



Remote control? Management in the age of the deconstructed team

A disjointed workforce brings new challenges and opportunities for workers and organisations, writes Nick Martindale.

Today's technology makes it possible to work from virtually anywhere, a fact recognised by generation Z, currently entering the workforce. Its members have different expectations of employment compared to those of workers even a decade ago, including how and where work should be carried out.

As a result, many organisations now rely on increasingly fragmented workforces, whether that's employees working flexibly or remotely, or contractors and freelancers based in-house or out of the office. We've termed this phenomenon the "deconstructed workforce".

However, for all its benefits, this versatility creates challenges for those in talent acquisition and management, and some organisations have, like King Canute, tried to hold back the tide: for instance, both IBM and Yahoo! hit the headlines a few years ago by attempting to ban remote working, despite operating in the very sector which has enabled such freedom.

Wendy Hirsh, principal associate at the Institute for Employment Studies, gives the example of a company that insisted its remote designers begin working in-house. "That was a terrible breach of the psychological contract and it sent out a terrible message around trust," she says. "They tried it for a few months, then changed back."

She believes employers have an obligation to consider what flexible workers or contractors want, as well as being clear about what is required.

A mindset shift

Such efforts to cling to traditional ways of working already appear outdated. According to research by YouGov, just 6% of UK employees work the traditional hours of nine to five, while government figures show the number of self-employed people rose from 3.3 million (12% of the workforce) in 2001 to 4.93 million (15.1%) today.

According to the Association of Independent Professionals and the Self-Employed, 320,000 people who have employed status have a second role they undertake on a self-employed basis. All this means traditional models are having to adapt.

"The notion of a fixed workplace is changing," says Dr Syed Ali Tarek, business lecturer at Arden University. "Over the past decade, the digital revolution has opened up possibilities that were once unthinkable. Many workforce policies are legacies of the 20th century and are being challenged to meet the demands of the 21st-century lifestyle."

Gwendolyn Parkin, director of career consulting firm Integral Career, believes organisations need to change their mindsets. "They shouldn't

distinguish too much between employed and freelancers,” she argues. “Obviously, employed staff get benefits that freelancers don’t, but they need to be inclusive of everyone. Organisations need talent, and they’re becoming less concerned about the package it comes in.”

This kind of approach will be vital if organisations are to benefit from the kind of creativity and innovation that comes with having a diverse workforce, she adds.

To become what talent provider MBO Partners terms “a client of choice”, and entice the brightest and the best to work for them, forward-looking organisations will need to provide multiple engagement modes and means of entry. “Our research shows today’s talent has a multitude of options for how they work,” comments chief of market strategy Bryan T. Peña.

Flexing for scale

Temporary workers can also provide valuable market knowledge for specific projects on a flexible basis. This is demonstrated at Microsoft, where managing a dispersed workforce is nothing new, according to Elke Jorens, senior director, head of talent acquisition EMEA. “As a philosophy, it’s structurally part of our resourcing,” she says.

“We’ve always had a proportion of flexible workers, because talent acquisition remains very much linked to the economy. Additionally, we have projects that come ‘on the fly’, where we use flexible resourcing. It’s also impossible to know in advance which geographies, parts of the business or even languages will be involved.

“For example, when we worked with Alexander Mann Solutions on our inside sales hiring for Dublin, people needed to come from around Europe, but predominantly from Ireland and the UK, and some parts of Scandinavia, so we were able to tune the resources we put on the project. And if, for instance, a project was in the Middle East, I would have the flexibility to find people who know that part of the world, who have market knowledge and speak some of the languages.”



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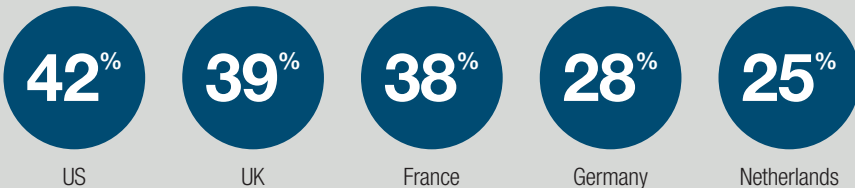
Susy Roberts, executive coach and founder of people development consultancy Hunter Roberts, believes it’s important to be clear with contractors or freelancers around what is expected of them. “You need to make sure there’s total clarity of contract and deliverables, including KPIs and measurement, and then communicate that to the line manager who has responsibility for performance,” she advises.

