

Return to work study:

FLEXIBILITY DRIVES EMPLOYEE HAPPINESS



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Major findings

We conducted a global survey to understand the workplace sentiments of employees and managers, men and women, parents and non-parents, and different generations. Our survey participants were adults 25 and older that were employed full-time between January of 2020 and April of 2021.

- Work from home proved to be a driver of employee satisfaction
- Job satisfaction levels are back to pre-pandemic levels
- Managers and individual contributors see the physical office as a place for socialization and collaboration and prefer to continue independent work from home
- Vaccinations are not the solution to bring employees back to the office in the same work arrangement they had pre-pandemic

Background information about the survey respondents

1. 100% of the respondents are employed full-time for the whole of 2020 through today

2. 41% of the respondents are individual contributors, 37% are middle managers, 21% are senior managers

3. Parental status

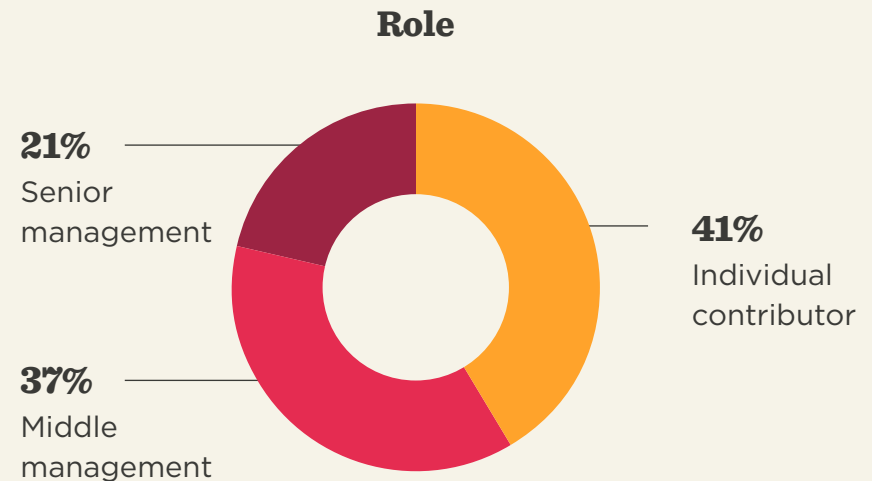
61% of our respondents are parents with children under 18 living with them and 39% did not have children under 18 living at home with them. In terms of gender, 53% of women and 71% of men had children under 18 living at home with them.

4. Working arrangement before the pandemic

77% of individual contributors and 74% of middle managers worked at an office five days a week. However, only 54% of senior managers worked at the office five days a week, which shows that working from home or remotely was a flexibility perk that was given to senior managers pre-pandemic.

5. Travel for work before the pandemic

In 2019 travel for work was very prominent among the U.S. workforce where 38% of individual contributors traveled at least once a month, 41% of middle managers traveled at least once a month, and 70% of senior managers traveled at least once a month.



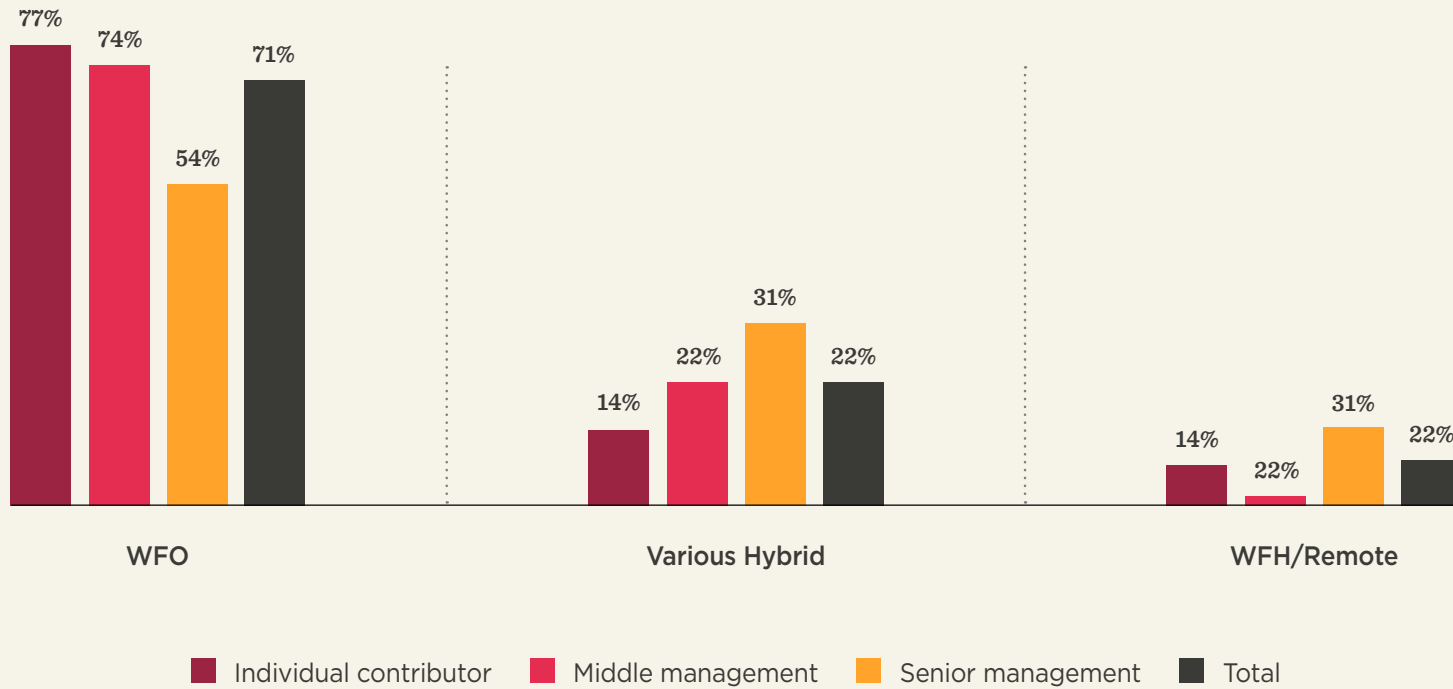
Respondents by parental status

	Women (57%)		Men (43%)		Total	
	Women parents	Women non-parents	Men parents	Men non-parents	Parents	Non-parents
% of group	53%	47%	71%	29%	61%	39%
% of total	30%	27%	31%	13%	61%	39%

Respondents parental status by position

	Individual contributors(41%)		Middle managers (37%)		Senior managers (21%)		Total	
	IC parents	IC non-parents	MM parents	MM Non-parents	SM parents	SM Non-parents	Parents	Non-parents
% of group	53%	47%	60%	40%	77%	23%	61%	39%
% of total	22%	19%	22%	15%	16%	5%	61%	39%

Before the outbreak of the pandemic, what was your working arrangement?

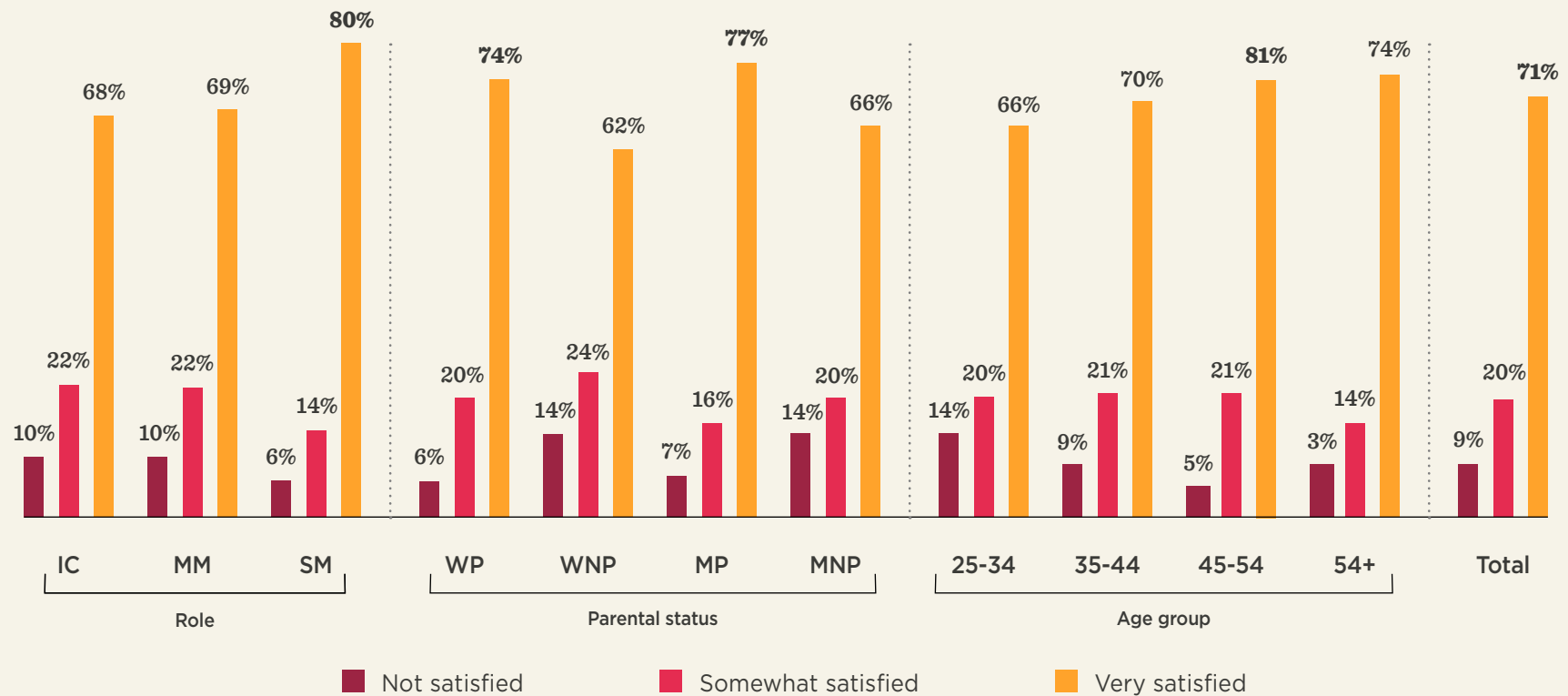


In 2019, before the outbreak of the pandemic, how often did you travel for work? (overseas and domestically)

	Individual contributor	Middle management	Senior management	Total
I traveled for work daily	26%	19%	26%	24%
I traveled for work once a week	5%	10%	22%	10%
I traveled for work once a month	7%	12%	22%	12%
I traveled for work once a quarter	7%	17%	16%	13%
I traveled for work twice a year	9%	16%	8%	11%
I traveled for work once a year	46%	27%	6%	30%

Pre-pandemic job satisfaction

How satisfied was the U.S. workforce with their job before the pandemic? On average, 9% were not satisfied with their job, 20% were moderately satisfied with their job, and 71% were highly satisfied.



