Future of Work Trends

4/20/2021 | Russ McCall

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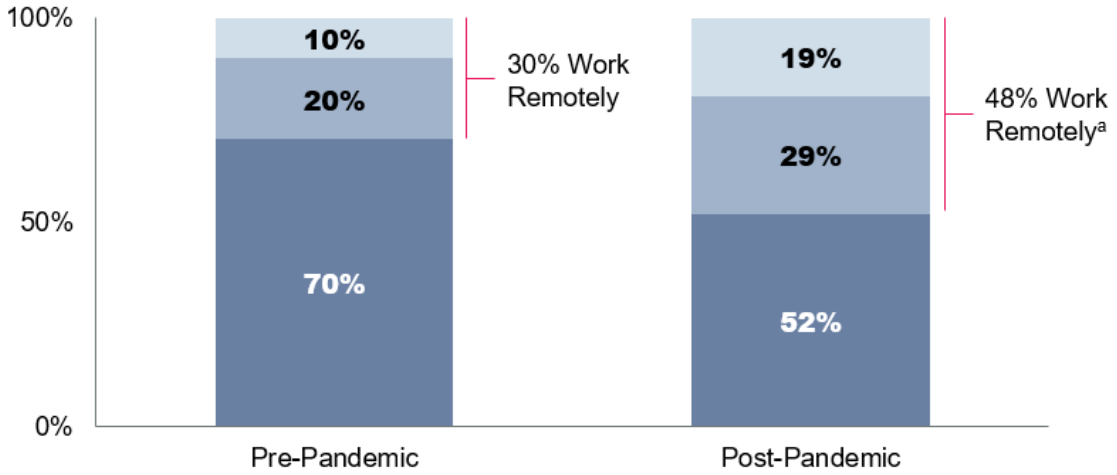
Agenda



1. New Context, New Expectations.
2. What is Hybrid?
3. Guardrails for flexibility.
4. How does Hybrid enable collaboration and innovation?
5. How does this change our thinking on real estate?
6. Lessons Learned and Next Steps.

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New Context, New Expectations

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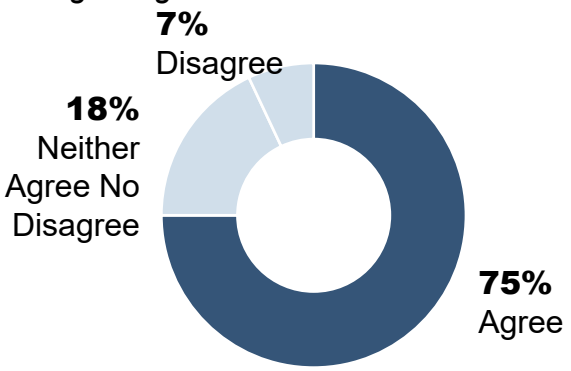
Hardened Expectations

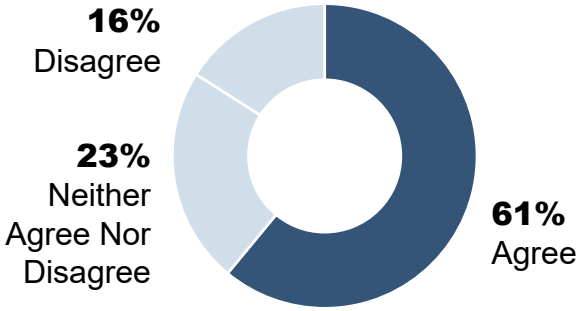
Employee Perceptions of Importance of Flexibility

Q: "My Expectations for Working Flexibly Have Increased Since the Beginning of the Pandemic."



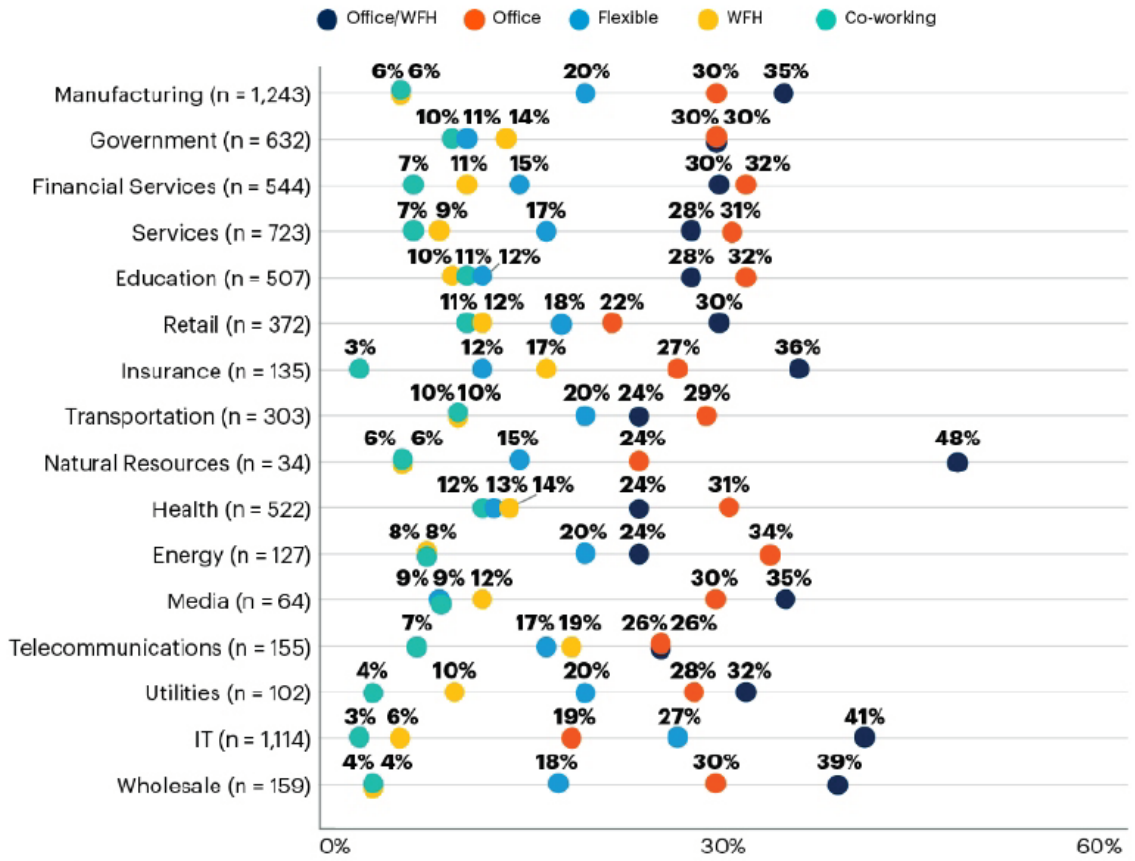
n = 2,410 employees
Source: 2021 Gartner Hybrid Work Employee Survey

