

# RETURN TO THE OFFICE?

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PETER CAPPELLI

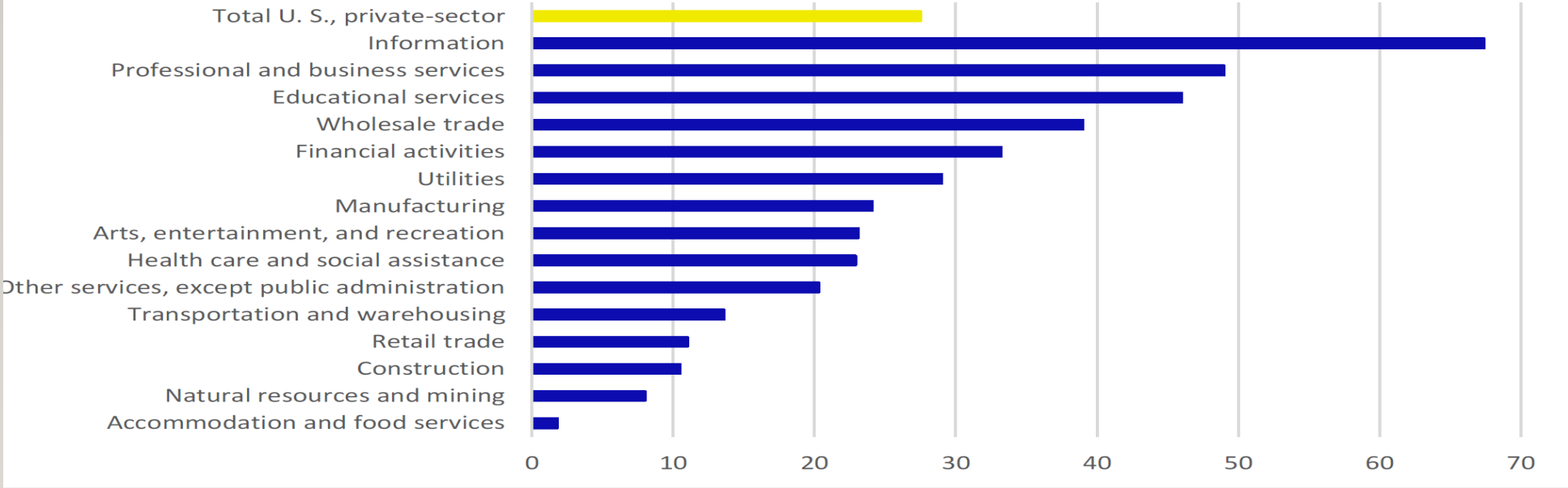
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# IN THE US, VARIES A LOT BY INDUSTRY... STILL, **73%** HAVE NO REMOTE WORKERS.

SOURCE: BLS BUSINESS RESPONSE SURVEY 9/22

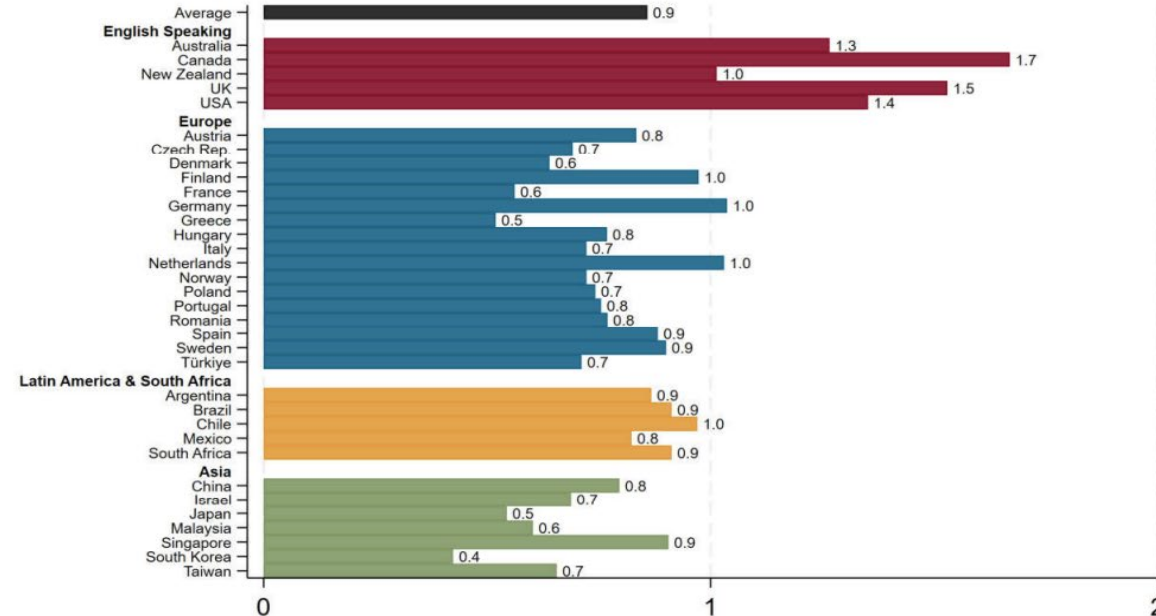
Chart 1: Establishments with employees teleworking some or all the time, August-September 2022, by industry (percent)



