

The Distributed Workplace of the Future Is Now

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The COVID-19 pandemic has accelerated the move to remote work for many organizations. Executive leaders should anticipate that, as their organizations recover from the COVID-19 impacts, working from home will continue as a normal and expected part of the work environment.

Overview

Key Challenges

- Most organizations' existing work location policies are based on remote work being the exception. These policies are not effective for guiding decisions where a distributed workforce is the norm.
- Survey data shows that 80% of workers who have established that they can work from home during the COVID-19 crisis expect to continue to do so in the future.
- Performance objectives and management practices are primarily based on supervisors being able to monitor and oversee employee behaviors, which is not possible in a distributed environment.
- Managers and supervisors who are used to colocated teams are not experienced with engagement techniques for remote workers and are often uncomfortable dealing with remote work arrangements.

Recommendations

Executive leaders seeking to address worker health and safety concerns, as well as accommodate evolving workplace expectations:

- Re-create a flexible work policy by working with HR to ensure that the policy starts from a position of location being neutral and working from home as an accepted option, not the exception. Use this policy to enable managers' and supervisors' consistent decision making related to work location, and to avoid the appearance of favoritism or bias.
- Rethink roles and job assignments. Identify the critical functions that require on-site space and support by identifying and validating the activities and tasks that are location-dependent. Rationalize job assignments to fit with work locations, where possible.

- Redefine management and performance expectations. Train and educate supervisor roles on engagement techniques, and improve management interpersonal skills by developing tools, guidelines, models and scripts that support best practices for virtual interactions. Align supervisor role responsibilities and priorities to fit new outcome-focused performance expectations.

Strategic Planning Assumptions

By 2023, fewer than one-third of digital workers will select the corporate office as their preferred place to work.

By 2021, the increase in the number of employees who prefer to work remotely will allow organizations to support 40% more workers in the same amount of space as they use today.

Introduction

The COVID-19 situation has presented an extraordinary opportunity for organizations in all sectors, industries and regions to experience the same situation at the same time. One of the shared experiences has been rapidly moving to a work-from-home arrangement for workers. Organizations approached this requirement either reluctantly, assuming working from home was not something that would work for them, or enthusiastically, embracing this as a way to fast-track their long-term strategies.

No matter the starting point, leaders are reporting similar experiences and responses. Enterprise leaders were surprised, first, by how quickly workers were able to transition to the new arrangement, and second, by how productive that workers have been through this initial transition, surpassing all expectations. ¹ To maintain productivity, organizations must implement new policies, examine work patterns and develop new management practices.

Research data from multiple sources is presenting compelling evidence of the positive effects that working from home has on workers, the environment and enterprise finances ² (see Note 1). With each passing month, the new workplace arrangements are becoming normalized, and new work practices are developing. Leaders are reporting that enterprise employee surveys are strongly in favor of continuing work-from-home arrangements. In the 2020 Gartner ReimagineHR Employee Survey, 80% of respondents indicated they wanted to continue to work from home at least part of their week. ¹ Working from home is no longer a temporary experiment, but a long-term reality for the majority of the workforce across industries, sectors and geographies.

Future of work experts have predicted an increasing remote work and work-from-home approach for some time. ³ Forward-thinking enterprises have been moving toward increasing remote work arrangements, and many had this as part of the long-term workforce strategy. Neither the experts nor these organizations were expecting to implement work from home at the speed or the scale required by the crisis environment. Reluctant organizations that were not expecting to ever

implement remote work had little choice but to make this work. Those leaders have had to reconsider their former objections or concerns as unfounded.

Responding to COVID-19 has essentially forced organizations to accelerate the evolution of the work environment by five to 10 years.

The anticipated workplace of the future has now become part of our current experience and expectations. In a normal five- to 10-year evolution to remote work, organizational practices and programs would have evolved at the same rate. Enterprise leaders must now rapidly address the challenge of adapting workplace policies, resource planning and management practices to catch up with the new distributed workplace.

