

COVID-19
Mutual

REMOTE WORK: THE NEW NORMAL?



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Working Remotely: Working Out the New Normal

*Mala tempora currunt*¹. For over a year, we have been riding a rollercoaster of emotions – from fear, dread, to relief and hope, with a pinch of growing disillusionment. The ever-changing situation in terms of the severity of the COVID-19 pandemic and its effect on our daily and professional lives has left many wanting to fast-forward through this physically and mentally exhausting time until everything *goes back to normal*. But is this even possible?

This first year of the pandemic, the *annus terribilis*, will likely go down in history as a year of trials and failures, accompanied by questionable governmental measures all around the world (be it too weak or too severe), but also as a time of perseverance and flexibility. After all, it brought out in people a strong desire to make this new reality work. Both employers and employees were doing their utmost to maintain performance at work relatively uninterrupted – with the aid of online solutions allowing for remote work. And so, we have suffered a lot, but we have also learned a lot.

Alas, it does not seem that in the foreseeable future we shall go back to normal. As Ed Yong, a science journalist for *The Atlantic*, noted, “*We long to return to normal, but **normal led to this**.* To avert the future pandemics we know are coming, we *MUST* grapple with all the ways normal failed us. We have to build something better.” What we must do, thus, is to get used to this abnormal new normal – also in terms of our private and professional lives and find the right work-life balance that would prepare us for history repeating itself (knock on

¹ Latin for “bad times are upon us”.



wood!). Granted, working out this new work-related routine will not be easy for anyone, but one thing is clear: *laborare pugnare parati sumus*².

Needless to say, we must not forget about the sector and professions who are unable to operate under the various levels of lockdowns or introduced restrictions. At the same time, there are also those who are simply unable to utilize the new digital solutions, as they may lack human and financial resources or infrastructure to even introduce them. Acknowledging that not everyone can reap the fruits of digitization, let us state it clearly and without hesitation: without it, dealing with the COVID-19 pandemic in all walks of life would be much harder to bear.

In the 14th issue of the *4liberty.eu Review*, we take on the topic of remote work and the impact it has on our lives, the economy, as well as its future applications. With articles from Lithuania, Poland, Hungary, Slovakia, Slovenia, the Czech Republic, and broadening our CEE perspective with a voice from Croatia, we offer a liberal outlook on the new reality we have been forced to face head on. A reality that has clear advantages, but which is also accompanied by some serious challenges. It is now our task to embrace the former and tackle the latter. Because, to quote Goethe, "*In the realm of ideas everything depends on enthusiasm, in the real world all rests on perseverance.*" And since the real world has verified some of our ideas, persevere we must.

Stay safe and strong,

O. Jakubowicz

Editor-in-Chief of *4liberty.eu Review*
Coordinator of the 4liberty.eu network



² Latin for "to work, to fight, we are ready."

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Remote Working in Hungary: Will We Ever See Our Offices Again?



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MÁRTON
SCHLANGER

The COVID-19 pandemic changed employment and the workplace in Hungary in a major way, and these changes could prove permanent. Not only did the pandemic see many small businesses shut down – even the biggest, most essential businesses had to face major changes. This is because the ‘workplace’ as we know it is gone, replaced partially with the comforts of our own living rooms and bedrooms. With the first shipments of vaccines being distributed at the time of writing this article, the question rises: Is it time for the Hungarian workforce to return to the office? Or, perhaps, the days of the traditional workplace are over.

A large portion of the workforce, not just in Hungary, but all over Europe and the rest of the world, had their employment situation change drastically – often times for the worse. Corporate downsizing, business closures, halted sectors such as tourism or entertainment, work overload, workforce spillover between sectors and numerous other events all took a toll on the “working man”.

However, the COVID-19 pandemic also had some positive impacts. One might argue that the workplace regulations that were adopted to protect the health of employees helped optimize workload and working hours as well. Another positive impact is that geographical location became less limiting for jobseekers, as more and more companies and businesses switched to remote working as a result of the pandemic – and many will consider keeping the current system or switching to a hybrid allocation of workplace and remote labor once the pandemic is over.

WILL WE EVER SEE OUR WORK OFFICES AGAIN?

