Rethinking work after COVID-19

Building a sustainable workplace

Capita

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Executive summary:
Reimagining work beyond COVID-19

Due to the Coronavirus pandemic, hundreds of thousands of workers who were used to going into an office began remote working during 2020, almost overnight.

This forced a huge number of organisations to rely far more on technology for connection, collaboration and productivity, exposing many organisations' digital immaturity. They had to change working practices quickly, and they could no longer blame their culture for being a barrier to digitisation. They had to ask themselves the question: what innovative new technologies and organisational processes will facilitate efficient remote working?

Organisations now find themselves at a crossroads. In the short term, government restrictions will see many continue to work remotely. But in the long term, it's highly unlikely that we will go back to using offices in the same way that we did before COVID-19. A recent Gartner report found that 82% of business leaders are planning to allow employees to work remotely "some of the time"[1]. Employees are ready to embrace the benefits of remote and homeworking, and they're keen to use flexible, hybrid working models.

This transformation can only be made possible through digitisation, driven by a refreshed strategic vision and powered by the relevant technology.

This shift may seem daunting to business leaders, particularly in the face of global economic uncertainty and an unpredictable future. At the same time, it poses challenges to overwhelmed IT teams, who have scrambled to manage and secure workplace technology that has become far more distributed and complex. But, despite the potential complexity, it's also an opportunity for organisations to completely re-evaluate the nature of work today, and reimagine how workplaces might function in the future.

This whitepaper will explore why organisations should take this opportunity to transform into sustainable workplaces and create a more productive, resilient working environment. It will look at how they can foster new approaches to work that are forward-looking and adaptable, and meet their workforces' needs. Finally, it will explain that, with the appropriate technology, they can empower their employees to thrive in the sustainable workplace of the future.

1   Gartner, Gartner Survey Reveals 82% of Company Leaders Plan to Allow Employees to Work Remotely Some of the Time, July 2020

82%
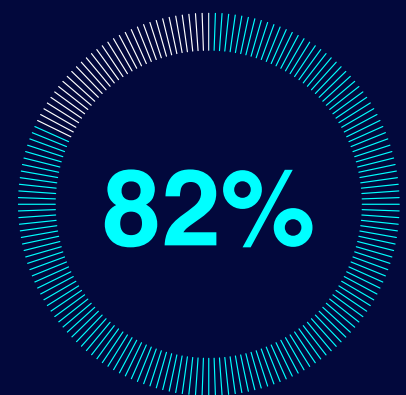
**of business leaders
are planning to allow
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"some of the time"**

Introduction:
Disruption calls for new ways of working

As the Coronavirus pandemic first took hold in 2020, almost half (46.6%) of the people in the UK who weren't furloughed worked at home. That equates to more than 15 million employees. In 2019, the number of registered home workers was just 1.7 million[2].

Although many organisations have allowed some form of remote working in recent years, the complete transformation of entire workforces to homeworking was not something business had planned for. It exposed their reliance on flexible technologies to keep organisational data secure, regardless of where employees work.

Collaboration tools like Zoom and Microsoft Teams suddenly entered many businesses' daily lexicon, while fixed-line and hard-VoIP phones gathered dust in unattended offices. Businesses also had to quickly furnish workers with everything they needed to keep functioning at home – including furniture, devices and remote access to resources such as internal files, data and systems.

Even sectors typically considered technological laggards have had to rapidly digitise. The construction and manufacturing sectors are two industries with low levels of digitisation pre-COVID-19, which have been further exposed by the pandemic. Manufacturers needed to swiftly enable workers to remotely operate machinery, for example, and lacked the digital capabilities to do so. In construction, the lack of digital transformation has significantly affected productivity. A historical reliance on paper-based and manual processes causes many inefficiencies, which were compounded as sites closed during lockdowns.

This increased dependency on technology continues to put pressure on IT teams. A distributed workforce that could run into the thousands in just a single enterprise, all using a variety of devices and applications over unfamiliar networks and connection points, is a huge burden if not managed correctly. IT departments that haven't yet modernised will find themselves having to secure thousands of new endpoints while dealing with much higher numbers of day-to-day requests, such as resetting passwords or resolving issues with logging on.

