



WorkSmart
Working from Home

Hybrid Working Manager Handbook



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of the European Union

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1. Introduction

In 2020, World Health Organization (WHO) declared Covid-19 a pandemic. This outbreak led to significant changes in the public and private world of work, causing new trends to emerge and necessitating revisit of the rules and habits so far applied. Specifically, the Covid-19 pandemic has reshaped work worldwide, thereby hastening a trend toward more flexible working arrangements. Hybrid workplace models combine remote and in-person work, offering employees the freedom to work from any location while still enjoying the advantages of an office environment.

This irreversible trend will reach a key turning point in the next years. The number of professionals employed in a hybrid model is expected to continue to rise and for the first time, individuals who work from a single location will be the minority.

It's evident that a major change is taking place in how existing and future employees view the world of work. When it comes to attracting and retaining top personnel, a large payment is no longer enough. The priorities have shifted and a growing desire for greater work-life balance has emerged. However, the

transition to a hybrid workplace model can fail or bring negative consequences if there is a lack of technological tools and operational requirements, the absence of clear and effective communication as well as a convergence of mindsets and goals between management and staff personnel. Therefore, it appears to be necessary for companies to spend time and valuable resources updating employee training and policy communication.

At the same time, small and medium-sized enterprises (SMEs) are vital for today's economy because they account for a large portion of economic activity in many countries. They produce about half of the world's total output and employ two-thirds of the global workforce. SMEs are also an important source of innovation and entrepreneurship, which are essential for economic growth. They are more likely to be flexible and respond quickly to changing markets and working conditions (ILO, 2019).

This handbook aims to provide SMEs with an operational framework and practical guide with respect to recent developments in the management of an ever-evolving landscape of work.

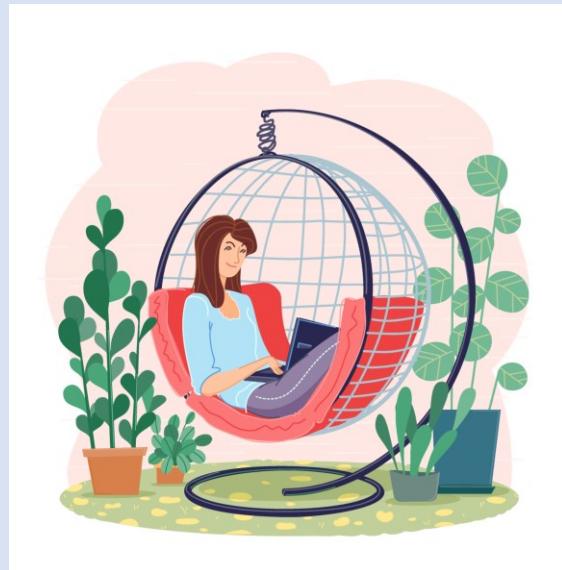
2. Hybrid Working: a new working model

2.1 Flexibility as the new normal

In recent years, the COVID-19 pandemic, by driving a mass social experiment in working from home, hastened an already emerging trend towards more flexible working arrangements, namely hybrid working. Hybrid work is a flexible working model that allows workers to work on-site and remotely, either from home or another location. Also, the Oxford English Dictionary (OED) welcomed “hybrid working” as part of the language and business landscape, by updating its definition of “hybrid” to include “hybrid working”, resulting in such definition: “providing flexible models for working, specifically by using digital communications technology to allow effective remote access and home working in combination with or in preference to traditional office environments” (Dixon, 2022).

During the pandemic, most workers were forced to adjust their work schedules, which included working from home for health and prevention reasons. In the EU in 2019, 1 in 20 (5.5%) employed individuals aged 20 to 64 typically worked from home. This proportion more than

doubled to 12.3% in 2020 (Eurostat, 2022). However, once Covid-19 was over, those work-from-home employees who have been asked to return to the company offices were disappointed with such an idea.



Face it, most individuals would choose to work from home if they had the option. To confirm this, in 2021, there was a slight rise in the percentage of individuals who typically work from home, as it increased to 13.5% (Eurostat, 2022). A select group of researchers from Stanford University, the Autonomous Institute of Technology, and Chicago Booth University found that people's attitudes toward working from home have surpassed their expectations and that they would like to continue doing so even more frequently than their employers believe will occur (Chicago Booth Review, 2021).

However, the reality is not always black and white; many times, it can be gray. It's time to move past the “remote versus office” debate: the future of work isn't either/or, it's both (Dixon, 2022).



Working solely at home or solely at a main office is not what people want or need. Employees are legitimately requesting additional flexibility to work where and when they choose, claiming their strong performance when they worked from home during the worst of the pandemic. And that's why flexible working arrangements such as hybrid working have gained so much attraction. Therefore, the questions that are going to be addressed in the next paragraphs are:

1. What does hybrid work mean? What are its main benefits and challenges?
2. What are the operational and technological changes required for the successful adoption of flexible working arrangements?
3. What are the soft skills required for establishing a good organizational climate?

These are important inquiries for leaders at a time when many businesses are deciding how their staff will be working in the upcoming months. SMEs should be prepared to be flexible and adaptable in their working

arrangements in order to respond to an ever-evolving landscape of work.

The document is organized as follows. First, both a current definition of a hybrid working approach and the context conditions that have fostered the emergence of this new working arrangement is provided. The analysis then shows what are the main advantages and risks of this flexible solution. Second, it proceeds to define what changes are required for a successful implementation of hybrid working, both from the point of view of reorganizing office spaces and the technological transition, as well as the new managerial skills required to manage flexible work teams and foster the emergence of a good climate within the organization. Third, two case studies of SMEs that have adopted flexible working arrangements are highlighted. Last, practical advice and recommendations are provided.

2.2 Why Hybrid Working? A win-win relationship

During the protracted lockdowns, people had time to think, and their goals may have changed. Anthony Klotz was the first to coin the term “Great Resignation”, to indicate the phenomenon in 2021 when large numbers of workers left their jobs (IWG, 2022). Numerous factors contributed to this, such as burnout brought on by lockdowns and the realization by

some that perhaps their job choices had been poor.



However, since 2020 the motivation for working from home has undergone a significant change. More employees claim that they are doing this out of choice now rather than out of obligation (Parker et al., 2022). Face it, nowadays, a personal preference for working from home is driving these decisions rather than concerns about the coronavirus.

Thus, it became evident that many employees are leaving their jobs to pursue something more fulfilling and better suited to their beliefs and life choices.

2.2.1 Key advantages of Hybrid Working

The future of employment will undoubtedly involve more hybrid work, which has many benefits for employees, employers, and society as a whole. For employees, the key advantages can be expressed in terms of:

- A. increased productivity and staff retention;
- B. reduced commuting time and cost-savings;
- C. environmental sustainability;

- D. retain top talents;
- E. employee well-being and work-life balance;
- F. improved employees' relationships in and outside the job.

A - Increased productivity and staff retention

Hybrid working may increase productivity and staff retention, namely an organization's ability to reduce employee turnover. First, hybrid working can increase productivity among employees. This is because employees have the ability to work in different environments, allowing them to find the best and most comfortable work environment for them. This can lead to increased focus, concentration, and motivation, which can lead to increased productivity. Additionally, hybrid working allows for greater flexibility, which can also lead to greater efficiency and productivity. In a survey by McKinsey, the majority of respondents reported that working remotely has increased their productivity (McKinsey Global Institute, 2020). Other studies have found that remote employees are more productive than their in-office counterparts, likely due to fewer distractions.

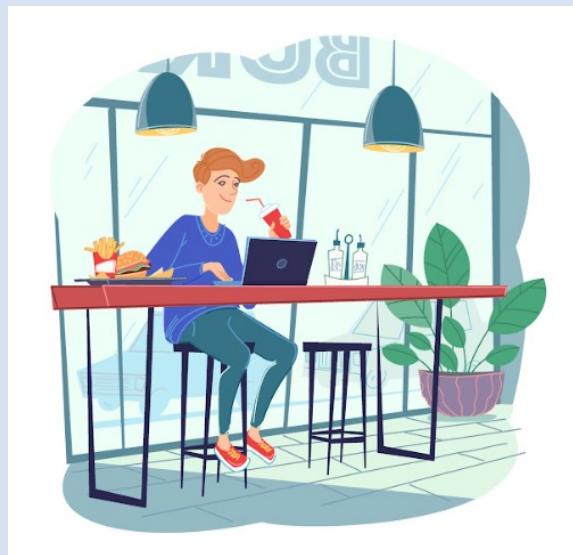
Second, with the freedom to work from home, employees are able to manage their own time more efficiently and have more control over their working environment, which can lead to higher job satisfaction. This can boost morale and help to retain employees for longer. Moreover, reducing commuting time can increase staff retention as well. This is because a shorter commute means that staff is

not as likely to leave their job due to the long and tiring journey. A shorter commute can also give staff more free time which can be beneficial in terms of their well-being and motivation. Additionally, reducing commuting time can lead to improved work-life balance and improved job satisfaction, both of which can lead to increased staff retention.

B - Reduced commuting time and cost savings

One of the major causes of work-related burnout concerns the commuting load of the employees. Commuting contributes significantly to everyday stress and poor health, as well as resulting in financial costs. Avoiding commute time is the main reason why employees prefer hybrid employment. Preventing wasting time may reduce employees' daily commute, as well as their associated transport costs. Additionally, employees may be able to choose a more convenient location for some of their work - such as working from home on days when the office is far away or working from a nearby cafe or coworking space. This can save them time

and money, while also providing them with greater flexibility.



