Background

A global technology company with 14'500 employees. 8'100 of them are sales reps of different seniority (see Figure 1).

Company has offices in 6 cities across the US and Canada. Like most businesses, they had full-time-in-office policy before the COVID. When the pandemic broke out, everyone was working from home for a few months, and then "soft return to office" was rolled out (see Figure 2).

Challenge

The leaders need to make a company-wide decision on whether they should mandate return to office for their global sales team, allow them continue working remotely for a few more months or infinitely.

Another alternative would be some kind of hybrid approach. This is particularly appealing, as there has been a trend within the sales department towards less tight relations between customer's location and sales rep's location. Therefore, HRs have been investigating options of remote recruitment since even before the pandemic.

Figure 1: Grouping by Seniority/Tenure (adjusted)

Number of months worked in the Company

41.5%	44.2%	14.3%
Junior (<12mo)	Mid (12-36mo)	Senior (>36mo)

Figure 2: Work Modes

Full Time Office	Full Time Home	Partial Return
January '19 – March '20	April '20 – August '20	September '20 – August '21

Gole of the Research

This research is designed to help define, how Company's post-pandemic workplace should be organized in order to support the HR's efforts in retaining current employees and tapping into remote talent pools.

Approach

We've selected most importnat operational KPIs which company tracks for their sales reps, and measured productivity trends.

Then we combined those productivity graphs with data around workplace and commute patterns. In the case of this company they had quite clearly defined 3 types of work polivies: full-time from office (before the COVID-19 pandemic), full-time from home (during the months of strict lockdown), and partial return to office on voluntary basis.

Next, we've tracked the changes in office occupancy related to the Sales department, and investigated whether some savings in lease and operational expenses could be achieved.

Then, we linked the total costs associated with Sales department prodictivity as well as workplaces to the business's financial outcome

Measures, Data Sources & Modelling Methods

1. Define which workplace policy factors tend to correlate with the sales reps' performance KPIs

2. Understand the key drivers of sales reps' satisfaction with their work place and corporate work policies in general

3. Define key criterias of successful workplace arrangement for salesteam: workplace satisfacion drivers (#2), which also support objective performance outcomes (#1).

4. Evaluate current corporate facilities from the perspective of meeting the criteria defined in #3.
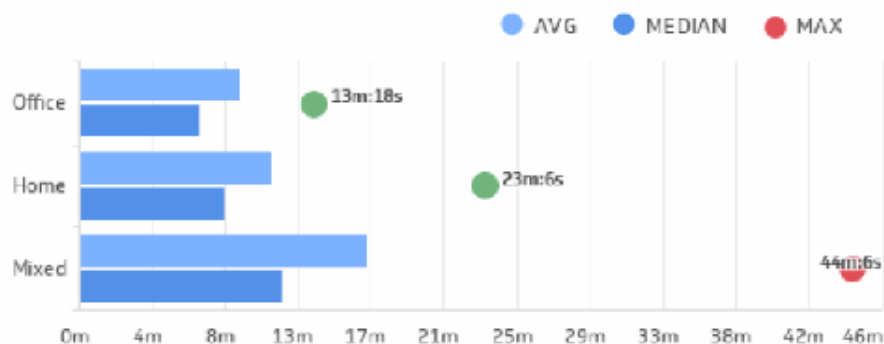
5. Define alternative options and compare cost effects.

1. How do Sales Reps meet operational KPIs under different working policies.
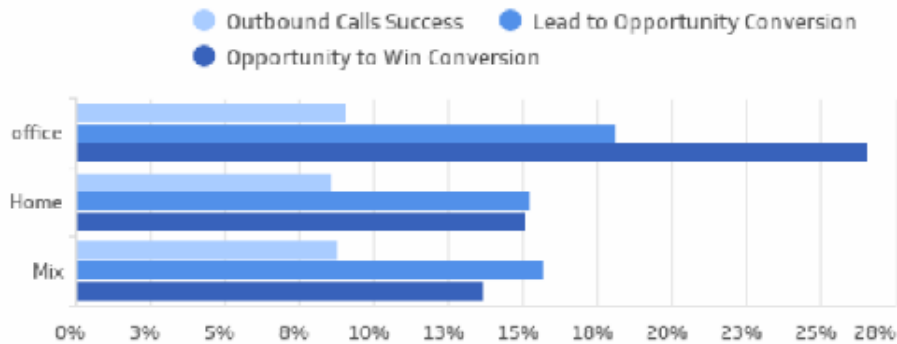
**Seniority:** Junior

