

WORKING MODELS FOR EMPLOYEE EFFECTIVENESS

FIVE STRATEGIES TO UNLOCK
PERFORMANCE AND GROWTH
THROUGH WORK-LIFE INTEGRATION

Thought Leadership



The way we work is evolving at an unprecedented pace.

Automation, artificial intelligence (AI), and digitization are revolutionizing industries across the board, driving the need to redesign traditional working models. As routine tasks become automated, employees are available to focus more on creative and complex work that add value to their organizations. For companies to embrace this shift, they must rethink their organizational structure and work processes.

People today are making new choices about where they want to live and work, creating new expectations about flexibility, working conditions, and life balance—expectations that cannot be undone. For companies to attract and retain top talent, they will need to not only provide clear pathways for career progression through ongoing training programs or mentorship opportunities, but also agile working arrangements like remote work, hybrid work, or flexible hours.

Moreover, employee well-being is increasingly recognized as a crucial factor in driving organizational success. [Burnout rates are rising](#) as a result of long working hours, high stress levels, and having to interface with an overwhelming number of technological tools. Designing working models that [promote work-life integration](#) allow companies to address these challenges effectively by focusing on employee well-being.

By empowering employees to work in ways that suit their strengths and preferences, organizations will find themselves uniquely positioned to unlock business performance and growth.

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Data Source Acknowledgment

Throughout this article, we have harnessed the power of empirical data to navigate the complexities of remote work dynamics. Our insights draw heavily from the seminal work of Barrero, Bloom, and Davis. Their comprehensive research paper published in 2021 as part of the distinguished series by the National Bureau of Economic Research. We extend our gratitude to these authors for their invaluable contributions to the domain and recommend our readers to delve into Working Paper 28731 for a deeper understanding of the nuances of remote work.

*Citation: Barrero, J. M., Bloom, N., & Davis, S. J. (2021). Why working from home will stick. *National Bureau of Economic Research Working Paper, (28731)*.*

We have used the results from January 2023 to June 2023 survey results focused on responses of those that have been working remotely or hybrid during this period.

1. Effectiveness is at the heart of designing new working models.

Designing working models that prioritize employee effectiveness is an imperative for businesses aiming to thrive. When employees are empowered and given the tools and resources necessary to excel, they not only contribute to the overall success of an organization, but they also experience personal growth and job satisfaction. For many, this includes where and how they work.

As video calls, instant messaging, and cloud-based file sharing become common, many jobs no longer require employees to be present in the office. What's more, employees appreciate the freedom to structure their day according to what they need to perform and deliver results.

The following four themes emerged from our analysis:

1. Full-time remote work: A top choice for high performers

Of those people who consider themselves more effective while working remotely, 35.2% desire to continue this work model full-time. According to the data, high performers are embracing remote work, maximizing its benefits to increase productivity. Only a small percentage of this group (7.8%) express an interest in going back to a more traditional office environment.

