

After an intense year of return-to-office mandates that often met with employee resistance, the focus is shifting toward creating a consistent employee experience across the organization.

This means fostering collaboration and belonging across distributed teams, optimizing in-person time, and implementing successful well-being and DEIB programs globally. With Millennials comprising the majority of the workforce and Gen Z set to overtake Baby Boomers in the workplace in 2024, leaders are focused on developing and supporting emerging leaders, many of whom are women and caregivers.

As employers grapple with persistent economic and political uncertainty, they are leveraging technology and many sources of data to understand the employee experience and drivers of performance and (re)build strong cultures that create confidence in the future.

- While formal return-to-office mandates wane and hybrid work becomes more permanent, leadership is focused on **in-person collaboration, optimizing distributed work, and developing talent.**
- The **middle manager** remains the linchpin of team engagement and performance and requires more training and support than ever.
- Amid a growing backlash and tightening budgets, **organizations are not abandoning their DEIB efforts** and goals but fine-tuning them.
- Mental health and well-being programs are becoming more **integrated with DEIB efforts**, with significant focus on increasing **cultural competency, access and utilization.**
- In a push to democratize offerings and retain critical talent, employers are focused on maximizing support for **caregivers and families of all types.**

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ABOUT THE CENTER

The Boston College Center for Work & Family is the country's leading university-based center focused on helping organizations enhance the employee experience.



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The latter half of 2023 was characterized by a significant push to return employees to the office with [nearly all employers \(99%\) expecting employees to be in the office at least two days a week](#) and 80% expecting three days, according to EY's Future Workplace Index. RTO mandates are likely to drop off and, according to the Conference Board, [only 4% of CEOs are prioritizing a full return to office in 2024](#). However, many still want to see employees in the office more and are experimenting with a blend of [carrots](#) (commuter benefits, raises and promotions) and [sticks](#) (tracking attendance) to achieve this.

In-person opportunities and salaries reflect this trend. According to a Ladders Q4 High Paying Jobs report, [six-figure hybrid job availability dropped 69% at the end of 2023, while in-person opportunities increased 93%](#). The report notes, "Companies want their highest earners in the office for collaboration and leadership."

That said, many teams - especially in large, global organizations - work in a distributed way. According to an Atlassian survey of Fortune 500 and Fortune 1000 executives, 100% say their teams work in a distributed way and are [three times more likely to say that how teams work is a bigger problem than where they work](#). Their focus for 2024: low productivity, tracking progress against goals, and effective collaboration.

With women, caregivers, Millennials and Gen Z employees among those who value flexible work the most, the most successful companies will be those who resist "proximity bias", track outcomes across work arrangements and intersectional identities, and empower managers to lead distributed teams with a focus on results.

"What return-to-office debates often miss is that how teams work has fundamentally changed, regardless of where individual team members sit. Whether a large organization is remote, hybrid, or fully in-office, most of their employees work in a distributed way".

- Molly Sands, *Atlassian*

KEY DATA

- ▶ 90% of US CEOs say they will likely reward employees who make an effort to come into the office with favorable assignments, raises or promotions. (KPMG 2023 CEO Outlook)
- ▶ Women want 0.75 more WFH days than their employers plan, while men want 0.3 more WFH days. (SWAA, January 2024)
- ▶ Only 30% of companies have tracked the impact of their RTO policies on key DEI outcomes. (McKinsey, LeanIn.org, 2023)

The middle manager remains the linchpin of team engagement and performance and requires more training and support than ever.

With tightening budgets in 2023, many organizations scrapped middle managers and became flatter, which has left remaining managers leading larger teams and feeling underprepared to perform their jobs well. According to Gallup, in 2023 middle managers were at greatest risk for losing their jobs and [only 48% of managers agree that they currently have the skills](#) needed to be exceptional at their job. Likewise, in a Gartner survey, 75% of HR leaders said [managers are overwhelmed](#) with their growing responsibilities and are not equipped to lead change.

