HRCI

Managing the Changing Workplace: A Framework for HR

HR teams face difficult questions about return-to-office policies, workplace flexibility, and the growing role of non-staff workers. Here's a framework for making more informed, evidence-based decisions.

The next time you see a return-to-office mandate in the headlines, consider this: when asked to name their preferred work location, only about 6% of remote-capable U.S. workers say fully on-site, according to Gallup polling.

The other 94% favor some form of flexibility, with 33% preferring a fully remote schedule and 61% saying a hybrid mix of remote and on-site is their ideal. The numbers by themselves present a severe contrast, but more dramatic still is the disparity when top executives are asked similar questions.

KPMG's 2024 CEO Outlook Study showed that 79% of U.S. CEOs anticipate a full return to the office by 2027. A December 2025 ResumeBuilder survey of business leaders echoed these sentiments, showing that 28% planned to eliminate remote work altogether and nearly half planned to require four days in-office this year.

While polling shows that remote and hybrid models still dominate the workplace—only 22% of remote-capable employees work fully on-site, according to Gallup—some of America's largest companies are shifting policy. According to JLL, which tracks corporate real estate trends, just 5% of Fortune 100 firms worked under a full in-office policy in Q2 2023. By Q2 2025, that number was 54%. The federal government has ordered its workforce back to the office, and some states are trying to follow suit.

"There's a serious disconnect in the American workforce and it will be HR's responsibility to manage it," said Dr. Amy Dufrane, CEO of HRCI.

> **“There’s no single right answer when it comes to return-to-work policies. Mandates can impact recruiting, retention, and morale, but remote work also brings cultural challenges. What’s important is that organizations weigh all factors, make measured decisions, and take a deliberate approach.”**
>
> **– Dr. Amy Dufrane, CEO, HRCI**

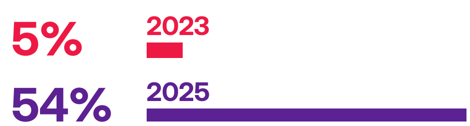
Drawing on the 2025 State of HR survey of thousands of HR professionals, outside research, and insights from HRCI experts, we created a guide exploring how organizations can evaluate policies on remote and hybrid work, return-to-office requirements, and the evolving role of contract employees, seasonal workers, and consultants.

Franz Gilbert, HRCI board member and managing director for human capital at Deloitte Consulting, says the answers are likely to be different at every organization, but that those answers start with framing the challenges correctly.

“Each organization must calibrate its model to its strategy, workforce, and constraints,” he wrote in the State of HR report. “Doing that well requires a highly skilled HR function that can balance access to broader talent pools with the operational excellence to make them work.”

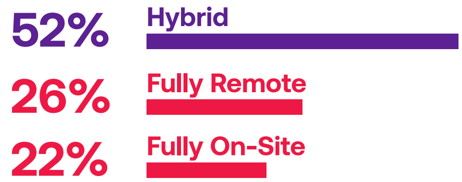
As he put it, “The future of HR is not ‘remote versus office,’ it is orchestrating a boundaryless workforce with intentionality.”

