



RESILIENCE FIRST

SURVIVE & THRIVE

RESILIENCE AND FLEXIBLE WORKING WHAT HAPPENS NOW?



Part 2: the hybrid office

A guide for employers and employees

Thank you to our partner



March 2021

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FOREWORD

Dear Colleague,

I am delighted to introduce the second part of a two-part guide from Resilience First for organisations dealing with issues around flexible working on the back of the COVID-19.

The realisation is becoming widespread that traditional office working will not be the same as we emerge from the pandemic. Offices cannot expect to have full occupancy as employees are no longer expected to be physically present and many have grown accustomed to, and value, home working. Yet, the office environment has many advantages both for companies trying to sustain team building and those who appreciate working closely for comradeship and creativity. Companies will be sure to ensure employees have a healthy and safe environment in whatever location.

This second guide highlights the new hybrid or optional way of working where we mix the office and home environments. As the return-to-work practices gain traction, the guide looks at the aspects that employers and employees alike need to consider in making the new normal a success.

I hope you find the guide of value.



Simon Collins
Chair
Resilience First

INTRODUCTION

Vladimir Lenin is once alleged to have said that 'There are decades where nothing happens and there are weeks when decades happen.' Drawing loose similarities with today's pandemic crisis, the consultants McKinsey & Company have reported that 'consumer and business digital adoption has vaulted five years in a matter of around eight weeks'.ⁱ

So much has changed in the way businesses operate as a result of the COVID-19 pandemic. 2020-21 has proved to be a turning point in how companies manage their staff, utilise their office space, and conduct their day-to-day operations. Many businesses have survived – and some thrived – as employees have been able to work effectively from home with a heavy reliance on the internet. Others have been less fortunate. One upside is that the crisis has presented companies with an opportunity to reimagine the way they work.

Resilience First's report in May 2020 offered a [Resilience Guide for our New World](#)ⁱⁱ in the early days of the pandemic. A guide published in November 2020 titled [Flexible Working – the ups and downs](#)ⁱⁱⁱ looked at the concept of working from home which by then had gained considerable momentum. The latter guide was seen as the first part of a two-part effort in advance of a stronger return to some form of office regime. With the roll-out of a mass vaccine programme against COVID-19, it is now time to consider the ways in which companies will deal with the 'new world' of work and a return to an office even if that is part-time.

Businesses are battling to understand which of the pandemic's consequences will be temporary and which will turn out to be permanent, and how quickly the situation will evolve now that vaccines have appeared. In general, companies have displayed agility and adaptiveness in the face of a systemic risk, while people have displayed entrepreneurialism and creativeness on the back of a more digitised world. Productivity has broadly held up, except for a few particular sectors: the CEO of Vodafone has said that productivity in his organisation had improved.^{iv} All this has happened largely without an office in which to work.

While there is clearly pandemic fatigue, there is also a growing recognition that resilience has equal if not more weight than efficiency; it is not a case of either or but an acceptance that just-in-case has a draw over just-in-time delivery. It will mean doing things differently whether in or way from the office.

Whilst the roles we carry out may still be the same or very similar to the pre-COVID world, where we work and the processes and tools deployed have advanced at an accelerated pace. In response to these new work patterns and digitised flows of information, the physical solution will need to extend beyond social

distancing to a holistic review of how we use our offices. We must consider what we need from our offices and what we want from our work and home communities.

This guide will provide some insights into, and considerations for, managing the new world of work. The report will provide some markers on how to move forward – not just build back better – and introduce new ways of working in, around, and from the office wherever that may be.

'There are decades where nothing happens and there are weeks when decades happen.'

Vladimir Lenin



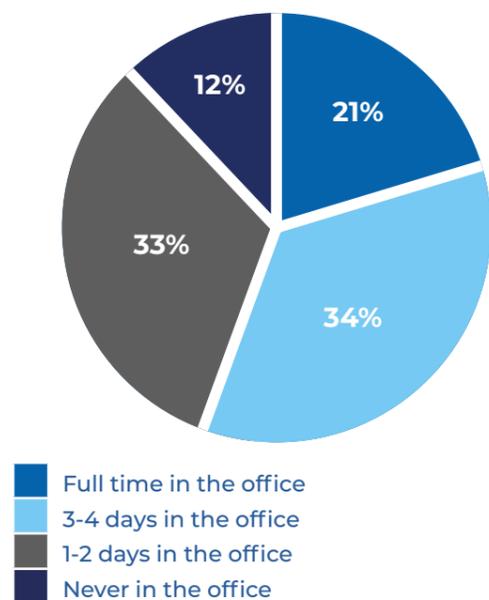
A HYBRID FUTURE

Several recent surveys of business organisations have consistently shown that employees prefer to work at home for some of their time. Home working without the daily commute has both morale and health benefits and has caused people, both managers and managed alike, to reappraise presenteeism and productivity. However, there is a strong sentiment – one that has grown the longer the pandemic has continued – to return to the office for part of the working week. The idea of a hybrid arrangement involving distributed working – the optional office – is now recognised as the likely pattern for the future.

A UK Workplace Survey^v by Gensler in August 2020 revealed that around two-thirds of people preferred a hybrid arrangement of home and office routines, spending between one and four days in the office each week. (See Figure 1)

Figure 1:

The hybrid office



According to the survey, the 67% of people who preferred the hybrid model were 'more likely than people in other work scenarios to feel comfortable experimenting with new ways of working, to feel as if working during the pandemic has had a positive impact on their creativity, and to feel more overall satisfaction with their job.' The survey reviewed the benefits of a hybrid model.

Yet, there are geographic variations. A survey by The Economist^{vi} in the same time period showed that over half of employees in five western countries in Europe preferred not to work at home at all but only a fifth said the same in the USA. It also seems that continental Europeans were more eager to get back to work in the office after the first wave of the pandemic. Over time, as the vaccines kick in, people may be more willing to return in some measure but probably not to the previous level. (See Figure 2) Some employees may have no option as certain companies abandon the office completely for the foreseeable future.

