Special Webcast

The Reimagined Workplace a Year Later:
Human Capital Responses to the COVID-19 Pandemic

June 3, 2021

THE **CONFERENCE BOARD**

Some of the topics we will be addressing today

1. How will remote working be part of the organizational culture after the pandemic has ended?

2. How difficult is it for employers to attract and retain qualified workers?

3. What are the main challenges affecting the well-being of your employees?

4. What transition plans to return to the workplace do organizations have in place?
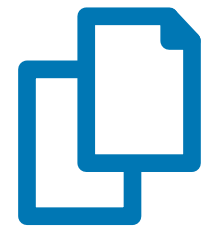
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Today's Speakers

Robin Erickson, PhD
Principal Researcher,
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The Conference Board

Gad Levanon, PhD
Vice President,
Labor Markets
The Conference Board

Frank Steemers
Senior Economist,
Labor Markets
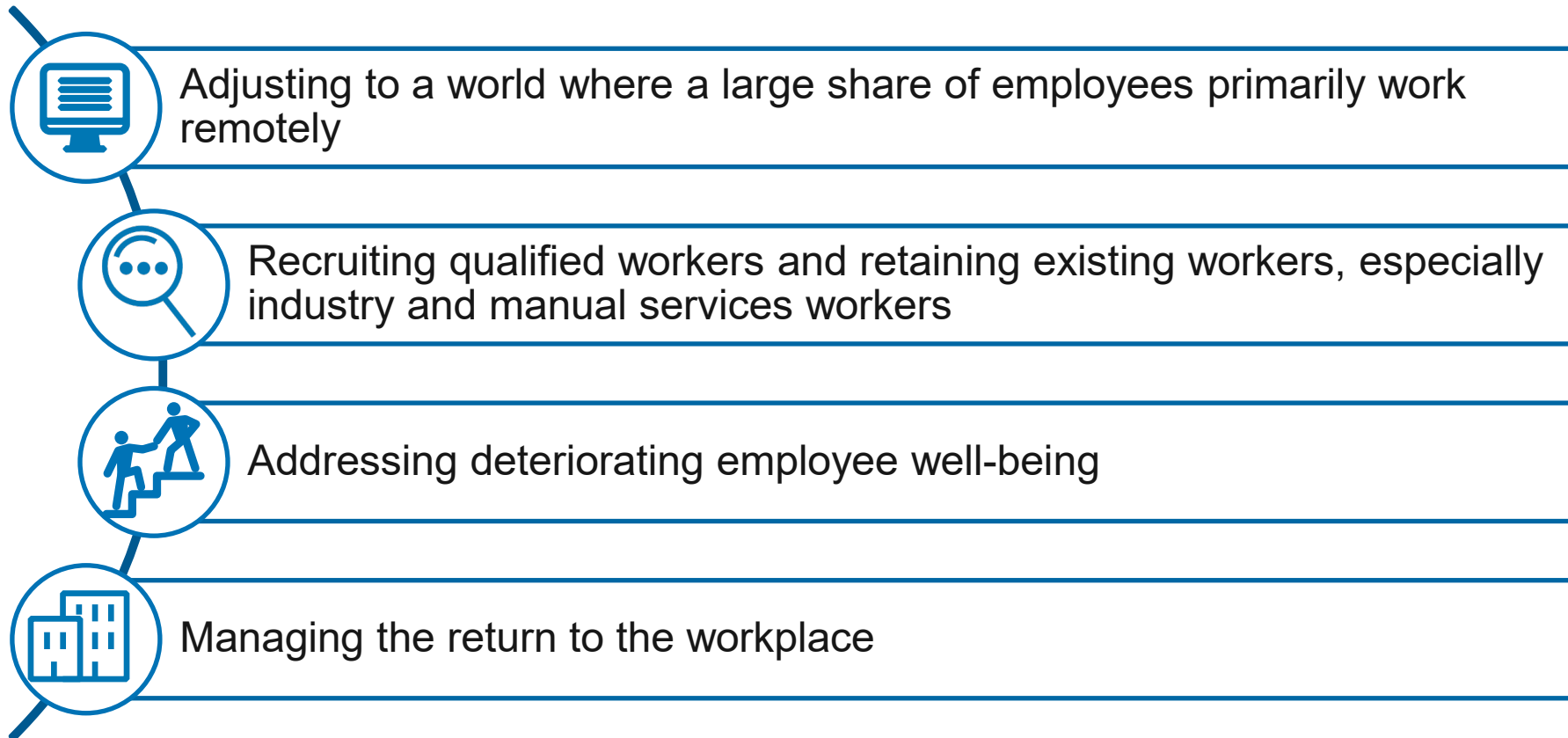**The Conference Board**

**Rebecca L. Ray, PhD
(Moderator)**
Executive Vice President,
Human Capital
The Conference Board

The Reimagined Workplace a Year Later

- *The Reimagined Workplace a Year Later: Human Capital Responses to the COVID-19 Pandemic*
- Sequel to:
  - *Adapting to the Reimagined Workplace: Human Capital Responses to COVID-19* (published in October 2020)
  - *From Immediate Responses to Planning for the Reimagined Workplace: Human Capital Responses to COVID-19* (published in May 2020)
- Online survey fielded April 2021 with responses from 231 HC executives
- Three focus areas:
  - Remote Work, Productivity, and Well-Being
  - Recruitment and Retention
  - Plans for Returning to the Workplace
- Published May 2021

THE CONFERENCE BOARD

The Reimagined Workplace a Year Later
Human Capital Responses to the COVID-19 Pandemic

Four Major Challenges for 2021

Adjusting to a world where a large share of employees primarily work remotely

Recruiting qualified workers and retaining existing workers, especially industry and manual services workers

Addressing deteriorating employee well-being

Managing the return to the workplace

Source: The Conference Board

Survey Demographics

231 Human Capital leaders in US-based organizations responded to our online survey between April 6-16, 2021

Organizations' workforce

Mostly professional and office workers	64%
Mostly industry and manual services workers	32%
Equal share industry and professional workers	3%

Primary industry in the US

Business, finance, and related professional services	24%
Information, publishing, and telecommunications	17%
Manufacturing	16%
Construction, energy, utilities, and transportation	14%
Health care and pharmaceutical	14%
Government, education, and non-profit	8%
Retail, wholesale, travel, and entertainment	6%

US headcount (full-time equivalent employees)

Less than 1,000	18%
1,000 to less than 5,000	24%
5,000 to less than 25,000	28%
25,000 to less than 50,000	12%
More than 50,000	16%
Not available	3%

Total US revenue in FY 2020

Less than $100 million	15%
$100 million to less than $1 billion	13%
$1 billion to less than $5 billion	23%
$5 billion to less than $10 billion	10%
$10 billion to less than $20 billion	16%
$20 billion to less than $40 billion	9%
More than $40 billion	13%
Not available	2%

Respondents' level within the organization

CEO	2%
Corporate Executive or CxO	16%
Senior Vice President or GM	10%
Vice President	37%
Senior Manager	21%
Manager	10%
Individual Contributor	4%

