



# Future of Work and MA Competitiveness

Final Report  
May 2021

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# Executive Summary

## Overall survey (n=48)

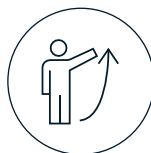
The Massachusetts Business Roundtable Future of Work and MA Competitiveness project surveyed 48 members, representing 53% of overall membership, across representative industries, sizes, locations, and MA affiliations. Some key highlights of findings include

## Rise of hybrid working models

**79%**

Plan to shift to hybrid working models post-Pandemic

Definition of hybrid vary from 3-4 days on site to a few days a quarter



## Rethinking purpose of office

**50%**

Plan to reconfigure the office to enable collaboration and connection by reducing individual workspaces

**38%** plan to decrease their existing MA real estate



## Penetration of digital

**90%**

Expect increased adoption of digital tools for employee interactions

Interviews highlight need to build out enablers such as broadband internet in rural areas

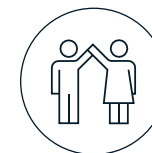


## Diversity, equity, and inclusion

**92%**

Expect increased organization focus on DEI initiatives

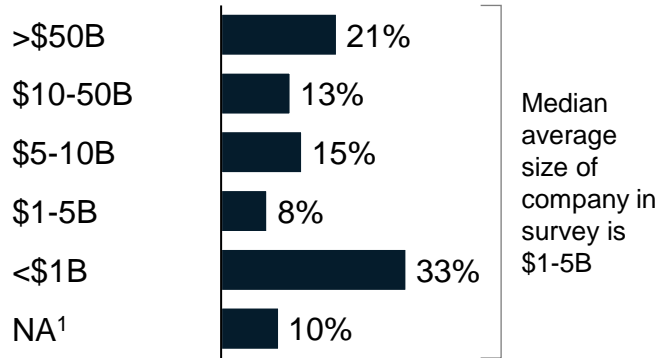
Importance of DEI underscored by member response that access to diverse talent is top driver of decision to expand in MA



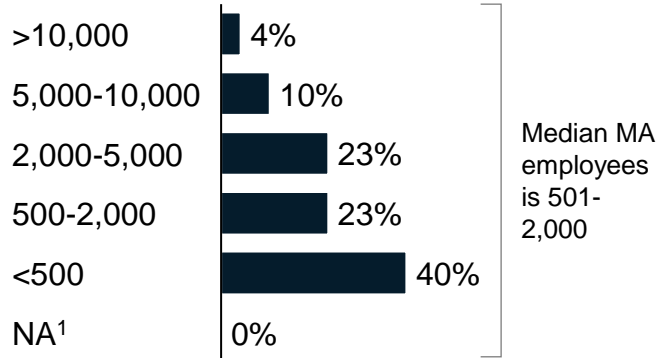
# Survey Demographics (n = 48)

Industries included in aggregate response but not individual industry benchmarking due to insufficient responses

