PULSE SURVEY

Mastering the New Hybrid Work Standard

Organizations Are Prioritizing Collaboration to Support an Agile Workforce

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Businesses around the world are at a crossroads that will determine their future. And the simple question is: Do we go hybrid or not? With a great emphasis on creating an environment that works for employees, organizations need to do everything they can in order to reduce risk and retain talent to avoid the "great resignation."

During continuing global disruptions, we've witnessed how organizations can operate, survive, and even thrive under extreme circumstances. The winners have made decisions at pace, learned quickly, and found new ways of doing business centered on digital models.

But, in reality, it could well be an unpredictable couple of years ahead. So, if organizations are to succeed in the new normal, they must rethink, rebuild, and continue to adapt in the face of adversity. As this Harvard Business Review Analytic Services report outlines, there has been gargantuan change for businesses, which have had to redesign infrastructure, how employees are able to communicate and collaborate, and how leaders manage the operations and design of workspaces.

However, this crossroads is also an inflection point that offers us a unique opportunity to reimagine how we work and how to use technology to enable more sustainable, inclusive, and productive ways of working that will help us address the equality, social, and environmental challenges we face today.

At Fujitsu, we believe organizations must focus on building an adaptive, resilient, and purpose-led culture with the well-being of people at the center. This is critical to unlocking success in uncertain times and enables organizations to pivot from risk, continuously add value, deliver new customer experiences, and improve operational effectiveness.

Of course, it's no secret that as lockdown conditions stretched out and constraints eventually began to lift, organizations found themselves facing new tests of their resilience. But if they've adapted once, who's to say they can't do it again—and better?

In this next normal, it will be imperative to become adaptive—not reactive—to unlock success in uncertain times. Central to this is resilience, underpinned by agility, which must be championed by leaders in order to promote and inspire a resilient and agile workforce.

Against many expectations, the pandemic demonstrated that people are often more productive and engaged when trusted to work in the way that suits them. By enabling flexible working arrangements, we can take giant strides toward improving business resilience, improving the work-life balance of our people, and creating opportunities to improve diversity and inclusiveness.

To help organizations lay the foundations for longevity and success in the next normal, Fujitsu Work Life Shift reimagines how work gets done in a way that takes into account the well-being of people and ensures it's sustainable.

I encourage readers to use this report, sponsored by Fujitsu, as a guide to adopting a hybrid way of working that will not only benefit your organization in the short and long terms, but also transform your business. With Fujitsu Work Life Shift and our unique human experience design approach, you can create a resilient and adaptive workforce, ready to respond to whatever comes next.

—Andy Davis, Head of Growth and Strategy,
  Workforce and Workspace Services, Fujitsu

Mastering the New Hybrid Work Standard

Organizations Are Prioritizing Collaboration to Support an Agile Workforce

As organizations welcome some of their employees back to the office after more than a year marked by disruption, uncertainty, and countless lessons, one change is clear—a new standard of work is taking shape, and it's poised to replace the traditions of how and where people get work done.

"Organizations have learned a lot," says Debbie Lovich, managing director and senior partner at Boston Consulting Group. "The biggest takeaway has been that remote work actually works and that it's been a very positive experience both for employees and companies."

This trend is borne out by a recent Harvard Business Review Analytic Services survey, which found that most organizations (89%) plan to adopt a hybrid work model and support at least some remote employees going forward.

Not only will this new model of work redefine best practices for how teams communicate, collaborate, and get work done, but it also has significant implications for managers, who must adjust their management style to support both remote and in-office workers, and for organizations, which must align workplace operations and logistics with new ideals.

Remote work still presents significant challenges, however. According to the survey, teams have found it difficult to maintain workplace relationships (61%) and struggled to keep boundaries between work and life (58%) due to remote work. Many also feel like they're always connected to work and have had trouble collaborating with their peers. **FIGURE 1**

Now, with hybrid work set to become a more permanent feature of the future of work, companies will need to create an environment conducive to both remote and in-office employees. For this to happen, businesses must examine the successes and challenges of the past year and adapt communication and collaboration strategies to align with the needs of hybrid teams. Leaders

HIGHLIGHTS

89% of respondents expect their organizations to **adopt a hybrid work model** and support at least some remote employees.

