

Proximity issues in the workplace:

is hybrid working at a crossroads?



Henley
Business School

AFRICA

Foreword

Traditionally, the white paper format has been embraced by those in the know to communicate fresh or emerging ideas, to distil expert opinions into a digestible format, and to put new ideas and solutions on the table. In academia, white papers are a useful bridge between formal journal articles and the sort of conversation-starters we like to interrogate in the classroom.

For the life-long learners and the curious at heart, the white paper is a punchy, to-the-point partner on a never-ending journey of exploration. For the busy executive, manager, and leader, the white paper is a convenient, easy-to-read, and authoritative tool that captures the essence of an argument and opens the door to future debate. After all, deliberation and disagreement are critical elements to effective education and personal mastery. Without exposure to new perspectives and opinions, no leader can even hope to keep abreast of fast-moving shifts and trends. Therefore, the white paper stirs the pot, puts uncomfortable – or just interesting – topics on the table, and entices readers' interest.

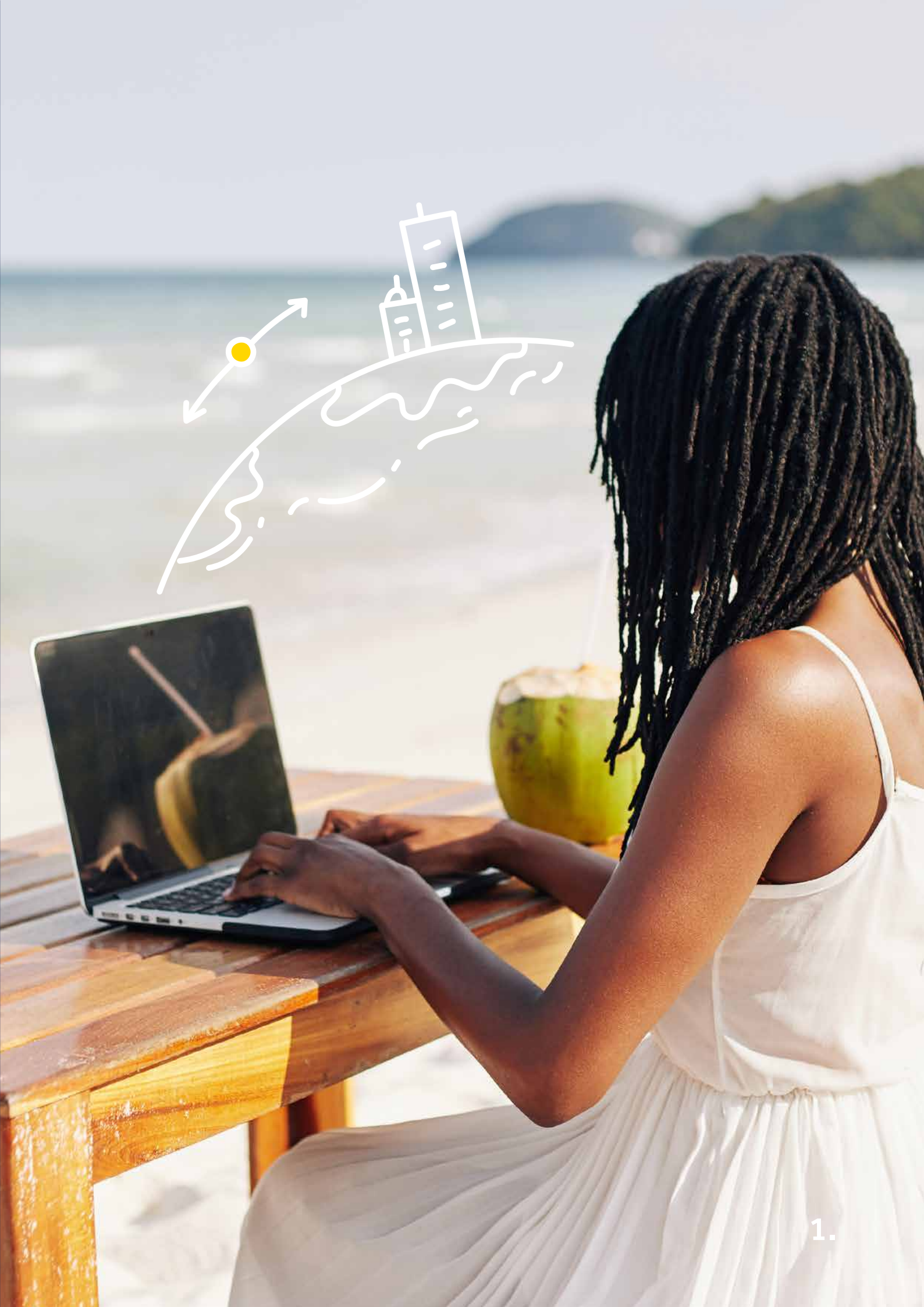
Given its convenient and accessible format, and relevant subject matter, the white paper has become an integral part of Henley Business School Africa's annual research output. Like an informative chat with an old friend or colleague, the white paper affords Henley's faculty and professional associates the opportunity to share a snapshot of exciting areas of study as well as to flag, debate, and make sense of unfolding trends. In turn, the business leader receives a front-row seat to new thinking and emerging solutions to current and sticky problems. These insights ensure that today's leaders can make better, faster, and more agile decisions to steer their organisations forward.

In Africa, where leaders from all spheres are buffeted by a range of often interconnected social, economic, and environmental concerns, the sheer volume of issues on the table can be particularly overwhelming. Our white papers attempt to shine a spotlight on what we deem to be key considerations impacting leadership and business on our continent, with the aim of equipping those in the broader Henley Business School Africa family with the will and the way to build a better Africa.

