Beyond COVID-19 Recovery

Future Work Models
A roadmap to a re-architecting work, unleashing the workforce and adapting the workplace
## Contents

Future Work Models

<table>
<thead>
<tr>
<th>Page</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>04</td>
<td>Introduction and context</td>
</tr>
<tr>
<td>07</td>
<td>Re-architecting work models</td>
</tr>
<tr>
<td>10</td>
<td>Case Studies &amp; Benefits</td>
</tr>
<tr>
<td>13</td>
<td>Approach</td>
</tr>
</tbody>
</table>
“Bad companies are destroyed by crisis. Good companies survive them. Great companies are improved by them.”

ANDY GROVE, FOUNDER OF INTEL
The philosophy of how we do work is shifting. COVID-19 has dramatically amplified the rate of change to work models, challenging orthodoxies around workforce capability, configuration and flexibility.

Now is the time to re-architect work, to provide richness of choice, flexibility and autonomy – it’s time to make work better for humans, and humans better at work.

**It’s time to re-architect:**
- **Capability** - What new capabilities have emerged and how do we continue to grow them? What gaps have been revealed?
- **Configuration** - How do we reconfigure structures to increase autonomy, promote flexibility and utilise AI?
- **Composition** - What will be the new operating model and organisational structure?
- **Capacity** - What volume of roles do we need and where? Where can we augment roles with technology?
- **Cost** - How do we reduce labour cost now and at what expense to future operations?
- **Culture** - What are the implications of these choices on our culture and do they align with our values?
COVID-19 is accelerating and amplifying future of work trends...

The pandemic has resulted in the largest work experiment in modern history.

FROM
Hierarchies & centralised authority

TO
Fluid networks of teams

Control & commands

Increased autonomy and trust

Applying technology to the task

Building superteams of people and intelligent machines

A focus on health and safety

Amplifying wellbeing and meaning

Primary focus on profits & shareholder value

The rise of the social enterprise

Responding to the pandemic, networks of teams formed to solve specific business challenges across product changes, supply chains, employee health and necessary workforce shifts.

The shift to remote working has seen the devolution of decision authorities and an increased need to trust employees. 85% of Australian workers believe that it is important that managers place trust in workers to get the job done.

COVID-19 has driven organisations and governments integrate Artificial Intelligence into teams to scrape data, analyse behaviour, track population sentiments, and scenario plan, freeing up workers to focus on strategic decision making.

There is increasing demand to design work to promote health, wellbeing and the ‘whole’ person. Two out of five workers indicate that their mental health has declined since the COVID-19 outbreak, with 74% indicating the importance of empathetic and supportive leaders.

Organisations are taking a lead on humanity. Employees are wanting to contribute to something larger than themselves and connect to higher purpose. Meaningful work forms a building block for a ‘Simply Irresistible Organisation’.

“When organisations are built not on implicit mechanisms of fear but on structures and practices that breed trust and responsibility, extraordinary and unexpected things start to happen”

FREDERIC LALOUX, AUTHOR OF REINVENTING ORGANIZATIONS
A new world of work

COVID-19 has accelerated organisations into a new world of work, challenging assumptions around ‘when and where’, and ‘how and what’ work gets done.

There are two critical degrees of choice that impact and guide the re-architect work models

**WHEN & WHERE**

<table>
<thead>
<tr>
<th>Limited choice over the time and location of work</th>
<th>High choice over the time and location of work</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>On-site &amp; Standard Hours</strong></td>
<td><strong>Location &amp; Time Agnostic</strong></td>
</tr>
</tbody>
</table>

- Work is completed at a company premises, during pre-determined times stipulated by the company
- Work is completed anywhere the worker is located, on dynamic time, driven by the employee’s preferences

**HOW & WHAT**

<table>
<thead>
<tr>
<th>Limited choice over how work is organised and completed</th>
<th>High choice over how work is organised and completed</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Structured &amp; Task Based</strong></td>
<td><strong>Networked &amp; Autonomous</strong></td>
</tr>
</tbody>
</table>

- Teams are organised in a formal hierarchal structure, performing specific tasks and activities to achieve objectives
- Networks of teams form around specific missions to drive outcomes, relying on social / knowledge networks & collective intelligence to achieve objectives

Re-architected Work Models.

