

# Irreconcilable Differences

What neuroscience can tell us about the differing needs of both employers and employees in today's workplace and, in particular, in the return-to-office debate.

By David Rock

**T**he return-to-office debate has brought into sharp contrast the differing expectations of employers and employees about what it means to be part of a culture. While there's no shortage of strong and often contradictory opinions on the best approach, a more useful lens for understanding these dynamics is to explore what we can learn from neuroscience about the shifting set of wants, needs and demands in the world of work.

A useful starting point for this discussion is to understand the deep differences in how leaders believe people should be managed. There are a slew of ways to describe this divide, but perhaps the clearest is an idea that's been around since the 1960s, known as Theory X and Theory Y.

In short, Theory X leaders believe employees lack intrinsic motivation and, therefore, should be tightly managed with an authoritarian style. These folks bought keystroke monitors when the pandemic started and want everyone back in the office full time as fast as possible.

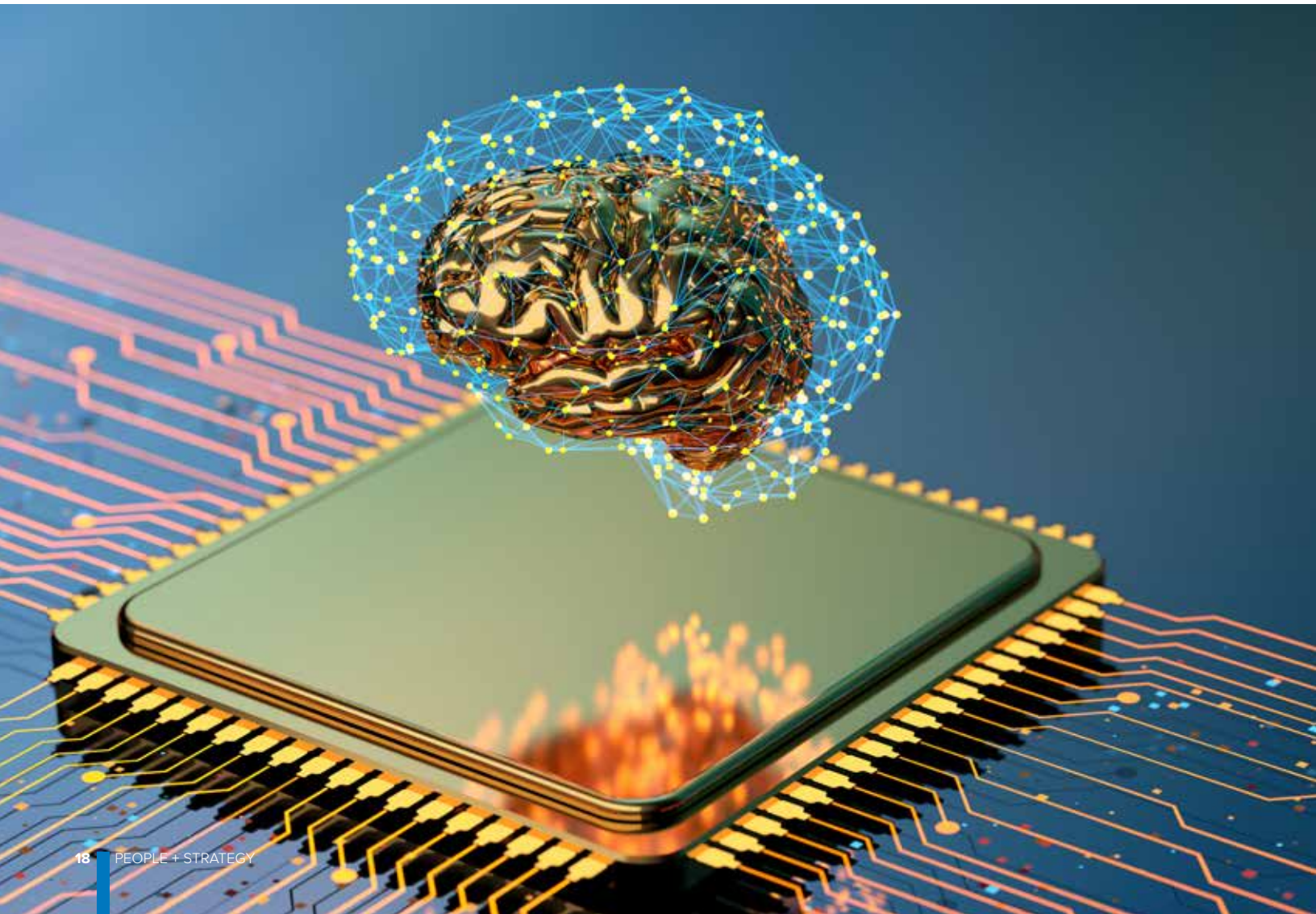
Theory Y leaders believe people have plenty of intrinsic motivation to do good work and perform better when left to their own devices. With more of a participative style, these leaders are in no rush to force anyone to do anything, and they tend to let people keep working at home or come to the office when they want.