Q: "Whether or Not I Can Work Flexibly Would Impact Whether I Stay at My Organization."



n = 2,410 employees
Source: 2021 Gartner Hybrid Work Employee Survey

Remote Work Preferences, by Industry



Source: Gartner

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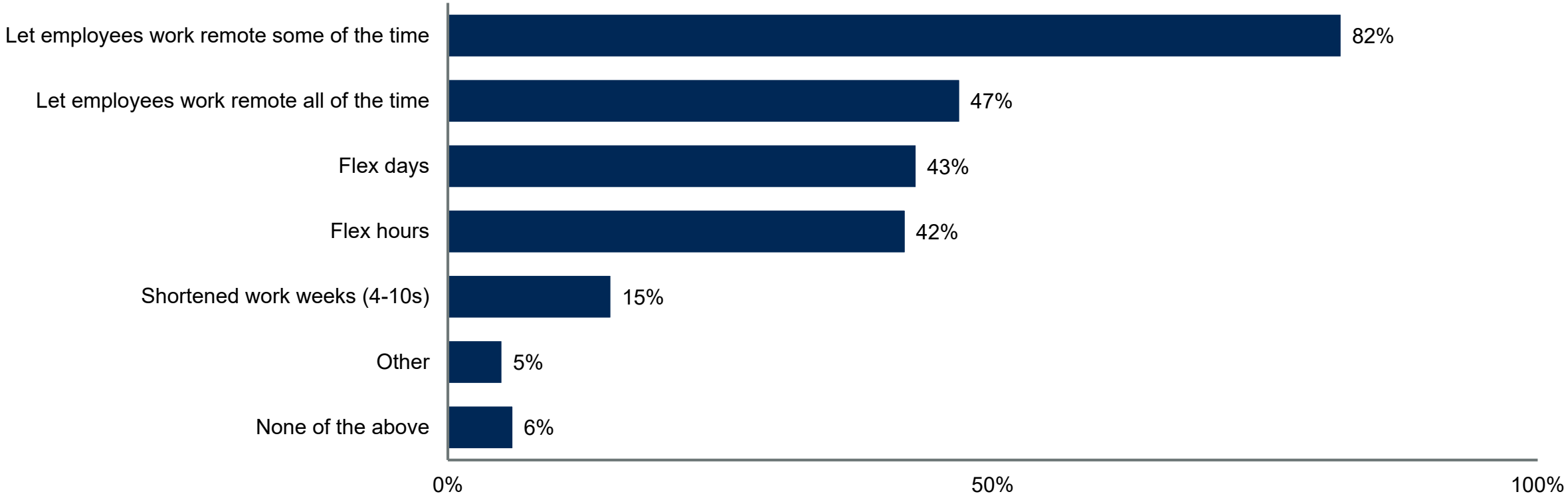
Flexibility Becoming the Norm

Q: Are you, or do you plan on, providing any of the following flexibilities to employees as you reopen closed workplaces?
Percent Selecting; Multiple Responses Allowed



n = 127

Q: Are you, or do you plan on, providing any of the following flexibilities to employees as you reopen closed workplaces? Select all that apply..
Source: Gartner Return to the Workplace Benchmarking Against Your Peers Webinar Poll (5 June 2020)

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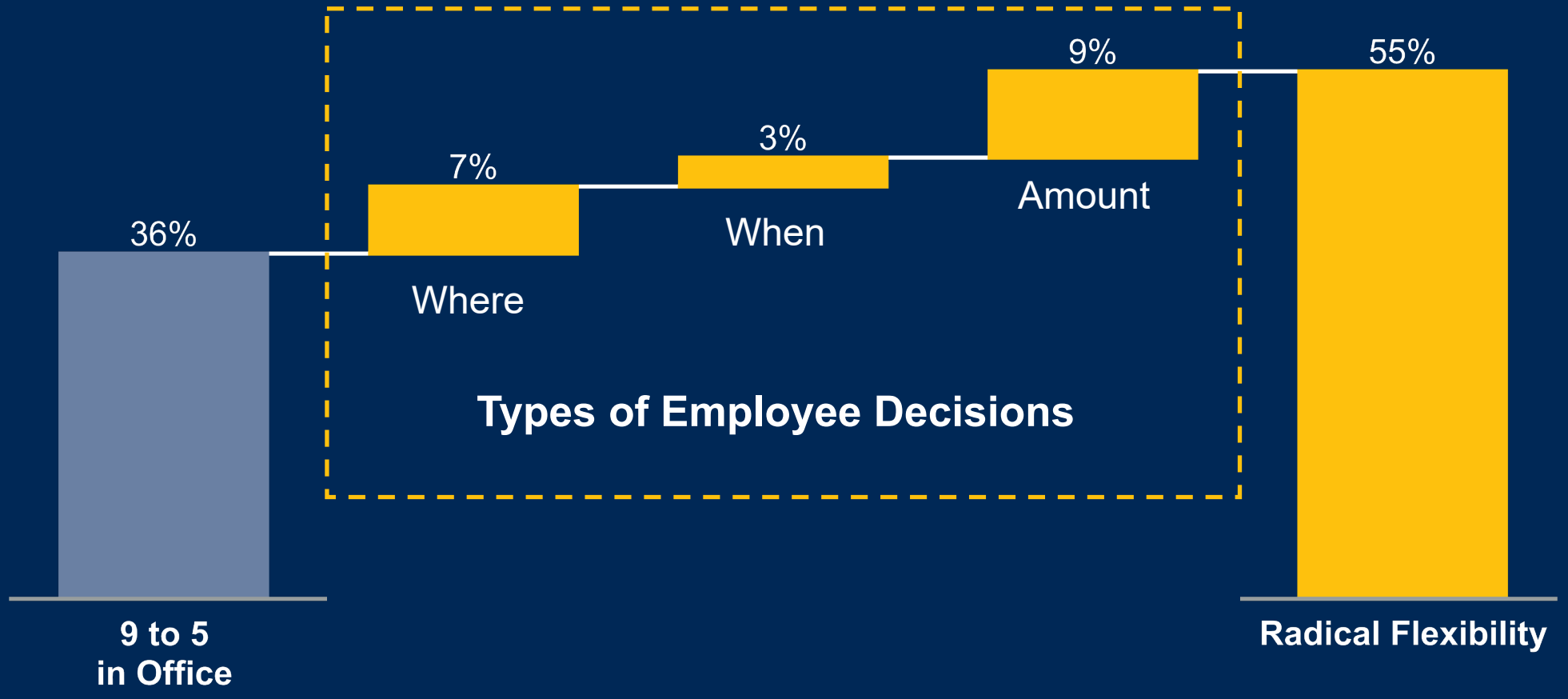
Flexibility Fuels Performance

