



NAVIGATING HIRING AND MANAGING A REMOTE WORKFORCE

EMPLOYEES ENJOY FLEXIBILITY AND INDEPENDENCE
WHILE EMPLOYERS GET HAPPIER AND
MORE PRODUCTIVE WORKERS

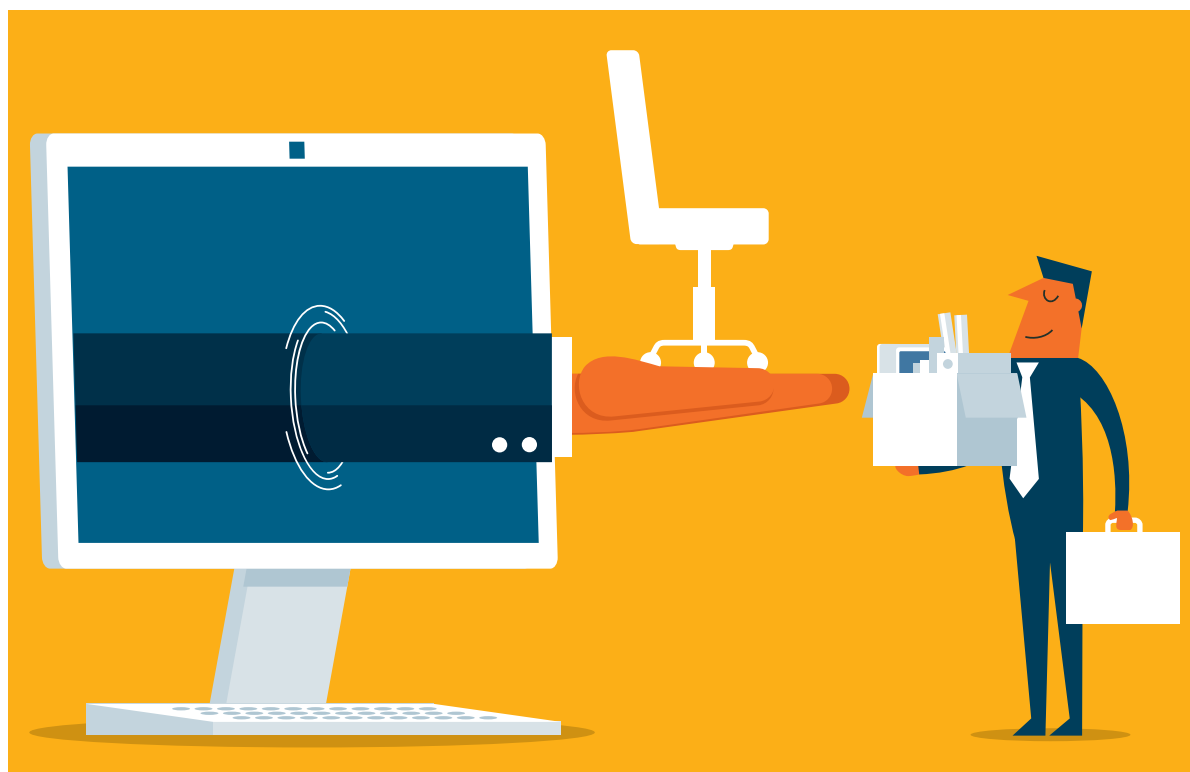
We are no longer waiting for the remote workforce revolution — it is well underway. More than two-thirds of the global workforce works remotely at least once every week, according to researchers. A global study by Switzerland-based serviced office provider IWG found that 70% of professionals work remotely at least one day a week, while 53% work remotely for at least half of the week, according to a [CNBC report](#).

Business Insider noted that fields such as law and science — which have not been keen on hiring remote workers — are relying more on team members who spend at least part of their work week outside of the traditional office.

As they adapt to this new style of work, employers, and CHRO professionals in particular, need to think about how they will adjust to the challenges of providing a steady stream of new hires and retain talent based on the modern vision of work.

Matt Wullenweg, Founder of the blog platform WordPress, [offers this strategy for hiring](#) remote workers. “Focus on two things: First, find the best people you can in the world. Second, let them do their work.”

