

Full Episode Transcript

With Your Host Dr. Janel Anderson Hello and welcome to another episode of the working conversations podcast where we talk all things leadership, business communication and trends in organizational life. I'm your host, Dr. Janel Anderson.

Research at the end of 2023 projected that 90% of companies would be requiring staff to return to the office by the end of 2024. But remote workers are saying Not so fast.

The tension is continuing to mount and return to Office has become a hot button issue between many employees and the companies they work for. Why go back if there's nothing to value their employees ask? New research shows that there is not significant performance gains from large companies who are requiring their employees to come back. So what's to be done about all this? Well, I've got some ideas for employers to consider if and when they ask employees to come back to the office. And that's what we're going to dive into today.

First of all, let me preface this with who we're talking about here. Employees and technology, finance and accounting, sales and marketing, project management, just to name a few of the industry sectors who can work remotely. But let's not forget that over 60% of the American workforce, do not have jobs that can be done remotely.

Frontline jobs in health care, hospitality, law enforcement, manufacturing, logistics, and so many more industries. Absolutely require that people be on site. And many organizations have some of each some of those back office jobs that can be done remotely and some of those customer facing or hands on jobs that must be done on site. Those companies are really trying to find their way through this situation to create fairness and equity for their employees. So they've got a extra hard challenge, if you will.

Okay, so now that we know that we're talking about just slightly under 40% of the American workers to begin with, let's look at some of the dynamics, United Parcel Service UPS a logistics company, Boeing who makes airplanes, JP Morgan, Chase, financial institution, all of those companies and so many more, have been starting to require five days per week. Now, part of their perspective is that because they have frontline workers who do need to be on site to do those jobs, whether that be frontline employees in a bank, or building an airplane or delivering those packages that we also much rely on.

They have people who are in on both ends of the spectrum in terms of the flexibility that

can be afforded them in their workplace. We'll talk more about flexibility as we get into the later part of the podcast episode, like what organizations can do to mitigate some of this potential unfairness and give employees who must be on site some additional flexible work arrangements, even if that doesn't necessarily mean working at home, but I'm getting my head ahead of myself here. So those companies have employees who are on both sides of the coin.

And again, I think they are trying to be fair to the employees who need to be on site as they're asking the office workers to come back as well. But we do potentially run the risk of forgetting or companies run the risk of forgetting that people's lives were on up ended with a pandemic and many of them made substantial changes in how their work and lives are arranged.

Companies have also waffled on their position first saying work from home should be a permanent change and they gave people permission to move and make big and lifestyle changes because they thought everything was going permanently remote. And then companies had an about face back in the office, they said, without much regard for the changes that their employees made in their lives in big ways during the pandemic.

We can take a look at a couple of other specific case studies as well. Zoom is quite ironic. They are now on a structured hybrid model where two days per week if in the office if you live near one of the Zoom offices. And again rather ironic when you think of the role that Zoom played for people initially and continuing to work remotely. Rather ironic that they're asking people to be back in the office two days per week. You've probably heard me talk about Morgan Stanley, AT&T, Disney and Apple all do something similar, asking people to be back in the office a certain number of days per week anywhere from two to four.

Those returned to Office initiatives may be getting stricter in the near term and expanding to more and more companies. Google, Amazon and Salesforce which is the customer relationship management tool that's used in a lot of sales organizations and also the parent company of Slack, an online collaboration tool, also very ironic, are also pushing for their employees to return to the office in larger numbers more days per week.

So I've also noted before and reported in an earlier episode, that employees from the investment firm Vanguard told a reporter at The Wall Street Journal that Vanguard employees were required to return to the office or they would lose their job essentially be fired. No severance package, not a layoff situation. Just flat out fired and Vanguard is not alone in that there are increasingly large numbers of organizations who are telling

their people they have to come back into the office anywhere from two to five days per week in order to avoid getting fired. So they're essentially threatening their employees livelihoods or their employees jobs over this returned to Office issue.

Now a new report out by the University of Pittsburgh business professor Mark Ma suggests that it is short sighted of employers to force their employees back into the office. His research indicated that returned office mandates hurt morale and employee satisfaction and having employees back on site does not necessarily show meaningful gains, meet the company's performance and the employees productivity did not necessarily increase in a significant manner.

Now the research that he and his colleague did examined overall job satisfaction and work life balance after Return to Office mandates were put in place at companies within the s&p 500 index companies as a measure for whether or not it made a difference to be back in the office. The researchers looked at the company's overall financial performance to see if there was a significant gain a significant difference when employees were required to be back on site. And it might not surprise you to find out there wasn't any significant gain so interesting now that the empirical data is starting to come out. That doesn't necessarily support higher performance being back on site.

