



Work Anywhere, Together

Discussing the talent trends and implications regarding today's hybrid workforce and return to office practices

June 8, 2022



Before we begin, some local, late-breaking news...

“Everyone at Tesla is required to spend a minimum of 40 hours in the office per week,” Musk wrote in a follow-up email, [obtained by Electrek](#). “Moreover, the office must be where your actual colleagues are located, not some remote pseudo office. If you don’t show up, we will assume you have resigned.” (Forbes, May 2022)

Microsoft’s Hybrid Return-To-Work Plan For The ‘Biggest Shift To How We Work In Our Generation’ – (Forbes, May 2022)

We find that of the nearly half a million commuters who used to travel to the city daily, 155,500 have jobs that can be worked remotely. Their continued absence from the city can permanently impair the demand for local services, especially in office-heavy downtown areas. In addition, 110,000 D.C. residents have jobs that can be worked remotely, regardless of where they work. If they largely work from home, economic activity will increasingly shift to mixed-use or residential neighborhoods. These trends present both challenges and opportunities for the District as the city continues to recover from the pandemic. (DC Policy Center May 12)

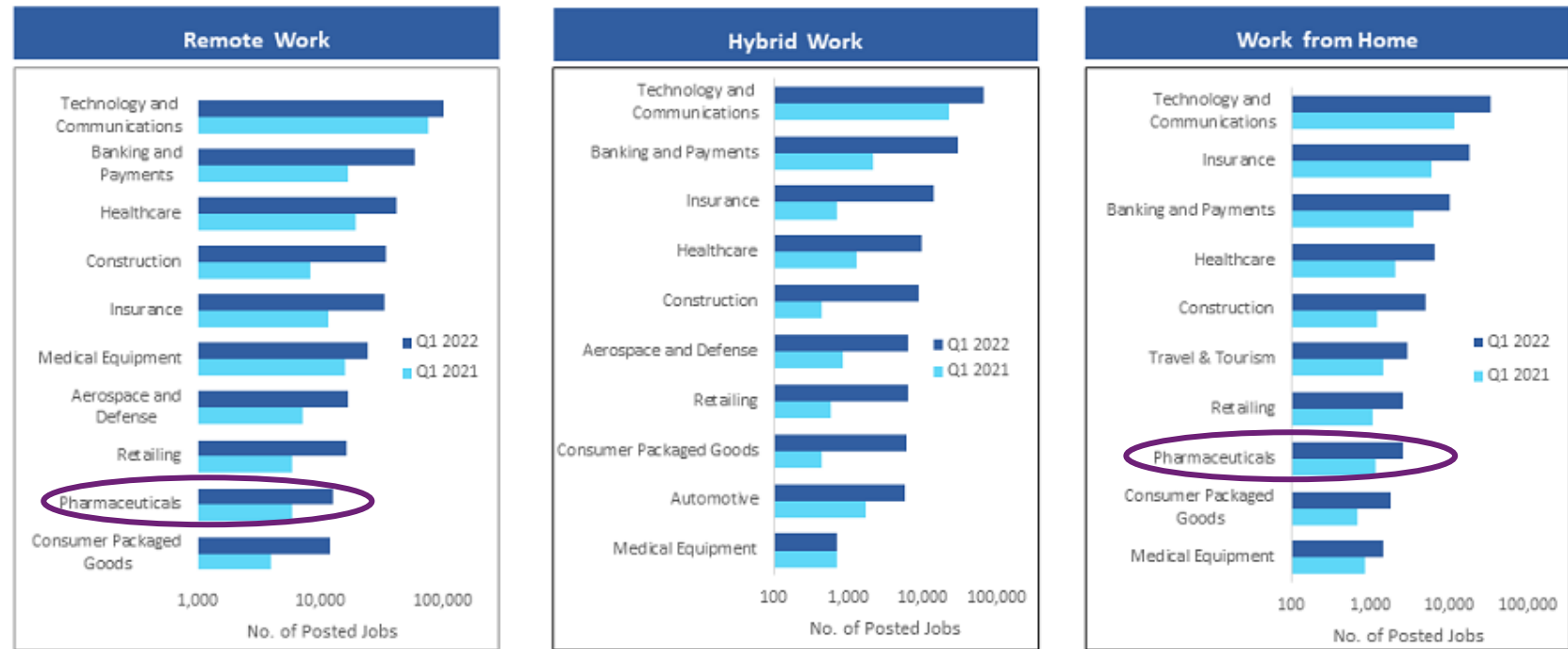
Google will be open to all options. There will be some people who will completely work remotely; however, the vast majority of workers will be coming in about three days a week. Once they are in the office, it will be purposeful—and not just for facetime. This will include meetings, collaborating with colleagues in other divisions, conducting brainstorming sessions, meeting with clients and vendors and community building. The chief executive said he’s excited about the change and believes that as time goes on people and teams will figure out the best solutions. (Inc., April 2022)

