

FlemingMartin's CHRO Lunch Series: May/June 2021 Notes

During late May and early June 2021, the Practice Leaders at FlemingMartin held virtual lunches with 90 Life Sciences and Technology CHROs (Chief Human Resource Officers). We explored topics such as returning to site, vaccination policies, mentoring employees virtually, people-related concerns from Boards, and workplace political discussions. Selected excerpts from these discussions are below.

Fully In-Person vs. Hybrid vs. Fully Remote

This is a subject of intense debate amongst many [Executives](#) and some [high-profile tech companies](#) are making waves with their stances on the topic. The majority of CHROs that we spoke with are pursuing a hybrid model: allowing their office-based employees to telecommute 1-3 days each week.

- *"Right now, 60% of our employees are back in the building at least a couple of days per week. We are going to be a hybrid company moving forward."*
- *"Most of our employees are looking for flexibility. We feel the pressure to keep up with competitors, so we are pursuing a hybrid model."*
- *"We are pursuing a hybrid approach. We have manufacturing in-house and many employees are lab-based, but we've opened up our building to office staff and set 3 days/week as our in-office target."*
- *"Some functions we will permanently home-base. Many G&A employees will come back at the end of August. They likely will work 2 or 3 days per week from home."*
- *"This is a pivotal opportunity, and we are trying to get ahead of the message. We don't want to lose 'the war for talent' by asking folks with hellish commutes to do those five days per week again."*
- *"We are going back to the office in September. The expectation will be three days per week in office. We are looking forward to greater opportunities for collaboration and creativity..."*
- *"We are planning to maintain social distancing in-office initially and there will be hoteling/hot-desking. Then, we will be moving to a more relaxed hybrid model..."*
- *"We had a shift in philosophy among the leadership. Prior to the pandemic, you could not buy a telecommuting day here, even if you were on the senior team. Now the expectation is that we will be able to work from home 2 days per week."*
- *"Our CEO thinks the world has changed and is completely open to keeping us hybrid. Additionally, we've had multiple employees tell us they would leave if we required a return to the office fulltime."*
- *"We are taking a hybrid approach. We did a survey, and we will have most employees back in the office a few days per week. We have our 'Return-to-Site Day' set for mid-July, but are growing concerned that some childcare centers are not back at full capacity yet and that puts employees who are the parents of young children in a bind..."*
- *"We want great talent, so we can't be tone deaf and ignore (the employees' desire for flexibility)..."*
- *"Employees with a substantial commute are not eager to return to site. They feel like that's wasting productivity and time every day. They have been able to sort their lives out much better working from home during the pandemic."*
- *"If we were to return to fulltime in-office, we'd lose some strong people. So, we're letting different teams determine what works best for them. We're planning on staying very flexible..."*
- *"I'm really curious to see how this is going to land over the next year to two years. Some are seeing hybrid as a bold new world and others think it will be the downfall of our company."*

- *“We are going forward with the hybrid model and initially our executive team was not interested in that. But the survey and ERG feedback showed that our employees really want more flexibility. This has been a big cultural shift for us. Previously, we were a company where everyone was expected to be in the office five days per week from 9am to 6pm...”*
- *“We are planning to come back to the office in early August. The expectation is going to be 4 days per week in the office. We like those ‘creative collisions’ in the building. There is definitely going to be an adjustment period going back to the conference rooms...”*
- *“As of June 1, we are requiring everyone to work in our office three days a week: Tuesdays through Thursdays. Employees need approval from HR and their Line Leader to not come in on those days... We’ve had mixed responses from the team – the biggest issue is commute. We understand that our decision may open us up to retention risks.”*
- *“We’re going to maintain the status quo -- no mandates through the end of the year. We may start pulling employees back in once all schools are having students on-site full-time.”*
- *“We are confronting two truths around this topic: what’s possible versus what’s optimal? We are leading with the work and looking closely at our job families... The tough question about surveying all the employees is that you are implying that they will influence the outcome...”*
- *“We surveyed all the employees. A very small number wanted fulltime remote, a very small number wanted fulltime back in the office, and all the rest wanted a hybrid. We are working through ideas on how to make sure our culture and connectedness doesn’t suffer. Just because we’re asking for their opinions though doesn’t mean the decisions will ultimately be made by employees’ vote... The other challenge is that we’ve hired many people over the past 16 months who can only work remote...”*
- *“Our CEO had a heavy bias to mandate everyone return to site fulltime. So, we conducted a survey that helped him understand that only 31% of our staff were positive about returning to the office...”*
- *“For us, approximately 40% of our employees want to return to site full-time, 40% want a hybrid/flex model, and just 20% want to remain fully remote.”*
- *“Our culture used to be 100% onsite. But during the pandemic we’ve also grown 7x, so we literally do not have the space to accommodate our current workforce. We’re going to pursue a hybrid model...”*
- *“We have reduced our office footprint and our sites in California will be more ‘plug and play’ for office employees to come in for just a portion of the week.”*
- *“Space is a concern for us. For those who want to be in the office every day, they will get a dedicated workstation. If you’re only going to be in the office 3 days per week or less, then you’ll be hoteling...”*
- *“Half of our company now has never met in person. We’ve done surveys about when people will feel safe returning to site for all-company gatherings... We’ll be paying for their travel to headquarters.”*
- *“We have a ‘future of work’ team that is setting guiding principles around the business and making sure that the science is leading these decisions. We expect that most will be back in the office a portion of the week. In exceptional cases, we will accept fully remote...”*
- *“We mapped all employees to either fulltime in-office, fulltime remote, or hybrid. A big concern some have is whether they will be able to continue to grow and earn promotions regardless of where they work. We’re monitoring this and we will continue to flex accordingly.”*
- *“We had some employees who moved out of area during the pandemic, and they didn’t tell us. For us, the administrative burden is already pretty high. Who bears the burden for their travel back to our*

