Navigating the new normal

Is your Return-to-Office policy working for everyone?

Contents

What's in the guide

Insight to build a return-to-office model that works for everyone

Tips for making RTO work in the hybrid age

Strategies to engage RTO-reluctant employees

Practical frameworks for designing an effective policy

New perspectives to assess the role of productivity data in organizational transformation

By the end of this guide, we hope to have you rethinking your RTO mandate and using workday insights to lean into hybrid work.

Introduction

It seems the dust of the last few years is finally settling. We can ease back into our old routine of commutes, conference rooms and water coolers. Right? Not quite.

The dust may be settling, but it's settling on a changed landscape. Work has evolved. Hybrid and remote setups are so common that you might be reading this and thinking *Oh, great, another hybrid-is-here-to-stay think piece.* You'd be right – partially.

Hybrid *is* here to stay. As champions of work-from-anywhere flexibility, we're excited about it. Still, hybrid work isn't a one-size solution. There's much more to modern work than allowing employees to work from home every so often.

Adding to the complexity is a wave of companies announcing return-to-office (RTO) orders. They say it's better for productivity. But global data gathered from numerous surveys and studies tells a different story, one of clashing priorities and backsliding to a pre-Covid comfort zone. And you only need to scan the headlines to see that RTO mandates don't gel with employees' desires for more flexibility.

In a world where change is the only constant, we know one thing for sure. What organizational leaders do next will determine their success (or not) in the remainder of this decade.

This isn't a think piece. It's a playbook.

We won't try to convince you that hybrid work is better for productivity, employee well-being, cost control and talent attraction. You know all that already. Instead, we're giving you the tools to navigate the 'new normal' on your terms.

Tension in today's workplace
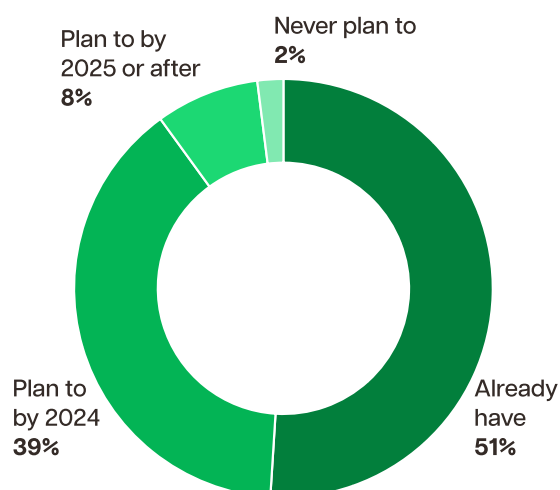
Tension in today's workplace

The COVID-19 pandemic accelerated a shift to hybrid and remote work that many saw as inevitable.

But now companies around the world are issuing return-to-office orders in a startling about-face. Some are even issuing ultimatums to return or resign. The very existence of these ultimatums highlights the tug-of-war between employees and employers.

Thankfully, only 1 in 5 companies planning RTO programs aim to have employees in the office full-time.

This aligns with commercial leasing firm CBRE's US Occupier Survey from 2022, which found 19% of companies were rolling out office-only policies, while 73% planned to adopt hybrid models.
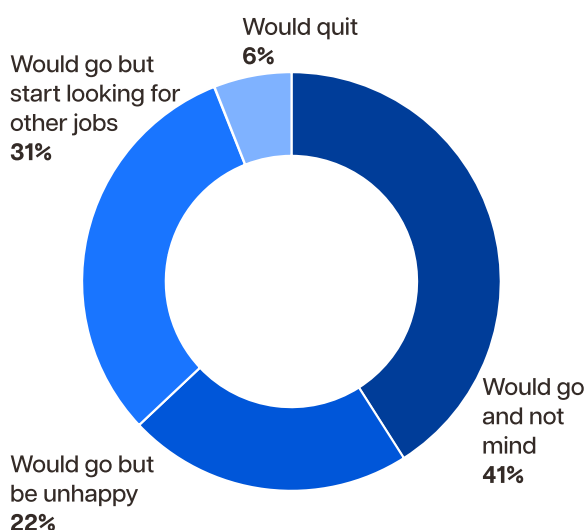
Still, the tension between employee and employer expectations is causing conflict. One survey of 10,000 workers, coordinated by big names including Slack and Boston Consulting, found that employee sentiment, work-life balance and stress are at the worst levels in over three years.

Plan to by 2025 or after
8%

Never plan to
2%

Plan to by 2024
39%

Already have
51%

Companies want people in the office
RTO policy status
Source: Resume Builder survey, August 2023

Would go but start looking for other jobs
31%

Would quit
6%

Would go but be unhappy
22%

Would go and not mind
41%

Employees don't want to go
How would employees respond to full-time RTO mandates?
Source: OwlLabs 2023 State of Hybrid Work survey

Unless organizations can come together to design a policy that works for everyone, employee attrition will rise and productivity will plummet.

In pursuit of peace of mind for those leaders who feel an RTO policy is the only way to regain control, we're laying out the blueprints for a bridge across the chasm. The first step is understanding that RTO policies aren't one-size-fits-all.

