

The future of remote work

**423 Australian office
workers share their views
on remote working during
COVID-19 restrictions**

CEO statement

Dear Colleagues,

COVID-19 restrictions have created the largest remote working experiment in human history. As restrictions are slowly lifted in Australia in the second half of 2020, business leaders will be faced with important decisions in order to get the balance between office and remote working right.

To support leaders in this decision-making process, Building 20 surveyed 423 Australian office workers between May 12 and May 22. This report summarises the findings from the survey results and provides new insights into how Australian workers have adjusted to working remotely, as well as into how the COVID-19 experience has altered preferences and expectations about remote work going forward.

Specifically, we sought to answer six important questions about Australian office workers:

1. How have they adjusted to remote working?
2. What have been the biggest challenges?
3. Do people have a preference for remote working over working in an office?
4. How often do people want to work remotely?
5. What are the benefits of remote working to employers and employees?
6. What do leaders need to do to ensure remote work works for them and employees?

The analysis in the report shows that the implications of this unprecedented human experiment will have an immediate and ongoing impact on all organisations – no matter their size or sector.

Leaders who nail the transition as restrictions are lifted will unlock new sources of competitive advantage. They will not only save on costs but will have a more engaged and happy workforce.

But these competitive advantages are not a given. To turn remote work into a sustained competitive advantage, organisations will need to provide the right training, technology, equipment and support for employees to thrive.

This report provides important insights to get your organisation moving in the right direction. If you want to know how Building 20 can help you successfully navigate the transition, get in touch today.

Very best,



Luke Hurst Ph.D.
CEO Building 20

Executive summary

Leaders and managers have adjusted better than their employees

- 71% of executives and 76% of managers either agreed or strongly agreed that they found it easy to adapt to remote working, compared to 54% for employees with no management responsibility.

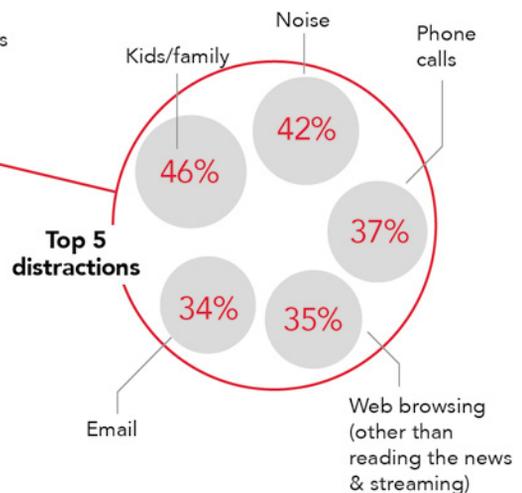
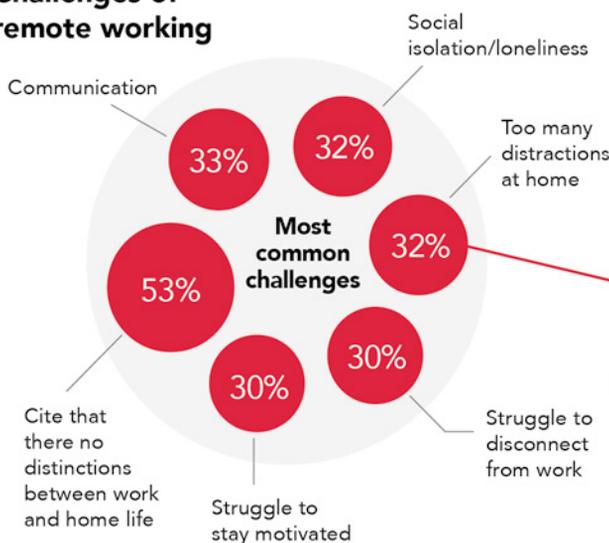
There are challenges

- With fewer face-to-face interactions, the most common challenge is communication (33%) followed by social isolation/loneliness (32%) and having to deal with too many distractions at home (32%). Some respondents also struggle to disconnect from work (30%) and stay motivated (30%).

We're more productive and prefer working remotely to working in the office

- 45% of respondents think they're more productive working remotely, 32% think their productivity is about the same, and only 22% think their productivity has dropped.
- 51% of respondents prefer to work remotely, 26% have no preference and 23% prefer working in the office.
- Personality type matters to our preference for remote work. 62% of introverts prefer remote working, more than extroverts (53%) and ambiverts (47%).
- Managers have the strongest preference for remote work (57% strongly agree/agree), higher than executives (50%) and employees with no management responsibility (45%).
- Age and gender don't appear to impact respondents' preference for remote work.

Challenges of remote working



We want to work remotely more often

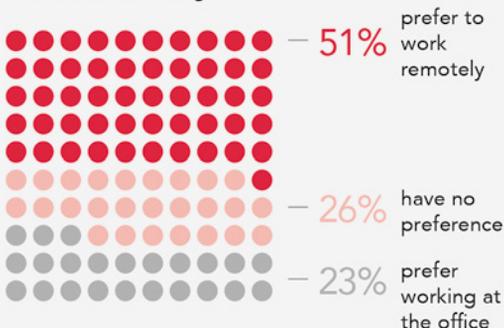
- On average, respondents were working remotely 27% of the time before COVID-19 restrictions were implemented. This rate increased to 74% during the restrictions.
- On average, respondents hope to work remotely 49% of the time when restrictions are lifted.
- Employees with no management responsibility want to more than double remote working time when COVID-19 is no longer an issue (an increase from 21% of their pre-restriction work time to 47%).

Remote work saves employers money and increases the employee value proposition

- By working remotely, respondents saved 65 minutes per day on their commute. 65 minutes per day is equivalent to 10.9 days per year.

- If employees are allowed to work their desired extra 22% remotely when COVID-19 restrictions are lifted, employers stand to save around \$1433-1654 per employee annually on rent.
- Getting rid of the commute was the most popular major benefit of remote work (selected by 61% of respondents). This was 13% more than the second most popular benefit of flexibility (48%), while 35% of respondents said saving money was a major benefit. Around 1-in-3 respondents also cited more time with family (34%) and better work-life balance (30%) as major benefits of remote work.
- Removing the commute altogether is worth \$6948 per year in gained leisure time per employee. If 22% of the commute time is removed then employees will gain the equivalent of around \$1529 in leisure time annually.

Respondents prefer to work remotely



If employers move to a remote-only workforce

They stand to save
\$6500 to \$7500
 annually per employee

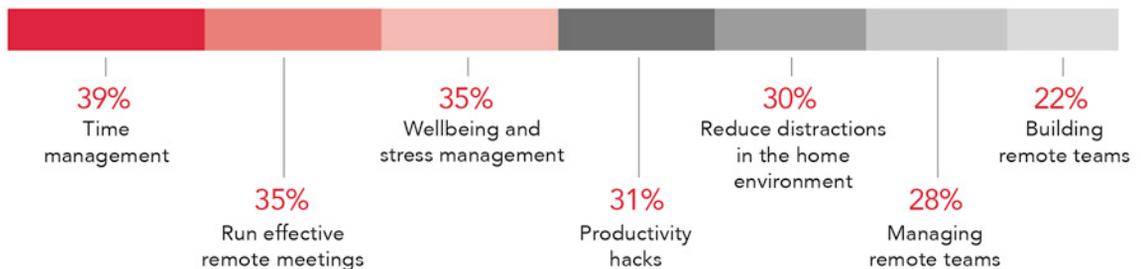
Removing the commute altogether is worth