Re-architected work models provide more than choice and autonomy around when and where work occurs. These organisations provide ultimate choice, flexibility and autonomy for how work is performed, utilising networks of teams and technology to augment and collaborate in ways that deliver the best outcomes for customers, business and employees.
Four future work model scenarios

Future work models will be driven by choice and autonomy around ‘when and where’, and ‘how and what’ work is completed.

Deloitte research and analysis of market trends has resulted in the generation of four potential ‘worlds’ of work in the future. The decisions organisation’s make against when and where work takes place, and how and what work is completed will govern the degree of choice, flexibility and autonomy available for their work models.
“As human beings, we are not problems waiting to be solved, but potential waiting to unfold”

FREDERIC LALOUX, AUTHOR OF REINVENTING ORGANIZATIONS
CASE STUDIES

The marketplace is shifting...

The 4-day working week
In 2019 Microsoft Japan trialled four day working weeks with no pay reduction. Employees were happier and 40% more productive. Meetings were shorter, sick days and office costs shrank.¹

Activity based working
American Express adopted Activity Based Working Pre-COVID, for their 63,500 employees globally. To drive enhanced employee engagement and growth, workstyles are categorised into: home, roam, club and hub. This follows a “choose-your-own-adventure” set-up where employees customise how and where they sit, work, socialise and recharge.²

AI powered talent ecosystem
Unilever has launched an AI-powered platform to identify personalised open role opportunities across the business in real time. Employees can use, test or grow their skills assisting on new projects around the business. ⁶

Tech enabled flex
Siemens is rolling out a mobile app that helps employees plan their time in the office. More than 10,000 employees globally will utilise the app, with employees encouraged to work wherever they want for 2-3 days a week.²

Devolved decision making
Haier adopted a RandanHeYi model – employees form micro enterprises, each solely responsible for delivering their products and services. All micro-enterprises connect via sophisticated online platforms to collaborate. In 2019, despite a market decline of 1%, sales increased by 11%. ⁴,⁵

Autonomous network of teams
Buurtzorg - nurse-led, nurse-run organisation of self-managed teams providing home care to patients through autonomous teams. A sophisticated IT system relieves nurses of admin and allows teams to self-monitor performance, with regional coaches promoting best practice advice. Buurtzorg reduced staff turnover, illness, absences, and client hospital admissions. ⁷,⁸

Other examples include: Facebook’s permanent shift to remote work, Telstra’s ‘All Roles Flex’ approach, and Atlassian’s virtual onboarding experience.
...benefiting businesses, customers and employees

01 Enhanced productivity

41% of employees say they are more productive working remotely, during the crisis, than they had been before and 28% say that they are as productive.

02 Increased speed to market

Organisations with a dynamic and self directed culture are 56% more likely to get their products to market first.

03 Reduction in real estate costs

The potential to reduce real-estate costs is significant. Over time, real estate costs could be reduced by up to 30%.

04 Improved customer intimacy

Through self-managed teams that are mission driven, there is greater flexibility to meet customer needs and the ability to be proactive in the market, creating greater customer loyalty.

05 Strengthen access to talent

Greater flexibility in when and where work is done creates an open talent market with access to the best global talent and improving the ability to resource critical skill gaps.

06 Reduction in environmental impact

The environmental impact of commuting to a physical office environment is reduced and flexibility also enables employees to choose more sustainable behaviours.

07 Improved engagement and wellbeing

Employees with the flexibility they need have 55% higher engagement and 55% less stress.

