

# Post-COVID Workplace Models for Small Enterprise Businesses

Everything you should know



ver a year and a half removed from the beginning of the COVID-19 pandemic, organizations are beginning to rapidly plan their returns to work. While some leaders are expected to return to a traditional setting, it's become increasingly obvious that many companies are going to create more flexible and fulfilling work environments; motivated by an increased focus on work-life balance and employee wellness, many companies are considering implementing new workplace models as opposed to returning to a traditional office. Within small to midsize companies specifically, 67% reported that they do not intend on returning to the office five days per week; additionally, 33% of small businesses do not expect to have a physical workplace.

Today's radical changes are reminiscent of another worker revolution that occurred just one hundred years ago. In the 1920's, while the country faced a labor uprising focused on worker's rights and conditions, Henry Ford radically changed his factory's operation. Under the belief that reduced hours would lead to happier employees, and thus greater productivity, the American icon introduced the 40 hour work week - five days of work, eight hours per day. The gamble paid off, as workers productivity increased, even though they worked less. Following the Ford Company's success, businesses across the country began to adopt the 40 hour work week; by 1937, the Fair Labor Act made Ford's vision the national standard.

Similar to the public outcries of a century ago, today's laborers are demanding changes out of respect for their own wellbeing. Seeking more flexibility, autonomy, and independence, workers across every industry are looking for their employers to adjust their work environments. Much like Henry Ford, small businesses now have the opportunity to improve their company's productivity through adjusting their practices. With the potential for drastic improvements in productivity and profitability, it would be in every owner's best interest to consider adapting their workplace model.

This guide will explain the basic workplace models, as well as factors that businesses should consider before transforming their own workplace.

¹https://martechseries.com/video/smbs-lead-the-transition-to-working-from-anywhere/

<sup>&</sup>lt;sup>2</sup> https://www.hivedesk.com/blog/working-from-home-impact-small-business/

<sup>&</sup>lt;sup>3</sup> https://www.history.com/this-day-in-history/ford-factory-workers-get-40-hour-week



# **Contents**

Types of Workplace Models	4
Flexible Workplace Programs	7
Basic Factors to Consider	8
Special Considerations	10
Moving Forward	12

# **Types of Workplace Models**



#### **Return to office**

The "return to office" model restores the traditional workplace approach that most businesses had prior to the COVID-19 pandemic. As the name implies, this approach requires all employees to work exclusively in-office, regardless of position. Popular among executives and decision makers, the in-office model promotes face-to-face interactions, interpersonal relationships, and collaboration.

While a return to the office can feel like a return to normal, many organizations are instituting health and safety procedures in response to COVID-19. Cleaning procedures, issued PPE, COVID testing, vaccination requirements, and more are all being implemented to allow a safe return to in-person work. Additional decisions are made based on local, state, and federal mandates and recommendations. This model works best for businesses that are unable to accomplish their work without being in person, especially smaller organizations. This includes businesses that need to work with inventory, require in-person collaboration, or have significant customer-facing roles. Companies that lack the resources to provide the necessary security, equipment, and technical support for remote work can expect to return to the office as well.

Regardless of industry, every business returning to an in-person model must institute health and wellness policies reflective of local, state, and federal regulations; in light of COVID-19, employers must be able to assure their employees that the decision to return in-office is safe. Outside of making the appropriate safety adjustments, companies should also look to evaluate and improve their pre-pandemic office model before returning; with introspection and employee feedback, decision makers can improve the office experience to better meet the needs of their workers. For many, companies will need to have a transitory hybrid period in order to effectively return. While the opposite of a small business, Goldman Sachs has provided a strong example of an effective approach to returning to the office full-time. Due to the nature of the investment and financial industry, Goldman Sachs began the return to in-person work in June 2021. Starting on a rotational basis, Goldman Sachs gradually allowed more employees to return to the office - attentively following the current health recommendations and requirements. To further ensure their employees' safety, Goldman Sachs began requiring all in-office employees to be fully vaccinated in September of 2021. As the pandemic wanes, the financial conglomerate plans to continue to return to office and evaluate their workplace model appropriately.

