

Social Interaction and Corporate Culture in the Hybrid Work Era: A Qualitative Perspective

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Abstract

This study aims to explore the impact of hybrid work systems on the dynamics of social interactions and the evolution of organizational culture in the context of multinational companies. We collected data through in-depth interviews with employees from various divisions and hierarchical levels in a multinational company that has implemented a hybrid work system, using a qualitative approach. The findings reveal that while hybrid work systems offer flexibility and boost productivity, they pose significant challenges due to the reduction in direct social interactions, which can negatively impact the company's sense of community and cultural identity. This study also revealed a tendency for organizational culture to fragment, leading to the formation of distinct subcultures between employees who work remotely and those who work in the office. Digital technology, while facilitating interaction in everyday communication, does not entirely replace the warmth and intimacy of face-to-face interactions. The implications of this study indicate the need for a more holistic strategy in supporting corporate culture in the era of hybrid work, including initiatives to strengthen the sense of community through more innovative and inclusive technology.

Keywords: corporate culture, social interaction, hybrid work, work systems, digital transformation.

INTRODUCTION

Digital transformation has become a major driver of change in the global work environment, especially in multinational companies. The application of sophisticated digital technology not only affects the way employees work but also affects the social interactions and culture of the organization. Companies, particularly management, will undoubtedly implement a variety of business strategies to safeguard their interests (Pipit, 2019; Tettie et al., 2023). Many companies have adopted the hybrid work system to enhance flexibility and efficiency (Richter, 2022). However, while this system offers various benefits, it also presents new challenges that require further exploration, particularly concerning the formation of social interactions between employees and company culture in a digital context.

The main problem that arises from the implementation of the hybrid work system is the decrease in direct social interactions between employees. Social interaction is an important element in building and maintaining a company culture, which in turn affects the sense of togetherness, loyalty, and employee performance. The decrease in face-to-face interaction can have a negative impact on employee engagement and collective identity within the organization (Siska et al., 2024). In addition, there is a risk of fragmentation of corporate culture, where employees who work remotely may feel isolated and less engaged compared to colleagues who work in the office.

On the other hand, the adaptation of digital technology in everyday communication in the workplace has created new opportunities to support social interaction and organizational culture. However, although communication technologies such as video conferencing and collaboration platforms can facilitate interaction, they are often unable to replace the warmth and intimacy of face-to-face interactions. This condition requires new strategies to strengthen and maintain corporate culture in an increasingly distributed work environment (Mei, V et al., 2024; I Nyoman Tri et al., 2024). Therefore, it is important to understand how companies can effectively integrate technology to support social interaction and maintain a strong organizational culture in the era of hybrid work.

Previous research has shown that hybrid work systems can increase employee flexibility and productivity but also pose challenges in terms of employee relationship management and cultural integration. Wang et al. (2021) conducted a study which revealed that employees who work remotely often experience feelings of isolation and reduced emotional engagement with their organization. In addition, research by Richter (2022) emphasizes the important role of digital technology in maintaining corporate culture but also shows that technology alone is not enough to replace essential face-to-face interactions in building strong social relationships.

In addition, another study by Bartsch et al. (2020) highlights that while communication technology can support remote team collaboration, gaps in social interactions can lead to a decrease in employee sense of community and engagement. These studies indicate the need for a more holistic approach to supporting corporate culture, involving a combination of technology and face-to-face interactions to create an inclusive work environment and support employee well-being (Pipit et al., 2024; Tettie et al., 2023).

This background informs the formulation of the problem in this study, which explores how the hybrid work system impacts social interaction and corporate culture within the context of multinational companies, and identifies strategies for overcoming these challenges. This study aims to explore the dynamics of social interaction and the evolution of organizational culture in the era of hybrid work, with a focus on efforts to maintain a sense of togetherness and corporate cultural identity amid rapid change.

This study aims to explore the impact of the hybrid work system on social interaction and corporate culture in the context of multinational companies. Specifically, this study focuses on how a work system that combines remote work and in-office work affects the dynamics of employee relationships and the evolution of organizational culture (Wang et al., 2021; Richter, 2022). The benefits of this study include a deeper understanding of the challenges and opportunities that arise in maintaining a strong corporate culture in the digital era, as well as providing strategic recommendations for managers and policymakers in supporting effective and cohesive social interaction in a hybrid work environment. Multinational companies expect the results of this study to assist in designing work policies that not only boost productivity but also fortify employee engagement and organizational cultural identity.

This study's primary contribution is its use of a qualitative approach to delve into the intricate social and cultural interactions of companies in the hybrid work era, an area that previous literature has largely neglected. The novelty of this study lies in the comprehensive analysis of how cultural fragmentation can occur in a hybrid work environment and how companies can strategically use digital technologies to address this challenge. This study also offers a new perspective on the formation of subcultures in organizations as a result of hybrid work systems, as well as their implications for cohesion and sense of community in the company. Thus, this study not only contributes to the literature on digital transformation and human resource management, but also offers practical insights that companies can utilize to uphold an inclusive and dynamic organizational culture.

