2021



agree employee mental health has been negatively impacted



actively listened to employee feedback in 2020



doing more to support employee mental health

Mental health and wellbeing initiatives had a **positive impact** on **productivity, innovation, empowerment, culture** and **collaboration**

Managing with empathy is seen as the number one skill underpinning exceptional employee experience

Silver linings



see increased flexibility as a silver lining



see more empathy in leadership



are more agile



have more cross-team collaboration



are having more D&I conversations

What is employee experience?

Employee experience certainly isn't new, but it isn't always clearly defined. This is what we heard...

”
The feeling that employees have about where they work.
“

”
Employee experience is the intersection of an employee's expectations, the environment, and events that shape their journey.
“

”
What brings someone in, what keeps them there, and what ultimately makes them leave.
“

”
The experience we provide for our colleagues across every moment of their journey; a key element of our culture and brand.
“

”
We think of it as how employees interact with the company, from being hired, onboarding, engaging with the strategy, participating in success, to offboarding.
“

”
What makes people want to come to work each day.
“

”
Under permanent construction.
“

”
The crossroad of culture and opportunity.
“

Big themes

Flexibility

On average,

60%

of employees are now working remotely.

That's **huge**. And **challenging**. And **rewarding**.

Remote working has brought increased flexibility, great conversations about autonomy, trust and empowerment, and the chance to completely rethink decades-deep assumptions about work.

Employers are offering more flexibility in:

- when work gets done **48%**
- how work gets done **53%**
- where work gets done **56%**.

In fact, **only 9%** of respondents said their firms didn't offer more flexibility in 2020.

In the circumstances, flexibility hasn't been a nice to have – it's been a **lifeline** for people juggling conflicting responsibilities.

But it's also brought fantastic business benefits:

- increased agility
- the ability to flex across different time zones
- wider and more diverse recruitment.

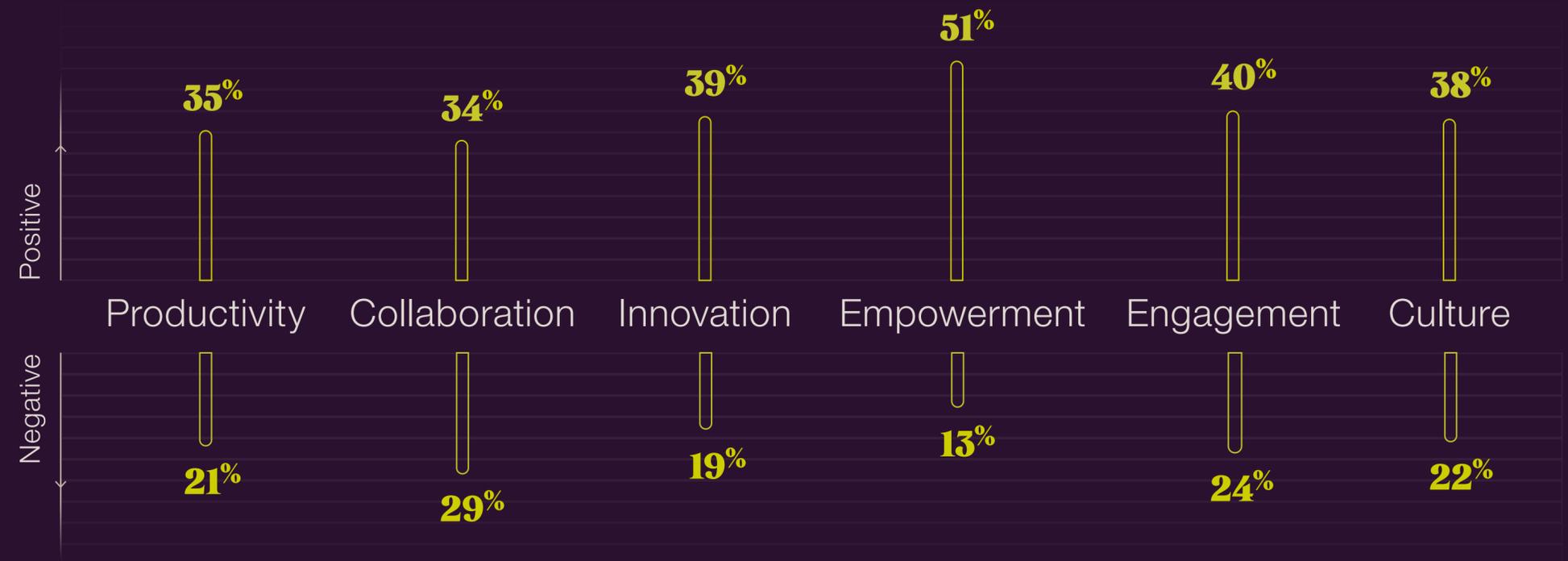
We're not working at home, we're working at home during a pandemic

Those benefits aren't, well, that much of a surprise, are they?

