SYMPTOMS OF DYSFUNCTION IN HYBRID WORKING **OBSTACLES AND SOLUTIONS** ROBERT WALTERS A Robert Walters Group Company

Contents

- 02 Key statistics
- 03 The hybrid opportunity
- 04 Signs of dysfunction
 - 04 Hiring hurdles
 - 06 Social capital
 - 08 Innovation and productivity
 - 10 Workforce wellbeing
- 12 Conclusion
- 13 About Robert Walters
- 13 Contact us

Introduction

Hybrid working raises tough questions

The COVID-19 pandemic forced employers and workforces to scramble towards hybrid working: a mix of office and offsite working. But while necessity is the mother of invention, it's not always the mother of perfection.

Many organisations are now operating with hastily constructed working models that contain hidden gaps, risks, inefficiencies and threats. As a result, many are missing out on achieving the full benefits of a highly effective hybrid working model.

In this report, we answer some pressing questions for employers and hiring managers: What are the symptoms of dysfunction in hybrid working – and how can you prevent or solve these? What aspects of hybrid working can help attract and retain the best talent? And what does all this mean for traditional bricks and mortar workplaces?

To help answer these questions – and more – we surveyed thousands of employees worldwide. We also spoke with Robert Walters leaders globally, and drew upon recent research and expert views shared by other thought leaders. This report distils these insights to offer practical insights and solutions for employers and hiring managers, worldwide.

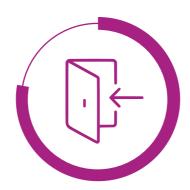


Key Statistics



40%

Two in five professionals said their employer's hybrid working arrangements could be improved.*



78%

of professionals said that the offer of hybrid working arrangements would make them more likely to join a prospective employer.*



85%

of professionals expect more flexibility to work from home in the future.*



42%

A <u>2021 Prudential Financial survey</u> in the US indicated that 42% of employees would quit if their employer didn't offer remote working options long term.



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2021 CIPD survey of 2,000 UK companies found two thirds (63%) are developing permanent hybrid working arrangements.



40%

A 2021 survey by McKinsey found many employees are in the dark about their employer's plans for post-pandemic working. Forty per cent say they have yet to hear about any vision. A further 28% say what they've heard remains vague.





^{*} Source: Robert Walters Global Survey 2020

The hybrid opportunity

Now is the time for employers to take the lessons learned in the past 18 months and make their hybrid working models sustainable. Hiring managers offering effective, supportive hybrid working could benefit in several ways:



Attracting talent:

A high proportion of professionals and knowledge workers are open to new job opportunities this year – and a large majority say the prospect of hybrid working makes them more likely to accept a job offer.



Talent retention:

By understanding employee preferences for hybrid working styles, employers can build an employer value proposition that makes people want to stay. Conversely, many employees could be a 'flight risk' if they feel confused or uncertain about their employer's planned working arrangements.



Reaching untapped talent:

Flexible hybrid working arrangements allow hiring managers to recruit from a more diverse talent pool, such as people who can't work long hours in a corporate office, or those who live out of daily commuting range.

Banking on hybrid?

If 2020 was the year when organisations experimented with hybrid working, then 2021 is the year when we see what sticks. Already, there are differences emerging between employers – even within the same industries.

In New York, Goldman Sachs is requiring almost all workers to report back to their desks but, nearby, Citigroup now offers hybrid working for most employees. Citi CEO, <u>Jane Fraser said</u> her bank recognises "that our people have benefitted from aspects of working remotely, and we intend to create additional flexibility going forward."

Meanwhile, Jamie Dimon, CEO of JPMorgan Chase, was <u>widely quoted in June</u> expressing his view that working from home "doesn't work for spontaneous idea generation, it doesn't work for culture."

Today's varying philosophies and approaches to the new world of work will have a lasting impact on workforces, workplaces and hiring strategies for years to come.



