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Remote Work

Our Work-from-Anywhere Future

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Sejikko

Summary. The pandemic has hastened a rise in remote working for knowledge-based organizations. This has notable benefits: Companies can save on real estate costs, hire and utilize talent globally, mitigate immigration issues, and experience productivity gains,... [more](#)

Before 2020 a movement was brewing within knowledge-work organizations. Personal technology and digital connectivity had advanced so far and so fast that people had begun to ask, “Do we really need to be together, in an office, to do our work?” We got our answer during the pandemic lockdowns. We learned that a great

many of us don't in fact need to be colocated with colleagues on-site to do our jobs. Individuals, teams, entire workforces, can perform well while being entirely distributed—and they have. So now we face new questions: Are all-remote or majority-remote organizations the future of knowledge work? Is work from anywhere (WFA) here to stay?



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Without question, the model offers notable benefits to companies and their employees. Organizations can reduce or eliminate real estate costs, hire and use talent globally while mitigating immigration issues, and, research indicates, perhaps enjoy productivity gains. Workers get geographic flexibility (that is, live where they prefer to), eliminate commutes, and report better work/life balance. However, concerns persist regarding how WFA affects communication, including brainstorming and problem-solving; knowledge sharing; socialization, camaraderie, and mentoring; performance evaluation and compensation; and data security and regulation.

To better understand how leaders can capture the upside of WFA while overcoming the challenges and avoiding negative outcomes, I've studied several companies that have embraced all- or majority-remote models. They include the United States Patent and Trademark Office, or USPTO (which has several thousand WFA workers); Tulsa Remote; Tata Consultancy Services, or TCS (a global IT services company that has announced a plan to be 75% remote by 2025); GitLab (the world's largest all-remote company, with 1,300 employees); Zapier (a workflow automation company with more than 300 employees, none of them colocated, around the United States and in 23 other countries); and MobSquad (a Canadian start-up that employs WFA workers).

The Covid-19 crisis has opened senior leaders' minds to the idea of adopting WFA for all or part of their workforces. In addition to TCS, companies including Twitter, Facebook, Shopify, Siemens, and State Bank of India have announced that they will make remote work permanent even after a vaccine is available. Another organization I've studied is BRAC, one of the world's largest NGOs, which is headquartered in Bangladesh. Forced into remote work this year, it is deciding what work model to adopt for the long term.

If your organization is considering a WFA program, transition, or launch, this article can provide a guide.

A Short History of Remote Work

A large-scale transition from traditional, colocated work to remote work arguably began with the adoption of work-from-home (WFH) policies in the 1970s, as soaring gasoline prices caused by the 1973 OPEC oil embargo made commuting more expensive. Those policies allowed people to eschew physical offices in favor of their homes, coworking spaces, or other community locations, such as coffee shops and public libraries, for occasional days, on a regular part-time basis, or full-time, with the expectation that they would come into the office periodically. Workers were often also given control over their schedules, allowing them to make time for school pickups, errands, or midday exercise without being seen as shirking. They saved time by commuting less and tended to take fewer sick days.

Thanks to the advent of personal computers, the internet, email, broadband connectivity, laptops, cell phones, cloud computing, and videotelephony, the adoption of WFH increased in the 2000s. As the researchers Ravi S. Gajendran and David A. Harrison note in a 2007 article, this trend was accelerated by the need to comply with, for example, the Americans with Disabilities Act of 1990 and mandates of the U.S. Equal Employment Opportunity Commission.

Millennials were excited by the idea of traveling the world while still employed.

Research has shown performance benefits. A 2015 study by Nicholas Bloom and coauthors found that when employees opted in to WFH policies, their productivity increased by 13%. When, nine months later, the same workers were given a choice between remaining at home and returning to the office, those who chose the former saw even further improvements: They were 22% more productive than they had been before the experiment. This suggests that people should probably determine for themselves the situation (home or office) that fits them best.

