

Getting the future of work right

By Tech Research Asia, Sponsored by Fuji Xerox

Executive Summary

How your employees work, or think about work today is likely very different from the way things were done five or ten years ago. And there is little doubt that it will be different again in the next decade. The salient question is whether you will be a victim of this disruption, or whether you are able to harness its benefits. Workplace innovation is an imperative for all business and IT leaders regardless of industry or geographic location in Asia Pacific. This Tech Research Asia insights paper delivers a comprehensive analysis of the adoption of flexible working strategies, and outlines how your organisation can benefit and pursue a similar approach.

Key Findings

- Productivity, innovation, and talent management are the biggest winners from the adoption of agile working strategies. This is true regardless of industry or country, but only possible with a holistic approach that has the backing of both the executive branch and broader workforce.
- Organisations that have adopted a flexible working approach such as activity based working (ABW) note that digitising their processes is a key step to success. They also reduce paper use by up to 90% with the help of a managed print service (MPS) provider.

Recommendations

- ***There is no one correct vision of the future of work. But understand that all organisations in all industries and locations will likely need to adjust current strategies.*** A variety of forces will need to be addressed, including: change in physical places like the office, technology adoption and use, morphing processes and practices, and leadership of people and culture. Follow the steps outlined in this document to get started.
- ***Deal with the paper trail in your organisation early and make sure you, or your chosen partners, continue to optimise, secure, integrate, mobilize, automate, and simplify your environment.*** Getting this right can have a significant beneficial multiplying effect on employee engagement and productivity. It is a foundation for flexible working.

The Dashboard

Topic: The Future of Work for Asia Pacific organisations

Organisations: All

Industries: All

Countries: Asia Pacific

Key Result:

100%

of organisations with the most flexible, mobile and progressive workplace strategies - i.e. Activity Based Working - TRA has interviewed have an advanced form of managed print services (MPS) in place

Future:

The future of work in the Asia Pacific region is one of diversity, dynamism, and flexibility. Greater independence of time, place, and technology will become common. But how employees work will depend on the seeds sown today

Work is always changing. Are you staying ahead?

If you step back 10 years and place yourself in 2005, do you think you could predict the disruption that is about to explode over the decade to 2015? It's a great question to ask yourself as a business or IT leader because there has been a frantic and frequent set of new, or more intense forces affecting the way that our employees operate on a daily basis. Nobody predicted what has happened and not everyone has adapted well. It has, and continues to, for better or worse, affect the bottom line. This is happening in four key areas of the workplace:



Physical Places:

- * Change has come via combining contemporary architecture and interior design to offer engaging, inspiring, and environmentally sustainable office spaces.
- * While taking a smaller footprint, improving the utilisation rate and scalability of various spaces within the office through embracing the concept of anywhere, anytime working
- * Moving from desks and hierarchy to productive collaboration and outcomes.



Technology:

- * Change has come through mobility, cloud, social, and teleworking through the deployment of secure, manageable devices and applications along with ubiquitous connectivity and IP telephony.
- * Striving for less dependence on paper documents and a reduction in waste through smarter printing practices. I.e. going "digital".
- * Boosting the potential for productivity gains through greater collaboration both in person in a variety of meeting spaces and virtual spaces.



Process and practices:

- * Change has emerged by attempts to reduce risk through more flexible office spaces for times of growth and contraction in headcount.
- * Increasing governance, compliance and collaboration with content via deeper digitisation of existing documentation and workflows.
- * Striving for best practices and boosting cross-business unit collaboration, innovation and selling through formal and ad-hoc interaction.



Culture and People:

- * Generating a corporate culture that focusses more on team outcomes over hierarchy or individualism and one which delivers higher brand awareness and equity is one key focus.
- * Improving the ability to retain existing talent whilst recruiting the top available individuals.
- * Creating better engagement with customers through a more innovative, responsive and flexible workforce.

While the disruption of the past decade is now well understood and appreciated – although typically in a siloed fashion via one of the above pillars of the workplace – do you think you can predict the next 10 years and are you prepared to adapt? Whatever your concept of “work” is today, it will change in future and we can either passively let it happen to us, or actively navigate our own path. The question isn't “if” disruption will happen, but to what degree. But as business and IT leaders, we retain a high level of influence and agency in setting our own course. This is what establishing an intelligent workplace is all about: Putting your organisation – across its physical spaces, technology, processes and operations, and culture and people – in the best possible position to profit from its efforts today, and those disruptions on the horizon. In other words, a holistic workplace strategy with flexibility at its core.

Work today and tomorrow is more flexible

Over the past three years Tech Research Asia has interviewed and advised over 100 organisations from across the Asia Pacific region on flexible working strategies along with undertaking multiple research projects and quantitative surveys. While some firms continue to support traditional desk-based working and others look to mobile devices or apps, the most progressive – and we argue the most successful and adaptable – work style being pursued is activity based working (ABW).

The following data points are derived from in-depth interviews conducted in 2014-15 with 25 of these Asia Pacific organisations that have adopted ABW. Interviews were conducted in-person or over the phone, and lasted between one and three hours. Participants held roles ranging from human resources director, and chief information officer (CIO), to chief executive officer (CEO), managing director, and facilities manager. TRA has also toured many of the workplaces in person and authored multiple case studies.



