

The Great Workplace Disconnect... and How to Solve it



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Section

Executive Summary



After more than two years since the global pandemic caused nationwide lockdowns that shifted our time away from the office and onto our screens, business leaders and their teams are left to navigate what's being called the "next normal" in the workplace.

Research Introduction

The world of work has changed dramatically in almost every facet. But perhaps the most important shifts have come in the ways in which we connect with our colleagues across, up and down the organization.

In an increasingly complex business and economic environment, every workplace needs strong, trusting, respectful and collaborative connections among its people in order to solve complicated challenges, meet new priorities, stay competitive in a crowded marketplace and grow.

The Great Convergence and the Great Disconnect

Organizations are entering the Great Convergence, where the industrial world is becoming fused with the digital world. The Great Convergence refers to a new age of globalization driven by fast-paced technological change that has drastically reduced the cost and the complications of exchanging ideas across borders. The impact of information technology has resulted in a global marketplace that is more unpredictable and uncontrollable as organizations grapple with unprecedented policy fluctuations to remain innovative and competitive in a rapidly evolving landscape.

Within our workplaces, professionals are experiencing the Great Disconnect, in which enhanced connection, collaboration and alignment may seem out of reach in today's remote and hybrid workplace.

To explore how these connections have changed – and how to support them going forward – NovoEd recently commissioned a survey of 500 U.S. full-time employees across three different functions: senior management, middle management and individual contributors, which were fielded between May and June of 2022.



In today's rapidly transforming economy, organizations are challenged to develop, upskill and reskill their employees to not only keep up but, ideally, to surge ahead.

This is a strategic imperative that involves understanding where employees are skill-wise, recognizing where they need to be, and bridging that gap with strategic learning initiatives.

7 Key Findings

An outline of the primary insights gleaned from our research, explored in the following section.

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Section 2

7 Key Findings



Beginning with an examination of the pre-pandemic forces driving changes to workplace connections, we analyze outcomes across job functions post-pandemic, and conclude with recommendations for how organizations can leverage technology and strategic learning initiatives to succeed in an ever-changing world.



Pre-pandemic: Skill gaps, demographic changes and enterprise capabilities bring connectedness to the forefront

Job functions and skills agglomerate or "cluster" differently than they did just five years ago.

Agglomeration refers to work in both a physical and psychological sense. In terms of working arrangements, people freed from offices are working in close collaboration with others with disparate, varied and/or complementary skill sets; consider trends like fractional employees, jobsharing, platform-mediated work and the gig economy, all of which mean work is no longer constrained to full-time arrangements in a strictly office-centered setting.

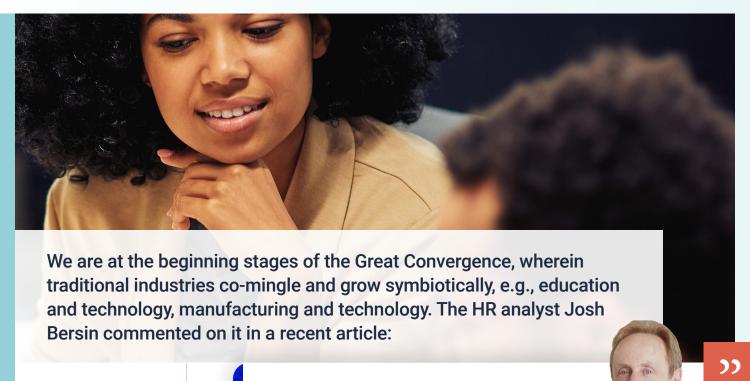
Employees of different firms, working under different arrangements, are free to work alongside each other. The emergence of co-working arrangements (with social and residential counterparts) amplifies this movement. More critically, "agglomeration" also applies to the skills themselves — today's job roles require different skills being bundled together in new ways to meet evolving demands; titles such as "data storyteller," "social media influencer," "blockchain analyst," "design thinking expert," "drone operator," "telemedicine physician" and "metaverse architect" are just a few of the concrete examples.



At the same time, the demographics of the global workforce are changing significantly, including the presence of five generations working side by side for the first time in history.