The shift to the hybrid office in the UK is more pronounced than in other countries. In the UK and Germany, polling by the Chartered Management Institute (CMI)^{vii} in October 2020 revealed that around 20% of executives were expected to allow at least 10% of their employees to work remotely for two or more days per week. This could be higher for tech companies.

Two-thirds of the managers reported that their organisations wanted to return to the workplace but less than 10% were planning an immediate return to the office at the time of the survey, while 15% had no plans to return to the office at all as they were able to keep operations running remotely. Around 69% of the managers said some or most of their staff had expressed concerns about returning to

work. Flexible working may become the default option in a new UK Government Employment Bill due in 2021.

Hence, companies will have to look at schedules and adopt new rosters that cater for both top-down and bottom-up requirements. One plan that fits everyone will no longer suffice if staff are to be retained and motivation sustained. The answer will vary for each organisation and be based on what talent is needed, which roles are most important, how much collaboration is necessary for success, and where offices are located, among many other factors.

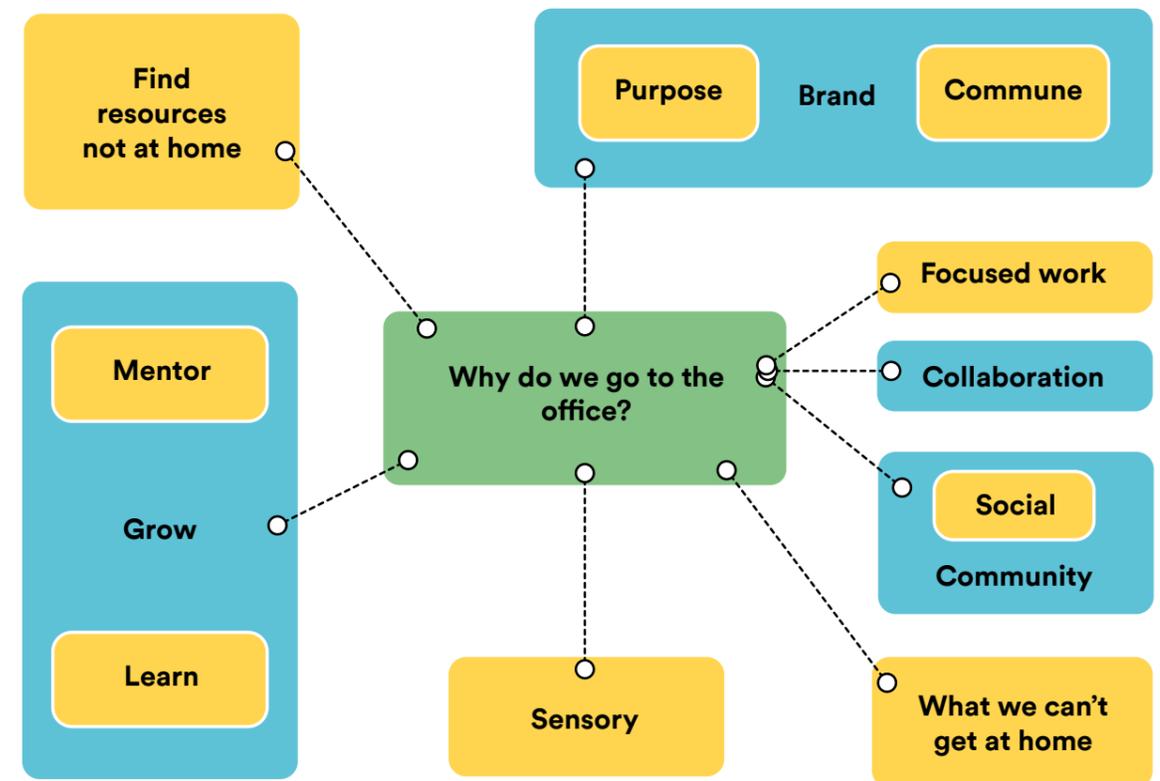
The hybrid future is likely to be a mix of remote working, smaller headquarters and co-working hubs in satellite locations. The reimagined office will be a place where people will come for collaboration, community and to a lesser extent individual work. Executives will have to adapt their management styles and pay closer attention to morale and wellbeing. In other words, they will have to compete harder for talent in the new world order.

The following sections look at the factors to consider on **People, Place, Processes** and **Tools** in the hybrid office of tomorrow.

Figure 2:

Why do we go to the office?

