Caution: Hybrid Environment Ahead
3-Part Workshop Series
Part I: To Return or Not to Return

Belle Walker:

Welcome and thank you for coming today.

Adrian Bray:

Thank you all for coming as Belle said.

Adrian Bray:

And what we want you to do is bring together and provoke some thoughts and discussions on this topic of "To Return or Not To Return". What is becoming clear is that for the foreseeable future, things are going to be pretty volatile, I think it's the way I'll put it. And there's a few words that we're noticing being slung around in the marketplace. And we want to have a conversation about those because the definitions and how they're being used is so dramatically different that it's just adding to the chaos.

Adrian Bray:

Belle, if you don't mind? Easiest way is let's do some surveys. If I looked at the middle market, you can see that... And this survey was done in June, around 51% said they were fully back to work. Whether that was a lumber mill, a manufacturing plant, a professional services business. And Belle, if you can. However, what was interesting was that only 28% of the office workers were back. It's a fascinating dichotomy. And 56% were saying they were going to require the workplace mask as being the way of creating an environment for people to work. And then along came another interesting survey that says, employees are quitting back in June. There's lots of hype, and depending on the day, you get lots of things.

Adrian Bray:

If we look in the Bay Area, you've all seen this information, you're used to it. I'm involved in trying to organize a conference at the end of the year and it's just a nightmare to try and work through the requirements should this event actually happen. But as we see recently, I don't know if you've been walking around the streets, but certainly there's more tourists. They still think there's no cars in the road so they step out to take a photograph and they get mowed down, but are they are all there. And there's certain rules when you go into hotels, and this was all good. And then Belle. Then we all start closing up again. You may be hearing more and more service firms are reducing, in some cases eliminating the office footprints. We've got executive orders popping up. It is quite confusing as to how well, whatever normality we want to call it, the new normal is a great phrase, but what the new normal is, I think it's still to be decided.

Adrian Bray:

And if we move on, Belle. I found this fascinating, you've probably seen these headlines of the great return, the great wait, now, the great resignation. Great headline catches, but the one in red I think really struck me was group of COOs talking about trying to assess this. And these are privately held companies, they weren't the Fortune 50 or 500, specifically. And this was a serious issue for them, it's can we afford the luxury because of just the challenges for the foreseeable future. And the bigger frustration was that obviously information is changing daily.

Adrian Bray:

If you remember way back in March last year, we all scrambled and made working from home if we didn't work. It was kind of bolt together sellotape, string, let's give it a go. What is interesting now is depending on your leaning and depending if you want to find various stats, you can get stats to support every argument. You can get stats to support going full back to work in the way it was, you can get stats to do fully virtual, and then this word called *hybrid*. And then this new phrases that work anywhere, serve anywhere. And what is interesting was, if we look against the world is that specifically the U.S. has been identified as a country that's working an extra three hours.

Adrian Bray:

That's fascinating stat now, that one assumes that three hours is one hour and a half, perhaps the commute is has a lot to do with those extra commute hours, but that's been kind of fascinating. These are all just leading into the meat and potatoes. Just bear with me as I continue to go for the appetizer. And the starter, so interested in the Ford, Citigroup, Google, et cetera, are offering greater future flexibility yet they're competitors, shall we say in some ways... Ah, Belle. Specifically, I'd say let's get back to the office. JPMorgan and Chase is saying that virtual doesn't work for those that want to climb up the slippery pole and hustle and go through that. Yet, you look at the PwC survey of their seniors, only 13% were prepared to let the office go for good. Obviously those are larger companies, but only one in five wants to go back to pre-pandemic routines. There is again, some contrasting and conflicting information about what will the new norm be.

Adrian Bray:

And there is this concern, this is an interesting one from the Bloomberg did a thousand people was that 39% said they would consider quitting. And but specifically Gen Z, they're saying, let's say with nearly 50%. But Microsoft survey said 40% flat. Yeah, we've got a lot of errors in these services, this all I can say. But what I found more interesting was the reasons why the commute being a big one. I can only assume this was surveyed in the Bay Area in New York and a few of the metropolitan areas.

