

Breakfast **Bites**[®]

WORK STRUCTURE IN THE NEW WORLD AS COMPARED TO B.C. (BEFORE COVID)

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Overview

- Remote Work Data – Employee Performance, Happiness, Culture, and Fact v. Fiction
- Return to Work Mandates – Legality, Pitfalls, and Other Considerations
- The Next Five Years – Optimal Policy, Retainment and Recruitment of Talent v. Meeting the Needs of Your Business

INTRODUCTION

- There is no denying that COVID-19 upended the workplace and the world as everyone in this room came to know it.
- Government mandated shutdowns, while undoubtedly a struggle for all, did produce benefits in the workplace for both employers and employees.
- However, the benefits can be offset by the basic human need to interact with other human beings.
 - July 2023 American Psychological Association study
- Employers struggle to balance business needs with employee needs.

REMOTE WORK DATA: EMPLOYEE PERFORMANCE, HAPPINESS, CULTURE, FACT V. FICTION

As of 2023:

- 12.7% of full-time employees work from home
- 28.2% of employees have adapted to a hybrid work model.
- Despite the steady rise in remote work, 59.1% still work in-office full-time.

This data underscores the fact that while remote work is on an upswing, traditional in-office work is far from obsolete.



REMOTE WORK DATA: EMPLOYEE PERFORMANCE, HAPPINESS, CULTURE, FACT V. FICTION

98% of workers want to work remote at least some of the time

- Shocking majority from a highly diverse population
- What this overwhelming figure really reflects is the American workforce's growing affinity towards the flexibility, autonomy, and work-life balance that remote work offers.

98%
**Want to work remote
some of the time.**

REMOTE WORK DATA: EMPLOYEE PERFORMANCE, HAPPINESS, CULTURE, FACT V. FICTION

93% of employers plan to continue conducting job interviews remotely

- From the employers' perspective, the acceptance of remote work is evident as well. A remarkable 93% of employers plan to continue conducting job interviews remotely.

93%
Of employers plan to
continue remote
interviews

16% of companies operate fully remote

- About 16% of companies are already fully remote, operating without a physical office. These companies are pioneers in the remote work paradigm, highlighting the feasibility of such models and paving the way for others to follow.

16%
Of companies operate
fully remote

REMOTE WORK BY INDUSTRY AND OCCUPATION

Some industries/jobs are more suited for remote work than other:

Industries Where Remote Work is Unlikely to Continue/Succeed:

- Health Care (for the most part)
- Education (pre-college)
- Industrial, “Blue Collar” Jobs

Industries Where Remote Work is Here to Stay/Can Be Adaptable

- Computer and IT (Top Industry for Remote Work 2023)
- Law (with limitations)
- Hospitality Management
- Travel
- Accounting
- Marketing



COLLABORATION/PRODUCTIVITY CONSIDERATIONS

While some jobs clearly lend themselves to more remote capabilities, that does not mean that collaboration is not important.

Consider one profession: IT/Software Engineer

- Junior v. Senior Engineer, seniority lends itself to more flexibility, autonomy. But who needs the presence of the senior leadership more? The Junior Engineer, who is more impressionable, and needs the guidance. This may not be an intuitive reason to require, as an employer, more in-person work from senior employees, but the benefits can be tremendous.

COLLABORATION/PRODUCTIVITY CONSIDERATIONS

Other considerations among young workers. Do they simply not know what they don't know? Some employees who have only known a post-COVID workplace may not recognize the value lost by not being in office, and being able to ask questions, observe, and learn from senior members of the company.

Think about how much children learn from osmosis, just being present. The same principle can apply to young professionals, the so-called “children” of the workforce.

One recent study by Natalia Emanuel, a labor economist at the Federal Reserve Bank of New York, found that by having just a single employee work fully remote, an organization can lose up to 30% of the productivity as if everyone were remote.

REMOTE WORK BY DEMOGRAPHICS

Your age may impact the likelihood of remote work:

- The highest percentage of remote workers are aged 24 to 35
 - 39% work remotely full time.
 - 25% work remotely part time.
- Cons of younger workers working remote?
 - Younger workers often need more guidance, training, and more experienced support before they are able to perform their jobs at high levels. This imbalance should not be lost on employers.

Your education level may impact the likelihood of remote work:

- Those with higher levels of education are more likely to hold positions that permit remote work.

REMOTE WORK BY DEMOGRAPHICS

A higher percentage of men work remote than women

- 38% of men work remotely full time, and 23% part time.
- 30% of women work remotely full time, and 22% part time.

Remote workers on average earn \$19,000 more than in-office workers

- Remote workers make an average of \$74,000, while in-office workers typically have an average salary of \$55,000

REMOTE WORK PREFERENCES

57% of workers would look for a new job if their current company didn't allow remote work

- This figure underscores the value that workers place on the flexibility and autonomy associated with remote work.
- It also underscores the perception employees have about their employers who take a hardline position against an employee's preference to be flexible.

57%

Of workers would look for new job if employer didn't allow remote work

Statistics provided by and credited to: <https://www.forbes.com/advisor/business/remote-work-statistics/>

REMOTE WORK PREFERENCES

35% of remote employees feel more productive when working fully remote.

- This could be due to reduced commute times, fewer in-person distractions, or the ability to design a work environment that suits their needs.
- On the other hand, 65% of workers do not feel more productive when working fully remote.

35%

**Of remote workers feel
more productive
working remotely**

REMOTE WORK PREFERENCES

69% of remote workers report increased burnout from digital communication tools.

- The constant stream of digital communication can lead to mental fatigue, underscoring the need for proper work boundaries and digital wellness strategies.
- No set timeframe on when workers are expected to be available, given that they *can* be always available.

