

ICONIQ

ANALYTICS & INSIGHTS

The Future of Work Series

PROFESSIONAL DEVELOPMENT
IN THE NEW FUTURE OF WORK

MAY 2022

In partnership with

BetterUp

100



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About the Series

01

We're at a turning point in the future of work

COVID-19 has made a lasting impact on the workforce.

At the start of the pandemic, many employers felt forced to make mass layoffs and pay cuts. While this may have been an inevitable reality of 2020, it did not occur without degrading the trust workers had in their employers. For workers deemed essential, the nature of work changed completely, leading to record levels of stress and burnout¹. For others, the transition to widespread remote work introduced new optionality, initiating an exodus from major cities in search of lower cost of living, closer connection to family or community, or different lifestyles altogether.

Now, as we adapt to living with the realities and implications of the pandemic, perhaps for the long-term, we're at a turning point in how we are collectively defining the future of work.

While employers are establishing new policies for their workforce, **employees are feeling empowered to leave their jobs at record rates¹** as they reflect on where, when, and why they work. In tandem, converging macro trends such as the generational distribution of the workforce, increasing technology adoption and task automation, and record levels of private funding¹ are accelerating the transition.

The purpose of this series is to explore **how recent workforce trends are impacting the technology sector, which we also believe are universally applicable to all sectors.**

Leading companies are not just adapting to the next normal, they are innovating for the future - and helping define it.

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Dedicated to empowering our portfolio companies and partners to make informed decisions with benchmarks, data-driven insights, and problem-solving frameworks

The Future of Work Series

SERIES INTRODUCTION

DEC 2021

What is the impact of COVID-19 and the "Great Resignation" on employee attrition, job satisfaction, recruiting, and compensation?

PROFESSIONAL DEVELOPMENT

MAY 2022

How will professional development and employee needs evolve as workforces become more distributed? Do we need to change our performance management processes?

BENEFITS

MAY 2022

At what age do companies typically introduce certain benefits? What are new benefits companies are introducing and how are benefits impacting the employee experience?

CULTURE

JUNE 2022

How are companies nurturing or redefining culture given new work models? How should companies measure or quantify their culture and how should they put culture findings into action?

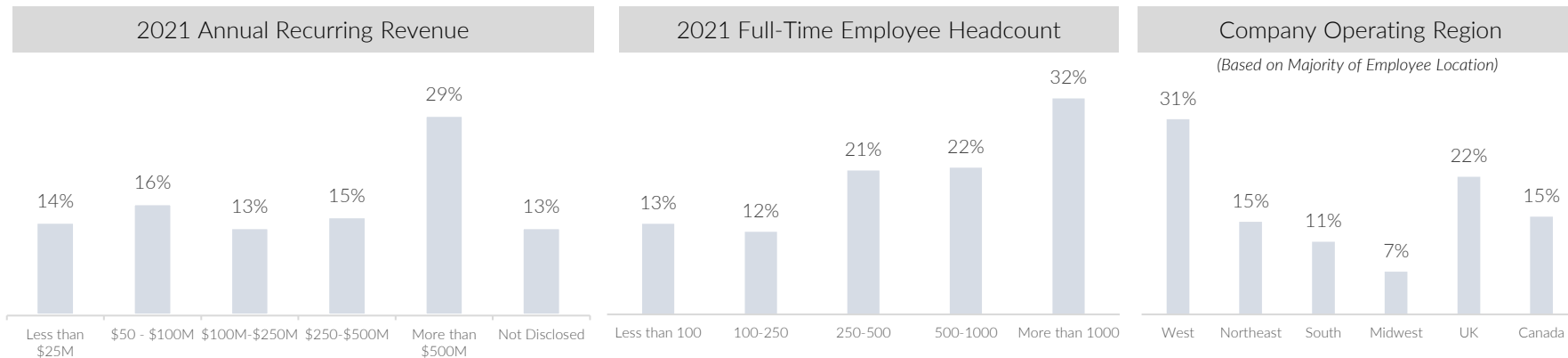
If you have requests for follow-on topics or want to be featured in one of our upcoming studies, please contact the [ICONIQ Growth Analytics team](#).



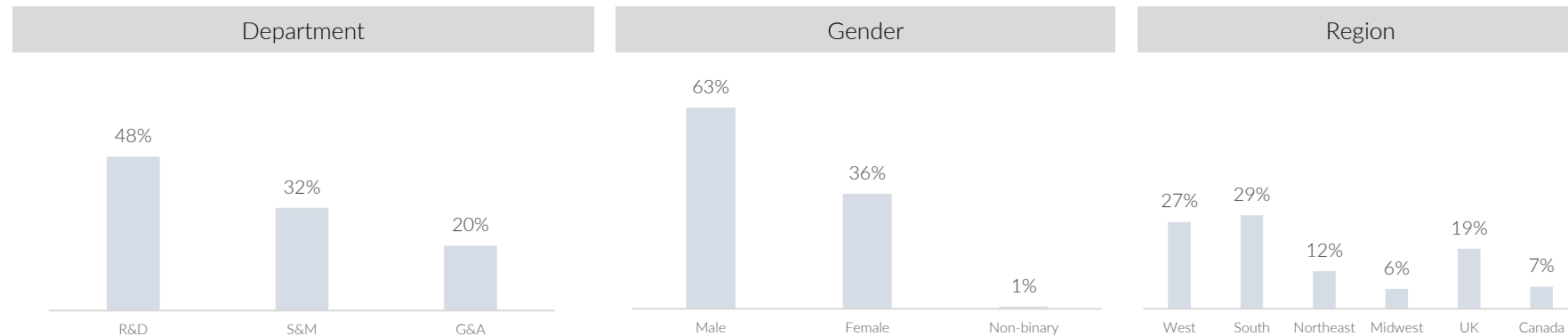
Methodology: Data Sources

ICONIQ GROWTH ANALYTICS PROPRIETARY DATA

1 Select data from a survey of **~250 CHROS AND HEADS OF PEOPLE** at SaaS companies conducted in March 2022. The make-up of participating companies is as follows:



2 Select data from a survey of **~150 TECH EMPLOYEES** conducted in March 2022. Responses were collected from employees across the following backgrounds:



3 Select data provided by **ICONIQ Growth Partner***:



- Themes, sentiments, and anonymized conversations from ~100,000 BetterUp onboarding sessions and ~128,000 coaching touchpoints
- ~8600 360-feedback scores from managers and peers for employees enrolled in BetterUp programs
- Benchmarking data from ~18,000 full-time employees in the US conducted in 2020 focused on interest in coaching

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Methodology: Analysis

ICONIQ GROWTH ANALYTICS PROPRIETARY DATA

Based on the data from the CHRO and Head of People survey, we have defined certain companies as having “Strong Organizational Health” or “Strong Financial Performance” in order to understand how these aspects impact Future of Work decisions or employee sentiment. The definitions used for each classification are as follows:



STRONG ORGANIZATIONAL HEALTH

Less than 15% annual attrition and **greater than 50%** annual headcount growth

OR

Score of 85 or above in annual Employee Satisfaction Index (self-reported by company)



STRONG FINANCIAL PERFORMANCE

Greater than 70% YOY ARR growth



ORGANIZATIONAL HEALTH

13%

Strong

87%

Other



FINANCIAL PERFORMANCE

14%

Strong

86%

Other

ICONIQ Growth Partner

01

BetterUp

02

Founded in 2013, BetterUp® is a human transformation company that dares to innovate the future of work by helping people and businesses grow personally and professionally to reach peak performance and maximize their potential, through coaching, content, community, and cutting-edge AI technology. BetterUp is the inventor of virtual coaching, with the world's largest network of over 3,000 Coaches offering support in 46 languages across over 90 countries.

03

Trusted by more than 380 organizations including NASA, Google, Snap Inc., Hilton, Warner Media and other leading Fortune 1,000 companies, BetterUp delivers on three key impact areas – Mental Fitness, career & leadership development, and social connection – inspiring people everywhere to live with greater clarity, purpose, and passion.

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To learn more, visit betterup.com.

Executive Summary

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The New Future of Work will be defined by a shift in the social contract between employers and employees.

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HR teams will need to practice imagination to redefine what professional development looks like given highly personalized career goals and a desire across the workforce for more balance and meaning.



Shifting Career Goals

As the divide between work and home narrows, instead of the expectation that employers solely need to focus on supporting an employee's life in the office, additional programs to help **employees balance life outside of the office** will be needed to retain and attract talent. While **97% of employees surveyed cite career advancement or professional development as a reason to stay** at a company, what employees mean by professional development is **often nuanced and encompass areas like balance and passion / meaning**. In coaching conversations, employees are increasingly valuing goals like **work-life balance and passion over career advancement**. These needs are even **more relevant for women and younger employees** who increasingly make up a larger portion of the workforce.



The Importance of 360-Feedback

Based on BetterUp data from manager assessments collected in 2022, **remote employees took a significant hit in performance review ratings across dimensions like authenticity, job performance, executive presence** relative to in-office counterparts. This is likely due to **proximity and responsiveness biases** causing managers to view in-person employees in a more favorable light.

However, when looking at the same individuals who participated in peer feedback, there was a significantly smaller performance gap between in-office and hybrid / remote peers which **remote employees actually scoring higher on many skills like relationship building, network leadership and resilience**.



Performance Management as a Tool for Engagement

Performance management should be seen as a **tool for employee engagement rather than evaluation** in a post-COVID world. Companies with strong org health are planning to not only **increase the frequency of reviews next year but also solicit upwards and peer feedback** as part of formal performance reviews. Rather than a rigid or point in time view of performance which can often be incomplete for distributed employees, it will be important for HR leaders and managers to **shift to ongoing conversations around goals and wellbeing**.



Upskilling for the Future

The top requested professional development goals for tech employees **include improving on a skill, developing functional expertise, and learning a new skill/technology**. Conversely, the lowest requested goal is to **take on more leadership responsibilities**. As we think about the types of leaders that will be successful in the workplace of tomorrow, new leadership skills that allow employees to **effectively bring alignment, presence, authenticity, and connection across the remote / office divide** will be critical. It could also be argued that **remote employees will need upskilling to manage up and help team leads work through any potential biases**. While tech companies are expecting to increase L&D spend per employee next year, given these highly personalized needs, companies will also need to **rethink their L&D programs and think more expansively about what L&D needs to accomplish vs. rolling out fixed programs**.

PROFESSIONAL DEVELOPMENT TRENDS



The Future Workplace

Around 60% of tech organizations surveyed expect to pursue hybrid models post-COVID, with an average of 2-3 days in the office; a shift from pre-pandemic where the majority of organizations surveyed were in office 5 days a week

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The pandemic and shift to remote work is driving changes to the social contract between employers and employees.

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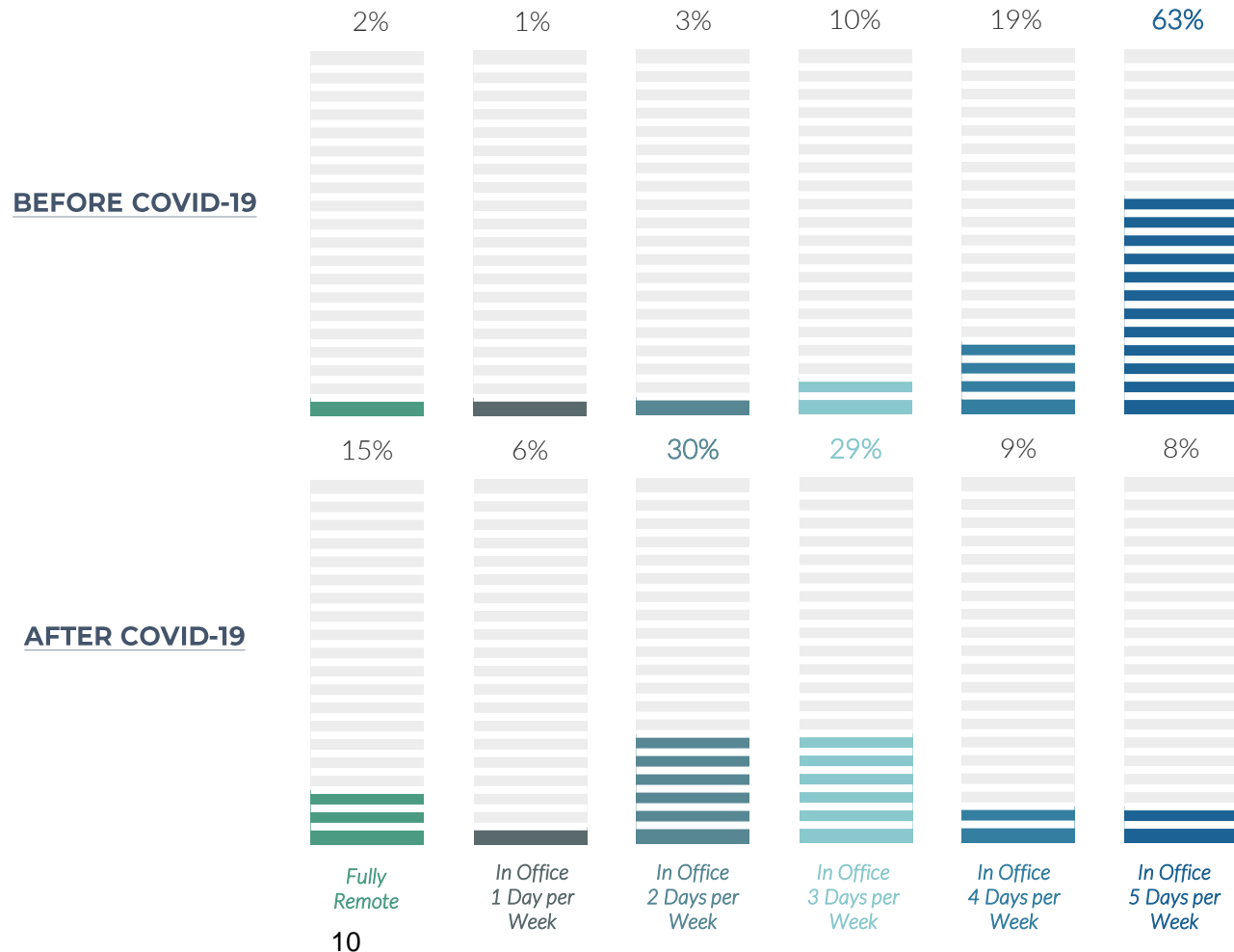
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Instead of the expectation that employers will focus on supporting an **employee's life in the office** via in-office perks, additional programs to facilitate **life outside of the office** will likely become the norm as the tech workforce transitions from being in the office 5 days a week to 2-3 days per week.