Well, let's take a closer look at what's going on for the percentage of people who want to continue to work from home and part of the impetus of this episode came from a listener who emailed me and I welcome your emails. I read your emails. And I think that perhaps the last episode that I did on the whole work from home versus returned to office, that was episode 148 is the return to Office for over I think I may have come out sounding as if I were on the employer side of the issue.

Now I like to be impartial and I like to present all sides of an issue, especially when it is something as controversial as this. And what I was attempting to do in that episode was to explain to employees why employers want them back. I think that perhaps I did not give an even handed coverage when I think about that episode. I think again, it may have easily come off as I was trying to persuade people to come back into the office. I was just trying to let people know why employers want you back into the office.

Well, anyway, I got a great email that really provoked my thinking on this and lead to this next episode because again, I do want to take a closer look at what's going on for those people who do want to continue to work from home. So let's look at the work part first. And then let's look at the lifestyle employee part for those employees. And then I'll conclude with some advice for how companies might handle the situation better and certainly without threatening to fire people. So first organizations really need to define the purpose for an office presence. Why do people need to come back into the office? Why does it matter? So clearly defining the purpose of in office work is absolutely crucial to get employee buy in. If employees understand that the office is a space for collaboration, innovation and high impact activities, they're more likely to see the value in being physically present. But if you're asking people to come in and be on teams or Zoom calls with people in other locations, or even people inside the same building, what is the value of doing this from the office?

One source who's close to me has explained that the very loose requirements that their organization has of being in the office three days per week, is what the guidelines are for their job, but no one they work with directly works out of the same office or is required to be in on the exact same days. So they don't find value at all in the hassle of going into the office. But I'm getting ahead of myself here with some of the lifestyle issues.

But the number one issue really is this, what value does being in the office at now I will be quick to point out that it's easier to have those cross pollination conversations with those that you don't work with directly, and that it's good for new employees to meet people. But for the person who's worked there for years, well, those just aren't as valuable and it's not as compelling to get yourself back into the office for somebody else's gain. Yes, they are valuable to new employees, those in person interactions, and it's especially valuable for new employees to be learning from their counterparts who've been around with the organization for a while. But if there isn't any direct and tangible values, but if there isn't any direct and tangible value to the employee who's been around for quite some time, it's a really hard sell.

So the first thing is you have to make a case a business case for why it matters for employees to be in the office. And then you have to back that up to make sure that that actually happens. Now we also need to look at the personalized work environment. Half of global companies have cut their commercial real estate space. And what's left is used primarily for Hotelling. That is you plunk down with your laptop and whatever space is available. You might not have your second monitor there to plug into or there might not be a second monitor on the Hotelling desk that you sit down at. Certainly you don't have your ergonomic keyboard and your mouse with you or a comfortable chair that's set up to your liking. And that's just the tip of the iceberg.

Other most people have other kinds of amenities in their home offices that make it comfortable and easy to work there as well. So this lack of personalization of employees work environments can result in discomfort lack of focus, lower productivity and an

overall lower sense of job satisfaction.

Meanwhile, their home office that they have meticulously attended to and designed over the past few years during the pandemic sits vacant while they feel untethered in their Hotelling situation. So again, there is a lack of personalization in the work environment because Gone are the days when everybody had their own office or even their own cubicle. So that's another big reason that people are not finding it compelling to come into the workplace, and that's related to the work and the work environment.

But now let's look at a few of the lifestyle costs of coming into the office on a regular basis. Commuting is chief among the concerns in fact, there's lots and lots of headlines about how taxing it is on people to commute once again. So why does this matter? Commuting challenges can be a significant source of stress. And cost for employees. Commuting takes time. Dressing for the office may be different than dressing for remote work. So there may be additional clothing costs and dry cleaning and laundry costs as well. And of course that's not to overlook the increase costs associated with actually commuting itself such as gas, money or public transportation costs, parking fees and so on. Not to mention some couples dropped down to one automobile per household, and they may not live in an area with reliable public transportation. So they might not even have a car to get to work every day.

And then there's also the potentially higher food costs with lunches and coffees that are no longer being prepared at home. All of this adds up to potentially have a significant impact on employees finances, again, making it less desirable from a financial aspect to come back to the office. And we also need to consider employee wellbeing whether you want to call it work life balance or something else. The considerations for employees as human beings should be a priority.

If remote work has proven effective and employees have adjusted well to working from home and have maintained or even increased their productivity, forcing a return to the office without tangible benefits may lead to stress and dissatisfaction, negatively impacting their well being.

