### Structure for Research Paper



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### Introduction





COVID-19 has been a colossal blow to industries across the globe forcing many businesses to reevaluate their operational strategies. Zapier, a company with <u>3 million users and over \$50 million in revenue</u> is an organization that has fully adopted a remote organizational structure. Although Zapier is based in Sunnyvale, California, nearly every single employee works remotely with an onsite work model only used when the company was first founded.

with employees spanning across 36 states in the US and over 30 countries around the world, Zapier was able to grow significantly without the same technical infrastructure available to us today such as Zoom and Slack. Zapier even offered a "de-location" package in 2017 to support employees who wanted to move away from the San Francisco Bay Area. Remote hiring and work processes are not new but effective remote work lies in developed transitional plans with supportive resources and a robust remote team culture.

Other industries that have transitioned to a remote work structure have actually seen similar or even higher levels of productivity and efficiency in individual and managerial tasks. However, some organizations actually saw a slight dip in collaborative task productivity which can be attributed to a lack of organizational resources that encourage provide social connectivity, and mental/physical health resources and remote work infrastructure. Despite some initial challenges, companies around the world are recognizing the value of a remote work structure with remote job postings on LinkedIn having nearly tripled since March.

### Factors to Consider When Going Remote



At the heart of every company is the employee experience. Loneliness and work-life balance have been major concerns cited amongst remote workers. For any organization looking to transition to remote, it's imperative to provide the necessary infrastructure and support to remote workers as they adapt to their new work environment.

Organizations will have to reevaluate all aspects of how they operate from recruitment to day to day operations between teams. The best organizations have adapted by expanding beyond traditional talent pools when recruiting while embracing technological infrastructure that encourages communication and interaction between employees across teams.

#### Source:

https://business.linkedin.com/talent-solutions/blog/trends-and-research/ 2020/global-data-shows-surge-in-remote-work

### Growth in remote job postings by country

Increases since March

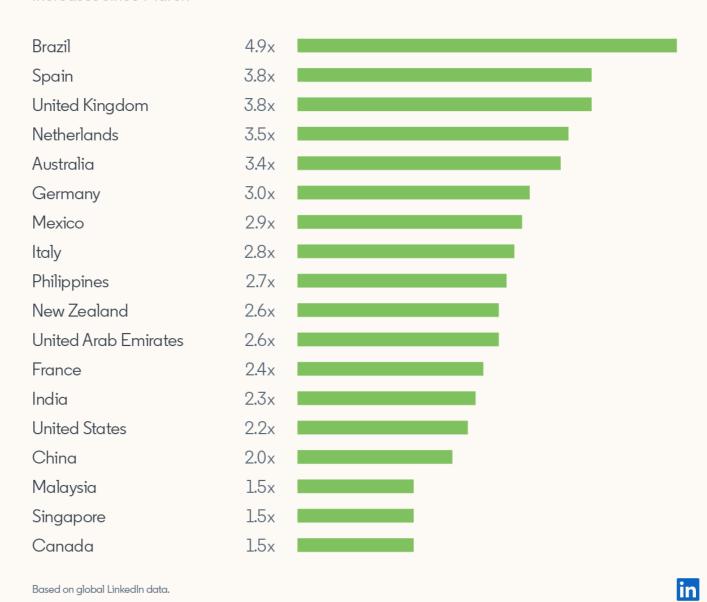


Fig 1. Growth in Remote jobs posting by countries

## Key Remote Work Statistics (Graphic Section)



<b>PROS</b>	
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of UK office workers would would take pay cuts to continue working remotely

of people cite flexible schedules as the biggest benefit of remote work

of companies only hire remote workers now

ower employee turnover for companies who allow remote work

of workers would be more willing to stay with their current employer if they could work flexible hours

more people are happy and productive, who work remotely at least once a month

Source:

https://www.smallbizgenius.net/by-the-numbers/remote-work-statistics

### CONS

people feel it's hard to unplug from work in remote culture

of workers have a sense of loneliness working remote

of workers suffer from distraction at home during work

people have time zone issues

of workers find it hard to stay motivated for work at home

Source: https://buffer.com/state-of-remote-work-2019



### Remote Work: A Founder's Perspective (1/2)



In July of 2020, Zillow announced that they'd be allowing 90% of their workforce to work from home for an <u>indefinite period</u>. A policy reflective of Rich Barton's sentiment when he <u>tweeted</u> a month prior, "My personal opinions about WFH have been turned upside down over the past 2 months. I expect this will have a lasting influence on the future of work".