This study has two main goals. The first will be to investigate the Hungarian workforce situation, and how it might redistribute itself

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NOT ONLY DID THE PANDEMIC SEE MANY SMALL BUSINESSES SHUT DOWN – EVEN THE BIGGEST, MOST ESSENTIAL BUSINESSES HAD TO FACE MAJOR CHANGES

in the post-pandemic world. To do this, a look at the data collected by the Hungarian Central Statistical Office regarding the state of the workforce before and during the pandemic – such as unemployment, remote jobs and labor migration, – shall be taken. Second, some light needs to be shed onto COVID-19’s effect on Hungarian (labor) migration both domestically and internationally, as this is a topic of great interest to Hungarian politics.

In order to attempt answering the question of “Will we ever see our offices again?”, one must first address the following issue: who are the affected workers, how many of them could there be, and where will they end up after the COVID-19 pandemic? Can we provide an approximation as to how many Hungarians will never see their pre-pandemic workplaces again? For now, instead of answering that question, let us see where may we look for the answers.

To study the redistribution of workforce during and after the COVID-19 pandemic, one must first talk about the identity and quantity of affected workers. This involves investigating how (in what way) the employment status of workers could have been influenced by the COVID-19 virus, create separate categories, and estimating the amount of people who are affected and belong in one of these categories.

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The specific groups affected by the pandemic are most likely similar across European countries, as it comes from the nature of the pandemic to impact specific areas of life. The numbers, on the other hand, are specific to each country. So which are the affected groups in Hungary (and possibly in other EU countries)?

THE LONG ELECTIVE LEAVE

To say that one's work situation was affected by the COVID-19 pandemic does not exclusively mean *people who lost their job* – for many, it could have acted as a catalyst, or a defining factor in *their own decision* regarding their employment. One can easily make a distinction between people who were forced to leave their workplace and people who did so electively.

There is also a third group, who were forced to leave but decided not to get a new job. One of the factors that could have led to the decision of leaving is a health concern. People were and still are scared of the COVID-19 virus, worried about their own and their family's health. Many decided to step out of the office for one of three reasons. First, to continue their job from home, if possible. Second, to find an occupation that is compatible with remote working. Third, to cease working in general until the situation is safe again, which requires adequate savings or taking on a loan.

Even when considering those who lost their job, many decided not to look for new work. A record high one in five of unemployed and inactive Hungarians are between ages 15-24¹. A number of young people who have parental support decided to either enter the labor market late, or – if they already had a job – decided to do something

¹ Hungarian Central Statistical Office (2021) *Quick Reference – Unemployment, 2020 December*. Available online: <https://www.ksh.hu/docs/hun/xftp/gyor/mun/mun2012.html>

other than work for the past year. Some did so out of fear that they might infect their older relatives living with them, and others simply because they could. The scarcity of workplaces employing this age group was also a big reason why so many of Hungary's unemployed are young people.

Healthcare workers are another well-defined group of people who left their job, and are crucial to mention. The interview with Adrianna Soós, the president of the Independent Healthcare Union, was all over the news in late August 2020, when she reported that until then in 2020, approximately 6,500 healthcare workers quit their jobs, which is a shocking number in a country where only 120,000 people work in the profession. In addition, over 10,000 social workers decided to call it a day². At the time of writing, in February 2021, an additional 5% of all healthcare workers refused to sign their renewed employment contracts for the next year. As the COVID-19 pandemic is seen as something temporary, a small bump on the road of our working years, many Hungarians are playing the waiting game and are choosing to wait for things to blow over before finding a new job.

Some data that demonstrates this unwillingness to work during the COVID-19 pandemic is available at the Hungarian Central Statistical Office. Their reports indicate that by the end of 2020, the inactive population (people who do not have a job and are not looking for one), increased by 50,000 people compared with the same time a year earlier³. Consequently, even though the

² Danó, A. (2020) “Besokallt orvosok: tömeges leszereles csata előtt – Interview with Adrianna Soós” [in]: *Népszava Online*. Available online: https://nepszava.hu/3089118_besokallt-orvosok-tomeges-leszereles-csata-elott

