What in the world will the office look like post COVID-19? People, Productivity and Planet: The opportunities, barriers and challenges

Author: Ruth McPhail

In a review of the emerging discussion of how the new world of work will look post COVID-19, it is evident that the office will never be the same again. In the first quarter of the year 2020 societies and businesses were irreversibly changed by the impact of the COVID-19 pandemic. Office employees were sent home to work and so began the great disruption. What is interesting is that this unintended experiment has resulted in possibly the greatest revolution of our time in the way we work. It is impacting on people, productivity and the planet. As with all rapid and disruptive change there are opportunities, barriers and challenges which emerge. It is through this lens that we now explore the early results of this transformation

People have found advantages and opportunities in working from home (WFH) such as improved wellbeing and better health (1). There have been gains for individuals through reduced time and costs involved in daily commuting including, for some, interstate and overseas travel, shifting the perception of the need for face to face meetings to a world of virtual gatherings, communication and collaboration (2). The majority of employees found they were successful at WFH and felt trusted by their supervisors to execute their duties remotely (1). Self-discipline was found to be the most important driver of success when WFH (1). Another potential unexpected benefit is the decreased interpersonal difficulties between staff given the new distance and ways of working (3). Financially, employees overwhelmingly reported making some savings as a result of WFH. This has come through reduced need for childcare, carer coverage or cleaning (1). It is also possible that organisations will face fewer sick leave costs as employees are able to continue to work from home, for example with a mild illness, where in the current climate, they would be strictly forbidden from entering an office environment. That said, the dangers of working on through sickness when in fact rest is required is equally as tempting for some but may result in longer term issues and potentially require longer periods of leave.

The barriers faced by employees with working from home have been reported as including a lack of mental health /psychological and physiological preparedness of employees and supervisors to work in this new way (4). This is largely due to the speed at which organisations were required to pivot and from a lack of experience in how we work and live under pandemic conditions. For some areas and disciplines the ability to work remotely is almost impossible (5). There is still resistance to this new form of working from some managers and supervisors which was explicitly clear when the first discussions began of moving employees off site. However, as the CEO of Goldman Sachs noted "When you go through something like this, it forces you to ask questions and think about things differently" (1, p.49). It should be noted that women are more likely to work from home but also to carry greater home duties and care responsibilities than their male counterparts (6). Despite this being a barrier, it also presents opportunities for greater flexibility and multitasking. There are also environmental barriers for some employees to working from home such as poor or no access to the Internet, a lack of a designated office space, not having ergonomic equipment and trying to juggle carer and parental responsibilities all in the same space and time (6).

Challenges for employees have been managing the possible negative impacts of WFH on mental health for some and for those with pre-existing conditions (4). The ability to manage mental health remotely is significantly more challenging however with the emergence of telehealth there are also opportunities for those who might not have previously felt comfortable to now accesses support and services. Other challenges include differences in perceptions of capability. For example, managers perceived employee's creativity and innovation was negatively impacted by

working from home, whereas employees perceived that working from home improved these skills (1). Employees noted one of the challenges of WFH is their decreased access to informal communication amongst peers. This may have positive or negative impacts for organisations. Future challenges for people in the post COVID-19 world will include the changing of social practices such as no longer shaking hands or hugging. Hygiene practices will need to be significantly increased and improved for eating, drinking, toileting and access to small spaces such as lifts and bathrooms (6). The shared kitchen of the future workplace will look very different with the removal of shared crockery and cutlery and consumables to be replaced with recyclable and disposable options, or the employees providing their own. Even the way we walk around a space may be dictated by a clockwise movement in the direction of travel to reduce contact (6). Other measures may include in the installation of heat maps to see where people are gathered and regular temperature tests of employees and guests (5). Interestingly there has also been an increased status and importance for some roles such as IT specialists and cleaners as a result of COVID-19 (5). Challenges remain however including the dangers associated with return to work anxiety which is still largely in uncharted waters.

Productivity has also been impacted and for the most part it appears in a positive way. With reduced transport time the ability to have quality connection with others 70% of managers have reported the same if not better productivity of employees when WFH (1). Most employees are reporting a preference to establish a hybrid model of work going forward with the majority saying they would prefer to remain WFH for between 2 – 3 days per week (1). This is aligned with employees finding that they deal with fewer interruptions at home, can focus for extended times and are overall more productive (3). The financial opportunities for workplaces include the finding that the majority of employees were able to be more fully engaged in their work and were able to increase their time on task by reducing commuting time (3). There also may be longer term productivity gains to be made by improved working relations with management and unions to protect jobs and support workers' rights in the post COVID-19 world of work. The barriers to productivity in the future will be the ability to shift cultures of presenteeism by developing new productivity markers. In addition, the traditional command and control method of management will be less effective, and we will need to find new ways of empowering staff and teams in a much flatter organisational structure (7). "Our biases against working from home has been completely exploded" noting that employees have stayed engaged with no "…discernible drop in productivity". Chief People Officer of Zillow (1, p.49).