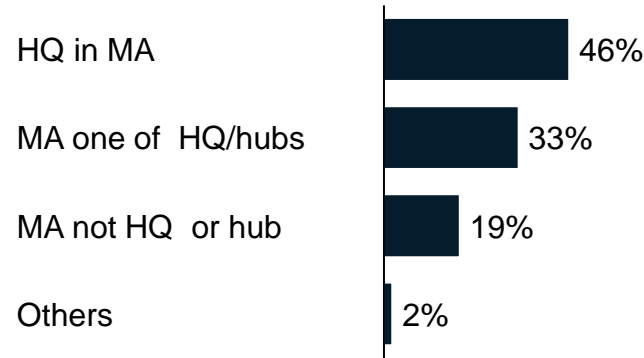
## Global company revenue size



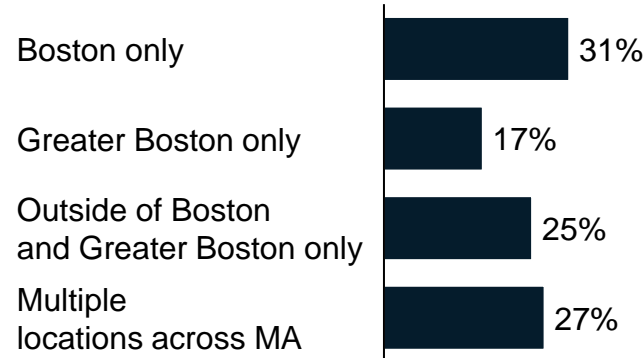
## Number of employees in MA



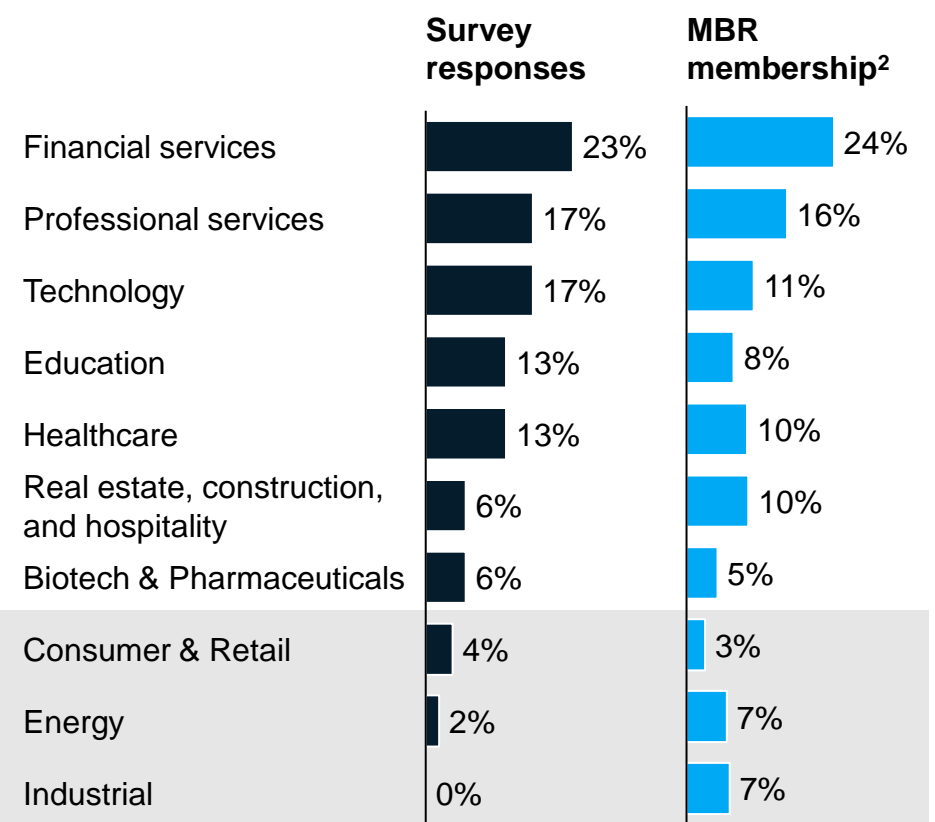
## Affiliation with MA



## MA location



## Industry



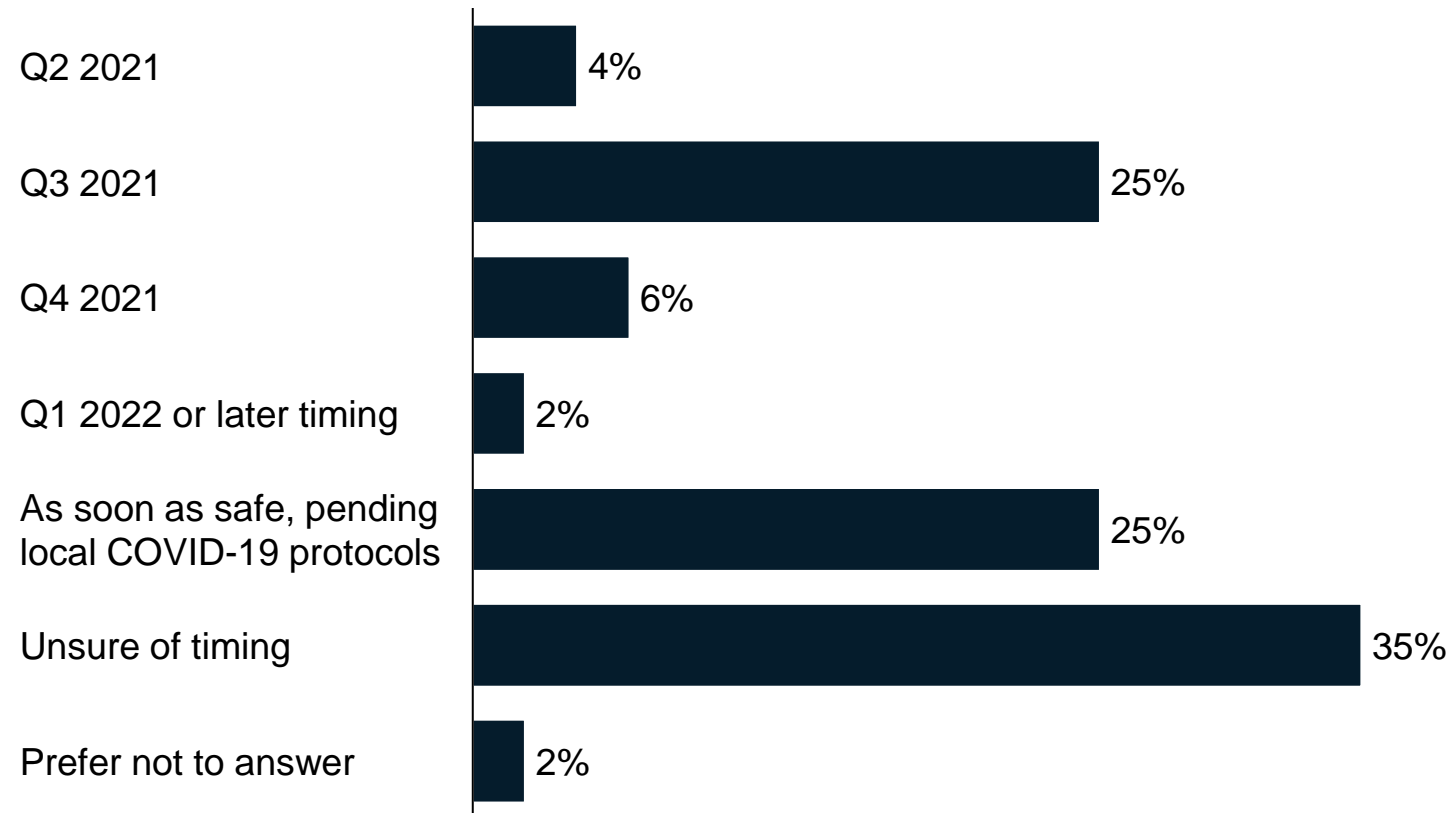
1. Respondents selected 'I prefer not to answer'  
Note: May not sum to 100% due to rounding

2. MBR membership = 91

# Most respondents are awaiting local public health guidelines or unsure of return-to-office timing

## Return-to-office timing, % respondents

When does your organization expect to have its workforce back in the workplace?



Note: May not sum to 100% due to rounding

Source: MBR Future of Work and MA Competitiveness Survey, March-April 2021 (total n = 48)



Even though all of our employees are now eligible for vaccination, our internal policies [around safety and social distancing] are leading our employees to question – why do I want to come back and wear a mask all day just to be on video conference? I think – beyond public health – you need a catalyst to make people *want* to come back

