achurch
CONSULTING

2022 State of the Workplace Pulse Survey

EXECUTIVE SUMMARY

Executive Summary

Over the last two years, we've undergone a transformational experience. We experienced a once in a century event which led to an equally seismic workplace shift. Both events fundamentally altered the structure, expectations, and norms in the workplace.

We're still living through a very transformational moment

It is one thing to know change is afoot and that it must take place. It's quite another to take decisive action and see it through to make it happen. We sought to understand how leaders were helping shepherd change in this moment, which is why Achurch decided to focus exclusively on leadership opinions for our State of the Workplace Pulse Survey.

The goal of our survey was to provide actionable data to help leaders make decisions in the light. We offer this research as a pulse, a snapshot of where organizational leaders report they are today in the workforce transformation, their successes, challenges, and continued top concerns. It *does not* reflect an endpoint; but rather, a marker on the journey.

A snapshot of the findings

Employee retention and workplace structure rank as the greatest area of dissatisfaction for Senior leaders. Over a quarter of leaders **(26%)** say they are dissatisfied with their organization's retention. It appears the great resignation or re-shuffle continues for employees seeking work arrangements to best suit their needs.

Interaction between employees and a fraying organizational culture continue to be a top concern for leadership. Senior leaders worry about translating and replicating in-office behaviors, such as watercooler moments **(68.57%)** and changes to workplace culture/morale **(62.86%)**.

Earlier concerns of fading productivity gains made during the pandemic appear to be receding. Over *95% of leaders report they are satisfied* with employee productivity.

Remote and hybrid work has become imbedded in the workplace landscape. Over two-thirds of respondents **(69.70%)** have a hybrid workforce structure and over a quarter **(27.27%)** are fully remote. And this isn't expected to change: leaders report these structures will stay in place for at least another year.

Studies show most employees will return to the office when there is an opportunity to socialize and collaborate with their teams, yet **(60%)** of leaders say they have no plans to re-design their office spaces to meet these requests. **Additionally, only 16% of organizations have hybrid policies that encourage team-led collaboration in office.**

Organizations are not designing operationally or physically to address top concerns

Leaders are not using all the tools at their disposal to foster collaboration, engagement, and socialization for employees in office. We see gaps where policies and decision-making haven't kept pace with the rate of change, which is not surprising given the breathtaking speed of the current workforce transformation. But these gaps present a juncture for leaders to act and leverage all the tools in their toolbox, e.g., space design, policy changes and employee input to address concerns and spur change.

