



Future of Work @VMware

Betsy Sutter
Chief People Officer at VMware

November 9, 2020

VMware History



VMware
founded
1998



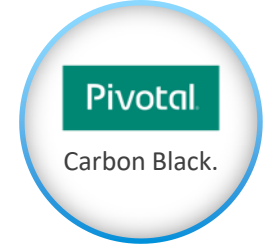
VMware ESX and
vMotion launched
2002



VMware goes
public
2007



Dell acquires
EMC
2015



VMware acquires Pivotal
and Carbon Black
2019



VMware Workstation launched
and virtualization is born
1999



EMC acquires
VMware
2004



vSphere becomes an
industry mainstay
2009



Launch of VMware
Cloud on AWS
2016

Who We Are



- \$10.8B+ in revenue
- 99%+ of Fortune 1000 companies
- 34,000 employees
- Offices in 50+ countries
- Values-based company



Workplace Trends

- 79% of people want to work from home and 36% would choose it over a pay raise (Global Workplace Analytics)
- 46% of companies that allow telecommuting say it has reduced attrition (Global Workplace Analytics)
- Remote working policies improve productivity 80% of the time (Gartner)
- The productivity increase among remote workers is equivalent to an extra day per person per week (Gallup)

Our Assumptions

- Collaboration and innovation can only be done face to face
- Our practices and rituals are tied to physical spaces and moments
- All requisitions need to be tied to physical locations
- Our LEED-certified sustainable campus is a big part of our identity
- Employees value our on-site amenities, and they attract top talent

Our Reality

- 80% of our total workforce have an assigned seat, but buildings are only at 60% capacity
- Remote employees more likely to change roles inside the company
- Remote employees score higher on all metrics compared with office employees in employee engagement surveys
- Attrition rates are similar for remote employees and VMware office employees

San Francisco Chronicle

SFCHRONICLE.COM | Tuesday, March 17, 2020 | CONTAINS RECYCLED PAPER | \$2.00 *****

CORONAVIRUS PANDEMIC

STAY AT HOME

6 Bay Area counties order nearly 7 million people to shelter in place

By Erin Alday

Six Bay Area counties announced "shelter in place" orders for all residents on Monday — the strictest measure of its kind yet in the continental United States — directing everyone to stay inside their homes and away from others as much as possible for the next three weeks in a desperate move to curb the rapid spread of coronavirus across the region.

The directive was set to begin at 12:01 a.m. Tuesday and involves San Francisco, Santa Clara, San Mateo, Marin, Contra Costa and Alameda counties — a combined population of more than 6.7 million. It is to stay in place until at least April 7. The three other Bay Area counties — Sonoma, Solano and Napa — did not issue similar mandates.

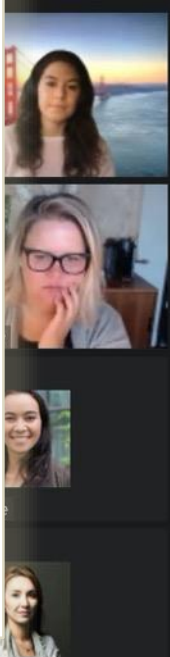
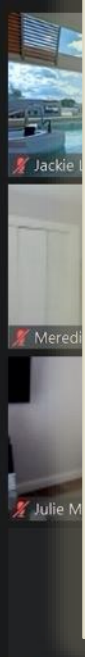
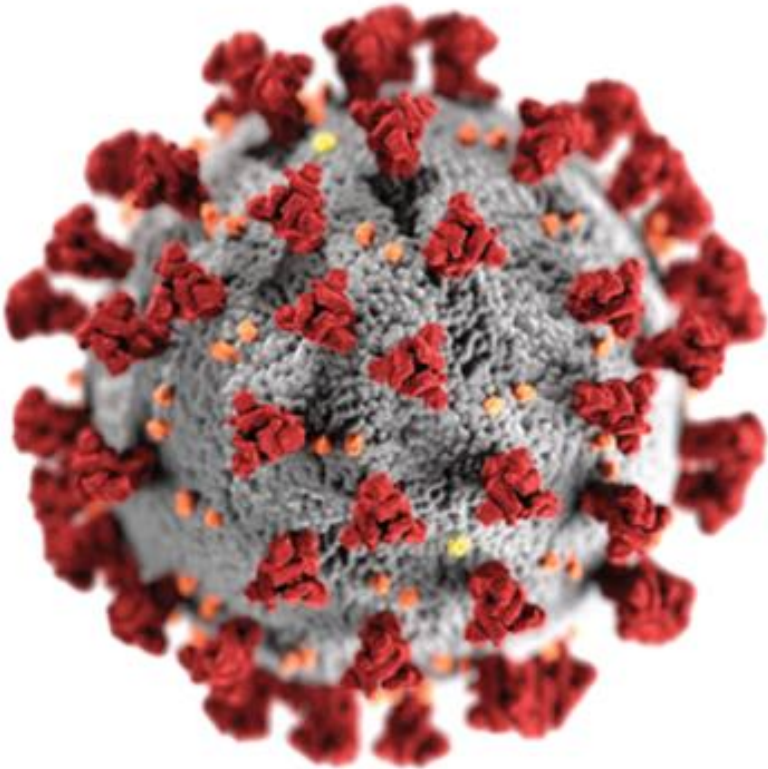
Just outside the Bay Area, Santa Cruz County late Monday also announced a "shelter in place" order for its 275,000 residents.

