

Preparing for the Workplace of the Future

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Employee Preferences Are Changing

Percentage of Employees Indicating their Preferred Place(s) of Work – 2019 v 2020



n = 5,000 employees; 7,261

Source: 2020 Gartner ReimagineHR Employee Survey; 2019 Gartner Digital Workplace Survey

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How do we lead the new flexible work experience?

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A flexible work policy provides:
“the option to work from a home or office location according to work requirements and personal preferences, on the schedule that works best for employer and employee.”



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Flexible Workplace Means ...

THIS:

- Employees and contract personnel working at a multiple locations, company-controlled or non-company-controlled
- Includes work from home or other work locations, and flexible locations
- Work location can be on a full or partial basis
- Technology, security and accessibility requirements must be met and qualified
- Maintaining professionalism, company image, decorum, standards and values

NOT THIS:

- Complete independence from standards, processes and values
- Working any hours or schedule desired without considering workplace alignment
- A way to avoid collaboration, community interactions and social involvement
- Using non-secured or personal technologies, infrastructure, tools or services
- Reduced management oversight, performance expectations or elimination of assessments

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Leading the Flexible Work Environment

Enterprise Impacts of Flexible Work

Supporting Flexible Work – Policies, Patterns and Places

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Enterprise Impacts of Working from Home

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Expectations vs Reality

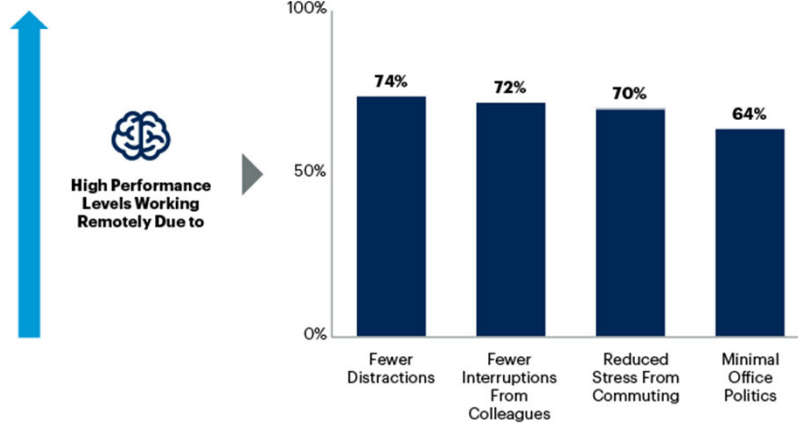
- Workplace dislocation and distraction can lead to errors, reduced work quality and degrade performance
 - *Employees adjusted very quickly to new work arrangements*
- Emotional impacts of disruption have a direct effect on productivity and engagement
 - *Performance and productivity have exceeded expectations*
- Managers with less experience dealing with a crisis situation can feel unprepared to identify or respond to staff distress
 - *Management training on interaction techniques must become a priority*
- Managers are unprepared for remote work and feel distrust or discomfort with the arrangement
 - *Expectations and practices on productivity and performance must adjust*

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Performance and Productivity Benefits

Reasons for Increased Remote Workers' Efficiency Than Traditional Office Workers, If Managed Right



n = 7,300
Source: 2019 FlexJobs Survey
Note: Flexible work plays big role in job choices.
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Workforce Trends 2020

1. 70% of FT US workers are working from home due to COVID-19
2. 1 in 2 won't return to their job unless it offers continued working from home option
3. 77% indicate working from home makes them happier
4. 75% of workers are as productive or more productive working from home
5. 1 in 2 people would move if they were able to WFH all or most of the time
6. Working from home saves on average 40 minutes daily in commute time
7. 80% of workers expect to continue to work from home at least 3x per week post-COVID
8. 81% believe their employer will continue offering work from home post COVID-19
9. During COVID-19, on average, workers are saving almost \$500 per month by WFH

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<https://www.owllabs.com/state-of-remote-work/2020>

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Benefits of Flexible Work (WFH 50% of the week)

People

- 9+ days per year time
- \$2k-4k per year costs
- Health & happiness: priceless

Environment (per 100 employees)

- 154k miles saved
- 8k trips
- 390 barrels of oil
- 70 tons of GHG

Financials (per 100 employees)