With hybrid work arrangements here to stay and only three in 10 managers receiving formal training in leading hybrid teams, managers need [“often and varied”](#) training in [key skills](#) that are known to drive higher performance and retention: identifying and coaching to employees’ strengths, delivering specific and actionable feedback, setting clear priorities, and boosting recognition and a sense of belonging through effective team and 1:1 communication.

Per our BCCWF members, we expect to see more formal peer support and collaboration among managers in 2024. This “cohort” approach not only enables more best practice sharing and skill-building, it also helps managers develop a larger “resilience network” - a critical support in the workplace, as Karen Dillon suggested in her fall workshop for our members on [microstress](#).

As managers become more skilled and engaged themselves, a virtuous cycle of trust in leadership and intent to stay develops for all - critical to keeping turnover costs low and performance high in an increasingly competitive environment.

KEY DATA

- ▶ As of August 2023, 54% of managers were watching or actively seeking a new job. (Gallup 2023)
- ▶ The work-life balance rating for middle managers eroded significantly in 2023 but were stable for more senior and junior employees. (Glassdoor 2023)
- ▶ For almost 70% of workers, managers have a bigger impact on their mental health than their doctor (51%) or therapist (41%). (Workforce Institute @UKG 2023)
- ▶ Employees reporting to effective managers are 15.4x more likely to be high performers and 3.2x more likely to stay with their employer. (Gartner 2023)

“Having a great manager is nearly four times more important than an individual's work location when it comes to their engagement and wellbeing.”

Wigert and Barrett,
Gallup

Amid a growing backlash and tightening budgets, organizations are not abandoning their DEIB efforts and goals but fine-tuning them.

The Supreme Court's landmark ruling against race-based college and university admissions last year has led the way for [increased criticism and scrutiny](#) of corporate DEIB efforts. Among our BCCWF Roundtable members, the sentiment is clear: there is a steadfast commitment to DEIB with a focus on non-negotiable values of empathy, civility and respect for all. But with an increasingly contentious legal and political landscape, along with tightening corporate budgets, further fine-tuning and reframing of these initiatives and goals will be required.

According to Forrester, the number of companies with DEI functions is [predicted to decrease from 33% in 2022 to 20% in 2024](#). These [cuts in spending](#) will mean leveraging existing programs and infrastructure - such as employee resource groups and DEI councils - that can serve as grassroots levers for culture creation. Initiatives that help dismantle biases from selection and promotion processes will take precedence, as well as those focusing on increasing employees' sense of [inclusion and belonging](#). [Adequately designed AI](#) will also become a powerful tool for advancing DEIB goals, helping to identify inequities, enhancing listening strategies across demographic groups, and breaking down accessibility barriers.

According to EY's most recent Belonging Barometer survey, [74% of respondents consider their company's prioritization of DEIB initiatives to have a significant impact on their choice to work there](#) - a statement that holds particularly true among Gen Z (73%) and Millennials (68%). A genuine commitment to these efforts will not only enhance employees' sense of belonging and engagement, but also be critical for attracting and retaining talent.

WHAT MAKES DEI RISKY?

As organizations reframe their DEIB programs, they should know which may present legal risk. Excerpted from their [HBR article](#), Yoshino and Glasgow outline four potentially risky DEI programs:

- **Hiring quotas**
- **Tiebreaker decision-making**
- **Group-specific internships and fellowships**
- **Tying manager compensation to diversity goals**

Over the past two years there has been an 18% decrease in the number of leaders who endorse their company's DEI efforts. (DDI 2023)

63% of workers say they would choose a company that prioritizes DE&I over one that does not. (EY Belonging Barometer 2023)

Mental health and well-being programs are becoming more integrated with DEIB efforts, with significant focus on increasing cultural competency, access and utilization.

After several years of increasing investment in mental health and well-being benefits during the pandemic, employers are focused on understanding what is working and maximizing utilization. To identify gaps or barriers to access, they are trying to understand employee identities, life stages, and behavioral health needs at a more granular level using many sources of information, including employee listening and self-ID campaigns, claims analysis, and health assessments. In fact, [78% of employers are taking action to improve health equity](#), according to Mercer’s Health & Benefit Strategies for 2024 survey report.

