

Future of Work Presentation to PSSDC and PSCIOC Joint Councils

Meeting Date: October 26, 2021

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Team Introductions



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Agenda

Three topics are top of mind for all organizations, including the Public Sector

»» The Workforce

Trends and business and people implications

- Automation, technology enablement drives
 - Lower emphasis on physical and repetitive tasks
 - Increased emphasis cognitive, emotional, and digital skills
- Shift away from “individuals and positions” to “skills and tasks”
- Adoption of new models to assess and develop skills
- Renewed commitment to diversity, equity, and inclusion

»» How Work Happens

Implications of hybrid work for Public Sector organizations

- Re-imagining what work truly needs to be done onsite vs. offsite and creating collaborative remote working or hybrid on-site / offsite models
- Increasing flexibility to meet workforce expectations on parity between consumer and workplace experiences
- Changing the way outcomes, outputs, and productivity are measured

»» The Workplace

Strategies for managing real estate and Government real property

- If government organizations are going to have in-person work, it has to count
- Solving around onboarding, community, and “collisions” required for innovation and sustainment of culture
- Evolving to prioritize resiliency and access to talent, often by moving away from main offices toward a more diverse office construct across the country

Agenda

Future of Work – Overall Trends and Challenges

How Work Happens – Hybrid Work Considerations

Future of the Office and Service Delivery Enablement

Additional Considerations for Public Sector Organizations

The future of work is evolving, as are the needs of employees and what they value in a career

Global Workforce Trends: What's changed? What's changing?



By 2025, 75% of the workforce will be millennials, who prioritize flexibility

Three of the top five most important factors in evaluating a job center on flexible work: work-life balance, work flexibility, work schedule. In a recent survey, 64% of respondents said they would rather work from home than receive a \$30K/year raise



Ubiquitous high-definition video conferencing and file collaboration capabilities have broken down traditional barriers to teleworking

58% of companies reported individual productivity increases and 45% reported team productivity increases in the remote workplace compared to pre-COVID-19



There is a labour shortage in high-demand STEM jobs, making it a “sellers” market for skilled workers

54% of executives surveyed reported digital talent shortages are hampering performance



Today's workers are no longer prioritizing longevity, on average switching jobs more often and more likely to be actively seeking new work

More than half of Millennials have had three or more jobs since the start of their career

Sources: <https://www.mckinsey.com/business-functions/organization/our-insights/what-executives-are-saying-about-the-future-of-hybrid-work>, <https://www.capgemini.com/resources/digital-talent-gap/>,
Forbes.com “Why Your Millennials Are Leaving (And How To Keep Them)” (Kirsh Chopra), <https://www.bizjournals.com/bizjournals/news/2021/05/13/wfh-work-from-home-raise-salary-google-facebook.html>

Remote/virtual work caused by COVID has had mixed impact

Performance is better, but more varied, while organizational health has suffered

Performance



43% Net increase in decision speed and quality across the enterprise

30% Net increase in variability of performance across the enterprise

Health



15% Net increase in fatigue and burnout across the organization

55% Believed that belonging was unimproved or impacted negatively

While the picture is evolving, strong evidence suggests that the role of virtual work will continue as the COVID-19 crisis abates

81% of surveyed employees somewhat to strongly agreed that they “love working from home”

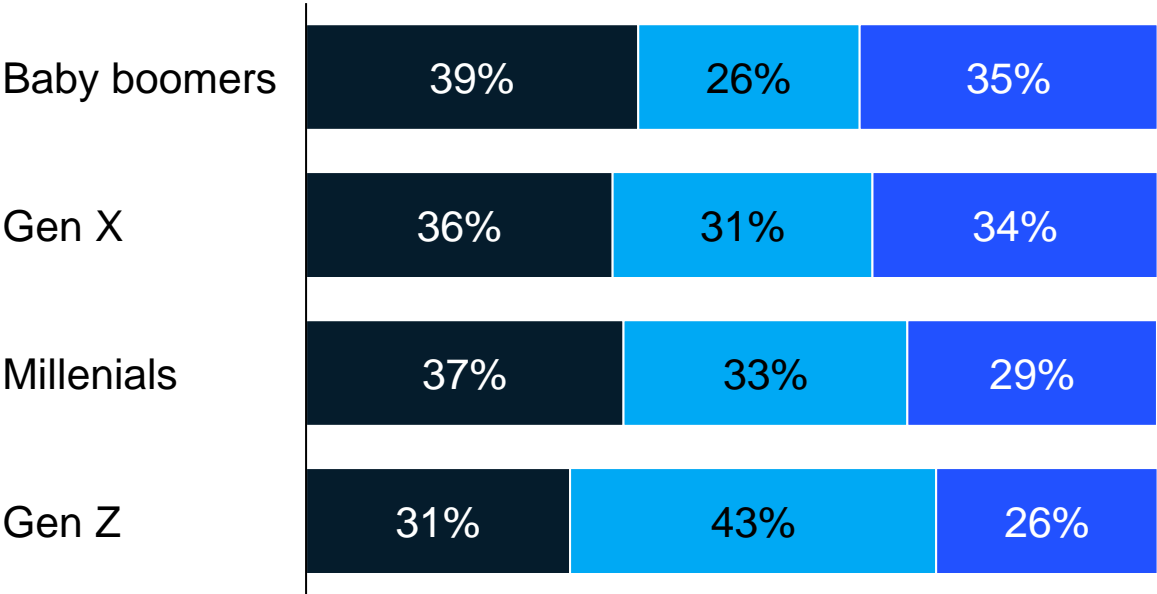
86% of surveyed employees would like to work remotely at least 1-day a week after the emergency

