

Employer and Employee

The uneasy truce of 2023



Weekly Learnings 5 / 2023

In the last few weeks, I spent time with many companies, and their CHROs. The debate on work from home and flexibility is on everyone's mind and it's the case of who will bell the cat. Here is my quick set of learnings:

1. Flexibility is the most sought employee need. A company that doesn't understand that will have attrition and will not attract talent.
2. Companies went overboard with flexible policies; employee engagement plans and freebies during the pandemic and the rush of great resignation. Most of the companies that made bold predictions are now back to working from office.
3. A few things haven't gone the employee way.
4. In the pandemic, work from home became work from hometown. I used to remind my team that your place of employment is the home and not your hometown and I worked from Mumbai through the pandemic even though my home was in Gurgaon.
5. There is no proof in any research report done so far about improved productivity because of working from home. Employees contest this but the data is the data.
6. Moonlighting started in a big way and all employees came under scrutiny.
7. There are three types of companies and variations thereof on this topic of work from anywhere.
8. The first set of companies has 'our policy is work from office'. This is unambiguous and hence everyone is landing up despite their private grievances. A senior manager with over 20 years' experience told me "My boss wants to see me outside his cabin every day. He is so old fashioned. What do I do?" This policy is impacting women in these companies and the lack of flexibility will see women quitting.
9. The second set of companies is 'the boss/manager will decide'. While this is good, this brings variability to the process. Some bosses are ok with wfa, some aren't. individual contributors can work from anywhere, but when a task requires people to be in a location, work from home is a challenge for some team members.
10. The third set of companies follow "we are fully flexible as long as the work doesn't suffer". This type of company requires fair appraisal systems, an ability to challenge appraisals and leaders willing to focus on output and impact and not on attendance.

Employees worry that leaders will end up favoring an inner circle who come to office and an outer circle that doesn't come to office will be challenged. We tried experiments within a team in 2021. All the four women who were offered the wfa flexibility if they worked 45 hours a week ended up working from office since they felt that their work required coordination of a high order and they couldn't do that from home.

11. Work from anywhere is also linked to talent and skill. Tech employees are finding jobs immediately in the USA as the market is hot for them. Chip designers, delivery managers in outsourcing, AI, ChatGPT, ESG, Digital will all be hot talent. Companies will bend rules for them.
12. I wrote in my annual predictions that 2023 will be the year of the employer due to contracted demand and high unemployment. That's played out pretty much in the first four weeks of 2023. The winter has been weak in Europe and USA, so gas and heating expenditure has been low, GDP is bouncing back. When the economic and hiring tide turns, the same employees will remember companies that were empathetic and those who were autocratic. They will leave in the last quarter of 2023 after the uneasy truce of the first half.

Shiv

www.shivshivakumar.com

06 February 2023