How to design your hybrid work policy: A research-backed playbook

THE WORK INNOVATION LAB

BY **asana**

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Introduction

Midway through our chat with Joe*, a team lead at a Fortune 100 software company, one of us asked:

> "
> We've used this word a few times, but I want to get your definition of it. What does 'hybrid' mean?

Joe flashed a mischievous grin, took a quick breath, and replied:

> "
> That's the million-dollar question. Right?

*Names have been changed to protect anonymity

"Hybrid work" is like a choose-your-own-adventure book—everyone seems to have their own interpretation. Take Steve, a Chief People Officer at a software company, who said,

> ❝
> When I hear the word 'hybrid,' to me, I hear flexibility.
>
> **STEVE**
> STUDY PARTICIPANT

On the other side of the aisle, Janna, an associate director at a unicorn tech startup, intentionally chose not to describe their work model as "hybrid", fearing it would convey an absence of flexibility. She explained:

> ❝
> We aren't calling it 'hybrid', we're calling it 'fluid work.' This adds optionality, it's more flexible.
>
> **JANNA**
> STUDY PARTICIPANT

So what does "hybrid" really mean, is it synonymous with flexibility? Despite being named Glassdoor's word of the year for 2021, "hybrid" remains a vague and nebulous concept, lacking a universally accepted definition.

Many companies have adopted a "hybrid" work model with some combination of in-office and remote work.

On average, employers support 2.2 days of remote work per week, with the remaining time in the office.

But hybrid work results are mixed—some companies are seeing success and others are struggling to get it off the ground. Many leaders are left scratching their heads, wondering what's working. This lack of clarity and consistency is frustrating and is becoming a major blocker to work.

It's also sparking heated discussions. Some are cautioning that it may represent the worst of both worlds, while others have speculated, "The 'Hybrid Office' could be great" but "could also be hell."

In our study, one participant, Myriam, an executive at a company that develops a popular business advertising platform, also used the word "hell" to describe hybrid work.

> ❝
> I wouldn't say hybrid work, because our CEO has basically come out to say he thinks hybrid is hell.
>
> **MYRIAM**
> STUDY PARTICIPANT

Researching hybrid work

Hybrid work is a hot-button issue, with passionate debates taking place on all sides, but these discussions often lack depth. They're influenced by preconceived notions about what work should be, rather than the current realities.

As the dust settles on the remote-work revolution and this new era of work continues to evolve, one thing is certain: hybrid work is here to stay. But many companies are struggling to navigate the uncharted waters of hybrid work, find their footing, and, as a result, are clinging to broken policies.

Hybrid work is neither inherently great nor necessarily negative. The success of hybrid work depends on how you design and implement your company's hybrid work policy. By being intentional and adopting data-backed strategies, you can design an effective hybrid work policy. In this playbook, you'll learn how to define hybrid work to bring clarity and intentionality back to the workplace (wherever that is).

Our team at The Work Innovation Lab by Asana has dedicated the last nine months to studying hybrid work policies in technology companies. Through 44 individual interviews spanning seniority levels and a survey of more than 1,100 respondents, we've amassed a treasure trove of data on how organizations approach and implement hybrid work.

We found that designing an effective hybrid work policy involves three key dimensions:

01 Where did your policy come from?

02 The four pillars of a strong policy

03 Creating a policy that works for your business

1

Where did your policy come from?

To create a truly effective hybrid workplace, you need to first look back at how it was designed. For many companies, hybrid workplace policies were rolled out quickly over the past few years. They had to be. But this urgency resulted in disjointed, biased policies for many companies. Without reliable data, leaders had to use their best judgment. Now that companies have more time to pause and reflect, they can take a step back, look at where the policy came from, and use new data to decide if it's still meeting the moment.

Based on our research, we've identified three questions that can help you evaluate your hybrid work policy by understanding where it came from:

01

Who created your hybrid work policy?

02

What data was used?

03

How was the policy communicated?