This can be called “work from anywhere,” “hybrid workforce” or “distributed workforce” (see Note 2). These all refer to organizations providing the option to work from a home or office location, according to work requirements and personal preferences, on the schedule that works best for employer and employee. For consistency, this document uses the terms “distributed workplace,” “distributed workforce” and “flexible work policy.”

Figure 1 shows three key areas that organizations must address to move to a distributed workplace.

Figure 1: Moving to a Distributed Workplace

Moving to a Distributed Workplace



Source: Gartner
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Analysis

Re-Create a Flexible Work Policy

Organizations should anticipate working from home to continue as a viable option for the foreseeable future, as well as an expectation of workers moving into the future (see Figure 2).

Figure 2: Re-Create a New Flexible Work Policy

Re-Create a New Flexible Work Policy



Source: Gartner
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Globally, HR leaders report that remote work increased from 29% pre-COVID-19 to 76% by April 2020.⁴ According to current survey responses, on average, clients expect that 57% of their workforces could work entirely remotely, and 63% could work remotely at least sometimes.¹ Enterprise leaders must plan for the home office to be the primary workspace for more than half of the workforce in the post-COVID-19 work environment. This dramatic shift in work location means that working from home can no longer be considered an exception to the normal workplace. Working from home, either every day of the week or one or two days a week, will be considered normal in the emerging distributed workplace.

Most existing remote work policies were developed based on the premise that working from home was an exception that required special criteria, justifications and approvals. These policies are not effective for guiding decisions and conducting workforce planning where a distributed workforce is the norm. Retiring the legacy remote work policy and replacing it with a new flexible work policy sends a clear signal across the enterprise, to management and workers, that the work environment is changing to accommodate new patterns and expectations.

The purpose of a flexible work policy goes beyond simply sending a signal. Policies are needed to guide and direct decisions and planning, and to ensure consistency across functional areas. Executive leaders tasked with revising and updating the work policy must review and consider the relevance of three types of legacy positions:⁵

- Remote work eligibility: Philosophy, employee criteria, job criteria and manager approvals
- Remote work environment: Remote workspace and remote work equipment
- Accountability and evaluation: Professionalism and rescinding remote work

In developing the new flexible work policy, executive leaders should follow the checklist in Table 1. This checklist ensures executive leaders have clarity in the purpose of the policy, have involved the key stakeholders, and have established the scope and guidance to apply the policy equitably and fairly.

Table 1: Checklist for Developing a New Flexible Work Policy

Guideline	Action	Example
<p>1 Define your terms – Establishing new terminology and definitions is an important part of building new understanding.</p>	<p>Specify which terms are being retained or retired and what needs to be redefined for the new workplace. In some environments, it might be necessary to extend definitions to the tools and services for supporting flexible work.</p>	<ul style="list-style-type: none"> ■ Retiring “remote work policy” and introducing “flexible work policy.” ■ Referring to “distributed workplace” to describe the environment, “distributed workforce” to describe the workers and “hybrid schedules” to describe the implementation.
<p>2 Assess demand – The level of commitment and expectations will determine continuing with a flexible work arrangement.</p>	<p>Survey and interview internal stakeholders, workers, executives and managers to ensure the policy’s scope matches the workforce’s needs.</p>	<ul style="list-style-type: none"> ■ Determine the readiness of your workers and your organization for new work arrangements. ■ Consider the types of work being done, and the ability to maintain this environment and culture.
<p>3 Avoid surprises – Organizational leaders should be involved in planning, developing and implementing the flexible work policy.</p>	<p>Consult and collaborate with organizational leaders to ensure legal, HR, financial, facilities, and regulatory and contract obligations are addressed. Confirm what must be provided by the employer to support a home office, what is optional and the terms for accessing services.</p>	<ul style="list-style-type: none"> ■ Ensure the legal department advises on any legal, compliance or regulatory workforce and labor requirements before proceeding. ■ Examine existing contracts, collective agreements or professional association commitments for compliance or adjustment.

