

Physical return and work reimagined study

Executive summary

Introduction and agenda

Introduction and purpose of this analysis

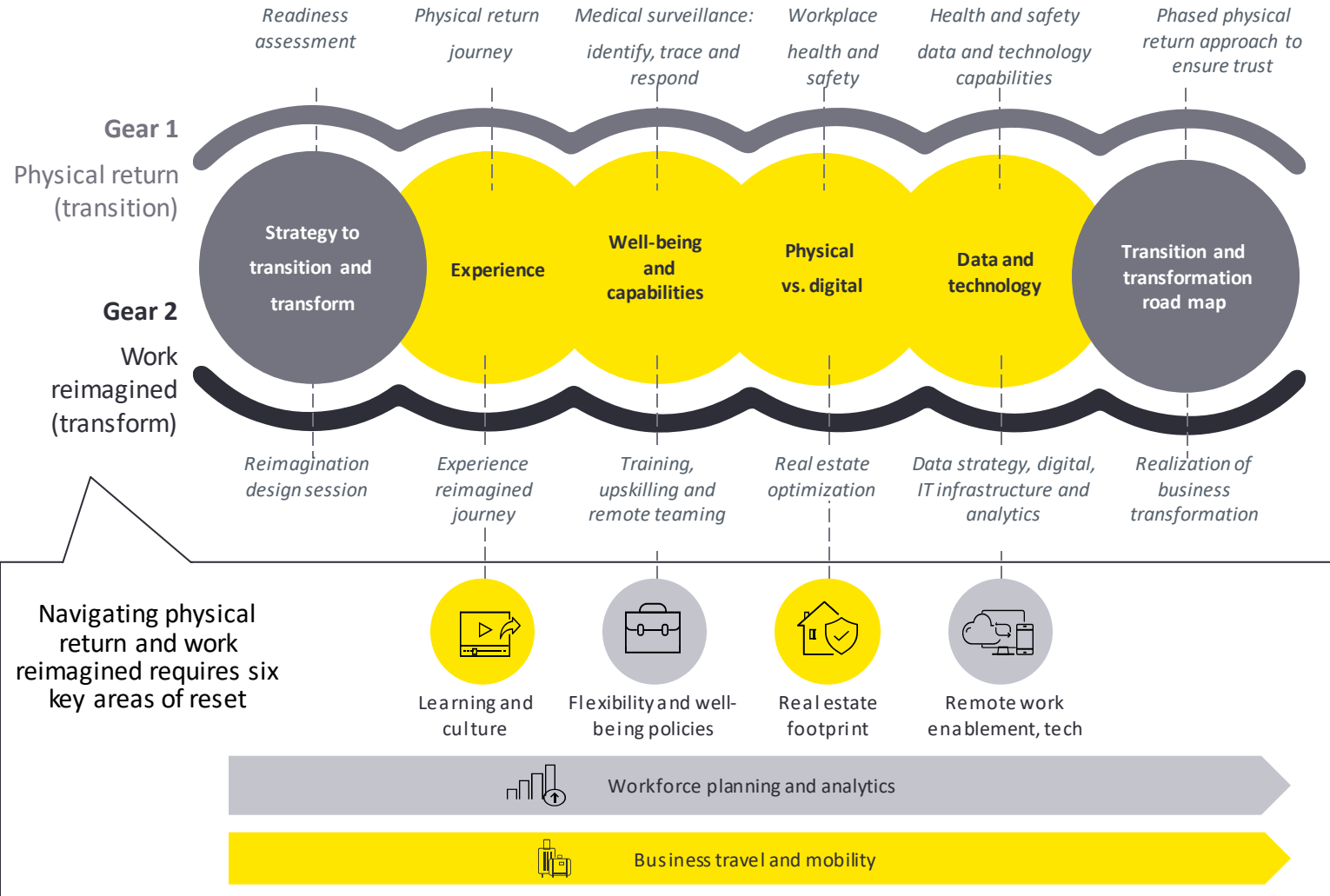
- COVID-19 has significantly changed the world of work, disrupting the ways organizations manage their businesses and accelerating several future-of-work trends overnight.
- As the signs of the pandemic begin to ease and organizations plan to return their workforces to workplaces, the question arises — what comes next and beyond?
- To understand how organizations are coping with the new normal in the ways of working, EY commissioned the Physical Return to Work Reimagined (PRWR) survey and JAM analysis (from an interactive crowdsourcing event) using the MillionYou platform in June and July 2020.
 - 3,682 employees
 - 708 employers
 - Includes data from the US, UK and Germany
- This report highlights the key findings of the survey, capturing the voice of the employees as well as employers on several topics related to COVID-19.

