WORKING FROM HOME
Assessing the research evidence

Report
September 2020
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Report

Working from home: assessing the research evidence

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Acknowledgements

This report was written by Dr Charlotte Gascoigne.

We hope you find these insights useful when designing and reviewing your organisation’s approach to managing homeworking.
Executive summary

The COVID-induced lockdown has led to a huge increase in homeworking, but there are some key differences from 'standard' homeworking that need to be acknowledged: it was externally imposed and ‘total’ (that is, five days a week), as well as being unplanned, and it coincided with the closure of most childcare and school facilities. Nonetheless, the increased interest in homeworking – with most COVID-induced homeworkers saying they want to continue to work from home post-lockdown – presents a good opportunity to summarise existing research on the subject and to review lessons from lockdown to see how organisations can improve their flexible working offering.

The review of existing research identified the following eight themes:

1. Increased productivity among homeworkers is often achieved through work intensification.
2. For some workers, homeworking can provide a more productive environment because there are fewer distractions.
3. Knowledge-sharing and team relationships often suffer – unless task-related processes are designed to take location into account.
4. Innovation can suffer if knowledge-sharing and team relationships deteriorate.
5. Social isolation can be a problem for some workers, but this depends on personality and lifestyle.
6. Avoiding the commute is a major benefit for most.
7. Attention to work–life boundaries is helpful not just for homeworkers but for anyone in the digital age.
8. The career downsides are real and need to be managed.

Three preliminary recommendations for employers have been derived from this literature review:

1. Be aware of the differences between ‘standard’ and COVID-enforced homeworking.
2. Employee demand for homeworking has increased, so it’s here to stay: design your working practices to suit both home-based and conventionally sited employees.
3. Concentrate on partial, voluntary homeworking to create high-quality jobs.

This report forms the first stage of an eight-month research project that will recommend how employers can benefit from the lockdown ‘experiment’ and build homeworking into their long-term people plans. Email: public.affairs@cipd.co.uk if you would like to participate.
Before the pandemic began, homeworking was a minority pursuit. Only 5% of UK workers worked ‘mainly’ from home, although partial homeworking was more common, with a further 12% of the workforce having worked from home in the week before the 2019 ONS survey took place. About a third of UK workers work ‘remotely’ (that is, remote from their employer’s main office, although not necessarily at home) at least some of the time.

The scale of the transformation wrought by the pandemic can be seen by the fact that, in the middle of the COVID lockdown, almost half of the workforce were doing some of their work from home. However, opportunities for homeworking vary with type of work, age (with younger workers the least likely to WFH), qualifications and income (with managers and professionals the most likely to WFH).

‘Standard’ and COVID-enforced homeworking

It is important to note up front that COVID-enforced homeworking is very different from ‘standard’ homeworking. The rapid shift to mass homeworking was not voluntary, for either the employers or the employees, and outcomes (for example work–family conflict and job satisfaction) have been shown to differ for voluntary and involuntary homeworkers. Nor was it planned: the preparation that would usually accompany a shift to homeworking was largely absent – in particular, an agreed approach to team communication and sharing information, and in many cases the appropriate technology or workspace at home.

Another important distinction is that lockdown imposed ‘total’ homeworking, five days a week, which has always suited only a very limited number of people – those who do particular kinds of work and have particular kinds of personalities, as well as a quiet, spacious and well-equipped workstation at home.

At the same time, with schools and nurseries closed, many workers had to try to supervise and educate their children while also delivering their paid job – a combination which in normal times would be advised against by any responsible HR department. Parents had a very different experience of WFH from non-parents, finding it harder to create uninterrupted time to concentrate on work. Unpaid carers – those who help or look after a family member or friend who needs care and support as a result of old age, physical illness, disability, mental health problems or addiction – also experienced additional challenges and concerns throughout this period. More information on supporting working carers is available in our report.

Thus, instead of just designing home-based jobs to match the needs of the organisation and the individual, lockdown introduced a whole new set of requirements.

During the pandemic, homeworking jobs had to be designed to suit a whole new set of requirements for social distancing, in addition to the ‘standard’ requirements to meet the operational needs of the employer and the personal needs of the employee.
Defining flexible working and homeworking
Flexible working is generally understood to concern where, when and how much people work, and different outcomes – in terms of job performance and employee satisfaction – are reported for different types of flexibility. Lockdown has focused attention very much on the ‘where’.

