



In partnership with



# Evolving Together

Enabling the hybrid generation to flourish

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# Foreword



**Susan Taylor Martin**  
Chief Executive Officer  
BSI

The events of spring 2020 transformed the global economy and we are still feeling their effects. The global pandemic focused minds on how to boost productivity, make best use of technology, expand the workforce and support the health and well-being of individuals. Yet such questions predate the global lockdowns and we are still in pursuit of well-informed answers, perhaps now more than ever.

Fundamentally, we all want to know how to create a future of work in which people of all ages and stages can flourish and organizations can grow. Ways of working and the benefits and challenges of hybrid structures are a critical part of this wider conversation.

Central to this discussion is understanding more about the people who drive the global economy and listening with an open mind to their hopes and expectations so that business leaders and policymakers can respond with the right information. In recent years, BSI has examined the Second Glass Ceiling – the phenomenon of women leaving the workplace early and not out of choice – and explored the age-diverse workforce, in which many are working into their 70s and beyond.

I am proud that this year we have expanded our focus to those just starting out in their careers, looking specifically at people who started work amid the significant upheaval of global lockdowns. Many of them have never known pre-pandemic “typical” working patterns. They are our future leaders and organizations thinking about how to attract, retain and get the most from this talent will surely benefit from getting to know them.

Our findings are eye-opening and I urge you to explore them in detail. One thing that stuck out was the overwhelming focus on work-life balance, with this ranking above job stability and financial incentives. For a generation that expects to work long past today’s retirement age, this may simply be good sense. For employers everywhere, it should spark a discussion about how we design jobs and work in the future.

I am delighted to share this research and hope that it can contribute to a constructive conversation about how employers, and the people they rely on, can evolve together as the world changes.

# Executive summary

The term, the hybrid generation, refers to those who began their working life just as or just before the pandemic struck, or subsequently as lockdown measures began to influence working practices. To a large extent the entirety of their careers to date have been shaped by hybrid and remote working, even including those who have entered and remained in a traditional workplace setting.

BSI's 2025 Global Workforce Entrants Study, in conjunction with [ResPublica](#), explores how this early career experience has shaped expectations, attitudes and preferences, as well as how it has impacted progression and development, professional relationships and career prospects. This paper draws on analysis from a large-scale survey of young people, as well as secondary sources.

## **The evolution of the hybrid workplace**

The report explores the origins of hybrid and remote working, noting that flexible arrangements began well before 2020, supported by the proliferation of digital tools. Despite this, by 2020 most organizations had not yet fully implemented formal hybrid policies.

The onset of Covid-19 significantly disrupted the global labour market, affecting job search behaviour and employment outcomes, including for new entrants, although there were significant regional differences. Since then, hybrid working has further reshaped the career landscape for all workers, presenting both opportunities and challenges.





**27%** career starters spent their first two years working remotely

## Defining the hybrid generation

Areas explored in the report include:

- **Age:** During this period more than one in ten career starters spent their first two years working remotely (12%), however those who joined the workforce at a younger age (between 16 and 20) are more likely to have worked primarily or fully onsite.
- **Market variation:** There are some notable differences between countries. China and Japan have the lowest proportion of career entrants in remote / hybrid work today (both 27%) while Japan is the only country surveyed with a majority of new entrants who are fully site based (57%).
- **Sector variation:** Career starters in Technology were most likely to have worked either remotely (12%) or hybrid (43%) during their first two years of work. By comparison Retail (64%) and Healthcare (76%) are the sectors in which career starters are most likely to be site based. Size of company also has a bearing, with smaller firms having a higher share of the workforce working in either a remote or hybrid structure.

## The longer trend

- **Current picture:** 2020 represents a high mark, with career starters during that year much more likely to have experienced hybrid or remote working. The proportion of new career starters in remote or hybrid work has dropped away somewhat as return to site directives have started to take effect. Notably, however, this has not reverted to the pre-pandemic position.
- **Preferred working structure:** A small majority of early career starters would prefer to work either remotely (16%) or hybrid (37%). Over a quarter (27%) say they want to be fully site based, while just 1 in 5 (20%) say they want to be primarily site based.
- **Colleague interaction:** Overall, a large minority (46%) of new career entrants express a preference for in-person meeting. While those who are primarily site based prefer face to face interactions (53%), remote and hybrid workers also appreciate this opportunity.

**37%** career starters who would prefer to work hybrid

- **Attitudes to work and expectations of work:** Workplace structures clearly have a bearing on decisions about whether to change jobs. 64% think that jobs requiring full-time presence onsite should be paid more. Half (51%) believe there are additional economic benefits with remote and hybrid working.
- **Efficiency:** Survey respondents were mixed when asked whether they were more efficient at work or at home. 59% of those who hybrid work now say they are more efficient on site. This compares with 69% among those who are primarily site based.

## Experiences of work during the pandemic

- **Furlough:** New starters were immediately impacted by imposed working restrictions, with 16% being placed on furlough or some form of temporary unpaid or part-paid leave, across all markets and sectors.
- **Interactions at work:** 24% began a new job without meeting colleagues in person for at least three months. 17% worked in and slept from the same room. Those who started work during 2020/21 were more likely to have been isolated, with 29% not meeting colleagues in person for at least three months and 8% starting and leaving without meeting colleagues in person. Overall, only 26% coped well with their job.





**70%** career starters who report having been absent from work for 6 days or less in the last year  
9% have taken off more than a month



- **Health and well-being:** It appears the pandemic had a moderate impact on health and well-being. Overall, 70% of all new career starters report having been absent from work for six days or fewer, over the last year, due to illness or mental health challenges. Those who are fully site based are less likely to be absent due to illness.
- **Mental health:** Relatively few (3%) report they lost or left their job because of their struggle with mental health. Of those working in hybrid roles 57% reported that their mental health was enhanced by this, but a third (34%) of hybrid workers said their mental health was negatively affected by working remotely during the pandemic. There is some indication hybrid roles might lead to, or reinforce, a sense of isolation or lack of workplace confidence. Almost a quarter (24%) of those currently in remote or hybrid roles say social anxiety would influence their decision to take a site based role.
- **Social activities:** Despite the restrictions, 73% of all new starters were able to make friends in their first job.
- **Progression and advancement:** Some of those who started their careers in 2020 and 2021, when lockdown restrictions were in force, felt that they missed out on a number of opportunities to advance their careers including, networking and training opportunities. At the same time, some felt the pandemic presented opportunities that might not otherwise have been available, particularly remote (15%) and hybrid (12%)

workers who took a job that they believe they would not otherwise have been able to.

- **Employment outcomes:** Those currently in remote or hybrid roles are less likely to have been continuously employed, although they have changed roles and have been promoted more frequently.
- **Ambitions:** While most feel loyal towards their employer (63%), they will prioritize their own careers over their employer's needs (63%). Over half (52%) expect to change career in their lifetime, while 50% expect to change career in the next 10 years.

## Conclusions

- There are fundamental differences between the hybrid generation and those before, albeit that they want the same things out of their careers. In particular, work-life balance isn't a nice to have, it is an essential.
- The global shift toward remote and hybrid working arrangements is multifaceted and influenced by a variety of factors.
- A strong culture transcends a physical workplace – this, and sharing values with their employer, matters to today's career starters.
- Hybrid models can be a potential driver of productivity, well-being and economic rebalancing.

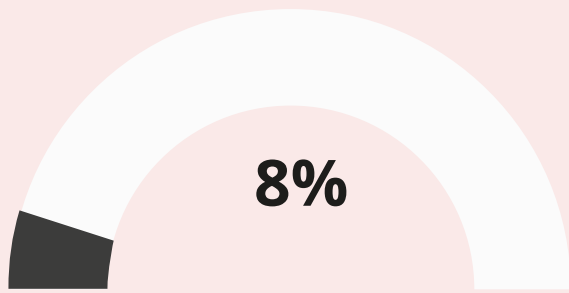
## Recommendations

1. **Create a consistent culture of trust that treats employees with respect** – Empower individuals to work in the way that best suits them and meets their needs: fully trusting their commitment to work
2. **Consult and communicate** – Organizations need to know what their workforce wants before addressing it
3. **Embrace the best of both** – Balance site based roles with other flexibilities, and evolve workspaces into being connection hubs
4. **Future-proof your talent pipeline** – Hybrid models can be part of a strategy to utilize the skills of the wider population
5. **Offer development – beyond the linear career path** – To retain talent, organizations need to support squiggly careers and job redesign
6. **Meet technology needs** – Invest in professional collaboration tools that ensure all employees can engage equally, and be alive to the information and data security implications of remote work

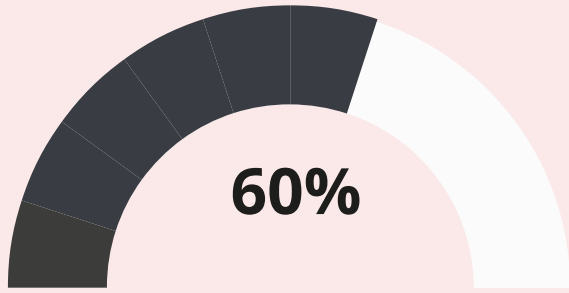


# The hybrid generation in data

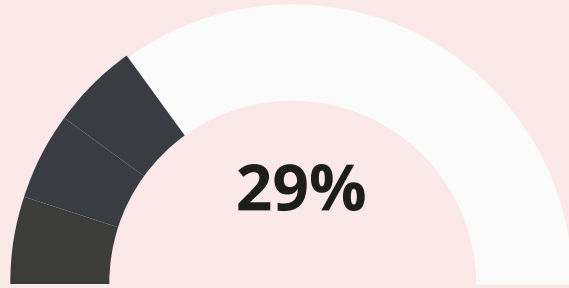
| Preferred working structure in 2025 |           |       |        |         |       |       |     |     |
|-------------------------------------|-----------|-------|--------|---------|-------|-------|-----|-----|
| Total                               | Australia | China | France | Germany | India | Japan | UK  | US  |
| 16%                                 | 17%       | 8%    | 15%    | 15%     | 25%   | 14%   | 17% | 21% |
| 37%                                 | 37%       | 47%   | 39%    | 29%     | 30%   | 39%   | 43% | 30% |
| 20%                                 | 16%       | 29%   | 20%    | 30%     | 20%   | 20%   | 12% | 13% |
| 27%                                 | 30%       | 16%   | 26%    | 26%     | 25%   | 28%   | 28% | 36% |



started and left a job without meeting colleagues in person



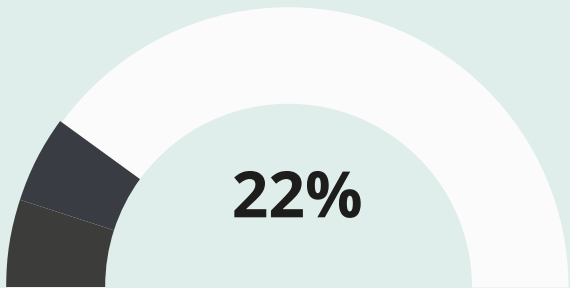
think that regardless of the organization's official policy, their manager or boss prefers them onsite



2020/21 starters who began a job without meeting colleagues in person for at least three months

# The hybrid generation in data

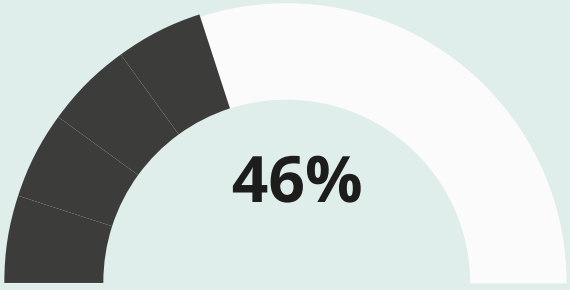
| Jobs that require full-time presence onsite should be paid more |           |       |        |         |       |       |     |     |
|-----------------------------------------------------------------|-----------|-------|--------|---------|-------|-------|-----|-----|
| Total                                                           | Australia | China | France | Germany | India | Japan | UK  | US  |
| 64%                                                             | 63%       | 73%   | 54%    | 55%     | 75%   | 61%   | 69% | 65% |
| 14%                                                             | 16%       | 7%    | 21%    | 21%     | 15%   | 10%   | 13% | 13% |



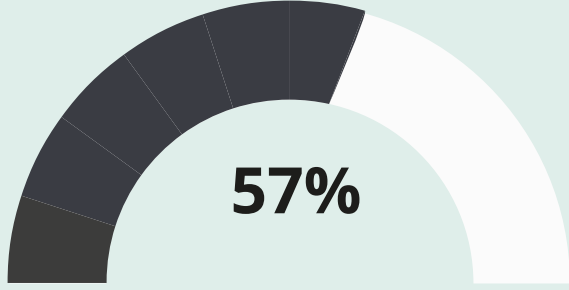
say social anxiety would influence whether they took a new job that was fully onsite



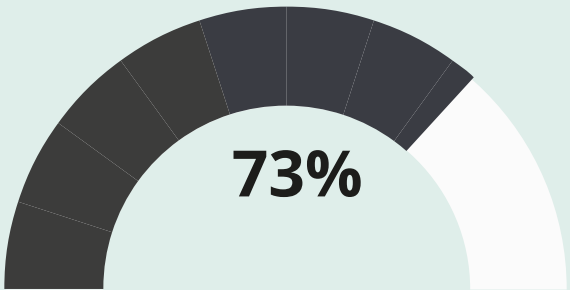
think they missed out on training opportunities due to Covid



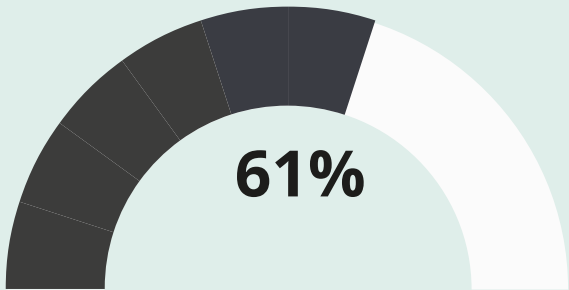
more confident in virtual meetings than physical ones



say their mental health is enhanced by working in a hybrid structure – rising to 70% of those who work hybrid today



made friends in their first job and 55% found a mentor



received sufficient management support during their first year of work

# The hybrid generation in data

## My first two years of work were a positive experience

|          | Total | Australia | China | France | Germany | India | Japan | UK  | US  |
|----------|-------|-----------|-------|--------|---------|-------|-------|-----|-----|
| Agree    | 62%   | 66%       | 63%   | 64%    | 55%     | 79%   | 33%   | 73% | 66% |
| Disagree | 14%   | 13%       | 14%   | 13%    | 18%     | 9%    | 22%   | 10% | 12% |

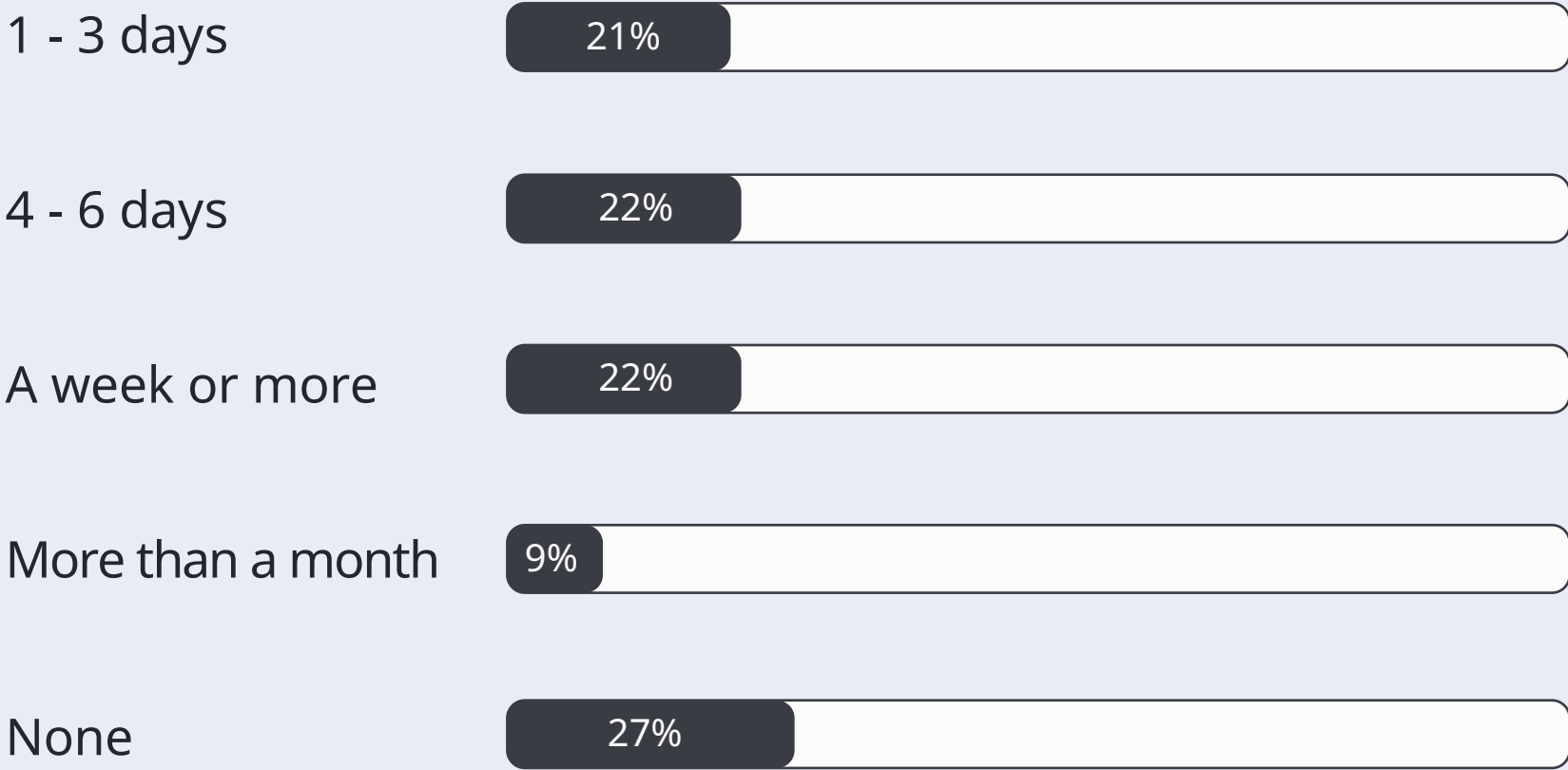
## I expect to change career in my working lifetime

|          |     |     |     |     |     |     |     |     |     |
|----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Agree    | 52% | 61% | 40% | 54% | 43% | 58% | 49% | 57% | 57% |
| Disagree | 21% | 14% | 33% | 22% | 24% | 20% | 14% | 18% | 18% |

## I like my current employer but will prioritize my own career over its needs

|          |     |     |     |     |     |     |     |     |     |
|----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Agree    | 63% | 67% | 73% | 62% | 57% | 71% | 48% | 68% | 62% |
| Disagree | 12% | 10% | 5%  | 14% | 18% | 9%  | 14% | 10% | 13% |

## Days off for illness or mental health in the last year



Chapter one

# Introduction



It is now five years since the outbreak of Covid-19, a period when enforced lockdowns introduced remote working for a large swathe of the global workforce. Not everyone was able to work remotely – in some roles and sectors this was not possible, including many in Food, Retail, Healthcare and the Built Environment. More still returned to in-person working as soon as they could.

