REMOTE WORK

A Study of the Transition to Work from Home

Research Review, Benchmark and Insights

October 2020

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Executive Summary

Remote work is among the flexible work arrangements organizations consider in preparing for tomorrow's work world. It enables both employee and organizational flexibility, and entails a transition to work performed from home and from the office, and sometimes also from locations far from the main office, based on a specific model the organization adopts.

The remote work trend has expanded in recent years in organizations in Israel and around the world. Many organizations recognize the various benefits of this measure, among them opportunities for employing new sectors, increased attractiveness for employee recruitment and retention, rent and operational cost savings, strengthening the organization's resilience in contending with unusual events, contributing to the environment and sustainability, improved work productivity and more.

The overall experience of numerous companies that established large-scope work from home arrangements for an extended period of time during the COVID-19 crisis was successful. To the surprise of most of organizations, the transition to work from home was relatively smooth and did not impede the ongoing operation of the business, while the technological limitations were found to be solvable and worker productivity was satisfactory. The massive work from home experience shattered the paradigm and engendered a serious examination in the aim of creating a new and different work from home reality, at least partially, along with the need to find ways to reduce costs in light of the economic crisis on the one hand, and growing employee demand for greater flexibility on the other hand.

This study reviews the combined work from home model, and its various aspects, and is divided into three main chapters:

1

The Professional Review chapter presents information about the prevalence of work from home in the world, the advantages of remote work for organizations, employee productivity, challenges and barriers. The chapter is based on data and studies from only the most reliable sources, among them studies and surveys published by official entities (among them the US Department of Labor, international research companies, universities and select journals), professional organizations in the remote work/work from home field, articles by recognized professional entities that cover the topic, and insights of companies that examined the topic even before the corona crisis.

3

The Findings and Insights chapter presents what we learned from the entire study, including the main trends, implementation methods and technologies indicated. Overall, the findings indicate the intention of organizations to incorporate remote work according to one model or another already in the near future. Compared to the existing situation up until several years ago, it appears that the challenge of work from home is not technological, but rather organizational and managerial. Furthermore, employee welfare and difficulty striking a work-life balance were found to be among the main topics organizations seek to address.

2

The Benchmark chapter is based on a study we conducted in the course of May 2020 to examine the nature of work from home and its methods, while addressing ramifications, impact on employee outputs, challenges, solutions and additional aspects among companies from different industries that incorporated work from home in the company's various departments. The main part of the chapter focuses on in-depth interviews with 20 companies in Israel and the world that gained remote work experience:

- 15 organization in Israel, 2 in England, 1 in Canada, 1 in Denmark and 1 in Colombia.
- 6 organizations incorporated work from home before the COVID-19 crisis, while the other companies implemented it following the crisis.
- The distribution of organizations in Israel: 4 insurance companies, a finance company, 2 communications companies, 2 government companies, a consumer product company, an advertising firm, a shipping company, an industrial company, a healthcare services organization and a municipality.
- We interviewed senior managers in these organizations from human resources, information systems, operations and customer service.

We found that in fact, following the COVID-19 crisis organizations understand that the work-world has changed and will not return to pre-corona reality. Most of the organizations are already examining the adoption of work models that incorporate work from home as the new normal. However, the transition to a different work model requires planning, change management and adjusting processes, metrics and systems. The extensive discourse on the topic, including company announcements of plans to adopt remote work, as well as discussions in government and the parliament encouraging this trend, may create a dynamic in which companies that do not change their work model

accordingly, may be left behind in terms of employee recruitment and retention, the location of their company offices, their operational costs and their resilience in the face of events and a changing reality. Remote work has become a central topic among organizations throughout the world. This often includes preparing a strategic plan, formulating a road map for several years going forward, defining long-term goals, establishing designated departments to handle the issue and allocating multi-year budgets for its implementation. The aim of this study is to provide an information infrastructure for organizations preparing for the remote work change.

1

Research Review

Remote Work

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Work from Home Prevalence
A Global Perspective

The percentage of employees in northern Europe countries that work from home at least several days a month: [1]
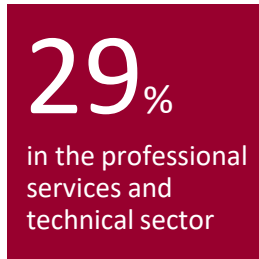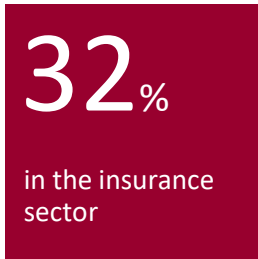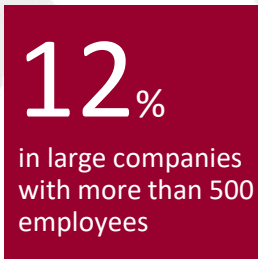
More than
20%
of the employees in the Nordic countries and the Netherlands

15%
in Britain, France and Germany

9%
in Italy and Spain

The percentage of employees in the private sector in the US

7%
work from home part-time

+2%
in the US work remotely (an upward trend in the past 3 years) [2]

Future transition potential
The University of Chicago found that:

40%
of the jobs in the US are suitable for work from home [3]

A survey conducted by the US Department of Labor in 2019 examined the prevalence of work from home in different companies, professions and sectors: [4]

12%
in large companies with more than 500 employees

24%
in business administration and finance professions

14%
professional employees (among them lawyers, engineers, scientists)

32%
in the insurance sector

29%
in the professional services and technical sector

1 University of Tampere, Finland, 2017
2 Bureau of Labor Statistics of the US Department of Labor, 2019
3 Forbes
4 Bureau of Labor Statistics of the US Department of Labor, 2019

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Impact of the COVID-19 Crisis

On the Expected Work from Home Prevalence

Many estimate that the impact of COVID-19 on work from home prevalence will already be felt in the short-term with the return to routine life.