Jon Foster-Pedley

Dean: Henley Business School Africa

'Henley Africa white papers prod and probe innovations worth noting, interrogate complex issues, and discuss ways in which to solve them. They encourage dialogue, impact, and impact-driven research.'



White paper

Kiveshen Moodley

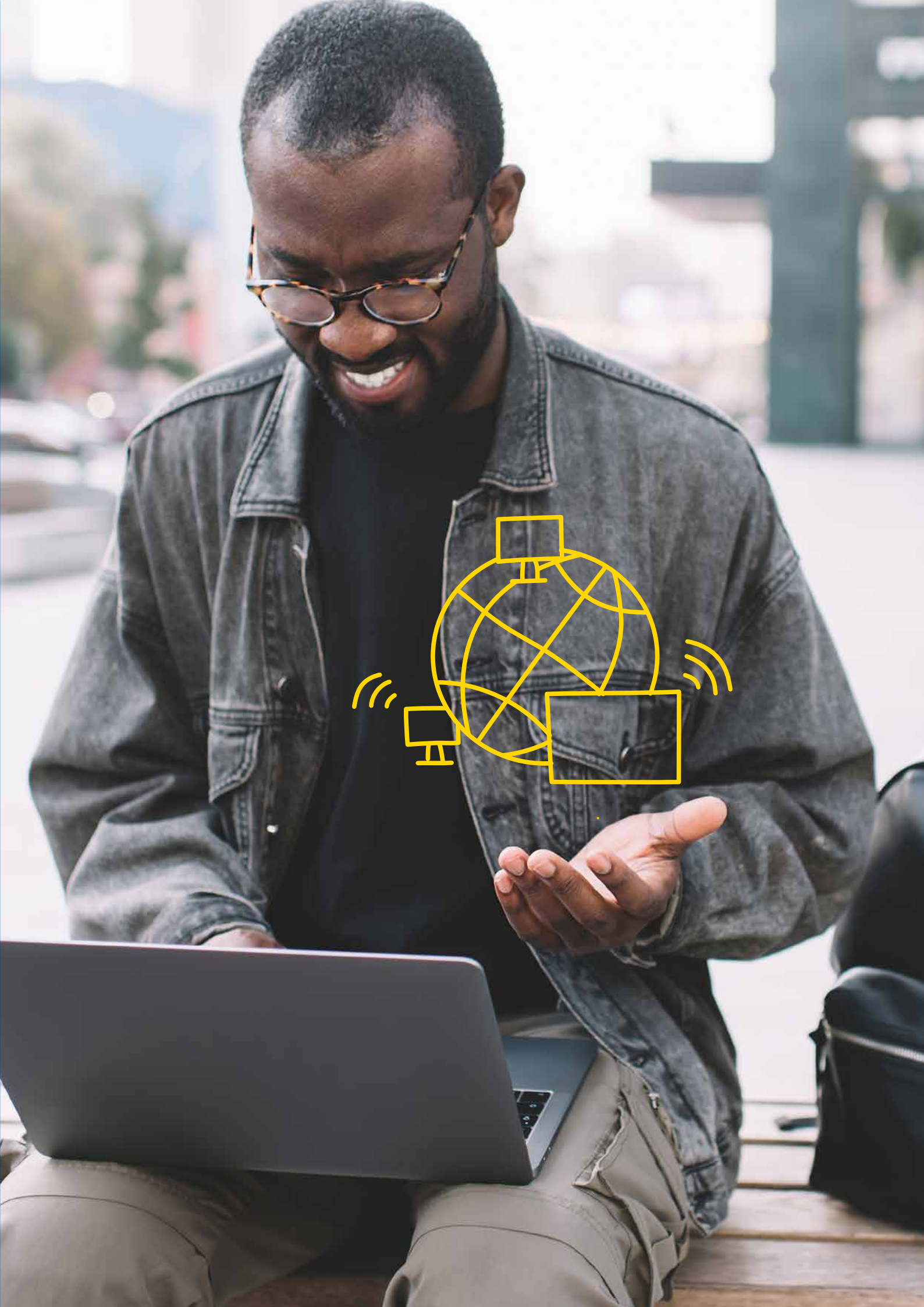
Master of Business Administration graduate

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Employees are the heart and soul of any organisation.

Notwithstanding evidence of increased productivity when employees work from home as well as employees' much-appreciated savings on travelling and flexible hours, proximity issues have given rise to several problems in the workplace. Negative spillovers are clouding relationships between and among employees and their managers, questioning the viability of hybrid working. This paper sheds light on this sensitive predicament, contemplating the realities from both sides of the fence.





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NB

Disclaimer

Aligned with our mission, 'we build the people who build the businesses that build Africa', we facilitate open, multi-perspective conversations and the generation of thought leadership pieces, such as this white paper. However, the views expressed in this white paper are held by the author and not necessarily held by Henley Business School Africa.

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Abstract

Companies' human resources departments have adopted significant changes in the working practices of employees since 2020, when the COVID-19 pandemic took the world by storm and companies had no option but to adopt alternative business models to keep their operations intact. A few years down the line, employees and managers have had ample opportunity to reflect on the new reality of some employees being on-site and others operating remotely. Globally, indications are that hybrid working is here to stay. Unfortunately, negative experiences – both from the perspective of employees and managers – are tarnishing the atmosphere. Managers are now reverting to the drawing board to assess prevailing complexities to curb rising tension in the workplace. This paper explores the predicament looking at both sides of the coin, acknowledging affected parties' perceptions, and contemplating the way forward.

