

ANNAMÁRIA KAZAI ÓNODI<sup>1</sup> – SÁNDOR HOLLÓ<sup>2</sup>

## A TÁVMUNKÁBAN REJLŐ LEHETŐSÉGEK

### THE POTENTIAL OF TELEWORKING

*A távmunka előnyei ellenére, az alkalmazási aránya Magyarországon nagyon alacsony. Az IT programozás és fejlesztésen belül az összes álláshirdetésnek csupán a 0,4% volt távmunkában meghirdetett állás 2020 elején. A világvárvány hatására ez az arány 9,9%-ra emelkedett két hónapon belül, de május végére visszacsökkent 2,5%-ra. A megkérdezett IT szakemberek szerint a távmunka terjedésének fő korlátja a vezetői hozzáállás, a bizalmatlanság. A „kényszer távmunka” segíthet legyőzni a bizalmatlanságot és hosszútávon is növelheti a távmunka alkalmazásának arányát, ha az alkalmazottak által elfogadott, méltányos rendszert alakítanak ki.*

*Despite the advantages of teleworking, its application rate is quite low in Hungary. In the IT programming and development sector, only the 0,4% of job ads were telework at the beginning of 2020. Due to the pandemic, this rate increased to 9.9% in two months, but it fell back to 2,5% by the end of May. According to IT experts, the main obstacles to the spread of telework is the managerial attitude, the mistrust. A “forced telework” can help reduce mistrust and can increase the rate of teleworking in the long run if the employees consider the developed system fair.*

## INTRODUCTION

Despite the advantages of atypical employment, its application rate was quite unpopular in Hungary. In 2018 the average rate of part-time employment was 16.6% in the EU. The OECD average was 16.5%. The highest proportions were observed in the Netherlands (37.3%). In Hungary, the rate was 3.8%, which was one of the lowest in the European Union and among OECD countries as well. [OECD, 2018] According to Eurostat statistics, in 2018 in Hungary, 6% of employees worked from home for a shorter or longer period. This rate was much below the EU average of 15%. The Netherlands (35.7%) and Sweden (34.7%) had the highest rates of telework, but the share in Hungary was exceeded by Austria (21.7%), Slovenia (17.8%), and even Slovakia (9%). [Statista 2020a] In Hungary, 1.2% of employees worked regularly and 3.4% occasionally in-home office in 2019. This proportion was 5.6% and 7.9% for the self-employed. [Statista, 2020b]

<sup>1</sup> Associate professor, Institute of Business Economics, Department of Business Studies, Corvinus University of Budapest

<sup>2</sup> Manager, Cont Corax Ltd.

The coronavirus pandemic had a significant impact on both the global economy and ways of employment in April 2020. Teleworking has become mandatory in several jobs. In many cases, this was forced by government measures as well. According to a questionnaire survey conducted by Bakonyi – Kiss-Dobronyi in Hungary between March 27 and April 8, 2020, 73% of the interviewed employees had been asked to work from home for a period. More than 80% of the respondents worked at home for some rate at the time of completing the questionnaire, the first week of April. According to a survey by Ipsos, in March 2020, the proportion of people with high level education was the highest among those working in the home office (58%), while the proportion of those with no more than a secondary education was approximately 24%. [Statista, 2020c] Working from home is typical primarily in Budapest (63%) [Népszava, 2020]

Although different surveys show different results, in the first phase of the coronavirus pandemic (March-April 2020), the telework rate in Hungary was presumably not significantly lower than in other European countries. In Finland, 76% of employees mostly worked from home in April 2020. [Statista, 2020d] According to the survey by Kanter Gallup, in March 2020, 49% of respondents worked in a home office in Norway. 8% of employees had access to a home office, nevertheless preferred to go to work, and 21% did not have the opportunity to work from home. [Statista, 2020e] In Poland, the rate of employees who were going to work was only 7%. 56% had access to home-office opportunities. 37% of respondents did not work or did not have the opportunity to work. [Statista, 2020f] In Austria, in April 2020, the proportion of people working in the home-office was 45%. [Statista, 2020g] In Denmark, the proportion of people working from home was highest in the capital (41%), while in the northern region it was only 16%. [Statista, 2020h]

As the nature of the job can limit the applicability of teleworking, our research has focused on one area (the IT sector) where the majority of jobs have the technical potential for teleworking. First, we reviewed job offers in the IT programming and development sector during February-May 2020. In the second phase, we contacted IT professionals who already had telecommuting experience before the coronavirus pandemic and whose opinions could also contribute to a healthy balance of introducing telework after the virus situation.