Percentage of High Performers



n = 5,000
Source: 2020 Gartner ReimagineHR Employee Survey

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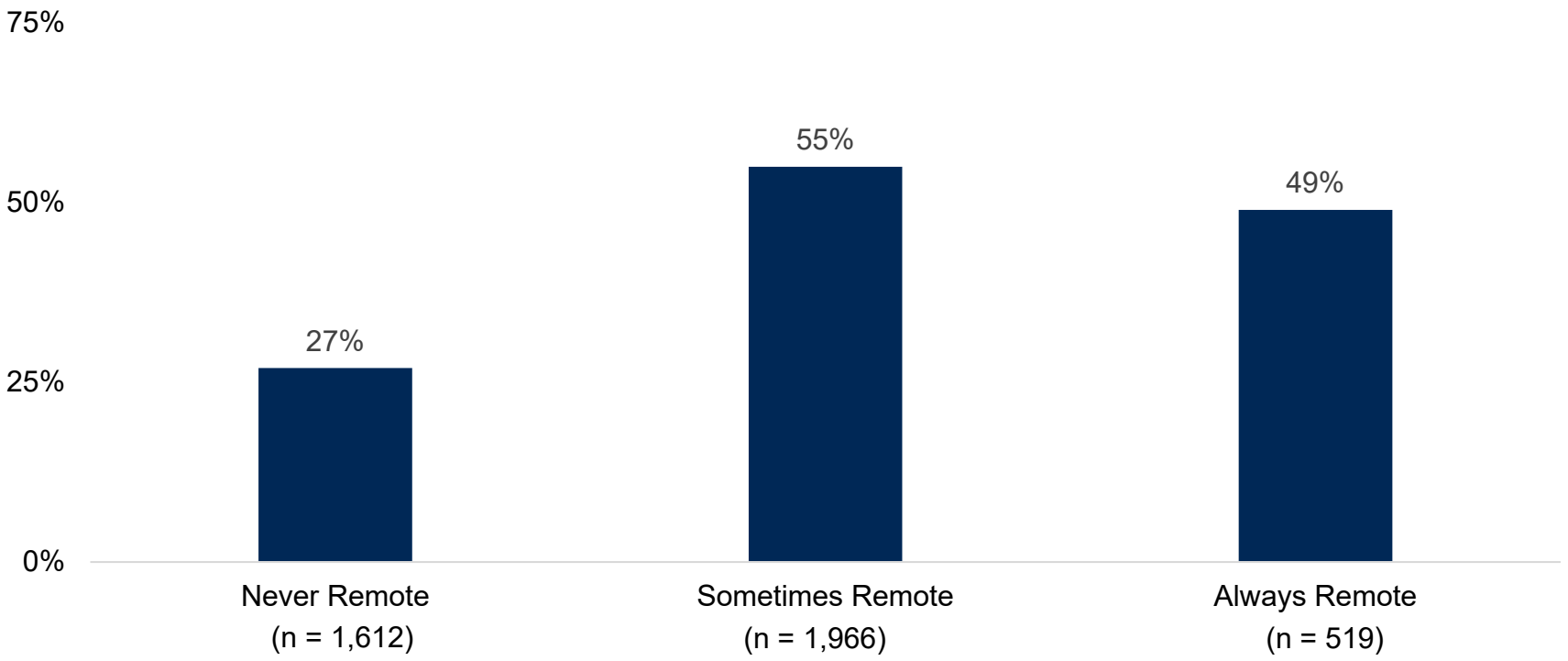
Sense of Inclusion Can Improve

Q: "I feel welcome to express my true feelings at work."
Percentage of Employees That Agree



n = 4,097

Source: 2019 Gartner ReimagineHR Employee Survey

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What is Hybrid?

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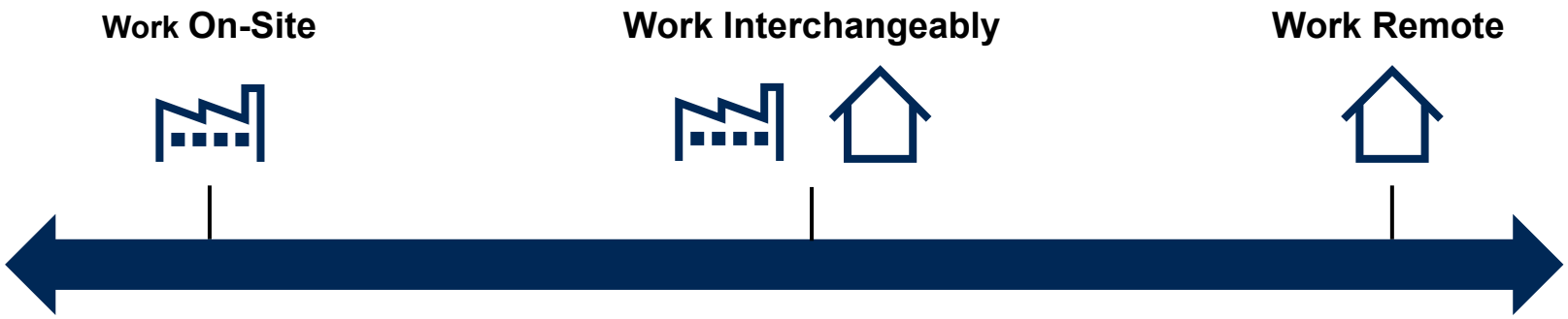
Hybrid Model: Adaptive and Interchangeable Work



Ability to "Flow Through:" Employees and managers have the expectation to be able to switch locations and schedules dynamically where it makes the most sense to drive both productivity and engagement.

Shared Ownership: Organizations need to break down long held beliefs and potential myths about where and how work gets done most effectively. Managers must trust employees to be effective and productive while employees need to be flexible and comfortable being mobile.