Now we also need to take into consideration where people live. As I mentioned earlier, some companies had promoted work from home as a permanent change. And people believed them the employees who worked for them believe them and they moved sometimes clearly across the country, making it completely unrealistic to come back to the office. When now their employer has waffled on that issue and change the policy and is asking them back. It's rather ridiculous. So with all of this as the backdrop both some specific concerns for the work itself, and then some concerns for the work life

balance and the employee well being well, it's easy to understand why employees are bulking at the idea of returning to the office and becoming incensed with the mandates that we've been hearing about and the threats for firing.

So what do we do about it? Well, here's where my advice to employers come in. This is not for employees. If you are listening and you are an employee who is being asked to come back to the office. I want you to share this episode with your manager, your director, your human resources, professional, any and all of those people.

So this is my advice to employers Handle with care. And I've got three pieces of concrete advice for employers as they navigate this uncomfortable space.

Number one, back your decision with a business case that is compelling. If you are requiring people to come back into the office, whether that's one day a month or five days a week or somewhere in between. Explain why and make a good business case for it with data actual data, when companies openly share the reasons behind the decision to the return to the office and the data that supports it. It provides clarity and context and it helps employees understand the larger picture. Again, support your argument with hard data about how it helps the business and it make and make the business case for it. If you can't make a business case, rethink your policy.

The same goes true for just about anything else in your business. Let's say it's a marketing campaign. If there is not a good business case for that marketing campaign, guess what the marketing campaign should get axed. Likewise with your return to office policy, if you cannot make a good business case for it, you should not be moving forward with it.

Number two, balance employee wellbeing with organizational needs. Now not all jobs are created the same not all individual circumstances are the same. Focus on creating flexible work arrangements for everyone. Not just for those who can work from home. This is going to put an element of fairness back into the equation. That is for those companies that have people who are both frontline workers as well as people who are in jobs that could easily be done remotely. This is going to add that element of fairness back in. So if you have logistics staff, warehouse staff and manufacturing staff, as an frontline employees and so on, find ways to create flexible work arrangements for them.

I did an episode on that where you can get a ton of ideas. It's episode 107 warning, flexible work arrangements are not optional, and we'll link that episode up in the show notes to make it easy for you to find.

So this could include hybrid models, staggered schedules, job sharing other kinds of creative solutions that promote collaboration and getting the work done while catering to the role that the person plays. And also to their individual work styles, job responsibilities and so on giving flexibility to those who need to be on site. Again, when adding this element of fairness back in, it might make it feel not so pressing that you need to have those who can work remotely back in the office as much as you are demanding of them now. So number two is balanced employee well being with organizational needs.

And number three, consider alternatives to threatening to terminate employment. This is especially true if your organization made a promise to employees that you were going permanently remote a number of years ago, they took you at your word, and they made lifestyle choices accordingly. If they didn't want to work for you they would have already left. I believe they still want to work for you. And you need to honor the promise that you made to them rather than threaten them. Threatening them is not a good motivator not for retention not for coming back into the office and certainly not for talking you up amongst their friends. Nor does it do anything to garner higher employee engagement and satisfaction.

The company is threatening to fire me for not returning to the office. It's such a great place to work, Said no one ever instead of threatening them hold discussions hold conversations with employees around performance metrics, individualized agreements or other incentives that align with organizational goals without resorting to extreme measures, whether they be legitimate threats to fire people or simply hyperbole. You might also set up performance based agreements in which if employees performance excels, then their location is irrelevant. If their performance is suffering, and you're unable to coach them back up to acceptable performance standards, then they need to come back into the office.

Now you might even end up coaching them right out of the organization which may be a win for both of you. So number three, consider alternatives to threatening to terminate employment. It's just a bad move. Alright, so those are your three strategies companies for handling this difficult admittedly difficult situation.

Number one, back your decision to come back into the office with a business case that has hard data and is compelling. Number two, balance employee wellbeing with organizational needs and come up with creative solutions for flexible work arrangements for everybody, not just your work from home employees. And number three, consider alternatives to threatening to terminate employment.

Now you can count on me to keep tabs on this ever evolving situation. And if you have comments, ideas or other ways to contribute to the conversation, hit me up on email at drjanel@drjanelanderson.com or find me on social media. I'm on Instagram, Facebook, TikTok all the places LinkedIn Of course as well.

And remember, the future of work is not only about technology it's about the values that we uphold the communities we build and the sustainable growth we strive for. We need to keep exploring, keep innovating and keep envisioning the remarkable possibilities that do in fact lie ahead. As always, stay curious, stay informed and stay ahead of the curve.

Tune in next week for another insightful exploration of the trends shaping our professional world.

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