

# Work 3.0: Culture Intersection

By **SUNIL PURI** and **ELISA MALLIS**

Hybrid work is changing the way businesses are run. As organisational culture evolves, corporations and leaders have to keep pace and adapt their business models and strategies. Ultimately, leaders must work toward curating a human-centric culture that puts people at the centre of their hybrid work strategy.



A major shift is underway, fundamentally altering when, where, and how work occurs. Excelling in a hybrid work environment requires leaders to build cohesion among colleagues working together in disparate locations, fending off burnout, being intentional about inclusion, and strengthening shared culture.

Leaders must work toward curating a human-centric culture that puts people at the centre of their flexible work strategy. Organisations must have a culture of inclusion that fosters a sense of belonging, embraces diversity, and creates an environment where employees feel valued and appreciated.

### What boards need to know

The world has certainly moved away from a “9-to-5, work from office” towards a “work whenever, from wherever” paradigm. This is supported by findings from the Center for Creative Leadership’s (CCL) 2022 research, *WORK 3.0: Reimagining Leadership in a Hybrid World*, with inputs from 2,200 leaders across 13 countries in Asia Pacific.

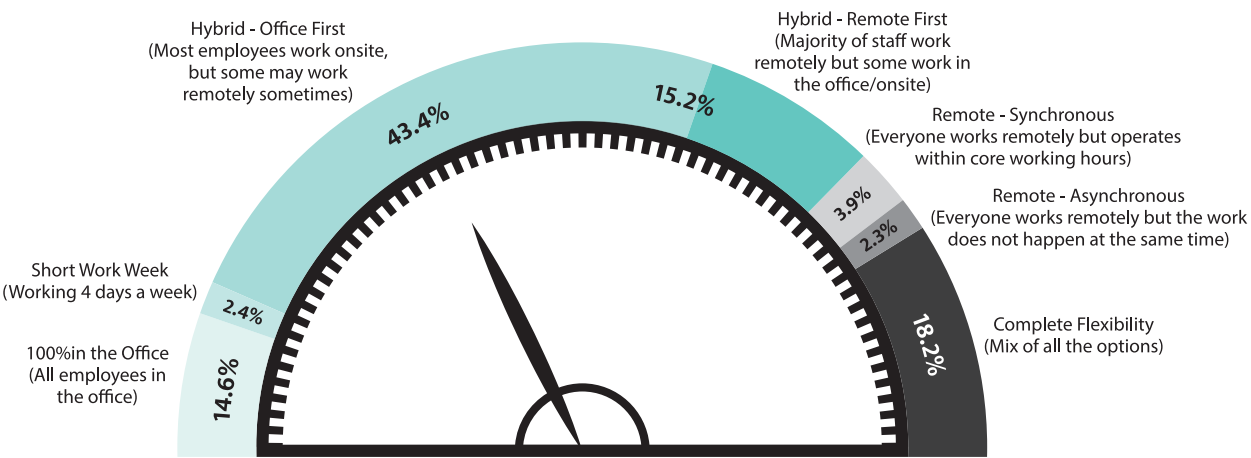
Employees’ discretion around workplace and worktime is sometimes termed “hybrid work” or “hybrid world” or “Work 3.0”. In this transition, the definition of “office” or a designated physical workplace has undergone a paradigm shift. Work now happens wherever employees can hook up their devices and access shared office data and resources.

From a pre-pandemic level, when one in two organisations expected employees to spend 100 per cent of their work time in a physical office, this number has changed to one in eight, post-pandemic. See box, “Flexible Work Models”. In Singapore, the swing is even more pronounced: From 57 per cent pre-pandemic to 2.3 per cent post-pandemic.

Asia Pacific, like the rest of the world, has witnessed a massive shift in the evolution of work and workplaces. And what a transition it has been. From most people working in physical offices pre-pandemic (Work 1.0) to most people working virtually during the pandemic (Work 2.0), to now finding the “right” hybrid balancing act (Work 3.0).

Organisations, boards and leaders are struggling to keep pace with people’s expectations, business transformation and digital evolution. The inability of organisations to keep up with people’s changing expectations has manifested in the “Great Resignation”, “Quiet Quitting” and “Lying Flat” movements we see across the world. Clearly, there is no turning back.

### Flexible Work Models



Generally, flexibility takes different forms in different organisations and in different functions, businesses and roles within the same organisation. This ranges from complete flexibility around workplace and worktime, to constraining either one of the two parameters. Overall, four in five organisations have settled for a flexible work arrangement, with most still trying out different combinations of workplace and worktime discretion.

preferred mode of working in the next three to five years.

Boards in Asia must keep these work preference shifts in mind as they help management teams not only bring business back on track, but also ensure that people and teams are even more engaged, driven, productive and energised. There are seven Work 3.0 shifts boards must mull over as they steer their organisations towards future fluency.

As they respond to employees’ preferences, there are seven realities that boards should not ignore.