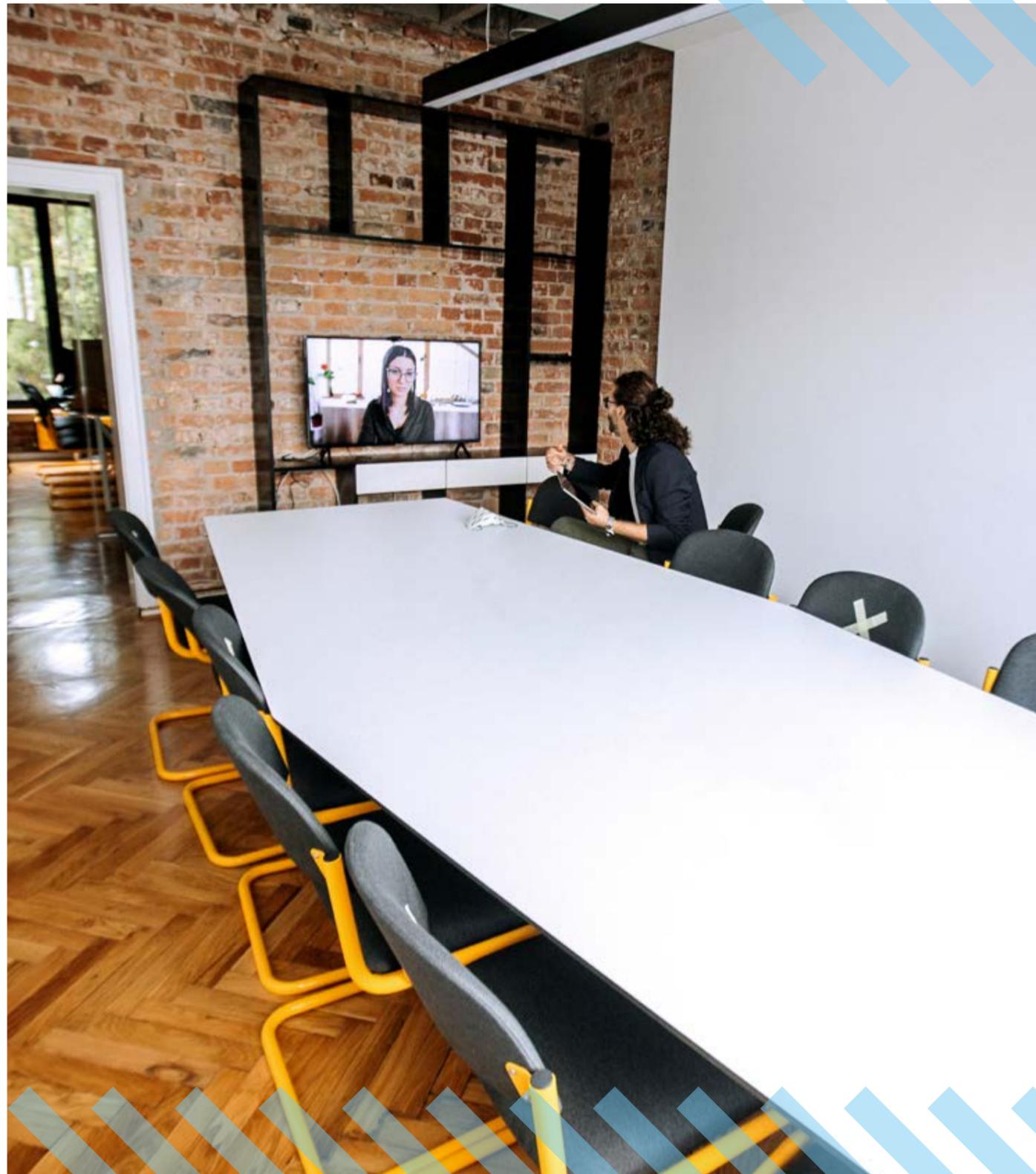
(Courtesy: Perkins&Will)



PEOPLE

Costs

- ▶ A hybrid environment will make for fewer people in the office at any time and this will allow office overheads to be reduced. *(See Place)* There is likely to be more hot desking (with enhanced cleaning regimes) and reduced office footprints and service requirements. What space is retained will be used for more team meetings, client and community events, and collaborative design work.
- ▶ Flexible working schedules can allow new contracts to be introduced that may allow employees to be retained if they sacrifice reduced salaries to allow for childcare and other domestic responsibilities. *(See Processes)* There may be greater reliance on gig-working, thereby allowing companies to pay employees for specific tasks or projects. However, this may be accompanied by greater benefits like holiday pay and insurances in order to retain services.
- ▶ Upskilling will become important to cope with the changing work patterns. This may be costly – IBM has committed \$1bn for retraining its workforce – but employees will look for employers who invest in their potential and they be more willing to develop a wider job portfolio.
- ▶ Salaries may be reduced for employees who elect for more off-site working as outer-city property values are lower and commuting costs fall. Glassdoor estimates that software engineers and developers who chose to work away from offices in San Francisco, for instance, could face salary cuts of around a quarter. Some US companies (e.g. Stripe) have offered US\$30,000 to those who want to move out of expensive locations in, say, New York but they must take a 10% pay cut.^{viii}



Talent

- ▶ Staff working remotely will compete with a global workforce and may therefore be in a weaker pay-bargaining position. Companies are tending to move the work to where the talent is. The search for that talent will be unconstrained by office locations or the need to travel. This will allow greater international and ethnically diverse workforces.
- ▶ Companies may be increasingly willing to work with contractors as full-time staff are made redundant in an effort to downsize. By embracing flexibility in hiring, whether internally and externally, companies may be able to accelerate operations and deliveries, and therefore implement change sooner.
- ▶ However, there may be concerns about legal and compliance issues of hiring outside staff. *(See Processes)*
- ▶ Induction and monitoring of new staff may need to be programmed and managed more carefully. Supervision, mentoring and relationship-building will also need to be considered to ensure fairness and allow feedback.
- ▶ On-line or distance learning may become an increasing feature of company training, with micro-packages delivered by apps becoming a common technique.

