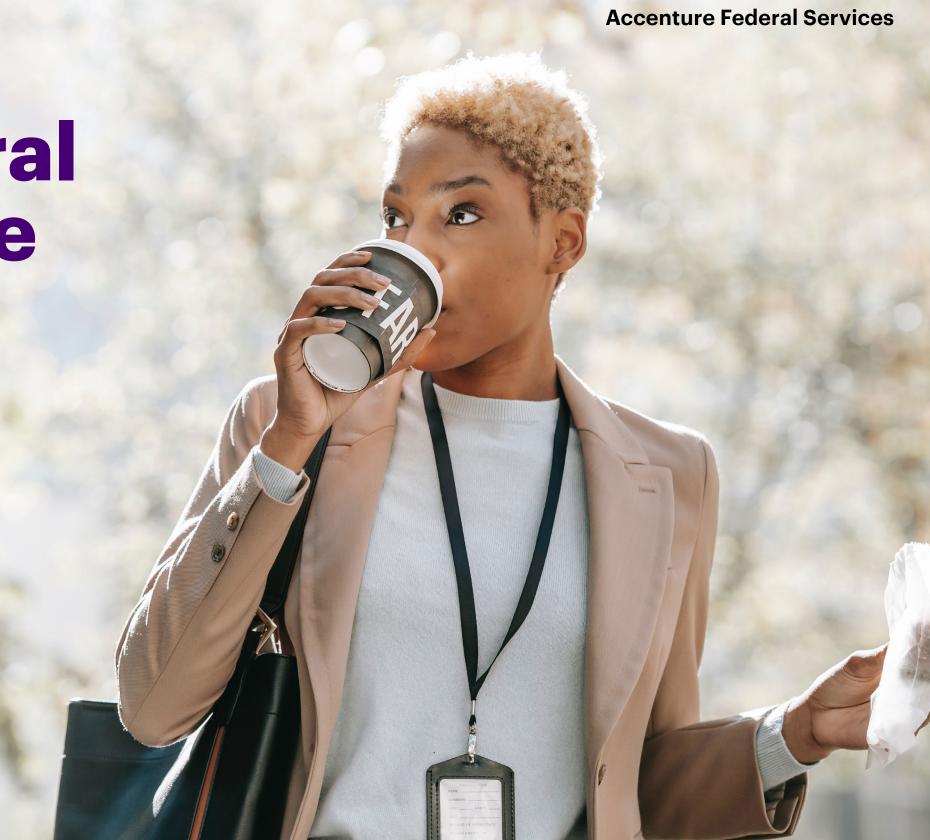
# Helping federal workers thrive

A framework for leaving your people Net Better Off





The pandemic placed intense pressure on the U.S. government to protect and provide for citizens, as well as on the federal workers tasked with carrying out the job. The strain on federal workers is visible in survey data: roughly one in three federal workers in the past year required more mental-health support than usual, according to the latest U.S. Office of Personnel Management's Federal Employee Viewpoint Survey (FEVS). As the pandemic recedes, the traditional ties between employers and employees are evolving; in both the public and private sectors, individuals increasingly expect their organizations to look after more than simply their financial well-being.

Our research suggests that employers that care for their employees in a more holistic manner will reap big benefits, in the form of higher retention rates and more productive workers. To better identify workers' diverse needs, federal agencies should implement what we call a "Net Better Off" framework. And to turn that framework into positive results, agencies should adopt five proven "sweet spot" practices—effective actions that only a small minority of organizations excel at today.



# Federal workers are under more strain and need more holistic support

Throughout the COVID-19 crisis, U.S. government workers have been at the forefront of developing and executing policies and programs to support vulnerable Americans. The urgency of this challenge has helped provide federal workers with an increased sense of purpose at work. A recent Accenture study, for example, found that three out of four federal employees said that their jobs have become more meaningful as a result of the pandemic.<sup>2</sup> Similarly, the 2020 Federal Employee Viewpoint Survey found that federal workers' experience and engagement scores were at their highest levels in five years.<sup>3</sup>

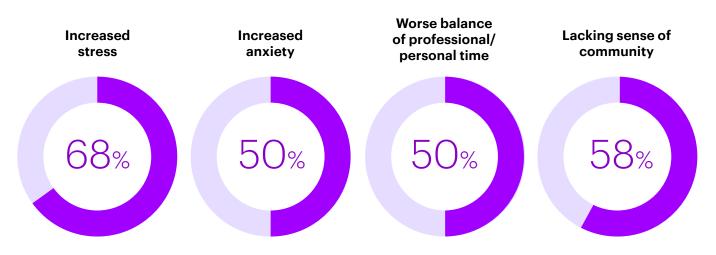
Even as they've helped their fellow Americans weather COVID-19, federal workers have also been hard hit by the pandemic: an Accenture study conducted earlier this year found that 68% reported increased stress, while 58% reported "lacking a sense of community", and 50% reported both increased anxiety and a deteriorating work-life balance (Figure 1).