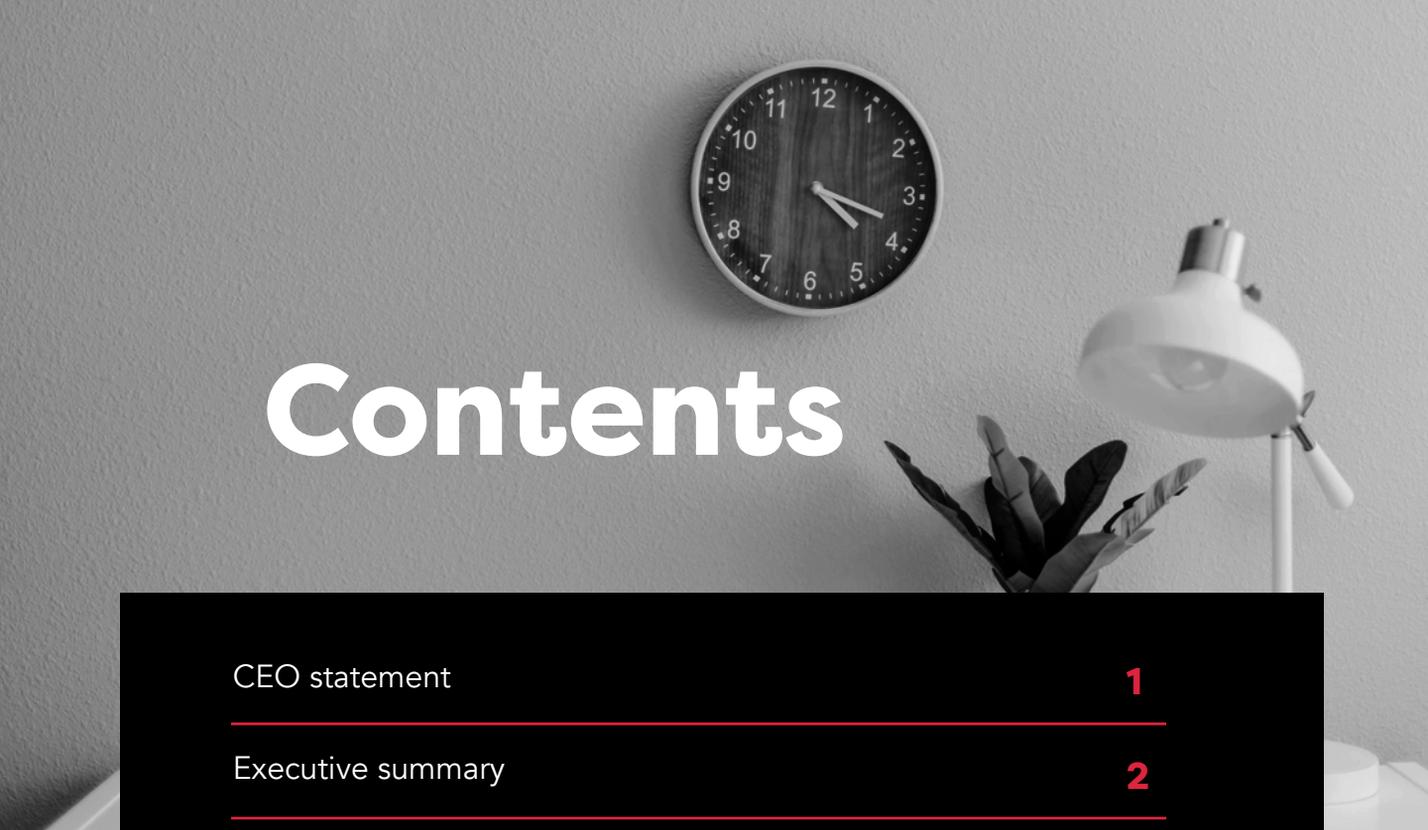
\$6948
 per year in gained leisure time per employee.

Remote working is here to stay. Here's how to turn it into a competitive advantage

- 72% of executives strongly agree/agree that their organisation will be more likely to allow employees to work remotely when restrictions are lifted.
- Being productive at work is not innate. 51% of respondents strongly agree/agree that they would benefit from tailored training on how to work effectively remotely.
- Training on how to work effectively remotely increases an employee's perception of their productivity. 50% of respondents who have been offered training strongly agree/agree that they are more productive than in the office, 9% higher than respondents who haven't been offered training.
- 60% of employees who have been offered training on how to work remotely effectively strongly agree/agree that they would benefit from further training, 20% higher than those who have not received training.
- Without face-to-face interactions, employees worry that culture will slip. Worry about team culture is by far the biggest perceived roadblock to expanding remote work when COVID-19 restrictions are lifted (49%), almost twice that of the second biggest roadblock, technology (25%).
- Employees need a designated work space to make the most of remote working. Respondents with a dedicated remote work space were 25% more likely to strongly agree/agree that they prefer remote working to working at the office (57% to 32%, respectively).
- A dedicated remote work space also markedly increases employees' self-reported productivity. 51% of respondents with a dedicated space say they're more productive now than compared to before COVID-19 restrictions were implemented, 27% higher than respondents who don't have a dedicated workspace.