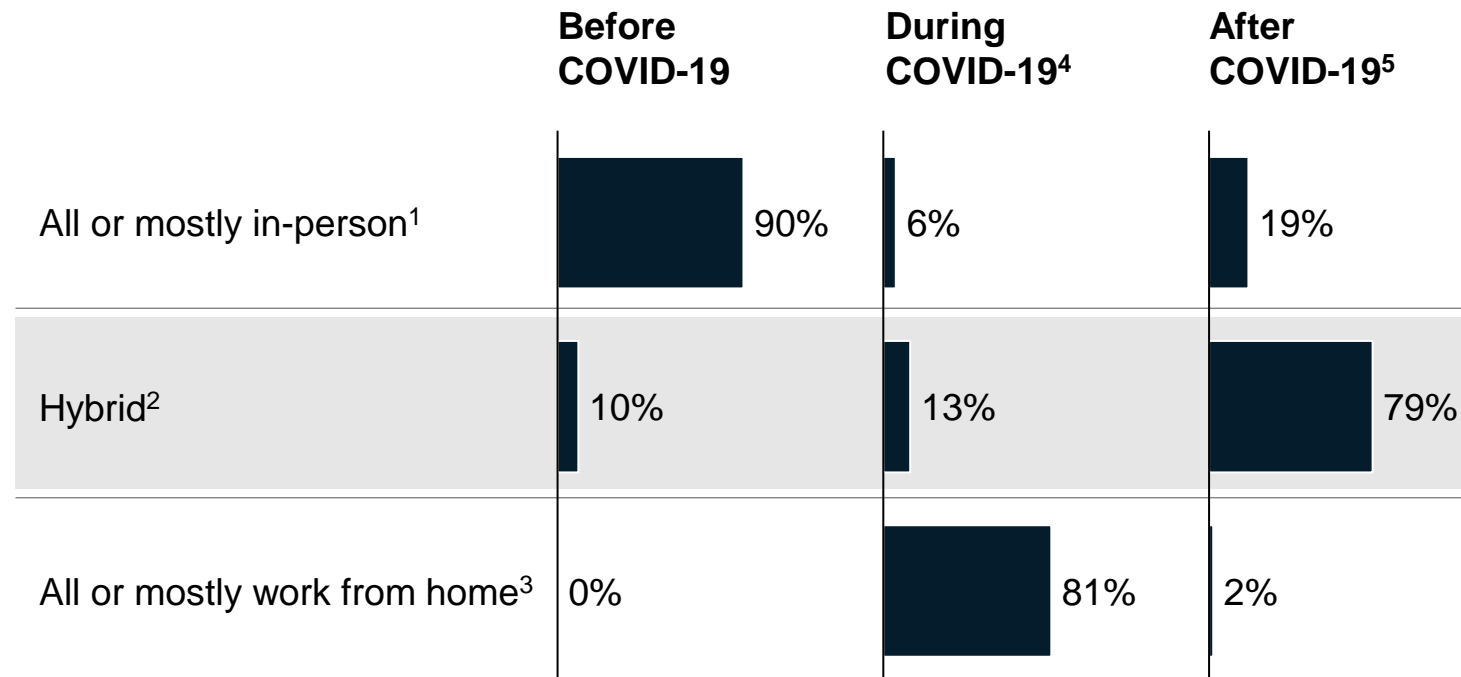
**– MBR board member**

# Significant majority of respondents plan to shift to hybrid working model post COVID-19

Details on next page

## Workforce working model, % respondents

Which of the following best describes your organization's typical working model?



1. >60% of workforce
2. Mix of work from home and in-person
3. >60% of workforce
4. March 2021
5. 12-24 months from March 2021

Source: MBR Future of Work and MA Competitiveness Survey, March-April 2021 (total n = 48)



During the pandemic, we've all seen the benefits of working from home: less commute time, less interruptions, democratization of meetings. There's no question that we will maintain some work from home via the hybrid model

– **MBR board member**





I think we're going to be learning as we're going... We need everyone's patience and engagement to help create a new way of working

– **MBR board member**

Both of our top candidates [for a job opening] said – I am only accepting this job if I can work remotely and only come into the office when I have to, and no more than 1-2 days a week

– **MBR board member**

# There are a number of “hybrid” models depending on remote potential of role, preference, and company needs

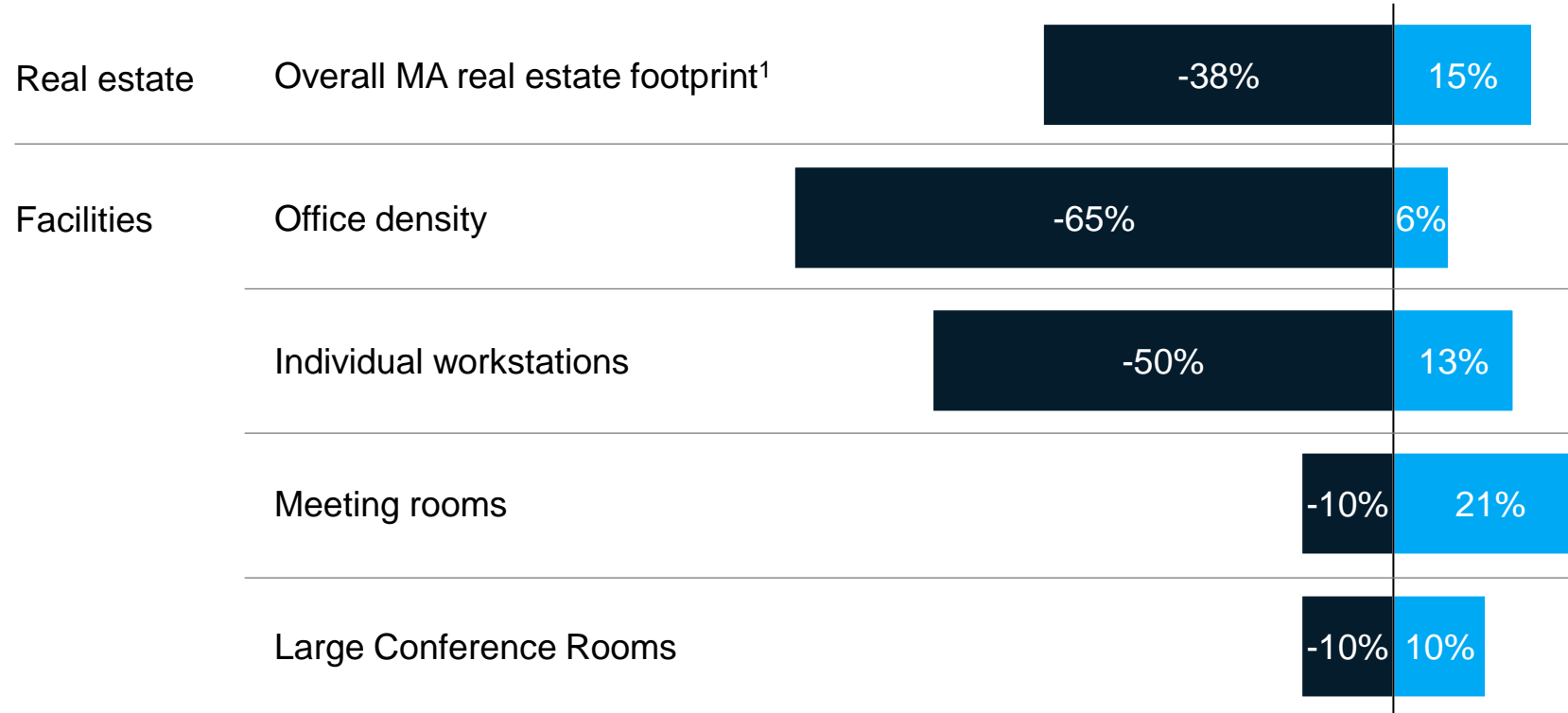
	Mostly in-person 	Weekly meetings 	Mostly remote 
<b>Benefits</b>	Cultural and social cohesion 		Access to talent and cost optimization
<b>Where they work</b>	Spending minimum <b>3-4 days a week</b> at an office for collaboration, connection, or individual work; hot-desking or assigned offices	May spend minimum <b>1-2 days a week or 1-2 weeks a month</b> at an office; meeting rooms, hot-desking, or shared assigned offices	Remote is the default, and spend minimum <b>2-4 days per month</b> at an office for key meetings or team sprints; meeting rooms or hot-desking
<b>Required time in office</b>	<b>60-80%</b>	<b>20-40%</b>	<b>10-20%</b>
<b>Example roles</b>	Research scientist Logistics Fraud analyst	Corporate strategy Data scientist	Finance HR management Procurement Marketing and sales
<b>Example of tasks that can be done remotely</b>	Write research reports Arrange facility schedules Perform data analytics	Analyze industry trends Writing code	Update general ledger Review employee survey metrics Prepare cost baseline