1. Who created your hybrid work policy?

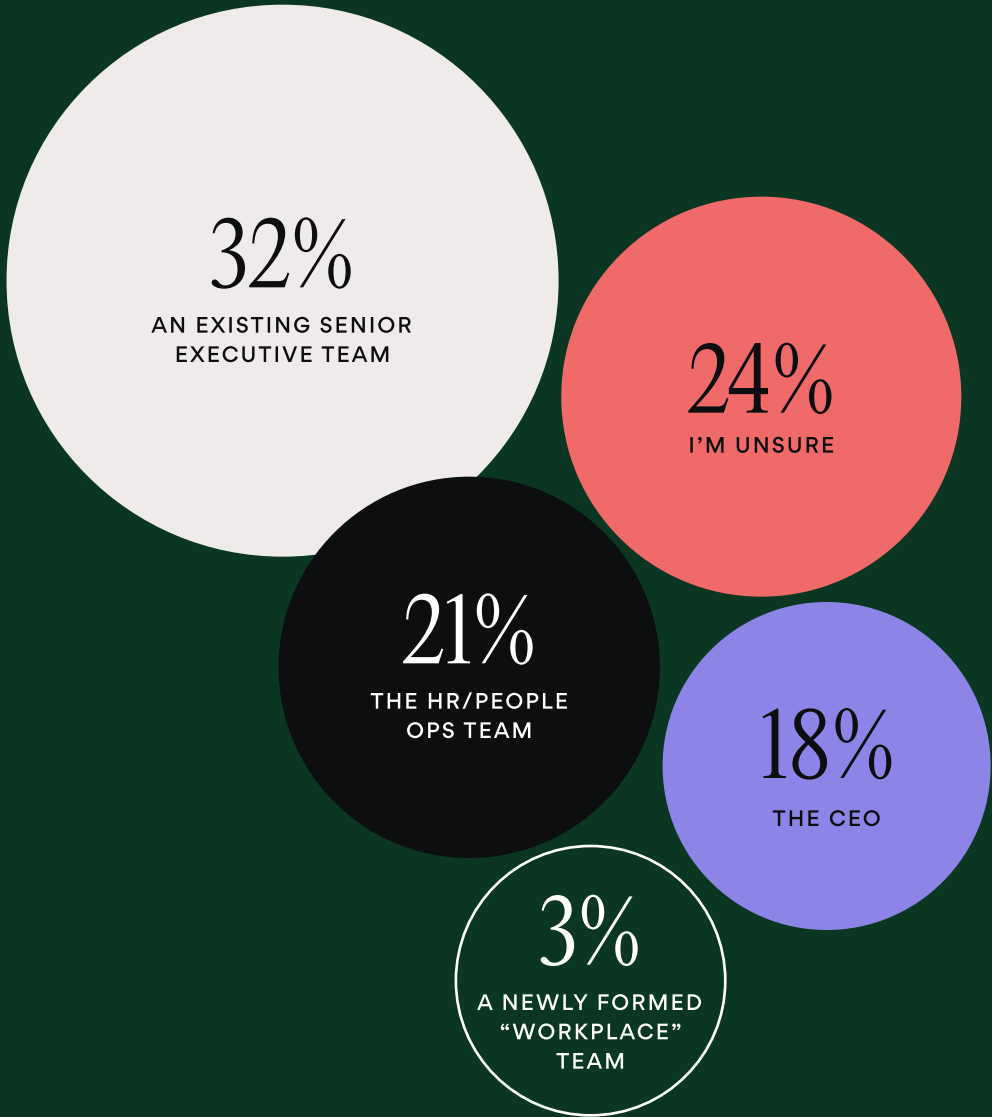Our research revealed a lot of ambiguity around this topic.

A staggering 24% of employees we surveyed didn't know who designed their company's policy.

Interestingly, our analysis showed that senior executives were the most common decision-makers for hybrid policies. This was a bit of a surprise to us—typically the HR or People Ops functions create workplace policies. But hybrid work is a unique beast with strong opinions on all sides. It seems like everyone has their own idea of what hybrid work should look like, which complicates decision-making.

As a leader, understanding who created the policy can help you better understand any potential pitfalls.

For example, if your company's HR or People Ops department designed your policy, it's likely— according to our research—to be more focused on remote work logistics, like ensuring employees have the necessary tools to work from home. If the policy was designed primarily by senior executives, it might prioritize the company's overall productivity and bottom line. In both instances, the policy might not take into account the unique needs and preferences of individual teams or departments.

Who designed you company's hybrid work policy?

