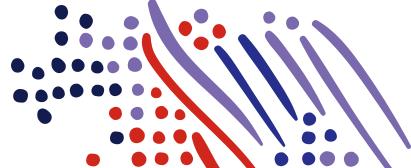
Work is personal:

Your guide to a people-centered approach to the workplace







Contents

e foundation of a more-personal workplace	
cus areas to build a people-centered workplace	
Safety and flexibility	
Reevaluate priorities and safety	
Maintaining flexibility	
Communications and change management	
Communications and transparency	
Change management	
Hybrid and remote work issues and compliance	
Wage and hour laws	
Tracking time for nonexempt employees	
Scheduling tools	
Managing remote teams	
Safety, health and vaccination status	
Paid COVID-19 leave and tax credits	
Reframing your people strategy	
Hiring	
When Unemployment Insurance ends	
Pay equity	
Diversity, equity, and inclusion	
Shifting focus to individual employees	
How small businesses can compete for talent	
Outsourcing	
Data, technology and analytics	
Data insights	
Making data-informed decisions	
Making it personal	
al thoughts: The right information and tools at the right time	
w ADP can help	



The future of work is personal. Since spring 2020, we've learned that we can change where, how and when we work and still get things done. Some of us have also missed seeing our colleagues in person. We're finding new and meaningful ways to connect and collaborate. Our priorities have shifted, as well. We want to make a difference for our company and each other.

We will need new approaches and tools that give us the insights to manage a changing environment, handle compliance issues that arise and help our employees, so they can do great work and succeed in the face of new challenges.

It's about understanding culture, customer/client experience, physical and emotional safety and needs, financial considerations and what is required for each individual employee in the moment.



The foundation of a more-personal workplace is:

Fit for purpose

Considering the needs and circumstances of everyone that plays a part — caring about employee experience, solving problems for our clients and making sound business decisions. We can design a complete approach that benefits our employees, our customers and the bottom line.

Receptive and supportive

When we give people responsibility, we also want to make sure they have the authority and resources they need to accomplish their work. While leaders can steer with strategy and business goals, it's the people doing the work who are closest to what they need to be more effective, to what customers/clients need and want, and what works and what doesn't. Employee insights, concerns and ideas are valuable resources to understand and incorporate into how we get things done.

Safe and equitable

The pandemic has illuminated the importance of creating a work environment where people feel physically and psychologically safe and know that they are appreciated, cared about and treated fairly.

Flexible and adaptable

Since we can't go back, it's tempting to create a next-gen workplace that re-creates the limitations of our old familiar ones. Rigidity in the face of unpredictability won't work, no matter how we would like to have the feeling of control. Instead, we need to build on the flexibility we have created and design workplaces that can adapt to the changing circumstances and needs of employees, customers/clients and business environments.

Increasingly intelligent

Collect the right data at the right time to reveal, assess and improve conditions on an ongoing basis. With the right systems in place, extracting actionable insights will support continuous evolution.

Keep reading for important areas to focus on to build a peoplecentered workplace, including how you can effectively communicate changes, address compliance issues, listen and build a more inclusive work environment, and stay on top of what's working, what isn't and how to adjust.



of workers are worried about returning to the office.1

"With the global health crisis, all our back-office staff has been working remotely since it began. The robustness of our platform has made it seamless for the teams that need to access it. They can do it from home or from anywhere because it's a cloudbased system, which they appreciate. It definitely made working remotely easier."

- Justin Bergeron, Director of People Services, Boys & Girls Club of Calgary



Safety and flexibility

Reevaluate priorities and safety

Without physical and psychological safety, nothing gets done well — if it gets done at all. Continuing vigilance to reduce the spread of COVID-19, while delivering the product and services your clients need, is fundamental. This may mean hybrid or remote work, flexibility in deadlines and monitoring changes as they happen.

It has to be okay for employees to tell you what they need — whether it's time, information, help with their schedule, benefits, tools or other resources. The priority must be health and safety first.

Look for ways to increase the information flow between employees, managers and leadership. Short engagement and custom surveys, regular check-ins with managers and coaching for managers will help connect with employees no matter where people are working. Reliable, real-time, sound data that tells the full story of your organization — from the business and department level to the people level — can help you see what is happening and use predictive analytics to address potential issues before they become problems. For example, being able to see changes in engagement in real time allows HR practitioners and managers to make better decisions that consider circumstances as they arise.