Such personal challenges sparked by the pandemic have not, of course, been limited to the federal workforce. This may help explain why corporate leaders increasingly take a more expansive view of their obligations to their workers. For instance, only 35% of the 3,200 C-suite executives (CXOs) across the world that were surveyed by Accenture prior to the pandemic agreed that employers should support workers' holistic needs. Within six months of the pandemic hitting, however, this figure increased to represent 50% of CXOs.

Yet agreeing on the need for change is often easier than making it happen. How exactly should federal executives redesign their relationships with their workers? And what can executives do to sustain their people's commitment and sense of purpose as the pandemic recedes and workplaces continue to evolve?

# **Figure 1: Under Pressure**

As they helped lead America's fight against the pandemic, federal workers also faced rising personal challenges.



Source: Accenture Study, Public Service as a Career of Choice, 2021.

# Identifying workers' evolving needs

Accenture surveyed 3,200 CXOs and 15,600 workers at organizations around the world—including 180 CXOs and 1,000 workers from the U.S. government for insights on how to better meet workers' holistic needs.4 Our findings suggest that employers can maximize the potential of their workforce by implementing a Net Better Off (NBO) framework one that addresses six fundamental human needs: "emotional and mental"; "relational"; "physical"; "financial"; "purposeful"; and "employable" (Figure 2).

#### **Financial**

Being financially secure without undue economic stress or worry and having equitable opportunity for future stability and advancement.

#### **Emotional** & mental

**Feeling positive** emotions and maintaining mental wellness.

# Figure 2: The Net **Better Off Framework**

Considering six fundamental human needs helps executives take a more holistic view of their workers' welfare.

# Physical

Being in good physical health with lack of stress.

64%

of work potential is explained by the six dimensions of **Net Better Off** 

# Purposeful

Feeling that one makes a positive difference to the world and that life has meaning and a greater sense of purpose beyond oneself.

# **Employable**

Having marketable, in-demand capabilities and skills to obtain good jobs and advance in a career.

#### Relational

Feeling a strong sense of belonging and inclusion; having many strong personal relationships.

Our findings showed that, on average, approximately 64% of people's ability to maximize their skills and strengths at work is influenced by whether they feel supported across these six dimensions. In addition, our analysis revealed that factors that have traditionally received lots of attention—such as workers' educational attainment, tenure at an organization, seniority level, industry, and organization size—typically account for less than 9% of people's ability to maximize their potential at work.

The NBO framework can help government leaders bridge the gap between the current level of support their organizations offer and that which their workers increasingly expect.

Before the pandemic began, for example, our study found that 56% of federal workers believed that their employers should be responsible for helping them become Net Better Off, compared with 37% of federal CXOs who felt the same.

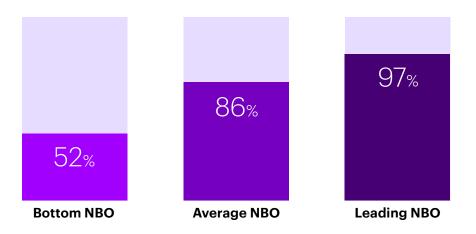
Leveraging the NBO framework can benefit not only federal workers, but also federal agencies. We know, for instance, that unleashing worker potential is a challenge for many federal agencies.

Our research revealed that only 1 in 2 people in non-manager positions within the U.S. government believe that their potential is being fully realized at work. This is similar to recent findings from the Office of Personnel Management, which show that just twothirds of all workers feel their talents are being used well at work.<sup>6</sup>

The more employers tend to their workers' needs, the more workers trust their employers. Higher levels of trust are, in turn, associated with increased employee loyalty and productivity. Indeed, in organizations that were leaders in helping their employees become Net Better Off, 97% of workers said they trusted their employer; but in organizations that struggled to make their employees Net Better Off, only 52% of workers said they trusted their organizations (Figure 3).