<p>4 Build flexibility – A flexible work policy needs to be flexible itself.</p>	<p>Examine variations across different parts of the organization or for different regions to allow for adjustments based on local needs. Allow for adjustments by department, team or role to maintain the policy’s intent to provide freedom of work location.</p>	<ul style="list-style-type: none"> ■ For global organizations: Examine different regulations in different regions, and ensure the policy provides for that. ■ Give special consideration to some teams or functional business areas, which could have a higher demand to be colocated than others. ■ Keep in mind that some individuals will not have the ability to work from home due to personal circumstances.
<p>5 Set boundaries – “Flexible” does not mean unstructured.</p>	<p>Clarify guidelines, expectations, and what is discretionary or not discretionary, so that boundaries are clearly defined. Make sure that managers and supervisors know the scope of their decision making about worker location.</p>	<ul style="list-style-type: none"> ■ For individual workers: Confirm that they can provide a basic work environment outside the office that is safe, secure and functional for the purposes of their work – for example, a location that ensures connectivity, safety and confidentiality. ■ For managers: Ensure managers do not decide or approve who works at home, but work with team members to clarify expectations and help them meet the basic workplace requirements.
<p>6 Put it in writing – It’s not a policy until it’s tangible.</p>	<p>Develop and document the flexible work policy itself. Promote the policy, and train managers, supervisors and workers on what it means and how it will be implemented.</p>	<ul style="list-style-type: none"> ■ Do not add to or revise an existing remote work policy. Retire that document, and create a new policy to make a visible statement that this is new thinking. ■ Promote the change. Announce the new policy in a news release. Hold town hall meetings, and share copies of the policy with all workers. Inform and train managers in how to implement the policy, and provide them with supports, tools and guides.

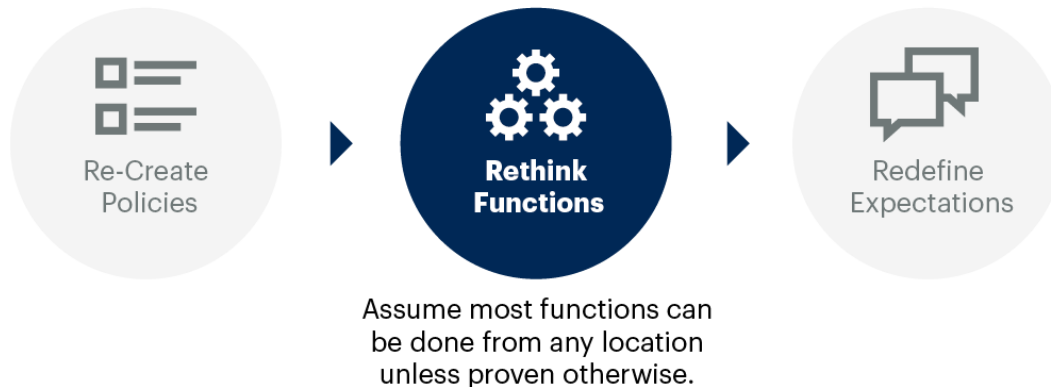
Source: Gartner

Rethink Roles and Job Assignments

Leaders must be prepared for workers to request and expect to continue to work from home in the future, rather than return to the previous business-as-usual pattern (see Figure 3).

Figure 3: Rethink Roles and Job Assignments

Rethink Roles and Job Assignments



Source: Gartner
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Even with a new flexible work policy in place that expects working from home as a primary option, certain tasks or situations might still be location-dependent. We recommend focusing on the tasks and activities, rather than roles, to determine optimal location. Each individual role could have a combination of assignments that can be done from home and some that require being in a corporate location.

To rethink roles and job assignments, leaders can take two actions:

- Consider task dependencies, rather than role category.
- Rationalize roles and job assignments to fit with work locations, where possible.

