



Go Hybrid or Say 'Bye-brid'

Redefining the future of work by prioritizing people and embracing innovation



“What is internet?”

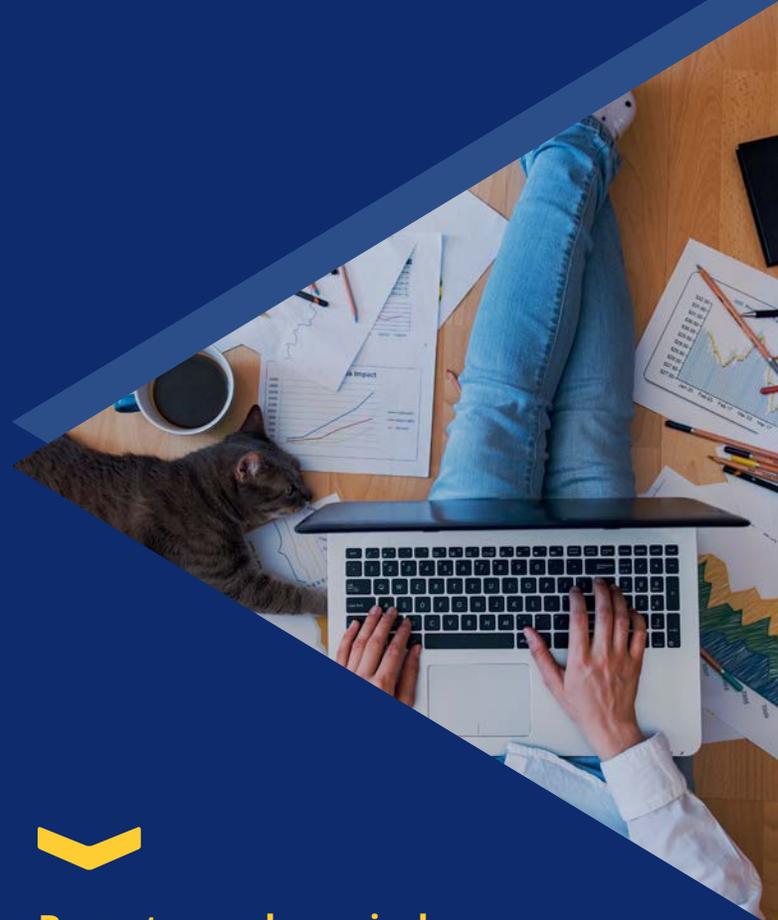
Ever since former “Today Show” anchor Katie Couric asked this question live on-air, it’s been clear that the technology innovation has far outpaced its adoption. Especially when it comes to how and where Americans work. In 1994, when a confused Couric asked those now-iconic three words, a mere three Fortune 500 employers (American Express, AT&T, and IBM—just in case you get asked during trivia night) allowed employees to work from home.

In 1995, remote-work advocates and advertisers coined the phrase, “Work is something you do, not somewhere you go.” And the rest, as they say, is history.

Or so you might think.

The expansion of remote work made a slow creep throughout the 1990s, propelled somewhat by Google’s launch in 1997. And while the technology to support remote work flourished well into the start of the 21st century—with innovations like video chat, cloud storage, task automation, and employee collaboration software like Skype and Slack—by the year 2000, just 1.9% of U.S. employees worked from home full-time.

Some 20 years later, anyone can instantly communicate and collaborate with anyone else anywhere in the world—all they need is an internet connection and a cellphone made sometime in the last decade.



Remote work rewind: Tech innovation compared to U.S. remote-work*

Skype founded in 2003

Remote workers:

19%

Facetime released in 2010

Remote workers:

23.6%

Zoom founded in 2011

Remote workers:

21.3%

Google Meet and Microsoft Teams launched in 2017

Remote workers:

25%

**Combines part-time and full-time remote work
Source: Bureau of Labor Statistics*



Adversity is the Mother of Innovation

For all that innovation, only about a third of U.S. employees worked from home part-time and just 6% of employees worked remotely full-time by the end of 2019. And then a disease ended up being the biggest disruptor of all. (A virus actually *helping* to drive technology adoption—the irony.) When COVID-19 was declared a global pandemic in March 2020, remote work exploded out of safety and necessity, and technologies allowed many organizations to keep the lights on—and save lives.

In a blink of an eye, every organization needed to figure out how to work virtually and implement safety protocols for the remaining in-person obligations. From elite universities to elementary schools, from grassroots nonprofits to Fortune 500 companies, every employer had to pivot their people and adapt their operations.

