



# Remote working

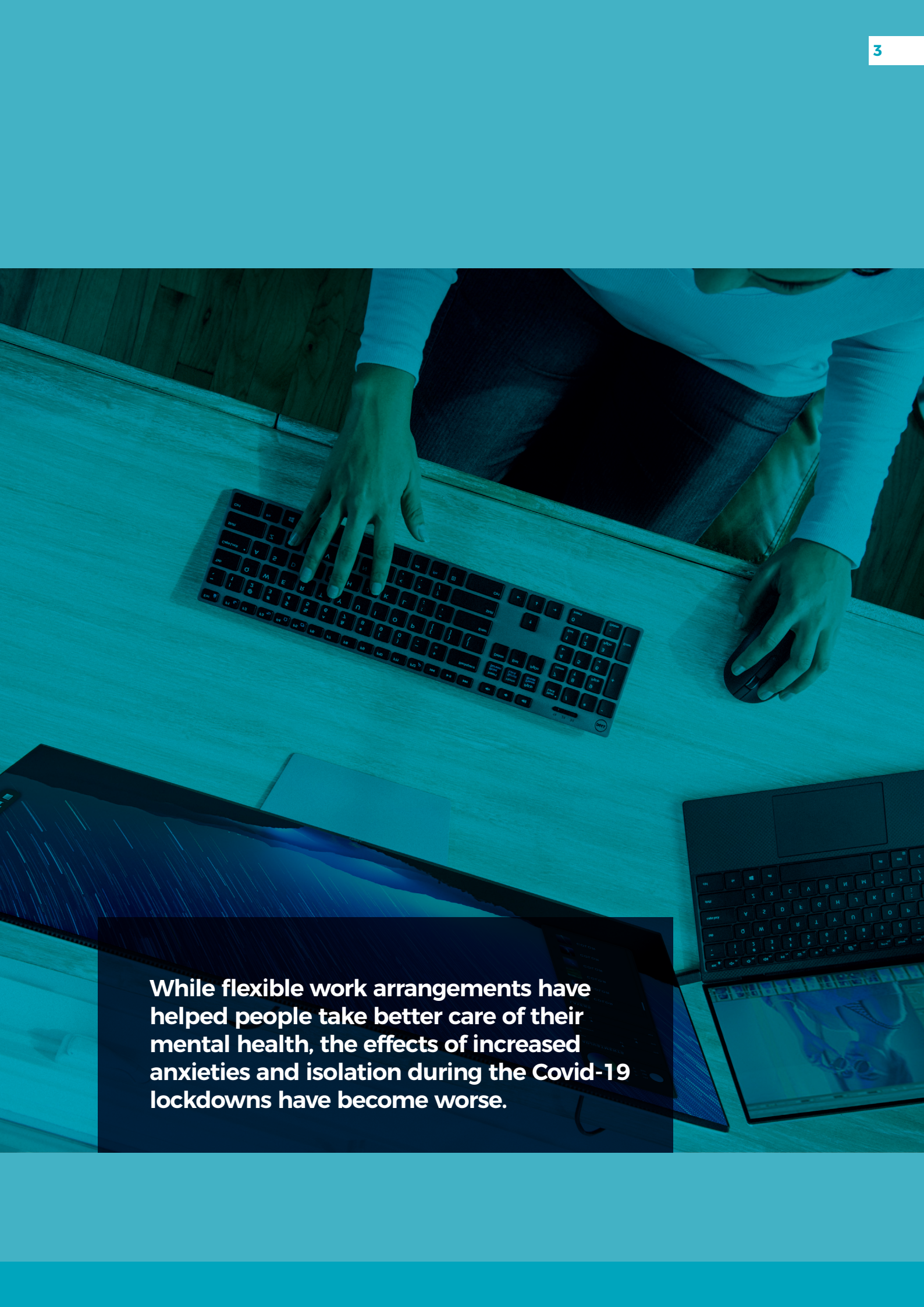
Annual survey 2021 themed report



sedgwick

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A high-angle, top-down photograph of a person's hands working at a light-colored wooden desk. The person is wearing a white long-sleeved shirt and dark trousers. Their left hand is on a black computer keyboard, and their right hand is on a black computer mouse. The desk surface is visible, showing the wood grain. In the bottom left corner, there is a semi-transparent dark teal rectangular box containing white text. The entire image has a strong teal/cyan color cast.

