

# How Corporate America Has Been Impacted By Remote Work

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## Introduction

COVID-19 was not only a public health crisis, but a major obstacle for businesses to overcome. For decades, the status quo was a 9-5 in the office for all employees no matter the job title or position. However, with the outbreak of a global pandemic in 2020, even companies who had no intention of ever implementing telework had no choice but to join the trend.

This literature review evaluated how the new era of remote work affected organizations and their employers. Specifically, it focused on the effect remote work had on productivity and revenue within companies, as well as the mental health and work-life balance implications it had on employees. Furthermore, it focused on the history of remote work, how companies have had to adapt in recent years due to the COVID-19 pandemic, and how remote work will look in post COVID-19 times. In addition, all possibilities were assessed to examine how efficient remote work is in the workplace.

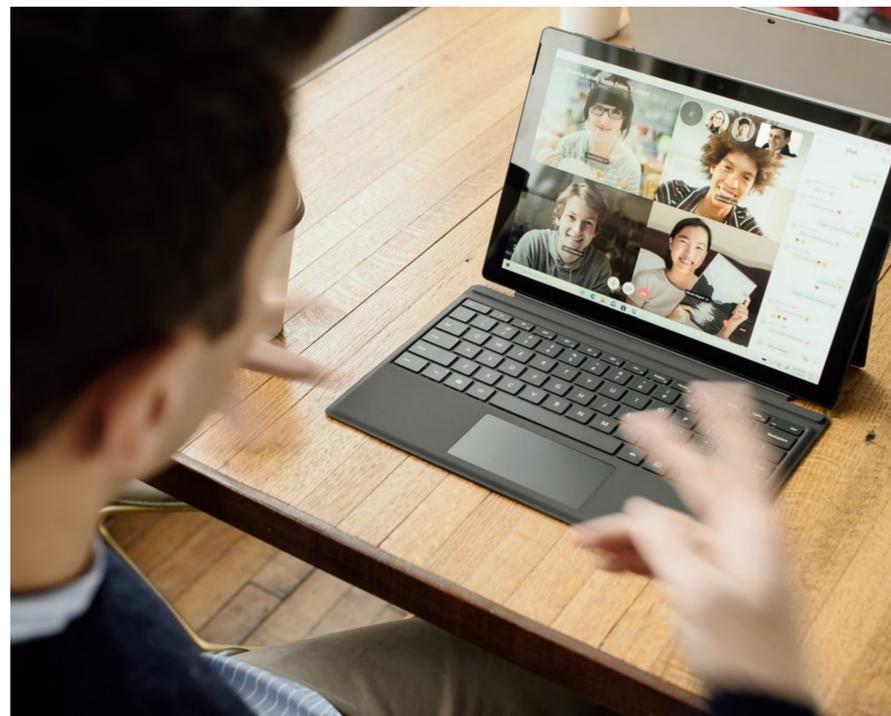
## History of Remote Work

Though remote work may have recently become mainstream, it is not a new concept. Forms of remote work can be traced back to before the industrial revolution, with skilled worker, such as blacksmiths or carpenters, working and selling goods from their own home. Then, during the Arab-Israeli war in 1973, high oil prices led Jack Nilles to conduct the first study on the potential of his newly coined term, “telecommuting.”

Still, the rise of technology was key in the growth of telecommunication. The explosion of the personal computer market and the invention of two-way video and the fax machine were all crucial for companies to begin trials in remote work. The first company to see success with telecommuting was IBM. By 2009, 40% of IBM employees were successfully working from home, saving the company about \$100 million annually. This laid a framework for other companies to experiment with remote work. The next big leap came in 2020, when government-mandated lockdowns struck all over the world, causing remote work to develop into a mainstream business practice.

## Why is it Important?

- Remote work improves work life balance. It can create an environment that promotes flexible work schedules, which leads to more satisfied employees who produce high-quality work.
- Remote work allows employees to work from their own controlled environment. It also offers employees the chance to work during their most productive hours, which in turn increases employee productivity.
- Remote work can lower costs for both employers and employees. Employers can save money with electricity, equipment, hardware, healthcare, and rent costs by having employees work from home.
- Remote work increases the hiring pool for companies. When employees can work from anywhere in the world efficiently, it increases the number of candidates that can be hired.
- Remote work increases knowledge and resource sharing between employees. The use of third-party tools such as Microsoft Teams, Google Workspace, Slack, or Google Calendar allows seamless data entry and sharing amongst teams.



## Literature Review

Multiple resources were utilized to acquire the research for this thesis. The first section of this literature review focused on the history of remote work. Many different scholarly articles and research papers were used to discuss landmark events and relevant legislation which led to the current era of remote work. The second section was dedicated to the recent transition to remote work. This included a combination of first-hand employee experiences and challenges companies faced while shifting to telework, along with statistics to reinforce it.

Next, this thesis reviewed the implications remote work had on employee mental health and productivity. This was achieved through surveys and statistics from a variety of credible sources, including the Royal Society for Public Health, the U.S. Census Bureau, and the Wall Street Journal. The penultimate section of this literature review looked at the financial benefits of remote work for companies. Finally, the last section reviewed research on the future of remote work, along with personal opinions on how telework will be utilized in the future.

## Conclusions

1. While measuring the full impact of remote work on companies is still difficult, it is apparent that remote work has had a positive impact in corporate America.
2. Remote work has allowed employees to achieve the work-life balance they desire
3. Remote work saves companies and employees money
4. Remote work has increased employee productivity while decreasing employee turnover rates
5. The needs and wants of employees will continue to drive remote work forward, requiring employers to create adequate plans regarding telework

## References

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