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WHICH BEST DESCRIBES THE MAJORITY OF YOUR COMPANY'S WORKFORCE?

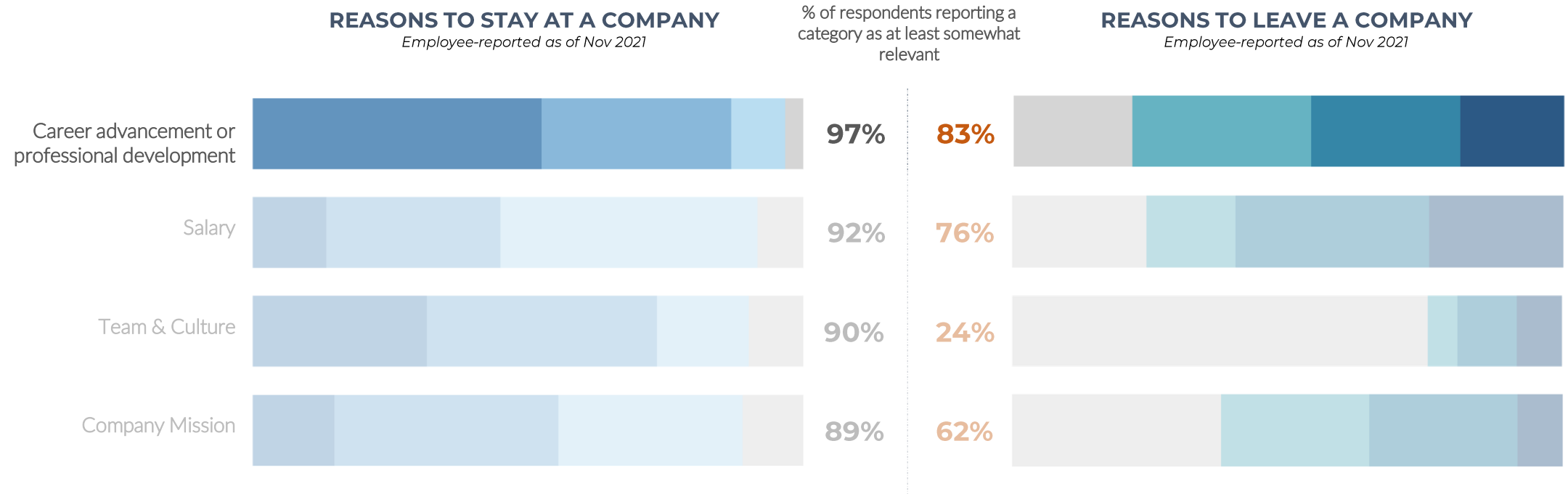
Survey Responses from 2022 Head of People Survey, N = 205



The Importance of Professional Development

Career advancement and professional development are cited as the most important factors in both staying at a company and leaving it

97% of tech employees surveyed cite career advancement and professional development as at least somewhat relevant to their decision to stay at their current company, with **53% reporting it as their primary reason – more than any other category cited**. In tandem, 83% reported it as at least somewhat relevant to their decision to leave a company in the last ~1.5 years. Investing in professional development, including communicating clear career advancement pathways and timelines, appears critical to retaining tech employees.



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Career Goals Over Time

What employees are looking for as it relates to their career is also changing; over the past few years, employees are increasingly prioritizing goals like work-life balance, purpose and passion

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While employees cite career advancement and professional development as a reason to stay or leave, their **meaning of professional development and career advancement to employees is likely also expanding beyond just up-or-out advancement**, and employers need to figure out how to meet the apparent contradiction in employee needs.

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While employees in the tech sector are hungry and looking to advance, across the broader economy more workers are looking for **balance and passion/meaning**.

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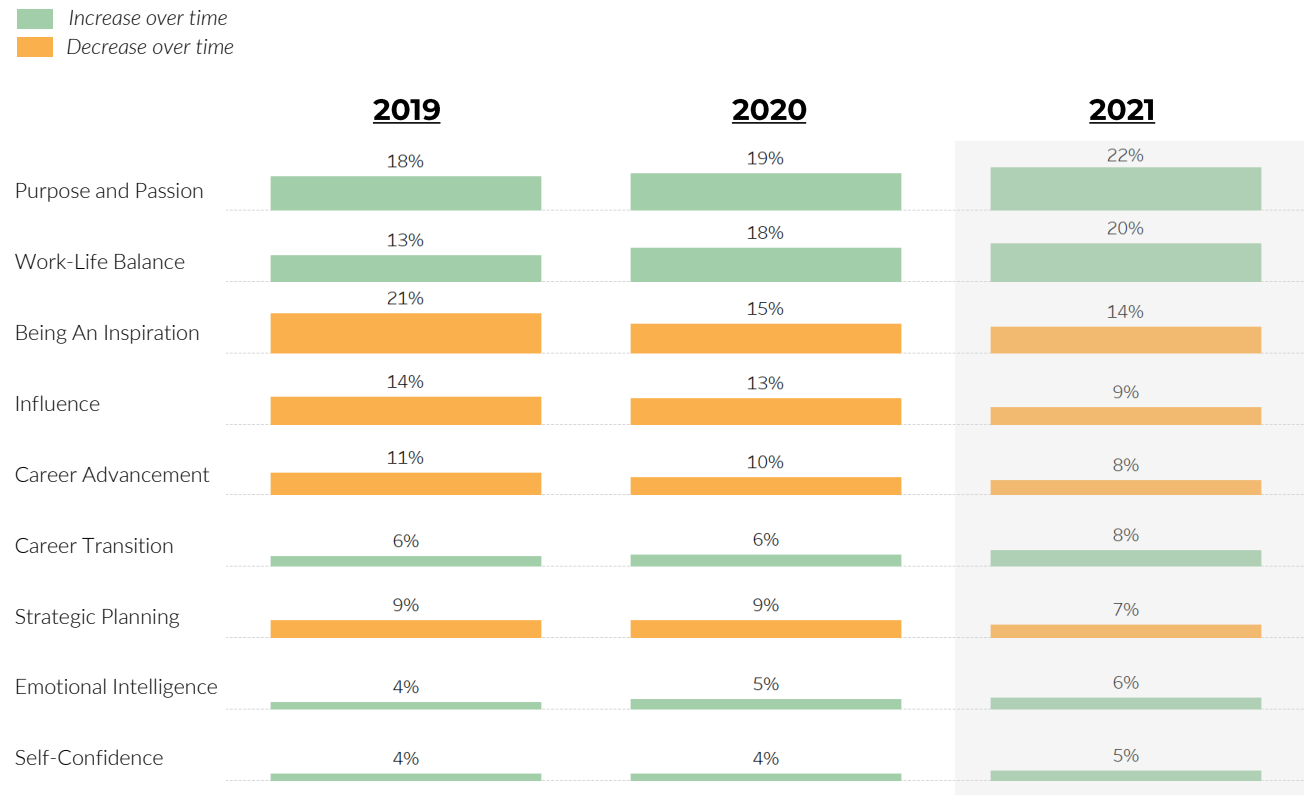
Over the past few years, employees are **increasingly citing goals like work-life balance or passion in lieu of career advancement or influence** when talking about their career goals.

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What's clear is that **both employees and leaders are going to need support in navigating the nuanced and highly personalized definitions of career advancement, growth, and balance**.

COACHING GOALS OVER TIME

At time of onboarding, Thematic analysis of BetterUp coaching conversations
N = 100K



Career Goals Over Time

What employees are looking for as it relates to their career is also changing; over the past few years, employees are increasingly prioritizing goals like work-life balance, purpose and passion

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What people mean by **career opportunities and professional development is often nuanced**. Employees know they need to be adaptable and want to keep getting the skills and experiences that will keep them relevant and have optionality, but they are increasingly opting out of narrow achievement-oriented career goals like a specific title if it means sacrificing other aspects like work-life balance, passion, etc.

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This is reflected in the top 3 professional development goals from the tech employee survey, which were not about taking on leadership responsibilities but **focused on skill/knowledge building** which allow employees to protect optionality and stay relevant in the face of uncertainty.

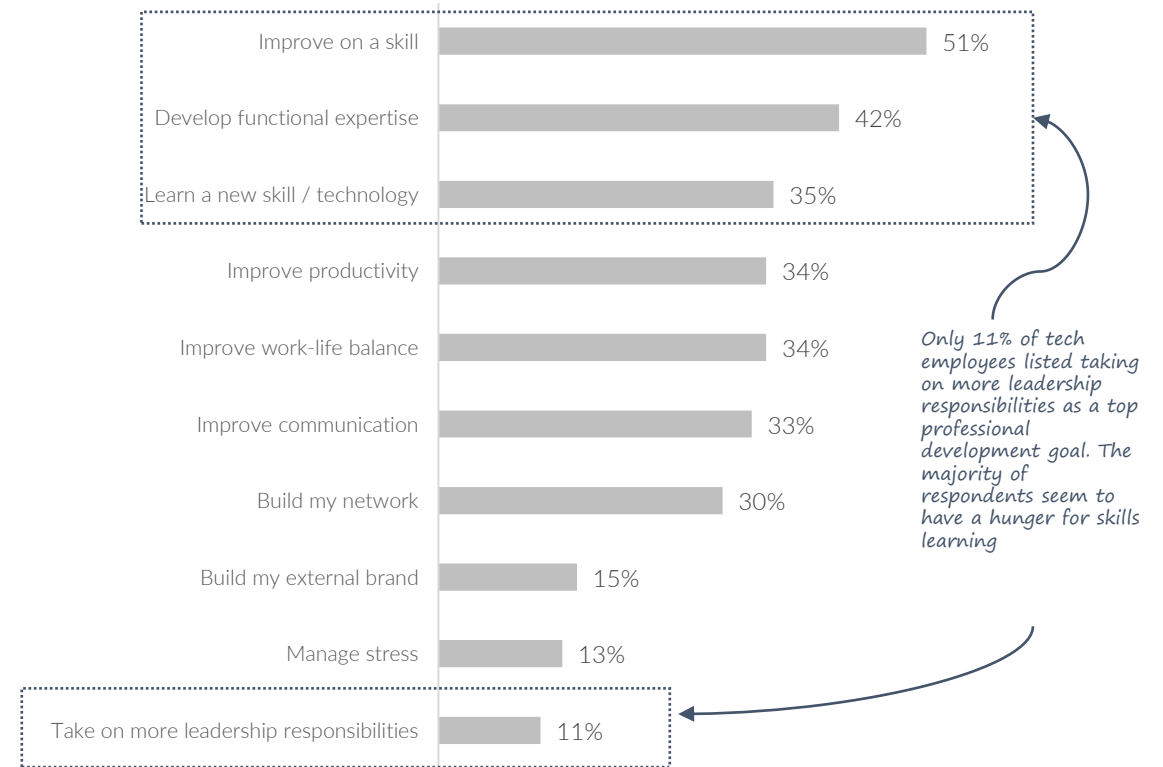
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Employees are also prioritizing goals like **skills learning or developing functional expertise** as top professional development goals, rather than goals like taking on more leadership responsibilities which could indicate new challenges related to apprenticeship and absorbing skills in a remote environment. There will likely be some over-indexing on this front as we emerge from the pandemic and the “Great Reshuffling”, and then we would expect to return closer to middle-ground longer-term.

