ILR CAHRS

Cornell's Center for Advanced Human Resource Studies

Targeted Benchmarking on Remote Workforce Approach

CAHRS Partners have the opportunity to benchmark with other partner companies on HR topics of interest. The benchmarking is typically conducted with 5-7 other CAHRS Partners selected by the company that initiated the request. The CAHRS office identifies the appropriate connections at selected companies and the benchmarking company then schedules 1:1 phone calls to explore their questions.

Examples of recent requests include: Sponsorship Initiatives, Organization Designs and Structures, Diversity Metrics, Talent Management Practices, Competency Models and a variety of HR Policy Questions (i.e. Relocation, Cost of Living, Airline Mile Usage, etc.).

CAHRS partners find this more qualitative approach to benchmarking very valuable for revealing novel insights and practices, as well as for building their network. At the conclusion of the process, the benchmarking company shares an anonymized summary of their findings with the participating companies and CAHRS, who then makes them available so all partners can benefit from the learning.

Hybrid Workforce Approach Report

Introduction:

Due to health and safety concerns, the Covid-19 pandemic has forced many employers to shift to a remote workforce. This shift creates an opportunity for companies to implement hybrid/remote workforce policies long term and reconsider the traditional value of working in the office. However, there are many variables to consider when these changes are implemented. Below, I have compiled the key insights about the shift to remote work and the implications this shift may have on companies both from external research and Benchmark surveys.

Key External Research Findings:

➢ Remote work has been on the rise since the early 2000's. From 2005 to 2018, remote work has increased over 173%. 43% of employees now work remotely in some capacity.

➢ Remote work is desired by many with 54% of employees saying they would leave their current role for one that offers a more flexible arrangement.

➢ Workforces and their employers are choosing remote work post Covid-19: 60% of employees prefer to continue to work from home post Covid-19 and 88% say they are more productive working virtually. 3 in 4 CFOs plan to shift at least 5% of their workforce employees who were not remote prior to Covid-19 to permanent remote positions - 1 in 4 CFOs plan to shift at least 20%.

➢ 70% of college graduates from 445 prominent universities move to major metropolitan areas upon graduating. By companies offering a remote work option, these graduates could work while living in the area they prefer.

➢ External research also shows remote employees have many positive effects on organizations when compared to their in-person employee counterparts. Remote workers are more productive, satisfied, and less likely to turnover than non-remote employees. Flexible work arrangements are strongly linked to improved performance, employee accountability, and retention. Additionally, companies can benefit from savings on real estate and overhead costs by having more employees work remotely. Lastly, the reduction in miles traveled via car by each employee will result in a reduction in a company's carbon footprint.

➢ The single most important issue that stops women from staying in the workforce long enough to rise to senior leadership positions is the lack of flexible work models that serve their specific needs. Women at companies with no flexible work options are 20% more likely to seek a new job at another company in the next three years – and men 30%. 69% of women with advanced degrees would not have left work if their workplace had offered them more flexible arrangements.

Summary: Remote work has been increasing in popularity over the years as most employees are increasingly requesting that remote work be an option. Covid-19 has greatly accelerated the process in which companies are transitioning to a hybrid/virtual workforce model – many CFOs plan to keep their employees working from home even after Covid-19 is over. Remote work would help retain existing

employees as well as attract new employees – this could be a useful tool for employers who are in locations that prospective employees might perceive as undesirable. Studies show that remote work has many positive effects: employees are more productive, less likely to turnover, more accountable, and retained at a higher rate. Employers also benefit by saving money on real estate and overhead costs while reducing their carbon footprint (less driving). Additionally, flexible work models could also help with gender inclusivity as women often leave their workplace if they do not have flexible work arrangements.

Transition/Implementation: *Establish scale, criteria to qualify for remote work, timing, risks, and measurement.*

Align Vision	Define Strategy	Create An Infrastructure	Document Guidelines	Change Communications
Business needs & requirements, talent integration, feasibility risks, and approach	Remote work philosophy, workforce & geographical applicability	Stakeholders, decision trees, supporting process, and ongoing governance	Types of remote work, how to apply & available benefits	Employee resources & HR training
Phase 1	Phase 2	Phase 3	Phase 4	Phase 5

<u>Workflow and wellness considerations upon implementation:</u>

Communication	Teams	Technology	Leadership/Culture
Employee loneliness	Teams too big will fail	Technology/connectivity issues	Leadership not buying into program
Employee mental fatigue	Remote employees may have lower motivation and less visibility	Security issues; VPN	Culture shifting

Success Factors:

- Have frequent check-ins with remote workers to mimic office conversations
- Place emphasis on high quality interactions
- Simplify and clarify priorities for remote teams; ensure manager team alignment
- Invest heavily in IT department to ensure equipment functionality
- Ensure proper manager training prior to implementation
- Ensure leadership uses the flexible remote program so no stigma is associated with employees who work virtually

Benchmark Key Findings:

The following Benchmark responses were collected from HR/Consulting Professionals from five companies made up of 2 consulting firms, 2 CPG firms, and 1 technology firm:

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Benchmark Composition

■ Consulting   ■ CPG   ■ Tech