ADVANCED WORKPLACE ASSOCIATES

CHANGE FOR GOOD:
10 LESSONS FROM THE PANDEMIC

The global pandemic brought a realisation that work could be different and that people do not need to be in an office all the time to work effectively. The impact going forward is profound, for individuals, organisations, cities and society.

1. New models of working

The pandemic has dramatically accelerated the transition to new models of working that are better for people, organisations and society and business resilience.

Pre-pandemic we knew there was a growing appetite for flexibility from employees. Few people (3%) wanted to work at home 100% of the time, but over 50% wanted the opportunity to work more of their time at or closer to home.

However many leaders and individuals feared that working away from the office in 'agile' or 'flexible' working models (now hybrid working) would lead to poor performance and disconnected teams. Employees couldn't be trusted to do their work when working remotely.

These opinions were often fuelled by what leaders had heard or read. They had limited real experience of managing teams that were working away from the office whereas during the pandemic they had a real experience. Most were surprised to find that they could trust their people to do good work provided they were clear on what they were asking of them and supported them emotionally and technically. The myth that people working at home would 'swing the lead' was shattered.

2. Making the impossible possible

Remote working practices previously considered impossible – such as securities trading, software engineering or processing sensitive information – are now possible or even preferable providing new options.

Faced with a crisis, people and organisations found ways to overcome obstacles to working remotely that previously had been seen blockers. Some of these were regulatory, some functional, others attitudinal. However, during the pandemic people have been forced to find ways to overcome the barriers to make working from home the norm.
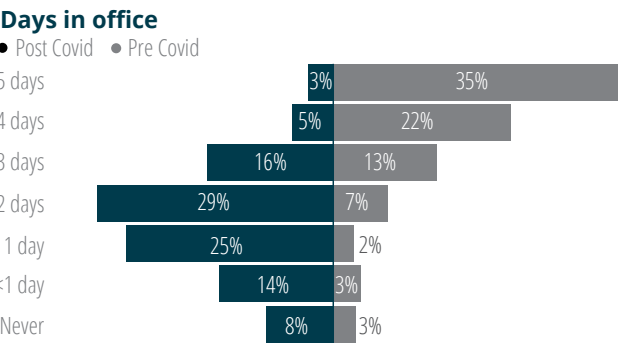
Securities traders installed cameras in their home offices to ensure constant remote oversight while software engineers found they could operate 'agile' development methods using applications like 'Trello' to track progress. Others just needed to alter their mindset and see the pros as well as the cons. The pandemic forced organisations and individuals to re-create their mental models of their work world. What was impossible became possible. What was considered weird became normal.

3. Flexibility, flexibility, flexibility

Employees are demanding or seeking out employers who will offer the opportunity to work flexibly and leaving behind employers who do not offer flexible options. Those employers who do not do so risk seeing an exodus of talent in favour of more progressive organisations.

The pandemic gave many people time to consider their lives and their work and what was important to them. Whilst work during the pandemic was challenging for many people, having stepped off the commuting treadmill, they found they could save time, wear and tear and money and wondered why they had not worked this way before.

Many were given a tax free pay rise too. For someone on an average UK salary with an hour long commute into London, two days working at home each week is equivalent to a 25% tax free pay rise.

Days in office
● Post Covid   ● Pre Covid

	Post Covid	Pre Covid
5 days	3%	35%
4 days	5%	22%
3 days	16%	13%
2 days	29%	7%
1 day	25%	2%
<1 day	14%	3%
Never	8%	3%