08 Greater inclusion and diversity

Flex working breaks down barriers for talent to enter and participate in the workforce. Flexible businesses experience higher levels of inclusion, 83% compared with 38% for inflexible organisations.
“The best way to predict the future is to create it”

PETE DRUCKER, FATHER OF MANAGEMENT THINKING
Our four lensed approach

Delivering tailored workforce insights

Designing solutions that meet the diverse needs of employees is key to re-architecting work models that enable employees to thrive in ways that also meet business objectives and customer needs.

We uncover and assess the elements that define exceptional employee and customer experiences through four key lenses.
SHIFTING THE DIAL ON WORK MODELS

When re-architecting work models, focus on three critical actions.

**Reflect**

Listen to what your people, customers & business both desire and need.

What has worked well? What have we learnt that can be leveraged? What are the challenges and opportunities? What are the workforce desires and aspirations? How will changes create or erode value? Who needs to be part of this conversation – HR, IT, Real Estate, Customers?

**Re-invent**

Explore the art of the possible and design with the future in mind.

How do we see our ways of working and workplace evolving? What lessons can we learn from other organisations? What needs to be true to succeed? What risks are we ready to take? What are our new aspirations?

**Re-architect**

Create an action plan for your new road ahead that balances business and workforce priorities.

What does this mean practically for your future workplace and workforce? What bold moves will you take? What needs to change now, tomorrow and later? How confident are you that these solutions will work?
Experience the difference

We apply our own advice when working with you, leveraging virtual ways of working, human-centred design and future work model principles to develop holistic solutions.

100% Virtual Delivery
Deloitte have adopted 100% virtual ways of working, across multiple time zones when working with clients. We deliver the experience of a virtual office during our projects, providing insights into the art of the possible.

Human-Centred Design
Deloitte adopt human-centred approaches when designing future work models with our clients. Our expertise in co-design and virtual collaboration platforms provide seamless experiences.

Challenge outdated orthodoxies
We hold a magnifying glass up to ways of working, looking for pockets where we can accelerate change, and watch points for resistance. We bring the latest trends and insights to life for our clients, and hold honest dialogues to elevate how work gets done.

Evidence based & informed
Our evidence-based frameworks and methodologies are deeply rooted in challenging the status quo. We leverage the latest academic and field research in designing solutions with our clients, providing launchpads for experimentation and implementation.

Tailored work model solutions
Employees expect consumer-grade experience from their employers. Deloitte design holistic work model solutions that balance the needs of the business, the customer, and employees to deliver experiences that elevate outcomes for all stakeholders.
Deloitte have an evidence-based methodology

**Reflect**

*01 Deloitte’s FutureFlex Survey*

Deloitte’s FutureFlex Survey measures employee sentiment across remote working during COVID-19, and aspirations of flexible work in the future against a holistic set of dimensions.

**02 Workforce Flex Scorecards**

To best understand which workforce segments and roles could, and should flex, detailed assessments against variables relating to when and where, how and what work is completed is undertaken.

**03 Data-driven Work Preference Personas**

A data-driven approach utilising FutureFlex survey data and machine learning is applied to understanding employee work style preferences specific to workforce trends.

**Re-invent**

*04 Deloitte’s Re-architecture Mini-lab Series*

A series of highly immersive, 100% virtual labs designed to craft the future state ways of working and experience are undertaken. A range of lab topics that can be selected include:

- Economic trends
- Safety & risk considerations
- Future work model scenarios
- Day in the life of personas

**05 Vision & Design Principles**

Applying insights from the mini-labs, FutureFlex survey, personas, flex scorecards and key organisational artefacts (strategy, values etc.), leads to a vision statement, narrative and design principles that guide the final design and future state.

**Re-architect**

*06 Roadmap & Interventions*

Threading it all together, final outputs can include:

- Future state vision
- Set of design principles
- Set of flex scorecards
- Set of work preference personas
- Roadmap with key activities
- Initiative design
“To bring about change, you must not be afraid to take the first step. We will fail when we fail to try”

ROSA PARKS, AMERICAN ACTIVIST
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