

Assignment 3: Group Paper and Presentation

What Makes an Employee Valuable in a Hybrid Work Environment

Antonio Salvatore La Placa (1003944869)

Chantel Ong (1005925661)

Eric Encinas (1006390433)

Mingjun Zhong (1005800867)

Tanisha Batra (1006392967)

Yiying Wang (1006333638)

Cen Shen (1007474270)

Xin Ye (1006265006)

Institute of Communication, Culture, Information and Technology

University of Toronto Mississauga

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Peter Smit

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Introduction

Remote work was a contingent plan in response to the outbreak of the pandemic. As we shift into a post pandemic era many companies have chosen to move to hybrid work environments', which include a combination of days between remote work from home and days in-office throughout the work week. There is a discussion on what are the best correct and effective implementations of hybrid work environments, including whether there is need for hybrid at all, as companies debate whether they should allow remote work in any capacity. One of the largest issues in assessing remote work is in regards to employee performance and the value of the output created by employees for the companies' projects, and that's where we hope hybrid work environments may have answers to these questions of evaluation. Which then brings us to the question we are looking into; what makes a tech employee valuable in a hybrid environment?

The purpose of this project is to gather relevant qualitative and quantitative data and research that will provide further insight and applications of the main issue stated. To investigate different methods of possibly identifying Hybrid Work Environments and the aspects of work environments in general that give the highest probability of receiving valuable output from employees, we looked into all the aspects of online, in-person, and hybrid which may have had negative or positive impacts on employee output. These being; whether software improves innovation (Section 1), remote employee monitoring (Section 2), what makes successful major & minor projects (Section 3), and quantitative analysis of revenues and other metrics during different work environment periods (Section 4). The purpose of this research is to enable the employers of the future a set of criteria and solutions to consider when implementing modern hybrid work environments for their own companies in a way to maximize their ability to get the most value from their employees through examples illustrated from the technology focused industries.

Methodology

As for how we arrived at this topic, the team discussed what interested them during their first-in person meeting, discussing topics ranging from parking, food, & mental health. However one group member in our group was particularly interested in the topic hybrid work and after further consultation, all the group members agreed to tackle this subject. As for the process of how the group arrived and finalized the topic, they all clarified what worked well and what had relevant data that can create a thorough and detailed project paper, which is why everyone agreed to do Hybrid work however the group wanted to specify the topic further and after discussion, the team agreed that our topic would surround Hybrid work in the tech industry.

When planning what had to be done, we first discussed points we wanted to research for “Hybrid work in the tech space”. We all provided points which would be interesting in line with the topic after rounding up the ideas into four parts we divided those topics and assigned a pair in each group to work on it together. The group also agreed to finish parts together such as the introduction, implementation, and methodology at the end of the process.

Topics were assigned accordingly, each member was given a task to write their parts with a partner. All team members just chose roles that were convenient for them. As for defined roles, there were no defined roles as meetings happened weekly roles became ingrained, one person would do minutes of the meeting and another would remind team members about our weekly meetings. The scope of the project was determined by a group member proposing four parts. Two to three group members were assigned to each part.

Communication was managed through the given tools by our Professor which was Zoom and Slack. Zoom was mainly used for weekly updates about our parts. Our group used Discord

mostly for communication, which was set up by a group member. All group members mostly direct messages and communicate there.

The team learned that it is best to use the tools assigned to us (Slack) in order to keep communication at one place. We also learned that it is important to set a meeting agenda prior to meetings, so group members understand the value of it. Zoom communication is more 'rich', however it is important to understand why we are meeting synchronously. Finally, it is important to write what was decided upon during the zoom meeting, not just meeting minutes which described the topic of the conversation. This will ensure that individuals are clear on what has been decided (avoid communication gaps), and give them an opportunity to clarify.

1. Does individually finding and using new software improve innovation?

1.1 Introduction

In this section, we explore the different hybrid models that Big Tech companies are currently using and discuss Schumpeter's theory of technological evolution and how company's had technological triggers due to the pandemic forcing them to solve certain painpoints resulting in innovation. In addition we also discuss enterprise-wide social networks and tools which aid employees contribute and increase efficiency.

1.2 Research:

1.2.1 Types of Hybrid Models

Before going into the specifics of what makes hybrid work valuable in the tech space. We first have to define what the hybrid model entails and if there are different types of models or matches that can be integrated in a company. We are hearing new terms and modes of hybrid as it becomes more integrated in this contemporary society. There are several types of hybrid work models but we will be focusing on models that are being adopted by major tech companies. The

first model we will be discussing is the flexible hybrid model that is adopted by Cisco¹ wherein employees can choose where and when they work based on their main tasks for the day. It offers autonomy and flexibility for workers however it may be difficult to host team meetings if it's based on employee preference. Another hybrid model is the Fixed Hybrid model adopted by American Express¹ in this case the company sets the days when employees can come to the office and work remotely. Although it creates a more collaborative space, it also reduces the efficient use of space and productivity. Next, we have an office-first hybrid model, basically employees are expected to be in the office but offer the choice to pick a few days in the week to work remotely. Google has adopted this model and ensures their employees come in three times a week while choosing two days to work remotely to increase company culture.¹ Lastly, we have the remote-first hybrid work model basically the opposite of office-first model where the employees have more days working from home and occasional on-site meetings for co-working, collaboration, and training; Twitter was one of the first to adopt this model. There are several more types of hybrid models that can be created and are adopted in current workspaces and some are still finding out what works best for their organization. We are here to further find out how these hybrid work models are adapted to make employees in the tech space more valuable and what tools aid them in their process.