2. The remote work conundrum for less effective workers

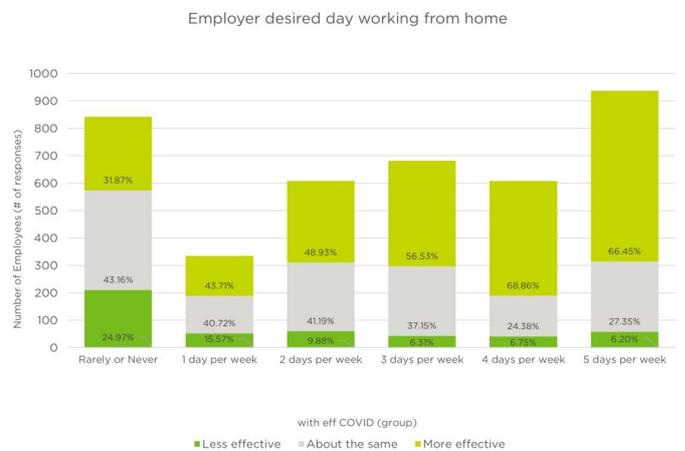
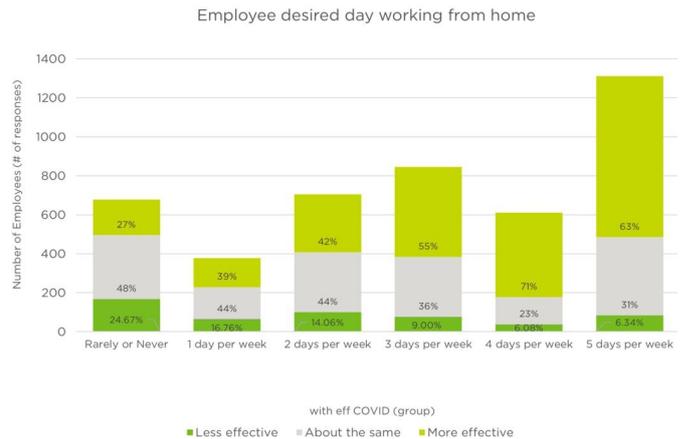
The situation is more complex for those who find themselves less effective in a remote environment. Close to a third (31.8%) prefer to limit or completely avoid remote work, indicating their struggles with this work model. However, 15.8% still favor a full-time work-from-home setup. This highlights the allure of remote work's additional benefits, such as no commute and greater flexibility, despite a potential drop in productivity.

3. Employers' prudent approach towards remote work

Employers approach remote work with some caution: 11.4% of those employees who work more effectively in a remote setting say their employer or leader prefer that they remain in the office, while 26.5% report that their companies are open to letting them continue working from home (WFH) full-time. As a way of dealing with "less effective" employees, 40% of employers oppose any remote work for this group.

4. Achieving balance through hybrid work

The data we have gathered shows that both employers and employees favor the hybrid model of work, where employees work from home 2 or 3 days per week. There may be more to this preference than a simple logistical change; it emphasizes a shared quest for an optimal balance between the flexibility of remote work and the synergy of on-site collaboration.



2. Inclusive design for working models that work for ALL.

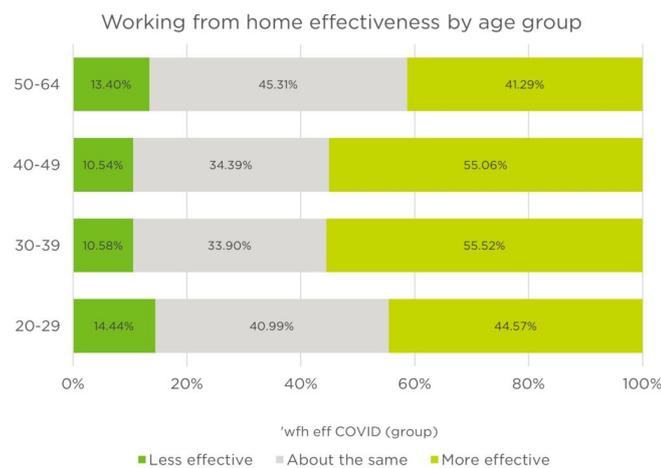
Designing a working model that meets the diverse needs of the workforce is important for organizations to be effective. A key objective of inclusive design is to create seamless workplaces that boost performance by using equitable and engaging models tailored to all employees, thereby attracting and retaining the best employees. Providing people with flexibility or work arrangements that suit their specific needs is a great way to build an environment where employees will perform at their best.