▲**2x**
steeper work-life balance decline among in-person vs flexible workers.

▲**1.6x**
steeper decline in satisfaction with their working environment.

▲**1.5x**
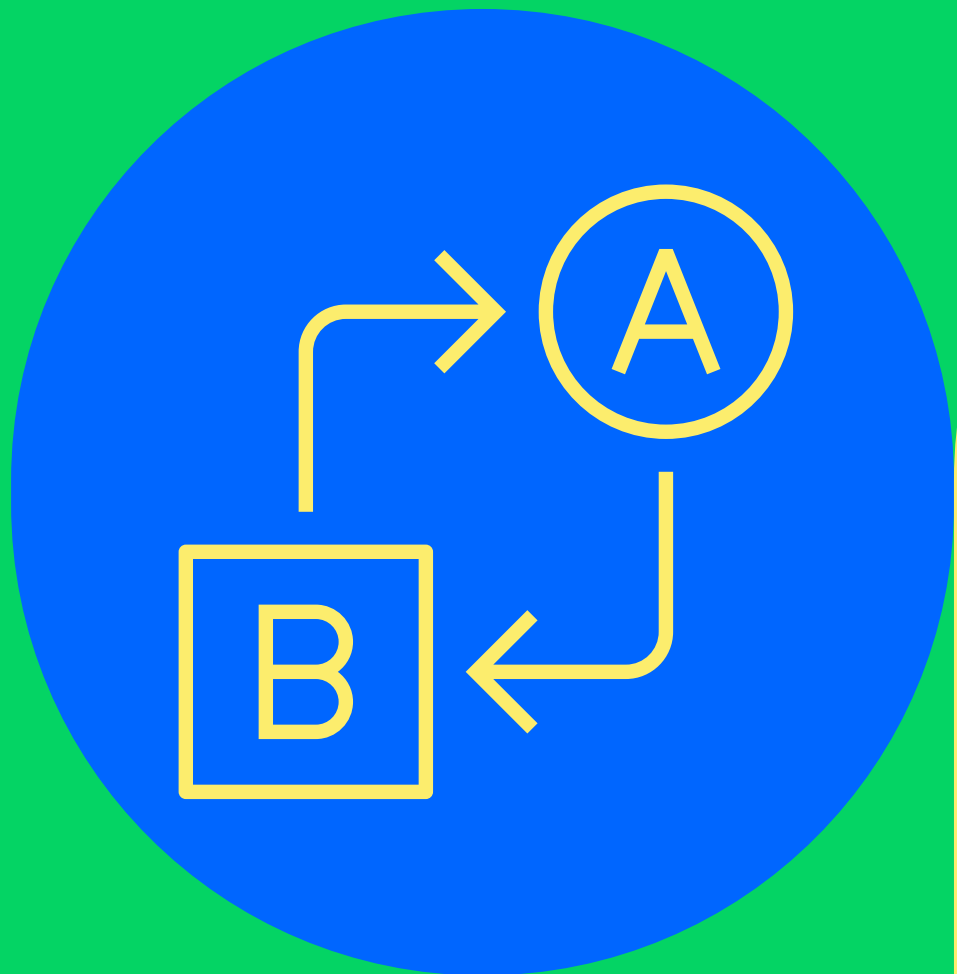**worsening in work-related stress and anxiety.**

◗**55%**
would prefer flexibility, and 20% are looking for new jobs.

Source: Future Forum survey

Your RTO options

Your RTO options

Returning to the office doesn't have to mean returning full-time. Most companies are recalling people part-time, although how they're doing it varies widely.

One common theme in the analysis of RTO policies is the prevalence of grey areas. On one end of the spectrum, we have 100% in-office work. On the other end, we have fully remote and asynchronous. Somewhere in the middle we have most modern companies. Although the expansive middle ground can seem daunting, we think it's incredibly exciting.

You probably exist somewhere in here
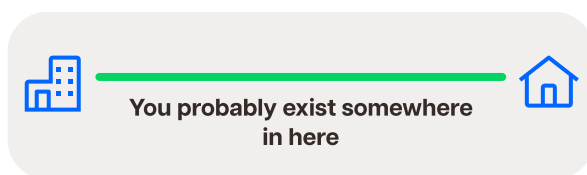
Moving with the times means leaning into hybrid work

Faced with a five-day-per-week RTO mandate, 31% of workers would immediately start looking for another job and 6% would simply quit. These figures from OwlLabs' latest publication echo a long list of surveys, studies and think pieces from the last few years.

