With Working from Home Here to Stay, Expect These 5 Things to Change

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COVID-19 ushered in a grand experiment in the American economy, with up to 42 percent of the workforce working from home or otherwise remotely—the majority of these employees for the first time ever.

After experiencing the pros and cons of the remote-work setup, many companies are opting to let employees continue to work remotely if they want to. Large companies like Facebook, Twitter, and Nationwide made headlines early on for announcing changes to allow their employees to work remotely indefinitely.

Regardless of how long COVID-19 remains a threat, 16 percent of the American workforce says they plan to work from home permanently. Here's how you can expect that to shake up

the workplace.

1. Many employees will consider relocating.

No longer bound to a physical office or limited by commuting-distance, many newly remote workers will reevaluate where they live, and why. According to one survey, one in three working Americans are considering relocating for various reasons related to either COVID-19 or a new remote-work status. Already, we're seeing a resurgence in interest in suburbs as city-dwellers leave pandemic hotspots like NYC and LA for more spaced out, socially distant and budget-friendlier living outside the city.

Meanwhile, some destinations are making their best pitch to attract remote workers, and others will likely want to follow suit. States like Vermont, Maine and Oklahoma already had grant programs in place, offering cash to full-time remote workers that relocated somewhere within their borders. Beyond the U.S., countries like Estonia and Georgia in Eastern Europe, and Bermuda and Barbados in the Caribbean are greatly relaxing their worker visa requirements in an effort to lure digital nomads, largely to boost their economies suffering from a drop off in tourism.

While, at first blush, it may seem that WFH employees choosing to work from a different home may simply be a matter of reconciling time zones for Zoom meetings, over the long run it means a few other significant changes for employers.

2. Compensation strategies will have to adjust.

With employees less tied to offices and increasingly less concentrated in certain regions, policies determining salaries

and other benefits will need to adapt accordingly.

Shortly after Mark Zuckerberg announced that he expects roughly half of Facebook's 48,000 employees to be working remotely in the next five to 10 years, it was revealed that pay for Facebook's remote workers who choose to relocate will adjust to the market rate for their home area. Such a trend will likely make remote-work candidates from outside big cities more attractive to employers, as they represent a significant cost savings for the company.

Another likelihood is that employers will start setting salaries for new job postings according to national averages, rather than what's competitive for their particular state or city. At the same time that salaries may get more competitive to align with local costs of living or national averages, employees may be able to pad their compensation by requesting a WFH stipend or reimbursements from their employer. Now that they're using personal assets for business use, employers may be on the hook to offset some of these costs.

Personal assets like computers, phones, internet, electricity and square footage of their residence may all figure into the equation. However, as research by Global Workplace Analytics suggests, one worker working remotely just half of the year can mean up to $11,000 in savings for a company. If true, that's more than enough to offer WFH allowances as part of a more attractive compensation package for remote workers.

The number one problem shared among entrepreneurs today is finding, vetting, hiring, and retaining expertise.

3. Retaining talent will become more difficult.

With remote work becoming more mainstream, more job openings will list full-remote status as an option. While some

companies may still want an employee to be within driving distance of a physical office for occasional face-to-face meetings, other companies may search nationally or even internationally for new hires, depending on the nature of the job.

This means employees are no longer as limited by geography in their job hunting. Whereas a graphic designer in a mid-size Midwestern town, for example, may have once had a dozen or so attractive companies to work for, the shift to normalizing WFH opens up hundreds of more employment opportunities.

Some workers with in-demand creative skills may even contemplate going out on their own, as they get the taste of freedom that remote work offers. A number of platforms exist today that help creative professionals quickly connect with clients in need of one-off or part-time work. Certainly, if social interactions among colleagues decrease due to remote work, company loyalty is likely to wane, making retaining talent all the more challenging.

4. Work culture will be harder to establish.

Similarly, cultivating a unique work culture—one that unites and energizes a team around a shared mission—will be more difficult to do in the WFH era. And this connects to retaining talent, too, as 56 percent of employees say a good workplace culture is more important to them than salary.

Much of a company's culture is introduced on Day one, via employee onboarding. However, becoming oriented to a new company becomes a very limited endeavor without the traditional face-to-face interactions like the office tours, coworker meet-and-greets, job shadowing, lunch hour and all the other opportunities for imparting shared values to a new

employee.

Establishing a strong work culture will have to reimagined in an era where 90 percent or more of work interactions may be digitally mediated. Strong communication strategies and tools, like manager check-ins, newsletter and employee surveys, for example, will be absolutely crucial to keeping remote workers feeling central, rather than peripheral, to a company's mission.

5. New means of monitoring employee productivity will evolve.

Time cards, sales quotas, a supervisor's vigilant eyes—there are lots of ways to monitor and measure an employee's work performance. For remote workers, however, some of those ways become less feasible.

At the root of the issue is trust. Is an employee accomplishing what he or she was hired to do? Historically, the main issue preventing more remote work opportunities was trust—managers simply didn't trust their employees to be as productive outside the office where direct supervision was lacking.

However, some studies have proven that assumption wrong. In one study, conducted by a Chinese travel agency in 2010, the company found that its randomly selected WFH travel agents saw a 13 percent increase in productivity compared to their office-working counterparts.

And yet, each company will want to verify that this is true for its own employees as well. Since most remote workers are conducting computer-based tasks, the demand for employee-tracking software is surging. Some of these services allow managers to track everything from keyboard strokes to non-work related sites visited or even snap periodic screenshots of a

employee’s computer screen.

While these tactics may help employers sleep more easily at night, they come at the cost of frustrating an employee’s sense of privacy and decreasing their sense of autonomy, powerful components of work-satisfaction and performance. Certainly, employee-tracking software will continue to develop and be in demand, though savvy managers will recognize the best productivity standards are ones that most clearly align with delivering results for the company’s overall objectives.

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