

Virtual Workforce

Turning a virtual workforce into a competitive advantage

Imperatives for a virtual workforce

The spread of COVID-19 is impacting how we live and work in ways many couldn't have imagined. For the last decade, thought leaders have discussed what the future of work could look like. Most organisations have adopted only some of these practices, and that slowly. However, COVID-19's forced organisations to push the "fast forward" button. Instead of a gradual and thoughtful roll-out of a virtual workforce, they've had to jump straight into a new situation. Not all companies were well prepared, neither were their people. Today's virtual workforce has expanded to an unprecedented scale which'll leave a lasting imprint on the way we live and work, way beyond the current crisis caused by COVID-19.

While organisations struggle to address the challenges of a virtual workforce, they've no other option than to fully leverage it to ensure business continuity and the health and safety of their people. Done right, a virtual workforce can boost productivity, reduce congestion and pollution; while also benefiting staff who gain better work/life balance. Several studies laud the benefits of a

virtual workforce. Examples include average real estate savings of up to \$10,000 per remote worker (Gallup); Xerox calculated that it saved 92 million miles of driving by allowing remote workers to avoid commuting; and the American Psychological Association recently reported that working from home can improve employee productivity, creativity and morale. However, other research shows that a virtual workforce doesn't always bring benefits, in a worst-case scenario, it could have adverse effects on productivity and employee morale. Some organisations, that were leading the pack with a virtual workforce, even had to peddle back and introduce new policies to bring their workforce back to a physical campus.

It's vital that you approach the implementation of a virtual workforce in a thoughtful, planned manner and apply organisational transformation best practices.

This whitepaper brings together experience from our multidisciplinary experts who help organisations shape their virtual workforce.

What changes in a Virtual Workforce?

PAST

- Work 9 - 5
- Work in office
- Use company equipment
- Focused on input (time & presence)
- Exclusive information
- E-mail dependant
- Focus on knowledge
- Corporate learning and development

FUTURE

- Work anytime
- Work anywhere
- Use any device
- Focused on output (results)
- Share information
- Different collaboration technologies
- Focus on learning agility
- Open learning and development



An integrated approach

COVID-19 has accelerated the virtual workforce agenda and forced companies to abruptly adapt their IT, security technology and work processes, and forced employees to quickly upskill, using new digital tools, and adopt new ways of working. While digital tools offer excellent support for remote workers, shifting work patterns on such a massive scale has serious unanticipated implications. The current large-scale deployment of a virtual workforce due to COVID-19 has revealed several pain points for many. These range from technological challenges (poor internet

connections, troublesome apps, IT security breaches), to lack of a dedicated workspace at home (leading to interference with family members and other distractions) and to disrupting human's deeply rooted psychological need for real-life social interaction.

The virtual workforce imperative calls for a fundamental approach in five distinct areas to tackle these challenges and mitigate potential negative effects, so that you create a productive and satisfying experience for all parties involved.

Five imperatives for a sustainable virtual workforce

1. What do you envision?
2. Align your workforce strategy and upskill your people
3. Shape your leadership and organisational culture
4. Infrastructure and technology
5. Create a transparent tax, legal and reward framework



1. What do you envision?

Organisations need to have a clear vision of how their virtual workforce will benefit profit, people and planet. This vision needs to be aspirational and inspirational for employees, and also make business sense. The business case will define anticipated cost savings, increased productivity and improved customer satisfaction, while also addressing business continuity and how to protect employee health and safety during viral outbreaks or other global health and terrorist scares. From a workforce perspective, there should

be gains in engagement scores, reduced employee turnover, a more collaborative culture, etc. Once key strategic objectives have been defined, they need to be translated into a set of key performance indicators (KPIs). These KPIs will allow your organisation to create focus in designing the next steps, track progress and iterate along the journey. Expect to continuously improve your processes, policies and technology to continue to support your virtual workforce.

2. Align your workforce strategy and upskill your people

Once you're clear on which services and processes you'll perform with a virtual workforce (people working from their home office or a co-working space), you should adapt workforce strategies accordingly. To address skill and competency gaps effectively, you might need to conduct different assessments on organisational and individual levels. What's the organisational readiness? What are the necessary skills and competencies employees need to be successful members of a virtual workforce? Business model changes will require a new set of skills and competencies. Consider the case of a bank reducing or even eliminating its local branch offices and replacing them with an all-digital channel. Employees working in branch offices were trained to conduct real-life interactions with customers, they'll now need

a different set of skills to interact with customers via digital platforms (chat platforms, video call platforms, etc.). Adequate training and development programmes will be needed to upskill your workforce to become virtual. Note that the skills important for the future and for virtual teams aren't limited to digital skills. Not everyone needs to become a digital wizard; technology's the enabler, not the objective. However, digital literacy and learning agility will be crucial for the success of the virtual workforce.

Your performance management processes might also need to be revised to make sure people have relevant and achievable objectives in a virtual set-up. Objectives and KPIs should be more focused on output and results and less on input (time and presence).