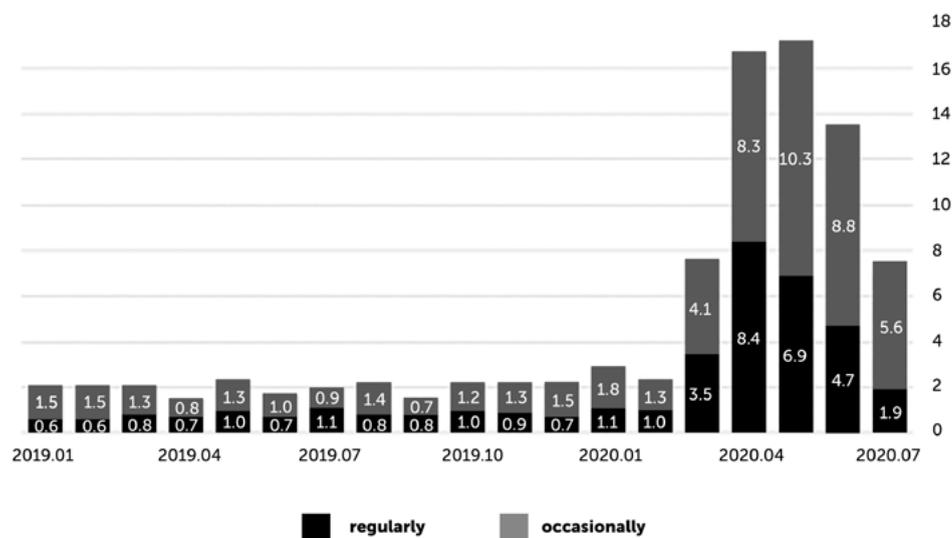
³ Hungarian Central Statistical Office (2020) *Quick Reference – Unemployment, 2020 Aug-Oct*. Available online: <https://www.ksh.hu/docs/hun/xftp/gyor/mun/mun2010.html>

unemployment situation in Hungary slightly improved after the summer 2020 deep dive, the employment rate was still equally alarming at the end of the year. Note that a summer employment deep dive is also cyclical, as during these months the short-term tourism and catering jobs kept the numbers high.

Finally, as we are talking about not seeing our workplaces again, let us take a look at remote working. While there is no official prediction yet as to how many home office workers got too accommodated to the new lifestyle to let it go, the Hungarian Central Statistical Office has been measuring remote work since 2001. Up until February 2020, before the first lockdown, less than 3% of employed Hungarians (45,000 people) worked remotely [See: Figure 1], and this number includes those doing occasional work from home. Then, in March 2020 the number increased to 153,000 and in May 2020 to over 300,000.

“TO SAY THAT ONE'S WORK SITUATION WAS AFFECTED BY THE COVID-19 PANDEMIC DOES NOT EXCLUSIVELY MEAN PEOPLE WHO LOST THEIR JOB

Figure 1: Remote workforce in the first wave of COVID-19 in Hungary [black: regular remote work; gray: occasional remote work, %]



Source: KSH (2020) Portfolio.hu

In the Hungarian capital, Budapest, remote working peaked at over 21% of all work hours during spring. By the end of the year, the number of remote workers went down to 180,000. Hence, what used to be 3% of the working population is now set at 7%. Between February and May 2020, the number of people working exclusively remotely increased 14 times⁴.

In Hungary, it seemed that the seriousness of the COVID-19 virus was dictated solely by the Hungarian government. When measures and restrictions were strict, most people took the COVID-19 virus seriously. However, during the summer of 2020, when measures and restrictions were more relaxed, for many it seemed like

⁴ Hungarian Central Statistical Office (2021) 9.17.3. Monthly development of remote work for employees aged 15–74 for 2019–2020. Available [online]: http://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_tav-munk9_17_03.html

the COVID-19 virus was not even around. This summer of freedom is also visible in the remote workforce data, as the rate of home office workers decreased to around 5% during those months [See: Figure 1]. A new, hybrid style of working is born and it will affect how work hours are spent even

“ A RECORD HIGH ONE IN FIVE OF UNEMPLOYED AND INACTIVE HUNGARIANS ARE BETWEEN AGES 15-24

after the COVID-19 pandemic. Just a one percent increase in the remote workforce in Hungary, counting those who work both at the workplace and at home, would mean between 10,000 and 20,000 people, which, in a country of nine million, is a considerable change.