- Real Estate: \$45-90k

Employers save \$11,000 per year for each WFH employee

- Lost work days offsets: \$26,000/day

Source: Global Workplace Analytics, Work from Home Experience Survey, May 2020
<https://globalworkplaceanalytics.com/global-work-from-home-experience-survey#AboutSurvey>
 Savings Calculator:
<https://globalworkplaceanalytics.com/roi>

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Organizations Embracing Flexible Work



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Closing half their offices worldwide

- 95% of employees working remotely have maintained **productivity** at usual levels
- Closing offices will save the company **US\$65-75 million** per year

<https://www.itworldcanada.com/post/opentext-wont-reopen-half-its-offices-after-pandemic-amid-restructuring-and-work-from-home-success-the-globe-and-mail>

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“These changes will also be associated with a **different leadership style**, one that focuses on **outcomes** rather than on time spent at the office,”
(incoming) Chief Executive Roland Busch



“Work from Anywhere” 2-3 days per week

<https://sightsinplus.com/news/jobs-news/siemens-to-let-staff-work-from-anywhere-permanently/?amp>

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Employee **safety, health, and well-being** top the list of priorities for the company.
Dinesh Ramamurthi,
Chief HR Officer, OYO

Adopts Hybrid Workplace model

<https://sightsinplus.com/news/jobs-news/covid-19-impact-oyo-adopts-hybrid-workplace-model/?amp>

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Employees can choose home, office or combination

Atlassian says this could help the company seek out "**amazing, diverse talent** unbounded by the physical footprint of our offices"
Scott Farquhar, co-CEO and cofounder of Atlassian

<https://www.businessinsider.com/atlassian-says-employees-they-can-work-from-home-permanently-2020-8>

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Mastercard

Employees can remain remote

until they are comfortable returning



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Selling new, unused 8-acre headquarters



“The dramatic events of 2020 have challenged us to reexamine and **rethink** every aspect of our business and many of the **assumptions of the past**. That includes where and how we work,”

REI President and CEO Eric Artz

<https://www.washingtonpost.com/cdn.ampproject.org/c/s/www.washingtonpost.com/business/2020/08/12/rei-seattle-headquarters-commercial-real-estate/?outputType=amp>

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Nationwide Insurance

Downsizing from **20**
physical offices to just
FOUR
following the pandemic



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Making working from home the new normal

- Help employees pay for furniture, WiFi and monitors to **improve the work-from-home environments**
- Goals is to have **70%** of its 23,000 workforce working from home 2-3 days a week

<https://cde.news/hitachi-plans-to-make-working-from-home-standard-practice/>

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Advantages and Challenges

Advantages:

- Health and safety
- Increased productivity
- Reduced commuting time
- Greater individual autonomy
- Reduced workspace requirement
- Reduced on-site ancillary services
- Greater sense of control and work focus
- Broader talent hiring opportunity

Challenges:

- Work-life balance
- Performance assessment
- Extended workday
- Building community identity
- Ensuring adequate workspace
- Increased home utility expenses
- Facilitating collaboration and communication
- Onboarding, skills training and team building

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Organizational Impacts

Advantages

Health and safety
Increased productivity
Reduced commuting time
Increased personal independence
Reduced workspace requirement
Reduced on-site ancillary services
Greater sense of control and work focus
Broader talent hiring opportunity

Organizational Focus

- **Employee satisfaction and overall well-being**
- **Management training and creating new assessment criteria**
- **Productivity and performance goals**
- **Cultural growth and adjustments to a digital workplace**
- **Facilities and operational planning and investment**
- **Engagement and commitment tactics and monitoring**
- **Workforce planning and management strategies**
- **Investment decisions and risk assessments**

Challenges

Work-life balance
Performance assessment
Extended workday
Building community identity
Ensuring adequate workspace
Increased home utility expenses
Physical isolation and distraction
Onboarding, skills training and team building

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Supporting a Flexible Work Environment – Policies, Patterns, Places

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Four Questions to Prepare the Flexible Workplace

1. What tasks or functions must be done on-premise?
2. How Prepared Are Employees and Managers for a Flexible Work Environment?
3. Do Managers Know How to Motivate and Engage Workers Virtually?
4. Are the Tools and Systems in Place to Sustain a Flexible Work Environment?