Nevertheless, the workforce that emerged from the pandemic is broadly a hybrid one, combining remote and in-person attendance. This structure has now become commonplace for many, across countries and sectors. While we are seeing some employers and politicians advocate for a return to office, others feel there is no going back to how things were at the start of 2020.

During this period an entire generation has entered the workforce, comprising those who started working during the first waves of lockdown, or those who completed education and training in this context and then began their careers after this disruption. This hybrid generation has no direct experience of a working world that is not at least partially remote or hybrid, even if they themselves are site based. Many of these career starters fall into Generation Z, however our hypothesis is that stage, rather than age, is key.

***BSI's 2025 Global Workforce Entrants Study*** was designed to profile this cohort. The question we have set out to answer is how their unique early career experience has shaped expectations, attitudes and preferences, as well as progression and development, professional relationships, and career prospects.

The purpose of this research, developed in conjunction with ResPublica, is not to alight on a right or wrong way to work. Rather it acknowledges that we cannot turn the clock back – so we need to look forwards to building a future of work that suits individual and organizational needs, and, crucially, does not place these two objectives in tension with each other.

Our goal is to help employers to shape the workplace in a way that supports career starters, and all workers, to unleash their full potential – however they work. We provide actionable insights to help employers accommodate the needs of all workers, including this cohort, and equip them, to be successful in any setting, whatever their stage.



How can we alight on a structure that empowers individuals to flourish and organizations to grow?



Over the coming years, the workforce will transform further, shaped not least by AI. The question now and to come, is how can we create a human centric future of work that responds to change and still meets the needs of employees and employers? How can we alight on a structure that empowers individuals to flourish and organizations to grow? This report offers a starting point for a critical conversation – one all of us have a stake in.

### **About the research**

The hybrid generation is a relatively under-researched phenomenon. This paper draws on analysis from a large-scale survey of people who entered the workforce across the UK, US, China, Japan, India, France and Germany and key sectors between 2019 and 2024. Evidence is also drawn from a review of international literature and analysis of labour market information to assess how economies have performed since Covid-19, and the impact that this has had on new entrants to the workplace. It explores workforce participation, pay, retention, recruitment, job type, tenure, mental health, motivation, leadership, organizational culture and enjoyment of work.

Chapter two

# The evolution of the hybrid workplace



The shift to remote working that many people experienced in early 2020 was a necessary response to the Covid-19 pandemic, as many countries and territories enforced lockdowns of various stringency. Beginning with the first lockdown in China's Hubei province, lockdowns continued to be implemented around the world throughout 2020 and 2021. In March 2020, the entire population of India, 1.3 billion, was ordered to stay at home. The city of Melbourne, Australia, spent the most cumulative days in lockdown over separate periods.<sup>1</sup>

However, the response was not uniform across markets. A number of countries did not use this strategy, including Japan, while certain US states chose not to enforce lockdowns. The impact of the pandemic also varied by sector. In many cases, only essential businesses were allowed to remain open,<sup>2</sup> although a number of industries were able to shift their activity to home working using previously underutilized technologies such as video conferencing. Yet many sectors were unable to do this including those industries most affected by Covid-19

1 [Melbourne passes Buenos Aires' world record for time spent in Covid-19 lockdown](#), abc, October 2021

2 The list of essential businesses varied between countries and jurisdictions but generally included supermarket and food stores, hot food takeaways, Pharmacies/Chemists, Dentists, Veterinary clinics and pet shops, petrol stations, hardware and building suppliers, storage and distribution centres, banks and post offices.

disruption: Aviation, Energy Equipment, Food Production and Manufacturing. Other sectors like Hospitality and Retail were simply unable to operate at all.<sup>3</sup> Sectors such as Healthcare or Construction continued to work onsite for the most part, simply adopting different work methods to minimize covid risks.

As the world began to emerge from the pandemic and many started their gradual return to work, some organizations that had been able to function remotely started to rethink the requirement to physically return to the workplace. What began as a necessity has evolved into a long-term exploration of hybrid ways of working.

Around the world, organizations have been utilizing emerging technologies, innovating leadership strategies and new workspaces to identify better, more productive and cost-efficient ways of working. How, when, and where many of us work continues to evolve, with flexibility at its core.

3 [Industries Most and Least Impacted by Covid-19 from a Probability of Default Perspective - January 2022 Update](#), S&P Global, February 2022





## 1.1 The origins of hybrid and remote working

The move towards hybrid and remote working did not begin with Covid-19. Flexible work arrangements began well before 2020. Management consultant Christel Kraemerer is credited with developing the first flexitime approach in the 1960s to help face Germany's labour shortage.<sup>4</sup> In the US, telecommuting and flexible schedules emerged in the early 1970s when the oil crisis pressed businesses to reduce commuting, and the Clean Air Act looked to reduce harmful emissions from gridlocked traffic.

In his book 'The Telecommunications-Transportation Tradeoff' former NASA engineer, Jack Nilles popularized the idea of establishing satellite offices so that employees could report to smaller physical sites that were likely closer to their homes, thus freeing up busy thoroughfares from traffic congestion and reducing energy consumption.

Another trend that was documented as early as the late 1980s was the advent of "Summer Fridays" which limited some companies in the US to a four-day workweek during the summer months, when activity in some sectors slowed<sup>5</sup>. This trend has continued through to present-day,

and extended to many other countries, though mostly enjoyed by white-collar and knowledge workers. Others, who wanted flexibility, were limited to shift working.

The information technology revolution in the 1990s facilitated further changes, introducing tools like email and early video conferencing. In the late 1990s, AT&T made headlines when they allowed 100,000 employees to pioneer an 'alternative workplace' a practice that has become known as 'working from home'<sup>6</sup>. In the UK, BT undertook an experiment in home working in 1992, when the company set up 'The Inverness Experiment' inviting employees in the Scottish city to volunteer to work from home for a whole year. It was a trial to see if the technology could support it, as well as a psychological experiment to understand how people responded to working remotely<sup>7</sup>.

Before Covid-19, remote and hybrid working were emerging as significant global trends among advanced economies, although they had not yet become mainstream practice. According to Gallup's State of the American Workforce Report, 43% of employees spent "at least some of their time" working remotely in 2016, up from 39% in 2012<sup>8</sup>.

<sup>4</sup> [What Does 'Flexible Work' Really Mean?](#), Microsoft, accessed March 2025

<sup>5</sup> [The case for Summer Mondays](#), The Week, August 2015

<sup>6</sup> [The Alternative Workplace: Changing Where and How People Work](#), HBR, June 1998

<sup>7</sup> [The great organizational balancing act: making the hybrid office work for everyone](#), BSI, 2024

<sup>8</sup> [America's Coming Workplace: Home Alone](#), Gallup, March 2017

These long-term shifts underscore that hybrid and remote working is not just a pandemic-era phenomenon, but a steadily growing practice driven by technological advancements, changing employee expectations and a shift towards a knowledge-based economy.

Slow but steady adoption of remote work began in companies where digital communication was already central and the proliferation of digital tools and cloud-based applications made remote collaboration more feasible, setting the stage for later, more rapid adoption. At the same time a growing interest in flexible working arrangements emerged, as employees sought to better integrate their professional and personal lives. Numerous surveys and studies indicated that many employees – especially in knowledge-intensive sectors – were open to or already preferred some level of remote or flexible working.<sup>9</sup>

In tandem with this, national legislation around flexible working began to emerge. For example, the right to request flexible working in the UK was first introduced under the Employment Act 2002, initially applying to parents and from 2014 to all employees. However it should be noted this is distinct from the right to work remotely or in a hybrid structure.

While the idea of hybrid work was gaining attention, by 2020 most organizations had not yet fully implemented formal hybrid policies. Instead, a few progressive companies were piloting models that combined in-office work with occasional remote days. Tech companies and creative industries were among the early adopters, whereas more traditional sectors were slower to change. Changing attitudes among both employers and employees regarding productivity and the necessity of a site based presence laid the groundwork for later acceptance of remote and hybrid work models.

By 2020 most organizations had not yet fully implemented formal hybrid policies

There have, however, been some significant regional differences in adoption, with North America and Western Europe showing the most readiness for remote work due to established digital infrastructures, higher levels of internet connectivity, and a cultural openness to flexible working. In contrast, in many emerging economies, remote work was less common due to infrastructural limitations and different labor market dynamics, although interest was growing among multinational companies and tech startups.

Overall, the global trends before Covid-19 reflected a cautious but growing embrace of remote and hybrid working. Some organizations were starting to recognize the benefits of flexible work arrangements – such as improved work-life balance, enhanced employee satisfaction, and access to a broader talent pool – yet many still maintained a traditional, work-place model. This period set the stage for the dramatic acceleration of remote and hybrid work models when the pandemic hit, highlighting both the potential and the challenges of transitioning to more flexible work arrangements.

<sup>9</sup> These trends were documented in various studies and reports from institutions like the International Labour Organisation (ILO), McKinsey & Company, *McKinsey Global Institute. The Future of Work After Covid-19*, and academic research on the future of work.

## 1.2 Global trends

Because Covid-19 accelerated the shift toward remote and hybrid working models across the globe, it also prompted extensive research across different countries to explore how these trends have influenced organizational dynamics, employee satisfaction, productivity, career progression and well-being. The findings reveal that while flexibility is generally valued, its outcomes vary by sector, cultural context, gender, and age.

### 1 United States (US)

Research in the US has offered diverse perspectives on remote work. LaGree and Olsen examined the impact of ‘leadership empowerment’ on career growth, loyalty, and satisfaction, finding no generational differences in work-from-home perceptions.<sup>10</sup>

<sup>10</sup> [Combatting the “Great Discontent”: The Impact of Employability Culture and Leadership Empowerment on Career Growth, Loyalty and Satisfaction](#), LaGree, & Olsen (n.d.), April 2024

Conversely, Munsch revealed that employers sometimes react negatively to remote work requests from certain groups; gendered stereotypes may lead to biases in the selection of remote workers.<sup>11</sup> In the public sector, Lance et al. argue that increasing telework and workplace flexibility could improve employee retention,<sup>12</sup> while Mathews et al. observed that working from home increased psychological distress among US employees.<sup>13</sup>

Chung and Lippe provided a broader literature review, arguing that flexible working arrangements can reinforce traditional gender roles, as men benefit more from flexiwork than women who often bear additional responsibilities.<sup>14</sup> Additionally, Eriona and Elgün highlighted the role of internships in bridging the skills gap for younger workers, emphasizing the importance of practical experience in an increasingly remote environment.<sup>15</sup>

<sup>11</sup> [Flexible Work, Flexible Penalties: The Effect of Gender, Childcare, and Type of Request on the Flexibility Bias](#), Munsch (n.d.), May 2016

<sup>12</sup> [Telework and Work Flexibility in the United States Federal Government Post-Pandemic](#), Lance, et al. (n.d.), April 2024

<sup>13</sup> [Gender Difference in Working from Home and Psychological Distress – A National Survey of U.S. Employees During the Covid-19 Pandemic](#), Mathews, et al. (n.d.), May 2022

<sup>14</sup> [Flexible Working, Work-Life Balance, and Gender Equality: Introduction](#), Chung, & Lippe (n.d.), November 2018

<sup>15</sup> [Generation Z “Life Skills” Acquired and Enhanced through Internships Before and During Covid-19 Pandemic](#), Eriona, & Elgün (n.d.), January 2023





## 2 United Kingdom (UK)

UK studies have focused on the transition from remote to hybrid work post-pandemic. Gutman et al. employed a behavior change approach to assess the hybrid transition among diverse staff in higher education, identifying barriers such as inadequate office spaces and technological issues, as well as enablers like improved work-life balance and productivity.<sup>16</sup> In contrast, Kasperska, Matysiak, and Cukrowska-Torzewska found that working from home may reduce opportunities for promotion and salary increases – particularly affecting men and childless women – while mothers appeared to be less negatively impacted.<sup>17</sup> Chen et al. provided a nuanced view, revealing that well-being changes among remote workers varied significantly, with some hybrid workers experiencing improved well-being during daytime hours.<sup>18</sup>

It is worth noting that BSI, working with experts from across industry and government produced the world’s first guidance on flexible working in 2015 – the Smart Working Practice (PAS 3000)<sup>19</sup>. This is aimed at leaders to help guide their thinking about transforming how their organizations and people work.

## 3 China

In China, studies indicate a generally positive reception of hybrid work models. Bloom, Han, and Liang reported that hybrid working reduced employee turnover by 33% and improved job satisfaction, although initial managerial skepticism existed.<sup>20</sup> Raphael et al. argued that other countries could learn from China’s efficient team structures, leadership strategies, and communication tools to create sustainable remote work models.<sup>21</sup> Xiong et al. further noted that acceptance of remote working in China is influenced by gender and internet skills, with higher acceptance from women – primarily to avoid unnecessary in-person interactions – and younger, better-educated employees.<sup>22</sup>

## 4 Japan

Japanese research offers a culturally specific perspective. Tomohiro found that working from home generally improved life satisfaction and work-life balance;<sup>23</sup> however, the benefits were offset by longer working hours. Akahiri et al. compared Japan and the US, showing that American hybrid workers, influenced by stronger social norms, experienced greater well-being compared to their Japanese

<sup>16</sup> [Making Hybrid Work for Diverse Staff in Higher Education: A Behaviour Change Approach](#), Gutman, et al. (n.d.), December 2023

<sup>17</sup> [Managerial \(Dis\)preferences Towards Employees Working from Home: Post-Pandemic Experimental Evidence](#), Kasperska, Matysiak, & Cukrowska-Torzewska (n.d.), May 2024

<sup>18</sup> [Remote Working and Experiential Wellbeing: A Latent Lifestyle Perspective using UK Time Use Survey Before and During Covid-19](#), Chen, et al. (n.d.), July 2024

<sup>19</sup> [New Smart Working Code of Practice announced](#), Cabinet Office, January 2016

<sup>20</sup> [How Hybrid Working from Home Works Out](#), Bloom, Han, & Liang (n.d.), July 2022

<sup>21</sup> [A Blueprint for Remote Working: Lessons from China](#), McKinsey, March 2020

<sup>22</sup> [When Will Employers Accept Remote Working? The Impact of Gender and Internet Skills](#), Xiong, et al. (n.d.), July 2023

<sup>23</sup> [Working from Home and Work-Life Balance During Covid-19: The Latest Changes and Challenges in Japan](#), Tomohiro (n.d.), August 2021



counterparts.<sup>24</sup> Morikawa's study highlighted that, in Japan, many employees reported lower productivity when working from home compared to the office, suggesting that a hybrid model may be more appropriate.<sup>25</sup>

## 5 India

In India, research has focused on both the potential and challenges of remote work. Bhattacharyya and Nair suggest that although automation may threaten certain jobs, India's young, technically educated workforce stands to benefit from high-end jobs created by technological advancements.<sup>26</sup> Kelley, Ksol, and Magruder explored online job portals and found that increased access to job information led to a temporary rise in voluntary unemployment, as job seekers adjusted their expectations and waited for better opportunities.<sup>27</sup>

## 6 Germany

German research, as exemplified by Berg, compares the flexible working systems of the US and Germany, offering insights into how Germany's employment relations might evolve in the face of increasing flexibility.<sup>28</sup> Plakhotnik et al. studied the impact of Covid-19 on student well-being across several countries, with significant data emerging from Germany, and emphasized the role of institutional support in mitigating negative effects.<sup>29</sup>

## 7 Australia

In Australia, Hopkins and Bardoel identified five pillars – operations, culture, communication, well-being, and future skills – that are essential to sustaining hybrid work models in the post-pandemic era.<sup>30</sup> Williamson and Colley provided further evidence from the public sector, noting that while productivity often improved with remote work, mental health challenges and burnout persisted, especially during extended lockdowns.<sup>31</sup>

<sup>24</sup> The Impact of Social Norms on Hybrid Workers' Well-Being: A Cross-Cultural Comparison of Japan and the United States, Akahiri, et al. (n.d.), May 2024

<sup>25</sup> Work-from-Home Productivity During the Covid-19 Pandemic: Evidence from Japan, Morikawa (n.d.), November 2022

<sup>26</sup> Explicating the Future of Work: Perspectives from India, Bhattacharyya, & Nair (n.d.), May 2019

<sup>27</sup> How Do Online Job Portals Affect Employment and Job Search? Evidence from India, Kelley, Ksol, & Magruder (n.d.), June 2022

<sup>28</sup> Working Time Flexibility in the German Employment Relations System: Implications for Germany and Lessons for the United States, Berg (n.d.), 2008

<sup>29</sup> The Perceived Impact of Covid-19 on Student Well-Being and the Mediating Role of the University Support: Evidence From France, Germany, Russia, and the UK, Plakhotnik, et al. (n.d.), July 2021

<sup>30</sup> The Future Is Hybrid: How Organisations Are Designing and Supporting Sustainable Hybrid Work Models in Post-Pandemic Australia, Hopkins, & Bardoel (n.d.), February 2023

<sup>31</sup> Working During the Pandemic: The Future of Work is Hybrid, Williamson, & Colley (n.d.), February 2022

The comparative analysis reveals several common themes. Flexibility and autonomy are generally seen as desirable attributes that enhance employee satisfaction and retention; however, the outcomes are context dependent. For instance, in the US and the UK, structural inequities may undermine the benefits of remote work, particularly in terms of career progression and gender equality. In contrast, China's structured approach and Japan's nuanced cultural factors suggest that effective hybrid models require tailored strategies that reflect local realities.