32%
AN EXISTING SENIOR EXECUTIVE TEAM

24%
I'M UNSURE

21%
THE HR/PEOPLE OPS TEAM

18%
THE CEO

3%
A NEWLY FORMED "WORKPLACE" TEAM

2. What data was used to develop the policy?

It's helpful to determine what (if any) data was used to create the hybrid work policy, including data on employee preferences, productivity metrics, cost analyses, and market trends.

How can we expect employees to fully embrace a policy if they don't know where it came from? Not knowing the data behind a policy can create mistrust and confusion—it feels like it came out of nowhere. Employees might question the validity and fairness, resulting in a lack of buy-in. We found that 89% of employees who understand why their company's work arrangement policy was in place found it effective. In contrast, only 26% of employees who lacked that understanding, found it effective.

32%

of people we surveyed weren't sure what data was used to create their company's policy. This uncertainty stemmed from either a lack of transparency (leaders didn't share which data they used) or because the decision-maker didn't use data.

3. How was the policy communicated?

Despite how much we talk about hybrid work, we found that many companies haven't done enough to communicate their policy within their org.

43%

of survey respondents couldn't locate their company's hybrid policy on their company's intranet

19%

Even more concerning, nearly 1 out of 5 respondents (19%) reported that they couldn't find the policy at all—**either because they didn't know where it lived or because they didn't think it lived anywhere.**
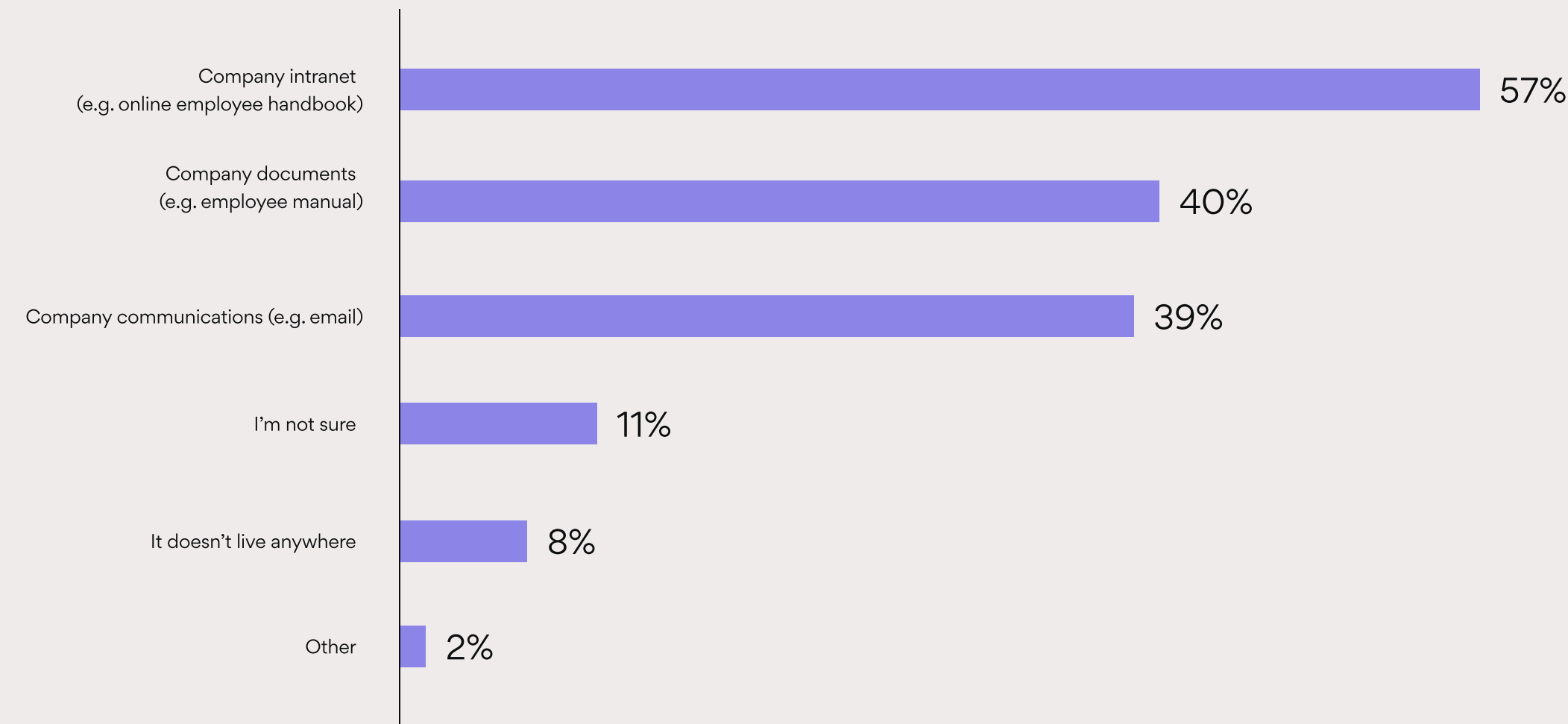
As Jay, a senior employee at a major consulting firm, described:

> "
> The policy is literally three sentences in a booklet that says you have the capacity to work from home as you see fit. As a manager, you can allow your team the same flexibility. Right now, our office policy is really broadly written, which is frustrating. The policy is basically 'do what you need to do to get the job done. And use your best discretion.'

Additionally, 19% of respondents said that the policy only lived in fleeting company communications. Ultimately, this lack of accessibility and clarity can lead to employees feeling like they're in the dark. Without a clear understanding of the policy, they don't know how to abide by it.

Where does your company's work arrangement policy live (i.e., where can you find it)?

Company intranet
(e.g. online employee handbook) — 57%

Company documents
(e.g. employee manual) — 40%

Company communications (e.g. email) — 39%

I'm not sure — 11%

It doesn't live anywhere — 8%

Other — 2%

Participants selected all options that applied.

The lack of a formalized hybrid policy can lead to weak and inconsistent enforcement across different teams. The result for Jay's company?

> "
> People are switching managers and teams in droves [for a more preferable remote or hybrid policy].

Despite the benefits of allowing employees to access their policy, some leaders don't want this level of transparency, according to our research. That's because codifying a hybrid policy on an intranet makes it easier to spot discrepancies and inconsistencies between teams. But transparency leads to clarity and trust —both essential to a well-oiled hybrid work policy.

We found that there are two key ways to increase transparency and effective communication of hybrid policies: formalizing them and updating them in real-time. Even small details made a big difference. As one of our interviewees, Molly, an executive at a large SaaS company with roughly 4,000 employees, put it:

> "
> The policy needs to be well written in a document with visual aids. You need to be able to consult those types of documents to figure out what's going on. [Our company's] lack of documentation has come up with my team six times already this week.

It's not enough to simply communicate what the policy is, but also why it was developed in the first place. Without this context, employees are less likely to trust the policy and more likely to ignore it.

> We found that the strongest predictor of whether an employee viewed their company's policy to be effective was if they understood the reasoning behind it.

For example, at Asana, employees have the option to work from home on Wednesdays. This was an intentional decision and the "why" was communicated to employees: Because Wednesdays are also "No Meeting Days" for many employees, this policy aligns more heads-down focus work with working from home.

We found that 89% of employees who understood why a work arrangement policy was in place also found it effective. In contrast, 26% of employees who lacked that understanding found it effective.

Nikki, a learning and development specialist, at a Fortune 10 company was unable to explain the rationale behind his company's policy:

> "
> I don't know how my company decided which days my team would work. That's a few levels above where I sit.

Be aware of Conway's Law

So far we've established that personal biases of the decision-maker, along with the data they use, can impact hybrid work policies. But there's another less obvious factor that can influence policy design—the company's product. In our research, we observed that many businesses selected their hybrid work model based on their own technology.

> 56% of respondents recognized that their company's product influences their policy.

This phenomenon can be explained using Conway's Law, a theory that says companies design systems based on their communication structures. In the context of hybrid work, Conway's Law suggests hybrid work policies will reflect an organization's communication structures and technological capabilities.

For example, Figma initially permitted minimal remote work during the pandemic but transformed its product for more collaboration with Figjam. Now, they allow every employee to decide if they want to work remotely. Interestingly, tech companies less focused on building collaborative communication platforms, such as Microsoft and Apple, tend to adopt more in-office hybrid cultures.

We believe that there isn't enough recognition of how a company's product can drive decision-making around hybrid work. As a leader, it's essential to be aware of how your technology is influencing your hybrid work strategy.

Using the right data to inform your policy and making it accessible can reconnect you to your employees. One way to do this is by focusing on Collaborative Intelligence—data and insights on how your employees collaborate. With Collaborative Intelligence, you can effectively see the ways your employees work, and use that information to design a hybrid work policy tailored to fit your specific company needs.

