Work In sync

Creating a digitized hybrid-workplace for increasing organizational resilience

Executive Summary

As the world adjusts to the post-pandemic new normal, organizations are viewing the near future with cautious optimism. As per the Bain CEO survey, some of the key organizational priorities for 2021 include setting up flexible working models, focusing on employee engagement, ensuring employees' safe return-to-office, and increasing automation at the workspace.

During COVID times, the concept of remote working has gained traction. Whether it will become the norm moving forward is anybody's guess. In a survey conducted by Salesforce, 64% of the respondents wanted to spend at least some of their working hours at the workplace.

For now, organizations are cautiously evaluating when and how to safely bring employees back to office. Most of the CXOs are actively considering the concept of hybrid / flexi workplaces which enable employees to move seamlessly between onsite and remote work. The type of hybrid-workplace model adopted will vary across organizations, based on business requirements.

However, creating and managing a hybrid-workplace requires a lot of planning and coordination across multiple teams (Business, HR, Facilities, etc.) and with employees on a real-time basis. Companies have to identify the roles & employees who should work onsite / hybrid and ensure COVID-related legal and regulatory compliance while bringing employees to office. The reservation concept has to be extended for accessing office assets to enable employee rotation. All the above activities have to be carried out without impacting employees' productivity and engagement levels.

Technology will play a central role in enabling the hybrid-workplaces and their associated operations. Workplace digitization will bring all the concerned stakeholders onto a common platform and ensure seamless planning and coordination at scale. A digital workplace platform will also provide decision makers (CXOs) visibility on their workforce operations and enable real-time business decision making.

The traditional disconnected structure of office space assets has impacted employee productivity and led to inefficient space utilization. As per a workplace survey, more than 35% of respondents said that it is time consuming to search for available desks, conference rooms, or colleagues in office premises. In 2018, 37% of workplaces were empty during any given workday, which was approximately $ 150 billion in unused space.

A digitized hybrid-workplace will improve employee productivity, engagement levels and will also lead to savings in real-estate related costs, which form one of the largest cost categories for many organizations. It is estimated that 30% reduction in real-estate costs could be realized over time. It will also increase organizational flexibility and make it resilient to future disruptions.

Due to the pandemic, digital transformation is expected to become a key determinant of competitive advantage. As per a Gartner study, organizations that have already invested in digital innovation are 2.7 times more likely to be top performers than the organizations investing in the future. Hence, it is critical for CXOs to include workplace digitization, as part of their organization's plan for 2021, to build resilience and maintain workforce engagement level.

WorkInSync is a technology solution that enables organizations to establish hybrid workplaces and enable employees' safe return-to-office. Many large global enterprises in the BFSI, Retail, Infrastructure, Media and Workforce Management space have adopted it to safely bring their employees back to office.

WorkInSync is backed by our decade long experience in creating MoveInSync – the world's largest office commute platform that is currently used by 150 global enterprises, including 38 of the Fortune 500 companies.

Green shoots of recovery and cautious optimism

As the world slowly adjusts to the post-pandemic new normal, green shoots of economic recovery are expected globally. IMF projects that the world GDP will rise by 5.2% in 2021, after contracting by 4.4% in 2020[1].

As per a global CFO survey conducted by the Boston Consulting Group, 60% of the respondents expressed cautious optimism for the near future, anticipating an increase in sales and profits in 2021[2].

| (real GDP, annual percent change)	2019	PROJECTIONS	
		2020	2021
World Output	2.8	-4.4	5.2
Advanced Economies	1.7	-5.8	3.9
United States	2.2	-4.3	3.1
Euro Area	1.3	-8.3	5.2
Germany	0.6	-6.0	4.2
France	1.5	-9.8	6.0
Italy	0.3	-10.6	5.2
Spain	2.0	-12.8	7.2
Japan	0.7	-5.3	2.3
United Kingdom	1.5	-9.8	5.9
Canada	1.7	-7.1	5.2
Other Advanced Economies	1.7	-3.8	3.6
Emerging Markets And Developing Economies	3.7	-3.3	6.0
Emerging And Developing Asia	5.5	-1.7	8.0
China	6.1	1.9	8.2
India	4.2	-10.3	8.8
ASEAN-5	4.9	-3.4	6.2

Source : IMF

Key organizational agenda for 2021

As a derivative of this cautious optimism, some of the key organizational priorities for 2021 are setting up flexible working models, focusing on employee engagement, increasing automation at workspace, and cost reduction[2,3].

Getting employees safely back to office is another short-term agenda for many organizations. The number of employees coming back to office is slowly increasing, as indicated by the Kastle Back to Work Barometer.