TOP THREE PROFESSIONAL DEVELOPMENT GOALS

Tech Employee Survey, N = 150



Career Goals by Level

This shift is likely also driven by a generation of younger employees (which make up the majority of Individual Contributors) who tend to have different career expectations than those who have been in the workforce longer

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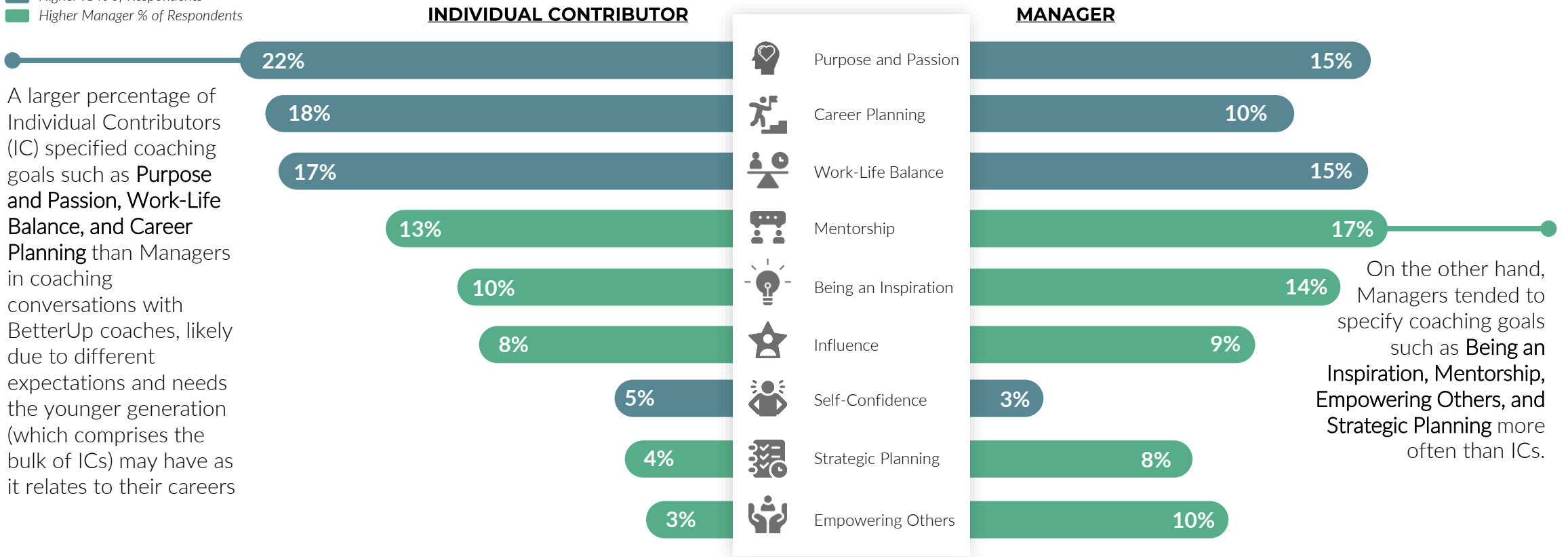
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■ Higher IC % of Respondents
■ Higher Manager % of Respondents

COACHING GOALS BY SENIORITY

At time of onboarding in 2022, Thematic analysis of BetterUp coaching conversations, N = 100K



A larger percentage of Individual Contributors (IC) specified coaching goals such as **Purpose and Passion, Work-Life Balance, and Career Planning** than Managers in coaching conversations with BetterUp coaches, likely due to different expectations and needs the younger generation (which comprises the bulk of ICs) may have as it relates to their careers

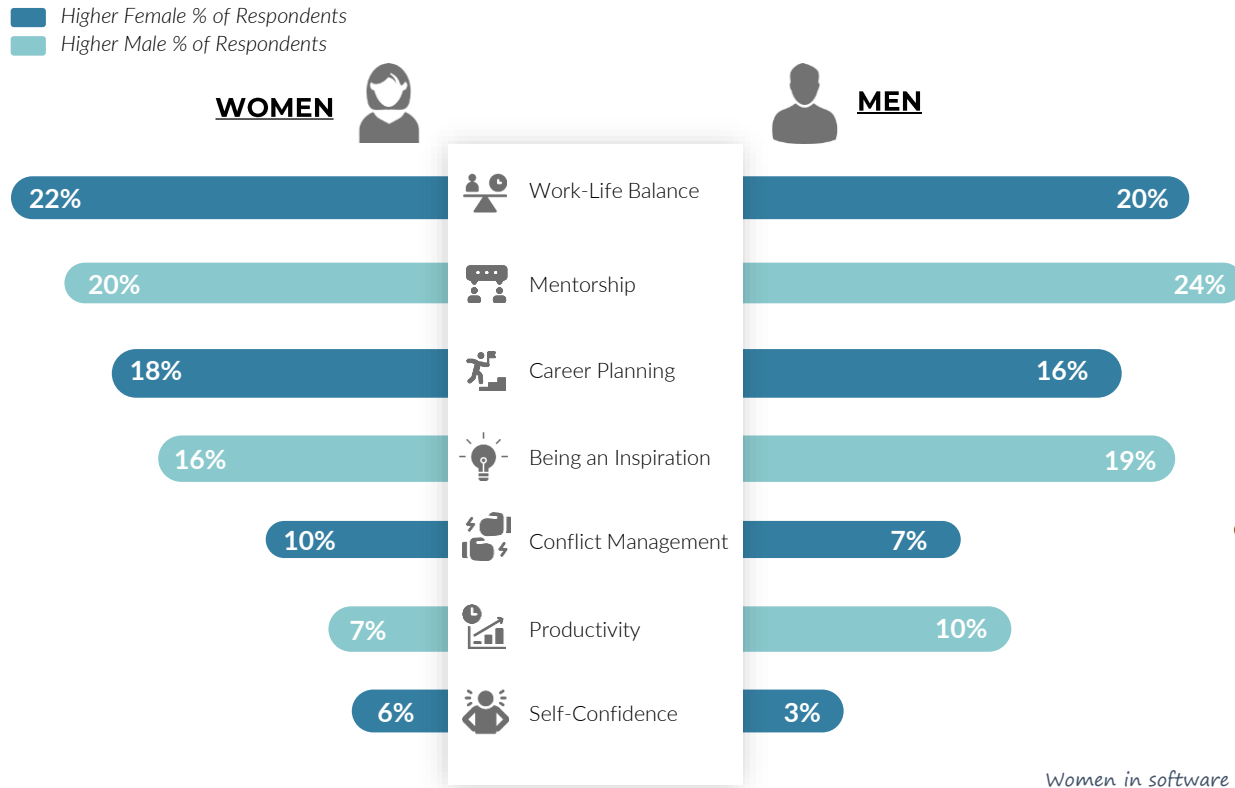
On the other hand, Managers tended to specify coaching goals such as **Being an Inspiration, Mentorship, Empowering Others, and Strategic Planning** more often than ICs.

Career Goals by Gender

Career goals also vary by gender, with women focusing more on career planning, conflict management, self-confidence and work-life balance than men – priorities that became even more important during pandemic when separation between work and home disappeared

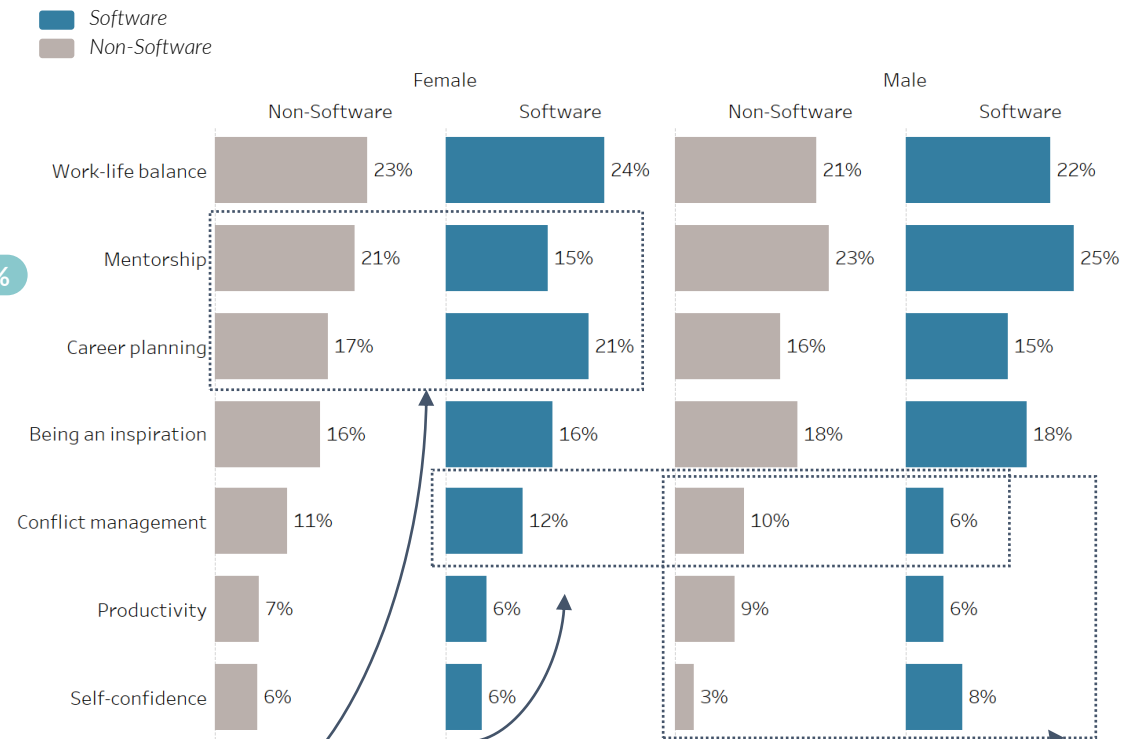
COACHING GOALS BY GENDER¹

At time of onboarding in 2022, Thematic analysis of BetterUp coaching conversations, N = 100K



COACHING GOALS BY GENDER¹ AND INDUSTRY

At time of onboarding in 2022, Thematic analysis of BetterUp coaching conversations, N = 100K



Women in software prioritize career planning much more than mentorship in comparison to both peers in non-software roles and men.

Males in software tend to prioritize self-confidence more than peers in non-software industries, whereas men in non-software prioritize productivity and conflict management

Women in software also prioritize conflict management more than males in software

Sentiment Towards Work by Gender

Men tend to feel a higher degree of satisfaction when talking about their career goals than women, whereas women feel a higher degree of frustration and stress which is more pronounced for women in software

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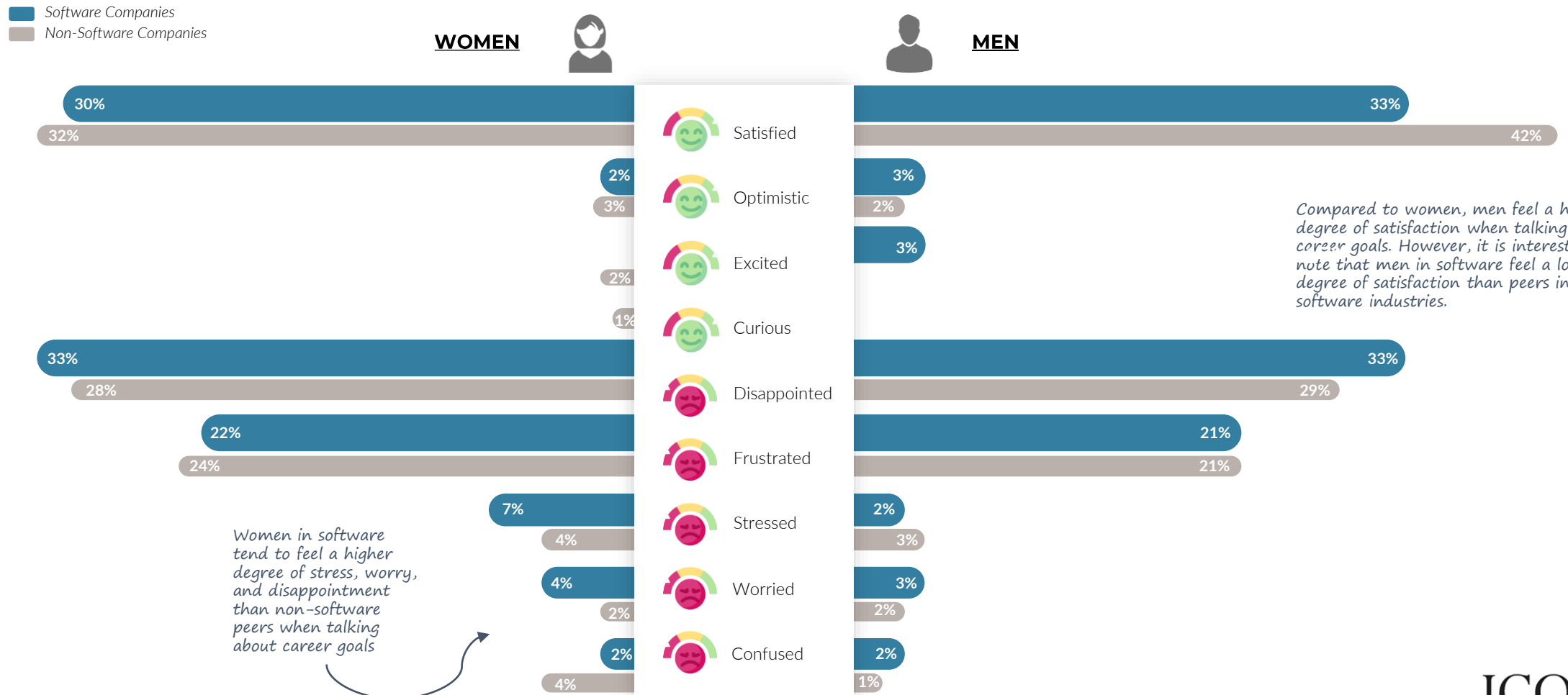
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COACHING GOALS & SENTIMENT BY GENDER¹ AND INDUSTRY

Individual Contributors, At time of onboarding in 2022, Sentiment analysis of BetterUp coaching conversations, N = 3350



Compared to women, men feel a higher degree of satisfaction when talking about career goals. However, it is interesting to note that men in software feel a lower degree of satisfaction than peers in non-software industries.

