

Anticipating and managing the impact of change  
**The future of telework and hybrid work**





# The future of telework and hybrid work



**When citing this report, please use the following wording:**

Eurofound (2023), *The future of telework and hybrid work*, Publications Office of the European Union, Luxembourg.

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**Contributors:** Eurofound would like to thank the participants in all three workshops for their contributions and comments, and Matti Vartiainen (Aalto University) for his comments on the report.

**Acknowledgements:** Cornelia Daheim and Jessica Prendergast of Future Impacts provided support in relation to the foresight methodology and the workshops.

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**Luxembourg:** Publications Office of the European Union, 2023

**Print:** ISBN 978-92-897-2320-6      doi:10.2806/977006      TJ-05-23-087-EN-C

**PDF:** ISBN 978-92-897-2319-0      doi:10.2806/234429      TJ-05-23-087-EN-N

This report and any associated materials are available online at <https://eurofound.link/ef22028>

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# Contents

	<b>Executive summary</b>	<b>1</b>
	<b>Introduction</b>	<b>3</b>
	Defining telework and hybrid work	3
	Need for a foresight study on telework	3
	New hybrid models following COVID-19	8
	Aims of the report	9
<b>1.</b>	<b>Foresight approach</b>	<b>11</b>
	Methodology	11
	Limitations of the study	12
<b>2.</b>	<b>Four scenarios</b>	<b>13</b>
	Introduction	13
	Overview of the four scenarios	13
	Scenario 1: Telework and hybrid work in an equitable world of work	15
	Scenario 2: Surging and selective telework and hybrid work	17
	Scenario 3: Shrinking and polarised telework and hybrid work	19
	Scenario 4: Disengaging from telework and hybrid work in a turbulent world	21
<b>3.</b>	<b>Potential implications of the scenarios</b>	<b>23</b>
	Job quality	23
	Organisational practices	24
	Health and well-being	26
<b>4.</b>	<b>Cross-cutting issues</b>	<b>27</b>
	Ensuring fairness in the workplace	27
	Reviewing organisational practices and enabling autonomy	27
	Developing line managers' skills	28
	Streamlining regulatory arrangements and enforcing rules	30
	Guaranteeing job quality	31
	Ensuring the voice of employees is heard	32
	Other issues	33
<b>5.</b>	<b>Conclusions</b>	<b>35</b>
	Policy pointers	37
	<b>References</b>	<b>41</b>
	<b>Annex: Methodology</b>	<b>45</b>



# Executive summary

## Introduction

Telework is not new, but before the pandemic who would have predicted that 48% of employees would be working from home in July 2020 (Eurofound's *Living, working and COVID-19* e-survey)? Of course, these circumstances were extraordinary, but two years later a significant share of employees in the EU were still engaged in hybrid forms of work. While companies continue to experiment, there is uncertainty about how this mode of work will develop and whether policy action is required. Using a foresight approach, this report presents four scenarios to stimulate dialogue on various key issues, such as job quality, organisational practices and workers health and wellbeing.

## Policy context

The pandemic triggered revisions to national-level regulations to address challenges and uncertainties around telework. While the 2002 EU social partners' Framework Agreement on Telework already covered many aspects, national initiatives introduced during the COVID-19 pandemic provided more clarity and better protection for those implementing and making use of telework arrangements. Furthermore, in its 2021 conclusions on telework, the Council of the European Union invited social partners to better address the challenges and opportunities of telework. EU social partners have agreed to negotiate an update to the 2002 Framework Agreement on Telework.

## Key findings

The four scenarios presented in this report outline the alternative directions that telework and hybrid work might take under different conditions. Some of these conditions may be under the control of policymakers and organisations, while others, such as external events and crises, are not. Foresight analysis can help policymakers ensure that the necessary conditions are introduced now so that this form of work develops to suit the needs of organisations and employees in the future.

The expansion of telework and hybrid work raises issues regarding how they are implemented and who has access to them (for example, some groups of employees have access to telework while others do not). Ensuring fairness in the workplace is vital. The division between those who can and cannot work remotely may become a new source of inequality. Without careful planning, changing work arrangements may disrupt workplace dynamics and accentuate gender imbalances.

When an organisation introduces or expands hybrid work or telework, a review of organisational practices is required, with employees' tasks being redesigned if necessary. Managers need to consider which tasks can be performed remotely, and teams should agree on tasks to be done synchronously (with the team working at the same time) and asynchronously (with team members working at different times). It is essential to ensure that hybrid teams have work autonomy.

Success is not guaranteed when transitioning to telework and hybrid work; line managers play a critical role. Their skills need to be upgraded with a focus on managing work autonomy and dispersed teams, ensuring good communication, safeguarding employees' well-being and organisational learning, and responding to crises.

Given the patchwork of regulations, there are concerns about how telework and hybrid work are regulated. Issues relating to the frequency of telework, cross-border telework, employee monitoring and gender equality must be properly addressed. National debates have progressed recently – for instance, on the right to request telework and the right to disconnect – indicating the need for minimum standards at EU level to ensure a level playing field.

Physical and psychosocial risks, monitoring working time and work-life balance are some of the job quality challenges posed by the expansion of telework. When implementing arrangements, managers, employees and their representatives, as well as regulators, should be aware of the risks of blurring the lines between paid and unpaid work and between work and private life.

In designing telework and hybrid work arrangements, companies benefit from consulting with employees. There are multiple ways in which these work arrangements are implemented, for instance one employee works two days from home while another works all afternoons in the office, and their appeal varies among different groups of employees. Employees with different sociodemographic characteristics, care responsibilities, types of contract, levels of seniority and so on, may have different preferences. Some companies allow individual teams to make their own decisions about such arrangements, while others have company agreements.

## Policy pointers

- **Supporting organisations to implement telework and hybrid work arrangements that are beneficial to businesses and employees:** Initiatives by employer organisations, in cooperation with training providers, could support organisational practices that promote work autonomy, cater for the workforce's diversity and preferences, and take into account job quality. In addition, organisations would benefit from re-examining their health and safety risk assessment practices, including in relation to psychosocial risks. They should also seek to create a culture of trust. Attention should be paid to advanced technologies, such as holograms, the internet of things and digital twins, that could affect the remote management of tasks in the future.
- **Training line managers:** Organisations should invest in training to ensure that line managers are well equipped to manage hybrid work. Training strategies could include guidelines on topics such as communication, fairness and inclusion, and recommendations on, for example, operational efficiency and promoting employee engagement in hybrid environments.
- **Reflecting on policies and regulation:** Policymakers at national level could consider appropriate ways of setting minimum standards regarding, for example, the right to disconnect, equipment costs, communication, energy costs, health and safety, mental health, and equal treatment of teleworkers and those working only at the employer's premises. These standards could be shaped with the support of social partners.
- **Social dialogue at national level:** Given the uncertainty around how the situation will develop, national-level social partners may prefer to regulate some aspects through collective agreements. These include health and safety, working time, the right to disconnect, surveillance and dispute resolution processes. There should be ample opportunities to set standards at sectoral level and norms of conduct at company level.
- **Social dialogue at EU level:** Social partners may wish to promote common standards for the treatment of teleworkers across Europe. They could consider creating an evidence base, for example monitoring reports of well-being concerns and collecting gender-disaggregated data. This can be achieved by monitoring developments in and experiences of telework and hybrid work across Europe. EU-level social partners could jointly analyse factors affecting the situation, such as work organisation, management training and technology absorption, and take follow-up actions. The recent social partner initiative to update the 2002 Framework Agreement on Telework could stimulate further actions.
- **Monitoring at EU level:** The issue of cross-border telework and hybrid work, including the tax and social security implications, is important as it could cause distortions in the labour market. Furthermore, relevant EU-level initiatives, for instance in relation to digitalisation and upskilling, should take into consideration the prevalence of this form of work. Finally, the future of urban and suburban workspaces could be further explored through the New European Bauhaus initiative.
- **Providing support for small and medium-sized enterprises (SMEs):** SMEs may have limited ability to introduce organisational changes and assess how best to transition to a digital work environment. SME associations could support companies on issues such as training on cybersecurity, skills development (communication, time management and so on), and setting targets and monitoring performance while respecting worker autonomy.



# Introduction

*Remote work and telework raise questions on the way in which existing legal frameworks can be interpreted, applied and enforced to continue to be fit for the digital age.*

Nicolas Schmit, EU Commissioner for Jobs and Social Rights, Conference on the Right to Disconnect and Telework, Brussels, 15 March 2022

## Defining telework and hybrid work

Often, terms such as ‘remote work’, ‘hybrid work’ and ‘telework’ are used differently or interchangeably in different contexts. For the purposes of this report, the following terms are used.

**Telework** is ‘a form of organising and/or performing work, using information technology, in the context of an employment contract/relationship, where work that could be performed at the employer’s premises is carried out away from those premises on a regular basis’ (2002 EU social partners’ Framework Agreement).

**Hybrid work** can be thought of as a way of organising work and is implemented in practice by referring to the intersection between telework or remote work<sup>1</sup> and on-site work. Synthesising findings from recent literature and definitions used during the pandemic, as reported by Eurofound’s Network of Correspondents, hybrid work can be interpreted as a form of work organisation which results from the interplay of four main elements: physical, temporal, virtual and social. Each of these elements is composed of different sub-elements that interact with each other and can be combined in many different forms. Data and agreed definitions on hybrid work are not yet readily available. Eurofound’s forthcoming report on hybrid work aims to clarify the concept and examines national definitions (Eurofound, 2023).

Hybrid work, as a term and practice, has been used frequently since the pandemic (sometimes referred to as partial telework); therefore, the report refers specifically to it rather than only to telework. More importantly, as Eurofound research suggests, hybrid work is becoming more distinctive as a form of work organisation, in terms of changing work processes, redefinition of tasks, team collaboration practices, autonomy, use of technology and space, and so on.

## Need for a foresight study on telework

Telework and hybrid work are not new working arrangements, but since the outbreak of the COVID-19 pandemic they have become more firmly established in the working lives of many EU employees. The forced adoption of telework during the pandemic when social interaction was restricted offered organisations the opportunity for a global work experiment. A large proportion of the workforce experienced this form of work arrangement for the first time; before the pandemic, only about 12% of employees reported that they engaged in telework (according to the European Working Conditions Survey 2015). Those employees accustomed to working remotely found it less challenging than the rest, who experienced a steep learning curve and had to overcome a variety of obstacles. With the public health situation having improved substantially, organisations are trying to define the ‘new normal’. Some of them have adopted hybrid work, with work performed partly from the employer’s premises and partly from home or other locations.

The media report a mixed picture as regards the lived experiences of employees and managers. Furthermore, some corporate decisions enforcing a return to the office in high-profile cases – for example, at Apple (HR Congress, 2022) and Tesla (Financial Times, 2022a; Reuters, 2022) – suggest that the issue is far from settled and that there is a lot of confusion about how telework and hybrid work will, and indeed should, be managed in the future.

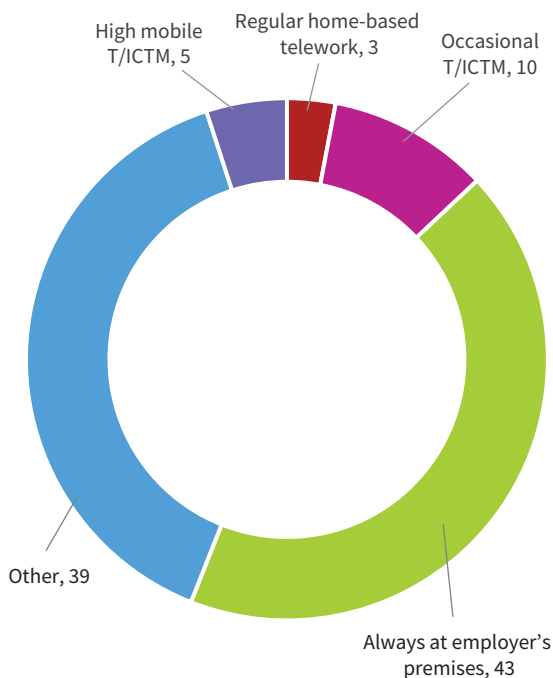
These social, personal and business experiments during the crisis have given rise to the question of the future of telework and hybrid work: is this form of work here to stay, and if so how can policymakers ensure this work arrangement benefits businesses, employees and society at large? Making telework and hybrid work inclusive while ensuring productivity and good performance will be important if they become more prevalent. At the same time, concerns about employees’ well-being, occupational safety and health, and work–life balance need to be addressed (see, for example, EU-OSHA, 2022). Evidence on the prevalence of telework before and during the pandemic can help us to better appreciate the extent of the phenomenon.

1 Remote work refers to any work carried out outside the employer’s premises regardless of the technology used.

## Telework before the pandemic

Evidence and analysis on the extent of telework across Europe are available from European Union Labour Force Survey (EU-LFS) data and from Eurofound data, including the *Living, working and COVID-19* e-survey, the European Working Conditions Survey (EWCS) and analytical reports. In 2008, fewer than 8% of employees were working from home ‘sometimes’ or ‘usually’.<sup>2</sup> This proportion increased to 11% in 2019. The pandemic gave a boost to teleworking, with 19% of employees working from home in 2020, and 22% in 2021. The EWCS 2015 data show that 10% of EU employees reported working from home occasionally, and 3% engaged in regular home-based telework (Figure 1). Another 5% of employees worked from more than one place, enabled by ICT. The report in question (Eurofound and ILO, 2017) uses the term ‘telework/ICT mobile work’ (T/ICTM), and the EWCS data distinguish between ‘regular home-based teleworkers’, ‘high mobile T/ICTM workers’ and ‘occasional T/ICTM workers’.

**Figure 1: Proportions of employees engaged in telework, EU27 and the UK, 2015 (%)**



**Note:** Data are based on the proxy categorisation of T/ICTM (Telework/ICT mobile work). The category ‘Other’ refers to all workers that do not fit in any of the other categorisations, for instance workers that do not use ICT ‘always’ or ‘most of the time’.  
**Source:** EWCS 2015

Member States differed in terms of the extent of telework, and it was evident that there were north–south and east–west divides. The EWCS 2015 data show that the three countries in which teleworking was most common were Denmark, Sweden and the Netherlands, whereas it was least common in Slovakia, Poland, Czechia, Greece and Italy. Several factors contributed to the higher prevalence in some countries, namely the spread of ICT, internet connectivity, the availability of IT skills, economic structure, gross domestic product, the work culture in the country and managerial practices (Eurofound and ILO, 2017). Collective bargaining and legislation regulating telework and work more generally also had an impact. Professionals and male employees above 49 years old were the categories in which employees were most likely to telework. In terms of sectors, teleworking was most prevalent in information and communication, financial services, professional and scientific activities, and public administration.

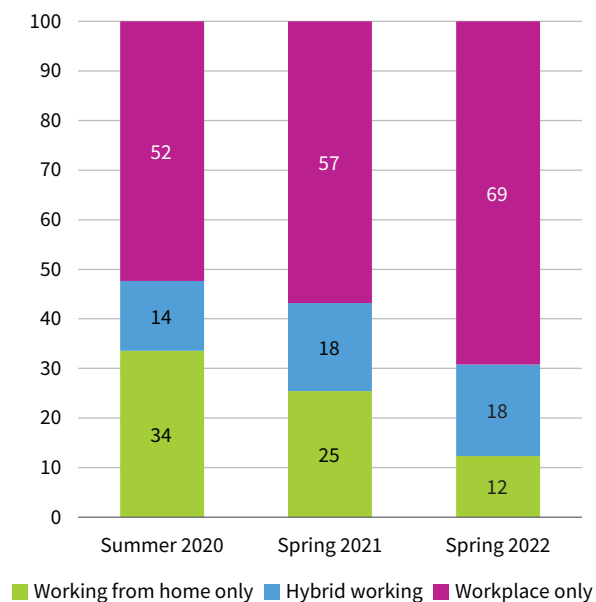
## Telework during the pandemic

There have been several reports on the extent of telework in the EU during the pandemic. Since April 2020, Eurofound has carried out five rounds of an open online survey, the *Living, working and COVID-19* e-survey, which includes questions on telework. The fifth round of the survey – fielded in spring 2022 – indicates that telework overall has declined, with two out of three respondents working exclusively from the office. With the easing of the COVID-19 restrictions, many employees returned to their employers’ premises and working from home declined (12% of employees were working entirely from home in spring 2022). At the same time, hybrid work gained traction (the percentage of employees engaged in hybrid work increased from 14% in summer 2020 to 18% in summer 2022) (Figure 2).

Employees in finance and public administration, whose job tasks are relatively easily adaptable to this type of work, are more likely to engage in hybrid telework (36% and 32%, respectively). In terms of age, hybrid work is most common among employees in the 30–44 age group (23%). Gender and family situation play a role in the adoption of hybrid work or working from home. Women are more likely than men to work entirely from home (14% versus 10%), while employees who have children under 12 years old are more likely to work entirely from home (14%) or in hybrid mode (23%).

<sup>2</sup> Working from home ‘usually’ referred to working from home for half or more of the days in a reference period of the four full weeks prior to the survey. Working from home ‘sometimes’ meant working from home for fewer than half of the days worked but for at least one hour during the four-week reference period.

**Figure 2: Location of work across three rounds of the *Living, working and COVID-19* e-survey (%)**

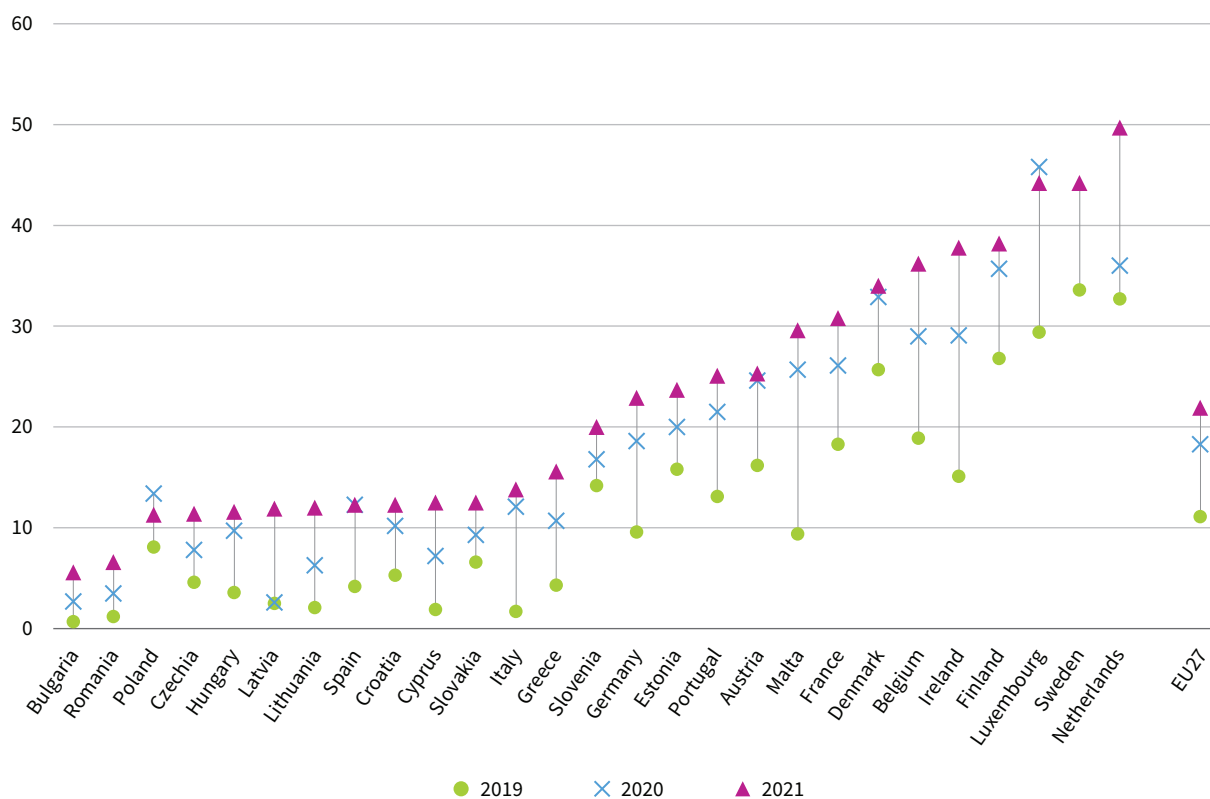


**Note:** Due to rounding, the percentages for Spring 2022 do not sum to 100%.  
**Source:** Eurofound (2022a)

Europeans show a strong preference for hybrid working, with 60% of them reporting that they would prefer to work from home at least several times per month. That preference is slightly stronger among women than men (28% and 26% respectively). The *Living, working and COVID-19* e-survey indicates that there is a gap between people’s preferences with regard to place of work and actual practices. A global survey of 5,000 employees confirms that the pre- and post-pandemic preferences of employees have significantly changed, finding an increase in the proportion of employees who would prefer hybrid work, from 30% to 50% (McKinsey Quarterly, 2021).

