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How Come Distributed Work is *Still* the Next Big Thing? Part Three

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This is the third article in a three-part series that addresses the question in the title: how come Distributed Work isn't being embraced to the degree many of us have thought it would be by now? We fully intended to address the question and answer it in one article. However, as we began writing it became apparent that we were tackling a Very Big Issue – one that reminds us of the 1990's quandary about collaborative software: why should anyone use it, what gets in the way of widespread use, and what can be done to promote it?

We believe the same three questions have to be asked – and answered – regarding Distributed Work. (1) What makes it compelling in the first place?(See [Part One](#), which appeared here in September, for our views on why Distributed Work should be much more widespread than it is). (2) Why isn't it being embraced more quickly and more widely? (that's in [Part Two](#), published in October) And (3) what can or should be done to promote its adoption?

In Part Three, below, we offer our thoughts on how to promote distributed work in your own organization. We stop short here of describing a full-blown methodology (though we do have one – contact us for details); rather, we want to focus on the questions you should be asking, and answering, to build the business case and generate executive understanding of why distributed work, or what is often called an alternative work program, should be part of your organizational strategy.

In [Part One](#) of this series we discussed the reasons why distributed work should be a Big Thing. We highlighted six benefits of distributed work:

1. Reducing basic workforce support costs;
2. Increasing workforce productivity;
3. Attracting and retaining talent;
4. Increasing organizational agility;
5. Reducing the business risk of disruption from terrorism or a natural disaster; and
6. Reducing traffic congestion, air pollution, and environmental impact more generally

When you think about it, there's your basic business case – just take those six factors and apply them to your own organization.

But of course it's never that simple. First you need to know what business challenges your organization is facing. What's important to your senior executives right now? Which of those six factors hold the most promise – the biggest bang – for your organization?

Once you are clear about your business priorities, then you can think seriously about whether a distributed work approach would help solve those problems, enable your strategy, or otherwise strengthen your position in the marketplace. It's absolutely essential to look at distributed work in the context of your business requirements.

Okay, so you've clarified what matters to the business and you believe personally that a more distributed approach to work makes sense. What next?

In our experience, you should conduct three important analytic exercises, each one designed to deepen your understanding of how distributed work will affect the organization and its workforce. And each one addresses an important question that your senior executives will want answered:

1. What are the economic and organizational opportunities that a transformation to distributed work offers?
2. Which jobs, and which people, could be distributed?
3. Are we ready for change, and capable of achieving the changes necessary to move into a distributed work program?

Let's consider these questions one at a time.

What are the economic and organizational opportunities that a transformation to distributed work offers?

This is a critical question for any organization. Senior executives want to know – and certainly should demand to know – how this kind of transformation will affect the organization's operations, both financially and in terms of staffing levels, technology requirements, and HR programs and policies.

The challenge is that the kind of changes required to move successfully into a distributed work environment are complex and interdependent. There are often obvious savings in real estate and facilities costs, but those savings are typically offset at least partially by increased expenditures in technology, training, and other IT and HR costs. We've seen far too many distributed work programs derailed because no one had sorted out the second- and third-order budgetary and staffing consequences of the change.

Here again we've developed an analytic tool to help project all the potential financial consequences of the distributed work program. Not incidentally, our "ROI Calculator" also helps define the overall business case for the transformation.

The ROI Calculator is a decision support tool that enables management to consider and examine a wide variety of options, including changes in the number of employees who move into distributed work arrangements, the number of "touchdown" spaces provided in the corporate facilities, changes in support staff levels, investments in training programs, and so on. The tool even recognizes our long-time observation that once distributed workers settle into their new routines their productivity is typically about 15% higher than their "office-bound" colleagues.

Which jobs, and which people, could be distributed?

While the ROI Calculator can give you a good overall feeling for the business benefits of distributed work in your organization, it won't help you determine in any operational detail which jobs and which people would thrive in such a new work arrangement.

Furthermore, every organization will have a different "portfolio" of jobs, tasks, activities, and people who are right for distributed work. Many knowledge-based jobs can be moved into part-time or full-time distributed work environments because they involve:

- significant amounts of "heads-down" individual work;
- communication with others that is most frequently via telephone, email, or instant messaging;
- projects that include team members who are already remote;
- frequent travel to other locations, within the company, or with clients or service providers ;
- significant variety in work activities – moving back and forth between individual and group work, between data collection, analysis, and report writing.

