5. Impact of Remote Work on Organizational Culture

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ABSTRACT

Remote work has been viewed as a specialty mode of operation since the 1970s. That was, however, altered in 2020 when the COVID-19 pandemic struck. During a global crisis, most firms found themselves forced to implement remote labor. This paper examines research that demonstrates the connection between organizational culture and remote work, as well as how this relationship affects important outcomes like employee turnover, organizational identity, socialization, and knowledge sharing. In order to investigate the effects of many elements that influence the relationship between remote work and organizational culture, it also contains contingent conditions. These encompass normative, technological, and social contexts. This chapter provides a framework and some recommendations based on what is currently known from both required and voluntary remote work programs. A series of research implications and practical recommendations for establishing an organizational culture that is in keeping with the new reality of rising technology use and adjusted workforce expectations follow this. We will talk about in this essay. Remote Work's Effect on Corporate Culture

KEYWORDS

Remote Work, Organizational Culture, Employee, Productivity, Social, Technological, Value Management, Zoom, Company.

Introduction:

It is acknowledged by scientists and professionals that organizational culture exists. The theory of value management has given it extensive study.

Business advancement is made possible by corporate culture, which is a very powerful weapon. We think that when teams operate remotely, this is a tool that should be utilized.

Nevertheless, our main focus is on alterations in the elements of organizational culture when teams are managed virtually.

The pandemic has helped some firms, such as Slack, Zoom, and Netflix (media content), which are providers of communication technologies. [1] Conversely, others, like FedEx, Amazon.com, and others, despite their e-businesses and the need for their services, Bazarov, T. Yu. and Yeremin, B. L. (2002) High school textbook on staff management. UNITY, Moscow, 2002. (Written in Russian). UPS experienced significant consequences as a result of having to pay more to set up a new workspace and clean the area and items. They also suffered from the loss of significant clients. Due to the fear of job loss, many organizations have increased their use of information technology and online employment since the end of 2019. This has only served to exacerbate social tensions inside teams. Even prior to the epidemic, many businesses saw remote labor as a way to streamline operations and boost productivity. For businesses involved in trade, consultancy, and design, remote work is advantageous since it encourages the use of contemporary information technology. [2]

But it also exacerbates the social aspects of teamwork and builds barriers to communication. Between March 2019 and January 2021, employees had the opportunity to work remotely. Based on our observations, these benefits included the ability to work from any city or country, the ability to combine work and study, the ability to save time on commutes, and the chance to spend more time with their families. It is reasonable to assume that businesses offering standard services remotely saw an increase in productivity. For instance, in the comfort of their own homes, workers required less time to focus on their work (as long as they had a private, well-equipped workspace) and were more attentive to work procedures.

They also relished the chance to divide up their work hours however they saw fit. However, a few staff members encountered issues with motivation at work. Lack of social connections made some employees feel lost and prevented them from achieving their training and career development objectives as it was hard to determine which competences provided the most chances without talking about each employee's performance as well as that of the company as a whole. Staff reported feeling disconnected from the organization's activities.

Since COVID-19 first appeared and spread over the world, a number of nations have taken different steps to address the problem. Remote working is one such measure that arose during the epidemic while altering the nature of workplace culture. But there was a time when remote work did not even exist in its current form.

Even though technology has always played a big role in our lives, the corporate world has undergone major transformation as a result of the widespread usage of smartphones and the internet. And a lot of companies from a lot of different industries, including digital marketing, have embraced the fact, hoping to maintain business while reducing possible losses.

Strengthening Company Culture While Remote Working:

The all-encompassing, enigmatic force behind employee relationships and behavior in the workplace is culture. When problem-solving, creativity, and communication are required, co-presence is still indispensable—even in the current digital era.

Despite the fact that remote work is not a new concept, there are several advantages that in-person interactions provide for both company culture and employee welfare.

This begs the important question of what exactly constitutes the perfect workplace. Employers in a variety of industries now demand that workers be ready and available at all times due to the work-from-home lifestyle.