Organizations should craft policies to enable team-led collaboration while in the office, paired with an office design that creates collision points to allow for socialization, collaboration, and community building. Doing so could go a long way to confronting challenges around employee interaction and culture. It may also address leaders' dissatisfaction with current employee retention **(25.90%)** and communication **(17.99%)**.
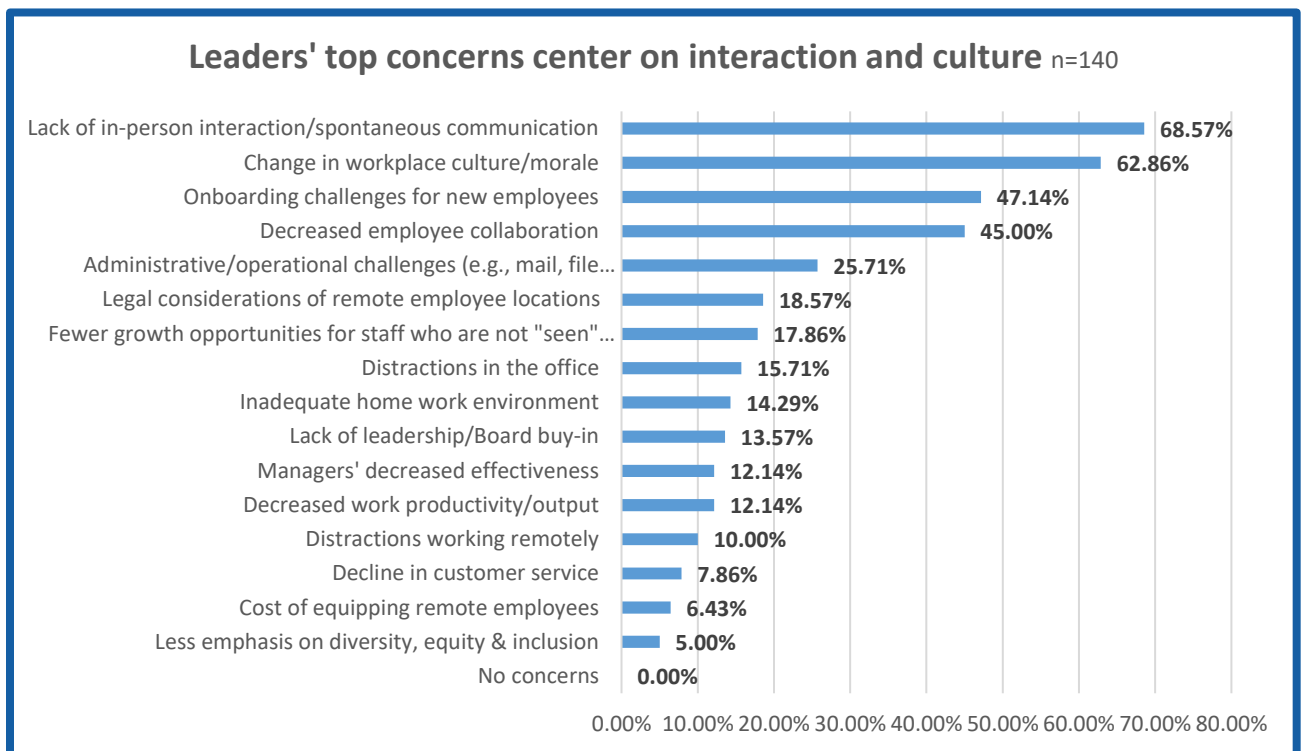
If we are what we repeatedly do, then organizational policies and space design have an important (and currently underutilized) role in shaping hybrid and remote organizations.

We at Achurch know organizations operate differently and uniquely from one another. Our data and findings provide a sight line for leaders to understand where they are today. We hope organizations use these insights to reflect, examine solutions to their respective challenges, and take action to create thriving and engaging workplaces. Ultimately, we hope leaders use these findings to help them make decisions in the light.

Key findings

1. **Interaction and culture are leaders' top hybrid workplace concerns**.
   When asked to select their top 3-5 concerns about a remote/hybrid workplace, leaders were clear. Nearly seven tenths **(68.57%)** of respondents were most concerned with a lack of spontaneous communication, i.e., watercooler moments and the "quick" office pop in. Over **(60%)** were concerned the hybrid and remote workplace would change their workplace culture or affect the morale. Rounding out the top 5, leaders cited challenges onboarding new employees **(47.14%)**, decreased employee collaboration **(45%)**, and a quarter selected administrative/operational challenges (e.g., mail, file sharing, etc.). Of note, productivity **(12.14%)** came in 12th out of the 16 listed concerns.

