

# THE NEW SHAPE OF

DESIGNING A  
SUSTAINABLE,  
FLEXIBLE WORK  
STRATEGY

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# The evolution toward a more flexible work experience was gaining momentum long before the COVID-19 pandemic.

Conversations were started during annual reviews and after analyzing engagement survey results, driven by employees' desires for better work-life balance.

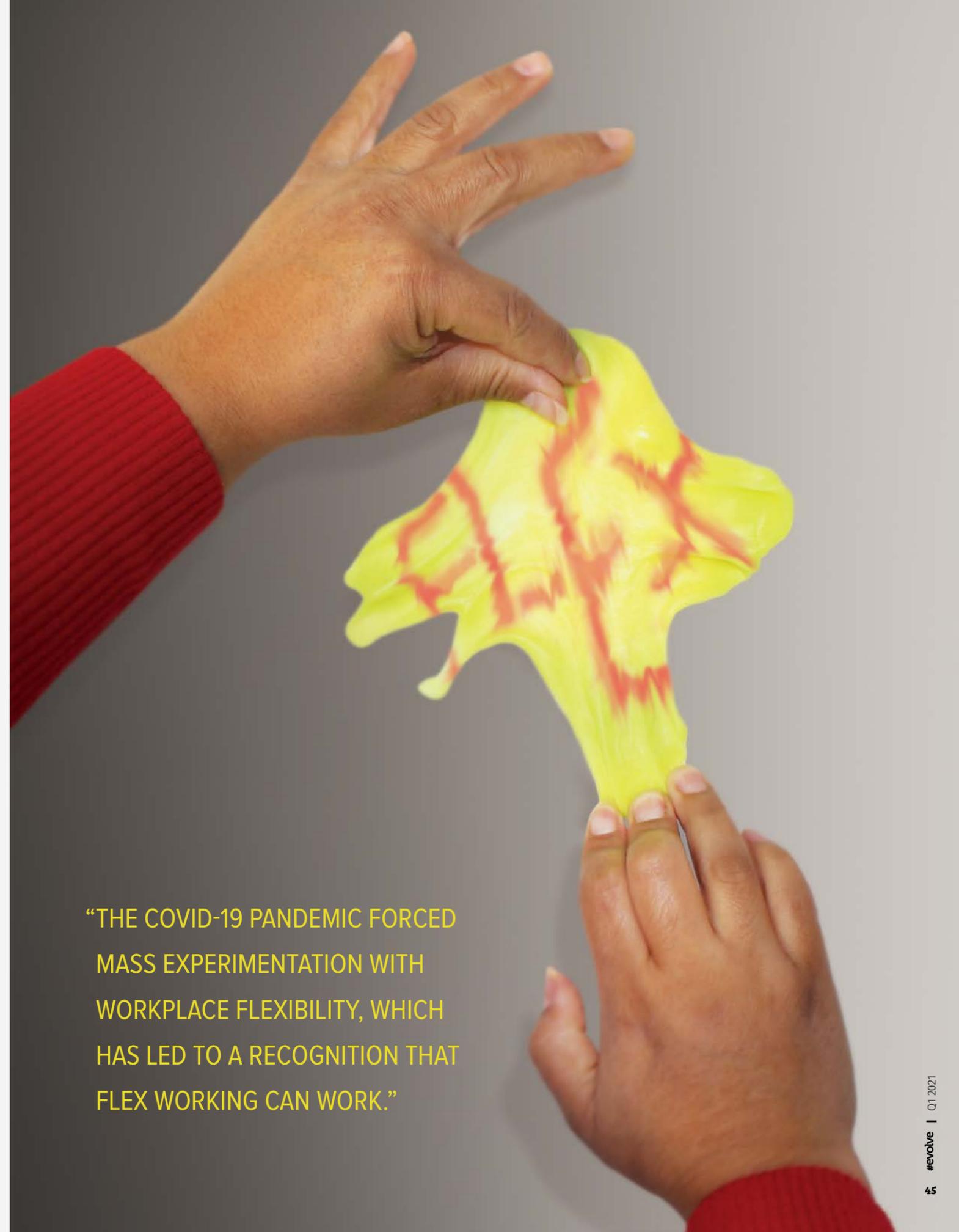
Companies typically offered flexibility as a benefit to differentiate their brand value and retain employees. The COVID-19 pandemic forced mass experimentation with workplace flexibility, which has led to a recognition that flex working can work.