**While flexible work arrangements have helped people take better care of their mental health, the effects of increased anxieties and isolation during the Covid-19 lockdowns have become worse.**

# Foreword

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During the pandemic risk professionals have been focussed on how best to support colleagues who are remote working. They've found that if the risks, such as poor mental health or musculoskeletal problems, are pre-empted and all the necessary preventive steps are taken, then hybrid working can present a much-needed boost for productivity and the quality of work.

The pandemic has heightened mental health risks. While flexible work arrangements have helped people take better care of their mental health, the effects of increased anxieties and isolation during the Covid-19 lockdowns have become worse. According to the UK's Office for National Statistics, 21% of adults experienced some form of depression in the first quarter of 2021 – this was more than double the figure that was observed before the pandemic.

With this context in mind, Sedgwick partnered with Airmic on this study to better understand how risk professionals and their organisations are tackling the challenges and opportunities of remote working.

I hope the report is useful and helps you better understand the new world of work we now find ourselves in.

**Mark Gilbert**  
Director, Head of Corporate, Sedgwick



# Executive summary

Mental health risks from remote working emerged as the fourth greatest issue of concern to risk professionals in the Airmic survey this year.

Meanwhile, the issue of employee health and well-being has risen dramatically to become the fifth highest front-of-mind risk for the organisations of our respondents – it did not feature in the top ten front-of-mind risks in the survey in previous years.

**Mental health risks:** Organisations need to have processes and procedures their organisations in place to support people with mental health issues, such as having a support helpline. Some organisations have networks of mental health first aiders, who have undergone training to provide support to colleagues who need someone they can talk to about their concerns.

However, the sense among our respondents was that organisations have not yet felt the full effect of all of these pressures on their people, such as staff experiencing severe burnout.

**Talent retention:** Talent retention is crucial for organisations to thrive, and people resilience becomes an imperative in the context of operating in a Covid-19 world.

**Musculoskeletal disorders and back pain:** The number of formal claims against employers relating to back pain and other musculoskeletal risks to employees is limited, but there is significant potential for this to increase both in relation to the pandemic period and beyond, given that hybrid working is set to become 'business as usual'.

Employers have a duty to protect their people from the health risks of working with display screen equipment (DSE), such as PCs, laptops, tablets and smartphones.

**The benefits of remote working:** Working from home is not just all about risks. Nearly three-quarters of respondents have seen greater productivity in their organisation as a result of remote working over the course of the pandemic. Many are also seeing greater quality in their organisation's work performance.

People are also having a better work-life balance as a result of remote working – contrary to the popular wisdom that remote working leads to an undesirable blurring between personal and work life.

**The workplace of the future:** As organisations seek to transition into more settled forms of remote or hybrid working, they should reconsider the purpose of the physical office.

**Working from home is not just all about risks. Nearly three-quarters of respondents have seen greater productivity in their organisation as a result of remote working over the course of the pandemic.**



# Introduction

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There were both benefits and disadvantages for organisations when their workforces had to switch to remote working almost overnight, as the pandemic first hit the UK in March 2020. However, if risk professionals and their organisations take the necessary preventive steps to pre-empt some of the disadvantages, such as those relating to the back pain and mental health issues experienced by some of their employees working remotely, the new normal of hybrid working (where employees spend around two days per week in the physical office and the rest of the week working from home) can present a much-needed boost for staff productivity and the quality of their work.



**If organisations take the necessary preventive steps to pre-empt the disadvantages of remote working, it can present a much-needed boost for productivity and the quality of work.**

## About this research

This study is part of wider research undertaken as part of the 2021 Airmic annual survey. It is one of five thematic sub-reports, while the main survey report summarises the full findings of the survey.

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## Survey & research methodology

The report, produced by Airmic in collaboration with Sedgwick, is based on 226 responses gathered in a survey from 21 July to 2 September 2021. Subsequently, roundtables with Airmic members were held to gather qualitative responses. Full details on the survey and research methodology can be found in the main report of the 2021 Airmic annual survey.