1.2.2 Schumpeter's theory & Tech Company Innovations

To start, What tools do companies in the tech industry utilize? Did they adopt their own tools and software to adapt or utilize new softwares to be integrated in their system? Collaborative consumptions truly shifted not only in its practices but in its sharing environment and services. Showing how certain spaces create a relationship between the community and technology creating

¹ Webex Cisco. 2022. *What is hybrid work and what are hybrid work models?* Webex. Retrieved November 17, 2022, from <https://www.webex.com/what-is-hybrid-work.html>

a “space” for the evolution of information technology, digital technologies and ICTs². Based on Schumpeter's theory (1961), Innovation comes into place when the state of mind is shifted from its commercial facilitation. Gartner identifies a life cycle of technology in which it starts as a technological trigger, to peak of inflated expectation, to trough of disillusionment, to slope of enlightener, to lastly plateau of productivity. In this contemporary society where the hybrid work model is trending in organizational practices, one can say that several technological triggers were set due to the problems faced during the pandemic. We will be looking through Figma and Microsoft to further analyze some concepts.

Founded in 2012, Figma is a company who made ubiquitous digital experiences through their software. The founding product manager of Figma, Emily Lin, stated that Figma usage was at an all time high during the pandemic in their BETA stage. As users who worked from home didn't have a physical whiteboard to share their ideas at work, Figma became the equivalent ‘meta-space’ to brainstorm and collaborate for users. As they created the space mainly for designers they aimed for everyone to use it and so created “FigJam’ a collaborative whiteboard where anyone can just ‘have fun and chill’ in file. When FigJam was launched, users created things, which pushed the company’s engineers to add more resources and details to their beta³. Figma is a great example of how hybrid remote work can be improved and create innovations in the workplace as it finds pain points in certain circumstances that allow users and employees to find solutions to.

² Marchegiani, L. 2019, January 17. *Collaborative Spaces and Coworking as Hybrid Workspaces: Friends or Foes of Learning and Innovation?* Springer Link. Retrieved November 17, 2022, from https://link.springer.com/chapter/10.1007/978-3-319-62467-9_4

³ Lucchesi, N. 2022, November 4. *When Figma made FigJam, it changed how we brainstorm forever.* The Asana Blog. Retrieved November 17, 2022, from <https://blog.asana.com/2022/11/how-figma-made-figjam-brainstorm/#close>

Another company that has created and adjusted to the hybrid work environment is Microsoft. Microsoft has adopted a hybrid work model that promotes flexibility, they have created a Hybrid Workplace Flexibility (HWF) Guide for their employees that focus on the three main factors: People, Place, & Process. Where they provide manager and employees a table (refer to Figure 1 in the Appendix) of what hybrid work would fit depending on the circumstance, location, and expense. They show different options and decisions needed such as whether one would like to work more than 50% from home, it states that approval would be required in the table⁴. While Microsoft has integrated this structure into their system they have also adjusted and created and utilized their current softwares to promote collaboration. They utilize Microsoft Cloud as their tool of collaboration as they promote their product as hybrid work solutions. The well-known Microsoft 365 is present and the Microsoft Power platform, Team, & Security. All of which are tools utilized by Microsoft and several company's.⁵ Microsoft is a great example of a company that utilizes their own strengths from their softwares into their own company, increasing company culture and synergy with their own program.

1.2.3 Tools for Social Networks

Remote technologies are not only used to complete tasks, but to facilitate conversation as communication. Companies want to monitor workplace chats, while still creating a more informal space than emails. To address this pain point, enterprise-wide social networks are a way employees can contribute and have been proven to introduce efficiency. A study investigating the integration of a social network for a large company notes, “an implemented model of an online social network fosters such benefits as improved communication channels and increased efficiency in the

⁴ Spataro, J. 2021, May 21. *How Microsoft approaches hybrid work: A new guide to help our customers*. Microsoft. Retrieved November 18, 2022, from <https://www.microsoft.com/en-us/microsoft-365/blog/2021/05/21/how-microsoft-approaches-hybrid-work-a-new-guide-to-help-our-customers/>

⁵ Microsoft. *The Microsoft Cloud – Trusted Cloud Platform*. Microsoft. Retrieved November 17, 2022, from <https://www.microsoft.com/en-us/microsoft-cloud>

workplace”.⁶ Efficiency can be a measure of scalability, and hence enter-prise level integration of non-email social networks like what Scania implemented (company Baraldi’s study referred to). Social networks can also be implemented on existing widespread tools such as Teams and Sharepoint, Slack and other tools where employees can communicate and form groups in a slightly more cordial and frequent manner. The benefit of such tools is that managers can also download analytics related to employee activity and contribution, which can also aid in assessing employee value.

