

# Is a Hybrid Model Sustainable or Should My Business Move Fully Remote?

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8 min read



We all know that the pandemic forced workplaces around the globe to rethink their office strategies. In order to stay open, many companies shifted to fully remote office models, leaving only those deemed to be essential workers to clock in at their actual places of business.

## Key Takeaways

- **Remote Work Statistics Indicate Working From Home Is Here to Stay:** Many business leaders are hoping to improve employee retention rates and employee productivity, during the Great Resignation, by accepting the fact that our workforce has entered a new reality...
- **Remote Working and the Hybrid Office Model:** To provide the best of both worlds, some business leaders are considering the option of
- **Hybrid Statistics and Hybrid Productivity:** Gallup surveyed more than 140,000 workers across the United States and found..

Although some remote work opportunities were available before 2020 (4% of high-paying jobs), the number increased rapidly as a result of the pandemic (9% of high-paying jobs by the end of 2020), according to data research scientists at Ladders. <sup>[1]</sup>

Now, as the pandemic subsides, some business leaders are attempting to return their workplaces to normal (i.e. pre-pandemic, in-office work models). Recently, Elon Musk even made the call for his SpaceX and Tesla employees to return to the office, 40 hours per week, or to start looking for jobs elsewhere. <sup>[2]</sup>

Despite the slowing pandemic, the ability to return to the office, and (in some cases) the strong push to return to the office, the research from Ladders shows that at the beginning of 2022, the number of remote job opportunities had still continued to increase (to 15% as of February).

# Remote Work Statistics Indicate Working From Home Is Here to Stay

Despite pushes to resume the pre-pandemic workplace status quo, experts at Ladders predict that remote work opportunities will continue to grow rapidly, estimating that 25% of all professional jobs will be remote by the end of 2023. <sup>[3]</sup>

With these kinds of forecasts in mind, many business leaders are hoping to improve employee retention rates and employee productivity, during the Great Resignation, by accepting the fact that our workforce has entered a new reality where they are more empowered to find the kinds of job opportunities they desire. For example, the January 2022 Human Workplace Index from Workhuman indicated that 81.5% of employees intend to hold their employers accountable when it comes to the creation of a better workplace. Additionally, 56% said they would not wait more than 30 to 60 days for positive workplace changes before they quit their jobs. <sup>[4]</sup>

**Read More:** [Why Do Employees Quit?](#)

Some business leaders are choosing to get ahead of this curve, understanding that they can either choose to provide those desirable employment options or risk losing out on attracting the top talent from a much larger applicant pool.

With strong opinions on both sides, business leaders need to look at the remote work statistics and studies that are now available, consider their own business models and corporate values, and determine which type of office model is truly sustainable for their businesses: returning full-time to the office, continuing to work remotely, or introducing a hybrid work model.

## Work From Home Statistics and Remote Productivity

A survey of more than 30,000 employees in the U.S. reported that while working remotely between 2020 and 2021, they experienced increased productivity. <sup>[5]</sup>

In addition to reporting increased productivity, employees working from home also enjoy an improved work-life balance, as they are better able to manage their own schedules around their personal lives and responsibilities. This improved work-life balance is essential to employee satisfaction and engagement.

Working in an office and adhering to a strict schedule creates stress and can lead to employee burnout. Employees working full-time in an office incur greater expenses (in both time and money) that occur as a result of their commutes to and from the office, the cost of professional clothing that fits the office dress code, childcare costs, scheduling difficulties, and less autonomy.

The American Psychological Association surveyed 1,501 workers, asking them questions about their work and wellbeing. <sup>[6]</sup> According to the results:

- 79% reported experiencing work-related stress.
- 60% said that work-related stress reduced their motivation, interest, and energy at work.
- 36% reported feeling mentally tired.
- 32% had experienced emotional exhaustion.
- 44% suffered physical fatigue.

Owl Labs' 2021 State of Remote Work Report surveyed 2,050 full-time remote employees and found that: <sup>[7]</sup>

- 90% reported being as productive or more productive while working from home compared to working full-time in the office.
- 74% thought working remotely had improved their mental health.
- 84% said they would be happier continuing to work remotely after the pandemic – even if that meant taking a pay cut.

## The Challenges of Collaborating and Innovating From Home

Despite the positive aspects of working from home, remote work is not without challenges that can affect work-from-home productivity.

