Remote Work Revolution:
Current Opportunities and Challenges for Organizations

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Abstract

Remote work, telework, homeworking or work from home (WFH) and even work from anywhere (WFA): all these words and expressions describe an increasingly adopted practice by organizations around the world. Thanks to innovations in information and computer-mediated communication technologies that support remote work and make it possible, more and more companies adhere to it to some extent. The growth of this movement – a true revolution in the way we work and its practicalities – stems from the assumption that remote work can guarantee a win-win situation for employers and employees.

The general aim of this article is to find evidence for this assumption or arguments to refute it. To do that, we examine current trends and challenges in organizational approaches to remote work as portrayed by the literature covering this phenomenon over the past decade. We are thus discussing the multifaceted motivations and drawbacks to remote work, both from the organizational and the individual perspective. Our focus addresses the ingredients for a successful implementation of remote work and the psychological impact of remote work on employees.

Looking ahead to the future of remote work, we propose strategies to mitigate its proven risks and challenges and to enhance the many benefits it can still foster within organizations.

Key words: remote work, work from home, telework practices, telework management, human resource management
J.E.L. classification: M54, O33

1. Introduction

Information technology has been enabling for a while now alternative ways to organize work that are challenging traditional management paradigms. Evolved organizational structures have started to provide a suite of options to meet the growing demand for greater work flexibility. With the emergence of the right tools to support telework, this new work mode has been rapidly expanding over the last several decades. Therefore, members of virtual teams are nowadays increasingly engaged in remote work from their individual homes or at satellite offices to reduce commuting (Boselie, 2010).

One of the catalysts of this true movement towards more flexible work arrangements in time and space has been the hypothesis that they would promote better work-life balance, the highly sought-after holy grail of employees worldwide (Shin et al., 2009). The equivalent for organizations would be more productivity at any given level.

Academic research on this organizational phenomenon has managed to shed a lot of light into these specific issues, namely the importance of remote work on work-life balance or work-life integration (Beauregard & Basile, 2016). The same goes for the impact of telework on the overall performance of a company. However, as remote work became more and more common, not only the benefits but also the dangers it entails for both the organizations and the individuals involved have been gradually unveiled.

This paper covers a brief overview of telework research and practice, with the hope of providing a better understanding of this new modus operandi in terms of work practices. Starting by explaining its growing popularity, it then reviews some key findings in prior research, touching upon matters such as work-life balance, job satisfaction and organizational identification.

Factors spurring telework's growth and those holding it back are very intertwined between the organizational and the individual levels. These are vastly discussed touching upon some current issues such as technology acceptance, business performance and continuity, reduced carbon footprint, employee isolation and managerial skillset.

The overall objective of this paper is to examine the status quo and how we as a society built up to it, in order to possibly, from here, start paving the way for exploring new crucial issues for the future of telework as a successful work practice. These would include knowledge sharing, psychological savviness and enactment of organizational policies and practices, especially in the newly laid out context of a global pandemic forcing us to privilege telework.

Finally, our concluding remarks dare to include some recommendations for managers at the heart of this technology-enabled work mode, with the hope of helping practitioners harness its full potential.

2. Working from home: a ubiquitous practice taken to the next level

The official European statistics portrayed below show an average of 5,4% of employed persons in the EU working from home on a regular basis in 2019. Throughout the last decade, this number has remained constant, while the share of those who sometimes engaged in WFH practices has risen (from 6% in 2009 to around 9% in 2019). Highest rates for remote working were registered in The Netherlands and Finland (14,1%), while the lowest rates of home-workers were reported in Bulgaria (0,5%) and Romania (0,8%).