#### **Hybrid**

The hybrid work model finds a middle ground between in-office and fully-remote. Many businesses that implement a hybrid approach will pre-schedule the days employees are in-office and remote; typically individuals are assigned into a cohort (based on team, department, role, etc.) and are scheduled together as a group.

The most common method is to schedule a cohort to work in-office on Monday, Wednesday, and Friday, while the other works Tuesday and Thursday. Cohorts alternate which weeks they come in three days versus two. Another common approach is to have cohorts alternate in-person and remote work on a weekly basis. Alternatively, employers could introduce a model where employees can optionally attend in-person meetings. Unlike the other common hybrid model, this approach does not create a consistent in-person schedule for each employee. Whether for collaborative sessions or quarterly meetings, this option limits employees to be in-person only when it's preferred or necessary. Overall, this approach gives employees a significant amount of autonomy and flexibility, without losing in-person interactions and the physical workplace. In this example, employees are commonly not given an assigned desk, but are instead able to reserve work stations.

This approach is best for companies whose employees need to be in the workplace to accomplish portions of their work, but do not routinely engage with other teams or departments; because departments operate independently from one another, teams do not necessarily need to be in-office together all the time. Organizations with multiple locations, which already collaborate remotely, are a great fit for the hybrid model as well.

Additionally, the hybrid model is an effective solution for organizations trying to meet the needs of as many employees as possible. A best of both worlds scenario, the model allows for employees to both have flexible work schedules and structured work environments. Companies that intentionally develop and maintain their hybrid model have the opportunity to satisfy a broad range of employees, especially valuable for large organizations.



Regardless of industry, to successfully implement a hybrid model, small businesses must have the resources necessary to operate it. Along with maintaining a physical office space, businesses must have the means to build an infrastructure that can facilitate collaboration between remote and in-office workers; this includes effective communication methods, intentionally planned schedules, and efficient data storage. Additionally, businesses must have the resources to provide a safe and secure environment, physically and digitally - meaning they must invest in health precautions and cyber security. Like all other models, the most successful hybrid companies will take into account how their work model relates to their culture and employees' feedback.

In October of 2021, American Express earned national attention after officially announcing their permanent shift to a hybrid model. The decision comes in the wake of a successful informal remote work policy, which began in March of 2020. In response to its popularity, American Express developed their formal model, called Amex Flex. In his announcement, CEO Stephen Squeri shared, "Our traditional way of working has changed. The office is no longer the only place where most colleagues can effectively get work done, as we've proven throughout the last 18 month heavy emphasis on his employees, the executive team developed a flexible hybrid program to meet every employee's needs. The hybrid model allows staff to be away from the office three times per week, while the virtual model allows workers to visit the office just a few times per year; an additional on-site option will allow employees to return to office four to five times per week, based on preference. The program will take into effect in January 2022.

#### **Fully Remote**

After modestly growing in popularity over the course of the last decade, remote work became the mainstream approach in March 2020. Initially, most employees were forced to adapt to remote work in response to the COVID-19 pandemic; at the time, many felt the change would be temporary. However, after over a year, it's become clear that remote work is a viable option for businesses, and extremely popular among workers.

The remote work model allows employees to accomplish their daily responsibilities from anywhere in the world; unlike the hybrid or in-person model, there is not a physical office space. Instead, teams collaborate, meet, and function using cloud communication platforms; currently, 33% of small businesses utilize Zoom, Slack, or both. Often, businesses will supply equipment or a stipend to give their employees the appropriate tools to successfully accomplish their jobs.

Providing more flexibility and less supervision, remote work gives employees more control over their day-to-day structure and overall work-life balance. While detractors say this all leads to lower productivity, the success of remote work across the business world during the pandemic proves otherwise.