IC = Individual contributor, MM = Middle management, SM = Senior management | WP = Women parents, WNP = Women non-parents, MP = Men parents, MNP = Men non-parents

What was the office most useful for pre-pandemic?

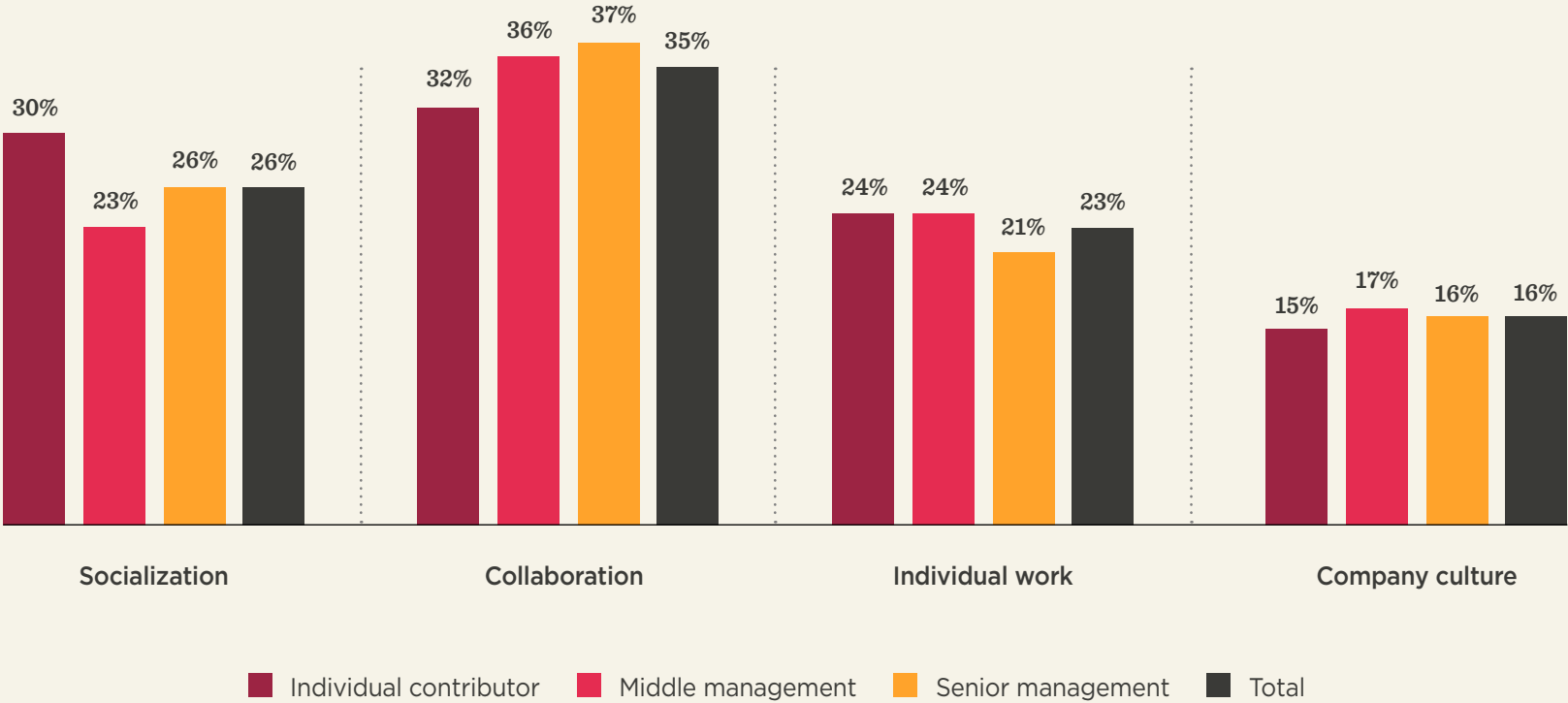
Respondents were asked to rank socialization, collaboration, individual work, and company culture from 1-4, where 1 was most useful, and 4 was least useful pre-pandemic. After over a year of working from home, we wanted to understand what employees think the company offices should be used for.

26% of the respondents ranked socialization as the most important aspect of the office, while 35% felt it was collaboration, and only 23% thought it was useful for individual work. Finally, only 16% believed the office was most important for building and maintaining company culture. Employees realize that company culture is based on communication and behavior—not just the physical office environment.

Although 30% of individual contributors felt that the office was most useful for socialization, middle managers and senior managers felt it was more useful for collaboration.

All in all, work at the office is most important for meeting, socializing, and collaborating with people and less important for individual work that can be done working remotely and from home.

What was the office most useful for pre-pandemic?



What has changed since March 2020 in the U.S. workplace?

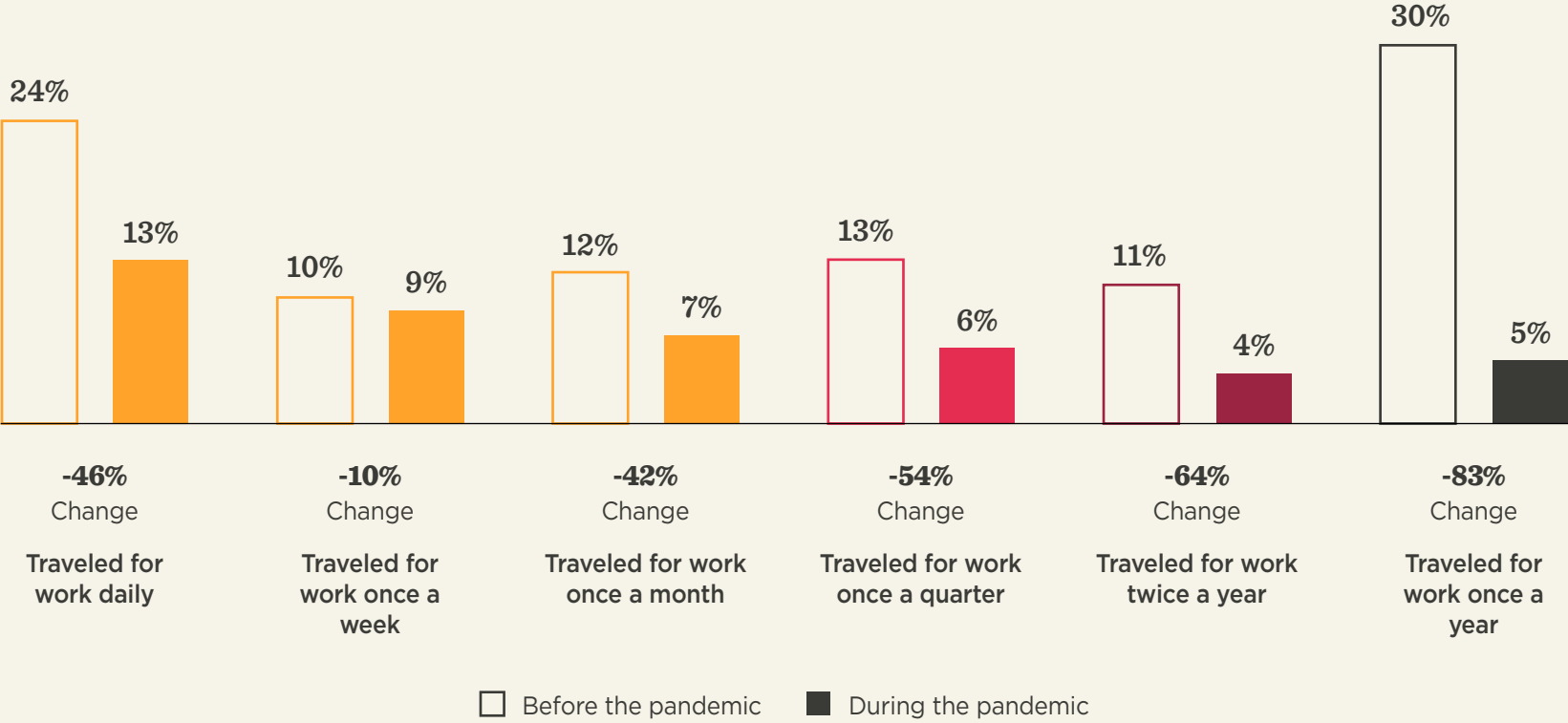
Travel for work has completely decreased during the pandemic

Business travel decreased significantly, to the extent that 56% of travelers did not travel for work at all. Similar to working from home, this has changed work-life balance and workplace flexibility. All work travelers reduced their travel; however, business travelers that traveled once a year, twice a year, and once a quarter have decreased their flights almost completely because conferences and company meetups were canceled.