However, concerns remain about ensuring their health and safety and minimizing any business disruptions due to the same.

Weekly Office Occupancy Trend in US
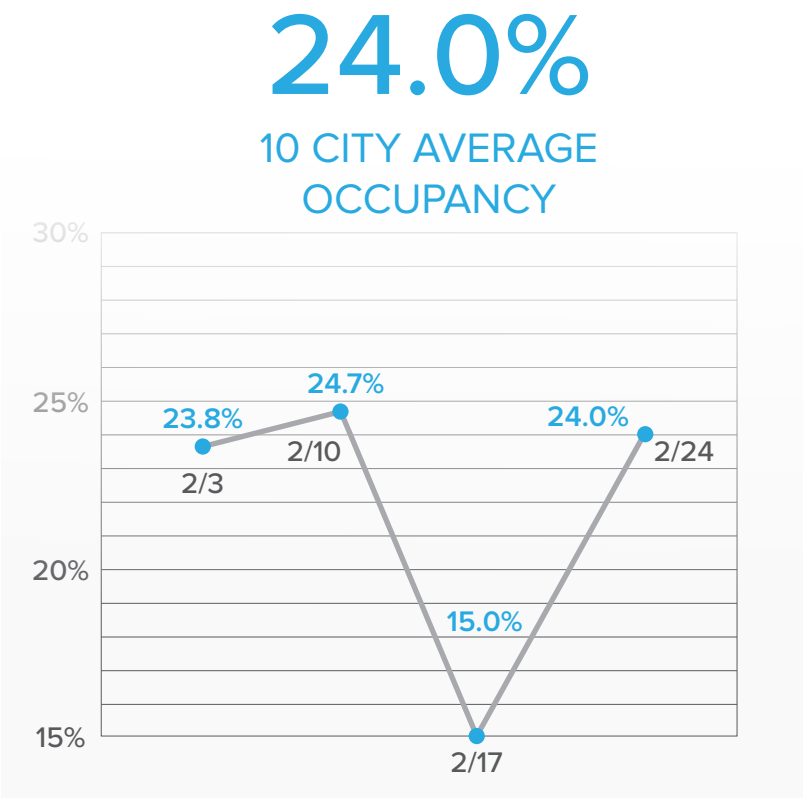
24.0%
10 CITY AVERAGE OCCUPANCY

Source : Kastle

In the pre-pandemic era, offices have served as spaces for collaboration and ideation. They also provided a platform for employees to socialize and interact with each other thereby reinforcing organizational culture. Offices provided access to different types of capital assets and services (e.g. printers, courier services) to achieve the same[6]. These features helped amplify employee productivity. Office spaces were designed to accommodate almost all the employees of the organization and were set-up in all major geographies of operations. Organizations typically planned to add more office space to accommodate growth in employee strength[7].

However, in many organizations the various assets / amenities provided in the office space (e.g. access management infrastructure, desk & meeting rooms, cafeteria etc.) have been structured and operated as discrete, disconnected units and have been viewed more as an operational requirement rather than as a strategic business need. This impacted employee productivity and led to inefficient utilization of office assets. A Workplace Survey conducted in 2017[8] found that:

| **39%**	of office workers spent as much as 60 minutes every week searching for available desks, conference rooms, or colleagues.
48%	of respondents said that it was time consuming to find an available conference room for impromptu meetings.
37%	of respondents said that locating an employee from another department or area can be time consuming.
37%	of respondents reported that up to 50% of the desks in their buildings are unoccupied on any given day.

Source : Density

Globally, only 13% of organizations utilized their space more than 80% of the time. In 2018, 37% of workplaces were empty during any given workday, which translated to approximately $ 150 billion in unused space[9].

During COVID times, the concept of offices has undergone a paradigm shift. From being a single physical space for congregation, offices have become distributed physical spaces located in employees' homes. All interactions have moved online, with organizations adopting different digital tools for the same.

While the concept of remote working has gained traction and acceptance, whether it will become the norm moving forward is anybody's guess. In a survey conducted by Salesforce, only 37% of survey respondents viewed full-time remote work as the most appealing long-term scenario. 64% of the respondents wanted to spend atleast some of their working hours at an office, factory, or other types of workplace[11]. A BCG study suggests that employees miss the connectivity they had with colleagues in office. Respondents told that they miss "being able to spontaneously walk to a coworker's desk and discuss an issue" and "social gatherings at work"[10].