> 74% of the Chief Financial Officers in the US expect that at least 5% of the employees will not return to work from the office, but rather mainly work from home. 48% of the CFO's expect that at least 10% will transition to work from home [1]

> The consulting firm Global Workplace Analytics expects that within several years about 30% of the employees in the US will work from home at least several days a week [2]
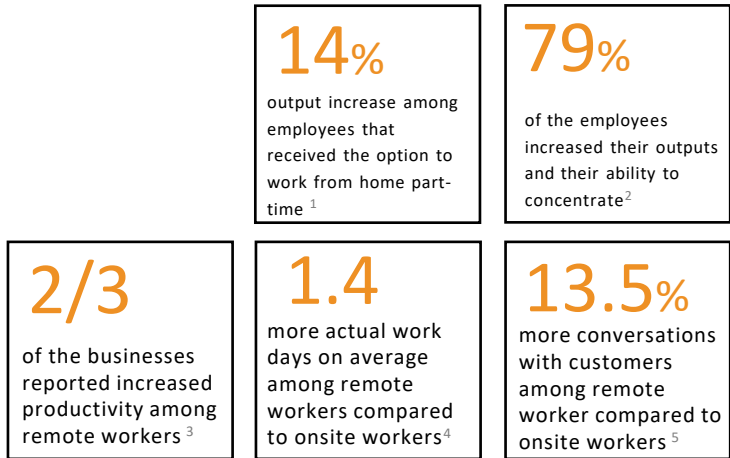
1 Gartner
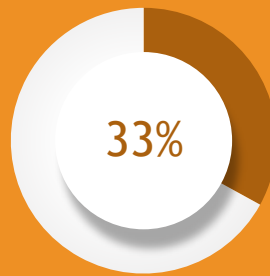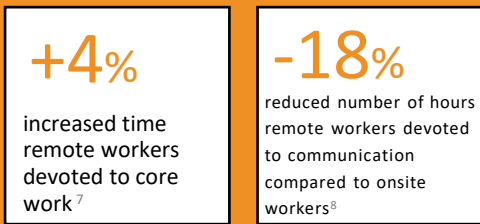2 Global Workplace Analytics consulting firm

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Work from Home Advantages

Improved Productivity
Remote Work

14%
output increase among employees that received the option to work from home part-time [1]

79%
of the employees increased their outputs and their ability to concentrate [2]

2/3
of the businesses reported increased productivity among remote workers [3]

1.4
more actual work days on average among remote workers compared to onsite workers [4]

13.5%
more conversations with customers among remote worker compared to onsite workers [5]

Reasons for Improved Productivity

+4%
increased time remote workers devoted to core work [7]

-18%
reduced number of hours remote workers devoted to communication compared to onsite workers [8]

33%
of increased output is due to a quiet work environment [6]
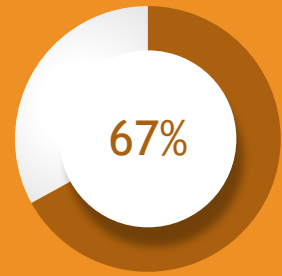
67%
of increased output is due to numerous work hours, decreased commute and short work breaks [7]

Cost Savings
Real Estate and Ongoing Operations

Enabling employees to work half-time from home can save the employer more than
11,000$
per year per employee [8]

American Express saves
15M$ a year
Aetna Insurance saves
70M$ a year [9]

In a large US company, when 600 employees worked remotely for one year, office costs (office space and accompanying costs) decreased by
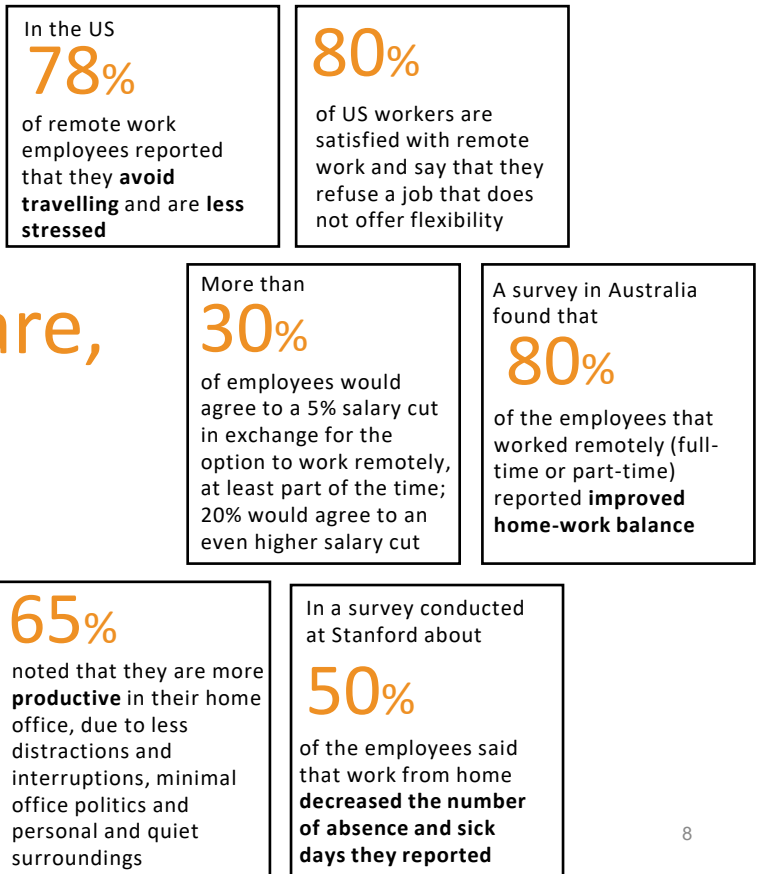**38.2M$** [10]
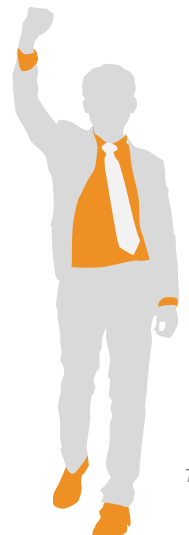
1 Stanford study
2 US Congress report about the US public sector
3 Survey of a global human resource company
4 Business New Daily
5 Stanford study
6 Study published in the HBR
7 Study conducted by a US software company
8 Forbes
9 Forbes
10 Future Mobility report - survey among managers in Israel

Work from Home Advantages

Improved Employee

Recruitment and Retention

It takes companies that offer remote work about 25% less time to recruit new employees [1]

Companies with a work from anyplace model show an average 10% increase in their employee retention rate [2]

A study conducted at Harvard University found that decreased employee recruitment as a result of work from home reduced employment costs by 4.4% [3]

Employee turnover is 25% lower in companies with a remote work model [4]

75% of US millennials think the work environment should be flexible [5]

Improved Employee Welfare, Satisfaction and Conduct

In the US
78%
of remote work employees reported that they **avoid travelling** and are **less stressed**

80%
of US workers are satisfied with remote work and say that they refuse a job that does not offer flexibility

More than
30%
of employees would agree to a 5% salary cut in exchange for the option to work remotely, at least part of the time; 20% would agree to an even higher salary cut

A survey in Australia found that
80%
of the employees that worked remotely (full-time or part-time) reported **improved home-work balance**

65%
noted that they are more **productive** in their home office, due to less distractions and interruptions, minimal office politics and personal and quiet surroundings

