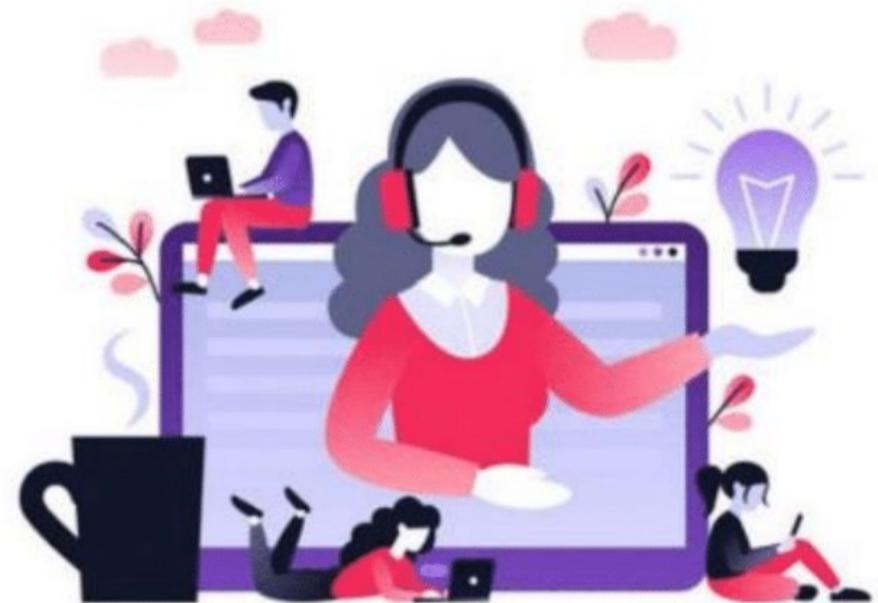# Remote Working:Latest Research and the Future

Remote Working: Latest Research and the Future

Contents

Remote working before the pandemic

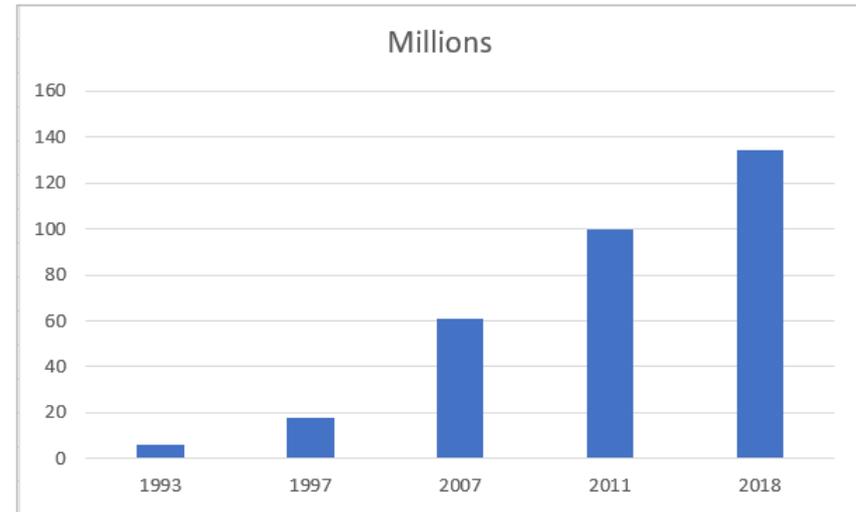## Evolution and Prevalence

An exponential increase

In 1993, there were an estimated 5.89 million teleworkers in the United States[1]. Between 1993 and 1997, this number grew by over 200% to 18 million[2]. A decade later there were an estimated 61 million remote workers. The numbers had grown over 200%.[3] Approximately 87% of employers made telework arrangements available to their employees in 2008.

The number of mobile workers globally was anticipated to surpass one billion in 2011, representing more than 30% of the global workforce[4].

In 2018 an Owl Labs survey[5] of more than 3000 workers across 23 countries found 39% worked remotely 1 day a week. This would extrapolate to 1.34 billion workers in 2018, based on IMF global workforce estimates of 3.427 billion.

However, Gallup international surveys report findings that employees working some of the time remotely rose from 39% in 2012 to 43% in 2016[6.]

There is some variation by country, as you would expect. On a percentage basis just less than one third of the Australia workforce worked from home regularly in 2015[10].