Adrian Bray:

Cost savings. And now there's the argument that if I provide my own office equipment, shouldn't I get paid more? There's kind of an interesting set of debates that are starting to happen. What is interesting though, is that now as we've got used to this well, that only a third were concerned about safety or COVID exposures. I also found interest in that only 15% were looking at childcare responsibilities because the safety of their kids. I can only assume the demographic was quite broad.

Adrian Bray:

Okay, Belle. Now, what? What is interesting is that small business are more comfortable because they've had to adapt with a hybrid. If you speak to any of the real estate people, they're all talking about how the office is going to evolve. They use a different word of hybrid. Less experienced employees value office time. And Jennifer, I know you worked for CPA organization. I've been speaking with a number of CPAs and they're saying that for some it has been a challenge being able to mentor and support the upcoming people. And at the same time, they're still arguing that productivity has generally been increased.

Adrian Bray:

Now for me, the issue appears a little bit like a fight for of control. We'll see how that goes. But there are some serious challenges in how you build and manage culture. You have to think of it differently than traditionally. And what I also found fascinating was that more non-U.S. companies were comfortable with hybrid. With all of this, one of the biggest reasons for getting everyone back in the

office as we were all in nice, neat rows of desks, sat, you're churning your paper out and getting gum where it's really about managing culture. And on the PwC side and study, the way they viewed it was specifically that 29% were saying that three days a week they felt they needed to manage culture, but you can see there's no consensus. It's the great push to be back in the office.

Adrian Bray:

One of the management control, these guys has managing the culture. What is really driving or is it the ability to develop and learn different ways to support and manage the organization? We'll just have to see how it goes through. And where I spend most of my time, which is in the M&A side, it's a serious discussion. What's popping up is, what's being asked specifically is how they manage the people? Have they gone beyond the sellotape and sticky tape? Have they managed to do a structural change and Belton taught more and more about that. How has the culture been managed? There's a serious discussions, what has been the appetite of returning? And specifically, they're all reading the headlines as well when they're looking that remote versus the people leaving, was there the employee burnout on site safety, and you can read the rest.

Adrian Bray:

The main element for them is how have you demonstrated as a management team to be able to adapt to moving forward? Because whether you want to call it the new normal, it's going to take some time before we all feel comfortable, sit in the old office space. And there is some other challenges, of course. We already had issues where some people worked remote, some people worked in the offices, most remote people at times felt at times alienated of distance. And then everyone was on the same place and now, what's going to happen?

Adrian Bray:

Belle, with that, so really what's the answer? I got the easy job. I just had all the questions and what's this hybrid, anyway? With that I'll hand the baton over to you.

Belle Walker:

Thank you, Adrian. And so with that it served the context, the background for our conversation. We did call the session "To Return or Not to Return". And so now we're going to dive a little more specifically into pros, cons considerations of each of those options. Starting with to *not return*, when you talk about staying fully remote, Adrian really laid out a lot of those concerns were around core culture for all sorts of different businesses.

Belle Walker:

And fully remote does have pros when it comes to maintaining culture, especially as this pandemic has extended out over time. We've pretty much all had some practice with this operating model now. And coming back to that three extra hours that Americans are working. In June, we've still had many organizations reporting increased productivity. The other thing that I hear a lot is the expanded geographic options for finding and hiring top talent even to the extent that yesterday I was speaking to a manager and a mid-market client who was talking about the concern, the other way that if you don't have a remote situation that you don't have that expanded geographic option, right? That's a major consideration.

Belle Walker:

On the other hand, in that quote Adrian shared, can we afford the luxury of returning to the office? There is something around having it a safe and effective space to work, right? You assume a certain degree of privilege in your workforce. And so, even though you may have a geographically dispersed

talent pool, you do end up with other limits, potentially socioeconomic for finding and hiring talent, which can play conversely into DEI considerations and other elements. There is an assumption that this fully remote world is a great equalizer, that it can really level the playing field in under certain conditions, that's correct, but it is not as black and white.