New Lead Processing Time

● AVG   ● MEDIAN   ● MAX

Office — 13m:18s

Home — 23m:6s

Mixed — 44m:6s

0m   4m   8m   13m   17m   21m   25m   29m   33m   38m   42m   46m

Sales Cycle Dynamics

● Outbound Calls Success   ● Lead to Opportunity Conversion
● Opportunity to Win Conversion

office

Home

Mix

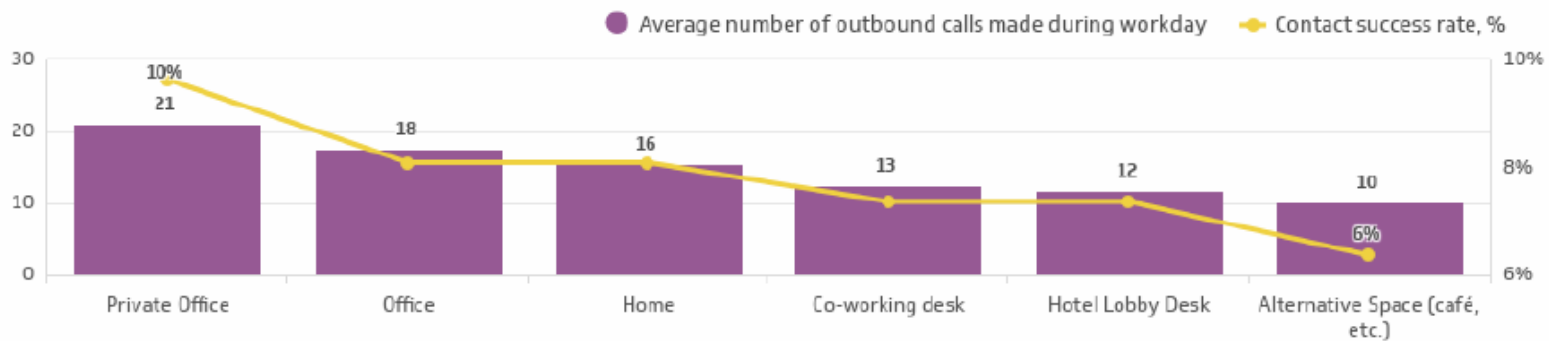0%   3%   5%   8%   10%   13%   15%   18%   20%   23%   25%   28%

For Junior and Mid-Senior Sales Reps time-to-perocess for new leads turns out to be very high on certain occasions. Senior sales reps do not show the same trend. This fact requires furthe investigation. It might be related to commuting. While senior employees feel comfortable calling a client while on the way home or to the office, for junior and mid-level reps it might be challenging, as they prefer to have all their support materials in front of them when talking to a customer.