Impact of the Pandemic

With the onset of the COVID 19 pandemic virtually everyone had to work from home during lock down periods - if they could.

The Wrike 2020[7] survey found a significant number of workers felt uncomfortable about working from home. 43% of professionals felt they were less effective than working out of their office.

Nearly half of workers (49%) say they had never worked from home prior to the outbreak of COVID-19. An additional 23% say they previously only worked from home during special circumstances, such as caring for sick kids or during extreme weather events.

As so many full-time employees are being forced to work remotely due to COVID-19, the results point to a disruptive experience for this group of employees new to working from home.

Another survey of 800 U.S. workers at enterprise companies with 1,500+ full time employees and three or more office locations was run by Smartsheet in April 2020. Responses indicate 82% of enterprise workers feel less productive at work since going
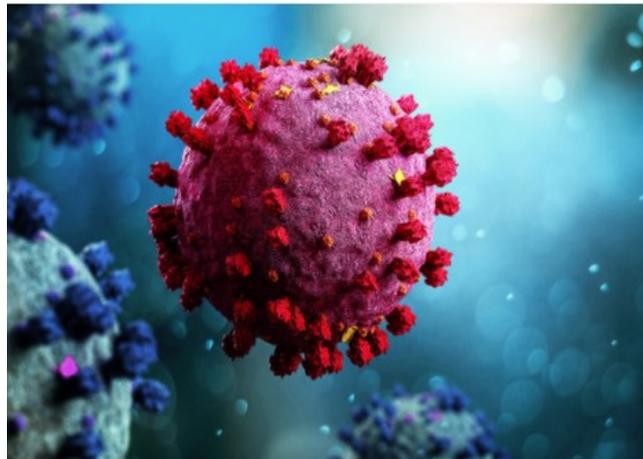
remote. Over 90% of young workers reported having difficulty working remotely.[8]

The pandemic was unexpected. So, it is not a surprise that over half of respondents reported they did not have the infrastructure or tools in place to effectively work remotely.

Those that did have the tools were unlikely to have had training. For many, expectations of what they were to accomplish were unclear and standard procedures were not in place. [8]

Despite advances in technology for virtual collaboration, most organisations are still using the traditional tools; email, Instant Messaging, phone and texts. [8]

In the Owl labs June/July 2020 survey of over 2000 US workers it was found that almost 70% were working remotely due to Covid. Of these 77% would be happy to continue. Almost 50% said they would not return to a job that did not allow flexi work. 81% believe their employer will support remote work after Covid. [9]

Intensity - time spent working remotely

Gallup[6] found that it is not just the percentage of employees working remotely employees that is increasing. Many are spending a greater percentage of their working time working remotely.
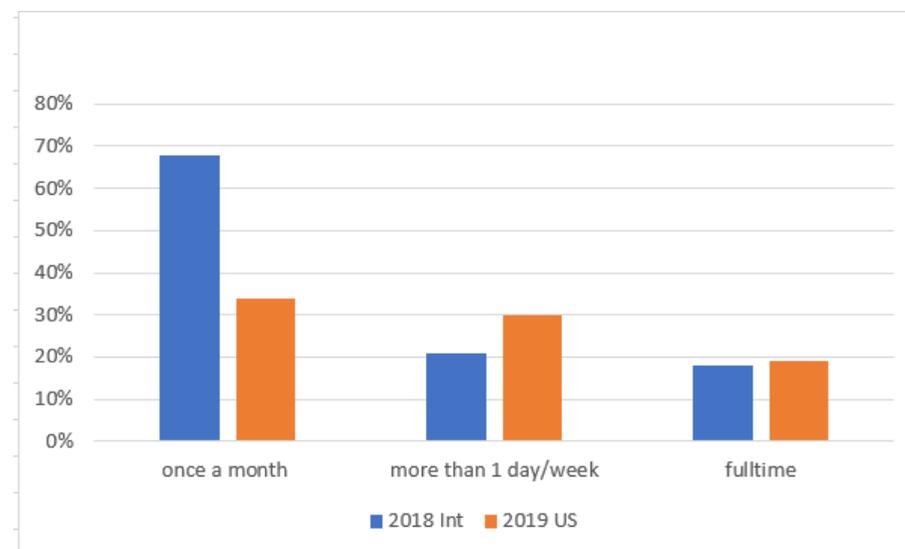
In 2012, 24% of remote working employees spent 80% or more of their time working remotely. In 2016 that had increased to 31%. The number working remotely 40% to 80% of the time had increased only slightly. The number working remotely less than 20% of the time decreased. The percentage of employees who work remotely 100% of the time had risen from 15% to 20%. These numbers are generally confirmed by other surveys.