headquarters for team gatherings? We'd prefer that they would have stayed here, so why is that our problem now and how many times per month or per quarter do we need them to come back?"

- *"We will likely have another 'year of discovery' in terms of getting back to a new normal and deciding what that might look like..."*
- *"We are missing the collaboration time and the exchange of ideas. That is critical in a science-based business; we need that regular personal interaction back."*
- *"The mental health aspect (of feeling isolated during the pandemic) should not be underestimated. Many of our employees are desperate to be with colleagues in person again. But many also have new expectations around flexibility –avoiding long commutes, not wanting to travel extensively for business, anticipating going to their kid's school events and sports games again, etc."*
- *"We're going virtual. We've had a lot of people move out of California during the pandemic, including members of our executive team. We will likely downsize our real estate footprint moving forward. We signed a contract to expand just prior to the pandemic, so we are likely going to turn that space into a training floor."*
- *"We do not want to lose our employees who moved out of high-cost areas, so we are not adjusting their pay. But we are monitoring future adjustments (to ensure geographic parity is maintained on a go forward basis)."*
- *"Some of our employees are 100% site-based and others are fully remote. Manufacturing has continued to be on-site through the pandemic and we have people in the field. The question is how do we implement a hybrid plan for the others? We are working out what the process will be for this transition. We are determining parameters -- thinking through interdependencies at each location..."*
- *"Our leadership feels that our entire team needs to be back onsite on a regular basis... This is really tough for us due to many of our high-tech compatriots saying, 'We will never return to the office.' That's a hard hurdle for life sciences to overcome. In our industry, we have lab-based staff, and we have to work together to effectively innovate. How can you do that without an onsite presence?"*
- *"(A competitor of ours) is doubling down on everyone returning to site full-time. They believe that their strong culture will drive them through and they're willing to bet on that for retention..."*
- *"This topic has created resentment between our lab and manufacturing teams versus the office folks. They are saying, 'We have been here the whole time. For us, it's not a 'return to site.'"*
- *"There are employees of ours who never came on-site due to the pandemic, and now they have already left our org. I am concerned that we are lacking connection because we're not altogether..."*
- *"We are looking at the whole company – role by role. What truly needs to be done in person? We want to be flexible about where people do their work, and we don't have any strict, hard guidelines at this point. Initially, we were only hiring in the state of California, but now we are talking about expanding hiring to include talent from other regions..."*
- *"We don't know what our next phase is going to look like. We want to ensure that remote-based and in-office employees can be equally collaborative..."*
- *"We've had a 100% dispersed workforce since our founding over a decade ago, but we have still struggled mightily with the pandemic... We had a culture of traveling to connect with one another and that all stopped..."*

- *“We are letting each team decide their return-to-work approach... This could have negative repercussions if teams come up with dramatically different return plans, but we are pushing to decentralize decision making and to be more flexible...”*
- *“When (JP Morgan Chase’s CEO) [Jamie Dimon spoke](#) on returning to the office, you could almost smell the cigar smoke wafting out from his Board Room. He seemed really out-of-touch thinking that everyone will easily snap back to their old work life and agree to the commutes they had before.”*

Vaccination Policy

All CHROs are strongly encouraging employees to receive the COVID-19 vaccine and several companies are now mandating vaccination before allowing employees to return to site. Furthermore, many CHROs believe [Santa Clara County’s new COVID-19 rules](#) (requiring employers to obtain vaccination status, report positive test results, and enforce mask use) may strongly influence other regions/jurisdictions.