This model is best for companies that do not need their employees to be physically in-person to complete their responsibilities, such as those that operate primarily on

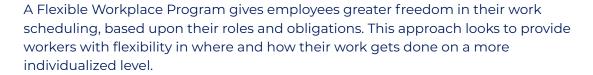
digital platforms. Businesses that successfully navigated the migration to remote work in 2020 have already shown the feasibility of the model. Still, teams should be able to operate in an entirely independent environment with limited physical interaction; companies that emphasize in-person collaboration would not be a good fit for a full-time remote work model. Organizations with multiple locations that already collaborate remotely, however, have strong reasons to consider a virtual work environment. Alternatively, companies without the resources to have a physical office space can also migrate to remote work.

In order to facilitate a successful virtual model, companies must have the resources to develop a sufficient infrastructure for remote work. Along with implementing the appropriate security measures, remote companies must be able to create a virtual work environment through cloud communication, data storage, and collaboration platforms. Additionally, many companies will likely have to supply their employees with the appropriate company equipment.

Further, successful operations will have developed plans to implement and grow a culture digitally; this includes standardized onboarding, regular meetings, and more. Before turning to a fully remote model, businesses should survey their employees as well. Like all other models, the support of employees is one of the most important factors when implementing a workplace model.

In a potentially industry-changing decision, consulting giant, PwC, announced 40,000 employees would be shifted to a full-time remote working model. The decision came in September of 2021, just months after previously announcing the intent to introduce a hybrid model. Explaining this change, deputy leader Yolanda Seals-Coffield stated, "We have learned a ton through the pandemic, and working virtually, as we think about the evolution of flexibility, is a natural next step." The change came with a stipulation, however, that tied salaries to employee's locations; those that moved to lower-cost markets would see their salaries cut to the compensation levels of the area. Fully remote employees will likely be required to return on occasion for important events. PwC's shift to remote work caused ripple effects in the consulting sector, forcing their competitors to assess their own models.

# Flexible Workplace Program



A fantastic example is Autodesk's Flexible Workplace program, introduced in June of 2021. Under this new approach, Autodesk's employees will belong to one of three groups, which are determined by role, department, and responsibilities. These groups are:

- Office-Based: employees who primarily work within the office as a dedicated space, including many roles office-based by design receptionists, security, etc.
- **Hybrid:** employees that split their time between home and office.
- Remote: employees that do not live within a commutable distance of the office.

To help create a more flexible workplace, each group is offered specific benefits and experiences to balance the employee's needs with the needs of the company. For example, office-based employees receive the ability to work from home 20% of the time. Hybrid employees, while not having their own desks, are able to reserve workspaces for their visits to the office. Remote employees can work anywhere in the world.

The key to implementing this model is to consistently assess success, both out of interest for the company and for the employees. In the early adaptation process, businesses should evaluate their program routinely, using both hard numbers and employee feedback; Autodesk themselves announced they will assess their program at 30, 60, and 90 days. As a Flexible Workforce Program grows, decision makers should continue to evaluate and improve their model in order to ensure they're meeting the needs of their employees.

A flexible workforce program is a great solution for organizations of all sizes, especially those with diverse roles and responsibilities.

#### **Basic Factors to Consider**



The size of a business, specifically in terms of employees, should be carefully considered when deciding a workplace model to use. The amount of employees will directly impact the scope of implementation efforts, the scheduling process, the response to health standards and recommendations, and more. As a result, the size of a company will directly impact the workplace model chosen.

For instance, small businesses are better positioned to offer a workplace model that meets the needs of all of their employees. Managers can even survey their employees for direct feedback, allowing them to implement the ideal work environment for their company. For larger organizations with hundreds or thousands of workers, however, the ability to satisfy the majority of employees becomes significantly more difficult. Hybrid models can offer the best of both worlds and, with consistent evaluations, become an incredibly popular policy. Similarly, companies with multiple locations might consider a hybrid or remote model because they already collaborate digitally. The best workplace models appropriately reflect the amount of employees an organization has and the overall scope of their operation.