The potential benefits may be numerous, but hybrid working also presents some challenges. Left undetected or ignored, these can lead to a decline in staff morale, a deterioration in culture, lower productivity, higher staff turnover, and damage to the employer value proposition. In this section, we highlight issues that employers and hiring managers say they have encountered with hybrid working. And we suggest proven tactics to proactively eliminate, mitigate or alleviate these.

1. Hiring hurdles

Most large businesses that rely on knowledge workers were built upon traditional models where employees congregated in corporate headquarters and office blocks, 9-5 Monday to Friday. Hiring strategies focused on a relatively limited geographic radius, and selection processes required in-person interviews.

The advent of hybrid working has disrupted long-held assumptions about who, how and where organisations recruit. In a competitive market, where most CEOs expect growth, hiring managers are being challenged to test, learn and innovate at speed and scale.







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Solutions

While hybrid working disrupts some traditional recruiting practices, hiring managers can turn this to their advantage. Tactics to master hybrid hiring include:



Know your boundaries: Before your selection process begins, be very clear about what elements of that specific role can and can't be performed remotely. Make sure job specs state this clearly and explain your expectations during interviews too.



Move faster: The duration of your recruitment process can be the difference between securing or missing out on hard-to-find talent. Remote technology enables hiring managers to move quickly and cost-effectively. For example, conducting first round interviews via video is simpler and more flexible than in-person.



Maintain your employer brand: Any remote hiring stages need to maintain the same quality and standards as traditional processes. First impressions still count. For example, managers should approach video interviews the same as in-person ones (e.g. prep thoroughly, dress professionally, allocate the same amount of time, and cover the same questions).



Emphasise flexible benefits: Your employer value proposition should convey your organisation's commitment to flexible working – and this should be reinforced by leaders. Current and potential employees need to know their careers can thrive, even though they may not always be physically in the office.



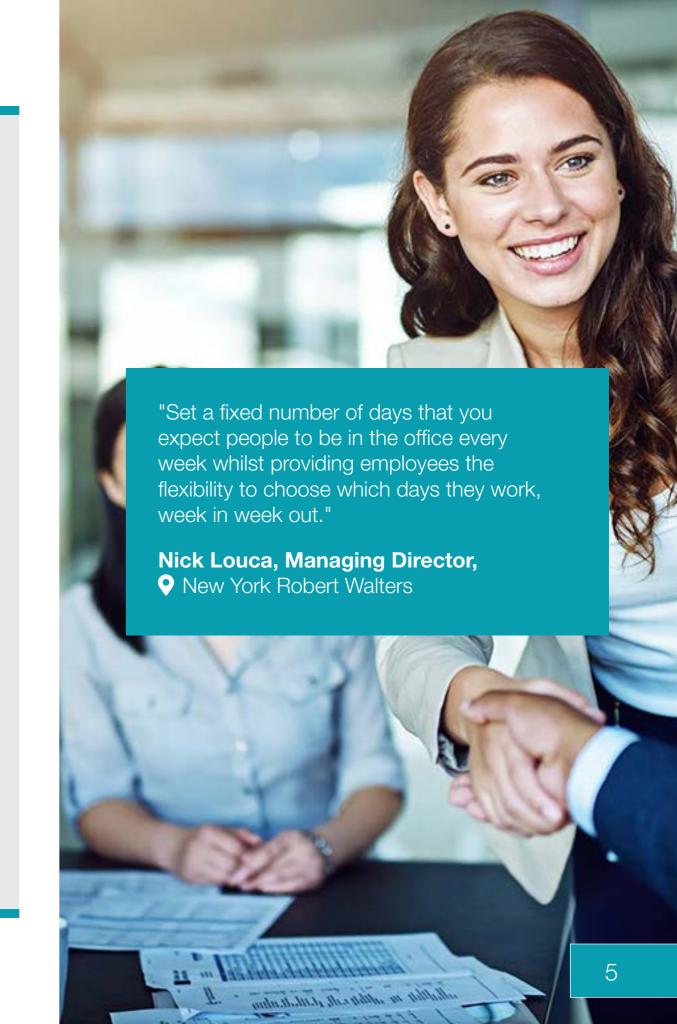
Culture matters: In-person interviews provide useful indicators of likely 'cultural fit' between an interviewee and a prospective employer, but remote tools can do this too (e.g. online behavioural and psychometric testing).



