

The How-To of Hybrid Work

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The How-To of Hybrid Work

How can we preserve the benefits of remote or hybrid work as offices reopen without unintentionally institutionalizing the downsides of virtual models? That is the question facing many employers today.

Over the past 12 months, many organizations have found unexpected benefits in remote and hybrid work—more digitally enabled operating models, redesigned footprints to support innovation, enhanced means of collaboration—and they are eager to optimize these advantages. These employers recognize they are in a position to build a foundation for near- and longer-term change in the ways that work gets done. Employees too are interested in ongoing flexibility in where they work, when they work, or both. These aspirations will redefine ways of working.

But it's not as simple as just extending current remote work options postpandemic. In the forced transition to remote work, many leaders and organizations had to quickly adjust. While some leaders and companies figured out new ways to build the human connection remotely and to preserve creativity, many organizations struggled in this regard. Within months of the initial shift to remote working, employees who had high levels of social connectedness felt that they had maintained or improved individual productivity relative to their pre-COVID state. Yet even these socially connected employees found collaborative tasks quite challenging. Furthermore, while many were able to maintain close connections with immediate team members, most

found that their weaker connections had deteriorated—putting creativity and innovation at risk. Now, after a year in the largely remote working mode, many employees are feeling real burnout and digital overload: meeting volumes have increased nearly 150%, and 40% of employees report feeling overworked, exhausted, or both.

Employers that seek to sustain remote or hybrid models must do so thoughtfully to capture the upsides of new ways of working while mitigating the risks. We've worked with organizations across sectors—in health care, education, finance, consumer goods, and more—and we've distilled the following methodology and emerging best practices for leaders to use when determining and implementing the right work models. While we are still early in this transition and will undoubtedly learn more over the coming months, these practices can serve as guideposts as companies begin the next phase in the future of work.

Identifying the Right Work Models

Companies are currently experimenting with a wide range of potential work models. (See Exhibit 1.) Deciding which ones are best for a particular organization entails understanding the nature of the work being done, the teams involved, and the preferences of individuals. Here is a methodology for assessing these three factors to inform work model choices.

Exhibit 1 - A Wide Range of Potential Work Models

	Fully onsite	Partially remote	Primarily remote
Use this model if seeking to maximize...	Access to the worksite	Team collaboration and employee choice	Occasional collaboration with options to preserve employee choice and manage cyclical space needs
Custom options	<p>Always onsite Fully onsite</p> <p>A/B Onsite for rotating A/B teams</p>	<p>Anchor and flex Onsite "anchor" days with team; choice of onsite vs. offsite for "flex" days</p> <p>Fixed in and out Some fixed days onsite; others must be offsite</p>	<p>Periodic Majority remote, but onsite once per month or quarter</p> <p>Seasonal Onsite vs. offsite depending on season</p> <p>Fully fluid Working location left to employee</p> <p>Never onsite No option for onsite work</p>

Source: BCG experience.

Companies found unexpected benefits in remote or hybrid work. Now they must find thoughtful ways to preserve those benefits.



Ground your assessment in the nature of the work being done and core business objectives. Organizations must begin by assessing their remote readiness on the basis of the activities to be performed. They should consider the extent to which activities are relatively more independent or more collaborative, more complex or routinized, to determine their remote readiness. Relatively independent and routinized activities (as opposed to relatively collaborative and creative ones) tend to be more remote ready. (See Exhibit 2.) Leaders should contextualize this in the understanding that the nature of work for many functions was already shifting prepandemic and will likely evolve further (becoming more digitized, automated, or AI-enabled); these shifts may increase the proportion of work that is remote ready.

Organizations should then determine the key business objectives they are trying to optimize. An organization seeking to maximize employee choice and flexibility in order to win in a tight talent market may choose a different set of work models than one that is trying to achieve near-term cost-savings by reducing its real estate footprint.