#### **Company Industry**

A company's industry will directly affect the workplace model it implements.

For example, industries that require in-person roles to execute their operations, like manufacturing and hospitality, will be forced to implement some form of an in-office model. Alternately, industries that do not inherently require in-person work can entertain some form of a remote model.

For example, industries with customer-facing roles will be required to have a hybrid model at minimum. Because their industry is reliant on in-person interactions, some form of an in-office environment will be required. Alternatively, industries that exist entirely online could potentially thrive in a remote environment. Because many industries require a wide range of roles and responsibilities, many organizations will likely consider a hybrid model or flexible work program.

To best design an effective workplace model, companies should ensure their concept will functionally work within their industry's framework.

#### **Company Culture**

To effectively design and implement a workplace program, companies should ensure their model reflects their company's culture. Models that contradict with a company's culture are more likely to receive resistance from employees and fail as a whole. Alternatively, cultures that align with a workforce model can create a thriving environment that reinforces an organization's vision and beliefs.

Once a model is implemented, companies should continue to look for ways to leverage their workplace's design to further improve their culture. Managers and employees should maintain popular traditions and interactions that developed over a year of remote work, as well as develop new ones that fit their new model. Similarly, both sides should embrace the lessons learned during the pandemic and adapt their culture accordingly - most often these adaptations will focus on employee wellness and independence.

No matter the model chosen, businesses should prioritize workplace models that complement their company culture to avoid conflict and friction. To ensure a smooth transition and long term success, management teams should consistently assess their models' impact on company culture and adjust accordingly.

#### **Employee Roles and Responsibilities**

The roles and responsibilities of employees should be taken into careful consideration when implementing a workplace model, as different positions will require different responses.

For example, businesses with frontline workers in customer-facing roles will be required to have some form of in-person work environment; an entirely remote model would make their employees incapable of completing their job. This same company, however, may have middle and upper level management who can manage their responsibilities remotely. Companies like this, with multiple departments and diverse roles, may look to institute a hybrid work model or a flexible workplace program to meet each roles' needs.

Businesses whose employees' roles heavily lean in a specific direction, however, will be more apt to select a fully-remote or fully in-office model. For example, a digital marketing agency that interacts entirely virtually with clients can feasibly become an entirely remote company, given no roles require in-person interactions; a small local insurance company that relies on face-to-face meetings, however, would better fit an in-office model.

To best design an effective workplace model, companies should ensure their concept matches with the roles and responsibilities across all levels of their organization.

#### **Current Health Standards and Recommendations**

As the world continues to navigate the COVID-19 pandemic, it's important for businesses to carefully monitor the current local, state, and federal health standards and recommendations. Depending on current case rates, vaccination rates, and more, governments on every level may announce mandates, recommendations, and new standards that can affect the operations of a company. These effects could directly impact which workplace model a company can implement.

For example, areas that are COVID-19 hotspots may have recommendations or restrictions on the amount of people who should be in in-door spaces - directly impacting how a business returns to the office. Additionally, health standards will help guide the best procedures to introduce a return to office.

## **Special Considerations**

Before implementing a workplace model, there are many aspects that a business should consider. Beyond basic details, employers should consider the following factors and opportunities:

#### **Culture and Employee Experience Platforms**

Among the many shifts that have occurred in the workplace as a result of the pandemic, a focus on employee wellness has become front and center.

Culture and Employee Experience Platforms offer companies an opportunity to better reach their workers and understand their needs. More than just a standard HCM, experience platforms are designed to help employees complete tasks or find information that they'd otherwise need an HR representative for. Employees can also use the platform to give feedback to improve the workplace.

Further, culture platforms allow employers to drive the values and behaviors of their company with a personalized approach. Businesses can give updates, announce major changes, and more with specialized content branded to their company. In the post-pandemic world, these platforms allow for clearer communication between companies and their employees.