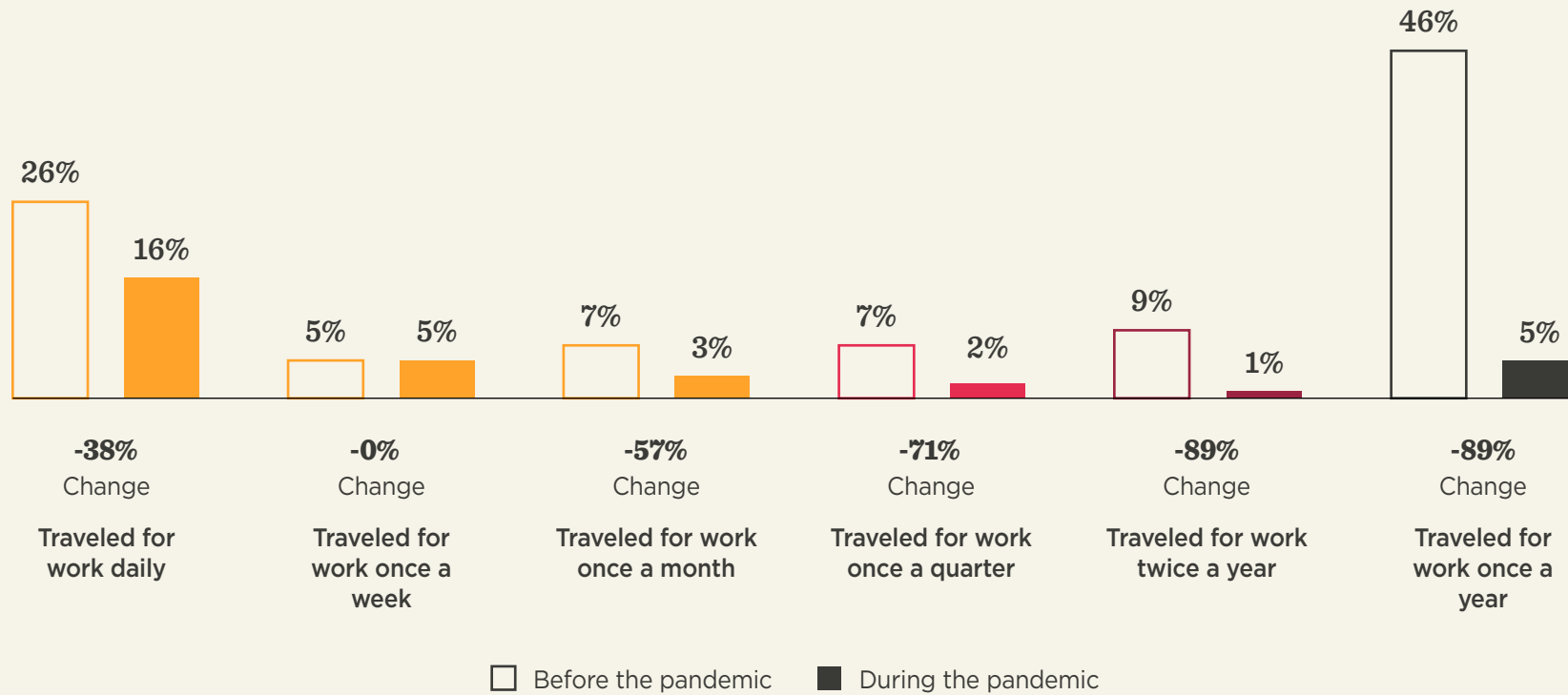
Almost 70% of individuals completely stopped business travel in 2020. More significantly, occasional travel also stopped.

Middle managers decreased traveling. However, they traveled more than individual contributors. Only 31% of senior management stopped traveling completely in 2020 (a fact which also contributed to their ability to maintain a work-life balance). The largest decrease in travel for senior managers was for those who traveled daily for work. Overall, 69% decreased their travel significantly.

