LiveTiles

Digital Workplace Trends 2023

Five Forces Shaping the Hybrid World of Work

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The world of work has gone through some irreversible and evolutionary changes over the last two years. In particular, the pandemic accelerated the mainstreaming of hybrid work. In 2022, we saw a shift in many parts of the world whereby employees were leaving their jobs seeking greater flexibility and placing a higher priority on lifestyle and wellbeing.

In the year ahead, as the stakes in the war on talent continue to rise, expect to see organizations offering work flexibility and employee-centered workplaces.

The critical importance of diversity and inclusivity is now being recognized from boardroom to lunchroom as a driver of employee recruitment, engagement and retention. Leaders beyond the IT (Information Technology) department are starting to get to grips with the need to humanize the digital workplace tech and remove all noise from the app and information overload to deliver a collaborative, stress-free workplace to colleagues no matter their role, location, or device.

In this year's edition of the LiveTiles Digital Workplace Trends report, we present our take on five key areas that we believe organizations need to focus on because they will influence the evolution of the workplace and employee experience. This report should be especially relevant for C-level leaders and managers of communications, human resources, and IT departments.
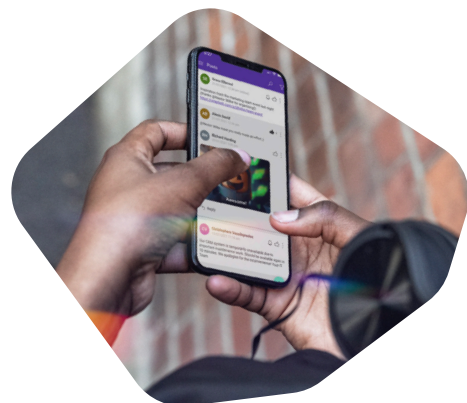
1. Humanizing the Digital Employee Experience

Employee Experience is the most significant factor affecting Customer Experience. Employee insights must therefore take a front seat in enhancing job satisfaction, productivity, and engagement. Your employees are your greatest brand ambassadors[1]. They need to be provided with a 'frictionless' work environment where processes and technology are built to enable them to be as productive and fulfilled as possible.

Your Workplace is a Battleground for Attention:

The digital workplace is part of the battle for people's attention. This is a critical issue (and often overlooked) to recognize as we rely increasingly on digital platforms in a hybrid work model. The responsibility is on us to help organizations cut through the noise and value our employees' time. We need to be aware of the demands on people's attention and do everything we can to alleviate the information and application overload they are bombarded with (which can average 120 different business apps in the workplace[2] alone!).

Working with relevant data from analytics will also allow you to spot fires and course correct.
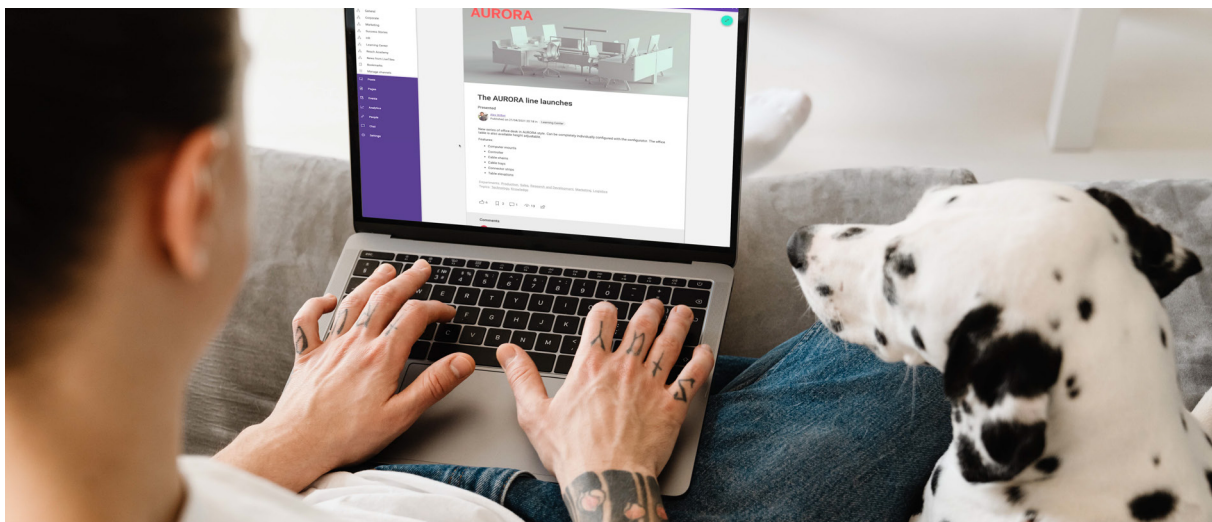
1 Smith, M. Here's Why Employees Are Your Best Brand Ambassadors [TLNT]. (2015). Retrieved from https://www.tlnt.com/heres-why-employees-are-your-best-brand-ambassadors/
2 Business at Work [Okta]. (2021). Retrieved from https://www.okta.com/sites/default/files/2021-02/Businesses-at-Work-2021.pdf

