THE QTI GROUP

THE FUTURE OF WORK IS HERE
REMOTE WORK

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Introduction
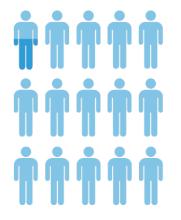
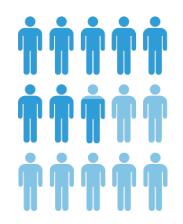**In just one-year, remote work shifted from a perk to table-stakes in the employee value proposition.**
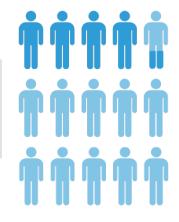
Before the COVID-19 pandemic, only 3.6% of the U.S. workforce worked remotely half-time or more. Remote work seemed like a perk that only the most progressive organizations offered to employees. Fast-forward to today, 52% of the workforce is estimated to work remotely half-time or more, and at least one-third of the workforce is projected to work remotely in the future. In just one-year, remote work shifted from a perk to table-stakes in the employee value proposition.

Before COVID-19, only 3.6% of the U.S. Workforce worked remotely half-time or more.

Today, 52% of the workforce is working remotely half-time or more.

At least 1/3 of the workforce is projected to work remotely in the future.

Employees Want It

Research studies of thousands of employees – including those by SHRM and Live Career – have found that employees generally want the option to work remotely in the future. Interesting findings from such studies include:

81% *of working professionals enjoy working remotely*

97% *of remote workers would recommend remote work to others*

65% *say remote work has positively affected their work-life balance*

29% *of working professionals say they would quit their jobs if they couldn't continue working remotely*

According to Microsoft's 2021 Work Trend Index report, "41% of employees are considering leaving their current employer this year, and 46% say they're likely to move because they can now work remotely. [Employers] approach to [remote]/hybrid will impact who stays and who goes."

In this candidate-driven market and time of projected economic expansion, will employers risk the employee turnover by requiring all employees return to a worksite location full-time post-pandemic?
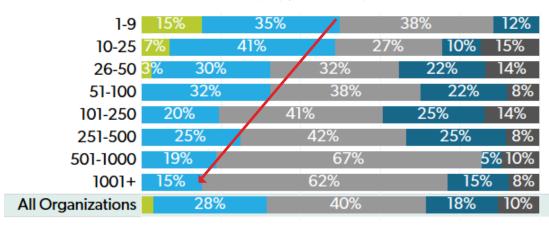
Employers Are Open To It

It seems that most employers will not take that risk. In fact, research – including a recent employer survey performed by QTI – shows that most employers are open to at least partially remote work arrangements in the future. Key findings from multiple employer studies, including the recent pulse-survey performed by QTI, are as follows:

94% *of organizations say that remote employees have met or exceeded performance expectations*

90% *of organizations plan to allow remote work in some capacity post-pandemic*

64% *of organizations indicated than an employee may work remotely if the job does not require a physical presence*

66% *of organizations are considering redesigning physical spaces to better accommodate hybrid work environments*

REMOTE WORK DECISION

With the accelerated pace of COVID-19 vaccinations, employers are now tasked to determine their future remote work practices and policies, perhaps sooner than anticipated. Now that organizations have shown the ability to operate with a remote workforce, should they continue to support remote work in the future? The answer for each employer rests in finding the right balance between employer needs and employee preferences.

Obvious factors such as industry, nature of work, organization culture, talent supply/demand, and leadership style influence the remote work strategy. QTI's research uncovered that organization size, measured by employee count, also impacts the decision. As shown in the following chart, the smaller the organization, the more likely that most/all employees will be required to work remotely and/or will have the choice to work remotely or at a worksite location. The larger the organization, the more likely that remote work will be determined selectively by job/employee.

	Required	Choice	Select	Periodic	No remote
1-9	15%	35%	38%		12%
10-25	7%	41%	27%	10%	15%
26-50	3%	30%	32%	22%	14%
51-100		32%	38%	22%	8%
101-250		20%	41%	25%	14%
251-500		25%	42%	25%	8%
501-1000		19%	67%	5%	10%
1001+		15%	62%	15%	8%
All Organizations		28%	40%	18%	10%

- ▉ Most/all employees will be required to work remotely
- ▉ Most/all employees will be will have choice in whether they regularly work remotely or at a worksite
- ▉ Select jobs/employees will be allowed to work remotely
- ▉ Employees will only be allowed to work remotely on a periodic/as needed basis
- ▉ No remote work will be permitted

Benefits of Remote Work

Remote work provides employers and employees with many benefits*. Examples of such benefits include:

- 35-40% higher productivity of remote workers compared to office counterparts

- 13% increase in employee performance

- 41% lower absenteeism

- 40% fewer quality defects

- 30% increase in job applicants, creating a more diverse talent pool

- $11,000 per year per part-time telecommuter in employer cost savings, or 21% higher profitability

