


# Returning to the Office: **4 Key Challenges for Boards, Executives and General Counsel**

While topics like hybrid schedules and vaccine mandates dominate headlines and conversations, they're just the beginning of the challenges executive leaders face now and in the months ahead. The way we work is going through an incredible transformation, with high stakes for managing the complexities and making the right decisions.

Moreover, the choices made in 2021 will likely have long-lasting repercussions across locations and operations, and will put the strength of an organization's workforce, reputation, growth strategy and long-term sustainability on the line.

In addition to navigating immediate return to office logistics, organizations must:

- Balance legal considerations, employee preferences, worker safety and the bottom line in a COVID-19 response likely to last well into 2022 and beyond
- Address the cybersecurity risks of new working models
- Transition legacy technology to serve a transformed office environment
- Maintain compliance with relevant regulations and stay ahead of evolving risk



This guide for board members, executives and general counsel (GCs) can help. It includes insights from executive teams making weighty return-to-office decisions right now, and it covers risks, challenges and considerations within four key areas of vulnerability:

- 1. Health and safety protocols**
- 2. Cybersecurity**
- 3. IT infrastructure**
- 4. Governance, risk and compliance**

# 1 Striking a Balance with Return-to-Office Protocols

Although the COVID-19 pandemic has lingered for more than 18 months, organizations face uncharted territory in this phase of the response and are taking a variety of approaches.

In a recent Diligent webinar, serial entrepreneur and multi-public company board member Betsy Atkins [shared some of the solutions she's seen](#), from bringing employees back on site for certain days of the week to bringing everyone back to collectively reset and determine the best hybrid approach moving forward.

Whatever the approach, the process of returning employees to physical locations brings up numerous questions, including:

- Which employees to bring back
- When to bring them back
- How frequently — full time vs. hybrid
- When and how to make exceptions

Health and safety protocols are multifaceted and have wide-ranging effects. Before making big decisions or official mandates, it's important to consider local laws, employee preferences, industry/competitor trends and business costs.

In another Diligent virtual event, the [“Shaping the Workplace of the Future” roundtable](#), board members shared ideas and tactics from their own organizations. “We’re thinking broader than office vs. home,” one participant said. “How are we giving employees access to WeWork or other hoteling solutions?”

It's also important to keep in mind that blending policies around virtual and in-person work must strike the right balance. If you enforce a strict or sweeping return-to-office policy, your organization may see an impact in recruiting and retention. Yet some tasks, such as training and collaboration, benefit from in-person interaction. It's up to you to decide: Will too loose of a policy impact your team's culture or effectiveness?

Many organizations are testing these solutions with small-group pilots designed to provide employee feedback early on in the process.

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“We’re starting to see a cultural divide of companies who truly care about their employees and those that don’t. It’s not just about offering employees an app. It will become clear which companies are actually listening and researching what a better work environment looks like.”

**Board member during a Diligent roundtable discussion, [“Shaping the Workplace of the Future”](#)**

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## Tips for Boards, Executives and General Counsel:

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- Be observant, agile and transparent with employees about policies and decisions. Communicate clearly and often and be prepared to adapt as the situation changes.
- Think long-term, particularly when establishing policies for remote work. Allowing employees to work from different geographies or over a certain distance from your physical offices may create issues around tax and insurance, arbitration and employee classification.
- Throughout the process, engage with outside counsel, who will bring insights from their work with other organizations.

“Retaining and upskilling your workforce and recruiting is incredibly important. **It’s the year of the CHRO.** That’s going to be the difference between a successful company and a company that’s not successful.”

**Carmine DiSibio**

Global Chairman and CEO, EY

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## Vaccinations: To Mandate or Not to Mandate?

When navigating this thorny issue, let health and safety, relevant laws and employee sentiments serve as your guide. Some general guidelines follow for getting started:

- In the U.S., private companies can mandate vaccinations during pandemic status with two legal exceptions: sincerely held religious objections or a disability that prohibits vaccination. In such cases, you can request medical documentation but must keep this data confidential.
- The Biden Administration has required that all U.S. employers with more than 100 employees mandate vaccinations and require weekly testing for those who opt out.
- Be aware that vaccine mandates can have retention ramifications. Survey your workforce to identify how many employees oppose vaccination and what roles these employees inhabit. Are you prepared to lose those employees who walk out?