# IT'S ESPECIALLY AN ANGLO THING....

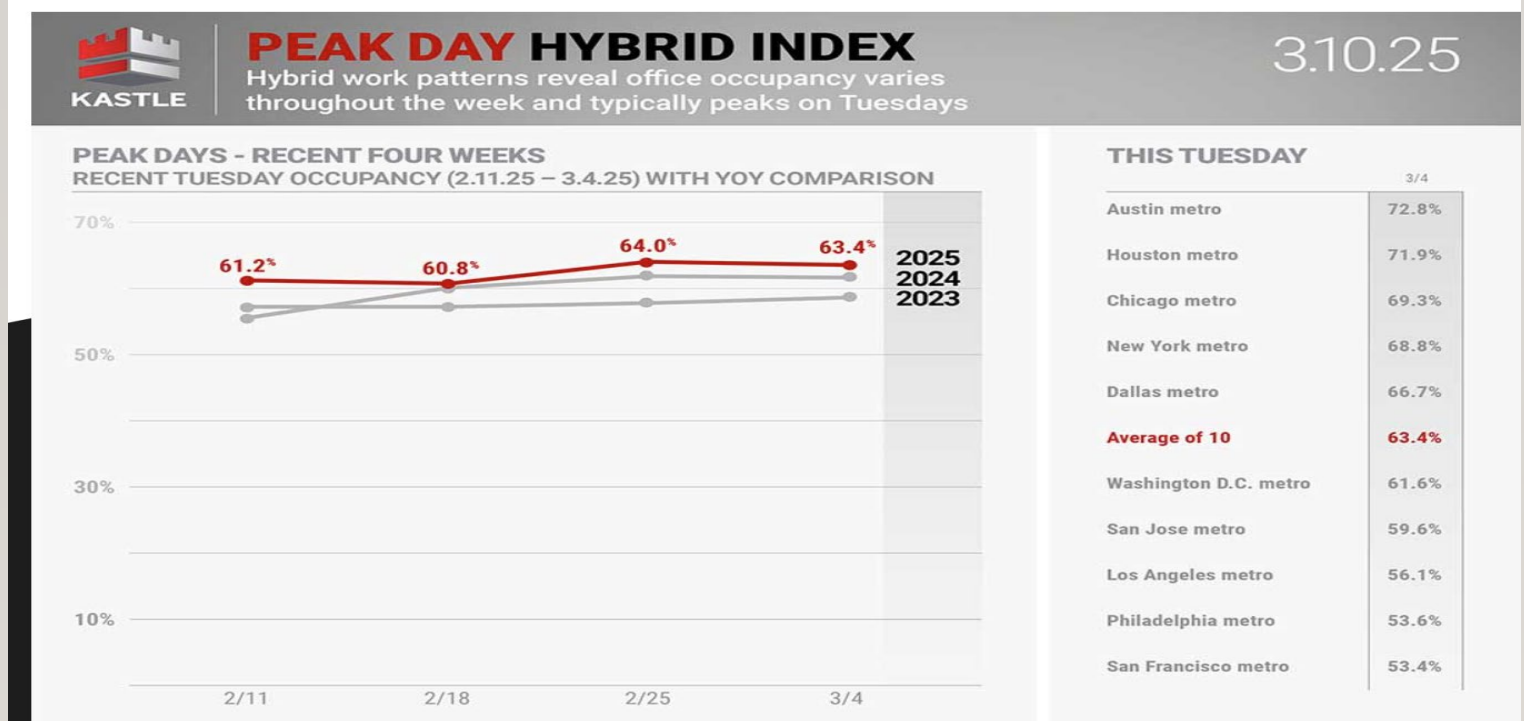
(THE CAVEAT: THE ACTUAL MEASURE IS, DID YOU WORK AT LEAST SIX HOURS OUTSIDE THE OFFICE BUT IS THAT INSTEAD OF OR IN ADDITION TO OFFICE TIME?)

