

This issue snapshot is excerpted from [Unmasking the Future](#) (2021), a scan of major current socio-economic trends and developments, at local, provincial, national and international scales, authored by James Stauch of the Institute for Community Prosperity, commissioned by the Calgary Foundation.



## CLOCKING IN TO THE 21ST CENTURY: A Workplace Revolution

In past scans, we have prognosticated about the future of work - the skills and competencies needed, the role of robots, and so on. We have also mused about placemaking, in Calgary in particular. But we have not brought the two together: What might the workplace of tomorrow look and feel like?

Working remotely in the pandemic, the workplace of most people's *literal* tomorrow holds many clues for what the *figurative* tomorrow looks like. We are all now both joyfully and painfully aware of the liberating and shackling paradox of working remotely. Liberating, insofar as we can blissfully keep our pajama bottoms on, playing fetch with

the dog in between conference calls. We can engage people in real-time conversation from nearly anywhere in the world. We can live rurally and interact urbanely. We can even live abroad and act Canadian when required. But this arrangement is also constricting because we have lost a face-to-face connection. We can't read body language, our eyes are strained, and in less fortunate institutional environments, our employers are monitoring our every keystroke and search term.<sup>158</sup> For students, it's even more anxiety-inducing: Proctoring software designed to prevent cheating on exams taken remotely monitors eye movements, prohibits bio-breaks and racially profiles.<sup>159</sup> As the pandemic drags on, people's sense of a healthy work-life balance is being challenged. The other paradox about working from home is that, while productivity is up, innovation is down.<sup>160</sup> Innovation requires collaboration and co-creation, which is very difficult to do working remotely. And there are other shadow sides to the remote working trend: 32% of companies are replacing full-time permanent workers with "contingent workers", and employees are begging for more resources to be put into mental and physical health supports.<sup>161</sup> A 2018 Gallup poll found 67% of North American employees had experienced burnout in the previous year, which further suggests that Canada's ascetic culture of sick-day policies will have to change.<sup>162</sup>

The truth is, no one really knows what the future of work looks like. But the literature seems to centre on three recurring concepts: The future of work is FLEXIBLE (e.g. remote working, decentralized co-working options), ADAPTIVE (e.g. far more collaboration) and RESPONSIVE (e.g. to employee mental health, work-life balance). At least two of these characteristics may prove challenging to Canadians, who are more wedded than most countries to an outdated (and empirically invalid) notion that productivity is connected to hours worked. As J. Pencival, the founder of Basecamp, points out, we have known since Henry Ford that productivity declines past a certain number of hours.<sup>163</sup> Flexible remote working policies, four-day summer weekends, a four-day work week (as Finnish Prime Minister Sanna Marin is pursuing), longer vacation allocations (and/or mini-sabbaticals), all have potential to optimize 21<sup>st</sup> century worker productivity and loyalty.<sup>164</sup> As Percival succinctly puts it “the 9-5 is over. Just get your work done.” A 2018 analysis of 50,000 knowledge workers showed that between chat apps, e-mail and other distractions, there was only 1.2 hours on average of uninterrupted productive time (flow). But at least e-mail is asynchronous – it doesn’t encourage artificial urgency.

On the employee adaptability front, as the Future Skills Centre and Janet Lane from the Canada West Foundation have noted, we are moving from competency-based careers to occupational careers. Micro-credentials, skills and capacities are increasingly more important than professional accreditations (which tend to be more frozen in time).<sup>165</sup> Community-focused work-integrated learning (which includes co-ops, internships, apprenticeships, practicums, applied research projects or fellowships, and other employment-related experiential learning opportunities) is dominating the discourse on higher education these days, also among many in the business community. RBC, Telus, the Business-Higher Education Roundtable of the Conference Board of Canada, and the current review of Alberta’s higher education funding and policies (if leaks are to be believed) all emphasize work-integrated learning.<sup>166</sup> There is also an increased emphasis on social, human, and emotional skills (e.g. working in a team, negotiations, problem-solving, communications), all of which are also tied to adaptability. One of the more systemic reasons Alberta is struggling right now may simply be that a high proportion of the workforce is STEM-schooled talent, who may be more challenged with respect to adaptability.

Overall, the future of the workplace is heterogeneous. But one cornerstone will be a principle called “anywhere operations”, where the mantra is “remote first, digital first”, an operating model that allows “business to be accessed, delivered and enabled anywhere regardless of where customers, employers and business partners” are located.<sup>167</sup> There will be shifts in insurance, risk assessment, employee benefits, and other policies as borderless, geographically-agnostic working becomes more and more commonplace. According to a recent Gartner poll, 30% of North

***“So much of what we call management consists of making it difficult for people to work.”***

Peter Drucker

***“Many European countries have higher labor productivity than [North America]. Yet citizens there choose to work fewer hours and take longer vacations, decreasing their output—because ...they prioritize contentment or happiness over economic output.”***

Fareed Zakaria, *The End of Economics* (2019)

American office employees, pre-pandemic, worked at least partly from home. The number is now at 50%, and far higher in certain sectors like tech and academia. We are also moving from location-based production to globalized off-shore production, to now more decentralized (and in many cases re-localized) production. This is sometimes referred to as “glocalization”. And “resiliency” is replacing “efficiency” as the new watchword in business.