Management

- ▶ Having a hybrid workforce brings challenges for management and communications. A CMI survey of 2,300 managers and employees found that nearly half of senior executives thought they were engaging employees more in decision-making since the pandemic but only a quarter of employees agreed.^{ix}
- ▶ A hybrid workforce means the work itself will be more distributed and hence there may need to be closer oversight and documentation. If this happens over several time zones, it will become more of a challenge for management in the way it interfaces with staff and tries to build a corporate culture.
- ▶ Executives may need to tailor their behaviour to individual employee needs and expectations. Some people will need to work in teams or directly with clients more closely than others say in administration. Moreover, younger employees who may be missing socialising at work and older ones who may tire of isolation over screens, will require their circumstances and aspirations to be considered more than usual. There is also the inequality issue when many job losses will affect the low-paid, service sector – often younger, possibly female employees.
- ▶ All this will require more effort, not less. It will also require more direct communication rather than videoconferencing. The extent and quality of the communication may become the new measure of good management rather than one based on the state or size of the office and benefits.
- ▶ It may require a loosening of bureaucratic ties and relinquishing authority through the greater use of empowerment and placing responsibility in the hands of employees. This may place a greater emphasis on initial employee selection and subsequent nurturing. Such a trend could save on the payroll in the long run.
- ▶ Rostering and targeted staff interactions may need to be carefully managed so that people will appear in the office on the same day and time. Corporate retreats may grow in popularity in an effort to promote corporate culture.
- ▶ There may be a loss of creativity and ability to catch up when working from home: the absence of the ‘water-cooler moments’ is an example. This can be addressed by using the time in the office to maximum effect, while also using the opportunity to further corporate bonding and culture. The agglomeration effects of bringing people together can also consolidate knowledge and learning. Reintegrating staff who may have become accustomed to home working will require special attention.
- ▶ Leading a hybrid, distributed workforce will place greater emphasis on those who display organisational, productivity and collaborative skills and less of the overtly charismatic and dominating characteristics. In-office, in-person skills and traits are likely to be replaced by leaders who can direct remote teams. Soft skills will be in greater demand and companies can be expected to search more for these attributes when considering selection and promotion.
- ▶ The emotional wellbeing of staff after their experiences of the pandemic is expected to vary widely and may for some cast a long shadow for months if not years. Some may have experienced bereavement of close family members. Organisations should take an active part in any recovery and be sympathetic to stress and uncharacteristic behaviour.^x (See Processes) Going forward, health and wellbeing will be key elements in an employer’s HR portfolio. Those companies that demonstrate good welfare standards in a psychologically safe workplace will attract, retain and motivate employees wherever they are located.



Box 1:

Three Actions to Consider

- ▶ **Determine, in consultation with employees, where they can be best based to achieve the most important processes of the business. Is this at home, in the office, or in a hybrid arrangement? The location may change at different stages of a project or as people’s circumstances change.**
- ▶ **Be prepared to take work to the employee based on their talent and skills rather than expect the employee to come to the work. This will require new ways of working and management.**
- ▶ **Develop a corporate culture through concentrated and targeted moments of team bonding and mentoring that can occur both in person and on-line. This includes health programmes and mental wellbeing initiatives as well as practical tools to enable staff to manage workloads more effectively.**

PLACE

Costs

- ▶ A reduction in the size of office accommodation because of fewer occupants, even with additional spacing to allow social distancing, should save on rental and overheads. Social distancing is expected to continue, in spite of the vaccine, for some time to come. The average office can work with 25-60% of its staff while maintaining a 2m separation. Companies like Deloitte have announced the closure of several regional offices while PWC has stated that it plans to keep all its offices open.
- ▶ Offices will need to be refurbished to cater for new demands and working patterns, and hence revenue streams. According to Deloitte Real Estate, the mix of refurbishment of offices in central London versus new builds was about 2:1 in Q3 of 2020.^{xi}
- ▶ Telecommuting – the so called ‘death of distance’ – offers potential cost savings in travel budgets. It seems, however, that those who do commute prefer to use the car for safety reasons over public transport with the result that air pollution in cities has not declined significantly other than in the first lockdown.
- ▶ As a reflection of changing patterns that produce cost savings, enough London commuters found new ways of getting to work during the Tube strike in London in 2014 that the disruption was estimated to have saved more commuting time than it cost.

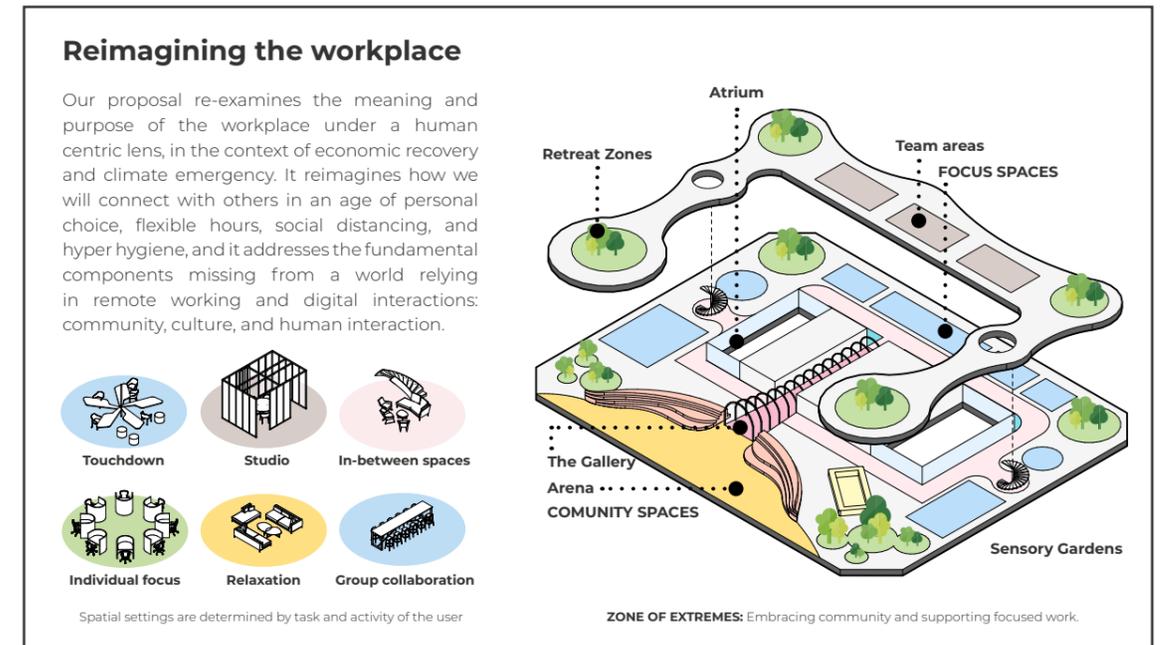
Collaboration and engagement

- ▶ The future office will be instrumental in supporting larger group meetings, formal interactions and knowledge sharing. These tasks were found to be insufficiently supported in the home environment with a 45-50% decrease in effectiveness according to a report by Perkins&Will.^{xii} In response, offices may recalibrate their space to incorporate more team-based settings and facilitate collaboration when employees are in the office.
- ▶ Companies are still very much focusing on providing a quality, face-to-face experience for clients, with firms across all industries refraining from reducing client space even when reducing overall office footprint. The ability to come together as a team and socialise is a core driver of long-term office return, emphasising the role of the office as a place to experience direct interactions.

