

COVID's Hidden Promise: Future Work Design Is Agile Innovation

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As organizations plan for a future where COVID-19 is no longer a health threat, leaders are setting the stage for what is sometimes called “return to work.” Leaders are tempted to pronounce broad policies, that are often inconsistent from one organization to another. They are tempted to solve the thorny issues presented by a workforce with increasingly diverse roles, needs and preferences by searching for policies that are “fair,” because they can be applied consistently to everyone. These approaches lead to predictable “one-size-fits-all” dilemmas and problems.

But, what choice do leaders have, when the future of work is so diverse and unpredictable?

What if your return-to-work policy was this: *“To all of our valued managers, employees and non-employee workers: We don’t know what the future of work will be. However, we DO know that all of you have learned to innovate continually, as you have crafted your work to meet the unprecedented opportunities and challenges of the pandemic. So, instead of one policy applied to everyone, our ‘policy’ will be to invite and equip you to design your work through agile innovation and experimentation.”*

Return-To-Work Policies Are Diverse and Inconsistent

Twitter and Square announced in May, 2020 that their employees could “[work from home forever](#).” At about the same time, Jamie Dimon announced that he expects a [gradual return to the office](#), with lasting damage if workers don’t return, and encourages leaders to cautiously re-open cities as workers return. [Google](#) extended their work-from-home policies by a year, to summer 2021, and plan to accommodate remote work indefinitely. [Microsoft](#) offered all of its employees the option of working from home less than 50% of the time without approval. Similarly, Morgan Stanley and Mondelez have said they will be using hybrid work models going forward. Meantime, a June 2020 [article](#) in *The New York Times* reports the decades of setbacks that suggest that remote work may be more perilous than many such policies reflect. Moreover, such policies provide few answers to the thorny issues that workers and managers will confront. Well-intended leadership pronouncements, while newsworthy and perhaps immediately satisfying, are not the same as a considered approach to learn the lessons of today’s crisis, choose which lessons to sustain into the future, and implement the nuanced changes that will produce that sustainable change.

McKinsey [reports](#): Across all sectors, 15 percent of executives surveyed amid the pandemic said at least one-tenth of their employees could work remotely two or more days a week going forward, almost double the 8 percent of respondents who expressed that intention before COVID-19. This varies by country, with 20 percent of executives surveyed in the United Kingdom and Germany saying that at least one-tenth of their employees could work remotely two or more days a week going forward, which drops to only 4 percent among respondents in China. Extending remote work beyond two days a week, however, was less popular among respondents overall, with just 7 percent saying at least one-tenth of their employees could work three or more days a week remotely. Yet, more than 60 percent of workers in the US economy cannot work remotely. The potential for remote work is highly concentrated in a handful of sectors, such as information and technology, finance and insurance, and management, and executives from those sectors show greater intent to deploy their employees remotely. Most of the companies that have announced plans for greater remote work among their employees are from the technology of finance sectors, notably Facebook, Twitter, and Hitachi.

If your organization has some workers who can easily work remotely and others who must work on-site, what is your logic for insuring equity while optimizing work arrangements? Many organizations try to achieve “equity” through “equal treatment,” requiring the same arrangements for everyone, which likely optimizes work for no one.

Is it a Success if Workers Comply with Even Poorly-Designed Work Policies?

Far too often, well-meaning CEO’s and other top leaders offer pronouncements that are naïve, old-fashioned, reflect wishful thinking that the old ways of working will magically return, or built on flimsy logic that is not evidence-based. Of course, many managers and workers will go along with whatever policies the CEO proposes, such as: “at least 2 days on site,” or “work from home forever,” or “frequently arrange to meet with your team in person,” or “everyone must live close enough to one of our buildings that they can work in our building if called.” COVID-19 has revealed that your employees and managers are capable of immense inventiveness. Faced with mandated policies from the CEO, some workers will apply their new-found inventiveness to comply with even poorly-crafted return-to-work policies. They will “make do” within the constraints of corporate policies, just as they often did before.

Is compliance a measure of success? Even as you celebrate that your workers adjusted to a new corporate “return-to-work” policy, your organization may be squandering a unique opportunity: Your organization’s newly-developed capabilities for agile and innovative work design would be much more productive and inclusive if you unleashed them as a new source of innovation.

Your Workers Expect to Innovate in Crafting Their Work

In response to the disruptions of 2020, your workers have learned to be agile and innovative as they redesigned and re-crafted their work, to overcome unprecedented work challenges, to create new and more productive working arrangements, and to be agile in the face of changing circumstances, goals and demands. In the same way that World War II motivated an influx of women into the workforce that signaled a permanent change in women's role in the economy, the COVID-induced work design innovations likely signal a permanent change in workers' desire for greater discretion and capability to innovatively design their work.

