

Stochastic Modelling and Computational Sciences

A LITERATURE REVIEW ON THE IMPACT OF REMOTE WORK ON WORK EFFECTIVENESS OF THE EMPLOYEES

Ms. Sravanthi Saulla

Assistant Professor, Department of MBA, Kasturba Gandhi College for Women, Hyderabad

ABSTRACT

Global events have hastened the rise of remote work and forced firms to reassess their working policies. This study looks into how employees' productivity at work is affected by working remotely. This study investigates the critical elements affecting work effectiveness in a remote work setting through an extensive examination of the literature review. The results imply that the effectiveness of work might be impacted by remote work in both positive and negative ways. Working remotely can have a favorable effect on job happiness and productivity among employees, especially because it offers more freedom, flexibility, and less stress from commuting. But difficulties like poor communication and problems with work-life balance also turned out to be important factors influencing how effective work is done.

The study also looks at how individual characteristics, technology, and organizational assistance can help lessen these difficulties. The study's recommendations, which highlight the importance of strong communication plans, technological infrastructure, and work-life balance-promoting policies, can help firms improve the efficacy of remote work arrangements. Organizations can improve employee work performance and optimize remote work arrangements by implementing the recommendations outlined based on the findings.

Keywords: Remote working, telework, COVID-19, productivity, Employee performance, Work from home, work effectiveness, Digital Transformation, Digital technology, Remote work impact, Hybrid work mode.

INTRODUCTION

Remote employment and the use of digital and information and communication technologies (ICTs) have grown since the COVID-19 epidemic began. The remote work trend began as a result of the epidemic. Over the last two years, employees have grown acclimated to working remotely; as a result, they now prefer it and occasionally even beg their managers for it. Even after the pandemic has passed, there is still disagreement between employers and workers on the conditions for both remote and in-office labor. Nowadays, many workers in practically every business wish to work remotely. While some early research supported this trend, more recent studies cast doubt on the efficiency of remote work.

CEOs are using return-to-office mandates (RTO) to call workers back into the office after extended periods of remote and hybrid work. Zoom, which was a pioneer in the remote work movement, is requesting that all of its workers come back to the office for the first time since the epidemic started, following more than three years of providing hybrid work. Some claim that the new mandate appears to contradict the core values of the organization. While "Zoom" maintains that face-to-face interactions with teams yield better results, some argue that their RTO policy needs to be reconsidered because of discrepancies in the data.

According to a new National Bureau of Economic Research (NBER) study, remote employment may not be as productive as previously believed. Randomly assigned full-time remote workers produced 18% less than their office-based counterparts, either by completing tasks more slowly or producing less output. The debate among business executives regarding the long-term benefits of working remotely only serves to intensify the current dispute over whether or not to go back to the office. Previous reports had shown a nine percent increase.

Where does the discussion of remote employment go from here? The "feelings" of remote workers that they are more productive are the basis for most polls on remote working. or supervisors "thinking" they are less effective. Subjective thoughts and feelings, however, are not facts. There could be differences in opinions among managers and remote workers regarding the productivity of working from home. Jacob Zinkula claims in *The Insider* that

Stochastic Modelling and Computational Sciences

"research has found, on average, those working in the office at least some of the times are more productive." It supports the justification for asking workers to report back to work, as Meta and Salesforce have done. Even Zoom, a company that is widely associated with remote work, recently required part of its staff to spend at least two days a week in the office.

"The majority of businesses are using a hybrid timetable, which combines elements of both strategies. This gives employees some flexible days to work from home and avoid being in the office, but it also gives them important in-office days that are more productive, according to NBER research." Thus, hybrid work may prove to be the optimal work mode and end the contentious argument once and for all, according to the most recent research and expert opinion available.

RESEARCH GOAL AND OBJECTIVES:

The purpose of this study is to define remote work, including its benefits and drawbacks, productivity relationships, and potential future research areas.

The aforementioned goal can be attained by fulfilling the following objectives:

- Determine the definition of remote work found in the literature.
- Investigate how employee performance and productivity are affected by remote work.
- Ascertain the benefits and challenges experienced by workers who are remote and how they affect productivity.
- Determine the most effective ways to manage remote teams and improve productivity.

