



Research report

The benefits of remote working on talent acquisition.



03	Executive summary
04	Remote working trends across EMEA and APAC
10	Both parties holding firm: the employer and employee perspective on remote working
14	The talent acquisition opportunities for remote working
21	The potential impact of remote working on physical cross-border migration for work
25	Reward for remote working: the ongoing debate
26	Case studies
30	Summary

Contents

Executive summary

To thrive it's vital to embrace the potential of change. We continue to support our clients through both the initial impact and the fallout from the COVID-19 pandemic – which has been, and continues to be, the most challenging period in our collective history.

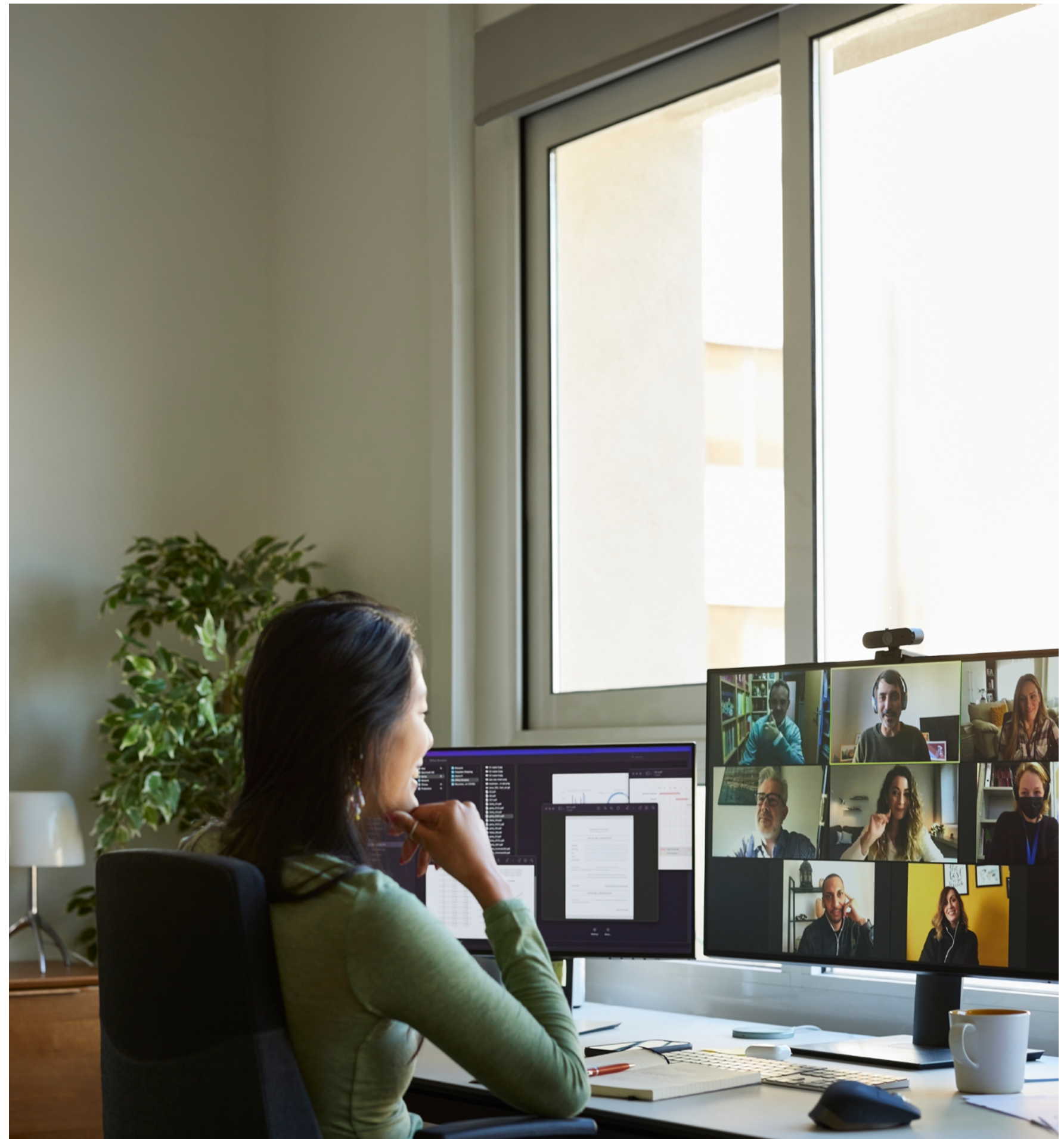
The sudden and dramatic expansion of remote working, which lockdowns necessitated for many, was a phenomenon that no-one was anticipating. The long-term impact of its occurrence remains unknown.

We are now potentially at a tipping point. We are realising that there could be a paradigm shift as a consequence of this unrest. We believe that it is a timely point to consider the remote working landscape across EMEA and APAC and the evolving implications of such change for businesses and talent acquisition leaders. In this report we look at:

- Remote working trends across key locations in EMEA and APAC
- Countries, industries and key companies using remote working to gain competitive advantage
- Case studies of successful long-term accommodation of remote working

Our hypothesis was that although the legal restrictions have lifted, employee's preferences on how they work have changed forever.

Our remote working research report provides recommendations on how talent acquisition leaders and businesses can realise the potential of the changes that we are all encountering.



Remote working trends across EMEA and APAC

Pre-pandemic levels of remote working in Europe and APAC

Prior to the pandemic, 15.5% of workers in the EU either worked solely or partially from home. Rates varied notably by country, however, with the highest instances being predominantly witnessed in Western and Eastern European countries.

Within the UK, the pre-pandemic figure was similar to the EU average:

- Across 2019, just over 5% (1.7m) of the total workforce worked mainly from home. In addition, just over 8% reported that they worked from home as a base (e.g., the self-employed, people who work on site at varying locations, etc.1) – a combined total of c.13%

Whilst limited data is available for countries within APAC, geographic and sectoral influence clearly played a part on legacy work from home (WFH) rates:

- In Australia, 32% of workers regularly working from home prior to the pandemic (Aug 2019) – a notable high figure likely impacted by its geographical expanse.²
- Research by the Boston Consulting Group, exclusively amongst digital and knowledge-based workers, showed that the following rates of either hybrid or remote working prior to the pandemic:³

- China:** 33%
- Thailand:** 38%
- Indonesia:** 42%
- Singapore:** 42%
- Philippines:** 52%
- Malaysia:** 59%

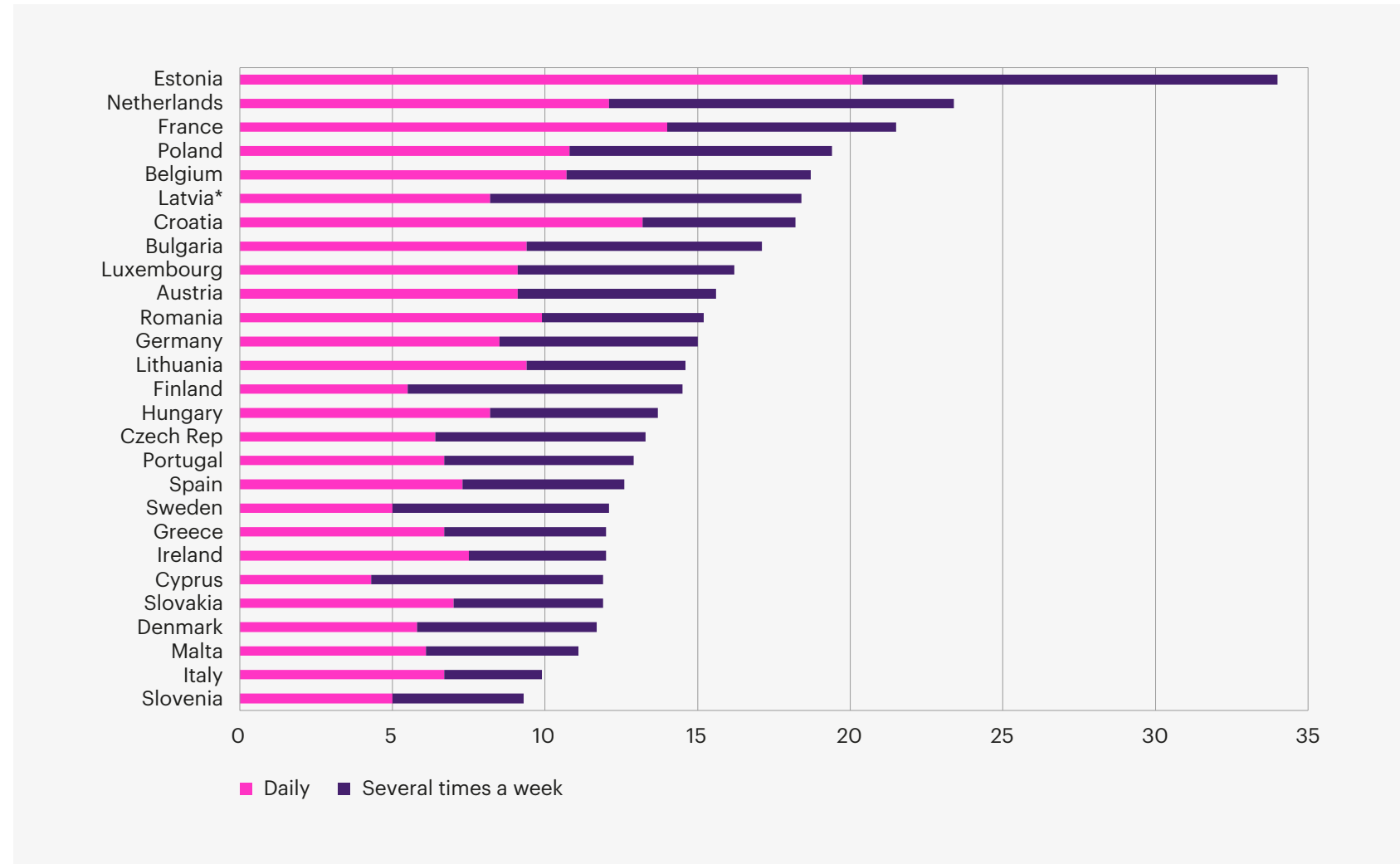


Figure 1. Percentage of EU workers who worked solely or partially from home before the pandemic, by country

Source: Eurofound – Living, Working & COVID-19 data, wave 1 (April/May 2020)