1.3 Takeaway

According to studies and surveys by Lessman, employees feel compelled to come back to work physically for a purposeful present. In a remote context, it is important to leverage technology to make interaction purposeful as well. The above technology and tools have been proven to enhance collaboration. Innovation and Tools cannot be used mindlessly in the context of hybrid work. Companies should understand what the organization needs and clarify what their current pain point is before using any software and applying it to the whole organization. It is important to acknowledge that although these technologies have the capacity to enhance collaboration in many ways, the manner in which they are used is key. The following reaction will discuss considerations such as surveillance, project scale and analytics to inform what makes an employee valuable in the hybrid workspace.

⁶Rorsch, Jonatan. 2013. “Social Networks: Creating Organizational Benefits out of an Online Conversation.” <https://www.diva-portal.org/smash/record.jsf?pid=diva2%3A646598&dswid=-5926>.

2. Work Spying/Monitoring. Do monitored employees have hindered performance than un-monitored?

2.1 Introduction

In this section we examine and discuss how e-monitoring systems can inhibit productivity and work output, rather than enhance or increase productivity, like many bosses believe them to do so. This is done through the distrust it creates in employees and urges them to take shortcuts in attempting to prove productive, while others rebel against the systems they think is unjustly imposed upon them. Furthermore, we suggest e-monitoring should be implemented very transparently and as least intrusive as possible in order to keep employees' trust and productivity.

2.2 Research:

2.2.1 Why Bosses use E-monitoring:

In order to measure performance, managers need some visibility on the progress an employee has made so far. This can range from a manager ensuring that a cashier is scanning items to seeing a progress report at the end of the week. Upon the emergence of the COVID-19 pandemic, many shifted to remote work or hybrid.⁷ Bosses could no longer pass by a worker's desk and instead relied on digital means to ensure an employee was working. This section explores the topic and how it can help determine employee value.

Firstly, it is essential to acknowledge that there is a general mistrust on managers' end about whether their employees are genuinely working at home. Based on a survey from 1800 knowledge workers and 900 business leaders, "Half of all business leaders believe that when employees are working "out of sight," they don't work as hard-and 48% of the business leaders installed

⁷ Parker, Kim, Juliana Menasce Horowitz, and Rachel Minkin. "How the Coronavirus Outbreak Has – and Hasn't – Changed the Way Americans Work." Pew Research Center. Pew Research Center, May 25, 2021. <https://www.pewresearch.org/social-trends/2020/12/09/how-the-coronavirus-outbreak-has-and-hasnt-changed-the-way-americans-work/>.

monitoring software on the computers of their employees to check on their work. No wonder only 49% of employees say that they trust their employer".⁸ As demonstrated by the employee, this district can adversely impact employee-management relationships. The issue managers have is that employees are "out of sight," alluding to how this trust could be repaired if managers could see the employees. Managers' desire to surveil employees is not without reason as further explained.

In addition, "Gartner's 2021 Hybrid Work Employee Survey of more than 2,400 knowledge workers in January 2021 reveals that employers' attempts to recreate visibility by investing in tracking systems has made employees nearly 2 times more likely to pretend to be working".⁹ Technically, managers do 'see' more productivity when employees are being surveilled. This source mentions tracking systems, which may consist of data analysis or raw data provided by tools such as Slack, Zoom, and other virtual platforms. The source also mentions how companies are investing in these means, suggesting their effectiveness at surveillance. However, it is essential to acknowledge that pretending to work is not the same as actually working, and there are disadvantages to surveilling employees at work.

⁸ Bosses Do Not Trust Their Employess, When They Are Not Working From Workplace: Report". <https://advance-lexis-com.myaccess.library.utoronto.ca/api/document?collection=news&id=urn:contentItem:66BG-88Y1-JB5M-W1H3-00000-00&context=1516831>

⁹ Baker, Mary, and Teresa Zuech. "Gartner HR Research Shows Organizations Are Eroding Employee Performance and Well-Being with Virtualized Office-Centric Design." Gartner. Gartner, May 4, 2021. <https://www.gartner.com/en/newsroom/press-releases/2021-05-03-gartner-hr-research-shows-organizations-are-eroding-employee-performance-and-well-being-with-virtualized-office-centric-design>.

2.2.2 E-monitoring Softwares and How they are used to Monitor Employees Online

So, what are the softwares used and how does e-monitoring employees working from home even work? There are applications many businesses are using such as, "Spectorso, DynaComm, Investigator 2.0, and Silent Watch".¹⁰ Other software, which became popular during Covid-19, includes "InterGuard, Time Doctor, Teramind, VeriClock, innerActive, ActivTrak, and Hubsta".¹¹ These services offer a multitude of surveillance options, ranging from computer log-

on and log-off times, email scanning, location tracking, search history, keystrokes, typing speed, applications used and more.¹¹ For example, "Investigator 2.0 [...] sends summaries of all activities on a given PC, while Silent Watch even provides the exact typing pattern".¹² There is even "[a] software called Sneek, [which] takes pictures of an employee every five minutes via webcam to check if they are at work".¹¹

This software is intrusive, and it is apparent why some employees would be hesitant to be monitored under these circumstances. "For example, a social-media marketing company in Florida installed software on employees' work computers that takes screenshots of their desktop every 10 minutes and records how much time they spend on different activities. The company then uses this data to determine productivity levels and identify rule-breakers".¹³ The problems and implications of e-monitoring software will be further discussed.