The increase in the working from home arrangements between 2019 (before the pandemic) and 2021 (during it) was captured in the EU Labour Force Survey. Working from home increased in all countries during the pandemic, as shown in Figure 3. In 2021, large numbers of employees (between one-third and half) in Belgium, Denmark, Finland, Ireland, Luxembourg, the Netherlands, and Sweden reported working from home at least some of the time. Large increases took

**Figure 3: Shares of employees working from home by country, EU27, 2019–2021 (%)**



**Note:** No data on working from home were provided by Sweden in 2020.  
**Source:** Eurostat [lfsa\_ehomp], in Eurofound (2022b)

place during 2019–2021 in small countries such as Ireland and Malta. The smallest increases were in countries such as Bulgaria and Romania (6 percentage points and 7 percentage points, respectively) in which there was a low prevalence of this arrangement before the pandemic.

Women were slightly more likely than men to work from home both before and during the crisis. The share of employees working from home was highest, at 30%, among those above 65 years old and lowest, at 13%, among young people (under 25 years old); among 25–49-year-olds, the share was 26% and among 50–64-year-olds, 24%. The educational level of employees made a difference as well: more than 30% of employees with a tertiary level of education and 40% of those with a post-tertiary level of education worked from home, compared with less than 10% of employees with a secondary education and 4% of those educated only to primary level. Differences in the prevalence of telework by occupation were evident during the pandemic: the highest increase (more than 13 percentage points) was noted among professionals. Another occupational category that saw an increase in telework was clerical workers (almost 12 percentage points). The services sector had the largest increase in telework during the pandemic. Telework was less common in other sectors, such as accommodation and food services, construction, agriculture, manufacturing and mining.

For an employee to switch to telework, their job and tasks must be teleworkable ('teleworkability' has been defined as 'the technical possibility of providing labour input remotely into a given economic process'). Sostero et al (2020) suggest that the share of employment in the EU that is potentially teleworkable is approximately 37%, which is much higher than the actual pre-pandemic proportion of employees who teleworked. The study estimated that one in five employees (43 million) could have been working from home but did not do so in the pre-COVID-19 period. This was particularly likely to apply to dependent employees. In the fifth round of Eurofound's *Living, working and COVID-19 e-survey*, 22% of employees reported that their jobs were indeed teleworkable, while another 28% said that they were partially teleworkable. Therefore, if organisations decide to increase the number of teleworkable jobs then they will probably see an increase in telework or hybrid work. The extent of the increase will also depend on the implementation of and rules governing telework and hybrid work schemes, regulations and use of relevant technologies. In this regard, it is worth noting that advanced technological solutions have the potential to increase the number of teleworkable jobs; a recent study in the US found that the number of patents for technologies that support working from home had doubled since the start of the pandemic (Bloom et al, 2021).

## Effects of telework on working conditions

Previous Eurofound work investigating the working conditions of teleworking employees during the pandemic has examined issues such as the organisation of working time, the monitoring of work, work relationships, and the implications of telework for work–life balance, health and safety, and well-being (Eurofound, 2022b). The research reveals significant differences in working conditions when comparing teleworking and working at the employer's premises. The research consists of input from the Network of Eurofound Correspondents and the European Working Conditions Telephone Survey (EWCTS) 2021 with some data from Eurofound's *Living, working and COVID-19 e-survey* conducted in 2020 and 2021.

Regarding working time, the EWCTS 2021 shows that during the pandemic teleworkers were more likely to report working more than 40 hours a week (with various degrees of intensity) than those working at the employer's premises. Hybrid workers, however, were the least likely (at 29%) to report long working hours among all workers with some form of telework arrangement. It is notable that more than 35% of those working full time from home reported long working hours, suggesting that hybrid work may produce better results in terms of preventing long working hours. It was also clear that teleworkers worked in their free time; hybrid workers reported the highest share of employees working in their free time (around 50% at least several times a month). On the other hand, national evidence suggests that work autonomy for teleworkers regarding scheduling of working time increased (Eurofound, 2022b).

Regarding the remote monitoring or surveillance of teleworkers, Eurofound's research suggests that there is no clear evidence that this increased significantly during the pandemic. Such practices are considered by employees to be a breach of trust on the part of managers (Capgemini Research Institute, 2020). Employees are likely to perceive them as harmful and stressful factors that can negatively affect their well-being.

Overall, EWCTS 2021 data demonstrate that teleworking can improve employees' work–life balance (particularly for parents). It is notable that, in the EU Member States, those teleworking were less likely to report poor work–life balance (13%) than those working only from the employer's premises (18%). However, teleworking can also be associated with some negative consequences, such as difficulty disconnecting from work or distinguishing between paid and unpaid work. A lack of agreement on the right to disconnect and the cultural norms of continuous connectivity may play a role in that. In addition, during the pandemic the increase in telework exacerbated gender inequalities, with women affected more by working from home, often because they were undertaking more unpaid work than men (caring for children or relatives, or doing housework).

There might also be some negative impacts on the health and the well-being of teleworkers. A relatively high proportion of teleworking employees (60%) report headaches and eyestrain. At EU level, full-time teleworkers are more likely to report anxiety (36%) than partial (or hybrid) teleworkers (33%) or employees who occasionally telework (31%). Interestingly, employees in countries in which telework is common (such as Denmark and Sweden) report low levels of anxiety, which suggests that, as they have become accustomed to this mode of work, this effect has decreased. Finally, the well-being scores reported in the EWCTS during the pandemic were higher for non-teleworkers (65 points out of 100) than for teleworkers (with full-time and partial teleworkers reporting the lowest figures, 62 points each).

### The role of telework in productivity and innovation

Organisations' decisions on the future of telework and hybrid work will vary a great deal depending on, among other factors, the impacts on productivity, innovation and corporate culture. If managers perceive that this mode of work will harm the bottom line, they may be less likely to expand it widely across the organisation. However, anecdotal evidence from the pandemic supports the argument that productivity was not lost when employees were working from home; on the contrary, it increased. Positive outcomes were captured in national surveys of employers conducted during the pandemic, for instance in Austria, Czechia, Italy, Malta, Portugal and Spain (Eurofound, 2022c). A German survey analysis using an online access panel with 1,516 respondents found that during the pandemic the quality of team collaboration and team productivity slightly increased in agile teams, even where at least some members of the team were working from home (Krzywdzinski, 2022). This may be attributable to the teams' internal cohesion and the availability of technical equipment, which made collaboration and communication easier and less disruptive. In an analysis of productivity gains, the OECD stresses that such gains hinge on a number of factors, including worker satisfaction with telework arrangements; cost reductions; enlarging the talent pool and making use of global talent and expertise; ensuring effective communication channels; a good flow of knowledge and information among employees; innovation; and managerial oversight (monitoring of employees' performance) (Gal et al, 2021).

Survey data in the US found that self-assessed productivity when working from home during the pandemic, as opposed to at the employer's premises before it, remained the same for 25% of respondents, was substantially better (meaning a 10–20% improvement) for 22% and was hugely better (a more than 20% increase) for 20% (Barrero et al, 2021).<sup>3</sup> Arguably, with management practices that aim to reoptimise work arrangements, productivity could increase (projections) by 4.8% in the post-pandemic era relative to the pre-pandemic situation. The researchers also captured positive effects on employees' morale and satisfaction (Barrero et al, 2021).

On the other hand, there is some limited evidence of productivity loss during the pandemic from some employee or employer surveys in Belgium and Denmark. These issues related to technical problems, difficulties in accessing work documents, lack of collaboration with colleagues, work encroaching on private life and so on. Some negative impacts of telework are in relation to communication and knowledge flows and managerial oversight (Gal et al, 2021).

Literature and empirical findings suggest that employees' skills are enhanced through systematic formal learning, but also through non-formal and informal learning, which are linked with innovation (Arrow, 1971; Boxall and Macky, 2009; Eurofound and Cedefop, 2021a, 2021b). Knowledge-sharing – the flow of knowledge and information mentioned above – contributes to innovation; therefore, it is important that organisations and hybrid teams working towards solving problems and pursuing innovative ideas can benefit from face-to-face interaction (Arena et al, 2022). Potential challenges resulting from predominantly electronically enabled collaboration relate to detecting problems too late, ideas being shared less quickly than in face-to-face interactions, trust issues, reduction in engagement with the organisation and so forth. These potential problems should be considered when designing telework and hybrid arrangements, particularly in organisations whose competitive advantage relies on innovation and differentiated products and services. Managers need to blend virtual and face-to-face work at different stages of the innovation process so that teams remain connected and exchange knowledge.

3 In a 2022 interview, Professor Bloom mentioned that the findings of the Chinese experiment are generalisable to the US firms (Bloom et al, 2013).

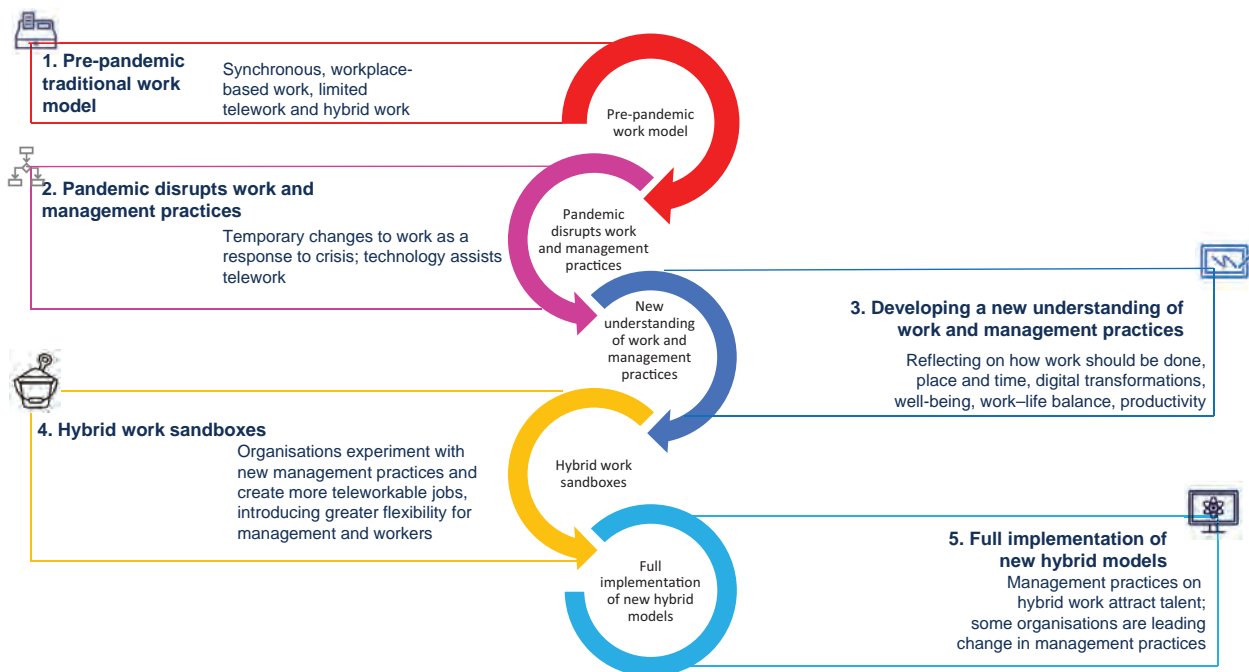
## New hybrid models following COVID-19

The traditional work model entails synchronous work (teams working at the same time) at the employer’s premises with limited telework and hybrid work and few opportunities for combining space and time flexibility. The COVID-19 pandemic resulted in a sudden increase in working outside the employer’s premises and with greater flexibility. This sparked renewed reflections on the nature of work, the types of tasks employees do, the integration of digital technologies into work, productivity, health and safety, well-being, work–life balance and so on. Employers’ calls to move back to the traditional work model after the pandemic have been challenged by employees, although some employees have also highlighted some of the bad practices that arose from home working during the pandemic (such as extensive employee monitoring and surveillance, long working hours and heavy workloads).

Furthermore, at a time when there is strong demand for specific skills profiles, some employees have gained power in the labour market and can choose the employer that offers the most attractive work model. Currently, there is clearly a high degree of competition between companies for the best talent, creating an incentive for employers not to revert to previous, less flexible models of work organisation. Leaders and managers have also seen the benefits and challenges, and have been experimenting with new work models that include hybrid elements. Without a clear guide to what works, many organisations have been trying out novel solutions involving new management practices. Often these solutions are tested before being implemented more widely within an organisation (Figure 4).

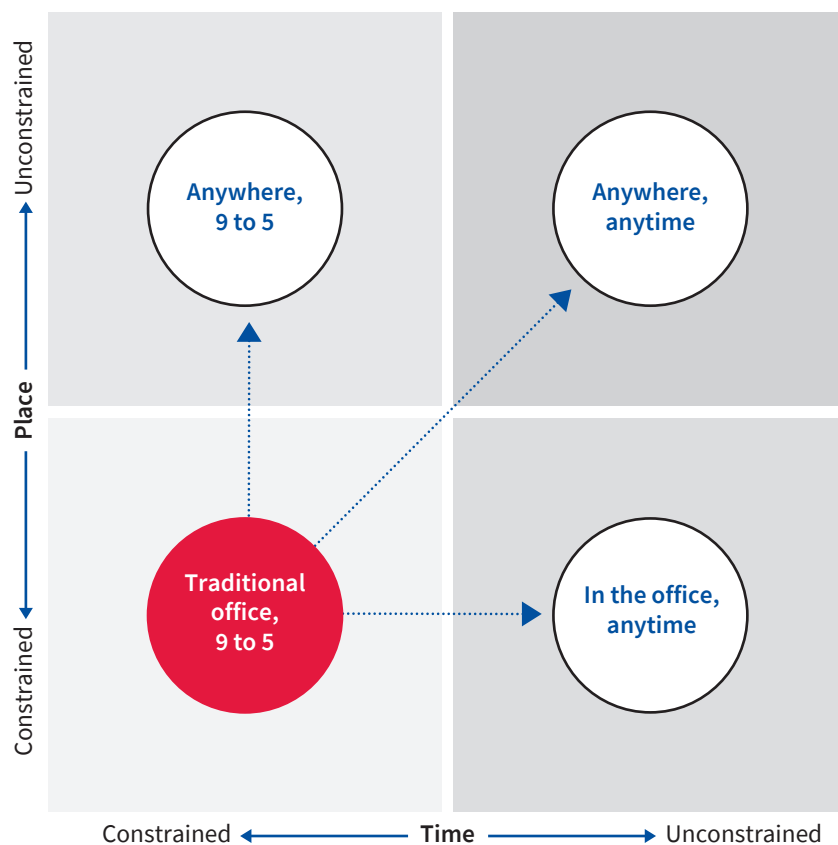
The use of physical space can change when an organisation introduces hybrid work. Furthermore, hybrid work entails not just physical and virtual presence at work, but also a more flexible approach to time; work can be conducted synchronously and/or

Figure 4: Developing new hybrid models of work organisation



Source: Authors’ illustration

Figure 5: Degrees of constraint on place and time of work



Source: 'Do Hybrid Right' by Lynda Gratton [product# R2103C] published in the May/June 2021 edition of Harvard Business Review. (c) 2021 Harvard Business School Publishing (<https://store.hbr.org/product/how-to-do-hybrid-right/r2103c?sku=R2103C-PDF-ENG>). Republished by permission.

asynchronously (teams working at different times), as described by Gratton (2021). Figure 5 shows the spectrum from the traditional pre-pandemic 9 to 5 and office-only work to the less constrained forms of work that became more widespread during the pandemic, such as working anywhere 9 to 5 (essentially homeworking) or working anywhere any time. Then there is also the possibility of working at the employer's premises at any time. Gratton considers that the upper right quadrant, where employees can work 'anywhere, anytime', can be considered to represent the hybrid model.

## Aims of the report

The above evidence suggests that the post-pandemic world of work will be different. Some employees have returned to the workplace full time, but many are opting for hybrid work, often working from home or at another place several times a week and, where possible, at different times (for example, morning or evening). Nonetheless, some employers may prefer to have their staff fully back in the workplace. Given that, as explained above, there would appear to be great potential for an increase in teleworking, owing to the extent of teleworkable jobs and tasks, future developments as regards the wider adoption of telework and hybrid work

by organisations and employees will depend on several factors. The operational needs of organisations, the needs of their clients, their organisational structures, the preferences of employees and so forth could drive support for this mode of work.

As the situation is still fluid and the direction that telework and hybrid work will take is rather unclear, current debates and media reports often point to either positive (Forbes, 2021) or negative (Financial Times, 2022b) sides. It is thus hard (and perhaps too early) for policymakers to form a view on whether and how to improve the conditions for this mode of work, particularly while the phenomenon is still evolving. This report's objective is to contribute to this policy debate by presenting scenarios examining how telework and hybrid work in the EU might have developed by 2035. It provides policy pointers on interventions that could support desirable future developments and avoid unfavourable ones. It aims to assist policymakers in their thinking about future challenges and how to plan today for a future that they would like to see. The scenarios are not meant to be predictions but, rather, to outline the scope of alternative plausible futures. They are a tool to enable dialogue with and between different stakeholders and to assist them to map their own pathways.





# 1 Foresight approach

Thinking about the future has always been part of the human story, from the myth of Cassandra and her curse or the oracle at Delphi to the systematic and elaborate forecasting methods used in today's foresight studies. Scenario-building – first used by the US Air Force in the 1940s, then developed by Shell to anticipate and respond to the oil crisis in the 1970s – became more widely known when it was taught in business schools as a tool for strategic anticipation and planning in the 1980s. Scenarios are particularly useful when there is a need to develop strategies in changing, unstable environments and can help in assessing the dynamism and flexibility of current capabilities. Scenario-building uses a qualitative approach to explore what *might* happen rather than predicting what *will* happen.

