

Impact of Working From Home On Productivity

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Abstract : Work From Home, also known as telecommuting or remote work refers to a work arrangement where workers have an option of working from the comforts of their home rather than commuting to the place of work. Recently, line between office and home has faded because of technological advancement. It does not matter where employer is sitting as long as he/she is equipped with fast and uninterrupted internet connection.

This paper talks in detail about the pros and cons of telecommuting. Is it a hindrance to productivity or a booster? Should it be allowed? If yes, in what proportions? How it can be managed and bring a revolution in modern day organizations.

IndexTerms - Work From Home, Telecommuting, Remote worker, Productivity

I. INTRODUCTION

Work from Home, also known as telecommuting or remote work refers to a work arrangement where workers have an option of working from the comforts of their home rather than commuting to the place of work.

Time calls for reaping the benefits of telecommuting in this age of technology. It's high time to develop tools for managing workforce and make good use of all the technology available. There are managers who have been averse to Remote Working since they felt that it is hard to monitor and control workforce, although their focus should have been on the getting work done. Physical presence and productivity are two different aspects; performance of a worker should be assessed according to some specified measurable goals not based on his availability in office.

A person can be connected to office all the time and respond in time with the help of cell phones, wireless connection, conference calls, video chats, VPN networks. There are a lot of software and applications like HipChat, Microsoft Teams, Slack which helps employees and employer in coordinating, facilitates brain storm and problem solving.

Some estimates suggest that full-time telework can save companies approximately \$20,000 per employee. There are certain industries which can easily adopt remote working and enjoy all the perks associated with it. Also, there are companies which allow only a certain level of telecommuting; a proper research can help in accepting telecommuting more extensively.

Recently there had been a lot of debate over impact of working from home on productivity of employees. Studies support that working from home leads to increase in productivity and reduce stress for employees who are more open to working from home majorly because they save a lot of time and energy which would otherwise have been wasted in commuting. While some other researchers have proven otherwise, some researchers are of the opinion that working from home does not benefit any of the participants, be it employees or employer. Critics of Work from Home concept are of the opinion that excess of working from home option will reduce productivity and job satisfaction, working from home kills innovation and creativity. And on top of all, Work from Home has emerged as a hindrance in promotion opportunities for employees.

Whether telecommuting should be avoided, or it is a way forward depends primarily on how effectively it is managed by the organizations. Telecommuting, if managed properly will change the way organizations operate worldwide. Work From Home option can be fully utilized by striking the balance between telecommuting and working from office. There are industries where there is a wide scope for adoption of telecommuting and reaping the benefits of it.

RESEARCH PROBLEM

Is telecommuting a way forward?

When CEO of Yahoo, Marissa Mayer announced that there will be complete ban on working from home; her decision led to a sparking debate not only in Yahoo but in the whole media as well.

Undoubtedly, telecommuting brings along varied benefits, but it is not free from criticism. Opponents of telecommuting believe it kills creativity and innovation. Critics believe that water cooler chatter is necessary and brings in spontaneous ideas. Main reason behind Mayer's ban on working from home that lot of time and quality is wasted in working from home and it is not good for new projects since they require innovative ideas.

Telecommuting is of great help only in jobs which require individual work like writing reports or forwarding mails. But the jobs that requires teamwork, suffer because of telecommuting since there is no real cooperation and connectivity among employees. For instance, Bank of America recently discarded telecommuting and now requires workers to work from office so that whole of the workforce remains connected.

A research stated that there is nothing to gain for any of the participants; be it an employee or an employer. While a public interest paper published in Psychological Science found that working from home can benefit both employer as well as employees only when used in small doses. Another study concluded that benefits of telecommuting aren't even real. For instance, there is hardly any empirical evidence that working from home reduces work-family conflict.