The impact of pandemic lockdowns on remote working

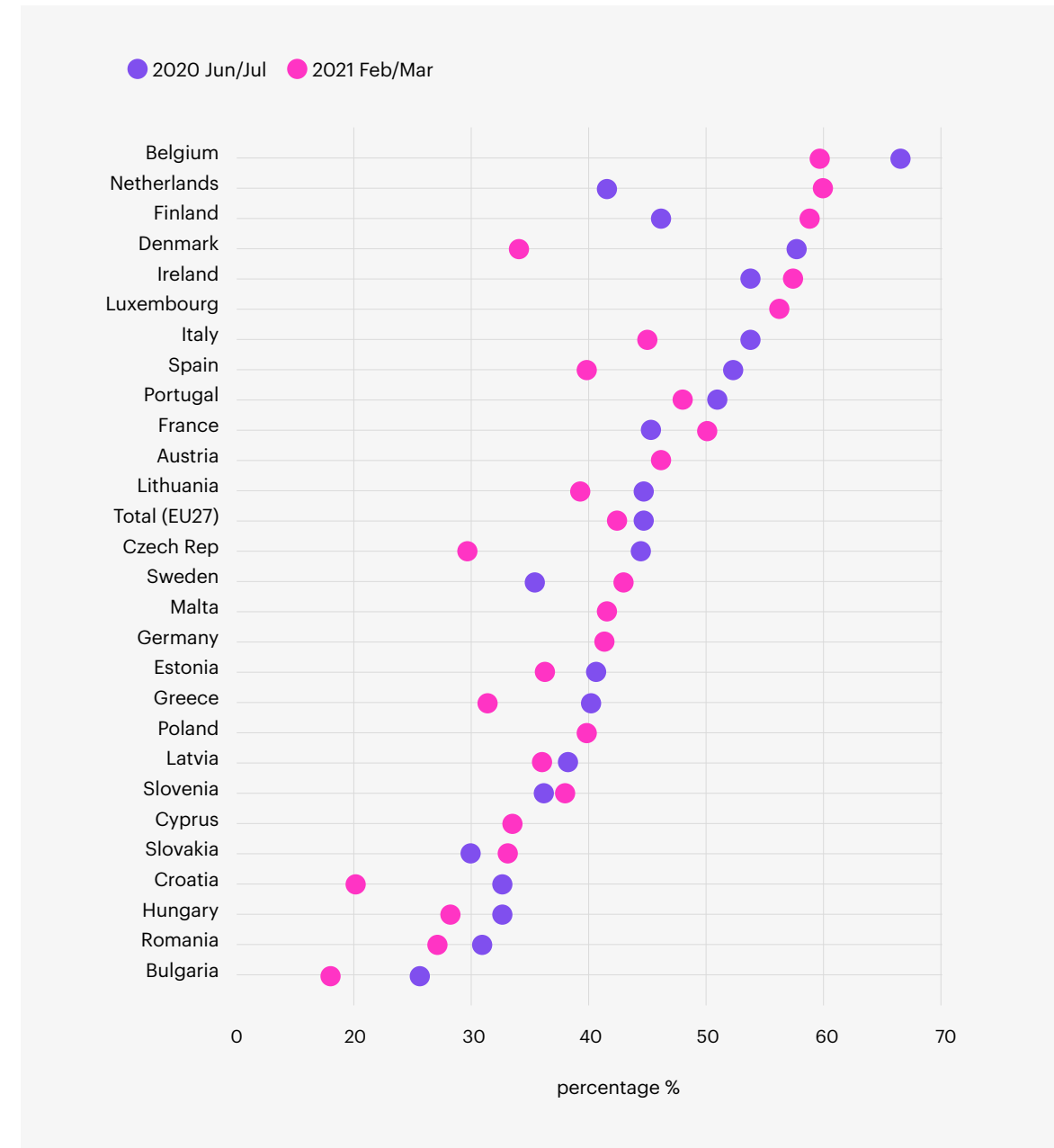


Figure 2. Percentage of EU workers who were working from home during the pandemic, by country

Source: Eurofound – Living, Working & COVID-19 data, wave 2 (Jun/Jul 2020) and wave 3 (Feb/Mar 2021)

Once the pandemic took hold, countries went into lockdown one after the other. The proportion of workers operating from home swelled to 44% across the EU – and, by Spring 2021, was still high at 42%.

In the UK, the figure had risen to 36% by June 2020 and was still hovering around 30%+ in Spring 2021. This figure would likely have been higher, however, if the furlough scheme had not been in operation. This was where employees were maintained on payrolls and paid a partial wage but were not required to work. This was similarly the case in a number of countries in the EU, including France and Germany.

By way of comparison to another key market – the US – 31% of employed workers were operating from home in June 2020. A figure which had dropped to 21% by March 2021.⁶ In contrast to the European approach to furloughing workers, mass layoffs were experienced across the US early in the pandemic, which significantly impacted the working from home numbers.

Indicators from APAC show a similar picture of a spike in working from home:

- In Singapore, an average of 44% of workers were performing their duties from home in 2020.⁴
- In Australia, the home working rate spiked and was still 41% by August 2021.²
- Whilst no official data on remote working numbers is available for Taiwan, a survey of workers conducted in June 2021 identified more than 60% of the female respondents and almost 58% of the male respondents had worked from home during the COVID-19 outbreak.⁵

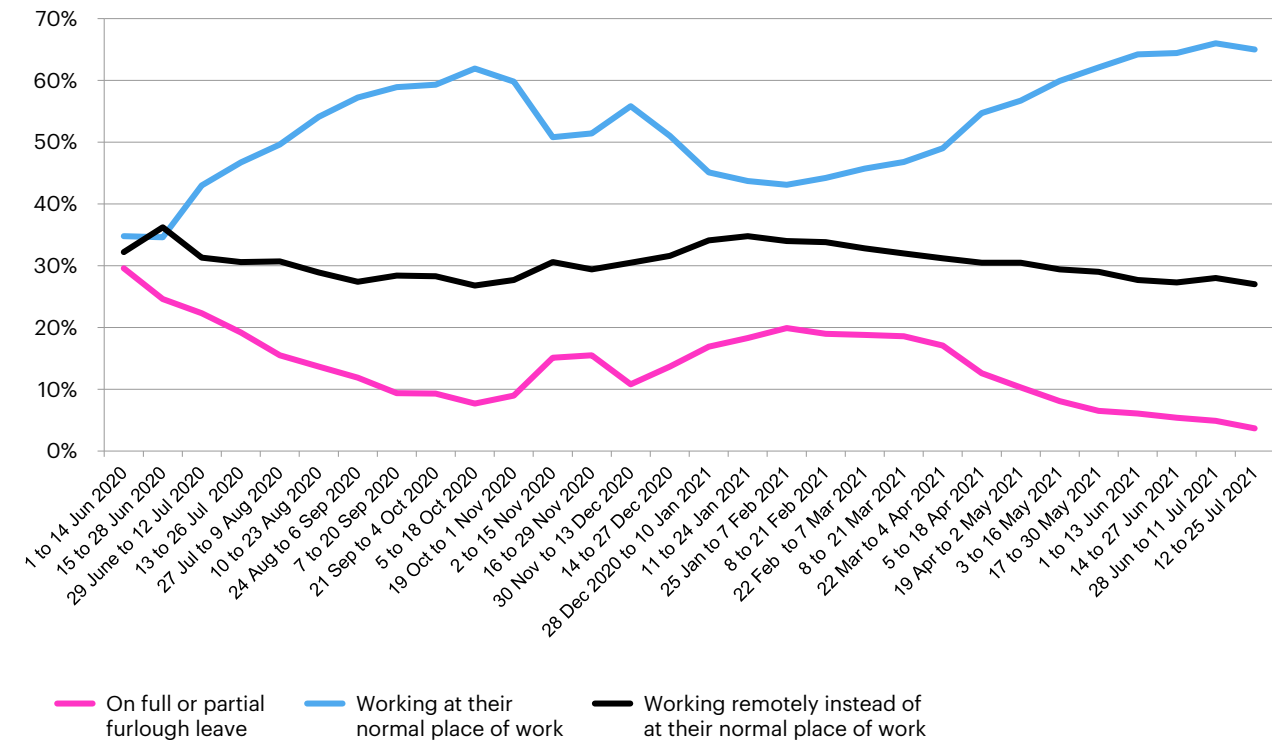


Figure 3. work location of UK workers, June 2020-July 2021
 Source: Cielo analysis of ONS data

Two years on: remote working levels in 2022

With more than two years having passed since the pandemic triggered the move to remote working, there are some interesting variances emerging around the world in terms of long-term acceptance of this model of working.

The UK is an interesting case study in point. In the last set of data recorded by the ONS (1-31 March 2022), a combined 28% of the UK workforce was working via a hybrid – working from home some of the time and the office the rest of the time (18%) – or a full working from home model (10%). This rose to 63% (43% & 20%) within Professional, Scientific & Technical industries and a notable 81% (44% & 37%) within the Information and Communication sector. In the case of the Information and Communication sector, the proportion of the workforce who was exclusively working from home started to fall through early part of 2022 but is now starting to rise again.

In the EU we have found:

- In Germany, the IFO institute, which is tracking home office working, reported that 25% of employees were at least working in part from a home office in April 2022. This was down from 28% in January 2022.
- In the Netherlands, a survey of more than 47k workers across September-December 2021 evidenced that 14% were working exclusively from home.⁷

Whilst 2022 data from APAC remains sparse, a glance across the US, however, provides a useful benchmark for EMEA and APAC, where the latest data shows a rapid decline in remote working. The proportion of employed workers who wholly or partially work from home had, by April 2022, fallen to 8% – down from 15% in January 2022.⁷ This data, unlike the UK data, does not include freelancers of which the proportions are sizeable in the US.

