

GUIDE

What You Need to Know for Return-to-Office Planning

ERGs, Well-Being, Benefits, and Beyond

What You Need to Know for Returnto-Office Planning

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Table of Contents

Introduction	١	4
Remote and Hybrid Employee Connection and Visibility		
Psychologica	al Safety and Well-Being in a Hybrid Workplace	12
Supporting a	a Remote Workforce	16
Programming to Help Maintain Culture and Belonging		18
	Employee Resources Groups and Easing the Office Transition	18
	Mentorship in Hybrid and Remote Work Environments	20
Commuter B	enefits in the United States	22

Introduction

After three long years of uncertainty, pivoting to remote or hybrid work models to accommodate public health concerns, and people shifting focus for better work-life balance, some companies are wondering how to competitively position their return-to-office plans while continuing to support employee well-being. According to a recent survey by BuildRemote, 77 percent of Fortune 100 companies currently operate on a hybrid work schedule, with 18 percent requiring employees to go to the office three times a week, 24 percent having employees go in on one or two days a week, and 14 percent not requiring any in-office time. Furthermore, 29 percent of these companies have reduced their office space footprint, and seven companies have reported they will not make an official return to office and will not require office attendance.

When considering return-to-office plans, there are a few options:

- Remote: All employees who are not required to be in a building to complete their
 jobs are employed as work-from-home employees full-time. Some companies
 may bring these employees together, in person, throughout the year for planning
 and team-building exercises.
 - Key challenges to consider:
 - Remote workers have <u>reported working longer days</u> and even working on the weekends because it is difficult to unplug outside of work hours. This can lead to burnout and dissatisfaction.
 - Having a workforce spread across multiple time zones can impact work being completed on time and efficiently.
 - A remote workforce may not have access to the same technological infrastructure—Internet access, hardware, and dedicated office space—which can cause discrepancies between how individual employees perform.
 - Examples of companies that have chosen this model:
 - Airbnb
 - Allstate
 - SAP
- Flexible Hybrid: Employees can choose their location and working hours based on their priorities for the day. This allows freedom and flexibility for employees, and 90 percent of employees are looking for companies that allow flexibility, according to an EY Work Reimagined Employer survey. Furthermore, this mode of work can help expand the talent pool available to the company and can improve retention and job satisfaction rates.
 - Key challenges to consider:
 - It may be difficult for employees to find a suitable day or time for in-person teamwork if the need arises.
 - Employees may suffer from a lack of visibility by leadership members if they cannot see who else may be in the office on any given day.
 - If meetings are hybrid (some employees are remote while others are together in an office), the remote workers may not feel as included as those there in person.
 - Examples of companies that have chosen this model:

- Cisco
- Microsoft
- Target
- <u>Fixed Hybrid</u>: The company sets the days and times employees are allowed to work remotely or go into the office. Some companies will leave these days set up for specific teams to allow for flexibility based on team needs.
 - Key challenges to consider:
 - Inability for individualized work-life balance needs, a key consideration for employees with disabilities and employees who are parents and/or caregivers
 - Potential loss of productivity if employees and their teams are not able to work in an optimal setting that accommodates their needs
 - Examples of companies that have chosen this model:
 - American Express
 - <u>BP</u>
 - Citigroup
- Remote-First: These companies offer the option to the employee to work from home full-time or go into a (usually reduced-size) office or co-work space if they are located near one. Going into the office is entirely up to the individual employee and is usually tracked through an internal system so that companies know where their employees are located on a daily basis.
 - Key challenges to consider:
 - · Potential for employees to feel isolated if no one goes into the office regularly
 - · May bring increased challenges to maintain the company culture
 - Examples of companies that have chosen this model:
 - GitLab
 - Zapier
 - Zoom
- Office-First: Employes are expected to be on-site four to five days a week but may select a few days a week or month to work remotely.
 - Key challenges to consider:
 - It may be more difficult to track when employees will be in the office, as this model allows for more randomization of work-from-home structuring.
 - It may not allow for the level of flexibility employees want, which could lead to higher attrition rates.
 - Examples of companies that have chosen this model:
 - Google (they also offer remote-first positions, depending on job title)
 - Chipotle
 - Snap
- In-Office: Employees do not have the option to work from home, regardless of situation or job responsibilities.
 - Key challenges to consider:

- With much of the workforce looking for positions that offer flexibility, companies that choose this return-to-office model may risk higher rates of attrition and may lose key knowledge workers.
- Employees who are required to return to the office full-time after working remotely, even part-time, have been <u>shown to have higher rates of burnout</u>, which can impact their workplace relationships.
- Examples of companies that have chosen this model:
 - Goldman Sachs
 - Netflix
 - JPMorgan Chase

To determine which option of returning to the office is best for a company, the following questions may be considered:

- · What are employees saying?
 - Working from home can be as challenging as working in the office for some workers. Productivity has been on the rise with remote working, but overworked employees are also becoming the norm. Watercooler conversations can be distracting but may offer insight into career development opportunities. Getting an employee pulse by opening up an internal messaging channel to discuss ideas or sending out a quick survey may allow an understanding of what employees want and expect from the workplace.
- · Refer to the company's data
 - What have productivity and success rates looked like in various departments?
 Companies may offer a flexible hybrid system in which managers and their direct reports can control when and where employees work.
 - What have operational costs looked like over the course of the company's remote or hybrid work model? Many companies with a hybrid work model have pared down their office space, <u>saving upwards of 40 percent of operating costs</u>, which can break down to more than \$11,000 per employee.
- · Assess the current company culture
 - How does a decision to be fully remote, hybrid, or in-office align with the company's vision and goals? How does this decision impact HR and their processes, such as hiring, onboarding, and technology needs, to support a potentially geographically unpredictable workforce? Creating a task force with key employees from a variety of departments—HR, legal, operations, and DEI—may help an organization understand the systemic impact of its return-to-office plans.

This paper will tackle several needs of a return-to-office plan to help guide leaders in their decision-making process. Topics include:

- · Encouraging visibility and connection of remote and hybrid employees
- Creating a workplace centered on psychological safety and employee well-being, attributes of the modern workplace that almost <u>70 percent of employees want</u> their employers to care about
- Identifying key ways to support remote employees and issues around why remote work may be best for employees
- Learning how employee resource groups (ERGs) can maintain and support employees through a return-to-office transition

company should offer if they are required to go back to the office

• Considering commuter benefits, which <u>53 percent of employees believe a</u>

Remote and Hybrid Employee Connection and Visibility

While many employees want to go back to the office, most also want flexibility to be able to have a more human-centered work experience. As discussed in Seramount's Return to Office, Part One: Guidance for Creating an Inclusive Come-Back Strategy Insight Paper, a main consideration for employers as they engage remote and hybrid employees is how they will maintain equity for those at home full-time or part-time versus those who are in the office full-time and those who work remotely full-time. When choosing a hybrid or remote work model, there is likely going to be overlap of these styles in work teams, which can create issues for company culture, collaboration, and career development for employees—especially those who work remotely. Seramount's Return to Office, Part Two: Lead into a New Era with Flexibility and Intentionality Insight Paper focused on preparing managers for a flexible workplace and mitigating potential biases. Key takeaways from the paper include:

Have managers create chart maps that outline a team's hybrid structure

- It is important for managers to have check-ins with their teams to ensure a smooth transition to hybrid work and to identify any challenges or needs employees may face. Having a chart that outlines where each team member is on any given day and what their key responsibilities and available resources are will enhance the ability to continuously audit the hybrid structure and ensure inequities are highlighted and corrected as soon as possible.

· Accept the fact that power structures will always exist in the workplace

– Managers should be trained to identify these structures (read more in the "Psychological Safety and Well-Being in a Hybrid Workplace" section) and mitigate them should they arise, such as shifting resources between employees as their workloads fluctuate. Create trainings that can reinforce these learnings, and ensure managers have the tools they need to enable equity on their teams.

Equip managers with guidelines on how to teach employees about these power dynamics and how to avoid causing them

 Establishing a team culture that includes psychological safety and trust can also help mitigate these dynamics to prevent them from inhibiting workflow, as employees will feel more confident speaking up when they are in need of resources and support.

Shift performance reviews to incorporate the imbalance of resources and visibility

 Employees who work remotely more frequently than others will likely face issues around the "lack of visibility" from not being in the office. Performance reviews should be another touchpoint for managers to assess if there are any notable successes or needs to be addressed.

Building and maintaining remote and hybrid relationships can be difficult. Remote employees almost never see their coworkers in person—perhaps there are mandated "in-office" days once a quarter, but that is usually it—and hybrid employees may have inconsistent interactions with coworkers, depending on how and when people are in the office. Below are some engagement opportunities companies can incorporate to maintain lines of communication and engagement between employees across departments and for employees on hybrid and remote mixed teams:

Breaks

Employers should encourage employees who work from home or in a hybrid model to take regular breaks. Research has shown that people who work from home work 5.8 days a week because they are "always on" and may have more difficulty shifting between an "at home" mindset and an "in the office" mindset. To stimulate relationship-building during these encouraged breaks, managers can schedule virtual breaks where non-work-related conversations are encouraged.

Ask a Question of the Week

- Have employees take turns posting a random question in whatever messaging platform the team uses once a week. The questions can be short (e.g., What's your favorite season and why?), silly (e.g., Would you rather have a unicorn or a dinosaur as a pet?), or somewhat serious (e.g., Which office mate would you prefer and why: dog or cat?). These questions will garner some interesting answers, and team members can learn a lot about each other in a fun, low-pressure way, which has been shown to reduce workplace stress.

