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RATIONALIZING REMOTE WORKING CONCEPT AND ITS IMPLICATIONS ON EMPLOYEE PRODUCTIVITY

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ABSTRACT

The concept of remote working had already been practiced by developed countries especially in United Kingdom, Germany and United States which according to studies have taken the top spots in the so called 'Work From Home' (WFH) concept. However; to developing countries such as the Sultanate of Oman, this is relatively a new concept. Because of this reality, the objective of this paper is to rationalize the concept of remote working and its implications as supported by secondary data and researches as basis for analysis and interpretation. It is also specified in this paper the issues and trends in remote working, its advantages and disadvantages, the extent of utilization of remote working in Sultante of Oman, and the possible suggestions to address the issues and challenges faced. Findings generally revealed a conflicting views on perceiving the concept of remote working as some studies affirmed by pointing out its advantages while others have outlined its disadvantages. Results from literatures showed that, remote working enhanced productivity, flexibility, access to global talents, cost-saving, better working environment, and environmental impact. On the other hand, remote working posits issues and challenges that includes social isolation, laziness, difficulties in prioritizing tasks, and others. Finally, some suggestions were drawn as enumerated: further evaluations and studies should be conducted especially in Oman to specifically assess the viability of the concept and a comparative study with other countries who had been applying remote working for quite number of years to benchmark good practices as well as helped the individuals and companies in formulating a more enhanced policies and procedures.

Keywords: Remote working, WFH, productivity, workplace, trends and issues

1. INTRODUCTION

The concept of remote working is not new to many businesses in the international level however, very few studies deal extensively this topic. Remote work is labeled in many ways. It can be defined as a work completed in an environment other than the employer workplace. This can include working from home (WFH) for employees & contractors and/or working from any other imaginable environment. According to Hatch (2006), remote working is a process where the employees work in a location other than the traditional go from house to office and vice versa. Remote working rather involves telecommuting, virtual or cloud working where the physical presence in the work may not be necessary. This is in contrast with the used to be working inside offices. Remote working has become the hottest discussion in the 21st century considering that the advances in technology and globalization has urged companies to employ individuals where communication can be done through Wi-Fi thus, possibilities for instance maybe hiring

workers in Qatar while the business operates in Oman. Accordingly, many assumptions had been made indicating that, remote workers perform better than those workers that are visibly seen in the office daily, however when promotion comes, they were not given due importance and consideration. This has prompted the researcher to study this subject and give ideas and perspective to clarify this issue.

The main objective of this paper is to identify and investigate issues and trends related to the concept of remote working and its impact to the workplace as well as assess the key issues, its advantages and disadvantages. Moreover, give appropriate examples to support the assumptions and arguments that can be derived. And, to formulate the strategies and schemes on how the problems can be solved or addressed.

2. ISSUES AND TRENDS ON REMOTE WORKING

According to current study, people who work remotely were found to be happier and more productive than those traditional workers (Nield, 2016). This trend has been growing and has become an alarming issue that many employers have come to think of it. Consequently, many ideas have been solicited regarding working at home to be practical as it saves your time, money and effort of travelling on daily basis (Peeters, 2014). However; there is not much found a study that significantly correlates home working and productivity. A survey conducted on Tiny Pulse for 509 full-time remote workers in the US found out that, remote workers are more satisfied, happy and more valued although their presence were not physically observed in the actual workplace (Peeters, 2014). Interestingly, about 91% of those remote workers stated that they were more productive if doing their jobs far from offices because they feel more comfortable and can independently work with the given tasks. They added that, if their bosses forced them to do their tasks, they loss the sense of independence and flexibility that might affect negatively their present performance. Similarly, a study was also made in 2015 by researchers from Harvard University and results revealed that, the performance of remote workers improved significantly due to the fact that, they were freed from the shackles of the office and more than that, they have experienced fewer coffee breaks and practically less sick days (Schermerhorn, 2008). However; there can be advantages and disadvantages that remote working brings.

