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to the organisation's behavioural framework, are finding themselves at a bit of a loss.

Up until now, HR have drummed into leaders that performance is largely about the "what" and the "how", and is as much about being a good corporate citizen as it is about delivering results. They have been told that it is crucial to observe the good, the bad and the ugly behaviour, and use their observation and subsequent feedback as a major factor in deciding whether a person is performing (or not).

This approach proves to be a bit of a challenge when the person is no longer sitting physically in front of you...

The drive behind work-from-home

Although there are strong, varied and often passionate arguments for and against "work-from-home", the main reason organisations are addressing their operating models and moving towards virtual or remote management is to achieve more with less.

Flattening structures to reduce corporate headcount and cost is a big trend, and organisations are doing this on many levels. Office space in particular doesn't come cheap, and downsizing can instantly save the business money. Organisations are approaching this in a multitude of ways; from Telco's offshoring call-centre departments, to organisations like Fairfax introducing hot-desking policies. Bringing in work-from-home policies can also be a strategic move to soft launch into new geographies.

There is also an argument for increased productivity, in that employees may spend more time on-task, and on higher priority tasks, when they are not being interrupted and distracted by their colleagues. In many cases, remote workers may even use the time they would usually spend commuting and interacting with co-workers on actually doing work. It also makes gossip and politicking a lot more difficult; as it's less likely to happen over email, instant messages and phone calls.

For other organisations, the by-product of being greener is another driving factor behind the move to work-from-home, and not just because of their social conscious. As well as being trendy and very "PR-able", teleworking can also save big organisations thousands of dollars in electricity and fuel/transport costs every year. To put this into perspective on a national scale, in 2007, the US Consumer Electronics Association reported that telework saves the states approximately 9 to 14 billion kilowatt-hours of electricity per year [1]. Imagine what

it could do for Australia's footprint today?

The work-from-home policy can also open up huge pools of talent that are otherwise inaccessible. For every individual who is willing to relocate or adapt their lifestyle for work, there are another 50 who won't. Nowadays, having access to the right talent can lead to a competitive advantage, and this outweighs the amount of change and change management required to adhere to this new way of work. Work-from-home also allows organisations to operate a more project-by-project operating model, where non-core processes and expertise can be quickly and cost-effectively outsourced for the required period of time.

Work from home policies can also be used as retention strategies; ways to attract and keep key talent. Teleworking (even part-time) can help reduce stress, improve internal culture, boost morale, and improve work-life balance; all very good things. Although there is an equally strong counter-argument for this, some organisations even report that a work-from-home structure actually improves communication, as workers and supervisors make a greater effort to keep in touch, and their efforts are more efficient. Following on from this, a 2007 study by *The Journal of Applied Psychology* actually reported that work politics are a common reason for employees quitting their jobs[2]. If an option of working from home is presented to people who are considering leaving for reasons like this, arguably a number will reconsider their options, because regardless of the scale of it, change is undeniably hard.

The meaning of this for the modern leader

So what does this mean for our modern leaders? Is it as simple as only managing by output? And does that then mean that employees can dictate their own schedules, providing they meet their deliverables? How can you set boundaries when you are not physically there to manage them?

In short; a move to a work-from-home model means a lot of change.

The modern leader needs to change the way they view people management and leadership, and change their perspective, skills and mentality accordingly, while also ensuring they have the right people in their teams who align to the way the organisation operates.

Managers need to be experts at managing by outputs and keeping track of work in progress. This requires getting very good at balancing the detail and the

nuances with the big picture. Conversations and catch ups must be outcomes focused and agendas should align accordingly; driven by questions like “what is our progress in achieving outcome X”, “how are we tracking according to the project plan?” and “what do we need to reassess / change in order to meet our deadline?” The conversation doesn’t have to be any less human, and managers should still take the time to get to know their offsite employees, but it does need to be pointed and purposeful.

A remote working model means that managers have to get better than ever at delegation and better at letting go of control. They have to be better at briefing and communicating, and they have to have confidence that their team can and will deliver, and therefore give them the space and freedom to do so. This is a model which will divide the great managers from the good managers, from the not-so-good managers, more than ever before.

Trust is critical here, and it starts with good recruitment. Managers need to be able to trust in their employees, and the organisation must be looking to recruit honest and transparent people, who value and appreciate the opportunity they are being given. This also works both ways, and employees must perceive their managers as being open and approachable. They need to buy-in to their manager, and trust in their intentions, which is more challenging when the manager is not physically present.