# Employers are rethinking the purpose of in-person work and redesigning the office for collaboration

■ Decrease ■ Increase

## Expectations of office use post-COVID-19<sup>1</sup>, % respondents

In the next 12-24 months, how do you expect your organization's Massachusetts-based real estate footprint and facilities to change, compared to pre-pandemic?



We are rethinking the purpose of in-person work. As our employees return to the office, we want to focus more of their time around collaboration, communication, and connection. This means a lot less individual workstations and more neighborhoods

– **MBR board member**

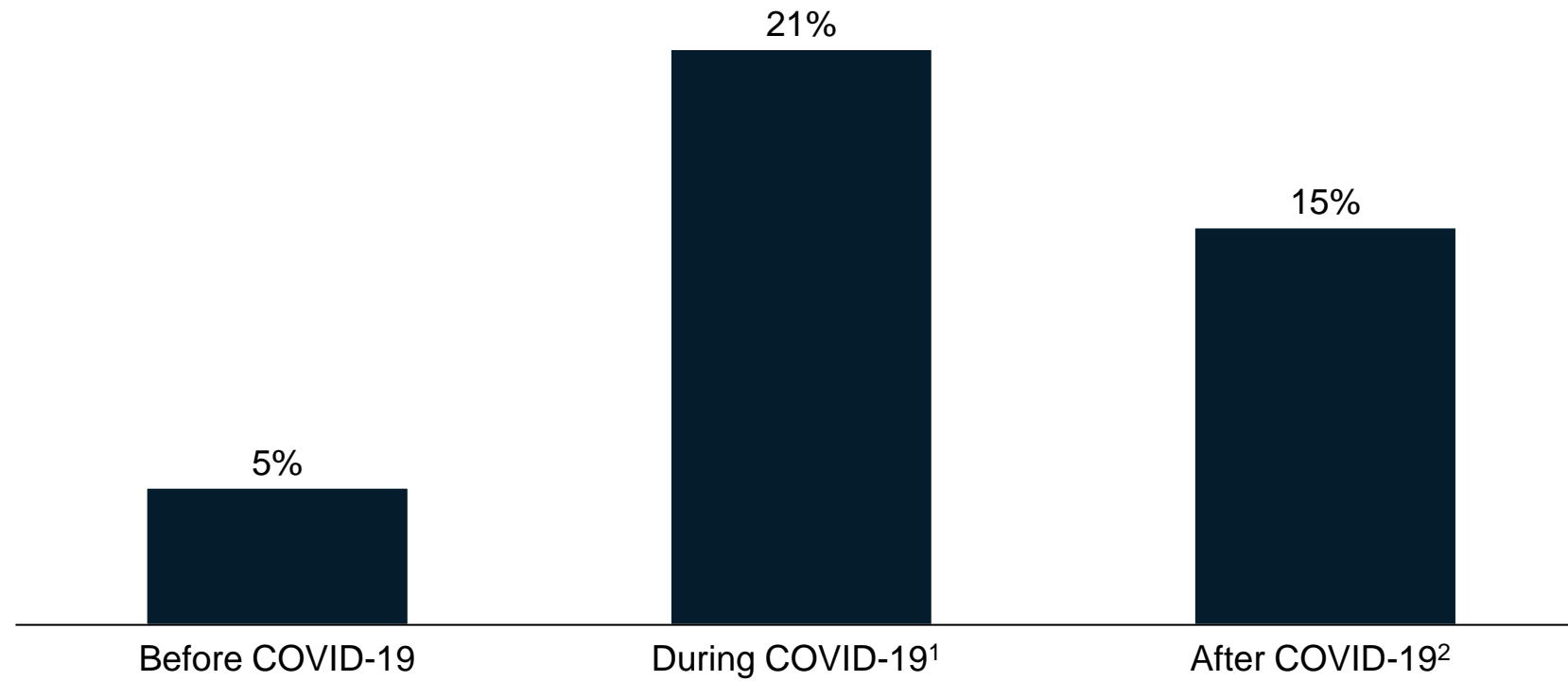
1. Figures do not sum up to 100%; graph does not show responses for "no change" and "don't know"



# Employers are seeing trends in out-of-state work post-pandemic, but are working through the tax implications

**% of MA workforce who work from out of state, % respondents**

What proportion of your employees affiliated with MA-based operations or locations are based outside of Massachusetts and work from home?