¹⁰ Vatcha, Amy. "Workplace Surveillance Outside the Workplace: An Analysis of E-Monitoring Remote Employees." iSCHANNEL 15, no. 1 (2020), 4.

¹¹ Ibid", 6.

¹² Ibid, 4.

¹³ Thiel, Chase, Julena M. Bonner, John Bush, David Welsh, and Niharika Garud. "Monitoring Employees Makes Them More Likely to Break Rules." Harvard Business Review. Harvard Business Review, June 27, 2022. <https://hbr.org/2022/06/monitoring-employees-makes-them-more-likely-to-break-rules>.

2.2.3 Why E-monitoring can cause more Harm than Good

Employees lose trust in their employers and general morale when using online workplace monitoring from home.¹⁴ There is already a dynamic of authority and disparaging power in the workplace between employees and employers. Once e-monitoring systems are put in place, it only furthers this notion.¹⁵ With employees now monitored online from home, they lose trust in those monitoring them because they often need to learn what is being monitored and how said data is being used.¹¹ Employees do not know "whether the data is used in promotions or terminations, whether the data can lead to discrimination, and what happens to one's data after termination. Employers do not disclose these details because they do not want employees to beat the system".¹¹ Hence, employees have a general distaste for the lack of transparency surrounding their surveillance.

With e-monitoring put into place, the tools that analyze someone's work can diminish it in trying to be more productive. If an employee knows they are monitored for efficiency and timeliness, they may rush their work in hopes of appearing to achieve more.¹¹ In doing so, the notion of quantity over quality gets pushed to the forefront of what employees understand their employers' values to align with. E-monitoring does not "take into account the realities of the job" for "full accuracy" and does not "reward the employee for doing a thorough job".¹¹ Where one might spend the extra hour to proofread or double check their work, with time tracking e-monitoring in place, it dissuades these practices because it is seen as unproductive under the program's notions of efficiency and time.

¹⁴ Vatcha, "Workplace Surveillance", 4-5.

¹⁵ Vatcha, "Workplace Surveillance", 5.

Moreover, when employees feel their every move is scrutinized, surveilled, and their privacy is invaded, it makes them want to rebel against their employers or cut corners. It sets up an 'us versus them' mentality and creates a further divide between a potentially healthy workplace relationship and trust. In a survey by the Harvard Business Review, they found that "monitored employees were substantially more likely to take unapproved breaks, disregard instructions, damage workplace property, steal office equipment, and purposefully work at a slow pace, among other rule-breaking behaviors".¹⁶ This study applies to an office setting, but the principles are the same, and they conducted a follow-up online to prove it.

To confirm that the survey worked as causation rather than correlation, they ran another test in which 200 workers were told to complete tasks online.¹⁶ Half of the participants were told they were being surveilled, and the other half were not. When allowed to cheat on the tasks, Harvard Business Review "found that those who were told they were being monitored were actually more likely to cheat than those who didn't think they were being monitored".¹⁶

Not only are employees more likely to break the rules when monitored online, they are also more likely to waste time pretending to be busy. In a survey by Gartner, they found that "employers' attempts to recreate visibility by investing in tracking systems has made employees nearly 2 times more likely to pretend to be working".¹⁷ When employees know they are being watched, timed, etc. they try harder to look busy instead of focusing on their work or making it any better.¹⁷ Consequently, when employers are not fixated on having complete control and surveillance over their employees, it creates a more flexible and trusting work environment. "In [turn], the Gartner survey found that organizations with high levels of flexibility are almost three times more likely to see high employee performance".¹⁷ Therefore, having e-monitoring systems

¹⁶ Thiel, "Monitoring Employees"

¹⁷ Baker, "Gartner HR".

in place does the opposite of the program's intent. Instead of maximizing and increasing productivity, it lowers it.

When employees try to look busy instead of being productive because of imposed e-monitoring, they waste their time and effort on precisely that. It lowers employees' morale and leads some to rebel against the system they feel is unjust.¹⁸ All close monitoring will do is prompt those you lead to find innovative ways to 'quietly quit', meaning that "[y]ou're not outright quitting your job," [...] "but you're quitting the idea of going above and beyond".¹⁸ For example, some workers use mouse jigglers to trick e-monitoring software into thinking they are active.¹⁸ These workarounds some employees are finding to fight back, their increased lack of trust and decline in morale are much more harmful than having an employee browse something they are not supposed to for 10 minutes. Thus, "if employers trusted their employees, they would measure their performance output instead of effort input".¹⁵

2.3 Takeaways:

Should companies use e-monitoring, if so, how should it be implemented?

The question of imposing e-monitoring on employees working from home is a tricky one to answer. On the one hand, it adds a layer of cybersecurity and other essential features that keep a business safe.¹⁹ However, it creates a divide between employers and employees, who need to learn how that information is being used, as well as what information is even being collected. In turn, employees often feel their privacy is being invaded, lose trust, cut corners, pretend to be busy and even sabotage their work because of these imposed systems, which were imposed under the pretense of improving productivity, not reducing it.

¹⁸ "Quiet Quitting? Quiet Firing? Just Stop Spying on Employees So Much". <https://advance-lexis-com.myaccess.library.utoronto.ca/api/document?collection=news&id=urn:contentItem:66BH-KJ41-JBJ7-N0VH-00000-00&context=1516831>.

