CHANGE MANAGEMENT

Is Your Organization Ready for Permanent WFH?

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August 18, 2020

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As the pandemic accelerates the adoption of remote work, organizations large and small are realizing that jobs we used to assume had to be done on-site can in fact be done remotely. Many companies, including Twitter and Facebook, are moving to make certain roles permanently remote. While this won't work for everyone, there are several advantages to shifting at least some of your workforce to permanent virtual positions.

First, hiring only from your local labor pool is inevitably restrictive. Americans work within 16 miles of the office on average, and about 98% live within 50 miles of their offices. CEOs of the top fully-remote organizations cite access to distributed talent as a key competitive advantage. Likewise, the success of many Silicon Valley tech companies has been ascribed in part to rich local talent pools. Imagine if your company — no matter where it's located — could tap into the developer pool of Silicon Valley, the engineering cadre of Detroit, or the finance talent of London.

Second, offering remote work options can help you attract and retain competitive talent. As part of our research for this article, we conducted a series of interviews with senior executives from various industries to better understand how their companies are coping with the pandemic. In one interview, an executive lamented that his company could not hire a particular talented marketing leader for a Philadelphia-based office because she wanted to remain in Columbus, Ohio. That's not an isolated account. A recent study found that people are willing to give up as much as 8% of their pay for the opportunity to work from home.

Third, working remotely can save a lot of time. According to the 2017 U.S. Census, before the pandemic Americans spent more than 52 minutes every day, on average, commuting to and from the office. The numbers were even worse in traffic-congested metropolitan areas: They ranged from an hour and 12 minutes in New York

City to two hours in Jakarta. On the basis of these estimates, shifting to remote work could free up the equivalent of 28 to nearly 50 workdays per year per employee. In the words of one sales executive we interviewed, "Instead of spending three hours driving to and from a client's site for one meeting, I can have five meetings and probably make five times the sales impact."

Of course, it can take some doing to transition your workforce. In assessing opportunities for permanent remote positions, consider the following steps:

Map out critical tasks and needed competencies. Don't fixate on existing roles, which are usually agglomerations of those tasks. Instead, think about key tasks and responsibilities. For example, a marketing analyst might collect and analyze data, design market surveys, evaluate target demographics, and assess the efficacy of marketing channels.

When creating your lists, don't limit yourself to current tasks; anticipate future needs. Determine what competencies you have today and where you have gaps. Consider client feedback, performance appraisal data, and objective performance metrics. Don't settle for mediocrity; identify the ideal level of competency you'd like for each task. Once you know what competencies you need, you can start thinking about which roles can be sourced locally and which will need to be remote-friendly to attract more-elusive, competitive talent.

Assess the costs and benefits. Couple the above analyses with the estimated costs of on-site versus remote labor. When making those calculations, remember to take into account reduced real-estate expenses. One of the executives we interviewed said that going forward, "The need for space will look different....Every dollar I spend on real estate I do not spend on my people, technology, and building relationships with customers." However, remote work can require significant expenditures in supporting technologies along with periodic in-person team meetings or retreats.

Restructure jobs to work as remote positions long-term. Most jobs are not optimized for remote work — at least not yet. In virtual environments, you often have to rely on delayed, asynchronous communication. You lose the capacity for spontaneous face-to-face communication when you can no longer check in with teammates just by stopping by their desk. Remote work makes it easy to miss the socioemotional undertones communicated through nonverbal cues (gestures, body position) and paralinguistic cues (tone, pace, pitch), making collaboration especially difficult.

To overcome these communication and coordination challenges, focus on building clearer hierarchies and formal organizational processes. Don't hesitate to put pen to paper to sketch out more-detailed job descriptions and reporting lines along with guidelines for how to get work done. Engage your employees in the process to capture their knowledge and create a shared sense of ownership. And where possible, structure teams and tasks such that employees on a particular task are either all remote or all in person. Hybrid teams with both remote and on-site employees can have the greatest communication challenges.

In addition, encouraging video calls as well as more-frequent, shorter meetings to provide more social contact points can improve remote collaboration. Investing in tools and software for remote collaboration, such as virtual whiteboards, project management software, and high-quality webcams and microphones, can further help your team meet the challenges of remote work.

Minimize unnecessary coordination among remote workers. Every organization – no matter how you structure it – will have numerous interdependencies between units or teams, where members are reliant on one another to complete tasks or evaluate outcomes. How you assign tasks to distinct units can either increase or decrease the number of interdependencies and the associated coordination costs.

Of course, some interdependencies are crucial for business and cannot be avoided. For example, marketing and engineering teams need to talk to one another to create products that are both technically sound and valued by customers. But other interdependencies may

be unnecessary, and you may be able to make remote teams' lives easier by eliminating them and reducing the associated coordination costs.

One organization we worked with had recently received three key assignments for its remote Java developers. One assignment was related to improvements in the customer portal. The other two were Covid-focused: One required developing an application to measure the density of employees in the office to enable social distancing, while the other focused on developing a contact-tracing app for the company's employees to help make informed quarantine decisions.

Because of the significant interdependencies between the two Covid-related projects (beyond being topically related, they were both dependent on analyzing employees' locations on the basis of their WiFi network connections), it quickly became clear that development of the space-density and contact-tracing apps needed to be assigned to the same team, while the customer portal project, a standalone initiative, could be assigned to another one. Intentionally assigning interdependent projects to the same team simplified coordination and enabled faster, more-effective development of all three projects.

Of course, some roles may be more difficult than others to transform into remote positions. Most of us would probably prefer not to have an operation performed by a surgeon working from home or to have virtual police call in to an active crime scene. Nevertheless, the days of having an entire team show up in the same office at the same time will soon be — and perhaps already are — in our past. How quickly and effectively your organization embraces the new world of work will be critical to your success during the pandemic and beyond.

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