

The magnetic workplace:

Keys to unlock sustainable growth for businesses

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The pandemic upended work and the workplace as we knew it. Organisations are now dealing with a plethora of new issues around attracting and retaining talent, driving sustainable business growth and productivity—across functions. The workplace has transformed too, and with talent demanding increasingly remote and flexible work, the war for talent, has taken an entire new turn.

The magnetic workplace barometer

contains three main pillars: **productivity and infrastructure**; **employee engagement**; and **culture**. The barometer gauges confidence both **today and five years from now** on the various aspects of the workplace. The barometer scores are scaled from 1 to 7, 1 being the least and 7 being the most confident.

1 Least confident

7 Most confident

Key ways for businesses to unlock the magnetic workplace

- Investing in remote, collaborative and automation technologies
- Updating the way values and outcomes are assessed and managed
- Allowing flexibility in when, where and how one works, coupled with reskilling
- Employees want to work with companies that share their values and care about their wellbeing.

Pillar 1: Productivity and infrastructure:

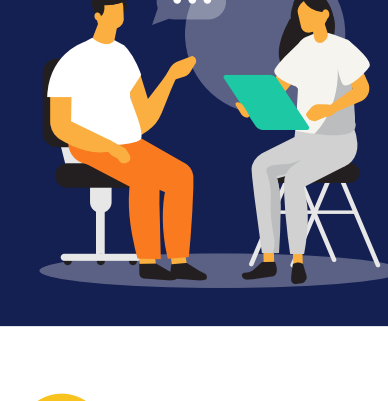
Key elements:

technology; productivity



Pillar 2: Employee engagement

Key elements: autonomy and empowerment; skilling and professional development; management