In contrast to predictive modelling, which uses data from the past to predict future developments, scenarios are useful when future conditions are uncertain, or unlikely to resemble the past. For instance, who would have predicted before the pandemic that 48% of employees would be working from home in July 2020 (Eurofound, 2022a)? Building possible scenarios on the future of telework and hybrid work can help

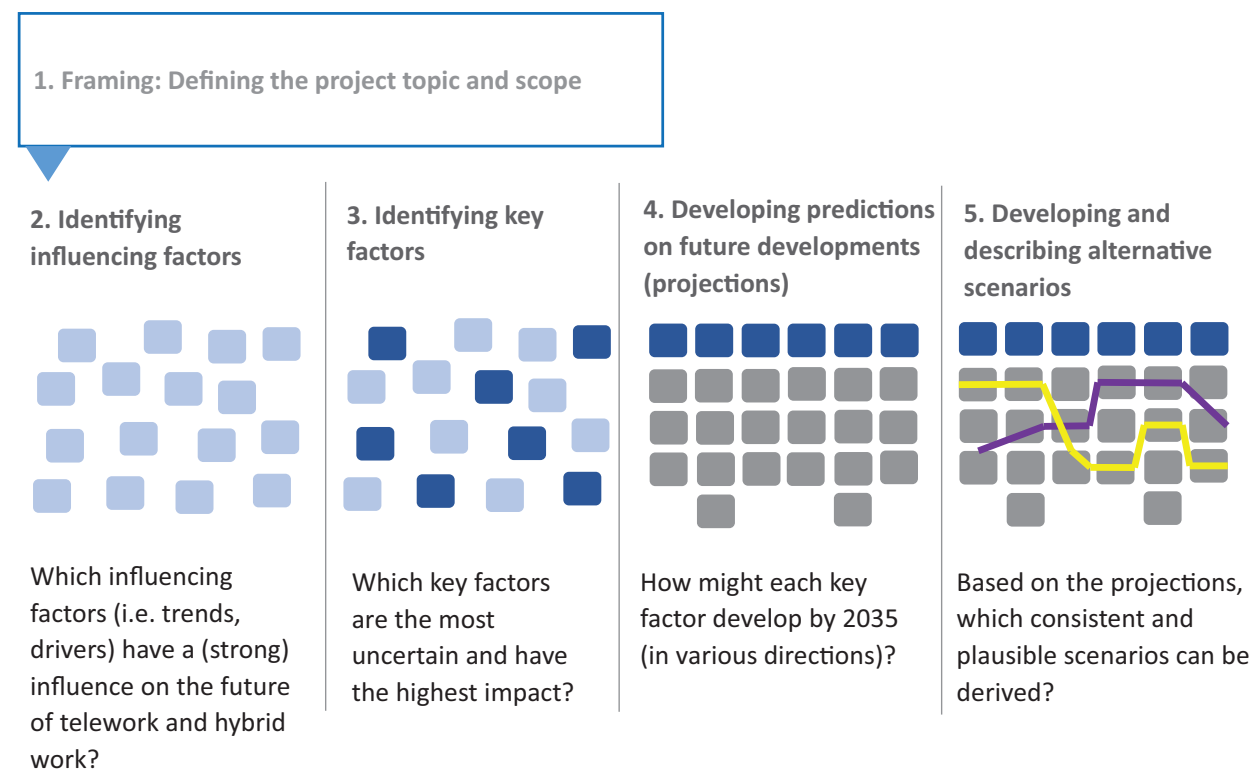
policymakers to identify blind spots, gain a clear view of the emerging issues that they need to address and formulate strong plans. The scenarios enable dialogue with and between different stakeholders, and they identify policy pointers for Eurofound stakeholders. The scenarios describe telework and hybrid work scenarios in the EU until 2035.

## Methodology

The project developed the scenarios systematically using the so-called key-factor-based methodology (Figure 6). An essential first step was to determine the project's scope and identify and review relevant existing research insights and publications; uncovering trends in the prevalence of telework was essential for understanding mechanisms shaping mindsets and practices. Developing the scenarios involved the following steps:

- conducting literature reviews and internal workshops (see annex for list of workshop participants) to identify trends and facts on telework and hybrid work

Figure 6: Stages of the key-factor-based methodology for developing scenarios



Source: Future Impacts

- identifying a set of (draft) key factors that could be expected to shape the future of telework and hybrid work (including social, technological, environmental, economic, political and legal drivers)
- selecting a short list of those key factors that the project team and the workshop participants considered most impactful
- developing descriptions of the selected key factors and two to three contrasting projections (assumptions on possible future developments) for each key factor
- using the projections for each of the selected key factors to develop scenarios through various combinations of those projections
- developing the scenarios further in workshops to examine their consistency, their impacts on stakeholders (for example, businesses, employees, governments), and their opportunities and risks

See annex for further details on the methodology.

## Limitations of the study

Like any research exercise, this study has certain limitations. Unlike other research projects, foresight studies such as this scenario-building exercise set out to provide a forum for discussion among stakeholders about alternative futures and potential impacts. Data limitations do not permit a clear distinction between projected developments in telework and in hybrid work. While telework is a well-studied phenomenon, hybrid work as a concept and a practice is still evolving and has not been sufficiently investigated yet. The forthcoming Eurofound report on hybrid work will shed some light on the definition of 'hybrid work' and its main features (Eurofound, 2023).

Another limitation is that the report places a greater emphasis on employees than on self-employed workers, a decision made based on the premise that the former are in a contractual relationship in which the conditions are primarily shaped by the employer, while self-employed workers, in principle, are not dependent on a specific employer and have full autonomy over their working methods and organisation. Notwithstanding this, many of the implications arising from the scenarios and points made in this report apply equally to self-employed workers.

Finally, this work was itself affected by the COVID-19 pandemic, in that the workshops – which would usually offer opportunities for personal interaction and co-design work in groups – had to be organised online. Certain technical impediments were overcome and input from the various groups of stakeholders was provided, reflecting their different views. Recognising the signs of videoconference fatigue, which was a feature of online meetings during the pandemic, the project team reduced the length of each workshop. While it has been common practice for face-to-face foresight workshops to be planned for a full day – with proper introductions of all the participants, who then spend time familiarising themselves with each stakeholder group and developing a common understanding of the objectives and one another's perspectives – these online workshops ran for three hours each. By the second of the three workshops, it was clear that the stakeholders were becoming familiar with each other's views, which was reflected in increasingly collaborative discussions. The methodology used to collect the participants' views went beyond oral exchanges: the discussions in the workshops were complemented with written contributions provided by the participants during and shortly after each workshop and on the draft report.

## 2 Four scenarios



### Introduction

Four scenarios were developed to explore different possible futures of telework and hybrid work and identify implications for policymaking. Scenarios are not about predicting the future ('getting it right') but about helping users (in this case, policymakers) to reflect on their assumptions and clearly identify opportunities and challenges that were previously invisible or implicit. In this way, the scenarios highlight emerging issues and enable policymakers to act on implications that may need to be addressed presently.

The four scenarios are informed by a literature review and draw on the contributions from the stakeholders and experts who participated in the workshops (see annex). The scenarios are illustrated and

contextualised by brief descriptions and narratives (fictitious stories of individuals engaging in telework and hybrid work) to help put their messages across.

### Overview of the four scenarios

The scenarios, presented in more detail in Table 1, are as follows:

1. Telework and hybrid work in an equitable world of work
2. Surging and selective telework and hybrid work
3. Shrinking and polarised telework and hybrid work
4. Disengaging from telework and hybrid work in a turbulent world

**Table 1: Overview of scenarios (key characteristics)**

Key characteristics	Scenario 1: Telework and hybrid work in an equitable world of work	Scenario 2: Surging and selective telework and hybrid work	Scenario 3: Shrinking and polarised telework and hybrid work	Scenario 4: Disengaging from telework and hybrid work in a turbulent world
<b>General trend</b>	Upward convergence: telework and hybrid work have been widely adopted and the proportion of hybrid work has increased in all EU Member States.	Upward divergence: overall, telework and hybrid work have increased by 2035, but Member States are diverging.	Downward divergence: overall, telework and hybrid work have decreased, but to varying degrees across Member States.	Downward convergence: overall, levels of hybrid work have decreased, with Member States converging on very low levels.
<b>Crisis-driven shifts</b>	The EU has endured a succession of crises thanks to its resilience. The crises sparked interest in identifying location-independent tasks.	The EU has been muddling through consecutive crises with ad hoc measures that disregard telework and hybrid work as a potential tool to deal with those crises.	Socioeconomic instability and inequalities prevail due to disruptive economic, geopolitical, climate and energy emergencies, and the European institutions have a reduced ability to develop prompt, coherent and coordinated policies.	Stagflationary debt and the energy crisis have been exacerbated by armed conflicts, with hopes for a smooth recovery after the COVID-19 pandemic crushed. The main policy concern is that businesses are kept afloat and people keep their jobs.
<b>Mindsets, preferences and attitudes towards the place of work</b>	There is broad-based support for telework and hybrid work, leading to general adoption by companies and employees.	Diverging views: employees' greater preference for telework and hybrid work is not always matched by managers' attitudes and perceptions.	Both managers and employees are sceptical about telework and hybrid work.	Operating in survival mode, companies do not see the benefits of investing in telework and hybrid work arrangements or related upskilling and training for employees.
<b>Nature of work</b>	New teleworkable tasks and jobs continue to emerge across all sectors.	Tasks and jobs have been adapted to new forms of working, allowing telework and hybrid work to expand among certain categories of employees – in particular highly qualified white-collar employees.	A small number of tasks and jobs have been adapted to telework and hybrid work, which are possibilities only for a shrinking number of selected employees in large organisations and multinationals, especially in the tech and finance sectors.	Very few jobs and tasks have been adapted to be performed outside employers' premises.
<b>Work organisation</b>	Work is organised with a focus on collaborative work and a high degree of autonomy.	Telework and hybrid work arrangements are used as a tool to attract and retain highly skilled employees.	Employees have little flexibility in terms of place, time or task, or time management.	Most organisations resort to control and command forms of work organisation for both on-site and off-site employees.

Key characteristics	Telework and hybrid work in an equitable world of work	Surging and selective telework and hybrid work	Shrinking and polarised telework and hybrid work	Disengaging from telework and hybrid work in a turbulent world
<b>Management and organisational skills</b>	Companies have prioritised training and learning on how to work in hybrid contexts, including management skills to facilitate collaborative ways of working assisted by fast technology adoption.	Companies are selective in training managers and employees on how to work in hybrid contexts and invest only in highly skilled employees.	Companies give low priority to training enabling telework and hybrid work, both for managers and employees.	Training to enable or assist in telework and hybrid work is rare.
<b>Regulation of telework and hybrid work</b>	Regulation (including collective bargaining) provides a balance between the needs and preferences of employees and employers.	Telework and hybrid work are well regulated in terms of health and safety, but their practical implementation is left to companies' discretion.	There is a patchwork of European and national regulation in some Member States and sectoral or workplace-level agreements in others.	There is a complete absence of a regulatory framework.
<b>Public and private sector investments and incentives</b>	Governments and the private sector jointly invest in infrastructure (telecommunications, office hubs, etc.), while public sector incentives offer many opportunities to embrace telework and hybrid work.	Governments refrain from incentivising telework and hybrid work. There are neither significant investments in infrastructures such as remote working hubs nor tax policies or subsidy measures in place.	There are only poor incentives and investments promoting telework and hybrid work.	There are only poor incentives and investments – if any – promoting telework and hybrid work.
<b>Technology adoption</b>	Fast	Moderate	Moderate	Slow/none

Source: Authors' elaboration (as with all tables in this report)

## Scenario 1: Telework and hybrid work in an equitable world of work



Anna works as a chemical engineer in a company with plants in several countries. Her job involves designing processes for manufacturing chemicals and other products. She also closely monitors and analyses data from these processes with other colleagues. Many of these processes have been robotised, and with the aid of the internet of things Anna is able to control processes to separate components of liquids and monitor safety procedures remotely. ‘My work has changed in the last 15 years. Before, I had to be on-site daily to oversee operating equipment, evaluate processes and troubleshoot problems on the spot. Now, with all the communication technologies, everything is linked online with special sensors, which gives me flexibility to work from home whenever I want to. It was a steep learning curve for me at the beginning, but thankfully the training was very useful. I am in full control of my tasks but, when things go awry, I can always rely on my colleagues. We are a team.’

Jason is an HR professional in an IT business. The company switched to hybrid working several years ago and it has not returned to the previous in-person model since. ‘One of the big challenges was to learn how to manage teams remotely. Several managers had concerns about trust and output, but it all boiled down to new ways of working. It was important to

train our managers so that they followed our new philosophy and culture across the organisation.’ Jason explains that the management adapted work processes to the hybrid work environment and that productivity has increased: ‘Some of our staff, such as systems support and customers relations staff, work fully from home, while most of the rest prefer hybrid ways of working. We have agreed with the employee representatives that the company contributes towards some of teleworkers’ expenses, such as heating and ICT.’ Jason also reflects, ‘We are observing closely the continuous connectivity culture and how to keep our social connection and our culture, share knowledge and learn as an organisation. We want to remain an agile organisation.’

### Key characteristics

In 2035, telework and hybrid work have been widely adopted and have expanded significantly across the EU, owing in part to changing mindsets and preferences about this work arrangement. Many companies have enabled tasks to be performed remotely, while investments in training and learning have facilitated new ways of working. Thanks to new skills acquired through training and support tools, there are more line managers who are competent in managing a dispersed workforce. There is a high demand for a skilled workforce capable of working with advanced technological solutions, regardless of place and time. A cohesive regulatory framework has secured fair working conditions, supported the digitalisation of the economy and set clear rules for employers. Governments have

worked with companies to create remote workplaces. This has all been supported by a strong economy and the EU’s resilience in the face of a series of global crises.

### Scenario description

#### Broader societal and economic context

In 2035, the overall societal and economic situation in the EU has stabilised. After a decade of turbulence and a succession of global crises, the EU has managed to address socioeconomic and geopolitical challenges collaboratively, taking a proactive approach. The digital and green transitions have progressed well, even being pushed forward by the geopolitical turbulence created by Russia’s war on Ukraine in 2022. Large public investments in the twin transition and alternative energy sources incentivised innovations that have

boosted productivity and economic growth. Pressure remains on the urban centres, testing the limits of public transport, housing and other services, but, with the wide adoption of telework and hybrid work, this pressure has been eased.

Support for research and innovation, alongside diplomacy, has provided new sources of raw materials for various sectors, including semi-conductor manufacturing and electronics in general, renewable energy, health and so on. The geopolitical situation prompted governments to invest heavily in research for military purposes, and innovations started to make their way into the private sector; there is great anticipation about new applications in new products and services, and developing these will require new skills sets. With ongoing digitalisation, the requirements of the labour market have kept changing, for example requiring new (digital and other) skills, even in occupations that previously did not involve working with digital technologies. Companies use more and more robots and data analytics for process improvements, and many use the internet to buy or sell goods and services.

#### **Development of telework and hybrid work**

After reviewing tasks and processes, organisations have identified location-independent tasks, thus increasing the efficiency and productivity of work organisation in general. Technological tools, such as remote-controlled robots and machine-operating systems, enable telework and hybrid work even for employees previously required on site (for example, technicians and machine operators). More organisations recognise telework and hybrid work as having a positive impact on performance, productivity and employees' well-being. There is more competition for skills and talent in the labour market, and telework and hybrid work are standard industry practices in several economic sectors, resulting in a competitive disadvantage to firms that do not use them. Firms feel compelled to include teleworking or hybrid working options in their job offers, as this has become the norm for particular job profiles on given markets. As a result, the number of telework and hybrid employees has substantially increased, and this mode of working has become a normal feature of work, especially for new labour market entrants. In terms of work organisation, new workplace practices are on the rise: teams decide more autonomously when to meet on site – for instance, for creative and collective thinking and to design tasks together – while on other occasions employees usually have the flexibility to decide where they will perform their work.

A larger proportion of employees are highly skilled and design their own tasks together with their managers and with the needs of the individual and the organisation in mind. More employees are involved in improving work organisation and work processes and

have an influence on decisions that are important for their work.

The role of manager has shifted towards facilitator, coach and creator of work environments, encouraging autonomous teamwork and the efficient functioning of the organisation. Management's focus is on monitoring outputs, rather than on digital surveillance of staff. Many more companies have invested in training and learning, with a greater focus on management skills related to managing a diverse and dispersed workforce in a hybrid setting. Systematic and tailored training of middle and line managers has become a priority in many companies, to help them succeed in their difficult role as moderators between the top layers of the organisation and the operational teams. More and more establishments are characterised by a high level of access to training, with a focus on identifying skills, designing customised training, and growing and developing the workforce. Most managers support employees' participation in training by adjusting work schedules.

As innovations in technology have become widespread and affordable, many organisations have introduced advanced technological applications and digitalised their operations to a significant extent. Employees with the skills to operate such applications are highly sought after. Organisations work in cooperation with the relevant authorities, companies and training providers to design tailor-made training courses. Overall, both managers and employees appreciate flexible work arrangements, while many of the risks of telework and hybrid work have been addressed at a regulatory level as mentioned above.

Agencies supporting small and medium-sized enterprises (SMEs) and microenterprises help smaller organisations, start-ups and family businesses to apply telework and hybrid work arrangements through awareness-raising campaigns, training for managers, and advice and consultancy services. Faced with high housing and rental costs – which, however, have reached a plateau in urban areas – many employees move to areas that are further away from the city centre and less expensive, working from home for part of their working week.

Initiatives at EU level by the social partners and the European Commission paved the way for a comprehensive EU directive; the new legal framework protects the health and safety of teleworkers and hybrid workers, enshrines the right to request remote or hybrid work, offers guidance on the use of relevant equipment and the coverage of costs, and sets out clear rules regarding staff surveillance and electronic monitoring in line with the General Data Protection Regulation. The directive has been transposed into law at Member State level; national regulations often go beyond the directive's requirements, either through agreements signed by social partners or through provisions incorporated into national frameworks through consultation.

## Scenario 2: Surging and selective telework and hybrid work



Mario, an investment analyst at a bank, conducts industry analysis, tracks financial trends and assists customers in making investment decisions. A master's degree holder who has worked in a couple of financial organisations, Mario enjoys being on the management team and assessing investment applications. 'My job requires a lot of dealings with customers, so I am happy to have customised and flexible work arrangements, even though often I work a lot of extra hours. My manager gives me the space to plan my time schedule and tasks, and I report back to her on progress and suggest new ideas using a customised app that can be used anywhere in the country.' Mario admits that, unlike colleagues in other departments, 'I am lucky to be in a position to sometimes decide when and where I work.'

Helen is a customer relations officer in a big tech company. She works full time and is on an indefinite contract with a telework arrangement. Helen works from home twice a week. Her line manager agreed to this set-up on the condition that Helen would make herself available to assist with administrative matters, customer database updates, liaising with suppliers, on-site meetings and so on. Sometimes, Helen is called in to the office on her telework days at short notice if ad hoc meetings with management take place. She is supposed to work between 08:00 and 18:00, including when working from home, and

can take her lunch break between 12:00 and 14:00. Each Monday, she agrees with her line manager on the tasks to be performed for the week and the outputs expected of her. At the end of the week, she has to submit a summary report of her activities through the company monitoring system. Telework arrangements are renewed once a year and can be changed unilaterally by the company at any time in the interest of the service. Remote days are fixed and can only be changed in exceptional circumstances, at Helen's request and in agreement with her line manager. Helen has signed an agreement with the company that sets out the rules on teleworking. She has received equipment from the company (a laptop, an office chair, computer monitors) and gets a monthly voucher recompensing her for additional energy and ICT costs when working from home. In signing the agreement, Helen also agreed to spot-checks on her performance and time allocation through system checks. She is not allowed to work from a place other than the specified remote workplace, which is her home.

### Key characteristics

Europe has seen an overall increase in the number of telework and hybrid jobs, but there is a remarkably diverse picture across Member States, with a significant increase in some and a reported decrease in others. Only certain categories of employees – mainly highly skilled white-collar employees – have availed themselves of this type of work arrangement. Many of their tasks have been transformed to allow work to be performed in telework and hybrid work modes. Hybrid work has been used as a recruitment tool to attract top

talent, and companies are more selective about which employees have access to training on maximising the benefits of hybrid work. Overall, societal views support the adoption of telework and hybrid work, as do most managers and employees, but there is still only selective adoption of this arrangement. The EU and the Member States have agreed to regulate some health and safety aspects of telework and hybrid work, but implementation is left to line managers' discretion and company policies. Governments have not been active in promoting investments in infrastructure supporting a dispersed workforce.

## Scenario description

### Broader societal and economic context

Unstable and erratic developments have dominated the European and global scene over the past 12 years. Europe has experienced a decade of turbulence and a succession of global crises, with repercussions for labour markets, the public sector and private households. The socioeconomic picture is one of increasing gaps between Member States in terms of economic development, social and economic imbalances, and inequalities between various groups, with decreasing employment levels overall and rising unemployment levels. Tensions between EU Member States have grown, and it has become increasingly challenging to reach agreement on longer-term policy strategies or shorter-term priorities and targets.