One significant barrier for organisations has been the lack of business continuity plans to deal with such disruption as caused by a pandemic. Organisations have quickly rallied to develop plans and going forward it will be important to consider these in a much broader context than we ever have before. Productivity can also be negatively impact by an organisations capacity for providing appropriate VPN, bandwidth and licencing arrangements to ensure quality connectivity and security of information exchange (8). Improving productivity will be a challenge going forward including the re skilling and up skilling of supervisors and managers to better manage others remotely (7). This includes establishing netiquette protocols, revising KPIs and managing the ongoing engagement and collaboration of individuals and teams. It will also include moving from a rigid organisation to a flexible organisation which is purpose driven with flexible networked teams and agile ways of working where talent management is individualised as well as team based and where change and learning is accepted as an ongoing concern (9). The future challenges for retaining the WFH productivity gains made include managing a hybrid workplace including new creative office designs (2). Offices will need to be developed to withstand rigorous cleaning and will need to be made from more expensive and durable materials (10). The staggered workforce is one method being suggested to reduce contact including varied start and finish times and various days when specific individuals may come together in the workplace while others who are not required remain working from home (2). The creative and truly innovative organisations will determine who is required and when, based on new measures of necessity and in a more individualised and negotiated manner. This may see some seeking a hybrid mode for those who can and want to work remotely continuing to do so and never physically returning to the office.

The planet may be the big winner in this experiment – maybe! The majority of individuals reported they had what they needed to work from home, reducing consumption and duplication of resources with the additional benefits of saving themselves time and money through decreased commutes (1). Environmentally the planet is the big winner in the WFH debate with the potential for decreased greenhouse emissions, fuel consumption, paper usage, plastics and

energy consumption. The shift in locations has also seen decreased pressure on infrastructure and a re-emergence of the small town and local business connectivity (5). Financially there are opportunities for companies to reconsider how and when they use space giving rise to the possibility of shared buildings, potentially reducing costs to employers dramatically (2). 74% of CFOs reported that they will shift at least some of their workforce off site permanently as a method of 'creative cost saving' (11). Some organisations report as high as 80% of staff will work in a hybrid manner going forward having reappraised after the acknowledging that being in the office is not essential to getting things done (1, p.49).

During the pandemic an initial use of non-recyclable items such as plastic, gloves and masks was a necessary step backwards from our environmental sustainability goals. Of greatest concern is that in the efforts of Government to reboot the economy environmental issues will fall by the wayside. The temptation to make money quickly to stimulate the economy through jobs and exports will need to be carefully monitored and debated to ensure the planet does not in fact become the biggest loser post the COVID-19 pandemic. Of importance will be how countries are able to develop plans and methods of managing pandemics in ways that allow economies to continue and to grow given that one of the biggest challenges to us all is a strong second wave of COVID-19 or indeed the next pandemic.

So where to from here? We don't have all the answers yet, but we sure have learnt a lot. Some actions that will assist include; the upskilling of supervisors to coach, mentor, monitor and support staff remotely including establishing good practices for effective productivity when WFH such as taking breaks, having set (albeit flexible) hours of work, keeping a to do list, setting up a location to work, set times of getting up, listening to music, planning the next day, using a calendar and planner, exercising and keeping staff connected via different forms of communication. The development of self-disciplined, agile and resilient staff and teams will also need to be supported. Organisations will need to ensure they have the technologies required to work seamlessly and safely remotely in addition to ensuring OH&S obligations are met importantly including work cover insurance for accidents that might occur to workers in the home (it's easier to trip over the cat at home!). The issues surrounding gender requires further investigation to find ways to ensure there is equality in WFH. Concepts such as the 4-day work week, shown to increase overall productivity, may also be considered to decrease workers physical contact time and to increase flexibility. Fairwork Australia has produced guidelines for employees and employers on how to negotiate the return to work or ongoing WFH including who can apply, how and what employers need to do with such requests (12). If there is a return to work at some level organisations will need to invest in providing safe workspaces and this will require significant investment for some. Despite the cries of business heralding a new way forward such as the Chief HR officer at Twitter stating, "I don't think we'll go back to the same way we used to operate...I really don't..." (1, p.49) it will be, as always, that the devil is in the detail and businesses will need to carefully plan and develop new strategies and cultures to ensure the sustainable success of WFH for their people, productivity and the planet.

