IBM

IBM's perspective and recommendations on empowering a mobile workforce

November 2020

The rise of the remote workforce

The global pandemic has disrupted traditional thinking about where and how we work. Since mid-March, IBM has had 95% of our global workforce working remotely across 175 countries. Organisations around the world have experienced the pandemic and its employment impacts differently. Some organisations have employee populations that, like IBM's, have been able to work from home relatively easily; others have had to shut down operations in whole or in part.

Now, as many countries emerge from crisis response mode, organisations around the world are starting or considering "reopening" to a new and very different normal.

There is much we do not yet know about how our work environments will look and feel when we move beyond this pandemic. One thing is certain: We will not be returning to business as usual. The forced shift for many workers to operating as a largely remote workforce has led to nearly 40 percent of respondents in an IBM market survey[1] indicating they feel strongly that their employer should provide employee opt-in remote work options when resuming normal operations. And remote work appears to be growing on people, as more than 75 percent indicate they would like to continue to work remotely at least occasionally, while more than half – 54 percent – would like this to be their primary way of working.

The demand for remote working opportunities is perhaps not surprising. Increased flexibility is generally perceived as a positive feature of job quality. It gives workers more autonomy and control, allowing them to combine work with a variety of life situations and make more choices according to their individual preferences. This potentially boosts productivity while enabling a better work–life balance. From a labour market perspective information and communication technology (ICT) supported flexibility offers better employment opportunities for some groups of workers, like those with disabilities, illnesses or care responsibilities, for whom a standard work schedule is difficult, or like those living in remote areas with limited local employment options.

However, while people's perception of remote working is largely positive, it would be premature to rule out the role of the traditional workplace in how work should be done. Longer term, workplaces like office environments will arguably still be in demand for in-person interaction, teamwork and innovation activities. According to IBM's Think Forward Jam 2020, 60 percent of IBM employees still prefer coming into the office for collaboration and socializing with colleagues regularly but working from home other days, especially when individual work and focus is needed.

There is no one-size-fits-all solution. The answer, while different for every organisation, may for many be based on a hybrid work model. As the pandemic wears on, employees miss their colleagues and miss face-to-face interactions. While organisations and their employees have demonstrated their ability to successfully transition to remote work, there are benefits to at least some in-person interaction in terms of trust and affiliation, and the opportunity for impromptu on-the-job training.

---

[1] IBM Study: COVID-19 Is Significantly Altering U.S. Consumer Behavior and Plans Post-Crisis – https://newsroom.ibm.com/2020-05-01-IBM-Study-COVID-19-Is-Significantly-Altering-U-S-Consumer-Behavior-and-Plans-Post-Crisis

Whatever the answer, the rise of the remote workforce is pushing many governments to consider new policy initiatives to support employers and employees and facilitate the uptake of safe and productive remote working beyond the pandemic.

IBM welcomes those initiatives and consultations that seek to shape public policy based on experiences gained from operating remote working models. The already considerable challenges of workforce management in a typical work setting – leadership, workforce engagement, productivity improvement, skills development – moved quickly into often uncharted territory. The ways we work, how we communicate with each other and our teams, how we learn and innovate have all been transformed in a matter of weeks and months.

We believe that if remote work is embraced as part of innovation and technological change, it has the potential not only to increase participation in the labour force, but to improve productivity, attract and retain talent, and assist in the transition to a low carbon economy. However, we recognise that in order for employers and employees to fully reap the benefits, policies and practices need to be carefully designed so as to avoid unreasonable regulation of the home environment and to mitigate downside risks such as negative mental and physical health impacts.

As a company with a sizable and widely distributed workforce and significant experience in working remotely before the pandemic, we hope that our experience may be helpful to policy makers.

Policy considerations

1. Arrangements to perform work remotely

Many businesses have already moved to modify and sometimes redesign human resources policies to address COVID-19 realities, including support for remote working. In the near term, remote work will be an important complement to reopening strategies. Then, as the transition to this "different normal" continues, businesses will need to define – for various type of work and job roles – how best to integrate between remote versus traditional work locations in terms of flexibility, focus, collaboration, innovation, affiliation, and well-being.