70% of surveyed employees report that the ability telecommute plays a role in the choice for their next job

29% of surveyed employees said they would consider switching employers if went back to a fully on-site model

Most appealing work scenario

■ Work from home full-time ■ Work at workplace full-time
■ Split between home and workplace



Source: McKinsey Consumer Survey; Reimagine Work: Employee Survey; ;McKinsey COVID-19 Smart working survey; Gallup; Salesforce; Gensler; PwC; Global workplace analytics

However, the desire for increased flexibility pre-dates the pandemic...

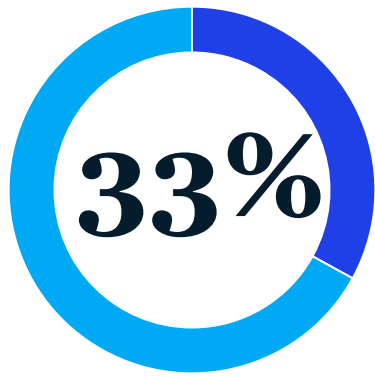
Prior to COVID-19

Work/life flexibility was the

#1

issue raised by women and men at their workplace in 2019¹

But only...



of employers allowed some employees to telecommute on a regular basis

1. Out of the following issues: work/life flexibility, equal pay, gender or racial bias, need for mentorship or sponsorship, need to improve diversity, reverse discrimination, sexual harassment or none of the above

Source: 2019 Women in the Workplace research, SHRM, Navigating COVID-19: Returning to the Workplace; Gartner, Reimagine Work: Employee Survey, Press Search

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...The pandemic just proved that more flexibility is possible

Employers who reimagine where and how work is done post –pandemic and get it right will likely ‘win the war for talent’ as employees seek continued flexibility

Employers who identify new roles that can be largely virtual will have access to new, potentially more diverse pools of talent

Redefining the Employee Value Proposition and Employee Experience is critical

And employers are acting....



of CXOs expect their organizations to offer a hybrid model allowing for at least 1-day of virtual work a week

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In fact, remote-work options could attract new talent or tempt otherwise satisfied employees to quit

40%¹

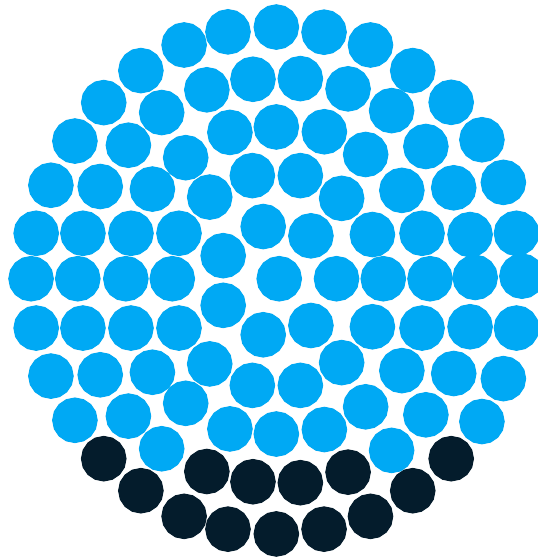
of employees stated that they are at least somewhat likely to leave their current job in the next 3 - 6 months

65%¹

of employees who are likely to stay at their current job said one of the primary drivers for staying was liking where they lived

Working arrangement for new job located in different city/state,²
% of respondents

87% Allowed to work remotely



13% Required me to move

Companies are increasingly looking to attract hard to find talent with remote work options, putting even more of the workforce “in-play”

Source: 1 Employees who are planning to stay (n=2,964) subsection of Great Attrition/Great Attraction survey conducted in August 2021. 2 Responses from participants who said that they took a new job in a new city/state in the past 6 months (n = 208) subsection of Great Attrition/Great Attraction survey conducted in August 2021.

