WE CAN WORK IT OUT: WORK, WORKFORCE AND WORK CULTURE

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MANAGING TECH SERVICES Work in the Next Normal





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The pandemic will ease, and a new combination of remote and on-site working, a hybrid virtual model in which some employees are on-premise, while others continue to work from remote locations, will become the new normal. We did manage remote working rather well during these unprecedented times, but orchestrating a hybrid working model, with a significant portion of the workforce working remotely, for the long term, may be harder than it seems. Avoiding the pitfalls of remote working, tailoring offices to serve us better in the new normal, creating better social cohesion and rethinking leadership strategies are just some essentials that we must now think through. This will mean balancing everything that worked in the conventional model with the many new things that need to be learnt and incorporated to make work productive in the next normal.



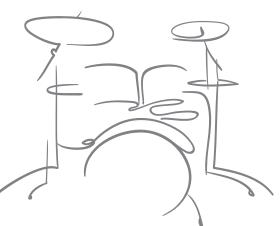
This report, that has emerged from our study of over 150,000 tech service workers, before and during the pandemic, we hope, will help you get started in that direction.

# The symphony of work has been reorchestrated

The pandemic sent us all scrambling for the safety of our homes. With the workforce disrupted, for many companies, the first visible impact was on their operating models. The most pressing questions were around how and from where employees would work. A top priority was to adapt to cope and ensure business continuity. To do that, companies had to find ways to accomplish most tasks remotely without a drop in productivity or quality. They had to help employees, now left without face-to-face interactions, collaborate, build relationships, solve complex challenges and generate ideas. All this while taking into consideration, that the remote workday was greatly expanded, diffusing work-life boundaries and sometimes taking a toll on mental wellbeing. Many firms rose to the challenge - quickly rejigging their technology, processes, policies and even management styles to fit a more digital way of working. Some of the lessons learned then will serve us all long after the health crisis has passed. As businesses figure out the future, this learning will strengthen their strategies and tactics for a robust model for work that has the vital social cohesion but also the flexibility and inclusion that organizations need in the next normal.

We, at Infosys, with our experience of having partnered with some of the best and biggest companies around the world during the crisis, have reengineered our approach to work. Guiding our approach are insights we derived from studying about 150,000 Infosys workers executing over 2,500 projects around the world, as well as 25,000 project documents and 20,000 work tickets in the period Aug 2019 - August 2020. We focused on one thing: how remote working impacts the productivity of teams delivering technology service within enterprises, and the ways to improve it. We continue to apply this learning to finetune our work model producing continuously improving outcomes for our clients.

If your organization is grappling with questions, such as which parts of your technology services work to bring back on-premise, which to continue in the remote mode, and how to make it all work together, this report we hope will help you find some answers.



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Generally, in companies with a hybrid working model, technology services and operations do more remote work than other departments. While tech work is better suited to hybrid working than most jobs, it is unrealistic to think that it can be picked up, plugged, and played in the virtual world as effectively as on the office premises. We find that remote teams need some 'extras', a bit of propping up, to be as productive as they can potentially be on-premise. Some types of **work** and **workforce** are more likely to succeed in a hybrid scenario; an important revelation is that **social-emotional-cultural** factors clearly influence that success. Therefore, when crafting your work model, choosing the candidates for remote work thoughtfully and providing support by way of orchestrating team composition, technology tools, inspirational leadership, timely feedback and some air cover where people can learn from their mistakes without fear, will be critical. Tailoring the model to your organization's unique context, factoring in aspects such as the nature and status of technology implementations and the culture surrounding the workforce, will be just as essential.

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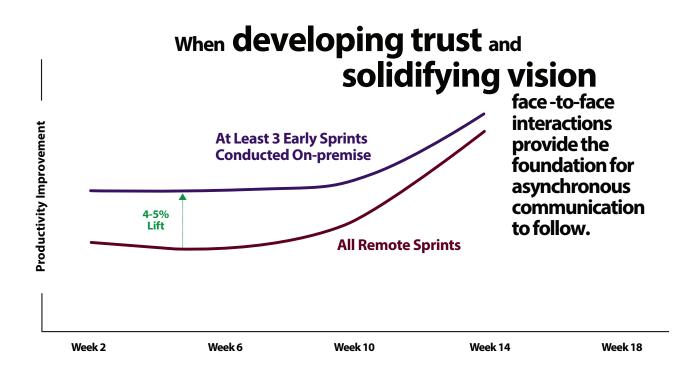
# Knowing What Work Works Where

Hybrid mode of working, where we had already conducted at least three early sprints on-premise, yielded four to five percent higher productivity than projects that were fully remote in the first few months.