Keywords: work from home; hybrid working; workplace bias; proximity bias; business models



Introduction

Companies' working practices have evolved significantly since the 1980s, when the flexible work-from-home (WFH) arrangement was introduced. This trend gained momentum in certain fields in the 1990s, when the internet took the world by storm, enabling companies to implement entirely different business models (Sako, 2021). The Fourth Industrial Revolution accelerated change, combining digital, physical, and biological elements and technology, which became pivotal in facilitating remote work to enhance flexibility and connectivity (Deloitte, 2023; Schwab, 2017). The multiple positive outcomes of remote work include an improved work-life balance for employees, enhanced mental and physical well-being of the workforce, increased productivity, and lower employee turnover (Kalev and Dobbin, 2022; Telford, 2022). This is a strong motivation for organisations to reconsider the way things were done in the past. Presently, a substantial 72% of the global workforce prefers a hybrid working model that combines on-site and remote work (PwC, 2018) and South Africa – particularly following the COVID-19 pandemic – is following suit.

The predicament

Nevertheless, hybrid working is not as rosy as it seems. Employers may develop a bias towards hybrid workers, while an emerging psychological distance among colleagues and managers may threaten hybrid workers' sense of belonging, creating a gap between them and on-site employees (Shih, 2022).



The adjustment to a new normal has elevated proximity issues. Some managers have even started rewarding employees who come to the office more often to encourage increased manager-employee contact (Haripersad, 2022).

The negative reaction towards remote work is probably not unexpected. The principle of cognitive proximity is well defined in Gestalt psychology (Koffka, 1935), implying that objects that are within close proximity belong together as a group. In the domain of sociology, the proximity principle proposes that stronger interpersonal relationships are formed with people within one's vicinity (Shih, 2022).



Focus of the paper

This paper explains how proximity bias impacts managers' and employees' behaviour in the workplace, specifically their working relationships. Although technology and services-orientated companies in South Africa that have adopted a hybrid work policy are used as an example in this report, the same principle most likely applies to other sectors.

Business relevance

Hybrid work differs from previous WFH forms that were constrained by existing technology and that made companies very cautious to support the practice in the past. The COVID-19 pandemic created a very challenging situation that forced companies to adopt remote work without contemplating the issue too much, and with advancements in technology, companies' perceptions and demeanour changed rapidly and rather dramatically. Now, after the dust of the pandemic has settled, many companies are – for the first time in history – challenged to manage teams of individuals who simultaneously work from the office and from home. Insightful conclusions have been reported following related investigations in developed countries recently (Ferreira et al., 2021; Jarvis and Silvergate, 2021; Tonolio-Barrios and Pitt, 2022; Tshipursky, 2022). Although insightful, these outcomes do not necessarily apply in emerging economies, where this phenomenon is still in its infancy stage. Therefore, the findings of this investigation are significant from a business perspective, whilst also contributing to literature.



Remote working: flip sides of the coin



Distinguishing subtle differences

Remote work, or the so-called *WFH* scenario, refers to conditions where people entirely work from home or an alternative venue, virtually, full- or part-time. *Hybrid work* presents a more flexible model that allows employees to work partially physically at the workplace, and to operate from home or somewhere else for the rest of the time. For example, in the United States, 86% of leaders in the technology professional and business sector anticipate implementing a hybrid working model for their organisations (Duffy and Andrews, 2022).

The origins

Working remotely was introduced in 1973, when Jack Nilles worked on a highly complex NASA communication system at his home (Nilles, 1988). Shortly after, Frank Schiff (1979) coined the practice 'flexiplace', which was later changed to 'telecommuting'. When the internet became more mainstream in the early 1990s (Leiner et al., 2009), computers became more affordable, which made them more accessible. Certain industries, such as call centres, then adopted remote working and optimised it as standard practice to outsource workloads (Hätönen and Eriksson, 2009). **Therefore, progress in technology has strongly enhanced the idea and implementation of remote work.**

Increased momentum: a point of no return?

The shock wave created by the global COVID-19 pandemic in 2020 forced companies to adopt remote working – whether it seemed logical or not. Within a very short period, WFH became the lifeline for many companies to survive. Looking back, this new experience caught companies and the workforce off guard. Companies soon realised that the future would be entirely different (Tonolio-Barrios and Pitt, 2022).

The consequences



Employees' perspective

The positive outcomes of WFH are undeniable. Remote-work social-sentiment data captured during 2020 revealed that 73.1% of 100 000 people applauded remote working (Dubey and Tripathi, 2020). Another study involving 1 239 remote workers specified benefits including a *better work-life balance*, *optimisation of time*, *savings on travelling costs* by not commuting to the office, and *increased productivity* (Thompson et al., 2021).

Unfortunately, over time, problems surfaced in paradise. Issues concerning *workspace*, *connectivity*, and *securing boundaries between work and home life* became all too common. Employees who had experienced less face time with managers also felt that they missed out on managers' support (Pulido-Martos et al., 2021; Pullan, 2020). As time went by, remote workers even experienced *limited career growth* and reported *inequitable working experiences* (Agovino, 2022).

Employers'/Managers' perspective



For managers in a hybrid workplace, *trust* became a pertinent issue (Kniffin et al., 2021; Pullan, 2020). Managers complained that *onboarding processes for new employees* are difficult: newcomers struggle to find the correct information and find it difficult to understand where they fit into an organisation when only skeleton staff are on-site (Petrilli et al., 2022). Supporting concerned managers' sentiment, a more recent systematic review of 131 studies that investigated employers' control over remote workers concluded that *teams that are well connected perform better*, and that *companies have better control* over a workforce that operates within close proximity (Pianese et al., 2022).

