



Future of workplaces.

FSCB Insights Report

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Introduction.

Since March 2020 there have been huge non-discretionary changes in the world of work. As firms and their people adapted, conversations quickly started to turn to 'what next for the workplace?' The FSCB sought to bring together member firms to consider this issue from an organisational culture perspective.

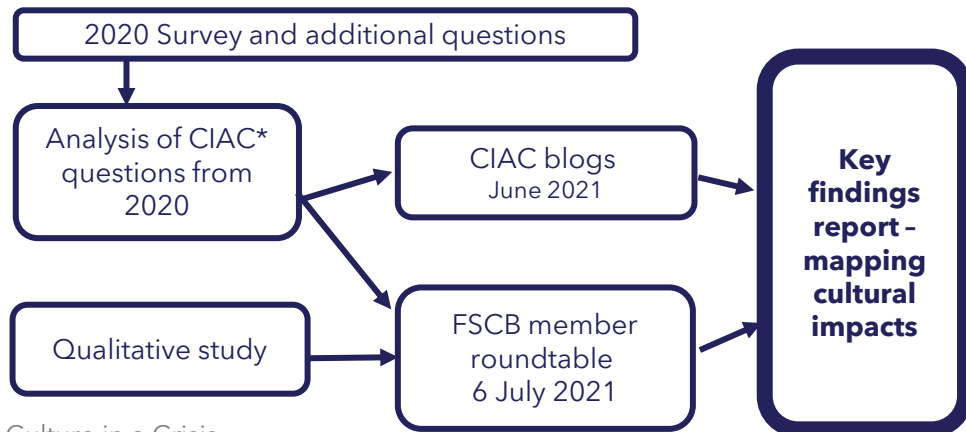
We initially undertook a review of broad perspectives on the future of work, but found little evidence to support the many predictions of how the future of workplaces would look.

We therefore undertook a three-pronged research approach including; our initial review of broad perspectives; the industry-wide results from the 2020 FSCB Employee Survey run across our member firms; and a bespoke, qualitative enquiry conducted with 27 employees from four participating member firms.

As the term "future of work" includes other non-pandemic related effects on jobs such as AI and global offshoring, we chose to focus our project on what we could learn from the changes in workplaces induced by the pandemic, to consider how these might usefully inform future working models from an organisational culture perspective. In our approach we were agnostic around what models organisations might wish to implement after 'work from home where possible' restrictions were lifted.

Phase 1- Explore

(Feb 21 - July 21)



Phase 2- Engage

(Jul 21 - Sept 21)



Phase 3 - Apply/Review

(Sept 21 - Oct 21)



* Culture in a Crisis

In this report, we present the quantitative evidence from the 2020 Survey, followed by the evidence from our qualitative enquiry. Bringing both sources together, fourteen interconnected themes emerged. We have tied together the issues pertaining to these themes into six key prospective challenges for all organisations considering what next for the future of workplaces.

1. **Leaders** need to think carefully about their actions because what they do is noticed as much by employees as what they say and is interpreted by them as a signal of desirable behaviour.
2. There is a danger that social capital becomes the preserve of those who can and want to work in offices. This has potential long-term implications for **diversity and inclusion**.
3. Leaders are making decisions now for people whose circumstances differ vastly from their own. Good corporate listening will be a key enabler of **organisational justice**.
4. Connectedness and **collaboration** are different. Whilst many employees felt that they had remained connected to their peers, certain forms of collaboration were more of a challenge.
5. It is not enough to spend money on wellbeing initiatives while issues around workload and the impact of **workload** on wellbeing remain unaddressed. Line managers' **skills** need further development to enable teams to meet the challenges of new working models.
6. Working environment is an important contributing factor for **employee wellbeing**. Both employers and employees face new challenges in their shared responsibility for wellbeing in future working models.

We would like to thank all the individuals from FSCB member firms who participated in this project for their time and their candour.

Quantitative Research.

2020 Employee Survey: work locations changed for most but not all

Working arrangement	Point in time		
	Pre-March 2020	During 3-months 'lockdown' period from mid-March 2020	September 2020
On-site at a work location	66%	23%	25%
Primarily from home	21%	72%	71%
Split time equally between home and a work location	10%	3%	3%
Other ¹	2%	2%	0.2%
Prefer not to say	1%	1%	0.5%

Most, but not all, respondents to our 2020 Survey worked from home during and after the March 2020 lockdown.

Retail Branch

Respondents who worked in on-site locations were primarily branch based. 71% of Retail Branch respondents worked on-site throughout the lockdown period, rising to 81% by September 2020.

Commercial Banking & Functions

Commercial banking and Functions employees largely worked from home (95% of both groups during the three-month pandemic period from mid-March 2020, with little change by September 2020).

Investment Banking

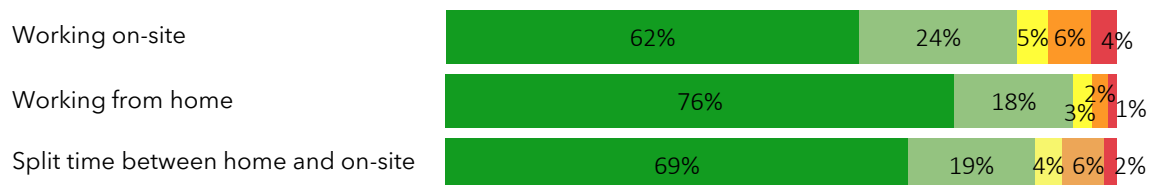
In Investment Banking, the highest proportion of on-site workers was in Markets (12% during the lockdown period, rising to 24% by September) but Global Banking (including M&A) employees were almost universally home-based with only 1% working on-site both during and after the lockdown period.

¹ 'Other' includes having an alternative working arrangement and not working for the organisation at this time.

2020 Employee Survey: pandemic responses by 'lockdown' work location

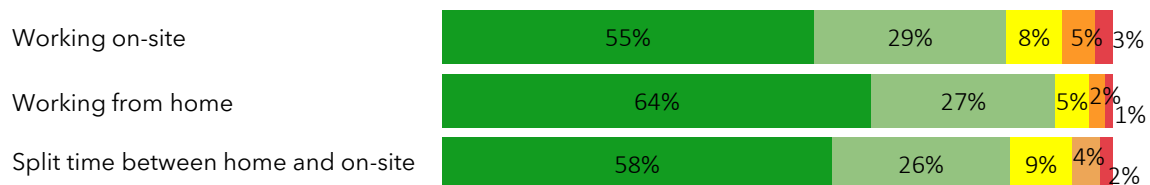
Fairness

'Overall, I believe that my organisation has treated employees fairly during the coronavirus crisis'



