

Future of Work accelerated:  
Learnings from the COVID-19  
Pandemic

Human Capital Consulting |  
India perspective



# Foreword

The world is experiencing an unprecedented lockdown due to the COVID-19 pandemic. The International Monetary Fund (IMF) is predicting an economic recession of the magnitude similar to The Great Depression. Per the US Labour Department, more than 10 percent of American workers have filed for unemployment benefits in three weeks. There are many doomsday scenarios that have moved from 'unlikely' to 'most likely' in the past few weeks across the globe. Starting in China, the epicentre of the COVID-19 pandemic has moved to Iran, Western Europe, and the US, and in its aftermath decimated the concepts of business and work.

In India, we have witnessed firm and clear government policies to proactively enforce a nationwide lockdown, and mercifully pandemic growth has not yet seen the levels that were being feared by many specialists. Indian organisations have been able to move business and work in a phased manner. Core operations of most non-essential industries remain shut down, while essential industries are pushing their organisations to get the work done. One can see a quantum leap in work-from-home numbers in the country, and a forced move to newer ways of working.

At Deloitte, we have been writing about the Future of Work for some time. The Future of Work comprises three equally important dimensions 'work' (what can be automated), 'workforce' (who can do the work), and 'workplace' (where is the work done). Based on our experience, most organisations in the past have focused on the 'work' dimension, evaluating opportunities to automate and augment workforce through technology. However, there appeared to be an inadequate focus or action on the other two dimensions. The current pandemic situation, more by compulsion rather than by choice, has forced us to move to different workplace models, and in some situations, workforce models as well. We wanted to understand if the current experience has truly accelerated mindset shifts to the Future of Work, and saw the ongoing lockdown as an opportunity to test our hypothesis on acceleration of the Future of Work in India. Our methodology was a combination of a survey and virtual one-on-one conversations, the audience comprising CXOs from 42 reputed Indian organisations. We identified seven key learnings relevant to the acceleration of Future of Work in India. As conclusive remarks, we have presented what a COVID-adjusted strategy could look like for any organisation looking to embrace the Future of Work.



~50 percent CXOs reported more than 25 percent business disruption and work was disrupted on similar lines, with revenue, supply chain, and operations functions impacted

Percentage of work disruption across the value chain during the lockdown (industry variances exist)



### Revenue

Revenue functions saw high degree of disruption to business continuity given the roles demand customer touchpoints and on-premise interaction. Most sales teams are working with depressed business plans and experimenting with novel ways of reaching out to customers and consumers.



### Supply chain

Inbound and outbound supply chain operations for a majority of sectors were disrupted due to sealed borders and other transportation restrictions imposed as part of the national lockdown. Shutting down of manufacturing operations of raw material is also contributing to supply chain roadblocks.



### Manufacturing/Retail operations

Constraint of attachment to physical assets (machinery, plant equipment, raw material, etc.) has impacted manufacturing/production across industry sectors, and the workforce is unutilised during this lockdown period. Retail operations observed similar themes.



### IT

While attachment to physical assets has slowed down IT operations for several organisations, most organisations, especially in IT/ITES sector, have successfully transitioned some portions of the work to remote working model.



### Enabling (non-IT)

A majority of the sectors are able to achieve business continuity in functions, such as HR, Finance, etc., by leveraging virtual working. The lockdown has helped organisations gain momentum in transformation initiatives in enabling areas due to increased availability of leaders.



