

Impact of Hybrid Work HR Policies on Employee Productivity in IT Sector

Dr. Naina Salve,

Assistant Professor, Alkesh Dinesh Mody Institute for Financial & Management Studies, University of Mumbai.

Prof. Dr. Vishal Dilip Chavan,

Associate Professor , Amity Business School, Amity University Mumbai Maharashtra

Abstract: The post-pandemic workplace has witnessed a fundamental transformation in work design, with hybrid work emerging as a dominant model across knowledge-intensive sectors, particularly IT. This study examines the impact of Hybrid Work Flexibility Policies and Digital HR Support & Infrastructure on Employee Productivity in the post-pandemic context. Drawing on primary data from IT employees, the research explores how structured flexibility, such as autonomy in work location, flexible scheduling, and clear hybrid guidelines, alongside robust digital HR systems influences productivity outcomes. The findings reveal that both hybrid work flexibility and digital HR support are positively associated with employee productivity, indicating that hybrid work, when strategically governed through HR policies, can support sustainable performance rather than undermine it. Further, the study finds that Digital HR Support & Infrastructure exerts a stronger and more consistent influence on employee productivity compared to hybrid work flexibility alone. Regression and SEM results demonstrate that digital HR systems, including HRIS platforms, collaboration tools, digital performance monitoring, and IT support, play a critical enabling role in making hybrid work effective. While flexibility policies contribute positively, their impact is maximized when supported by strong digital HR infrastructure. The study concludes that organizations seeking to enhance productivity in hybrid work environments must adopt an integrated HRM approach that combines flexible work policies with investments in digital HR capabilities, offering practical insights for HR leaders and policymakers in the post-pandemic workplace.

Keywords: Hybrid Work, Digital HR Support, Employee Productivity.

Introduction: The post-pandemic workplace has undergone a structural shift in how organizations design jobs, manage people, and measure outcomes. As large-scale remote work proved feasible across many knowledge-based roles, many firms moved toward hybrid work as a “new normal,” combining work-from-home (WFH) and office-based work in planned patterns. Evidence from cross-country organizational policies shows that post-pandemic arrangements increasingly formalize flexibility in where and when employees work, making flexibility a strategic HR choice rather than an informal perk. At the same time, research and policy discussions emphasize that a balanced hybrid schedule (often a few days per week) can help capture benefits like reduced commuting and fewer distractions while managing coordination and collaboration costs.

However, the central question for HRM remains whether hybrid work improves, reduces, or does not change productivity, and under what policy conditions. Empirical findings are mixed and context-dependent. For example, some studies find that productivity can fall when work becomes fully remote due to increased communication and coordination costs, even if total hours worked rise. Other research shows large dispersion in WFH productivity across employees and firms, indicating that outcomes depend on job design, prior remote-work readiness, and employee characteristics. This variability makes it especially important to examine not just “hybrid work” as a single concept, but the HR policies and support systems that shape how hybrid work operates in daily practice.

From an HRM perspective, hybrid work is implemented through a bundle of policies such as flexibility rules (autonomy in scheduling, clear hybrid norms, fairness in access) and digital HR support and infrastructure (HRIS, collaboration platforms, IT help, and digitally enabled performance feedback). Studies of telework and remote-work governance suggest that clear policy design and organizational support are crucial because productivity can be influenced by task interdependence, communication load, and team coordination needs. At the same time, recent large-scale experimental evidence indicates hybrid arrangements can maintain performance while improving retention, strengthening the argument that well-designed hybrid policies can be “people-positive” without necessarily harming output. These findings motivate deeper HRM research into which policy components matter most and how they translate into measurable productivity in real organizations.