Adopting ABW or other highly flexible/mobile work styles requires the input of the executive office. Those adopting ABW are twice as likely to nominate the CEO as their key decision maker than any other role. However, as any workplace change involves all employees, having a multi-stakeholder team – from HR, finance, operations, IT, and service delivery teams – is critical to ensuring support and success.



Real estate-related factors top the list of drivers for adopting ABW. TRA believes most organisations are initially attracted to the work style due to the lure of lower office costs from a potential decrease in floor space per employee, along with increased flexibility in the utilisation of that space. Following these drivers is the desire to use the new ABW offices and strategy as a showcase for the organisation. Improved talent management and productivity are the other common drivers.



The top ABW challenge is related to culture and people. As adopting the work style involves fundamentally transforming the way that employees do their jobs on a daily basis from the traditional desk-oriented approach, it is to be expected that hurdles will emerge. This can be anything from employees not wanting to lose their sense of place in an organisation as embodied by their own desk, to a straight out refusal to embrace the different way of working.

What is Activity Based Working or ABW?

Activity Based Working (ABW) is primarily concerned with office-based employees and offers a new approach to workplace strategy, building on previous approaches like hot desking. However, ABW should be viewed as a unique work style in its own right.

At a base level it removes set seating in the office and the hierarchy this entails by offering a broader variety of shared spaces (including teleworking) where employees can choose to work depending on the task at hand and outcome desired.

Essentially it provides employees with time and place independence. It is the most flexible and agile of all workplace strategies or work styles being adopted today and is proving highly successful.

The technology changes involved in ABW include:



90% of ABW organisations removed all desktop computers in their offices in favour of mobile devices – laptops, tablets, and smartphones. This required ubiquitous Wi-Fi connectivity and phone number portability.



Digitisation and automation of processes is a critical step. On average the use of paper reduced from 50-90% within 6 months of adopting ABW. Follow me printing was deployed by 90%, while 8 in 10 removed all desktop printers. All had an advanced MPS in place.



One in two ABW adopters decided to deploy new document management and editing solutions. Unified Communications and Collaboration tools were also adopted by 70%.



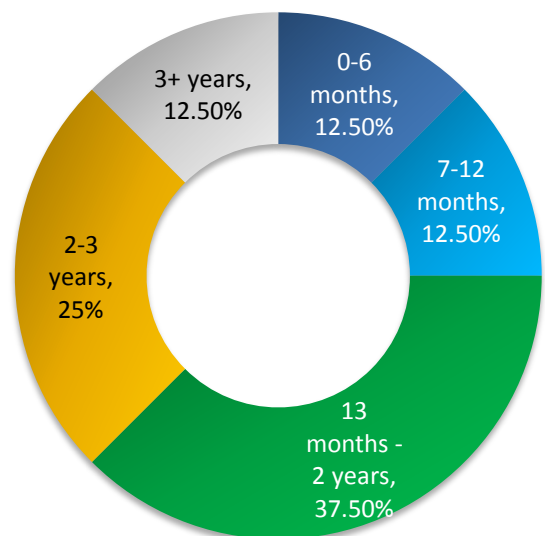
Integration of Audio Visual tools such as projectors, interactive whiteboards and displays along with meeting room booking systems were considered critical to an ABW environment.

Why greater flexibility in the workplace works

Getting a return on investment from ABW depends on how you measure success, but it is worth the effort and some returns from low hanging fruit (such as reducing paper use) will be immediately obtainable. However, 75% of ABW organisations note that they don't expect to optimise the full results of their workplace strategy until at least one year after adoption, with many suggesting the cultural change involved means it could take more than three years (see chart to right).