People have been screaming out for flexible working for a long time. Let's be honest, **2020 didn't leave us with much choice**. And that's the key here, choice. Organisations need to work out what **flexibility** means in the long term, how to make work accessible to people who don't want to, or can't, spend 12 hours a day physically present in an office.

So, when the new flexibility meets the old workplace culture (it's still there, waiting in the wings), what's going to win in your organisation?

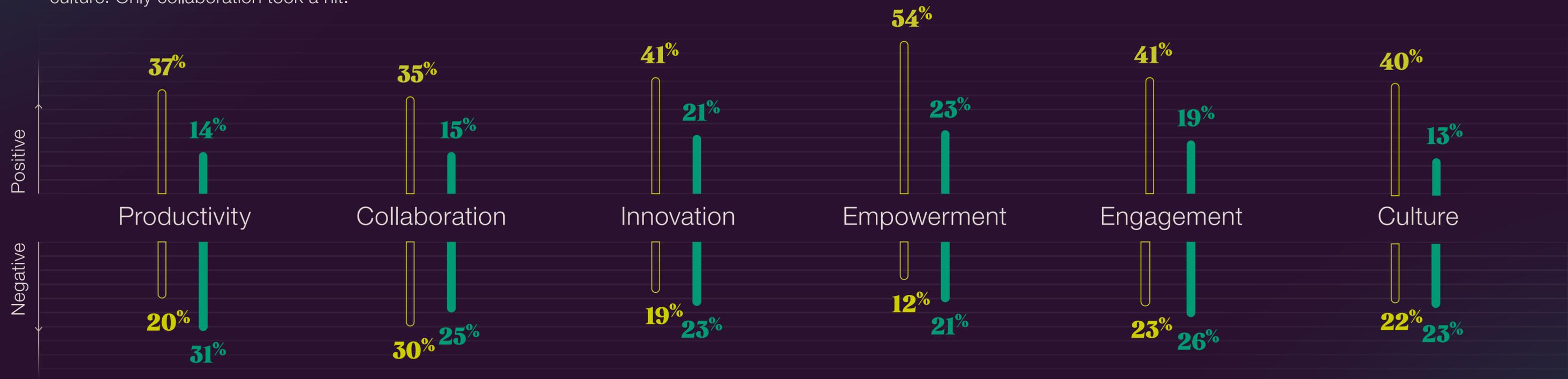
For many organisations, the move to remote working had a **positive impact** across the core performance measures we looked at.



Flexibility is here to stay

8/10 organisations say flexibility **hasn't hurt their business.**

Those offering increased flexibility saw a more **positive impact** on five out of six core measures we looked at: productivity, innovation, empowerment, engagement and culture. Only collaboration took a hit.