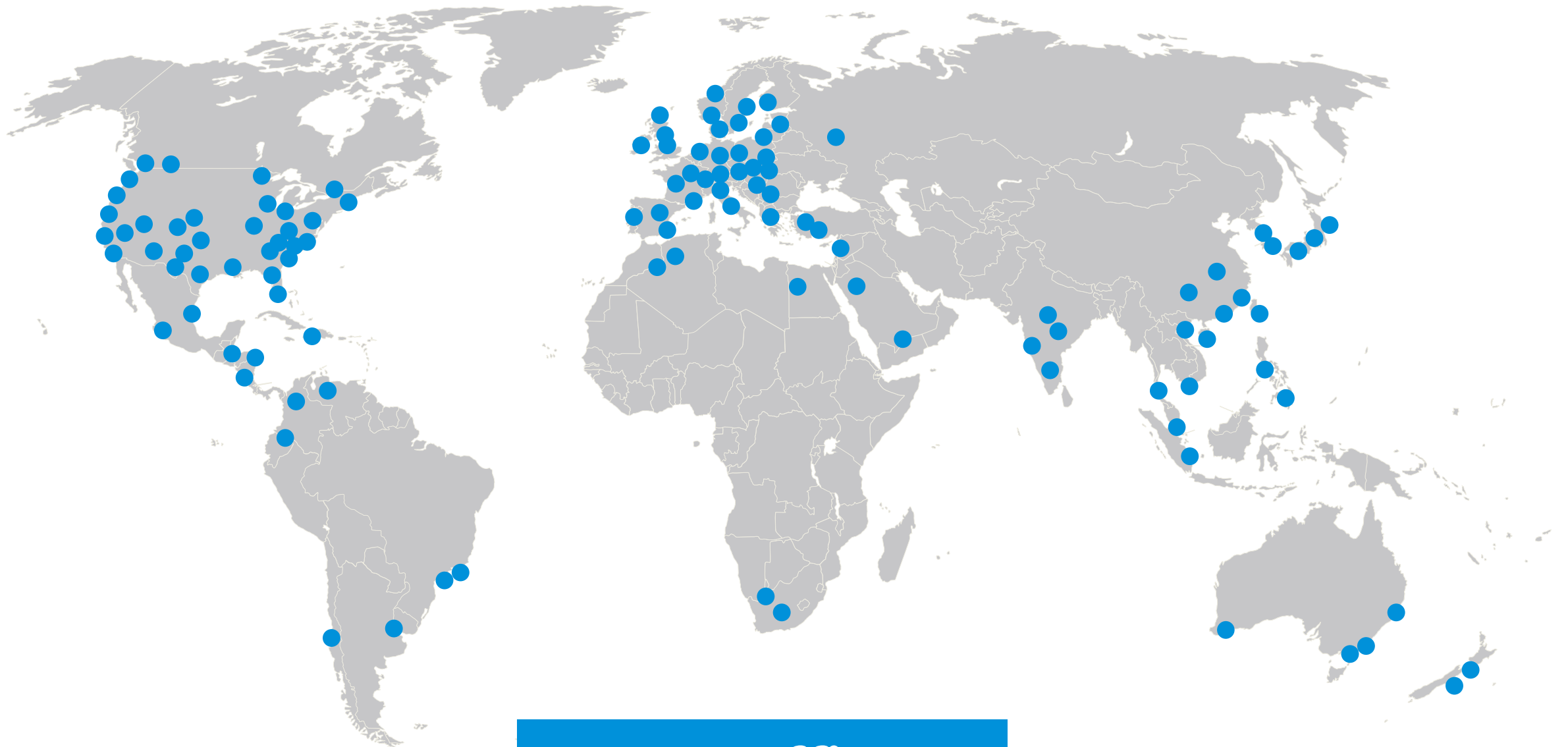
The orders — which are all similarly worded — fall just short of a full lockdown, which would forbid people from leaving their homes without explicit permission. The orders (read San Francisco's here in the ...



