



SAP Concur | Public sector and higher education

The “New World” of Work

COVID-19 and other influencing factors dramatically changed how public sector and higher education organisations deliver their services and the way their workers operate. Digital technologies hold the key to ensuring future delivery of services is efficient – and that workers get the working environment they desire post-pandemic.

Table of contents

- 3** **Overview**
- 4** **Digital transformation
across local government
and higher education**
- 5** **Work travel**
- 6** **The new working paradigm**
- 7** **The future work environment**

The political and social upheaval unleashed upon public sector and higher education bodies during the pandemic has been a game changer in terms of the way people work. There is not a single area of these organisations not affected by the COVID-19 pandemic. Add in the impact of the EU exit and the health and social inequities highlighted by the Black Lives Matter movement, and it is clear the appetite for a return to traditional ways of working has, in many cases, gone for good.

Changes to working practices across organisations are inevitable – as these sectors respond to new business priorities and the changing demands of both employers and employees.

Digital transformation across local government and higher education

The pandemic was a catalyst for rapid innovation and adoption of digital solutions, with local councils and higher education bodies turning to technology to help them deliver services remotely. The combination of social distancing and huge financial pressures delivered a need to provide seamless digital services in a way that was never more important.

And many of those innovations and changes will likely remain forever.

In particular, there was growing recognition of the role that digital tools and solutions can play in better helping local councils meet the needs of the public while also improving productivity, according to the **Local Government Association**¹.

Meanwhile, higher education bodies had to find ways to meet the needs of their students when physical attendance was no longer possible – again leading to huge adoption of digital tools. Indeed, the view that COVID-19 has revolutionised our relationship with technology and accelerated the pace of digital change is further evidenced in **recent research conducted by SAP Concur and research organisation DODS**², which gauged the views of decision-makers across local government. In that study, 86% of respondents agreed that COVID-19 had accelerated the pace of digital transformation.

At the same time, half of respondents said they had seen budget increases for digital initiatives in 2021 compared with the previous year, while only 11% said the pandemic had exerted little or no influence on budget increases. In contrast, the majority of local government decision-makers said the EU exit had exerted little influence on the digital budgets at their disposal.

Many of the digital initiatives already in place have tended to focus on internal-focused functions – many respondents to the SAP Concur research said they already have online training or learning programmes in place and provide online access to employee HR information, such as payslips and pensions reviews.

However, there is also an ambition to transform the way that organisations deliver services – underpinned by digital offerings. The most popular digital initiatives in the pipeline, as highlighted by the SAP Concur study, include chatbots for FAQs (23%) mobile apps (19%) and cloud-based technologies (15%).

Despite a healthy appetite for digital transformation, there are several factors holding organisations back. It is perhaps no surprise that reduced budgets (59%) emerged as the biggest constraining factor, bearing in mind the COVID-19 crisis has **created a perfect storm for finances**³ by simultaneously increasing spending and reducing incomes. Other major factors highlighted by the SAP Concur study were dealing with frontline issues (55%) and legacy systems/infrastructure (53%).

1. Local Government Association

2. recent research conducted by SAP Concur and research organisation DODS

3. created a perfect storm for councils' finances

Work Travel

The pandemic clearly had a dramatic dampening effect on work travel.

The need to contain the COVID-19 virus led many people to be asked to work from home. More than three-quarters (77%) of respondents to the SAP Concur research said the pandemic had significantly influenced the decline of travel and expense budgets, compared with only 6% citing the EU exit. However, this is largely set to rebound.

The SAP Concur study highlighted an overall decline in those taking overseas trips and the proportion of respondents not travelling at all will increase from 70% to 76%. The proportion of frequent travellers taking at least 40 trips the following year was projected to decline from 8% of respondents to 3%.

The combination of increasing staff pressure and workloads, along with a greater appetite for digital transformation, means it is imperative that local authorities and higher education organisations reduce unnecessary and cumbersome travel and expenses processes. Rather than going back to the old and largely inefficient ways of doing things, organisations are taking the opportunity to streamline processes, cut costs and improve the employee experience.