Percentage of Fortune 100 Companies Fully Returned to Office



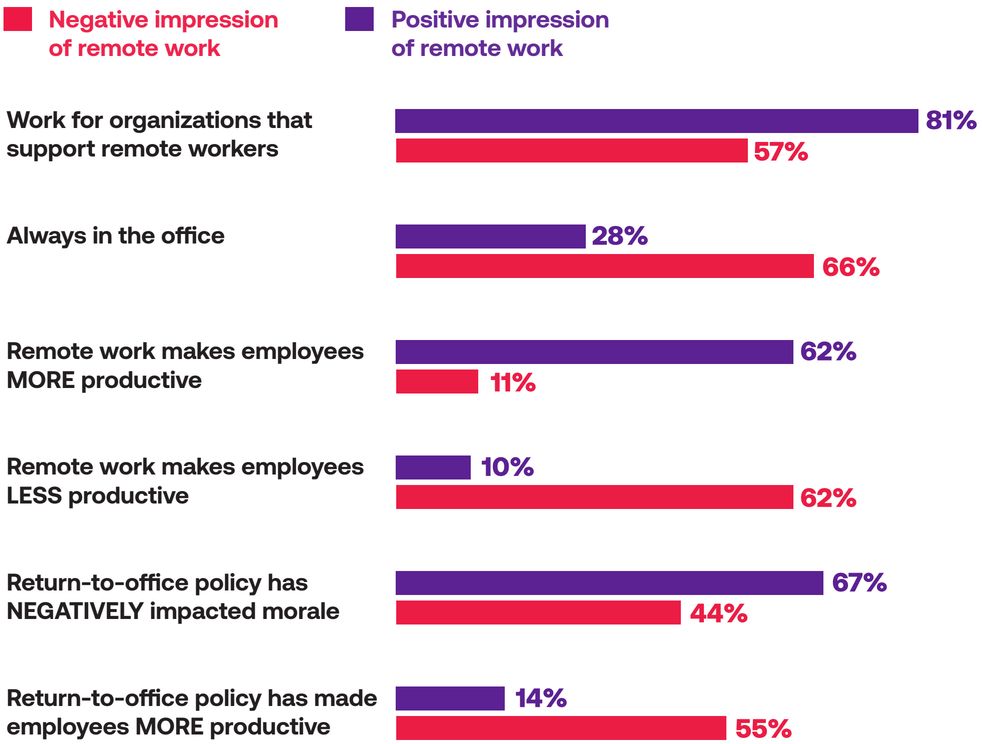
Source: JLL 2025 analysis

U.S. Work Locations



Source: Gallup polling May 2026 for remote-capable jobs

Where HR professionals stand on remote work



Source: HRCI State of HR survey

How We Got Here

It is no surprise employers are struggling to address in-office requirements. Most organizations had the situation thrust upon them by the COVID-19 pandemic, an emergency that shuttered offices worldwide and had organizations—especially HR departments—scrambling to maintain operations while rapidly creating scalable policies for employees to function remotely.

The numbers tell the story. In 2019, according to the U.S. Bureau of Labor and Statistics, 6.5% of private-sector employees worked primarily from home. The pandemic then triggered a massive shift: by May 2020, a separate BLS study found that 35% of all U.S. workers worked remotely at some point specifically because of COVID-19.

While estimates vary today, Gallup polling shows most remote-capable workers still work remotely sometimes. More importantly, remote and hybrid work have become extremely desirable options—even an expectation—in some industries, as the workforce has adapted to flexible schedules accommodating family life, caregiving, and other responsibilities.

When some companies attempted to implement return-to-office policies following the pandemic, millions of Americans quit their jobs or changed workplaces in what became known as "The Great Resignation." Since then, research shows that some employees consider flexibility a necessity.

In a 2025 report, Pew Research Center found that, among adults who were remote-capable and who were working at least part of the time from home, almost half (46%) said they would be unlikely or very unlikely to stay in their current job if their employer disallowed remote work.

"Today's models were borne of a national emergency," Dufrane said. "Organizations did the best they could and, globally, we adapted extremely well in a very short period. That adaptation has forced leaders to think deeply and deliberately about how and where work gets done. We can turn this challenge into a force multiplier if we manage it correctly."

Many believe more traditional working environments are good for business, arguing that working in an office eliminates isolation, promotes collaboration, and makes it easier to identify issues and foster workplace culture. However, a growing body of research shows that when employees do work remotely or on a hybrid basis, productivity does not necessarily suffer. Some studies even show gains.

Much also depends on the sector. Some industries require larger amounts of on-site work, and some jobs simply cannot be done remotely.

Preliminary research from the Bureau of Labor Statistics, which studied data across many industries between 2019 to 2023, showed that labor productivity increased by .09 percentage points for every percentage point of growth in remote work.

"Remote and hybrid work expand access to skills and experiences that used to be geographically out of reach, enabling teams with greater diversity of thought, background, and perspective," Gilbert wrote. "That's a real competitive advantage in problem-solving and innovation."

Keeping an Eye on Public Policy

As U.S. companies struggle with return-to-office policies, it is worth noting that public policy could someday play a role, as it has in other countries.

While the White House issued an order to return most federal workers to the office in early 2025, Congress has so far avoided passing major legislation to address remote work. Other countries, however, have taken a different approach altogether.

In the UK, for example, workers have the right to request remote work. Employers are required to consider and respond to those requests, but they are not required to grant them. Similar rights exist in Australia and, for some workers, in Canada.