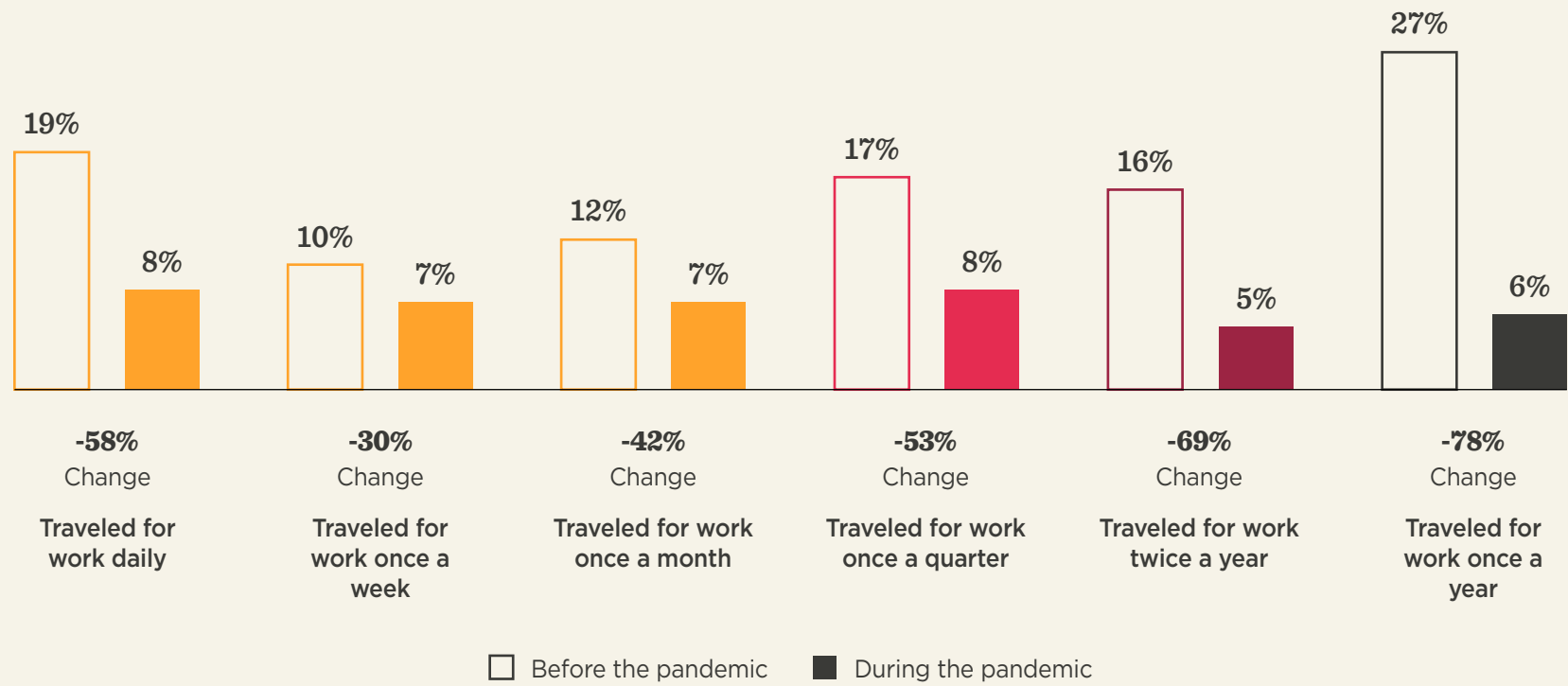
Total changes in travel



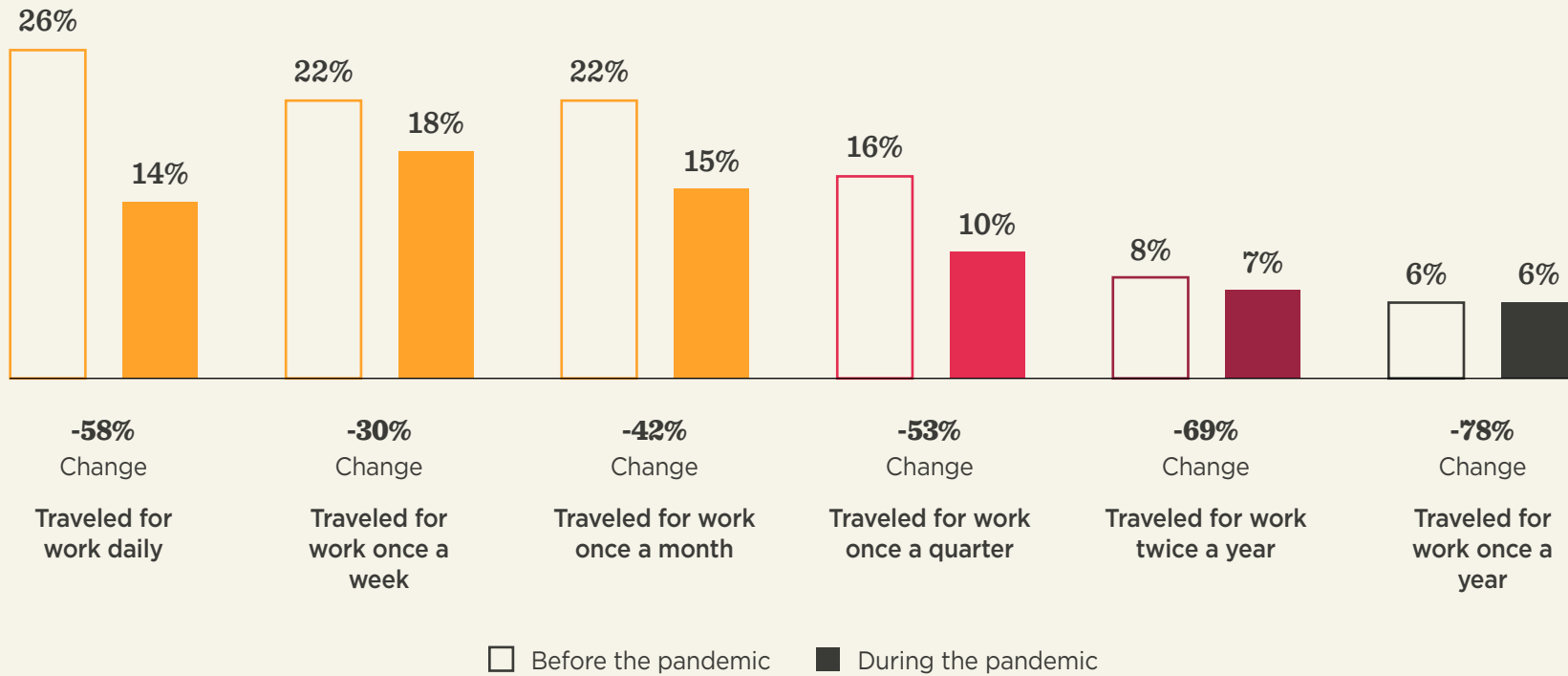
Individual contributors



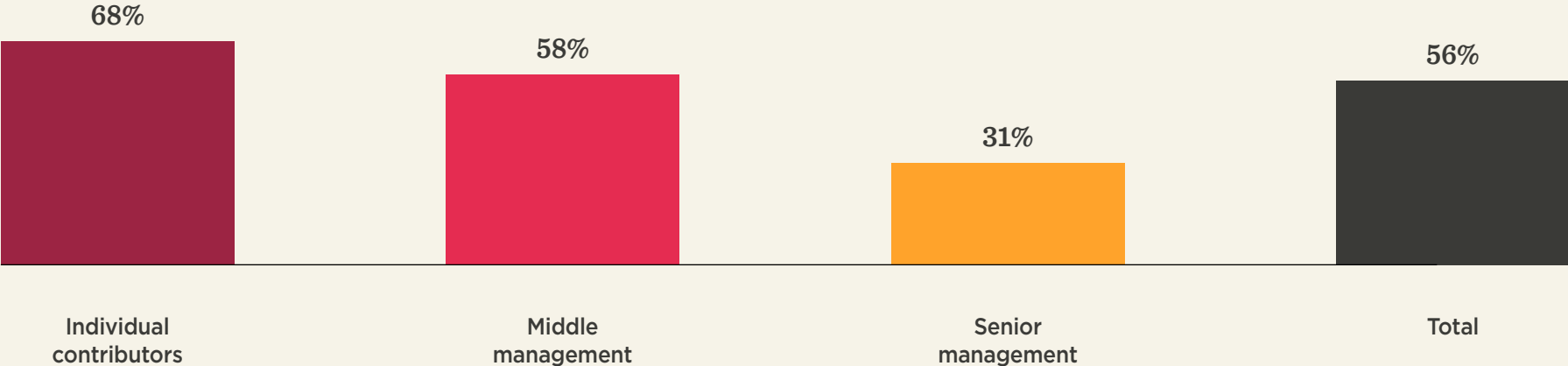
Middle management



Senior management



Did not travel for work during 2020



Job satisfaction is back to pre-pandemic levels

In 2020 we surveyed the U.S. workforce in a similar manner and found a huge decline in job satisfaction. The pandemic and the overnight requirement for social distancing and working from home created job dissatisfaction and stress and impacted working parents. However, our study revealed that job satisfaction is almost back to the pre-pandemic levels. It seems clear that employees have adjusted to the change and are now enjoying the flexibility and benefits of working from home.

Respondents were asked to rate their job satisfaction before the pandemic began and today. The question was worded: Please rate how satisfied you were with your job pre-pandemic on a scale of 1 to 5, where 1 = not satisfied at all and 5 = highly satisfied.

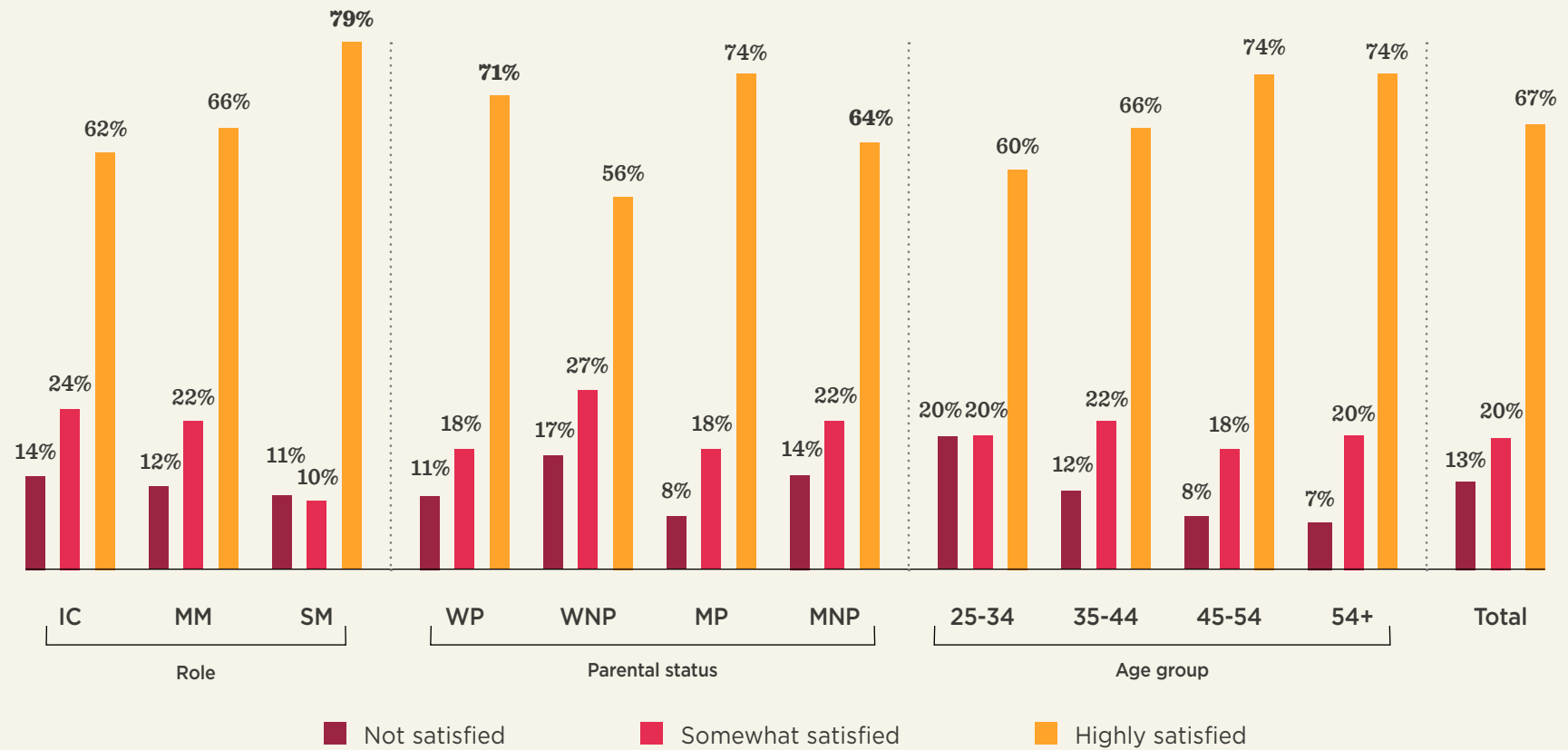
The average rating pre-pandemic was 3.94 out of 5. Today it is 3.82 out of 5, which is very close to

pre-pandemic levels. This shows employees have adjusted to the new way of working.

62% of individual contributors, 66% of middle managers, and 79% of senior managers answered they were presently highly satisfied with their jobs. Similarly pre-pandemic, 68% of individual contributors, 68% of middle managers, and 80% of senior managers reported being highly satisfied with their jobs.

Job Satisfaction	Pre-pandemic	Today
Not satisfied	9%	13%
Somewhat satisfied	20%	20%
Highly satisfied	71%	67%

Job satisfaction by role, parental status, and age group



IC = Individual contributor, MM = Middle management, SM = Senior management | WP = Women parents, WNP = Women non-parents, MP = Men parents, MNP = Men non-parents

Senior managers are more satisfied with their job than middle managers and individual contributors.

Today, parents are more satisfied with their jobs than non-parents.

Below are the average job satisfaction ratings for parents and non-parents pre-pandemic and today. Job satisfaction levels of men without children and parents are almost the same as pre-pandemic times.

Older employees are more satisfied with their jobs than younger employees. Below are the average job satisfaction ratings by age for pre-pandemic and today. Average job satisfaction rating for older employees is very close to pre-pandemic levels. While still very similar, younger employees have the biggest difference (3.65 vs. 3.81 average on a rating of 1-5).