However, the number of remote and hybrid job postings have increased

New job postings for ‘remote work’, ‘hybrid work’ and ‘work from home’ rose in Q1 2022 over the same quarter last year following the COVID-19 pandemic and the consequent digitalization trend, found GlobalData. The data and analytics company notes that there is a demand for certain skill sets so, as a result, companies are looking beyond geographies to meet the demand via remote work options.



Number of remote work, hybrid work and work from home job postings by sector, Q1 2022 vs Q1 2021



Posted Jobs: New jobs postings

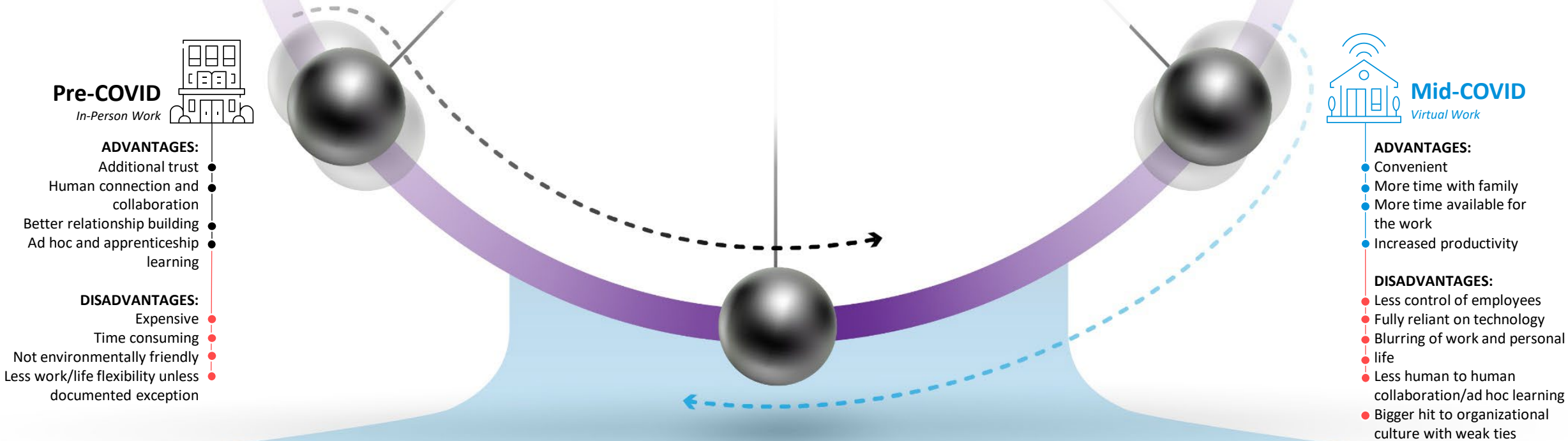
Source: GlobalData Job Analytics Database



GlobalData’s latest report, [‘Global Hiring Report – Signals & Trends – Quarterly Report – Q1 2022’](#) reveals that technology, banking and payments, and healthcare were the sectors with the highest amount of remote work job postings during Q1 2022.

A new equilibrium will arise: the ambidextrous organization

Taking into account the new experiences and changes during COVID, companies will find a new balance between fully in person and fully remote work.