The majority of workers—especially the younger, tech-savvy ones—have come to terms with this fact. All they want for in exchange is more flexibility in terms of where and how they work.

However, it is indisputable that a high-quality creative output depends on the environment. For example, the newly emerging digital nomads are nomadic laborers who adapt well to shifting environments. Nevertheless, not every company or person is suited for remote work. [3]

Some challenges that companies are facing in maintaining their culture include:

- Alignment with the company's mission and ethics does not occur naturally.
- The cohesiveness within the team has changed.
- Additionally, there are certain differences in cross-functional collaboration. as well as knowing the various people's skill sets, value to add, personalities, and general type of person.
- Building trust takes more time.
- It takes longer for a sense of ownership and belonging to an organization to take hold.
- Creating connections and facilitating non-transactional dialogues are rare occurrences.

There are many opportunities and challenges associated with the complex process of determining how remote working affects company culture. Organizational culture is impacted by remote work in a variety of ways, but it is most evident in the following areas, many of which may not be pertinent or required in a traditional workplace:

Communication and Collaboration: Digital technologies for collaboration and communication are frequently promoted by remote work. This can promote an inclusive and transparent culture by fostering better organized and effective communication and teamwork. But switching to digital communication might also mean losing those casual, unplanned encounters that foster strong bonds and a strong feeling of teamwork. As a result, businesses are compelled to make a concerted effort to develop a virtual collaboration culture.

Flexibility and Autonomy: A flexible work culture is fostered by remote employment. Workers have control over their work schedules and locations, which can boost autonomy and trust among coworkers and improve job satisfaction. Another consequence of flexibility may be a blurring of the lines separating personal and professional life. Companies must promote a culture that values workers' personal time and supports them in taking breaks from their regular tasks.

Inclusivity and Diversity: By taking into account an employee's varied demands, including those of people with impairments or those who live in different places, remote work can be inclusive. This encourages a society that values inclusiveness and variety. In a communal setting, such as an office, the lack of physical presence can engender feelings of exclusion and loneliness. Organizations must make a concerted effort to help remote workers feel like they belong.

Results-Oriented Culture: A culture that prioritizes results over hours worked is fostered by remote employment. This may result in a results-driven culture where workers are judged only on their accomplishments. When employees are not adequately supervised, working remotely can lead to a culture of "presenteeism," in which they believe that they must continuously be available to demonstrate their productivity**.**

Leadership and Management Culture: A leadership culture that is more trusting and independent is frequently necessary for remote work. It could be necessary for managers to change from a standard supervision approach to one that is more coaching and helpful. It may be difficult for managers who are not used to managing remote teams to adjust to this style of leadership, which could worsen performance management and the crucial team cohesiveness.

Adaptability Culture: As the Covid-19 pandemic showed, remote employment fosters an adaptive culture that can react faster to changing conditions. Constant change can be overwhelming for employees, particularly if remote work is implemented abruptly and without prior planning.

Work-Life Balance and Wellbeing: A culture that prioritizes employee welfare and work-life balance can be strengthened via remote work. Employee satisfaction and motivation increase as a result. It's important to keep in mind that continual connectivity might make it harder to distinguish between work and personal life, leading to burnout and a "always on" mentality.

Remote working can also improve culture through:

- Greater diversity: You can recruit folks from wherever with remote work arrangements because you won't need to worry about their location or commute. By breaking out of a location-based bubble, this expands your pool of varied applicants and adds a larger range of perspectives and experiences to your staff, which can improve company culture.
- Better work-life balance: Work-life balance allows employees to achieve company objectives without compromising on flexible work schedules that fit their requirements and preferences. Boundary-drawing individuals are more likely to be involved, successful, and devoted.
- Increased employee attraction and retention: When given the freedom to work whenever and however they like, people are happy and stay with their companies for longer. Furthermore, a startling 62% of remote workers say they prefer companies that provide this choice.

- More opportunities to break out of your bubble: Remote workers can have additional opportunity to engage with individuals outside of their physical location if the proper culture and resources are in place. This is due to the ease with which one may converse online, exchange experiences, and foster cross-functional cooperation with individuals in different offices and departments. Project-based communication channels and initiatives are necessary to make this happen because they allow people to connect with people they might not have otherwise reached out to.