A study of more than 60,000 Microsoft employees that was published in *Nature*, revealed that working from home made it more difficult to collaborate. <sup>[8]</sup> Another study from the same publication found that participants in video meetings, who were attempting to collaborate virtually, made less eye contact, picked up on fewer visual cues, and were less productive than during in-person meetings and collaboration. <sup>[9]</sup> Yet another study found that, despite the ability to continue making sound decisions in a virtual meeting environment, engineers who met virtually came up with fewer creative ideas. <sup>[10]</sup>

In addition to affecting collaboration, remote work can also be lonely. In fact, remote workers frequently report feelings of isolation and loneliness. <sup>[11]</sup>

# Remote Working and the Hybrid Office Model

Despite the challenges of the remote workplace, the workforce has effectively spoken in favor of, at least, having the option to work from home. To provide the best of both worlds, some business leaders are considering the option of maintaining a hybrid workplace that provides employees with more flexibility and the option to work from home and/or from the office.

This model enables business leaders to combat the collaborative challenges of remote work by holding mandatory in-person innovation meetings and brainstorming sessions, while also allowing employees to enjoy the benefits, ease, money savings, and balance of working from home. Additionally, the hybrid model allows employees who prefer to work at the office, with their coworkers, in a less isolated environment the option to do so.

**Read More:** [Managing Company Culture in a Hybrid World](#)

## Is the Hybrid Work Model Sustainable?

Whether the hybrid work model is sustainable, however, is not yet certain. Like everything in business, this office model has challenges of its own. Before deciding to move to a hybrid office model, consider the current statistics and ask yourself the following questions:

- How do you maintain a consistent company culture when some employees are in the office and others are working at home, having different and separate experiences while working for your business?
- Additionally, how can you justify the cost of office space if it is only being used part of the time or if it is only 30% occupied?
- Can your business afford to cover work-related office costs for all of your employees who are setting up offices outside your headquarters while continuing to bankroll your business location?
- Does your product or service suffer when employees are working remotely?
- Has your company culture suffered as a result of remote work?

# Hybrid Statistics and Hybrid Productivity

Since the shift to remote work and hybrid office places is relatively new, the data is new, too. It's also fairly limited. However, the topic is current, relevant, important, and on every business leader's mind.

Read More: [Are Employees More Productive at Home?](#)

Gallup surveyed more than 140,000 workers across the United States and found: <sup>[12]</sup>

- Before the pandemic, 60% of workers preferred working full-time in the office, compared to just 9% after the pandemic.
- Before the pandemic, 8% of workers preferred working exclusively remotely, compared to 32% after the pandemic.
- Before the pandemic, 32% of workers preferred a hybrid work model, compared to 59% after the pandemic.
- The top reason why workers reported preferring hybrid work was the ability to avoid commute time.
- Avoided commute time was closely followed by the need for flexibility and balance with family and obligations, the option to work in person with coworkers, and experiencing an increase in productivity and connection/engagement with their companies.

According to an article from Intuition: <sup>[13]</sup>

- 63% of high-growth companies are already using hybrid office models.
- 66% of business leaders are considering accommodating hybrid workers.
- 83% of workers prefer a hybrid model that allows remote work at least 25% of the time.

# Measuring Office Model Success: Employee Productivity, ROI on Labor, Employee Retention, and Turnover Costs

As you adjust your office's model, shifting from remote work back to full-time in-office workers or exploring a hybrid office model, it's imperative that you keep a close eye on your financial health and a few key performance indicators to determine the effects of the changes you make. Be sure you have sound back-office systems in place for measuring metrics such as ROI on labor, employee retention rates, employee attrition rates, turnover costs, and productivity.

These metrics can help you determine which type of office model is the right one for your business, your employees, and your customers, ensuring you successfully settle into the new, post-pandemic normal (whatever that might look like for your company).



[1]

<https://www.theladders.com/press/research-remote-work-now-accounts-for-nearly-15-of-all-high-paying-jobs>

[2]

<https://arstechnica.com/tech-policy/2022/06/musk-to-tesla-and-spacex-workers-be-in-the-office-40-hours-a-week-or-quit/>

[3]

<https://www.theladders.com/press/25-of-all-professional-jobs-in-north-america-will-be-remote-by-end-of-next-year>

- [4] <https://www.workhuman.com>
- [5] <https://www.chicagobooth.edu/review/are-we-really-more-productive-working-home>
- [6] <https://www.apa.org/monitor/2022/01/special-burnout-stress>
- [7] [https://owllabs.com/products/meeting-owl-3?utm\\_campaign=brand&utm\\_source=bing&utm\\_medium=ppc&msclkid=d0d220de2f66101d5b69410092330d0b](https://owllabs.com/products/meeting-owl-3?utm_campaign=brand&utm_source=bing&utm_medium=ppc&msclkid=d0d220de2f66101d5b69410092330d0b)
- [8] <https://www.nature.com/articles/s41562-021-01196-4>
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