

The Role of the CHRO in Managing the “New” Organizational Culture

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Former Executive Vice President,
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THE WALL STREET JOURNAL.

The Bosses Are Back in Charge

February 2, 2023

FORTUNE

Starbucks CEO Howard Schultz is annoyed employees didn't listen to his back-to-office request—and now he's ordering a return

January 12, 2023

FORTUNE

Jamie Dimon: Remote work 'doesn't work' for bosses, young workers, or 'spontaneity'

January 20, 2023

The Washington Post

America's offices are now half-full. They may not get much fuller

February 4, 2023

 **CNBC**

Disney CEO Bob Iger tells employees they must return to the office four days a week

January 9, 2023

CEOs Strike Back

“They don’t get to choose their compensation, they don’t get to choose their promotion, they don’t get to choose to stay home five days a week.”

James Gorman, CEO, Morgan Stanley

“It’s more of the 35-to-45-year-olds who are dual-income,[have] small kids, moved out to the suburbs...they’re the ones that are struggling to get back to the office, **but we can’t have the 20-somethings running amok in the office, so we have to have people supervising.**”

Carmine Di Sibio, Global Chairman & CEO, Ernst & Young



Albert Tercero for the New York Times

**The
Guardian**

Elon Musk tells employees to return to office or 'pretend to work' elsewhere

June 1, 2022

FORTUNE

Elon Musk softens his remote-work mandate at Twitter after many staffers opt to quit rather than continue in his ‘hardcore’ office environment

