Impact Report:

THE POST-PANDEMIC TECH TALENT SHIFT
After more than a year of remote work due to the pandemic, talent has fundamentally changed. Tech employees felt their work was more effective, had better work-life balance, enjoyed the increased flexibility and the lack of commute. Even as companies seek to return to work, employees want to keep the components of this mixed work environment they have come to love, with a large percentage of them saying these are now essentials for any job. While employers struggle with how to monitor productivity and establish culture and communication, finding a way to respond to this universal talent shift will be essential to attracting and retaining talent moving forward.
INTRODUCTION
COVID-19 was the ultimate disrupter of workplace norms. The pandemic created a massive exodus, forcing 70% of the workforce out of the office in a mere matter of days, serendipitously creating a larger than large-scale, cross-industry, remote-work experiment. Companies could no longer rely on game-filled lounges and food truck lunches to push corporate culture, nor could managers keep a watchful eye over employee productivity or utilize popularized open work spaces for spontaneous team collaboration.

Now, after a year of remote-work practice,

the talent that was sent home with laptops and Zoom instructions in 2020 are no longer the same people, and they do not want to go back to the way things were.

Instead, they feel empowered to actively advocate for increased employee options and flexibility, as well as seeking for greater employer accountability. If employers want to attract top talent and stay competitive in this new norm, they will have to stop frantically seeking to reconcile the effects of this agenda on the status quo ante and learn to comply with the new terms.

LESSONS FROM THE COVID-19 IN-OFFICE WORK RESTRICTIONS

Employee Perceptions
For so many employees in Utah’s tech industry, COVID-19’s in-office work restrictions helped to prove that traditional in-office work was no longer preferable compared to the new, relaxed work schedule that gave workers more control over their time. This led to a reduction in work-related stress factors, positive changes for better work-life balance, and ultimately to worker’s personal commitment to maintaining these changes.
• **Less Commuting Stress:**

The average commute time in the United States is 54 minutes roundtrip. However, one survey found that 73% of the respondents had an hour or more round-trip commute every day, with 71% of those respondents saying that “they’d like to work from home in order to reduce commute-related stress.” The average cost of commuting is also high with people annually spending, on average, $170 for every mile of a commute. According to the State of Telecommuting in the U.S. Employee Workforce, people spend 11 whole days per year driving to and from work. A WTC community member stated, “I have loved the ability to work from home. I feel like I have progressed by being able to take on more stretch projects with the time that I used to spend on getting ready & commuting.”

• **Increased Flexibility:**

Workplace flexibility includes “all types of working arrangements,” including “flexible arrival and departure times, location independence, choice and control in work shifts, part-time work from home, compressed shifts, sabbaticals, paid time off, and caregiving leave.” Research has found that,

“a workplace environment that allows employees to change when and where they work, based on their needs and job responsibilities, relieves work/life conflict and reduces turnover.”

Flexibility also provides greater opportunities for women with domestic labor responsibilities to join the workforce. A male WTC community member stated, “I have gained much greater appreciation for working mothers and their needs for flexibility. Even before COVID we had a fairly flexible work from home/office as needed policy, but it was still mostly in office. We’re just about back to that but we’re a lot more aware and supportive when people need to work from home.”
• Better Work-life Balance:
84% of Millennials want more work-life balance, and according to the WTC survey, 70% of respondents [who worked remotely during COVID-19 restrictions] said they were able to create a better work life balance while working remotely. One survey respondent said that she finally “has a good work-life balance.” Another stated, “It has provided the ability to better balance work and personal obligations. My work days are longer, but I have been able to weave the two together which has provided me with an improved quality of life.”

• More Family Time:
“The abrupt slowdown in modern life [due to COVID restrictions] has given people a chance to deepen relationships and create new rituals together.” Now that workers have reconnected with their families, they don't want to lose those connections. One worker said,

“There’s just zero benefit in my mind now to return back into the office and give up all those things that we gained over the past year.”

• Greater Productivity:
91% of WTC survey respondents felt they maintained or increased their productivity working from home. The National Bureau of Economic Research (NBER) found that workers were able to focus on building their professional careers: 35% of workers said they read more, 29% continued their education, and 34% took online courses for career growth. One WTC community member said that working remotely has “given me a lot of opportunities that I wouldn’t have had in the office.” Another said, “work from home has provided some additional freedom to study leadership skills and participate in seminars/workshops.