Average job satisfaction for parents vs. non-parents

Parental status	Women parents	Women without children	Men parents	Men without children	Total
Pre-pandemic job satisfaction average	4.02	3.70	4.15	3.73	3.94
Today's job satisfaction average	3.90	3.53	4.03	3.74	3.82
Difference	-2.99%	-4.59%	-2.89%	0.27%	-3.05%

Average job satisfaction by age group

Age groups	25-34	35-44	45-54	54+	Total
Pre-pandemic job satisfaction average	3.81	3.95	4.06	3.98	3.94
Today's job satisfaction average	3.65	3.81	3.97	3.95	3.82
Difference	-4.20%	-3.54%	-2.22%	-0.75%	-3.05%

Flexible work models lead to job satisfaction today

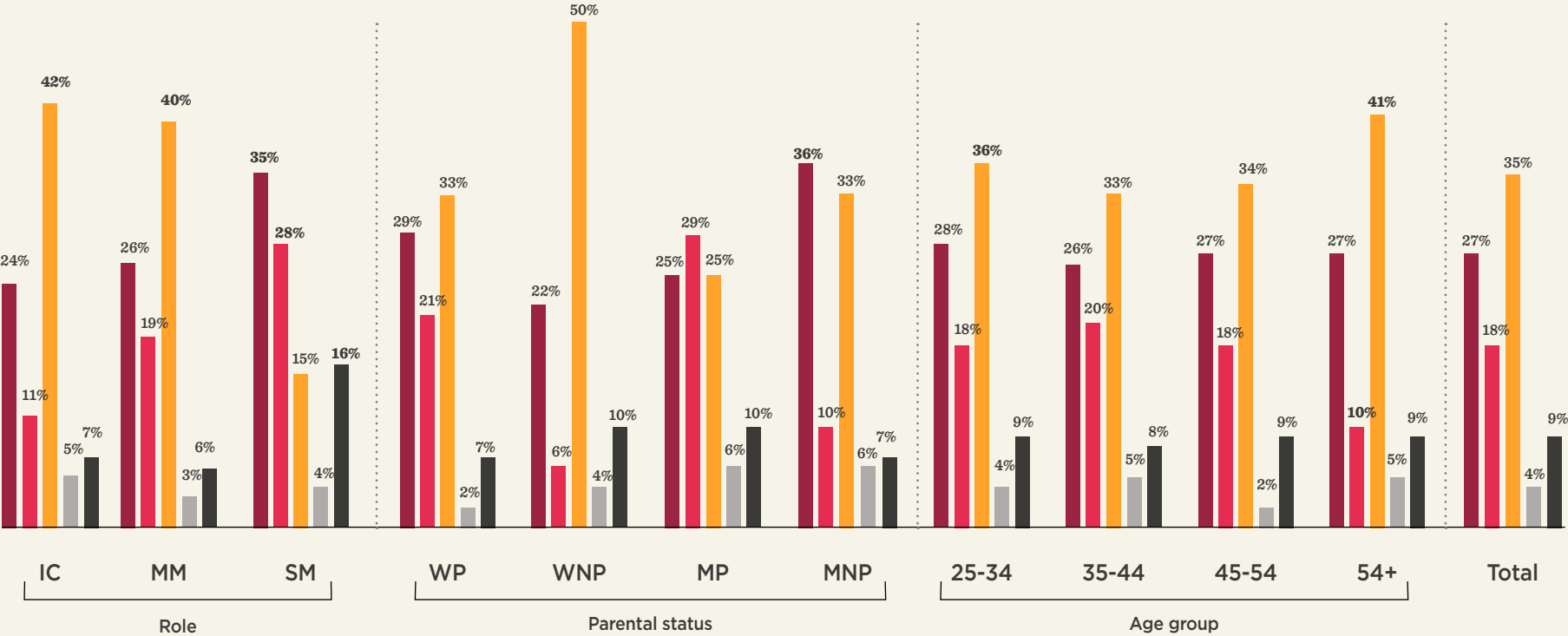
Senior management is benefiting from the flexibility and more family time. In addition, senior managers are saying that they appreciate the ability to live anywhere and work anywhere. Individual contributors and middle management are enjoying not having to commute and the flexibility of working from home.

Similarly, both women and men who are parents need the time to be with family, and working remotely allows that. When it comes to what respondents enjoy most about working remotely, flexibility and less commuting come out on top across all ages.

Employees feel very productive since the start of the pandemic

All respondents were asked to rate their productivity level since the start of the pandemic on a scale of 1-5, where 1 = not productive at all, and 5 = very productive. The average was 4.03 for individual contributors, 4.07 for middle management, and 4.27 for senior management. The overall average was 4.09 out of 5. An in-depth analysis of the rating shows that 77% of the respondents felt productive and very productive doing their jobs.

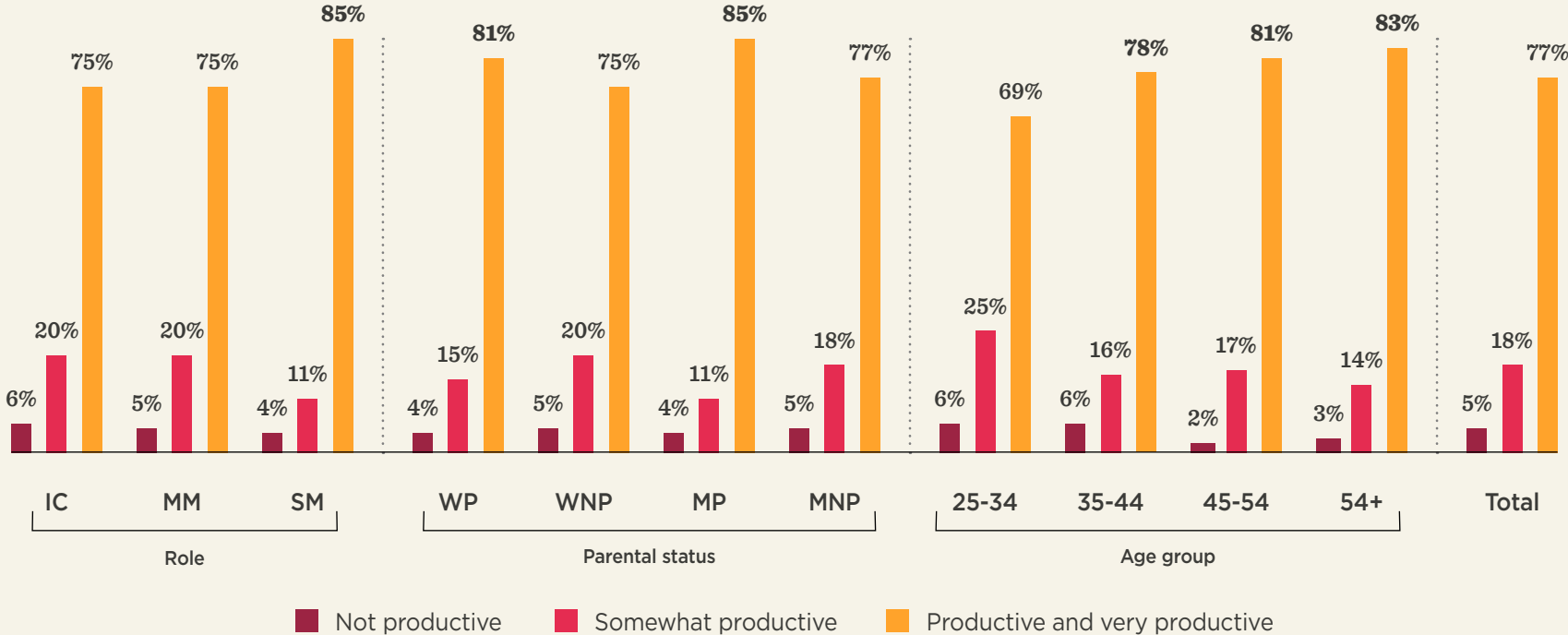
What do you enjoy most about working remotely?



■ More lenient schedule/flexibility
 ■ More time with family/friends
 ■ No commute or traveling
■ Uninterrupted workspace
 ■ Ability to live anywhere and work anywhere

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How productive have you felt at work since the start of the pandemic?



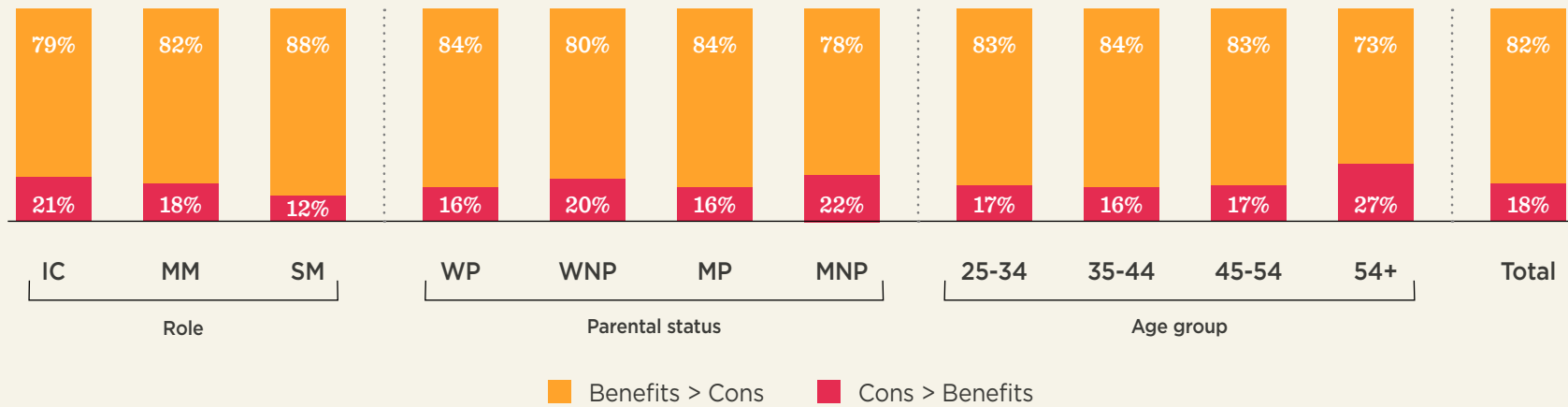
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Employees believe that the benefits of a hybrid work structure outweigh the cons

Regardless of the pre-pandemic office working arrangement, 82% of employees believe that hybrid/remote work benefits outweigh the cons.

