OPINION

The price American industry may pay for remote work

By Sheldon H. Jacobson

A year after graduating, Kyren Bogolub works remotely from the two-bedroom, one-bath duplex that she shares with her partner and a third housemate, in Boulder, Colorado, May 23, 2022. RACHEL WOOLF/THE NEW YORK TIMES

Remote work has become a de facto benefit to recruit, retain and, in some cases, appease workforces.

Before the COVID-19 pandemic, remote work was a luxury. During the pandemic, employers sold it as a necessity to keep their businesses functioning. Once the public health risk abated, it became a privilege. Now, some employees take it as a right.

What began as a means to mitigate public health risk to individuals and keep the economy functioning has persisted beyond what anyone could have envisioned.

During the peak risk period of the pandemic in 2020, more than 40% of the workforce was remote. This number dropped to a little more than 25% last year. Before the pandemic, around 6% of the workforce worked remotely.

With more people working remotely, office building use has been gutted. With these buildings in dense urban areas, businesses such as restaurants and cafes are finding it more difficult to remain afloat. Retail outlets that rely on walk-in traffic are also suffering. Though the overall amount of money being spent may remain the same across the economy, the shift in where it is being spent threatens downtown business life that may not be reestablished for many years.

The biggest loss associated with remote work is not directly economic but rather the random interactions that foster new ideas and innovation. This is why a growing number of companies are scaling back remote work, with Google now on this list. Even Zoom, the facilitator of remote work, is asking its employees to spend more time in the office.

Interacting via video calls and other technologies does not yield spontaneous dialogue. Much as diversity is touted as a vehicle for innovation, the reverse can be said about remote work, in which people are brought together virtually, creating sterile, task-centric rather than human-centered interactions.

One of the challenges with remote work is that not all types of jobs can be performed remotely. This creates a potentially contentious and divisive environment for those who must be there in person and those who can work remotely.

However, some jobs that are viewed as remote-friendly may be focusing too heavily on the tasks, not the human interactions that facilitate better value for employers and create a healthy interactive work environment for all.

Remote work is viewed as family-friendly, making it possible to work while maintaining homes or managing family responsibilities more efficiently, which is positive. However, there is no free lunch. Any gains are being paid for by employers.

Those who support remote work laud the benefit of less time wasted with in-person work, including commuting time and the associated expenses. They argue that they can be more efficient with their time by remaining remote. However, this reasoning focuses too narrowly on jobs being solely about tasks completed. If jobs are only about tasks, then some such jobs may also be vulnerable to displacement by artificial intelligence systems in the future. Those arguing for remote work as the ideal may also be fighting for their own demise if their human contributions are minimized.

There is also the direct costs of working from home. All child care costs must also be borne by remote workers. The costs of utilities and home goods being used are yet another expense. Recall the toilet paper shortage in 2020 early in the pandemic when shelter-in-place orders were sweeping the nation. Though such costs are incremental, they accumulate over time and are a price that is being paid, with few people accounting for them.

If the benefits being touted in support of remote work are indeed real, then how can such benefits be realized with people back in person? Must employers provide better child care services, commuting reimbursements and/or meals at work?

Or perhaps those who argue vociferously for remote work can do all their tasks in just a fraction of the time allotted. Remote work keeps them insulated from discovery.

To draw people back to work, employers may wish to offer a new type of remote flextime so that the reasons employees need to periodically work remotely can be honored.

Then there are those who rearranged their lives in response to remote work and find themselves without a personal vehicle or living hundreds of miles away from their place of employment. Some may decide to quit their jobs and seek other opportunities, which could create a nationwide relocation process for employees over the next few years, the consequences of which are impossible to predict. More likely, most workers will adjust to working in person, much as they did before the pandemic.

If there are benefits for people to return to the office, these benefits will accrue for those companies that encourage and facilitate them. We may learn that in 10 years, the companies and organizations that successfully drew their workforce back to the office will also be the most successful ones. In essence, remote work may end up being a tax on corporate earnings and innovation.

The takeaway from such a discussion is that dialogue is needed to explore the post-pandemic work environment. Simply continuing pandemic policies in the post-pandemic world is likely to yield suboptimal outcomes.

The time is ripe to explore what can make "work" work, so that coming back to the office is more attractive.

Sheldon H. Jacobson, Ph.D., is a founder professor in computer science at the University of Illinois at Urbana-Champaign. A data scientist, he applies his expertise in data-driven risk-based decision-making to evaluate and inform public policy.