Source: The Conference Board

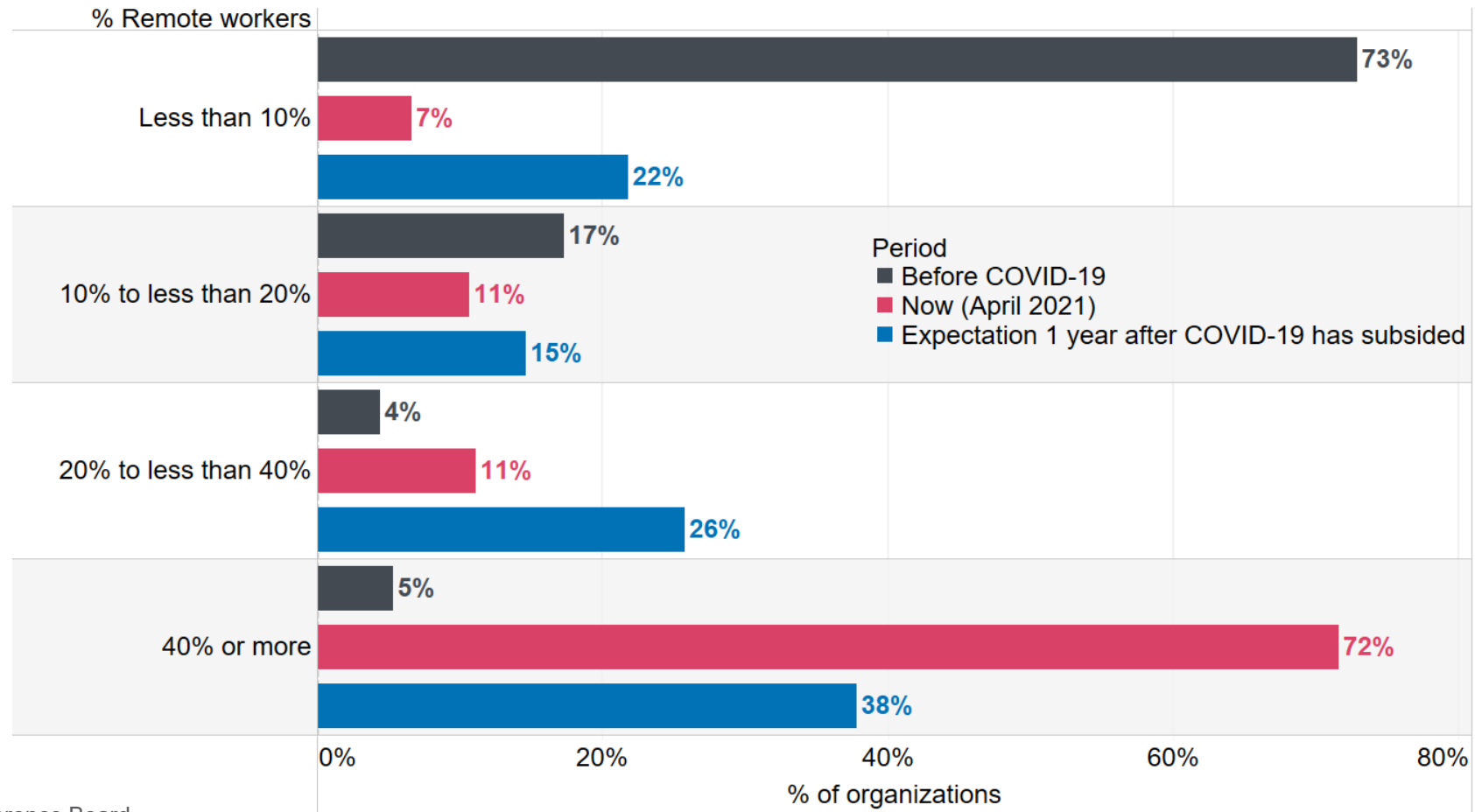# Remote Work, Productivity, and Well-being

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Poll Question 1 Results

Over one-third of survey respondents expect that 40 percent or more of their employees will work primarily remotely postpandemic

What percent of your US full-time employees are working primarily virtually/remotely (at least three days a week)?

% Remote workers

Less than 10%
- Before COVID-19: 73%
- Now (April 2021): 7%
- Expectation 1 year after COVID-19 has subsided: 22%

10% to less than 20%
- Before COVID-19: 17%
- Now (April 2021): 11%
- Expectation 1 year after COVID-19 has subsided: 15%

20% to less than 40%
- Before COVID-19: 4%
- Now (April 2021): 11%
- Expectation 1 year after COVID-19 has subsided: 26%

40% or more
- Before COVID-19: 5%
- Now (April 2021): 72%
- Expectation 1 year after COVID-19 has subsided: 38%

Period
- Before COVID-19
- Now (April 2021)
- Expectation 1 year after COVID-19 has subsided

% of organizations

n=225
Source: The Conference Board

Organizations that employ office workers anticipate a much larger share of full-time remote employees postpandemic