## **DIFFERENCES BETWEEN COUNTRIES AND REGIONS**

Many authors have studied the differences in the employment rate of atypical work in different regions. On the one hand, the reason for the differences can be that the governments' unique welfare state regimes, political, legal and economic institutions are decisive. On the other hand, cultural factors have a very important role as well. Masuda et al. 2012, found significant differences in the managerial attitude between the individualistic (i.e. Anglo) countries and the collectivistic (i.e. Asian and Latin American) countries. While the managers in the Anglo cluster were satisfied with the offered flexible work arrangements, the managers in Asian countries could interpret the availability of telework as a lower commitment to the employer.

According to the Hofstede dimensions, Hungary, like the Netherlands, belongs to individualistic societies, so the individualist-collectivist difference does not explain the lower rate of atypical work in Hungary. In comparison between Hungary and the Netherlands, the biggest difference is in "masculinity". Societies with a feminine feature have higher rates of

atypical forms of employment. Another characteristic is that “uncertainty avoidance” is very typical in Hungary, which can be an obstacle to the widespread use of telework.

### **ADVANTAGES OF TELEWORKING**

Telecommuting can have a positive impact on the work-life balance, increases job autonomy, means flexible working hours, reduces or eliminates the commuting time, reduces environmental costs. The earlier studies showed that the availability of flexible work arrangements is positively related to job satisfaction. If the employees are satisfied and committed to the employer, the lower absentee rates, the increased retention will reduce the employment-related costs. It can have positive outcomes such as improved productivity, organizational loyalty and belonging, job satisfaction, and employee retention and attraction. Using telework, employers can recruit people who chose to live outside major urban centers. (Literature review see Masuda et al. 2012, Hunton – Norman, 2010, Baukeym – Kurland, 2002)

The coronavirus pandemic had a major impact on telework trends. The results of the recent researches illustrate these changes well. According to a survey by Holst in the spring of 2020, the most important advantage of teleworking was flexibility, both in the organization of work (32%) and at the place of work (26%). Another advantage is that they do not have to commute (21%), they can spend more time with family (11%). Only 7% considered the possibility of working from home important. In a survey in the UK in the spring of 2020, 73% of respondents said they could work more efficiently at home. [Statista, 2020i] The Romanian Institute for Analysis and Strategy (Institutul Român Pentru Evaluare și Strategie) also achieved a similar result. According to their survey, 80% of respondents rated their work at home as effective. [Statista, 2020j]

### **DISADVANTAGES OF TELEWORKING**

Gajendran and Harrison (2007) showed a negative relationship between telecommuting and the quality of co-worker relationships. Isolation can reduce the ability of both the managers and the employees to coordinate work and act as a team in telework settings. The MSPB (2011) survey [see Mahler, 2012] pointed out that telework could hinder teamwork, collaboration and interpersonal relations. As telework is generally viewed as a positive work benefit by employees, not being allowed to telework may be perceived as inequitable treatment. This may lead to diminished levels of satisfaction and a lower level of desire to remain in the organization. Dahlstrom (2013) emphasized the importance of fairness, how the employees perceive and evaluate the system. Hunton – Norman (2010) pointed out that however, the most popular telework strategy among the employees was working exclusively at home, this type did not improve organizational commitment relative to a control group. The study found that the organizational commitment was significantly higher when employees were allowed to choose between working at home or in the downtown office.