Key recommendations

Removing tech complexity, simplifying the experience, and letting AI-powered solutions work in the background to take care of the manual tasks and the overload are all necessary in the hybrid future of work. We must embed communications into the employee experience and not drown our employees in a whirlpool of apps and channels and expect them to stay afloat.

Participants in a recent roundtable at the Future of Work Conference (London, October 2022) agreed almost unanimously that the greatest "good" tech could deliver in the modern workplace is to provide more meaningful data and insights that will help employers better support and engage employees and better understand their needs, frustrations, and expectations.

But even the most well-designed tools to map employee insights may not be enough to measure all these metrics. A solution must be humanized enough to allow companies to understand not just activity in the digital workplace but behaviors and sentiments as well.

Workplace technology is deemed humanized[3] if it is something relevant to how people work, speak their language, and is easy to use. This could entail, for example, integrating third-party apps and analytics from Slack to Salesforce into a thorough and seamless user interface. The analytics should also unify all the different channel activity, outreach, and engagement for real-time and upward reporting.

3 Andrukonis, C. 4 Ways for Humanizing Technology for Leaders and Employees [HR Daily Advisor]. (2022). Retrieved from https://hrdailyadvisor.blr.com/2022/08/30/4-ways-for-humanizing-technology/

Key recommendations

4 Currently, organizations are moving swiftly from a tech-centric or instrumentalist approach to a more inclusive and humanistic method whereby employees are —in the words of Simon Sinek[4]— "seen, heard, and understood." This way, employees are provided with the experience, connection, and sense of purpose they crave, which is more closely aligned with the mission of their organization.

Learn how analytics can help you gain a better understanding of how your employees are connected to the organization's mission and how they engage with internal communications: https://livetilesglobal.com/features/analytics/[5]