Moreover, studies from India, Germany, and Australia highlight the role of institutional support and technological infrastructure in ensuring that the transition to hybrid work benefits both employees and organizations.

Flexibility and autonomy are generally seen as desirable attributes that enhance employee satisfaction

### 1.3 The impact on younger generations

The academic literature has identified the particular challenges faced by younger generations, including their preference for hybrid work, impact on job market dynamics and career opportunities for new entrants, as well as the broader effects of hybrid working on young people including overall well-being.

#### Generation Z and hybrid work

Recent studies highlight that Generation Z (Gen Z) demonstrates a strong preference for hybrid work models, influenced by the type of work environment they wish to join. Orsorio and Madero argue that Gen Z's desire for hybrid work stems from its flexibility to accommodate corporate, familial, and entrepreneurial ambitions, which aligns with their evolving expectations for work.<sup>32</sup> Similarly, Angreni and Mahyuni examined hybrid work in Indonesia and found that enhanced work-life balance under hybrid models correlates with improved employee performance and engagement among Gen Z.<sup>33</sup>

32 Explaining Gen Z's Desire for Hybrid Work in Corporate, Family, and Entrepreneurial Settings, Orsorio, & Madero, January 2025

33 Examining the Impact of Hybrid Work on Employee Performance and Engagement on Generation Z in Indonesia, Angreni, & Mahyuni, December 2024





In contrast, Clemo discusses the potential downside that Gen Z workers in hybrid roles may be overlooked for promotions, a trend particularly evident among those balancing caregiving responsibilities or disabilities.<sup>34</sup> Furthermore, Chomątowska and Janiak-Rejno observed that while Gen Z adapted well to remote working during the pandemic, many now resist returning to traditional office settings, suggesting that organizations offering flexible remote work options enjoy a competitive advantage.<sup>35</sup>

Albrychiewicz-Słocińska emphasizes that while remote work has yielded positive changes – especially for younger employees – organizations increasingly endorse hybrid models as a pragmatic balance between the benefits and disadvantages of fully remote work.<sup>36</sup> Febriana and Mujib extend these findings by linking flexible work arrangements to increased productivity among Gen Z employees, mediated by a participative leadership style.<sup>37</sup>

<sup>34</sup> Hybrid Millennial and Gen Z Workers Overlooked for Promotions, New Study Suggests, People Management, October 2024.

<sup>35</sup> Does Gen Z Question the Wisdom of Returning to the Office? Results of the Research Conducted During the Covid-19 Pandemic on the Youngest Generation of Employees, Chomątowska, & Janiak-Rejno, 2022

<sup>36</sup> Remote work and Knowledge Exchange Strategies in the Opinions of Generation Z, Albrychiewicz-Słocińska, 2022

<sup>37</sup> Increasing Productivity of Gen Z Employees: The Role of Flexible Work Arrangements and Participative Style, Febriana, & Mujib, April 2024

## The impact on new job entrants

The onset of the Covid-19 crisis significantly disrupted the labor market, affecting job search behavior and employment outcomes for new entrants. Hensvik, Le Barbanchon, and Rathelot reported a marked decrease in job vacancy postings at the beginning of the pandemic, a trend that created a challenging environment for all job seekers.<sup>38</sup> Malousis, Tomlinson, Reedy, and Burg further noted that recent graduates faced intensified concerns regarding career prospects, often leading them to reconsider or scale down their initial employment goals.<sup>39</sup>

Additionally, Bloom et al. identified that overall business productivity declined by up to 5% during the pandemic, with some sectors (e.g. restaurants and entertainment) shrinking more than others, thereby exacerbating challenges for new job entrants.<sup>40</sup> Wachter highlighted long-term concerns for job losers and new entrants in the US, proposing “work sharing programmes” as a potential policy reform to stabilize the workforce.

<sup>38</sup> Job Search During the Covid-19 Crisis, Hensvik, Le Barbanchon, & Rathelot, February 2021

<sup>39</sup> Graduating in Uncertain Times: The Impact of Covid-19 on Recent Graduate Career Prospects, Trajectories and Outcomes, Tomlinson, Reedy, & Burg, July 2023

<sup>40</sup> The Impact of Covid-19 on Productivity, Bank of England, December 2020

**Career opportunities**

The pandemic has also reshaped career opportunities, particularly for younger generations. Rudolph and Zacher contend that simplistic generational categorizations fail to capture the complexity of career development in the post-pandemic era.<sup>41</sup> Barth et al. provide evidence from Norway, demonstrating that young workers and those with lower educational levels experienced disproportionately severe declines in job opportunities during lockdown periods.<sup>42</sup>

Major, Eyles, and Machin further document that younger workers faced substantial challenges in terms of job loss and earnings, with adverse impacts persisting even post-lockdown. Kingston University found that younger employees were more likely to experience workplace stress during the pandemic, often due to inadequate remote work support.<sup>43</sup>

Amalia reveals that post-pandemic work expectations now prioritize work–life balance and flexibility, with Gen Z showing a greater openness to public sector roles offering stability.<sup>44</sup> Vyas discusses the acceleration of flexible work and its



enduring effect on work–life balance, while Mockaitis et al. indicate that early-career employees experienced higher levels of stress and burnout.<sup>45</sup> Böhlich, Hindley, and Müller focus on the German job market, suggesting that Gen Z’s preference for security has been reinforced by the pandemic, making stable employers more attractive despite outdated industry images.<sup>46</sup>

**Impact of hybrid working on young people**

Hybrid working arrangements have a distinct impact on young people, particularly in terms of career development and workplace integration. The Institute of Student Employers reports that most graduates and apprentices in office settings now hold hybrid roles, a shift correlated with higher levels of satisfaction due to increased flexibility and productivity benefits, although feelings of isolation remain prevalent.<sup>47</sup>

41 [Covid-19 and Careers: On the Futility of Generational Explanations](#), Rudolph, & Zacher, June 2020  
42 [Chutes and Ladders? Job Opportunities for Generation Covid](#), Barth, Dale-Olsen, Schøne, & Misje Østbakken, July 2021.  
43 [Younger Generation Experienced Most Workplace Stress During Covid-19 Pandemic](#), Kingston University, November 2024.  
44 [Career Choice on Gen Y & Z After the Pandemic Covid-19: A Social Cognitive Career Theory](#), Amalia, March 2023

45 [“New Normal” at Work in a Post-Covid World: Work–Life Balance and Labor Markets](#), Vyas, March 2022  
46 [Enhancing Employer Attractiveness: The Impact of Covid-19 on Generation Z](#), Böehlich, Hindley, & Müller, November 2022  
47 [Do Young People Like Hybrid and Remote Work?](#), Institute of Student Employers, June 2023

The UK Parliament notes that while hybrid working surged during the pandemic, the numbers are now slowly decreasing yet remain above pre-pandemic levels.<sup>48</sup> King's College London found that young employees perceive remote working as beneficial for career advancement, as it facilitates self-promotion and proactive engagement.<sup>49</sup> The Stanford Institute for Economic Policy Research (SIEPR) underscores that hybrid work models harness the advantages of both remote and in-person interactions<sup>50</sup>.

Collectively, these studies illustrate that hybrid working is reshaping the career landscape for young people and new job entrants. This presents both opportunities and challenges. On one hand, flexibility and hybrid arrangements are positively associated with improved work engagement, performance, and the acquisition of critical skills. On the other, challenges such as isolation, gender-based biases, reduced promotional opportunities, and heightened stress persist.

The international evidence suggests that while cultural and regional differences shape these outcomes, the central role of flexible arrangements in supporting early-career employees is a common theme. Organizations must therefore tailor their policies to ensure that the benefits of hybrid working are equitably distributed, addressing not only productivity and engagement but also the well-being and career development needs of younger workers.



48 [The Impact of Remote and Hybrid Working on Workers and Organisations](#), UK Parliament, October 2022

49 [Young People Most Likely to See Career Benefits to Remote Working](#), King's College London, November 2022

50 [Hybrid work is a "win-win-win" for companies, workers, study finds](#), SIEPR, June 2024

Chapter three

# Defining the hybrid generation



The hybrid generation, which BSI's research focuses on, refers to those young people who began their working life just as, or just before the pandemic struck, or subsequently as lockdown measures began to influence working practices. To a large extent this is a generation for whom the entirety of their careers to date has been shaped and characterized by the experience of hybrid and remote working.

Even those who have entered and remained in a traditional workplace setting, where onsite attendance is required, are aware of other colleagues or peer groups for whom hybrid or remote working is more commonplace. This has influenced how all young employees experience and think about the importance of location in work, as well as a number of other factors.

**3-5%** Proportion of global workforce estimated to work remotely before Covid-19

## 1.4 Working structures

Before the pandemic, remote and hybrid work were relatively uncommon on a global scale. Comprehensive figures are challenging to pinpoint but research estimates suggest that roughly 3-5% of the global workforce worked entirely remotely on a regular basis, with only a slightly higher percentage – perhaps up to 5-10% – engaging in some form of hybrid work, combining onsite and remote work.<sup>51</sup> These figures also vary significantly by region, with advanced economies like the US and parts of Europe reporting slightly higher incidences compared to the global average.<sup>52</sup>

In any event, and regardless of the baseline position, the pandemic represented an unprecedented shock to the system for all, not least new career starters.

The following insights about the hybrid generation are informed by our survey findings and focus groups from across a number of global markets and sectors. This includes a large sample of new career entrants that entered the workforce between 2019 and 2025. (See methodology for further details).

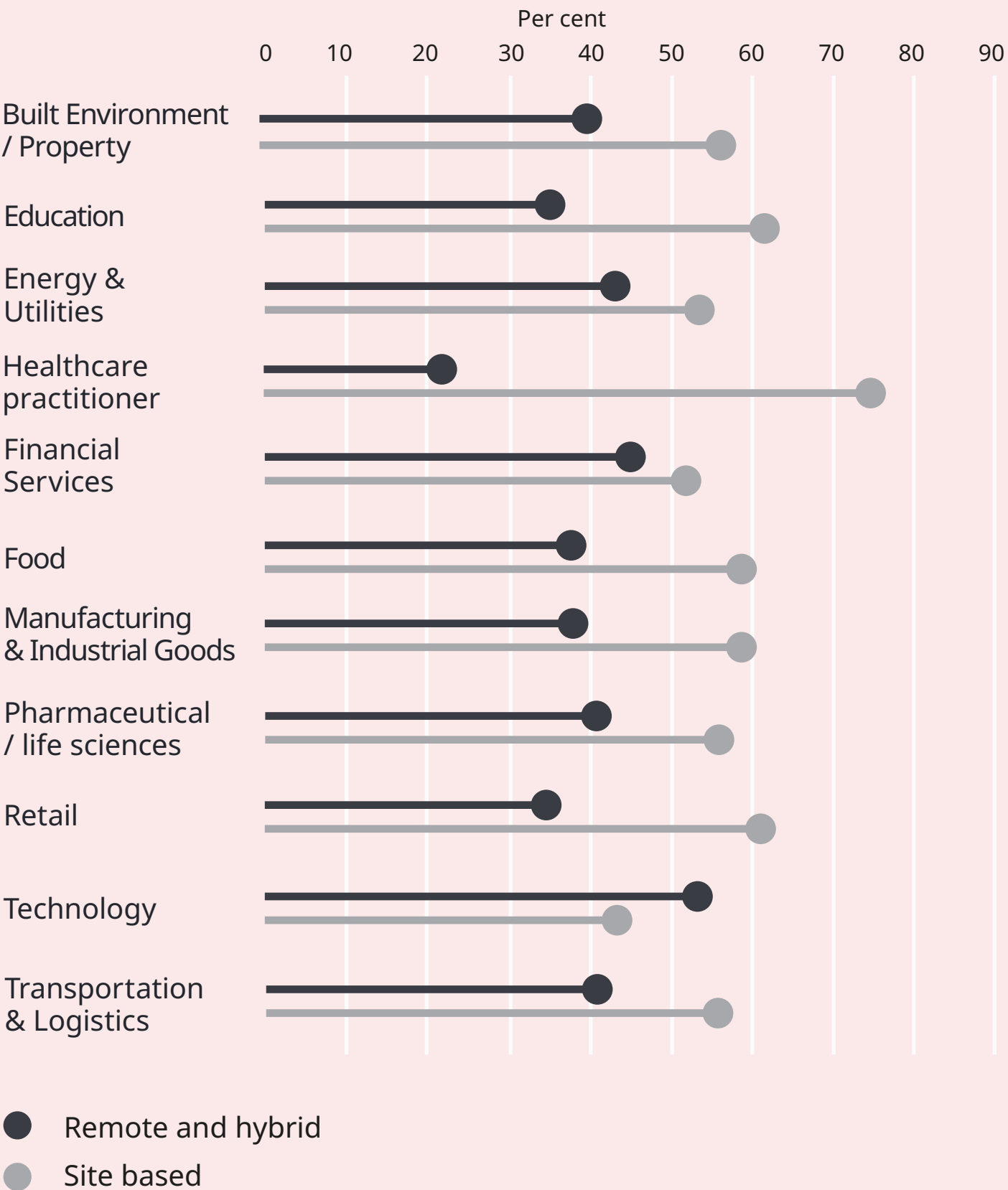
<sup>51</sup> Employment Outlook 2019. OECD Publishing, April 2019

<sup>52</sup> Eurofound's Report on "Working Anytime, Anywhere" (2017) noted that remote work and hybrid arrangements were relatively uncommon, with hybrid working practices being limited to perhaps around 5-10% of workers. In the US specifically, Global Workplace Analytics (2017) estimated that approximately 3-3.4% of the workforce worked remotely on a full-time basis prior to the pandemic.

"Starting my first job just six weeks before Covid-19 hit meant I was thrown into a fully remote working environment almost immediately, which was a completely uncharted experience for both me and my employer."

– Female, Australia

**Figure 4: New career entrants by sector, first two years in the workforce**



**Age and gender**

According to our data, during this period more than one in ten career starters spent their first two years working remotely (12%), with almost three in ten in a hybrid role (28%). There is, however, some variation in both age and gender. Those who joined the workforce younger (aged 16 to 20) are more likely to have worked primarily or fully onsite (62%) compared with older entrants, aged 26 and over (57%), many of whom will have left graduate or postgraduate study and more likely entered white collar or knowledge-intensive jobs where opportunities to work remotely are more available.

During their first two years, male career starters were more likely to be in either remote or hybrid work structures (44%) compared to female counterparts (36%) although this figure has since narrowed to three percentage points with 38% of males now in predominantly off-site work compared to 35% of females. The discrepancy may be due to a higher representation among women in some industries that remained largely site based (73% of all those working in Healthcare were female) and a relatively low representation in sectors that were more likely to deploy hybrid and remote workers (37% of all staff in tech industries were female).

**Market and sectors**

There are also some notable differences between countries. China and Japan have the lowest proportion of career entrants in remote / hybrid work today (both 27%) while Japan is the only country surveyed with a majority or new entrants that are fully site based (57%).

There are also some stark differences between sectors. Career starters in Technology were most likely to have worked either remotely (12%) or hybrid (43%) during their first two years. However, this is the only sector that had a majority of career starters working primarily off-site (55%). The position has changed marginally but most career starters are still currently working either remotely or in a hybrid capacity (53%). By comparison, in Retail (64%) and Healthcare (76%) career starters are most likely to be site based.

There is also evidence that size of company has a bearing with smaller firms having a higher share of the workforce working in either a remote or hybrid structure (45%) compared to medium and large firms (both 36%). Given that larger companies are more likely to have formally documented procedures and policies, new starters in smaller firms may have faced additional challenges.

“The learning curve in a new role can be really steep in a hybrid environment. Having written-down procedures, training guides, and structured onboarding is essential for new employees.”