November 17, 2022



Elon Musk

Forbes

Elon Musk Is Now A Fan Of Remote Work

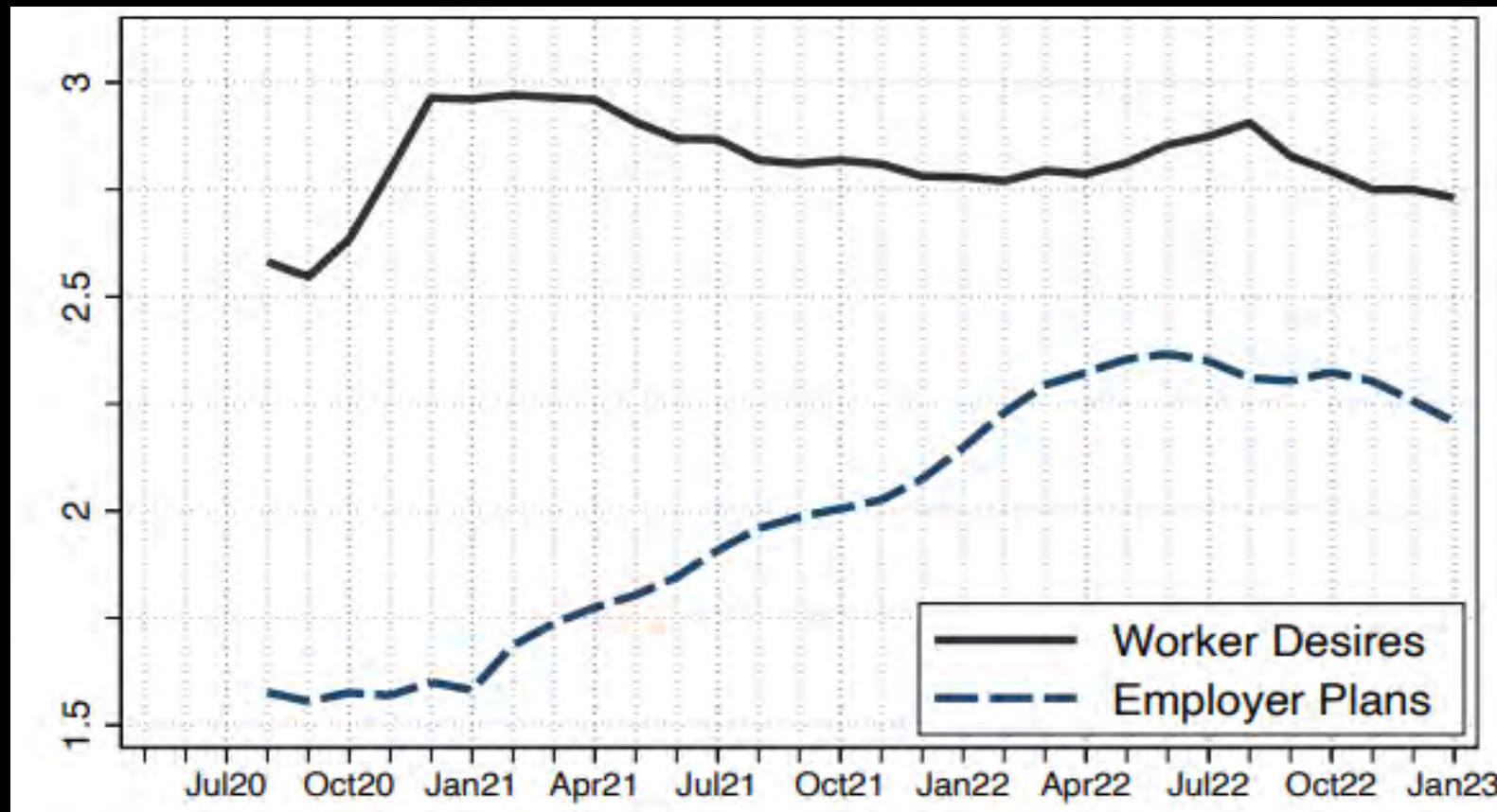
January 23, 2023

As part of ongoing cost-cutting measures under new owner and CEO Elon Musk, Twitter is shutting down its Seattle offices and its Singapore offices, instructing employees to work remotely.



Elon Musk

Gap Between Days Employees Want to WFH & Employer Plans Narrowing



Source: Work From Home Research, December 2022 Survey of Working Arrangements and Attitudes

MANAGING the “NEW” ORGANIZATIONAL CULTURE

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Deborah Lovich

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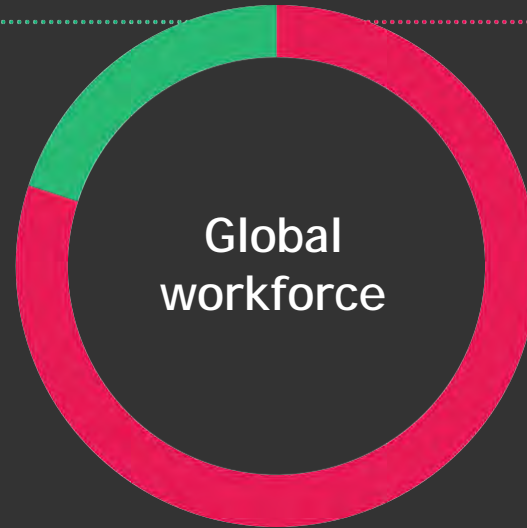
Deborah Lovich

Managing Director & Senior Partner
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That includes both the "desk" and "deskless" workers

DESK BASED WORKERS 20-30% global workforce

- Workers able to conduct most of their roles from anywhere via digital tool support
- 55% at risk of leaving their jobs in next year