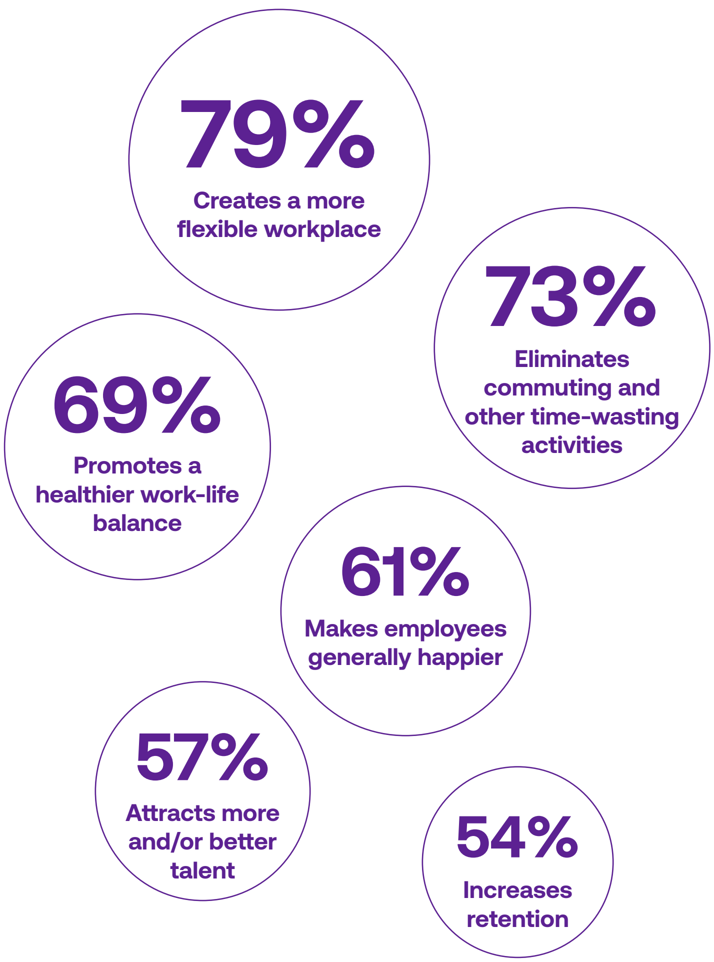
Some U.S. states are now considering similar "right to ask" policies. In New York, for example, bills have been introduced but have not yet passed the legislature.

What HR Professionals Say

Indeed, most HR professionals endorse workplace models that include flexibility, according to the State of HR survey. In fact, about a third (35%) are themselves wholly or partially remote. Large majorities work for organizations that facilitate remote work (77%) and believe it is good for an organization (83%).

At the same time, about half say their organization has enacted a return-to-office policy of some kind in the past five years, even though a solid majority say these policies negatively impact employee morale, and almost a quarter (24%) say they negatively impact productivity. More respondents report a decrease in remote employees in the past year (24%) than saw an increase (20%).

Among the benefits touted by HR professionals is that working outside the office creates more flexibility (79%); eliminates commutes and wasted time (73%); and promotes a healthier work-life balance (69%). Importantly, 61% say it makes employees generally happier, and 54% say it increases retention.



Source: HRCI State of HR survey

The Golden Metric: Employee Engagement

While HR tracks many metrics, employee engagement can be particularly useful when evaluating return-to-office policies.

"Engaged employees are psychologically invested in their work and workplace—they drive performance, innovation, and growth," according to Gallup. Engagement at work is a more sophisticated measure than simple job satisfaction.

Gallup also reports that U.S. employee engagement has declined in the past five years. After peaking at 36% in 2020, it declined to 31% by 2025, tying an 11-year low. Some studies suggest that the pace of workplace change may be contributing to this decline.

A growing body of research shows what HR professionals already know: workplace flexibility and return-to-office policies have an impact on morale, satisfaction, productivity, behavior, and employee well-being. Tracking engagement can provide valuable insight as your organization makes return-to-office decisions. A range of commercial tools can help, from structured employee surveys to AI-driven platforms.

"Engagement can be a leading indicator, rather than a lagging indicator," Dufrane said. "That means it can help us predict problems in absenteeism, retention, or productivity before they appear in our traditional metrics."

While HR professionals opposing remote work are in the minority, their opposition is clear. They are far less likely to believe that remote work increases productivity or that return-to-office policies negatively impact morale.

Regardless of general opinions on remote work, HR professionals understand there are challenges to be managed and mitigated in any hybrid or remote system.