## 2 Addressing the Cyber Vulnerabilities of New Working Models

For the past 18 months, millions of employees working from home often did so from personal devices, far away from the oversight of corporate security — and this raises big concerns for IT departments and executive leadership:

- Are employees practicing good cyber hygiene, such as strong passwords, use of virtual private networks and two-factor authentication?
- Have they been keeping up with company cybersecurity training?
- Are they reporting phishing emails to the IT department, or letting the IT department know when they've clicked on suspicious links?
- Have they inadvertently downloaded malware onto personal devices — infected devices they'll soon bring back to the workplace?

In a May 2021 poll of 4,000 IT leaders in the U.S. and U.K., 69% of respondents said [ransomware attacks will be a greater concern](#) in a hybrid workplace. And in a March 2021 survey of corporate directors, nearly one quarter (24%) of respondents identified [cybersecurity and data management](#) as their most pressing risk issues.

Data is the lifeblood of a modern company, and board members should be included in efforts to protect it. Information about sensitive topics like mergers or executive compensation are appealing targets to cyber criminals. But this data is too often communicated via vulnerable channels like email, particularly as board operations have gone virtual.

Board members' outdated cyber practices put their organizations at risk in other ways as well. Under the December 2020 *WeWork v. Softbank* decision, outside directors using their external company email addresses are now at risk of [sacrificing attorney-client privilege](#).

To decrease the chances of bad cyber habits turning into data breaches, legal exposure, reputational damage or worse, your organization needs to understand current employee and director workflows and enforce strong cybersecurity protocols.

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“The trust factor around data, that’s going to be important [moving forward in any kind of digital world.](#)”

**Carmine DiSibio**

Global Chairman and CEO, EY

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### Tips for Boards, Executives and General Counsel:

- Involve IT and security leaders closely in office reopening plans.
- Create a culture where employees feel comfortable coming forward with security issues or mistakes.
- Make sure that cybersecurity doesn't get in the way of people doing their jobs.
- Safeguard network entry points and standard workflows, which may need stronger protection in a virtual environment.
- Move sensitive executive and board communications from email to secure, encrypted platforms.

## 3 Transitioning Legacy Tech Stacks

As you strengthen cybersecurity, your organization's underlying technology infrastructure also warrants examination:

- Have employees been able to keep up with escalating workloads and keep customers happy as operations pivoted to changing demands?
- Have operations continued efficiently and effectively across disparate locations, without delays or data slipping through the cracks?
- Are employees able to access the data they need, securely and effectively, or is this data sitting in myriad legacy systems across the organization?

Now-ubiquitous video calls are just the beginning of how organizations used technology during COVID-19 virtual work, and how they'll continue to collaborate and adapt in tomorrow's new way of working. In a recent Diligent panel discussion, Microsoft CEO [Satya Nadella](#) talked about conference rooms that accommodate both in-person and remote participants, applications that monitor room capacity and social distancing, and technology that enables remote engineers to help technicians fix complex pieces of equipment. "It's about people, process, place and technology," he said.

Looking ahead to the future:

- Does your IT infrastructure enable you to launch new features and services swiftly and effectively, to maintain a competitive advantage in an increasingly volatile business landscape?
- Are you able to share information seamlessly and securely with third parties, to further harness outside innovation?
- Do employees know how to use new solutions to their utmost capacity, with adequate training to evolve their skills with new technologies?

As you move forward with digital transformation, recognize the connection between technology and business strategy. "Now, end-to-end, people are thinking about their business through a digital lens," said Maria Morris, a board member with Wells Fargo and S&P Global and former EVP with MetLife. "[Digital resiliency is business resiliency.](#)"

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**"Work happens before meetings, during meetings and after meetings."**

**Satya Nadella**

CEO, Microsoft

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**"When there is a digital problem, [directors often] turn to technology [teams] and say, 'Fix it.' That's always the wrong way to go. [It is a business opportunity and challenge that needs to be handled cross-functionally.](#)"**

**Gary Reiner**

Board Member, Citi and HPE; Operating Partner, General Atlantic

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## **Business Questions for Boards, Executives and GCs to Consider:**

- What processes are slowing down your organization and why?
- Where does your organization need faster, more robust data for decision-making?
- What areas of your IT infrastructure have been most vulnerable to cyber breaches and attacks?