What percent of your US full-time employees are working primarily virtually/remotely (at least three days a week)?
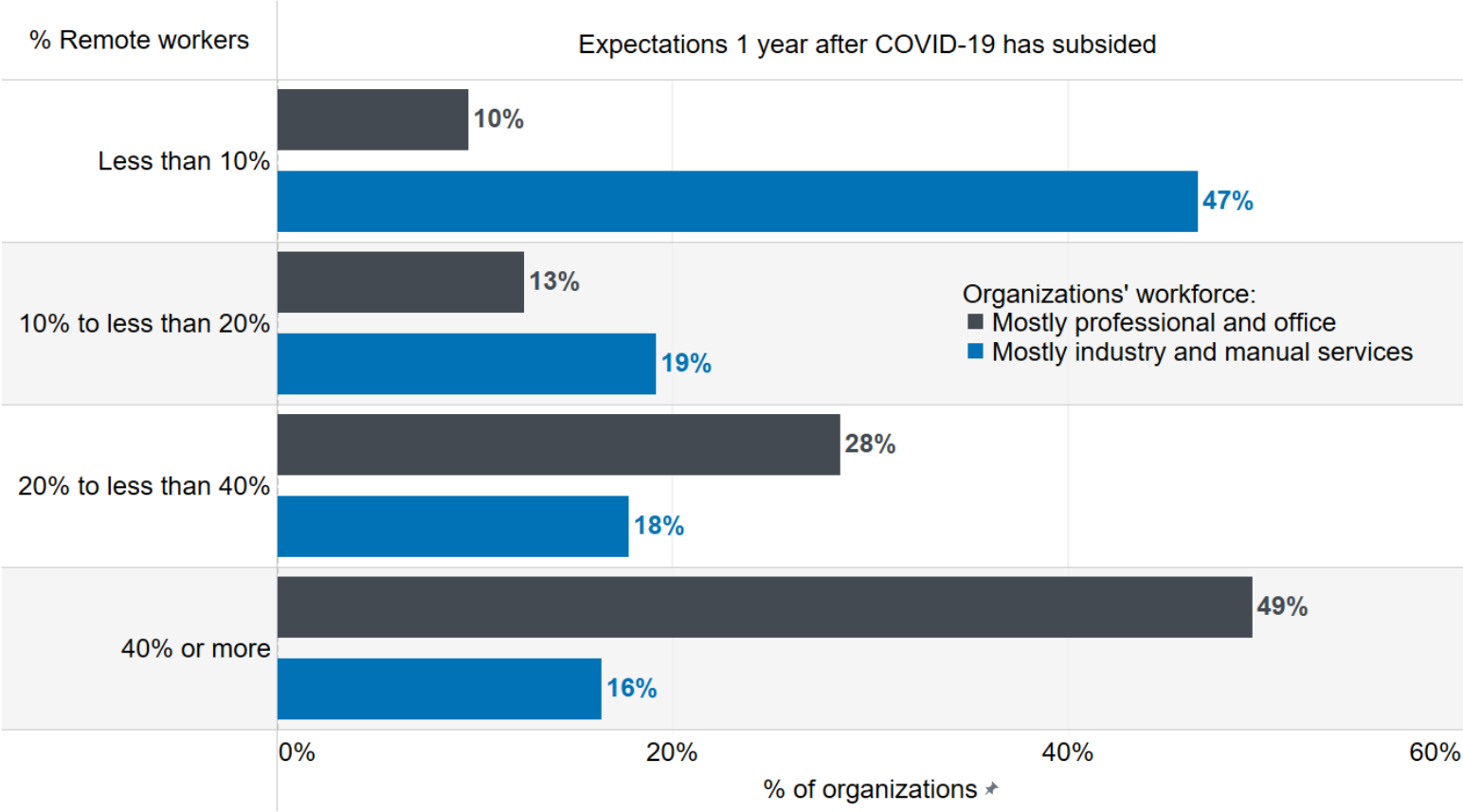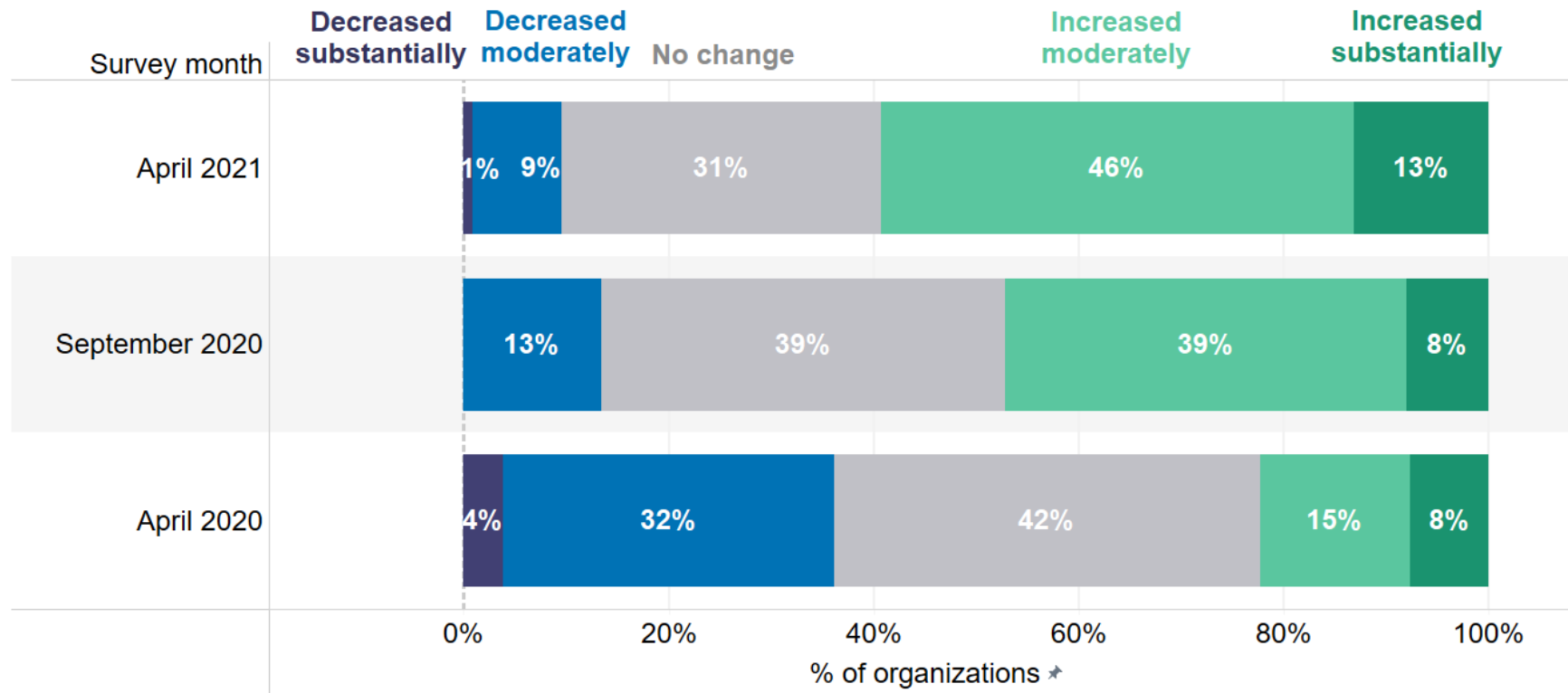

n=144 organizations with mostly professional and office employees; 73 organizations with mostly industry and manual services employees.
Source: The Conference Board

Perceived productivity among surveyed organizations has been increasing since April 2020

Since the COVID-19 outbreak, how has the productivity of your US employees changed, on average? (April 2020, September 2020, and April 2021 results)

	Decreased substantially	Decreased moderately	No change	Increased moderately	Increased substantially
April 2021	1%	9%	31%	46%	13%
September 2020		13%	39%	39%	8%
April 2020	4%	32%	42%	15%	8%

% of organizations ✦

n=221 for the April 2021 survey, 299 for the September 2020 survey, 130 for the April 2020 survey
Note: Percentages may not add up to 100 due to rounding.
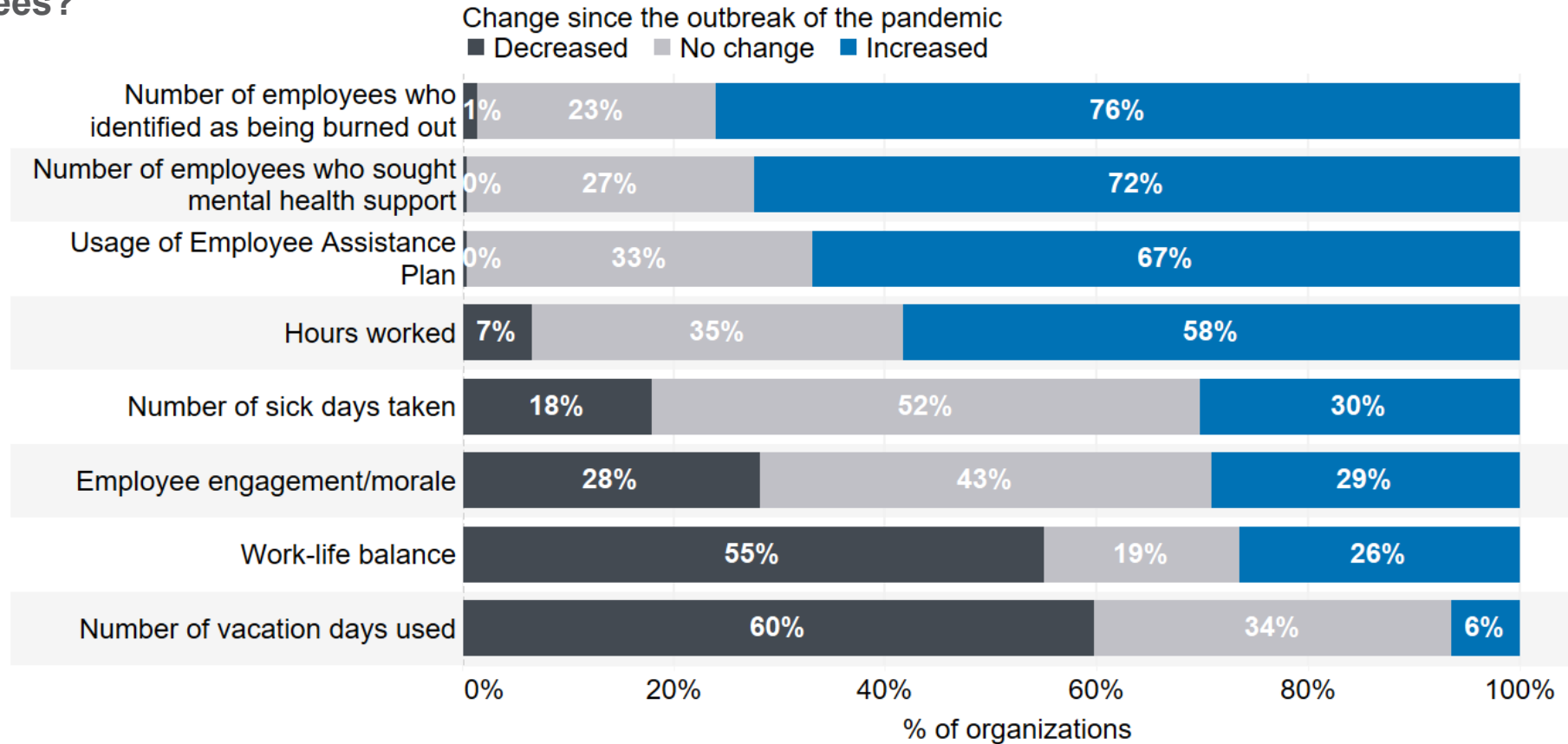Source: The Conference Board

Poll Question 2

Since the outbreak of the pandemic, on average, which of the following have increased for your employees? (Select all that apply)

-Number of employees who identified as being burned out
-Number of employees who sought mental health support
-Usage of Employee Assistance Plan
-Hours worked
-Work-life balance
-Employee engagement/morale

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Poll Question 2 Results

However, higher perceived productivity appears to have come at a significant cost to employee well-being

Since the outbreak of the pandemic, on average, how have the following areas shifted for your employees?