#### Figure 3: A Matter of Trust

Companies that implement the Net Better Off framework are much more likely to earn the trust of their employees.



Note: "Leading NBO" refers to the top quartile of companies, as measured by their performance on the six Net Better Off dimensions. "Bottom NBO" refers to the bottom quartile of companies. "Average NBO" refers to companies in the middle two quartiles.

Source: Accenture. Care to do Better Study, 2020.

**Implementing an NBO framework** also helps an organization refine its "employee value proposition" (EVP)—i.e., how current and prospective employees benefit from working at the organization. Federal agencies with more compelling and authentic EVPs are better positioned to recruit and retain talented workers, and the NBO model helps to support this even further.



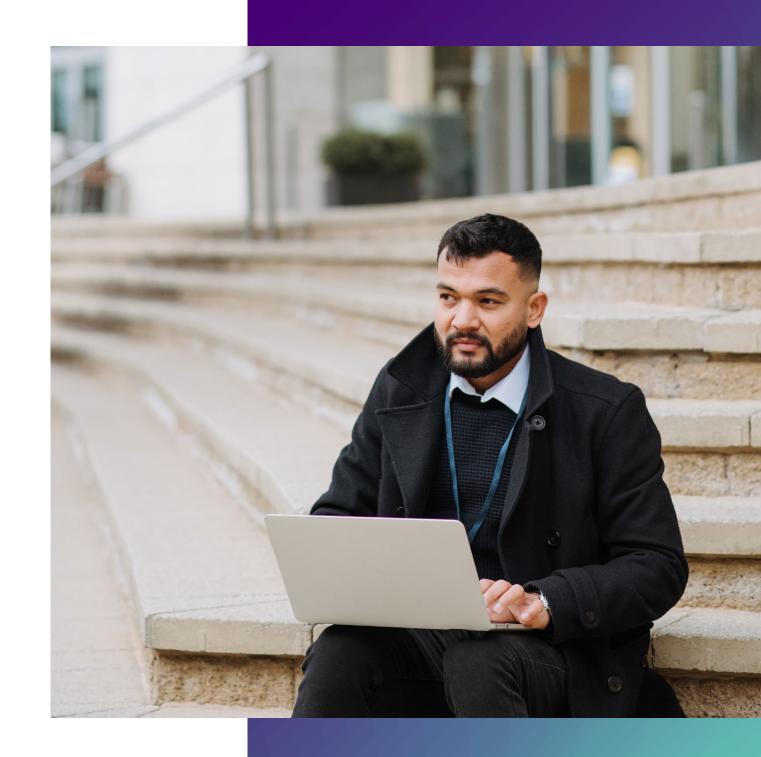
# Five practices that get results

The NBO framework provides a systematic way for employers to think about the needs of their workforce. But to get results, employers also need to make the right interventions.

To do this, federal agencies should first take stock of where they excel and where they fall short in supporting their workers in the NBO framework. Second, agencies should identify the actions that can accelerate their organization's efforts to better provide for their employees' holistic well-being.

# But what are those actions?

We used statistical testing of 20+ common employer practices to determine which ones best support improvements for both organizations as a whole and for individual employees. We found that some practices skew too much toward people at the expense of business performance, while other practices skew too much in the other direction. However, five practices emerged from our analysis that, taken together, form a "sweet spot" for both meeting workers' wide-ranging needs and maximizing their potential (Figure 4). They are, moreover, practices that many organizations struggle with.

