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## Where's the Remote? Face Time, Remote Work, and Implications for Performance Management

#### **Abstract**

[Excerpt] Yahoo CEO Marissa Mayer's ban on telecommuting and the subsequent uproar over that decision highlights the need for a deeper understanding of the impact of remote work. Although it would prove comforting to assert that the peer-reviewed findings of the social and managerial sciences are in accord as to the benefits of telework in the face of the discord among organizational leaders, the reality is that little such agreement exists. Consequently, the proponents of remote work in management and HR are given little support in defense of such potentially large-scale initiatives or interventions. To that end, what follows is a discussion of the relative merits of remote work, as compared to the traditional conception of work, and an exploration of the practical implications for HR practitioners in performance management and employee evaluation.

#### Keywords

HR Review, Human Resources, Performance Management, Telecommuting, Telework, Face-time, Remote Work, Talent Management, Employee Evaluation

#### **Disciplines**

Human Resources Management

#### Comments

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### CORNELL HR REVIEW

## WHERE'S THE REMOTE? FACE TIME, REMOTE WORK, AND IMPLICATIONS FOR PERFORMANCE MANAGMENT

Alec J. Calvo

Yahoo CEO Marissa Mayer's ban on telecommuting and the subsequent uproar over that decision highlights the need for a deeper understanding of the impact of remote work. Although it would prove comforting to assert that the peer-reviewed findings of the social and managerial sciences are in accord as to the benefits of telework in the face of the discord among organizational leaders, the reality is that little such agreement exists<sup>1</sup>. Consequently, the proponents of remote work in management and HR are given little support in defense of such potentially large-scale initiatives or interventions. To that end, what follows is a discussion of the relative merits of remote work, as compared to the traditional conception of work, and an exploration of the practical implications for HR practitioners in performance management and employee evaluation.

#### Face Time: Success in the Industrial Age

James Surowiecki, writing for The New Yorker, argues the deleterious effects of telecommuting from the employer perspective, offering the benefits of in-person communication and organizational cohesion as a counterpoint—likely the two most popular arguments against telework<sup>2</sup>. Surowiecki dismisses research evidence of increased productivity from remote workers, siding instead with the clichéd wisdom of unplanned collaboration as a creativity panacea<sup>3</sup>. Aside from the somewhat troubling notion of organizations relying on chance as a recipe for innovation, the communication richness and social interaction arguments against remote work suffer from the tacit acceptance of outdated assumptions about the nature of work. Consequently, before discussing the impact of remote work on HR management, it is prudent to clarify these assumptions.

The standard workday is based on Industrial Revolution era assumptions that result in a mechanistic view of employees, wherein individuals are expected to exchange their productivity over an employer-specified time for agreed upon salary<sup>4</sup>. With the advent of telecommunication, internet technologies, and increased knowledge work, however, organizational leaders should question the old, hierarchical notion of work<sup>5</sup>. A meta-analysis of 46 studies on telecommuting found that remote work resulted in increased productivity in both supervisor and objective measures<sup>6</sup>, mediated by perceived autonomy. Perceived autonomy, in the case of telework, is thought to be a result of flexibility in scheduling work and the ability to control one's work environment<sup>7</sup>. Such flexibility is contrary to the mechanistic assumptions of traditionally organized work. Consequently, not only is the standard workday not necessary for optimizing employee output, but non-standard arrangements can generate greater output.

The social contact argument against remote work does have some research support, however<sup>8</sup>. Examination of the organizational and psychological processes surrounding

remote work, though, yields a more nuanced position than "telecommuters don't collaborate with their co-workers." The argument, as typically presented, assumes an allor-none approach to telecommuting, which studies have shown does not reflect reality<sup>9</sup>, <sup>10</sup>. Rather than full-time remote work, most telecommuters work on-site on a part-time basis. Gajendran and Harrison hypothesized that high intensity telecommuting (greater than 2.5 days) would result in negative consequences for teleworker-supervisor and co-worker relationships<sup>11</sup>. While the data indicated no such effect on the teleworker-supervisor relationship, the analysis did conclude a moderate negative effect on the co-worker relationship for greater than half-time telecommuting<sup>12</sup>. Low intensity telecommuting also resulted in a small negative effect for co-worker relationship quality<sup>13</sup>, indicating that half-time physical presence is possibly sufficient for relationship maintenance in the workplace. Consequently, although realizing the productive potential of remote work while maintaining the cohesion of traditional organizations presents a unique challenge for managers and for HR, research suggests it is possible.