In a survey conducted at Stanford about
50%
of the employees said that work from home **decreased the number of absence and sick days they reported**

1 OWL Labs & Global Workplace Analytics survey
2 Gartner
3   Study conducted at Harvard
4 OWL Labs survey & Global Workplace Analytics
5 Study conducted by American Express
6 OWL Labs & Global Workplace Analytics survey
7 Survey conducted among employees in the US
8 Survey conducted by OWL Labs
9 Future Mobility report - survey among managers in Israel
10 Survey conducted by OWL Labs
11 Survey conducted among employees in the US

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Work from Home Challenges

Opposition among Senior Executives

The greatest challenge posed by remote work for senior executives has to do with trust and confidence in the employees. Additional significant challenges reported are convening meetings/discussions, maintaining a sense of organizational togetherness, employee availability and managing a daily routine[1]

Negative Impact on How Employees Feel
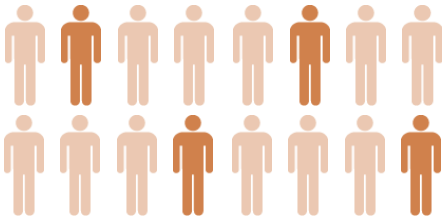
A study conducted at Minnesota University and MIT found that employees need manager contact and supervision. Employee productivity decreases without weekly/daily meetings and without measurement and oversight[2]

The most prominent work from home problems reported by 3,500 remote work employees surveyed relate to: communication and joint work, a sense of loneliness and inability to detach from work when at home[3]

41% of the US respondents reported that they do not feel tied to colleagues when they work remotely[4]

Remote workers reported greater difficulty finding life-work balance compared to onsite employees[5]

The greatest distraction in work from home is social media to which employees devote about two hours a day on average[6]

Employees waste 3% of their work day dealing with remote work issues related to technological difficulties[7]

It was found that during hybrid meetings (that include remote and non-remote employees), 64% of the remote employees encounter difficulties related to background noise and remote operating systems[8]

On tasks that require brainstorming and team interaction, the project cost was higher when only remote work employees were involved[9]

Outputs are negatively impacted in split teams, where part of the team only works onsite and part mainly works from home[10]

Negative Impact on Employee Performance

80%
of employers do not pay for home internet expenses

When an employer does pay, it is usually a one-time payment for organizing a home office[11]

87%
of employers do not pay per diem allowance for daily expenses

Employer Participation in Work from Home Expenses

1 Future Mobility report - survey among managers in Israel

2 University of Minnesota and MIT study

3 Annual global survey of Buffer advertising and research company

4 Gartner

5 Business New Daily

6 Valoir research and consulting company

7 Valoir research and consulting company

8 OWL Labs & Global Workplace Analytics survey

9 Research conducted at Harvard

10 OWL Labs & Global Workplace Analytics survey

11 Annual global survey of Buffer advertising and research company

Insights from Case Studies of Companies that Incorporated the Combined Remote Work Model before the coronavirus crisis

Dell[6]

ACAS[1]

IBM[5]

Zurich Insurance Group[2]

Doist[4]

HOTJAR[3]
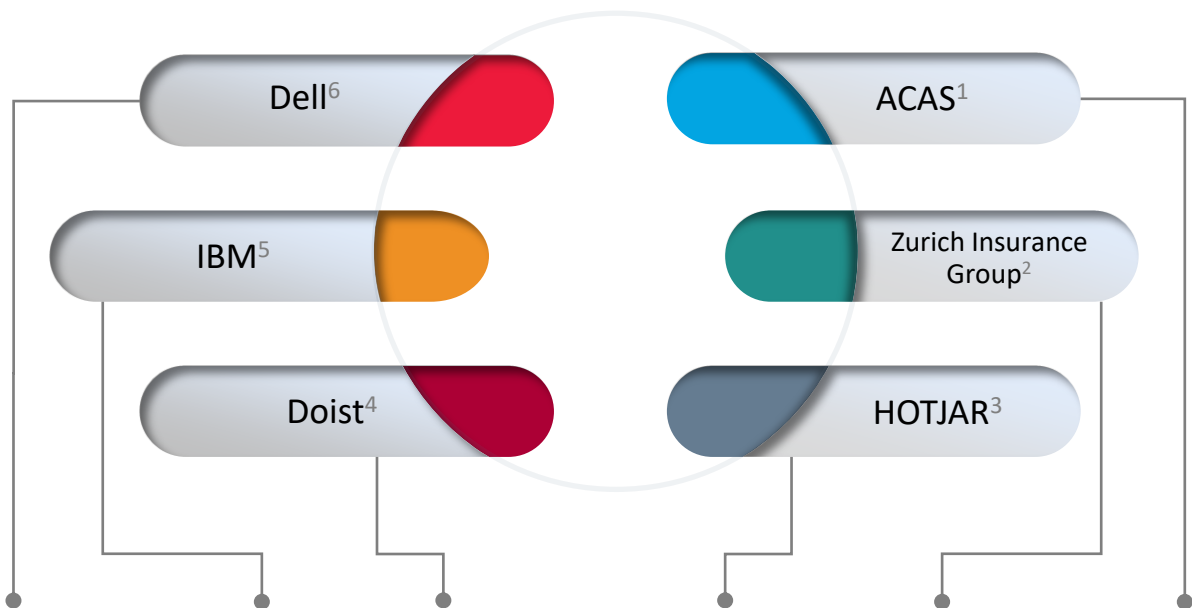
Due to expanded remote work the company will save $12 million a year on office space costs

Due to the transition of 40% of the 400,000 company employees to work from home, IBM returned office space which saved close to $2 billion

When recruiting a remote work employee applicants are screened based on the following criteria:
- Independence and autonomy
- High-level written communication ability
- Ability to create life-work balance

Operates exclusively based on the work from home model. Keys to success:
- Increased documentation and transparency
- Trust in team members, every employee manages his/herself
- Encourage employees to make time for themselves
- Joint vacation twice a year

About 2,000 employees combine remote work according to a model that enables employees to work from home up to 20 hours a week:
- Every manager can decide on the model in his/her unit
- Established a designated Future of Work position

The keys to success:
- A designated place at home for work.
- Recognize the increased management difficulty of those managing work from home employees.
- Trusting employees
- Frequent communication and investment in employee training
- Performance tracking and oversight
- A combined home - work model

Benchmark

In this benchmark study 20 companies were surveyed, 15 Israeli and 5 from abroad (Britain, Canada, Denmark and Colombia).

