



# O<sub>2</sub> business

The future of work: There's something wrong with "remote working"

## While everyone else adapts, management must change its mindset or move aside

Part 2 (3 minute read)

They say the mark of a good leader is what they do in a crisis. But, it's not just a crisis that sets out how a good business leader should be measured. We've all had to change in some way. What defines us is how we adapt and embrace a new way of working together. And if leaders aren't able to make that fundamental shift to a new way of working, the impact could be huge.

Right now is the first time that five generations have worked together at the same time. Traditionalists, Boomers and Gen Xs are part of the same organisations as Gen Ys and Gen Zs. Perhaps more significantly, this is the first time that people have been prevented from working side by side in an office. Businesses have had to adapt to both of these changing dynamics.

The most common response has been technological. For some – like the digital-native Gen Zs – adopting new technology or working practices seems like water off a duck's back. For others, it's required more effort. Yet there are deeper implications from the rapid shift away from office working. And these are not just technological. They are personal.

## The positives and the negatives

On the plus side, many traditionally office-based employees have enjoyed the relative freedom of working from home. In fact, O2 research shows they want to retain the benefits of this better work/life balance in the future. Flexible working is now the number one workplace benefit (27%). Way ahead of the next two most important – a pension contribution (11%) and a holiday entitlement (10%).<sup>1</sup>

Yet there are a few downsides to people working away from the office. There is the potential isolation for colleagues who aren't expected to meet regularly or are expected to collaborate only online. While some people have the space to work from home, others don't. The lack of separation between work and home life can be tough. There are also fewer opportunities to build new relationships, network and explore new ideas in groups other than colleagues.

Employers must get to grips with these issues if they are to continue supporting a balanced workforce and harmonious 'workplace' in the future.

Working away from the office can lead to a significant uplift in job satisfaction, which has obvious benefits for employers. Numbers show that in some cases productivity has increased while certain costs have gone down. Longer-term, there is also the potential for flexible working to enhance diversity and redress the imbalance of skills.

If employers choose not to expect people back in the office in the same way as before, they will need to factor in some of the softer aspects of managing the workplace. There will be more complex HR policies to handle employees located in and out of the country. And the degree to which people can work on their own 'side hustles' alongside their day-to-day jobs. New regulations could come into force to protect employees. Cyber security postures will have to be updated to accommodate dispersed teams and technologies currently beyond the control of centralised IT teams.



1. Source: O2 Business – The Flexible Future of Work [Research 2020]

## What does this mean for those in charge?

Leadership is fundamental to the trajectory of any business. In spite of macroeconomic factors, industry change and new entrants, businesses also follow the direction of the people in charge.

Will owner-managed businesses continue to dictate how and when people should work? Will institutionalised corporations continue to do things the way they've always been done? Or will we see a new 'generation' of forward-thinking board members and managers?

The problem is that we'd been working (and educating) in the same way for over 100 years. What was good for early Twentieth Century clerks and factory administrators isn't necessarily good for us today.

Jobs for life are rare too. To such an extent that some are even predicting the end of the permanent contract in just a few years. This means that people will no longer wait to climb the rungs of the corporate ladder.

It's already clear that some Gen Zs won't want to perform the kind of tasks that many of older generations had to in order to 'learn the ropes'. As school and college education changes, the next generation – Alphas – are going to be better trained. They will enter the workforce ready-skilled and they're already in demand. In the tech sector alone, you only have to look at the global shortage of cyber security specialists, data analysts or data scientists.

With five generations working together for the first time, there is a need for soft skills too. Problem-solving, critical thinking, innovation and creativity are highly prized. Interpersonal communication skills remain critical to team integration – whether that team works in an office or elsewhere. There is now a much greater mix of people in the workforce and balancing all these skills can be a challenge. But there is one place where recognition of this diversity is crucial.

## Why the mindset must change

Leadership teams are the ones who set the expectations for businesses. They decide the policies that dictate where work takes place. They decide on the technologies people use to get work done. And they decide which skills are valued within the organisation.

As the world pivots towards new ways of working, will leadership teams change too? Will they look to build new future for their businesses? Or will they become the blockers of progress?

For leaders, progress is about a mindset. Stick with what you know. Or create a new way of doing things. And if leaders are minded to make big changes, our employee research indicates there should be plenty of support.

It's management that will have to take the critical decisions. Like whether to turn rows of desks into more creative spaces. They might see how office space can be repurposed to support new revenue streams, community projects or deliver enhanced customer experiences. And how spaces can be

altered to support collaboration groups, team celebrations or client meetings. But it's on leaders to decide how employees and customers meet. How people can build relationships. And how their people can avoid isolation while still enjoying the benefits of working from home.

Will we look back on 2020 as the year leaders stopped thinking of technology as supporting working from the office or working from home? Will they start looking at technology in terms of working from anywhere because location becomes irrelevant if employees have the tools to be productive at any time of day or night? Especially when potential new employees start favouring roles that offer this flexibility.

Leaders are the ones who can demonstrate the organisation values a mix of people and skills. With flexible working practices, the pool of talent becomes much wider and deeper. So leaders can encourage individuals to bring their own particular brand of hard and soft skills to stimulate creativity, innovation and productivity.

The willingness of those in charge to change their mindset can help achieve this bright future. For example:

- Embracing creativity and building around instead of shying away from it
- Avoiding risk aversion and starting to make quicker decisions
- Looking at the office differently and not as the only place work gets done
- Supporting teams with the tools to get on with the job
- Thinking about better ways to encourage their teams to be productive
- Embracing the different skills new generations bring to the workforce

And if leaders don't change? Then perhaps they should leave their businesses in the hands of people who can.



## Where does that leave us?

- What steps will leaders need to take to fulfil the needs of multiple generations of workers – each with different sets of education and expectations?
- Will leadership change its mindset and really unleash businesses from fixed abodes so work becomes what you do, not where you are?
- How can the people who run Retail/Hospitality/Construction or other 'face-to-face' businesses embrace similar flexibility and support new ways of working?

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