Perhaps real estate investments signal long-term effects. If so, then it's notable that many corporate real estate units are closing offices to capitalize on remote work. Nationwide Mutual Insurance Company, for instance, [recently announced](#) that it would close five offices in smaller cities around the United States and have employees there work remotely. Workers are investing in home improvements that create workable office spaces and relocating to homes that are further from city centers or in smaller towns. Even Airstream, the maker of the iconic aluminum travel trailers, recently announced [new designs](#) with sleeping areas that convert to a home office suitable for video conferencing.

In short, your workers have learned to apply agile innovation to their work, and are unlikely to go back to how it was before. If you restrict their options, some will go along with your policies. But, many will leave. Just imagine how your workers would react if your return-to-work approach is a mandated corporate policy, and your competitor offers them the opportunity to design their work through agile experiments?

Yet, work design is seldom been approached as agile innovation. As John Boudreau, Ravin Jesuthasan, and David Creelman have described in [Lead the Work](#), the tradition is to bundle work into jobs and hierarchies, bundle workers' capabilities into jobholders, and assume that HR will keep this system running as change occurs. In [Beyond HR](#), we described the pitfalls of a tradition that often establishes a system of jobs and work policies that apply equally to all, and stick to it. So, it's quite understandable that most leaders give very little thought to work design, and certainly do not consider work design as a potential opportunity for agile innovation.

Policies Without Answers or Engagement

If your policies provide no compelling rationale, workers will be frustrated and disengaged even if they comply.

Just consider the questions posed by a very typical corporate policy about post-COVID work: “Everyone should work at least 3 days on-site unless they get approval from their manager.” Your workers and managers might well ask:

- Why did you choose “three days a week?” Why not one, or two or five?
- What is a “site?” Does it mean a location owned by our company, or could it mean a home-office duly equipped and approved as a suitable work-site based on company guidelines?
- What is a “day?” Does it mean the hours between 9am and 4pm local time, or some extended period? Does it mean the working days of the week, excluding weekends? Or, does it mean any of the seven days of the week?
- What does “work” mean? Does it mean work that involves in-person contact with others at that site? Or, can it mean that I sit in my office alone working on my computer doing the same work that I could do at my kitchen table or in my home office?

We think the common response from managers, leaders and HR professionals will be something like, “Oh, you know what we mean, just do the right thing.” We fully expect your people will fall in line and find a way to meet such policies, but that is hardly an indicator that these questions were answered sufficiently, and certainly not an indicator that you have optimized work to fit your emerging challenges and opportunities.

No matter which grand policy statement you adopt, no policy can possibly account for all of the diverse work situations that have evolved during COVID. Without the freedom and tools to explore new work designs, your policy is doomed to become another bureaucratic pronouncement from the top, to which your people reluctantly and silently acquiesce even if they don’t agree or understand. Your managers and leaders, left without guidance or tools, are ill-equipped to explore innovations and identify when exceptions offer real opportunity, so they default to simply requiring that people follow the policy.

The Answer: Work Design as Agile Innovation

Now, consider an alternative: Make work design a true target for agile innovation. Seen in this way, questions like those above are no longer bothersome nagging complaints to be dispensed with, in order to get on with implementing the standard policy. Instead, such questions become opportunities for experimentation and learning.

What if your return-to-work policy was this: “We don’t know what the future of work will be. However, we DO know that you have all learned to innovate continually, as you have crafted your work to meet the unprecedented opportunities and challenges of the pandemic. So, instead of a policy applied to everyone, our ‘policy’ will be to equip you and your managers to design your work through agile experimentation.”

What could be more inclusive than welcoming new and different ideas about *work* — the thing that your workers arguably know the most about, and that matters most to them? What could demonstrate leadership empathy, openness and shared accountability than to give your workers a true “voice” in how their work is designed?

We have often found it useful to [“retool”](#) the way leaders think about work, organization and people, by having them reframe the people issues using an accepted framework from other disciplines. In this case, retooling invites you to consider the parts of your business where you already apply agile innovation. It might be your product development, marketing, digital transformation, or others. What are the frameworks, principles and decision rules that guide experimentation in those arenas? What if you took those frameworks and substituted “work design” as the focus, in place of product development, manufacturing excellence, R&D, etc.?

For example, your existing agile innovation frameworks likely follow principles such as:

- Experiment
- Fail Fast
- Learn the Lessons from Failures
- Don’t kill questions or ideas too early
- See challenges to the status quo as opportunities

Today, in your existing agile innovation hubs, you equip leaders with tools for nurturing lots of ideas while keeping a focus on the overall goal. You equip workers with the freedom and opportunity to ask tough questions, challenge accepted wisdom, listen and translate the voice of customers into new ideas, and to fail productively. You celebrate the innovations that fail, understanding that’s necessary to find

the ones that are truly transformative.

