



Challenges for organisations in times of remote work

Study on the impact of the current crisis on people and organisations.

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Initial thoughts

The current crisis caused by the fast spread of COVID-19 has far-reaching consequences on multiple levels. Much has been said regarding the impact of the crisis on the economy, the health care system and companies. However, as professionals who provide comprehensive solutions to talent management, the purpose of this study is to discuss a less obvious but nevertheless important aspect of the crisis: **the challenges that people and organisations face in the transformation and adaptation process in the current context.**

Thus, this study is directed towards understanding the impact of the current crisis on organisations and, especially, on the people comprising them. At PDA International we believe that people are the most important asset, which is why we were determined to understand the challenges, concerns and needs that the current situation represents to them.

We propose you to approach this material with a critical, empathic eye and to be willing to learn. Thus, we invite you to see the results of this study to analyse our current practices therefrom, and, if necessary, to re-think the next actions so as to take advantage of the learning of such a particular and fostering experience for everyone.

Wishing you find this material useful to take the correct decisions and to understand the needs and motivations of the individuals who build organisations with their efforts every day, we greet you and wish you good health.

PDA International Team.



About this study

It is possible to study the effects of the crisis caused by COVID-19 and its impact on the work environment from different aspects. This study deals with one in particular -the human factor: What happens to people in this context? What abilities and skills do they have to deal with this adaptation challenge? Are they prepared to take on the challenge of working remotely? Which are, given the current context, the main demands of people to the companies they work for? Are leaders prepared to successfully guide remote teams? How does the current crisis impact on work modalities and on the culture and work environment of companies?

These and other questions boosted a search for answers which materialised in a survey that allowed us to discover and understand the different ways in which the current situation affects people. Behind every statistic, behind every number you will find in the results of the study, please remember that there are people making an effort to adapt to a crisis situation and using few or none tools and skills to work remotely; people with fears, expectations, uncertainties and unique emotional needs, seeking their place and learning to generate value with others in a different way.

Six hundred people throughout the world participated in this survey, of different age groups, industries, companies and types of business (private-public). Having this information is useful for successfully dealing with the new challenges that talent management that will most likely face during and after the crisis.



Some conclusions and thoughts

Companies from the different countries affected by the COVID-19 pandemic have had to quickly adapt their work modalities and structures to home office or remote work. As people cannot go to their offices or workplaces (due to the quarantine or mandatory social distancing), companies have faced a challenge that, although known, was met by each one of them in a different maturity stage: digital transformation.

At this point, we think it is convenient to focus on an important as well as forgotten concept: organisational transformation is always a transformation of people.

George Westerman, a researcher at the Massachusetts Institute of Technology, says that the problem is that companies have focused on the wrong aspect of digital transformation. “They’re paying attention to the ‘digital’ aspect when ‘transformation’ is what really matters. Therefore, in order for companies to successfully overcome the situation and to consolidate digital transformation and remote work practices, it is necessary that they focus on people's training and support.

In summary, the fast and mandatory transformation that all companies must undergo nowadays is, at the same time, a technological transformation (digital tools) and a human transformation (work skills, digital leadership and digital mindset).

The analysis of the results allows us to point out some emerging aspects that make the impact of this situation on people and organisations more clear.

In general, it is possible to observe that 50% of respondents assure that they don't have neither the tools nor the skills to face this challenge, that leaders do not properly assist them or have the skills to lead remote teams, and that the company does not support them to undergo this transition.

This means **that only half of people -and their companies-** are successfully facing this situation, which is clearly a warning sign and opens up many action opportunities to improve working conditions in every way (both in competency development and initiatives to look after the mental health of employees in times of crisis).