The outlook for our “New Normal”



Business **travel will resume**, with decreased duration and frequency initially



The choice to **work remote will be commonly accepted** especially if in-person is “not worth it”



Strategies will shift to support a **collaborative culture** in person, hybrid, and virtually



Development of **new remote and blended presence technology** will be required



Real estate, space use, and geographic footprints will be reimaged to fit-for-purpose

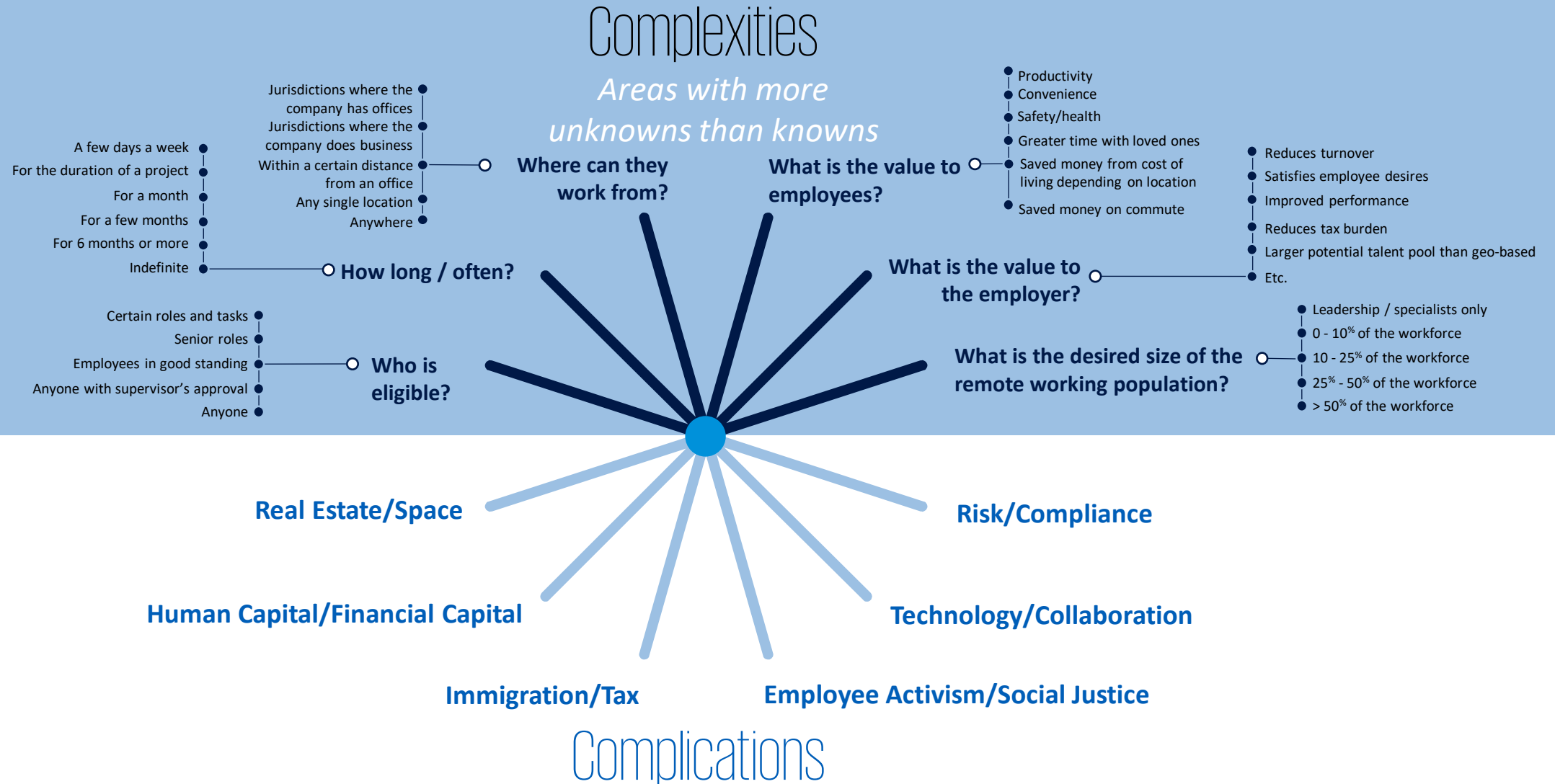


New policies and approaches for remote work, learning, and collaboration will be needed

Despite best intentions and approaches to date, many firms indicate that their badge-swipe data shows that ~10-25% of employees are coming into an office on a weekly basis

Complex and complicated decisions and implications of Work Anywhere

Taking into account the new decisions that evolve as we emerge from COVID, companies and workers will have to juggle new complexities and complications.