Figure 3:

Reimagining the workplace

(Courtesy: Perkins&Will)



Digital collaboration

- ▶ As we migrate back to the office, there will be a requirement for many companies to invest in technology hardware and systems to support both virtual and face-to-face interactions in an efficient and seamless manner. (See *Tools*)
- ▶ In addition to adding technology to rooms, there may also be a need to introduce more small, enclosed technology-enabled spaces within what was predominately an open office. These can be achieved through furniture solutions, ensuring changes can be made quickly and cost effectively to equip the office for a phased return. (See *Figure 3*)
- ▶ With increased virtual and physical meetings comes increased noise levels. Offices may need strategic zoning to ensure acoustic separation between groups and individual spaces as well as noise-absorbing materials for rooms that will be repurposed for virtual collaboration.

Environmental systems

- ▶ It will be necessary to future-proof offices for future pandemics: ventilation systems can readily spread smaller airborne droplets around a building. This can be tackled by installing better air conditioning and filtering. Specific interventions may include, but are not limited to: implementing heating, ventilation, and air-conditioning (HVAC) systems to remove finer airborne particles; short-wavelength ultraviolet filters (UV-C); and filters made from natural materials to remove volatile organic compounds. Effective filtration will further increase ventilation that may improve productivity.
- ▶ Environmental initiatives to future proof the office will require the co-operation of landlords, tenants and engineers/contractors, and come at a cost.

Office footprint

- ▶ Determining the right size of the office must be done in connection with a broader assessment of the purpose of the office in the future. While some footprints shrink, other organisations are recalibrating their settings within the same footprint in order to dedicate more space to group settings. For example, Fever Tree, an international producer of premium mixers, has incorporated a bar within their office space in London during COVID-19. The company recognises that the office of the future will be a place for social gatherings and has repurposed individual space for community activities.
- ▶ In a survey of 500 employees in the UK conducted by Nespresso, nearly a fifth (19%) said a space for centralised socialising and creative thinking was important, while another 18% preferred the idea of a mixed-space building used for multiple purposes by the whole community. Another 18% looked to a cubicle-type environment where multiple meetings and catch-ups could take place simultaneously.^{xiii}

Smart technology

- ▶ Where desk sharing is introduced, scheduling and desk-booking systems will allow teams and departments to optimise their space utilisation and help ensure the right people are collaborating face to face at the right time. Pre-COVID, the use of desk-booking systems was on the decline, with local management of shared desks being preferred. However, corporates are increasingly looking to desk booking to manage both the return to the office and for the longer term where desk numbers are to be reduced.

Distributed working

- ▶ Large cities (hubs) may see the formation of remote locations for distributed collaboration e.g. bookable meeting-room space or secured leased collaboration spaces. Smaller towns (spokes) outside major cities may have locations where remote collaboration space is opened up as a new offer in the market. This is a hub-and-spoke model. It will likely favour locations that have a range of services and amenities already in place. There is the potential for the central locations to diversify land use if demand for concentrations of office space decreases.
- ▶ Companies that do not align with a dispersed workforce model may consider how they attract and add value to their employees' experience when they are in the office. This might specifically include outdoor spaces and facilities within the neighbourhood that add to the health and wellbeing of employees.
- ▶ Commuting is likely to bifurcate with some people choosing to travel much further and more infrequently and others choosing to locate closer to a distributed location for regular or ad-hoc meetings. Either way, travel networks will remain key. Locations that have access to above-ground rail will be popular and may create hub locations in their own right for station hubs. There is likely to be a greater emphasis placed on locations with local shops and amenities, and on places with open spaces for exercise and recreation.



Box 2:

Three Actions to Consider

- ▶ It will be necessary to recalibrate office space to incorporate more team-based settings and facilitate collaboration when employees are on site. The ability to come together as a team and socialise is a core driver of long-term office return.
- ▶ Future proofing offices for future pandemics will necessitate the installation of better air conditioning and filtering.
- ▶ If alignment with a dispersed workforce model is difficult or impossible, other ways to attract and add value to employees' experience will be important when they are in the office.

PROCESSES

Costs

- ▶ The Health and Safety Executive (HSE) will continue to carry out spot checks to ensure that a business is operating from 'COVID secure' premises. If the HSE identifies employers who are not taking action to comply with the relevant law and guidance to control public health risks by, for example, failing to implement social-distancing measures in the office or failing to assess home-working arrangements, they will consider taking enforcement action to improve the control of workplace risks associated with the transmission of COVID-19. This could range from the provision of advice to employers through to issuing enforcement notices to help secure compliance.
- ▶ For significant breaches, the HSE could consider prosecuting employers for a failure to comply with their overarching health and safety obligations which could result in a significant fine payable by the business and potential imprisonment (in the worst cases) for directors and senior managers who have failed to meet their obligations due to their consent, connivance or attributable to their neglect.
- ▶ Any suggestion that an employer has failed to implement suitable measures to mitigate the risk to relevant persons in the midst of the COVID-19 pandemic on the basis of saving costs (potentially at the expense of safety) is likely to be used as an aggravating factor and will increase the overall penalty in the event of a successful prosecution.

Employment

- ▶ A number of employment law considerations arise from a homeworking or hybrid working scenario. An employee who will be permanently changing their place of work may need a new written contract, for example.

Financial:

- Whilst businesses may save money by reducing office space, the provision and maintenance of equipment, including software, computers, telephones and chairs/desks will require investment.
- Some businesses are asking employees to take a reduction in salary in exchange for allowing home working. (*See People*) This arrangement must be agreed in writing with an employee.
- A new contract should specify which expenses the employees can claim for working at home, such as travel expenses to attend the office, telephone, heating and lighting costs, and any increased insurance premiums.