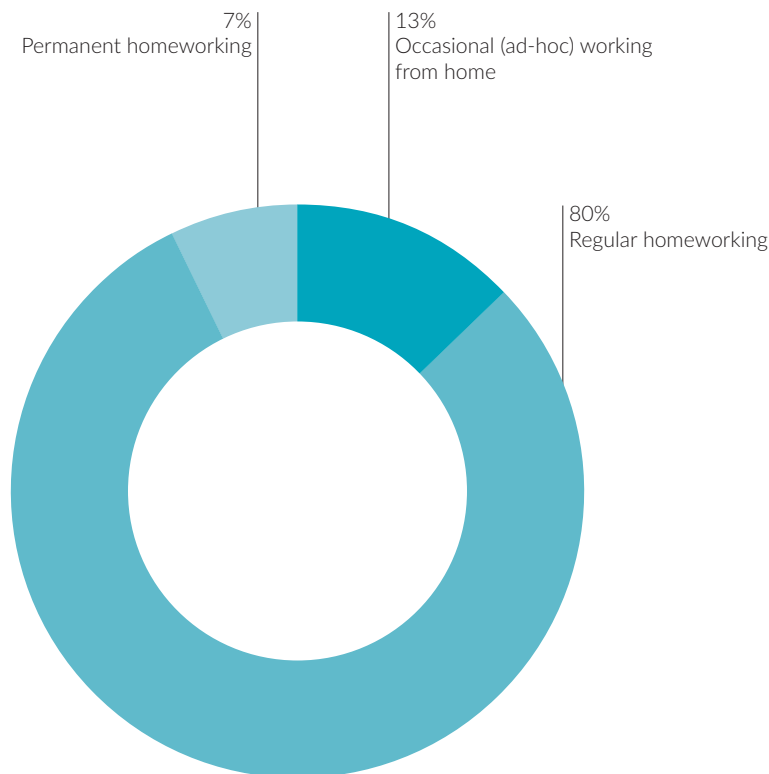
# The return to the office: the state of affairs

Of our respondents, 80% said their organisation is offering regular homeworking, while a further 7.3% said their organisation is offering permanent homeworking. UNISON, the UK trade union, defines a regular homeworker as an employee who spends at least 50% of their contracted hours working from home.<sup>1</sup>

The survey also showed that 50.9% of respondents have already partially returned to their physical offices or work sites, with another 42.7% planning for such a return.

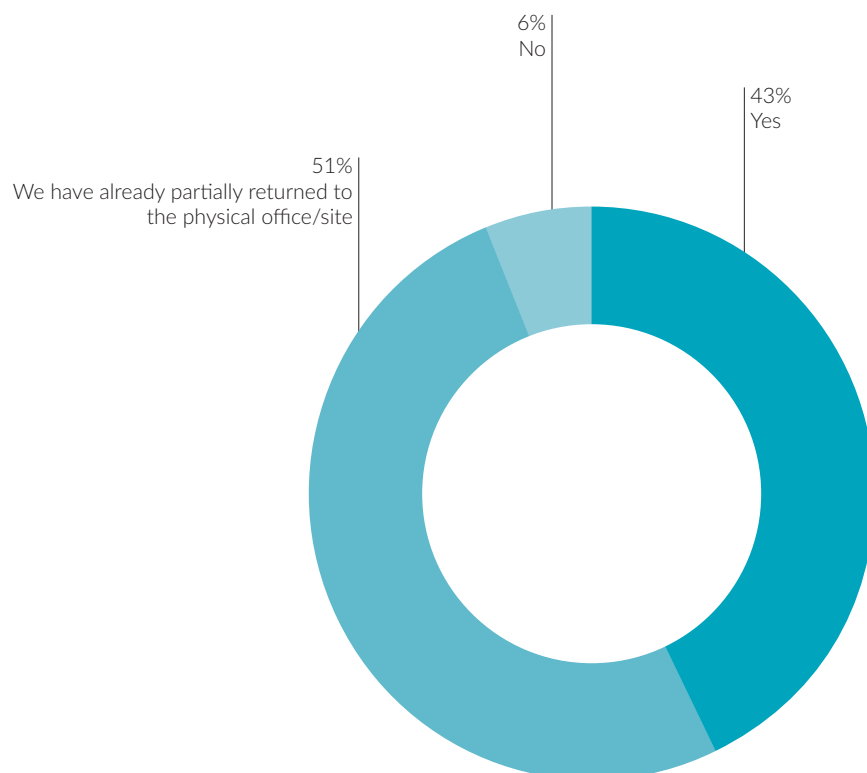
Most said their organisations are planning for a return to the physical office for two days or less per week, while 60% said the number of days per week that employees will return to the office for will largely be flexible.

