Should We Work from Home or The Office?

Ian Rheeder has looked at an avalanche of recent research, which exposes many benefits and disadvantages of the home office. For knowledge-workers, a hybrid-office is best.

Thirty years ago, academics were already advocating that the future of work would be the home-office. COVID-19 just accelerated the study, giving us great insights into the pro and cons. Work-from-home (WFH) only — with all its advantages — is now proving to be an unsustainable work-model, which is why businesses are showing a pivot towards a 'work from anywhere' model instead.[i]

So, let's look at the recent data that supports the mixed-worker in a hybrid-office.

Which workers are best suited to work from a remote-home office?

Anyone who is a "knowledge" worker is best suited for telecommuting (i.e. working remotely or from home). For example, typical knowledge-workers are paid to think for a living; lawyers, authors, designers, consultants and software engineers.

Studies in the USA[ii] suggest that the majority (72%) of US workers that could work from home, effectively did work from home during COVID-19. However, because only 37% of jobs are best suited to perform *entirely* at home, most of these workers are in fact *mixed-workers,* who to be effective*,* would need to commute to work at least *some of the time*. Management accountants and architects could be considered mixed-workers, as they need to have complex *in-person* discussions. Thus mixed-workers, would best qualify for a hybrid-office.

- **Who are Suitable Remote-Workers?** The best industries for home-based work are typical knowledge-workers, who think for a living; education, information, finance professionals and some service sectors.
- **Who are Unsuitable Remote-Workers?** The worst industries for home-based work are construction, transportation, warehousing, accommodation, food, real estate, manufacturing, mining, agriculture and health care.

Post-pandemic studies in 2021 showed that about 85% of employees would like to work from home, at *least some of the time (i.e. 1-day a week).*[iii] [iv] Of course, this can change from country-to-country. The 30% of hybrid-workers (pre-pandemic) has now grown to 48% (post-pandemic in 2022).[v]

Humans are the most social species on the planet

If we had to describe the human brain in just one word, it would be "*social"*. We are in fact more social than any other species on earth.[vi] Our brain chemistry is hardwired for developing relationships of trust, but this

requires *in-person* interactions for the trust neurotransmitter – oxytocin – to be produced. People make us happier than anything else.[vii] But, because technology has enabled knowledge-workers to work remotely in large numbers, it is now even more critical to bring staff together for those all-important, trust building human interactions.

What are the Big-5 negatives of working from home?

Researchers[viii] are agreeing on the Big-5 issues regards remote or home offices.

1. Poor communication, brainstorming, and problem solving
2. Poor knowledge sharing
3. Poor socialising, camaraderie, and mentoring
4. Difficulties in employee Performance Evaluations
5. Poor Data Security

Covid-19 lockdowns proved that it's sometimes desirable for knowledge-workers to do their jobs anywhere. Employee engagement (motivation) and productivity increases. But will this work long-term? A common thread is emerging that humans need face-to-face, in-person interactions to really be innovative and collaborative.

What are the best practices or solutions emerging for the Big-5 negatives?

1. **Improve Communication & Innovation:** Zoom, Skype, Google Hangouts, and MS Teams are proving invaluable to improve the visibility of teams. We also need to get comfortable with *asynchronous comms (i.e. recorded messages and meetings)*. Shared Google documents and intra-company portals are key, where we write in our questions and wait for our colleagues to comment. Greater digital dexterity is now crucial, but technology cannot solve all problems; people need face-to-face interactions to build trust.
2. **Knowledge Sharing:** Make documentation easily accessible. Create a handbook for the company that employees can add pages to. Freely share information on company portals and record video seminars; then create a repository of this data.
3. **Poor in-person Socialising (hurting Innovation):** Virtual Reality (VR) must be adopted. Have a few days together in-person at a company conference where real food is eaten. Have a real office, where employees are forced to have chance-encounters with people from outside their departments. Even if you are a 100% online company you should have an office where people meet regularly. MIT Media Lab found that frequent face-to-face chats outside formal meetings were the best predictor of productivity.
4. **Performance Evaluations:** Soft skills (i.e. team work) are more difficult to evaluate, so certain KPIs and goals may need to be dropped or added (i.e. virtual logging in). Have two performance appraisals a year, where agreed upon productivity-data is discussed. Leaders need to adapt their styles to fit their remote teams' needs, and rethink who is a mixed-hybrid-worker, and what everyone's flexible onboarding journey-map should look like. Recruitment will need to adapt to the changing expectations of not just the Millennials, but everyone. Managers will need to focus heavily on empathy (EQ) and not just productivity or efficiencies. Leaders will now need to nurture a culture of inclusiveness and build their employees' resilience. HR will need to increase benefits for employees unable to work remotely — a "one-size fits all" compensation will not work.
5. **Poor Data Security:** Legal policies would need to be drawn up. The use of less protected PCs/devices at home is a problem; for instance, taking photos of a client's data screen is difficult to police. The future will be machine-learning algorithms, which analyse any abnormality on an employee's device.

Why do we need to bump into co-workers at work?

Some of the best innovative ideas come from the corridor and canteen chats. Researchers learned that face-to-face interactions are by *far* the most important activity in an office. When collisions occur, regardless of their content, improvement in strategy and operations typically follow.[ix] For example, when a salesperson increased their interactions with co-workers by 10%, their sales also grew by 10%.

The chance or serendipitous encounters are accidental collisions between people, which are a very rich source for innovation—for obvious reasons these collisions just don't happen at home. Besides humans needing personal connection to build trust (even introverts agree), we also learn better in-person. The lack of *body language* hurts bonding and creates misinterpretations, making relationships difficult. In-short, frequent in-person interactions leads to improved commitment, better support and coaching, better co-operation, closer collaboration and dramatically more innovation.

