

The Future of Work is Unclear

Is remote working here to stay?

Article 1

Nearly 65% of Illawarra workers can work remotely but 26,000 of us commuted every day before COVID-19. In this series of thought-provoking articles, RDA Illawarra examines the future of work and will explore the Future of Work Continuum; a return to 100% office work or the other extreme - Working from Anywhere. We test the perception that the likely outcome of our remote working 'social experiment' is decentralisation or a hybrid model in the middle of the Continuum, which would see us working both centrally in an office/co-working space and remotely; either at home - or virtually anywhere. What are the impacts on workforce design, management skills, demand on commercial development, building design, commuting behaviour and the future of the centralised CBD?

What is the future of work and why does it matter? Has COVID-19 thrown us into a social experiment of working from home, or is working from home the 'new normal'? And why does it matter?

It matters a lot because in the Illawarra, 65% of us work in occupations that can be performed remotely. Only 35% of those working in the Illawarra need to provide services or work at a specific location. So, if most of us can work remotely, why haven't we in the past?

A barrier to working from home or working remotely is a belief that "working from home" (wink, wink) is not really working, and scepticism that rather than working hard, it is hardly working! But that is no longer the case, and society has realised that working from home is just that - working. NSW workers reported that they were on average 13% more productive working from home. Our research indicates that productivity has increased in several highly transactional Illawarra organisations with sophisticated systems to monitor outcomes and productivity.

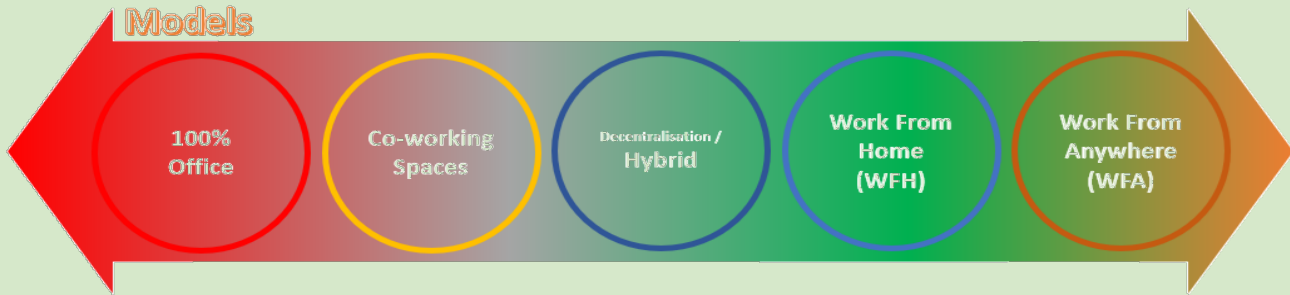
OK, so if we prove that we can work remotely and achieve outcomes, does that mean the future of work under our social experiment will be here to stay? What is the future of work and how many people are still working remotely post pandemic? Our latest research indicates that it depends on the needs of the organisation

and the wants of the individuals. Since the start of COVID in March 2020, several large organisations in the Illawarra still have 90% of people working from home. Others have teams on rotation, with team A in the office one week then team B the next. Evidence suggests that remote work is likely to decline when the world begins to function 'as normal' but will not return to pre-pandemic levels anytime soon.

Regional Development Australia (RDA) Illawarra initiated a Future of Work Project to help us unpack the new world of work. The Future of Work continuum starts at one end with 100% working in an office (which applied to around 98% of us pre-COVID), to the other end of the continuum, which is working from Anywhere (more on this in the next part of our post-COVID-19 work series).

The popular opinion of those interviewed suggests the most likely landing place for the future of work is somewhere in the middle of the continuum, which is the Decentralisation/Regionalisation / Hybrid model. This decentralised model would see a blend of working remotely, either from home or a co-located hub/workplace, as well as a central hub or head office. The mid-point of the continuum is cherry-picking the good parts of both extremes of the continuum and constructing a blended model that balances it all - the risks and the opportunities.

The Future of Work Continuum



According to a survey of over 1,000 Australian workers by Boston Consulting Group, more than 60% of people want a hybrid model of work, with 2-3 days per week remote working. Seasoned workers (60+) were more likely to seek 80-100% remote work, while men and younger people were keen to return to the office environment far more often. According to the Committee for Sydney, a 2020 survey of over 100 organisations (employing 450,000 people), determined that 83% of organisations expect to permanently have people working from home.

COVID-19 forced organisations to rethink their business models and provide the infrastructure that enabled workers to productively work from home whether it be a short-term or long-term strategy. Organisations and workers have learnt a lot during the COVID-19 experimental phase. We are more trusting and open to remote working models. Whether you love working from home or hate it, there are benefits to that situation as well as benefits to working in co-located offices – including collaboration, creativity, innovation, and effective project management.

Whilst the shift to working from home has been a positive experience for some, many have struggled to find a work-life balance or feel like they do not have the “right to disconnect” at home. In the UK, 50% of workers surveyed during the first COVID-19 lockdown said they were unhappy with their work-life balance. Australia was not impacted as seriously as the UK but many of the same trends were prevalent with workers unable to switch off and also having to juggle ‘real-life’ home duties such as caring for children.

Not only was it fatiguing to multitask running a household and a full workload, but the issues also associated with Zoom exhaustion became real. Zoom fatigue relates to how we process information over video, and it is not natural to stare intently into numerous faces on a screen, including our own. According to the Harvard

Business Review, without having a break to refocus, our brains grow fatigued. Beyond eye strain, speech and ideation is also limited in the virtual world. It is a rarity to have face-to-face meetings, which can be pleasurable, and less of an eye strain. Nevertheless, the Zoom revolution is here to stay and gives time-savings, especially to those of us with multiple meetings who no longer need to travel from venue to venue.

The enforced shift along the Future of Work Continuum means that many workers are likely to be keen to adopt the decentralised/hybrid work model where they sometimes attend the office and sometimes work from home. In the Illawarra where many employees have the ability to work from home, it makes sense to provide this flexibility for staff when it represents a win-win for the business and for workers.

In this thought-leadership series, RDA Illawarra will explore the various models of the future of work. We will unpack the research, both international and local, provide our narrative on where the future of work ‘experiment’ will end – and define what our future of work will be.

We don’t have a crystal ball, but we are keen to provide focus, action and achieve the best outcomes for our fellow Illawarra residents and for the long-term economic development of the Illawarra.

Watch out for our next article...
‘Work from Anywhere. White sand, coffee in hand; is this the future of work in the Illawarra?’