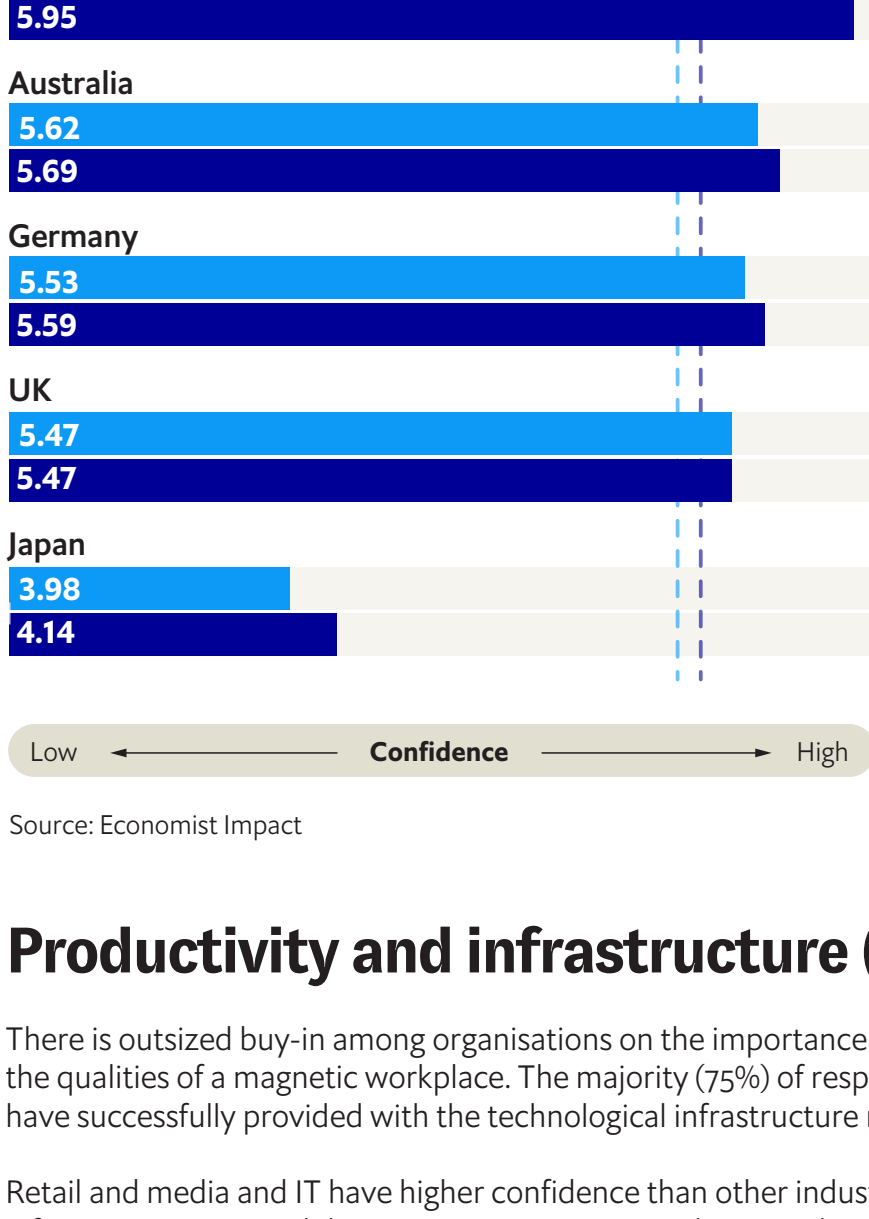
Pillar 3: Culture

Key elements: diversity and inclusion; organisation values; wellbeing



The US, Australia, Germany and the UK are all upbeat about the prospects of a changed magnetic future workplace. Japan isn't, owing to a strong and rigid workplace culture.

Magnetic workplace barometer scores by country (today vs future)



Source: Economist Impact

Productivity and infrastructure (Pillar 1)

There is outsized buy-in among organisations on the importance of digital technology to facilitate the qualities of a magnetic workplace. The majority (75%) of respondents are confident that they have successfully provided with the technological infrastructure needed to facilitate productivity.

Retail and media and IT have higher confidence than other industries in terms of productivity and infrastructure. Meanwhile, more organisations are changing their approach to performance management.

Assessment of productivity based on outcomes and value addition by industry (today vs future)

