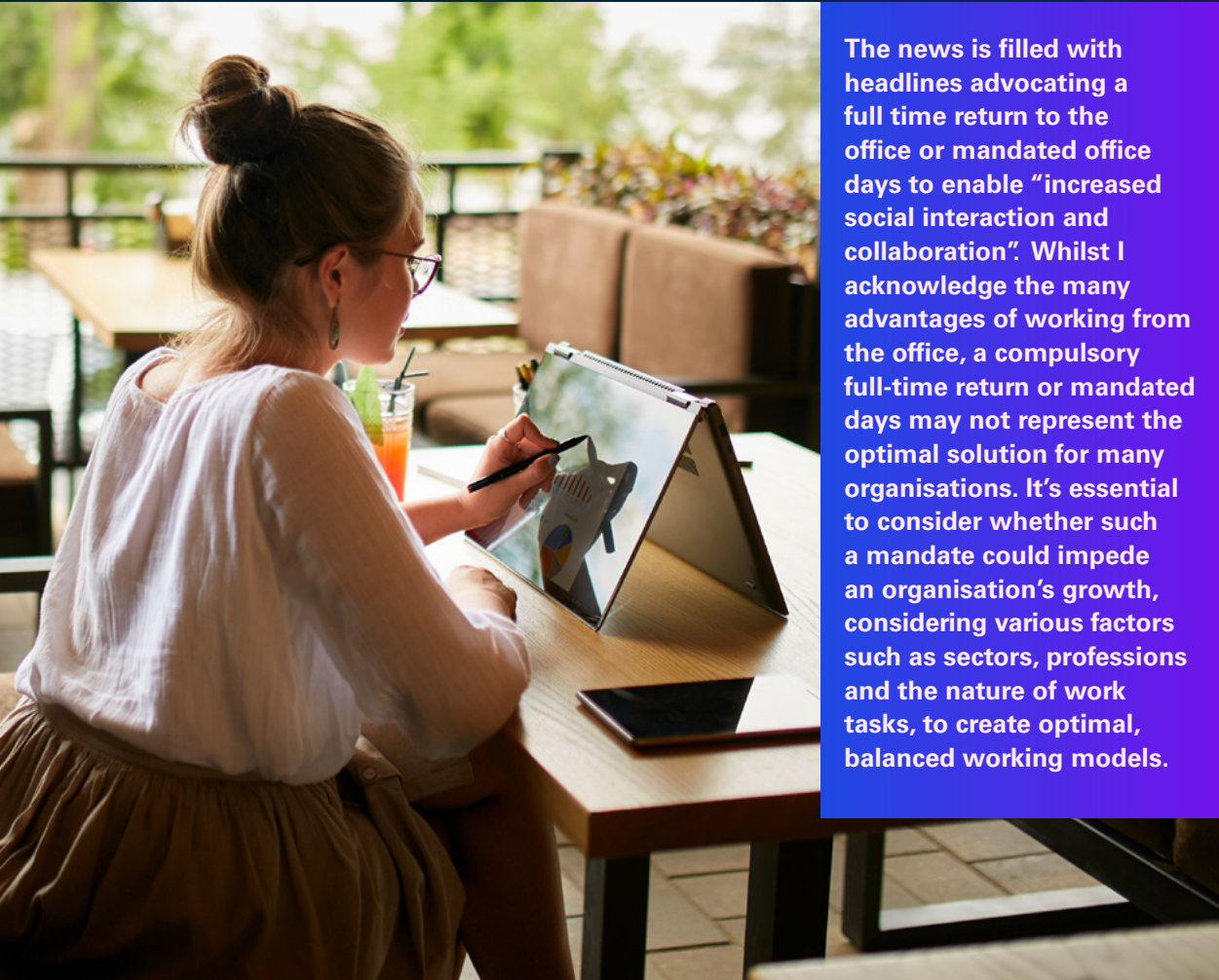




Beyond the Office: Embracing the Hybrid Future



Introduction



The news is filled with headlines advocating a full time return to the office or mandated office days to enable “increased social interaction and collaboration”. Whilst I acknowledge the many advantages of working from the office, a compulsory full-time return or mandated days may not represent the optimal solution for many organisations. It’s essential to consider whether such a mandate could impede an organisation’s growth, considering various factors such as sectors, professions and the nature of work tasks, to create optimal, balanced working models.