Just as important as the dominant work activities is the preferred work style of the individuals doing those activities. Some people prefer to work more alone and without interruption, whereas others are more effective when they are in constant interaction with others. Some of us are naturally introverts, while some are extraverts who really crave being surrounded by others.

We have developed a **Workforce Survey** that helps to identify the work activity patterns that individual workers are currently following, as well as their preferred ways and places of working. We find it a useful and insightful component of a distributed work program, in that it not only provides you with important data about jobs and individual knowledge workers' preferences, but it also provides those surveyed with an opportunity to express their needs and their desires regarding their work environments – and that's an important aspect of engaging them in the work design effort.

Are we ready for change, and capable of achieving the changes necessary to move into a distributed work program?

As we suggested in [Part Two](#), embracing and implementing distributed work amounts to a big and complex change in organizational systems, procedures, processes, culture, and management. It's not something to be undertaken casually.

No matter how compelling the case for distributed work may be for your organization, if you don't have the fundamental experience, skills, and leadership required to achieve the needed changes, you won't succeed. So we've also developed what we call the "Organizational Assessment System™," or OAS, to determine how prepared and capable the organization is for change.

The OAS is designed to provide decision makers with a reliable, quantifiable assessment of a work group's *potential* for successfully making a transition to a new way of working. Whatever the vision of the end state of an organizational change process is, you have to know:

1. How well is the direction of the workgroup articulated and communicated to the talent in the group?
2. How much human capital exists and how is it developed?
3. How well does the group deliver on its value proposition to its customers?
4. How close are its information systems to 'state of the practice'?
5. How well does its planning and improvement process operate?
6. What is the availability of, and potential to provide, appropriate physical facilities to support emerging forms of work process?

Summary

If you can develop a proposal for a distributed work program that effectively addresses these three questions and provides your executives with “hard” data in each area, you will be well on your way to gaining executive approval and sponsorship for the program.

However, answering those questions is really just the beginning. Once the case has been made, and you have determined that the organization is capable of making the transition, then you’ve got a major planning and implementation task ahead of you. And of course there are plenty of speed bumps on the road to the future. But if you’ve done your homework and spread the word along the way, the journey shouldn’t be too painful.

There’s an Aikido principle that the best way to overcome resistance is to deflect it. We think that’s a good strategy for building support for distributed work (or alternative work programs). Overcome the natural preference for the status quo by generating a desire for something new and better. Overcome tradition by building on it, not destroying things that work just because you’ve advocated doing something different. Lastly, overcome fear of the unknown by enabling executives, managers, and the broader workforce alike to help create their own future.

We’ll close with just a few broad implementation lessons we’ve learned (often the hard way) in working with a number of organizations over the past several decades. Of course there’s a long story behind each of these guidelines, but we’ll leave those details for another time.

- Organizational readiness and capacity for change is a gating factor in distributed work programs. You just can’t be too well-prepared for change.
- Convincing people of the business benefits is critical to success.
- Be clear and consistent in all your messaging.
- Publicize success stories for both employees and managers. Make new heroes of those who make distributed work work.
- Training and communication for *all* managers and employees (not just those directly affected) are essential components of an alternative work program

- Remember: cost recovery is related to speed of implementation.
- Plan to reinvest a portion of the initial savings during the first twelve months to fund the implementation effort.

If you are interested in pursuing this topic further, we can recommend several additional sources.

First, for a somewhat more detailed description of WDC's own analytic tools, please visit the "Products" page of our website, at http://www.thefutureofwork.net/what_products.html

Second, for a lengthier and more conceptual look at distributed work, read our white paper "[Understanding Distributed Work](#)," also available on the website.

Finally, for a somewhat more formal discussion of how to develop a workplace strategy, see our article in the [May 2004 issue](#) of this newsletter, "[Workplace Strategy: How Do You Do It?](#)"

As usual, your comments and reactions are more than welcome. As always, please send your thoughts to us at comments@thefutureofwork.net.

About the Work Design Collaborative and *Future of Work Agenda*

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