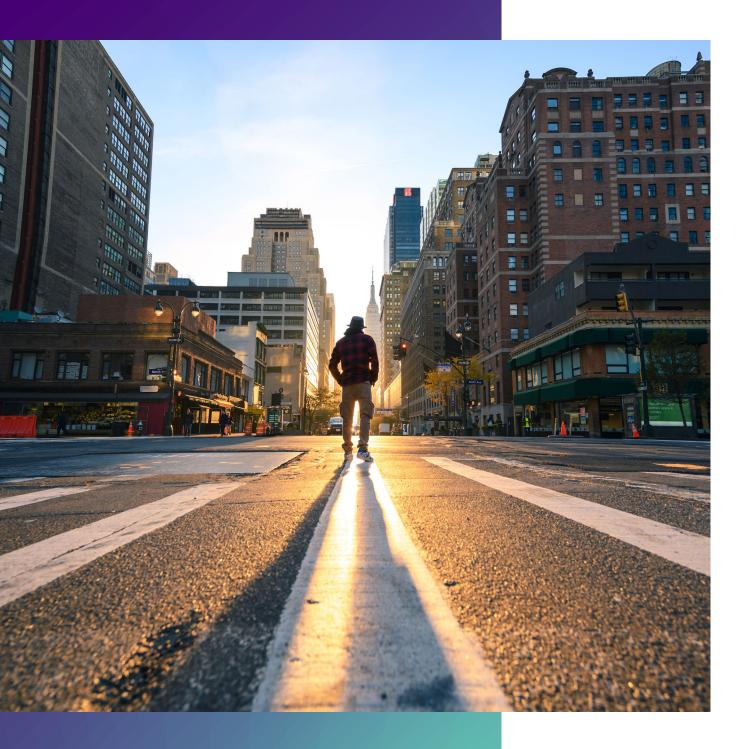


# Figure 4: Sweet Marks the Spot

Five "sweet spot" practices closely correlate with positive workforce behavior, but few organizations deploy these practices effectively.

Sweet spot practice	Enable continuous learning to ensure a future-ready workforce that can shift at scale	Listen to what people need at the front lines, empowering them with real-time data.	Use technology to enable flexible work arrangements and more creative work for your workforce that is increasingly dispersed.	Champion workforce well-being—safety and relational needs are more important than ever.	Set and share people metrics—take accountability for diversity and equality and be transparent and engage in intentional conversations that matter to your people.
Resulting worker behavior	95% would recommend their employer to other companies (compared to 39% who don't experience this practice).	98% effectively adapt to change (compared to 45% who don't experience this practice).	87% are more likely to feel fulfilled in their work (compared to 29% who don't experience this practice).	98% put significantly more effort into their work (compared to 47% who don't experience this practice).	68% have a positive experience at work (compared to 27% who don't experience this practice).
Percentage of organizations leading in this practice	20%	15%	20%	17%	<b>15%</b>

Source: Accenture. Care to do Better Study, 2020.



Before COVID-19, approximately 80% of the global CXOs we surveyed felt that their organizations did not excel at any of these practices, despite their significant benefits.

Figure 4 shows, for example, that when federal agencies used technology to enable flexible work arrangements, 87% of their workers were more likely to feel fulfilled in their jobs. On the other hand, at federal agencies that did not take such action, only 29% of employees were likely to feel fulfilled in their jobs. And despite the benefits of using technology to encourage flexible work, we found that globally, only 20% of organizations excelled at this particular action.

Some public- and private-sector organizations, however, do offer valuable lessons on hitting the sweet spot. We highlight a few of them below.

# **Enable continuous learning**

Some organizations have successfully adopted continuous learning programs that harness advanced technology and innovative methods. These programs not only help organizations fulfill future skill requirements, but they also provide their workers with a greater sense of accomplishment and control over their careers.

# **AT&T: Future-ready employees**

Telecom giant AT&T faced growing demands for workers with in-demand skills, like cloud architecture, cybersecurity, and data science. But instead of competing externally for scarce talent, AT&T's "Future Ready" program set up the company to grow from within, by using a \$1 billion investment to roll out online learning, certificate, and degree programs. AT&T also launched a career planning portal to help employees explore promising IT fields and identify specific opportunities. By 2019, almost 90% of AT&T's managerlevel workers had engaged in upskilling programs. Upskilled employees, the company found, are over 2x more likely to move laterally within AT&T, 1.7x more likely to receive a promotion, and 1.6x less likely to guit. In addition, AT&T can now fill 81% of its technical jobs internally.8

# **U.S. Air Force: "Digital U"**

Earlier this year, the U.S. Air Force (USAF) launched its Digital University (Digital U) to increase digital fluency among its workforce. "The intent of Digital U," says Bill Marion, Accenture Managing Director, and USAF's former deputy Chief Information Officer, "was to truly democratize technical training across the Air Force. [USAF increasingly] fights from desktops and servers and web applications...[it] is absolutely a tech company."9 Digital U offers access to more than 12,000 courses, with customized learning pathways designed for users with varying degrees of digital fluency.<sup>10</sup> Assessment engines help users measure their skill proficiencies, discover skills' gaps, and receive recommendations for learning opportunities.<sup>11</sup> The USAF also offers incentives—including badges and nanodegrees—to encourage employees to complete courses on Digital U; financial bonuses for course completion are also under consideration as the program is expanded.<sup>12</sup>

# **Listen closely to front-line workers**

Some organizations are using technology to anticipate—and quickly respond to—workers' needs. Such organizations deploy two-way technology applications that flag trends and build transparency by applying insights in ways that benefit both employees and the organization.