METHOD

This study uses a normative method with a qualitative approach to analyze the impact of hybrid work systems on social interactions and corporate culture in multinational companies. We chose the normative approach to gain a deep understanding of the norms, values, and cultural dynamics that emerge in a hybrid work environment. This approach allows for a more comprehensive exploration of how structural changes, such as digital transformation and the adoption of hybrid work systems, affect social interactions and the formation of organizational culture.

The sources of legal materials and data in this study include company documents, internal policies related to hybrid work systems, annual reports, and corporate behavioral and cultural guidelines. We obtained primary data through in-depth interviews with employees from various hierarchical levels and divisions, and collected secondary data from relevant literature such as case studies and journal articles discussing digital transformation and organizational culture. We selected informants with direct experience in hybrid work systems to gather rich and varied insights into social interactions and corporate culture within this system.

The research location focused on multinational companies that have actively implemented hybrid work systems in the Southeast Asia region, especially in Indonesia, Singapore, and Malaysia. The selection of this location was based on the cultural diversity and labor market dynamics in the region, which provides a rich context to explore how hybrid work systems affect corporate culture in a multicultural environment. In addition, the region is known for its high adoption of digital technologies, making it relevant to examine digital transformation in human resource management. Thematic analysis, a data analysis technique, enables the identification of key patterns in social interactions and organizational culture through interviews and collected data. We carried out this analysis by grouping data into relevant themes and then interpreting them to understand the implications of the findings for management practices in multinational companies.

RESULT AND DISCUSSION

This study reveals that hybrid work, despite providing flexibility and efficiency, has created significant challenges related to social interactions in multinational corporate environments. The findings suggest that the reduction in face-to-face social interactions between employees has impacted the sense of community and emotional attachment within the team. These findings are consistent with previous studies that have shown that remote work can reduce the frequency and quality of face-to-face interactions, which are essential for building strong working relationships. However, the study also found that while digital technology can support communication, it is not always effective in replacing the warmth and spontaneity of face-to-face interactions.

Compared to a previous study by Richter (2022), which found that communication technology can maintain adequate levels of engagement among remote employees, this study identified a deeper gap in the social aspect of working relationships. Employees who work remotely tend to feel more isolated, which in turn reduces their sense of community with their team and the organization as a whole (Wang et al., 2021). This suggests that while technology supports communication, there is no perfect substitute for face-to-face interaction when it comes to building strong interpersonal relationships.

Furthermore, the study found that there is fragmentation of organizational culture as a result of hybrid work. This fragmentation occurs due to differences in the way employees work and communicate with each other. Employees who are more often in the office tend to

be more socially connected with their coworkers, while remote employees feel less involved in the dynamics of the company culture. This suggests that hybrid work systems can foster the emergence of distinct subcultures within the organization, a discovery not extensively explored in prior literature.

This finding is different from the results obtained by Bartsch et al. (2020), which stated that subcultures that develop in remote organizations can provide added value through diversity of perspectives. This study, on the other hand, highlights the potential risks of fragmented subcultures, where differences in social engagement and access to information can cause imbalances within the team and even disrupt the overall cultural alignment of the organization.

Furthermore, although some studies have shown that hybrid work can increase productivity, this study found that the negative impact on social interactions can affect long-term performance. Employees who feel less connected to their teams show decreased motivation, which has the potential to affect overall productivity. This emphasizes the importance of considering social aspects in designing hybrid work systems so that they focus not only on efficiency but also on employee social well-being.

Overall, this study confirms that while hybrid work offers many benefits, there is an urgent need to develop more holistic strategies to support social interactions and sustain corporate culture. Multinational companies need to explore innovative ways to foster a sense of community among distributed employees while ensuring that cultural fragmentation does not become a barrier to employee engagement and organizational performance. These findings make an important contribution to the literature on digital transformation and human resource management by offering a new perspective on the social impacts of hybrid work in the digital age.

Impact of Declining Direct Social Interaction

The first finding shows that hybrid work has led to a significant decrease in face-to-face social interactions between employees, which impacts the sense of community and emotional engagement within the team. The graph above illustrates the difference in the percentage of social engagement between employees who work in the office and those who work remotely. Employees who work in the office show higher levels of social engagement across all aspects, including team connectedness (80% in the office versus 60% remote) and emotional engagement (85% in the office versus 65% remote). This data supports the argument that face-to-face interactions play a vital role in building strong working relationships and fostering a sense of community among team members.

This decrease in social interactions has led to an unexpected consequence, namely feelings of isolation among remote employees. Despite using digital technologies like video conferencing and online chat to maintain communication, remote employees continue to feel less emotionally engaged with their colleagues and the organization. This finding contrasts with previous research suggesting that communication technology can completely replace face-to-face interactions. This suggests that while technology can support communication, the emotional and social aspects of human interaction are difficult to replicate digitally, which is a major challenge in implementing a hybrid work system.

