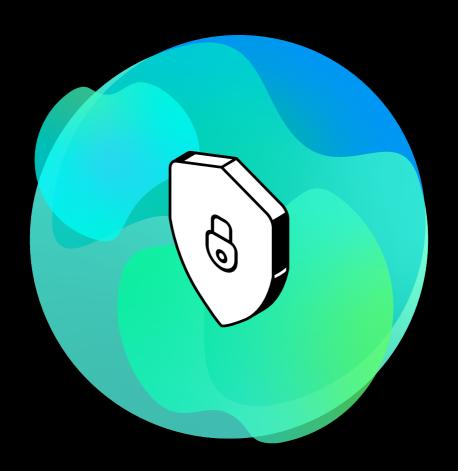
Defense, Security, and Justice

UNDER THE SPOTLIGHT



Deloitte.

From Great Resignation to Great Reimagination

Sector overview and 2022 outlook

The unprecedented labor dynamics catalyzed by the COVID-19 pandemic have forced industries into a crossroads: return to the pre-pandemic state of work and risk losing a significant competitive advantage in the labor market, or invest in a longer-term reimagination of work, workforce, and workplace to attract and retain the best talent.



Defense, Security, and Justice (DS&J) organizations are faced with the same disruptions as private industry and will need to sustain the transformation ushered in by COVID-19 to provide a flexible and personalized talent experience. DS&J organizations can look to their very own sector to see successful transformation—the Department of Defense (DoD) is in the process of implementing significant shifts to their work, workforce, and workplace and are seeing a positive impact on their people and their mission success.

Current labor situation

During the COVID-19 pandemic, the DoD has had the opportunity to reimagine where and how work is done.

The DoD's enduring mission is to provide combatcredible military forces needed to deter war and protect the security of our nation. To continue meeting this mission during the COVID-19 pandemic, the Department of Defense introduced three priorities: protecting the entire force and their families. maintaining mission readiness, and supporting all government efforts to mitigate and end to the pandemic.

One way the DoD shifted to respond to these COVID-era priorities was to reimagine the status quo of where work happens; before the pandemic there were just 95,000 teleworkers across the DoD—today the DoD supports over one million remote workers.¹

DoD shifted to reimagine the status quo of where work happens. To accommodate this shift to telework, the DoD expanded its network capabilities and saw a significant increase in the usage of the Department's Virtual Private Network, from 49,600 to 400,000 connections during March to June of 2020. The US Army has seen a 400% increase in network capabilities, while the US Airforce has increased its network bandwidth by 130%.²



Whereas before the pandemic, the DoD operated in a largely traditional posture, with most work being done in-person in a centralized office environment, during the pandemic the DoD workforce proved capable of performing in a more flexible and remote structure—from 2019 to 2021, the DoD saw a 21% increase in the workforce that teleworked every day, and a 13% increase in the workforce that teleworked at least 1 or 2 days per week.3 For those who were able to telework or take advantage of one of the flexible work schedule options, employees were able to prioritize health and safety—from 2020 to 2021, DoD saw a 21% increase in the workforce reporting having expanded leave polices that were needed and available to them⁴—and experienced an improved work-life balance. Additionally, DoD leadership identified several organizational benefits, including:5

#1 INCREASED PRODUCTIVITY

Without the usual and varied distractions of the office, employees were able to focus on their primary job functions which increased productivity.

#2 POTENTIAL COST SAVINGS

A decreased requirement to come into the office means cost-saving efforts that DoD is prepared to capitalize on, including less office space, fewer commuting requirements and benefit costs, and the ability to employ people in different localities. Some of these savings may be offset by the need for a more sophisticated and robust IT infrastructure to support a more dispersed workforce, but overall, the expectation is that there may be net

#3 ENHANCED RECRUITMENT CAPABILITIES

DoD discovered that much of its mission could be accomplished from locations outside of its typical hub locations, creating new opportunities to diversify talent pools by expanding geographic locations in talent sourcing and reimagining staffing models to include temporary workers—a short-term, but highly qualified, security-cleared, and nimble workforce.⁶



Implications for the organization

DoD Leadership is taking steps to codify a flexible work model and make the benefits that have come from reimagining how and where work is done more permanent.

DoD leaders and workforce alike have experienced the benefits of flexible schedules, hybrid workplace models, and increased hybrid network capabilities and are each seeking to make these changes permanent.

DoD plans to promote alternative working schedules, having tasked supervisors with developing individualized plans for shift workers.

