

# New frontiers in workforce experience

How the right tech can help your organization harness disruption as a catalyst for growth and resilience



New challenges are presenting opportunities for tomorrow. Many trends have been converging as the greatest global public health crisis in living memory accelerated the disruptive impacts.

The combination of geopolitical, economic and market forces—as well as COVID-19 fallout—is having seismic, unprecedented impacts on the workplace, leading organizations to reevaluate the ways they provide employee experiences. These influencing factors include:

- ✓ Transformation—both digital and organizational
- ✓ A focus on environmental, social and governance (ESG) and diversity, equity and inclusion (DE&I)
- ✓ A proliferation of mergers and acquisitions (M&A) and reorganizations
- ✓ A “Great Restructuring” as fallout from the Great Resignation continues; but while talent shortages still abound, some sectors are laying off workers

Uncertain times require resiliency. Strong workforce strategies can help you forge that resiliency. Now is the time to help bolster workforce experiences and build more responsible, inclusive cultures that can provide growth opportunities for individual employees—and the business itself. Businesses who do nothing will likely be left behind, while proactive organizations that pivot to help meet the changing demands of today’s workforce can win the battle for top talent and broader stakeholder trust.

The right technology combined with effective change management strategies can help your organization navigate uncertain times with confidence. Disruption can be a catalyst for change and growth.



# Managing transformation by managing change

Disruption is the new norm. Organizations that get ahead of it look to digital transformation for help in building cultures of innovation, cultivating resilience—and driving growth.

The acceleration of digital transformation often demands new skills, changes the way work gets done, and facilitates organizational transformation from the HR function to the workforce at large.

Digital transformation is on many of the C-Suite's radar with 60% of executives saying that digital transformation is their most critical growth driver in 2022.<sup>1</sup> And 68% of CHROs say their companies plan to invest significantly in digital transformation.<sup>2</sup>

Big initiatives can put additional pressures on HR and talent strategists to improve the employee experience as well as acquire—and retain—top talent. A strong culture built on communication and trust is key to supporting enterprise-wide transformation. To get ROI on those initiatives—and retain top talent before, during and after big changes—you should bring your people along on the journey.

Executing on any transformation can require effective change management and communications. You should implement the right technology, assign clear roles and map out a solid strategy so you can fully understand, plan for and communicate changes clearly and frequently.

<sup>1</sup> [PwC Pulse Survey: Executive views on business in 2022](#)

<sup>2</sup> [CHRO and human capital leaders latest findings from PwC's Pulse Survey](#)