Pre-pandemic work arrangement	Benefits > Cons	Cons > Benefits
Previously worked at the office 5 days a week	80%	20%
Previously worked from home 1 day a week and worked at the office 4 days a week	84%	16%
Previously worked from home 2-3 days a week and worked at the office 2-3 days a week	86%	14%
Previously worked at the office or at home based on my personal preference	79%	21%
Previously worked one week at the office and one week from home/remotely	83%	17%
Previously worked from home/remotely 5 days a week	85%	15%
Total	82%	18%

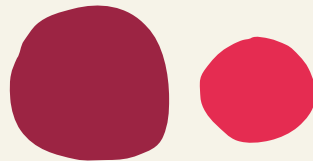
Do you think the benefits of a hybrid/remote work situation outweigh the cons?



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Remote and hybrid work had a positive impact on work-life balance

Remote and hybrid work has allowed for a better work-life balance despite the pandemic. For 62% of employees, 23% claim it hasn't changed their work-life balance, and 15% said it did not allow for a better work-life balance.

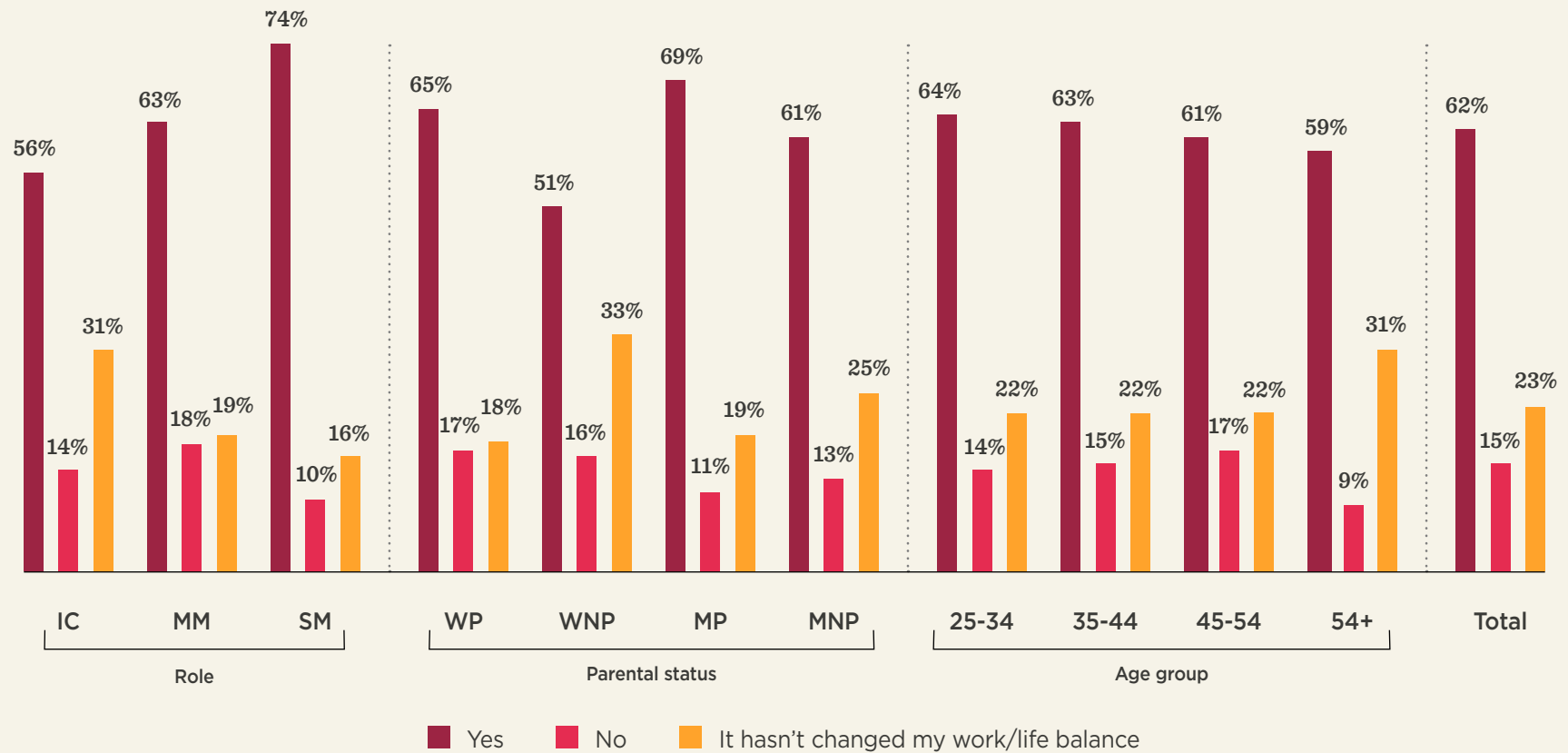


More than middle management and individual contributors, senior management found hybrid and remote work to have a positive effect on their work-life balance.

Parents of children under 18 living at home managed to create a better work-life balance thanks to remote and hybrid work. Women without children, more than others, felt that hybrid work did not improve their work-life balance.

Younger employees, more than older employees, were able to find a better work-life balance working remotely.

Has remote or hybrid work sparked by the pandemic allowed for a better work/life balance?



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Expectations for work in a post-pandemic world

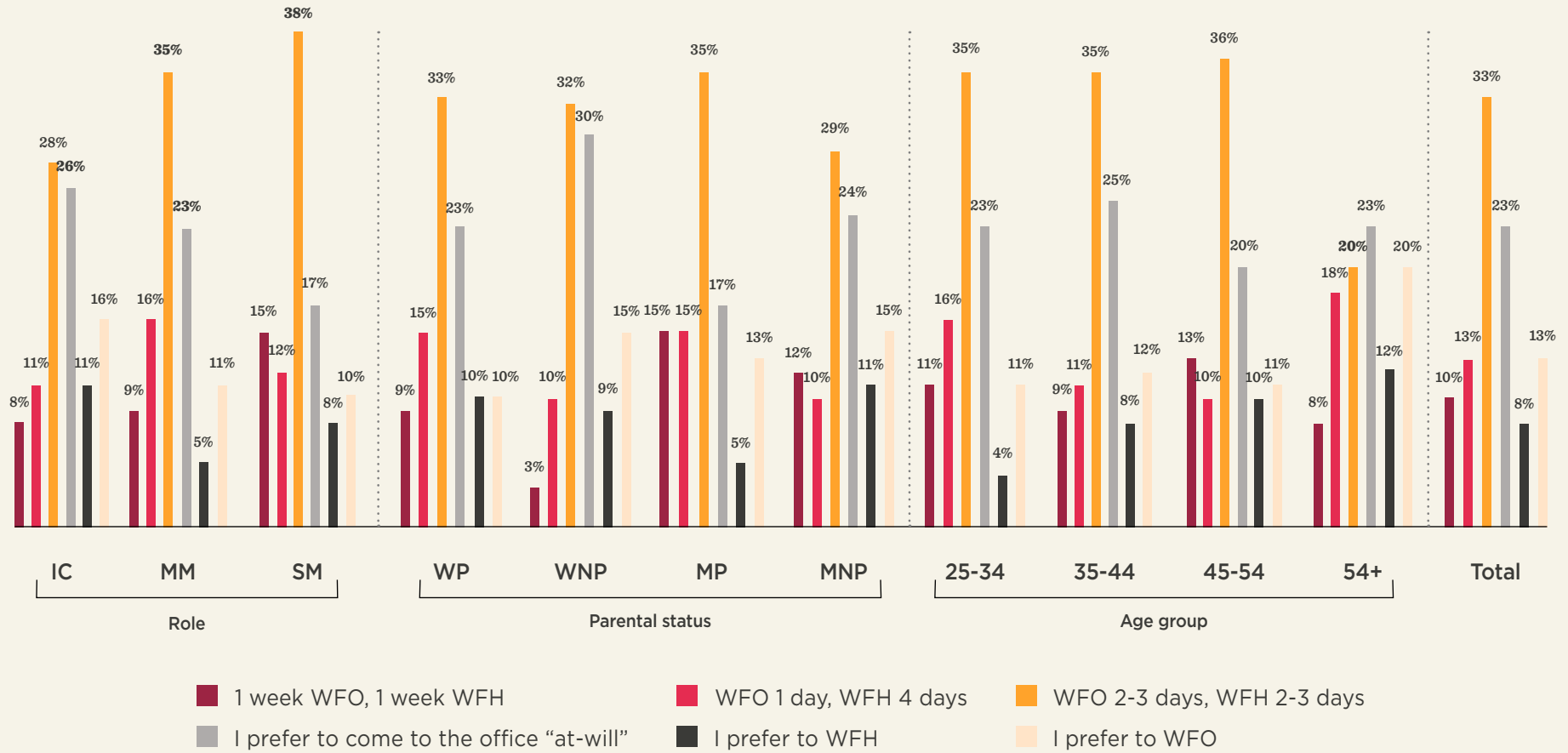
Only 13% of employees prefer to go back to working from the office five days a week. Considering the fact that 71% of employees worked from the office five days a week before the pandemic, it is clear that employee expectations are to have a flexible arrangement for returning to the office.

