How to Lead a Work from Home Workforce

Emerging Insights and Strategies

with Joseph Grenny

What Has WFH Done to Corporate Culture?

Survey administered August 2020	212 senior executives	2037 front line and middle management respondents

The WFH Situation

69% of executive respondents report between 75%-100% of their workforce is now WFH.

Only 3% of respondents said none of their employees were working from home.

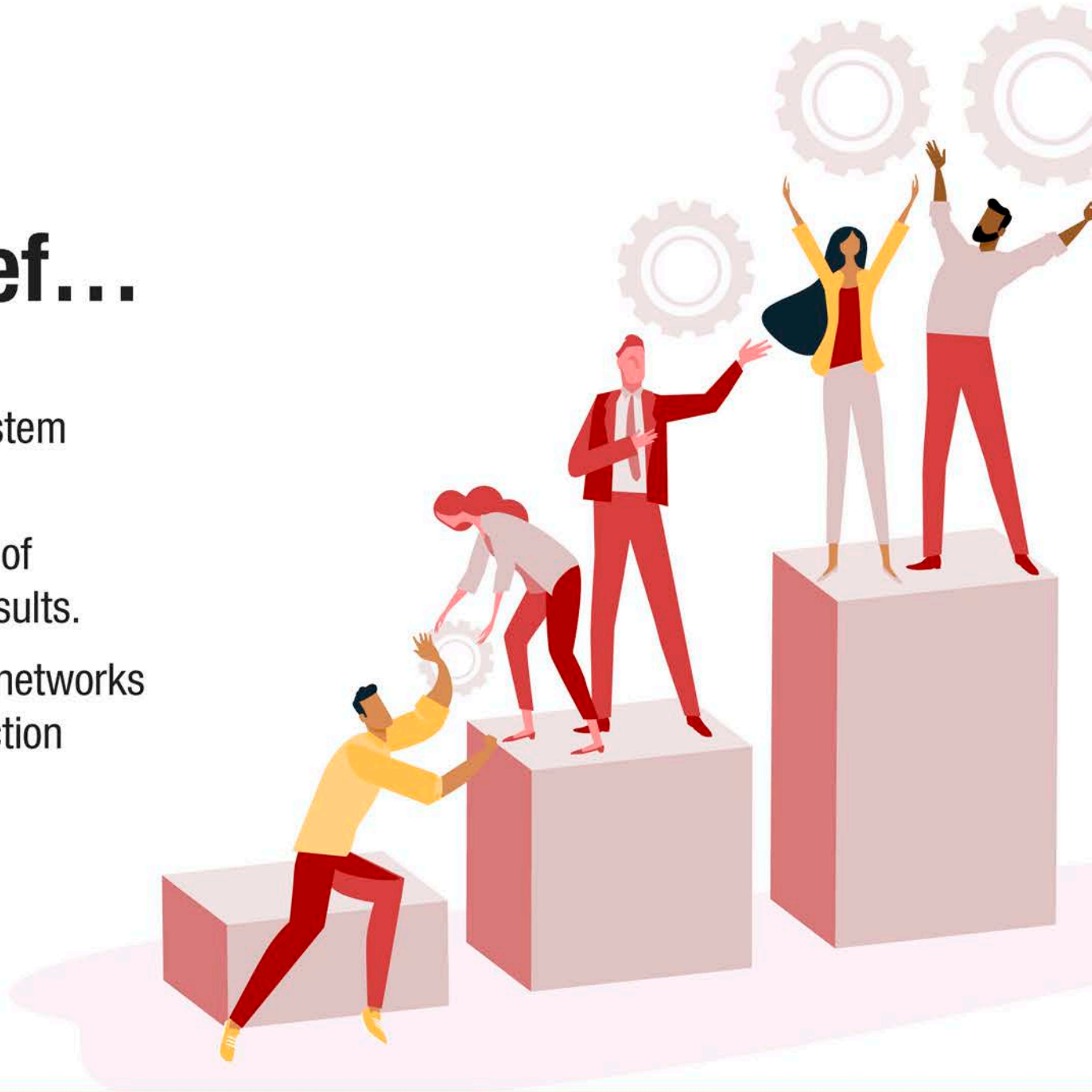
The Big Fear:

Is WFH destroying organizational Social Capital?

Social Capital in Brief . . .