“Hybrid working is a form of flexible working where workers spend some of their time working remotely from home and some in the employer’s workspace”¹. Working from home is not a novel concept born solely out of the COVID-19 pandemic. “Before the pandemic, one in eight working adults reported working from home”². The pandemic merely galvanised this trend and, for many businesses, eliminated a choice of working model. The absence of choice, however, revealed the benefits of significant adaptability, resulting in increased productivity, improved work-life balance for employees and accidentally enabled increased trust between the organisation and its employees.

Many organisations have emphasised the importance of workers returning to offices for the UK’s economic recovery. Yet, the rise in remote work has boosted the technology industry and helped stimulate the progression of significant advancements within the digital sphere, particularly artificial intelligence. Virgin Media, O2 Business (2021) reported that increased remote working has ushered in digital change, projected to grow the UK economy by £236 billion by 2040.

These benefits extend beyond GDP growth, such as improved well-being of up to 47% for remote workers⁴, raised employee satisfaction, reduced absenteeism and increased attraction rates for businesses.

This report aims to provide an alternative perspective to common narratives, uncovering some of the overlooked benefits of hybrid working, often eclipsed by more visible advantages of the status quo of full-time office-based work. It provides guidance to organisations struggling with the complexities of implementing effective hybrid working models and how to unlock potential of true hybrid working, without imposing a binary solution.

1. CIPD, “Hybrid Working, Practical Guidance.” (2023)
2. Hybrid Work Commission. (2023)
3. Virgin Media O2 Business, “Three Years of Progress, CEBR Report.” (2021)
4. Office for National Statistics, “Is hybrid working here to stay?” (2022)

Increased Productivity and Employee Competency

Software, such as Teams and Zoom, have played a pivotal role in upskilling employees through virtual seminars and similar learning events. These tools not only facilitate greater knowledge sharing and best practice, but unlock huge opportunities for global networking, resulting in increased revenue. Furthermore, they have increased productivity, enabling quick transition from one meeting to the next without requiring any physical transit. In fact, it could be argued that these applications have enabled more structure to meetings thanks to features of hands up and a numbering system to maintain order.

When we look at productivity levels, compelling reasons emerge in favour of hybrid working. Time that used to be spent on commuting, booking and navigating to meeting rooms, office preparation etc. has been regained. While some businesses express concerns

about productivity levels in remote working environments, there are various tools to monitor output levels and managers can implement performance monitoring plans; which is generally well received by high performers who value accountability. In fact, as I write this piece from a remote location, it challenges the notion that remote working hampers productivity. Furthermore, the mere visibility of employees in an office does not always equate to higher productivity. Forward-thinking, strategic organisations should shift towards monitoring productivity based outcomes rather than outputs. Hybrid working facilitates this transition by necessitating organisations to place trust in their employees, thereby empowering them. This trust not only creates increased retention and productivity, but yields other numerous benefits such as enhanced work-life balance, reduced operational costs and increased business agility.

There are many useful tools to support organisations in maturing their hybrid working models. A recommendation from the Hybrid Work Commission (2023) proposes that the Government should develop guidelines to help businesses with hybrid working practices, offering an objective set of tools to help them understand the productivity of their employees and build confidence.

There are claims that collaboration and innovation suffer from remote working, for example, the reduction in chance encounters with colleagues in the office generating opportunities. However, it questions why we are relying on happenstances to generate opportunities? For many, remote working has instilled greater confidence in introverted employees, who are now able to relax and thrive more in the comfort of their own environment, leading to significant contributions and increased capability. Conversely, remote working may stifle the growth of others who flourish in the company of others and this is where organisations should seek a hybrid working model that enables the correct balance.