1. March 2021; 2. 12-24 months after March 2021

Source: MBR Future of Work and MA Competitiveness Survey, March-April 2021 (total n = 48)

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The tax code may be a barrier to flexible working arrangements that allow people to work from home out of state. Our company is wrestling with tax implications [of employees working in states with no corporate presences]

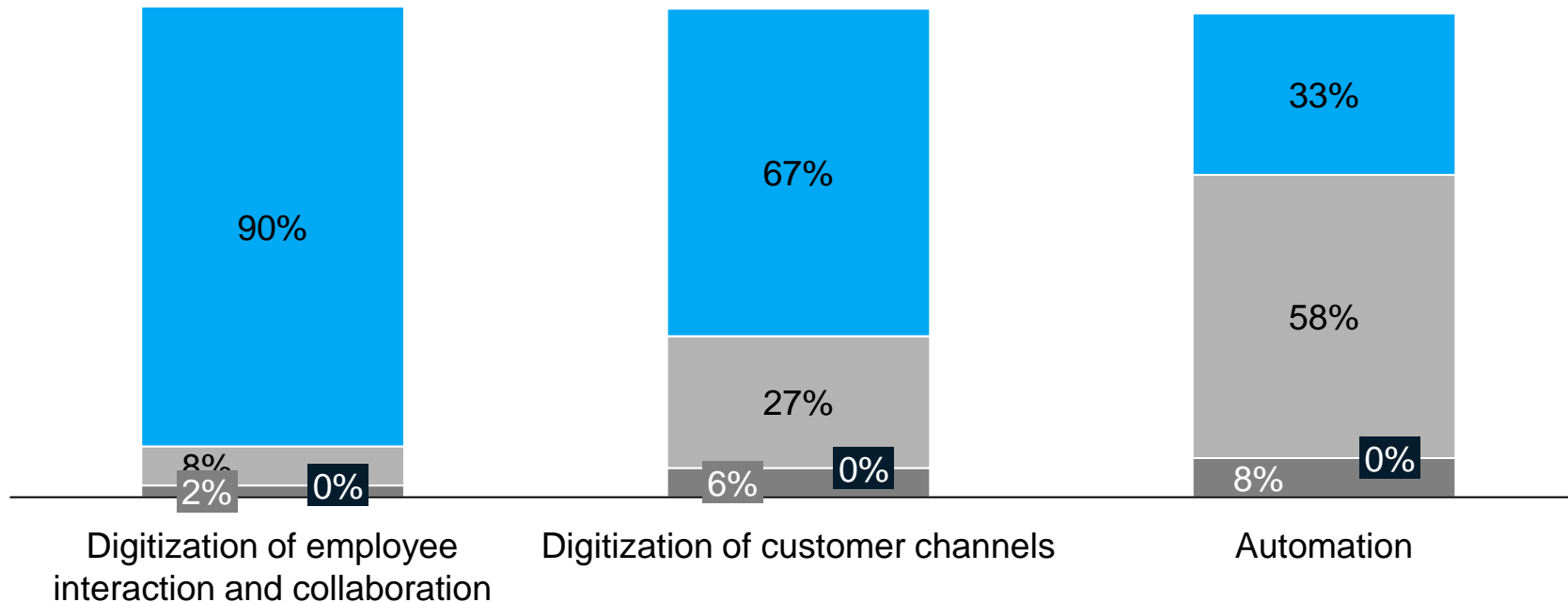
– **MBR board member**

# Employers have increased adoption of digital tools for employee interaction and customer outreach

■ Increase ■ No Change ■ Decrease ■ Don't know

## Expectations of technology adoption post-COVID-19, % respondents<sup>1</sup>

In the next 12-24 months, how do you expect your organization's adoption of the following trends to change, compared to pre-pandemic?



1. May not sum to 100% due to rounding



One of the main issues we are running into [in rural/suburban Massachusetts] is that we don't have broadband. Remote working without broadband can be very nerve wracking and frustrating [in rural Massachusetts].