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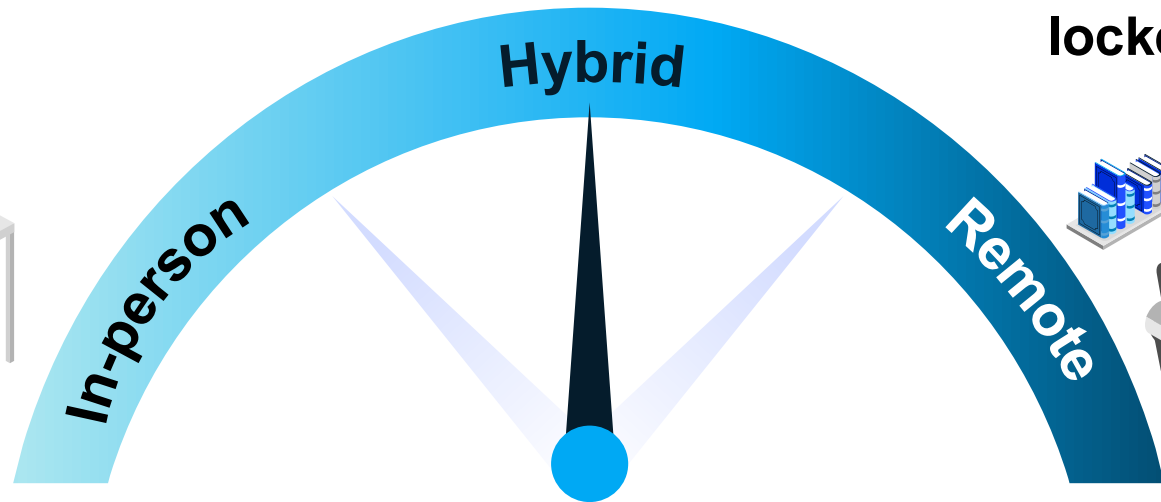
Additional Considerations for Public Sector Organizations

Organizations cannot return to the way they were, nor can they operate the way they did in lockdown

Return to the way things were pre-lockdown



Define a future, hybrid state between the two



Operate like we did during lockdown



We are entering a new phase, which is hybrid, and it will require being deliberate and purposeful about the future

The vast majority of organizations are choosing hybrid models – choices by public sector organizations are mixed

Many industry leaders have publicly asserted their intentions to support more telework and remote work

Illustrative



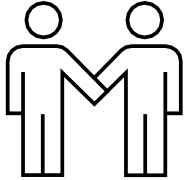
Source: Press search, as of October 2021

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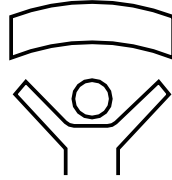
Three workplace archetypes of organization are emerging around remote, hybrid, and fully on-site staff and work



Returners

Believe that lower collaboration, lack of belonging in remote working does not make up for improvements in productivity or flexibility

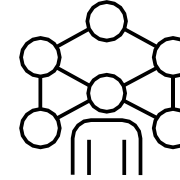
Want their workforce (with minor exceptions) to return to workplace as soon as possible



Hybridizers

Believe that ask for flexibility needs to be listened to, that productivity has been maintained or improved, and that cultural challenges are addressable with targeted in-person

Want most of their workforce to be hybrid (in person 2-3 d/ wk) as of Q2/ Q3, with targeted changes over time



Retoolers

Feel that the last year has unlocked a new operating model that could create a competitive advantage through greater productivity, employee satisfaction, technology absorption and upskilling pace.

Will remain mostly remote, and use new tech, practices to resolve challenges

Majority of orgs

Hybrid models are really different

Successful organizations
are therefore very
deliberate about where and
how people work together



Most government offices went from “all” on-site pre-pandemic to “all” remote during the pandemic – execution was complex but necessary



A hybrid of mixed on-site and remote work raises new opportunities for how government services can be delivered (e.g. increased uptake in online interactions can improve access for citizens)



Achieving the right balance between remote/hybrid/on-site will impact innovation, creativity, and social cohesion in organizations