Maintaining flexibility

From masking requirements, to changing schedules, to supply chain interruptions, we have to plan for what might happen and for things we don't expect. We've learned a lot about flexibility since March 2020. Now is not the time to stop and try to set rigid requirements.

We want forward progress rather than fixed requirements, even if some days it looks more like a loop to loop or a scribble than a straight upward line. With fresh, reliable data on key concerns like attrition, attendance, overtime and labor costs, you can see where things are and how they're going. Armed with feedback, quick surveys, benchmarks and predictions, HR and managers can identify trends and adjust to meet the needs of employees and the business. Flexibility is no longer a nice-to-have, it's a must-have in today's talent market.

Then stay open, get creative and meet your employees and customers/clients exactly where they are and take them where it's possible to go. They will remember you were there for them when they needed it most.

"We've brought on new programs and put all these action plans in place, never really knowing if it's made a measurable difference. Now we can show the data, and the evidence is so compelling. This program and process brings so much more than an annual survey. It brings the ability to actually move the organization and create a culture change. In fact, we call this a movement. We're able to see, through this program, that if leaders do a few things, they get the results they're looking for."

David D. Jones, Chief Human Resources Officer,
 Stanford Health Care



Communications and change management

Communications and transparency

In a dynamic environment, clear, timely and transparent communications are essential. Let people know what you are planning, what could affect decisions, when to expect a change and exactly what any change means for them.

Be kind, compassionate and honest. Things will change and some events will be beyond your control. Integrity and trust will help employees and customers/clients shift as events shift. Trust is earned through open and frequent communication, admitting when you are wrong and explaining why decisions were made.

Start with regular check-ins between managers and the people reporting to them. Seventy percent of employee engagement depends on the relationship between teams and their leaders. Leaders need to understand the strengths of each person on the team. In addition, they need to know how to design the work and coach people so they can use those strengths effectively and accelerate team member contributions.

It's also important for senior leadership to communicate more frequently when things are changing, so people are clear about what's going on and don't have the additional stress from being concerned about what might happen. 40%

of organizations have set up additional virtual check-ins for employees with managers and

32%

of organizations have introduced new tools for virtual meetings.²



Read more: <u>Tips</u>
<u>for communicating</u>
<u>effectively during times</u>
of change



of American workers prefer a hybrid workplace model.³



Watch: <u>Hybrid work</u>
<u>arrangements raise</u>
<u>compliance concerns:</u>
When home offices cross
state lines

Change management

Most humans do not enjoy change. Even the changes we want and look forward to are stressful — moving, job changes and relationship changes are some big ones. While there are many approaches to change management in companies, the important thing to understand is that all change is stressful. If you offer counseling services through an EAP, make sure employees know it's available to help them through times of change.

We have all been through a lot already. And people need information, time, care and empathy to adjust to any change successfully.



Hybrid and remote work issues and compliance

Wage and hour laws

When employees are at the office, it's easy to know what wage and hour laws apply. When they are working from home or someplace else, you need to comply with the laws governing where they are working. This can be especially tricky for companies located near state lines or in large urban areas where there are different local requirements.

This is one place where having a trusted payroll provider can save you a lot of time, stress and risk. It's also helpful to <u>stay up to date on changes</u> in wage and hour laws and any tax advantages, so you can plan, budget and be in the best position moving forward.

Tracking time for nonexempt employees

A similar issue arises when employees are not physically clocking in and out at a physical workplace. You need to track hours for all nonexempt employees to make sure you are paying earned overtime; employees are not working off the clock; and you understand your labor costs for planning.

Look into apps and other technology that allow employees to clock in and out virtually. This gives you the information you need for compliance and making sure that you are paying people correctly. You can also track time and have a current view into scheduling, attendance and plan for staffing needs.

Scheduling tools

Scheduling becomes especially important when employees are only in the office on certain days, and this changes regularly. Some companies offer hybrid schedules to allow employees to work where they want to, need to or are most productive. Others are scheduling fewer people in the office for health and safety concerns.

If you have employees coming into a physical workplace, knowing who is supposed to be where and who was there on which day is essential to meeting everyone's safety needs and tracking any exposures to COVID-19.