Change since the outbreak of the pandemic
■ Decreased ■ No change ■ Increased

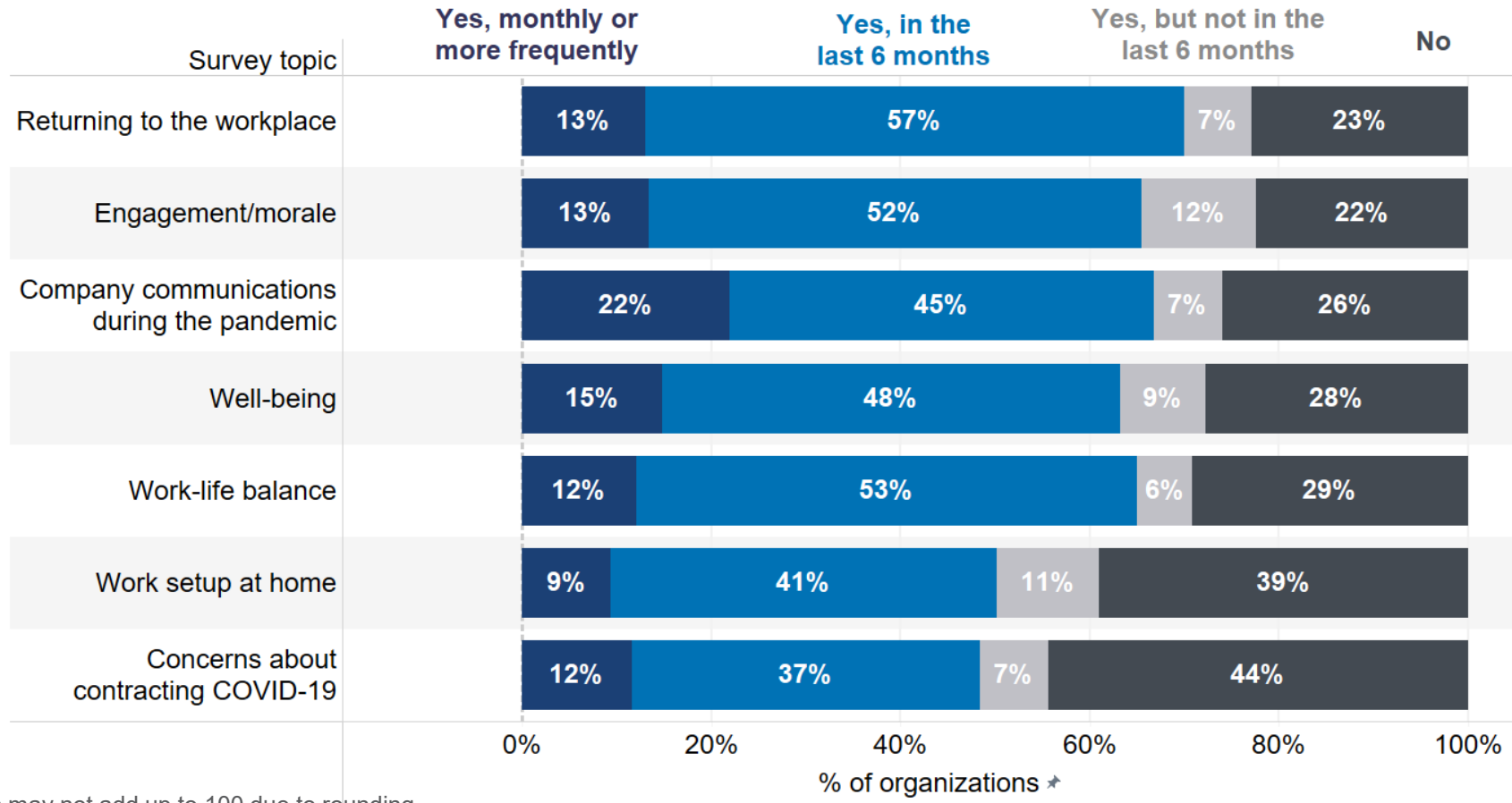| Area	Decreased	No change	Increased
Number of employees who identified as being burned out	1%	23%	76%
Number of employees who sought mental health support	0%	27%	72%
Usage of Employee Assistance Plan	0%	33%	67%
Hours worked	7%	35%	58%
Number of sick days taken	18%	52%	30%
Employee engagement/morale	28%	43%	29%
Work-life balance	55%	19%	26%
Number of vacation days used	60%	34%	6%

% of organizations

n=211-228
Note: Percentages may not add up to 100 due to rounding; the number of responses ranges as respondents did not always select a response option.
Source: The Conference Board

Most organizations have surveyed employees pertaining to their employee experience during the pandemic

Since the outbreak of the pandemic, have you surveyed your employees regarding the following issues?

Survey topic	Yes, monthly or more frequently	Yes, in the last 6 months	Yes, but not in the last 6 months	No
Returning to the workplace	13%	57%	7%	23%
Engagement/morale	13%	52%	12%	22%
Company communications during the pandemic	22%	45%	7%	26%
Well-being	15%	48%	9%	28%
Work-life balance	12%	53%	6%	29%
Work setup at home	9%	41%	11%	39%
Concerns about contracting COVID-19	12%	37%	7%	44%

% of organizations

n=223
Note: Percentages may not add up to 100 due to rounding.
Source: The Conference Board

According to our April 2021 survey, 49% of respondents report that their organizational culture changed in just one year

Sneak Preview
What are organizations that thrived during COVID-19 doing in terms of employee experience and culture?