61% say that **maintaining workplace relationships during remote work was a moderate or significant challenge** over the past year.

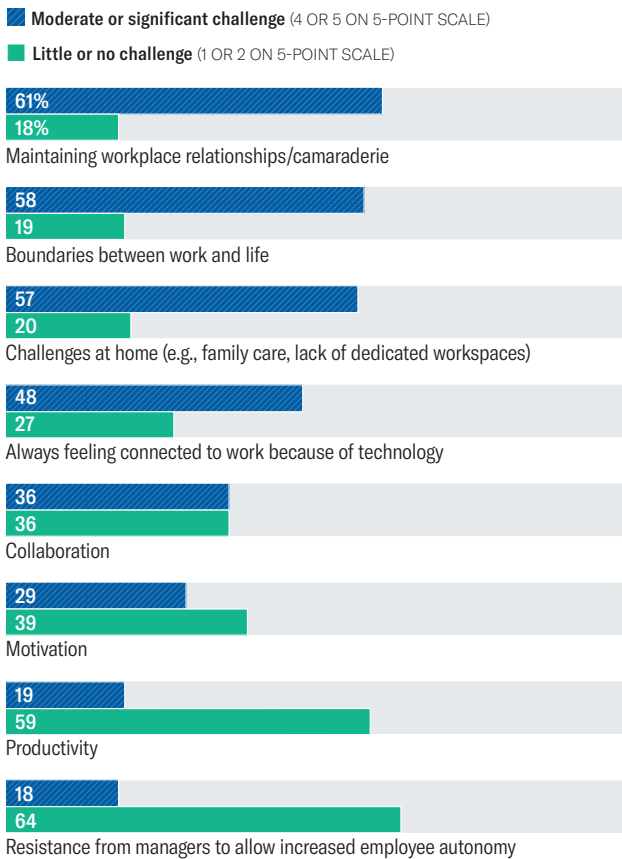**46%** expect their organization to **reconfigure the office layout** moving forward.

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FIGURE 1

Remote Work Challenges

Teams experienced a variety of challenges working remotely over the past year.

Rate the extent to which your team has experienced challenges in the following areas this past year due to remote working.

- ■ **Moderate or significant challenge** (4 OR 5 ON 5-POINT SCALE)
- ■ **Little or no challenge** (1 OR 2 ON 5-POINT SCALE)

61%	
18%	

Maintaining workplace relationships/camaraderie

58	
19	

Boundaries between work and life

57	
20	

Challenges at home (e.g., family care, lack of dedicated workspaces)

48	
27	

Always feeling connected to work because of technology

36	
36	

Collaboration

29	
39	

Motivation

19	
59	

Productivity

18	
64	

Resistance from managers to allow increased employee autonomy

Source: Harvard Business Review Analytic Services survey, March 2021

should assess and modify management strategies to breed a strong culture and employee experience, while organizations must reimagine the physical workplace for hybrid needs. Together, these priorities will develop successful managers, happy employees, and an agile and resilient workforce primed to excel in hybrid work.

The Future Workplace

Before the pandemic, the office was a place where people went to get work done. It's where meetings were held, where teams would collaborate, and where colleagues interacted with one another. Today, as companies prepare for hybrid work, the role of the office is changing.

The paradigm shift, says Prithwiraj Choudhury, associate professor of business administration at Harvard Business School, is recognizing the office won't necessarily be the place where people go to get work done. Instead, it's poised to become a place where people meet their colleagues, collaborate, and socialize. "Work can be done from anywhere, but social interactions still need a location," he says. "Time in the office will be spent building and maintaining those relationships, coming together as a team, and maintaining that sense of belonging and camaraderie."