In today's work environments, it is fair to expect that public guidance is sought on ICT-enabled work performed more or less regularly away from the employer's premises – not on traditional "home work" such as clothing "piece work". The type of mobile work environments that new technology has enabled allows employees to spend time away from employer premises. However, there is no single model for ICT-enabled work performed remotely. For example:

- **Mobile employees:** are usually on the move, working at various office sites, making customer calls, and/or working on consecutive short-term assignments at customer or other locations. They are likely to occasionally work from home and may not have a specific workspace assigned at an office or customer/alternate location. They may

use mobility centres or other shared space when travelling to the facilities of their employer.

- **A pure "work-at-home" model:** is for employees who perform their regular work schedule from home. Work-at-home provides a way for employees on a regular schedule to work the major portion of their work at home. The employee using this option typically

does not have a dedicated desk or office in any facility of his or her employer.

- **A hybrid model**: is for employees who work some days at home each week but who are regularly in the office for team-based collaboration. This model is suggested as the most common model for many employees post COVID.

Recommendations:

- Considering the heterogeneity of remote working arrangements, we believe the most appropriate and useful format for public policy intervention is in the form of guidance for employers seeking to adopt largely full-time remote working solutions. Policy makers should avoid extending guidance for traditional home work models of the past to new ICT-enabled forms of remote working.

- Guidance at national level should allow for the details of remote work arrangements to be set out in employer strategies, policies and procedures that provide rules and guidance for employees.

- In cases where the major portion of work will regularly be performed from home for an extended period and for causes other than Force Majeure, a written agreement based on a request by the employee and with management approval can be used to formalize the arrangement. Management's review of such requests should take into account the personal circumstances of the employee and whether an employee's responsibilities and tasks are compatible with remote working.

- Work permits issued for foreign nationals/assignees should allow for work to be performed in an office of the employer as well as a home office.

2. Organisation of work and training

The need for new styles of leadership and people management in organising remote work arrangements is clear. In a recent INSEAD study[2], only about 50 percent of respondents in 58 countries agreed that their manager was supporting their remote working effectively. 63 percent agreed that their organisation laid out clear procedures and processes that were supportive of effective remote work.

In remote work situations, many managers have a tendency towards increasing the level of control. But evidence shows that what matters is to consider what help each individual employee needs, and to tailor approaches to the extent possible. Some remote workers feel the need to be in daily contact with their manager, while others prefer a higher level of autonomy. Certain employees need practical support, some need to brainstorm ideas and problems, while others may have a need for social support.

Communication by digital means affects employees in different ways. Some enjoy new flexibility, and thrive on the organisational flattening impact, and the need to focus on results. Others may experience isolation or loneliness to the point where their work suffers. Others may be exhausted by video communication.

IBM's experience shows that action to provide managers with regular advice and guidance on managing remote employees and teams has resulted in positive employee feedback on feeling supported. Much relies on effective and intentional communication and being empathetic to individual circumstances.

Longer term, a shift toward a more remote workforce will require that same greater emphasis on soft skills to continue to be productive and successful. Even pre-pandemic, a 2019 study from the IBM Institute for Business Value revealed that adaptability, time management and ability to work well on teams as some of the most crucial to the workforce today – however, only 41 percent of CEOs surveyed felt they had the capability in terms of people skills and resources required to execute their business strategies.

---

[2] What Newly Remote Teams Need, Right Now – https://knowledge.insead.edu/blog/insead-blog/what-newly-remote-teams-need-right-now-13706

Recommendations:

- Corporate guidance can help in providing information to employees on the more common issues and concerns which they are likely to encounter when working at home. For example, advice may be provided by the employer in respect of communication and collaboration tools alongside related issues such as IT security and data protection. What exact measures to take will depend on the nature and extent of remote work but employers should develop a clear vision of how culture and management systems are expressed and balanced in a remote setting.

- Businesses should also apply technologies to support rapid and clear communication and expertise sharing across the enterprise – with the goal to be as effective in a remote, distributed manner as in a co-located environment.

- Pre-pandemic, some organisations had already begun shifting their learning and skills building programs to become digital, mobile, and highly personalised. Now, as they re-evaluate learning opportunities deployed broadly across a physical and remote enterprise, those virtual, immersive learning models are more important than ever and should be taken into consideration by policy makers considering skills and working time aspects of remote work.

The need for new styles of leadership and people management in organising remote work arrangements is clear.