Upcoming June 2021 report: *Reshaping Employee Experience and Organizational Culture: Lessons from the Tumultuous Events of 2020-21*
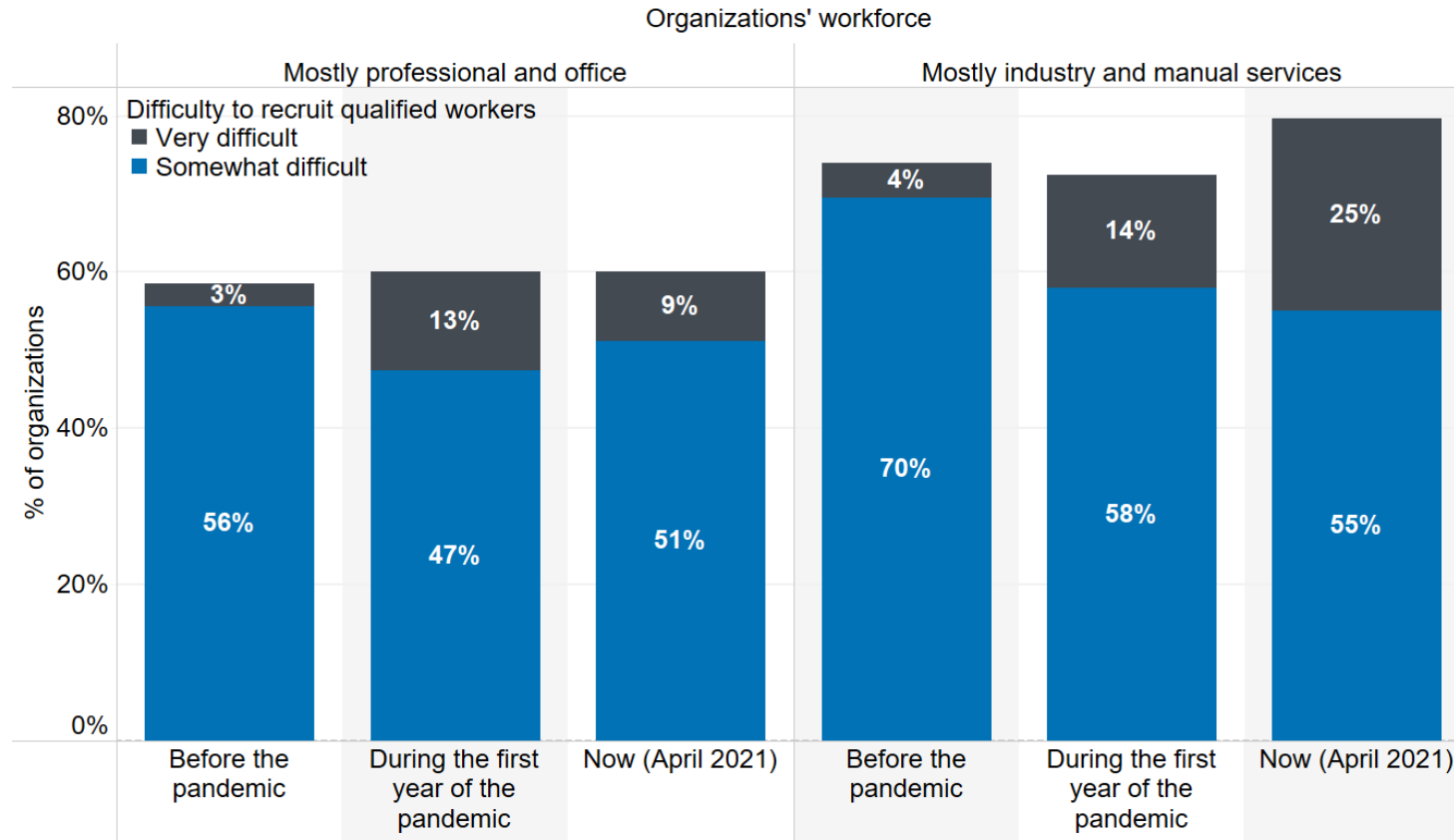
- Trust and Offer Flexibility
- Communicate Frequently and Transparently
- Make Genuine Caring a Priority
- Commit to Inclusion
- Amplify Mission and Purpose
- See Opportunity in Crisis and Be Agile

Recruitment and Retention

Poll Question 3 Results

Finding qualified workers is a growing challenge for most surveyed organizations

In general, how difficult is it for your organization to find qualified workers?

Organizations' workforce

Mostly professional and office | Mostly industry and manual services

Difficulty to recruit qualified workers
- Very difficult
- Somewhat difficult

	Before the pandemic	During the first year of the pandemic	Now (April 2021)	Before the pandemic	During the first year of the pandemic	Now (April 2021)
Very difficult	3%	13%	9%	4%	14%	25%
Somewhat difficult	56%	47%	51%	70%	58%	55%

% of organizations

n=135 organizations with mostly professional and office workers; 69 organizations with mostly industry and manual services workers
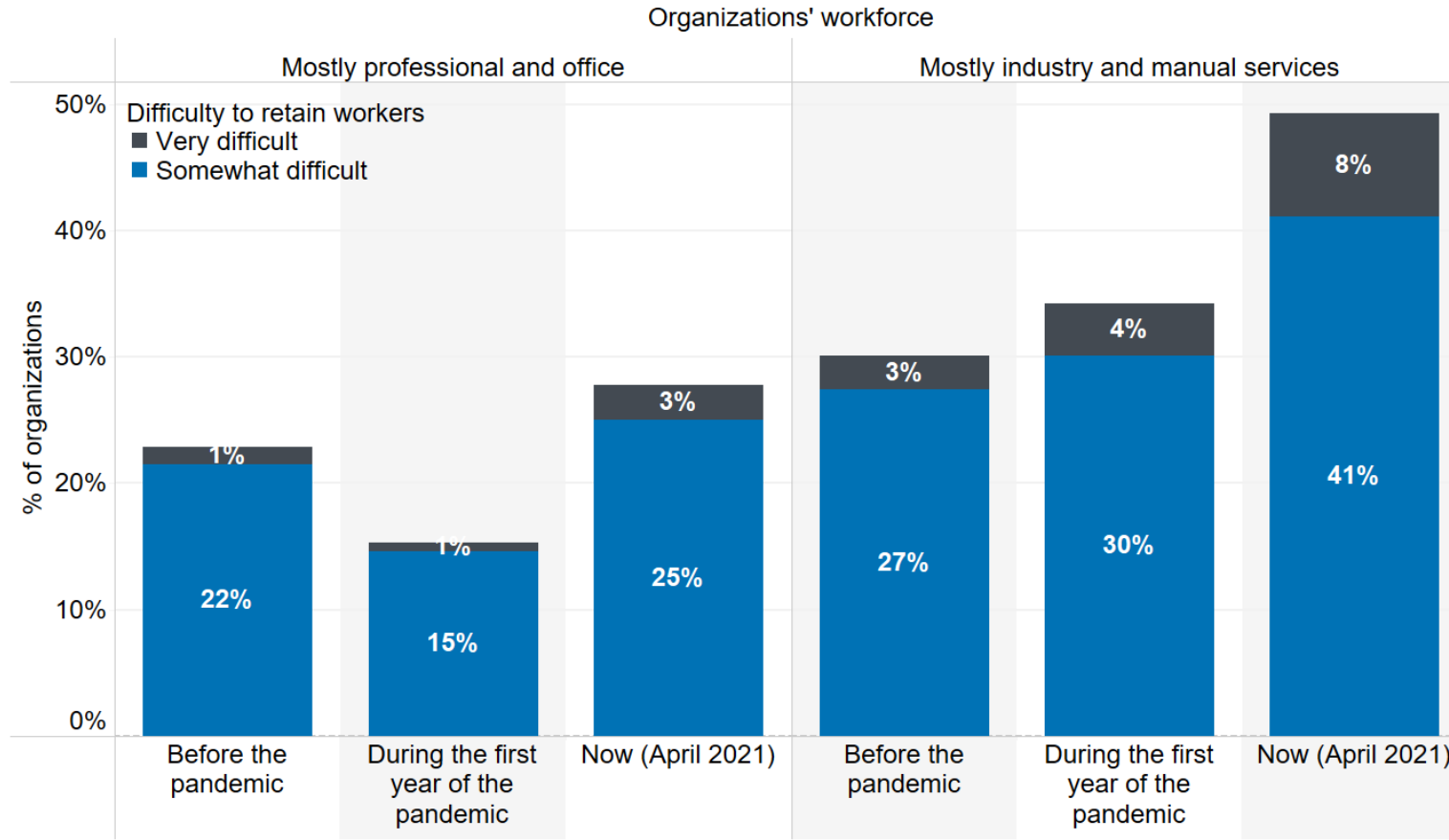Note: Organizations not hiring were excluded from the analysis.
Source: The Conference Board

Retaining workers is also becoming more difficult, especially industry and manual services workers

In general, how difficult is it for your organization to retain workers?