Belle Walker:

And so what are the most commonly discussed challenges when we talk about the purely remote option, connections and team building? And I played a game where I went to Google image search and searched for team building, and every single image that popped up showed people in physical proximity. There were no images tagged as team building that showed a screen with a bunch of faces on it. Is it true that you can only build culture, that you can only mentor, that you can only have this support and this connection if you're face to face? I mean, I would say definitely not, but it does take a conscious effort. Taking the time to pause and ask yourself if we stay remote, what are we doing to maintain connections? How is work bounded, right? That extra three hours, depending on your perspective can seem like a good thing, all that extra time from your employees, but are you borrowing, right?

Belle Walker:

Do those three hours contribute to burnout and losing your employees faster? Is it three hours you get today that you don't know where you get zero tomorrow, something to think about. And so for this section, and we'll make these slides available afterwards, we do have resources to Adrian's point that you can find data to support any approach. And so there's a great Harvard Business Review article recently on bonding remotely and specifically around creating strong mentoring environments. It's been working for companies that historically had intensely face-to-face mentoring programs, but you do have to put in the energy.

Belle Walker:

Swinging all the way the other direction, we could all go back to the office, everybody in the same space all of the time. And the biggest pros there is that to the water-cooler serendipity. It's the being in the same place, being able to just see someone because proximity bias is a powerful tool and it can work in our favor, right? Knowing that someone is there handy, convenient, and those physical bounds between work and home commuting might be painful and especially once it gets over a certain distance of length of time, it certainly becomes a drain on energy. But having some separation has been shown to have some pretty significant psychological benefits.

Belle Walker:

Of course, the cons, we already touched on this a little bit. This is a case where you do get a little bit of... We flip the paradigm, we get the opposite con so you do end up with significantly restricted talent pools because of your physical location. But something that's coming up more often is remote work being seen as a benefit. And so if you are insisting on purely a hundred percent in-person all of the time, you're going to have to answer questions about why there is no flexibility now in the modern workplace. Of course, we did talk about safety and even though safety is becoming less of a cited concern in the surveys, I would argue that, that's in part because norms are evolving. There's a certain degree of expectation around what the physical workplace will be. At a minimum, there are regulatory changes that need to be considered.

Belle Walker:

What are our commonly discussed challenges? Well, commute costs and I'm not just talking about money, I'm talking about the hours, emotional, et cetera, and micromanagement. Remember that part where Adrian said, "There's a control balance that comes into play routinely when I hear conversations

happening around full return, full co-location." I have noticed a strong correlation between leaders who say, "I want everyone back face-to-face," and leaders who say, "Because I want to be able to walk around, see their screen, tell them exactly what I want them to be doing and exerting a degree of command and control that feels comfortable for those leaders, but may not actually be comfortable for the teams." And so making sure that you take a step back and consider why are you thinking about full return is I think, fundamental to this potential path, and then making sure that you're staying competitive as an employer without remote work as part of your benefits.

Belle Walker:

If you have a clear answer for why you need to limit your talent pool? Why you need everyone in the same place? My experience has been that employees are on board with being in the office, but they want to understand the business connection. They don't simply want to be told because I said so, but I did promise resources for every approach. I think this one has the most challenges given where we are. I don't think there's much argument around, but it still could be not only necessary for certain businesses, but truly beneficial for employees. I mentioned that step physical separation, having mental health balance, and the reality is that physical proximity can boost empathy. Strong extroverts like me are perfectly happy to reach out and connect with other folks on Zoom and that works. But for people like my husband, who is ragingly introverted, he actually hates remote work because it takes even more effort for him to connect with his team than just the physical presence. There can be real benefits for extroverts and introverts in some of these full return scenarios.

Belle Walker:

But hybrid, so Adrian mentioned that there can be all sorts of different definitions. The definition that I'm talking about now is a combination of people in the same space and people remote, and even leaving the definition there, there's a world of possibilities. I'm including both scenarios where everyone is relatively local and in the office for certain amounts of time, and scenarios where you have core folks who are in an office together, and some people who are permanently remote, but they're part of the same team.

Belle Walker:

Pros of the hybrid, this is from the Microsoft survey that Adrian mentioned where 73% of employees in a respondent pool said they wanted flexible remote work to remain an option. And the same pool of respondents said that they wanted 67% wanted more and more in-person work. At a minimum, we've got 17% who want both of these things to stay true. The only way you achieve that is by offering some of these hybrid options and allowing people to be in the office or to be working remotely.

