

The Practice of Working from Home Triggered by the COVID-19 Pandemic: Financial Management Implication in Organizations Globally

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Abstract

The coronavirus pandemic is expected to fundamentally change the way many organizations operate for the foreseeable future. As governments and businesses around the world tell those with symptoms to self-quarantine and everyone else to practice social distancing, remote work is the new reality. How do corporate leaders, managers, and individual workers make this sudden shift? This paper explores in response to the uncertainties presented by Covid-19, many companies have asked their employees to work remotely. This level of expectation may not be feasible easily. Fortunately, there are specific steps that managers can take without great effort to improve the engagement and productivity of remote employees, even when there is little time to prepare.

Research on emotional intelligence tell us that employees look to their managers for cues about how to react to sudden changes or crisis situations. If a manager communicates stress and helplessness, this will have what Daniel Goleman calls a “trickle-down” effect on employees. Effective leaders take a two-pronged approach, both acknowledging the stress and anxiety that employees may be feeling in difficult circumstances, but also providing affirmation of their confidence in their teams. With this support, employees are more likely to take up the challenge with a sense of purpose and focus.

Keywords: Working from Home, Financial Management, Information Technology, Pandemic

Work from Home: Prospects and challenges

As the spread and far-reaching impacts of Covid-19 dominate the world news, we have all been witnessing and experiencing the parallel spread of worry, anxiety, and instability. Indeed, in a crisis, our mental state often seems only to exacerbate an already extremely challenging situation, becoming a major obstacle in itself. Why is this and how can we change it? As the CEO of a firm that brings mindfulness to companies to unlock new ways of thinking

and working, let me share a bit about how the mind responds to crises, like the threat of a pandemic (Hossain et al., 2021).

Our most recent study found that 58% of employees reported an inability to regulate their attention at work. As the mind wanders, research has shown that it easily gets trapped into patterns and negative thinking. During times of crisis — such as those we are living through now — this tendency is exacerbated, and the mind can become even more hooked by obsessive thinking, as well as feelings of fear and helplessness. When your mind gets stuck in this state, a chain reaction begins. Fear begins to narrow your field of vision, and it becomes harder to see the bigger picture and the positive, creative possibilities in front of you. As perspective shrinks, so too does our tendency to connect with others. Right now, the realities of how the coronavirus spreads can play into our worst fears about others and increase our feelings of isolation, which only adds fuel to our worries.

We are all experiencing the first arrow of the coronavirus these days. We are impacted by travel restrictions, plummeting stock prices, supply shortages etc. But the second arrow — anxiety about getting the virus ourselves, worry that our loved ones will get it, worries about financial implications and all the other dark scenarios flooding the news and social media — is to a large extent of our own making (Khaled et al., 2019).

Our emotional and psychological response to crises — are natural and very human. But the truth is they often bring us more suffering by narrowing and cluttering our mind and keeping us from seeing clearly the best course of action.

A Guide to Managing Your (Newly) Remote Workers

In response to the uncertainties presented by Covid-19, many companies and universities have asked their employees to work remotely. While close to a quarter of the U.S. workforce already works from home at least part of the time, the new policies leave many employees — and their managers — working out of the office and separated from each other for the first time. Although it is always preferable to establish clear remote-work policies and training in advance, in times of crisis or other rapidly changing circumstances, this level of preparation may not be feasible (Al Qalhati et al., 2020). Fortunately, there are specific, research-based steps that managers can take without great effort to improve the engagement and productivity of remote employees, even when there is little time to prepare.

Common Challenges of Remote Work

To start, managers need to understand factors that can make remote work especially demanding. Otherwise, high-performing employees may experience declines in job performance and engagement when they begin working remotely, especially in the absence of preparation and training. Challenges inherent in remote work include:

Lack of face-to-face supervision: Both managers and their employees often express concerns about the lack of face-to-face interaction. Supervisors worry that employees will not work as hard or as efficiently (though research indicates otherwise, at least for some types of jobs). Many employees, on the other hand, struggle with reduced access to managerial support and communication. In some cases, employees feel that remote managers are out of touch with their needs, and thereby are neither supportive nor helpful in getting their work done.

Lack of access to information: Newly remote workers are often surprised by the added time and effort needed to locate information from coworkers. Even getting answers to what seem

like simple questions can feel like a large obstacle to a worker based at home. This phenomenon extends beyond task-related work to interpersonal challenges that can emerge among remote coworkers. Research has found that a lack of “mutual knowledge” among remote workers translates to a lower willingness to give coworkers the benefit of the doubt in difficult situations.

