LSE

The Inclusion Initiative

The Return to Work

A dictionary of biases

A project by BE-Inclusive 2; a LSE group focused on using behavioural science to promote inclusion in the workplace: Julia Bladinieres-Justo, Aleesha Bruce, Anisah Ramli, Nichaphat Surawattananon and Chanya Trakulmaykee.

Additional authors from The Inclusion Initiative at LSE: Teresa Almeida, Dr Jasmine Virhia, and Dr Grace Lordan.

Foreword

What is your mode of working? Are you back in the office every day? Do you have a four-day workweek, working ten-hour days? Are you fully autonomous? Are you in the office on Tuesdays, Wednesdays and Thursdays? Are you only in for "anchor" days, when your team gets together for deep work that requires collaboration?

I personally have friends that have each of these models! Some are happy, others are less so. There is also no single type of "working hat" that fits all. This means that as we go forward, the mode of working offered by employers will help determine the type of employees a firm can attract.

We have entered an era where the mode of working is a valued benefit — just like salary, annual leave entitlement, health benefits and pension entitlements were in decades past.

For this reason, more and more firms are allowing their employees to decide if they work at home or in the office. This approach allows them to widen the talent pool they attract. It also implies that at any one time, team members are collaborating with some in the regular office meeting room, and others in their living room. This move towards hybrid working, where some employees communicate face-to-face and others online, poses big challenges for inclusivity.

In this dictionary, you will find a description of behavioural biases, as conceived by BE-Inclusive 2, a talented group of MSc behavioural science students at the LSE. This is the second dictionary of the **series**. In this edition, the authors have compiled a list of the most important biases they perceive as impacting

the future of work if left unchecked. Handily, each bias is accompanied by an illustrative example, making it very straightforward to visualise how it may manifest in your own workplace. I truly hope this dictionary inspires some readers to pay attention, monitor and audit occurrences of these biases so that the future of work does not have obvious winners and losers, but rather makes possible the equalisation of opportunities and progression.

Grace Lordan

Dr Grace Lordan, Founding Director of The Inclusion Initiative at the LSE

www.gracelordan.com

Introduction

In this second edition of The Inclusion Initiative's dictionary, we list behavioural biases to highlight inclusion issues that organisations and individuals will face in *The Return to Work*.

Given the multiplicity of return-to-work arrangements (in the office, hybrid or working from home), we reflected upon the biases developed in the context of our first edition, ***Hybrid Working***, and have specified in which context biases in *The Return to Work* are likely to occur alongside a situational example. Some existing cognitive biases have been adapted to explain what their impact will be under these new work circumstances; others are new cognitive biases (marked with an asterisk) which you and your organisation can put to the test as new and existing work models continue to be (re)conceptualised.

Overall, the documentation of this dictionary brings to light three emerging themes to consider in *The Return to Work*:

• Biases related to environment (where you're working)

• Biases related to perception (towards others or yourself)

• Biases related to productivity (how you're working).

Behavioural Biases

24/7 Bias*

The tendency to overwork and be constantly available when not in the office.

Applicable in:

Example: Employees may fear being forgotten or overlooked as they are "out of sight". As a result, people may actively respond to emails and requests outside of their chosen working hours, or work too much or too long. This could affect overall wellbeing, lead to higher levels of cognitive fatigue, stress and burnout.

Bandwagon Effect

Occurs when an individual's behaviour is influenced by collectively held beliefs (ie, social conformity). The tendency to adopt certain behaviours because they are popular.

Applicable in:

Example: In hybrid working environments, an individual's decision to work at the office or to work from home may be affected by the decision of the majority. For example, if more than 50 per cent of colleagues return to the office after the pandemic, one may do the same to avoid exclusion, despite their preference for working from home.

Choice Overload

The difficulty in making a decision when presented with a large number of working arrangement decisions.

Applicable in:

Example: As companies transition to more flexible arrangements, they may pass on the decision to employees of whether or what days employees would like to work from home or in office. Too many options can result in choice overload paralysis and choice fatigue for employees, which could decrease confidence or increase regret after picking an option.

Working from home   Office-based   Hybrid settings

* New cognitive biases

Commuting-time Salience Effect*

The mental dissonance between commuting to work and working from home, with the tendency to overestimate physical, temporal, financial and mental costs of travelling to the workplace.

Applicable in:

Example: Having worked from home, employees may now magnify the amount of commuting time, effort and cost (which is similar as pre-pandemic) to travel into the office. An element of mental accounting is present here, whereby a commuting employee includes traveling as part of time dedicated to work which may lead to decreased productivity and job satisfaction.

Covid Conundrum*

Attitudes towards vaccination status, wearing of facemasks, social distancing behaviours and socialisation (outside of work) may be used as a proxy for competence in job performance, regardless of personal circumstance or health status.

Applicable in:

Example: When returning to the office, employees will discuss differing attitudes towards Covid regulations and resultantly demonstrate differing behaviours. It is possible that people may begin to judge their co-workers' work competence based on such attitudes and behaviours. This may in turn influence compliance to work with certain people and the overall productivity of groups, most notably for those working in the same space based on the alignment (or misalignment) of their Covid responses.

Deferred Meeting Bias*

The tendency to avoid attending live virtual meetings because you persuade yourself that you will view the meeting recording later.

Applicable in:

> **Example**: Employees may defer attending live meetings (virtually or in person) because they are aware that meetings are being recorded. They may wrongly assume that urgent or important messages are not being missed. While the original intention might be to watch the recording later, people are poor forecasters of future time and have a tendency to overestimate future availability and motivation. This will lead some to continuously postpone watching recordings until no longer relevant or failing to watch them at all.

Digital Interactions Effect*

When meetings are virtual, feelings of accountability are minimised and contributions to the team decrease.