In the IT sector, this topic is particularly relevant because work is project-based, collaboration-intensive, and digitally mediated, making both flexibility and digital HR support critical levers. Yet, there remains a practical and academic gap in understanding how Hybrid Work Flexibility Policies and Digital HR Support and Infrastructure jointly influence Employee Productivity, especially in the post-pandemic stabilization period when organizations are shifting from emergency remote work to formal hybrid systems. This study therefore focuses on examining how these two HR policy dimensions shape productivity outcomes among IT employees, offering evidence that can guide HR leaders in designing hybrid frameworks that are not only attractive to talent but also sustainable for performance and delivery

Review of Literature

1. **Arntz et.al (2022)**, In the research titled “Working from home, hours worked and wages” The study concludes that working from home significantly influences both hours worked and wage outcomes, with effects varying across occupational categories and individual characteristics. While remote work offers greater flexibility and reduces commuting time, it does not uniformly increase productivity or earnings for all employees. The findings suggest that without supportive HR policies and clear performance frameworks, working from home may lead to extended working hours without proportional wage gains, emphasizing the importance of structured hybrid work policies to balance employee effort and organizational outcomes.
2. **Athanasiadou & Theriou (2021)**, In the research titled “Telework: Systematic literature review and future research agenda” This systematic literature review concludes that telework has become a permanent feature of modern work arrangements, offering benefits such as flexibility, job satisfaction, and work–life balance, while also presenting challenges related to isolation, coordination, and performance monitoring. The authors highlight that organizational outcomes of telework largely depend on managerial support, technological readiness, and HR policy design. The study emphasizes the need for future research focusing on hybrid work models and the role of HRM in optimizing employee productivity and engagement.
3. **Barrero et.al (2021)**, In the research titled “Why working from home will stick” The study concludes that work-from-home practices are likely to persist beyond the pandemic due to strong employee preferences and organizational cost advantages. The authors argue that remote and hybrid work arrangements improve labor market efficiency by reducing geographical constraints and increasing job matching. However, the study also cautions that productivity outcomes depend on job suitability and managerial practices, indicating that organizations must institutionalize hybrid work through formal HR policies rather than treating it as a temporary adjustment.
4. **Barrero et.al (2023)**, In the research titled “The evolution of work from home” This research concludes that work-from-home arrangements have evolved from an emergency response to a strategic organizational practice. The authors find that hybrid models are increasingly preferred over fully remote work due to their ability to balance collaboration and flexibility. The study underscores that productivity and employee satisfaction are highest when firms implement structured hybrid policies supported by clear expectations and digital infrastructure, reinforcing the strategic role of HRM in shaping sustainable hybrid work systems.
5. **Bloom et.al (2024)**, In the research titled “Hybrid working from home improves retention without damaging performance” Based on experimental evidence, the study concludes that hybrid working arrangements significantly improve employee retention without negatively affecting productivity. The findings demonstrate that allowing employees to work from home for part of the week leads to higher job satisfaction and reduced attrition, while maintaining performance levels comparable to fully office-based work. The study provides strong empirical support for hybrid work as an effective HR strategy that benefits both employees and organizations when properly designed and managed.
6. **Criscuolo et.al (2021)**, In the research titled “The role of telework for productivity during and post-COVID-19: Results from an OECD survey among managers and workers” The OECD study concludes that telework can support productivity during and after the COVID-19 pandemic, provided that organizations invest in digital infrastructure and managerial capability. The results indicate that productivity gains from telework are uneven and depend heavily on task characteristics, employee skills, and digital readiness. The study emphasizes that hybrid work policies, rather than full remote models, are more likely to sustain long-term productivity and organizational resilience.

7. **Donnelly & Johns (2021)**, In the research titled “Recontextualising remote working and its HRM in the digital economy: An integrated framework for theory and practice” This study concludes that remote working must be understood within a broader HRM and organizational context rather than as a purely technological phenomenon. The authors argue that successful remote and hybrid work depends on aligning HR practices such as performance management, communication, and employee support with digital work environments. The study highlights that ineffective HR integration can undermine productivity and employee well-being, reinforcing the central role of HRM in governing hybrid work arrangements.
8. **Emanuel & Harrington (2024)**, In the research titled “Working remotely? Selection, treatment, and the market for remote work” The study concludes that remote work outcomes are shaped by both employee self-selection and organizational treatment effects. Employees who choose remote work often differ in productivity preferences and job suitability, which affects measured performance outcomes. The findings suggest that hybrid work policies should be designed to account for heterogeneity among employees, and that flexible HR policies combined with fair evaluation systems are critical to ensuring productivity and equity in remote and hybrid work arrangements.