- *“It’s very difficult to manage all the rules across different jurisdictions. We are taking a ‘wait and see’ approach to official policies.”*
- *“We are requiring vaccination... we have 6 employees out of more than 300 who are totally against getting a COVID vaccine. They are all working remotely today. They will need to remain 100% remote until they receive the vaccine...”*
- *“We have one holdout employee who refuses to get vaccinated and it’s not for a health-related exemption or a religious objection. We are requiring that person to double-mask and undergo daily COVID testing...”*
- *“The majority of our workforce has been vaccinated, but we have a handful that are not -- double masks plus daily COVID testing will be required for them. Yes, it will be a ‘scarlet letter,’ but we feel it’s necessary...”*
- *“We are mandating proof of vaccination to come onsite...”*
- *“Our executive team is pushing hard to make vaccines mandatory...”*
- *“With confirmation of vaccination, there is no masking or social distancing required at our site...”*
- *“It’s important to dive into individual situations. We had one employee who refused to be tested for COVID because of their beliefs about institutional racism in our health care system...”*
- *“We had seven employees who chose not to vaccinate because of their apprehension about the standards for the FDA’s Emergency Use Authorization (EUA)...”*
- *“We are closely tracking the vaccination status of employees. We have a fantastic Chief Medical Officer who has educated the employee base on the vaccine, but we still have people who have not received the vaccine because they are not yet comfortable with it, have a religious objection, or have medical reasons for not getting it.”*
- *“Vaccines are not mandatory to return to our office, but they are strongly encouraged...”*
- *“We are not requiring vaccination, but we are paying employees \$100 to get vaccinated. Those who don’t get vaccinated will need to be masked in our office...”*
- *“Our company has warehouse operations in metro Detroit, which is one of the lowest vaccinated places in the U.S. We are debating whether or not to mandate vaccines for employees and our survey data shows that we will have large attrition if we go down that path...”*

- *“Our entire C-suite is going to launch testimonials about why we got vaccinated and we will encourage our teammates to do the same...”*
- *“We are using the [Clear Pass App](#). This has been really helpful for contractors coming onsite, business development meetings, etc.”*
- *“We are using [Envoy Protect](#)...”*
- *“Salesforce’s move to [voluntarily vaccinated cohorts](#) may be the right option for us as well...”*
- *“We had a National Sales Meeting in March where everyone was tested prior to coming into town and we had zero COVID cases result from it. We were confined to the hotel, and followed rigorous protocols, and it worked.”*

Mentoring/Coaching in a Virtual Environment

CHROs acknowledged the inherent challenges of effectively onboarding, mentoring, and providing on-time coaching virtually, particularly for new managers and more junior employees.

- *“We have an Employee Resource Group (ERG) that has helped us take mentoring into a virtual environment. We’ve given people the template, they host a welcoming session, and then regularly meet every month via video chat. We have encouraged employees who are earlier on in their careers to be mentors and have given them the confidence to teach others...”*
- *“We just completed a comprehensive employee engagement survey and career development is a growing ask. That’s been harder in a hybrid working model for our non-lab folks.”*
- *“We have a great buddy system with new hires which helped us to be successful in onboarding, and we have a 2-hr. intro session where we go through the entire history of our company...”*
- *“We’ve adopted an agile/scrum methodology with new employees where we have 15-minute standups and check-ins at the beginning and end of every day. ...”*
- *“This has been an incredible challenge. It’s almost a longitudinal study since we’ve been in this now for 16 months. Some of our younger employees are really concerned about career stall...”*
- *“We are leveraging an in-person training program to teach new hires how to write exec emails, the benefits of networking outside the company, building their personal brand, etc. It’s a 4-hour course... We hire a lot of first-timers in roles and develop them with training and peer help...”*
- *“We’ve had successful, remote onboarding over the past year. Going from all virtual to hybrid will be less tricky for us. It even took a while just for everyone to have a computer with a great camera, to be on an even keel, when we initially went remote.”*
- *“We have an in-depth, 4-day onboarding orientation for all new employees. This includes time with leaders on product roadmap, financials, etc.”*
- *“We had a major build-out during COVID. In terms of onboarding and hiring, you can’t take away face-to-face interactions and chatting around the water cooler. But the last year has been a success story for us...”*
- *“We are experiencing major Zoom fatigue, but it’s still important for us to see each other virtually face-to-face — especially new employees...”*
- *“I’m checking in on managers with a set group of questions regarding the health of their teams. Additionally, I’m having other HR leaders on our team walk through our facilities frequently to ask the same questions and get a pulse on our people. A lot of employees have appreciated this...”*