## Which of the following options is your organisation currently offering?

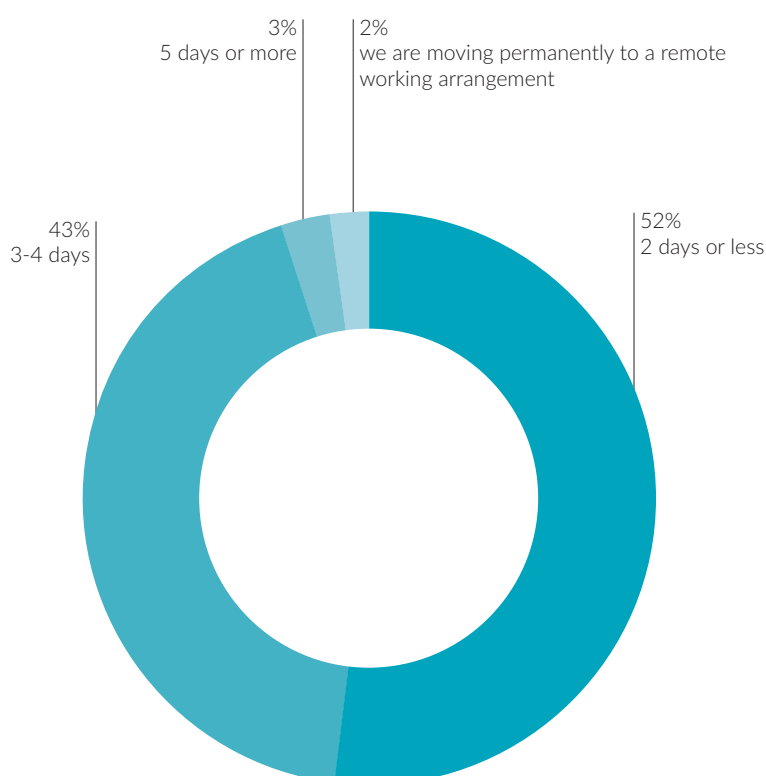


<sup>1</sup> UNISON, Homeworking Guide, 2017. [www.unison.org.uk/content/uploads/2017/06/Homeworking-GuideJune2017.pdf](http://www.unison.org.uk/content/uploads/2017/06/Homeworking-GuideJune2017.pdf)