In 2018 more than one-third (34%) of U.S. full-time employees did most of their work from a remote location.   This according to an ORC International 2018 survey[10], a slight increase since 2013.

Almost all respondents (98%) report some form of work flexibility. This is regardless of their workplace location.

Overall, the survey found 68% of respondent workers in 38 countries worked remotely at least once a month.   21% of them more than one day a week, but only 18% worked remotely full time.

Owl surveyed 1202 full time US workers in 2019.   62% did some remote work. 38% worked only in place. The 62% of survey respondents who work remotely do so at different frequencies. 54% work remotely at least once per month. 48% at least once per week, and 30% full-time[11].

Post pandemic 92% of Owl Lab 2020 respondents expect to work remotely at least 1 day per week, and 80% at least 3 days per week.[9]

Who are the remote workers?

Gallup[6] found Workers in Technology, Finance, Real estate, Education and Healthcare more likely to work remotely at least part of the time. However, working remotely increased between 2012 and 2016 across most industries Gallup studied. The finance, insurance and real estate industries experienced the greatest surge in time spent working remotely.

In 2018 men were the majority of remote workers, according to an ORC survey.[10]

The Owl Labs 2018 survey[5] found higher job levels such as VP level work remotely more than those at lower "contributor" levels. Consultants and Team Managers or Leaders are more likely to work on site. IT, Sales and Customer Support functions have higher proportions of remote workers than Administration, Human Resources, Product Development and Engineering.

More likely to be men, higher seniority level, IT, Sales, Customer Support and in Technology, Finance, Real Estate and Healthcare

Wrike [7] in their 2020 survey of 1000+ US workers found a difference across generations. Millennials were 44% more likely than baby boomers to say they could do their jobs just as effectively from home. Perhaps because they have grown up with digital technology. Boomers were 51% more likely than millennials and 19% more likely than Gen-X to say they "strongly disagree" that they could do their jobs remotely.

In July 2020 slightly more females than males (52%) reported working remotely.[9] The Owl Labs survey found a majority of remote workers (55%) at the individual contributor level, and also a greater percentage of highly paid workers than in 2018

In seeming contrast to their pre-pandemic confidence about remote working only 17% of millennials said they were actually doing so. 47% of remote working respondents were GenX and 37% Boomers.

Benefits for Individuals

The appeal of flexibility

A 2017 Gallup study on benefits and perks[13] finds that 51% of employees say they would switch to a job that allows them flextime, and 37% would switch to a job that allows them to work off-site at least part of the time.

A 2019 Citrix/CEBR survey[12] found many US workers moving out of cities to avoid high costs, a trend now accelerating in other regions as well.
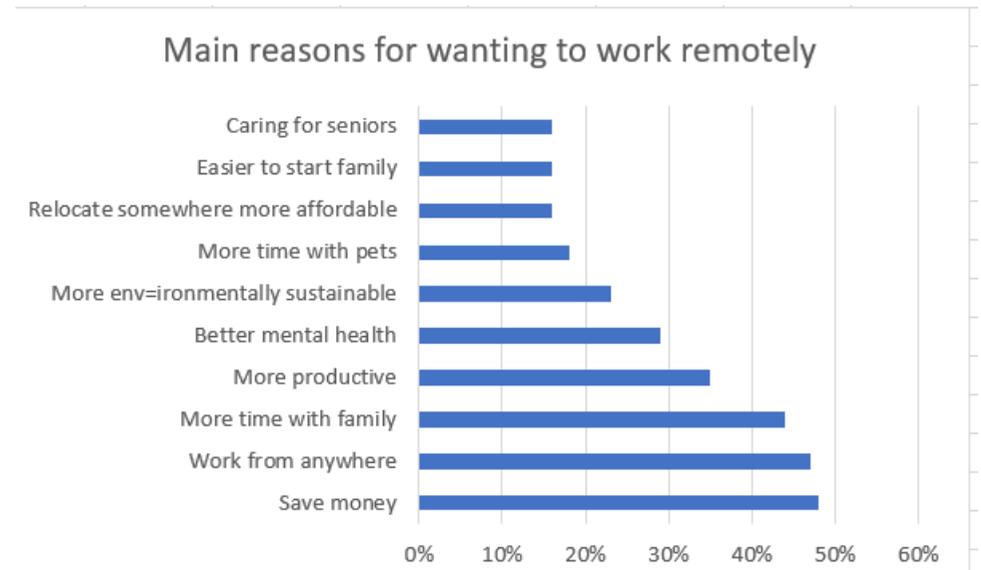
In late 2019 Zapier surveyed 1180 employed US adults including almost 900 professional knowledge workers. They found 95% would like to work remotely and 74% would be willing to change jobs to do so.[14]