Days at home
● Post Covid   ● Pre Covid

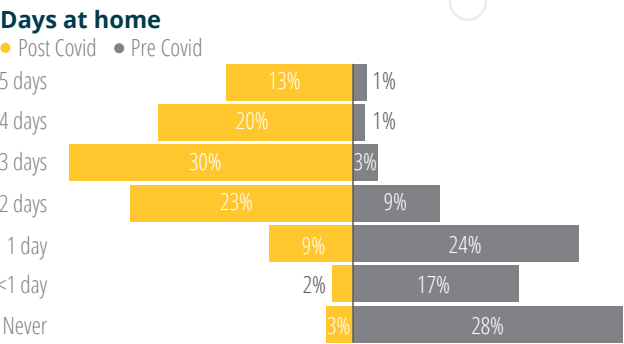|	Post Covid	Pre Covid
5 days	13%	1%
4 days	20%	1%
3 days	30%	3%
2 days	23%	9%
1 day	9%	24%
<1 day	2%	17%
Never	3%	28%

Now many people are seeking greater flexibility to work at home at least two days a week and our data would suggest most people only want to travel into a central office for these two days. The responses showed little variation across age groups or genders, dispelling the myth that flexibility was mainly demanded by working mothers and older workers.

Many younger workers entering the world of work have been turned off by the cost and time of the daily commute, wishing to have the flexibility to work where it suits them with a growing number adopting a nomadic life whilst being able to work for the same firm.

4. Working outside the box

Contrary to popular belief if people have the right conditions, leadership and expectations, they can work more effectively and productively outside the box called an office.

Great leaders shone brightly through the pandemic. Those that were able to stay connected to their people, maintain trusting re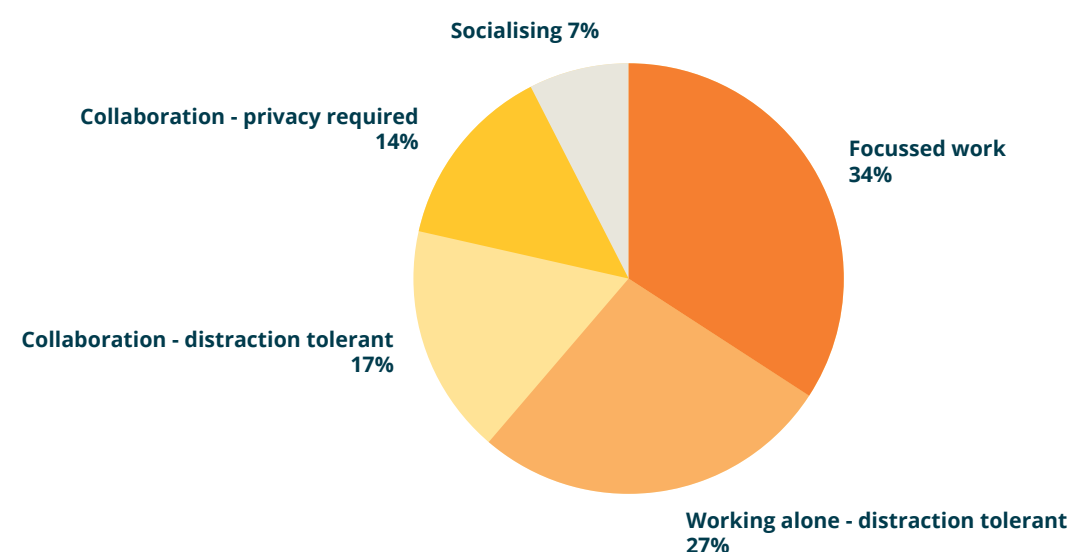lationships, provide clear visions and clarity of outcome whilst supporting their people intellectually and emotionally rose to the top. Those that adopted these transformational styles of leadership were successful, whilst those that attempted to micromanage their teams, craving constant oversight were not. Cracks in leadership capability were exposed.

5. Control over my work environment

Tasks requiring focus and concentration are best accomplished in a distraction-free environment. That may be a home environment, an office environment or a "third place."

Multiple surveys have reported that people believed themselves to be more productive working at home. What they had discovered was that quieter distraction free environments were better for doing tasks that required focus. Not necessarily the most revealing finding in itself, because this had shown up in every study AWA has conducted pre-pandemic, but it took the pandemic to drive it home.