Leaders will also need to be more available, and to be able to communicate their availability, to ensure that questions are answered and feedback is given in as close to real-time as possible. This doesn’t have to be difficult, it may just require leaders to block out certain parts of their diary on a daily basis, to ensure they are accessible to give advice, input and guidance to their virtual teams.

Skillsets and mindsets may also need a bit of an overhaul, and leaders should start by checking their own foundations of management theory. Do you think that if you can’t see people that means they are going to be less productive? This kind of attitude will need to be addressed, as it will come through in communications with team members. Leaders must be prepared to challenge some of their unconscious bias, take a risk, and give their employees the benefit of the doubt. To help the process, a gap analysis may be needed to look at existing and desired skill sets. Good communication and great project management are both essential skills, and may be areas that require development. Critical thinking is also essential – and improving this will give your employees more confidence in making decisions

and coming to (better) conclusions by themselves.

Key tips for the modern leader

1. Out of sight is not out of mind, and consistent and pointed communication is key. Check in with your people regularly, and schedule times for them to check in with you. Look to build a transparent and open virtual team culture where picking up the phone or jumping on Skype is preferred to email communication. Also try and give good, regular feedback – little and often. Make the most of down times like travel time, and use this as an opportunity to touch base with your team and offer support.
2. When possible, schedule in monthly or quarterly catch ups at the office that are impactful, engaging and interactive, and maximise what limited time you have together. It is important to still maintain a degree of human-to-human contact, and also to put your team back in touch with each other and make them understand they are part of something much bigger.
3. Set clear and measurable outcomes when delegating and always check for understanding and buy-in in the briefing process. Remember that a project is only as successful as its brief and the responsibility of that lies with you.
4. Trust is critical, and you need to check your own unconscious biases regarding people and trust. For example do you automatically give trust or is trust built over time? In this virtual working world, leaders need to start with trust and then monitor it to ensure it is being upheld.
5. Set very clear boundaries in terms of performance expectations, and be prepared to quickly make the hard calls if someone is not meeting outcomes and upholding their side of the bargain. This model should be communicated as an opportunity and a privilege, not a right.

Key tips for the modern organisation

1. Well defined and well-articulated organisational values are key, and they must be hardwired into every aspect of your business; from your performance management, people management and employee development, to your business development and account management routines. Weave your values into everyday “business-as-usual” activities and communications whenever and wherever possible.
2. Recruitment is even more critical, as you need

people whose values and motivations align to your organisation. Working from home is actually a skill in itself to be hired for, so commit to spending more time and resources getting the right person on board who fits the organisation, and then put sufficient time and effort into inducting them properly. As explained by Richard Branson; "The first thing to look for when searching for a great employee is somebody with a personality that fits with your company culture. Most skills can be learned, but it is difficult to train people on their personality".

3. Your approach to leadership development should be reviewed to ensure it provides the key skills underpinning remote management; including trust, impact, engagement, feedback and values based selection. These are the necessary foundations required for the success of this model.

4. Remember that remote working isn't suitable for every part of your organisation, nor for every person in it. It is very much up to organisations to define their own model in accordance to their own business objectives. If you do decide to go ahead with a remote model, you need to be very clear on what you are offering, and your leadership team must be 100% up to speed on what exactly that means for their management.

About the author

Brent Duffy is a director of Maximus. Brent has consulted to and developed many of Australia's top senior leaders and executives across a wide range of sectors. His core capabilities are in strategy planning and execution, sales force development, performance management and leadership skills development. Brent joined Maximus in 2003 after an eight-year career with an international consulting business. Brent has added value to an impressive list of clients including: News Limited, Suncorp, Marsh, Corrs Chambers Westgarth, ING, 3M, Tabcorp and Caltex.

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[1] *Energy and Greenhouse Gas Emissions Impact of Telecommuting and e-Commerce* (2007) US Consumer Electronics Association.

[2] : "The Good, the Bad, and the Unknown About Telecommuting: Meta-Analysis of Psychological Mediators and Individual Consequences," Ravi S.

Gajendran and David A. Harrison, PhD, Pennsylvania State University; *Journal of Applied Psychology*, Vol. 92, No. 6.

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