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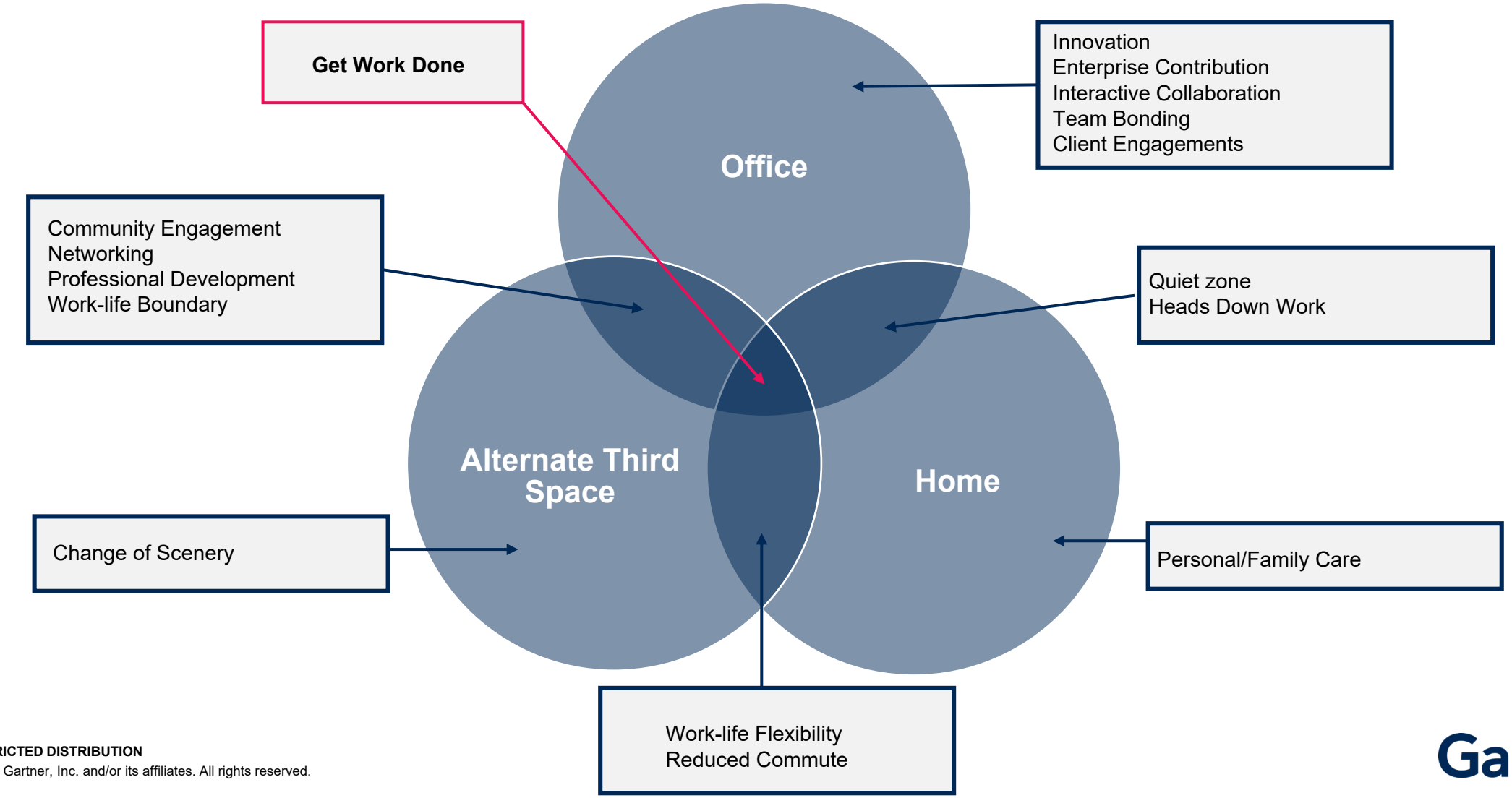
Work Locations Offer Different Value Propositions

The Changing Value Proposition of the Office Due to the Expansion of Remote Working Post-COVID19 (3-5 year lens)



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Guardrails for Flexibility

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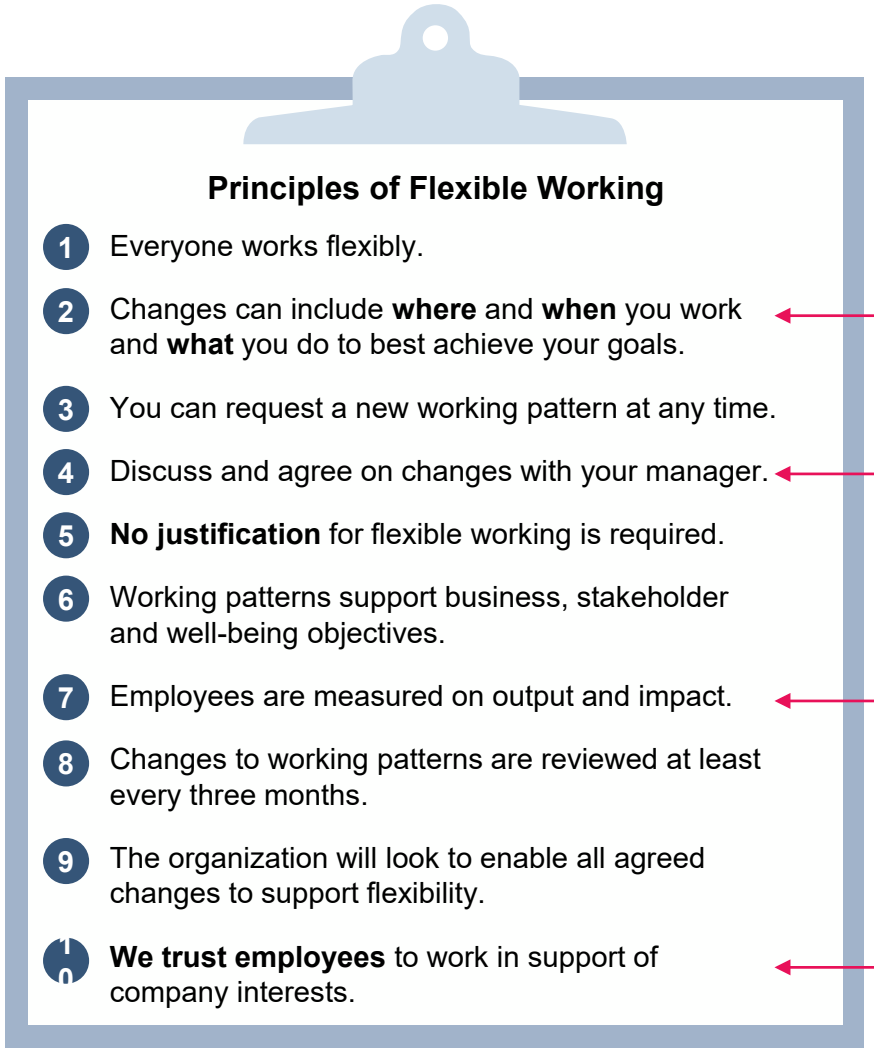
Flexible Working Needs Principles, Not Just Policy

Overview of Schroders' 10 Principles of Flexible Working



Employees can design working patterns that best enable them to be effective. Contractual changes in total work hours, role or country are addressed through a formal policy.

In place of a formal approval process, employees and managers **co-create** flexible working patterns.

Employees will not be evaluated based on "presenteeism."