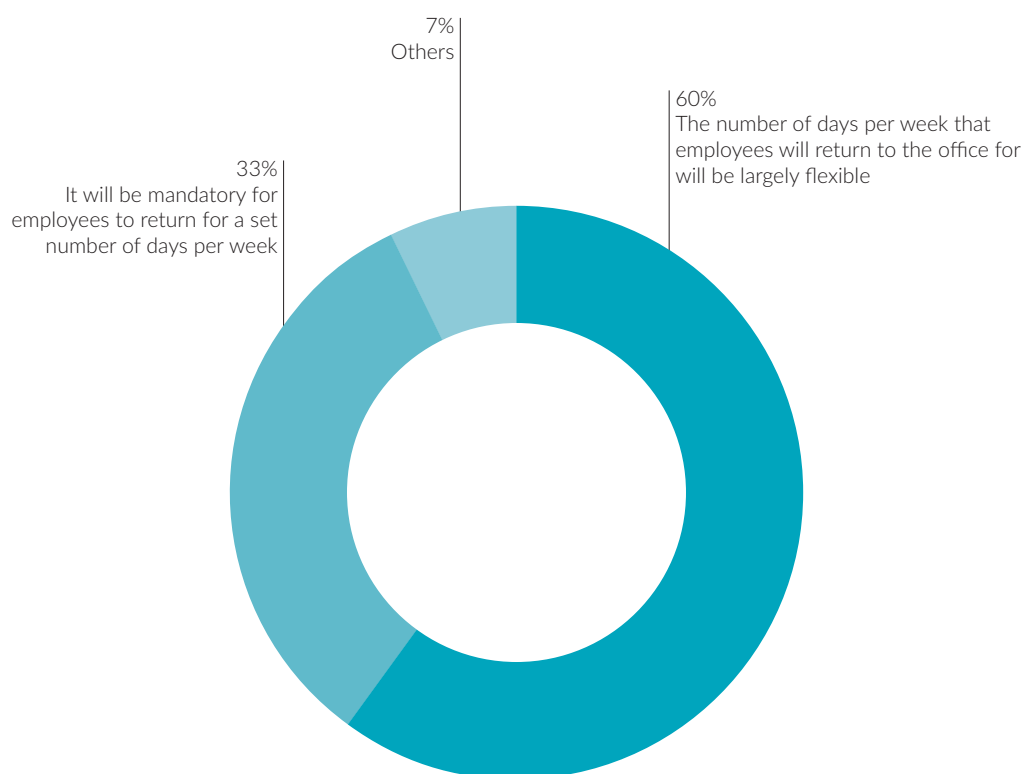
## Is your organisation currently planning for employees to return to the physical office or physical site?



## If yes, or if you have already partially returned to the office, how many days a week will employees spend in the office?



## What is/will likely be your organisation's official policy on return to the office?



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# 2

# Concerns and risks relating to remote working

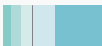




Mental health risks from remote working emerged as the fourth greatest concern to risk professionals out of a list of 28 issues in the Airmic survey this year.

front-of-mind risk for the organisations of our respondents, while it did not feature in the top ten front-of-mind risks in the survey in previous years.

The issue of employee health and well-being has risen dramatically to become the fifth highest

Ranking	Topic	Sub-area	Average score (out of 5)
4	Remote working	Mental health risks	<b>3.83</b>
6	Remote working	Talent retention and development	<b>3.67</b>
8	Remote working	Remote working-related information and cyber security	<b>3.64</b>
23	Remote working	Back pain and other musculoskeletal risks to employees	<b>3.04</b>
27	Remote working	Hazards posed by work equipment at home (e.g. tripping, fire)	<b>2.69</b>

**Of the following, please rank the top five front-of-mind risks for your organisation today**

Item	Overall Rank	Rank Distribution	Score
Business interruption following cyber event	1		389
Loss of reputation and/or brand value	2		267
Failure of operational resilience	3		226
Supply chain failure	4		158
Employee health and wellbeing	5		151



### Mental health risks

According to the UK's Office for National Statistics, 21% of adults experienced some form of depression in the first quarter of 2021 – an increase from 19% in November 2020 and more than double the figure of 10% that was observed before the pandemic.<sup>2</sup>

This correlates to the periods of lockdown during the pandemic, but it is not to say that remote working itself exacerbates mental health risks for employees. A study conducted in 2020 by FlexJobs in association with Mental Health America (MHA) found that over 80% of participants believed that more work flexibility would help them take better care of their mental health, and they showed a clear preference for remote or hybrid forms of working.<sup>3</sup> In the pre-pandemic world of work, the commute to work was known to be one source of major stress for people.

Rather, this increase in adults experiencing depression was likely due to the combined effect of the pandemic on people's increased anxieties over financial and personal concerns, and the increase in remote working, which exacerbated their sense of isolation from colleagues who might look out for them.

First and foremost, a good understanding of mental health by organisations and their people is important. Airmic members shared about the processes and procedures their organisations have in place to support people with mental health issues, such as having a support helpline. Some organisations have networks of mental health first aiders, who have undergone training to provide support to colleagues who need someone they can talk to about their concerns.

Mental health risks are especially pertinent in sectors such as travel and hospitality that were badly hit by the pandemic, and where staff were often furloughed or stood the risk of being made redundant. Conversely, staff in front-line services such as health care experienced additional work, and those in other industries experienced a frequent changing

of operations to meet government requirements, meaning that their work patterns were not settled for long periods of time. The sense among respondents, unfortunately, is that organisations have not yet felt the full effect of all of these pressures on their people, such as staff experiencing severe burnout.