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What Tasks and Functions Must be Done On-premise?



**Identify
location-dependent
tasks & functions**



**Rationalize
job assignments to
worker location**

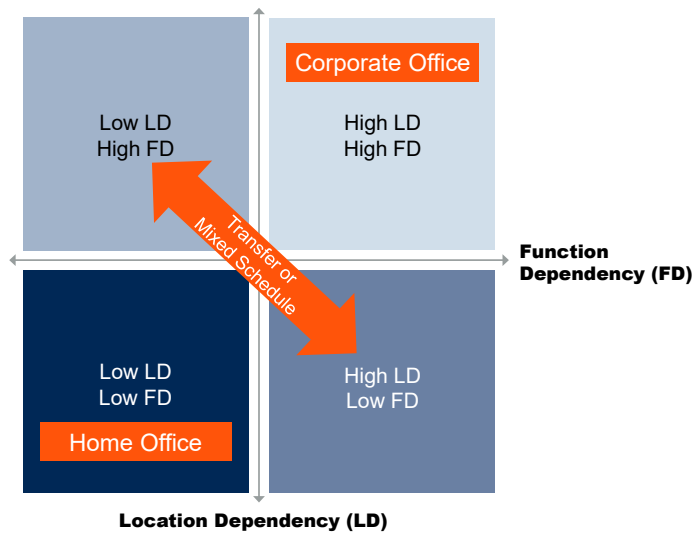


**Offer location
flexibility and support
options**

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Task Matrix



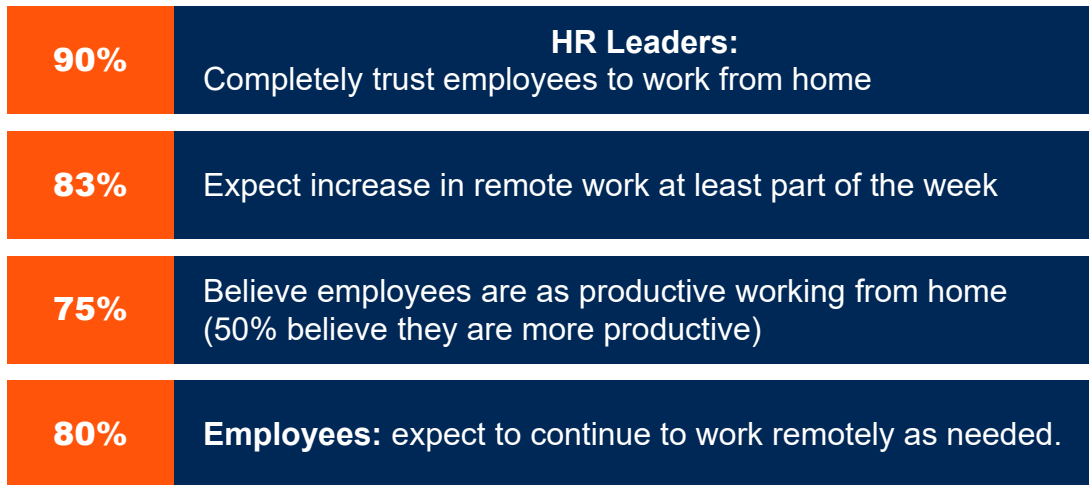
Source: Gartner
LD = Location Dependency; FD = Function Dependency
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How Prepared Are Employees and Managers for a Flexible Work Environment?

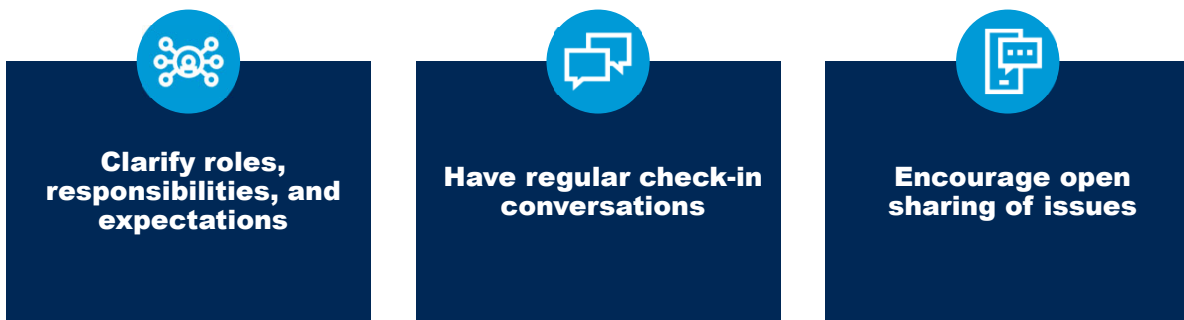


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Do Managers Know How to Motivate and Engage Workers Virtually?