**Check fit for remote.** Activities, such as brainstorming, experimenting with new concepts or planning for new projects, are, not surprisingly, much more effective when the team collaborates in the same physical space. Doing them on-premise can have a salutary effect on the productivity of the remote work that follows – one explanation is that the early face-to-face interactions provide a foundation for the subsequent asynchronous communications to proceed smoothly. When we started working remotely around the end of March, a number of new engagements just past the early stage of implementation also went remote. Comparing 1000 such projects with subsequent new engagements that were remote from the get-go, we found that the hybrid mode of working, where we had already conducted at least three early sprints on-premise yielded four to five percent higher productivity than projects that were fully remote in the first few months.

Only around week 14 did the productivity of the fully remote engagements catch up with those that had begun on-premise.

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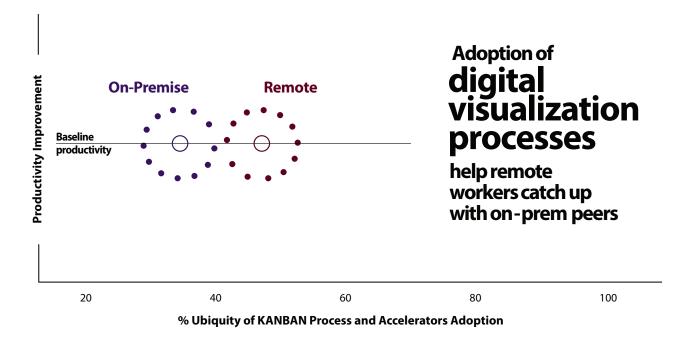


For work that can only be accomplished in a physical environment or with lab hardware, such as product development, IoT / robotics implementation and device management, creating enabling workspaces makes a noticeable impact on productivity. We found that deploying 30 percent of the team on-premise on a rotation basis optimized the efficiency of some kinds of work.

**Tweak the processes.** Even if your organization is not in the technology business, you may still be able to run a part of the IT operations remotely; but be ready to adopt certain processes or make some investments to achieve productivity on par with on-premise. Our own experience was that the digitized visual dashboards of Kanban, combined with other accelerators, helped our remote teams take better decisions. In the absence of physical aids like soft boards, post-it notes and charts, a Kanban board can help remote teams visualize a huge volume of tickets; see how many are resolved, in process, or pending; trace the application or business area they are originating from; identify bottlenecks; and decide the appropriate line of action. Without these aids, workers spend an inordinate amount of time trying to gather this information.

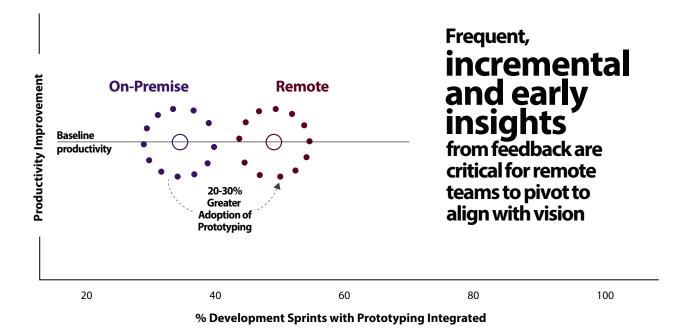
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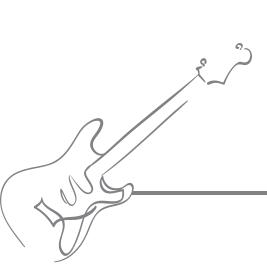


At Infosys, across L1, L2 and L3 support, the view was that ramping up the use of Kanban by just 20 percent facilitated smoother communication with clients and end-users and bumped up productivity to on-premise levels.