Applicable in:

> **Example**: Workers may limit how much they engage and contribute to a team when they are physically disconnected from the workplace even though they are virtually present at the meeting. Suffering from Wi-Fi issues can impact accountability and motivation, and the option to turn off cameras may induce feelings of disengagement.

Distinction Bias

The tendency to overestimate the difference between two alternatives in joint evaluation, which would be less important if evaluated separately.

Applicable in:

> **Example**: When given the opportunity to decide on one's optimal hybrid working schedule, employees might have a hard time evaluating between different home/office options, resulting in higher magnitudes of preference than if each option was considered separately. This can lead to greater dissatisfaction, if for example, one has decided their preferred option is to be in-person two days a week and at home three days, and the firm's policy is three days a week in the office and at home two days.

Half-dressed Effect*

Occurs when people work from home wearing comfortable clothes that are not considered traditional business attire. For example, wearing a button-down shirt with sweatpants.

Applicable in:

> **Example**: Employees may be primed to feel relaxed and less professional given their choice of dress, thus decreasing productivity. In contrast, others may feel that spending less time getting ready for work and wearing comfortable clothes gives them more time to work and increases their productivity.

Illusory Superiority

The tendency for someone working in one environment (either in office or from home) to think that they are more productive than a person or group working in another environment.

Applicable in: 🏠/🏢

Example: Employees working primarily in the office may think they are more productive, as the environment is solely dedicated to work, without the distractions present at home. Conversely, a person working from home may think that they are more productive at home given that they are not engaging in casual conversations, taking longer lunch breaks, or spending time commuting. Each may overestimate their own productivity and quality of work, in comparison to employees working in the other environment.

Just-in-time Bias*

The tendency to favour quick and immediate options over waiting for more information.

Applicable in: 🏠 🏢 🏠/🏢

Example: Covid-19 lockdowns and working-from-home mandates were associated with a surge in fast delivery and online-ordering services. This "new normal" could shape impulsive behaviour and the evaluation of choices. For example, new potential hires may prefer companies that provide information quickly and see that as a positive signal in terms of person-organisation fit. It may also lead to an expectation that managers should be more responsive and answer queries quickly, related to the 24/7 bias.

Out-of-sight-out-of-mind Bias

An availability bias relating to prioritising or remembering team members that we have seen recently.

Applicable in:

Example: Decision-makers may prioritise projects or promotions for team members they have seen being present in the office more often. This arises from a misjudgement that those that are not present are not as competent as those in office and could create an in-group/out-group division between those that work more or less frequently from the office. Related to the 24/7 bias.

Projection Bias

The tendency to overestimate how much our future selves will share the same emotional state and behaviours as our present self, such as hesitancy in going back to the office.

Applicable in:

Example: Having worked from home for long periods of time, employees might miscalculate their feelings or benefits from working in the office, underestimating how quickly they will adapt to, and enjoy being in their new environment. This can lead to a delay in the decision to go back to the office.

Room Effect

Moving between physical workspaces affects experiences — memory is context dependent.

Applicable in:

Example: When transitioning between home and office working environments, there could be an initial negative effect on productivity as employees might need time to adjust to the new physical space. Employees might also be primed to allocate different types of work depending on space, such as more focused tasks at home and collaborative activities in the office.

Rosy Retrospection

Occurs when people think that things were better in the past compared to the present.

Applicable in:

Example: When returning to work in the office or continuing to work from home employees will recall their experience in a previous working environment more fondly than their current environment. This occurs as positive memories are more salient. However, this may pose a challenge given such distorted views can result in unconstructive feedback. To circumvent this issue employees (where possible) could evaluate experiences in both working settings.

Social Fatigue Effect*

Having returned to the office after a prolonged time without social interaction, employees may feel overstimulated, stressed, tired, and anxious due to the change in working environment and in-person contact with colleagues.

Applicable in:

Example: Some employees who have adjusted to working from home with limited social contact may feel social fatigue when they return to office. Conversely, there are also employees that find social interaction in the workplace simulating and beneficial to their mental health and output.

Survivorship Bias

When employers base decisions on working practices based on the success of a select few homogenous employees, rather than assessing the impact and outcomes for a diverse workforce.

Applicable in:

Example: Workplace policies and practices might be based on select groups of employees who have demonstrated positive behaviours in particular working environments and voiced opinions on flexible (or non-flexible working). The implementation and lack of assessment of such policies across marginalised groups (disabled, with long-term health conditions, neurodiverse, carers etc.) within the workforce will impact well-being, productivity and talent retainment.

Uncertainty Aversion

The tendency to prefer known outcomes to unknown ones, which might be heightened following the Covid-19 pandemic.

Applicable in:

Example: When deciding on post-pandemic work policies, decision-makers might prefer familiar options such as implementing set working days and avoid experimentation with different modes of hybrid working.

Virtual Halo Effect*

The tendency to perceive individuals as more competent and engaged if they turn cameras on and actively participate in virtual meetings.

Applicable in:

Example: Virtual meetings are often divided between those who turn their cameras on and those who don't. Being on video, and therefore more visible, could be taken as a proxy to assess engagement and competency. This may lead to a preferential evaluation of visible employees, impacting the allocation of promotion, pay and stretch assignments.

Work-Life Balance Effect*

When only able to work from a single environment, employees will increase or decrease their frequency of socialising outside of work due to work isolation or social fatigue.

Applicable in:

Example: If employees are required to work full-time in offices, they may decrease the amount of time they spend socialising in their personal lives (see Social Fatigue effect) and resultantly report lower job satisfaction. Alternatively, those working only from home may increase the amount they socialise in their personal lives due to social isolation from colleagues. The impact on job satisfaction related to socialising when working from home is two-fold.