RESEARCH METHODOLOGY

This study employs a systematic literature review methodology. According to Cooper and Hedges (1994), the following five procedures are followed to perform a systematic literature review:

- 1. Problem formulation:** This phase defines the primary contribution of this research and attempts to identify the problem being addressed based on current gaps in the literature.
- 2. Data collection:** By choosing the database to be used, search phrases, and other parameters, this step attempts to compile literature that is relevant to the study objectives.
- 3. Data evaluation:** By reading the report's title, abstract, or both, you can determine whether the identified literature is pertinent to the research topic and questions at this point. Additionally, a summary and presentation of each paper's contribution will be made.
- 4. Analysis and interpretation:** The articles that were chosen and examined in the earlier phases will be analyzed in this section to derive any conclusions that may be useful in addressing the research questions.
- 5. Public presentation:** The review findings will be made public at this point.

LITERATURE REVIEW

When examining scientific studies about remote working, there are wide-ranging implications, as stated by Allen, Golden, and Shockley (2015). owing to the various interpretations found in the body of current literature. Thus, a lack of a uniform definition is thought to be the primary cause of the restricted knowledge of distant labor and the incompatibility of study results. In this study, "remote work" will be defined as "a form of work organization in which the work is partially or completely done outside the conventional company workplace with the aid of information and telecommunication services," according to Konradt, Schmook, and Malecke (2000).

Even though this was typical during the COVID-19 blackout to stop the virus from spreading, remote labor does not always correspond to entirely remote personnel. Working remotely can also mean spending part of the working day in the office and, on rare occasions, working remotely one or two days a week or once a month; this

Stochastic Modelling and Computational Sciences

type of work is known as "hybrid" work (Verma et al., 2023). In contrast to totally remote or fully on-site work, over half of the employees surveyed by Bloom (2020) said they preferred a hybrid approach. For instance, Golden & Veiga (2005) and Virick et al. (2010) both refer to this, stating that "moderate" remote workers report higher levels of job satisfaction.

Several research has been conducted in the past few years to examine the phenomena of remote labor in the wake of the COVID-19 epidemic. These approach and concentrate on distinct facets of working remotely. Research can be difficult when working remotely on a variety of subjects, such as psychology, management, communication, and information systems, since these fields sometimes contradict one another (Allen, Golden & Shockley, 2015). This study's primary focus is on how productive employees consider themselves to be, but it's also noteworthy to incorporate data from related research into this one because they may have an impact on the former.

In summary, the practice of remote work has been around since the 1970s and has only gotten more popular since then (Dimitrova, 2003). It is essential for the contemporary workplace because of the COVID-19 pandemic's rising popularity and acceleration of an unavoidable tendency (Van der Lippe & Lippényi, 2019). Moreover, it is anticipated that the new method of working will continue, and there is no sign that this tendency will reverse (Galanti et al., 2021). Even while remote work is becoming more and more relevant, there is still a lack of global research and complete understanding of the subject. There is potential for more research because of the subject's limitations (Waters, 2022).

RESULTS AND DISCUSSION

Several research has been conducted in the past few years to examine the phenomena of remote labor in the wake of the COVID-19 epidemic. These approach and concentrate on distinct facets of working remotely. Research can be difficult when working remotely on a variety of subjects, such as psychology, management, communication, and information systems since these fields sometimes contradict one another (Allen, Golden & Shockley, 2015). This study's primary focus is on how productive employees consider themselves to be, but it's also noteworthy to incorporate data from related research into this one because they may have an impact on the former.

There hasn't been much research on remote work because it wasn't a common practice before the COVID-19 outbreak. However, the move to remote work has made more academics interested in examining how it affects output and performance (Felstead, 2022). According to Allen, Golden, and Shockley (2015), there is a correlation between remote working and several aspects that impact an organization's financial outcome, such as employee productivity and performance, wages, absenteeism, attrition, and overall firm performance.

According to Felstead (2021), there is conflicting empirical evidence from earlier studies about the relationship between productivity and remote work. While some studies showed a favorable impact on productivity, others found the opposite, and still others found no discernible effect. Bloom et al. (2015) looked at the noteworthy outcome of a trial run by China's Ctrip, a NASDAQ-listed firm, in which 16,000 workers were allowed to work from home as opposed to an office. The experiment's outcome revealed a noteworthy 13% improvement in performance. The workers put in longer workdays, took fewer breaks, and missed fewer sick days. Additionally, there was a 50% decrease in job attrition as a consequence of the employees' increased job satisfaction.