Encourage Group Chats

- Even though employees work from home full-time or part-time, they may appreciate the chance to connect with coworkers with similar interests. Create a group for people who like crafts or who like to cook for employees and your share ideas. Create a parent group—and encourage sub-groups such as single parents or parents of multiples—for employees to share tips and advice. These social groups can allow staff to bond and connect and create friendships, which have been shown to be a necessary aspect of employee retention.

· Virtual Lunches

– Much like breaks, lunch is another time to have a quarterly get-together for teams to bond. These could be working lunches, but to really encourage bonding, schedule fun activities such as virtual escape rooms, trivia matches, and even movie screenings. These can help people connect in low-stress environments, which in turn can promote healthier communication when in more stressful situations. Having fun with coworkers in a social way helps build trust and encourages open communication because it provides a natural course to understanding each other's traits, strengths, weaknesses, and boundaries.

Pen Pal and Mail Exchange Programs

 A way to encourage interdepartmental bonding is through pen pal systems and mail exchange programs. These allow people to send cookies, crafts, mugs, cards, letters, and more to one another to connect on a personal level. Creating connection across teams can be a valuable tool for many employees in their career development and can prompt natural mentorship relationships or even stretch project opportunities.

Company Contests

- Having employees who are remote and hybrid doesn't have to end company traditions such as an annual "ugly sweater contest" or "Halloween costume contest." Having a workforce that is home at least part of the time can lead to new company traditions, such as a contest for who has the "coolest coffee mug" or the "funniest pet moment while in a video meeting." Creating small ways for employees to engage, comment—and most importantly, laugh—is a valuable tool to support retention.

Company Challenges

- Much like company contests, challenges can be useful tools to encourage employees to take a break from working during the day and interact with one another in healthy, bond-building ways. Challenges can include a walkathon (or "runathon" if the company is very adventurous), a journaling challenge, or even a Lego building feat. Encouraging these types of activities in the workplace can help prevent burnout in employees, which in turn can help lower attrition and absenteeism rates.

· Virtual Workouts or Mindfulness Sessions

- Employee well-being, physical and mental, has become a key focus for many companies. Hosting group fitness classes, yoga, chair stretching, or meditation sessions can help keep employees healthy more holistically. These sessions can allow employees to take needed movement breaks—even if they're only 15-minute sessions—which have been shown to improve employees' ability to concentrate, change the way they see their jobs, and even help avoid typical injuries that people can develop when they're sitting at their desks all day.

The ideas above could also all be led, maintained, and reviewed by a company's employee resource groups (ERGs). Depending on what business goals an ERG has, each one of these programs could fit into their programming as a tool to help them succeed and potentially pull in new members. Several of the opportunities described above, especially those focused on communication, can give allies of an ERG more insight into what challenges the community may be facing, both inside and outside of the workplace.

For example, women's ERGs reveal barriers that women employees may face and advocate for workplace improvements. When women in the workplace are on a hybrid or remote schedule, they have been found to be <u>left behind in terms of career</u> <u>development</u>, <u>promotions</u>, <u>and recognition</u>—yet this population still <u>wants to work</u> <u>fully or partly from home about 10 percent more than men</u>. Women's ERGs are proving to be a valuable asset for companies to maintain connection with women employees who may feel left out of the workplace because they work from home, and they have helped companies teach men about the workplace challenges women face. Additionally, many women's ERGs have <u>strong ties to executives</u>, which can lead to higher visibility for members and increase the promotion and retention of women.

Women may be better able to prepare to be in the office when companies identify specific "in office" days. for example, dependent-care arrangements can be made in advance, and women can schedule needed face-to-face meetings with peers and leaders. However, based on a roundtable discussion hosted by the Rutgers Center for Women in Business, some challenges for women with hybrid or remote workschedules include:

- · Difficulty speaking up during virtual calls
- Assumptions made about women's commitment to the organization if they are working remotely more often than men
- Blurred lines between work and home where employees are pressured to always be accessible (e.g., answering the phone and emails outside of typical business hours)
- · Less visibility for women of color in remote environments
- Issues arising from when managers go into the office versus their employees—
 this can allow some employees who may not have dependent-care needs to go
 into the office more frequently than those who do have these responsibilities on
 their remote days

Women's ERGs can support these issues by <u>encouraging development opportunities</u> for women in these work settings. These ERGs can provide the following tools:

Virtual Workshops

 Women's ERGs can provide virtual training sessions focused on topics such as imposter syndrome, allyship, advancing women leaders, and inclusive leadership

· Asynchronous Messaging

 Women's ERG leaders can open the lines of communication through hosting virtual ERG meetings monthly and creating messaging platform channels to help members communicate outside of formal meetings

· Virtual Mentoring Programs

 The goal for virtual mentoring programs is to facilitate career-related discussions that allow more flexibility in mentor/mentee schedules and locations, thus making this opportunity available to more people—mentors and mentees alike.

Virtual Leadership Development Experiences

Research has found that <u>using ERGs as a leadership development experience</u>
works best when the group's mission is aligned with the organization's strategic
initiatives. If advancing women is a business goal, consider leveraging the
talent of the leaders of these ERGs as development experience to help support,
promote, and retain key talent.