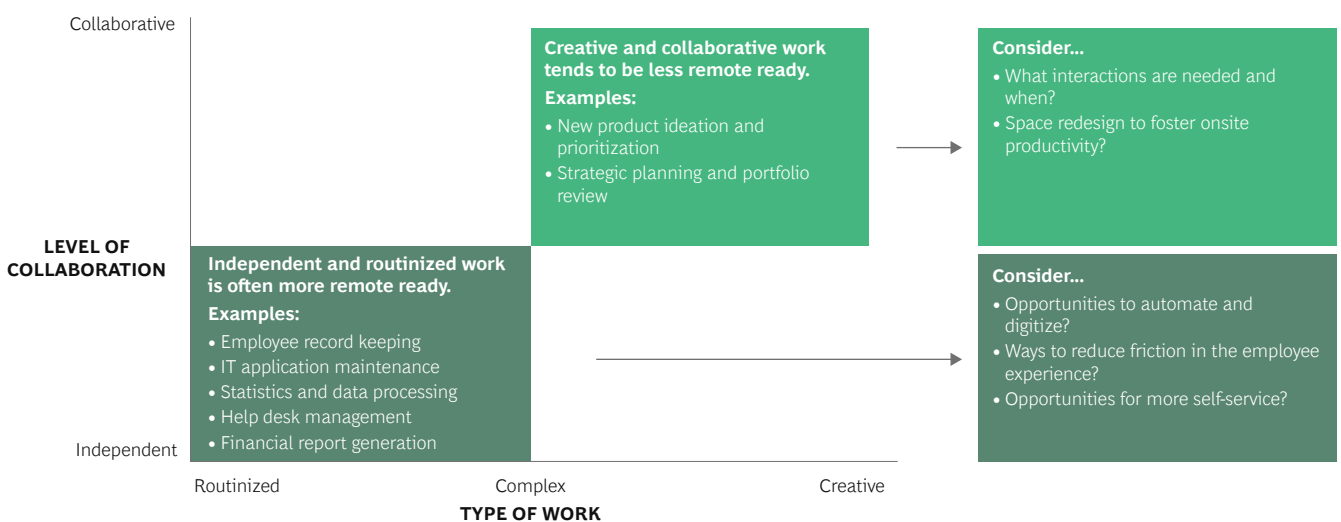
Orient at the team level. Looking at the nature of the work that teams do is especially useful in determining the specific subset of work models that are most relevant to an organization. We recommend making work model choices on the basis of assessments at the team level, rather than

the individual level, because the nature of work tends to vary more at the team level. We recognize that teams can be organized in multiple different ways including by department, function, or project, and some employees may be part of several teams simultaneously. As such, leaders may need to assess the nature of work being done from a variety of perspectives.

Some emerging practices can help make hybrid teams more effective. For example, encouraging members to align on when they are onsite versus offsite can ensure sufficient in-person collaboration time. Leaders can also conduct “sense checks” across the organization to ensure adequate overlap of the onsite work schedules of key stakeholders on teams that frequently work together.

Be responsive to individual preferences. After the best-fit model is selected for a team, leaders should try to accommodate differing employee needs and preferences. Doing so can help improve employee satisfaction, drive productivity, and increase retention. While some employees may perceive remote work as a benefit, others may regard it as a burden. Employers should try to be as equitable as possible in responding to employee preferences. For instance, they might consider providing commuting stipends for employees who work onsite to parallel work-from-home stipends for those who work mostly or entirely offsite.

Exhibit 2 - Assess the Remote Readiness of Activities, Then Seek to Optimize Them



Source: BCG experience.

Note: This illustrative assessment is most relevant for activities that do not require close proximity to physical assets.

Putting New Work Models in Place

The transition to remote and hybrid work last year was abrupt and full of uncertainty. But lessons were learned and adjustments were made. Here are some emerging best practices that will help organizations transition to new work models.

Experiment, test, and iterate. The single most important success factor is to instill a mindset of test and learn as organizations navigate the transition. Although a few organizations (including Salesforce and Twitter) have publicly committed to permanent work model changes, many others are hesitant to make definitive changes in the face of an uncertain future. Even so, organizations can move quickly by piloting new models before rolling them out at scale. Where possible, teams should maintain the chosen model for three to six months in order to preserve predictability and allow time for teams to adapt and refine. During that time, team leaders should regularly gauge what is working and what is not in order to make rapid adjustments to balance and preserve productivity, innovation, and flexibility.

Establishing cross-unit learning forums to share lessons learned and create a living repository of best practices will also help organizations increase their long-term adaptability. Some cross-company learning ecosystems are already in place—for instance, the Flexwork coalition (led by Palo Alto Networks, Box, Splunk, Uber, and Zoom) and the Future Forum (convened by Slack, Fortune, BCG, Management Leadership for Tomorrow, and Herman Miller).

Favor simplicity. One critical emerging best practice is to narrow the set of hybrid work models to the two or three models that are most relevant to the way an organization operates, given its core business objectives and the nature

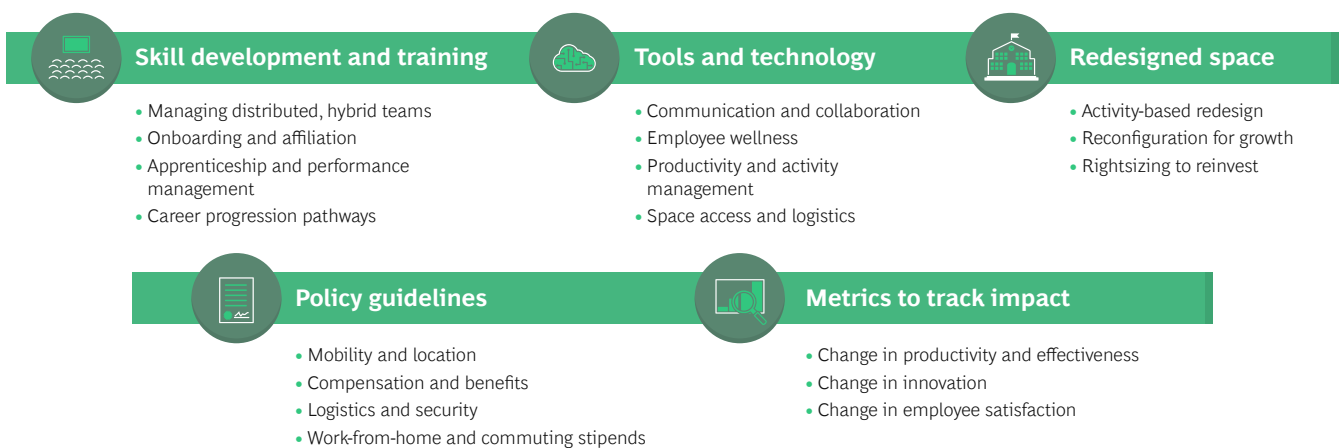
of the work being done. Avoiding a profusion of work models helps to limit the complexity of managing across teams and to preserve productivity.

