



THE HEARTBEAT SERIES

# Employee Expectations Report 2021



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2020 was one of the most disruptive years in recent memory for organizations and their employees. The spread of Covid-19 altered the way we live, work, and relax overnight, while the Black Lives Matter movement created a wave of outcry about police brutality and increased global public awareness of the systemic inequality that still exists in our societies.

These events have amplified many of the key themes that emerged in last year’s report, with Diversity, Equity & Inclusion (DE&I), health and wellbeing, and flexible working still being top of mind for employees.

This year’s report also offers insights into employee expectations around career growth. With many organizations forced to make redundancies, training budgets frozen, and a number of other cost-cutting measures put into place — employees are understandably concerned about what the future holds for their careers.

Since last year’s report, our database has nearly doubled. With over 150 million employee survey responses, and 30 million employee comments, we are able to offer an even more nuanced understanding of how employee expectations have evolved throughout 2020.

While the context might have changed, one thing that hasn’t is the need for organizations to understand the employee experience. It’s only when the employee voice becomes part of strategic decision making that organizations can turn adversity into opportunity — driving the ongoing change and transformation that will ensure future success.



# 1. Diversity, Equity & Inclusion

DE&I was one of the key themes that emerged in last year's report, with the proportion of employee comments increasing 19% in 2019. Since then — in the aftermath of the death of George Floyd, and protests around the world driven by the social justice movement — DE&I has become a central employee concern.

The text “Black Lives Matter” first appeared in an employee comment on June 1, 2020, with the volume of conversations referring to diversity and racial bias increasing rapidly throughout the year.



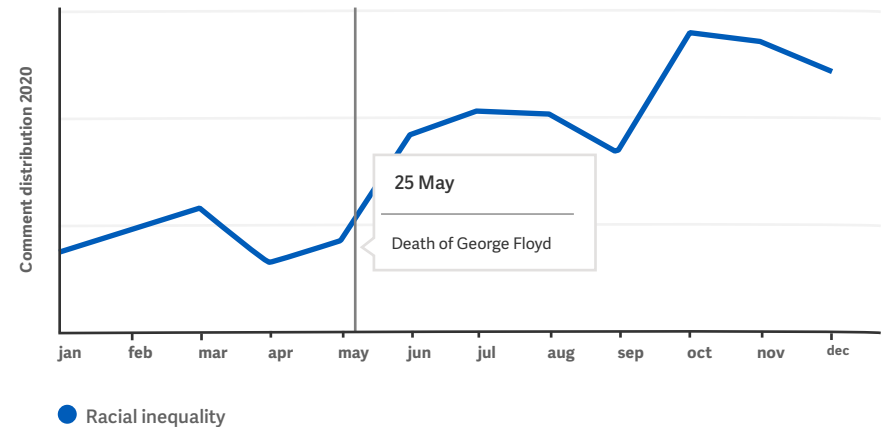
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We must do more, and we must do it better. Awareness of privilege must be at the core of our understanding and process/policy creation, ensuring that we are specifically and deliberately creating systems which work for everyone, removing bias and discrimination, with accountability and measures in place for when these things are unearthed.

**Rick Kershaw**

Senior HR Director, Workday

Employee comments regarding racial inequality increased after the death of George Floyd