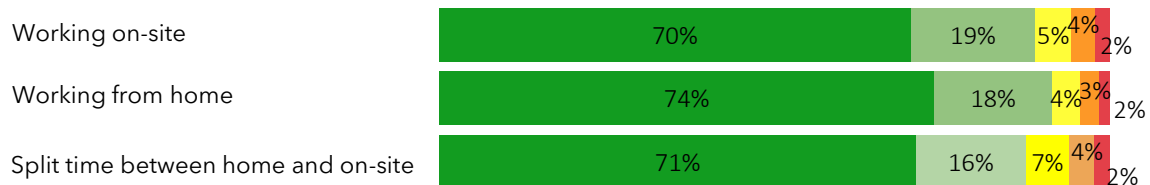
Leadership

'Overall, I feel that senior leaders in my organisation have managed the impact of the coronavirus crisis on our business well'



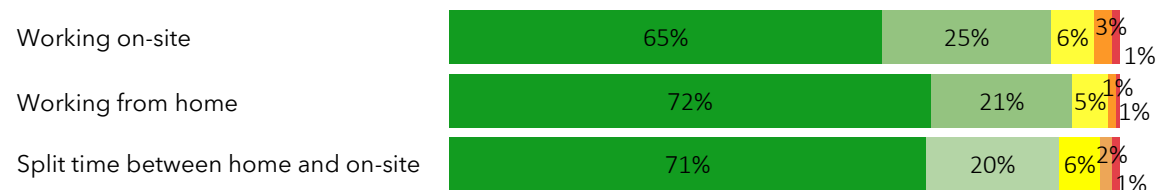
Line Management

'Overall, I feel that my line manager has supported me throughout the coronavirus crisis'



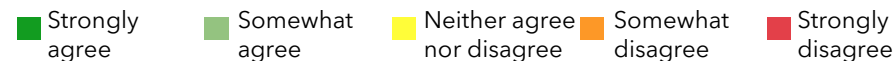
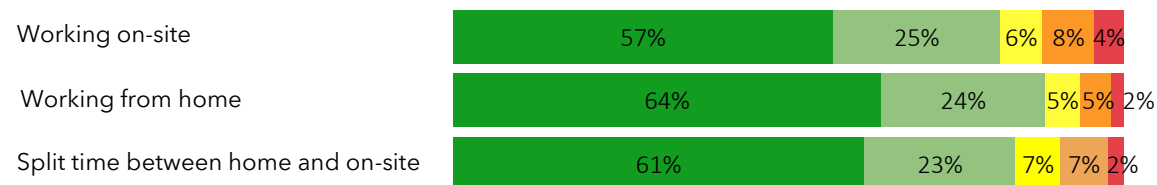
Customer Focus

'Overall, I am proud of how my organisation has helped customers, clients or members during the coronavirus crisis'



Wellbeing

'Overall, I feel that my organisation has appropriately supported my health and wellbeing during the coronavirus crisis'



Perceptions of organisational culture differed with different work locations

A large majority of respondents were positive about their organisation's response to the pandemic (87-91%). Controlling for other factors, respondents who worked from home were more likely than those working on-site to feel that their organisation had treated employees fairly. They were also slightly more likely to feel that senior leadership had managed the impacts of the crisis well and to be proud that customers, clients and members had been helped during the crisis.

For many of our core 36 questions in the Survey, there were no significant differences between colleagues working in on-site locations and those working from home when other demographic factors were controlled for. However, people who worked on site were slightly less likely to feel that internal processes and procedures were a barrier to continuous improvement and were slightly more likely to feel that people in their organisation were good at dealing with issues before they become major problems. They were also slightly more likely to feel that their organisation is responsive to customer feedback and that when the organisation says it will do something for customers, it gets done.

Demographic differences in perceptions of organisational responses to the pandemic

Controlling for other factors, our regression analysis showed that disabled respondents were considerably more negative than non-disabled respondents about all elements of their organisations' response to the crisis (line management support, health and wellbeing support, senior leadership and perceptions of fairness in the treatment of employees).

We use three demographic factors as indicators of seniority: length of tenure in the firm; line managerial status and whether a respondent falls under the Senior Manager's and Certification Regime. Controlling for other factors, senior colleagues were considerably more positive about all elements of their organisations' response to the crisis.

After controlling for other factors, women were more positive than men in their perceptions of how senior leaders had managed the impact of the crisis on their business and how customers had been helped. On other questions about pandemic responses there were no significant differences between the perceptions of men and women.

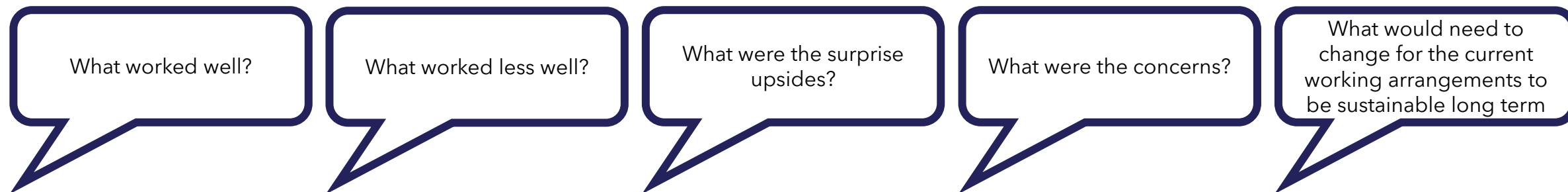
Our regression analysis showed that, controlling for other factors, employees in Investment Banking were slightly less positive across all elements of their organisations' pandemic response than employees in other business areas.

Our 2021 Employee Survey, which closed in June 2021, included a demographic characteristic for work location; questions about access to social networks and questions about what aspects respondents would want to keep or change from their working arrangements during the pandemic. These are currently being analysed, and we will publish the findings on our website in due course.

Qualitative research.

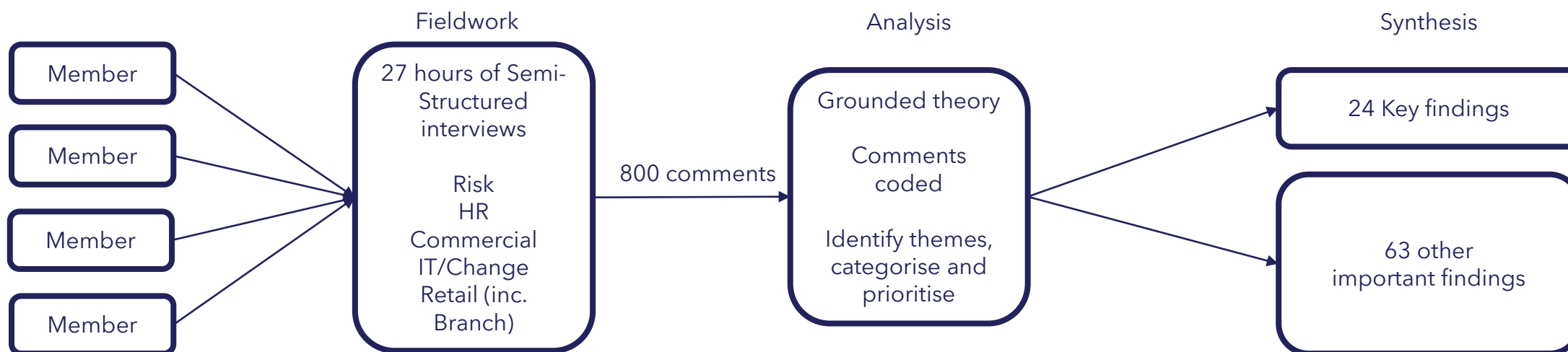
In our qualitative study, we set out to learn from experiences during the pandemic to build understanding of the cultural factors that could usefully inform future working models. In our approach we were agnostic about which models organisations might wish to implement after 'work from home where possible' restrictions were lifted.