- *“We shifted all of our SDRs (Sales Development Reps) to work from home. We have been surprised at how well they’ve adapted; we had major concerns at the outset. Our hypothesis is that since our SDRs are younger, they’ve grown up communicating effectively in a distributed environment...”*
- *“[LinkedIn Learning](#) and [Coursera](#) have been fantastic tools for us. They’re relatively cheap, people love them, and you can create your own onboarding program that feels bespoke...”*
- *“We are leveraging the [Tribute Modern Mentorship App](#)...”*
- *“Being private equity-owned, it has been really helpful to leverage peers across the portfolio in every function. (The PE firm) hosts conferences and educational events for every leadership function... The strategy on hiring has been to bring in more individuals early in their career and in lower cost areas. Then, we invest heavily in their development... To be successful with this approach, you need to invest a lot in mentoring skills. We apply a 9-box assessment and development plan to each hire and have career discussions tailored to each person’s 9-box. We offer a lot of internal mobility which is a plus, but we are hampered by having less equity to use as a retention tool. Our approach to turnover is to have a strong TA function and always be pipelining for future hires across all areas. We also leverage culture aggressively and get a lot of ‘boomerang’ hires when people leave and realize that the grass is not always greener...”*

Turnover Expectations

The job market is “red hot” and many CHROs are experiencing (or expecting) an [uptick in turnover](#).

- *“There is pent-up demand. Plus, the pandemic has changed some people profoundly; there are employees who now want to make major career pivots and totally change their environment...”*
- *“Yes, attrition is increasing, but it is also easier to recruit new talent right now because so many people are open to a move...”*
- *“We’ve seen an uptick in turnover, and we are expecting even more pressure for talent.”*
- *“We do have retention concerns. People are more comfortable now making big life changes as vaccinations have been rolled out nationally and public life is opening up...”*
- *“We are already experiencing higher turnover. There’s a mentality out there that changing your job is going to make everything better... It’s easier to switch your job than to change your house or your spouse!”*
- *“We’re starting to see more turnover. Some staff at lower levels are receiving really wild offers!”*
- *“Our lockup expiration (for the IPO) occurred during the pandemic and turnover was not too bad, but we are worried about pent-up turnover as COVID conditions improve...”*
- *“We are B2B and some of our strongest employees have gotten recruited away by clients. This certainly isn’t optimal, but it does help with client retention and expansion...”*
- *“For us, it has been specific roles that we are keeping close watch of; we are really paying attention to particular job functions that are in high demand. In the broader talent market, we are not seeing people switch jobs due to simply seeking a change of scenery, but rather because some companies are offering more in the way of total rewards.”*
- *“The job market is as hot now as it was before the pandemic.”*
- *“The talent market is very competitive. Quality candidates have multiple offers coming to them.”*
- *“I do think there will be a growing ‘tsunami’ of job change activity. We are revising our career ladders to provide more choices and to boost retention...”*