In this eBook we will explore how CHROs can meet employees’ expectations for flexible work while also making the best decisions for their organization.





WHAT COMPANIES AND EMPLOYEES GAIN FROM REMOTE WORK

The standard definition of remote work is a job that is performed completely outside of the office. Some people have a designated office but work offsite a few times a week — which is often referred to as working from home — while others are fully remote.

Whether you work from home occasionally or your permanent workspace is your spare bedroom, the nature of work today is more flexible. “Terms such as flexible and remote work are antiquated,” said GiRim Sung, Global Senior OD Partner for Molson Coors. Sung has served as an HR leader and management consultant at top Fortune 500 companies including Nike, State Street, and Booz Allen. “The future is here, as people are already working where they can be most optimized for productivity.”

Still, many companies remain skeptical about allowing employees to skip the commute to headquarters. But some may be swayed by solid evidence of a productivity boost and other cost savings. A Stanford University study of 500 people who worked both remotely and in a standard office setting concluded that the productivity among home-based workers was equal to an additional day’s work each week. Off-site workers may occasionally take a break to indulge in some daytime TV or walk the dog, but they’re spending less time on office gossip and commuting.

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“The idea that remote workers are less productive is a myth,” said Max Caldwell, Principal and Leader, People & HR Transformation Practice, The Hackett Group. “If someone is a good performer within the walls of a physical office, they are typically as productive, if not more productive, when working remotely.”

Employers who hire remote workers also improve the diversity within their organizations by appealing to people across generations, geographies, backgrounds, etc. that may have not been amenable to relocation to join your team. “It gives employers access to a wider talent pool since they are not limited to people in the local areas, and it also enables employees to work for a wider range of companies,” said Arlene Hirsch, a career and psychological counselor.

Diversity also has an impact on the bottom line. According to a Forbes report, companies with diverse workforces produce 19% more revenue.

A more productive and diverse employee base is less likely to switch jobs, which is another cost savings. The same Stanford University study mentioned above found that there was an overall 50% decrease in attrition among home-based workers. That equates to significant savings, as the average cost of hiring a new employee is \$4,129 and takes 42 days, according to a Society for Human Resource Management (SHRM) [study](#).

When companies have more remote workers, office space requirements typically shrink or even disappear completely. The average real estate savings for employers with full-time remote workers is \$10,000 per employee every year, according to stats [from PGI News](#).

Dell, which has about 25% of its employees work from home either full-time or a few days a week, has been able to save roughly \$12 million a year in real estate costs by consolidating and creating more flexible workspace options, according to a CNN report. If employees only come in to the office a day or two a week, the thinking is that they don't need a permanent desk.

Home-based workers are also less taxing on the environment. Dell's remote workers also reduce their travel by 136 million miles a year, which means they emit 35,000 fewer metric tonnes of greenhouse gas. Given today's focus on sustainability, that's a big plus for employers' green initiatives.

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Remote workers also save money. According to a report, the average commute costs \$0.34 per mile, which includes depreciation, gas, oil, maintenance, and tires. If you commute for 250 days a year, that amounts to \$170 spent annually for every mile of your commute.

Employees gain a better work-life balance and experience increased happiness, which also benefits employers looking to attract and retain a satisfied workforce. “When people have been able to handle things that come up in their personal lives, it will be reflected in their professional lives,” Sung noted.

Greater flexibility over their schedules enables remote workers to arrange things such as doctor’s appointments or care for a sick child or relative without having to rush out of meeting.

Workers with the option to work from home have another benefit. According to a Business Insider post, employees with long commutes are more likely to suffer from depression, financial worries and stress.

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CHALLENGES OF MANAGING A REMOTE WORKFORCE



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**—ARLENE HIRSCH,
CAREER AND
PSYCHOLOGICAL COUNSELOR**

The tight labor market has inspired many organizations that have not traditionally focused on remote workers to turn to remote employees to fill critical roles in their organizations. While the benefits of a more diverse and happier workforce, there are also challenges in managing a remote team.

This has had a serious impact on employee recruitment and retention efforts. CHROs may need to examine their traditional practices as they hire more fully remote and part-time remote workers.