**Build feedback loops.** Developers may welcome the opportunity to be able to work at home undistracted by the 'pinging and shoulder tapping' they sometimes endure in the office. Then again, they might be undermining the value of a friendly face looking over their shoulder to point out an error in the code before it's too late, or even offer a helping hand. When your on-premise agile development is converted to distributed agile overnight, without warning or preparation, there are many things that can go wrong. Among other concerns, co-developers, wider teams, managers and sometimes even clients may lose visibility of the project's progress, its complete business and technical context, and even the pathways of communication.



Breaking up tasks into multiple development sprints, and integrating prototyping into each, provided our remote developers with early, incremental feedback telling them if they were on track or needed to correct course. In addition to streamlining subsequent effort, it enabled developers working on different pieces of the same module to make sure their efforts came together in a meaningful whole. In addition, daily stand-ups are great for letting the team know how work is progressing and also making sure everyone feels a sense of purpose.



When we examined large complex engagements – that were multivendor, multichannel, user experience intensive, straddling front, middle and back-office operations – we found that a mere 20 to 30 percent increase in development sprints and prototyping enabled remote teams to perform as well as they did on-premise.

- Nabarun, SVP and Group Head of Quality – Infosys

## Getting the Remote Workforce to Work Better



"Ensuring consumer-grade technology experience for employees enhances their overall experience and amplifies productivity. When working in the remote mode, we find our teams often operate in short bursts of great intensity across elastic workdays, and supporting their efforts with fail-proof cloud infrastructure and platforms creates a win-win equation."

- Mohammed Rafee Tarafdar SVP and Unit Technology Officer - Infosys



When Microsoft, one of our partners, asked developers and program managers about their biggest work-from-home challenges, they mainly complained about the physical work environment, whether it was failing Internet, poor desktop connectivity, lack of space or office furniture, or even distracting kids and pets. Such concerns may seem trivial but are huge on disturbance value. Unfortunately, other than the odd provision or two, organizations can do little to help.

But there are deeper challenges in remote working that thankfully, employers can address with support in the form of technology, people, or system. For example, we are proactive about using technology to monitor employee experience at home and in many ways that has been key to our success. With the help of a monitoring tool, our information and systems management team can see how different applications perform for work from home staff, allowing them to isolate and quickly resolve problems in networks, devices and applications. Switch to pair play. At Infosys, we found that handholding and apprenticeshiplike learning on the job allowed our remote staff to work more productively. For example, we intensified deployment of pair programmers – where one programmer codes and the other tests synchronously for a while before trading places – in engagements with high technology constraints, application complexity and short skill sets (the employees were either inexperienced or hadn't worked with the others on the team). By creating a 'cushioned' virtual space where an inexperienced remote worker could rely on the paired co-worker for help, we boosted both team confidence and productivity. This happened consistently in engagements across sectors.

**Remote teams need** 

spaces to learn from

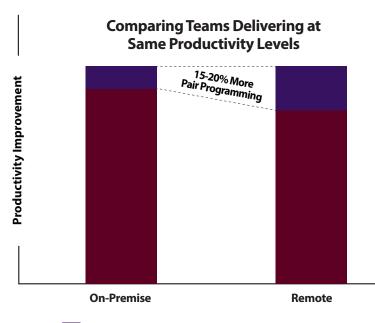
and voice requests in

impromptu interactions

mistakes

the absence of

virtual 'safe'



Section of Team Engaged in Pair Programming

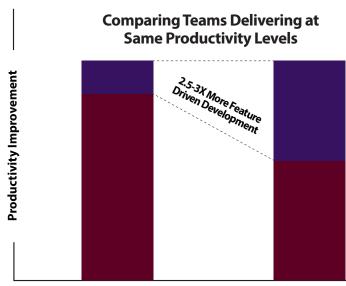


Emphasis on continuous learning brought significant payoffs. Even without training rooms and classroom sessions, fully digitized learning modules, delivered in smaller, bite-sized packages helped our remote teams up their skills, and productivity.