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Taking a holistic view

Two-gear approach to physical return and work reimagined



The future of work arrived on the back of the COVID-19 pandemic, catapulting work-from-home and technology journeys years into the future.

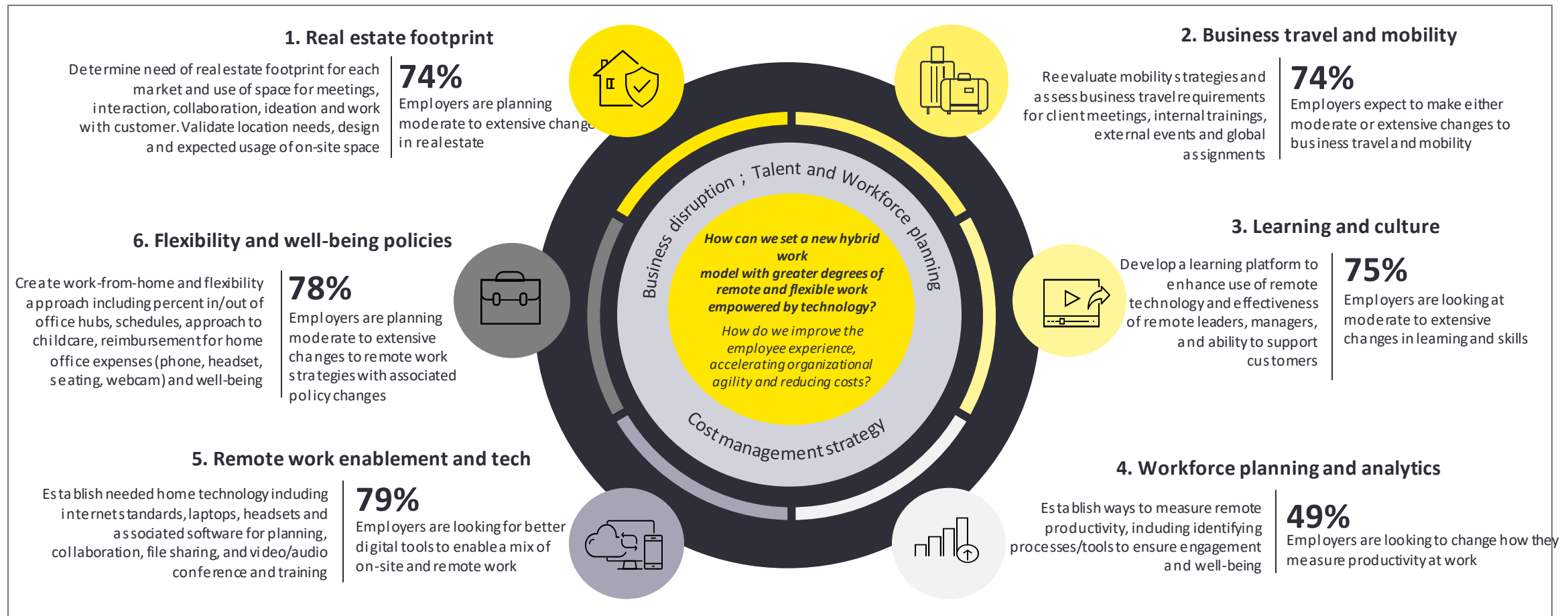
The disruption dispelled myths about productivity and collaboration centered around being in a physical office and shined a light on how quickly we could change when we needed to.