THE LOST HUNGARIAN JOBS

Unsurprisingly, some sectors were struck particularly hard during the COVID-19 pandemic. Therefore, being without work for most people was not a matter of choice. Let us look at a few examples. Small and nonessential business owners and their

employees lost big on account of COVID-19. Official, up-to-date statistical data regarding businesses is not available yet, but Bisnode may come in handy. Bisnode is a private Hungarian corporation focusing on big data and smart data analysis. They report that in 2020 the number of newly founded businesses came to a halt. This is a surprising change, considering that the number of small businesses increased by over 30% between 2013 and 2019. Bisnode also states that liquidations (termination of a company without a legal successor) are up by 17% by the end of 2020 – this means that 17% more businesses shut down compared to 2019. Most business sectors in Hungary also ended the year 2020 with less companies than at the end of 2019⁵.

Another group that was hit hard in Hungary during the COVID-19 pandemic, just like everywhere in the world, was the catering and tourism industry. Most of this activity was legally restricted, so there is little to be surprised about. Normally, one way to measure the contribution of tourism to the economy is by looking at nights spent in housing and other facilities accommodating tourists. This number decreased by over 92% during 2020, and that is including the summer vacation⁶. Domestic tourism in summer months, however, was still significant, especially around lake Balaton. Still, an industry depending on short-term travel was set to experience problems, considering that crossing the Hungarian border, in most cases, came with mandatory quarantine.

⁵ Bisnode Report (2021) *Stagnált a cégek száma 2020-ban*. Available [online]: <https://www.bisnode.hu/tudastar/gondolatok/stagnalt-a-cegek-szama-2020-ban/>

⁶ Hungarian Central Statistical Office (2021) 4.5.16. *Guest Nights in Commercial Accommodation by Type of Accommodation for 2016–2020*. Available [online]: http://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_oga004a.html

“ AS THE COVID-19 PANDEMIC IS SEEN AS SOMETHING TEMPORARY, A SMALL BUMP ON THE ROAD OF OUR WORKING YEARS, MANY HUNGARIANS ARE PLAYING THE WAITING GAME AND ARE CHOOSING TO WAIT FOR THINGS TO BLOW OVER BEFORE FINDING A NEW JOB



BETWEEN FEBRUARY AND MAY 2020, THE NUMBER OF PEOPLE WORKING EXCLUSIVELY REMOTELY INCREASED 14 TIMES

An important issue caused by the COVID-19 pandemic is related to student work. As stated earlier, the number of young (under 25 years of age) unemployed people made up one fifth of all unemployment in 2020, which is also due to work opportunities being scarce. A significant share of student work consists of catering, hostess work, or takes place in pubs and bars, cinemas, and other similar job places, all of which were nearly non-existent during the lockdown.

Most student work in Hungary is done through various student work agencies. One of the largest companies that employs students is Cinema City, the Polish-Hungarian cinema chain. Normally, if a student were to visit the website of one of the big student work agencies, they would be greeted with pages upon pages of (mediocre, but available) job opportunities. But since the first wave of COVID-19, there have been cases where a student would go online and see a total of eight available positions to go pick and choose from.

Once the lockdown started, the aforementioned student jobs such as catering or hostess work were no longer available. This

is an even bigger problem, considering that unlike a regular daytime job, student work agencies are not responsible for the fate of the suddenly unemployed students. They just stop sending out work schedules – no goodbyes and no severance payments.

These were just a few examples for COVID-19's areas of impact. Now, let us move on to the national level. As said before, the number of inactives rose by 50,000 in 2020 compared to 2019. But this only includes people who are not looking for work. To be categorized as unemployed in Hungarian statistics you have to be actively looking for work. The number of unemployed people rose by 39,000 after the first wave, and was somewhat better, but still 31,000 higher by the end of 2020, compared to the same time in 2019. It was not only the employment that decreased, but also the number of jobseekers increased by an additional 10,000, bringing the total difference to over 40,000⁷.

An even higher number was measured by the National Employment Service (NFSZ), which stated that the number of registered jobseekers peaked at 67,000 higher than previously⁸. This does not inform us of the magnitude itself, so to put all of this data in perspective there are roughly 220,000 unemployed people in Hungary, which tells us that the lowest increase, 31,000 means employment decreased by 14% by the end of 2020 (!). This is the current state of the Hungarian workforce.