Women in software tend to feel a higher degree of stress, worry, and disappointment than non-software peers when talking about career goals

¹ Analysis uses implied gender based on pronouns used by coaches

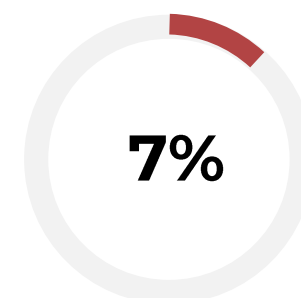
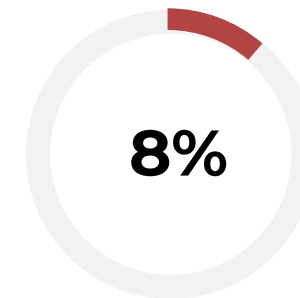
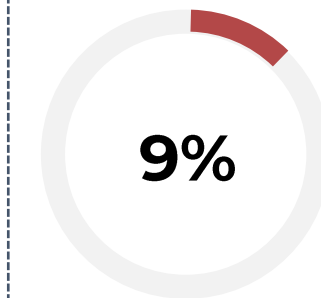
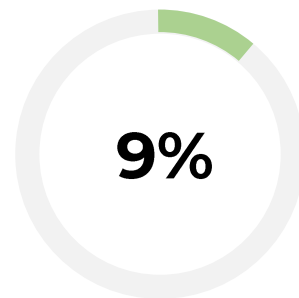
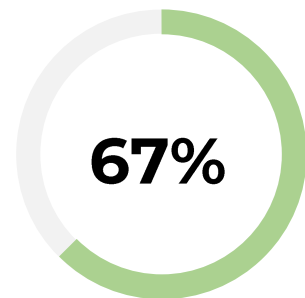
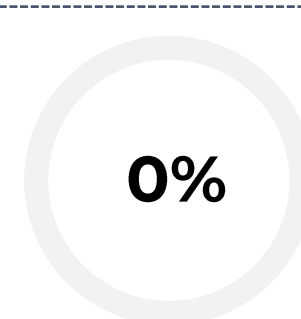
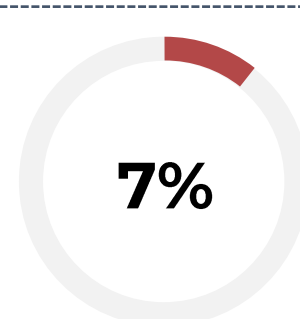
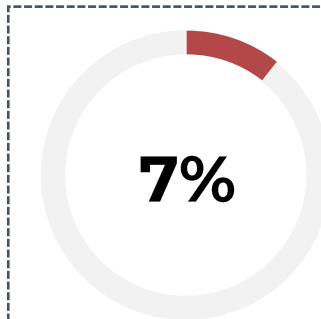
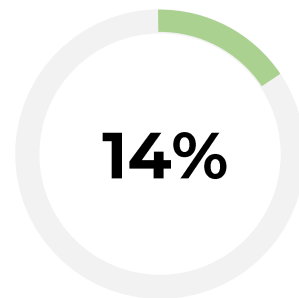
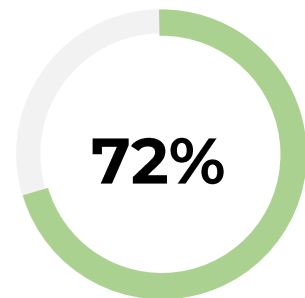
Sentiment Towards Work by Work Arrangement

As communication becomes harder across distributed teams, it's easier for employees to get frustrated, anxious or feel like they don't have enough information to do their jobs

Remote employees feel a higher degree of confusion, stress and worry and a lower degree of satisfaction than in-office peers as it relates to their career based on emotion analysis of BetterUp coaching conversations.

COACHING GOALS & SENTIMENT BY EMPLOYEE WORK ARRANGEMENT

Sentiment analysis of BetterUp coaching conversations with Individual Contributors, At Time of Onboarding in 2022, N = 140K



Based on many years of academic research, the highest-performing teams have one thing in common: **psychological safety** – the belief that you won't be punished when you make a mistake¹.

This is highly correlated to positive emotions like optimism and trust, and it is interesting to note that remote employees likely feel less psychologically safe than in-office peers



CONSIDERATIONS FOR YOUR ORGANIZATION

01



Shifting Career Goals & The Future of Work

Employees are increasingly valuing goals like **work-life balance** and **purpose** rather than career advancement. Due to these shifting career goals, it will be important for HR teams to revisit career pathing and ensure **flexibility** for employees to pursue these goals if not currently possible in their day-to-day or functional roles. HR teams will need to **practice imagination** to **strike balance** between employees who both desire career advancement and balance and should put some **onus** back on employees to craft what this ideally looks like.

02



The Impact of Demographics on Career Goals

Career goals also vary significantly by age / level and gender, with **younger employees** and **women valuing things like work-life balance** over career advancement so it will be critical to ensure decisions around professional development account for the needs across all demographics and a changing workforce.

03



Employee Sentiment Towards Work

There is fractured sentiment across the workforce with people either satisfied or disappointed when speaking about their career; in this sense, **career development must be super personalized** rather than a **one-size fits all** to be effective. For managers of distributed teams, it will be even more important to have **regular performance check-ins** rather than rely on the **annual performance review**.

04



Setting Employees Up For Success

To ease the frustration and confusion for employees who are working across distributed or remote teams, organizations will need to **think much more expansively** about **professional growth and development** to **develop processes and tools** that ensure employees can not only **upskill themselves** but also have access to the experiences and opportunities that keep them relevant, valuable, and adaptable – but also **passionate, engaged and happy**.

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RE-DEFINING PERFORMANCE AND REVIEW PROCESSES



Bias Against Remote Employees

Based on BetterUp 360 feedback data collected from managers in 2022, in-office employees scored higher than hybrid or remote peers across the majority of metrics

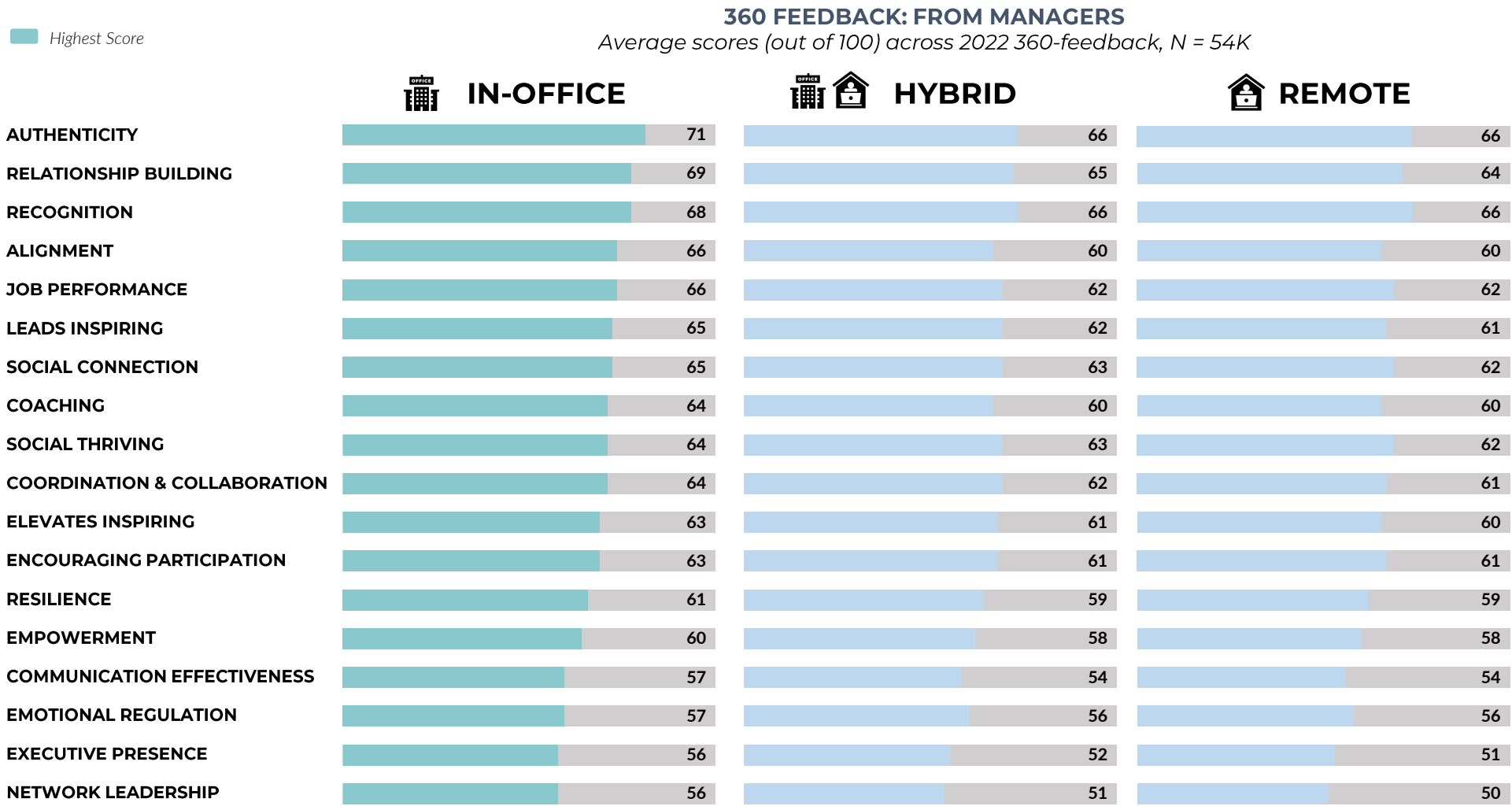
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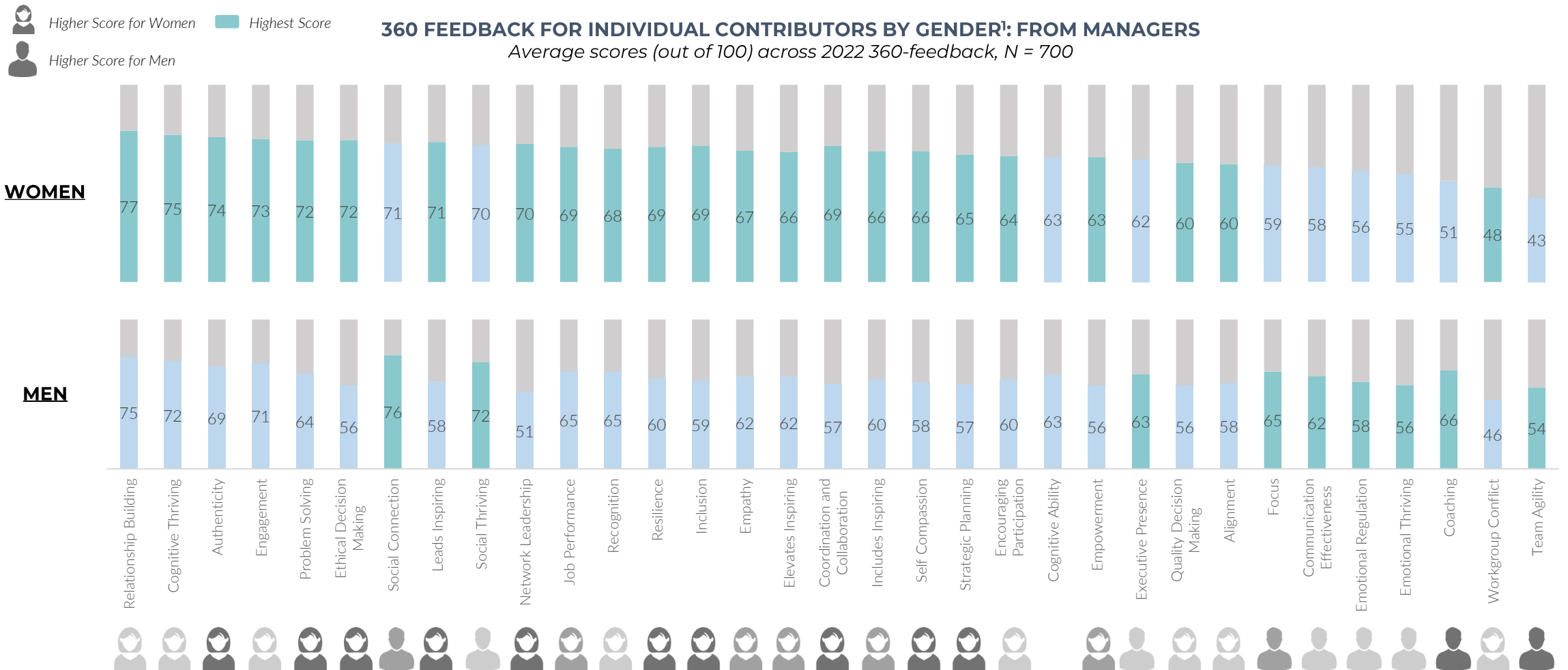
Based on BetterUp 360 feedback data collected from managers in 2022, remote employees took a hit in performance reviews across most dimensions with in-office employees scoring considerably higher across all metrics such as authenticity, job performance, executive presence, etc.

This is likely due to proximity and responsiveness biases which will become even more apparent in organizations that have not re-examined their performance management systems, causing teams and managers to potentially view in-person employees in a more favorable light than remote employees.