The opportunity and challenge now is to rethink the workplace and its use by your workforce, and how to enable the new ways of working with technology that achieves both cost savings and productivity gains.

Reimagining work

Our New PRWR research highlights six major “resets” in key areas of the work experience

The global pandemic has reset the workforce and the workplace experience, shifting from “return to office” to “reimagining work.” Companies are reimagining work and establishing a new hybrid approach to working that supports their people today and into the future. EY is working with leading global organizations to support a range of transformations related to reimagining work.



In response to COVID-19, a majority of employers are planning moderate or extensive changes to “reimagine work”

Business disruption planning and cost management strategy

77% of employers plan to make moderate to extensive changes to their workforce cost strategy, and 75% plan to make moderate to extensive changes to business disruption planning

Key highlighted focus areas of change (% = percentage of organizations planning that area of change)

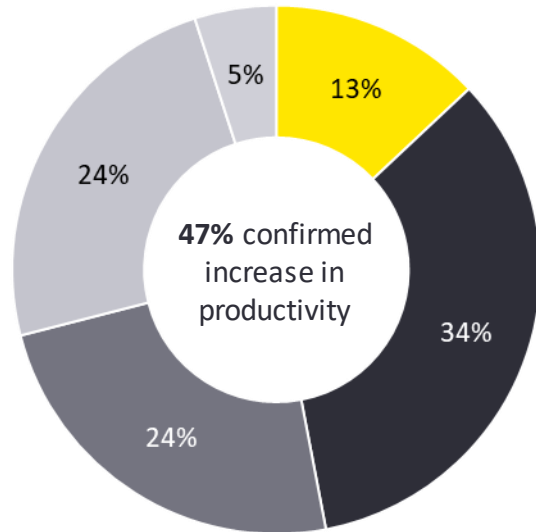
- Expand plan to transition business/workforce to other productive areas (52%)
- Expand scenarios covered in planning (50%)
- Consider location mix and backup workforce needs (48%)
- Enhance work process/reduce work (44%)
- Opportunities for intelligent automation (43%)
- Organization and operating model review (42%)

Work reimagined pillar	% of employers planning to make moderate to extensive changes to their strategies		Key highlighted focus areas of change (% = percentage of organizations planning that area of change)
Real estate footprint	Workplace real estate	74%	<ul style="list-style-type: none"> • Redesigning offices/re-evaluating policies on shared workspaces and meeting rooms (51%) • Measuring the productivity of remote work (49%) • Significantly shifting the proportion of remote work vs. in-office work (48%)
Business travel	Business travel and mobility	74%	<ul style="list-style-type: none"> • Significantly reducing the amount of internal travel for company meetings and training (59%) • Significantly reducing the number of external events that the company will pay for that require travel (51%) • Remixing the amount of in-person vs. remote visits that employers can make to customers (47%)
Learning and culture	Learning and skill development	75%	<ul style="list-style-type: none"> • Enhancing online/virtual learning approaches (64%) • Investing in training to build remote facilitation and meeting skills and collaboration tools (56%) • Amending competency frameworks and developing remote leader and manager capability (41%)
Flexibility and well-being	Workplace safety	86%	<ul style="list-style-type: none"> • Health evidence procedures (72%) • Social distance via floor space/occupancy limits (62%) • Social distance via protocols (signage, one direction) (56%)
	Remote work strategy	78%	<ul style="list-style-type: none"> • Enhancing technology for remote work, idea sharing, communication and knowledge sharing (56%) • Evaluate policies around communicating planned scheduled work hours (54%)
Remote work tech	Digital tools and technology	79%	<ul style="list-style-type: none"> • Expanding implementation of Microsoft 365/Teams/other tools for work and collaboration (59%) • Moving to a greater focus on cloud-based technology (56%) • Assessing and implementing new technology requirements associated with employee health and safety (49%) • Using analytics to measure remote productivity (49%)
Workforce analytics			

More employees perceive their productivity to have increased rather than decreased ...