In the international arena, there is already an increasing attention of remote working as evidenced in developed countries such as United States, Germany and United Kingdom where they categorically name it as Working from Home (WFH). In a telephone survey conducted to more than 3,000 medium-sized establishments with employees ranging from 50-5,000 in manufacturing companies during 2012-2013, findings revealed that the above-mentioned countries recorded 50% in terms of application of WFH as its mainstream practice while about 20-30% utilization rate for developing countries where in most cases the increasing trend are widely experienced because of the rising traffic congestion as well as the rapid connectivity using mobile and laptops. The survey was based on the approach outlined in Bloom and Van Reenen (2007) and Bloom et al. (2014). Plant managers were asked ''Are managers allowed to work from home during normal working hours?'' Country choice driven by research funding and firm population dataset availability. The outcome clearly showed that (Fig. 1) United Kingdom has the highest proportion of managers that are allowed to work from home and followed by Germany while in third place is the United States. Interpretations can be derived from this result that the degree of appreciation on the concept is widely demonstrated by these countries and thus, likely be assumed that it offers benefits to the respondents of the study.

However; questions were also raised by many researchers emphasizing on whether WFH really indeed address productivity and profitability to organizations although figures had already been collected as supporting evidence of these claims. Bloom, Kretschmer, and Van Reenen (2009) stressed that, there is observable variation between the perception of managers and employees according to the survey they have conducted to various identified industries. Moreover; another study was conducted in one of China's leading and largest travel agency, the Ctrip with 16,000 workers and the outcome suggests a conflicting results as other managers believed that implementing the WFH will save cost on rentals while others negatively perceived it as contributing factor to employee shirking because there is no direct supervision by their managers. Further evaluation of Ctrip showed an increase of 13% on employee productivity and higher work satisfaction after nine months of experimentation and trial. Results have somehow changed the working paradigm of the employees and many had begun to rely on WFH although they have reservations that doing the tasks might hinder them in times of promotion and merit rewards.
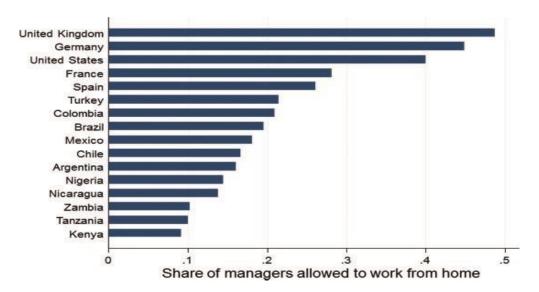
Figure-1: Working from Home (primarily or occasionally) is Common in the United States, Northern Europe, and Even in Many Developing Countries

Source: Bloom and Van Reenen (2007) and Bloom, et. al. (2014).

Many supporters of remote working claimed that companies prefer the WFH because it practically helped to reduce costs, attract and retain talents, boost employee productivity and help employees manage non-work demands. Accordingly, US survey conducted by World at Work postulated that US workers who have worked remotely with one day in a month increased significantly into double figures from year 2001 to 2008 (Ozias, 2011). This was also supported in the survey of the Society for Human Resource Management in 2009 that emphasized the possible increase of remote working in the next five years according to HR professionals (Victor, 2009).

3. PERCEIVED ADVANTAGES AND DISADVANTAGES OF REMOTE WORKING

Benefits and advantages of remote working are observable. Accordingly, advantages involve but not limited to the following: flexibility, access to global talents, cost-saving, better working environment, and environmental impact. Remote workers enjoy the advantage and privilege of having flexible schedules where they can attend other appointments while working and they would feel that there are no hassles and hindrances in completing their tasks with ease. For instance, attending to family affairs can happen while making the tasks because the workers are not practically bound by office procedures and rules contained in the offices. Secondly, using the technological medium like social media and networks, employment can be done beyond borders and are not limited to physical location like recruiting employees from other countries and work online without necessarily meeting physically. Outputs will just be submitted through the website. So, work practices can be shared in many parts of the world. Another thing, remote working saves costs as both employees and employers benefited from it. This is particularly true in London for instance where companies may not need to rent big offices to accommodate large magnitude of employees and thus, save cost and space (Koustelios, 2003).