Figure 1: Paid Full Days Worked from Home per week (April-May 2023)



# IT'S A BIG CITIES, BIG COMPANY STORY

(THIS FIGURE HAS BEEN SLOWLY RISING...)



# EVIDENCE OF CHANGE – NOT JUST BACK TO COMPLETE OFFICE

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- 83% of CEOs in KPMG survey say full return to office within three years
- Half of employers with hybrid say employees not coming in – only 17% say they are enforcing attendance but 52% say they are this year: 20% say they will fire absentees
- Remote job openings falling from 104% in 2022 to 7.8% in 2024.
- Big company pull-back – Amazon, UPS, JP Morgan, US Govt....

# EVIDENCE OF PROBLEMS

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- Data entry – 18% worse when remote
- IT engineers – 8-19% worse: less uninterrupted time than in office
- IT study – quality of ideas fell: move from remote to hybrid, # ideas fell – lack of coordination among teams
- In-person teams - 20% more ideas than virtual
- Random assigned teams – product ideas better in office
- Fortune 500 company - - 22% more feedback to junior engineers when in office
- Microsoft study – remote was more siloed communication

# WHAT CONSTRAINS THE ABILITY TO BRING PEOPLE BACK? *(HINT: OFFICES GOT WORSE)*

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- After 4 years, it's the “new normal”
  - Taking any perk away is very hard – most employees like it (not equally)
- Open offices and hoteling – it's not the same office, and they hate both
  - 80% of larger companies shrunk their footprint
- My office at home is better
  - Going back-and-forth is disruptive
- Distributed teams – my boss isn't here, neither is all my team
  - Will we end up on zoom even if we are in the office?
  - If every individual has flexibility in their schedule = teams in office impossible



# OUR FOCUS GROUP RESULTS

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- Attendance –
  - Being in the office when other people are there is the point
  - Hybrid with different anchor days by group – doesn't do it
  - Hybrid and hoteling doesn't either
- Meetings – enormous time sink
- Cooperation/helping – unavailable?
- Onboarding
- Learning and development

# INTANGIBLES.....

- Culture weakens –
- Social isolation
  - Zoom interaction is not the same
  - Informal info dries up –turnover is higher
- Has it changed the way employees behave??
- Fairness questions:
  - Those who have to be in the office
  - Those who can't afford a good work space at home
  - Introverts vs extroverts
- The people most able to work remote are the ones we need to be there more.

# WHAT ARE WE MISSING WITH REMOTE?

## *WHAT I SAW...*

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- Hybrid not always working well – requirements not being followed: “coffee badging”
- Careful studies show hours of work are up, length of the day is up, so productivity therefore is down
- New studies – no longer self-reported - show job performance is down
- We have focused employees on their own KPI’s to the exclusion of most everything else
  - Cooperation within groups is ok BUT
  - Cooperation and sharing between groups, not so good
  - It’s more like individual contractors....
  - New hires are lost as are actual contractors
- We have also accommodated a great deal – too much?
  - Endless zoom meetings – camera’s off: meeting time is up 20%
  - Setting my own schedule, also my own time for responding

