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Position paper—Working towards the new normal
Acting or Re-acting[1]

The pandemic has forced the adoption of new ways of working and a re-architected work model. Organizations must reimagine their work and the role of offices in creating safe, productive, and enjoyable jobs and lives for employees, with flexible work only being the start.

　
The shift

Amidst a devastating health crisis, many workers have seen a glimpse of 'something different':

- They've been propelled into cross-functional task teams and tiger teams to solve challenging problems to keep their organizations afloat.

- They've been empowered to make rapid decisions and react with authority to changes in the market and service delivery models.

- They've moved to working from home—sharing important moments with their families, eating meals together and witnessing the day-to-day activities of those they love most.

- They've experienced the ten second commute and the realization that not all meetings need to be as long or as large as they used to be.

Besides that, some workers have faced emerging challenges of over-productivity, Zoom fatigue, feelings of loneliness and blurred lines between work and play, with organizations increasingly shifting their attention to better understanding and nurturing employee wellbeing.

Currently, organizations begin the recovery process while the first glimpses of light are appearing at the end of the tunnel. They are thinking more strategically about the future workplace, processes, policies, and digitization/automation

For example, organizations are deciding what work can be done remotely on an ongoing basis and which tasks need to return onsite when the crisis ends. In addition to this, the question about how to efficiently operate and manage the workspace (under a new utility model) is also top of mind. With the options of down- and up-sizing work environments both being on the table.

Of course, not all recoveries look the same to all organizations. Some are assessing how they can rehire or bring back furloughed workers, while others, such as delivery focused organizations, have increased staff during the crisis and must decide what their future workforce needs will be. Other organizations are reviewing policies for gig workers and determining how they will embrace flex work schedules.

Some organizations have gone a step further, helping their displaced workers find new jobs and gigs with other organizations during the lockdowns in hopes of rehiring many of them when the crisis abates.

While one organization is still managing the current crisis, trying to make it through the next week, others are already looking long-term. They are assessing their virtual strategies and supply chains, and evaluating how they can use automation to improve operations in the future. Digital transformations, previously taking years to complete have occurred in months. New products, delivery methods and customer experiences have been designed and implemented in days and weeks. Automation and analytics, already rapidly on the rise, have seemingly boomed overnight to support work safely and deliver services in our new digital world.

The changes in our ways of working have been a small silver lining in a crippling crisis. A silver lining nonetheless that is difficult to unsee. In fact, research has shown that 83%[2] of workers indicate a preference to work off-site or from home some days beyond the pandemic. Ultimately, people are seeking increased choice in when, where and how they work: "*The future of work is really about people deciding how to live and work in the way that they want*".

The recovery from COVID-19 pandemic, given the human dimension of urgent workforce challenges and the uncertainties facing business leaders, requires workforce strategies which focus on both short-term recovery priority actions and reaching for the future and new normal, integrating the attributes of Purpose, Potential, and Perspective. Within this perspective organizations are faced with one crucial choice: "*act or re-act*".

[2] IBM, 2020, "COVID-19 trilemma tradeoffs: Public health, economic security and data privacy", retrieved from https://www.ibm.com

Short-term actions, and long-term vision, present organizations with an opportunity to rapidly assess and evaluate their earlier workforce strategies and response priorities and to reposition themselves to thrive in the new realities to come. Organizations may be tempted to dismiss the need for change or imagine recovery as a return to the recent past.

It is not.

Organizations that return to their old ways of working may find their competitors have taken advantage of the recovery to re-imagine their workforce and business, positioning themselves to thrive in the future. By anticipating on a future directed towards Purpose, Potential, and Perspective, organizations can lead, prepare, and support their workforce through the recovery phase while positioning themselves for the next phase: thriving in the new normal. This is the most important decision organizations are currently faced with.

The Future of Work models

As explained in Re-architecting Work Models | Four Future Worlds of Work—November 2020, we must consider two critical degrees of choice around 'when and where', and 'how and what' work is completed when re-thinking an organization's future work model. Determining the degree of choice and autonomy around these two axes ultimately results in one of four future work model scenarios.

