

Adapt

TO A
FLEXIBLE
NEW-
NORMAL



T° TOPIA



What a global pandemic
has shown us about
employee priorities



When a global pandemic upends the way work gets done, the future of work is no longer an abstract idea - it's here and now.

Will organizations and employees embrace a more distributed workforce future? And how will it impact what employees expect out of work?



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Executive Summary

Working remotely used to be a perk reserved for very few employees and contractors. Now, as the globe has wrestled with a pandemic going into a second year, remote work has become the norm.

Where HR thought leaders would once conjure their crystal balls to opine on the “future of work”, employees, managers, and executives alike have been abruptly thrust into a reality where employees are more distributed than ever before.

The global pandemic has shown that remote and distributed work is not only a viable way to get work done, but for some, is a preferred way of working. Many businesses have opted to permanently reduce office space, and adopt “work from anywhere” policies.

While embracing the flexibility of remote work may be appealing, there are challenges that come hand in hand with a workforce that is more mobile than ever before.

From compliance concerns to employee experience, organizations and employees must adapt if they want to make flexibility and agility the norm while still providing great employee experiences.

Opportunities Make for Great Employee Experience

What do employees want in a great work experience? An amazing office is even less important now that remote work has become the norm.

- 53% of employees say the opportunity for career growth and development through training, job rotation or international assignments create an exceptional employee experience.
- 50% say trust and job empowerment make for a great employee experience.
- These two switched #1 & #2 spots compared to just a year ago.

In contrast to last year's survey the number of employees giving their organization a perfect 10 in delivering exceptional employee experience has more than doubled from 6% to 14%, likely indicating a job well done in supporting the transition to remote work.

High Enthusiasm for Remote Work

Employees said the flexibility to work remotely is now the second most important attribute when evaluating a potential employer—behind only high pay and ahead of both professional development and culture.

- 91% of employees agreed that they should be able to work from wherever they want as long as they get their work done.
- 82% of employees now agree that “Teams should be built based on experience and skill sets needed, not location.” 90% of HR professionals concur.
- 94% of HR professionals believe that increased remote work will enable them to build more diverse teams.

Tax Compliance is a Big Blindspot

Despite the enthusiasm for remote work, enterprises are unprepared from a compliance standpoint. A significant portion of employees fail to report when they work outside their home state or country, even though the majority know there are tax and immigration implications of doing so.

- 93% of HR professionals are confident they know where the majority of their employees are working, and 78% are confident their employees self-report when working in another state or country.
- In reality, only 33% of employees report all days worked outside their home jurisdiction, and 24% reported none at all, even though 61% are aware of the tax compliance implications.

Location Tracking is Welcome

Perhaps contrary to popular opinion, employees are very willing for their employer to track working location.

- 94% of employees are comfortable with an employer tracking their location at the country, state, and city level.
- Even 81% would be comfortable with location tracking down to the street level.

Employee Experience

Shifting With the Times

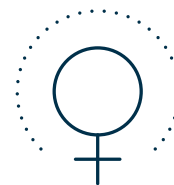
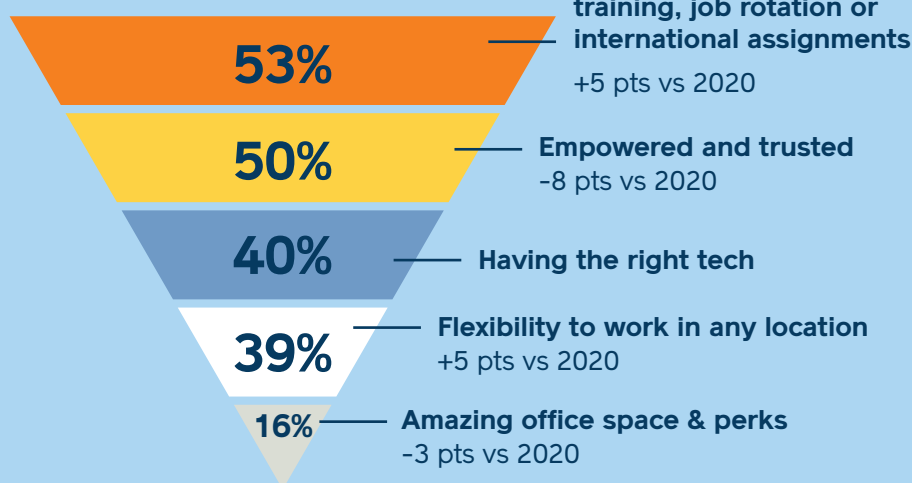
What is Driving Experience Today?