In a memo released on March 16, 2022 titled "DoD Workplace Guidance for Final Reentry of DoD Civilian Personnel", Deputy Secretary of Defense, Kathleen Hicks, acknowledged the workforce's expressed desire to remain remote as much as possible.⁷ The Under Secretary of Defense for Personnel and Readiness is working to incorporate flexible remote work policies into their civilian workforce human capital strategies and personnel policies. While some civilian employees have been remote full-time, others that cannot work remotely have had to shift schedules to maintain health safety and dependent care priorities. DoD plans to promote alternative working schedules moving forward, having tasked supervisors with developing individualized plans for shift workers that need to be flexible for those priorities.8 DoD discovered that those working with classified information don't necessarily do so 100% of the time, and they have begun to look at classified positions specifically to see what work is feasible to do in telework.9

This will open up telework flexibility for the workforce in sensitive compartmented information facilities (SCIFs) that is physically isolated in high-security locations, making simple administrative tasks more challenging to accomplish and creating siloes from commercial, academic, and external sectors of the talent pool.¹⁰

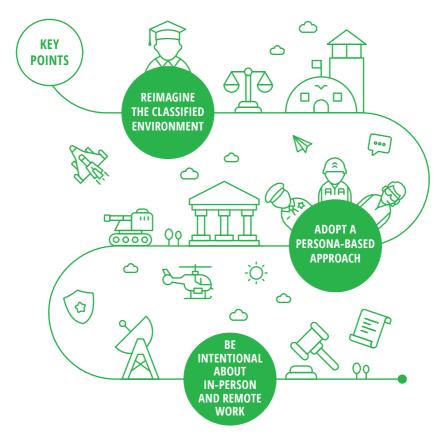
DoD has recognized that, to make lasting changes to their workplace models, they will need a holistic approach that incorporates workforce skills as well as technological advancements.

They developed the 2020 Electromagnetic Spectrum Superiority Strategy to confront the impact that transformational technologies have on operational tradecraft and what is required from the workforce to implement these changes.11 The Strategy outlines necessary changes across several focus areas: capabilities, infrastructure, readiness, partnerships, and governance. A Cross-Functional Team was developed to execute the Strategy signifying an implicit understanding that this level of change will require contribution and collaboration from the entire workforce.



It's time to take action

Because of the varied nature of each of DoD's different components and roles, there are three key ways in which the DoD can successfully reimagine the workforce:



#1 REIMAGINE THE CLASSIFIED ENVIRONMENT

Over time, the pandemic has shattered the myth that performance and physical on-site work are directly related. This realization has forced DoD leaders to reimagine how the "future of work" can foster a productive and safe work culture to meet agency goals.

Though the influence of COVID -19 paved the way for remote work opportunities, there is still room to develop innovative solutions surrounding SCIFs. Exploring methods to utilize machine learning opportunities, DoD is considering avenues to automate critical HR information from lower to higher-level classification.

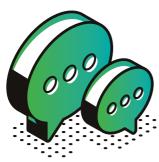
The option to expedite tedious, time-consuming work across classification domains will increase the efficiency of classified work delivery. To reduce the risk of reshaping existing platforms, DoD can strive to design solutions that seamlessly operate within current structures. Automating manual processes within the department decreases security risk, improves customer and employee experience, and increases task traceability and audibility.12

The nation's classified environment future reimagined looks bright as collaboration between humans and machines increases to secure critical information and offer a flexible work environment for the SCIF workforce. Discovering more options to ethically apply secure bots or machine learning to classified environments will free up humans from the 24/7 onsite demand of SCIF work and promote a more flexible work environment

#2 ADOPT A PERSONA-BASED APPROACH

DoD leadership should proactively provide employees with a specific framework to use when making informed decisions about telework and alternative schedule opportunities. If guidance is provided in a general manner, leaving full discretion over process and decision-making criteria to local team managers, the DoD runs the risk of the guidance being applied inconsistently and inappropriately.

Providing a clear framework for team leaders to use in determining what roles and functions are best suited to which hybrid workplace model or alternative schedule will help teams to action the guidance provided in the Undersecretary's memo which pushed for increased telework and the use of alternative schedules.



A persona-based framework is an iterative process that helps organizations identify a number of workforce personas that represent the different roles across the broader workforce. These personas, which are identified in large part by the type of work they do and the ways that work is best accomplished, may be plotted on the "Workplace Spectrum" which runs from Mostly Remote and Mostly In-Person.