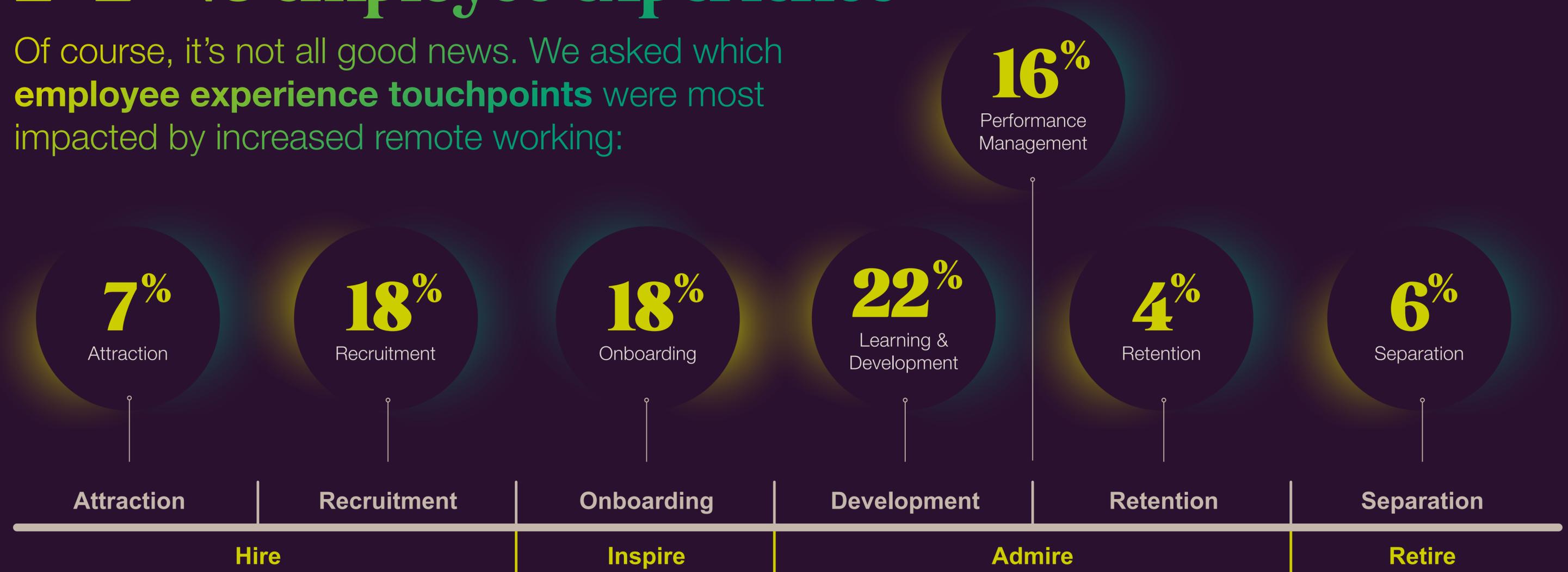


▭ Increased flexibility
▭ No increased flexibility

It's time to start thinking about the hybrid approaches we'll adopt in future. How do we **balance the needs for in-person collaboration** with the **opportunities for empowerment**? In short, what does the new employee experience look like for you?

2020 vs employee experience

Of course, it's not all good news. We asked which **employee experience touchpoints** were most impacted by increased remote working:



We need to adapt

Simply making remote working happen took huge amounts of energy and innovation. The next challenge is to bring the same laser focus to **every stage of the hire to retire journey**, so your organisation's values and employee promise are fully experienced by a more remote, more flexible workforce.

If you could improve one aspect of your employee journey to **drive a great employee experience and engagement**, what would your priority be?



Diversity & Inclusion

Diversity is a reality.
Inclusion is a choice.

Another turning point for 2020: 25% of respondents said the silver lining of 2020 was the way Diversity & Inclusion (D&I) conversations opened up. A fifth said D&I had the most positive impact on their employee experience.

Last year's Roundel told us that **40%** of respondents said D&I was a **top priority for 2020**. D&I was firmly on our radar long before the big picture overtook us: multiple police killings of black Americans coupled with the disproportionately negative effects of Covid-19 on black and brown communities heightened awareness and led to worldwide protests. Discussion about racial injustice spilled onto the dinner table, across social media and into the boardroom.

While race was the focus in the news, corporate D&I agendas tend to be broader, targeting ability and LGBTQ+ inclusion as well as race and gender equality. Doing the minimum isn't enough – **it never was** – and employees are holding organisations to account. It's great to see the efforts of forward-thinking companies bearing fruit: almost a fifth of respondents said their D&I work had the **greatest positive impact on their employee experience in 2020**.

When you think through your employee experience activity this year, which work-streams had the most **positive impact** on your people?

17%

said Diversity
and Inclusion

For us, this is about culture

When your culture is truly inclusive, everyone has permission to just be themselves. That doesn't mean 'we don't see differences'; **it means we see them, celebrate them and connect with one another because of them.**

We were surprised D&I didn't feature in the top three priorities for 2021. After all, **25% said** opening up D&I conversations was a silver lining in 2020; and **17%** said their D&I workstream had the most positive impact on their people. It seems D&I is still firmly on the radar but isn't quite hitting the top of the priority list. Bringing D&I out of the fringes and firmly into the front and centre would be a great way to kick-off 2021...

“We run a tremendous amount of activities around these subjects, from educational programmes celebrating black history month, to having champions and support groups for LGBTQ+ employees and allies, to our CEO being named as one of the best for women to work under.”

Mental health, wellbeing and work

How are **you** feeling?

80%

of respondents said that the events of 2020 **negatively impacted employee mental health**. But organisations that invested in mental health and wellbeing saw a positive impact on collaboration, empowerment, innovation, culture, engagement and productivity.

Here's the catch, only **61%** of organisations have taken further steps to **support employee mental health** and wellbeing. That's the majority adapting. But some businesses are under critical financial stress too, so we have to question where that leaves their people? It goes without saying that **supporting employee mental health and wellbeing is going to be even more important as we step into 2021** and beyond. The world needs to recover. So do our employees.

Are we always on?

We work in our living rooms. Children jump into our calls. We make space to build a desk. We home-school. We rest. We watch Netflix. We don't commute. We're uncertain. We're anxious. **Work and homelife have combined in a way we've never seen before.** The concept is becoming increasingly fluid. Yes there's flexibility, but are there boundaries? We need to find the balance.