One challenge for HR teams of companies with remote workers is developing a career path for their colleagues who don't work onsite. Applying the same metrics, such as billable hours and sales goals, to all workers levels the playing field.

There is also concern about colleagues in the office getting more face time with the boss. “They worry that out of sight means out of mind,” said career counselor Hirsch.

Some may argue that there are different qualities companies should look for when hiring a remote worker or transitioning an office-based staffer to working at home. While it is true companies value self-starters who can work independently and are clear communicators, these are arguably traits of any good worker regardless of where they set up their laptop.

There is a tendency for remote employees to feel isolated, as they are working solo and not part of daily office interactions where a lot of information is shared. A Harvard Business Review [survey](#) of 1,100 remote workers, they can feel shunned and left out of the decision-making process. Respondents reported feeling left out and ganged up on more often than their in-office colleagues.



STRATEGIES FOR SUPPORTING **REMOTE WORKERS**

The growing remote workforce requires a shift in leadership style, according to Sung of Molson Coors. “It forces you to be a great leader who inspires a sense of shared ownership, as command and control will no longer work. Leaders will need to empower their teams by setting expectations that are fair to the team, individual, and employer.

Developing talent with the appropriate leadership style to manage a remote workforce is key to success. You may already have staff with these skills, but you need to support more managers to become adept at managing a staff that isn’t feet away.

While Baby Boomers have had time to develop their leadership skills, younger managers may have more experience managing remote workers. According to a CNBC article, three-quarters (74%) of Millennial and Gen Z managers have team members who work a significant portion of their time remotely, versus 58% of Baby Boomers. But all leaders need to adjust to managing remote workers, as 73% of all teams are expected to have remote workers by 2028.

Remote workers often feel that they are working all the time, and managers need to encourage them to unplug. This can be difficult when your home is your office. “Knowing when to walk away from the keyboard is sometimes difficult without that buffer period of a commute that provides a transition from work to home, and managers of remote workers need to encourage a work-life balance,” said The Hackett Group’s Caldwell.

Managers should communicate to remote workers the importance of work-life balance by letting them know it is OK to break up their work day by doing things such as volunteering at their child’s school, taking a walk or having lunch with a friend. Managers should also lead by example by respecting the lines between work and home life by doing things such as limiting emails to work hours.

So that they feel part of the team it is important to establish routine communication between managers, CHROs and remote workers. Remote staffers should be getting regular progress reports and feedback, and their successes should be shared company-wide.

Keeping remote employees engaged through a high level of communication is key. The workforce at Harvest, which offers time tracking software, is about 80% remote. The virtual team of 55 necessitates highly focused interactions. “Because we aren’t in the same room together, we have to put a lot of thought into (mostly written) communication. This makes our decision-making process more deliberate, and, ultimately, results in a better product,” according to the company [website](#), which promotes its policy of “working without borders.”

Companies have to invest in technologies such as video conferencing and Slack to help remote employees stay connected to the company culture when you’re not getting face time with coworkers. Unlike their in-office colleagues, remote workers don’t have a “water cooler” where random interactions happen and information is shared.

“If you’re using tools such as Webex or Skype make sure everyone’s video camera is on,” said Caldwell. “When you can see people, you can judge their body language and the result is more personal, more effective conversations.” Emails and chats can be misconstrued and lack the subtleties of in-person communication. The web camera also encourages remote workers to be dressed as they would for the office and discourages multitasking.

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CONCLUSION

Remote work provides a number of benefits for both employers and employees, but there needs to be a clear and consistent approach to overcome some of the challenges. But clearly remote work is now mainstream.

When Yahoo! tried to cut down on the number of employees working remotely, there was a significant backlash. That was a while back, and the remote workforce trend has only gotten stronger since then.

Remote employees don't need to spend hours commuting to get their work done, which is a huge plus for many in creating a better work-life balance. Employers reap the rewards of a more productive, diverse and focused workforce.

There are some challenges to be sure — including a sense of isolation and lack of camaraderie. But with the right tools and leadership remote workers and their employers can thrive.

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1. comScore, March 2019

2. Google Analytics, Unique Visitors, September 2018

3. SilkRoad Technology Source of Hire Report, 2018