

# A Causal Study On Hybrid Model And Its Impact On Employee Job Performance

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## Abstract

Organizations are changing to meet the changing needs of their customers and employees. The functional way of working from conservative to technological mode has gained the attention of employers to be more focused on employees' work life balance and performance. In the technology era, the concept of hybrid models has become most commonly adopted in the third decade of the 21<sup>st</sup> century, especially in the IT sector. They were conducting research with millennial generations when the COVID-19 pandemic occurred, causing an abrupt global change. This has completely changed the way the organisation was functioning and affected each and every aspect of its functions. This includes working style, communication patterns, working hours, job performance, and interpersonal relationships.

Organizations are forced to implement the hybrid model to meet the changing needs of the business to ensure the business runs on its own and employees are performing at their best. The digital transformation has become the medium of choice for organisations to integrate the office workplace and flexible working hours. Employees nowadays prefer to work from home because technology allows them to work from anywhere while still having time to care for their families. This was the least preferred for employers before the pandemic, and after the pandemic, the employee's choice has become the liberal working style. To meet the changing needs of the employees, the hybrid work model is implemented across the globe at all levels. Though it gives the advantage of working from anywhere, at the same time, it has impacted job performance. The individual contributor's performance was doing well, but team performance has suffered remarkably. The teleworking model has affected interpersonal relationships among employees and job performance has become a questionable element for organizations. The front line managers are focused on tasks, extended working hours, and the employees' personal concerns are ignored due to lack of personal touch and exchange of encouraging words. This impacted the job performance and led to high employee turnover. Organizations are trying to address employees' concerns through various programmes to build relationships and improve job performance. The objective of this study is to analyse the impact of the hybrid model and to provide insights on how to manage employees to perform better at work.

**KEY WORDS:** Hybrid Model, Interpersonal Relationship, Personal Connect, Emotional Engagement, and Job Performance.

## INTRODUCTION:

The future of work is "hybrid". The word hybrid is derived from the Latin word "hybrida", which means something of mixed origin, composition, or from a heterogeneous group. The other definition says hybrids are the offspring of two different species (OED 2010). The concept of hybrid organisations originates from the term "hybridity," which refers to "the state of being composed through the mixture of disparate parts" (Battilana & Lee, 2014). The "hybrid organisational arrangements" concept was introduced by Borys and Jemison. They focused on aligning the concept with strategic alliances, joint ventures, partnerships, research and development, and licensing. Another author, Oliver Williamson, introduced the hybrid concept as "hybrid form". A hybrid form can be defined as "a

set of organisations such that coordination between those organisations takes place by means of the price mechanism and various other coordination mechanisms simultaneously."

In recent days, modern businesses struggle to function in pluralistic institutional environments, which is why hybrid organisations are becoming more and more popular in a variety of commercial fields. (Greenwood et al., 2011; Kraatz & Block, 2008; Mair et al., 2015; Pache & Santos, 2010, 2013).

Organizations are evolving to deal with unpredictable changes in the business environment. Changes in socioeconomic policies have an impact on both the product and service sectors. The recent survey Eurofound (2020) reveals that European Union employees experienced a positive teleworking outcome during the first wave of COVID-19, but very few preferred this and most of them would prefer to work in a hybrid option model. In a recent study published, one-third of respondents prefer working from home for at least 1-2 years, and 28.57% would prefer to continue with hybrid working (Beno et al., 2021).

Organizational culture plays an essential role in establishing hybrid work environments across the globe. The multi-layered model structure was proposed by Rousseau (1990), as "a continuum from unconscious to conscious, from interpretative to behaviour, from inaccessible to accessible". Herman's "Cultural Iceberg", 1978, says organisational culture relates to the set of values, beliefs, and behaviour patterns that form the core identity of an organisation (Denison, 1984). The workplace culture is seen as the nature of business and includes values, beliefs, behaviors, goals, and attitudes. Hybrid organisations are framed around two key elements, such as logic and value systems (Wilson and Post 2013). Workplace culture is equivalent to personality in an organisation (Schuneman, 2019). A recent study explains that different working cultures also lead to different expansions of e-working (Beno, 2021).

## HYBRID WORK ENVIRONMENT EVOLUTION

The digital transformation impact on global business has fundamentally changed the way it functions (Brynjolfsson & McAfee, 2012). The IT industry's technological change and revolution, such as big data, mobile computing, the internet of things, and cloud computing, have created numerous opportunities to integrate businesses in previously unrelated industries (Chui, 2010).