Another downside of telecommuting is that it reduces chances of promotion. A study conducted by Stanford concluded that rate of promotion of personnel working from home reduced by fifty percent. People believe that the concept of 'out of sight, out of mind' holds true in case of telecommuting. This affects employees as well as employers since employees miss a chance

to be promoted and employers misses out on potential managers. Some managers also discourage telecommuting since they are of the opinion that it is hard to monitor and control remote workforce.

Solution to the problem lies in the way remote workers should be managed. Most of the companies are making the mistake of managing remote workers the way they managed workers in office. Time calls for new tools for managing remote workers and making workers aware of the changed responsibilities. Telecommuting is here to stay and will prosper for all the good reasons. Focus should be on making it work rather than arguing over whether it will work or not. As management guru Meghan Biro states "Telecommuting is the future of work".

II. AIM & OBJECTIVES OF THE STUDY

Primary aim of research will be to determine the impact of WFH on overall productivity. Research will aim at determining whether Remote Working really measures up to the expectations or is it just too much ado about nothing.

Personal opinions on Remote Working are highly subjective; some personnel find it helpful while rest renders it as a hindrance to productivity. For some people working from home is more comfortable while others find office more comfortable for working. It might be hard to focus for some employees when surrounded by all the perks of being at home while some employees may find it hard to concentrate when there is continuous distraction from never ending chit chat of colleagues. Impact of working from home on productivity highly depends upon the personality type of a worker, if some personnel is more receptive to working from home then he will enjoy working from home and thus increase overall productivity but if a personnel is averse to working from home then he will not enjoy it thus reducing job satisfaction as well as productivity.

Nature of job is equally important factor. It is easier to understand the impact of telecommuting on productivity in technology based jobs. For instance, Information Technology sector is well developed to incorporate remote working. Jobs in IT sector does not necessitate presence of personnel in office, a person can work equally or more productively from the comforts of his home as long as he is equipped with wireless internet, conference calls, video chats, VPN networks. Programmers and developers can concentrate better while working from home as there are lesser distractions when working from home thus leading to higher quality of work and earlier completion of projects A study conducted by University of Illinois found that employees engaged in telecommuting industry fared as good as their colleagues in office.

Research will establish some relationship between telecommuting and productivity across various industries.

- To understand whether work from home improves the productivity amongst employees.
- To find the pros and cons of telecommuting
- To analyze how it can be managed and bring a revolution in modern day organizations

III. RESEARCH METHODOLOGY

The following paper is exploratory in nature. An **Exploratory research** is **research** conducted for a problem that has not been studied more clearly, intended to establish priorities, develop operational definitions and improve the final **research** design. The data has been gathered from secondary sources like websites, news articles etc.

IV. LITERATURE REVIEW

The consequences of working from home on employees' attitudes, has yielded mixed results. Studies suggest that employees who work from home not only experience lesser job-related stress but also undergo an increased sense of productivity and autonomy, thus increasing job satisfaction (**McClintock 1985; Kraut, 1987; Olson 1987, 1989a; Bailyn 1989**).

At the same time, employees who work from home tend to experience more problems in their work-relations with supervisors and co-workers, resulting in a negative impact on overall job satisfaction (**Ramsower 1985; Olson 1989a**).

Media richness theory states that technology is still not developed enough to replace face to face interactions. Telecommuting slows the decision-making process and reduces employee satisfaction. This theory suggests that work from home lack the components which make rich communication.

Job characteristic theory explains the possible benefits and drawbacks of working from home. Theory states that tasks and traits of the job decide employees' attitude and behavior towards work. Presence of five characteristics in a job (skill variety, task identity, task significance, autonomy, and feedback) increases motivation, satisfaction and performance; and reduces absenteeism and turnover.

Motivator-hygiene theory lays down difference between factors that motivate (motivators) and factors that dissatisfy (hygienes) an employee. Telecommuting lacks in two motivating factors, namely, recognition and promotion. One of the most important hygiene factors, that is, work condition, improves when an employee opts working from home.