The ultimate role of the office will vary from company to company. Businesses that expect workers to mostly return to the office with a day or two of remote work might make a small reduction in desk space, but they'll likely maintain all the offices in their present locations, says Antonios Christidis, a partner in Oliver Wyman's organizational effectiveness practice.

Others might consider the office a space where workers go to innovate. They'll perform their day-to-day tasks from where they want—whether it's from work or a remote space—but when they need to brainstorm, they'll come together in the same room. These companies might consider smaller office spaces with fewer desks, likely in their current locations to make travel easy for workers, he says.

Maintaining desk space—in either the office or an alternate, central location—is important, Lovich of Boston Consulting Group says, not only for people who want to come to the office but also for those who are unable to work from home for a variety of reasons. Some offices might implement a desk reservation system for workers who come to the office, Harvard Business School's Choudhury adds.

On the other hand, some companies might view the office purely as a social space where teams develop trust, Oliver Wyman's Christidis says. "As humans, the foundation for trust is getting to meet each other. You sit and interact physically, which makes other interactions easier because you have a start," he says. If these teams come together once or twice a month, companies might eliminate their offices and consider several small, distributed spaces instead. In this case,

> "The bottom line is that companies can't go back to the in-office model of 2019. It would be a disaster—it's not what people want, and their best talent will leave," says Prithwiraj Choudhury, associate professor of business administration at Harvard Business School.

companies should home in on coworking spaces proximate to where workers live, Lovich adds.

For other organizations, the answer might be all the above—some classic offices, some smaller studio innovation spaces, some designed for teams, and some for individuals working from the office, explains Christidis.

While downsizing office footprints might save companies money, some organizations also see it as an opportunity to reduce their carbon footprint. When Facebook announced its goal to shift half of its employees to permanent remote work arrangements over the next five to 10 years, for example, it noted the positive effect it could have on the environment, as thousands of workers would not have to commute to and from its headquarters in Menlo Park, Calif.[1]

The Harvard Business Review Analytic Services survey shows that companies are currently weighing all these options. Among the most popular are reconfiguring the office layout (46%), more focus on collaboration areas and less focus on cubicle arrangements (44%), more videoconferencing capabilities in meeting rooms (43%), and plans to reduce physical space (37%). Just 7% are not considering any changes to the workplace. **FIGURE 2**

"The bottom line is that companies can't go back to the in-office model of 2019," Choudhury says. "It would be a disaster—it's not what people want, and their best talent will leave."

Enhancing Productivity through Improved Communication

The swift transition from in-person work arrangements to remote work was difficult for many people. Before, it was easy to visit colleagues for a quick, in-person talk or to assemble at a moment's notice for a short meeting. These communications take more effort, require different skills, and necessitate additional planning in a remote world.

"Today's leaders have grown up managing the way they always have, which has been largely in person, by sight," Lovich says. "When Covid hit, they had to build new communication muscles. Some managers were better at this than others."
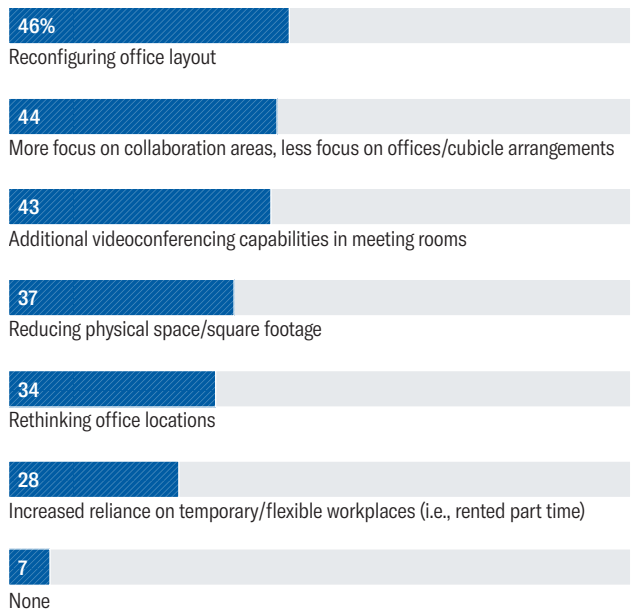
These communication gaps influenced productivity, the survey finds. More than a third (39%) cite insufficient

FIGURE 2

The Hybrid Office

Organizations are considering a variety of changes to the physical workspace.