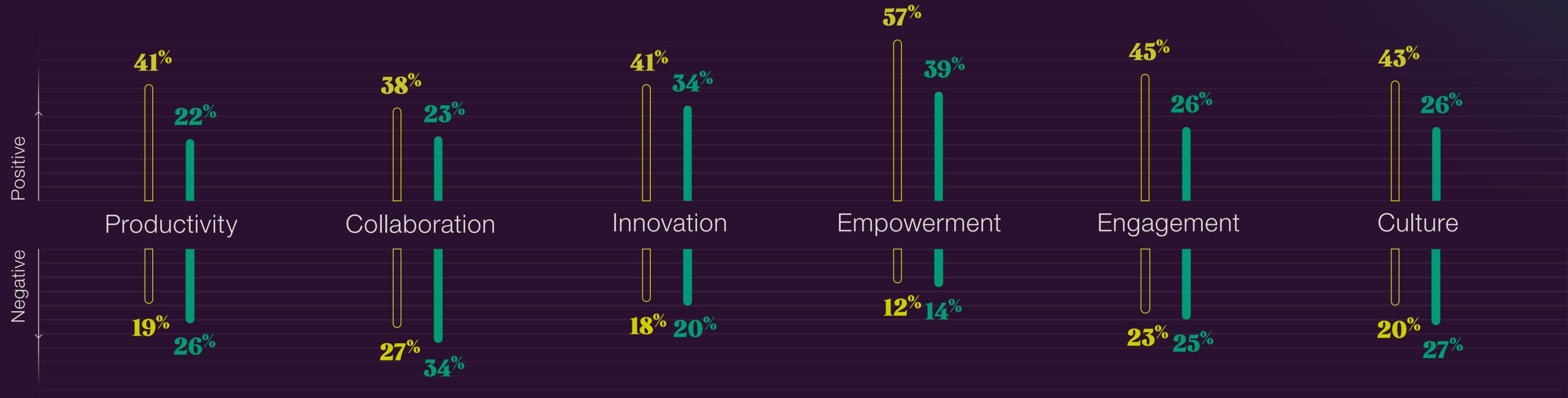
2020 clearly had a cataclysmic impact on how we experience the world. Many commentators expect this to have a long-term effect on our mental health. So, what have we learned in the short-term, and what should we take forward into 2021?



When you think through your employee experience work this year, which two work-streams have had the most **positive impact** on your people?

The bottom line

Those investing more in **mental health** and **wellbeing** benefited across the six remote working key performance measures we looked at.



- ▭ Yes, we invested in mental health
- ▭ No, we didn't invest more in mental health

“

The pandemic forced many employers to accelerate their employee wellbeing plans in the face of significant rises in poor mental health. However, its alarming to see so few employers taking the necessary steps to support their people. When the virus is eventually contained, the impact on employee mental health will continue to be profound, so employers must start seeing wellbeing as a long-term investment in the success of their business.

When it came to employee wellbeing in 2020, many employers spent the year in reactionary mode, responding to the immediate needs of their people and managing the huge change in working conditions. As we enter 2021, that excuse is no longer there. Every employer is going into this year with their eyes wide open and every employer should be considering how they support long-term employee wellbeing.

The benefits of an investment in employee wellbeing are well proven all over the world. The evidence is so vast and compelling, that we can say with confidence that those organisations who support their people perform better. I hope that 2021 is the year that employers realise that employee wellbeing isn't just about supporting people, it's about keeping your business alive.



Gethin Nadin, Psychologist, author and Director at Benefex

”

61%

of organisations have taken
further steps to support
employee mental health.

Of those...

52% offered counselling or increased support

- Safeguarding unit
- Availability of health practitioners
- A team of employees who phone people who are vulnerable or isolating
- Psychological support (individual and webinars)
- Wellbeing 1:1s
- 24-hour helplines
- Mental health groups
- Feel good champions
- Supported through coaching
- Weekly 'feel good' sessions with a wellness coach
- Mental Health Allies
- More availability of external support channels
- Working alongside our mental health charity partner to provide resources and support

20% better promoted their existing Employee Assistance Programmes (EAPs)

13% offered more paid time off

- More paid days off
- Four wellness days off
- Childcare and elder care support
- More lenient attendance policy
- Unlimited mental health days

41% provided extra training and awareness campaigns

Resilience, relaxation, meditation, wellbeing seminars, work from home tips and equipment, free access to support apps like Headspace

11% increased manager support

- Regular virtual catchups
- increase 1:1s with line managers to make sure people are doing ok
- Management availability
- More toolkits and training for managers

22% launched new wellbeing programmes

- Wellbeing website with new initiatives
- Wellbeing programme
- New wellbeing strategy
- Wellbeing steering group, pushed out the support that is already available and launched a number of new initiatives

Leaders and line managers

36% reported more empathy in leadership

These upticks in productivity and innovation have been driven in part by leaders showing up differently. They've shown greater empathy and increased levels of trust, empowerment and autonomy.