Research Questions



Summary

- We interviewed a minimum of six subject matter experts, from a consistent range of business areas (Risk, HR, Commercial, Retail, IT/Change) across four member firms: two large, one medium and one small.
- The firms and participating individuals are anonymous and we have not analysed individual firms' results.
- We used a grounded theory approach to analyse the interview records to systematically surface themes, rather than 'fish' for desired responses - this means that we have key findings related to themes which were unprompted (i.e. we did not specifically ask about them in our semi-structured interviews).



Key Findings (p13)

1 Organisational justice There are concerns about how to make new or evolving working models fair for employees

Click the Theme Name (e.g. “Organisational Justice”) for full thematic results

Thematic Results Pages (pp14-38)



Theme Related Key Findings - Click the Ace to Return To “Key Findings” Page



Considerations underlying the key findings



What our respondents told us – paraphrased to maintain respondent anonymity



Food for Thought – What organisations may want to think about arising from what we’ve heard from participants.

Click the logo to be taken
to the Executive Summary



Key findings by theme

- 1 Organisational justice There are concerns about how to make new or evolving working models fair for employees
- 2 Inclusion Although some aspects of inclusion improved due to new working models, there were differences in individual experiences of inclusion both at work and directly arising from the pandemic itself.
- 3 Leadership Many leaders were perceived to be authentic and human, but these perceptions seemed to arise from specific pandemic practices
- 4 Line management Line managers have had to adapt to the circumstances with increased remits and responsibilities to their teams
- 5 Connectedness Teams were able to connect but there are concerns about how to operationalise hybrid models effectively
- 6 Purpose There is a feeling that purpose and living the values have delivered for customers and employees
- 7 Innovation Circumstances have created opportunities for agile innovation but some specific innovation activities are hard to do remotely
- 8 Collaboration Teams have adapted to work together and get things done effectively, using new technology
- 9 Technology There have been wins, but some technologies are not quite there yet, and some specific activities aren't supported
- 10 Learning & development Formal learning has been adapted in places, but informal learning and building networks has suffered
- 11 Decision-making There is evidence of faster, more agile decision making, more aligned to the size and impact of the decision
- 12 Responsiveness Organisations have adapted at pace - responding to customer needs and adopting new ways of working
- 13 Trust and autonomy Organisations have trusted employees to work with less direct supervision and employees have delivered
- 14 Future of banking There are existential issues in branch banking that have been exacerbated by the enforced move to digital
- 15 Other Findings Wellbeing; Speaking Up; Workload; Productivity; Customer Focus; Career Development & Flexibility



Organisations need to build organisational justice and fairness into their plans for the future of workplaces



How can firms

- ? find a fair balance between flexibility, and individual and business needs
- ? ensure equity of access to power/decision making when leaders choose their return-to-work arrangements
- ? most usefully consult employees on future models when employees' workplace preferences are not static

My boss is saying that when we go back to the office, we will all be in the office all at the same time. So we will end up doing what the leadership team is doing and when they are in the office.

I fear that the push to go back to the office and lack of flexibility will come from those for whom it doesn't matter: your boss doesn't have to be in the office, all the work that they do can be done online, but unfortunately they will be making the decisions.

Employees have been asked what they'd find ideal and what they want.

During lockdown people wanted to go into the office to see people but now that restrictions have lifted and they can see people, going back to the office is not such a big deal.

People who've chosen to work from home during the pandemic might find that it isn't suitable for their needs or wants afterwards, once everyone else is able to do things and is out and about.

I don't have children - I can be flexible - I can work later. Not everyone has that. Feel guilty for being down about my wellbeing, because my situation is better than those who have a lot more challenges.



Is it fair to expect people without caring responsibilities to be more flexible? It is not equal, but is it perhaps fair?

What is fair when it comes to flexibility? How is it possible to give everyone what they want, especially when what people want changes over time, as life moves on?





Some elements of diversity and inclusion have improved due to changes in ways of working during the pandemic, but some continue to feel excluded



- ✓ Co-ordinated remote working environment with supporting technology improved team relations.
- ✓ More diverse collaborators on projects and in decisions as geography is no longer a barrier.
- ✓ People seeing the impacts of diverse lives and personal circumstances increased understanding of inclusion.
- ✗ Some felt excluded from the prevailing working from home narratives.

Teams were able to develop broader national, rather than regional relationships - broader range of collaborators

We can have all the key people in the meetings - getting people in the same space at the same time is now easier.

How to make the quietest voice in the room heard?

It's really good on the recruitment side because we're able to recruit talent that isn't near this office

The narrative is 'everyone is working from home', or 'it's all changed' but that doesn't apply to us.



Building and developing social capital is harder in a dispersed working environment

- ✗ People who are new to their role, joining the organisation, integrating into a new team or learning a new role can all struggle in a dispersed model. There appears to be an issue in developing new social capital.

Above all it's been difficult too for new joiners, you get to know people through being in the same room together. We had a graduate join, and their manager met them in a park when it was allowed and had a coffee and walk. This was to 'make the relationship less 'work' and more 'person'. Making time with individuals - bringing them up to speed. We have tried all we can, but I still feel like they have missed out, in the way you'd go to a meeting and bring the new joiner. From interactions in hallway, and so on. In this environment, all very sterile and pre-planned. It's difficult to build a network.



How can we capture the gains irrespective of whether the workplace is onsite, offsite or hybrid?

What are the alternative mechanisms for building social capital in a dispersed or hybrid environment?



Socio-economic diversity impacted on employees' working experiences in ways that, prior to the pandemic, may not have been relevant to their employers



- ✗ Unequal pandemic experiences of dispersed working.
- ✗ Individual differences - e.g. mental health conditions, disabilities, isolation.
- ✗ Working spaces e.g. working from a bedroom or a kitchen table.
- ✗ Personal circumstances e.g. caring responsibilities.

Every individual has an individual set of difficulties - we had an individual who was incredible at his job but was relying on lip reading - can't do lip reading on conference calls.



People were missing their family (e.g. grandchildren) - some were struggling because they were working at the side of the dining table with family around.