Social Capital in Brief…

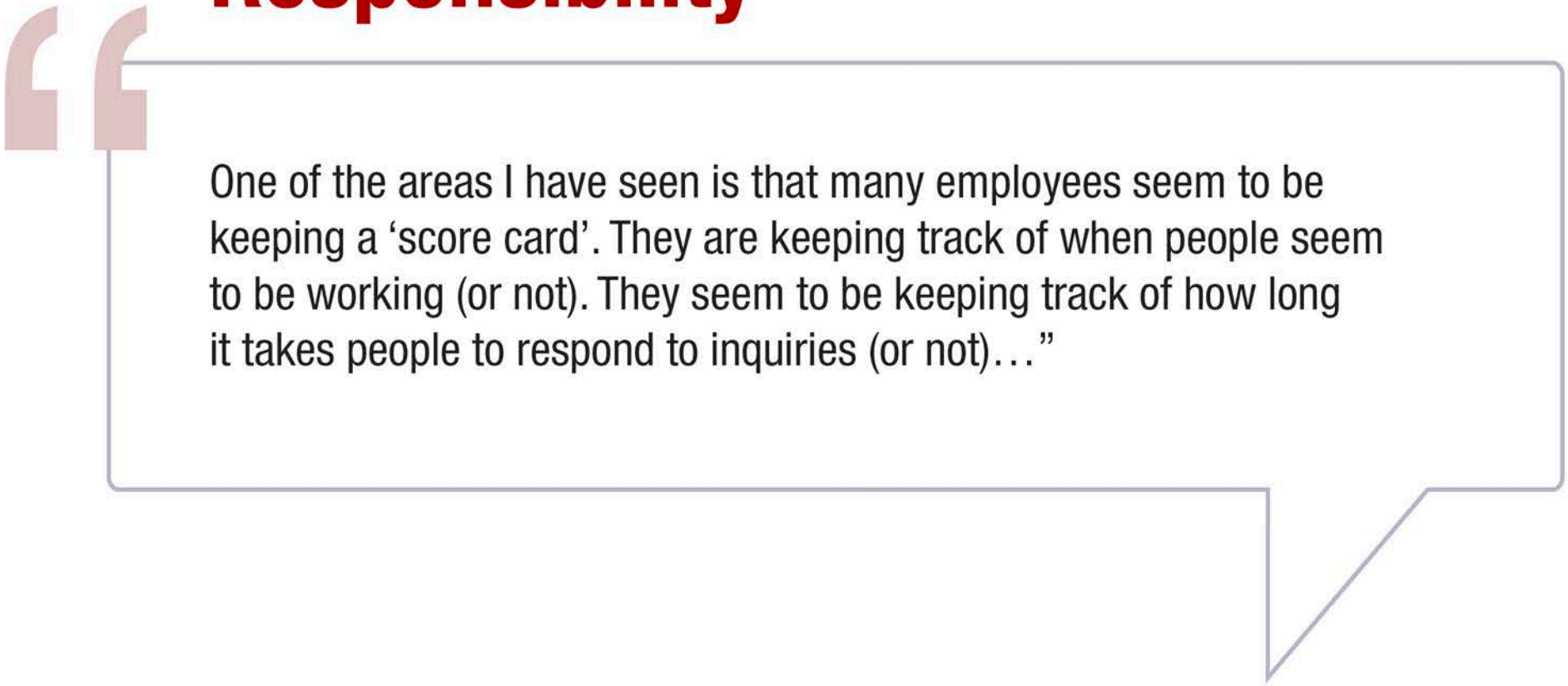
- Leadership is about creating a social system that produces results.
- Social Capital is the long-term predictor of an organization's capacity to produce results.
- Social Capital measures the strength of networks of relationships that enable them to function successfully together.