In recent years many companies have allowed more employees to work from home. It's true that several prominent corporations, including Yahoo and IBM, had reversed course before the pandemic, asking their employees to resume colocated work in a bid to spur more-effective collaboration. But other organizations—the ones I study—moved toward greater geographic flexibility, allowing some if not all employees, new and old, to work from anywhere, completely untethered to an office. The USPTO is a prime example. Its leaders launched a WFA program in 2012, building on an existing WFH program that mandated workers' physical presence at headquarters, in northern Virginia, at least one day a week. The WFA program, in contrast, requires employees to spend two years at HQ followed by a WFH phase, after which they may live anywhere in the continental United States, provided they're willing to pay out of pocket for periodic travel back to headquarters (totaling no more than 12 days a year). The patent examiners in the program dispersed all across the country, choosing to move closer to family, to better climates, or to places with a lower cost of living.

Most companies that offer WFH or WFA options keep some

workers—at the USPTO it's trainees and administrators—at one or more offices. In other words, they are hybrid-remote operations. But the experiment with all-remote work forced by Covid-19 has caused some of these organizations to strategically move toward majority-remote, with fewer than 50% of employees colocated in physical offices. TCS, for example, which employs close to 418,000 people who were traditionally located either on campuses or at client sites around the world, has decided to adopt a 25/25 model: Employees will spend only 25% of their working hours in the office, and at no point will the company have more than 25% of workers colocated. TCS plans to complete this transition in five years.

Even before the crisis, a smaller group of companies had taken this trend a step further, eliminating offices altogether and dispersing everyone, from entry-level associates to the CEO. GitLab embraces this model at scale: Its remote workers span sales, engineering, marketing, personnel management, and executive roles in more than 60 countries.

Exploring the Benefits

I've spent the past five years studying the practices and productivity trends of WFA companies. The upsides—for individuals, companies, and society—are clear. Let me outline them.

For individuals.

One striking finding is how greatly workers benefit from these arrangements. Many told me that they regard the freedom to live anywhere in the world as an important plus. For those in dual-career situations, it eases the pain of looking for two jobs in a single location. One patent examiner told me, "I'm a military spouse, which means I live in a world with frequent moves and personal upheavals that prevent many spouses from pursuing lasting careers of their choice. WFA has been the most meaningful telework program I have encountered. It allows me to follow my

husband to any U.S. state at a moment's notice and pursue my own aspirations to contribute to my home and society.”



Sejikko

Some cited a better quality of life. “WFA has allowed my children to see their grandparents on a regular basis and play with their cousins,” I heard from another USPTO employee. “Being closer to family has improved my overall happiness.” Others talked about proximity to medical care for children, accommodating their partners, and the ability to enjoy warmer weather, prettier views, and greater recreational opportunities. Millennials in particular seemed captivated by the idea that WFA would allow them to become “digital nomads,” traveling the world while still employed. Before the pandemic-related restrictions, some companies, such as Remote Year, were aiming to facilitate that lifestyle, and some countries, such as Estonia and Barbados, have

created a new class of employment visa for such workers. As one patent examiner said, “Participation in [WFA] is outstanding for work/life balance. I live in my favorite part of the country...I have more time to relax.”

Cost of living was another frequent theme. Because the USPTO did not adjust salaries according to where employees chose to live, one patent examiner told me, “I was able to buy a large home in my new location for about a quarter of the cost in northern Virginia.” Some localities, such as the state of Vermont and the city of Tulsa, Oklahoma (where Tulsa Remote is located), have made a concerted effort to lure remote workers, touting the local community and lower costs. In San Francisco the average rent on a two-bedroom apartment is \$4,128; in Tulsa it’s a mere \$675.

WFA also helps knowledge workers deal with immigration issues and other restrictions on their ability to secure good jobs. William Kerr, Susie Ma, and I recently studied MobSquad, whose coworking spaces in Halifax, Calgary, and other cities enable talented knowledge workers to bypass the onerous U.S. visa and green card system and instead obtain fast-track work permits from Canada’s Global Talent Stream. Thus they can continue serving companies and clients in the United States and other countries while living and paying taxes in Canada.

One engineer we interviewed had come to the United States after graduating from high school in his home country at the age of 12. At age 16 he enrolled at a U.S. university, where he acquired degrees in math, physics, and computer science in three years. By age 19 he was employed at a medical tech company through the optional practical training (OPT) program, but he failed to get an H-1B visa and faced deportation. MobSquad moved him to Calgary, and he kept working with the same employer.