This review covers existing research on homeworking from both before and during lockdown. It includes related terms such as telecommuting and teleworking – sometimes seen as synonymous with homeworking – and some learning from research on virtual or remote working and distributed teams, in which people in the same team may work in different offices, either in the same country or around the world.

What do we hope to learn from this research?
This review of existing research on homeworking represents the first stage of an eight-month research project that will recommend how employers can benefit from the lockdown ‘experiment’ and build homeworking into their long-term people plans. The aims are:

1. Identify the opportunities and challenges presented by widespread homeworking during the COVID-19 pandemic.
2. Explore how the COVID-19 pandemic has affected the willingness of employers, and of line managers, to allow or encourage WFH and other forms of flexible working.

The next stage of the project involves conducting quantitative and qualitative research with senior decision-makers and workers in different occupations and settings. Email: public.affairs@cipd.co.uk if you would like to get involved.

Eight key themes from the literature review
The starting point for many employers is whether homeworkers are more productive than office-based workers. Perhaps counter-intuitively, this may not actually be the most helpful place to start. Productivity is hard to measure and to compare across different types of work. Knowledge work in particular – the kind of work most often done from home – is complex and intangible, meaning that we have no objective evidence on the relative productivity of knowledge workers based at home or in the office. As discussed below, the evidence is better for the productivity of more routine, transactional types of work, but this is by no means universal, and there is also data suggesting that this may change over the longer term.

Employers can now use apps to monitor the productivity of remote workers (measuring response times, task completion, time spent on different windows, or number of keystrokes), but these are only partial measures and raise some troubling issues about management style and ethics. There is also plenty of self-reported evidence of homeworkers’ productivity during lockdown. In a poll of nearly 2,000 homeworkers from all sectors, 70% said they were at least as productive as in the office. Another study, which included many parents, reports that, even with all the complications of lockdown, 25–40% of their participants say they are more productive when WFH. A study of financial services workers found that three-quarters scored themselves ‘as productive’ or ‘more productive’ when working from home during lockdown.
Employers’ perceptions of the productivity of homeworkers during lockdown are more mixed: a CIPD survey showed that 28% of employers believe that homeworking during lockdown has increased productivity or efficiency, compared with 28% of organisations that report the opposite effect and 37% that see no effect. In another employer survey, just over 50% believed that their knowledge workers were more productive at home.

The overall relationship between productivity and homeworking has therefore been difficult to measure objectively, so the approach taken here is to analyse the evidence on eight different contributions to performance.

1 Work intensification

Work intensification is a commonly reported side effect of WFH: people increasing effort while working, putting in more discretionary effort (beyond job expectations), taking fewer breaks and in some cases working longer hours when homeworking.

One possible explanation, evidenced in several studies, is that workers are grateful for the opportunity to WFH, and so exert greater effort, although this effect may decline over time.

The most impressive productivity improvements from a homeworking study come from a randomised controlled trial at the head office of Chinese online travel agent Ctrip: work intensification played a part in these results. The nine-month trial involved 249 employees, whose job was to answer the phone and take bookings, a relatively routine, transactional kind of work which did not require high levels of team communication. These volunteers were randomly allocated to either WFH four days per week, or continue to work in the office. The homeworkers were 13% more productive – a highly significant increase. Three-quarters of the increase came from people working more minutes in their shift – always starting work at 9.00 am (because they avoided transport delays); taking shorter breaks; scheduling personal matters such as doctor’s appointments in the time they saved by not commuting; and working when too ill to go into the office. It’s also worth noting that these workers were partly paid by results: the incentive to work harder was financial and, because of the type of work they did, immediately visible.

Employers who implement homeworking will need to manage the long-term effects of such behavioural changes, and particularly their impact on workers’ wellbeing and work-life balance.

2 Distractions, interruptions and concentration

The avoidance of office distractions and interruptions (chatty co-workers, office noise) is a well-documented benefit of homeworking: in the Ctrip case study above, a quarter of the increase in productivity was because workers were more productive per minute, which was attributed to fewer distractions and less noise. In another study, in a Dutch government office, a one-point reduction in distractions (on a five-point scale) resulted in an 11% performance increase per day.

