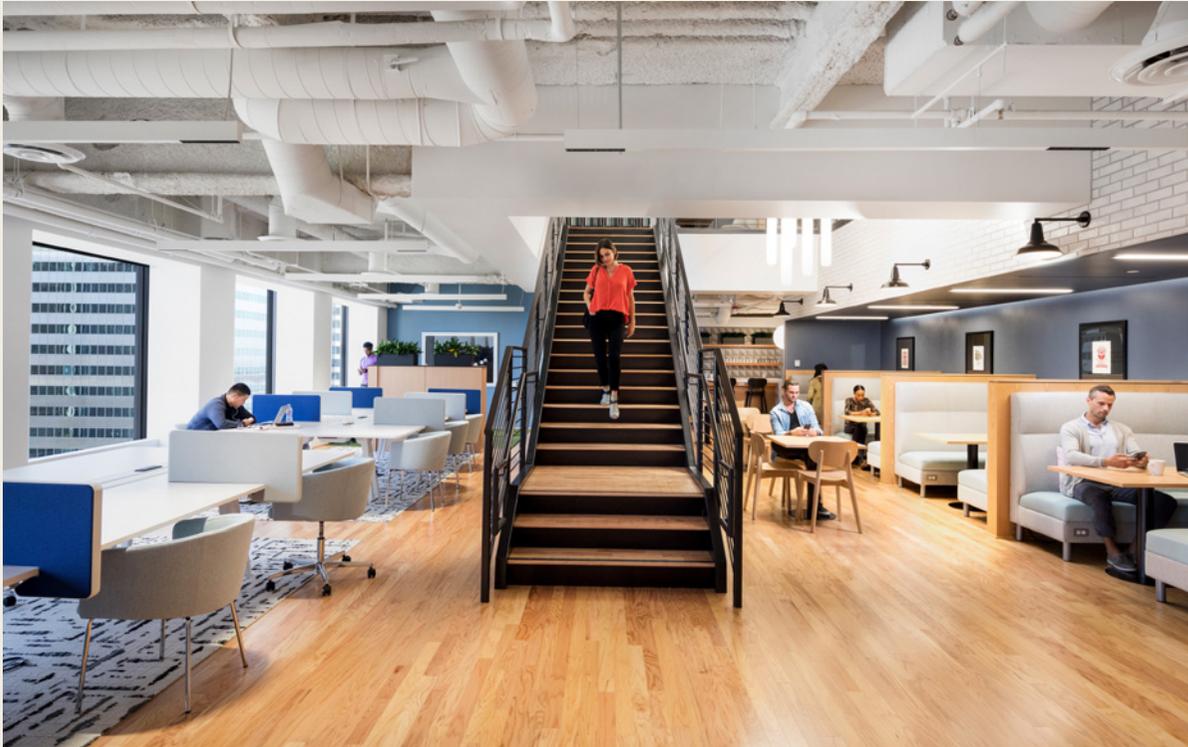


# Workplace recovery



Why every business needs it.

IWG – the world’s leading provider of flexible workspace – explains why, in a post-pandemic world, innovative solutions are needed to ensure businesses can thrive when trouble strikes.

# A new world of work

Workplace recovery plans are designed to make sure businesses can continue as normal in a crisis, remaining productive despite the disruption. It's hard to think of a time more trying than the recent Covid-19 pandemic, or one that more clearly demonstrated the value of having such a strategy in place.

According to PwC, business leaders have now "recognized true resilience as a core competitive advantage". In its Global Crisis Survey 2023, 89% of firms cited resilience as among their most important strategic priorities.<sup>1</sup> However, although 70%

of respondents said they felt confident in their companies' policies, PwC reported that "too many organizations are lacking the foundational elements of resilience they need to be successful".



In the wake of Covid-19, AlertMedia's State of Employee Safety Report found 78% of employed Americans were concerned about future public health crises at work.<sup>2</sup> A majority were also worried about emergencies such as cyber attacks (64%), severe weather (65%) and criminal activity (61%).

Since 2020, companies have adopted hybrid working practices at an ever-increasing rate. While forward-looking firms were already embracing the model pre-pandemic, more businesses than ever now understand that hybrid working is better for people, profits and the planet. According to IWG research, almost four in five people (79%) say they have been more productive since the onset of Covid-19. Meanwhile, research from Nicholas Bloom, an economist at Stanford Graduate School of Business and the world's leading expert on hybrid working, reveals that it has boosted overall productivity by 3-4%.

In the new, post-pandemic world of work, the focus of workplace recovery must be on ensuring such gains are not lost when trouble strikes. This means seeing to it that workers can continue to function at their best, regardless of where they prefer to be based.