Key questions for collecting Collaborative Intelligence:

- How collaboratively overloaded are your employees?
- Have cross-functional silos formed?
- Are people energized in their collaborative relationships?

The four pillars
of a strong policy

To improve your policy, you first need to define these four elements:

→ Location
→ Schedule
→ Office use
→ The decision-maker

Create a policy structure based on these four key elements:

LOCATION

Weekly:
A specific number of days in the office per week, less than 5 but more than 0 (e.g., 3 days in the office per week).

Periodically:
A specific number of days in the office per month or quarter.

As needed:
No formally required number of days in the office.

SCHEDULE

Fixed schedule:
Employees work specific days and hours in the office.

Flex schedule:
Employees can choose their workdays and hours, but they are still required to be in the office for a certain number of days or hours per week.

Schedule-free:
Employees have complete control over their work schedule and are free to work from any location, at home or in the office, as long as they meet their work requirements and deadlines.

OFFICE USE

Heads down work:
Mostly cubicles and private offices.

Collaborative space:
Open floor plans and community spaces.

Mixture:
Focused and collaborative workspaces.

THE DECISION-MAKER

Top-down mandate:
Company-wide mandate.

Top-down policy:
Functional or team-level decision.

Manager discretion:
Manager defines hybrid work for their reports.

Individual contributor discretion:
Up to the individual to decide.

Where will your employees work?

> When we asked our respondents how they thought about location, most companies described only thinking of days per week (e.g., 2 days per week in the office).

However, some companies thought more creatively, for example, days per quarter. At one company we studied, they had employees visit the office for several weeks. Employees who lived outside of the immediate area would stay in hotels, Airbnbs, or with friends. With this model, employees could live and work from wherever they wanted.

"

We've landed on a remote-first hybrid model. We bring together teams for a few weeks per quarter, so they can build trust, collaborate, innovate, and work together. It's not the traditional model of two days a week at home or three days in the office. Rather, it's lots of time at home if that's where you want to work and then a few weeks per quarter together with your team.

We wanted to set clear expectations that teams come together in person as part of their role. Whereas for a lot of remote-first roles, the in-person time might be optional.

ALEX
DEPARTMENT HEAD OF AN AI DEVELOPMENT COMPANY

When will your employees work?

A 2022 study found that 94% of knowledge workers say they want schedule flexibility compared to 79% who want location flexibility. Yet nearly two-thirds (65%) said they have little to no ability to adjust their hours from a pre-set schedule, outside of the occasional personal appointment like a doctor's visit.

In our interviews, we found that employees preferred flexible work schedules to fit personal needs and obligations, such as family and childcare.

But despite temporal flexibility being very important to workers, we found that those in charge of hybrid work policies spent far less time contemplating schedules than they did location. If companies prioritize scheduling flexibility, they may see higher levels of employee satisfaction and retention.

How should employees use the office when they're in?

As businesses reduce budgets, some are cutting office space. Smaller, undefined spaces can lead to a "first come, first served" environment where the people who arrive in the office first can occupy whichever space they'd like, regardless of what the space is designed for.

Our research revealed that some teams opted for multiple weekly site visits not because their job required it, but because they felt disconnected from one another.

It's still unclear how and where employees should collaborate. One SaaS company we studied had a top-down policy outlining where employees could work and reconfigured offices to be more collaborative. However, leadership failed to provide guidance on how to then use this new space to effectively collaborate.

This isn't uncommon, about one in five (18%) survey respondents did not receive guidance on how to collaborate in a hybrid or remote work arrangement.

"

Our VPs in research and development have really doubled down on wanting to bring people back to the office. They're making it a mandate, at least for their groups, because they were struggling with hands-on interactions and collaboration when they were fully virtual.

KRIS
HR LEADER AT A FORTUNE 500 SOFTWARE COMPANY

Who's deciding the hybrid work policy?

When it comes to larger decisions in the workplace, it's important to define and share who the decision-maker (or team of decision-makers) is. When this role is clearly defined, employees can trust that they will be kept in the loop, giving them a sense of security even if the "who" changes.

Given how confusing, and often inconsistent, the rollout of hybrid work policies has been for many companies, it's even more crucial to share with employees where the mandate comes from.