In the Danish survey of more than 1,000 people at the end of March 2020, the biggest problem was the lack of contact with colleagues (48.5%). This factor was followed by dealing with the child (10.4%), while only 4.6% lacked direct control by the leader. [Statista, 2020k] Finding a balance between dealing with children and working was also a problem in the Romanian survey, affecting at least a third of the respondents. [Statista, 2020j] A survey in the UK found that 67% of respondents felt they worked more at home, and 25% complained that work penetrated

their personal life. [Statista, 2020i] Problems revealed in Holts' (2020) survey are the difficulty of collaborative communication (20%), the feeling of loneliness (20%), the inability to stop work (18%), work disruptive to home life (12%), due to different time zones problems (10%), maintaining motivation (7%), taking a break (5%), reliable wifi (3%).

## WITH A FOCUS ON THE IT SECTOR

At the start of the research (February 20, 2020) less than 4% of the vacancies were part-time jobs (in line with OECD statistics) and the proportion of the advertised telework jobs was 0.2% at profession.hu, which is Hungary's largest recruiting portal. Since teleworking cannot be applied to all positions, we chose a special area, the IT programming and development sector for a deeper analysis. Only 0,4% of job ads were part-time jobs and telework in this sector.

During February and April 2020, we contacted nine IT specialists, who had significant experience in teleworking. They were 48 years of age on average.

In the meantime, the coronavirus disease has become a pandemic and the government has introduced serious measures. As a result of the economic stagnation, on 10 April 2020, the number of job vacancies advertised on profession.hu fell by 60% compared to 20 February. The proportion of vacancies advertised in telework increased ninefold, to 4% of all job advertisements. After 10 April 2020, the number of vacancies started to increase, while at the same time, there was a decrease in telework jobs, so on 31 May 2020, the proportion of telework jobs was only 1%. It was higher than the 0,2% rate before the pandemic, but it did not remain at the high value of 4%.

There was a 33% decrease in the number of job advertisements in the IT programming and development sector. The number of advertised telework jobs became fifteen times higher, accounting for 9.9% of all jobs, which is a significant increase from the previous 0.4%. This rate had already dropped back to 2.5% by May 31, 2020, which was partly because the number of telework jobs started to decrease after April 10.

The consultations with IT professionals confirmed the conclusions of the statistics and previous surveys. Flexible working hours were available more than half of the workplaces, but part-time work was very infrequent in Hungary. The opportunity for telework was already available in many IT jobs before the coronavirus epidemic, but the workers typically spent only one day a week or a few days a month telecommuting. Only one respondent worked telecommuting every working day of the week. The very low rate of telework in job advertisements does not mean that it was not used by companies in the IT field but that a particular job was not advertised as a teleworking position, even if some teleworking possibility was later provided. Because of the restrictions, many employees have been forced to work in a home office. Based on the experience gained in the state of emergency, we also extended our investigation to future possibilities and suggestions.

Before the state of emergency, the biggest considered benefits of telecommuting were saving time spent on commuting, flexible working hours, the possibility of in-depth work, and work-life balance. The lack of direct collegial connections was seen as the biggest disadvantage of telecommuting. The other challenge was that time spent on work was difficult to separate from time spent on other at-home activities. The interviewed experts said that there was no problem with performance evaluation in this area. Because employee activity is not always directly visible, this increases the required reporting frequency. In the field of software development, using a task

management system (e.g. JIRA), performance can be measured and tracked in the same way as in the workplace. For an experienced colleague, performance monitoring in case of telework can work well. To train or integrate a new employee is much more difficult in case of telework.

According to the experts interviewed, in most cases, due to the nature of the work, telework was not used. The other reason was the managerial attitude: managers were distrustful of telework. According to one of our interviewees, “The company doesn’t feel like dealing with this. If a company had made an out effort, it would have worked smoothly.”

Following the declaration of the state of emergency in April 2020, all of the experts interviewed worked in a home office. The frequency was every workday of the week in six cases, several days a week in three cases. As the respondents had already worked in telework, the telework system had been developed by their employer. A substantial increase in the proportion of telework was the only new condition. “Forced telecommuting” was tolerated relatively well after the initial shock but they missed the company of their colleagues. They kept in touch with their peers on a regular, daily basis via email and phone. Video conferencing was used with varying frequency. Teams, Slack, Skype programs were also used as communication channels. In the horizontal working relationship, the frequency of communication was considered adequate. Communication also covered personal areas.