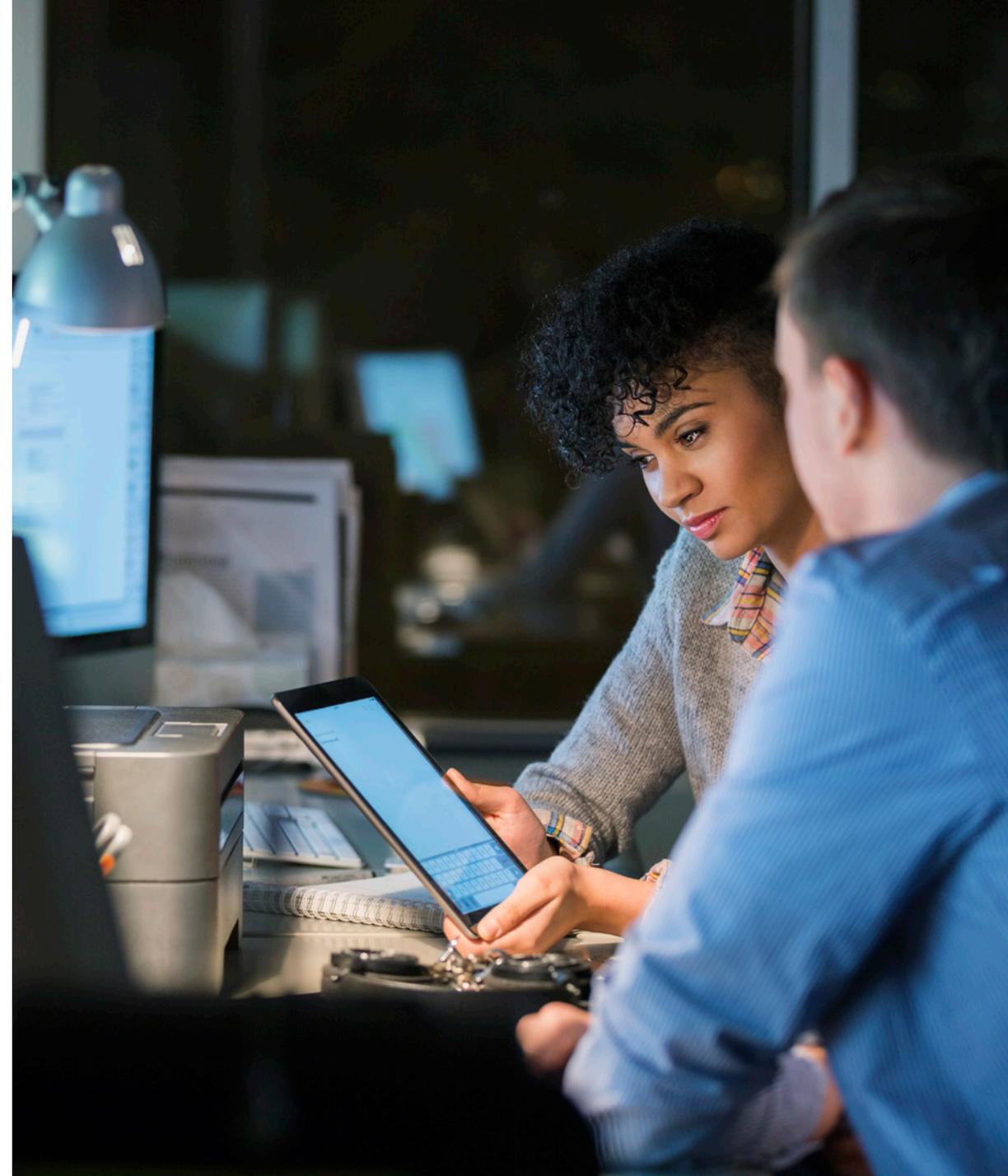


Strong HR leadership can be critical to a company's ability to survive—and thrive. The nature of work is changing, and most employees expect organizations to keep up. Business leaders should have HR become proactive and creative partners as they work together to help address changing business strategies in the ever-evolving workplace. You should enable flexibility and well-being while promoting innovation, collaboration and productivity.

Workforce transformation is how organizations prepare their people to deliver on their business strategy. You should arm your people with in-demand skills, backed by innovative technology to achieve success. Nearly 60% of US workers are confident they can thrive in the future workplace and adapt to new technologies.<sup>3</sup> Smart managers make sure they get the tools and training they need. Power your people, and they'll power your business.

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<sup>3</sup> [PwC US Hopes and Fears 2021 Survey](#)



# Values-driven culture can drive engagement

Diversity, equity and inclusion (DE&I) is more than just the “S” in environmental, social and governance (ESG). Workers are choosing to work for organizations that align with their values on ESG issues and DE&I. Your commitment to these can set your organization apart from your competitors—and you’re not just competing for clients these days.

Getting high points in all aspects of ESG isn’t just a “nice to have” anymore.

More workers are placing as much or more value on purpose-driven work as they do on compensation and benefits. And they’re pushing hard for ESG and DE&I programs in the workplace:



**86%** of employees prefer to support or work for companies that care about the same issues they do.<sup>4</sup>



**85%** say their organization’s culture provides a competitive advantage.<sup>5</sup>

<sup>4</sup> 2021 Consumer Intelligence Series survey on ESG

<sup>5</sup> PwC 2021 Global Culture Survey

Leadership should pay attention to these trends, especially since the divide in attitudes between senior management and the rest of the workforce has never been greater.

