



smart business smart surroundings

Remote working is increasing, but home and café aren't the route to productivity and professionalism.

Regus, January 2015

 Regus™

The Regus logo consists of the word "Regus" in a bold, dark blue sans-serif font. A red stylized "j" shape is positioned above the letter "e". A small "TM" symbol is located at the top right corner of the "us" part of the word.

Management summary

48%

48% of global professionals work outside the main office at least some of the time

A professional setting, such as a business centre, is key to productivity outside the main office, say global professionals debunking the myth that remote workers are happy and productive when they work in a corner of their home, or in internet cafés. In reality, most see home working as involving a major investment in a properly equipped professional environment if it is to work. The cost and return on investment of overhauling a space within the home also needs to be assessed against the ease of subscribing to a professional, highly functional workspace near to home, where a third party has made all the effort and investment to create and maintain a professional environment.



Remote working is certainly continuing to increase, with 48% of global professionals working outside the main office at least some of the time. Therefore demand for a network of professional settings which fit in with remote work wherever someone finds themselves is also rising steadily. Moreover, evidence is emerging that remote working improves people's work:life balance and happiness, and that a regular change of scene in terms of workplace (so long as it is professional and highly functional) is actually very stimulating and relieves the stress of juggling personal and professional commitments, that ultimately undermines productivity and creativity.

key findings and statistics

- Over 22,000 workers globally were asked to identify the work location where they are most productive apart from the main office and 53% selected a business centre;
- Only 34% of respondents selected their homes, although this rises to 63% for the lucky few who are able to invest in a professional workspace within their home;
- Professional group or association lounges score surprisingly low (11%), suggesting these locations are good for networking but not for getting work done;
- Unsurprisingly, cafés also score very low (12%) although many workers end up catching up on tasks over a coffee while on-the-go if they do not have a professional drop-in location;
- The trend for moving work and people out of the main office has been steadily increasing over the past few years with 70% of respondents reporting that they are seeing more remote workers compared to five years ago;



70% report they are seeing more remote workers compared to five years ago

70%

- Similarly 73% report more jobs are being outsourced, perhaps to the increasing number of freelancers on the market as 66% say they are seeing more self-employed workers than five years ago;
- This report suggests that regular workers look to freelance workers with some envy as 55% think they have a better work:life balance;
- Remote workers are also believed to enjoy a better quality of life as they are able to juggle personal and professional duties;
- The research also suggests that being able to affect a change of scenery is one of the major reasons remote and freelance workers are seen as happier than regular fixed-office employees: 74% of respondents in fact report that 'changing location when I need to helps improve work:life balance';

69% of respondents confirm that remote working at least some of the time improves work:life balance

- 69% of respondents confirm that remote working at least some of the time improves work:life balance;
- But there are also professional reasons workers would prefer to work remotely: 68% report that fixed working hours are no longer suited to their duties;
- In addition to this, traffic jams are the biggest cause of delay during the working day (56%) confirming that shortening the daily commute could greatly improve their productivity and worker well-being;
- 62% report that they have to accommodate last-minute changes to locations and appointments made more frequently now than five years ago, perhaps because now professionals are always connected to the web it has become more acceptable to presume short-notice changes will be taken into account;
- In this constantly connected era, two fifths of respondents also report that they are more likely to need to stop while driving to attend to a piece of work than five years ago, raising the concern that a good number of drivers are feeling compelled to attend to work when they should be concentrating on the road;
- In this context, it is hardly surprising to reveal that 66% of professionals report they work more out of hours than they used to and that 53% are more stressed.



Introduction

What business people really need are professional, fully equipped offices that guarantee the privacy of their sensitive business information and help them concentrate.



The world of work is certainly changing, that is a fact of which we are all well aware, but exactly how these changes are impacting productivity, business travel, worker health and well-being is much harder to measure. This is partially because the pace of change has been so rapid, with pre-internet generations sharing the same work environment as those that have never used a fax machine. Smartphones, tablets and the availability of fast broadband or Wi-Fi connections in the home have also meant that professionals are connected to the world of work at all times with increasing intermingling of personal and work life.

One trend that is emblematic of this work:life intermixing is the increasing popularity of working remotely from the main office. Initially viewed with suspicion, remote workers have long proven that they are not generally sitting around in their pyjamas till noon unproductively idling the day away, but that they are able to carry out their work efficiently. A recent joint experiment between Stanford and Beijing Universities showed that home workers were more productive than fixed office workers, were less likely to take sick leave or to resign and reported being happier. However, a number of reservations against home working are increasingly being raised, often by home workers themselves.

This same study also highlighted that remote workers were contacted 50% less by their managers showing that lack of face-time in the office can be damaging for career advancement. This is confirmed by an MIT study showing that employees that work from home are more likely to be overlooked for promotions. A 2012 study commissioned by Regus also shows that 59% of professionals globally report that children or family demanding attention affected their productivity when working from home. Furthermore, 43% had difficulties concentrating and 39% said that their family and pets disturbed their work telephone calls.

For occasional remote working, and especially as a drop-in location to catch up on work between meetings, cafés have been much bandied about as the ideal spot. However, Regus research shows that workers feel that cafés are a threat to the privacy of documents and conversations (78%), are noisy (67%) and unsafe for their belongings (74%). Over half (54%) think coffee shops are a no-go area for client meetings and 65% say that background chatter disturbs their telephone calls while 63% think the lack of office facilities is a disadvantage. What business people really need are professional, fully equipped offices that guarantee the privacy of their sensitive business information and help them concentrate, but these conditions are impossible to achieve in a café and difficult to achieve without significant investment in a home setting.