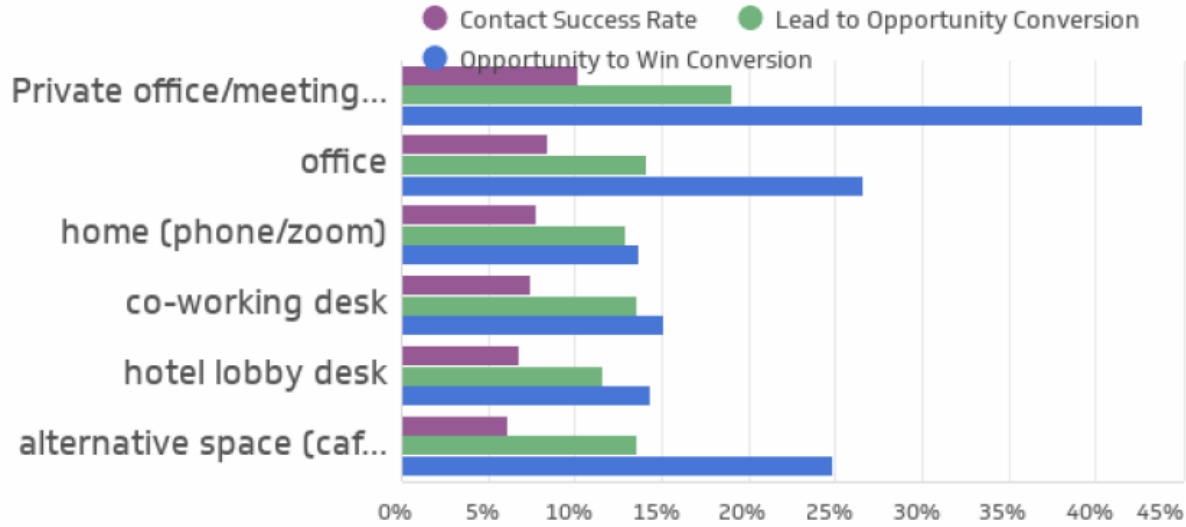# Average lead responce time when working from different work settings
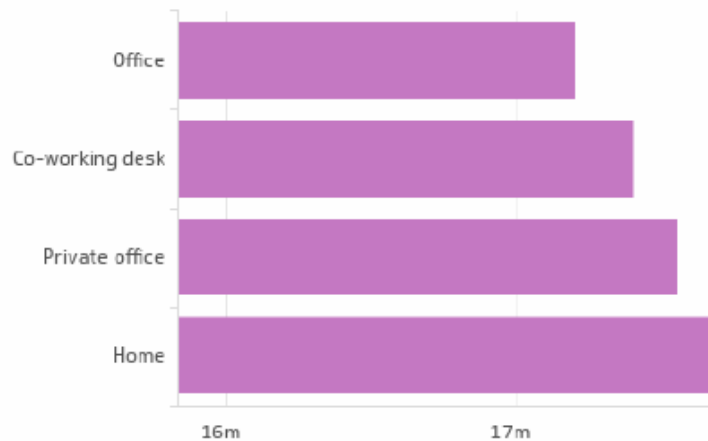
Sales ...	1st follow up	2nd follow ...	3rd follow ...	4th follow ...
2455	68%	57%	25%	7%
1433	73%	66%	38%	21%
2875	71%	63%	36%	19%
6757	74%	66%	39%	21%
6446	70%	57%	25%	6%
4718	69%	55%	24%	6%
7356	86%	65%	32%	8%
9472	68%	54%	23%	6%
4532	85%	65%	31%	8%
7476	70%	57%	25%	6%
2085	87%	65%	31%	7%
2523	68%	53%	22%	5%

Outbound Calls Success Rate

🟣 Average number of outbound calls made during workday   🟡 Contact success rate, %

Lead Conversion Dynamics

Legend:
- ● Contact Success Rate
- ● Lead to Opportunity Conversion
- ● Opportunity to Win Conversion

Type of space	Contact Success Rate	Lead to Opportunity Conversion	Opportunity to Win Conversion
Private office/meeting...	~10%	~19%	~43%
office	~8%	~14%	~27%
home (phone/zoom)	~8%	~13%	~14%
co-working desk	~7%	~14%	~15%
hotel lobby desk	~7%	~11%	~15%
alternative space (caf...	~6%	~14%	~25%

X-axis: 0% 5% 10% 15% 20% 25% 30% 35% 40% 45%

Customers Follow Up Rate

	1st Follow Up	2nd Follow Up	3rd Follow Up
Office	83%	75%	45%
Home	83%	64%	31%
Mix	85%	65%	39%
	84%	68%	38%

Seniority: Mid

Workplace Budget Change	Performance Score Change	Customer Satisfaction Rate
▲ +12%	▲ +5.5%	▲ +1.1%

Lead Conversion Dynamics

Type of space: home (phone/zoom)

Legend:
- ● Contact Success Rate
- ● Lead to Opportunity Conversion
- ● Opportunity to Win Conversion

	Contact Success Rate	Lead to Opportunity Conversion	Opportunity to Win Conversion
home (phone/zoom)	~8%	~13%	~14%

X-axis: 0% 2% 4% 6% 8% 10% 12% 14%
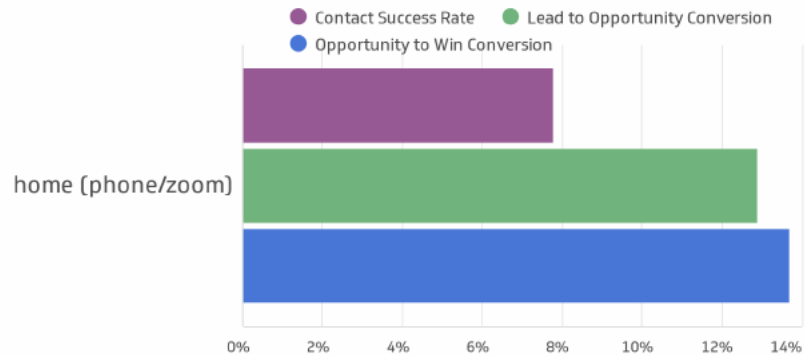
Customer Metrics & KPIs