Psychological Safety and Well-Being in a Hybrid Workplace

Seramount's second <u>Return to Office</u> paper discussed creating psychological safety in a hybrid team and the "Three Ps of Power in Hybrid Workplaces." Psychological safety occurs when employees feel empowered to take risks without fearing they will face negative consequences. This is important in a hybrid work environment as employees are not constantly monitored, which can allow more space for experimentation, innovation, and creativity. The three Ps of power outline how hybrid work structures may negatively impact managers and employees.

In a recent study by Slido, more than 72 percent of employees reported that leadership behaviors rooted in psychological safety encouraged a positive team climate, but 74 percent of leaders were unaware of this evolving need in the workplace. Organizations with high levels of psychological safety were shown to have:

- 76 percent more engagement across the organization
- · 67 percent increase in inspiring employees to apply a newly learned skill at work
- · 50 percent more productivity
- 57 percent more likely to have improved collaboration among employees

A study by meQuilibrium demonstrates a difference between on-site employees and remote or hybrid colleagues in how psychologically safe they feel at work. <u>One-fourth of on-site workers are more likely to feel their mistakes are held against them</u>, while only 14 percent of remote/hybrid worked share the sentiment. The survey further found:

- 21 percent of those working on-site find it difficult to ask other team members for help, versus 15 percent of remote/hybrid workers
- 14 percent of on-site workers said people are sometimes rejected for being different, versus 9 percent of remote/hybrid workers

These differences in psychological safety are important for companies to keep in mind; however, the strategies for mitigating them are the same regardless of where employees are located. In a Society of Human Resources Management (SHRM) study on how mixed hybrid and remote work teams interacted when managers were intentional about practicing inclusivity, the following results were reported:

- 69 percent said they can bring aspects of themselves to their immediate workgroups that others in the group don't have in common with them
- 68 percent said people in their immediate workgroup listen to them even when their views are dissimilar
- 68 percent said that while at work, they are comfortable expressing opinions that diverge from their group

These statistics suggest that companies can implement mitigation tools to help foster psychological safety for all employees. Following are five ways leaders can help create psychological safety in hybrid workplaces, taken from Seramount's second Return to Office paper:

· Make psychological safety a priority

- By discussing the importance of psychological safety and its impact on their own lives and the company in general, leaders can connect it to the higher purpose of promoting organizational innovation, engagement, and inclusion.
- However, this can be challenging to communicate in person, as not everyone will be available, and sometimes forced meeting settings (such as town halls) do not create the level of engagement needed to get employee buy-in.
 - Virtually, leaders can create threads on company messaging platforms or
 post videos (with no mandatory commitment to watch) that discuss these
 challenges and the importance of understanding psychological safety. Going
 the virtual route allows employees to sit with the information given, find time
 where they can attend to it when undistracted, and respond directly to the
 leader rather than feel they are one of many in a meeting.

Facilitate brave and safe spaces where everyone can speak up

- Organizations with a coaching culture will be most successful at establishing these spaces for employees to gather and respectfully discuss hard topics with open minds, compassion, and empathy.
 - Creating these spaces in person can be harder because body language is very noticeable—if someone in the room gets defensive or becomes overly aggressive, they can shut down those who need the space to speak up.
 Videoconferencing can provide an equal space in which to discuss these issues, as microphones can be muted, cameras can be turned off, and people tend to feel safer in their home environments.

· Encourage discussions on making mistakes and learning from them

 Encourage learning from failure while also teaching employees how to resolve the situation the next time it happens. If leaders share moments from their careers where they failed and then regained their footing, it will help instill a culture of innovation and safety.

Create space for ideation and brainstorming

- Embrace new ideas to foster innovation and creativity on teams. Promote this by outlining how employees should bring ideas to the table, including wanting both ideas that have been tested and shown to work and ideas that may need more formulation. Overall, allow and encourage people to "fail"; there are no "bad" ideas or negative outcomes from a suggestion.
 - In-person settings for these spaces can cause some employees to skip out on sharing ideas if they feel there are stronger and more knowledgeable voices at the table. If employees are shy or reserved, they may be more likely to speak out in virtual settings—such as during video meetings, on team messaging platforms, or in collaborative online workspaces such as Google Docs—because there is a sense of lowered pressure if they say something "wrong."

Embrace productive conflict

- Some conflict is healthy and essential for productive work relationships.
 Promote productive debate, jump in quickly if it stops being productive, and resolve unproductive conflicts with clear next steps. To enable successful collaborations, have teams discuss these questions, especially if they have a mix of hybrid/remote work schedules:
 - How will the team communicate concerns when a process may not be working?

- How can worries and hesitations be shared with teammates in a way that won't hinder the flow of productivity and collaboration?
- What team norms can be established to manage conflicting perspectives?
- In a virtual meeting, employees can remove themselves from the meeting should a productive debate become less so. This can allow employees the space for self-care should it be necessary. If this issue does arise, the manager of the team should independently reach out to the impacted employee to discuss what happened and create actionable next steps.

