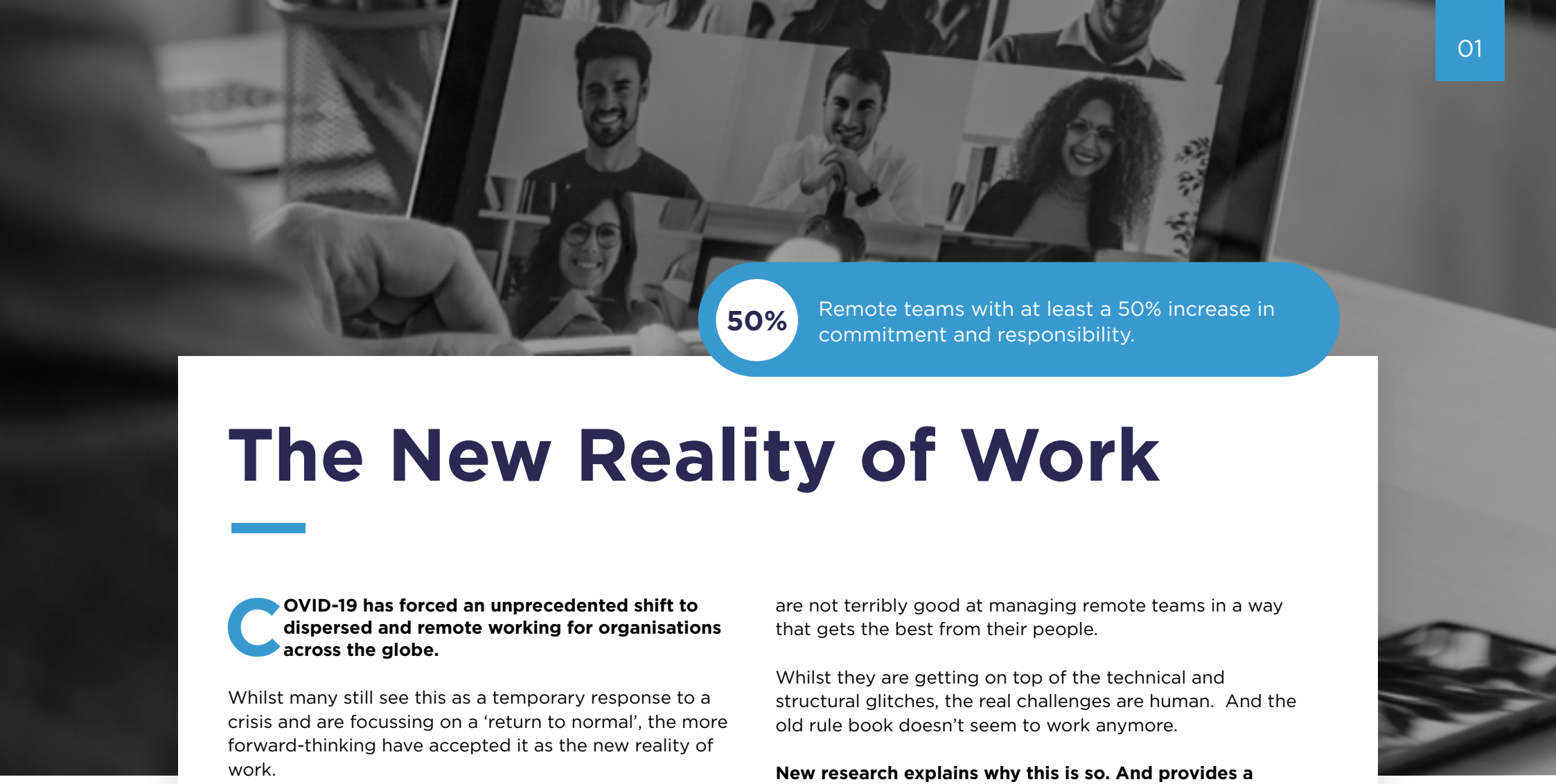
Dispersed working: The New Normal

Building remote teams that are clear, that care, and that can deliver with agility and pace

contexis

think. entrepreneur



50% Remote teams with at least a 50% increase in commitment and responsibility.

