

How to Attract, Retain and Engage in a Remote and Hybrid World

Facilitated by



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Introduction

- Significant changes have occurred over the last 30+ years affecting **How we work**, **Where we work**, and **Who performs the work**, much of it related to technology:
 - **Personal computers** in the 1980s,
 - Advancements in the use of **Robotics, Analytics and AI** during the 1990s and 2000s
 - Phenomenal adoption of **Smart Devices like iPhones**
- The **past 14 months** have triggered yet another **large wave** of changes – much of it fueled not just by technology but by **evolving Workforce Expectations**.
- 2020 accelerated the need to **pay attention** to many more aspects of our workforces: Employee Experience, Remote and Hybrid Work arrangements, the New War for Talent, DE&I, Social Justice, and the changing Benefits and HR Compliance landscape.
- **Today** we will focus primarily on **Attracting**, Retaining and **Engaging** a Remote and Hybrid workforce in the context of these **Shifts**.

What Are We Hearing... From CEOs

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“ We took the necessary steps to **keep employees safe** in 2020.

“ **Communication** is key to success in an environment where people are not naturally running into one another.

“ We are **struggling to get new employees** when we need to replace or add on.

“ We are adding to our strong culture with open and frequent **communication**.

“ We are doing what we can to keep our employees and **keep them engaged**.

“ We have embarked on improving our **DEI Strategies**.

“ The biggest obstacle is **finding people** that are willing to work.

“ We are **looking for talent**, opening new strategic office locations, and adapting our strategic plan.

“ Our focus is on the **health of our employees** and the needs of our customers.

Comments collected during the joint Chief Executive and Segal Hindsight 2020 survey <https://chiefexecutive.net/hindsight-2020-ceo-poll-reveals-key-lessons-for-the-future/>

- We polled more than 500 CEO's in October of last year to understand what companies **were learning** from COVID-19 and other events, and how they were planning to **leverage** those lessons learned moving forward. The slide shows some of their write-in comments.
- A **summary article** was published and is available at: <https://chiefexecutive.net/hindsight-2020-ceo-poll-reveals-key-lessons-for-the-future/>
- “**Safety**” and “**Stability**” were a big part of what CEO's concentrated on, followed by: more **frequent** and **transparent** communications, securing **supply chains**, and **retaining customers**.
- As the pandemic progressed, it became increasingly harder to **find new hires** and to **fill talent gaps**.
- Now that a portion of our Workforces have experienced the benefits of “**Working From Anywhere**”, many are **not eager** to go back to daily commutes and rigid work schedules and in fact are even voting with their feet. (See the next slide.)

Workforce

Staffing - Remote and Flexible Work



Research shows significant benefits of flexible and remote work:

80% of employees consider telecommuting a valuable benefit

54% of employees would change jobs for more flexible work options

Over 75% of employers indicate remote work has significantly improved employee retention

Companies that offer telecommuting save an average of \$11,000 per year per telecommuter, resulting in **21% higher profitability**

70% of employees say the ability to telecommute is an important factor for their next job

By 2025 **75% of the US workforce** will be Millennial and Gen Z, and these generations place a high value on flexible work

