

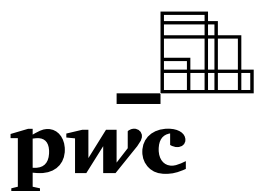


# Financial firms and the future of remote and in-office work

## PwC's US Remote Work Survey

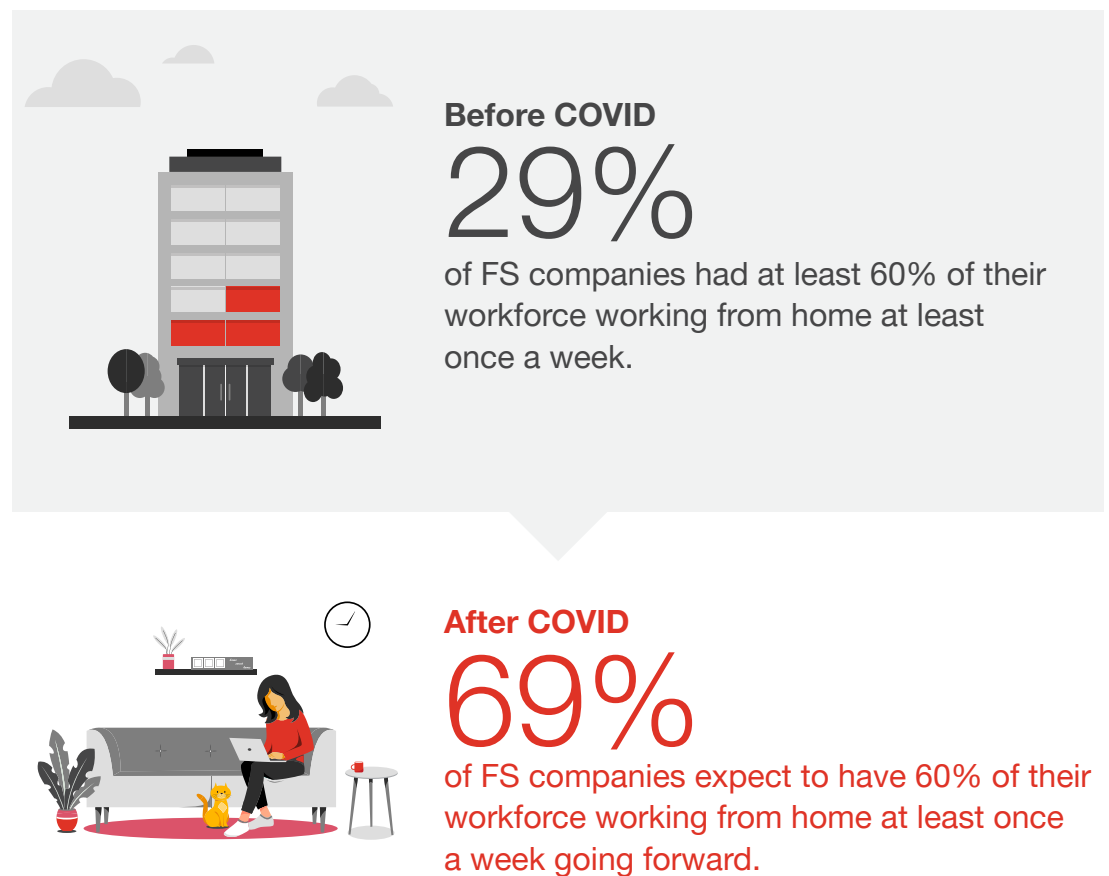
Financial services (FS) companies made a high-speed switch to home offices and kitchen tables in March 2020 when COVID-19 forced widespread lockdowns around the world. How did it work out for them, both employers and employees? And what happens to the FS workforce from here?

As part of [PwC's Remote Work Survey](#), we put these questions to 50 executives and 144 employees at US financial services firms during the period from June 1 to June 12, 2020. The results clearly show that FS executives are committed to making remote work more manageable for their employees and that these arrangements can be productive. We also learned what employees want from their employers to help be successful working remotely going forward.



## Commitment to work-at-home arrangements doubles

Flexible work was far from the norm and remote work was the exception for most financial institutions before COVID-19 forced shelter-in-place orders in March. Before then, we did see insurance call centers with remote workers along with mobile employees such as some financial advisors and claims adjusters. Only 29% of employers had at least 60% of their employees working from home at least once a week before the pandemic. Now, 69% expect at least three-fifths of their workforce to telecommute at least once a week. We found similar results in our [recent CFO survey](#), with 61% of FS CFOs saying that they plan to make remote work permanent for roles that allow it.