Most popular training topics were



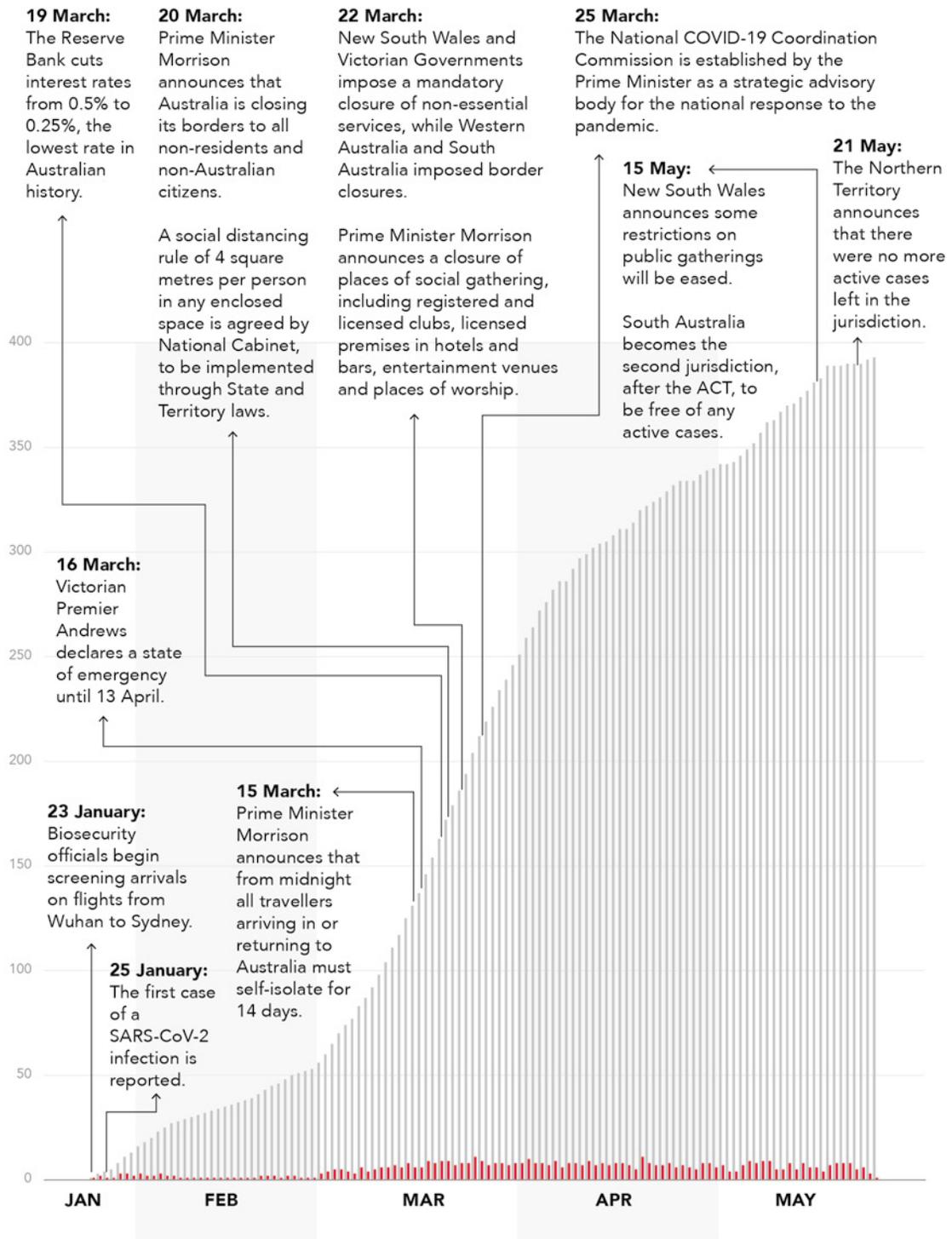


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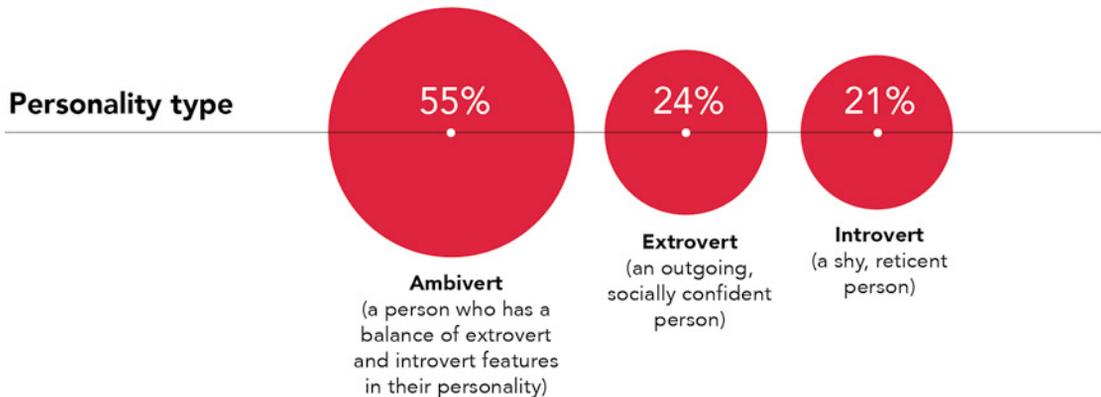
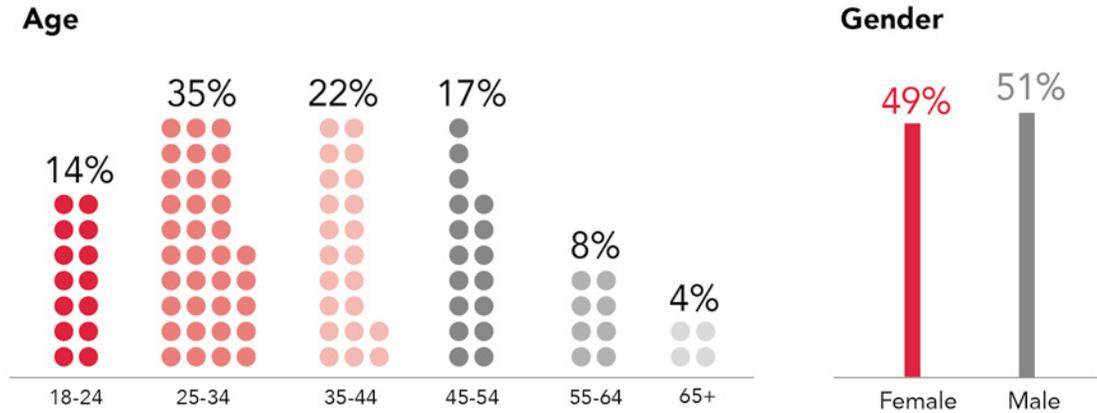
Australia's response to COVID-19

■ Cumulative minus recovered ■ Daily cases

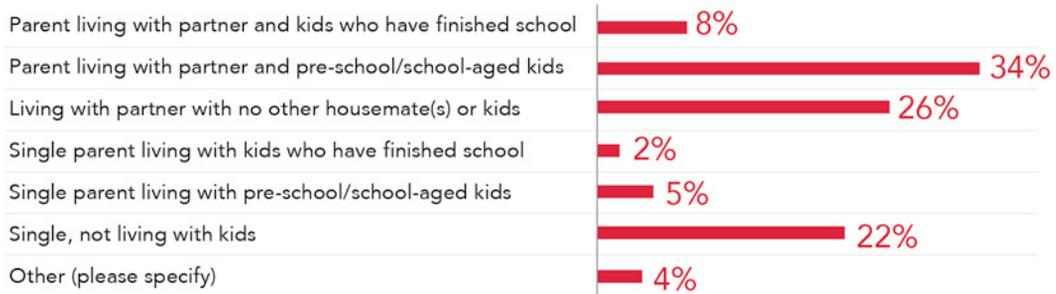


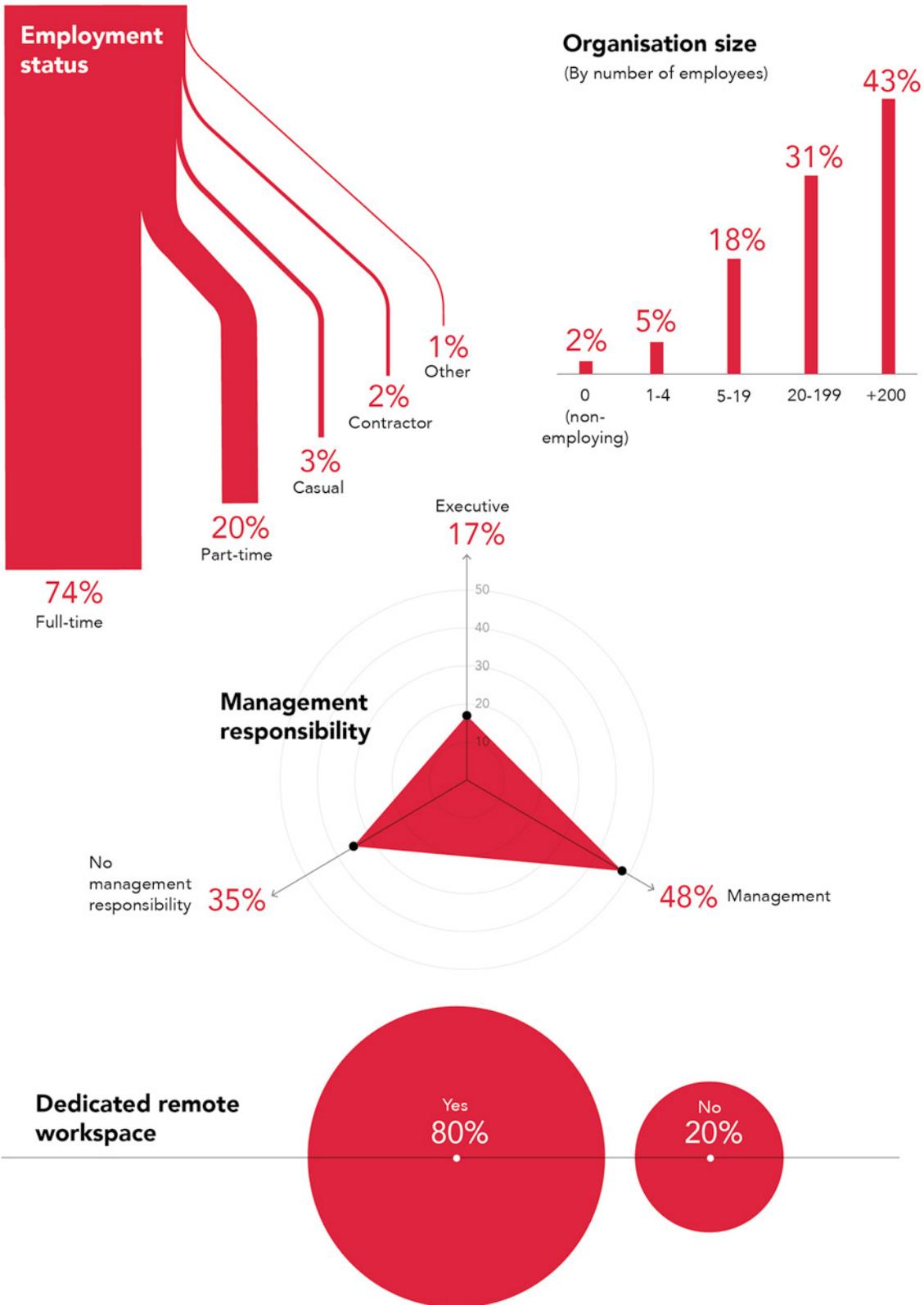
Respondent overview

From 12 to 22 May 2020, Building 20 surveyed 423 Australian office workers to understand how they had adjusted to working remotely during COVID-19 restrictions. This section provides a snapshot of the respondents' demographic and work data.



Living situation





Employees are open to remote working

Employees have started to adjust to remote work but some employees need more support than others. This section summarises the analysis of how respondents have adjusted to remote working based on their management responsibility and age.

Employees with more leadership and management responsibility found it easier to adjust than employees with non-management

responsibility. 71% of executives and 76% of managers strongly agreed/agreed that they found it easy to adapt to remote working, compared to 54% for employees with no management responsibility (Table 1). Interestingly, ease of adjustment did not appear to be impacted significantly by age (Table 2).

Table 1: When Covid restrictions were implemented, I found it easy to adapt to remote working by management responsibility.