Moreover, reduced commuting time can significantly increase happiness, allowing staff to reclaim some of their precious commodity: personal time. Therefore, hybrid working gives them the gift of time. Indeed, less time spent traveling implies that workers may spend more time with their loved ones. This can lead to improved mental health and well-being, as people can use their free time to do things that bring them joy, such as exercising, spending time with family and friends, or pursuing hobbies. It can also help promote a better work-life balance, as people have more time to spend on activities outside of work.

At the same time, employers can reduce overhead costs associated with traditional office spaces, by lowering the need for physical office space and decreasing the need for office equipment such as desks, chairs, and other furniture, as well as general maintenance costs for the office space. Last, businesses can save

money on energy costs, as they will no longer need to maintain a full office environment.

C - Environmental sustainability

Environmental sustainability is a concept that is becoming increasingly important to businesses in today's world. Environmental sustainability is the practice of designing and managing activities to protect and restore the environment while meeting current and future generations' economic and social needs.

Since SMEs' overall environmental impact is rather large, it is essential for them to must embrace environmentally friendly business methods (OECD, 2022). They play a crucial role in developing creative climate solutions as eco-entrepreneurs and eco-innovators. Environmental sustainability can be achieved in the workplace by implementing practices such as reducing waste, using renewable energy sources, and encouraging eco-friendly transportation. However, an important role in pursuing sustainability can be given to flexible working arrangements. Hence, hybrid working implies environmental benefits, giving a significant opportunity for corporates to make demonstrable progress toward their sustainability targets. Hybrid working can help businesses reduce their environmental footprint by reducing the need for commuting and travel. Hence, cutting back on the commute can lead not only to lower stress levels but also to a more sustainable life by reducing their usage of fossil fuels.

As recently reported by the International Energy Agency, despite working from home may increase residential energy consumption, it is still up to four times more energy efficient than driving to work (IEA, 2020). Accordingly, the EU has proposed hybrid working as a means to cut energy demand during a period of lower oil and gas supplies.

Moreover, addressing sustainability issues is becoming a need for attracting and maintaining new talent in the workforce. Environmental and social responsibility are very important to workers and more in specific to Generation Z, with nearly half refusing to work for a company that does not have clear environmental and social goals (Deloitte, 2022).

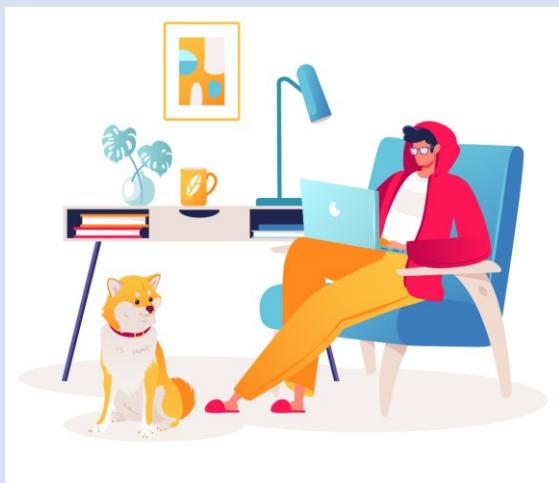
D - Retain top talents

Hybrid work provides SMEs with a chance to quickly employ the finest candidates from a larger talent pool, even in a challenging economic environment. This is especially crucial in today's competitive labor market when it can be difficult to attract and keep top personnel. As remote employees can be based anywhere in the world, businesses may access a wider range of competent applicants, including those who might not be able to move

or who might want to work from home for personal or professional reasons.

E - Employee well-being and work-life balance

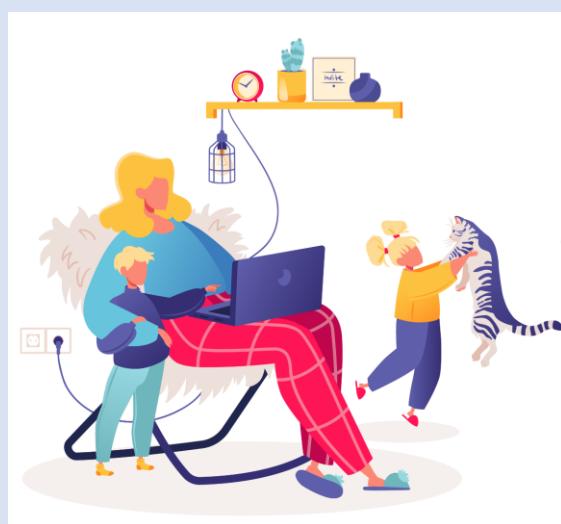
While little pressure can be positive and even produce buzz or diamonds, stress may occur when it gets out of hand. Unfortunately, work-related stress is extremely widespread among workers and can result in significant financial losses, low morale, a decline in productivity, more accidents, and an increased likelihood of workplace conflicts.



The World Health Organization (WHO) defines burnout as “a syndrome conceptualized as resulting from chronic workplace stress that has not been successfully managed” (WHO, 2019). Burnout has a significant financial impact on workers, the organization, and society. Not only are employees less productive, but they also face the risk of various health problems, such as heart disease. For these reasons, hybrid working may represent a measure of stress control, by making it for employees easier to

balance work with their personal lives. For sure, this requires a shift to a culture that prioritizes outcomes above presence and fully recognizes the importance of work-life balance.

Moving away from flextime and its emphasis on clocking hours allows for more flexibility in work schedules, enabling employees to prioritize their personal lives and better manage their time. This can help foster a healthier work-life balance, allowing employees to take care of their physical and mental health while still meeting their professional commitments. Many studies revealed that hybrid working is bringing multiple health and well-being benefits, thereby leading to a healthier workforce, with more time dedicated to exercise, sleep, and healthy food.



Additionally, this shift in emphasis can help create a more inclusive work environment, as it allows those with other responsibilities and commitments, such as

childcare, to manage their work and personal lives better. Sufficient to say that the hybrid shift offers women a chance to overcome current disparities at work and at home, by supporting women's well-being, family lives, and career aspirations (IWG, 2022). In a hybrid world, balancing the demands of work and home is made easier.

F – Improved employee relationships in and outside the job

Another point suggested by many studies is that hybrid working has the potential to improve relationships both in and outside of the job for many workers. Hybrid working encourages collaboration and communication between co-workers, as they may be able to meet in person or virtually to discuss tasks and projects. It can also help promote creativity, as employees may be able to work in different settings and find new perspectives on tasks and projects.

It allows people to feel more connected and less isolated, as they can still maintain the same levels of communication and collaboration with their colleagues even when working remotely. This can result in the development of a sense of community, thereby improving morale and team spirit. Outside the job means that hybrid working allows for more flexibility, allowing employees to balance their work and personal lives better, thereby letting them enjoy more time with family and loved ones. Not surprisingly, research by British Red Cross found that the majority of people claimed that the change to a hybrid working model affected both their work relationships and their friendship and family relationships, becoming closer to their colleagues as well as their friends and family members and tackling feelings of loneliness (Mayne, 2023).

Table 1 provides a summary of the main benefits resulting from the implementation of flexible working arrangements.



Table 1. Key benefits of Hybrid Working solutions

Main benefits	Practical examples
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Increased productivity and staff retention	<p>Hybrid working allows employees to choose when and where they work, increasing focus, concentration, and motivation, thereby enhancing productivity.</p> <p>Hybrid working allows employees to choose when and where they work, enhancing job satisfaction and better work-life balance, which can lead to improved morale and increased staff retention.</p>
Reduced commuting time and cost savings	<p>Preventing wasting time may reduce employees' daily commute, as well as their associated transport costs.</p> <p>Reduced commuting time can significantly increase happiness, allowing staff to reclaim personal time.</p> <p>Employers can reduce overhead costs associated with traditional office spaces.</p>
Environmental sustainability	Hybrid working can help businesses reduce their environmental footprint by reducing the need for commuting and travel.
Retain top talents	Hybrid working allows companies to expand their talent pool, as workers from different parts of the world can collaborate remotely.
Employees well-being and work-life balance	Hybrid working may represent a measure of stress control, by making it for employees easier to balance work with their personal lives.
Improved employees' relationships in and outside the job	<p>Hybrid working encourages collaboration and communication between co-workers, as they may be able to meet in person or virtually to discuss tasks and projects.</p> <p>Hybrid working allows employees to better balance their work and personal lives, thereby letting enjoy more time with family and beloved ones.</p>

2.2.2 Key issues of Hybrid Working

Working from home has many advantages for the environment, the well-being of the employees, and the financial sustainability of the enterprise. However, there could be also potential negative issues, to which to pay attention:

- A. inclusion risk;
- B. lack of trust;
- C. digital exhaustion;
- D. lack of space and privacy;
- E. challenged communication among employees and team relationships.

A - Inclusion risk

By inclusion risk, it is meant the possibility that people who work remotely or partially remotely out of choice or necessity may not receive the same treatment as people who work in a physical office when it comes to things like project work, career growth, and upward mobility.



Remote workers may be excluded from important conversations and developments, may not get the same access to resources, and may not be taken as seriously as those who work in a physical office. This can lead to feelings of isolation, low morale, and a lack of job satisfaction. Companies need to ensure that they have policies in place that ensure that remote workers are not excluded from important conversations and decisions, that they have access to the same resources as those who work in the office, and that they are given the same opportunities for career growth and development as those who work in the office.

