REIMAGINING THE FUTURE WORKPLACE: ASK THE RIGHT QUESTIONS TO MOVE FORWARD

As the market recovers from the COVID-19 pandemic and companies reflect on the unprecedented change they've experienced, now is the time for boards to ask relevant questions about the future workplace.

The future of a redesigned workstream looms large on the horizon. Strategic issues around returning remote workers to physical facilities, integrating new technologies into the business, acquiring and retaining the talent needed to execute digital strategies, and transitioning to a more agile workforce abound. As companies sharpen their focus on digital transformation initiatives and reimagine their business models to remain competitive, now is as good a time as any to rethink the future workplace.

The right questions can help steer boardroom discussions in productive directions as markets return to their pre-pandemic state. The following questions offer some guidance on what boards can ask themselves and management, focusing on issues related to operational excellence, strategic alignment, and organisational culture and resiliency:

1. **As our people return to physical facilities, can we ensure their safety and well-being as well as the safety of customers and vendors?** As organisations compete for stakeholder trust, health and safety are paramount. Focusing on "why we need an office," employee wellness and alternative approaches to the traditional 9-to-5, pre-pandemic normal is leading to the consideration of various hybrid models mixing in-person and remote working, four-day workweeks, and myriad flexible arrangements.

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Lessons learned by the company and its competitors as well as businesses in other industries in navigating lockdowns and changing employee views of the workplace offer a powerful context for developing actionable strategies. A discussion regarding the company's vaccination policy may also be warranted.

2. **As we rethink workflow design, how should we consider the impact of the structure we're creating on innovation, efficiency, and the speed and quality of decision-making?** During the pandemic, many organisations, out of necessity, survived and thrived by embracing a more strongly innovative, empowering and "get it done" company culture. New revenue sources and technologies as well as flatter organisational structures have led to increased connectivity with customers, employees and ecosystem partners that may not have been possible in the pre-pandemic era.

In redesigning the workplace, it's important to sustain this level of nimbleness and perpetuate the attributes of resiliency and decisiveness into the post-pandemic world. Workflows and office designs should enable the collaboration and teaming so essential to an innovative culture and high-velocity, high-quality decision-making.

3. **As artificial intelligence (AI) and automation become integral parts of our business, have we evaluated the need to upskill and reskill our people and reviewed relevant opportunities to do so made possible by e-learning?** Implementing new and emerging technologies will not by itself enhance competitiveness. Advancing digital maturity is fundamentally about preparing the organisation to compete effectively with digital leaders. That means addressing the ethics, fairness, transparency and accountability around deploying AI and other technologies. But it also means

understanding the skills required, where and how to source those skills (hire, onboard, upskill or reskill), and related impacts on compensation and incentives.

As processes, products and services are innovated and organisations think and act digitally, a new form of learning environment emerges. E-learning can help people adapt and become more resilient, thus empowering them to learn continuously at the speed of change. Directors should assess whether their organisations are equipping their people with the knowledge, skill sets, and capabilities needed to harness cutting-edge technologies to add value in supporting the business model.

4. **What do our people really think about working here?** The operative question is, "How do we know?" Often, it takes granting an executive responsible for people and talent a seat in the C-suite to answer this question with actionable data. It's an important question because there is a direct correlation between an engaged workforce and a positive customer experience. Using confidential, anonymous surveys, committing to addressing employee feedback, openly sharing feedback results with the organisation, and engaging employees in designing and implementing necessary improvements can only make the workplace better.

For many organisations, the substance of the environmental, social and governance (ESG) plan and progress toward implementing it can be a differentiating factor in attracting and retaining talent. The clear waters in Venice, urban skylines without smog and improved air quality made the environmental impact of pre-pandemic behaviours more transparent. Companies that don't manage evolving employee expectations well are likely to face significant attrition.

5. **What is our assessment of the impact of remote work on our culture both during the pandemic and in our planned post-pandemic workplace?** A virtual environment creates significant challenges to sustaining corporate culture. For many organisations, there may be a significant number of new hires and onboarded experienced personnel who have never set foot in the company's physical facilities, much less met their colleagues outside of a computer screen. Shifting to a hybrid work environment poses similar challenges.