### Talent retention

Talent retention is crucial for organisations to thrive, and people resilience becomes an imperative in the context of operating in a Covid-19 world.

One Airmic member from the aviation sector – which was particularly hard hit by the pandemic – saw how key talent was being highlighted throughout the business, ensuring that staff were given opportunities to develop into new roles, within and outside of their function.

<sup>2</sup> Office for National Statistics, Coronavirus and depression in adults, Great Britain: January to March 2021, released 5 May 2021. <https://www.ons.gov.uk/peoplepopulationandcommunity/wellbeing/articles/coronavirusanddepressioninadultsgreatbritain/januarytomarch2021>

<sup>3</sup> Forbes, Remote Work Shown To Significantly Improve Mental Health, 80% Prefer Flex Options Post-Pandemic, 11 September 2020. <https://www.forbes.com/sites/briannawiest/2020/09/11/remote-work-shown-to-significantly-improve-mental-health-80-prefer-flex-options-post-pandemic/?sh=45c053d345d4>



### Muscular skeletal disorders and back pain

Back pain and other musculoskeletal risks to employees have understandably been of considerable concern to risk professionals and their organisations during the period of remote working throughout the pandemic. At present, the number of formal claims against employers relating to this is limited, but there is significant potential for this to increase both in relation to the pandemic period and beyond, given that hybrid working is set to become 'business as usual'.

According to a survey conducted by the charity Versus Arthritis in September 2020, as many as four in five people said they had developed musculoskeletal problems such as back pain since they began working at home during the lockdowns.<sup>4</sup> More worryingly, 89% of those suffering musculoskeletal problems as a result of their new workspace had not told their employer about it.

Already in the first two weeks of lockdown in the UK in 2020, more than half of the respondents to a survey conducted by the Institute of Employment Studies had reported new aches and pains, especially in the neck (58%), shoulder (56%) and back (55%), compared to their normal physical condition.<sup>5</sup>

The UK Health and Safety Executive reminds employers that they have a duty to protect their people from the health risks of working with display screen equipment (DSE), such as PCs, laptops, tablets and smartphones.

The Health and Safety (Display Screen Equipment) Regulations apply to employees who use DSE daily, for an hour or more at a time. In law, employers must conduct a DSE workstation assessment for such employees, reduce risks, including making sure workers take breaks from DSE work or do something different, provide an eye test if a worker asks for one, and provide training and information for employees.<sup>6</sup>

### Information security risks in remote working situations

Airmic members have conducted risk assessments on these threats and have put in place additional controls where necessary. One Airmic member said their organisation has a particularly good system for reporting potential spam emails.

### Hazards posed by work equipment being used at home

DSE assessments have also been done in this regard, and employees are sometimes given an amount that they could spend on an appropriate office set-up in their homes.



4 Personnel Today, Working from home: four in five develop musculoskeletal, 17 September 2020. [painhttps://www.personneltoday.com/hr/working-from-home-four-in-five-develop-musculoskeletal-pain/](https://www.personneltoday.com/hr/working-from-home-four-in-five-develop-musculoskeletal-pain/)

5 Institute for Employment Studies (IES), Working at Home Wellbeing Survey, April 2020. <https://www.employment-studies.co.uk/resource/ies-working-home-wellbeing-survey>