The New Reality of Work

COVID-19 has forced an unprecedented shift to dispersed and remote working for organisations across the globe.

Whilst many still see this as a temporary response to a crisis and are focussing on a 'return to normal', the more forward-thinking have accepted it as the new reality of work.

And are positioning themselves to reap the rewards of more flexibility, higher productivity, better work life balance - and lower cost and environmental impacts. But there's a problem. Most organisations are finding they are not terribly good at managing remote teams in a way that gets the best from their people.

Whilst they are getting on top of the technical and structural glitches, the real challenges are human. And the old rule book doesn't seem to work anymore.

New research explains why this is so. And provides a blueprint for building happy, productive and innovative remote teams.

Teams with at least a 50% increase in feelings of commitment and behaviours of responsibility.

98% of people would like the option to work remotely for the rest of their career.

Our old systems of management and engagement simply won't work any more

Dispersed working is here to stay. For most, there will be no 'back to normal'.

"The notion of putting 7,000 people in a building may be a thing of the past"

Jes Staley, CEO Barclays Bank

Leading organisations are adapting their thinking with extraordinary speed.

- Danske Bank has already given staff the option to work at home indefinitely.
- PwC anticipates most of its 22,000 UK staff and Tata Consultancy Services expects 75% of its 450,000 global workforce to work from home in the post-COVID-19 world.
- UK house-builder Taylor Wimpey believes the pandemic is likely to permanently change the way people use their homes and is looking at a complete redesign of its new-build properties.

"Remote working is here to stay at a pretty high level for some time to come"

Julie Sweet, CEO Accenture

Our old systems of management and engagement simply won't work any more. Organisations that fail to embrace that reality will lose out.

For those that get this transition right, this is a once in a generation opportunity to inspire people, boost productivity, reduce costs and safeguard the planet.

"Rethinking the rulebook on flexibility will ultimately prove a huge shot in the arm for productivity in the long term,"

Emma Holden, Global Head Human Resources Schroders

Are we ready? How do we know?

98% 98% of people would like the option to work remotely for the rest of their career