Faced with a five-day-per-week RTO mandate

31%
would immediately start looking for another job

6%
would simply quit

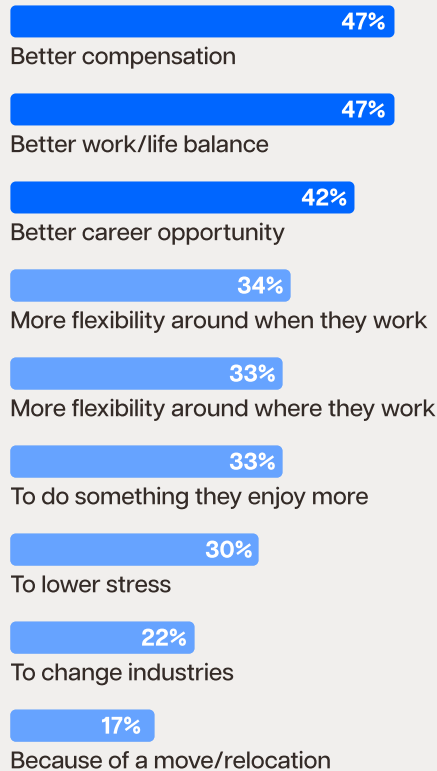The exact number varies depending on the source, but two themes appear over and over:

1. Employees want the flexibility to work remotely or on flexible schedules.
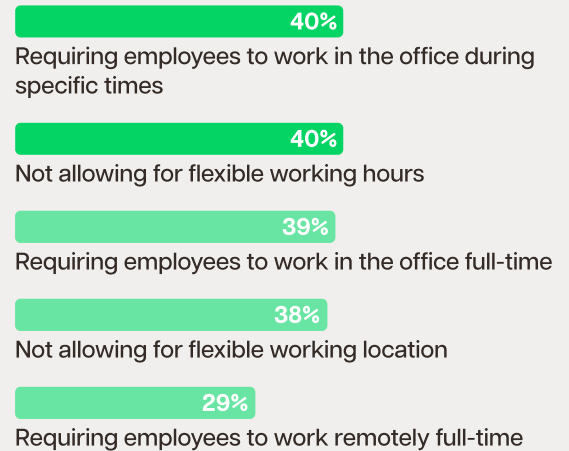2. Employees are ready to walk if companies don't come to the table.

Flexibility and work-life balance are also among the main motivators for people changing jobs - and a lack of flexibility is the reason people turn down job offers.

Your RTO options

Why do workers seek a new job opportunity?

47%	Better compensation
47%	Better work/life balance
42%	Better career opportunity
34%	More flexibility around when they work
33%	More flexibility around where they work
33%	To do something they enjoy more
30%	To lower stress
22%	To change industries
17%	Because of a move/relocation

Working policies that cause workers *not* accept a job offer

40%	Requiring employees to work in the office during specific times
40%	Not allowing for flexible working hours
39%	Requiring employees to work in the office full-time
38%	Not allowing for flexible working location
29%	Requiring employees to work remotely full-time

That doesn't mean employees will flatly reject a proposed RTO policy. However, it does mean you need to think carefully about the shape, size, scale and speed. This is why we see big names like Google and Apple couching RTO orders in "hybrid" or "flexible" policies (although Apple's communication let them down in the last mile).

Why you don't need to worry about employees walking out

When we dig into the data it becomes clear that people want flexibility, not unrestricted freedom.

Being empowered to work from home some days or set their own schedule makes employees happier, healthier, more productive and more engaged. This cuts to the core of hybrid work. It's about flexibility and autonomy; finding a rhythm and routine that enables people to do their best work.

It seems the sweet spot is working from the office between 2.2 and 3 days per week. We recommend keeping this figure in mind as you work with managers and employees to enshrine hybrid working into your organization's RTO policy.

What returning to the office (or not) might look like

Broadly, RTO policies fit into three categories.

100% on-site

A return to traditional office work where employees turn up 5 days a week to a fixed location.

Most employees who have been recalled full-time – 69% – believe traditional work expectations are behind the move. Understandably, they're not convinced.

Hybrid

Employees split their time between office work and another location, home or elsewhere.

The majority of companies, between 50% and 75% by most estimates, are leaning into hybrid work. Which raises a question: what does "hybrid" work mean?

100% remote

Employees work from their homes, co-working spaces or other off-site locations. They might come together occasionally for company events.

The number of 100% remote companies increased significantly during the pandemic, although we're seeing an about-face as the dust settles.

What does this mean for RTO policies?

Although full-time office work is a thing of the past and employees would rather quit than lose flexibility, most don't necessarily want to work remotely 5 days a week. Designing an RTO policy means experimenting in the "messy middle" to find a solution that works for everyone.

What is "hybrid" work?

What is "hybrid" work?

Employees want it. Old-school managers fear it. But what *is* it, exactly? The fact there's no universally accepted definition for hybrid work is both part of the problem and the key to the solution.

Companies everywhere rushed into hybrid or remote work by necessity, especially in the knowledge economy. Some did well figuring it out as they went. Others struggled with the sudden lack of operational oversight.

While we knew instinctively that "hybrid" means working from more than one location, back then we lacked data and models that we could adapt to meet our needs.

("We" in the universal sense. Time Doctor has always been a remote company because that's what works for us.)

That's no longer the case. Three years and thousands of surveys later, we have more than enough data to understand that "hybrid" working can be defined in at least five ways.

Scheduled hybrid work

Employees have a set schedule for working between the office and remotely. For example, Apple's hybrid policy (after several versions and lots of pushback) asks employees to be on-site on Tuesdays and Thursdays, plus a third day determined by managers.

Location flexibility

In a more flexible interpretation, employees have the freedom to choose when and where they work. Airbnb lets employees work from anywhere, as long as they're online during scheduled work hours.