Research Gap

- Existing studies on work-from-home and hybrid work are largely macro-level or conceptual, with limited individual-level empirical evidence on how structured HR policies influence employee productivity.
- Prior research treats hybrid work as a generalized arrangement, overlooking the joint role of hybrid work flexibility policies and digital HR support infrastructure as deliberate HRM interventions.
- There is a clear lack of sector-specific empirical research in the Indian IT sector, highlighting the need for an integrated HRM model to assess post-pandemic productivity outcomes.

Research Methodology

The study adopts a descriptive and analytical research design based on primary data collected from 160 employees working in the IT sector using a structured questionnaire. Simple random sampling was employed to ensure unbiased respondent selection. The questionnaire measured hybrid work flexibility policies, digital HR support & infrastructure, and employee productivity using Likert-scale items. Data analysis was conducted using SPSS and SEM techniques, including descriptive statistics, Pearson correlation analysis, multiple regression analysis, and structural equation modeling to test relationships, assess predictive power, and validate the proposed model. Statistical significance was evaluated at 5% and 1% levels to ensure robustness and reliability of findings.

Data Analysis

It presents the analysis and interpretation of the primary data collected to examine the impact of hybrid work flexibility policies and digital HR support & infrastructure on employee productivity in the post-pandemic workplace. The data were systematically analyzed using appropriate statistical tools to ensure meaningful and reliable insights aligned with the objectives of the study. The analysis begins with the examination of demographic characteristics of the respondents, followed by inferential statistical techniques such as correlation analysis, multiple regression, and structural equation modeling (SEM) to test the hypotheses and assess the strength and direction of relationships among the study variables. The results are interpreted in the context of the IT sector to draw valid conclusions and provide evidence-based implications for HR policy.

Demographic Factor

Sr No.	Particular	Category	Frequency	Percent
1	Gender	Male	90	56.3
		Female	70	43.8
2	Age	Below 25 Years	50	31.3

		26-35 Years	60	37.5
		36-45 Years	30	18.8
		46-60 Years	20	12.5
3	Qualification	Graduate	90	56.3
		Postgraduate	45	28.1
		Professional Certification	25	15.6
4	Work Experience	Less than 2 years	25	15.6
		2–5 years	40	25.0
		6–10 years	60	37.5
		Above 10 years	35	21.9

The frequency numbers indicate the actual count of respondents falling under each demographic category and help in understanding the composition of the sample. Out of the total 160 respondents, 90 are male and 70 are female, showing fairly balanced gender representation. In terms of age, 50 respondents are below 25 years, 60 belong to the 26–35 years group, 30 fall in the 36–45 years category, and 20 are in the 46–60 years group, indicating that younger and mid-career individuals form the majority of the sample. Regarding educational qualification, 90 respondents are graduates, 45 are postgraduates, and 25 possess professional certifications, reflecting a predominantly graduate-level workforce with additional professional upskilling. With respect to work experience, 25 respondents have less than 2 years of experience, 40 have 2–5 years, 60 have 6–10 years, and 35 have more than 10 years of experience, showing that a substantial portion of the respondents have considerable work exposure, which adds depth and credibility to the study findings.

Objective and Hypothesis

Objective 1 To Study the relationship of hybrid work flexibility policies and digital HR support & infrastructure with employee productivity in the post-pandemic workplace.

Null Hypothesis H_{01A}: There is no relationship between hybrid work flexibility policies and employee productivity in the post-pandemic workplace.

Alternate Hypothesis H_{01A}: There is a relationship between hybrid work flexibility policies and employee productivity in the post-pandemic workplace.