• Commitment to Change:
A Global Workplace Analytics study found that after experiencing flexibility and remote-work, “over a third [of participants] would take a pay cut in exchange for the option [to work at home].” NBER also found that even though workers who stay at home work an average of 48.5 minutes more per day, workers would still prefer to work from home. As COVID-19
restrictions continue to reduce, companies are looking for the “back to business” strategies. Talent is waiting intently to know how to respond to management decisions. According to the WTC survey,

**95% of employees want a schedule with flexibility and remote work options.**

WTC also found from its survey that if a company requires a return to 100% in-office work, 40% of employees will seek another position. Since the cost of replacing an individual employee can range from one-half to two times the employee’s annual salary, requiring daily office attendance could wreak financial havoc on a company’s bottom line. In a more hybrid scenario, if a company requires 3 days a week in the office, only 8.6% would seek another position. Conversely, if a company requires 100% remote work, 48.7% of respondents would heartily support the policy, and only 6% would seek another position. 7.7% said they will no longer take positions unless it has a high percentage of remote time, if not fully remote, and only one responder said they would be willing to work in the office 100% of the time. One WTC community member stated, “I will never go back to daily commuting. Between the costs in productivity and environmental impact, the gains in physical and emotional health...not having to commute has been an enormous improvement for me.”

**Exceptions:**

While the vast majority of respondents in WTC’s survey agreed with the sentiments above, those who did not cited two primary reasons: 1. Lack of family or support at home that led to feelings of loneliness when not in the office, and 2. A change in job that required them to integrate with a new company culture and processes without the benefit of personal interactions. While these sentiments do not represent the majority of employees, they are important and valuable perspectives for employers to be aware of as the market moves towards a more hybrid work model preferred by the majority of employees.

With this surge in employee satisfaction and remote work, Talent is holding management to a higher level of accountability. “As employers consider returning to work, the primary question to ask and understand is, ‘What is the reason for return?’” Workers want employers to justify why they need to be in the office, travel, or attend an in-person meeting. Employers are primarily focused on productivity and culture.
Employee Perspectives

**Productivity**
In 2020, productivity was the main concern for employers. They wanted to know if their businesses could survive and grow without an in-office workforce. Mercer consultant Lauren Mason explained, “Historically there has been a perception in many organizations that if employees were not seen, they weren’t working—or at least not as effectively as they would in the office.” A WTC community member reiterated this with her experience:

“It feels like the bigger issue around remote work is from executives who can’t let go of visibly seeing their employees to verify their productivity...”

It feels like retraining managers on how to better measure impact and output would help close the gap between reality and perception. While the benefits of work from home policies had been published years prior, employers are dubious. This recent preponderance of evidence, however, suggests a remote or hybrid remote/in-office workforce is a new best practice.

94% of Mercer surveyed employers said that “productivity was the same as or higher than it was before the pandemic.” Similarly, Great Place to Work’s two-year study of 800,000 employees at Fortune 500 companies found that “most people reported stable or even increased productivity levels after employees started working from home.” Airtasker surveyed its 1000+ employees and found that remote employees worked “1.4 more days every month” over their in-office counterparts. Data from Prodoscore showed a “47% productivity increase in 2020, despite the coronavirus lockdown and the ensuing increase in working from home.” WTC found in its own survey results that 74% of respondents said that “remote work has been successful at their company,” and 90.8% stated that productivity had remained the same or significantly improved.

Further, 75% of tech leadership felt that “their businesses had not suffered from remote work, and will support a hybrid model going forward.” While there is no doubt that COVID-19 upended the U.S. economy and many industries took unbelievable hits, the necessary restrictions revealed that for many companies, the solely in-office workforce model and requirement is both antiquated and undesirable.
Before the Covid-19 Pandemic, 46% of job seekers cited company culture as a major deciding factor in choosing to apply to a company. 91% of executives said “culture is important,” and managers in the U.S. said that a job “candidate’s alignment with the company culture [was] equal to or more important than skills and experience.” Studies support these opinions and show how important culture is in business. 82% of respondents from one study said that “culture is a potential competitive advantage.” Another revealed that “a strong culture can increase net income by more than 700% in an 11-year span,” and a Gallup poll found that companies that create a culture that attracts star talent see 33% higher revenue. Since many common pre-COVID practices of establishing positive workforce culture focused on work environment and increased collaboration, employers were and are concerned about remote-work’s effect on culture. The question is how to build, change, or sustain company culture when employees are separated by both time and physical space.