The question of which approach is better is being examined through thousands of experiments playing out in the real world as large companies everywhere collect data about what employees do when you leave them be or rein them in. While these aren't controlled experiments, they are telling us a lot, and there are enough studies to see a trend.

Here's what we know: Despite intense efforts to get people back to the office, office attendance is barely at 50 percent of pre-pandemic levels in 10 key business districts in the U.S. Across the world, one-third of office desks are empty all week. And a big red flag: Companies offering the option of fully remote or hybrid roles are hiring at twice the rate of firms requiring full-time attendance in office.

Determined efforts to get people back in the office full time or even part-time are struggling. But is this good or bad for organizations?

Setting aside companies with employees who need to be in person—such as retail or health care—the data strongly suggests that a well-executed hybrid option is probably best for organizational performance, while a fully remote option may be better for individual performance. Individuals can be most productive on their own, but that won't necessarily mean better results for the team. And surprisingly, a poorly executed hybrid option, such as requiring people back in the office three days a week, isn't much better than forcing people back full time.



Said another way, the worst outcome for organizations is forcing people back to the office full time. The second worst: forcing people back to the office part time. That's a death knell for Theory X. Next is letting people work at home full time. But that's also a death knell for Theory Y due to team productivity.

Somehow, the winner is a nuanced combination of home and office, but doing so in a way that involves elements of both Theory X *and* Theory Y.

Why is this the case? Why does the variable of time in office matter so much, and how have the pandemic and other big events changed what people want and how they see the world? Moreover, what does all this mean for younger generations—the future leaders of our organizations—and how they want to connect with others? To answer these questions, let's turn to the neuroscience of motivation.

## Understanding Human Motivation

The human brain has one key function, which is to keep us alive. It does this by keeping us away from things that might harm us (like the edge of a cliff) and nudging us toward things that can be useful (like a delicious meal). This process occurs many times each second and on many different levels. It's how we stand upright, notice food that might be spoiled or remember a colleague who was a little aggressive with us in the past.

When this process happens, the brain has one of two reactions—go *toward* some kind of reward or move *away* from some kind of threat. An important distinction here is that the away response is significantly stronger than the toward response. This has adaptive value: Miss a reward and you might miss lunch. But miss a threat and you might *be* lunch. Toward and away is the organizing principle of the brain and of all human behavior. It's also the foundation of motivation.

One of the biggest differences between humans and animals is that we're born helpless and largely stay that way for roughly a decade. During this time, most of our survival needs are met by other humans. While a wolf has big brain networks for helping it detect the most important threats and rewards—such as smelling and hearing at a distance in the wild—we have big brain networks for detecting what matters most in social-driven settings.

The result is that even tiny changes in the fabric of our social structure drive big changes in the human brain. Said another way, social issues create the strongest threats and rewards, which makes them the strongest motivators.

In 2008, after about five years of research, I published a framework that helped me understand social motivations, synthesizing hundreds of different studies. I called this the SCARF model, which stands for: **S**tatus, **C**ertainty, **A**utonomy, **R**elatedness and **F**airness. This model helps explain what's been playing out in recent years in the workplace, as well as how the needs of employees of different generations may be changing over time.

SCARF describes why we do what we do in any social context. It's a way of thinking more granularly about motivation, but also about engagement, inclusion, psychological safety, change management and other domains. The research highlights several important findings.