Social isolation: Loneliness is one of the most common complaints about remote work, with employees missing the informal social interaction of an office setting. It is thought that extraverts may suffer from isolation more in the short run, particularly if they do not have opportunities to connect with others in their remote-work environment. However, over a longer period of time, isolation can cause any employee to feel less “belonging” to their organization, and can even result in increased intention to leave the company.

Distractions at home: We often see photos representing remote work which portray a parent holding a child and typing on a laptop, often sitting on a sofa or living-room floor. In fact, this is a terrible representation of effective virtual work. Typically, we encourage employers to ensure that their remote workers have both dedicated workspace and adequate childcare before allowing them to work remotely. Yet, in the case of a sudden transition to virtual work, there is a much greater chance that employees will be contending with suboptimal workspaces and (in the case of school and daycare closures) unexpected parenting responsibilities. Even in normal circumstances family and home demands can impinge on remote work; managers should expect these distractions to be greater during this unplanned work-from-home transition.

How Managers Can Support Remote Employees

As much as remote work can be fraught with challenges, there are also relatively quick and inexpensive things that managers can do to ease the transition. Actions that you can take today include:

Establish structured daily check-ins: Many successful remote managers establish a daily call with their remote employees. This could take the form of a series of one-on-one calls, if your employees work more independently from each other, or a team call, if their work is highly collaborative.

Provide several different communication technology options: Email alone is insufficient. Remote workers benefit from having a “richer” technology, such as video conferencing, that gives participants many of the visual cues that they would have if they were face-to-face. Video conferencing has many advantages, especially for smaller groups: Visual cues allow for increased “mutual knowledge” about coworkers and also help reduce the sense of isolation among teams.

If your company doesn’t have technology tools already in place, there are inexpensive ways to obtain simple versions of these tools for your team, as a short-term fix. Consult with your organization’s IT department to ensure there is an appropriate level of data security before using any of these tools.

And then establish “rules of engagement”: Remote work becomes more efficient and satisfying when managers set expectations for the frequency, means, and ideal timing of

communication for their teams. Also, if you can, let your employees know the best way and time to reach you during the workday (e.g., “I tend to be more available late in the day for ad hoc phone or video conversations, but if there’s an emergency earlier in the day, send me a text.”) Finally, keep an eye on communication among team members (to the extent appropriate), to ensure that they are sharing information as needed. We recommend that managers establish these “rules of engagement” with employees as soon as possible, ideally during the first online check-in meeting. While some choices about specific expectations may be better than others, the most important factor is that all employees share the same set of expectations for communication.

Provide opportunities for remote social interaction: One of the most essential steps a manager can take is to structure ways for employees to interact socially (that is, have informal conversations about non-work topics) while working remotely. This is true for all remote workers, but particularly so for workers who have been abruptly transitioned out of the office.

The easiest way to establish some basic social interaction is to leave some time at the beginning of team calls just for non-work items (e.g., “We’re going to spend the first few minutes just catching up with each other. How was your weekend?”). Other options include virtual pizza parties (in which pizza is delivered to all team members at the time of a videoconference).

While these types of events may sound artificial or forced, experienced managers of remote workers (and the workers themselves) report that virtual events help reduce feelings of isolation, promoting a sense of belonging.

Offer encouragement and emotional support: Especially in the context of an abrupt shift to remote work, it is important for managers to acknowledge stress, listen to employees’ anxieties and concerns, and empathize with their struggles (Javed et al., 2020; Al Qalhati et al., 2020). If a newly remote employee is clearly struggling but not communicating stress or anxiety, ask them how they’re doing. Even a general question such as “How is this remote work situation working out for you so far?” can elicit important information that you might not otherwise hear. Once you ask the question, be sure to listen carefully to the response, and briefly restate it back to the employee, to ensure that you understood correctly. Let the employee’s stress or concerns (rather than your own) be the focus of this conversation.

Research on emotional intelligence and emotional contagion tells us that employees look to their managers for cues about how to react to sudden changes or crisis situations. If a manager communicates stress and helplessness, this will have what Daniel Goleman calls a “trickle-down” effect on employees. Effective leaders take a two-pronged approach, both acknowledging the stress and anxiety that employees may be feeling in difficult circumstances, but also providing affirmation of their confidence in their teams, using phrases such as “we’ve got this,” or “this is tough, but I know we can handle it,” or “let’s look for ways to use our strengths during this time.” With this support, employees are more likely to take up the challenge with a sense of purpose and focus.

The corona virus pandemic is expected to fundamentally change the way many organizations operate for the foreseeable future as such there are tough questions one needs guidance on,

how to work productively at home, manage virtual meetings, and lead teams through this time of crisis.

Questions about Remote work, Answered

Are organizations prepared for this sudden transition?