It would be naive to understate the impact remote work is having and will have on employee experience.

A global pandemic has shifted how we work, our culture, values and priorities - and these changes are reflected in what people want from their employers. A decade ago, foosball tables and a kitchen full of snacks got candidates interested. Now, it's about flexibility and opportunity.

To continue to understand attitudes toward employee experience, Topia commissioned a survey of 1,250 employed adult knowledge workers across the United States and the United Kingdom who work in an office setting at an enterprise company with global operations. 250 of the respondents work in HR departments and the remainder are from other functions.

How do workers define what makes a great employee experience?



57%

Career growth and development is particularly important to females vs **47% for males**

Trust and autonomy is of more importance to older employees



69% 55-64 year-olds

58% 39-54 year-olds

Growth opportunities jumped in front of feeling empowered and trusted to do one's job with little supervision as the most important attribute of great employee experiences. This makes sense given the move to remote work - where it is harder to "look over one's shoulder" throughout the day.

Key Takeaway: Giving people autonomy gives them power. When employees feel trusted and empowered to use their skills to their full potential, they have a great experience.

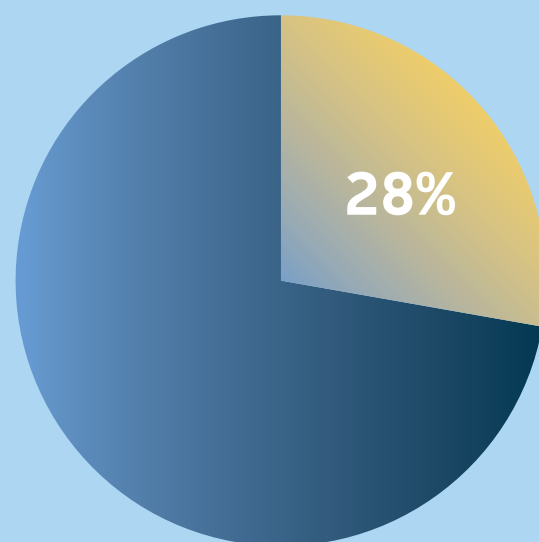
How are Companies Doing?

To build a culture that's truly great, companies need to design the employee experience so that it aligns with employees' priorities and motivations.

Today that means flexibility and inclusiveness. Things like diversity and representation, opportunity and empathy are more important today than ever. Thankfully companies seem to be trending in the right direction.

How would you rate your company's employee experience?

Just **28%** give an exceptional rating, but that's up eleven points compared to last year, perhaps indicating a good response by many organizations to a shift towards remote working.



General Employees

HR continues to overestimate how well they're doing, but the margin of difference is shrinking.

HR Employees

26% of general employees rate their company exceptional, compared to **30%** of HR employees.

Key Takeaway: HR teams and organizations will have to implement flexible policies employees want in a post-COVID world.

