

# Will telework persist after the pandemic?

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The pandemic has triggered a surge in telework. In a new paper, we analyse developments in online job postings that advertise telework across 20 OECD countries over the past two years. This allows us to provide new insights into the extent and drivers of telework adoption during COVID-19.

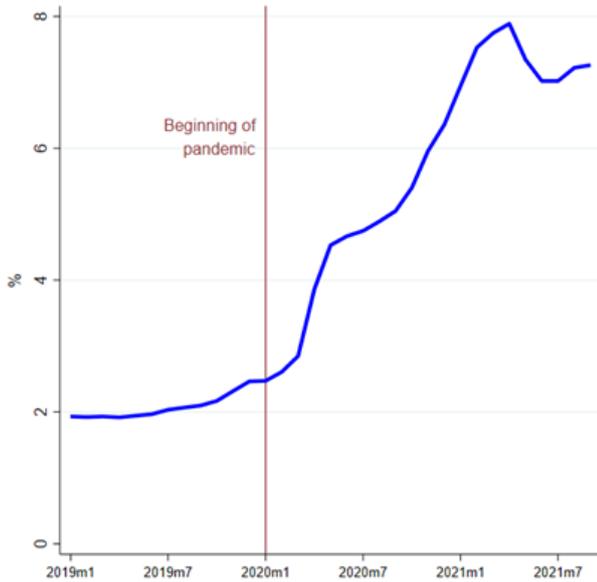
Job postings that advertise telework differ from measures of realised telework: in contrast to realised telework, job postings relate to firms' future hires rather than telework adoption by their existing workforces. However, online job postings signal firms' expectations of future developments in telework, and as such provide the best available measure of its medium-term adoption, beyond ad-hoc arrangements adopted during COVID-19 related lockdowns.

**On average across countries, advertised telework more than tripled during the pandemic...**

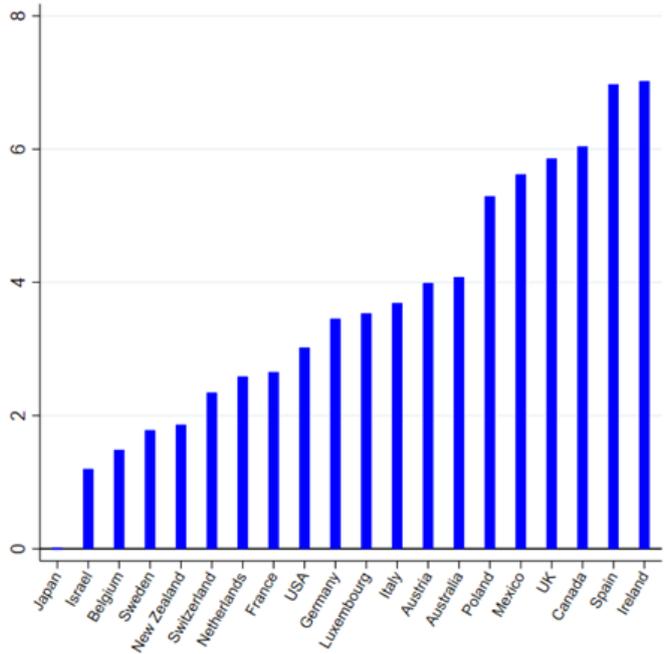
We find that the average share of remote postings across the countries in the study more than tripled from just 2.5% of job postings in January 2020 to 7.9% in April 2021. Despite the easing of restrictions during the first half of 2021, the average share of remote postings remained near its peak at 7.5% in September 2021 (Figure 1, Panel A). While advertised telework increased almost everywhere, there were notable differences across countries, raising the question of the role of policies and institutions in telework adoption during the pandemic (Panel B).

**Figure 1. Advertised telework more than tripled**

Panel A: Share of telework in overall job postings



Panel B: Change in advertised telework (in % points)