New Contracts Signed
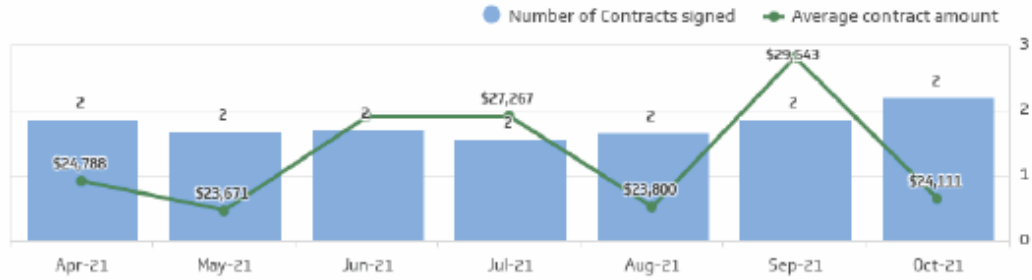
● Number of Contracts signed ← Average contract amount

	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21
Number of Contracts signed	2	2	2	2	2	2	2
Average contract amount	$24,788	$23,671		$27,267	$23,800	$29,643	$24,111

Customer Satisfaction

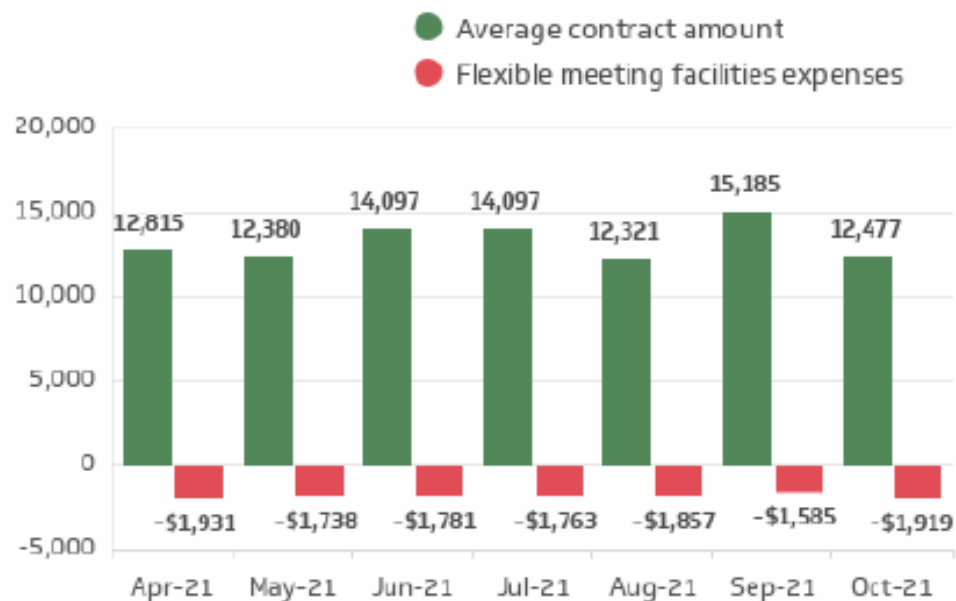|	Full time office	Full time home	Mixed
Response time	4.7 ★★★★★	4.6 ★★★★⯪	4.2 ★★★★⯪
Quality of communication	3.8 ★★★⯪☆	3.9 ★★★★☆	3.9 ★★★★☆
Level of expertise	4.5 ★★★★⯪	4.5 ★★★★⯪	4.4 ★★★★⯪