⁷ Hungarian Central Statistical Office (2020) *Quick Reference – Unemployment, 2020 Aug-Oct*. Available [online]: <https://www.ksh.hu/docs/hun/xftp/gyor/mun/mun2010.html>

⁸ NFSZ – National Employment Service (2020) *A Munkaerőpiaci helyzet alakulása a nemzeti foglalkoztatási szolgálat legfrissebb adatai alapján, 2020 December*. Available [online]: https://nfsz.munka.hu/nfsz/document/1/3/6/0/doc_url/nfsz_stat_merop_helyzet_2020_12.pdf [in Hungarian]



IN HUNGARY, IT SEEMED THAT THE SERIOUSNESS OF THE COVID-19 VIRUS WAS DICTATED SOLELY BY THE HUNGARIAN GOVERNMENT

One could say that this is, indeed, a very special and memorable year. However, from August to December 2020, one could already observe movement in the right direction, and with the several million Euro monetary aid from the European Union, the effects described above may be counteracted in a swift manner. Losing a job still remains easier than finding one, so the road ahead is long.

LABOR MIGRATION AND REMOTE WORK

Migration is a very special word for the Hungarian political sphere. The last seven years of political discourse were filled to the brim with talk of immigrants, due to the ruthless conditioning of government media in Hungary. For a while, every time you opened an online news portal, the first thing you saw was an article or a video about immigrants. One could say they were everywhere but actually in the country, seeing as most refugees were making their way towards Western Europe.

To be sure, for a country with so few immigrants (apart from the ones that were already living in Hungary) Hungarians care a lot about the topic. Not just because of the refugees coming their way, but because of the increasing number of Hungarians leaving the country for Austria, Germany, England and other countries. Despite being among the most anti-immigrant countries politically, Hungary has many emigrants of its own, leaving to work, live and study abroad.

Labor migration means to relocate in pursuit of a new occupation. The COVID-19 pandemic compelled countries to completely rearrange and relocate their workers in the matter of months. This hard shift in the idea of the workplace has the potential to open up new interpretations of work, work hours, or the workplace itself. The

economy and companies were required to test a new method of operation that never would have happened without the pressure of the COVID-19 virus.

From this period of pressure testing, a new meaning of work could be formed down the line. For some people, remote working may have brought balance between work hours and personal life. For other people, the new setting may have brought the exact opposite: a tip in the fine balance between working and other activities. Most people, such as manual workers, did not even experience the luxury of home office. But in some cases, the transition to remote work brought upon a combination of work and personal life that crossed over 1,000 kilometers. I personally went from working at a Hungarian office and living in Hungary, to writing about Hungary for a Polish publication while living in the Czech Republic, attending university in both Hungary and Prague, and still having an office job in Budapest. At least two of these things would be impossible in pre-pandemic times. There are upsides of being in lockdown when the

opportunity to work are from everywhere. However, when half of the country cannot go anywhere, especially if they cannot cross the border and, therefore, are restricted to Hungary, it unveils a slight problem. Some places are a bit more popular than others. Hungary's lake Balaton nearly became the setting of a modern day civil war, after virtually everyone with a weekend home decided to spend the lockdown there. Shops there were constantly out of stock, the streets were busy, and it became suboptimal for quarantining, which made locals very angry.

DOMESTIC AND INTERNATIONAL MIGRATION OF LABOR

For the past few years, Hungarian families, often young couples, have been increasingly moving from the capital to the nearby towns and villages. From traditionally having a positive flow of people, Budapest, the capital, observed a negative tendency a few years ago. A similar development was observed in the 1990s. The last three years of negative balance for Budapest seem to resemble that period of Hungarian history,

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which saw a negative migration balance of 17,000 by 2000⁹.

Similar to Budapest, other major Hungarian cities have experienced a negative balance in the recent years too, while population of villages and small towns increased. This trend is not necessarily a bad thing. However, it is a reflection of people's preferences in terms of place of living and these preferences might be strengthened with the possible increase in remote work. If the relocation between cities and countryside increases, and if it were to reach the early 2000s levels, politicians will take note of such a shift, which might be followed by yet another change in how the voting districts are divided geographically.

