

# Future of Work by HSM

## Hybrid Work and Sustainable Change

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Prepared by HSM Advisory  
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# Introduction and overview

For over twelve years, the Future of Work by HSM has explored trends shaping industries, organisations and careers. The widescale changes to our ways of working as a result of COVID-19 is the biggest shift in a generation, and has required us to question some of our most deeply held assumptions about how, when and where work gets done.

## What we will cover in this report

This Insights Report provides you with a guide as you respond to these shifts, helping you develop an understanding of Hybrid Work, and how to design and enact positive experiences across your whole organisation.

We have focused this report around the key challenges faced by your organisations as you begin your hybrid journey. For this, we have prioritised three key challenges – managers, shifting expectations and performance management – and provided clear actions on how to approach each of these with a mindset of experimentation and learning to find the unique style of working that works best in your organisation.

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# Key Insights



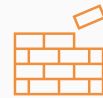
## Leverage leaders to create a narrative for change.

As with any significant change in an organisation, leadership role modelling is critical to success. You need to ensure that each of your leaders role model the right behaviours – such as running inclusive hybrid meetings. But they also need a personal narrative on why hybrid is important to them and their team.



## Consider individual needs, but prioritise the team.

The objective with hybrid work should not be a race to the bottom for individual flexibility. Though individual needs are important, they will in some cases need to come second to the needs of the team, and it is important to make clear to people early on that trade-offs will be a feature of hybrid working.



## Don't expect to get it right first time and prioritise experimentation.

We are engaged in an experiment on a societal scale to which nobody has all of the answers. Those organisations that will succeed will be those that experiment widely, and ensure that they are capturing lessons learned within teams and sharing insights widely across the organisation.



## Equip your managers to lead.

The burden on managers is the most frequently cited challenge organisations are facing in rolling out hybrid work. The nature of hybrid work will mean that they play a vital role in making hybrid a success, so equip them with the training, guidance and instruction they need to thrive however you approach hybrid.



## Focus on mindsets and behaviours.

The past 18 months of (mostly) remote working has seen most of us build new habits that will take some time to change. Emphasise to your people the mindsets and behaviours that you expect going forward and provide clarity on what good looks like.



## Share learnings and insights for sustainable high performance.

Every team will be on an exploratory journey to find the right way to do hybrid for them to deliver sustainable high performance. It's important to put in place a mechanism for capturing learnings and insights and sharing these widely across the organisations as teams experiment in different ways.

# The model for redesigning work

# Introduction to the model for redesigning work

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To support you on this redesign of work journey, I have created a four-step process – **Understand, Reimagine, Model and Test, Act and Create.**

The foundation of these four steps is my experiences as a researcher fascinated in networks, co-creation, fairness and the shifts (demographic, technological and societal) that shape work. At HSM Advisory, we have built a range of training and tools that we use to support our clients through each of the four steps as they redesign work in a way that is fair, equitable and future-proofed whilst delivering sustainable high performance. If you would like to hear more about the ways in which we have been working with organisations along this journey, do reach out to one of my team who will be happy to schedule a call.



**- Professor Lynda Gratton**

# The model for redesigning work

Act on your model and create new ways of working to ensure the model will be embedded into the practices and culture of the company by:

- Emphasising the role of leaders and their narratives
- Acknowledging and supporting the pivotal role of managers
- Implementing a process of co-creation that engages people with design choices and brings them along in the process of change



**Act and Create**



**Understand**

You need to begin by understanding:

- The skills, networks and jobs crucial for productivity
- How knowledge flows within and across your business and what this looks like
- What your people want from work and the company
- How people experience works across their employee life cycle

**Redesigning Work**



Now these ideas can be modelled and tested against potential risk factors:

- Is the model future-proofed?
- Will it be relevant and purposeful in the short, medium and long term?
- Will it enable the technological transitions in play and support employees to make necessary skill transitions?
- Will the model be experienced as equitable and fair?

**Model and Test**



**Reimagine**



From a foundation of rich understanding, you can devise optimal work designs. Imagine:

- The office as a place of cooperation where people bump into each other serendipitously
- The home as a source of healthy living and energy
- Supporting focus and coordination by the way working time is structured

# The key challenges you're facing

# Matching the expectations of your people

The pandemic has redefined the relationship that many people have with work, with many seeing the opportunity to make work fit around their life more than in the past. This has led to a significant shift in expectations and many organisations struggling to get people to return to the office.



People have shifted what they want from work, with increased emphasis on **flexibility and autonomy**.



New habits have formed and many remain unclear on what a **return to the office** looks like.



The perception of the office has shifted to be a place of **community, collaboration** and **social engagement**.



**40%** of organisations are struggling to fill vacancies due to changing **employee expectations**.

## What we heard from you



“ We are struggling to get people back to the office, habits and expectations have changed significantly.