53% of remote workers say it's harder to feel connected to their coworkers.

- Another challenge associated with remote work is the lack of face-to-face interaction.
- Yet, 37% feel that remote work neither hurts nor helps with connection to coworkers.

69%

Of remote workers report increased burnout from digital communication tools

53%

Of remote workers say it's harder to feel connected to coworkers

RETURN TO WORK MANDATES – LEGALITY, PITFALLS, AND OTHER CONSIDERATIONS

Employers can legally require employees to return to work in person.

- There are no laws preventing employers from creating rules around in-person work and holding their employees accountable to be there in person.
- Any regulations to this effect are now null and void (e.g., pandemic era Executive Orders, PPP loan requirements).



RETURN TO WORK MANDATES – LEGALITY, PITFALLS, AND OTHER CONSIDERATIONS

Employers generally have a lot of latitude to fire employees for non-compliance with these demands.

- This presumes said employees are “at-will,” which most employees are.
- If there is an issue with an employee’s non-compliance or refusal to return to in-office work and the employee can only be fired “for-cause,” it is best to consult an attorney as to the ramifications of such adverse action.

RETURN TO WORK MANDATES – LEGALITY, PITFALLS, AND OTHER CONSIDERATIONS

Exceptions to Return-to-Work Mandates:

- ADA Accommodations;
- Title VII Requirements;
- Firing a whistleblower who may have brought corporate bad behavior to the company's attention; and
- FMLA.



THE NEXT FIVE YEARS

OPTIMAL POLICY, RETAINMENT AND RECRUITMENT OF TALENT V. MEETING THE NEEDS OF YOUR BUSINESS.

By 2025, 32.6 million Americans will work remote.

- This equates to about 22% of the workforce.
- This projection suggests a continuous, yet gradual, shift towards remote work arrangements.

Those who opt for a hybrid work model report the highest average salary at \$80,000, as compared with those who are either fully remote or fully in-office.

- This suggests a balanced approach may be optimal. This may be attributed to the flexibility and balance that hybrid work offers, enabling workers to maximize their productivity and potentially take on more responsibilities.

THE NEXT FIVE YEARS

OPTIMAL POLICY, RETAINMENT AND RECRUITMENT OF TALENT V. MEETING THE NEEDS OF YOUR BUSINESS.

Research shows that employers can save \$11,000 per employee when switching to remote work.

- These savings come from reduced costs associated with office space, utilities, and other resources.

However, while remote work offers tangible benefits including flexible hours and cost savings, it also presents challenges such as digital burnout, reduced social connection, difficulty building a “culture,” and mentorship.

Must ask yourself as to your business: what is your primary objective with remote work? From there, tailor the policy around that objective(s).

REMOTE WORK TRENDS

60% of companies use monitoring software to track remote employees.

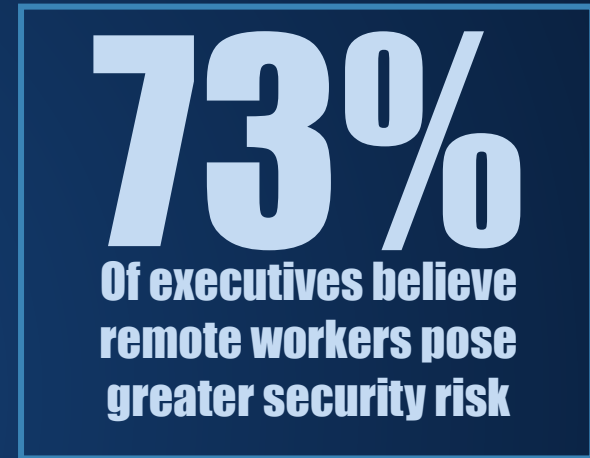
- While these tools can aid productivity and accountability, they also pose privacy considerations, highlighting the need for transparency and consent in their use.

60%
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track remote employees

REMOTE WORK TRENDS

73% of executives believe remote workers pose a greater security risk.

- This concern highlights the need for robust security protocols and employee education about safe digital practices in a remote work setting.
- This is particularly critical in areas like law and finance where confidentiality of client information is paramount.

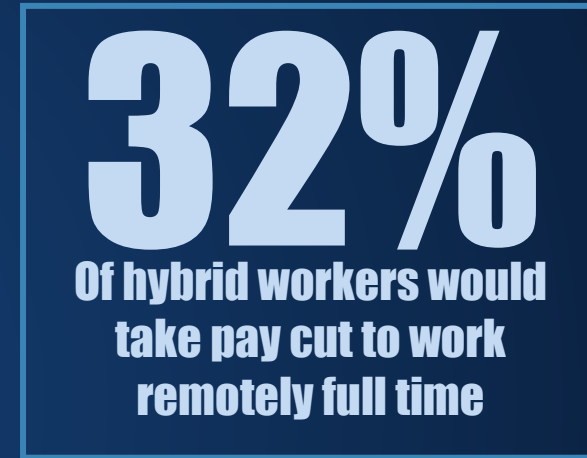


REMOTE WORK TRENDS

32% of hybrid workers report they would take a pay cut to work remotely full time.

- This reflects the high value workers place on the flexibility and autonomy that remote work provides.
- This could potentially impact how companies structure compensation in the future.

Understanding these trends will be crucial in shaping effective remote work policies and practices.



SUM IT ALL UP

- The Pandemic Upended the Way We Work
- A Hybrid Approach is Optimal
- Well Within Your Rights as Employers to Demand Return to Work in Office, But Tread Carefully
- Remote Work Not Going Away



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QUESTIONS

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