In the latest Gallup State of the American Workplace report, organizations who have implemented a skewed remote work model have seen optimal boosts in employee engagement when employees spend 60-80% of their time working remotely, a significant increase from 2012 when the optimal engagement occurred when less than 20% of work was done remotely. This is reinforced when the study found that employees who work in remote skewed roles report higher levels of engagement than employees who work in fully onsite roles. Accounting for the other 40% of employee time, social connectivity is often the missing piece in organizations looking to integrate remote processes.

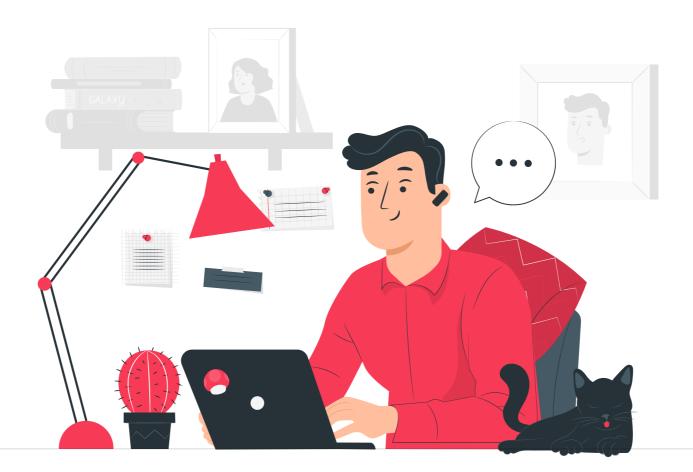
Although fully remote workers can miss out on meaningful conversation that occurs at the workplace, engagement levels amongst fully remote and fully onsite employees were actually measured to be the same. Even more noteworthy was that fully remote employees outscored non remote employees on performance management elements. The study says that regardless of the fact that remote workers often communicate with their teams only over the internet, they feel like their "opinions seem to count." Remote hiring and management has stereotypically been viewed as not very efficient and hard to manage but according to a SurePayroll survey, 86% of remote workers regularly "hit maximum productivity." Trends indicate that in 2021 and beyond, most companies will continue virtual hiring processes because of the efficiency, effectiveness and fairness of the technology now available. At a conference Jack Dorsey said that "We can get talent anywhere. There's a lot of folks out there that do not want to move to San Francisco. They feel comfortable working in a much smaller office or just home."

## Remote Work: A Founder's Perspective (2/2)



According to Employee Benefit News (EBN), it costs employers 33% of an employee's annual salary to hire a replacement. Considering that <u>62%</u> of currently remote staff would either agree or strongly agree with the statement: "In the future, I'll give preference to employers that offer remote work", increased employee retention from the option to work remotely can generate significant cost savings in payroll and training expenses.

Aetna saved \$78 million annually when they downsized office space in Middletown, Connecticut by implementing a remote working policy where 31% of staff now choose to work from home or other locations. Moreover, companies can hire employees from different time zones, allowing them to operate round the clock which is great if a company wants to remain operational 24/7.