World Economic Forum /Buffer State of Remote Work Survey

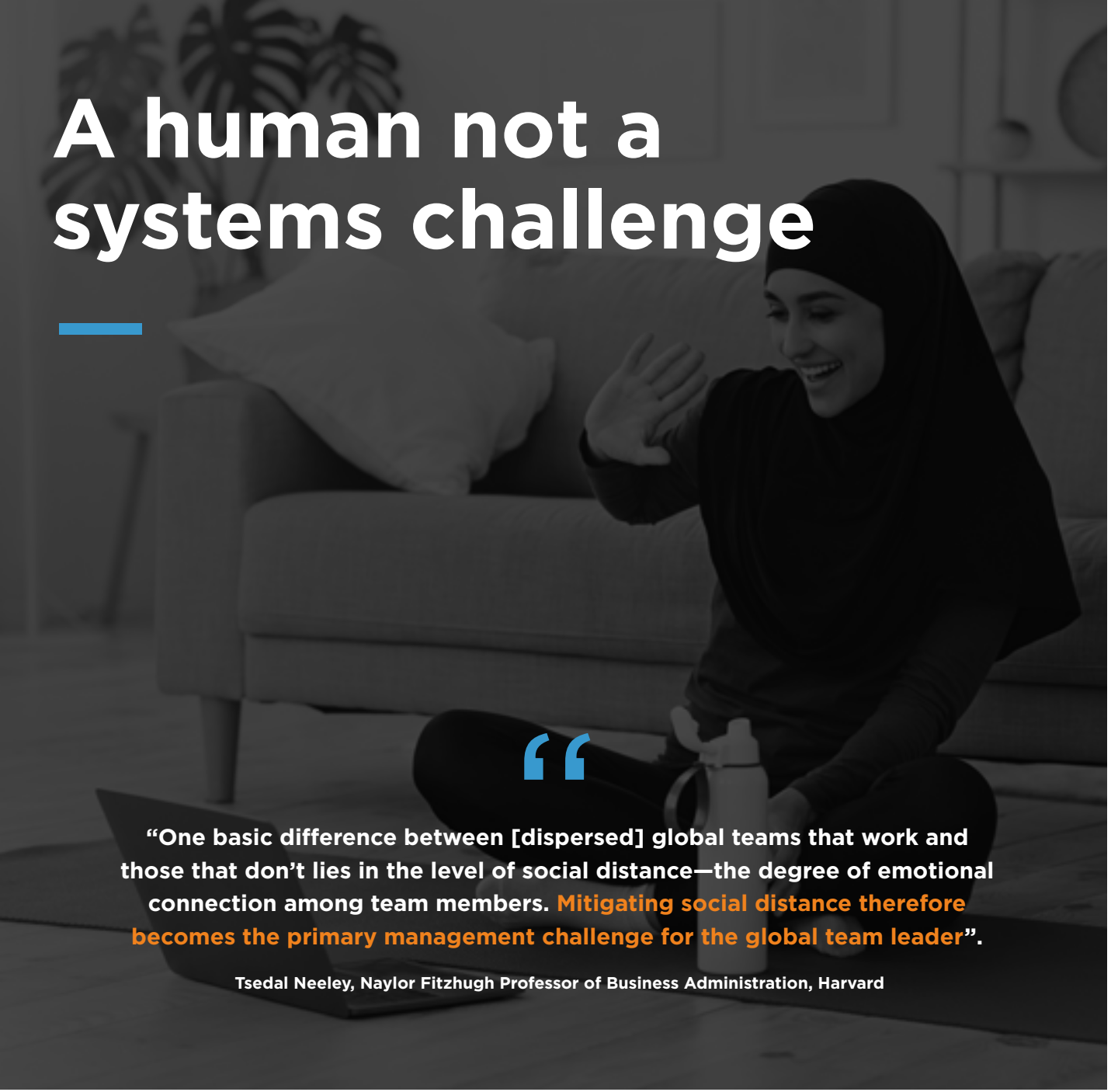
86% 86% of UK CEOs say there is an enduring shift towards remote collaboration

PwC CEO Panel Survey 2020

84% 84% of people feel able to perform as effectively working remotely as in the office

PWC Survey April 2020

A human not a systems challenge



> **"One basic difference between [dispersed] global teams that work and those that don't lies in the level of social distance—the degree of emotional connection among team members. Mitigating social distance therefore becomes the primary management challenge for the global team leader".**
>
> **Tsedal Neeley, Naylor Fitzhugh Professor of Business Administration, Harvard**

The challenge of dispersed working is not new. There are more than 10,000 books on how to lead teams remotely.*

What is new is the scale of the challenge and the fact that it reaches every part of the organisation.

This is often framed as a technical challenge; the security of IT, remote meeting protocols, creating structure in the employee's day.

But this is fundamentally a human challenge not a technical one.

And that challenge is the debilitating impact of **social distance** on human psychology; on our motivation, performance and well-being.

The solution put forward by most advisors is clear:

- Set a purpose or team charter
- Improve your communication
- Ensure engagement and social interaction

And most are finding this is not enough.

New research explains why this is so and shows that, in most case, these measures alone will have minimal impact on employee feelings and behaviours.

*Prof Tsedal Neeley, Harvard Business Review, March 2020

What the research tells us

Our research with Cambridge University shows something remarkable. Remote workers appear dramatically more sensitive than office-based colleagues to the impact of organisational purpose.

And that has huge implications for their commitment, ability to sustain autonomous work and their productivity. As well as on motivation and mental health.

Of course, employees who identify with organisational purpose are significantly more engaged than average colleagues. But the impact of purpose on feelings of commitment and responsibility amongst *remote* workers are a remarkable three times stronger than amongst *office-based* peers.