### Design & New Product Development

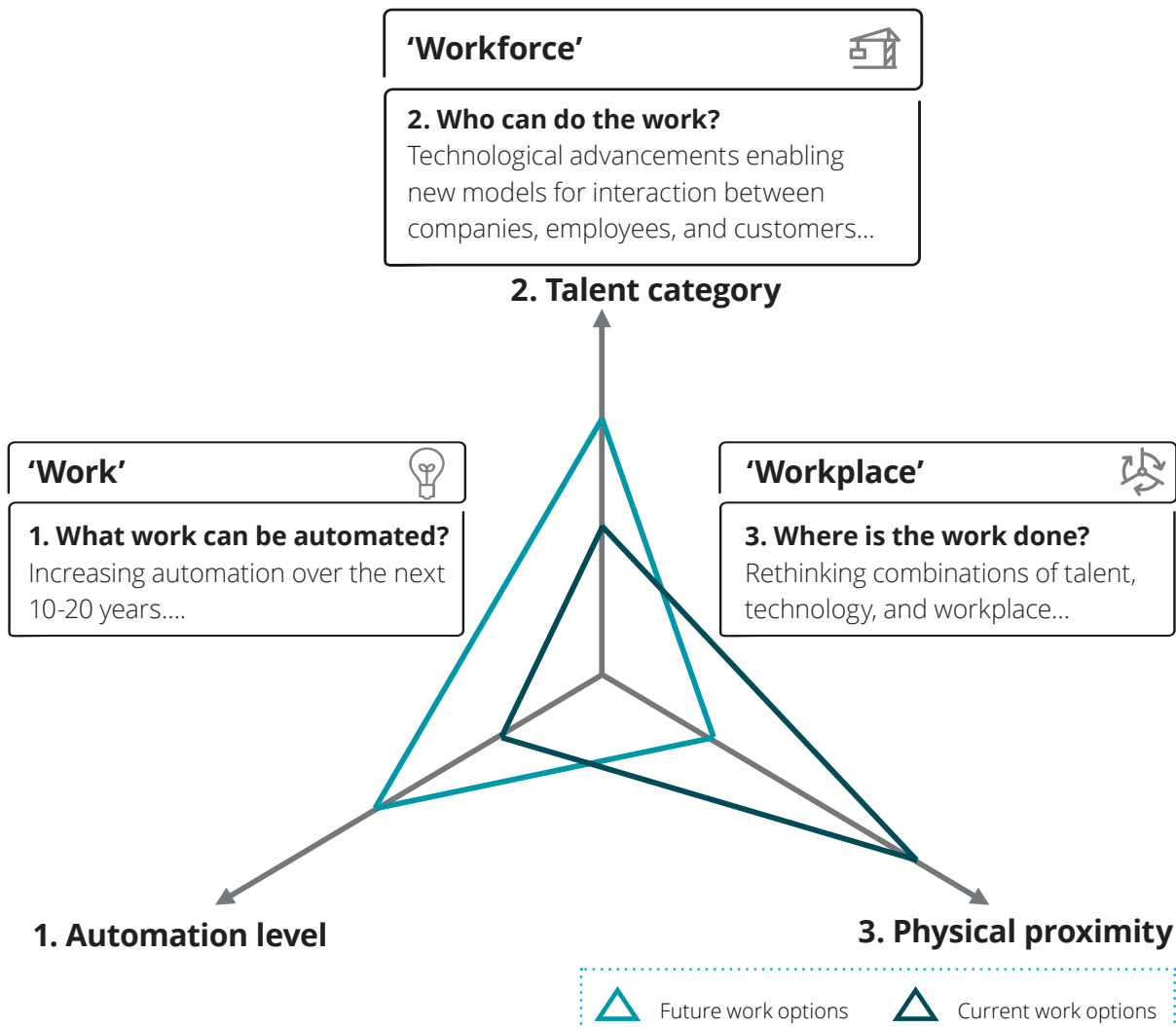
Functions with high cognitive requirements, such as design and product development have been able to transition to virtual working, and some disruption owing to absence of prototyping equipment, lab facilities, etc., still exists.

Source: Future of Work Accelerated Survey and CXO Conversations (n=42)

**Organisations have been forced to adopt new ways of working to ensure business continuity to the extent possible.**

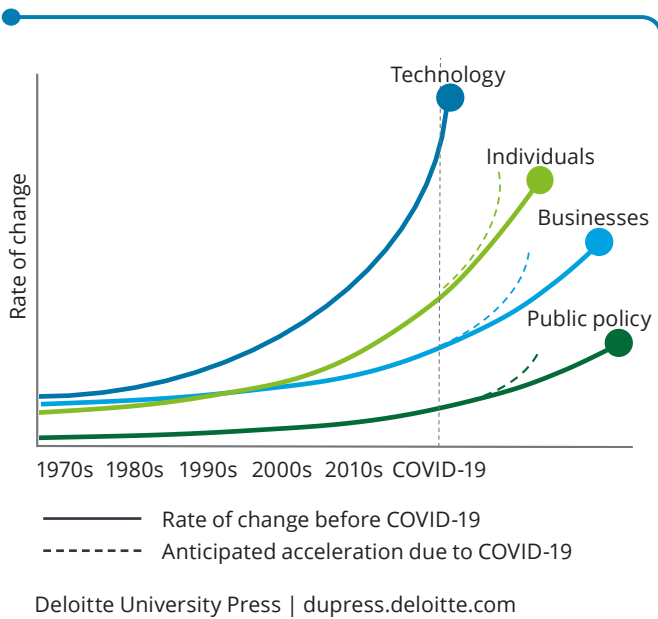
# The Big Question

Has the current crisis truly accelerated the Future of Work, and if yes, which dimensions and by how much?