In the research survey in 2019, 5.4% of workers in the EU usually worked from home, and 9% of workers worked from home at least sometimes (EC, 2020). According to the survey report on the International Labor Organization (ILO, 2021), by the second half of 2020, 17.4% of the global workforce was already working from home. It also says that not every job can be functional from home as the majority of the jobs demand organisational functioning (Dingel and Neiman, 2020; OECD, 2021). This is supported by the ILO (2021) report as approximately 18% of workers have occupational suitability to work from home living in any country.

The telecommuting work model has become the primary option for organisations to implement at work to avoid business failure (Choudhury et al., 2020). The recent definition of hybrid working by Beno et al. (2021) defines a mix of home and cubicle working. There is a similar definition by Grzegorzczuk et al. (2021) states that "in a hybrid model, workers can telework for a proportion of their contracted working hours within the limits of individually or collectively negotiated work arrangements".

The hybrid workforce is partly spread across all countries with cubicles, remote work and factory space. This model works on flexibility of choice both by the organisation and employees. As the work force is from various generations, such as Gen X, Millennials, and Gen Z, The organisation has a challenge to bring them all together and ensure business runs profitably. The hybrid model increases individual productivity (Beno and Hvorecky, 2021).

The developing countries with low economies and jobs that require skilled labour are exempted from this hybrid model. Because most organisations cannot afford to finance technological advancement, and some jobs require physical presence at the workplace. Hence, a hybrid model is a combination of various working strategies within

an organisation. According to Pache and Santos (2012), social enterprises are considered as hybrid organisations by planning the boundaries of the private, public, and non-profit sectors. They also bridge the institutional gaps (Tracey et al. 2011).

## REVIEW OF LITERATURE

Martins, Gilson, and Maynard (2004) concluded that "we have moved away from working with people who are in our visual proximity to working with people around the globe" (Ebrahim, Ahmed & Taha, 2009). The leaders in hybrid organisations prefer to see their team performing at an optimum level (Sargent, 2007). Remote working has become the preferred mode of practise during and after pandemics (Kossek & Lautsch, 2018). The American Community Survey (2017) states that US employees who worked from home have increased at least half the time, from 1.8 million in 2005 to 3.9 million in 2017. For the relatively affluent cadre (Desilver, 2020), remote work is a luxury.

The digital era has already changed the way we work. In addition to that, remote working trends will further complicate the future workplace (BCG and Verizon, 2020). Due to the pandemic, socially isolated employees are disengaged in their workplace, which affects their performance at work and disheartened those (Wojcack et al., 2016). The employee's adaptability to the changing needs of the business is essential for organisations to deal with uncertain competitiveness and technological advancements (Charbonnier-Voirin & Roussel, 2012). Individuals who are flexible and practise adaptive performance show increased job performance and are successful at work (Shoss et al., 2012). The organization's commitment towards employees is associated with job advancement, job performance, employee motivation, employee participation, and organisational behaviours (Jacobs, 2008, Meyer et al., 2002, 1991, and Nazir et al., 2016). Business agility requires personality, work engagement fit, and adaptive performance (Shahidan, 2019).

The employer's relationship with the employees gets affected either by managers or co-workers. It is essential to improve the work culture to build relationships and weed out unwanted practises within organizations. According to Cole (1997), organisations should give employees the space to communicate openly and provide channels for them to share their opinions, suggestions, and feelings.

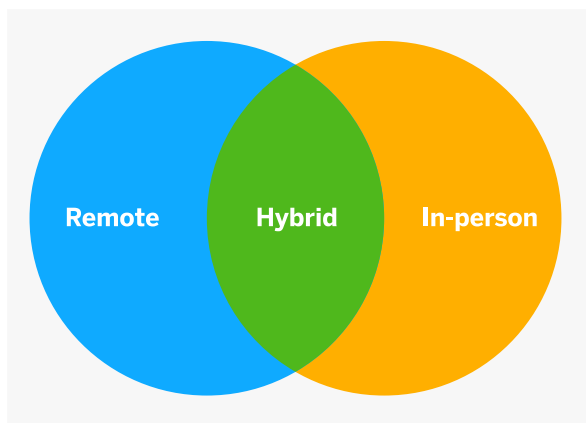
According to the researchers, there was a global lack of employee well-being and engagement during the pandemic (Bernstein et al., 2020; Singer-Velush et al., 2020; Campbell & Gavett, 2021). Employees are hesitant to return to their workplaces following the relaxation of COVID-19 restrictions (Kelly, 2021). Organizations are working on finding the best way forward to a sustainable future workplace (Bernstein et al., 2020; Berinatio, 2020; and Griffin, 2021). Positive mental health is essential for job satisfaction, which measures productivity, engagement, and performance (Karanika-Murray et al., 2015; Diestel, 2014; Bowling et al., 2013).