¹⁹ Vatcha, "Workplace Surveillance", 4.

The solution to this is to be more transparent of the e-monitoring system(s) utilized if that is the company's chosen route. If employees know what information is being collected and how they will not be as opposed to it.²⁰ This can be done using "visual models showing where the data goes and what automated decision making is used for".²⁰ Additionally, it helps in choosing e-monitoring systems that are less intrusive than the literal keyloggers or spyware some software has. ActivTrak for example, does not record employees' screens, webcams, nor does it have access to emails and keylogging.²¹ Hence, making it a better option for employees to maintain their privacy while also measuring work output.

Therefore, using e-monitoring to measure productivity must be used as an incentive, not punishment. Using it ambiguously or in its use of firing or demoting people creates that lack of trust and rebellion in employees, which should be avoided.²² Thus, the "recommended solution is using performance rewards as an incentive mechanism to drive employee acceptance of monitoring technology so both employers and employees can reap the benefits of surveillance data together".²²

Section 3. Success in Major Projects vs. Success in Minor Projects

3.1 Introduction

In this section we discuss the idea that hybrid may prove to benefit major projects which lead to company success, why that would be, and why although online may be fine for individual tasks and smaller projects, the requirement for of the need to factor in-person work environment elements is a necessity for any company to build an efficient and effective workplace as we move past the on-line work environment era. We explore the work culture environment, the office space,

²⁰ Ibid, 6.

²¹ "Work Wiser with Workforce Analytics & Productivity Insights." ActivTrak. ActivTrak, September 26, 2022. <https://www.activtrak.com/>.

²² Vatcha, "Workplace Surveillance", 8.

and the individuals' aspects when assessing the productivity and success of major and minor projects for the tech industry.

3.2 Research

3.2.1 Work Culture and Environment

The limited body language in online conferences can easily create misinterpretations and make bonding difficult, whereas an in-person environment helps people interpret each-other and build strong relationships.²³ Employees from Microsoft said that online environments had reduced their ability to quickly resolve issues, as they could not pop in to see others to casually ask questions, leading to more time being spent in meetings.²³ Even totally online companies hold face-to-face events to build those relationships and bonds which are so impactful they last throughout the entire year.²³ Even one of the oldest online virtual communities WELL started in 1985 attributes it's existence today to the deep relationships built during in-person contact with other members.²³

Employees have said they had learned much if not more from observing their fellow employees than they had in training and orientations.²³ It is in-person apprenticeship that allows new employees to correct their behaviors and learn the atmosphere of the company by observing their mentors and those around them.²³ Technology can still get this kind of learning through to new employees however the office makes it a lot easier.²³ The CEO of JPMorgan Chase Jamie Dimon said that junior employees were losing out on sitting together in office, couldn't profit from spontaneous learning and creativity which can only be achieved in-person.²³

²³ Fayard, Anne-Laure, John Weeks, and Mahwesh Khan. "Designing the Hybrid Office." *Harvard Business Review*, 2021. https://s3.eu-west-2.amazonaws.com/construo-storage/attachments/57bddbf73518df3dbdff113d61741d469becd3dc7b67e09cdeadfdb8483690a/Hybrid_Office_Zoom.pdf.

3.2.2 Re-Inventing the Office

Hybrid Environments allow the opportunity for management to re-invent their workflows by getting rid of older bad practices, enforcing new technologies to be implemented, and thus reducing wasted time.²⁴ Some of these tasks include taking out any redundant tasks such as too many meetings rendered unnecessary by use of these new collaboration tools, allowing tasks to be automated or assigned to members outside of the team, and reimagine the in-office space to reflect the purpose of their work.²⁴

It can be argued that having different outside perspectives on matters can lead to potential solutions to complex problems, such as the case in the famous story of Eureka. When people from different departments in a company collaborate, they can solve complex problems, and generate new ideas, which are usually a product of chance encounters.²³ When employees have problems, contacting other employees throughout the office at chance may lead to them knowing another person who may be able to help solve their problems.²³ On the other hand, a virtual meeting can quickly solve an unexpected team problems without organizing in-person meetings and require much less planning. It can be a challenge for an entire team to gather from different locations to solve an unanticipated problem. This issue can be exemplified if the hybrid work environment is not optimized for team-members to be in-office on the same days.

A group from MIT had collected data from the employees from one of their labs, which found that frequent in-person interactions outside of formal meetings were the best indicators of productivity.²³ These kinds of unstructured collaborations aren't available in online environments.²³ However, Hybrid spaces have to be changed from their original pre-covid office's

²⁴ Gratton, Lynda. "Managing People How to Do Hybrid Right." *Harvard Business Review*, 2021. <https://www.usf.edu/hr/documents/employment-resources/hbr-how-to-do-hybrid-right.pdf>.

where they will have to be designed for human moments such as random encounters with other employees, be customized for the new technology that's going to be implemented, reduce space used for work employees can efficiently do on their own at home, and managed to encourage connections and strong bonds are made with other employees to build strong culture.²³

3.2.3 Improving the Individual's Experience

Some employees have been less inclined to return to their workplace due to the convenience of working remotely. Keeping employees in the office to work over-time and after-hours can cause anxiety in the employee and their colleagues which may lead to reduced productivity. In a hybrid work environment, employees will be able to work from home instead of having to stay in-office overtime due to the limitations of their work environment.