Figure no. 1. Share of employed persons aged 15-64 usually working from home in the EU, 2019
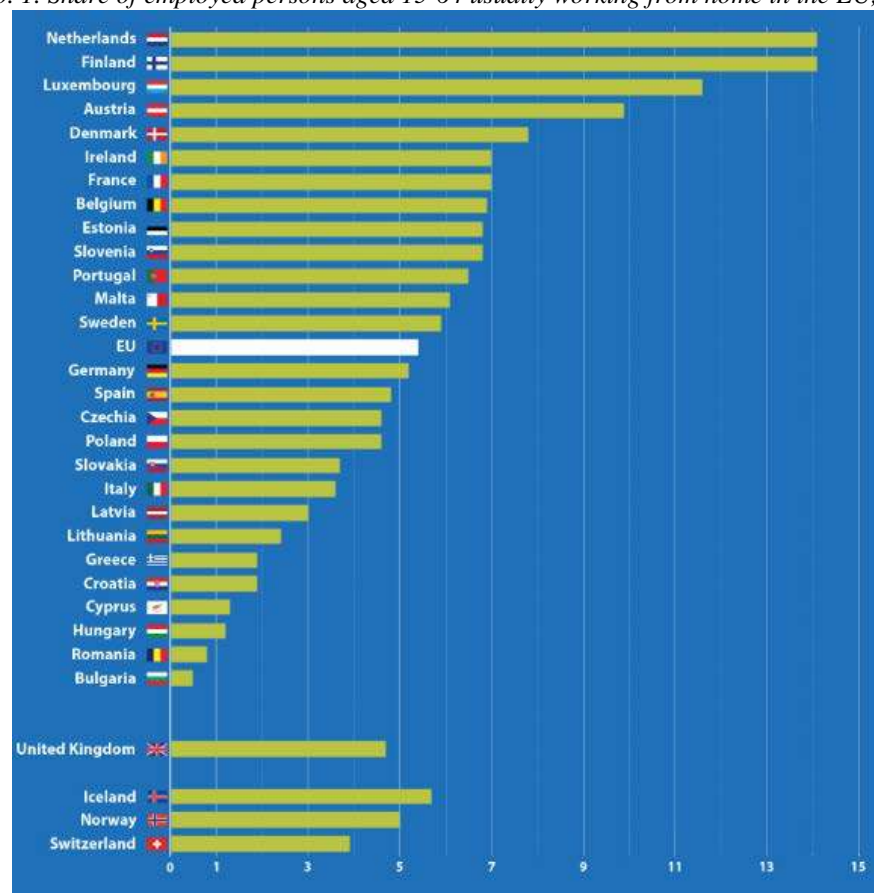
Source: (Eurostat, 2020)

However, this data will have skyrocketed a year from now. The COVID-19 related health crisis has practically unleashed the potential for telework across the globe as of 2020. The numbers of those who have switched to teleworking have allegedly soared within the past few months, marking a true revolution in the history of remote work. If the adoption of digital flexible working arrangements has thus far been steady and gradual, we are currently witnessing an acceleration of this phenomenon on a scale unseen before. This is why they study of remote work has never been more timely and of greater importance.

3. Benefits and risks of remote work: the managerial perspective

As the literature shows, remote work offers a vast number of benefits from a managerial and HR perspective. The first one worth highlighting is an increase in employee productivity when allowed to work from home (WFH) or remotely. For example, Bloom et al. (2015) report on a WFH experiment undergone at a Chinese company of 16 000 employees and resulting in a 13% performance increase. This was due to two main factors: firstly, employees were able to work more minutes per shift on a monthly average, due mainly to fewer breaks and sick days. Secondly, being able to work in a quieter, more convenient environment, led to them being able to focus better and thus perform a higher number of similar tasks in the same amount of time.

On the other hand, implementing remote work practices also comes with potential risks and challenges, as there are "smart" but also "dark" sides of telework. For instance, companies can find it difficult to build a culture that is accepting and supportive of remote work, which can be detrimental to their retention efforts since it can go as far as impacting employees' motivation and satisfaction. It can also be difficult for an organization to track exactly who is working remotely, when and how, particularly when remote work is adopted more informally. This also brings up a unique set of managerial issues specific to telework practice, which can only be addressed when taking into account the overall organizational context such as culture, values, control practices etc. (Peters et al., 2016).

Finally yet importantly, the business impact of telework initiatives, both good and bad, can be hard to measure. This may contribute to organizations shying away from encouraging telework in a sustained manner if doing so cannot be based on concrete data. Furthermore, it can increase fear from what literature (Golden & Raghuram, 2010; Taskin & Bridoux, 2010) has categorized as a potential detrimental effect of remote work: inhibiting organizational socialization and affecting its cognitive and relational components, considered key facilitators of knowledge transfer between teleworkers (and non-teleworkers).