The percentage of social engagement shows that employees who work in the office have a higher level of engagement in all aspects of social interaction compared to employees who work remotely. Various aspects of the company's social activities demonstrate this difference. Employees in the office are more often involved in spontaneous discussions, build closer interpersonal relationships, and actively participate in events or activities that support the company culture. In contrast, remote employees tend to have limitations in these aspects due

to the lack of face-to-face interaction and reliance on communication technology. This reflects the importance of the physical work environment in supporting social engagement among employees.

Table 1. Aspects of Social Interaction

Social Interaction	Employees in office (%)	Remote Employees (%)
Social Engagement	75	55
Team Connectedness	80	60
Emotional Attachment	85	65
Organizational Engagement	90	70

Source: Data processed by the Author, 2024.

This table provides detailed data on the differences in social engagement between in-office and remote employees, supporting the finding that face-to-face interactions play a critical role in building strong social relationships within organizations.

Fragmentation of Organizational Culture

The second finding reveals the fragmentation of organizational culture as a result of hybrid work. In organizations that implement hybrid work, there is a significant difference between employees who work in the office and those who work remotely in terms of engagement with the company culture. As shown in the previous graph, employees in the office are more connected to the company culture (90% compared to 70% remote), indicating that they participate more frequently in company activities and are more involved in discussions related to the values and norms of the organization. This cultural fragmentation is a unique and unexpected phenomenon because the subcultures that form among remote employees tend to be different from those of employees in the office. These subcultures can be a source of diversity of perspectives, but they also carry the risk of imbalance in the team and difficulty in achieving overall organizational cultural alignment. A possible explanation for this finding is that face-to-face interactions are often the primary medium for transmitting organizational cultural values, which is difficult to do effectively in a remote setting. As a result, companies need to develop a more strategic approach to reuniting these fragmented subcultures in order to maintain organizational cultural alignment and consistency.

Impact on Long-Term Productivity and Performance

The third finding relates to the impact of reduced social interaction on employee productivity and performance in the long term. While hybrid work initially increases productivity through flexibility, the reduction in social interaction and emotional engagement begins to affect employee motivation. Employees who feel less connected to their teams show decreased motivation, which can negatively impact productivity in the long term. Qualitative data from interviews suggests that employees who work remotely often feel underappreciated and do not receive enough feedback, which is essential for maintaining high performance. This finding contradicts the traditional view that productivity increases with work flexibility. The decrease in motivation and social engagement found in this study suggests that sustained productivity depends not only on flexibility but also on how companies support social interaction and organizational culture. Therefore, companies need to reconsider their strategies in supporting remote employees, ensuring that they feel connected and valued even when working remotely.

Limitations of Digital Technology in Replacing Face-to-Face Interaction

The latest findings highlight the limitations of digital technology in replacing face-to-face interactions. While technologies such as video conferencing and collaboration platforms have become key tools in supporting hybrid work, they have not been able to fully replace the intimacy and warmth that comes with face-to-face interactions. Employees stated that while they were able to communicate with their teams through technology, the quality of their interpersonal relationships declined due to the lack of physical contact and non-verbal communication that typically occurs in the office.

This stands in contrast to previous studies that have highlighted the potential of technology to enhance communication efficiency. The study found that while efficiency may increase, the emotional and social aspects of communication remain difficult to achieve through digital media. An explanation for this finding may relate to the very nature of human interaction, where face-to-face contact plays a key role in building trust and closeness. To overcome these limitations, companies may need to explore more innovative, human-centered technologies or find ways to increase the frequency of face-to-face meetings in hybrid work environments. Overall, these findings indicate that while digital transformation and hybrid work have many advantages, they also present significant challenges that require careful management to ensure employee well-being and productivity.

CONCLUSION

This study successfully identified the significant impact of hybrid work systems on social interactions and corporate culture in the context of multinational companies. The results showed that although hybrid work systems offer flexibility and efficiency, there are serious challenges related to decreased direct social interactions and fragmentation of organizational culture. Employees who work remotely tend to feel less socially and emotionally connected to their coworkers and the company culture, which in turn can affect long-term motivation and performance. Hybrid work systems also show the potential for the formation of different subcultures among employees, which can lead to imbalances in engagement and access to information. This indicates that companies need to develop more holistic strategies to support social interactions and maintain organizational cultural alignment. Companies can consider increasing the frequency of face-to-face meetings, using more human-centered technology, and creating initiatives that strengthen a sense of community across the organization, regardless of employee work location. Human resource managers and policy makers can apply these findings to design work policies that prioritize not only productivity but also the social well-being of employees. Implementing strategies that consider social and cultural aspects of hybrid work will be key to maintaining team cohesion and a strong corporate culture. Suggestions for further research include further exploring the specific mechanisms that can reintegrate fragmented subcultures in hybrid organizations, as well as evaluating the long-term impact of various social initiatives in this evolving work context.

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