Emerging trends

83% 

of the organizations **offer hybrid** workplace model

Work from anywhere


 flexibility offered by **50%** of the organizations

Role-based

approach used by few organizations for **defining workplace models** 

 **70%** of the organizations have **defined roles for remote working**


These include call center employees, technology workforce, professionals engaged in research activities etc.

 **55%** of the organizations **plan to adjust compensation** according to remote work location

61% 

of the organizations leverage **digital collaboration tools**

New office layouts

to improve **employee experience and enhance collaboration** through wider space for discussions 

 **54%** of the organizations have **specified a target date for employees to return to their offices** in a flexible manner










48% 

of the organizations have **mandated vaccination** for employees

Source: publicly available data

Industry snapshot

Future workplace models – Industry snapshot

Industry	Hybrid	Fully remote	Fully in-office	Digital first	Comments
 Consumer & retail	✓	✗	✓	✗	Organizations in the consumer & retail industry are providing hybrid workplace models except in customer-facing roles
 Energy, Natural resources & Chemicals (ENC)	✓	✗	✓	✗	Organizations in the ENC sector plan to deploy in-office workplace model for employees needed in the site on a regular basis and a hybrid approach for other employees
 Financial services	✓	✓	✓	✗	While majority of organizations provide hybrid workplace model, JPMorgan Chase & Co. is requiring primarily in-office models
 Healthcare & Life sciences	✓	✓	✓	✗	Non-clinical workforce such as research professionals, technical employees working in the healthcare industry by in large have the option of remote work permanently
 Industrial manufacturing	✓	✓	✓	✗	Employees who are not engaged in manufacturing activities have the option of working in a hybrid manner or remotely
 Media & Telecom	✓	✓	✓	✓	Most firms are offering employees the flexibility to opt for the workplace model that is most suitable for them. Shopify offers a digital-by-default workplace model for its employees
 Private equity	✓	✗	✓	✗	Private equity firms require in-office presence with flexibility around working days for some employees
 Technology	✓	✓	✓	✗	Majority of technology companies are offering hybrid workplace model, which includes presence in office required only for collaboration purpose , while some turning fully remote
 Other	✓	✓	✗	✗	Other companies are generally offering hybrid and remote working approaches for future workplace

The war for talent was already here, but employees are demanding more

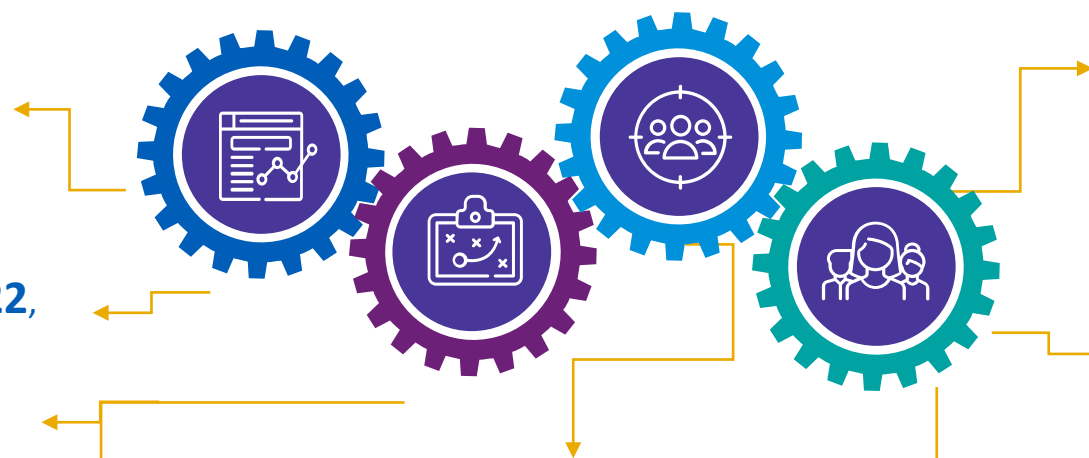
The landscape of talent is changing. Technology and automation, remote and **hybrid working models**, changing business models, employee activism, customer expectations, the “Great Resignation,” and the ongoing waves of COVID variants or spikes are forcing companies to explore new ideas and approaches around **who makes up the workforce**, along with **where** and **how work gets done**. **Employees are, in turn, expecting more of their employers**, and an investment in their overall employee experience.