Furthermore, on employee's part, they will also save in transportation costs, fuel, and other costs incident to the work. Also, remote working allows the workers pleasant working environment that are free from the bosses calls from time to time and thus, can freely move around. Many of remote workers do their tasks in their own homes so they work according to their own timings that fit with their work styles (Gigantesco, 2003). In other words, there are fewer distractions when working remotely than working in traditional offices. Remote working in some way or another also improved the quality of life considering that, the workers are freed from daily commute and will not be stressful with the daily traffics, not easily get tired, traffic negotiations and experiences with tardiness. Many of conventional workers are totally exhausted from work in many cases and when they reached home they just sleep without even taking their dinners. Lastly, there is environmental impact indirectly when working remotely and this is evident with the reduced commuters on the road and save the company for having large offices and big consumptions to air conditions. However, only few studies have assessed the tendencies of the remote workers to be promoted in spite of the productivity that they have offered to the organization as they are perceived to be underutilized (Navaie-Waliser, 2004).

On the other hand, while advantages are commendable, it has also disadvantages. One of the disadvantages is the sense of being isolated which is the lack of social interaction. According to Ilies & Judge (2003), social interaction can increase the harmony and collaborative effort of employees in trying to be more productive and more exchange of ideas. Being isolated might reduce productivity and sense of belongingness. Another disadvantage is the difficulty to attain teamwork considering that communication and collaboration can be the key to successful completion of tasks and projects (Singh & Loncar, 2010). For example, having teams where there is no physical meetings and communications have lost the sense of teamwork. There is no substitute of meeting together and establish good rapport. Another disadvantage is that, employee's difficulty to distinguish work at home and working in formal settings. And, sometimes remote workers feel lazy to finish their jobs because nobody is looking after them. Another thing, because of casual tasks at home, remote workers might find it difficult to prioritize the tasks because of the many distractions that can be experienced at home. Because of this, prioritization will lose its significance. Moreover, companies have not formulated procedures in order to assess the performance of those remote workers and therefore it is expected that there are no promotional schemes for them and are undervalued.

Observations and analysis of remote working would somehow have brought to the attention the possible risks and challenges. For instance, firms and or organizations may find it difficult to establish the culture of WFH while having the traditional system of work particularly in identifying who should be working under the WFH and those who should be physically present in the workplace. This would mean that, without proper guidelines and informal application of the WFH concept will create confusion especially in addressing the question that points out about the qualifications and other related requirements. Another consideration is built on the notion that remote working may lead to both personal and professional problems like social isolation as well as deprivation of professional opportunities which can be basically availed when the physical office presence is needed from employees like for example, attendances to seminars, trainings and advancements that will promote professional growth. In other words, this calls for a careful and well-defined criterion for managers and companies to device the implementation of remote working guidelines and programs to ensure attainment of productivity and organizational performance. Although the concept of remote working had been applied in other countries, very little attention was taken in embracing such concept in Sultanate of Oman.

4. EXTENT OF REMOTE WORKING IN OMAN

Recently, new regulation through ministerial decision no.157/2017 has been issued with the Ministry of Commerce and Industry (MoCI) through the leadership of the Minister, Dr. Ali bin Masoud Al-Sunaidy which contains the program called the "Remote Work through the 'Invest Easy' portal". Its objective is to increase the productivity of the Ministry staff after prior experiences of remote working were demonstrated by quite number of employees being done in shopping malls across the governorates (Oman Daily Observer, 2018). It is designed as a one-stop shop which is aimed to provide commercial register services using internet thereby slowly converting the used to be conventional services regardless of location and anytime. Accordingly, this is the first ever introduction of the concept of Remote Working where the authority is vested on the MoCI and intended for those who cannot work in traditional office settings due to health and medical conditions and emergency reasons. Hence; it has also been ironed out that such tasks are not applicable to all administrative staff. Specific provisions were also stated in order to make sure that guidelines set are followed.