Over 60% of a knowledge worker's time is spent undertaking 'lone tasks' and for 34% they need a 'distraction free' environment to be effective. Traditional noisy open plan offices were not conducive to focused work providing a stream of interruptions and distractions. At home, many people either found a room or a quiet area that they could use as their own office, making it easier to focus, getting things done faster and probably of a higher quality.

Socialising 7%

Collaboration - privacy required 14%

Focussed work 34%

Collaboration - distraction tolerant 17%

Working alone - distraction tolerant 27%

Percentage of time spent on different tasks by office workers

6. Best and highest use

Forward thinking organisations are innovating the function of the office. As we move away from the idea of a full time, 5 day-a-week desk-centric environment, the office is now becoming a central hub, providing a mixing ground for ideas, social relationships, and team collaboration to tackle complex problems.

Organisations need to take a blank sheet of paper to determine whether they need a dedicated office based on a forensic unemotional functional analysis. If an office is needed, then it needs to be designed to achieve a business purpose. Many businesses will be taking a 'remote first' approach as we go forward.

How much space an organisation needs is no longer a straight 'cigarette packet' calculation, the number of people you have multiplied by a space allowance per head. The calculation must be based on a thorough understanding of team intentions, the nature of work performed by each team when they are in an office and the specific needs of individual employees.

Buildings, commuting and business travel are large generators of Carbon. For one London based client, we estimated the Carbon generated from work related activities was equivalent to 10,000 return flights from London to New York and that by applying hybrid working we could reduce carbon emissions by 36%.

7. Space management

With the potential to reduce expensive real estate costs, organisations are looking at how offices are configured and used. We can now structure how we work so that people coming into the office a few days a week don't all show up on the same day.

Four different occupancy models at a team level have emerged through the pandemic.

There are teams that need to be in every day because they have a business need to do so and there are others that barely need to come to an office at all. Each of these has a different need and if organisations adopt traditional models of space management with people owning their own desk, they will find that their buildings are peppered with empty spaces which are being cooled and lit generating carbon.

We expect 'dynamic space allocation' models to be adopted by sustainability sensitive organisations in which employees declare their days in the office and workplace needs through an app. Each night the system aggregates the needs from all users and works out the best locations for each team. In turn, when you turn up at the office you are directed to the area of the building that has been allocated for your team, which best optimises everyone's needs. In this way it may be possible to shut down floors on quiet days to save cost and carbon emissions.

Different Occupancy Models

'I **need** to be in the office most days to comply with regulatory requirements, facilitate learning, access to equipment, fast moving complexity'

'**We want** you in the office at least 3 days a week. The other 2 days you can work virtually'

'We work at home most of the time, but our team **comes into the office** one/two days a week'

'We work at home all of the time but come into the office **when we need to** for a specific meeting'