While some organizations were unable to survive the impact of COVID-19, others found success, innovating their products and services to reflect the new normal and facilitating remote work options as feasibly as much as possible.



In just 30 days, the U.S. remote work rate rose from

31% to 70%

in April 2020.

Source: SHRM





The New New Normal

Although today's vaccines and safety protocols make it safer to work in-person, workforce surveys show that employees don't want to return to working in-office, at least not in the way they did pre-pandemic. After two years of social distancing, and experiencing work (and life) from both sides of the cubicle wall:

76% of respondents said that they would be more loyal to their employers if they had flexible work options.

54% of employees who work remotely at least some of the time say they would ideally like to split their time between working at home and in the office.

31% say that losing the option of working from home would make them extremely likely to look for a new job.

They are not bluffing. The current worker resignation rate continues to break records—to the point it now has its own movement. The Great Resignation is arguably wreaking more havoc for HR teams than the pandemic that preceded it, with employees—due to burnout, boredom, or both—leaving their jobs en masse in search of greener pastures. Starting in April 2021 and continuing to present day, a skyscraping number of people are quitting their jobs, including 38 million in 2021 alone.



**Voluntary turnover
in 2021 was
31%**
while **involuntary
turnover was only 20%.**

Source: Recruiting Daily

Employers, unaccustomed though they may be to having employees in the driver's seat from a recruiting and retention standpoint, have been forced to the fork in the road where they have to choose what matters more: What people do, or where they do it?

In other words, go hybrid or say “bye-briid.”

“This is an unbelievable opportunity to remake culture. It's rare in a leader's lifetime to have such a clean drop for reshaping how you run the place.”

*–Bill Schaninger, Senior Partner,
McKinsey & Company*



What Employees Want

It isn't just employers that are facing this crossroads. The pandemic forced all of us to take stock of what matters most, and employees are deeply reassessing their relationships with their job.

So, in a sense, it's no surprise people are rejecting the nine-to-five schedule. The 40-hour workweek was created a century ago when most jobs and gender roles sent men to work in factories or offices while women handled household and child care duties. In today's more progressive, expensive, and connected world, the typical work schedule—and setting—just doesn't make sense.

The pandemic and the widespread adoption of flexible work models have given employees the space and clarity to consider:

Am I being paid what I'm worth?

Does my job provide the ideal work-life balance for me and my family?

Does my current employer's culture align with my personal values?

What is my optimal career path, and can I follow it in my current role?

Painful as it may be for HR leaders and executive teams to face, the Great Resignation is proof that for many employees, the answer to these questions is “no.”

Organizations that provide truly competitive wages, build empathy within their leadership teams, and assist employees in reaching their professional, health, and financial goals are experiencing the other spectrum of the Great Resignation—retaining engaged employees and recruiting new talent at an uninterrupted pace. In addition to flexible work, these “new, new normal” employers are meeting employees' needs in three key areas:

- ▶ **Stability**
- ▶ **Culture**
- ▶ **Benefits**





Stability

Whether due to technology, legislation, or a global pandemic, business is always evolving. Even as employees reimagine a post-COVID-19 working world, they understandably have lingering reminders of how rapidly life can change. The most attractive organizations are adaptable enough to succeed through unexpected obstacles, while providing a stable culture, compensation, and security.

And while nothing projects visual stability like a physical building, eliminating or downsizing physical office locations saves real estate costs and allows employers to reinvest in areas that prioritize people.

In an increasingly hybrid working environment, that can mean funneling resources to help employees build skills that will help them succeed now and in the future.

Automation technologies are mastering new tasks each day, creating opportunities for workers to do fewer repetitive duties and take on greater responsibilities where they can show their expertise. Helping employees gain new knowledge, especially in-demand soft skills, prepares them and business for an uncertain future. Investing in upskilling and cross training keep employees engaged and make them feel valued while providing the security needed to weather the unknown.¹

Speaking of security, from detection and crisis management to lost business and reputation damage, a security breach can—and do—cost employers millions.² Attackers rely on a single moment of human error to pounce on privileged information.

With remote workers logging in from individual networks across multiple devices, cybersecurity is more crucial than ever before. As employers look to upskilling and retraining, they may want to pay special attention to supporting their IT teams with security training. Statistics show that a successful online hack occurs every 39 seconds, and human error—including insecure usernames and passwords—account for about 90% of the blame for breaches. This can hardly be surprising, given that the most common passwords in the world are 123456, qwerty, and—you guessed it—password.

