Written evidence submitted by Dr Jane Parry (Lecturer in Organisational Behaviour and HRM at University of Southampton); Professor Stephen Bevan (Head of HR research development at Institute of Employment Studies); Dr Zoe Young (Director at Half the Sky)

Work After Lockdown is a major research project funded by UKRI/ESRC, which over the course of 18 months (July 2020 – January 2022) is studying how lockdown-driven working from home (WfH) is changing how people want to work in the future and organisations' responses and learning around this. It is led by the Department of Organisational Behaviour and Human Resource Management at Southampton Business School (University of Southampton), working in collaboration with The Institute for Employment Studies and work design specialists, Half the Sky. The project has just completed the first wave of its findings, relating to the period of rapid change in relation to the lockdown of March-July 2020. Using mixed-methods research, data was collected from legal firms and local authorities, looking at white-collar jobs that were performed from home during the first lockdown, but which were more often office-based prior to that. The project consequently offers broader learning potential for a wide cross-section of (formerly) office-based jobs. Quantitative sectoral surveys have focused on worker well-being, while qualitative interviews in four case study organisations have looked at the experiences of leaders, line managers, and employees without managerial responsibilities in adapting to home-based working arrangements. Our inquiry response here draws upon 1,085 survey responses and 38 qualitative interviews.

This submission has been prepared by the Project Investigator, in collaboration with the research team. Dr Jane Parry is a lecturer at Southampton Business School, and Director of the Centre for Research on Work and Organisations, who has been working in applied policy research for the past 20 years. Her research focuses on the changing world of work, and inequalities within that; she recently sat on the BEIS Future of Work working group, conducting rapid evidence review on the ARI on flexible work.

Reflecting Work After Lockdown's research focus on working from home, in this submission, we have responded on questions within two of the key areas of interest raised by the Committee: (i) **permanent organisational change**; and (ii) **productivity, innovation and technological potential**.

Summary:

In terms of the kinds of permanent organisational changes we are likely to see in the future:

- Formerly office-based roles have shown themselves to be widely adaptable to remote working;

- Whilst most employees want to work from home more often in the future, and felt that they were more productive during lockdown, well-being was also low. It is important for organisations to tackle this, providing appropriate support, and to get better at managing remote working;

- Hybrid working offers potential to both employers and employees, but repeated lockdowns have impeded organisations' ability to engage with different ways of working over this period;

- Post-vaccine, flexible work provides a valuable organisational resource in applying the lessons of lockdown working, and in configuring hybrid working arrangements that better reflect staff's different circumstances.

On learnings around productivity, innovation and technological potentials and challenges:

- The pandemic has challenged organisational assumptions around productivity and what are useful outcomes to be measuring;

- Understanding and supporting staff's diverse circumstances has been essential in maintaining productivity during lockdown;

- Productivity gains achieved under lockdown can be sustained through the effective management and support of remote working;

- Strategic investment in digital technologies will continue to be key in business continuity and supporting new ways of working;

- There have been challenges in digitally replicating informal communications, as well as rapid-learning and innovation, which are exacerbated by work intensification;

- Geographical variation around bandwidth capacity remains a challenge, which Government could tackle.

What changes to the economy are now permanent? What difference will the discovery of a vaccine &/or treatment make? Will behavioural changes such as WfH necessitate structural changes, whether or not a vaccine is discovered?

1. The largescale shift in the way that formerly office-based work was reconfigured to be performed from employees' homes from March 2020 has represented **a significant change in the UK's relationship with remote working, and we anticipate, flexible working practices.** The working from home enforced by the lockdown, while clearly distinctive from working from home under more chosen circumstances, has compelled organisations to invest in making remote working successful. In doing so, the period has provided a wealth of learning around work practice, as well as evidence regarding the capacity of jobs that it had previously been considered could only be undertaken in offices, to be performed remotely: "*the grand experiment that nobody wanted to do has shown that it works fine.*" From a position when pre-COVID, only 5% of the populations worked mainly from home (ONS), by July 2020, 28% were working in this way (our analysis of Understanding Society COVID-19 national dataset), and almost half the working age population were doing at least part of their work from home (ONS).

2. At an employee level, the extended period of working from home from April 2020, has informed a **mindset shift**, with seven in ten workers (73%) in our Work after Lockdown survey reporting that they wanted to carry on working from home at least some of the time in the future. **Self-reported productivity among those working from home is high**, with 88.5% of our respondents reflecting that they got as much, or more, work done at home as in the office, a positive indicator for organisations that are increasingly looking towards

hybrid working models to combine the benefits of home and office-based work. Moving forward, however, our research has indicated **low levels of mental health during pandemic**-driven working from home (47.5/100 on WHO5). It will be vital for employers to engage with how employee well-being can be supported improved in order to maintain the productivity that will be essential in surviving the oncoming period of recession and uncertainty. Post-pandemic, conditions are likely to be more conducive to tackling this and promoting the benefits of working from home under non-crisis conditions.

3. At present, organisations' levels of **engagement with hybrid working have been impeded by the ongoing pandemic** in which the Government has urged those who can work at home to continue to do so. None of the case study organisations in our research foresaw returning to previous patterns of largely office-based work in the medium term, if ever, with a larger degree of working from home being a part of their business model for the foreseeable future, "*you can't turn back the clock*." So too, extended lockdown-driven working from home has prompted employees to re-evaluate how they want to work in the future. Consequently, organisations in the future will be working with workforces who are increasingly invested in exploring different kinds of flexible working arrangements to those used in the past.