Reference list

- 1. Global Work from Home Experience Survey 2020. <u>https://globalworkplaceanalytics.com/global-</u> work-from-home-experience-survey
- Needham, J. 27 May 2020. Companies set to adopt 'virtual first' working in a post-COVID world and this will affect office design, experts say. <u>https://www.commercialrealestate.com.au/news/companies-set-to-adopt-virtual-first-working-in-</u> a-post-covid-world-and-this-will-affect-office-design-experts-say-952583/
- 3. Airtasker Blog March 31st, 2020. The Benefits of Working from Home. <u>https://www.airtasker.com/blog/the-benefits-of-working-from-home/</u>
- 4. Neilson, K., Dorney, G. March 17, 2020. <u>https://www.hrmonline.com.au/section/strategic-hr/coronavirus-workplace-impacts-not-considered/</u>
- Daley, P. 8 MAY 2020. Work after coronavirus: how will it change when the lockdown is over?<u>https://www.theguardian.com/australia-news/2020/may/08/work-after-coronavirus-how-will-it-change-when-the-lockdown-is-over</u>
- Chung, F. May 6 2020 'Coronavirus Australia: No more hot-desking or office cookie jar as companies shift to 'COVID-safe' workplaces. News.com Australia <u>https://www.news.com.au/finance/work/atwork/coronavirus-australia-no-more-hotdesking-or-office-cookie-jar-as-companies-shift-tocovidsafe-workplaces/news-story/e24badb19995d32038c1a61457d411df
 </u>
- Kirby, S. 2020. 5 ways COVID -19 has changed workforce management. <u>https://www.weforum.org/agenda/2020/06/covid-homeworking-symptom-of-changing-face-of-workforce-management/</u>
- Gartner Report Solving the Challenges of Modern Remote Access. <u>http://discover.netmotionsoftware.com/Gartner-2020-</u> <u>Download.html?utm_source=adwords&utm_medium=search&utm_campaign=gartner%202020&ut</u> <u>m_content=gartner%20report%20download&gclid=EAIaIQobChMIn-</u> <u>Dan6_x6QIVzdeWCh0ivAULEAAYASAAEgJ5NvD_BwE</u>
- Mallon, D. Davis, T. 2019. Designing your Organisation to meet challenges of a Disruptive Future. Deloitte Research article. <u>https://www2.deloitte.com/content/dam/Deloitte/us/Documents/human-capital/us-human-capital-bersin-it-hiod-article.pdf</u>
- 10. Mudditt, J. 15 March 2020. How offices will change after coronavirus. <u>https://www.bbc.com/worklife/article/20200514-how-the-post-pandemic-office-will-change</u>
- 11. Gartner CFO Survey, 3 April 2020 Final <u>gartner.com/en/newsroom/press-releases/20Report20-04-03-gartner-cfo-surey-reveals-74-percent-of-organizations-to-shift-some-employees-to-remote-work-permanently2</u>
- 12. <u>Fairwork Ombudsman, Australian Government. Accessed June 2020</u> <u>https://coronavirus.fairwork.gov.au/</u>

	Opportunities	Barriers	Challenges
People	Personal:	Personal:	Personal:
·	68% of employees found they	A lack of mental	Managing mental health
	were successful at WFH (1)	health/psychological and	challenges as a result of WFH
		physiological preparedness of	(4)
	Improved wellbeing of	employees and Supervisors to	
	employees:	WFH (4)	For those already with mental
	 77% better Work Life 	Lack of face to face contact	health issues managing these
	Balance (iso)	especially important for some	remotely will be more
	 69% satisfied with over 	areas/disciplines (5)	challenging (4)
	all well-being WFH		
	 54% eat healthier 	Resistance to change from	Resistance to change to WFH
	 48% exercise more (1) 	managers/supervisors (5)	(5)
	Colf dissipling was found to be	Gender: Women are more	Environmental limitations
	Self-discipline was found to be	likely to WFH and have	including Internet and home
	the most important driver of	greater home duty and carer	office capabilities (8)
	success for WFH (1)	responsibilities than men (4)	onice capabilities (b)
	Reduced perception of the		Ensuring employees practise
	necessity for face to face	Environmental:	self-care, avoid substance
	meetings (2)	Not one size fits all – winners/	abuse, issues of domestic
		non players for example staff	violence and do not work if
	Savings in time & cost of	in labs.	they are ill and require rest or
	commuting local and		medical attention.
	interstate/overseas	Inability to WFH because of:	
		No or poor Internet	Financial:
	Decreased interpersonal	No designated office	Managers and employees'
	difficulties between staff.	spaces	perceptions do not always
		 Lack of ergonomic 	align for example managers
	The perceived trust level of the	equipment	found a 30% small negative
	Supervisor (75% of employees	Carers	impact on creativity and
	felt trusted by their manager)	responsibilities (6)	innovation vs the employee's
	(1, p.17)		perceptions that these
			improved WFH
	Financial:		(see Opportunities) (1)
	92% of employees had some		
	savings WFH (1, p.29)		Women are more likely to
			work from home that men (4)
	Fewer sick leave costs (e.g. can		Changing cocial practices such
	work at home with cold but not		Changing social practices such as shaking hands, hugging and
	in office especially post COVID		increased hygiene
	19)		requirements for eating,
	Decreased need for external		drinking, toileting and small
	childcare (5)		spaces such as lifts and
			bathrooms (6)
	Increased workplace flexibility		
	in relation to time on task (5)		Removing crockery and cutlery
			and shared consumables to be
	Opportunity to adoption of the		replaced with recyclable or
	4-day work model.		disposable options. Individually
			packaged food items such as
	Environmental:		biscuits (6)