See slide 24 for further detail on deltas across workplace structure

Impact of Gender on Perceived Performance

There are also interesting differences in assessment scores based on gender, with women being scored more highly across skills like empowerment, relationship building, and authenticity and men being scored more highly across skills like focus, team agility, and coaching



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¹ Analysis uses implied gender based on pronouns used by coaches

The Importance of Peer Feedback

It will be important for managers of hybrid teams to avoid or, at least, acknowledge these biases through clear communication, shared objectives, and peer feedback

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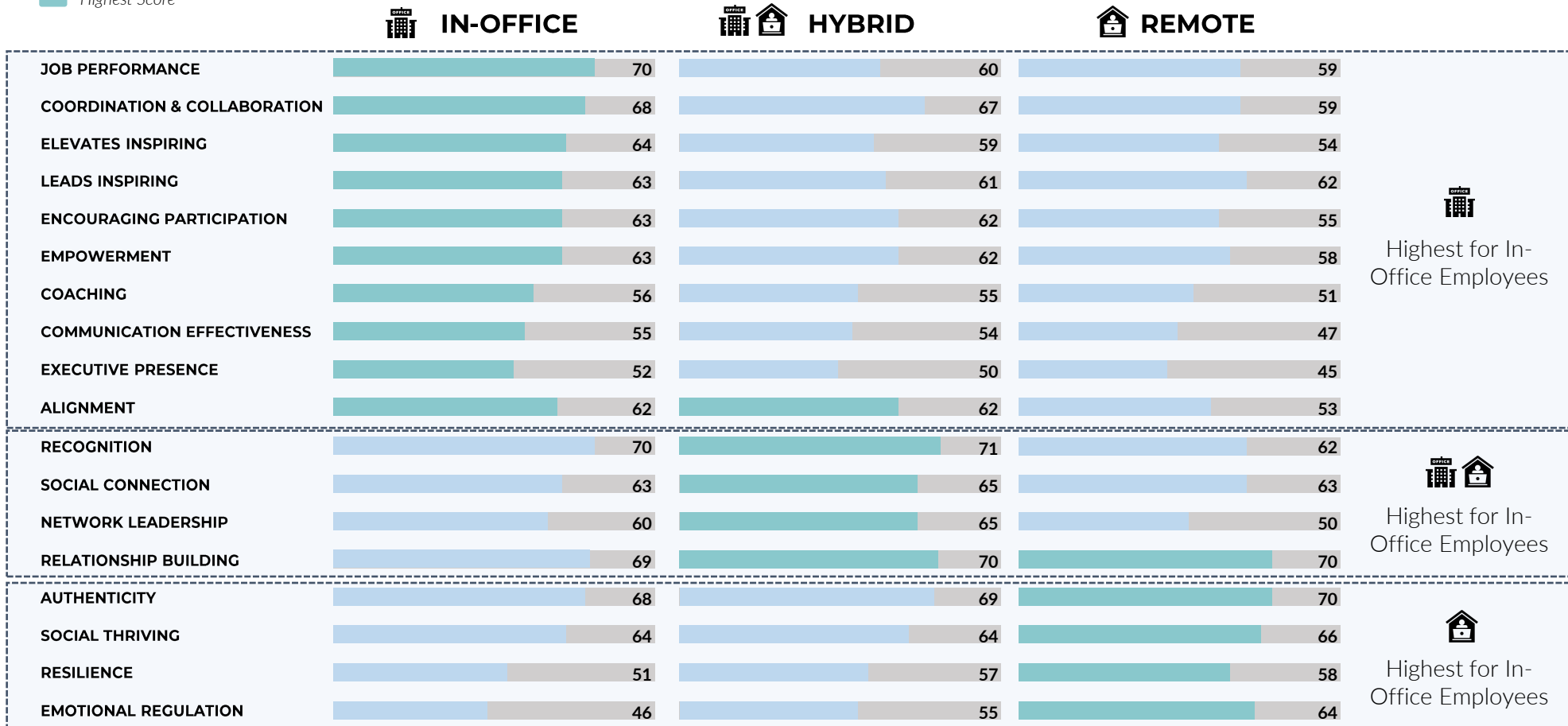
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360 FEEDBACK: FROM PEERS
Average scores, N = 300

■ Highest Score



 Highest for In-Office Employees

 Highest for In-Office Employees

 Highest for In-Office Employees

When looking at peer assessment scores of the same individuals who participated in 360-feedback (page 20), there is a **significantly smaller performance gap** between in-office and hybrid / remote peers across skills.

In fact, hybrid and remote peers **score higher** on multiple skills such as **relationship building, network leadership, resilience, and emotional regulation** than in-office peers.

This may mean that remote employees will also need new skills to **proactively manage up** and make managers aware of biases.

Development Goals of Top Performers

One trait that differentiates top performing employees from the pack is a desire to empower others – a skill that will become even more important as we navigate collaborating across distributed teams

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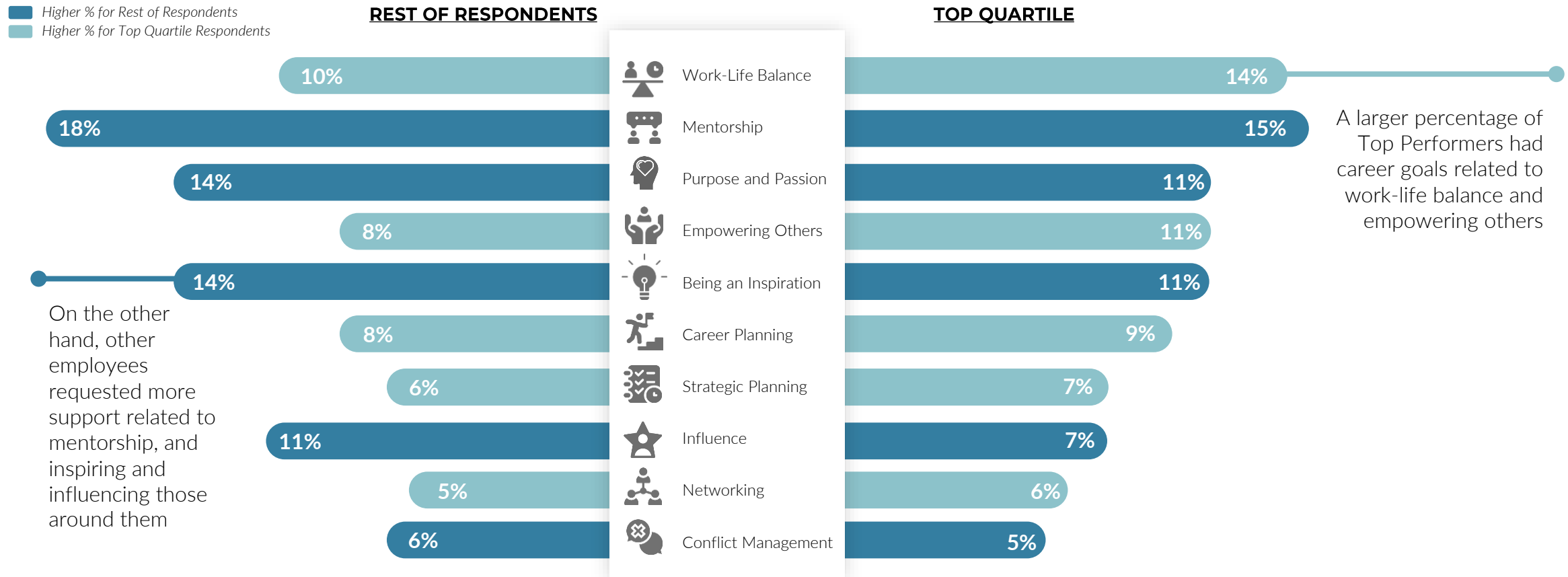
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COACHING GOALS BY PERFORMANCE
 At time of onboarding, Thematic analysis of BetterUp coaching conversations, N = 3000



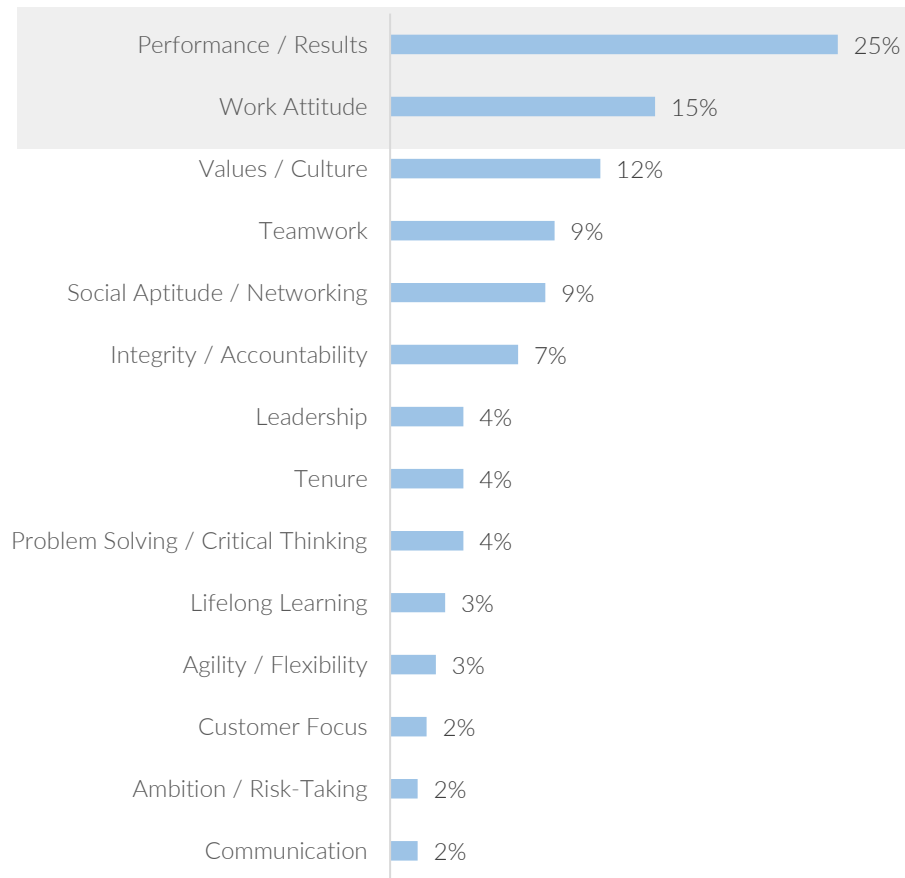
On the other hand, other employees requested more support related to mentorship, and inspiring and influencing those around them

Current Performance Indicators

Both Heads of People and tech employees agree that the top attributes that define who gets promoted in their organizations are related to results / performance and a positive work attitude

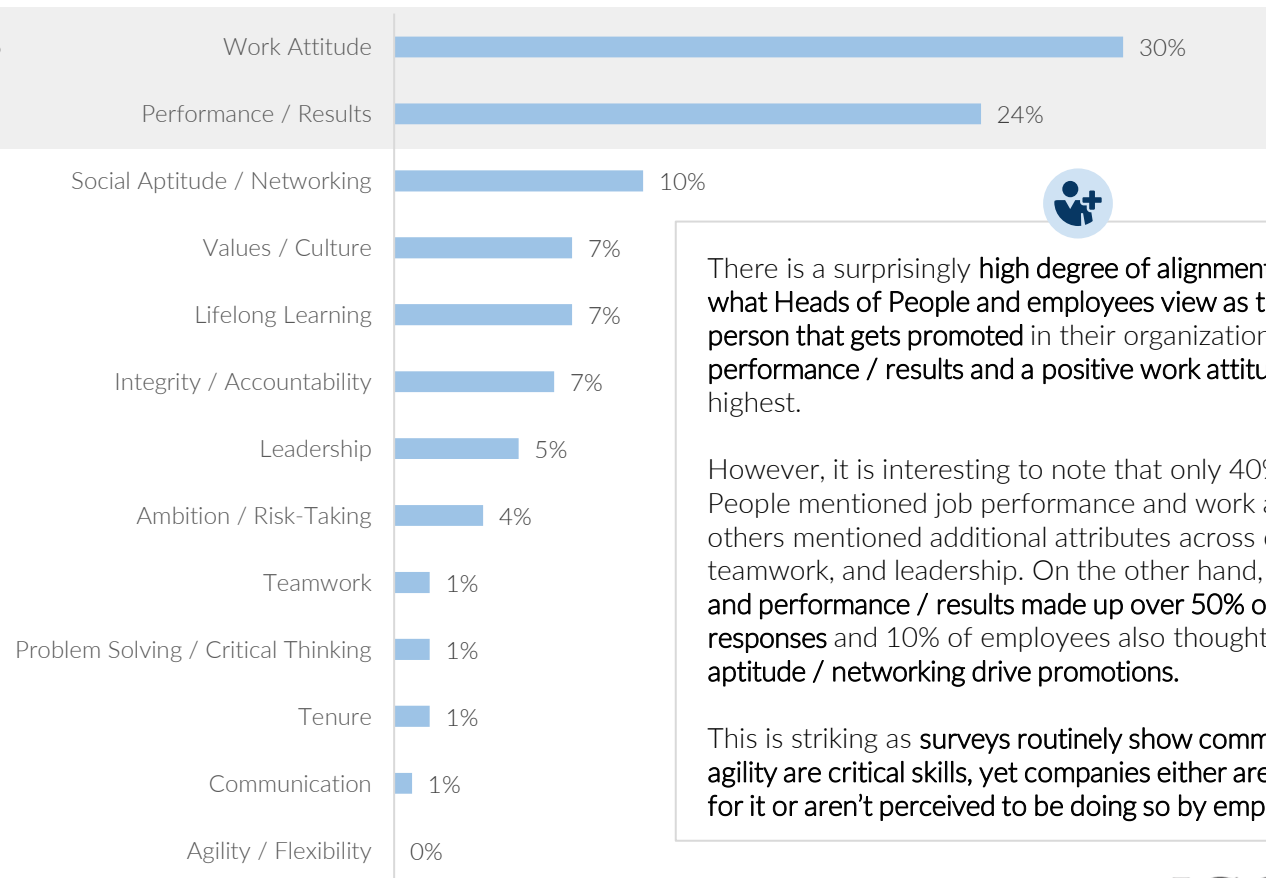
WHAT ARE THE TOP 3 ATTRIBUTES OF SOMEONE WHO GETS PROMOTED IN YOUR COMPANY?

