

Five Hybrid Workplace Mistakes to Avoid

It takes more than salary and remote work to keep people happy.

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Return to office. Hybrid work. The great resignation. These front-page topics now frequent board rooms and dinner tables. The pandemic has changed the lexicon of work forever. Issues facing organizations are firing from all directions and will likely impact who fades and who thrives.

As a company focused on the places people work for over a century, the latest round of Steelcase research among global office workers is surprising in many ways and reinforcing in others. For instance, twice as many people say they'd rather work at home – often spending hours hunched over tables designed for eating or on sofas designed for relaxing – than work in an office that should be designed to help people work better. What went wrong there?

We're also learning distance is not making the heart grow fonder. [The Atlantic](#) dubbed it the “trust recession.” Data shows the longer people are away from one another, the less they trust each other — true for leaders and employees, and for colleagues. Without trust, innovation, productivity and retention are all a risk. Leaders know they need to bring people together – 87% of people will be expected to spend at least some time in the office according to the recent Steelcase research.

Add to all of this a talent crisis for the record books. [Forbes reports](#) leaders are doing everything they can think of to keep people and attract new talent — raising wages, adding benefits and offering retention bonuses in addition to increasing flexibility. But, the new Steelcase research suggests they are overlooking something that matters even more.

In Fall 2021, Steelcase WorkSpace Futures researchers analyzed responses from nearly 5,000 office workers in 11 countries. The data uncovered five key mistakes leaders may be making about the connection between the workplace and what people actually want.

Mistake #1: Treating talent as transactional

[Harvard Business Review reports](#), “It’s critical that company leaders work to rebuild and maintain trusting relationships — with and among their employees. Those that don’t risk... increased attrition, lower productivity and stalled innovation.” People want to feel like they belong, feel valued and have a sense of work-life balance.

Surprisingly, the ability to work remotely or inadequate compensation rank as less important in a recent [McKinsey study](#). That’s not to say people don’t want flexibility or to make more money. But focusing the effort to attract and retain talent on pay and remote work policies creates a transactional relationship. Leaders don’t realize how important the workplace is.

When Steelcase researchers compared factors like income, commute, tenure and allowing hybrid work, they were surprised to find:

The most important driver for employee engagement, productivity and feeling connected to the culture is whether people like working from their office.

When it comes to talent retention, only tenure ranks higher than if people like working from the office.

People who like working from their office are:

33%
more engaged

30%
more connected to
culture

9%
more productive

20%
less likely to leave

Bottom Line: Whether or not people like their office matters – and in ways many leaders don’t realize. People who like working from their office are significantly more engaged and connected to their company’s culture, less likely to leave and moderately more productive.

To explore more and see findings from all 11 countries studied.

Mistake #2: Changing policy, not place

By adopting hybrid work models and transitioning to more unassigned spaces, organizations are creating a new group of workplace nomads. People without a real home in the office. While it may save real estate costs, leaders need to also address the loneliness and isolation people have felt for the past two years. Hybrid work requires new ways of working and employee expectations have changed – the old office can’t solve for these new needs.

Why People Might Like Working From Home More

At Home	In the Office
70%	51%
have a private office or dedicated work zone	work in the open plan

Not surprisingly, when people work in the office they’re more likely to sit in the open, where co-workers might be even more distracting than the kids or the dog. It’s also not surprising, based on existing office layout paradigms, that more individual contributors (57%) than leaders (37%) sit in the open. This difference in the level of control people have over their privacy at home compared to the office can contribute to why some people prefer the dining room table.

Yet, right now, people at all organizations report losing assigned spaces.

In All Organizations	In Large Organizations*
-10%	-15%
	*10,000+ employees

Bottom Line: The workplace needs to change to accommodate new behaviors and work patterns and do a better job drawing people in and creating an engaging culture. Offering people a destination — such as a team neighborhood — can give them a sense of belonging, a comfortable, familiar place to find their teammates and feel at home. Having the ability to reserve a workspace can help people know what to expect when they arrive at the office if spaces are not assigned. Depending on an organization’s goals, understanding what pulls people into the office can allow leaders to align hybrid work policies with real estate strategy. For example, instead of assigning offices or workspace based on hierarchy, assign them based on how often people are in the office.

Mistake #3: Missing the Point - People Want Control + Belonging

Leaders are focused on creating more flexible policies, but hybrid models alone do not address other important factors like a desire for control, a sense of belonging and a need for privacy. It was surprising to see just how strongly many people feel about having some level of ownership over their space at work.

People are more likely to choose an assigned workspace over more remote work.

Of the 11 countries surveyed ([download full report](#)), only Australia, Canada and the UK buck this trend and would prefer more flexibility over an assigned workspace. There is clearly a tension between people saying they want to work from home and they also want an assigned space within the office and it’s an indicator of how important it is to have a feeling of control over their work experience.

Bottom Line: Many leaders are shifting to hybrid work models with good intentions — to give people greater autonomy and control over their work-life. But hybrid policies alone will not address the control and sense of belonging people are seeking. They want a destination and a place to call home at work.

Mistake #4: Forgetting About Focus

New hybrid work habits mean people are spending more time on video — alone and with teammates. In fact, people say hybrid collaboration is related to the top two needs in the office more important now than pre-pandemic. But, collaboration isn't the only need in the office. So while some are considering a "collaboration-only" workplace, if leaders intend to entice people back to the office, people also need access to private spaces. Without options for privacy, the workplace won't address how work really gets done. People who make the commute into the office are unlikely to collaborate all day long. Three of the top four elements people value more now relate to access to private spaces.

What People Value More in the Office Now

64% - Hybrid collaboration spaces

62% - Single-person enclaves for hybrid meetings

61% - Privacy

58% - Workspaces with full or partial enclosure

57% - Reservable workspaces

52% - Flexible furniture

52% - Informal spaces to connect with colleagues

49% - Large number of collaborative spaces

47% - Sustainable office furniture.

Bottom Line: It's time to redefine "ownership" and offer people options for privacy whether they have a private office or not. In many ways our definition of "ownership" is already shifting. We're comfortable "owning" someone else's house when we use Airbnb, for example. Giving people more options for the office privacy they crave can mean a lot of things — private offices, workspaces with enclosures that provide visual privacy or reservable enclaves or workspaces.

Mistake #5: The Boss Bias

Earlier research found leaders have better spaces when working-from-home and this latest round of research found leaders who have returned to the office have better experiences as well. While their role may demand a different type of space, it's important that leaders not let their own positive experience cloud their empathy for the realities of what many office workers experience.

Who Likes Working From Their Office More?

It's not surprising that leaders prefer the office given their access to privacy. Despite leaders spending less time on focus work (31%) than their employees (51%), they are much more likely to have a private office.

Who Is More Likely to Have a Private Office?

Bottom Line: Employees have a stronger voice than ever. Leaders have to consider how employees' needs are being met, especially for those who are returning to the office after an extended time away, and recognize that leaders' experiences likely don't match the majority of their employees. Leaders should consider changes to the workplace to support a larger group of employees.

Find out more and see the country-by-country breakdown of our research and new solutions for how to create a compelling workplace for this new era of hybrid work.