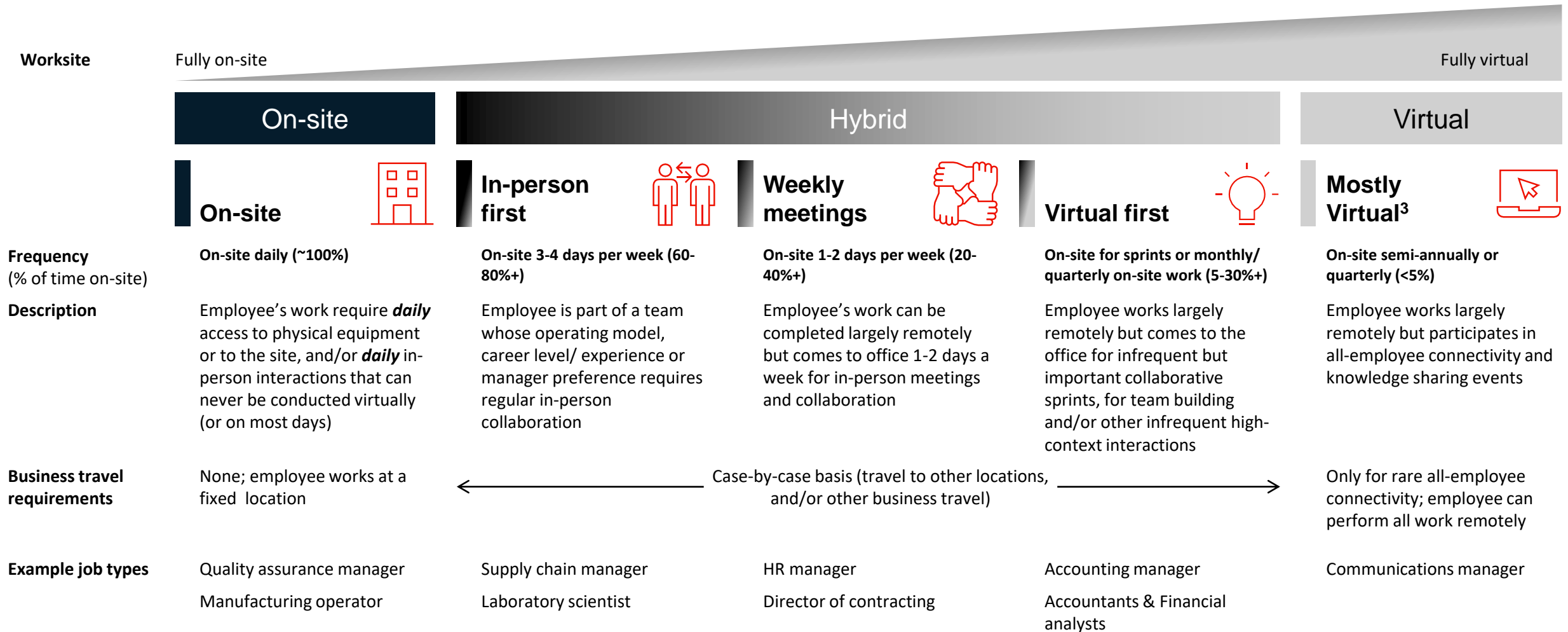


Employee experiences are critical - 75% of executives are excited about return to the office, while only ~25% of employees are excited

- Communications are critical to engaging the workforce during the transition, and to maintaining positive employee experiences
- Leadership and meaningful social interaction (remote and in-person) interaction must be more intentional

Many organizations will likely need to evolve their operating model, including segmenting their workforce by work location

In principle every job that creates a **digital output**, or an output that **could be digitized**, could be conducted virtually



Government CxO Leaders face unique challenges

COVID-19 made it clear that remote work is possible, even preferred, but long term questions remain



Secure Remote access to key systems and technologies

- Access to mobile hardware and Enterprise collaboration tools.
- Cloud security tools.
- Single instance, remote access systems



Updated workforce policies, including flexible work

- Remote-work classification and Scheduling.
- Updated performance-review criteria for flex work.
- Connectivity and organizational culture.
- Training to support the shift to remote/hybrid work
- Remote talent recruitment and onboarding



Process Simplification

- Automation of activities requiring office visits.
- Workflow automation.
- Priority process automation.
- Remote/touchless compliance and enforcement functions



Facilities and accommodations

- Re-thinking Facility needs/portfolios.
- Adapting space for Hoteling and flexible work.
- Collaboration Technology infrastructure (e.g., Wi-Fi)

Do you have...

- ✓ A specific, quantifiable vision, and timing?
- ✓ A respected senior sponsor?
- ✓ A data-driven approach?
- ✓ Channels for workforce input?
- ✓ Governance mechanisms?
- ✓ Dedicated resources?
- ✓ Change Management Plan?