Leaders' top concerns center on interaction and culture n=140

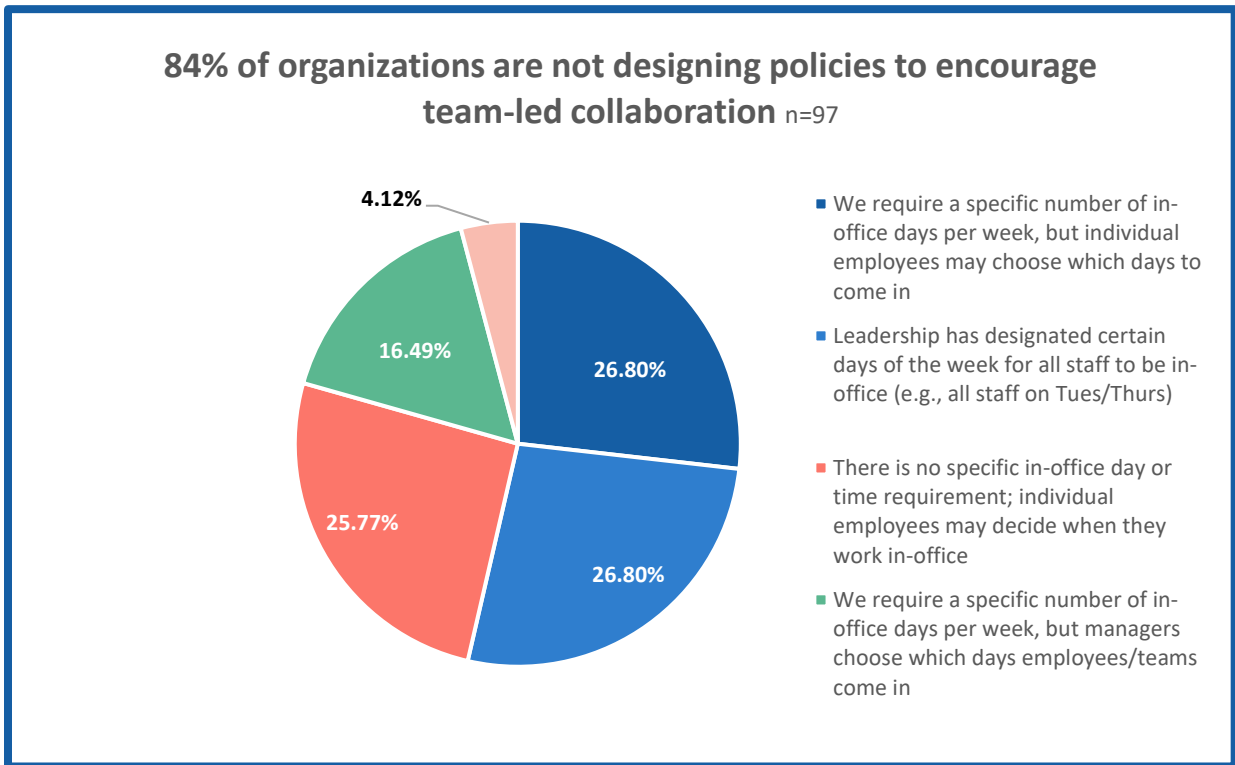| Concern	Percentage
Lack of in-person interaction/spontaneous communication	68.57%
Change in workplace culture/morale	62.86%
Onboarding challenges for new employees	47.14%
Decreased employee collaboration	45.00%
Administrative/operational challenges (e.g., mail, file…	25.71%
Legal considerations of remote employee locations	18.57%
Fewer growth opportunities for staff who are not "seen"…	17.86%
Distractions in the office	15.71%
Inadequate home work environment	14.29%
Lack of leadership/Board buy-in	13.57%
Managers' decreased effectiveness	12.14%
Decreased work productivity/output	12.14%
Distractions working remotely	10.00%
Decline in customer service	7.86%
Cost of equipping remote employees	6.43%
Less emphasis on diversity, equity & inclusion	5.00%
No concerns	0.00%

2. **Space design is an area of missed opportunity for organizations to tackle top concerns**.

Close to **60%** of respondents report they are not making any changes to office space. Of those who plan to add to or remodel their space, few plan to add usable outdoor space **(1.38%)**, areas for all staff **(5.53%)**, designated social areas **(5.53%)**, or collaboration spaces **(11.52%)**. These additions could help tackle organizational concerns regarding culture, communication, and collaboration through design.