To improve productivity, the companies must make sure the employees aren't always required to be on the job and ready to go, and facilitate time to rest and relax, if they want their employees to be engaged and creative.²³ Focus on surveillance and monitoring by bosses and managers used to gauge employee screen time, rather than their actual productive output is not the way to get the best from your employees for solving business problems and projects.²³ Even accommodating employees' schedules such as a lunch break, not having early morning meetings, and morning exercises will all improve the employee's output, which can be achieved effectively in a hybrid environment.²³

3.3 Takeaways:

Our research indicates that company success in solving problems and completing major projects relies heavily on informal workplace collaboration and communication. These environments enable people to find solutions faster, be more creative and open, enable strong work relationships, and reduce time required to come up with innovative solutions. Workplaces should

be redesigned to enable human communication and collaboration, while also implementing the technologies that do improve workflow, and reduce wasted space from unnecessary tasks. Companies should revolve meeting times around healthy employee lifestyles to maximize employee satisfaction and productive output when in the office. In Conclusion, Hybrid workplace environments are not only a compromise between in-office and on-line work environments, but the most efficient and effective for both employee life styles, and business revenues and efficiency in both major and minor projects.

Section 4. Quantitative Data of Companies Financial reports, growths, and other metrics compared from Full-Online, to In-Office, to Hybrid.

4.1 Introduction

In this section we investigate company performance as a whole and individual employee output in the tech sector during in-office, on-line, and hybrid work environment eras. We will attempt to look into the pitfalls, benefits, and misconceptions about each of the work environments on company performance through company and business reports in the technology sector.

4.2 Research

4.2.1 Performance Over Time

Let's classify certain years of performance by making general assumptions about the atmosphere of the time. In 2019, we will assume that this was mostly in-person, as it was pre-COVID-19. In 2020, we will assume this was part in-person and part-online as covid and lockdowns progressed through the summer of that year. In 2021, we will assume most of the workforce was online as people began 2021 full enveloped in the pandemic, and only starting hybrid environment in the later half of 2021 as countries lockdown policies began to slowly change

and let us assume 2022 up to the day this project was written is mostly hybrid work environments as people shift into a post-covid lockdown world.

In 2019 the software industries revenue growth performance was 7.59%, and in 2020, at a time where the pandemic was starting, it's revenue growth had increased to 12.78%, however, in 2021, the industries revenue growth crashed to 0.89%²⁵, this is the time that the fully online work environment was commonly being implemented in the industry, declining in growth which implies that there is also a decline in innovation and productivity.

The Bureau of Labor Statistics suggested 35% of Americans, a 2020 pandemic peak, worked remotely.²⁶ A remote work experiment demonstrated that worker productivity initially increased in the early days of remote work model implementations.²⁶ MIT researcher, Ben Waber, acknowledged the short-term productivity gains from the pandemic reinforced work from home strategies, but predicted a one-to-two-year degradation of company culture, productivity, and innovation.²⁶

Shifting companies to online caused the points in their collaboration networks to become heavily siloed, with fewer connections being made outside of their immediate teams.²⁷ The network between departments became more static, with less new connections being made as time went on.²⁷ They have indicated a shift from synchronous communications decreasing to asynchronous communications increasing.²⁷ The communications that did occur were even less valuable than before, making it more difficult to process and convey complex matters.²⁷

²⁵ Ristoff, J. (2022, August). Software Publishing in the US : 51121. *IBISWorld*. Retrieved November 20, 2022 from <https://my-ibisworld-com.myaccess.library.utoronto.ca/us/en/industry/51121/industry-performance>

²⁶ Dr. Joseph Hopkins and Dr. Kimberly Figaro, "The Great Resignation: An Argument for Hybrid Leadership," *International Journal of Business and Management Research* 9, no. 4 (2021): pp. 393-400, <https://doi.org/10.37391/ijbmr.090402>.

²⁷ Yang, L., Holtz, D., Jaffe, S. et al. The effects of remote work on collaboration among information workers. *Nat Hum Behav* 6, 43–54 (2022). <https://doi.org/10.1038/s41562-021-01196-4>

Adds on to the research of productivity, from Microsoft's Work Trend Index Annual Report. It was found that average meeting time from 2020 to 2021 had increased 29%,²⁸ indicating that there has been more time spent on resolving issues and problems, regardless of how small or big, than actually working and thus we may assume more spontaneous online meetings are required to be planned and conducted. The average response time of employees online remains unchanged from before the pandemic.²⁸ Which may indicate that increased time is being spent in online meetings to resolve backlogs of minor requests, issues, and problems that need to be resolved.

Thus the one-to-two-year degradation of company culture, productivity and innovation may have been caused by lack of informal in-person interactions and the loss of building new solid relationships.

4.2.2 Today's Work Environment

In 2021 as the COVID-19 measures began to decrease, many companies such as Morgan Stanley, Goldman Sachs and Facebook began asking employees to return to the office.²⁶ Many companies have been realizing that employees working remotely has had a negative impact on employee output²⁹. However, since working from home during the covid lockdowns, employees have been reluctant to come back to the nine-to-five in-office commute to work lifestyle.²⁶ To combat this, companies have been seen generally implementing hybrid workstyle right now.