Hybrid Workplace Pilot Scenarios

For better understanding financial implications of different workpalce strategies, the model should account for critical variables related to HR, Real estate and Finance areas.
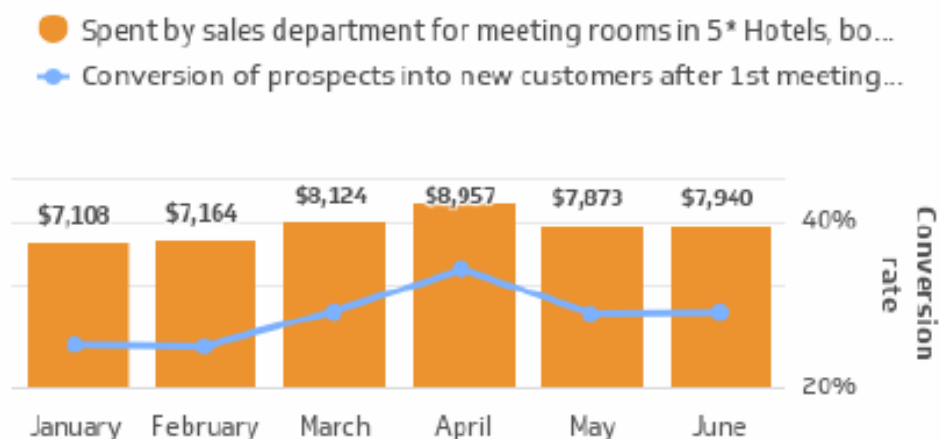
The below scenarios reflect short- and long-term cost saving opportunities, as well as new ROI opportunities that can be potentially achieved through improved engagement, productivity and talent retention.
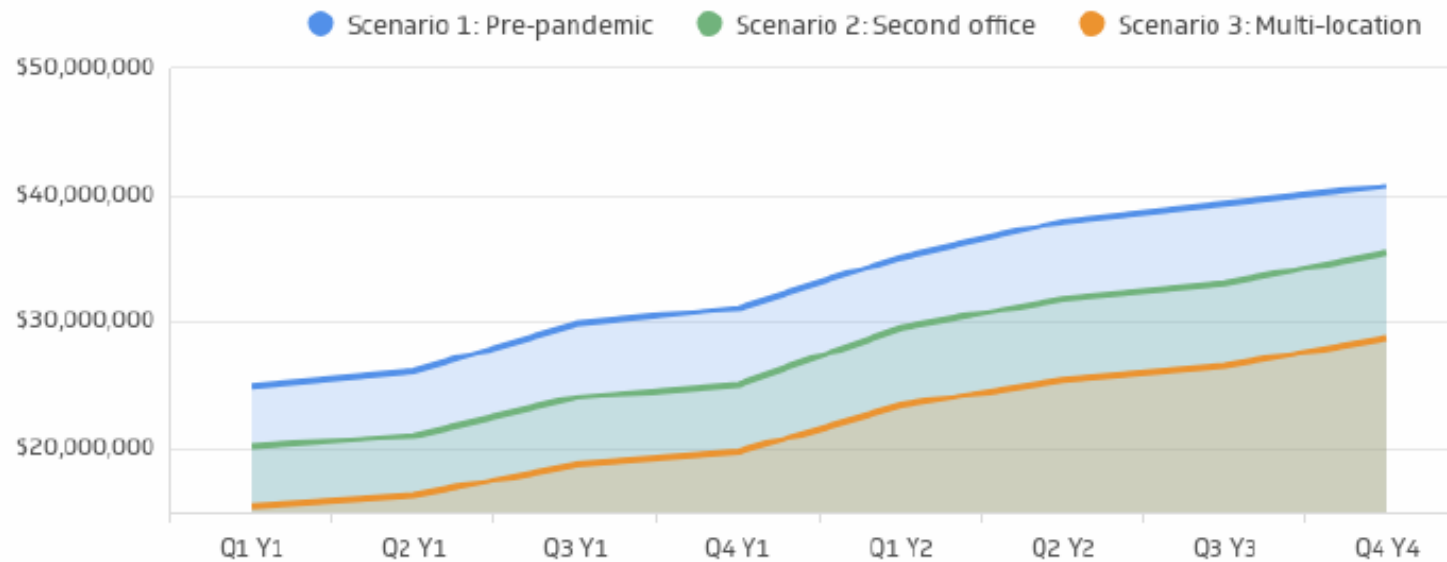
## Average Contract Value and Expenses on Flex Meeting Facilities Expenses

- ● Average contract amount
- ● Flexible meeting facilities expenses

	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21
Average contract amount	12,815	12,380	14,097	14,097	12,321	15,185	12,477
Flexible meeting facilities expenses	-$1,931	-$1,738	-$1,781	-$1,763	-$1,857	-$1,585	-$1,919

Correlation between expenses on customer meeting facilities and sales conversion rate (annualized)

- ● Spent by sales department for meeting rooms in 5* Hotels, bo...
- ●— Conversion of prospects into new customers after 1st meeting...