Source: PwC's US Remote Work Survey June 25, 2020: FS employer base of 50

So what happened? FS firms and employees made remote work successful. Financial services executives told us that 95% or more of their office workers switched to working from home during the crisis and, by and large, they maintained or improved productivity. Similarly, 79% of the employers surveyed had at least three in five employees working from home, and employers were satisfied with the results of their forced telework experiment. More than 70% of the FS employers said they found the work-from-home experience to be successful or very successful.

Employees also indicated that they embrace this shift. An overwhelming majority, 86%, said they support the idea of working from home at least one day a week, with a whopping 35% wanting remote work as a full-time option. This is a big change: 39% of FS employees said they had never worked from home prior to the pandemic, and 16% said they worked from home only once a month.

## Takeaways

The balance between flexibility and the needs of the office should be an ongoing conversation for your firm. Depending upon the role, work-from-home may have no effect on performance or it may present a genuine struggle. For example, while employees in the accounting department may find it easy to work from home, traders may need to be in the office to access more powerful systems and lower latency. Financial advisors are often mobile because they meet their clients when and where their clients are comfortable. Commercial bankers, who were establishing relationships over business dinners, now find themselves trying to do the same using videoconferencing tools. You'll need to support these new ways of working with the right tools and different measures of success.

Establishing a work-from-home program shouldn't be left to chance. With little prior exposure to remote practices, FS employees made a cut-and-paste transition from office procedures to the virtual world and adapted them along the way. Your firm should use the knowledge obtained during the lockdown to help build on proven successes and focus on those areas that weren't developed with remote work in mind. The areas that we are finding need the most attention: coaching, communication and collaboration.

## Work remains productive, but coaching and collaboration remain a struggle

What went well? FS employees exceeded expectations for productivity during the pandemic. Seven in ten (69%) of the executives surveyed reported that their employees were as productive or more productive than before the crisis. On the employee side, over 75% said they were at least as productive. Employees stepped up in a stressful time, managing their well-being as well as their work output. These results suggest that financial firms had the technology in place to keep things running when the entire workforce was displaced and that executives and managers found ways to communicate directly with teams. Over 75% of the employees said their ability to collaborate was the same or improved during the COVID-19 lockdown.

What didn't work so well? Not all virtual workplaces ran smoothly. Of the 22% of employees surveyed who said they were less productive, the top-three reasons were choosing to work less (41%), difficulties collaborating (30%) and difficulties getting the information they needed (30%). Of course, there are only so many conclusions we can draw given the extraordinary circumstances that many employees found themselves in. For example, it's likely that employees who chose to work less were managing their children's virtual schooling, caring for loved ones and coping with other crisis-related distractions. Managers said they had to feel their way through alternative ways of coaching remote teams during the lockdown. Some firms struggled with infrastructure issues, with bandwidth constraints making it necessary to limit video calls. Extended arrangements for remote work likely will require better tools and training on remote collaboration, but we expect them to be less challenging for everyone if we can take a lesson from the recent lockdown experience.

## Takeaways

In reviewing your [back-to-work strategy](#), you may be forced by social distancing requirements to consider how many workers can return, as well as staggered schedules and accommodations for at-risk employees.