Former chief executive officer of General Electric, Jack Welch (2016), explained that to enjoy career success, employees must be in the office and that for those who wish to further their position, 'the road to the top is paved with being there'.

Work from home: framed within the law of proximity

The principle

As per the law of proximity, it is easier to secure relationships when people are relatively close to one other. Accordingly, Coleman (2019) argued that better opportunities are created when the right people – including managers and employees – are in the right place at a specific point in time. Cristea and Leonardi (2019) concluded that proximity is significant in managing employees, as those who have more face time with management benefit from better career advancement opportunities because their on-site presence signals commitment to their jobs. Furthermore, the authors argued that often remote employees do not have the same career-progression rate as on-site employees and have to demonstrate their commitment intentionally in other ways. Contrastingly, Walther (2007) contended that remote workers make a positive impression on managers if they are competent.

Cognitive bias: tainted thinking patterns



Cognitive bias implies a systematic error in people's thinking patterns when processing and interpreting information, which can impact their judgement and decisions. Automatically and unconsciously, a subjective perception of this nature can interfere with logical and rational thinking and affect people's decisions and judgements (Neal et al., 2022).

Typically human, the brain often takes shortcuts and uses external information to facilitate interpretation and decisions.

Proximity bias: out of sight, out of mind



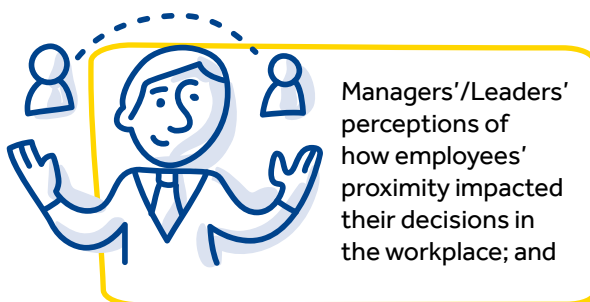
In a remote or hybrid working environment, proximity bias may occur if managers give preferential treatment to employees they see and interact with more frequently (Shih, 2022). Moreover, the law of proximity assumes that because managers' judgement subconsciously affects their cognitive thinking, they may even form stronger personal relationships with these employees.

Agovino (2022) explained that employees who are out of sight can drift out of mind. What is important in terms of proximity bias (a form of cognitive bias) is that the accuracy of people's judgements is affected when the brain misinterprets information. (Ezell, n.d.)

The investigation

Key objectives

Choosing a qualitative study that has an explanatory outcome, this study targeted organisations in the technology services sector that have implemented a hybrid working model, focusing on:



Methodology

The researcher selected 12 companies across South Africa. Upon invitation, virtual personal interviews were conducted with a senior manager or an executive officer from each company. The perceptions of 13 employees, randomly selected across the companies, were captured during three focus group discussions, involving each participant once. Online discussions were prompted in terms of an interview guide.



Data collection and analysis

Virtual individual interviews and online focus group discussions were held with managers and employees respectively. The invitation for participation included a consent form as well as the prerequisites for participation, which had to be signed and returned to the researcher before the interview. An interview guide was used to direct the discussions. Thereafter, the cloud-based recordings were transcribed using the software package, Otter.ai. Content analysis of the transcriptions was done using thematic coding (Braun and Clarke, 2019; Krippendorff, 2018). The scenario is depicted in Figure 1.

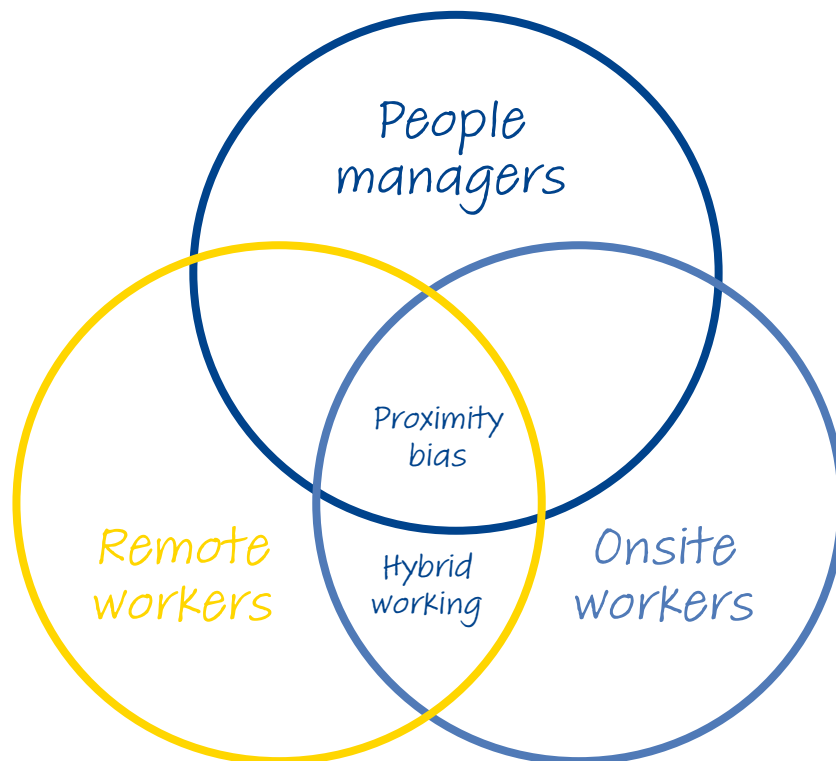


Figure 1: Hybrid working Venn diagram
Source: Author's own

Ethical conduct

All the ethics requirements of the academic institution were adhered to, ensuring transparency, honesty, privacy, anonymity, and confidentiality, and that participants would be treated fairly and with respect (Saunders et al., 2015). The consent form that formed part of the invitation had to be signed and returned to the researcher in advance. It stipulated the purpose and prerequisites of the investigation, ensuring that individuals could withdraw when they wished to, without penalty. Cameras were switched off during the virtual discussions to ensure participants' anonymity. With the groups' permission, their contributions were recorded and transcribed as closely as possible.