B - Lack of trust

Bosses and employees are sharply divided over how productive working from home is. As a result of the Microsoft Report, which questioned 20,000 people in 11 countries, more than half of the managers surveyed said productivity has decreased since the shift to remote working (Microsoft Report, 2022). However, 8 out of 10 employees claim they work just as efficiently when they log in from home (Microsoft Report, 2022). This debate takes the name of "productivity paranoia", i.e., when leaders fear that lost productivity is due to employees not working, even though hours worked, the number of meetings, and other activity metrics have increased. However, the new hybrid model should not be seen as a "lazy gift", also because many researchers

demonstrate that hybrid working enhances average productivity (Robinson, 2022).

Hence, employers need to trust their employees to be productive and successful when they are working remotely and hybrid working. To build trust, employers should ensure clear expectations are set, provide appropriate resources and technology, keep in close contact, and ensure that there is effective communication between everyone. Employers should also focus on results and outcomes rather than micromanaging and should invest in employee development and well-being.

C - Digital exhaustion

Digital exhaustion, namely the feeling of burnout people gets from continuously using digital tools for long periods of time, can be manifested by two signs, namely "zoom fatigue" and "remote work exhaustion". "Zoom fatigue" is the feeling of exhaustion that can come from making hours-long video chats. The burnout people get from continuously using digital tools for long periods is becoming an increasingly prevalent issue. This can be seen in the way people complain of feeling overwhelmed, anxious, and overwhelmed

after being exposed to technology for long periods of time.



To combat digital exhaustion, employers should establish screen time limits, i.e., limits on how long employees should be spending on digital devices and stick to those limits, as well as educate employees on time management, which concerns how to manage their time better so they can use their digital devices in a more productive manner. Additionally, it is important to encourage them to find activities that are not technology-based. These activities can include going for a walk, engaging in a hobby, or spending time with friends and family. Lastly, it is important to promote digital wellness by encouraging employees to take regular breaks, be mindful of their digital usage, and practice healthy digital habits when it comes to using technology.

D - Lack of space and privacy

Hybrid working arrangements deeply changed the meaning and content of homes. One consequence is that employees may find it more difficult to unplug and take breaks as

work and family life become more entwined. Indeed, this is a very real concern for many people who have adopted hybrid working arrangements. With the blurring of the lines between work and home, it can be difficult to take a step back from work and relax.



To help alleviate this problem, employers should create policies to encourage employees to take regular breaks throughout the day and to set boundaries between work and home life. In addition, employers should provide access to tools and resources that help employees stay organized, focused, and productive while working from home. Finally, employers should provide support and guidance to employees to help them manage their work and home lives in a healthy manner.

It is crucial for employees to invest in separate workspaces. However, many people don't have the luxury of a dedicated room, but at least try to create a workspace in an area that can be used exclusively for work, such as a corner of a room or a spare closet. Moreover, it can be difficult to concentrate when family members or roommates are making noise.

To address this issue, employers should provide resources that employees can use in

their homes to ensure that they have a separate space for work. This could include ergonomic furniture, soundproofing, or other equipment that can help employees focus and be productive. Additionally, employers should provide employees with resources to help them manage their work-life balance, such as flexible work hours and access to virtual counseling services. This will help employees better manage stress and maintain their mental health. Finally, employers should encourage employees to schedule regular breaks throughout the day and take time for themselves to relax and unwind.

Employees will quickly face burnout if they don't learn how to create limits in a hybrid society, though. Therefore, managers should establish clear guidelines for working hours as well as encourage staff to take the necessary breaks. Provide training for employees to be able to set boundaries, to help staff not be disturbed while working. Setting boundaries means letting family members and roommates know when people are working and when they are available or not.

E - Challenged communication among employees and team relationships

One potential drawback concerns the difficulty to retain a sense of cooperation and collaboration among staff members, due to the physical distance between them. This can lead to a decrease in communication between staff, which can reduce the level of teamwork and collaboration in the workplace. Additionally,

hybrid working may also lead to a decrease in the sense of community in the workplace, which can harm workplace morale and productivity. For this reason, enterprises must take steps to mitigate this risk, such as making the appropriate technology and communication tool investments to help employees stay connected, making use of online collaboration tools (for example Skype), having regular team meetings and check-ins,

either virtually or in person, and promoting team building activities, such as virtual happy hours or online team-building exercises.

Table 2 summarizes the main issues and resulting practical tips on how to manage the potential negative consequences arising from the implementation of hybrid working arrangements.

Table 2. Main critical issues about Hybrid Working

Risks	Consequences	Practical tips
Inclusion risk	It refers to the possibility that people who work remotely or partially remotely out of choice or necessity may not receive the same treatment as people who work in a physical office when it comes to things like project work, career growth, and upward mobility.	Employers should ensure that hybrid workers are given the same resources as those who work in the office. Employers should ensure that hybrid workers are given the same recognition for their work as office workers. This could include performance reviews, awards and recognition, and the same opportunities for advancement.
Lack of trust	“Productivity paranoia”, i.e., when leaders fear that lost productivity is due to employees not working, even though hours worked, the number of meetings, and other activity metrics have increased.	Employers should also focus on results and outcomes rather than micromanaging.
Digital exhaustion	The feeling of burnout people gets from continuously using digital tools for long periods of time.	Educate employees on time management. Encourage employees to take breaks from technology and practice self-care.
Lack of space and privacy	Hybrid working arrangements deeply changed the meaning and content of employees' homes, which may find it more difficult to unplug and take	Employers should create policies to encourage employees to take regular breaks throughout the day and to set boundaries between work and home life.

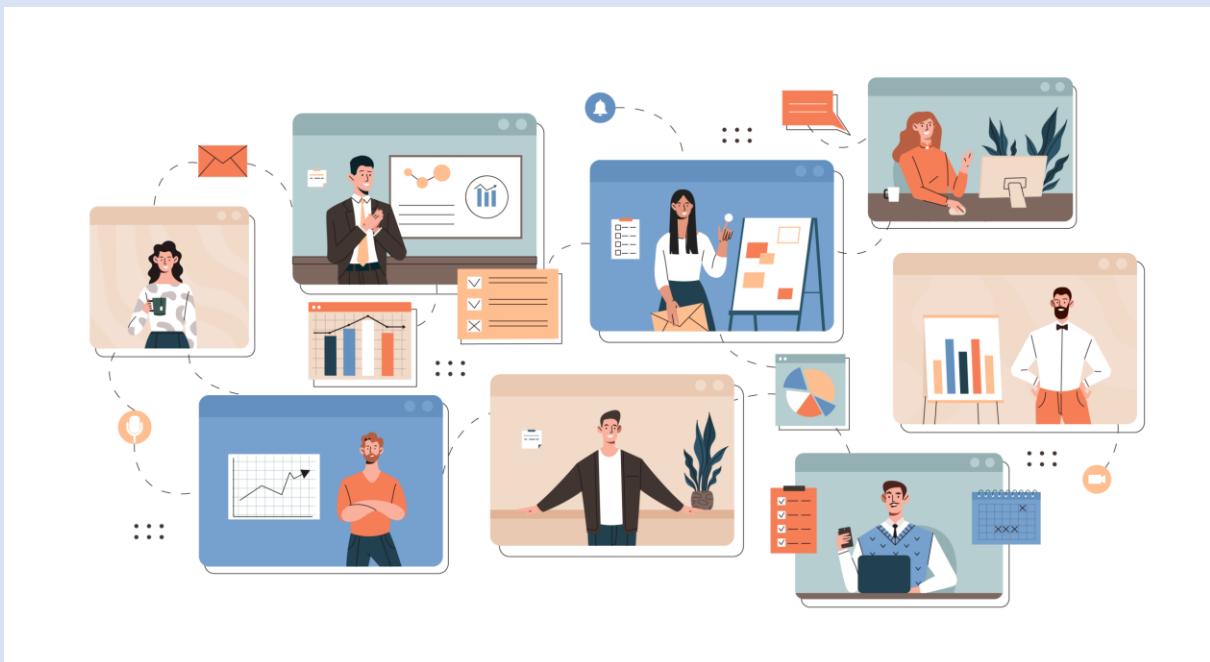
	breaks as work and family life become more entwined.	Employers should provide resources that employees can use in their homes to ensure that they have a separate space for work.
Challenged communication among employees and team relationships	The difficulty to retain a sense of cooperation and collaboration among staff members, due to the physical distance between them.	<p>Employers should encourage employees to maintain communication through the use of online communication tools and regularly scheduled meetings.</p> <p>Employers should strive to create opportunities for team building, such as virtual happy hours and social events.</p>

In conclusion, there are many reasons why many businesses and employees are pleased about this new hybrid-working model — and just as many reasons why many are concerned about the change.

However, in a hybrid environment, SME leaders must be innovative, empowered to work, and able to develop flexible working

patterns. Managers are not always prepared and lacked sufficient training to tackle this new situation: hence, a few suggestions are needed.

3. Toward new forms of operational systems: handling technologies, tools, and bricks



The transition to a hybrid work model, which was first motivated by necessity, has contributed to organizations' digital transformation, and has become a standard procedure for employees worldwide. Innovations in technology are no longer an option; rather, they are a business need.

Organizations undoubtedly face issues as they transform digitally to meet the demands of the workforce of the future. When it comes to a digital transformation strategy for an organization, there is no one-size-fits-all approach. However, to address the technological challenge, two main points need to be taken into consideration:

- embracing technology;
- investing in appropriate tools.

A strong digital workplace offers the tools required to boost people's sense of belonging, assist professional progress, and facilitate communication between physical and digital locations.

Leaders can create a system that gathers information from people working remotely and determine how they can contribute to the organization most effectively by redesigning or improving the digital workplace to enable hybrid practices. At the same time, employees can obtain the resources they need to collaborate better in both physical and virtual environments, promote their professional development, and strengthen their sense of community.

