Humanyze

2021
Future of Work Report

The Impacts of Remote Work on
Employees & the Future of Work
Post-Pandemic

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Executive Summary

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INTRODUCTION

As companies plan and implement their post-pandemic workplace strategies, it's essential for business leaders to use a data-driven approach to inform decisions that empower the entire organization to succeed -- whether in-person, hybrid, or remote.

In late April of 2021, Humanyze, a global workplace analytics software provider, surveyed U.S. office workers about the impacts of remote work and how they feel about the future of work post-pandemic. The goal of this survey was to better understand the pandemic's impacts on employees, as well as their opinions about returning to the office.

In order to get the most complete view of remote work's impacts and implications for the future of work, employee survey responses were measured against science-backed collaboration insights *(anonymous email, chat, calendar, & call data)* measured before and after the shift to remote work using **Humanyze's Organizational Health Platform™**.

By combining these subject and objective workplace datasets, this report seeks to connect the dots between employee sentiments around work during and post-pandemic, and what Humanyze's workplace analytics have revealed about collaboration before and after the start of the pandemic.

Survey results and workplace analytics data findings around remote work's impacts and returning to the office were grouped into three categories for this report:

People Connections   **Attrition Risks**

Future of Work Planning & Strategy

Behind the Data

2021 Remote Work & Future of Work Survey:

1,431

Survey responses from
U.S. knowledge workers

48% **52%**

Female   Male

42% Ages 45–60
32% Ages 30–44
16% Ages 18–29
14% Ages 60+

71%

Worked **in the office** full-time
pre-pandemic

17%

Worked **remotely** full-time
pre-pandemic

12%

Worked flexibly in-office or
remote pre-pandemic

Humanyze Organizational Health Platform™:

1 Million

Workplace interactions
measured during the
pandemic

20 Billion

Workplace interactions
measured over the last decade

11+ Years

of MIT research

Findings:
Employee Connections

Section Overview

The COVID-19 pandemic affected all types of employee connections at work. Effective communication flows between teammates (which are crucial for engagement, productivity and company alignment) experienced mostly positive impacts. However, informal collaboration with colleagues outside of an employee's immediate team (those who are not necessarily integral to an employee's work or tasks) fluctuated throughout the pandemic. Research shows that these types of connections and interactions are vital to organizational success as they foster engagement, innovation, creativity, and opportunities for employee growth or professional development.

Impacts and findings related to Employee Connections have been grouped into the following areas:

Collaboration with Others
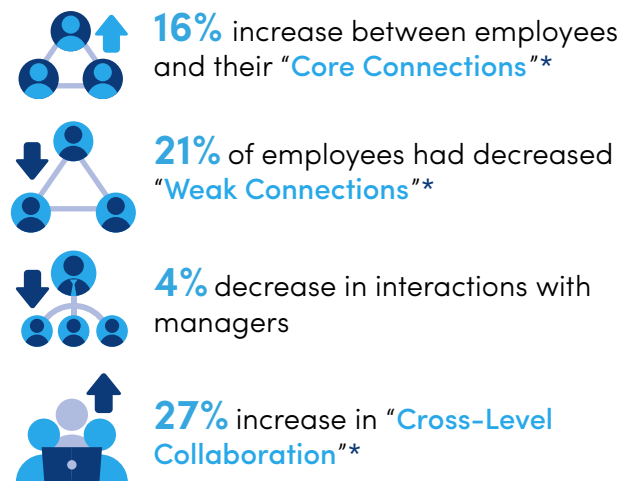
Information Flow

Biggest Challenges

Collaboration with Others

Both survey results and Humanyze workplace analytics data revealed many positive trends when it came to collaboration between employees. Collaboration data analyzed by the Organizational Health Platform™ during the pandemic showed more collaboration occurring between direct teammates compared to pre-pandemic, but also revealed that collaboration with managers and extended connections decreased. On the other hand, the majority of employees surveyed reported felt that their connections with teammates, managers, and others overall had either increased or stayed the same after start of the pandemic and shift to remote work.

