



# WILBANKS PARTNERS

## **The Future of Hybrid Work Policies: Significant Strategic Gains for Employers with Adaptive Programs**

The cat is out of the bag on hybrid work policies as a result of pandemic restrictions on travel and office work, and in the future, it is unlikely that most professionals in the asset and wealth management business will choose to commute 30-60 minutes to an office to talk on the phone and work on spreadsheets and documents. Most of the discussion about hybrid work environments centers on lifestyle and productivity gains of employees, and the cost savings of smaller corporate real estate footprints.

However, ***the most significant area of strategic opportunity in this evolving hybrid work environment resides in the ability for companies to attract and retain a more talented workforce, potentially at a lower cost.***

The pandemic restrictions simply accelerated a 20-year trend towards hybrid work environments spearheaded by some of the largest professional services firms.<sup>1,2,3,4</sup> In the war for talent, the ability to offer potential employees the opportunity to join a firm without relocation, and potential and existing employees the opportunity to work remotely and flexibly at least a portion of the time, creates an enormous strategic advantage. The potential benefits from higher quality talent acquisition and retention are significant and scaling quickly, according to our recent recruiting work, as well as announcements from firms like TIAA<sup>5</sup> and the ongoing practices of firms like Franklin Resources.

Same site, in-person work, both with clients and peers, will definitely and appropriately resume when vaccines are widespread and travel on public transportation and



congregating in enclosed spaces is deemed safe.<sup>6,7,8,9</sup> In areas like relationship building, culture reinforcement and evolution, training and development, and teamwork challenges such as creative ideation and crisis problem-solving, ***nothing will ever take the place of in-person work environments***. However, these important personal connections can coexist with more flexible hybrid work rules if companies plan ahead and provided the guidance, training, technology, and facilities to support these new processes.<sup>10,11</sup> There are a number of examples of firms in the industry, such as TIAA, Fidelity, and Franklin Resources, that are over a decade into the evolution of dispersing the senior management team throughout multiple offices with a significantly greater degree of flexibility on work location than was normal in the industry pre-pandemic. Tools such as better planning for team related work, more flexible and thoughtfully designed workplaces, moving in person events onto the “hip” of other required attendance events like client or association conferences, and better planning and execution of more frequent corporate events that include multiple layers of training and development and team meetings, are all part of best-in-class execution of a productive hybrid work plan. ***The evolution of more concentrated and efficiently organized days of in-person meetings, interspersed with technology-assisted remote working has gained significant traction at many of firms, and will therefore become essential to maintaining a strategic edge in recruiting and retaining key executives.***

We have been encouraged by the anecdotal feedback from both clients and candidates on the flexibility of employers in our industry facilitating employees and team dynamic needs during the pandemic crisis. For those preferring and able to work remotely, firms have stepped up with significant advances in technology, and almost more importantly the training to evolve and adapt work processes to optimize the use of this new hardware and software environment. For many employees who are unable to work from home, it is equally important that firms have been willing to create a safe



office work environment, with strategies including expanded testing, shift rotations, social distancing precautions, and the closing and/or frequent cleaning of public spaces.<sup>12</sup>

Our search work since the start of the pandemic has adapted quickly and successfully to the restrictions in place, much to the credit of the creativity and flexibility of our clients. The first half of any search has accelerated due of the ease of scheduling allowed through video and telephonic interviews replacing the travel required by in-person meetings. Unfortunately, the second half of most searches relinquishes those gains since recruiting for “C suite” positions almost always demands in-person interactions to allow for trust and interpersonal relationships to develop. These remain essential components of any senior-level talent initiatives. We have used a variety of techniques including:

- Both client and candidate drive their own cars a reasonable distance to meet at a state park, golf course, or beach for a socially distanced outdoor walk together.
- A candidate and client meet at a private home, sitting on an outdoor deck for a socially distanced visit or meal, having brought their own food and drink.
- Candidates and/or clients buy two business class seats for solo air travel to maximize the available spacing and safety for travel to onsite meetings.
- Respecting 10+ foot distancing, candidate and client meet each other in large 20+ person conference rooms, located in offices with very low occupancy density and frequent cleaning protocols, combined with Covid-19 testing before meetings.

We would hardly characterize these initiatives as business as usual, and alternatives have been significantly restricted in the Midwest and northeast during the winter and during the lockdowns in many areas starting in December 2020. Despite these hurdles,



we have continued to see a consistent flow of new searches, and existing searches have concluded with only a slight increase in total days to completion.

Onboarding of senior executives during a period of remote and/or flexible work schedules is equally, if not more, challenging. In some ways, the absence of relocations has actually improved work focus, increased meeting efficiency, and speeded integration efforts. However, building rapport with key staff, and integrating with, and then impacting, the culture of an organization continues to be key a concern with only a few best practices emerging (See our [Leadership Video Series](#) on this topic).<sup>13</sup>

Lastly, although relying on our anecdotal evidence at this point, we are finding that diverse cohorts are more recruitable and realize higher quality work experiences, compared to their white male cohorts, as result of hybrid work policies. We believe that this will benefit companies who aggressively adopt these techniques, resulting in both more success in recruiting, as well as **increased retention rates of mid-career diversity cohorts**. These shifts will occur for a wide variety of reasons, including more flexibility for family support commitments, greater productivity in an environment of increased transparency leading to more meritocratic assessments, and less importance placed on non-work social interactions, which are prone to damaging micro-messaging and subconscious bias and discrimination. We hope that data-driven surveys or scientific research will fill this information gap in the coming months.

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## Notes

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