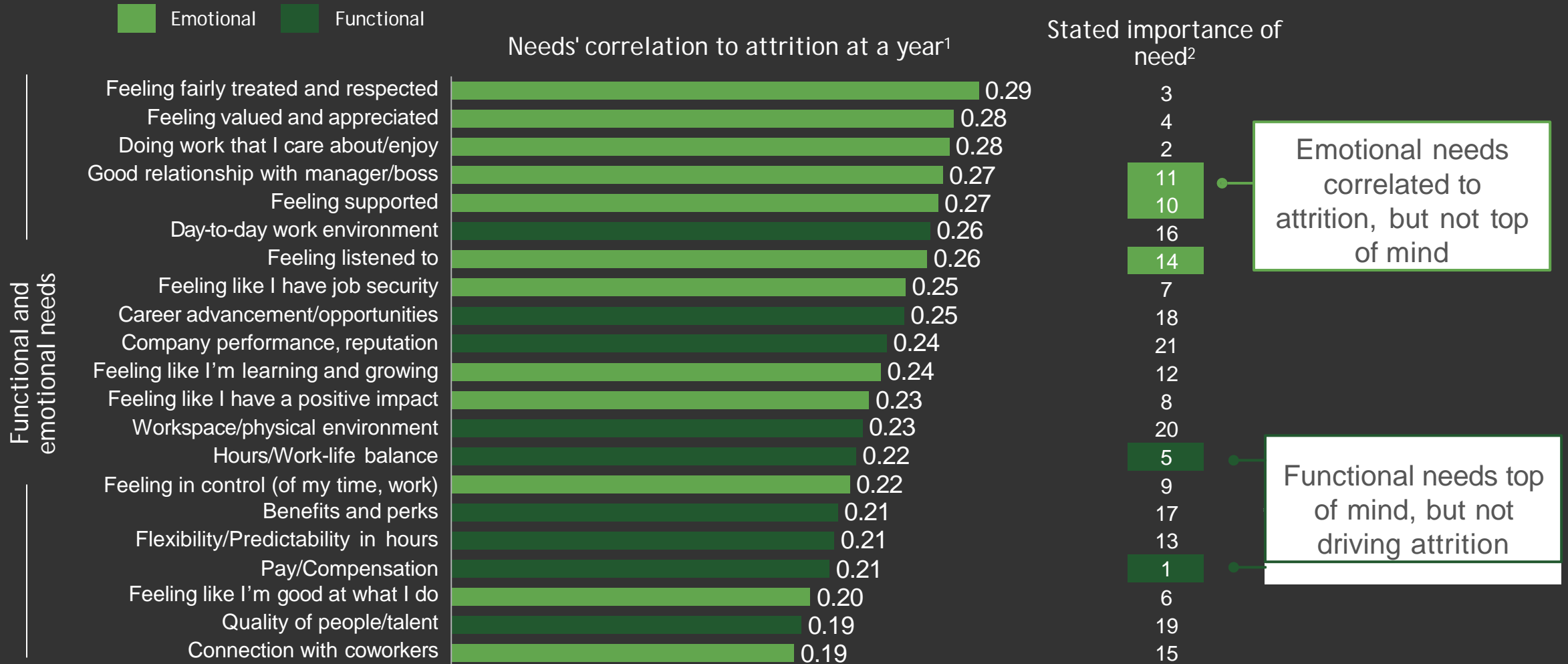


DESKLESS WORKERS 70-80% global workforce

- Workers who need to be physically present to perform their work
- 43% at risk of leaving their jobs now and more likely to leave in the next year

Organizations who provide a better future of work for all their workers will attract, grow, and retain their talent while delivering on business needs

What deskless workers say is important to them (e.g., pay and work-life balance) isn't why they end up leaving – **emotional needs matter more**



Source: BCG Deskless Worker Sentiment Survey, October; Number of respondents = 4,668 across the U.S., U.K., France and Germany; 1) Correlation between satisfaction with each listed element and attrition risk at 1 year; 2) MaxDiff scores

Deskless workers look to their managers to support emotional needs ...and then look elsewhere if they're disappointed

Top 5 factors deskless workers find most important in a manager are...

- 1 Communicating clearly, transparently
- 2 Recognizing / Praising good work
- 3 Providing support when help is needed
- 4 Listening to / valuing input
- 5 Caring about personal wellbeing

Those dissatisfied with managers are...

- ~2x More likely to leave
- ~1.5x More likely to feel burned out
- ~3x More likely to not recommend employer

Survey question: Which of the following do you find most important in a manager?

Source: BCG FoW Deskless Worker Survey, October 2022 (N=4,668 in the US, Germany, France, UK, approximately ~1,000 per country)

Brian Elliott

Executive Leader, Future Forum
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Return vs redesign

How flexibility boosts productivity, inclusion, culture and connection.



BRIAN ELLIOTT
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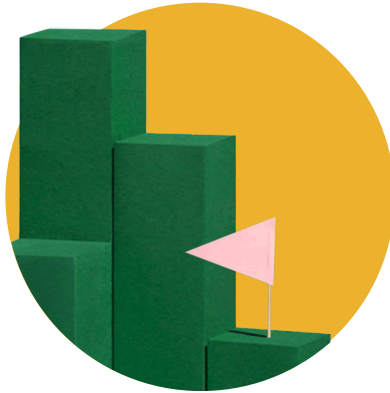


Is it time to “return” or redesign?

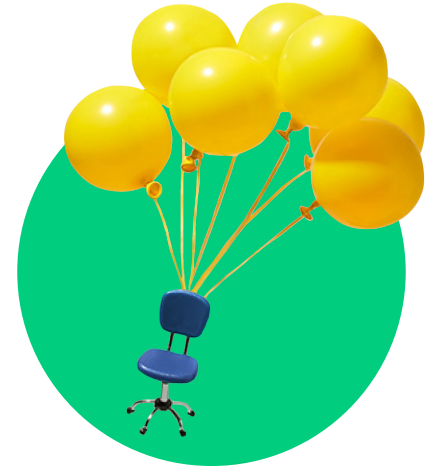
Key findings from latest Future Forum Pulse