²⁸ "The next Great Disruption Is Hybrid Work-Are We Ready?," Microsoft, accessed November 20, 2022, <https://www.microsoft.com/en-us/worklab/work-trend-index/hybrid-work>.

²⁹ Nelson, Bob. 2021. "How to make your hybrid workplace culture work." <https://www.inc.com/bob-nelson/how-to-make-your-hybrid-workplace-culture-work.html>.

Companies such as IBM and Yahoo! Who went to flexible remote work policies before Covid have switched back to in-person due to the impacts remote work was having on their communication and collaboration.³⁰ Because most businesses during the pandemic have invested their capital so heavily on humans and technologies that support remote work, these remote aspects of work-life will survive after the pandemic and hybrid environments may likely be the dominant work-environments of the future.

Businesses that choose an on-line work environment will put themselves at risk by making it difficult for employees to collaborate and exchange information.²⁹ When physical distance exists between people, the idea of reaching a common goal is weakened. It is suggested that companies who implement hybrid work environments such that all employees who need to communicate and collaborate with each other are in-office on the same days, are the most effective implementations for productivity and innovation. It is also suggested that businesses consider certain types of workers in their workforce to be remote only, such as individual contributors.²⁹

4.2.3 Quantitative Studies

It was found in a study from Trip.com that their employees who were assigned to a hybrid work environment wrote about 8% more lines of code compared to those who worked completely online, which was mostly driven by increased coding on their days in the office.³¹ While the amount of code written is not a sole indicator for performance, it could be used as an indicator of the employee's output, as well as the fact that the code was being done inside the office, we may assume there was most likely more collaboration with others and the quality of the code may likely

³⁰ Yang, L., Holtz, D., Jaffe, S. et al. The effects of remote work on collaboration among information workers.

³¹ Nicholas Bloom, Ruobing Han, and James Liang, "How Hybrid Working from Home Works Out," 2022, <https://doi.org/10.3386/w30292>.

be higher than code produced in the isolated home environment. Analysis on employees in hybrid work environments show that employees reduce the amount of productive work from home, but are extra productive on days the employees come into the office.³⁰ The productivity of coding across the week increased during their time in the office, more than compensating for the slight decrease of output from work at home³⁰, which may be due to the benefits of having alternating work days from home, possibly giving the employees time to re-energize for more productive and collaborative days in the office.

It has been found that there is a direct correlation between online relationships and employee retention. The more online a work environment is, the more likely they are to retain employees²⁶, which means the more in-person an environment is, the more likely it is for an employee to quit.²⁶ Now while this itself may sound beneficial, online also gives cover for employees who may be underworking and not performing to their maximum potential. Thus, the decrease of employee retention rates for in-office environments may be a result of people noticing employees who are underperforming and holding them responsible, however it may also be that the in-office environment may be too demanding and/or have employees creating a negative environment causing the potential loss of valuable employees. It was found that hybrid work environments retain more employees than in-office and less employees than on-line,²⁶ thus indicating that hybrid work environments may be an environment that can hold underperforming employees accountable by creating in-person responsibility, while also possibly reducing the risk of losing valuable employees from stress, over-working, and negative in-office work environments they can't avoid.

4.3 Takeaways

Our research found that the supposed benefits of completely on-line work environments were short lived, and devolved into siloed teams separated within their own companies with collaboration. So while revenue may initially have skyrocketed in early 2020 with lockdowns increasing consumer online activity, the negative effects of remote work had been realized on revenue by 2021. Since 2021, companies have been attempting to recover their workplace environments and company revenues by implementing Hybrid environments, and we have seen slight upward trends since this implementation, showing some form of positive growth as companies transition to this new model. However, company revenue and innovation is highly dependent on how they organize these new hybrid workplace environments and office spaces, which will ultimately determine whether they can improve productivity and revenue to match or even surpass pre-covid times.

Section 5. Conclusion

Choices made and Why

Monitoring of employee performance should be non-intrusive (Slack). Using monitoring systems such as webcam, keystroke, and screen time watchers creates two big issues when it comes to employee output. Firstly, the work culture will not be ingrained, and immediate distrust is conveyed from employer to employee. Secondly, this kind of intrusive monitoring doesn't discourage away time from working, but rather encourages employees to "game" the system and find ways to get around being monitored. Unified Communications Systems, such as Slack, can collect data and metrics in a non-intrusive way, and allows employees to see the data being collected alongside their colleagues, and promotes competition in an open-environment rather than fostering evasion in a private sphere.

Work spaces need to be redesigned around technology and informal connection. Redesigning work spaces to address previous pain-points which can be solved with new technology or software is clearly an advantage to any tech company with a growing workforce in the modern world competing with other companies who've successfully addressed these issues. The new way space is being utilized is for informal connections, as these promote innovation, work-culture, and collaboration as well as growing relationship networks, which all lead to problems being solved faster, and greater value from employees.

Companies should not return to in-office, and most definitely not be completely remote, if they care about maximizing innovation and increasing the value of employee work. Remote-work environments have been exemplified during the pandemic to eventually lead to decreased revenue, siloed relationship networks, and lack of innovation, problem solving and lower quality of employee output. Fully in-office environments should be avoided as they can lead to potentially losing good employees due to inability to escape from negative employee relationships, burnout, and the pain-points of the modern company may be addressed if redesigned for hybrid work environments.