In interviews with female employees at BRAC, I learned that women whose careers were previously limited by cultural taboos against traveling to remote places or delegating housework had

been helped by WFA. As one explained, “Earlier I had to wake up early in the morning and cook three meals for my intergenerational family. Working remotely has allowed me to spread out the household work, get extra sleep, and be more productive.”

For organizations.

My research also uncovered ample organizational benefits from WFA programs. For example, they increase employee engagement—an important metric of success for any company. In 2013, a year after it instituted work from anywhere, the USPTO was ranked highest on the Best Places to Work in the Federal Government survey.

Workers are not only happier but also more productive. When Cirrus Foroughi, Barbara Larson, and I evaluated the USPTO’s transition from WFH to WFA, the timing of which happened at random for workers who’d chosen that path, we found that WFA boosted individual productivity by 4.4%, as measured by the number of patents examined each month. The switch also led examiners to exert greater effort. Of course, further research is needed to determine whether WFA generates similar benefits for workers performing different tasks in other team structures and organizations.

Work-from-anywhere may reverse the brain drain that can plague emerging markets.

Some gains generated by WFA are more obvious. For example, fewer in-office employees means smaller space requirements and reduced real estate costs. The USPTO estimated that increases in remote work in 2015 saved it \$38.2 million. WFA programs also hugely expand an organization’s potential talent pool to include workers tied to a location far from that of the company. That’s a

primary reason for the adoption at TCS of what it calls secure borderless workspaces, or SBWs: It wants to ensure that every project is staffed by employees with the right skills, no matter where they are. Rajesh Gopinathan, the CEO, describes this model as “talent on the cloud,” while another senior executive says it will potentially allow the company to tap niche labor markets, such as Eastern Europe, that have a large supply of skilled financial analysts and data scientists.

Finally, WFA can reduce attrition. Some USPTO workers explained that because they loved their preferred locales but also recognized the limited job opportunities there, they were motivated to work harder and stay longer with the Patent Office. Leaders at GitLab, too, pointed to employee retention as a positive outcome of the company’s decision to be all-remote. The net benefit, they believe, including the productivity increases and property cost savings they’ve seen, equals \$18,000 a year for each worker.

For society.

WFA organizations have the potential to reverse the brain drain that often plagues emerging markets, small towns, and rural locations. In fact, Tulsa Remote was established to attract diverse, energetic, community-minded newcomers to a city still healing from historic race riots a century ago. With an offer of \$10,000 to relocate to Tulsa, the company attracted more than 10,000 applications for just 250 slots from 2019 to 2020. Obum Ukabam was one of the workers chosen. When he’s not busy with his day job as a marketing manager, he mentors and coaches a local high school debate team. Talented newcomers of varied ethnicities are arguably making the city more multicultural. Meanwhile, the transitions at the USPTO and TCS have brought many people back to their hometowns.

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Remote work helps the environment as well. In 2018 Americans' commute time averaged 27.1 minutes each way, or about 4.5 hours a week. Eliminating that commute—particularly in places where most people commute by car—generates a significant reduction in emissions. The USPTO estimates that in 2015 its remote workers drove 84 million fewer miles than if they had been traveling to headquarters, reducing carbon emissions by more than 44,000 tons.

Addressing the Concerns

The office—with its meeting rooms and break areas and opportunities for both formal and informal interaction—has been a way of life for so long that it's hard to imagine getting rid of it. And legitimate hurdles exist to making all-remote work not only manageable but successful. However, the Covid-19 all-remote experiment has taught many knowledge-work organizations and their employees that with time and attention, those concerns can be addressed. And in the companies I've studied, several best practices are emerging.

Communication, brainstorming, and problem-solving.