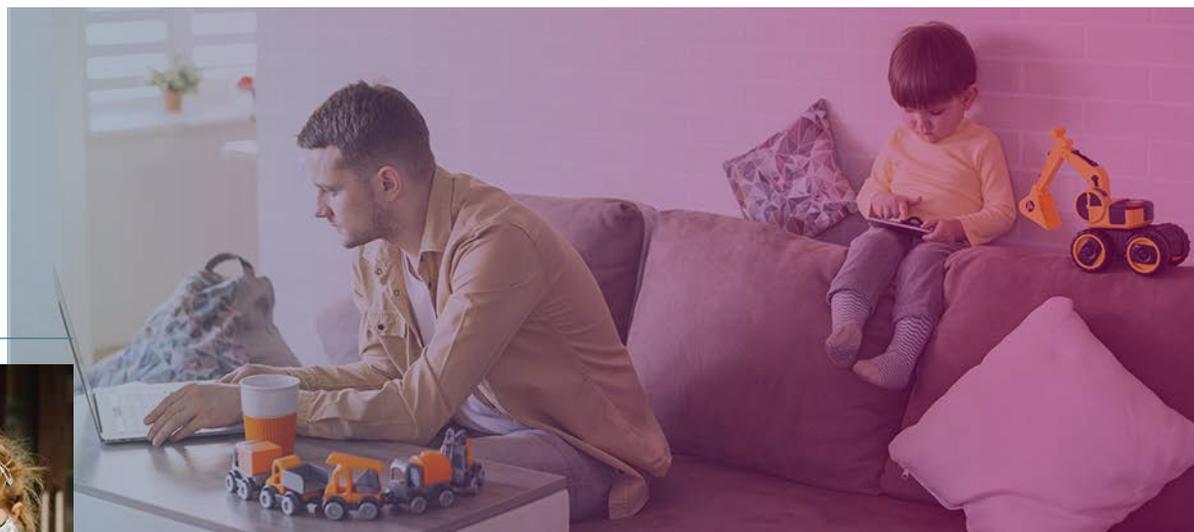
People's demands to their companies in such a critical time are mainly the development of productivity and planning competencies to assist them and the provision of tools to successfully deal with this new work context, emotional and resilience competencies, which are connected to the difficulties inherent to this circumstance, and, finally, adaptation and flexibility competencies.

People expect their companies to support them in different ways. Particularly, they expect initiatives directed towards well-being and leadership strengthening, so that they can learn the new skills and have the new tools that digital leadership demands.

It is important to take into account that, individually, the impact of the crisis is multidimensional: it impacts on work, family and emotions. Not only do we have to adapt to new working ways, but also, in many situations, find balance between work and children's homework. The known organisation and routine are completely modified and demand the exercise of new competencies: flexibility, adaptability, unlearning and re-learning, communication in remote environments and emotion management.

In this sense, there is a really interesting fact: 9 out of 10 people affirm that this global situation is a time of personal change that has led to some kind of movement, introspection and reflection.

These results demand us, as talent management professionals, to support people and teams in whatever aspect is affected by this crisis, to provide them with tools of self-awareness and self-development that allow them to deal with this situation in a more secure and calm way, to provide them with specific and proper training to develop key competencies, to look after the well-being and mental and emotional health of people and, especially, to support this change with the understanding that **every transformation is primarily and essentially human.**



Result charts

We have divided this study and its results into different sections that allow us to approach the proposed objective. These sections refer to the impact of the transition to home office modality, changes in the different talent management systems (recruitment, training, organisational culture, work environment, among others), leadership and team management in this new context and on the way people deal with and experience it.

Transition to remote work

The home office or remote work concept is clearly not news for anyone, even though its practise is. On the contrary, it is a tendency that has been increasing over the years among talent management professionals.

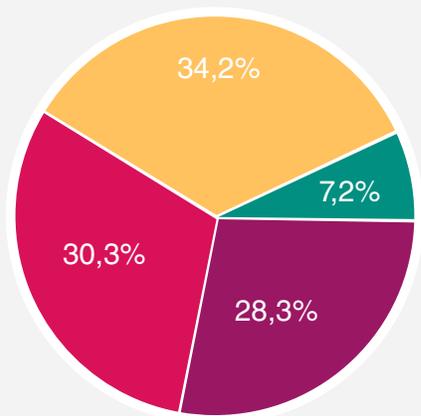
Nowadays, the democratisation of technological breakthroughs makes home office or remote work an increasingly accepted and usual practice. Besides, the crisis context reveals the urgent need for making a progress in the strategies to digitalise processes and the adaptation of digital spaces to be incorporated in the work dynamics.

The results of the survey show that 4 out of 10 respondents think that their company was neither prepared nor had the necessary tools or know-how to make the transition to home office and, besides, they have considerable problems to adapt themselves to this new work modality.

54.7% of respondents are dealing with home office for the first time, with varying degrees of success in the adaptation thereto. This means than more than a half of respondents were not working under this modality and today they must focus their efforts and energy on adapting to a new work modality during a health and economic crisis and in an uncertainty global context.