Schedule flexibility

Asynchronous work takes flexibility a step further, allowing employees to design their own schedules. This typically looks like "extended office hours" so people can work around their lifestyle, or required "overlap hours" where everyone is online for part of each day.

What is "hybrid" work?

Hybrid work by location

Organizations with a global presence might implement region-specific hybrid policies depending on the nature of work. Then there are the Googles and Airbnbs of the world that allow employees to location-hop (with manager approval and for a limited period each year).

Hybrid work by role

An organization's hybrid work policy may specify which functions can work remotely, with different rules for departments or roles. For example, Ford embarked on an ambitious hybrid working journey – with manufacturing staff naturally excluded.

Project-driven hybrid work

Individual projects can set the cadence for hybrid work. When a project demands close collaboration, team members work in the office. When the project allows for autonomy, they can work remotely.

What does this mean for RTO policies?

Hybrid doesn't need to mean mandated office days, nor does it definitively do away with work schedules or attendance standards. How you define "hybrid" depends on organizational goals. Just make sure it's clear from the start.

Who decides, who defines, and who directs?
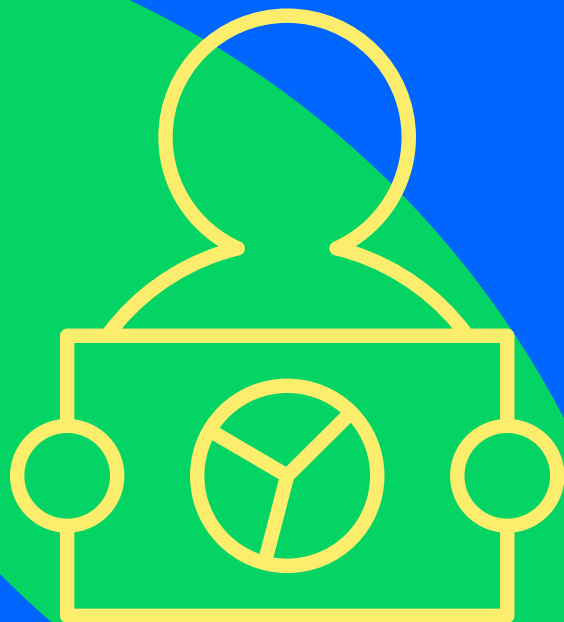
Who decides, who defines, and who directs?

Individuals and teams will develop their own ways of working in the absence of a clear decision tree. Then again, decentralized decision-making is a strategy in its own right.

Defining the framework to implement an RTO policy is just as critical as determining what the policy will look like in terms of flexibility. Without ownership and accountability, there's a strong chance that individuals and teams will chart their own course. This ad-hoc RTO approach immediately causes headaches, eroding collaboration, productivity and culture.

Four ways to delegate decision-making

	RTO mandate	RTO policy	Empowered managers	Empowered employees
Who decides	Top-level leaders	Top-level leaders in consultation with managers	Managers	Employees, in consultation with managers
Who defines	Top-level leaders	Top-level leaders in consultation with managers	Managers, in consultation with their team	Employees, in consultation with managers
Who directs	Department heads ensure teams are following the mandate	Managers or team leaders have daily decision-making ability	Managers work with their team to establish an accepted policy	Employees
Pros	Consistency across the company	Flexibility to account for individual needs within a set framework	Better for individuals	Giving employees agency is proven to increase engagement
Cons	No consideration for individuals	Cross-functional collaboration can suffer	Inequitable policies can cause friction between (and within) teams	Accountability, consistency and collaboration are at risk without clarity and support
Considerations	Involving employee representatives early can help avoid a tone-deaf policy	Managers must collaborate between (and within) departments to capture cross-functional needs	Managers need reliable workday data and asynchronous collaboration tools	Accountability is crucial; managers must work with teams to set expectations and check in often

Who decides, who defines, and who directs?

The reality is every organization's decision-making framework will be different. Given the inherent complexity, not to mention the influence of culture on determining a decision-making framework, we recommend flipping the conversation.

Rather than delegating first and designing the RTO policy second, decide how decisions will be made *based* on the overall policy shape.

There's a bigger picture

RTO policies are the outcome of organizational strategy, so it naturally follows that decision-making power should be an outcome of the policy. Returning to the office is a strategic initiative. As such, RTO policies must contribute to organizational goals in philosophy and practice. That means:

Establishing a strategic imperative

✓ Clearly define the purpose of an RTO policy before anything else

✓ Stress-test the idea of returning to the office to see whether hybrid or remote working can achieve the same objectives

✓ Identify gaps, weaknesses and opportunities in current practices

Building the case for RTO policies based on reliable data

✓ Survey employees, managers and leaders

✓ Research industry trends

✓ Collect RTO policies from companies you admire

Who decides, who defines, and who directs?