37% of survey respondents viewed full-time remote work as the most appealing long-term scenario.	64% of the respondents wanted to spend atleast some of their working hours at an office.
37%	64%
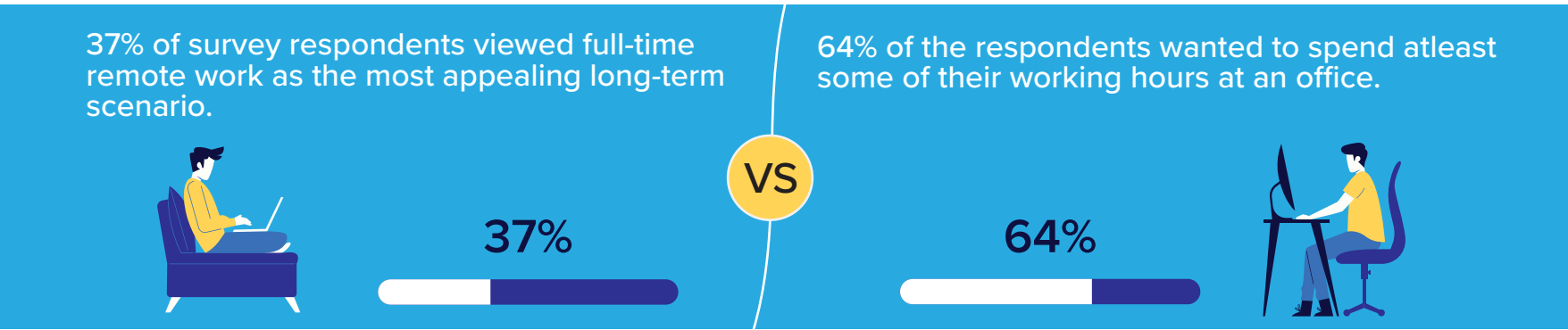
Source : Salesforce

For now, organizations are cautiously evaluating when and how to safely bring employees to office. However, the office experience will not be the same before a vaccine is available[7]. Employees working onsite will be required to wear masks and follow various health and safety protocols in the office premises. Companies will have to redesign office spaces to ensure social distancing and restrict movement in congested areas (e.g. office cafeteria, meeting rooms, elevator etc.).

Most of the CXOs are actively considering the concept of hybrid / flexi workplaces which promote flexible work models. This includes creating a workplace experience that enables employees to move seamlessly between onsite and remote work and suitable office spaces that enable the same[10]. As per McKinsey research, hybrid-workplaces' share of the US office market has been growing at 25% annually for the past 5 years. Post pandemic, the percentage of time worked in main and satellite offices is projected to decline by 12% and 9% respectively, while flex office space will hold approximately constant[7].

The type of hybrid-workplace model adopted will vary across organizations, based on talent availability, business and functional requirements. For example, professional-development journeys (being physically present in office at the start and working remotely later) and project stages (being physically co-located for initial planning and remotely executing the project) could be key influencers on the model adopted[7]. Organizations will have to take a fresh look at office space required and how it impacts collaboration, productivity, culture and work experience.

However, creating and managing a hybrid workplace / flexi-workplace requires a lot of planning and coordination across multiple teams (Business, HR, Real-Estate & Facilities, Transport etc.) as well as coordination with employees on a real-time basis. To achieve this, organizations will have to

Collect details on employee willingness, eligibility, work location preference (home vs. office) and map it to business requirements to create the hybrid workforce schedule.

Ensure health safety of employees, working from office, through contactless access management, health-safety regulations compliance and social distancing within offices.

Extend the reservation concept to access office assets such as desks, meeting rooms, parking slots and cafeteria. This will enable workforce rotation and help organizations optimize their real-estate.

Make the above-mentioned activities accessible and easy to use, for all employees, without impacting their productivity.

Technology will play a central role in enabling the hybrid-workplaces and their associated operations. It is required to connect the disparate office assets into a holistic interactive system. Workplace digitization will bring all the concerned stakeholders onto a common platform and ensure seamless planning and coordination at scale. A digital workplace platform will also provide decision makers (CXOs) visibility on their workforce operations and enable real-time business decision making.

A digitized hybrid-workplace will not only improve employee productivity but will also lead to savings in real-estate related costs (rent, operations & maintenance cost etc.) which form the largest cost category outside of compensation for many organizations. It is estimated that 30% reduction in real-estate costs could be realized over time[7]. It will also increase organizational flexibility and make it resilient to future disruptions.

Due to the pandemic, digital transformation is expected to become a key determinant of competitive advantage. According to a Gartner study, organizations that have already invested in digital innovation are 2.7 times more likely to be top performers than the organizations investing in the future[4].

Hence, as the year 2020 comes to an end, CXOs should start planning their organization's return-to-office policies for the next year and include workspace digitization initiatives as part of the same. This is critical to ensure an engaged workforce and to build a resilient organization of the future.

About WorkInSync...

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