Why is this so? Why does bringing purpose to life appear to have such a marked impact on remote workers? Purpose appears to effectively bridge the **social distance** of remote work. And this has a dramatic impact on emotional connection and feelings of responsibility, care and commitment.

This is not about *setting* a purpose. *Awareness* of organisational purpose appears to have very little impact on how people feel or behave.

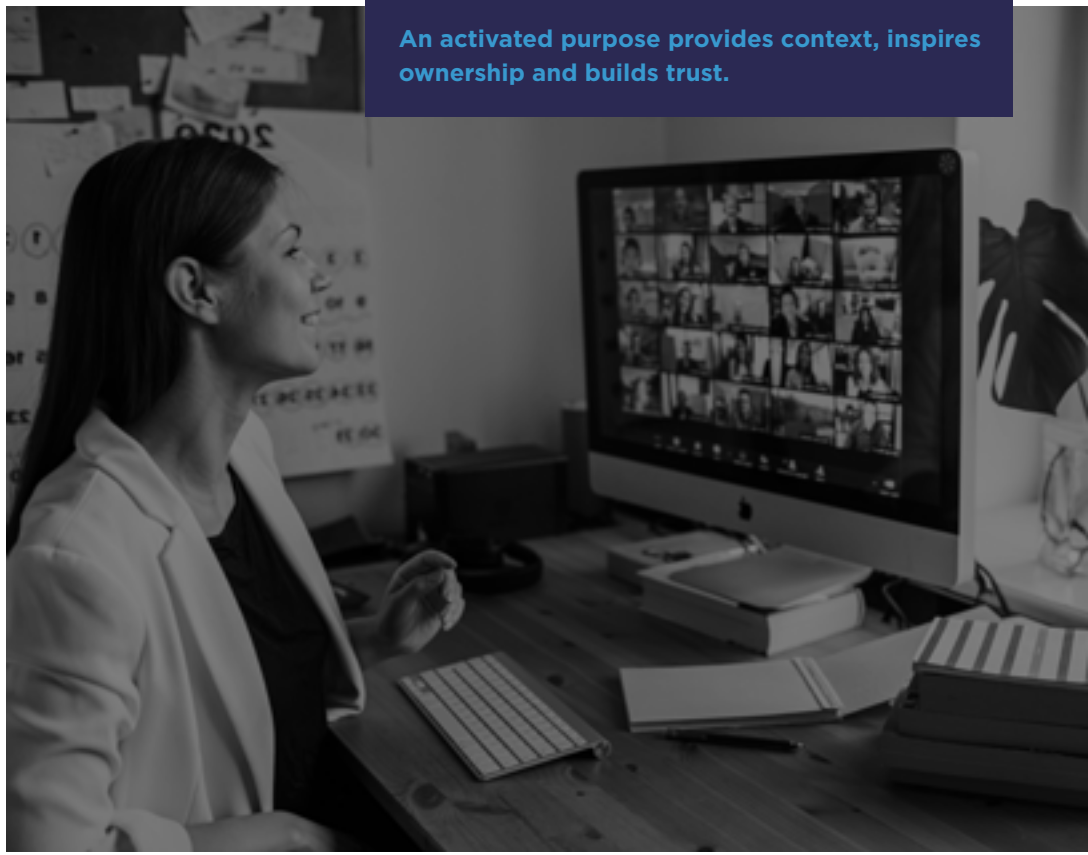
To have any impact, purpose must be *activated* in people's lives.

And what activates purpose, particularly for people who are socially remote, is for them to feel ownership that the purpose is theirs, trust that the purpose is real, and be clear that it is the context for how decisions are made and communicated.

For remote teams:

- Communication is confusing without context
- There is no engagement without ownership
- Social distance leads to distrust

An activated purpose provides context, inspires ownership and builds trust.