Sources: Forbes, Flexjobs, and Global Workplace Analytics

Segal 3

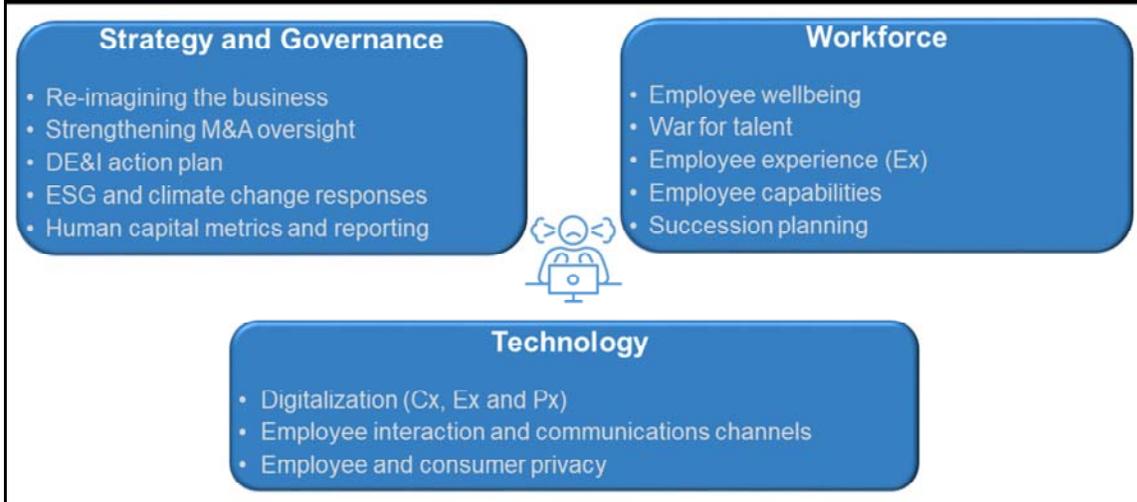
- Remote and Flexible Work are NOT new, but they have taken a Quantum leap during the past 14 months.
- 54% of Employees say they will **change jobs** to maintain this flexibility. 70% see it as an important factor for their **next job**.
- For those organizations that decide to take on the flexible model, the rewards could be huge, resulting in greater **staff retention**, better **job fulfilment** and even a **lift in productivity**.

Flexible work takes **multiple forms** and is not a one-size fits all:

- Telecommuting and remote work
- Staggered shifts
- Compressed work week
- Reduced and part-time schedule
- Flex Schedules

Human capital challenges we were seeing pre-COVID

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- These three categories of challenges existed prior to COVID-19 . They were magnified over the past 14 months.
- We are also consistently hearing these **common Human Capital Challenges** from Corporate Board members
- Some **may not seem to directly tie** to Human Capital, but they **all do** to some degree. For example:
 - Re-imagining the business may require **new talent** to achieve the desired outcomes.
 - New hire candidates are **looking carefully** at your organization’s stance and demonstrated results regarding **Environmental, Social, and Diversity** matters.
 - Digitalization is not just about “Customer Experience.” It **requires a balance** of “Customer, Employee and Partner” experiences to maximize the investment, and to sustain momentum.
- While you **lead change in your organization**, your employees:
 - Must do their parts in order to **Pivot**, Change or **Transform**
 - Need to properly **represent** your company, **brand**, and positions on major issues as well as not passively sabotage your initiatives
- As a leader, you have to ensure that they have the necessary **energy**, motivation and **skills**, and still be sensitive to the possibility that **many are burned out** at the moment.

The Forces at “Work”

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- As our organizations transition from the “**Reactive**” environment the pandemic and other events created, we need to step back and consider how the “**Resiliency**” we developed out of necessity can now be utilized to achieve even more **Business Agility** – that is, to take advantage of the new opportunities that have been created, or will be created.
- As this diagram shows, the Workforces is right at the Core of this transition.
- We must keep the following in our line of sight...
 - Employee **expectations**
 - Their **Wellbeing** (especially with the **mental and emotional toll** the past 14 months have placed on them)
 - The **experience** they **desire**, and in many cases **Demand**
 - And the **Communications** with employees that will continue to be critical to success.
- We must ensure the **Nature of Work**, the **Workplace**, **How work is performed**, and **Who is performing the work** are in balance and streamlined in order to have the attraction, recruitment, retention, productivity and engagement necessary to have an agile organization.