With these demographic changes come new expectations for supporting and cultivating human difference at work. **RedThread's** Diversity & Inclusion Technology report states that "by 2025 millennials (those born between 1980 and 1996) are expected to comprise three-quarters of the global workforce. Younger and increasingly diverse populations often bring with them evolving expectations and willingness to bring Diversity & Inclusion to the forefront of societal conversations."

The very nature of industries themselves are changing, forcing the breakdown of silos at work and bringing people together across functions and whole industries.



EXPERT INSIGHT

Josh Bersin

"...more and more industries are being redefined.
Retailers are becoming healthcare companies.
Auto companies are becoming electronic manufacturers. Chemical and oil companies are moving into hydrogen and batteries."

Due to the interconnectedness of industries and new business models built around networks, platforms and marketplaces, many companies must move from a rigid, vertically integrated model to an ecosystem model, in which complementary assets and capabilities can be brought together dynamically across firms.

Creating value no longer means only creating great products and services; it comes from developing an environment (whether a literal platform or marketplace or a less literal ecosystem) that enables connections between people, products, software and services to flourish. Indeed some of the most powerful companies of our time (like Google, Microsoft and Salesforce) rose to dominance through ecosystem strategies.

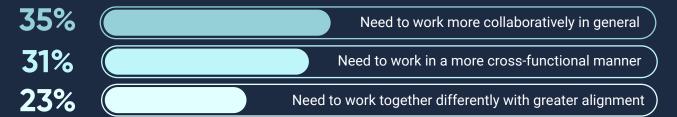


To state the obvious, work has become both more collaborative and more cross-functional in nature.

Unsurprisingly, our study shows that two-thirds (66%) of respondents work in an organization that now requires them to collaborate with coworkers differently today than they did in 2019.

66%

By far the most common pivot is the need to work more collaboratively in general (cited by 35%), followed closely by the need to work in a more cross-functional manner across various job titles and levels (noted by 31%). Meanwhile, nearly one in four respondents (23%) report that there is a need to find ways to work together differently, with an emphasis on greater internal alignment to collaborate effectively.



Despite these widespread needs, many teams are struggling to work both more collaboratively and cross-functionally.

A <u>Stanford University study</u> found that as many as 75% of cross-functional teams are actually dysfunctional, failing in such critical areas as staying on budget and on schedule, meeting customer expectations and maintaining alignment with the company's goals due to a lack of strong leadership and clear-cut communication that erode the alignment needed for positive business outcomes.

These challenges were present before the pandemic even began.



To truly understand how they impact today's workplaces, we'll explore how achieving connectedness in the workplace today *requires new approaches and innovations*.

The pandemic has eroded workplace connections

All debates aside about the return to the office, there is no denying that the pandemic has ushered in a new era of remote and hybrid work.



The recent American Opportunity Survey by McKinsey & Company revealed that, when given the option, the vast majority of employees across industries and job titles choose to work remotely (87%).



The ever-present ambiguity around workplace culture is still present and amplified by remote work.

- · When is it ok to push a deadline or share your honest thoughts?
- · Is facetime required?
- · Is autonomous, quick decision-making valued, or methodical consensus-building?
- · What kind of mistakes are tolerable and which are fatal?

These are the questions about culture and "workplace rules" that have always perplexed workers and that generally require years of in-person and industry experience to develop an instinct for.





It's not just individual knowledge of and understanding of the unspoken rules that are critical; it's ways of working together successfully in light of these rules and the ability to co-create and change rules that must be learned.

It can take years for a team to develop these instincts — a common language, business shorthand, shared experiences, the ability to read in between the lines, and to communicate nuances and move in lockstep with each other. And it often requires in-person experience. Together. It's the secret reason why companies are often so intent on bringing people together in-person.



These instincts are especially challenging for new hires to learn. They are simultaneously trying to perform outstanding work, learn new technology and pick up these lived-in team instincts while the ground is shifting beneath their feet.

A comprehensive onboarding process, in which a new hire feels valued and in alignment with their new team and new company, is more than merely important.

90%
of employees
decide whether to stay
or leave within the first six
months of starting a job

Engaging an employee from the outset is absolutely vital to the ongoing health and success of an organization.