3. Shape your leadership and organisational culture

Leadership plays an important role in fostering an engaging virtual experience by providing autonomy, stimulating innovation, increasing digital literacy and focusing on sensemaking. For leaders to install a culture of flexibility, two principles are essential: equality and trust.

Equality: Everyone deserves the same flexibility, but be mindful that some roles aren't fit for a virtual set-up. The global workforce is diverse, with individual preferences and cultural differences that need to be catered for. One individual's reasons for needing flexibility are no more or less important than any another's. Equality doesn't mean that everyone gets the same treatment, it implies trying to balance individual needs with the needs of the business or a specific role. This requires that leaders constantly navigate the potential upsides and downsides (e.g. the freedom of people to organise their work hours, while remaining available for colleagues).

4. Infrastructure and technology

To create a positive employee experience, pay sufficient attention to infrastructure and technology. During the crisis, many will have experienced limitations in terms of a suitable home office, availability of the right tools, technology performance and data security. Make sure that all members of your virtual workforce have access to the technology and tools they need. If it's impossible for people to create an adequate home-working space that meets a minimum of requirements (sufficient bandwidth, where they're not disturbed by other family members, etc.), you can

5. Create a transparent tax, legal and reward framework

While occasionally working from home might already have been an established principle within your organisation, a structural switch to a virtual workforce is subject to a different legal framework. A feasibility study helps to identify applicable rules of joint bargaining agreements and other legal sources. Other practical aspects in terms of insurance coverage and health and safety rules also need to be addressed. A different way

Trust is key. If you trust an individual enough that you hired them, you should also trust them to get the work done when and where they prefer, provided they meet agreed objectives. As a leader, you need to understand what ultimately motivates people. You also need to set the example by role modelling the behaviours you expect from your people.

In designing the to-be culture that best supports your virtual workforce strategy, it's important to keep these two principles in mind and develop your leaders accordingly.

82%

Recently, LinkedIn found that 82% of workers want to work from home at least one day a week.

provide access to co-working spaces, especially if your own offices are far away. Research indicates that these primary requirements are the main cause for employee dissatisfaction with a virtual workforce set-up. A lot of time can be wasted trying to get failing technology up and running, especially when only remote tech support is available. Lack of immediate social contact's a cause for people feeling lonely or lost, something that can also be mitigated by making co-working spaces available if needed.

of working also requires aligning the employee reward proposition with this new reality. You'll need to change the reward mix in terms of benefits and allowances offered to make sure you've a compelling story that matches employee preferences. One example, for instance, is the mobility budget, employees might no longer favour a company car and opt for other benefits.

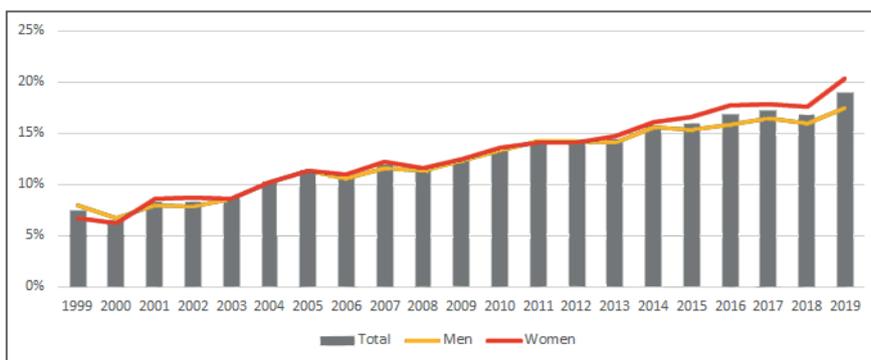


Conclusion

The COVID-19 outbreak's having a deep impact on how organisations consider the way they work. Many have been forced to take a quantum leap into a new reality with a workforce that's more virtual, working remotely. There are many reasons to believe that a virtual workforce brings significant benefits, not only for the organisation and its people, but also for society as a whole. As Belstat statistics show, workforces in Belgium have slowly shifted to become more virtual over the past two decades, with a notable acceleration beginning in 2019. We expect COVID-19 to speed adoption even more. However, it's worth noting that

there's a natural ceiling due to the specific nature of jobs and the capability of organisations to deal with such a transformation. To develop a successful virtual workforce, you need to take an integrated approach. Each of the five imperatives mentioned in this paper needs to be executed with care and rigor, failure to do so will result in a suboptimal outcome, with a negative effect on employee performance and engagement. Making the shift to a virtual workforce is no different than undertaking any other organisational transformation. Building a virtual workforce is an exciting and rewarding journey.

Evolution of employees sometimes or usually working remotely in Belgium (1999-2019)



Source: StatBel Labour Force Survey 2019

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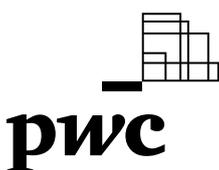
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