# Our prediction about the Future of Work

The pace at which individuals and organisations were changing was far slower than advances in technology.



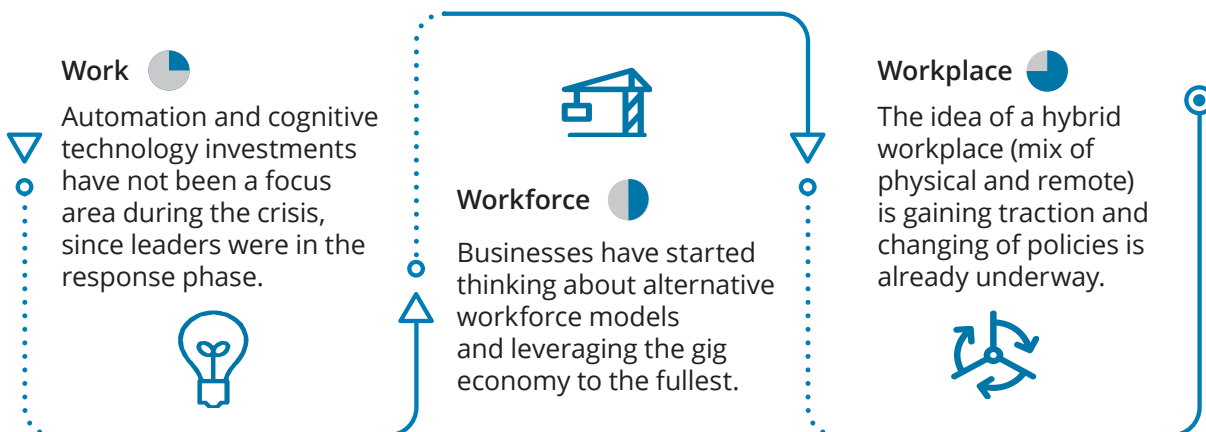
We asked CXOs if they see the curves for individuals and businesses accelerating, starting now.

*We heard a resounding 'yes'.*

The shift in the curve is due to a breakdown of legacy mindsets, adoption of digital ways of working, and new demands being placed on businesses and workforce.

The extent of acceleration will likely depend on how successfully organisations are able to take their learnings and experiments into the future as they recover and thrive in the new normal.

Organisations have witnessed higher acceleration on workplace and workforce dimensions, owing to immediate crisis.







Our study has revealed seven **key learnings** from the current crisis, which could potentially accelerate the Future of Work in India.



A collaborative effort was required to minimise disruption arising from attachment to physical assets, lack of IT infrastructure, and social structure.



The key shift has been adoption of, rather than investment in, virtual tools for collaboration.



Leaders believe that individual employee productivity has in part, increased as a result of remote working.



The crisis has pushed employee wellness and engagement to the forefront.



Workforce has rallied behind the organisation in their respective roles.



Enterprise agility has emerged as a strength for organisations, which have been successful in minimising work disruption.



Organisations are considering increasing the share of gig workers as others reduce dependence in favour of full-time workforce.



# Learning 1

A collaborative effort to minimise disruption arising from attachment to physical assets, lack of IT infrastructure, and social structure.

## Top reasons for work disruption



Source: Future of Work Accelerated Survey and CXO Conversations (n=42)

### Large scale disruption in production:

Most organisations have idle operations' roles due to work being linked to physical assets (plants, retail stores, etc.). Conglomerates have most of their production capacity on hold, and many leading organisations have shut down operations proactively to mitigate risks to customers and employees.

### IT infrastructure remains a challenge:

Fifty-five percent CXOs agreed that their IT infrastructure fell short of facilitating a smooth transition to remote working. Shortage of desktops/laptops, lack of VPN access, restriction due to on-site software, lack of data cards are some of the top reasons cited for business disruption. Most organisations rolled out new policies for broadband and data reimbursements to enable the workforce to remain connected.

### How the IT sector is mitigating risk:

Interestingly, firms in the IT/ITES sector have generally managed to mitigate this risk through large-scale collaborative efforts. A leading IT/ITES firm, for example, took about a week into the lockdown to deploy IT machines (not PCs) to employees' houses, who could then resume work from home.

### A collaborative effort:

In this time of crisis, most CXOs responded that they were surprised by workforce commitment. CXO of one of the largest media conglomerate acknowledged that they were able to quickly respond to the situation due to employees' own efforts to invest in personal laptops, high speed internet, etc.

