CHROs and human capital leaders

PwC US Pulse Survey — March 24, 2021 findings
CHROs are leading the charge on reimagining work

Many organizations recognize they can’t simply go back to “normal” once the pandemic fully subsides, but few have ironed out exactly what that means. To figure that out, human resources leaders are taking charge of inventing a new vision for work in a post-pandemic world — and they’re designing it with the employee experience at the center.

From new initiatives around purpose and upskilling to investments aimed at improving remote work, chief human resources officers (CHROs) are considering how the world has changed and what employees need in order to thrive in it. Take inclusion. With social justice in the spotlight and calls for businesses to do more to address systemic racism, CHROs are stepping up efforts to create more inclusive cultures and empower employees to make a difference. Almost half (49%) of the human resources leaders surveyed indicate they’re driving inclusive leadership at their organizations, while 31% are giving employees paid time off for activities such as volunteer work and community service.

Meanwhile, with business leaders counting on a skilled and energized workforce to support their growth agenda, CHROs remain focused on accelerating adoption of digital skills and continuing efforts to address employee health and burnout.

CHROs focus on inclusion to drive growth

- Driving inclusive leadership (49%)
- Accelerating adoption of new digital tools (41%)
- Investing in new tools to support innovation, collaboration and creativity for virtual teams (37%)
- Offering new upskilling options for employees to develop new skills (36%)
- Supporting enterprise-wide cost reduction initiatives (35%)
- Changing recruiting methods to account for a post-pandemic job market (32%)
- Adding dedicated human capital support for due diligence and integration in mergers and acquisitions or divestitures (24%)
- Adjusting compensation and incentive models to drive innovation and profitability (22%)

Q: What changes are you making in order to drive growth in 2021? (Select all that apply)

Totals may not add up to 100% due to rounding.
Source: PwC US Pulse Survey, March 12, 2021: CHRO base of 94
Pandemic lessons are shaping the hybrid work experience

As companies begin to embrace hybrid work arrangements, many CHROs are targeting areas the pandemic exposed as potential weaknesses, including the need for better technology and a stronger connection with the corporate culture.

As they shifted to remote work in response to the pandemic, many companies found that their employees didn’t have the tools to fully support collaboration, creativity and communication, and that a lack of standardized technology was impeding productivity. At the same time, many leaders also worried that corporate culture was sliding without in-person interactions. Now, as they prepare for a hybrid model, CHROs are focused on reinforcing corporate values and on investing in technology that makes it easier for blended teams to work together.

And while strides are being made, our survey did indicate some shortcomings. Only about a third of CHROs say they’re developing new meeting etiquette for hybrid teams. Given the risk of remote work inequality in a hybrid environment, human resources leaders should help employees learn to lead and work in ways that are inclusive for both remote employees and those in the office. For example, this could mean teaching meeting leaders to call on people who haven’t had a chance to speak up or providing guidance on when to use verbal communications versus a chat function in a meeting.

Another potential area for improvement: investing in the kind of immersive technology that can be a game-changer for hybrid work. Virtual reality headsets, for instance, let you hold meetings and conferences in 3D to engage both employees and customers, regardless of whether they’re physically in the room with you or not.

### Technology and culture are key to hybrid work

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<thead>
<tr>
<th>Technology Focus</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Standardizing technology platforms to support both in-office and remote workers</td>
<td>44%</td>
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<tr>
<td>Reinforcing corporate values to help maintain or improve culture</td>
<td>43%</td>
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<tr>
<td>Changing meeting etiquette to account for a hybrid work culture</td>
<td>38%</td>
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<tr>
<td>Investing in collaboration suites to allow for better teaming in a hybrid environ</td>
<td>36%</td>
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<tr>
<td>Providing employees with dedicated time outside of their jobs for activities they find personally meaningful (e.g., upskilling, volunteering)</td>
<td>31%</td>
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<tr>
<td>Investing in workplace analytics tools to analyze employees’ digital activities</td>
<td>27%</td>
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<tr>
<td>Offering travel reimbursement for employees who move outside the core office location to encourage them to come in for significant events</td>
<td>26%</td>
</tr>
<tr>
<td>Investing in immersive technology, like virtual reality headsets</td>
<td>23%</td>
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</tbody>
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Q: How are you preparing for working in a post-COVID-19 environment?
Totals may not add up to 100% due to rounding.
Source: PwC US Pulse Survey, March 12, 2021: CHRO base of 94

THIS REPORT IS EMBARGOED UNTIL 5:00 PM AM ON MARCH 22, 2021
HR is getting ahead of the relocation curve

Hybrid work may be getting all the buzz, but human resources leaders are also keeping an eye on the small but notable trend of employees relocating away from the office because they know that they can work remotely. Our Workforce Pulse Survey found that 22% of employees are planning or considering a move more than 50 miles away from their core office, and another 10% have already made such a move since the start of the pandemic.

For their part, more than half of the human resources leaders surveyed (56%) say they’re making remote work a permanent option for roles that allow it. In addition, 26% say they’re preparing to offer travel reimbursement for employees who move outside a core office location as a way to encourage them to come in for significant events such as important meetings or celebrations.

While these policies indicate that CHROs are preparing for numerous uncertainties, it may also point to how businesses are redefining the role of the office. Some, for example, have said their office will become a collaboration hub, not a place for day-to-day work, which means they’ll need reimbursement policies in place for when employees are in the office.

While relocation can pose challenges — such as the need to define clear tax and compliance guidance for employees and organizations or the need for technology that helps account for where employees are physically located on a daily basis — it can also be a powerful recruiting or retention tool for employees who want the flexibility to move. It can also open up new talent pools outside a company’s immediate geographic area.

Top workforce priorities for CHROs

Q: What are your top workforce priorities for 2021?

Maintaining organizational culture 44%
Managing hybrid workforce 40%
Upskilling/reskilling 39%
Addressing employee mental health and burnout 38%
Addressing physical safety on site 26%
Improving technology options for virtual teams 22%
Providing additional benefits 21%
Adjusting compensation 18%
Planning for policy changes related to immigration 17%

Totals may not add up to 100% due to rounding. Source: PwC US Pulse Survey, March 12, 2021: CHRO base of 94
Purpose is the new currency

The events of the past year — including the pandemic, political unrest and the social justice movement — have spurred many companies to elevate their corporate social responsibility efforts and to do more to lead with purpose. More human resources leaders are now making it possible for employees to get involved, with 31% providing dedicated time outside their jobs for activities such as volunteering.

It’s a benefit many employees strongly desire. Our Workforce Pulse survey found employees are so eager to get involved in their communities that a third say they would give up to 10% of a potential salary raise if their company offered them paid time off for volunteer work.

Many CHROs already recognize how valuable time is to today’s employees. Purpose may be an additional perk your company can offer — and an attractive recruiting tool that demonstrates the company’s commitment to purpose-driven work.

How are plans progressing for work in a post-COVID-19 world?

Q: In preparing for work in a post-COVID-19 environment, have you implemented or do you plan to do any of the following?

- Invest in new tools to support remote work
- Address residency taxation issues
- Allow employees to permanently relocate outside of core office location
- Change or add geographical location of offices
- Require employees to enroll in automatic contact tracing
- Require COVID-19 vaccine for on-site work

Totals may not add up to 100% due to rounding.

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About the Pulse survey

94 human resource leaders from Fortune 1000 and private companies, along with other C-suite executives, weighed in on 2021 business priorities in our latest PwC US Pulse Survey, fielded March 8 to March 12, 2021.

Find all of these insights in our PwC US Pulse Survey.

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