4. Telework for teleworkers: blessings and pitfalls

Working from home or teleworking has been proven very beneficial also on a personal level, with significant spillovers for the companies allowing their employees to engage in such practices. Home workers reported improved work satisfaction, which leads among others to considerably reduced attrition levels (Bloom et al., 2015; Fonner & Roloff, 2010).

On the down side, remote workers can also be facing a number of personal and professional challenges, which in turn can indirectly affect the overall wellbeing of the company. For instance, they may struggle for exposure and access to professional and training opportunities (Leslie et al., 2012). Moreover, there is also the risk that those working outside the office can become socially isolated (Charlampous et al., 2019). This is regarded as a somewhat peripheral aspect when it comes to telework from a company's point of view, but it has a strong psychological impact for the individual and the community at large.

It has also been shown that there are great discrepancies in how employees assess their job satisfaction and perceived work-family balance levels depending on them being engaged in formal or informal telework arrangements (Troup & Rose, 2012).

Remote work has indeed been proven to bring clear benefits to employees' work-life balance, enabling them to adapt their working time to their private and family-related needs. However, recent studies (Eurofund, 2020; Beauregard & Basile, 2016; Boell et al., 2016; Allen et al., 2015)

suggest that the working conditions of workers in telework arrangements might actually affect their:

- Work-life balance: maybe counterintuitively, these flexible work arrangements can also lead to an intensification of work, even when it comes to highly autonomous employees (situation known as the autonomy paradox); additionally, working time patterns can be more irregular and unpredictable for remote workers, thus accentuating precisely the opposite of work-life balance.
- Health: due to the intense use of information and communication technologies, remote workers are even more vulnerable to health risks such as high stress and anxiety levels, fatigue, burnout, headaches and eyestrain.
- Performance: virtual presenteeism is an increasing phenomenon among the digitally-enabled work force; while it may allow remote workers to carry out tasks while sick, it can also be even more detrimental to their health and reduce performance.

All of these aspects are strongly connected between them and can affect remote workers to different extents. More than ever before, now is the time to pay extra attention to all these negative aspects that teleworkers are facing. As the remote work phenomenon as a whole increases, their potential harmful impact is also prone to increase. Organizations and communities have a moral duty to fight against lack of awareness and indifference towards these issues that have become increasingly but also invisibly threatening to modern virtual workspaces.

5. Conclusions

Remote work, work from home or telework, however one might call it, this practice is here to stay. More and more companies have seen the numbers of their remote workers increase during the past years and they will only continue to grow due to the uncertain context induced by the COVID-19 pandemic. Under these premises, we embarked on a journey of discovering and gathering all the valuable insight already existent in the literature, hoping to contribute to the better understanding of a ubiquitous phenomenon and its development for the better in the months and years to come

Working outside of the traditional office setting brings new opportunities and challenges for organizations and individuals alike. Every aspect is linked to the other, in a very dynamic system of seamless correlations, motivations and impacts. The issues underlined in this article suggest that companies need to be both vigilant and thoughtful in how they approach, design, implement and fine-tune their remote work programs. The role of managers seems to be of paramount importance when it comes to building cultural support and acceptance for remote working initiatives, as well as for alleviating most well-being related risks for teleworkers. Leading by example, setting clear expectations, communicating frequently, monitoring and modeling appropriate work behaviors, being purposeful in creating opportunities for remote workers – here are just a few crucial ways in which the managerial component can truly make a difference and set a company's telework practices up for success.

Even though practice is significantly outpacing research in the area of remote work at the moment, it is precisely the reason why this field of study should flourish more than ever. Seldom if ever have there been more opportunities to explore so many different avenues and go more in depth with uncovering knowledge on a particular subject. The academic literature has still little to say on topics such as how to best manage training, development and advancement opportunities for remote workers or how to effectively take into account practical, psychological and managerial aspects in leading remote teams. The current context not only turns virtually any organization into a potential case study but it also offers the opportunity of examining remote work trends at a global level, potentially providing all the needed evidence to adapt remote work initiatives to different countries/cultures.

As companies relentlessly seek for new ways to both leverage the benefits and diminish the hazards associated with remote work, there is an increasing need for policy makers to address remote work and its implications more actively and concretely. New regulations should be implemented to prevent these practices from having a negative impact on the comfort, health and security of teleworkers and incentivize companies in this positive direction.

6. References

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