Risks of Remote Work and Sustain a Culture:

To reduce the hazards associated with remote work, Gallup suggests taking the following two actions to establish a strong virtual culture:

Today, identify the factors that shape your company culture, which you must preserve to maintain a strong sense of employee belonging and a positive employment brand.

Measure important moments and actions that shape your company culture more frequently in order to identify and mitigate cultural hazards before they arise. [4]

Review of Literature:

Organizations are considering the effects of remote work on organizational culture in the wake of COVID-19 due to the abrupt shift in preference for remote work (Chatman, 2020). Previous experiences with remote work have shown that there is a weakening of the bonds between employers and employees due to the decreased amount of in-person encounters and the challenge of communicating the organizational principles. [5]

Her Way (2020) asserts that one of the many priceless assets that is at risk in these extraordinary times is the company culture. Daily routines—both official and informal—serve as the foundation for a culture. Due to human interaction through training, regular events, and in-person communication, these are practiced over time. One of the main things that keeps the culture alive is the actual interactions and physical presence of people. [6]

The remote work culture that is currently permeating industries and service sectors has sparked discussions about how businesses can achieve their goals by implementing a work-from-home or remote work model as part of their strategy or policy while also guaranteeing the smooth operation and productivity of their workforce.

According to a global poll carried out in the US at the beginning of 2020, employees who work from home are becoming more productive than those who work in offices because remote workers are genuinely more productive than those who work in offices.

Additional research indicates that employees who work from home or telecommute have better performance trends than those who work in offices. As a result, a lot of businesses and organizations have accepted remote work as the "new normal" and have started adjusting their culture and standards to accommodate this new arrangement. (Caramela Sammi, 2021) [7]

Objectives:

- Remote working degrades organizational culture or its individual components.
- Remote and mixed forms of work shape new values within organizational culture.
- Maintaining organizational culture under the conditions of remote work requires additional efforts from the companies' management.

Research Methodology:

This study's overall design was exploratory. The research paper is an endeavor that is founded on secondary data that was obtained from reliable online resources, newspapers, textbooks, journals, and publications. The research design of the study is mostly descriptive in nature.

Result and Discussion:

Remote Work Outcomes with Organizational Culture:

The potential advantages of organizational culture can be undermined by autonomy, time and location freedom, and the use of technology. I examine the research that shows how corporate culture acts as a mediator between remote work and these kinds of results, as seen in Fig. 1 [8].
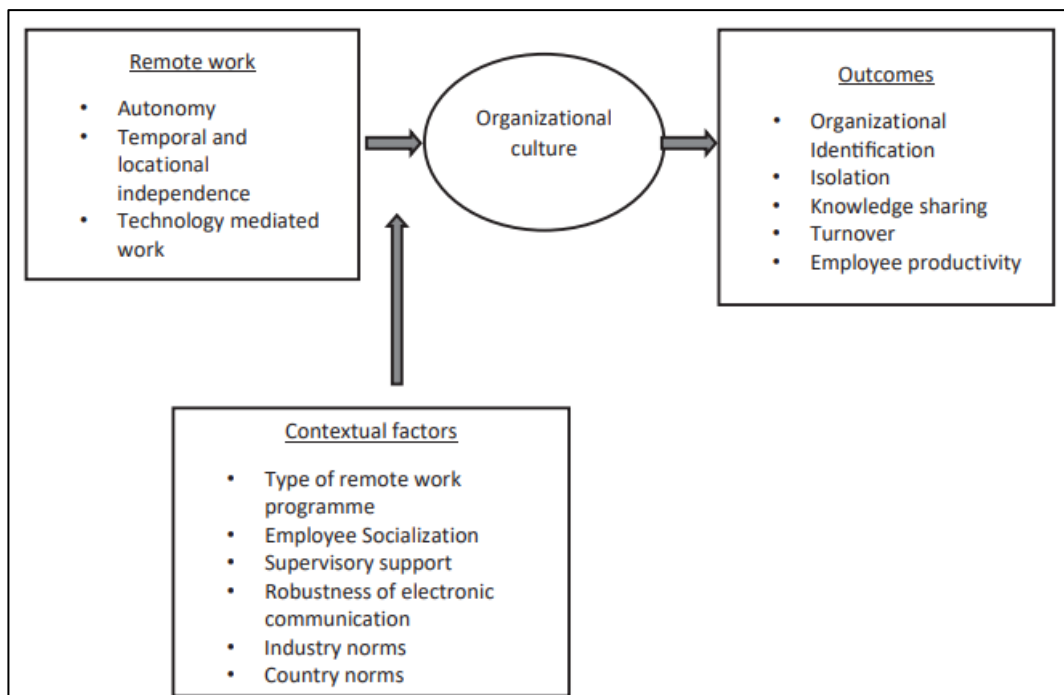
Figure 1: Remote Work's Impact on Organizational Culture, Outcomes, and Moderating Conditions