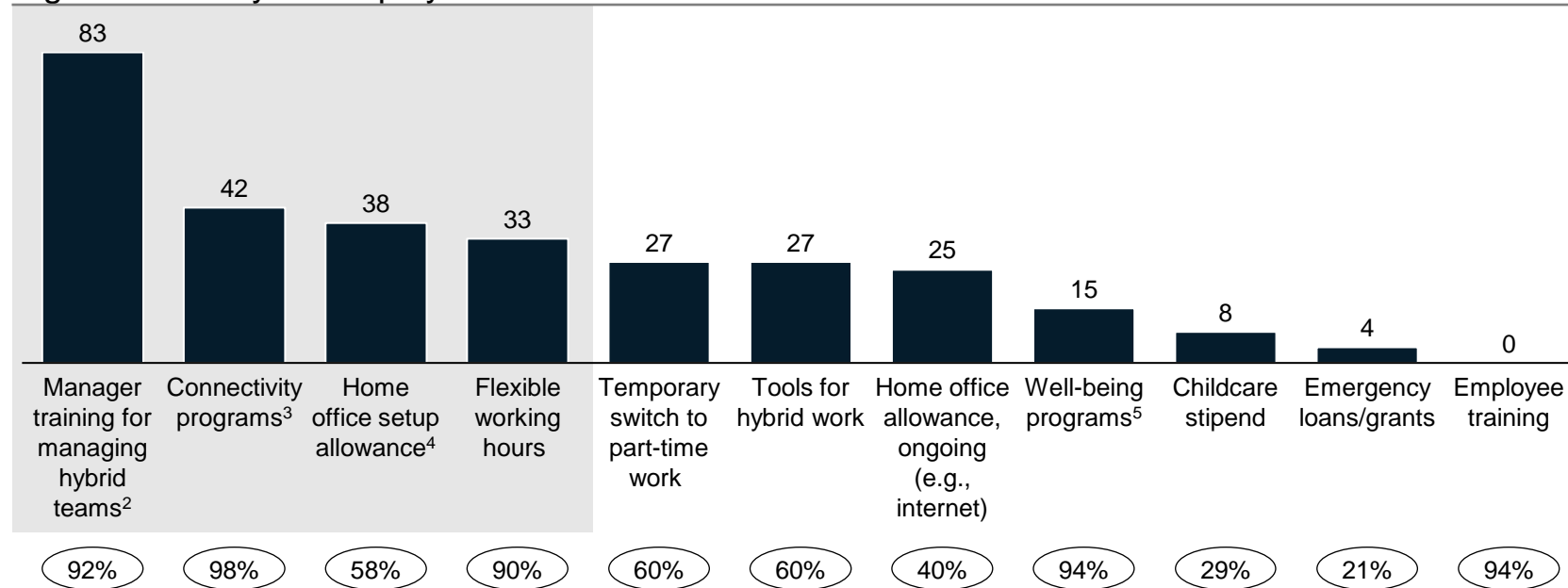
– **MBR board member**

# MBR members plan to increase training for managing hybrid teams and connectivity programs

x Post-COVID-19 support provided, % of respondents
  Largest increase from pre-COVID-19 support in place

## Increase in support provided post-COVID-19 vs. pre-COVID-19<sup>1</sup>, pp

Which of the following resources and supports are currently offered or will be offered by your organization to your employees?



1. Increase calculated as % of respondents who answered that a particular support will be provided post-COVID-19, minus the % of respondents who answered that a particular support was provided pre-COVID-19
2. Examples of manager training include training for managing hybrid teams
3. Examples of connectivity programs include senior leader forums, virtual coffee chats
4. Examples of ongoing home office allowance include monthly internet stipends
5. Examples of well-being programs include online yoga and stress management classes

Source: MBR Future of Work and MA Competitiveness Survey, March-April 2021 (total n = 48)

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Some of the questions we are still working through: how do I help my managers manage a hybrid workforce? How do I build trust and rapport in a world where we see you remotely? How do I ensure evaluation is fair for in-person and work-from-home employees?

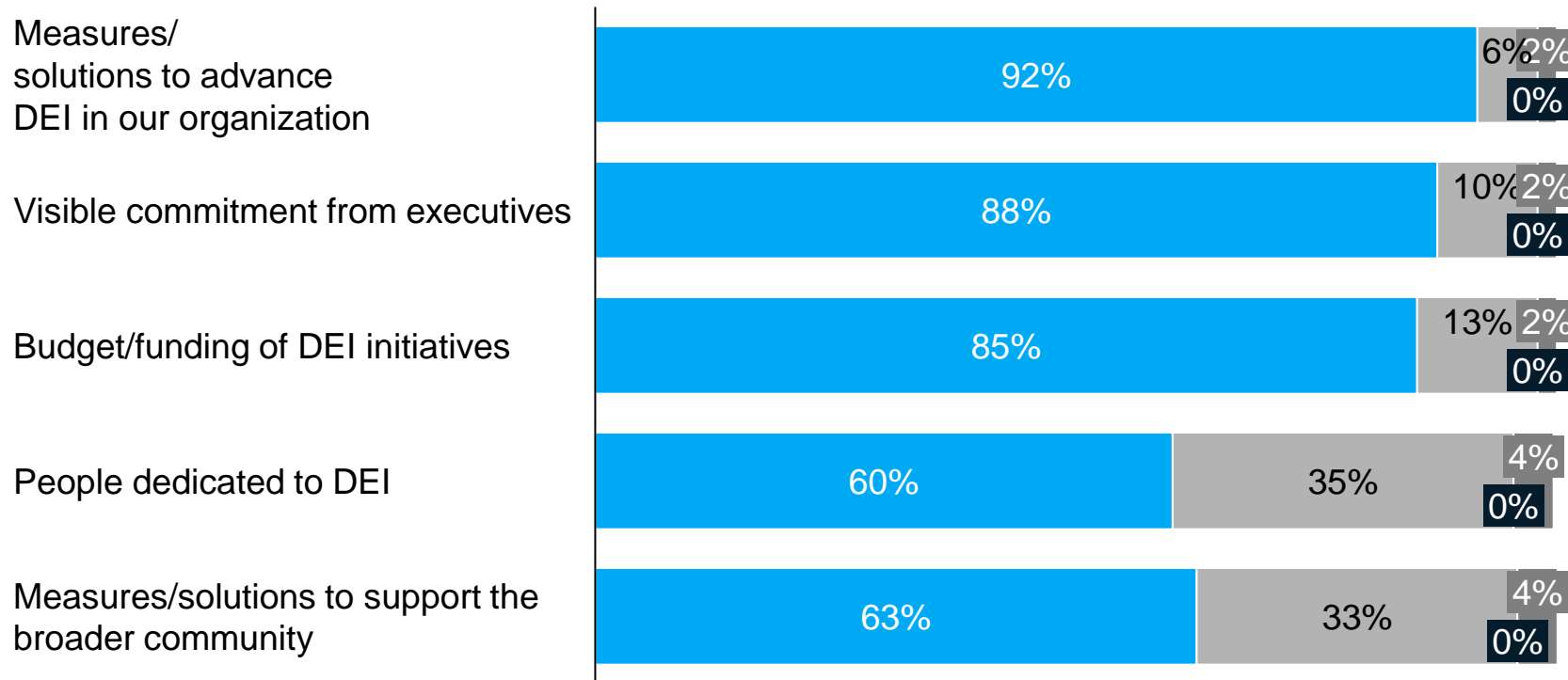
**– MBR board member**

# 90%+ of respondents plan to increase DEI efforts, compared to pre-pandemic

■ Increase ■ No Change ■ Decrease ■ Don't Know

## Expectations of DEI efforts looking ahead, % respondents

In the next 12-24 months, how do you expect the DEI strategy for the Massachusetts operations of your organization to change, compared to pre-pandemic?



1Note: May not sum to 100% due to rounding.