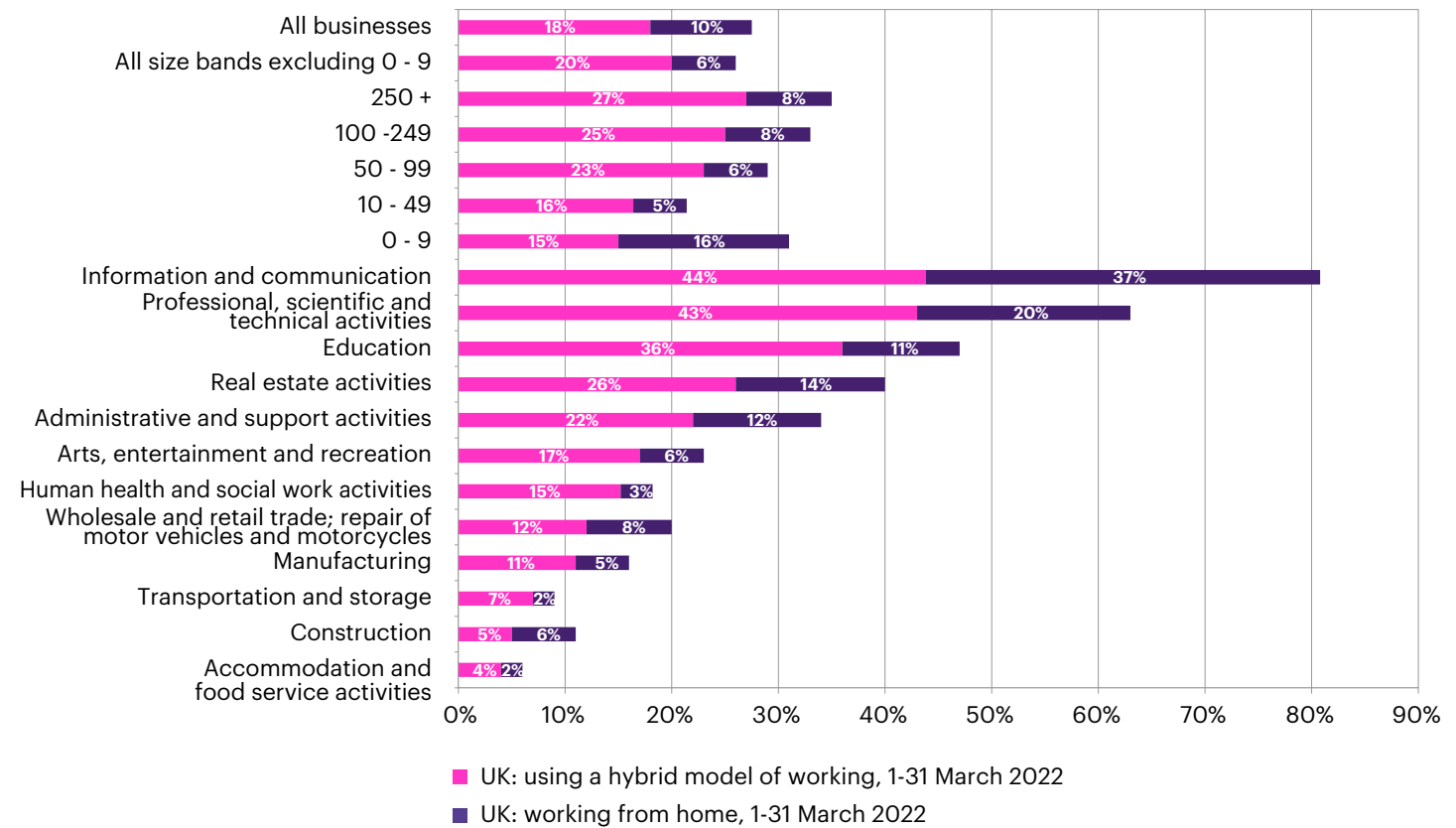


Figure 4. UK workers, by location 1-31 March 2022

Source: Cielo analysis of ONS data

Legislative change: an indicator of acceptance of the permanency of remote working?

A study of legislative change aimed at governing the rise of remote working, provides an indicator on attitudes to remote working in each country. It also starts to provide a useful indicator on which countries are seeking to embrace remote working for competitive advantage and/or have realised that the practice has become mainstream.

Amongst the following charted summary overview of the current state of legislative play, as it relates to remote work, there are a few key standouts:

- Portugal, which introduced new legislation in December 2021, included the right for workers not to be contacted outside working hours.
- Italy and Estonia, who have introduced new 'digital nomad' legislation to encourage people to live in their countries and work remotely for companies cited elsewhere.
- Taiwan – a country whose workers are being targeted by remote working offers both domestically and from afar – who have introduced governing labour laws as a consequence.

EMEA: Country	Covered by legacy legislation	New legislation introduced
UK	Elements	No
Ireland	Elements	Yes (Right to Request Remote Work): draft Bill, Jan 2022
Germany	Elements	Yes: Jan 2021
France	Yes (Telework)	No
Netherlands	Elements	No
Spain	Yes (Distant work)	Yes: Jul 2021
Portugal	Yes (Telework)	Yes: Jan 2022
Italy	Yes (Agile work / Smart working)	Guidance: Dec 2021
Switzerland	No	No
Poland	Yes (Telework)	Yes (Remote Work): draft bill May 2022
Estonia	No	No
Hungary	Yes (Telework)	Yes: June 2022
Czech Rep	Yes: (Homeworking and Home Office)	No
Bulgaria	Yes (Distance / Remote work)	No

Figure 5. Summary overview for legislation of governing remote working: UK & EU countries, May 2022

APAC: Country	Covered by legacy legislation	New legislation introduced
India	Elements	No
China	No	No
Australia	Elements	No
Taiwan	Elements	Guidance: June 2021
Philippines	Yes: (Telecommuting)	No
Hong Kong	Elements	No
Singapore	Elements	Guidance: Apr 2022

Figure 6. Summary overview for legislation of governing remote working: APAC, May 2022

Both parties holding firm: the employer and employee perspective on remote working

The employee perspective on remote working

By early 2021, 42% of workers in APAC and 46% in EMEIA surveyed by EY knew that they were 'remote ready'. The EMEIA rate matched North America (46%) but remained lower than South America (54%). What was also notable was how sentiment varied by industry: in eight sectors, globally, more than half of workers were ready for remote working.

One year on, the same EY Work Reimagined Survey (2022) revealed that just 20% of employees voiced reluctance toward fully remote working, compared to 34% in 2020, showing broader acceptance of working from anywhere.

And of those surveyed for the 2022 report, 80% of employees wanted to work at least two days remotely per week.

80%

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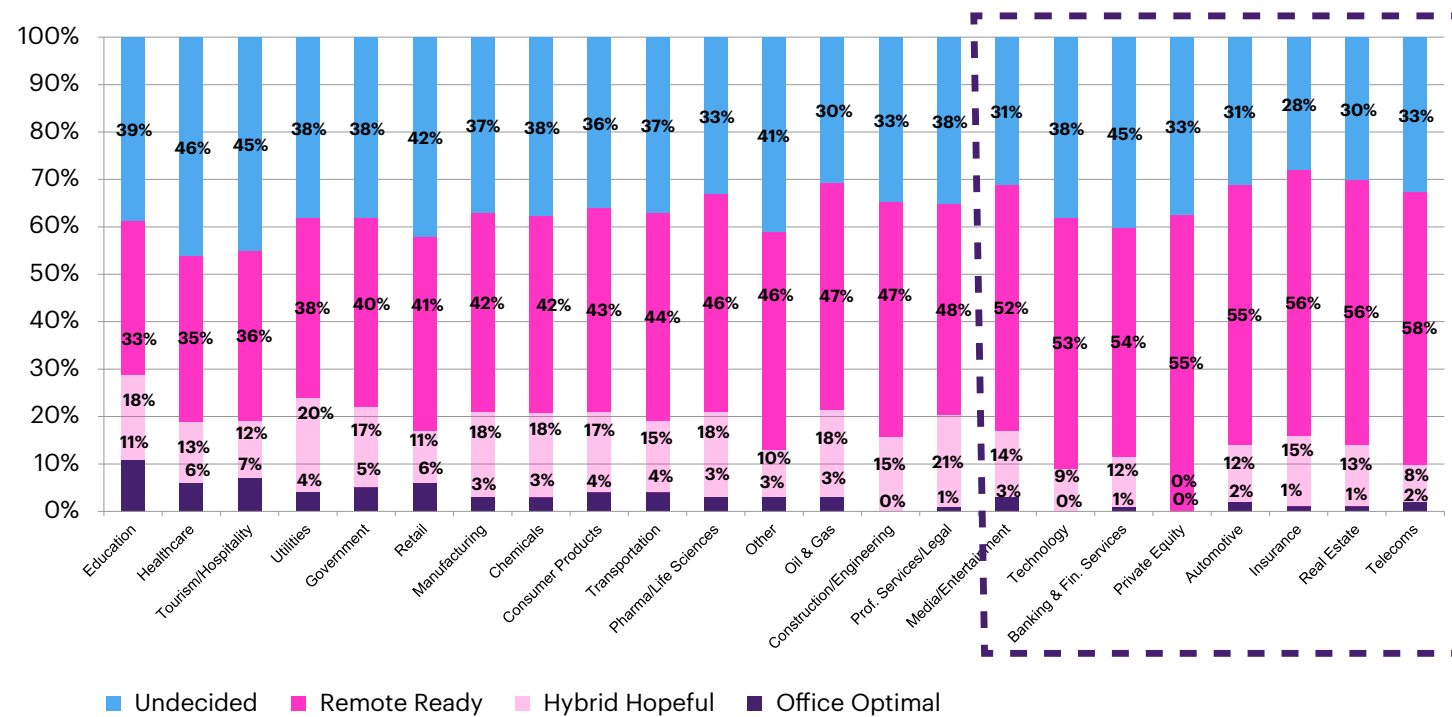


Figure 7. Global work location preferences, early 2021 – by industry

Source: EY Work Reimagined Survey, 2021

Employer perspective on remote working

Despite this signal from employees, nearly a quarter (22%) of surveyed employers in the 2022 EY survey reported that they expect all employees to return on premise for the full working week.

Research by Littler, an employment and labour law specialist, in late 2021 also reported a juxtaposition between what employers likely know that workers want and what they are prepared to offer:

“In reflecting on their return-to-work plans for employees who can work remotely, only 28% of respondents believe the work model they are offering aligns with employee preferences.

Most (52%) believe employees prefer hybrid or remote work to a greater extent than they offer it – and the figure is even higher for respondents in the UK, Germany and Spain.”

Littler 2021 European Employer Survey, November 2021

The report continues: “tensions will likely continue to bubble up, particularly when it comes to hybrid models: 67% expressed concern (14% very, 30% moderately and 23% somewhat) about the logistical and legal issues associated with a workforce split between in-person and remote work.

On the plus side, Littler reported that “employers are motivated to offer hybrid or remote work models primarily because they hope it will increase job satisfaction (57%) and work-life balance”.

Of heightened interest, however, are the 44% of respondents who are hoping to use hybrid or remote working models to attract and retain talent and the 25% who are using these models to gain access to a wider pool of talent. This is an insight into the potential of these models to offer competitive advantage for companies who have the potential, or are seizing the opportunity, to shake up the talent sourcing landscape.



22%

of surveyed employers reported that they expect all employees to return on premise for the full working week.

On retention, the need to consider how employees and freelancers prefer to work has been piqued by a surge of remote working job movers in the latter part of 2021 and greater determination amongst those who have become accustomed to and prefer home working to continue to do so.

This 'hardening resolve' to work remotely amongst workers that are adamant they will, has been noted in Singapore. The Institute of Policy Studies reported that, the proportion of people that work from home and prefer it, who would be willing to change jobs if their employer forced them to return to the office full time, increased five percentage points between December 2021 (37%) and March 2022 (42%).⁸

And wherever we look across the world, the compound effect of the closure and reopening of economies has resulted in one and the same thing: a spike in open and unfilled vacancies. The EY Reimagining Work Survey 2022 also reported that in the year to early 2022, 68% of employer respondents said that employee turnover had increased in the past 12 months. Moreover, 43% of employees said that they were likely to leave their current employer in the next year. That's a significant rise from 2021, when only 7% of employees said they'd be unlikely to stay.