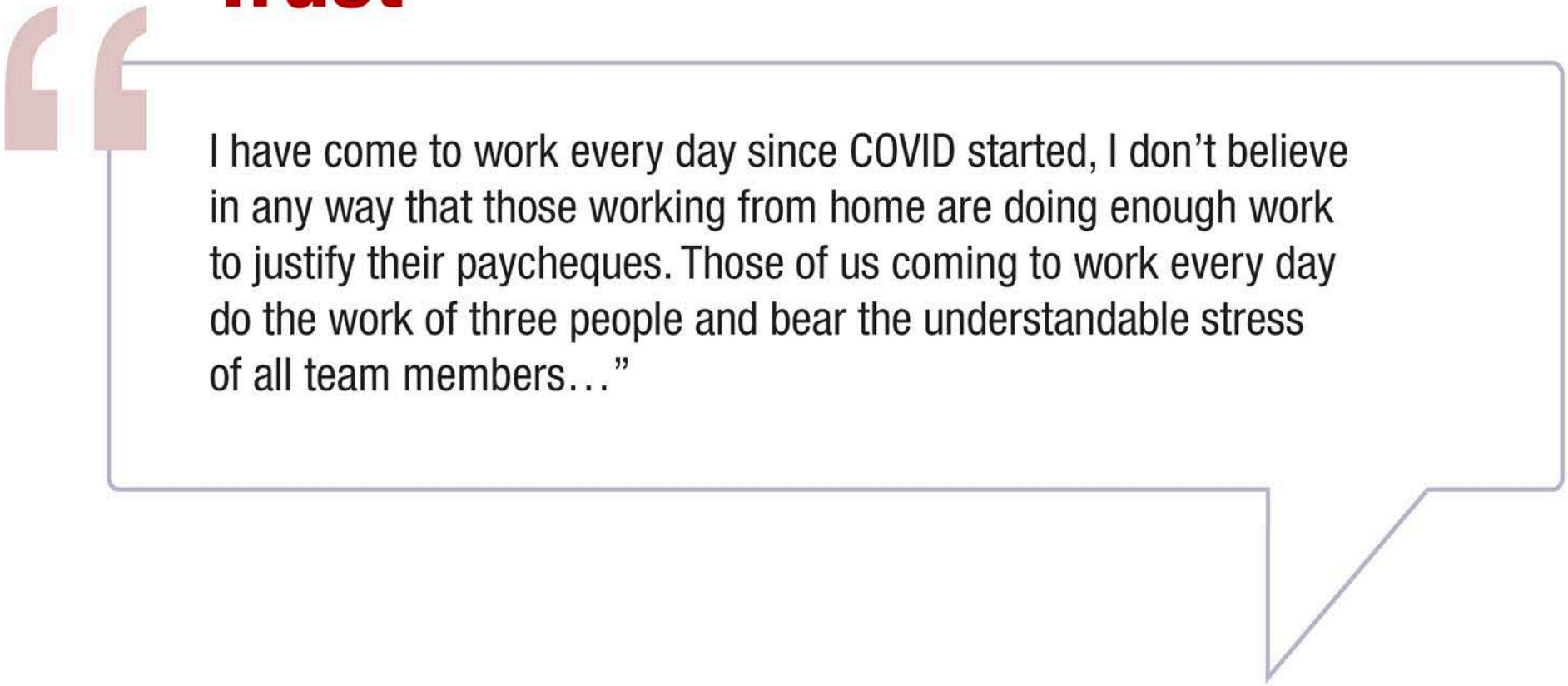
VitalSmarts Seven Indicators of Social Capital

2. **Discretionary effort:** The norm in the organization is to voluntarily give more effort, passion, and creativity than the minimum the job demands.
3. **Connection:** Most people feel a personal connection to the organization's mission, values, and people.
4. **Commitment:** People rarely, if ever, think about looking for another job.
5. **Reciprocity:** People normally respond quickly to requests from others.
6. **Trust:** People operate on an assumption of goodwill, giving one another the benefit of the doubt when problems occur.
7. **Teamwork:** People sacrifice their own team's needs to serve a larger organizational goal when needed.

Responsibility



Trust


I have come to work every day since COVID started, I don't believe in any way that those working from home are doing enough work to justify their paycheques. Those of us coming to work every day do the work of three people and bear the understandable stress of all team members…"

THE STUDY

How to Lead a WFH Workforce

Key questions:

1. How are managers and executives with largely WFH workforces thinking about corporate culture?
2. How has WFH affected Social Capital?
3. Are there emerging leadership best practices for growing Social Capital with a WFH workforce?

1

How are top executives thinking about corporate culture in WFH organizations?

Culture is BY FAR the #1 concern of top executives

50% rated culture as a top concern

48% cited Health & Safety as a top concern

The next most cited concern was sales (46%)

Bad News. Good News.

Executive Perspective

54% of leaders say their culture has suffered. **25%** say it has improved!

Non-Executive Perspective

43% of employees say culture has suffered. **28%** say it has improved!

What can we learn from those who claim it has improved?

We Are Rallying

…Overall, it appears the employees are operating in a crisis mode—that is, they are banding together, watching out for one another, and making sure work is continuing to be done. Several employees have received customer recognition for outstanding performance; including the development and implementation of safe procedures that allow work to continue during the pandemic. This demonstrates a can-do attitude that allows us to exceed customer expectations…"

2

How has WFH Affected Social Capital?

Most Commonly Mentioned Negatives

Less peer-to-peer communication (60%)

Weakened relationships (49%)

Less manager to direct report communication (32%)

Weakened Relationships

"We had a stellar employee who gradually became unresponsive. Productivity started dropping off. Instead of the manager addressing this from the perspective of helping a person who was potentially experiencing non-work-related difficulties, the manager wanted to put the employee on a short PIP to end in termination. This was never our normal way to operate. I feel like because we are no longer face-to-face, this person became a number… We are not treating each other in the same caring way we did before and tempers are shorter."