They've had to, because without these qualities **remote working just doesn't work**. We tip our hats to the leaders who are dealing with the same challenges as the rest of us, but still show up for their teams.

Empathetic leadership

The pandemic has demanded a lot from leaders and line managers. Our respondents told us about amazing leaders who led their teams to flourish.

“All hands Zoom calls with CEO – weekly for months, then bi-weekly, now monthly. Very popular with employees and increased connection and community.”

It doesn't always come naturally

Leading authentically and with empathy does not come naturally to everyone. In fact, it's against the vast majority of role models we've had for years. Hierarchy, command and control, bureaucracy and politics all have to go, otherwise the key skills of critical thinking, self-direction, problem-solving, creativity, collaboration, failing fast and learning don't stand much of a chance.

Supporting our leaders and line managers to develop a more open and real style that's underpinned with a mindset of active listening, coaching and developing others will be fundamental to the revolution our workplaces need to go through – as we find our new hybrid models of work.

“A weekly 'Morning Cup' program for leaders provided real-time tools and resources just when they needed them most.”

Are you listening?

Two-thirds of organisations asked their employees how their needs and expectations had changed in 2020. Yet **14%** don't have a formal listening strategy and less than **10%** use real-time data to make people decisions.

66% of respondents said their company conducted research or asked employees what they wanted, needed or expected from their employee experience as a result of 2020.

Tuning in

Influencers have moved beyond the consumer sphere, with **21%** of respondents using internal influencers for local listening strategies. Sophisticated stuff. Yet **14%** said their companies **don't have a formal listening strategy** at all, while only **9%** of respondents use real-time data and insight to make employee decisions. There's still some work to do.

Which best describes how you plan to listen to your employees in 2021?



Annual employee engagement



Frequent surveys, pulse questions, leadership focus groups and listening sessions



Annual survey plus ongoing pulse



We don't have any formal listening



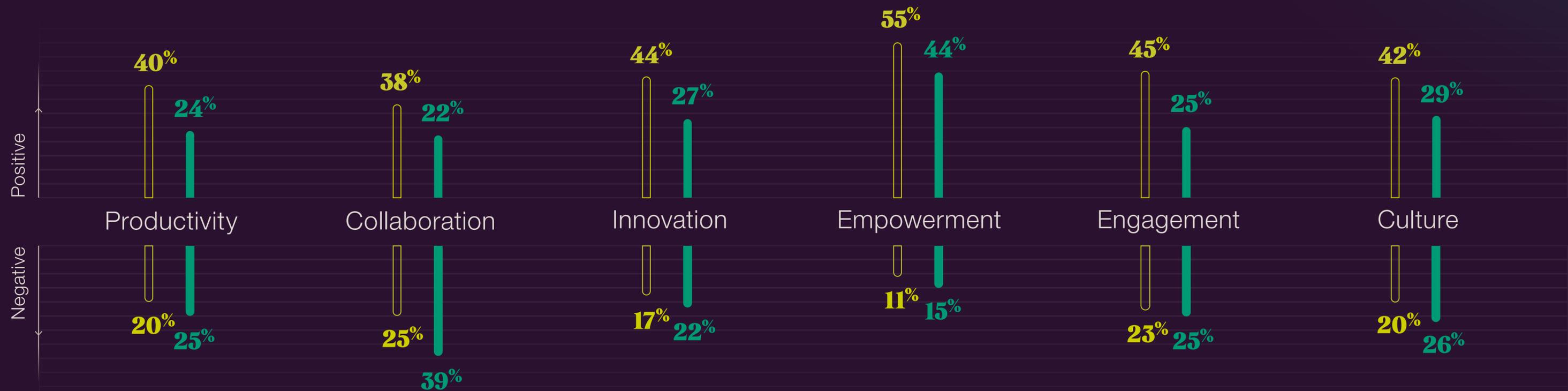
All of the above – we use real time data and insight to make employee led decisions

“We conduct Appreciative Interviews inviting conversations with each of our employees to explore the highpoints of their experiences. We continually seek to achieve mutual commitment to shared goals and aspirations.”

“[There was] encouragement from management to every employee to get in touch. Somehow those words from the top boss reduced the gap between top and floor more in Corona times.”

What happens when it's right?

The 9% of organisations using real-time data and insight to make employee-led decisions experienced a more positive impact from remote working across the six performance measures, compared to those that don't. A powerful correlation.