# HOW TO TELL IF YOU HAVE A PROBLEM

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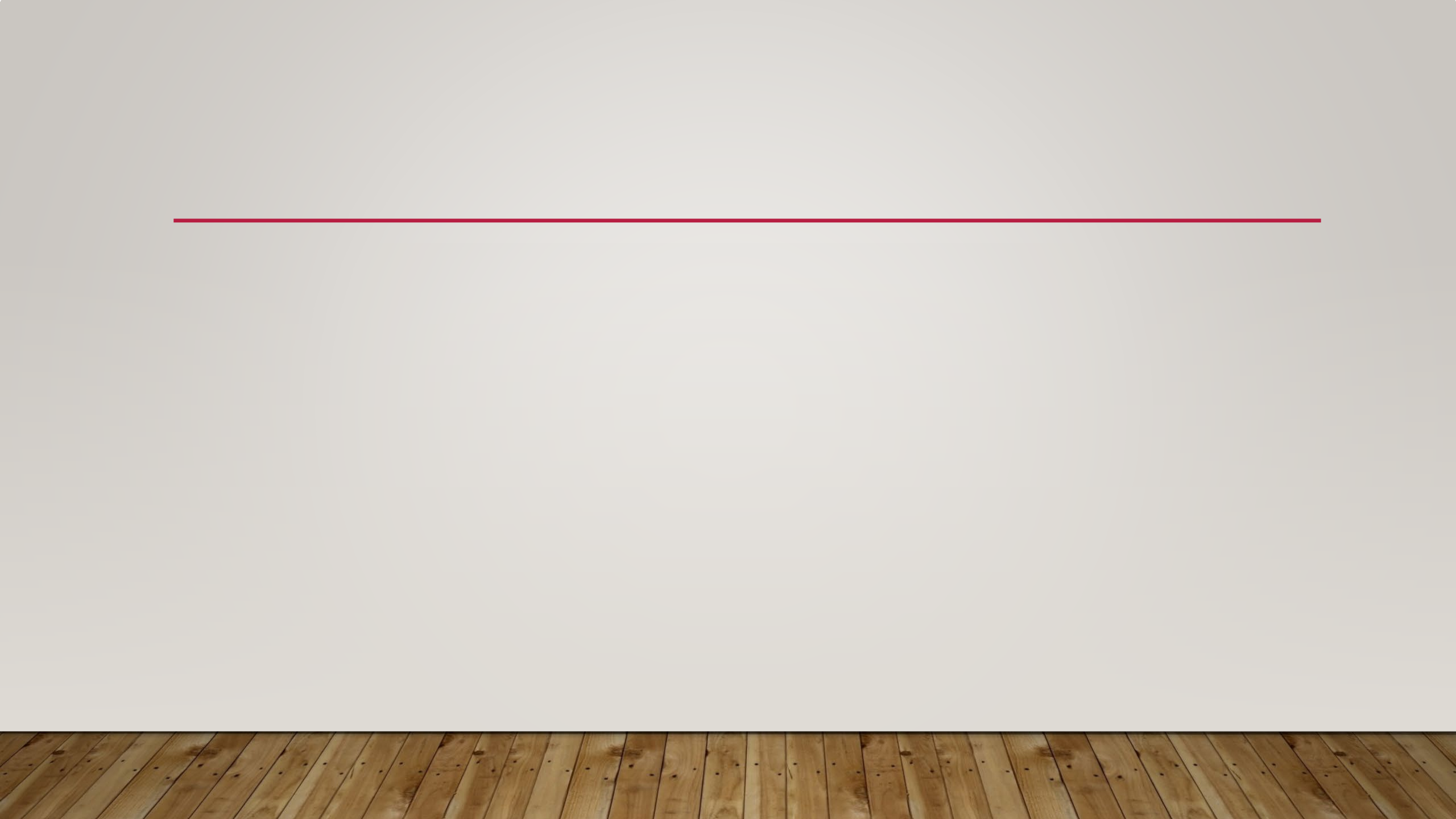
- Are hours of work on your equipment up – a good proxy for working time - since the pandemic? Do they start earlier and run later, something that is not good for employees?
- Using information on calendars, has the number of meetings increased? Are meetings bigger and longer now? How many “post-meeting meetings” are there?
- How often is the “unavailable” option used by employees? How long does it take for “pings” on asynchronous tools like Microsoft Teams to be answered?
- We can also see how many “pings” requesting help are sent through your platform and what the response looks like. (The caveat here is that employees do contact each other through unofficial channels such as their cellphones, although that is most likely among those who already know each other.)
- Run some “audit” experiments: Send some ping requests to people you don’t know, including peers and superiors, and see what the response looks like. Tell them the truth: you are looking into an HR issue and want their help.
- Talk to your new hires. They have no stake yet in the old system and are more likely to tell you what they have experienced in trying to learn about the organization.