3.1 Technologies: undertaking the “technological audit” and training on the “safe use” of IT

To ensure the successful implementation of hybrid working, it is important to undertake a technological audit to identify the technology and software needed to facilitate the transition from traditional office-based to hybrid working. This audit should include an assessment of the hardware and software requirements, data security protocols, and system compatibility. Once the technological audit is complete, it is important to provide training for employees on the safe use of the IT systems, including how to access, store, and share information securely. Additionally, training should be provided on how to use the systems efficiently, how to troubleshoot any technical issues, and how to keep data secure. This will ensure that employees are able to make the most of the technology they have available, while also protecting the company's data and systems from potential threats.

A - Technological audit and the digital divide

To fully embrace a hybrid working model, there are some obstacles to tackle, such as the “digital divide”. The idea of the digital divide claims that inequality might be produced via hybrid working arrangements, and it mainly concerns the inequity and vulnerability that some people might experience when trying to access and use technology. Because they are less experienced, less confident, or feel too old

or behind, many people have greater fear, anxiety, and resistance connected to using digital technologies. For this and other reasons, recently there has been a growing interest in trying to address the basic question of how to match user requirements to technological possibilities. Hence, it is necessary to:

- engage in ongoing listening and consulting collaborative activities with the workforce. It's crucial to have employee input in the design of technological solutions. Synergy and balance are produced when that input is combined with the business needs;
- provided several workshops and educational events for employees;
- set up an online handbook to support employees with the digital transition, including practical tips and advice (for example, how to set up workstations remotely and run remote meetings) as well as a FAQ section.

B – Training on the safe use of IT

Hybrid working can expose both employees and employers to a variety of security risks, such as:

- unsecured home networks;
- phishing attacks;
- stolen or lost work devices;

Typically, most workplaces have an IT team that takes care of cybersecurity within the offices. However, to mitigate the potential negative effects of such concerns, some best practices for employers are required:

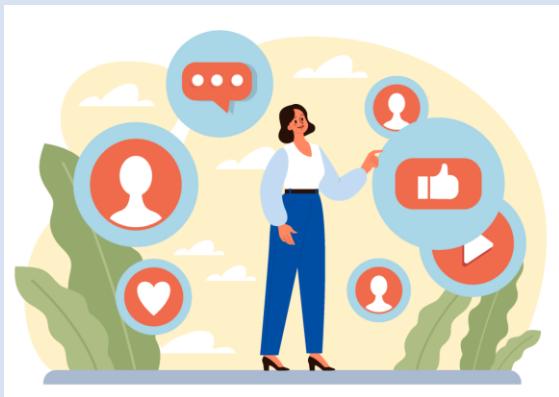
- invest in a comprehensive antivirus system and frequently update it (it can protect the company from the following threats: spyware, malware, trojans, and phishing scams);
- encourage employees to choose strong and secure passwords as well as regularly update them and use password managers;
- use a Virtual Private Network (VPN), and make sure to have the most robust possible authentication method;
- invest in sliding webcam covers (hackers can easily access webcams without permission);
- utilize a centralized storage cloud space, like Microsoft OneDrive, Google Drive, or Dropbox;
- pay attention to Zoom and video conferencing (there may be a risk of video conferences being invaded and monitored by hacker attacks). Therefore: ensure meetings are private, consider security requirements when selecting vendors (such as end-to-end encryption for all sensitive information), and assure that software is always up to date;
- encourage employees to take precautions against email scams;

- ensure that emails can only be read securely throughout the company's VPN, and enable email filtering to proactively block malicious emails;
- train employees not to let family and friends use work technology tools.

To conclude, it is important to organize workshops and instructing events to continually educate employees to recognize and avoid security threats.

3.2 Understanding the most appropriate tools and solutions for managing Hybrid Working

The technological tools required for a digital transformation were already available in early 2020 when many organizations were compelled to go virtual. The biggest challenge at that time was to quickly implement them. This issue challenges businesses even today. With the transition to hybrid workplaces, where some people work together in the same office and some don't, there could be significant gaps in the choice of the most appropriate communication online systems and productivity and engagement digital tools. Although many bigger firms have established formal hybrid policies and standards, this might be more difficult for SMEs, which might suppose they lack the IT infrastructure to support a more flexible approach.



The first suggestion to make, in order to successfully embrace the technological transition in the landscape of work, concerns continuously investing in technology to guarantee that everyone is included, no matter where they are. Consequently, it is fundamental to strive to keep up with the latest trends in technology, as this will allow enterprises to remain competitive and successful. Going into more detail, it is necessary for an organization to take into account the following technical guidelines:

- replace desktop computers with laptops: it's about giving employees the flexibility to work from home and to fully utilize the new collaborative and silent workspaces established in the office;
- deploy the whole Microsoft Office 365, which was launched to enable quick and private chat or video calls using Teams;
- implement new audio-visual equipment in every meeting space, enabling staff members to run presentations remotely via Teams or in-person with ease;
- expand the functions of the company intranet and employee app;

- install new software for project management.

As outlined, today's technology options are far more varied and can support new hybrid workplace environments. However, in order to choose the best technological options for a specific organization, an external audit can help uncover possibilities or gaps that may be in the organization's best interests. In fact, the ability to see problems that internal staff members may be accustomed to avoiding is frequently aided by a third-party viewpoint.

3.3 Bricks: reorganizing spaces and requirements efficiently

The emergence of a people-led approach has given workers the freedom to choose how and where they want to work. With respect to this new, more flexible way of approaching work, there can be two types of employees. On one hand, there are around 35 million so-called "digital nomads", that are currently spread out around the world, traveling from place to place, and working remotely. Nearly two-thirds of them are under the age of 40, thus the trend

is expected to continue (A Brother Abroad, 2023).



On the other hand, many workers want to work near where they live. Suffice it to say that from a separate IWG survey 77% of workers stated they needed a position closer to home for their next job relocation (IWG, 2022). Consequently, companies are increasingly reacting to employees' desire for local work by implementing a "hub and spoke" model, in which they downsize their primary location and use satellite offices or flexible workspaces closer to workers' homes. This model allows workers to occasionally travel to the main office, which can then be downsized and, for most of the time, operate in adjacent satellite flexible workspaces. After all, "since it has been demonstrated that employees may be just as successful and productive elsewhere, even at home and in offices "around the corner" why should corporations spend money on significant office spaces in city centers?".

The expansion of the neighborhood office is generating a significant change in urban topography and demography. The business

practice of keeping massive properties in major cities, far from where employees live, appears to be out of date. More and more, work is moving out of cities and into the suburbs. In Italy, for example, so-called minor cities, are reviving. "Cities like Como and Varese have long been labor pools for Milan", once stated Cesare Lanati, CEO of BELL Group, a Milan-based real estate service and development firm and IWG franchise partner (IWG, 2022). However, since flexible working means employees no longer have to go to their corporate headquarters, these satellite towns are now playing an important new role in their own right.



This shift away from urban centers to regional workspaces gives a massive opportunity for corporates to contribute to significant change, both in environmental terms, with carbon-saving advantages, and in terms of unnecessary cost savings. First, nowadays, companies all throughout the world prioritize sustainability. More and more property owners are renovating their facilities to provide the highest-quality sustainability features, and more firms are looking to sign "green leases", which allow owners and occupiers to collaborate to make buildings more sustainable and ecologically friendly.

Lease provisions often address carbon emissions, compliance with energy efficiency laws, waste reduction efforts, and green transportation measures. Therefore, this reorganization represents an opportunity to embrace the “green way”, downsizing environments into innovative, ecologically friendly shared workspaces. Second, from an economic point of view, many businesses are cutting down on permanent spaces and redesigning their offices more flexibly. Flexible workspaces are greener and less wasteful than enormous permanent offices since they only lease the space they require for the time they need it, eliminating concerns about pricey, useless, or wasteful office space remaining underutilized. To sum up, by lowering their exposure to expensive real estate, businesses can increase revenues while also advancing their sustainability objectives by lowering the carbon footprint associated with staff travel.

In conclusion, to design office spaces that accommodate hybrid working, there are a few key considerations:

- plan out the space according to the new specific requirements. Consider the size of the space, the real number of people who are going to physical work, and the type of work being done;

- flexibility: arrange the office space so that it can be easily divided into different working areas, such as private offices, open workspaces, and collaboration areas. This will allow employees to choose their preferred working environment;
- replace assigned desks with bookable workspaces. In the next years, there will be no individual offices or spaces. With an e-enabled booking system for meeting rooms and hot desks, everything will be either bookable or shareable;
- create a space for “non-traditional spaces”, such as hot-desking, informal meetings, and teamworking, to encourage creativity and innovation;
- privacy: to ensure that remote workers are not excluded, consider adding soundproofed booths or private rooms for video calls. This will help to ensure that remote workers have the same level of privacy as those in the office.
- comfort: provide comfortable furniture and break-out spaces, such as sofas, armchairs, and quiet corners. This will help to create a pleasant atmosphere and provide a comfortable environment for both in-office and remote work.

Table 3 summarizes the main practical tips and recommendations to fully embrace the technological transition.