To study the above Null Hypothesis, Correlation Test is applied and results are as follows:

Correlations			
		Hybrid Work Flexibility Policies	Employee Productivity
Hybrid Work Flexibility Policies	Pearson Correlation	1	.197*
	P-value		.012
	N	160	160
Employee Productivity	Pearson Correlation	.197*	1
	P-value	.012	
	N	160	160

*. Correlation is significant at the 0.05 level (2-tailed).

Interpretation: The above results indicate that calculated p-value is 0.012. It is less than 0.05. Therefore, correlation test is rejected. Hence Null hypothesis is rejected and Alternate hypothesis is accepted.

Conclusion: There is a relationship between hybrid work flexibility policies and employee productivity in the post-pandemic workplace.

Findings: The correlation analysis indicates a positive and statistically significant relationship between Hybrid Work Flexibility Policies and Employee Productivity ($r = 0.197$, $p = 0.012$, $N = 160$). This suggests that improvements in hybrid work flexibility, such as autonomy in choosing work location, flexible scheduling, and clearly communicated hybrid guidelines, are associated with higher levels of employee productivity in the IT sector. Although the strength of the relationship is weak to moderate, its statistical significance at the 0.05 level confirms that hybrid work flexibility plays a meaningful role in enhancing productivity outcomes. The finding implies that while hybrid work policies alone may not be the sole determinant of productivity, they contribute positively when supported by appropriate organizational and HR practices.

Null Hypothesis H_{01B}: There is no relationship between Digital HR Support & Infrastructure and employee productivity in the post-pandemic workplace.

Alternate Hypothesis H_{01B}: There is a relationship between Digital HR Support & Infrastructure and employee productivity in the post-pandemic workplace.

To study the above Null Hypothesis, Correlation Test is applied and results are as follows:

Correlations			
		Digital HR Support & Infrastructure	Employee Productivity
Digital HR Support & Infrastructure	Pearson Correlation	1	.334**
	P-value		.000
	N	160	160
Employee Productivity	Pearson Correlation	.334**	1
	P-value	.000	
	N	160	160
**. Correlation is significant at the 0.01 level (2-tailed).			

Interpretation: The above results indicate that calculated p-value is 0.000. It is less than 0.05. Therefore, correlation test is rejected. Hence Null hypothesis is rejected and Alternate hypothesis is accepted.

Conclusion: There is a relationship between Digital HR Support & Infrastructure and employee productivity in the post-pandemic workplace.

Findings: The correlation analysis reveals a moderate, positive, and highly significant relationship between Digital HR Support & Infrastructure and Employee Productivity ($r = 0.334$, $p = 0.000$, $N = 160$). This indicates that effective digital HR systems, such as user-friendly HRIS platforms, reliable virtual collaboration tools, timely IT/HR support, transparent digital performance monitoring, and integrated online training systems, are strongly associated with higher levels of employee productivity in the IT sector. The significance of the relationship at the 0.01 level highlights the critical role of digital HR infrastructure in supporting hybrid work arrangements and enabling employees to work efficiently and effectively. The findings suggest that organizations investing in robust digital HR support mechanisms are more likely to achieve enhanced productivity outcomes under hybrid work models.

Regression Model-1

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.359 ^a	.129	.118	10.736
a. Predictors: (Constant), Digital HR Support & Infrastructure , Hybrid Work Flexibility Policies				

The model summary indicates that Digital HR Support & Infrastructure and Hybrid Work Flexibility Policies together have a moderate relationship with the dependent variable, as reflected by an R value of 0.359. The R Square value of 0.129 shows that approximately 12.9% of the variation in the dependent variable is explained by these two predictors, while the Adjusted R Square of 0.118 confirms that the model remains reasonably stable after adjusting for the number of independent variables included. Although the explained variance is modest, it suggests that digital HR systems and flexible work policies play a meaningful but partial role, with other factors also contributing to the outcome. The standard error of the estimate (10.736) indicates the average deviation of observed values from the regression line, implying a moderate level of prediction accuracy for the model in explaining the dependent variable.

