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The Brave New World of Working Remotely

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"No hay mal que por bien no venga." This famous Spanish dictum translates roughly as “every cloud has a silver lining.” The silver lining here, courtesy of the Coronavirus, is the rapidly increasing number of Americans who work remotely. However, laboring off-site has been a trend for the last several decades, enabled by a host of varied and ever more powerful technologies. A variant of remote work (also known as telecommuting) is distributed work in which virtual teams—many scattered across the globe—collaborate on projects under the direction of their employer.

Just what are the drivers of remote and distributed work? At the firm level, companies compete vigorously to attract and retain top talent, increase cost savings and boost efficiency. Global Workplace Analytics reports that firms can save \$11,000 per person per year by allowing them to work from home. AT&T saves at least \$30 million via remote work.

For the individual employee, younger workers increasingly prefer the gig economy with flexible hours, autonomy, and a healthy work-life balance. A recent survey found that 85% of Millennials prefer working from home *all the time*, and another study reported that over 40% of working adults would give up some salary if they could work from home.

The principal advantages of working remotely are a flexible schedule, the ability to work from anywhere, spending time with family, and the convenience of working from home. Certain jobs are actually better suited for remote work than office work. These include “knowledge worker” jobs where quietude and concentration are imperative.

Make no mistake, however, there are disadvantages. First, not everyone is cut out to work solo—mainly, they lack the self-discipline and time management attributes required for working alone. Many people find remote work lonely and also difficult in the effort to collaborate and communicate with colleagues.

For the employer, there are challenges such as supervising the employee and the interpersonal interaction (formal and informal) that is beneficial to collegiality and the strengthening of corporate culture. My colleague Ravi Gajendran, one of the leading authorities on remote work, found that a telecommuter’s relationships with colleagues can suffer if they work remotely for three or more days per week.

In terms of distributed work—teams working remotely—companies such as Basecamp, Zapier and Batchbook are completely (or near-completely) remote in their operations. Perhaps the best case example is Automattic, the firm that developed WordPress among other products, as its workforce of several hundred is distributed over more than three dozen countries.

A number of recent surveys, including a comprehensive one by Time Doctor, a SaaS time tracking and productivity tool, reports many of the positive impacts of working remotely. To illustrate, flexible work increases job satisfaction with 46% of employees saying work-life balance is important to remain happy; and 87% of HR professionals and leaders say that employee satisfaction has increased due to flexible work programs. Nearly 70% of HR leaders credit flexible work as a recruiting and retention tool. The social media management firm Buffer's survey of remote workers found that 99% would like to continue working remotely at least part of the time for the remainder of their careers, and they recommend it to others.

Of no small consequence is the positive impact of remote work on the environment and worker health. With the average American spending an hour commuting each day (in large metro areas up to 90 minutes, due to traffic congestion), these commutes take a toll on a worker's mental and emotional health as well as physical well-being such as a rise in blood pressure.

While 25% of Americans work remotely full-time and 43% some of the time, the growth rate has been rising rapidly, by 115% from 2005 to 2015. Dell aims to have half its workforce working remotely for at least some of the time this year; and last fall Amazon hired 3,000 customer service personnel to work remotely.

Technology is the quintessential game-changer in human life. Gig workers and companies are harnessing tools such as Slack, Zoom, Dropbox and Quip to disrupt and transform our brave new world of work. Where we travail and how we do so will never be the same.

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