Managers prefer a predetermined work from office arrangement while Individual contributors prefer the more flexible “at-will” model.

Non-parents prefer the at-will model, while parents prefer a regular, predetermined 2-3 day work from home/work from office model.

Across different age groups, there are very minor differences between hybrid work arrangement expectations. The leading solution is a hybrid work set up of 2-3 days working from home and 2-3 days working from the office.

If your company adopted a hybrid structure, what would your preferred model be?



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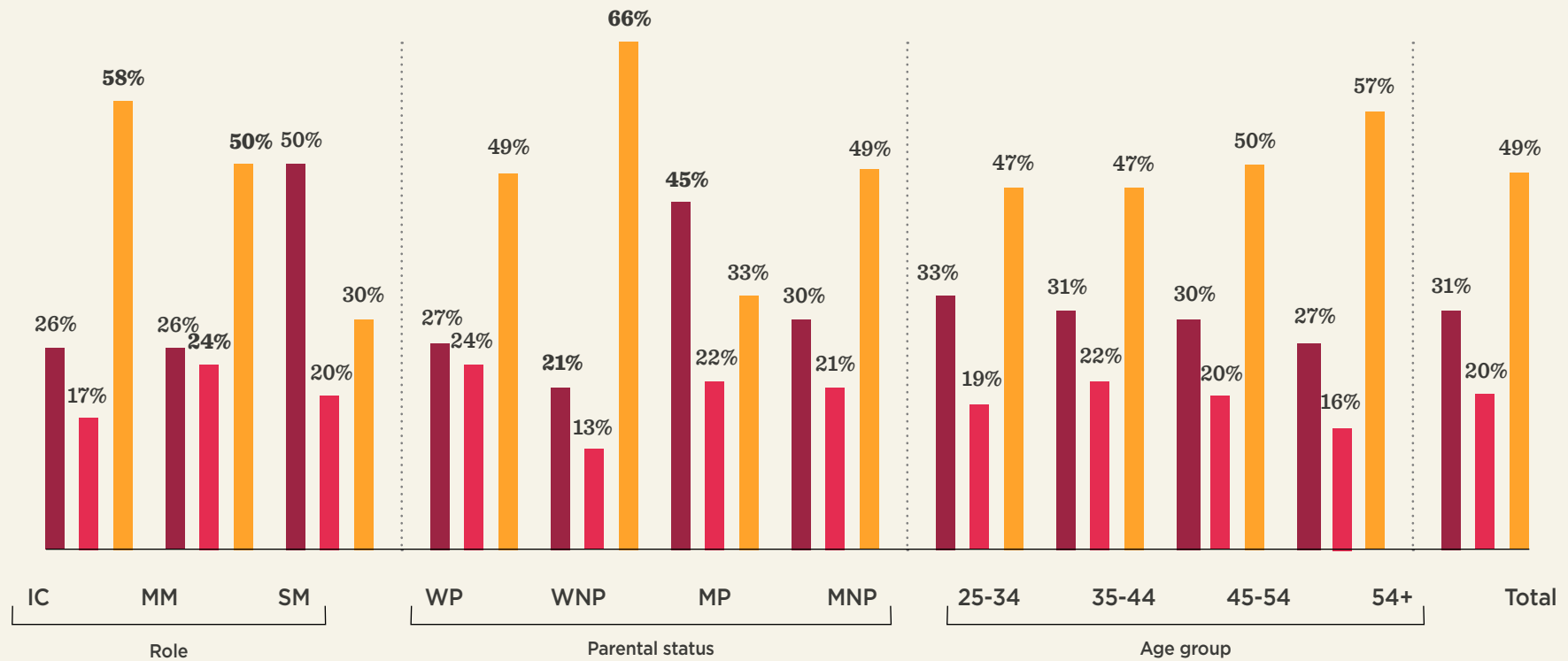
Why vaccines will not be the workplace panacea

Originally, more than 70% of the respondents worked from the office five days a week and only switched to working remotely because of the COVID-19 pandemic, which required social distancing and home lockdowns. However, the long-awaited vaccine is not the answer for getting all employees back to the office.

The data proves that flexibility is key to employee success. Even with vaccines helping mitigate safety concerns, they are not a reason for pushing fully in-person work five days a week, given the proven success of remote and hybrid work. According to the data:

- Those in senior positions skewed more towards advocating for the vaccine and returning to the office. In fact, half of senior managers prefer to require all team members to get the vaccine before coming back to the office, whereas only 26% of individual contributors and middle managers feel this way.
- More than half of individual contributors (58%) stated that they expect their company not to take any stance on people getting vaccinated.
- In general, more men felt strongly that companies should require all employees to get vaccinated.

Regarding the COVID-19 vaccine, do you expect your workplace to:



■ Require vaccinations for WFO
 ■ For WFO vaccinations - others WFH
 ■ Not take a stand on getting vaccinated

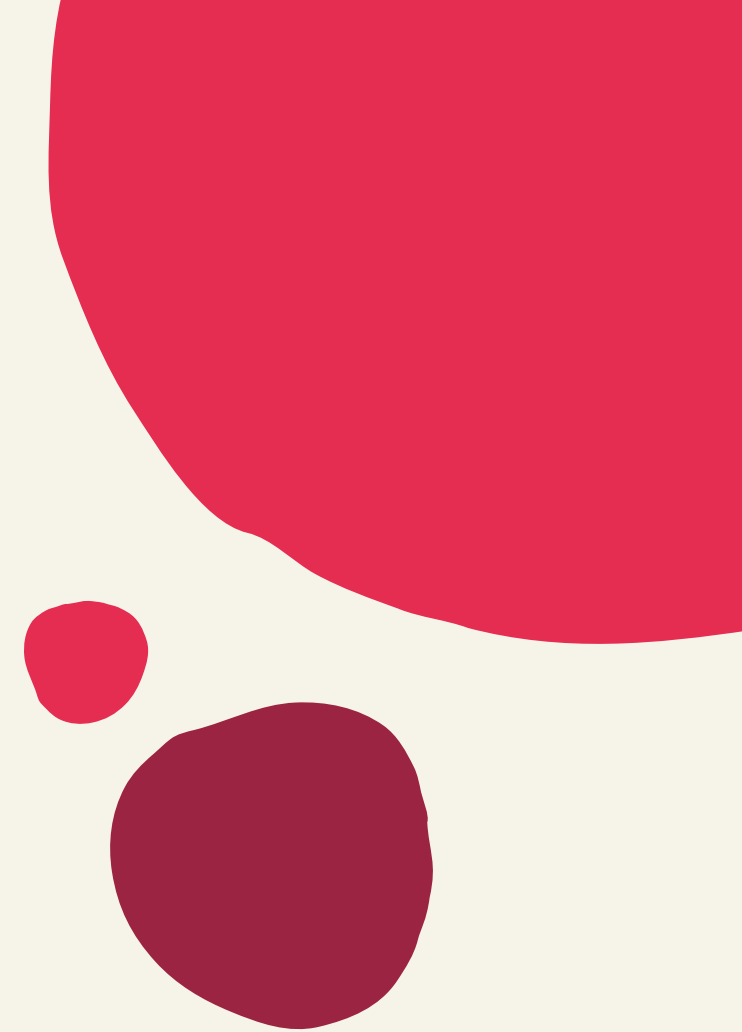
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Vaccination expectations and protocol are going to be difficult to streamline and implement in a way that appeals to all employees. Everyone has a different view on what should and shouldn't be allowed. It's clear that a mandate won't placate employee concerns and offer the best solution for work-life balance and job satisfaction.

Individual contributors expect companies not to take a stand on getting vaccinated, while senior management prefers more than others to require vaccinations. However, almost half of employees, in general, expect the company not to take a stand on getting vaccinated.

Much more than the average, women without children expect that the company will not take a stand on getting vaccinated.

Older employees, more than younger employees, expect the company not to take a stand on getting vaccinated.



How will employees respond to a forced return to the office?