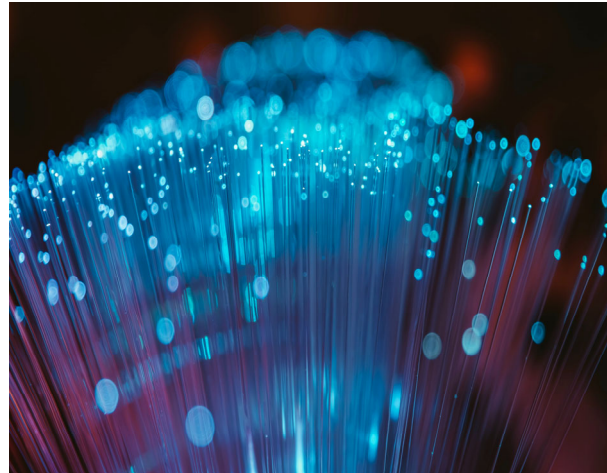


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4 Are the Tools and Systems in Place to Sustain a Flexible Work Environment?

- ✓ Employer-provided technology
- ✓ Home office expectations
- ✓ Collaboration tools
- ✓ Network access
- ✓ Video conferencing
- ✓ Technical support



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Four Actions for a Flexible Work Environment



Make working from home an accepted option



Assume most functions can be done remotely



Train managers in setting performance outcomes



Review and update virtual apps, tools and environment

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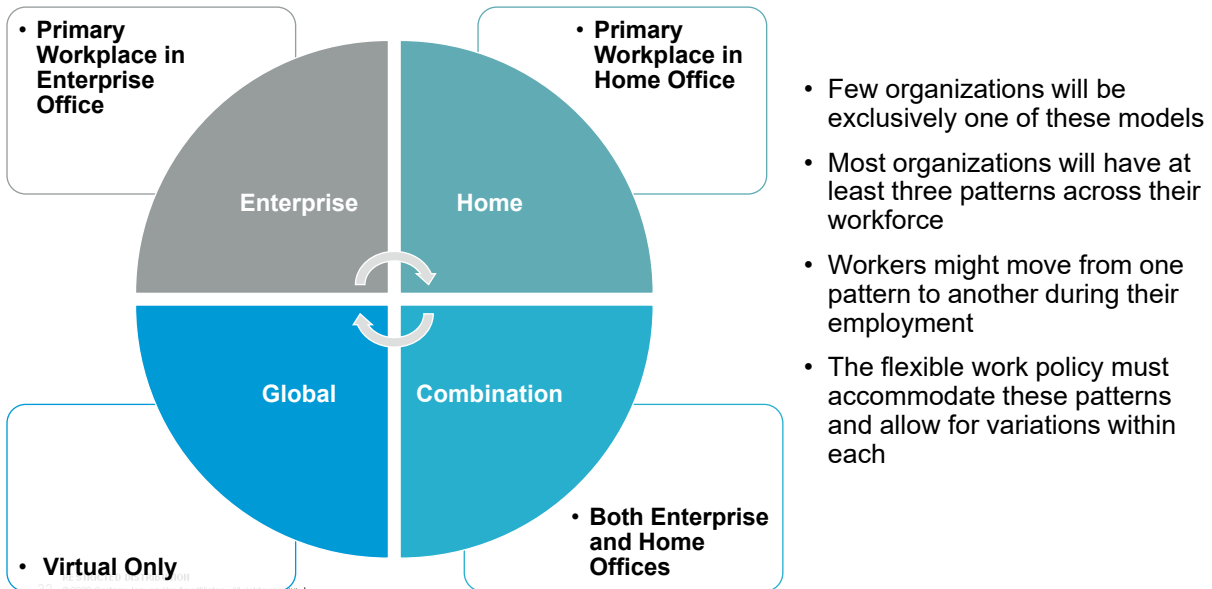
Flexible Work Policy Essentials

