

Research on Home Office: A critical review

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1. Introduction

During the COVID-19 crisis the proportion of employees working from home increased in many countries. In Germany, before the pandemic 12% of employees worked from home, but during the partial lockdown in April 2020 this proportion rose to 35%.¹

According to the High-frequent person panel conducted by the IAB before the crisis, 56% of employees who could work from home did not use that option, whereas in May 2020 only 18% did work at their workplace, exclusively. For the USA, Bloom reports that over the period 21–25 May 2020, 42% of all employees were working from home full time. He points out that things would have been far worse without the ability to work from home.² Information from Statistics Norway shows that not all employees assess their own efficiency working from home as lower than at the workplace.³ Although the pandemic was clearly a game changer for the home office, after the lockdown many employees returned to their workplaces. According to the Mannheim Corona Study the proportion of employees working from home in Germany was 28%, somewhat lower than during the lockdown – even without the adoption of a back-to-office strategy by many companies. Therefore, it is important to understand the potential downsides of the home office and take steps to mitigate them.⁴

The organisation of the paper is the following: in the second section, we present and discuss the experiences of the employees working from

home. We present and discuss empirical evidence based on data collected before the COVID-19 crisis, mainly from private firms and establishments. Then in the third section, we focus on the employers' perspective. In the fourth section we have a brief look at lessons to be learnt to shape attractive working relations and conditions in the future and the need for transformational leadership. Section five shows implications for further research and HRM in practice.

2. Experiences of employees working from home

The rather limited incidence of working from home in Germany is revealed in the Linked Personnel Panel survey conducted by the IAB, University of Cologne, University Tübingen and the Centre of European Economic Research conducted in 2016 and 2017 among employers and employees.⁵ The results indicate that the employees believe that working from home improves their performance (56%), saves commuting time (55%), improves the work–life balance (52%) and increases the working time (38%). Grunau et al., investigate the impact of information and communication technology on actual weekly hours.⁶ Their study shows that the employees work approximately 30 minutes longer per week if they use modern digital technologies for work. Grunau et al., find that employees with unfulfilled wishes to work from home are less satisfied; they obtain similar results with respect to the employees' fairness perception.⁷ This points to the challenges of unequal opportunities for access to a home office.

However, there are negative experiences as well: tasks not allowing working from home (76%), the supervisors prefer presence (66%), cooperation is difficult (59%), issues of separation of work and private life (56%), lack of the necessary technical prerequisites, (54%) as well as that it is not allowed (16%).

Disadvantages of a home office include the blurring of work and leisure which tends to reduce job satisfaction and to intensify the work–family conflict by increasing the blurring of work and family boundaries.⁸ Suh and Lee demonstrate that technostress depends on the intensity of telework.⁹

Gajendran and Harrison investigate the relational impoverishment at work.¹⁰ Daft and Lengel focus on the potential weakening of the interpersonal bonds within the work teams.¹¹ Bellmann and Widuckel argue that employees with social problems in the team ('bullying victim') may work more often from home than others.¹²

Following the job-demands resources model developed by Demerouti et al., more autonomy, especially time flexibility, time sovereignty and achieving work goals could increase job satisfaction and reduce work-related stress.¹³ However, empirical studies also reveal opposite results.¹⁴

It seems that it is relevant whether working from home is conducted during traditional or non-traditional working hours, because the level of exhaustion differs.¹⁵ Arnold et al., argue that work outside the contracted working time and unpaid decreases job satisfaction.¹⁶ Bellmann and Hübler corroborate this result.¹⁷

3. Arguments of establishments

The employers' perspective is investigated in the Linked Personnel Panel survey as already mentioned in this paper. The establishments' representatives rank highest the employees' flexibility (62%) and the compatibility of family and work (55%), followed by the availability of employees (47%), higher performance (45%), commuting time savings (36%), enhancement of employers' attractiveness (39%), a quiet place of work (26%) and the optimisation of office use (10%).