Working hours:

- If employees must work the same hours, there is no need to amend contracts. However, some employees may not need to observe strict office hours as long as they get their work done. Employers could therefore consider a 'core time' when employees must be available e.g. between 10am and 4pm.
- The Working Time Regulations stipulate maximum weekly working hours and minimum rest breaks that employees must be allowed to take. Since it will be difficult to monitor whether employees take their breaks when away from

the office, the employment contract should make it clear that employees are responsible for regulating their own working time and taking breaks as appropriate.

Management and supervision:

- Employers could amend their disciplinary and grievance rules to prohibit employees working away from the office from using work time for domestic, family or other commitments such as household chores, running another business, childcare, etc.
- Managers may struggle to supervise employees if they are no longer working together in an office environment in the usual way. Performance management and quality assurance procedures may need to be changed so that employees continue to be supervised remotely.
- Employers may be tempted to introduce automated systems and processes to monitor employees working away from the office. Measures could include monitoring mouse clicks or key strokes, tracking the time spent working on particular files, or even using webcams to check attendance. Before introducing new monitoring processes, however, employers should undertake an impact assessment to ensure that the monitoring is proportionate and does not unlawfully intrude on employees' right to privacy.

Confidentiality:

- Dispersed workers may need specific training on their obligations and those of the company in relation to data protection and confidentiality concerning the procedures which they must follow, and what is, and is not, an authorised use of data.

- Employers should carry out a data protection impact assessment relating to data accessed by the employee which could cover the following:
 1. Who will have access to the employee's computer and personal data stored on it?
 2. Will the employee's location be left unattended for regular periods? If so, is it properly secured?
 3. Are employees instructed to change their passwords at regular intervals?
 4. Do employees install software updates and regularly change their Wi-Fi password?
 5. Are employees given guidance about what data it is appropriate to transfer?
 6. What measures will need to be taken against accidental loss, destruction or damage?
- Employees have an implied duty not to disclose confidential information. In practice, confidentiality is more difficult to police when the employee is working away from the office: how are work documents kept confidential from other members of the employee's household, does the employee have a private space in which to conduct confidential meetings by video conference, and are there appropriate processes in place for the destruction of confidential paper documents?
- ▶ Businesses may wish to reserve a right to enter the employee's home, for example, to install, maintain and service its equipment or to recover property on termination of employment.

Health and safety

- ▶ Whether employers are facing the difficult decision to support home working on a full-time basis or reopen offices (once the lockdown is lifted), there are health and safety considerations that should be taken into account to ensure businesses are maintaining legal compliance, keeping employees and users of their buildings physically safe, and looking after their mental health and wellbeing.

Legal obligations for employers

- ▶ Under the Health and Safety at Work Act etc 1974 (HSWA), employers are responsible for health and safety management in the workplace. Employers have an obligation to protect the health, safety and welfare of their employees and others who might be affected by their business, including members of the public, visitors and contractors. There is also an obligation to manage the health and safety risks from workplaces under their control which include access to and from the office and the use of equipment but only to the extent of their control. These obligations have existed for over 40 years and have not changed in light of the pandemic.
- ▶ Employers must do whatever is reasonably practicable to achieve compliance. This means making sure that workers and others are protected from anything that may cause harm (including the potential exposure to coronavirus), and effectively controlling any risks to injury or health that could arise upon their return to the workplace. The best way to demonstrate compliance with the law is usually to follow government- and industry-led guidance wherever possible.

„Social Distancing,,
in Practice

Please Do not Use This Seat

- ▶ Employers also have existing duties under the Management of Health and Safety at Work Regulations 1999 to assess risks in the workplace. They must protect people entering the workplace from harm and this includes taking reasonable steps to protect employees and others from coronavirus by performing a COVID-19 risk assessment to help manage risk.
- ▶ In practical terms, employers must:
 1. identify what work activity or situations might cause transmission of the virus: think about who could be at risk (including the vulnerable or those who might be more at risk);
 2. decide how likely it is that someone could be exposed;
 3. act to remove the activity or situation, or if this is impossible, control the risk.
- ▶ The mitigation of risk and the protection of the workforce must be paramount for the successful implementation of hybrid working and any risk assessment must respond to changes in working arrangements in law and government guidance as restrictions continue to be lifted or tightened.
- ▶ Employees must be provided with the tools they need to work safely and effectively from a remote location (managed by way of a suitable and sufficient risk assessment) or in a COVID-secure office environment. This can be achieved by putting in place social-distancing measures, staggered shifts, additional hygiene / handwashing facilities, providing good ventilation / air conditioning and encouraging the use of masks and screens where appropriate in the office. Social distancing will almost certainly restrict the number of people who can safely be in the workplace at any one time and hybrid working, along with a reassessment of the layout of the office, will assist with physical distancing and further mitigation of risk.
- ▶ Employers should assess the risks around third parties entering the workplace as there is a legal obligation to ensure their health and safety too. It is also best, if facilities are shared with other parties, to co-ordinate any partial return to work procedures with theirs.
- ▶ There is a balancing act to be met between mitigating the health and safety risks that employees face in the workplace from potential exposure to the virus and the risks new working practices (including hybrid working) may present.