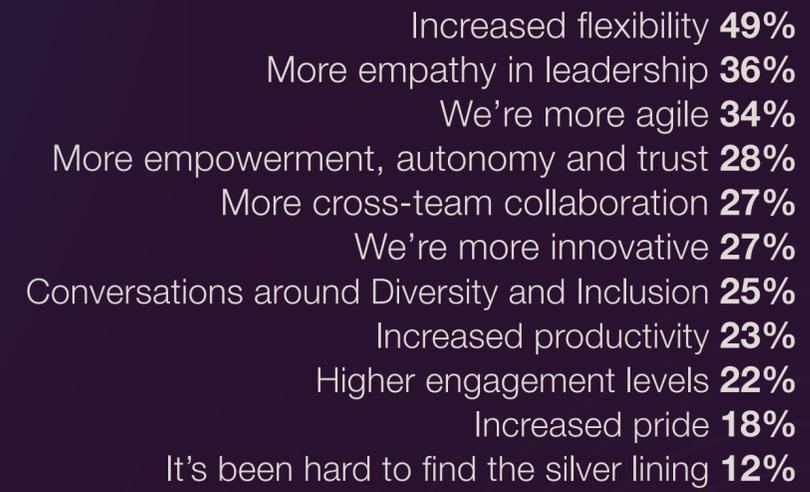


▭ Using employee insight
▭ **Not** using employee insight

It's unanimous. Listening to employees and making employee-led decisions not only positively impacts the full employee experience, it also improves core business success factors. So that's a no brainer, right?

Silver linings

Roundel 2021



Has 2020 had any **silver linings** for your organisation?

As we said up front, we'd love Roundel 2021 to help you take a **small step back to reflect** on all the great work that's happened this year. So we asked our respondents to tell us about their silver linings, the high spots of 2020. **We hope it inspires** you to find your own silver linings – and to create even more of them in 2021.

The 2021 focus

The 2021 focus

You've made it to 2021 –
give yourself a well-deserved
pat on the back.

What are the main priorities for the year ahead? According to our respondents, the top three focus areas are **mental health and wellbeing**, **values** and continuing to make **remote and flexible working** a great part of the employee experience.

That's a big shift from last year, when the top three focus areas were strategy, **upskilling leaders** and **embedding a purpose-driven culture**. It's safe to say these challenges still exist, but 2020 has made us rethink our priorities.