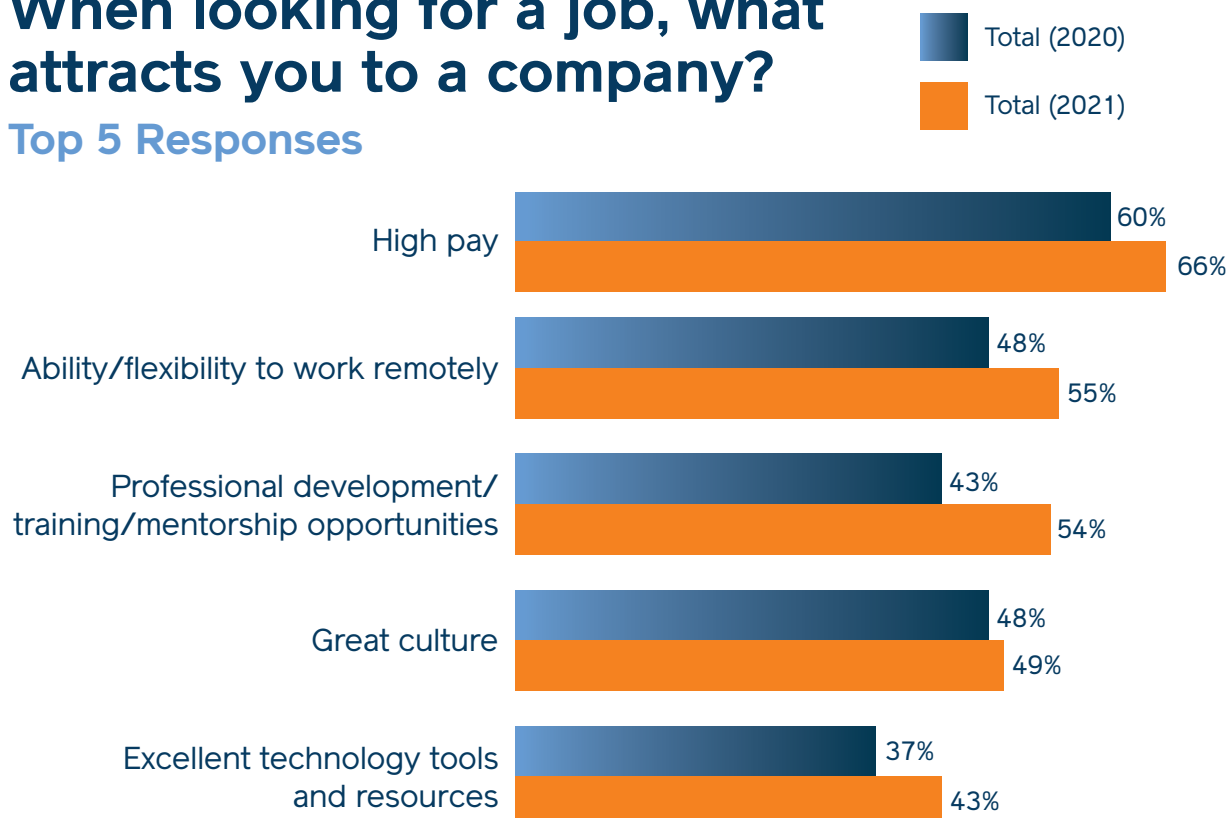
When Looking for a New Employer

A good gauge for understanding what motivates employees and what they are looking for in employee experience is what they care about most when looking for a new employer.

As expected, money tops the list of attributes workers are looking for in a prospective employer, but it isn't the only thing that matters. Employees want more flexibility to work remotely and professional development. There's also increased sentiment that companies should be doing good in the world and building diversity. Being a big name company continues to be at the bottom of the list.

When looking for a job, what attracts you to a company?

Top 5 Responses



Experience Over Location

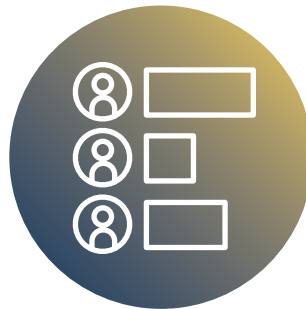
One thing employees seem to agree on is that location is becoming less important, both from a hiring and getting work done perspective. Compared to last year, more individuals feel that teams in the future will be agile and it won't matter if everyone is in the same location or not —something remote working during COVID-19 has clearly shown us.

That doesn't mean all work will be done remotely. Year over year, 59% agree that digital technology can't replace having a team all together in the same location. And interestingly, less people this year compared to last year felt that five years from now there will be no such thing as a 9-5 job in my industry. Perhaps working from home has caused employees to reprioritize separating work and home life to avoid burnout.