What that means for leadership in a post COVID world

PURPOSE

Why: Purpose explains **why** we do what we do. Why we deserve to exist as a team. Why it *matters*. It is the north star of a remote team, creating commitment, clarity and creativity. But purpose cannot be imposed; it must be made relevant for each individual so that they feel it is theirs and brought to life by how leadership talks and how it behaves; consistently, congruently and authentically.

TRUST

What: High **trust** cultures are open, compassionate and creative and show significantly higher levels of productivity. Research shows trust is the foundation of an activated purpose; people who trust the purpose, and the company to live it, act without fear and show the commitment and clarity to be a truly effective remote team.

How: Trust must be nurtured. Leadership must show openness, vulnerability and honesty. Leaders must be generous with their time and consistent and fair with each member of the team. It's a new and unfamiliar way to manage and requires far more self-awareness and great personal courage.

OWNERSHIP

What: For purpose to be alive to them, people must feel emotional **ownership** of that purpose – that it is theirs. Those who feel **ownership** care about the organisation, commit and take responsibility for its success. They are willing to act autonomously rather than requiring constant direction: essential ingredients of effective remote working.

How: Taking **ownership** means taking self-responsibility. Individuals must commit to a new way of working and teams must discuss what responsibility means to them; what they expect and demand based on a common purpose. All within a framework designed to remove fear and build trust.

CONTEXT

What: People need to see purpose at the centre of strategy and consistent with priorities to create a common **context** of understanding. That creates agility. Contextual management has been shown to be far better adapted to ambiguous environments such as dispersed working, allowing for more clarity, clearer direction and greater velocity of decision-making.

How: Teams must be clear of priorities. There must be one clear **context** against which direction will be set and success judged. Leaders must lead but each member must understand and commit to the principles of contextual management.

UNDERSTANDING HUMAN

What: For remote workers the ability to understand each other in order to have effective relationships is a challenge. The ability to manage human dynamics and difficult conversations in a virtual world is vital to enable creativity, support innovation and maximise productivity.

How: The skills of identifying and resolving *friction* is key. Since personalities can be unpredictable and hard to read virtually, conventional 'personality models' are of limited help. What is entirely predictable is the human response under pressure. Focussing on this pressure response is the route to unblocking team conflict and resolving misunderstanding.

How we approach solving the challenge

Building remote teams that are clear, that care, and that can deliver with agility and pace

THE **WHY**

To inspire and connect across social distance. Ensuring everyone is engaged with purpose and how it creates context and meaning for the team, the business, or the strategy we curate engaging digital programmes of films, words and inspiration to stimulate; and we facilitate small groups online to find, understand and collectively commit to purpose.

THE **WHAT**

We take that clarity of purpose and use it to develop a sense of ownership and commitment (shared responsibility) at every level. Creating a culture of trust and cohesion (shared experience) builds teams that are clear, that care, and that can deliver with agility and pace. With the skills and confidence to do that remotely. That process involves:

- embedding purpose to create clarity and connection
- building consciousness and trust to allow for openness and innovation
- developing skills of self responsibility to sustain commitment and autonomy
- identifying and mitigating the pressures of remote working and how we respond under pressure
- and learning the art of remote communication

THE **HOW**

To achieve that we facilitate multiple small cohorts, usually starting with leaders, in an online process of education, skills and awareness development. In a moderated programme of 90 minute facilitated online workshops across time zones over several months, interwoven with video and narrative content to inspire and challenge. With online coaching of leaders and in-house trainers and facilitators as required. To ensure change is sustained across global businesses independently of Contexis people.

CASE STUDY

Purpose in action in a dispersed team

The Client: As COVID hit its global markets, an international financial services firm swiftly moved its entire workforce to remote working. And at the same time, a division employing 6,000 people launched a radical culture change strategy that required the understanding and commitment of every person in the organisation.

The Challenge: Contexis was charged with ensuring the strategy was not just understood but owned by the entire international workforce. And at the same time, in the midst of crisis, employees felt connected, secure and committed.