4 Nguyen-Brown, P. Simon Sinek helps shape our understanding of great Employee Experience [LiveTiles]. (2021). Retrieved from https://livetilesglobal.com/simon-sinek-helps-us-define-great-employee-experience/
5 LiveTiles. LiveTiles Analytics. Retrieved from: https://livetilesglobal.com/features/analytics/
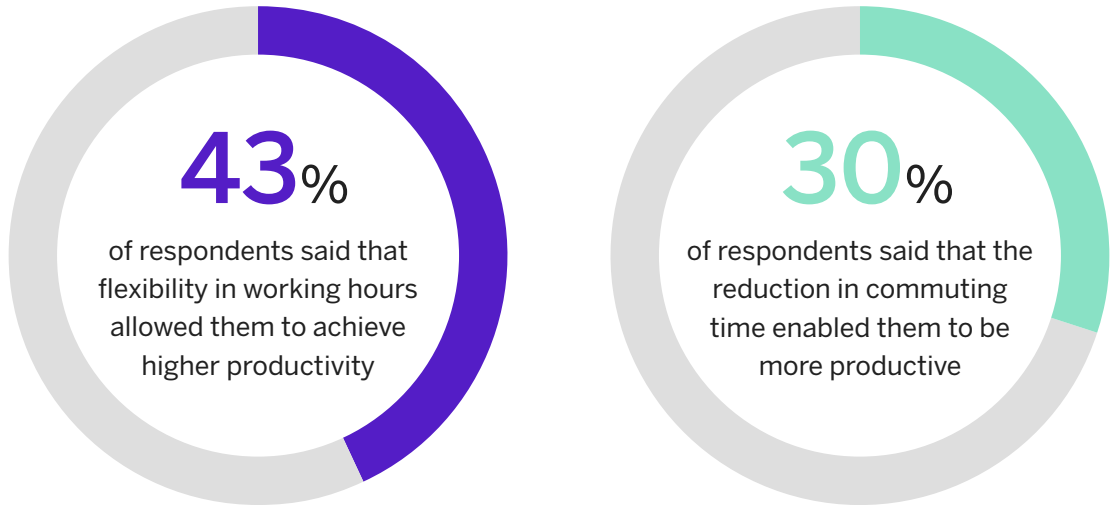
2. Flexibility is Now the Main Currency

Our 2022 Global Employee Experience Pulse Check[6] revealed that flexibility and work-life balance are among the top considerations that employees are making when looking for a job. Indeed, 72% of employees are dissatisfied with their current levels of flexibility, making it a currency as highly valued as salary.

The normalization of hybrid work is inter-related with for this trend for flexibility which shows that employees are now choosing to focus more on a healthier work-life balance. A flexible work setup benefits everyone, from families, working students and people with disabilities, as senior employees, or single parents who find commuting or being present in the physical office a challenge.

Flexibility is also a major boon for work productivity as illustrated by the Digital Worker Experience Survey[7]

43% of respondents said that flexibility in working hours allowed them to achieve higher productivity

30% of respondents said that the reduction in commuting time enabled them to be more productive

However, genuine workplace flexibility can only exist in a work culture with a high degree of trust[8].High-trust company culture means that leaders and managers can trust their employees to be reachable, dependable, productive, and complete their tasks whether they are working on-site or a thousand miles away. Consequently, the employees' performance should be measured by outcomes[9] rather than the amount of time they have been logged in for.

6 LiveTiles. (2021.) Global Employee Pulse Check 2021. Retrieved from: https://livetilesglobal.com/what-is-the-state-of-employee-experience/

7 Goasduff, L. Digital Workers Say Flexibility Is Key to Their Productivity [Gartner]. (2021). Retrieved from https://www.gartner.com/smarterwithgartner/digital-workers-say-flexibility-is-key-to-their-productivity

8 Hastwell, C. What Is Workplace Flexibility? Definitions & Examples from Top Workplaces [A Great Place to Work]. (2022). Retrieved from https://www.greatplacetowork.com/resources/blog/what-is-workplace-flexibility-definitions-examples-from-top-workplaces

9 Bixby, J. Return To Work: Flexibility, Trust And 'Showing Up' Are Key To Remote Work Success [Forbes]. (2022). Retrieved from https://www.forbes.com/sites/forbestechcouncil/2022/01/18/return-to-work-flexibility-trust-and-showing-up-are-key-to-remote-work-success/

Key recommendations

To foster a high-trust work environment, empowering the employee's voice is the first step. Make the effort for your people to have a greater sense of control and ownership by, for example, involving them in planning, feedback, and ideation sessions around the work model that will best suit your organization. You will gain more insights into the support that your employees need, leading to a more employee-centric plan for flexible work arrangements. A modern, fit-for-purpose digital workplace that facilitates collaboration and feedback is essential to achieve this.

Nurture a performance-driven culture. The appraisal of the employees' success must be based on outcomes and efficiency rather than the time of day and number of hours worked. Moving the focus to this aspect will give employees the freedom they need to plan their work (asynchronously if needed) to meet key objectives. This shift in approach also boosts your people's confidence that the work they are doing is valued.