Looking ahead, in what ways do you expect your organization to change the physical workspace? SELECT ALL THAT APPLY.

46%
Reconfiguring office layout

44
More focus on collaboration areas, less focus on offices/cubicle arrangements

43
Additional videoconferencing capabilities in meeting rooms

37
Reducing physical space/square footage

34
Rethinking office locations

28
Increased reliance on temporary/flexible workplaces (i.e., rented part time)

7
None

Source: Harvard Business Review Analytic Services survey, March 2021

team communication as a top barrier to achieving optimal productivity while remote. Challenges at home and feeling burned out round out the top three. **FIGURE 3**

One common misstep made by managers and teams was in how they tried to replicate those traditionally in-person conversations using videoconferencing tools, Choudhury says. "Individuals had taken their existing behavioral patterns of giving colleagues a quick call or stopping by their cubicle and ported those interactions into doing a Zoom call for everything."

This increase in screen time contributed to a few problems, the survey finds. Fifty-eight percent name screen fatigue as
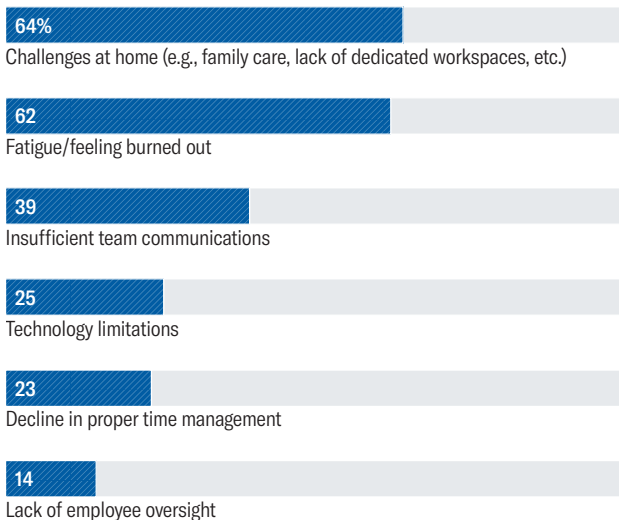
"Today's leaders have grown up managing the way they always have, which has been largely in person, by sight. When Covid hit, they had to build new communication muscles. Some managers were better at this than others," says Debbie Lovich, managing director and senior partner at Boston Consulting Group.

FIGURE 3

Identifying Productivity Barriers

More than a third of respondents consider struggles with communication one of the biggest barriers to productivity.

What have been the biggest barriers to achieving optimal productivity for your organization's remote employees? SELECT ALL THAT APPLY.

64%
Challenges at home (e.g., family care, lack of dedicated workspaces, etc.)

62
Fatigue/feeling burned out

39
Insufficient team communications

25
Technology limitations

23
Decline in proper time management

14
Lack of employee oversight

Source: Harvard Business Review Analytic Services survey, March 2021

one of the biggest barriers to achieving optimal collaboration, making it the most popular answer, while elsewhere, 48% say that "always feeling connected to work because of technology" was a moderate to significant challenge for their teams (a 4 or 5 on a 5-point scale). "Some people were working around the clock in between responsibilities at home," Lovich says. With kids back in school and as workers return to the office, some of those stressors will disappear, she adds.

To improve productivity in a hybrid environment, managers must learn to balance two communication methods: synchronous and asynchronous, Choudhury says. Videoconferencing, phone calls, and talking in person are all forms of synchronous communication because they elicit real-time responses. Tools like project management

systems, chat applications, or other central portals are forms of asynchronous communication, which don't necessitate an immediate response, he explains. "Instead of relying purely on synchronous calls for everything—like we often did before the pandemic—it's really important to focus now on asynchronous forms of communicating, too."

