

New Habits and Evolving Expectations

Research shows it can take anywhere from 18 to 254 days to form a habit. Pandemic routines are now standard. Curbside pickup didn't go away once vaccines rolled out, grocery delivery is still in full effect and remote work is here to stay (in at least some capacity).

We are living in the "new normal" that everyone talked about back when COVID-19 first caused disruption. Although this new normal varies based on who you are, where you live and what you do for a living – everyone has experienced change to their day-to-day routines. From an employer's perspective, leadership teams have shifted focus from maintaining business continuum to improving employee experience (EX) – which is the sum of all interactions that an employee has at work. Research indicates that employers' focus on EX is largely due to the remote work environment and efforts to improve retention rates. To truly improve EX, however, it is important to understand employees' evolving expectations that have been driven in great part by the pandemic, social apps and shopping sites.

isolved surveyed more than 1,000 full-time employees working across a variety of industries and regions in the United States to help business leaders gain insight into the preferences of today's modern workforce. These are our key findings:



Salary Reigns Supreme



Technology Plays a Role in EX



Employees are Embracing the Future



Every Employee Needs to be Accommodated



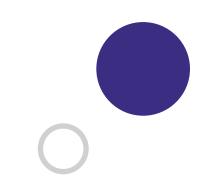
Engage with Social Good



Mental Health is in the Spotlight

Throughout this whitepaper we'll break down the results of our survey to help you understand present opportunities to improve EX, better support your workforce and prepare your organization for the future of work.

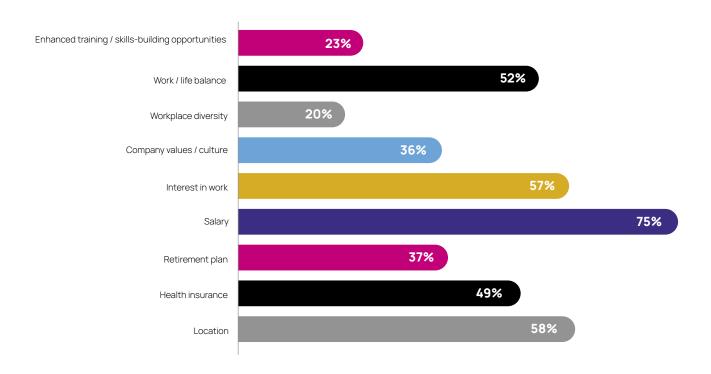
Key Finding: Salary Reigns Supreme



The pandemic may have changed a lot of things, but it didn't change employees' views on compensation. The fact is that money still talks when it comes to recruiting new talent. But what else plays a role in a candidate's decision to accept a new position?

Our survey shows that location is the second biggest motivator. In the past, this suggested employees were looking for a short commute, but the prevalence of today's remote work environment could mean employees are instead searching for an employer that offers flexibility when it comes to where they work. The third biggest motivator identified for accepting a job was interest in work. This shows that an application alone is not a good way to gauge a candidate's interest. As such, talent acquisition teams and hiring managers should address this concern with specific questions that relate to job duties during the interview process.





It's important to note that even though workplace diversity and enhanced training were at the bottom of the list when it comes to what motivates candidates to accept a job offer, both still play a role in experience throughout an employee's career with a company (more on that coming up). But do you know what else has an impact on EX? The technology employees have available at work.

Key Finding: Technology Plays a Role in EX

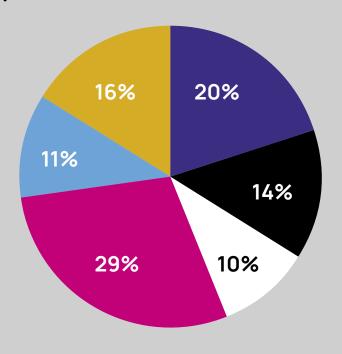
The good news is that most employees – 81 percent to be exact – feel like they have the right technology to do their jobs effectively. For the 19 percent who said they don't have the right technology, a single system for all work functions was identified as what is most needed. This was followed by a request for role-specific technology and collaboration tools.

It's not a surprise that these three options are in demand. After all, most employees would welcome tools to streamline tasks that relate directly to their position, and today's modern work environment requires technology that makes it easy to connect and collaborate with colleagues.





Voice of the Workforce: What technology are you most missing to perform your job effectively?