Developing a transparent and collaborative policy

- ✓ Connect the RTO policy to organizational goals
- ✓ Involve representatives from all levels
- ✓ Define accountability measures and support requirements
- ✓ Establish feedback channels for employees to contribute

Maintaining clear, open communication around progress, changes and challenges

- ✓ Make the policy accessible and easy to understand
- ✓ Communicate how employee feedback is used to improve the policy
- ✓ Set KPIs for RTO success and publish progress data

Inviting feedback

- ✓ Build employee feedback into the development timeline
- ✓ Accept that resistance from remote workers is inevitable; try to make it constructive
- ✓ Experiment with RTO strategies
- ✓ Measure success to make informed decisions (more on this soon)

What does this mean for RTO policies?

A RTO policy needs to be clear, consistent and collaborative. Given people's reluctance to return to full-time office work – balanced by their desire to connect with colleagues in person – a strategic RTO policy designed with employee well-being in mind has the potential to bring people together in a way top-down mandates never will.

Communication is mission-critical

Communication is mission-critical

The only thing more damaging to employee engagement and well-being than a lack of flexibility is a lack of clarity.

When Asana's Work Innovation Lab team surveyed 1,100 people in 2023, they learned that 24% didn't know who created the hybrid work policy. Almost half (43%) couldn't locate the policy on the company's intranet, and 19% couldn't find it *at all*.

This matches up with McKinsey data from a couple of years ago showing that 40% of organizations hadn't communicated a post-pandemic plan at all, and 28% only vaguely

Lack of transparency around how, where and when people are expected to work is more than a mere miscommunication.

Although employees overwhelmingly want flexibility, they also want guidance. Leaving people in the dark about RTO policies erodes trust and increases employee stress. So, wherever your organization falls on the remote work spectrum, communication is essential to keeping employees engaged.

47%
of employees told McKinsey they feel anxious about absent or vague guidance.

2.9x
McKinsey found these employees were 2.9x more likely to burn out.

32%
couldn't tell Asana what data – if any – were used in creating their company's hybrid policy.

79%
of employees told Gallup they don't trust their organizational leadership, up 3% since the pandemic.

Communication is mission-critical

Why
the policy exists

Employees who are used to remote work are overwhelmingly against returning full-time. But most are happy to return some of the time, as long as there's a good reason.

What
the policy is

Be clear about the nature, scope and speed of returning to the office. Establish a transition period to give people time to re-adjust.

Four pillars to effective RTO communication

Who
is affected

Some roles or teams might still have flexibility. Equity and incentives can improve adoption among people whose role or situation makes in-office work challenging.

How
they are affected

What can employees expect in terms of flexibility, and what does the organization expect in return? What happens if those expectations aren't met?

Can you commit to staying the course?

Communication doesn't end when people are at their desks. Maintaining employee engagement means maintaining communication. Owl Labs' latest State of Hybrid Work survey found a majority of hybrid employees didn't trust their organizations to stay the course for even 12 months.

Interestingly, managers had significantly less trust in leadership. Two-thirds (67%) of managers fell into the "likely" camp, compared to less than one-quarter (23%) of employees.

Will your employer change the policy in the next year?

Source: OwlLabs State of Hybrid Work survey 2023

Unsure
**16%**

Unlikely
31%

Likely
53%
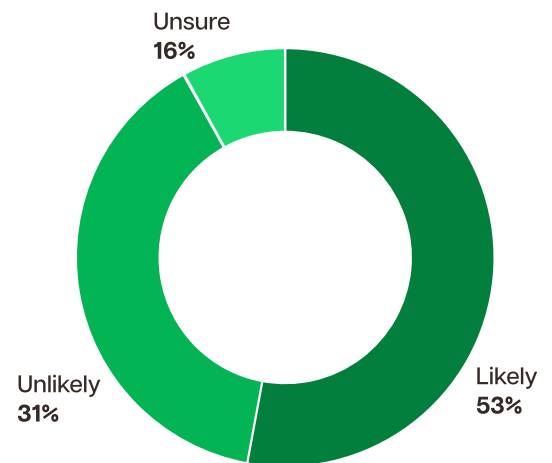
What does this mean for RTO policies?

Information matters to employees and managers alike. Returning to the office, often after years of working remotely or flexibly, can be a shock. Organizations that rush the transition, impose harsh penalties on non-attendance, or fail to read the temperature of the room will see some of their best people walk.