If you ask someone to do an external meeting in certain situations it can be tough for some people. For instance, one of my team members had to move back home, and their mum and dad keep popping in with a cup of tea, which is lovely, but not if you are in a client meeting.



How can decisions about future working models take into consideration the potential inclusion impacts on less socio-economically advantaged groups? e.g. social mobility, career progression, long-term wellbeing.

Are there unintended consequences for inclusion (particularly around absorbing cost-to-work) from organisations' decisions about specific policies, for example, on flexible working?

Decisions being taken about the future of workplaces may be made by those with more socio-economic privilege than those who will be affected by those decisions

- ✗ Decision makers are more likely to be senior (even if employees are consulted).
- ✗ Senior leaders' circumstances are often different from those of their employees.
- ✗ For some, business costs have become personal e.g. using data or own devices, but not all can bear these costs equally.

Some junior people working in shared housing. Proper challenges. For more senior employees, better experience.

As a company this has to be shared with leaders. But among more senior leaders they have tended to spend this time in more isolation - you sometimes don't think about other challenges if your team is not going through that.

Had a discussion about personal phone use costs a year ago. These types of things are for management to discuss.

I know they'll give an allowance or the kit, but if there's nowhere to put it, that doesn't really matter does it?



What does it mean to belong in an organisation that has no unifying cultural experiences?



- ? Without the office and without shared experiences in communal spaces, what are the unifying cultural concepts that underpin an organisation's identity?
- ? Does everything just feel more ill-defined and distant without those shared spaces?
- ? Can purpose permeate without physical connectedness? What about personal relationships - why does everyone say that they look forward to meeting you even though you've been working together online for a year?

How much a part of their organisation does someone feel if their integration has been a keyboard transfer in a car park?

It's hard to join as a new joiner from outside the organisation and integrate - someone struggled to settle, couldn't find their place or what it means to work here.



Junior progression and development - you need that feeling and buzz - you can replicate it, and you can do it dispersed working, but I still think it's a mix. Really exciting when you've worked hard to develop and get a role, and you go to work in this corporate environment. When you walk into it that's when you realise you work for a brand. It's powerful. You get a real buzz from the foyer, see what you are part of. When you go to meetings you see the vastness. This is a fantastic organisation to work for. But you need a skill - you need to understand an organisation in order to like it - and that is difficult when working from home. We've got lovely grads, 2 years of working from their house, shared flat or moved back to their parents house. So, while on your pay check it says one thing - it's not really real. Not going in, you never feel that buzz.



Are there examples of unified cultures that do not have shared experiences that we can learn from?



Perceptions of leadership were largely positive, with accessibility and 'human' characteristics being important in perceptions of pandemic leadership

- ✓ Authenticity, empathy, humanity and accessibility of leadership generally perceived positively.
- ✓ Seeing leaders being authentic and in their home environments made them seem closer and more human.
- ✗ A few people felt that leadership didn't always come across as being authentic and honest.



Communication is fundamentally important to employee perceptions of leadership

- ✓ Good communications helped employees feel like they knew what to do and how to cope with change, even when leaders admit to not controlling everything.
- ✗ Some over-communication but 'too much is probably better than too little'.
- ✗ Some messages landed poorly e.g. too much about one group or other (you can't please everyone all the time?).



Shared both good and bad. Leaders on the whole have put more effort in letting us see them as people, warts and all.

Pre-pandemic, we weren't there with empathetic leaders - but they totally are now.

They provided reassurance, transparency about what they didn't know. Authentic communication to show that they care was key.

When the novelty wore off and work pressures came the messaging didn't change but the reality did.

Comms were all about health, wellbeing and protecting people...really did believe CEO. Almost over-communication of the same messages but people did believe it.

Even if you just say 'I don't know, but these are the conversations we've had', people worry when there's silence.

Leaders need to tailor their messages for us as an audience - we're not all working from home'. Comms concentration on front-line colleagues meant, after 3-4 months, other people started saying 'what about us?'



How will leaders maintain the same level of authenticity and openness in future models?

How will leaders gauge the right type, format and frequency of communications in an increasingly hybrid workplace?



Patterns of visibility within organisations changed without physical presence

- ✓ The dispersed model changed patterns of visibility.
- ✓ Regional changes - more visibility for employees outside of head office.
- ✓ Hierarchy - more junior employees got involved in decision-making meetings.



Leadership has been more visible because things that would have been face to face are now virtual - it's better because it means everyone can attend.

Visibility across the layers and across the business improved. Every Wednesday we have a call with boss's boss - have calls with all his reports and then speaks to me too.

In the past if I had drafted a paper or had a suggestion, it would have been taken in by one of my colleagues or my boss, so much more exposure at my level to decisions.



Leaders are more visible than ever so their behaviour as an indicator for how employees should behave has increased.

To what extent does 'leader pull' back into offices matter, and what are the potential unintended downstream consequences of this e.g. potentially eroding some of the connectedness and inclusion gains of the pandemic experience?



There is a critical role for leadership in defining and managing future models

- ? Leaders need to define and manage future models - working from home, flexibility and the return to the office.
- ? Leaders' behaviour directly influences employees' behaviour.
- ? If leaders show their home environments in calls or choose to continue to work flexibly, others will follow suit.
- ? Leaders' presence in offices can 'pull' other colleagues in, to gain visibility, to make decisions or to attend meetings.

Tone from the top on working patterns - especially with decreased site space - otherwise it won't happen.

It will be interesting to see how senior leadership adapt to returning to normal, how will they behave? Role modelling?

Concern around a hybrid model -pre-Covid leadership models may return despite talk of improved quality of life. If the return to the office is gradual and other people start to follow, are they doing that because they want to be with seniors.



Line managers' people responsibilities, particularly around wellbeing and resilience, have expanded exponentially during the pandemic



- ✓ Increasingly involved in supporting their people.
- ✓ Engaged much more in wellbeing.
- ✓ Building flex into work.
- ✓ Better understanding of home/life pressures.
- ✓ Developing new ways of managing and communicating.
- ✓ Empowered by their own managers.
- ✓ Togetherness has thrived in many teams.



The isolation is hard to get over at first - we put in twice weekly huddles to check in face to face. Put in coffee breaks and catch-ups with non-work-related catch-ups to see how folk are doing.

I was there as more than a manager - it's not just about tasks - how are they getting on at home, how can we support and help them with things?



How do you maintain the flexibility and focus on what matters when not in a pandemic?

How could / will the line manager skillset around people management be maintained or sustained in a post-pandemic world? Is it possible to maintain the level on focus on wellbeing and individual circumstances when the pendulum swings back to business as usual?

Line managers have developed new ways of working to engage their teams

- ✓ Extra efforts to set up meetings.
- ✓ Holding check-ins.
- ✓ Conscious availability for their teams.
- ✓ Using social aspect of working life online.
- ✓ Point of contact for information and guidance to their teams.