Nearly 90% of organizations plan to embrace flexible work on a grander scale post-pandemic — with almost one in three organizations anticipating half or more of their workforce will be remote after the pandemic, compared to one in 30 before the introduction of COVID-19, according to [Mercer research](#). Workplace norms and employee expectations are changing rapidly — and the days of using flexibility as a differentiator are likely long past.

## A seismic shift in remote working: half or more of workforce remote

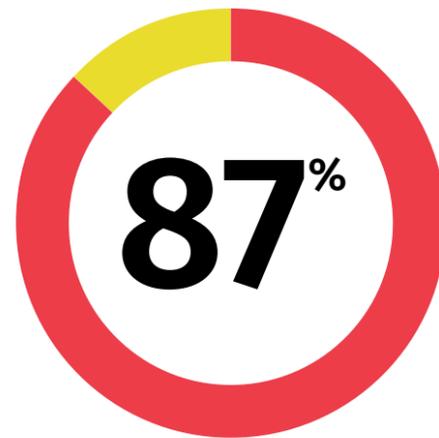


Mercer COVID Survey #8: Flexibility, Inclusion, and Pandemic Impact. US Only Data as of 11/20, 324 responses.



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## The New Shape of Work Is Flexible



**Nearly 90% of organizations are planning to implement post-pandemic changes to flexible working**

### Plans are being shaped now



Mercer COVID Survey #8: Flexibility, Inclusion, and Pandemic Impact. US Only Data as of 11/20 322 responses.

Flexibility is proving to be one of the cornerstones of workforce transformation as organizations use this time to reset and reinvent. To create a sustainable, flexible work strategy, it is essential to step back and understand what the organization hopes to accomplish with the program and identify what flexibility model can achieve those outcomes. This requires an examination of work, people, programs and infrastructure. After completing this strategic assessment, organizations will be better positioned to develop an effective policy to drive the desired outcomes.

#### Define your flexible work strategy

The flexible working experience during COVID-19 will not mirror the flexible experience of the future. Organizations should be conscious of decisions made for immediate (COVID-19) flexibility versus a sustainable, longer-term program that meets the needs of the organization and its employees. To form a strategy specific to the organization, three critical questions must be answered:

#### What flexibility is possible?

Experience has shown that all jobs can flex in some way, but consider precisely how specific jobs can flex productively for the business and individual employees to make them successful in the long term.

Flexibility can come in many different forms. Determining what flexibility is possible requires examining the work and its capacity to flex across multiple dimensions, such as where, when, how, what and who.

Many organizations now know that jobs can flex through emergency flexibility policies that have been implemented. Still, the question remains in many organizations as to what should flex for the long term. An examination of the work can assess whether long-term flexibility may pose risks to outcomes, such as productivity or innovation.

#### What flexibility is desirable?

It is up to the employer and employees to develop a shared understanding of what types of flexibility are desirable (employee preferences) and achievable (business imperatives and each role's demands). Leaning into only one model of flexibility — such as

purely remote working — may alienate current and prospective employees who are craving a return to the office, or place added burdens on those with care responsibilities or ineffective workspaces at home. Likewise, other dimensions of flexibility, such as the ability to start later or work part-time, may be desired and achievable for non-office-based jobs. Employers must establish the employee's role of choice and the boundaries they will set. This is critical, as [research by Stanford University](#) showed that choice could have a high impact on productivity, as everyone works in different ways.

#### What flexibility is sustainable?

Building a new model of flexibility that can last beyond the pandemic requires examining people, processes and infrastructure. This workforce and workplace transformation asks employers and employees to get creative about providing more flexibility around work and how different jobs can flex. It requires a new "flex first" culture that will test mindsets and require a reset on traditional working ways.