	Executive	Management	No management responsibility
Strongly agree	31%	26%	20%
Agree	41%	50%	34%
Neither agree nor disagree	10%	12%	17%
Disagree	10%	9%	17%
Strongly disagree	3%	0%	4%
N/A	4%	2%	9%

Table 2: When Covid restrictions were implemented, I found it easy to adapt to remote working by age.

	18-24	25-34	35-44	45-54	55-64	65+
Strongly agree	25%	24%	19%	30%	29%	28%
Agree	32%	47%	45%	40%	40%	44%
Neither agree nor disagree	12%	16%	18%	6%	9%	11%
Disagree	20%	10%	14%	14%	0%	11%
Strongly disagree	7%	2%	1%	0%	3%	0%
N/A	3%	1%	3%	10%	20%	6%

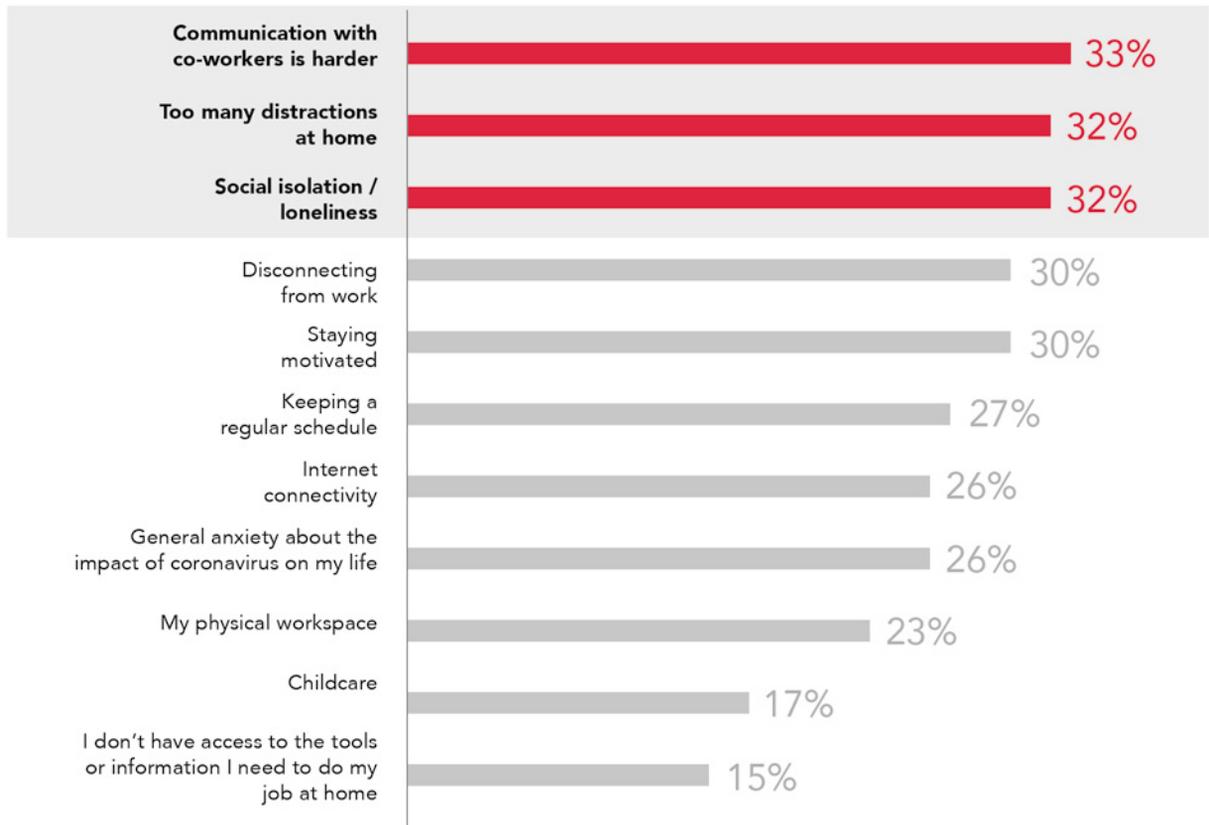


There are challenges

While we've adjusted well to remote working, there are ongoing challenges. With fewer face-to-face interactions the most common challenge has been communication with co-workers (33%), followed by social isolation/loneliness (32%)

and having to deal with too many distractions at home (32%). Respondents were also struggling to disconnect from work (30%) and staying motivated (30%) (Figure 1).

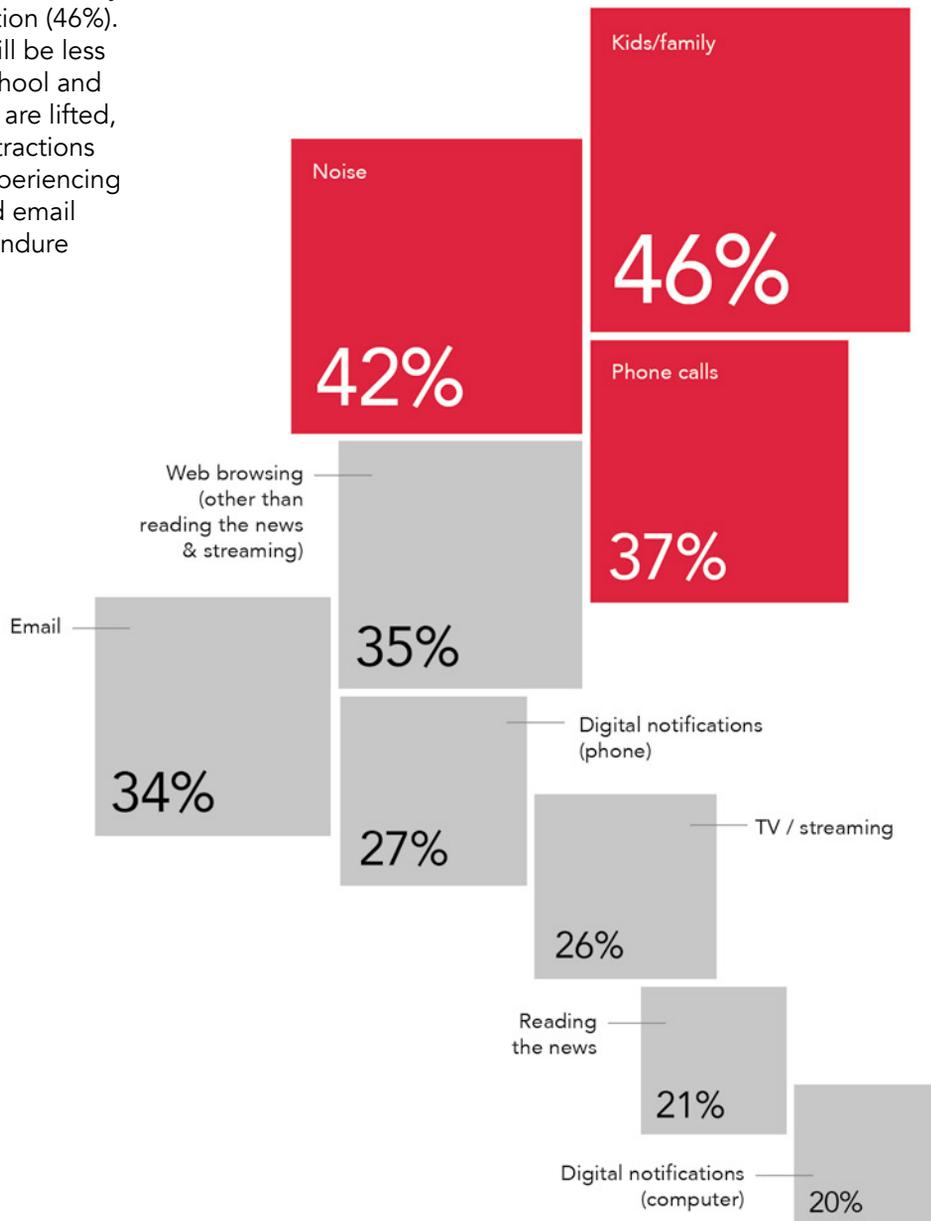
Figure 1: What are the TOP THREE biggest challenges you are currently facing while working remotely?



There are a lot distractions when working remotely and most will remain when COVID-19 restrictions are lifted

32% of respondents noted distractions were a major challenge when working from home. Specifically, kids/family was the top distraction (46%). While kids/family will be less of an issue when school and daycare restrictions are lifted, the other major distractions respondents are experiencing like noise (42%) and email (34%) are likely to endure (Figure 2).

