

How the Hybrid Work Environment Unlocks Business Transformation Opportunities

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INTRODUCTION

Most workforces today have gone virtual in some capacity, and the hybrid work model is the new norm – especially in corporate settings. In 2022, AT&T Business and Dubber released the “State of the Industry: Future of Work” survey that compiled responses from 300 C-suite executives and senior managers at larger U.S.-based corporations. The respondents worked in the energy, healthcare, retail, banking, finance, and manufacturing industries. When asked about hybrid adoption, 81 percent answered that this would be the most common working model by 2024 and employees would complete 56 percent of work from a remote location.¹

The virtual trend is even emerging in industries that have been traditionally and exclusively in-person. Take the lawyer who can attend virtual court or the doctor that can conduct patient visits through a secure telemedicine portal. While many jobs in industries like these will need to remain fully in-person, there are now also remote opportunities available to individuals desiring a flexible working arrangement. It is interesting to see how mindsets have evolved in such a short period of time in industries historically resistant to change. In a recent study comprised of legal professionals, 54 percent located in North America and 45 percent in the U.K. said they would seek alternate employment if required to work onsite full time.²

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enhanced working models. This virtual trend creates space to permanently transform operations and technology usage. Resources that organizations may not have considered in the past are now getting a second look, as this shift triggers the need to think through how business strategies and processes can evolve to support a hybrid environment while remaining competitive and profitable. The main goal should be investing in the people and tools that help reach optimal business potential and advance transformation initiatives in a hybrid environment.

This white paper will discuss the value in creating and executing business transformation initiatives, current trends, and the elevated need to find creative solutions that support hybrid teams.

STEP ONE: SETTING BUSINESS TRANSFORMATION GOALS

As organizations adopt and expand virtual work models, having business transformation initiatives around these changes is crucial. This is the time to take a critical look at strategy, operations, spending, and technologies. Every organization's version of virtual work will be different and can evolve over time as needs change. It is important to account for that when creating new policies and setting annual goals. Benefits of having a clearly defined plan with strong transformation goals include better integration of hybrid teams, equal promotion of firm culture, unlocking global collaboration potential, cost-savings, and improved compliance efforts.

The AT&T study discovered that 72 percent of organizations lack a clear hybrid-work strategy, even though it is the emerging work model.³ Creating a solid strategy should be the first priority, as this aligns expectations and will help drive success. The plan should primarily detail appropriate office and remote days, which will often depend on the employee's role. Some may be completely virtual while others are expected in the office a certain number of days each week. Depending on the organization's culture, building flexibility into these expectations is becoming more common. Additional considerations include communication preferences, device policies, flexible hour arrangements, C-suite priorities, and collaboration monitoring.

Metrics informing how remote work has fared thus far can help leaders set hybrid work parameters and KPIs for the year. It is imperative to review the data measuring collaboration and focus time, manager interaction, project completion time, team scheduling overlap, and other productivity factors. This information can lead to deeper conversations about where gaps exist. For example, say projects involving team members located in different time zones consistently get delayed. Management can use these insights to make data-backed decisions that streamline projects – whether it be altering work hours, assigning projects differently, or partnering with a service provider to bridge the gaps.

Identifying where gaps exist makes it clearer which processes require transformation to support the hybrid work model. Business transformation is more than a buzzword, but a commitment to fundamentally changing in order to better serve customers through more efficient processes and strategic investments. If process and productivity dip down, then output and customer satisfaction suffer. The virtual workforce transition many are implementing right now is a seismic transformation requiring drastic change to management styles, internal systems, and technologies. To maintain successful operations, organizations must provide digital equality to all employees whether in-person or virtual anywhere in the globe. Solutions allowing for

reduced physical office space, new collaboration tools, and integration capabilities are just a few business transformation opportunities that organizations can unlock. Having the right partners and technology to enable and sustain a hybrid workforce will help an organization navigate change and come out stronger than ever before.

STEP TWO: UNDERSTANDING MARKET TRENDS TO INFORM STRATEGY AND INVESTMENT DECISIONS

Changing the way that employees work and interact requires an overhaul to longstanding operational processes. Expanding the virtual work environment requires decision makers to create new strategic goals in order to be successful. To deliver on a new plan, management and internal systems will need to go through rapid and drastic changes. This includes altering preferred communication platforms, meeting structure, mail delivery, administrative support, and more. Clearly delineating roles and offering training where appropriate will also be key drivers of a successful hybrid program. The shift to hybrid work has created renewed opportunities to outsource as it can help with the transition and foster an efficient working environment. While it can be difficult to find what works during a time of change, being cognizant of technology and outsourcing trends is a great way to spearhead transformation efforts. Below are three emerging trends relating to hybrid work and business transformation opportunities.