When workers are distributed, synchronous communication becomes more difficult. Tools such as Zoom, Skype, Microsoft Teams, and Google Hangouts can help for those working in the same or similar time zones but not for those spread farther apart. In research with Jasmina Chauvin and Tommy Pan Fang, I found that when changing to or from daylight saving time caused a one-to-two-hour reduction in business-hour overlap (BHO) between offices of a very large global corporation, the volume of

communication fell by 9.2%, primarily among production workers. When BHO was greater, R&D staffers conducted more unplanned synchronous calls. Group meetings are even harder to schedule. Nadia Vatalidis of GitLab's People Operations group says that having team members in Manila, Nairobi, Johannesburg, Raleigh, and Boulder made finding a time for their weekly group call nearly impossible.

WFA organizations must therefore get comfortable with asynchronous communication, whether through a Slack channel, a customized intracompany portal, or even a shared Google document in which geographically distributed team members write their questions and comments and trust that other team members in distant time zones will respond at the first opportunity. One benefit to this approach is that employees are more likely to share early-stage ideas, plans, and documents and to welcome early feedback; the pressure to present polished work is less than it would be in more formal, synchronous team meetings. GitLab calls this process blameless problem-solving. The company's leaders note that employees accustomed to a culture of emails, phone calls, and meetings may struggle to change old habits; they solve that problem with training during onboarding and beyond. At Zapier, in a program called Zap Pal, each new hire is matched with an experienced buddy who sets up at least one introductory Zoom call and continues to check in throughout the first month. For synchronous brainstorming the company uses video calls and online whiteboards such as Miro, Stormboard, IPEVO Annotator, Limnu, and MURAL but also urges employees to use asynchronous means of problem-solving through Slack channel threads.

Knowledge sharing.

This is another challenge for all-remote or majority-remote organizations. Distributed colleagues can't tap one another on the shoulder to ask questions or get help. Research by Robin Cowan, Paul David, and Dominique Foray has postulated that much

workplace knowledge is not codified (even when it can be) and instead resides “in people’s heads.” This is a problem for all organizations, but much more so for those that have embraced WFA. The companies I’ve studied solve it with transparent and easily accessible documentation. At GitLab all team members have access to a “working handbook,” which some describe as “the central repository for how we run the company.” It currently consists of 5,000 searchable pages. All employees are encouraged to add to it and taught how to create a new topic page, edit an existing one, embed video, and so forth. Ahead of meetings, organizers post agendas that link to the relevant sections to allow invitees to read background information and post questions. Afterward recordings of the sessions are posted on GitLab’s YouTube channel, agendas are edited, and the handbook is updated to reflect any decisions made.



About the art: Sejkko grew up between Portugal and Venezuela. His photographs capture the traditional houses of Portugal yet often convey a sense of tropical vibrancy and childhood nostalgia. Sometimes they look lost or out of place; other times they seem warm and self-contained. | Sejkko

Employees may see the extra work of documentation as a “tax” and balk at the extremely high level of transparency necessary for a WFA organization to thrive. Thorsten Grohsjean and I have argued that senior managers must set an example on these fronts by codifying knowledge and freely sharing information while explaining that these are necessary trade-offs to allow for geographic flexibility.

A related idea is to create transcripts, publicly post slides, and record video seminars, presentations, and meetings to create a repository of such material that individuals can view asynchronously at their convenience. For its 2020 annual meeting, which was forced by the pandemic to go virtual, the Academy of Management curated 1,120 prerecorded sessions, arguably expanding the flow of knowledge to scholars—especially those in emerging markets—far more than would have been possible at the in-person event, which typically happens in North America.

Socialization, camaraderie, and mentoring.

Another major worry, cited by managers and workers alike, is the potential for people to feel isolated socially and professionally, disconnected from colleagues and the company itself, particularly in organizations where some people are colocated and some are not. Research by Cecily D. Cooper and Nancy B. Kurland has shown that remote workers often feel cut off from the information flow they would typically get in a physical office. Without in-person check-ins, managers may miss signs of growing burnout or team dysfunction. Even with videoconferencing that allows for reading body language and facial expressions, the concern is that virtual colleagues are less likely to become close friends because their face-to-face interactions are less frequent. As GitLab's technical evangelist Priyanka Sharma put it, "I was very nervous when I was first thinking of joining, because I was very social in the office. I worried that I would be so lonely at home and wouldn't have that community feel." Houda Elyazgi, a marketing executive on the Tulsa Remote team, expressed similar sentiments: "Remote work can be very isolating, especially for introverts. You almost have to create an intentional experience when you're socializing with others. And then you have to be 'on' all the time, even when you're trying to relax. That's taxing."