The Zapier survey found remote work is a highly desired perk. Nearly 3 in 5 knowledge workers (57 percent) say the option to work remotely is one of the perks they'd most prefer to be offered by an employer. More desirable than free lunch, unlimited vacation time and on site recreational and sports facilities.

Post pandemic this desire for flexibility is at the same level for all workers.

The second key reason people would like to work remotely is better work life balance. The saving of time wasted on the commute can free huge amounts of time.

Commute related costs are also substantial. However, it appears that some firms have asked workers to take pay cuts for working remotely.

Main reasons for wanting to work remotely

2 in 3 knowledge workers said they believe the office will be obsolete by 2030.

Amid the pandemic more organisations are allowing their staff to work from anywhere and this is accelerating the numbers relocating to less populated areas. [9]

Owl Labs[9] found that the average saving on commute time was 40 minutes , and the saving cost wise almost $480 per month. Unsurprisingly the biggest benefit cited mid 2020 was health – keeping safe from infection.

Benefits for Employers

Lower costs

Organisations see benefits in lower real estate costs. There is less expenditure on office supplies and transport. Companies switching to telecommuting saw real estate and electricity costs fall by almost 50%. [15]

Employers can expect to enjoy reduced costs from absenteeism, sick leave and lateness. Along with reduced health care costs if contributing for staff. [12]

Post pandemic staff are more willing to take a 10% or higher pay cut in order to work remotely.[9].

Most employers are not contributing to the costs of home office infrastructure a further saving for fully remote workers.[9]

Obviously, we are now very aware of the fact that remote employees have less exposure to contagions. They can avoid crowded public transport and offices where viruses circulate.

Historically, staff turnover tends to be lower amongst remote workers who have greater job satisfaction. Hiring costs reduce. Owl Labs found 25% less staff turnover in US companies offering remote-friendly options.[5]

Access to a wider talent pool

Organisations can choose from a wider pool of talent if not limited to those that can get to the office. A 2019 survey found 69% of those not working would consider flexible work.[12]

Almost two thirds of those who worked part time would be willing to work more hours, if they could do so remotely.

It is estimated flexible working could boost the US economy by as much 11% a year by drawing talent from pools such as parents at home with children, those caring for aged relatives and retirees. Going some way towards solving the skills gap.[12]

Improved Engagement & Commitment

Gallup[6] found that employees who work at least sometimes remotely are more engaged than on site workers. The gains in engagement and performance vary by role. The benefit is greater when staff maintain some connection to their home base.

The biggest lift in engagement occurs when staff spend 60-80% of their time, 3-4 days a week, working remotely.

Across all respondents, Gallup found those who always work at home or in the field have the lowest levels of engagement (30% are engaged) of all remote workers. The same percentage as for those who never work remotely.

This is likely because fully remote workers do not have systematic ways to interact with others. They report less satisfaction on survey items related to connecting with others and opportunities to discuss progress and development.

Gallup found that both managers and employees in knowledge-based roles experience higher levels of engagement when they work some or all of the time remotely. This is in comparison to those who do not work remotely.

However, service and support workers, who respond to the immediate and specific needs of clients experience some difficulty if away from the office more than 40% of the time. Job expectations may become less clear and they cannot rely on co-workers for guidance and support.

Globally in 2018 it was found general job satisfaction and happiness increases in people who work from home. Those who work remotely at least once a month, are 24% more likely to feel happy and productive than those who don't, or can't, work remotely. [5] (Owl Labs survey)

In 2020 post pandemic working from home is essential for job satisfaction for 70% of survey respondents.[9]

Sense of Belonging

A 2014 study into the impact of remote working on sense of belonging in a organisation found that it was greater when there was a preference for working remotely, when the work was well structured and completed in co-ordination with others, and the worker was confident in their contribution.[16]

So remote workers are more satisfied with their jobs.
But --- Are they more productive?