Data from Gallup ⁶ has identified three criteria for optimal remote work:

1. Employees can perform their duties outside of an on-site workplace.
2. Most of the role’s tasks and processes are well-defined.
3. The role does not require highly interdependent task work for success.

Most organizations have well-defined tasks and processes for roles, or can create them. The other two criteria provide important insight into determining the location dependence and function interdependence for various functions. These two key indicators are helpful in categorizing tasks in terms of ease of working from home:

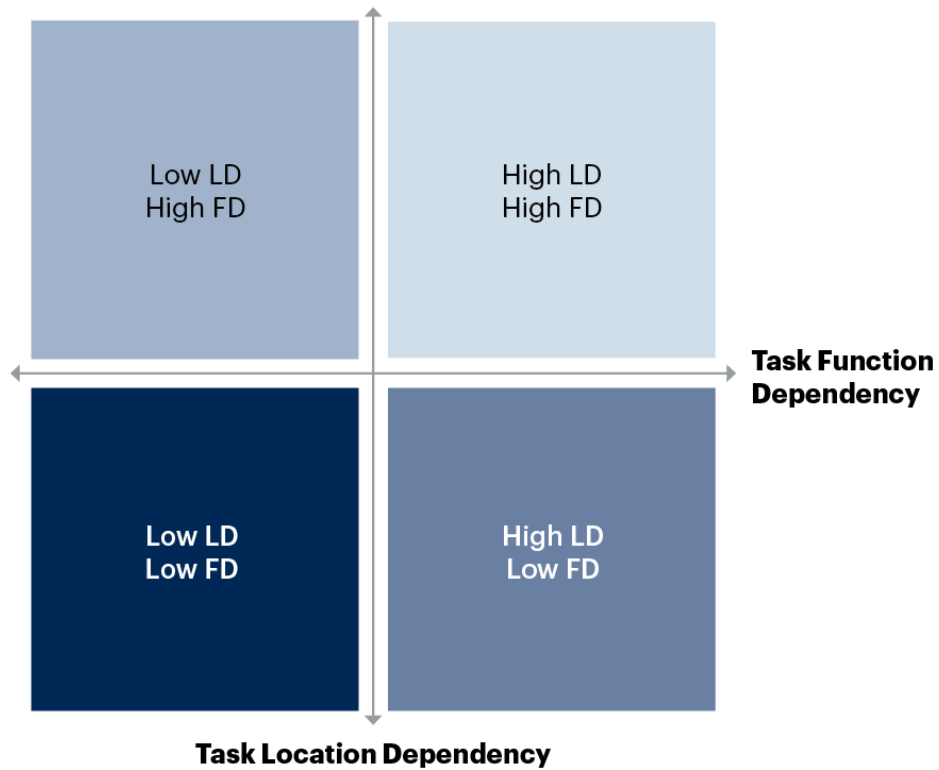
- Location dependency: Can a task be performed outside the workplace?

- Function dependency: Do tasks require high interdependence for completion?

Establishing these criteria requires a close look at the tasks and processes that each role performs, rather than the role itself. This review does not have to be complex and can be as simple as categorizing types of activities by task location and function dependencies (see Figure 4).

Figure 4: Task Dependency Matrix

Task Matrix for Location and Function Dependencies



Source: Gartner
 LD = location dependency; FD = function dependency
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Tasks that have high location and function dependencies should be considered best addressed in the corporate location. Tasks with low location and function dependencies would be most suitable for working from home. Where there is a mix of high and low in these two indicators, the flexible work policy allows for choice of location as needed, based on the circumstances.

Most roles will have a combination of tasks and activities across all these categories, rather than being exclusively any one category. Executive leaders must rethink task and role assignments, to rationalize which roles can and should do different tasks.