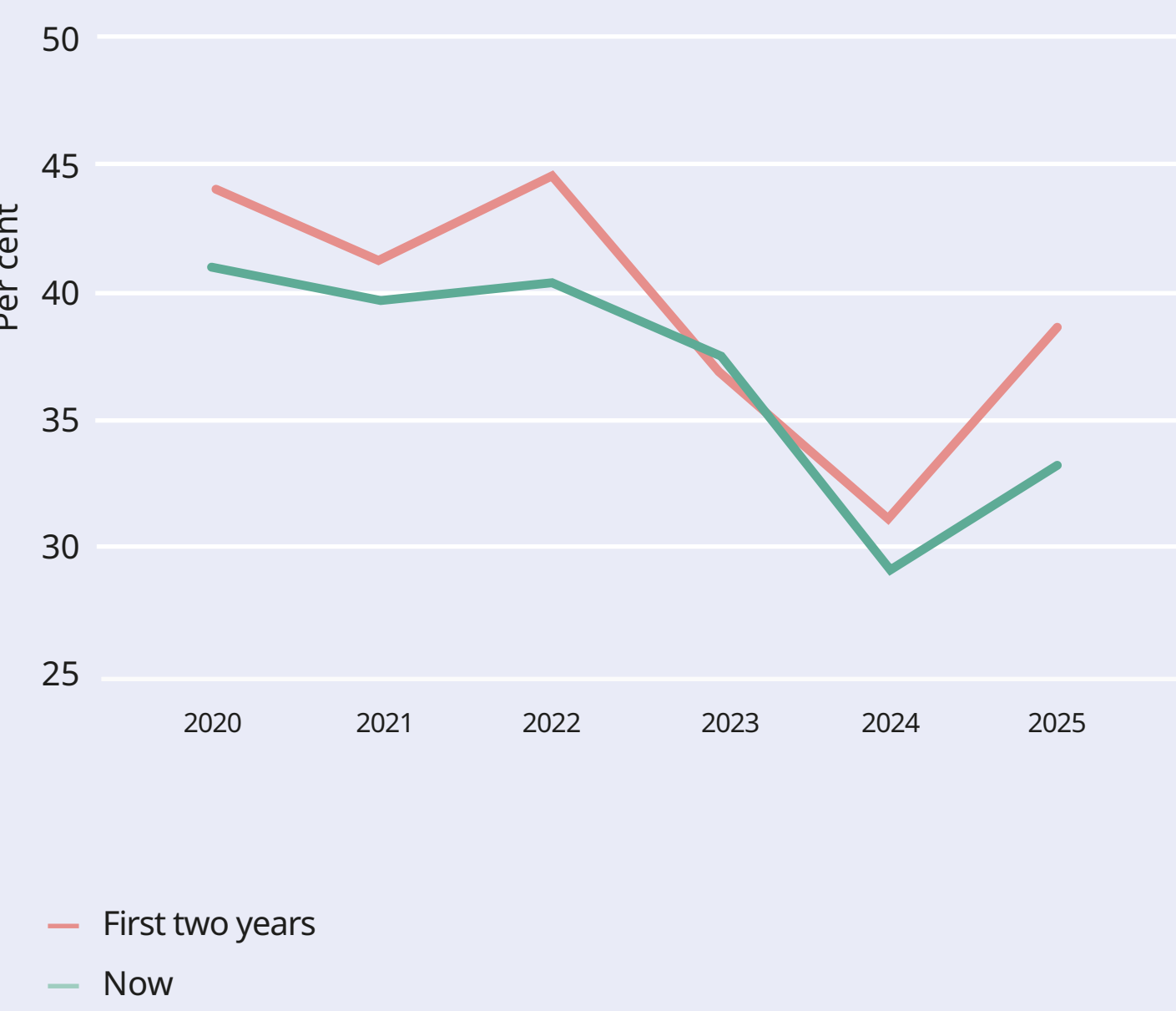
– Female, Australia

**The longer trend**

Unsurprisingly, 2020 represents a high mark, with career starters during that year much more likely to have experienced hybrid or remote working than those who entered the workforce before lockdown restrictions were enforced.

In terms of current working structures, the overall trend indicates that the proportion of new career starters in remote or hybrid work has dropped away somewhat as return to site directives have started to take effect and as lockdown restrictions were lifted. New starters are now less likely to be working fully ‘off-site’ than they were during the first two years of employment. Notably, however, this has not reverted to the pre-pandemic position.

**Figure 5: Career starters working hybrid or remote roles, by year they joined the workforce**



### Preferred working structure

When it comes to work preferences over half of early career starters say they would prefer to work either remotely (16%) or hybrid (37%). Over a quarter (27%) say they want to be fully site based, while just one in five (20%) say they want to be primarily site based.

India sees the highest proportion of career starters wanting to be fully remote (25%) and China the lowest (8%) although China also has the highest wanting to be hybrid (47%). The US sees the highest proportion wanting to be fully site based (36%).

There is little difference in terms of age or gender, with 53% of women wanting to be remote (18%) or hybrid (35%) compared to 52% for men. However, a higher proportion of female career starters would prefer fully remote working (14%). This is perhaps unsurprising given that at this early career stage, caring or parenting responsibilities may not be playing the role that they do further down the line.



**70%** hybrid workers who would prefer to remain working in this way

Of those currently working remotely, 70% indicate that this is their preference, with 17% preferring for hybrid working. Similarly, 70% currently in hybrid work indicate a preference to remain working in this way. Of those working primarily or fully onsite the majority indicate a preference for their current working structure (51% and 61%) although this preference is somewhat weaker.

High preference rates for remote and hybrid working could have implications for sectors that require onsite presence. Industries may need to adapt to attract and retain talent in a world where remote and hybrid work are increasingly preferred. This might require the introduction of more flexible working practices, or enhancement to the workplace environment to meet the evolving expectations of the workforce. Ultimately, fully site based roles may require higher levels of compensation to remain desirable to talent.

**Preferred interactions with colleagues and associates**

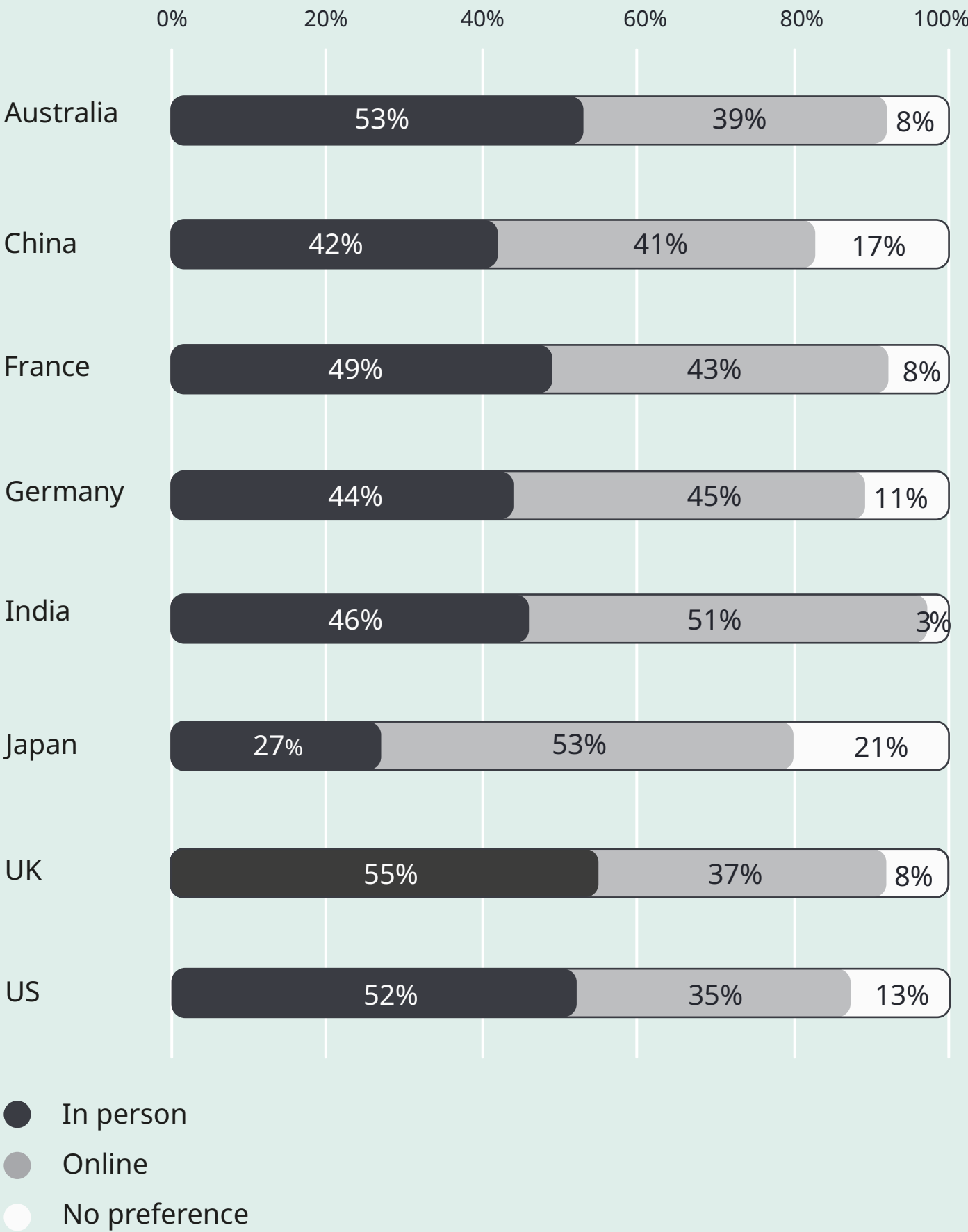
Just under half (46%) of new career entrants express a preference for in-person meetings. While those who are primarily site based prefer face to face interactions (53%), remote and hybrid workers also appreciate this opportunity, with 35% still preferring in person meetings.

There is, however, some variance across markets with the UK having the highest preference for in person meetings (55%) and Japan having the lowest.

**46%** career starters who express a preference for in-person meetings



**Figure 6: Preferred way of meeting with 3+ colleagues or professional associates**



Of those who prefer to meet online 17% prefer their camera off in meetings, while 26% want to be camera on. In Japan 35% want their camera turned off, compared with just 5% in China, perhaps reflecting cultural preferences to retain personal privacy.

When it comes to 1-2-1 conversations most career starters prefer to have these in person (52%) with a third preferring to do this online (11% with camera off, 22% with camera on) and 7% via phone. France and the US especially value face to face (63% and 62%) respectively. Of those currently fully remote or hybrid, 41% prefer to meet in person.

The data highlights the need to balance the best of both worlds; a majority (around 53% in key markets) of people prefer hybrid or remote work, but still value in-person meetings (ranging from 27% to 55%). This suggests that the future of work may well be hybrid – but there will still be a need for intentional in-person engagement. Rather than a simple remote versus in-office debate, this implies a shift toward a more flexibly structured workplace where workers expect autonomy but also value meaningful, well-planned in-person interactions (see also expectations around anchor days). Organizations that recognize this balance could have a competitive advantage in attracting and retaining talent.

“For me, hybrid or remote work isn’t just about flexibility. It speaks to company culture and the level of trust they place in employees to work independently.”

– Female, UK

### 1.5 Attitudes to work and expectations of work

Workplace structures clearly have a bearing on attitudes and expectations, including pay, and decisions about whether to stay in, or change jobs.

In thinking about **pay and other forms of compensation**:

- 64% of new career starters think that jobs requiring a full-time presence onsite should be paid more. Of those who are currently fully remote or hybrid, 58% agree with this, compared with 67% of those who are site based.
- 71% think that jobs requiring a full-time presence onsite should offer other flexibilities, for example, core hours or condensed/part-time working. 67% of those who are currently in remote or hybrid roles say this.
- Half of career starters (51%) believe that there are additional economic benefits with remote and hybrid working. 59% of those who are currently working in remote or hybrid roles, living more than an hour away from their organizations office, say they are able to save money by not travelling into work.

Pay and commuting time are key concerns for this generation in considering new job roles that are fully onsite, with 57% saying their decision would be primarily driven by remuneration levels (rising to 65% in China and 64% in France), followed by commuting time (53%) and commuting costs (45%).

In thinking about **changes to current work structures**:

While noting that these are hypothetical scenarios and, in reality, decisions may be driven by economic necessity, 35% say they would seek to leave their job if they had to work onsite all the time, although slightly more (38%) disagree. Almost half (49%) of those currently in remote or hybrid roles would leave their job if required to be onsite full-time.

Conversely, a third say they would seek to leave their job if it was going fully remote, although 41% disagree on that point. Around a third (34%) of those who are currently in hybrid roles would leave their job if required to be fully remote.

This suggests that overall new entrants are similarly attracted to, or repelled by, different working structures be they predominantly onsite or otherwise. However, those who are currently in remote/hybrid roles are more likely to anticipate seeking another job if working structures were to change.



### In thinking about **future job roles**:

Again, acknowledging that this is largely an abstract line of questioning, 38% say they would not consider taking a new job if it required being onsite full-time, rising to 51% among those who are currently in remote or hybrid roles.

37% say they would not consider taking a new job if it was fully remote, but 38% disagree (implying they would). 38% of those who are remote or hybrid say this.

These findings indicate that the experience of hybrid workers will strongly influence decisions about future working preferences. This is something that employers will need to consider in thinking about new roles and how teams will need to function in the modern workplace.

**38%** would not consider taking a new job if it required being onsite full-time

### In thinking about **other working practices**:

Most career starters believe that they should have the right not to be contacted outside of contracted working hours (67%), although this is slightly less among those who are currently in remote and hybrid roles (64%) perhaps reflecting an acceptance that out of hours contact is more likely to happen in roles where the division between work and home is blurred. During their first two years in the workforce nearly half of remote workers were also more likely to work from a vacation location (49%) while remote workers also tended to work outside of contracted hours (48%) more than fully site based workers.

58% of all those currently in remote and hybrid roles agree that there should be 'anchor' days or prescribed days for teams to be in the office together.

20% of all new starters think that the availability of childcare or other caring responsibilities are important factors when considering new job roles. This rises to 24% among all women.

“In my previous role, the remote working culture blurred all boundaries. I was contactable at all hours, receiving messages on my personal phone late at night.”

– Female, UK

“I prioritize coming into the office on anchor days because it’s the best way to build strong relationships and understand my colleagues beyond just their job roles.”

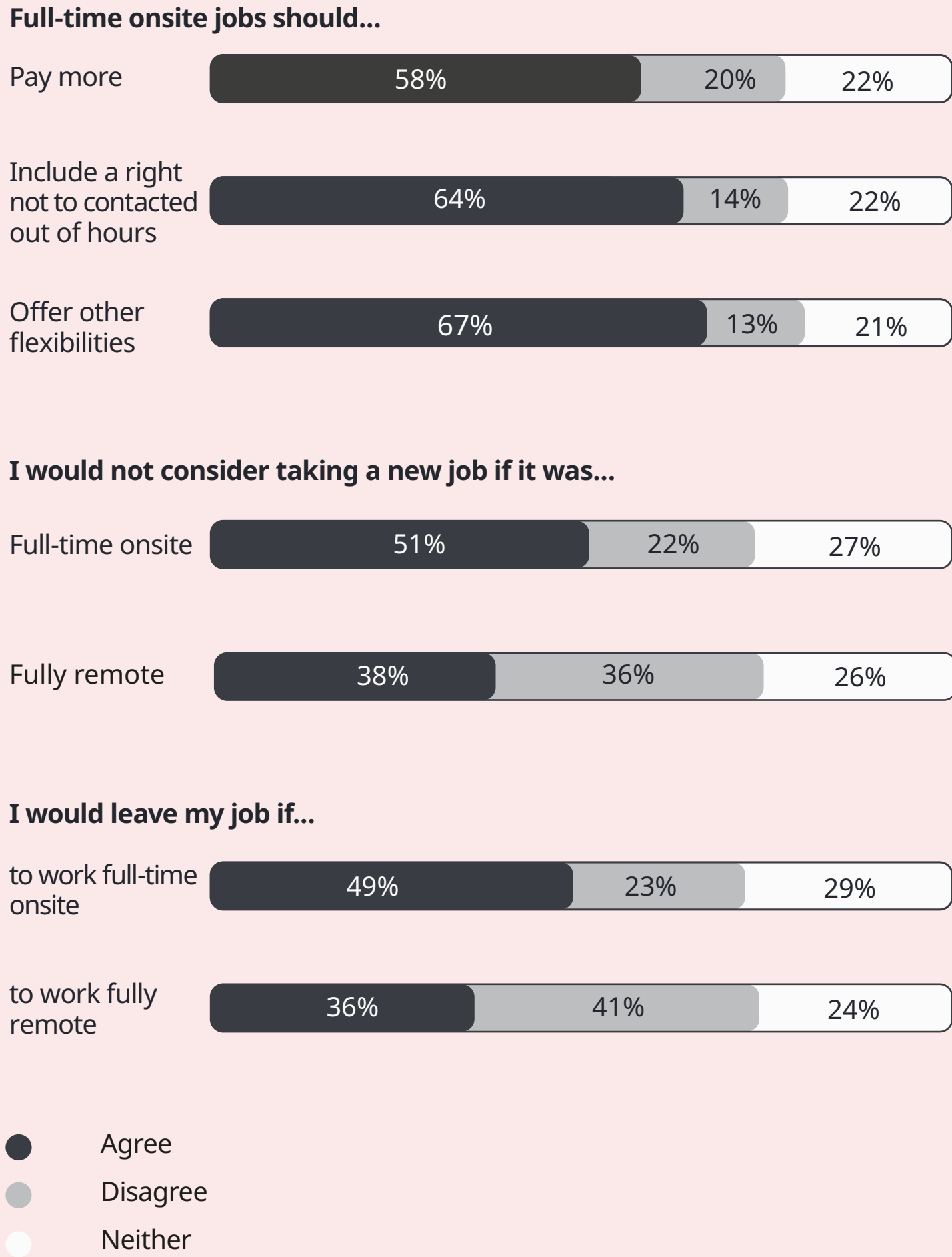
– Female, Australia



Survey respondents were mixed when asked whether they were more efficient at work or at home, 59% of those who work in a hybrid structure say they are more efficient on site. This compares with 69% among those who are primarily site based, and 74% among those who are fully site-based.

Nearly half (48%) say they are far more likely to work outside of contracted hours when working remotely, yet conversely the same proportion (47%) say they spend more time on non-work activities when at home. A key reflection that emerged was that young workers weren’t as knowledgeable about their role, so valued the in-person support. Those who were more experienced felt more comfortable working efficiently away from home. Further research is needed to understand the full effects of remote or hybrid models on individual efficiency across different working populations.

Figure 7: Views of new career starters currently in remote or hybrid roles



## 1.6 Experiences of work during the pandemic

The experience of new career starters who worked through the pandemic or joined as it was coming to an end provides some insight into the emotional and psychological relationships of this generation. This includes how they interacted with colleagues and workplaces as well as how they view their work.

New starters were immediately impacted by imposed working restrictions, with 16% being placed on furlough, temporary unpaid, or part-paid leave, across all markets and sectors. This suggests new starters experienced roughly consistent levels of furlough to the wider population (see analysis in the appendix), although figures vary. Between 2019 and 2025, 8% of all new starters lost a job due to downsizing.