As they more permanently transition their workforce to hybrid work and the technology that supports it, employers can redirect resources from maintaining a physical footprint toward enhanced data protection methods. Biometrics, fingerprints, and facial mapping/recognition all are starting to become more common in replacing passwords for data security now that they are widely available on smartphones and newer laptops. Implementing such methods, then educating and training employees to make them effective, can signal stability to employees.

Additionally, the biggest consideration for any employer is keeping employees safe and secure. From a security standpoint, this may involve reconfiguring accessibility to be contactless, removing camera-based image recognition, and/or adding additional modalities of identity verification so authorized employees don't need to scan a hand/thumbprint or remove their mask to access protected data.



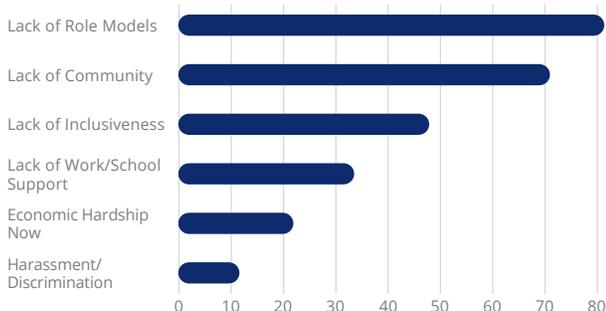
Culture

Organizational culture is more than a mission statement and annual motto. It's a set of guiding principles that influence every aspect of work. How leaders approach obstacles, how teams stay in touch, and how failure is addressed all play a part.

Employers that put their money where their mouth is, backing up their promises with real action are on the right path to cultivate a strong culture. Empathetic leadership, combined with effective communication for organizational values, helps connect employees to a larger mission and fosters a greater sense of belonging.

The asynchronous nature of hybrid working is an obvious attraction, allowing employees to do their best work at the best time, in the best location for them. However, it can be challenging to build and maintain a cohesive culture among physically and demographically disconnected employees.

Among recently surveyed queer professionals, 81% regard the lack of role models as being a major obstacle for their careers, and 71% think that lack of community contributes to the same phenomenon.



Source: Stanford

The silver lining, though, is that the hybrid work model is a big win for organizations building community through employee differences by pursuing diversity, equity, and inclusion (DEI) initiatives. By weaving DEI principles into the recruiting process, candidates no longer need to relocate to more diverse (which usually are also more competitive and more expensive) cities to find fulfilling jobs at quality companies. Once on the team, underrepresented workers report facing fewer occurrences of microaggressions in hybrid work environments; additionally, queer, trans, and employees of color spend less energy stressing over dress codes and covering to fit in.³



Hybrid work also helps create a more solid culture of belonging for working parents (particularly women) and caregivers. To shoulder the drastic increase in child care and homeschooling duties in the last two years, more than 2 million women left the workforce. This involuntary exodus resulted in a progressive set back of over three decades.⁴ More than a simple employment statistic, women lost the momentum of moving up the ladder of leadership. However, hybrid and remote working are helping to break down the barriers to bringing women back to the workforce, but also regaining high-performing and high-earning positions.

Meanwhile, parents continue waiting for vaccine options for their youngest children and facing uncertainty daily as child care facilities and schools adjust schedules home due to COVID-19 exposure or rising infection rates; the flexibility that's inherent to the hybrid environment can translate to a recruiting boon for employers.

Furthermore, many employees are the primary caregiver for at least one aging relative. Unpaid, they may perform a range of activities, like companionship, housework, or physical care.⁵

The ability to work from home as much or as little as needed, is a major benefit for employees who are caregivers outside the office. Being able to spend time with colleagues in-person, whether in a coworking space or after-hours event, can provide these employees with the connection needed to feel refreshed and appreciated.

Whether to be available for family, waste less time behind the wheel, or save hard-earned money, **more than half of employees are willing to exit their current positions for organizations that offer increased flexibility.**⁶



23%

**of adults ages 45 - 64
care for an aging adult.**

Source: Pew Research Center

"If people are going to spend so much time at a company, they really want to believe that the mission and behavior of the company is consistent with, and aligned with, their values."

*-Ken Chenault, former chief executive,
American Express*





Benefits

Medical debt is the leading cause of bankruptcy in America.⁷ With 4 million people in the U.S. hospitalized due to COVID-19, it's an understatement to say employees are facing huge medical bills.⁸



As a result of the pandemic,
44%
of workers purchased at least one new benefit. Topping the list: life insurance, critical illness, and mental health resources.