Why not apply these same ideas to work design?

For example, some organizations' return-to-work plans include phrasing such as, "We need HR to help leaders deal with employee complaints by explaining why our system requires that they give up some flexibility as we return to work." Let's "retool" this using your agile innovation framework: This seems a lot like telling agile product designers, "We need customer service associates to deal with customer complaints by explaining why our product or service can't be changed for them?" Any agile innovation designer would immediately point out that agile innovation principles support rethinking customer "complaints" as "opportunities for innovation," and changing the culture and mindset accordingly. Why not do the same regarding your employee "complaints" about your new work system post-COVID?

Of course, work design is far more personal for your employees than the design of products/services, manufacturing processes, etc. An employee or leader whose has invested in a home or lifestyle that favors remote work will perhaps be less objective about work design than if they were on an agile innovation team designing a new product. Work design is personal. Work design will need to take account of a diverse array of workers, some of whom may not traditionally have been offered a strong voice, newer workers who have not yet gained prominence, or even future workers whose voices have yet to be heard. This is no reason to abandon agile innovation in work design, just as a lack of "objectivity" by certain customers is no reason to abandon agile innovation in product design using customer focus groups. Indeed, it seems promising to consider your current and future workers as the customers for your organization's work design innovations.

Not Chaos: Targeted and Logical Agile Experimentation

Does this mean unleashing a chaotic upheaval where everyone's work is now uncertain and subject to a radical redesign? Of course not. As much as it might delight social scientists like Boudreau, we are not recommending that you turn your organization into one big work design experiment, at the expense of your broad strategic goals and alignment.

You already have tools that target agile innovation where it is most strategically pivotal, and that help you determine where innovation is justified and where it is not. For example, if you're innovating in product/service design, you might choose to experiment with certain features in a "controlled" part of your product/service, or perhaps in certain markets where the costs of mistakes are less. The other parts of the product and markets remain stable, so that you can keep selling products even as you

innovate. However, even the parts of the product/service that are not actively experimenting can still pursue elements of agile innovation, such as gathering and evaluating suggestions for improvement, using analytics to identify potential flaws in your system, etc.

Unconstrained innovation everywhere is no recipe for balancing today's goals with preparing for the future. On the other hand, the correct balance is rarely achieved by prohibiting all agile innovation. In the same way, pronouncing a single broad return-to-work policy prohibits agile innovation in work design.

The better approach to traditional innovation involves a systemic assessment to identify where the benefits of agile innovation outweigh the costs. As you innovate more, that balance changes, because the costs of agile innovation go down as you have more practice with it. The same can be true for agile innovation in work design.

Can HR Lead Agile Innovation in Work Design?

As with all agile innovations, top leaders must ultimately be accountable. Still, agile innovation is typically executed by line or functional leaders in their own units. In applying agile innovation in areas such as operations, product development, marketing, etc., the role of the functions such as finance, legal, IT, and even HR is generally limited to participating as a supporting "business partner" with their client groups.

However, work exists everywhere in your organization. So, agile innovative work design doesn't easily fit in one arena like product, manufacturing, operations or R&D. So, what function or discipline *should* lead and drive agile innovation in work design? This is your opportunity to challenge the CHRO and HR organization to expand beyond their traditional role as a supporting partner to the business units. Instead, HR can become a hub for agile experimentation and learning applied to work design. Rather than HR taking the role of explaining or enforcing policies and insuring compliance, HR could be accountable for the organization-wide approach to agile innovation in work design.

HR would develop agile tools and frameworks, collaborating with your agile innovation experts to modify existing successful tools and apply them to work design. HR would lead in equipping and training managers and their workers to apply agile design tools to work design, and to evaluate and monitor results. HR would become the repository for lessons learned in targeted experiments, and would

be accountable for integrating and translating those lessons for the entire organization. HR would develop and constantly improve your frameworks and resources to support a system for agile innovation in work design, including what work means, where and when work is done, and how work value is created and shared among organizations, workers and society.

This is different from “agile HR,” which often refers to the important work of using agile principles to transform the processes and activities of the HR function itself (such as talent sourcing, pay, benefits, learning, experience, information systems). In contrast, we are describing is “agile work innovation,” which spans your entire organization, supported by your HR organization.

Why not establish this relationship with your CHRO and HR function?

Before you rush to pronounce one broad organizational policy for “return to work,” take a moment and consider changing your approach from a search for the best policy to agile innovative work design.

The post "COVID's Hidden Promise: Future Work Design Is Agile Innovation" was written by [John W. Boudreau](#) and [Peter M. Ramstad](#). It was first published by John Boudreau here <https://www.linkedin.com/pulse/covids-hidden-promise-future-work-design-agile-john-boudreau/>

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