Getting hybrid right in the Public Sector will require a commitment to iterating and “failing fast”



Figure out moments that matter

Identify the moments where physicality truly matters for each cell of the organization to build alignment, community, and innovation that maximizes organizational performance



Measure, measure, and measure

Monitor a core set objective measures around productivity, satisfaction, connectedness, and innovation to rigorously assess the experience of your employees



Experiment to learn

Choose a cell in the organization, define the moments that matter for that cell, measure as you test new ways of working, scale what works, change what does not, and repeat



Make this our change

Ensure employees feel like their voice and ideas are driving decisions versus decisions are forced by a central task force. This cannot be a purely top-down process

Governments might look to engage internal digital organizations to build muscle memory around hybridized “agile” ways of work



Canadian Digital Service

Service Canada

Service Ontario

Service Alberta

Digital New Brunswick

Ontario Digital Service

Provincial Digital Health
Services

Canadian Innovation Labs,
Incubators and Accelerators

Early adopters of ‘digital by default’ may be first movers on agile ways of working



UK Government Digital Service (GDS): An agency within the Cabinet Office builds central digital service portal (GOV.UK)



Denmark Agency for Digitization (DIGST): agency with the Ministry of Finance drives provision of "world class digital services" via national portals



German Ministry of Interior: division within ministry coordinates with other departments and federal states to digitize all public services



Services Australia: A federal government department created to improve the (digital) citizen experience



National: US Digital Service; **Sub-National:** Utah, Colorado, Texas, and Minnesota, as well as large States like New York, Illinois and Massachusetts

Thought exercise



Consider the following from your perspective and that of your Public Sector workforce:

- Ways of interacting / collaborating
- Service design and delivery
- Technology
- On-site, physical space
- Lifestyle (e.g., commutes)
- Culture and social cohesion
- Innovation and new ideas
- Customer service
- ...

Works /
Keep

What worked really well before the pandemic that we should make sure to take forward?

What has worked really well in a remote/hybrid environment that we should take forward?

Doesn't
work /
change

What didn't work pre-covid that we should take the opportunity to fix?

What is not working in a remote/hybrid model that we should take the opportunity to fix?

Pre-COVID

Last ~18 months

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Five levers that will enable the Future of the Office and Service Delivery are critical for consideration by Public Sector Leaders

1. Ways of Working

Processes, ways of working, decision making that keep the best of what COVID has created

5. Culture, talent, change

Reflecting culture and how shared values, accessing a broader talent pool outside of traditional footprint, driving sustainable change

4. Technology

New tools and cloud-based applications, AI-enabled productivity tools that enable digital interactions and virtualization



**Future
of
the Office
and Service
Delivery**

2. Real estate

Flexible models (e.g., co-working leases, integrated facilities management) and portfolio that accommodate shift in which activities get done where

3. Workplace

New amenities, flexible spaces, and digital interactions that advance productivity and reflect how employees engage in the workplace itself

Ways of Working (1 of 2)

Implementation requires understanding working norms, capabilities, and processes / policies

Examples - not exhaustive



What working norms and ways of working need to be developed or normalized?

- Norms set by teams on expectations for interactions (internally and externally with citizens/customers), communication, and boundaries
- Organizational ways of working that drive a hybrid-virtual culture, including communication, decision-making, measuring impact and success, and innovation



What capabilities need to be reinforced? What new capabilities will be required?

- Ability of individuals to use virtual meeting platforms
- Effective leadership of virtual and hybrid teams by managers
- Clear communication and promotion of cohesion by executives



What processes and policies need to be clarified for a hybrid-virtual workforce? (see following slide)

- Processes for recruitment, onboarding, learning, assessment
- Policies for reimbursement, travel, office set-up, connectivity



How do you maintain your culture and connectivity in a hybrid virtual setting?

- Ensure remote employees do not feel like they're second class
- Be intentional about everything, especially social cohesion and interpersonal connections (or they may not occur)
- Emphasize and communicate purpose for everyone

Ways of Working (2 of 2)

Public Sector organizations will have to consider especially how hybrid work arrangements impact policy and process

Examples - not exhaustive

Processes



Recruitment	Talent sourcing protocols Processes for virtual recruitment and assessment
Onboarding	Decisions on balance of virtual vs. on-site onboarding Development of virtual onboarding processes
Learning and development	Development of virtual training and development modules / programs
Assessment	Development of KPIs for virtual setting Process for conducting performance reviews