There is a growing recognition that mental health issues vary widely by identity and cultural background, including how people interpret symptoms and how or if they seek care. For example, in [one study of Asian Americans](#) only 12 percent would mention their mental health problems to a friend or relative (versus 25 percent of whites) and only 4 percent would seek help from a psychiatrist or specialist (versus 26 percent of whites). To address these differences, employers are demanding diverse, culturally responsive provider networks and “white glove” treatment from EAPs and other vendors to match employees with the right type of care. According to Mercer, employers consider [adding supplemental networks for virtual or in-person care and enhancing/expanding their EAP](#) to be the most effective actions they have taken to increase behavioral healthcare utilization.

Among our BCCWF members, many coordinate well-being and DEIB efforts by leveraging resources like social workers, ERGs, and Mental Health First Aid training to reduce stigma and deliver more tailored programming for key populations like veterans, first generation employees, and neurodiverse employees and their families. From stepped up communication campaigns, to removing co-pays, to extending benefits to dependents, employers are aiming to create more affordable and equitable benefits.

Effectiveness of actions taken to increase behavioral healthcare utilization or create a more supportive environment	Have taken this action within past 3 years	Has been effective or very effective
1 Added supplemental network for virtual or in-person care	42%	69%
2 Enhanced or expanded EAP	69%	59%
3 Took steps to increase screenings for mental health and/or substance abuse	19%	58%
4 Implemented manager training in recognizing BH issues and steering to resources	36%	49%
5 Conducted campaign to reduce stigma and encourage use of BH resources	49%	46%
6 Added digital or in-person resources for managing stress/building resiliency	58%	44%

In a push to democratize offerings and retain critical talent, employers are focused on maximizing support for caregivers and families of all types.

In 2023 over one-third of our member benchmarking requests related to expanding work-life supports and benefits, especially for caregivers, including child care subsidies, family/caregiver leave, and bereavement leave. With shifting workplace demographics and better data, employers are paying closer attention to meeting the needs of employees at all life stages - with expanding definitions of what constitutes a household or family.

In line with this, Mercer's recent benefits survey highlights how [leave for families with different pathways to parenthood is on the rise](#), with extended coverage for parental, adoption, and foster child leave planned for 2024. A growing number of companies are also prioritizing investments in women's health, family-building, and fertility benefits, including [egg-freezing and surrogacy](#). According to Mercer, 46% of employers surveyed will offer one or more of these benefits in 2024 - up 9% from 2023 - with a marked increase in post-partum support, menopause support, and pre-conception family planning benefits.

When it comes to caregiving, employers must begin to measure the extent of caregiving responsibilities among their workers. With 73% of workers identifying as caregivers and caregiving demands creating [stress, productivity losses, and financial strain](#) for many, employers can play a significant role. Concierge services like Cariloop and Rethink Care are new workplace offerings helping families navigate complex care journeys.

As Joseph Fuller remarks in a recent HBS article, "The COVID-19 pandemic contributed greatly to the need for companies to revisit their posture on caregiving. Yet change has been slow. [Companies need to make a far more concerted effort to help employees meet their caregiving responsibilities](#)—[it's] in employers' own self-interest."

"Caregiver is the fastest-growing employee group, with 73 percent of all employees having some type of current caregiving responsibility"

— *The Caring Company*,
Joseph Fuller and Manjari Raman, HBS

KEY DATA

- ▶ 75% of large employers will offer paid parental leave in 2024 up from 46% in 2018. (Mercer 2023)
- ▶ A majority of large companies have expanded bereavement leave for extended family/friends (69%) and following miscarriage (58%). (Mercer 2023)
- ▶ Caregiving demands cost employers \$5600 per employee per year in lost productivity. (Value in Health 2023)
- ▶ Women are 5 to 8 times more likely than men to say that their employment was affected by caregiving responsibilities. (Center for American Progress 2023)
- ▶ 1 in 10 working caregivers report giving up work entirely or retiring early. (TIAA Institute 2023)