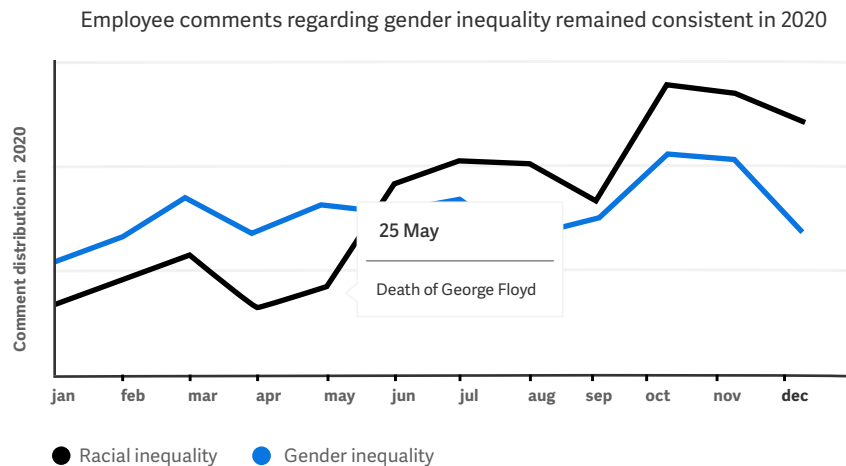


## 1. Diversity, Equity & Inclusion

The main focus of any DE&I initiative needs to be on better representation and inclusion of underrepresented groups, but as the data shows, organizations also need to consider how to engage with and educate those in the majority. Failure to do so can lead to a lack of engagement, and even resistance from those in a position to enable change.

### The intersection of race and gender

It's important to note that while comments mentioning race increased throughout 2020, gender remains an ongoing concern for employees. People do not exist in buckets, but as their entire selves. Now is not the time to switch focus, but invest in a strategy that tackles race and gender inequality simultaneously — women of color, specifically, are often ignored when focusing on gender solely.



### A breakdown of the comments reveals distinct sub-themes

- 43%** of comments on DE&I mentioned leadership or management.
- 25%** of comments mentioned race or minority backgrounds, with 1 in 10 from non-minorities expressing resistance and their own feelings of discrimination.
- 18%** of comments explicitly mentioned gender.
- 7%** of comments mentioned the LGBTQ+ community.

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Short-term wins may excite employees but only long-term impact can gain their trust. The heightened racial consciousness around the world following the death of George Floyd isn't leaving anytime soon, and employees are increasingly expecting their employers to demonstrate their competence in addressing racial inequity — and other social inequities including gender, sexuality, ability, and income — through action, not just talk. The bar has been set higher. Companies aspiring to meet it have to up their game.

**Lily Zheng**

Diversity, Equity & Inclusion Strategist and Consultant

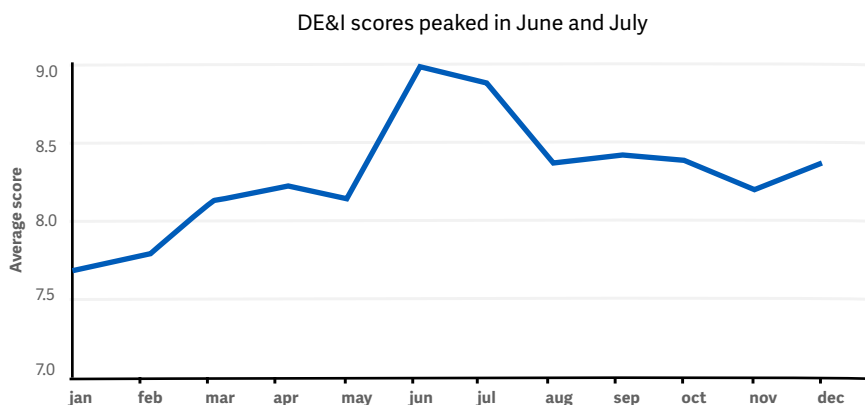
## 1. Diversity, Equity & Inclusion

Organizations should focus on intersectionality because different forms of inequality are often compounding — with women from minority ethnic backgrounds facing even more discrimination than Black men or white women, for example.

Organizations that simply “switch focus” run the risk of being branded tokenistic, which is the practice of doing something only to prevent criticism and give the appearance that people are being treated fairly, especially in response to public pressure.

### Company responses to DE&I concerns

Nearly 80% of all comments on race occurred after June, prompting a response from organizations, as shown by the evolution of scores on DE&I comments below.



The initial enthusiasm for tackling employee concerns plateaus during the second half of the year, highlighting a failure to embed sustainable DE&I thinking and practice within organizations. Instead of reacting to public events and implementing one-off initiatives that appease employees in the short-term, organizations need to think about long-term solutions.

## How organizations should support DE&I in 2021

To create sustainable and lasting change from your DE&I strategy, organizations should:

### 01 Embed accountability

Accountability is key. Without it, successes and failures will fall to the side when priorities change or deadlines creep closer. Accountability is a necessity to embed a responsibility for DE&I work to get done. This responsibility should sit with your C-suite leaders, because inclusion is not the responsibility of one person or one group — such as your DE&I Leader and their team. Business goals must be tied to DE&I, and senior management feedback must encapsulate this.