The frequency of vertical communication was generally considered sufficient. The communication between the subordinate and the supervisor was generally assessed as good, it was a two-way communication, it contained positive feedback about the results achieved so far. The weakest area (though not everywhere) is that vertical communication did not include any personal information. Performance evaluation during telework was considered good. But it is more difficult to assess whether constructive criticisms have been properly received by the other party. There was no check of compliance with working hours in seven cases. There was a reporting system in one case, and in one case, the employer used a computer program. Working in a home office made a positive contribution to work-life balance. The biggest challenge remains the separation of time spent on work and at-home activities.

All respondents agreed that the current “forced teleworking” will help increase the rate of teleworking in the long run. Everyone believes that teleworking should be available to everyone where the job allows. An interesting result of the survey is that although everyone teleworked before and during the coronavirus epidemic and they had fundamentally good experience with telecommuting, workers would like to telecommute to different degrees in the future. Although all of the respondents have the opportunity to work remotely and no one has a problem with telecommuting, we cannot talk about large cultural differences since everyone has a different future preference for telecommuting.

One of the main obstacles to the future spread of telework is the managerial attitude, the mistrust. Where teleworking is possible, the challenge is what system they can set up. According to the interviewed professionals, the critical elements are the well-defined tasks with deadlines, two-way communication, creating an atmosphere of trust, objective performance measurement, proper feedback and clear regulation. Respondents did not consider continuous control to be so crucial.

## CONCLUSIONS

Despite the advantages of teleworking, the application rate was very low in Hungary before

March 2020, lower than the EU average. One of the main obstacles to the spread of telework was the managerial mistrust. The coronavirus pandemic had a major impact on telework trends. In the first phase of the coronavirus epidemic (March-April 2020), the telework rate in Hungary was presumably not significantly lower than in other European countries.

The consultation with IT professionals confirmed that part-time work was very rare, telework was available in many IT jobs, but the workers typically spent only a few days a month in telecommuting so this opportunity did not appear in job advertisements. The lack of direct collegial connections was considered the biggest disadvantage of telecommuting before and during the pandemic. Another challenge was the separation of time spent on work from at-home activities. All respondents agreed that the present “forced teleworking” will increase the rate of teleworking in the long run because the parties can eliminate the main obstacles to the spread of telework. The managerial attitude will change. Although everybody had a positive experience with teleworking, their preferences about the future are very different. It is important to note that different jobs can be performed as telework to a different extent. On the other hand, employees would like to use telework to a different extent. When designing any system, it is important to make sure if employees consider the system fair.

## REFERENCES

- Bakonyi, Z. – Kiss-Dobronyi, B. (2020): “A COVID-19 járvány hatása a munkavégzésre Gyorsjelentés I.” [http://tavmunka-kutatas.hu/assets/files/gyorsjelentes\\_0420\\_v1.pdf](http://tavmunka-kutatas.hu/assets/files/gyorsjelentes_0420_v1.pdf) Accessed: 28.05.2020.
- Baukeym, D. E. – Kurland, N. B. (2002): “A review of telework research: findings, new directions, and lessons for the study of modern work” *Journal of Organizational Behavior* 23, 383-400 (2002)
- Dahlstrom, T. R. (2013): “Telecommuting and leadership style.” *Public Personnel Management* 42(3) 438-451
- Gajendran, R.S. – Harrison, D.A. (2007). “The good, the bad and the unknown about telecommuting: Meta-analysis of psychological mediators and individual consequences.” *Journal of Applied Psychology*, 92, 1524–1541.
- Holst, A. (2020a): “Benefits to working remotely 2020” <https://www.statista.com/statistics/1111309/biggest-benefits-to-working-remotely/> Accessed: 04.06.2020.
- Holst, A. (2020b): “Struggles with working remotely 2020” <https://www.statista.com/statistics/1111316/biggest-struggles-to-remote-work/> Accessed: 04.06.2020.
- Hunton, J. E., Norman, C. S. (2010): “The Impact of Alternative Telework Arrangements on Organizational Commitment: Insights from a Longitudinal Field Experiment.” *JOURNAL OF INFORMATION SYSTEMS* Vol. 24, No.1 Spring 2010 pp. 67–90
- Mahler, J. (2012): “The Telework Divide: Managerial and Personnel Challenges of Telework” *Review of Public Personnel Administration* 32(4) 407 –418
- Masuda et. al. (2012): “Flexible Work Arrangements Availability and their Relationship with Work-to-Family Conflict, Job Satisfaction, and Turnover Intentions: A Comparison of Three Country Clusters” *APPLIED PSYCHOLOGY: AN INTERNATIONAL REVIEW*, 2012, 61 (1), 1–29