6 Health and Safety Executive, Working safely with display screen equipment. <https://www.hse.gov.uk/msd/dse/index.htm>

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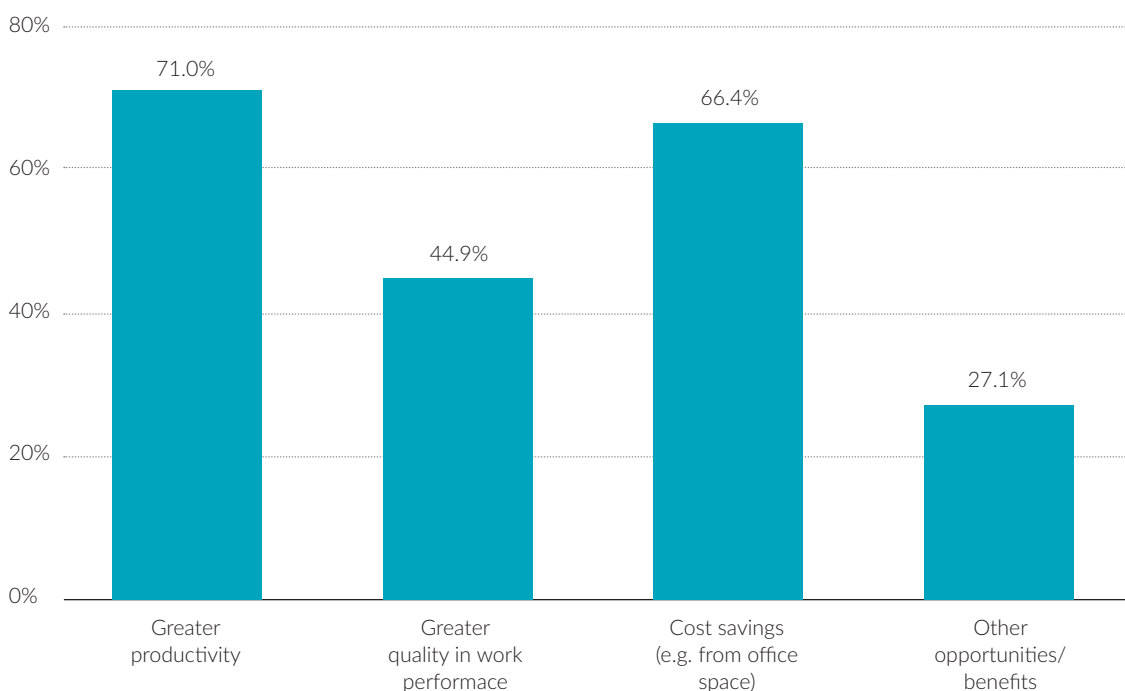
# 3

# The benefits of remote working for organisations: not all just risks

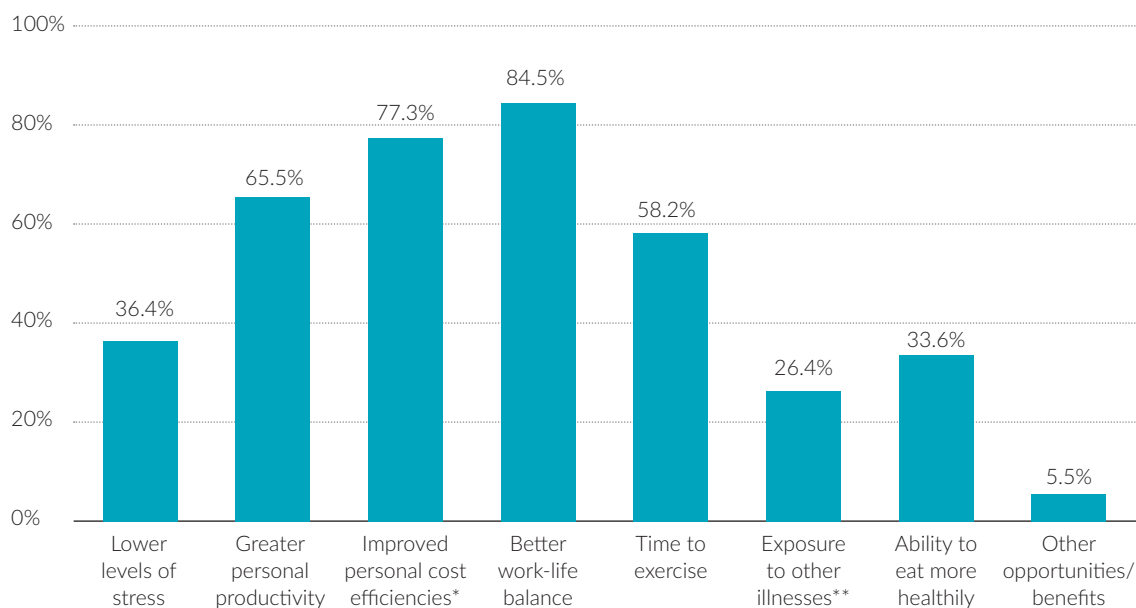
In the Airmic survey, 71% of respondents have seen greater productivity in their organisation as a result of remote working over the course of the pandemic, with 44.9% also seeing greater quality in their organisation's work performance. 66.4% have seen cost savings, for example, from not having to use office space.