In an era where no two businesses function in the same way, outdated, 'one-size-fits-all' workplace recovery plans are no longer fit for purpose. IWG is at the forefront of the hybrid working revolution, and also a leading provider of workplace recovery solutions. We can offer tailored support to companies as they tackle the consequences of events such as natural disasters, political unrest and technological breakdowns. At IWG, workplace recovery is about empowering businesses and their employees to continue working in a way that suits them – whether that's from a company HQ, a local flexible workspace or from home.

<sup>2</sup> AlertMedia

# The cost of a crisis

Major events such as storms, fires, cyber attacks and health crises don't only cause productivity outages and interruptions of service. They can also lead to significant financial losses and major reputational damage. They can even cause firms to fail.

Research shows that the cost of productivity outages continues to rise, with the price of downtime up 39% between 2019 and 2022. More than half of such incidents now cost firms in excess of \$100,000, while the proportion of outages costing \$1m or more has increased from 11% to 15%.<sup>3</sup> For companies with significant operations, the price of a temporary shutdown can spiral even further.

While costs to large multinational corporations will always outstrip those of

small and medium-sized enterprises that face similar problems, the financial hit of even short periods of inactivity can be catastrophic for an average-sized firm.

Data from Intercity suggests that a business with 100 employees that experienced fewer than three outages in a year – and none lasting more than ten hours – would face losses amounting to more than £1.4m.<sup>4</sup>

## Top three reasons why IWG clients needed workplace recovery in 2022

- 1 Natural disaster 
- 2 Health crisis 
- 3 Power outage 

### The potential price of downtime

\$1,467 per minute  
\$88,000 per hour<sup>5</sup>

### Expensive outages

50% of productivity outages cost \$100,000+  
15% cost \$1m<sup>6</sup>

### Ransomware risk

Average time lost:

23 days

Average cost of downtime and recovery:

\$1.85m<sup>7</sup>



### IT interruptions

91% of enterprises report IT downtime costs in excess of \$300,000 per hour  
44% say hourly costs exceed \$1m  
18% say the hourly cost of an IT outage could exceed \$5m<sup>8</sup>

### Catch-up costs

The price of picking up missed emails, voicemails and not meeting deadlines:  
\$6,000 per employee<sup>9</sup>

<sup>3</sup> PhoenixNAP

<sup>4</sup> Intercity Technology

<sup>5</sup> Veeam

<sup>6</sup> PhoenixNAP

<sup>7</sup> Allianz Commercial

<sup>8</sup> ITIC Corp.

<sup>9</sup> SAI360

# Three key threats

## PREMISES



Perhaps the most obvious threats to any workplace are physical: fire, flooding and other damage to bricks and mortar, all of which may prevent teams from functioning as normal.

Not only does the destruction or temporary closure of a company office render employees' usual environment inaccessible; it almost certainly means loss of access to vital resources, records, equipment and technology. As IWG's workplace recovery expert John Martinez puts it: "Problems with premises' aren't only about being unable to enter the building you work in – they often mean not having to hand the things that you work on, such as laptops and tablets."

It's a common misconception that the answer to a premises' problem is whole teams of employees working from home. "In fact," argues Martinez, "while home working

is a valued, core component of most hybrid working routines, the pandemic proved that it's not without its issues. Long term, and with no alternatives available, it can even hamper productivity."

While some people are well set up to work from home, the reality is that many are not. Access to reliable broadband is by no means universal, and dedicated home-office spaces remain the preserve of a privileged minority. Makeshift or poorly equipped working environments can also give rise to health and safety concerns such as back problems, repetitive strain injuries and headaches, for which employers bear some responsibility. IWG locations are designed with health, wellbeing and productivity in mind: they are comfortable spaces with ergonomic furniture, high-quality hardware and high-speed internet connections.

“

**IWG's John Martinez is a workplace recovery expert. He explains how, in a post-pandemic era, businesses must pivot their thinking.**

Workplace recovery plans used to mean being ready to move whole teams so they could carry on working in a crisis. Often, this meant transporting them en masse to a single location. But now that people can work from multiple locations – whether from a local flexible workspace, home or a central office – such outdated solutions are not fit for purpose.

At IWG, we've created buildable recovery plans that take hybrid workers, office workers, key workers and those people who aren't able to work from home into account. We can provide modern, flexible options for today's hybrid workforces, ensuring that 'productivity anywhere' is still possible for businesses, whatever happens.

The size and scale of our network – comprising around 4,000 locations in more than 120 countries – also means we are perfectly placed to provide alternatives to 'emergency' home working. With our reserve plans, clients can mirror their company office and IT set-ups, leaving these spaces fully equipped and ready to go, should a crisis unfold.

Alternatively, IWG's flexible dynamic option allows clients to recover anywhere within

a chosen network, ensuring that they can react in an agile way to whatever has gone wrong. We also partner with a quick-ship IT specialist and can have laptops delivered to our clients on the same day or next business day, where required. This is a vital service for those firms whose tech has been damaged or can't be retrieved.