"Partnering for payroll outsourcing has helped take the workload off my plate, making my day much more manageable. Having subject matter experts I can count on to help with overpayments or other applicable laws that could come into effect has been helpful in maintaining compliance especially since our company is spread across the country. Because I have this help, I can spend my time more effectively working on payroll tasks and implementing projects."

Liz Patterson, Payroll Manager,
 Leukemia and Lymphoma Society

"Our employees can clock in and out on their own, and then I just go in and approve everything. I spend about 10 minutes every other week on payroll now. Our Time and Attendance app also saves me money, because now my employees aren't rounding up when giving me their hours."

Laura Axelson, Owner,
 Dinner Belle



Technology can help with this, too. Automated employee time tracking can help you can spot trends and correct gaps in coverage before they negatively impact your environment. Providing employees with access to mobile and self-service capabilities can improve productivity and engagement, especially in hybrid or virtual work situations. Depending on your industry, you may also consider deploying geofencing, a location-based service in which an app uses GPS, RFID, Wi-Fi or cellular data to track when a mobile device enters or exits a virtual boundary set up around a geographical location.



Nearly 60% of U.S. workers are confident they can adapt to new technologies so get them in the game.⁴

"Our solution has all the parts our business needs, from timecards to scheduling and DSP support. And I can geocode within blocks of our warehouse for clocking in and out. The technology upgrades are big for us, it's just really simple."

– Tina Kehagias, Owner, BTK Rush

Off-site and hybrid work arrangements don't have to be a barrier to connectivity. According to research by the ADP Research Institute®:



of on-site workers say they receive constructive feedback about their work.



of remote workers say they receive constructive feedback about their work.



of hybrid workers say they receive constructive feedback about their work.⁵

Managing remote teams

If you have people located in multiple time zones, managing remote teams can be a challenge. Just finding an open time on the calendar when everyone is both available and conscious can feel impossible. When teams who are used to being in the same space and time are spread out, that often means communications must be scheduled rather than it happening organically.

Ask what works best for people. Try different arrangements and be sure to get feedback. Don't let physical distance create communications distance.

Safety, health and vaccination status

As many employers consider <u>mandating COVID-19</u> <u>vaccination</u>, companies will want to track who has been vaccinated, who has received accommodations and who is not vaccinated. This may affect scheduling people on-site, requests for remote work and potential contact tracing. It may also influence recruiting, retention, attendance and performance issues, depending on where employees live and how the company wants to handle where and how people work.

If you collect and keep this data, also make sure it is secure, the uses make sense and permissions to access it have been thought out.

Paid COVID-19 leave and tax credits

The rules on paid COVID-19 leave have changed over time and may change again. Make sure you know what the current laws are and whether leave is required, permitted or expired on federal, state and local levels for all the places you have employees.

If you offer paid COVID-19 leave for illness or for employees to get vaccinated, you may be able to take a tax credit for the wages paid up to certain limits. Your payroll provider should be able to help you track these hours and amounts so you can maximize the credits for which a company is eligible. Your employees may also qualify for Advance Child Tax Credit payments which can provide additional financial support for those with children through the age of 17.



Learn more: COVID-19 vaccination: Leave for employees, tax credits for employers



Hiring

As the job market continues to heat up, you may find that you are facing tough competition for high-quality employees. If you offer remote work, you are not limited to the qualified people in your geographic area and can hire almost anyone, anywhere. This means you can source more diverse candidates, find people with the skills you're looking for and create the teams you could only imagine. For some industries, growth no longer means more buildings and facilities. For employees, an exciting new job no longer means moving families or long commutes. Geography is no longer a limit on what's possible.

+52%

There are now 52.6% more jobs posted online than there were in pre-COVID February 2020.6

Finding, selecting, onboarding and managing employees does not have to be difficult when you have the right tools. There are HR technology and outsourcing solutions that can help you source talent, assess skills and qualifications, give new employees information to help them get started and guide their supervisors to manage to their strengths.

Make sure you are competitive in your compensation and benefits packages so you can attract the right talent. Look for solutions that give you up to date information on compensation, pay equity and benchmarking for your industry, jobs and locations.

When new employees start, focus on making them feel welcome and included and make the paperwork as quick and easy as possible.

<u>Connection, comfort and culture</u> are the keys to successful onboarding.