There has been plenty of research over the last two decades.

For remote workers, improvements in productivity are far greater than might be expected.

In 2003 a study of Call Centre performance in a single workplace that introduced remote working found strong productivity increases.[17]

After 13 months average productivity had increased 154% for remote workers but decreased 13% for on-site staff.

Subsequently average productivity for telecommuters increased from 9.4 calls per hour to 10.5 calls per hour in the second year, dropped to 10.2 calls per hour in the third year, then increased again to 11.1 calls per hour in the final three months of operation.

A 2014 experiment conducted by Stanford University found that telecommuters worked 11 percent more hours than their co-workers in the office and were 4 percent more productive overall.[18]

A 2015 survey from Dell and Intel found that 52 percent of staff think that employees working from home are just as, or more, productive than those in the office.[19]

Of the remote workers half said they get more work done at home, while 36 percent reported that they are equally productive as in the office. Only 14 percent said that they feel more productive when in the office.[18]

These results aren't surprising since remote work eliminates wasted time from commuting, incessant meetings, office politics, distractions and interruptions.

The 2019 Zapier survey [14] mentioned earlier found 42% of knowledge workers believe they are most productive working from home, compared to just under a third (32%) who feel they get more done in an office.

The ratio is greater for baby boomers (52%) than millennials (38%). However in this survey more Millennials (31%) work remotely full time than Boomers (11%).

Women were more likely to feel more productive at home – 50% felt that way versus 37% of men. Conversely men felt more productive in the office (35% versus 27% of women)

For on-site workers Prodoscore's productivity tracking software reveals that employees are more productive on specific days, and at different times.[20]

Data shows the average worker starts work at 8:32 a.m. and ends work at 5:38 p.m. Tuesday, Wednesday and Thursday are the most productive days, in that order. Friday is the least productive day, followed by Monday. The most productive period during the workday is from 10:30 a.m. to 3:00 p.m. The "ramp-up" to being productive takes one to three hours daily.

This suggests that assumptions around the traditional 40-hour workweek may need review.

Full-time remote knowledge workers typically spend more hours each workday doing meaningful work (i.e., work that has significance and purpose) compared to their office worker counterparts. That's 6.2 hours for remote workers compared to 5.7 hours for office-bound ones.

When asked what would strongly improve their productivity, 39% of workers say more time to focus on work and not in conversations with others. (Zapier)[14]

This was followed by better ways to manage time and prioritize tasks (31%) and more easily integrating data from different systems into one place (30%). Overall, 84% desire less email and messaging communication and 77% desire fewer phone conversations.

There is a negative correlation between the number of hours worked and individual productivity. After 55 hours of work in one week, productivity nosedives. Likely due to a combination of stress, fatigue and boredom.   At 70 hours, employees achieve only the same productivity as those working 55 hours. (Stanford study).[18]

Post pandemic the Owls Labs survey[9] indicated 75% of people working at home were as productive as in the office – despite the challenges they experienced through the sudden change.

Creativity and Innovation

Employees value flexibility – a 2018 national US phone survey of 595 full-time employed adults for Flex+Strategy Group (FSG found that 45% felt that flexibility helped them work more creatively and collaboratively with colleagues. Only 4% felt it adversely impacted them and the other half felt flexibility made no difference. [21]
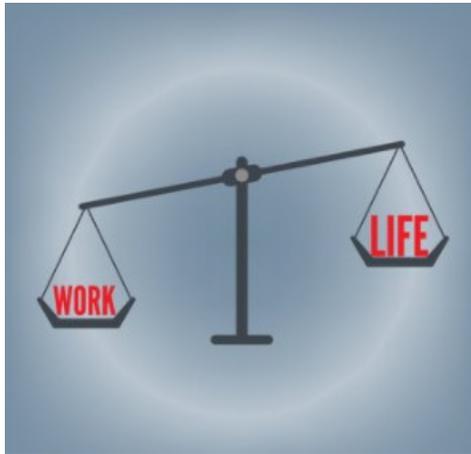
An experimental study in 2012 found that remote workers were more productive on tasks requiring some creative thought – and less productive on dull routine ones.[22]

Corporations such as IBM and Yahoo may re-evaluate their pre-pandemic view that remote work is a barrier to innovation and collaboration. They may reconsider requests for employees to re-locate back to company offices.