### 02 Remember that systemic change is needed, not just personal

Organizational transformation does not happen through personal actions alone. Processes and policies must be reviewed, amended, or redone to ensure they are created with everyone's success in mind. Organizations have made systems with exclusion purposefully baked in — we must now be purposeful about removing that exclusion.

### 03 Measure inclusion and diversity

Organizations often use diversity demographic representation as their measure of success for their DE&I strategies. This primarily focuses initiatives on talent acquisition and promotion processes. Both are incredibly important, and should be part of the discussion around inclusion and equity. However, measuring belonging and inclusiveness are just as crucial — as diversity without inclusion is fruitless. We need metrics on both sides of the coin.



## 2. Health & Wellbeing

In the midst of a global pandemic, employees have come face-to-face with a variety of health and wellbeing concerns. Our data shows that the proportion of employee comments concerning wellbeing increased 46% in 2020 from the previous year.

Comments related to all three aspects of wellbeing (mental, physical, and financial), have increased throughout the year, with notable increases during the first and second waves of the virus, starting in March and October respectively.



### Mental health as a main priority

Physical health might seem like one of the main concerns when dealing with a highly contagious virus, but feedback on mental and financial health dominate the conversation, comprising over 75% of employee wellbeing comments during 2020.

Comments referencing financial wellbeing outstripped mental health at the start of the year, but as the number of deaths and confirmed cases around the world continued to climb, so too did the number of employees talking about mental health.

Health & Wellbeing comments peaked during the pandemic's second wave



## 2. Health & Wellbeing

From March to April, comments related to mental health increased nearly 20%, making up 50% of all wellbeing comments. Throughout the rest of 2020, the percentage of mental health-related comments has remained high at over 35%.

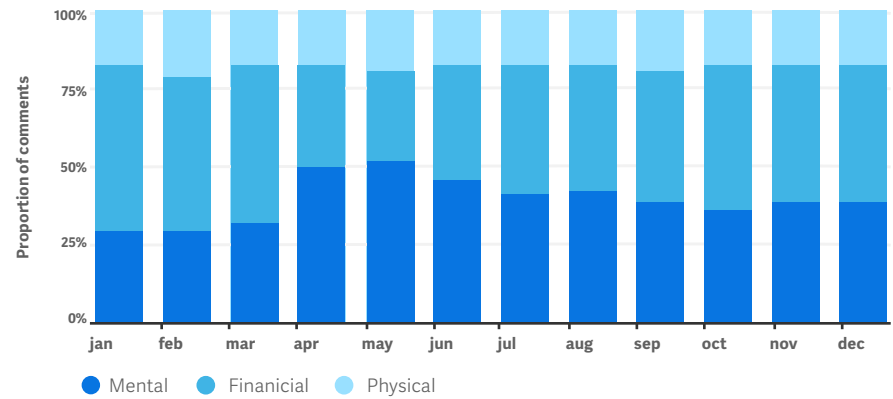
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One trend I am seeing as I am coaching leaders is an increase in concerns not only about their physical health but also their mental and financial wellness. Leaders and companies that take the time to truly connect and support their employees will have stronger employee engagement resulting in higher employee productivity and retention.

**Diana Thomas**

Executive Coach & Advisor

Mental health was the dominant wellbeing concern during the first wave.



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The workplace of the future needs more empathy and less judgment. Mental health issues are not just about illnesses and indifference to it, but the leadership practices that create stress, alienation and rejection among the associates.

**Prabir Jha**

Founder & CEO, Prabir Jha People Advisory

## Compounding effects of lockdown

[Studies](#) have shown that the negative psychological effects of previous virus outbreaks, such as SARS and Ebola, can last up to 3 years after the event itself.

Even if Covid-19 were to disappear overnight, organizations need to maintain a sustained investment in the mental health of their employees. Looking at the spike in wellbeing-related comments during the second wave of 2020, it's not difficult to imagine the impact that future waves would have on the already strained wellbeing of employees.

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The shift to a largely remote workforce has led to very little separation between work and home, which has, in turn, increased awareness on the role wellbeing plays in our daily lives. As many people all over the world continue to navigate turning homes into offices, gyms, schools, and more, it has become critical that employers invest in supporting their employees' overall wellbeing.