There is also plenty of self-reported evidence that workers attribute their greater productivity at home to fewer distractions. A survey of 501 financial services workers found that, among those who said they were as productive, or more productive, working from home during lockdown, 54% cited fewer distractions and 52% a quieter working environment. More than a third (36%) of another sample of homeworkers said that, during lockdown, they could get more work done in a

Eight key themes from the literature review
shorter amount of time at home, although parents (with no schools or nurseries open), not surprisingly, found it much harder than non-parents to secure a stable block of time to focus on work. However, it almost goes without saying that productivity gains will only materialise if: (a) processes are in place to ensure that homeworkers can still collaborate effectively with colleagues when needed; and (b) one's home environment is appropriate and free from distractions. Safety is also an important concern, with incidences of domestic abuse rising in the lockdown and pandemic period.

3 Task-related processes, knowledge-sharing and team relationships

Poor team communication, and its impact on performance and innovation, have been the stated reason for several high-profile companies to ban homeworking in recent years. The first of these was Yahoo!: in 2013, Chief Executive Marissa Mayer said she wanted to see more ‘hallway and cafeteria discussions, meeting new people and impromptu team meetings’.

Of course the assumption that a typical open-plan office is conducive to good face-to-face communication can be challenged: two US multinationals suffered a 70% reduction in face-to-face communication when they removed walls and partitions from their head offices and communication also suffers if people are on different floors, or different parts of a floor. The degree of homeworking (number of days a week) is critical to both team relationships and knowledge-sharing, both of which might suffer when the remote working is total (five days a week), but not when it’s partial. Strong, trusting interpersonal relationships require a degree of face-to-face interaction, both with co-workers and particularly with team leaders, who can more effectively manage homeworkers through an information-sharing approach rather than close monitoring.

However, it may not be location per se, but rather the nature of the work and the team processes being used that really affect the performance of both office-based workers and homeworkers. As far as the nature of the work is concerned, task interdependence (the degree of co-ordination and interaction needed with colleagues) is a key concept: a study of US teleworkers found that the interdependence of the work significantly affects productivity. Taking into account the task interdependence of the work, team processes need to be designed to help co-ordinate work and facilitate communication between team members. In a global study of 400 managers from 28 software development organisations, teams that had such processes consistently outperformed other teams with weaker processes, regardless of whether the team was co-located or virtual. The authors of one Europe-wide study of all types of homeworker (both voluntary and involuntary) that found a negative relationship (not necessarily causative) between WFH and productivity suggest that this may be due to the co-ordination of work with co-workers.

Effective use of technology is also needed, matching functions to tasks – for example, using a chat function for keeping up to date in real time; email for formal and external communications; and video-conferencing for problem-solving and team talks – and avoiding the video-call overload that was a feature of COVID lockdown.
4 Creativity and innovation

Concerns about innovation often stem from poor communication, team relationships and knowledge-sharing among homeworkers.

Of course not all creativity happens in a team context, but studies in IT development teams show that it’s important for team members to share specialised expertise when developing new products: in order for this to happen, they need to feel engaged with the team and have good communication with the team leader. If the leader of a remote team doesn’t make this happen, team members may be less motivated to contribute ideas. A base level of face-to-face contact is important to new product development because knowledge-sharing is easier.

Innovation depends on high-quality relationships and good knowledge-sharing. Employers may do better to focus on those, rather than where people work.

5 Social isolation

Also related to the issue of team relationships is the often-reported social isolation and exclusion suffered by homeworkers. Research evidence confirms that this can be a problem. Half of the Ctrip call centre workers who trialled homeworking chose to return to the office at the end of the pilot because of social isolation: they missed break-time chats and after-work socialising. A London Business School poll of 3,000 participants during lockdown found that by far the biggest concern about homeworking (mentioned by 46% of participants) was missing the social interaction of the workplace. Sixty-two per cent of respondents in a global poll of 11,000 workers in 24 countries reported that telecommuting was socially isolating.

One study in a large multi-site tech company observed that workers in the office could also feel isolated if they didn’t casually bump into their remote-working colleagues when they anticipated doing so: the authors suggest that a more appropriate focus of interest than office versus home might therefore be to identify people’s ‘expectations for social interactions’ and promote ways to create such interaction in teams that are not co-located.