### Development of telework and hybrid work

In 2035, telework and hybrid work arrangements have become a common practice applied by most organisations with teleworkable jobs and tasks. Companies are, however, restrictive in how they apply this mode of work. For instance, they closely scrutinise the number of days per week they allow their staff to telework and who can work in this way. There are differences between the core and non-core workforces. Companies take a rather controlling approach to hybrid work; core employees are more likely to enjoy autonomy, while occupational categories such as administrative and clerical workers have less flexibility in organising their work.

Employees want to work differently in the post-pandemic world, in which hybrid work has become more common; they want the autonomy to choose and implement their tasks in a flexible way. Managers, who generally are able to work in a hybrid mode, appreciate the opportunities

for greater flexibility and take advantage of them frequently. Compared with managers in Scenario 1, they are more selective about who has access to hybrid working and how. Skilled professionals, technicians and other skilled employees are more likely to have access to training and learning opportunities. Similar opportunities are less available in other occupational categories even within the same organisation, which increases tensions among groups of employees.

Following years of continuous public and private investments in digitalisation, advanced technological tools are commonly used in production and service delivery in many organisations. Therefore, affordable technological solutions that facilitate hybrid working are in place in many workplaces, but the question remains of how to make the best use of the technology in the most productive, efficient and humane way.

Businesses and employees have both embraced telework and hybrid work, which have increased, at least for some categories of employees, despite a weak support framework of public incentives and public-private investments.

An EU directive has moderately regulated hybrid work settings in terms of safety and health at work. No right to telework or hybrid work has been established, and EU Member States differ in their applications of such systems. Policy initiatives to address the phenomenon in broader terms have not succeeded at EU level and are left to the Member States. Most countries have left more comprehensive regulations around hybrid work to be determined at sectoral and company levels. With the further weakening of trade unions, the prevailing model is individual agreements at workplace level, with increasing leeway for employers as to if and how they implement hybrid work in their organisations.



## Scenario 3: Shrinking and polarised telework and hybrid work



John and Jane live as a couple. John is a senior manager in a medium-sized national public environmental agency. Jane is a supervisor in a multinational tech company. They both work in hybrid mode, but their situations could not be more different. John is obliged to work from home two days per week and the rest from the office. His daily schedule is flexible based on a 40-hour work week. He doesn't have set times for starting and finishing the working day, but he does need to be available between 09:30 and 16:30. Because of his workload, he usually works overtime, especially when working from home. Extra hours are recorded and can be recovered up to a maximum of 20 hours per month as flexitime. John has autonomy over the work he performs, but he must record his daily working hours and the time spent on the projects he is involved in. 'They call it hybrid work, but this is not what I had in mind. It often doesn't help in managing my kids' school drop-offs and pick-ups, and I end up working many more hours than I used to when I worked from the office only. Then, there was a clear separation between work and the rest. Now I can work from home, but I feel pressured, and it is having a negative impact on my mental health and my relationship with my family.'

Jane works for Jolly Roger's, the largest social media platform in the world, managing a team of 10 who work all over Europe. Like John, she

works in a hybrid setting, but she has full autonomy over working place and time. 'Some weeks I don't even go to the office, and I can work from literally anywhere. When we go on holiday, I even stay a bit longer and work a few days from abroad to soak up a bit more sun. My husband and the kids love it.' But even with full autonomy, hybrid work also has its challenges: 'To manage people in a hybrid environment is a great challenge. It's not like you can have a chat with your staff at any time. Everything must be well planned, and this is difficult.' Awareness of people's needs and preferences is also more demanding in a hybrid context: 'As a manager, you must pay great attention to the details of how people behave and what their preferences are. Not all love to be in calls all the time, and those working remotely require a different kind of attention from those I meet in the office.' When asked to summarise her situation, Jane says, 'Hybrid work is not a walk in the park, but it has its advantages – freedom to manage my care duties with the kids, for example. My company demonstrates great trust in its employees and that is what I try to apply in my team as well.'

John, on the other hand, says, 'It is counterintuitive that in the public sector we are still far from the best practice in terms of hybrid work; my employer has implemented a model that is very rigid and not helpful at all to our work-life balance. In fact, I'm currently considering my career options because of this.'

### Key characteristics

Disruptive economic, energy and geopolitical developments have affected the EU's socioeconomic stability, impacting on its ability to reach agreement on coordinated policies. Overall, work arrangements favouring telework and hybrid work have decreased, but there is significant variation across Member States and types of companies. People are sceptical about telework and hybrid work, and many companies offer

limited flexibility in terms of place and time of work. As a result, no significant efforts have been made to make more jobs and tasks teleworkable. Management practices around telework and hybrid work have been adopted mainly in large companies, and they are common in specific sectors such as IT and finance, but other industries have been left behind. As a result, the workforce has become more polarised. A patchwork of regulations and the absence of a framework at EU level result in diverging practices across Europe.

## Scenario description

### Broader societal and economic context

Socioeconomic instability coupled with economic insecurity prevail in 2035 as a result of economic, geopolitical, climate and energy crises. Europe has managed to avert a full-blown recession, but there are major challenges affecting households, employees and businesses. A drop in employment levels has affected Member States, and some vulnerable groups are particularly exposed to the impact. Efforts to curb social and economic inequalities over the past decade have failed to achieve substantial results, indicating a need for coordinated action on the part of the EU, governments and social partners. At EU level, however, coordination and swift action have become increasingly challenging due to the diverging interests of Member States. In 2035, the share of teleworkable jobs and tasks has increased moderately in comparison with pre-pandemic levels, following some adjustments to production and service technologies. A larger number of occupations and tasks can (theoretically) be carried out from a distance and/or in hybrid mode than in the past, but telework and hybrid work are far from being the dominant form of work organisation. Telework and hybrid work have increased in importance only thanks to new jobs and tasks that involve less physical effort or social interaction or that require high information-processing capacity.

### Development of telework and hybrid work

The business world responded in different ways to the series of emergencies, but there is a clear division between large companies and SMEs. On the one hand, large multinational companies sailed through the economic downturn, in part because they were starting to reap the benefits of telework and hybrid work that had been identified during and after the COVID-19 pandemic. They continued to invest in advanced technologies (such as artificial intelligence, 3D printing and wearables) and provided telework and hybrid work options for selected parts of the workforce, particularly highly digitally skilled employees. On the other hand, most SMEs and microenterprises have not fully recovered from the various supply and demand shocks. While some of these businesses (particularly the larger ones) made use of telework and hybrid work, others, active in sectors and occupations requiring physical effort or direct interaction with people, could not do so to any significant extent.

Employees and employers have, in general, diverging perspectives regarding telework and hybrid work. Employees' enthusiasm about telework and hybrid

work, and the flexibility that they offer, is not always matched by managers' attitudes and perceptions. The half-hearted adoption of these forms of work in 2035 stems mostly from managers' concerns about a potential drop in quality standards and productivity levels.

In most organisations, non-managerial staff and line managers, unlike more senior staff, are not offered training in maximising the benefits of hybrid work; thus, the high levels of performance and well-being at work that could be achieved are not reached. Many workplaces have not brought their work organisation practices into the 21st century, with little autonomy for employees in terms of task and time management. Line managers enjoy discretion in deciding on requirements regarding work arrangements. Selected employees are invited to provide suggestions to improve work and processes, while top management engages in more strategic and general decisions.

A moderate level of adoption of the required technology has also contributed to the only moderate level of adoption of telework and hybrid work, especially compared with the temporary boom that occurred during the 2020–2022 pandemic. While the costs of communications technology have remained relatively stable over the past decade, the initial costs of introducing more advanced or disruptive technologies that could have pushed telework and hybrid work further remained relatively high, and companies had little incentive to acquire them.

Levels of connectivity have remained unchanged: there are still vast rural areas without access to the internet across Member States, and very little public money has been invested in upgrading the infrastructure. Public finances have been under enormous pressure (owing to an overheated economy and inflation pressures, energy crises, a supply chain crisis and so forth). EU-level priorities have been redirected to other emerging risks, and increasing telework and hybrid work is not a top priority.

Despite more than a decade of debate and discussion about the need for European-level regulation on telework and hybrid work, there is no common regulatory approach in the EU, apart from the 2002 EU social partners' Framework Agreement on Telework. Regulations vary greatly across the EU and represent different combinations of specific legislation on telework (but not hybrid work); there are varying degrees of collective bargaining across Member States, ranging from significant to negligible. The extent of adoption of telework and hybrid work thus varies across countries.

## Scenario 4: Disengaging from telework and hybrid work in a turbulent world



Nathalie works as a digital marketing specialist and has six years' experience in the industry. She is one of 50 employees of a company that offers occasional telework to some employees only. The nature of her work means that hybrid work is a possibility for her, and, after a long talk, her line manager reluctantly agreed that she could work two days a week from home and three days a week from the office. Nathalie values the flexibility that this brings, but she struggles with internet connectivity, as 5G investments in her country and her area are quite poor, resulting in interruptions and delays in her work. While she appreciates the opportunity, she considers that the work organisation practices in her company have not been adapted to those who do hybrid work. The communications technology is quite basic, and deals concluded with customers and cross-references to previous orders are all processed through an outdated system that is temperamental when used remotely. When working from home, Nathalie needs to make a lot of phone calls to her colleague dealing with the system to ensure that her updates have been registered.

The IT department has purchased some new technological tools for digital monitoring of employee performance. As Nathalie often visits customers, she has been given a digital notebook; after each visit, she has to use it to record the tasks that she has carried out. The digital notebook also enables managers to monitor

completion of tasks while she works from home or at a customer's location. Nathalie says, 'Being constantly monitored makes me feel very anxious. I don't sleep well during the night.' The workload has not been divided equally among employees, and often she is asked to work long hours, but also during times when her young children are back from school and need help with homework. As she explains, 'I am juggling family meals and emails to customers at the same time, but nothing gets done as it should be. At the end of the day, I have a feeling that my work was not done well and I am a terrible mother.' When she is unwell but not severely ill, she prefers to log in for a few hours online to make sure that she does not miss her targets for the day. She thought that flexibility would allow her to do her job properly and look after her kids when they were home, but, as it turns out, the opposite is true.

Nathalie is even unsure about her rights when she works from home. Her employer has made it clear that home broadband costs are entirely her responsibility. Her chair is unsuitable for an eight-hour workday. Worst of all, when problems arise, she is on her own.

### Key characteristics

Telework and hybrid work returned to pre-pandemic levels against an unsettling backdrop of climate, economic and geopolitical tensions. The main concern of policymakers has been to keep businesses afloat and employees in their jobs, which means that less effort has been devoted to supporting work arrangements that provide more flexibility. It is left to individual companies and their employees to find their own solutions without the security of a regulatory framework. The uncertain economic environment

threatens business continuity; companies do not see benefits in investing in telework and hybrid work arrangements while in survival mode. The few employees who do work from home or other locations have lost a great deal of their autonomy. Because of the lack of any form of regulation, there is no clarity about who is responsible for covering costs incurred while away from the employer's premises, health and safety risks are not properly managed, and employees' rights are not fully protected. In terms of organising work, many companies operate command-and-control

systems for both on-site and off-site employees. Disruptions in supply chains and shortages of raw materials make the adoption of advanced technologies expensive.

## Scenario description

### Broader societal and economic context

Geopolitical and economic instability continues not only in Europe but also in other regions, where tensions have disrupted supply chains even further. Migration from war-affected and politically unstable areas (for example, in various regions of Africa and the Middle East) have caused political and social tensions among Member States. The energy crisis has boosted inflation, affecting fuel, food and commodity prices in particular, while the overall economy has been struggling with a long-lasting stagflationary debt crisis. For policymakers, room for fiscal manoeuvre has been restricted as economies have fallen into a debt trap owing to an excessive build-up of private and public liabilities after years of low interest rates. A drop in demand for goods and services has ushered in a long recession that the EU Member States are struggling to get under control, resulting in a stuttering economy with high levels of unemployment, exploding public deficits and increasing interest rates. With diverging views among Member States on how to handle the economic downturn and energy supply at EU level, most European social policy initiatives have been deferred, including measures on telework and hybrid work.

### Development of telework and hybrid work

Only a small proportion of highly skilled employees use technology to work from home or other locations, and more and more organisations across Member States have reverted to traditional on-site work organisation. Very few organisations have attempted to redesign tasks so that they could be done efficiently by teleworkers and hybrid workers, and most have asked employees to go back to on-site work. What have the main reasons been? The unstable economic and business situation has contributed to a more controlling

approach to work organisation generally, and companies rarely make big decisions and organisational changes in the face of uncertainty. Many have reverted to tested practices. Difficulties in securing orders, getting raw materials and supplies in time, and paying debts and wages have contributed to the pressure on management.

Command and control management strategies predominate. Those who still perform some of their tasks in telework or hybrid mode are closely monitored. Managers are pressured to meet deadlines and manage increasing workloads spread among a decreasing number of employees with a lower level of skills. Training and learning budgets are cut, and updating management skills to facilitate flexible working is not a priority. This is a tense work environment targeting survival rather than innovation.

The fruits of the digital era have not been enjoyed equally by all. Large companies with solid market positions have consolidated their technological superiority; they increasingly use digital applications in their operations and data analytics to monitor performance. As a result, they have greater opportunities to transform tasks so that they can be executed online and are able to promote telework and hybrid work. By contrast, for SMEs and microenterprises, digital solutions are becoming increasingly unaffordable, which makes them less inclined to accept telework and hybrid work.

Governments leave it to companies to find solutions and negotiate collective agreements regarding the regulation of telework and hybrid work. No efforts have been made at EU level to draft a directive because of the diverging views of the Member States. As national budgets are under severe pressure from the recession, governments cannot afford to support or incentivise telework and hybrid work through infrastructure or tax incentives. Employees working at their employers' premises in city centres benefit temporarily from stagnating house prices and rents.



# 3 Potential implications of the scenarios

## Job quality

This report uses the Eurofound job quality framework to assess the potential implications of the four scenarios for job quality. Key dimensions of the framework include working time, work intensity, task discretion and autonomy, and career prospects. These dimensions are measured at the level of the job, rather than the task, and reflect how employees perform their work and under what conditions. The job level is of particular interest for many reasons, not least that a person’s job determines the set of tasks that they have to carry out at work. Men and women score differently across these dimensions. For the purposes of this report, gender has been included among the job quality dimensions, since female employees who choose to use telework or hybrid work may be affected by disproportionate impacts on job quality. For instance, lack of visibility may result in lower rates of promotion, which could further reduce their earnings, increasing the gender wage gap.

Table 2 summarises the potential implications of the scenarios for job quality. With the adoption of a regulation on the right to disconnect across Member States by 2035, under Scenarios 1 and 2, employees are able to control the number of hours that they work. That is not possible for employees in Scenarios 3 and 4, as a right to disconnect is not enshrined in legislation and practices differ widely across workplaces and countries. Overall, Scenario 1 (‘Telework and hybrid work in an equitable world of work’) has much better results in terms of job quality dimensions than any other scenario. In the other scenarios, employees experience greater work intensity, while work autonomy is available only to selected professionals and in certain types of companies. Similarly, career prospects improve generally in Scenario 1, while only selected parts of the workforce benefit in Scenarios 2 and 3. In Scenario 4, those seeking greater flexibility may be penalised.

**Table 2: Potential implications for job quality**

Job quality dimension	Scenario 1: Telework and hybrid work in an equitable world of work	Scenario 2: Surging and selective telework and hybrid work	Scenario 3: Shrinking and polarised telework and hybrid work	Scenario 4: Disengaging from telework and hybrid work in a turbulent world
<b>Working time</b>	Introducing the right to disconnect has ensured that non-standard and irregular working times are better regulated, and work does not interfere with personal and family life.	The right to disconnect has been instrumental in enabling workers to control the number of hours worked.	In the absence of agreement on employees’ right to disconnect from work during non-work hours, those opting for telework and hybrid work experience long working hours, which vary across organisations.	Many employees – and particularly teleworkers and hybrid workers, who struggle to do their jobs within their allotted time – experience long working hours.
<b>Work intensity</b>	Greater flexibility in terms of time and place and better work organisation have reduced work intensity. Many companies are trying to address issues such as interruptions at work and technological and administrative challenges, thus encouraging better performance among telework and hybrid employees.	Greater flexibility in terms of time and place means greater autonomy only for those in some occupations and jobs, while it has brought with it increased control and supervision for the broader mass of employees availing themselves of telework and hybrid work arrangements. For these employees, there are greater demands and increased work intensity, as they must achieve pre-defined targets and tasks within a very specific time frame.	Teleworkers and hybrid workers with less autonomy over their work and working time tend to be exposed to greater demands and work intensity as they have to perform tasks in limited periods of time and achieve often challenging pre-defined targets.	Heavy workloads compel employees to carry out work at home on top of their office work, rather than instead of it. Work often interferes with family commitments and personal activities. Line managers have difficulty managing their workloads, work irregular hours and feel compelled to be available all the time.

Job quality dimension	Scenario 1: Telework and hybrid work in an equitable world of work	Scenario 2: Surging and selective telework and hybrid work	Scenario 3: Shrinking and polarised telework and hybrid work	Scenario 4: Disengaging from telework and hybrid work in a turbulent world
<b>Task discretion and autonomy</b>	With an increasing proportion of work carried out in hybrid mode, task discretion and work autonomy have increased overall. More employees have the autonomy to change the order of their tasks, the speed at which they work and the methods that they use.	Autonomy has increased for core employees (professionals, managers, technicians, etc.) but not substantially for clerical workers, support workers or administrative staff.	Employees in multinationals and other large companies are more likely to enjoy a high degree of task discretion and work autonomy in telework and hybrid work arrangements.	The majority of the workforce see a modest increase in work autonomy and task discretion. Managerial staff and selected employees who telework or hybrid work either regularly or occasionally enjoy greater autonomy.
<b>Career prospects</b>	The widespread implementation of hybrid work across Member States, sectors and companies has improved career prospects overall.	Core employees (professionals, managers, technicians, etc.) in telework and hybrid work arrangements find that they have greater opportunities for career development, unlike non-core employees.	Employees in telework and hybrid work arrangements in multinationals and other large companies find that they have increased opportunities for career development, unlike employees in SMEs (which are the majority of companies).	With flexibility not widely implemented, those opting for it see their careers frozen. The careers of women who telework or hybrid work stagnate as they become less visible.
<b>Gender dimension</b>	The increased flexibility has further boosted women's employment levels across the EU and made it more attractive for women to re-enter the labour market after maternity leave. Companies are more willing to account for the individual needs and preferences of other groups of employees, such as employees with disabilities, chronic illnesses and so forth.	There has been a positive impact on gender balance in employment overall as female core employees are retained and new highly qualified recruits contribute to the core workforce and take advantage of flexible work arrangements.	Little consideration is given to the needs and preferences of female employees (or other groups, such as employees with disabilities or care responsibilities) regarding work place and time.	Little consideration is given to the needs and preferences of female employees (or other groups, such as employees with disabilities or care responsibilities) regarding work place and time.

## Organisational practices

Examining the potential implications for organisational practices – in terms of work organisation, training and learning, and employee involvement – again, it is clear that in Scenario 1 organisations in 2035 are much better prepared for and have better adapted to new forms of work (Table 3). Investments have been made by many companies in preparing work organisation structures and practices, and managers are more likely to design tasks together with employees to enable seamless work. More organisations offer training for line managers in working with a virtual, dispersed

workforce and promote agreed, decentralised solutions for new forms of working. In Scenarios 2 and 3, employers are very selective in how they implement their telework and hybrid work solutions and who is allowed access to them. In Scenario 4, a big share of companies who do allow telework do not adapt their outdated work organisation and training practices and employees are not invited to co-shape their tasks so that they are suited for a hybrid work environment. They simply transfer work practices used on site to the virtual work environment, which results in poor outcomes.