- Analytics/reporting
- Artificial intelligence/machine learning
- A single system for all work functions
- Self-service tools for completing HR-related tasks
- Collaboration tools
- Role-specific tools

The desire for a single system for all work functions suggests that employees' expectations for digitally mature employers are rising. Digital maturity is defined as the measure of an organization's ability to create value through digital means. Technology that solves for a need but doesn't intelligently connect to the rest of an employee's duties can result in inefficiencies and create more room for error. This is true for employees of all departments – from a sales rep who wants a robust customer relationship management (CRM) platform for storing and nurturing leads, to an HR specialist who would prefer the ability to manage the entire employee journey through a single human capital management (HCM) platform. HCM platforms, however, impact more than just HR teams. They can also shape EX for all employees – starting with onboarding.

In fact, 51 percent of our survey respondents said they have been tempted to leave a new job due to a negative onboarding experience. This means that if an organization is unable to empower new employees with a modern onboarding experience – including the ability to fill out forms and elect benefits digitally – half may be pushed to look for a new job before they finish their first day. Yes, our research shows it's that important.



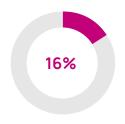
Voice of the Workforce: How important is the onboarding experience?



Extremely ImportantBecause it sets me up for success in my role



Important Because I want a good experience, but not essential



Not Important Because it has no impact on my performance

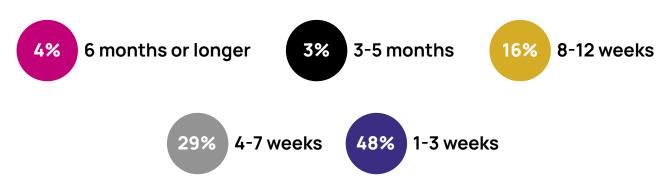
We should note that 68 percent of our respondents said their current employer offers a modern onboarding experience. This means there is still room for improvement for 32 percent of organizations. Offering new hires the ability to fill out forms and elect benefits independently and electronically can go a long way in starting the employer-employee relationship on a positive note.



In addition to improving the onboarding experience, technology can also speed up the onboarding process. This is likely something that's important to business leaders, but it's also important to employees. In fact, 48 percent of employees think onboarding should be completed within the first month of employment.



Voice of the Workforce: How long do you think an onboarding process should last?



Onboarding, however, isn't the only time when an HCM platform can impact EX. This technology also plays an essential role in important HR tasks like payroll and scheduling. Although these are recurring tasks, our research shows that a quarter of organizations still experience mistakes on a regular basis.



We already know that compensation is important to employees, so payroll errors will certainly provide a negative experience. An intelligently connected HCM platform can help minimize errors and flag mistakes, including erroneous benefit payments for people who are no longer employed. This is because the system automatically identifies when someone has left the company since all information is stored in one place. This not only boosts productivity for HR teams, but can also <u>save</u> <u>employers money</u> over time.

HCM technology can do more than just improve onboarding and reduce errors - these platforms can also provide learning opportunities to workforces.

Our research found 21 percent of employees feel like their employer does not support their professional development.

While there are many ways employers can provide better professional development support – including with mentorships and funding for continuing education – offering training through a learning management system (LMS) was the top request from the employees we surveyed. An LMS is particularly impactful because it empowers employees of all departments to improve their skill sets at their own pace. This enables employers to offer multiple learning paths, microlearning sessions as well as role-specific training.





Voice of the Workforce: How could your employer improve their efforts to support your professional development?

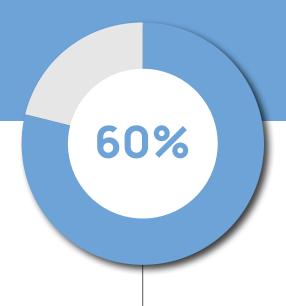


It's also worth highlighting that 45 percent of employees would like their employers to provide career pathing – this means mapping out the potential roles and skills an employee needs to be promoted within the organization. Performance management technology can play a role here because it empowers both supervisors and employees to set and track goals over a specified period of time. This helps employees monitor their performance so they can stay on track with their career aspirations.

Technology certainly plays an important role in EX, but it also plays a role in the future of work – which is something that many employees are embracing.

Key Finding: (**) Employees are Embracing the Future

In our Transforming Employee Experience whitepaper, which surveyed 500 HR leaders, 79 percent said their company was actively investing in the future of work – which includes digital, cloud-based tools as well as automation and artificial intelligence (AI). When we asked employees the same question, 60 percent said they believe their employer is actively investing in the future of work. While these numbers aren't too far off from each other, more transparency about company investments between the C-suite and the rest of employees within an organization can ensure that everyone is on the same page – especially since our findings suggest the majority of employees are embracing the future, including AI.



