



Gartner Identifies Three Dimensions That Define the New Employer-Employee Relationship

Experts say the new employment deal is focused on radical flexibility, shared purpose and deeper connections

October 13, 2020 — The relationship between employers and employees has shifted significantly due to the major transformation in the way people work, and how organisations are thinking about the future, according to Gartner, Inc. Today's new employment deal centres on positively impacting employees' lives while improving talent outcomes for employers.

Gartner analysts are discussing talent issues, and the challenges critical to all HR executives as they reimagine the future of work, at the Gartner ReimagineHR conference, taking place virtually this week.

"Employers are focused on providing employees more flexibility than ever before, creating a shared purpose and building deeper connections with employees," said Brian Kropp, chief of research in the Gartner HR practice. "The organisations that get this right will have a more engaged workforce, greater employee retention and better ability to attract the best talent."

Flexibility Fuels Performance

When the COVID-19 pandemic struck, nearly every employer shut down their workplace and employees began working from home full time. While some employees are now back in the office, many continue to work remotely. Progressive organisations have embraced radical flexibility, giving employees control over where, when, and how much they work.

Gartner's 2020 ReimagineHR Employee Survey of 5,000 employees from 1Q20 revealed that at typical organisations where employees work a standard 40 hours per week in the office, only 36% of employees were high performers. When organisations shift from this environment to one of radical flexibility where employees have choice over where, when and how much they work, 55% of employees were high performers.

"Offering employees more choices over when, where and how many hours they work, is not only better for employees, but also better for employers who end up with more high performing employees as a result," said Mr. Kropp.

The Need for a Shared Purpose

Creating a shared purpose goes beyond corporate messages to real behaviours; leaders must actively get involved with the societal, cultural debates of the day.

CEOs commonly get involved in current societal or cultural events by issuing a corporate statement, believing that by making a statement they will meet employees' desires for the organisation to get involved.

However, Gartner research found that issuing a corporate statement degrades employee engagement when compared to doing nothing. When organisations act – reallocating resources, changing suppliers, giving employees time off to volunteer – the number of highly engaged employees increases significantly. Gartner has found that while 40% of respondents were considered highly engaged employees, this number increased to 60% when the organisation took action on the social issues of today.

"Organisations that get involved in the societal and cultural debates of today find they have a more engaged workforce and a better reputation that enables them to source the best quality talent from the labour market," added Mr. Kropp.

Building Deeper Connections

To increase employees' performance at work, organisations often provide new technology, tools, infrastructure and training. These tactics solely focus on an employee's work, completely separate from their life. The COVID-19 pandemic has made clear to employers and employees that work and life cannot be treated as two separate constructs.

According to Gartner's 2020 ReimagineHR Employee Survey, when employers develop deeper relationships with their employees there is a 23% increase in the number of employees reporting better mental health and a 17% increase in the number of employees reporting better physical health. Employers who support their employees more holistically realise a 21% increase in high performers.

To build deeper connections with employees, organisations are offering professional counselling services to support mental health, providing free access to learning and development resources to friends and family members who have been impacted by COVID-19, and helping parents with childcare and virtual learning.

"When organisations take a more holistic viewpoint of their employees and try to support them personally as well as professionally, employees report that their employer has a positive impact on multiple aspects of their lives," said Mr. Kropp.

About Gartner ReimagineHR

Gartner experts are providing additional analysis on HR trends at the virtual Gartner ReimagineHR Conference taking place October 13-15. Follow news and updates from the conferences using #GartnerHR.

About the Gartner HR Practice

The Gartner HR practice brings together the best relevant content approaches across Gartner to offer individual decision makers strategic business

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