The scale and scope of what we're seeing, with organizations of 5,000 or 10,000 employees, asking people to work from home very quickly, is unprecedented. So, no, organizations are not set up for this.

What's the first thing that leaders and individual managers can do to help their employees get ready?

Get the infrastructure right. Do people have the requisite technology or access to it? Who has a laptop? Will those who do [have laptops] be able to dial into their organizations easily? Will they have the software they need to be able to do work, have conference calls, etc.? What about the employees who don't have laptops or mobile devices? How do you make sure that they have access to the resources they need to do work? Direct managers have to very quickly ensure that every employee has full access, so no one feels left behind.

What should people who aren't accustomed to remote work do to get psychologically ready for it?

Develop rituals and have a disciplined way of managing the day. Schedule a start and an end time. Have a rhythm. Take a shower, get dressed, even if it's not what you'd usually wear to work, then get started on the day's activities. If you're used to moving physically, make sure you build that into your day. If you're an extrovert and accustomed to a lot of contact and collaboration with others, make sure that still happens. Ask yourself: How will I protect myself from feeling lonely or isolated and stay healthy, productive, and vibrant? Create that for yourself.

Remember that you might actually enjoy working from home. You can play the music you like. You can think flexibly about your time. It can be fun. As for managers, they need to check in on people. Make sure not only that they're set up but also that they have a rhythm to their day and noncontact with others. Ask: "What can I do to make sure that this sudden and quick transition is working for you?"

How does working from home affect psychological health? What can employers do to make sure that people are staying focused, committed, and happy?

People lose the unplanned watercooler or cappuccino conversations with colleagues in remote work. These are actually big and important parts of the workday that have a direct impact on performance. How do we create those virtually? For some groups and individuals, it will be constant instant messaging. For others, it will be live phone conversations or video conferences. Some people might want to use WhatsApp, WeChat, or Viber. A manager can encourage those types of contact points for psychological health. People are not going to be able to figure these things out organically. You've got to coach them. One more piece of advice: Exercise. It's critical for mental well-being.

What are the top three things that leaders can do to create a good remote culture?

There are more than 10,000 books on Amazon on virtuality and how to lead remotely or at a distance. Why is that? Because this is very difficult to do, and managers have to actively work on it. Number one, make sure that team members constantly feel like they know what's going on. You need to communicate what's happening at the organizational level because when they're at home, they feel like they've been extracted away from the mothership. They wonder what's happening at the company, with clients, and with common objectives. The communication around those is extremely important. So, you're emailing more, sharing more.

During this period, people will also start to get nervous about revenue goals and other deliverables. You'll have to make sure they feel like they're going to be OK. Another thing is to ensure that no members feel like they have less access to you than others. At home, people's imaginations begin to go wild. So, you have to be accessible and available to everyone equally. Finally, when your group meetings, aim for inclusion and balance the airtime so everyone feels seen and heard.

How will these changes affect productivity?

Productivity does not have to go down at all. It can be maintained, even enhanced, because commutes and office distractions are gone (Alshamsi, et al., 2019). Of course, you might be at home with your partner or kids and those issues will need to be worked out. Another problem might be your ability to resolve problems quickly when you can't meet in person, in real time. That might create delays. But other than that, I don't see productivity going down. There's robust evidence showing that it shouldn't change.

If the social distancing policies go on for a while, how do you measure your employees' productivity and eventually review them on that work?

I'll say this to every manager out there: you have to trust your employees. This is an era and a time in which we have to heed Ernest Hemingway's advice: "The best way to find out if you can trust somebody is to trust them." You can't see what people are doing. But equip them in the right ways, give them the tasks, check on them like you've always done, and hope they produce in the ways you want them to. You can't monitor the process, so your review will have to be outcome-based. But there's no reason to believe that, in this new environment, people won't do the work that they've been assigned. Remote work has been around for a very long time. And today we have all of the technologies we need to not only do work but also collaborate. We have enterprise-wide social media tools that allow us to store and capture data, to have one-to-many conversations, to share best practices, and to learn.

And how do you facilitate highly complex or emotionally charged conversations when people aren't face to face?

You can only raise one or two of these topics because you don't have the time or opportunity to work things through after the meeting. You can't just walk to people's offices to follow up. So, be very thoughtful about what you bring up and when and how you do it. But you can still have these conversations. Allowing people to disagree in order to sharpen the team's thinking is a very positive thing. Sometimes, in virtual environments, people don't feel psychologically safe, so they might not speak up when they should and so you might even want to generate

or model a little of disagreement — always over work, tasks or processes, of course, never anything personal.

In light of various daycare and school closings, how do you discuss children and childcare?