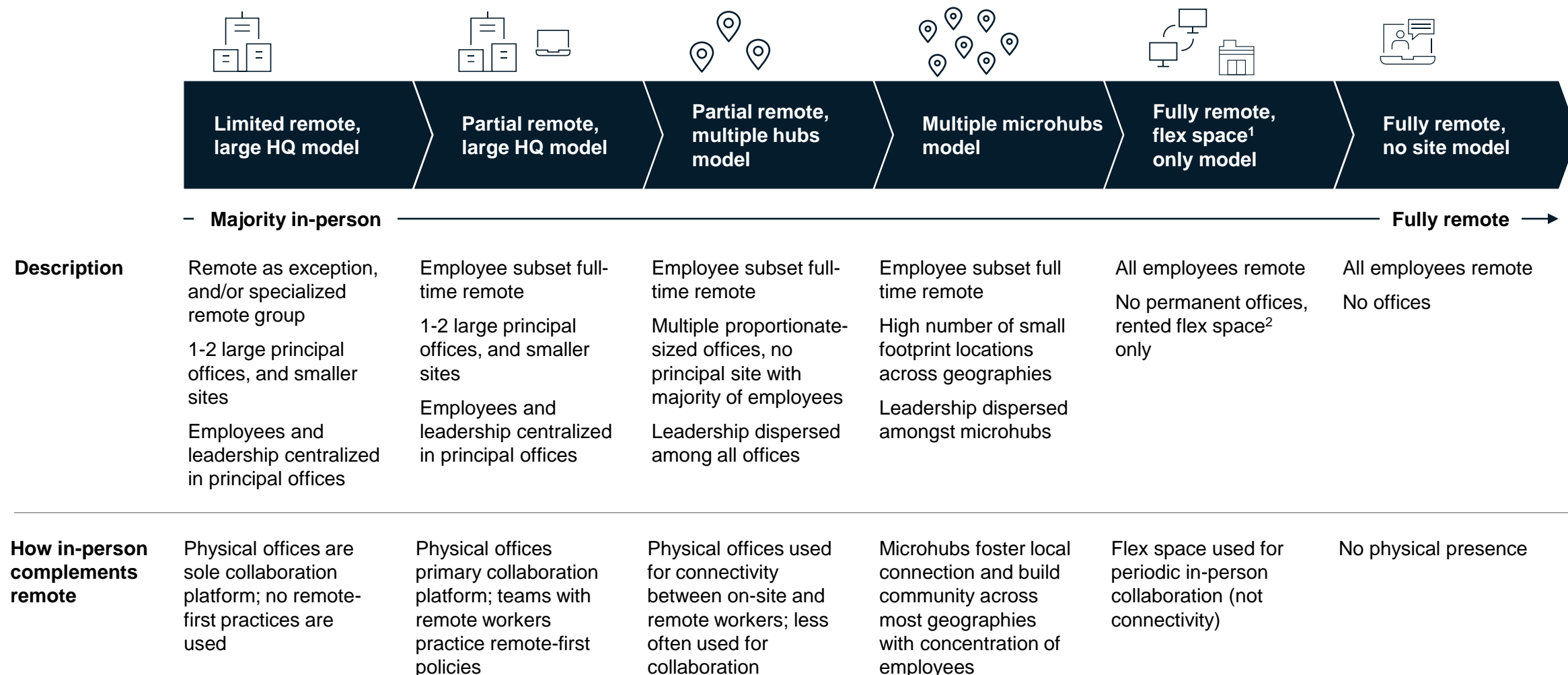
Policies



Reimbursement	Home office materials / supplies reimbursement Travel reimbursement – both regular business travel and travel to physical office
Travel	Business travel policy in context of virtual working environment Expectations of employees to travel to physical office location (e.g., once a week vs. once a month vs. once a quarter etc.)
Office set-up	Policy on office kitchen set-up (e.g., decision on whether coffee, snacks offered in new working model)
Connectivity	Intentional activities to cultivate connection and meaning for employees

Real Estate

Employee segmentation and working model choice will inform location strategy



¹. Flex space includes temporarily (e.g., monthly) rented space utilized in select cities for semi-regular gathering and collaboration

Workplace

Employee segmentation and working model choice will inform location strategy

From individual workspaces and offices



...to purpose built spaces that enable collaboration



Traditional workplaces often devote more than **70% of space to desks and individuals offices**, focused on heads down work...

In the future, **70% of space could be used to create collaborative spaces**, that can accommodate flexible work options (remote, in-person, individual work; etc.)