Four (more) considerations for RTO policies
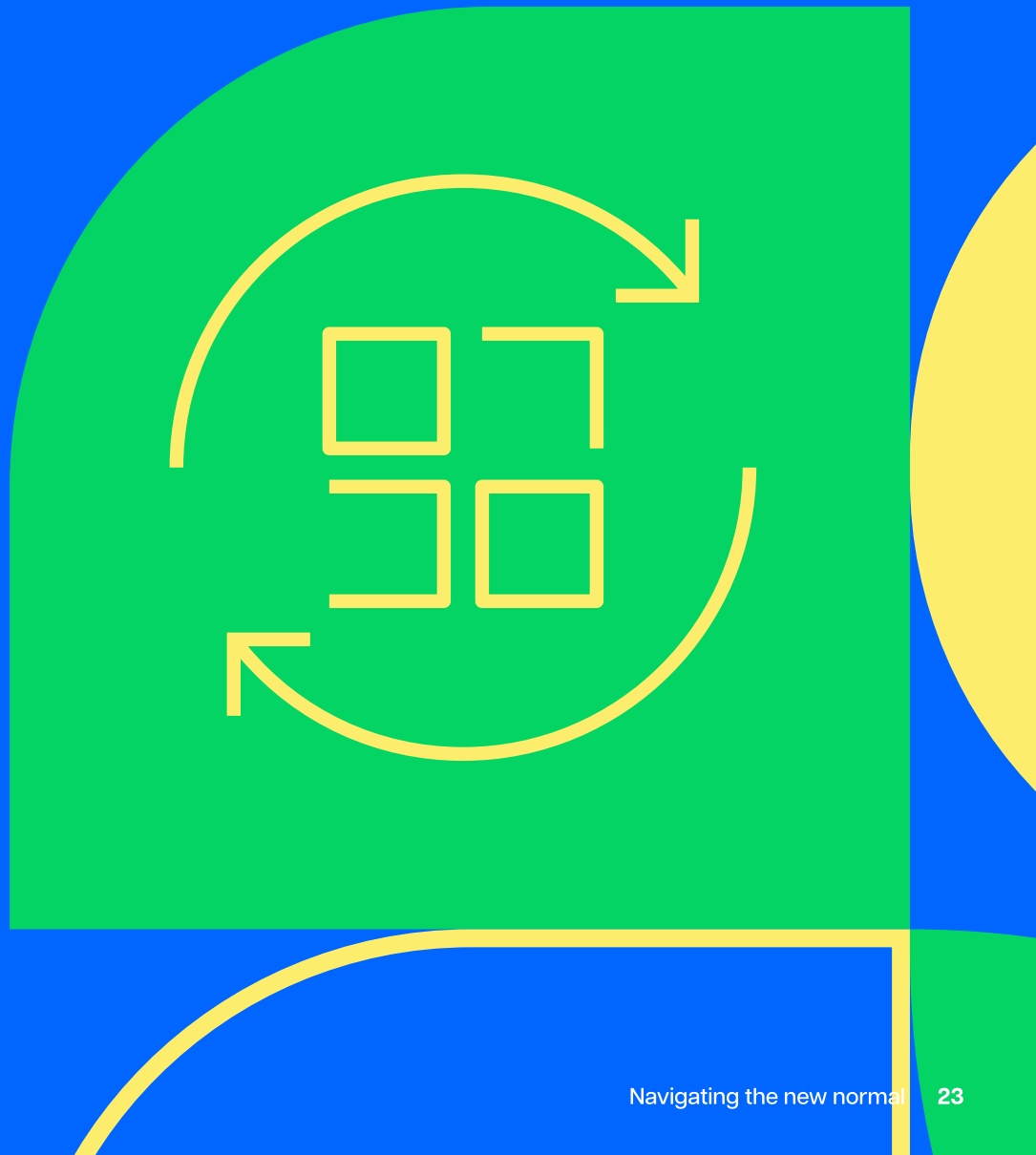
Four (more) considerations for RTO policies

1

Is your office ready for the new world of work?

HubSpot's survey of 5,000+ hybrid knowledge workers from around the world found that while 76% felt connected to their company's purpose, only 36% felt the same connection with colleagues.

People aren't coming into the office to sit secluded in their cubicles. They're coming to connect and collaborate. This has led many companies to think more practically about setting up quiet zones, collaborative workspaces and breakout rooms. Others are changing the office layout to create more inviting spaces where people can gather and socialize.

What you need to do:

✓ Assess current office spaces from a fresh perspective

✓ Experiment with flexible spaces

✓ Factor in fluctuating headcounts when forecasting space requirements

✓ Design a hybrid policy that optimizes space and promotes collaboration

2

Conway's law: A quirk of hybrid work

Conway's law is a theory that says a company's organizational systems are likely to mirror communication systems. In the context of RTO policies, this means a tendency to design a policy to fit existing organizational structures rather than putting people's needs first.

For example, a company organized into silos is more likely to give managers decision-making power instead of enabling employees. Conway's law also creeps in when organizations attempt to shoehorn flexibility into inflexible tech stacks instead of investing in fit-for-purpose productivity solutions for hybrid teams.

What you need to do:

✓ Map current communication systems (formal and informal)

✓ Assess existing tech to find opportunities for data-driven decision-making, flexibility and collaboration

✓ Reverse-engineer RTO policy decisions to see whether you've accidentally succumbed to Conway's law

3

Don't give out "coffee badges"

If you believe OwlLabs' survey (which we do), a worryingly high 58% of employees are showing up to the office for the sake of showing up – a practice they call "coffee badging".

Coffee badging happens when people feel compelled to work in the office even when their job could be done remotely. It's not only counterproductive, it's downright wasteful.

What you need to do:

✓ Clarify the purpose for in-office work

✓ Encourage open and honest communication

✓ Establish productivity KPIs that have nothing to do with "showing up" and everything to do with "knuckling down"

✓ Give employees more say in when and where they work to avoid performative compliance

4

Overemployment on the sly

There's a growing trend, especially in the tech industry, for people to work on side gigs while holding down a 9-to-5. One recent poll revealed that 37% of US workers have more than one full-time job, and 57% were considering adding another. OwlLabs puts the figure of workers with "something on the side" closer to 1 in 2.