**Cesar Carvalho**  
Founder & CEO, Gympass

## How organizations should support health and wellbeing in 2021

Health and wellbeing requires a multi-dimensional approach to supporting employees

### 01 Providing accessible and affordable options

A recent study found that 77% of people think that it's "somewhat" to "very" important that their employer provide affordable wellness options. However, the number of companies that helped with wellness during the lockdown was only 34%. In order to support employees, we must start with companies providing accessible and affordable solutions to cater to those needs.

### 02 Offering a holistic solution

The past year proved that we are in a constant state of change, and, as a result, the resources that we need to adjust to these times have also shifted. With that in mind, it is important that employers provide a variety of options to offer the necessary resources and tools to help people on their journey, including mental health, fitness, nutrition, and more.



### 03 Creating a culture of wellbeing to increase productivity

While it's important for employers to provide wellness offerings, embedding wellness into the culture at large will help encourage employees to take advantage of these resources and ultimately increase their productivity at work. In fact, a recent survey found that 94% of people think their wellness routine is "somewhat" to "very" important for their productivity at work, emphasizing the importance of companies investing in this for overall employee wellbeing.



# 3. Flexible working

In the wake of Covid-19, many governments around the world implemented countrywide “lockdowns” and other restrictions designed to stop the spread of the virus. For many businesses, this meant ceasing operations overnight; for others, a radical rethink of how to keep employees safe against a highly contagious virus.

In the case of office-based employees, it meant working from home — breaking down personal and professional barriers in a way unfamiliar to most. This led to the proportion of employee comments concerning flexible work in 2020 increasing 125% compared to the previous year.



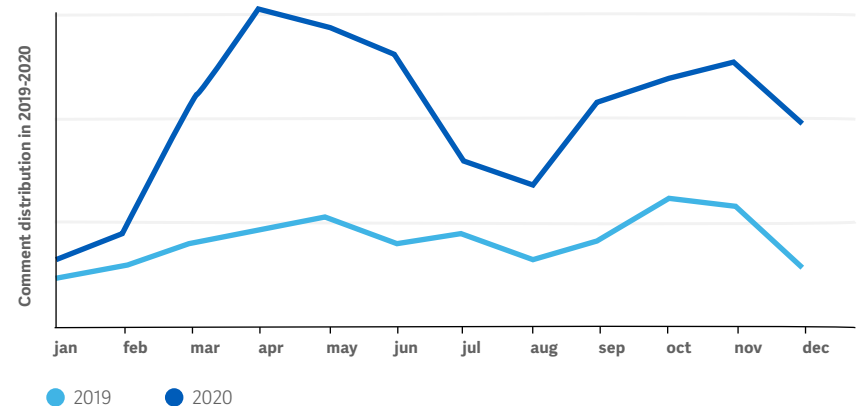
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When NASA moved to remote work in early-2020, many front-line leaders were unprepared to engage with their team members on screen. We immediately initiated bi-weekly learning sessions on how to lead remote teams with them. These sessions provided practical tips & tools for the technology and for remote engagement. More importantly, we provided a forum for leaders to exchange ideas with their peers. As we entered 2021, this is now part of the leadership development fabric at NASA.

**Brady Pyle**

Deputy Chief Human Capital Officer, NASA

Flexible work comments more than doubled in 2020



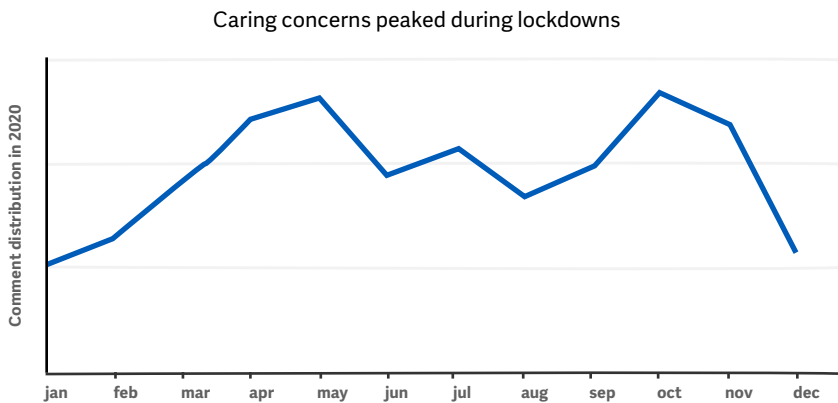
#### 4. Growth

These comments cover a wide range of topics, from how to maintain a healthy work-life balance, to concerns about the way in which companies were monitoring employees. But across the entire dataset, there was one theme that stood out from the rest.