Office based
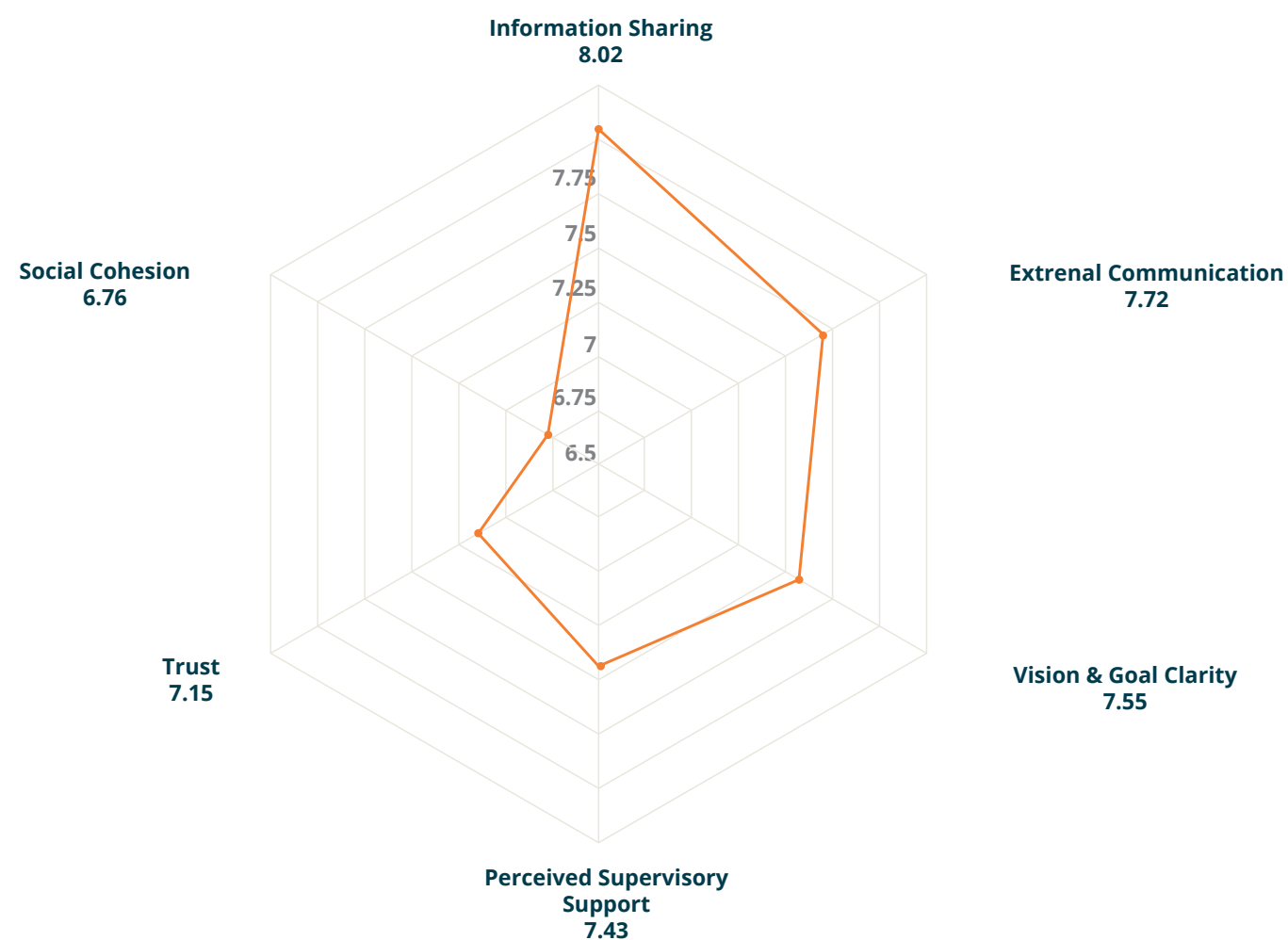
Office centric

Home centric hybrid

Home centric

8. Managing virtual teams

Organisations need to deploy intentional strategies to generate both social cohesion and trust – two virtual team management factors critical to hybrid working. Effective hybrid working approaches encourage team members to take responsibility for how they show up on a team, how they develop and maintain relationships and clarity around expectations, outcomes and results.

Whilst many organisations score well on the capabilities needed to operate in a hybrid model, the one area where more work is needed is social cohesion. Whereas most leaders think social cohesion is a nice to have, it is in fact the top factor needed to deliver effective work within and across teams and communities. Organisations need social cohesion strategies to proactively ensure more people get to know each other across the organisation.

The six factors that influence the performance of virtual teams

- Information Sharing 8.02
- Extrenal Communication 7.72
- Vision & Goal Clarity 7.55
- Perceived Supervisory Support 7.43
- Trust 7.15
- Social Cohesion 6.76

9. Hybrid leadership

Effective management of hybrid organisations require a transformational, coaching style of leadership at all levels. Many senior leaders are entrenched in a command-and-control management model and need support in learning how to manage hybrid teams. This also leads to a rethink around how and why people are promoted into management and leadership.