	Savings of \$4523.04 per year in fuel for remote workers and 408 hours per year in travel time (6)		Environmental: Clockwise movement and signage for direction of travel in offices. Installing heat maps to see where people are gathered Temperature checks (5) Increased status and importance of some roles such as IT specialists, cleaners and delivery drivers (5) Return to work anxiety Decreased access to informal communication (3)
	Opportunities	Barriers	Challenges
Productivity	Personal: Reduced transport time (1) Importance of quality remote connection (8) Manager reported 70% same or better productivity of workers	Personal: Presenteeism as a cultural norm of management may be difficult to change therefore new productivity markers will need to be evolved. Traditional control and	Personal: Supervisors report being less able to coach, mentor or manage others when WFH This means developing skills in supervisors to manage, coach, mentor, lead, motivate and monitor remotely (7, 4)
	(1)Reduced infrastructure costs (1)Preference to work between 2-	command management methods may no longer be as effective and may need to be revised (7)	Establishing netiquette protocols
	3 days as WFH (1) Fewer interruptions - home 43 per day vs office 78 per day (Iso p.63)	<i>Financial:</i> Lack of Business Continuity Plans fit for purpose for a pandemic.	Revised KPIs <i>Financial:</i> Possible initial decreased collaboration / ability to work with others (1)
	Increased ability to focus for extended times (3) <i>Financial:</i> 77% fully productive at home	A strong second wave of COVID-19 <i>Environmental:</i> Organisations' capacity for appropriate VPN, bandwidth	Appropriate insurance cover and protocols to ensure OH&S protections of workers in the home (5) Increased security risks for IT
	 (1, p.43) Almost half employees said they reallocated time saved from commuting in part to additional time on task (1) Increased creative /innovate thinking WFH perceived by employees but managers 	and licencing arrangements (8)	(9) Moving from a rigid organisation to a flexible organisation which is purpose driven with flexible networked teams and agile ways of working where talent engagement is individualized

	perceived a 30% small negative impact on creativity and innovation (1) Managers perceived a small negative impact on employee engagement (1) Environmental: Opportunities for Workplace		and that change, and learning are accepted as being continuous (9) Staggered workforce arrangements (2) Need to provide enough VPN, bandwidth, technology and licencing arrangements (8)
	reform with increased union/mgt cooperation post COVID		to support the business and employee needs. (8) Additional cleaning and more expensive and durable materials in offices (10) Office spaces designed for 'blended' workplaces (7)
Planet	Opportunities Personal:	Barriers Personal:	Challenges Personal, Financial and
	The majority of employees found they had what they needed to WFH (Iso) = decreased consumption (1) <i>Financial:</i> Decreased costs associated with commuting and travel (1) <i>Environmental:</i> Decreased greenhouse emissions Decreased fossil fuel consumption Decreased consumption of plastic Decreased impact on infrastructure Decreased energy consumption Increased development and support of small towns/local business (1) \$45-\$90k per 100 employees per annum saved in office space (1) New office locations, design and business sharing	Initial temporary increase in the use of non-recyclable plastic Financial: Economic recovery efforts may result in the sacrifice of environmental sustainability commitments by Government. Environmental: The Worlds Health workers ability to manage pandemics in ways that allow economies to continue and to grow in an environment of increasing risk of ongoing pandemic outbreaks	Environmental: A strong second wave The next pandemic. Balancing economic recovery with fiscal growth.

74% of CFOs intend to move at	
least 5% of their previously on-	
site workforce to remote	
positions post COVID 19 to	
increase 'creative cost savings'	
(11)	

Figure 1: The emerging discussion of the office post COVID-19.