- 1. **Culture and people hold the key to success.** Technology is being celebrated as the biggest beneficiary of the pandemic-led disruption and also the biggest champion of enabling hybrid and remote working. However, CCL’s research suggests that technology is but a “hygiene” factor, and perhaps a must-have to enable collaboration in geographically dispersed teams. The biggest drivers of the success of the hybrid model are people and culture. See box, “Key Factors that Shape the Hybrid World”.

The majority of the organisations are likely to land on a hybrid model mainly centred around most people attending office and some working remotely, or employees working remotely a part of their week (often a minor part of the week). While 58 per cent of the organisations see hybrid as a preferred mode of work in the future, about 15 per cent also expect employees to be fully onsite. See box, “Future of Work Across Countries”.

Singapore is cheerleading the future-of-work community, with 31 per cent of respondents predicting that complete flexibility will be the



## Future of Work Across Countries

% Respondents in Each Country Who Selected the Work Model Preference

	Australia & New Zealand	India	Indonesia	Japan	China	Malaysia	Philippines	Singapore	South Korea	Sri Lanka	Thailand	Vietnam	Others	All
FULLY ONSITE	8%	24%	17%	8%	14%	20%	28%	1%	11%	22%	18%	8%	20%	15%
REMOTE – SYNCHRONOUS	3%	1%	5%	4%	2%	3%	2%	4%	12%	2%	3%	6%		4%
REMOTE – ASYNCHRONOUS	4%	1%		6%	3%	3%	2%		1%	1%	2%			2%
HYBRID – OFFICE FIRST	40%	41%	48%	48%	61%	43%	39%	36%	47%	39%	37%	43%	40%	43%
HYBRID – REMOTE FIRST	16%	17%	11%	21%	8%	12%	13%	27%	12%	17%	20%	12%	12%	15%
SHORT WORK WEEK	2%	3%	1%		2%	1%	2%	1%	4%	2%	3%	12%	4%	2%
COMPLETE FLEXIBILITY	28%	13%	17%	13%	10%	19%	15%	31%	13%	17%	16%	19%	24%	18%

Seven in 10 survey respondents rank people and culture factors as the number one drivers. Individual capabilities and mindsets, team dynamics, and enabling a culture of psychological safety, collaboration and inclusion will determine the success of hybrid model implementation in organisations in the region. While boards

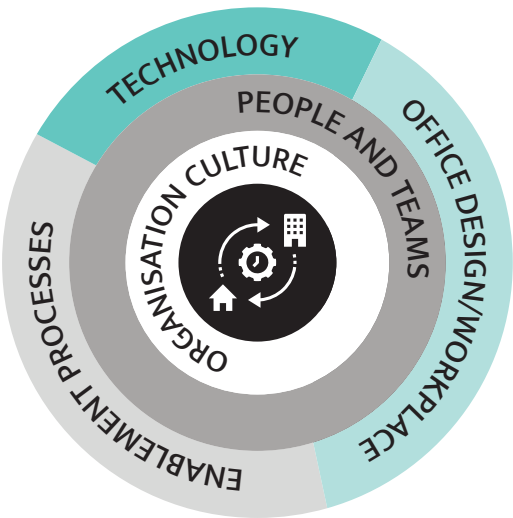
must look at technology transformation, and digital and artificial intelligence investments favourably, they cannot afford to prioritise these over culture and people initiatives.

### 2. Hybrid is much more than the sum of onsite and remote.

Organisations embraced an onsite model until 2020 when the majority transitioned to virtual work mode with reasonable success. Organisations and leaders who now aspire for a hybrid model, therefore, position that as an amalgamation of what they have experienced in the past – onsite and remote.

CCL’s research highlights that leaders may be undermining the amount of transition or shift required to align with the hybrid world by looking at it incrementally over onsite and remote models. Due to the unique tensions that may emerge in a hybrid world (around self-identity, inclusion, psychological safety and biases), the hybrid world has a distinctive character of its own. It almost exists in a separate plane.

### Key Factors that Shape the Hybrid World



Boards, therefore, must push the human resource (HR) teams to craft, curate and implement compelling and comprehensive hybrid work policies that address the unique challenges that a hybrid workforce may face.

### **3. Leaders are ready, organisations are not.**

Two in three leaders are supportive of their teams working in a hybrid mode. One in two leaders also claim they are thriving in the hybrid world. However, only about one in five leaders feel their organisations are completely prepared to succeed in a hybrid mode. Further, over half of the organisations in Asia Pacific either do not have a vision of what a hybrid work model in their context may look like or are still grappling with it.

So, while leaders seem to be ready for a hybrid work paradigm, organisations are struggling to make it a success for all employees. Boards can play a role here in seeking inputs from the management team, especially the HR team, on measures and initiatives to put in place to embrace the hybrid work context. Key performance indicators (KPIs) can be put in place, and boards must track performance against those KPIs to evaluate the progress on how the management team is driving the organisation to embrace Work 3.0. See box “Leader Support to their Teams Working in Hybrid Mode”.