# WHAT HAS TO CHANGE FOR HYBRID TO WORK

*(IT'S A LACK OF  
MANAGEMENT)*

- Leaders have to set the norms and mean it
  - Not enforcing attendance is a terrible idea
- Letting supervisors decide is a race to the bottom
  - *No one wants to be the bad guy*
- There needs to be a reason for being in the office
  - Neiman Marcus – create budgets for meetings
  - Create interactions between groups – at lunch!
  - Employees can't pick the days they want to be there
    - *The self-care of pandemic is behind us*
- Onboarding has to be purposeful
  - PWC – daily check-in: Structured introductions
- Build helping into KPIs
- Create interactions – essential if hybrid AND hoteling
- Reel in meetings
  - GitHub rules - what requires an actual meeting: limit meeting size and time.
    - Shopify's Calculator - how expensive the time is
  - Require cameras on in meetings



# QUESTIONS!

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- If you could go back a few years, as a leader, how would you have handled remote work?
- How do you decide if remote or hybrid or something is best for you?
- Can you have different policies for different employees?
- *The pandemic is officially over....*
- *What's the criteria....*
- *What are the plusses and minuses?*

# WHAT IS IT THAT MOST PEOPLE LIKE ABOUT REMOTE

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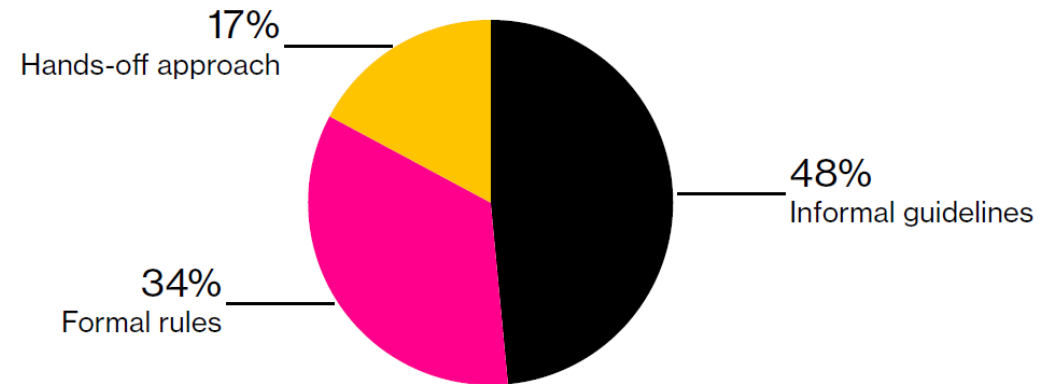
- Commuting time is cut – but driving time not down so much
- Despite longer working hours, they like control over their time
  - Especially people with families
  - *Don't take that away*
- .Could we do more of that?
  - Work-from-home instead of sick days
  - Flextime instead of formula-based scheduling
- Easier to hire? Easier to retain?
  - *Hiring people who are remote does lock you in: retention is better if others don't offer remote*

# COMPANY POLICIES?

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## Mixed Bag

There's no clear consensus on how companies manage flexible work



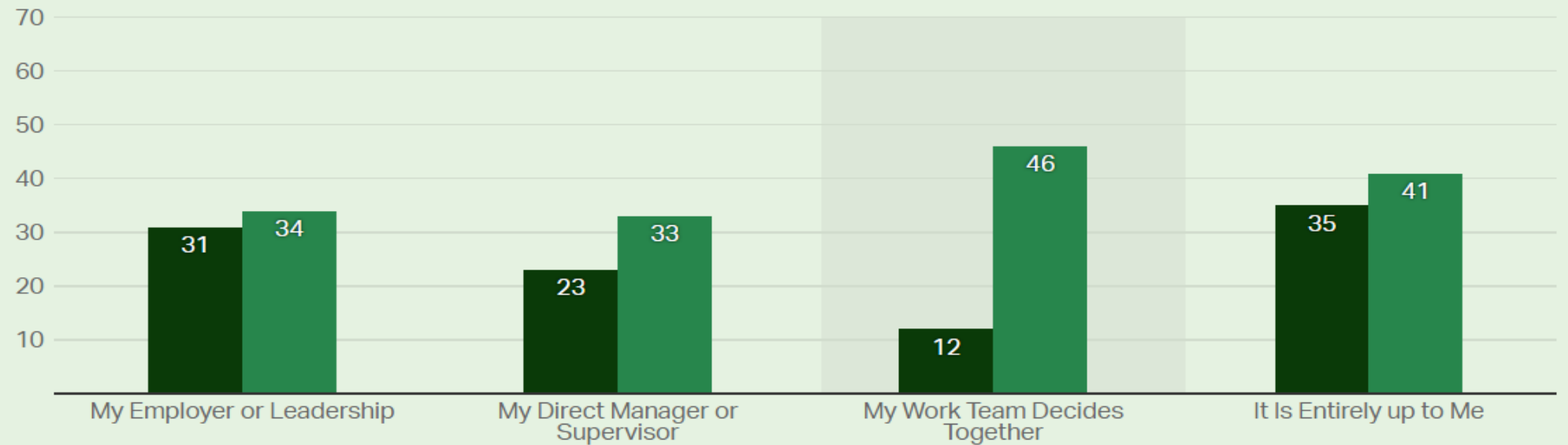
Source: Mercer Flexible Working Policies & Practices 2022 survey

Note: Figures do not add to 100% due to rounding.