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- 1. Overall, the way organizations are using office space is changing.** A 2022 report by Cushman and Wakefield observed that collaboration, innovation, and culture now drive the underlying purpose of office space utilization.⁴ This will look different for everyone. Some will still operate off the more traditional model while others are increasing shared spaces, downsizing, or eliminating the physical office altogether. When reimagining the office space, oftentimes there are no longer in-person secretarial, IT, or other back-office support roles. This leaves operational gaps that leaders must address in their hybrid programs.
- 2. Organizations traditionally hesitant to change are embracing tools to keep up with evolving workforce demands.** Industries such as legal that have been historically resistant to altering workflows have accelerated adoption of the hybrid working model. The pandemic forced people to adopt virtual offices and tools. The realization of their benefits resulted in a focus on how to be more effective and efficient through intentional investments. In the BigHand survey, 71 percent of North American law firms and 63 percent in the U.K. were receiving client pressure to utilize the most cost-effective resources. Approximately half of the respondents were already rethinking matter staffing and resource allocation that better promotes profitability.⁵ Additionally, the survey concluded that “in a legal environment managing both unprecedented employee challenges and the transition to hybrid working, a reactive approach to matter staffing is not only ineffective, but it also creates business risk.”⁶ This supports the trend of organizations – both legal and otherwise – being more intentional and proactive when setting transformation goals.
- 3. Functions previously done mostly in-house or that were outsourced on a limited basis are now being outsourced more often, as need and value better align with the hybrid model.** There are a variety of solutions and services that have been available for a while that are starting to experience accelerated adoption in correlation with an increase in the virtual workforce. Successful transformation requires technology that improves process and increases productivity. Oftentimes,

outside partners are an efficient and cost-effective way to achieve these goals. A service provider can leverage expertise to pinpoint where change is needed and implement the right solutions.



Organizations also need to right tools to fill process gaps, which are present in the back-office environment for many during the hybrid transition.

For example, deploying a secure mail delivery solution is becoming more important in a hybrid environment – especially with many organizations operating at a global scale. Turning to digital mailroom solutions has proven to foster easy delivery and reduce security risk – especially in industries regularly dealing with sensitive information such as legal and finance. A recent article on this topic weighed in with some helpful investment guidelines: “A best practice digital mailroom operation delivers mail directly to the document management system (DMS) where sensitive client information will be delivered securely and governed according to firm policy. A best practice digital records room is similar, building a digitization project for scanning large volumes of paper records and storing them in the DMS.”⁷ Epiq has also observed outsourcing trends picking up with other back-office support including document processing, AP/AR billing, and secretarial functions.

Simply put, organizations need to adapt quickly when a new market trend is forecasted. Failure to consider and implement change can result in lost clients or revenue. This can also create an inefficient working environment when some people are at home and others are in the office. When a shift in the market occurs, it is important to be prepared for change to maintain a competitive advantage and harmonize different working styles. Keeping apprised of trends like the above will help determine which services and solutions can best serve a particular organization during the hybrid transition.

STEP THREE: CHOOSING AND IMPLEMENTING THE RIGHT SOLUTIONS

The next step is looking for a partner with the right resources, tools, and people to achieve fundamental transformation that is sustainable. The AT&T study noted that although a hybrid working model is expected to be the default in the near future, most respondents felt that AI/ML technology are transformative tools for workplace change to overcome barriers that come with hybrid working models.⁸ Digital equality is the goal, and it can be difficult to achieve this without the right tools to create flexibility and an in-office feel for those working remotely. This goes beyond the collaboration platforms and virtual meeting spaces many are already using to eliminate communication barriers. Organizations also need to right tools to fill process gaps, which are present in the back-office environment for many during the hybrid transition. The difficulty intensifies when needing to orchestrate processes globally. While not new concepts, the need is elevated to find creative ways to support hybrid teams and explore partnerships that improve efficiencies. Here are five key areas for organizations to explore outsourcing opportunities that can be pivotal to operational success in a hybrid environment.

Administrative Support

The role of administrative assistant has always looked different between organizations and encompasses several job responsibilities. This can include answering and directing phone calls, scheduling, copying, printing, and more. As organizations realign their operational strategies to support an actively expanding remote workforce, they are reimagining traditional employee roles to better scale productivity and maximize resources. When converting to a hybrid work model, it makes sense to outsource these functions to better support employees working remotely. Some options to research

are virtual reception, concierge at physical offices, document processing, onsite copying and printing services, and records management support. Benefits include cost savings, around-the-clock availability, and better compliance with established retention policies.

Digital Mailrooms and Smart Lockers

Digitizing mail via the scan and email approach has been an accepted workflow for years. Investing in a digital mailroom solution goes a step further by employing technology that streamlines a mailroom's operations, increases compliance, and strengthens an organization's information governance strategy. This is an end-to-end workflow that captures data from receipt, logs incoming pieces through scanning, and has intelligent routing of digitized content to the repository of record. It is a secure option to deliver mail quickly to any geographic location in a defensible manner.