I've been able to bring my team together in a way that I didn't expect, and I realised it was needed.

A daily succinct 9am call with no real agenda, more visual. For some people it was the only contact they had. Also biweekly social quizzes to lift people. Remembering to check in with people. It's knowing your team and listening.



Line managers are agents and creators of culture. They are leaders and role models of behaviour



- ✓ Line managers have embodied the culture in pandemic working.
- ✓ Responsibility for relaying and explaining communications coming from above.
- ✓ Point of clarification and support.
- ✓ Role models of behaviours (e.g. time management and looking after wellbeing).



Between 1pm and 2pm we have a quiet hour, an opportunity to walk away from the laptop and do something away from the screen. During that time myself and other leaders do not send emails and encourage the team to do the same.

If you start early and send emails early, or start late and send email late that is fine. But I do not want people to feel that they have to answer these emails.



With the recognition of the role of line managers in embedding the right culture and role modelling behaviour, what skills and capability should firms be investing in to support future workplace models?



Teams were able to connect, communicate and work effectively during the pandemic but there were some limitations in building new social capital and networks



- ✓ New informality creates more opportunities for making better/broader connections across geographies and hierarchies.
- ✓ Connectedness improved for pre-Covid dispersed teams.
- ✗ Onboarding, making new connections and building informal networks for those early in their careers felt to be harder or lost.



Ways of working improved, collaboration has broadened. If I have a problem - instead of turning to the person next to you, I now reach out to people who we I felt previously less connected to.

Relationships and development - personal relationships with seniors matter to networks and learning. If you had these before, they can help you through the crisis. But hard to create in virtual world. You can't phone people up for a small chat.



If connectedness largely works in a dispersed working model, how can the remaining fragilities (social capital and level playing fields for interaction) be overcome?

Future models will need to manage the interplay (social hierarchy and inclusivity) of mixed workplace meetings

- ✓ Working from home interactions have developed their own social norms and etiquettes.
- ✓ Current collaboration tools improve ways of working for previously dispersed teams.
- ? In future potentially mixed office/home dispersed models will need careful management to ensure inclusivity and connectedness across hierarchy and geography.

Culture of meetings will need to equalise the experience from the different locations and people at home.

You don't want to have a bulk of people who're in all the time and then one person who's never in and not part of the group.

Will we return to old ways? Three people in the room, three on webex, one on phone. Would you go back to an old model?



This was about more than the bottom line

- ✓ Teams saw their efforts as a way to support society, look after customers and be there for their colleagues.
- ✓ A sense of responsibility to others.
- ✓ Purpose strengthened by clear messages from leadership.
- ✓ People worked beyond their role and lower than their seniority.



Simpler and fewer goals helps to focus teams on delivering purpose

- ✓ Less is more.
- ✓ Focus on clear objectives.
- ✓ Working as one team to achieve simple objectives.

Employees lived the values

- ✓ The pandemic made the values of organisations more real.
- ✓ Employees saw the values in action.
- ✓ Leadership have been able to point to the values and ethics as a guide.

Once faced with a problem you start finding solutions. In banking we want to help people, we realised that our customers were at a point where we needed to demonstrate that we were behind them; the desire to do this takes over.

Felt bad sitting doing nothing when all these customers were needing us to help with loans. Two months of 16-hour days for colleagues just purely wanting to get the loans out to businesses.

Under duress (government loans related), the bank had simpler sets of goals and objectives - not trying to do too much - single goal to survive, help each other and help customers.

Everyone had the same priorities - everyone had customers and access to finance at the centre - normally if it's your priority it isn't necessarily someone else's so it might get done next week rather than done quickly.

Phenomenally proud - can't believe we're doing this! Felt you were part of a values-driven business. Rubber hits the road - you find out if the values worked in a time of adversity. They did.

Organisational focus on - and employees working with - purpose has increased during the pandemic - how can this be carried forward without the pandemic impetus? Will fatigue or a return to other organisational priorities crowd out purpose?





Innovation has continued online - a lot of change and new processes to support customers and new products have been delivered

- ✓ Innovation has continued online.
- ✓ Lots of change and new processes to support customers; new products have been delivered.



They've found challenges but they've come up with new ideas of how to do things themselves.

There's no change too big or issue too big for people not to try to rally around and try to fix it.



Informal innovation, introducing new processes and procedures to meet evolving pandemic-related needs, was effective.

Some traditional, formal innovation activities have proven harder to do online - is this the kind of thing that will be cured by evolving technology, a return to the office, or is there a question about new processes and procedures to replace physical tools (whiteboards and sticky notes)?



Innovation processes have adapted to online environments but there are limitations to what can be done online.

- ✓ Innovation processes have adapted to online environments.
- ✗ Some creative activities aren't possible or as efficient online (e.g. workshops)
- ✗ Technology falls short in these areas.

You need to be creative and draw...would have gone in and gone through on board, but now it gets written down by one person on their own...creativity gets completely knocked off, that's been harder.

The bank as a whole has adapted to the challenges and has accelerated innovation.

We're being held back from an innovation perspective by tech.



Some forms of creative collaboration are not adequately supported in remote contexts by existing technology



- ✗ Workshops.
- ✗ Creative collaboration and practices (whiteboards, drawing, iterative development etc).
- ✗ Don't work online OR currently unsupported by technology.



We miss whiteboards. Sometimes you just need to draw on a page. In real life, we'd sit down and create and collaborate together, one person holding a pen but people adding things freely. Online, people get self conscious on drawing skills, sharing their ideas, while in real life they're not.

Part of our projects are delivered in agile. People sit together with a sense of team from always being together and making decisions together. Real concern for those types of projects.



How can firms support meaningful collaboration in future - is it about location or technology? Or both? New skills or new tools?

With more diversity of people and ideas in the room, how will we maximise this potential, particularly if we move back to traditional ways of working?

Moving into online environments changed the people in the 'room' to include more diversity

- ✓ A benefit of online collaboration was increased diversity of participants in the conversations.
- ✓ More consultative relationships with risk teams and between lines of defence.

Collaboration has broadened. If I have a problem - instead of turning to the person next to you, I now reach out to people who I felt previously less connected to.

Changes in business relationship with risk - it's become more consultative: 'please come and tell us if we've got this right'.

Teams were able to develop national rather than just regional relationships - broader range of collaborators on projects.



Mass adoption at pace has impacted on culture. A reactive step change arising from the pandemic can have lasting repercussions



- ✓ Rapid and overdue changes related to tech.
- ✓ Rapid mass adoption of tech systems and remote working.
- ✓ Tech seen to create better connections between teams.
- ✓ Strengthening connections across business areas.
- ✗ Needs better planning and investment.
- ✗ Lack of balance with more traditional methods.



A lot of collaboration has been done through the tools - before it was email and face-to-face interaction. We still have that, but now it feels that with tech we can be more effective.

