Remote Work and Socialization

By Dr. Adam Ozimek

Vaccine rollout is underway in the U.S., causing many to question its effect on remote work. As part of this conversation, some have questioned the impact remote work has had on professionals, specifically as it relates to socialization. Does remote work limit people's opportunities to socialize and does this impact businesses?

We conducted two surveys to shed light on this question, one of 1,000 Upwork remote freelancers—since they're remote work experts—and another of 1,000 individuals who will be working remotely after COVID-19. Using these results and various other data sources, we illustrate where people plan to work after the pandemic and better understand how remote work and working in the office affect socialization.

Key Findings:

- Remote work critics consistently make the error of conflating the effects of the
 pandemic with the effects on remote work: Our analysis shows that it is inaccurate to
 say that the move to remote work will result in a reduction in socialization for everyone.
 In actuality, the shift to remote increases the amount of control that people have over
 their level of social interaction.
- Remote work doesn't only mean working from home: Among Upwork freelancers who were remote prior to the pandemic, 37.1% worked somewhere outside the home.
- Post-pandemic remote will look different: 22% of those planning on working remotely permanently will work outside the home (like a coffee shop, co-working space, or public park) in a post-pandemic world.
- Coffee shops and co-working spaces top the list of places that professionals plan to work from: Of those that plan to work outside of their homes, 26% are planning to work in co-working spaces and another 24% plan to work in a coffee shop, restaurant, or cafe.
- Remote work offers opportunities for socializing beyond the office: Remote professionals, on average, would have an additional 4 hours and 15 minutes per week, without a commute, to spend with family or friends.
- Socialization in the office is not always positive: While socialization has benefits for individuals and businesses, it can also lead to favoritsm and discrimination, which is largely beneficial for men in the workplace.

Socializing and Work Among Remote Freelancers

Over the past year, remote work critics consistently make the error of conflating the effects of the pandemic with the effects of remote work. This error is evident in the discussion around socializing, where remote workers are limited in their choices in both workplace and their personal life by social distancing and lockdowns. Data from <u>Gallup shows</u> that as of March, nearly half of Americans are still avoiding public places and small gatherings.

Since social distancing involves avoiding public places and close contact with others, the 33% of Americans who are working remotely today are likely working from their homes. It is this working from home experience over the past year that creates the impression that remote work means social isolation. However, this will not always be the case. When the pandemic ends, working remotely does not necessarily mean working at home.

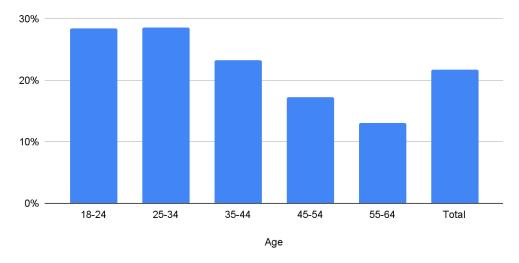
Without social distancing, remote workers will have the freedom to decide where they prefer to work – whether it be at home, a coffee shop, or a coworking space. When looking at Upwork freelancers who were remote before the pandemic, we can see the various places that 37.1% of them worked from beyond their homes.

For these remote freelancers, remote work did not mean isolation, but rather, the benefit of choice. And when given the option of where to work, some choose to be at home, others choose more public and social spaces, and some choose a mix.

Post-Pandemic Remote Work

Although habits of remote freelancers before social distancing measures can provide some indication of where people will work, we can also look at the results of a Google Consumer survey of 1,000 people who believe they will be mostly working remotely after the pandemic. Altogether, we find that **22% of those planning on working remotely will work outside the home**. For those under age 35, who are least likely to have family in the house to socialize with during the day, this rises to 29%.

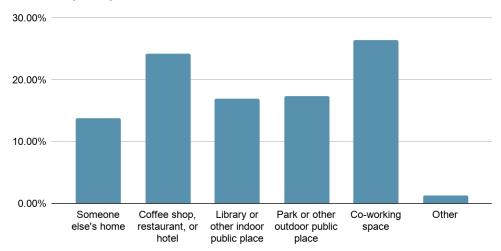
Percent planning on remote working anywhere outside of the home



We also asked where people are currently working outside of their homes, and where they plan to work from in the future. Across the board, we can see that the percent who are planning on working in various non-home options is expected to increase.

In most cases, the percent of participants planning on working in various non-home options, like someone else's home or a coffee shop, will be double or more. Importantly, many of these remote working locations present a lot of opportunities to socialize. For example, the most popular category for working outside the home is a coffee shop, restaurant, or hotel, with 8% planning on working there "somewhat" post pandemic. The second most popular category is a co-working space, at 8%. These places are bustling with socialization.

Where remote workers are planning on working outside of their homes, post pandemic



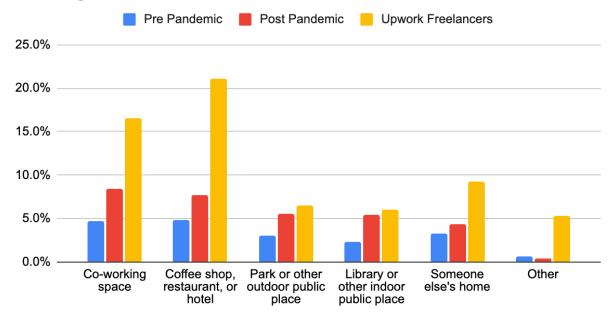
Since remote work is new for many and has been imposed under strict and extraordinary circumstances, it is likely that there are also factors that are not captured in the survey.

