Telecommuting will likely continue long after the pandemic

By Katherine Guyot and Isabel V. Sawhill, Brookings, April 6, 2020

“The COVID-19 pandemic is, among other things, a massive experiment in telecommuting. Up to half of American workers are currently working from home, more than double the fraction who worked from home (at least occasionally) in 2017-18.

“Until now, telecommuting has been slower to take hold than many predicted when remote work technology first emerged. This inertia probably reflects sticky work cultures as well as a lack of interest from employers in investing in the technology and management practices necessary to operate a tele-workforce.

“But the pandemic is forcing these investments in industries where telework is possible, with more people learning how to use remote technology. As a result, we may see a more permanent shift toward telecommuting. As the economist Susan Athey recently told the Washington Post, ‘People will change their habits, some of these habits will stick …, and this will accelerate that.’

“There are pros and cons to more telecommuting. On the plus side, workers tend to prefer working from home, it reduces emissions and office costs, and it helps people (especially women) balance work and family roles. It may even make us more productive. The downsides: managing a telecommuting staff can be difficult, professional isolation can have negative effects on well-being and career development, and the effects on productivity over the long run and in a scaled-up system are uncertain. ...

“Overall, about half of employed adults are currently working from home, though a recent paper estimates that only a third of jobs can be done entirely from home. Either way, this is a massive shift. Between 2005 and 2015, the fraction of workers who regularly worked from home increased by only about 2 to 3 percentage points, according to Mas and Pallais (2020). Even at that growth rate, telecommuting has been the fastest-growing method of commuting over the last several years. If our new telecommuting culture sticks, the pandemic will have accelerated this trend dramatically. Already, nearly one in five chief financial officers surveyed [at the end of March] said they planned to keep at least 20 percent of their workforce working remotely to cut costs. ...

“Technological limitations could be a barrier to the development of an American tele-workforce. … If there is one piece of critical infrastructure that will provide jobs to those in left-behind places, it is high-speed broadband.”

Read the full article here (8 min., two graphs).