Drawbacks/Barriers

Work-Life conflict

Home is the primary location for most staff who work remotely. Other locations are customer sites, travel locations such as

airports, commuter transport, hotels, coffee shops and co-working spaces. [12]

Early research suggested that social isolation, blurred work life balance, and distraction from an unfavourable at home work environment pose problems. [23] More recent research suggests that as remote working has become more prevalent and better organised.there are less conflicts.

During the pandemic over 50% of survey respondents reported issues with interruptions, distractions and connectivity [9]

Professional Isolation

Feelings of professional isolation can affect job performance. They are associated with greater time spent working remotely and less interaction with supervisors. The extent and quality of communication and relationships with co-workers are also a factor.

Lack of tools

Over two thirds of remote workers (68%) feel distracted by too many voice, video, messaging and email conversations throughout the workday. Almost as many (64%) feel they don't have the correct tools to build or adapt new business processes, workflows or project designs. Many feel hampered by the lack of face-to-face conversations;(62%). Almost half (46%) say they can't find the information they need to do their job.[8]

Career disadvantage

Prior to the necessity of remote working in the pandemic many managers were reluctant to have staff working remotely. They felt that productivity would suffer due to domestic distractions. Many remote workers are paid on a contract basis for output rather than on a fixed salary. [24]

This causes Presenteeism. The preference for many workers to be on-site even if they could in fact work effectively remotely.

Although government mandates for fair and flexible work arrangements are increasing a Macquarie University study by Karen Handley found that flexible working is still widely considered a privilege in Australia, and not available to every employee. They also found that for people who request telework, career prospects may diminish and pay rates decrease.[25]

However, for employees seeking to advance in their careers, it is commonly advised to exercise caution, since telecommuting is often viewed as signalling a lack of dedication to one's career.

While many companies offer flexible working, or the option to work from home, employees often feel resistant to the idea, opting to stay in the office to 'prove' they're working.

A 2020 study [26] compared the career success of telecommuters and non-telecommuters using a sample of 405 employees. Remote workers did not differ from those on site in terms of promotions. However remote workers did have lower salary increases. Those who spent more time working remotely were less likely to get promotions and salary increases. This was less marked in workplaces where remote work was regarded as normal and where there was greater face to face contact with supervisors.

Amid the pandemic a greater percentage of remote workers are concerned about their career prospects, in fact an 87% increase over 2019 [9]

Is training needed?

Prior to the pandemic surveys show that training for flexible and remote workers is lacking. In a 2018 survey (ORC) the majority (57%) said they received no training or guidance on how to manage their flexible work. [10] This was a larger number than previous surveys in 2015 and 2017.

Those who did receive some training were more likely to feel their flexible work made them more productive and engaged. They were also more likely to say their ability to communicate, create and innovate whilst working remotely increased

Post pandemic, a survey of over 700 professionals with remote work experience from 35 countries was conducted in July 2020 by Workplaceless a provider of remote working training. [27]

Over two thirds of senior leaders believe unpreparedness to work remotely negatively affects business outcomes, and adversely affects company profit.

Those who received training felt significantly better prepared, in proportion to the amount of training received. They felt better at communicating, collaborated, managing performance and productivity.

The most common challenges were distractions (likely due to the Covid environment where children may be out of school), and overworking

Overall, 95% of survey respondents believe additional support would better prepare them to work well in a distributed environment.

Support type preferences varied from "Self-paced skills courses" at 43% and "More effective tools" also at 43%.

Effective use of video conferencing is now vital for remote workers. This medium is now used 'much more' by almost two thirds of remote workers[9]

Effect of work environment

As mentioned earlier the Home is the most frequent location for remote work. Although survey respondents indicate they may work at coffee shops, airports hotels, or on transport

 For remote work at home to be effective there needs to be distraction free space, suitable infrastructure, and supportive interactions from family, co-workers and supervisors.

Prior to the pandemic the use of co-working spaces had increased exponentially. [28] Such spaces can help alleviate feelings of social isolation.

As a middle ground between home and the office co-working spaces provide a degree of structure and community. In theory the best of both worlds.