The increase in workload comes against a backdrop of broader change brought on by COVID-19. Many organisations are now turning from coping with the immediate crisis to considering what the workplace's long-term future looks like. A 100% remote workforce is unlikely to materialise; the likelihood is that most organisations will see a hybrid workforce emerge in which employees might be in the office for one or two days a week, opting to work from another location for the rest of the time.

For IT departments, that means juggling their heavy BAU workload with extensive digital transformation projects. This goes beyond implementing point solutions and requires a more radical overhaul of workplace technology. While this shift will undoubtedly be a challenge, it's also an opportunity. The new goal should be to create a sustainable, flexible working environment that puts employees' wellbeing first. This environment should put the user first, and offer a seamless and frictionless digital experience wherever they are.

2 Office for National Statistics, Coronavirus and homeworking in the UK: April 2020, July 2020

What is a sustainable workplace?

A sustainable workplace can be defined as one that's environmentally friendly and follows a digitally-driven operating model that keeps the business relevant to customers and employees. It's built to respond to trends, evolve and be resilient to change. It has four central pillars – employee wellbeing, sustainability, agile working and collaboration.

A sustainable workplace offers a collaborative environment with solutions that support and empower employees. It's flexible enough to allow them to choose to work wherever suits them best, with frictionless access to all the tools, technology, security protection and networks they need in a single interface.

Reimagining how workspaces can operate and designing the network infrastructure and intelligent solutions to support change increases productivity and gives a higher return on investment.

There's a lot said about remote working, but what 2020 has shown us is that 'digital by default' is here to stay. Many businesses were already on the digital transformation journey, but COVID-19 has accelerated this process. To be digital by default, they must go beyond tactical changes and, instead, reconsider everything from infrastructure, security and risk to organisational culture and management. If this happens, market analysts' predictions of a 20.7% CAGR for digital workplace technologies might seem a little conservative[3].

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3   Research and Markets, Europe Digital Workplace Market By Component, By Organization Size, By End User, By Country, Industry Analysis and Forecast, 2020–2026, May 2020

Wellbeing

Employee wellbeing

Employees' health directly affects their employer's health. Days lost to illness and stress affect productivity and the bottom line. Work-related stress and mental illness are estimated to cost British businesses £26bn a year[4].

A sustainable workplace aims to create a culture that actively reduces stress and helps employees to perform to the best of their abilities. A significant element of reducing stress is ensuring that technology is stress-free and that employees have access to engaging ways of working that suit to their preferences. This intuitive approach has benefits for the business, too: in a collaborative and co-operative culture, employees become more productive and efficient, which has a positive impact on the bottom line.