Research quality

Recordings of interviews were saved in a secure folder to be available for scrutiny if necessary. Quotations are included in the report to substantiate the study's findings. Participants were recruited from leading technology organisations in South Africa as a typical example of major companies that have implemented hybrid working in recent years and have experienced the phenomenon for some time. The author tried to remain objective during discussions to prevent researcher bias.



Findings

Five dominant themes emerged across the discussions, which are discussed in this section. Quotations extracted from the interviews and the focus groups are included to corroborate the conclusions ('M' depicts the managers' view and 'F' depicts the employees' view).

Theme 1: highly appreciated advantages

Discussions spontaneously kicked off on a positive note. Employees and managers applauded the appreciated advantages of remote working, as outlined in the sections that follow.



Improved productivity

Employees concurred that WFH is advantageous. 'The main advantage of working from home is the increase in productivity and flexibility. At the office, you have more distractions ... at home, you have more dedicated focus to work, leading to better output' (F-02).



Increased flexibility and improved work-life balance

Majority of the managers supported the sentiment that remote work offers flexibility and a better work-life balance. One participant mentioned: 'Working from home has created a better work-life balance and provided employees with more flexibility' (M-09).



Enhanced independence

Managers witnessed levels of growth in their staff. 'Working from home has also allowed them [the employees] to have a deeper focus on their work and to start thinking more independently' (M-09). However, discussions soon reverted to issues of concern. These are discussed next.

Theme 2: questioning fairness



Extended availability

Literature indicates that managers may expect remote workers to be available beyond official office hours to signal their commitment to the organisation, which is not always fair (Afota et al., 2023). During the focus group discussions, employees referred to managers' expectations of their extended availability, which clouded their anticipation of a so-called improved work-life balance: 'When you work remotely, you sometimes don't switch off. So, you find yourself behind your laptop very late' (F-03).

Theme 3: diversity, equity, and inclusion: 'lost in the shuffle'

Managers admitted that the proximity of employees has consequences, although negative outcomes were not intentional. Three sub-themes were uncovered, as outlined in the subsections below.

Securing trust

According to managers, trust more readily develops with on-site employees, which inescapably influences their decision-making. 'Based on employees' proximity to me, I subconsciously develop a level of trust to the work that they are performing, possibly more than a remote worker' (M-04).

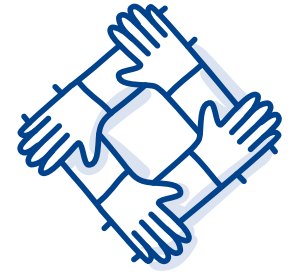


Earning a competitive advantage

Many leaders argue that to achieve career success within their organisations, it is imperative that employees be present in the office (Pulido-Martos et al., 2021). Employees' experience – in this study – was that on-site colleagues who are seen more frequently certainly have a competitive advantage. The employee respondents shared: 'Managers do sometimes provide better support and opportunities to employees that they physically see more often' (F-03); and 'If a manager does not see you in the office as often as they would like you to be in, this could negatively impact you' (F-01).

Managers acknowledged employees' concern, with one manager stating: 'When our teams meet at the office, this sometimes leads to social gatherings ... relationships are then formed with specific people, providing this group of employees with a favourable advantage' (M-11).

Establishing a unified company culture



With a hybrid working model, managers may find it challenging to secure a unified organisational culture. Therefore, new rules should be implemented to involve remote workers (Tabor-Błażewicz, 2022) and to establish an equitable work experience that ensures diversity, equity, and inclusion (Tsipursky, 2022).

Managers concurred that it is more complicated to establish relationships and social connections with a hybrid workforce. Some of the feedback from the interviews included: 'When our teams meet at the office ... relationships are formed with specific people, and information gets shared, providing this group of employees with a favourable advantage' (M-11); 'After the pandemic, we want to have more face-to-face interaction with our people to create a culture of togetherness' (M-01); and 'It is a huge challenge to onboard new employees virtually. So that's probably been my biggest challenge is onboarding people quick enough to learn the business, understand the sort of the culture, and understand their roles' (M-09). Another manager added:

The disadvantage of hybrid working is the element of disconnectedness, which affects the company culture. Valuable insight is gained on-site in the form of informal communication, collaboration, and information sharing. One cannot virtually recreate or replace the conversations that take place with employees over the water coolers, coffee connects, or smoke breaks.

(M-11)

Employees concluded that: 'This can be basically summed up to "out of sight, out of mind"' (F-02). One of the managers defended his peers:

I do not believe that it's an unfair advantage if teams that come into the office more often receive better support and possibly favouritism from management. Because every employee has the right to attend the same meetings that the on-site teams attend and experience the social and cultural elements that they experience. It is the remote worker's choice to work remotely ... they have the control, not the manager.

(M-09)

Theme 4: cognitive bias, the stumbling block

Studies have found that cognitive bias stemming from a lack of proximity can negatively influence managers' trust, judgements, and decisions about employees, causing accidental partiality, favouring on-site workers, and wrongfully enhancing their careers (Pullan, 2020). In this study, employees and managers supported the notion, highlighting three issues, which are discussed next.