First, everyone is impacted by all five domains. But each has variable importance to people, which we call a SCARF profile.

More personalization and control in products and services tends to be more engaging and more efficient and often saves significant costs. Why wouldn't the same be true with our work lives?

For example, one team member might value certainty the most, while you as a leader might value autonomy highest—and that difference can explain many tensions at work.

What's more, your SCARF profile can evolve a little over time, based on changing circumstances—say, a pandemic or major shift in how we work.

## How Smartphones Changed the Brain

Before we get to the pandemic and the return-to-office debate, let's consider another big change in how we live and work.

Many studies show that a jump in anxiety correlates closely to the rise of the smartphone, and with it, constant access to social media. A well-organized smartphone is a bit like a universal remote control for your life: It gives you access to information, food, transportation, accommodation, social connection, entertainment and more just by tapping a screen.

Having this functionality in the palm of our hands primes the brain to expect a lot of certainty and autonomy. We get used to having information as soon as we want it and feel in control. Second, this technology allows people to fulfill their relatedness needs in more immediate, selective and global ways.

Younger generations, in particular, are connected in different ways than previous generations to more people on more platforms. These younger employees were struggling with complex, inefficient systems even before the pandemic. Why would you use a cumbersome piece of software to schedule a Zoom call to share an idea with colleagues when you could instead just send a quick voice note to a WhatsApp group?

With this massive increase in autonomy as a backdrop (for everyone, but especially for “digital natives” who grew up with smartphones), along comes a pandemic forcing millions of people to work from home. Let's explore what happened next.

## The Pandemic and SCARF

The pandemic created an overwhelming threat response, resulting in a terrifying drop in certainty and autonomy. Yet, something unusual happened in the world of work. While people working in hospitality, health care, retail and other in-person industries struggled immensely, most white-collar employees found they could work anywhere—a silver lining that unexpectedly bumped up our sense of autonomy.

We were now in control of when, where and how we worked,

and were able to juggle spreadsheets around parenting or walking the dog. This alone was a nice reward in the brain. But it was bigger than that.

We also had greater autonomy in our social interactions and in our diet, sleep and exercise patterns. The global work-from-home era produced a massive, unexpected jump in the level of control we felt across just about everything that mattered. And while some people suffered from disconnection and loneliness, on the whole, it was a positive experience for most that helped balance out the pain of the drop in certainty.

I don't think this trend of giving people more autonomy is going away any time soon. More personalization and control in products and services tends to be more engaging and more efficient and often saves significant costs. Why wouldn't the same be true with our work lives?

The other thing that happened during and post-pandemic is that we got used to interacting virtually. Anyone who's had a long walk while on a call with a friend knows we can have very intimate conversations even when not face-to-face. In fact, research suggests people may be more comfortable being vulnerable in virtual realms than during in-person interactions. As long as we can hear or see someone clearly, our brain responds as if the person is right in front of us. Over the pandemic and since, we have all gotten used to being effective in virtual worlds with our friendships and our work. That doesn't mean it doesn't feel good to be in person; we just now know that we can still be effective virtually.

In summary, people were primed for autonomy because of the rise in smartphones and they quickly found they could get many of their relatedness needs met without being with others in person.

It's important to note that *unexpected* rewards, such as all this novel control, are much stronger than *expected* rewards. Taking away an expected reward is also a stronger threat than taking away one you didn't expect. This is why telling people they must be in the office three out of five days makes them mad, whereas pre-pandemic, if you let people work from home two days a week, there would be cheers all around. (Also, remember the general rule that "bad is stronger than good," so the pain of losing autonomy is much stronger than the reward of gaining it.)

Taking autonomy away is a very difficult thing to do at the best of times. In the isolated work-from-home contexts of the pandemic, that autonomy became all-encompassing. And now, people are highly anxious again—about climate threats, the spectre of global conflict, rising domestic political divisions and economic uncertainty. One study showed that stress levels in the workplace in 2023 were similar to mid-pandemic

in 2021. Just like mid-pandemic, our autonomy today might be one of the few ongoing rewards that help us offset these threats.