Table 3: Potential implications for organisational practices

Dimension	Scenario 1: Telework and hybrid work in an equitable world of work	Scenario 2: Surging and selective telework and hybrid work	Scenario 3: Shrinking and polarised telework and hybrid work	Scenario 4: Disengaging from telework and hybrid work in a turbulent world
<b>Work organisation</b>	Employers have invested significantly in developing their work organisation models, which allow for more complexity and offer autonomy for employees benefiting from telework and hybrid work.	Employers have invested moderately in developing their work organisation models and managing a dispersed workforce more efficiently.	It is mostly larger companies that have introduced management practices adapted to telework and hybrid work.	Most companies have not invested in a productive transition to hybrid work.
	Improved forms of work organisation encourage team cooperation, knowledge transfer, innovation, and the commitment of teleworkers, hybrid workers and on-site employees.	Working in hybrid forms is promoted by many workplaces. Managers focus on the performance levels and task achievement of hybrid workers, as well as work outcomes and time management. The procedural aspects of telework are increasingly important.	Large companies in sectors such as IT and financial services continue investments in new processes, technology and bringing employees up to speed with new modes of production.	With few investments in adapting work processes, few systematic efforts are made to increase the abilities of employees to learn by doing, solve problems and experiment with hybrid or on-site work.
	Managers generally invite their staff to jointly shape their immediate tasks and give teams a choice about the place and time of work.	Emphasis is put on selective staff involvement regarding specific work organisation issues, such as job tasks, team organisation, time allocation and so on.	Most employers offer limited opportunities to employees to shape their tasks, or to decide on their sequence or the timing of them.	No effort has been made to adapt work tasks, or even to divide tasks between those that could be performed online and those that need to be done in the office.
	More organisations address key challenges to create work environments where employees have the ability (the right skills), the willingness (the motivation) and the opportunities and resources to participate to the full and perform their best work.	An increasing number of organisations try to create a work environment where selected occupational categories can carry out their tasks autonomously.	There are still many organisations where managers closely control whether and how employees carry out the tasks assigned to them.	There are many organisations where managers closely control whether and how employees carry out the tasks assigned to them in telework or hybrid work mode.
<b>Training and learning</b>	Organisations increasingly engage teleworkers and hybrid workers in formal and informal training and learning opportunities. Workplace socialisation remains a crucial factor for employee learning and commitment.	Management training is broadly focused on efficiently managing a hybrid workforce, managing workloads, dealing with remote teams and so on.	There are either selected or limited training opportunities for some employees. Top-level managers receive training to improve their management and strategic skills, while companies invest less in training and learning for line managers.	Most organisations offer limited training and development opportunities to their staff, particularly teleworkers and hybrid workers, as they are perceived as being less committed.
<b>Direct employee participation and social dialogue</b>	Agreed solutions at company level create a flexible framework that helps in finding the best telework/hybrid models, ones that suit teams and are in line with the business's and employees' needs. Collaboration between employees and employers is crucial to promoting solutions that work for both sides.	For certain occupational categories and organisations, flexible solutions can be fairly easily agreed on at company level, while for others this is much harder.	Few employees have a say in broader organisational issues, with some exceptions in certain sectors.	There are few opportunities for employee involvement. It is difficult to agree on solutions at company level to shape flexible forms of organising work. An adversarial work climate, with a tense relationship between managers and employees, prevails.

## Health and well-being

Work outcomes differ under each scenario, as discussed in the stakeholders' and experts' workshops. Their observations mainly focused on the implications for health and well-being and work-life balance. Health and well-being outcomes include fatigue, anxiety and virtual presenteeism (working from home when one is sick although not to an extent that precludes working) associated with heavy workloads and continuous connectivity.

In Scenario 1, health and well-being outcomes have on average improved, not least due to a regulatory framework including both legislation and collective agreements. Employees overall have a good work-life balance, due to greater autonomy and more flexibility in their time management.

In Scenario 2, while new EU-wide regulation on health and safety has set a baseline, work-related stress, anxiety, burnout and other negative health outcomes remain a key challenge among employees who are

under continuous supervision and monitoring, with repercussions on performance targets.

In Scenario 3, work-related stress, risk of burnout and other negative outcomes are a concern, although those with the option to telework or hybrid work can enjoy greater autonomy, helping to reduce the likelihood of their experiencing these problems. However, work very often encroaches on private life. This is linked with long working hours, the prevalence of which varies across organisations and between employees with flexible work arrangements and those without.

The most negative outcomes can be observed in Scenario 4: employees' physical and mental health is seriously compromised, and there is increased reporting of sick leave and virtual presenteeism. Employees report high levels of stress, anxiety, fatigue and musculoskeletal disorders. Subjective well-being has been declining. Heavy workloads compel employees to carry out work at home on top of on-site work, and work often interferes with family commitments and personal activities.



## 4 Cross-cutting issues



The future of telework and hybrid work unfolds differently in each of the four scenarios presented due to the different impacts of the various drivers. However, there are some issues that are likely to emerge regardless of which scenario plays out. These are of importance to policymakers when considering policy interventions.

### Ensuring fairness in the workplace

Regardless of the scenario, it is essential that attention is paid to how these telework and hybrid work arrangements are applied in the workplace and how various occupational categories of employees might be affected. The division between those who can work remotely and those who cannot has the potential to become a new source of inequality. It is important to stress that while a large number of jobs can be adapted for telework other jobs cannot, at least not with the current level of technology and the nature of the work performed. These include jobs requiring social interaction and physical presence, in occupations such as machine plant operator, nurse and care worker. All the scenarios, particularly Scenarios 2, 3 and 4, clearly demonstrate the potential for polarisation in this regard. The question of which employees can telework or hybrid work should be answered taking into consideration business needs but also the needs of various groups of employees.

Shifting work arrangements may have an impact on workplace dynamics. There are potential disadvantages for those not physically present. Eurofound evidence demonstrates that a preference for telework is more common among women than men, as on average they undertake more care responsibilities, and the flexibility that this mode of working provides can help them to integrate these with work. Depending on the work culture, employees working remotely may be perceived as less committed and therefore may be less likely to be considered for promotion. Therefore, more widespread telework could accentuate gender imbalances in the workplace, including lack of participation by women in decision-making and gender pay gaps. It is also conceivable that female employees could have to cope with greater work intensity, insofar as they would need to demonstrate or 'prove' their commitment to work while in telework or hybrid work arrangements. Addressing this issue at various levels (at company level but also beyond that) will be particularly important to avoid exacerbating inequalities in the labour market.

Removing obstacles to telework and hybrid work for employees with disabilities would make the workplace more inclusive. Managers should assess, in consultation

with employees, the benefits and challenges of this mode of work for employees with disabilities and consider adapting their tasks accordingly. Previous research suggests that people with disabilities have difficulties in accessing the labour market (ILO and OECD, 2018; Vornholt et al, 2018; Bonaccio et al, 2019; Giermanowska et al, 2020; Eurofound, 2021; Taylor et al, 2022). Therefore, by providing additional opportunities to participate, telework and hybrid work could contribute to an increase in the employment rate among people with disabilities. In a small survey of employees with disabilities, the majority (70%) reported that if their employers did not allow them to work remotely it would have a negative effect on their physical or mental health (Taylor et al, 2022).

### Reviewing organisational practices and enabling autonomy

An essential part of introducing or expanding hybrid work is adapting work organisation, which is about dividing work into tasks, bundling tasks into jobs, and coordinating and monitoring work to fulfil the goals of the organisation. Work organisation also involves determining the degree of autonomy provided to employees and teams, enabling and trusting them to solve work problems, work in teams and so on.

Why do organisations need to reflect on their work organisation practices when moving into a telework and hybrid work environment? Shifting from the traditional to a hybrid work model requires an assessment of which jobs and tasks can be done remotely. Sostero et al (2020) estimate that 37% of employment is teleworkable, which suggests potential for a significant increase on the pre-pandemic level, with around 15% of employees teleworking. Additionally, it requires a redesign of jobs for hybrid work environments – in other words, 'if any changes need to be made to ensure teleworkability and account for elements of social interaction required by the job' (Sostero et al, 2020). Management practices need to be adapted accordingly.

Changing mindsets, preferences and attitudes also play an important role in how work is organised regarding the place of work. The pandemic was a catalyst in shifting the mindsets of both employees and managers and will certainly influence their choices about where and when to work. While experiences and mindsets vary across different organisations, a new understanding of work practices has been evolving.

It is notable that organisations can take different paths in organising work for better organisational outcomes, as evidence suggests (Eurofound and Cedefop, 2020).

These work organisation practices have at their core the following principles:

- providing greater autonomy to employees in carrying out their tasks
- enabling employees to manage their tasks and schedules
- encouraging employees to find solutions to problems
- promoting self-direction in teams

The combination of these practices can facilitate telework and hybrid work. They are not only beneficial when implementing this mode of work, but they are enormously helpful when organising work processes and employees in synchronous and asynchronous, remote and co-located work.

Autonomy is the ability of employees to control their work and schedules, and high levels of autonomy are associated with high levels of learning and innovation (Eurofound and Cedefop, 2021a, 2021b). Autonomy and problem-solving are both associated with job design. Organisations redesigning jobs and work organisation practices to adapt to a telework and hybrid work environment could ask the following guiding questions.

- How do people learn while teleworking or hybrid working?
- How do they work with each other?
- Why would managers want their teams on site?
- Why and when would employees want to come to work on site?

These questions could help to test their assumptions and guide the decision-making process.

Evidently, certain tasks and work stages benefit from face-to-face interaction rather than technologically mediated exchanges. This is particularly evident when teams need to benefit from the creativity, problem-solving skills and knowledge-sharing (within and across teams) that are often associated with innovation (Arena et al, 2022).

Employees can use increased autonomy to assume greater responsibility for their tasks, time allocation and self-organisation (Contreras et al, 2020). Organisations adopting job design that allow employees to solve problems and challenge their skills can be expected to benefit from seeing these skills used more frequently. Managers can offer opportunities to teleworkers and hybrid workers to use their skills to solve problems

autonomously, which can enhance their learning and job satisfaction.

Managers creating an environment in which employees can carry out their tasks autonomously, with freedom to choose regarding place and time (Vartiainen, 2022), and solve problems independently may see an improvement in productivity and increased job satisfaction. As evidenced before the pandemic, for instance, in the analysis of a randomised experiment conducted by Bloom et al (2013) and during it (Angelici and Profeta, 2020; Barrero et al, 2021; Emanuel and Harrington, 2021; Stropoli, 2021), there is no loss of productivity when work is done remotely;<sup>4</sup> on the contrary, employees became more productive. Based on survey data on self-assessed productivity effects of remote work, Barrero et al (2021) estimate that ‘re-optimisation’ of work arrangements in the post-pandemic era can increase productivity by 4.8% (compared with the pre-pandemic situation).

Finally, increased telework and hybrid work do not result in reduced teamwork but instead provide the opportunity to give hybrid teams the freedom to organise themselves. When not all team members are present in the same workspace and at the same time, ground rules can be agreed on by the teams themselves. These might include responsibilities regarding delivery of work to the quality standards required and by the time agreed, solving problems, supporting and learning from each other, and cooperating with other teams. Technological tools facilitating team cooperation are readily available; trusting teams to deliver is a critical factor. The last thing organisations and employees need is ‘flex-washing’ – advertising jobs as flexible, hybrid or telework roles, but without making meaningful changes to management practices.

## Developing line managers’ skills

Whether extensive or moderate telework and hybrid work arrangements are put in place, the role of line managers is critical for their success. When organisations transition to a hybrid work environment, often they are not equipped with the experience (of what works and what needs to be avoided) required. Therefore, they need to increase their investment in training and upskilling their line managers. As the scenarios suggest, line managers’ roles in a hybrid work environment need to be reassessed and adapted. Efforts to modernise managers’ skills base needs to take into consideration the management tasks and

<sup>4</sup> More information on the Survey of Working Arrangements and Attitudes conducted by the WFH Research project, on which Barrero et al (2021) report, is available at <https://wfhrefsearch.com>

challenges involved in enabling autonomy and implementing organisational practices suitable for telework and hybrid work arrangements. More specifically, managers should be able to deal with the following.

**Managing autonomy:** Enabling employees and their teams to decide where, when and how to do their work in ways that best suit the organisation and themselves is of paramount importance. Within a company-specific telework and hybrid work framework of principles, managers can entrust employees with greater autonomy to organise their work (self-leadership). A preference for having everyone present at the employer's premises often stems from managers' perceived need to closely monitor work, particularly if outputs are difficult to measure. This is often expressed as lack of trust that the work will be done as prescribed when employees are not on site. It is essential that managers develop skills that enable them to design tasks that can be delivered online without any disruption or compromise on quality, and in cooperation with others or individually.

**Managing dispersed employees:** Managing employees working off site and on site, synchronously and asynchronously, in productive ways requires different managerial skills and methods of work organisation (as mentioned above). Managers should ensure that employees are equipped with the right communication tools and technologies to work remotely, so that they can be effective and autonomous in their work, encouraging employees to use digital tools that make their work more efficient. A different management approach is required, with a focus on task delivery rather than micromanaging employees and assessing performance based on results rather than just presence at the employer's premises. The new approach should show respect for autonomy and human dignity, particularly in relation to monitoring and surveillance (algorithmic or otherwise). In addition, managers conducting performance appraisals should be aware of potential bias against those who work remotely more often than others, particularly female employees, who may be more likely to choose telework or hybrid work. Developing a new management profile, with the manager assuming a coaching role, is an idea well suited to a hybrid work environment, and this can be encouraged through training for managers.

**Ensuring team cohesiveness and communication:** The importance of human ties in the work environment and for organisational culture cannot be underestimated. Weak ties between employees can reduce their sense of belonging and having common values, and this can be accentuated when more employees are teleworking or hybrid working. The manager's role in maintaining cohesive teams and ensuring good communication is crucial. Moreover, it is essential that dispersed employees feel that they can

count on receiving help and support from management. Organisations should promote management and peer support systems in the workplace and empower line managers to apply them within their dispersed teams.

**Looking after employees' well-being:** Certain negative health and well-being outcomes, such as fatigue, anxiety and presenteeism, are likely to be more common among employees who telework or have hybrid work arrangements. The relatively new phenomenon of virtual presenteeism (working when unwell but still able to perform tasks from home) may become more widespread, to the detriment of employees' health, if left unchecked. Therefore, managers should be trained to be aware of the potential health and well-being risks and to support employees in self-managing them. Psychosocial risk assessments at company level can be an important tool in identifying and mitigating possible health risks to teleworkers and hybrid workers.

**Safeguarding organisational learning:** Managers are often concerned about the organisational learning process being disrupted in a dispersed workforce. Equally, employees (particularly young ones) learn valuable lessons and gain tacit knowledge from face-to-face interaction with colleagues, and this may be hindered when work is transferred online (fully or partially) if organisations do not pay attention to organisational and individual learning needs. Here again, the role of line managers is crucial, as they can coach employees to use their time together online and in person to learn individually and collectively and to share knowledge within and across teams, encouraging collaborative practices. It is these kinds of structured interaction – sometimes called 'intended work practices' – that are often associated with innovation and can benefit from personal exchange. Managers eager to develop organisational learning structures should distinguish between unstructured and structured exchanges, as they serve different organisational purposes. Unstructured exchanges – such as water cooler conversations, which are good for networking and casual exchanges – are frequently cited as promoting creativity and productivity and justifying requirements for on-site work. However, these arguments are not supported by research findings (Harvard Business Review, 2021).

**Responding to crises:** Line managers need to feel supported in their roles in business-as-usual periods but also in crisis situations. Studies have shown that during the pandemic and in other crises managers have lacked support and the necessary skills to manage a dispersed workforce (see, for example, Simpson et al (2003), on natural disasters that required remote work; for the recent pandemic, see KPMG (2020)). They often felt squeezed, with pressure on them from various organisation levels, poor work-life balance and stress about meeting targets while managing their teams.

Providing training and mentoring to facilitate managers' work and enable them to respond to crisis situations that may emerge in the future should be an organisational priority.

## Streamlining regulatory arrangements and enforcing rules

The extraordinary increase in telework during the COVID-19 pandemic, even if only temporary, amplified existing concerns about the impacts of telework and hybrid work in the longer term. There are many reasons to believe that the pandemic experience will accelerate pre-existing trends towards the digitalisation of work and increasing flexibility of work arrangements. Since March 2020, many managers and employees with no previous experience of telework or hybrid work have witnessed the benefits and downsides of these work arrangements, while those with some experience will have adapted existing rules and practices to the new reality of lockdowns and working entirely from home.

As the time of writing (September 2022), many companies and organisations were experimenting with different models of telework and hybrid work, all while regulations on telework and hybrid work in the EU still formed a complex patchwork of approaches, varying from country to country. As the COVID-19 pandemic eases and the share of employees working remotely remains significant, concerns about how telework is regulated (or not) are increasing. The 2002 EU social partners' Framework Agreement on Telework established a regulatory framework to be applied across the EU, and the European social partners will reflect on whether its provisions are adequate for the future of telework and hybrid work.

The role of regulation should not be underestimated. It is important to note that, as the European Agency for Safety and Health at Work (EU-OSHA) highlighted in its report *Regulating telework in a post-COVID-19 Europe*, telework was enforced by many governments as a measure to contain the spread of COVID-19, which means that not only can the extent of telework be influenced by legal means but in extraordinary conditions telework can actually be imposed by law (EU-OSHA, 2021).

At national level, it is notable that regulations on telework vary in certain aspects between Member States. Some gaps can be identified in relation to health and safety, organisation of working time and the right to disconnect (Eurofound, 2022d). It is telling that, according to EU-OSHA's European Survey of Enterprises on New and Emerging Risks (2019), only a small proportion (30%) of European establishments carry out risk assessments on telework settings (at teleworkers' homes).

National provisions – such as those on the regularity of telework (number of days or proportion of working time in telework arrangements), the geographical location of teleworkers (in countries other than the employer's country of residence), surveillance and monitoring, and gender equality – vary substantially and are sometimes rather weak.

Finally, it is not entirely clear how hybrid work is regulated through national legislation (as occasional telework, including hybrid work, is not widely regulated).

National debates have progressed recently on several aspects of telework, for instance the right to request telework and the right to disconnect. Following the pandemic, the number of countries debating the right to disconnect has doubled in the EU; however, there are significant differences regarding the content of (proposed) regulations, and their coverage, requirements and methods of implementation. France was a pioneer in this respect, having introduced a right to disconnect back in 2013. Since then, many company-level initiatives have introduced this right, for example in multinationals in industry and finance in Belgium and Italy (Eurofound, 2021a).

There are several recent examples of legislation that were introduced to regulate, and even promote, remote work. In January 2021, the Irish government published *Making remote work: National remote work strategy* as part of its vision to make remote working a permanent feature of Ireland's working life (Government of Ireland, Department of Enterprise, Trade and Employment, 2021). This was followed, in January 2022, by the draft scheme of the Right to Request Remote Work Bill. In 2021, Italy introduced legislation on 'smart working', enabling employees to work remotely provided they have the required equipment and an adequate internet connection.

Similar measures are under consideration at EU level as well. A good example of this is the adoption in January 2021 by the European Parliament of a resolution calling on the European Commission to propose a law enabling those who work digitally to disconnect outside their working hours and establish minimum requirements for remote working, including on working conditions, working hours and rest periods. Furthermore, as part of their joint work programme for 2022–2024, the European social partners have agreed to negotiate an update to the 2002 EU social partners' Framework Agreement on Telework, considering various elements, including the right to disconnect. The new agreement is to be implemented through an EU directive.