Employee (in)visibility



Managers were adamant that personal interaction in the workplace is important to facilitate their judgement of employees' contributions and their needs. The difficulty in onboarding new employees working remotely was noted: 'Body language is a big part of communication.... When it's face-to-face, it's easier to gauge what employees are thinking, enabling managers to support them better' (M-01); 'It is a huge challenge to onboard new employees virtually. New employees in the past who have joined remotely have struggled to learn on the job as they struggle to learn from their peers virtually' (M-09).

Unconscious bias



Managers' preference to have employees on-site unconsciously creates fertile ground for proximity bias. Some of the managers who partook in this study explained: 'I feel it's unconscious bias.... I get so deep into conversations with my team on-site that I sometimes do forget about the remote employees' (M-02); and 'Unconsciously, I might not be connecting with remote employees based on my personal need for organisation energy' (M-12).

Accidental favouritism



Both employees and managers admitted that favouritism exists in the workplace. F-03 revealed 'In terms of accidental favouritism ... managers do sometimes provide better support and opportunities to employees that they physically see more often', while M-08 shared that 'In a physical room you can see the person, understand their behaviour, which influences your opinion of the person'.



Theme 5: organisational culture: mind the gap!

Studies have shown that managers struggle to secure an organisational culture when individuals and teams work remotely, mentioning the negative influence on teams' performance (Nyberg et al., 2021). Three issues were raised in the discussions, which are outlined in the next subsections.



Team collaboration compromised

One manager revealed that: 'Managing teams through hybrid working and developing a culture is not easy. After the COVID-19 pandemic, we want to have more face-to-face interaction with our people, and create a culture of togetherness' (M-01). The employees concurred, with F-01 contributing the following: 'Culture is also shaped and formed based on what we see, not just what we hear on a call, and just seeing how people huddle in the office, seeing how people smile at one another. Those are things that don't happen in a remote world'.

Disconnectedness influencing employees' morale and motivation

Managers' motivation is valuable in enhancing employees' attitudes towards their organisations, especially during difficult times (Chanana and Sangeeta, 2021). This is difficult to achieve when individuals and teams work remotely (Nyberg et al., 2021).

This study detected a sense of dismay that negatively impacted employees' morale and motivation when employees delved deeper into their experiences of remote working. Alarming, this even influenced their foreseeable longevity in the company. Employees revealed:

I've always felt that as the people who are not in the room are almost bystanders or just, they get second-grade interaction to the people in the room.

(F-01)

So, if you are not in your manager's proximity all the time, or you are not collaborating with your team all the time, you might end up feeling lost, as you have not established key relationships that matter, potentially impacting future opportunities in the company.

(F-02)

Flawed communication

An apparent psychological distance that develops between remote and on-site employees and managers affects working conditions. Managers explained:



When teams are onsite, there is a lot of ad hoc conversations and ad hoc learning that remote workers miss out on.

(M-04)

Body language plays a huge role in meetings and is a big part of communication. I think you have different personas and interactions when it's hybrid. And when it's face-to-face, it's easier to gauge what employees are thinking, enabling managers to support them better.

(M-07)

It's personally better for me to collaborate face-to-face with my teams.... Things do not get lost in translation as it sometimes does virtually.

(M-01)

Knowledge and experience captured in silos

As employees observed, the gap between on-site and remote workers is undeniable. They shared: 'Employees who often work remotely lose out on business insight that on-site employees gain by spending more time with managers. There is also a missed opportunity to learn from on-site employees' work experiences' (F-01); and 'Our teams that work remotely are missing out on possible learning experiences from our senior colleagues who are working in the office more often' (F-02).

Conclusions

Employees indisputably were upfront and expressed their appreciation of the advantages of the opportunity to work remotely, while managers admitted that their remote workforce is more productive and an asset to their companies. Although discussions never intended to highlight negative aspects related to WFH, the discourse with managers and employees soon took a negative turn.

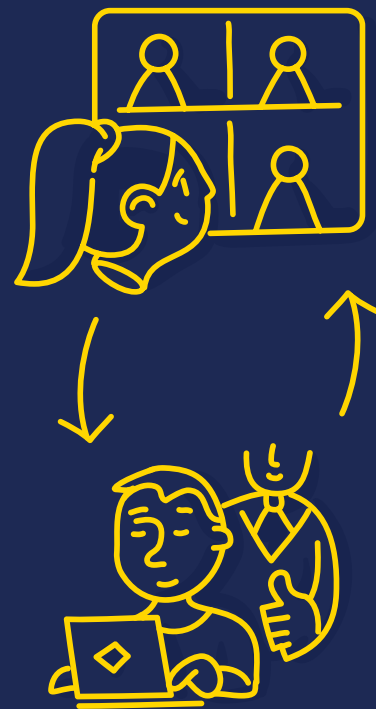
Employees felt that they were treated differently in a hybrid working model, indicating that on-site employees had an advantage over remote workers. They argued that close proximity to managers and leaders created the opportunity for on-site employees to win their trust, demonstrate their loyalty, and share experiences face to face, which remote workers struggled to accomplish. Moreover, interaction with colleagues, even informally, contributed to growth and a feeling of connectedness. Remote workers felt that they were obliged to compensate for a lack of presence in the office by working longer hours and demonstrating their loyalty by being accessible beyond office hours.

A concerning conclusion is remote workers' confession that – having worked remotely for a while – the workplace atmosphere negatively impacted their morale, motivation, and perceived longevity in the company.

Managers unequivocally expressed a preference to have employees on-site, admitting proximity bias, despite evidence of remote workers' increased productivity and dedication by being available beyond formal office hours. Perhaps the biggest obstacle for managers of a hybrid workforce is the frustration to establish a coherent company culture and to onboard newly appointed personnel without others to mentor them on-site. Managers admitted that when employees are out of sight, they drift out of mind. Contributing factors are the value of body language that makes it easier to determine employees' contribution to a conversation, explaining that it is more difficult to assess employees' contribution virtually. Unconsciously, on-site employees whom managers see frequently are more easily trusted, with better relationships and social connections being established, explaining why on-site employees might benefit in terms of management's decisions about performance and career opportunities.