Although the focus was on service companies, in general the companies surveyed are from a range of sectors, among them communications, consumer products, shipping, advertising, chemicals and health. The number of employees in the companies surveyed ranged between 700 to more than 3,000.

After surveying the nature of work at home, the way companies incorporate remote work and the impact on employee outputs and that of the entire organization, both before and during the COVID-19 crisis, fundamental and basic differences were not found by sector, geography (Israel and abroad) and company size. Therefore, the findings are not separated based on these factors but rather presented together. The experience and insights of these companies on the following issues are presented below:

- **Work from home model**

- **Implementation method and prior remote work experience**

- **Remote work impact on outputs**

- **Remote work advantages**

- **Management routines, organizational culture and connectedness**

- **Remote work drawbacks and barriers**

- **The organization's remote work plan and future intentions**
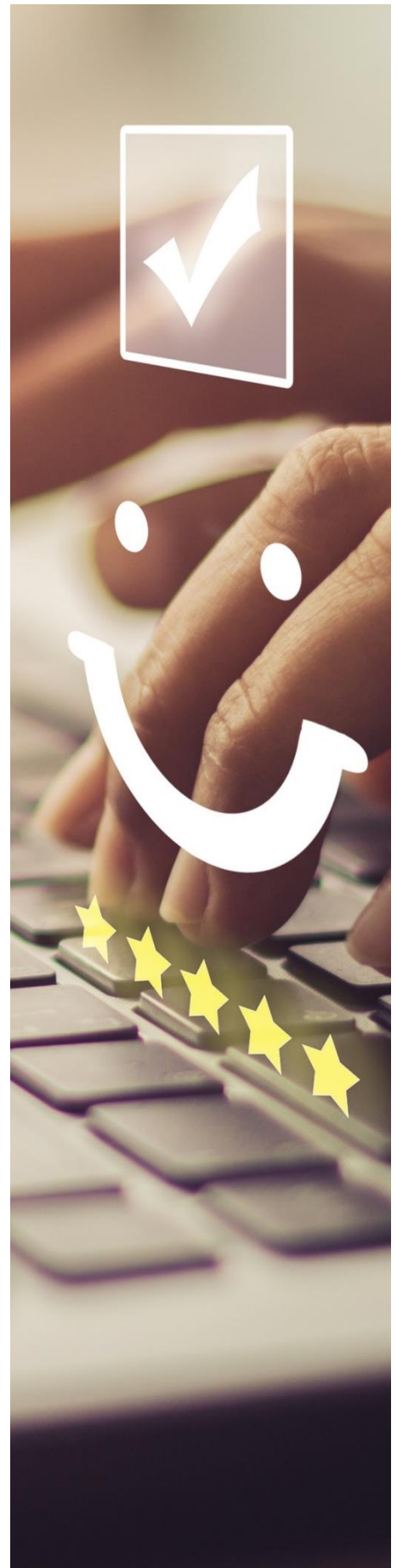
Orderly Organizational Transition to a Work from Home Model

The remote work model, implementation method, impact, drawbacks and barriers among companies that incorporated a work from home model before the COVID-19 crisis:

Industry	Model	Implementation Method	Years of Experience	Impact	Drawbacks and Barriers
Insurance Israel	A fixed day in the week, only implemented among HQ personnel	• Establish dedicated teams (e.g. technology, tracking and oversight), began as a pilot and transitioned to a permanent scheme • Regular meetings only scheduled on onsite work days	4 years	• Increased outputs (not proven quantitatively, less distractions and increased concentration) • Tasks that require concentration were kept for the work from home day • General satisfaction increased • Employee retention	• A small share of the employees took advantage of work from home to take care of personal matters (until oversight processes were established) • Video meetings were not conducted via ZOOM, which limited scheduling of physical meetings to the onsite work days and created meeting overload on these days. • Difficulty creating a comfortable work environment at home
Insurance Israel	One fixed day a week, only implemented in the operations department.	• Attention to managing the work at home day, including integrating work with VDI. • An organizational project was conducted under the steering committee which included communication with employees. Work processes remained as they were before.	1.5 years	• Did not impede outputs. • Saving on travel time and on organized transportation costs.	• Scheduling physical meetings was limited to onsite work days, which created an overload of meetings on days employees worked onsite.
Communication Israel	About 25% of the service center representatives worked from home 3 days a week	• The transition to work from home was gradual and began small. • Numerous training sessions were conducted until the transition stabilized.	3 years	• Service and sales rep outputs remained unchanged (based on estimate, not examined quantitatively). • Employee retention • Smaller physical space and lower operational costs. • Overall manager satisfaction increased	• Manager opposition and a conservative approach – they were not very open to the idea. • Estimated that about 10% of the employees show decreased results. In any case these are employees with lower-quality performance, oppose the combined method and/or experience various barriers.
Insurance Abroad	50% of the employees were offered the option to work from home. Mainly managers, professional employees and data analysts.	• There was no fixed format for combining work from home, but the company was very flexible and open about work from home. • Employees given the option to work from home received laptops and work with VDI or remote takeover.	In recent years	• In terms of efficiency, output differences were not found between work from home and onsite work • Trust in employees increased – the company decided that employees would not report attendance.	• A home work environment is not necessarily more convenient for everyone. • Decreased employee morale.

Orderly Organizational Transition to a Work from Home Model

The remote work model, implementation method, impact, drawbacks and barriers among companies that incorporated a work from home model before the COVID-19 crisis (cont.):

Industry	Model	Implementation Method	Years of Experience	Impact	Drawbacks and Barriers
Insurance Abroad	50% of the employees work from home at least one day a week. Mainly IT personnel, support teams, shift employees and anyone who does not have to be physically in the office.	Company employees worked with laptops via VDI	2	• The company does not formally monitor work at home employee outputs compared to onsite employees, however the company's general output remained the same. • The company does not monitor work hours; it examines employees' general task performance and goal achievement. • Lease and operational cost savings. • There is a trend of recruitment to remote work positions throughout the country, and therefore differences were not found. • Convenience and flexibility for the employee.	• Employee connectedness. • Possibility that in the future business partners will demand physical attendance.
Insurance Abroad	10% of the employees work from home one day a week, mainly senior employees or those with tasks that enable work from home without special adjustments.	No specific method was integrated or special oversight established, and remote connection and operation of systems functioned without malfunctions.	1	In terms of efficiency, differences were not found between work from home and onsite output.	A home work environment is not necessarily more convenient for everyone
Finance Abroad	Employees could work from home once in a while, sporadically.	There was no formal and fixed format for incorporating work from home, and the scope of work from home was relatively small.	In recent years	There was no output oversight. The aim was to create a more convenient and flexible employee work environment in order to enable a better work-home balance.	The home work environment
Insurance Abroad	Managers and specific professionals worked from home one day a week.	There was no formal and fixed format for incorporating work from home.	In recent years	Increased inputs	Lack of separation between work and home