It is important to pay attention to the role that social partners can play in regulating telework and hybrid work. As the International Labour Organization (ILO) has put it, it will be necessary to design policies to promote

‘decent and productive telework’. The ILO emphasises the need to regulate telework and the role of social partners:

*It will be necessary to develop policies and legislation to promote decent and productive telework. Social partners will play a central role in drawing out the lessons learned from the pandemic teleworking experiment and applying them to revise existing laws, regulations, and policies, or to develop new ones, that can help make teleworking a ‘win-win’ arrangement benefitting both workers and employers in private enterprises as well as public sector organizations.*

(ILO, 2021)

Regardless of the scenario that develops in the future, legislation and regulations on telework and hybrid work will have an important influence on how they are implemented and the effects they have on employees and organisations. It is essential that regulations establishing the framework are clear and easy to implement, otherwise they may be counterproductive. Negative effects could include overly burdensome requirements reducing flexibility for employers and employees. An onerous set of rules introducing complicated or time-consuming administrative obligations might make both parties shy away from using this mode of work (or worse, from declaring that they were using it). The system of regulation should not be complicated, but, at the same time, it should provide protection to employees. For instance, to ensure that working time is not discounted, a simple and easily accessible time-reporting system would facilitate temporal flexibility, promote transparency and protect employees.

It is clear, however, that telework and hybrid work do create increased complexity when it comes to risk assessment and enforcement of standards (on occupational safety and health, for example) by the company, employee representatives or public authorities. How can good working conditions be ensured and occupational risks (be they ergonomic or psychosocial) be prevented without violating employees’ right to privacy in their homes?

As the next section explains, existing legislation and regulations on health and safety at work and working hours must be reviewed to cater for the new realities of telework and hybrid work, regardless of the scenario that has come about by 2035.

## Guaranteeing job quality

Another issue that needs to be addressed to ensure a desirable future in terms of telework and hybrid work, regardless of the scenario that plays out, is job quality. It is crucial that the working conditions associated with telework and hybrid work enable sustainable work (for a definition of sustainable work see Eiffe (2021)).

The literature indicates that the most important aspects of job quality in telework and hybrid work can be grouped into four main dimensions:

- physical risks
- psychosocial risks
- working time
- reconciliation of work with private life (work-life balance)

Research has shown an association between telework and hybrid work and **physical risks** such as musculoskeletal disorders (for instance, back and upper limb pain) and eye strain. In order to prevent such risks, it is crucial to ensure that workspaces and workstations are ergonomic, regardless of where employees carry out their work. As mentioned in the preceding section on regulatory arrangements, this raises difficult questions concerning the responsibility for creating and enforcing clear health and safety requirements in a telework and hybrid work environment (including requirements for an adequate workspace and adequate equipment – workstation or desk, chair and peripheral devices of a computer – but also relating to issues such as temperature, noise and distractions).. Furthermore, as work arrangements start to change, it is very likely that the way offices are organised may change. It is possible that more employers will bring in hotdesking, rather than offering allocated offices or desks for each employee, which may cause some physical strain (for instance, staff may need to carry IT equipment and documents and may only have access to non-adaptable desks and chairs).

The **psychosocial risks** associated with telework and hybrid work have received increased attention thanks to the COVID-19 pandemic and the massive number of employees working from home for long periods of time. There are fears that prolonged periods of teleworking may lead to increased levels of psychosocial stress, including feelings of isolation, which in turn have negative impacts on employees’ mental health. In addition, there are potential risks of mental health impacts stemming from tighter monitoring of employees’ performance, greater access to employees’ personal data and work-related cyberbullying.

Another important element to bear in mind is **working time**. The challenge of correctly and accurately measuring working time becomes even more complex in the context of telework and hybrid work. It is important to review rules on working time that, for instance, clarify time-tracking procedures, set maximum time limits and minimum rest breaks, and establish realistic workloads. Some Member States that encouraged home-based telework to minimise social contacts and limit the spread of COVID-19 during the pandemic also adjusted working time provisions to take into account the new realities of remote work (Eurofound, 2021c).

Telework and hybrid work are considered work arrangements that are able to provide the necessary flexibility to cater for employees' needs throughout their life; employees may have different needs and preferences at different stages of their lives (as singles, family members with children, carers and so on). In other words, these forms of work can help in achieving a good **work-life balance** and reduce work-life conflicts. At the same time, it is increasingly acknowledged that telework and hybrid work may contribute to a less clear division between paid and unpaid work, having a negative effect on work-life balance and further blurring the boundary between work and private life. As mentioned elsewhere in this report, this can exacerbate existing gender imbalances, as women are more likely to take up telework to enable them to take care of family responsibilities; it may also have negative consequences for their careers, because they then spend less time at the employer's premises, where the important decisions are made.

In addition to the issues mentioned above, it is important to consider the issue of **skills**. The experience of 'forced' telework during the COVID-19 pandemic revealed that many did not have the necessary skills and/or lacked the equipment or space required to work entirely from home. The set of skills required for working in offices or similar workplaces, including management and people management skills, may not be fully adequate for remote work arrangements. The successful design, implementation and execution of sustainable telework and hybrid work arrangements requires that all involved have the right skills for their specific role.

Ultimately, telework and hybrid work should be regarded as a means to achieve the best possible working environment and outcomes from work. As stated by the World Health Organization and the ILO,

*when properly organized and supported, telework may have positive impacts on employees' physical and mental health and social well-being. However, when the health and safety risks of teleworking are not prevented and employees cannot make healthy choices while teleworking, such work can have significant negative impacts on health.*

(WHO and ILO, 2021)

## Ensuring the voice of employees is heard

It is true that the desired flexibility can be a double-edged sword if the right conditions are not in place. In designing telework and hybrid work arrangements, companies should consult with worker representatives regarding the variety of situations and needs of employees. It is important to recognise that it

is not a simple question of having telework and hybrid work arrangements or not; there are various ways in which these work arrangements are implemented, for instance one employee might work three days from home while another works all afternoons in the office. As a result, the extent to which they appeal to employees varies. Employees with different sociodemographic characteristics, care responsibilities, types of contract, levels of seniority, types of job (for example, in the public or private sector), and career plans and prospects may have different preferences with regard to such work arrangements (for example, as regards the number of days per month or the number of hours to be teleworked) and may respond differently to job offers made and remote work options proposed by a company. It is therefore important that consultation at company level is conducted prior to adopting or revising policies on telework and hybrid work. Some companies have chosen to decentralise decisions regarding location and time to teams and encourage teams to reach agreements that better suit their needs. Depending on national industrial relations traditions, social dialogue and collective bargaining at various levels may play a critical role in making employees' views heard.

There are recent examples of company-level agreements that have included provisions on remote work. For instance, the Vodafone Germany agreement concluded in October 2021 established the 'Full Flex Office' initiative, which was developed jointly by management and the works council based on an employee survey (Planet Labor, 2021). It was clear that employees wanted real autonomy over where and when they would work. Therefore, the agreement emphasised that there was to be a move from a 'presence culture' to a 'results culture'. At the same time, the parties agreed that management training was to be prioritised to ensure that managers were better able to respond to employees' needs, attend to their well-being and develop trust, all essential elements to make the hybrid work environment a success. 'We need to understand that team spirit and productivity are not about location, but about attitude,' said Hannes Ametsreiter, CEO of Vodafone in Germany (Planet Labor, 2021). The company also planned to transform office space into places for 'social interaction, exchange and creativity'.

Similarly, the Spanish telecommunications operator Telefónica and the Trade Union Confederation of Workers' Commissions and the General Workers' Confederation agreed in September 2021 on the transition to a hybrid working environment. It is anticipated that all employees will be given the opportunity to work remotely 40% of the time (two days a week).

At sector level, the Spanish metal sector agreement signed in November 2021 includes provisions on remote working conditions. The two sides, the trade unions

CCOO de Industria and UGT FICA and the employer organisation Confemetal, agreed that remote work arrangements were to be agreed for each employee through an individual contract clarifying that these arrangements can be reversed at the request of either side. The agreement regulates how working hours are to be spread throughout the day, to ensure that employees have enough breaks. It also guarantees that teleworking employees will have the same rights as on-site employees and that health and safety reviews will be carried out.

## Other issues

### Cross-border taxation

Another issue that arose during the discussions on the scenarios was the challenges posed by the increase in cross-border telework (within the EU but also between EU Member States and third countries) to the existing international taxation systems and the clarity of the rules that apply to employees and employers. According to a recent opinion of the European Economic and Social Committee (EESC), concerns have been raised regarding the taxation of wages and the taxation of company profits. As indicated in the opinion, cross-border employees teleworking may be faced with double taxation on their income, resulting in lengthy and costly disputes. The treatment of foreign income varies, as do declarations, processes and timelines. On the other hand, according to the EESC opinion, international teleworkers can inadvertently create a permanent establishment of the company they work for in a different country. Establishments in different countries logically mean compliance with various legal obligations. While these problems were temporarily overcome while the pandemic was at its height, it is important to recognise the requirement to update the tax systems to meet the current and future needs of work (EESC, 2022). Potential issues regarding the social security system applicable in situations in which teleworking employees move permanently or for a long period to another country (for instance, the issue of which country contributes to their pension) should also be considered.

### Urban–rural considerations

The pandemic did not signal the end of urban working life, as was predicted during its worst days. A lasting reinvigoration of rural areas will not necessarily result either, as might have been expected, so the jury is out regarding the urban–rural implications. However, during the pandemic, the proportion of teleworkers in the workforce increased more in cities than in other

areas (Eurofound, 2022b), which might be explained by factors such as the higher incidence of telework in the services sector, better digital infrastructure and longer commuting times – all features of urban life. Policy initiatives to support telework and hybrid work through investments and cooperation schemes with business networks could play a role in stimulating suburban economic activities and attracting talent to them, where this is a policy goal. With the double objective of improving access to telework and hybrid schemes and revitalising territories outside traditional urban centres, some countries have taken measures to set up a network of co-working spaces. With the aim of appealing to remote employees, digital nomads and businesses, countries such as Canada, Croatia, Iceland, Ireland, Malta, Portugal, Spain, Sri Lanka and the US have embraced a hybrid working vision (Cogito, 2022a, 2022b).

For example, Ireland has published *Making remote work: National remote work strategy*, which aims to secure economic, social and environmental benefits (Government of Ireland, Department of Enterprise, Trade and Employment, 2021). Among the key priorities of the strategy are interventions to improve the conditions for remote working, including the right to request remote work and the right to disconnect. Furthermore, it proposes investments in remote work hubs and infrastructure, including social infrastructure (for example, upskilling and better childcare facilities) and national broadband infrastructure.

Similarly, the Portuguese government is building networks of co-working spaces, with employees and businesses sharing common, collaborative office spaces, outside urban areas. These ‘social spaces’ (bePortugal, undated) are designed to encourage interaction and tackle the isolation often experienced by teleworkers. Cooperation schemes between governments and businesses have been emerging, covering plans for the digital infrastructure in suburban and rural areas and changes to taxation. Such schemes have the potential to retain talent in and attract it to areas outside the usual urban centres.

Finally, a rethinking of office spaces and buildings is under way; with fewer employees needing to be accommodated on site daily, real estate costs are a consideration. Taking into account the various hybrid work combinations (with between two or two and a half days a week of telework being the preference of many employees), premises that were full before the pandemic may now be underused.<sup>5</sup> Therefore, more emphasis may be placed on the quality of the space and on how it can support employees’ well-being. In designing the workspace for a hybrid mode of work,

<sup>5</sup> Commercial real estate companies may expand to offer flexible workspace solutions as well as more traditional office spaces and may offer more flexibility on leases (Regus, undated).

companies may choose to create more space for social interaction, green rooftops or terraces, or larger canteens that can double as working areas, and they may decide to convert individual offices into meeting rooms. As some employers move towards this new vision of the workspace, the New European Bauhaus initiative can support projects and experiments intended to regenerate urban and rural spaces and in particular workspaces.<sup>6</sup>

## Environmental aspects

Telework and hybrid work are often considered a means to reduce carbon emissions, through a reduction in commuting. It is well established that transport is a major contributor to greenhouse gas emissions,<sup>7</sup> however, the benefits of telework and hybrid work in combating climate change are not straightforward. Several factors need to be taken into consideration, such as forms of remote work and other factors that contribute to energy savings or higher carbon emissions. Regarding remote work, a distinction should be made between full-time telework and hybrid work. With regard to hybrid work, calculations need to be made about the intensity of on-location work; employers may require employees to work on-site one day or four days a week. Obviously, the number of days has an impact on commute time and carbon emissions. Finally, if employees decide to relocate to the outskirts of a city, then the commute time and distance need to be taken into account in assessing the environmental benefits. Employees who have taken up hybrid work and relocated to an area further away from their employer's premises are likely to see an overall increase in the distance travelled over a working week (Melo and Silva, 2017).

Other factors, such as the mode of transport (public or private), the type of vehicle (using fossil fuel, electricity, or another source of energy) and any increase in non-work-related local travel times, must also be accounted for (Eurofound, 2022e). If telework and hybrid work lead to a reduction in commercial or industrial electricity consumption and an increase in residential electricity consumption, there will be no real benefits for the climate. Considering the low energy efficiency of buildings and homes, the disadvantages of telework may outweigh the advantages. However, if the electricity generated includes a high proportion of

renewable energy, it is likely that there will be carbon emissions savings. Climatic factors affecting different European countries and cities, where energy demands vary depending on the season, geography and indeed consumer habits, should also be taken into account when assessing the environmental benefits of telework and hybrid work.

Furthermore, decisions regarding the choice of place of work should also take into account the context of energy-strained economies and societies, where businesses and households are called on to absorb increasingly high energy costs.

## Gender equality

Another cross-cutting issue that arises regardless of how the future of telework and hybrid work unfolds is the effect of this type of work organisation on gender equality. The section above on ensuring fairness in the workplace referred to how gender equality in the workplace can be affected by telework and hybrid work. However, they can also have an impact on gender equality from a broader perspective, including with regard to how unpaid work such as domestic work and care responsibilities are divided between employed men and women.

During the pandemic, many households had all their members working and/or studying from home. However, this did not mean that unpaid work such as domestic chores and caring for children or other household members was equally shared between men and women. On the contrary, EWCTS data show that the burden of this type of work continued to fall on women, as was the case before the COVID-19 pandemic (Eurofound, 2022f).

So, if the question is whether telework and hybrid work can benefit gender equality, the answer is, theoretically, yes (if adequate childcare facilities are provided). However, experiences during the COVID-19 pandemic tell us that that this mode of work is not necessarily good for gender equality and that women may be at a disadvantage when taking up telework or hybrid work. It is important that managers are adequately trained, that support for teleworkers and hybrid workers is available and that employee experiences and career progression among women and men are monitored and followed up.<sup>8</sup>

<sup>6</sup> For instance, such support is being provided through the New European Bauhaus Prizes (<https://prizes.new-european-bauhaus.eu>).

<sup>7</sup> See data from the European Environment Agency, available at <https://www.eea.europa.eu/data-and-maps/data/data-viewers/greenhouse-gases-viewer>

<sup>8</sup> The European Economic and Social Committee has taken up this issue in its opinion entitled 'Teleworking and gender equality – Conditions so that teleworking does not exacerbate the unequal distribution of unpaid care and domestic work between women and men and for it to be an engine for promoting gender equality', adopted in March 2021.



# Conclusions

This report has shown that considerations about the future of telework and hybrid work must address its implementation and potential implications. Drivers such as the nature of work, the work organisation models implemented, management and organisational skills, and technology adoption are key elements of the future of telework and hybrid work that will depend on organisational decision-making and practice. The readiness of organisations to shape and respond to these drivers will greatly influence the implementation of this form of work. Furthermore, if organisational decisions on these drivers are taken with greater awareness and the involvement of employees, the results will be better for employees and the organisations. Other key factors – such as telework and hybrid work legislation and regulations, telecommunications infrastructure, and public-private investment in infrastructure – will depend on the intervention of public authorities.

Undeniably, some key factors influencing the future of telework and hybrid work are largely outside the scope and control of organisations and policymakers (as was the COVID-19 pandemic). However, most of them can be controlled, directly or indirectly, through organisational actions, policy measures, social dialogue and collective bargaining. This means that the future of telework and hybrid work can be shaped and steered towards desirable outcomes by policymakers and by employers, workers and their representative organisations.

The various effects of these drivers could lead to different scenarios, four of which were examined in detail in this report. Clearly, the most promising is Scenario 1, **‘Telework and hybrid work in an equitable world of work’**, which entails cultivating high levels of work autonomy, equipping managers with the skills to manage autonomy and a dispersed workforce, developing telework-compatible jobs, adapting work organisation and quickly adopting technological solutions. Organisations embracing such work practices experience positive organisational outcomes from which both employees and employers can benefit. A supportive, transparent and streamlined regulatory framework assists in setting the rules and protecting workers.

In Scenario 2, **‘Surging and selective telework and hybrid work’**, greater autonomy is available to certain categories of workers, mainly core employees (generally highly qualified white-collar employees). Telework and

hybrid work are often viewed as a tool for attracting talent (a perk), and relevant training is provided only to selected employees. Less effort is put into organising work that facilitates telework and hybrid work and adapting tasks and jobs, while only a few organisations invest in technological solutions enabling telework and hybrid work. Moderate efforts are made to establish a regulatory framework.

In Scenario 3, **‘Shrinking and polarised telework and hybrid work’**, it is mainly large multinational companies that plan for and implement these forms of work, and only a small number of job tasks have been adapted, with little flexibility in terms of place and time. Organisations do not prioritise investments in upskilling their workforce or technological solutions. There is widespread scepticism about how telework and hybrid work are implemented, and regulation consists of a patchwork of systems across Europe. In the absence of a supportive framework and given the lack of information on how to manage a dispersed workforce, most SMEs are missing out on opportunities to implement this mode of work.

Finally, the fourth scenario, **‘Disengaging from telework and hybrid work in a turbulent world’**, is the most restrictive in terms of autonomy (in the few instances where telework or hybrid work is implemented) leading to discontent among employees. Line managers entrusted with managing the (few) teleworkers and hybrid workers are not systematically trained to optimise the advantages and minimise the risks involved in this form of work for employees and organisations. The absence of any sets of rules at national or EU level (apart from the 2002 EU social partners’ Framework Agreement on Telework) creates ambiguities and grievances, leaving many businesses in limbo and employees unprotected.

Attention needs to be paid to the implications of these scenarios in terms of **job quality and organisational practices**. Scenario 1 results in more desirable job quality outcomes, in relation to dimensions such as working time arrangements, work intensity, task discretion and autonomy, and career prospects, and also in terms of gender equality. The organisational practices adopted include investment in teleworkable jobs, creating a work environment that bolsters the ability (skills), willingness (motivation) and opportunities of employees to do their job regardless of time and place. Agreed solutions at team level

(as well as company level) create a flexible framework that allows employees and organisations to adopt the telework and hybrid models that best suit them. At the same time, industry agreements set the standards for companies at sectoral level.

Some regulatory measures control working time extremes in Scenario 2, but greater autonomy is provided to only selected employees (generally professionals and technicians), who enjoy better career prospects. When it comes to organisational practices, some moderate investments in adapting the work environment have been made to enable workplaces to introduce practices outside the on-site and 9–5 work pattern. However, organisations are selective in providing access to flexible work arrangements and training. Overall, telework and hybrid work are expanding, but opportunities are not equally distributed among employees.

In Scenario 3, most of the job quality dimensions are negatively affected for most of the European workforce (particularly in SMEs). Some employees of large and multinational companies are given access to closely monitored and controlled telework and hybrid work. High work intensity and long working hours prevail, and there is a confusing patchwork of regulations. Companies in IT and finance are more likely to make investments in work organisation arrangements suited to telework and hybrid work than those in other industries. Therefore, limited opportunities exist for managers and employees to shape jobs and tasks jointly, and few employees have a say on organisational issues.

In Scenario 4, in which flexibility and autonomy are not encouraged, job quality is negatively affected. Organisations have not invested in adapting their work organisation and management practices to enable telework and hybrid work. Obsolete structures of command and control do not allow flexibility in terms of space and time, and there are few positive organisational outcomes.