Everyone is responsible for building a foundation of mutual trust to support autonomy, safety and performance.

Source: Adapted From Schroders

Schroders

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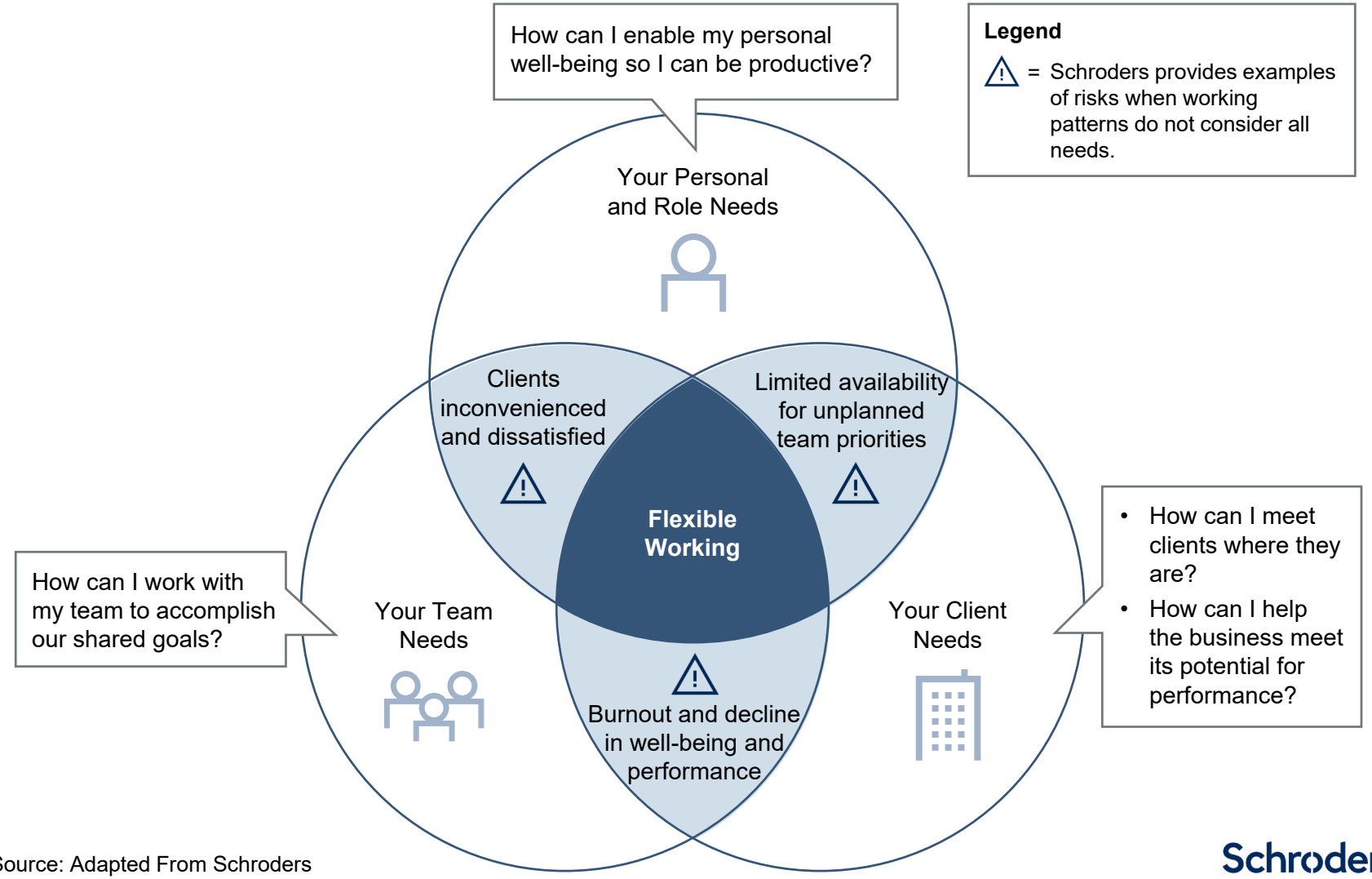
Equip Employees, Not Just Managers

Employee Flexible Working Decision Framework for Harmonizing Needs

Illustrative



Source: Adapted From Schroders

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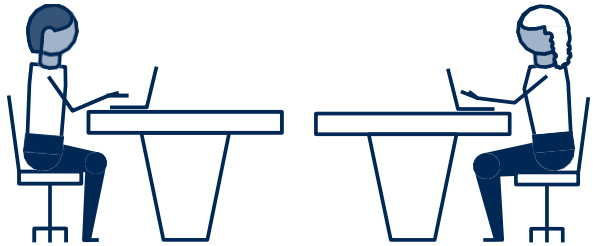
Equip Employees, Not Just Managers (Cont.)

Tools for Creating Flexible Working Patterns and Conversation Guidance

Illustrative

Schroders operates an intranet site dedicated to flexible working resources.

Employee **Manager**



Flexible Working Conversation Guidance

- Frame the discussion – focus on impact and the job, not personal factors
- Actively listen
- Find shared goals and avoid assumptions
- Explore patterns together
- Decide on a working pattern
- Plan how to measure success

Flexible Working Resources for Employees

Leadership Profile
Hear how our CFO works flexibly and what flexible working means to him.

Flexible Working in Action
Read stories of how employees and teams at Schroders have designed flexible working patterns that set them up for success.

Design Your Flexible Working Pattern
Use this interactive tool to see how flexible working can work for you, and use it to start a conversation with your manager.

Flexible Working FAQ
See your peers' most common questions about creating a working pattern that works for you, your team and our clients.

Source: Adapted From Schroders

Schroders

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How does Hybrid enable collaboration and innovation?

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Democratize Access to Multiple Worksite Options

Employer and Employee Drivers for Expanded Worksite Options

Employer Driver Employee Driver

	Synchronous Work	Asynchronous Work
Co-Located Workforce	**Working Together, Together** **Dropbox Studios** (Once it's safe) shared spaces reserved for team- and relationship-building gatherings. Solo work is prohibited in these spaces. ■ Sustained culture and community ■ Human connection 	**Working Alone, Together** **Public Spaces** Employees can choose to use a work allowance to join a co-working space or set up temporarily in a café. ■ Employee retention ■ Autonomy
Distributed Workforce	**Working Together, Apart** **Virtual First Experiences** Virtual, not physical locations, are the default sites for employee experience. ■ Expanded recruiting geographies for diverse talent ■ Flexibility 	**Working Alone, Apart** **Personalized Worksites** Ergonomic chairs, caregiver support, fitness memberships are funded by a flexible allowance. ■ Organizational resilience ■ Mental and physical well-being