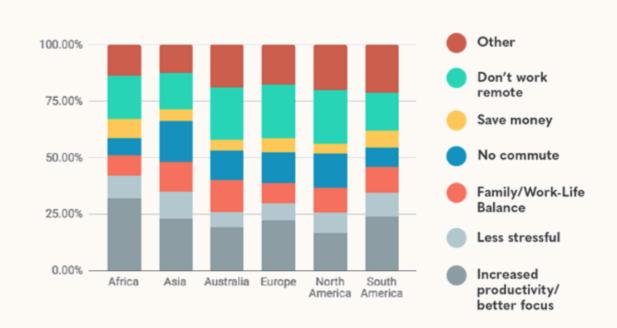


## Remote Work: An Employee's Perspective (1/2)



In the early 2000s, remote work was **neither typical nor desirable**. Home offices and coffee shops were not considered ideal workspaces but sentiment has since shifted to a point where many companies offer it as a desirable perk. Tech companies have been at the forefront of embracing remote talent by creating virtual onboarding processes and providing resources for remote office work.

Some unintended perks that have been identified amongst remote workers is having more time with family, being able to move, and reduced costs/time spent commuting. The bar graph above from remoters.net reflects this positive sentiment with many respondents stating that they've experienced much higher levels of productivity and focus when working remotely. A Connect Solutions report found that 30% can accomplish more in less time, while 24% feel they can do more in the same amount of time. Employees in the survey said that they can get the same amount done in 8-hour/day that would take 10 or more hours in the office.



The shift in environment goes beyond simply raising employee engagement as a <u>PGI survey</u> revealed that 82% of telecommuters reported lower stress levels and 80% benefit from higher morale from the shift to remote environments.,

## Remote Work: An Employee's Perspective (2/2)



Analyzing the data above from a 2020 McKinsey report, sentiment from both sides of the marketplace indicate that many of the technological and remote processes adopted during the pandemic are here to stay. With 93% of observed organizations experiencing significant change and more than half of them believing that the changes will stick post pandemic. Whether you are ready or not for remote work, the remote work revolution is happening before our very eyes.

#### Source:

https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/how-covid-19-has-pushed-companies-over-the-technology-tipping-point-and-transformed-business-forever