“ Increasingly, we are looking at our people as whole individuals with lives beyond their work.

“ We are focusing on re-boarding employees back into hybrid work – treating their initial few weeks with as much care as we would a new joiner.

# Taking action to meet changing expectations

## Matching the expectations of your people

### Clarify the deal



The expectations of your people have changed, and this may look a bit different for everyone. For hybrid to be successful, it is vital that the deal you make with your employees clarifies:

- The commitment you expect from them
- The flexibility and options they can expect from you
- The importance of adult-to-adult conversations

### Use principles, not rules



Though some rules may be unavoidable in certain teams, at an organisational level there is rarely an effective one-size-fits-all solution. Use a principles based approach that:

- Teams can tailor to their specific context
- Leaders can build their own personal narrative around
- Individuals can flex (within a frame) to their needs

### Emphasise co-creation and iteration



Many organisations have been struggling to get their people back to the office, with some facing push back as to why it's necessary during an ongoing pandemic. As you define and implement your approach to hybrid working, it is important that it be:

- Experimental and adaptable as you figure out what works best and what does not
- Co-creational – ways of working is deeply personal to all your people, and you need to provide forums for them to have their say, either at the organisational or team level

# Upskilling your managers to lead hybrid teams

# Upskilling your managers to lead hybrid teams

The pandemic has caused us to rethink many of our long held assumptions about how we work, but perhaps no area has undergone more change than the role of the manager, with many now having to spend most of their time in a pastoral or wellbeing role for their team members.



**Managers need clear guidance on how their role is changing and what is expected of them.**

The role of the manager has changed, with substantial extra emphasis on people management and wellbeing than previously. They are looking for clear guidance and specific details on what this new role looks like and what high performance now means.



**They are struggling to navigate the preferences and requirements in their teams.**

In many cases, managers are facing a wide array of different preferences, circumstances and experience within their teams. Trying to cater to these requirements and design ways of working that are optimal whilst also being fair and not unduly impacting individuals is challenging.



**They need support in approaching difficult conversations with different groups of people.**

During an ongoing pandemic, managers are faced with a lot of different conversations around health and other challenging circumstances. They need to understand more about how to approach these conversations, and what accommodations they can and cannot make on ways of working.

## What we heard from you



*Managers are overwhelmed with the amount of additional responsibilities they now carry in supporting wellbeing in their teams.*



*We've definitely been caught out by our lack of investment in training and upskilling and managers prior to the pandemic.*



*Yes our managers have struggled, but we also view the manager grade as an enormous opportunity.*

# Taking action to upskill managers

## Equipping your managers to lead hybrid teams

### Focus on upskilling



It is clear that managers will need additional training to adjust to their new roles, with most organisations citing specific gaps around:

- Holding difficult conversations
- Maintaining wellbeing among team members
- The learning, development and career growth of their team members

### Emphasise leading with empathy



For managers, it is vital that they acknowledge and empathise with the individual circumstances affecting their people, especially with the pandemic continuing to impact many of us in challenging ways. This involves:

- Being sensitive to the circumstances and challenges that their teams are facing
- Making regular 1-to-1 check-ins with each of their team a priority, so they can maintain a sense of how people are doing
- Striving, where possible, to treat the needs of their team members equally

### Clarify their responsibilities



Though many managers have done an amazing job of adjusting and figuring out what is and is not important, organisations still need to provide as much clarity as they can in areas like:

- How (or if) their responsibilities have changed during the pandemic
- What will change, and what will not change
- How the transition from remote working to hybrid working may cause further changes

# Creating sustainable performance

# Moving performance past old ways of thinking

With teams not being co-located as frequently during hybrid work, the need for intentionality around performance is greater. Those teams that have clearer outcomes have always been the highest performing, but this difference is magnified when teams are working in a distributed manner.



**“Digital Presenteeism” has left people feeling always on, and there is a need for an outcome-focused approach.**

People who are unclear on the objectives of their role tend to have struggled more during the pandemic, with many feeling isolated from their team and responding to the lack of clarity by feeling the need to be always available in case they are needed.



**Managers need to reclarify what high performance means for roles in a hybrid context.**

It is not just managers who have seen their role change during the pandemic, many people at all levels of organisations will now have different priorities and may need to spend more time intentionally building networks or upskilling themselves. Managers need to provide clarity where they can on what has changed for their people, and just as importantly, what has not changed.



**New metrics need to be identified and measured to enhance the way we view performance.**

Traditional ways of looking at performance are outdated and rely heavily on a culture of face time. For hybrid work to be a success, we need to reimagine how performance is viewed, taking a more holistic approach that is supported by new metrics and removes the emphasis on the need to be seen.