Table 3. Practical tips and recommendations for the technological transition

Definitions	Practical tips and recommendations
Embracing technology	

Undertaking the technological audit and the “digital divide”	<p>The inequity and vulnerability that some people might experience when trying to access and use technology.</p>	<p>Engage in ongoing listening and consulting collaborative activities with the workforce.</p> <hr/> <p>Provide several workshops and educational events.</p> <hr/> <p>Set up an online handbook to support employees with the digital transition as well as a FAQ section.</p>
Training on the safe use of IT	<p>The training activities for staff personnel to make them aware of a variety of security risks.</p>	<p>Invest in a comprehensive antivirus system and frequently update it.</p> <hr/> <p>Encourage employees to choose strong and secure passwords as well as regularly update them.</p> <hr/> <p>Invest in a Virtual Private Network (VPN).</p> <hr/> <p>Invest in sliding webcam covers.</p> <hr/> <p>Utilize a centralized storage cloud space.</p> <hr/> <p>Ensure online meetings are private.</p> <hr/> <p>Consider security requirements when selecting vendors during online meetings.</p> <hr/> <p>Encourage employees to take precautions against email scams.</p> <hr/> <p>Ensure that emails can only be read securely throughout the company's VPN and enable email filtering.</p> <hr/> <p>Train employees not to let family and friends use work technology tools.</p>
Investing in appropriate tools		
IT Infrastructure	<p>The choice of the most appropriate communication online systems and productivity and engagement digital tools.</p>	<p>Continuously invest in technology to guarantee that everyone is included, no matter where they are.</p> <hr/> <p>Replace desktop computers with laptops.</p> <hr/> <p>Deploy the whole Microsoft Office 365.</p> <hr/> <p>Implement new audio-visual equipment in every meeting space.</p>

		Expand the functions of the company intranet and employee app.
		Install new software for project management.
Reorganization of spaces		
Reorganizing spaces and requirements efficiently	To maximize efficiency, reduce costs, and increase employee satisfaction, it employers must organize spaces and requirements efficiently.	Plan out the space according to the specific context.
		Arrange the office space so that it can be easily divided into different working areas, such as private offices, open workspaces, and collaboration areas.
		Replace assigned desks with bookable workspaces.
		Create a space for “non-traditional spaces”, such as hot-desking, informal meetings, and teamworking.
		Add sound-proofed booths or private rooms for video calls, to make sure that remote workers are included.
		Provide comfortable furniture and break-out spaces, such as sofas, armchairs, and quiet corners.

4. Behaviors, competencies, and mindset for Hybrid Working

Hybrid working is a new way of working that allows employees to work from the office and home. As such, it requires managers to provide new rules of behavior for employees to ensure that productivity is maintained and that the desired goals are achieved. At the same time, soft skills are becoming more important to business executives and leaders when hiring, as they are frequently

required for workers to be successful in modern businesses.

The onset of the hybrid-working model requires the development of new skills both for employees and employers. On the one hand, employees should be able to develop a collaborative and communicative attitude adapted to the specific context, being capable of

handling both face-to-face and online working situations.



On the other hand, current and future leaders must have an open mind, always be ready to deal with new things, and expand knowledge and working methodologies, to keep up with the ever-evolving landscape of work and to deal with novelty and change in a proactive and open manner.

4.1 Managing working policies, procedures and behaviors

Working from home is something new for many people who have a job that can be handled remotely. For this reason, flexible environments require coding new rules of behavior to guarantee a good climate within the organization and to prevent possible conflicts and “bullying” incidents. The next few paragraphs are intended to provide some practical tips on how best to organize and manage staff soft skills within the enterprise, namely:

- A. define new rules of behavior both in the physical workplace and in the virtual one;

- B. avoid mismatching employees' preferences;
- C. set up flexible working arrangements already in the contracts;
- D. encourage a culture of accountability and communication;
- E. provide ongoing training for managers.

A - Define new rules of behavior both in the physical workplace and in the virtual one

Hybrid working requires managers to provide clear guidance on how employees should behave when working in a hybrid environment. Hybrid working and new rules of behavior for employees will depend on the specific organizational contexts and the needs of their workforce. However, some common guidelines may include rules about communication, collaboration, and respect between all employees, regardless of their physical presence. In any case, managers should be open to feedback and willing to adjust the rules of behavior as needed to ensure that hybrid working is successful for everyone.

Many employees think that adopting a hybrid working arrangement comes at a price, namely that of losing opportunities for career advancement, thereby feeling the risk of being overlooked. The older generations of CEOs have been trained to be present, which means they require extra confidence that staff can perform well even if they are not physically there at the workplace. By erroneously assuming that employees will be more

productive if they are physically present in the office, executives engage in proximity bias. At-home employees may, therefore, worry that it's not enough just to work hard; they also need to be seen putting in those hours. Consequently, hybrid working can lead to staff feeling overlooked and unappreciated, as there is less opportunity for in-person interactions and feedback. This can lead to feelings of isolation and a lack of motivation, leading to decreased productivity, engagement, and job satisfaction.

For these reasons, the best solution might be to hold all meetings online, removing these barriers to job advancement for remote workers who can miss important information if a meeting occurs both in-person and virtually. These virtual sessions should be organized regularly to keep teams updated and connected. At the same time, it is deemed necessary to schedule regular one-to-one contact meetings with each of the employees, to check their advancements, their personal growth, and their work-life balance by monitoring hours worked.

Managing a team under flexible arrangements presents challenges for managers as well. In fact, team members can be unavailable when it is needed most since they have different needs and variable work schedules depending on their personal situations. For these reasons, it would be useful for employees to update their physical or online working hours on a shared website so that the manager can know when they are

physically working and when they are not. However, managers need to be extra flexible in their approach and be prepared to adjust and adapt to changing schedules.

B - Avoid mismatching employees' preferences

Managers should keep in mind that not everyone may be affected by hybrid working. In fact, during the pandemic, almost all employees were forced to work from home, and they all had the same working conditions and equal access to management and their co-workers for collaboration and advice.

With the pandemic's end, things have changed, with some employees choosing to stay home as much as possible and other employees who instead prefer to return to the office or others who perform tasks that cannot be done from home. Not surprisingly, after the pandemic instability, the antidote for many people is getting back to in-person work. Normally burnout is associated with the condition of high stress in work environments, however, it is possible that burnout comes from an additional source: the different circumstances at home such as lack of privacy and space. Confirming that, for many employees, returning to a physical work environment helps them build a sense of security, well-being, and belonging and enhances their creative thinking and problem-solving skills.

For these reasons, managers should create a collaborative hybrid workplace

environment where office or hybrid work conditions are decided and adapted according to staff needs to support productivity, health, and cooperation. A one-size-fits-all strategy may cause frustration among staff members, resulting in high turnover rates and decreased employee satisfaction.

C - Set up flexible arrangements already in the contracts

To ensure that hybrid-working arrangements are successful, employers should include them in their contracts. The contract should outline in advance the roles and responsibilities of the parties with regard to both in-person and remote labor. This covers the hours the worker will be required to put in, the tools they'll need for the job, and any other conditions essential to the hybrid working arrangement. The contract should also specify how the company expects the employee to communicate with their team. In fact, to ensure that the worker can continue to work with their team even when they are not in the same physical area, this should include the usage of video conferencing and other kinds of communication. The contract should be evaluated on a regular basis to ensure that it fits both parties' needs.

D - Encourage a culture of accountability and communication

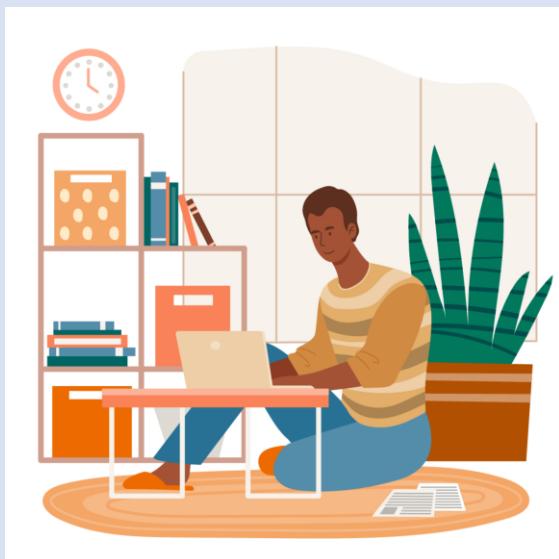
Encouraging a culture of accountability and communication in hybrid working arrangements is essential for the success of any

team. It helps to ensure that everyone is on the same page and that everyone is held accountable for their duties. Additionally, it strengthens relationships between workers and encourages collaboration and trust. Finally, it can help to increase efficiency and productivity as everyone is working towards the same goal.

For these reasons, employers should consult and collaborate with employees when designing hybrid working practices. They should develop clear and transparent policies and principles about eligibility for – and access to – hybrid working and establish systems to monitor decision-making and access, as well as undertake ongoing listening activities with workers, managers, and worker representatives to learn the lessons of hybrid and continue to review, adapt, and improve your approach. Moreover, there is a constant need to support employees in their transition to hybrid working. This could include offering training and guidance on how to use new technologies, providing access to the right resources, and regularly checking in on employee progress. In conclusion, creating a productive and collaborative work environment means also includes expectations for communication such as responding to emails within a certain time frame, attending virtual meetings, and setting goals for individual and team projects. Additionally, guidelines should be established for dress code, working hours, and other expectations related to working remotely.

E - Assure quality and inclusion

Managers should ensure quality and inclusion in hybrid working to ensure that all employees, regardless of whether they are working remotely or in-person, are participating in the same quality of work and are included in the decision-making process. Quality and inclusion are essential for creating a productive and successful hybrid working environment.