Leadership skills need to evolve as teams work flexibly across multiple flexibility models, from in-person to remote to a blended approach. More digital enablement of people programs, like hiring and development, is critical to sustaining this transformation.

#### Part of evaluating what is sustainable is assessing risk

Risk, compliance and governance are foundational enablers of an effective flexible work policy and they are critical for establishing your future strategy. Consider:

- Regulatory compliance.** Some employers have implemented a "work from anywhere" policy, but without proper planning, this can wreak havoc on tax and regulatory compliance. For instance, what are the implications if an employee moves to a state where the organization does not currently have an operation? Both the organization and the employee will need to ensure that payroll is set up accurately and address local and state tax requirements.

“THE IMPLICATIONS OF NONCOMPLIANCE ARE WIDE-RANGING, AND ORGANIZATIONS SHOULD EVALUATE THE REPUTATIONAL RISK TO THE BUSINESS.”



## FIVE TIPS TO GET STARTED

In the wake of school and workplace closures and family health concerns about the COVID-19 pandemic, employers and employees have had to adapt to new ways of working flexibly.

For the most part, this has been a surprising success. While COVID-19 has opened employers' eyes to their workforce's adaptability, it is time to convert this emergency experimentation into permanent policy to benefit from the lessons learned and strengthen an organization's brand value by meeting the needs of what employees have requested for years.

A well-considered, value-based approach to reinventing flexibility will accelerate transformation and set the course for the future of work. Here are five tips to help organizations get started in building their flexibility model:

- 1. Start shaping your strategy**, even if you do not plan to return to the office anytime soon, because employees are looking for guidance. COVID-19 has reshaped employee values, attitudes and practices around remote work, and many are starting to explore options that aren't tied to a daily commute.
- 2. Assess the capacity for jobs** within your organization that can flex for the long term. As a result of the pandemic, employers learned that most jobs can work remotely, but the question now is whether that can and should be sustained for the long term. Job-based assessments can address those questions.
- 3. Engage with leaders and employees** to understand what is desirable and what is or is not working in the current experience. Tune into how you can support employees' needs to help them bring their best self to work every day — whether that means commuting to the office or to the next room.
- 4. Build your foundation** for an effective policy by examining risk and compliance and developing strong governance procedures and effective communication and change strategies.
- 5. Assess and prioritize changes** to your infrastructure and people programs to sustain flexibility for the long term. Programs like talent acquisition, onboarding and career development will all need to support a new flexible workforce.

The implications of noncompliance are wide-ranging, and organizations should evaluate the reputational risk to the business. Resources need to be put in place to ensure governance along with compliance.

- **Health and safety.** The foundation of foreseeable risk is that employers must prevent work-related injuries, and it does not matter if employees are in the office or at home. Seventy-five percent of employees report their employer has not conducted a health and safety risk assessment. Most countries have general health and safety laws to guide risk mitigation. By not complying with health and safety requirements, an employer could experience higher liability if an injured employee makes a claim.

This is critical, as ergonomic discomfort is on the rise, as is the associated employer risk of exposure to liability claims. According to one opinion poll of people working from home, 41% said they experienced new or increased pain in shoulders, backs or wrists since starting to work from home.

Managing ergonomics in a traditional office workplace is relatively easy, as it is known how people typically work — with a proper desk, reasonable space and an ergonomic chair. At home, it is not always optimized. Many workers have adapted to a broader variety of areas, habits and awkward postures like working from their living room, on their couch or bed, or at a dining table. The same study reported that 43% of home workers said they took no action to make their home workspace more comfortable or efficient.

- **Security and privacy.** No matter where employees are working, the work should be protected from cybersecurity and privacy threats at the same level as work performed in the office. Temporary remote working arrangements are fraught with security risks, such as poorly configured networking equipment, mixing of company and personal devices, and working environments that are not secure from others in the home. This relaxation of security protocols in the home can increase sensitive corporate or customer data exposure and lead to a breach of privacy or other major security issues with high business impact.

The flexible work program's opportunity to create scalable transformation for the organization will be optimized when the answers to these questions about what is possible, desirable and sustainable are understood in advance of policy creation. Only then can the organization embark on building its flexibility policy. ###

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