Our analysis revealed four diversity perspectives that influence an employee’s preference for remote work:

1. Generational perspective

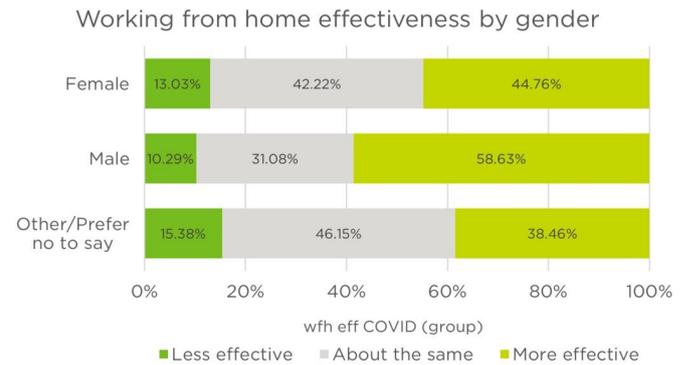
Contrary to popular belief, it is not the tech-savvy Gen Z professionals who are at the forefront of those who are more effective working remotely. The strongest advocates of the remote work model tend to be workers between 30 and 49 years of age. They outperform other age groups, with 55.2% reporting increased effectiveness when working from home.

The 20-29 age group offers a balanced view: around 44.6% thrive in a remote environment, while nearly equal numbers (41%) believe their productivity stays the same whether working remotely or in the office.



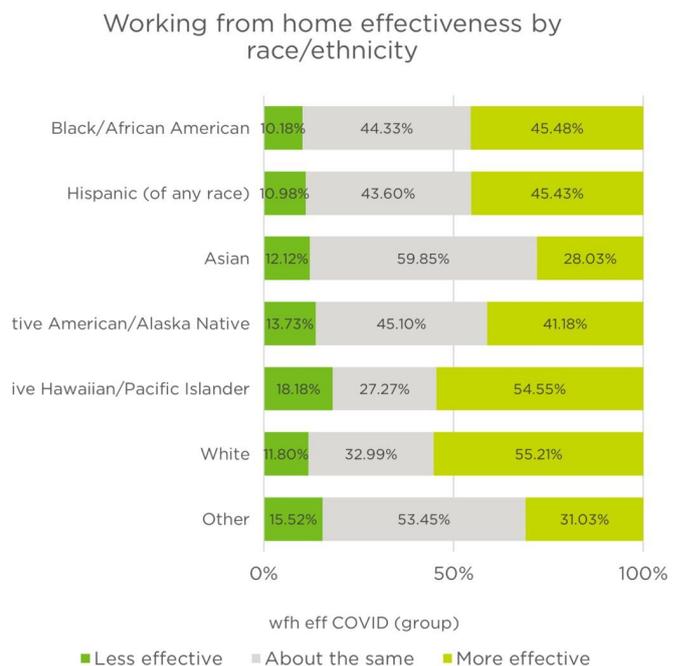
2. Gender-based perspective

Women, often considered the primary beneficiaries of remote work, show 44.8% in the “more effective” category, nearly equivalent to the 42.2% who feel their work efficiency remains the same. Men, in contrast, show a clear preference for the benefits of remote working, with 58.6% more effective working from home.



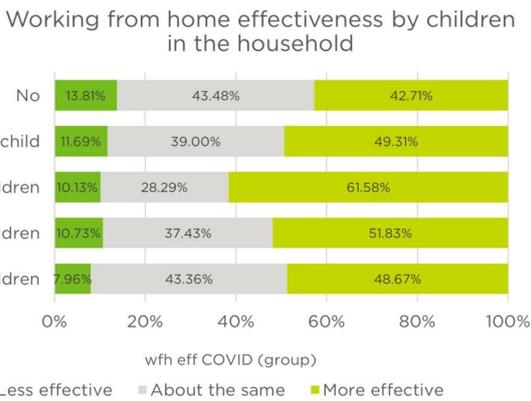
3. The racial and ethnic perspective

In terms of improved effectiveness, Asians have a conservative outlook, with only 28% consider themselves more effective working remotely. About 45% of Black and Hispanic professionals perceive increase effectiveness while working remotely. The Native Hawaiian or Pacific Islander demographic, although comprising a smaller sample size, showcases a robust 54.5% leaning towards WFH, while 55.2% of white professionals mirror this sentiment.