Managers should ensure that employees' virtual and in-person working experiences are equal and that they are not disadvantaged by either. It is fundamental to assess organization risks and develop an action plan to ensure that hybrid working supports inclusion and equality. For these reasons, managers should include inclusion in every aspect of hybrid working implementation and ensure equality of opportunity for learning and development and reward and recognition, regardless of where and when people work. Moreover, it is important to ensure that teams have equitable

access to flexible working arrangements so that employees feel they are not being treated unfairly. However, it is necessary to keep in mind that some jobs may require regular hours and work from the office, whereas others will be easier to adapt to a different working pattern. Therefore, a manager should be aware of potential employee dissatisfaction when it comes to which teams are permitted flexible working hours.

Many people still think that the power is still where the boss is and therefore going back to the physical office helps them stay in the boss's head, thereby increasing the possibilities of landing raises and promotions. However, not only productivity is not affected by personal working arrangements, but also certain types of work may be even better performed in terms of productivity when carried out in a flexible way. Thus, employers must make hybrid-working employees feel valued and included in order to reduce this risk. The offering of virtual team-building and social events as well as regular feedback and appreciation are all examples of this.

F – Provide ongoing training for managers

Employers and employees are both adjusting to the new flexible normal since the working world has fundamentally changed. In a hybrid workplace, it will be difficult to equalize the work condition and opportunities for all

employees. But the benefits far outweigh the challenges at first.

To ensure that managers have the abilities and expertise required to successfully lead remote and hybrid teams, it is crucial that they receive ongoing training on how to manage staff effectively and support workers, including performance management, remote communication, collaboration, and relationship-building. This training may cover

subjects including problem-solving, communication, and virtual team development. By providing managers with the tools and resources they need to effectively manage their teams, businesses can enhance the overall productivity of their teams and improve the overall work environment.

Table 4 contains a summary with respect to the abovementioned key points to guarantee a good climate within the organization.

Table 4. Key points for managing new working procedures and behaviors

Working procedure and behaviors	Main issues	Practical tips
Define new rules of behavior both in the physical workplace and in the virtual one	Proximity bias: many employees think that adopting a hybrid working arrangement comes at a price, namely that of losing opportunities for career advancement, thereby feeling the risk of being overlooked.	Hold all meetings online, removing these barriers to job advancement for remote workers who can miss important information if a meeting occurs both in-person and virtually. Schedule regular one-to-one contact meetings with each of the employees, to check their advancements, their personal growth, and also their work-life balance by monitoring the hours worked. Employees should update their physical or online working hours on a shared website so that the manager can know when they are working and when they are not.

Avoid mismatching employees' preferences	Not everyone may be affected by hybrid working and, after the pandemic instability, the antidote for many people is getting back to in-person work.	Create a collaborative hybrid workplace environment where office or hybrid work conditions are decided and adapted according to staff needs.
Set up flexible working arrangements already in the contracts	To ensure that hybrid-working arrangements are successful, employers should include them already in the working contracts.	The contract should outline in advance the roles and responsibilities of the parties with regard to both in-person and remote labor.
Encourage a culture of accountability and communication	Encouraging a culture of accountability and communication in hybrid working arrangements is essential for the success of any team.	Develop clear and transparent policies and principles about eligibility for – and access to – hybrid working and establish systems to monitor decision-making and access.
		Undertake ongoing listening activities with workers, managers, and worker representatives.
		Support employees in their transition to hybrid working.
		Establish clear guidelines for communication, dress code, and attending virtual meeting.
Assure quality and inclusion	Managers should assure quality and inclusion in hybrid working to ensure that all employees are participating in the same quality of	Assess organization risks and develop an action plan to ensure that hybrid working supports inclusion and equality.

	<p>work and are included in the decision-making process.</p>	<p>Keep in mind that some jobs may require regular hours and work from the office, whereas others will be easier to adapt to a different working pattern.</p>
Provide ongoing training for managers	<p>Employers and employees are both adjusting to the new flexible normal since the working world has fundamentally changed.</p>	<p>Managers should receive ongoing training on how to manage staff effectively and support workers, including performance management, remote communication, collaboration, and relationship-building.</p>

4.2 “What’s inside, comes out”: empowering autonomy and collaboration among employees

Empowering autonomy and collaboration among employees in a hybrid working environment is key to maintaining a productive and efficient workplace. It allows employees to work together on projects and ideas, while also allowing them the freedom to work independently and use their own time and resources to complete tasks.

First, hybrid working gives employees the autonomy in terms of when and where they work, as well as allowing them to take breaks and manage their own schedules, while still providing the benefits of being part of a team. To foster autonomy in a hybrid workplace, managers should promote flexibility by

offering flexible work schedules and work-from-home opportunities as much as possible, giving employees control over their own workflows and processes, allowing them to make their own decisions, and encouraging them to take ownership over their work by setting ambitious goals. This requires evaluating each employee’s performance based on results, not hours worked. Indeed, this approach ensures that employees are evaluated based on what they are producing, not the amount of time they are spending on the job.

Second, it is necessary to point out that a successful business has always depended heavily on collaboration. However, in recent years, as the workplace has expanded beyond the traditional office, it has become infinitely more crucial. Flexible arrangements may improve

communication and collaboration, since work can be done remotely and in person, allowing teams to stay connected and productive.



In fact, it allows employees to collaborate with their colleagues both in person and remotely, which can help to promote creativity, innovation, and productivity. However, it may be challenging for newly dispersed workforces to establish settings where collaboration occurs not as naturally as it did in the office. In order to be successful, each party needs to understand their roles and responsibilities, as well as be flexible and open to compromise when needed. Each party should also strive to communicate clearly and regularly to ensure that the objectives of the arrangement are understood and met. Furthermore, it is important to create a positive working environment where each party is respected and valued as well as to establish a system of accountability to ensure that the collaboration is productive and successful.

However, collaboration is about more than just making sure coworkers get along: fostering

a sense of belonging and community is equally important. And if employees feel blatantly disconnected, this cannot happen. To foster a sense of belonging, some practical tips are reported:

- set up communication channels: ensure that both remote and in-office employees have access to the same communication channels. This could include using Slack, Microsoft Teams, or another platform for team collaboration;
- utilize project management tools: project management tools are essential for keeping everyone on the same page and organized;
- encourage social interaction: encourage remote and in-office employees to interact socially. This could include virtual happy hours, chat rooms, or even virtual game nights;
- take regular breaks: make sure both remote and in-office employees are taking regular breaks throughout the day. This will help to promote collaboration and keep everyone energized.

Table 5 summarizes the points just discussed, emphasizing the practical tips needed to create an engaged and motivated hybrid work environment.

Table 5. Key points for enhancing a collaborative workplace

Empowering employees	Main benefits	Practical advice
Autonomy	<p>Hybrid working gives employees the autonomy in terms of when and where they work, as well as allowing them to take breaks and manage their own schedules, while still providing the benefits of being part of a team.</p>	<p>Managers should promote flexible work schedules as much as possible.</p> <p>Let employees become their own decision-makers, giving them control over their own workflows and processes.</p> <p>Evaluate each employee's performance based on results, not hours worked.</p>
Collaboration	<p>Since work may be done both online and in person, flexible arrangements may promote collaboration, enabling teams to stay connected and productive.</p>	<p>Both employers and employees need both to understand their roles and responsibilities and strive to communicate clearly and regularly.</p> <p>Managers should create a positive working environment where each party is respected and valued and establish a system of accountability.</p> <p>Managers should set up communication channels and ensure that all employees have the same communication tools.</p> <p>Managers should encourage to utilize project management tools.</p> <p>Managers should foster social interactions, even outside of working hours.</p> <p>Managers should encourage employees take regular breaks, in order to remain active and energized.</p>

4.3 Changing leadership mindset: a shift from time control to trust

Any change in working arrangements requires a relevant shift in managers' mindsets. Traditional management style is based on the concept of control: control over employees, control over clients and customers and control over business processes and outcomes. However, a control mindset cannot cope with the disruptive changes in the world of work, which require flexibility. This bureaucratic style is likely to produce dissatisfaction and reduce motivation among employees, as well as waste time and money and reduce profitability. This often leads to micromanagement and a lack of trust in the team's capabilities, but, above all does not focus on results.

The key turning point emerged in recent years, with the rise of trust-based management (Maister et al., 2021). Trust-based management is a type of management style that focuses on building trust between management and employees. It is based on the belief that when trust is established between the two parties, employees are more likely to be productive, motivated, and committed to their work.

Trust-based management aims to assign as much responsibility for and control over tasks and projects to staff members, both individuals, and teams. The emphasis is on performance-based and a high degree of trust between the persons involved. This type of management style encourages open

communication, collaboration, and an environment where employees can take risks and make mistakes without fear of retribution. It also emphasizes the importance of providing employees with autonomy and respect. At the heart of this leadership style is the concept of mutual trust, which shifts the focus from time management to performance outcomes.

It takes time for trust to develop. It is based on a foundation of extensive shared experience where everyone involved gains increased faith in one another's willingness and ability. It is important to approach the transition from control to trust with caution and practicality; it won't happen overnight. However, here are some practical tips for managers to fully embrace this new management style and create a trusting climate within the organization:

- communicate openly and honestly: make sure to keep communication open and honest with your employees. Share your goals and expectations with them clearly;
- invest in relationships with team members, listen to their ideas, and encourage their initiatives;
- provide feedback on performance. This will help teams understand what is expected of them and how they can improve. Share progress updates and ensure everyone is aware of any changes or decisions that are being made;
- be open to feedback from the team and embrace different perspectives. This will

- help create an atmosphere of mutual respect and trust;
- strive to empower team members to take ownership of their work. This means allowing them to make decisions and take risks without fear of repercussions;
- lead by example: demonstrate the behaviors you expect from your employees. Show that you are trustworthy and dependable and that you are open to feedback and criticism;
- show respect: respect your employees' thoughts and opinions and show a genuine interest in their work. Create a safe environment where employees feel comfortable expressing their ideas, opinions, and concerns;
- support the development and show empathy: Encourage your employees to strive for personal and professional growth. Show empathy towards employees and put yourself in their shoes. Acknowledge their challenges and be understanding of any difficulties they may be facing;
- be consistent: maintain consistency in your decisions and actions. Also, maintain consistent standards and expectations for all employees, regardless of their location. Ensure everyone is held accountable for their work and treat each employee with fairness and respect.