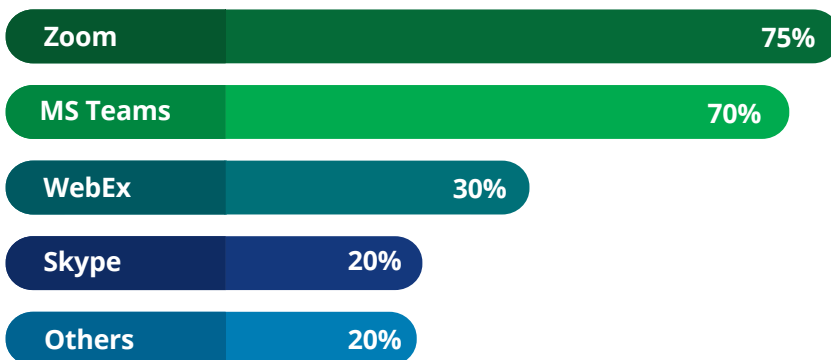
## Learning 2

The key shift has been adoption of, rather than investment in, virtual tools for collaboration.

**75%** of CXOs said they already had tools for collaboration in the firm and **did not have to make new investments** during the crisis.

**60%** of CXOs said collaboration has **significantly increased/increased** during the crisis.

### Top platforms used for collaboration



Source: Future of Work Accelerated Survey and CXO Conversations (n=42)

#### Sharp increase in adoption of virtual tools

Historically organisations faced a **challenge to drive adoption of remote collaboration tools**. The crisis has forced major mindset shifts in adoption of virtual collaboration tools, with managers seeing long-term benefits of partial remote working models.

#### Platform choices remain common

**Zoom, MS Teams, and WebEx** remain the platforms of choice for virtual connect.

#### Improvement in collaboration

Surprisingly, organisations have **reported improvement** in the degree of collaboration. Following a routine of virtual meetings and hangouts has aided in driving collaboration not just within, but across teams as well.

#### Leadership effectiveness

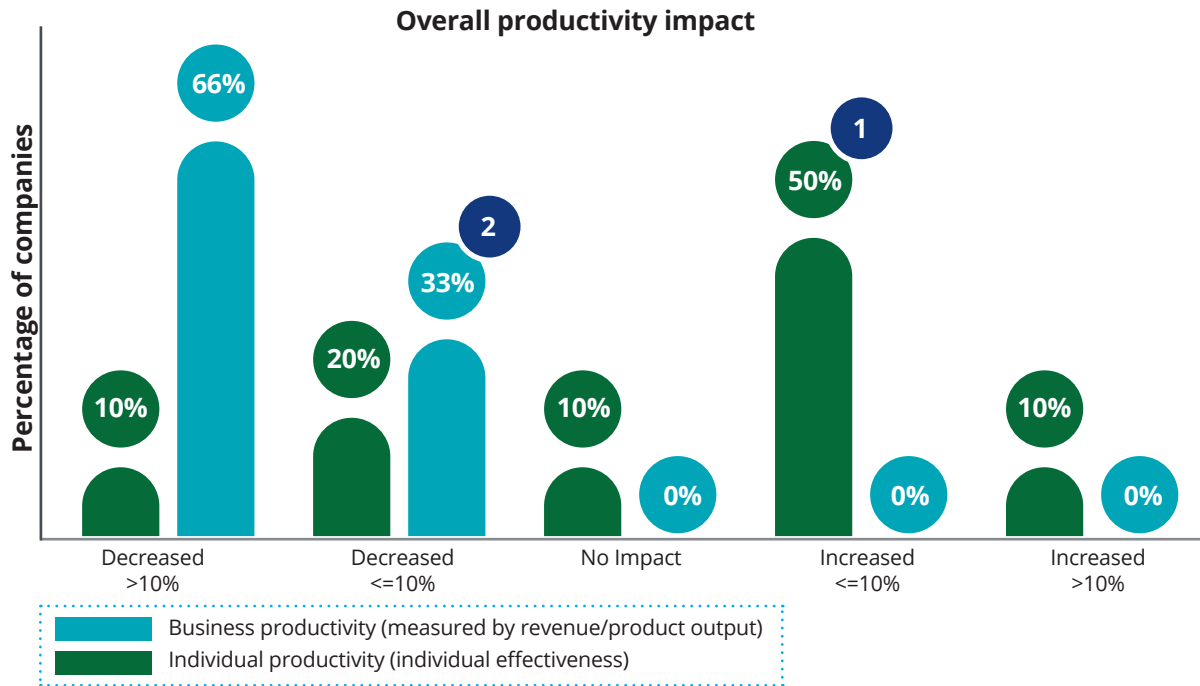
**Decision making is faster**, as meetings are structured with pre-defined duration and agenda. ~75 percent CXOs report that **face-to-face connects** have in-built inefficiencies, which are eliminated in remote models.