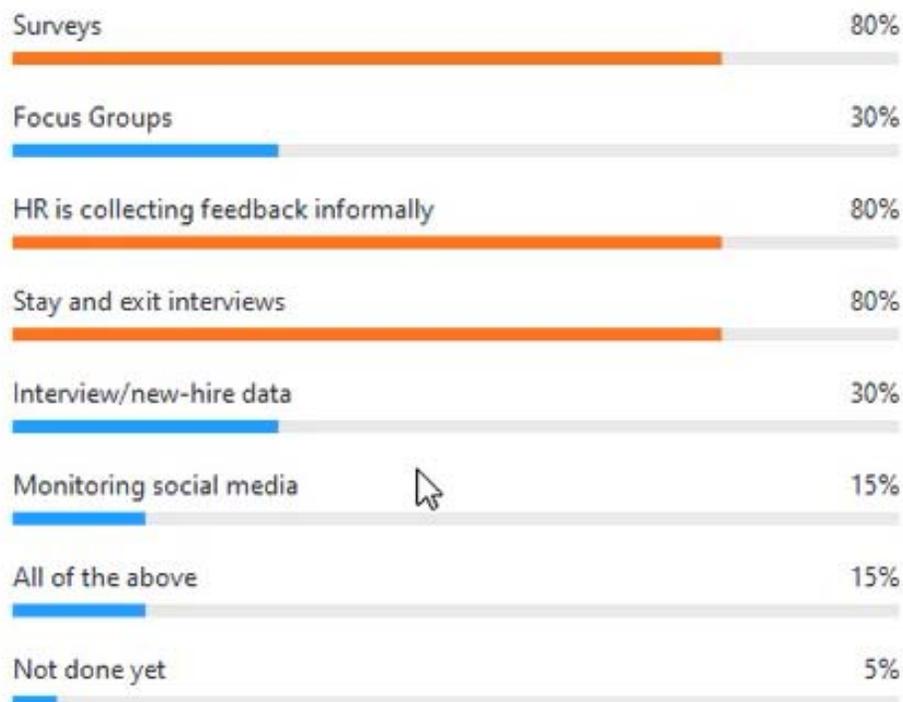
Poll: How are your organizations sensing and collecting employee expectations? (select all that apply)

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- a. Surveys
- b. Focus groups
- c. HR is collecting feedback informally
- d. Stay and exit Interviews
- e. Interview/new-hire data
- f. Monitoring social media
- g. All above
- h. Not done yet

“Focus Groups”, “**Stay and Exit Interviews**”, and “Surveys” are generally the most common responses. **Social Media monitoring** is growing in popularity

The results of the poll follow:



Employee Experience and Expectations

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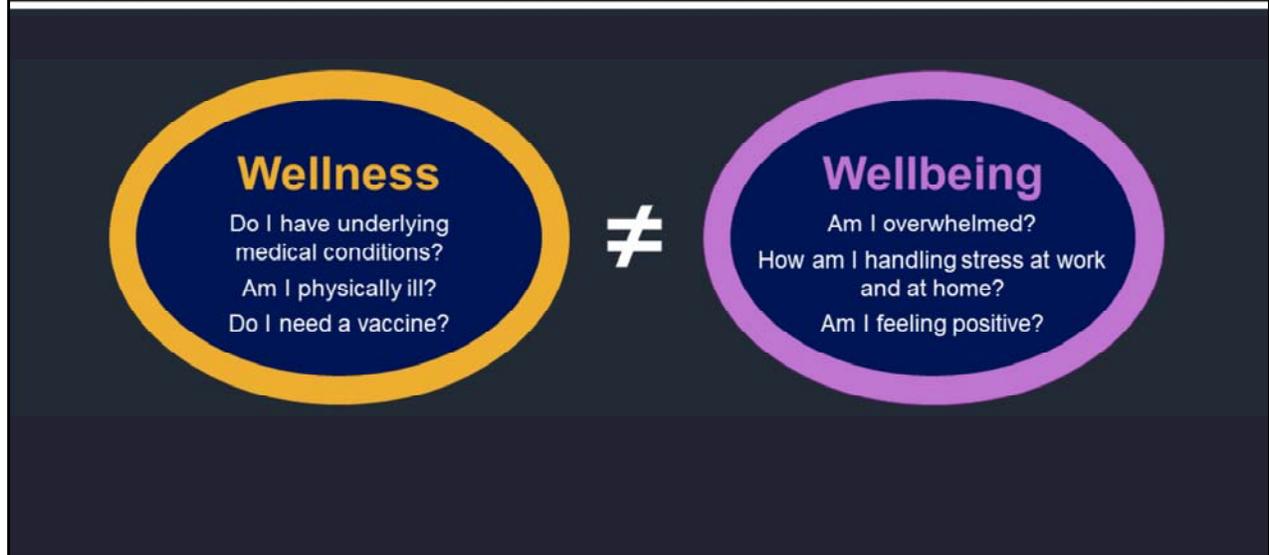
Open Discussion – “How would your leadership team answer questions about...”

- Maintaining or expanding permanent flexible, remote and/or hybrid workforce for a portion of your workforce moving forward?
- How your positions on ESG is resonating with your employees?
- How your employees are connecting with your mission and values as well as your Social Justice stance? And what evidence do you have to support that?