Overall, a lack of clarity has led to a flood of logistical headaches. Sue, a team lead at a Fortune 500 tech company, described:

"

Different teams have started to develop their own processes or policies [for collaboration and meetings]. I hate that it's put on us [individual contributors] to create processes around asynchronous and synchronous communication. We haven't been given any structure around how we should communicate.

RESEARCHER AT A SOFTWARE COMPANY

Hybrid policy types by decision-maker

Top-down mandate *(company-wide)*

Advantage:
More consistency across departments and teams

Disadvantage:

- Tends to overlook unique needs of individual groups
- May overlook practical realities of how teams work together

Example solutions:
To avoid these issues, companies should involve employees in the policy development process and provide clear guidance. This way, employees have the support they need, regardless of their location.

Top-down policy *(functional or team level)*

Advantage:
Tends to more accurately align with on-the-ground work

Disadvantage:

- May not fully account for cross-functional work
- Can lead to gaps where individuals from different teams that work together are subject to different policies

Example solutions:
Companies should deeply understand how teams work together and actively try to identify and squash instances of misaligned policies.

Hybrid policy types by decision-maker

Manager discretion

Advantage:
Can better serve individuals

Disadvantage:
May lack synchronicity and consistency

Example solutions:
Be on the lookout for inequities in policy implementation. If possible, try to establish norms at the company level (e.g., company in-office Wednesdays) to combat the lack of synchronicity.

Our research shows that this approach often leads to two problems:

- A lack of synchronicity among team members

- An internal labor market, where employees seek out teams with more favorable hybrid work arrangements

Nearly a quarter of the workers we surveyed (24%) weren't opposed to switching teams because they preferred another team's hybrid work policy, with 13% having actively considered it.

Employee discretion

Advantage:
Potentially increases employee engagement

Disadvantage:
Tends to lead to an extreme lack of synchronicity and consistency

Example solutions:
Companies can take a cue from HubSpot, which limits the types of arrangements and the frequency of changes allowed. At HubSpot, remote work is treated like health benefits and has an "open enrollment" period where employees opt for different work arrangements.

"

Overall, a lack of clarity has led to a flood of logistical headaches. Sue, a team lead at a Fortune 500 tech company, described:

Company leadership said, 'We will give team leadership a lot of discretion.' I think everyone appreciated that in principle, but we're such a cross-functional culture. If your immediate team was doing one policy, but others you spent a lot of time working with had another one, it was a pain point.

Creating a policy that works for your business

Many companies rolled out their hybrid work policies quickly and without much thought. The results have been mixed, with some seeming to alienate employees and others striking the right balance. Now, with more experience and new data, there's an opportunity to customize these policies to work more effectively.

Your employees need clear and concise information about your hybrid work policy. It's not enough to simply state the policy and its requirements; you need to make sure your employees understand the reasoning behind it, the data used to develop it, and how it will be communicated.

Be transparent

Consider surveying your employees to gauge just how transparent your policy actually is:

The how	*The what*
How was our policy determined? How is our policy communicated? How strongly is our policy enforced?	What is our policy on location? What is our policy on schedules? What is our policy on the way we use our office? What is our policy on who decides your hybrid work requirements?

Determine if your hybrid work policy is accessible with two questions:

QUESTION 1

Can the average employee find the policy on your company's intranet or a similar forum in less than 90 seconds?

QUESTION 2

Does the policy explain why it was developed, in addition to what it is?

Defining ambiguous words will also bring more clarity. Clearly state what you mean by terms like hybrid work to better communicate your policy and set clear expectations for employees:

- **"Hybrid":** Our research found that most of our participants associate hybrid with place, but a significant number also associate it with time.

- **"Flexibility":** Some view flexibility as the ability to work from anywhere, anytime. Others see it as having more control over their schedule.

- **"Productivity":** Research has shown that managers and individual contributors can have different definitions of workplace productivity. For example, a 2021 underlinestudy found that while managers viewed productivity in terms of output and performance, individual developers viewed productivity in terms of output.

- **"Collaboration":** Collaboration is a buzzword in the workplace, but what does it really mean? According to our interviewees, collaboration is something that should happen in the office, but they struggled to define exactly what it is. Is it meetings? Brainstorming sessions? Chance encounters in the hallway? Defining it leads to more efficient and effective collaboration.

Become data-driven

According to our research, too many leaders design their companies' hybrid work policies on intuition and personal preference, rather than data or research.