Overall, policymakers, organisations, and representatives of employers and workers aiming to achieve a desirable future for telework and hybrid work should consider aspects of Scenario 1 to achieve their objective. In designing, regulating and agreeing arrangements at team, company, industry or national level, the negative implications of the other scenarios should be carefully considered.

In addition, this report has highlighted specific issues to be taken into consideration. The division between those who have access to telework and hybrid work (for instance, professionals and managers) and those who do not (for example, frontline workers) could potentially become a new source of **inequality in the workplace**. Therefore, employers and workers, their representative organisations and policymakers should pay attention to ensuring fairness in the workplace.

Prior to introducing telework and hybrid work arrangements, **organisational practices and work organisation** (how jobs and tasks are adapted for this mode of working) should be reassessed. Jobs need to be designed through work organisation that distinguishes between tasks that can be performed online and those that need to be done on site. Managers should aim to create an environment in which employees can autonomously carry out their tasks, regardless of place and time, and solve problems independently. In doing so, organisations will need to **upgrade management skills**, particularly those of line managers, to empower them to manage autonomy, care for employees' well-being, ensure team cohesiveness and organisational learning, and respond to crises.

Regardless of how the future unfolds, **legislation and regulations on telework and hybrid work** will be decisive with regard to how these working arrangements are implemented and the effects on workers and organisations. The EU is based on the principle of the free movement of goods, services, capital and labour. However, there is great uncertainty in relation to telework and hybrid work across Member States. How telework and hybrid work are regulated, including aspects such as health and safety, working conditions, job quality, pay and taxes, will have to be carefully considered to ensure a desirable future.

If the future of telework and hybrid work is left to the market, there is a risk that the needs and wants of the actors with greater negotiating power will prevail. Such a result may not necessarily favour a healthy and productive work environment. By contrast, if the needs of employers and employees, but also of society in general, are taken into consideration in the various areas of possible intervention – from legislation and regulation to day-to-day practice – it is more likely that the future of telework and hybrid work will contribute to sustainable work, better individual and collective performance, and a healthier and more productive society with greater social cohesion.

## Policy pointers

**Supporting organisations to implement telework and hybrid work arrangements that are beneficial to both businesses and employees:** Initiatives by business associations, chambers of commerce and other employer organisations can make an important contribution towards better expansion and implementation of telework and hybrid work in European organisations. Such initiatives could include the following.

- Supporting work organisation practices that promote greater autonomy in how teams carry out their tasks (both on-site and off-site). Organisations need to distinguish between location-dependent and location-independent tasks, which can be performed away from the employer's premises. Attention should be paid to advanced technological solutions, such as holograms, the metaverse, remote-controlled robots, virtual reality, digital twins and artificial intelligence, and the role they can play in the production of goods and provision of services, in turn affecting the uptake of telework and hybrid work. The application of such technologies can enable employees previously working fully on site (for example, machine operators) to control production systems remotely. This will require changes in job tasks and work organisation. Finally, monitoring and control systems should be set up to respect human dignity and avoid excessive surveillance.
  - Key managerial challenges need to be addressed, including encouraging team cooperation; knowledge transfer and sharing of organisational values; creating a culture of trust among on-site and off-site employees; and promoting agreed solutions. It should be recognised that the challenge for organisations and teams is not merely deciding to implement telework or hybrid work or not to do so, but exploring how to combine work on and off site in a meaningful way that fosters knowledge-sharing, problem-solving and innovation capabilities.
  - Work practices need to account for the heterogeneity of the workforce: different employees at different stages of their lives perceive telework and hybrid work differently. Young employees joining the labour market hope to be mentored in this early phase of their working life and may prefer to be at the employer's premises with other employees almost daily. Working parents in their 30s and 40s may prefer hybrid work. Similarly, employees with caring responsibilities may also want to be able to choose this option. In addition, employees with disabilities may prefer to telework fully or in a less intensive hybrid work mode (for instance, working on site one day per week). Finally, some employees may have no access to such arrangements due to the nature of their job, and they should be incentivised by their managers in other ways. Employers need to tap into the diverse workforce and talent pool to maintain skills and gain a competitive advantage.
  - It is important to take into account aspects affecting job quality, particularly working time, work intensity, task discretion and career prospects. Organisations should consider processes for connecting and disconnecting to ensure that work does not encroach on private life and damage employees' work-life balance. Related to this is the need to assess the organisation of working time, particularly as teleworkers are more likely to work long hours, and control work intensity. It remains crucial that telework and hybrid work are not compulsory but undertaken following discussions between managers and employees and their representatives.
  - Providing recommendations and support to help companies re-examine their risk assessment practices covering health and safety risks, including psychosocial risks. The high levels of stress, isolation and virtual presenteeism often cited as disadvantages of telework should be carefully examined. Managers and employees could also look at the benefits of low-intensity hybrid work (two or two and a half days' telework per week) versus full-time telework.
  - Forums for exchange between company managers (at industry level), regional- or city-level good practice events (for example, monthly evening chats to exchange experiences, with the participation of practitioners, managers and HR professionals) and EU-wide networks (such as the European Workplace Innovation Network) could facilitate learning about what works.
  - Regional training alliances between the employers and training providers, which strive to go beyond traditional courses, could be valuable to companies and their employees. Such courses should aim at improving skills in designing and managing a hybrid work environment.
- Training line managers in telework and hybrid work arrangements:** Organisations should invest in training activities for their line managers to ensure that they are well equipped to manage hybrid work done synchronously and asynchronously and in different workspaces. Line managers are assuming new roles in the hybrid work environment, and they need to be involved in shaping hybrid work plans, as their experience of dealing with day-to-day problems can be vital in ensuring the success of change policies. Training strategies could include guidelines on how to establish hybrid working in teams, communication, and fairness

and inclusion, and recommendations on efficient management of hybrid teams and promoting employee engagement in hybrid environments.

Line managers are called on to implement hybrid work and drive results for their organisations, but they need to be trained and supported in their role in change management. Failure to do so may result in poor organisation performance, an adversarial work climate, absenteeism, low employee motivation and resignations. Their role is critical in recruiting, motivating, coaching, recognising good work, supporting staff and keeping teams together, which ensure good organisation and employee well-being outcomes.

**Reflecting on policies and regulation:** Policymakers might be reasonably concerned about the possible costs of public intervention in this area; they might be concerned about burdening organisations with unknown costs. At the same time, a lack of intervention could be detrimental to the well-being of workers. Some evidence from existing studies (Eurofound, 2022c) and for some countries shows that the virtual work environment is not always appropriate (inadequate equipment, physical and occasionally psychosocial issues), there is work intensification, there are irregular schedules and there are issues with risk assessments, enforcement of health and safety rules, and so on. Policymakers at national level should thus consider some of the following actions.

- Reflecting on appropriate ways of setting minimum standards on this mode of working, regarding, for example, the right to disconnect, equipment costs, communication, energy costs, health and safety, mental health and well-being, and equal treatment of teleworkers and those working only at the employer's premises. This could involve, for example, legislation, collective bargaining or tripartite agreements.
- Developing, in collaboration with social partners, new tools and methods of monitoring and enforcing regulations that take into account the work context in teleworkers' and hybrid workers' homes.
- Accelerating the process of developing national digital infrastructures to enable widespread coverage and high-quality internet connections, which will undoubtedly facilitate communications and online working. Digital infrastructure will be a critical factor in determining the extent to which companies adopt advanced technological solutions that can support increased telework and hybrid work.
- Holding tripartite discussions on how labour market actors and society view the right to request telework and hybrid work.

- Shaping policy tools to support telework and hybrid work should be done in a systematic manner, to reinforce and complement other policy areas such as regional and urban development (attracting and retaining workers in certain regions) and combating climate change.

**Social dialogue at national level:** Social dialogue at national and EU levels can play a significant role in the development of telework and hybrid work. The world is becoming more unpredictable, and the prevalence of telework and hybrid work may increase in the years to come; national-level social partners may find it advantageous to regulate some aspects of this working arrangement through collective agreements at various levels. These aspects include health and safety, working time, working space, the right to disconnect, digital surveillance, consultation and dispute resolution processes.

**Social dialogue at EU level:** In the absence of national collective agreements and with differing national regulatory frameworks, social partners at EU level may wish to promote shared standards for the equal treatment of teleworkers and hybrid workers across Europe. Some actions they might consider are the following.

- Creating an evidence base (for example, by monitoring the frequency of hybrid days and the variety of workspaces, collecting reports of psychosocial and well-being concerns, and gathering gender-disaggregated data) and raising awareness.
- Regularly monitoring developments in and experiences of telework and hybrid work across the Member States and in cross-border situations (where the worker's country of residence is different from that of their employer).
- Designing appropriate joint actions based on an analysis of how best to manipulate factors that are likely to affect the future of telework and hybrid work. These factors include the nature of jobs, work organisation, management training and technology absorption.
- Action at national level can be stimulated with initiatives, such as the digitalisation framework agreement and the recent work by the EU level social partners to negotiate an update of the 2002 EU social partners' Framework Agreement on Telework.

**Monitoring at EU level:** In particular, monitoring should cover the issue of cross-border telework and hybrid work, including the tax and social security implications, as it may cause distortions in the labour market. Furthermore, relevant EU-level initiatives, for instance in relation to digitalisation and upskilling, should take into consideration the new reality of telework and

hybrid work emerging in the workplace and the workplace practices associated with it. Implementing this mode of work is not merely about adopting the right technological tools but about organising work differently, which needs to be taken into account in the relevant EU policy initiatives. Finally, the relationship between telework and hybrid work and future workspaces in urban and rural areas could be further explored through the New European Bauhaus initiative.

**Providing support for SMEs:** SMEs may have fewer opportunities and less resources to introduce work organisation changes and assess how jobs and tasks can be transformed in a digital work environment. If policymakers wish to avoid a labour market situation in which telework and hybrid work are available largely to a select group of occupational categories and large companies, the involvement of SME associations will be essential. They can play a very important role, providing their members with practical advice regarding the advantages and challenges of telework and hybrid

work, how to address these challenges, requirements on all parties involved, regulations and so forth. While all the issues mentioned above are relevant to SMEs, targeted support activities could address some of their specific needs:

- raising awareness of and providing training on the cybersecurity issues that arise when organisations open their networks to users outside the on-site work environment
- developing skills, including soft skills (communication, time management, working autonomously and so on)
- setting relevant individual and organisational targets and monitoring performance while respecting worker autonomy
- bringing together and addressing the organisational and technical requirements that need to be met for efficient telework and hybrid work



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# Annex: Methodology

The report’s objective is to contribute to the policy debate on telework and hybrid work by presenting scenarios examining how they might have developed in the EU by 2035, with the aim of deriving policy pointers on interventions that could support desirable futures and avoid unfavourable ones. The identification of key factors was based on a literature review searching for relevant telework and hybrid work literature. The term ‘hybrid work’ is scarcely used in the literature; therefore, most of the sources used refer to telework. However, ongoing Eurofound work to define hybrid work and clarify terms has informed this report. The literature search covered relevant research work covering each of the social, technological, economic, environmental, political and legal (STEEPL) fields.

## Drivers and selected references

The drivers were selected based on an approach which considers a framework of analysis based on six STEEPL factors (social, technological, economic, environmental, political, and legal). An initial list of 60 factors with an influence on the future of telework and hybrid work was drawn up and then refined down to 13 factors, which were then split into 9 key factors and 4 influencing factors (Table 4). A selected list of references used in identifying the drivers is provided in Table 5.

**Table 4: Definitions of the key factors driving the future of telework and hybrid work to 2035**

STEEPL dimension	Key factor	Definition
Societal	Mindsets, preferences and attitudes towards the place of work	This driver encompasses the social values, social norms, gender roles, and attitudes towards the place of work that may determine the take-up of telework and hybrid work. Mindsets shape and are shaped by management and employee attitudes and preferences, and they reflect views regarding well-being at work and the environmental impact of work and commuting.
	Crisis-driven shifts	This driver refers to changes related to health, economic, geopolitical and other types of crises, how employees are affected by them and how organisations adjust.
Technological	Technology adoption	This driver refers to the degree of adoption of the technological tools and means that facilitate the exchange of data, the execution of work and production tasks from a distance, e-communication and so on. These tools include applications for data analysis; data storage; remote/online teamwork hardware and software; the internet of things; augmented reality; 3D printing; blockchain; 5G and broadband connectivity; means of securing servers from cyberattacks and security; monitoring and control hardware and software; and automation and robotisation. This also includes the digital skills available in the labour market, in various industries (at macro and meso levels) and within firms (at micro level), which enable the proper use of such technology.
Economic	Work organisation	Work organisation is about the division of labour and the coordination and control of work: how work is divided into job tasks, bundling of tasks into jobs and assignments, interdependencies between employees, and how work is coordinated and controlled to fulfil the goals of the organisation. Work organisation thus refers to how work is planned, organised and managed within companies and to choices on a range of aspects such as work processes, job design, responsibilities, task allocation, work scheduling, work pace, rules and procedures, and decision-making processes.
	Management and organisational skills	Managers’ organisational and management skills enable employees to perform their tasks efficiently in telework and hybrid work mode by aligning individual and organisational demands. Those skills are required for managing and providing support in the implementation of telework and hybrid work; assessing and revising health and safety measures; communication; managing workloads and work intensity; assessing performance; allocating and scheduling tasks while facilitating employee control and autonomy and also ensuring high levels of organisational efficiency and productivity; and dealing with emergencies.

STEEPL dimension	Key factor	Definition
Economic	Nature of work	This driver refers to the type of work an employee does and the types of tasks performed. Any work activity can be described in terms of the task content of the work (physical tasks, social interaction, information processing), the methods of work (how work is organised, including the levels of teamwork, autonomy and routine work) and the tools of work (what technologies are used).
	Housing and rental prices	This driver refers to price developments in the real estate market, including property prices and rents in the private, retail, office and industrial sectors.
Political	Public and private sector investments and incentives	This driver refers to public and/or private investment in infrastructure facilitating telework and hybrid work, such as telecommunications and remote working hubs. It also includes policies targeting businesses and/or employees that may incentivise (or disincentivise) telework and hybrid work (such as tax policies, subsidies).
Legal	Regulation of telework and hybrid work	This driver refers to all rules governing telework and hybrid work, including employment and labour legislation and standards, occupational health and safety legislation, telework and hybrid work legislation (including on the right to disconnect, working hours recording, and telework and hybrid work expenses such as energy and communications), legislation on employee representation and labour legislation in general (labour law, collective agreements, etc.).

Table 5: List of selected references used in identifying drivers of telework and hybrid work

STEEPL dimension	Category of driver	Selected references
Societal	Social infrastructure and transport	<p>Bjursell, C., Bergmo-Prvulovic, I. and Hedegaard, J. (2021), 'Telework and lifelong learning', <i>Frontiers in Sociology</i>, Vol. 6, 642277.</p> <p>European Parliamentary Research Service (2018), <i>Investment in infrastructure in the EU: Gaps, challenges, and opportunities</i>, briefing, Brussels.</p> <p>Government of Ireland, Department of Housing, Planning and Local Government (2019), <i>Project Ireland 2040: National Planning Framework</i>, Dublin.</p> <p>Government of Ireland, Department of Transport, Tourism and Sport (2019), <i>Review of actions of Smarter Travel Policy</i>, Dublin.</p> <p>Hynes, M. (2014), 'Telework isn't working: A policy review', <i>Economic and Social Review</i>, Vol. 45, No. 4, pp. 579–602.</p> <p>ILO (International Labour Organization) (2019), <i>Extending social security to self-employed workers: Lessons from international experience</i>, ILO brief, International Labour Office, Geneva.</p> <p>Jacobs, S. M., Pelfrey, S. and Van Sell, M. (1995), 'Telecommuting and health care: A potential for cost reductions and productivity gains', <i>Health Care Supervisor</i>, Vol. 14, No. 2, pp. 43–49.</p> <p>telework.gov (undated), 'Telework and dependent care', web page, accessed 24 February 2022.</p>
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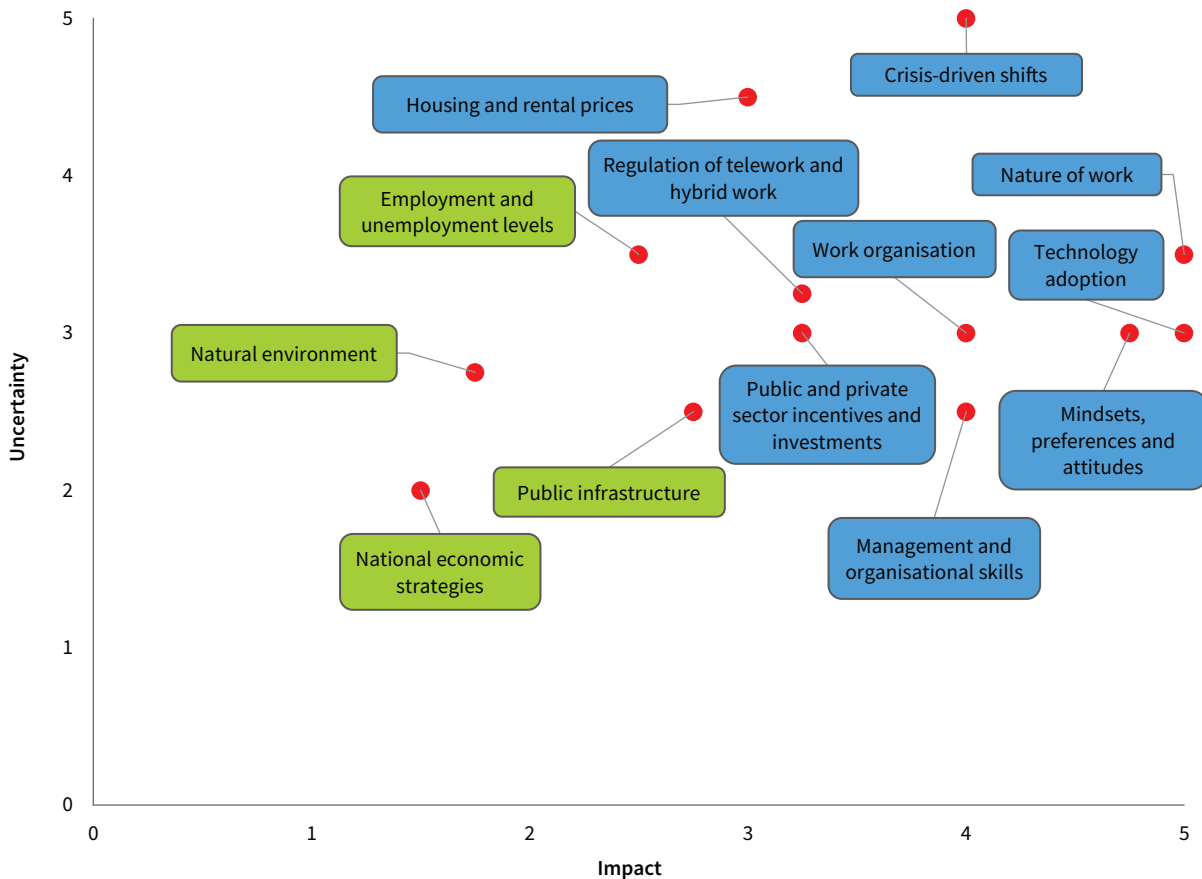
STEEPL dimension	Category of driver	Selected references
Societal	Crisis-driven shifts (COVID-19, other health crises, economic crises, geopolitical crises, etc.)	<p>Adrjan, P., Ciminelli, G., Judes, A., Koelle, M., Schwellnus, C. and Sinclair, T. (2021), <i>Will it stay or will it go? Analysing developments in telework during COVID-19 using online job postings data</i>, OECD Productivity Working Paper No. 2021–30, OECD Publishing, Paris.</p> <p>Araújo, T. M. and Lua, I. (2020), 'Work has moved home: Remote work in the context of the COVID-19 pandemic', <i>Revista Brasileira de Saúde Ocupacional</i>, Vol. 46, e27.</p> <p>Brynjolfsson, E., Horton, J. J., Ozimek, A., Rock, D., Sharma, G. and TuYe, H. Y. (2020), <i>Covid-19 and remote work: An early look at US data</i>, Working Paper No. 27344, National Bureau of Economic Research, Cambridge, Massachusetts.</p> <p>Góes, G., Martins, F. and Sena, J. A. (2020), 'Teletrabalho na pandemia – efetivo versus potencial' Nota técnica, <i>Carta de Conjuntura</i>, No. 48, pp. 1–7, available at <a href="https://www.ipea.gov.br/portal/images/stories/PDFs/conjuntura/200707_nt_48_teletrabalho.pdf">https://www.ipea.gov.br/portal/images/stories/PDFs/conjuntura/200707_nt_48_teletrabalho.pdf</a>, accessed 8 February 2023.</p> <p>Golden, T. (2009), 'Applying technology to work: Toward a better understanding of telework', <i>Organization Management Journal</i>, Vol. 6, pp. 241–250.</p> <p>Ono, H. and Mori, T. (2021), 'COVID-19 and telework: An international comparison', <i>Journal of Quantitative Description: Digital Media</i>, Vol. 1, pp. 1–35.</p> <p>Thielsch, M., Röseler, S., Kirsch, J., Lamers, C. and Hertel, G. (2020), 'Managing pandemics: Demands, resources, and effective behaviors within crisis management teams', <i>Applied Psychology: An International Review</i>, Vol. 70, No. 1, pp. 150–187.</p>
Technological	<p>Technological applications and innovations</p> <p>Digital skills</p>	<p>Eurofound (2019), <i>Advanced robotics: Implications of game-changing technologies in the services sector in Europe</i>, Eurofound working paper, Dublin.</p> <p>Eurofound (2019), <i>Blockchain: Implications of game-changing technologies in the services sector in Europe</i>, Eurofound working paper, Dublin.</p> <p>Eurofound (2019), <i>Virtual and augmented reality: Implications of game-changing technologies in the services sector in Europe</i>, Eurofound working paper, Dublin.</p> <p>Eurofound (2019), <i>Wearable devices: Implications of game-changing technologies in the services sector in Europe</i>, Eurofound working paper, Dublin.</p> <p>European Commission (2018), <i>Digital economy and society index report 2018</i>, web page, accessed 13 March 2023.</p> <p>European Commission (2021), <i>Secure 5G networks: Questions and answers on the EU toolbox</i>, factsheet, Brussels.</p> <p>IEEE Standards Association (undated), <i>Augmented reality</i>, web page, available at <a href="http://standards.ieee.org/innovate/ar/">http://standards.ieee.org/innovate/ar/</a>, accessed 9 February 2023.</p> <p>International Federation of Robotics, statistics, available at <a href="https://ifr.org/">https://ifr.org/</a>.</p> <p>Nativi, S., Kotsev, A., Scudo, P., Pogorzelska, K., Vakalis, I., Dalla Benetta, A. et al (2020), <i>IoT 2.0 and the internet of transformation (web of things and digital twins)</i>, Publications Office of the European Union, Luxembourg.</p> <p>Wharton University of Pennsylvania (2012), <i>Technological applications</i>, web page, available at <a href="https://globalyouth.wharton.upenn.edu/glossary/technological-applications/#:~:text=Technological%20applications%20are%20the%20various%20ways%20a%20technology,elevator%20that%20connects%20the%20Earth%20to%20the%20moon">https://globalyouth.wharton.upenn.edu/glossary/technological-applications/#:~:text=Technological%20applications%20are%20the%20various%20ways%20a%20technology,elevator%20that%20connects%20the%20Earth%20to%20the%20moon</a>, accessed 9 February 2023.</p> <p>Telepresence robots and 'doubles' in the workplace through advanced robotics</p> <p>Centeno, C. (2022), <i>European Digital Skills Certificate feasibility study</i>, Publications Office of the European Union, Luxembourg.</p> <p>European Bank for Reconstruction and Development (2021), <i>Lack of trust and low levels of digital skill constrain remote working</i>, web page, accessed 28 February 2022.</p> <p>Feijao, C., Flanagan, I., Van Stolk, C. and Gunashekar, S. (2021), <i>The global digital skills gap</i>, RAND Europe, Brussels.</p> <p>Hauret, L. and Martin, L. (eds.) (2020), <i>The impact of telework induced by the spring 2020 lockdown on the use of digital tools and digital skills</i>, Policy Brief No. 12, Luxembourg Institute of Socio-Economic Research, Luxembourg.</p> <p>Hecker, I., Spaulding, S. and Kuehn, D. (2021), <i>Digital skills and older workers</i>, Urban Institute, Washington DC.</p> <p>Joint Research Centre (2021), 'Teleworkability and the COVID-19 crisis: A new digital divide?', conference presentation, <i>Cedefop conference: Getting the future right</i>, 20 April, available at <a href="https://www.cedefop.europa.eu/files/sostero_-_telework_cedefop.pdf">https://www.cedefop.europa.eu/files/sostero_-_telework_cedefop.pdf</a>, accessed 28 February 2022.</p>