However a study by Zapier [14] found that only 11% of knowledge workers feel highly productive in co-working space. Co-working spaces may come with higher distractions

Amid the pandemic many remote workers reported their main challenge was difficulty operating with children at home.[9]

This of course is not an issue when schools and holiday programmes are operational.   It should not affect the future of remote work

Tools used v tools needed

A 2017 survey [10] found most employees (65%) still use email, spread sheets and word documents as their "frequently" used tools to update supervisors and colleagues about work progress and performance.   Only 17 percent said they used web conferencing and only 8% used cloud based productivity/collaboration tools.

Fast forward to Feb 2020 the Wrike survey 7 found Email is used by 85% for virtual collaboration, voice calls by 67%

Use of web conferencing is up. It is now used by just over half of respondents.

There is however little change in use of cloud based productivity and collaboration platforms – now just 10%.

 40 % of respondents didn't think their organisation had the technology to enable working from home if needed.

In April 2020 Prodoscore vendor of employee visibility software found their usage date for March and April 2020 showed chat, CRM and email as the most used. Chat is becoming especially popular for distributed workers.

The 6 key technologies for organisations with remote workers;

- VPN—A virtual private network provides a secure communication channel through public Internet connections.
- VoIP—Voice over Internet Protocol cuts communication costs and enables employees to access their office phone calls from anywhere, send instant messages, forward calls to mobile phones, web and tele conference with clients and co-workers.
- Data Backup/Recovery—Remote workers need backup solutions for any local data.
- Network security is vital. Ensure robust authorisation methods for remote workers
- Malware Protection—Ensure remote workers have adequate protection, updated to stay current.
- Collaboration Tools—Tools for sharing information, communicating and online meetings

Ideally also cloud based technology for project tracking, along with good office hardware

HOW TO MAKE REMOTE WORKING SUCCESSFUL
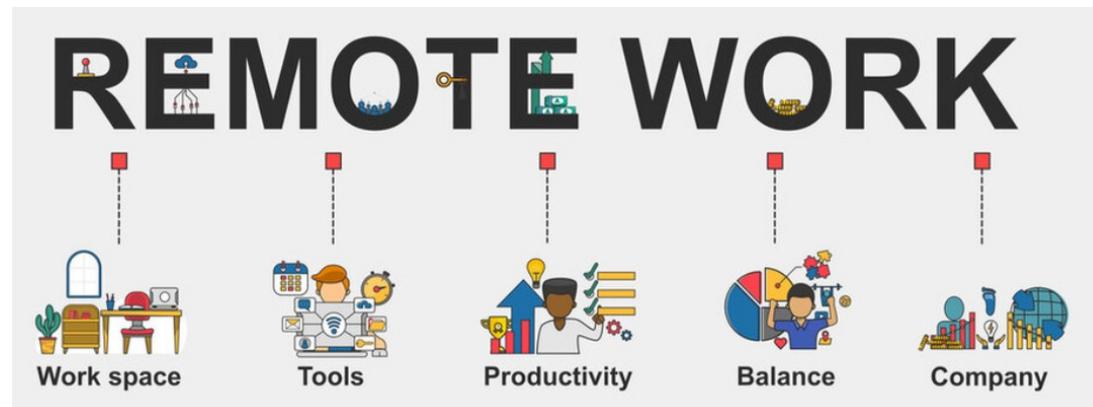
For employers

- Visible and effective management support for remote teams
- Allow staff to try out remote working before committing to it.
- Keep the team in the loop especially the wider picture of what is happening in the organisation
- Set up appropriate communication media for the team
  - Texts, chat, calls for quick questions
  - Email for longer formal communications and document sending
  - Video meetings for discussions and catchups
  - Ideally leave one day free of meetings
- Set up fun things as well – virtual team coffee or lunch breaks
- Unless the work is such that you can monitor activity online you will need to manage by outcomes

- Ensure you schedule times for career discussions with remote staff

For remote workers

- Have a dedicated space for work that is distraction free
- Establish working hours and let friends and family know not to interrupt
- Establish structure –
  - times when you will work on emails,
  - times when you are available for meetings,
  - time to focus on particular tasks
  - Make sure you know which colleagues need to be in the loop on different issues
- Ensure robust equipment , office and communication software, reliable fast connectivity
- Communicate, communicate, communicate, and remember to listen

REMOTE WORK

Work space   Tools   Productivity   Balance   Company

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We hope you have found this information helpful

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