Transition to a Work from Home Model During an Emergency

Impact and intentions among companies that transitioned to/expanded the work from home model during the corona crisis:

Impacty	Who works from home	Impact	Intention to Continue
Insurance Israel	89% of company employees	• Increased outputs (not proven quantitatively, less distractions and increased concentration) • Expanded pool of potential employees • Reduced operational costs • Reduced risk – advance understanding that certain events limit employee ability to come to the office	Expand work from home to an additional day and also apply it to call centers.
Insurance Israel	80% of company employees	• Outputs were not negatively impacted. • Increased percentage of position due to work hour flexibility. • Dependence on stability of internet infrastructures impacted rate of work.	Expand work from home also to service call centers and additional departments.
Communication Israel	30% of company employees (headquarter and service employees)	Diversity and improved recruitment ability	Expand the work model to headquarters and to additional positions such as accounting and back office.
Insurance Abroad	About 95% of company employees	Transitioned to weekly instead of quarterly task management. Every employee defined his/her own weekly tasks.	The company is expected to continue work from home , currently until August 2020. Most likely will consider a combined model for the future that will include onsite work while expanding the work from home option.
Insurance Abroad	All the company	The organization's resilience – mainly during emergencies, owing to the ability to transition the entire company to work from home.	• The aim is a combined model, with an emphasis on reducing human resources and real estate costs. • In the meantime, in the coming years the company plans to transition about 60% of the employees to work from home 2-3 days a week, and about 20% of the employees to work from home 4-5 days a week. • Employees will come to the office to meet with customers, for meetings following unusual situations, for different events and to resolve problems with colleagues.
Insurance Abroad	All the company	• Employees indicated individually that they feel more efficient at home because there are less distractions than in the office. • Focused and effective meetings/discussions. • Save on travel time. • Save on operational costs. • Improved efficient work style • Organizational flexibility. • Attractiveness in recruitment and expanded recruitment possibilities.	• Want to institutionalize and to combine remote work as part of the company's strategy. Possibilities are currently under review and will certainly be implemented. • Considering a model regarding employees who are needed and preferred onsite (do paperwork or the employee's personal preference) who will work in the office. The others will work two weeks in the office and two weeks from home, in the aim of significantly saving on travel time and increasing efficiency, while giving employees flexibility. Will maintain the option to have the capacity for 90% of the employees to work in the office at all times
Insurance Israel	All the company	• Increased outputs in most units • Shattered the paradigm • More organized work by tasks and closer monitoring	Want to adopt a hybrid model – combined onsite work with 20% work from home
Communication Israel	Headquarter employees	• Same outputs • To the point and focused meetings • Focus on tasks • High employee availability	• All headquarter employees – immediately transitioning to one fixed day a week. • Call centers - evening, night and weekend shifts will work from home.

Transition to a Work from Home Model During an Emergency

Impact and intentions among companies that transitioned to/expanded the work from home model during the corona crisis (cont.):

Impacty	Who works from home	Impact	Intention to Continue
Consumer Products Israel	All the company	• Increased productivity • Focused meetings • Opens new recruitment channels	• Examining the possibility of work from home. Will encourage this informally and immediately. • Will reduce office benefits and amenities, change new office scheme.
Government companies Israel	All the company	• Increased outputs in the call center. • No change in work hours. • Opens new recruitment channels	Considering combining work from home at headquarters and in service call centers.
Shipping Israel	Almost throughout the company	• Increased outputs. • Decreased reported sick days. • Focused meetings • Opens new recruitment channels	Postponing return of employees to the office, plan to adopt a hybrid model – 50% from home and 50% onsite.
Advertising Israel	All the company	• Same outputs • High employee availability • It took the finance department more time to get used to work from home and procedures had to be updated.	Will want to examine the option of partial work from home.
Government companies Israel	All the company except for field personnel and the technological division	• Better performance • More work hours for the same percentage position due to decreased travel times.	Will want to examine option of partial work from home
Insurance Israel	All the company	Opened new recruitment channels	Unknown – most likely not in a significant scope.
Chemicals Israel	Management and headquarter personnel	Have not drawn conclusions yet.	Hybrid model – a fixed day in which all units work from home, and the other days from the office.
Financial Israel	All the company, except for traders in trading rooms	• Increased outputs • Satisfaction among managers • Cost savings	Considering examining hybrid model.
Health Israel	All the company	• Increased outputs • More work hours • Focused meetings	Considering hybrid model – work from home one day a week, for relevant positions.

Transition to a Work from Home Model During an Emergency

Impact and intentions among companies that transitioned to/expanded the work from home model during the corona crisis (cont.):

Impacty	Who works from home	Impact	Intention to Continue
Municipality `Israel`	Information systems, a representative from every unit, call centers	• Much higher outputs, by tens of percentages. Estimate that in routine times output will increase, but only by single percentage points. • Managers very satisfied. • Learned that a team can be managed remotely	• Committed to change. Have a plan for a transition to work from home two days a week, in units that are suitable for such work. • For service call centers the aim is to reinforce with personnel working from home when there is heightened activity and to expand activity hours.
Financial `Abroad`	Almost the entire company	• Decreased productivity • Decreased reported sick days • Flexible seating in the office • Cost savings on office space	• Want to expand work from home to a flexible framework in which every employee can choose the combination that suits him/her, in the aim of enabling work-home balance. • Plan to transition to work only using a laptop.
Insurance `Abroad`	All the company	• Increased outputs • Increased number of work hours a day. • Excess motivation among employees, acted to reduce work hours to create balance. • Burnout among full time remote work employees over time. • Significant load on managers. • Sense of trust in employees	• Want to expand the work from home model such that the home office will be the main office. • Examining change in the office seating scheme, including reduced office space.