- | | |
|---|---|
| <ul style="list-style-type: none"> ❑ Terms of Participation & Eligibility ❑ Accountability & Evaluation ❑ Use & Responsibility for Equipment and Resources ❑ Establishing & Maintaining Workspace ❑ Compensations & Benefits ❑ Security & Confidentiality | <ul style="list-style-type: none"> • Flexibility to opt for and change work location becomes the standard and is not a privilege • Employee work location decisions should be guided by and based on workflows and locations where tasks can be performed • Performance management processes need to be adapted to de-risk employees' choice of location • Detailed guidance on structuring the manager and employee conversations and team communications • Organizations articulate what equipment and resources they will provide to support the productivity of on-site and remote workers • Outline resources such as IT security policy, mobile device policy, remote access policy, maintenance & support • Health & safety support and benefits need to adapt for covering health risks across multiple permitted work locations • Compensation structure and benefits flexibility need to be reviewed based on the primary work location of the employee eg. Labor and taxation laws in different jurisdictions • Define security of network and data access, physical documents, health, customer information or otherwise sensitive information |
|---|---|

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Flexible Work Model has Four Work Patterns



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Work Pattern Considerations

Enterprise

- Centralized corporate provided workplace
- Assigned office work space
- Defined work schedule
- High location or interaction dependencies, minimal independent work



Combination

- Variable workplace locations
- Temporary work space assignment
- Variable work schedule with advanced reservation for on-premise attendance
- Mix of location and interaction dependencies and independent work



Home

- Decentralized personally provided workplace
- Individually selected work environment
- Flexible work schedule
- Low location or interaction dependencies, primarily independent work



Global

- Out of region location
- Work space unidentified
- Asynchronous work schedule & virtual connections
- Primarily independent work with deliverables



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Work Pattern Considerations

Enterprise

- Centralized corporate provided workplace

10% -
15%

- High location or interaction dependencies, minimal independent work



Combination

- Variable workplace locations
- Temporary work space assignment

60% -
70%

- Variable work schedule with advanced reservation for on-premise attendance
- Mix of location and interaction dependencies and independent work



Home

- Decentralized personally provided workplace

20% -
25%

- Flexible work schedule
- Low location or interaction dependencies, primarily independent work



Global

- Out of region location
- Work space unidentified

~5%

- Asynchronous work schedule & virtual connections
- Primarily independent work with deliverables

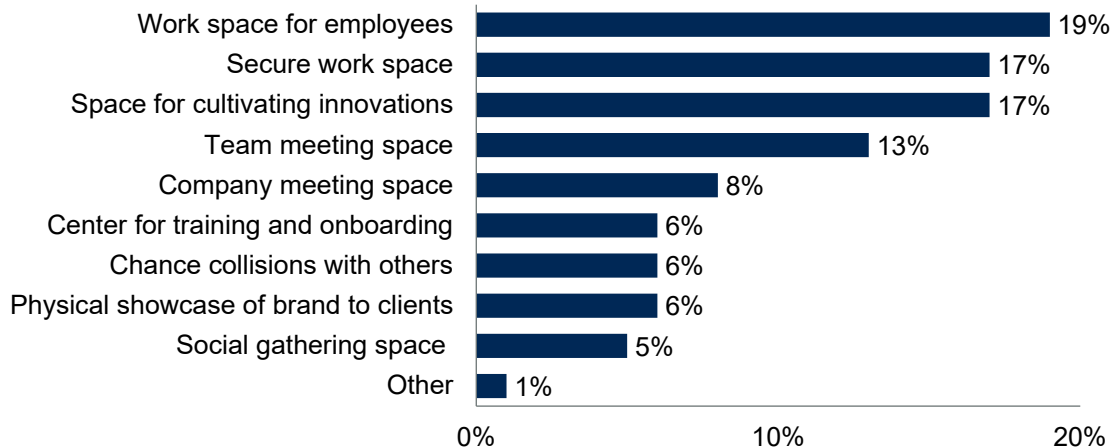


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The Postpandemic “Job” of the Office Is Unclear

Q: Looking forward, what is the most important function of your corporate offices?
Percent Selecting



n = 77

Q: Looking forward, what is the most important function of your corporate offices? Select one.