In organizations, performance is divided into two elements, i.e., task performance and contextual performance (Borman and Motowidlo, 1993). The flexibility to decide the working style to accomplish a task (Amabile et al., 1996) and to decide their work week (Elsbach and Hargadon, 2006) positively contributes to work performance. The research findings from Forbes demonstrated that face-to-face interaction between executives is preferable (ForbesInsights, 2009). The practise of learning to forgive and showing how much help we can offer to others builds relationships in a hybrid model (Luskin, 2003).

## HYBRID WORK MODEL

Employees in the hybrid model can work from home as well as in the office. It's a suitable and blended approach for modern business, but it has its limitations on the other end. The flexibility in the hybrid model offers various programmes to employees. At-Will Employment (Ruud and Becker, 2012), Split Weeks (Singleton, 2020), Shift Work (Van de Ven, 2017), and Flexible Work Week (Lyons, 2020) are examples.

Hybrid at-will work-employees choose which day(s) to come into the office; hybrid split-week-the company assigns specific days for on-site and remote work by team or function; hybrid shift work-managers choose which day(s) their team comes into the office; flexible work week-a combination of all three options.



For developing countries like India, the concept is adaptable, but the changing of mind sets and working styles affects their psycho-socio-economic status. Other countries, such as the United States, the United Kingdom, and the European Union, adapted this model prior to the pandemic and as part of their business strategy. Our conservative approach firmly believes that working with people improves their morale and performance. The absence of the physical presence of the manager or supervisor deteriorates the work efficiency of an employee.

The hybrid model is associated with an employee's beliefs, values, and organisational culture. The change in the work environment impacts the overall business performance and employee relationships. The COVID-19 first wave encouraged work from home, and the employees preferred it too, and the employees' performance has never impacted their work. The second wave affected the employee's performance due to a lack of cooperation, coordination, and collaboration with the team. The individual contribution never seems to be affected, except for a few.

### Challenges of the hybrid model

There are a lot of challenges in the way business operates as well as the life of an employee has also changed. The crossing of lines between work and personal life has become an integral part of life after the pandemic. There is no work-life balance. The organisation needs to consider the professional challenges of the business as well as the personal challenges of an employee. Though the hybrid model is encouraged by many organisations, it affects the culture of the organization. These in turn had an impact on the employee's psychological factors and affected their work performance.

Many employees prefer to choose their work place to be productive and, at the same time, the interaction with peers and colleagues is encouraged to do so. Though the model seems flexible and adaptable, there are practical challenges in managing records, designing new policies and procedures, employee retention, job performance and job satisfaction. The job's complexity has become so intense that extended working hours have harmed one's relationship with oneself and others. Organizations are adjusting to the changing needs of the economy and their employees. They are trying to bridge the gap between the organisation and its work force to ensure business synergy, organisational growth, and employees' well-being.

The organization's primary focus has changed from business to employees. Unexpected changes in business, working styles, trade fluctuations, changes in economic policies, and market unpredictability affect the relationship between the organisation and its people. Their equations have changed completely, and building a sustainable business and ensuring employees' performance has become the organization's core job. The hybrid model challenges are encouraging organisations to see business from different perspectives and employees as valuable resources.