83%

agree teams should be built based on experience and skill sets needed, not location



80%

agree teams in the future will be agile and it won't matter if everyone is in the same location or not

(up from 76% in 2020)



76%

agree companies should focus on finding the right talent wherever it might be in the world

Flexibility and Remote Work

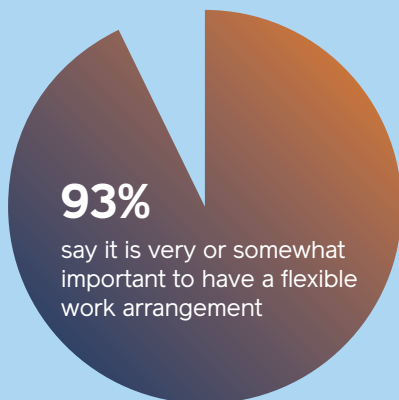
Is Flexibility The Key To Creating A Great Employee Experience For Everyone?

The past year many individuals have had to juggle being a full time employee, caregiver, teacher, cleaner, therapist, etc. For some, working from home has been a boon of more time to spend on family or personal projects. For others, working from home has been akin to being trapped with too many balls to juggle at once. One thing everyone can agree on is that greater flexibility in determining where and how to get work done - whether that's in an office or at home - is a good thing for employees, and ultimately businesses too. The pandemic has shown that many employees can actually be productive working from anywhere.



**Flexible work arrangements are important to
9 out of 10 employees**

**Flexible work is a key priority
for job seekers.**



74%

C-level/Presidents are most likely to say this is very important (vs. 53% avg)



62%

HR employees also say this is very important more often (vs 53% avg)

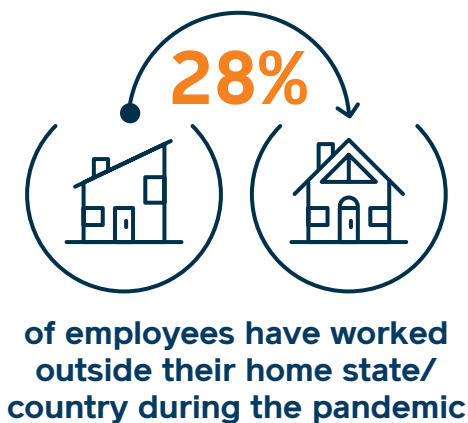
**I should be able to work from
anywhere I want as long as I
get my work done.**



91%
of employees
agree

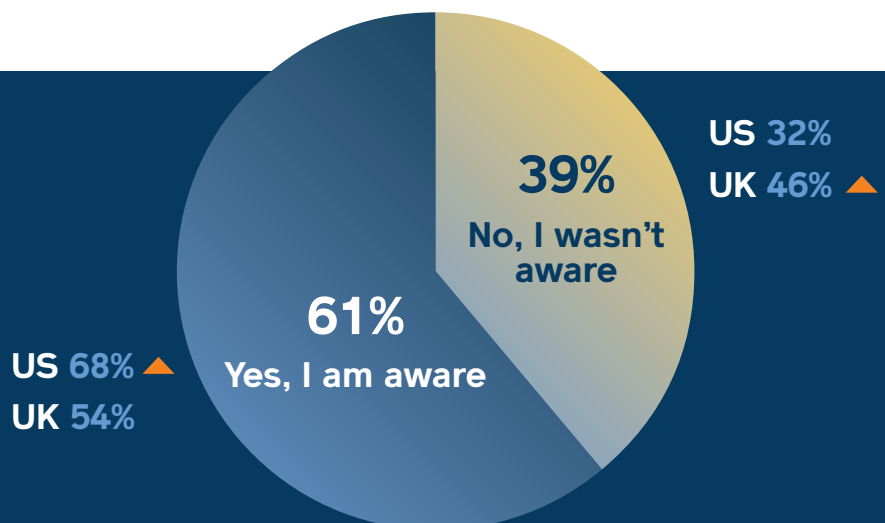
Taking Advantage of WFH to Work Anywhere

During the pandemic a vast majority of employees have been working away from the office with **43%** indicating they've worked **100%** remote since March 2020 and an additional **21%** working **75-99%** outside of the office. Only **7%** of employees surveyed have been in the office full time. The challenge for businesses is that a good portion of employees who have been "working from home" have actually not been working at home.