Organizations' workforce

Mostly professional and office | Mostly industry and manual services

% of organizations

Difficulty to retain workers
- Very difficult
- Somewhat difficult

	Before the pandemic	During the first year of the pandemic	Now (April 2021)
Mostly professional and office — Very difficult	1%	1%	3%
Mostly professional and office — Somewhat difficult	22%	15%	25%

	Before the pandemic	During the first year of the pandemic	Now (April 2021)
Mostly industry and manual services — Very difficult	3%	4%	8%
Mostly industry and manual services — Somewhat difficult	27%	30%	41%

n=144 organizations with mostly professional and office workers; 73 organizations with mostly industry and manual services workers
Source: The Conference Board

Organizations are now more willing to hire remote employees than before the pandemic

In general, how willing is your US operation to hire full-time employees who work predominantly virtually/remotely?

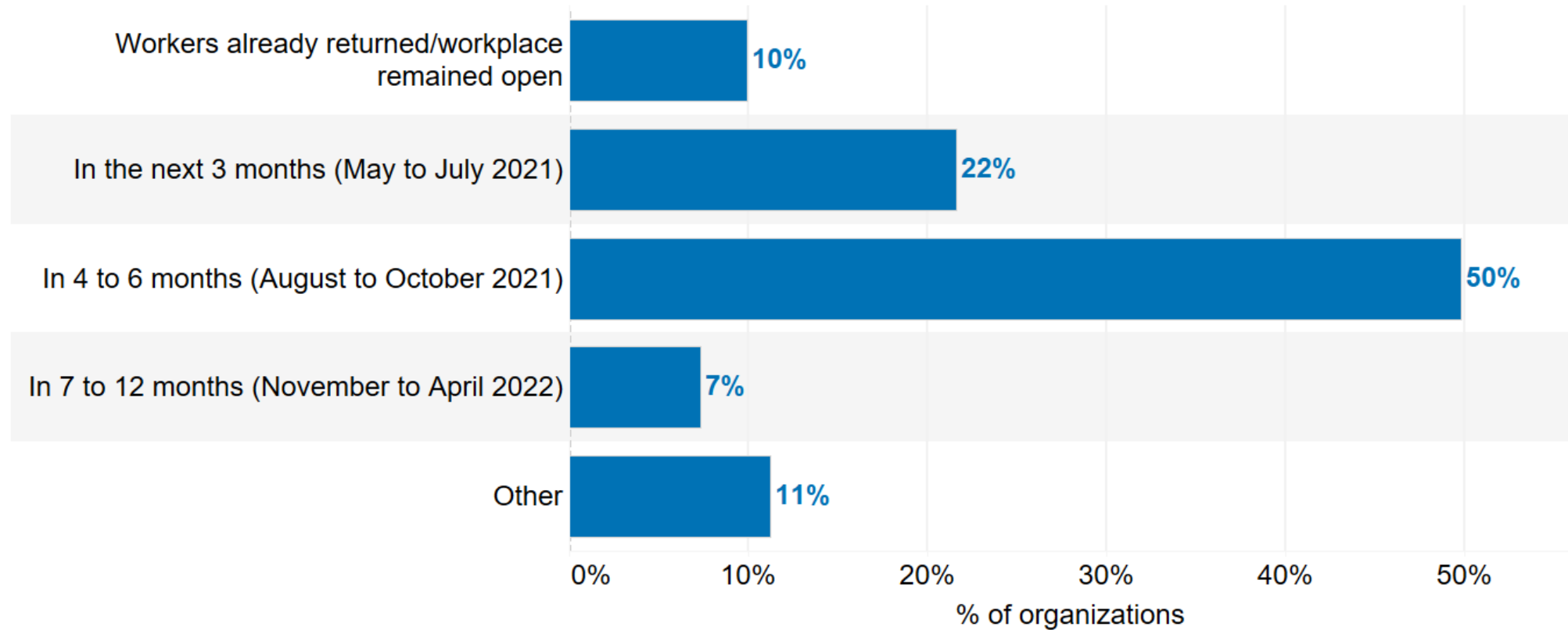## Willingness to hire virtual/remote employees
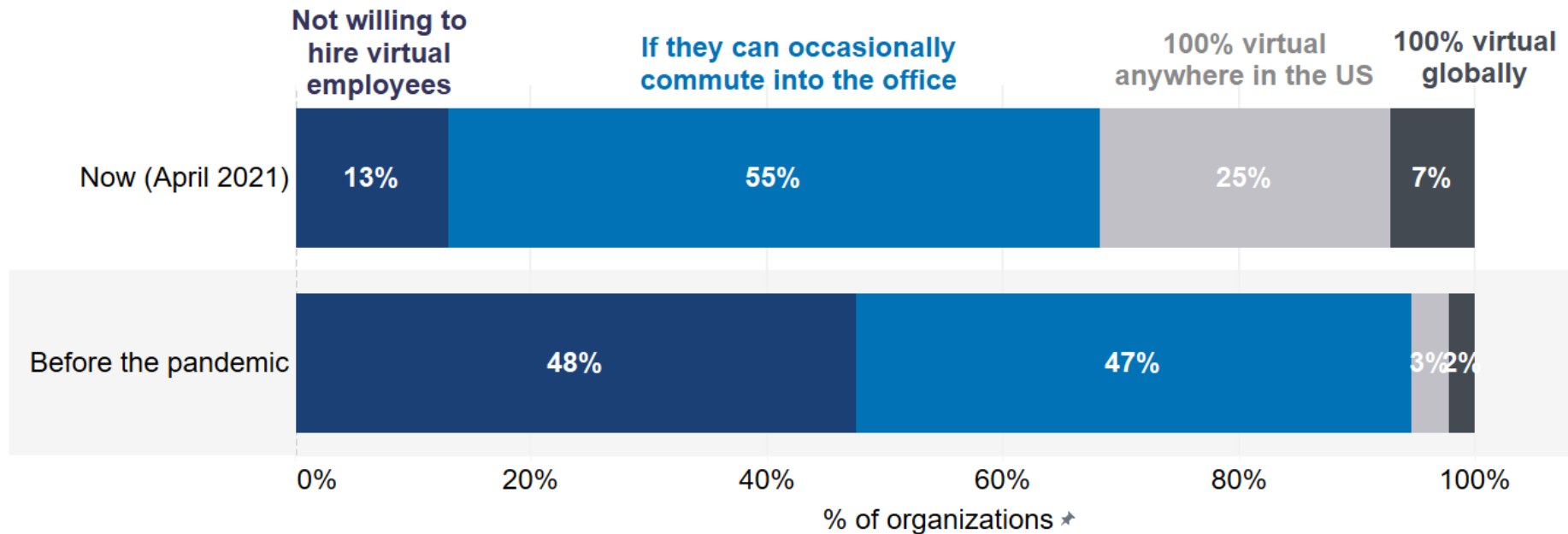
n=223
Source: The Conference Board

Plans for Returning to the Workplace

Almost three quarters of surveyed organizations expect to return to the workplace by October 2021

When is your organization planning a return to the office or work site for employees who shifted to virtual/remote work during COVID-19?

Category	%
Workers already returned/workplace remained open	10%
In the next 3 months (May to July 2021)	22%
In 4 to 6 months (August to October 2021)	50%
In 7 to 12 months (November to April 2022)	7%
Other	11%

% of organizations

Poll Question 4

For employees who worked virtually/remotely during the pandemic, do you have a plan for how they can return to the office or work site?

- Returning will be required for all
- Returning will be required for some/voluntary for others
- Returning will be voluntary for all
- Unknown as of now
- Not applicable, in person operations did not substantially change
- Other (please specify in the chat box)

Poll Question 4 Results

Returning to the workplace will be voluntary for some but required for others, forecasting the hybrid work model

For employees who worked virtually/remotely during the pandemic, do you have a plan for how they can return to the office or work site?