   The core values of authenticity, integrity and empathy will prove to be critical cultural differentiators. Boards should encourage leaders to communicate often on strategic and operational matters and ensure everyone understands their respective roles, is engaged in the company's success and can adapt to change. The board should be focused primarily on the resiliency of the company's culture going forward.

6. **As our physical facilities reopen, what is our plan to ensure the hygiene and security of the technologies enabling our workplace?** Transitioning to a completely virtual workplace last year created fresh stresses on cybersecurity, enabling breaches due to improperly secured virtual private networks (VPNs), unsecured personal devices, unmitigated cloud security risks and clever social engineering schemes. It follows that transitioning to a hybrid workplace will create additional new vulnerabilities for perpetrators of malicious cyberattacks. Boards should inquire how management is adjusting to new threats, particularly in light of recent, high-profile ransomware attacks.

7. **Is our organisation making progress on diversity, equity and inclusion (DEI)?** The board should have a line of sight into the metrics, measures and monitoring of DEI, including the recruitment and acquisition of new and diverse talent. One of the unfortunate effects of the COVID-19 crisis is its disproportionate impact on women and people of color in the job market. It may be necessary to challenge conventional thinking and foster an open environment that encourages tough conversations and feedback. The board's focus and actions should also set a tone of accountability — for example, the nominating committee's selection process and the respective views of the chair, full board and CEO should be fully aligned with respect to accountability for delivering a diverse and inclusive workforce.

8. **How are we collecting data from our customer base that will help us anticipate their changing preferences and needs?** Winners and losers will likely be defined by how much is known about customers and the agility with which an organisation can align itself with changing expectations and needs. Digital leaders focus on transforming and pivoting the business at the speed of the market to sustain their relevance to existing and new customers, even if it means doing something very different from what they're currently doing. Advanced data analytics around the customer experience can improve decision-making and prove to be a vital differentiator for competing in markets characterised by rapidly changing customer habits and shifting consumer preferences.

9. **How are we evolving our use of contractors, outsourcing and the flexible workforce in the post-pandemic workplace?** The professional core of employees is likely to shrink for many companies, leading to the increased use of contracted workers, outsourced functions and the flexible "gig economy" workforce. Boards should inquire as to the expected mix of permanent employees, contractual fringe and contingent workers once the pandemic is in the rearview mirror, given current plans to implement AI and automate processes. There's also the matter of training workers in each of these groups so they can be integrated into the company's culture.

10. **How are we adjusting our enterprise risk management (ERM) structure and oversight based on market data and our experience and learning?** While ERM is typically not directly associated with the workforce, it can contribute to making the organisation and its people more anticipatory of events that could affect the business. As a discipline, it can inform decision-making around increasing preparedness and agility in response to changing markets and extreme but plausible risk scenarios, as well as increasing decisiveness in addressing areas of dysfunction that can impact the company's culture adversely.

The above questions provide board members with a takeaway they can use to drive focused discussions in the boardroom with company leaders about the evolving workplace. The post-pandemic world of work must emphasise many factors, including safety, innovation, creativity and pandemic resiliency, not to mention reducing the carbon footprint. Now is a good time to assess what the organisation might look like over the next two to five years.

How Protiviti Can Help

We bring independent, disruptive thinking to reinvent organisations from the inside out. Evolving needs and customer expectations challenge even the most agile organisations to keep up in the digital age. To survive, organisations must constantly innovate and transform.

We help organisations think differently — from digital strategy and stakeholder alignment to solution design and implementation, our experts instil a culture of innovation and agility. We assist clients with redefining the customer experience, exploring new operating models, creating enhanced digital channels and building skills required to compete in today's marketplace.

Protiviti's Digital Transformation Services include strategy and business case definition; customer experience and journey mapping; culture, skills and capabilities; transformation programme definition; and transformation programme execution. We offer deep capabilities in system integration, cloud transformation and enablement, advanced data analytics, and business intelligence and intelligent automation, including access to custom software development capabilities and creative talent along with expertise in programme governance, security, privacy and other compliance requirements.

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