## **But things are improving:**

66% of C-suite executives and board members believe culture is more important to performance than the organization’s strategy or operating model.<sup>5</sup>

## **Not only that:**

72% of senior management reports that their culture helps successful change initiatives to happen.<sup>5</sup>

Employees, clients and consumers want organizations to proactively shape ESG and DE&I initiatives, not just react and adjust. They want to see business play an even bigger role in accelerating progress on ESG and DE&I. Indeed, more than three quarters say they'll reward companies for doing so.<sup>4</sup>

Embed ESG and DE&I in your company's culture, strategy and purpose—and clearly articulate your vision—so you can measure for transparency and accountability, creating a practical plan for action. Making your workforce more diverse, equitable and inclusive can:

- ✓ Help you better understand and serve your clients
- ✓ Benefit society while helping ignite your commitment to your people
- ✓ Help manage change and address organizational challenges inherent with disruption

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<sup>4</sup> [2021 Consumer Intelligence Series survey on ESG](#)



# Creating value from change during M&A and reorganization

Mergers and acquisitions (M&A) and workforce reorganization can create a wealth of opportunities for companies seeking rapid growth, transformation and market expansion. In fact, 47% of executives say pursuing corporate M&A, joint ventures and alliances is a top growth driver in 2022.<sup>3</sup> But a proliferation of M&A in our post-pandemic world can also create disruptions if you're not prepared.

Keeping employees during integration has become increasingly difficult. In PwC's 2020 M&A Integration Survey, only 10% of executives reported significant success in retaining employees—way down from 45% in our 2017 survey and 56% a decade ago. Success today can depend greatly on how you identify and engage key employees during the transaction.

Incorporating social listening data and other employee-based insight into due diligence can provide early indication of potential culture pitfalls that could erode deal value. Retain as much of a company's culture as possible so it continues to excel in the nimble, innovative manner that attracted your attention.

- ✓ Maintain small and agile leadership with clear governance
- ✓ Be flexible with what works well
- ✓ Preserve the company's identity

Change management planning platforms used in conjunction with survey and workforce communication tools can help create personalized experiences that also can build a cohesive culture and foster alignment between merging organizations. This kind of continuous listening enables leadership to act on feedback in the moment.

<sup>3</sup> [PwC US Hopes and Fears 2021 Survey](#)



Developing a change management plan that focuses on a company's key values, expectations and practices can help employees feel like a unified team. By providing engaging opportunities to connect with your people and get their feedback throughout the process, you can help them develop systems of shared beliefs and values.

# A “Great Reshuffling” as companies strive to adapt to changing markets

Since 2020, we’ve seen an exodus, as millions of Americans quit their jobs. As a result, one of the biggest concerns for most businesses has been the Great Resignation. However, PwC’s annual Saratoga workforce benchmarking survey found that **people didn’t leave the workforce as many had predicted**. Although people are still leaving jobs in droves, most are finding employment elsewhere.

Many workers are reevaluating what’s important to them as they look toward the future. Others are leaving positions for jobs with higher pay, better benefits and more opportunities for growth. Others are returning to their former employers after realizing the grass isn’t greener after all—or their previous employers won them back with enticing offers.

The Great Resignation is turning out to be more of a Great Reshuffling. Regardless of what we call it, it’s presenting employers with challenges and opportunities. Newly motivated, empowered employees are stoking a competitive war for talent, especially in an environment where remote and hybrid work enables broader opportunities. And now, as economic factors and inflation put pressure on markets, some sectors are facing tough decisions and looking to restructure.

In this uncertain climate, companies still should get creative to land and retain top talent. Filling positions internally—or with “boomerang” employees—can help them avoid costs related to losing staff and institutional knowledge, filling vacancies and onboarding. Upskilling is another important tactic that can help increase your workforce’s digital acumen, which can help you hire from within. Skilled workers can also feel more empowered to work more innovatively and contribute in meaningful ways. And satisfied workers are more likely to stay.

## Managing talent challenges

To maintain a competitive advantage, it's essential to apply the same tactics to attracting and rehiring as you do retaining high-performing employees. In PwC's 2022 C-Suite Pulse Survey.<sup>6</sup>



77% of respondents indicated that hiring and retaining talent is one of their most critical growth drivers



Less than a third of respondents expect for talent shortages to ease this year

These executives are putting real dollars behind these priorities through programs like process improvements and compensation adjustments. But these tactical initiatives done in isolation won't necessarily tie to a company's strategy and won't staunch the flow of outbound employees.

Employees with specialized training are in demand—and they know it. And skills shortages can give employees more clout. The good news is that empowered workers are also more likely to recommend their company to others. Creating a holistic workforce strategy is a critical step to managing the current talent challenge and improving workforce experience.