Start with why: The first step was for everyone to understand and fully engage with purpose and how this created context and meaning for the new strategy. Shared purpose bridged the physical and social distance between team and leaders. And it allowed everyone to connect with why it mattered. But that wasn't enough. To succeed, everyone, working from home, had to take personal ownership and responsibility for change. And that required a shift from a culture of hierarchy to one of autonomy and self-responsibility. And a new spirit of trust, cohesiveness and inclusivity. Finally, that culture had to spread across the organisation to embed unstoppable change.

The What: The program consisted of 4 main phases

- ***Inspiration:*** Own purpose; welcome change; learn new tools and skills to effect the change.
- ***Engagement:*** Design the change to own the change; everyone contributing ideas, devolving change literally to the grass-roots
- ***Execution:*** Live the change. Team by team, every part of the firm putting learnings into practice every day.
- ***Extension:*** Spread the change. Taking the process to the entire organisation.

The How: 6,000 people living the change started with 120 senior and mid managers in cohorts of 10 in a programme of Teams-based workshops, discussions and self-learning lasting 6 months. That group formed the core of leaders who took the programme out to the next 1200, with the support of in-house facilitators and moderators trained and supported by Contexis, and ultimately 6000 people. That process is ongoing.

Measuring purpose

But how do you know if purpose is working? Without regular face to face contact how can you tell for each individual whether purpose is actively bridging the gap of social distance? And if it isn't what's getting in the way?

After all it's a hard thing to pin down. And even if people are prepared to be open with you, they may not even know themselves.

That's why, working with Cambridge University and leading academics in the key areas of human and organisational performance research around the world, we have created the Contexis Index.

The Index measures purpose as a lead indicator of human and organisational performance.

Central to this measurement is the insight that purpose must be *activated*. And what activates purpose is a specific set of cultural characteristics. These tend to be alive in agile, connected teams and suppressed where teams are dysfunctional and slow. It is these characteristics, and not purpose itself, that create the startling performance gains of the best purpose-led teams.

The Index uses this insight to create a detailed measurement methodology that provides the hard numbers to answer two questions in real time: to what extent is purpose driving performance across my organisation? And where and why is it blocked?

Data is gathered via a simple online questionnaire and then analysed by behavioural scientists at Cambridge and business practitioners at Contexis.

We now know that an activated purpose is the key that unlocks productivity and connectivity in dispersed teams. But if you're not measuring it how do you know how to bring your purpose to life for each individual in your global team?

The Index is a completely new approach to performance measurement

Research-based: the result of years of observing the cultural attributes that are present in high-performing organisations