## The largest shifts during the crisis are also among the most likely to stick through the recovery.

#### Share of respondents, %

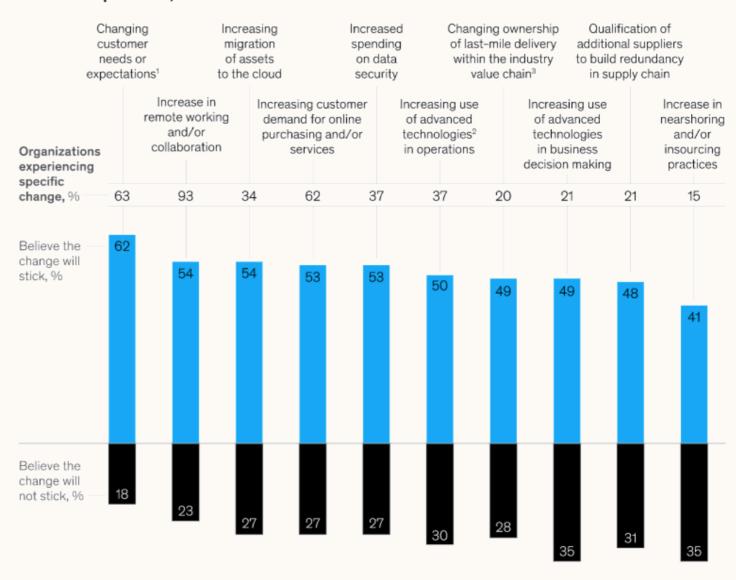


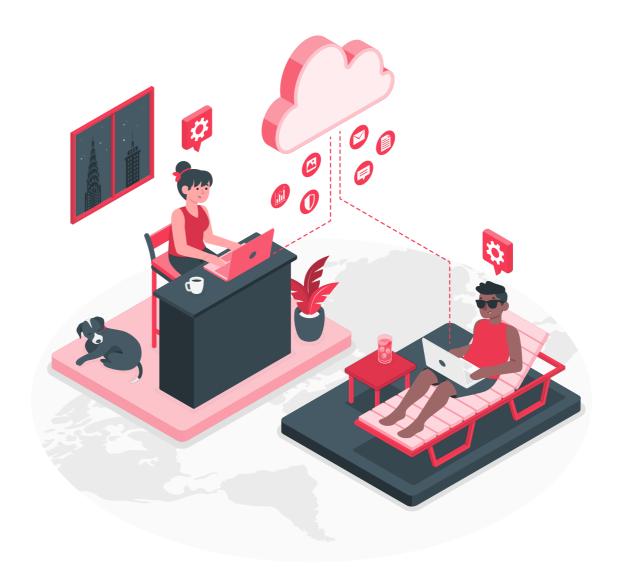
Fig. 2.Belief of percentage

## Remote Work for Diversity & Inclusion (1/2)



Every organization wants to promote diversity and inclusion but one of the largest inhibitors is location bias. With more individuals choosing to stay closer to their families and communities, organizations based in expensive coastal cities are automatically disqualifying a significant portion of the talent pool. With so much talent centered around and sourced from similar metropolitan areas, how diverse really is your talent? The advent of remote work has democratized opportunity for individuals around the world.

But finding diverse talent is only half the process, integrating them effectively is the other half. One of the largest challenges that have been faced by diverse employee groups is having their ideas listened to and valued by peers and colleagues. Virtual environments have made it harder for employees to off chance engage in casual conversation so how can organizations leverage remote hiring to improve diversity and inclusion?



### Remote Work for Diversity & Inclusion (2/2)



# A 2020 McKinsey study analyzing diversity and inclusion found that:

- 1. The workplace experience shapes whether people will remain and thrive
- 2. Even diverse companies face challenges in tackling inclusion
- 3. Core business managers shape how diversity and inclusion are perceived



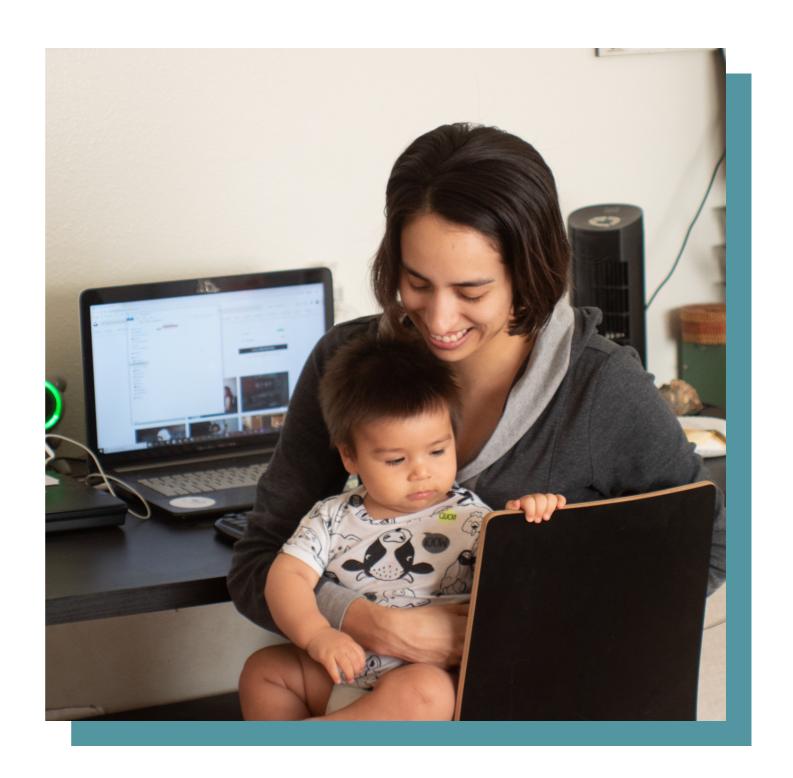
#### Pulling from the 2020 McKinsey report we can:

- 1. Place core business leaders and managers at the heart of your efforts. They shouldn't only promote inclusive practices but also be held accountable for progress in diversity and inclusion.
- 2. Prioritize equality of opportunity by engaging in fair and transparent practices. Utilize data driven and analytical tools for employee performance, pay/promotion criteria and work processes between cross functional teams.
- 3. Embrace accessibility and tackle microaggressions. Lines of open communication between team members and organizational leaders should be easily accessible and be able to actively combat discriminatory behavior.
- 4. Foster a sense of community and belonging by building a network of support and resources for your employees. By creating a culture where employees feel included, they are able to discuss divergent and innovative ideas.