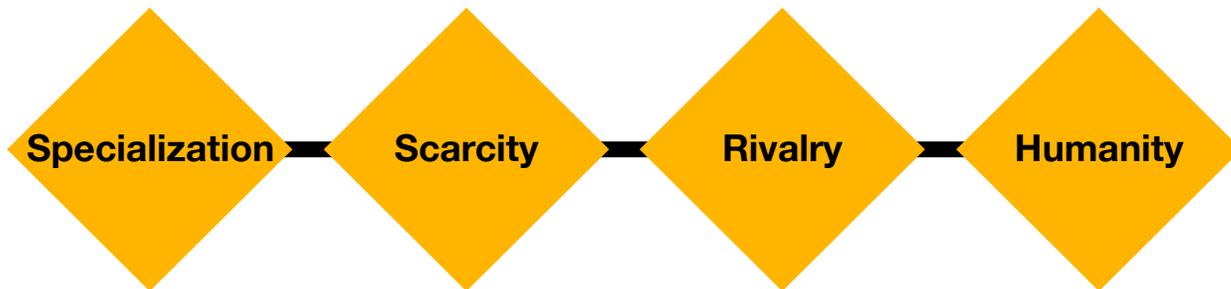
<sup>6</sup> PwC Pulse Survey: Executive views on business in 2022



# PwC's perspective on workforce strategy and experience

For decades, PwC specialists have been tackling the most pressing workforce challenges for many of the world's largest and most complex organizations. We can untangle each challenge and open the way for change to help turn organizational and people challenges into real opportunities.

Company leaders must contend with a wide range of disruptions—all of which have profound consequences on their workers and their workforce strategy. Senior managers should develop a systematic way to think about these disruptions to plan for them in the short and long term. [PwC's recent thought leadership on the future of work](#) reveals four forces unique to each company that are key to developing a meaningful workforce strategy:



For each of these forces, PwC has created human-led, technology-powered solutions that help companies assess, plan, implement, scale and measure employee responses. By getting strong workforce strategies in place, you can establish a workforce experience that's unique to your company's culture and vision for the future.

**Specialization** is all about helping your organization anticipate the roles you need to create and displace so you're prepared for challenges and opportunities. PwC's benchmarking and workforce planning solutions can give your leadership the data they need to:

- Assess the current organization
- Model different scenarios
- Create plans that tie to your business goals

**Scarcity** is closely tied to specialization and focuses on your company's talent shortages and skills deficits. This is all about people, so a key success driver is making sure you have two-way communication. PwC has created products and services that help enable executives to:

- Identify skills within their organizations
- Make the right hiring decisions
- Create learning experiences that will engage and energize workers
- Manage the change inherent in implementing these programs

**Rivalry** is all about the talent, and nowhere is workforce experience more evident than during the hiring process. PwC's deep industry knowledge and workforce planning tools provide benchmarks and analytics on hundreds of metrics to help enable executives to:

- Define hiring strategies
- Model multiple scenarios to help find the right path for their needs

**Humanity** is equally important to how an organization addresses specialization, scarcity and rivalry. Companies need to ask whether their purpose resonates with their people. PwC's products and services help companies think through approaches to their overall social responsibility.

# PwC's Workforce Experience—implementing your change management strategy

Finding out-of-the-box solutions that bolster your efforts can help you drive efficiencies, mitigate disruption, boost retention and build a unified culture. You should have technology that can increase workforce engagement and productivity, reduce turnover, and help improve HR efficiency and visibility. Not only that. You should have a way to create custom action plans with in-the-moment recommendations that will help your company capitalize on emerging trends, leading practices and data-driven decisions to improve the people, processes and technology that help drive great experiences.

A tech-enabled solution that helps you plan and roll out the communications for your M&A can be central to successful change management. You should look for solutions that enable change teams to help analyze an organization's change environment holistically. Ideally, you need to be able to identify the impacts, help create a change plan that suits your needs and track progress against key rollout metrics.