Regarding **your organization's Employee Experience**, another question to consider is:

What methods are you using to communicate these company positions as well as your revised policies and practices?



- What are the key differences between **Wellness** and **Wellbeing**? Wellbeing and Wellness are not the same.
- Being physically “well” **does not always translate** to “being well.”
- **Wellness** - represents the **physical health** of the employees, and wellness programs focus more on disease prevention and management, and health assessments
 - Some Examples Include:
 - **Fitness** classes and **nutrition** workshops
 - **Telehealth** sessions
- In contrast, **Wellbeing** uses a **more holistic** approach, providing an assessment of the employees’ **mental and emotional** state as well as their **productivity** and their **ability to perform** at their best.
 - Some Examples include:
 - **Employee Assistance Programs** - counseling or therapy sessions
 - Regular **pulse surveys** to identify teams, departments, or locations that are seeing increased levels of **stress**, anxiety, or **burnout**
 - **Manager training** for additional support – beyond typical work related conversations

Employee Wellbeing

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Open Discussion – “How would your leadership team answer questions about...”

- Your organization’s approach to assessing employee “wellbeing” and addressing it long term?
- How well your managers listen empathetically and initiate non-business-related “conversations” with direct reports (issue spotting)?
- Your plan for safely returning employees to the workplace, and what role will COVID vaccinations play?
- Your approach to evaluating the “wellbeing” of affected employees for potential M&As?
- Efforts to move from employee resilience (reactive) to organizational agility (proactive)?



Regarding **your organization’s Employee Wellbeing** programs, other questions to consider include:

What is the level of support and flexibility for work-from-home employees with child and/or adult care responsibilities in your organization? (Child- and adult-care responsibilities have been cited as primary stress inducers in multiple studies.)

How have you modified your business continuity plan regarding what you have learned over the last 15 months? Suggestions include:

- Expanding an existing employee assistance program (EAP) with additional proactive measures
- Succession planning
- Forming emergency response teams
- Improving workflows with technology
- Creating a more diverse supply chain)

Poll: How have the experiences of the last 14 months affected the *employee experience* component of your digitalization journey?

- a. We have already started to implement changes
- b. We are in the design stage
- c. We are in the analysis and information collection stage
- d. We are in the planning stage
- e. We are trying to determine where to start
- f. No change is required

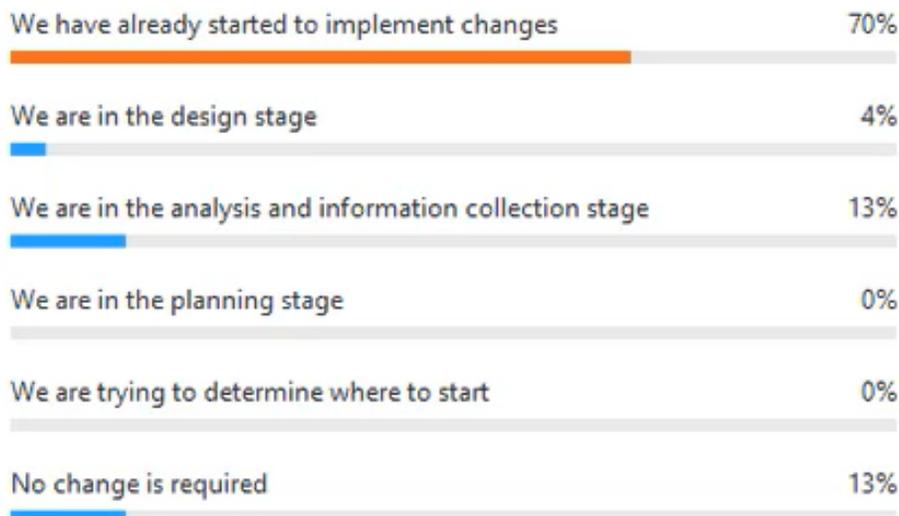


Digitalization

The use of digital technologies and data to create or expand revenue opportunities, improve *employee* and customer experiences, and transform business operations to create a digital business infrastructure, where digital information is at the core.

Choices “B” and “C” are the most common responses – because most digitalization projects focus primarily on the **EXTERNAL** “Customer Experience.”

