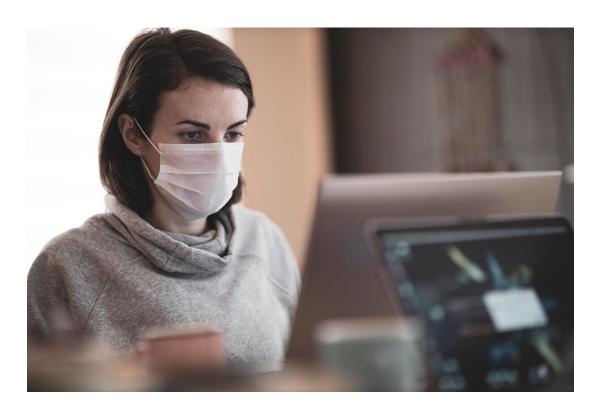


STRATEGY

The Future of Back to Work Requires a Hybrid Systems Thinking

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The uncertainty created by COVID-19 requires agile adaptations from both employees and employers.

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The COVID-19 crisis and the reality of the new normal has unleashed an element of uncertainty that permeates much of our organizational and personal lives. Indeed, this uncertainty makes planning for the future extremely complex and challenging, calling for

agile adaptations both on the part of employees and employers.

Central to the uncertainty around our work lives are questions that can have far reaching implications for society such as how secure are our jobs if indeed they have survived the initial shock of the pandemic? What will be the nature of our lived work experience particularly in terms of spatial location and social interaction? And how should we rethink innovative and creative processes from a distance? As governments, such as in the UK, have exhorted workers to return to their traditional workplaces and as employers in varying degrees prepare for this new normal, it is time to focus on the right questions around the future of back to work.

- 1. The recent shift to working from home calls on leaders and managers to be more sensitive to the personal responsibilities of staff to their families and communities. On the one hand, there is a logistic decision on whether work will be carried out at home or at the office and to what extent will it be distributed between those locations for different kinds of jobs and employees? And relatedly, how will placement of staff between those locations be determined? On the other hand, there is a more social question on how interactions between staff will be organised and with what frequency? Companies are likely to face challenges in deciding which staff and roles are better allocated to remote working and thereafter to managing this variation across employees, some of whom are working remotely and some in the office. Tasks and activities will need to be deconstructed and reconstructed because remote working not only shifts our physical space but also upends long established working communities and the prevailing sense of corporate ethos.
- 2. There exists a divergence in preferences among staff on working from office versus working remotely. On the one hand, staff who have been accustomed to long commutes and for whom childcare considerations are facilitated by working at home will tend to have a clear preference for a largely home-based workplace. Contrariwise, those cooped up in cramped living spaces, oftentimes as round the clock captives of their bedrooms, are eager to unshackle themselves from the constraints and monotony of being continuously home based. While some governments such as Germany's Labour minister are proposing new regulations that aim to ensure workers have the option of working from home when possible, as well as to regulate home office work, such as limiting hours and setting clearer boundaries between

personal life and work, this does not relieve employers of the responsibility of delivering some degree of certainty to their staff as they seek to navigate the new normal. Indeed, a participative and inclusive decision-making within organizations builds trust, provides multiple perspectives and makes decisions better and balanced. And this requires regular conversations and dialogues with employees, that can enable them to plan their short-mid-long term work life and reduce anxiety as a result.

3. Employers may also have diverging interests on the organization of work. Employers find beguiling the potential savings from having staff working at home in terms of facilities and the costs of maintaining them. For example, the Japanese automaker Honda is planning to stop giving employees a fixed commuting allowance and replacing it by paying the cost of employee commutes to offices and plants. It will also introduce a new allowance for working from home, that seeks to alleviate the burden of increased utility costs and telework equipment for their employees. Still those savings may be offset in some instances by the challenges around developing and maintaining an esprit du corps in the organisation and driving innovation activities. As asserted by Yahoo's CEO Marissa Mayer in 2013 when **she ended remote working** in her organisation, "to become the absolute best place to work, communication and collaboration will be important, so we need to be working side by side. That is why it is critical that we are all present in our offices." In other words, with employees working remotely and away from dynamic interactions with colleagues at the office, the erosion of tacit knowledge becomes a real risk. In this respect, developing faster decision-making mechanisms, improving internal communication and collaboration, and a judicious embrace of technology can go some way to operating at greater **speed** and promoting organisational and individual agility.