#### Performance Management: It's Not Just About the Employee

For remote work to function as a value added endeavor in any organization, proper HR planning and implementation is paramount. While remote work certainly affects most HR functions, selection, training, and evaluation are essential components of telework execution<sup>14</sup>, <sup>15</sup>, <sup>16</sup>, <sup>17</sup>. Moreover, by basing these particular practices in the principles of evidence-based HR and organizational justice, managers and HR practitioners can ensure organizational policies surrounding remote work are steeped in scientific rigor and are perceived as fair<sup>18</sup>, <sup>19</sup>. Specifically, HR practices should be judged along the following dimensions: procedural justice, or the perceived fairness of the process used in decision making; interactional justice, or the perceived fairness of interpersonal exchanges; and distributive justice, or the perceived fairness in the allotment of resources and rewards<sup>20</sup>. Gajendran and Harrison postulated that an explanation for finding no link between diminished employee-supervisor relationship quality and remote work was the selection of already proven or "inner circle" employees for such work<sup>21</sup>. The Center for Advanced Human Resource Studies at Cornell University also found that organizations are more inclined to select experienced, proven employees for remote work, with some organizations going so far as to not allow remote work for inexperienced individuals<sup>22</sup>. In delineating best practices for remote work, Ye noted the following skills and personality factors along which HR and management can select for potential success in telecommuting: professionalism, conscientiousness, achievement-orientation, selfefficacy, resourcefulness, organization, and communication<sup>23</sup>. If sufficiently validated with desired outcomes in remote work and clearly elaborated as policy, such selection practice would satisfy both the need for fairness (through procedural justice) and scientific rigor<sup>24</sup>.

While the selection of appropriate candidates can increase the likelihood of success, performance management must be altered to reflect the unique challenges of remote work. Aside from task-oriented management and employee evaluations, managers of remote workers should focus on relationship maintenance behaviors to avoid the potential drop in co-worker relationship quality described in Gajendran and Harrison<sup>25</sup>. Lombardo and Mierzwa, in a paper submitted to the Second International Conference on Engaged Management Scholarship, indicate several best remote work management practices, including: implementing a communication strategy based on in-person meetings;

facilitating in-person co-worker interactions; communicating the value of remote work to the organization; and providing ample recognition of remote work successes<sup>26</sup>. Additionally, Ye recommends that managers establish a coaching relationship with remote workers, stressing the importance of detecting "issues through behavioral changes" (p. 25)<sup>27</sup>.

These recommendations certainly appear as reasonable expectations of any manager, but that these practices must occur with some employees working off-site presents unique execution challenges. Consequently, managers must be trained to detect behavioral changes, ascertain the possibility of issues, and solve discovered issues with limited interaction frequency and low-context forms of communication. To ensure scientific rigor in training practices, Noe et al. recommend a six-step process: (1) conducting a needs assessment; (2) ensuring readiness for training; (3) creating a learning environment; (4) ensuring transfer of training; (5) selecting valid training methods; and (6) evaluating training<sup>28</sup>. Adhering to these steps ensures managers and remote workers perceive procedural justice in the implementation of training and in the management of remote work<sup>29</sup>,<sup>30</sup>. Moreover, to the extent that managers successfully gain the suggested knowledge, skills, and abilities, the improved quality of manager-worker and co-worker relationships will ensure perceptions of high interactional justice<sup>31</sup>.

Employee Evaluations: A Call for Justice and Measuring What Matters

Multiple sources indicate that remote work necessitates a shift from traditional,
behaviorally based methods to more performance-oriented methods<sup>32</sup>, <sup>33</sup>, <sup>34</sup>. Because
research suggests remote work should be limited to a part-time schedule when possible<sup>35</sup>,
managers can use behavioral evaluations, but such methods should play a secondary role
to the use of objective metrics. This practice reduces the already considerable
supervisory burden managers face and aligns well with the remote workers' probable
desire for increased autonomy<sup>36</sup>. In implementing such methods, HR practitioners and
managers should take care to validly link objective metrics to performance outcomes and
to communicate expectations clearly to all workers. To the extent that teleworker
evaluations meet these requirements, employees will likely perceive high levels of
distributive justice (if linked to pay), procedural justice, and interactional justice<sup>37</sup>,
thereby meeting the demand for rigor and fairness.

#### Conclusion

Remote work is clearly a contentious issue in today's organizations that will only become more controversial as Generation Y begins to take over the workplace. While many managers fear loss of control and diminished organizational capacity for innovation due to decreased collaboration, research has shown the potential for increased performance without damage to working relationships. The implementation of remote work, however, requires thoughtful planning and rigorous scientific practice to increase the likelihood of success. Employees must show demonstrable ability to work autonomously and deliver results. Organizations must select remote work candidates through psychometrically validated criteria. Managers must be trained to maintain working relationships and secure productivity in the face of decidedly post-Industrial work arrangements. Finally, remote workers must be judged fairly and objectively on the merit of their work. If HR and management follow these recommendations, diminished cohesion need not become a realized fear. 8

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<sup>&</sup>lt;sup>2</sup> Surowiecki, J. (2013). Face time. *The New Yorker*. Retrieved from: http://www.newyorker.com/talk/financial/2013/03/18/130318ta\_talk\_surowiecki.

<sup>&</sup>lt;sup>3</sup> Surowiecki, J., Face time

<sup>&</sup>lt;sup>4</sup> Gajendran, R. S. and Harrison, D. A., The good, the bad, and the unknown...

<sup>&</sup>lt;sup>5</sup> Greve, A. and Salaff, J. (2008). Tele-work as knowledge exchange: Can technology support social relations. *The Journal of eWorking*, 2(2), 95-121.

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<sup>&</sup>lt;sup>7</sup> Gajendran, R. S. and Harrison, D. A., The good, the bad, and the unknown...

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