Category	% of organizations
Returning will be required for all	16%
Returning will be required for some/voluntary for others	42%
Returning will be voluntary for all	8%
Unknown as of now	17%
Not applicable, in-person operations did not substantially change	1%
Other	16%
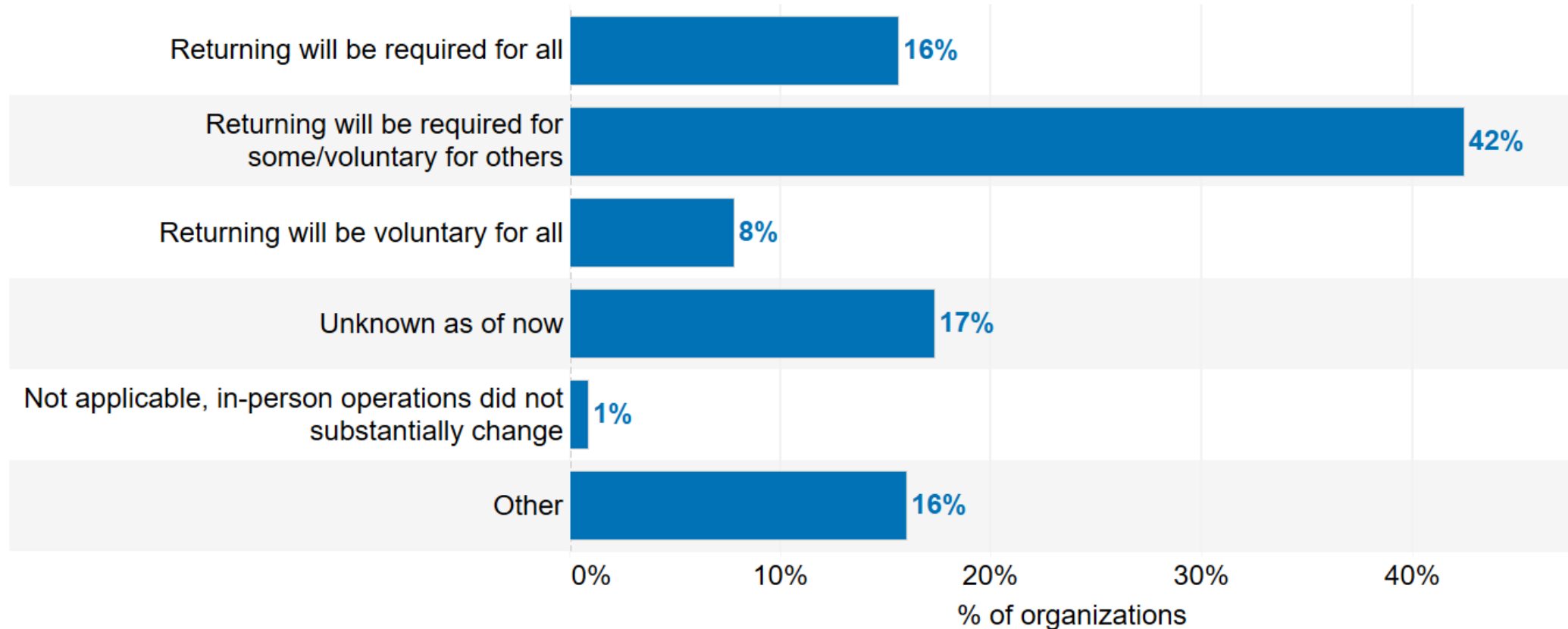
n=231
Source: The Conference Board

Almost 80% of surveyed organizations are strongly encouraging their workers to be vaccinated

Is your organization mandating an approved vaccine as a condition of returning to the workplace?
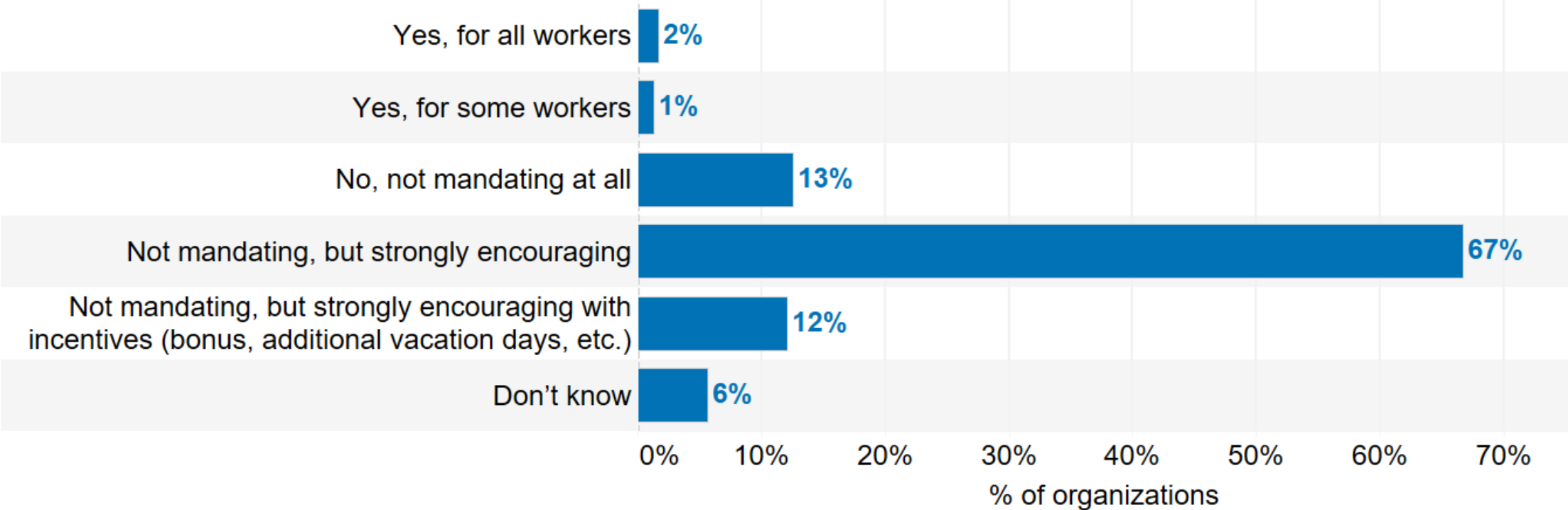

n=231
Source: The Conference Board

Insights for What's Ahead

1. **Remote work** may be the **most significant organizational legacy** of COVID-19

2. A **perception of strong worker performance** during the pandemic made many employers willing to shift to more remote work in the future

3. However, the perceived increase in productivity appears to have come at a **significant cost to employee well-being**, despite organizations' efforts to provide support

4. Both **recruitment and retention of qualified workers are becoming very challenging,** especially for organizations that hire primarily industry and manual services employees

5. **More than 70 percent of surveyed organizations are planning to reopen the workplace** in the next six months (May to October 2021)