Working remotely for months, doing the same task day-in-day-out, is a surefire way to burn out. To break the isolation and monotony, we reconstituted some of our remote workers who were plugging away on individual work components (testing, coding, analyzing, delivering) into teams to work on feature-based development. The result was a clear uptick in productivity: it seems that consolidating people into a single unit that was responsible for getting a full feature or functionality out of the door before moving to the next created both a sense of purpose and pride in having achieved something tangible.

Working from remote workspaces often also means opting out of regular office hours. In the software development world of dependencies, where a tester tests what a coder codes and so on, this breakdown of 9 to 5 guardrails creates a serious challenge of availability of key personnel at the time of need, potentially derailing the downstream development process. One way to fix this is to empower your remote teams with full-stack developers, who can fill-in in different roles to pick up the slack. We found that increasing the number of cross-skilled workers in a remote team by 15 to 20 percent enabled them to be as productive as an all on-campus team.



## Delivering tangible frequent results deepens purpose and distinctly motivates remote teams

**On-Premise** 

Remote

Section of Team Engaged in Feature Driven Development



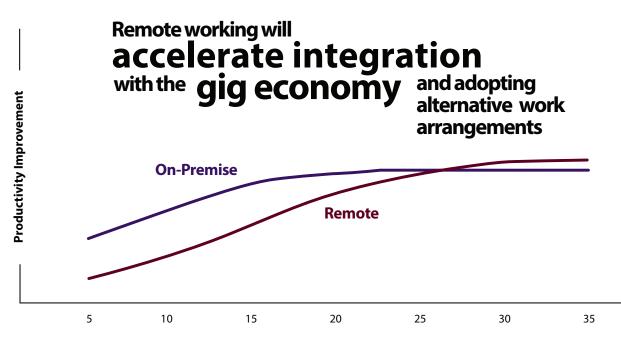
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**Go gig.** One of the clear advantages of remote working is its near-unlimited access to talent; therefore, enterprises will likely hire a lot more gig workers in their remote workforce, and accommodate more working arrangements, than they would have on-premise.

If your company needs a lot of package implementation support or transition support work requiring diverse functional expertise, you now have the choice of adopting a core-flex model, where a permanent core team attends to core activities, and is augmented by a flexible specialist team that delivers, in a flexible work model, as needed.

There are also other consequences of going gig. "When work becomes modular", says **Ravi Kumar, President - Infosys**, "companies will become orchestrators of different tasks that are "physical", "virtual" and "part-time/modular". "Some work will require your physical presence in an office or factory, some can be done by anyone remotely and the work that is modular will be farmed out to people anywhere and performed at any time."



% Infusion of Gig-style Working Model (Smaller Packets of Work Delivered by Remote Workers)

Interestingly, when we infused gig-style working in some of our projects, where remote workers delivered smaller packets of work, we found that once it crossed the 25 percent threshold, gig-working took remote productivity up to, and then beyond, on-premise levels.

5 - 20 Color



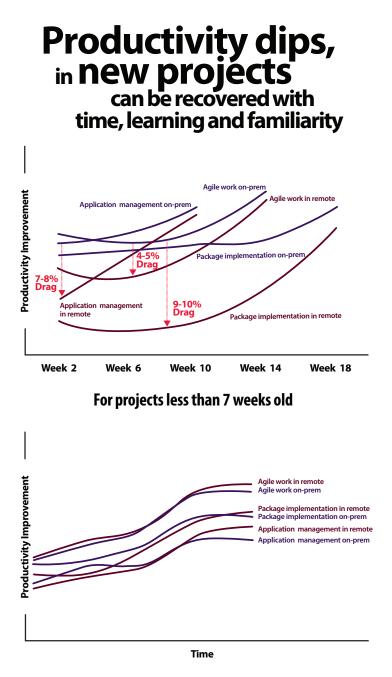


Skewing the composition of a remote team towards former teammates lifted the project's productivity to on-premise levels. People share more than office space when they work in the same premises. The social interactions – such as chats by the coffee machine and hallway catch-ups – facilitate exchanges and bonding that are lost in a virtual environment. In a remote work scenario, people who have worked together before can draw on that social capital. But what about new projects with new teams?

