

Benefits of telecommuting greater for some workers, study finds

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A new study from University of Illinois business professor Ravi S. Gajendran says telecommuting is positively associated with improvement in two important employee measures: task-based performance and organizational citizenship behavior. Credit: Photo courtesy University of Illinois College of Business A new study from University of Illinois business professor Ravi S. Gajendran says telecommuting is positively associated with improvement in two important employee measures: task-based performance and organizational citizenship behavior. Credit: L. Brian Stauffer



Even in a hyperconnected world where laptops, phones, tablets and now even wristwatches are tethered to the Internet 24/7, employers are still wary about the performance and social costs imposed by employees who work remotely.

But a new study by a University of Illinois business professor says telecommuting yields positive effects for two important measures of <u>employee performance</u>, and it can even produce very strong positive effects under certain circumstances for some employees.

According to Ravi S. Gajendran, a professor of business administration at Illinois, telecommuting is positively associated with improvements in task- and context-based performance, which refers to an employee's organizational citizenship behavior, including their contributions toward creating a positive, cooperative and friendly work environment.

"After Yahoo changed its telecommuting policy, this question of, 'Is telecommuting good for performance?' came to the fore," he said. "At the time, there was a lot of debate about it, but there was very little evidence available. Well, now we have some evidence that says telecommuters are good performers as well as good co-workers on the job."

To perform the study, Gajendran and co-authors David A. Harrison of the University of Texas at Austin and Kelly Delaney-Klinger of the University of Wisconsin at Whitewater developed a theoretical framework linking telecommuting to employee performance. They analyzed field data from 323 employees and 143 matched supervisors across a variety of organizations.

Their findings should quell any concerns from upper-level management about the coveted work arrangement, Gajendran said.



"Although we found that telecommuting's positive effect was modest, even a small positive effect is a big deal, because a lot of employers assume the worst with working remotely," Gajendran said. "Even if there were no effect at all – if the study found that telecommuting essentially did no harm, that it's no different than being in the office – that in and of itself would be a finding."

According to the study, telecommuters want to be seen as "good citizens" of the company in order to justify their flexible work arrangements.

"They feel compelled to go above and beyond to make their work presence more visible, to make themselves known as assets," Gajendran said. "In fact, they almost overcompensate by being extra helpful, because they know in the back of their minds that their special arrangement could easily go away. So they give a little extra back to the organization."

The extra effort could also be a genuine show of appreciation, Gajendran said.

"Their thinking could be, 'My boss is giving me something special, I've got to reciprocate and give a little back,' " he said. "Our data doesn't tease that apart, but I imagine it's possible. If you're working remotely, you don't want your co-workers to resent that arrangement. You want them to continue to think you're helpful. You don't want to be 'out of sight, out of mind.'"

The study also found that allowing a worker who has a good relationship with their boss to telecommute doesn't necessarily move the needle much in job performance.

"It doesn't hurt performance; it remains the same," Gajendran said. "It's



essentially flat. For those workers, it's status quo."

But if a worker doesn't have a great relationship with their boss, it turns out that telecommuting actually works to improve their performance.

"When the employee-employer relationship is strained, and then the boss says, 'OK, I'm going to allow you to work from home,' it improves the employee's performance, possibly because they feel more beholden toward their boss," he said.

By contrast, if an employee has a great relationship with their boss, and their boss then gives them the option to telecommute, "it's just one more perquisite for a star employee," Gajendran said.

"But for someone who doesn't have the greatest relationship with their supervisor, getting this special work arrangement is significant," he said. "The employee is motivated to give back and work harder to ensure that arrangement doesn't get taken away. So their performance actually gets better."

Gajendran has previously studied the employer-employee relationship through the lens of "leader-member exchange," which involves cultivating trust, loyalty, developmental feedback and support between a team leader and a team member.

Although it is more likely that managers would extend telecommuting privileges only to subordinates who rank high on the "leader-member exchange" (LMX) scale, telecommuting is likely to enhance the task and contextual performance of subordinates who rank low on the scale.

"It seems like a no-brainer that supervisors should grant telecommuting privileges to high LMX employees, to those who managers and supervisors trust and believe worthy of receiving special privileges," he



said. "But in light of evidence from our study, which suggests that telecommuting has an even greater positive effect on employees who don't have the greatest relationship with their supervisors, eligibility policies may need to be rethought to ensure that low LMX employees also have the opportunity to access virtual work arrangements."

The other question the researchers considered when workers are allowed to telecommute is what happens to an employee's "contextual performance," also known as their organizational citizenship behavior, which encompasses everything from being a cooperative, helpful and considerate colleague as well as being a dedicated employee who works hard, takes initiative and follows organizational rules.

The researchers found that, under some circumstances, telecommuting can actually enhance that aspect of work.

"Apart from doing your job well, citizenship behavior is, 'Are you helpful to others? Are you a dedicated member of the organization? Are you committed?' " Gajendran said. "All of those things are more difficult to demonstrate if you're a telecommuter. But our research shows that telecommuting has positive effects not only for an employee's task-based performance, but also for their contextual performance in the work environment itself."

Although relatively widespread, telecommuting isn't the norm in most workplaces, nor is it a perk that's automatically granted to standout employees.

"An employee not only has to ask for it, they also have to be approved for it, so that whole process makes it seem special," Gajendran said. "And when an employee is allowed to telecommute, they feel a debt of gratitude to the organization."



But does it matter if everyone is getting the special treatment or if only a select few are allowed to telecommute?

"It turns out that if everyone is getting it, then it's seen as less special, and enthusiasm about it wanes," Gajendran said. "The employee sees it as a normal part of work life, so they don't think it's necessary to go above and beyond to justify it. But if it's a perk that's only given to a select group of people, then they think, 'Hey, this is a big deal.' The freedom and autonomy that comes with it becomes valued, and that's more motivating, which drives up performance and thereby makes the employee a better organizational citizen."

Gajendran cautions that the research does not weigh in on who and what type of business should allow telecommuting.

"We're merely trying to say it all depends on the context in which it unfolds, and certain circumstances more than others dictate when it would be beneficial," he said.

The study will appear in the journal Personnel Psychology.

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