4   Open Access Government, Once burned out, twice shy: The unaffordable cost of work-related stress, Aug 2019
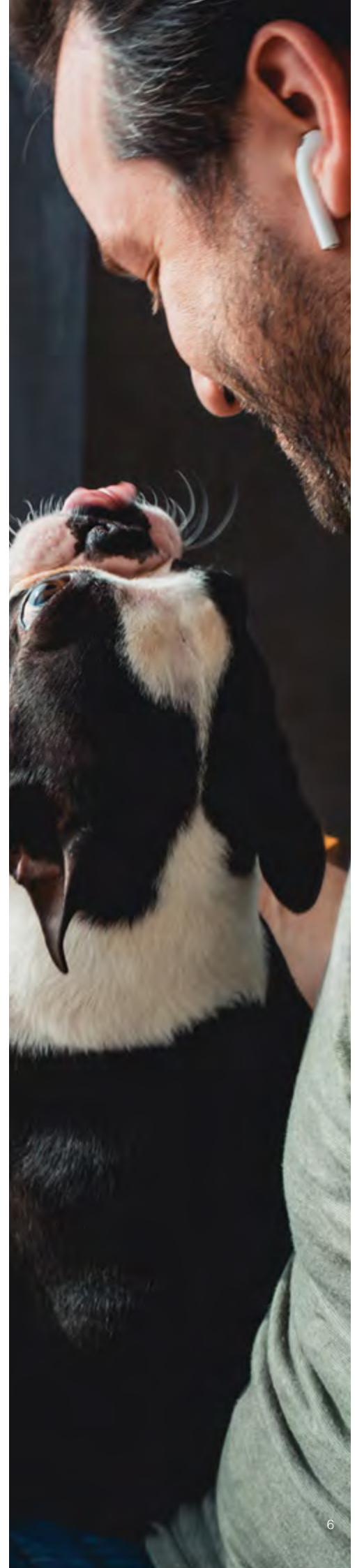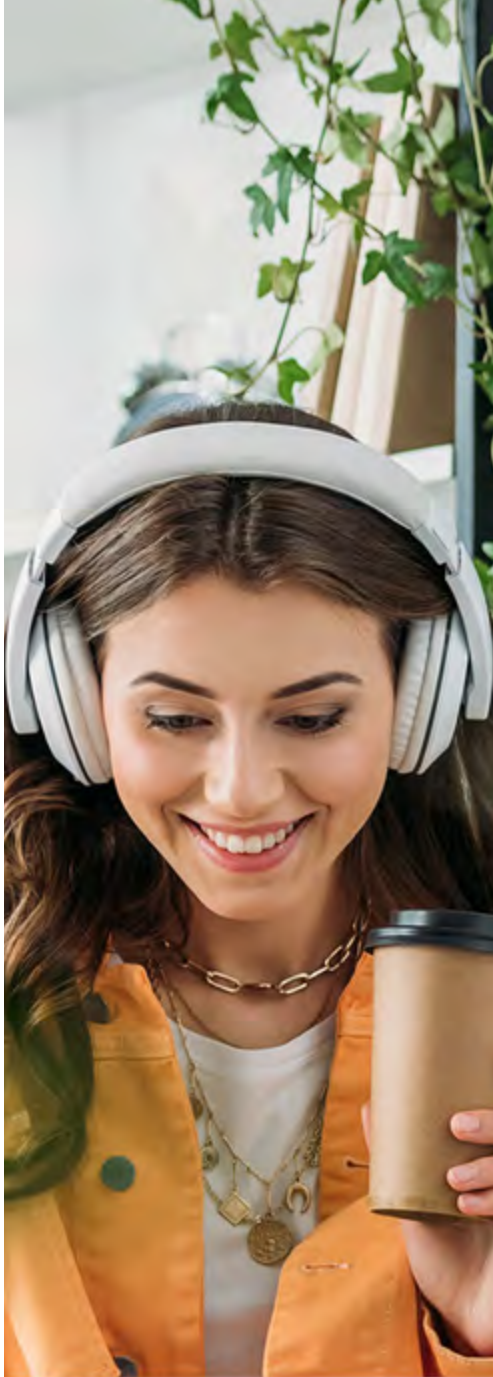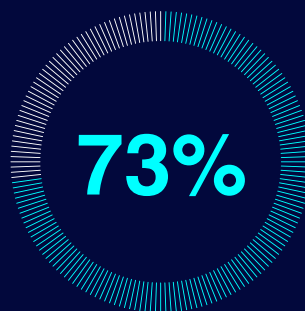
Sustainability

Having an environmentally friendly workplace has risen up the business agenda in recent years and has also become far more important to employees. Research suggests that three quarters (73%) of UK office workers want their employer to strengthen its sustainability policy[5].

Minimising an organisation's impact on the environment is a core tenet of a sustainable workplace. Enabling remote working helps to achieve this aim by reducing commuting and decreasing the volume of consumables used. The principles of reusing and recycling can improve everything – and long-term business success comes from doing the 'right' things. An environmentally friendly workplace will boost employees' wellbeing, as well as making it easier to recruit and retain talented people.

73% of UK office workers want their employer to **strengthen its sustainability policy**

5   Insight, Workers want firms to improve environmental policies, June 2019

Agile working

Agile working

Agile working is the concept that work is an activity that we do, rather than a place that we go to. This has big benefits for employer and employee alike: the Agile Future Forum (UK) found that agile working practices currently generate value equivalent to 3%–13% of workforce costs[6].