To sum up, Hungarian domestic migration trends are in correlation with the migration changes caused by the COVID-19 virus. Consequently, Hungary could see a noticeable redistribution of population between urban and rural areas in the years to come. There are a number of sources praising the unlimited opportunities of remote work, a door to a new life, since one can work anywhere and live elsewhere. However, the unlimited opportunities are exceedingly limited when it comes to international work for Hungarians.

First, remote working only applies to intellectual work, which is only 40% of the Hungarian workforce¹⁰, while most Hungarians emigrate to do physical labor. Second, to even consider remote working as an international career, the language barrier still exists. This rules out more than half of the

⁹ Hungarian Central Statistical Office (2020) 1.6. *Domestic migration (1990-)*. Available [online] https://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_wmv001.html

¹⁰ Hungarian Central Statistical Office (2020) 2.1.8.2. *Number of Employees by Main Occupational Group, by Sex - FEOR'08 (2011-)*. Available [online] https://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_qlf035b.html

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Hungarian population, since when it comes to speaking foreign languages Hungarians only surpass the Great Britain and Romania in the EU¹¹. Since this data is from 2018, and Britain is no longer part of the EU, Hungary now assumes second place on that list, with 57% of people speaking only Hungarian. Finally, to be able to live anywhere and live off remote work, your salary must have adequate purchasing power in the country of your residence. To sum up, western salaries open doors in CEE, but not the other way around. And one must remember that this is true only for multilingual intellectual workers, which is a relatively small group in the Hungarian working population.

Finally, what is the attitude of Hungarians about emigration? First, the government aims to convince more and more Hungarians living abroad to come home. There was even a program funded by the government starting in 2015 called Youth, Come Home! Furthermore, the government is engaged

¹¹ Eurostat (2018) *65% Know at Least One Foreign Language in the EU*. Available [online] <https://ec.europa.eu/eurostat/web/products-eurostat-news/-/EDN-20180926-1>

in a continuous campaign for Hungarians to come back, aimed primarily at young people, as 28% of emigrants are under 30, whereas 64% of them are under 40¹². Yearly emigration of Hungarians is between 20,000 and 25,000. Based on government reports, Hungary is close to turning the migration balance of Hungarian-born citizens positive.

COVID-19 might have helped achieve this goal. One of the ultimate aims of current Hungarian government policy is to turn the natural depopulation around, as the Hungarian population is decreasing by 4-5% each year. However, in 2017, there were 364,000 Hungarians that stated they are thinking about moving abroad to work. 85,000 of those people were in the process of relocating and 71,000 of them had already found work abroad¹³. What happened to these people, we do not know, because since this question was polled, the UK left the European Union, making the second most popular emigration destination that much more complicated. Also, COVID-19 struck. Combined with the fact that many Hungarians had to come home in 2020, either because their workplace/school closed, or out of fear for travel restrictions and Brexit, one can expect next year's migration balance to be very different from what could have been seen in previous years. If it is true that the migration of Hungarian-born citizens is already turning positive, this will just add fuel to the fire.

¹² Lakatos, J. (2015) "Külföldön dolgozó magyarok, Magyarországon dolgozó külföldiek" [in:] *Statistikai szemle*, No. 93/2, pp. 94-112. Available [online]: https://www.ksh.hu/statszeme_archive/2015/2015_02/2015_02_093.pdf [in Hungarian]

¹³ Hungarian Central Statistical Office (2017) 9.5.2.7. *Number of 15-74 Year Olds Planning to Work Abroad by Steps Taken to Work Abroad*. Available [online]: https://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_munkforg9_05_02_07.html

“ WITH REMOTE WORK BECOMING MORE WIDESPREAD, THERE WILL BE AN INCREASED DEMAND FOR FOREIGN JOBS IN HUNGARY

With remote work becoming more widespread, there will be an increased demand for foreign jobs in Hungary. This would create an interesting situation. For a Hungarian remote worker, it is worth working for a foreign company, as their salaries will increase. At the same time, it will also be beneficial for them to remain a Hungarian resident, not only it is home, but they will be able to afford more with their salaries in the Hungarian market.

