

# How Telework is Becoming Essential to Small Businesses



## Highlights

### Telework works.

- Small businesses must realize telework is no longer a perk—but is a necessity
- Studies have shown telework—when properly structured—results in increased productivity and employee retention
- Remote work doesn't have to mean that all or most employees always work from home. Remote work can be organized so that employees split their time between home and the workplace
- To make the transition more seamless, businesses must ensure that technology and process underpin their design for remote work

Long before the COVID-19 pandemic struck, resulting in the shutdown of the U.S. economy, the workforce trend of telework or remote work was well underway. According to a 2019 Global Workplace Analytics study, the number of people working remotely has increased by 91% over the last twelve years. However, the vast majority of that growth has occurred within larger companies. Due primarily to a lack of resources, management, or trust, small businesses have lagged behind the remote work trend. Then the pandemic came.

### Small Businesses Swept into the Telework Revolution

As stay-at-home orders spread across the nation, businesses that were considered “nonessential” were forced to temporarily shut their doors, with many forced to furlough or lay off their staffs. But many businesses quickly learned that their operations could continue, at least in part, with their employees teleworking at home. The technology was already there to communicate (video chat or instant messaging), to meet individually or in groups (Zoom, Skype), to collaborate (Slack, Microsoft Team), to manage projects (Trello, Basecamp Business) while doing it all securely through the cloud (virtual private networks).

Businesses had to quickly cobble together new protocols for managing employees, tracking projects and productivity, and engaging with their workers. They soon learned what the larger companies have known for a while - that performance and productivity does not have to suffer through telework. In fact, it has shown to actually improve productivity and profitability.

### Studies Show Telework Works

Numerous studies from leading research institutions, such as Stanford, Harvard, Gallup, and Global Workplace Analytics, show teleworkers are an average of 35% to 40% more productive than their office counterparts with 40% fewer quality defects. The higher productivity and performance has resulted in 41% lower

absenteeism and a 50% reduction in turnover. On average, a part-time teleworker saves an organization \$11,000 per year, resulting in 21% higher profitability.

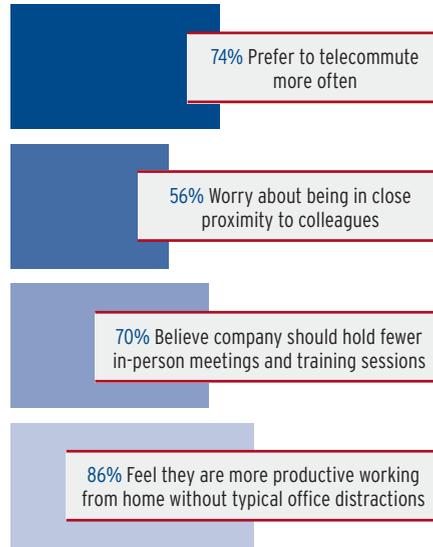
The question facing small businesses is whether they should (or can) return to a normal, physical operation once they are able to reopen, and if they should they adopt workplace flexibility as the new normal. If the studies of remote work productivity and profitability cannot answer that question, then the changing attitudes and preferences of the workforce will.

**Workers are Leading the Change**

A recent survey by Robert Half reveals that workers who have experienced telework during the pandemic now prefer it over returning to the workplace.

Businesses hoping to attract, hire and retain quality employees need to know that many are now willing to put their money where their mouth is when it comes to their workplace preferences. Sixty-two percent of U.S. workers now say they would take a pay cut to work remotely or sacrifice other benefits such as vacation days. Thirty percent of employees have left a job because it did not offer flexible work options. The work from home option is especially important for millennials, with 68% saying it would greatly influence their interest in working for a company.

**Of 1,000 workers surveyed:**



Source: Robert Half

**Telework: From Optional Perk to Essential Capability**

While the remote work revolution was well underway prior to the pandemic, the COVID-induced shutdown has brought it home to small businesses that have been otherwise reluctant to get on board. Employees have discovered they can be as if not more productive, and less stressed, working

**Resources**

LinkedIn tips on working remotely:

[Take me there](#)

Tips on leading at a distance:

[Take me there](#)

Mental health and remote work:

[Take me there](#)

at home while improving their work/life balance. Businesses have also found they can increase productivity, employee retention, and profits with a properly structured telework regimen. To grow and prosper in a post-COVID world, businesses must come to the realization that telework has gone from an optional perk to an essential capability. ■



### Business Deposit Products

- Business Advantage Checking
- Premier Business Checking
- Business Money Market, Savings and Certificates of Deposit (CDs)
- Treasury Management
- E-Treasury+ Online Banking
- Remote Deposit Capture
- Business Mobile Banking

### Business Credit Products\*

- Business Credit Lines and Term Loans
- Commercial Mortgages
- Equipment Financing
- Asset-Based Lending
- Business Credit Cards with Rewards

### Business Financial Services

- Merchant Card Processing<sup>1</sup>
- Business Insurance<sup>2</sup>
- Retirement/401(k) Plan Services<sup>3</sup>
- Business Succession Planning
- Workplace Banking

## Know-how makes your business a success story.

For over 175 years, People's United Bank has begun every business banking relationship by taking the time to listen and learn about each individual business. That's how we're able to craft superior solutions that specifically address our customers' needs.

We recognize that successful businesses require a variety of financial services, and we deliver these services locally. Our business banking experts serve as your key point of contact. All of which sets the stage for a relationship based on trust and expertise.

Speak with a business banking expert today.

-  1-800-810-9761
-  Visit your local branch
-  [www.peoples.com](http://www.peoples.com)

\*Application and credit approval required.

<sup>1</sup> People's United Merchant Services, LLC (PUMS) is a joint venture of People's United Bank, N.A. and Worldpay, LLC. PUMS is an indirect subsidiary of People's United Bank, N.A. Worldpay and People's United Bank, N.A. are not affiliated companies. All merchants are subject to credit approval.

<sup>2</sup> Insurance available through People's United Insurance Agency, a subsidiary of People's United Bank. All accounts are subject to underwriting approval.

<sup>3</sup> Investment products are offered through People's United Advisors, Inc., a registered investment advisor. People's United Advisors, Inc. is a wholly-owned subsidiary of People's United Bank, N.A.

**Investment Products are:**

- Not insured by FDIC or any Federal Government Agency
- Not a Deposit or Guaranteed by a Bank or any Bank Affiliate
- May Lose Value

People's United Bank, NA and its affiliates do not provide tax, legal or accounting advice. This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal or accounting advice. You should consult your own tax, legal and accounting advisors before engaging in any transaction.