## What we heard from you



*When we first shifted to remote work, people really rallied together and maintained productivity, but it has slowly started to slip as it wore on.*



*Those teams with clearer individual outcomes – such as our tech teams – have performed better when working remotely.*



*We think that productivity has been retained, but it's hard to know whether innovations and breakthroughs have been lost.*

# Taking action to create sustainable performance

## Creating sustainable performance

### Make wellbeing a priority



For most people, the ability to perform is inextricably linked to their wellbeing and whether they can show up to work at their best. To support team members to perform at their best, you need to:

- Emphasise that you value wellbeing in your team, providing the permission for people to flag when they are feeling burned out or need additional support
- Encourage your people to reflect on how they work at their best – this should include where they do their best work (home or office) and which times of day they are at their most focused

### Focus on outcomes



69% of workers in a major survey indicated managers should focus on output rather than time spent working. Though this has proven a challenge for many teams, there are a few clear actions to take:

- Managers should aim to provide each of their team members with outcomes to aim for, even if this is just in some parts of their role
- Increase team working and distributed accountability for work by setting shared outcomes to groups within your team, rather than just individual outcomes

### Leverage strengths



According to Gallup research, “Employees who use their strengths are more engaged, perform better, are less likely to leave -- and boost your bottom line”. To facilitate a shift to a focus on outcomes rather than time, teams should:

- Identify and leverage individual strengths, as people can be much more autonomous when utilising their strengths
- Where you are trying to develop a member of your team in a specific skill, pair them up with a colleague that is strong in this area

# Principles for the next steps of your journey

# 3 key priorities for your next phase



## Compelling leadership narratives

### Insights from Stewart Friedman

The pandemic was a radical and unexpected jolt to our system of operating, which forced people to adjust in ways they would not have otherwise. To build a clear, compelling story that brings people closer to you as a leader, you should:

1. **Be relatable** – present yourself as someone who has also struggled. Don't gloss over the challenges that you have faced during the pandemic.
2. **Link your vision to your experience** – leaders need to be open about the challenges they have faced, and more importantly, how the crucible of their experiences have shaped their views and story for the future.
3. **Bring people closer to you** – as you share the challenges and experiences that you have faced, encourage others to do the same to build rapport and connectedness.

## Wellbeing

The evidence linking wellbeing to performance was clear long before the pandemic. There is emerging evidence that the most impactful action managers can take to support their teams wellbeing is weekly one-to-one catch ups to check on them. Some other questions to consider include:

1. Has wellbeing declined in my team during the pandemic?
2. What have we tried as a team to support wellbeing? What has worked and what hasn't?
3. How can I empower my team members to support each other?

## Distributed Accountability

Perhaps the most important concept that will underpin successful hybrid working will be distributed accountability. Shift people's mindset to taking ownership of and using flexibility to drive sustainable high performance. For managers, consider the following questions:

1. Have I made it clear to the team that the success of flexibility requires all of us to be bought in and to think collectively?
2. Are my team aware of the individual trade offs they may need to make to support the performance of the team?
3. What roles can I assign to team members that can help embed this accountability?

# Key takeaways

# My key takeaways

**Harriet  
Molyneaux**



Harriet is Managing Director at HSM Advisory and an advisor, speaker and convenor on the Future of Work. Her focus is on responsible business transformation and positioning. She sits on the Board of Directors of the Responsible Business Initiative for Justice. She has a track record of supporting clients in winning global awards, such as the Financial Times Innovative Lawyers Awards for Linklaters in 2016, and brings a data-driven approach based on consumer analytics methodologies and strategy.

- 1 Clarify the role of your managers**

The role of the manager is broken. Asking managers to bring people management right to the core of what they do, rather than an activity for when they have a bit of downtime, requires a complete reimagining of the meaning of the manager role.
- 2 Distribute accountability across your organisation**

Implementing an effective hybrid working policy requires organisations to move from the historical practice of a more command and control approach, to one of distributed accountability. A key element of this will be shifting the tone from your leaders and managers from telling people to what to do to coaching them on direction of travel.
- 3 Shift the mindsets of your people**

So much of this is around micro-behaviours and making them explicit and visible for people. Many new habits have had the chance to set in during the past 18 months and it's important to recognise that people will need quite a significant mindset shift to get into the swing of new ways of working,
- 4 Make fairness and equality guiding principles**

Fairness has been a consistent challenge in the way organisations are approaching hybrid. Some teams, by the nature of the work they do, just cannot have as much flexibility as others. Ensuring that you have a fair, transparent process for determining flexibility, and communicating this clearly, will help you retain the trust of your people.
- 5 Leverage the benefits of offices and shared spaces**

Most organisations have struggled to get people to return to the office at the levels they may have liked. For many who have worked productively at home for the duration of the pandemic, it's worth remembering that the benefits of human connection and collaboration have to be made clear and so teams need to plan carefully what office days look like in the early stages of hybrid.

# Contact Us

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