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2682.170	2	1341.085	11.636	.000 ^b
	Residual	18095.330	157	115.257		
	Total	20777.500	159			
a. Dependent Variable: Employee Productivity						
b. Predictors: (Constant), Digital HR Support & Infrastructure , Hybrid Work Flexibility Policies						

Above results indicates that p-value is 0.000. It is less than 0.05. It indicates that linear regression model is good to fit.

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	47.009	5.813		8.086	.000
Hybrid Work Flexibility Policies (HWFP)	.112	.063	.135	1.780	.077
Digital HR Support & Infrastructure (DHSI)	.281	.070	.307	4.033	.000
a. Dependent Variable: Employee Productivity (EP)					

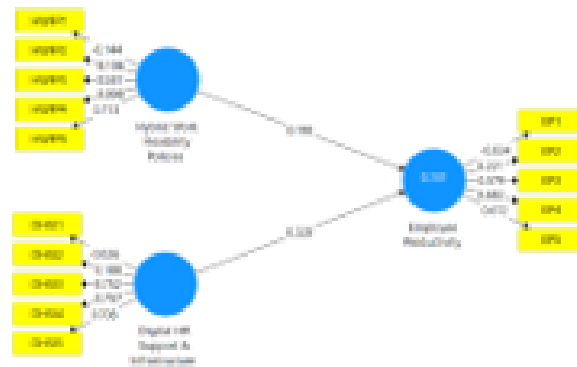
Above table indicate the values of coefficients and corresponding significance. According to p-value of the Employee Productivity factors it is observed that except “Hybrid Work Flexibility Policies” remaining variables has significant impact on Employee Productivity factors.

The mathematical equation to estimate the Employee Productivity factors is presented as follows:

$$EP = 47.009 + 0.112 \cdot HWFP + 0.281 \cdot DHSI$$

SEM Model

The Structural Equation Modeling (SEM) results provide a comprehensive understanding of the combined effects of Hybrid Work Flexibility Policies and Digital HR Support & Infrastructure on Employee Productivity in the post-pandemic workplace. The model shows that both constructs have a positive influence on employee productivity; however, Digital HR Support & Infrastructure ($\beta = 0.328$) exhibits a stronger impact compared to Hybrid Work Flexibility Policies ($\beta = 0.190$). The R^2 value of 0.181 indicates that the two predictors together explain 18.1% of the variance in employee productivity, reflecting a meaningful explanatory power in a behavioral and organizational context. These findings suggest that while flexible hybrid work arrangements contribute to improved productivity, their effectiveness is significantly enhanced when supported by robust digital HR systems such as HRIS platforms, collaboration tools, and digital performance management mechanisms. Overall, the SEM model confirms that an integrated approach combining flexibility with strong digital HR infrastructure is essential for improving productivity outcomes in hybrid work environments.



The structural model illustrates the influence of Hybrid Work Flexibility Policies and Digital HR Support & Infrastructure on Employee Productivity. The path coefficients indicate that both predictors have a positive effect on employee productivity, with Digital HR Support & Infrastructure ($\beta = 0.328$) exerting a stronger influence compared to Hybrid Work Flexibility Policies ($\beta = 0.190$). This suggests that while flexible hybrid work arrangements contribute to productivity, robust digital HR systems, such as HR platforms, digital communication tools, and IT infrastructure, play a more substantial role in enhancing employee performance. The R^2 value of 0.181 for Employee Productivity shows that approximately 18.1% of the variance in productivity is jointly explained by these two factors, indicating a meaningful explanatory power in a post-pandemic work context. Overall, the model highlights that effective digital HR support, when combined with flexible hybrid work policies, positively contributes to improving employee productivity.