### **4. A global or pan-region policy may not work.**

While all countries are likely to lean towards the “hybrid office first” model, hoping to make the physical office a locus of work activity, they differ in how far they are likely to push their employees to come in 100 per cent of the time. While more than one in five leaders in the Philippines, India, Sri Lanka and Malaysia expect their organisations to

get people to work 100 per cent of the time in the office, less than one in 10 leaders in Japan, Australia, Vietnam and Singapore expect their organisations to do so.

Singapore and Australia are likely to champion the work flexibility agenda, with more leaders expecting their organisations to lean towards the “complete flexibility” mode of working. Regional and global companies, therefore, must respect country-level preferences and work styles to ensure that while the organisation moves towards embracing hybrid, the pace and extent may differ by country.

### **5. While all want work flexibility, it may not work for all.**

Employees love the work-from-home option, with four in five survey respondents vouching for that. Organisations, however, must realise that embracing hybrid may be more complex than just a binary decision.

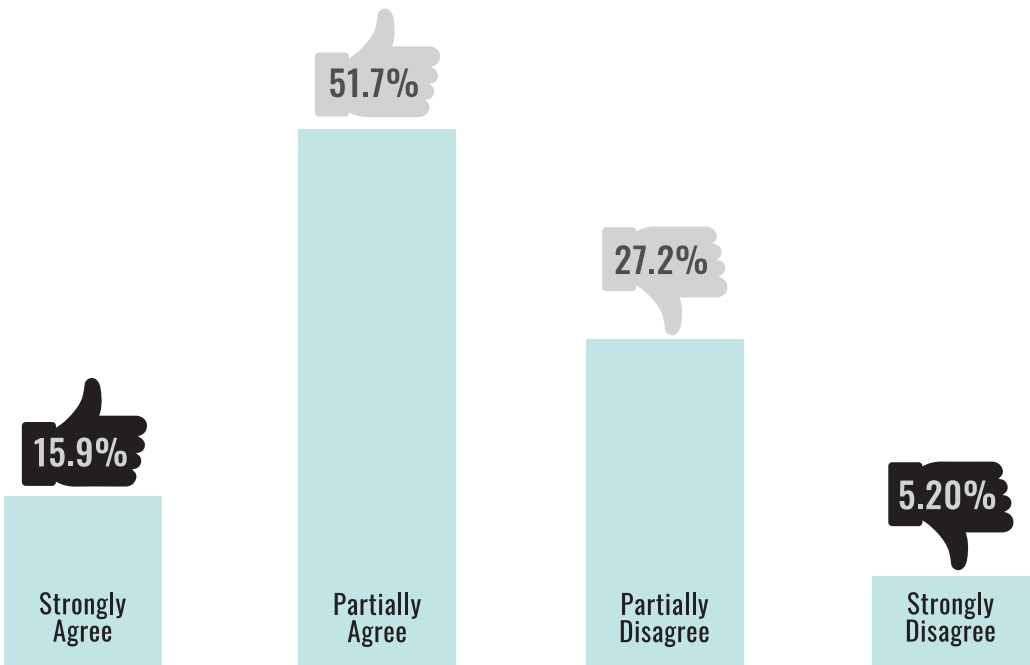
Data suggests that while the hybrid model may considerably lift the productivity and engagement of only top performers, there may be a serious negative impact on the below-average performers. While encouraging the move towards Work 3.0, boards must also push management teams and HR to think about mitigation plans for engagement and productivity erosion in their below-average performer pools.

### **6. While hybrid has benefits, it is not a default choice.**

Stakeholders root for hybrid since it offers a host of benefits such as employee happiness, attracting talent and increased productivity. These benefits, however, may not manifest for all organisations, geographies or situations.

## Leader Support to their Teams Working in Hybrid Mode

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The research highlights several factors that govern hybrid work model suitability. Some of these may play out at the country level (such as national culture), organisation level (such as industry, organisation culture), or individual level (such as leader seniority and personality). Organisations must think long and hard before making hybrid a default option. Progressive organisations leave the decision around the degree of flexibility to the discretion of their department, function, business or country heads.

7. **Despite biases, hybrid is good for diversity, equity and inclusion.**  
The hybrid model does bring with it incremental biases due to the creation of in-groups and out-groups. Such biases indicate unintentional yet deeply ingrained associations that may be present in leader behaviour. Despite biases

and complications associated with those, the hybrid model tends to further the equity, diversity and especially the inclusion agenda.

For instance, the hybrid model has opened organisations to the potential of accessing incremental talent pools comprising women, retirees and the differently-abled. Also, several interviewees mentioned that while in the virtual mode, they witnessed quieter team members voicing their thoughts more frequently. While senior leadership teams and boards may directionally move towards hybrid, they must guard against and address inherent biases that a hybrid work model may introduce in the culture of the organisation. ■

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