

The background of the page is a photograph of a modern office desk. A silver laptop is open, displaying a blurred screen. To the right of the laptop is a small potted aloe vera plant. Further right is a white coffee cup on a saucer, which is placed on top of a stack of three books. The scene is softly lit, suggesting a window in the background.

Is this the final episode of 'The Office'?

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COVID-19 changed business overnight with the sudden shift to remote working. Now, as the world cautiously presses the reset button, firms are asking themselves, “What are we going to do about the office?”

Historically, most financial services firms have required outsourced vendor staff to work in secure offshore development center (ODC) facilities. Will they revert to this way of operating after the pandemic? And if they do, will people still be happy to work there?

A recent McKinsey report showed that 80% of people questioned enjoyed working from home, 41% claimed to be more productive and over 25% said they'd consider leaving if asked to return to the office fulltime.

A real sense of well-being

Liberated from stressful commutes and general travel, employees have found more productive ways to spend their time, enjoying a better work-life balance. In fact, a State of Remote Work report found that remote workers in the United States save around \$480 a month (almost \$6,000 a year). So, could flexible working become a recruitment and retention deal breaker for top talent?

Much has been written about the advantages of in-person collaboration versus the potential for better concentration at home and, as a result, many organizations are looking to make the best of both worlds with a hybrid part-office, part-WFH approach. And with fewer locational restrictions, companies are free to trawl the global talent pools, improving overall team quality and greatly reducing their overheads.

Cleaning up

Pre-pandemic, it was commonplace for banks to insist that outsourced software development teams worked in client-specific secured facilities, with strict access protocols and severe limitations — so-called clean rooms (i.e. no phones, no external internet access). This setup allowed access to the bank's environment from the secured facility, exclusively, with absolutely no remote access whatsoever. Consequently, workers were obliged to spend a full 5 days a week in the office.

Full-metal, non-negotiable security ruled, in spite of a two-tier system that allowed greater freedom for onshore workers compared to their colleagues in offshore locations. Even pre-COVID, this MO created a persistent headache for outsourcing organizations, as it flew in the face of increasing demands from workers for greater flexibility, especially around childcare commitments.

A new world order

In March 2020, that all changed as the business world pivoted to remote working virtually overnight. Banks were forced to allow all such teams to work remotely or risk losing access to significant portions of their external workforce. To avoid disruption, they allowed vendor staff to work from home, with the expectation that things would be back to normal in a month or two and staff would return to the office.

But here we are, many months later, with significant parts of the global workforce still working remotely. In Poland, for example, 62% of roles are remote. (54% of DXC **Fintego** roles are fully remote.) Many banks might be thinking that they'll simply recall their vendor workforces to return to the office fulltime, working under the same restrictive, secure conditions they endured previously.

Greater freedom

A lot of water has passed under the bridge since then, and office working is no longer attractive to the workforce in many outsource markets. Developers have gotten used to working remotely and the greater freedom it provides, and most want to carry on in the same vein.

Top ten remote working statistics:

1. One in two people will not return to jobs that don't offer remote working.
2. 25% of people said they would take a pay cut of over 10% to carry on working from home.
3. If no longer allowed to work remotely, 66% of survey respondents said they'd stay but be less happy, 54% would stay in their roles but be less willing to go the extra mile and 44% would expect a pay increase.
4. 71% of workers said their main worry about returning to the office was getting sick.
5. On average, remote employees work an extra 26 hours each month (nearly an extra day a week).
6. 57% of survey respondents were not concerned that working remotely would affect their career progression.
7. If their company started monitoring activity as a way to track productivity while working at home, 30% would be unhappy but would stay and 43% said they'd leave.
8. Total salary packages for senior software engineers at Booking.com, for instance, have risen by 50% since 2016.
9. When asked if they felt more trusted while working remotely, more than 75% of respondents said yes.
10. 30% of fulltime workers think video conferencing calls are more enjoyable than in-person meetings.



An irresistible pitch

Banks that decide to force the issue might find that, actually, there are no individuals willing to work under such prohibitive conditions anymore. And this could be compounded by competition from major tech firms who are advertising fully remote vacancies at Silicon-Valley-level salaries in the race to find the best talent globally. These exceptional salaries might prove to be a short-lived anomaly, marking time while the global market readjusts. However, when combined with flexible working conditions, this irresistible pitch is likely to reduce applicants for ODC work to a trickle.

The jury is out on the future role of the office, including how often and for which activities developers will return. But with flexibility being the touchstone of future working conditions, the ODC has probably had its day.

R.I.P. ODC.



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About DXC Fintego

DXC **Fintego** is the design, data and development arm of DXC Technology, providing bespoke, end-to-end technology solutions for mission critical systems, products and services. We help create data-fueled organizations, solving complex operational, technological and strategic challenges. Our passion is building resilient businesses, while generating new business channels and revenue streams, exceptional user experiences and modernized operations at scale.