Technology (1 of 2)

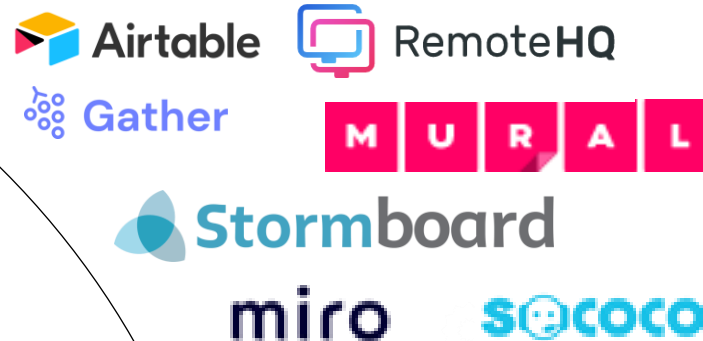
Collaboration tools will be needed to support hybrid working models

HORIZON 1

Dynamic tools and services that help organizations foster creativity, generative thinking, asynchronous work, and collaboration models (e.g., whiteboarding)

TOOLS AND SERVICES FOR CORE OUTPUT

Core tools and services to increase productivity and communications (e.g., content creation, video conferencing, file sharing, channel-based communication)



HORIZON 2

Spatial and immersive experiences that transform how organizations collaborate in a virtual context (e.g., VR, AR)



HORIZON 3

What's next?

Technology (2 of 2)

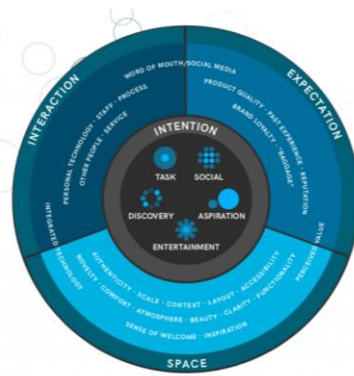
A variety of measurement tools can be used to measure impact of future of work initiatives

Illustrative

Experience and culture

Pulse surveys monitoring employee sentiment (e.g., Through an app)

Change in sentiment on public posts (e.g., Using NLP on new glassdoor posts)

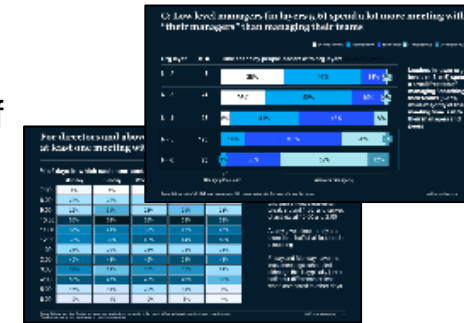


Work patterns

Performance mapping and assessment of achievement

McKinsey orglab mapping of types of managers and working patterns

Digital indicators (e.g., email usage patterns, changes in data storage usage) of interactions



Cost efficiency

Capital and operating expenditures in technology, real estate

Labor cost analysis

Utilization relative to allocation of space

Occupancy and traffic patterns



Collaboration and innovation

Digital footprint via calendar and meeting metadata analytics

Space usage proxies (e.g., Desk dwell time versus conference room usage)

Physical network analysis through use of digital badge sensors



Example tools

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People and Org Analytics



XSF employee experience analytics



Office Analytics

Gensler

Intelligent Places Platform

RxWell™



Culture and Change (1 of 2)

Organizations must be deliberate about prioritizing and strengthening culture in a hybrid environment



Get to know each other

Schedule kick offs/ introductions when new teams come together and take time early on to align on team identity, values and norms. **Dedicate time to share more about yourself and be inclusive in inviting others** to do so



Really check-in with people

Plan one-on-one catch ups to check in on status of work and on them as people. **Allow and plan for more time** on calls for team members to open up and share how they are *really* feeling, role model what this looks like. Adopt the “Ask Twice” rule to get below the surface of employees’ surface responses to how they are doing. Conduct weekly **check-ins with the team** and ask each person to share how they are feeling, **physically, emotionally and intellectually**, and track the ups and down to identify when changes are needed



Accommodate new needs

Acknowledge the situation and ask leaders to share potential distractions, what the team should work around, and where they need to be fully present. **Accommodate needs for gaps that continue to be created by COVID-19** (e.g., childcare, eldercare, etc.) where possible. Schedule 5-10 min gaps between calls

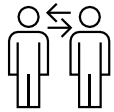


Celebrate successes

Create **outlets to share best practices and success stories** to create a sense of community and support. Encourage team members to **recognize and call out achievements**

Culture and Change (2 of 2)

Across functions, managers must be trained to adapt and lead – not micromanage



Set the direction clearly

Define success: Set clear, transparent objectives and goals, and roles for teams and members

Create space to clarify goals and redirect: Thoughtfully increase the level of communication compared to working on site to ensure alignment but never “meet to meet”, i.e., have weekly or even daily check-ins

Contextualize expectations: Build in thoughtful opportunities for growth



Empower the team

Establish psychological safety: Lead with vulnerability, empathy, curiosity and transparency, i.e., share more about yourself, including highs and lows

Anchor in purpose: Communicate to the team how their work connects to the objectives of the team, organizational values, and mission

Delegate decision-making power: Empower the team to make decisions wherever possible; Streamline management approvals and committees

Replicate in-person team setting when appropriate: Use tools to help you create virtual whiteboards, cameras to have face-face conversations, etc.