**Familiarity breeds productivity.** When we examined ongoing engagements less than seven weeks old, we noticed a distinct drag in productivity in remote engagements vis-à-vis similar on-premise projects. This drag ranged from 4-5 percent in agile engagements to 9-10 percent in package implementations. In about four months, both on-premise and remote engagements improved their productivity, but the remote projects posted a sharper increase to narrow the gap considerably.

However, when we looked at stable projects, we found hardly any difference in productivity, on and off-premise; if anything, it was a bit better in the latter. The message was clear: with time and learning, new projects can overcome the early drag in productivity to perform as well as they would, on-premise.

Team familiarity has a similar effect on performance. Skewing the composition of a remote team towards former teammates lifts the project's productivity to on-premise levels. People who know or have worked with each other in the past, build on that strong social capital to turn out better results.



For stable projects

than others. Based on the inputs from delivery managers, whenever we start a new project on an account, we do our best to staff at least 15 to 20 percent of our requirements from existing teams working on other projects for the same account. While you may not be able to do this for every project in your organization, you should at least ensure it in complex engagements. **Productivity Improvement On-Premise** Remote **Productive remote** teams build on strong social capital 20 40 60 80 100

Studying almost 100 engagements (both stable and new) across sectors, we found that "persistent" teams, that is, where at least 30-40 percent of the members had served on the same team before, were able to sustain productivity better

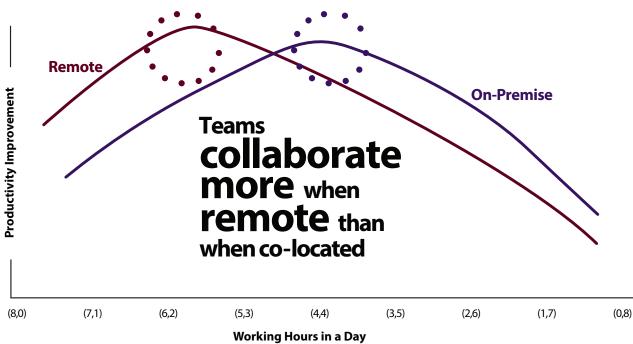
% Team Members who have Worked on the Same Team Before (% Team Familiarity)

**Collaboration is a mixed bag.** An incessant stream of email, read-ups, text messages and chat pings can cause severe collaboration overload that can drain productivity. We compared, through qualitative interviews, on-premise and remote productivity across combinations of team collaboration and individual work hours and found that remote teams collaborated more than co-located ones to achieve similar peak productivity. However, in both cases, productivity dipped rapidly on either side of the optimal mix, and in a remarkably similar fashion, signaling that too much collaboration was as detrimental as too little.

#### Too much collaboration was as detrimental as too little.



The trick then is to collaborate only as much as is advantageous. Build collaboration into the project plan, like any other investment. Identify the areas that require a collaborative effort. Make these decisions in consultation with key stakeholders.



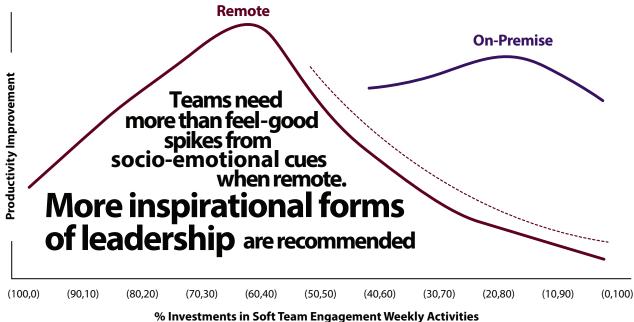
(Team-collaboration Hours, Focused Individual Work Hours)

**Lead with empathy.** Your teams will need more than the odd feel-good spike to remain fully productive. Providing that – through planned, deliberate interventions - is the job of the leadership.

Trust in the leadership, within teams and between individuals is so essential to accelerate the agility and efficiency of teams – especially when the connections are mostly virtual." Building that trust over an Internet connection, especially among new team members, will take strong and sensitive leadership.