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How the Work from Home Model was Implemented

The experience of 20 organizations in Israel and abroad

All the steps taken with the transition to work from home

Adopted New Management Methods

Weekly briefing by the manager via video	Manager required to provide feedback about job performance	Team discussions once-twice a week, with open cameras, to go over tasks and statuses	Fixed weekly conversation with employee (in-person/video)	Fixed daily conversation with employee (telephone)
Establish resilience committee to manage the company's resilience	Monitor hours that employee enters various company systems		Report tasks on a daily basis by email, excel or task management system	Short team discussion the team leader/shift manager conducts every morning

Organizational Connectedness

Internal chat for company employees	Shared lunch time

Ability to connect remotely

Provide authorizations to systems with high-level data security for remote connection	Provide physical infrastructure (in certain cases) - equip employees with computers and an office environment
Check remote connection for all company employees	Quick purchase of needed equipment distributed to employees

Training and Workshops

Training for reporting work from home hours	Technical training and training for remote connection and remote work
Remote management workshops for team leaders/managers (management kit)	Receive training tools from human resources – emphases, activities, remote team meetings

Employee Welfare

Launch an organizational application with fitness exercises, mindfulness exercises, meditation and varied healthy recipes	Provide content via internal webinars and courses on varied topics
	Psychological support and counseling

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Components that organizations plan to include when implementing the remote work transition plan in routine times

Conduct remote welfare and enrichment activities	Conduct training and instruction, mainly remotely	Conduct remote meetings with suppliers	Every meeting, also in the office, will appear in video meeting system invitations. If some participants are remote workers, they can join the system without requiring advance coordination.	Define fixed days for onsite work or work from home at team level
	Maintain the option of returning the employee to work exclusively from the office if difficulties exist or tasks are impeded (and maintain employee motivation to continue the work from home option)	Create an organizational checklist which is a condition for the transition of employees to combined work from home. Only employees who meet the checklist requirements will be permitted to work from home (whether children are in frameworks, a suitable work environment, reasonable physical infrastructure, etc.)		Remote periodic forum meetings and periodic update discussions

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Impact on Employee Outputs During the COVID-19 Crisis
As Seen by the Managers

Managers from the 20 companies who were interviewed recounted how work from home during the COVID-19 crisis impacted employee outputs.

Answers received:

> The general feeling among about 80% of the managers is that outputs increased, even achieved in less time than when performed in the office. It is unclear whether behavior in crisis periods can predict behavior in routine times. Overall it did something good, good outputs, satisfied managers
>
> Finance sector

> In some of the units output metrics increased. We found that higher outputs are reached with less employees. We do not see a decrease, and in some units we see an increase. In terms of performance quality, quality did not decrease (where examined). Work improvement was found. Work was not impeded at all
>
> Insurance sector

> The wage schemes and trainings were very effective
>
> Consumer products sector

> Outputs are at a peak, the CEO is satisfied. People work properly from home. Employees who worked well before – work better from home, and those who didn't work as well, this exacerbates it
>
> Health sector

> The process of drawing conclusions did not go deep enough, it is difficult to reach conclusions from an emergency model. There were people who worked more than 15 hours and there were those who hardly had any work
>
> Chemical industry

> Outputs increased in the call center. There are less things going on around you, less stimuli. Furthermore, call center employees were told that the minute their outputs decrease they will have to come to the office. This encouraged them to maintain high outputs. Quality was not impeded at all
>
> חברה ממשלתית

> Formal measurement was not conducted, and therefore it is difficult to estimate the outputs and changes. In the beginning (March-April) motivation was high, people were very satisfied that the company enables work from home, it was important for them to prove themselves."
>
> Insurance sector

> It could clearly be seen that the work from home configuration contributes even more to performance
>
> Government agency

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Impact on Employee Outputs During the COVID-19 Crisis
As Seen by the Managers

Managers from the 20 companies who were interviewed recounted how work from home during the COVID-19 crisis impacted employee outputs.

Answers received:

"
Output did not decline, there are places that it even increased. Individual outputs of managers increased. In IT there are 400 people. 250 development people – output unequivocally increased there (they report hours monitoring is possible), owing to time savings and less interruptions
"
Shipping sector

"
Worked well. Economists, analysts, IT – it was very suitable for them, and for everything that has to do with handling inquiries and tasks (by telephone and also by email), all the areas that are part of the work flow. Human resources – worked entirely smoothly from home. I estimate that 10% of the employees work less well, are opposed or have barriers.
"
Communications sector

"
In call centers there is about a 15% decline in output – because of difficulty working from home with the disconnections, internet, disturbances and children. I believe that with a sterile environment and a stable internet infrastructure outputs can be raised to the onsite work level
"
Insurance sector

"
Corona time – not exactly a time to measure. There was good energy and high motivation because we did not furlough people and the organization enabled work from home. On the other hand, the children were at home and made it difficult to concentrate. Claims file managers handle more files, but are less available. Output is not a one-dimensional concept.
"
Insurance sector

"
Outputs remained the same without preparing or changing anything (first line, the most measureable) - I believe that with improved management productivity can be improved. Even before the corona, in the days that my employees regularly worked from home one day a week, the tasks were performed much more effectively than during the other days of the week
"
Communication sector

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Tangible Remote Work Advantages

Employee recruitment, retention and flexibility

Enables organizational flexibility and resilience in the face of challenges and unusual situations.

Provides a new horizon for employee recruitment and training.

Even if they received an attractive offer, employees prefer to stay and not give up the option to work from home.

Increase position percentage and over time when needed by the company.

Efficiency and resource savings

Making remote work accessible saves travel, physical space and municipal tax costs and many operational costs

Decreased absences and sick days (an employee who doesn't feel well/comes to work only partially because takes care of personal matters, examinations…).

Net work – save time on getting to the office, moving between meetings, small talk, etc

Increased net work hours as part of the employer's position percentage. Travel, parking and time to get to the office are translated into more hours the employee works.

Improved performance of tasks that require concentration and detachment from ongoing work during work from home days.

Meeting effectiveness

Conduct meetings with many participants from anywhere, within a short period of time (easy to schedule, without in-person presence and without the need for a meeting room).

Less delays, and if someone is late then informs in advance.

No interruptions of people leaving and interfering during meetings

Discussion culture at meetings and organized management of meetings, increases effectiveness and shortens meetings

Managers

Certain managers have difficulty managing employees remotely, and prefer the employee's physical presence. This requires investment in training and appropriate coaching, and should also be a consideration in appointing managers.

Extensive load on managers in execution positions; they may focus on monitoring and advancing tasks and less on development initiatives.

Senior executives in particular had difficulty adapting to remote work and may undermine this transition.

Culture and organizational connectedness

Employee need for a social-communal environment – less suitable for certain employees, such as young people without a family.

Difficulty regarding organizational connectedness, difficulty developing an emotional connection and loyalty when there are not enough in-person activities

Difficulty adapting to a new and less "traditional" work style.

Units and positions with work characteristics unsuitable for work from home

Work with cross-organizational interfaces may be negatively impacted, as well as the advancement of informal issues.