Sociotechnical system theory states the relationship between social and technological factors. Sociotechnical system theory aims at designing work in such a way that it increases productivity and job satisfaction by examines the relationships between people, technology, and the work environment.

Adaptive structural theory aims at studying variations that occur in organizations when new technologies are introduced. This theory states that structures differ from structuration, in other words, rules and resources offered by the technology differ from the way people make use of these rules and resources. This theory also suggests that rules and resources for social interactions changes when technologies are used over the time.

Ben Waber, CEO of Sociometric Solutions, a consulting firm that studies remote working, found that the companies he is working with saw reduced productivity among remote workers, especially on tasks that involve collaboration. Waber also found that employees who frequently interacted with each other reported being happier and were more likely to keep their jobs A study conducted by Stanford Professor, **Nick Bloom**, found that workers were more productive, got more done, worked longer hours, took less breaks, and used less sick time than their in-office counterparts. These employees were also happier and

quit less than those who went into the office on a regular basis. He found huge improvement, 13% in performance of people working from home.

Comprehensive scientific review of the literature found out whether the company will benefit from telecommuting is highly dependent on how an employee works from his home. A report published in Psychological Science journal concluded that telecommuting is most beneficial when it is implemented in such a way that tends to the needs of both an employee as well as employer.

V. ANALYSIS & INTERPRETATION

Instead of an office chair, it's the house couch. Commute to the work is just the length of your hallway and instead of the snack drawer in the office desk you have your entire refrigerator pantry at your command. Think it's a dream? Not always. It is the magic of telecommuting or work from home.

According to a 2017 Gallup survey where more than 15,000 working adults were respondents, 43% of respondents said they spent at least some time in 2016 working remotely—four percentage points higher than in 2012. Not only are more and more people working from home, they're also doing so more frequently. Of those surveyed, 31% worked from home four to five days per week, up from 24% in 2012.

Hence, whether you are a home-based small entrepreneur who works from home full time, or someone who trades-off their entire day between home and office, there are a number of pros and cons to consider before setting up a small office at your home and plan your work environment.

PROS:

1. No Commute

Commuting from home to office and vice versa has always been a problem for many people. Not anymore – no more, the crowded buses or trains, annoying and buzzing traffic congested roads. The stress of timely reaching the office was nerve-racking. Working from home reduces this unproductive wastage of time and money. Working from home is a brilliant way to avoid those dreaded daily commutes.

2. Save Time

No longer is the need to spend hours in the bathroom to get ready for office in the morning. Also since no commuting is required anymore from home to office and vice-versa, you also save a lot of time there as well. If you are not lucky enough to be residing close to your work place, then you will be spending at least 30 minutes to an hour every day on commuting.

3. Save Money

Of course, you also save money when you don't have to commute everyday anymore. No public transport tickets or petrol bills. That would save you a whole lot of money for sure. Not only that but you no longer have to buy breakfast or lunch from that pricey cafeteria, which will again save you money. This really adds up!

4. Flexible Working Hours

Remote workers get to choose their working hour. Now even many companies allow their remote employees to decide on their own, when they want to work. This implies that you can decide to work at the time when you feel the most productive and motivated. Some people prefer working in the morning, others at night. The worker gets to decide the events of the day according to his scheduled and not the work/ office timings.

5. More Time with Family

Since the time of commuting is cut down, the worker does not have to waste the precious time and instead more and more time can be spent with family and friends. This enriches the social circle of the worker. Also flexible timings helps for the remote worker to be present for help with kids and household responsibilities.

6. Own Work Environment

The remote worker can create their own working environment in their homes. Such an environment which inspires the worker and works the best for him. Also it is not necessary for the worker to work only from home. For example, grab your laptop and sit on a park bench or favourite cafeteria. This way you can meet other remote working professionals and get to chance to connect.

