

# Key considerations before moving to a longterm hybrid work model



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Last year, many companies

allowed employees to work from home for the first time. While vaccines are becoming more widely available, not everyone is eager to return to the office for business as usual. Employees and companies alike have experienced the benefits of remote work, and many are now considering making the transition to a permanent hybrid model.

A hybrid work model is one in which some employees work from home while others work onsite. Other hybrid models include a mix of in-office and remote work throughout the week for employees, such as three days onsite and two days at home. According to <u>Slack</u>, 73% of employees prefer a mix of remote and in-office work.

While this may sound great, making such changes isn't a simple effort. Before your company makes the jump to a long-term hybrid work model, you'll need to understand the obstacles, benefits, and legal considerations involved.

## **Legal Considerations**

Before you decide to implement a long-term remote work policy, consider all relevant legal and liability concerns.

## **Wage and Labor Laws**

If you plan to continue to require some time spent onsite for your remote staff members, the payroll and compliance concerns are relatively minimal. However, if your staff is hourly rather than salary, you will have to be a bit more diligent in preventing time clock fraud. Work with all people managers to ensure that they monitor remote employees' work activity and document absences properly.

If you plan to allow some employees to work entirely remotely, consider whether to open up remote job postings to candidates in other states. One of the major benefits of hybrid work models is the ability to tap into talent outside your immediate area. However, if you do hire W2 staff in other states, you will need to follow that state's payroll and labor laws. For example, there are variations on sick leave and PTO policies. For example, some states, like California, require you to pay out accrued but unused vacation upon termination. There are also variations in income-tax withholding requirements and rates.

These differences can make your payroll, onboarding, termination, policy, and compliance processes a bit more complicated and time-consuming. Some companies utilizing hybrid work models choose to only hire remote staff in states where they already have offices or in-person worksites to simplify this. If you go this route, be sure to include in the job description which states you are willing to hire in. This will save you and the candidates time.

## **Data Security**

If your remote employees have access to sensitive customer information or company data, work with IT to ensure that proper data security practices are in place. Have them provide the necessary equipment checks and employee training on cybersecurity.

Consider providing company-issued computers. Employees may be visiting sites outside of work where logging into a company site on a shared device could present virus or security risks. Additionally, they may grant others access to their personal computer. Allowing or requiring the storage of company documents on an employee's personal computer also means that they will have access and copies of all of those files even after their termination.

If you are in a highly regulated industry, check the policies before allowing remote work. HIPAA, contract stipulations, and industry-specific regulations may apply.

## **Benefits of Hybrid Work Models**

The discussion on long-term hybrid work policies can spark some objections. Will employees be productive without direct supervision? Can you keep your staff engaged when they're not all together? Will you be able to attract high-quality talent without the draw of flashy office perks? The answer to these seems to be a resounding yes. Hybrid work benefits businesses in a variety of surprising ways.

## **Productivity**

After a year of widespread work-from-home, data is coming in to support the idea that workers are just as productive or more productive at home as they were in the office.

Remote employees have been reporting higher productivity, increased happiness, and fewer distractions and procrastination over the past year. It's not just employees reporting positive results, employers are noticing it too. Mercer, a payroll and benefits consulting firm, reported that 94% of the employers surveyed said that productivity had either increased or stayed the same after they allowed employees to work from home due to the pandemic.

There is a misconception that remote workers will not put in their full work hours. In practice, those working from home are 43% more likely to work over 40 hours per week.

## **Accessibility**

The shift to remote work over the past year has helped disabled people integrate more easily into the workforce. Americans with disabilities historically have higher unemployment rates compared to able-bodied adults. Before the pandemic, only about 40% of working-age adults with disabilities were employed, compared to 79% of the general population. Hybrid work models can help open doors for disabled people who have difficulty commuting to and working in traditional office environments.

HR professionals should keep hybrid work assignments in their accommodation toolbelt. Allowing disabled employees to work from home more often can help employees with a wide array of physical and mental health concerns.

If your current office location is not fully accessible to disabled staff, such as those in wheelchairs, remote work can be a mutually agreeable solution. It can be costly to renovate your office space to add ramps or other changes needed to reasonably accommodate users of wheelchairs or mobility aids. Commuting to downtown business districts can also be challenging for disabled people if there is a shortage of disabled parking spaces or the closest public transit stop is blocks away from your office. Accommodating disabled staff members and candidates is legally and ethically important, and it opens up your potential talent pool.

#### **Lowered Office Costs**

Many companies in large cities with high real estate costs, such as San Francisco and New York, are choosing to downsize their offices as they move to hybrid work models. If you are considering allowing a large portion of your staff to continue working primarily remotely, look at how this could reduce office costs. Even if you do not downsize, it can lower the cost of provided perks such as onsite catered lunches or snacks.

## **Making the Transition**

Now is the perfect time to explore all of the above considerations and start developing your long-term hybrid work policy. Before announcing a new policy to employees, it's always a good idea to iron out the details and get leadership fully engaged. Be ready to address concerns and questions from stakeholders and staff. You may even want to take this time to update your employee handbook to reflect policy changes. A well-planned transition will be a successful transition.

Additional resource: Setting remote work rules for hourly employees.