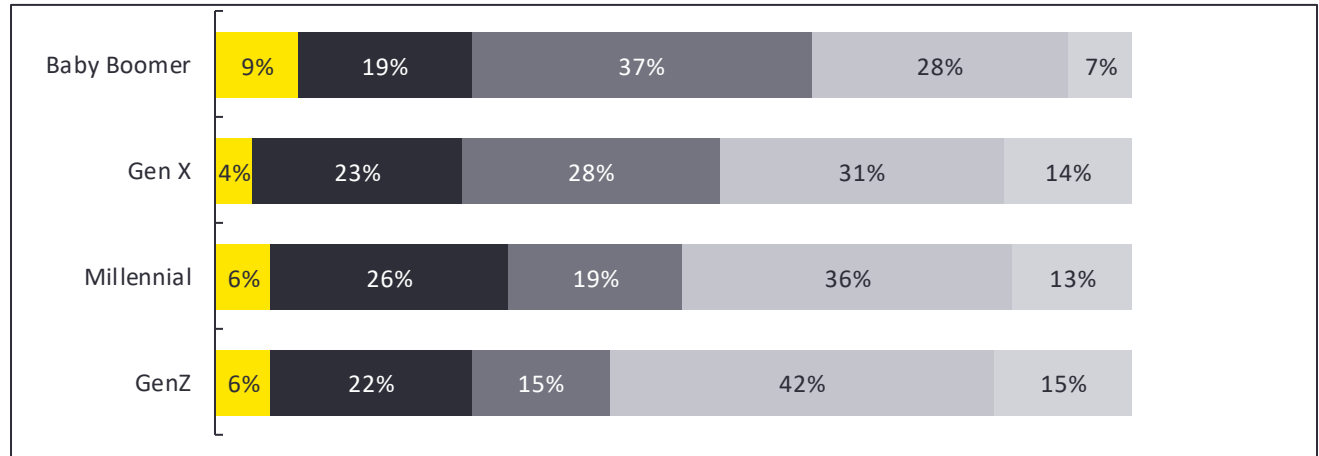


Since you have been working remotely, how productive have you been compared to your normal work experience?



- A lot more productive
- Somewhat more productive
- No difference in my productivity
- Somewhat less productive
- A lot less productive

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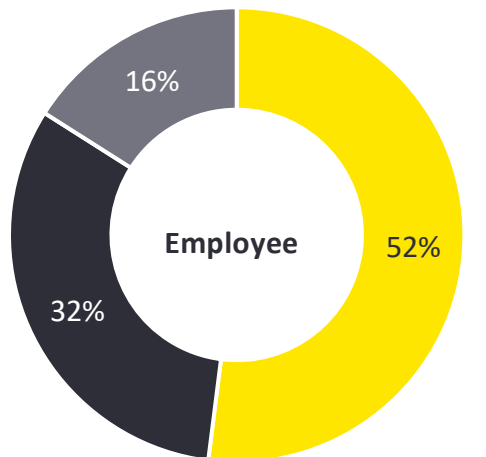


- The jury is out on whether this self-reported productivity is **REAL** or **SUSTAINABLE**
- There is a lot of **FEAR** about jobs and the economy that may cloud the waters
- With a virtual workforce, companies will need to more effectively define and measure **PRODUCTIVITY** and **PERFORMANCE**
- Greatest perceived productivity improvement among millennials and Gen Z
- The rate of productivity varies across different industries

Employees are looking to their employers to enhance digital tools for remote working, and employers appear prepared to respond



How much change do you think your company needs to enhance workforce digital tools and technology?