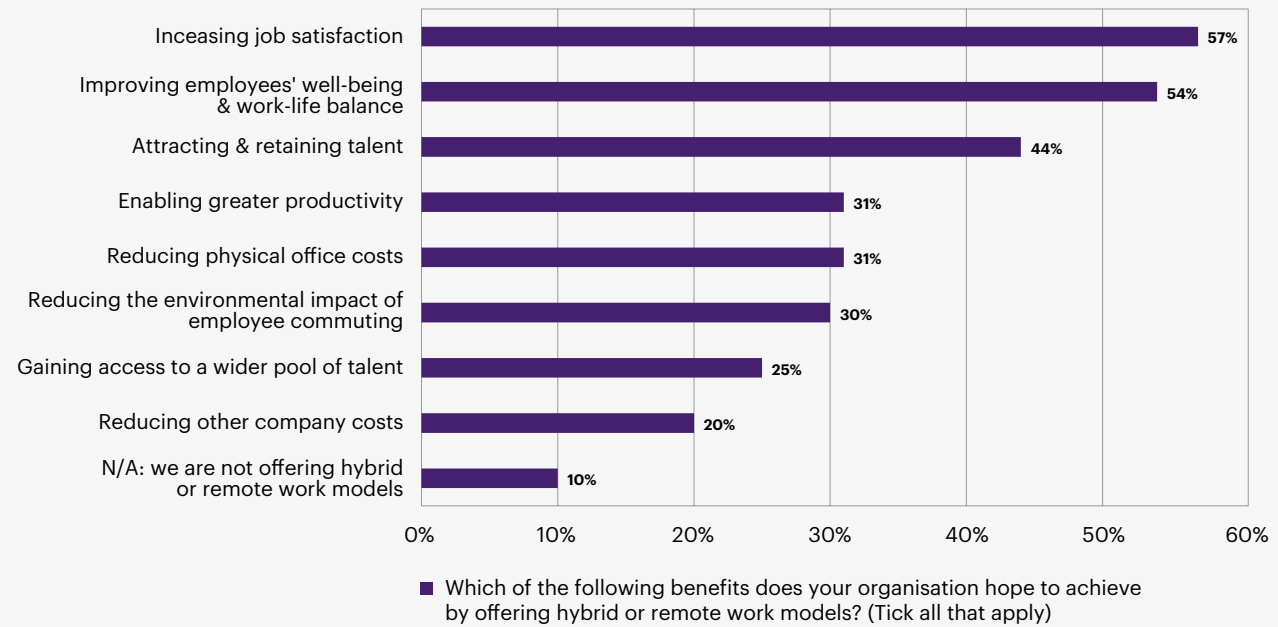


Figure 8. Employer reasons for offering hybrid or remote working, Sept 2021

Source: Littler European Employer Survey 2022

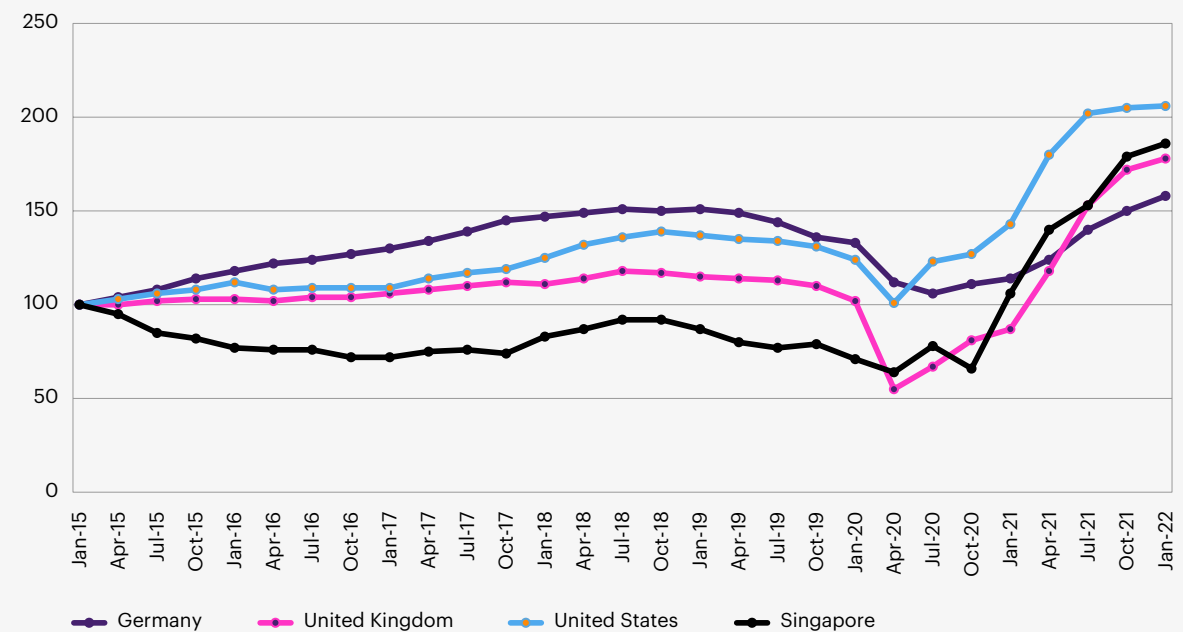


Figure 9. Open / unfilled vacancy levels, change since Jan 2015

Source: Cielo analysis of BLS, ONS, Bundesagentur für Arbeit and MOM Singapore data

On the expansion of talent pool potential, the real-time tracking survey that the UK Office for National Statistics (ONS) has been running since the onset of the pandemic, once again, provides a valuable insight into the sectors in which the opportunistic employers have realised the potential to exponentially expand the talent pools from which they historically sourced.

The standout, in terms of behaviours, is the Information and Communication sector, where 27% of those who plan to increase the use of home working as a permanent business model are doing so to recruit from a wider geographical pool in the UK.

In addition, 14% are realising the potential to recruit from a wider international pool as a consequence. Employers utilising large numbers of tech talent across all sectors have also likely realised this opportunity.

As the pandemic played out, there were also numerous examples within this sector where enterprise clients made bold decisions to embrace remote working – for all or some roles – on a permanent basis.

“The pandemic accelerated the adoption of flexible working and digital became our biggest ally. We also realise that for many of our roles ‘geography is history’ and we have begun to identify roles that are geography-agnostic”

Mahalakshmi R, Mondelez
India’s director of human resources ⁹

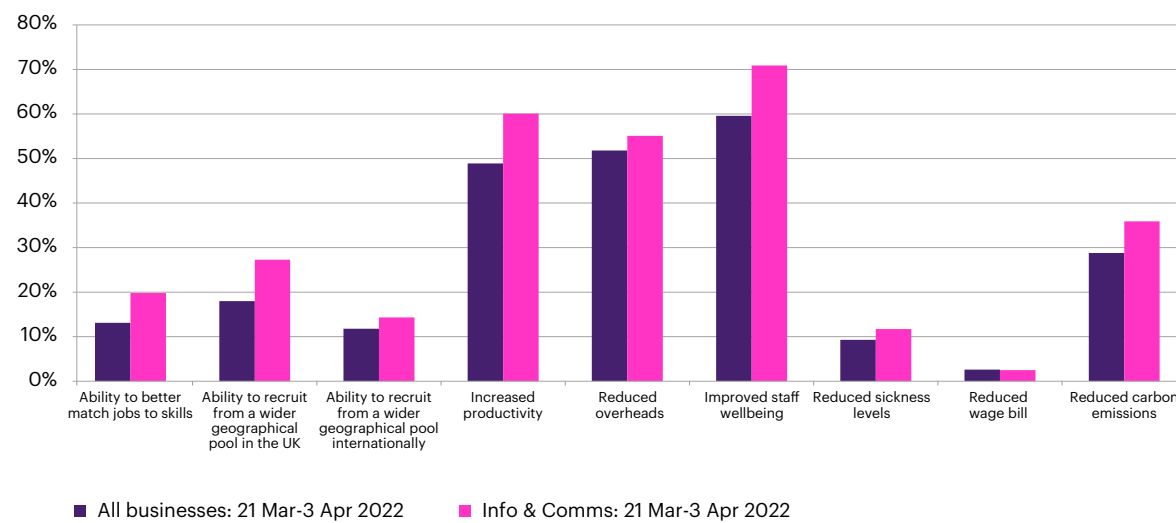


Figure 10. Reasons for increasing the use of home working as a permanent business model: UK businesses, 21 Mar-3 April 2022

Source: Cielo analysis of ONS data

The talent acquisition opportunities for remote working

Taking advantage: remote working within and across borders

Fast forward to May 2022, an analysis of the global pool of job adverts on LinkedIn provides a valuable insight into the extent to which candidates in key geographies, industries and occupations are being targeted with remote working opportunities.

Crucially, this profile contains offers of remote work from both domestically located employers and those who are open about the work location of targeted workers, as they are either operating a 'remote-first or 'remote-only' model. Organisations who sit within this category of 'remote first' employers include Canonical, Crowdstrike, Zendesk and ConsenSys.

Across all jobs advertised on LinkedIn posted globally in the month to mid-May 2022, just 2% of job ads in APAC and 7% in EMEA were advertised as remote. Within EMEA, the proportions rose over the six months to May 2022, when there was a notable spike.

When looking at the trends within singular countries, there are notable variations lying beneath the regional figures. Data from many Southern and Eastern European countries show that workers looking for opportunities in these locations are being targeted with a much higher proportion of remote job ads than the regional average.

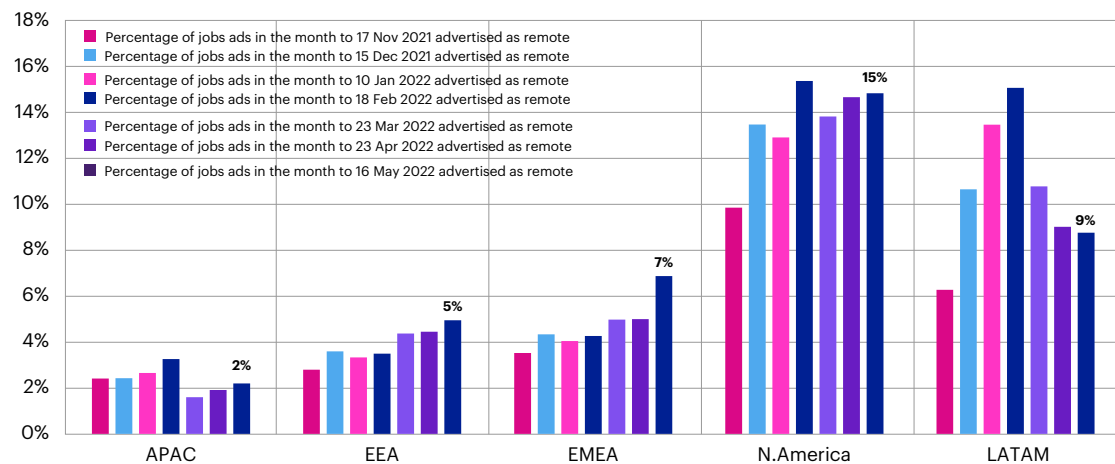


Figure 11. Percentage of all LinkedIn jobs ads, advertised as remote, by region: Nov 2021-May 2022

Source: Cielo analysis of LinkedIn data

Canonical

Truly distributed

Exceptional, self-motivated, organised and passionate people deserve the freedom to live where they want. Our teams travel regularly to meet colleagues and customers.