Following is an overview of the three Ps of power in hybrid workspaces and how managers can mitigate their effects on their teams:

· Positional Power

- Employees in the office have ready and quick access to technology and infrastructure to support their work. They tend to have faster and easier access to information, and that information tends to be more current and broader (including informal watercooler conversations), which provides them with an edge when it comes to the rapid changes of the workplace environment. Employees who work from home often find their weaker technological setup and infrastructure make it more difficult to demonstrate their competence. Not being present for informal interactions may leave these workers out of the loop about company changes. Being remote can also make employees feel more isolated and lacking the relationships and connections that provide social support.
 - Furthermore, working in the same space as one's manager increases the
 likelihood that an employee's efforts and actions will be recognized and top of
 mind. Even when managers work remotely, when an employee is based in
 the office, they still have an increased chance of their actions being seen by
 others, which can be reported to their manager indirectly.
- To mitigate this power issue, managers need the tools and resources to actively manage the differences between hybrid and remote employees, including:
 - The ability to track and communicate with employees
 - Intentionally designed policies and procedures that do not provide an unfair advantage based on hybridity (e.g., KPIs that don't align with resource accessibility or evaluations that don't account for differences in visibility levels)
 - Trainings that call awareness to the power imbalances that hybrid and remote work can create, such as avoiding unconscious biases, creating psychological safety, and establishing individual and collective trust
 - Monitoring employees as consistently as possible with intentionality around removing criteria that may weigh in favor of one employee over another, including through performance reviews, team lunches, and onboarding sessions

Proficiency Power

- Employees who are comfortable reaching out for opportunities for professional development will thrive in remote work settings.
 - However, those employees who may need more mentorship or sponsorship may need in-person interaction to find these opportunities. They may struggle to move up in the company if they are not able to have face time with leaders.

- Skilled hybrid and remote employees have been shown to be more organized, have better flexibility with thinking, be better able to navigate their networks to become visible and trustworthy, and be more capable of securing resources they need to complete their work. However, hybrid competency is not always a skill that can be trained; researchers say it is a quality that is an intersection between a set of skills and a set of personal and environmental conditions.
 - Managers can help encourage the growth of these capabilities by setting boundaries around communication and making sure they're actively discussing team pain points and putting in place processes that help facilitate hybrid and remote work.

Proximity Power

- Managers who see employees in person are more likely to think of them when a development opportunity becomes available because of visibility bias.
 - These employees are subsequently suggested for promotions at higher rates than employees who work remotely, even if the remote employees perform better
 - In a recent SHRM survey, 67 percent of managers overseeing remote
 employees admitted to believing remote workers are more replaceable than
 on-site workers. Furthermore, 42 percent said they sometimes forget about
 remote workers when assigning tasks. This may explain why remote workers
 get promoted less often than their hybrid peers, despite being 15 percent
 more productive on average.
 - To mitigate this power issue, start by having the company acknowledge
 proximity power as a potential issue. Research has shown that people are, on
 average, more productive at home. Without commuting, employees spend
 over a third of that time working instead, and they may be better able to
 focus without in-office distractions.
 - With company awareness, managers can commit to paying more attention to their <u>unconscious biases around remote employees</u>. Start placing more value on quality of deliverables, collaboration, and innovation rather than an employee's location. Over time, remote and hybrid workers should see that managers appreciate their work equally.

Supporting a Remote Workforce

As remote working has become more popular over the past three years, many companies and employees have seen benefits to the lack of commute times and lessened requirements for social interaction. As companies ramp up discussions around returning to the office, many employees may face challenges. Some employee populations may feel more strongly about not returning to the office:

- Employees with <u>disabilities</u> and <u>neurodivergence</u> have thrived while working from home, and remote work has opened up many new opportunities for these populations in the last few years. Going back to the office may be prohibitive for them. According to 2022 Bureau of Labor Statistic data, more than <u>21 percent of US employees have disabilities</u>, up from just over 19 percent in 2021. This increase in employed people with disabilities is thought to be a result of the <u>increase in job accessibility because of remote working opportunities</u>.
- Employees with <u>caregiving and parenting responsibilities</u> may not have support structures locally that can take on what they have been doing since being remote, such as accessible and affordable daycare or family or friends who can pick up their responsibilities. Research shows that as many as <u>one in five full-time</u> workers must juggle both work and caregiving needs. Some of these individuals may be in the "sandwich generation," which refers to those who are simultaneously caring for an aging parent and raising a child under 18 years old.
- Employees may have been hired far away from a company office or may have chosen to move to a more affordable location after the company went remote, and moving to start hybrid or full-time in-office work would place an undue burden on them and their family. For many employees, the decision to live farther away from their company's headquarters was for affordability—many may not have been able to afford to purchase a home in the area their company was headquartered, or perhaps they moved to be closer to family who may need caregiving support. While these employees can be mandated to return to the office, companies will likely see greater attrition because of the financial hardship a move would place on these employees after they may have been told they could continue to be remote workers.
- Employees of color have shown that they are far more likely to favor remote work than their White colleagues, with <u>97 percent of US Black knowledge talent preferring a two-day hybrid or fully remote work model</u> compared to 79 percent of White knowledge talent. This disparity is largely driven by the lack of cultural supports in most workplaces for Black professionals, who are more likely to experience <u>discrimination and microaggressions</u> when working in the office—and this is true for other employees of color as well.
- LGBTQ+ employees are also uniquely impacted by return-to-office mandates.
 According to a new survey by Indeed.com, the majority of LGBTQ+ respondents have not come out to all of their work colleagues and do not plan to because of current political issues in the United States and fears of discrimination (43 percent of respondents), harassment (35 percent), and/or career advancement concerns (24 percent). Remaining home in a safe environment may be more important to this talent pool than maintaining their current job, which could lead to higher attrition rates.