Ergonomics

- ▶ If employees use display screen equipment (DSE) daily as part of their normal work continuously for an hour or more, employers must carry out a workstation assessment under The Health and Safety (Display Screen Equipment) Regulations 1992. This assessment must review the equipment and furniture being used, the activities being performed and any special requirements, including the need for ergonomic equipment. Employers may also be asked to provide eyesight tests if requested and they should provide training and information for workers as necessary.
- ▶ If employees are also working at home or remotely on a long-term basis, the risks associated with DSE must similarly be controlled which may be considered through the completion of a workstation assessments at home. The Health and Safety Executive (HSE) confirmed soon after the pandemic hit the UK that there is no increased risk from DSE work for those working at home 'temporarily' and there is no need to conduct a home workstation assessment, but what does temporary mean? After the third lockdown, it would be difficult to suggest that home workers are not working at home on a long-term basis and, in any event, employers should provide workers with advice on completing their own basic assessment at home. Even short-term incorrect usage of DSE can have the potential to create longer-term health problems.
- ▶ Employers should take time to evaluate their risk assessments as the general duties to take reasonable care for the health, safety and wellbeing of workers are not relaxed during the pandemic. Those who fail to do so may be in breach of their obligations and could face significant penalties, including fines and enforcement notices being imposed.

Employee engagement and accountability

- ▶ Employees have obligations under HSWA to take care of their own health and safety and that of others who may be affected by their actions at work. Employees must also co-operate with their employers and co-workers to help everyone meet their legal health and safety duties.
 - Engagement and communication between employers and employees are the best ways to manage developing risks associated with the transmission of the virus and new working practices. Employees should be encouraged to raise concerns and queries relating to health and safety in the workplace and employers should explain the steps that they are taking to manage the risk of coronavirus and provide information and training on how to deal with such risk.
 - Employers could satisfy their legal obligations to keep employees informed of how risks will be managed in the workplace by providing guidance and establishing protocols on proposed workplace measures.
 - Employers should display HSE signage around the workplace to raise awareness of the measures that are in place to prevent the spread of COVID-19.

Mental health and wellbeing

- ▶ UK health and safety law requires employers to look after the mental as well as the physical health of employees. It is important to keep in touch with homeworkers to make sure they are healthy and safe and that the hybrid working arrangements are being managed. Lack of contact with employers can affect stress levels and mental health. There should be systems in place to recognise signs of stress as early as possible.
- ▶ Employers should conduct a detailed risk assessment or update existing risk assessments and implement reasonably practicable control measures in relation to managing the mental health and wellbeing of employees. This is particularly important for employees with new working arrangements (in the workplace or remotely) but also for those who may be at higher risk from catching COVID-19 or are otherwise vulnerable.
- ▶ Both proactive and reactive approaches should be adopted to effectively manage the wellbeing of the workforce. Proactive steps could include reviewing policies and procedures, keeping in contact with employees and providing details of where they can receive additional support. Reactive steps should involve responding when employees raise concerns or are demonstrating symptoms of poor mental health so that appropriate support can be provided.
- ▶ For hybrid working to be a successful long-term transition, employers and employees will need to communicate and collaborate. Improving employee welfare and securing their mental wellbeing, in the office and remotely, have to remain priorities.



Box 3:

Three Actions to Consider

- ▶ Employers must take appropriate measures to comply with the relevant law and guidance to control public health risks or they can expect enforcement action.
- ▶ Before introducing new monitoring processes, employers should undertake an impact assessment to ensure that the monitoring is proportionate and does not unlawfully intrude on employees' rights to privacy.
- ▶ Businesses must keep employees and users of their buildings physically safe (based on a suitable and sufficient risk assessment) and look after their mental health and wellbeing.

TOOLS

Costs

- ▶ Alongside vaccines, technology has been the saving grace of the pandemic. Without the internet and associated software programme, it would simply have been impossible to maintain businesses to the level they have, albeit reduced to varying degrees. It has come at a cost through the purchase of extra laptops and software licences but that has been a relatively small price to pay for the benefits accrued. At the same time, the biggest driver of disruption for some businesses in the future – with an associated price tag – is seen as the acceleration in digital technologies.^{xiv}
- ▶ People have become adept at the use of platforms such as Zoom, Slack and Microsoft Teams. This can be expected to continue and advance in a hybrid office environment. Some have, however, struggled with setting up the technologies so this emphasises the importance and provision of training as well as on-line support and problem solving. Connectivity will also remain an issue until the wide-scale roll out of the 5G network.
- ▶ Companies are likely to spend more on collaborative technologies that allow employees to replicate the experience of being in the same physical space as someone else e.g. higher quality cameras and microphones. It may include immersive virtual environments which may be able to offer a fuller sense of shared experiences, spontaneous human interactions and thus relationship building. 'Gamifying' online interactions and greater use of red-teaming concepts may enliven engagements and draw out important lessons in safe but hypothetical scenarios. Equipment and tools that help to make remote collaboration easier will spur motivation and encourage a strong culture but come at a price.
- ▶ Restructured production with a greater reliance on technology will help reduce costs. Automation, deployment of AI, and the increased use of robotics will feature increasingly in the future in an effort to save on labour costs, especially for more manual tasks. Financial firms see understanding the customer and their interactions (56%) and making operations more efficient (36%) as the most valuable action to be gained from advances in AI and analytics.^{xv} According to the Office of National Statistics, 1.5m roles in the UK are at risk of automation, while the OECD predicts that 14% of all jobs in OECD countries are threatened by robots but not uniformly: it put the risk to chief executives at 1.1% but 50.1% in food preparation, for instance.

Innovation

- ▶ The pandemic has encouraged business to adopt new technologies that will help boost productivity more broadly. According to research of 375 businesses, 38% of businesses invested in digital technologies between March and July 2020 while three-quarters said that their innovations had already boosted profitability.^{xvi}
- ▶ Advanced business intelligence and analytical capabilities should be able to create exciting new ways to communicate and collaborate across organisational functions and leadership structures. By applying Natural Language Generation (NLG) to structured data, report generation can be real time and automated hence enabling humans to focus on decision making. Cognitive user interfaces will enable voice recognition, multi-lingual services and collaborative tools for remote and distributed work patterns.
- ▶ It may be possible to move away from deploying large data centres as people work in a more distributed fashion. Goldman Sachs had estimated that investment in traditional data centres will fall by 3% a year in 2019-25. In fact, last year, Gartner predicted that by 2025 around 80% of enterprises will shut their traditional data centres, with 10% of organisations already having closed their data centres.^{xvii} Many organisations are rethinking the placement of applications, based on network latency, customer population clusters and geopolitical limitations.
- ▶ Importantly, technology promises to be the bedrock of sustainable change – a key element of future business. IT currently accounts for a fifth of the energy the world uses and any reduction will help with managing climate change. Quantum computing, once introduced at scale, for instance, will require a small fraction of current energy usage so one can expect this to become a feature of hybrid working in the future. The impetus for a green, resilient recovery post COVID, and efforts to achieve a carbon-neutral environment in the coming decades, will be major drivers for energy conservation in both office design and technological applications.