In seeking answers to the above questions and challenges, hybrid systems thinking approach should be given due consideration. Per established systems thinking, organizations are perceived of as hierarchical structures with multiple levels that operate in a manner that communication and control processes function at the interface between organizational levels. The upper level imposes constraints at the successive levels in terms of goal-setting and information and resource sharing, thereby influencing the functioning of the successive levels and effecting the system as a whole. Monitoring becomes a key

function whereby contextual understanding is an on-going process through feedback to higher levels. It results in a re-assessment of goals and creation of new strategies for goal achievement in an organic fashion.

We suggest that with the shift to a more hybrid mode of working, companies need to adapt this systems thinking. This would involve integrating hybridity at three key functional levels:

Hybrid Organizing:

Under hybrid systems, organizing would entail less emphasis on hierarchy as evidenced in traditional systems approach, since managerial status symbols are less obvious in the future of work. Accordingly, the development and sustaining of the culture of an organization will be more important than ever, while also presenting an onerous challenge because a hybrid mode of working implies lesser time at the work place, more barriers to bonding between established and newer employees, and therefore less visibility of work cultures and purpose. **As Reed Hastings, CEO of Netflix has observed**, debating ideas is harder beyond the office environment and not been able to get work colleagues together in person is "a pure negative."

The challenge for hybrid organizing is therefore about learning how to operate in a hybrid workplace, where employees move between home and the office and where the office is no longer the only hub that fosters creative thinking, collaboration and innovation. In such a scenario, greater importance would need to be attached to organizational values and purpose to weave an integral organization. One way to do so involves incorporating routines that embody physical interactions and facilitate the successful onboarding and integration of employees and enable the retention of corporate identity and culture. **The recent announcement** of the acquisition of Xilinx by AMD provides a striking example of hybrid organizing wherein, Xilinx CEO Victor Peng organized a series of online meeting with all levels of employees during a period of heightened uncertainty. This was done to address employee concerns about the uncertainty of the takeover, communicate openly about Xilinx's future and its impact on employees and their work, while re-emphasizing

Xilinx's culture and purpose consistently. In doing so, Peng clearly signalled his commitment to corporate values and purpose and remained steadfast on his commitment to employees, despite the changing circumstances.

Hybrid Managing:

The success of an organisation under traditional systems approach is reliant on how well the interacting parts of the organisation work together. Given that adaptation to both change and crisis is needed in the future of work, how interactions in a work setting are managed needs to be re-conceptualized. Hybrid managing calls for managing to take place in a timely and transparent manner. In that spirit, Microsoft has moved swiftly to provide guidance to employees in terms of future expectations regarding work flexibility. As Microsoft's Executive VP and Chief People Office Kathleen Hogan has **indicated**, it has provided guidance to employees to make informed decisions around scenarios that could include changes to their work site, work location, and/or work hours once offices are open without any COVID-19 restrictions. Such timely managing provides adequate time for people to plan their living circumstances, such as moving back home to care for older parents, or moving away from expensive and cramped city centre locations to spacious living that allows for more comfortable work from home in the interim. Importantly, hybrid managing calls for managers who increasingly serve as coaches enabling employees to self-organise, without micromanaging them in a traditional **command and control approach**. Concomitantly, it also requires managers to be wary of pursuing overly intrusive monitoring of the performance of staff working remotely.

Hybrid Communications:

Vital to the functioning of this hybrid systems approach is the quality of timely information and knowledge being communicated and the manner in which it is communicated across the organization. This includes three key aspects. First, a more timely sharing of information on the impact of the crisis on the organization and its employees, a greater clarity on what the future of the organization looks like and a realistic risk assessment is important to gain cooperation from multiple levels in achieving organizational targets, and

setting realistic targets. Second, the engagement of staff in dialogue in the process of this decision making is also key especially around the reassessment of goals and work activities in terms of the who, when, where and how to work, and the provision of ongoing feedback. The latter enables transparency in communications, which can often be sacrificed when organizations are in an emergency mode. And finally, the more distributed nature of our new work environment would call for the establishment of channels and venues so that serendipitous conversations and social interactions continue to seed and nurture collaborative networks, enable creativity, and support the embedding of cultures. And while tools such as Zoom and other collaboration software tools have quickly become more crucial for remote work, ingenuity and innovative initiatives are needed along with such tools if hybridity is to realize the more nuanced benefits of traditional workplace settings. A great example of hybrid communications has been the virtual transformation of formal conferences and seminars, and informal Monday Coffees, Friday Drinks and office Halloween parties. The partnering by companies with specialist technology providers together with creative thinking can support hybridity in communications through faster adoption of digital capabilities necessary for agility, efficiency, and transparency in the future of work.

For managers, hybrid systems thinking offers the key to successfully navigating the future of back to work. Bringing such thinking to the three pillars of organizing, managing and communicating can help create the range of agile adaptations that are necessary in today's uncertain environment.



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