Companies may be asking how they can get their employees back in the office when the issues described above are likely impacting some of their employees—and the

answer is tricky depending on how a company is willing to accommodate them. The best practice for employers would be to create company cultures that accommodate every person rather than being one-size-fits-all. But depending on leadership buy-in, the desired company culture, and manager feedback, finding the right fit may be challenging.

- Some companies are leaving in-office versus remote work choices up to people managers, as they may have the best insight into where their employees perform the best.
 - Managers can also determine which days employees may need to be in the
 office for team collaboration meetings, so individual schedules can be taken into
 account and teams can meet according to their most productive availability.
- Some companies are choosing to allow employees to choose when they go into work, either two or three days a week. This model, known as a flexible hybrid model, allows employees to maintain a level of work/life balance that can play in the favor of retention efforts.
 - As of the second quarter of 2023, 42 percent of employees are fully back in the office (down from 49 percent in the first quarter), 30 percent are in a structured hybrid setting (in-office days are dictated, and up from 20 percent), and 28 percent of workers are in a flexible hybrid setting (in-office days are chosen by the team manager or individual employees, and down from 31 percent).
 - The average minimum number of in-office days required is 2.5. This reflects a disparity between company policy and employee preference: many companies mandate two or three days in the office, while most employees would prefer to go into the office only two days a week. Tuesday is the most popular day for employees to go into the office, followed by Wednesday and Thursday. Very few offices require a Friday presence, and only 24 percent are in the office on Monday.
 - Only 13 percent of companies with more than 50,000 employees have a flexible hybrid workplace, but 66 percent follow a structured hybrid model.
- Some companies may act on a need-by-need basis to allow employees to continue to work from home (such as employees with disabilities who request accommodations) with the caveat that they must attend in-person collaboration days monthly, quarterly, etc.

Programming to Help Maintain Culture and Belonging

There are many factors that can impact the employee experience when a company makes a choice to implement hybrid or remote workplaces. They include <u>ensuring</u> company culture remains consistent and employees can have valuable interactions <u>with their teams</u> while ensuring managers are appropriately equipped to mitigate performance biases, as outlined above. Virtual social events, such as cooking or baking classes, murder mysteries, or escape rooms can continue to be valuable tools companies use to bring together their remote and hybrid workplaces, and they can be places for employees to network in stress-reducing ways.

However, taking a more permanent stance in remote or hybrid working may cause companies to pause and reevaluate how they are engaging with their workforce to promote company culture and a sense of belonging. Having strong ties to company culture encourages a sense of belonging, which has been shown to be a key reason people stay with their workplaces through periods of transition. Programs offered through employee resource groups (ERGs) can be a great way to engage employees on a variety of topics, from fun social events to more serious conversations on social issues. Furthermore, engaging a flexible workforce in mentorship programs can allow for visibility to leadership and career development opportunities that some employees—especially those who work fully remotely—may not have had access to otherwise.

Employee Resources Groups and Easing the Office Transition

Over the past three years, companies have needed to motivate employees virtually. In Seramount's report, "The Future of ERGs: Are Affinity Groups Still Necessary," many respondents noted there are still few options and capabilities in their companies to take ERGs virtual. These respondents noted that for future evolution of ERGs, more virtual access would allow for greater buy-in and engagement from employees— especially if the company operates on a global scale. Companies should try to tailor their ERGs with a virtual-first mindset because events and opportunities through ERGs can be offered with intentionality around accessibility and flexibility. Seramount recommended in the report the following ways for companies to engage a virtual, and perhaps global, workforce:

- Ensure events are marketed to as many employees as possible. Companies can do this through email and internal messaging platform campaigns, through notifications at company-wide town halls, and via ERG general meetings.
- Reflect on issues with a global perspective when applicable. Even if a company is not global in nature, pulling in knowledge partners with a global lens can help diversify thought practices in the organization.
- Engage audiences with different accessibility tools to improve engagement, such
 as sharing recorded events or encouraging conversations after sessions. This may
 allow more people to learn and develop from the offering, thus providing more
 chances for employee visibility and networking.