¹ Japan represents a notable exception (BBC News, Japan and the fax: A love affair, 31st July 2012)

² Stanford University & Beijing University, Does working from home work?, August 2014

³ MIT Sloan Management review, Why showing your face at work matters, 19th June 2012

⁴ Regus, The hidden perils of working from home, November 2012

⁵ Regus, Nosy, Noisy and Sometimes Nasty, February 2013

Of course one of the major benefits of remote working is that of being able to reduce the commute which latest Regus research has shown has increased from 27 minutes in 2012 to a full 32.5 minutes in 2014. Not only does a long commute drastically cut into personal and work life, but it is also proven to be bad for your health. Research by the University School of Medicine in Saint Louis and the Cooper Institute in Dallas, published in The American Journal of Preventive Medicine, reveals that driving more than 10 miles each way, to and from work, is associated with higher cholesterol and blood sugar, which in turn can lead to heart disease and diabetes.

It is not surprising, therefore, to find that globally more and more professionals are swelling the ranks of the self-employed and freelance workers.



Research by the Freelancers Union together with freelance platform Elance-oDesk shows that 53 million Americans, equivalent to roughly 34% of the population, qualify as freelancers.



Similarly, in the UK, the Professional Contractors Group estimates there are 1.4 million British freelancers and reports that in 2013, the number of businesses hiring freelancers online increased 46%. This survey also highlights how flexibility is becoming a key demand for younger workers entering the workforce as 29% of all graduates say freelancing is part of their career strategy for the next five years and 69% of all graduates say independent work offers them a better work:life balance.

Reports show that the USA has the greatest number of 'Elancers', freelancers subscribed to the popular freelance job portal Elance, with nearly 716,000. India is second, with more than 359,000; Pakistan is third, with more than 113,000; and the Philippines are fourth, with more than 89,000. The top four hiring countries are the U.S., Australia, the U.K. and Canada, but Elancers of course represent just a small proportion of freelance workers.

Certainly improved work:life balance and the ability to choose their own hours and work setting plays a large part in driving the trend for freelance work, with reports confirming that generation Y workers actually value flexibility more than higher salaries. However, whether working remotely as an employee, or setting up independently, workers all agree that they need a professional environment to achieve their maximum productivity.

⁶ Regus, Work, sweet work, September 2014

⁷ Time, 10 things your commute does to your body, 14 February 2014

⁸ Freelance Union, Freelancing in America, September 2014

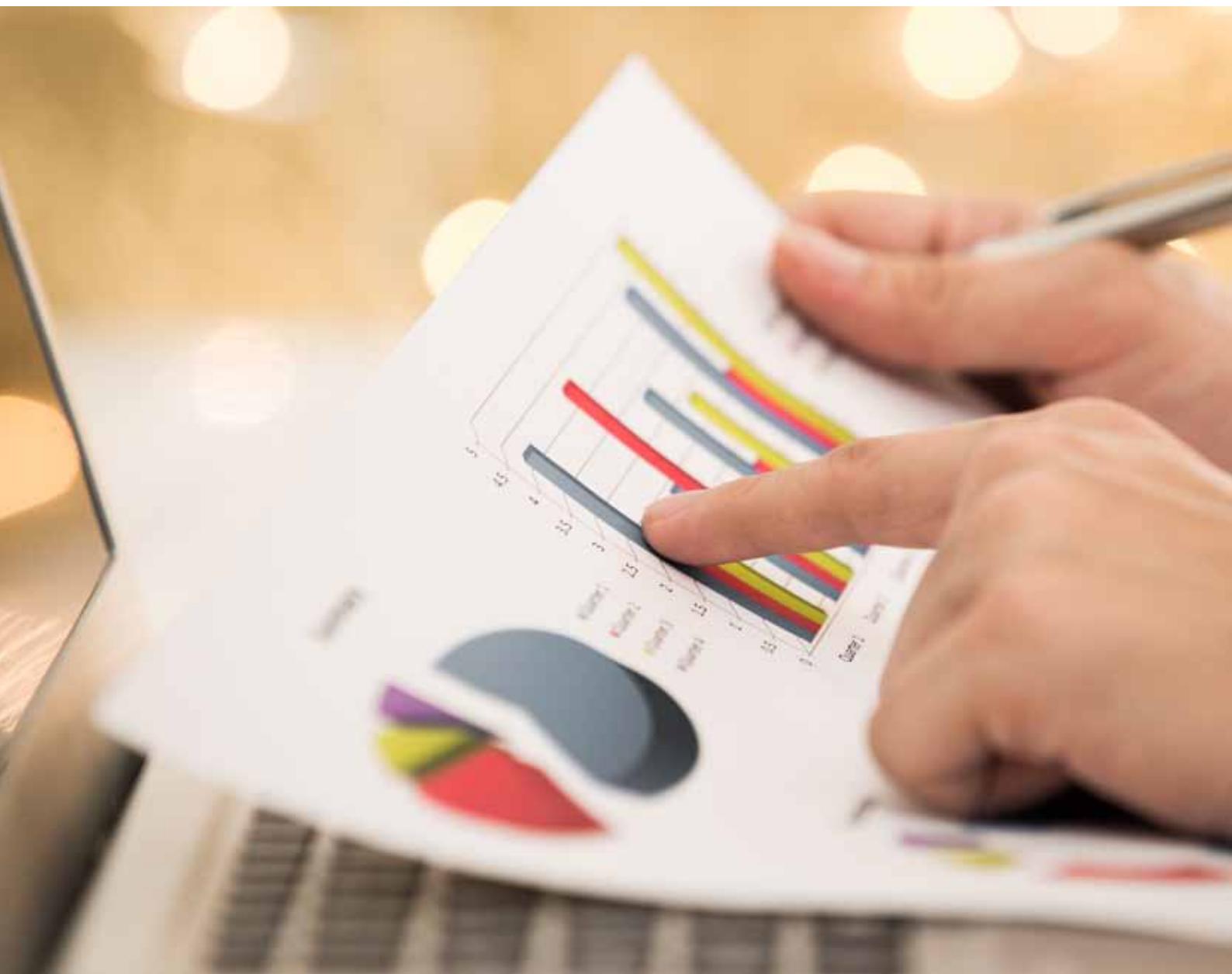
⁹ E-lance, Generation Y and the Gigging economy, February 2014