- **Scenario 1:** Co-location Collaboration

- **Scenario 2:** Stable, Secure and Social

- **Scenario 3:** A Time and Place for Choice

- **Scenario 4:** Autonomy and Personalization
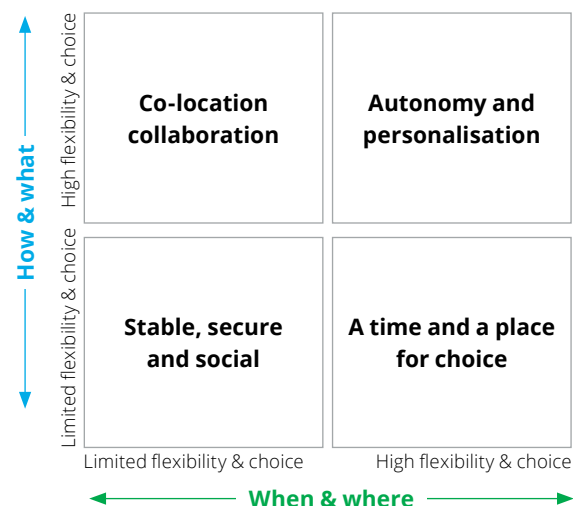
Scenario 1: Co-location Collaboration
Work is executed through fluid networks of teams that are focused on achieving customer missions. These teams thrive when they are co-located, working together physically, utilizing digital tools and platforms to connect with remote peers when needed. Employees do their best work when they're on-site, have tools at their fingertips and work across the same time zones together.

Scenario 2: Stable, Secure and Social
Employees are most comfortable when working together, thriving with social and physical connection. These organizations will choose to maintain stability in when, how and where work is completed –a lot like the 'old normal'. The workforce is focused on task execution relevant to their functional units, reflecting a traditional hierarchical model. There is a preference for working on-site with access to shared equipment, tools and face-to-face connection.

Scenario 3: A Time and Place for Choice
Work is executed through traditional, functionally aligned structures, with high choice around the location and time when work is complete. These organizations will focus on employee outputs and outcomes, over time on the clock. These workforces are comfortable with hybrid ways of working (both physical and virtual).

Scenario 4: Autonomy and Personalization
These organizations will provide complete choice, autonomy and flexibility to their employees across all dimensions, creating highly empowered teams. Employees work across fluid networks of teams to achieve customer missions in virtual-hybrid environments. Teams are in tune with each other and have clear norms around ways of working.

If we boil down some of these scenarios into practical questions that will become of bigger and bigger importance throughout this recovery period, we get the following overview:

Scenario one raises the question for an alternative usage of the office space and tools. Organizations are asking themselves how much office space they will need if more work is remote, and how much more workspace will be required per onsite employee because of social distancing measures. Still others are considering how to accommodate teams that may want to meet intermittently but can mostly work remotely. In addition, across organizations, the crisis is teaching teams how to make decisions more quickly and collaboratively on a global scale.

Scenario two raises, among others, the question on how roles and responsibilities are to be re-drafted to ensure stability, security and social interaction in a new reality. Recent publications have mentioned the new role of a "Chief Remote Officer", in order to make remote work—work. The reason why new models and functions are being brought forward, is because remote work can touch every area of a business. Here are some examples:

• **Recruitment**: Hiring remote workers can expand the pool of applicants to those outside commuting distance of your company's headquarters.

• **Diversity**: Being able to hire people from many locations makes it easier to build a diverse workforce.

• **Technology**: Successful remote work environments require the right technology, ranging from webcams to project management software.

Appointing a Chief Remote Officer allows one person to tie all these functions together and make sure everything's on the same page, even though not everyone is in the same office. But regardless of whether a company chooses to create a new C-suite position, management will still need to address the many issues that accompany increased reliance on remote work. For better or for worse, remote work is now a permanent part of the business landscape, and existing leaders need to walk the walk. The extent to which organizations provide flexibility around 'When & Where' and 'How & What' of work.

Scenario three raises the question on how to respond to the growing need for flexibility at the office (smart buildings, booking tools,..) and how remote work will be monitored. Organizations need to redesign how productivity will be measured, to continue experiencing the benefits of remote working. This means abandoning a 'line of sight' approach to managing teams and shifting focus to the achievement of objectives and outcomes. By providing choice on the location of work and clear team objectives, organizations can experience increased productivity. What about those who cannot work from anywhere? It is stated that 'The key to unlocking productivity gains is through the redefinition of what work means using a remote or hybrid model'.