STEEPL dimension	Category of driver	Selected references
<b>Economic</b>	<b>Development of business models and workplace organisation (including influence of market leaders)</b>	<p>Alon, T., Doepke, M., Olmstead-Rumsey, J. and Tertilt, M. (2020), <i>The impact of COVID-19 on gender equality</i>, Working Paper No. 26947, National Bureau of Economic Research, Cambridge, Massachusetts.</p> <p>Contreras, F., Baykal, E. and Abid, G. (2020), 'E-Leadership and teleworking in times of COVID-19 and beyond: What we know and where do we go', <i>Frontiers in Psychology</i>, Vol. 11, 590271.</p> <p>Godart, O., Görg, H. and Hanley, A. (2017), 'Trust-based work time and innovation: Evidence from firm-level data', <i>ILR Review</i>, Vol. 70, No. 4, pp. 894–918.</p> <p>Monteiro, N., Straume, O. and Valente, M. (2019), <i>Does remote work improve or impair firm labour productivity? Longitudinal evidence from Portugal</i>, NIPE Working Paper No. 14/2019, Universidade do Minho, Portugal.</p> <p>Morikawa, M. (2020), 'COVID-19, teleworking, and productivity', VoxEU.org, blog post, 10 April.</p> <p>OECD (2022), <i>Productivity gains from teleworking in the post COVID-19 era: How can public policies make it happen?</i> OECD Policy Responses to Coronavirus (COVID-19), OECD Publishing, Paris.</p> <p>Stoker, J. I., Garretsen, H. and Lammers, J. (2021), 'Leading and working from home in times of COVID-19: On the perceived changes in leadership behaviors', <i>Journal of Leadership and Organizational Studies</i>, Vol. 29, No. 2, pp. 208–218.</p> <p>Tech.co (2021), <i>Google criticized for remote working policy</i>, web page, accessed 25 February 2022.</p> <p>Vartiainen, M. (2021), 'Mobile multilocal work: Benefits and drawbacks', in Korunka, C. (ed.), <i>Flexible working practices and approaches: Psychological and social implications</i>, Springer, Cham, Switzerland, pp. 117–147.</p> <p>Vartiainen, M. A. (2021), 'Telework and remote work', in Peiro, J. M. (ed.), <i>Oxford Research encyclopedia of psychology</i>, Oxford University Press.</p> <p>Wang, B., Liu, Y., Qian, J. and Parker, S. (2020), 'Achieving effective remote working during the COVID-19 pandemic: A work design perspective', <i>Applied Psychology: An International Review</i>, Vol. 70, No. 1, pp. 16–59.</p>
	<b>National economic strategies</b>	<p>Balanska, O., Bavyko, O., Bezpartochna, O., Bezpartochnyi, M., Bogma, O., Bogush, L. et al (2021), <i>Actual issues of modern development of socioeconomic systems in terms of the COVID-19 pandemic</i>, VUZF Publishing House, Sofia.</p> <p>United States Agency for International Development (2018), <i>USAID Creating Economic Opportunities Project: Gender integration plan</i>, Washington DC.</p>
	<b>Housing, office, retail space and transport prices</b>	<p>Bunting, W. C. (2017), 'Unlocking the housing-related benefits of telework: A case for government intervention', <i>Real Estate Law Journal</i>, Vol. 46, No. 3.</p> <p>Cogito (2022), 'Growing pains: Remote work will not solve housing affordability in big cities', blog post, 15 November.</p> <p>De Abreu e Silva, J. and Melo, P. C. (2018), 'Home telework, travel behavior, and land-use patterns', <i>Journal of Transport and Land Use</i>, Vol. 11, No. 1, pp. 419–441.</p> <p>Lachapelle, U., Tanguay, G. A. and Neumark-Gaudet, L. (2018), 'Telecommuting and sustainable travel: Reduction of overall travel time, increases in non-motorised travel and congestion relief?' <i>Urban Studies</i>, Vol. 55, pp. 2226–244.</p> <p>McCarthy, A., Bohle-Carbonell, M., Ó Síocháin, T. and Frost, D. (2020), <i>Remote working during Covid-19: Ireland's National Survey – Phase II Report</i>, NUI Galway Whitaker Institute and Western Development Commission, Galway, Ireland.</p> <p>Melo, P. C. and e Silva, J. D. A. (2017), 'Home telework and household commuting patterns in Great Britain', <i>Transportation Research Part A: Policy and Practice</i>, Vol. 103, pp. 1–24.</p> <p>Nilles, J. M., Carlson, F. R., Grey, P. and Hanneman, G. (1976), <i>The telecommunications-transportation tradeoff: Options for tomorrow</i>, John Wiley &amp; Sons, New York.</p> <p>NPR (2020), <i>Now that more Americans can work from anywhere, many are planning to move away</i>, web page, accessed 25 February 2022.</p>
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STEEPL dimension	Category of driver	Selected references
Environmental	Natural environment	<p>CEOpedia, <i>Ecological factors affecting business</i>, web page, available at <a href="https://ceopedia.org/index.php/Ecological_factors_affecting_business">https://ceopedia.org/index.php/Ecological_factors_affecting_business</a>, accessed 9 February 2023.</p> <p>Donnelly N. and Proctor-Thomson, S. B. (2015), 'Disrupted work: Home-based teleworking (HbTW) in the aftermath of a natural disaster', <i>New Technology, Work and Employment</i>, Vol. 30, No. 1, pp. 47–61.</p> <p>EEA (European Environment Agency) (2022), <i>Economic damage caused by weather- and climate-related extreme events in EEA member countries (1980–2020) – per hazard type based on CATDAT</i>, web page, accessed 9 February 2023.</p> <p>EEA (European Environment Agency) (2022), <i>Exceedance of air quality standards in Europe</i>, EEA Indicators, Copenhagen.</p> <p>EEA (European Environment Agency) (2022), <i>Greenhouse gas emissions from transport in Europe</i>, EEA Indicators, Copenhagen.</p> <p>Eurofound (2022), <i>Is telework really 'greener'? An overview and assessment of its climate impact</i>, Eurofound working paper, Dublin.</p> <p>Hook, A., Court, V., Sovacool, B., K. and Sorrell, S. (2020), 'A systematic review of the energy and climate impacts of teleworking', <i>Environmental Research Letters</i>, Vol. 15, 093003.</p> <p>Institute of Historic Building Conservation, <i>Natural environment</i>, web page, available at <a href="https://www.designingbuildings.co.uk/wiki/Natural_environment#">https://www.designingbuildings.co.uk/wiki/Natural_environment#</a>, accessed 9 February 2023.</p> <p>Kitou, E. and Horvath, A. (2008), 'External air pollution costs of telework', <i>International Journal of Life Cycle Assessment</i>, Vol. 13, pp. 155–165.</p> <p>Scientific American (2020), 'COVID Pandemic-19 shows telecommuting can help fight climate change', blog post, 22 July.</p> <p>Tenaillieu, Q., Tannier, C., Vuidel, G., Tissandier, P. and Bernard, N. (2021), 'Assessing the impact of telework enhancing policies for reducing car emissions: Exploring calculation methods for data-missing urban areas – Example of a medium-sized European city (Besançon, France)', <i>Urban Climate</i>, Vol. 38, 100876.</p>
Political	Public (dis)incentives towards telework and hybrid work targeting organisations and workers, and investments in work-related infrastructure	<p>American Enterprise Institute (2010), 'Should the government expand telework?' blog post, 31 August.</p> <p>Alizadeh, T. and Sipe, N. (2013), 'Impediments to teleworking in live/work communities: Local planning regulations and tax policies', <i>Urban Policy and Research</i>, Vol. 31, No. 2, pp. 208–224.</p> <p>Baker, P., Moon, N. W. and Ward, A. C. (2006), 'Virtual exclusion and telework: Barriers and opportunities of technocentric workplace accommodation policy', <i>Work</i>, Vol. 27, No. 4, pp. 421–430.</p> <p>BBC Worklife (2022), <i>The digital nomad visas luring workers overseas</i>, web page, accessed 8 February 2023.</p> <p>Cogito (2022a), 'The workers leaving cities in favor of the countryside – And what it means for business', blog post, 25 March.</p> <p>Council Journal (2021), <i>Remote working boost with €8.8m funding under connected hubs scheme</i>, web page, accessed 8 February 2023.</p> <p>Gordon, G. E. (1990), 'Should we say goodbye to the office? The role of telework today and in the future', in <i>ESPRIT '90: Conference proceedings</i>, Springer, Dordrecht, pp. 581–587.</p> <p>RTÉ (2021), <i>Employers warned over conditions for staff working from home</i>, web page, accessed 8 February 2023.</p> <p>The Guardian (2022), 'Blue-sky thinking: New rules allow digital nomads to work in the sun', 14 March.</p> <p>Wired (2021), <i>Digital nomads are here to save Spain's ghost towns</i>, web page, accessed 8 February 2023.</p>
Legal	Labour law and standards (including collective bargaining)	<p>EU-OSHA (European Agency for Safety and Health at Work) (2021), <i>Regulating telework in a post-COVID-19 Europe</i>, Publications Office of the European Union, Luxembourg.</p> <p>Government of Ireland, Department of Enterprise, Trade and Employment (2021), <i>Making remote work: National remote work strategy</i>, Dublin.</p> <p>Government of Ireland, Department of Enterprise, Trade and Employment (2022), <i>Draft scheme of the Right to Request remote Working Bill 2022</i>.</p> <p>ILO (International Labour Organization) (2021), <i>Teleworking arrangements during the COVID-19 crisis and beyond</i>, Geneva.</p> <p>Ministero del Lavoro e delle Politiche Sociale (2023), <i>Smart working</i>, web page, available at <a href="https://www.lavoro.gov.it/strumenti-e-servizi/smart-working/Pagine/default.aspx">https://www.lavoro.gov.it/strumenti-e-servizi/smart-working/Pagine/default.aspx</a>, accessed 8 February 2023.</p>

The drivers identified were discussed with and narrowed down by the experts and stakeholders, and finally amended and consolidated by the project team. During the next stage, workshop participants scored the 13 selected drivers on a scale from 1 to 5 for impact and uncertainty. Figure 7 plots the drivers according to the scores agreed by the participants in the workshop.

Figure 7: Selected drivers of telework and hybrid work by uncertainty and impact



Note: Key factors are in blue; influencing factors are in green.  
Source: Authors' illustration

Nine drivers with high levels of uncertainty and high levels of impact were selected as key factors (Table 6). They cover all social, technological, economic, environmental, political, and legal (STEEPL) dimensions except the environment. The natural environment, while deemed an influencing factor – as were public infrastructure, employment and unemployment levels, and national economic strategies – was not considered to be as relevant for the scenarios as the key factors selected. Following the discussion in the workshop, the key factors were ranked.

Projections for each of these drivers – plausible developments over the period considered – were then made (Table 7). The scenarios were developed through various combinations of these projections.

Table 6: Selected and ranked key factors driving the future of telework and hybrid work

Selected key factors
1. Nature of work
2. Crisis-driven shifts
3. Mindsets, preferences and attitudes towards the place of work
4. Management and organisational skills
5. Work organisation
6. Regulation of telework and hybrid work
7. Technology adoption
8. Public and private sector investments and incentives
9. Housing and rental prices



**Table 7: Projections for each key factor driving the future of telework and hybrid work**

	Projection 1	Projection 2	Projection 3
<b>Nature of work</b>	Moderate increase in teleworkable tasks and jobs		High proportion of teleworkable tasks and jobs
<b>Crisis-driven shifts</b>	Muddling through post-pandemic crises and uncertainty	Long recession coupled with an energy crisis	Resilience and adaptability
<b>Mindsets, preferences and attitudes towards the place of work</b>	Diverging views and attitudes towards the place of work, and telework and hybrid work	Weak support for telework and hybrid work	Strong support for telework and hybrid work
<b>Management and organisational skills</b>	Selective skilling	Limited skilling	Comprehensive skilling
<b>Work organisation</b>	Greater work autonomy for some	Controlling work organisation models on the rise	Collaborative, high-autonomy work organisation
<b>Regulation of telework and hybrid work</b>	European patchwork, with no common regulatory approach	Strongly regulated telework and hybrid work, taking into account both employers' and workers' interests	Weakly regulated telework and hybrid work
<b>Technology adoption</b>	Moderate adoption	Fast adoption	Slow adoption
<b>Public and private sector investments and incentives</b>	Strong investment and incentives		Poor investment and incentives
<b>Housing and rental prices</b>	Rising housing and rental prices	Stagnating housing and rental prices	Decreasing housing and rental prices

## Workshops and participants

As part of the process of building the scenarios, the project team set up a group of experts and stakeholders with a view to establishing a mutual understanding of the problem under discussion, reflecting a diversity of views and ensuring the quality of the results.

For these purposes, three workshops were organised, attended by 16 participants each, representing academia and research, trade unions, employer organisations and HR management, governments, the European Commission, international organisations and EU agencies. All the workshops were held online (due to the pandemic), lasting three hours each and facilitated by Future Impacts and Eurofound.

In the first workshop, following a presentation of the project's aims, the experts and stakeholders discussed the factors affecting the take-up of telework and hybrid work based on the literature review conducted by the project team. The input provided by the experts and stakeholders led to a revision of the key factors.

In the second workshop, the participants as a group rated the revised drivers in terms of impact on telework and hybrid work and uncertainty.

In the final workshop, the participants discussed possible and plausible scenario pathways. They also explored the implications of the various scenarios for stakeholders and policymakers, and discussed risks and opportunities. Furthermore, they suggested and debated policy actions that could help to ensure that policymakers and other actors promote favourable possible developments and prevent unfavourable ones. To ensure input from all stakeholders, the group was divided into two or three subgroups, which made the debate lively and participatory.

Later, the draft report was shared with participants for their comments.

The organisations from which the stakeholders and experts were drawn are listed below. In some cases, more than one stakeholder contributed from the same organisation.

- Aalto University, Finland
- Avast human resources department
- Cedefop (European Centre for the Development of Vocational Training)
- DGB (German Trade Union Confederation)
- Directorate-General for Employment, Social Affairs and Inclusion, European Commission
- EU-OSHA (European Agency for Safety and Health at Work)
- Eurofound board members representing governments, employers and workers

- ILO (International Labour Organization)
- Notus (research organisation)
- OECD (Organisation for Economic Co-operation and Development)
- Telefónica human resources department
- University College Cork, Ireland
- University of Geneva, Switzerland

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The EU Open Data Portal (<https://data.europa.eu>) provides access to datasets from the EU. Data can be downloaded and reused for free, both for commercial and non-commercial purposes.

The report explores plausible and imaginable scenarios examining how telework and hybrid work in the EU might have developed by 2035, and their implications for the world of work. How prepared are managers and employees, employer organisations and trade unions, and policymakers for the greater prevalence of these ways of organising work? How can they ensure that future telework and hybrid work arrangements benefit both employees and organisations? Using a foresight methodology, the report identifies blind spots, outlines emerging issues and assists policymakers in addressing key issues related to this form of work.

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