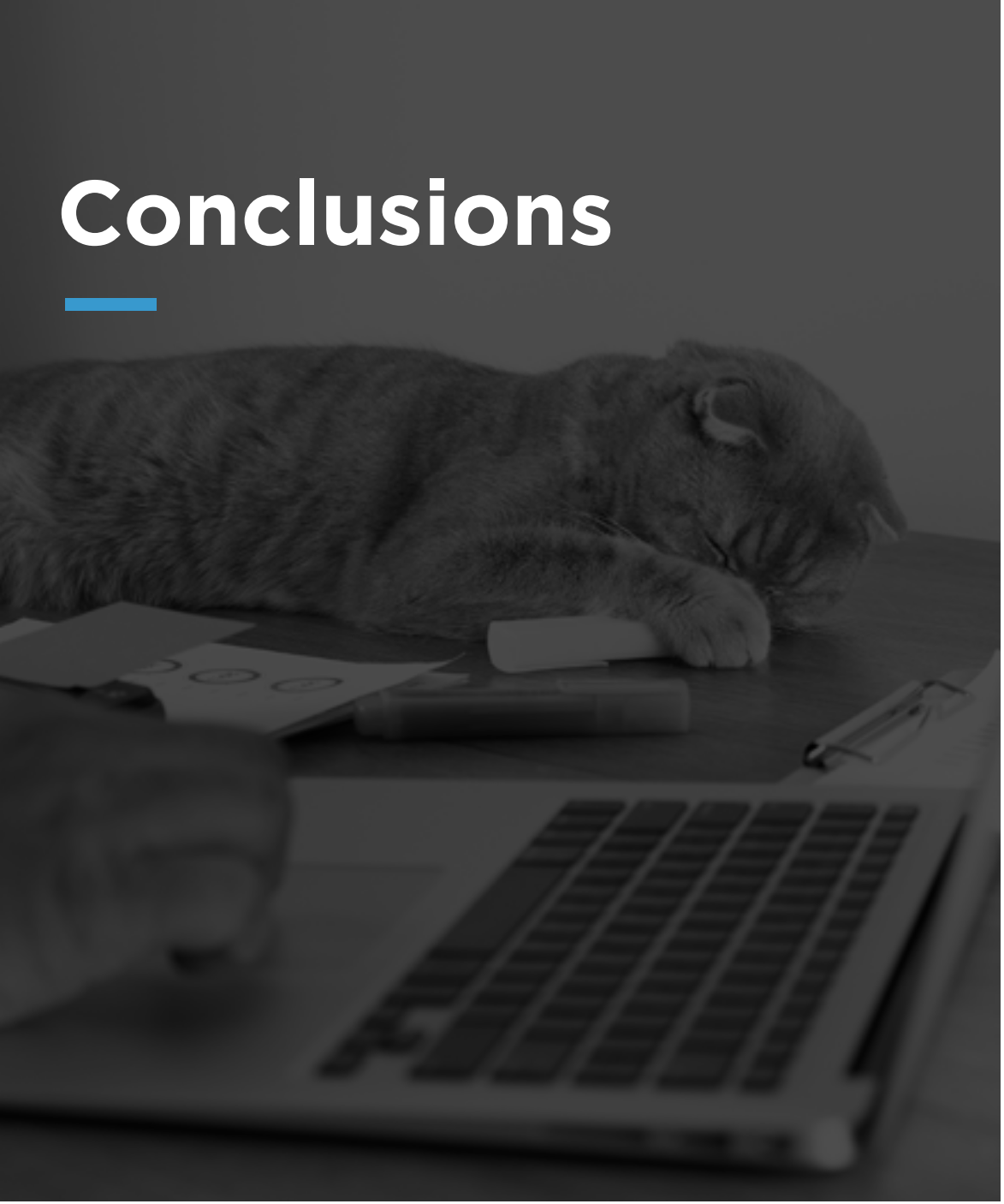
Actionable: showing *how* purpose is working and identifying the levers to pull to remove blocks and maximise cultural performance in each part of the business

Robust: employed globally by major companies in finance, professional services, pharmaceuticals, media and technology.

contexis
think. entrepreneur

contexis index®
The Index of organisational effectiveness

Conclusions



COVID-19 has created a dramatic and permanent shift in how organisations function. Dispersed working is here to stay; for most, there will be no 'back to normal'. Forward-thinking firms have accepted this and are positioning themselves to reap the rewards of more flexibility, higher productivity, better work life balance - and lower cost and environmental impacts.

These organisations acknowledge that our old systems of management and engagement simply won't work any more.

Research shows that purpose holds the key to productive and happy remote working because it can bridge the debilitating 'social distance' of dispersed working. Remote workers are 3x more sensitive to the positive impact of purpose than office-based peers.

But to have any impact, purpose must be activated in people's lives. And what activates purpose, particularly for people who are socially remote, is ownership to feel it is theirs, trust that it is real, and the clarity that comes from experiencing it as the context for how decisions are made and communicated.

Contexis have the expertise to activate purpose in dispersed teams across the globe, through a programme of online inspiration, education and development; and to measure the impact of this work with a unique process of measurement and insight devised and delivered in partnership with Cambridge University.

To find out more and explore how purpose activation and its measurement can transform the effectiveness and happiness of your remote teams, please get in touch. We'd love to hear from you.

+44 (0) 207 692 8393

hello@contexis.com

www.contexis.com

35 Berkeley Square, London, W1J 5BF