In most instances, there are two options to consider. First would be to move those other activities to a different role that already has a higher proportion of on-site responsibilities. Second would be to arrange a schedule between home office and on-site work, based on the task needs. Executive

leaders must be open to considering adjustments to roles and focusing on the things that need to be accomplished, rather than the role that is doing it.

Examples of Rethinking Task and Role Assignments

Example 1: A customer service representative can do all the work remotely, but has one or two tasks that require occasional on-site access to a proprietary system not available remotely. Rather than have that individual travel into the office for those isolated tasks, it would be more productive to move those tasks to someone who is already going to be in the office on a regular basis.

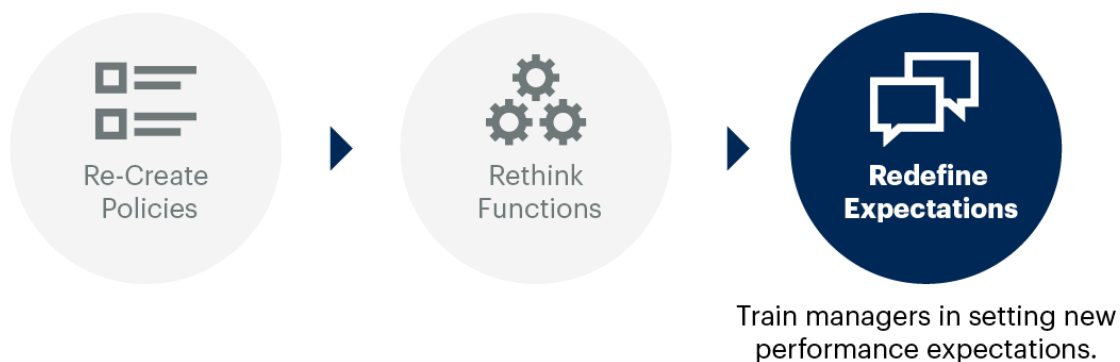
Example 2: A project leader working with a remote project team can manage the team remotely. However, the project leader must also deliver customer stakeholder sessions in person. That individual can arrange to work two days a week on location for those sessions, but conduct all the other work and follow-up from a home office.

Redefine Management and Performance Expectations

As organizations adjust to the new distributed work environment, the manager and supervisor roles face dramatic changes (see Figure 5).

Figure 5: Redefine Management and Performance Expectations

Redefine Management and Performance Expectations



Source: Gartner
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Traditional management approaches and training that are based on being able to see and monitor employee behavior in the workplace no longer apply. During the pandemic, managers and supervisors looked for ways to replicate their pattern of closely monitoring daily activities, revealing a lack of trust in their workers. One of the first responses in many organizations was to

implement new productivity-monitoring applications and systems. Prior to the pandemic, organizations like Barclays and Amazon tried doing this and discovered quickly that it decreased both productivity and engagement from workers. ⁷

Managing in a virtual environment presents new challenges for anyone in a supervisory role. These challenges can become barriers if not addressed: ⁸

- Communication and collaboration
- Managing employee performance
- Employees misusing the program
- Loss of control when managing people virtually
- Adapting to new and changed ways of working

The successful manager in a distributed workplace is a Connector manager, focused on establishing individual connections with each team member, connecting team members to one another and ensuring the team is connected to other teams in the organization.

Executive leaders must redefine the management role in terms of expectations and priorities, and provide training, guidelines and support to help managers develop the leadership skills needed for high-performing teams. ⁹ Anyone in a supervisor role within the organization must learn how to practice these new priorities (see Table 2).

Table 2: Checklist for Redefining Management and Performance Expectations

	Objectives	Actions	Examples
1	Establish clear expectations.	Align expectations of roles, responsibilities, goals and workflows for employees and teams.	<ul style="list-style-type: none"> ■ Connect with team members to understand their expectations from work. ■ Create an agreement on norms and guidelines to help each team member succeed. ■ Establish team norms by developing do's and don'ts for working together.