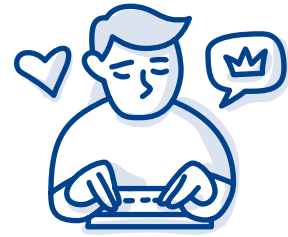
On an empathetic note, this paper interprets issues concerning employees' perceptions of proximity bias from the perspective of an established theoretical perspective, as discussed below.

The Maslow (1943) hierarchy of human needs is very useful in framing employees' roller-coaster experience since the prompt introduction of remote working when the COVID-19 pandemic struck in 2020 to the present situation where a hybrid working model seems more apt.



Physiological needs

Uncertainty created by WFH during the COVID-19 pandemic created a domino effect. Stress, uncertainty, and related psychological problems impacted employees' physiological needs, which managers could not aptly address remotely (Veldsman and Van Aarde, 2021).



Love and belonging

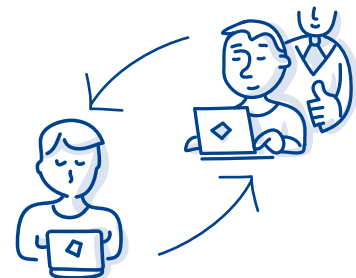
Despite daily virtual meetings and implementing the best virtual platforms during the COVID-19 pandemic, WFH created a situation where employees started operating in silos. Colleagues and managers became increasingly disconnected, jeopardising collaboration, communication, and the sharing of information and expertise (Yang et al., 2022). Furthermore, transitioning to a hybrid working-model environment, constrained diversity, equity, and inclusion in the work environment, increasing the gap between those in the office and others working remotely (Nicholson, 2022). Employees who have more face time with managers apparently feel more supported than their remote working counterparts (Pulido-Martos et al., 2021).

Safety

A lack of proximity and not being visible in the workspace can be detrimental in terms of employees' sense of security. Employees often feel isolated and uncertain, and fear losing their jobs, despite companies' official mindfulness programmes that are supposed to enhance employees' physical and emotional stability (Vonderlin et al., 2020).

Esteem

Ferreira et al. (2021) cautioned that, due to the lack of proximity to their teams, employees who work remotely struggle to maintain relationships with management. Consequently, these employees often feel isolated and out of touch, which negatively impacts their work satisfaction.



Self-actualisation

A lack of proximity complicates connections with managers and securing good relationships and trust among employees in the workplace (Neill and Bowen, 2022). In turn, this jeopardises employees' sense of work fulfilment and job satisfaction (Dhanpat et al., 2022).

Point taken, it is equally important that employees understand their employers' vision to ensure that their personal goals align with what the company is striving for and what managers are held accountable for.

PwC (2018) described *four routes that companies can pursue* going into the future, which unavoidably influence the type of workforce and work model companies would prefer. Having contemplated each route, important questions that all employees have to answer to limit negative perceptions in the workplace are: **'Do I understand my company's chosen path?'**; and **'Do I support whichever outcome my company has in mind?'** The four routes that companies can pursue (PwC, 2018) are discussed in the subsections that follow.

1 The red option, where 'innovation rules'

These companies are seen as incubators for innovation, making an effort to give consumers what they want, optimising digital platforms and technology to produce winning ideas that will allow specialist and niche profit markets to thrive. In this category, risks are high. While many innovative ideas are born in solace, the so-called red approach would require managers to receive constant feedback from employees to ensure teams collaborate well. This route means travelling in the fast lane, burning the midnight oil, probably limited empathy, and a mutual goal to drive the company to the top.

2 The blue option suggests that 'corporate is king'

Accordingly, capitalism reigns and the motto is 'bigger is better'. These organisations consider their size and influence as the benchmark to protect their profit margins and guard against competition. They envisage scaling up, continually, aiming to become extremely powerful. For them, company goals supersede social responsibility. Employees in these companies can expect to be 'tested' on an ongoing basis and to demonstrate their loyalty to their companies, which is not easy to achieve when not seen in the workplace frequently.

3 The green option indicates that 'companies care'

These companies regard corporate responsibility as a business imperative and a strong social conscience is part of their fibre. They support environmental responsibility and diversity, and respect human rights. For these companies, the impact of the business extends beyond financial performance because their goal is to treat employees fairly and to add value to the wider world. Trust is the basic currency that underpins their business endeavours and employment. Consequently, employees in these companies can expect managers to have a more empathetic approach concerning their well-being and career development.

④ The yellow option puts humans first

These companies are usually community-driven and the mutual goal of managers and employees is to seek meaning and relevance in what they do. They often use crowdfunded capital and prioritise ethical conduct, demonstrating a social heart. Smaller businesses and artisans are generally on this route. While employees can expect to enjoy more freedom when appointed in such a company and may experience less pressure, the questions worth exploring are: 'Where will this company take me? Is this what I want?'

Therefore, managers' behaviour in the workplace is a culmination of multiple factors, which employees should consider when signing up with a company. Furthermore, priorities change over time, changing people's perspectives of remote work. An employee in one of the focus groups (F-02) highlighted:

Because if you're older or a senior person in the business, you already have more confidence and more structure in your work and are more accountable and can easily operate on your own; whereas, us, we are Gen Z, we want to keep engaging people, demonstrate more energy, and want to be with people and learn from them.