Feedback is also vital, for both contractor and employer. “It’s important that a freelancer knows how his or her work will be evaluated,” says Julia Kermode, chief executive of The Freelancer & Contractor Services Association. “Did they meet the objectives? Do they fit your corporate culture? What are their strengths and weaknesses? Did they go the extra mile?”

There are also legal risks to factor in, particularly around the use of contractors who are effectively representing your organisation. As Jonathan Maude, partner and chair of UK/EU employment group at law firm Vetter Price, warns: “If you have a contractor (or ‘worker’ in the UK), who is effectively clothed in corporate livery and email and they start harassing someone, taking bribes or breaching financial conduct rules, those issues

HOW MUCH DOES CONTRACT WORK APPEAL?

Globally, 36% of workers see the appeal of freelance and short-term contracts. By country, this breaks down as follows:



Source: Fuze <https://www.fuze.com/files/documents/Fuze-WorkforceFutures-Infographic.pdf>

are at the door of the employer. To the outside world these people are seen to be employed by the company.”

HR must tread a fine line between seeking control over contractors and crossing the threshold where it could be argued they should be employed, he adds. “There’s a spectrum for where people sit within the company. But HR is entitled to advise anyone working for them, no matter their status, as to the level of conduct required.”

Yet the question of whether an individual is a genuine contractor is a dangerous grey area, as shown in recent cases involving Pimlico Plumbers, Deliveroo and Uber. Factors such as an individual’s control over their working arrangements, their uniform, and their ability to turn down sessions or provide a substitute must be taken into account when deciding how to engage an individual.

“What this comes down to is a number of tests which determine how closely aligned an individual is with a business,” explains Maude. “When you have people who may have been employees and are now providing their services five days a week, then in that circumstance, despite the badges you put on it, they’re close to being an employee.”

Creating a sense of connection

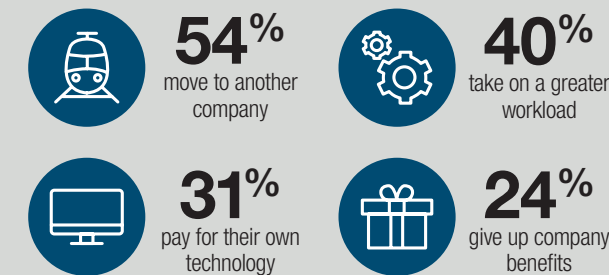
Ensuring that dispersed workers feel part of the organisation, and buy into its culture, is another challenge organisations face. A recent study by the Association of Independent Professionals and the Self-Employed identified three main challenges for self-employed people: not feeling part of a team, feeling ‘disconnected’, and loneliness.

A divide often exists between permanent staff and contractors, admits Hema Bakhshi, chief workplace officer at workforce transformation firm Adoptt. “If you’re a contractor, there are certain things you’re not invited to, you’re not entitled to benefits or perks of the job or even the basics around the core company messaging and positioning,” she explains. “That attitude has to shift. Companies need to think about how they can widen the net and become much more open and accessible, and perhaps think about an associate value proposition or something that transcends the broader, permanent employment contract.”

In practical terms, this can be as simple as “treating contractors as part of the extended workforce”, says Roberts. “Invite them to social events, bring them into meetings about projects they could be involved with, ask their opinion about key issues. This doesn’t just ensure people remain engaged; it provides extra insight internally from someone who has a wider perspective.”

Jorens explains that Microsoft embeds its

WHAT EMPLOYEES WOULD DO TO GAIN FLEXIBILITY



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project workers into existing teams as far as possible. “True partnership is important, whether with our in-house or external workers,” she says. “It starts with a mindset. We’re quite strict on the calibre of candidate we bring into our teams, but as a result we integrate them in our teams as we would do with any new person.”

It’s crucial to get people together, even if irregularly, believes Hirsh. “People discovered this very early on with job-sharing; you have to build in these valuable spaces where people working in different places with different patterns can overlap,” she says.

A failure to do this can negatively affect new joiners, she adds, citing an example when a young in-house employee felt she was being held back by being unable to build networks due to large numbers of peers working virtually.