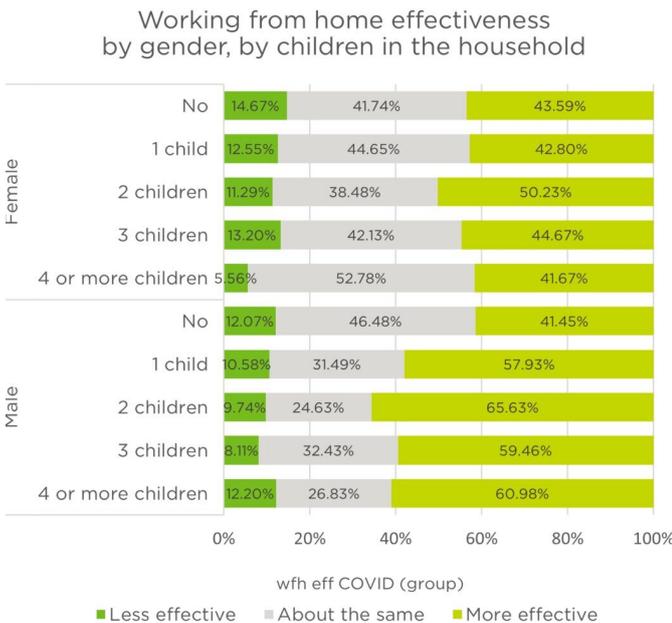


4. Children at home and the impact on effectiveness

When it comes to the effectiveness of the remote model, employees without children appear to be split down the middle: 42.7% report positive increases while 43.5% remain neutral. Parents with two children, however, show the strongest preference for remote work, with 61.6% supporting it. Larger families, including those with four or more children, maintain a positive outlook at 48.7%.



Interesting patterns emerge when the gender lens is superimposed over parenthood dynamics. Men find themselves more effective remotely when they have care-taking responsibilities (children at home), while women effectiveness will remain similar regardless of the number of children at home.



3. Designing working models that focus on the best of both worlds.

Working from home allows for more flexibility, reduced commuting time, and a comfortable work environment. It also provides an opportunity for better work-life integration and increased focus on tasks.

On the other hand, working from the office can foster collaboration, social interaction, and a sense of belonging within a team more effectively than being in a remote setting. The ability to interact with colleagues in person can facilitate informal communication, promote impromptu idea-sharing, and boost overall productivity. It also fosters creativity through face-to-face brainstorming sessions and spontaneous conversations.

However, it is crucial to find the right balance between these two options to maximize their advantages successfully. Hybrid models offer gives employees flexibility to choose how to work, depending on their role and project needs.

Our analysis identified several advantages for both on-site and remote options:

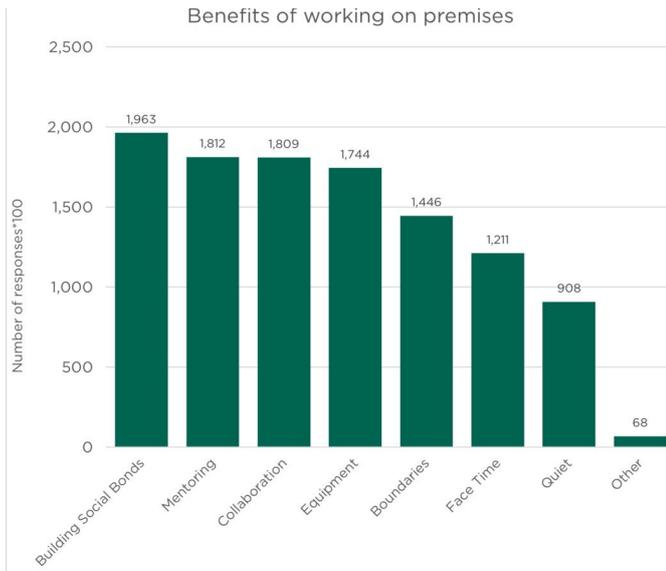
1. On-site benefits: The power of physicality

Building social bonds: Forging stronger social connections is a significant advantage of the physical workspace, according to 44% of respondents. The seemingly small moments between colleagues contribute to employee well-being and create an organization’s vibrant culture.