- 50% drop in employee quit rates

- $4,000 per year in employee cost savings by working remotely at least part-time

Challenges of Remote Work

Despite all the benefits, we know that challenges exist such as at-home distraction, reduced visibility to employee performance, technology limitations, fairness in remote work, less social interaction with broader networks, and greater probability of employee burnout. Employee burnout, in particular, is a growing issue that needs to be proactively managed/mitigated for remote work to succeed long-term. According to Microsoft's 2021 Work Trend Index report, digital overload is real and climbing. Year-over-year comparison of current vs. pre-pandemic levels finds the following changes have occurred:

- 148% increase in meeting time for Teams users, and this figure continues to climb

- 40.6B increase in the number of emails delivered

- 45% increase in weekly Teams chats per-person, and this figure is still rising

- 66% increase in the number of people working on Office documents

PRO TIP

Doing a Employee Pulse Survey is a great way to gain an understanding of your employees worksite preference.

Sources: Behavioral Insights Team, Flex Jobs, Forbes, Global Workforce Analytics and Stanford University

DETERMINING IF REMOTE WORK IS ACHIEVABLE

The paramount question is whether the remote work benefits outweigh the challenges for your organization. Here are a few tips when deciding if remote work is right for your organization:

01 **SEEK EMPLOYEE INPUT.** Before going too far in remote work cost-benefit analysis and policy development, ask your employees if they would want to work remotely going forward and to what extent. Employee surveys are an easy way to do this as they have the potential to provide objective and anonymous perspective. Open this link to see sample questions. It is recommended that employee input only be solicited if the employer will consider that feedback in the decision-making process.

02 **ANALYZE APPLICABLE INTERNAL DATA.** Over the past year, nearly all organizations had at least some employees working remotely. What learnings were gained from that time? What was the impact on employee performance/productivity, absenteeism, retention or turnover rates, engagement levels, etc.? This data is critical to understand the long-term suitability of remote work.

03 **FORECAST THE FINANCIAL IMPACT.** What is the impact of remote work on revenue projections? What cost savings would the organization experience if remote work was allowed for some/all employees? For example, is there opportunity to downsize or sublet a leased/owned property? How will associated expenses trend (e.g., utility, parking, etc.)?

04 **UNDERSTAND TECHNOLOGY CAPABILITIES.** Determine if your organization has the needed technology to support long-term remote work. Will additional investments be needed to support virtual collaboration and telepresence capabilities, particularly if a hybrid workforce model is adopted?

05 **DEFINE AND COMMUNICATE THE POLICY.** If the remote work benefits outweigh the challenges, then organizations should determine the mechanics of the policy such as: who is eligible, qualifiers to becoming eligible (e.g., do not need physical presence to perform the essential duties, need manager approval, etc.), frequency of remote work (e.g., up to 3 days per week), working hours (e.g., when does an employee need to be online?), etc. Once the mechanics are defined, clear documentation of the remote work policy is essential. It sets the ground rules to ensure that the policy is clearly understood and consistency administered.

06 **GET AHEAD OF CHANGE MANAGEMENT ISSUES.** Most likely, there will be some employees that want remote work and others that do not. Also, there may be some jobs in your organization that will not be eligible for remote work because their physical presence is essential for the job (e.g., machine operator, receptionist, maintenance, etc.). The best way to manage this change is to allow for employee choice, where possible, in work location and to clearly define which jobs/employees will be eligible to work remotely and why. If strong pushback is anticipated, consider sharing the new policy in 1:1 meetings between the manager and employee such that a more personalized message can be communicated. Allow employees time to process the policy and to safely share any concerns/feedback with their manager. After the policy is implemented, commit to continuous improvement as opportunities are uncovered.

CONCLUSION

Clearly, employers have a lot to consider when determining their long-term stance on remote work and which model (entirely remote, partial remote/hybrid, or no remote) is best suited for them. For more information on talent strategies to help your organization succeed in the new world of work, we invite you to reach out to us at QTI@QTIGroup.com, follow us on social media, or visit our Thought Leadership page.

ABOUT THE QTI GROUP

The QTI Group, headquartered in Madison, WI, is a privately owned human resources (HR) organization providing staffing solutions, professional and executive recruiting, HR consulting, and HR partnership services to businesses and organizations. Our key services help businesses reach their full potential through people. The QTI Group has been an active member of the business community since 1957. With a rich history of growth, innovation, and community engagement, QTI has four offices in Wisconsin.

Interested in learning more about the Future of Work? Check out our new podcast: HR Unscripted: Where do we go from here? The Blended Workforce.

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Our work is people.
Because people are the heart of every business.