Yet it's probable that the current first-time remote workers are unaware of all of the options for remote working in their area as they have spent their first year remote working while locked down and social distancing. So with more experience and pandemic restrictions lifting, it's likely that these newer remote workers will discover more options.

To see how experienced remote workers do it, it is useful to consider the experiences of freelancers on Upwork. Freelancers always tend to be more remote, and those working on Upwork pre-pandemic are experienced remote workers with the flexibility to work wherever they want. As a result, our survey of 1,000 Upwork freelancers shows that they are more likely to utilize every type of work space outside of the home. The most common is a coffee shop, restaurant, or hotel, where 21.1% of remote freelancers worked sometimes before the pandemic. The next most common is co-working space, where 16.6% worked pre-pandemic.

The biggest gap is in the "other" category, which reflects the truly wide variety of choice that people have when they are remote freelancers. Answers for this free text option ranged from private offices, to traveling around the world, to "On a beach surrounded by coconuts." Perhaps more than any other, these "other" answers illustrate the freedom of remote working that is in stark contrast to being stuck working from home alone with no socialization.

Other than their homes, where remote workers are planning on working



Moreover, it is not just demand for remote working spaces that will grow over time, but supply: with one in five workers expected to be fully remote permanently and then more working remotely part-time, the market for remote work locations will increase by several times. Already, patent data shows that greater remote work is translating to more innovation in remote work technologies. Co-working will almost surely respond to this demand as well, making the choices for remote workers post-pandemic much more vast than the choices pre-pandemic.

Indeed, brand new ways to work remotely are likely to arise. For example, when remote work was much more scarce, individuals would be relatively unlikely to have close friends to co-work with. Post-pandemic, the average social circle is likely to contain multiple remote workers, who can choose to co-work together at each other's houses. The 4% reportedly planning on working at someone else's house hint at these possibilities.

Thus, as more choices and variety in remote working locations arise, we predict that a greater share than is reported in our survey are likely to find options that best fit their work style and preference, with many of these options being outside of the home and in more social settings.

Overall, this survey data proves that it is inaccurate to say that the move to remote work will result in a reduction in socialization for everyone. In actuality, the shift to remote is an increase in the amount of control that people have over their level of social interaction. For some, this will mean less socialization than in a typical office environment. But for others, it will mean more socialization, or socialization with friends instead of coworkers. Those who prefer to surround themselves with people will have options to choose where and when they work from, whether

that be a coffee shop or a friend's home. And with one in five workers going remote permanently, the options of remote work spaces will increase significantly.

Socializing Outside of Work

Another aspect of socializing that critics ignore is non-work socialization. Data from <u>BLS</u> <u>research</u> before the pandemic shows that people who work from home spend 5 more hours a day alone than otherwise similar office workers. However, this alone time comes with social benefits. Fathers who work from home spend almost 2 hours more with their kids, and mothers spend about an hour and a half more with their family.

More time with family is extremely important for some. Indeed, before remote work, most would have regarded less time with coworkers and more time with family as an unalloyed social positive. In a 2019 article, *The Atlantic*'s Derek Thompson wrote that "On a deeper level, Americans have forgotten an old-fashioned goal of working: It's about buying free time. The vast majority of workers are happier when they spend more hours with family, friends, and partners...." Understandably, during the pandemic many are hungry for socialization outside the immediate family; however, this should not color how we view this long-run change.

The end of long commutes will be another factor that increases non-work socialization. A <u>recent study</u> found that those who are working remotely due to COVID save 49.6 minutes a day without a commute. This not only gives people more time in their life to spend with others, but it also creates more reliability in their work schedule. No commute will give more ability to meet friends and family, because people will be able to make more concrete dinner plans, for example, without the uncertainty of their commute time home.

Socializing in the Office is Not All Positive

Finally, it is worth raising a more speculative benefit of less socializing with coworkers. While socializing surely builds team cohesion and is valuable to the firm and workers in some ways, there can also be downsides. These downsides can range from slightly reduced productivity to inadvertent favoritism and even discriminatory practices.

An unexpected positive of remote work is that 44% reported fewer distractions during the day, according to our <u>survey of hiring managers</u>. One person's ability to pop into someone else's office for a quick chat is another person's interruption from concentration. The ability to concentrate better is one likely reason why productivity goes up when workers go remote.

Among the most serious downsides is the potential that socializing can contribute to workplace discrimination. Social interactions with managers can lead to a greater likelihood of promotions and raises, which risks perpetuating discrimination. A growing body of literature presents some evidence of this in the form of the so-called "old boys' club hypothesis". Under this theory, gender-bias in socialization means that men are more likely to socialize with other men, who are more likely to be in leadership positions and thus reward those in their social network with

promotions and raises. One <u>recent study</u> found that men are more likely to be promoted when they have male managers, that socialization is the driving cause of this, and that this increases the gender pay gap by 40%. While some may intuitively feel that working from home causes them to be less likely to get ahead at the office, some of these same workplace situations can contribute to exclusionary and discriminatory schmoozing.

Alternatively, remote work focuses attention and recognition on the quality and merit of the work being done. It removes some of the barriers that work against people in the workplace, and instead allows them to showcase their skills and expertise through their work. This focus on talent has been a core part of Upwork and allows individuals to grow their businesses without ever going into an office.

Conclusions

Overall, the post pandemic work environment and workday will look different for many professionals. Remote professionals will have greater control and the ability to decide when, how, and with whom they socialize during a given work week. They will have the opportunity to choose locations, whether in the home or out of it, that best suit how they want to work. At the same time, this shift to remote could also help reduce some of the unintended negative consequences that can occur with office socialization; it has the potential to put professionals on more equal footing and provide them with more control and flexibility in their lives.