Cultivating mentorship & growth: Over 40% of respondents say on-site work offers superior mentorship opportunities. Being physically present allows employees to observe and learn from the behaviors and actions of others, which is harder to replicate in a virtual environment—especially for those in the early career stage.

Enhancing collaboration dynamics: On-site work is valued by 40% of respondents because of its collaborative advantages. Face-to-face brainstorming sessions often spark creativity and innovation, harnessing the synergistic power of diverse minds effectively.

Leveraging equipment & infrastructure: According to 39% of respondents, on-site work grants them access to cutting-edge equipment and resources, ensuring employees have the resources and tools they need to perform.



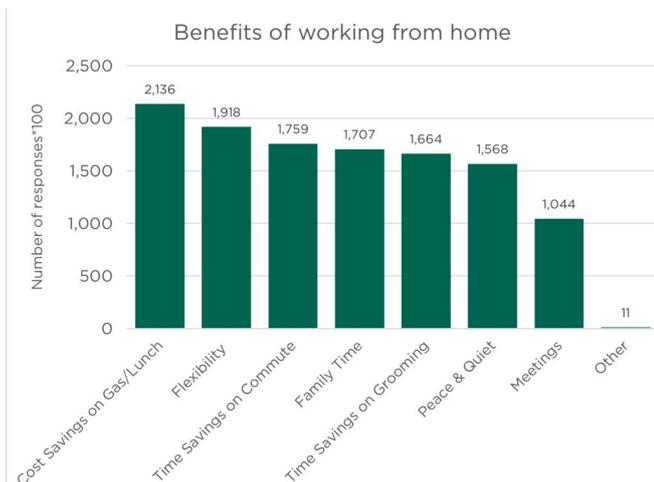
2. Home advantages: The personalized workspace

Cost & time savings: About 48% of respondents see savings on gas and lunch as a key WFH benefit, highlighting a broader appreciation for eliminating costly commutes and meals. Additionally, employees working from home enjoy a 36% reduction in both grooming and commute time.

Flexibility: The flexibility provided by remote work is highly valued by 44% of respondents, who are able to arrange work around their personal lives rather than vice versa.

Family time: The ability to balance work and home life becomes seamless, allowing for moments of joy, such as sharing a midday meal with loved ones or taking a short break away from work.

Peace & quiet: More than a third (37%) find that a quiet home environment boosts their productivity, offering a level of concentration which is not typically available in a busy office setting.



4. Balancing the costs and benefits of all models.

Saving time commuting can greatly enhance employee morale. Instead of spending hours stuck in traffic or on cramped public transportation, employees are able to use that time to focus on their work. Long commutes often lead to stress and poor health. By allowing employees to avoid rush hour traffic or crowded trains, employers create a healthier work environment that promotes better work-life integration. As a result, job satisfaction rises, employee retention increases, and absenteeism decreases.

The reduced commuting times benefit companies financially as well. When employees do not travel long distances, they start their day earlier or devote more time to completing projects, resulting in greater efficiency and quality results. This results in additional output and value to the business, which should be considered as lost when employees commute to the office.

Four insights emerged from our analysis:

1. Mapping the minutes: The saved commute

Across the board, employees save substantial daily time—regardless of their effectiveness working from home:

- “More Effective” WFH group: An average of 56.43 minutes saved daily.
- “About the Same” WFH group: An average of 52.05 minutes saved daily.
- “Less Effective” WFH group: An average of 53.04 minutes saved daily.

This translates to a savings of about 240 hours (or 10 full days) per employee, per year.