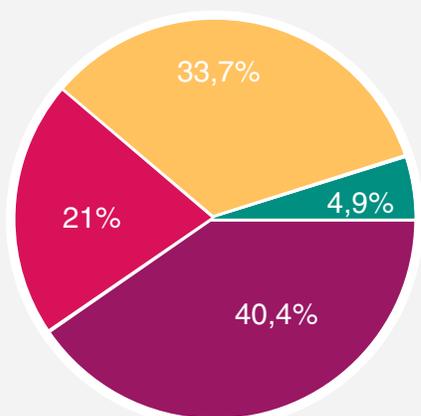


Does your company's structure allow for working from home or teleworking?



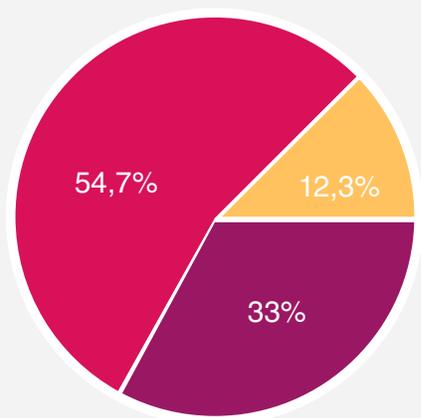
- Yes, we were already using this work modality
- Yes, we were beginning to do this in some sectors
- No, we are trying to adapt to this modality
- No, this work modality does not apply to my company

Does your company have the technology it needs to tackle the transition to working from home or teleworking?



- Yes, we have been making use of available technologies for some time
- Yes, the IT department had a containment plan
- No, we are currently adopting technologies as needed
- No, we are feeling quite lost

How is the transition to working from home going for you?



- Very well, I already worked under this modality
- I didn't work under this modality, but I'm adapting well
- I'm struggling to adapt to this modality, I'm unable to get organised or concentrate

The impact of the crisis on the company

This crisis affects companies in different ways. Not only the economic or profitability aspect, or work modalities, but also the different initiatives that are boosted within the company. In this case, we wanted to analyse the impact on some of the main initiatives related to talent management: support for well-being, recruitment processes and training or development activities.

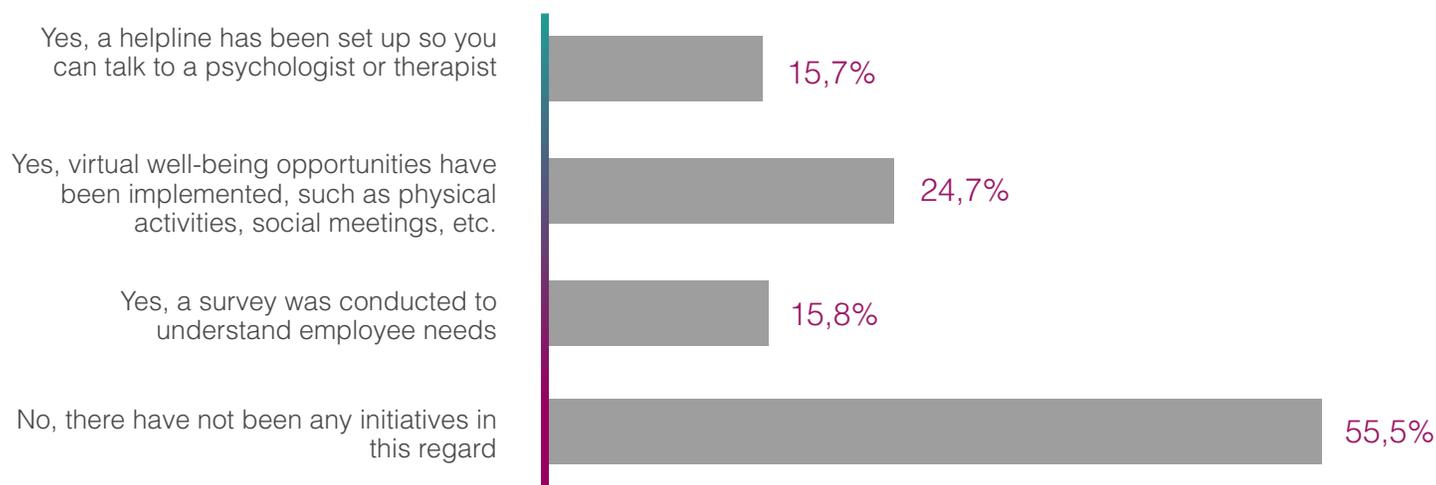
Adaptability is one of the key skills for any company wishing to successfully overcome this situation. This skill implies knowing how to interpret the context and respond to it in a timely manner, regarding both the market and people's needs. The practices that are incorporated -and the agility with which they are carried out- show the path followed -or not- towards the company's transformation.