"Alignment" – always a corporate buzzword – is more critical than ever before

Ron Carucci

Leadership consultant and bestselling author of *To Be Honest* and *Rising to Power*

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"When it comes to executing strategy, alignment means configuring all of the organization's assets in the service of your stated strategy and making sure there is no confusion about what each part of the organization does to bring it to life."

(Harvard Business Review)

True alignment results from a collective confidence that business strategies are actually effective.



This means all stakeholders feel connected to their roles and tasks and understand how the parts fit into the whole. Alignment is related to "accountability" — talent meaning and doing what they say.

This clarity and precision is challenging for a team, let alone a division or a whole enterprise to attain, in a volatile, uncertain, complex and ambiguous business environment.

Alignment is the baseline but not enough in itself.

Due to the forces we discussed earlier, the context and the nature of work keep changing (different people, industries, functions, places of work), so it's not enough to just be aligned once; it's not "one-and-done."

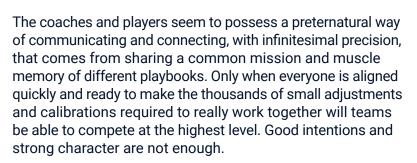
Something much more deep-rooted and lasting is required.

Here's where capabilities come into play.

Capabilities are professionally bundled skill-sets (such as "inclusive leadership," "design thinking" and "entrepreneurial mindset") that make individuals, teams and whole organizations robust and resilient. They are acquired through intensive learning that goes beyond knowledge acquisition, practice and application, to include awareness, social context and courageous action.

Think of winning sports teams





Workers are often required to learn new skills and learn new ways of working together continually. This may be the underlying reason why some leaders are so adamant about the return to the office: For years it has been the only way to accomplish this fine-tuned, intricate process and ensure that learning and working are occurring at once. (At its most basic level, working from the same place means you can observe others in the office to pick up necessary cues.)

Fortunately, technology can be a solution.

As we'll discuss in detail later, the right technology – *beyond cobbled-together Zoom and Slack* – can guide workforces to build team instincts and deep capabilities.



INSIGHT 4

The great divide:

Many employees have lost their connection to the organization and its goals

In any organization, leadership's top priority is to motivate people to move in the same direction toward a shared set of objectives. Today, however, achieving that strategic imperative is more difficult when we're often not in the same room.

When we asked workers if, since the pandemic began, they feel more connected to their organization when it comes to everyone working toward the same business goals, 54% reported feeling less connected than before.



Connection & Alignment to Company and Common Goals **by Job Function**

Middle Managers & Individuals 42%

Senior Managers

65%

When we look at this data across job functions, it's revealing to note that senior managers are far more likely (65%) to say they feel more connected to their company and aligned with common goals. On the other hand, only 42% of both middle managers and individual contributors feel the same.



Today, many middle managers and individual contributors work in a world that may be confusing, with unclear parameters largely designed around the impulses of senior managers. Since the pandemic, many senior managers have more autonomy and flexibility to work where they want, when they want through remote and hybrid arrangements. They can adjust the rules of work for their individual comfort and convenience. Workplace technology has enhanced their ability to socialize and collaborate as they dictate.

For middle managers and individual contributors, unfortunately, the opposite is true.

While these workers are on the front lines of executing the organization's strategy, they require information at speed to do so... yet often they are not getting it. Especially in remote and hybrid situations, they are unable to connect as quickly as they could in an office environment with the context, the nuances and the clarity of work roles and goals coming down directly from senior managers. These slower connections lead to a lack of trust in senior managers and the direction of the company in general.

In any business setting, ambiguity and uncertainty will exist. But, in a world that's become more complex by the day, exacerbated by the realities of remote/hybrid work, employees lower on the food chain find themselves consuming scraps of information delivered to them more slowly and sporadically than ever before.



When it comes to interpersonal connections, middle managers and individual contributors have fallen behind

The most successful organizations outperform because they help people build interpersonal connections based on mutual trust, respect and a shared sense of purpose that result in positive outcomes for both the company and its employees.

Has the pandemic negatively affected these person-to-person links?