There are a number of advantages to asynchronous communication, Choudhury says. Because responses don't need to be immediate, it gives workers more uninterrupted time to focus on tasks, which boosts productivity. It also enables more thoughtful reflection before responding, facilitates communication among remote teams in various time zones, and provides a record of communication that workers can refer to later.

To improve collaboration—and thereby productivity—as hybrid work takes shape, Choudhury says managers should use a mix of synchronous and asynchronous methods. Social interactions, team meetings, mentorship, and quick decisions are best served with synchronous methods. Most other work-related updates and statuses should be reserved for asynchronous communication methods.

"With hybrid, you're going to have employees everywhere—in the office, at home, and in different time zones. Asynchronous [communication] supports that and keeps employees productive," he says. "Not everything needs to or should be done over [video]. People are tired of that."

Rethinking Collaboration

Communication wasn't the only area that challenged remote workers during the pandemic. Before Covid-19, teams commonly gathered and met in conference rooms to collaborate face-to-face. If the team included remote workers, those individuals would call in via conference line or log into an application to access the meeting.

In a remote-only world, however, some teams struggled to collaborate effectively. According to the survey, 36% of respondents expressed difficulties collaborating, citing it as a moderate or significant challenge (rating it a 4 or 5 on a 5-point scale). The top two biggest barriers to collaboration: screen fatigue (58%) and difficulty communicating clearly with teammates online compared to in person (50%).

Introducing a hybrid work model will likely reduce screen fatigue as workers have the opportunity to return to the office and as teams adopt new communication best practices. A return to the workplace, however, doesn't mean reverting to pre-pandemic collaboration arrangements in which some team members brainstorm from a conference room while others dial in, Choudhury says. To improve collaboration in a hybrid environment, organizations need to implement a remote-first strategy when hybrid collaboration is necessary.

"This means that even on the days when you come to the office and some of your colleagues do not, you'll need to act like you're a remote employee," Choudhury says. "Instead of grabbing the three people in the office that day to whiteboard in a conference room, you'll have to log onto Zoom or Google Hangouts or Microsoft Teams so everyone—including those who are remote—are on a level playing field. To collaborate effectively, the experience has to be consistent for everyone."

As a result of the remote-first strategy, organizations will need to create additional collaboration spaces, Lovich says. Forty-four percent expect their organizations to place more focus on collaboration areas and less on cubicle arrangements, while 43% say there will be additional videoconferencing capabilities in meeting rooms, the survey finds. These technologies are quickly becoming more robust to support the hybrid workforce's needs, he adds.

There may be times when hybrid collaboration isn't the best option, Christidis says. Teams that work on big collaboration-based efforts—like the finance team closing the books—benefit from the opportunity to spontaneously interact with each other, something that is easier with in-person collaboration, he says.

Managers and the Employee Experience

Not all managers had experience leading remote teams before the pandemic. Some struggled to build trust, some had difficulties grasping new management practices for the online space, and some were challenged to maintain strong bonds among their team members. These problems can have a significant effect on culture and the employee experience.

As companies prepare for hybrid work, it's important that managers assess both the health of their teams and their own management practices. Sharpening empathy skills, correcting management shortcomings, and leading by example are three ways managers can drive engagement, strengthen teams, and build a productive workforce.

Build empathy.

Workers experienced heightened stress during the pandemic, which impacted both their personal and professional lives. "There was a lot going on besides just managing remote work. People were stressed about health, their family, the

"At the end of the day, managers need to understand the concerns and situations that their employees are in and factor them in when considering how to best work together on a daily basis. You need to take an active interest in others," says Antonios Christidis at Oliver Wyman.

economy, politics, and so much more," Lovich says. Executives expressed these stressors in the survey. Fifty-seven percent, for example, say that challenges at home (such as family care responsibilities or a lack of dedicated workspaces) were a moderate or significant challenge (ranking them a 4 or 5 on a 5-point scale), while 58% say that maintaining boundaries between work and life was a moderate or significant challenge.