### Increased caring responsibilities

Men and women both talked about caring responsibilities as a result of Covid-19, which included comments about childcare, parenting, looking after an elderly relative, and supporting other members of the family, such as a spouse or significant other.

Most notably, countrywide lockdowns of workplaces, schools, and nurseries caused significant increases in the amount of comments related to caring responsibilities.



Without the proper support, parents are often left to fend for themselves when it comes to juggling work and children, which can involve anything from keeping young children entertained in between Zoom calls to planning a full homeschooling curriculum.

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While many companies are making the choice to go fully remote, we believe that the future of work will be a hybrid approach designed for the greatest connection and collaboration. The serendipity of connections and opportunities for knowledge exchange in an offline setting allow for not only greater growth and learning, but more creativity and innovation.

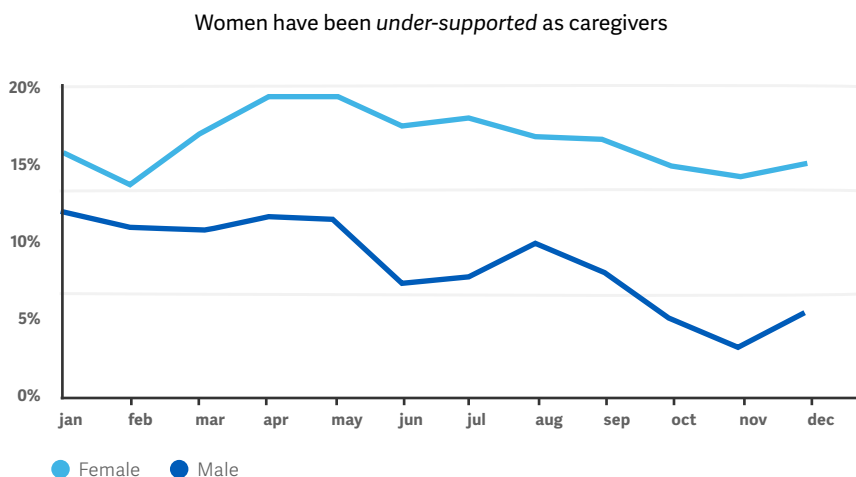
**Anthony Onesto**  
Chief People Officer, Suzy, Inc.

## The invisible burden on women

Workload scores have improved year-on-year, and throughout 2020 — largely due to the increased autonomy of working from home — but many women employees are still weighed down by additional unseen responsibilities and expectations.

Even under normal circumstances, women take on between three and six hours of unpaid care activities, according to the OECD Development Centre. They also carry the emotional and mental burden that comes with being seen as the primary caregiver.

Among employees that mentioned caring responsibilities in 2020, workload scores have gradually fallen across the year — with the impact felt more significantly by women.



## How organizations should approach flexible working in 2021

Some of the ways you can turn flexible working into an organizational advantage include:

### 01 Implementing parent-friendly policies

Working from home doesn't mean much for parents if they still have to adhere to strict 9-5 working patterns. Flexible hours, compressed work weeks, and shorter days can all help to reduce levels of burnout, and contribute to improved productivity. For these policies to be effective, organizations need to train and evaluate their leaders to ensure they are being adopted organization wide.

### 02 Focusing on output, not hours

One of the biggest concerns for managers and their employees is how to ensure people are working when they can't see them. This can lead to an unhealthy obsession with the number of hours worked; a detriment given how studies have shown that long hours don't make you more productive. Instead, companies need more effective ways to measure how individual employees contribute to company goals.