In accordance with the employees' negative experiences, of utmost importance is the opinion that the task does not allow working from home (90%), cooperation between colleagues is hampered (22%), there are concerns about compliance with data protection (16%), management and control are not possible (10%), employees are not interested, and technical prerequisites are not fulfilled (9%).

4. Lessons to be learnt – a practitioner's view

Public administration has shown that it can react more agilely than it is generally assumed by the public. In order to maintain a high level operational performance and service orientation, the arrangements for making working time and the place to work more flexible have been extended. The home office became an important part of pandemic plans or business continuity management.

There is no doubt that the COVID-19 pandemic is an accelerator of digitisation. However, the effects of the COVID-19 pandemic greatly increased the pressure for digital action to also support new ways of communication, networking and collaborative forms of working together, and leading from a distance.

In addition to crisis management in times of pandemic, this development must also be seen in a broader context of administrative reforms and positioning public employers as competitive employers in the labour market. Changes in society and in the world of work must also be taken into account. Besides COVID-19 experiences, employees' attitudes will change in general and also from an intergenerational perspective. Young talent is seeking flexible working arrangements and life balance. This change is increasingly characterised in particular by the flexibility of working time and place, cooperation and collaboration, strengthening of self-organisation and personal responsibility of employees for their own career planning and lifelong learning with the support of their superiors and HR management.

The home office therefore will probably no longer be exclusively an instrument to support reconciling work and life balance, or promoting gender equality as in many cases before. It is developing further into a new form of working and collaborating in more agile and virtual structures and teams. Flexible working arrangements (working anytime, anywhere, with anybody where possible) have the potential to become the 'new normal' and part of the digital organisational culture in the future. In many cases, a more presence-oriented culture needs to be replaced by a culture of trust, value orientation and dialogue. Leaders must face a lack of control they might be used to. Given the pandemic-related speed to respond, little has been done on the subject of shaping digital culture or developing a digital mind-set.¹⁸

The result will be a changed understanding of leadership and cooperation. 'New work' needs transformational or inspiring leadership shaping employees' minds and winning their hearts during a time of ongoing transition. For quite a while, they will still have to manage the analogue and digital world. They also need to establish a culture of lifelong learning. Good working relations and working conditions, and a value-based culture are attractive working conditions for employees of all ages.

5. Concluding remarks

According to recent empirical evidence, reboarding of employees has gained more relevance for many public and private organisations. Thus, the research on the merits and the challenges of working from home is especially important.

The positive experience of the employees does not only increase job satisfaction but also increase the employers' productivity and compatibility of private life and work, for example. The weak point of working from home is the potential blurring of work and leisure as well as the reduced chances to recover from stress.

The future design of workplaces, time flexibility and organisation of work should take into account that the number of people who are permitted to work from home could be increased without necessarily increasing the number of employees working from home full time.¹⁹

HR management systems need a holistic approach to support digital transition. All process functions in human resources management are affected and need to be linked strategically and conceptually: recruitment, training/study, qualification, personal development, health promotion and other supporting services.

From the COVID-19 experience gained up to now the following actions can be derived, which are relevant for crisis management as well as for the design of modern working conditions:

- Culture, leadership and cooperation – transparency via published guidelines of leadership and cooperation
- Recruitment based on competencies relevant for the future
- Education, study, learning (blended learning, learning in new environments or getting familiar with new innovation tools such as Design Thinking, Scrum)
- Personal development (optimised procedures for tapping potentials, leadership development programmes, executive training)
- Organisational development (building resilient organisations through stable, modern infrastructure (IT, building management including interior design to promote innovation and new types of co-working))
- Communication (IT support to promote virtual collaborative forms of working together)

Furthermore, currently we do not know much about public organisations. It might be easier to

establish home office solutions in these institutions, because longer-tenure employees encourage more trust, and more bureaucratic organisations are accustomed to sticking to the same rules that are necessary for the success of a home office.²⁰

One conclusion can be drawn: mobile work needs clear rules in order to be effective and efficient with regard to the public value orientation of the administration.



The views expressed in this blog are those of the authors and not necessarily those of EIPA.

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