Belle Walker:

Now, the structure's piece comes into play when we talk about the cons, because I think it's very easy to think about the challenges associated with a co-location hybrid remote as being on the spectrum, where co-location is the easiest, and remote is the hardest, and hybrid is somewhere in the middle. Unfortunately, it doesn't generally work that way. Often, if you've got everybody truly co-located, there are elements that become easier than fully remote, but hybrid gets you some of the pros of each of the above and some of the challenges, particularly when it comes to communication and collaboration. The good news is the same practices and policies that work for a fully remote team will almost always work for a hybrid team. But when everyone is fully remote, you don't have a choice. You have to write things down, you have to reach out, you can't just look to the side and see your colleague there, tell them what's on your mind and forget to email it out to three other people. There is no forward option. If you forget someone when you are in-person versus if you forgot them on that email chain.

Belle Walker:

And so this means that people are lazy which I often think is a good thing. I love leaning into the lazy as a way to make sure that your policies will be followed, but in a situation where you're hybrid, you end up with a lot of this drop by communication that can leave out the people who aren't physically present. And that's a challenge, whether they are permanently not physically present or just not present that day. I am not every role is conducive to remote work. And so, again, this is one of those scenarios where you can have the conversation with your employees, but as a leader, you need to be thinking about why are certain roles remote some of the time and certain roles not given that option.

Belle Walker:

Circling back one more time to what does hybrid even mean? Well, this is where we get into some of the variations. Mentoring can be a challenge when you've got folks sometimes in the office, sometimes not in the office and no formal structures, right? It can be easier to mentor somebody who happens to be physically close to you, but it can also happen much more informally in that scenario. Making sure that you build in the structures becomes more crucial. Out of sight, out of mind, all of these are really the variations that we've been speaking to throughout this conversation.

Belle Walker:

For partial return, our key questions, making sure that if you want to have a hybrid environment, you're thinking about what does hybrid mean to you and how are you going to configure your environment so that it really furthers your mission. This is hopefully sounding a little bit redundant because whichever of these paths you choose being very clear about why returning, not returning, kind of returning is what makes sense for your business, your team, your organization is going to dramatically smooth the logistics and the buy-in. The resource I have for our hybrid folks is a great article that has four basic frameworks for how you can configure teams. This particular article is for teams where most everyone is geographically centralized, and you're just talking about having people in the office, sometimes at home, sometimes on a weekly cadence or weekly to monthly basis.

Belle Walker:

But the article starts with a bunch of really great questions around what are you trying to accomplish with the system that you're developing. And so I'm going to recap this section and just say whichever of these pads you're leaning towards, I recommend first taking a step back and really thinking about your business goals and your organization goals and exploring how each of these options can best support those goals directly. And we did promise lots of conversation and breakout rooms. We're about to switch over to that section and the way we wanted to structure these is use onboarding as our lens for thinking through some of these situations.

Belle Walker:

I'm going to introduce the breakout room session. Then I'm going to stop the recording and we'll have some time for Q and A before we actually jump you into the breakout rooms. And I will put this in the chat so you have it for reference, but the frame here is to imagine you're a new hire at your organization. What is your experience and how might it be improved? And this is a way to reflect on where your organization is today. And coming back to those basic goals, what are you trying accomplish before you start moving into the solutioning? Let me go ahead and stop our recording.

Belle Walker:

Coming back from the breakout rooms, I'm hoping we can capture some of the insights from these discussions, whether they are on the personal side or on the professional side. Let's see what else we can bring into the conversation.

Adrian Bray:

True. You can find diverse business.

Speaker 3:

Yeah. I do. I was telling Lori and Kim about that, about I run three different types of companies. I run a tactical and staffing and an in-home senior care company. And those are very, very diverse personalities and educational levels and social levels and so forth. But the IT side is, I go back to what Belle said that her husband is an introvert. Some of my engineers they're kind of introverts and they liked the remote part, but what they also like is when I say, "Okay, expense your lunches and we're going to have a Zoom meeting lunch," and we do that every Friday. Those are the things that we do with the engineers, and it's easy for me to manage those people because it's all based on service tickets and things of those nature.