In my research I've seen a range of policies that seek to address these concerns and create opportunities for socialization and the

spreading of company norms. Many WFA organizations rely on technology to help facilitate virtual watercoolers and “planned randomized interactions,” whereby someone in the company schedules groups of employees to chat online. Some use AI and virtual reality tools to pair up remote colleagues for weekly chats. For example, Sike Insights is using data on individual communication styles and AI to create Slackbot buddies, while eXp Realty, an all-remote company I’m currently researching, uses a VR platform called VirBELA to create a place for distant team members to gather in avatar form.

All-remote companies must work harder to protect corporate and customer data.

Sid Sijbrandij, a cofounder and the CEO of GitLab, told me, “I know at Pixar they placed the restroom centrally so people would bump into each other—but why depend on randomness for that? Why not step it up a notch and actually organize the informal communication?” These “mixers” often include senior and C-suite executives. When I described them to my HBS colleague Christina Wallace, she gave them a nice name: *community collisions*. And companies have always needed to manufacture them: Research dating back to Thomas J. Allen’s work at MIT in the 1970s shows that workers colocated on the same “campus” may not experience serendipitous interactions if they are separated by a wall, a ceiling, or a building.

When it comes to interaction between people at different hierarchical levels, my research has revealed two problems with straightforward solutions. Iavor Bojinov, Ashesh Rambachan, and I found that the senior leaders of a global firm were often too stretched to offer one-on-one mentoring to virtual workers. So we implemented a Q&A process whereby workers posed questions through a survey and leaders responded asynchronously. Senior

managers at another global firm told me that they had difficulty being themselves on camera. Whereas young remote workers were “living their lives on Instagram,” their older colleagues found virtual engagement harder. The company implemented coaching sessions to make those executives more comfortable on Microsoft Teams.

Another solution to the socialization problem is to host “temporary colocation events,” inviting all workers to spend a few days with colleagues in person. Prior to Covid-19, Zapier hosted two of those a year, paying for employee flights, accommodation, and food; giving teams an activities budget; and sending people home with \$50 to use on a thank-you gift for their loved ones. Carly Moulton, the company’s senior communications specialist, told me, “Personally, I have made a lot of friendships with the people I travel to and from the airport with. The event managers will put us into random groups based on what time you arrive and depart. I’ve always been with people I don’t normally work with, so it’s nice to have a dedicated time when you have to make conversation.”

Finally, at the USPTO, I learned another way to create camaraderie. Several WFA examiners have voluntarily created “remote communities of practice” so that a handful of them can get together periodically. A group living in North Carolina, for example, decided to schedule meetings on a golf course to socialize, discuss work, and problem-solve together. Another manager created a “virtual meal” by ordering the same pizza for delivery to the homes of all remote direct reports during a weekly team call.

Performance evaluation and compensation.

How can you rate and review employees you’re never physically with, particularly on “soft” but important metrics such as interpersonal skills? All-remote companies evaluate remote workers according to the quality of their work output, the quality

of virtual interactions, and feedback from clients and colleagues. Zapier, for example, uses Help Scout for customer support replies; a feature of this software is that customers can submit a “happiness score” by rating the response as “great,” “OK,” or “not good.”

In the spring and summer of 2020, as groups suddenly transitioned to remote work, I was asked whether managers should use software to track worker productivity and prevent shirking. I am very much opposed to this Orwellian approach. The USPTO addressed claims of “examiner fraud” and “attendance abuse” in its WFA program following a review by the U.S. Commerce Department’s Office of the Inspector General. Those claims involved either overreporting of hours worked or shifts in the time logs of completed work, such as backloading at the end of a calendar quarter—neither of which related to the metric on which performance was measured: the number of patents examined. Nevertheless, from then on, all USPTO teleworkers had to use organizational IT tools, such as logging in to a virtual private network (VPN), having a presence indicator turned on, and using the same messaging services. But when we compared data from before and after that intervention, we found that it had no effect on average output.