Leaders should be prepared for that conversation and to help people think those issues through. The blurring of boundaries between work and home has suddenly come upon us, so managers have got to develop the skills and policies to support their teams. This might involve being more flexible about the hours in which employees work. You don't have to eat lunch at 12pm. You might walk your dog at 2pm. Things are much more fluid, and managers just have to trust that employees will do their best to get their work done.

If you sense that, despite your best efforts, an employee is struggling, not focused, lonely, what can you do?

When you see the signs — like fewer emails or more inhibition in group conversations — talk to them. Increase contact and encourage others to, as well. Understand where they are. And get them what they need. Organizations should also make sure to have employee assistance services at this time. When you're suddenly taking away people's regular routines and connection with others, and it's open ended, some will struggle and need extra help. I would add that every CEO of every organization needs to be much more visible right now — through video conferencing or taped recordings to give people confidence, calm them down, and be healers- or hope-givers-in-chief.

Do you see this crisis changing the way all teams and organizations operate going forward?

I think it's going to broaden their repertoires. Organizations, teams, and people will experiment more with virtual work. Many of them have always wanted to test it as way of expanding their reach or labor force. It's not that people are going to permanently adopt this new format of work, but this experience will expand everyone's capacity. If there's a tiny positive aspect to this mess, we're finding ourselves in, it's that we're developing certain skills that could helpful in the future. That's my deepest hope.

Build Your Resilience in the Face of a Crisis

The way to overcome this natural tendency is to build our mental resilience through mindfulness. Mental resilience, especially in challenging times like the present, means managing our minds in a way that increases our ability to face it before it strikes us. Resilience is the skill of noticing our own thoughts, unhooking from the non-constructive ones, and rebalancing quickly. This skill can be nurtured and trained. Here are three effective strategies: **First, calm the mind:** When you focus on calming and clearing your mind, you can pay attention to what is really going on around you and what is coming up within you. You can observe and manage your thoughts and catch them when they start to run away towards doomsday scenarios. You can hold your focus on what you choose (e.g., "Isn't it a gift to be able to work from home!") versus what pulls at you with each ping of a breaking news notification (e.g., "Oh no...the stock market has dropped again.").

This calm and present state is crucial. Right away, it helps keep the mind from wandering and getting hooked, and it reduces the pits of stress and worry that we can easily get stuck in. When we practice bringing ourselves back to the present moment, we deepen our capacity to cope and weather all sorts of crises, whether global or personal.

Look out the window: Despair and fear can lead to overreactions. Often, it feels better to be doing something ... anything ... rather than sitting with uncomfortable emotions. In the past few weeks, I have felt disappointment and frustration with important business initiatives that have been adversely impacted by Covid-19. But I have been trying to meet this frustration with reflection versus immediate reaction. I know my mind has needed space to unhook from the swirl of bad news and to settle into a more stable position from which good planning and leadership can emerge.

Connect with others through compassion: Unfortunately, many of the circles of community that provide support in times of stress are now closed off to us as cities and governments work to contain the spread of the virus. Schools are shut down, events are cancelled, and businesses have enacted work-from-home policies and travel bans. The natural by product of this is a growing sense of isolation and separation from the people and groups who can best quell our fears and anxieties.

The present climate of fear can also create stigmas and judgments about who is to blame and who is to be avoided, along with a dark, survivalist “every person for him/herself” mindset and behaviors. We can easily forget our shared vulnerability and interdependence.

But meaningful connection can occur even from the recommended six feet of social distance between you and your neighbor — and it begins with compassion. Compassion is the intention to be of benefit to others and it starts in the mind. Practically speaking, compassion starts by asking yourself one question as you go about your day and connect — virtually and in person — with others: How can I help this person to have a better day? With that simple question, amazing things begin to happen. The mind expands, the eyes open to who and what is really in front of us, and we see possibilities for ourselves and others that are rich with hope and ripe with opportunity.

Personal Experience

The coronavirus pandemic is expected to fundamentally change the way many organizations operate for the foreseeable future. Also, research on emotional intelligence tell us that employees look to their managers for cues about how to react to sudden changes or crisis situations. Life has always taught me to be prepared, flexible and make adjustment whenever I find myself in an unforeseen circumstance. Ability to build my resilience in the face of a Crisis is very critical. At the initial stage of the covid, I had mix feelings working from home considering my extrovert nature, thinking it will affect my social skills and mental health state. Not only was I able to accept it but I had to fall forward. I sharpened my Informational Technology Skills which enables me to meet my colleagues through the available technology every time. The financial reward was massive too, I saved daycare monthly payment and also gas on car. Time management was key, in that it reduced the hours spent in transit. The Pandemic made me to bond more with my family by being more around for their physical and emotional well-being.

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