

CAHRS Virtual Working  
Group:  
Evolving and  
Optimizing  
Hybrid Work  
April 5, 2023

## Evolving and Optimizing Hybrid Work Virtual Working Group April 5, 2023

Hybrid work that blends remote collaboration with office time has become the default working model in various industries. Although companies are at different stages of this journey, for many the basic infrastructure has been established and attention has now shifted to further evolving and optimizing hybrid work. **In this working group, CAHRS members shared their lessons learned so far and discussed ongoing challenges as well as their strategies to address them.**

### Key Takeaways:

#### 1. Current State of Hybrid Work

##### *a) The Decision-Making Process*

- Hybrid employees can be defined as those who have the flexibility to adjust their schedule but need to go to the office at least once per week and have a set weekly schedule. Those who only come in on an as-needed basis and primarily work from home are considered remote employees.
- Multinational companies do not necessarily impose the same hybrid work model across different sites. An office's hybrid work model might be influenced by the norms of the host country and the culture of the corporate headquarters.
- Depending on their roles and responsibilities, employees in the same company can have different work arrangements. Those who work in manufacturing and operations, for example, are likely to be 100% onsite whereas administrative and support teams are likely to be offered the hybrid option.
- The number of onsite days for hybrid employees typically ranges from two to three days. Some companies have increased the minimum onsite days over the last one and a half years. Specifically, their hybrid employees were required to come in at least one day/week during the transition phase but the minimum onsite days increased to two days/week six months later. The employees now might need to come in at least three days/week.
- Different teams might have different hybrid scheduling strategies. For example, if all employees are required to go to the office at least three days/week, some teams predetermine what the three days are whereas some other teams try to be more flexible by fixing only two out of the three days. In other teams, however, employees might get to decide the three days on their own.

##### *b) The Implementation Process*

- Companies tended to give employees a few months (e.g., three months) to prepare for the hybrid work transition. Now that this transition period has ended, they make it clear that employees must return to the office, at least part of the time.

11 attendees from 8  
companies:

American Express  
Bloomberg  
CNH Industrial  
Otis  
Prudential Financial  
Shell  
Terex  
Verizon

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- Employees who want more flexibility (e.g., 100% remote) or want to have a different arrangement (e.g., taking an off-shift) can discuss this with their manager and HR. Exceptions are not made often and employees need to provide legitimate reasons when making such requests.
- Companies try to organize engagement activities (e.g., focus groups) on a regular basis to evaluate current hybrid work practices and determine the need for customized changes as using a one-size-fits-all approach may disadvantage certain groups of employees. For example, if members of a team are dispersed across different locations, it may not be necessary for the members to come in often because they will be alone in the office anyway.
- Companies continue to provide more in-person networking and social events (e.g., food trucks) to entice employees to come in.
- Some companies have created working groups, consisting of HR business partners from different units, that come together regularly to share their insights and observations regarding hybrid work practices. The goal of these working groups is to encourage the sharing of best practices across the organization.

#### ***c) Tracking & Responses to Employee Resistance***

- Tracking: Some companies do not track their employees. Those that do recognize that tracking can be more complicated than it seems. First, despite the availability of multiple tracking methods (e.g., monitoring employees' badge swipes or using newly developed 'return-to-office' trackers), it is still unclear how to best track employees and how to interpret the tracking data effectively. Second, tracking data can become unusable as employees, for example, can game the system or do not go to the office not because they work from home but because they have to meet clients.
- Employee Resistance: Some employees moved very far away from their home office (e.g., to a different state) during the pandemic and thus are unable to come in at least two to three days/week as required. There are also employees who do not comply with the hybrid work policies even though they still live in the same location as they were pre-pandemic and had no issues with working full-time in the office then.
- Responses to Employee Resistance: For those that moved, companies might request the employees to relocate to a place that allows them to commute to a central office. If an employee fails to do so within a given time, the company might consider it a resignation—unless the employee is a very high performer or there are some ways to prove that his or her working full-time remotely benefits the company. Some companies took a preemptive approach to prevent such a scenario from

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happening. They made it clear to their employees early on that if the employees were considering relocating, they would need to have that conversation in advance with their manager and HR, in order to guarantee the remote work option. If employees relocated without permission, their employment could be terminated. Companies do not necessarily reduce an employee's pay if he/she moves to a lower-cost-of-living area. But because the employee's pay is already above the market for where he/she lives, his/her pay is likely to be frozen for a few years.