6 Avoiding the commute

In surveys of the benefits of homeworking, avoiding the commute always comes high on the list. A survey of 501 financial sector workers (in south-east England, where commutes tend to be longer) found that more than three-quarters cited not having to commute as the top benefit of homeworking. In another study that included many parents, 70% said they would choose homeworking post-lockdown specifically in order to avoid commuting.

Avoiding the commute is important, not just because it saves workers’ personal time, but also because it’s been associated with job performance. Longer commutes (unless they involve physical activity such as cycling) are correlated with higher absenteeism and reduced performance. Workers themselves say that avoiding the commute makes them more productive: in the survey of financial sector workers, among those who said that homeworking made them more productive, the top reason, cited by 72%, was less time commuting. Many organisations are also aware that less commuting can reduce carbon emissions and contribute to environmental sustainability.
7 Work–life boundaries

The evidence about the effect of homeworking on work–life balance is mostly, but not entirely, positive – probably because it depends on a multitude of factors, including the individual’s home circumstances and personality, as well as their work situation.

Workers report higher wellbeing on days when they WFH and ‘leisure satisfaction’ is correlated with homeworking in a large-scale study of UK workers. Workers may be more likely to interrupt their work activities to deal with home demands during work hours when homeworking – but also more likely to interrupt their home life after hours to deal with work demands.

A more helpful way of conceptualising work–life balance for homeworkers may be to focus on how people manage boundaries between work and home: individuals have different preferences about whether and how to integrate or separate the two. One positive impact of commuting is that it creates a physical, temporal and psychological separation of the work and home spheres for those who prefer to separate. On the other hand, homeworking during lockdown has facilitated multiple examples of integration, with video calls – and some high-profile media interviews – enhanced by children, pets, housemates or discussion of colleagues’ home interiors.

Of course, boundary management is not just a homeworking issue: technology can extend working hours, and workers might feel they are ‘always on’, even when not technically working. Managers and professionals are particularly susceptible to this phenomenon, suffering a psychological preoccupation with work that can interfere with the ability to switch off. Some analyses have suggested that remote workers (many of them homeworkers) might find it harder to switch off and unwind after work. However, on a more positive note, another study found that those who had been homeworking for more than a year had less work–family conflict: perhaps it gets easier to manage those boundaries with experience.

8 Flexibility stigma and career implications

Homeworkers, along with other types of flexible worker, often fear that working remotely will affect their career, leaving them professionally isolated and overlooked for development opportunities. Fifty per cent of respondents in a global poll of 11,000 workers in 24 countries feared that telecommuting would restrict their opportunities for promotion. In one study, those who worked from home over long periods communicated less with people in the office, resulting in a perception of fewer professional opportunities. Even in the nine-month Ctrip pilot, there was some evidence of reduced development opportunities for homeworkers. However, a study of 405 professional US teleworkers shows that it appears to be the degree of remoteness (number of days a week) that impacts on promotion.

One positive impact of lockdown may have been that the ‘flexibility stigma’ that applied to flexible workers has lessened: only 50% of respondents to one survey said their manager was supportive of homeworking before lockdown, but this rose to 90% during lockdown. However, ‘out of sight, out of mind’ is a definite danger for homeworkers, requiring management by homeworkers themselves and by their managers.
Three preliminary recommendations for employers

This report forms the first stage of an eight-month project, and our full recommendations will be published in spring 2021. However, three preliminary indications result from this literature review.

1 Be aware of the differences between ‘standard’ and COVID-enforced homeworking

Employers need to distinguish between homeworking experiences that are specific to the pandemic, and those lessons that can be taken forward into the post-pandemic era. Four key features of lockdown-induced homeworking made it particularly difficult:

1 Poor planning. Lockdown homeworking happened at very short notice and with very little planning of the necessary technical infrastructure or changes to working practices.

2 Lack of choice. Nobody chose to switch to homeworking in March 2020, but there is clear evidence that the benefits are greater for voluntary than involuntary homeworking.

3 Total homeworking – five days a week. This has never been the most popular, or most appropriate, type of homeworking for most workers.

4 Lack of childcare. The absence of childcare during lockdown had an extremely negative impact on women in particular. In more normal times, functioning childcare – not just schools and nurseries, but after-school clubs, childminders and informal childcare such as grandparents and neighbours – produces a completely different homeworking experience for the 40% of the working population who are parents.