Said they believe their employer is actively investing in the future of work.

In fact, most employees are not fearful of Al replacing their jobs in the next three years, and 31 percent believe Al will actually evolve their jobs.

What's more, 71 percent are willing to leverage a voice-activated chatbot at work to complete HR tasks. Just imagine employees having the ability to verbally ask their organization's HCM platform - or even within Slack or Teams - how how many paid time off (PTO) days they have available. This type of functionality will become reality sooner than later, and knowing the majority of employees welcome it is a good sign.

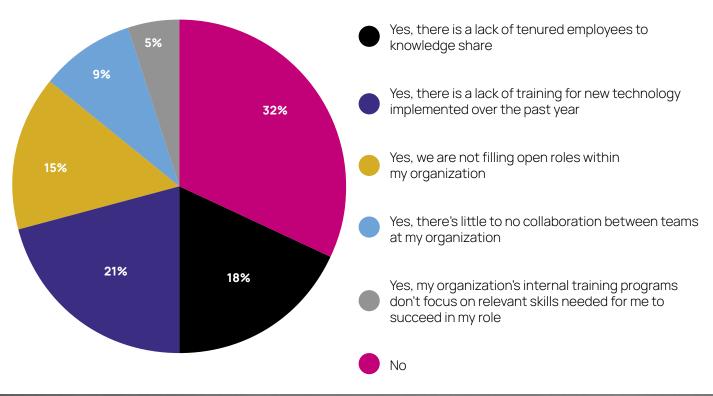


Preparing for the future of work also requires employers to address skills gaps. Our survey shows that 68 percent of employees feel like there is a skills gap within their organization. The top reasons for this gap? 1) Lack of training for new technology; 2) Lack of tenured employees to knowledge share; and 3) Open roles not being filled. It is probable that the pandemic negatively impacted skills gaps across industries, as it forced some organizations to furlough employees and halt hiring.





Voice of the Workforce: Do you feel like there is a skills gap within your organization?

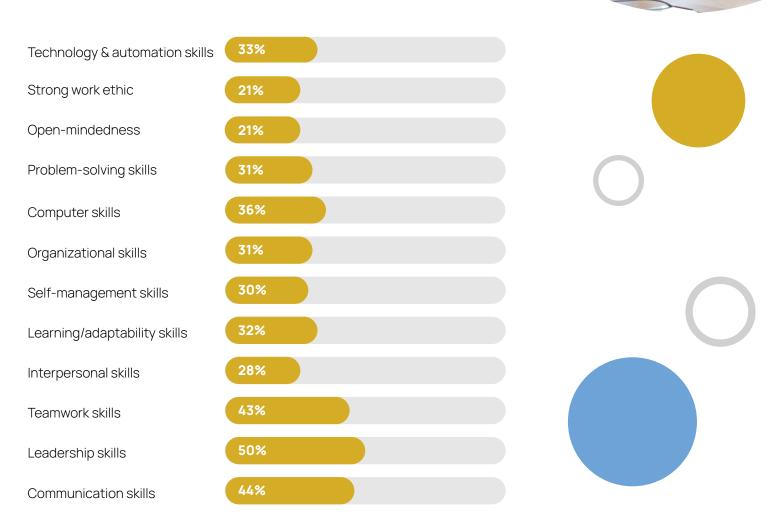




When it comes to the types of skills employees are looking to develop, leadership skills top the list. This is good news because it means organizations may be able to retain talent by developing employees – and promoting them – from within. In addition to learning to lead, employees expressed a desire to improve upon their communication and teamwork skills. All of these skills are beneficial and will continue to be in an increasingly digital world that requires teams to work together regardless of where they are located.



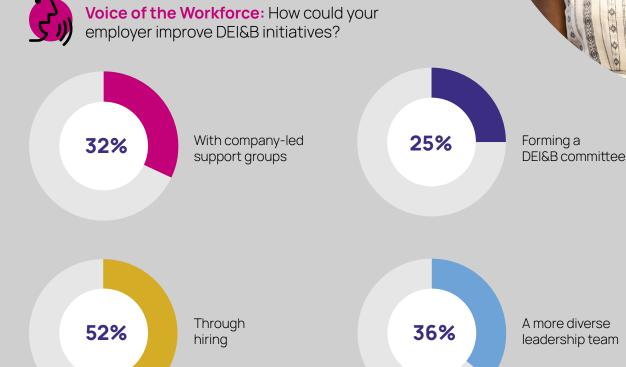
Voice of the Workforce: What reskilling, upskilling, learning and development programs would be of most interest to you?