In fact, 28% of employees who have been working remote have actually worked in different states or countries than their home location. **Two-thirds** of those employees have failed to report all days working outside their home jurisdiction to their employees - and **24%** failed to report any days at all. This is in spite of the fact that **61%** of employees report being aware of potential tax and compliance implications of working in another state or country. Even HR isn't reporting **100%** of their days worked outside their home jurisdictions (**46%** vs 33% avg) even though they are more likely to work outside work from various locations (**42%** vs 28% avg).

Awareness of Tax and Compliance Implications for Employer



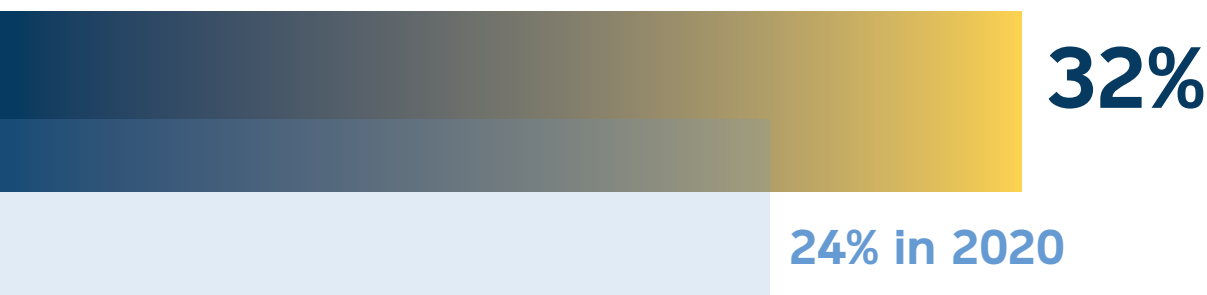
Wanting to Get Out And Experience the World



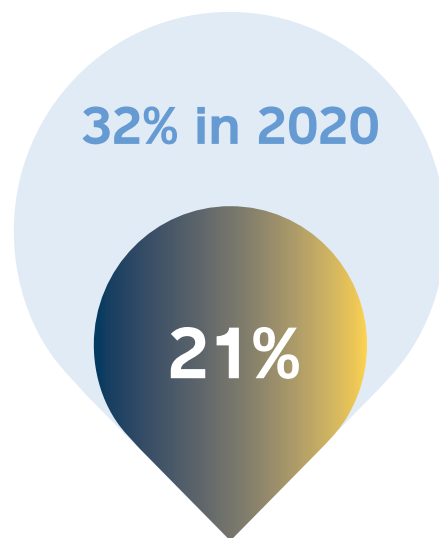
The demand for international opportunities has increased, even in light of the shift to remote work. In 2020, **68%** would consider moving abroad for work compared to **79%** now. The thought that long or short term assignments would disappear in favor of video conferencing or remote work might not be an accurate one.



**Long term
assignment interest**



**No interest in long or short
term assignments**



HR Perspective

Are we ready?

What Will The Team of Tomorrow Look Like?

Flexible work arrangements could be a huge benefit to HR organizations responsible for finding and developing the best talent. In fact, 94% of HR professionals say their organizations will be able to access a more diverse team with remote work. With employees and leadership embracing distributed workforces, the future state of work will see teams continue to be spread out across time zones and countries. Finding the right way to manage distributed workforces must be a priority for organizations.

52%

of HR say it is extremely/very important to break away from traditional organizational structures

90%

of HR Professionals agree teams will be built on skills/experience over location

87%

of HR professionals agree that agility is more important than location

Do You Know Where Your Employees Are?

In a world where remote and distributed working is the norm, it's crucially important that organizations know where their employees are working. Otherwise they risk getting hit by unforeseen taxes, audits, and fines, or inadvertently having an employee create a permanent establishment in a new country.

However, HR may be overconfident in their assessment. Of those individuals working remotely during the pandemic, 28% have worked outside their home location, while only 33% of those employees working outside their home state/country have actually reported all those days to HR. This is in spite of the fact that 61% of employees report knowing that working in a different state/country can create tax compliance complications.