Crowdstrike

Remote first

Our globally distributed workforce enables better performance, stronger results and a thriving culture.

Zendesk

Digital-first

We know that great work comes from our people, not a place. That's why we've adapted new ways to work together—even when we're apart. And with our home-office stipend, we cover the costs to bring the office equipment to you.

ConsenSys

Remote first

You'll be joining a team based all over the world. Providing the unique opportunity to work with people from across 6 continents.

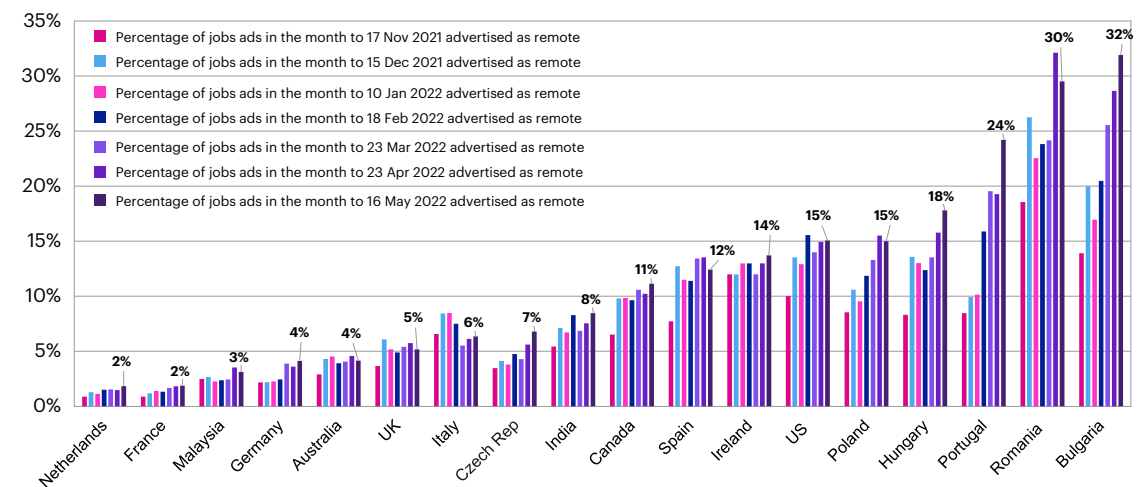


Figure 12. Percentage of all LinkedIn jobs ads, advertised as remote, by country: Nov 2021-May 2022

Spotlight

Remote working within Pharmaceutical, Biotech and Medical Devices

If we examine activity within a sector notably experiencing heightened remote working job offer rates, we can see the extent to which opportunities are increasing within Pharmaceutical, Biotech and Medical Devices.

Within EMEA, 15% of job ads in pharma advertised as remote in the month to mid-May (up from 5% in November), 15% in Biotech (versus 5%) and 10% in Med Devices (versus 4%).

These are notably higher than the 7% all-industry average. In APAC, remote opportunities remain low in both Pharma and Med Devices but have increased from 3% to 10% in Biotech between November 2021 and May 2022.

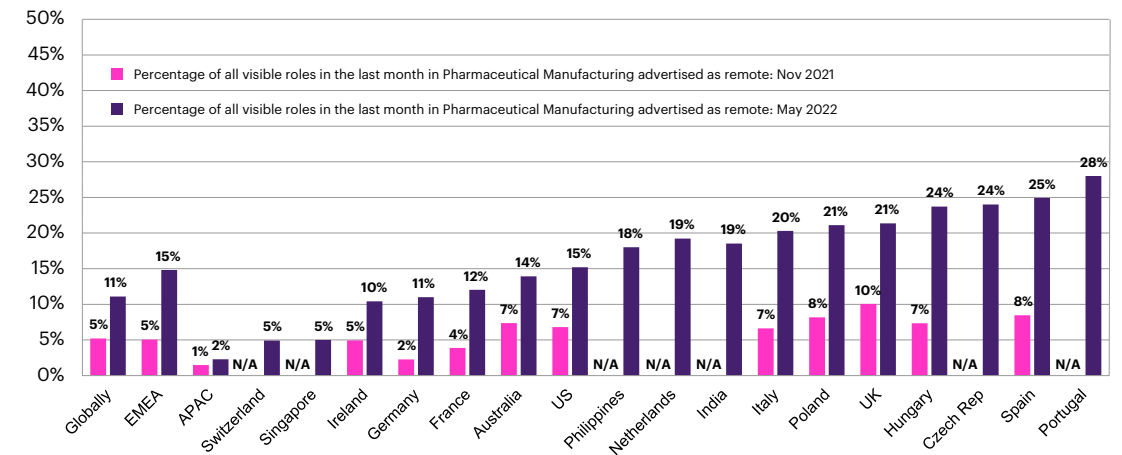


Figure 13. Percentage of all LinkedIn job ads in Pharmaceutical Manufacturing, advertised as remote, by country: Nov 2021-May 2022

Source for all: Cielo analysis of LinkedIn data

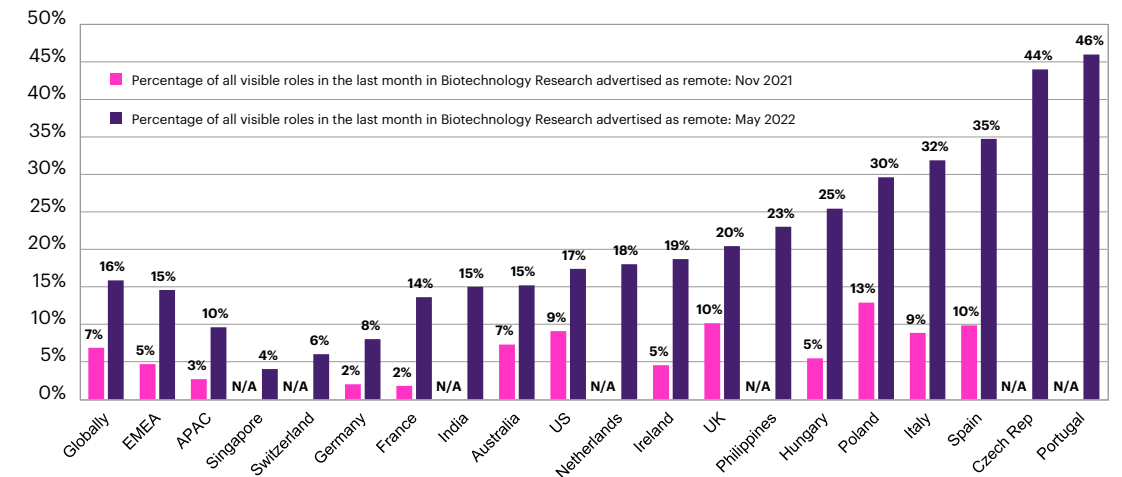


Figure 14. Percentage of all LinkedIn job ads in Biotechnology Research, advertised as remote, by country: Nov 2021-May 2022

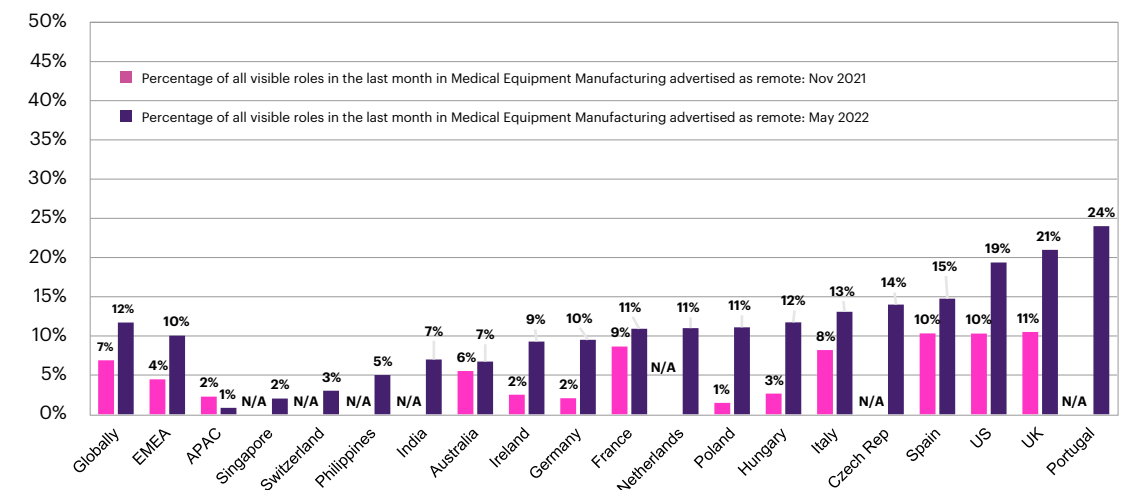


Figure 15. Percentage of all LinkedIn job ads in Medical Equipment manufacturing, advertised as remote, by country: Nov 2021-May 2022

Spotlight

Remote working amongst IT and Engineering

If we look at the occupational grouping with the highest potential to shift to remote working – IT – it is notable to see that neither the whole of EMEA nor APAC is being targeted with offers. In fact, at 11% in the month to mid-May 2022, EMEA is below the global average (which is driven, in a large part, by 24% of ads in the US being offered as remote). Key countries in Eastern and Southern Europe have notably high percentages of ads offering remote work. And whilst APAC is significantly below the global average, in the month to mid-May (at 4%), some key countries are being targeted with high proportions of remote work offers, including Taiwan (24%), the Philippines (13%) and India (10%).

What is also evident, when comparing all currently live job ads with those posted to mid-May 2022, is that the proportion of remote ads is either holding or increasing in every location studied.

Similarly, if we look at another occupational grouping with the high potential to shift to remote working – Engineering – the picture is almost identical to IT. Again, it is notable to see that neither the whole of EMEA nor APAC is being targeted with offers.

In fact, at 11% in the month to mid-May 2022, EMEA is, once again, below the global average (driven, again, in a large part, by 26% of ads in the US being offered as remote). Key countries in Eastern and Southern Europe, and Ireland, have notably high percentages of ads offering remote work.

And whilst APAC remains significantly below the global average as a whole, in the month to mid-May (at 4%), some key countries are being targeted with remote work offers, including the Philippines (16%) and India (13%).

What is also evident, once again, when comparing all currently live job ads with those posted within just the month to mid-May 2022, is that the proportion of remote ads is either holding or increasing in every location studied.

When looking at the potential impact of either heightened or lower levels of remote working opportunities, it is interesting to note that many of the countries with lower levels of remote working have the highest current job change rates. This includes the UK, Germany, the Netherlands and Australia, all of which are currently running on an annualised job change run-rate of around 20%. This is evident that remote working is affecting retention.