A prime example of a potential workforce personas might be an employee who works in a SCIF. The assumption for those that work in a SCIF is that 100% of their work needs to be performed in a SCIF; the pandemic has shown that this is not actually the case.13 By designing persona-based work structures that visualize what hvbridschedules can look like for individuals whose jobs require access to classified systems and information, the DoD can reimagine the work experience for individuals interested in flexible work arrangements that previously hadn't had the option to explore them.

#3 BE INTENTIONAL ABOUT IN-PERSON AND REMOTE WORK

One important note to make about virtual-first workforces is that without structured opportunities for connection, professional and informal networks that are so important to getting work done efficiently and effectively—will shrink; research shows personal and professional networks shrunk by 16% during the pandemic.14 Since the DoD still has a large physical footprint, it can help employees identify and navigate opportunities to prioritize on-going connection

To help make these decisions, Deloitte has developed the "5 C's" as a guideline to consider when deciding to come together in-person:

Connection

Though virtual communication is meaningful and effective, in-person chats may be necessary under some circumstances; think coffee chats and mentorship moments where trust and empathy may be better communicated in-person.

Creation

One of the values of a hybrid model are the planned or spontaneous interactions between coworkers that inspire big ideas; think whiteboarding and brainstorming sessions where informal riffing off each other and seeing someone's body language help enhance the output.

Collaboration

In some cases, it may be appropriate to assemble the team in-person for strategic or collaborative events; think problem solving activities or team huddles when everyone needs to be working together on the same task at the same time.

Critical tasks

Some essential troubleshooting and maintenance tasks may need to occur in-person; think computer repair or the replacement of physical equipment.

Celebration

In-person celebrations and parties are a great way to promote social bonding and networking; think celebrating team milestones where in-person connection can help foster those interpersonal connections that are so integral to a team's strength.

The DoD's sweeping technological and workforce changes to reimagine where and how work is done as a response to the pandemic has offered them the flexibility and agility to continue their mission while aligning with the new normal of a post-COVID working world.

While other sectors have been negatively impacted by the Great Resignation, DoD has evolved in a Great Reconnect, seeing increased work-life balance and productivity amongst their workforce, potential cost savings from a decrease in physical office space, and more competitive recruitment strategies afforded by telework.

DoD will need to address potential challenges that might arise in an increasingly remotehybrid model—expanding adoption of virtual collaboration tools and

technologies and upholding inclusivity, empathy, and communication—to stay competitive in the post-pandemic world.

DoD can take a personabased approach to flexible work arrangements, reimagine classified environments, and be more intentional about setting expectations for in-office work to continue the progress made during the pandemic to support the transition from COVID-19 response to full adoption.

They have demonstrated that change is possible, and that DS&J organizations can challenge the status quo of the sector by taking advantage of lessons learned and new precedents fueled by the COVID pandemic.



READY TO REIMAGINE WHAT'S NEXT?

- U.S. Department of Defense, Chief Information Officer, "DOD Seeing Enormous Jump in Telework, Remote Collaboration," July 27, 2020.
- ² Deloitte Insights, *Transforming government post-COVID-19: How flipping orthodoxies can reinvent government operating models*, June 15, 2020.
- 3 2021 OPM Federal Employee Viewpoint Survey (FEVS) AES DOD https://www.opm.gov/fevs/public-data-file/
- 4 2021 OPM Federal Employee Viewpoint Survey (FEVS) AES DOD https://www.opm.gov/fevs/public-data-file/
- ⁵ Federal News Network, "Among DoD leadership, eyes are now wide open to value of telework," July 20, 2020.
- 6 2021; The Future of Work is Now... for Defense, Security, and Justice Agencies: Reimagining the workforce experience to support mission delivery
- DoD Workplace Guidance for Final Reentry of DoD Civilian Personnel, accessed 2022.
- 8 Ibid.
- ⁹ Federal News Network, "Among DoD leadership, eyes are now wide open to value of telework," July 20, 2020.
- Deloitte Insights, <u>Transforming government post-COVID-19</u>: <u>How flipping orthodoxies can reinvent government operating models</u>, June 15, 2020.
- ¹¹ <u>DoD Electromagnetic Spectrum Superiority Strategy</u>, accessed 2022.
- ¹² 2021; The Future of Work is Now... for Defense, Security, and Justice Agencies: Reimagining the workforce experience to support mission delivery
- ¹³ Federal News Network, "Among DoD leadership, eyes are now wide open to value of telework," July 20, 2020.
- ¹⁴ Deloitte Insights, <u>Hybrid hiccups: Moving to</u> <u>distributed work in the public sector, Overcoming</u> <u>hybrid work environment challenges</u>, January 14, 2022.

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