Questions?
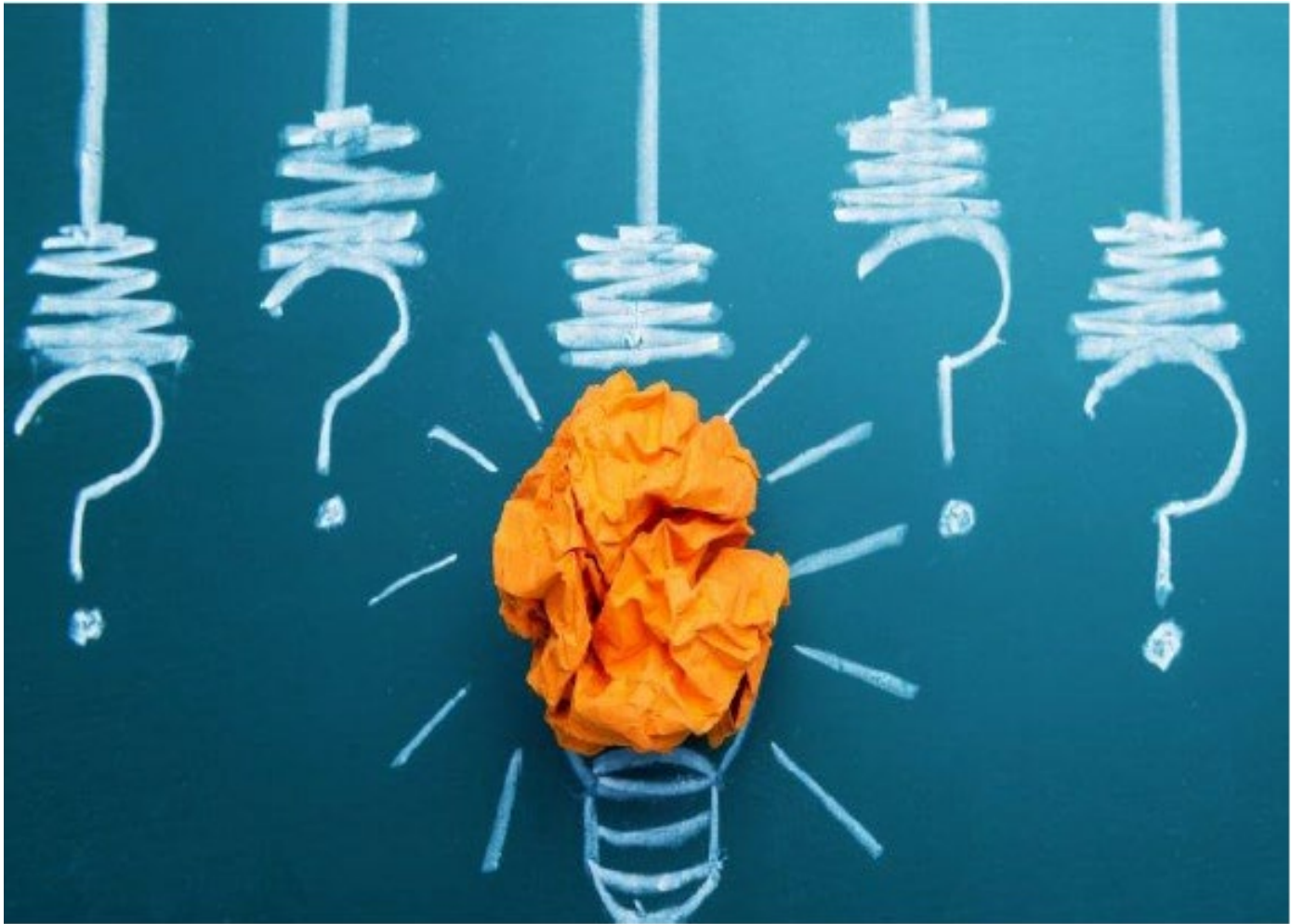
Upcoming Webcast Programming from The Conference Board

- [Mapping the Great Return: Inclusive Support for Working Families](#) **(June 8, 2021)**

- [Transforming Workforce Strategy During COVID-19](#) **(June 10, 2021)**

- [Human Capital Watch™: Driving Recovery Through a Highly Skilled Workforce](#) **(June 15, 2021)**

View all of our upcoming webcast programs at
https://www.conference-board.org/webcasts/upcoming/

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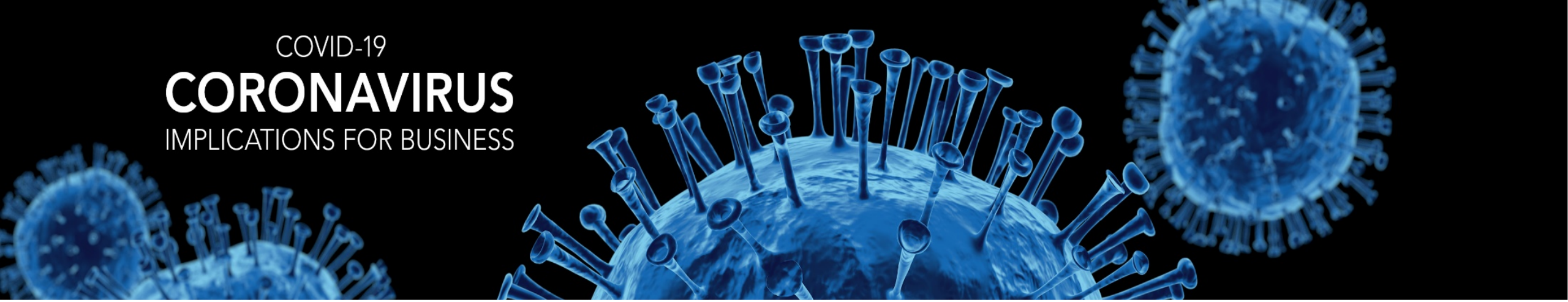
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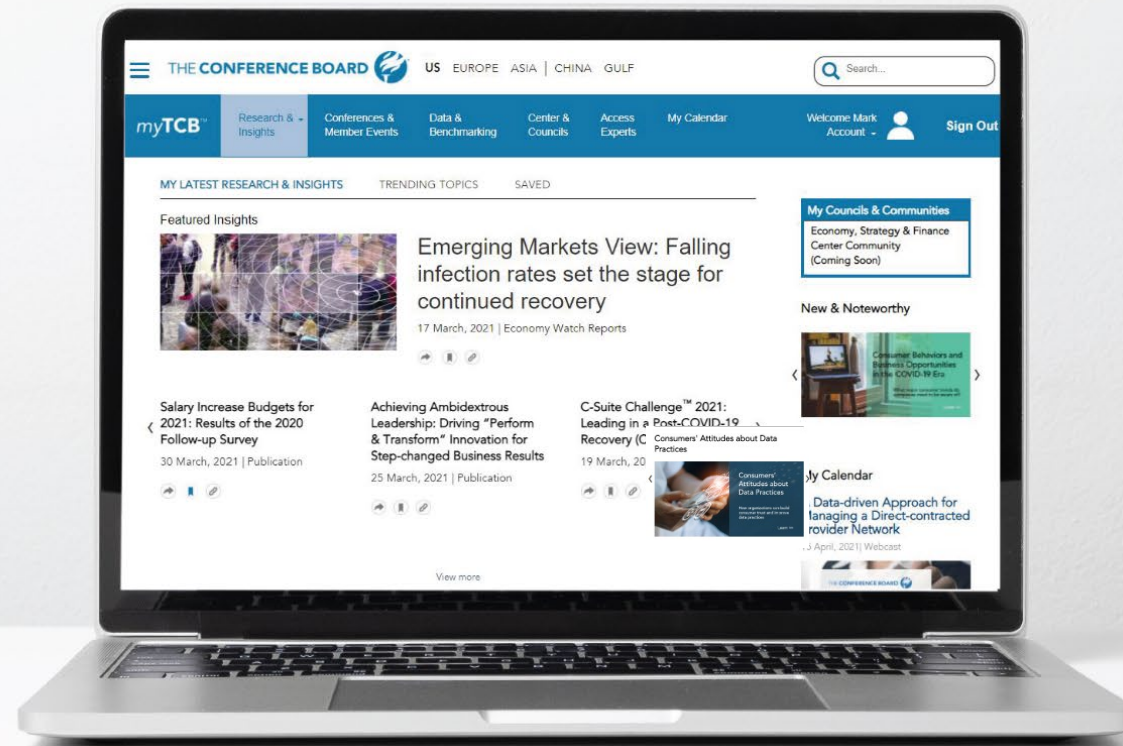
Want to hear more about this topic and how the spread of COVID-19 will impact business and the global economy?

The Conference Board has gathered insights and learnings from our thought leaders and member network which we hope will be helpful as you formulate, implement and manage your own crisis response.

Explore all of these resources on our website at https://www.conference-board.org/COVID-19.