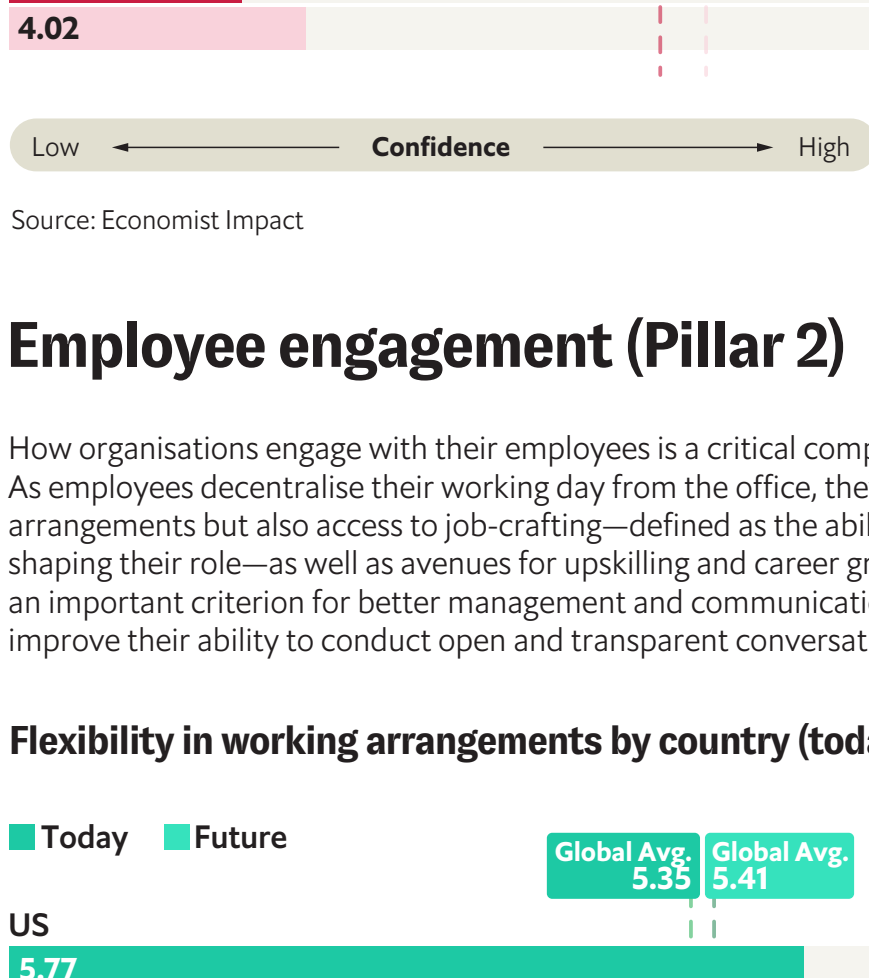


Source: Economist Impact

“As organisations’ workforces begin to decentralise away from the office space, there has been a concurrent shift in thinking around how productivity is measured and assessed”

Darren Thayre,
head of innovation,
Global Strategic Initiatives at Google

Assessment of productivity based on outcomes and value addition by country (today vs future)



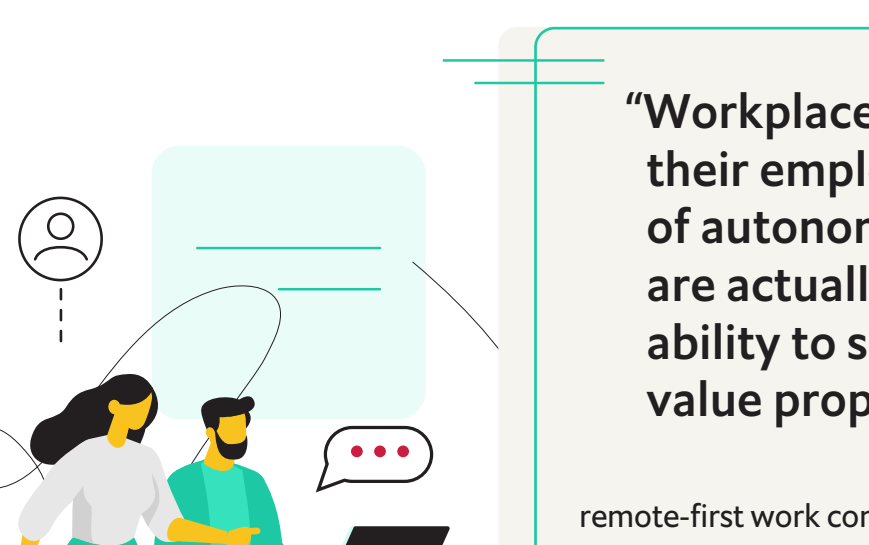
Source: Economist Impact

74% are confident** that their organisation will be more productive five years from now.

Employee engagement (Pillar 2)

How organisations engage with their employees is a critical component of a magnetic workplace. As employees decentralise their working day from the office, they don't just need flexible working arrangements but also access to job-crafting—defined as the ability of employees to have a hand in shaping their role—as well as avenues for upskilling and career growth. Trained managers are also an important criterion for better management and communication at the workplace. They need to improve their ability to conduct open and transparent conversations to engage with their teams.