Seek remote working qualities: Every role is different but hybrid working always requires self-motivation on the part of the employee. During recruitment processes, seek examples of when candidates have worked independently, and the results they achieved while doing so.



Ask "Why hybrid?": People have different personal and professional reasons for wanting hybrid arrangements. If a candidate expresses a preference for working remotely, find out why. For example, is this due to family commitments, or because the office is not in daily commuting distance? If another employer offered them a role in their local area, would they be likely to leave your organisation?





2. Social capital

Hybrid working inevitably means that colleagues spend less time in the same place at the same time. For employers, the fear is that people may lose their sense of connection with the organisation and their colleagues. That, in turn, could damage culture as well as people's morale, making employees more likely to 'jump ship' to another employer.

Research suggests younger workers could be particularly impacted. In a <u>2021 Mainstreet Insights</u> <u>survey</u> in Australia, 75% of workers aged 18-26 (Gen Z) said the workplace is their number one source of meaning and social connection. And a <u>2021 Microsoft</u> <u>global survey</u> indicated 54% of Gen Z workers are likely to consider leaving their employer within 12 months.

work – it includes office-based working too. Your workplace should be the physical embodiment of your employer value proposition and culture. It's the ideal place for onboarding, coaching, learning, collaborating, socialising, and for those serendipitous moments that spark new ideas."

"Hybrid working is not just about remote

Shay Peters, Managing Director

New Zealand Robert Walters



£2.5bn

2017 Co-op and New Economics
Foundation report found that
loneliness among workers was costing
UK employers £2.5 billion annually.





A <u>2021 Microsoft global survey</u> showed that more than two-thirds (67%) of workers are craving more in-person time with their colleagues.





✓ Solutions

- Internal networking: Talent retention soars when employees feel they are part of an exceptional team. Employers can bolster internal relationships through mentoring programs (highly valued by Gen Y workers, in particular), showcasing success stories, knowledge sharing sessions with leaders and peers, frequent one-on-one meetings with a line manager, and scheduled social activities (all of which may be facilitated in-person, via video, or a combination of both).
- External networking: The hybrid hype sometimes overlooks the importance of face-to-face contact, especially for knowledge workers. In professional services, for example, a lot of business growth hinges upon external relationships. So, it's vital your people can work seamlessly wherever they are be it a café, a conference, or the office.
- Communicate your purpose: The pandemic has shown how people can unite around a common purpose to benefit others, not just themselves. Your organisation's purpose will connect better with current and potential employees when it is explained in the context of how it contributes to society. (This applies during hiring, onboarding and ongoing employee communications.)
- Onboard onsite: When possible, onboarding should take place on your premises. This provides an immersive experience for new recruits to orientate themselves, meet new colleagues in-person, and witness organisational culture in action. (If onsite onboarding is not possible, see this Robert Walters webinar for guidance.)
- **Equity for all:** A <u>2021 study by the Office for National Statistics</u> found UK employees working mainly from home were less likely to receive a bonus, get promoted or receive training than colleagues who spent more time in the workplace. To retain the best and brightest talent, employers must establish formal processes to ensure equal access to career development and recognition, irrespective of employee location.



In a Robert Walters global survey of professionals, a deterioration in organisation culture was the most-commonly cited negative impact of hybrid working.





3. Innovation and productivity

Last year, when Robert Walters conducted a global survey about the future of work, a disparity became clear: 85% of employees expected more flexibility to work from home in future, but 60% of employers said concerns about employee productivity would prevent their organisation from allowing more employees to work from home.