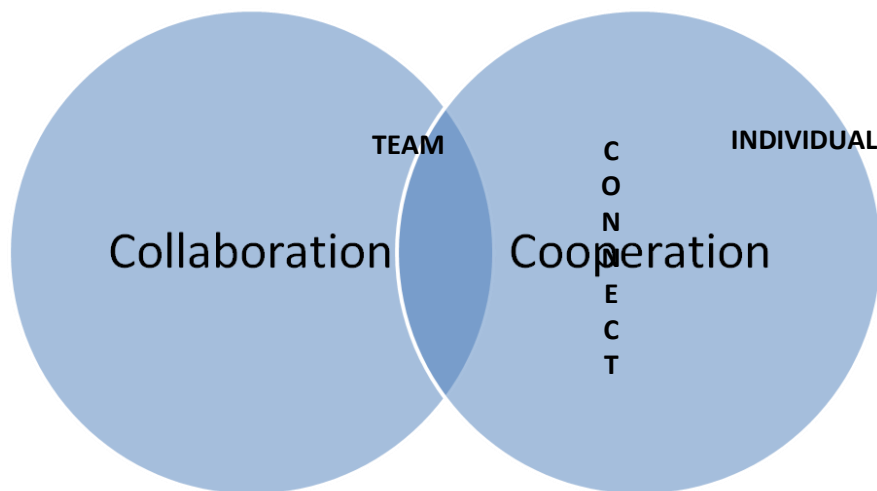
### CONCEPTUAL BACKGROUND

The hybrid model offers greater flexibility for an employee to work from anywhere. Though the model has its advantages, the collaboration of employees and achieving business goals requires continuous interaction and an

established relationship with the peer group. The relationship between an organisation and its employees is a must for achieving both personal and organisational goals.

### The Collaboration and Cooperation Model

The hybrid model works on the principle of a comprehensive approach. The employees are working in different time zones across the globe, and meeting all together is highly challenging. This model aids in the development of rapport between peer groups in order to achieve organisational goals.



Collaboration is defined as a cooperative, inter-organizational relationship that is negotiated in an ongoing communicative process (Hardy, Philips, and Lawrence, 2003). Coordination is defined as the "deliberate and orderly alignment or adjustment of partners' actions to achieve jointly determined goals" (Gulati et al., 2012). The definition of organisational collaboration is "the process of two or more people or organisations working together to complete a task or achieve a goal" or shared goals.

The key elements in collaboration are strong leadership, continuous interaction, defined roles, ground rules, and shared responsibilities. Whereas in cooperation, the factors are sharing information, delegation of work, supporting team members, focus on goals, and owning accountability. Collaboration and cooperation are connected by a single factor: "Connect". The team goals and individual goals need to be aligned to achieve the desired goals.

Through interpersonal relationship management, employee connectivity needs to be established between the team and an individual. People are very sensitive to an individual's words and actions. The lack of interpersonal relationships within the team hinders the job performance of an employee. The hybrid model needs to ensure that their relationship with the team is established to achieve projects on time. It's essential the connection should be made in the right way and needs to be shown at the right time.

The factors that need to be considered in connecting with a person are trust, confidence, acknowledgement, appreciation, and encouragement. The organisation runs business on its people's confidence, and projects are successful on its leader. The leadership team's core function should be to establish interpersonal relationships with their team members irrespective of age and job position. The three Cs—Collaboration, Cooperation, and Connect—are essential in establishing a successful hybrid organization.

### Employee Performance Management in a Hybrid Model : Bridging Individual Performance and Team Performance

Organizations need to focus on building employees' positive performance through providing employees with a broad range of tools and skills to meet new realities and challenges (Batarliene, Ciziuniene et al., 2017). Employees' productivity can be enhanced through motivation and effective recognition, which will lead to the organization's performance (Deeprise, 1994). The organization's success is defined by teamwork, which will be accomplished by the quality and efficiency of the team (Wageman, 1991). A motivated workforce will lead to greater understanding, acceptance, commitment to implementation, understanding of objectives and decision making between management and employees (Denton, 1991).

## HYBRID WORK PERFORMANCE INTEGRATION MODEL



### Performance Management

An organisation's performance is measured by its employees' performance in achieving the organisational goals. Employees are the most valuable resources for any organisation. Organization culture has an impact on employees' emotions and relationships with their peers. The work environment helps in establishing organisational values and beliefs.

Job performance is measured both by individual and group performance. Both of them contribute in multi-dimensional ways to achieving organisational goals. According to Van Scotter and colleagues (2000), individuals who perform well as individual contributors have more career opportunities than those who perform moderately or poorly. Job performance is one of the most important studied variables in industrial management and organisational behaviour (Carpini, Parker, & Griffin, 2017).

### Individual Performance

The motivated employees contribute positively to the organization's growth. The motivation could be intrinsic or extrinsic. The efficiency of an employee's performance is enhanced through organisational motivation. As the employee needs feedback and review for the work done, this will help them to improve their competencies and

achieve the organization's goals. The unmotivated employee loses interest in their job and becomes a negative influencer in the organization.

The key motivation factors that boost an employee's morale are appreciation for the task; constructive feedback for improving competencies; positive competition; flexible working hours and personal connection. When the employee's performance is not meeting the set goals, it means they are either unsatisfied with the job or a person. This affects productivity and relationships with the organization.