More than 25% of workers quit and 40% planned to quit their jobs over the last 2 years

According to the [U.S. Bureau of Labor Statistics](#), **4.25 million people quit their jobs in January 2022**, up from 3,3 million in 2021.⁵

70% of U.S. employees say they’d likely leave their current employer and accept an offer with a new company that’s known for investing in employee learning and development¹

Wages over last 24 months have increased by 5.2% for state and local government, 7.2% for civilian workers and 7.6% for private industry



Less than 1% turnover among high performers in organizations with the most human-centric employee experience

Who is succeeding?

Diverse organizations are **33%** more likely to outperform those who are less diverse and those with properly structured talent management programs report their employees are **3x more engaged**²

By 2023, **75% of companies will have an employment value proposition (EVP)** tailored for attracting and retaining technology talent across borders⁶

73% of employees indicated their loyalty is directly attributed to the personalized experience from their organization²

Organizational culture did fray and values and belonging were tested, but pre-pandemic office cultures were often less than ideal. “Strong ties,” on average have stayed strong. “Weak ties,” however, have weakened⁴

1. The HR Decision Maker (Employer) and Employee surveys, “How to get today’s employees to stay and engage? Develop their careers,” (June 2021)
2. Oracle NetSuite, “15 Top Talent Management Trends for 2021,” Marc Holliday (July 2021)
3. Prudential, Pulse of the American Worker (May 2021)
4. CEO Daily, a newsletter of must-read insights from Fortune CEO Alan Murray (March 2022)
5. Bureau of Labor Statistics (May 2022)
6. Source: CIO.com; Dice, Gartner, Harvard Business Review

As market demand soars, candidates are motivated by learning opportunities and using their skills for a greater purpose

The market for technical and research-based talent is **more competitive than ever before**. Candidates and current employees have **more career options, and low switching costs with other firms competing for similar talent**, while the growing emphasis on **work becoming digitized has meant that there's a shortage of critical skillsets** in the marketplace.



Evolving requirements and ways of working

- Extreme automation
- Big data, AI, & ML
- Experience centricity
- Workforce demographics
- Value stream management