With hybrid work, there's no internal blueprint—it's not realistic to rely on your intuition, no matter how far it's gotten you in the past.

In addition, our research revealed that companies have looked to peers when developing their hybrid work policy. One-third (33%) said they used trends and market data to develop their hybrid work policy. This desire to align with peers is a phenomenon known as "mimetic isomorphism" in academic circles.

Mimetic isomorphism describes the tendency of organizations to imitate each other's practices and structures so they appear legitimate and gain social acceptance. Research shows that companies may adopt certain practices or structures not because they are effective or efficient, but because they believe they should.

On the other hand, one quarter (25%) of our respondents said their companies used employee survey data to decide on their policy. As well, more than one-third (34%) used interviews with employees to decide on their policy.

These approaches are more data-focused, but it's important to recognize that survey and interview data can be fundamentally flawed and subjective. Therefore, it's crucial for companies to supplement survey data with other sources of information.

What data did your company use to develop its hybrid work policy?

Interviews with employees	34%
Trends and market data	33%
Employee survey data	25%
Experiments	17%
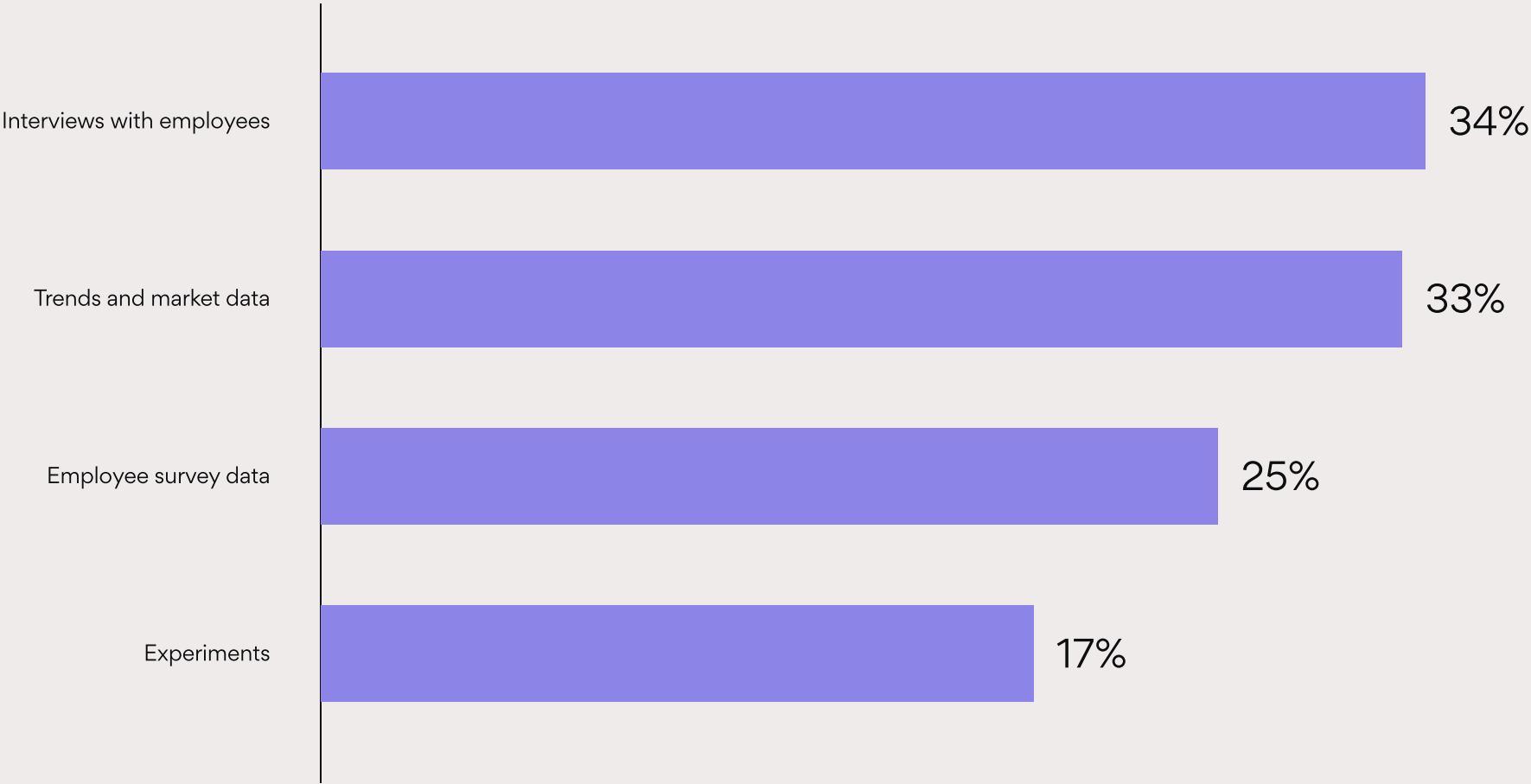
Embrace experimentation to learn from within