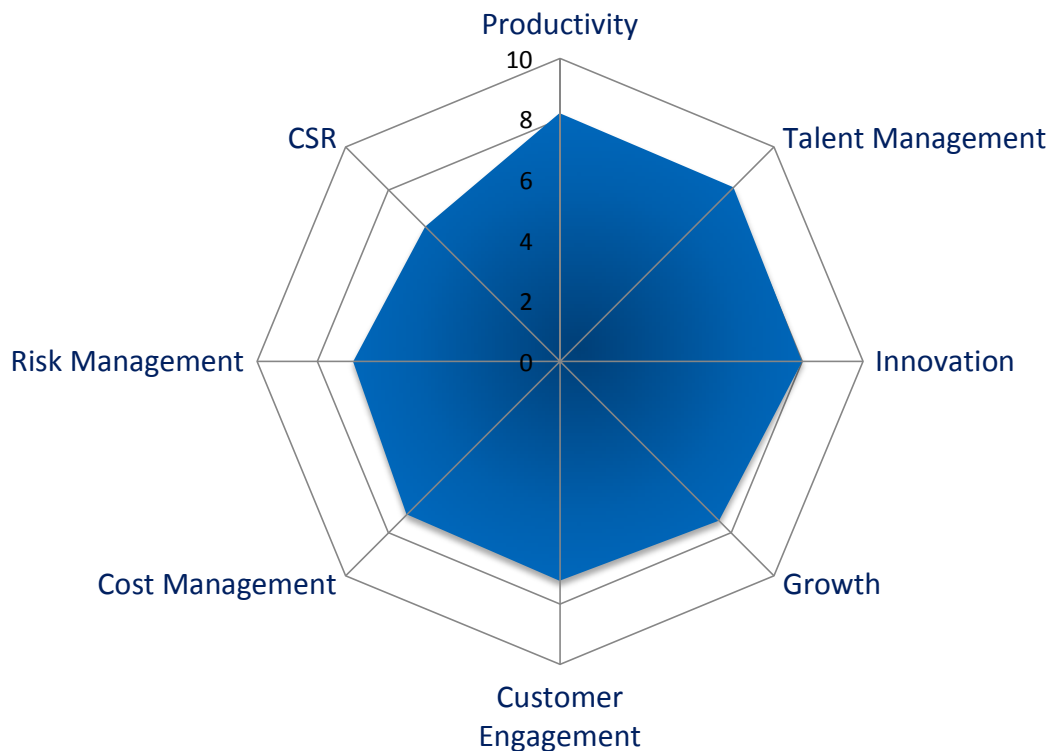
TRA also asked these business and IT leaders to rate the outcomes they had achieved across a range of common business objectives on a scale of one to 10, with 10 being a very successful result. Productivity, Talent Management, and Innovation received the highest average rating of eight out of 10. This was followed by Growth, Customer Engagement and Cost Management with seven out of 10. Following this, Risk Management and Corporate Social Responsibility (CSR) attracted average ratings of six out of 10. All in all, ABW is considered a highly successful workplace strategy that contributes to many common business goals.

Time to ABW Benefits



Source: TRA Activity Based Working One-On-One In-Depth Interviews with CXOs at ABW Organisations Across Asia Pacific in 2014/15. N = 25

ABW Business Outcomes: On a scale of 1 to 10, where 10 is a very successful outcome, how would you rate ABW's contribution to the following goals?



Source: TRA Activity Based Working One-On-One In-Depth Interviews with CXOs at ABW Organisations Across Asia Pacific in 2014/15. N = 25

Specific examples of ABW adoption and results include:

- ❖ In New Zealand, the bank, ASB rated ABW's contribution to Corporate Social Responsibility (CSR) as 10 out of 10. The ASB ABW office requires 20 percent less built workspace than a typical office and is therefore perceived to be a more sustainable proposition with less built footprint and less building to support on an on-going annual basis.
- ❖ In Singapore, American Express rated Talent Management nine out of 10. American Express has seen an increase in retention with 87% of respondents to an internal survey stating they are satisfied with the way the internal workplace strategy is heading. This is the top outcome for American Express.
- ❖ In Australia, Fortescue Metals Group rated ABW 10 out of 10 for Growth. Its CIO said ABW was critical to helping support a fast-growth period for the company.
- ❖ In Japan, media and digital creative agency, (The) One of Them, rated its adoption of ABW to talent management, productivity and innovation 10 out of 10.

It is also noteworthy, that six in 10 ABW organisations intend to expand their strategies to additional locations, including as global policies. None are looking at moving away from the work style. However, the best results are achieved by those who address all forces introduced earlier holistically, with a robust change management program, and also by enabling employees to freely choose where and when they work by eradicating manual processes.

Recommendations

How we work has and will continue to change. There is no doubt that further workplace disruption is coming. Adopting a flexible workplace strategy like ABW will offer benefits today and allow your organisation to adapt to the disruptions of tomorrow. However, mobile and flexible working approaches require a holistic approach, and in particular demand that the paper trail is dealt with early and optimised frequently. TRA offers the following steps organisations can take to help set their own unique strategy:

- 1. Set a vision and long-term plan.** Make sure this includes all stakeholder views and is done after visiting the offices of those that have already done it. It must also be unique and long-term.
- 2. Establish a multi-stakeholder project team and leadership for any workplace strategy.** Don't leave it to one department. Your approach must also have total executive support and include external partners with experience. Change management and continual optimisation of the working environment to help employees move from static, manual work styles where they are tied to a desk with paper workflows, to a fluid and flexible work day where information is securely accessed in digital form and from multiple locations is of the utmost importance.
- 3. Evaluate emerging technologies and consider leveraging 3rd party services including next generation managed print services (MPS) providers to help fast-track your project.** Make sure the print services provider understands flexible working and can offer greater ongoing and/or increasing value. Critical steps they should take include evaluating your processes and then digitising, securing, integrating, mobilising, automating, and simplifying your environment to make sure there are no analogue barriers to employee access to information.
- 4. Pilot and prepare to adapt in future. Work is diverse, dynamic and increasingly flexible.** Whatever you are addressing today, you need to now add in newer technologies such as robots, AI, drones, 3D printing, IoT devices, and wearables. And then there are changes with demographics, space design, customer expectations, regulatory change, and so on and so forth. Work is in constant change, and the pace of disruption is increasing. Adaptability will be essential. But plant the seeds of an intelligent workplace today to reap the harvest tomorrow and long into the future.

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