Priorities

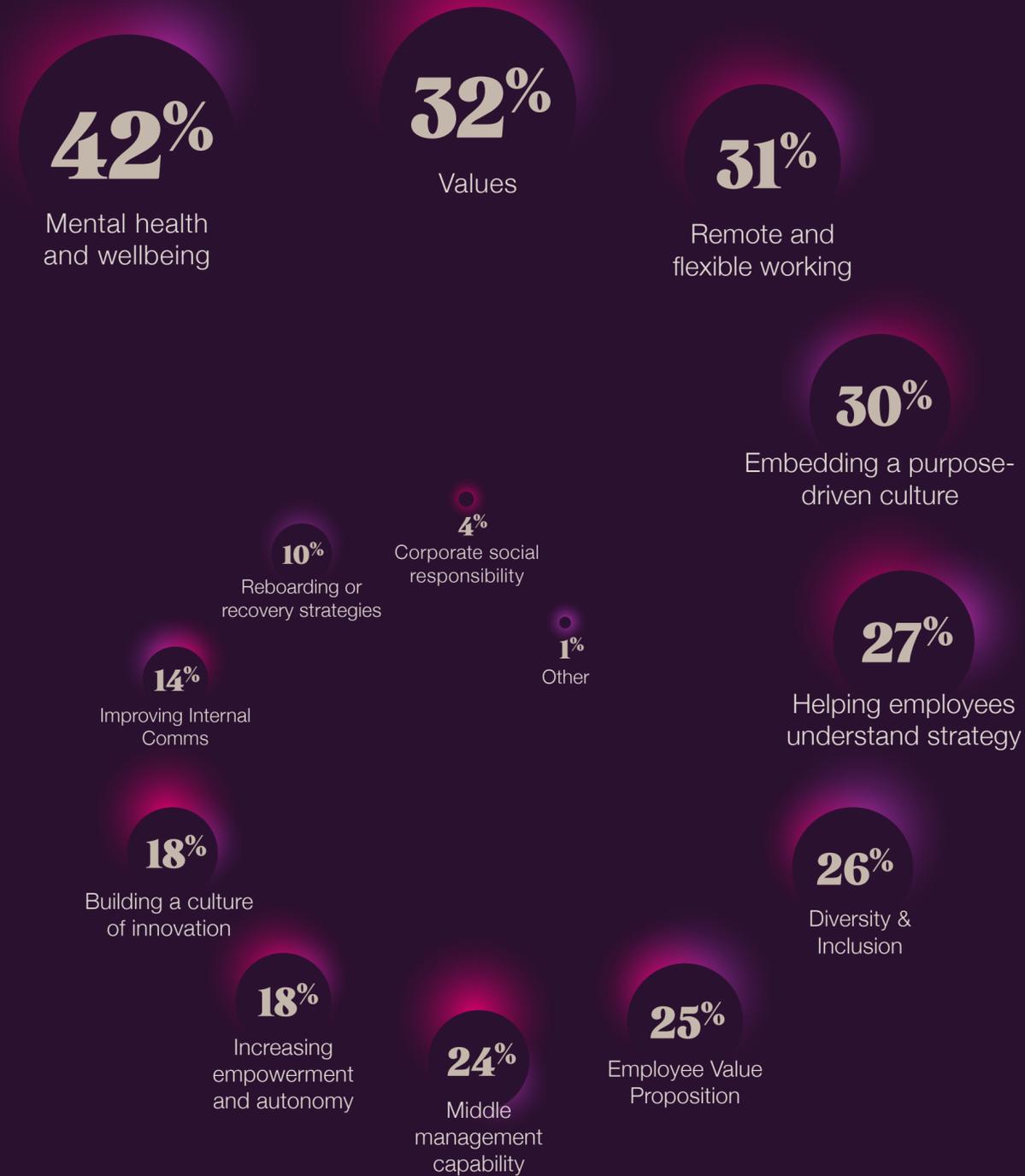
2020 vs 2021

Helping employees understand strategy	33%	42%	Mental health and wellbeing
Upskilling leadership engagement capability	32%	32%	Values
Embedding a purpose driven culture	32%	31%	Remote and flexible working

The full 2021 priority list

You've made it, it's nearly 2021 and you're pitching your **employee experience strategies and ambitions** for the year. What are your top three focus areas?

We've talked loads about mental health and wellbeing and remote working. So, what else?



Values

Values are the **guiding principles** that help organisations deliver the right employee experience.

They're the moral compass – and in 2020, in the face of unprecedented pressure, they either stood the test or fell by the wayside.

With the spotlight on **company culture**, many respondents feel there's more progress to be made, with almost a third saying **values are a top focus for 2021**.

It's no surprise organisations want to cement a set of **inspirational values**. A great employee experience drives an even better customer experience and builds your brand from the inside out. Getting your values right brings sustainable competitive advantage: over one tenth of respondents said **a lack of distinct brand was the biggest challenge for 2021**. If that's you, your values are a great place to start.

32%

said values were
a top priority in 2021

Purpose-driven culture

What good do you bring to the world?

The best purposes aren't about profit or shareholders, they look beyond financial gains, explaining how your existence benefits our people and/or our planet.

Truly purpose-led cultures are driven by something deep that unites people behind a common goal. **This was pivotal to humanity in 2020.** Whether it's our healthcare professionals separated from their families for months on end to save lives against this cruel virus, our scientists racing to find a vaccine, our delivery drivers supplying life's essentials to the vulnerable, our teachers going online to continue to educate our young or our factories pivoting production lines to produce PPE overnight.

The lengths people will go to when they are driven by a higher purpose of doing good, has never been clearer or more important. **Your purpose articulates the good your organisation does in the world.**

Goodness can be found everywhere

2020 has shown us that in the face of adversity, having a **clearly defined purpose** gives people something meaningful to rally around and crucially the drive to overcome obstacles and adapt at speed so they can continue to do the right thing.

As an organisation, if you are not already purpose-led and don't understand the goodness you bring to our people or planet then perhaps it's time to ask yourself why not?

30%

said embedding purpose was a top priority for 2021

Communicating strategy

Knowing where you're going

Successfully communicating strategy is more than helping people understand the direction of travel. It's about building a **sense of connection** to the bigger picture and showing each individual how they add value to delivering it.

36% said that **communicating strategy** was the workstream that had the most positive impact on employee experience in 2020. Only secondary to **mental health and wellbeing** at 44%.

At a time when the fabric around us is changing, having a sense of meaningful purpose coupled with a degree of informed hope about the future is **incredibly powerful** from a psychological perspective. Organisations that did this well, reaped benefits in **collaboration, productivity and engagement levels**.

The following viewpoint hits the nail on the head as to why...

“**As the lockdown happened and concerns for the virus grew, it was paramount that we communicated the strategies being implemented. As a result, it helped ease apprehensions and control chaos.**”

Communicating strategy has always been important to business. It's almost comforting that, pandemic or not, this task isn't going anywhere.

27%

said that helping employees understand strategy was a top priority in 2021

Challenges

What's keeping us awake at night?

We don't think anyone will be surprised that the top three challenges our profession faces as we head into 2021 are budget constraints, constant change and a lack of time or conflicting priorities.

Creating a **great employee experience** is rarely a smooth ride, especially this year. What are your three biggest challenges for 2021?