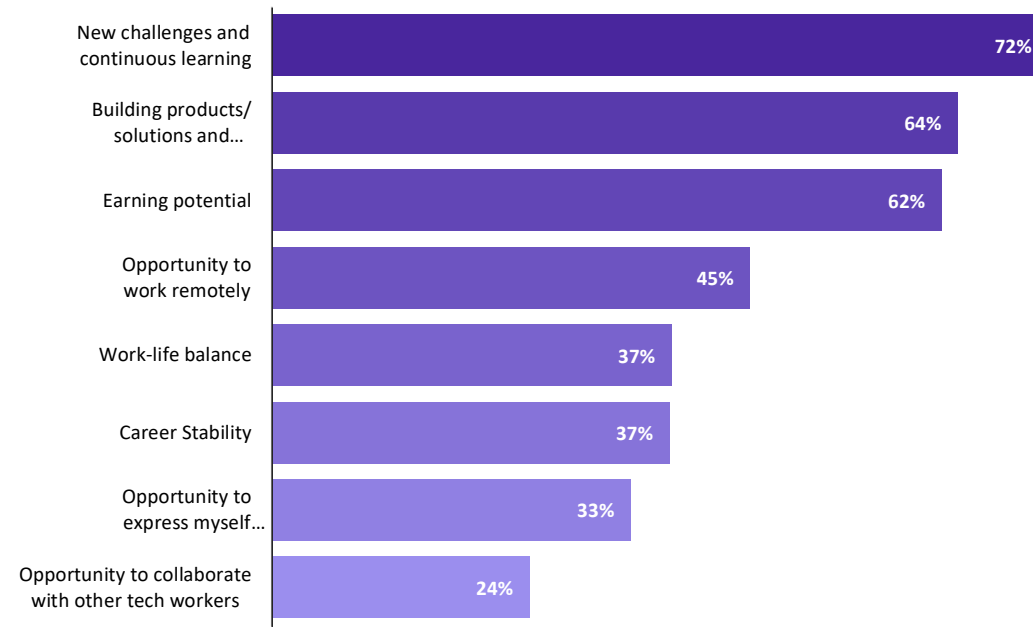
New Skills & Competencies

- Digital fluency (Mobile, Platform service, AR, VR)
- Cyber Security
- Robotics and automation
- Cloud enterprise architecture
- DevSecOps
- Non-traditional apprenticeship models (Multiverse)



Tech Talent Motivations

40% of software engineer and developer hires were made by non-tech companies



(respondents could provide more than one answer)

Source: Hired 2022 State of Software Engineers

Real estate, space and geographical considerations...



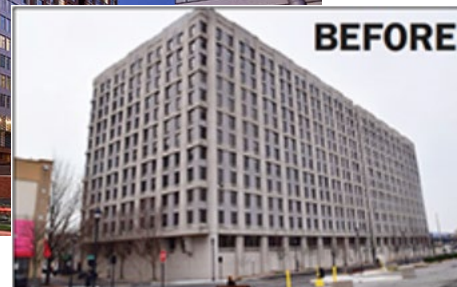
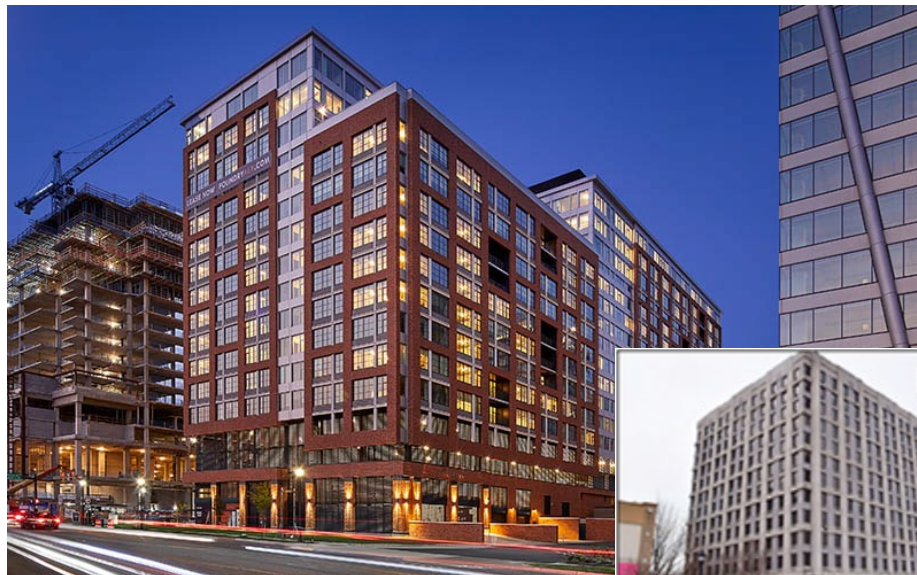
Evaluation of leased/owned floorspace to support “return to office” trends

- Accelerated collaboration space trends already under way
- Shorter lease terms
- Holding off on capital expenses
- Shrinking footprints
- Rethinking geographical locations to match talent trends and affordability



New approaches

- Office as a destination
- Multi-use space configurations
- Hospitality-oriented / concierge services
- Tech-enabled collaboration tools
- Event-orientation / social gatherings
- Purpose-driven meetings vs. heads-down
- Encouraging ad hoc connections
- Increased gym and exercise space