Here are the responses to the poll:



Employee Experience and the Digitalization Journey

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Open Discussion – “How would your leadership team answer questions about...”

- How digitalization is presented and viewed in your organization?
- Whether plans are in place to add or augment career training and development opportunities?
- Balancing employee and customer experience in the digitalization journey?



Digitalization

The use of digital technologies and data to create or expand revenue opportunities, improve *employee* and customer experiences, and transform business operations to create a digital business infrastructure, where digital information is at the core.

Regarding **your organization's Digital Journey**, another question to consider is:

Where do partners fit in? (suppliers, service providers, contractors)

Remember to consider the recruiting perspective: Millennials are attracted to organizations that have a higher use of leading edge technologies.

Poll: What are your biggest concerns related to the **NEW** war for talent? (Select your top three)

- a. Talent shortage
- b. Evolving expectations of the younger workforce (flexibility and work/life balance)
- c. Micro-experiences (as developmental opportunities)
- d. Leveraging offshore and near-shore talent
- e. Talent sourcing channels (including casting a wider net for a more diverse slates of candidates)
- f. Hiring where more rigid geography/proximity requirements exist
- g. Effectiveness of employee referrals (40% of best hires come through referrals)
- h. Managing a remote and/or hybrid workforce permanently
- i. Employment marketing (e.g., your Employee Value Proposition)
- j. Culture fit and how to assess during the screening process
- k. Other

Choices “A”, “E” and “J” are the most common responses. And 2020 has **magnified** these concerns.

Here are the responses to the poll:



Open Discussion – “How would your leadership team answer questions about...”

- The number of your employees “referring” others to your organization?
- Leadership’s visibility to the shifting labor market, especially for highly sought after talent?
- Attracting top talent to your organization?
- How well your employment brand aligns with the employee value proposition (attraction, retention)?



If you’re really focused on employee expectation and experience, you are implicitly attracting, retaining, and engaging your employees.

Regarding how the **New War for Talent** is affecting your organization’s recruiting program, other questions to consider include:

How well does the “voice of the employee” translate into a dynamic and responsive organizational culture?

How does it manifest in the behaviors, attitudes and values, both organizationally and team based?

HC Metrics to Report your People Practices

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Coming soon...

ISO 30414: Standards for Human Resource Management
Guidelines for Internal and External Human Capital Reporting



- **Human Capital reporting in Business Performance Statements** for publically traded companies (ISO 30414) is on the horizon as more and more investors require this visibility and the standards organizations like ISO develop them.
- The SEC ruling in **September of last year** said that companies will need to report more than “number of employees” – they will also need to report on measures they are taking for the attraction, development and retention of personnel. More will be coming in the future.
- Why pay attention to it?
 - **Companies need smart, effective employees to compete**, so understanding and quantifying human capital is critical for success and future growth internally within the organization.
 - **There is broad agreement by investors, Boards of Directors, CEOs, CFOs, governments, Human Resources and workers** that human capital has an impact on organizational success.
 - **The current disclosure gap obscures talent management effectiveness and material human capital risks to investors.** With no visibility into utilization of a firm’s single largest expense, investors must rely on social media tidbits or simply make judgements with no information at all.

Open Discussion – “How would your leadership team answer questions about...”

Human Capital Metrics

- How well HR currently functions as a strategic partner in the organization? If not, what is preventing it?
- What your leaders are actively doing to ensure Board and Organizational leadership diversity?
- How they are ensuring your organization sees diverse candidates in the recruiting process?
- Whether succession plans are in place for leadership and other critical roles?
- The last time mobility within your organization was evaluated (especially for the youngest three generations)?
- When was the last time you benchmarked your employee costs with peer organizations, and what were the follow-on actions?
- Whether HR and IT have formed a close and collaborative working relationship?

From the April *Corporate Board Member* Board Risk Forum, we learned:

- Three top concerns were the war for talent, the drive for DEI, and the new ISO 30414 reporting standards
- Board members recognize the need to learn from the lessons of the pandemic, including how to better address employee needs
- True business agility cannot be achieved without a motivated workforce
- Providing flexible work arrangements is likely here to stay

- These are questions that you could and should tee up with your leadership team related to HR’s role, to HR metrics, and to how you are measuring your workforce overall.