Firstly, clear-cut regulations in using the "Invest Easy" system through state-of-art communication system with the employees' permission to work during both holidays and non-working hours. Secondly, strict policies were formulated related to supervision and guidance by the Ministry officials towards completion of transactions daily as prescribed in the criteria set, the speed and quality of performance to be demonstrated by the employees. Investors are also given the option to make use of the Invest Easy program wherein the portal can provide 77 electronic services that allow them to work on it remotely in cases where they don't want to perform the process with Sanad or law firms. As an evidence, about 106,413 transactions were processed successfully during the first half of 2017. However; there seems to be less evidence (formally or informally) that Remote Working was utilized by other companies and institutions in the Sultanate of Oman other than the MoCI. This might impliedly mean that it is still a completely new endeavor to promote the concept considering its possible advantages and disadvantages and the degree of acceptability of the concept.

One of the popular ways to utilize remote working as cited in the article of Caramela (2017) is through video conferencing where conversation is done in real time anywhere and this has served as best substitute for the face-to-face meeting. Needless to say, some companies in Oman may have used this service but till to date, research is still required to evaluate the extent of utilization to clearly provide an account whether such use is indeed visible. It is therefore felt that, wider study can be conducted to expand the already started principle and application of remote working from MoCI to companies and individuals who may have the ability and capability to pioneer and made significant contribution in the workplace and in the community. Considering that most companies in Oman are generally confined with the conventional working environment, orientation of remote working concept should be as intensive as possible so that

those concerned organizations and individuals will be well-guided and informed and to help them in achieving sound decision makings.

5. HOW THE ISSUES ON REMOTE WORKING BE ADDRESSED?

Because of the prevailing facts, there can be many solutions that can be offered. According to Thyer (2003) job prioritization should be observed to counter the problems encountered with remote working. Because of the unwelcomed distractions, focus is very important in getting the job done. Moreover, constant communication and follow-up should also be done by managers to ensure that the remote workers are reminded of their tasks and responsibilities especially in cases where their physical presence are required, so managers still have to set time for face-to-face meetings to harmonize and socialize with other staffs. There is no substitute with working together hand in hand by meeting as frequent as possible. The use of technology although beneficial should also be assessed in terms of the human side because employees are by far the best assets of the company that efforts shall be exerted to keep and maintain them. Companies should also consider a concrete assessment criterion to assess the productivity of remote workers so they will be given rewards that commensurate their productivity. Carmela (2017) also suggested that, modern organizations should make significant improvements in their policies and procedures with remote working as well as enhance their present capabilities to ensure that productivity and performance are given preference. Setting the key performance indicators (KPIs) for both the employees and the management are highly recommended so that expectations will be met between them and performances are better monitored regularly. These suggested solutions however are not conclusive but somehow provide a roadmap on how to come up with an acceptable approach when challenges and issues confront organizations and individuals while implementing remote working.

6. CONCLUSION AND RECOMMENDATION

This paper has provided insights on the importance of examining the advantages and disadvantages of remote working as this has become an issue of more debates and hated discussion in the contemporary business world. The conflicting views are evident based on experiences of individuals and companies cited in this study. Considering that this is a new idea in Sultanate of Oman, not many researches and findings supported its relevance and significance. However, some studies affirm its advantages and disadvantages as evident on the literatures provided. So, more discussions are expected to validate the findings found and solutions can be made to counter the negative impacts and disadvantages brought about by remote working. Wider understanding on the issues and trends of remote working should be undertaken especially in the aspect on evaluating and monitoring performances of remote workers to establish a reliable basis of applying the concept to many businesses.

In conclusion, remote working would be beneficial depending on how the management views it and that, no clear basis yet on how to assess the performance of remote workers for opportunities of employee promotion and merits. It is thereby recommended that further evaluations and studies should be conducted especially in Oman to specifically assess the viability of the concept and a comparative study with other countries who had been applying remote working for quite number of years to benchmark good practices as well as helped the individuals, companies and the country in formulating a more enhanced policies and procedures before finally implementing the concept. Also, study of this nature would be very important in promoting employment to more Omani citizens without necessarily going to physical offices while reducing costs to business owners who could have the opportunity to diversify into different business products and services. Finally, this paper is limited only on the evidences that the researcher believed to be an important consideration in addressing the objective of the research. Therefore, it is suggested that these finding be quantified by follow-up studies for further validation.

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