¹⁰ Entrepreneur, The freelance economy is booming, but is it good business?, 10 October 2013

¹¹ Cisco, Connected World, 2011

The results

In order to provide a portrait of the changing and evolving workplace, Regus commissioned research canvassing over 22,000 senior managers and business owners asking them how the workplace has changed over the past five years, where and when they are most productive and how they remain focused. Respondents were also asked what caused them most professional stress and which delays or bottlenecks during their working day were most irritating.

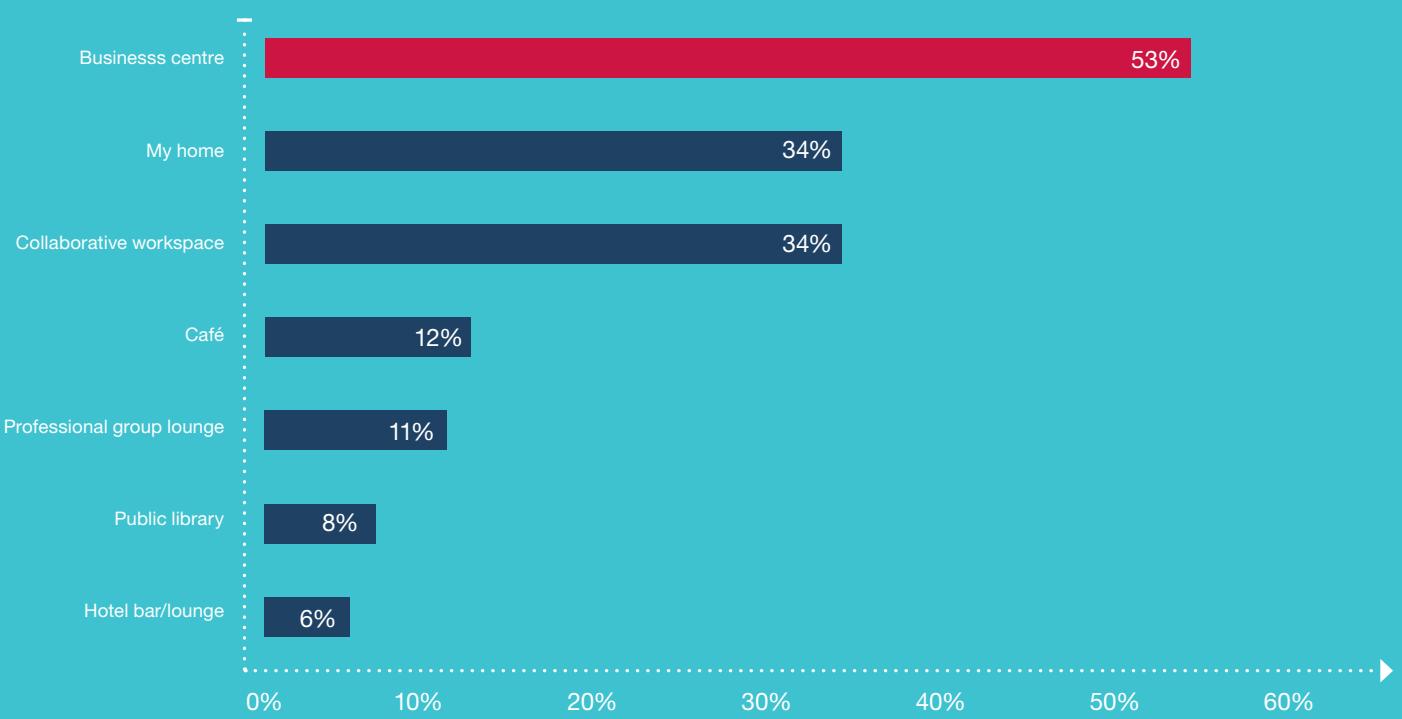


A productive place

Aside from a professional setting within the home (63%), which requires a high level of investment by the worker or their firm, respondents say that business centres are top locations for achieving maximum productivity when working remotely. Perhaps because they are not conducive to concentration, collaborative workspaces rate the same as a general space within the home and only 12% choose noisy, privacy threatening cafés.