Source: Gartner Return to the Workplace Benchmarking Against Your Peers Webinar Poll (5 June 2020)

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Emerging Future Workplace Purposes

Workplace Purpose

Design & Investments

Development Workplace

Classrooms, library space, meeting and social spaces

Wellness Retreat

Amenity-focused, unique spaces for reenergizing

Immersive Workplace

Heavy branding, many meeting spaces, and customer/client-facing spaces

Destination Workplace

Outdoor space, dining and hospitality services

Innovation Hub

Physical collaboration tools, video walls, formal/informal collaboration spaces, few workstations

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A Mix of Purposes Will Exist Across Your Footprint



Innovation Hub



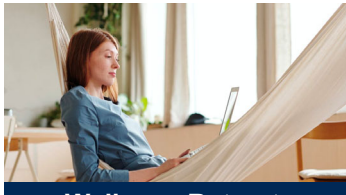
Immersive Workplace



Development Workplace



Destination Workplace



Wellness Retreat

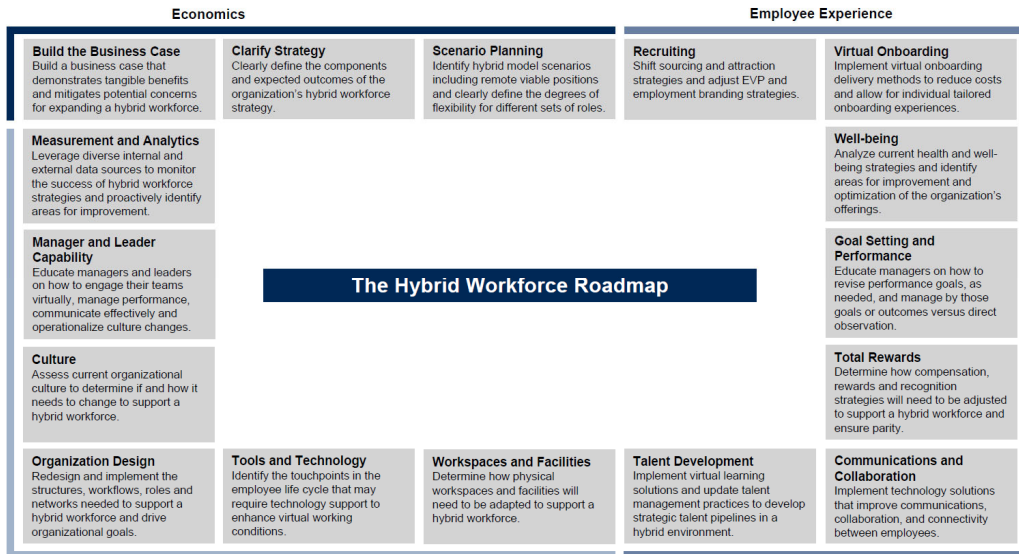


Your Workplace

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Hybrid Workforce Roadmap



The Hybrid Workforce Roadmap

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Questions & Discussion

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[https://www.gartner.com/app/covid-19-resource-center.](https://www.gartner.com/app/covid-19-resource-center)

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Recommended Research

- [CIOs Must Guide IT Managers in Maintaining Employee Engagement During COVID-19](#)
- [Rethink Remote Work Policies to Support a Hybrid Workforce Maverick*](#)
- [Research: Monitoring Remote Worker Productivity Is Pointless](#)
- [What's Trending with CIOs: Boosting Remote Work Effectiveness](#)
- [Remote Work Rates Before, During and After the COVID-19 Pandemic](#)
- [Video: Engaging Remote Workers for CIOs and IT Leaders](#)
- [Video: Four Questions to Support Remote Work Programs](#)
- [Tool: Template for Briefing Executives or Board of Directors on a Distributed Workforce](#)
- [Board Presentation Template: Adapting to Remote Work](#)
- [Rethink Remote Work Policies to Support a Hybrid Workforce](#)

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Questions & Discussion

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