## Remote working outcome and its influence on firm performance:

Business organizations all over the world began considering innovative approaches to lessen the effects of the employment issue in the context of COVID-19. We are grateful to ICT (information and communication technologies) for providing fresh hope for the return of employees to the workplace.

When workers returned to virtual work during the epidemic, that is when communication technology was really put to use. The world was given fresh hope by the use of online meetings, making crucial decisions while sitting comfortably at one's home, listening to vital lectures from academics to ensure the smooth operation of the educational system, and offering patients online consultations.

The number of workers who work remotely has significantly increased, as seen in figure 2 through 2020. According to a "people matter" survey, roughly 51% of working professionals think that working remotely won't harm their productivity, and over 31% think that working remotely will improve their skills since they can pursue new opportunities.

Employers' views on WFH culture are divided; although some believe it to be a better alternative, others regard it as a challenge because it can be challenging to keep an eye on employees' work performance in many cases. On the plus side, employees perform more efficiently when they work in their comfort zones.

Previous talks, which are available on websites and research publications, reveal that individuals are working more since employers can supply a task that may be outside of working hours. Employers see it favorably because it allows them to save money on resources like electricity bills and many more, which could improve the company's financial performance.
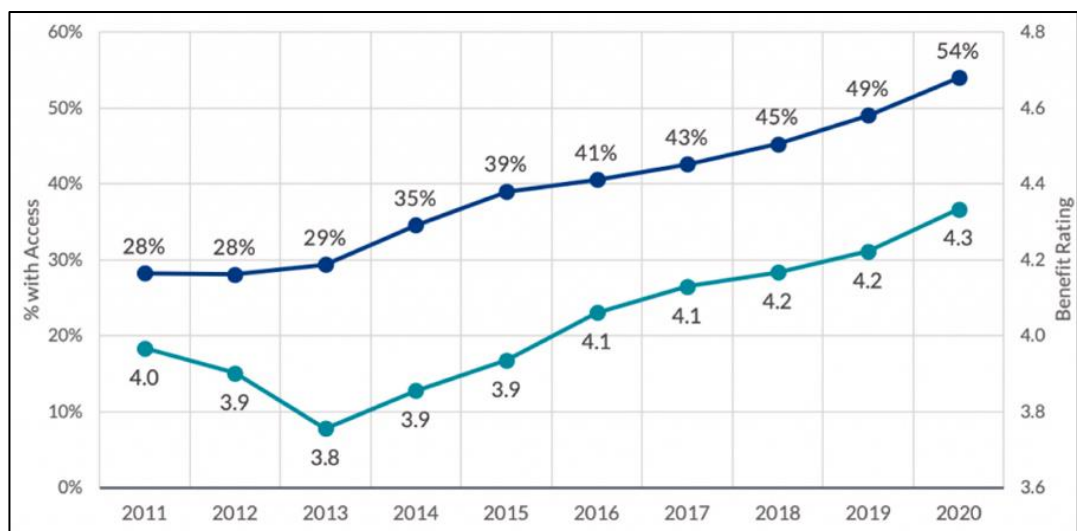
Figure 2: Access to Work from Home Benefits Has Doubled Since 2011 % with Access Increased from 28% to 54%, Rating Up at Decade High of 4.3 [9]
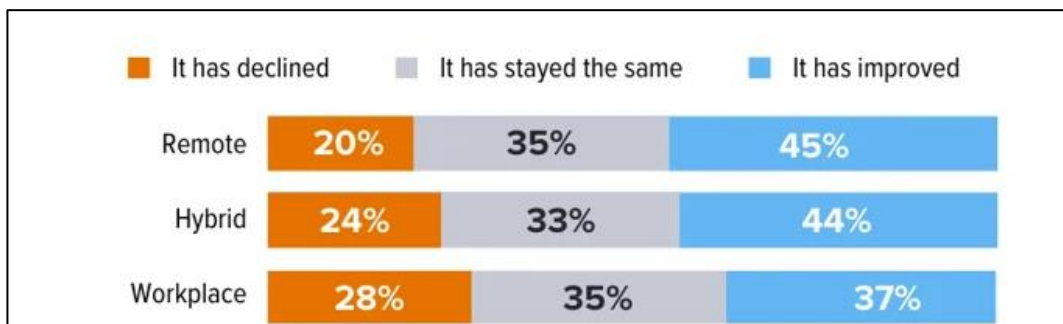
Organizational Culture Thrives:

Work settings that are hybrid and remote are increasingly commonplace. Our research offers an alternative viewpoint to the widespread belief held by many leaders that culture suffers when employees are not in the actual workplace. People who have access to flexibility at work are probably going to see the culture more positively.
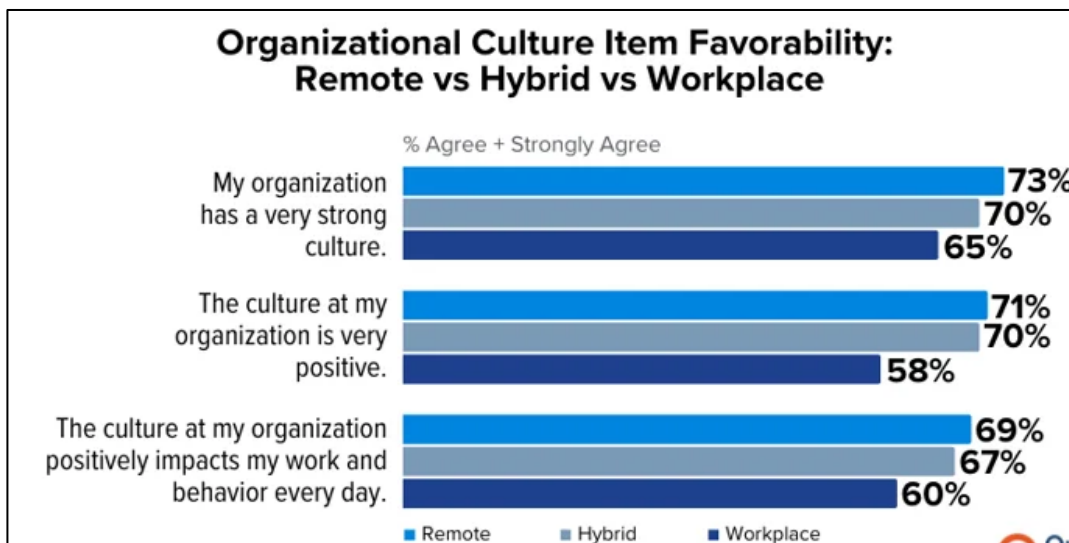
Figure 3: Organizational Culture Item Favorability: Remote Vs Hybrid Vs Workplace

While over 70% of remote and hybrid workers feel their organization has a great culture, just 65% of on-site employees agree. Approximately 70% of remote and hybrid workers feel their workplace has a positive culture, compared to just 58% of onsite workers. The physical workspace is not a part of the company culture. In a hybrid or remote setting, it can even be enhanced. Allowing workers to select their workplace promotes a respectful and trusting environment. [10]


Figure 4: Organizational Culture Change: Remote vs Hybrid vs Workplace

The likelihood that a remote or hybrid workforce believes its culture has improved is higher.