There's more chat. With MS Teams we can see who is communicating, who is available. People are moving with more pace.



How to we get the balance right between technological and traditional ways of working from a cultural perspective? (e.g. connectedness, inclusion and innovation from more technological ways of working)

How do firms manage such a balance from a practical perspective?

Will the reactive investment in technology mean we keep doing something because of sunk costs?

Awareness of challenges around technology

The challenge is twofold:

- ✗ Mass adaption to technology has led to teething problems and it took people time to adjust.
- ✗ Concern that technology has led to loss of informal communications and human contact has implications for creativity.

The technology has to work. We can give people the inability to work properly. They need to be able to have the tools to properly work if they're not in an office.

Connection is a mixture of organic and manufactured. You can connect remotely or schedule a coffee ahead of time. But you can't really connect as humans. That true] connection - just not the same. There is a difference between connection and connectivity.



Informal learning (through osmosis and side of desk), building connections and confidence has been difficult, particularly for juniors and graduates



Junior colleagues:

- ✗ need to be close to people to learn how things are done.
- ✗ need to experience the work and culture first hand.
- ✓ can do training online and build connections virtually.
- ✗ lack the reassurance of face-to-face supervision and coaching.
- ✗ are less able to build networks and social capital by meeting people and getting exposure to seniors.



One thing has been detrimental for staff: a big part of learning in early career is side-of-desk learning and learning through watching others. Even with things like presentations, coding and data analysis, you pick it up from others - and sending everyone off to courses isn't enough. This holds people up in the early stages of their career, or it will do, if we do not get some office working at some point.

Imagine your first job and you get trained through a computer. If you're doing something the first time, who do you turn to get reassurance and in-the-moment coaching?



In a hybrid future, how will new hires, particularly juniors and graduates, be brought into and supported to learn the firm's culture and successfully develop as professionals?

Will the difficulties in creating new social capital as teams revolve drive a return to office environments?



Decision making has become faster and more agile, with processes aligned to the complexity of decisions



- ✓ Necessity has driven decisions to be made faster and decision making processes have changed so that they are more agile, include different participants.
- ✗ Some processes are still overly complex or slow.



If there is a large risk, a larger and thorough investigation is welcome, but historically all decisions, no matter the size and magnitude of the potential risk, we would go through the same process. If all changes are put through the same process that's where the frustration lies. So this new way of making decisions has been a positive outcome.

Quick decision-making. Seeing this everywhere in the organisation.



Faster decisions allowed for additional responsiveness to evolving customer needs during the pandemic - are there risks attached to the changes that perhaps have not yet become apparent, or are firms satisfied that the controls in place are robust?



The reactive response to the pandemic has been positive in terms of adopting new ways of working, responding to customer needs and adapting at pace



- ✓ Faster decision-making and delivery at pace in evolving circumstances.
- ✓ Improved perception of firms' ability to respond - to evolving employee and customer needs.
- ✓ Redeployment and reskilling employees into new roles.
- ✓ Leaders have played a role in supporting this adaptiveness and allowed flexibility in working practices.



Ways of working keep needing to change - moved to weekly risk management sign-offs from monthly: same governance process but decisions much faster.

Flexibility has to work for a business, and even more so in a branch - but what does flexibility mean in a branch? New hours made training accessible, for example, voice in branch training to help the call centre. If hours go back to normal, what if they lose that space to develop?



Is it desirable to maintain this pace of change outside of a pandemic and does it support purpose-driven delivery?



Employers have trusted employees to work with less direct oversight, and employees have delivered



- ✓ Where there was previously scepticism about working from home, leaders have been convinced that people can be trusted to get on and deliver.
- ✗ Concerns that too much flexibility could have a detrimental effect on teams and wellbeing.



I trust my people to do the job in the time that they have got to do it.

People have space to think. Some of that comes from there being less top-down direction on views - people now turn up with their own views.



Autonomy at work is associated with better wellbeing at work - being able to cope and get on with our work. Will adaptation to this new, autonomous, status quo be sufficient to embed trust and autonomy in future working models?



There is a perception among retail branch staff that the pandemic has accelerated change and existential uncertainty in branch banking



- ✗ The pandemic has impacted on opening hours and physical access to branches, driving more customers to digital (and telephone) channels.
- ✗ Some branch employees feel that their jobs are being hollowed out by the drive to online - not being trained on products and not being able to open/service products in branch.
- ✓ Branch staff have shown responsiveness and flexibility to meet customer needs, serving customers to a high standard - especially focusing on vulnerable customers and fraud/scam prevention.
- ✓ In some organisations branch staff have demonstrated flexibility - taking on new roles, e.g. cross skilling into telephony or supporting other business areas e.g. commercial banking.
- ? Despite uncertainty about the future of branches, adaptability to and increased flexibility on roles and locations were seen to open up new roles and opportunities.



If transactions don't return to normal, that's an existential worry. We've got rid of loads of the branch network. So we can't get rid of any more?

Colleagues in branches moving into performing contact roles from the branch.

The future opportunity is that real talent in the regions can be leveraged for head office roles. Previously there was no opportunity for regional individuals in these roles. It's a more even playing field for those based in more remote areas. So much talent there. We haven't used this before.



If the pandemic has speeded up change in the retail branch banking:

- **how do we retain the skills and experience of teams in this part of the sector?**
- **how do we support the needs of a wider community that still needs physical banking after the pandemic?**



Organisations have provided support, increased flex and boosted wellbeing programmes

- ✓ People saw wellbeing put front and centre, and generally felt looked after by firms (eg mental health, working environment, caring responsibilities etc).
- ✓ Formal and informal initiatives put in place to support employees, including boosting assistance programmes.



Concentration during Covid on wellbeing, health and protecting people.

The tools around wellbeing, like the wellbeing hub, have been amazing, like access to the employee assistance line.

Lots of pressures (home schooling; two partners working; crying children; pets; being at home) - you need some flexibility and support - open and honest leadership team have supported that.



People's individual circumstances have influenced their wellbeing during the pandemic and it is hard to untangle this from work

- ✗ Heavy workloads, in adverse working conditions, combined with it being difficult to draw a distinction between home and work have led to poor wellbeing outcomes for some people.
- ✗ Personal circumstances including isolation, poor mental health, caring responsibilities and bereavement have contributed to poor wellbeing.
- ✓ Some have improved their work-life balance.

It was hard, and everybody showed some level of resilience, whether you were alone or if you were the person trying to teach 3 kids under 10 algebra while working.

People had personal upsides - more money; time; shorter/no commute.

There are people who have struggled because they just don't have a space to work at all and have lots of family pressures.

Will it be important for organisations to sustain such a focus on and investment in wellbeing going forward, particularly if hybrid working models present further risks to health and wellbeing?