Figure 2: What have been your THREE biggest distractions when working remotely?





You're distracted 30-60 times a day. These distractions take up 20% of your work time.

Source

Building 20 2018, 'Getting things done now: How to create a productive team in the modern workplace', available here: <https://www.building20.co/white-paper-download>

We prefer working remotely to working in the office

Despite the challenges, 51% of respondents prefer to work remotely, while 26% expressed no preference. This section outlines the key findings about how personality type, management responsibility and age impact employees' preference for working remotely.

Introverts love working remotely

Without the constant social interactions associated with working in the office, personality type appears to matter when working remotely. Introverts have the strongest preference for remote work over working in the office – 62% of introverts prefer remote working, more than extroverts (53%) and ambiverts (47%) (Table 3).

Table 3: I prefer working remotely to working at the office by personality type.

	Ambivert (a person who has a balance of extrovert and introvert features in their personality)	Extrovert (an outgoing, socially confident person)	Introvert (a shy, reticent person)
Strongly agree	18%	26%	26%
Agree	29%	27%	36%
Neither agree nor disagree	28%	23%	23%
Disagree	18%	21%	10%
Strongly disagree	7%	4%	5%

Managers are the most excited about remote working

Management responsibility also impacts our preference for remote work. Managers have the strongest preference for remote work (57% strongly agree/agree), higher than executives (50%) and employees with no management responsibility (45%) (Table 4).

Table 4: I prefer working remotely to working at the office by management responsibility.

	Executive	Management	No management responsibility
Strongly agree	24%	19%	23%
Agree	26%	38%	22%
Neither agree nor disagree	26%	22%	31%
Disagree	19%	18%	15%
Strongly disagree	6%	3%	9%

Age and gender don't matter

Interestingly, age and gender don't appear to impact respondents' preference for remote work (Table 5 & Table 6).

Table 5: I prefer working remotely to working at the office by age.

	18-24	25-34	35-44	45-54	55-64	65+
Strongly agree	20%	20%	15%	34%	23%	17%
Agree	32%	34%	27%	24%	26%	44%
Neither agree nor disagree	17%	25%	34%	20%	37%	17%
Disagree	20%	17%	18%	16%	9%	17%
Strongly disagree	10%	4%	6%	6%	6%	6%

Table 6: I prefer working remotely to working at the office by gender.

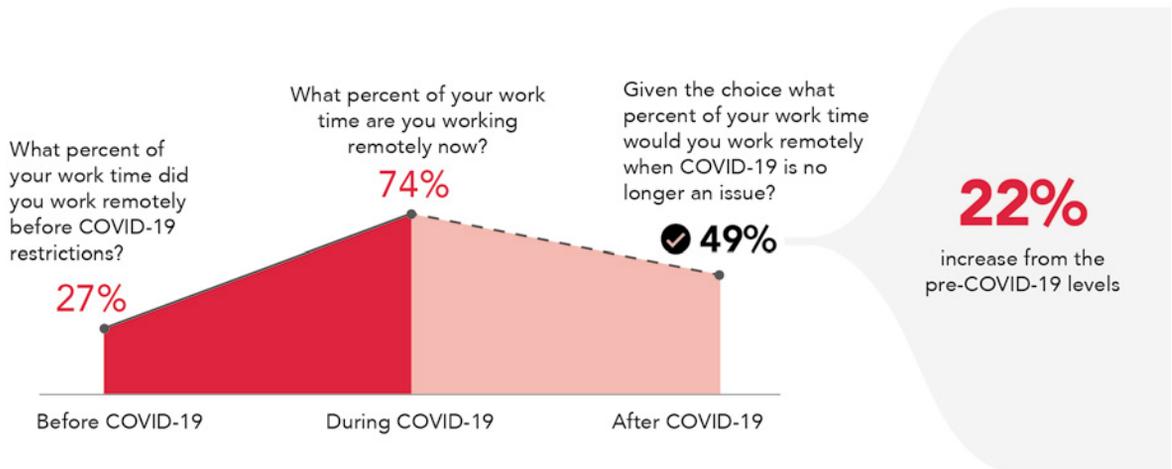
	Female	Male
Strongly agree	22%	20%
Agree	29%	32%
Neither agree nor disagree	28%	24%
Disagree	15%	19%
Strongly disagree	6%	6%

We want to work remotely half the time

We don't just prefer working remotely, we want to do it more. On average, respondents were working remotely 27% of the time before COVID-19 restrictions were implemented. This increased to 74% during the restrictions. When

COVID-19 is no longer an issue, respondents would choose to work remotely 49% of the time (a 22% increase from the pre-COVID-19 levels) (Figure 4).

Figure 4: Percentage of work time spend remote working before during and after COVID-19 restrictions by organisation size.



Employees with no management experience want to more than double remote working time when COVID-19 is no longer an issue

Prior to COVID-19 restrictions being implemented, executives and managers worked remotely more often than employees with no management responsibility. When restrictions are lifted, respondents across all levels of

organisations want to work around half of their time remotely. The increase is particularly large among employees with no management responsibility (from 21% of their time working remotely to 47%) (Table 7).

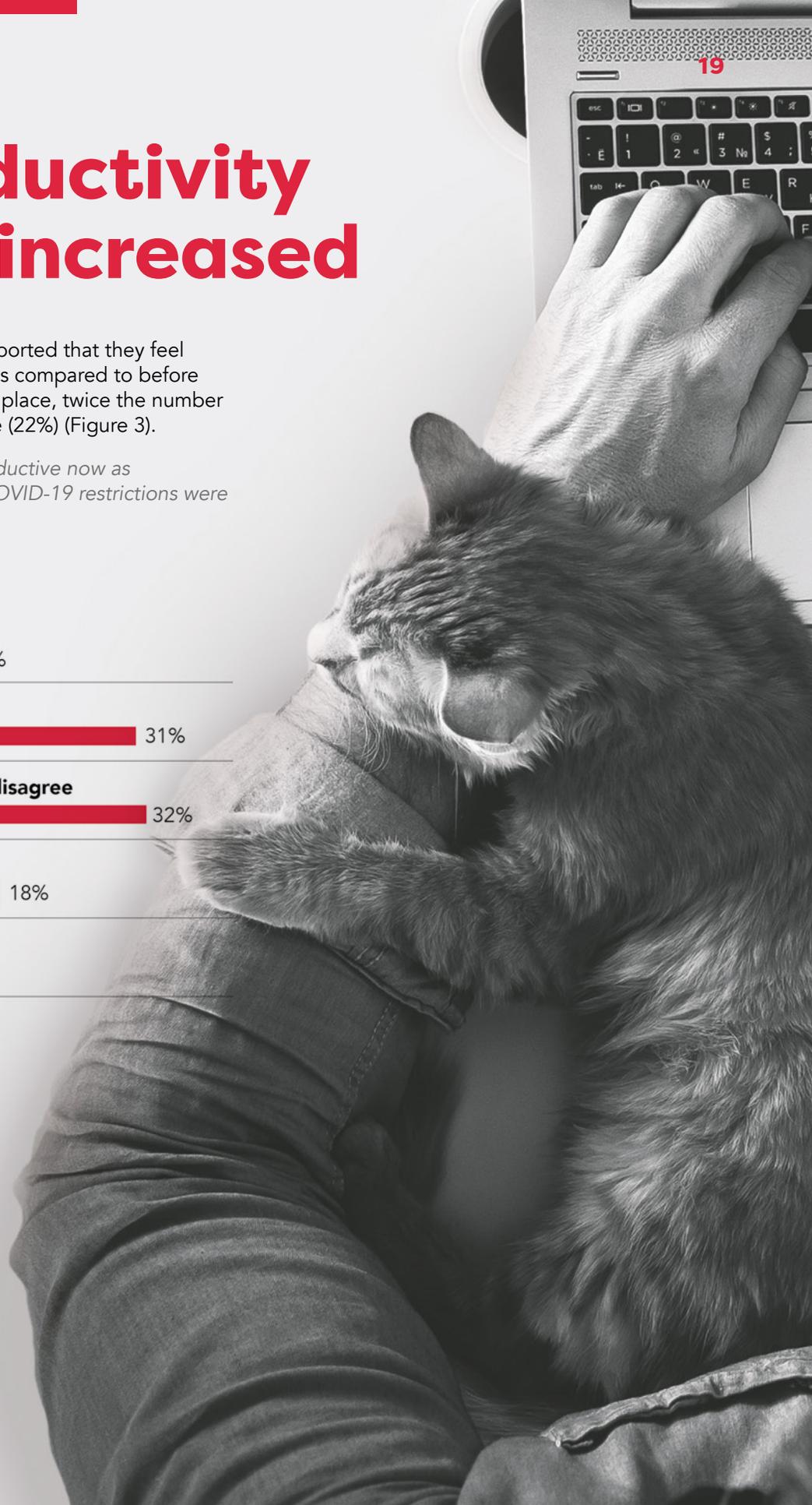
Table 7: Percentage of work time spent remote working before during and after COVID-19 restrictions by management responsibility.