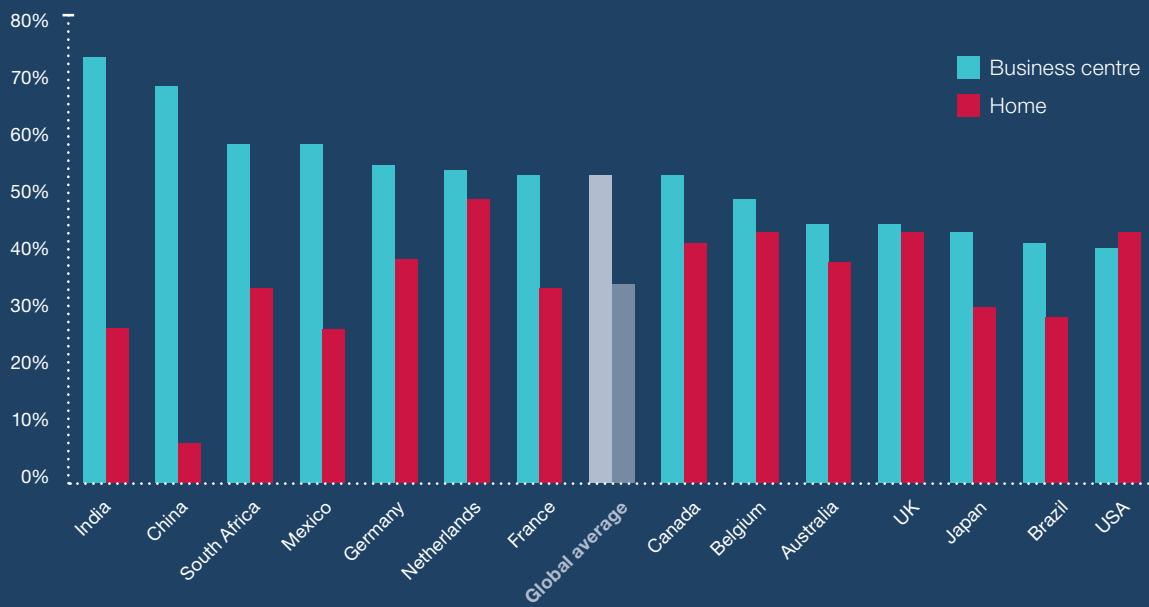
34%
work from home
or collaborative workspaces

Figure 1: Most productive work environments globally



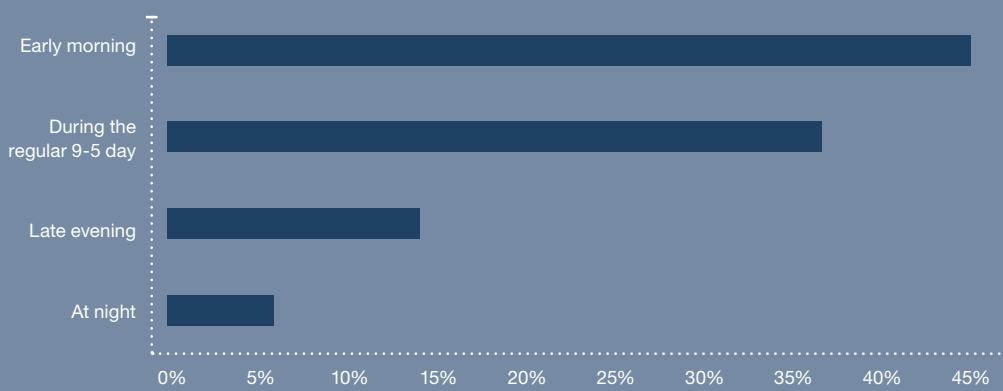
Business centres, where a third party has made the investment to provide a professional environment are especially popular in India and China, but even in the USA, the country where fewest respondents selected this option, over two fifths say this is one of the most productive work settings.

Figure 2: Business centre vs home as most productive work environment



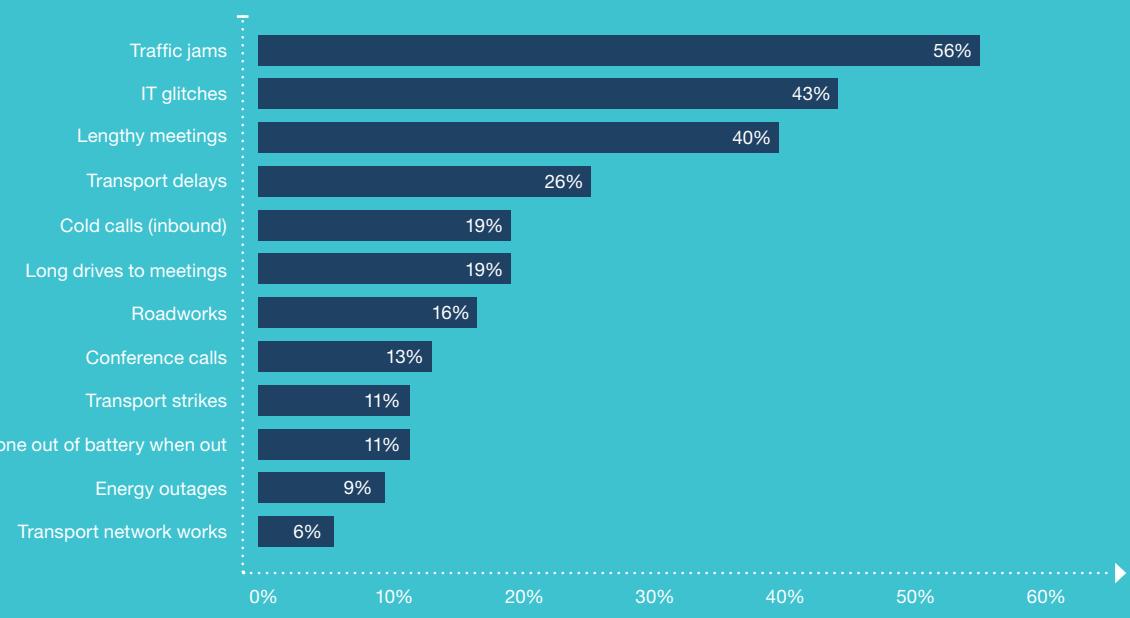
With workers always connected via smartphone devices and tablets, traditional working hours are ever more subverted, with different times of the day from the regular 9-5 emerging as more productive. In fact, the research found that early morning, before the onslaught of emails and phone calls that interrupt work flow, is seen as the most productive time of the day. Just over a third of respondents opt for traditional working hours.