Therein lies the conundrum. To attract and retain the best talent, employers need to meet employees' expectations. At the same time, they need their workforces to be productive and innovative. Many employers are struggling to achieve the best of both worlds.

"Hybrid working varies for different jobs and different organisations. During recruitment and selection, it's important that hiring managers explain what aspects of hybrid working apply to a particular role – including any tools and technology provided.

Talented professionals are more likely to join a new employer when they're confident the organisation will enable them to be innovative and productive. For employees, this means their ideas will be heard, and they'll be equipped to get results."

Lucy Bisset, Director,

Robert Walters Manchester& Liverpool, UK



✓ Solutions

These hybrid working tactics can boost people's ability to be productive and innovative:



Upskill managers: Remember the adage, "Employees don't quit jobs, they quit managers". So, equip your managers with formal training and techniques to maintain productivity and innovation among their hybrid teams. New Robert Walters research suggests 30% of companies in Japan are already investing in such training.



Measure outputs: Organisations are typically good at measuring inputs, but many overlook the outputs. By measuring outputs, employers and employees gain a clear picture of productivity and can adjust their hybrid working arrangements accordingly. This also helps ensure high achievers are identified and rewarded – which improves talent retention.



Empower introverts: Some people feel more comfortable suggesting ideas online, rather than at in-person meetings. Apps such as Slack and Stormboard can enable brainstorming among remote workers.



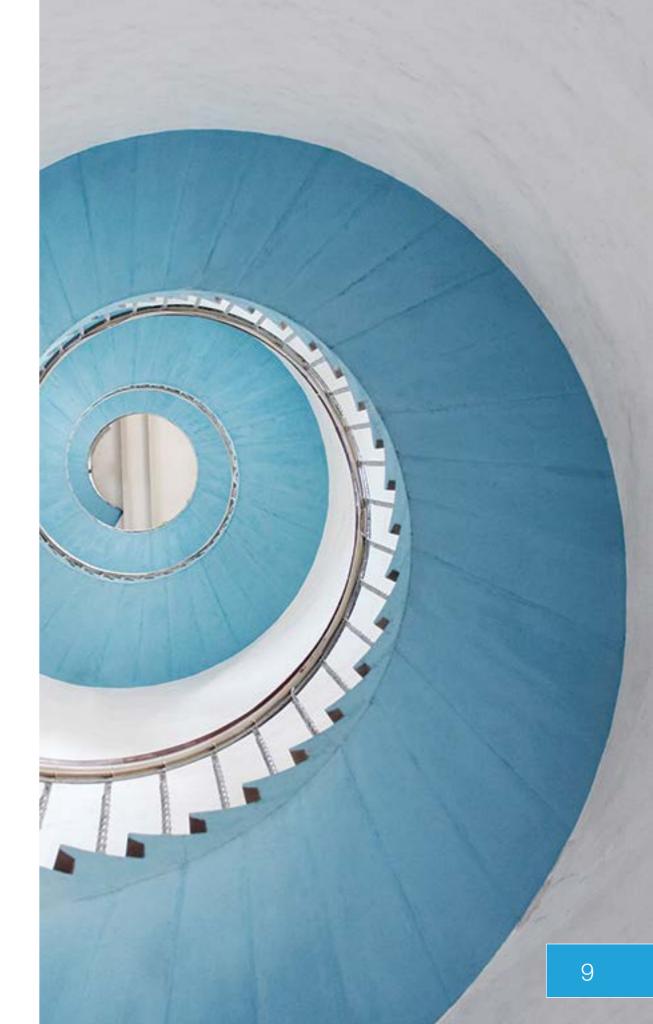
Seize the moment: Spontaneous creativity can still happen when people aren't in the same room. Working in a Google Doc allows colleagues to create together, simultaneously. And leaving video chat running while working remotely allows people to share ideas and thoughts as they come up.