- According to participating companies, the group of employees who pushes back on returning without legitimate reasons is the most challenging to persuade. If they do not come in as often as expected, there are no real consequences for them.

## 2. Unresolved Issues

### ***a) How to Motivate Employees to Return to the Office?***

- Problem: Many employees refuse to return to the office or do not come in as often as they are required to. Engineering and analytics teams, for example, have been the slowest population to return. This is a challenging problem to resolve because there are no consequences yet for those who do not comply. And when other employees see their colleagues not going to the office, they follow suit.
- What has been done: Companies continue to organize many in-person social events to entice employees to come in. Managers also work more often in the office to role model and set the tone.

### ***b) What to do When Employees ask for Extra Flexibility?***

- Problem: Many employees request extra flexibility (e.g., one extra day at home or working fully remotely), which makes it challenging for companies to find a balance between supporting employees and meeting business goals. Companies thus question when and how much extra flexibility they should give their employees.
- What has been done: Companies provide accommodation for employees with medical issues. The process is relatively straightforward: Employees can discuss with managers and seek their approval. For other personal requests, employees might need to go through their business unit and HR. Requests for fully remote tend to be few and far between and are escalated to high-level management and HR. Extra-day-at-home requests are typically managed between the manager and HR business partner, but such requests can be tricky to handle because there are no set procedures.

### ***c) How to Encourage Employees to be More Intentional About Their Hybrid Schedule?***

- Problem: Many employees want to have flexibility to decide

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when to come in whereas companies want employees to be intentional about their hybrid schedule. The benefit of working in the office is limited if there are few opportunities for in-person interaction and collaboration. Without alignment among team members, it is possible that a person comes in and still has to interact with his/her colleagues through electronic media tools because the rest of the team is working from home.

- What has been done: In some companies, representatives from different teams/functions establish a working group where they share experiences and learn best practices from each other.

**d) How to Create a Sense of Connectedness Among Team Members?**

- Problem: Employees in certain functional areas (e.g., engineering and analytics teams), due to the nature of their work, tend not to interact much with their colleagues. They also prefer remote working, which makes it difficult to fully integrate newcomers with the team. A lack of connectedness is also a serious problem in geographically dispersed teams where members are likely to work alone even if they go to the office. Organizing synchronous team-building sessions for these teams can be very challenging due to time zone differences.
- What has been done: Geographically dispersed teams are encouraged to leverage video calls for team-building activities. Managers should have regular one-on-one sessions with team members, especially with those whom they do not often see in person. Depending on the dispersion level of the team, companies might consider covering traveling expenses for all members to meet in person once or twice per year.

**3. Impact of Hybrid Work on Productivity**

- Due to difficulties in tracking employees, most companies do not yet evaluate the impact of hybrid work on productivity.

**4. Impact of Hybrid Work on Retention**

- Some companies reported losing many employees in 2022 because of the push to return to the office. In the last couple of months, however, they have seen the correlation between the push and turnover rate drop significantly. Possible reasons for the change are as follows: (1) global and domestic economic growth is slowing; (2) other companies in the same industry are adopting similar hybrid work policies; (3) not everyone prefers remote work over other arrangements (e.g., hybrid work is the most preferred arrangement in India).
- To minimize the possibility of employees quitting due to hybrid work, companies try to be clear and upfront about their expectations when hiring. For example, when posting

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a new position, some companies specify explicitly 'hybrid' or 'onsite' in the job description or put the expected arrangement next to the job title. If they cannot find a suitable candidate after a given time, they will consider opening the position to remote work (if appropriate). In cases where the line manager prefers the job to be done onsite, but it could also be done remotely, HR is likely to post it as a hybrid job. If there are no satisfactory candidates, HR then changes the position to remote.

### 5. How About Fully Onsite Employees?

- It is important for the leadership team to come in regularly and set the tone rather than just creating the expectation. The leadership team should also provide timely support to onsite employees. Companies can engage in various activities (e.g., networking events) to help the onsite employees see the benefits of going to the office.
- Many employees prefer going to the office as opposed to working from home. Reasons include (1) not everyone has enough privacy at home to do their work; (2) social learning is more likely to happen in the office by interacting face-to-face with other employees; and (3) there are social and networking events organized on site.

This Summary Report was prepared by Brad Bell and Thao Nyugen for participants of the "Evolving and Optimizing Hybrid Work" Virtual Working Group.

**The Center for Advanced Human Resource Studies (CAHRS) is an international center serving corporate human resources leaders and their companies by providing critical tools for building and leading high performing HR organizations.**

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