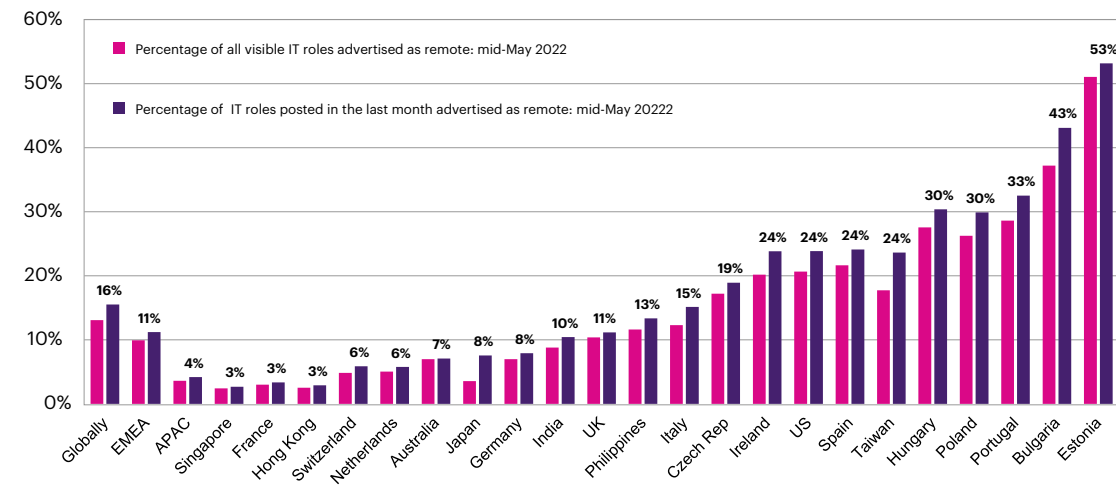


Figure 16. Percentage of all LinkedIn jobs ads for IT roles advertised as remote, by country: month to mid-May 2022 and all live job ads in mid-May 2022

Source: Cielo analysis of LinkedIn data

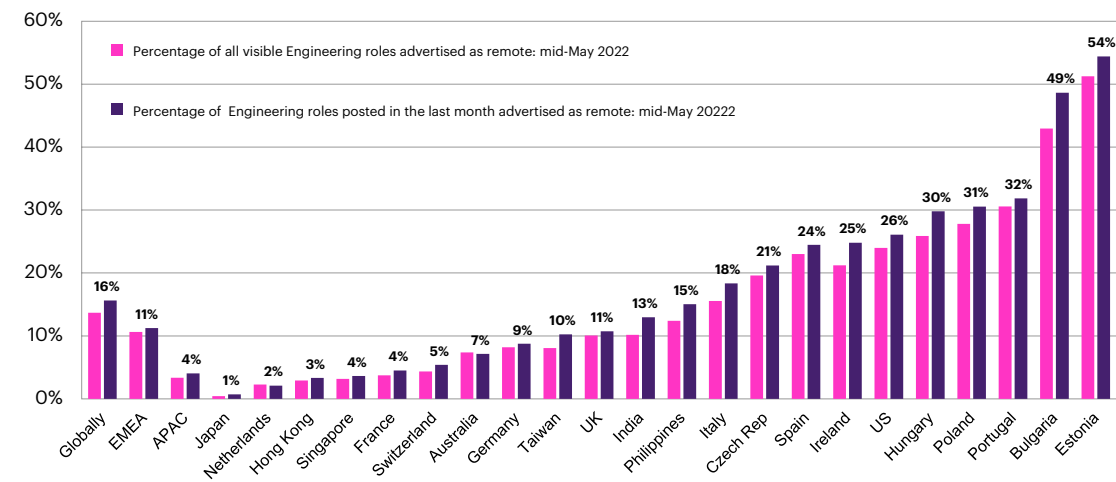


Figure 17. Percentage of all LinkedIn jobs ads for Engineering roles advertised as remote, by country: month to mid-May 2022 and all live job ads in mid-May 2022

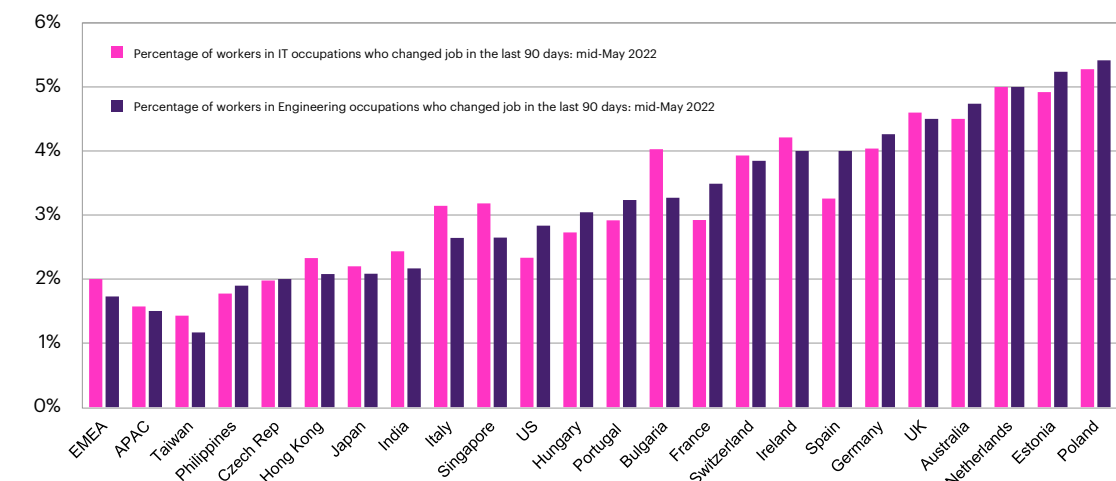


Figure 18. Job change percentages in the last 90 days (to mid-May 2022), by occupation and country

Source for both: Cielo analysis of LinkedIn data



The potential impact of remote working on physical cross-border migration for work

Whilst it will take further time to determine the full extent of the impact of remote working on legacy levels of physical cross-border migration for work purposes across EMEA and APAC, two key countries offer an insight into the potential direction of travel.

By Q4 2021, the UK workforce contained 247k (6.4%) fewer non-UK nationals than in the quarter prior to the pandemic (Q1 2020). In relation to EU27 nationals, numbers were 10.8% (261k) lower than Q1 2020 whilst the number of non-EU nationals rose by 0.9% (14k).

Whilst the pandemic played out in the UK, legislative change – including the changes associated with the UK’s departure from the EU and changes to taxations protocols for contingent workers – compounded the ensuing challenges of access to talent.

By Q1 2022, however, the two-year reduction had reduced to just 29k (0.7%), but the countries from which workers originated had fundamentally changed. EU National numbers were 210k (8.7%) lower than in Q1 2020 whilst non-EU national numbers were 182k (12.4%) higher. With the largest non-EU national population increase coming from Asia, numbers have been undoubtedly bolstered by the British National (Overseas), or BNO, visa programme launched in January 2021. During that year, 97,000 Hong Kongers received successful visa applications, many of whom will now be working in the UK.

By December 2021 – February 2022, the UK workforce was still 1.6% (627k) smaller than it was in the quarter prior to the pandemic (Q1 2020). This shrinkage included the loss of a large number of workers of non-UK nationality.

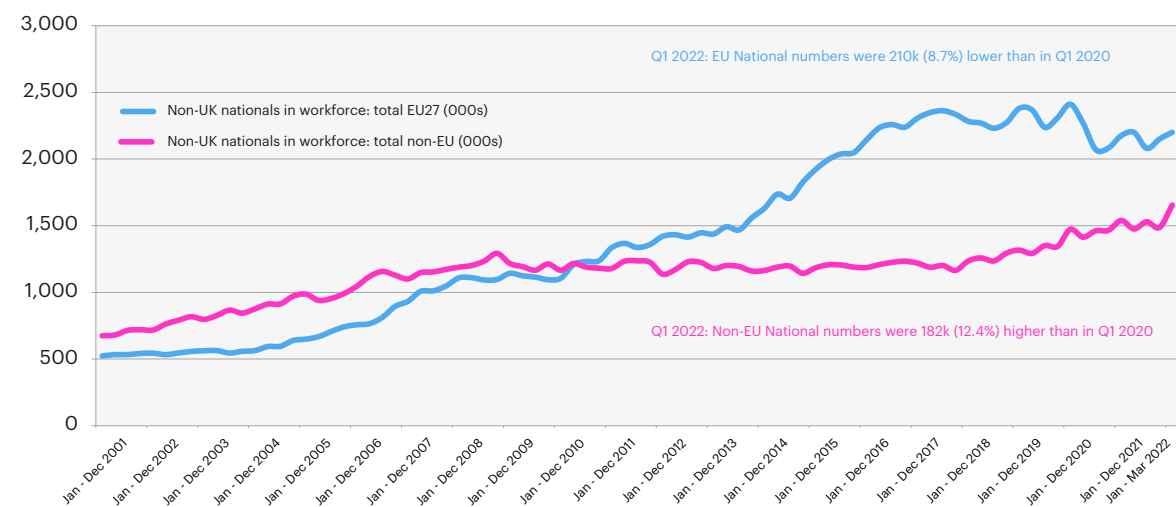


Figure 19. The number of non-UK nationals in the UK workforce, Q1 2001-Q1 2022

Source: Cielo analysis of ONS data

Whilst the UK's 12% workforce dependency on UK Nationals has been restored, however, the changing demographics of the available workforce – and the associated recruitment channels and protocols – have left many UK businesses floundering.

In implementing new immigration laws mid-way through the pandemic, the UK created new barriers to entry for EU workers which it had increasingly relied upon across all occupations and industries. For people from all countries to come to the UK to work, there was a total of 239k work visas granted across 2021. Whilst up from 193k in 2019, the numbers now included EU nationals (who had to obtain a visa from 1 January 2021).¹⁰ Of these, just 30.5k new work visas were granted to EU nationals, in effect drying up the talent pipeline from the continent upon which it had a notable legacy dependency.

Whilst the number of all-country nationals granted work visas rose across 2021, and plateaued in Q3 & Q4, the number from the EU peaked in Q3 (at 10k) and subsequently declined in Q4 (7.8k). So, at the very time that the pandemic was easing to allow greater mobility between the EU and the UK, voluntary migration started to decline. Whilst the extent to which offers of remote work (in the EU, or outside the UK for UK work) have contributed to declining interest in migration to the UK for work remains unclear, the fact that Q4 2021 was the peak of activity during that year for remote working employment is noteworthy. Remote work across borders requires no visa. The physical barrier of employing EU nationals has been removed.