### Remote Work as a Model for the Future (1/2)



The transformation of how companies operate has also led to innovative recruitment models, changing the way global companies are able to identify and work with talent. Brands headquartered in high cost-of-living areas may be able to their talent pool expand beyond geographical limitations by adopting virtual work processes where employees aren't necessarily required to commute to an HQ on a consistent basis. People who do their jobs from home, freelance or travel for work are increasingly leaving cities such as Los Angeles and San Francisco according to The Wall Street Journal. "The cost of living in many major U.S. cities is high and can be prohibitive," Michelle Armer, chief people officer at job site CareerBuilder, told CNBC Make It. "Broadly, we're seeing people move away from urban hubs in favor of less popular areas where they can get more space for less."



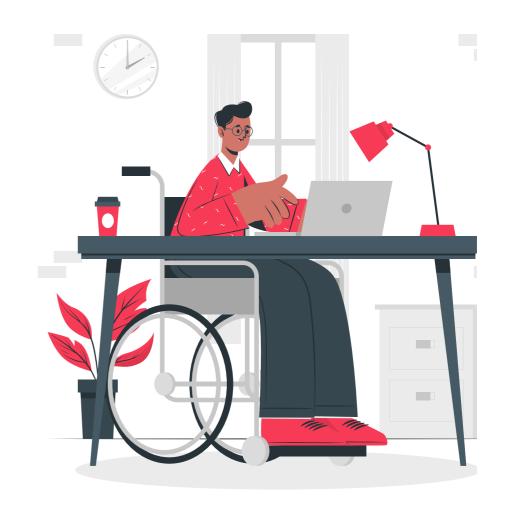
### Remote Work as a Model for the Future (2/2)



The <u>World Economic Forum</u> forecasts that remote work is one of the biggest drivers of transformation in workplaces around the world, with around 40% of full-time employees already used to some form of remote work/telecommuting in the US and Europe. The potential to work for a company from anywhere in the world has never been greater. A report from the <u>Society for Human Resources Management</u> indicates that 69% of organizations allowed employees to work from home at least some of the time in 2019 - more than three times the share of companies who allowed telecommuting 20 years ago.

Interestingly, both young and older generations have willingly embraced remote work citing flexibility as one of the driving forces. An <u>AARP survey</u> found that 74% of older people want the option to work flexibly and at least 34% would like to work from home. A report by <u>buffer.com</u> shows that 99% of people are willing to work remote at least some of the time for the rest of their career.

Technology today has enabled companies to hire talent solely based on skill and proficiency. Hiring managers believe being able to hire remote workers lets them find more talented staff by being able to focus more on skill and proficiency criteria rather than financial and geographical factors.