Many powerful senior leaders grew up in a presence based, command and control world and they were very successful in that world. But the pandemic showed that it is possible to trust people to work effectively without constant oversight and that they can deliver great work when working remotely for a good part of their time.

Leaders need to shift from a supervisory, presence-based approach to a transformational style in which they are clear about outcomes and support their teams in achieving them. In many organisations, senior leaders will need support in re-orientating their styles to be more transformational.

10. Presence bias

In a pre-pandemic world, proven "presence bias" rewarded people for being "in" the office with better career progression and opportunities. On the other hand, those working away from the office were often sidelined as second-class citizens, with the misperception that they were not as career ambitious. In the new world of work, organisations are creating across the board greater equity through the deployment of new practices, understandings and processes.

For organisations to take full advantage of a truly hybrid model, presence bias needs to driven out by the thoughtful introduction of new norms practices and processes. No longer can the worker that spends more of their time working away from an office be a second class citizen. In essence everyone must work 'hybrid' regardless of whether they attend an office or not.

In order to enable effective hybrid meetings, off-site attendees for on-site in person meetings need to be afforded as close to the same experience as those on-site. This means upgrading meeting room technology that gives the remote attendee the best chance of participating as an equal. If that can't be afforded, then everyone in the office should take responsibility for enabling an effective experience for all attendees, such as participating via their own laptop.

Performance management systems need to be re-engineered so that multiple views of an individual's performance can be used to assess performance as opposed to a single managers onsite experience. This needs to be coupled with an overhaul of leadership skills and a culture of agreeing outcomes against which teams and individuals can be assessed. Finally, leaders need to schedule regular unstructured catch ups with their people and nurture social comfort. Out of sight must no longer mean out of mind.

Conclusion – Embracing Change For The Greater Good

Though painful, challenging and deeply sad for many, the pandemic forced organisations to work remotely on a scale never seen before, an experience that they would never have had without the fear for personal survival.

People learned fast how to use Teams, Zoom and Citrix for their daily communications and realized that for many of their daily tasks an 'in person' appearance in the office wasn't necessary every day. They learned that life could be very different if they and their organisations were prepared to adapt to a new world recognising a new balance between the lives of individuals and the requirements of organisations. It was possible to make better choices about when, where and how teams worked that would better for families, shareholders and society.

Leaders learned that for many activities, people were more effective working at home than in an office, enabling a greater focus on 'to do lists' tasks. But they also learned the value of face to face in the same place interaction, community and social cohesion and their role in providing the 'glue' to maintain the organisation.

Progressive leaders found that the pandemic provided time to re-engineer the way their organisations worked, shifting norms, whilst others decided to 'wait and see' what happened when the pandemic was over before leading a transition.

But most of all, whether people realise it or not, conventional wisdom has been re-written. For the first time in the history of the world, organisations have been able to communicate and work without daily presence at a physical location. This is a profound change. Whilst many of the technologies deployed during the pandemic had been available for many years, the take up on them has been slow, with the default position being set to 'office'. Now people around the world have re-set the default to 'anywhere'.

The second profound realisation is that given the right competence, leadership and technology, people can be trusted to deliver their output without constant supervision. The pre-pandemic prevailing management myth that people would 'swing the lead' if working out of sight has been exploded.

The world has been though a painful yet dramatic learning process over the last two years. The question now is whether leaders of organisations will capitalise on those learnings and evolve themselves to be fit for a modern and challenging world, or whether leaders will cling to the old models of the past. Those that grasp the nettle will reap the rewards, those that do not will find their organisations increasingly out of step with a rapidly changing world.

About Advanced Workplace Associates (AWA):
Founded in 1992, AWA is a multi-disciplined and independent global management consultancy that
helps organisations make a step change in the performance of their people and workplaces.

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