For example, the survey showed that 54% report a reduced sense of belonging; 47% say remote work reduces identification with a team or company; and 42% say it reduces collaboration. Perhaps more importantly, novel strategies to manage these challenges appear to be in short supply, while traditional approaches are more often embraced. About two-thirds say regular meetings are most helpful; 59% say the solution is communicating across channels; and 56% advocate using collaborative technology.

"We have to understand the problems we are trying to solve before we reach for a solution," Dufrane said.

54%
Reduced sense of belonging

47%
Reduced identification with team and/or company

42%
Less collaboration

38%
Inability to build organizational culture

38%
Less effective communication

20%
Lower productivity

Source: HRCI State of HR survey

“That solution needs to be grounded in data, tested, and then monitored to ensure it’s having the intended impact. Decisions about where we work are best viewed as an ongoing conversation and not a policy we can set and forget.”

– Dr. Amy Dufrane, CEO, HRCI

The Role of Non-Traditional Workers

Many of the same ideas that apply to hybrid work systems can apply to contract employees, consultants, seasonal workers, part-timers, and others who do not fit into traditional work models.

Indeed, HR professionals see very little difference between contract employees and those who work on staff, according to the State of HR survey.

The data shows that HR professionals often turn to contractors to fill organizational needs and integrate them freely alongside employees on staff. Fifty-eight percent work for organizations that use contractors, and one in six HR professionals are contractors themselves.

Here are some additional findings:

- 46% personally support the use of contractors, and 48% have no opposition.
- 66% use contractors to acquire expertise; 56% use them to facilitate projects or support high-work periods; and 33% use them to accommodate seasonal needs.
- 47% mix contractors and regular employees in a team setting; 39% give contractors access to internal technology systems; and 31% use collaborative tools designed to include contractors.
- 68% say there is very little performance difference between regular employees and contractors.
- 54% reported generally good experiences with contractors, with only a few bad experiences.

Managing Where and How We Work

As a leader, choosing work locations is rarely a single decision. Done properly, it should be a sequence of decisions informed by data, tested, and then revised and revisited as conditions change. The following framework, grounded in current workforce research, can help HR leaders move from open questions to defensible, evidence-based policy.

- → **Start with the business problem, not the policy.** Before setting any requirement, organizations should be clear about what problem the policy is meant to solve, whether that is declining collaboration, a weakened culture, mentorship gaps, productivity concerns, meeting client requirements, or underused real estate. Think about solving those problems specifically. Strategies formulated without specific goals, or that ignore the situation "on the ground," can introduce problems rather than solve them.

- → **Audit existing data.** Before consulting outside benchmarks, examine internal signals like engagement trends, team turnover, tenure, real estate utilization, and manager feedback. National data can provide useful context, but internal data offers direct insight into how your workforce feels and behaves. It can also reveal whether your organization's experience mirrors or diverges from broader trends, and why.

- → **Match the policy to the role.** Research suggests blanket mandates rarely fit an entire workforce equally well. For example, jobs that require frequent handoffs, active mentoring, or hands-on physical work may benefit from more in-person time, while other functions may not. HR and executive leadership should work with department heads to design requirements at the team or functional level, rather than applying a single policy across the entire organization. At the same time, role-based requirements can create perceptions of inequity when some employees have access to greater flexibility than others. Organizations should be prepared to explain why requirements differ and consider how flexibility can be offered fairly.

- → **Pilot before you mandate**. Rather than announcing a permanent policy, organizations can test a proposed model with a subset of teams, gathering data on productivity, engagement, retention, and other vital metrics before expanding it. This is particularly important given research showing that major changes can introduce risks to recruiting, retention, and broader workforce outcomes. A pilot allows your organization to course-correct before risks materialize at scale.

- → **Track outcomes, not just attendance.** Badge swipes and office occupancy data measure compliance—not success. Pair any policy with ongoing measurement of engagement, retention, productivity, and morale, using consistent instruments over time so results can be compared before and after policy implementation. HR should also track how these policies intersect with other organizational changes to gain a complete picture of the employee experience.

Together, these steps can replace a single top-down announcement with ongoing, evidence-based management that moves in phases, minimizes risk, and monitors outcomes against well-defined goals.

Methodology

The State of HR survey was completed by 4,583 human resources professionals, who received it via email between October 15–31, 2025. A large majority of those respondents (85%) practice HR in the United States.