#### **IT Security**

A consistent threat regardless of location, IT Security becomes a more important factor the further workforces get from offices. With employees using insecure networks and their own equipment, the risk for data leaks and breaches has grown with the popularization of remote work. In fact, a 2020 study found that

22% of SMBs suffered a security breach due to remote work.

To mitigate potential security risks, businesses can issue approved, secure devices to their employees or require them to only use approved equipment. Additionally organizations can require their teams to utilize remote servers and virtual private networks (VPNs) to establish safe environments. Additional measures, such as encryption and access restrictions, can be taken as well.



### **Develop Trust Systems**

Trust systems operate on the idea that an individual can be trusted to act honestly without supervision, even when dishonesty may have inherent benefit. A trust system within a business allows employees to complete their day-to-day responsibilities without excessive management; this trust is especially important for hybrid and remote workplaces.

When implemented well, trust systems provide employees with more flexibility and control without lowering overall productivity; additionally, well executed systems can improve company culture and overall outlook.

Implementing a workplace model without taking into account the wellbeing and safety of employees could be a detrimental mistake for a business. As the pandemic continues, it is imperative that employers make decisions based upon local and federal mandates, recommendations, vaccination rates, infection rates, and more. An inability to do so not only puts employees at immediate risk, but erodes their trust in their employer.

Further, businesses should look for feedback from their employees when trying to implement a workplace model. After being active participants in implementing productive work-from-home efforts, employees rightfully feel they deserve to give their input; businesses should utilize their employees' feedback and adapt their workplaces to meet their workers' needs and concerns. Leaving team members unheard, however, could create disillusionment and potentially lead to the loss of key contributors.

# **Moving Forward**

As the world continues to navigate the Coronavirus pandemic, it's clear that workplaces will never be the same. While some companies have already committed to a "return to normal", many have expressed the desire to implement a more flexible approach to better meet the needs of their employees. No matter the decision, the process can be understandably daunting.

There are three types of workplace models: remote, hybrid, and return to office. Each option has their own respective advantages and disadvantages, and are best fits for different businesses. As a result, companies should utilize a workplace model that best meets the needs of their employees and operation as a whole.

To choose the best possible workplace model, companies should make sure their solution is compatible with their company's size, industry, and culture. Conflict with these three factors can create friction with employees, as well as lead to an ineffective workplace. Additionally, companies should ensure their workplace model best supports their employees' roles and responsibilities; certain positions may be required to be in-office, while others may thrive remotely. Finally, organizations should not implement new workplace models without understanding the current local, state, and federal health standards, recommendations, and mandates.

To choose the best possible workplace model, companies should make sure their solution is compatible with their company's size, industry, and culture.

After finding a workplace model that is consistent with those five basic factors, decision makers should take into account special considerations that may impact their model's design. These considerations will be company specific, but could include IT security, employee wellness and feedback, communication and trust initiatives, and more. No matter which model is chosen, managers should look to design the one that best fits their organization.

For more complicated organizations, a singular workforce model may not be the best solution; diverse workforces with many roles may have different employees with different needs. Instead of implementing a rigid model, companies can utilize a Flexible Workplace Program. These programs categorize employees by roles and responsibilities, and assign them workplace models to best meet their needs. Regardless of which model is chosen, businesses should make sure to factor in the wellbeing and feedback of their employees. As the employee experience continues to become a focus in the business world, organizations must ensure their workplace fits the needs of their employees. Even after being implemented, businesses should continue to assess their workplaces as well; employers can use communication platforms to receive feedback.

With an increased focus on wellness and balance, employees are being given more priority than ever before. To meet this change organizations must adapt their own workplaces. While there is resistance to move away from the traditional in-office workplace, many businesses are looking at alternative models to provide more flexibility and autonomy for their employees. No matter which approach is taken, one thing is clear: workplaces have been changed forever.