Fuzzy Boundaries, Increased Stress

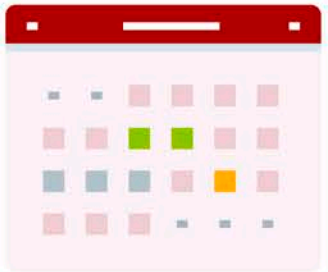
"COVID-19 has impacted how we support our clients . . . the line between work and home has blurred. People are also taking 'half-vacations'—that is, they'll say they're on vacation, but are really working half-days because they haven't been going anywhere. They're not truly recharging. Our company leaders are not drawing a line to help us manage the additional challenges with COVID-19. I see this as unsustainable and our people are really burned out."

Productivity Concerns

"Our company has had an incredibly strong culture, but I feel it has suffered as there is little interaction on a personal level… [As a result,] the work effort is nowhere near the level it once was… I simply don't see the work ethic I did years ago. It's sad and I am concerned over the long-term future of the company..."

Most Commonly Mentioned Positives

1. Made us value flexibility and work/life balance more (76%)



2. Greater employee autonomy (43%)

3. People are more friendly, sympathetic, and authentic (human) with each other (42%)

4. We communicate more proactively (37%)

Appreciation for Forced Experiment

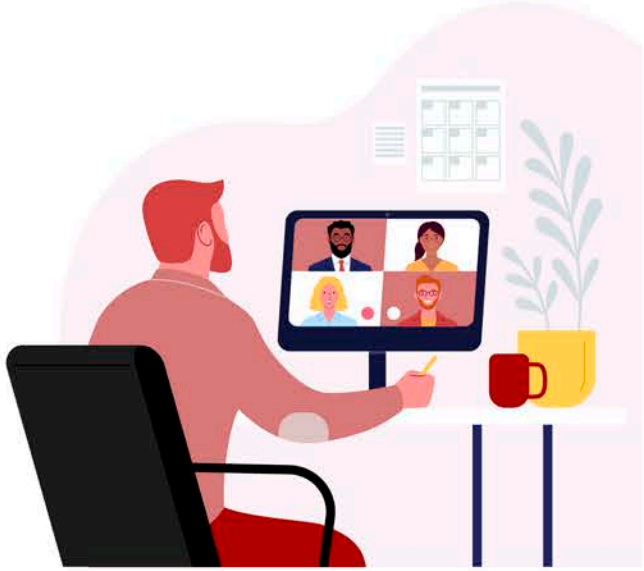
"Prior to COVID-19, our traditionally-structured company was just starting to look into the idea of offering remote work arrangements on a very limited basis. Enter a worldwide pandemic and we were forced to move very quickly into this form of work. There was a lot of skepticism… but after 6-8 weeks, employees reported that they enjoyed working from home; they felt more productive, more connected to their team and safer... Employees would like to maintain some form of remote work—i.e. 1-3 times per week… they feel the organization put its employees first in making this decision. Overall, a great boost for morale, workplace flexibility and company culture."

Biggest Surprises

- Most non-executives (43%) think WFH has hurt their culture
- But a surprising number (28%) say it has **improved**
- While 29% say it's the same
- That means a majority (57%) say their culture is the same or better!
- 33% report team performance is **better** than before
- 45% report feeling **greater** commitment to their company
- 74% say their relationship with their manager is **as good or better** than ever

What is the Difference Between . . .

Predictably Weaker



Surprisingly Stronger

The Manager Matters…

The report of improved relationships with managers is strongly associated with every positive outcome.

Likewise, when comparing those who report their relationship with their manager has suffered to those who say it has improved, those who say it has suffered:

- Report 57% **lower commitment**
- Are 40% **less likely** to exert discretionary effort
- Are nearly 4x more likely to **respond slowly** to requests from others
- Are more than 4x more likely to **assume the worst** of others when problems happen
- Are 3x more likely to **worry** more about their own interests than larger organizational goals