Implementation Plan

Monitoring of employee performance can be made non-intrusive by allowing the employees to monitor and view the data that is being collected. Unified Communications Platforms such as Slack allow for this active monitoring of employee output and activity which can be viewed by all, and not be a separate software watching their webcams, or accessing keystrokes. In the same field, the new office workspace itself should revolve around these new technologies being implemented to improve workflow in-office as well as the software does at home, and that the pain points of the company should be assessed before making these in-office changes and selecting the

correct softwares, as there is no one-size fits all software solution to each companies' needs and the space will have to be allocated to maximize the benefit from using those unique software and technology solutions in-office.

In adapting office space to technology, the company should also be aware that adapting to technology does not mean creating a space for everyone who uses technology, and that some jobs in the office who's positions actually do not require connections to other individuals can be made fully remote without detracting the employees value, and those office spaces can be used for other implementations such as informal connections. Which should then remind the company that the other main use for space should be dedicated to fostering informal-interactions between employees. Having coffee bars, lounges, and open-door policies all attribute to increasing the possibility of problem solving and innovation, as people can get answers to questions faster, can possibly get referenced to people who may help them through informal conversation with people around the office, and provide a space for people to talk about and run ideas by each other in a less intimidating and time saving environment.

If a tech company wishes to get the most value out of their employees, we highly recommend not using a remote-work environment or going full-time in-office. While remote work may be tempting, as it broadens your reach of potential talent, it will create an over-all isolated workforce, and veil underperforming employees across all sectors, and you lose the valuable work culture and innovation associated with in-person work environments. We don't believe that fully in-office work environments should be implemented again, as hybrid environments have promising signs of addressing all the pitfalls that come with fully in-office environments, such as employee burn-out, unnecessary utilization of space, adapting to new technologies and softwares that address pain-points, and increasing quality of in-office work output.

Objectives and Measurement

The biggest key objectives are to achieve reduced times in problem solving and project completion, and the quality of employee output being higher while in-office, within a hybrid environment, than a fully in-office or remote environment. Some SMART goals may be set to monitor certain aspects which we've found can measure quality of employee performance and strength of relationship networks.

The SMART goals may set a time period to measure meeting time spent comparatively to previous time spent in meetings, and that success could be measured on whether less time is being spent in meetings after implementing informal-interaction spaces, compared to previous remote work environment meeting times. Which would indicate that problems are being resolved outside of meetings, and more time spent on collaboration and brainstorming are spent in meetings, rather than trying to resolve minor issues.

Another way to determine the value of employees is to monitor within your office the amount of informal interactions outside of meetings between employees. The frequency of informal interactions outside of meetings in tech environments has a positive correlation with employee productivity, and can be a good measure of success after implementing new hybrid work environments.

After implementing unified communications systems such as Slack, the company can directly monitor the amount of employee interactions, and output through channels in a non-intrusive manner, gathering very good information on whether employees are creating output and what kind of output is being created from home and in-office, as implementing this technology into the workflow would mean all submissions can be tracked in online spaces for communication

in a much easier fashion than it would be if files were submitted peer-to-peer or individually in their own systems.

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Appendix

Flexibility Guidelines At-a-glance overview of guidelines related to core flexibility scenarios						
Dimension	Scenario	Approval required?	HR documentation required?	Compensation & Benefits changes?	Expenses	Space
Work site	I want to work from home less than 50% of work time/week (avg)	No. Considered standard for most roles (see Note below).	No documentation required Alignment with team agreements, as outlined by manager, is expected	No changes	No additional expenses covered	Assigned workspace, as available
	I want to work from home 50% or more of work time/week (avg)	Yes, manager approval	Yes, employee to request change to workspace type in our HR system Employee to confirm home address to ensure accurate reporting	No changes	No additional expenses covered	Home office (100% work from home), or mobile/unassigned
Work location	I want to move to a new location that is within the same country where I work today	Yes, manager approval required in alignment with org-specific guidelines.	Yes, employee to request change to work location in our HR system Additional steps will be required if compensation and/or benefits change	Depends on geo-pay scale in work country	Travel expenses are subject to manager approval Personal relocation costs not covered by MSFT	Refer to above guidelines for worksite changes
	I want to move to a new location in a different country from where I work today	While it may be possible, there are significant implications that need to be considered. Employee should initiate the request in our HR system, and it will be routed to the appropriate approvers, in alignment with org-specific guidelines.				
Work hours	I want to work different or more flexible hours	No. Considered standard for most roles (see Note below).	No documentation required Alignment with team agreements, as outlined by manager, is expected	No changes	No additional expenses covered	Refer to above guidelines for worksite changes
	I want to work fewer hours (part-time)	Yes, manager approval	Yes, employee to initiate request in our HR system with new weekly work hours Additional steps will be required to process compensation and benefits changes	Yes, based on weekly work hours	No additional expenses covered	Refer to above guidelines for worksite changes

(Figure 1: “Hybrid Work Flexibility Guide”, 2022, Microsoft provides guidelines for managers and employees on how to go about their hybrid work schedule, <https://www.microsoft.com/en-us/microsoft-cloud>)