Seramount's <u>ERG Impact Awards</u> (formerly known as the Above and Beyond Awards) showcase several companies with ERGs that have successfully operated in a virtual

setting and not only engage employees but also impact business needs such as recruitment and retention efforts:

- Bank of America: Winner of the 2022 Workforce Impact Award, this company's
 Enterprise Military Support and Assistance (MSAG) ERG not only surpassed the
 company's goal of hiring 10,000 military veterans over five years, but they also
 have succeeded in maintaining that momentum. MSAG helped to recruit and
 retain employees by helping veterans excel within the bank through professional
 development and mentorship programs to create better awareness,
 understanding, and empathy for key issues that are important to veteran
 employees.
 - MSAG developed and managed two development programs: the Veteran Development Program (VDP) and Veteran Onboarding Initiative (VOI). The VDP is a virtual, five-month-long development program that combines self-study pre-work, mentorship, monthly connect sessions, and a capstone team presentation for veterans to engage in collaborative learning with peers and share how they're applying their learning with business leaders, their managers, and advisors. The VOI pairs newly hired veterans with Champions to help ease their transition out of the military and facilitate a smooth onboarding experience into the bank.
- Scotiabank: Winner of the 2022 Workplace Culture Impact Award, this company's Indigenous ERG (IERG) set out to create a safe space for Indigenous and allied employees to learn, grow, and connect. The group has worked with multiple business lines and leaders to focus events to increase awareness for allies and support the voices of Indigenous employees. As an example, the IERG partnered with Control Functions to develop a three-year action plan toward an inclusive environment and talent strategy, employment equity actions, Indigenous mentorship, and more. They also provided inclusive language insights in alliance with the Scotiabank digital team to update externally facing campaigns and talent acquisition pages to reflect the need to address the Indigenous community differently.
- Asurion: Winner of the 2021 Workforce Impact Award, this company's Black Employees Supporting Talent (BEST) ERG empowered employees to drive positive business outcomes by supporting recruiting programs and apprenticeships that develop frontline team members' skills to help them advance their careers and by organizing high-touch opportunities with current and future BEST leaders to support retention and engagement. The group provided support in recruiting, stay interviewing, mentoring, and networking with diverse employee populations to improve the company's recruitment and retention programs.
 - BEST's efforts paid off, with 100 percent of Black intern offers being accepted (up from 35 percent the previous year), 80 percent of recruited participants for the company's Software Engineer Apprenticeship identifying as members of historically excluded communities, and 40 Black leaders being identified as ready for development opportunities.
- Verizon: Winner of the 2021 Workforce Impact Award, this company's Black
 Originators, Leaders, and Doers (BOLD) ERG launched a series of initiatives to
 support employees and assist those looking to start courageous conversations
 around current social issues. BOLD facilitated the company's Courageous
 Conversations and provided an opportunity for all employees to join in (virtually)
 and observe the authentic, educational, and transparent discussions.
 - Additionally, through programs such as BOLD Thinking and the BOLD Learning
 Path, employees have access to extensive career development tools that lead

to career advancement preparation. BOLD Thinking is a program designed to connect its members with educational and developmental opportunities within the business. The BOLD Learning Pathway is an informal guide with resources for BOLD members and other employees to utilize custom content that helps build employee skill sets and exposes them to new ways of learning.

- BOLD also hosted the company's inaugural virtual homecoming event with Historically Black Colleges and Universities (HBCUs) to increase diversity recruitment and spread awareness about these schools. As a result, the group had nearly 11,000 virtual engagements with students via events, recruitment sessions, and fun social interactions.
- <u>BCW Global</u>: Winner of the 2021 Culture Impact Award, this company's Pride ERG recognized their agency could better demonstrate its commitment to sexual orientation and gender identity diversity and conducted an internal survey and resource audit to reveal the gaps. The ERG created a long-term, comprehensive campaign to move the needle on gender inclusivity among internal and external stakeholders. The group led the #MyPronounsAre campaign, starting in Pride Month and ending on International Pronouns Day in October. There were two objectives for the initiative: (1) deepen employee understanding of the key issues and considerations for action around gender inclusivity and (2) showcase BCW's commitment to gender inclusivity through robust thought leadership and social media activations.
 - Within BCW, the ERG hosted an educational webinar exploring the many dimensions of gender, the history and explanation of pronouns today, and considerations for using pronouns in the workplace. They also produce a how-to guide for adding pronouns to professional platforms and a manager's guide on how to have honest conversations around gender identity.
 - Externally, the group posted thought leadership pieces on the company's
 LinkedIn to outline BCW's position on the importance of gender inclusivity and
 on the company's Instagram, where clips of employees sharing their
 experiences of pronoun confusion were featured, along with several senior BCW
 executives explaining why pronouns are important at the company.

