



WILBANKS PARTNERS

Hybrid Work – The Pitfalls

Significant Organizational Shortcomings Exist

(Part 4)

Rapid migration to hybrid work policies has reduced the time for in-person, co-located work. This creates significant risks for the attrition of difficult to measure, longer-term cultural and developmental organizational activities, such as ideation, trust-building, culture carry-forward, career training and development, and engagement. Critical self-assessment by leaders is essential.

The migration to flexible hybrid work policies across the asset & wealth management business on a permanent basis has happened with amazing speed as businesses have started to emerge from the pandemic.^{1,2} The rise in worker and organizational productivity mirrors long standing academic research results.^{3,4,5} The adoption of more sophisticated technology platforms allowing this migration with limited disruption to ongoing investment returns, client relationships, and business development (as examples) has worked amazingly well over the last two years. The cat is out of the bag; in the future none of the professionals that we have encountered during our search work over the last year is ever going to commute an hour just to work on a spreadsheet or talk on the phone.

There are significant defects in this rosy scenario. Most of the productivity that has been measured occurs in easily quantifiable outputs and KPIs such as



revenues, expenses, service calls, investment returns, new clients, and project completion rates, as examples. **The more difficult to measure cultural and developmental organizational assets that play out over longer periods of time are not being tracked as accurately (such as ideation, trust-building, culture carry forward, career training and development, and engagement).**

All of these features are critical to success in any organization, and they will accrete and depreciate over time if not carefully and purposefully attended to.

Not only are these depreciating corporate assets difficult to measure, but the decline occurs mainly because of a deficit of skills in the most senior leaders in any company for operating in a hybrid work environment.⁶ Most seasoned leaders amongst the Baby Boomers, Gen X, and Millennials have spent the majority of their careers developing skills in a five-day-week, in-office, co-located work environment. Calling meetings on short notice with little planning, and haphazard discussions in hallways, cafeterias, or outside conference rooms on the hip of other meetings, were frequently used as important tools for advancing these cultural and developmental organizational goals.^{7,8}

Unable to use these inefficient and unplanned times to advance cultural and developmental goals, senior leaders typically do not start with a careful self-assessment of their personal skills. Rather, they search elsewhere for blame. A perfect example is the apparent mystery of the “great resignation,” or rising turnover rates of key employee groups.⁹

In order for organizations to succeed long-term in the new hybrid work organizational format, concise and consistent measurement of less easily quantifiable cultural and developmental activities and outcomes needs to be

carefully administered and made transparent as part of longer time period performance review cycles. A ***greater degree of transparency*** of the success and failure of operating styles occurring in the shorter and less frequent in-person, co-located work periods will quickly lead to the demand for skills training by senior managers. The most effective tool for speeding this skills upgrade is the testimonial of the CEO or Division Executive to their own personal shortcomings and the tools and skills they developed to overcome this deficit.

The senior leadership toolkit for succeeding in making better use of shorter and less frequent co-located work periods is straightforward:

- Fewer, shorter meetings executed with a significant degree of planning. Remember, meetings must be inclusive, inform, entertain, and leave participants with delegated and measurable tasks.^{10,11}
- Purposeful and clear statements of culture at every turn. Firm leaders must be on their game and “walk the walk” visibly, with the same intensity as a symphony conductor or quarterback in US football.^{12,13}
- Training and development must follow an apprenticeship model, with clear statements of expectation for self-teaching, including adequate tools/skills, but also easy and frequent access to master practitioners/partners.
- More careful listening skills, paired with greater organizational flexibility, must be applied rigorously and consistently. Employees must be empowered by the interactions with superiors and teams to ask for what they need to manage the balance between stretch goals in the workplace



and their personal life commitments. Flexibility combined with fair and transparent performance metrics are essential.

- Tasks and goals must be tied consistently to the mission of the organization. Look and listen for feedback from the team in order to evaluate success rather than falling back on declarative statements of intention.
- Leverage technology in remote work settings to build the effectiveness of in-person, co-located work. Best practices include project work streams that include interactive electronic communication (Slack channels, document sharing) with periodic in-person work sessions with clear inputs, deliverables, and output expectations.¹⁴

Notes

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