1 ——— ↑
2 ———
3 ———

What actions will you take
after leaving this roundtable session?

- Consider writing down **three things** you plan to do as a result of what you learned in this session – and **hold yourself accountable** to making them happen.
- The slides in the Appendix that follows were taken from other presentations, but they further support the topics discussed in this session.

**Thank
You**

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✦ Segal 17

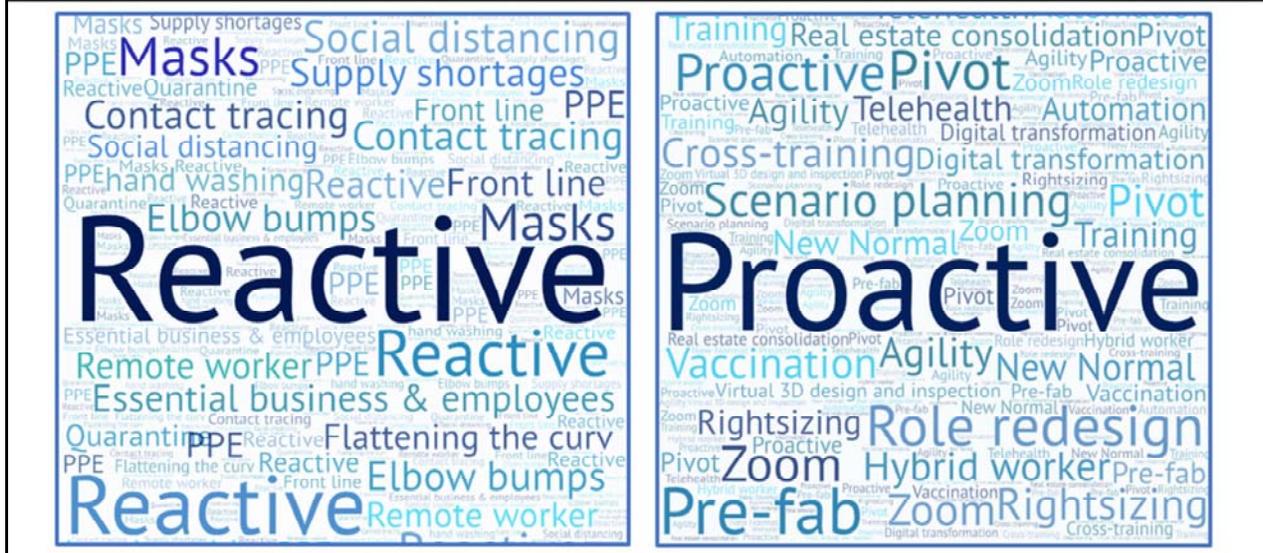
Please feel free to continue the conversation by contacting me.

I am happy to answer any questions or discuss specific situations.



With COVID-19 ...a new vocabulary evolved

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A new vocabulary emerged.

Some of these words and phrases made the mainstream early on as we reacted to the pandemic, while others came later.

Reactive -- Contact tracing, Social distancing (6 feet apart), Elbow bumps (no handshaking or hugs), Masks (N-95), Singing “Happy Birthday” while hand washing, Essential businesses and workers, Remote worker, Front line, Supply shortages, PPE, Quarantine, Flattening the curve, Vaccine efficacy, and many others

Proactive -- Pivot, Digital transformation, Rightsizing, Zoom, New Normal, Telehealth, Scenario planning, Role redesign, Agility, Hybrid worker, Cross-training, Pre-fab (Silo construction), Virtual 3D design and inspection, and many others

Workforce Recruiting

Opportunistic labor market

- Pre-pandemic job seekers may now broaden their search
- Newly unemployed workers, who under other circumstances would have been unattainable, are now available
- Population migration from large metropolitan areas is creating economic opportunities for smaller cities
- Remote working allows access to a talent pool unhindered by geographic constraints

Recruitment technology investments to consider

- Re-vamping online presence and digital marketing
- AI (Artificial Intelligence) job matching
- Digital skill assessment tools
- Career explorer tools for translating job roles

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What should we have learned?

- Prior to the pandemic, labor shortages were significant, especially in the skilled trades.
- This challenge is not going away and competition for talent will increase.