Experimentation is an excellent way for companies to take a data-driven approach toward their hybrid work policy. But most companies haven't taken advantage of it. According to our research, only 17% of employees said their companies used experiments to decide on their hybrid policy.

Fortunately, some companies have embraced experimentation. For example, Adobe is testing many aspects of hybrid work—even the color of different workspaces.

At HubSpot, they're experimenting with <u>new meeting features</u> to be more inclusive of every participant, regardless of where they're working from. In four of their office spaces, they're trying out new technical features, such as camera framing and acoustics, and even re-organizing furniture to reduce side-conversations and boost engagement.

"

In a new building in San Jose that we're opening next year, we've been experimenting with color theory and biophilia, or plants, to promote innovation and create different types of reactions. For example, community spaces will be more of an orange tone, as science shows it warms you up and makes you more available. The blue areas of the building are more about focus, and green is about collaboration. These color cues help set a subconscious tone.

ERIC KLINE
DIRECTOR OF ADOBE'S WORKPLACE INNOVATION CENTER, LAB82

As quoted in <u>Bloomberg</u>

How do you know if your policy is working? Measure success.

About half (49%) of companies are using productivity data to measure the success of hybrid work policies. This is a slippery slope. "Productivity is extremely challenging to measure. As well, when companies cling to productivity metrics, it can lead to "productivity paranoia," which negatively impacts employee morale and motivation.

In short, it's very difficult to isolate productivity and performance gains specific to remote work.

Plus, productivity and performance are lagging indicators, meaning they do not predict future outcomes. Businesses should instead focus on measuring performance-driving indicators, such as collaboration and employee trust in leadership.

For example, one Fortune 500 company that we spoke to has been using badge data to assess hybrid work effectiveness. Using in-office sensors, they've been assessing productivity and engagement levels by tracking when and how employees use office spaces and digital tools. They've used this data to inform which teams are better suited for remote work and which require in-person collaboration.

Kyle, the Head of Workplace Strategy and Innovation at an enterprise company with roughly 30,000 employees, described how his company uses badge data to see how many people are going into our offices.

They look at whether senior leaders or specific demographics of people (like gender) go into the office on particular days or at different cadences.

Still, this approach is reactive—it doesn't show why employees are making particular choices in terms of where to work.

But it's better than no data at all. 16% of our respondents said their companies weren't evaluating the success of their policy at all.

Several of our interviewees assumed their company used data to decide on the "right" policy, even if they hadn't been told that.

The "right" way to measure success will differ for every company, but we recommend relying on Collaborative Intelligence rather than productivity. We know that inter-team dynamics suffer because remote environments offer fewer opportunities for informal interactions.

We had the following interaction with Nick, a Global Learning and Development Specialist at a Fortune 10 tech company:

"
Company leadership said, 'We will give team leadership a lot of discretion.' I think everyone appreciated that in principle, but we're such a cross-functional culture. If your immediate team was doing one policy, but others you spent a lot of time working with had another one, it was a pain point.

To build the new era of work, start with the data

As we navigate the post-pandemic era of work, it's clear that hybrid work is here to stay. However, there is still much uncertainty and ambiguity surrounding what it means, how to implement it effectively, and how to measure its success. Companies must be willing to experiment, learn, and adapt as they design their hybrid work policies. With effective data and customized approaches, you can create a new, better future for work.

Learn more at:
workinnovationlab.com

The Work Innovation Lab is a think tank by Asana that develops human-centric, cutting-edge research to help businesses evolve today to meet the growing changes and challenges of the future of work. To learn more about The Work Innovation Lab and get our other research-backed insights, visit workinnovationlab.com.

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BY asana