	What percent of your work time did you work remotely before COVID-19 restrictions?	What percent of your work time are you working remotely now?	Given the choice what percent of your work time would you work remotely when COVID-19 is no longer an issue?
Executive	41%	71%	50%
Management	27%	80%	50%
No management responsibility	21%	68%	47%

Productivity has increased

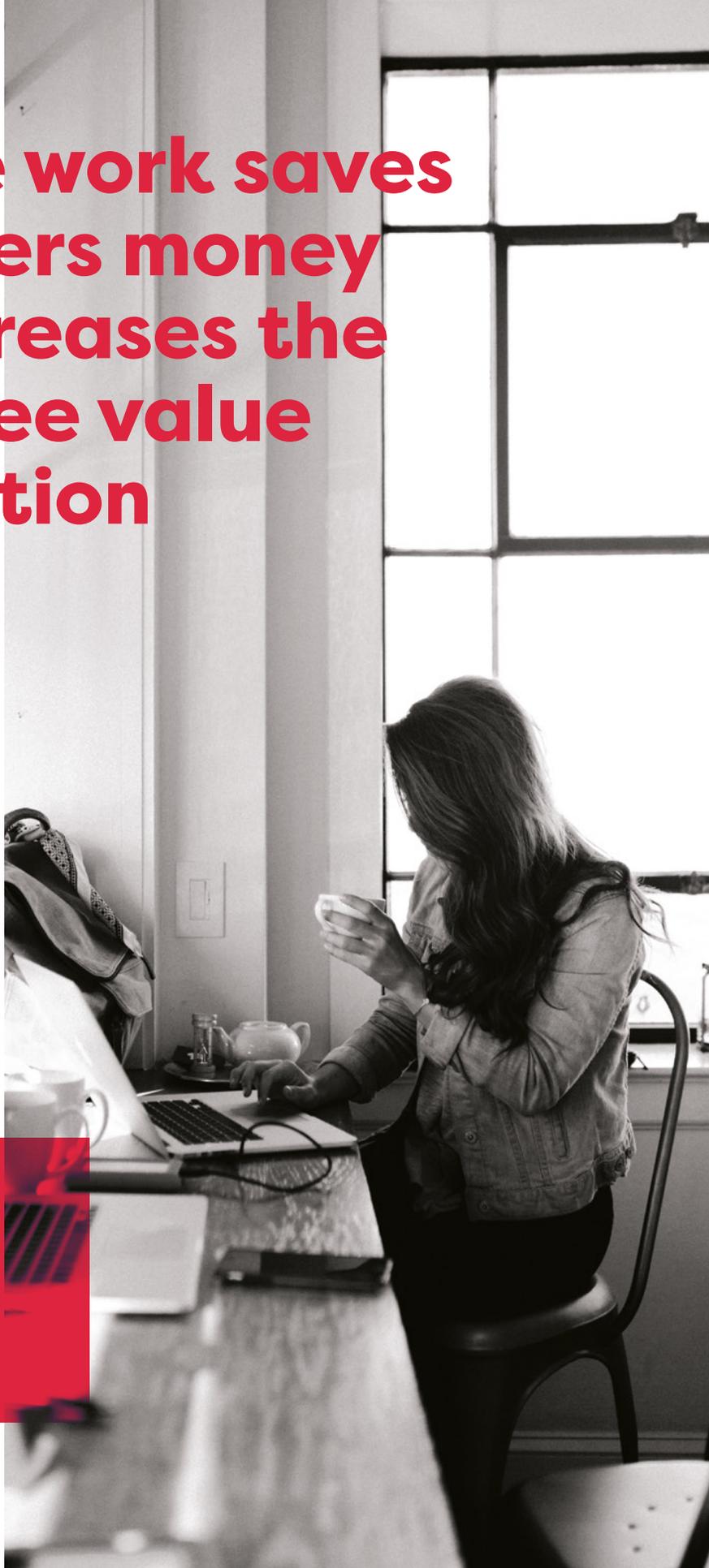
45% of respondents reported that they feel more productive now as compared to before restrictions were put in place, twice the number that felt less productive (22%) (Figure 3).

Figure 3: I'm more productive now as compared to before COVID-19 restrictions were implemented.



Remote work saves employers money and increases the employee value proposition

Increasing remote work post COVID-19 will provide significant cost savings for employers but also increases the employee value proposition. This section provides an estimate of cost savings, and measures the value of regained leisure time for employees reducing their commute.

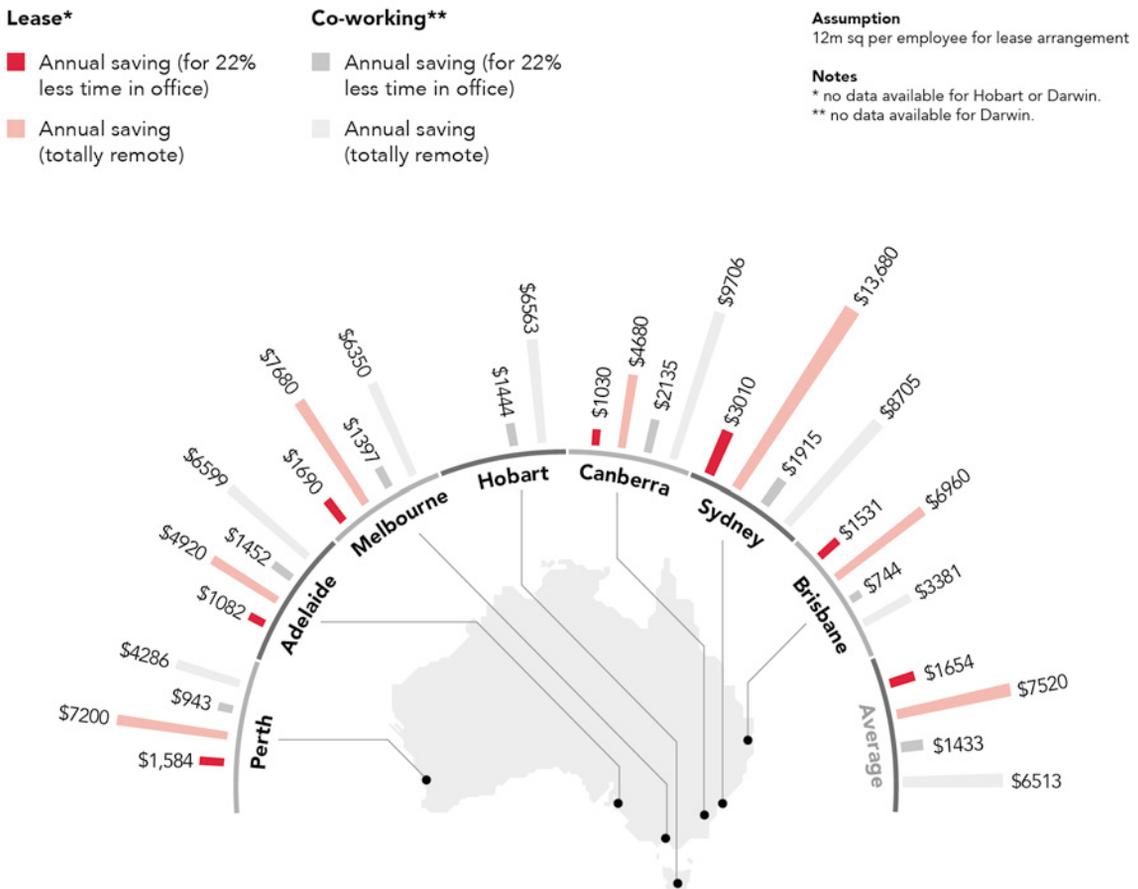


Moving to a full remote workforce will save around \$7500 per employee on rent annually

Above we saw that, on average, employees want to work an extra 22% of their time remotely when COVID-19 restrictions are lifted. Reducing office space by 22% would lead employers to save an estimated \$1433-1654 per

employee annually, depending on whether they have an office lease or co-working subscription. If employers move to a remote-only workforce they stand to save \$6500-7500 per employee each year (Figure 5).