Companies will have to radically adjust their policies on working remotely, as well as how to facilitate collaboration. We are seeing a trend toward nearly 100% remote working in tech. Microsoft, for example, recently announced that all of its North American staff can choose to work from home. Shopify is also moving to a permanent work-at-home model. But, if your company doesn’t trust employees to work in a decentralized setting, you are ill-prepared for the 21<sup>st</sup> century.<sup>168</sup> In this light, the Calgary downtown culture is an increasingly anachronistic manifestation of Max Weber’s “Protestant work ethic.” Such low-trust environments will cling to the office model for awhile, but will eventually be out-competed on talent. There will be pressure on companies to enable digital nomadism, including working in other provinces and countries (all the more reason to consider quality of life metrics in Calgary – how do you incentivize your talent to stick around when they can work from the Sunshine Coast?). That said, not all employees actually want to work from home. Many crave community, and thrive in a collaborative setting. For that reason, co-working spaces (currently in suspended hiatus during COVID-19) still have a viable future.

Longer term, but certainly within the coming decade, work-life balance will change even more, as automation replaces more mundane or hazardous tasks. As one blogpost on workplace experience adds, “toss in blockchain, IoT sensors, wearables, platform models, quantum computing, robotic exoskeletons, and eggs, and you’ve got a frittata served fresh for a workforce revolution” The future of work isn’t a binary between having a job or your job being automated, it’s a nuanced reimagining of every assumption we have about workplace experience.<sup>169</sup>

Pandemics have always led to urban innovations. Municipal sanitation, parks and open spaces, public washrooms, and minimum housing setbacks (a more absurd relic of this era in the modern context) were all in response to diseases like cholera and typhoid afflicting cities in the earlier industrial era. Expansive suburbs, which we now deride as “sprawl”, have their roots in social innovation. COVID-19 will be no different – it will lead to new urban designs, planning regulations, land use and transportation configurations driven by public health imperatives. Some of these measures will help save lives and some will likely harm urban vitality. Some will reduce our carbon footprint, and others may exacerbate it.

While it may be tempting to see the equation of remote working + electric autonomous vehicles as leading inexorably to a new era of sprawl, or even worse (from a sustainability standpoint) exurban acreage expansion, real estate prices and the natural human longing for community may keep such a trend in check. What may be more likely is the rise of medium density housing options, which is the most optimal scale to promote transit use and urban vitality (Barcelona, Berlin and the central parts of London, Paris and San Francisco are excellent examples of medium density). It is also the requisite density for the “15-minute” city, an idea getting a lot of play lately. Medium density is currently less attractive to developers because of minimum parking requirements – the buildings are too small to warrant the cost of underground parking, but too large to have minimum parking requirements waived. But with mobility-as-service (described in the previous section of this scan), the need for personal parking spaces all but evaporates.<sup>170</sup> High rise apartments, in contrast, tend toward mono-cultures, and are far from pandemic-friendly settings, while low suburbs don’t usually have the densities or sufficient heterogeneity of land uses to promote a vibrant pedestrian culture.<sup>171</sup>



Also, we may see the rise of mid-sized cities in the 100,000 to 500,000 range. Large enough to contain a full array of activities and services but small enough not to overwhelm (think, places like Kelowna, Kingston, and Moncton). Incidentally, Calgary’s status as a second-tier metropolis, with much more affordable housing than Vancouver, yet also having cosmopolitan cultural and recreational assets, by its very nature helps future-proof the city somewhat.

Downtown office high-rises, of which Calgary has many splendid examples for its size, may be the trickiest properties to reconfigure. Downtown Calgary is currently challenged by over 12 million square feet of empty office space (that’s over three Pentagons worth of empty space). Four office buildings in the core are entirely unoccupied, and five others are more than 75% empty.<sup>172</sup> Urbanist Richard Florida predicts that we won’t see the same “packing and stacking” of office workers, but downtown business districts will still play a role.<sup>173</sup> Offices will still have a use as places of creation, training and, especially, collaboration, perhaps also for hotdesking or other ephemeral work activities. It will remain crucial for innovation to have places for co-creation in physical proximity and for ‘spontaneous workplace collisions’. But the divided solitary office or cubical, designed for routine independent work, will be a thing of the past.<sup>174</sup> Workplaces will also be more heterogenous in design, particularly with regard to attending to employee wellness (e.g. building in spaces for yoga, meditation, prayer and ablution, etc.). City cores that thrive will also have heterogenous blocks and precincts – residential, commercial and public in close proximity (Beltline and the East Village do this well, but the downtown core does not). Partial or complete conversions of downtown Calgary buildings into condominium or hotel spaces will intensify.

We will still have a need – and a craving, post-pandemic – to congregate, to gather in communion (for civic voice and solidarity, faith, celebration, live music and theatre, sports, and other shared experiences). Parking lots, particularly as the mobility-as-service model takes hold, will also be more creatively utilized or re-purposed entirely, for example as farmers markets, for live music or festivals, or as pop-up outdoor cinemas.