It Doesn’t Take Much…

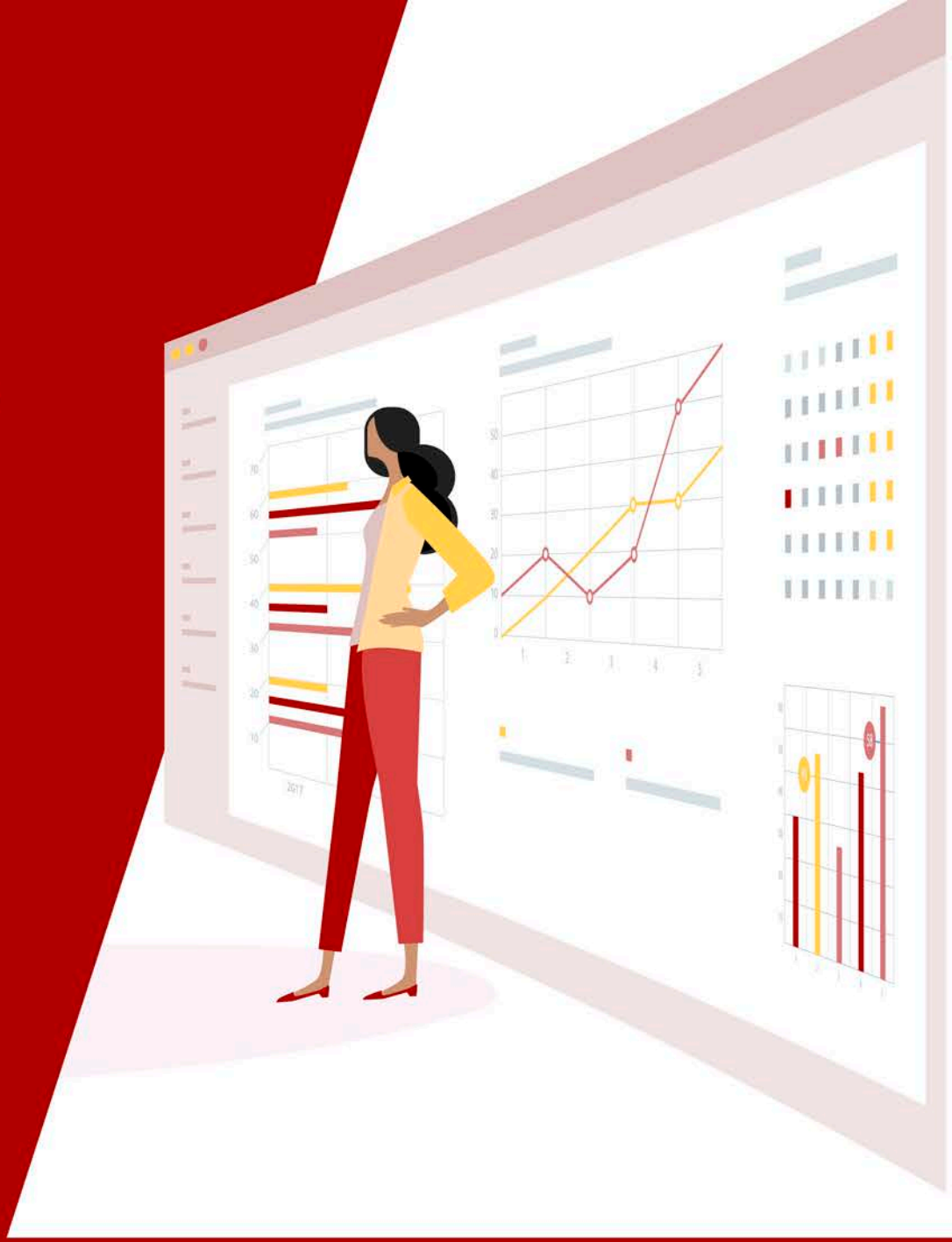
“On several occasions, members of upper management have asked me how my kids were handling the transition to remote learning. In fact, in one meeting with our CEO, he asked everyone with small children how their entire family was doing in the remote environment.”

“In the past, High-ranking global corporate officers visited individual locations infrequently. Since WFH, our global division leader sends weekly fireside-chat-type videos to all staff sharing information about the different organizations in our division along with success stories from each. This has made me feel more connected to my global organization outside of my own work group.”

“Our company now holds more large group meetings and employees are having one-on-one interaction with upper management. They are asking us to participate more in sales and marketing than we ever did before and communicate how we are contributing to our company goals.”

3

Emerging WFH Leadership Best Practices



What are leaders in Surprisingly Stronger Organizations Doing?

75% of leaders have done *something* to assess how WFH is affecting their people

- Used survey tool 44%
- Asked questions in company meetings (52%)
- 1:1 discussions (48%)
- Focus groups (21%)

25% of leaders have done nothing

All You Have To Do To Destroy Social Capital . . . *Is Nothing*

Employees in organizations where leaders have done nothing are *200% more likely to report feeling substantially less committed to the organization*.

On average, 48% report feeling **increased** commitment if their leaders did one of the following:

- Sent out a survey
- Asked for input in a company meetings
- Asked questions in 1:1 meetings
- Held a focus group to get feedback

Just Do Something!

Commitment, engagement, and teamwork have not deteriorated at companies where leaders are proactively engaging employees in spite of WFH.

Where leaders proactively build a sense of connection during WFH, VitalSmarts index of Social Capital is substantially higher. For example, employees are:

- 60% more likely to respond quickly to requests from each other
- Almost three times more likely to give one another the benefit of the doubt rather than taking offense
- Almost three times more likely to sacrifice their own needs to serve a larger team goal
- Over twice as likely to take initiative to solve problems rather than waiting to be told

Communication Inoculates Against Uncertainty

"Prior to the WFH deployment, I met with all employees roughly once a quarter for updates. After deploying to WFH, I changed that cadence to weekly with shorter (15-min) All Hands updates. I did this because I was worried people would feel disconnected otherwise. The feedback has been very positive… I will be doing it this way going forward regardless of whether we all return to the office."