Source: MBR Future of Work and MA Competitiveness Survey, March-April 2021 (total n = 48)

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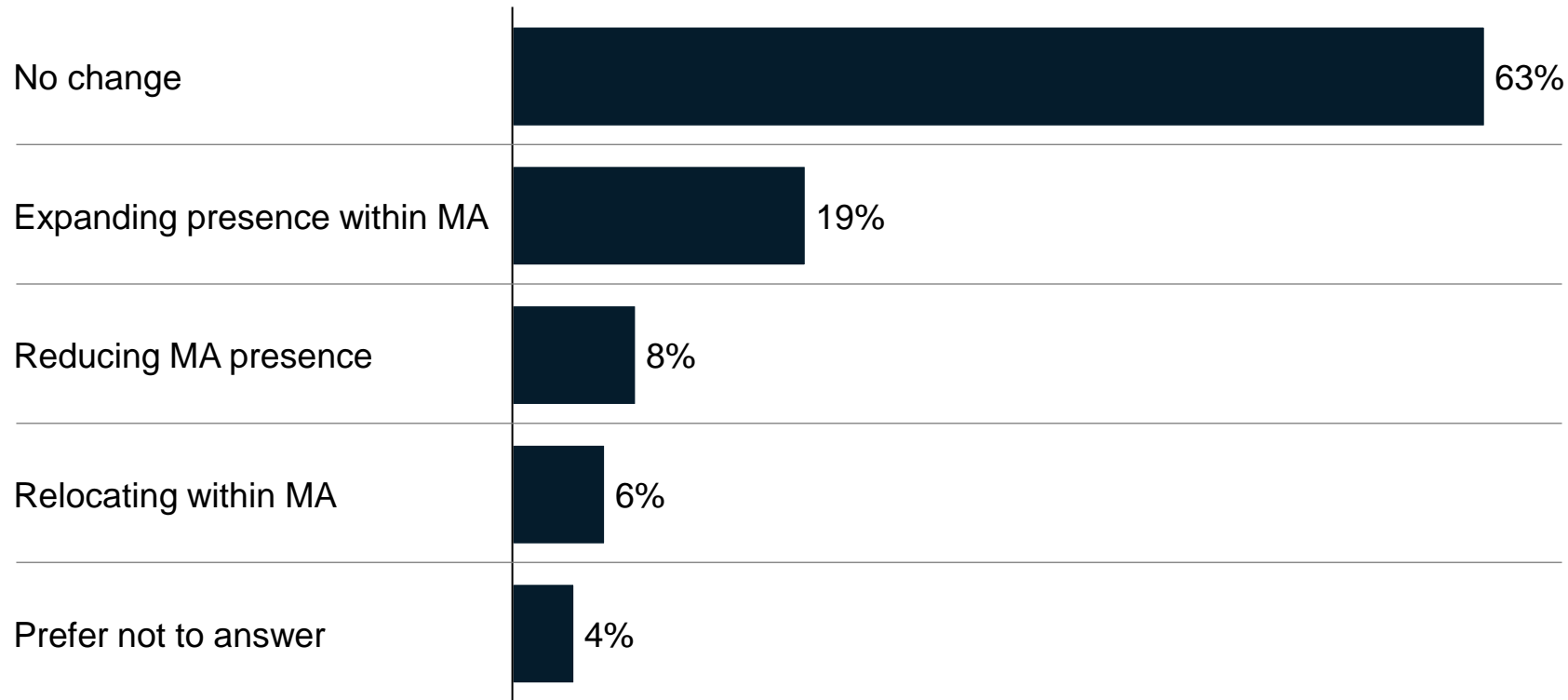
This is a moment of opportunity to advance diversity, equity and inclusion within the company. The flexibility of hybrid working models add more tools to our arsenal to help retain talent (e.g., working families, mothers)...Allowing employees to live elsewhere may also help attract diverse talent not in Boston.

– **MBR board member**

# 88% of respondents are planning to maintain, expand or relocate within MA

## Massachusetts presence, % respondents

Is your organization considering leaving Massachusetts in the next 12-24 months?



Note: May not sum to 100% due to rounding

Source: MBR Future of Work and MA Competitiveness Survey, March-April 2021 (total n = 48)



There is a real brain trust in the Greater Boston area with the universities. Even though we may reduce our physical real estate footprint, we are not reducing the number of employees in Massachusetts. In fact, there's a real appeal when we tell employees they can live in Massachusetts and work remotely for [one of our other locations in more remote states].

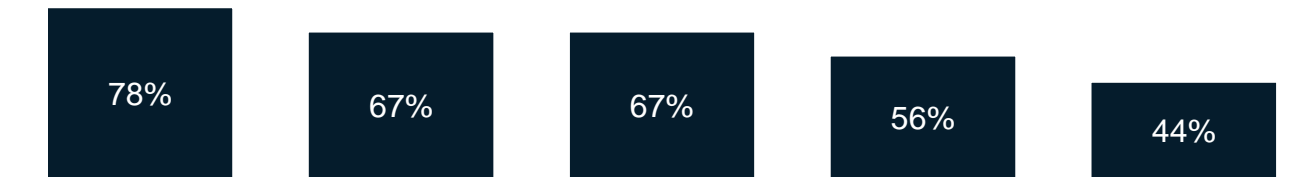
**– MBR board member**

# Members cited access to world-class and diverse talent as main reason to increase presence

## Reasons to increase presence,<sup>1</sup> % respondents

How will increases in the following impact your organization's decision to leave or remain in Massachusetts over the next 12-24 months?

**Respondents planning to expand in MA**  
(n=9)



**Respondents planning to remain/relocate within MA**  
(n=33)



**Respondents planning to reduce MA footprint**  
(n=4)



1. Does not show 2 respondents who selected "I prefer not to answer." % does not include responses for "No Impact" and "Don't Know."



Attracting and retaining a diverse workforce that sees Greater Boston/MA as a welcoming place for BIPOC as compared to other Eastern hubs (Atlanta, Detroit, DC, NYC) is a major weakness. The world-class academic institutions, high quality of life and K12 education help make up for this, but it should be a major focus.