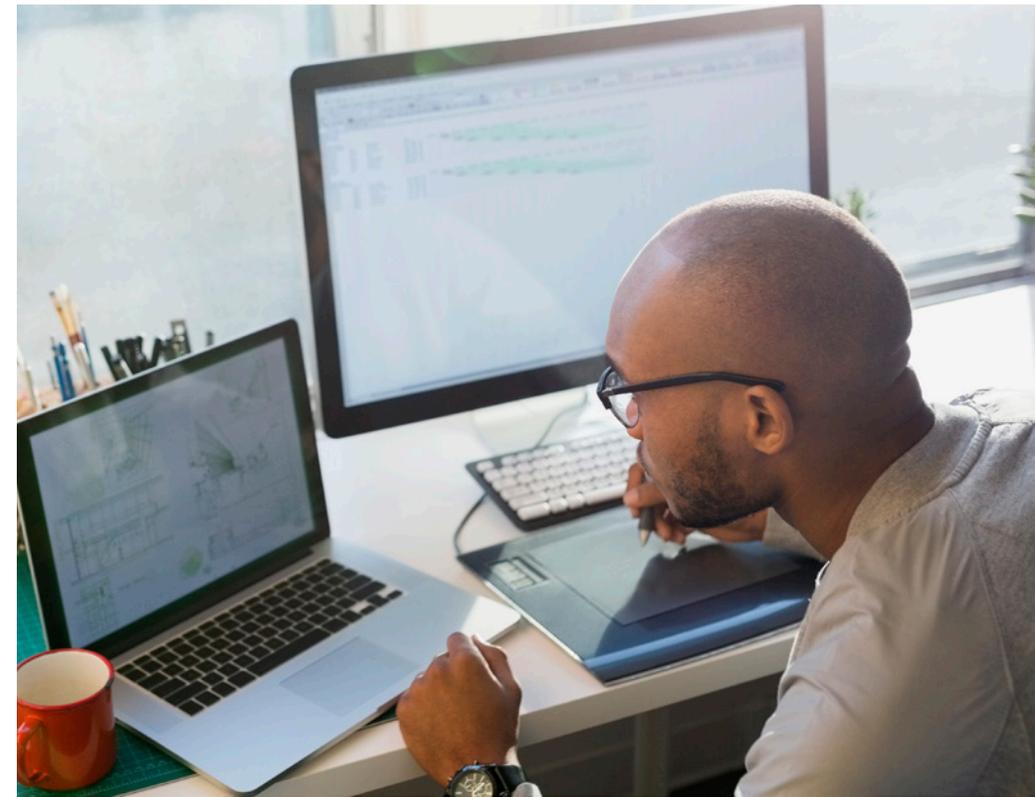
Personalization experiences that can easily integrate with key enterprise systems and communication services can help reduce disruption and boost your existing investments in other tools. These can include the deployment of surveys that gauge employee sentiment. Employee listening tools can help you understand workforce opinions, attitudes and experiences so you can base decisions on data—not just on intuition. This can be a critical capability as you're formulating initial cultural findings and looking for ways to improve integration experiences.

# Preparing for the future

If the lessons of the past few years have taught us anything, it's that to help cultivate resilience, organizations should be agile and bolster support for employees. And that higher engagement can increase the likelihood of retaining top talent. That's especially true for business disruptions.

When you're operating with a people-first mindset, you can cultivate loyalty. Engaging in proactive continuous communication can help people feel invested in and like they're part of the journey. And this buy-in can foster stickiness.

A strong platform that takes the guesswork out of implementing change management plans in the midst of disruption is especially valuable. With PwC's Workforce Experience products, you can navigate change with confidence.



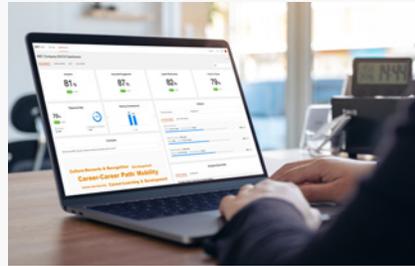
Our Workforce Experience Products can help you create improved employee experiences that advance your strategy and reinforce business goals.



ProEdge



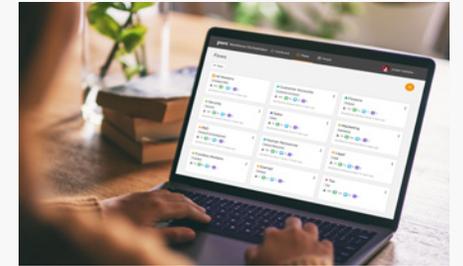
Saratoga



Listen Platform



Change Navigator



Workforce Orchestrator

# Thank you



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