Reducing costs dominates the agenda for digital travel and expense priorities across our survey respondents. Process improvements weren't far behind, with a desire to improve overall processes (60%) and simplifying processes/reducing complexity (56%) also highlighted.

The need to empower staff with tools and training alongside other people-related priorities also figured highly on the list of priorities for digital travel and expense related policies – specifically improving the employee experience, training and education, and improving internal collaboration.



The new working paradigm

Remote working

A lasting legacy of the pandemic is greater use of home/remote. Not surprisingly, 100% of the respondents to the SAP Concur survey reported an increase in remote working as a result of the pandemic. It is no coincidence that, subsequently, the government launched **a call for evidence**⁴ to gather views on the longer-term potential of remote meeting arrangements introduced during the pandemic across local authorities in England.

The SAP Concur research revealed that 87% of decision-makers expect flexible home/office working to be implemented over the next two years, and three-quarters said employees will be given a choice of home or office working. At the same time, respondents to the SAP Concur survey highlighted an increase in employee digital skills in the last year (85%) and use of cloud-based technologies (85%).

Despite the growing appetite for employees to be able to spend at least some of the time working remotely, many felt the systems in use by their organisations are outdated, cumbersome and add little value to end-users. As such, demand for systems that facilitate access any time and from anywhere is on the up.

According to the SAP Concur study, 65% of local government decision-makers overall said their organisation had all the necessary digital tools, processes and systems in place to enable employees to work remotely in an effective, efficient and stress-free way. However, that still leaves around a third who don't agree with that statement, indicating there is still much to be done to bring local government organisations up to speed when it comes to creating more effective and efficient home-working environments.

Meanwhile, in the higher education sector, as remote working becomes increasingly common, college and university employees say they want it to go even further. A recent **EDUCAUSE survey**⁵ found that more than half of higher education workers would like more remote work options – and those who aren't satisfied with the remote work situation and tools available to facilitate it are more likely to seek other employment. That could potentially leave institutions in the lurch at a time of already high staffing shortages.

Collaboration

More generic concerns about the impact of widespread remote working on the ability of staff to collaborate are not borne out by the SAP survey. But clearly, ways to facilitate employee collaboration are high on the business agenda. The SAP Concur study found that internal collaboration (52%) and collaboration with suppliers (42%) are both work features that have increased over the last 12 months. Looking ahead to the future, remote collaboration will be an increasingly important component of post- pandemic working patterns.



4. call for evidence
5. EDUCAUSE survey

The future work environment

Office space

With remote working now firmly entrenched across public sector and higher education organisations, changes to the physical working environment are also inevitable. What is also clear is that the evolution of the office environment of the future must factor in the productivity and collaboration issues highlighted above.

Following the changes we have seen to working patterns, opportunities for downsizing and a reduction in real-estate footprint are rife. Indeed, examples of councils reducing the number of buildings they operate to reduce costs have regularly emerged. According to the SAP Concur research, 58% of local government respondents said smaller/ smarter offices were likely to be implemented over the next two years. What also emerged is a desire to change the look and feel of office space to provide more of a hub culture for staff – 47% of local government respondents said hotdesking is likely and 39% said office relocations are on the cards a result.

Other themes that emerged from the research included a greater focus on health and safety processes to keep staff safe and reassured, along with the need for beefed up system security – growth of digital remote working and the current economic landscape are just two factors that mean security and the ability to safeguard systems has never been more important.

Into the future

More than just a blip, the SAP Concur research illustrates how the experience of the pandemic has unleashed some fundamental changes and accelerated some workplace trends already underway. However, the workplace of the future looks set to be dramatically different as a result. The challenge and opportunity facing local government and higher education bodies is to capitalise on the benefits organisations have reaped as a result and to use the experience at a solid foundation for future enhancements.

Learn more

Visit our website for more information on how SAP Concur can help [Local Government](#) or [Higher Education](#) with their spend management solution.