7. Reduced Stressed

Remote working can reduce stress as well. It is not only about the very annoying commutes but you don't have to deal with the stressful office environment as well. It is easier to walk away or take a break when work gets very taxing. No superior-subordinate arguments, no Boss standing and breathing down the neck for immediate results. In the long run, it saves a lot of nerves.

8. Health Betterment

Reduced travel and stress induces a better sleep cycle. Since, a lot of time is saved, worker gets time to prepare and eat fresh food and exercise as well. The increased work/life balance makes one happier and more satisfied. Studies have even shown that remote workers don't get sick as often as their in office colleagues.

CONS:

1. Lack of sense of belonging - Face-to-face interaction is generally lost in case of work from home. It is not always a perfect substitute for physical, especially those activities which are more collaborative in nature. A feeling of group cohesion and collaborative effort is more difficult to attain. It Manifesting a feeling that remote workers aren't being part of the team, and for the remote worker to feel like they are not real team mates.

2. Difficulty in communication - There is extra cost in coordination cost when it comes to dealing with remote workers. There are times when all the team members need to sit together and brainstorm ideas and suggestions. Such meetings and sessions get

interrupted due to the remote workers. This is obviously more difficult with a distributed team. Situational awareness is harder to create when team members are virtually present instead of their physical presence. Also, you would want to strike a right balance between and various communication options and involving them proactively

3. Low reliability and retention - Dependence on the remote worker is difficult. What will happen if a superior send in work to the remote worker to be completed within a deadline but the worker does not respond or is untraceable? Also, remote workers feel no guilt in moving to new opportunities since the team spirit is harder to develop.

4. Difficult to measure the productivity - It is difficult to monitor the productivity and the deliverables of a remote worker. How much work is being done, degree of procrastination, efficiency in work is something that can never be judged accurately. Monitoring status is a must in this case.

5. Distractions - There is no or very little oversight on how much an employee is getting done or how distracted they are, Working from home or a hotel. It is an adequate method for responsible workers but not such a good idea for juniors. There are far too many distractions and lack of motivation to perform. It requires a lot of self discipline. For example – Working from a transport mode or a coffee shop, the noise, the background, internet connection issues, all these pose as a grave detriment in getting the deliverable delivered on time.

6. Cyber is security- If the business being dealt in deals with sensitive data, sending it over internet which is not a secure mode of transporting data is a big risk. Data leaks and data theft by employees, mainly remote workers makes the business very vulnerable.

7. Reduced Human Interaction - Yes, there will be calls and online meetings with the clients and team members, but most of the time you will be home alone. There will be reduced social interaction. Working from home reduces the physical connection required with the colleagues as there will be no need of coffee breaks or lunch. Working all day without any connection with coworkers can be very isolating.

8. There is less learning - Office workers are in a position to learn better and new things from their superiors, peers and even subordinates. Remote workers need to make extra effort to seek out networking and learning opportunities on your own.

9. Not all jobs are suitable for remote working - Work from home is possible for some jobs better than other jobs. Similarly, it suits some personalities more than the other. Some people thrive more on face to face conversations, others are better behind a screen.

According to a study by the Institute of German Economics, working from home isn't just good for employees but it can benefit employers too. A European Working Conditions Survey also suggested that the presence of an employer upon the employees during office hours does not have much of an effect on their productivity. About 60% of the employees who participated in the Institute of German Economics' survey were very satisfied with their job where employers opted for less control and supervision as they felt more independent and responsible.

Though work from home is considered to be an enhancer of productivity by the employees but is it really helpful for the employer?

All those companies who are giving the facility of Work from home to the employees need to take care of certain things and seek ways to overcome them.

1. Oversight issues - It is almost impossible to keep a check or micromanage a teleworker. These issues always creep up in case of remote workers. Such issues can be avoided by creating performance benchmarks and making sure the remote workers are adhering to the requirements in regards to production and quality of work.