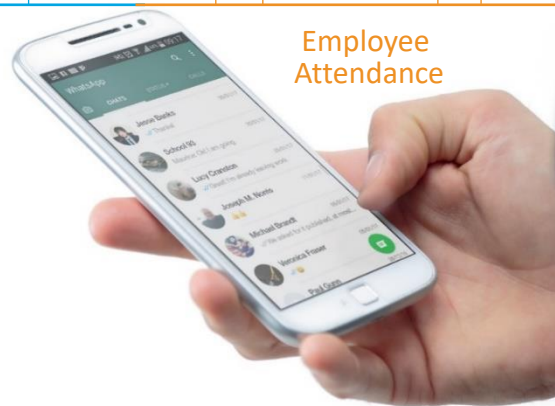An unsuitable work at home environment (quiet, comfortable), difficulty concentrating and participating in meetings.

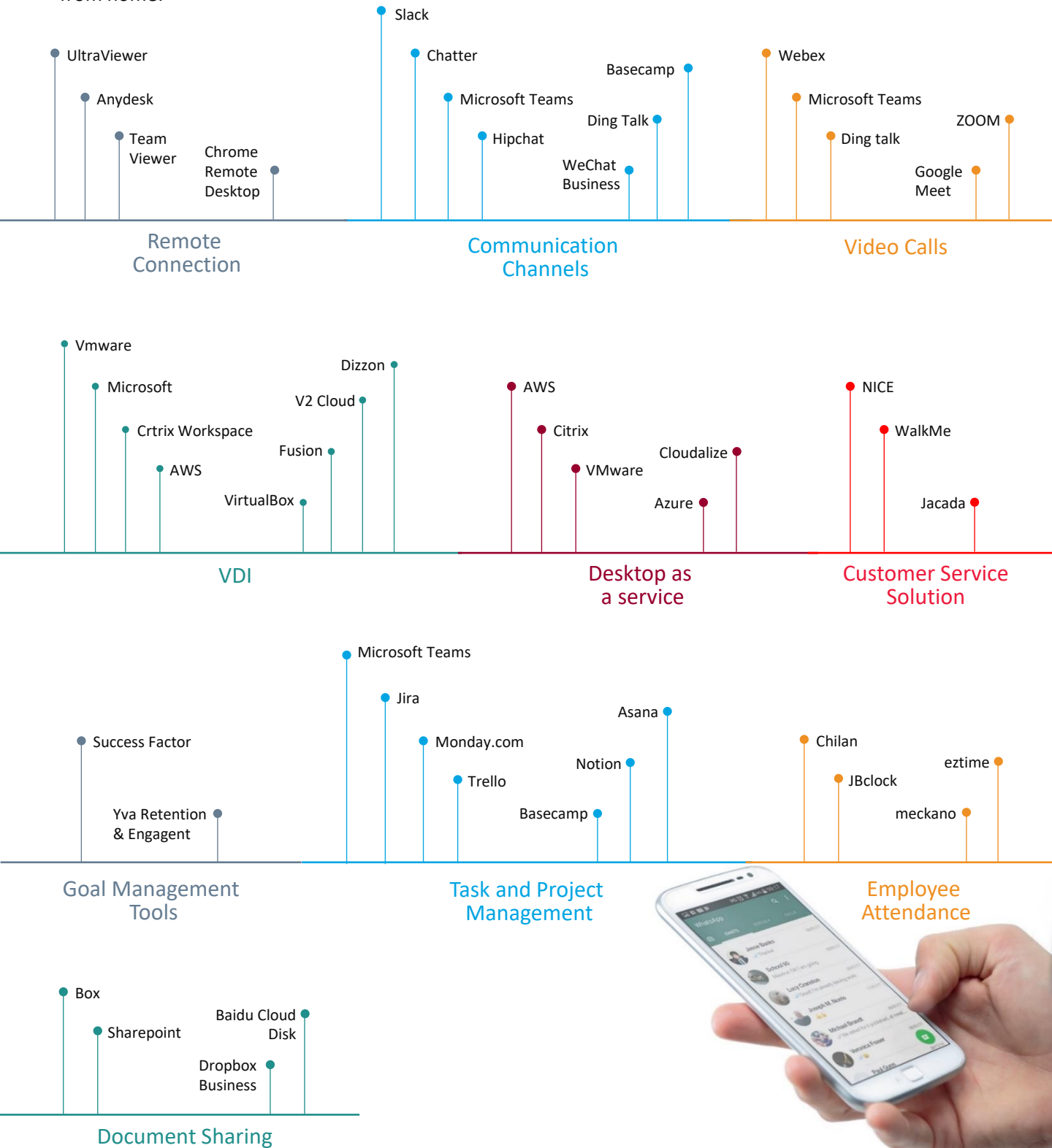Innovation and creativity entities.

Paper-based positions – typing, physical signature, physical files.

Secretarial, coordination and production – preferably should be available every day in the office.

Tangible remote work difficulties and drawbacks

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Technological Systems and Tools

The companies use the following technological systems and tools to enable and improve work from home:

Slack

UltraViewer

Chatter

Webex

Anydesk

Basecamp

Microsoft Teams

Microsoft Teams

Team Viewer

Ding Talk

Hipchat

ZOOM

Ding talk

Chrome Remote Desktop

WeChat Business

Google Meet

Remote Connection

Communication Channels

Video Calls

Vmware

Dizzon

Microsoft

AWS

NICE

V2 Cloud

Crtrix Workspace

Citrix

WalkMe

Fusion

AWS

Cloudalize

VMware

VirtualBox

Jacada

Azure

VDI

Desktop as a service

Customer Service Solution

Microsoft Teams

Jira

Asana

Success Factor

Monday.com

Chilan

eztime

Notion

Trello

JBclock

Yva Retention & Engagent

Basecamp

meckano

Goal Management Tools

Task and Project Management

Employee Attendance

Box

Baidu Cloud Disk

Sharepoint

Dropbox Business

Document Sharing

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Study Findings and Insights

Summary of Study Findings and Insights

The study found several models that combine home and onsite work

The study found combined work from home - onsite models, their advantages and drawbacks, as presented below:

Advantages

• Organizational flexibility for employee convenience • Work-life balance • Reduced absences and sick days	• Organizational synchronization and coordination between employees • Efficient employee management • Operational savings	• Significant organizational savings • Organizational flexibility for employee convenience	• Employee satisfaction • Organizational flexibility	• Efficient employee management • Organizational synchronization and coordination between employees

The Model

Flexible week from home Up to X hours Each employee flexible	**Work from home** week/week Company/a unit together	**Work from home** 2-3 days Adjusted for each employee	**Fixed work day from home** Individual Each employee separately	**Fixed work day from home** for everyone The entire organization together
• Difficulty managing employees • Difficulty creating organizational connectedness • Difficulty coordinating and scheduling meetings	• No real estate savings • Difficulty creating organizational connectedness	• Difficulty in organizational synchronization and coordination between employees • Difficulty managing employees • Difficulty creating organizational connectedness.	• Managerial difficulty • Difficulty coordinating and scheduling meetings	• No real estate savings