These effects underscore the need for managers to lead with empathy, Christidis says. "At the end of the day, managers need to understand the concerns and situations that their employees are in and factor them in when considering how to best work together on a daily basis," he says. "You need to take an active interest in others."

This attention to personal prompts isn't easy with a hybrid team. During a meeting, for example, the body language of those in the room is more apparent and it's easier to discern when someone is in agreement or disagreement, whether they're frustrated, distracted, or having a bad day. Those visual cues are more difficult to observe in a remote employee, even if they're on video.

Managers need to create time to connect with team members on a regular basis, whether it's scheduled or spontaneous, and whether or not the employee is remote, Christidis says. Not only does this demonstrate empathy, but it also builds a culture of trust and camaraderie. In a hybrid work environment, this connection-building is critical. According to the survey, 61% say that maintaining workplace relationships during remote work was a moderate or significant challenge (ranking it a 4 or 5 on a 5-point scale). Of the areas asked about, this was rated as the most challenging for teams during the pandemic (i.e., it received the most respondents rating it a 4 or 5 on the 5-point scale of all areas presented).

"Productivity needs to be measured based on output for every role and not by how many times you came to the office or how many hours you were logged on. You need to trust them to do their work," says Prithwiraj Choudhury at Harvard Business School.

Hiring Global Talent

The pandemic proved that working remotely can be done successfully while retaining productivity, and businesses have taken note. Forty-two percent of respondents to a Harvard Business Review Analytic Services survey somewhat or strongly agree that their company has plans to expand the geography from which it recruits talent. Twenty percent name an expanded talent pool as one of the most-valuable benefits of increased remote work.

"This is a game changer for organizations. You could hire from Kenya without opening an office there, and you could hire from Middle America without visiting colleges there," says Prithwiraj Choudhury, associate professor of business administration at Harvard Business School.

Traditionally, staffing decisions were centered on location. In the future, many companies will make these considerations around time zones instead, says Antonios Christidis, partner in Oliver Wyman's organizational effectiveness practice. "The new version of agile could evolve from colocated teams to co-time-zone teams. Maybe we don't need to be in the same room, but it would be a good idea if we're in the same time zone for agile transformation or agile work, since you need to have rapid interactions with each other," he says.

Hiring more global talent will also affect how companies recruit, Choudhury adds. Rather than hiring from the same group of colleges or via employee referrals only because they're proximate, companies will need to consciously look more broadly throughout the U.S. and beyond. "If companies don't take advantage of that, competitors will," he says.

Become an enabler.

For some managers, the quick transition from working in the office to working remotely was particularly jarring, while others adapted more easily. The reasons, Christidis says, depended on whether the manager started as a "controller" or an "enabler."

Controllers are more traditional types of managers who see their role as primarily focused on assigning team members certain tasks, which must be done in a particular way. During the pandemic, they measured productivity by employees' time online, how many hours they worked, and a variety of other inputs. These managers developed a culture that bred stressed, overwhelmed, and burned-out employees. Enablers, on the other hand, trusted their team to get their work done whenever, wherever, and in whatever manner they saw best. These managers valued autonomy, trusted their team to be productive, and created a strong remote work culture. They saw their roles as amplifiers and supporters of others—helping their team members succeed and succeeding through them.

"Controllers had great difficulty during remote work and will continue to have great difficulty in hybrid work because of their need to control in an environment that, by definition, has characteristics that are no longer controllable. You're in the office, while others will be at home," Christidis says.

Controllers must reinvent themselves as managers to succeed at hybrid work. Building trust and redefining how they quantify productivity are two priorities that can have a transformational effect on both team culture and their employees' experience. "Productivity needs to be measured based on output for every role and not by how many times you came to the office or how many hours you were logged on. You need to trust them to do their work," Choudhury says.

Lead by example.