Connect the dots as a servant leader

Build self awareness and perspective taking: Enable employees to become more aware of their conditioned tendencies under stress and invest in ability to reframe challenges through perspective taking

Proactively debottleneck: Engage frequently to understand roadblocks and progress, and be in problem-solving mode to provide value; unlock energy and capacity throughout the system; dynamically reprioritize

Embrace continuous improvement: Promote it as a team priority; practice feedback for learning; visibly act on employee input and feedback

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Covid-19 increased the importance of agility in how we work in all sectors, especially the Public Sector



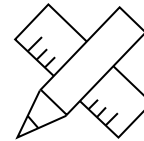
Rapid decision making

Organizational leaders say “we are making decisions in an afternoon that used to take us 3 months to make”



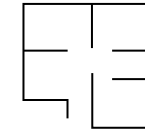
Flatter, faster organizations

Virtual delayering with communication flows jumping across several layers of hierarchy, e.g., connecting the corporate center directly with the front-line



Small, agile teams

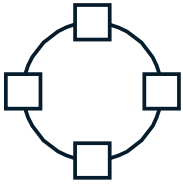
Organizations have started to institutionalize the ability to launch and dissolve small (agile) teams for swift issue resolution and opportunity capture



Dynamic talent reallocation

Companies are reallocating talent dynamically through connecting critical talent to value and through broader workforce redistribution

There are four major Public Sector objectives for re-imagining work...



Increased resilience

Create strategic redundancy of capability across geographies

Reduce concentration of critical personnel



Reduced costs

Move to smaller footprint in high-cost areas

Move from leased space to owned space

Hire talent in lower-cost locations

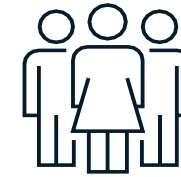


Enhanced productivity

Eliminate commuting and other wasted time

Reduce unscheduled leave

Access better technology and tools at home (in some cases)



Improved access to talent and retention

Compete in the market (where flexibility is a key benefit)

Reach in-demand talent where they are (geographically)

Support a diverse workforce

... and four priority areas for Public Sector Leaders to tackle

1. Adopt Remote/flexible work models

- Provide for and encourage use of flexible work locations and hours
- Build managerial capacity to manage hybrid teams
- Re-design work to manage to deliverables (vs. hours) and take hard look at security constraints

2. Invest in technology

- Provide more mobile Hardware to help employees work effectively from anywhere
- Support enterprise collaboration tools to support collaboration within and across teams (e.g., task and project management tools)
- Build out cloud security tools to allow access to data and software from multiple locations

3. Re-think facilities

- Optimize the facilities portfolio to reduce office space or reconsider where office are located
- Create more flexible space with desk hoteling systems, moveable walls, etc.
- Invest in audio/visual equipment for conference rooms and high-speed Wi-Fi to support hybrid teams

4. Refocus on mission-critical tasks

- Automate routine tasks (e.g., submission of time sheets)
- Increase workflow automation to speed sign-off and reduce complexity
- Digitize and automate most manual processes to free up capacity for higher value-add work

Benefits, challenges, and risks of hybrid work for the Public Sector CXO's

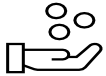
Benefits



Improved talent access



Increased operational efficiency



Improved cost position



Increased employee engagement

Challenges/Risks



Erosion of organizational culture and social cohesion



Creation of uneven and biased playing fields



Complications in communication and collaboration



Reduction in innovation and creativity

Closing thoughts

COVID's "unfreezing" of the concept of normal creates three areas of opportunity for large-scale organizational change in the Public Sector

Redefine Purpose

Employees from the C-suite to the frontline are craving deeper meaning in their work. Nearly two-thirds of surveyed employees said that COVID-19 has caused them to reflect on their purpose in life. Nearly half said that they are reconsidering the kind of work they do because of the pandemic.

Reconnect to Mission and Purpose

Put the workforce first

The talent marketplace is now intensely hot. In a recent survey, we found that organizations can achieve a 55 percent improvement in employee engagement by addressing recognition through nonfinancial means. We also saw a 49 percent improvement in employee engagement by aligning organizational values with individual purpose.

Rethink the knowledge, skills, abilities, and experiences (KSAEs) required for jobs

Make the workplace a vehicle for your people and values

After reimagining the work to be done and putting people first, organizations should close the loop by supporting their employees' needs. A clear vision for the working model—whether hybrid, in-person, or remote—is essential

Focusing on employee experience pays dividends in productivity