Although the initiatives to promote well-being are one of people's main demands, 55% of respondents indicate that there are no initiatives to look after mental health in these times of crisis.

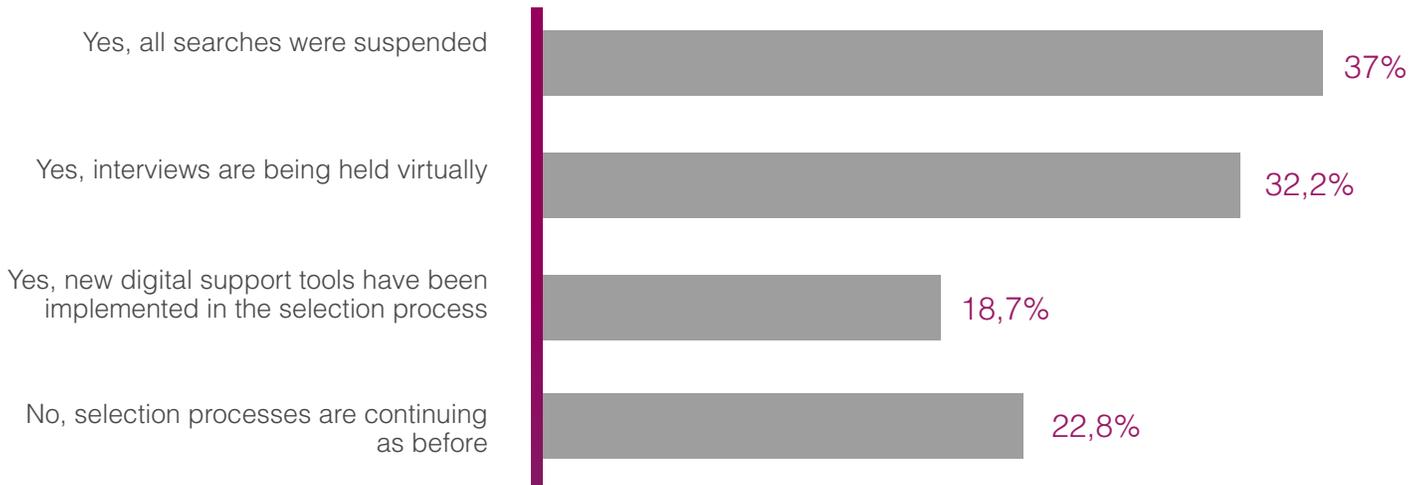
Additionally, although it was generally decided to cancel all in-person training activities, companies are starting to evaluate the implementation of virtual courses. The same applies to recruitment processes that, even though a large number has been cancelled, they show a tendency towards digitalisation (both regarding virtual interviews and incorporation of supplementary technology).

This is a challenge for talent management areas that, given this situation, are asked to be agile and to focus on the needs of their employees.