### Interactions at work

Almost a quarter (24%) of all career starters began a new job without meeting colleagues in person for at least three months. This rises to 35% among those who were working remotely. Some even started and left a job without meeting colleagues in person (7%), rising to 21% among remote workers.

While most remote and hybrid workers (93%) were able to find a suitable workspace at home, 17% reported that they worked in and slept from the same room, with 8% saying they worked from their childhood bedroom. Not everyone is able to separate their working and living space.

**59%**  
hybrid or remote career starters  
say they can save money by  
living more than an hour away  
from work

“I’ve had to learn to set clear work-life boundaries – like physically separating my workspace from my bedroom – to maintain a healthier balance.”

– Female, UK

Those who started work in 2020/21, in the peak of the pandemic, were more likely to have been isolated, with 29% not meeting colleagues in person for at least three months and 8% even starting and leaving without meeting colleagues in person.

Overall, only 26% coped well with their job, although those in remote and hybrid roles indicate that they coped less well (22%) than those who were based onsite (29%). One in ten reported that they struggled to understand aspects of their role.

### Health and well-being in work

Since the pandemic, there has been an observed global trend of all workers, of all ages, placing greater priority on their physical and mental well-being. Early retirement and leaving jobs that didn't support well-being, created the 'Great Resignation' while the term 'quiet quitting' has emerged to describe employees who have decided to do the minimum work required to satisfy their work obligations as a protest against the culture of overworking.<sup>53</sup> These phenomena have drawn attention to the importance of mental health and well-being in the workplace.

<sup>53</sup> The term "Great Resignation" was coined by Anthony Klotz, an associate professor of management at Texas A&M University, to describe the significant number of employees leaving their jobs in the post-pandemic period.



**"I think some of those invaluable conversations happen when you're in person."**

– Female, UK

**"When you don't have anyone just sat next to you to ask a question to, it can feel a lot more formal."**

– Female, US

Poor health reduces productivity and has significant social and societal impacts. Globally, the average worker takes roughly 7.8 sick days per year, although this figure varies significantly across countries and sectors.<sup>54</sup>

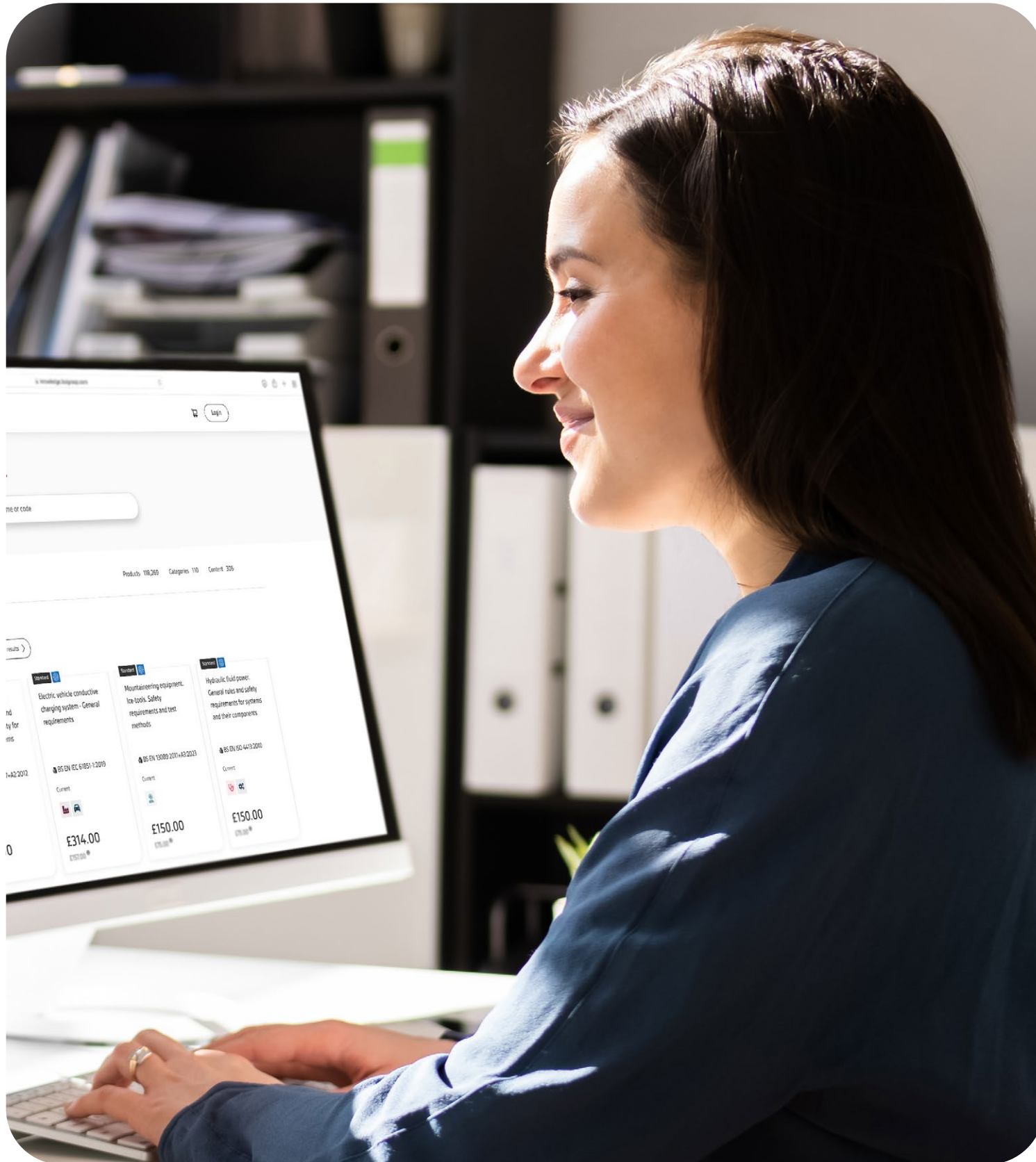
In 2023, this cost the UK economy £32.7bn in lost productivity. This marks the third consecutive yearly increase in lost productivity, from an estimated £24.6bn in 2021 and £30.7bn in 2022. If current trends continue, work absences due to long-term sickness will cost the UK economy £66.3bn a year by 2030 in lost productivity.<sup>55</sup>

In general terms it appears that the pandemic has had a moderate impact on health and well-being, at least for the hybrid generation. Overall, 70% of career starters report having been absent from work for six days or less over the last year, due to illness or mental health challenges.

- 21% have taken 1 – 3 days off
- 22% have taken 4 – 6 days
- 22% have taken a week or more
- 9% have taken off more than a month, and
- 27% have taken none

<sup>54</sup> OECD Health Statistics 2024, Definitions, Sources and Methods, Absence from work due to illness, OECD, November 2024

<sup>55</sup> Work absences due to long-term sickness could cost the economy £66.3bn a year by 2030 in lost productivity, Zurich, February 2024

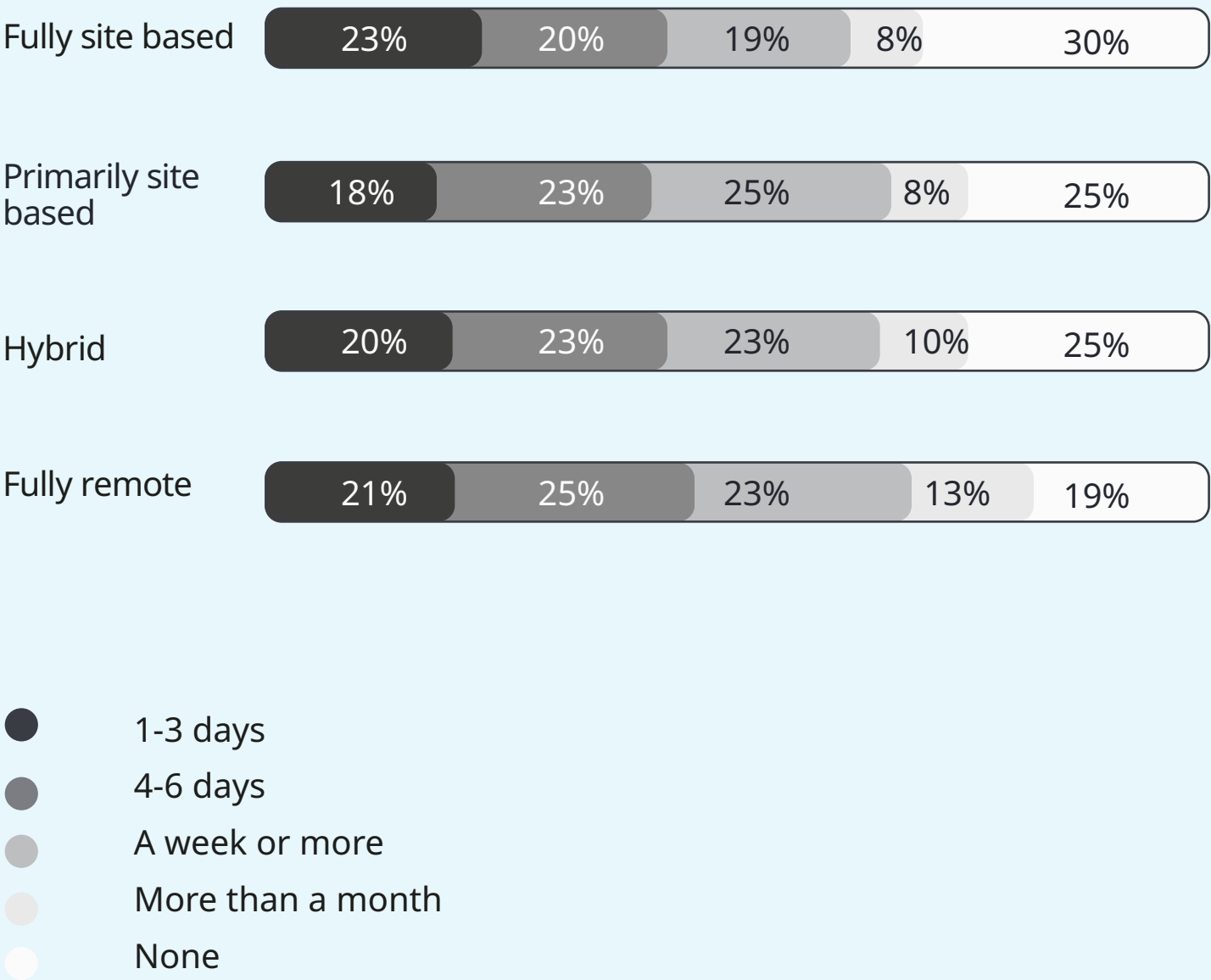


However, one in ten (9%) have been absent due to illness for more than a month.

Those who are fully site based are less likely to be absent due to illness, with 30% having taken no days due to illness compared with 24% for all those who are not fully site based. There are also some variations in absenteeism across markets. Japan (46%) and China (44%) are outliers in the proportion of new starters that have not been absent due to illness, compared to 27% across all markets. Among all industries the Tech sector has the lowest proportion of staff who have not taken time off due to illness (21%) compared with the built environment (34%) which has the highest proportion. This may reflect the physical injury risks associated with more manual roles.

Relatively few (3%) of all new starters report that they lost or left their job because of their struggle with mental health. This figure is broadly equivalent across all forms of working structure, sector and market.

Figure 8: Days off due to illness in the last year



“In my first job during Covid-19, my mental health was so bad. I hated the job, the whole situation. I really, really struggled. It was just the worst.”

– Male, UK

“We’re told our mental health is being prioritized. But then, there’s not a lot of follow through on making any of that a reality.”

– Female, UK

However, some clearly struggled with mental health issues during this period. Of those in hybrid roles, 57% reported that their mental health was enhanced by this structure, with 59% able to exercise more. However, a third (34%) said their mental health was negatively affected by working remotely during the pandemic, with half (49%) finding it hard to leave the house. Whilst hybrid working doesn’t support everyone’s mental health, this does suggest it tends to support better physical and mental health. Amid increasing levels of chronic ill-health, and mental ill-health, such flexibility may bring significant productivity and health gains by keeping more people healthy and in work.

Others felt that there was inadequate support for their mental health struggles from their employers. While most hybrid workers appear to find this structure helpful in striking a work-life balance it is clearly not suited to all new employees. There is some indication that hybrid roles might lead to, or reinforce, a sense of isolation or lack of workplace confidence. 53% of hybrid and remote workers are more confident in virtual meetings, compared with 45% of all new starters, while almost a quarter (24%) of all those currently in remote or hybrid roles say social anxiety would influence their decision to take a site based role.



### Social activities

The pandemic had a negative impact on how new employees were able to socialise with work colleagues, as well as in general. However, 73% of all new starters have been able to make friends in their first job, while 55% regularly socialise with colleagues at the end of the day and 48% are able to engage in social activities with colleagues at least once a month.

**73%** New starters who were able to make friends in their first job



### 1.7 Progression and advancement in work

Some of those who started their careers in 2020 and 2021, when lockdown restrictions were in force, felt that they missed out on a number of opportunities to advance their careers, including networking and training opportunities.

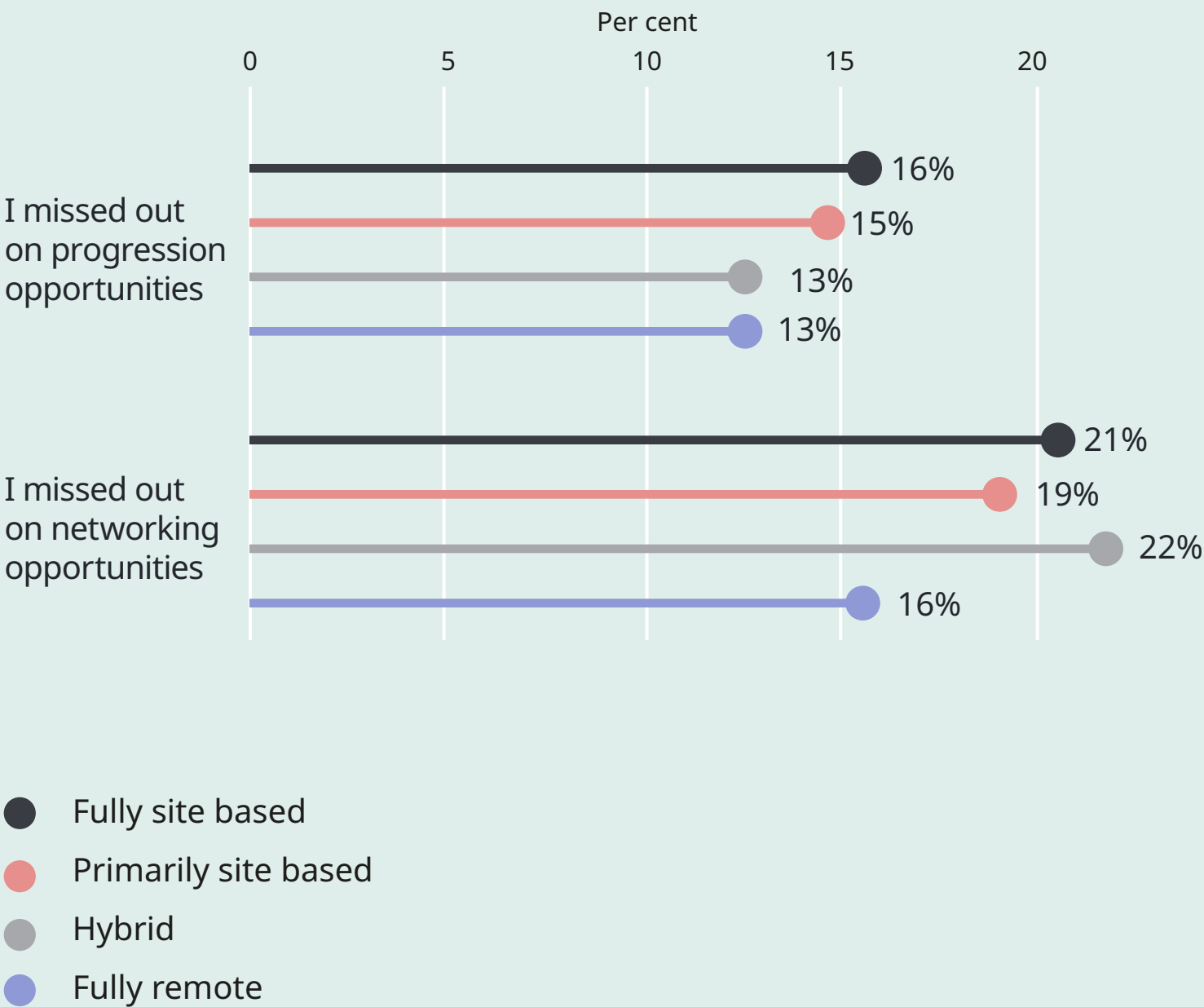
Those who were fully site based were more likely to feel that they were missing out on opportunities for progression (16%) and networking opportunities (21%) compared with those in remote roles (13% and 16% respectively), although the large majority did not feel this way.

This may be because of a higher expectation among site based employees that in normal circumstances there would be face to face networking opportunities that were unavailable during lockdown. This also applies to wider socialising with work colleagues. In contrast, for remote or hybrid workers, a greater number of progression opportunities may have become available, for example by virtue of being able to apply for jobs in any location.

“I do feel like I’ve missed out on some career progression opportunities. I think the natural trajectory of a career was disrupted, and I might have moved on to a bigger role sooner if not for that.”

