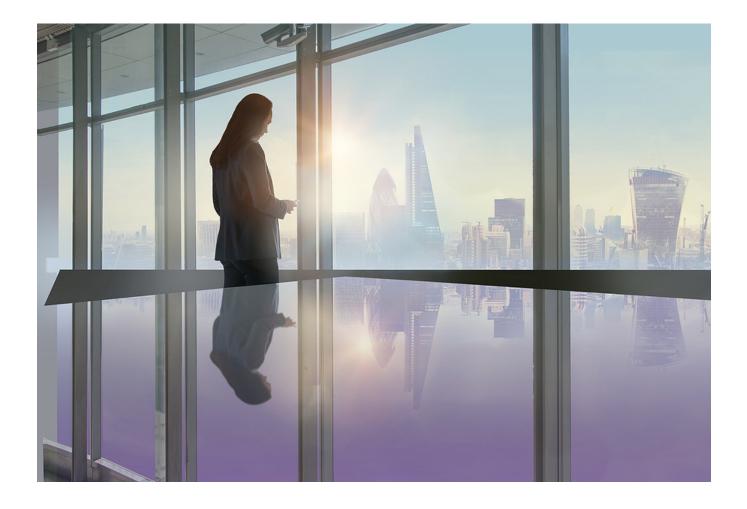
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Worker Transformation: How Today's Employment Movement Shifts Power

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From the eye of a hurricane, it's difficult to understand exactly how big the storm is and how significantly it's changing the landscape. What becomes obvious with time and distance is hard to see in the moment, and by any definition, 2020 was quite a moment for the world. It was an eye-opening year that proves we're in the midst of a shift so big that it can be difficult to comprehend.

A global pandemic, social unrest, digitalization, work from home, diversity and equality, environmental concerns, political turmoil – all these factors and more boiled to the surface in 2020 and ushered in the beginning of a new era that has the potential to be more impactful than previous workplace disruptions such as the Industrial Revolution. This historic new age can be defined as nothing less than a full-blown *worker transformation*. As business leaders, CHROs must understand what this significant movement means for their companies and employees.

What Is the Worker Transformation?

In short, the worker transformation currently underway can best be defined as a power shift. Professionals from across industries are awakening to the realization that demand for their talents outpaces supply, and they are in the driver's seat. They can shape their careers and lives the way they truly want on their own terms, and for those companies unwilling to offer employees what they want and expect, finding and retaining great talent becomes an increasingly difficult proposition. As for the global pandemic, rather than creating the concept of "just be happy you have a job," the pandemic and social reckoning of 2020 have instead accelerated the shift in power by uniting employees in common demands. Employees want more purpose in life – more time to fulfil their own – and more understanding of their work's purpose.

Since it's clear that flexibility is at the top of the list for employees, let's consider it first. Even before COVID-19, <u>83% of employees</u> said that a remote work opportunity would make them feel happier at work. The pandemic forced a massive trial experiment in remote work, and it is now hard for companies and leaders to claim that productivity is hampered by remote working. If anything, productivity has increased. Of course, the question of how sustainable this method of working is remains unknown. There are clearly problems, namely the lack of cultural binding to one's company and the inability to shut off from work that exists within the home. Still, employees have a newfound taste of what life can be like without daily commutes, and many never intend to go back to an office setting 100% of the time. They simply won't.

The effect of this mind shift can be seen in human movement trends, with professionals migrating out of high-cost urban centers and leaning into their new home office in locations of their choice. Many companies have already embraced this shift and have publicly stated they will allow workers keep working from home some or all of the time. As this policy becomes the norm, where will those companies who refuse to move with the shift be when it comes to talent attraction?

In addition to flexibility, the year of 2020 has reinforced for people that social movements matter, and people want to work for companies that contribute to a greater good in the community and companies that have social missions and values that align with their own feelings. While companies have responded in kind this year, making pledges from dollars to jobs to support greater equality, and creating internal diversity, equity, and inclusion councils, the real test will come in 2021. When the spotlight moves to other topics, the companies that stay the course on environmental and social missions are the companies that will have the greatest advantage in attracting the talent of the new marketplace.