To conclude, three remarkable points to underline. First, in markets with rising unpredictability and fiercer competition, trust-based techniques hold great promise for

generating economic benefit. When properly used, these methods provide managers the ability to respond more quickly to changes in the market, increasing the organization's agility and allowing it to take advantage of emerging opportunities. By creating an environment of trust and cooperation, trust-based strategies can help organizations remain competitive in an ever-changing market. Second, the skills needed for these strategies are far different from what the majority of managers have today. For this reason, managers are urged to start implementing these trust-based techniques right now because there are long lead times involved in developing these skills. Hence, managers should engage in ongoing training on trust-based techniques in order to stay up to date on the latest trends and best practices. Training should include topics such as understanding the different types of trust, developing constructive communication skills, and establishing an environment of collaboration and support. Training should also include activities that help managers to practice and hone their trust-building skills. Additionally, managers should be provided with resources to help them implement trust-building techniques in their organizational context. Third, the foundation of trust-based management does not assume that all parties can or deserve to be trusted. The exact opposite is: trust must be actively developed and maintained. For this reason, it is important to hold continuous meetings and briefings for

employees as well and use all available technological means to do this.

Table 4 provides a summary of the skills required to embrace a trust-based management approach.

Table 4. Adopting a trust-based management approach

	Definition	Practical advice for managers
Trust-based management	<p>Trust-based management is a management style that focuses on the development of trust between managers and employees to improve motivation, engagement, and performance. It is based on the idea that trust is the foundation of any successful team, and that trust-based management is the key to unlocking employee potential. It involves open communication, mutual respect, and the willingness to share information and ideas.</p>	<p>Communicate openly and honestly.</p> <p>Invest in building relationships with team members.</p> <p>Provide feedback on performance.</p> <p>Be open to feedback.</p> <p>Encourage team members to take ownership of their work.</p> <p>Lead by example, by showing that you are trustworthy and dependable.</p> <p>Show respect for employees' thoughts and opinions.</p> <p>Support the personal development and show empathy.</p> <p>Be consistent in your decisions and actions.</p>

5. Evidence from practice: how to manage Hybrid Working in SMEs' real-life contexts

The aim of this chapter is to provide practical examples of how SMEs at a European level have already successfully adopted flexible working arrangements. The term "micro, small, and medium-sized enterprises" (SMEs) refers to companies with less than 250 employees and annual balance sheet totals of up to EUR 43 million or an annual turnover of up to EUR 50 million (EU recommendation 2003/361). Despite receiving relatively little academic attention, this economic sector is overall quite sizeable: SMEs represent 99% of all businesses in the EU (EC, 2021). By employing close to 100 million people, and accounting for more than half of the GDP in Europe, they are crucial to Europe's, innovation, competitiveness, and development.

For the purposes of this handbook, a sample of 4 organizations was chosen to offer a variety of perspectives on flexible and hybrid working, as well as to share real-world best practices and suggestions for effective hybrid working:

- A. Financial Services Compensation Scheme (London)
- B. Fideres Partners (London);
- C. Plentymarkets (Germany and Romania);
- D. Integrated Environmental Solutions (Glasgow and Dublin).

The first case study represents an example of the successful implementation of flexible working arrangements and contains useful tips that can be reused and readapted to specific contexts. The second case study was chosen because it highlights the difficulties faced by the company

during the forced implementation of hybrid working measures throughout the pandemic period. Therefore, it can serve as a lesson with respect to the issues that should be given greater consideration. The third and fourth ones represent instances in which the adoption of external software helped organizations better manage the transition to flexible working arrangements.

A - Financial Services Compensation Scheme

Set up by the government in 2001, Financial Services Compensation Scheme (FSCS) is an operationally independent body that exists to protect customers of financial services firms that have failed. Hence, it is designed to offer protection to eligible customers if their authorized financial services firm fails. The organization is located in London and has a size of approximately 240 employees. The organization started to consider whether any of its roles could be performed without some level of flexibility as early as 2017. However, since the FSCS began providing totally flexible work schedules to all workers in 2019, they may be regarded as early adopters in recognizing the importance of flexibility even before the spread of the COVID-19 pandemic (CIPD, 2022) working strategy, which puts a strong emphasis on achieving a healthy work-life balance while giving workers complete control over how they choose to spend their time at the office. This means that the best place to work, whether it be on the phone, at home, in the office, or elsewhere, is up to the individual employee. Underlying this approach was the idea

that flexible working is a benefit that a company should embrace, that a high-trust culture is necessary to make this strategy work, that there is a need to put the correct technology in place, and ultimately that it also becomes necessary to revisit performance management in order to be successful. David Blackburn, the FSCS Chief People Officer once stated: “The look and feel of our workplace are changing and our work is no longer one size fits all – so where you want to work when you want to work, and what you want to wear is for you, your line manager and your team to agree. We want our colleagues to think about the outcomes they are working to deliver and the most productive environment for the best results: Your Day, Your Way.”

The approach “Smarter Working: Your Day, Your Way” is a type of workplace flexibility that allows employees to have a flexible schedule and work environment. This type of approach allows employees to choose when and where they work, as well as how they manage their workload. It encourages employees to take ownership of their work and be creative with their time, allowing them to tailor their workday to fit their individual needs. More in specific, employees can choose *where* and *when* to work. At first, FSCS line supervisors had to approve flexible working arrangements, and the time range of working hours ranged from 10 am to 4 pm. Nevertheless, it became evident during the lockdown and after several conversations that although some coworkers were content to work only from home, many others missed the social contacts and related possibilities in the actual work

environment. Consequently, the organization decided to adopt a totally flexible approach, but requiring employees to spend 40% of their time in the physical workplace. The idea is to maximize the usefulness of time spent in the office, and this is achieved by asking employees to post their personal schedules so that everyone on the team knows how to organize face-to-face meetings. At the same time, with respect to the decision of *when* to work, the organization has embraced a general framework, which means that between 7 am and 7 pm, employees can choose their schedule, starting earlier or finishing later, giving them the flexibility to take time off for personal commitments.

Alongside a review of working conditions, the organization decided to implement a reassessment of the office spaces and the technological tools currently in use as well. After an in-depth consultation with employees, they made the decision to change the workplace by adding a space for informal meetings, teamwork, and hot-desking as well as to double the size of their informal event space to promote cooperation. Moreover, a new creative space was made available for private workshops and an old meeting room was turned into a quiet/silent working area with individual work pods. From a technological point of view, the organization decided to replace every computer with laptops, adopt the full Microsoft Office 365 package and an intranet platform to enable more effective teamwork even remotely, and finally install new audio-visual technology in every meeting room to facilitate employee run their presentations,

whether they choose to do it from home or from the office.

To conclude, it is necessary to point out that the company has organized several training events for managers for a successful implementation of flexible working arrangements. This has enabled the managers to understand the benefits of such flexible arrangements and to be able to effectively communicate them to employees.

B - Fidères Partners

Fidères Partners is a financial consulting firm founded in 2011 and headquartered in London, England. The firm has a size of 22 staff members and works with clients to provide analysis, research, and consulting services for financial markets. It specializes in market manipulation, competition economics, and corporate finance. Fidères Partners also assists clients with regulatory compliance, economic analysis, and risk management. The firm's clients include global financial institutions, asset managers, investment banks, and corporations.

The type of work Fidères does is ideally suited for remote work or flexible hours. However, with the outbreak of the pandemic and the actual duty to work from home, the organization has encountered difficulties, not so much in terms of technological adaptation and organizing schedules, but rather in terms of loss of collaboration and communication. It is sufficient to say that the Head of People and Culture Kate Bicknell, once stated: "There is no

substitute for that soft social interaction that happens by default when you are in the office together. There's something that just isn't the same. And we haven't found that magic button to replace it yet" (CIPD, 2021).

To overcome these communication issues, the organization decided to provide virtual communication training for line managers, emphasizing the usage of various communication methods to keep everyone in touch. Not only managers, but the staff also had access to an outside coach who helped them navigate the difficulties of the new workplace by emphasizing self-awareness and understanding their own working behaviors. The external coach provided staff with a safe space to explore the challenges and opportunities of the new working environment. They helped staff to identify their strengths and weaknesses while exploring ways to adjust their working behaviors and routines to fit the new environment better. To sum up, to ensure a smooth transition to hybrid working, they implemented several procedures to ensure that our employees are supported and guided.

At the end of this journey of change, Fidères partners recognized the positive results coming from the implementation of flexible working arrangements, resulting in a downsizing of physical work offices. However, aware of the difficulties encountered during the transition, the organization recognized the importance of physical offices both to maintain

social interaction among staff members and to ensure solutions for those who do not want to work from home but prefer to go to physical workplaces. Consequently, the firm decided to provide a better workspace for a youthful team that has missed social connection during the pandemic period, thereby granting them the opportunity to socialize and collaborate with their colleagues in physical offices, such as through team-building activities and regular get-togethers.