Preparing for the future of work, however, requires more than leading technology and professional development opportunities. Employers also need to have a positive culture. By fostering a workplace that is diverse, equitable and inclusive, employees are likely to benefit from a safe and welcoming environment – which leads to better EX and provides a competitive edge when attracting and retaining top talent.

Key Finding: Every Employee Needs to be Accommodated

Our research found 86 percent of employees think their employer is inclusive, but that doesn't mean there isn't work to do when it comes to diversity, equity, inclusion and belonging (DEI&B) efforts. According to our data, the top way employers can improve in this area is through hiring.



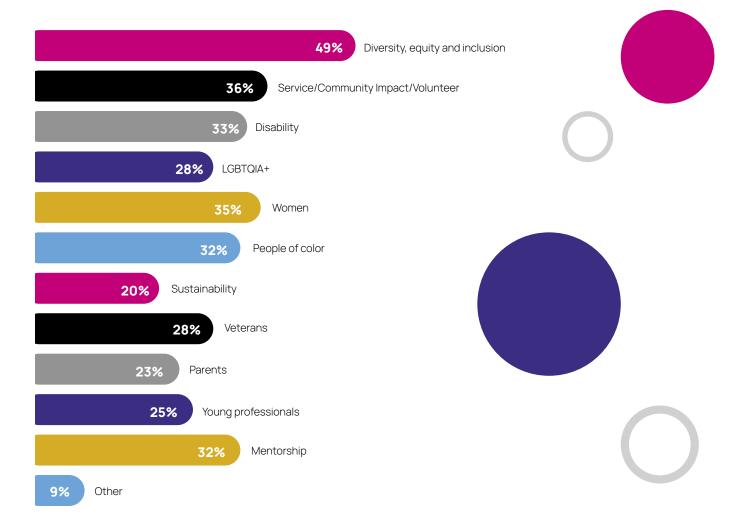
It is important to note that when our survey respondents were asked the best way to improve DEI&B through hiring, 48 percent recommended explicitly stating encouragement on open job listings. Comparatively, 28 percent of employees think asking candidates their preferred gender pronouns would be beneficial, while 23 percent said having a dedicated DEI&B consultant or coach on staff would be the best way to improve in this area.

Another way to support DEI&B efforts is with employee resource groups (ERGs). This is an area of opportunity for a lot of employers, as 49 percent of employees said their current workplace does not offer ERGs.

When it comes to the types of ERGs that employees expect their employers to offer, DEI&B groups came in the top spot. This makes sense since a major goal of these groups is to make sure everyone within an organization feels welcomed at work. Additionally, 36 percent of employees expect their employer to offer community impact groups, which is noteworthy because corporate social responsibility (CSR) is becoming increasingly important to employees.



Voice of the Workforce: Which employee resource groups or committees do you expect your employer to have?





ERGs can have a positive impact on a company's culture and help employers meet employee expectations, but the only way these groups can be effective is if employees engage with them. In fact, 23 percent of our survey respondents said opportunities to participate is the second most important factor for an ERG's success. The most important factor? A clear purpose or goal that aligns with business needs. Since ERGs can be difficult to manage, having a clear goal is essential to ensure the group is working toward the same purpose and setting the right expectations for participants.

Voice of the Workforce: What is the most important factor for an ERG to succeed?



A defined clear purpose/goal that aligns with business needs



Opportunities for employee participation despite work environment



Transparency between the group and workforce



An executive sponsor



An application process



Date-driven action plans

When it comes to accommodating employees, it's important to not overlook those who have unique needs. Of our more than 1,000 survey respondents, 35 percent identify as neurodiverse and 24 percent have a physical disability. Twenty-five percent of the neurodiverse employees said their current employer does not accommodate their neurodiversity, while 29 percent of the employees with a physical disability said the same. When we asked how employers could provide better support, the answers between the two groups varied.

While better awareness of disability was identified as the top way employers can better accommodate employees who are neurodiverse, support groups were identified as the top way employees with a physical disability would like to be supported. This further highlights the impact ERGs can have in making sure that every employee feels included and welcomed within their working environment. Ranking second for both groups? The ability to work remotely. This makes sense as neurodiverse employees and employees with physical disabilities may feel more comfortable at home because they have personalized accommodations and resources.