Research also indicates that productivity and performance are positively impacted by an employee's willingness to work remotely (Bloom et al., 2015). The ability to work remotely is made more appealing by its flexibility and work-life balance for families.

Previous studies have demonstrated that productivity may be impacted by employees' desire to work remotely. That being said, personal tastes might vary when it comes to the desire to work remotely and forced remote work can have a detrimental effect on output.

Age is one variable that has been examined concerning productivity and remote work in several earlier studies. The researchers discovered that older workers reported poorer work-life balance and more difficulty separating work from vacation time than younger workers. However, it was discovered that younger workers were more

Stochastic Modelling and Computational Sciences

prone to form bad habits as a result of the stress that comes with working remotely. Greater flexibility and less time spent commuting do improve family life, but they can also exacerbate family tensions, claim Laß & Wooden (2023). Respondents who had children had increased guilt for not spending more time with their families, which further contributed to their stress levels. These factors reduce worker productivity. This is also consistent with research by Galanti et al. (2021) and Phillips (2020), which found that performance and productivity are correlated with how well remote work environments are structured and that obstacles and productivity losses can be overcome with the correct management support.

Epstein (2016) defines Performance Management System (PMS) as "the process of quantifying and improving the efficiency and effectiveness of an organization." Successful design and implementation of PMS can greatly assist firms in implementing strategies and improving performance. Determining the key performance indicators (KPIs) or performance measurements (PMs) that a company uses to gauge its effectiveness in reaching its objectives is essential.

Epstein (2016) defines Performance Management System (PMS) as "the process of quantifying and improving the efficiency and effectiveness of an organization." Successful design and implementation of PMS can greatly assist firms in implementing strategies and improving performance. Determining the key performance indicators (KPIs) or performance measurements (PMs) that a company uses to gauge its effectiveness in reaching its objectives is essential.

The extent to which a shift to a remote work environment is successful may depend greatly on how well the new reality of remote work is embraced and how well the models of remote working—which prioritize constant contact, support, cooperation, and knowledge transfer—are implemented.

CONCLUSION

A thorough assessment and analysis of the body of literature has produced several important conclusions.

- Although the prior study on perceived productivity is conflicting, most studies appear to indicate that there is a beneficial influence.
- The effectiveness of work has been proven to be impacted by remote work in both positive and negative ways.
- The desire to work remotely, which relates to an employee's personal preference to work outside the typical office, has grown in popularity recently. The advantages it provides for the workers are
 - More freedom and flexibility,
 - lower commuting costs in terms of time and money,
 - better work-life balance,
 - job satisfaction, and
 - increased productivity.
- It also enables businesses to lower overhead expenses and tap into a larger talent pool.
- The drawbacks of working remotely include
 - problems with communication and teamwork
 - difficulty focusing because of outside distractions
 - a lack of managerial oversight and guidance,
 - alienation and detachment among staff members.

Stochastic Modelling and Computational Sciences

- The results indicate that, despite these obstacles, remote labor can be efficiently handled to optimize its advantages. Organizations can improve job performance and lessen the negative effects of remote work by using tactics like virtual team-building exercises, regular communication, and flexible work practices.
- Finally, it was mentioned that the degree of management support staff members receive in putting into practice successful remote working models that prioritize ongoing communication, assistance, teamwork, and knowledge sharing is critical to the success of remote work.
- Overall, this study emphasizes how crucial it is to take into account the particular dynamics of remote labor when determining how effective a job is done. Future studies should keep examining how remote employment is changing and what it means for both employers and people."