Together with flexible working, an agile approach creates new patterns in which all employees can work at different times. It gives them autonomy, helping them to achieve more for themselves and their organisation. Where and how we work is no longer important; it's what gets done that counts. Blockers to productivity must be removed: frictionless access to all applications and resources are needed and, regardless of the device or connection they use, digital security measures should be designed to have minimal impact on employees' experience.

This is the basis of the 'zero trust' security model, which, a recent survey suggests, more than 70% of organisations are considering adopting following the pandemic[7].

6   Agile Future Forum, Findings, accessed August 2020
7   Netmotion, NetMotion surveys industry experts on remote access, COVID-19, and the future of VPN & SDP, July 2020

Collaboration

Collaboration

Distributed workforces need easy ways to collaborate using digital tools. Collaboration platforms help users to be productive and efficient, which gives value back to the business. Research from Microsoft finds that improved collaboration and information sharing saves employees at least four hours a week[8].

True collaboration is about being in the same head space, not physical space. Interactive online tools make this possible by holding people's attention and helping them to be productive wherever they are working. Digital collaboration solutions also foster openness and trust and improve inclusivity by ensuring that everyone has easy access to communication channels.

Organisations will need to address the challenges posed by both workspaces designed for a now obsolete way of working and myriad communication solutions. A recent report from industry analyst house IDC on the future of work shows that most organisations recognise and accept the challenge, citing the creation of new collaborative office environments a top priority[9].

8   Microsoft, Quantifying the value of collaboration with Microsoft Teams, April 2019
9   IDC, The Future of Work: Accelerating Innovation with Monitors to Drive Business Outcomes, March 2020

The business case for the sustainable workplace
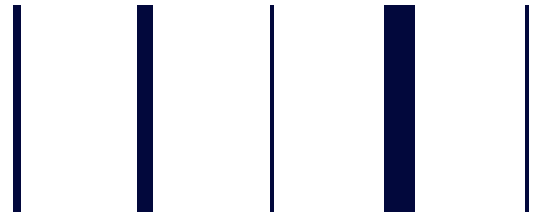
Prior to the onset of the Coronavirus pandemic, most organisations were pursuing some form of digital transformation, though often at very different paces. There were three broad categories into which they could be placed:

1. No change needed

Cloud-native, mobile-ready businesses that already supported remote and flexible working. Typically, smaller organisations and start-ups with smaller employee numbers.

2. Halfway there

Medium or large enterprises that were upgrading legacy systems and had adopted a hybrid cloud model, usually allowing some form of remote and flexible working.
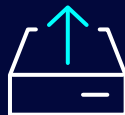
3. Barely begun

Large enterprises or those in legacy industries that had not yet undertaken any large digital projects. Employees who can work remotely have a poor experience.

Research conducted by Capita in late 2019 with companies with more than 500 employees found that 61% identified digital transformation as a 'transformational priority'[10]. In the same research, almost half (43%) agreed that cloud, as an example of a digital transformation initiative, is more costly than envisaged[11]. As with any business undertaking, cost will always be a factor – and the perceived cost of digital projects is often a sticking point for many organisations.

Today, against a backdrop of global economic uncertainty, many organisations will be looking to hold the purse strings even tighter and are likely to call time on their digital initiatives. But this would be a mistake. The nature of work is going to change regardless; the driver for transformation is coming from employees who want a better work / life balance and who are looking to employers to grant such flexibility. In reality, the cost of doing nothing now will be more than the investment required to build a sustainable workplace.

Understandably, many IT directors and leaders may struggle to justify the cost of investment in transformation to a concerned board. The clearest way to demonstrate the business case is to emphasise the outcomes of not acting. Failure to build a working environment that prioritises employees, their needs and their wellbeing will inevitably see skilled people leave. This will cause innovation to fall and performance to drop, and ultimately will risk dissatisfied customers and lost clients. At the very worst, not transforming will leave an organisation so unfit for its market that it will cease to exist.