"Our recruitment solution is now integrated with our HR system, and the user interface for the candidate is outstanding. Everything I've ever heard from candidates as they look through jobs on our website or join our company is that they've had nothing but a great experience."

 Paul Koetting, Senior Director of HR, World Wide Technology



For the latest on jobs and work, see the reports and analysis from the ADP Research Institute.



When Unemployment Insurance ends

The ADP Research Institute has looked at employment data in states that ended the extra COVID-19 unemployment benefits before September 2021. The data indicates that the end of extra benefits does not increase employment in those states and that unemployment appears to be related to other factors. Some employees who were laid off in 2020 also found new jobs elsewhere causing employers to scramble for workers after reopening. Understanding the skills you need and being able to find and hire people from a rich source of candidates makes dealing with potential worker shortages less disruptive when you need to be up and running.

Pay equity

Equal pay for equal work is not just a good idea; it's also the law. Pay is a motivating factor in recruiting and retention. Getting compensation right is difficult, because it's hard to know what jobs are equivalent and what factors make a difference.

This is another place where data and technology can help you evaluate your pay from a market-and-pay-equity perspective and show you where you should explore making changes. Look for solutions that can help you identify and analyze potential pay equity gaps by protected classes and identify individual gaps. Then you can dig into specific issues to understand the impact of other factors such as performance, tenure and education.

Fairness in pay is fundamental to diversity, equity and inclusion. It's also becoming essential for doing business. For example, Nasdaq has made a commitment to diversity by requiring listing companies to have at least two diverse board members, including one who self-identifies as female and one who self-identifies as either an underrepresented minority or LGBTQ+. And if a listing company doesn't, they must explain why in their public disclosures. California also requires that corporate boards have at least one woman member.

Pay equity is important for attracting and retaining people and building your reputation as an employer that cares about equity and is willing to demonstrate that commitment with both money and providing a workplace where everyone belongs and can succeed.

Diversity, equity and inclusion

Feeling like you can be yourself is an <u>essential part of doing your best work</u>. Diversity in leadership can also improve problem-solving, provide broader perspectives and new approaches, <u>while boosting profitability</u> and providing confidence that your organization represents the community you serve.

"We're doing the right thing and it means we're on the right path for diversity, equity and inclusion. Diversity gets our customers and our employees in the door. Inclusion makes sure that they stay. Diversity and inclusion are going to set companies apart, today and into the future. Organizations that don't recognize the importance of diversity, equity and inclusion will fall to the side."

 James Fleisher, Senior Vice President, Head of Operations, Data and Systems, Bank of the West

The key is to build trust, ensure the success of all employees and demonstrate your commitment by having diverse teams, including leadership. What works is having an open perspective with a willingness to consider and implement the ideas of others.

There are valuable insights available about the diversity of your workforce, your market and how you compare to other companies in your industry, geographic area and business size. You can also look at your jobs by skills involved to help you recruit in new places and improve diversity as well as build a culture that is committed to seeing each employee for being their own unique best. You may also consider introducing Business Resource Groups (BRGs) into your company culture. BRGs are a group of employees who come together with common interests, perspectives and experiences around topics such as ethnicity, gender identity, age, accessibility and special interests.

Shifting focus to individual employees

Work and life are not one size fits all. Our employees' lives are unique with needs and demands we may not even know about. Yet, they spend a large portion of their lives working. Connecting with them and making sure employees have the resources and information they need to do their best work is essential. Making benefits and time off easy to understand and access is also important.

Find the technology and tools that make the daily administration and access to information and resources easy. Pay attention to key data like retention and turnover, engagement and time to promotion, and dig into patterns by demographics, departments and even managers. Then help your managers be more effective so they can focus on people and getting the work done.

+19%

Companies with diverse management teams report innovation revenue 19 percentage points higher than their less diverse counterparts.⁷



Read more: <u>The business</u> case for outsourcing HR

"The co-employment model is a big deal because it can actually help limit the liability we have as an employer. So as we are taking on hard issues and the issues the company's going to go through in their natural lifespan, we are able to actually have a partner there by our side to advise us. And, since we share certain employer responsibilities it's a huge relief as a founder and an owner of a company."

Chris Farrell, CEO,
 Tallie

How small businesses can compete for talent

Smaller companies often don't have an internal recruiting function and end up filling open positions when it's already creating stress for their employees and business. This can lead to hurried decisions that don't always work out.