On top of this, people have also gotten used to connecting well virtually. To the average employee, it seems patently unfair (another threat response) to be forced back into an office (note the drop in autonomy), especially if they are being super productive at home. It's also a threat to their sense of status, and the relatedness they have developed with their families and communities. That's a lot of threats all together.

To many younger employees, some of whom rarely wanted to set foot in an office before the pandemic—and perhaps haven't ever worked in one—it all seems ridiculous. They might turn up out of fear of losing their job in a tough market, but many are likely to be just "phoning it in."

## How to Determine the Optimal Doses of Togetherness

What does all this say about the future of the workplace? As mentioned earlier, many studies suggest the best thing for organizational performance is a hybrid model, defined as some time in the office and at home. That doesn't mean you should rush to tell everyone they have to be back in the office three days a week or just let people do whatever they like.

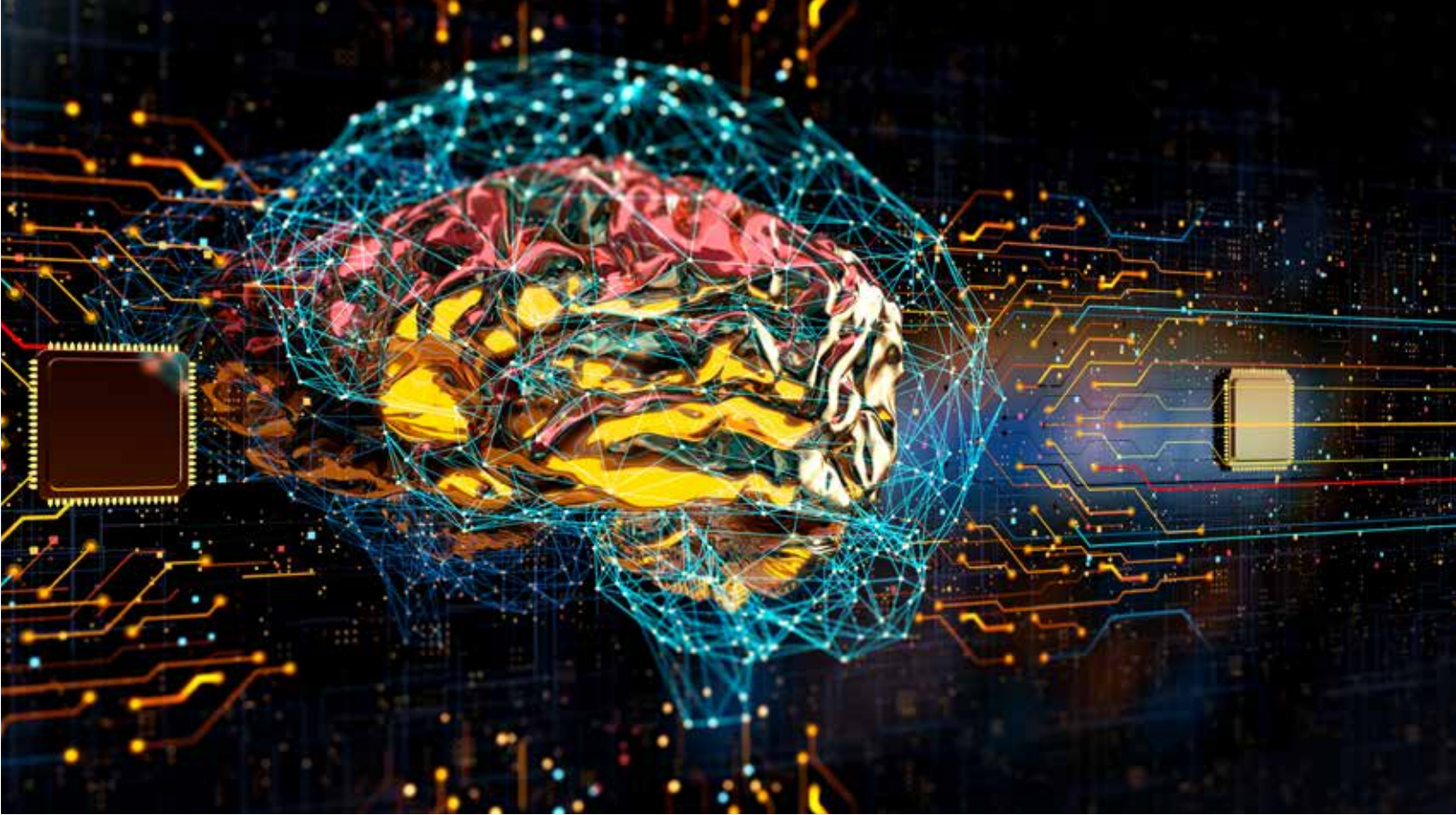
To find the optimal solution, try to answer three critical questions:

1. What is the optimal "dosage" of in-person experiences for your workforce?
2. How would you make this happen while minimizing the threat response this might create, especially when going back to the office might cost people significant money?
3. How can you maintain a strong culture when lots of work will still be done on virtual platforms, given that some people will always be out of the office?

Regarding dosage, there are subtle benefits to being in person, including feeling a sense of camaraderie and the ability to make connections outside your direct team. (Of note, there's no noticeable benefit to overall innovation, perhaps because being creative is still easier to do with fewer distractions.) And yet, there are also significant productivity costs if people get together too often, with added commutes and time wasted by other distractions.

For some teams, like an HR team, the sweet spot might be as little as a few days in the office every quarter. For a finance team, maybe a few days a month. And for some specialists, like a product team, perhaps a few days a week. To get these numbers right, it would be wise to ask people what they think would work, thereby increasing their sense of autonomy.

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The next question is: How do you get people on board with the idea of more time in person, without reducing their motivation by forcing the issue? And how do you ensure that this time together is fruitful, which is more likely if a lot of people are onsite at the same time? The day you commute in and get stuck in a tiny phone booth all day isn't time well spent.

**The Patchwork Principle.** My hypothesis for getting this right is something I call the "Patchwork Principle." In short, you ask for something reasonable, like everyone being in the office together two days a month, perhaps at the start or end of the month. This seems fair and likely helpful. People can buy in to this idea easily. Because many of the benefits of being together are social, add food and drinks to the agenda.

In addition to that regular cadence, you can also add a few extra days for end-of-quarter activities and year-end. All this seems rational and fair and can be a productive process if used to reflect and learn. Now, give certain teams a few extra days a month to be together, because they really will benefit from time together. But make it a target number of days per month, not per week, and let the teams decide how to do this.

When you add in the roughly 10 percent to 20 percent of people who want to come to the office most of the time for their own reasons, you should see a slow increase in the numbers of people in the office—but for the right reasons and to do the right kind of work together.

What you are doing is creating a little certainty and fairness, while also maintaining autonomy. Obviously, this approach takes more planning than just "everyone back three days a week," but I believe the benefits are likely to outweigh the costs.

Finally, how can you best maintain culture?

Many meetings will still be virtual in the scenario described above. Consider that, despite widespread fears, most

organizations' cultures didn't implode during the pandemic. If you think of culture as shared everyday habits, a lot of work involves communicating. If the pandemic happened before we had ubiquitous video conferencing, it might have produced a different outcome. Yet with video turned on, people unconsciously pick up cues the brain needs to determine how to interact with other humans.

To maintain culture, we need to settle into virtual meetings for the long haul. This means training managers to run more efficient and effective interactions in this medium and recognizing the upsides to well-run virtual meetings: They can be faster, more inclusive, less biased and more creative, which ultimately contributes to strengthening culture.

In summary, we've been focused on the wrong things. It's not Theory X or Theory Y. While that clean divide might be tantalizing to an overwhelmed brain that craves certainty, neither approach seems to be working. No employer wants their competitors to be hiring twice as fast because they are more flexible. Yet those who are flexible are still struggling to maximize the benefits of being in person.

As we learn more about the brain, we have the ability to update our models for how humans function and work best. Coming up with the right answer—an urgent need as we move into this next phase of work—involves a deeper understanding of what truly drives us.



**David Rock** is the co-founder and CEO of the NeuroLeadership Institute, a cognitive science consultancy that has advised more than half of the *Fortune* 100. He is also the author of four books, including *Your Brain at Work*.