Make your employees feel that they are part of something bigger by enhancing collaborative workspaces. Physically, this can be done by replacing cubicles with open-space setups to allow group meetings. In virtual setups, this can be done by utilizing employee communications solutions that connect employees wherever they are and place a strong emphasis on the social as well as the collaborative aspects.

Check out the Flexibility Playbook[10] — a great resource to help you effectively design a more flexible digital workplace model for your organization.

10 LiveTiles. (2021.) the Flexibility Playbook 2021. Retrieved from: https://livetilesglobal.com/flexible-playbook-ebook/

3. The Case for Inclusion and Diversity

Because geographical distance is no longer an issue, a hybrid workplace presents a massive opportunity for organizations to achieve greater inclusion and diversity in recruitment and employee communications. This provides organizations with the prerogative to recruit and include diverse employees from diverse backgrounds.

There are substantial studies on the benefits of diversity, equity, and inclusion to a business's bottom line. McKinsey reported that organizations with ethnic and cultural diversity outperform by 36% in terms of profitability[11], a number that steadily rises annually. But the bigger win is for employee retention. A survey conducted by Deloitte found that companies with inclusive cultures attain higher employee retention rates and experience less trouble recruiting new employees than companies without inclusivity. The same study reported:

22% lower employee turnover rates for companies with higher levels of diversity
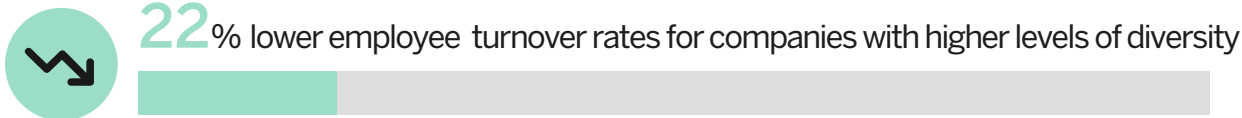
Furthermore, an inclusive workplace generates higher levels of employee engagement and better performance. In a survey involving millennials, they say:

83% are more engaged if a company is inclusive

Add to this the benefits that a more inclusive culture brings to your organizational brand which is seen as more authentic and therefore trusted more by employees (and customers).

11 Dixon-Fyle, S. et al, Diversity wins: How inclusion matters [McKinsey]. (2020). Retrieved from https://www.mckinsey.com/featured-insights/diversity-and-inclusion/diversity-wins-how-inclusion-matters

Important advances have been made over the last two years in bringing frontline workers into the digital workplace and workplace culture. This and benefits that we see throughout the LiveTiles customer community include:

- Increased sense of belonging

- Employee voice is more authentic and better represented in a more equitable way

- A greater source of inspiration and innovation as frontline workers are equipped to share their experiences with customers on the ground and feed this back to the likes of product, sales and marketing teams.

Key recommendations

Some companies turn to diversity metrics like business cases, scorecards, and targets to build a diverse and inclusive workplace, but this tools-centric approach is hardly sufficient. Virtues like equality, respect, and a sense of belonging can never be fostered by technical means alone. Instead, experts agree that grassroots storytelling and social collaboration are more compelling vehicles to nurture inclusion and an authentic employee voice[12].

Providing a platform for employees to tell stories also means creating a safe space for them. There is a certain vulnerability involved in sharing your own narrative. A psychologically safe and inclusive workspace does not oblige people to share but tells them it is all right to share. Some great tools for facilitating this include storytelling town halls, round-robin question-and-answer meetings, listening sessions, and book clubs.

Bring your people together no matter their role, device or location - sign up for a free Reach Trial today and experience an inclusive employee communications platform tailored to your organization.