Survey Responses from 2022 Head of People Survey, N = 195



WHAT TYPE OF PERSON GETS PROMOTED IN YOUR COMPANY?

Survey Responses from 2022 Tech Employee Survey, N = 136



There is a surprisingly **high degree of alignment** between what Heads of People and employees view as the type of person that gets promoted in their organizations, with **job performance / results** and a **positive work attitude** ranking highest.

However, it is interesting to note that only 40% of Heads of People mentioned job performance and work attitude and others mentioned additional attributes across culture, teamwork, and leadership. On the other hand, **work attitude and performance / results** made up over 50% of employee responses and 10% of employees also thought **social aptitude / networking** drive promotions.

This is striking as surveys routinely show communication and agility are critical skills, yet companies either aren't promoting for it or aren't perceived to be doing so by employees.

A New Set of Leadership Skills

Successful employees in the 'next normal' will be able to flex the softer skills that are traditionally easier to showcase in-person than remote

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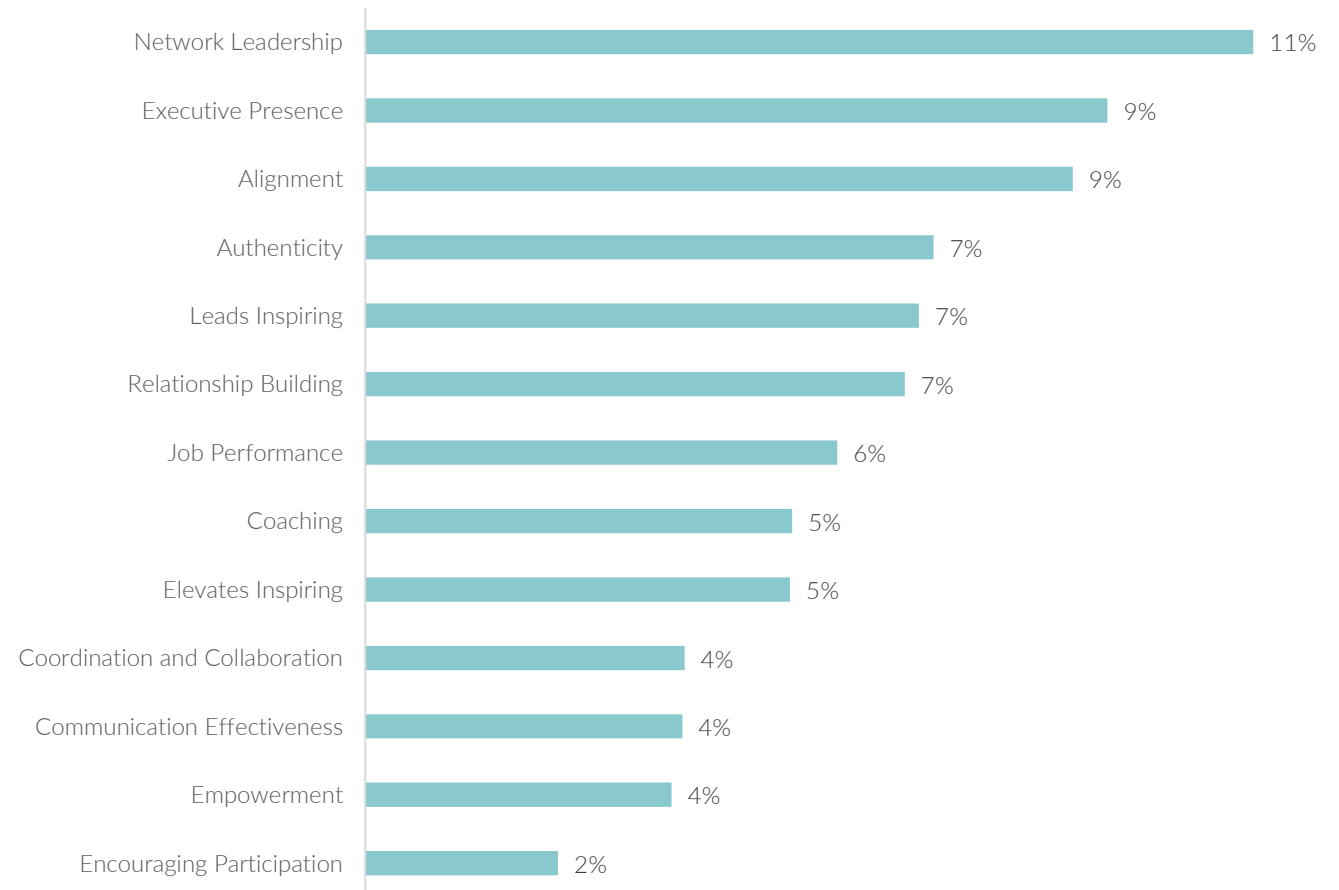
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As we think about the types of leaders that will be successful in the workforce of tomorrow, it could be argued that successful employees will be the ones that can most successfully **bridge the gaps between skills that traditionally come easier to in-office employees.**

New leadership skills will be those that allow employees to effectively **bring alignment, presence, authenticity and connection across the remote/ office divide.**

SKILLSETS WITH BIGGEST GAPS BETWEEN IN-OFFICE AND REMOTE EMPLOYEES
% Difference between In-Office and Remote Employee Scores from Manager Assessments, N = 54K



A New Set of Leadership Skills

BetterUp's Whole Person Model accounts for mindsets, behaviors, and outcomes that drive employee success

With the lines between home-self and work-self blurred, [a more holistic approach to leadership is needed to thrive in this "next normal."](#)

Research shows that when we bring our whole selves to work, we're more creative and perform better. That's why BetterUp created the **Whole Person Model (WPM)** to measure the mindsets and behaviors that research shows lead to peak performance, enhanced well-being, and strong company culture.

While many traditional leadership approaches typically focus on one aspect of an employee's day-to-day work life, [the Whole Person Model](#) takes a more **comprehensive** approach. When we show up at work, we bring our complete selves, so it's important to make investments in [thriving behaviors like rest and emotional regulation](#) that are proven to impact how we lead and interact with others, along with the quality of our work.

The Whole Person Model has **three core components**:

MINDSETS

Goals, beliefs, and emotions that motivate individuals to achieve an optimal state of functioning (e.g., growth mindset, optimism, self-awareness)

BEHAVIORS

Behaviors that help enable individuals to act on their full potential. Starting from a place of strength, employees can focus on building and improving behaviors that are lacking. Behaviors fall under two categories:

- **Thriving Behaviors** support personal thriving in all domains of work and personal life and across cognitive, emotional, social, and physical dimensions (e.g., rest, focus, strategic planning, and emotional regulation)
- **Inspiring Behaviors** enable employees to empower others to perform at their best, either in a formal or informal leadership capacity (e.g., motivating others, guiding others, and including others)

OUTCOMES

The beneficial results associated with positive mindsets and behaviors (e.g., resilience, productivity, performance, engagement, job satisfaction)

BETTERUP'S WHOLE PERSON MODEL



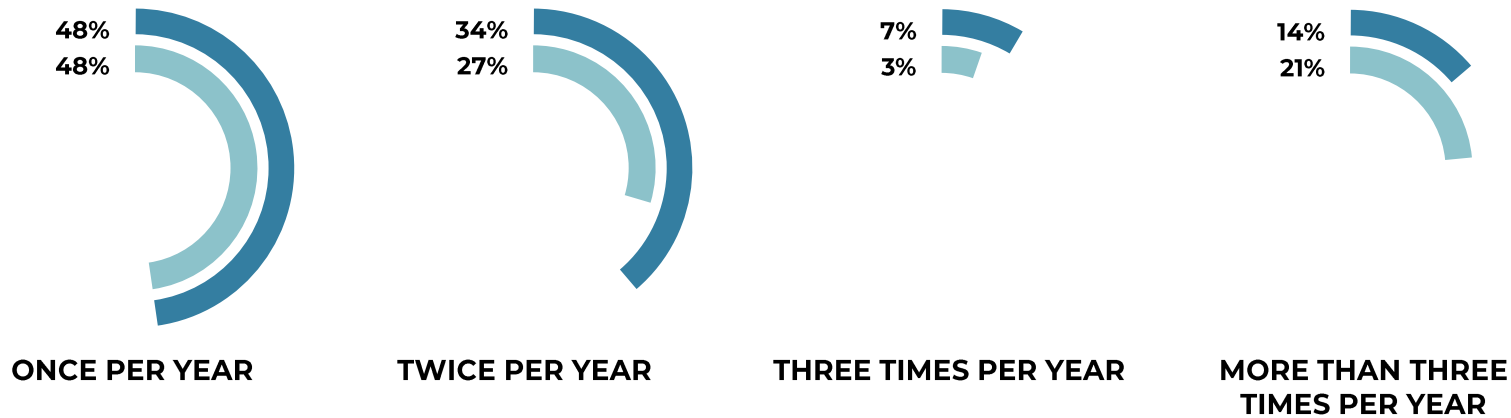
The Current State of Performance Management

Companies with strong organization health have performance reviews more than three times per year

- All Companies
- Companies with Strong Org Health¹

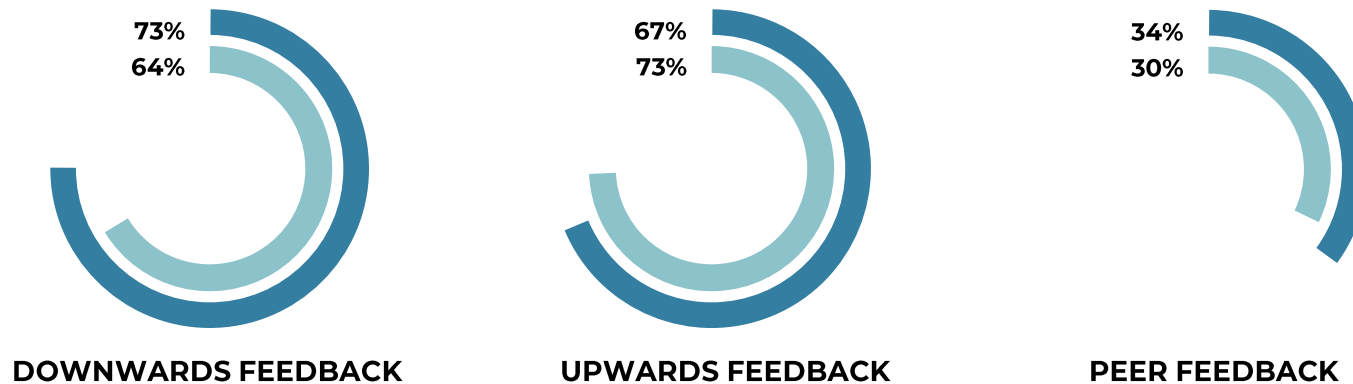
HOW OFTEN DO YOU CONDUCT FORMAL PERFORMANCE REVIEWS TODAY?

Survey Responses from 2022 Head of People Survey, N = 64



WHAT METHODS OF FEEDBACK DOES YOUR COMPANY DEPLOY DURING FORMAL PERFORMANCE REVIEWS?

Survey Responses from 2022 Head of People Survey, N = 64



Strong organizations are thinking about not only increasing the frequency but also the breadth of reviews and likely use performance management as a tool to drive employee engagement rather than solely assess performance.

Most SaaS companies currently have performance reviews 1-2 times a year. Notably, a significant portion of companies with strong organization health also have formal performance reviews more than three times per year.

The majority of organizations deploy all three types of feedback, with downwards feedback being the most common performance feedback mechanism.

It is also interesting to note that companies with strong organization health seem to prioritize upwards feedback slightly more (i.e. employees review their managers) so than downwards feedback.

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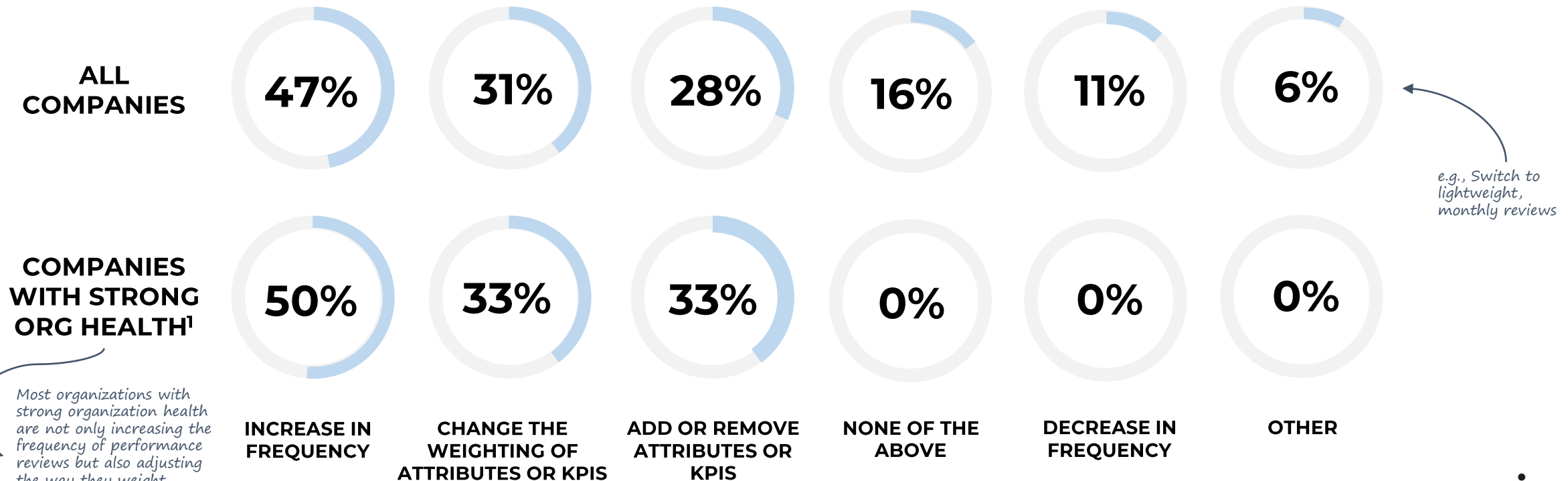
Performance Management Processes

As managers have less visibility than before into employee performance, performance management needs to become a tool for employee engagement rather than evaluation

In the post-COVID world, performance management should be seen as a **tool for employee engagement rather than evaluation**. Rather than rigid or point in time view of performance, it will be important to **shift to ongoing conversations around goals and wellbeing**. A more frequent review process (either through regular coaching discussions or more frequent formal reviews) will become critical for managers of distributed teams to have **clear visibility into the work they can't always see on a daily basis**.