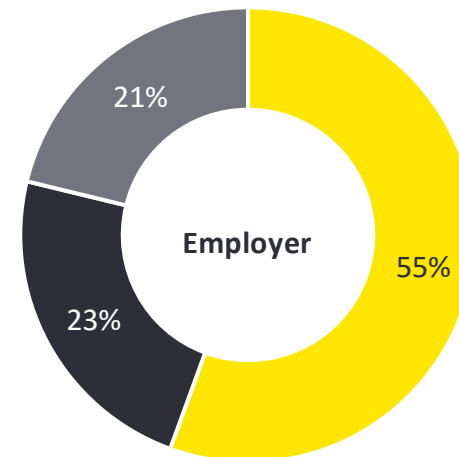
■ Extensive ■ Moderate ■ Limited

84% of employees think their company needs to enhance digital tools and technology to enable remote work.

Some of the key areas of desired change include:

1. Providing more technology for training
2. Enhancing tools for collaboration
3. Creating better central data and knowledge information

How much change is planned to the remote work strategy?



■ Extensive ■ Moderate ■ Limited

78% of employers are planning to change their remote work strategy

The key areas of planned change include:

1. Enhancing technology for remote work
2. Evaluating policies around communicating planned scheduled work hours
3. Using analytics to measure remote work productivity

Note: Employers and employees were not given the same set of options.

Employees broadly want to return to the office for social contact and collaboration, although motivations for doing so vary across generations...



Question: Why would you like to return to the office?

Reason	Baby Boomer	Gen X	Millennial	Gen Z
I want to stay socially connected	3	1	1	1
The role/nature of my work requires me to be with others	1	3	2	2
I collaborate with my colleagues	1	1	3	5
I would like access to better working resources (network, tech support, office workspace)	5	4	4	3
I want to build and maintain mentoring relationships*		5	5	4
My manager expects me to be in the office**	4			

Note: Numbers in the grid represent the rank of response for each of the respondent group; Only the top 5 responses have been included in this table. If a response was not amongst the top 5 selected by a particular respondent group, the corresponding cell has been shaded black

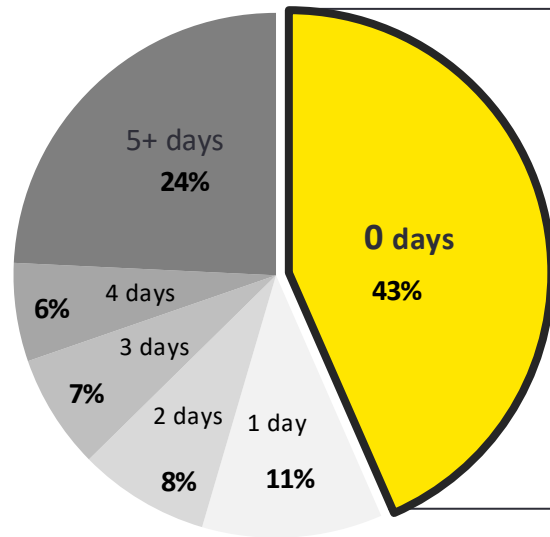
* Ranked 7th by Baby Boomer respondents; ** Ranked 6th by Gen X and Millennial respondents and ranked 8th by Gen Z respondents

- Working and collaborating with others remains a key element of the employee experience.
- Employees are missing the social aspect of being in the office.
- When we break this down between generations, all have similar concerns.
- However, **Gen Z** would like to return to build and maintain mentoring relationships and have better access to working resources.
- A potential reason for a lesser proportion of Gen Z and millennials wanting to return to work for collaboration with colleagues could be that younger generations comprise the majority of the junior individual contributor roles, which are less likely to be required to return to the office to collaborate more.