#### Enhanced customer face time

In pockets, organisations are able to have better customer conversations due to availability and better access. According to an executive at a leading Non-Banking Financial Company (NBFC), **connectivity with customers has gone up significantly**.

# Learning 3

Leaders believe that individual employee productivity has in part, increased as a result of remote working.



Source: Future of Work Accelerated Survey and CXO Conversations (n=42)

1

## Higher employee productivity in specific roles- Rise in productivity in certain pockets of the workforce:

- Disruption to the workplace has placed greater demand on certain roles. For example, operations, IT, and HR teams had to undertake concerted efforts to facilitate remote working models.
- Roles that require cognitive and creative thinking, independent /project-based work and have low dependence on physical proximity have also seen maintained or even rising productivity levels as employees use their working hours more effectively (functions, such as product design, customer service, finance, and content creation). Significant amount of employee time is saved from commuting, socialising, and other activities. Organisations are looking to aid their workforce with more flexible policies as they move to Recovery phase.

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## Legacy organisations could face existential crisis:

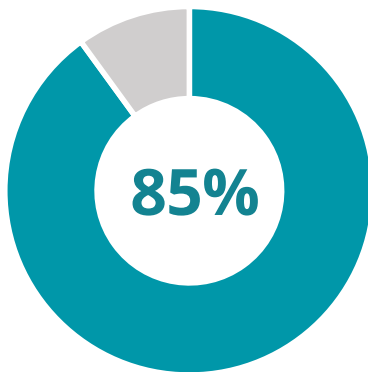
Many manufacturing organisations have seen a slump in productivity of all roles, including roles that can work remotely. Stated reasons include mindset blocks amongst managers and workforce’s inability to work from home.

**Organisations driving productivity from remote working are likely to see it emerge as a lever of competitive advantage.**

# Learning 4

The crisis has pushed employee wellness and engagement to the forefront.

Organisations have put in **new mechanisms to track employee wellness.**



Source: Future of Work Accelerated Survey and CXO Conversations (n=42)

## Taking care of people first

- While the very nature of the crisis has, unsurprisingly, propelled **greater focus on tracking and enabling the physical well-being** of the workforce, organisations seem to be equally focused on taking care of emotional wellness for their people.
- Over **70 percent** of the organisations surveyed have **set-up dedicated helplines to counsel their workforce** and their families through the crisis.



## High touch engagement to balance social distancing

- Nearly all organisations have ramped up workforce communication, **conducting regular town halls, pulse checks, and team catch-ups.**
- Virtual games and quizzes, dedicated time for informal hangouts, online ‘parties’ are some of the initiatives many organisations are undertaking, especially **designed for millennials and young workers staying alone**, groups at higher risk of isolation anxiety.



## Investing in skills for the future

- Executives are also viewing the downtime as an opportunity to invest in **developing future ready skills** for the workforce.
- CXOs reported a **3X increase** in training efforts during the lockdown and have seen virtual learnings breaking down legacy barriers.
- A leading player from the eye care industry is using this time to roll out trainings for the sales force in skills, such as managing ambiguity, creating virtual presence, and negotiating remotely.



# Learning 5

Workforce has rallied behind the organisation in their respective roles.

## **Workforce comes together in crisis**

- Ninety percent CXOs say workforce is putting in more hours and there has been significantly less absenteeism.
- Greater accountability in the workforce across industries and functions, is a common theme.



## **Managers lead change**

- Seventy-two percent CXOs believe that the role of the team lead is going to be the most important in ensuring the mental well being of workforce in the new way of working.
- A leading technology firm pointed out how managers are taking the onus of conducting daily connects, team catch-ups and one-on-one meetings with the workforce to understand and resolve challenges. Manager scorecards have been developed to track employee morale.



**“I think it is amazing how employees and managers have rallied up to make the organisation run smooth as we transitioned to a 100% work-from-home model”**

**HR Head,  
leading global bank**





# Learning 6

Enterprise agility has emerged as a strength for organisations, which have been successful in minimising work disruption.