4. Our research uncovered significant anxiety from staff about using public transport, a concern that will affect organisations in relation to their staff travel-to-work demographics, particularly so in urban centres. As a vaccine becomes more widely available, organisations are likely to gain greater flexibility around experimenting with different configurations of working arrangements, reflecting both diverse staff needs and productivity considerations**. Flexible working can play a key role here, since intelligent job design will enable managers to curate office presence** at key times in projects, as well as to earmark working at home time to promote different kinds of productivity. There was also evidence that engagement with third spaces of work, such as community hubs, was starting to emerge as a complementary part of future working arrangements.

What about the productivity challenges in the wave of the coronovirus crisis? How has the crisis impacted on innovation and technological development? What problems could technology solve and what problems will it cause?

1. The pandemic has provoked **a reengagement with organisational assumptions about productivity**. Pre-existing measurements around office presence around standardised working hours have become redundant in assessing the efficient functioning of work that is performed from home, particularly so in a crisis situation when home and work responsibilities have converged. The case study organisations in our research were now, of necessity, exploring new definitions of work outcomes, often at an informal level.

2. During the lockdown, it rapidly became evident to the line managers in our research that their primary concern was to **understand the different challenges and constraints that their staff were facing by virtue of their circumstances**. Providing support and flexibility around these has been a key response in maintaining organisational productivity. For example, parents might be struggling while educating and looking after young children to work traditional hours, and greater variation of working hours was essential to ensure their outputs. Or young people might be living in shared accommodation with inadequate working space, and required support around infrastructure and training.

3. Despite these considerable challenges, and after an initial period of adjustment, employees adapted well to working from home under lockdown, with 52% of those that we surveyed actually considering that they achieved more over the course of their working data, and only 11.5% estimated that their productivity had dropped. These findings are reflected in the broader evidence base, with for example, the OECD's review of productivity data, reporting an initial drop, followed by an upsurge in organisations' productivity.

These hard-won **gains will only be sustained through the effective management and support of working from home**, key elements of which will be: providing greater organisational support of line managers; investing in digital technologies; reengaging in recruitment and training processes as they relate to remote as well as office-based environments; and putting flexible work back on the agenda. Line managers in particular, will benefit from receiving support and training around job design and productivity tools.

4. **Technology has played a key role in how well organisations have adapted to enforced working from home**, with those that had made strategic investments in Information Technology (IT) prior to lockdown experiencing smoother transitions into new working arrangements. For example, one of our case study law firms has provided all of its staff with laptops in the years preceding lockdown, which meant that staff were relatively well prepared in terms of IT hardware when it came to working in a different location for an extended period.

Organisations will need to revisit the functionality of their digital infrastructure and continue to make strategic investments in order to support transformed working practice. A key aspect of maintaining business continuity during lockdown has been ensuring that staff can communicate effectively when they are geographically dispersed. Technology has been central in meeting this challenge, and continued review and investment in both software and hardware, as well as accompanying staff training, will be essential going forward.

5. The Work after Lockdown research revealed some concerns that **digital collaboration could negatively affect informal interactions** and the creativity that can emerge from these, such as the information that is exchanged, and then built upon, in chatting between meetings, in kitchens, and in corridors. However, conversely, interviewees also talked about the rapid shit into working from home having '*fast-forwarded*' many organisational conversations, to the extent that they were now seeing innovation that had not seemed possible a year ago. For example, the Teams collaboration software had been available to office staff before lockdown, but had then been relatively little used. Working from home had prompted these kinds of resources not only becoming widely used within our case study organisations, but increasingly being used more creatively in finding new solutions to communication challenges. In an important sense, because workforces had simultaneously moved to a largely unknown way of working, organisations were more open to conversations in which new ways of working and learning could be shared: this is providing a unique window for innovation.

In the future, there will be value to organisations in building upon these insights, in stepping outside of the work intensification observed during lockdown, and facilitating more non-directive conversations, in recognition of the creativity that can evolve from these.

6. In the short-term, some aspects of communication have been more challenging to replicate on digital platforms, such as the conversations in between meetings, or over a sandwich at

one's desk, which can be intrinsically satisfying, but which can also provide an opportunity for informal information exchange within organisations. Indeed, in our survey**, the aspect of their work that respondents most missed while working from home was informal contact with their colleagues** (82%). This was both an issue of the challenges of replicating this kind of communication online, but also that with work intensification, there was less time for non-project focused exchanges. This is not to say that technology is unable to deliver alternatives on informal communication; in our research people were already starting to use technology more flexibly to talk in real time, and to have ad hoc, brief meetings, and more informal exchanges, such as on Yammer. However, it will take time for effective alternative practice to develop and become established, and so too it is evident that some office presence (albeit not at pre-lockdown levels) is the preferred option for many people.

Work intensification is an issue for organisations to tackle in ensuring that organisationally-valuable informal socialisation can flourish. Our research found that it was commonly younger people, and those who had recently started working in organisations, who were suffering disproportionately from a lack of informal social interaction, and that more broadly collegial relationships are an important aspect of workforce wellbeing.

7. A further technological challenge that organisations have faced during lockdown is the **geographical variation in the UK around bandwidth capacity**. In our survey, 23% reported that their home environments were-not well-equipped in band-width terms for the sudden movement into working from home, particularly when families found themselves making simultaneous demands upon capacity. There will be urban/rural inequalities around this issue. This could prove challenging if employees were disconnected from virtual meetings, or if work was lost due to synching failures.

Greater investment in broadband at a national level would go some way towards resolving these frustrations and their effect upon productivity. Organisational responsibility for investing in digital resources, including broadband capacity within the home, was a conversation that was, for the most part, lacking.

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