A study of alcohol prohibition[x] demonstrated that inventions (patents) *decreased* by up to 18% because of less social interactions. Gallup's State of the American Workplace study pinpointed that we should construct office environments that honour privacy while also encouraging collaboration.[xi] Home offices are often not private (because they're open plan and often shared with family), and also exclude in-person co-worker collaboration.

We are 400% more likely to communicate regularly with someone sitting six feet away from us vs. 6 km away. Studies suggest that sitting closer to co-workers can speed up project completion times by 32%.[xii] Out of sight, is basically out of synchronisation.

Designing The Office Workspace (at Work)

Open-plan does not work well for most workers. Higher employee engagement is typically accomplished with a not too open-plan social space, but rather with some *walled-off* workstations, and adjacent spaces for *small group collaboration* and interaction. Various studies suggest that too much teamwork exhausts employees and saps productivity. In fact, when demands for *collaboration run too high[xiii]*, workflow bottlenecks and employees burn out. Whether at home or work, this is why we need to rethink our office workspace design.

Too much *transparency* (i.e. open-plan) triggers distortion of facts and triggers counterproductive inhibitions amongst people. Wide-open workspaces can leave employees feeling exposed and vulnerable. Research shows that being over observed by bosses changes their conduct, as people are too scared to take risks when micro-managed. Experimental behaviour sometimes ceases altogether. Over-policed employees start going to great lengths to keep what they're doing to themselves.[xiv]

Furthermore, workplace design should be a multidimensional construct that can be delineated into two specific types of behaviour[xv]: *Relationship-oriented*, where we can socialise, and *task-oriented*, where we can manage distraction and interruptions, and where we can work according to the task at hand, like make an important phone call or host a Zoom meeting (ref. Table 1).

It's important to note that some staff prefer only working in the office, and some don't have the discipline to work alone at home. All businesses will need to adapt to flexible work arrangements to find and keep the best talent — younger generations will expect it (i.e. Millennials, born 1982-2002).

Designing The Home-Office Workspace (i.e. remote home office)

The American Staffing Association suggest that work-life balance and scheduled flexibility is more important than pay, for most employees. In 2016, 59% of USA companies allowed their employees to work remotely some of the time.[xvi] But companies must see that working remotely is not just a staff benefit, it benefits the employer in better productivity — IBM saved $100 million a year by allowing 42% of its employees to work remotely in 2009.[xvii]

The Three Types of Remote Work Arrangements:

1. As-Needed Remote Work – Someone who needs to work from home on an *as needed basis*; e.g. a sick child or bad weather.
2. A Flexible Work Arrangement – Someone who works from home part of the time, but on a *regular basis* (i.e. 3-days a week; a mixed-worker @hybrid-office).
3. A 100% Remote Worker – Someone who works from home *100% of the time*.

Working from home saves the planet, requires a smaller wardrobe, saves transportation cost and a parent can be closer to their family, making staying at home a huge benefit. But too much multi-tasking is a problem at the work-home-interface (WHI), resulting in high resignation rates and poor job satisfaction, heart problems, depression and burnout.[xviii] Multi-tasking allows a person to complete many tasks in less time (i.e. improved productivity), however more mistakes are made and work quality drops. One solution is flexible workhours and mindfulness. Researchers[xix] found that just being more aware (mindful) can improve the quality of work and stop conflict between home and work tasks. Being calm, organised and intentional, is good for working-memory and happiness.

Major disadvantages of working-from-home (WFH) are: Poor internet connectivity, mental health issues, lethargic feelings (no energy), sedentary work conditions, increased screen time, awkward sitting positions, and a lack of social interaction, which have also resulted in physical health-related issues. Due to this, WFH only businesses are losing million every year due to workplace stress, depression and anxiety.

The solution: *Flexible* workspaces, which ensures a collaborative work environment and facilitates conditions for networking and knowledge-sharing.

There are Six-Flexible Workspaces to be aware of

Scanning dozens of articles and after consulting with a workspace design company[xx], the author has collated the findings in Table-1 below. Every CEO should be aware of these Six-Flexible-Work-Spaces, because keeping employees motivated (engaged) and productive is the most sensible thing a leader can do for the bottom-line.

Task Mode	Telephony Mode	Interact Mode	Collaborative Mode	Learn Mode	Social Mode
Concentration space. Isolated space. Solitude. For difficult problem solving; socialising is unwelcomed, ear plugs, noise cancelling devices are needed in open-plan office.	Private space. Cocoon space with no distraction. Quiet nook for private tele-conversation. Office for private Zoom session.	Space to engage a co-worker sporadically or on the fly. Small room.	Space to meet *groups* of people to innovate and share. Semi-formal. Boardroom. Teleconferencing. When performing routine tasks (e-mail) we may welcome a bit of social interaction.	Information exchange space. Learning space, to receive or impart knowledge. Boardroom. Whiteboard. TV Monitor. Projector.	Informal social lounge space to rejuvenate, work informally. Accidental collision space. Problem solves on the fly. Canteen or passage. Chill out: different for different personalities; i.e. some meditate vs. some want to dance. Starbucks' "Third Living Space".

Table: Six-Flexible-Work-Spaces for both "Me & We" engagement (Source: www.tower-bridge.co.za)

Summary:

The future looks like the hybrid-office is best for most knowledge-workers. But whatever you do, design offices with the above Six-Flexible-Work-Spaces in mind. If you do this, you will become the employer of choice. Lastly, never stop re-engineering your team's digital skills, and don't ban coffee stations!

Ian Rheeder trains corporates in negotiations, sales, marketing and leadership skills.
Chartered Marketer (SA), MSc (MOTI).
Cell: +27 (0) 83 300 8080   e-mail: ian@markitects.co.za   www.markitects.co.za

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