- Senior Executive

Crucial Questions

Why did Social Capital grow in *Surprisingly Stronger* organizations in spite of a lack of physical contact?

1. Social physics have changed. Humans no longer require physical presence to build social capital.
2. We are drawing down on social capital reserves built pre-pandemic.
3. The rules are the same, but some leaders are learning to apply them in a WFH world.

POLL

Which of These Would Help Most?

1. Virtual team lunches
2. Schedule non-work-related meetings for team members to simply connect
3. Offer counseling or psychological services
4. Change work hours or implement a flex time policy
5. Increase the frequency of team meetings

What Employees Say they Appreciate

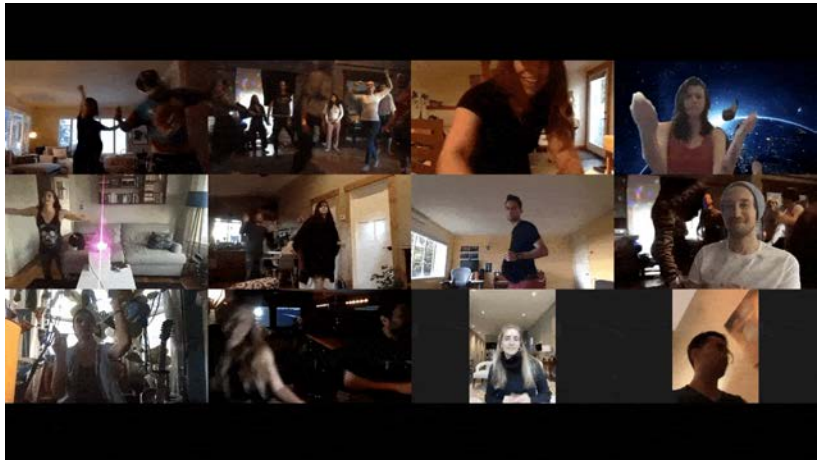
1. Changed work hours or new flex time policy (93%)
2. New tools and tech to facilitate connection (90%)
3. Adaptations to perks and benefits (83%)

VitalSmarts Seven Ingredients of Social Capital

1. **Responsibility:** People generally take initiative to solve problems rather than waiting to be told.
2. **Discretionary effort:** The norm in the organization is to voluntarily give more effort, passion and creativity than the minimum the job demands. (32% see an increase in peers, 23% see a decrease. 17% acknowledge their personal DE has declined.)
3. **Connection:** Most people feel a personal connection to the organization's mission, values, and people. (50% feel less connected.)
4. **Commitment:** People rarely, if ever, think about looking for another job. (Only 16% now actively thinking about another job. 44% actually feel MORE committed because of events of the last 6 months.)
5. **Reciprocity:** People respond quickly to requests from others.
6. **Trust:** People operate on an assumption of goodwill, giving one another the benefit of the doubt when problems occur.
7. **Teamwork:** People sacrifice their own needs to serve a larger team goal when needed.

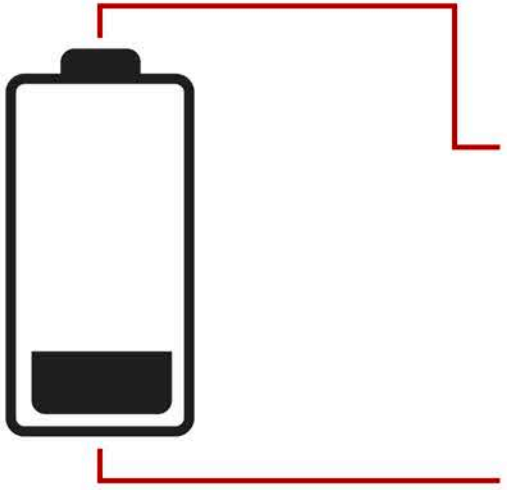
What builds Social Capital in Surprisingly Stronger Organizations?

1. Fun, off-the-wall virtual events (virtual dance parties, online eating contests, etc.)
2. More frequent team meetings
3. Scheduled non-work-related team meetings for team members to connect
4. New tools to facilitate connection



These actions have a 220-440% greater impact on social capital than the top stated preference of “Changed Work Hours and Flex Time Policy.”

Two Mechanisms of Social Capital



SOCIAL CAPITAL

Your social system is strengthened through both structured and unstructured interaction.

Structured

- Repeated positive experiences of collective successful striving.
- Surprisingly virtuous behavior in challenging circumstances.

Unstructured

- Regular free-form interaction to promote exploration and social learning.

Surprisingly Virtuous Behavior

The CEO sends an email to the company every time we have a COVID case. The folks we have in the factory are crucial to our success, they must trust the company. And they do. By getting emails out early, people feel the company [cares about their health.]"