Enhanced Skills



Whilst the value of in-person interactions in an office cannot be disputed, remote working can also establish strong interpersonal connections and with the rise of technological developments, it is not unfathomable to consider future virtual meetings being held via holograms or other advanced technology. However, for some people and in particular, the younger generation or those new to a role, time in the office with peers is an opportunity to learn and grow new skills.

A large body of research suggests that to enable business success when utilising hybrid working models, managers should be provided with applicable training. The Work Foundation (2021) reported that a system that ensures managers commit to their ongoing development is required to ensure they can deliver the best outcomes for their business and those they work with⁵. When managers learn how to manage remotely, it simultaneously improves leadership and communication skills. As they become adept at remote management, they invariably enhance their leadership and communication skills.

Successful leaders are those who are capable of achieving results, irrespective of location or method employed.

Whilst office working can foster collaboration, this can also be facilitated via virtual rooms and questions the value of our time spent in the office which should be harnessed as an opportunity for enhanced collaboration. By understanding how to maximise value out from in office days, for example, strategic work and team building, we can optimise the effectiveness of our interactions, ensuring that each in-person interaction serves a purpose and contributes significantly to collaboration efforts.

Numerous opinions emphasise the significance and ease of in-person conversations with colleagues. While this holds true, it's important to note that relying solely on this mode of communication may hinder the development of more advanced methods. Sometimes, virtual conversations stimulate conversations that do not perhaps always naturally surface through in person conversations.

5. The Work Foundation and Chartered Management Institute. "Post-pandemic hybrid working poses new challenges to diversity and inclusion" (2021)

Impactful Organisational Culture

Organisations have a unique opportunity to **empower employees** to make their own decisions about where they are most productive and trust that their employees will deliver. Without empowerment and trust, we find ourselves on shaky ground. If employees are underperforming whilst remote working, it is highly likely they will underperform in the office too. When it comes to performance, the physical location becomes secondary; it's the quality of leadership and management skills, the emphasis on performance development and the efficiency of work processes that are truly important. Hybrid working enable organisations to achieve **performance driven approaches** to realise high levels of efficiency, effectiveness employee **entrepreneurship** and measurable outcomes.

Traditional management philosophies are being reshaped. The introduction

of team charters is a noteworthy example, providing teams with clear understandings of individual non-negotiables, proving valuable in fostering effective hybrid working practices. The increased adoption of team charters suggests a shift towards greater consideration of our peers, paving the way for strengthened relationships. Hybrid working has obligated us to reconsider our interactions, facilitating increased empathetic collaboration than was previously the norm in office working.

The Financial Times (2023) reported that, "hybrid working boosts number of UK women in full-time jobs"⁷, and the World Economic Forum (2022) reporting that, "the hybrid work model, when executed properly, specifically enables us to access talent within certain target groups"⁸, demonstrating the positive link between hybrid working practices and **increasing diversity** within organisations.

Enhanced communication and effective, well considered organisational culture is the key to creating an environment where employees are **more satisfied, accountable and productive**. Guiding employees to determine the types of work best suited for home and those better accomplished in the office is a valuable practice. It is essential for managers to understand that relinquishing some control brings about numerous benefits; cultivating, **trust, innovation**, and an environment that empowers individuals to thrive within the organisation.



“

Building and maintaining strong company culture is essential for businesses of all sizes. The type of culture you build can even affect your bottom line.⁶ (Forbes, 2023).

6. Joe Camberato, Forbes, "How Does Company Culture Affect Business Performance?" (2022)
7. Financial Times, "Hybrid working boosts the number of UK women in full-time jobs." (2023)
8. World Economic Forum. "How hybrid work can drive diversity and productivity." (2022) [Online].



Improved Health and Wellbeing

Hybrid working has had a notable positive impact on wellbeing, with a study by IWG⁹ (2023) revealing that hybrid workers are exercising more, sleeping longer and eating better than ever before, resulting in a healthier workforce. However, the remote nature of work has brought about some challenges, including feelings of loneliness and a diminished sense of connection when relying solely on screen-based communications. In certain roles, individuals may go entire days without interacting with anyone, emphasising the need for organisations to establish effective support mechanisms for wellbeing.