Broader access to talent is becoming available

- People laid off from other industries are seeking more stable jobs and benefits.
- Progress is being made to attract women and younger workers to construction jobs.
- People are migrating to smaller cities and rural areas.
- Several jobs can now be performed remotely, thus removing geographic constraints.
- Vocational training is being re-introduced within High Schools and Economic Development programs.
- Several construction companies are starting their own vocational programs within their communities, partnering with state and local agencies.

A better web presence and visibility to these recruiting channels will be needed.

Recruiting tools and analytics are advancing rapidly to match skill level to job opportunities, assess skills, enable job seekers to find you more quickly, and to assess where potential workers are moving.



Overall, recruitment needs a new vision. However, the vision should still be personalized to the various types of workers in your workforce.

Skilled Labor

- There needs to be recognition that the two youngest generations (Millennials and Gen-Z) may not view Construction (skilled trades) as a great career opportunity and alternative to college. Work with middle and high schools to change the narrative, re-establish vocational programs and internships, and offer more scholarships for trade and construction management programs.
- If your ad includes a fluffed but non-descriptive job title, many skilled candidates won't recognize the job and apply. Be transparent and clear about the requirement. Indicate whether there is a flexible or part-time work policy.

Manual Labor

- The need for some skills, such as technological as well as social and emotional skills, will rise, even as the demand for others, including physical and manual skills, will fall.
- Strong push to recruit more women to the industry (overall, women make up 54% of U.S. workforce, yet only 9% of Construction industry workforce, and majority of them are not working on construction sites – only 3% of field workforce).

Knowledge Worker

- Don't waste time on broad job search engines with the wrong applicants. Source your material smartly and focus on platforms/web pages/career fairs that adhere to your specific market of candidates. Take advantage of virtual career fairs. After making connections with candidates at a virtual career fair, for example, an organization can leverage tools like virtual chatbots to receive resumes and handle qualifying and scheduling questions.
- As candidate engagement becomes a top priority, automation can take over mundane processes, such as pre-screening and interview scheduling, allowing recruiters and hiring managers to refocus on improving the candidate experience.

Employee Experience and the Digitalization Journey

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“We validated activities as they happened. ..Delays, defects, and surprises are less likely when you align what’s happening in the field – as it happens – to what’s in the plan.”

—Program Lead

A Construction Industry Case Study



Digitalization Journey

Mapping

Designing

Enabling

Used a cloud-based construction management platform for preconstruction coordination and modeling

- Aligned workforce and project schedules to the models and used both to monitor progress

Throughout the project phases, the technology provided up-to-date modeling and clash reports, which teams used to:

- Adjust processes and work schedules
- Minimize delays and disruption
- Increase productivity and decrease rework

- Managers saved >13 hours/week (35% more productive overall)
- Site users saved >12 hours/week on document control
- Quality assurance and control process teams saved >14 hours/week
- To ensure proper social distancing and safety measures were followed

What should we have learned?

Transforming portions of your business operations using digital technologies enables you to run leaner and scale more quickly to business environment changes.

This case study represents a journey which began in 2016 for a large Data Center construction project.

- As many as 1,500 workers were on the job site on any given day.
- The Building Information Management technology monitored supply-chain performance and tracked progress in real time, and resulted in a significant reduction in RFI's, rework, and time spent in meetings..
- It also resulted in a 21% increase in overall productivity.
- Clash detection was used to identify clashes between several models during the design stage itself, helping architects and contractors minimize multi-level design changes.

Technology growth in the AEC industry during the past year:

240% increase in drones on jobsites

80% of field personnel capturing data with mobile devices

Employee Communications

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“ Regular communication has been incredibly helpful to help employees manage stress.

“ COVID has spotlighted the power of emotion, and the importance of human connection.

“ You can't replace the value of actual personal communication from leaders.

“ We are adding to our strong culture with open and frequent communication.

“ This last year really put the spotlight on the need for valid, credible, current unbiased communication.

“ Maintaining culture requires communications and translates to trusting employees to do what they need to do.

“ There is a price, a cost to isolation. Communications helps overcome that.

Comments collected during Segal's CEO Roundtables

Communication is the wrapper. How well is it working?

In the last year plus during COVID, communications became more frequent for many organizations by necessity.

Now that frequency (and content quality) is expected by employees.

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