Mentorship in Hybrid and Remote Work Environments

With the shift to more virtual and flexible workplaces, companies may be thinking about how to be more agile in terms of developing their high-potential employees. Mentorship programs can do just that, and over the past few years, they have shown to be equally impactful—if not more so—as in-person programs. Recent research on virtual developmental relationships indicates that this form of mentoring can be more egalitarian, with visual status cues of organizational hierarchy and physical stature being minimized via video-based conversations. Additionally, with many of the social issues and pressures pervading historically excluded talent groups, virtual engagement can decrease anxiety about in-person meetings, creating more buy-in from these employee populations, allowing them to excel in the workplace and feel more supported.

While virtual mentoring can be a great program to add to a company's toolbox, it is important that the <u>details of the programming be thought through with intentionality</u>. Without in-person chances of meeting to catch up in hallways or informal drop-by chats to check in, greater support will be needed to establish trust and rapport in these virtual relationships. It is also important to consider email overwhelm and screen fatigue as likely impacts on these relationships, as both can cause the mentorship group to become more task-oriented and expediency-driven.

Examples of companies with strong, virtual mentorship programs include:

- <u>Intel</u>: This company runs a long-standing program that matches employees with mentors (in-person or virtual) based on the skills and interests of the mentee. Participants must fill out a questionnaire, which is then used to match them with other qualifying employees who can teach them the skills they wish to learn.
- Thornburg: This company's Small Group Mentor Program was created to bring employees of various tenures and experience levels together in order to cultivate organic relationships and opportunities for influence in a low-pressure environment. The program consists of six small groups comprised of one mentor and three to six mentees. These groups meet for one hour every month for six months. The series concludes with a virtual event where all participants from every group can meet and share takeaways from their experiences.
- The Hartford: This company's workforce is located across the United States, and they offer many virtual mentorship opportunities for employees. Its Mentoring Program in tech and data, for example, offers a confidential and judgment-free environment for participants to ask for advice, share ideas, practice risk-taking, and try new skills. It also aims to foster growth in building networks, building confidence, and reinforcing positive behavior so that employees may contribute to a high-performance work environment.

Commuter Benefits in the United States

With return-to-office plans shaping up, many employees are asking managers if there will be any additional benefits allotted for the commute they are now required to make. Many companies are improving their benefits programs to remain competitive in the ever-changing job market that is challenging previous workplace standards. One way for companies to continue attracting top talent, improve employee satisfaction, and lower attrition rates is to offer flexible commuter benefits.

A recent survey by Indeed found that 45 percent of employees are worried about commute time—time during which formerly they may have been working—and 38 percent are concerned about additional transportation and fuel costs to get to the office. Working from home has <u>saved employees between \$2,000 and \$7,000 annually</u>, and 42 percent of employees would consider quitting if forced to be in the office full-time (<u>down from 64 percent in 2022</u>). <u>Employees love commuting benefits</u> for many reasons, including:

- · They gain better access to transportation options they prefer.
- They can improve their local community and the global environment.
- They help them save money, especially with pre-tax commuter benefits.
- Participation is usually easy, and commuter benefit plan funds standardly accrue
 monthly with any unused balance automatically rolling forward, with no year-end
 "use-it-or-lose-it" penalty.

When <u>making the business case for including commuter benefits</u> in a company's employee offerings, the following points can be made:

- They promote company culture.
 - Transportation benefit programs play a significant role in creating a positive, community-oriented culture in which all teammates are able to tailor their commute.
- · They drive job satisfaction.
 - Research shows that commuting benefits contribute to greater job satisfaction and general well-being.
- · They increase savings.
 - Employers who provide these benefits improve employee satisfaction while lowering payroll taxes and helping employees save more of their paychecks each month—on average, employers can save about \$40 per employee, per month with these benefits. For a business with 50 employees, enrolling in a commuting benefits program yields a savings of \$24,000 a year.
- · They attract and retain top talent.
 - Employees prefer working for companies with comprehensive benefits packages—flexible commuting plans can help improve the employee experience by demonstrating the company's commitment to workforce well-being.
- They help the environment.
 - The Environmental Protection Agency (EPA) estimates that <u>gas-powered</u> <u>transportation causes 29 percent of US greenhouse gas emissions</u>. Encouraging less fuel-intensive commuting methods can help reduce the number of cars on the road as well as the level of emissions they produce.

When an employee enrolls in a commuter benefit program, such as <u>this one</u> from Edenred Commuter Benefits, they can pay for their transit and parking expenses with pre-tax money, up to the current IRS limit of \$300 per month. In addition, there may also be a biking benefit that allows commuters to spend up to \$20 a month for equipment and repairs. <u>Other commuter benefit options may include</u>:

- · Public transit
- · Car, or van, pooling
- · Bike sharing
- · Spot Hero and other parking
- · E-scooter sharing
- Toll reimbursement
- Company vehicles
- Fuel funds
- · Vehicle maintenance
- · Shuttle programs