Few organizations plan to address top concerns through space design n=139
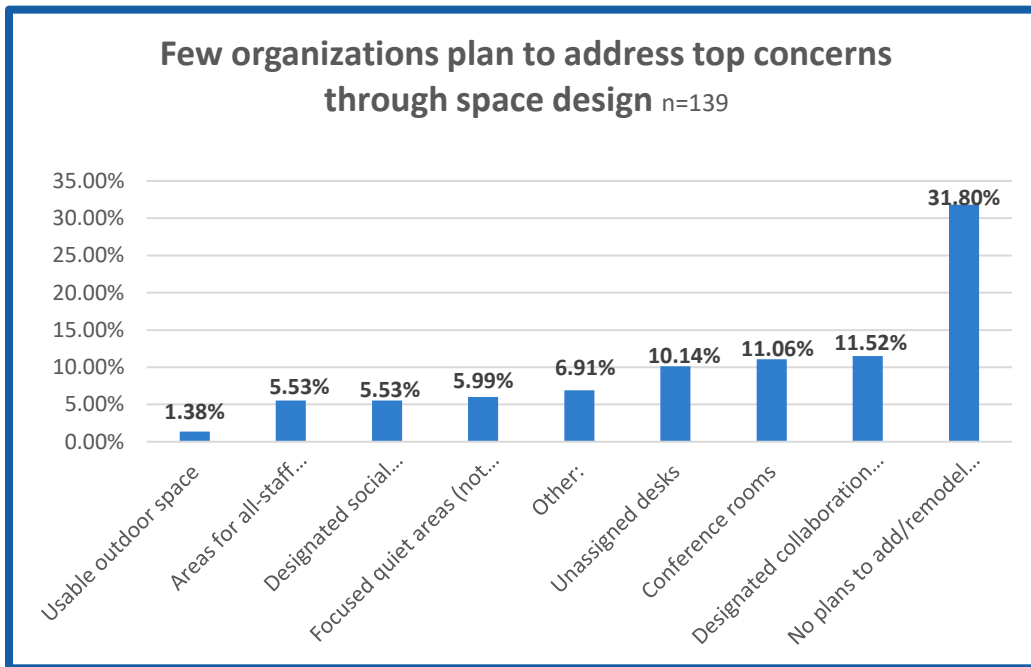
3. **Organizations could benefit from intentional policy design to encourage team-led collaboration.**

Hybrid policy design is another area where focusing on intentionality could help organizations achieve desired outcomes. Currently, organizational policies seem to focus on attendance rather than using in-office presence to fuel collaboration, deepen culture, and seize upon water cooler moments.

84% of organizations are not designing policies to encourage team-led collaboration n=97

Pie chart segments:
- 4.12%
- 16.49%
- 26.80%
- 26.80%
- 25.77%

Legend:
- We require a specific number of in-office days per week, but individual employees may choose which days to come in
- Leadership has designated certain days of the week for all staff to be in-office (e.g., all staff on Tues/Thurs)
- There is no specific in-office day or time requirement; individual employees may decide when they work in-office
- We require a specific number of in-office days per week, but managers choose which days employees/teams come in

4. **Employee retention and work structure rank as the areas of greatest dissatisfaction for leaders.**

Although organizational leaders are deeply satisfied with employee productivity **(95.68%)**, a quarter of leaders **(25.90%)** are dissatisfied with employee retention. Upon closer inspection, different segments of leaders report varying levels of dissatisfaction. Senior organizational leaders, such as CHROs, CFOs, and Vice Presidents, report the highest levels of dissatisfaction with employee retention efforts **(30.50%)**, nearly two times greater than CEOs **(14%)**. Directors and managers report the most significant dissatisfaction with the current work structure **(33%)**, whereas a slim **7%** of the C-Suite reports the same. Each of these areas presents an opportunity for organizations to conduct a deeper line of internal inquiry to understand the roots of and solutions for each challenge.

Methodology

To better understand the current workspace landscape, points of satisfaction, and areas of concern, Achurch surveyed organizational leaders. Guided by our experience working with clients transitioning to remote and hybrid workplaces, we designed a 19-question primarily quantitative survey focused on the following areas:

- **Workplace structure**
- **Hybrid specific policies**
- **Office space**

- **Concerns**
- **Satisfaction with workplace**
- **Demographics**

Achurch disseminated the survey on **September 16, 2022,** to Achurch's tailored database of contacts, specifically targeting leaders of organizations. The survey remained open for insight collection for four weeks. It closed on **October 14, 2022**. Afterward, Achurch cleaned the data of duplicates and arrived at a final sample of 165 respondents.