**How will firms improve data about wellbeing and mental health to monitor the effectiveness of assistance programmes?
Will firms be able to monitor the health impact of new working models?**





Speaking up behaviour encouraged by leaders

- ✓ Speak-up channels were available and being used.
 - ✓ Senior leaders asked for and responded to feedback.
 - ✓ Leaders encouraging speaking up - asking the right people the right questions.
- ? Speaking up was encouraged via anonymous channels in large online meetings; concerns that impact may have been limited.



Daily check-ins with senior leader - open invitation to speak up.

Senior leaders are available and approachable - can ask a question without expecting negative consequences.

Leaders are responsive - they invite questions and don't shy away from answering them. Leaders feel closer now than they used to.



Is the improvement in speak-up culture arising from increased connectedness?

Are people speaking up more because the pandemic increased a sense of purpose (customer needs and desire to get things done) that shifts the risk/reward on speaking up and may not exist otherwise?

What are the implications of lack of promotive voice in a dispersed environment for innovation?



Inequalities in speaking up suggest some groups are not being heard

- ✗ Concern that not everyone feels able to speak up using available channels.
- ✗ Perceptions of unhelpful delays on speaking up in the remote environment.
- ✗ Online cultures are not conducive to raising concerns or having difficult conversations.
- ✗ Some personalities or diversity issues make it more challenging for some to speak up in dispersed environments.

The downside of this is that some people are more introverted. I worry about how this is working for them. If they prefer talking face to face in a room or over the phone - you have to be careful with that. People have different ways of communicating, and this has flipped everything on head.

We know that some people, because of their sexual orientation or ethnicity, may be less likely to speak up. We need to encourage speak up. This is about technology, leaders, how people feel on a call.



Productivity gains are possible in a remote or dispersed working model if activities are suited to it. Gains can be diminished by poor communication and lack of sharing information on workflow



- ✓ Productivity gains are possible in a remote or dispersed working model - evidence that productivity had increased or been maintained.
- ✗ Certain specific activities are harder in a remote or dispersed working model (as discussed in technology and innovation sections).
- ✗ Productivity gains are related only to the activities that you know you need to do - there is less of an environmental trigger to assess new activities.



The productivity and the work that my team has done this year has been phenomenal.

In some cases employees are getting more done, as people save time they would usually spend travelling back home. There has been no drop-off in productivity. Productivity has always been high.

Harder to do the job - change design workshops and team meetings aren't as productive or creative online.

We proved that where we work doesn't stop us from delivering. It's of course still important, like for instance the issue about not knowing what kinds of ideas you have missed in this remote setting.



Set against wellbeing and inclusion considerations for hybrid working, how will productivity be managed and how will performance management be put in place to support colleagues?



Many employees have struggled with unsustainable workloads impacting on wellbeing. While commutes have shrunk, other aspects of dispersed working have pushed other, non-collaborative, activities into out-of-hours work



- ✗ Formalising communications in meetings may be crowding out other activities - people having to work outside of formal working hours.
- ✗ Workloads, particularly (but not exclusively) in commercial banking, are unsustainable.
- ✗ Working hours have increased (although there has been some time saved by less commuting).
- ✗ A lot of work has been Covid-related, but elements of transformation and change also impact on workloads.
- ✗ Culture of acceptance of long hours or glorying in working long hours becoming normalised.



You can't do the meetings you need as fast as you need to. I'm guilty of it too. You have to put in a meeting to get a response - I'm part of the problem!

The workload for relationship managers, with new products, processes, procedures and the needs of customers, was not doable.

We do prioritisation weekly if needed but there's nothing we can stop doing!

The response is so support people as much as we can and lean on the available support, but fundamentally, the root cause is volume of work.

There are too many people I talk to who are working all the hours and it seems to be the norm and we're reaping the burnout.



Are all meetings productive work? How can organisations utilise technology to decrease meeting load or ensure connectedness without relying on formal meetings?

How can organisations decrease workloads and improve wellbeing?



The pandemic provided impetus to meet emerging and existing customer needs and fostered pride in a focus on customers needs and customer service

- ✓ Customer needs across commercial and retail banking evolved and changed.
- ✓ Employees adapted and changed to meet the requirements - implementing new processes, procedures, using new technologies and creating safe branches.
- ✓ Increased flexibility to adapt to new products, services and processes in a short timeframe.
- ✗ The experience of serving customers in the pandemic has been challenging and taken a toll on some colleagues.



We all felt we need to get {business lending} over the line.

I'm proud of the way we've responded to and looked after people during the pandemic.

People are proud of how much they have got done for customers, and what they have achieved in a short space of time.

Pressure comes from customers - they want to be able to access the service but don't necessarily consider the staff.



New customer needs are emerging, and customer-facing careers are changing, particularly for branch-based staff

- ? Responding to customers to deliver new products and services means new relationships and expectations of the services being offered.
- ? Commercial customers wanting more personal online contact with relationship managers rather than physical visits will impact on how commercial banking teams configure and manage how they deliver services (including where they are based).
- ✗ See 'Future of banking' findings - changes to business models are changing the nature of branch careers.

Need to be responsive to what customers want going forward - do they want face to face or is Zoom more efficient and better for them?

The challenge is the added layer of seeing customers and allocating time in an already crowded day meeting customers and travelling back - how to see several customers in a day?

People choose branch banking because they love working with the public and colleagues - it's not possible to do it from home and it's changing everything about the career.



What new customer needs and wants are emerging as a result of the pandemic? Can they be satisfied in non-branch environments?

How can firms capture the level of customer knowledge that branch and customer-facing colleagues have going forward?



Online working has made it possible for roles to be done away from large office hubs. This opens up a wider range of opportunities (including head office roles) to a wider range of people and creates opportunities for existing colleagues during restructures



- ✓ Demonstration that roles can be done online has opened up opportunities for existing colleagues.
- ✓ When previously geographically dependent, roles can now be done, and are being recruited from, anywhere, which can broaden hiring talent pools.
- ✓ Dispersed working creates progression and skills development opportunities for many colleagues, across a range of business areas and geographies.



It's been great to attract people in from outside and have a wider reach - we don't have to advertise roles locally - we've now got people nationally on the team.

It's really good on the recruitment side because we're able to recruit talent that isn't really near this office - people can live a bit further away and that's really positive.

For me the future opportunity is that real talent in regions has not been leveraged for head office roles; there is now opportunity for regional individuals in these roles. A more even playing field for those based in more remote areas. So much talent there. Leadership didn't think of this before.



How can we balance the new opportunities of dispersed working with some of the difficulties of learning and building social capital?

Is the answer not too much distance; or perhaps in building organisational capability around remote and dispersed working to facilitate learning and social capital development?



Experiences of flexibility and new approaches in the pandemic have opened people's eyes to new benefits and future possibilities but there are differences in appetite for flexibility and non-office working.



- ✓ There have been personal benefits to pandemic home working.
- ✗ Home working does not work for everyone and is not universally available as an option.
- ✗ Decreasing the size of office estates may de facto remove choices from employees who prefer office working environments.
- ? Going forward onus on firms to balance and make flexibility work for all employees.
- ? Accommodating different requirements and needs, whilst making it work for everyone and ensure we are productive will be a challenge.