Figure 5: Potential annual saving from reduced office space (lease and co-working) per employee by Australian capital cities.



Sources

Savills Research 2019, Q4/2019 Quarter Time – National Office, available here: <https://pdf.savills.asia/asia-pacific-research/australian-research/australia-office/-savillsresearch-quarter-times-office-q4-2019-3.pdf>.

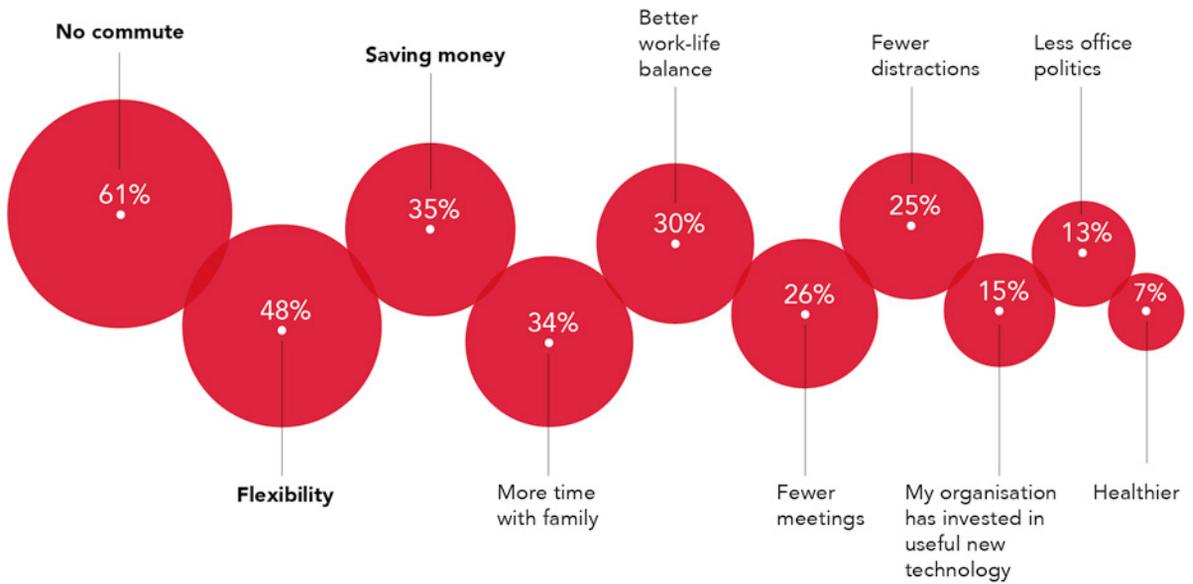
Office Hub 2019, The Australian Coworking Market Report 2018-19, available here: <https://www.office-hub.com.au/2019/09/the-australian-coworking-market-report-2019/>.

Saving time and money were major benefits for employees

Getting rid of the commute was the most popular benefit of remote work (selected by 61% of respondents). This was 13% higher than the second most popular benefit of flexibility (48%), while 35% of respondents said saving

money was a major benefit. Around 1-in-3 respondents also cited more time with family (34%) and better work-life balance (30%) as major benefits of remote work (Figure 6).

Figure 6: What are the TOP THREE biggest benefits you are currently facing while working remotely?



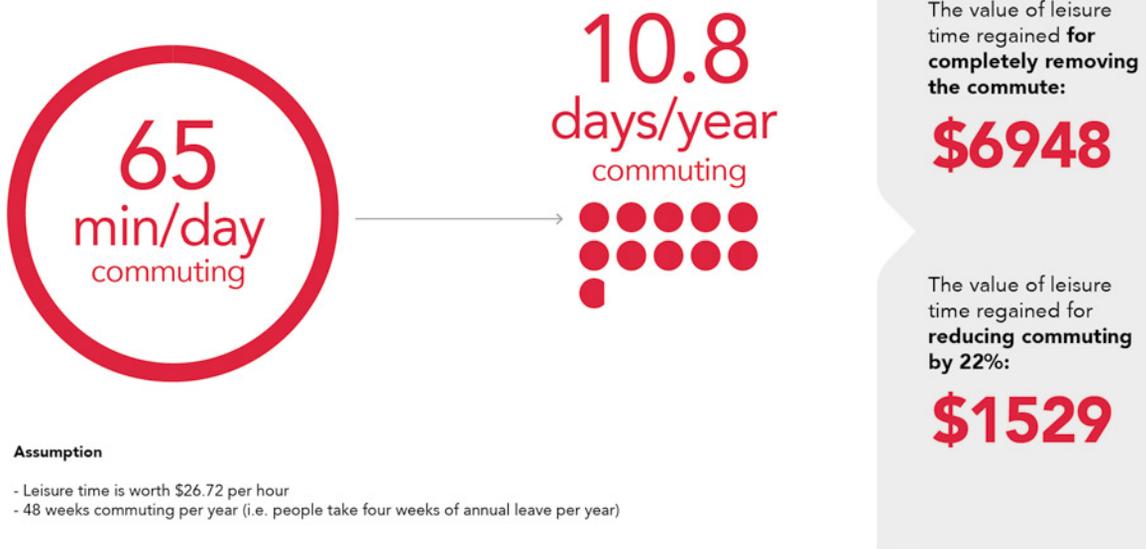
Getting rid of the commute is worth around \$7000 for each employee in regained leisure time annually

By working remotely, respondents saved 65 minutes per day on their commute. 65 minutes per day is equivalent to 10.9 days per year.

The commute to work is generally not considered work time. Instead, it eats into employee leisure time. Verbooy et al. (2018) estimated that employees would trade an hour of leisure time for \$26.72. Using this figure, we estimate that removing the commute totally is worth \$6948 per year in gained leisure time per employee.¹ If remote work is increased 22% then employees will each gain around \$1529 annually in leisure time from the reduced commute (Figure 7).



Figure 7: Time and value of leisure saved from reducing the commute.



¹ Verbooy, K., Hoefman, R., Van Exel, J. and Brouwer, W., 2018. Time is money: investigating the value of leisure time and unpaid work. Value in Health, 21(12), pp.1428-1436.

Remote working is here to stay. Here's how to turn it into a competitive advantage

The analysis has shown that employees have adjusted well and want to continue to work remotely when restrictions are lifted. But there are also challenges. This section provides analysis on the likelihood that organisations will increase remote work following the lifting of COVID-19 restrictions and three key factors of success: training, culture and a designated workspace.

When COVID-19 restrictions are lifted, it's likely we'll be working remotely more than we used to. 72% of executives strongly agree/agree that their organisation will be more likely to allow employees to work remotely when restrictions are lifted. Given executives are likely to be making the decision on whether to expand remote working, this is an important finding. Executive expectations of the expansion of remote work is higher than those of managers (62%) and employees with no management responsibility (49%) (Table 8).



Table 8: My organisation will be more likely to allow me to work remotely when COVID-19 restrictions are lifted by management responsibility.

	Executive	Management	No management responsibility	Average
Strongly agree	31%	17%	13%	18%
Agree	41%	45%	36%	42%
Neither agree nor disagree	22%	27%	32%	28%
Disagree	3%	7%	10%	8%
Strongly disagree	3%	3%	8%	5%

Ongoing training on how to effectively work remotely is vital

Being productive at work isn't innate — training helps. 51% of respondents strongly agree/agree that they would benefit from tailored training on how to work effectively remotely (Table 9).

Table 9: I would benefit from tailored training on how to work effectively remotely.

	%
Strongly agree	12%
Agree	39%
Neither agree nor disagree	31%
Disagree	13%
Strongly disagree	5%

Training on how to work effectively remotely increases an employee's perception of their productivity. 50% of respondents who have

been offered training strongly agree/agree that they are more productive than in the office, 9% higher than respondents who haven't been offered training (Table 10).

Table 10: I have been offered training on how to work effectively remotely by I'm more productive now as compared to before COVID-19 restrictions were implemented.