Achieving this involves ensuring the right leadership, optimising communication in terms of frequency and type and recognising that meaningful interaction is integral to wellbeing. Organisations can further reinforce well-being by incorporating practices such as wellbeing moments, health and wellbeing

champions or increasing the frequency of team social events. These initiatives contribute to cultivating a supportive and balanced work environment for all employees.

Working from the office offers benefits such as allowing for more effective introductions for new employees and clients, offering a change in scenery or providing a dedicated workspace for strategic thinking and motivation.

Conversely, remote working is well suited for executing tasks efficiently. In addition, many people have adapted to remote working through creating an office setup that allows us to start working immediately without the need for desk bookings, setting up electronics, adjusting chairs, or working from a single screen, which can lead to eye and neck strain. This arrangement promotes a healthier lifestyle for many through reduced pollution, home-made meals, flexibility to incorporate exercise into

our daily lives and more. Nevertheless, organisations should proactively consider supporting employees by providing the necessary equipment such as ergonomic chairs and monitors.

Remote working has helped to transform the lives of working parents, who now have increased flexibility for the school run and reduced costs through less reliance on childcare services. For many families, they feel more connected, with employees able to pause work for family dinners and spend evenings together before returning to work if they choose. The ease of scheduling appointments throughout the day further contributes to improved wellbeing and reduced illness rates associated with hybrid working.

9. International Workplace Group, Hybrid & Healthy White Paper" (2023)

Positive Environmental Impact

Research indicates that adopting hybrid working models can mitigate the adverse environmental effects associated with daily commutes. A 2023 study conducted by Cornell University and Microsoft¹⁰ revealed that remote work led to a substantial reduction of up to 29% in individual emissions. Organisations can further enhance their environmental efforts by implementing positive impact initiatives such as bike to work schemes, car sharing initiatives, electric company car schemes, and facilitation of smaller, more localised workspaces, minimising employee commutes.

Beyond the decrease in transport emissions, office spaces often consume more energy due to the varied requirements of the workplace environment. Typically, offices necessitate multiple printing stations, computers, data servers, advanced heating, ventilation and air conditioning systems. Additionally, the ongoing concern for air

quality in urban areas has been addressed through research, demonstrating that since the inception of hybrid working, nitrogen dioxide emissions have consistently remained approximately 20% lower than pre-pandemic levels¹¹.

The shift to hybrid working can influence employees to embrace more sustainable waste practices at home and reduces usage of office supplies, paper and space, due to increased digitalisation. Additionally, avoiding single-use plastics becomes more achievable with hybrid working, through use of home utensils for coffee and meals, cooking at home helps in minimising food related packaging and opting for tap water over single-use plastic bottles contribute to a more environmentally friendly lifestyle. These practices can also be extended to the office environment, providing organisations with opportunities to align with sustainability measures.

Fostering an environmentally sustainable culture involves organisations providing optimal support for hybrid employees. This includes implementing additional policies, such as encouraging and supporting the shift to renewable energy sources at home, incentivising active travel for work meetings and encouraging digital communication and documentation to minimise paper usage.



10. Yanqiu Tao, Longqi Yang, Sonia Jaffe & Fengqi You, "Climate mitigation potentials of teleworking are sensitive to changes in lifestyle and workplace rather than ICT usage" (2023)

11. Green Journal, "6 Environmental Benefits of Remote Work" (2022)

Conclusion



In conclusion, hybrid working is evidently effective for a large amount of the population, as indicated in the reluctance of employees returning to the office full time. A report by the University of Lancaster in 2021, found that nearly 9 in 10 workers surveyed, did not want to return to pre-COVID-19 working patterns¹². It is crucial for organisations to adopt a flexible hybrid approach that accommodates the diverse needs and preferences of employees while simultaneously reinforcing the organisation's mission and purpose. Organisations should consider various factors when designing the optimal hybrid working model. This should include factors like the type of tasks and projects, employee preferences, team location and diversity and inclusion.