THIS YEAR, HOW DO YOU EXPECT YOUR COMPANY'S PERFORMANCE REVIEW PROCESSES TO CHANGE?

Survey Responses from 2022 Head of People Survey, N = 64



¹ Defined in Methodology slide on page 6

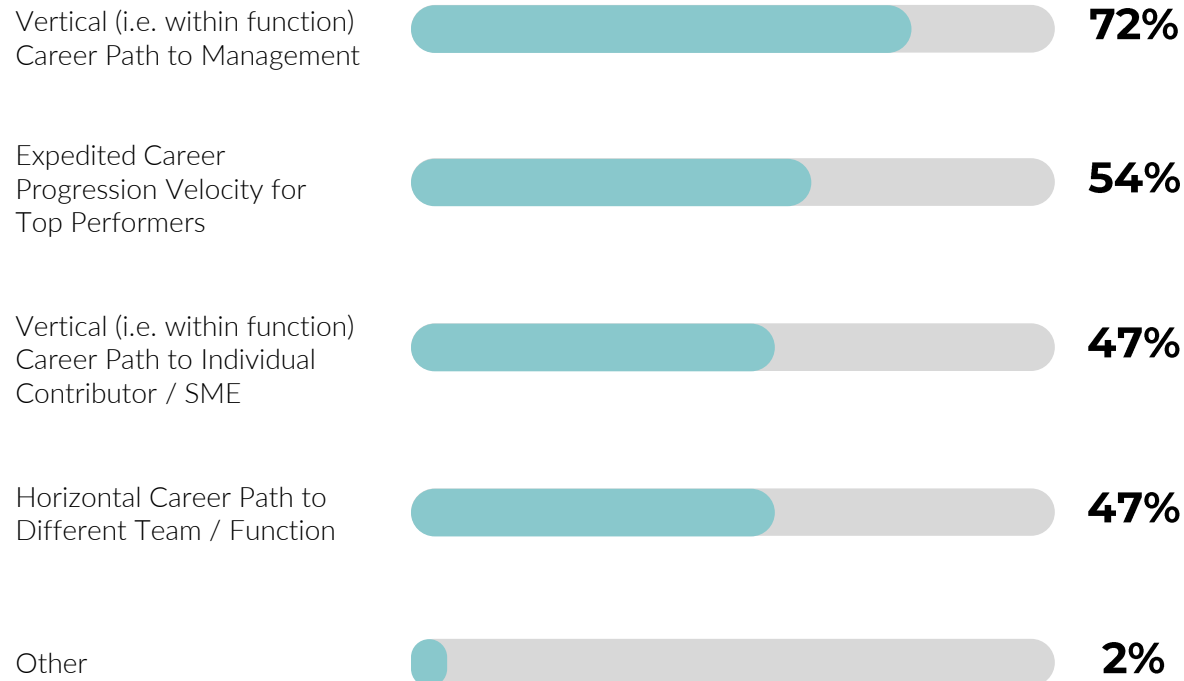
Career Paths

Although many companies already offer flexibility in career paths and options for employees to explore paths outside of the traditional vertical progression model, it will be important to clearly communicate the options and trade-offs to employees who are increasingly hoping to pursue IC rather than management roles

WHICH OF THE FOLLOWING CAREER PATHS DO YOU EXPLICITLY OFFER TO EMPLOYEES? SELECT ALL THAT APPLY

Survey Responses from 2022 Head of People Survey, N = 89

OFFERED BY TECH COMPANIES



Most tech companies today offer multiple vertical paths and seem to be exploring ways for employees to pursue horizontal career paths to different teams.

When asked what career path they would like to take, **38% of tech employees surveyed actually expressed an interest to pursue vertical career paths to an individual contributor / SME role** (rather than management). As mentioned earlier in the chapter, HR leaders should think about **designing for flexibility but also giving employees the agency** to design their own career paths or roles given highly personalized career goals in the new future of work.

It will also be important for orgs to consider whether they should optimize for retention or “positive” attrition – a decision that will be specific to each organization and employee.

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Managing Bias in the Workplace

While impossible to completely avoid bias in the workplace, managers of hybrid teams can try to recognize the potential bias and **try to help the team acknowledge these potential blind spots through bias training**. In terms of structural changes, it will also be important for leaders to **demonstrate examples of working remotely** (vs. all skewing to be in-office) and **set clear and shared objectives** as it relates to individual and team performance. Conversely, remote employees may also need **upskilling to effectively manage up and make managers aware of potential biases**.



The Importance of Peer Feedback

As managers have less visibility into the day-to-day of remote employees, **peer feedback will become a critical and likely more accurate way of assessing performance**. As shown in the data on page 19, peer scores varied far less for the same individuals regardless of work arrangements.



A New Set of Leadership Skills

Both Heads of People and tech employees agree that the top attributes that define who gets promoted in their organizations are related to results / performance and a positive work attitude. However, **successful employees navigating the new normal will be the ones that can most successfully bridge the gaps between skills that traditionally come easier to in-office employees**, such as network leadership, coaching, and authenticity.



Performance Management as a Tool for Engagement

Performance management should be seen as a **tool for employee engagement** rather than evaluation in a post-COVID world. Rather than a rigid or point in time view of performance which can often be incomplete for distributed employees, it will be important to **shift to ongoing conversations around goals and wellbeing through a more frequent review process**.

LEARNING AND DEVELOPMENT

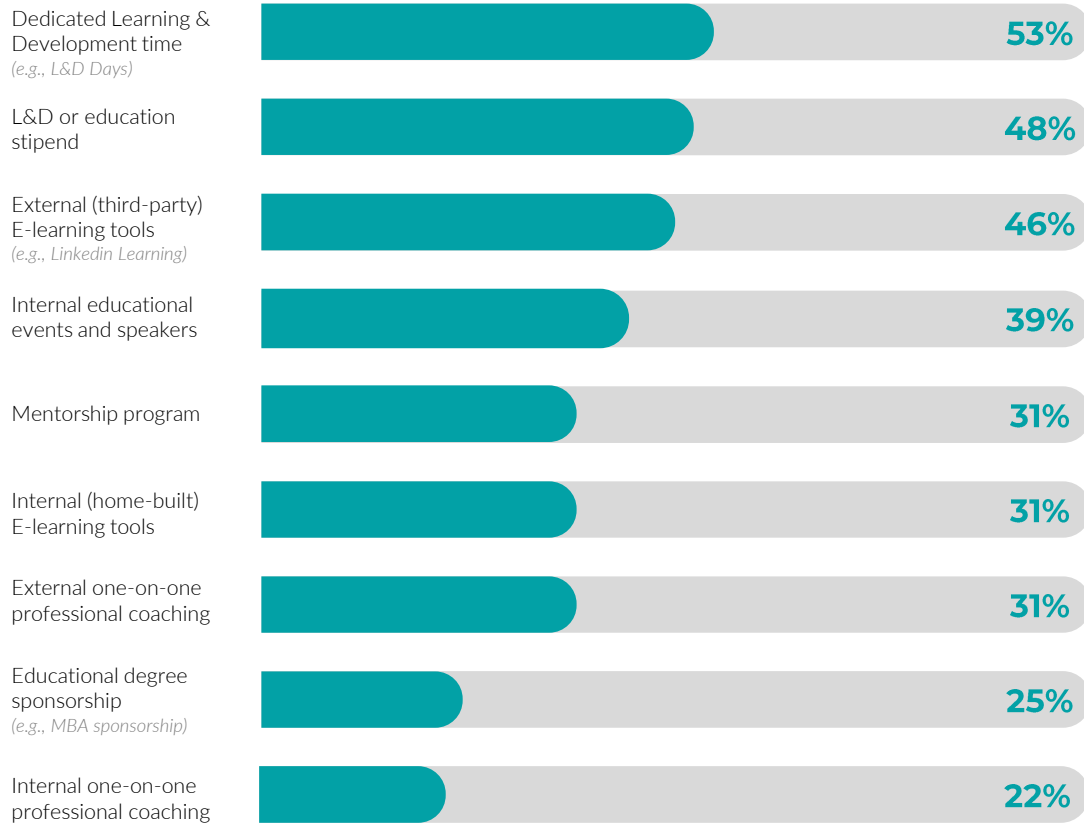


Current L&D Benefits

Around half of tech organizations surveyed currently offer dedicated L&D time, stipends, or tools for employees with most companies planning to expand employee resources and tools this year

WHICH OF THE FOLLOWING COMPANY-SPONSORED LEARNING AND DEVELOPMENT OPPORTUNITIES DO YOU CURRENTLY OFFER EMPLOYEES? SELECT ALL THAT APPLY

Survey Responses from 2022 Head of People Survey, N = 59



% OF RESPONDENTS PLANNING TO EXPAND BENEFIT (IF EXISTING)



% OF RESPONDENTS PLANNING TO ADD BENEFIT (IF NOT CURRENTLY OFFERING)

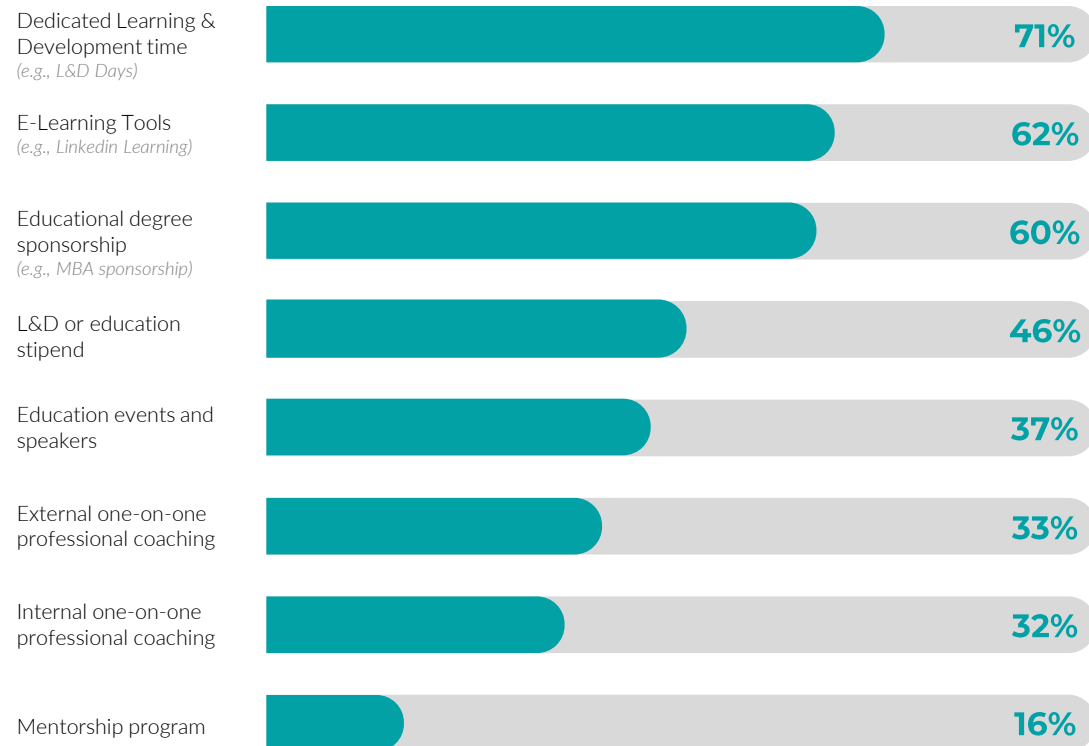


Top Benefits Requested by Employees

Tech employees would be most interested in dedicated learning & development time and e-learning tools, with women interested in an average 2 hours less of coaching time than men

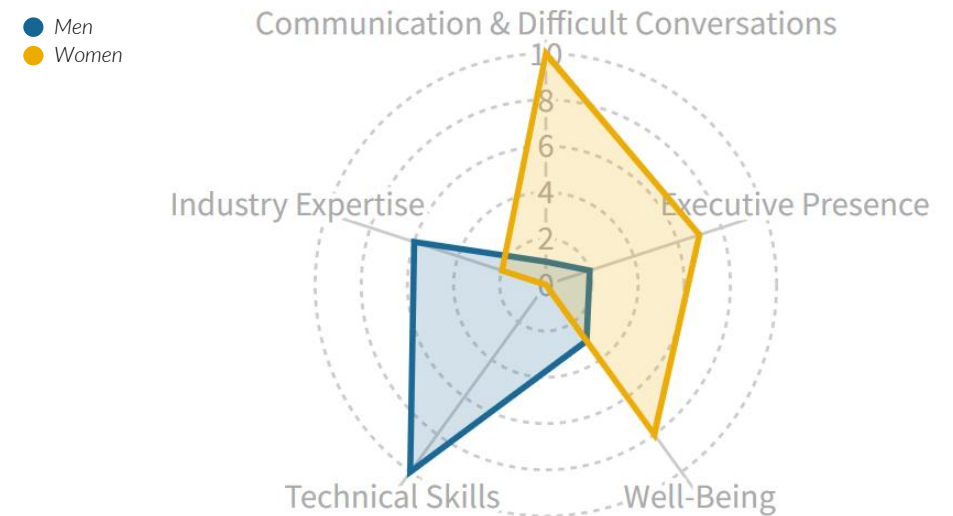
IF A COMPANY COULD OFFER YOU 3 L&D BENEFITS, WHICH WOULD YOU CHOOSE? RANK UP TO THREE