**We asked CXOs what surprised them the most during the crisis.**

## CXO Speak

- “ We couldn’t believe a manufacturing organisation like ours could go digital in a matter of a week ”
- “ Traditional hierarchies have broken down, with us wondering why we had so many decision-making layers ”
- “ We have witnessed the power of network-based teams and how they can deliver outcomes in a more agile manner ”
- “ The ability of the organisation to adapt so quickly ”
- “ We had been talking about Zoom for our trainings for six months, and adapted to it in a few days ”
- “ People’s ability to change and adapt ”

### **Breakdown of traditional organisation design:**

~60 percent leaders felt that due to absence of traditional constraints, teams were quickly able to re-organise based on outcomes and priorities. This has fundamentally made them question their functional structures and start planning on creating team-based structures.

### **People agility and resilience:**

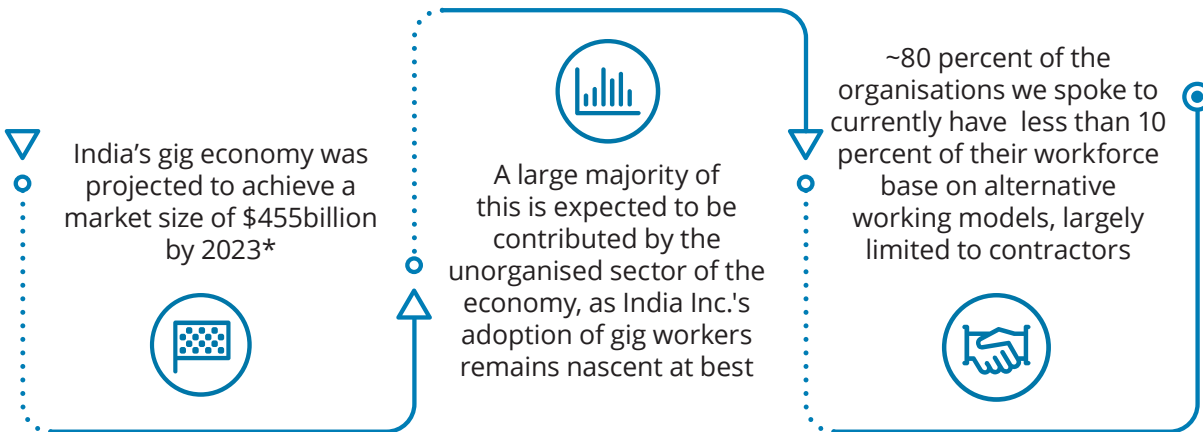
Eighty-five percent leaders have stated that agility of their workforce to cope and adapt to the new ways of working is the one thing that surprised them the most. Adoption of virtual collaboration tools, mindset shift to effectively work without face-to-face interactions, and the ability to manage productivity levels with personal and professional outfalls of the pandemic have been the critical factors CXOs have appreciated.

### **Early preparedness was key:**

Organisations that started implementing remote working (before the national lockdown was announced) were better prepared to handle the situation, with only 10 percent of them reporting productivity drops. Most of these organisations formed empowered teams comprising of HR, IT, and others prepared for large-scale migration of its workforce onto virtual working models, including preparing for IT infrastructure, establishing workforce guidelines, training on virtual tools, etc.

# Learning 7

Organisations are considering increasing the share of gig workers as others reduce dependence in favour of full-time workforce.



**Some organisations are planning to reduce the gig workforce in favour of permanent employees.**

With most executives alluded to the economic strain that businesses are going through in light of the pandemic, and their orientation towards safeguarding on-roll workforce interests as much as possible, the fate of the alternative workforce in the face of this downtime seems to depend largely on the goodwill of employers. For instance, a leading business conglomerate has assured its workforce that no one, on-roll or otherwise, will be losing their jobs due to the COVID-19 crisis.



**Other organisations are viewing it as an opportunity.**

A few organisations are beginning to evaluate the benefits of an alternative workforce model. For instance, a global business process management company sees employing alternative workforce for their blue-collar segment as an opportunity to recover and thrive post the immediate crisis. The company is also contemplating to venture into a shared employment workforce model with other firms.

Organisations will increasingly focus on 'quick wins' as they rethink their Future of Work strategy and future preparedness.