Recommended actions

Accepting that it is highly unlikely that remote working will be phased out, the best solution for companies supporting a hybrid work model is to address the obstacles and concerns head-on. The following suggestions are put forward:

- 1** *Proximity-bias awareness, training, and assessment* should be introduced to *create more empathy* on all levels in a company, particularly ensuring that managers adopt an untainted perspective (Bhagat, 2022).
- 2** *Increased awareness about employees' perceptions* could be fostered by conducting annual employee engagement surveys. Hereby, all are allowed to, anonymously, disclose their experiences with proximity bias. None of the managers in the aforementioned study have considered doing so before.
- 3** *Diversity, equity, and inclusion* need to be embedded in companies' training programmes. This would remind managers of the impact of their actions and ensure that employees understand their contribution in uniting a dispersed workforce and onboarding newly appointed personnel. A logical solution would be to design a programme stipulating – well in advance – dedicated days or weeks when all employees have to be on-site. Meetings could then be scheduled accordingly. Clear time frames can be stipulated where employees have the opportunity to mingle, interact, and demonstrate their devotion (Evans, 2022). *According to Garlick (2010), a happy workforce is contagious.*
- 4** An *'excellence-from-anywhere culture'*, as proposed by Klerk et al. (2020: 2), is vital to gain momentum, rather than to advocate for the revival of outdated business models. Companies embracing a hybrid working model should become more intentional about their strategy to manage hybrid working, appreciating the contribution of every employee (Evans, 2022).
- 5** *Openness in the workplace* should become the motto to reduce concerns, address risks associated with WFH, highlight benefits for all to appreciate, and clarify managers' and employees' roles and responsibilities with specific timelines (Gray, 2022).
- 6** A *hybrid performance management framework* for every company and distinctly different divisions in the organisation is non-negotiable. This should include clear parameters, such as capturing project-status updates and sales targets, within a revised performance management framework. It should objectively capture expected milestones and envisaged outputs of on-site and hybrid employees to ensure that employees are evaluated purely on their performance (Gray, 2022), mitigating negative elements of proximity bias.

Notably, a study involving over 1 000 large companies across 15 countries (Dixon-Fyle et al., 2020) found that diverse organisations accommodating hybrid working outperform non-diverse organisations.

Despite valid arguments from both sides, managers should also be reminded that companies can lose key talent if employees feel neglected. Evidence of despair, in this study, should serve as a wake-up call.



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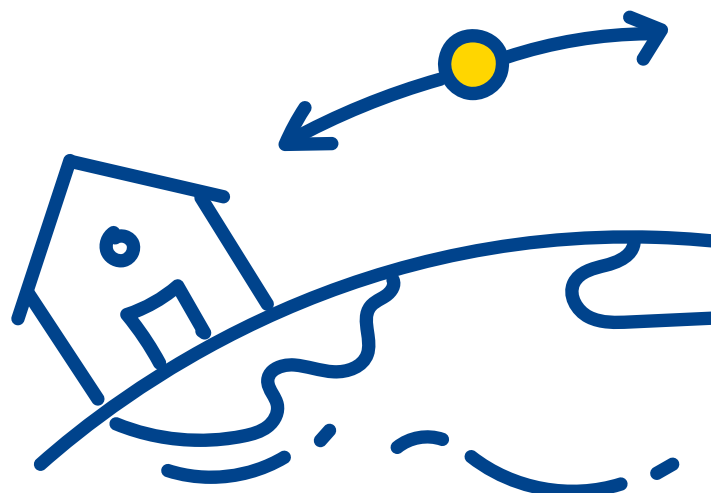
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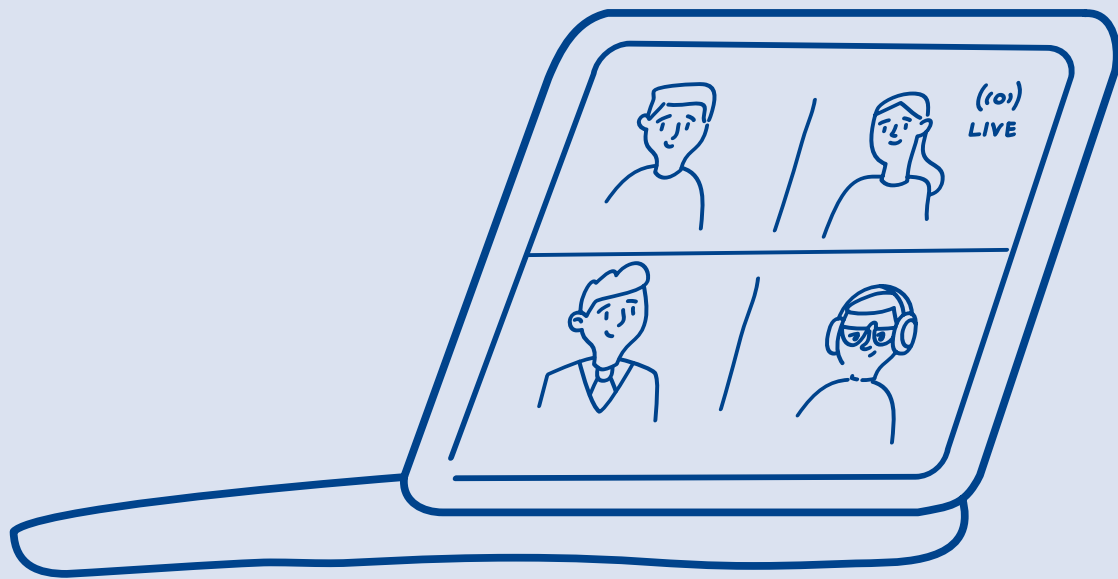
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Proximity issues in the workplace: is hybrid working at a crossroads?



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