Speaker 3:

Will then do they work though those extra three hours? I think so, I think so. The staffing company is, well then we're all over the United States. That company is pretty much built for remote users. The senior care, that's everything has to be in front of people because we are taking care of senior adults and so forth. All of the pandemic vaccinations and everything, those all have to be part of our offerings, but to come back to the offices, we're finding that, that's really not a big issue. What was any of my three companies, a big issue.

Speaker 4:

I think one of the terms that came out of our breakout session was that the pandemic has been very dehumanizing, right? That we have this artificial barrier put between our social and our human interactions and I think that's really the core of what we're talking about and how it affects culture and business, et cetera. What are the ways in which organizations and leadership teams can become innovative and creative in coming up with new ways in which to re-engage a staff, the organization at all levels to make it more human?

Belle Walker:

I think making sure that, that humanity is front and center. I will say for me, I have not found it dehumanizing, and I know that but to some people definitely have had that experience. And I want to make sure we have a few minutes to hear from the other breakout room, too. Jennifer, I saw you come off mute when we were asking you about feedback.

Jennifer:

Well, one of the things that we talked about from the new hire experience was mentorship. And one idea was to assign a mentor to every new hire so that they have that person that they can ping on a regular basis with questions about the place of employment and how to get things done. And one of the other things we discussed was around the forming a cross functional, like Kim was mentioning, cross-functional culture committee. And people from all levels of the organization, all different departments, or all different functionalities represented that can be that voice for everyone so that employees feel heard.

Adrian Bray:

Picking up on that, Jennifer. Most people talk about how do you manage culture? And I think if you reach out, one of the things you can actually ask is how do we support each other in this culture? Creates a very, very different conversation, as opposed to the word manage still has a little bit of

commanding control and you just get very different responses. I found when you asked that question, especially now we're going to continue to remote.

Belle Walker:

And I also loved the idea of assigning one-to-one mentors to new hires, both because it provides a resource for the new employee, but you can also then very easily ask the mentor to check in on a specific cadence, right? You talk about those serendipitous moments. It doesn't have to be serendipitous from everyone's perspective. A mentor reaching out and just saying, "Hey, what's on your mind today?" can open the flood gates of "I wasn't quite stressed out enough to actually reach out to you, but if you're asking, here's the 15 questions that popped up this morning."

Speaker 6:

We even just to get that connection, right? I had a 45-minute conversation today with one of my peers in an introduction meeting. And we talked about random family things. That's just so nice to be able to get to know people and understand and empathize. And I just think that I like talking about myself because I want people to understand what I'm going through and I want other people to feel like they can tell me about those things too, so that we can help each other as needed. I think that sort of serendipitous, or even like you said, sort of managed is actually really good.

Belle Walker:

Awesome. And I didn't put the slides into the chat so you can download them now. You can also make them available later. And Cathy, would you like to round us out?

Cathy:

Sure. I was speaking with someone this morning and they said that one of the ways that they're managing their remote workforce is to have what he calls think small meetings. And I really liked the premise of those things, small. They gave what Michelle just said, and also picking her brain around, being a new hire in her position now, that it's a way for his, as a mid-level manager to meet with his employees once a week. And this schedule is set for one hour. People can talk about whatever they'd like to talk about, business, personal, have fun. And oftentimes those sessions go even into two hours because they're so ripe with conversation and really bringing understanding, empathy and really that connection that people are so missing. I loved that idea of think small instead of managing big companies.

Belle Walker:

And that's exactly what I think we were hoping to get out of these discussions in this session. I want to be respectful of everyone's time. We are coming up on the top of the hour. I thank you all for being here for myself. I will say, whether you return don't return or split the difference, as long as you're starting with why, what you're trying to accomplish for your business and your teams, that is going to get you at least started on a useful path. And Adrian, would you like to close this out?

Adrian Bray:

And just to add on to that, my thank you. And just remember it's volatile. It's not you, it's just this stage of the pandemic recovery. The more you can encourage and support your peers and your teams. Just letting them know there's no perfect answer, and there's not going to be one set one, one done solution. There's just like the playoffs. It's going to take a number of go arounds so to we actually can declare victory. With that, thank you very much.