After an initial investment in workplace IT in year one, it's expected that subsequent years will level out. A shift from CAPEX to OPEX expenditure will also mean that costs are spread over the year and a single big financial hit isn't needed. In addition, a significant benefit of workplace transformation is the strong likelihood that many organisations will be able to recoup costs by consolidating physical offices and using them to generate revenue in other ways. Finally, another clear benefit is the opportunity to reroute finances away from the expense of physical buildings to invest in digital transformation instead.

For their part, once an IT team has an investment agreed, they must ensure there is a clear return by changing their own operating model to support maximum adoption and productivity. IT teams have historically taken a 'moat and castle' approach to IT management, in which they deliver services to those in the castle (inside the office network) with no barriers. But they don't grant trust to anyone in the moat (outside of the office network) by default and accessing services and applications is far from seamless for those people. Given that many more employees will be working in the moat in future, this model simply doesn't work anymore.

Instead, IT departments must enable easy access to resources by implementing identity and access management (IAM). Single sign-on through IAM, regardless of location or device, is critical in keeping employees productive and secure. IAM removes barriers to accessing services and applications, making collaboration simple and easy. This is effectively the consumer model of IT access; once they're signed on, users can access Google, for example, from anywhere and on any device – with no delays or onerous security hurdles to jump over.

Rethinking the approach to managing workplace IT, with a focus on usability and experience, is a crucial element of building a user-focused, sustainable workplace.
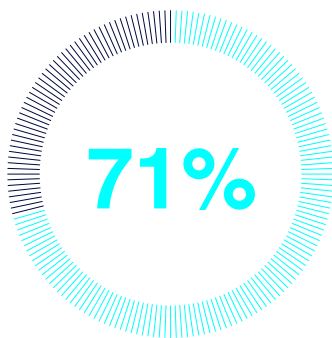
10 Capita, _From cloud migration to digital innovation: Why digital transformation will mean going 'beyond cloud' in 2020_, Sept 2019, pp. 8

11 Ibid. pp.13

Conclusion:
Focus on the user

Pre-COVID-19, many organisations talked about creating a flexible workplace, but they didn't deliver it. Many others felt that they had delivered a flexible workplace by granting employees a degree of choice, such as allowing them to work from home for one day a week or around the school run. But the reality is that the existing technology is merely 'just good enough' for those not in an office, because the tools and solutions in place were simply not designed with the user experience in mind.

The key takeaway for organisations is that their focus today needs to be on the user. Sustainable and flexible workplaces that cater for employees' needs and boost their wellbeing are a business necessity. This is particularly true as we enter a period of 'digital Darwinism' in the post-COVID-19 era. Organisations that can't or don't adapt to the seismic shifts taking place or respond quickly to employee demands will struggle to survive.

Failing to focus on the user will also see organisations losing their workforce. Demotivated employees stuck with sub-standard technology are far more likely to look for other jobs. This will see talent depart for competitors, with the cost of replacing employees in a high-turnover environment becoming prohibitive. Further, high turnover will harm a company's reputation and make hiring new staff more difficult. Ensuring that a person's work experience is positive and flexible minimises the risk of this happening.

It's time to stop worrying about how many people might want to work from home and when, and simply make it happen. Digitisation of the business operating model, and alignment with a consumer technology delivery model, is key in enabling choice and flexibility. Regardless of location, employees must have a consistent and positive user experience. Businesses need to avoid stagnating and not let the potential cost of transformation stifle their progression.

71%

of workers in 2019 wanted to work remotely, despite only a third being permitted

If there's one constant at the core of business success, it's people, which is why sustainable workplaces of the future put the employee at the centre. Organisations that give their workforce everything they need to reach their full potential will reap the benefits for their bottom line and emerge from the COVID-19 crisis even stronger.

Capita research with UK knowledge workers conducted in 2019 found that only a third were permitted to work remotely, despite 71% wanting to do so[12]. It also revealed that employees rank the ability to work remotely as the third most important factor in their happiness at work (61%), behind salary (86%) and holiday entitlement (75%)[13].