Source: Adapted From Dropbox

Dropbox

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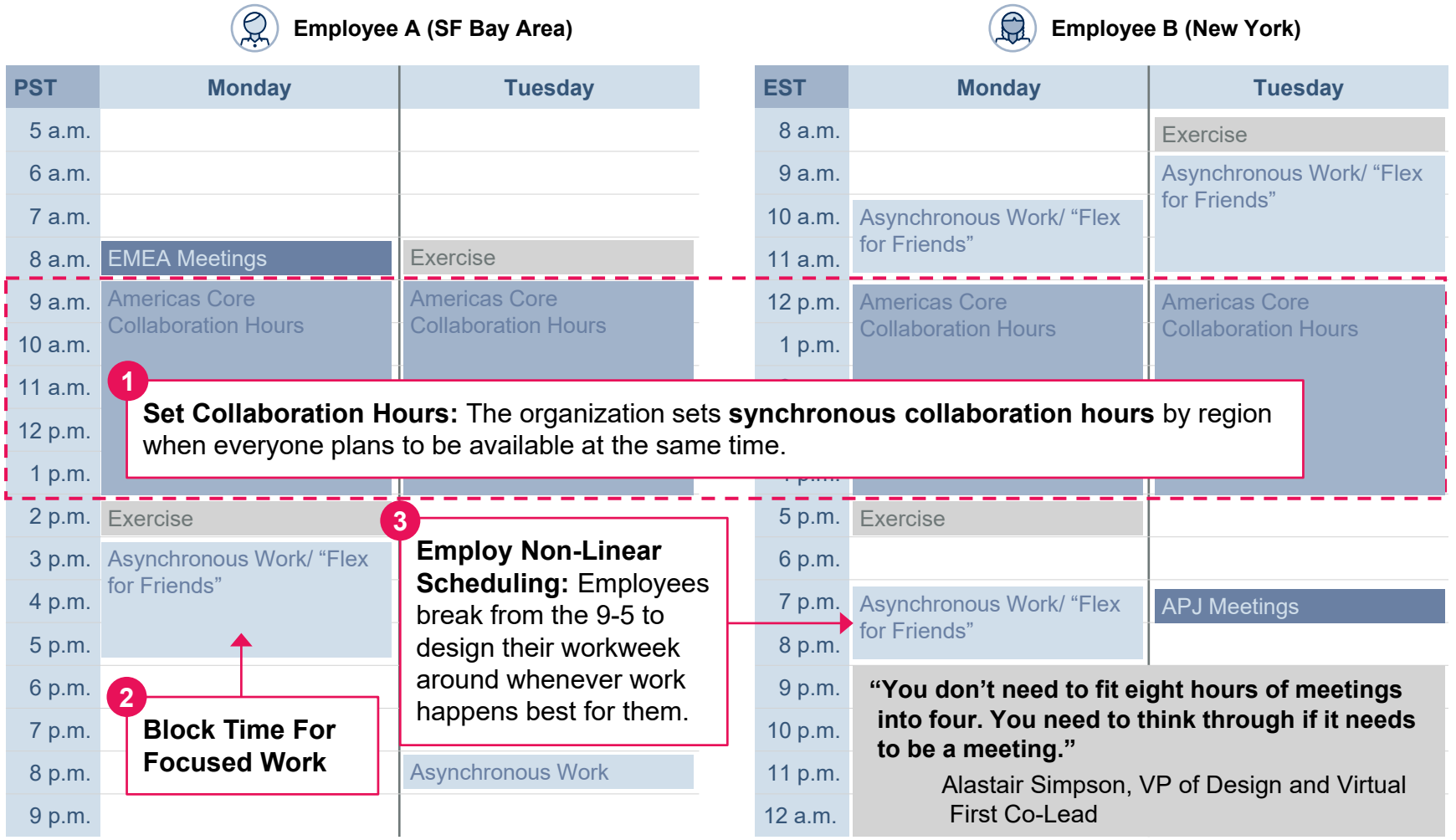
Work Asynchronously, Not Synchronously, First

Three Key Steps To Employee-Designed Workweeks

Illustrative



Source: Adapted From Dropbox

Note: Seniors leaders set an expectation that employees should "flex for friends" as needed to collaborate across timezones.

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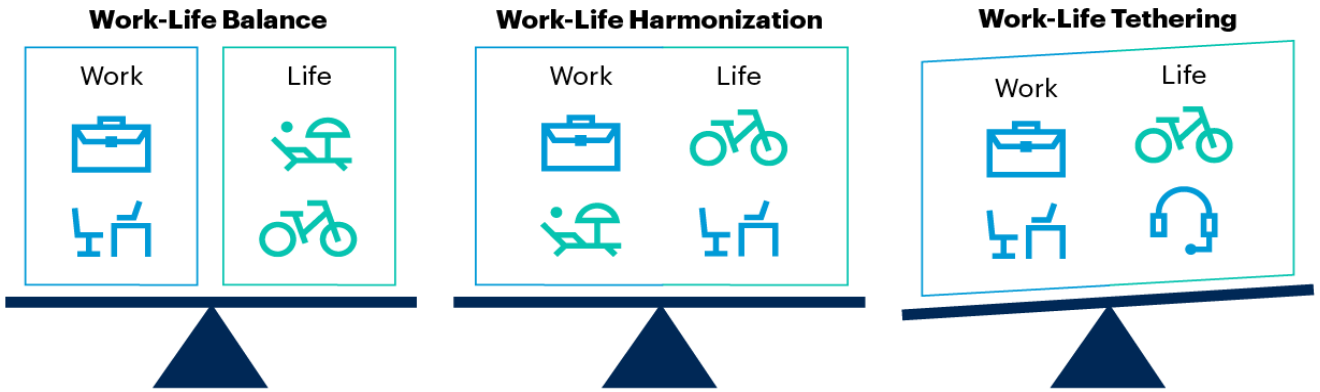
An Acute Risk of Flexibility

The Shifting Work Environment



The separation of work and life, in which both productivity and personal fulfillment are achieved; aided by the cue of physical workspaces, yet limited by notion that work is done at official work sites.

A more recent understanding of the balance of work and life, in which work location, working hours and work quantity are negotiated to attain not only productivity and personal fulfillment but also employee empowerment and self-realization.

In an environment where work-life harmonization is possible, employees lose sight of their well-being, working excessive hours and showing an inability to actively balance their professional and personal realms.

Source: Gartner
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How does this change our thinking on real estate?