Side hustles aren't new. They're also not inherently bad. Between rising living costs and the increasing prevalence of automation in the workplace, it's also not a huge shock. The problem arises when overemployment leads to burnout, time theft, poor performance or conflicts of interest. That's when organizations need to get things under control.

What you need to do:

✓ Build flexibility into RTO policies so overemployed people have time to focus on both tasks

✓ Use productivity data to spot employees who may be flouting the policy

✓ Offer employees the ability to adjust their schedules

✓ Monitor employee well-being and offer support when you see the signs of burnout

How to determine the right fit for your organization
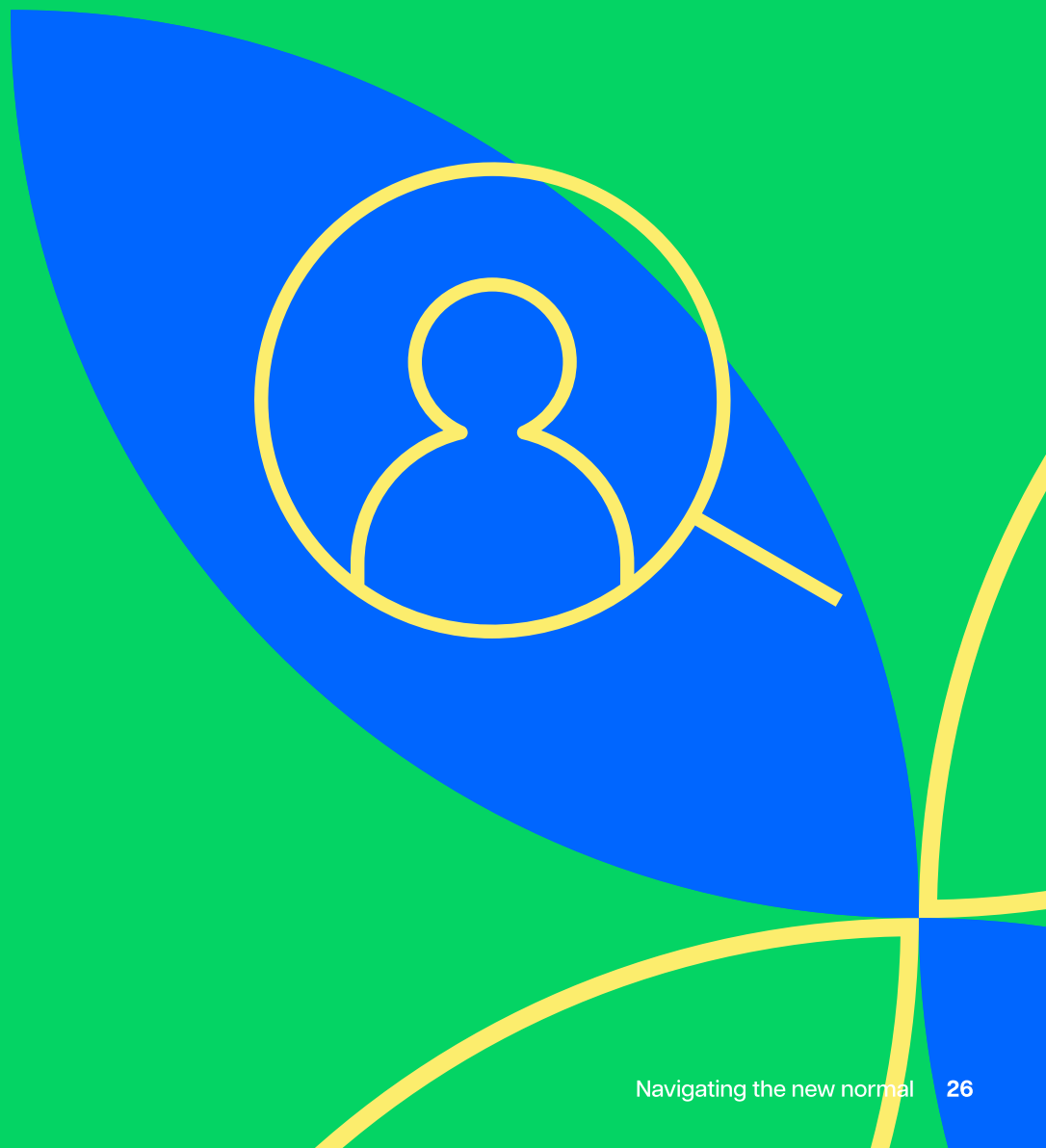
How to determine the right fit for your organization

Designing an RTO policy that works for everyone in your organization requires careful consideration, collaboration and a well-thought-out strategy. And reliable data.

No two RTO policies are the same. That's a good thing. Every policy is built on culture, workplace, tech and growth considerations that vary from one company to the next. You don't need to start from scratch, but you will need original insights and internal data.

Bringing it all together to build an effective RTO policy

Establish a clear business case

Decisions to make

- How is an RTO policy imperative to achieving organizational goals?
- How do people feel about returning to the office?
- How will you measure success?