Then, the question arises: What exactly does the government want with the Come Home program? They want the sons and daughters of the nation to venture home? This is what the message suggests. If so, what happens when they *do* come home, but they will not be part of the Hungarian workforce? Is that still considered a win? Most importantly, COVID-19 may have helped the Hungarian government to turn this migration balance positive, and intellectual workers whose main reason for emigrating was prosperity may be tempted to come or stay home and work remotely, which means the government's efforts

were not in vain. However, was the intention really just to invite these young Hungarians back to their motherland? Was this a form of national identity politics, or was it an economic consideration? Perhaps we will soon find out.

SO, WILL WE EVER SEE THOSE OFFICES AGAIN?

First of all, we probably will not. I will not, for sure. However, the Reader might, especially if he or she belongs to a majority of the Hungarian workforce. For everybody else, this is not so certain. A sample calculation was put together for this article about the affected workers [See: Figure 2].

First, unemployment rose compared to the previous year, with 31,000 more people from the workforce becoming unemployed by the end of 2020. These people were all out of a job and looking for work. Do not let this fool you, though, as significantly more people lost their jobs and, therefore, are out of their old workplace. However, this number does not show that because many had found a new job shortly after and others entered the labor market.

To learn exactly how many people lost their job, let us check the official data for labor market reallocation between activity groups on previously employed people who became unemployed. In 2020, 1.1% of Hungarians aged 15-74 transferred from the employed group to the unemployed group. As there are roughly 3,800,000 people in this category that means 41,000¹⁴. Then, inactives – these are the people who were not even looking for a new job in 2020. Their number is much higher. Using the same statistical data, 2.1% of 15-74 year olds transferred from employed to inactive.

¹⁴ Hungarian Central Statistical Office (2020) *Labor Market Developments, 2020. Jan-Jun..* Available [online]: <https://www.ksh.hu/docs/hun/xftp/idoszaki/mpf/mpf202/index.html>

Table 1: People who will not see their pre-pandemic workplace again

| Affected Group | Number of People |
|--------------------------------|------------------|
| New Unemployed | 41,000 |
| New Inactive | 81,000 |
| Owners of terminated companies | 6,000 |
| Remote Workers | 10,000 |
| Total | 137,000 |

Source: Own calculation based on statistical data for Hungary

This is an additional 80,000. So, there are already 121,000, and there are more.

Next, some business owners also will not see their offices again, even though they were not employed, because the businesses have shut down. Now, while the employees of companies are already included, and presumably, so are the owners of small businesses (less than 10 employees), which is 76% of all businesses¹⁵, one may assume that out of the 26,000 terminated companies¹⁶ only 24% of them have owners that are not technically employed by their own company. Therefore, there are about 6,000 business owners that now lost possession of their office.

¹⁵ Hungarian Central Statistical Office (2021) 3.2.6.2. *Number of Registered Enterprises by Size Class - GFO'142015-2019.* Available [online]: https://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_qvd021.html

¹⁶ Bisnode report (2021) *Stagnált a cégek száma 2020-ban.* Available [online]: <https://www.bisnode.hu/tudastar/gondolatok/stagnalt-a-cegek-szama-2020-ban/> [in Hungarian]

Finally, remote work and home office. We have seen that 3% of all work was done remotely in Hungary before the COVID-19 virus, which increased to 17% during spring 2020, ended up at 7% by the end of the year, and in some places (like the capital) peaked it at 21%. If we assume that just 1% of employees will stick to home office, there is a minimum of another 10,000 that

“ 137,000 OR 3.6% OF THE ACTIVE POPULATION IN HUNGARY WILL NOT SEE THEIR OLD WORKPLACE AGAIN



THE CONQUEST OF REMOTE WORK COULD HAVE A GLOBAL IMPACT. HOWEVER, FOR HUNGARIANS, AND NATIONS IN SIMILAR SHOES, THERE ARE MORE LIMITATIONS THAN JUST THE WORK LOCATION

will not see their pre-pandemic workplace again. To sum up, approximately $80,000+41,000+6,000+10,000 = 137,000$ or 3.6% of the active population in Hungary will not see their old workplace again.