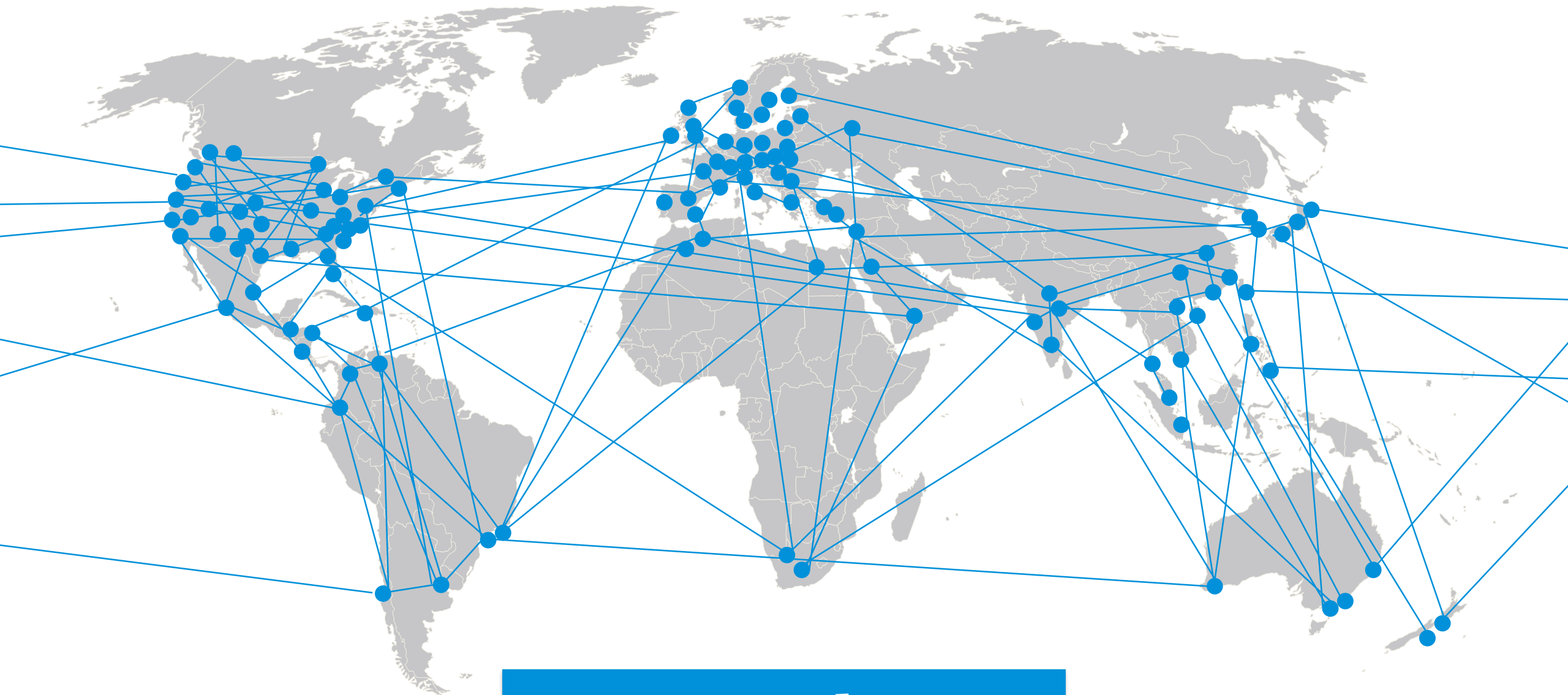
Debrale Lurie / The Chronicle

Kathryn Sandretto, manager of Acote, closes the clothing store after learning that all non-essential businesses must close.