Scenario four raises the question on how to organize a business model that is fit to allow employees to work in hybrid or flexible situations. The purpose of the physical office is being fundamentally redefined—the workplace is recognized as a space to collaborate, connect, innovate and learn—a social hub for employees, teams and customers. Decades of research demonstrates the benefits of social relationships and co-location on health and wellbeing, productivity and innovation, and connection and trust. Workers are 4 times more likely to regularly communicate with others sitting within six feet of them, than those sitting 60 feet away.

Organizations are pressed to design more spaces for employees to collaborate and ideate in, select settings fit for specific activities, and tech enabled to support hybrid ways of working. The new exam question is—how do we make the workplace a destination rather than an expectation?

Questions to reflect on

The climate and ecosystems of work are shifting, leaving behind the world of nine to five work, the cubicles, the bureaucracy, the silos. Maintaining the status quo is increasingly unpalatable, employees are seeking a revolution in when, where, how and what work is done, re-architecting the work experience to deliver greater choice, autonomy and empowerment - to make work better for humans and humans better at work.

Work
How can we bring the work to the people, instead of the people to work?

How will we manage hybrid work practices and rituals to create an inclusive culture and sense of community?

How can we recompose work to automate the dull, dangerous and dirty activities and elevate the uniquely human elements?

Worker
How will we provide greater autonomy, choice and flexibility to allow our people to personalize their work experience according to the flow of their lives?

How open do we want our talent ecosystem to be?

What policies and practices will we need to evolve?

How do we improve wellbeing and support our people to 'disconnect' in an increasingly virtual world?

Workplace
How will we support different workplace models beyond our classic 'on site' model?
What are the costs and benefits of different options?

How do we redesign the workplace as a vibrant destination to attract and excite our people and our customers? What will be the purpose of the workplace in the future—how will it be utilized.

The Humanised Workplace
Moving forward, adapting the workplace is not simply about implementing a hybrid working environment with its digital tools, infrastructure and facilities. It represents fundamental drivers that are human at their core with many implications on what, how, when, where and by who work gets done, hence the work, workplace and workforce. The human aspect is the nut to crack.

The Humanised Workplace highlights the need of taking conscious decisions on how to navigate the human dimensions as an individual, in team work, as an organization and throughout the entire ecosystem, today and tomorrow. The flexibility in your **human drivers** will be a result of your predominant voices. It reflects your organization's DNA and what you want to get out of the Humanised Workplace with humanity in essence.

From the pandemic, we have learned that every human being responds differently to the way work gets done (e.g. working from home and all broader aspects). As every human is different and agency to the worker is gaining in importance, this needs to be included in your decisions. On the other hand, your organization isn't siloed. You have to respond to an entire ecosystem. Taking these levels into account, you need to answer four main questions:

- Your organization: do you want to streamline your way of working throughout the entire organization? What is your ambition?

- Your ecosystem: are your organizational boundaries blurred with your clients, suppliers, competitors, subcontractors?

- Your team: does your organization include specific team needs with regards to dealing with the humanised workplace?

- Your individual worker: do you want to give both flexibility and freedom to your individual in deciding the future of work?

The way these human drivers are translated into practice, will have an impact on when and where you work (your workplace), what you do and how you do it (work) and who is doing it and what skills it requires (workforce). These three dimensions are highly interconnected.