Figure 3: Most productive time of day



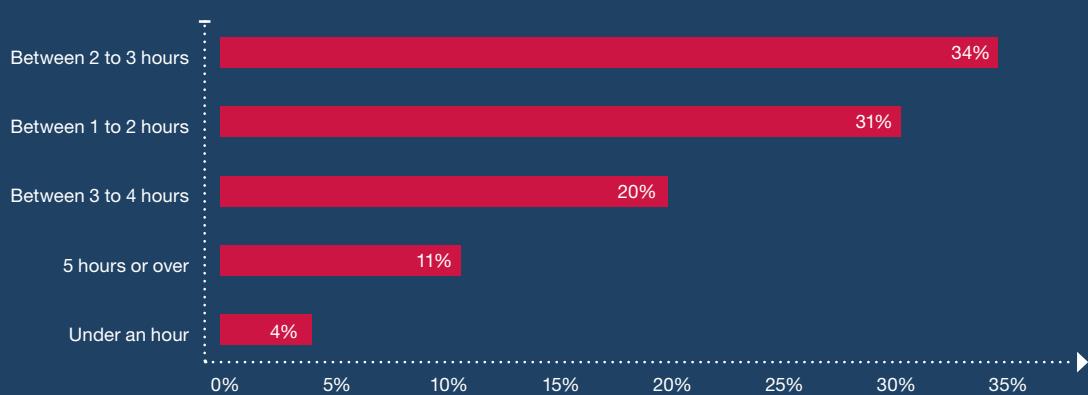
The regular working day is reported to be full of interruptions such as traffic jams, IT glitches and long meetings. These productivity killers explain why workers actually feel more productive outside the regular working day when they are not commuting, travelling to meetings or being disturbed by cold calls and conference calls.

Figure 4: Worst working day interruptions



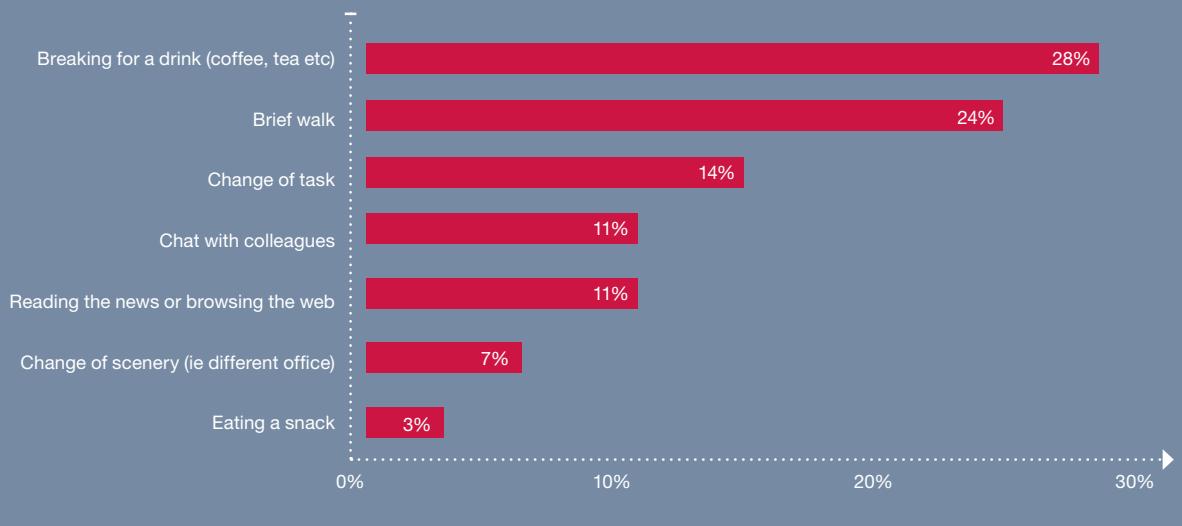
In order to quantify how damaging these disruptions are, respondents were asked to evaluate how long they would be able to concentrate in a distraction-free environment. A small proportion of workers say they can concentrate over 5 hours without interruptions, while most need a break anyway after 2 or 3 hours.

Figure 5: Hours of unbroken concentration in distraction-free environments



Given the number of annoying interruptions to the working day, respondents were also asked how they tackle these obstacles and in what ways they try to regain lost concentration. A quarter report going for a short walk helps them regain focus while one in ten think a chat with a colleague or a little web browsing helps.

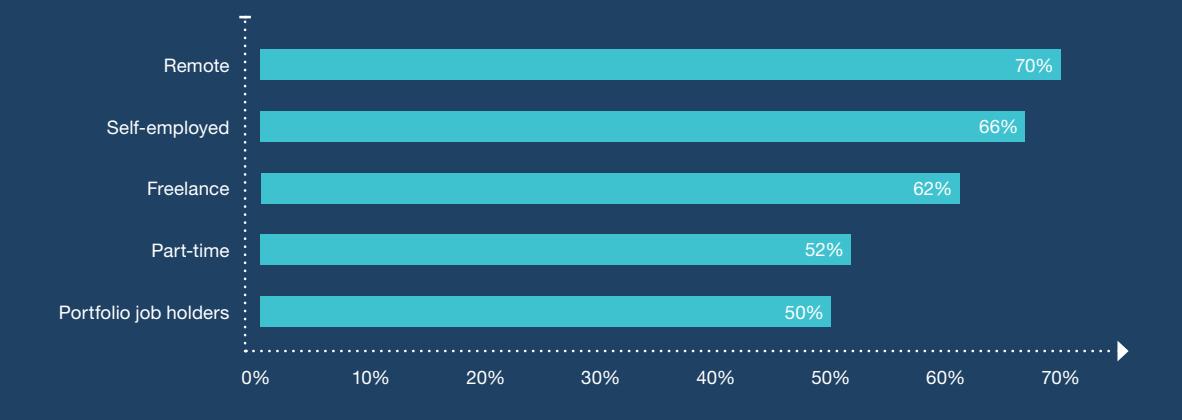
Figure 6: How workers globally regain concentration



