Maximising the benefits of hybrid working in the UK

Context

The world of work has transformed in recent years, with people and businesses enjoying far greater choice over where, how, and when they work. Be it in the form of sometimes working away from the office, or using new technology to collaborate on projects asynchronously or across language barriers, the workplace has evolved in step with the digital revolution — bringing significant benefits for employers and employees alike. The significant adoption of hybrid working, a trend that was already well underway but accelerated during the pandemic, has been central to these benefits being realised.

Government has a role to play in driving the expansion of hybrid working across sectors and communities. Doing so offers significant potential to drive regional economic growth, with analysis by Ricoh finding that a 4% increase in productivity created by hybrid working could generate up to £33.4bn in additional economic output. This is significant given solving the UK’s productivity puzzle will be a priority for any incoming government.

Benefits of hybrid work

- The workplace has experienced a transformational shift in recent years, underpinned by advances in technology, leading to greater choice over where, how, and when people work.

- Data from the Hybrid Work Commission (HWC), led by Public First and supported by Zoom, revealed significant improvements to both work-life balance and access to employment from the rise of more flexible ways of working, with many traditionally underrepresented groups finding it easier to access good jobs on a hybrid basis. For example:

  - **Increased availability of roles offering hybrid working has helped push overall female workplace participation above pre-pandemic levels, supporting national employment even as male workforce participation has fallen.** Analysis published by the HWC found that the areas of the economy that had seen the biggest increase in hours worked by women were closely correlated with sectors most likely to have adopted hybrid working patterns.

  - **UK businesses report that hybrid working has boosted staff retention by 77%,** saving employers up to billions of pounds every year by reducing their recruitment costs, while simultaneously being able to recruit from larger and more diverse talent pools.

  - **Businesses also report that hybrid and remote working makes it easier to hire workers from a wider range of backgrounds, promoting accessibility.** This includes a majority of businesses who say it helps them hire parents and carers (53%), those from different regions of the country (51%), and disabled people (42%).

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1 Ricoh, *Businesses overlook €39 billion hybrid work boost to economy*, May 2023 (link).
2 Public First, *Hybrid Work Commission*, September 2023 (link).
○ This is transforming the employment landscape and helping address the ‘brain drain’ that has held back many communities, with workers more able than before to pursue careers further from home - putting more money in communities that have traditionally been left behind. Several studies have shown that areas that have seen higher levels of hybrid and remote working have seen local spending increase as a result. For example, consumers polled by the HWC said with hybrid working they are increasingly buying groceries (78%), getting a haircut (74%), and other tasks such as dropping off or picking up a parcel (73%) locally during the working week. This is in part as three quarters of jobs advertised as ‘remote’ pay above the national average salary of £31,000.

○ Hybrid working has also significantly improved work-life balance, with 75% of hybrid workers saying it has positively impacted their work-life balance, and 62% saying it promoted better wellbeing.

How a future government could maximise these benefits

Embedding hybrid and remote working practices in the UK offers a wide range of benefits for individuals, businesses, and the economy as a whole. To unlock these benefits, the incoming government should seek to:

• **Publish a National Hybrid Work Strategy to ensure that hybrid working is a permanent feature of the UK economy.** There has been welcome progress in supporting businesses to adopt hybrid working through the new right to request flexible working, but there is still more to be done. The UK should follow the lead of the Republic of Ireland which has had a National Remote Work Strategy since 2021, and its Government has published a data-led evaluation of the pros and cons of greater remote working across the Irish economy and labour market to guide associated policy-making.

• **Continue to promote access to flexible working, building on the recently introduced right to request flexible working from day one of employment.** The Flexible Working Task Force, which has made a valuable contribution by bringing businesses and public bodies together, should build on this new right by identifying further areas for reform. For example, employers could be required to discuss working preferences with new starters as part of the onboarding process.

• **Require The National Infrastructure Assessment to make hybrid work an explicit part of its mission.** Given that the widespread availability of fast and reliable internet connections underpins the ability to adopt hybrid and remote practices, the National Infrastructure Commission should make it an explicit part of its mission to work with industry partners and Ofcom to ensure digital infrastructure rollout, including full fibre and 5G, meets the needs of businesses right across the UK.

• **Fund a network of local co-working hubs to give workers in every community the choice of a professional ‘third space’ from which to work (in addition to at home and in the office).** Not everyone can work from home, and therefore access to a flexible, private, professional space with reliable broadband is crucial to supporting truly hybrid or remote work. In Ireland, more than 300

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3 BBC News, *Tuesday to Thursday is the new office working week, data suggests*, 4 January 2023, link.
4 Times, 21 February 2022, link.
5 Public First, *Hybrid Work Commission*, September 2023, link.
‘Connected Hubs’ have been established since 2020 by the Irish Government and supported by Zoom, providing vital infrastructure for workers, and promoting remote work in rural communities.

- **Ensure flexible options are clearly advertised in job vacancies.** Businesses should be required to make clear the types of flexible working available with the role in the job advert, and current employees should have access to the same flexibility afforded to incoming employees. This will be especially valuable for workers traditionally facing barriers to work, such as older workers, women, and those with caring responsibilities.

- **Develop guidelines to support businesses to measure productivity in a hybrid and remote working environment.** The advent of hybrid and remote work requires new tools and strategies to help managers understand the productivity of their employees as a first step to making improvements and adjustments. Working in partnership with industry, an incoming Government should develop a single set of guidelines to ensure that employers have a greater understanding of best practice and what effective hybrid working practices look like. These must not be intrusive, but give confidence to businesses that they have an objective set of tools to help them understand the productivity of staff and teams.

*Background to Zoom*

Zoom Workplace is our new all-in-one, AI-powered collaboration platform, which helps to reimagine teamwork, improve productivity and enhance the overall workday — all within the Zoom experience users trust and love.

Zoom Workplace is powered by Zoom AI Companion, an AI assistant that helps you supercharge your productivity throughout your workday with high-quality, accurate results. AI Companion summarises meetings and chat threads to help you stay updated, helps you brainstorm ideas on whiteboards for stronger team collaboration, and composes chats and email drafts in a few seconds. And with our newly announced Zoom Phone capabilities, you can be more productive during and after phone calls with post-call summaries, voice mail prioritisation, task extraction, and more.

Coming soon, Ask AI Companion is a new capability that will be included with AI Companion. Ask AI Companion will be able to gather, synthesise, and share critical information from multiple sources across the Zoom platform and from select third-party applications and complete routine tasks on your behalf, like creating meeting preparation materials with relevant content such as meeting summaries and chat threads, drafting agendas, and brainstorming ideas. Ask AI Companion will be available throughout Zoom Workplace, so your AI-powered digital assistant is always at your fingertips, helping to elevate your performance and free up your schedule and included at no additional cost on eligible paid plans.

*For further information*

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