

Leading Global Commercial Real Estate Firm Uncovers the Impacts of Remote Work





CASE STUDY

Leading Global Commercial Real Estate Firm Uses Humanyze to Understand the Impacts of Remote Work

The Background

Due to the 2020 COVID-19 pandemic, a multinational professional services and real estate investment company was forced to rapidly and unexpectedly shift to remote work. As a long time customer of Humanyze, the company wanted to leverage workplace analytics to help them understand the impact of remote work on the organization and its people. Additionally, they wanted to leverage Humanyze solutions to have a data-driven plan for a safe, eventual return to the physical office.

One of the company's main concerns was that productivity and engagement would decline during the stay at home orders, particularly for client-facing roles who were used to significant face-to-face interaction with customers and colleagues. As a result of the pandemic, the company was now faced with key decisions around consolidating some of their offices and moving certain parts of the business to permanent remote work.



Using Humanyze's Organizational Health ScoreTM (OHS), the company was able to make more informed decisions by better understanding which parts of the organization would benefit more from returning to the office and which ones could work remotely just as effectively. With OHS, they were able to gauge the current state of the organization using science-backed, leading indicators and metrics within three main categories: Engagement, Productivity, and Adaptability. By analyzing fully anonymous, existing corporate data from collaboration tools against these proprietary metrics and indicators, Humanyze was able to provide the company with an unparalleled, comprehensive view of the workday.

OHS provides leaders with a macro view of an organization's effectiveness through the lens of collaboration. Each category receives an average between 0-10 that is based on aggregated scores for every indicator and metric in that respective category. Category averages are high-level views of where an organization stands, while the indicator and metric scores provide granular, actionable insights around specific areas needing attention. These scores help leaders easily gauge the current state of their organization, as well as where there might be risk to business objectives in the future. By continuously observing changes and trends over time, managers can ensure that any new strategy is having desired results and, if not, quickly dive deeper to identify what is moving in the wrong direction.

The Approach

With the central focus being on their two main North American offices, the company analyzed collaboration data, including email, calendar, and Microsoft Teams, for more than 1,000 employees. Given the partnership history, Humanyze was also able to compare past and present insights using data from previous years and data analyzed during the pandemic.

Since the company's goal was to implement the most effective remote work strategy, Humanyze focused primarily on the following OHS components:

Category: Engagement



Support Network:

Employees' social support network and potential sense of belonging within the organization



Exploration:

Employees' peripheral contacts or "weak" connections

Category: Productivity



Alignment:

Shows the amount of cross-team and cross-hierarchical collaboration that is likely occurring

Category: Adaptability



Organizational Flatness:

Related to how quickly or easily information can travel across an organization

The Findings

Overall, the company's Organizational Health Score did not drop significantly after the abrupt shift to remote work, however, certain metrics of interest related to remote work did experience noteworthy changes.

Engagement

One of particular interest was the Exploration indicator, which helps leaders understand how engaged employees are with colleagues outside of their immediate teams. The company's

Exploration indicator dropped by almost a full point from Q1 to Q3, and 1.5 points from the previous year's quarterly average. This happened alongside increases in the Support Network and Work-Life (measures workday length and weekend work) indicators, which indicated that short-term employee engagement did not appear to be at risk, but longer-term opportunities for mentorship, learning and development, and innovation will be at risk if the organization continues this trajectory. While employees working from home had more time to focus and to interact with their core teams and management, the more efficient yet shorter workday wasn't allowing for as many opportunities to connect with other colleagues across the organization.

Productivity

Indicators and metrics related to Productivity followed a similar trend to those in the Engagement category. The Efficiency indicator, which points to the amount of time employees are able to focus on their tasks and spend collaborating with their teammates, gradually increased. The Alignment indicator suffered as a result, indicating that employees were connecting less with people they do not rely on for their core work responsibilities in favor of more time with their core teams and increased time for focus. This indicator saw a decrease of .5 from Q1 to Q3, and even more drastically from Q3 the previous year. This was primarily due to a drop below the Humanyze benchmark in employees' number of extended network contacts, which are correlated with longer-term productivity and shared organizational context. Alignment is a key indicator because it relates to the speed and quality of communication that happens across teams and broader working groups and can illustrate how effectively communication tools help employees collaborate to share and receive information from outside of their core teams.

Adaptability

When assessing the effectiveness of a remote work strategy, it's critical to understand the flow of information sharing. One way the company was able to accomplish this was through the Adaptability category's Organizational Flatness indicator, which relates to the diversity of contacts employees have across the organization (across teams and hierarchies) as well as the amount of "steps" required for information to reach employees. This indicator remained roughly the same across all quarters for the company, indicating a relatively hierarchical collaboration structure which was not impacted by the shift to remote work. In order for the organization to work better remotely, however, they would benefit from an increase their Organizational Flatness score, as this would support faster information flow and opportunities to increase agility, while positively impacting the Exploration and Alignment indicators.

The Takeaways

Typically, when an organization loses regular face-to-face contact, the peripheral contacts who people do not rely on to do their core work start to fade away. This is due to less opportunities to meet by chance in places like an office kitchen, coffee machine, or in passing in the hallway. These contacts have meaningful impacts on an employees' and teams' ability to stay connected to broader organizational initiatives and contexts, as well as opportunities for inspiration, innovation, learning, and mentorship. It's important for organizations to understand these aspects of collaboration and find ways to foster these interactions in physical and virtual settings alike.

The company saw an increase in day-to-day efficiency and work-life balance, which is known to have positive implications for shorter-term results related to employee well being and company output. However, the drops in Exploration and Alignment, caused by a loss of secondary and weak connections in the organization, pose a threat to the company's longer-term ability to remain remote without possible risks in employee retention and productivity.

Though these findings were across the entire organization, certain teams were undeniably impacted more by the shift to remote work. As the organization begins to plan for which teams to move back to the office first, they will leverage Humanyze's indicators and metrics to guide decision–making and ensure that those most negatively impacted by working remotely take priority. Conversely, those that did not experience any negative changes could continue to work remotely without ever needing to return to the office.



To learn more about Humanyze's solutions, visit <u>www.humanyze.com/solutions</u> or <u>sign up for a demo today</u>.