Some have had big upsides e.g. financial from not commuting, sitting in traffic etc.

From personal/selfish point of view, from a home life point of view (I have children) commute was cut down from 2 hr to 15 min.

If you don't like that remote environment you'll leave your organisation but where will be different? Culturally, as a workforce we'll have to adapt to it.

Flexibility matters - some people love working flexibly (the majority), but some want to do office all the time.

It's easy to put the onus on the individual to set their flexibility or make it work but we need to be responsible as a company for it working for employees.



There is an onus on firms to balance and make flexibility work for all employees - is this an impossible circle to square or are there win-win solutions and compromises that do not systematically discriminate against or penalise specific sectors of the workforce?

Bringing it all together.

To conclude this report, we tie together the themes that have surfaced in this qualitative enquiry to consider how they might play out in future working models and pose some of the questions that arise for all organisations as we consider 'what next for the future of workplaces?'

Leaders need to think carefully about their actions because what they do is noticed as much by employees as what they say and is interpreted by them as a signal of desirable behaviour.

Themes

- ✓ Leadership
- ✓ Future working models

Issues to consider

While the people we spoke to appreciated the openness and authenticity of leaders who admitted not having all the answers during the pandemic, people now want clarity from their leaders on how to make new working models more practical.

Leaders role-modelling any new ways of working in organisations by signalling what is considered the right thing to do need to have an awareness that their behaviour will be followed by others. This can lead to a 'leader pull' effect, which may pull those who *can* or *want to* follow leaders back into the office or may create a precedent for employees to follow leaders who decide to work in a more flexible way.

Prospective Challenges

People do what they see, so how can leaders be good role models in the hybrid world and use their own behaviour to guide managers and employees?

There is a danger that social capital becomes the preserve of those who can and want to work in offices. This has potential long-term implications for diversity and inclusion.

Themes

- ✓ Inclusion
- ✓ Learning
- ✓ Onboarding and career development

Issues to consider

We have seen evidence that social capital can be hard to build in dispersed working environments. Although some previously dispersed teams did report that things have improved, there remain inclusion issues for those new to their roles, new to their organisation and new to their team. In particular, it can be hard to develop the networks needed to work efficiently, build knowledge and ask questions when it is not as easy as turning to the person next to you. Formalised learning environments such as contact centre onboarding appear to have an advantage over environments that have traditionally relied on informal learning from colleagues. However, we also heard from teams that had put a lot of effort into remaining connected, and building social connections, often incorporating senior leaders, to help people build social networks.

Prospective Challenges

In future working models, how can social capital be built effectively? There are some examples that it is possible, with investment (often in technology), effort and line management capacity and capability, but if organisations do choose to blend workplaces in future, there will be a need to make the inclusion benefits of social capital available to everyone, not just those physically present in a formal office workplace.

Leaders are making decisions now for people whose circumstances differ vastly from their own. Good corporate listening will be a key enabler of organisational justice.

Themes

- ✓ Leadership
- ✓ Inclusion
- ✓ Organisational justice

Issues to consider

Leaders of relative socio-economic advantage will be making decisions on behalf of employees from much more diverse socio-economic circumstances. In making decisions about future working models and how to ensure fairness and equity at work (among other factors), leaders need to be aware of the unintended consequences of their decisions for people with very different lives. A decision to allow only those who have a dedicated office can work from home may systematically disadvantage employees from multi-generational homes or those who without the space for a separate office at home.

Prospective Challenges

How do leaders make decisions now, for those in different circumstances from their own, which in the long term have fair outcomes for all employees? How can leaders make fairer decisions, and what role can organisational listening play in integrating the perspectives of less socio-economically advantaged groups of employees?

Connectedness and collaboration are different. Whilst many employees felt that they had remained connected to their peers, certain forms of collaboration were more of a challenge.

Themes

- ✓ Connectedness
- ✓ Collaboration
- ✓ Technology and Innovation
- ✓ Future and flexibility

Issues to consider

Connectedness has been possible despite having to adapt quickly to new technologies, such as video conferencing, which are not always perfect. However, there is a difference between being connected and being collaborative. Some specific collaborative activities are harder in dispersed models. Examples cited included innovation, mapping customer journeys and designing customer experiences. Where previously participants in offices may have used whiteboards, stickies and shared physical spaces (e.g. walls), in a dispersed context the technologies available are not yet fully aligned.

Prospective Challenges

Firms are grappling with what offices are for. Should they be investing in making them into collaboration spaces or in technology to enable collaborative activities in dispersed contexts?

It is not enough to spend money on wellbeing initiatives while issues around workload and the impact of workload on wellbeing remain unaddressed. Line managers' skills need further development to enable teams to meet the challenges of new working models.

Themes

- ✓ Line managers
- ✓ Wellbeing
- ✓ Workload and productivity

Issues to consider

Line managers' people responsibilities, particularly around wellbeing and resilience, have increased. Where line managers may previously have had wellbeing concerns about individual team members, during the crisis period they were sometimes faced with supporting multiple employee needs, as well as managing tasks and performance. Line managers suddenly had to develop their skills to support their dispersed teams, often without support or training.

We heard frequent examples of unmanageable workloads impacting on the wellbeing of both line managers and their teams. Some employees also told us about negative impacts of working in dispersed environments, such as social isolation and low mood, which were also felt by managers themselves. It is, however, difficult to disentangle the lockdown effect from the remote working effect.

Prospective Challenges

How can we address the impact that excessive workload is having on employee wellbeing? Line managers face the challenge of continuing to support their people, offer flexibility and still meet objectives and performance measures. Do they have the skills to do this and what are the implications for managers' own wellbeing? What support and training is required and what can we learn from the informal learning that occurred during the pandemic?

Working environment is an important contributing factor for employee wellbeing. Both employers and employees face new challenges in their shared responsibility for wellbeing in future working models.

Themes

- ✓ Wellbeing
- ✓ Flexibility
- ✓ Line management
- ✓ Trust and autonomy

Issues to consider

The wellbeing of employees was put firmly front and centre through the pandemic period, and the majority of employees in our 2020 Survey felt that their organisation had appropriately supported their health and wellbeing. Many firms offered their people the flexibility they needed in terms of work location and non-work circumstances.

The most commonly affected of the FSCB's Eight Situational Factors instrumental to employee wellbeing, were workload and working environment but experiences of stress and isolation also presented challenges for employees and their managers although individual experiences have been highly diverse.

Prospective Challenges

If hybrid models are chosen for the future it will be important to consider the impact of permanently changed work environments on employee wellbeing. How will responsibility for wellbeing be shared between employer and employee? What are the implications of organisations outsourcing their cost base and other responsibilities to their employees?



Future of
workplaces.



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