Survey Results

79% of employees feel that connectivity with their teammates improved or stayed the same

80% of employees feel that connectivity with their manager improved or stayed the same

79% of employees feel that connectivity with senior colleagues improved or stayed the same

Organizational Health Platform™ Insights

16% increase between employees and their "Core Connections"*

21% of employees had decreased "Weak Connections"*

4% decrease in interactions with managers

27% increase in "Cross-Level Collaboration"*

Both datasets showed that, during the pandemic, employees spent more time interacting with colleagues they immediately relied on to do their jobs. A flattening of hierarchical communication patterns was also observed, allowing employees to connect more with colleagues across all levels of the company. Although employees felt good about their overall connectivity with others, Humanyze analytics revealed that extended networks diminished during the pandemic. Whether in-office, remote, or hybrid, company leaders must closely monitor Weak Connections, as they can directly impact mid to long-term innovation.

*Core Connections: The # of close contacts in an employee's network that they interact with for a more significant amount of time per week on average. Research shows that the strength of an employee's immediate social support network is directly tied to turnover risk.

*Weak Connections: The # of peripheral contacts in an employee's network that they interact with a few minutes per week on average. Studies show that metric has a positive correlation with employee performance ratings.

Cross-Level Collaboration: Time spent interacting with colleagues of a different hierarchy level. Aligning *strategic vision with employee productivity is key driver of organizational success.

Findings:
Employee Connections

Information Flow

Companies who are aligned have better communication flow and knowledge-sharing, which leads to better collaboration and transfer of information. After the start of the pandemic, Humanyze's workplace analytics showed increased connectivity between employees and their teammates as well as more senior colleagues after the start of the pandemic. This improved alignment within teams and across different levels of the organization can also be noted in the survey responses, where most employees indicated that they felt more informed thanks to improved dissemination of company policies and directions after the shift to remote work.

Survey Results

87% of employees **feel more informed** around company policies and direction compared to pre-pandemic

Organizational Health Platform™ Insights

10% increase in "Alignment"* due to improved communication flows

24% increase in "Knowledge Diffusion"*, highlighting flatter, less hierarchical communication patters

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*Alignment: A leading indicator of the speed and quality of communication between teams or groups, which indicates how effectively employees use technology to share and obtain information outside of their core teams. Studies show that higher alignment is known to directly impact the long-term innovation and success of an organization.

*Knowledge Diffusion: How well the structure of an organizational network supports the quick spread of knowledge and information. Research shows that in companies with a strong culture, most members work from a shared knowledge base and common beliefs, which enhances organizational reliability.

Findings:
## Employee Connections

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Biggest Challenges

The expansion of employee communication networks (how employees collaborate with colleagues outside of their immediate teams) fluctuated regularly throughout 2020. At the height of the pandemic, Humanyze's workplace analytics showed a decrease in communication between employees and colleagues outside of their immediate teams. However, as things normalized and companies began adjusting to new ways of working, "Weak Connections" started to increase again thanks to less frequent, but vital, interactions between employees and their more peripheral colleagues.

Another area that was significantly impacted after the start of the pandemic was work-life balance. Although employees appeared to be working much less on the weekends than pre-pandemic, Humanyze's analytics showed a sharp increase in employee workday length. While this was a certainly a cause for concern and potential sign of burnout for certain groups, it was discovered that others were simply working more flexibly across a longer portion of the day by taking breaks to deal with personal matters and finishing up work late.

This reaffirms the importance of factoring in different organizational contexts and combining subjective and objective data to truly understand the impacts of collaboration.