C – Plentymarkets

Plentymarkets, a German company with 250 employees, transforms the way goods are sold while tying together all online and offline trading activities (Stoyanchev, 2023). With more than 50,000 consumers per day served, they employ a multi-channel strategy to manage sales more swiftly and effectively. Because of the cloud-based architecture of their system, online and offline operations are coordinated smoothly.

For this company, hybrid working is seen as a long-term strategy to stay competitive and to implement a more agile and cost-effective approach to business practices. During Covid-19, the business switched from a regular Monday–Friday work arrangement to one that was entirely remote. However, with the end of the pandemic, returning to work became a logistical headache for both employees and employers because there were only 40 office chairs available for the company's 250 employees. Managers found it difficult to ask

workers back to the workplace for increased productivity and cooperation. They swiftly grasped the necessity for a technological response to assist them in handling the problem.

For this reason, they decided to adopt the OfficeRnD Hybrid platform, to ensure a better implementation of hybrid practices. OfficeRnD Hybrid is a unique workplace management platform that is designed to bridge the gap between office and remote working experiences for organizations of all sizes, enabling companies to manage their hybrid workforce and gradually transition to hybrid working arrangements. The platform helped the organization in terms of:

- interacting itself with the current technological system, making it simpler for staff to book desks and rooms without leaving their preferred applications;
- optimizing their office footprint at a 16% employee-to-desk ratio, which means that for every 4 office employees, they only had one desk available;
- making workplace policies flexible enough to accommodate requirements for the future of work;
- allowing workers to come back to the workplace to work together and socialize;
- providing access to office maps and timetables for staff to ensure calendar synchronization;
- enabling employees to use the in-app survey tool, which allowed both the company to maintain compliance with German health

regulations, which are quite rigid, and to track employee satisfaction and well-being.

To conclude, the OfficeRnD Hybrid platform, according to Lucas Worhl, director of operations at Plentymarkets, helped the organization monitor both anticipated and actual hybrid usage across the board. Moreover, it influenced making strategic choices that improved the management of office resources.

D - Integrated Environmental Solutions

For more than 25 years, Integrated Environmental Solutions (IES) has established itself as a pioneer in integrated performance-based analysis. The organization, being able to rely on a total of 272 employees, simulates and analyzes data to provide the knowledge required for individuals engaged in production and administration to confidently make decisions supporting resource-efficient, healthy, and cost-effective built environments. Nowadays, they now have the strongest physics analytics team in the world (Stoyanchev, 2023).

Before Covid-19, IES had a 100% office occupancy rate. However, nobody anticipated returning staff to the office after the epidemic would be challenging, but two years of remote work altered many things: to successfully enable staff to interact in the workplace, resources need to be handled, budgets need to be updated, and processes need to be developed. Hence, the management faced three main challenges:

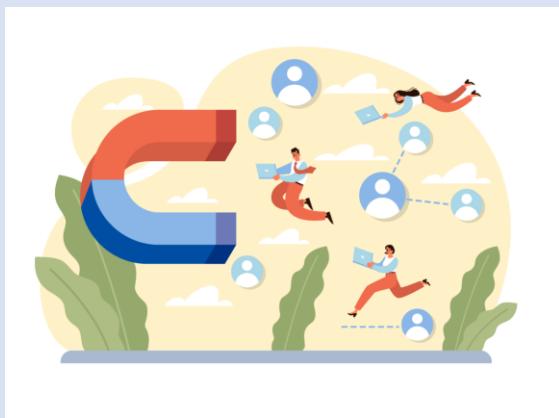
- bring the workers back to the office for cooperation while allowing them the necessary freedom;
- monitor the effectiveness of hybrid work and gain insight into resource utilization in the workplace for future planning and growth;
- make their back-to-office policy applicable to numerous workplaces in various nations and cities.

To address these challenges, IES decided to adopt the OfficeRnD Hybrid platform, which helped the organization to manage the hybrid transition better by:

- providing desk and room booking statistics on employee engagement;
- enabling IES to handle real estate resources efficiently;
- encouraging staff to return to the office through smart scheduling for collaboration, showing them the value of the time they invest there;
- promoting the community through in-app notifications and events;
- integrating the platform with existing systems to reduce friction in workflows.

To conclude, managers were able to return the staff to the office for face-to-face cooperation sooner than anticipated because of the rapid adoption rate, the software's ease of use, and the personalized onboarding procedure provided by the customer satisfaction team.

6. Key points and recommendations



This chapter tries to draw conclusions by outlining many practical principles to support the successful implementation of hybrid working by SMEs:

1. establish a clear strategy: develop a hybrid working strategy that outlines the company's expectations and plans for employees who will be working partially from home and partially in the office;
2. ensure that any flexible working arrangements are transparent and fair and that employees are aware of their rights

and responsibilities under the new arrangements;

3. invest in the right technology: invest in the necessary technology and equipment for employees to work in both environments. This includes communication and collaboration tools, video conferencing, cloud computing, and mobile devices. Moreover, train and educate staff on the safe use of technology and tools for working remotely;
4. reconfigure workspaces to allow more space between employees and create a flexible layout that can accommodate different working styles;
5. create a trusting culture that supports hybrid working: develop an organizational climate that encourages collaboration and trust between employees, even when they are working from different locations. This requires:

- prioritize communication: encourage employees to communicate regularly and openly with one another by providing platforms and tools that allow for remote collaboration;
 - lead by example: strive to create an environment where all team members feel comfortable and supported regardless of their working location
 - make sure everyone feels connected: create a sense of community and connection between employees, even if they are not working in the same office. Establish regular check-ins and team-building activities to keep everyone connected;
 - encourage collaboration and autonomy: create a culture of collaboration and open communication. Encourage employees to share their ideas with each other and work together to come up with solutions;
 - encourage feedback from employees to help identify any potential issues or areas for improvement;
 - provide support: make sure to provide support to employees who are struggling with the transition to hybrid working. Provide resources and training to help them adjust and make the most of their new working environment.
- 6. focus on setting objectives and measuring results.** This means that rather than tracking

the amount of time employees spend on tasks, managers should focus on the outcomes that are achieved through their efforts;

7. provide updated guidelines and ongoing training: consider setting up a formal flexible working policy, outlining the procedures and expectations that are in place;
8. monitor and adjust: track the effectiveness of the hybrid working arrangement and make adjustments as needed. Regularly evaluate the productivity and morale of employees to ensure that the arrangement is working well.

In conclusion, remember that working from home is not for everyone. Some employees thrive with more independence, while others demand more discipline and may be less productive without supervision. For this reason, the keyword is to be flexible. Not all work environments will be suitable for everyone, but with a little creativity, you can create an environment that works for you and your team.

7. Conclusion

SMEs are dealing with an incredibly challenging economic climate as the world struggles to deal with the problems brought on by the ongoing pandemic. The evolution of corporate organizational models is forcing a (re)thinking of work in the current business environment; however, SMEs' efforts to improve their work organization are insufficient, despite the European Union's widespread support for cutting-edge work approaches like hybrid working and the literature's findings that these approaches increase productivity and improve work-life balance.

SMEs are increasingly looking to adopt flexible working arrangements to keep up with the changing needs of the workforce. By offering flexible working conditions, SMEs may be able to increase employee satisfaction and well-being, attract and retain top talents, strive for sustainability, reduce costs, and increase productivity. Flexible working allows employees to work on their own schedule, which can lead to increased productivity. Additionally, by offering flexible working options, SMEs can attract and retain talent and reduce overhead costs associated with traditional office spaces. Last, offering hybrid work may help reduce employee turnover, as it can help make workplaces more attractive to potential candidates. Hence, the adoption of

flexible working arrangements can have a positive effect on the performance of SMEs.

However, there are some risks associated with the adoption of flexible working arrangements. First, there can be security risks: employees working remotely may not be as secure as they would be in an office environment. There can be also potential issues related to managing remote teams, such as miscommunication and lack of oversight, which can be difficult due to the absence of face-to-face interactions and difficulty keeping track of progress. For example, one challenge of hybrid working is how to keep the "water-cooler effect" with a dispersed team. The water cooler effect is a phenomenon in which people gather to discuss topics of interest in the workplace casually. This type of informal communication and socializing can have a positive effect on the workplace, by creating a sense of community and collaboration among coworkers, leading to higher levels of job satisfaction and productivity.

Hence, SMEs should consider implementing policies and procedures to ensure that flexible working arrangements are managed properly. This could include setting clear expectations for employees, providing training on how to use online tools, and establishing protocols for onboarding remote team members. Additionally, SMEs should

consider both reorganizing the physical office spaces and investing in technological tools to help manage remote teams, such as project management software and video conferencing tools. Overall, the adoption of flexible working arrangements can be beneficial to SMEs, but they should be managed properly to ensure that they are successful.

Underlying this, the key factor is ongoing training. Training for managers is essential in the implementation of hybrid working, as it helps them to understand the new challenges of managing a partially remote workforce. It can also provide them with the tools and skills they need to successfully manage a hybrid workplace. Training in areas such as communication, collaboration, technology, and conflict resolution can help managers better understand how to effectively manage hybrid teams and ensure that all employees are engaged and productive.

In conclusion, before beginning such a transition, it is fundamental to assess the feasibility of implementing flexible working arrangements in the specific workplace, taking into account the organization's resources, the needs of the employees, and the nature of the job roles in question. The organization should assess the cost associated with implementing flexible working arrangements, such as changes to the IT infrastructure and the need for additional equipment. Employers should also consider the impact of flexible working arrangements on the organization's productivity and profitability, as well as the impact on employee morale. Additionally, they should assess the potential legal and compliance issues associated with flexible working arrangements, such as the need to ensure that employees are not discriminated against or overworked.

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