~150 offices



34,000 workspaces

Future of Work



Wellbeing



Workforce



Work Practices



Workplace

Workforce

Embracing our talent around the world



Building a diverse and innovative global workforce

- Continue hiring top talent regardless of proximity to VMware locations
- Increase diversity of employee base
- VMware employees provided greater flexibility of work location
- Empowering employees to grow their careers without limitations



Workplace

Work where work happens



VMware will now have global presence from 34,000 personal offices + worldwide collaboration hubs

- Work from home, a VMware site, a customer site or a coffee shop
- Flexible or fixed work locations
- VMware spaces designed for employees to do their best work in a collaborative manner
- Employees have the technology and equipment they need to be effective individually or when collaborating, wherever they work



Work Practices

Communities not companies



Accelerate individual and team productivity through common work practices and behaviors

- Preserve workplace behaviors that benefit productivity and create new rituals that support a distributed model
- Create new meeting norms that recognize the challenges and opportunities of online meetings
- Moving our quarterly Company Meetings online results in higher attendance and lower cost
- Signature events (VMworld, WT2) now online and open to employees

Wellbeing “Benefits” Evolution

Before

- On-site gyms, cafeterias and coffee shops
- On-site speakers and events, limited audience
- Vacation days, sick leave
- Childcare
- EAP – traditional benefit (6 visits)

After

- Wellbeing allowance (physical, emotional, financial and community)
- Online events open to all employees
- Pandemic Leave, Wellbeing Days, EPIC2 Days
- Access to caregivers, pet sitters, tutors, housekeepers, nannies, virtual babysitters
- Wellbeing therapy/coaching (12 visits)

Compensation and Mobility Policies

Work Location

VMware will support employees who request to move their primary work location to a new city, state or country where possible.














Every move will be evaluated based on three factors:

- 1 Business
- 2 Compensation
- 3 Mobility



IT Future of Work

Implement a Standard Tool Set

Enterprise Social		VMware Social
Conferencing		Zoom  Teams
Voice Communication		Teams  Zoom
Email & Calendar		Outlook
Visual Collaboration		Miro
Team Collaboration		Teams  Slack
Chat		Teams  Slack
File Sync / Doc Collaboration		OneDrive
Wiki KB		Confluence



..... Explore New Ways of Working

Specific areas of work that we must explore in greater detail if we are to thrive in a distributed model:

- Virtual office
- Spontaneous collaboration and innovation
- Meeting automation
- Interactive storytelling
- Work management and visibility
- Measuring workforce engagement and productivity
- Goal management

Our Journey



WORKFORCE



WORKPLACE



WORK PRACTICES



WHERE WE WERE

Over 80% FTEs had fixed seats

Typical team member came into the office 3-4 days per week

Company culture weighted toward in-person, on-campus experiences



WHERE WE ARE

95% of employees work from home

70% of employees still uncomfortable returning to the office

Employees believe ~90% of their roles can be done virtually



WHERE WE'RE GOING

Choice to determine work location aligned with business requirements

Offices designed as collaboration and innovation spaces

Evaluate how we develop software, meet, stay connected, build social capital and community

What VMware Employees are Saying About the Future of Work



We're Headed in the Right Direction

Most of our workforce (80%) **believe that working in a distributed-first model is beneficial** to them and to the long-term success of VMware.

Over half (50%+) of VMW employees **want to work primarily from home** for the long term.

An additional 38% want to split their time between an office and home. Employees recognize many **benefits of the distributed model**:

**INCREASED PRODUCTIVITY
ENHANCED WORK-LIFE BALANCE
REDUCED COMMUTE**



Areas of Opportunity

The **largest challenge** reported by employees in the distributed model **is feeling isolated** from their team.

40% of **employees struggle to disconnect from work** after hours and during time off.

What's Next



Train managers

Communicate with employees

Iterate and evolve

“We’re not ever going back. We’re going forward. We have the power to shape this crisis to make the world a better place.”

Pat Gelsinger, CEO, VMware

Any Questions?



Thank You.