The best advice for employers in these difficult circumstances is to keep open the lines of communication about your employees’ needs. More information is available in the CIPD guide on cross-sector insights into flexible working.

2 Homeworking is here to stay: design your working practices to suit all locations

Experience of homeworking during lockdown has driven up demand. One survey found that four out of five workers (81%) expected to work at least one day a week from home post-lockdown. Another found that 68% want to continue to WFH post-lockdown. In another, 52% of parents and 66% of non-parents believed that they would continue to work from home post-lockdown.

Among employers, there is also an expectation of increased homeworking post-lockdown: CIPD research found that 70% of employers say they will expand or introduce working from home on a regular basis compared with 45% before the crisis, with a similar big increase in working from home all the time, from 24% to 54%.

This increased demand, and the increasing overall evidence of the benefits for at least some of the working population, mean that the key question is no longer whether homeworking benefits the employer, but how to do it, and for whom.
Employers will therefore need to design work processes that support both homeworkers and conventionally sited employees, concentrating particularly on knowledge-sharing, co-ordination of work, task-related communications and team relationships to encourage performance and innovation. Work intensification and homeworkers’ career development need to be monitored and managed. Good employers will provide support for homeworkers to manage work–life boundaries and avoid isolation, as well as make the cost–benefit calculations around the ‘hard’ elements of technology and office space.

In the post-lockdown world, employers also need to be particularly vigilant in ensuring that managers make non-discriminatory decisions about homeworking for parents, especially mothers, as a result of the lockdown experience.70

3 Concentrate on partial, voluntary homeworking to create high-quality jobs

In the vast majority of cases, partial, voluntary homeworking will be the most appropriate way forward:

- **Partial homeworking.** The disadvantages of homeworking can be mitigated by dividing employees’ time between the workplace and the home. The appropriate balance of home and office work depends on the type of work, the team processes in place, the manager’s capability and the degree of cultural support within the organisation, as well as the individual’s home circumstances and the support the employer can provide for technology and equipment. Some researchers have begun to classify which types of tasks and occupations can be done from home, and which are better performed in the office.71
- **Voluntary homeworking.** Research has shown that the benefits are greater when WFH is voluntarily chosen by the employee,72 ideally after a trial period in which employees can learn whether or not it suits them. For those Ctrip staff who continued, post-trial, to WFH, productivity gains almost doubled, from 13% to 25%,73 suggesting that there is a personality and experience element to successful homeworking that isn’t necessarily clear until employees have actually tried it.

As with any kind of flexible working – or indeed any kind of job design – a person-centred approach is most likely to result in a solution that suits the individual, the team and the organisation.

5 Next steps: how you can participate in the CIPD’s homeworking research

The next stage of this project will provide more in-depth research and recommendations on how employers can take advantage of the opportunities presented by the lockdown ‘experiment’, and build homeworking into their long-term people plans. The aims of this research are:

- Identify the opportunities and challenges presented by widespread homeworking during the COVID-19 pandemic.
- Explore how the COVID-19 pandemic has affected the willingness of employers, and of line managers, to allow or encourage WFH and other forms of flexible working.
Working from home: assessing the research evidence

We want to study homeworking in a variety of different organisations – not just those whose knowledge workers constitute the ‘typical’ homeworker, but also those whose operations encompass other types of work including, for example, hotels and restaurants, factories, outdoor work, retail, and health and care.

We will be interviewing senior people professionals and decision-makers within organisations, together with employees who have been managing homeworkers during lockdown. If you’d like to get involved (whether anonymously or not) or showcase the work you’ve done on facilitating homeworking during lockdown, email: public.affairs@cipd.co.uk.

6 Further resources on flexible working

- Practical advice from the CIPD on how to manage flexible working
- Case studies of flexible working in organisations
- The CIPD’s policy report, Flexible Working in the UK, reviews the UK’s progress on flexible working and compares it with other European countries.

7 Notes

1. See the statistics on page 9 (the second of the three recommendations).
4. ONS. (2020) Which jobs can be done from home?

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66 https://www.skillcast.com/blog/employees-want-working-from-home
68 CIPD. Embedding new ways of working: Implications for the post-pandemic workforce.