Maximise in-person working: Optimise the time people spend together by creating flexible workplaces and spaces that encourage experimentation and collaboration. Consult your people during the office design, and your premises will become an asset that helps attract and retain talent.



Embrace new technology: Keep your eye on emerging tech solutions. For example, Zoom plans to launch a new <u>Smart Gallery feature</u>, using AI to allow three people in a physical conference room to appear on different cameras, giving equal time and opportunity for all participants to contribute their ideas.



4. Workforce wellbeing

When knowledge workers first switched to hybrid working en masse, many expected that more time at home (and less commuting) could only improve their mental health and wellbeing. But, for many workforces, the blurring of lines between home and work has taken its toll.

With support from <u>Harvard Business Review</u>, researchers found 55% of workers globally didn't feel that they had been able to balance their home and work life. And <u>global analysis</u> of behaviour on Microsoft 365 shows how professionals have experienced more intense working days, as well as meeting and chat overload. All of which can be a recipe for poor wellbeing and high staff turnover.



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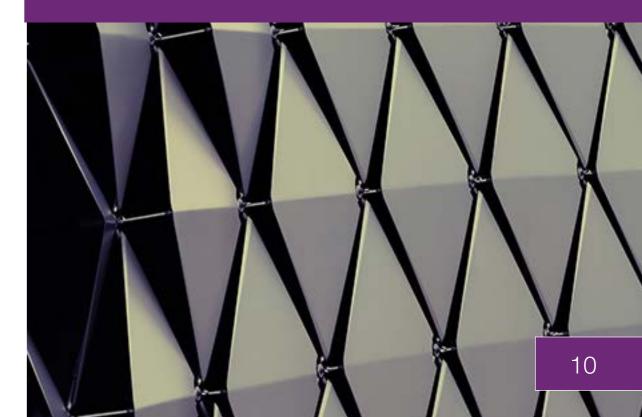
Robert Walters global survey found that the blurring of work and home life was the most common issue faced by professionals while working from home.





85%

With support from <u>Harvard Business</u> <u>Review</u>, researchers found a high majority of workers globally said their wellbeing declined in 2020.



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Solutions

The high prevalence of burn out and stress among workers suggests many employers need to do more to maintain the mental health and wellbeing of their people. Organisations that succeed will be more likely to retain their best people and have a positive message for potential new recruits. Tactics may include:

- **Training and tools:** A <u>2021 PwC global survey</u> found only 21% of workers say their employer helps them manage stress and focus on mental/emotional wellbeing. Proactive employers should share knowledge and tools with managers and staff that helps them maintain wellbeing and address any concerns early.
 - **Publicly commit:** The employer value proposition should consistently talk about the organisation's commitment to wellbeing at every stage; from job adverts and job interviews, to onboarding and regular ongoing employee communications.
- **Digital channels:** Many people feel more comfortable accessing wellbeing support online, and sometimes anonymously. Make sure staff are made of aware of any digital resources and how to access them confidentially.
- Measure and refine: It's important to measure the take-up and effectiveness of wellbeing tools and resources and continually improve them based on employee needs and feedback.
- **Rethink processes:** Hybrid working is all about flexibility so use that to its full potential. Encourage people to use the full suite of digital and in-person communication options, instead of assuming a video meeting is required and adding to everyone's 'Zoom fatigue'.
- Clarify obligations: Irrespective of geography, every employer has legal and regulatory requirements relating to the safety and wellbeing of their employees. As your organisation's wellbeing activities evolve, double check you still comply with your obligations.



54%
A 2021 Micros

A 2021 Microsoft survey indicates that more than half the global workforce feels overworked and 39% feel exhausted.





Conclusion: Flexibility goes both ways



1. Hybrid working can be a powerful asset:

With the right strategies in place, hybrid working can allow employers to hire and retain a more diverse, productive and healthy workforce. Employer value propositions that emphasise flexibility, innovation and inclusivity are likely to resonate with potential and current employees.