**Employee burnout
reached a new high:
42% globally**



**Executives questioning
productivity, culture and
connection**



**Flexibility is
the solution**

Location flexibility improves productivity

Employees want to untether from the “9-to-5, five days in the office” way of working



81%

want flexibility in *where* they work

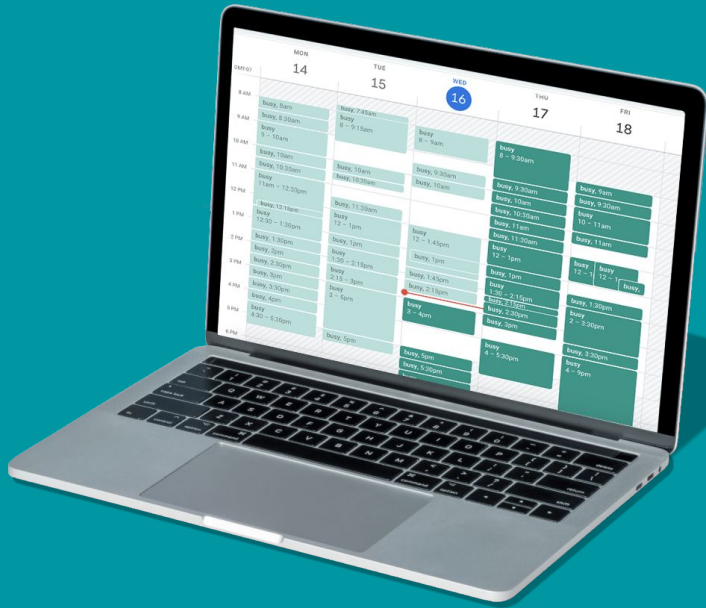
Employees with location flexibility report

8%

higher productivity scores



Time matters more than place



93%

want flexibility in
when they work

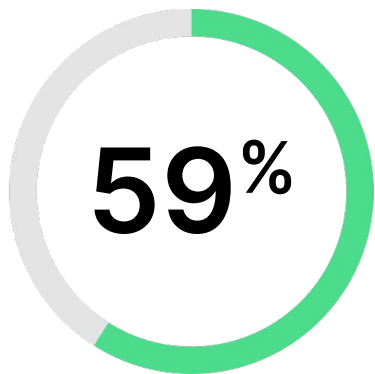
Employees with
schedule flexibility report

39%



higher productivity
scores

Flexible work is a gamechanger for inclusion



of working mothers
want to work from the office
2 days a week or less

Change in **sense of belonging**
from May 2021 to November 2022

↑ **43%** for Black respondents

↑ **21%** for Hispanic/ Latinx respondents

↑ **2%** for white respondents

↑ **2%** for Asian/ Asian American respondents

The unlocked advantage behind flexibility: culture and connection

Remote and hybrid workers are

57% more likely

to say their company culture has improved over the past two years

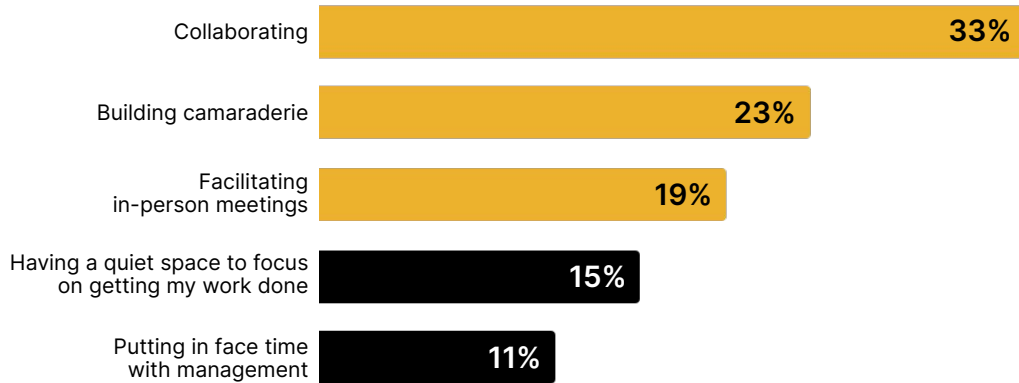
Remote and hybrid workers are

14%+ more likely

to say they feel “very connected” with their direct manager, executive leader and company values

Here's what makes people want to come into the office

“What would be your primary motivation for going into the office?”