- *“Recruiting and retention is top of mind and very tough. We are seeing significant salary and title inflation. Also, life science companies in other parts of California and the U.S. are luring people away by letting them stay remote and expecting them to only come into the office on occasion.”*
- *“Our HR team has been front and center for the past 16 months. We are burnt out and battling turnover within our department...”*
- *“We do anticipate attrition will increase beginning in August. How to keep and retain people is challenging for us since we’re in hypergrowth. We’re making a great effort to have one-on-one career conversations with all employees, especially those we are deeming at risk to leave...”*
- *“We expected higher turnover in Q1 (2021), but did not see it. We have been addressing pandemic-related issues such as burnout and have been more explicit about self-care. We’re in growth mode and have had no trouble attracting people...”*
- *“We are addressing burn-out by closing for extra days around holiday weekends -- giving people more time to recharge.”*
- *“To fight burnout, we are encouraging teams to take time off and to self-care. I am also having managers check in with their team members more often to see if anyone needs support.”*
- *“We’d been adjusting salaries for people who moved out of the Bay Area, but we had significant attrition when the Googles/Facebooks targeted those folks with offers at Silicon Valley rates...”*
- *“My Talent Acquisition team was gutted due to layoffs (in 2020) and now we are partnering aggressively with RPOs for help in recruiting. We have added some strong TA people to our org. (The RPO) is struggling to attract top talent, but the new TA hires are paying off...”*
- *“We have mapped out an equity retention program for our top people. We are also emphasizing custom personal development and access to the C-Suite...”*
- *“We are using a Talent Acquisition consulting firm, [Growth by Design](#), to conduct training with our entire team so that we will have an advantage in recruiting going forward...”*
- *We are working aggressively to make our employer branding crisper and are leveraging employee referrals even more heavily...”*

People-Related Priorities for Boards

With COVID-19 vaccines readily available in the U.S., many Boards have shifted their top people-related concern from vaccinations to DEI (Diversity, Equity & Inclusion), or to talent acquisition and retention, or to increasing mental health offerings.

- *“Diversity, equity, and inclusion is a key topic for our Board. Healthcare equity is something that comes up a lot given our business is in the life sciences...”*
- *“DEI is high on our Board’s radar in terms of the company direction. We need to be at a certain level or above with diversity metrics, and we’re working hard to capture talent from HBCUs...”*
- *“Concerns about employee engagement is what’s coming from our CEO and Board, especially re-engaging folks with our culture after the pandemic...”*
- *“Scaling, hiring, and integrating are what’s paramount. How do we continue to grow while managing the moving parts?”*
- *“We went into shelter-in-place as a much smaller company. We had a layoff, then we acquired two companies, and then we went public -- all during the pandemic. Now, what do we do to support our culture and onboarding?”*

- *“There is great concern for mental health, which is a continuing challenge for us. We are offering the [Calm App](#) to all employees as a benefit...”*
- *“Our leadership is focused on mental health offerings, employee wellness, and wellbeing. It’s not something people were talking about here previously... [Modern Health](#) has been well received by employees. You can use sessions for yourself and family members...”*

Political Discussions in the Workplace

Despite headline-grabbing stances generated by [Basecamp](#) and [Coinbase](#), most of the CHROs we spoke with are not too concerned with navigating political discussions in the workplace. However, there is a widespread feeling that many employees’ expectations have changed; CEOs are now being urged to comment on social topics affecting employees.

- *“Our CEO is not comfortable making political statements and is trying to avoid weighing in on these topics. But now there is a new expectation from employees and investors...”*
- *“We have had some superheated and supercharged conversations around DEI. These were difficult for me to anticipate...”*
- *“Our CEO is not American and doesn’t fully understand how many of these current issues have a longer-term historical context. But we are providing resources for those that need it, such as mental health support. We are a ‘liberal’ company in many respects, but we need to acknowledge there are people on both sides and many choose not to speak up on political issues publicly. We do want to acknowledge when people are suffering...”*
- *“We had opened a Socratic debate around weighty topics at lunchtime amongst executives at our company, and it’s hard to have those tough conversations in a remote environment...”*
- *“We are not actively encouraging or discouraging (political discussion), but we want to convey that you can be your ‘full self’ here.”*
- *“I get angry emails nearly every day asking if our company is going to contribute money to X or Y social cause, and nudging us to be more outspoken and benevolent. But that’s not our job!”*
- *“There has been a major change in expectations around senior leadership needing to acknowledge broader social issues external to the business. Five to ten years ago, there wasn’t this strong of a demand for authenticity and the opening up of the aperture ... [Josh Bersin has written](#) a lot about effective ‘Human-Centered Leadership’ which needs to be more inclusive and empathetic... We are training managers to lead with empathy...”*
- *“Politics and Asian-American hate crimes in the news have caused fears about violence in the workplace. We are looking into providing opportunities for self-defense training, active shooter trainings, and new mental health offerings like [Spring Health](#), which is an enhanced EAP...”*
- *“Our CEO is excellent at acknowledging these issues publicly and then pivoting back to the work at hand... ‘I know that a lot of folks are struggling with (fill in the blank), and our ERG has resources to assist...”*