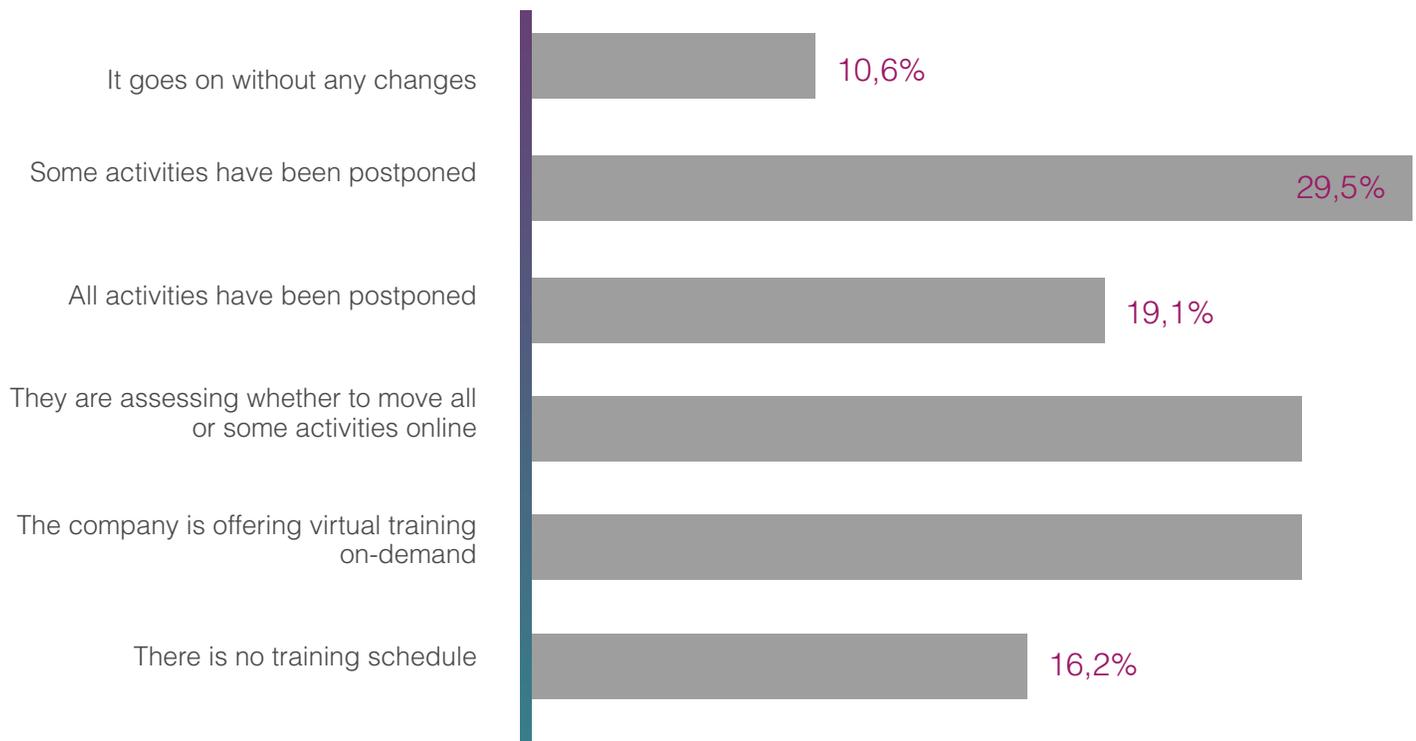
Are there any initiatives to address employee mental health during this time of crisis?



Were changes made to selection processes?



How is the pandemic affecting the employee training schedule?



The impact of the crisis on the organisational culture and work environment

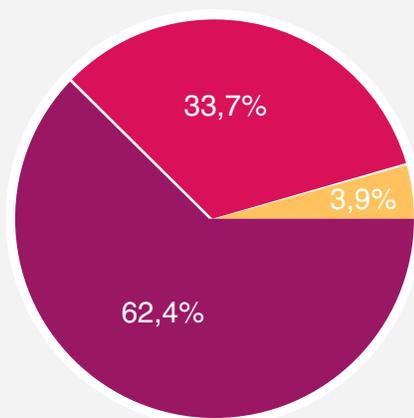
It is inevitable that these fast changes have a strong impact both on the organisational culture and work environment of the company, as these new ways of working, leading, communicating and bonding create new scenarios and messages within the company.

There is an agreement among respondents that this crisis will transform companies. More than 60% affirm that this transformation is going to be complete and permanent, and 74.6% of respondents assure that culture will be more digital and agile.

In this context, leaders become a key role in transformation. 57% of respondents say that leaders took measures to make the transition to home office possible. However, 20% answered that this change was met with resistance.

On the other hand, 80% of respondents affirm that the work environment won't change or otherwise will generally improve thanks to the implementation of home office. This is a positive indicator of the perception of the impact on the work environment.

Undoubtedly, these results are promising about the possibilities that companies have. With proper crisis management, and with leaders guiding the transformation, an improvement can be expected both in the organisational culture (which will increasingly lead towards an innovative, digital and agile culture) and work environment by making greater flexibility and work-life balance possible.



Do you feel that companies are going to change as a result of this crisis?

- Yes, I believe that this crisis will completely and forever change companies
- Yes, but I don't think the change will last
- No, things will go back to the way they were before

The impact of the crisis on work teams and leadership

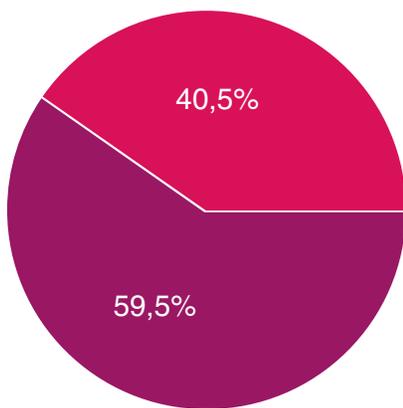
Maintaining active communication and synergy among people who cannot share a physical space is one of the greatest challenges of home office. Leadership and technology are fundamental elements to maintain cohesion and productivity.