3. Health and safety

Digital devices and tools in workplaces can provide many new opportunities and possibilities to organise work in a flexible way to the benefit of employers and workers. Work that is carried out from home is typically work in front of a computer. The health and safety risks that may arise are primarily ergonomic and depend on how the workplace is designed, including chair, table, work surface, lighting, computer, computer connection etc. At the same time, remote work may create mental health risks and feelings of isolation and distance from co-workers. Questions can arise around the delineation of work and of personal time both during and beyond working time.

Around a quarter of employers indicate they have seen a significant increase in mental health problems for employees working from home[3]. And in a sign of the learnings rapidly emerging from the new work models, participants in a recent roundtable of CHROs led by IBM cited the wellness and mental health of employees as the number one concern they had not yet determined how to address.

Recommendations:

- As legislation often places health and safety obligations on employers for any work being carried out by an employee, regardless of where it is done, certain aspects of the home environment/working arrangements should be considered when assessing risks. Clearly it is not possible for an employer to address every eventuality in a range of very diverse environments, nor can government regulation possibly address that same diversity. However, employer guidance can help in providing information and guidance to employees on the more common issues and concerns which they are likely to encounter when working at home. For example, advice may be provided by the employer in respect of ergonomics and equipment, and web-based sessions on health and wellness can be scheduled. For many organisations it will be important to establish or enhance wellness and assistance programs for remote workers. What measures to take will depend on the nature and extent of remote work.

---

[3] Lewis Silkin employer benchmarking survey: https://www.lewissilkin.com/en/insights/coronavirus-our-fourth-employer-survey

- Mobile work, including home-based work, is likely to be effective under trust-based working time arrangements, as it implies assessing worker performance based on their outputs rather than time put in.

- However, it is important to respect boundaries: Work without an office does not translate to unlimited working hours. In the EU for example, the Working Time Directive does not exclude distance working. Employers should expect high performance from their employees – as long as it does not set a precedent for working long hours and being available 24/7 as a sign of commitment and adding value.

- Managers should openly communicate with employees about their expectations as to availability and business needs e.g. that they should not feel obliged to engage in chats or calls or respond to emails out of hours even if the manager is sending them. Managers should also be sensitised to the fact that when people in any perceived or real position of authority communicate, it is almost impossible for others to separate the power dynamics from the communication – humans feel obliged to respond to those in authority.

- Many jobs with trust-based working time arrangements will have cross-time zone imperatives and responsibilities. In these cases, workers and managers need to accommodate the give and take that work transactions outside "normal" hours require.

- Social isolation can be a concern if work is exclusively home-based. Employers should encourage a measure of online socialising even if it feels unnatural initially. Management should check in with their teams to see how they are, foster teamwork and build relationships, and provide resources and support to improve resiliency. Post-COVID, face-to-face interaction should be encouraged from time to time even for teams otherwise working remotely to develop trust and combat isolation.

4. Equipment and reimbursement of cost

With the rise of the remote workforce many employers and employees are seeking clarity around what rules or policies apply in relation to access to equipment and reimbursement of expenses.

Recommendations:

- Employers should produce guidance to employees on effective home work practices. The information might cover setting up a suitable workplace at home, processes for obtaining workstations and supplies, recommended ergonomic furniture for home working, and accident-at-work insurance coverage.

- Reimbursement of specific costs should not be legally mandated in a uniform way, but governments should provide employers with the flexibility to implement policies for covering costs such as office supplies and peripherals, and subsidies for internet connection, and utility costs where warranted. It will be important to take local circumstances into account, including the evolving costs and savings that employees will experience in a remote working situation.

- The trend towards remote work should also be supported in the medium and long term with a simplification of the deduction of income-related expenses. Employees who perform mobile work or work from home at least one day a week should be able to claim expenses up to a certain cap for the (ICT) equipment of their home office and other expenses for mobile work (e.g. costs for membership in a coworking space) as flat-rate income-related expenses. Moreover, it should be possible for employers to grant their employees a tax-free amount in the form of allowances or vouchers to a certain value per year, provided the employees submit corresponding invoices for work equipment, furniture and IT infrastructure for equipping the home office.

David Barnes
Vice President Global Workforce Policy, IBM
dnbarnes@us.ibm.com

Fredrik Sjögren
Government and Regulatory Affairs Executive, IBM Europe
fredrik.sjogren@se.ibm.com

IBM®