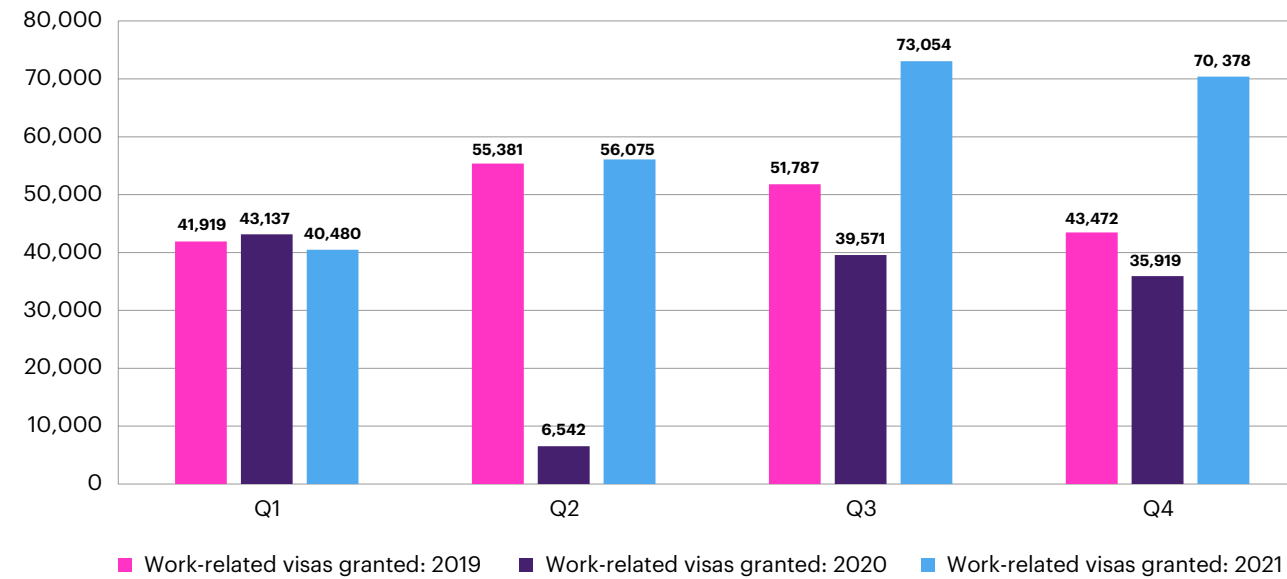


Figure 20. The number of work visas granted to non-UK nationals, Q4 2019-2021

Source: Cielo analysis of UK Home Office data

Singapore is also noted for its legacy dependency on migrant workers to support its exponential economic growth, largely tapping Bangladesh, China, India and the Philippines to bolster its skilled labour pool. In a joint statement in May 2020 the Singapore, Indian, Malay and Chinese Chambers of Commerce and Industry commented that “they have enabled Singapore to continue developing as a good home and a good place to do business. Given Singapore’s limited workforce, we would not be able to stay competitive in certain sectors otherwise if not for migrant workers.”¹¹

When looking at the clear impact of the pandemic on the total foreign workforce with potential to work remotely, either in country or from afar – i.e., the pool excluding Migrant Domestic Workers (MDMs) and work permits in Construction, Marine Shipyards and Process (CMP) sectors – numbers fell sharply in 2020. More concerning, however, they further declined in 2021, despite a notable influx of workers from Hong Kong fuelled by political and constitutional change.

Whilst lockdowns can be attributed for restricting travel and the potential to migrate to Singapore for work, two years is a long enough time to create long-lasting change. As such, it is likely that many who historically travelled for work – notably from India – have found other, potentially more lucrative work in their host country. This may include working for companies based in Singapore on a remote basis without any need to secure visas and relocate.

Within mainland Europe, what has also become increasingly commonplace is presenting candidates with the option of working from one of a number of cited locations where there is the potential for workers to travel to a local office location, as required, in country. Once again, this has reduced the need for workers to cross borders to perform work.

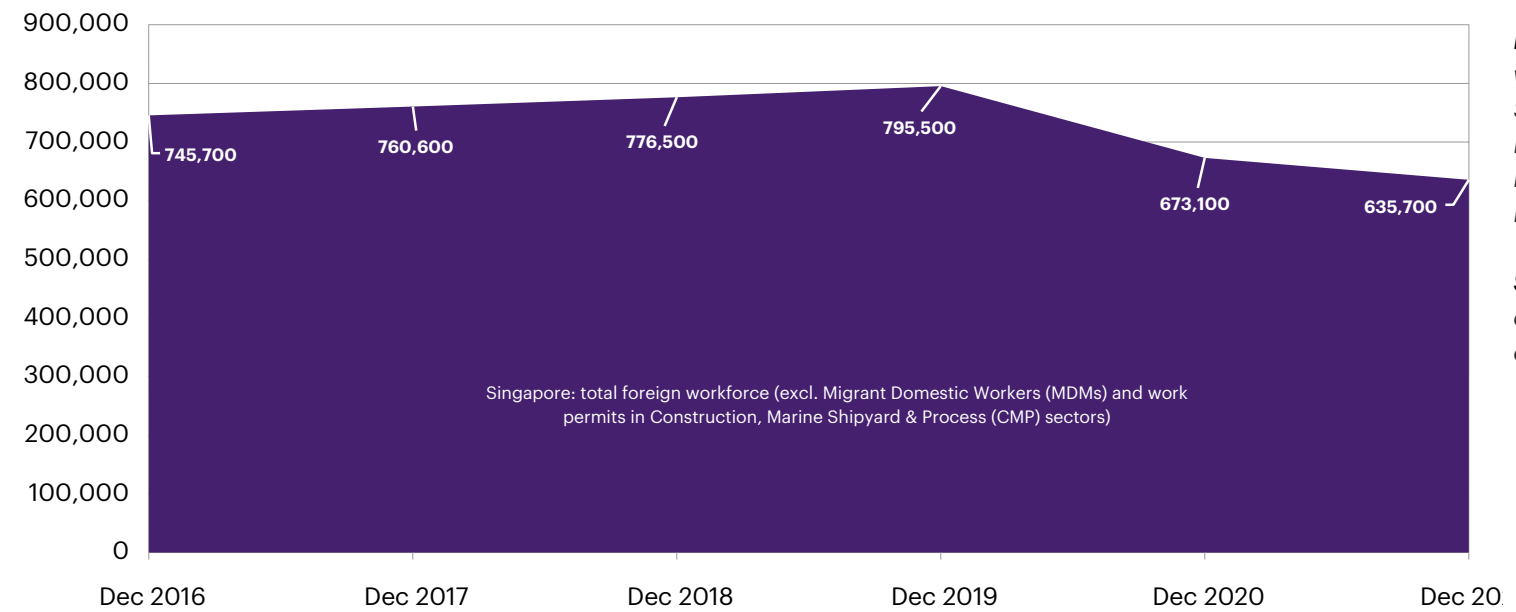


Figure 21. Foreign workforce in Singapore, excluding MDMs and workers in CMP sectors, December 2016-2019

Source: Cielo analysis of Singapore Ministry of Manpower data



Reward for remote working: the ongoing debate

In November 2020, relatively early in the pandemic, Deutsche Bank published a report in which it suggested that a 5% tax be levied on remote worker wages on the days they decide to work remotely.¹² The rationale was that they “contribute less to the economy’s infrastructure whilst still receiving its benefits” and that they would still financially benefit as a result of reduced outlay for on-premise commuting and associated costs. Similarly, the bank proposed a 5% tax on employers for each employee that they allowed to work from home permanently, suggesting that companies would financially benefit, despite the tax, from the potential savings on office downsizing or release.

This one proposed action by Deutsche Bank encapsulates much of the debate on how people should be remunerated if they choose, are asked or are permitted to work off-site. Other aspects of reward that companies have grappled within since Q2 2020 include home working expenses reimbursement and location-based pay.

On the former, it is noteworthy that most of the new pieces of legislation being enacted to govern remote working in locations where governments clearly believe that it has become mainstream, contain clauses that now require companies to compensate for expenses incurred through in-home working. And, regardless of any legislative requirements or otherwise, many companies opted to do so from the outset of mass home working in 2020.

And on the appropriateness of adjusting pay rates according to remote worker location, the debate continues in all but candidate-short markets – shortages further exacerbated by organisations gaining commercial advantage through their ability to readily embrace remote working from afar – where the consideration has all but disappeared. With inflation rising in many countries around the world, the bargaining position of employers has been significantly weakened.

5%

tax was suggested to be levied on remote worker wages on the days they decide to work remotely.¹²

Case studies of successful outcomes of embracing remote working:

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Accessing wider pools of talent beyond geographical boundaries: organisations who have a company policy of 'Remote First'.

“When COVID hit, our offices, based in London and Moscow were closed to ensure the safety of our teams and larger communities. At the same time, this was a period of impressive growth in our company where we more than doubled our headcount. Fortunately, we already had good practices working collaboratively between our offices, so we were able to quickly adopt remote work and started hiring people globally. This allowed us to find the best team members to join us regardless of their location.

We chose to keep our current offices and use these for a meaningful purpose. Rather than use this for 'traditional' work, our teams go in during important moments that matter such as when they need to solve problems together, have in-person planning sessions and celebrate achievements.

Currently, at Paysend we have more than 500 people working from over 30 countries to help us save time, save money, and serve millions of customers across 125+ countries.”

Paysend Blog, 28 January 2022



02

Improving retention through improved job satisfaction: organisations who have an onsite or hybrid policy but recruit remotely by exception to attract and retain scarce skills.

“Without meaning to, there was a general assumption that employees would predominantly work in the office. Really early on we knew that we’d have to show employees other ways of working, starting with role-modelling from the leadership team. We wanted to change the culture to one focused on outcomes rather than being present and where the value of work-life balance was fully recognised. We needed to move away from flexitime with its focus on clocking hours [employees’ own and those of their colleagues] because that drives the wrong behaviours and is not outcome focused.

Then the pandemic hit and that really accelerated everything because it helped people understand what we were trying to achieve, experience the benefits and realise they could actually do this.”

From an operational perspective: “the increased flexibility facilitated by the move to hybrid working has helped the organisation reach and support more people affected by blood cancer, as its support line is now open seven days a week, responding to a considerable increase in calls and contact.”

From an employee perspective: “feedback from quarterly pulse surveys and exit interviews shows significant improvements in employee engagement.

- The latest survey found that 95% of employees recommend the charity as a place to work, up from 41% in December 2018.
- Retention rates have also improved, from 70% in 2018 to 94% in 2021.”

Furthermore, “by removing restrictions on hours and location of work, the organisation has seen a considerable increase in applications for positions and been able to recruit from a much wider talent pool.

The policy has also been successful in supporting wellbeing priorities; a survey conducted in March 2021 found that 84% of employees felt they had the organisational resources to support their wellbeing. Sickness absence has dropped to an average of just 1.3 days per employee.”

CIPD An update on hybrid and flexible working practices: case studies,
April 2022



03

Companies who are realising the potential to improve the diversity of their workforce through remote working.