REFERENCES

- Allen, T.; Golden, T.; Shockley, K.(2015). "How Effective Is Telecommuting? Assessing the Status of Our Scientific Findings.", *Psychological Science in the Public Interest* 2015, Vol. 16(2) 40–68
- Battisti E, Alfiero S, Leonidou E(2022), "Remote working and digital transformation during the COVID-19 pandemic: Economic-financial impacts and psychological drivers for employees." *J Bus Res.* 2022 Nov;150:38-50. doi: 10.1016/j.jbusres.2022.06.010. Epub 2022 Jun 10. PMID: 35706830; PMCID: PMC9186428.
- Bloom, N. (2020). How working from home works out. Stanford Institute for Economic Policy Research (SIEPR) Policy Brief. Available at: <https://siepr.stanford.edu/publications/policy-brief/how-working-home-works-out>
- Bloom, N., Liang, J., Roberts, J., & Ying, Z. J. (2015). Does working from home work? Evidence from a Chinese experiment. *Quarterly Journal of Economics*, 130(1), 165-218.
- Bryan Robinson(2023), "Remote Work Might Not Be As Productive As Once Thought, New Studies Show", Available at: Remote Work Might Not Be As Productive As Once Thought, New Studies Show (forbes.com)
- Cooper, C. M., & Hedges, L. V. (1994). "Research synthesis as a scientific enterprise", Russell Sage Foundation, New York: The Handbook of Research Synthesis, Russell Sage.
- Dania M. Kurdy, Husam-Aldin Nizar Al-Malkawi, Shahid Rizwan(2023), "*The impact of remote working on employee productivity during COVID-19 in the UAE: the moderating role of job level*", *Journal of Business and Socio-economic Development*, Volume 3 Issue 4.
- Dimitrova, D (2003). Controlling teleworkers: supervision and flexibility revisited. *New Technology, Work and Employment* 18:3
- Epstein, M J. et al. (2016) *Performance Measurement and Management Control: Contemporary Issues*, Emerald Publishing Limited, 2016. ProQuest Ebook Central
- Felstead, A. (2021). Outlining the contours of the 'Great Homeworking Experiment' and its implications for Wales. Cardiff University.
- Felstead, A. (2022). *Remote Working: A Research Overview* (1st ed.). Routledge.
- Fouzeyya Albastaki, Alaa M Ubaid, Hamad Rashid, Ahmed Alshamma(2022), "Systematic Literature Review on the Work from Home Concept", 5th European International Conference on Industrial Engineering and Operations Management At: Rome, Italy
- Galanti T, Guidetti G, Mazzei E, Zappalà S, Toscano F.(2021) "Work From Home During the COVID 19 Outbreak: The Impact on Employees' Remote Work Productivity, Engagement, and Stress" *J Occup Environ Med.* 2021 Jul 1;63(7):e426-e432.
- Golden, T. D., & Veiga, J. F. (2005). "The Impact of Extent of Telecommuting on Job Satisfaction: Resolving Inconsistent Findings." *Journal of Management*, 31(2), 301–318.

Stochastic Modelling and Computational Sciences

- Jakob Gegerfelt, Moa Sandstrom(2023), "How remote work affect employee productivity", Master's Thesis, submitted to Uppsala University. Available at: FULLTEXT01.pdf (diva-portal.org)
- Jonny Gifford(2022), "Remote working: unprecedented increase and a developing research agenda", Human Resource Development International, volume 25:2
- Konradt U., Schmook R., Malecke M.(2000), "Impacts of telework on individuals, organizations and families: A critical review. International Review of Industrial and Organizational Psychology", 15, 63–10
- Kowalski G, Ślebarska K(2022), "Remote Working and Work Effectiveness: A Leader Perspective." Int J Environ Res Public Health. 2022 Nov 20;19(22):15326. doi: 10.3390/ijerph192215326. PMID: 36430045; PMCID: PMC9690707.
- Laß, I., & Wooden, M. (2023). "Working from Home and Work–Family Conflict. Work, Employment and Society", 37(1), 176–195.
- Melvin S. Rañeses, Noor un Nisa, Edgar Suliva Bacason, Salvacion Martir(2022), "Investigating the Impact of Remote Working on Employee Productivity and Work-life Balance: A Study on the Business Consultancy Industry in Dubai, UAE", International Journal of Business and Administrative Studies, volume 8 issue 2 pp. 63-81 doi: <https://dx.doi.org/10.20469/ijbas.8.10002-2>
- Phillips, S. (2020). "Working through the pandemic: Accelerating the transition to remote working." Business Information Review, 37(3), 129–134.
- Van der Lippe, T and Lippényi, Z (2019) "Co-workers working from home and individual and team performance", New Technology, Work and Employment, 35(1): 60-79.
- Verma, A., Venkatesan, M., Kumar, M., & Verma, J. (2023), "The future of work post Covid 19: key perceived HR implications of hybrid workplaces in India", Journal of Management Development, 42(1), 2023.
- Virick, M., DaSilva, N., & Arrington, K. (2010) "Moderators of the curvilinear relation between extent of telecommuting and job and life satisfaction: The role of performance outcome orientation and worker type" Human Relations, 63(1), 137–154.
- Waters, K., A., (2022), "Teleworking: how understanding its history will benefit institutions today" College and University, 97(3)65-70.