– Male, UK

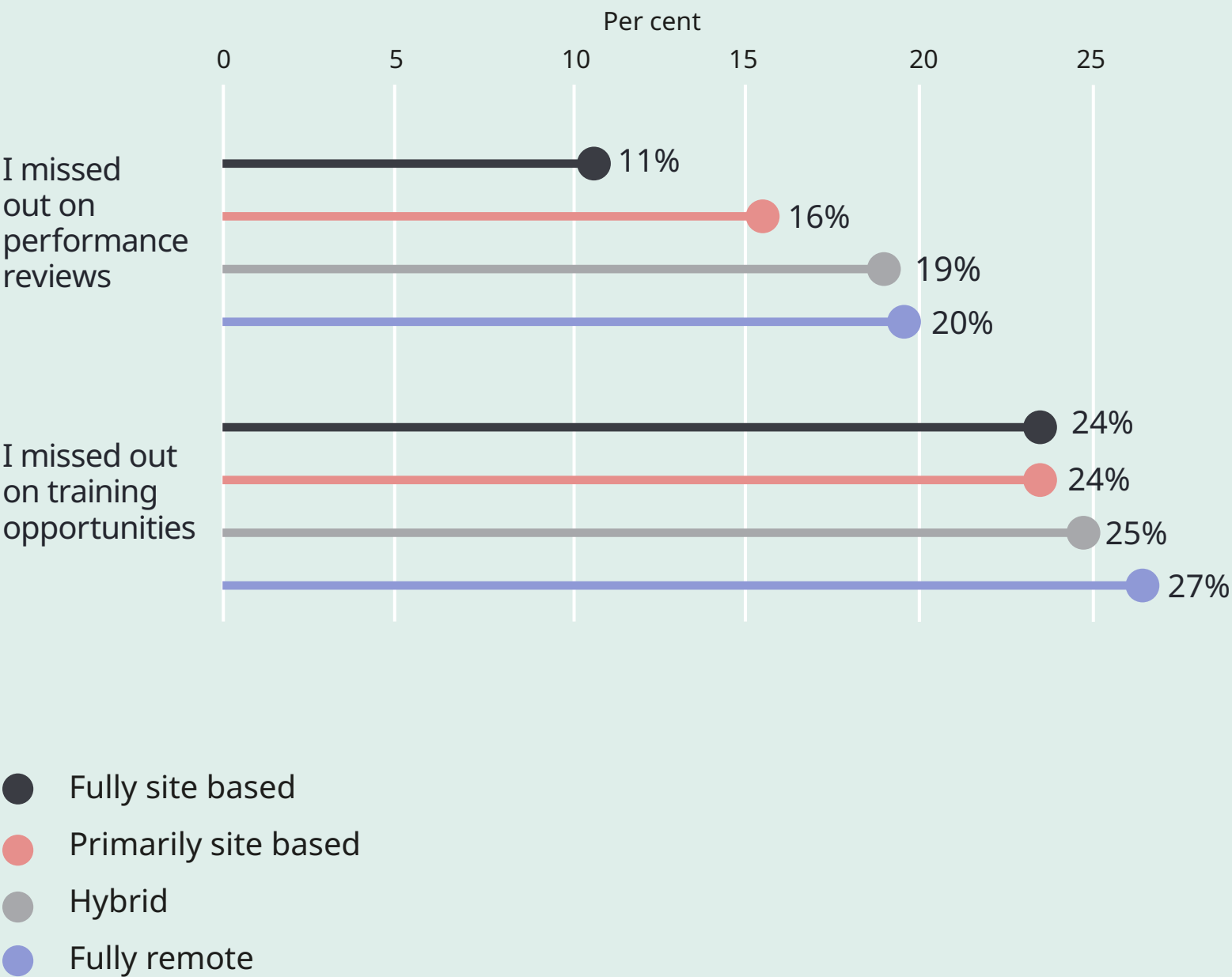
**Figure 9: Progression and networking opportunities**



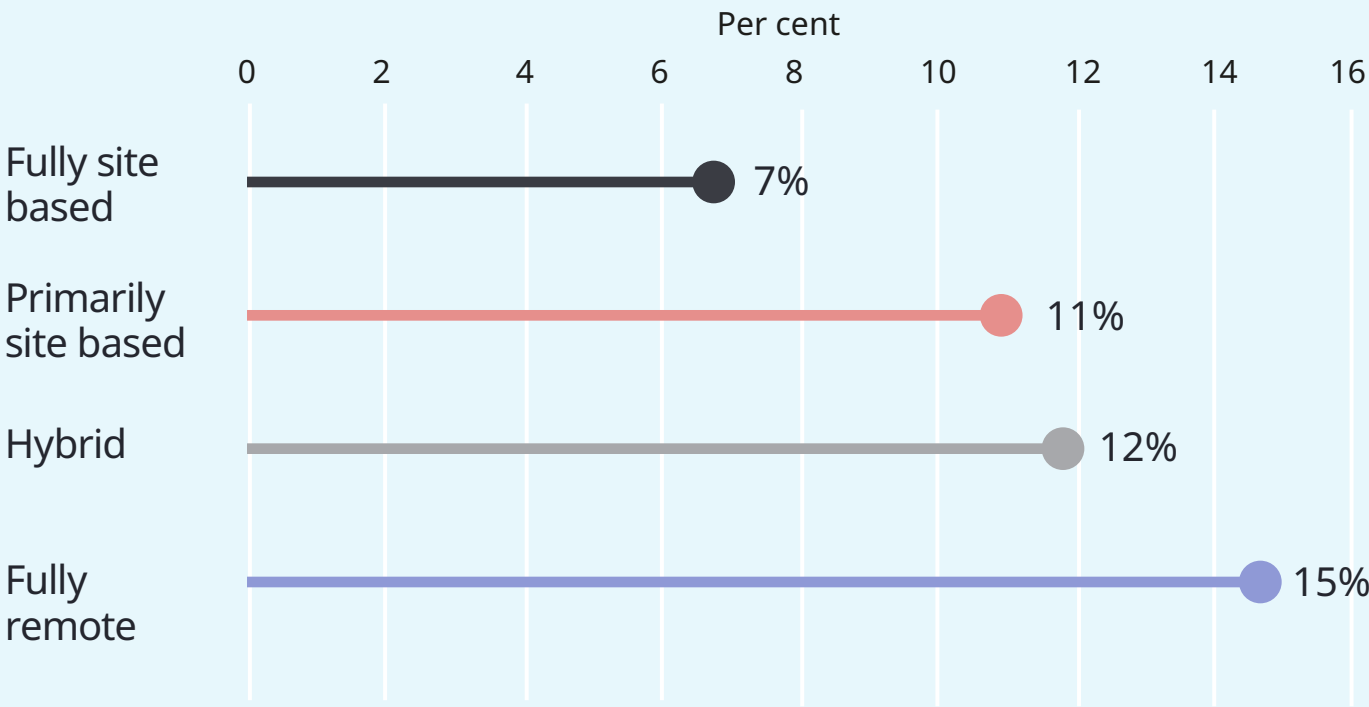
Conversely, remote workers are more likely to feel that they have missed out on training opportunities that they believed would have been on offer if the pandemic had not struck (27%) as well as performance reviews (20%) when compared with those in fully site based roles (24% and 11% respectively). Again, most career starters do not feel this way, with 28% able to undertake remote training during this period and 15% having their performance reviews online. Nearly one in five hybrid workers (18%) were called onto site for training or performance reviews.

At the same time, some felt that the pandemic presented opportunities that might not otherwise have been available. This is particularly strong among remote (15%) and hybrid (12%) workers who took a job that they believe they would not have been able to if it had been site based.

**Figure 10: Performance reviews and training opportunities**



**Figure 11: I took a job that I would not have been able to take if it had been site based**

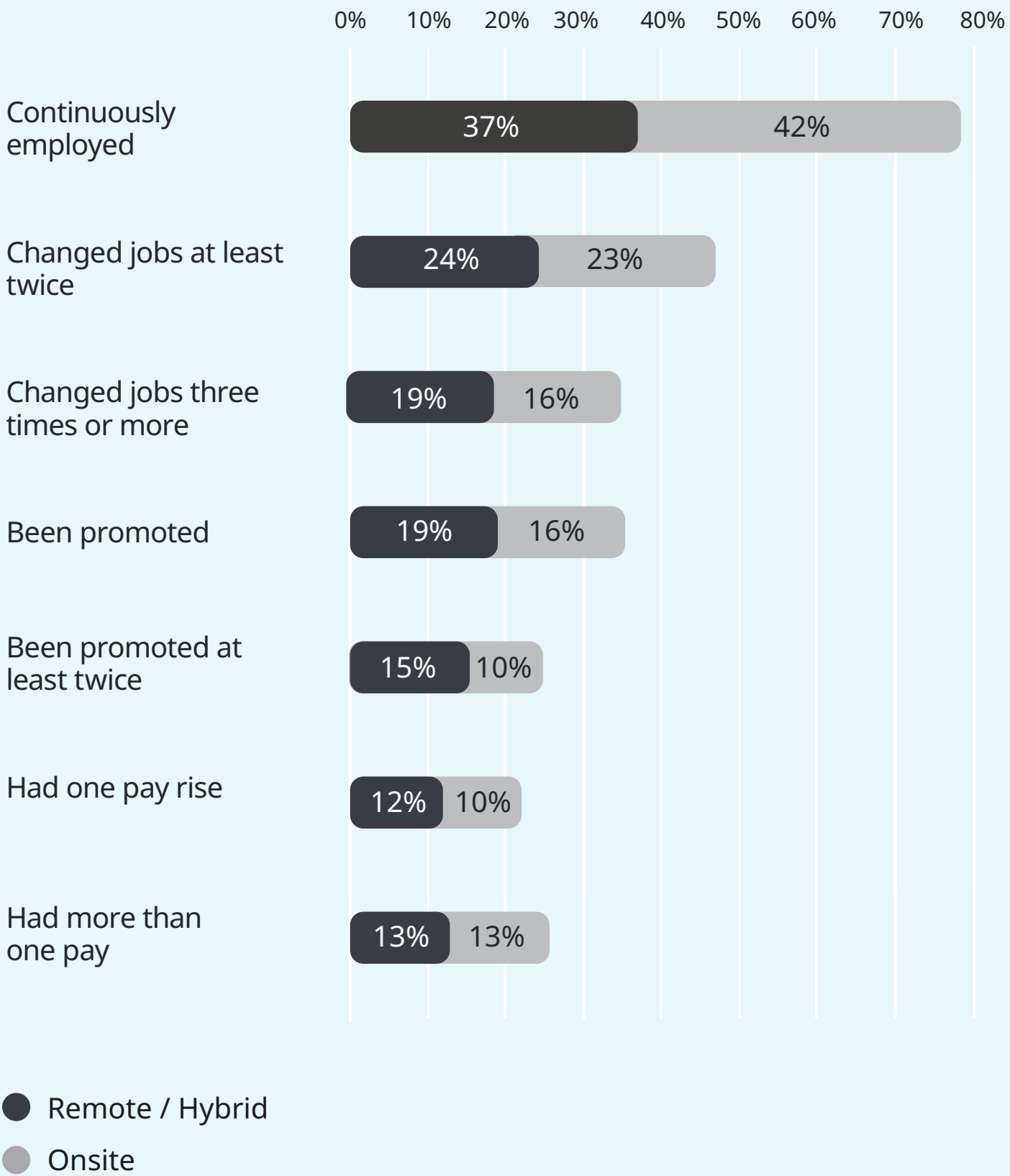


Outcomes for all new career starters are broadly positive, with 62% of all starters finding their first two years in work to have been a positive experience and 66% feeling fulfilled in their work at the moment. Among all those who started work during this period:

- 40% have been continuously employed
- 23% have changed jobs at least twice, and 17% at least three times
- 17% have been promoted once and 12% at least twice. Of those who started in 20/2021, 20% say they have been promoted once and 15% more than once
- 11% have had at least one pay rise, above standard company pay rises in line with inflation, and 13% have had more than one pay rise
- 30% are earning more than their starting salary

Those currently in remote or hybrid roles are less likely to have been continuously employed, although they have changed roles and have been promoted more frequently than those in predominantly onsite roles. They have also benefited more from pay rises. This may indicate that during this period remote roles have offered less secure employment but higher rewards.

**Figure 12: Outcomes for new career starters**



### Ambitions for the future

While most new starters feel loyal towards their current employer (63%) they are also clear that they will prioritize their own careers over their employer's needs (63%). Over half (52%) expect to change career in their lifetime, 50% expect to change career in the next ten years. Those in remote and hybrid roles have a slightly higher expectation of changing career. This can be understood in the context of an ageing society in many of the countries covered, where retirement ages are pushing upwards and the general expectation is they will be working for longer.

A quarter of all starters are looking to change jobs in the next two years, with 13% actively seeking a new role. But many are happy where they are with 37% saying they hope to remain in their current organization for the next five years, and 25% for ten.

Achieving a work-life balance is the top ranked factor that motivates new career starters in their professional life (49%), with the majority of women identifying this as the most important factor (51%). This features higher than job stability (43%), financial incentives (39%), passion for the work (33%), development opportunities (27%), the organization's values (18%), and loyalty (16%).

"I think the expectation to stay in one place for 10 to 15 years and build your career isn't realistic nowadays."

– Male, UK

"We work to live, we don't live to work. Having personal autonomy in a hybrid environment allows employees to make work decisions that actually suit their life while still adding value to their organization."

– Female, Australia



## 1.8 Reflections on the hybrid generation

There are clearly pros and cons to the experience of working through the Covid-19 years as a new career starter, albeit that this was not a situation people chose or had much control over (save for those who prolonged education as a result). Some in hybrid and remote roles feel that they were able to realize opportunities that might not otherwise have been available: others suggest the reverse.

Many feel that remote working provides for a better work-life balance and enables them to be more productive and efficient in their job. In terms of progression in work, including promotions and pay, remote and hybrid workers appear to have fared marginally better than those in predominantly site based roles.

Yet hybrid and remote working is not suited to everyone. Some clearly struggled with working from home for different reasons. For some the domestic environment was not ideally suited to work, especially where living and working spaces are shared.

“The pandemic allowed me to access job opportunities in London while still living in Bristol, which I wouldn’t have been able to afford otherwise.”

– Female, UK

“When Covid-19 hit, I went from working in the city, to sitting across the dining table from my mum on Monday morning, trying not to get in each other’s way.”

– Male, UK

In certain cases, remote working had a disruptive and distracting effect, impacting efficiency and performance. Separating work from non-working time became more difficult to manage with some having to work beyond contractual hours, often late at night and during weekends.

For others, the social isolation was more challenging. Typical steps like asking colleagues about aspects of a job, working with and between teams, were not always easily achieved remotely. For some this sense of isolation had a debilitating effect on mental health and well-being. However, the overall finding is that hybrid working offers benefits for both physical and mental health, and that having a work-life balance is the motivating force behind career decisions.

It is clear that there is no single approach that works best, and it is those organizations that can offer the best of both worlds that are in the strongest position. While the majority of the hybrid generation prefer hybrid or remote work, a significant proportion still value in-person meetings. The future of work may well be hybrid – but there will still be a continued need for in-person engagement.

Shifting towards a more flexibly structured environment where workers expect both autonomy and in-person interactions will require greater insights into the characteristics and preferences of individual employees to shape the post-Covid-19 workplace. There may be a competitive advantage to be gained in terms of productivity and efficiency savings, particularly in terms of office space, as well as attracting and retaining talent.

**“If companies want to attract and retain Gen Z talent, they need to embrace flexible working because, for many of us, it’s all we’ve ever known.”**

– Female, UK



Chapter four

# Conclusions and recommendations



Our research makes clear that there are fundamental differences between the hybrid generation and those before. That is not to say their expectations and attitudes are necessarily different. As with all workers, they want to grow their careers so they thrive personally and professionally, fuel their wider ambitions and contribute to society. They also recognize the value of in-person interaction and the social component of work.

But they have been shaped by a confluence of factors that upended some of the traditional realities of working life. Pushing the clock back to 2020 is not realistic. Instead there is a need to consider what has worked over the past five years and what will work in future to build a strong, productive, resilient workforce.

In particular, work-life balance isn't a nice to have for this cohort, it is an essential – based on their experiences during the pandemic together with the expectation that they will be working much longer than previous generations. Not only that, but unlike previous cohorts, they will be unafraid to ask this of their employers.

At the same time, our findings show that the global shift toward remote and hybrid working arrangements is multifaceted and influenced by a variety of cultural, technological and organizational factors. While the data suggests that increased flexibility of some nature improves employee satisfaction, including amongst career starters, the effectiveness of remote or hybrid working as a model for the long term depends on addressing systemic biases and ensuring equitable access to resources. Equally, it raises questions about future infrastructure needs that are as yet unsettled.

What emerges is also that a strong culture transcends a physical workplace – this and sharing values with their employer matters to today's career starters. Work structures have changed, but an authentic, open, collaborative and sociable organizational culture, built around trust, is key to keeping the workforce motivated, engaged and productive. This includes a focus on both effective line management that allows for autonomy and on development and training opportunities.

With hybrid models unquestionably here to stay, these should be reframed from something happening to business to an opportunity and potential driver of productivity, well-being and economic rebalancing. This shift can be embraced as a tool to enable individuals to work in the way that best suits their skills and wider physical or mental health and well-being needs, while giving employers access to a wider pool of talent, all ultimately contributing to economic growth.

Future research should continue to explore these dynamics, with an emphasis on developing context-specific strategies that optimise hybrid work for diverse populations across the globe and ensure career starters get the support and training they need to thrive.

**Work-life balance isn't a nice to have for this cohort, it is an essential.**

# Recommendations

## 1. Create a consistent culture of trust that treats employees with respect

Career starters are craving connection, hands-on management and a positive culture. Above all, they want a shift towards trust-based work models where employees have more flexibility across the board and where expectations are clear and consistent. For employers, that means empowering individuals where possible to work in the way that best suits them and meets their physical and mental health and well-being.

Today's workers are weighing up everything from remuneration to commuting time and cost, opportunity for hybrid work, and wider organizational purpose and culture. Employers need to be thinking about the full employee value proposition to attract and retain the best talent.

## 2. Consult and communicate

Our data paints a diverse picture of priorities and expectations. Organizations need to know what their workforce wants before addressing it. Equally, leaders need to bring people together not contribute to a generational infighting. Wanting work-life balance isn't laziness, for example.