A large percentage of respondents point out that their companies' leaders were not prepared to manage teams remotely, but that they have responded proactively. On the other hand, half of respondents affirm that remote work did not affect the team's productivity.

60% of respondents think that their teams were prepared to work collaboratively; hence the current situation did not represent a significant change. However, the remaining 40% say that they need more orientation and organisation to successfully deal with the situation caused by COVID-19.

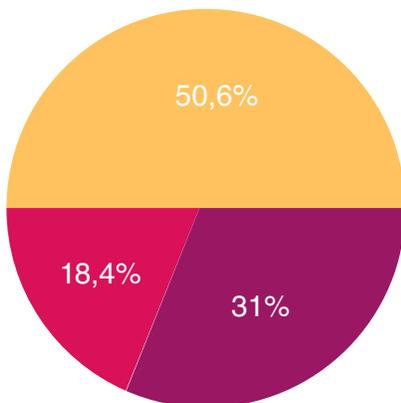
Regarding communication within the work team, new -digital- communication channels have been implemented to shorten the physical distance, and work has been done to maintain the frequency of communications. In this case, it is important to highlight that, although half of respondents think prior communication training was really helpful in this situation, 35% believe that communication is one of the current problems that make teamwork difficult.

Whether it is a new or established practice, the adjustments made to the teamwork dynamic will represent a competitive advantage in this environment.



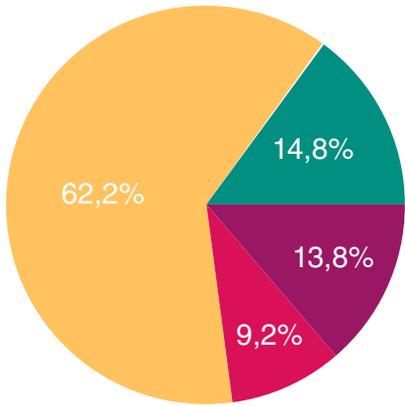
Was your team prepared to face the situation caused by COVID-19?

- Yes, we work as a team and it didn't pose a major change
- No, we need more direction and organisation



Has working online affected your team's productivity?

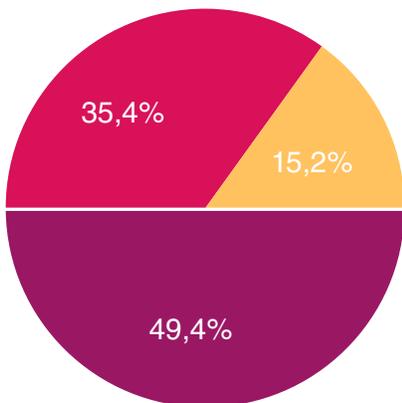
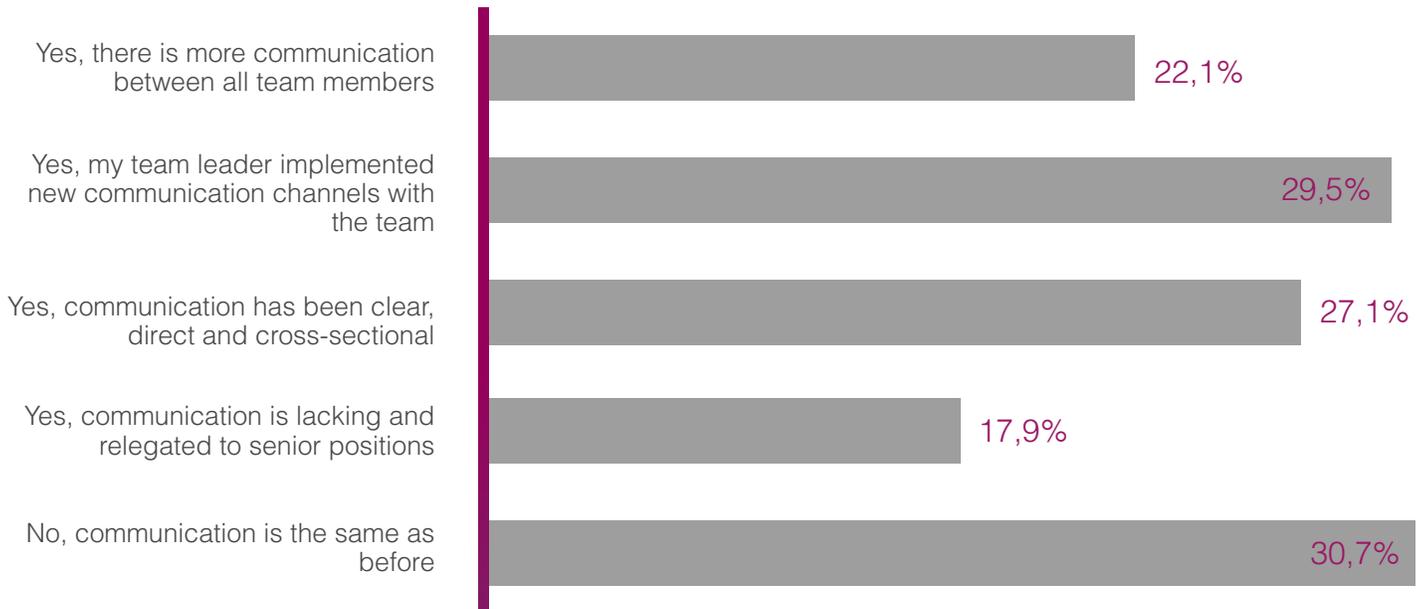
- Yes, we are less productive
- Yes, we are more productive
- No, we work at the same pace