How to set compensation for workers who work from anywhere is an active and interesting debate. As mentioned, it’s a benefit to be able to reside in a lower-cost-of-living locale while earning the income one would in a more expensive one. But that’s conditional on the company’s not adjusting wages according to where a worker lives, as was the case at the USPTO. Matt Mullenweg, the founder of Automattic (parent of WordPress), another all-remote company, told me that its policy is to pay the same wages for the same roles, regardless of location. But GitLab and other companies do have different pay for different geographies, taking into account the experience of the worker, the contract type, and the task being performed. Although research is needed on which approach is optimal, it’s possible that companies that tie wages to

location will lose high-quality WFA workers to rivals that don't. Another pertinent issue is whether to pay WFA workers in the currency of the country where the organization is incorporated or the local one, in part to ensure consistent wages across locations over time given exchange-rate fluctuations.

Data security and regulation.

Several managers told me that cybersecurity was a big area of focus for WFA programs and organizations. “What if the WFA worker takes photographs of client data screens and sends them to a competitor?” one asked. The CIOs of some companies with remote-work policies said another key concern was employees’ use of personal, less-protected devices for work at home.

It’s true that all-remote companies have to work harder to protect employee, corporate, and customer data. As TCS transitions to a majority-remote model, it has moved from “perimeter-based security” (whereby the IT team attempts to secure every device) to “transaction-based security” (whereby machine learning algorithms analyze any abnormal activities on any employee laptop). MobSquad has replicated its client security infrastructure for WFA workers, and employees work on clients’ cloud, email, and hardware in its offices for security reasons. All-remote and majority-remote organizations I have studied are experimenting with a wide range of solutions to protect client data using predictive analytics, data visualization, and computer vision.

Transitioning to an all-remote or a majority-remote organization sometimes requires jumping regulatory hurdles as well. At the onset of the pandemic, when TCS was forced to become all-remote, it had to work with NASSCOM (India’s National Association of Software and Service Companies) and the Indian authorities to change laws overnight so that call center staffers could work from home. Other laws had to be tweaked so that TCS workers could take laptops and other equipment out of physical offices located in India’s “special economic zones.” Irfhan Rawji,

the founder and CEO of MobSquad, had to work closely with the Canadian government to ensure that the economic migrants chosen by the company to move to Canada could receive their expedited work permits and be integrated into its model. Any all-remote organization thinking about hiring talent globally has to consider local labor laws as they relate to hiring, compensation, pensions, vacation, and sick leave.

Is This Right for Your Organization?

Of course, WFA may not be possible at this time for some organizations, such as manufacturing companies—though that could change with advances in 3D printing, automation, digital twins, and other technologies. However, with the right strategy, organizational processes, technologies, and—most important—leadership, many more companies, teams, and functions than one might have thought could go all or mostly remote. My ongoing research with Jan Henz and David Rowat suggests, for example, that start-up knowledge-work companies, particularly in the tech sector, are well positioned to adopt a WFA model from their inception. Take the all-remote eXp Realty: We found that lower real estate, utility, and other overhead costs may mean a higher valuation for the company if and when its founders exit the start-up.

My studies of the USPTO and TCS indicate that large and mature organizations, too, can successfully transition to a hybrid or a majority-remote regime. The question is not whether work from anywhere is possible but what is needed to make it possible. The short answer, management, “If all senior leaders are working from an office, then workers would be drawn to that location to get face time” and all-remote middle manager told me. Senior leaders support synchronous and asynchronous communication, brainstorming, and problem-solving; lead initiatives to codify knowledge online; encourage virtual socialization, team building, and mentoring; invest in and enforce data security; work with government stakeholders ensuring regulatory compliance; and research is focused on studying the future of work. Senior leaders set an example by becoming WFA employees themselves, all-

Work, especially the changing Geography of Work. In particular, he studies the productivity effects of geographic mobility of workers. A version of this article appeared in the November–December 2020 issue of *Harvard Business Review* titled “Our Work-from-Anywhere Future.”