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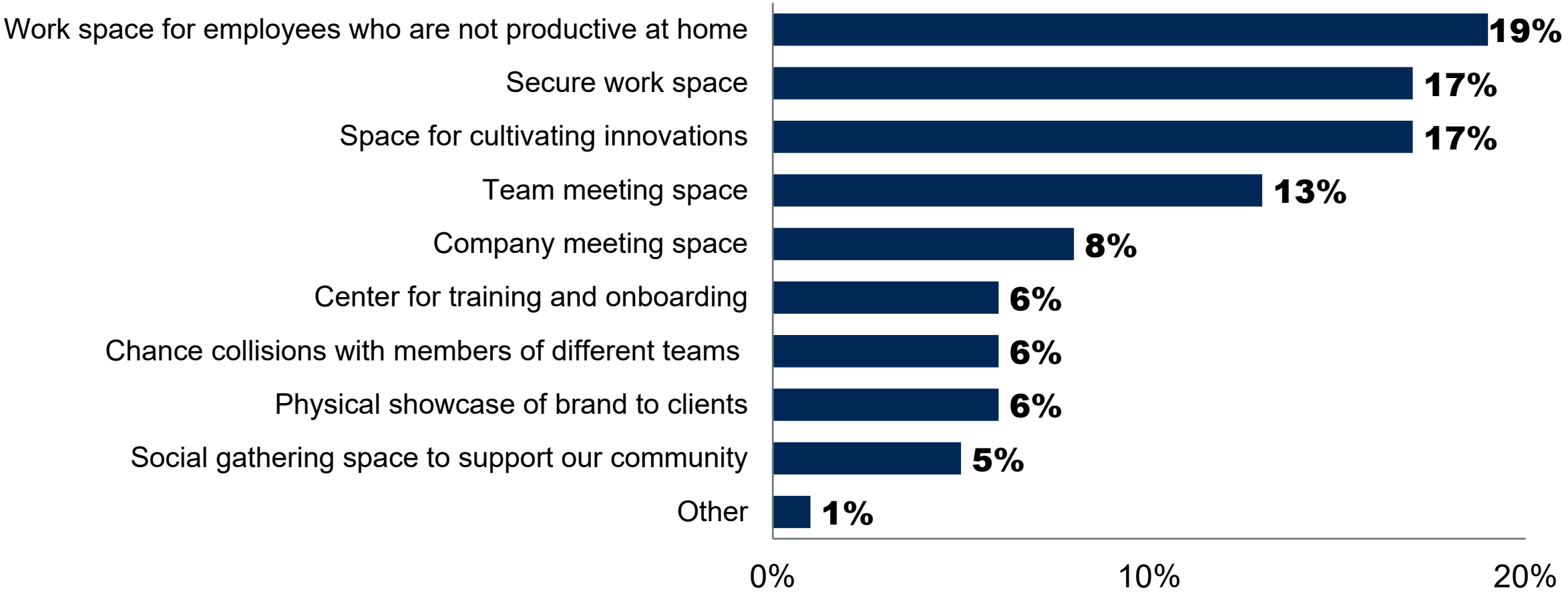
The Postpandemic "Job" of the Office Is Unclear

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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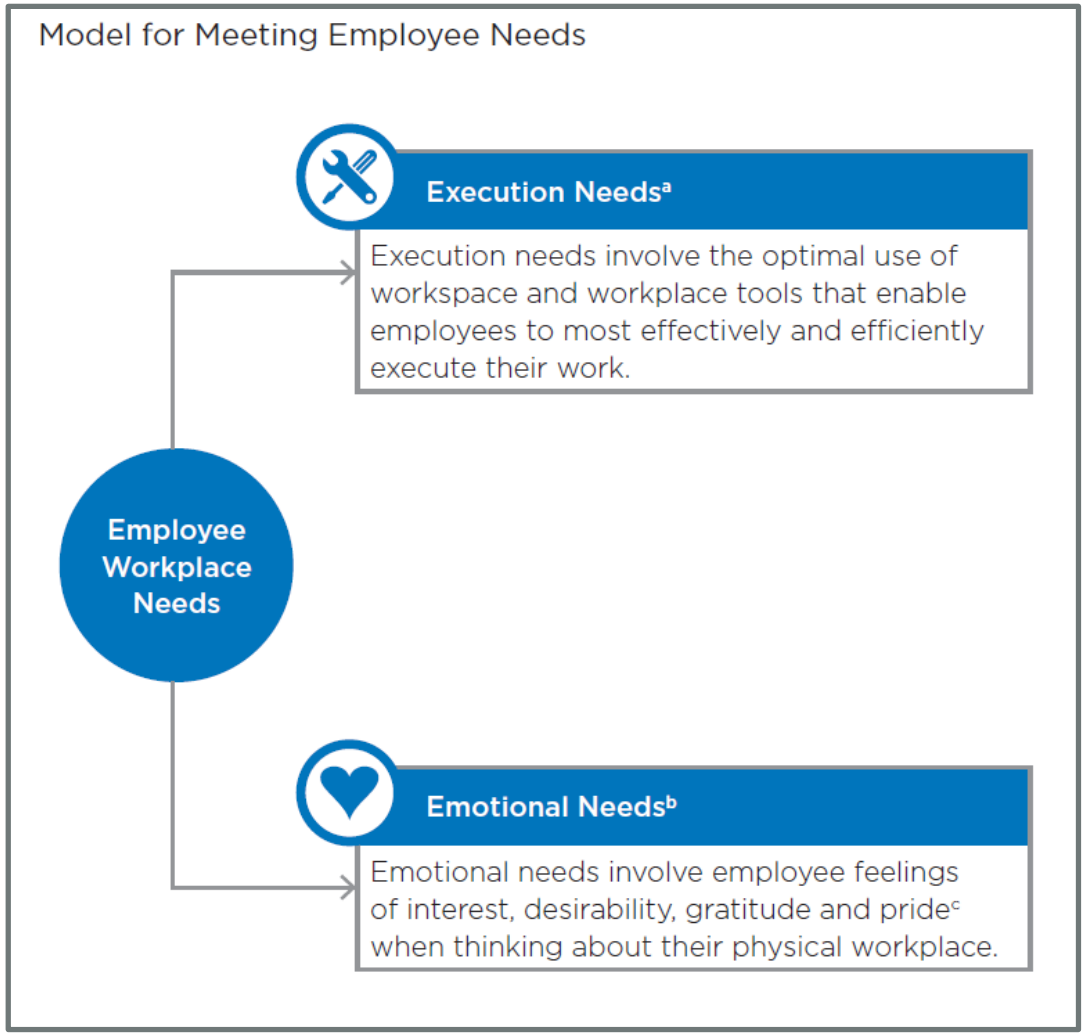
Workplaces Always Must Meet Two Sets of Needs



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Predictions of 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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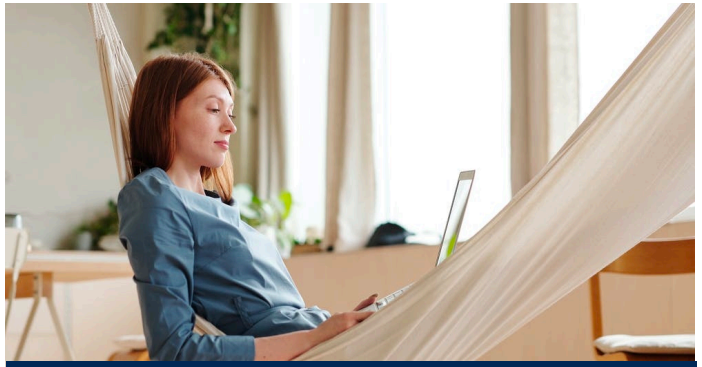
A Mix of Purposes Will Exist Across Your Footprint

Innovation Hub

Immersive Workplace

Development Workplace

Destination Workplace



Wellness Retreat

???