While 44% of hybrid and 45% of remote workers claim that their workplace cultures have improved, only 37% of on-site workers agree. Flexible work schedules encourage productivity, inclusivity, autonomy, work-life balance, and employee well-being.

Corporate culture was likely to suffer when organizations abruptly shifted to remote working without providing a timeframe for when or if they would be returning to the office. Based as it did on so many tangible things—coworkers getting together and mingling in person, free coffee, on-site gyms, the design of the office space itself—how could businesses hope to preserve that powerful but intangible aspect of their business? A company that assists businesses in managing employee experience suggests that the influence on workplace culture worldwide hasn't been all that negative. Though there are some intriguing differences in who felt most positively, more respondents stated their workplace culture had improved during the pandemic than claimed it had worsened. [11]
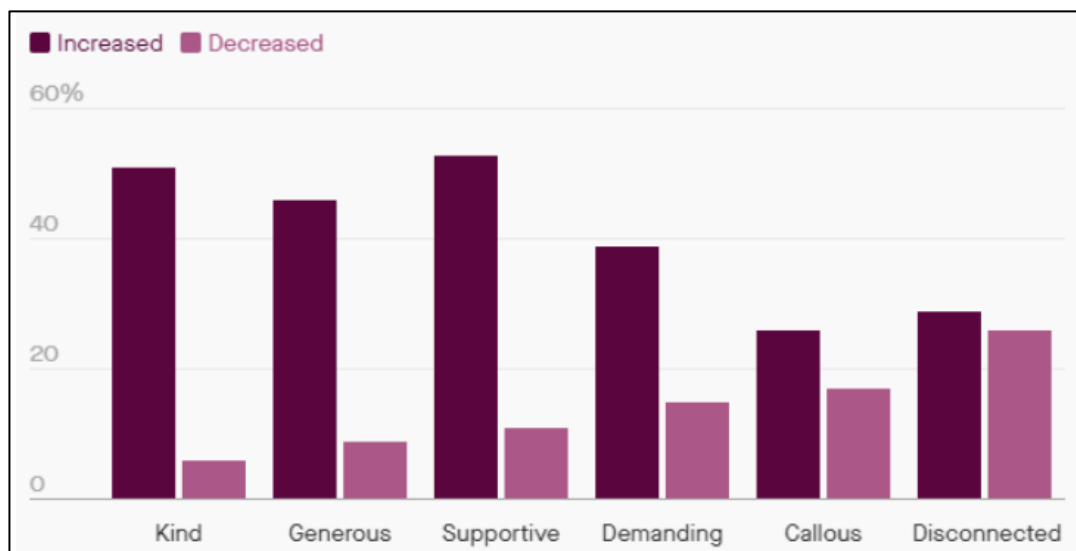
Figure 5: How Company Culture Changed During Covid – 19

Culture Really Improving:

It is impossible to infer a reason for people's perceptions of their cultures' improvement from a collection of primarily quantitative data. However, there are several clues as to what may be running more smoothly.

We might be wasting less time. According to a working study published by the National Bureau of Economic Research, even if we're having more meetings in the Zoom era, they're generally shorter and take up less time overall.

Employees may feel more connected as a result of more communication, according to the majority of businesses. Flexibility has also undergone a significant change as a result of the pandemic. Some companies are now required to recognize, for the first time, that their workers lead complex lives that occasionally include children, aging parents, health issues, and subpar housing. [12]

Conclusion:

In conclusion, there is a significant cultural impact of remote labor on organizations. The increasing prevalence of remote work is changing the way we communicate and collaborate. Organizations may not only survive but flourish in this era of growing remote work by recognizing the benefits and difficulties that come with remote work culture and by putting effective communication and cultural-building tactics into practice. Creating a solid remote work culture is essential to surviving the changing workplace.

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