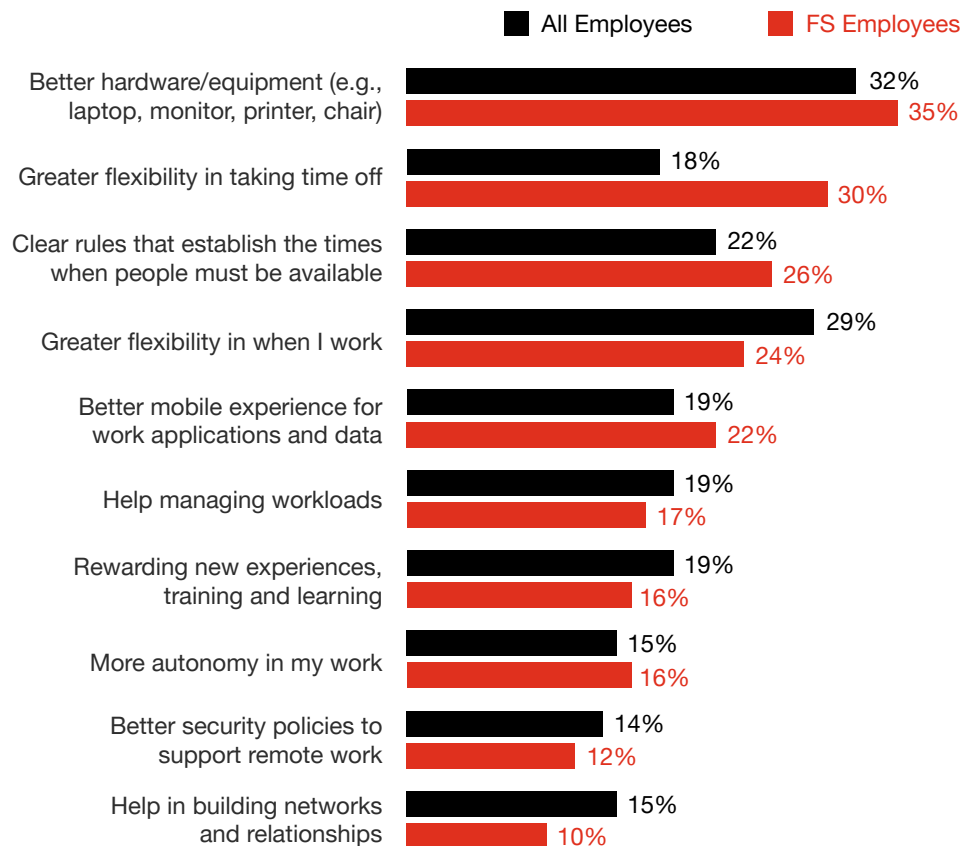
We recommend you plan deliberately how your employees will work as they move between office and remote environments. For example, managers who excel at in-person relationships building or who have little exposure to telework, may need to improve people management or team-building skills for offsite direct reports. Agile teams may need explicit redefinition of how they will collaborate and advance their teams' work. In particular, collaboration, coaching and communication standards and routines should be explicit, enabled by a robust [set of tools](#).



## FS employees need support for long-term remote work

More than other industries, our survey shows financial services firms are willing to take steps to make work from home more productive. The top three items executives said they plan to provide their workforce are more flexibility in hours, better security policies to support remote work and autonomy in their roles. Judging from their responses, employees have differing priorities in a few areas. For example, vacation flexibility was the second-highest employee preference, while employers ranked it at sixth. Employees checked a clear divide between work and home as their third-highest need. For employers, that was their lowest priority.

### Looking forward, which of the following would help you be more productive when working remotely?



Source: PwC's US Remote Work Survey June 25, 2020: FS employee base of 144



## Takeaways

Ask your employees what they need to work remotely and pay attention. Their input will help remote work be more effective and productive while improving their engagement.

We also suggest a deliberate approach to crafting policies that fit your organization. Accepting a more remote workforce does not mean accepting more risk. Novel or temporary practices during the lockdown should pass muster for governance, risk and compliance before they're adopted into the remote-work playbook.

Flexible work arrangements can also be a powerful recruiting tool, especially for seasoned workers. A well thought-out flexible work policy can help expand workforce diversity, foster collaboration from an expanded talent pool and enhance resiliency in meeting future crises. Digital capabilities may allow companies to leapfrog competitors that may not be as supportive of work-from-home options.



## Preparing for the future

The COVID-19 crisis uncovered a wide range of front-office and back-office jobs primed for a successful move to a hybrid remote-office model, from business advisory to economics to financial planning. But, getting remote work right takes planning and forethought. Here's what we recommend as you prepare:

**Take stock of your real estate.** Think about which employees need to come back to the office and what they'll be doing when they're there. This will cascade to every decision from [reviewing leases to office remodeling](#).

**Develop your mobility plan.** Determine [guidelines](#) for which roles should be predominantly on-site based on need for equipment, systems or team collaboration. Develop policies that address how often workers within each specific job type should work remotely and set clear expectations.

**Design to meet your workforce preferences.** Ask your employees what they need to be productive when they work remotely. Listen with an open mind and factor their input into employer-driven mobility plans. For example, you may want to adjust benefit programs to offer a menu of options that employees can customize, such as flexibility, vacation/sabbaticals, learning and more.

**Enable the right technologies.** Give your employees what they need to succeed and thrive when working remotely, including tools that improve productivity. Consider allowances or reimbursements for employees to equip their home offices. Continue to assess and bolster your VPN and access controls to help confirm that [remote work is secure](#).

Define new ways of working. While FS companies have generally been successful during the crisis, there is no guarantee that these behaviors will endure. In-person mentoring and social interaction is the norm in many firms, so moving to a more flexible work-from-home model will not come easily for many. Support your managers in the immediate term to engage and direct their employees in a more virtual model, and consider changes to metrics and guidelines to help reinforce new ways of working.



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