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<u>UK companies push for greater in-office</u> <u>presence to drive engagement</u>, <u>contradicting a leading benefit of remote</u> <u>work</u>

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The trend of flexible work models is gradually shifting, as almost two-thirds of UK companies (60%) have implemented a formal policy that requires employees in the office for a minimum number of days a week. That's according to the Flexible Work Models Pulse Survey by <u>WTW</u>, a leading global advisory, broking, and solutions company.

The drive behind greater in-office presence is led by the belief that face-to-face interactions boost employee engagement within teams (84%), strengthen corporate culture (72%) and enhance learning opportunities, particularly for junior staff members (69%). However, this lies in contrast to the leading benefit of remote work, as 86% of organisations say engagement is increased by having better work life balance. Other benefits include promoting attraction and retention of specific roles that could not be filled without remote work options (82%) and greater retention (69%).

Despite employers justifying in office presence with better team engagement and productivity, two-thirds (61%) of organisations say that they have no set rules to determine days on site, so employees can choose the days they work remotely without restrictions.

"While employers navigate balancing both corporate and employee needs by encouraging employees back to the office for better engagement and productivity, without a clear structure around designated days spent in the office, organisations will be no closer to achieving improved team collaboration. Leaders need



to rethink their flexible work models in a structured way that prioritises the employee experience and at the same time achieves corporate goals. Reviewing rewards and benefits and seeking employee feedback ensures alignment with needs and expectations, while taking into account realistic changes that will motivate employees back to the office," says Paul Richards, Europe Rewards Data Intelligence Leader at WTW.

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While flexible work models are here to stay, it's a balancing act between achieving corporate and personal needs. Reflecting on WTW's 'Flexible Work and Rewards Survey: 2021 Design and Budget Priorities', conducted during the height of the COVID pandemic, employers anticipated that 43% of employees would have returned to working fully on-site by now. Whereas in reality, only almost a quarter (23%) of the work population are in-office for the majority of the week, which highlights the impact of enabling positive work-life balance. Yet, in WTW's 2023 Dynamics of Work Survey, 30% of employers were expecting to recruit employees from different geographies as fully remote workers, to expand their talent pool, which suggests contrast to the current request for more on-site collaboration.

Globally, most employers are achieving the requested number of in-office days, but this isn't the case across all markets. In the UK, most employers are looking for staff to be on-site for two to three days a week, which is being achieved, but sits lower than the three-day requested average across many other regions.

Despite the implementation of formal policies, organisations appear to be taking a gentle approach to encouraging on-site presence, as 62% of companies are not currently promoting bringing employees back into the office, while a quarter of companies (25%) are improving office facilities, such as improved dining facilities, gyms and physical therapy to entice in-person interaction. This considered procedure is likely due to concerns around instigating an uptick in attrition, if employee needs are not taken into account.

The reality is, that employees' desire for remote work has increased across all regions. In fact, according to WTW's Global Benefit Attitudes Survey, 47% of employees indicated they would quit their job or begin looking for a new one immediately, if their employer mandated a full-time return-to-office policy. While almost half (48%) of hybrid and remote workers would be willing to take a pay cut of 8% on average in order to have work flexibility.

However, in contrast, remote employees tend to feel more disconnected from their team or organisation. Additionally, employees working from home worry more about the potential negative impact it has on their career development, especially younger workers and those with children, according to the Global Benefit Attitudes Survey.

"There will be a competitive advantage for organisations that are able to create and sustain a balance where they can achieve their business objectives and employees' need for choice. Progressive organisations are engaging with their employees in meaningful and intentional ways to understand their evolving needs and create a work environment that allows every employee to do their best work. This means understanding the needs of various workstyles, including remote workers.



"Organisations need to take a holistic look at the entirety of the employee experience in order to truly make hybrid working effective and to meet the needs of employees and employers. This includes looking at the work environment, talent and reward programmes and policies, leader and manager effectiveness and culture." Says Gaby Joyner, Europe Head of Employee Experience at WTW.