Building camaraderie is dead
last for the C-suite, at just

12%

Digital investments yield outsized results on culture, not just productivity

Employees who work for companies they describe as innovators or early adopters of technology

1.6x

higher productivity scores

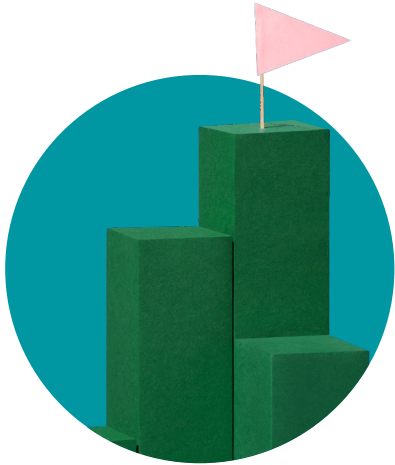
2.2x

greater sense of belonging

2.8x

higher overall satisfaction

Unlock the power of flexible work



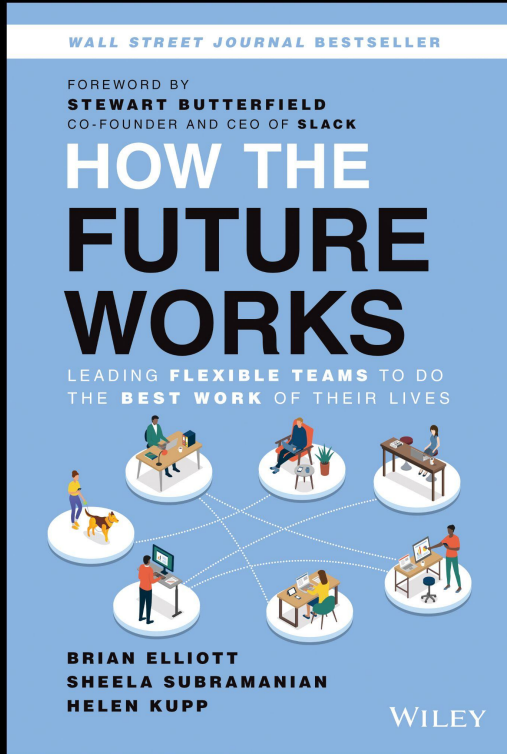
Increase productivity by embracing flexibility



Lead with trust by offering more choice



Cultivate connection in digital and physical workspaces



Instead of mandates and policies, align your leaders and organization on...

- **Principles and Guardrails**
- **Team-Level Agreements**
- **Culture of learning**
- **Outcomes, not output**
- **Reskill managers: empathy + outcomes**

 FutureForum.com/book

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Michael Fraccaro

Director, HR Policy Association
Chief People Officer
Mastercard



work@
mastercard
working smarter, together.

Michael Fraccaro, Chief People Officer

Grounding our approach in the Mastercard Way



With our customers and each other



Create value

Think big and bold
Innovate with intention
Deliver scalable solutions

Grow together

Say what you mean
Bring in different perspectives
Help each other be great

Move fast

Prioritize what matters
Learn and pivot
Own the outcome

Do the right thing

Decency • Inclusion • Force for good

Keeping the **employee experience at the center** of our journey

Principles

Fundamentals that inspire our flexibility approach



- 1. We value and offer flexibility** on when and where work gets done, and we support employee wellbeing in managing work commitments.
- 2. We value in-person connection and collaboration** – these moments matter in support of our company, customers and partners, and one another within our own teams and across functions and regions.
- 3. We understand that one size doesn't fit all**, which is why leaders and their teams should optimize their time together and learn from one another in support of their best work, while aligning to our company-wide principles and guidelines.
- 4. We trust our employees to do what's right**, and we rely on leaders and teams to hold one another accountable in alignment with their Team Agreement, team deliverables, and The Mastercard Way.
- 5. We will continue to invest in you**, our workplace, tools, technology, and create learning opportunities to enable a connected, inclusive, and best-in-class flexible work experience in support of our company, customers, and one another.



A team-driven, purpose-based approach to flexibility



Principles →

Company-wide principles to help drive consistency and scale across teams, and fundamentals that inspire our flexibility approach

Guidelines →

How we bring the principles to life. Guidelines to provide clear direction, drive consistency, and be the anchor for Team Agreements

Team Agreements →

Driven by EVPs and program leaders to hold teams accountable and clarify when teams come together in support of our stakeholders and one another

Embracing a **'learn and pivot' mindset**, measuring outcomes and adjusting our approach as we go