2. Loss of productivity - There may be some workers who can flourish in telecommuting situation, but it is not everybody's cup of tea. While working from home, there are a lot of distractions that can lead to reduced productivity. Also some people can get work done under the supervision and motivation. Such people suffer from reduced productivity as well.

3. Lack of brainstorming ability - Remote workers might feel isolated while working in their house and difficult to collaborate and team up with other members of the team for brainstorming sessions and meetings. If the relation between team is already strained, it will not add anything positive to the work. Online meeting, occasional face to face sessions, calls can help overcome such obstacles.

4. Paying the same amount of money - Employers who provide an option of working from home end up paying the same amount of money to them as they pay to somebody who shows up at work daily. It could mean that employer is paying the same amount for a resource that can be utilized by fewer people and fewer team.

Is Working From Home an option for everybody?

As discussed above, there are a lot pros and cons for working from home. It depends upon the employee to decide. If one wants to go for remote work, they should have the following characteristics:

- A lot of self-discipline is required to complete your work and deadlines on time without any supervision and motivation
- Able to stay focused and to not get carried away by the distractions present in the surroundings.
- Time management is very important so that one does not end up working the whole day at home or wasting away the whole day in leisure.
- You need to be organized and structured such that all the documents and deadlines are met before time and the supervisor does not have to call you again and again for any deliverables.
- Working alone and spending most of your day alone is one of the difficult things. The remote worker should be happy and satisfied with the work setting he has chosen.

VI. CONCLUSION

Indian society as well as societies around the world has changed in last few decades and so did the workplaces. More and more

number of women is working in India and globally as well. Number of households with both working partners has risen. There are adults who work and also care for elderly relative at the same time while some others are enrolled in higher education courses. Allowing such employees to work from home can give them more flexibility.

Telecommuting can be highly beneficial for new parents and person with disabilities. New mothers will not need longer maternity leaves, and this will benefit new mother, her baby, whole family, even the employer and society at large.

Telecommuting is environment friendly, by incorporating Work From Home culture a company not only contributes in reducing congestions on roads and other public transport but it also reduces its carbon footprint. There will be less wastage of precious resources and a decline in pollution levels as well. Thus, a company will be able to do a part of its Corporate Social Responsibility.

It is very important to launch a properly designed telecommuting program that not only benefits the employees but also solves the problems being faced by the employers. With the above cons in mind, here are few tips how they can be overcome. Hence providing telecommuting facility will be a boon for employer as well the employees. Tips to set up a successful

1. Get inputs from managers and supervisors - It is important to take the managers and supervisors on board the telecommuting program. Inputs as to how this program should run should be taken from them because they are the people who will be responsible for the work deliverables and monitoring the work done by the remote workers.

2. Clear guidelines - It is very important to formulate rules and guidelines for telecommuting. Clear regulations regarding, how many days in a month is telecommuting allowed, including the posts and position of people for which it is not allowed and so on.

3. Strong communication - Communication is the binding string for teams performing work with supervisors, team members, clients, hence there should be no obstacle in clear communication. Skype, video calls, teleconferences can improve the communication.

4. No prejudice - Once the policies have been formulated, stick to them. Don't make any exceptions of rules for anyone because that will undermine the whole idea of such guidelines. Don't make any exceptions, to be fair to the people who are in the office are not left to pick the responsibilities of those who have the facility to telecommute.

5. Security - Rules to be laid for the exchange of sensitive data is very important. Use of password and company email Ids to exchange data of any type. Also getting each and every employee- be it remote worker or not, to sign the confidentiality clause. This can reduce the incidence of leakage of information.

VII. RECOMMENDATIONS

- Telecommunication raises job satisfaction if it is offered to employees in moderate level, that is, say two days a week.
- Organization should not adopt one size fit policy as every job and every employee has different needs.
- Telecommuting will be effective if employees have a strong sense of efficacy, so employees must be promoted for adopting self-efficacy.
- Telecommuters should be communicated the expectations and details upfront.

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