## Who Determines the Hybrid Work Policy?

Hybrid work policy decision-makers and their impact on employee engagement

■ % Identified as hybrid policy decision-maker ■ % Engaged



Data are from Q2 2023 among U.S. full-time, hybrid employees.

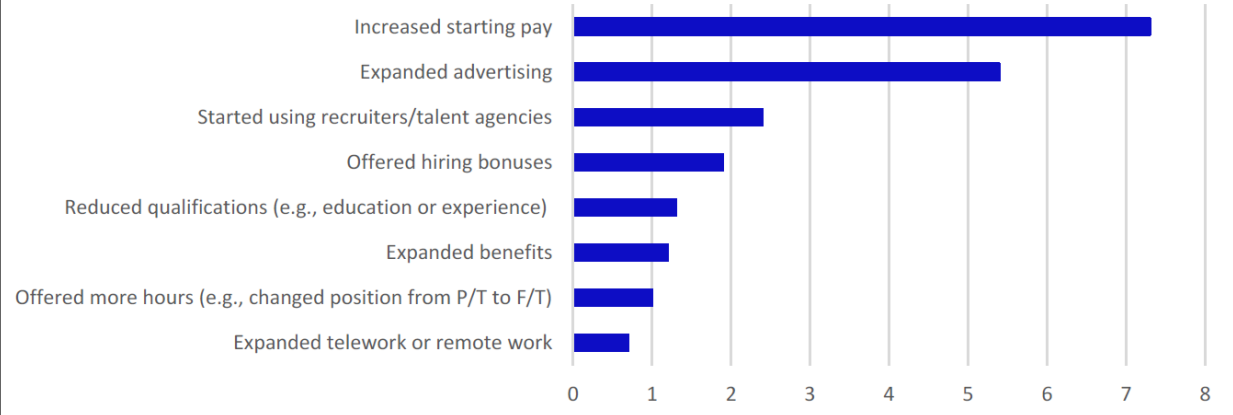
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# REMOTE WORK ISN'T DRIVING HIRING

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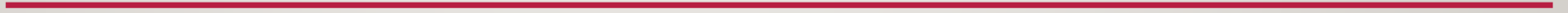
Chart 3: Establishments' methods for attracting more applicants for newly filled positions (percent)





# SURVEYS ALWAYS SHOW SOME PEOPLE SAYING THEY WILL QUIT

BUT THEY DON'T – IT'S HARD TO QUIT, HAVE TO FIND ANOTHER JOB  
AND NOW IT HAS TO BE ANOTHER WHEN YOU CAN BE REMOTE



# A SURVEY VIEW OF WHAT HAS CHANGED AT WORK

Figure 6.1

## For remote workers (fully remote or hybrid), challenges of communication, culture, and distractions improved over the past year—but some device and system issues worsened

Percentage of workers who experienced the following challenges while working from home in the past year

● Improved ● Worsened

Communication and culture	2022	2023	Change
Difficulty building professional relationships	31%	21%	-10
Feeling disconnected from my company's culture	24%	21%	-3
Ineffective collaboration with colleagues, clients, etc.	23%	18%	-5
Missing opportunities to advance my career	20%	17%	-3

Distractions and responsibilities	2022	2023	Change
Having family/household responsibilities during work	48%	39%	-9
Working longer hours than I would in person	32%	28%	-4

Devices, systems, and connectivity	2022	2023	Change
Difficulty accessing information or files I need	17%	23%	+5
The systems I access for work don't work well enough	16%	23%	+7
Personally owned devices don't work well enough	14%	19%	+5
Employer-provided devices don't work well enough	14%	19%	+5
Video conferencing problems	25%	28%	+3

Health and well-being	2022	2023	Change
Feeling stressed or burned out	40%	36%	-4
Not having enough time for wellness	28%	31%	+3

Notes: N (fully remote or hybrid workers) = 593 (2023), 487 (2022).  
Sources: 2023 Connected Consumer Survey, 4th edition; 2022 Connectivity and Mobile Trends.