Changing habits

73% of respondents say that they are seeing more project outsourcing compared to five years ago. This trend is probably fuelling the increasing trend for freelancing and portfolio job holding, where workers have more than one job on the go at once. Half of respondents confirm that compared to five years ago, they are seeing more portfolio job holders and 62% that there are more freelance workers. Remote working has increased massively fuelled by increasing generational demand for flexibility and legislation supporting better work:life balance.

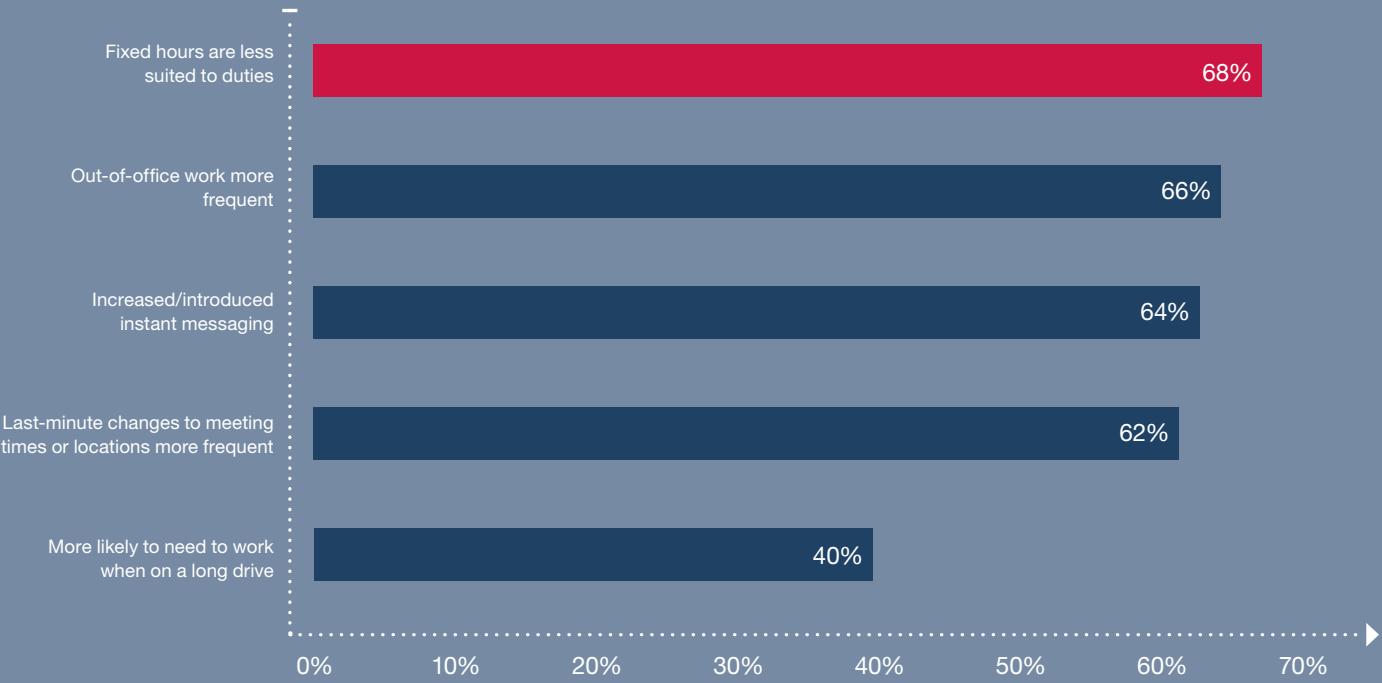
Figure 7: Types of workers that have increased in the last five years



A productive place

As Regus is committed to analysing changes and trends in the way we work, the survey also asked respondents what major changes to the way they go about their daily professional duties had taken place over the past five years and found that an overwhelming 68% of workers report that regular 9-5 working hours are no longer suited to their duties. Technology, and an increasing take up of instant messaging, has certainly enabled professionals to work more outside regular working hours, but they also report that they need to accommodate last-minute changes more frequently than five years ago and have to work out of the main office more frequently. Two fifths report that the urgency with which they are required to respond to demands means that they are more likely to have to break off long car journeys to answer emails or attend to pieces of work.