	January	February	March	April	May	June
Spent	$7,108	$7,164	$8,124	$8,957	$7,873	$7,940

Sales Department results for the past half year reveal that additional inestments into spaces for meeting have direct correlation with sales conversion rate. First time meetings with prospect result in closed contracts more often, when they are held in meeting spaces of better quality.

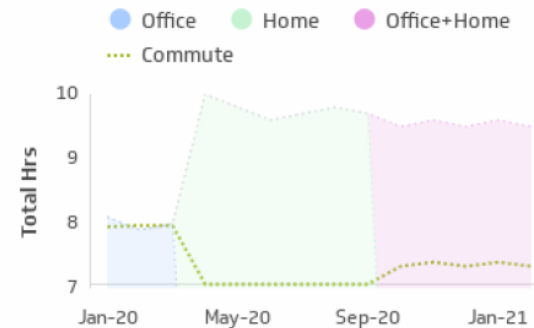# Location Intelligence for Remote Hiring Strategy
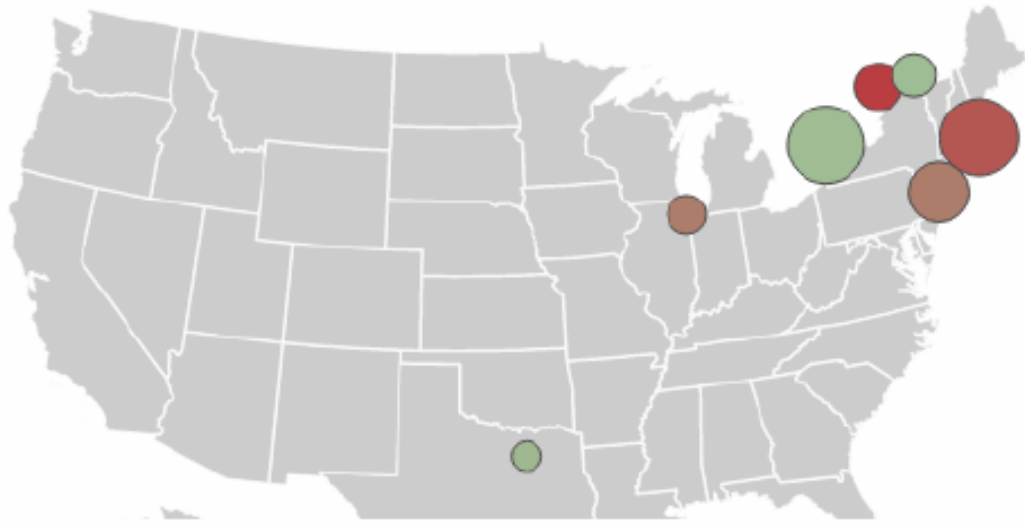
Talent Supply Score

Size of the bubble represents highest score of talent supply in the area. It accounts for density and cost of talents.

Flex Workplace Supply Score

Color of the bubble represents how good are the conditions for supporting remote talent with professional workplaces on-demand.

Commute time as % of total work hours before, during and after the lockdown

Office   Home   Office+Home

····· Commute

Total Hrs

10

9

8

7

Jan-20   May-20   Sep-20   Jan-21

Fit-for-Remote Score

✓ **8.2**

Fit-for-remote score represents how well employees of a certain profile proved to be able to work remotely without loss in performance for the company.

This score measures a number of competencies most tied to success in a remote work environment. Key areas of assessment include agility, prioritization, ownership,initiativeness, etc. The assessmet relies on external data and insights collected by experts in assessing workforce competences, individual tailored interview probes, as well as specific company's internal workflow data analysis.

Conclusion

Sales team overall have demonstrated high adaptability to remote work mode. Given that the local talent supply is limited, Company should explore remote hiring and flexible workplace options.)

For better understanding financial implications of different workpalce strategies, the model should account for critical variables related to HR, Real estate and Finance areas.

It is recommended to run at least 3 base scenarios:

1) Following pre-pandemic hirihg and workplace strategy.

2) Expanding to new locations with opening one extra permanent office.

3) Hire remotely across multiple locations without opening new permamnet offices.