2. How employees use the time they saved commuting

Employees allocate saved time not only to work, but also to various activities that contribute to their personal growth, professional development, and mental wellness:

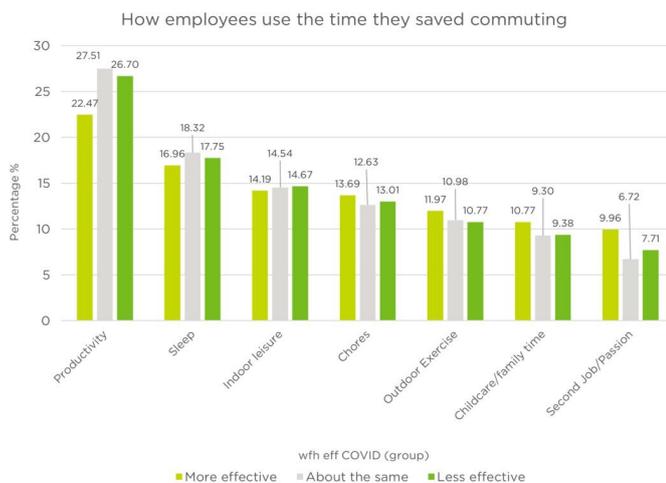
Sleep & rest: A healthier sleep pattern can drastically improve cognitive function, mood, and overall mental health.

Indoor leisure: Engaging in hobbies, reading, or simply relaxing are essential for mental rejuvenation.

Outdoor exercise: Physical activity not only improves physical health, but it also helps reduce stress and anxiety levels, making it a critical component of mental well-being.

Childcare & family time: Strengthening family bonds contributes significantly to emotional well-being and provides essential support structures.

Pursuing a second job or passion project: Employees can use the extra time to explore second jobs or passion projects, enriching their skill sets and adding layers to their professional growth.



3. The monetary perspective: Annual value from no commuting (or the cost of commuting)

Considering that people direct a portion of their saved time to work, the annual costs employers essentially “save” by having employees work remotely are significant:

- “More Effective” WFH group: \$11,440 (260 workdays x \$44)
- “About the Same” WFH group: \$5,980 (260 workdays x \$23)
- “Less Effective” WFH group: \$6,760 (260 workdays x \$26)

4. Employer implications

By asking employees to go back to the office, businesses are also incurring costs like:

Stunting employee growth: The opportunity to pursue secondary endeavors or passion projects can be curtailed.

Affecting mental well-being: Reduced time for leisure, family, and self-care can lead to heightened stress and reduced job satisfaction.

5. Develop your leader’s skills to manage teams in different working models.

Development programs is essential for leaders to gain the competencies and skills they need to adapt their leadership style to a variety of work environments.

Managing remotely requires flexibility and supportive leadership. In addition, understanding the varying circumstances and capabilities of each team member is important for maintaining employee morale. Leaders should promptly address and provide resources or assistance to team members who express concerns.

Our analysis revealed five leadership-related themes:

1. Leadership’s embrace of hybrid flexibility

A trend towards hybrid working models is apparent among leaders perceived as “More Effective” during the pandemic. Of these leaders, 23.3% prefer remote work 3 days a week, emphasizing the need to strike a balance between autonomy and collaboration. In contrast, 28.2% prefer full-time remote work, implying they’ve mastered the rhythm and tools to manage their teams effectively.

2. Stepping into management: A delicate balance

The WFH spectrum shows a spread across leaders who occasionally manage teams (“Yes, but only rarely”) and found their effectiveness enhanced during the pandemic. After pandemic restrictions were lifted, 31.2% wanted to work from home full time, while 11.3% would only want to do so occasionally. Professionals are still defining their unique management style at the early stages of this leadership evolution.

3. Individual contributors reflect a digital native stance

The overwhelming majority of non-management employees are inclined towards full-time WFH. Of those who felt their effectiveness remained the same working remotely, 34.1% prefer to stay remotely on a permanent basis.

4. The occasional management conundrum

There is a clear spread among leaders who manage occasionally and felt their efficiency was "about the same" during the pandemic. Approximately 24.5% say they rarely or never work from home, whereas 19.2% choose 2 days a week.

5. The less effective dichotomy

Leaders who considered themselves "less effective" while working from home showed diverging inclinations. Around 24.7% prefer not to work from home at all, suggesting that they recognize the challenges they face. Approximately 23.5%, however, prefer working 2 days a week, suggesting a willingness to incorporate remote work in limited circumstances.

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