For some, it has and at greater levels than others.



In fact, our survey found that the vast majority of senior managers (83%) still feel extremely or very connected to their peers.

These numbers fall off for middle managers (70%) and individual contributors (63%).

74% of senior managers feel extremely or very personally connected to individual contributors. **Only 43% of individual** contributors feel the same about senior managers.







What might be most problematic for organizations, however, is the fact that the perceived strength of these interpersonal connections tends to travel in only one direction: downward.

80% of senior managers feel extremely or very personally connected to middle managers. However, only **50% of middle managers** feel the same. *Let's next discuss why these disconnects exist* >

WHY DO THESE DISCONNECTS EXIST?

In our view, it's because in most organizations, resources are disproportionately invested in senior managers, enabling them to build stronger connections.

These investments include better technology, advanced learning and development, and even the vast majority of in-person meeting time and peer-to-peer training sessions.



These types of interactions and enhancements are far rarer for middle managers and individual contributors, making it more difficult for talent at these levels to build connections and learn from each other and the organization.

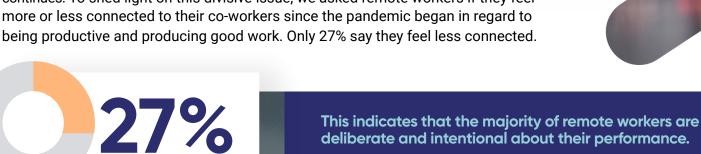
Technology can play an important role in democratizing these important functions.

The right tech can provide middle managers and individual contributors with powerful opportunities to link up and learn new skills and capabilities – both synchronously and asynchronously and at their own pace.



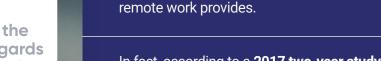
Lasting bonds: Remote work in itself is not the problem - and presents an opportunity to be

a great equalizer Across the business landscape, the debate over remote work versus in-office work continues. To shed light on this divisive issue, we asked remote workers if they feel more or less connected to their co-workers since the pandemic began in regard to



of remote workers

feel less connected to their co-workers since the pandemic began in regards to producing quality work.



In fact, according to a 2017 two-year study by Stanford **University**, remote workers are, on average:

deliberate and intentional about their performance. Those who are successful at remote work tend to be highly

self-aware and value the sense of autonomy and control

13.5%

more productive than their officebased counterparts 9%

more engaged in their jobs

50%

less likely to quit



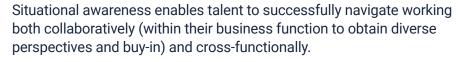
Of course, remote work is not the answer for all organizations. We have seen well-publicized examples of the all-or-nothing approach to work from such leaders as Elon Musk of Tesla. The right structure depends on the type of work being done, the specific industry, the makeup of the staff and other factors specific to the organization. But as with all key leadership decisions, the level of remote work should be built around the work itself and what's best for the business - not to cater to individual desires or personalities.

The workforce needs a reboot on learning and development-a focus on deep capabilities

TECHNOLOGY

Technology can solve some of these challenges by providing greater clarity and curated consumption of information in the right context at the right time.





An example might be a cloud-software salesperson learning to work with marketing, legal, IT and their revenue leader to sell a complex solution to a prospect. This is the type of training executives receive to be able to "sell" the corporate strategy to all different types of audiences — staff, investors, the board of directors, etc.

Too often, individual contributors and middle managers never receive this kind of premium, context-driven and scenario-based education.

Hence the need for a new kind of skill and competency, a "capability," an ability that is unique to an organization and that combines cognitive and empathic skill with contextualized knowledge and practical wisdom. Distinguished from mere "skills," "capabilities" reflect true readiness-to-perform.

Capabilities are future-oriented abilities (such as inclusive leadership, design thinking, and entrepreneurial mindset) that make individuals, teams and whole organizations robust and resilient.

They are acquired through deep capability building or intensive learning that goes beyond knowledge acquisition, practice and application, to include awareness, social context and courageous action.





WHERE ARE WE TODAY, AND WHERE DO WE NEED TO BE?

Since the pandemic began, 55% of companies have had to pivot to require different or additional high-level skills from their workforce, according to our survey.