12 Webb, I. Build Inclusion through Storytelling [Case]. (2022). Retrieved from https://www.case.org/resources/build-inclusion-through-storytelling

Key recommendations

To bring all employees together in a digital workplace it is fundamental to provide solutions[13] to "be where the user is" that fit the context of where employees are located or understand how they access content and information. Combining a fit-for-purpose technology solution with a greater understanding of employee mindsets[14] will go a long way to building a more inclusive organizational culture. It is never about the technology alone, but always about People and Tech together.

A more inclusive culture elevates your brand's authenticity, increasing employee trust. Over the past two years, considerable progress has been achieved in bringing frontline workers into the digital workplace, and the benefits that we see in our customer community include:

- An increased sense of belonging

- Employee voice is more authentic and better represented in a more equitable way

- Organizations now have a greater source of inspiration and innovation as frontline workers are empowered to share their experiences with customers on the ground and feed this back to the likes of product, sales, and marketing teams.

13 LiveTiles. LiveTiles Everywhere. Retrieved from https://livetilesglobal.com/livetiles-everywhere/
14 LiveTiles. (2022.) Create a Great Internal Comms Strategy with These Four Employee Mindsets. Retrieved from: https://livetilesglobal.com/create-great-internal-comms-strategy-employee-mindsets/

4. Defining Employee Experience
Through Moments that Matter

> "Simply put, moments that matter are the interactions and touchpoints that have the biggest impact on an employee's experience with an organization."
>
> **Kelly Michael,**
> Co-founder of Human LInk and SVP Employee Experience

Traditionally, our understanding of moments that matter in the context of work is related to tangibles and milestones such as recruitment, onboarding, training, promotion, birthdays, anniversaries, and retirement. But with hybrid work blurring the lines between home and work life, moments that matter became more "intangible," taking on more personal and all-encompassing attributes.

Recognition of an employee's contribution and quality of work, for example, may be still seeing these ghost spaces a fleeting task for an employer, but its impact is lasting. Glassdoor survey shows[15]:
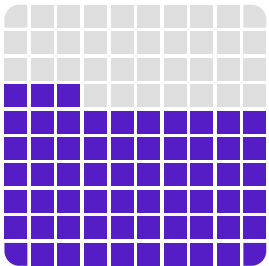
53% of employees

say they would stay longer with their company if they received more appreciation from their managers.

Both these tangible and intangible moments present precious opportunities for employers to create a memorable and positive impact on their employees' lives, boosting retention and commitment to the company.

15 "Moments that matter" in the employee experience [Eletive]. (2022). Retrieved from https://eletive.com/blog/moments-that-matter-in-the-employee-experience-with-examples/

Key recommendations

Knowing and leveraging the emotionally charged events overlaying the typical stages of an employee's journey is a vital step in mapping out moments that matter. It starts off during the recruitment or pre-boarding process when the employee hears about the organization for the first time, to their submission of requirements, and how the HR department responds to employees' queries. The employee's perception of the organization during these formative weeks will shape the way they feel about their employer.

This continues towards the onboarding process, where the employee first checks in with a colleague - whether virtual or face-to-face. The organization's priority is to ensure that new team members have time to get acquainted with and adjust to the teams they are joining. How the overall onboarding experience goes will influence their morale and relationships with the company.

All these and more are detailed in Revolutionizing Employee Experience with Moments That Matter[16], which serves as a guide for employers on how to discover and leverage these moments and build a digital workplace approach that is fully aligned with what employees need and expect.

16 LiveTiles. (2021.) Revolutionizing Employee Experience with Moments That Matter. Retrieved from: https://livetilesglobal.com/wp-content/up-loads/2022/08/08052022_LiveTiles_White-Paper_Moments-Matter.pdf

5. Greater Focus on Purpose and Sustainability

A misalignment happens when there is a disconnect between the company mission and employee values. The last two years have shown that such disconnection can lead to exceptionally low employee engagement, satisfaction, and retention and is one of the main causes of mass quitting.
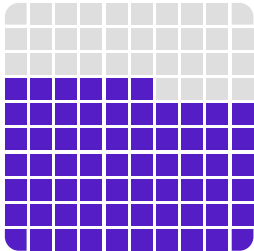
56% of most employees

prefer to have their personal values aligned with the mission of their employer and would not even consider a workplace that has values they disagree with, according to experts in employee experience.