2	Focus on performance outcomes.	Define performance expectations and outcomes, and determine the best approach for measuring and sharing performance feedback.	<ul style="list-style-type: none"> ■ Set effective and realistic goals. ■ Agree on clear performance metrics. ■ Collect feedback regularly from multiple sources. ■ Keep discussions about performance and performance barriers current and relevant.
3	Communicate effectively.	Assess and identify the best channels and approach to virtually communicating with employees. Encourage team communication and collaboration.	<ul style="list-style-type: none"> ■ Select relevant communication channels for each person. ■ Create connections between the team for collaboration and sharing. ■ Encourage relationship building through activities and interests.

Source: Gartner

A distributed workplace, where team members could be in multiple locations other than a corporate office or facility, requires new supervisory values, mindsets and practices. The manager role must now prioritize and value the well-being, engagement and performance of each individual team member.

Managers must raise awareness of their own attitudes and preconceptions, as well as become sensitive to the thinking and mindsets of their reports. Traditional practices for monitoring processes and assessing performance based on viewing physical presence must be replaced by new practices focused on communicating expectations and setting achievable outcomes.

Evidence

¹ 2020 Gartner ReimagineHR Employee Surveys (n = 5,000) and 2020 Gartner ReimagineHR HR Leader Survey (n = 60).

- ² [Global Work-From-Home Experience Survey](#), Global Workplace Analytics
- ³ [Is Working Remotely Effective? Gallup Research Says Yes](#), Gallup
- ⁴ [Remote Work Rates Before, During and After the COVID-19 Pandemic](#)
- ⁵ [Tool: How to Update Your Remote Work Policy for Flexibility](#)
- ⁶ [COVID-19: A Leader's Guide to Developing a Work-From-Home Strategy](#), Gallup
- ⁷ [Getting Value From Employee Productivity Monitoring Technologies for Remote and Office-Based Workers](#)
- ⁸ [Overcoming the Barriers to Remote Work](#)
- ⁹ [Tool: Managing Remote Employees Toolkit for Managers](#)

Note 1: Productivity and Financial Impacts of Working From Home

According to Global Workplace Analytics' [Global Work-from-Home Experience Survey](#) conducted in May 2020: "86% of [U.S.] respondents feel fully productive at home (77% globally). They gain back 35 minutes a day due to fewer unwanted interruptions (43 minutes/day at home vs. 78 minutes/day in the office both globally and in N.A.).

"When working alone, which accounts for 58% of an average worker's day (57% globally), employees say they are productive 75% of the time at home, compared to only 62% of the time at the office.

"A typical employer can save an average of \$11k per half-time remote worker/year. That's from a combination of increased productivity; reduced turnover, absenteeism, and real estate costs; and being able to continue working in the event employees can not get to work. Organizations can calculate their own potential savings with our [Telework Savings Calculator](#).

"A typical employee can save between \$2,500-\$4k/year. Much more in large cities or if they choose to move to a less expensive area. That is net of the additional costs incurred by working from home."

Note 2: Distributed or Hybrid Workforce

The term "hybrid workforce" can have two meanings. The original use referred to a workforce combining both human and machine or artificial intelligence (AI) technologies. In the workforce of the future, as we automate more higher-level activities to be done by robotics, AI or technology, this will become the norm. This use is widely accepted at an industry level. A more recent usage of "hybrid workforce" has emerged as a result of the COVID-19 experience to describe the work environment as a combination of some on-site workers and some remote workers.

The term “distributed workforce” has been used since the 18th century to describe workers located in multiple locations and circumstances. To avoid confusion with the original definition of “hybrid workforce,” this document uses the established terminology “distributed workforce” throughout. In this document, “distributed workplace” and “distributed workforce” describe the new work experience, where work location is a choice and could be in any number of different locations, including office or home environments.

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[Maverick* Research: Monitoring Remote Worker Productivity Is Pointless](#)

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[‘All Roles Flex’ \(Telstra\)](#)

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