- Népszava (2020): “*Ipsos: Főleg Budapesten jellemző az otthoni munkavégzés.*” [https://nepszava.hu/3077122\\_ipsos-foleg-budapesten-jellemzo-az-otthoni-munkavegzes](https://nepszava.hu/3077122_ipsos-foleg-budapesten-jellemzo-az-otthoni-munkavegzes) Accessed: 04.06.2020.
- OECD (2018): “*Part-time employment rate*” <https://data.oecd.org/emp/part-time-employment-rate.htm> Accessed: 04.04.2020.
- Statista (2020a): “*Share of employed people aged between 15 to 64 that sometimes or usually work from home in selected European countries in 2018.*” <https://www.statista.com/statistics/879251/employees-teleworking-in-the-eu/> Accessed: 04.06.2020.
- Statista (2020b): “*Share of Hungarians working from home in 2019, by type of employment*” <https://www.statista.com/statistics/1112947/hungary-share-of-people-working-from-home/> Accessed: 04.06.2020.
- Statista (2020c): “*Share of Hungarians working from home due to COVID-19 2020, by education level*” <https://www.statista.com/statistics/1106454/hungary-share-of-people-working-from-home-due-to-coronavirus/> Accessed: 04.06.2020.
- Statista (2020d): “*Share of people in Finland working from home due to the COVID-19 outbreak 2020*” <https://www.statista.com/statistics/1105777/share-of-people-working-from-home-due-to-the-coronavirus-pandemic-finland/> Accessed: 04.06.2020.
- Statista (2020e): “*Working from home during the COVID-19 pandemic in Norway 2020*” <https://www.statista.com/statistics/1107292/working-from-home-during-the-covid-19-pandemic-in-norway/> Accessed: 04.06.2020.
- Statista (2020f): “*Share of people working remotely from home during COVID-19 outbreak in Poland 2020*” <https://www.statista.com/statistics/1106996/poland-people-working-remotely-during-covid-19-outbreak/> Accessed: 04.06.2020.
- Statista (2020g): “*Working from home during the coronavirus (COVID-19) in Austria in 2020*” <https://www.statista.com/statistics/1116599/coronavirus-covid-19-home-office-austria/> Accessed: 04.06.2020.
- Statista (2020h): “*Share of people working from home due to the coronavirus in Denmark in 2020, by region*” <https://www.statista.com/statistics/1109824/share-of-people-working-from-home-due-to-the-coronavirus-in-denmark/> Accessed: 04.06.2020.
- Statista (2020i): “*Impact of working from home on the work-life balance of marketers during the coronavirus pandemic in the United Kingdom (UK) in 2020*” <https://www.statista.com/statistics/1104762/coronavirus-home-office-and-work-life-balance-of-uk-marketers/> Accessed: 04.06.2020.
- Statista (2020j): “*Perceptions of home office during the COVID-19 pandemic in Romania 2020*” <https://www.statista.com/statistics/1116390/romania-home-office-during-covid-19-in-romania/> Accessed: 04.06.2020.
- Statista (2020k): “*Challenges with working from home during the coronavirus pandemic in Denmark 2020*” <https://www.statista.com/statistics/1110727/challenges-with-working-from-home-during-the-coronavirus-pandemic-in-denmark/> Accessed: 04.06.2020.
- Statista (2020l): “*Working from home after the coronavirus (COVID-19) pandemic in Poland 2020*” <https://www.statista.com/statistics/1122029/poland-working-from-home-after-the-covid-19-pandemic/> Accessed: 04.06.2020.