The company behind the disability recruitment job-board, Evenbreak, has been remote-only since its formation in 2011. “If we had an office in London, where I am based”, commented CEO, Jane Hatton, “we would have had to recruit from a local talent pool of people who could regularly commute. Instead, I have 16 incredibly talented colleagues spread across the UK who are the best in their field. Moreover, many of our team could not be employed unless there was the option to work-from-home (WFH).”

Hatton’s observations on what has played out, job advertising wise, since the onset of the pandemic are equally as illuminating. Noting that Evenbreak’s client base “is at the more enlightened end of the spectrum”, surprisingly – of 28,000 live jobs hosted on the site on 1 June 2022 – just 5% highlighted remote or WFH potential. “What’s frustrating is that we know many of our advertising employers are open to WFH, but they are not explicitly stating it within job postings. As such, those who need this flexibility will simply not apply for positions that they would be more than qualified to put themselves forward for otherwise.”

And Hatton is acutely aware of how frustrating this is to talent acquisition professionals – many of whom are restricted on being able to advertise any degree of flexibility due to rigid hybrid working specifications. “Whilst this wasn’t a frustration before the pandemic, they now know – we all know – with absolute certainty, that remote working works in terms of productivity. So why not allow workers to be their most productive by working in the way that will best enable that? For some, that option would be to return to full on-premise working, for others it would be to solely WFH – and for many in the middle, it would be a combination that suits their unique circumstances.

So why, when everyone is talking about talent shortages, are employers not embracing – and advertising – the option of being flexible on location, as a means of potentially filling more open vacancies?”

Hatton is also concerned that employers are starting to lose the diverse talent – in all forms – that they fought so hard to secure by being too prescriptive about work location requirements. “Many of our candidates were hired into post during the pandemic and have proven how effectively they can WFH. Why now ask them to commute to do the same job on premise – which many of them simply cannot do – just to comply with a company-wide mandate?”

“Whilst many employers feel that a hybrid working policy is a post-lockdown accommodation of workers needs and desires, many are misreading the mood and losing out as a consequence. Workers have been enlightened about the potential of working from where they can be most productive. I wish more employers would learn this lesson and embrace it.”

Cielo interview with Jane Hatton, CEO, Evenbreak, May 2022



Summary of key findings and considerations

Our remote working research clearly evidences that, whilst the long-term impact of this rapid increase in home working is yet to fully play out, we are approaching a tipping point. The market forces that we are used to dealing with during recessionary periods do not apply here. Notably, the sheer expanse of time (2+ years) of this change in work habits has the potential to create a true paradigm shift in the perception of how and where work must be done.

The choice for employees to work from where they prefer and a rise in workers feeling empowered to demand these options is not going away – and employers know this. Data from Littler, evidencing that only 28% of respondents believe the work model they are offering aligns with employee preferences, is enlightening – and concerning.

Non-flexible rules – relating to unilateral pay cuts for remote working or prescriptive requirement re: onsite attendance – have the potential to be hugely damaging to employer brands.

If viewed as an opportunity, accommodation of remote (and flexible) working – where appropriate – has the potential to:

- Significantly increase the talent pool
- Improve the diversity of new hires
- Fill skills gaps
- Reduce attrition
- Reduce impact on the environment
- Enable organisations to meet their business goals

There are new challenges associated with the accommodation of remote working which will drive the need for organisational change within talent acquisition and talent management. These include:

- The translation of skills-based workforce planning into the hiring plan, which increases in complexity when the new combination of on-site, hybrid and remote (and potentially geographically boundary-less) working is embraced.

- The need to train to effectively manage remotely and develop people to efficiently work remotely.
- The changing dynamics of retention, through remote engagement and development.
- Engagement, organisations have reported losing people because they have lost their sense of belonging, through working remotely, as well as because they do not want to work on premise. This needs to be addressed.
 - *Opportunities for ideation, social engagement, etc. are hugely important*
 - *Remote offsites are increasing*
- Development, organisations are addressing how to supplement learning which previously included on-premise osmosis from peers and colleagues with other forms of upskilling/education.
 - *The potential of talent marketplaces, to drive internal mobility and personal development is increasing, as the project-based work that many offer lends itself to remote working.*

“People’s preferences on how they work have changed forever and the research supports this”

“Our hypothesis was that although the legal restrictions have lifted, people’s preferences on how they work have changed forever and the research supports this. Whilst the potential for change that has been driven by global remote working is vast, we do not underestimate the challenges for HR and Talent Acquisition. We hope, however, that this report will have provided some indicators as to why some of these challenges are well worth overcoming.”

Sally Hunter
Managing Director
EMEA & Global Accounts

Appendix 1

Country	Summary
UK	No new laws passed since the outset of the pandemic. Remote working is currently governed by Flexible Working Regulations 2014 (the right to request flexible work, including home working), The Health & Safety at Work Act 1974, the Working Time Regulations 1998, GDPR and general labour and taxation laws.
Germany	The permanent legal entitlement for all employees to work from home, in accordance with section 28b (7) Infection Control Act (IfSG), expired on 20 March 2022. Under new regulations announced by the Federal Ministry of Labour and Social Affairs on 19 January 2021, however, employers are permitted to allow all suitable employees to work at a 'home office' in the future.
France	The reform of the labour code launched under the first term of the Macron presidency gave rise to an ordinance n° 2017-1387 of September 22, 2017 on teleworking, which relaxed the legal framework in order to encourage telework, including on an occasional basis. Now that the compulsory work from home measures have ceased, remote working remains governed by these legacy 'teleworking' laws.
Netherlands	No new laws have been introduced to specifically govern remote working. The only two pieces of governing legislation are on Occupational Health and Safety (OHS) and the Flexible Working Act.
Spain	Spain introduced a new law regulating remote working in September 2020 Key requirements of the Act include: <ul style="list-style-type: none"> • Determining the location of the remote workplace itself • Producing an inventory of equipment and tools for remote work • The duration of the remote working agreement • Agreed working hours and availability • The proportion of work that will be carried out remotely • Procedures in the event of technical difficulties • Personal and confidential data protection • Employee control and monitoring • An employee's right to disconnect • Health & Safety in the remote workplace • The payment of in-home expenses
Portugal	A legal act issued in December 2021 defines new rules for telework, effective from January 1st, 2022. Key announcements within the Act included: <ul style="list-style-type: none"> • New right to work remotely • Remote work duration • Companies are prohibited from contacting employees outside working hours

Italy	Remote work, also referred to as lavoro agile (Agile work) or 'smart working', was included in a 2017 law but the pandemic created a need to update the framework. Until the end of 2021, companies were able to impose remote work on their employees. With remote work likely to continue however and with no updated law, the Italian government worked with twenty-six trade unions and employers' associations on a framework for 2022, bringing more clarity in the workspace and setting the ground for formal regulations. On December 7 2021, trade unions and employers' federations agreed with the Italian ministry of Labour on remote work guidelines for the private sector beyond the pandemic period. Whilst the framework is not legally binding it provides fundamental principles for future legislation around work. In addition, on 28 March 2022, the Italian Parliament approved the conversion into law of Decree 4/2022 (Sostegniter Decree) establishing new regulations that would allow non-EU citizens to work remotely in Italy for up to one year.
Switzerland	There are no special provisions in Swiss law in place regarding the home office. The Swiss Supreme Court recently ruled that an employer must contribute to rent and other costs of the home office such as internet, however, if the employee is not provided a working space at the employer's premises and therefore, is obliged to work from home. The greatest recent focus has been around remote workers, based in Switzerland, working for an entity outside the country.
Poland	In Polish labour law there are two types of work from home. The first type is the legacy "telework" and the second is "remote work", which was officially introduced into the Polish labour law by the Act of 2nd March 2020 on Combating COVID-19. It was introduced as a flexible alternative to the highly regulated telework. The Polish government is currently working on new regulations to govern remote working. This will replace the institution of telework, which is currently regulated in the Labour Code.
Estonia	Estonia law does not specify any detailed conditions relating to remote work. It is up to the employer and employee to agree on how the work is arranged. Additionally, Estonia launched a new Digital Nomad Visa in 2020, that allows remote workers to live in Estonia and legally work for their employer or their own company registered abroad.
Hungary	After temporary solutions during the pandemic-related emergency situation, the Hungarian parliament has adopted a bill amending the Labour Code, the Labour Protection Act, and the Personal Income Tax Act. Working from a regular home office requires the engager and worker to conclude a "telework contract". These amendments, in accordance with the 27/2021 (I.29.) Government Decree, came into force at the end of the state of emergency, on 1 June 2022
Czech Rep	There is no complex legislation related to working from home in the Czech Rep. Working from home is governed by general labour law regulations, in particular by Act No. 262/2006 Coll., Labour Code.
Bulgaria	The Bulgarian Labour Code extensively regulates remote work. At the outset of the pandemic, the Parliament passed emergency measures to amend certain employment rules as interim measures (applicable during a state of emergency or extraordinary epidemic situation), including impacting work from home. Working from home falls under the category of distance/remote work defined under the Bulgarian Labour Code as "a way to organise work outsourced from the employer's premises through the use of information technology, which work was or could have been performed at the employer's premises before its outsourcing".

Appendix 2

Country	Summary
India	<p>The Indian government has not introduced any labour laws or guidelines around remote working.</p> <p>However, India is in the process of codifying several of its national-level labour laws into four codes, and one of the labour codes in this regard is the Industrial Relations Code, 2020 (the provisions of which are yet to be made effective).</p>
China	<p>Currently there is no specific legislation relating to work from home in China. However, general labour law requirements and regulations (e.g. on working hours, labour conditions and equipment) also apply when working from home.</p>
Australia	<p>No specific remote working legislation has been put into place. The key legacy legislation of relevance is the Fair Work Act, through which people can request to work flexibly, and Health & Safety legislation.</p>
Taiwan	<p>On 23 June 2021, the Taiwanese government issued the “Occupational Safety and Health References Guidelines on Working from Home” (“Guidelines”), suggesting that WFH had become a mainstream work model requiring regulation by the labour authority.</p>
Philippines	<p>Approved in December 2018, prior to the pandemic, remote working is governed by the Telecommuting Law, or Republic Act no. 11165.</p>
Hong Kong	<p>There are no specific regulations or mandatory guidelines currently governing remote working.</p>
Japan	<p>Telework remains an acceptable (and legislated) working option for employers, which fully depends on their decision and discretion. No new regulations have been introduced as a consequence of the surge in remote working.</p>
Singapore	<p>Whilst working flexibly is not an employee statutory right in Singapore, the government implemented guidelines in April 2022 to encourage companies to offer better work-life balance to their staff. Whilst not statutory, they are widely observed and complied with.</p> <p>Within the Tripartite Advisory on Flexible Work Arrangements (FWAs), implemented in response to the sheer volume of remote work that resulted from pandemic lockdowns, “employers are strongly encouraged to continue offering FWAs to employees, and to promote FWAs as a permanent feature of the workplace. It also advises that “to ensure operational effectiveness and sustainability in the long-run, employers should regularly engage with their employees in deciding on the FWAs that best suit business needs and work-life needs.</p>

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