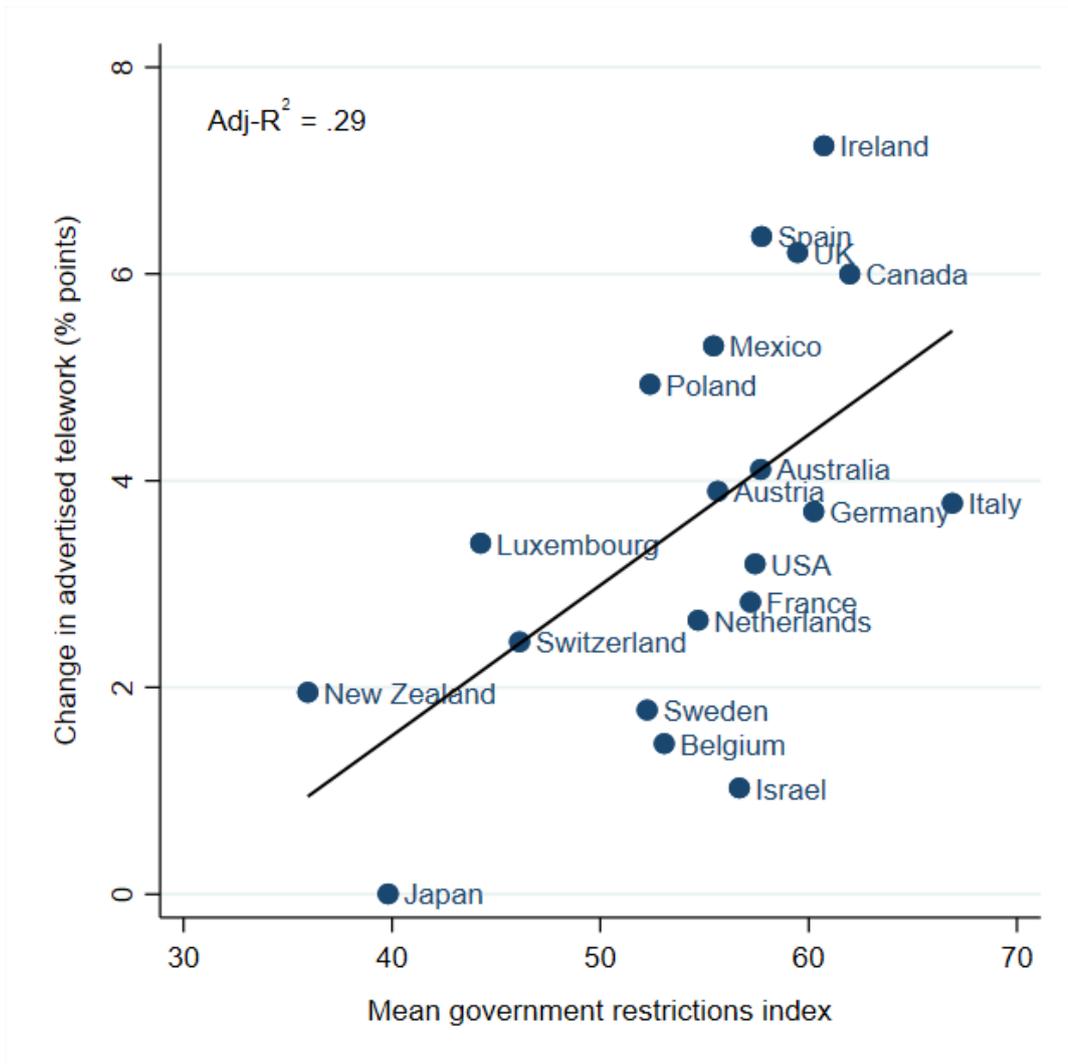
Note: Panel A depicts the average share of job postings advertising telework from January 2019 to September 2021 across 20 OECD countries. Panel B depicts the difference in the average share of advertised telework during the pandemic period (January 2020 to September 2021) and its average share during the pre-pandemic period (2019) for each of the 20 countries.

Source: Adrjan et al. (2021)

### **Pandemic-driven mobility restrictions were a catalyst for remote work...**

Restrictions to mobility explain about one third of the differences in the rise of remote postings across countries between January 2020 and September 2021. In countries where mobility restrictions were high, such as Ireland, Italy, Spain or the United Kingdom, the share of remote work increased significantly more than in countries where restrictions were low, such as Japan and New Zealand (Figure 2).

**Figure 2. Government restrictions boosted advertised telework**



Note: The Figure relates the Oxford Covid-19 Government Response Stringency Index to the pandemic change in the share of job postings advertising telework. The government restriction index is calculated as the mean value of the Oxford Stringency Index over January 2020 to September 2021. The change in advertised telework during the pandemic refers to the change in advertised telework during the pandemic.

Source: Adrjan et al. (2021)

**... but the easing of government restrictions has so far not reduced advertised telework**

Our econometric analysis suggests that advertised telework responds strongly to tightening government restrictions but only weakly and temporarily so to easing restrictions. In other words, government-imposed mobility restrictions appear to durably drive up advertised telework even once they are fully lifted.

The weak response of advertised telework to easing restrictions is overwhelmingly driven by countries with high levels of digital infrastructure, suggesting that telework will be particularly persistent in digitally well-prepared countries.

For instance, in Italy, where internet penetration is relatively low, the share of remote work increased by more than 9 percentage points from January 2020 to April 2021 but decreased by five percentage points in the following five months as restrictions were eased. In contrast, in the United States, where internet penetration is high, the share of teleworkable job postings increased by about seven percentage points between January 2020 and January 2021, at the peak of restrictions, and remained at about that level during the subsequent period of easing, suggesting that companies permanently integrated remote work into their organisation rather than treating it as a temporary remedy.

### **Conclusion: Telework is likely here to stay**

In sum, our analysis suggests that government-imposed mobility restrictions have catalysed telework. But the easing of restrictions has so far not triggered an equivalent reduction, even during the first half of 2021 when, in many countries, the easing occurred in the context of rapidly rising vaccination rates and was thus perceived to be more persistent than in 2020. This suggests that remote work is here to stay even once the pandemic recedes.

In order to benefit from the possible diffusion of remote work in the coming years, public policies should try to make the most of its potential effects on productivity and well-being. This may include ensuring that workers have a suitable working environment (e.g. computer equipment, office and childcare facilities), facilitating the dissemination of best management practices (e.g. moving from a culture of presenteeism to an output-oriented assessment of worker productivity) or ensuring

that everyone has access to a fast, reliable and secure internet connection (e.g. in rural areas).

## **Reference**

Adrijan, P., et al. (2021), "Will it stay or will it go? Analysing developments in telework during COVID-19 using online job postings data", OECD Productivity Working Papers, No. 30, OECD Publishing, Paris, <https://doi.org/10.1787/aed3816e-en>.