Flexibility in working arrangements by country (today vs future)



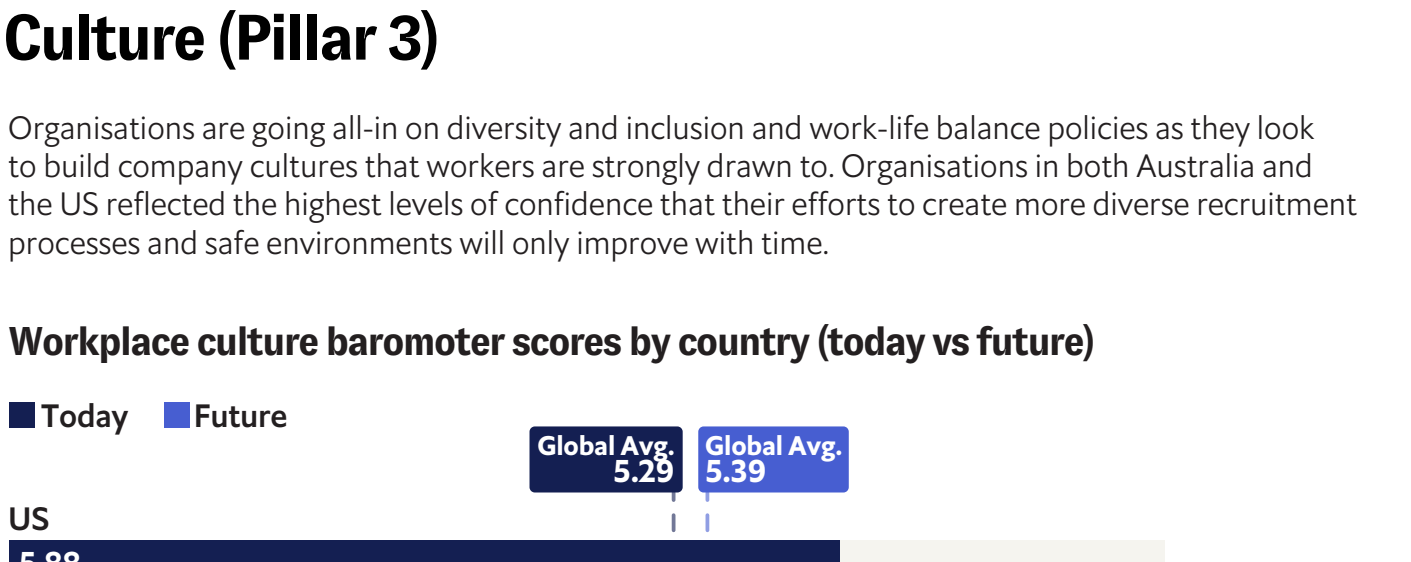
Source: Economist Impact

52% of Japanese respondents expressed confidence** that flexible working hours will become available in the near future

“Workplaces that empower their employees with a sense of autonomy and belonging are actually investing in their ability to scale up their value proposition”

Darcy Marie Boles,
remote-first work consultant at Shift with Darcy Marie

Flexibility in working arrangements, by industry



Source: Economist Impact

Culture (Pillar 3)

Organisations are going all-in on diversity and inclusion and work-life balance policies as they look to build company cultures that workers are strongly drawn to. Organisations in both Australia and the US reflected the highest levels of confidence that their efforts to create more diverse recruitment processes and safe environments will only improve with time.

Workplace culture barometer scores by country (today vs future)



Source: Economist Impact

72% feel** their organisations have created environments where all employees feel comfortable and included.

68% feel** their organisations have ably introduced recruitment processes that enhance diversity.

Workplace culture barometer scores, by industry



Source: Economist Impact

“Without the right attitudes and a culture of communication, even the biggest investments in technology will fail”

Clemens Philippi,
CEO, MSIG Asia

“People are—at least in the short term—going to go more and more flexible. We need to move away from just focusing on the digital or employee experience, and take into account whole-life experiences. Focus on wellbeing, diversity and individual growth in the workplace.”

Andrew Davis,
head of future workplace strategy and growth, Fujitsu

To find out more, please visit:
<http://impact.economist.com/projects/magnetic-workplace/>

* Harvard Business Review. How Employee Alignment Boosts the Bottom Line.
<https://hbr.org/sponsored/2016/06/how-employee-alignment-boosts-the-bottom-line>

** where we state a certain % of respondents are confident, it means they indicated a confidence level of 5 or greater

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