	Yes	No
Strongly agree	17%	11%
Agree	33%	30%
Neither agree nor disagree	29%	35%
Disagree	18%	19%
Strongly disagree	4%	5%

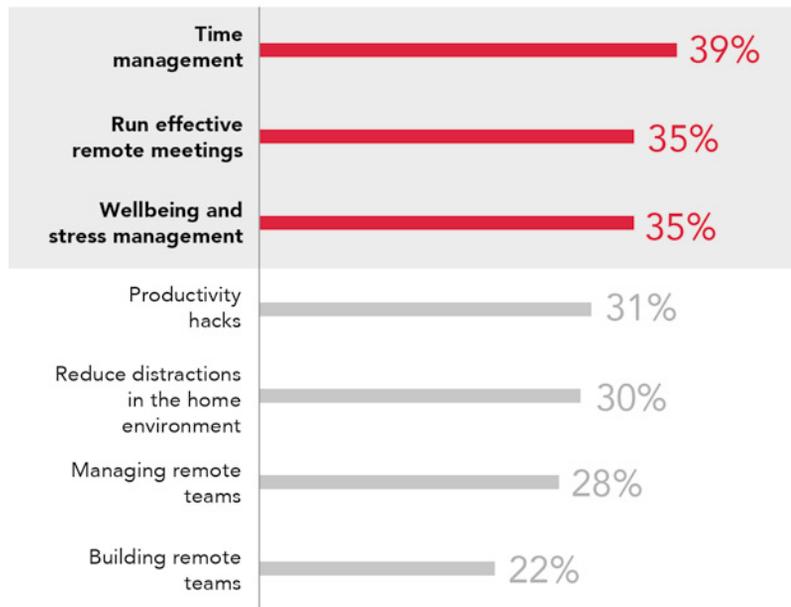
Training on how to work effectively remotely also shows employees that there are better ways to operate. 60% of employees who have been offered training on how to work remotely effectively strongly agree/agree that they would benefit from further training, 20% higher than those who have not received training (Table 11).

Table 11: I have been offered training by I would benefit from tailored training on how to work effectively remotely.

	Yes	No
Strongly agree	15%	9%
Agree	45%	31%
Neither agree nor disagree	30%	32%
Disagree	9%	19%
Strongly disagree	1%	9%

To learn how to work better remotely, the most popular training topics included time management (39%), how to run effective remote meetings (35%), and wellbeing and stress management (35%) (Figure 8).

Figure 8: Which of the following training topics would most help you to be a more effective remote worker?

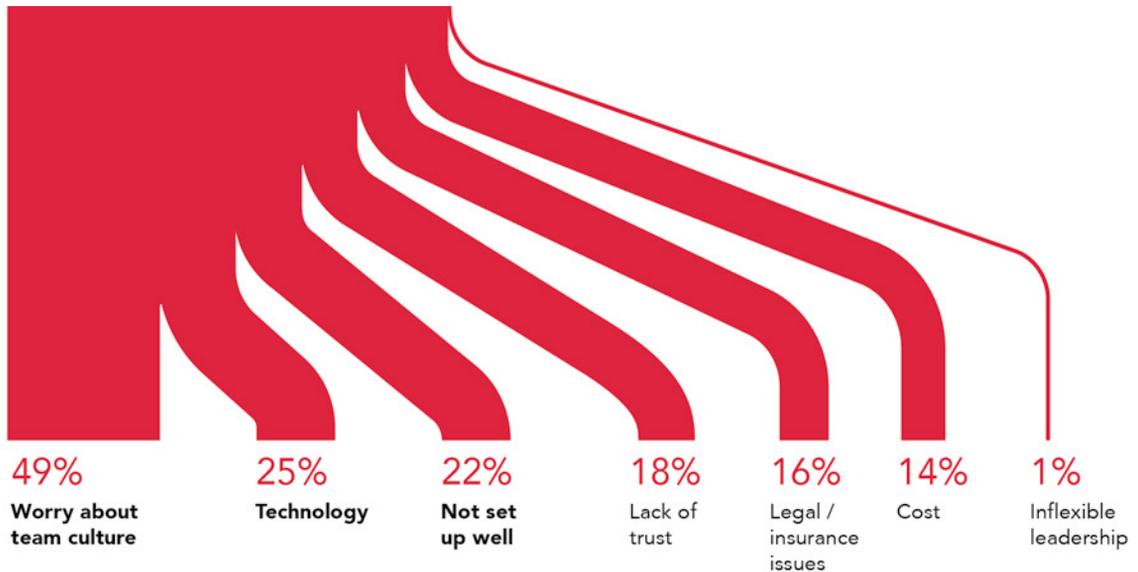


You need to get culture right

Without face-to-face interactions, employees worry that workplace culture will slip. Worry about team culture is seen as the biggest roadblock to expanding remote work when

COVID-19 restrictions are lifted (49%), almost twice that of the second biggest roadblock, technology (25%) (Figure 9).

Figure 9: Once COVID-19 restrictions are lifted, are there any reasons you think your organisation would not allow you to work remotely whenever you wanted?



A designated work space matters (a lot)

Employees need a designated work space to make the most of remote working. Respondents with a dedicated remote work space were 25% more likely to strongly agree/agree that they prefer working remotely than at the office (57% to 32%, respectively).

Table 12: I prefer working remotely to working at the office by do you have a dedicated workspace where you can work at your home?

	Yes	No
Strongly agree	25%	8%
Agree	32%	24%
Neither agree nor disagree	26%	26%
Disagree	14%	27%
Strongly disagree	4%	15%

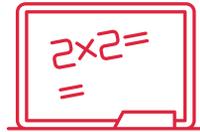
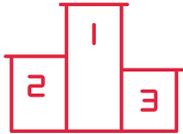
A dedicated remote work space also markedly increases employees' self-reported productivity. 51% of respondents with a dedicated space say they're more productive now than compared to before COVID-19 restrictions were implemented, 27% higher than respondents who don't have a dedicated workspace (Table 13).

Table 13: I'm more productive now as compared to before COVID-19 restrictions were implemented by do you have a dedicated workspace where you can work at your home?

	Yes	No
Strongly agree	18%	0%
Agree	33%	24%
Neither agree nor disagree	30%	40%
Disagree	16%	27%
Strongly disagree	3%	9%

Recommendations

Based on the data and our interactions with clients before and during COVID-19 restrictions, we have formulated five recommendations to guide leaders when considering the role of remote work to their organisation's future.



1 When restrictions are lifted, leaders should stay the course

As COVID-19 restrictions are slowly lifted, there will be a brief window to embed remote work into the new normal of your organisation culture. If you act quickly you won't need to unfreeze existing behavior and expectations – employees will be more open to remote work adjustments that they've been trialling over the last few months.

2 Provide the right training and support for employees on an ongoing basis

The right training can lead to quick and profound improvements. The training needs to be customised to your unique corporate culture and the pain-points your employees are experiencing working remotely. Customisation is vital as different teams in the same organisation will have different needs and require a different approach to embedding remote work when restrictions are lifted.

3 Designated workspace matters

A designated workspace is extremely important. But helping employees to design their physical, social and technological remote work environment requires employers to think beyond traditional tables, screens and chairs. Whether it's noise cancelling headphones, fold-away beds or a Pomodoro timer, employers who think outside the box to ensure people are set up to thrive while working remotely will find new sources of competitive advantage.



4 Computers don't trump culture

Culture is still king. While it will be easier to have face-to-face offsites and meetings when COVID-19 restrictions are lifted, companies will need to ensure employees who are working remotely feel engaged and supported no matter how much time they spend in the office. Be creative, this is meant to be fun!



5 Smaller, more flexible leases

In future, it's likely well designed and implemented remote-working policies will increase the employee value proposition more than a flashy office. Flexible co-working arrangements will be increasingly attractive to smaller organisations, while larger organisations will be able to use remote working to reduce the size of their leased office space. Getting the calculation right will also require an efficient scheduling system to ensure the office is not empty or overwhelmed.



About Building 20

Building 20 was established in 2017 to help teams do difficult things faster. We've worked with ambitious organisations around the world, big and small, to find ways to sustainably increase their productivity.

During the COVID-19 restrictions, we've worked with a number of organisations to help them get remote working right and ensure their employees thrive no matter where they're working.

How we can help your team adjust to remote working

We start with the latest research, then we work closely with the leaders and teams to ensure they get the results they need in the immediate and long term.

We deliver these results in several ways, including:



Corporate speaking engagements



In-person and online training



Management consulting services

Some of the topics we can help you with include remote workspace audits, productivity programs, managing remote teams training programs, and organisation transformation.

Get in touch

If you're interested in finding out how we can help your team adjust to remote work, find us online at:

www.building20.co

Or send us an email at:

hello@building20.co



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