Figure 8: Types of workers that have increased in the last five years



The formula

The formula for work:life balance

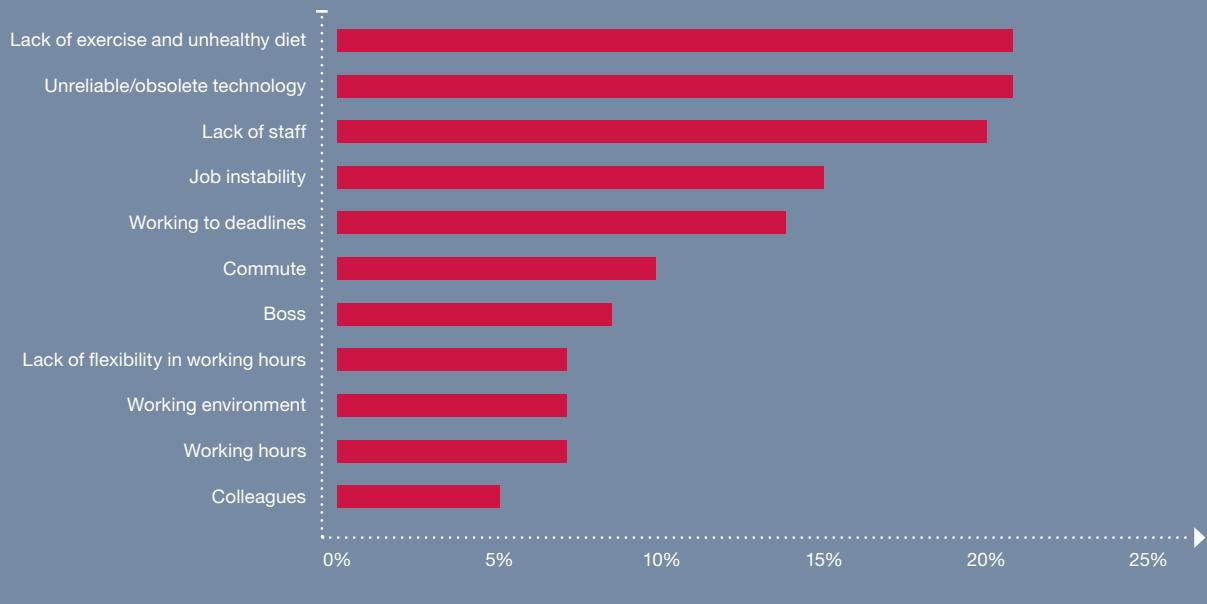
Workers globally report that they are more stressed than they were five years ago. This peaks in China, where almost four fifths of respondents report that they are stressed. South African and Belgian respondents are also more stressed than average, while Dutch respondents are the least likely to report higher stress levels.

Figure 9: Respondents who say they're more stressed than they were 5 years ago



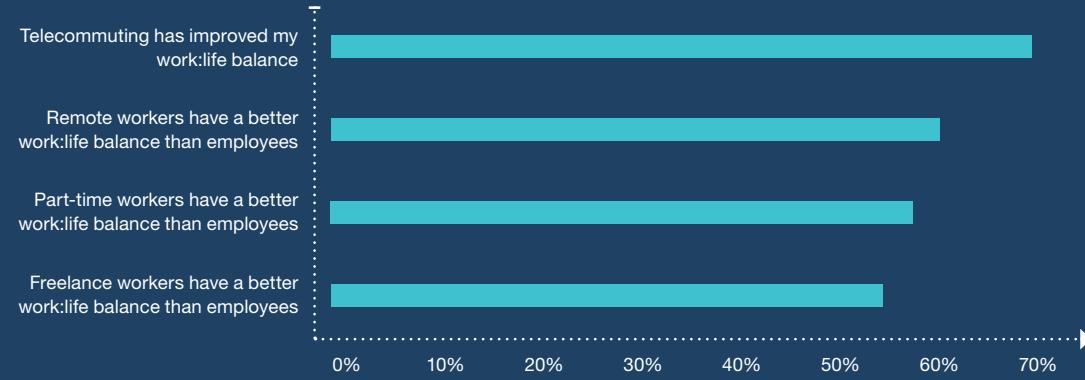
The main causes of work-related stress were found to be: lack of exercise, unreliable IT and feeling understaffed. One in ten also worries about job stability. One in five Indian professionals report that their commute is very stressful and the same proportion complain of stressful deadlines in France. Three quarters of respondents (74%) report that being able to change work location when they need to can help relieve stress.

Figure 10: Major causes of work-related stress



By reducing stress levels, a change of work location can therefore improve work:life balance. Respondents confirm this view with 69% of remote workers reporting that they are happier now they work remotely at least some of the time. Respondents also believe that workers that have more flexibility of location such as remote workers, freelancers and part-time workers are better able to juggle professional and personal life.

Figure 11: Effect of location and flexibility on work:life balance



Conclusion

Workers globally have debunked the myth that home working is the new solution to increasing productivity and improving work:life balance. In fact, business people report that a professional environment is key to increasing their productivity; this may be a fully equipped space within the home, but such an overhaul certainly requires an investment. A simpler solution and one that all businesses can provide their employees is the option to work at least some of the time from a professional, highly functional workspace near to home, where a third party has made all the effort and investment to create and maintain a professional environment.

The research also shows that working habits are changing radically with more and more professionals convinced that flexible working can help improve work:life balance and relieve work-related stress. Workers are finding that the increasing pressures of always being connected and on the move are impacting their productivity and they find they are more stressed than five years ago. Being able to choose where and when they work is seen as a way of helping them fight stress and is perhaps the reason so many more workers are turning to freelancing, remote working and part-time work, universally seen as less stressful than full-time fixed office work.



Country highlights

France

39% of French respondents report that transport strikes are a huge interruption to their working day.

74% find they have to accommodate last-minute changes to meetings more frequently compared to five years ago.

UK

UK respondents are more likely than average to feel that cold calls are an interruption to their working day (27%).

29% of UK respondents opt for a brisk walk to regain lost concentration.

Belgium

74% of Belgian respondents say traffic jams are the top working day interruption.

Canada

24% of Canadian respondents say that conference calls are the worst interruptions to their working day.

Germany

60% of German respondents report that traffic is a major interruption to their working day and 34% select roadworks.

Mexico

66% of Mexican respondents say traffic jams are their top productivity killer.

USA

80% of USA respondents report they are seeing more remote working compared to five years ago.