### 03 Making a sustained effort to build trust

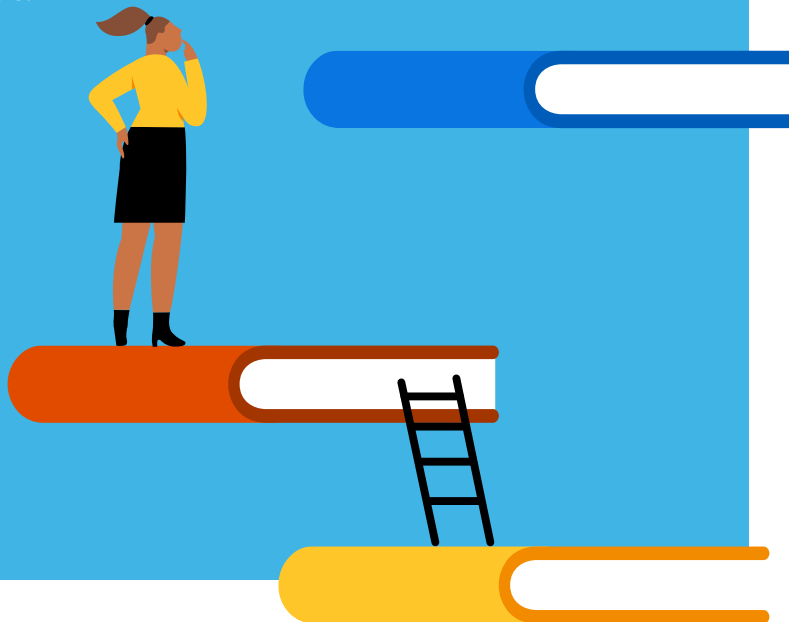
Remote working may not impact output and productivity, but it still poses a problem for establishing trust. This is not only because we lack situational cues about our coworkers, but also because we unconsciously interpret a lack of physical contact as a sign of untrustworthiness. Trust can also be undermined by uncertainty, which leads to higher levels of anxiety and self-serving motivations. Organizations can address this anxiety through ongoing communication about goals and strategy — even if they may only apply in the short term.

# 4. Growth

Unlike the other trends highlighted in this year's report, the proportion of employee comments concerning growth decreased 8% in 2020 compared to the previous year.

In response to unstable economic conditions, companies around the world were forced to streamline their operations. Even those able to avoid letting people go had to put a freeze on new hires, promotions, and learning and development budgets.

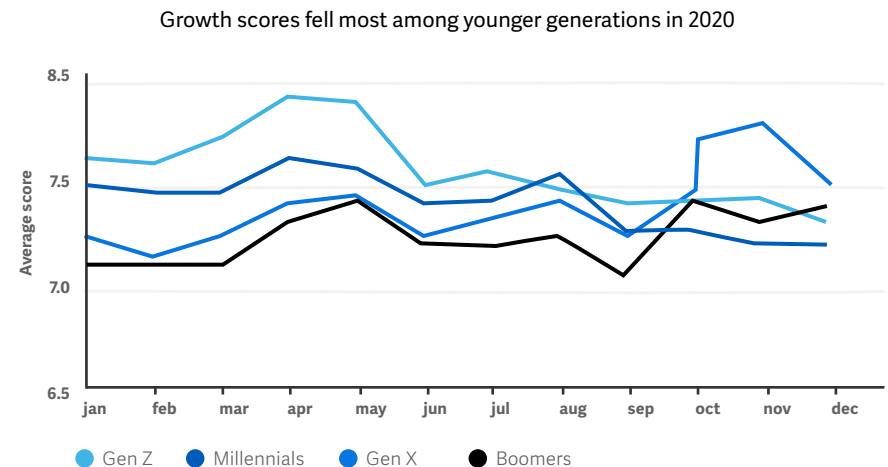
Not only did this limit the growth opportunities available, it contributed to a climate of uncertainty, making employees less willing to discuss growth with their managers — even in industries where the economic outlook was relatively optimistic.