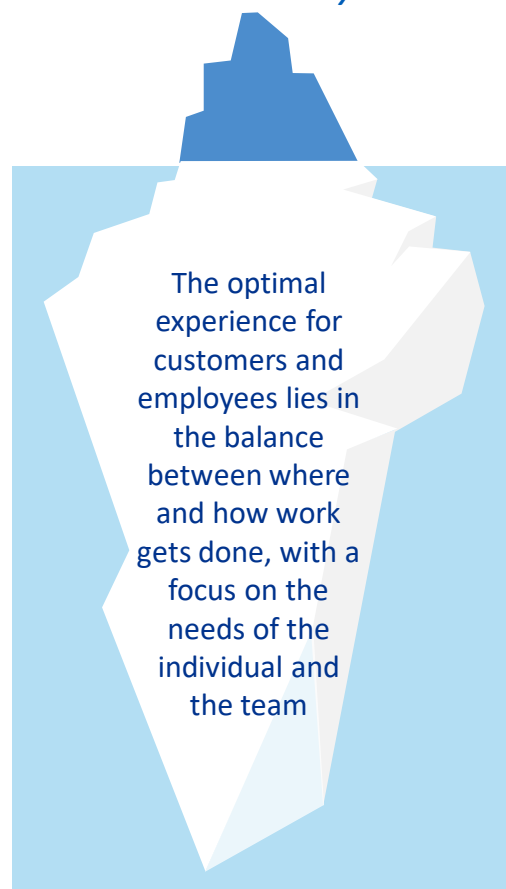


Employees are going to consider the “worth-it equation. Is the office environment compelling, worth the commute, will people be there, does the effort equal the reward, and have the amenities improved?

Photo Source: Office Buildings Finding New Life, Wilmington Business Journal (MAY 6, 2022)

We believe six building block capabilities form the foundation for Work Anywhere

Location = *Where you deliver*



Moment = *How you deliver*

1 People

Ensure your workers are engaged, connected, and productive while activating your culture, purpose and value proposition

2 Ways-of-Working

Orchestrate day-to-day work, manage individuals/teams/workflows, consider job role differences and location types, and effectively monitor performance

3 Technology Capabilities

Establish necessary infrastructure, technology resilience, operational support model, collaboration and presence tools, and cyber security

4 Talent Strategy

Increase operational resiliency, optimize location strategies around where work gets done and access emerging talent pools

5 Workplace optimization

Optimize the physical and virtual work environments, reassess location strategies, evaluate your real estate portfolio, and use and design of physical office space

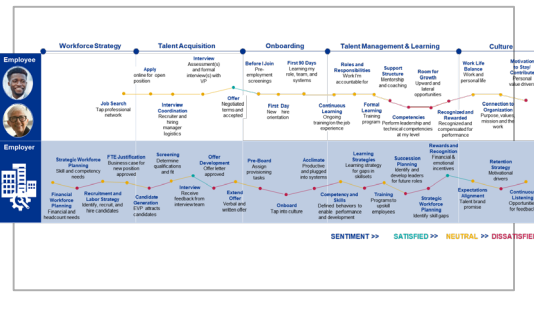
6 Governance

Update policies to contemplate virtual work environments; implement robust governance and oversight structures; optimize tax structures; and ensure alignment with federal and local labor regulations

Finally, keep the human component at the center of your hybrid approach...

We believe that an **effective talent strategy** has the **employee at the center** of it all. Employees **feel, expect, and need different things** depending on factors such as their role, their tenure, and their demographics. A **persona-based approach** segments your employee population to target the groups most critical for firms to **attract, develop, reward, advance, and retain** as you look to align your business and talent programs for the future.

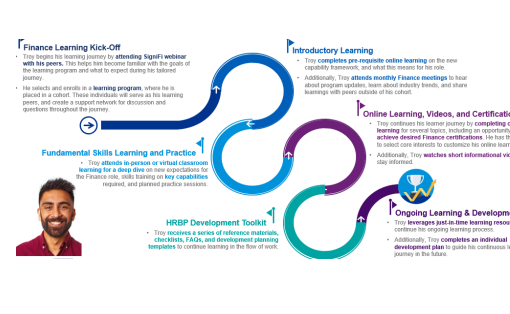
How I FEEL about my role and work is different



What I EXPECT from an employer is different



How I LEARN and GROW in my career is different



How I want to be ENGAGED is different





Thank you

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