Productivity and monitoring

- ▶ Performance and compliance monitoring is a contentious issue but one that will become prevalent as employees work from different locations without close supervision. Technologies that allow activity monitoring and productivity tracking through sensors will have a place but will need careful introduction and operation if staff are not to feel undermined and intruded upon unduly. *(See Processes)*
- ▶ The new generation of tools will provide data that both employees and managers need to instil trust and return maximum productivity. Working from home is destroying the concept of the 9 to 5 working day, and employees will benefit from tools that allow them to demonstrate that their new, flexible, work time is being used productively. GDPR and data privacy require that any productivity tool is applied during work time only, and that their privacy is assured outside those hours. This needs to be achieved with a tool that will not compromise organisational security.

Training

- ▶ Training of staff in or away from the office will involve new packaged, micro-learning modules that will be delivered remotely. Vodafone has used AI software programmes that use machine learning to crunch feedback data and deliver behavioural tips: by January 2021, 700,000 of these tips has been sent to more than 70,000 employees. Robotics and machine learning will increasingly be a feature of the modern office. Entry-level or routine jobs are likely to be most affected initially. However, there is a difference or time lag between introducing technology and deploying it at scale.

Health and safety

- ▶ Technologies that focus on health and safety will come to the fore. Contactless devices in the office will help reduce the prospect of cross-contamination while devices to monitor staff through automatic temperature checks or personalised proximity warnings of social-distancing protocols will become more advanced and discreet. Better monitoring and control of air flows around offices will improve the quality of air and hence limit the spread of air-borne pathogens. *(See Place, page 13)*

Security

- ▶ Clocking-on technology, including the use of phone apps, will assume increasing prominence, as will building access control, meeting-room management and area separation. The deployment of drones to monitor building space or area perimeters may allow for a reduction in foot patrols and manned guarding.
- ▶ The rush to procure extra electronic devices and software during the pandemic in order to achieve greater connectivity has increased exposure to cyber threats, both internally and externally. Those companies that have pursued a hasty adoption of devices without concurrently ensuring their digital security can expect to see a rash of cyber intrusions. Malicious actors have and will continue to see opportunities to disrupt and extort companies that rely on remote working and cloud services without the all-important protections.
- ▶ As a proportion of employees may not be digitally connected e.g. frontline or service workers, there is a danger of a gap emerging between the 'haves' and have nots' in technological applications. The benefits of a digital transformation need to be extended so that all are connected (at the appropriate levels) and aligned to company objectives. This may be via smartphones and apps. Such devices can act as gateways to personalised versions of company systems with the right level of security. They will facilitate better communications and hence wider engagement.



Box 4:

Three Actions to Consider

- ▶ A lack of investment in technologies and software for hybrid working will hinder success. However, any investment should be accompanied by appropriate security measures to minimise disruption by cyber actors.
- ▶ On-line support and problem solving, as well as continuous distance learning, will be necessary to allow for smooth connectivity and digital transformation.
- ▶ Health and safety will be prominent in the long-COVID period of distributed working. This will make the utilisation of contactless, remotely monitored devices all the more important.

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Further Reading

PWC Work-life 3.0 Understanding how we'll work next. [Click here.](#)

McKinsey's Reimagining the office and work life after COVID-19. [Click here.](#)

CIPD's COVID-19: returning to the workplace. [Click here.](#)

Resilience First and McKinsey's Agile Working Guide. [Click here.](#)

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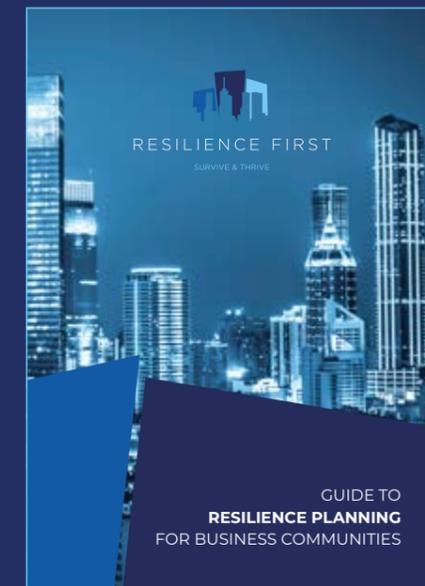
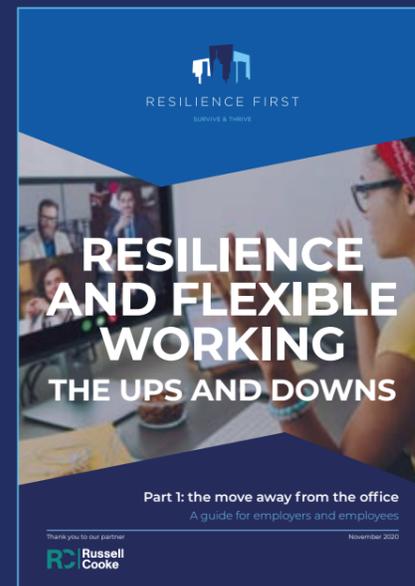
^{xiv} <https://image.uk.info.pwc.com/lib/fe31117075640475701c74/m/3/93100ddb-974f-4c60-a8db-64b78ffb821.pdf>

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