In short, the landmark events of 2020, the life-or-death aspect of the pandemic, and the social awakening of watching injustice carried out repeatedly on the world stage have accelerated a philosophical shift: life is too short to be lived where work takes up every aspect of one's time, limits one's ability to connect with friends and family, and delivers no opportunity to make a difference. People are looking for more meaning and connection to the world in all aspects of their lives. If they don't get what they want out of their current employer, then they will look elsewhere. And looking elsewhere is ever-so-easy as more and more companies take up the banner to support this shift.

What Does This Movement Mean for CHROs?

For today's HR leaders, there has not been a wakeup call like this in their professional lives. The worker transformation is happening; change is happening. It isn't just a theoretical exercise, nor is it a debate. Importantly, it's also not something to attempt to leverage or exploit. Thinking of it in those terms won't work. This movement is something to *participate in*. CHROs are now tasked with understanding what this new era means for their employees and companies while determining what they will do about it. And what a time to be a CHRO – to have the unique privilege and responsibility to help their organizations navigate this time, to change the frame around work and life, and to help their organizations find their authentic voices tied to their missions.

Reframing Work and Life

A key point of understanding the work and life merger is that we have been coming to this reckoning since the advent of mobile devices. 24/7 connectivity has long been eroding the work-life balance for those "device-tethered" workers. As technology has advanced, professionals slowly started working more hours, taking calls and checking emails on nights and weekends at greater rates. This has impacted overall worker wellbeing, their sense of purpose, and time with their families. Now, after the pandemic, few companies can say that remote work isn't feasible. Yet, the point isn't to work more hours via technology and remote work – it is rather to trade hours for more flexibility to enable wellbeing, family, and purpose. In a digital world, it's time to step back and draw clearer lines that protect the employee experience and create policies that enable true flexibility. It's nothing short of a whole new way of thinking.

Joining Social Purpose with Company Purpose

How can CHROs enact the type of change employees are demanding in the social arena? Consider that organizations have talked about improving diversity and equality for many years but have failed to make a tangible impact yet. Previous efforts were sometimes formulaic and rote; the best and brightest employees will no longer settle for that approach. Now is the time for companies to have authentic conversations on diversity in addition to other aspects of the employee experience. It's time to get real. It's time to look inside our own organizations and ask ourselves, how are our employees responding to the events of 2020? What do they want out of their workplace? Now is also the time when many companies are rediscovering the importance of organizational health measures – expanding surveys to understand items beyond core engagement and probing further into overall wellness, DE&I sentiments, and remote worker health and preferences. A simple and straightforward assessment or survey can provide the essential pulse-checks that uncover real thoughts, feelings, and emotions. Of course, the real strength of this approach is not the measurement, but the act of listening to employees, committing to change, and rebalancing the organization. It takes real work to adjust to employees' needs, and if done right, it will look different for every company.

The exciting output of all of this individualized discovery is that hundreds of different programs and initiatives will be born from this movement. Committing to remote work and making sure leadership teams are diverse will be clear outcomes, but they are just the beginning. After all, we're only in the initial stages of a transformation that happens once a century. As time rolls forward and COVID-19 becomes a point of history, the impact of the change currently underway will be obvious and late adopters will find themselves suffering the long-term and withering effects of talent constraints. There's simply no way for businesses to

continue to recruit high-caliber talent if they avoid the key construct: employees have new needs and new demands, and they are in the driver's seat.

And really, shouldn't we all want to embrace this construct? After all, the idea that a movement can be better for workers and worse for companies is an inaccurate and old construct. The two are not mutually exclusive; worker transformation that is good for employees is also good for companies. It will increase engagement, well-being, and overall impact. Bottom line: change is here for companies and for CHROs. The essential question is, will you see the change, or will you be the change?

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