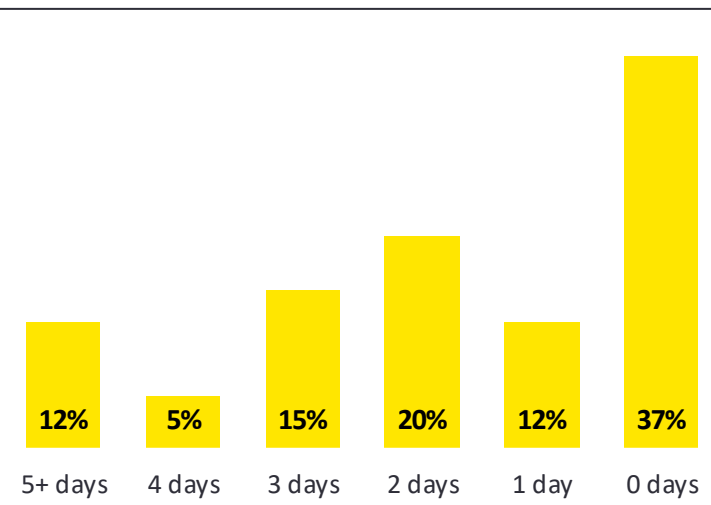


... but looking towards the future, employees do not view working at the office and working remotely as a binary choice; rather, they want both

How many days per week did you work remotely before COVID-19?



How many days per week would you like to work remotely when you return to the office?



Post-COVID-19 split for people who worked 0 days before COVID-19

- Remote work is here to stay — employees express interest in maintaining some level of remote work when they return to the office, even though that was not the case pre-COVID-19. **~63% of employees who did not work remotely before COVID-19 want to work remotely for at least one day a week.**
- However, **~36%** of respondents who worked remotely full time before COVID-19 indicated they want a mix of remote and on-site work.*
- Both Gen X and millennials are similar in their indication of interest; **~60%** indicated interest in a mix of remote and on-site work. Only **10%** of Gen Z respondents want to work full time in an office.

* Mix of on-site and remote work refers to working remotely for either one, two, three or four days.

Key themes: physical return and work reimagined study findings



- **The pandemic is impacting humans consistently in key markets:** While countries and companies around the world are responding and recovering differently, there is global consistency around major areas of employee concern, with more similarities than differences. Findings in the US, UK and Germany are highly consistent in responses.
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- **Employees perceive their productivity to have increased rather than decreased:** On a self-reported basis, employees perceive their productivity to have increased rather than decreased, reflecting reduced commutes and fewer distractions. Nearly 30% have had self-reported productivity challenges. Employees still face key technological and well-being challenges. Gen Z in particular is facing challenges with emotional well-being and stress.
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- **Employees want to return to the office for social contact but do not view working at the office and working remotely as a binary choice. They want flexibility:** Employees want a greater mix of WFH in the future. Employees want to return to the office for social contact but do not view working at the office and working remotely as a binary choice; rather, they want both. Employees would like to return to consistent levels of travel to network, meet customers and learn; this view is NOT consistent with employers, where 74% are expecting significant reductions to travel. Getting to that ideal involves LISTENING to different segments.
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- **84% of employees are looking for better digital tools to enable an improved home working experience. 78% of employers plan to provide them:** Opportunities exist for improving the WFH experience to ensure connectivity and collaboration. Most employees are looking to their employers to enhance digital tools for remote working, and employers appear prepared to respond. Tools to support a greater connection and virtually collaborate are critical.
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- **Both employers and employees are truly seeing the need to “reimagine” ways of working:** Employers are seeing the need to “reimagine” a range of areas of the work experience. Extensive change levels are expected in many areas, including digital tools (56%), mobility and remote work (55%), learning and skill development (54%), workforce cost (52%) and real estate (48%). Employers will need to sequence for success and prioritize the changes they see as needed to empower and optimize the workforce.
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Putting it all together: taking action and asking better questions