This should come as no surprise...

But what may be surprising is how many companies have not improved how they provide L&D, at least in the eyes of their talent.

High-Level Skills Needed

Current L&D Skills & Capabilities



Our survey shows that 42% of all employees feel their organization has not enhanced L&D over the past two-plus years.

For middle managers and individual contributors, that figure rises to 51% and 50%, respectively. This suggests serious potential issues for these companies if they are not empowering their future leaders with the skills and capabilities they need to collaborate and succeed in our changed workplace.

Even more worrisome, perhaps, is that only 31% of all respondents feel their organization provides a great deal of support for learning new skills and expanding their professional capabilities and goals.

"My organization provides a great deal of support in learning new skills and expanding my professional capabilities and goals."

Senior Managers
Middle Managers

Individual Contributors 29% 25%

The Opportunity

While the Great Disconnect poses an unprecedented challenge for employers and employees alike, with the paradox of organizations needing more alignment to accomplish their goals and individuals finding the connection and collaboration they require harder to achieve, **it's also an opportunity.**



Companies that invest in strategies and tools that offer to middle managers and individual contributors the type of learning traditionally reserved only for senior managers will have the competitive edge over businesses that remain stagnant.

This organizational pedagogy transforms the type of small-group, peer-based learning senior leaders receive – and broadens and deepens it for those at lower levels.

The focus is on nuanced, context-driven L&D to empower these people to be able to make sound judgments and operate with more conviction in a volatile, uncertain, complex and ambiguous environment.

Section 3

Case Study



An examination of one organization's successful implementation of strategic learning initiatives through partnership with the NovoEd learning platform

Case Study

Stanley Black & Decker Transforms Collaborative Learning to Drive Sales

Stanley Black & Decker, a Fortune 500 tools, hardware and security products manufacturer with 60,000 employees, leveraged NovoEd to radically reimagine its sales onboarding approach. In the past, field reps were required to travel for in-person meetings and expected to learn and retain up to 40 hours of classroom content via technical product and application-based training. Class sizes were limited by physical infrastructure and logistics.

To make learning and development more effective and inclusive, Stanley Black & Decker brought on NovoEd to develop its first online approach to transform a five-day onsite training program into a higher-impact, five-week, cohort-based virtual learning experience driven by activities, practice and feedback.

The platform enables various groups of people to easily connect to share and learn. These include facilitators, mentors and teaching assistants; cross-regional sales teams; and new-hire sales trainees who can collaborate directly with their peers.

These combined support networks facilitate an organic experience that would not have been as effective in person, with benefits such as:



stanley Black & Decker reports that its new approach has resulted in record levels of engagement, performance and satisfaction – and that it empowers salespeople to apply the concepts they learn to real-world situations in as little as 24 hours.



24/7 access to facilitators and mentors



a greater diversity of learning content



individualized feedback and evaluations on all assignments.



Experiential learning initiatives bring about the rapid alignment required among today's sales teams to build confidence, drive performance and create opportunities.

Section 4

About



Introduction to NovoEd followed by author and contributor bios

About

NovoEd

Founded at Stanford's Social Algorithms Lab in 2012, NovoEd is a capability-building platform that uses social and collaborative learning to unlock performance readiness at scale.

Through cohort-based experiences, NovoEd taps into collective wisdom, placing each learner at the intersection of perspective, application, and expertise. Large enterprises such as 3M, GE, and Nestlé partner with NovoEd to accelerate their critical initiatives, reconnect teams, and achieve rapid alignment through learning that is deeply felt and experienced and swiftly transformed into impact.

Visit www.novoed.com to learn more.

AUTHOR

Christina Yu

Christina Yu is the Chief Marketing Officer of NovoEd. Spanning fields such as social and collaborative learning, virtual reality, and adaptive learning, Christina's career has been dedicated to transformational learning technologies that unlock workforce potential and productivity.

She holds an A.B in English and Creative Writing from Dartmouth College and an M.B.A from the NYU Stern School of Business. She speaks frequently at human capital conferences on the subjects of power skills, learning science and the psychology of performance.

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