# **H&R Block: Virtual-reality training**

Tax-preparation firm H&R Block uses virtual reality (VR) technology to onboard many of its 5,000 new call center representatives each year. These employees are expected to field calls within days of starting their jobs. To succeed, they need skills such as active listening, staying calm under pressure, and the ability to summarize and resolve problems. To help their new hires hone these skills quickly, H&R Block introduced VR simulations to role play customer conversations with a digital "avatar"; participants receive real-time feedback as well as the comfort of knowing that mistakes against a computer simulation won't endanger their jobs. H&R Block's VR training is popular: 70% of new hires prefer it over the company's traditional learning tools. The VR training is not only popular, it also works: H&R Block saw a 50% decrease in dissatisfied customers and a 10% decrease in customer handling times after it introduced the technology.<sup>13</sup>

# **U.S. Army: Analytics to empower careers**

The U.S. Army now uses data analytics to improve its workforce skills' development and talent retention practices. For example, with the help of analytics, the Army streamlined its previously disparate human resources data to create an integrated jobs marketplace that "gives our personnel greater control of their careers, the ability to chart their own career trajectories, to set their goals, and to take a larger role in their development," says Kristin Saling, Chief Analytics Officer at Army's Talent Management Task Force. 14 By strengthening its talent strategy, the Army improved its ability to recruit and retain the soldiers it needs to keep America safe.

# **Use technology to enable flexible work**

Some organizations are expanding their use of automation to reduce the number of rote tasks that humans perform. In the process, organizations are enabling their workers to focus on more fulfilling, higher value tasks.

# **Unilever: Flex experiences**

As the world locked down during COVID-19, Unilever, the consumer goods giant, saw its marketing, supply chain, logistics, and manufacturing divisions experience surging demand for household staples. At the same time, employees in other parts of the company were experiencing more down time than usual, as demand for their services slowed. In response, Unilever created "Flex Experiences", an Al-powered talent management platform that connects employees with opportunities to build skills and work on different projects laterally across the company. Currently used by some 65,000 Unilever employees, the platform has helped the company unlock many thousands of hours per month in additional productivity from its workforce. The platform has also received a 95% endorsement rating by Unilever employees, who appreciate the opportunity to expand their skills.<sup>15</sup>

# **U.S. Bureau of Labor Statistics: Deploying AI to create higher-value work**

For many years, the U.S. Bureau of Labor Statistics (BLS) has conducted an annual "Survey of Occupational Injuries and Illnesses" to document workplace injuries at American companies. In the past, completing the survey was primarily a manual endeavor, one that required some 25,000 labor hours each year. In 2014, however, BLS began experimenting with machine learning (a type of AI) to help it code some of its survey data. By 2020, more than 85% of BLS' survey data was coded using humansupervised machine learning. The result was not only improved survey accuracy, but also increased demand for human coders to oversee the Al and to resolve complex coding problems. To fill this demand, BLS focused on sourcing employees from within the organization who were willing to upskill.16 The win-win result: BLS employees enhanced their skills and had their "employability" needs met, while BLS enhanced the accuracy and efficiency of its data analysis and reporting.

# **Champion workers' holistic well-being**

Some organizations are continually strengthening and refining their well-being initiatives to reflect workers' diverse, fast-changing needs.

# Starbucks: Mental and social well-being

Starbucks has long been a leader in promoting the holistic well-being of its workers. The coffee chain's Care@Work program, for instance, offers employees subsidized backup care for children and elderly parents. Its Caring Unites Partners Fund extends grants to employees who experience a financial crisis resulting from emergency events, such as an illness or the death of a family member. Increasingly, however, Starbucks has also focused on developing programs that support their employees' mental and social needs. Its Partner Connection program, for example, provides generous stipends to employees to bond over after-work sports, clubs, and other activities. Employees are also given paid time off to volunteer at designated nonprofits.<sup>17</sup> In addition, Starbucks now offers workers free access to a range of mental-health services—including in-person and remote therapy sessions, use of meditation and mindfulness apps, and mental-health training for store managers.<sup>18</sup>