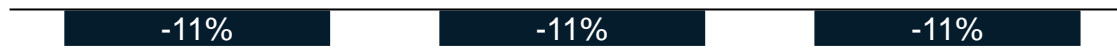
**– MBR board member**

# Members cited high cost of living and doing business as main reasons to reduce presence

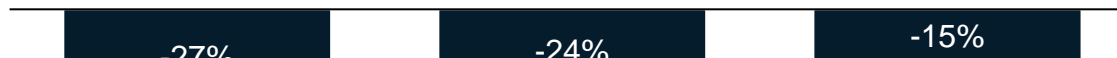
## Reasons to reduce presence,<sup>1</sup> % respondents

How will increases in the following impact your organization's decision to leave or remain in Massachusetts over the next 12-24 months?

**Respondents planning to expand in MA**  
(n=9)



**Respondents planning to remain/relocate within MA**  
(n=33)



**Respondents planning to reduce MA footprint**  
(n=4)



1. Does not show 2 respondents who selected "I prefer not to answer." % does not include responses for "No Impact" and "Don't Know."



If corporate tax rates are increased, the extra burden in addition to already high MA tax rates will further weaken MA business competitiveness

– **MBR board member**



Employees may want to leave MA equal to or in greater numbers than employers. It is the 4th most expensive state and perhaps on its way to becoming even more expensive. With remote work becoming more of a possibility and threats of increased taxes will drive people to TX, FL, NH, etc.

– **MBR board member**

# Members are adopting organizational adaptations to support their employees as they learn into the future of work

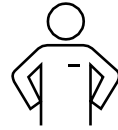
## 100%

Of interviewees indicated COVID-19 has enabled new thinking around culture, workforce development, tools & technology, and organizational footprint and policies



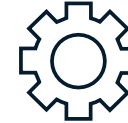
### Connectivity and culture

How can organizations leverage post-COVID-19 adjustments to improve organizational culture, employee well-being, and diversity, equity, and inclusion?



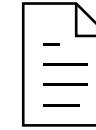
### Workforce development

How can organizations best equip their employees for the new hybrid working models? What are early indicator metrics to ensure timely adaptation as we learn into the new normal?



### Tools and technology

What digital tools and information infrastructure can best support the new hybrid working models?



### Organization, footprint, and policies

How should organizations adapt their structure, footprint, and policies for the new hybrid working models?



# Thought starters for redesigning the workforce of the future (1/4)

		Example practices from MBR members
<b>Connectivity and culture</b>	<b>Culture</b>	Regular surveys, pulse checks, and listening sessions to understand employee sentiment, return-to-office readiness, and what is needed to support employees  Consolidating multiple office buildings post-COVID-19 to increase occupancy rate from hybrid working models and ensure energy and excitement around coming on site
	<b>Employee well-being</b>	Extended care leave options, financial planning, career, training, and search benefits for caregivers; increasing insurance policies to allow extended family leave
	<b>Diversity, equity, and inclusion</b>	Increasing leaders' accountability to DEI by tying leaders' performance, compensation, and promotion to DEI metrics  Growing in hubs with more diverse workforces

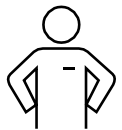


“ ” We've been very clear that we think the reason we've been so successful in remote working during COVID-19 is that we have 20 years of being in the office together, and we're taking withdraws from the culture and connectivity that's been built-up during those 20 years: employees feel psychologically safe with their team and know that they can trust them. That's really hard to do 100% virtually, and we need to think through how to ensure cohesive culture in the longer term. – **MBR board member**

# Thought starters for redesigning the workforce of the future (2/4)

## Example practices from MBR members

### Workforce development



### Ways of Working

Determine optimal days on site by matching virtualization potential of role, worker's preferences, and team's needs. Set core working hours, working etiquette for remote work, and meeting norms for hybrid meetings

### Productivity and performance

Track individual, team, and organizational effectiveness to help inform revisions required to working hours, days on-site, organizational support, and talent evaluation

### Training

Developing additional training modules on hybrid working model; using COVID-19 pandemic experience and shift to remote work as a catalyst to upskill workforce for the future

Gamify onboarding training for mostly remote employees



We have studied ways to adjust our organizational footprint for a decade and not moved an inch. This past year has been a hugely eye-opening experience in terms of what we can achieve. We've found that our workforce works remarkably well and productively offsite, and it has opened our eyes to further refine that opportunity. We are committed to ensuring our employees' success in the longer term. – **MBR board member**

# Thought starters for redesigning the workforce of the future (3/4)

## Example practices from MBR members

### Tools and technology



#### Information Security

Establish secure channels and processes to handle private health information related to return-to-work working model planning  
Upgrade IT security to make sure information security are properly processed.

#### Virtual collaboration tools

Create on-site presentation booths to enable best participant experience during hybrid-virtual meetings (e.g., large screen with participant view, speaker notes right next to cameras)

- “” One thing we’ve struggled with is hybrid meetings. When you have some people in the room and some [joining virtually], it’s a difficult meeting. – **MBR board member**
- “” One thing we haven’t figured out how to do are meetings that are hybrid. I think meetings need to be 100% in-person or 100% virtual...[For hybrid meetings], those who are on the screen are at a real disadvantage, particularly if the leader is in the room. – **MBR board member**
- “” You can’t have side conversations in the room [during a hybrid meeting], because it’s incredibly distracting and unfair to the people who are virtual. – **MBR board member**

# Thought starters for redesigning the workforce of the future (4/4)

## Example practices from MBR members

### Organization, footprint, and policies



#### Organizational structure

Establish clear decision rights for working model approval within the organization. Map out additional organization needs to support hybrid workforce

#### Footprint

Downsizing individual workspaces (e.g., cubicles) and creating neighborhoods by function or team. Upgrading to “smart office” to allow teams to reserve conference rooms and plan on-site days for collaboration, connection, and innovation

#### Policies and regulations

Ensuring managers are aware of tax and employment law implications of their working model decisions. Conducting risk analysis to ensure hybrid working models do not disparately impact certain employee demographics



We’re having conversations about how we turn a big part of [a current office building] into lab space for scientists to perform bench trials. We think there might be a hoteling possibility for our researchers.

– **MBR board member**