"Our company took action before the government did. They halted all travel and sent everyone home in March. It showed the employees that the top level of management does care about its employees. They have been great at communication and explaining why decisions were made. Once they did a deep-cleaning of the facilities, they very slowly started to allow essential on-site personnel. They have made it easy for employees to obtain the necessary office set up equipment. Our CEO took a 100% pay cut with a 50% cut for his top management team and a 10% cut for all management. This is amazing."

Unstructured Interaction is a Germ of Social Capital

- In an eToro trading call center, productivity rose 10% when employees took coffee breaks simultaneously rather than sequentially.
- Innovation surged in a German bank when seating patterns were changed to promote connection between isolated teams.
- Bank of America got a $15 million annual productivity boost in one division by placing longer tables in the cafeteria, forcing more people to sit by each other.

From Social Physics: How Good Ideas Spread. Lessons from a New Science.

Alex Pentland,
MIT Media Lab

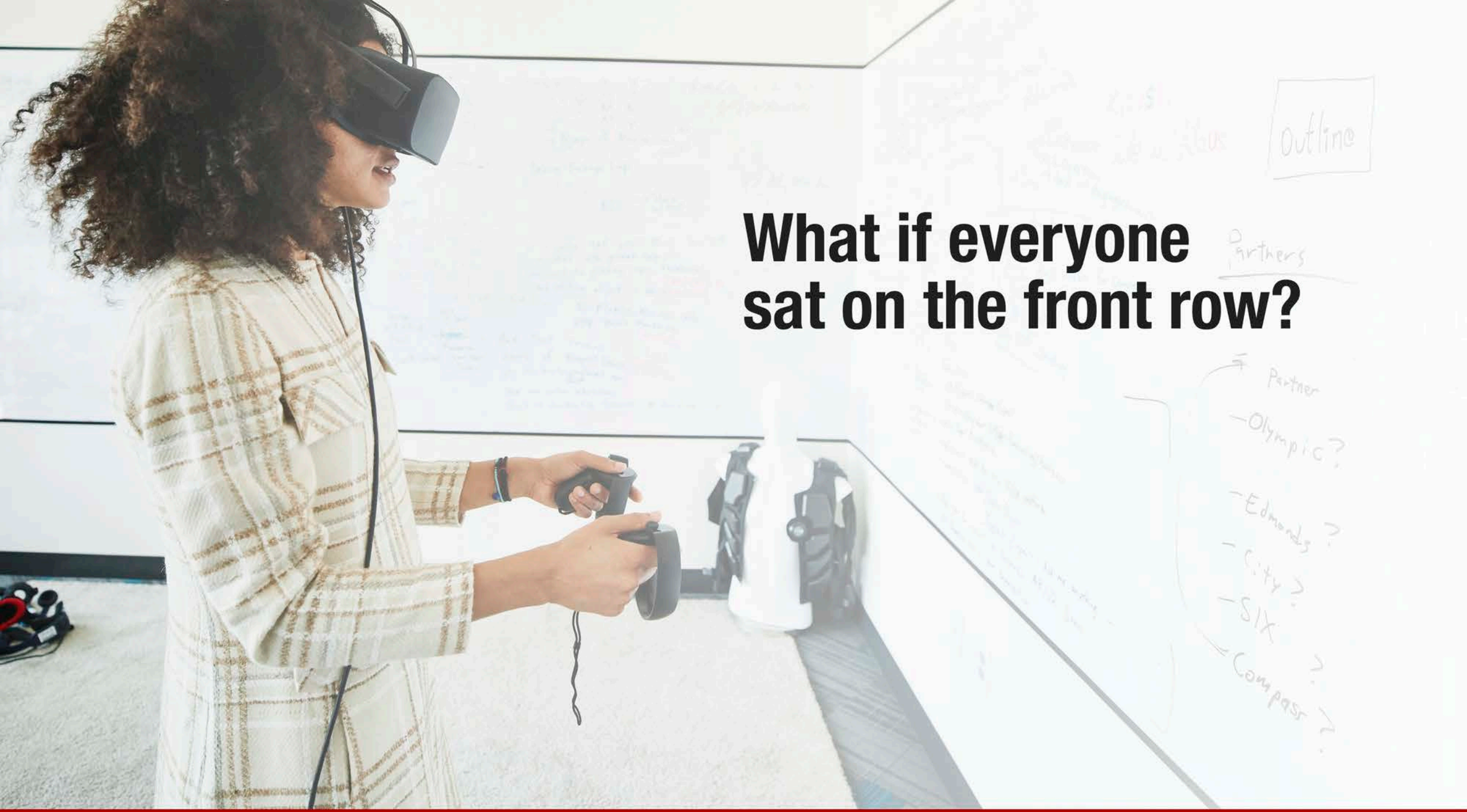
A Crucial Question

The old theory:
Proximity predicts cooperation.