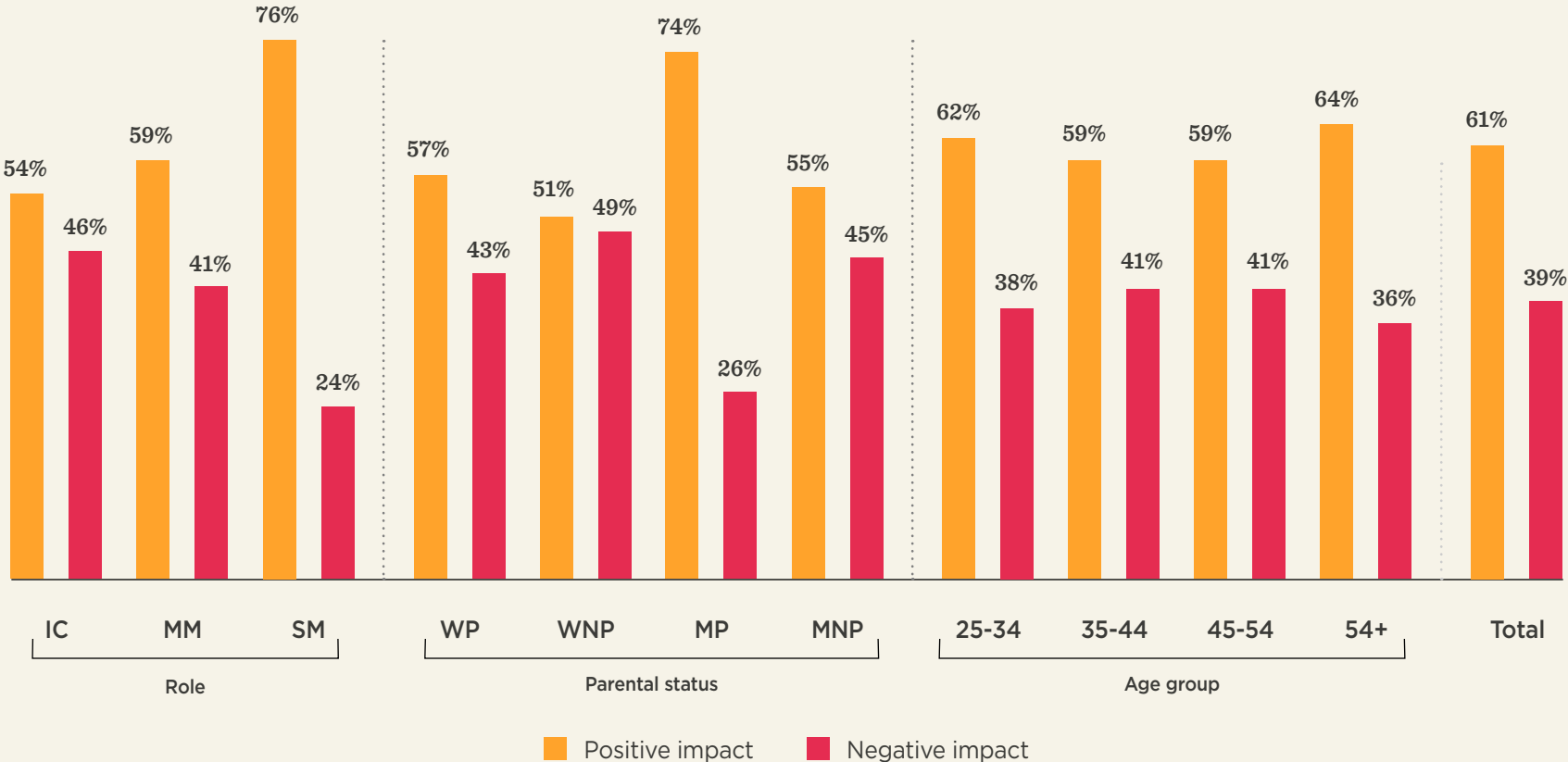
39% of employees believe that returning to the office will have a negative impact on their work-life balance.

46% of individual contributors feel that returning to the office will have a negative impact, while only 24% of senior managers feel this way.

Younger and older employees feel that returning to the office will have a positive impact on their work-life balance while the age group of 34-54 feel less positive about being able to balance work.



Will returning to the office have a positive or negative impact on your work/life balance?




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Forcing employees to return to the office will spark turnover

Coming back to the office is not as simple as hitting “undo” on your current processes. More than a third of the workforce is very likely to quit their current job (despite high satisfaction levels) if they were forced to come back to the office five days a week as they used to. It is highly recommended to consider a flexible hybrid work approach.

Parents, much more than non-parents, will very likely quit their jobs if made to come back to the office five days a week.


Approximately 36% of every age group is very likely to quit if they are forced to come back to the office.



WFO

6 Days taken (this cycle)

REQUEST

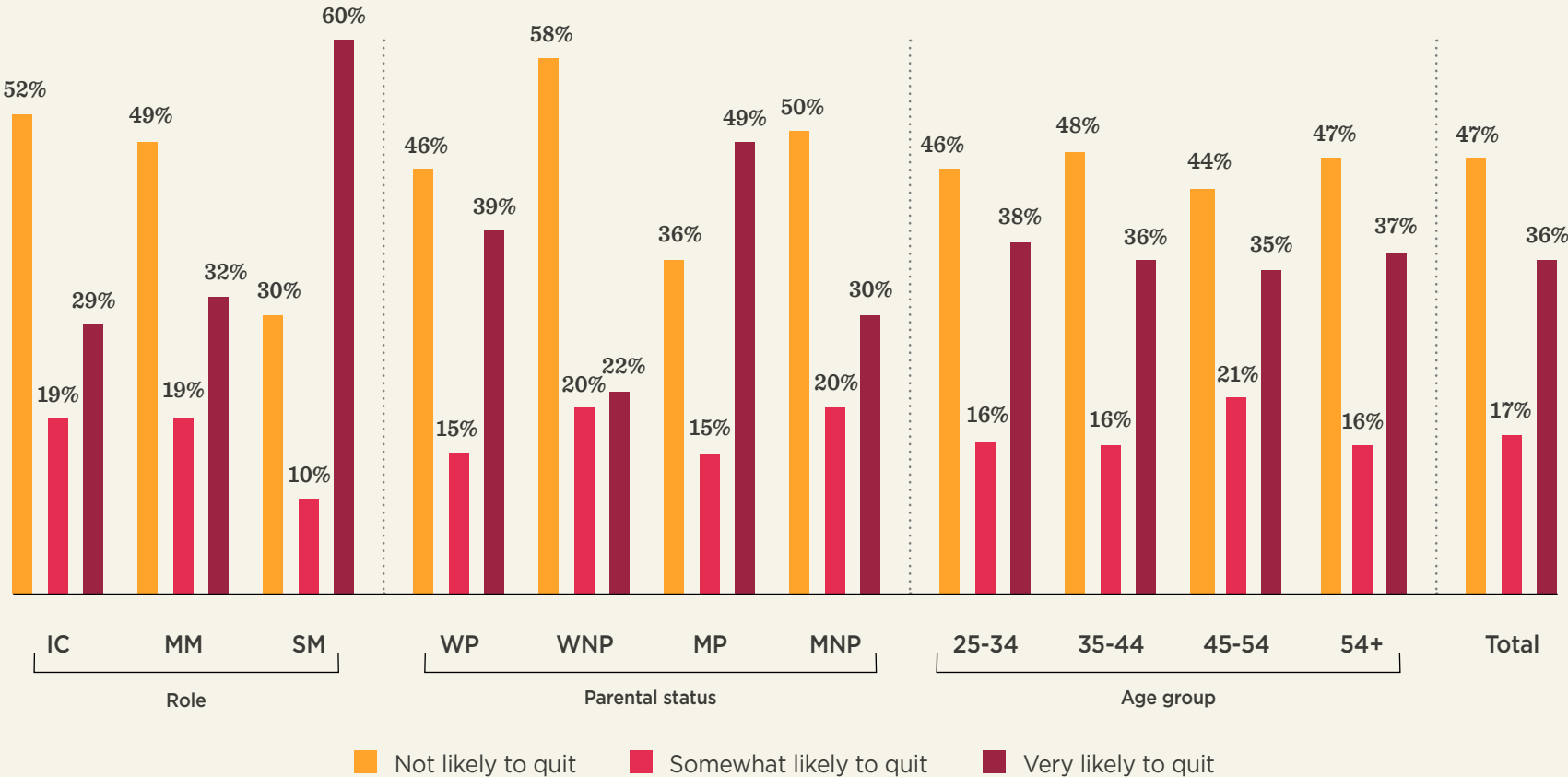


WFH

14 Days taken (this cycle)

REQUEST

On a scale of 1-5 where 1= not likely at all and 5 equals very likely, how likely would you quit working for your company if you are required to fully return to the office post-pandemic?



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Conclusions

With a shift towards hybrid work, the office purpose has also changed—it's evolving from an everyday workspace to a place designated for socialization, collaboration, and company culture.

Not only has the virtual workplace changed, but the physical workplace will be taking on a new form as we ease back into socializing with others. We should not take a step backward, but instead, companies must create flexible, hybrid workplaces to keep their employees happy and engaged.

Companies implementing hybrid work models may use in-office time more for meetings, get-togethers, and onboarding, and less for individual work and clocking in and out. However, how the office is viewed now differs for employees based on their roles.

- Nearly one-third of individual contributors (30%) ranked socialization as the most important purpose of the office
- Managers felt that collaboration is the most important purpose of the physical office with 37% of senior managers and 36% of middle managers feeling this way

The majority of U.S. workers' job satisfaction is very close to pre-pandemic levels. With ongoing remote work, the allowance of flexible work schedules, the ability to be autonomously productive, and time saved without a commute are contributing and shaping the next normal way of work where a hybrid working model leads the way.

The research also showed that with strong job satisfaction while remote, the rollout of the vaccine will not prompt employees to run back to the office five days a week. More than a third even claim that an obligation to return to a physical workspace five days a week would push them to look for a new job.

There's been so much emphasis on the vaccine and a 'return to normalcy' that is supposed to restore happiness and business as usual but companies should not overlook the tremendous benefit that working from home has provided its people—flexibility, work/life balance, adjusted hours, and more time with family. Employees have established a strong rhythm with this structure, and it's going to be a struggle to shock people back into the workplace five days a week. The vaccination is not the solution for the real need for flexibility.

Hibob's study proves again what we've already known—flexibility leads to productivity and employee happiness. While it may have taken a few months to adjust, the past year has shown that a combination of in-person and remote work has a broad appeal to employees of all job levels, genders, and parental standings. Companies need to realize that the next normal is here and make sure their policies put people first and help them perform at their best.

The national survey was conducted online by Pollfish on behalf of Hibob on February 25, 2020. It includes responses from 1,000 full-time employees ages 25 and up in the United States.

Now is the time to make smarter decisions when it comes to your people and organization.

To learn more about Hibob and our data-driven tools, get in touch with us at

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