To ensure inclusivity in hybrid working, organisations can create opportunities for meaningful interactions and collaboration within the office and ensuring that employees have a clear purpose when coming to the office, thereby maximising their time and engagement. Organisations can create and adapt office

spaces to maximise value creation through collaboration or strategy spaces. Providing managers with remote management training will also significantly increase the effectiveness of a hybrid working model.

Employees should be empowered to have choice in where they work, after all, "autonomy is an indispensable component of motivation and a key driver of performance and well-being"¹³. It is important to recognise that hybrid working is often presented as the flexible option by organisations, yet this flexibility is diminished when specific office days or attendance frequencies become compulsory.

The challenge in designing hybrid models is not simply to optimise the benefits, but also to understand trade-offs, giving consideration to how productivity levers such as energy, focus and collaboration will be impacted by different working models. Hybrid working models should closely align to an organisations value and culture for optimised effectiveness.

12. Heather Taylor, Rebecca Florisson, & Daisy Hooper, University of Lancaster, "Making Hybrid Inclusive – Key Priorities for Policymakers." (2021)

13. Holger Reisinger and Dane Fetterer, Harvard Business Review, "Forget Flexibility. Your Employees Want Autonomy." (2021)

The numerous benefits of hybrid working should not be understated. Organisations should invest time refining hybrid working models to unlock a multitude of benefits:

01

Reduced carbon footprint & increased diversity & inclusion

- Mitigates environmental impact through minimised commuting and office-related emissions.
- Decreases use of single-use plastics.
- Fosters a diverse workforce by accommodating various needs and preferences.
- Reduces potential bias associated with physical presence in the workplace.

02

Efficiencies gain & organisational resilience

- Achieves financial efficiencies by reducing office-related expenditures and increased employee productivity.
- Promotes the adoption of advanced technologies for remote collaboration and market expansion.
- Enhances resilience by adapting swiftly to unforeseen circumstances and adjusting to evolving market demands.
- Improves business continuity by maintaining operations during disruptions.

03

Increased employee wellbeing, retention & attraction

- Enables enhanced work-life balance and increased job satisfaction, thereby retaining talent.
- Supports better mental health by provision of flexible working, reducing stress related commuting and providing a comfortable work environment.
- Attracts top talent with a desirable hybrid working model, gaining a competitive edge.



To conclude, embracing hybrid working not only yields cost savings, but also influences various facets of business, contributing to organisational resilience, competitiveness and overall success. The idea of employees returning to the office full time will hinder organisation innovation and progress. Ultimately, there is no one size fits all solution to this challenge, given the array of factors at play. Striking the correct balance of a hybrid working model is a nuanced endeavour, requiring mutual agreement and a well considered approach to policy development, that supports the well being of employees and the overall success of the business, bringing immense value to organisations.



What's next?

To truly optimise hybrid working models, organisations should consider adoption of spatial computing to create dynamic and interactive workspaces. This advanced area of computer science merges the physical with the digital, leveraging a suite of technologies including Augmented Reality (AR), Virtual Reality (VR), Artificial Intelligence (AI), and sensor technologies.

These technologies can enhance the realism of remote interactions, allowing employees to share virtual spaces that feel as cohesive and intuitive as their physical counterparts.

Furthermore, developments in AI streamline workflows and automate routine tasks, freeing up employees to tackle more complex and creative projects. AI-driven analytics enhance this by delivering deeper insights into productivity trends and employee engagement, leading to more customisable and effective work arrangements.

Incorporating these cutting-edge technologies can profoundly enhance the hybrid working model, boosting productivity, improving work-life balance and fostering richer, more meaningful human connections that transcend the limitations of traditional screen based communication tools like Teams and Zoom. As the workplace evolves, it is essential for forward thinking organisations to explore and invest in these technologies, ensuring they remain leaders in workplace innovation.



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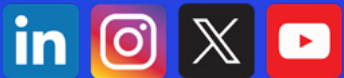
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