Source: Aflac

In 2022, employees are still incurring costs related to COVID-19. While the vaccine is free, finding and taking tests are not. Long-term complications, leaving some unable to return to the workforce, have left many blindsided.

As such, supplementary benefits like short-term disability, critical illness, and life insurance are an answered prayer to many families. Voluntary benefits are a low-cost way for employers to provide their people with a robust benefits offering, a much-needed buffer for unexpected expenses. By choosing from a variety of insurances, spending accounts, and other financial and health programs, employees can create a personal combination that protects their family's future and fits within their budget.

For the average American worker, daily life has never been more demanding. Organizations that come to the table with benefits that demonstrate empathy and implement real practices that support people working in-person or remotely will reap the rewards in decreased turnover and increased engagement.

For example, commuting is harmful to workers' health. The longer the commute, the more aggressive the consequences. Over time, a round trip of 90 minutes can result in severe obesity, high cholesterol, chronic neck and back pain, and other expensive health conditions.⁹

While remote and hybrid work decrease the demand on driving, it also allows employees to better fit exercise into their day-to-day. People who are healthier overall save money as they age.



In 2020, New York employees gained back
15.2%
of their time by not commuting. Nationally, the time gained back was 10.4% per week.

Source: Alliance Virtual

Whether commuters took public transport or a private car, working from home in 2020 cut costs across the board. From vehicle maintenance and gas to city fares, takeout lunch, child care, and ridesharing, commuting costs add up. The #wfhlife is an economically smart decision. And for employees who are earth-conscious, it's comforting to know that CO2 emissions dropped drastically with the decrease in commuting.

And while caring for Mother Earth surely will pay future dividends, employers that expand benefits to help employees tend to "self-care"—supporting mental health and work-life balance—will see more immediate returns for business and employee output. Employer-sponsored health programs are a great way many employers are supporting employee's overall wellbeing.

March 2022 marks two years that COVID-19 has complicated life and business, leaving few employees not affected personally or tangentially by burnout. To prevent burnout and build resilience, employers can support employees on their mental health journey. Boundaries on digital consumption are integral to strong mental health. By encouraging workers to step away from their screens and practice being mindfully present, employers can mitigate burnout and its disastrous effects.¹⁰



Top three behaviors that are signs of employee burnout.



An emotionally charged first reaction is typical of employees who are empathetic and team-oriented but lack the skills to control their emotions and set boundaries.



Forging ahead regardless of the risk drives innovation, but can also get these employees in over their heads due to poor work-life balance and low stress management skills.



A strong need to control as the default reaction to stress can lead to high levels of frustration and sleep issues when the change or cause of stress is not within one's control.

Source: New Life Solution Inc.



In short: People are the top priority

A post-COVID world slowly emerges, employees have stated clearly that they aren't willing to go back to what life looked like before. Today's employees have reimagined the workplace, and employers that want to be successful in the new new normal have to embrace and align with that new vision.

At the end of the day, successful employers will be the ones that understand that higher productivity—and by extension, meeting and exceeding business goals—is the inevitable outcome of embracing innovation and prioritizing people.

“As employees return to the office, implementing flexibility—and cultivating the trust it requires—can be a catalyst for new ways of working and can redefine how the office can help people thrive. Although it will look different for everyone, hybrid work is, perhaps, the biggest opportunity organizations have to reinvent their culture.”

*—Gale Moutrey
Global Vice President, Steelcase*

¹ https://hrexecutive.com/these-chros-say-its-time-to-re-recruit-your-employees/?eml=20211111&oly_enc_id=5356C7987323151

² <https://blog.businessolver.com/save-a-million-dollars-make-every-employee-a-cybersecurity-officer>

³ <https://everfi.com/blog/workplace-training/employee-covering-undermining-diversity-office/>

⁴ <https://time.com/6051955/work-after-covid-19/>

⁵ <https://www.pewresearch.org/fact-tank/2015/11/18/5-facts-about-family-caregivers/>

⁶ <https://hbr.org/2021/09/12-questions-about-hybrid-work-answered>

⁷ <https://www.thebalance.com/medical-bankruptcy-statistics-4154729>

⁸ <https://covid.cdc.gov/covid-data-tracker/#new-hospital-admissions>

⁹ <https://news.gallup.com/poll/142142/wellbeing-lower-among-workers-long-commutes.aspx>

¹⁰ <https://info.businessolver.com/en-us/hr-burnout>





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