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Lessons Learned and Next Steps

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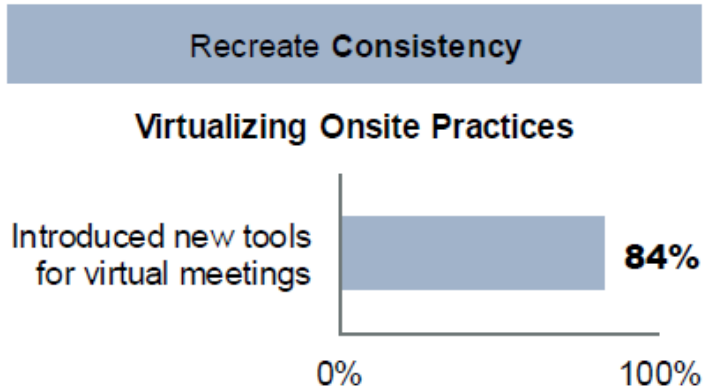
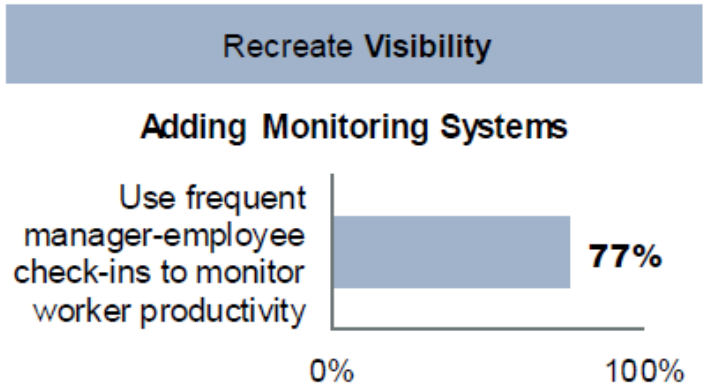
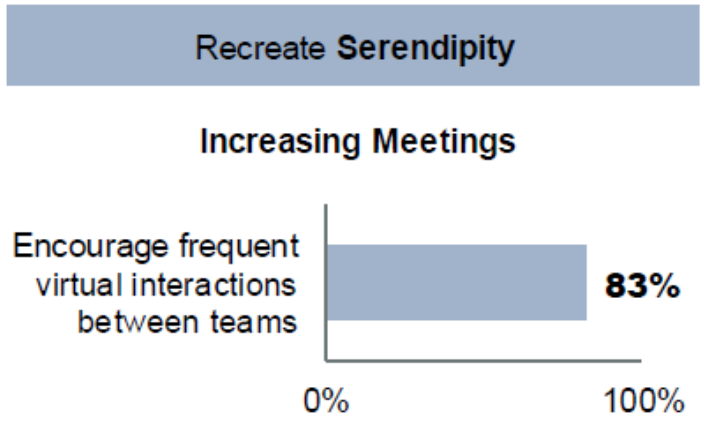
Organizations Duplicating Office-Centric Design

Methods of Recreating Features of the Office

Percentage of HR Leaders







n = 75 HR leaders

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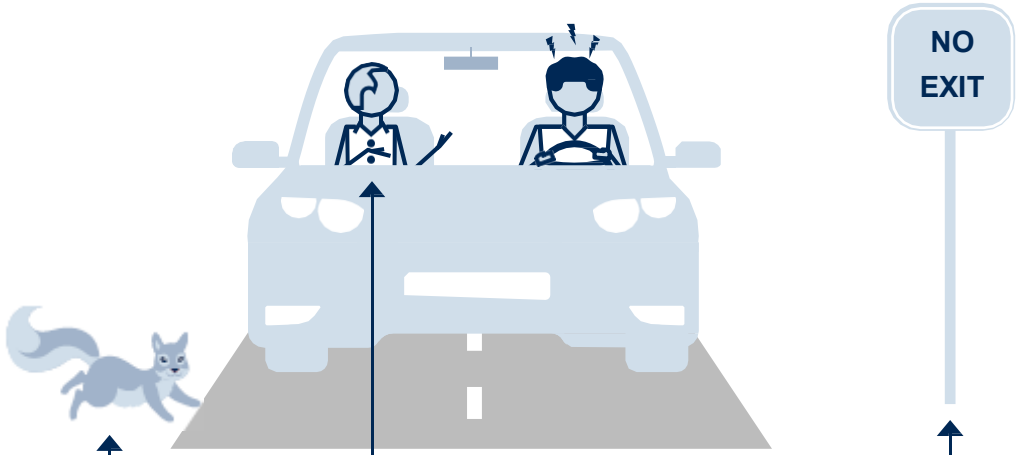
Duplicating Office-Centric Design Makes It Worse

Organizational Methods Exacerbating Existing Fatigue



Remote Employees Are More Likely to Suffer From:

Digital Distraction	Virtual Overload	Always On

How Organisations Are Making It Worse:	**Adding more virtual tools** = Greater exposure to digital distractions	**Increasing meetings** = More time-spend in draining interactions	**Adopting employee-tracking** = Incentivizing employees to stay on

Source: Gartner

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Redesigning Work for the Hybrid World

Key Shifts Needed to Create a Human-Centric Design for the Hybrid Environment

Office-Centric Design	Human-Centric Design
An Onsite Model for an Onsite World "Location is the stable pillar we design work around."	A Hybrid Model for a Hybrid World "The individual is the stable pillar we design work around."
Provide Consistent Work Experiences Work design principle: Equality of experiences	**Provide Flexible Work Experiences** Work design principle: Equality of opportunity
Enable Serendipitous Collaboration Work design principle: Innovation by chance	**Enable Intentional Collaboration** Work design principle: Innovation by design
Drive Visibility-Based Management Work design principle: Performance by inputs	**Drive Empathy-Based Management** Work design principle: Performance by outputs

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