## A possible sign of post-pandemic turnover

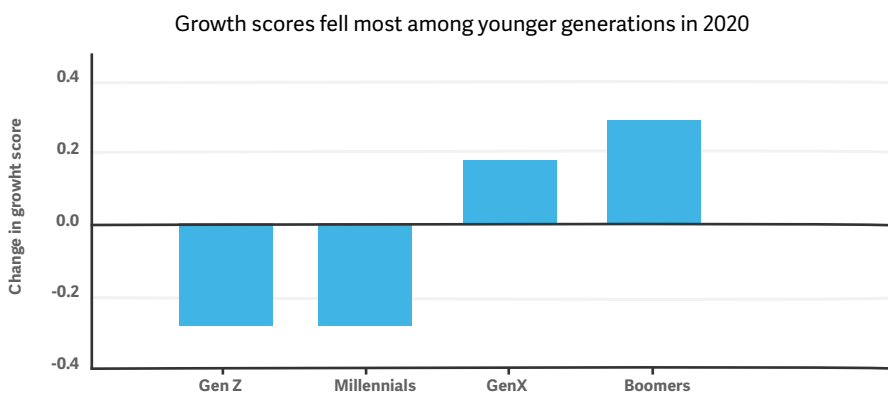
Growth is a key predictor in Workday Peakon Employee Voice attrition algorithm, second only to the question “If you were offered the same job at another organization, how likely is it that you would stay with [Company Name]?”. On average, the growth score of employees that remain with a business is 13% higher than the average score of departing employees.

Looking at the graph below it's clear to see that, with the exception of Baby Boomers and Gen X, growth scores have been declining throughout 2020. If organizations fail to address this trend post-Covid, it will almost certainly contribute to higher levels of turnover.



## An uncertain future for younger generations

The decline in Growth scores is most pronounced among Millennials and Gen Z, who are struggling to see how their careers can develop. While 2021 may prove to be a turning point, organizations need to reimagine what growth means for these generations.



Instead of making empty promises, organizations can work together with these generations to figure out how they can support growth in different ways. Whether that’s enabling people to thrive in their personal lives through flexible working, taking time off to work with charities, or fostering internal mentoring opportunities with senior leaders.

The one thing businesses can’t afford right now is to respond to uncertainty by standing in place. If organizations want to keep their people engaged, and offer them genuine opportunities for growth, that needs to happen as part of a two-way conversation.

Those that do will be remembered by employees once we reemerge into some form of normality. Meanwhile, the companies that allow their people to stagnate during the pandemic are likely to face an exodus of talent as soon as new opportunities reappear.

## How organizations should approach growth in 2021

For growth to be reimaged, organizations need to take the following actions:

### 01 Develop manager coaching skills

The best people leaders know how to facilitate the growth of their team through coaching, but very few people develop these skills naturally. In fact, one study of over 3,000 executives found that 24% significantly overestimated their abilities when rated based on colleague feedback. Coaching enables managers and employees to work together in a way that uncovers opportunities for growth that might not be obvious — especially during a time when most promotions and pay rises have been frozen.

### 02 Support more virtual and peer-to-peer learning

Despite a lack of progression opportunities, organizations can still help employees to develop skills that will benefit their future career. Virtual learning makes this a much more affordable (and accessible) option compared to traditional classroom learning, while peer-to-peer learning taps into the wealth of knowledge already available within



your organization. You could even support employees who want to develop skills outside of the professional realm as a way to develop trust and loyalty.

### 03 Outline a clear post-Covid development plan

As the world returns to some form of normality, so too will the number of opportunities outside of your organization. Employees that feel they have stagnated during the pandemic will have little reason to stay, which is why it’s essential to provide high performers with a clear development plan for the future. Failing to do so will only contribute to higher levels of turnover and increased hiring costs.

# 5. Conclusion

The findings of this year's report highlight not only the fundamental needs of employees (inclusion and growth), but also the fact that employee expectations are tightly interwoven with the current social climate (wellbeing and flexible working).

This might seem obvious, but seeing as employees are multidimensional beings, the only way to ensure people are able to perform at their best within a professional context, is to ensure that you understand and address the full scope of their expectations.

With each passing year, these expectations will continue to evolve, which means it isn't enough to ask for feedback only in times of crisis, or as an afterthought. Improving the employee experience needs to be a core part of your organizational strategy.

DE&I in particular needs to be addressed, which not only ensures that every employee has a voice, but creates the psychological safety and sense of belonging which in turn unlocks the levels of performance and engagement that will ensure your success.

Book a demo today to learn more about how Workday Peakon Employee Voice, can help you take the first steps towards a more engaged, inclusive, and high-performing company culture.





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