Your organization's success is dependent on your foundations, the basics, the key success factors. In order to maintain an optimal Humanised Workplace, this needs to be aligned with your organization's purpose, your leadership needs a courageous leadership style, entering an open dialogue, ensuring trust and respect.
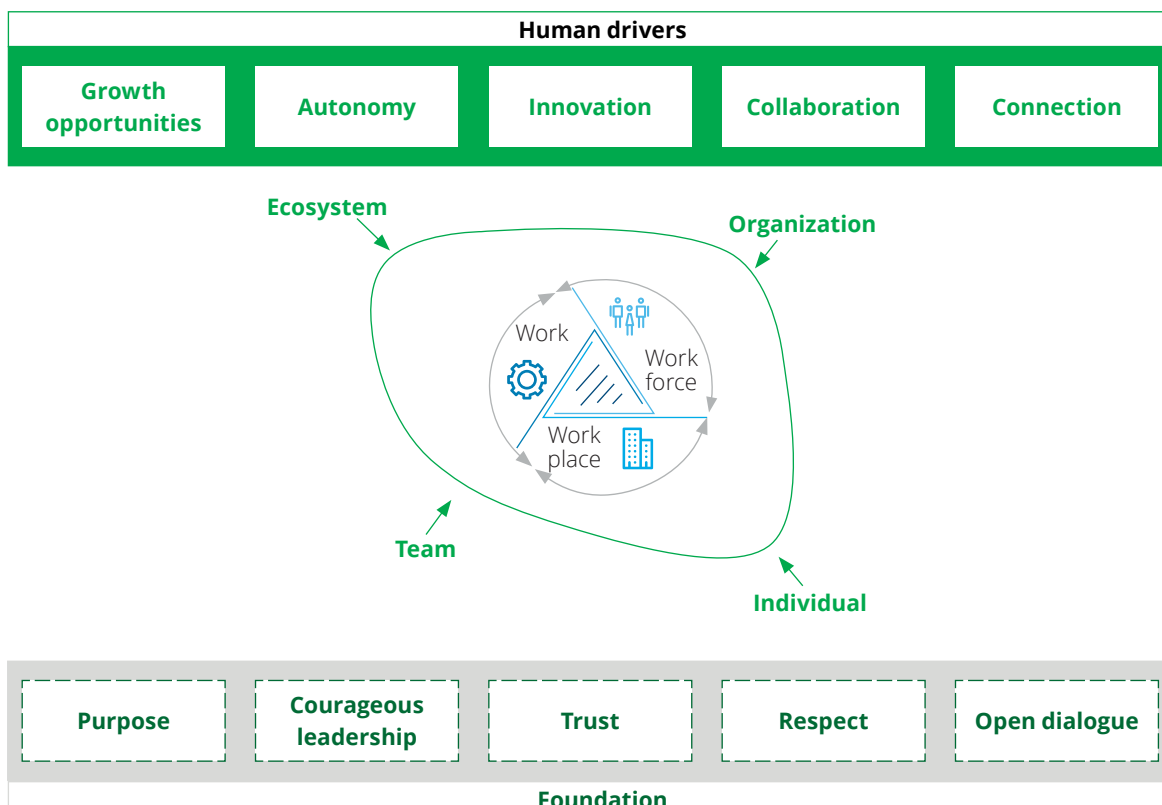
Our service offering

It is clear that this period will be marked by having more questions than answers to emerging topics. A need to shift towards new way of working is urging.

A typical crisis plays out over three time frames: Respond, in which an organisation deals with the present situation and manages continuity; Recover, during which an organisation learns and emerges stronger; and Thrive, where the organisation prepares for and shapes the "next normal."

Over the last few months we have been supporting organizations in their response and recovery actions. Now, we believe the time has come to prepare for the next phase, where we leverage the lessons learned during the recovery and shape towards the next normal. We want to be your preferred advisor to guide you throughout the questions that were discussed in this position paper, assess your current situation and help you to grasp the benefits of the lessons learned and the new working practices installed.

Starting from your organisation's strategy and activities, the best-fit approach for your organization will be defined and new solutions will be invented. Possible game plans could be for example the implementation and roll-out of a seat reservation tool and application, the strategic exercise on efficient facility service management or the implementation of flexible workforce controls in order to (remotely) monitor the workforce.

At Deloitte we brought together the expertise to deal with the abovementioned challenges and opportunities:

- **Tax and Legal**: dealing with labour contracts, implementation of compensation and benefit programs, remote work policies, …

- **Human Capital**: redefine the way we operate and behave as individuals and collaborate in teams, introducing a new set of management behaviours, re-skill the workforce to tackle new emerging learning needs and capabilities

- **Real Estate**: Guide decision to lease offices or proceed to sale and lease-back operations compared to purchase, manage financial perspective of real estate.

- **Workplace**: Define role of headquarters, satellite offices and homeworking aligned with the company strategy and culture (company identity reflected into workplace), review space distribution, office set-up and floorplans, assess and adjust current facility management processes and support facility management contract reviews, …

- **Technology**: Manage IT infrastructure and other IT requirements throughout the project, depending on the demand of the situation; Implementation of comprehensive desk booking solution to manage the return to the workplace, …

For further information:

Nathalie Vandaele
Partner—Human Capital
nvandaele@deloitte.com

Benjamin Elen
Director
belen@deloitte.com

Please note that the article was based on the following sources—Deloitte Publications:

- Re-architecting Work Models | Four Future Worlds of Work—November 2020

- Work Disrupted: Opportunity, Resilience, and Growth in the Accelerated Future of Work (Wiley, January 2021).

- COVID-19: Workforce Strategies for Post-COVID Recovery

Please reach out to the respective authors for further information.

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