THE FUTURE OF WORK

Challenges/Questions

- Can, and why should we move from the foundation of a five-day location based system?
- How have the needs and expectations of employers and employees changed over this period?
- What threats and/or opportunities are there to your current Employee Value Proposition in respect to the war on talent?
- How has the psychology of employers and employees changed/evolved in recent times?

Stewart Bromley, offers his thoughts, starting with … What is Holacracy?

According to Wikipedia … *Holacracy is a method of decentralised management and organisational governance which claims to distribute authority and decision-making through a holarchy of self-organising teams, rather than being vested in a management hierarchy.*

Holacracy has been adopted by for-profit and non-profit organisations in several countries. It can be seen as a larger movement within organisational design to cope with increasing complex social environments promising a greater degree of transparency, effectiveness and agility.

Performance Management systems in an holacracy often avoid fiefdoms and competitive ranking. It is more egalitarian than capitalist. Traditional pyramid organisational structures perpetuate silos and power struggles. But dissolving these enables employees to unite around projects and adapt more easily to the evolving needs of the business.

All our sessions identified that the employee needs and expectations are changing. Companies are reporting that there is a war on talent and that the market is talent led. Companies are needing to differentiate more thorough working practices and intrinsic factors to attract and retain talent, as well keep abreast of the accelerated growth in salaries to remain competitive.

Employee needs and expectations have evolved from
> What role do I want? to
> What role do I want? **and** Who do I want to work for? to
> What role do I want? **and** Who do I want to work for? **and** How do I want to work?

When assessing the needs of the employer versus the needs of the employee commercial organisations, no matter what they say or what tactics they employ, will be striving for long-term, sustainable, profitable growth (they exist to provide a return to their shareholders).

This does recognise that this isn't a linear path, and companies may employ sub-optimal tactical steps in order to get there. For example, a company may seek customer growth (at a loss) for years, before capitalising commercially.

Employees, on the other hand, are rarely (if ever) truly beholden to a business. People have a multitude of needs (Maslow), and the role that work plays at any given time will vary from one individual to the next, in terms of how that role/company fulfils the needs of an individual (whether things like purpose, personal growth/development, achievement, responsibility, fame - or just providing the cash that fuels other interests).

The greater a role/company fulfils the needs of an individual the more the individual will get and the more satisfied they will be. However, a company's and an individual's needs will evolve over time and therefore the chance that a company will continue to fulfil an individual needs for ever, is unlikely.

In the context of the topic 'Future of Work', this is a useful context, but will continue to be a factor regardless of the modus operandi. Re potential changes associated with the future of work, businesses should assess how the change, positively or negatively, impacts the needs of the employer versus employee.

For example

	100% work located (No choice)	Fixed hybrid (No/limited choice)	Flexible (Employee choice)	100% remote (No choice)
Employer needs				
Employee needs				

One of the key metrics in this assessment will be to calculate productivity against the different models. However, to be truly representative this has to be done holistically and is therefore incredibly difficult to assess.

For example - Employee A may on a particular day be more productive working from home.

However, employee A may impact the effectiveness of the wider team, and therefore the productivity of the remaining office-based team may be sub-optimal, to the level that the net productivity is less than if employee A had worked from the office.

Over time, employee A may become disenfranchised with having to work from the office all the time and leave the business for one that better meets the needs for this individual

The net effect is that the employer's productivity takes a significant hit, due to loss of intellectual property and the need to recruit and train a new person to perform in role

Therefore looking at total productivity needs to account for the total team productivity over time.

How an organisation may assess this, will in part depend on the culture of the organisation.

In particular, trust.

In low trust organisations, the level of connectedness between the needs of an employee and the needs of the business are low, ie. employees don't care less about the business, and if the business could employee monkeys/automate the work, they would.

In high trust organisations, there will be a level of responsibility the employee feels towards the organisation, ie. they will try to do right for the organisation, even if it means some level of personal sacrifice. This does not mean the needs of the employee and the needs of the company are aligned, it just means the employees are committed to see the company succeed (for whatever reason).

Logically high trust organisations will have much more latitude to have flexible (lower touch) working arrangements and to give employees the choice about how they work, compared to low trust environments. This does not mean low-trust organisations have it wrong. Commercially, it might make complete sense to pay peanuts, command/control, manage high turnover rates, in order to eek out profit margins (particularly where the product is commoditised).

Ownership/Autonomy

Perhaps related to trust, is the degree of autonomy, albeit there may be many other legitimate reasons for ensuring an appropriate level of governance/control regardless to the level of trust. Hence, we could consider both trust and control as different criteria…

	Low trust	High trust
Low control	Free-for-all	Partnership
High control	Ownership/dictatorial	Transactional

The ramifications of this is that many companies focused on changes associated with working practices relating to the future of work, are focused on the wrong things. What they immediately turn to are the policy/rule changes that address HR practices and legalities of the contractual changes.

Some companies may go one step further and look at how the internal communication, management and leadership arrangements need to evolve to better meet the needs of the new working arrangements.

However, if companies are not culturally fit for the changes, then the potential positive impact of changes to the working model may be completely undermined. Further, changing this culture will, in most instances, be the most significant change the organisation needs to make.

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