78%

think people are self-reporting 100% of the time



33%

are actually doing so

Data and Tools Needed.

40% of HR professionals feel they don't have the right data and insights for decision-making. And the other **60%** may be over confident.

As highlighted above, relying on manually reported location information is not accurate or reliable, let alone scaleable. Thankfully employees seem to be fine with location monitoring.

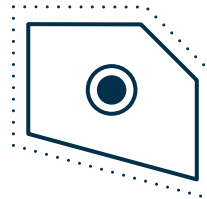
Location Monitoring

Data privacy is a big concern for employers and employees alike. When it comes to work location monitoring it appears that it is something all parties are okay with.



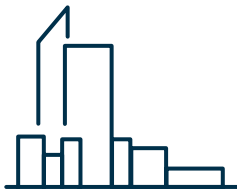
95%

are comfortable with employers knowing their country location



95%

are comfortable with employers knowing their state (US)/county (UK) location



94%

are comfortable with employers knowing their city location



81%

are comfortable with employers knowing their street location

Technology solutions that enable automated reporting of employee location at a tax/immigration jurisdictional level can prevent compliance issues and enable a true work from anywhere policy approach.

Global Differences

Key Differences Between the US and the UK

More often than not respondents in the US and UK felt pretty similar on the issues driving employee experiences and attitudes towards remote and flexible work. However, there were a few notable areas of statistically relevant divergence:

UK workers less likely to work outside their home jurisdiction

Perhaps unsurprisingly given international borders being shut, US respondents were more likely to work outside their home jurisdiction than their UK counterparts (33% vs 23%). A likely explanation is the ease of cross state travel via car and the larger physical size of the US.

UK HR professionals are more certain in their data.

30% of HR respondents in the UK feel absolutely certain they have the data required for decision making vs only 10% in the US. Perhaps unsurprisingly, UK respondents are also more confident that their employees are self reporting their time working in another county(state)/country than their US counterparts, 45% vs 24% respectively.

Shorter commute vs great reviews

It appears that when it comes to evaluating new employers employees in the UK value a shorter commute (43% UK vs 33% US) where as individuals in the US value positive reviews from former employees (40% US vs 35% UK)

You'll have to do better than that

Employees in the US were more likely to give their company's employee experience a perfect 10/10 exceptional rating than their UK counterparts (16% vs 12%). US based employees placed more value on having the right tools (42% vs 37%) while folks in the UK had more emphasis on office perks (19% vs 14%)

Methodology

Topia conducted this research using an online survey prepared by [Cite Research](#) and distributed among n=1,250 full-time traditional office/desk-job setting employees who work in large enterprise companies (2,500+ employees) with global operations. Respondents were sourced from the US and the UK (half from each country), with 250 employees from HR departments and 1,000 employees from any department. Respondents were ages 18 to 64 and the sample was roughly balanced across age, gender and geographic area. Data was collected from December 11, 2020 to January 12, 2021.



About Topia

Topia is the leader in Global Talent Mobility. We empower companies to deploy, manage and engage employees anywhere in the world.

The Topia platform enables organizations to deliver mobility as part of a broader talent strategy encompassing all types of employee movement – remote and distributed workforces, business travel, and more traditional relocations and assignments. This drives enhanced employee experiences and competitive advantage by ensuring the right people are in the right place at the right time, while staying compliant no matter where they are. The Topia platform automates the entire global talent mobility process, including scenario-based planning, expat payroll, tax and immigration compliance, reporting and more. Topia powers global talent mobility programs for world-renowned brands such as Schneider Electric, Dell, Veolia, Equinor and AXA. Topia has raised over \$100M from NewView Capital (formerly New Enterprise Associates), Notion Capital and others, and is a global company with offices throughout the Americas and EMEA.

Learn how Topia Compass can help you understand where your employees are working and proactively manage distributed workforce risk: topia.com/compass



Connect with us

Contacts: EMEA: +44 20 7661 1878
North America: +1 (415) 465-8484
<https://www.topia.com/contact>

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