Data to gather

- Cultural alignment
- Employee engagement data
- Company goals and challenges

Documents to create

- One-pager (or less) defining the "why" of RTO

Find your place on the spectrum

Decisions to make

- Will your RTO policy require people to be fully on-site, or is there room for flexibility?
- What does "hybrid" mean to your company? Define the parameters.
- What are the barriers to hybrid work?

Data to gather

- Expectations and needs for RTO
- On-site and remote productivity data
- Current barriers and brake levers

Documents to create

- Hybrid work policy
- Roadmap from current to desired state

How to determine the right fit for your organization

Co-design the policy framework

Decisions to make

✓ Who will be responsible, accountable, consulted and informed through the process?

✓ Decide who decides; will RTO be a mandate, policy, or guide?

✓ Who is affected and how?

Data to gather

✓ Best-practice RTO models

✓ Employee engagement data

✓ Work-life balance data

Documents to create

✓ RTO rollout plan (including roles)

Build the environment

Decisions to make

✓ When and how will the RTO policy be communicated?

✓ How will people work in the office?

✓ What tech enables hybrid, remote and asynchronous work?

✓ How will people feed back to improve the policy?

Data to gather

✓ Headcount estimates

✓ Overview of the current tech stack

✓ Cross-functional collaboration data

Documents to create

✓ Communication plan

✓ Office diagrams

✓ Feedback map

Go forth and prosper in productivity

Decisions to make

✓ How are we measuring success?

✓ What happens if employees don't like the policy?

✓ Are we making equitable decisions?

✓ **Bottom line: does the RTO policy work?**

Data to gather

✓ Real-time productivity data

✓ Employee engagement data

✓ Work-life balance data

✓ Schedule and site attendance

Documents to create

✓ Reporting dashboard

Chapter 9

Measuring success

Measuring success

RTO policies are hard to get right the first time. But with good data, people-first management and clear communication, the policy can adapt and improve.

Most companies routinely measure high-level outcomes like profit, employee turnover and customer satisfaction. But the recent popularity of productivity analytics software shows that many more companies realize the true measure of productivity is in granular workday data, not top-line numbers.

Productivity analytics isn't just helpful for keeping an eye on performance in hybrid working environments. It's essential for bridging the chasm between employee and employer expectations. Microsoft data tells us why: "Despite 80% of employees saying they are just as or more productive since going remote or hybrid, 54% of leaders fear productivity has been negatively impacted since the shift". That's a miscommunication only data can solve.

50-75%
of companies are leaning into hybrid work.

60-78%
of companies use productivity analytics tools.

What to measure

Productivity

Metrics like project completion rates, productive hours, schedule adherence and unscheduled breaks will help you establish where, when and how people work best. You'll need a system like Time Doctor that automatically collects and categorizes productivity data to streamline this process. With real-time data and report-ready dashboards, Time Doctor provides easy answers to productivity questions in any working environment.

Well-being

McKinsey data shows that 51% of employees hope hybrid flexibility will help their work-life balance, and 45% fear that in-office work will harm it. Tracking well-being signals like weekend work, overtime hours, late nights and long days using Time Doctor's Work-Life Balance widget enables you to support employees at risk of burning out long before issues become too big to manage.

Sentiment

Surveying teams to find out how people feel about RTO initiatives gives you an idea of the current temperature. In a collaborative environment – where communication, purpose and flexibility are more important than profits – an RTO policy can help to re-establish team bonds while enabling people to do their best work.

Engagement

As well as soft data gathered through surveys and feedback, hard data like schedule adherence and productivity analytics paints a detailed picture of employee engagement. When engagement starts to slip – evidenced through productivity gaps that aren't related to work-life balance issues – you can use Time Doctor to trace the outcomes to their source and support employees who have lost focus.

Everyone needs to adapt

RTO policies are delicate. Although they can be a change for the better, a poorly communicated policy can potentially undermine workplace trust.

Productivity analytics both underpins and overlooks this communication. It first comes into the picture when deciding how – or even *if* – to build an RTO policy. Then it serves as a signal for employee engagement and policy effectiveness. Finally, the answer to whether the policy is sustainable resides in daily data gathered from every corner of the organization.

Bottom line? If you want to know your *policy* is working, you need to know how, where and when *people* are working. And for that, you need made-to-measure productivity analytics.

Time Doctor delivers

Our mission is to support organizations by providing adaptable accountability and productivity analytics tools that dovetail into any company culture, location and size. We give managers peace of mind, employees flexibility, leaders confidence, and HR transparency.

No matter where your company falls on the remote work spectrum, Time Doctor helps you deliver an effective policy. One that's built on data, designed to work for everyone, and sustainable as the organization grows.

About Time Doctor

Time Doctor delivers productivity analytics for distributed teams. With 60+ integrations, employee-friendly features and flexible reporting capabilities, Time Doctor provides peace of mind by enhancing transparency, accountability, and performance.

Learn how productivity analytics makes hybrid work work, so you can design an RTO policy that's better for everyone.

Book a demo →

Time Doctor