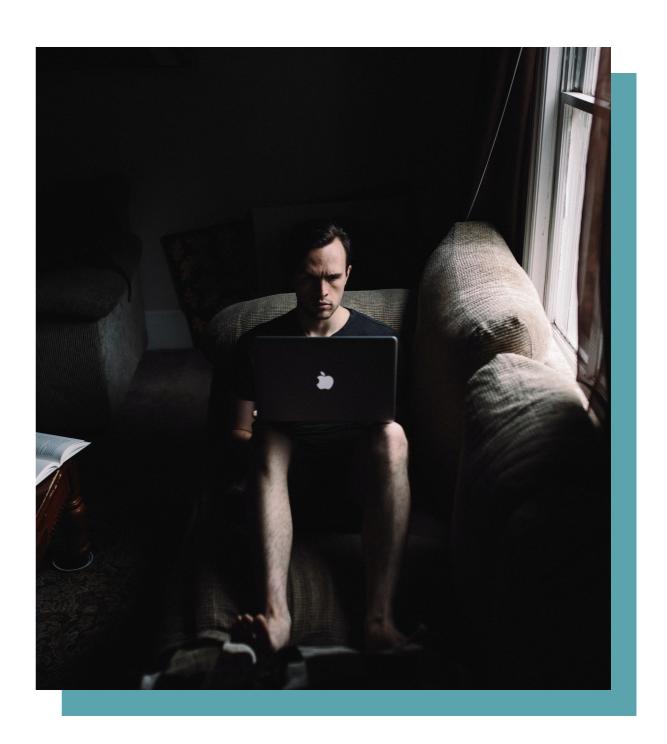


## Remote Work: A Case Study (1/2)



ConsenSys, a company on the forefront of blockchain technology was founded in 2014 by Joseph Lubin, the co-creator of the Ethereum network. With over 1 million monthly active users and over 4 million downloads across 6 products, ConsenSys needed to quickly adapt to a remote work structure without compromising the user experience behind their core products. With over 900 employees working from different time zones and locations, the lack of an office hub proved to be challenging for the initial transition to remote work processes.

ConsenSys found that many of their remote employees were experiencing loneliness from not having the option to interact with others in a physical office space. Coupled with a culture of working long hours without taking adequate breaks due to collaboration between teams across different time zones, ConsenSys experienced higher burn out rates amongst some employees.



## Remote Work: A Case Study (2/2)



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ConsenSys recognized these pain points in the employee experience and invested in self care and remote training resources. Working with Remote-How, ConsenSys provided Self-Care modules to employees along with development of remote onboarding processes to mitigate the stress for new employees who haven't worked remotely before.

After this initial pilot program between ConsenSys and Remote-How, employees indicated that the top benefits received were being able to find new strategies to overcome loneliness while also being able to focus more on themselves by utilizing self care practices. Resources like these not only improve the employee experience but signal that the welfare and happiness of an employee is of the utmost priority.



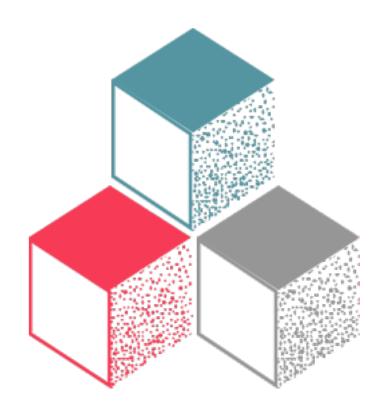
Facebook, Capital One, Amazon, Microsoft, Zillow and others have since announced that they'll extend their work-from-home programs. CEOs and top executives who participated in a <u>Bay Area Council survey</u> indicated that almost a fifth of companies are planning to transition to full remote-work policies and 89% are planning at least partial remote-work policies. With remote work gaining traction, it's important to remember that the transition to remote models isn't as easy as simply having employees work from home.

### Conclusion



The global pandemic has challenged us to reimagine how and where we work. Remote work as a model has proved to be transformative with benefits from lower operational costs to increased levels of employee productivity and efficiency. Although many industries are still learning how to integrate remote work processes into their organizations effectively, extensive research has shown that integrating some form of remote work into your organization is worth the time and investment. In a survey by Mercer, an HR and workplace benefits consulting firm, 94% of employers said engagement and productivity were the same as or even higher than before the pandemic.

It's important to note that despite all the early benefits in remote work, implementing effective remote work processes will require investments in digital infrastructure and resources for remote employees. While remote hiring may not be the right answer for every organization, this model will allow employers to access talent beyond geographical limitations, enabling brands to build global teams that operate 24/7 at a fraction of the costs that come with traditional onsite teams. Sourcing global talent not only sounds attractive but can be arguably seen as a necessary component of any business looking to bring their product to a global marketplace. Remote work is a model for the future and the future is now.



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