Design for equity from the start. Many leaders are concerned about designing models that are fair to both onsite and remote workers. When possible, we suggest arranging for meetings to be entirely onsite or entirely remote to prevent the inadvertent creation of in-groups and out-groups in the hybrid meeting context. Organizations should also consider balancing benefits between onsite and remote employees to mitigate the risks of inequity. Leaders can establish explicit approaches (such as pulse checks or town halls) to understand employees' experiences and to commit to transparently measuring and reporting on the ongoing impact of the transition on subpopulations.

Don't forget enabling supports. In addition to determining the work models themselves, organizations must consider the elements that will support implementation. (See Exhibit 3.) Five such elements are critical:

- **Skill development and training** will inevitably be needed as organizations roll out new policies, processes, and platforms. However, the single most important muscle to build is to help leaders to manage in a distributed environment, recognizing that coaching, developing, and motivating employees from a distance requires a whole new set of skills and habits. While this may come naturally to some leaders, to many it is a new muscle that needs to be developed. Organizations are already beginning to tackle this need: UBS created a Ways of Working training platform to upskill managers and employees on its workplace transition, with features to strengthen social connectivity and employee well-being.

Exhibit 3 - Five Types of Enablers Are Essential to Support New Ways of Working



Source: BCG experience.

Amid continuing uncertainty about the future, leaders should communicate transparently about what is and what isn't working.



- **Tools and technology** are critical to facilitate virtual collaboration, foster employee wellness, and increase productivity. Tools range from virtual whiteboards and shared project platforms to scheduling apps that show who is in or out of the office to task- and time-tracking programs. Knock, a virtual office platform, fosters spontaneous conversations and lets employees signal when they need focus time versus collaboration time by moving to different spaces in the digital office. We suggest that organizations help steer employees, at least at the team level, to a common set of platforms to help preserve productivity. Organizations can also help establish norms regarding meetings (number, length, gap between meetings), communications (expectations on time to respond on email, Slack, and so on), and the like to help further address digital overload.
- **Redesigned space** may be necessary to accommodate new models. Many organizations are exchanging individual offices for open hoteling, with delineated collaboration and focus zones. Others are renegotiating leases and adjusting their overall real estate footprints. Google, for instance, decided to add more satellite offices rather than centralizing at its headquarters space. While changes to physical space may take time, they are key to ensuring that employees who return to the office are set up for the in-person collaborations that make in-office time uniquely valuable.
- **Policy guidelines** must be redesigned to accommodate changes to when and where employees can work, who hiring managers can recruit, and more. These changes impact everything from stipends to compensation and travel norms and must be thoughtfully developed and transparently rolled out. For example, VMWare has announced that it is changing its compensation policy for predominantly remote employees to match the cost of living in their home geographies.
- **Metrics to track impact** help organizations gauge whether the new models are preserving employees' productivity, innovation, and satisfaction or whether a pivot is needed. By tying these results to specific work models, leaders can gain insights to guide adjustments to their approaches as they go.

Without such enabling supports, organizations may not fully realize the benefits of new work models. Many have found it helpful to establish a cross-functional team to design and deploy these enablers, in tandem with assessing remote readiness and aggregating learning experiences across the organization.

Engage senior leaders in change management. After a long year, uncertainty about the future pervades many workplaces. Vocal and visible senior leadership is essential in supporting employees in the upcoming transition. Leaders should also consider engaging employees from all ranks in designing models and clearly articulate the value proposition at both the enterprise level and the individual level. Throughout, leaders must commit to communicating transparently about what is known and what isn't and about what is working and what is not.

The opportunity presented by the postpandemic “re-turn” to work is about more than just determining what types of hybrid and remote models will help to retain employees. Organizations rarely have the opportunity to boldly rethink how work gets done; factors such as near-term financial pressures and organizational resistance to change often get in the way. We encourage leaders to take advantage of this unique moment to experiment with new work models that can unleash new sources of productivity, innovation, and value.

Organizations have a rare opportunity to boldly rethink the way work gets done.



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