Employees who worked remotely were clear on the top benefits of doing so. They named perks like little or no commute (72%), more flexibility in their day/hours (60%), and a better work-life balance (46%) as the top benefits, the survey finds. As companies shift to a hybrid model, the frequency with which employees work remotely will vary from organization to organization. To ensure that these
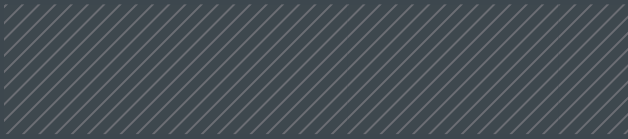
64%

of respondents say challenges at home are the biggest barrier to productivity.

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highly valued benefits endure, Lovich says managers must set the example. "There were senior leaders who never left the office, even during the pandemic," she says. "Among that group, there's a wider spread on what they'd like the future of work to look like among senior management. If you tell everyone they can work remotely—but senior leaders are still in the office—hybrid will unravel quickly."

Workers want to show their managers that they're committed, she explains, and if leaders are in the office, that's where they'll be noticed. They're also fearful of being overlooked for a promotion, Christidis adds. If they're out of sight, they may also be out of mind.

"Is this [fear] a true concern, or is this a projection? If you have the right systems, good performance management, and the right-minded managers, this should be enough to create an even playing field for everyone, right? Nobody should be left behind," he says. "So, the question is, how do you make sure that performance management and the other processes you have in place to assess workers really work, irrespective of whether you show up or not?"

Christidis says the answer is trust. "Companies that have invested over the years in building a work environment where their people, managers, and employees trust each other find themselves better prepared," he says. "People in these companies know that their career and well-being are not dependent on a single manager's views but anchored in the work they do and their broader contributions. These companies tend to be less hierarchal, more transparent in their communications, and more inclusive."

Conclusion

Remote work has brought about tremendous change for organizations, transforming how teams communicate and collaborate, how leaders manage, and the function and design of workspaces. To thrive in this new model of work, businesses should examine their previous successes and challenges and adopt strategies to create an environment conducive to both remote and in-office employees.

Teams should implement new communication best practices to balance the need for immediate and delayed responses. These methods will reduce workers' screen time and free up more opportunities for dedicated work, boosting productivity. Teams also should create a consistent collaboration experience by adopting a remote-first strategy and rethinking workspaces to support distributed teams.

To create a strong hybrid work culture and excellent employee experience, changes must start at the top. Managers should build empathy, review management practices and become enablers, and lead teams into the future of work by example. Last, organizations should determine the best use of their workspaces, making accommodations for dedicated collaboration spaces. Implementing these changes as hybrid work takes shape will create an engaged, agile, and resilient workforce.

"[Hybrid work] isn't just an operating system; it's a mindset adjustment," Christidis says. "We're moving full-steam ahead."

Endnote

1   Newton, Casey, "Facebook Says It Will Permanently Shift Tens of Thousands of Jobs to Remote Work," *The Verge*, May 21, 2020. https://www.theverge.com/facebook/2020/5/21/21265699/facebook-remote-work-shift-workforce-permanent-covid-19-mark-zuckerberg-interview.

A total of 419 respondents drawn from the HBR audience of readers (magazine/enewsletter readers, customers, HBR.org users) completed the survey.

Size of Organization

24%
10,000 or more employees

7%
5,000 – 9,999 employees

16%
1,000 – 4,999 employees

11%
500 – 999 employees

18%
100 – 499 employees

24%
Fewer than 100 employees

Seniority

29%
Executive management/board members

39%
Senior management

29%
Middle management

3%
Other grades

Industry

13%
Technology

11%
Manufacturing

10%
Business/professional services

10%
Government/not-for-profit

9%
Financial services

9%
Consulting services

8%
Manufacturing (including consumer goods, auto, etc.)

All other sectors less than 8% each

Job Function

23%
General/executive management

9%
HR/training

9%
Sales/business development/customer service

8%
Consulting

All other functions less than 8% each

Regions

48%
North America

27%
Europe

15%
Asia/Pacific/Oceania

5%
Latin America

4%
Middle East/Africa

Figures may not add up to 100% due to rounding.

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