# PEOPLE



As we saw during the pandemic, business continuity can be also affected by any event that limits people's ability to go about their job roles in the way they are used to. With Covid-19 came the odd spectacle of city center offices standing perfect and pristine, yet empty, because it wasn't safe to use them. Throughout the pandemic, a key challenge for firms was how to maintain productivity when members of the workforce were unwell.

If a significant proportion of any company's team fall ill, it can be challenging to keep the business operational. That's why IWG is proud to offer administrative and secretarial support as part of its workplace recovery plans. "In a health emergency, we can help to support the core functions of a business," Martinez explains. "This allows the employees who remain well to focus on sales and service, secure in the knowledge that the basics are being taken care of."

With employees' wellbeing a higher priority than ever for forward-looking firms, good workplace recovery plans also consider how unexpected events might affect individuals' mental and physical health. Being based

at home can sometimes feel stressful and make it difficult to draw a line between work time and leisure time – particularly if, under a hybrid model, people have been used to spending some time at a company HQ that's suddenly unavailable. Providing access to a local, flexible workspace can offer vital respite and help to prevent burnout.

IWG's coworking spaces can also create opportunities for workers to come together in ways that might otherwise be difficult when a company HQ is inaccessible. Ensuring that colleagues stay connected is crucial in order for teams to work optimally, and regular face-to-face contact remains as important in a hybrid world as it has always been.

As Covid-19 restrictions eased, IWG helped clients reintroduce employees to working alongside one another. People were organized into small groups and provided with access to multiple workspaces, all of which were fully furnished and equipped to accommodate social distancing measures. Businesses were able to keep risks to their employees low, empower them to work from locations close to home and enable them to collaborate in person again.

## IWG's Homeworker Recovery Plan

IWG has eight million customers worldwide, more than 500,000 of whom primarily work from home. Our unique Homeworker recovery plan means we can support them when issues arise in their local environment – a power outage that kills broadband access, for example, or a next-door building project that makes focused work impossible.

The plan provides guaranteed access to a flexible workspace in any of our global locations. It allows companies to support their remote workers and keep them productive with two visits per month to a coworking space, whatever the crisis at home.

The perfect product for fully remote organizations, it also complements our wider range of hybrid workplace recovery options – allowing clients to build a plan that suits them and protects against a variety of risks.

By ensuring employees can get online, hear themselves think and concentrate on the task at hand, we can help businesses to stay productive at the same time as supporting their flexible working frameworks.



IWG's Homeworker Recovery Product won Most Innovative Product of the Year 2023 at the CIR Business Continuity Awards.

# PRIVACY



Alongside risks to premises' and people, privacy is a key consideration for businesses drawing up workplace recovery plans. While cyber attacks and data theft represent risks in and of themselves, the security of data and processes still needs to be considered after seemingly unrelated incidents. Privacy might not be a key concern identified after a fire or flood, for example, but IT risks need to be assessed and managed in such a situation – particularly if there are regulatory standards to uphold, as in industries such as banking or the law.

“Once again,” says Martinez, “the need to ensure privacy highlights the danger of simply expecting employees to work from home in a crisis.” He suggests that firms consider how many team members are likely to have secure WiFi or VPN access from their homes – and how such access could be rolled out at speed, if needed.

“Our workplace recovery plans simply remove the need for such a difficult, potentially costly step,” Martinez explains. “They offer valuable peace of mind for companies that can afford neither a drop

in productivity nor any risk to their own or their clients' security.” IWG locations offer secure, business-grade WiFi that is regularly and vigorously tested – and we invest more than £50m a year in our IT.

There are also more prosaic privacy issues to consider. While in a modern, post-pandemic world many of us are comfortable with mobile working and technology supporting the ‘work from anywhere’ approach, there are still some tasks that require a secure, solo space. “Whether or not you do a job that requires the processing of sensitive information or data, home working can still give rise to very real concerns about confidentiality,” Martinez explains. “Even if it’s merely because you aren’t the only person sitting around your kitchen table.”

## Bespoke solutions

IWG’s workplace recovery plans comprise four core products that can be blended to offer bespoke solutions that are designed to help manage risk in a modern, hybrid world. By working with clients to combine different elements from our stable of options, we develop the strategy to fit the firm – never the other way around.



### Reserve

Includes a private workspace with secure IT infrastructure. Available immediately for an unlimited number of days per year, and reserved 24/7.



### Dynamic

Offers a fully equipped, private office space and access to meeting rooms for up to 30 days per year. Available within 24 hours.



### Rapid

Emergency, on-demand workspace readily available at thousands of coworking and office spaces, with unlimited usage.



### Homeworker

Covers two visits per month to a flexible workspace in any of IWG’s global locations.

Want to know more about how our flexible, adaptable approach to workplace recovery could work for your business? [Get in touch](#) and see how we can help.

Our experienced advisors are available 24/7 to help make sure you can get back to work in a crisis quickly, cost-effectively and productively.