Another way to strengthen DEI&B initiatives? Social good.

Voice of the Workforce: What could your employer do better to accommodate your disability? 49% Better Awareness of Disability 37% 48% Work Remotely 39% 41% More Resources 31% 39% Support Groups 50% Neurodiverse Physical Disability

Key Finding: Engage with Social Good

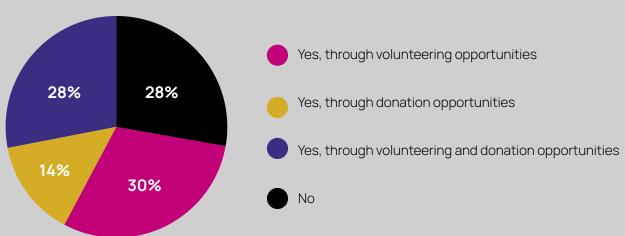
CSR has become the cornerstone of many employee engagement initiatives – not only because it can be used to support DEI&B initiatives, but also because it makes employees feel good about where they work and what their employers do. In fact, our survey found 80 percent of employees say their employer aligns with their core values.

When it comes to social good, we asked employees if they currently feel empowered to support the causes they are passionate about. The research shows that more than a quarter of employees don't have employer support for giving and volunteering. Of these employees, 55 percent said they want their employer to support their individual social-good efforts.





Voice of the Workforce: Does your company empower you individually to support the causes you are passionate about?



Although the research shows most employees are provided with volunteer opportunities from their employer, 30 percent are not provided with the opportunity to donate. This indicates there may be a lack of formal processes – and technology – to support a complete approach to CSR. After all, tracking donations and volunteer hours manually is not only time consuming, but can also be complicated.

While CSR programs are becoming an expectation for today's modern workforce, mental health is another topic that is in the spotlight – especially with more employers prioritizing EX.

Key Finding: (2) Mental Health is in the Spotlight

Eighty percent of employees say they feel engaged at work, but there is always room for improvement. Team meetings ranked first when we asked what works to keep employees engaged. While this may be a bit surprising considering some of the other choices available for the respondents to select (like wellness offerings and mentor/mentee relationships), it's understandable that employees need to stay connected in a world that is much more digital and socially distanced than it has been in the past.

That being said, it seems like employees are ready to get back to in-person events – at least in some compacity. This is because in-person events were ranked as the third top way employees like to be engaged. This suggests that even though some employees might prefer a remote or hybrid working environment, there is still a desire to meet and network with other professionals in person.



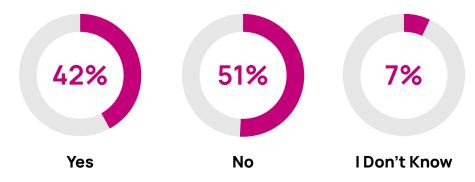
Voice of the Workforce: What actually works to keep you engaged at work?



The pandemic, however, has done more than just make it difficult to stay connected. It has also brought a lot of stress to people – including employees who need to worry about their professional performance while also adjusting to their new normal. This can take a toll on mental health. As such, we asked a variety of questions to gain some insight into employees' stress levels.

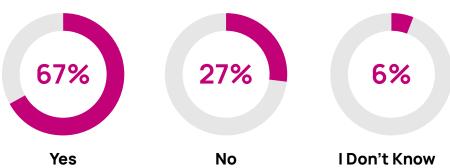


Voice of the Workforce: Do you get the "Sunday Scaries" (e.g., feeling very stressed the night before returning to your work week)?





Voice of the Workforce: On a regular basis, are you able to disconnect from work?



Our findings reveal that 42 percent of employees feel some anxiety before heading back to work after the weekend. Additionally, 27 percent of employees don't feel like they are able to disconnect from work on a regular basis. Although these employees are in the minority, they still make up a large percentage of people who are not able to fully disconnect from work (or the stress of work). This is important for business leaders to recognize because employees who don't have the chance to decompress and reset may end up eventually feeling burned out – which can impact productivity, performance, engagement and experience.



Since managers can play an important role in an employee's ability to disconnect, we asked our survey respondents if they felt their boss was an advocate or detriment to their mental well-being. The majority (54 percent) said advocate, while 21 percent said detriment (and 24 percent said they did not know). But what can leadership teams do to better support employees' mental health? Provide more PTO.