2. Hybrid working requires balance:

Hybrid working requires flexibility on both sides. New working methods should be tested, measured and refined on an ongoing basis. Employers can analyse data to gauge usage and outputs. And talent retention is boosted when employers seek, listen and respond to employee feedback on pilots and prototypes.



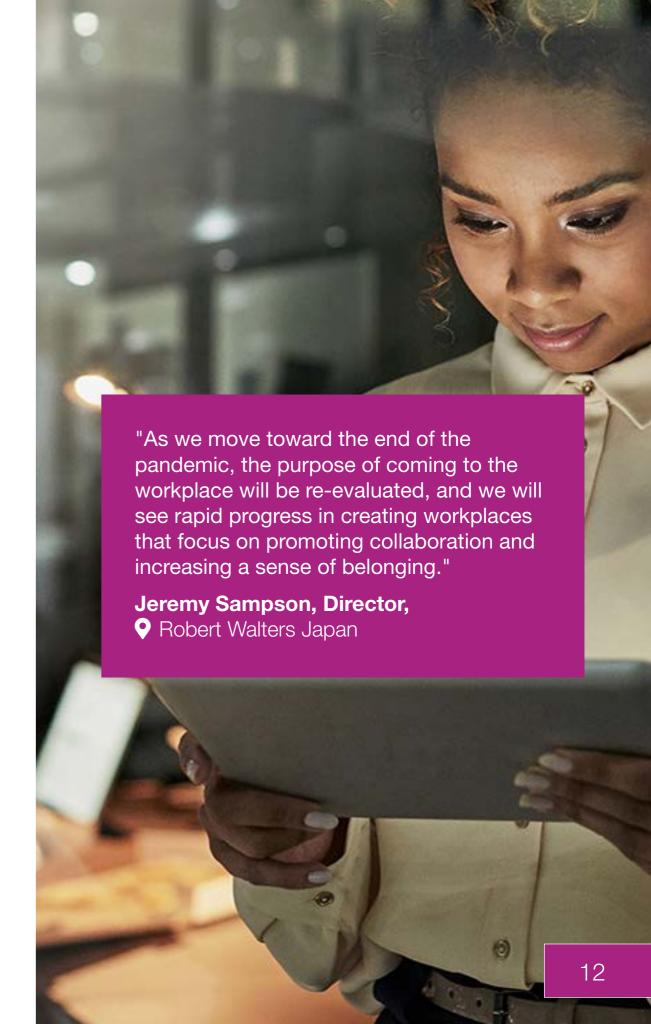
3. Hybrid working should be tailored:

When it comes to hybrid working, one size does not fit all, so flexibility must be applied here, too. Hybrid working tools and techniques will suit particular job roles and individual working styles, so systems and policies must be agile enough to adapt. Hiring managers must be clear with candidates about how hybrid working will function for specific roles.



4. Most hybrid working will still require corporate offices:

For many organisations, physical workspaces will continue to play a central role in employer value propositions. Again, flexibility will be key. Offices need keep evolving as organisations learn more about productive working styles and processes. When offices are destinations where individuals actively want to spend time, they can be an asset for hiring and retaining talent.





About Robert Walters

Robert Walters is a global, specialist professional recruitment consultancy.

Over the last 35 years the business has grown and so has our ambition. We now operate across 31 countries and employ over 3,700 people. It's a powerful success story built on the strength of our people. Organisations rely on us to find high-quality professionals for a range of specialist roles. Professionals who are looking for a new role, whether it's on a permanent, interim or contract basis, trust us to find them their ideal job.

Our core recruitment disciplines are:

- Accountancy & Finance
- Banking
- Engineering
- HR
- Legal
- Sales
- Marketing
- Secretarial & Support
- Supply Chain & Procurement
- Technology

Contact us

If you are searching for a new role or looking to hire, please email us at **info@robertwalters.com** or visit our website

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