- Ravi Kumar, President - Infosys





Investments in Soft Team Engagement Weekly Activitie (Efforts by team leadership, Organically occurring events)

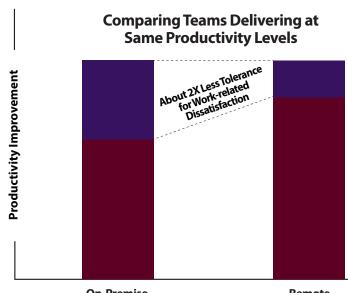
**Keep them happy.** In qualitative interviews, different members of a project team shared different experiences. Some are happy with their share of responsibility; others think they deserve more. Some people like their co-workers, even as others seek to be reassigned. From location, duration and domain to trust, respect and chain of command, a host of factors impact employee satisfaction.

But teams working remotely have none of the typical comforts of a great office that add to satisfaction – no confidants, no cafeterias, no water cooler chatter. *"Their mental state depends primarily on how satisfied they are with their work."* The problem is that when an unhappy employee performs below par, it is much harder for teammates to pitch in in a remote scenario.



"When the project team is co-located," says a project manager at Infosys, "If some people are having a bad day, their friends pick up the slack. A small group does the heavy lifting for a while. Friends rally around them."





### With fewer social interactions at work, remote teams rely almost entirely on satisfaction from the core job for motivation

**On-Premise** 

26

Remote

% Average Variability in Levels of Job Satisfaction of Individuals

Another way of interpreting this is that the productivity of a remote engagement is much more susceptible (we found it to be twice as) to variability in job satisfaction of individual team members than that of an on-premise project. So when your employees are working from home, redouble your efforts to ensure their wellbeing. If your workforce is hybrid, take care that those working from home don't feel at a disadvantage.

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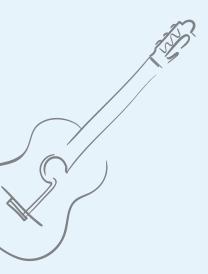
- Ravi Kumar, President - Infosys



In a few months, some of your technology service providers will return to the office, even if partially. But by mutual consent, many will remain at home. With part on-premise, part off-premise defining the next normal, your organization needs a hybrid working model built for the long-term. If you haven't started already, now is the time to make those plans. Since there's no one size fits all solution, your organization will have to evolve its own, one that meets the requirements of the business and the expectations of your employees. Many factors will come into play in this decision, including the nature of tech operations, team characteristics, collaboration intensity, business needs and organizational structure. For example, if the style is hierarchical, or the team is very young, plan at least some activities on-premise. If your technology or training set-up needs upgrading, make those investments to minimize friction for remote staff. Above all, your approach needs to be one that supports:

- Extension of social capital to drive value over extended periods of time
- Networked people structures, with decentralized decision making, as against hierarchical structures
- · Reduced cross functional linkages to create more integrated self-contained work packets
- Decentralized data custodianship with increased overall trust in employees
- · Smaller work groups especially for newer employees to get integrated in faster
- Balancing outcome-centric goals with effort-based ones
- Steering away from managerial micromanagement
- · Ideation in isolation (remote) coupled with collaborative continuous improvements

Create a "first draft" and make improvements as you go. Monitor and communicate regularly to see how it's going. The road to the workplace of the next normal is long and winding. Take it one step at a time.



#### Key Takeaways

- When developing trust and solidifying vision, face to face interactions provide the foundation for asynchronous communication to follow
- Adoption of digital visualization processes help remote workers catch up with on-prem peers
- Frequent, incremental and early insights from feedback are critical for remote teams to pivot to align with the vision
- Remote teams need 'virtual' safe spaces to learn from mistakes and voice requests in the absence of impromptu interactions
- Delivering tangible, frequent results deepens purpose and distinctly motivates
  remote teams
- · Remote working will accelerate integration with the gig economy
- Productivity dips, in new projects can be recovered with time, learning and familiarity
- Productive remote teams build on social capital
- Too much collaboration was as detrimental as too little
- Teams need more than feel-good spikes from socio-emotional cues when remote
- With fewer social interactions at work, remote teams rely almost entirely on satisfaction from the core job for motivation

For a quick diagnosis of the readiness of your work model for the next normal, please contact hybrid.work@infosys.com



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