The same number also says they are willing to take a pay cut to be with a company that shares their values. More than the monetary benefits, a company's purpose is a major predictor[17] of whether the employee will stay since it contributes so much to the overall employee experience. Additionally, if they feel that their work matters, and that it contributes significantly to the company's mission and vision, they are more satisfied and engaged[18], leading to longer term retention.

One central aspect of purpose-driven employee engagement is linked to climate action—which is becoming a strategic priority for organizations all over the world. The drive to reduce carbon emissions, and the need for organizations to be sustainably managed are now key indicators of business success and must meet the expectations of employees and customers.

In one study, public relations agency Cone Communications reported that 51% of employees say they won't work for an employer that does not have strong social or environmental commitments, while another stated that 96% of Generation Y employees place emphasis on the environment and expect their employers to take steps towards becoming more sustainable.[19]

When sustainability initiatives form part of their company's priority, employees develop a deeper sense of committment, belonging, and purpose.

17   Amire, R. Purpose at Work Predicts if Employees Will Stay or Quit Their Jobs [A Great Place to Work]. (2022). Retrieved from https://www.greatplacetowork.com/resources/blog/purpose -at-work-predicts-if-employees-will-stay-or-quit-their-jobs

18   Vaccaro, A. How a Sense of Purpose Boosts Engagement [Inc]. (2014). Retrieved from https://www.inc.com/adam-vaccaro/purpose-employee-engagement.html

19 Greene, L. How Going Green Can Improve Employee Engagement [Greener Ideal]. (2021). Retrieved from https://greenerideal.com/news/business /going-green-can-im prove-employee-engagement/

Key recommendations

Company leaders and managers better understand and align with their employees' values and help them achieve a sense of purpose at work. It starts with defining and framing objectives, focusing on major priorities, desired outcomes, and foundational values. These elements must influence day-to-day operations and make an impact on people's lives rather than a box-checking exercise.

Watch this on-demand webinar about 'Creating a Values-based Culture' from Human Link experts Kelly Michael and Steve MacDonald: theexacademy.com/creating-values-based-culture/

Understanding that employees view work differently, and you as a manager or employer must meet them where they currently stand, not the other way around. A study by McKinsey[20] found that 85% of executives said they were living their purpose at work, while only 15% of front-line workers are feeling the same way. This misalignment is a red flag and can turn into deep disengagement and dissatisfaction. Recognizing and bridging this gap will result in lasting fulfillment and better employee retention.

Be there for your employees—and not just in the weekly meetings. Show up for them, support their endeavors, and connect with their efforts. Create regular opportunities for engagement and demonstrate your willingness to show up.

To learn more about how organizations can better engage and support employees to meet their personal net zero goals check out this unique tech-for-good initiative: mynetzero.earth/

20 Dhingra, N., et al., Help your employees find purpose—or watch them leave [McKinsey]. (2021). Retrieved from https://www.mckinsey.com/capabilities/people-and-organization-al-performance/our-insights/help-your-employees-find-purpose-or-watch-them-leave

The Last Word .... for now

The emerging workplace trends for this year convey a fundamental truth— that employee experience aimed at creating a happier, more connected, and more effective workforce is critical for organizations to survive and thrive in the modern, hybrid world of work.

When employees have a streamlined and personalized digital workplace experience, when they feel more engaged and connected, and when their personal values are more closely aligned with the company's mission and purpose, the key ingredients for organizational success are in place.

If you would like to learn more about how to build a digital workplace strategy where employees can have a more personal, productive, and purposeful experience, please visit our website: LiveTilesGlobal.com.

Let's connect for a complimentary consultation with one of our Digital Workplace Experts, and let's define the required solutions tailored to your specific challenges and business objectives.