Having access to a rich database of diverse candidates, technology that can help evaluate their skills in relation to what you need and market data on what other companies are paying will make all the difference when it comes to finding and hiring the right people.

Outsourcing

First, outsource your payroll. Even if you are a small company with only a few employees, the laws are always changing. Compliance is complex and the penalties for getting it wrong are too high to risk. There are easy and affordable payroll options no matter how many employees you have.

It's also possible to outsource many HR functions — including the whole thing if you want. When companies outsource HR, they often get better rates and choices for benefits that can offset the cost of the service and solutions. Having experts available whenever you need them saves time and stress, and increases productivity, while reducing risk for your company. The right HR outsourcing solution can help with everything from what to do when someone is always late to managing hiring, onboarding, pay and benefits, workers' compensation, terminations, unemployment issues and everything in between.

Data, technology and analytics

Data insights

When you want to understand an issue in your company, start with data. When you need to know how you compare to others in your industry or area, find the benchmarks. When things are changing fast, stay on top of trends and issues with data and real-time notifications.

Having the right data at the right time can help you see what's really happening, ask better questions, explore solutions and find and address concerns before they become big problems. Sometimes, the right data insights will even tell you that you're doing great and that it's time to celebrate.

Making data-informed decisions

Having reliable, accurate and timely data is just the start. Understanding what to do with it and benefitting from anonymized data from many companies, industries and locations gives you the ability to understand your company, how it compares to others and what's going on in the market. Machine learning can then identify patterns and trends, uncover possibilities and make predictions to help you make better decisions.

Look for solutions that not only give you the right information, but also help you know what to do with it. Using and understanding it should be easy and effortless. You want to be able to search and track what happens when you make changes and assess how things are working so you know whether to try something else or keep going.

"We have 40+ locations that manage and process their own HR and payroll. Having a full HCM suite has allowed us to put in place consistent processes, security and setup. This ensures we get accurate data from all locations that we can use to make better business decisions. We are also able to make our processes uniform across all areas which reduced the cost of maintaining multiple processes, software and training."

 Lydia Chodnicki, Director of Payroll, Education Affiliates



Read more: <u>Using</u> <u>benchmarks to see around</u> the corners

You also want to be able to see how you compare to other companies through benchmarking. Look for solutions that let you compare not only where you are, but also where you want to be.

Making it personal

The right data will not only give you the big picture, it can also provide you with important details about what is happening in your company. Find out who is likely to leave in the next few months, so you can decide whether to intervene. Learn whether the person's compensation is in line with your company and that of your competitors. Evaluate whether diversity is a factor by exploring the demographics in that location, division or by manager. Does the person have skills or strengths that are not being used effectively? Coming to a conversation with a valued employee with the right information and advance authority to make changes can turn things around and better meet the needs of everyone.



Having the right information and tools at the right time means your people can do what they do best — the work that suits their skills, strengths and interests. The right tools can help leadership manage in ways that meet employees where they are with solutions that can free people up to connect, communicate and care.

In a changing work environment, having the ability to see what is happening in your company and the market and take care of administrative and other tasks wherever you are puts you in a great position to assess and adapt to whatever is next.

Use the right tools to free people up to do what they love, connect in helpful ways and do great work that benefits your customers/clients and your business.

Remember: It's not just work; it's personal.



Today's companies are using data and technology in new and exciting ways. From finding, hiring and engaging the right people to managing health-care compliance and regulatory changes, as well as HR solutions that are flexible, scalable and make a difference.

When everything is changing fast and new issues arise, ADP can help. We give you the insight and tools to see what's happening in your company and the market, assist your managers and employees to work better and handle your compliance, payroll and benefits. Then you can focus on meeting the needs of your customers/clients and growing your business.

1. Envoy, 2021. Envoy's return to the workplace survey.

2. Gartner, Inc. 2021. Global HR Executives survey

3. Prudential, 2021. Pulse of the American Worker Survey: Is This Working?

4. PWC, 2021. PwC's US Hopes and Fears 2021 Survey

5. ADP Research Institute, 2021. On-site, Remote or Hybrid: Employee Sentiment on the Workplace

6. ZipRecruiter, 2020-21. Internal data

7. BCG. 2018. How Diverse Leadership Teams Boost Innovation

Visit us at: adp.com