Survey Responses from 2022 Head of People Survey, N = 59



IF YOU HAD AN ADDITIONAL HOUR EVERY WEEK TO DEDICATE TOWARD PROFESSIONAL OR PERSONAL DEVELOPMENT, WHAT WOULD YOU RATHER INVEST IN?*

Survey Responses from 2020 BetterUp Benchmarking Survey, N = 8956



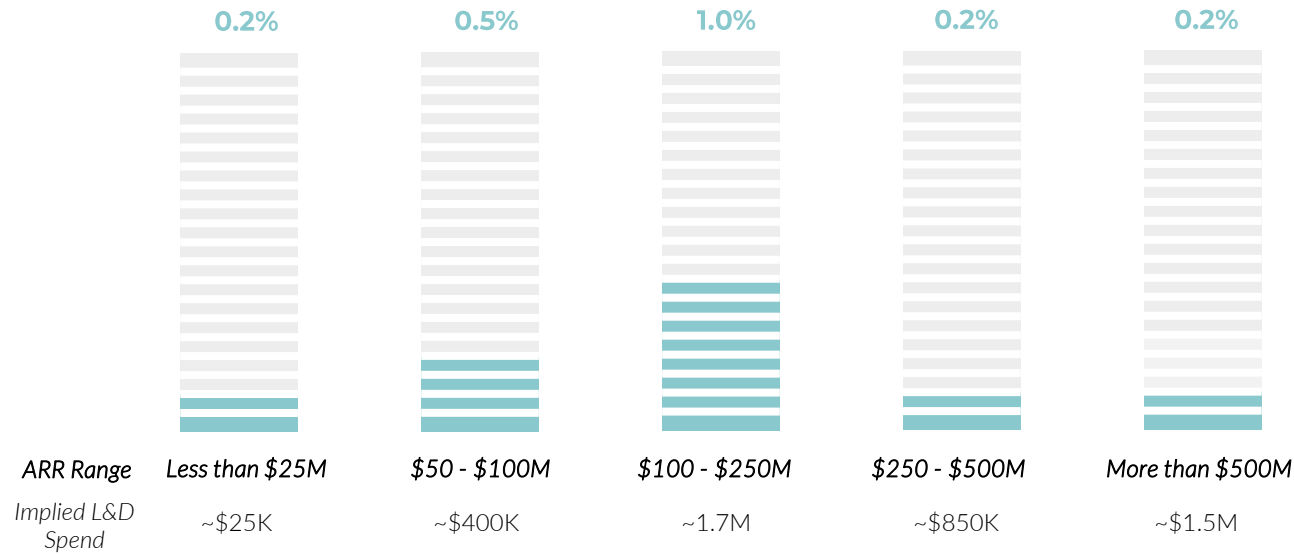
There are unique differences between how men and women desire to leverage coaching. Whereas men want to focus on building technical skills and expertise, women expressed a desire to more support around communication, executive presence, and well-being

Annual L&D Spend

SaaS organizations typically spend on average ~0.5% of ARR on learning & development, with most organizations expecting to increase L&D spend per employee slightly this year

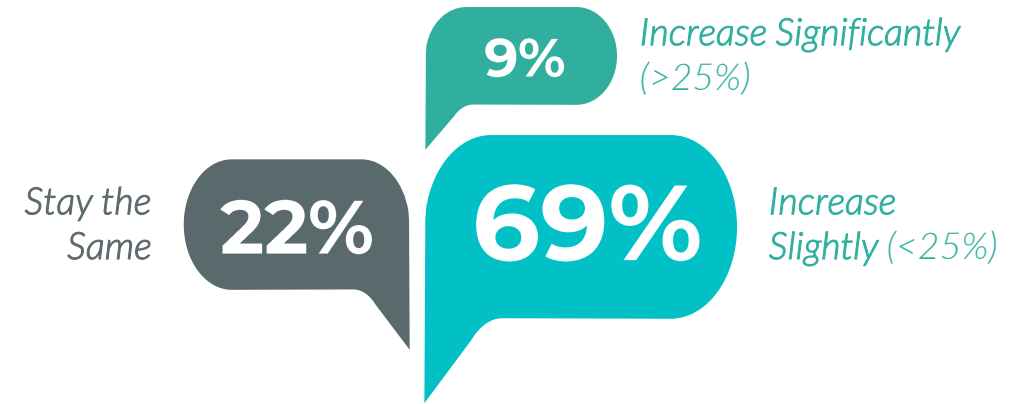
APPROXIMATE 2022 ANNUAL LEARNING & DEVELOPMENT BUDGET AS % OF REVENUE

Survey Responses from 2022 Head of People Survey, N = 57



HOW DO YOU EXPECT YOUR COMPANY'S LEARNING AND DEVELOPMENT SPEND PER EMPLOYEE TO CHANGE THIS YEAR?

Survey Responses from 2022 Head of People Survey, N = 57



Average change of +11% compared to last year

5x Organizations with **strong organizational health¹** spend on average **~5x more** on L&D than other companies

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Employees Want to Upskill

Tech employees are most interested in **upskilling**, with interest specifically in **dedicated L&D time, e-learning tools and education degree sponsorship**. However, it is important to note that we often find employees only select from what is offered and don't know what else to expect or ask for as it relates to L&D.

Around 30% of employees are also interested in either external or internal coaching. While women are more interested than men in coaching, they often can only commit to a **reduced number of coaching hours per month** perhaps due to other work-life commitments.



Rethink Your L&D Program

Around **half of tech organizations surveyed currently offer dedicated L&D time, tooling or stipends** for employees. Most organizations are planning to **invest in expanding internal resources** like L&D tools, coaching, and dedicated time this year. **50% of organizations are also planning to introduce new L&D benefits** like educational events and speakers this year.

Companies need to **think more expansively about what L&D is trying to accomplish and how to get there vs. rolling out more fixed programs**. Trying to match supply and demand with preset curriculum is incredibly difficult, and personalized programs like BetterUp which can flex to individual needs will become incredibly valuable.



Strong Companies Overinvest in L&D

SaaS organizations typically spend on average **~0.5% of ARR on learning & development**, with **most organizations expecting to increase L&D spend per employee slightly (up to 25%)** this year.

Companies with **strong organizational health** also tend to spend 5x more on L&D than other organizations.

APPENDIX



BetterUp 360 Feedback Definitions

01	Alignment	[Member] align others' efforts by clearly communicating goals.
	Authenticity	[Member] is authentic in his/her interactions with others.
	Coaching	[Member] guides others on specific ways they can individually learn and grow.
	Cognitive Ability	[Member] shifts his/her perspective on business problems when beneficial.
	Cognitive Thriving	[Member] prepares for change by continually learning and adapting.
	Coordination and Collaboration	[Member] effectively coordinates others to create an efficient flow of work.
	Elevates Inspiring	[Member] gives others abundant opportunities to achieve their best work.
02	Emotional Regulation	[Member] regulates his/her emotions well to remain calm and collected.
	Emotional Thriving	[Member] manages his/her emotions to behave professionally and confidently.
	Empathy	In [Member]'s relationships with others, he/she seeks to understand their views.
	Empowerment	[Member] gives others the flexibility and freedom to do their best work.
	Encouraging Participation	[Member] creates opportunities for others to meaningfully contribute at work.
03	Engagement	[Member] displays strong levels of energy, enthusiasm, and focus at work.
	Ethical Decision Making	[Member]'s decisions are deeply rooted in ethical considerations.
	Focus	[Member] remains tightly focused on current priorities.
	Includes Inspiring	[Member] makes others feel that they belong and are valued.
04	Inclusion	[Member] promotes feelings of fairness and equity across the workgroup.
	Job Performance	[Member] is highly effective in all aspects of his/her current role.
	Leader Communication Effectiveness	[Member] excels at influential communication regardless of topic or audience.
	Leader Executive Presence	Due to [Member]'s words and actions, others see him/her to have an extremely confident presence.
	Leads Inspiring	[Member] helps others overcome barriers to stay on track toward mutual objectives.
05	Network Leadership	[Member] has strong strategic relationships in place across the organization.
	Problem Solving	[Member] provides a creative perspective to help the group problem-solve.
	Quality Decision Making	Decisions [Member] makes have a positive long-term impact on the business.
	Recognition	[Member] regularly recognizes the contributions of others.
	Relationship Building	[Member] maintains meaningful social relationships with others at work.
	Resilience	[Member] recovers quickly to full performance after setbacks.
	Self Compassion	[Member] focuses on his/her strengths rather than his/her weaknesses.
	Social Connection	[Member] builds close social connections with others.
	Social Thriving	[Member] builds positive long-term relationships with others.
	Strategic Planning	[Member] makes thorough plans to achieve long-term objectives.
	Team Agility	[Member]'s team is ready to respond quickly in response to new challenges.
	Workgroup Conflict	There is a high degree of interpersonal conflict on [Member]'s team.

ABOUT ICONIQ GROWTH





ICONIQ GROWTH

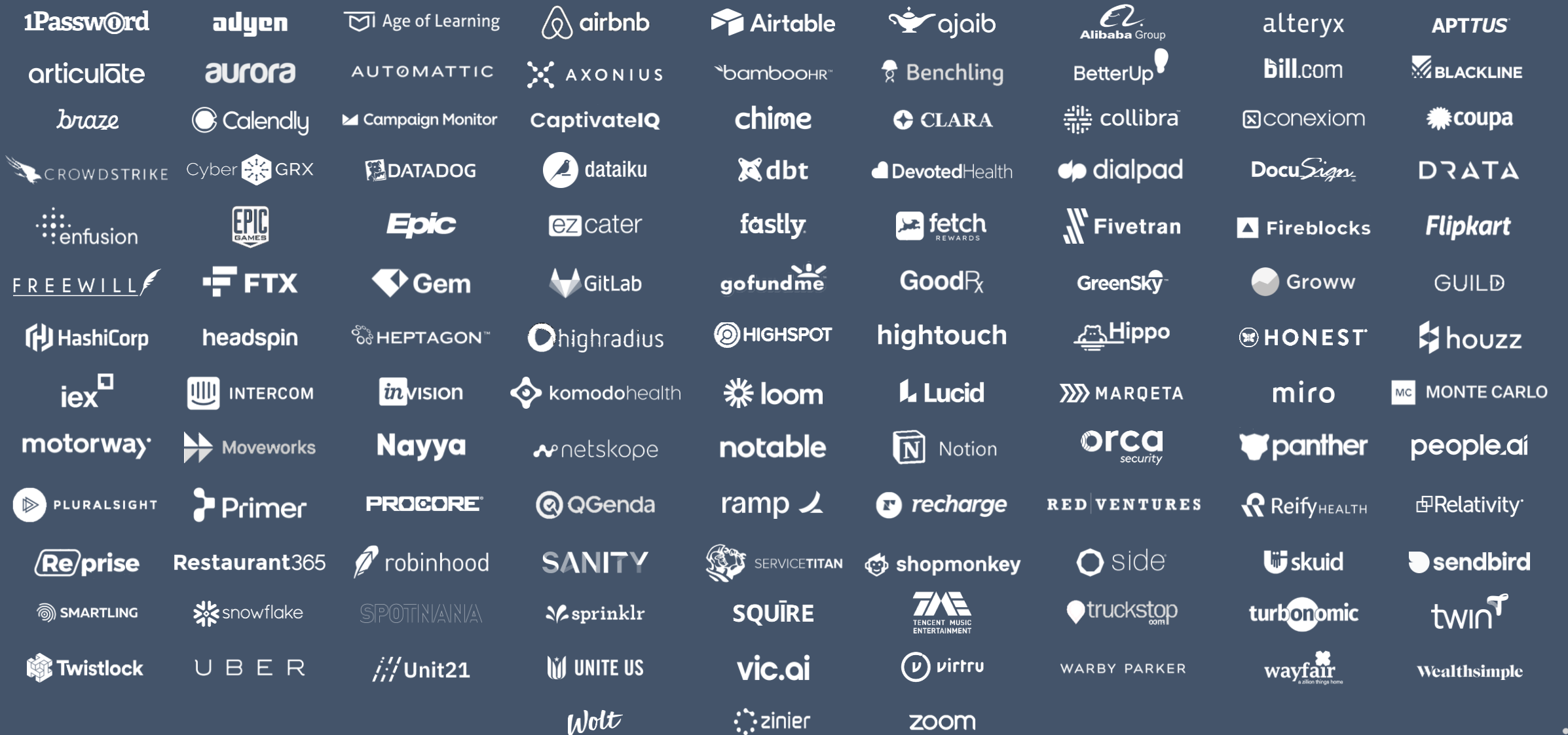
Dedicated team with strong investing
and operating experience

OUR VALUES

Teamwork | Excellence | Integrity

**WE PARTNER WITH
EXCEPTIONAL ENTREPRENEURS AND LEADERS
WHO DRIVE GLOBAL IMPACT AND CHANGE**

A PORTFOLIO OF CATEGORY LEADERS



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