Is physical presence a precondition of robust social capital?

Is it about co-location or connection?

Jeremy Bailenson,
Stanford Interaction Lab



What if everyone sat on the front row?

Time to Waggle

How do you structure for unstructured interaction?

It's Possible…

"More employee-focused virtual events are being hosted on a frequent basis than occurred when employees were bogged down by long commutes. With virtual meetings throughout the day, we are also learning more about individuals home lives and family as kids, pets, and life photo bomb web-based meetings."

"Our group rarely got together socially except for at Christmas (and even that was still 'work'). Since our team has been remote, we have had several 'Zoom Happy Hours' that have been a great success. We share what's going on in our lives at home and at work. People seem to relax and truly open up - perhaps it's because they are in their own environments. These 'gatherings' seem to lift everyone's spirits. People often marvel at the fact that 'remote' can feel so 'close.'"

"Our team set up an informal advisors meeting to build relationships that might have happened organically by being in the same office and eating lunch together at the office."

It's Possible…

"My immediate team sat within 15-feet of each other until mid-March. Since WFH was imposed, my immediate team has a standing Monday morning 30-minute 'coffee chat' on Microsoft Teams. Business is rarely discussed. Weekend activities, upcoming weddings, home improvement projects, and the weather dominate conversation. Since my manager implemented these chats at the beginning of WFH, I actually know more about what's going on in my teammates' personal and professional lives than I did when we were co-located."

"We now devote an hour every week, which connects ALL employees from ALL locations to talk about what people are thinking and feeling ... an open, unscripted conversation. The pandemic has IMPROVED our culture. Care, compassion, empathy, honesty and respect have all grown stronger."

The Problem

- Employees who say the quality and quantity of interaction with teammates has suffered are 83% more likely to report decreased commitment.
- Work-based virtual gatherings don’t promote lingering and wandering —two of the conditions for building social capital.

Time to Waggle

How do you structure for unstructured interaction?

EXIT

POLL

Let's Be Honest

How soon do you start mousing toward the LEAVE MEETING button toward the end of a virtual meeting?

1. The instant it sounds like a meeting might be close to ending.
2. As soon as the first couple of people disappear.
3. Toward the middle of the exodus.
4. I'm in no rush, I hang around to see if anyone wants to just chat for a while.

Three Characteristics of Effective Rituals

1. **A reason to gather** – Social capital is most likely to result if participation feels more inviting than coercive.
2. **A reason to linger** – Meaningful connection requires sustained interaction. The ritual must keep people together long enough to enable vulnerability and disclosure.
3. **Opportunity to mingle** – The ritual must offer a mix of structured and unstructured time in order to both keep people together and allow for progressive connection.

Time to Waggle

How do you structure for unstructured interaction?

Intact and cross-functional team-based virtual training offers the necessary ingredients.

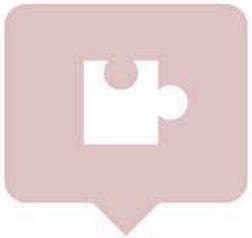
How to Turn Virtual Training into an Engine of Social Capital

1. **Synchronous:** A shared experience.
2. **Team-based:** Those who will use the skills learn them together.
3. **Relevant:** Focus on the social skills most relevant to virtual work.
   - Communication
   - Meeting management
   - Decision making
   - Maximum transference happens when the training context best approximates the application context
4. **Waggle-friendly:** 80/20 Engagement and Waggling
   - 80-90% instruction, deliberate practice, team application
   - 10-20% free socializing in bite-sized chunks

Emerging Evidence…

Among the slightly more than half of employees who say they are getting the same or more training since WFH…

50% more say their culture has improved since WFH



38% more say they feel more connected to their organization

37% more say their commitment to the organization has increased

Let’s Finally Fix Meetings

MANAGING PEOPLE

How to Get People to Actually Participate in Virtual Meetings

by Justin Hale and Joseph Grenny

March 09, 2020

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Sorapop/Getty Images

In these difficult times, we've made a number of our coronavirus articles free for all readers. To get all of HBR's content delivered to your inbox, sign up for the Daily Alert newsletter.

https://hbr.org/2020/03/how-to-get-people-to-actually-participate-in-virtual-meetings

Summary

Leadership is not about creating results.

Leadership is about creating the social system that consistently creates results.

What new forms of structured and unstructured interaction will you use to intentionally create social capital?

VitalSmarts Virtual Training

VitalSmarts virtual training options can help your WFH team not only build crucial skills but also strengthen social capital.

Virtual, On-Demand, and Blended Training Options Available

crucial conversations®

crucial accountability®

influencer

gtd® GETTING THINGS DONE

THE POWER OF habit™

Learn more at Vitalsmarts.com