Are your team leaders prepared to manage online teams?

- Yes, it's a standard practice at the company
- Yes, prior training had been provided and they knew how to apply it
- No, but they have responded proactively
- No, they are struggling with the change

Has communication on your team been affected by the current situation?



Do you have the tools you need to adapt communication in the current situation?

- Yes, we were trained on communication-related matters and it has come in handy
- No, it's one of our current problems
- No, I don't think it's necessary to adapt communication

Individual impact and support from leaders and companies

Stress, anxiety and depression have alarmingly increased during the first months of this year. The concern about our health and the health of loved one, the economic uncertainty and social distancing affect mental health.

Upon this scenario, companies can proactively take measures or make people find -or not- the tools by themselves.

Regarding leaders' support to employees, opinions are polarised. Half of respondents affirm that leaders are looking after their needs, while the other half believes that leaders do not support them or that their support is not enough. This indicates a clear need to work strongly on leaders' training and competencies.

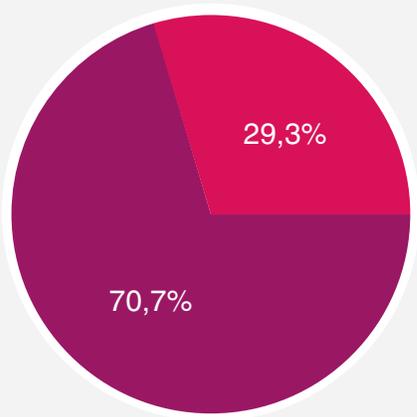
Besides, almost every respondent thinks that this situation is a time of personal change that has made an impact on them and made them reflect. People expect their companies to support them through initiatives that promote their well-being at this moment (meeting points, virtual physical activities, relax moments, etc.) and actions related to leadership strengthening.

In this sense, they also expect the company to help them develop productivity and planning competencies, as well as emotion management and adaptability competencies. These competencies are clearly related to the current situation and are directed towards providing tools to better go through this experience.

As noted, the role of the leader is becoming more important as a guide and support in this context, and people's needs are directed towards responding to the challenges of the situation.

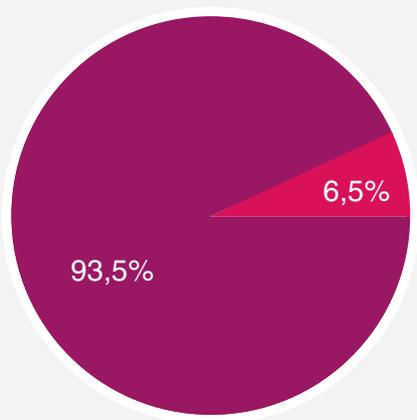
This is an opportunity for close collaboration among talent management professionals, leaders and people to physically and mentally overcome the current crisis.





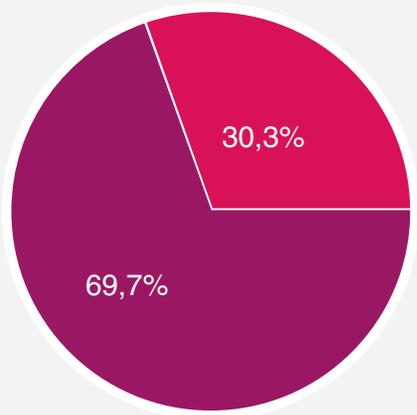
Do you think your job will suffer changes as a result of the current situation?