77.3% said there are understandably improved personal cost efficiencies to be had, such as from savings on commuting costs, and 84.5% reported having a better work-life balance as a result of remote working – contrary to the popular wisdom that remote working may lead to an undesirable blurring between personal and work life.

## What are the opportunities/benefits for your organisation you have seen from remote working?



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### The workplace of the future

As organisations seek to transition into more settled forms of remote or hybrid working, they should reconsider the purpose of the physical office. For Michelle Hay, Global Chief People Officer, Sedgwick, it is important to consider the ‘four Cs’ and how they manifest in a particular organisation:<sup>7</sup>

- **Collaboration:** Truly dynamic collaboration, where individuals are seamlessly working together toward a common goal, leads to innovation. Some teams successfully collaborate via conference calls and video chats, while others yield better results when they’re physically together and can feed off the energy and shared sense of purpose in the room. Personality types and communication styles on a given team also affect what works best for them.
- **Connection:** These are the ties that bind us to our colleagues and the broader organisation, and help us feel invested in the culture. Technology offers us numerous ways to forge connections, but the associated feelings of inclusion and camaraderie can be largely experiential. Organisations that went remote in March 2020 on account of Covid have onboarded lots of employees since then, and the new hire experience for those required to work from home is different to that for employees working in the office.
- **Career development:** More than just training, this is the opportunity to share knowledge and experience, give and receive mentoring/ sponsorship, and learn from one another. It’s also about building a network, learning how to navigate the organisation and developing the social capital needed to get things done internally. The ability to achieve career development outside of a shared physical workspace varies greatly by organisation and depends on the culture, personalities and available technology tools.

- **Client needs:** Meeting stakeholder needs is ultimately what makes an organisation sustainable and successful at fulfilling its purpose. In the past year and a half, we’ve seen how many organisations have been able to do that – and do it well – without stepping foot in an office. However, some clients want face time with the people with whom they’re working and consider that necessary for relationship-building. Further, some industries simply require in-person presence or face-to-face interaction to achieve their objectives.



**As organisations seek to transition into more settled forms of remote or hybrid working, they should reconsider the purpose of the physical office.**



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<sup>7</sup> Michelle Hay, The workplace of the future, Sedgwick (blog post), 8 July 2021. <https://www.sedgwick.com/blog/2021/07/08/the-workplace-of-the-future>

**About Sedgwick**

From our modest beginnings as a regional claims administrator founded in 1969, Sedgwick has grown into a leading global provider of technology-enabled risk, benefits and integrated business solutions with nearly 27,000 colleagues, located across 65 countries.

Through innovative product development, organic business development and strategic acquisitions, Sedgwick's offerings continue to evolve beyond claims processing to meet the current and future needs of our clients. Our approach to delivering quality service in areas such as, Third party administration, liability, property, disability and absence management goes far beyond just managing claims—we aim to simplify the process and reduce complexity, making it easy and effective for everyone involved.

**Our core values**

Taking care of people is at the heart of everything we do. Caring counts®  
Sedgwick is a purpose-and values driven company. Our continual growth and evolution has been rooted in our consistent approach to the important work our colleagues perform each day. Our shared purpose has always been – and continues to be – to take care of people.

[www.sedgwick.com](http://www.sedgwick.com)

**About Airmic**

The leading UK association for everyone who has a responsibility for risk management and insurance in their organisation, Airmic has over 450 corporate members and more than 1,500 individual members. Individual members are from all sectors and include company secretaries, finance directors, and internal auditors, as well as risk and insurance professionals.

Airmic supports members through learning and research; a diverse programme of events; developing and encouraging good practice; and lobbying on subjects that directly affect our members and their professions. Above all, we provide a platform for professionals to stay in touch, to communicate with each other, and to share ideas and information.

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