60% are seeing more portfolio-job holders.

Brazil

68% of Brazilian respondents report that traffic jams are major productivity killers, followed by IT glitches (53%).

South Africa

62% of South African respondents say traffic jams are a major obstacle in their working day.

China

69% of Chinese respondents are most productive in a business centre.

Japan

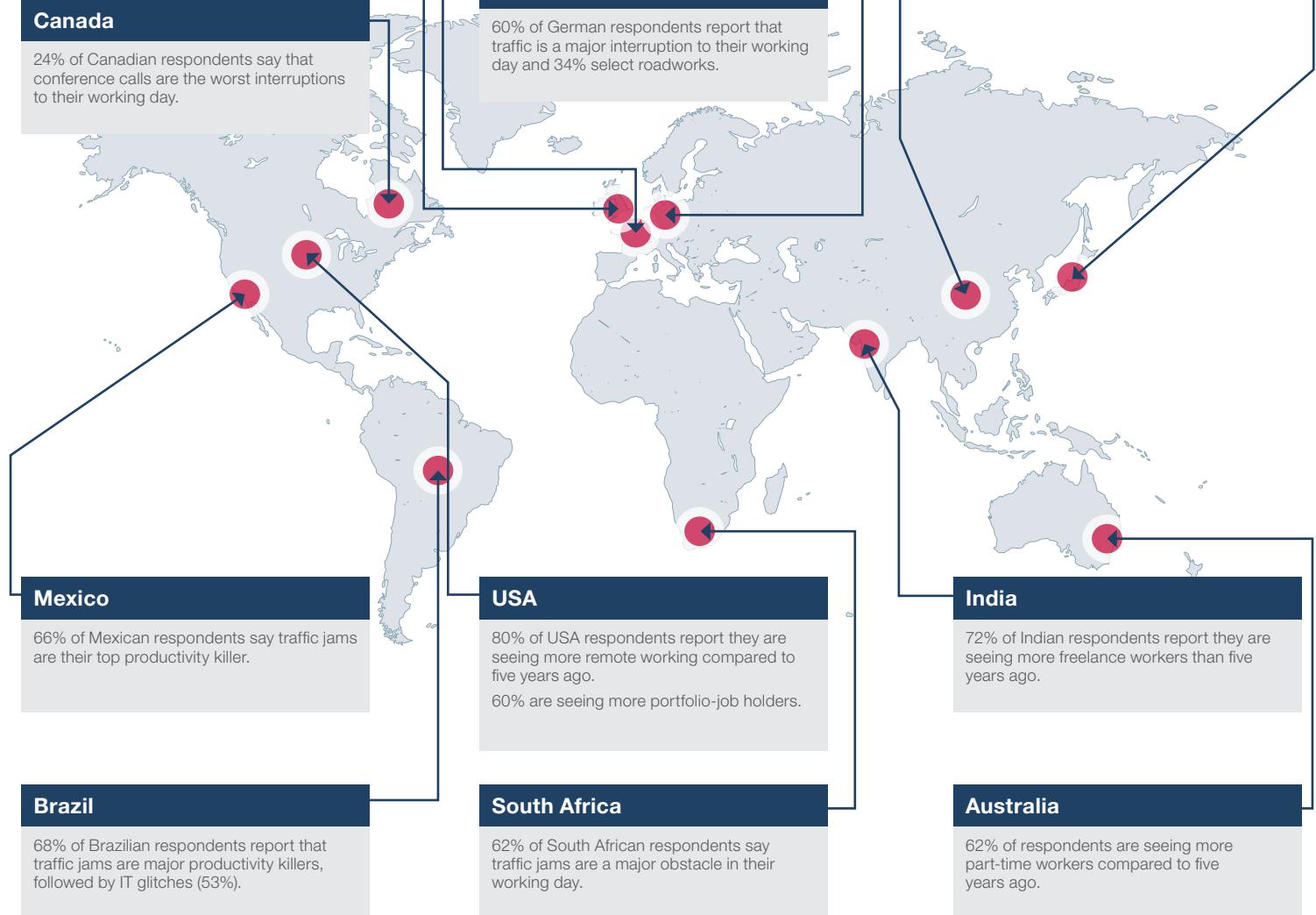
60% of Japanese respondents say that transport delays are the biggest interruption to their working day.

India

72% of Indian respondents report they are seeing more freelance workers than five years ago.

Australia

62% of respondents are seeing more part-time workers compared to five years ago.



Methodology

Over 22,000 business respondents from 100 countries were interviewed via an online survey during July 2014. These were sourced from Regus' global contacts database of over 1 million business people worldwide which is highly representative of senior managers and owners in business across the globe.

Respondents were asked which environments and times of the day saw them at their most productive and how their working habits have changed from longer hours out of the office, to increasing numbers of freelance and remote workers.

The survey was managed and administered by the independent organisation, MindMetre Research.

mindmetreresearch.com

Respondents were asked which environments and times of the day saw them at their most productive and how their working habits have changed.

22,000
business respondents
interviewed

100
countries



About Regus

Its network of more than 2,000 business centres in 104 countries provides convenient, high-quality, fully serviced spaces for people to work, whether for a few minutes or a few years. Companies like Google, Toshiba and GlaxoSmithKline choose Regus so that they can work flexibly and make their businesses more successful.

The key to flexible working is convenience and so Regus is opening wherever its 1.8 million members want support – city centres, suburban districts, shopping centres and retail outlets, railway stations, motorway service stations and even community centres. Founded in Brussels, Belgium, in 1989, Regus is based in Luxembourg and listed on the London Stock Exchange.

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