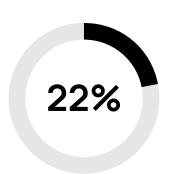
Voice of the Workforce: What could your employer do to better support your mental health?



Offer paid mental health days



Implement a 4-day work week



Form company-led support groups



Put policies in place around responding to work notifications during non-business hours



Provide flexible working arrangements - including remote work



Other (please specify)

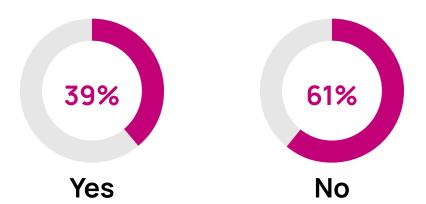
You read that chart right - providing paid mental health days and flexible working arrangements top a 4-day work week. This highlights the work ethic that today's modern workforce has, even during a pandemic that continues to cause an exceptional disruption.

Another factor impacting employees' mental health is the environment they are working in – regardless of if it is in person or remote. In fact, 28 percent of the employees we surveyed said they have experienced workplace harassment in a remote-work environment. Although 66 percent said their employer had created specific policies related to workplace harassment for in-person and remote environments, this presents an area of opportunity for 34 percent of organizations. It may not be a bad idea to reach out to an HR augmentation service for assistance in updating handbooks or specific policies.

Something else that could be impacting employees' mental health? Social and political issues. This has become a sticky spot for both employers and employees, as discussions regarding politics and race are constantly making headlines – even face masks and vaccines have been politicized in some instances. While it is important that employees feel comfortable to express themselves, some colleagues don't want to talk about personal opinions at work. Of course we asked the 1,000 full-time employees that we surveyed about their employers' policies...



Voice of the Workforce: Does your employer restrict conversations of politics and social issues at work?



For the employees who said yes, 72 percent agreed with their employer's decision. Conversely, 57 percent of the employees who said no also agreed with their employer's decision. Expectedly, this hints that there is a split in opinions – so we directly asked our respondents if they are comfortable discussing social and political issues at work: 57 percent said yes. While this is the majority, it is by no means a landslide – making social and political issues a tough line to straddle for employers working to support the preferences of their workforce. This is another circumstance where ERGs come in handy, as these groups can provide a safe place for employees to express their experiences and opinions.



Excelling in the New Normal

The professional world is in a completely different place than it was pre-pandemic – and the employers who are adapting by taking their employees' evolving expectations and preferences into consideration are better equipped to improve EX within their organizations. A better EX, after all, comes with many business benefits – from boosting retention and more competitive talent acquisition to an increase in production and engagement among colleagues. This provides a solid foundation in preparing your business for the future of work.

Methodology

The voice of the modern workforce report from isolved analyzes the expectations and preferences of more than 1,000 full-time employees based in the United States. Respondents are employed full-time in an office role, with seniority level that ranges from entry level to C-Suite. The survey was conducted online in August 2021, with the demographics broken down as followed*:

Seniority

Entry level/associate: 44%

Manager: 37%Director: 10%Vice President: 3%

C-Suite: 6%

Company Size

1-50: 29%51-100: 10%

• 101-150:6%

• 151-250:5%

• 251-300:3%

• 301-500:4%

• 501-1,000:8%

• 1.001-1.500: 3%

1,501 and above: 21%

I don't know: 10%

Industry

· Agriculture: 2%

Business and Professional Services: 10%

Construction and Engineering: 6%

Education: 13%Financial: 7%

• Travel and Hospitality: 5%

• Legal: 2%

Manufacturing: 6%

Medical and Health: 14%

• Government: 5%

Nonprofit Organization: 5%

Real Estate: 2%Utilities: 1%

Wholesale and Distribution: 4%

Other: 16%



About isolved

isolved is an employee experience leader, providing intuitive, people-first HCM technology. Our solutions are delivered directly or through our partner network to more than five million employees and 145,000 employers — who use them every day to boost performance, increase productivity, and accelerate results while reducing risk. Our HCM platform, isolved People Cloud, intelligently connects and manages the employee journey across talent management, HR & payroll, benefits, workforce management and engagement management functions. No matter the industry, we help high-growth organizations employ, enable and empower their workforce by transforming employee experience for a better today and a better tomorrow.

^{*} Numbers in the graphics may not add up to 100 percent due to rounding to whole figures.