Smart lockers are another service that can work in conjunction with the digital mailroom. This refers to a storage solution powered by intuitive technology that supports mobility, flexibility, and safety in the workplace. Originally, smart lockers were appealing as a contactless and efficient delivery model, but this solution also enhances processes for package management and day storage. For teams with an integrated digital mailroom, smart lockers act as a key step by safely delivering any requests for physical copies of mail or packages. In addition to this, employees can also store physical artifacts they do not want to cart home on virtual days such as huge files or an extra suit jacket.

IT Assistance

When allowing employees to work remotely, there is generally an increased need for technical support services to assist with the transition and integrate new tools. Managed services offering flexible installation, support, maintenance of hardware, peripherals, software, network, AV, and other resources can generate a productive work environment. Keep in mind that this does not mean that an organization will need to eliminate their internal IT staff, but instead tap into outside resources to enhance capabilities that are lacking internally. Some attractive features include IT asset tracking, service management, WiFi support, disk imaging, and AV support.

Hospitality Services

Flexible working models create a need to offer hoteling services so employees can schedule desks and meeting spaces for when they will be in the office. In a recent survey of legal professionals, 60 percent felt that a full hoteling model would be implemented within five years, where attorneys would have unassigned offices due to flexible working arrangements.⁹ Technology enabled solutions can make this easy for employees to desk share and book rooms for meetings, whether in their "home" office or when traveling to another office across the country. The solutions powered by AI can provide insights on time spent in the office and productivity, and also offer incentive or reminders to book office space for upcoming collaborative needs.

Billing

Dealing with Accounts Payable and Accounts Receivable (AP/AR) can be time-consuming and difficult to prioritize. When people start working virtually, this can create additional obstacles for keeping track of and organizing billing. Outsourcing to a partner with advanced AP/AR capabilities helps streamline billing and coordination,



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invoice scanning, data entry, general ledger coding, expense report management and auditing, financial reporting and analysis, bank reconciliation, and payment allocations.

The processes above need to be supported by the right people who can bring the best technology to fill operational gaps. Flexibility is key as a hybrid workforce is always evolving and having the freedom to adjust outsourcing roles is crucial. Look for a partner that takes a consultative approach, has a successful track record, and offers trial runs to test out the solutions. For organizations in industries such as legal where a majority of operations centers on confidentiality, it is crucial to have clear secure processes in place. The BigHand survey noted that “firms need to invest both in dedicated resourcing experts and supporting resource management technology; leveraging transparency around workloads, billable hours and lawyer expertise to ensure attorneys expectations are met while also safeguarding profitability.”¹⁰ Tapping into data from solutions utilized will also help gauge how new processes are fairing and whether an organization needs to make any adjustments.



This virtual work shift actually presents an opportunity to scale productivity and maximize resources through the reimagining of traditional employee roles.

CONCLUSION

Following the three-step approach outlined above will help organizations unlock business transformation opportunities that allow employees to flourish in a hybrid environment while still maintaining profitability and defensibility. While it can be daunting to think about realigning operational strategies, the virtual work shift actually presents an opportunity to scale productivity and maximize resources through the reimagining of traditional employee roles. By outsourcing standard office services, organizations can experience a higher quality of output across their core functions as well as a reduction in long-term costs. While this white paper discusses a few areas to start exploring outsourcing potential, the opportunities are endless and customizable to an organization's specific needs. Monitoring hybrid work trends and emerging technologies provides visibility into what options are out there to support transformation goals and sustain meaningful operational change.

¹ State of the Industry: Future of Work, p. 6 (AT&T Business and Dubber, 2022).

² Legal Resource Management: The Present and the Future Impact on Law Firms, p. 7 (BigHand, 2022).

³ State of the Industry: Future of Work, p. 10 (AT&T Business and Dubber, 2022).

⁴ Office of the Future Revisited: Three New Realities Shaping Hybrid Workplace Strategies, p. 14 (Cushman & Wakefield, 2022).

⁵ Legal Resource Management: The Present and the Future Impact on Law Firms, p. 29 (BigHand, 2022).

⁶ Legal Resource Management: The Present and the Future Impact on Law Firms, p. 32 (BigHand, 2022).

⁷ DocSolid “Optimizing Your Mail and Records Room for the New Reality: Hybrid is Here to Stay” (June 22, 2022), <https://www.jdsupra.com/legalnews/optimizing-your-mail-and-records-room-6175790/>

⁸ State of the Industry: Future of Work, p.18 (AT&T Business and Dubber, 2022).

⁹ Bright Insight: The 2022 National Legal Sector Benchmark Survey Results, p. 30 (Cushman & Wakefield, 2022).

¹⁰ Legal Resource Management: The Present and the Future Impact on Law Firms, p. 22 (BigHand, 2022).