12 Capita, The state of IT: The employee verdict, Aug 2019, pp.2
13 Ibid. pp.5

How Capita helps to build a sustainable workplace

It's fair to say that no organisation expected to have the prevailing work culture, established and adopted incrementally over a number of years, forcibly changed in the way it has in 2020. This has left many feeling quite underprepared and vulnerable, not because they didn't have the technology but because they hadn't seen the benefits of moving away from the traditional 'moat and castle' technology model to a digital 'zero trust' model as a priority. Why would they, when most employees prior to COVID-19 worked on company premises?

So, with a more distributed workforce looking likely to become a permanent fixture, there will be some gaps to close. These gaps started to form in the late 2000s when digital technologies started to rapidly evolve. We know that organisations will need help to bridge them safely, and to minimise risk and further exposure. To help them to manage the new reality of work, and transform into sustainable workplaces, Capita focuses on **three key areas:**

1. WorkFORCE transformation

An organisation's most important asset is always its people. As such, managing the organisational change is crucial to successfully creating a sustainable workplace. Examples of what must be considered are inclusive, personalised learning and development opportunities; digital adoption plans; HR policy management, and agile resource management.

In addition, many organisations will now be reviewing their values, and reflecting on how closely they're aligned to them or how well aligned they are to the new cultures that we're seeing organisations looking to adopt.

2. WorkPLACE transformation

Migrating technology away from being centred on a trusted core network to a zero-trust distributed network is critical to ensuring that employees have the best experience and maximum opportunity to be productive, wherever they choose to work.

Public cloud-derived services will be an essential element of this shift, including:
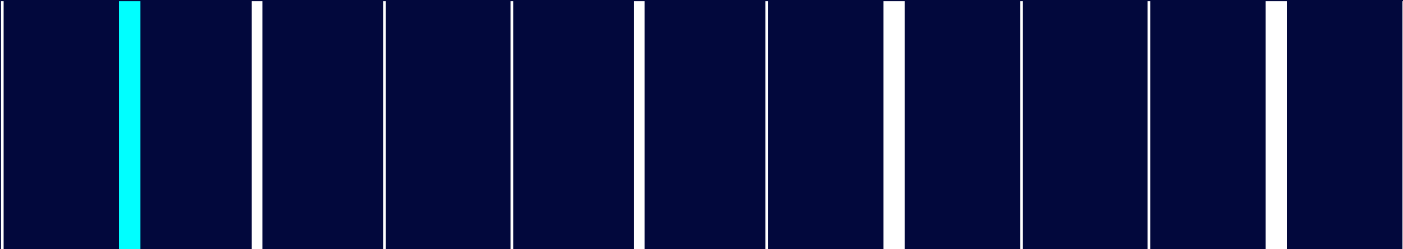
- Adoption of cloud-based identity and access management, advanced threat response, and software-defined network management for enablement of zero-trust
- Deployment of Software-as-Service productivity and collaboration services
- Cloud-native development of new (or refactoring of existing) business applications
- Digitisation and automation of processes
- Advanced data analytics to predict patterns and enable more accurate business management.

3. WorkSPACE transformation

With the considerable change to where employees are working and the locations that technology is delivered from, the once-optimised working space is potentially now more outdated than it was before any recent office refurbishment. Leaders will be looking at their bottom line to reduce exposure to future economic fluctuations. Buildings only add value if employees are using them, otherwise they're an empty cost.

When reviewing the value chain as part of becoming a leaner operation, understanding the optimisation of building assets is key to adopting a sustainable workplace. Elements to consider include:

- Consult and collate data on current office utilisation, the suitability of spaces for their present use and any potential cost savings
- Visualise how the required spaces could be re-designed to meet new requirements
- Plan and roadmap required actions to reduce cost and optimise working spaces.

About Capita Technology Solutions

Capita Technology Solutions is one of the largest IT providers in the UK, providing critical digital, cloud and infrastructure services to more than 3,500 organisations. It's the number one provider of IT services to the public sector, supporting one in four hospitals, more than 2,500 schools and 50 local councils. Capita Technology Solutions has top-tier partnerships with, and accreditations from, leading technology vendors, including Microsoft, Cisco, Dell EMC, AWS and HPE. Its team of more than 4,000 people includes 1,000 technical specialists and 250 highly qualified field engineers, providing onsite support to our customers. Further information can be found at www.capita.com.