## **Questions for Boards, Executives and GCs to Discuss with IT Leaders:**

- How is the organization collecting, storing and accessing data?
- Are advanced analytics in place to harness data for business decisions?
- How do employees access and share data across systems and departments?
- What training and continuous learning programs are in place to bring employees up to speed on current systems and the technologies of the future?

## 4 **Overseeing the Full Risk and Compliance Picture**

More than 18 months of virtual work from disparate locations has shown the world what's possible — and expanded possibilities and expectations for the future. Should an employee who previously worked on-site in San Francisco be allowed to do their job remotely from Denver, or from Denmark?

Answering this seemingly simple question gets complicated. There are local and regional tax and labor laws to consider, data protection requirements in certain jurisdictions, leasing obligations and carbon footprints related to physical offices and the complicated issue of salary across lower- and higher-cost geographies. Meanwhile, internal policies, external regulations, ESG reporting obligations and the talent landscape are all evolving rapidly.

In such a fluid and complex environment, it can be easy to miss red flags related to compliance, reputation and overall sustainability and long-term value. Legacy systems, disparate data sources and siloed teams can prevent the organization from gaining a holistic view of potential obstacles that can result in poorly informed return-to-office decisions. Company leaders should consider how technology can improve their visibility into the organization's risk and compliance posture.

An integrated GRC system can help boards and leaders keep up with the speed of data, decipher the relationships between strategic objectives, threats and compliance obligations — and help the organization stay ahead of the fast-changing regulatory and competitive environments.

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“We have a lot of really good, valid and useful financial and non-financial data available in the bank, both in finance and across the organization, but it's still sitting in some of those multiple legacy systems and in different parts of the organization. What we're trying to do is access it, utilize it, surface it from that granular level, and bring it together to better enable visualization and analytics, and to provide business insights that we haven't had before.”

**James Howl**

Head of Finance,  
Asia Wealth Management and  
Global Customer Propositions, HSBC

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## What's Next?

With the roll-out of return-to-office plans close to implementation or already in motion, executives and boards must prepare for tough questions and decisions ahead:

- How to best optimize productivity of a hybrid workforce?
- What insights should we be looking to inform our decisions around new operating models?
- When is the right time to make adjustments to our workforce strategy?
- Are we prepared to meet the upcoming safety protocols in the regional offices?

## Technology: The Foundation of an Integrated GRC Solution

Unlike siloed software applications and inflexible ERP systems, an integrated GRC platform gives organizations the ability to:

- Gather comprehensive data across systems, including those of third parties and business intelligence providers
- Audit and optimize data for analysis
- Flag threats in real time
- Automatically feed insights back into the process





## Better Position Your Organization for the Future of Work

As organizations navigate return-to-office decisions and evolving risk landscapes, Diligent solutions can help to achieve key outcomes:

### Executive and board alignment and collaboration

- Facilitate a separate and dedicated channel for the executive leadership team to collaborate on confidential workflows to improve agility and alignment.
- Pull sensitive communications out of email and into a secure, encrypted platform that can be accessed on any device.

### Workflow optimization and efficiency

- Realize efficiencies by moving physical processes to the cloud.
- Integrations with Office 365 and governance-specific workflows enable operational agility without sacrificing security.

### Security risk mitigation

- Stop using email or enterprise-wide collaboration platforms managed by IT, protecting confidential data at rest, in transit and in use.
- Increase organizational cybersecurity risk visibility.

### Consolidated risk and compliance monitoring

- Seamlessly connect your disparate data sources. Integrate, analyze and contextualize your risk and compliance data in custom dashboards for boards and leadership teams.

### Analytics to drive decision making

- Arm leadership with real-time information about your industry and organization, from cyber-risk scores to peer benchmarking and board composition, to help them guide and defend decision making with confidence.

**Start addressing today's return-to-work vulnerabilities, and equip your organization to thrive in the future.**

[CONTACT US](#)



## About Diligent Corporation

Diligent is the leading governance, risk and compliance (GRC) SaaS provider, serving more than one million users from over 25,000 organizations around the globe. Our modern GRC platform ensures boards, executives and other leaders have a holistic, integrated view of audit, risk, information security, ethics and compliance across the organization. Diligent brings technology, insights and confidence to leaders so they can build more effective, equitable and successful organizations.

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