Path Coefficient

	Digital HR Support & Infrastructure
Digital HR Support & Infrastructure	0.328
Hybrid Work Flexibility Policies	0.190

The path coefficient results show that both Digital HR Support & Infrastructure and Hybrid Work Flexibility Policies have a positive influence on employee productivity. The path coefficient for Digital HR Support & Infrastructure ($\beta = 0.328$) is higher than that of Hybrid Work Flexibility Policies ($\beta = 0.190$), indicating that digital HR systems and technological infrastructure play a stronger role in enhancing employee productivity. This suggests that access to effective digital tools, HR platforms, and technological support enables employees to work more efficiently in hybrid settings. Although hybrid work flexibility policies also positively impact productivity, their effect is comparatively weaker, implying that flexibility yields better results when supported by strong digital HR infrastructure.

Findings and Conclusion:

The study concludes that hybrid work flexibility policies and digital HR support & infrastructure play an important role in influencing employee productivity in the post-pandemic workplace. The correlation analysis confirms that both variables have a positive and statistically significant relationship with employee productivity, with digital HR support showing a stronger association. Regression results further indicate that while hybrid work flexibility contributes positively, its impact is not statistically significant when combined with digital HR support, highlighting the dominant role of robust digital HR systems. The regression and SEM findings collectively reveal that digital HR support & infrastructure exerts a greater and more consistent influence on productivity compared to hybrid work flexibility policies. Overall, the study establishes that employee productivity in hybrid work environments is enhanced more effectively when flexible work policies are supported by strong digital HR infrastructure, suggesting that organizations should prioritize investments in digital HR capabilities alongside well-designed hybrid work policies to achieve sustainable productivity outcomes.

Bibliography

1. Arntz, M., Ben Yahmed, S., & Berlingieri, F. (2022). Working from home, hours worked and wages. *Labour Economics*, 76, 102149.
2. Athanasiadou, C., & Theriou, G. (2021). Telework: Systematic literature review and future research agenda. *Heliyon*, 7(10), e08165.
3. Barrero, J. M., Bloom, N., & Davis, S. J. (2021). Why working from home will stick (NBER Working Paper No. 28731). National Bureau of Economic Research.
4. Barrero, J. M., Bloom, N., & Davis, S. J. (2023). The evolution of work from home (Working paper). Hoover Institution.
5. Bloom, N., Han, R., & Liang, J. (2024). Hybrid working from home improves retention without damaging performance. *Nature*, 630, 920–926. (Trip.com experiment)
6. Criscuolo, C., Gal, P. N., Leidecker, T., Losma, F., & Nicoletti, G. (2021). The role of telework for productivity during and post-COVID-19: Results from an OECD survey among managers and workers. OECD.
7. Donnelly, R., & Johns, J. (2021). Recontextualising remote working and its HRM in the digital economy: An integrated framework for theory and practice. *The International Journal of Human Resource Management*, 32(1), 84–105.
8. Emanuel, N., & Harrington, E. (2024). Working remotely? Selection, treatment, and the market for remote work. *American Economic Journal: Applied Economics*, 16(4), 528–559.
9. Gibbs, M., Mengel, F., & Siemroth, C. (2021). Work from home and productivity: Evidence from personnel and analytics data on IT professionals (Working paper). Becker Friedman Institute, University of Chicago.
10. Gibbs, M., Mengel, F., & Siemroth, C. (2023). Work from home and productivity: Evidence from personnel and analytics data on IT professionals. *Journal of Political Economy Microeconomics*.
11. Lee, K. (2023). Working from home as an economic and social change. *Labour Economics*, 82, 102330.
12. Morikawa, M. (2021). Work-from-home productivity during the COVID-19 pandemic: Evidence from Japan. *Japan and the World Economy*, 60, 101169.
13. Mutiganda, J. C. (2022). A systematic review of the research on telework and organizational economic performance indicators. *Future Business Journal*, 8, 51.
14. Smite, D., Moe, N. B., Hildrum, J., González-Huerta, J., & Cruzes, D. S. (2023). Work-from-home is here to stay: Call for flexibility in post-pandemic work policies. *Information and Software Technology*, 152, 107066.
15. Zhang, J., & colleagues. (2023). Exploring human resource management digital transformation in the digital economy. *Frontiers in Psychology*, 14, 1130172.