# **U.S. Department of Homeland Security: Building goodwill**

During the partial shutdown of the federal government in 2019, 86% of the U.S. Department of Homeland Security's (DHS) 240,000 employees continued to work without pay, while only 3% indicated they were looking for another job because of the shutdown. According to Angela Bailey, Chief Human Capital Officer at DHS, an important reason for such behavior was the reserve of goodwill built up by the agency's previous efforts to support its employees' well-being. Indeed, in recent years DHS has strengthened its focus on employee well-being through various institutional initiatives, such as the agency's Employee Engagement Steering Committee (which shares workforce ideas and best practices across DHS) and its Employee and Family Readiness Committee (which sets organizational targets for progress on a range of worker issues, including mental health and caring for dependents). Among other programs, DHS now offers resilience and stress-reduction training for workers, family and relationship counseling, and online educational resources to promote smarter financial habits.<sup>19</sup>

# **Set and share people metrics**

Some organizations are developing more inclusive workplaces by nurturing cultures that elevate a sense of belonging and accelerate equality for all. To do this, such organizations adopt and publicize "people metrics" that measure their progress on diversity.

# **Novartis: Gender parity**

Pharmaceutical titan Novartis has publicly committed to achieving full gender balance in its management ranks by 2023, as well as ensuring full pay equity and transparency for the company's 100,000+ employees. To help it do this, Novartis performs frequent pay-equity analysis; communicates internal and external benchmark data on pay to employees; uses gender and racial-balanced interview panels; offers gender-neutral parental leave and flexible-work arrangements; abides by a "diverse supplier protocol" to deepen partnerships with women-, minority-, veteran- and LGBTQ-owned businesses; and uses a "multicultural engagement program" that provides one-on-one coaching, training, and executive mentoring to employees from underrepresented backgrounds.<sup>20</sup>

# **NASA: Inclusion and diversity**

In recent years, the National Aeronautics and Space Administration (NASA) has accelerated its efforts to promote a more diverse workforce. By publicly reporting its people metrics, NASA helps ensure accountability for the agency's leaders. NASA also devotes considerable effort to making its diversity and inclusion metrics as wide-ranging as possible—from measuring the representation of various groups across its workforce to surveying employee attitudes.<sup>21</sup> To boost the number of employees from minority backgrounds, NASA revamped its staffing and hiring practices in 2020; the agency also introduced training on unconscious bias and expanded its use of assessments that focus on performance-based competencies.<sup>22</sup> NASA's progress on diversity and inclusion is getting noticed. For the past five years, the agency has been ranked number one on the Office of Personnel Management's "Inclusion Index"; NASA is also one of the top federal agencies to offer "support for diversity", according to the Partnership for Public Service, a nonprofit organization that works to improve government efficiency.<sup>23</sup>

# **15** Helping federal workers thrive

# **Make workers** and organizations— **Net Better Off**

Changes in the economy and technology, accelerated by the pandemic, are blurring traditional boundaries between individuals' professional and private lives. Organizations, including the U.S. government, must rethink how they engage their workforces to better support these changes. For federal agencies, ensuring workers are Net Better Off should be a core priority. As private-sector companies expand the range of support offered to employees, federal employers must do the same—to remain competitive and because it's simply the right thing to do.

# **About the Research**

This report was built on three proprietary research initiatives:

- Accenture's "Care to do Better" research, conducted during
   October-November 2019, which included: surveys of 15,665 workers
   across skill levels and generations from a range of large and small
   companies, including 1,000 workers from the U.S. government; and
   surveys of 3,200+ C-suite leaders, including 180 executives from the
   U.S. government.
- Accenture's "Digital Fluency" survey, conducted in April–July 2020, with 5,400 global workers (including 200 federal workers) and 700 global C-suite executives.
- Accenture's "Public Service as a Career of Choice" research, conducted in September 2020, which surveyed 2,530 government workers across the world (including 441 U.S. government workers).

# **Econometric modeling**

The Sweet Spot practices first introduced in our global study were derived using regression modeling to evaluate practices that significantly drove Net Better Off and organizational growth. Through four steps, we combined employees' and CXOs' survey insights with econometric modeling to estimate the effect of improved business practices on workers' Net Better Off scores and on company financial performance. Additional information can be found here.

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# **Resources**

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