Instead of assuming they have unrealistic expectations, it's time to start listening to the generations and encouraging greater communication.

## 3. Embrace the best of both

Some roles and some sectors require a physical presence, and many organizations understandably want a return to full-time in person working. Equally, in sectors where this is not necessary, many career starters define their office as anywhere with internet access. To strike the right balance, employers need to clearly articulate the benefits of being physically present and how these align to the practicalities of commuting, office space, accessibility considerations and beyond.

Where roles are necessarily site based, employers may need to offset this with other flexibilities. Where hybrid is possible, this means implementing flexible policies that support third-space working (work outside the home or office), or evolving workspaces into connection hubs designed to support meaningful collaboration, where it is clear why people are being brought together.

#### 4. Future-proof your talent pipeline

Building a strong future fit workforce means having access to the greatest pool of talent. Hybrid models can be part of a strategy to utilize the skills of the wider population, by creating a workforce inclusive of those who would otherwise be locked out based on location, and inaccessible to those with health, mental health or neurodiversity needs.

Organizations should tailor their work policies to ensure that the benefits of hybrid working are equitably distributed, addressing not only productivity and engagement but also well-being and career development needs.

Employers should see the changes of the past five years as an opportunity to create a more socially mobile, diverse and ultimately more productive workforce and shore up their talent pipeline. This also means understanding local needs and cultural norms across a global workforce.

#### 5. Offer development – beyond the linear career path

Set to work into their 70s, today's career starters expect to pursue multiple paths. However, they are keen to stay in their companies if they can. To retain talent, organizations need to support unconventional career paths, lateral moves and job redesign, and provide training that goes beyond specific roles.

Effective line management is a critical part of this. In a hybrid reality, different skills may be needed and it is vital for organizations to invest in this so that managers can provide the same valuable support they received at the start of their careers.

#### 6. Meet technology needs

A flexible structure rests on employees being equipped with the technology they need wherever they are, rather than expecting them to rely on personal devices. For employers, it's critical to invest in professional collaboration tools that ensure in person, hybrid and remote employees can engage equally in virtual meetings – and provide training in inclusive hybrid meeting practices to bridge engagement gaps.

Employers should also be alive to the information and data security implications of remote work, particularly around confidentiality – especially amongst career starters in houseshares or who may be using insecure Wi-Fi. Technologies like Multi-Factor Authentication, secure remote access solutions, and endpoint protection can help secure critical systems and data, no matter where employees are accessing them. Providing dedicated work devices can further build security into digital systems, as well as supporting work-life balance.

## What the hybrid generation should be thinking about

- **Plan ahead:** Traditionally choosing a career path should focus on skills and what you enjoy doing. Think about structure and set up too – do you want to be onsite or not? How much interaction do you need to motivate you?
- **Set boundaries:** Covid-19 blurred the lines between home and work, and technology exacerbates this, but that shouldn't be the norm. Wherever or however you work, it's key to accommodate your employer's expectations but also protect that separation, to avoid burnout.
- **Demand support:** Managers are still learning to navigate hybrid management, and they won't always get it right. If you need more hands-on guidance, don't be afraid to ask.



# Appendix

The impact of Covid-19  
on young people in work



# Appendix 1

The pandemic affected the economies of all countries as a result of public health measures and social distancing. The immediate impact and subsequent recovery have varied between nations depending on the composition of their economies, the severity of the virus, and the effectiveness of the public health response, including development and implementation of vaccines. In all cases labour market performance has been shaped by this experience and the different policies which governments have taken to protect themselves against economic shocks and to limit the rise in unemployment. Young people in work, particularly those leaving education and looking to enter the workforce for the first time, were particularly vulnerable to the impact of Covid-19.

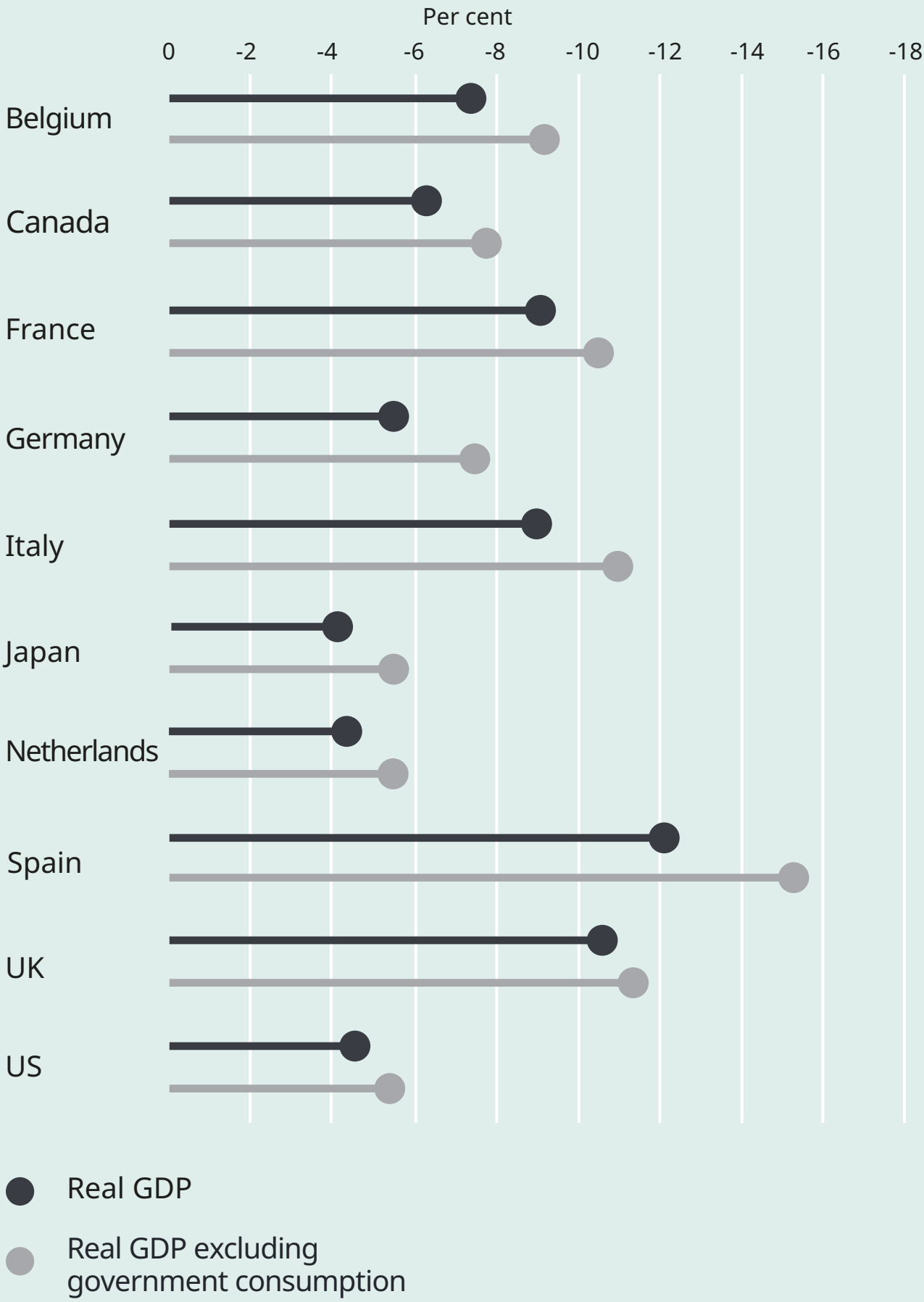
## 1.9 International comparisons

The pandemic had severe negative impacts on the global economy. During 2020, the world’s collective gross domestic product (GDP) fell by 3.4%, with most nations experiencing large falls in economic output. The UK was one of the advanced economies in which the pandemic took a particularly heavy toll on real GDP, compared to the Netherlands, Japan and the US.

It’s important to note that there are many differences between countries in the way that official statistics are recorded. Notwithstanding these differences, the UK experienced higher rates of infection, hospitalization and deaths than most other countries. The UK, and especially England, has one of the densest urban populations among advanced economies,<sup>1</sup> which made social distancing more challenging. This resulted in longer and stricter lockdowns than other advanced economies, leading to a deep recession and a challenging recovery path, exacerbated by external factors such as uncertainty over withdrawal from the European Union.<sup>2</sup>

1 Land use statistics: England 2022, Gov.UK, October 2022 (Note: Less than 10% of land in England is for developed use).  
2 The UK formally exited its membership of the EU on 31st January 2020, two months before implementing the first national lockdown.

Figure 1: Shortfall in real GDP with and without government consumption



Source: OECD, ONS, OBR<sup>1</sup>

According to IMF estimates the need for social distancing accounted for around half of the total decline in global economic activity associated with the pandemic.<sup>3</sup>

The economic impact of the pandemic was uneven across countries, with some nations facing particularly severe challenges due to preexisting vulnerabilities such as high fiscal deficits, economic structures more exposed to shocks, and heavy reliance on specific industries such as tourism or commodity exports. Tourism dependent economies such as Southern European countries (Spain, Italy, Greece) Caribbean nations and small island economies experienced deep economic contractions. The reduction in both international and domestic travel led to significant revenue losses, high unemployment, and a severe downturn in related industries such as Hospitality, Retail, and Transportation.

Emerging market economies such as Brazil, India, and Mexico suffered considerable GDP contractions. High infection rates, coupled with health systems under pressure and limited fiscal buffers, led to massive disruptions in both supply chains and labour markets. Additionally, these countries faced challenges in balancing public health measures with economic activity, which exacerbated job losses and reduced economic growth.

The pandemic triggered a historic collapse in oil prices due to a sudden drop in demand, which severely impacted economies that rely heavily on energy exports. In these countries, reduced oil revenues led to budget deficits, cuts in public spending, and broader economic instability.



3 [World economic outlook: Chapter 2 – Dissecting the Economic Effects](#), IMF, October 2020

### 1.10 Impact by sector

Differences in the sectoral composition of economic activity across countries also explains some of the main differences in economic output. Covid-19 had far-reaching effects on virtually every part of the global economy, but several sectors experienced particularly severe disruptions, which in turn will have shaped participation in those industries amongst career starters during that period. In contrast, workers in the knowledge economy including technology sectors, publishing, scientific research and development, and higher education were better able to withstand the economic shock.

#### Travel, Tourism, and Aviation

Border closures, lockdown measures, and travel bans led to an unprecedented drop in international and domestic travel. Airlines saw dramatic declines in passenger numbers, resulting in massive revenue losses, grounding of fleets, and a significant reduction in flight schedules.<sup>4</sup> Hotels, resorts, and attractions suffered as tourism plummeted.<sup>5</sup> This ripple effect extended to local businesses reliant on tourist spending, from restaurants to tour operators.<sup>6</sup>

#### Hospitality and Leisure

More generally restaurants and bars were deeply impacted by social distancing mandates, capacity limits, and closures hit the food and beverage industry hard. Some establishments were able to pivot to take away and delivery via online platforms, but many establishments struggled with reduced footfall and were forced to shut down temporarily or permanently.<sup>7</sup> Entertainment venues such as cinemas, theatres, concert halls, and sports arenas were either closed or operated under strict restrictions, greatly impacting revenues and employment in these sectors.



4 [Economic Performance of the Airline Industry](#), International Air Transport Association, 2020, 2021.  
5 [United Nations World Tourism Organisation Tourism Highlights](#), UNWTO, 2020 Edition, January 2021  
6 [Economic Impact Reports, 2020](#), World Travel & Tourism Council, accessed March 2025  
7 [Covid-19: Implications for business in 2020](#), McKinsey, December 2020



The economies in the UK, Italy and Spain are somewhat more weighted towards this type of high-contact social consumption, which was reflected in greater falls in spending in these countries.<sup>8</sup>

### **Retail**

Non-essential retail in physical stores faced significant challenges as lockdowns and social distancing measures curtailed in-person shopping.<sup>9</sup> While some businesses shifted to online sales, many smaller retailers were unprepared for the rapid transition to e-commerce, leading to store closures and job losses.<sup>10</sup>

### **Manufacturing and Global Supply Chains**

Manufacturing sectors, especially those reliant on just-in-time production, faced shutdowns or severe slowdowns due to localized outbreaks and supply chain interruptions.<sup>11</sup> Industries such as automotive manufacturing and electronics were particularly affected, as delays in obtaining components from across the globe disrupted production lines.

### **Energy**

With travel and industrial activities curtailed, global energy demand dropped sharply, leading to significant fluctuations in oil and gas prices.<sup>12</sup> The energy sector experienced extreme market volatility with periods of oversupply and steep price declines, which, in turn, had broader implications for economies heavily reliant on energy exports.<sup>13</sup>

### **Event-Based and Personal Services**

Major conferences, exhibitions, and events dependent on large gatherings were postponed or moved online, which affected industries built around live events and networking. Sectors such as fitness centres, salons, and other personal care services also experienced closures and reduced customer demand due to health concerns and restrictions.<sup>14</sup>

Overall, the sectors most impacted were those dependent on physical interaction and mobility. The sudden need for social distancing and lockdowns forced a rapid and often painful restructuring of business models. While some industries, particularly those related to digital services, managed to thrive or adapt, traditional sectors like travel, hospitality, and in-person retail faced steep declines and recovered gradually as restrictions eased and consumer confidence rebuilt.

<sup>8</sup> [Economic and fiscal outlook](#), OBR, March 2021

<sup>9</sup> [NRF 2021 Retail Trends Report](#), National Retail Federation, 2021

<sup>10</sup> [The Great Retail Shift](#), McKinsey Global Institute, 2020

<sup>11</sup> [Global Economic Prospects](#), World Bank, June 2020 and ILO reports on Covid-19's impact on global supply chains.

<sup>12</sup> [US Short-Term Energy Outlook](#), Energy Information Administration, 2020

<sup>13</sup> [Monthly Oil Market Report](#), OPEC, December 2020.

<sup>14</sup> [Covid-19: A One-Year Update](#), PwC, 2021

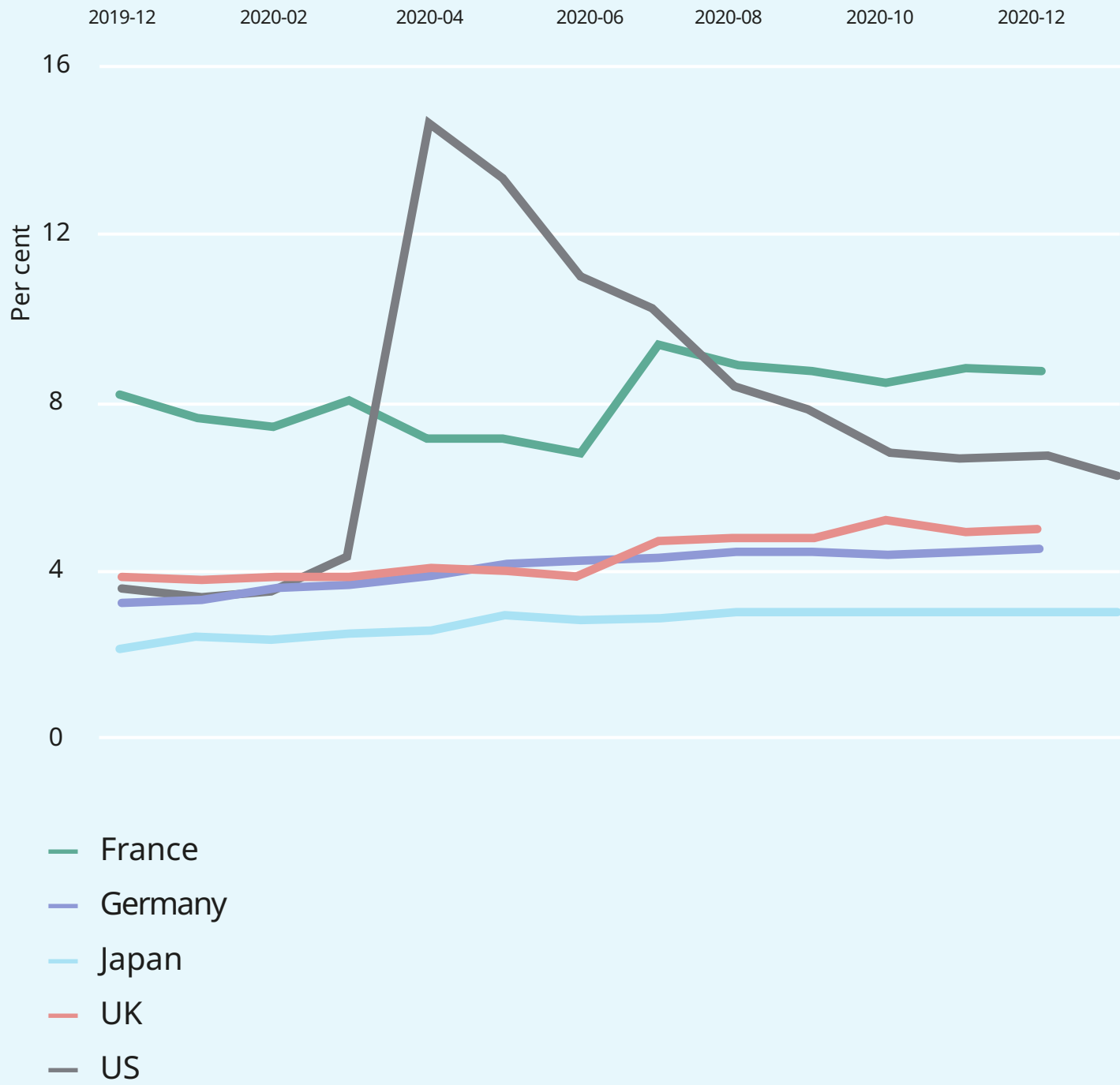
The impact was also felt according to organization size, with smaller firms, informal businesses, and enterprises with limited access to formal credit all hit more severely. Larger firms entered the crisis with the ability to cover expenses for up to 65 days, compared with 59 days for medium-size firms and 53 and 50 days for small and microenterprises, respectively. Moreover, micro-, small, and medium enterprises are overrepresented in the sectors most severely affected by the crisis, such as Accommodation and Food Services, Retail, and Personal Services.<sup>15</sup>

<sup>15</sup> World Development Report 2022, Finance for an Equitable Recovery, Chapter 1, The World Bank, accessed March 2025

### 1.11 Labour market performance

Labour markets globally experienced significant disruption during Covid-19, although there were noteworthy divergences within and between countries. Unemployment among G7 nations was mixed, with the US, followed by Canada, experiencing the highest levels of unemployment at the height of the crisis in April 2024. By comparison Japan, followed by Germany and the UK, managed to keep unemployment down to pre-pandemic levels.

