

Advisory topic: The Culture of work/Work from Home

Industry Maturity Index: 'Now', 'Short-term' (1-2 years)

Why this is important: The ACT Changing Nature of Risk work group feels that the culture of work is changing and how, when, and where we work is being redefined. New work models are emerging such as work from home and virtual freelance employees. This not only changes the culture of businesses as Baby Boomers need to adjust to a different type of work environment, but it also has additional insurance risks that need to be addressed and mitigated against such as BYOD - Bring your own device, E&O Risk Management and Cyber issues.

What is it? Fueled by communication technology there is a significant increase in the number of companies that are embracing remote work. In fact, there is a growing trend in remote-first models. That is, companies that start as virtual companies. The Millennial workforce (largest in our history) is demanding more flexibility including working remotely - we see this as only increasing over the next decade.

Broad Implications / Uses: This has applications across many spectrums of our lives;

- Change in need for office space
- Need for better communication and collaboration software
- Change in management styles - how to be more inclusive as our workforce becomes more diverse and global
- Results oriented management
- Training current "Brick & Mortar" employees to be virtual - time management issues often arise when employees are left to work alone without a structured environment
- Growth in freelance work; employee-free society, from a tradition a standpoint.

Economic Impact(s):

- Traditional office space needs will change as businesses move towards a more collaborative work style including open spaces and technology to tap into virtual work teams
- Parking issues & Commuter traffic may decline, helping the environment
- Companies reduce expenses by avoiding costly brick & mortar - or can move to smaller spaces - potentially reducing the cost of their services
- Communication & software companies have huge opportunities to be innovative and create better, faster ways for teams to collaborate.

Insurance Industry Implications: 'Work from Home' can have positive and negative impacts to many areas of our industry;

- Positive Impacts
 - Work-Life Balance
 - Lower overhead
 - More satisfied employees
 - Greater scalability
- Negative Impacts
 - Less cohesiveness
 - Lack of camaraderie - not all employees are suited for a work at home environment

- o Security and compliance issues - mobile devices & cyber threat
- o Requires stricter internal controls by management to ensure data is secure and employees are following protocol
- Indeterminate Impacts (if required)
 - o Workers Comp

Recommended Actions:

Agents -

- Ensure you and staff are aware of the basic remote working concepts
- Implement a remote work program
- Understand the implications for Workers' Compensation - how to monitor employee behavior to ensure compliance
- Learning to manage a remote workforce.
- Learn to ask questions regarding mobile devices and data security with clients who have remote employees - do they have protocols in place for Business Interruption, Cyber breaches, etc.

Carriers -

- Ensure you and staff are aware of the basic remote working concepts
- Implement a remote working program
- Create Risk Assessment questionnaires for Agents so they understand the risk associated with remote employees

Vendors -

- Continue to advance communication and collaboration products such as Slack, [Basecamp](#), [Active Collab](#), Skype, GoToMeeting/WebEx/Lync.
- As we evolve in this space the need for faster and more secure internet connections will be vital
- Cloud computing access
- Mobile computing products

Examples/Resources:

[ACT Remote Work Best Practices Guide – Sharon Emek](#)

<https://www.fastcompany.com/3052836/the-future-of-work/6-ways-work-will-change-in-2016>

<http://www.businessnewsdaily.com/8311-remote-work-is-commonplace.html>

<http://globalworkplaceanalytics.com/telecommuting-statistics>

<https://www.fastcompany.com/3034286/the-future-of-work/will-half-of-people-be-working-remotely-by-2020>

<https://open.buffer.com/the-latest-in-remote-working-trends-and-200-companies-hiring-remotely/>

<https://www.entrepreneur.com/article/232466>

<http://www.businessinsurance.com/article/20140909/NEWS04/140909837/1247>

Call to Action:

- Individuals - Educate yourself on this topic and be aware of companies who offer this flexibility and what you as the employee are responsible for
- Business owners - As Working from home becomes more mainstream, it will be imperative that business owners have proper policy and procedures in place to ensure cyber breach protection and cohesive teams. Consider building this type of employee into your culture
- Vendors – Determine whether there are any additional focuses they can put on software development to ensure usability for remote workers.

Authors: Cindy Donaldson, Rick Morgan