Some form of onboarding should be provided to freelancers or those working on short-term assignments. A study by Cezanne HR found that 60% of HR professionals either do not include gig workers in their onboarding processes, or do not know whether this is done in their organisation.

“HR should provide a thorough induction so that even short-term contractors understand the brand, its values and its clients,” says Tarek.

Another area of challenge in a deconstructed workplace is managing workers’ health and wellbeing. Many flexible workers put in extra hours and may even work when they are ill, warns Dr Charmi Patel, associate professor in HR management at Henley Business School.

“Their recovery takes twice as long because they’re still working and not really recovering,” she says. “It can lead to more illness and burnout.”

As deconstructed workforce models proliferate in certain sectors, HR will increasingly find itself tasked with keeping networks of flexible workers engaged and ready to come on board as required.

“One thing we don’t do well enough is manage those talent communities,” admits Bakhshi. “In an age where personalisation is almost expected, companies have the challenge of how they can create a personalised approach that can scale.”

This is only likely to become more important as new generations, used to customising everything about their lives, enter the workplace.

Jo Taylor, managing director of Let’s Talk Talent, sought to address this in her former post as director of talent and resourcing at TalkTalk.

“One of my big pieces of strategy was talent communities and pools, whether that was people who were ‘silver medallists’ when they were going for a role but weren’t quite right, or people I was keeping warm for the future,” she says.

“We used to do lunches to get feedback from contractors, and I’ve seen some companies create community groups within their organisation so they can spread the learning from specific interest groups. It should be part of any talent or HR director’s agenda.”

Office architecture

A fragmented workforce has clear implications for office design and space. “Workplaces will continue to become very flexible; corporates will embrace freelancers a lot more and the lines of separation will become blurred, because employees now turn over a lot faster,” predicts Parkin.

“Some employees are only in an organisation for two years, especially those under the age of 35, and that’s now acceptable, so employers have to create environments that people want to be in.”

This could also increase the value of regular contractors and freelancers to organisations, as they can help to plug the gaps created by higher

levels of staff turnover. In some cases, freelancers may well end up working for a business over a longer timeframe than in-house staff. According to MBO Partners’ annual Client of Choice research study, the average independent professional has nine years’ experience working independently, works for four to six clients at a time and has been working with these for an average of 3.2 years.

There’s also likely to be a rise in the number of collaborative hubs where freelancers and contractors can gather, as well as firms which decide they no longer require offices at all. In 2017, US company Automattic, which operates Wordpress, announced that it was to run entirely virtually after its CEO realised how few employees were coming into the office. It’s possible to envisage a future where a technology firm could have a number of satellite ‘hubs’ where virtual workers or freelancers could meet up to collaborate, but with the majority of work undertaken elsewhere.

The rate at which organisations move towards a more deconstructed workforce will inevitably be influenced by their sector and size. For smaller players with fewer staff, it will be easier to create flexible models, and may represent a means of attracting and retaining talent.

Globally, cultural habits will have an impact; the command-and-control management model still thrives in Japan, for instance, meaning it currently lags behind in its adoption of flexible working.

In the long term, however, the move towards a less centralised workforce will only increase, particularly with 5G connectivity. Companies must adapt to remain competitive, believes Tarek.

“We need to reimagine workplace engagement and liberate the boundaries to ensure we are encouraging the most productive minds,” he says.

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CASE STUDY

EMBRACING THE DECONSTRUCTED WORKFORCE AT ALEXANDER MANN SOLUTIONS

Alexander Mann Solutions prides itself on its flexible- and remote-working policies, with more than 70% of staff around the globe working non-traditional hours.

“We have embedded flexible working into our business for many reasons,” says chief people officer Sandy Lucas. “It enables us to increase the diversity of talent we attract and retain, and it helps future-proof our organisation.”

Practices such as remote and part-time working and job sharing are open to all. Staff are given the tools to work flexibly and the company’s collaborative technology and virtual learning system support this structure. Managers are equipped to make it work in their teams.

“Flexible working can deliver significant benefits,” says Lucas. “However, we understand that some options simply won’t work for certain roles or

businesses – the implementation must be commercially viable for a business. This philosophy flows through everything we do.

“Truly embracing flexible working, with the requisite acceptance and adoption, requires a change in processes, practices, capabilities and behaviours. Years of experience and research have given us deep insights into levers that enable this.”