Figure 2: Unemployment trends among G7 nations – December 2019 to January 2021 (%)



Source: <https://data.oecd.org/unemp/unemployment--rate.htm.rate.htm>

While unemployment soared in the US to a peak of near 15%, the highest level since the Great Depression and a nearly fourfold increase since the pre-Covid-19 figure of 3.5%, the unemployment rate in Japan rose by just two-tenths of a percentage point, to 2.6%. Wages and working hours also remained relatively stable, despite output shrinking by 2.2% in the first three months of 2020, pushing the country into recession. These stark differences in labour market performance can be explained by social, demographic and epidemiological factors as well as the policy approaches taken by different countries.<sup>16</sup>

Prior to Covid-19, Japan had one of the tightest labour markets in the global economy, with many companies struggling to recruit. Unlike the US, the country avoided a devastating spike in coronavirus cases, allowing it to keep more of its economy open. Businesses were asked to close on a voluntary basis during a state of emergency that lasted just a month and a half.

16 [Why Japan's Jobless Rate Is Just 2.6% While the U.S.'s Has Soared](#), The New York Times, June 2020, updated March 3, 2021

But those differences account for only part of the gap. The rest comes down to a fundamental divergence in attitudes and labour policies. While in the US it is common to lay people off when the economy suffers, in Japan this is both culturally and practically difficult, with Japanese companies more likely than their US counterparts to prioritize employees' interests over those of shareholders, focusing on the sustainability of their business rather than maximizing growth. Japan's workforce puts in some of the longest hours in the world, but employers are expected to provide job security in return – in many cases, for life.

Japan, like many other countries, introduced a job retention scheme to furlough employees who were unable to work. This enabled economies that retained employer–employee links to recover more quickly in terms of labour market participation.<sup>17</sup>

While job retention schemes offered widespread support, participation varied between countries. Take up in the UK (15%) was among the among the highest compared with Germany (5%) and Japan (2%) which was far lower than most other countries due to many businesses remaining open.<sup>18</sup>

17 [Coronavirus: how countries supported wages during the pandemic](#), Institute for Government, November 2020  
18 [The impact of the Covid-19 on G7 labour markets](#), 1st meeting of the G7 Employment Task Force,, OECD, ILO, March 2021

Figure 3

| Country   | Scheme                                                                                                                                                                                              |
|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Australia | JobKeeper paid AU\$1,500 per employee per fortnight to eligible businesses.                                                                                                                         |
| France    | Payments to employees were 70% of pre-crisis pay up to a cap.                                                                                                                                       |
| Germany   | Proportion of prior wages paid by the government increased from 60% for the first three months to 70% for the fourth to sixth months and then to 80% from the seventh month (extra 7% for parents). |
| Japan     | Job retention scheme to furlough employees on 60 percent of their wages.                                                                                                                            |
| UK        | Coronavirus Job Retention Scheme paid furloughed workers 80% of their previous salary, up to a cap of £2,500 a month.                                                                               |
| US        | The Paycheck Protection programme guaranteed loans covering wage and other costs, such as healthcare insurance, for small businesses with fewer than 500 employees for up to eight weeks.           |

## 1.12 Youth unemployment

Although many jobs were protected during Covid-19, some groups were more vulnerable. This included young people who experienced a higher rate of job losses as well as reduced hours.

Not only were opportunities for young people to enter the labour market restricted during the pandemic, it was also the case that the sectors that traditionally employ a larger proportion of younger or first-time workers were disrupted significantly. Many relying on part-time, seasonal, or entry-level positions in tourism, hospitality and leisure were disproportionately affected.

Retail positions, commonly filled by young workers, including many in part-time or temporary roles, experienced widespread job losses. Creative industries, particularly live events, performing arts, and cultural festivals, were cancelled or postponed as social gatherings became restricted while other service-based roles – such as fitness centres, salons, and other personal services – were also significantly affected by lockdown measures.



Despite the sudden drop in demand leading to layoffs and uncertainty about long-term employment prospects, the ‘Gig Economy’ experienced rapid growth during Covid-19 and was able to offer opportunities for young people in ride-hailing, food delivery, and other on-demand services. In the US, during the first year of the pandemic, there were 2.1 million new gig workers. In 2021, there were 3.1 million more.<sup>19</sup> However, these jobs often lack benefits and job security. The pandemic not only disrupted normal patterns of demand but also intensified the precarity many young gig workers already faced.

Overall, the loss of work or reduced hours not only had immediate financial impacts but also long-term implications for career progression and skills development among young workers. Many young workers found it difficult to pivot to remote or digital forms of work, partly because the sectors in which they were employed were not easily adaptable to a remote working model. The economic uncertainty and job losses in these sectors can also be seen to have contributed to increased stress and mental health challenges among younger populations.<sup>20</sup>

<sup>19</sup> [The Evolving Role of Gig Work during the Covid-19 Pandemic](#), National Bureau of Economic Research, August 2023

<sup>20</sup> [Covid-19 pandemic triggers 25% increase in prevalence of anxiety and depression worldwide](#), WHO, March 2022

# Appendix 2



## Making people a priority – building your future workforce

It is clear from our report that creating a work environment that is fit for the future requires organizations to create a culture of trust that maintains flexibility, supports autonomy and promotes continual learning and development. BSI has a range of services to support your organization in creating an engaged and high performing team.



## Assurance services

We exist to have a positive impact on society. One of the ways we do this is by providing independent expertise to your training and auditing needs. Our specialists have a deep understanding of the unique needs of industries, regulations and best practice that's why we're best placed to help you understand and create long-term value for your organization. Our assurance offerings include training courses, professional qualifications, gap assessments, auditing, and certification.

BSI provides assurance services that recognize that ways of working have changed. Our hybrid audits and remote training solutions each combine our capabilities with our integrated technology to provide a seamless, full-service experience with a more consistent, flexible approach while reducing carbon emissions. These provide a more sustainable and streamlined approach to audit and training delivery.

Combining physical face to face audits and remote audits and remote and on-demand training with our integrated technology enables BSI to optimize and deliver the best solutions for your organization and people.

We offer assurance services against key standards supporting organizations with prioritizing their people and their own impact in areas such as:

### Health, Safety and Well-being

- [Occupational Health & Safety at Work \(ISO 45001\)](#)
- [Psychological Health and Safety at Work \(ISO 45003\)](#)

### Digital Trust and Business Continuity

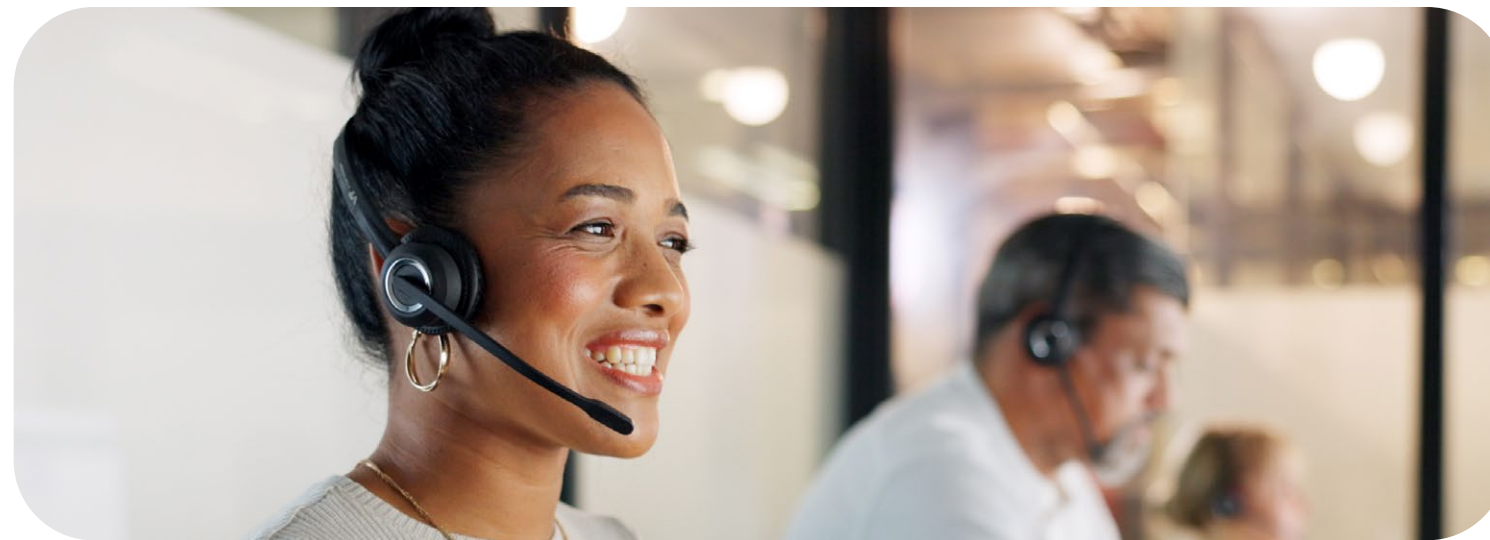
- [Information Security Management System \(ISO 27001\)](#)
- [Business Continuity Management Systems \(ISO 22301\)](#)

And more, from industry audit schemes to bespoke solutions.

### Product certification services

BSI has a variety of established Kitemark(TM) certifications that organizations can undertake to improve their [innovation](#), enable [inclusive services](#), and demonstrate the [carbon neutrality](#) of their products and services.

## Consulting services



Our focus on health, safety and workplace well-being empowers our clients to meet the needs of any workforce during every life stage. This in turn will manifest in a highly engaged, more productive workplace culture reducing absenteeism, increasing talent retention, and protecting brand reputation. Workplace health is organizational wealth.

### Related Services:

- Well-being and Total Worker Health® solutions
- Strategy and culture transformation
- Ergonomics solutions
- Industrial hygiene and indoor air quality programs
- Customized training solutions

[Find out more](#)



Evolving together: Enabling the hybrid generation to flourish

## Standards services



Build your brand leadership, tackle a complex challenge, or meet an industry need, by discovering, shaping and leveraging consensus-based standards.

[Find out more](#)

### Health, Safety and Well-being

- Occupational health and safety management systems (BS ISO 45001:2023)
- Occupational health and safety management
  - Psychological health and safety at work
  - Guidelines for managing psychosocial risks (BS ISO 45003:2021)
- Occupational health and safety management
  - Guidelines on performance evaluation (BS ISO 45004:2024)
- Ergonomic principles related to mental workload
  - Part 2: Design principles (BS ISO 10075-2)
- Provision of lone worker services. Code of practice (BS 8484:2022)
- Ergonomics – General approach, principles and concept (BS ISO 26800:2011)

BS ISO designates the British implementation of an ISO standard, published by the UK's national standards body.



## Diversity and Inclusion

- Design for the mind – Neurodiversity and the built environment – Guide (PAS 6463)
- Guidelines for promotion and implementation of gender equality and women’s empowerment (BS ISO 53800)
- Menstrual and menopausal health in the workplace – guide (BS 30416)
- Diversity, equality, and inclusion in the workplace – Code of Practice (PAS 1948)
- Human resource management – Diversity and inclusion (BS ISO 30415:202)

## Human Resources

- The human-centered organization – Guidance for managers (BS ISO 27501:2019)
- Human resource management – Guidelines on recruitment (BS ISO 30405:2016)
- Human resource management – Employee engagement – Guidelines (BS ISO 23326:2022)
- Human resource management – Learning and development (BS ISO 30422:2022)
- Human resource management – Organizational culture metrics cluster (BS ISO/TS 24178:202)
- Human resource management – Occupational health and safety metrics (BS ISO/TS 24179:2020)
- Human resource management – Compliance and ethics metrics cluster (BS ISO/TS 30423:2021)
- Human resource management – Skills and capabilities metrics cluster (BS ISO/TS 30428:2021)
- Human resource management – Leadership metrics cluster (BS ISO/TS 30431:202)
- Ergonomics principles in the design of work systems (BS ISO 6385:2016 )

## Built Environment

- Lighting of workplaces – Part 1: Indoor (BS ISO 8995-1:2002)
- Lighting of workplaces – Part 3: Lighting requirements for safety and security of outdoor workplaces (BS ISO/IEC 8995-3:2018 )
- Building environment design – Indoor environment – General principles (BS ISO 16813:2006)
- Design of an accessible and inclusive built environment – External environment. Code of practice (BS 8300-1:2018)
- Design of an accessible and inclusive built environment – Buildings. Code of practice (BS 8300-2:2018)

### Disclaimer:

Please note, to safeguard our impartiality, BSI is unable to provide consulting services to clients to whom we provide certification services. Likewise, we are not able to provide certification services to clients to whom we are currently providing consultancy services until three years after our consultancy services have ended.



# Research methodology

This research has been developed in partnership with ResPublica, an independent non-partisan think tank, that seeks to establish a new economic, social and cultural settlement for the UK.

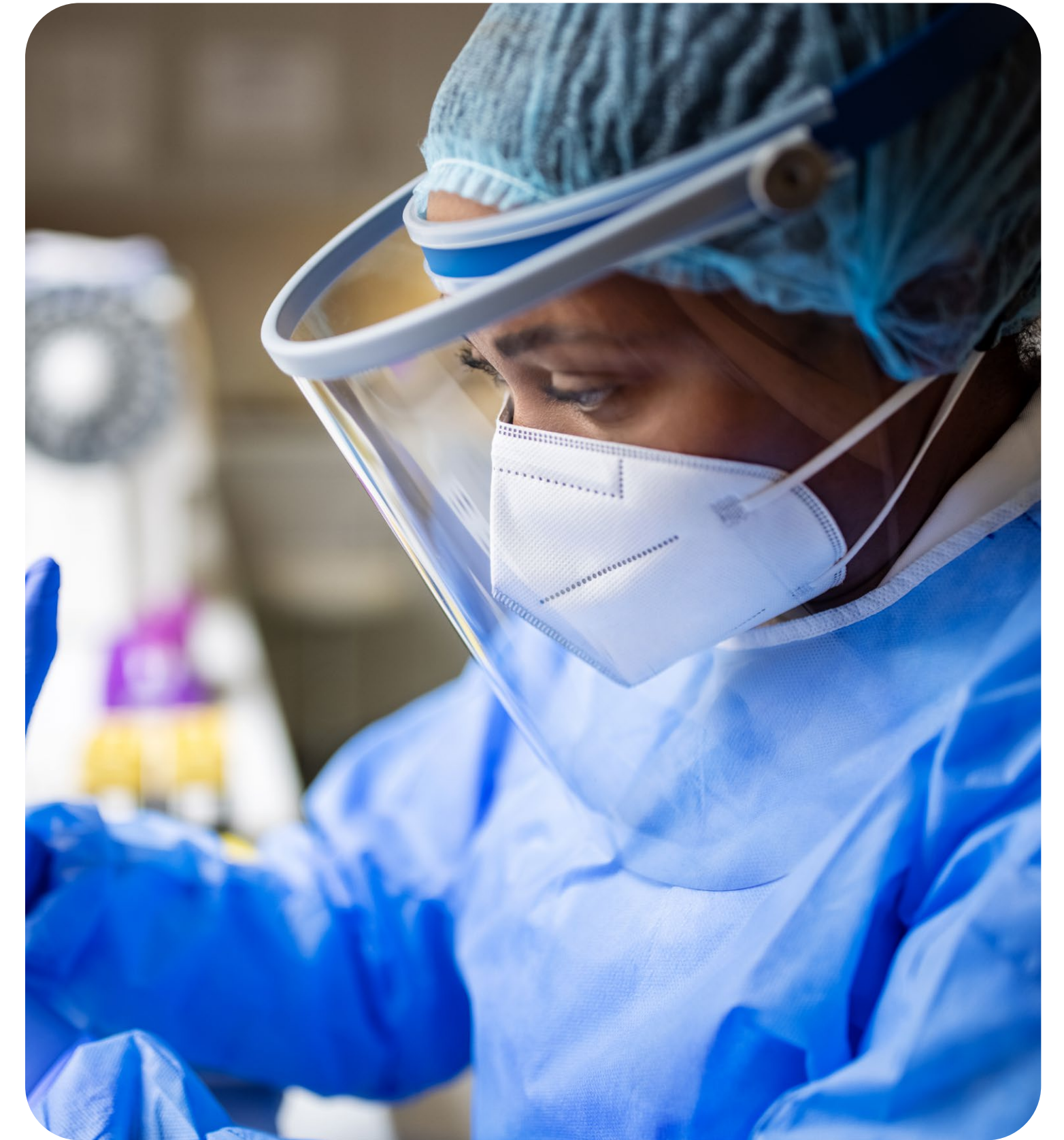
Findings are based on a combination of qualitative and quantitative data, conducted with input from BSI, ResPublica and Burson. Research components included:

- A public call for evidence communicated to media and on digital channels in January 2025
- Economic analysis and literature review conducted January to March 2025
- A multi-market, multi-sector opinion poll of 4,710 people who entered the workforce between 2019 and 2024, covering eight countries. Fieldwork was conducted by Burson via FocalData between 14th and 24th February 2025
- Focus groups involving young professionals who started their careers during this period, conducted in January and February 2025
- One-to-one interviews with representatives of organizations including Mind and the Association of Graduate Careers Advisory Services (AGCAS)

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Your partner  
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