- Yes, I think it will suffer major changes
- No, I think it will continue as usual once this situation is over



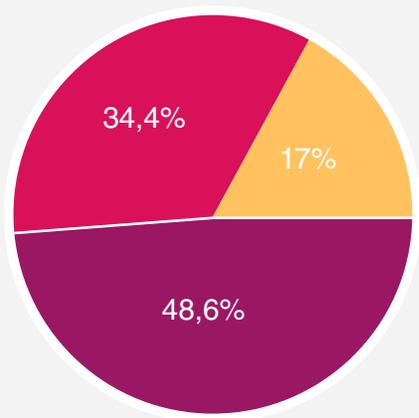
Do you feel that this global crisis is a time for personal change?

- Yes, it has moved me and made me reflect
- No, as soon as the state of emergency is over everything will go back to normal



Do you feel supported by the company during this crisis situation?

- Yes, the company has expressed interest in supporting its staff
- No, it's business as usual



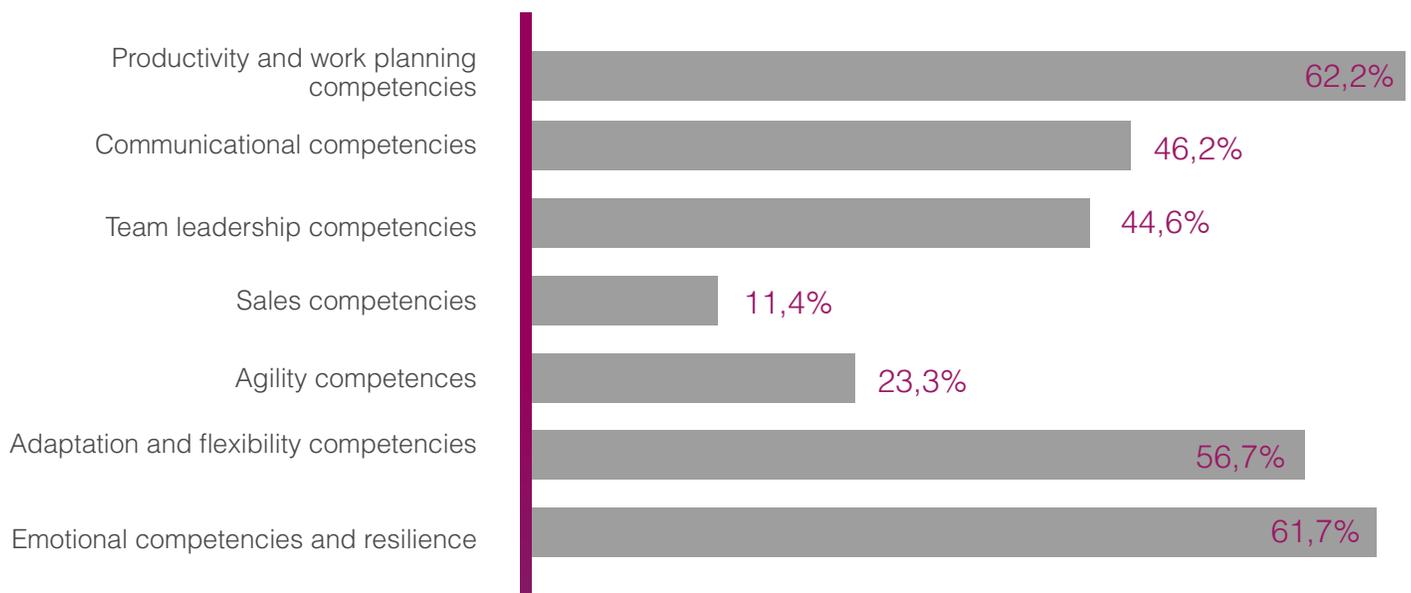
Do you feel supported by your team leader during this crisis situation?

- Yes, my team leader is attentive to my needs
- They support me but I feel it's not enough
- No, my team leader is not being supportive of me at this time

How would you like your team leader or company to support you during this situation?



What competencies do you think the company should cultivate in employees in the current situation?



Technical data of the survey

To conduct this study, we have implemented a structured, virtual survey.

- **Number of respondents: 600**
- **Number of participant countries: more than 20 countries in all continents**
- **Languages in which the survey was conducted:** Spanish and English
- **Types of companies represented in the sample:** Small and Medium-Sized Enterprises (SMEs) and national and multinational corporations, both public as well as private ones.