Drawbacks

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After reviewing the various work from home cases, the insights that emerged from all the cases, by field are:

Main Challenges and Barriers

1 Overload and adjustment difficulties of team/topic managers

2 Opposition from middle-management and senior managers

3 Need to set up home internet services and broadband

4 Contend with unstable internet connection

5 Insufficient communication may lead to misunderstandings and impact service performance

6 Transition to reporting and management based on tasks and outputs

7 Need for and difficulty increasing monitoring and oversight

8 Adjustment of veteran employees

9 Identify employees who have difficulty or are not suited for work from home

10 There are employees who only want to work from the office (young people who want company and their work environment at home is not comfortable)

11 A distant sense of belonging and connectedness to the organization

12 Need to provide expanded tools, such as psychological support and health to employees who work extensively from home

Impact on Outputs

1 In most cases output per hour was not impacted

2 Improvements, if any, stem from enhanced utilization of work hours (less breaks, water cooler talk and distractions, more hours invested within the same position percentage)

3 A negative impact on a small group of employees, those whose output was already lower or for whom the work from home environment is unsuitable

4 Different work conditions between employees impact performance, such s size of home, means at the employee's disposal, number of persons living in the same house, etc.

5 Many work hours as a result of blurred boundaries between professional and personal life during the work from home day. There is no clear distinction between work and free time at home, which hinders establishing a clear work routine, and as a result negatively impacts output.

6 Effect on business, underwriting and claims – some meetings must be conducted face-to-face. Not everything can be done in the virtual world, thus delaying some transactions.

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Main Advantages

1 Adapt to changes in the workforce; employee satisfaction

2 Retain/attract employees who live far from the office

3 Improved employee performance (output and quality)

4 Operational cost savings (travel, maintenance, operation, catering, energy)

5 Reduced rent costs/avoid expansion

6 Increased effectiveness of meetings and organizational communication

7 Reduced absences and sick days

8 Enables increasing the position percentage for vital employees

Technological Aspects

1 In general, the organizations did not experience problems in remotely connecting to the organization's systems, and when problems were encountered they were handled within a short period of time

2 Companies in which employees are equipped with laptops contend better with work from home

3 Of vital importance:

-A team communication tool, with an emphasis on video group chat.

-Performance assessment tool (manager- employee, including defined quarterly tasks and interim monitoring).

-Tools for managing tasks and projects in units that are not based on structured work processes.

Aspects to Consider when Preparing for Change

The main change management challenge is among managers	Project Budget	Gradual Implementation, including Pilot	Establish Taskforces	Strategic Plan
Execution-level managers needed accompaniment, routines and reports. More senior managers mainly needed a perceptual change and commitment to the process	That will also address technological infrastructures, systems for managing decentralized work, physical infrastructures, training and integration among employees and managers, steps to strengthen organizational/team connectedness, and preparing the employee's home for remote work	Extensive implementation spanning more than a year. Separately address service and sales call centers as well as headquarters and operational units	Usually taskforces for technology, physical office, connectivity and organizational communication, processes and management routines, work relations	Formulate an organizational plan/policy that includes selecting a remote work model, deciding on the degree of formalization and centralization (guidelines with broad implementation discretion for managers, or a required cross-organizational plan), stages and timetables

Sooner or later remote work may be an inevitable process. Following the COVID-19 crisis, organizations understand that the employment world has changed. The new normal will not be a direct continuation of the past.

All the information we surveyed (organizations we examined, survey data, articles in the media and expert forecasts) indicates that some remote work model will be an integral part of organizational work in the near future.

A growing number of companies are becoming roles models as they announce the adoption of work from home. models.

The trend may present a risk for organizations that will not update their work model. They may be left behind when it comes to employee recruitment and retention, office location, operational costs and the company's general resilience in the face of external changes and events.

Several governments have already legislated laws requiring organizations to enable "flexible work" to interested employees. This term includes the flexibility of working from home.

Compared to the situation several years ago, it appears that the work from home challenge is not technological but rather organizational and managerial .

Employee welfare and difficulty striking a work-life balance appear to be among the main topics on the agenda of organizations and companies.

The Future of Remote Work

As remote work becomes a central issue among organizations in the world, they are preparing strategic plans, formulating a road map for several years going forward, defining long-term goals, establishing designated departments to address the issue and allocating multi-year budgets for its implementation.

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How to Begin?

The transition to a remote work model is not a simple process; companies that are not experienced in remote work may face various challenges in the process. Therefore, the process must be planned and gradual, and change must be managed over a period of time in order so that the company and the employees can adjust and get used to the changing reality, in terms of technology and process as well as organizational culture.

The following are the recommended steps for transitioning to the remote work model smoothly and without mistakes:

Map: map the various units and professions in the organization and prioritize who needs to work from home, the scope of weekly/monthly hours and the extent of interaction needed between employees.

Employee preparedness: examine their ability to work from home and their work environment at home – is there a quiet corner, what percentage of the employees have children in frameworks until the afternoon hours, what office equipment do employees have at home, etc.

Communicate to managers and employees: Formulate the company's work from home policy, communicate it and reflect it to all employees through organized training

Technological preparation: Examine suitable, accessible and relevant technologies needed to strengthen issues such as task management, internal and external organizational communication, attendance management, monitoring and oversight

Manage metric-based work from home: Define operational and financial metrics and objectives, establish the capabilities needed to measure them on an ongoing basis and develop a data-based dashboard and discussion routines for every topic

Organizational culture: Define ongoing activities, at both the team and organizational level, to create a sense of organizational connectedness. Special attention should be given to organizational culture with respect to middle-management and senior managers who pose the main barrier to change.

Maintain patience: The transition process to a remote work model is not easy for any employee. Therefore, providing an adjustment period, assistance and support will maximize the process and enable employees and managers to adjust to the new work routine

Listen: Examine the attitudes of the organization employees more frequently, mainly at the beginning of the process, divided into three main groups: employees who work from home, direct managers and internal interfaces/customers.

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B i b l i o g r a p h y

About

The study was conducted by BDO Customer Management and was headed by Dr. Guy Yogev.

BDO Customer Management provides data-driven consulting services to assist organizations in improving their business performance and customer experience management. The team offers expertise in planning and implementing Customer Experience Management programs across digital and multi-channel platforms, customer loyalty programs, and voice of customer initiatives.

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