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### Work

- **Work design:** Designing workflows that minimise human involvement through cognitive technologies
- **Smart automation:** Robotics for integrated automated operations
- **Process simplification:** Simplification of transactional work to eliminate inefficiencies



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### Workforce

- **New employment models:** Organisations heavily reliant on full-time workers are expected to continue to do so while others are earmarking roles to leverage gig workers
- **New skills:** Build future-ready skills using virtual learning platforms
- **Greater resilience:** Educating the workforce on risk management and niche roles being designed for crisis management



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### Workplace

- **Stronger business continuity:** Deploying IT and physical infrastructure, scenario planning and rethinking business models
- **Low touch, high engagement:** Concerted effort on the part of leaders and managers to enhance employee experience while they work remotely
- **Digital ecosystem:** Adoption of virtual tools for collaboration has significantly gone up, with new norms for meetings, hang-outs, etc.



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**Best practices for workplace and workforce dimensions emerging out of COVID-19 crisis are highlighted in the Appendix**



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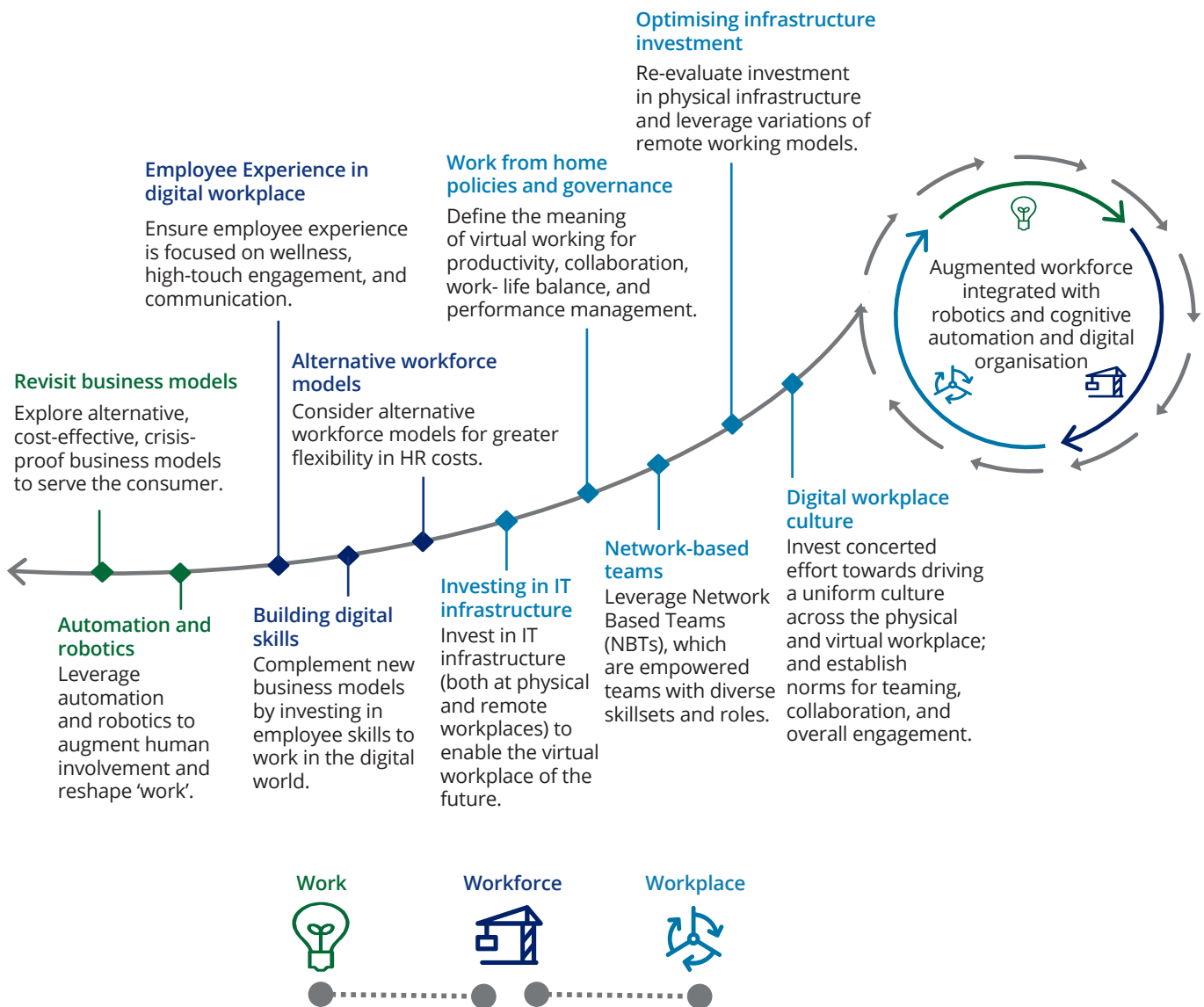
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# Bringing it all together