Survey Results
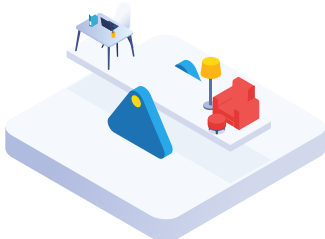
58% of employees feel that work-life balance has been their biggest challenge during the pandemic

73% of employees feel that their next biggest challenge was the inability to collaborate in-person either with their immediate team and manager, or colleagues and leadership outside of their team

Organizational Health Platform™ Insights

57% decrease in working happening on the weekends

57% increase in # of employees working 10+ hours per day

16% increase in collaboration with immediate colleagues

21% of employees were less connected to peripheral contacts outside of their immediate, closest colleagues

Findings:
Attrition Risks

According to a Gallup study, U.S. companies alone lose **$1 Trillion each year** due to voluntary employee turnover. With such a high attrition cost plaguing organizations, it's essential for business leaders to remember that driving success post-pandemic and beyond cannot be done with a one-size-fits-all approach.

As an example, effectively informing which teams should return to the office first or remain remote requires subjectively and objectively understanding how different teams have been impacted by the shift to work. Whether vetting the best return to office strategy or how to continuously drive performance more broadly, it's highly important to have a continuous understanding how employees feel and how they work to inform decisions that will help your people succeed and remain fulfilled in the workplace.

Survey Results

41% of employees feel ready to go back to the office

44% of employees prefer not to return to the physical office

31% of employees are at risk of attrition if their company does not allow a flexible options to work in-office and remotely

Findings:
Future of Work Planning

Employee Sentiments

Nearly half of employees surveyed do not feel confident that their company has an effective, well thought out post-pandemic workplace strategy. However, just under half of employees also stated that they feel ready to return to the physical office. As companies begin to inform and roll out their plans, it's important to keep employees informed throughout the decision making process, especially as they prepare to readjust to a post-pandemic world.

Survey Results

46% of employees are not confident that their company will have a well thought out strategy for returning to the office

41% of employees feel that they are ready to return to the office

23% of employees surveyed would like the option to work from home flexibly a few times per week

As the data will show in the next section, transparency and safety must also be important considerations in any decisions around the future of work post-pandemic. Leveraging subjective and objective data throughout the planning process is critical for improved decision-making and fostering employee trust through effective, proactive communication from the top down.

Findings:
Future of Work Planning

Post-Pandemic Workplace Strategy

A post-pandemic strategy should focus on reducing disruption, protecting employee health and safety, improving engagement and collaboration, and supporting business goals. Survey data shows that employees are seeking flexibility and safety as they navigate the future.

Survey Results

70% of employees will prioritize going into the office **if their teammates are also there**

50% of employees **prefer a fixed schedule** for returning to the office
(If a hybrid model is used, they prefer to be scheduled in-office at the same time as their direct teammates)

79% of employees **expect to have their own desk** and **sufficient social distancing** between themselves and others

65% of employees listed "**undisturbed focus time**" as one of their top reasons for returning to the office

How to optimize your use of corporate real estate for returning to the office, create remote work environments that drive success, or plan an effective hybrid approach can all be informed using existing corporate data around how your organization works. Monitoring progress and validating decisions must be an ongoing process that allows for quick interventions and continuous improvements

Conclusion

Planning the right post-pandemic workplace strategy will inevitably be one of the most consequential challenges workforces will face during this generation. Our insights from over 1 million pandemic workplace interactions coupled with this national employee survey highlight a number of challenges and areas that leaders will have to address as companies shift to a post-pandemic workplace model.

The lack of employee confidence in company strategies reflected in survey responses likely stems in part from a disconnect between frontline employee perceptions and macro changes in collaboration behavior. Despite 79% of employees saying that they feel that connectivity with most colleagues improved or stayed the same during the pandemic, it's important to also note that there were actually fewer new, peripheral employee connections formed during the pandemic. Companies planning steps to improve innovation, reduce attrition, or streamline information flow should prioritize bridging this gap in particular.

Lastly, it's key to remember that survey results are but a temporary snapshot in time and, as we've seen this past year, collaboration trends can vary dramatically over time. While some teams may have had no trouble adjusting to working remotely at the start of the pandemic, other groups within the same organizations may have experienced significant impacts to their workplace experience and support networks.

As a result of such variances within organizations and over time, it's essential for companies to continuously measure how employees feel and how work gets done in order to drive better business - post-pandemic and beyond.

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For More Information:
Contact sales@humanyze.com or Book a Demo Today