Daniel Coyle’s New York Times Best Seller, The Culture Code, reveals that despite common practices like fun and supportive work environments that boasts everything from nap rooms, in-house acupuncture, to gourmet chefs and on-site car washes, strong culture starts with “unity and a common purpose.” But getting full buy-in of company purpose is elusive. According to a pre-COVID-19 Harvard Business Review article, while purpose can be a powerful tool for “leaders who want to inspire people to bring their best to work...most leaders agree that employees do not ‘get’ their organizations’ purpose.”

As part of this effort to perpetuate culture, COVID-19 had the unexpected effect of increasing deliberate communication. Verizon found it was handling double the call volume on regular days that it had on its previously biggest holidays, like Mother’s Day. The widespread, pandemic-induced loneliness also put managers on high-alert to “check in regularly” with employees in order to help combat those feelings in their teams; not only for employees’ personal well-being, but also because “loneliness can lead to decreased productivity.” No longer being able to have impromptu meetings and chance conversations also meant that communication had to be much more intentional.

This more conscious and honest communication has been cited as a reason for positive effects to culture. One study found that employees were twice as likely to discuss the quality of communication by top leaders in positive terms during the months of the pandemic than they were a year earlier. Communication can also be attributed as a factor in a Qualtrics study that found that “52% of people say that they’ve felt more purposeful in their work...
since the beginning of the COVID-19 crisis” and that 77% stated that “company culture had improved since COVID-19.” The WTC survey supported these findings, and found that

58% of respondents felt that company culture had remained the same or improved during COVID-19.53

“Communication with managers was also rated as the same or significantly better by 77% of respondents.” One WTC community member surveyed said, “Communication is key to keeping people productive and involved.”

Culture is an integral part of doing business. However, the way businesses implement culture will have to evolve in order to meet the demands of a workforce who desires more flexibility over the availability of a 24/7 gym or laundromat at the office.

MOVING FORWARD
With this research and the knowledge that the majority of workers desire a hybrid in-office/at-home work structure, employers and leadership are better equipped to respond and adapt to these changed and changing work trends. As employers move forward, it will be crucial for them to adapt, embrace the benefits of a more flexible workforce, and adopt new best practices.

Realize Reduced Costs:
Workers given greater flexibility are more inclined to stay with a company. One survey found that “80% [of respondents] said that they would be more loyal to their employers if they had flexible work options.”

In addition, 60% of employers found that by providing remote-work options, they reduced rent and utilities, cleaning services, food costs, and taxes. Being flexible with work space can also lead to cost savings. WTC found that only 34% of companies planned to provide enough space to have all employees in the office on the same day.
Gain Greater Access to Talent:
The WTC survey found that during 2020,

25% of companies expanded hiring to remote workers in other geographies.58

Employers willing to hire remote staff will have access to a larger talent pool.

Involve Employees in Return to Work Strategies
Despite the fact that all companies are working to determine their return to work strategy, there is no evidence to suggest they are involving employees in this process. Given the established need for increased communication to support positive corporate culture, companies need to “engage staff during the planning phase...and establish clear points for staff decision and input.”59 A WTC community member stated, “[Remote work] is not for everyone, but the option should be made available to those that want or need it with the right governance in place.”

Invest in Infrastructure:
As remote work is here to stay, “having the right technical infrastructure in place to allow secure access to the services and information needed to support remote workers is critical.”60 This could mean making permanent investments in what were seen as temporary spends during the pandemic, such as home office equipment for employees, or further expanding tele-conferencing software and resources.

Justify In-Office Work Requirements:
Businesses that participated in the WTC survey cited maintaining culture and productivity as the main factors in considering remote vs. in-office work time. Yet as a whole, only 3% of employees say they are ready to go back to the office.61 It will be crucial for companies to eliminate bias regarding productivity and find new ways to measure productivity other than attendance. Finding ways to create culture that incorporates the personal and individual needs of a workforce will be better equipped to succeed in the post-pandemic market.

All of these action items are in support of intentionally creating workplace environments and cultures that allow employees to thrive both personally and professionally.
ENDNOTES