Last year's top challenges were:

- Constant change
- Middle management capability
- Technology limitations.

With the massive effort to get as many people as possible working from home and digitally connected, it's great to see that one of our biggest headaches has eased a little.

Doing more, with less

Given the economic turmoil and uncertainty the world is facing, **budget constraints are here to stay**. Listening to employee feedback about what matters most will help you make the right employee experience investment decisions.

Employee experience and engagement is firmly on the minds of the C-suite, building a business case to repurpose budget into your area could allow you to drive productivity and aid recovery. So go for it!

Constant change (and then some)

2020 reframed the way many of us think about change, what true agility looks like and what people can achieve when their backs are against the wall. **We learnt as we went**. But as a result, **change fatigue** and **burnout** are ever increasing. Employee mental health and wellbeing and building mindsets that are resilient to change should be seen as business-critical investments.

No one is expecting you to have a crystal ball. Sticking true to your values, being agile and having an open and honest approach to communication will ensure your people are the **first to hear important news**.

“

Internal communication has played an intrinsic and vital role in helping organisations and their people through this pandemic. With effective and human centred communication, we have helped organisations adapt to new ways of working, ensuring people felt informed, cared for, listened to and valued. Whilst continuing to drive a sense of community and support which have been vital in keeping people connected and engaged. As we look to the future and emerge from these extremely challenging times there is lots we have learnt as communicators and human beings, this will change the way we work irrevocably and as internal communicators we will have the opportunity to make long-term change that will shape better organisations of the future.



Jennifer Sproul, Chief Executive Institute of Internal Communication

”

The future of work

Where to now? The future of work is ours to shape

No surprises here. The top trends for 2021 and beyond are **increased flexibility (54%)**, **mental health and wellbeing (53%)** and **remote working (51%)**. Let's use these to reshape work for the better.

2020 ripped through employee experience as we knew it. As the dust settles there's a real appetite for the world to move forward, not back. It might feel a little tricky to see the path forward whilst we're still in the eye of the storm but there are some clear themes coming to the fore when we look forward to the future of work.

54%

Increased flexibility

53%

Mental health and wellbeing

51%

Remote working

23%

Diversity of thought

16%

Artificial intelligence

24%

Employee empowerment

1%

Other

40%

Virtual collaboration

25%

Inclusion

26%

Employees wanting more meaning

The future of work

Increased flexibility is the top trend for the future.

54% said flex was the top ticket item. Organisations will be taking a magnifying glass not just to where we work, but when and how because, for obvious reasons, the 9-5 has been **thrown out of the window this year**. We've made more of our own decisions and we've even thrown the dress code away (sidebar: we think the new relaxed wardrobe is here to stay).

Autonomy looks different for every organisation. As always, if you listen to your people and work with them, you won't go far wrong.

51% said remote working was a key trend

We finally proved it. Once and for all. **People really can work anywhere.** That said, the change was thrust upon many organisations, so the challenge now is to design healthier processes and policies so people can work well anywhere, but with clear boundaries that keep us healthy and productive.

45% of respondents said managing a successful remote team is the top skill managers will need in 2021 and beyond. Expectations are critical: **so set the boundaries to operate within and empower and support managers to create a consistent employee experience**, wherever their team works.

Virtual collaboration is here to stay

We've all got used to Teams, Zoom and Slack – but maybe we're not quite using them to their full potential, as **40%** of respondents said **virtual collaboration** was the top trend for the years ahead.

This goes wider and deeper than tools though. **Collaboration is a vital part of culture.** It's how many people get the creative facetime that punctuates the day-to-day. It's where our best work happens. Organisations need to understand what good virtual collaboration looks like for them and create the all-important space for **innovation**.

Mental health and wellbeing

We know the long-term impact of Covid-19 on our mental health and wellbeing is yet to be seen. So, it's good to see this firmly on the agenda: **53% of respondents said mental health and wellbeing was a top trend** for the next five years. Let's be clear: this is something everyone needs to focus on.

Choose the top three topics or skills sets that will be most important for line managers to deliver an incredible employee experience in the future?



So where does that leave us?

A post-pandemic world presents
an opportunity for change.

No more settling for what we knew. It's shown people another, more flexible, more personalised way forward. And if your organisation isn't offering it? Your people will go elsewhere. Now is the time to consider your employee experience end to end. That always starts with your people. With research and with listening. The most powerful engagement tactic of all.

Thank you for taking the time to read Roundel 2021

Our respondents have, as always, been open, honest and inspirational. Thanks to everyone who shared their experience – reading and analysing your responses so we can share the big picture has been a joy.

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Please get in touch if you'd like to discuss anything you've read or if you'd like to talk about anything else employee experience.



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