## Team Performance

The organisation depends on its people to serve the clients or customers. Due to hybrid work's nature, teamwork becomes a part and parcel of an organization's life. The employees are offered flexi working models, and many organisations have implemented them as part of the system. Many organisations in the UK are trying to implement four days of work in a week and other countries like the US have already given employees the option to choose their number of working days. According to Brynjolfsson & McAfee (2012), the digital transformation has impacted the local-to-global business market and has changed the fundamental concept of business operations.

Organizations and employees are finding it very difficult to establish teamwork as the business dynamic has changed a lot. Teamwork is essential to achieve organisational goals and ensure the growth of the organization. The employee's interpersonal relationships are of paramount importance in achieving teamwork. Peer behaviour has an overall impact on teammates and teamwork. Because the employees work in different time zones around the world, meeting in person or connecting over the phone becomes difficult and time-consuming for each member of the group. Because of this, the individual's performance is also affected indirectly. The unsatisfied employees in the group directly affect the group's performance.

The organisation needs to pay attention to establishing guided norms for the team to function effectively. The key elements are peer coordination, defined objectives and goals, team interaction, respect and job satisfaction. A well-informed employee understands his responsibility and takes accountability for his deeds. Teamwork is the pillar of any organization's success.

## ORGANIZATIONAL CULTURE

Organizational culture is defined as the underlying beliefs, assumptions, values, and ways of interacting that contribute to the unique social and psychological environment of an organization. According to Dr. Singh, the employer-employee relations system in a country is conditioned by economic and institutional factors (Climate for Industrial Relations, 1968).

### Diversified Culture in a Hybrid Work Model:

The hybrid work model has a varied culture and is adaptable to its employees' needs. They are based on values, beliefs, and morale. According to McKinsey, it's time for the organization to rethink the hybrid model. The organisations are transforming their cultural policies based on the individual's needs. The workplace culture has shifted from micromanagement to job performance; from individual tasks to team collaboration; from working hours to productivity; and from policies and procedures to flexibility and adaptability to the needs of employees.

Because of the changing work environment and business nature, the employees are lacking a personal touch with the organization. The organisational culture has changed primarily to meet the business's needs rather than employees' needs. This has eventually disturbed the employee's performance and morale in the organization.

According to the survey report by The Harris Poll for outsourcing firm Yoh, 69% of those ages 44 and younger and 55% of those 45 and older said they would consider job change if the organisation didn't try to protect them during a pandemic. Additionally, 60% of those 44 and younger said they would consider changing jobs to work for a company that is actively making a difference to help the situation for its employees.

## People and Performance Priorities

The organisation needs to focus on its people and their performance. Managing people is managing their emotions. Performance management is based on their competencies and productivity. Both need to be balanced by the leadership team to ensure the organization's fitness. Organizations are paying attention to developing a system that addresses the emotional and psychological well-being of their employees through work culture, rewards and recognition, and career growth. The hybrid work model encourages its people to work effectively to meet the organisational goals and supports them in meeting their personal needs.

## Suggestions

Organizations are changing their policies and procedures to meet the needs of the market and business. It is also trying to accommodate employees' needs and provide flexibility in the work environment. They are meeting their employees' needs through flexible working hours and an option to choose to either work from home or remotely. The emotional well-being of an employee and their personal engagement with them need to be considered at all levels. The organisation needs to engage them with regular communication and maintain interpersonal relationships. Employees are slightly detached from the organisation due to a lack of communication and interaction is only for job purposes. It is recommended to meet employees personally and understand their personal and professional needs to build a strong relationship and improve the organization's growth.

## CONCLUSIONS

The hybrid work model impacts the organisation in both positive and negative ways. The organisation dynamics have to be changed to channelize the business and employee functions. Regular contact with employees is essential for the organisation to maintain a healthy workforce. Employee performance is measured both by individual and team and is aligned with the organisational goals. The interpersonal relationships among peers contribute to a positive work culture. The contextual study explains that the hybrid work welcome is the new way of organisational functioning. The integrative and comprehensive approach helps the organisation define new policies and procedures to keep its employees engaged, ensuring job satisfaction and facilitating support systems to meet their personal and professional needs. The hybrid work model has changed the perspective of an organization's functioning, the way business operates, and provides an opportunity to align the personal and professional goals of an employee.

## FURTHER READINGS:

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