COVID-adjusted Future of Work strategy for organisations to transition from 'responding' to 'thriving' in the new normal

**Accelerating Future of Work: A must for 'Thriving in the New Normal'**  
 While organisations have seen acceleration of Future of Work on some dimensions and have started realising value, a structured Future of Work readiness assessment can enable organisations to prioritise investments in physical and digital strategies, as well as adopting new workforce models and remote/hybrid workplace models. Any Future of Work strategy should incorporate the following elements







# Appendix: Best practices showcasing Future of Work acceleration by Indian organisations, during COVID-19 lockdown

Workforce initiatives taken for survival today are shaping the workforce of tomorrow. 

### Building skills for the digital world



A business conglomerate is using **virtual channels to conduct training** for workforce on skills critically required in the current scenario, such as managing ambiguity, managing work virtually, etc.



A leading eye care company is investing in building workforce skills that will **enable working in the digital world**. Their sales team is now learning how to generate leads and make sales virtually.



One of the largest automotive companies has been able to **design virtual programmes** for 70 percent of their annual learning calendar.



One of the print media houses is using this opportunity to build skills within the team to garner readership through **digital publication**.

### Focusing on physical and mental wellness



Many organisations have installed a **dedicated helpline** for workforce and their families to counsel them through the impact of the crisis as required.



A leading automotive company has launched an **application to track and support workforce** with physical health and mental health. They have also partnered with an external agency to provide wellness programmes.



A global professional services firm has daily **virtual 'wellness sessions'** for its workforce on practical topics, such as healthy eating during work from home, managing anxiety and stress, etc.



A leading global automotive organisation is encouraging leaders and managers to use the year ending performance appraisal discussion times to **connect with their team members** and talk about their mental and physical well-being.

### Engaging alternative workforce



A leading automotive company is exploring the option of ear-marking roles that can immediately move to a **remote working model** using **gig workers** on a sustained basis.



One of the largest media houses has decided to leverage freelancers/gig workforce for content roles, and move to greater crowdsourcing of content.

Organisations are embracing the workplace of the future facing safety concerns and mandated lockdowns.



### Agility in response



For a leading business conglomerate, **network-based teams** comprising of HR, IT, and other critical stakeholders were created, which then came up with an action plan to implement mass migration of workforce on virtual working model.



A leading IT/ITES company has developed the Best Case, Most Likely, Worst Case, Disaster (BMWD) framework for **scenario planning**. They are working towards formulating an organisation-wide response for each scenario.



A large global bank has approached the regulatory authorities to secure **necessary security approvals** to enable **100 percent of their workforce operates** on a work from home model.



### Ensuring business continuity and productivity



Following into the footsteps of IT firms, a BFSI player has moved desktops and systems into employees' homes and provided data cards, VPN access, etc. They also crafted and circulated **guidelines and policies for work from home**. Seeing the benefit of increased productivity for their operations team, they are exploring options to introduce remote working as a norm.



A large eye care company is exploring **alternative business models** for its customer service team. They can learn how to optimise physical infrastructure, leverage remote working, and provide cross geography support.



A large electrical equipment company has enabled its employees to conduct lab testing at home using virtual tools and systems.

## Significant focus on facilitating employee needs during this time



### Employee engagement



A leading IT/ITES company has been using various digital platforms to keep up social activity amongst its workforce, with **leaders undertaking concerted efforts** of keeping the platform abuzz to encourage workforce participation.



For a leading real estate firm, **HRBPs engage** daily with project heads and team leads to understand their team's situation in terms of **wellness, motivation, engagement**, challenges, if any, etc. HRBPs then identify employees at risk and remain constantly in touch with them to support and guide them through this period.



A leading technology company has used **design thinking** to introduce initiatives, such as games/quizzes on its intranet platform, designed to target its significant millennial employee base.



### Collaboration



A leading private sector bank is exploring the idea of **suspending the legacy performance system** and encouraging workforce to instead focus on **"One-Team" sentiment** to bring the organisation back on its feet.



For a real estate firm, which had already invested in a tool for **virtual collaboration**, **adoption** rates have gone up from 25 percent to 95 percent, with employees quickly adapting to the platform to facilitate virtual working.



A leading professional services firm has invested in licensed subscription of **advanced collaboration tools** despite having existing tools, to facilitate a superior virtual collaboration experience for its employees.



A leading IT/ITES organisation is encouraging its employees to **participate in community strengthening** and volunteering activities in and around their communities.







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