FINAL THOUGHTS

Academics understandably did not hesitate to start researching and analyzing COVID-19's effect on society even before it was over. Many of the changes analyzed, also in this article, will not be seen clearly until years after the COVID-19 pandemic is over. Most data needed for such an analysis (such as demographics, financial effects and workforce allocation) will only be available in the future. Yet, from what is already available, it was possible to review the current

state of Hungarian workforce. However, this is only a snapshot of the COVID-19 economy, and to process the events of 2020, not only humanity, but also science will need a few years to assess the experience. This does not mean we cannot make any interesting observations.

In Hungary, over one-fifth of all workforce in Budapest, the capital city, transitioned to a remote work routine in a matter of two months. This goes to show how little intellectual work is tied to a physical workplace. With intellectual work making up 40% of all work in Hungary, which is a big portion of Hungarian working hours, this kind of mobility within the workforce resembles wartime economy levels. Once you can work on your laptop or phone, you can physically be anywhere, even though for Hungary there are limits to this application.

The conquest of remote work could have a global impact. However, for Hungarians, and nations in similar shoes, there are more limitations than just the work location. The Hungarian remote worker's salary will not buy them a house by the ocean. For them to unlock the potential of remote work, and, therefore, for remote work to affect the Hungarian economy in the long run, these people first have to find a foreign job, for which the competition could rise tenfold as a result of the COVID-19 pandemic. Noteworthy, remote working can create an even bigger gap between manual and intellectual workers. To talk about remote work as the future of Hungarian work economy means to leave about 60% of Hungarians out of the equation, or the 57% who speak only Hungarian. Therefore, when we ask "Will we see our workplaces ever again?", the quick answer is: yes, we will, because the majority of Hungarians will see the COVID-19 pandemic's end not as the beginning of a new world, but rather as the return to their previous life.



A BIG INCREASE IN REMOTE WORK, PART-TIME JOBS, ALTERNATIVE MEANS OF INCOME, THE AVERAGE MAN'S INTRODUCTION TO THE STOCK MARKET, AND SO ON – THESE ARE ALL DEFINING ELEMENTS NOT ONLY OF THE COVID-19 PANDEMIC, BUT OF THE EVOLVING ECONOMY OF THE 21ST CENTURY

As for Hungarian migration, the effects of COVID-19 may compliment already existing trends, but these trends are highly dependent on both Hungarian and international events, which could change in a single year. All in all, remote working during the COVID-19 pandemic, the possible optimization of workplace, and work hour allocation is a continuous process that is streamlined,

global, and not a cause of the COVID-19 pandemic alone, as it started way before. We just had the opportunity to test it during the epidemic. A big increase in remote work, part-time jobs, alternative means of income, the average man's introduction to the stock market, and so on – these are all defining elements not only of the COVID-19 pandemic, but of the evolving economy of the 21st century.



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SORRY

SHOP CLOSED
UNTIL FURTHER

NOTICE DUE
TO CORONA VIRUS

THANKS

The Pillar of Sustained Business During COVID-19: The Platform Economy



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KAROLINA
MICKUTĖ



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ŽILVINAS
ŠILĖNAS

In recent years, there has been a significant growth of an interest in the gig economy built upon the premise of online platforms that connect customers with service suppliers. Platform work brings more opportunities to traditional businesses by closely connecting suppliers and customers and reducing transaction frictions. COVID-19-induced lockdowns only advance the spread of delivery via platforms, since some sectors (such as ride-sharing) have expanded their operations into delivery of meals and produce from local restaurants and stores, to which access is restricted due to nationwide lockdowns. In addition, platform work offers more means of prosperity not only for those seeking more work-related flexibility and additional income, but also for those who directly suffered financial losses due to the lockdowns.

The breakthrough of the gig economy was preconditioned by the laxity, or even absence, of regulation, i.e. more freedom to create and act. However, there are growing concerns at both the European Union (EU) and national level on whether to impose more encompassing and rigid regulations on platform work. There are ongoing considerations on the possibilities of expanding labor regulations on platform workers and platforms, along with additional restrictions such as national language requirements for ride-sharing service drivers.

The best way forward is to at least maintain the regulatory *status quo* of platform work, to foster competition in the sector among platform operators, and to establish efficient and easily accessible dispute resolution mechanisms. Due to the nature of platform work, it is most prudent to create conditions for the sharing economy to further develop and ensure a regulatory environment that would meet the flexibility needs of platform work. In contrast, an

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COVID-19-INDUCED
LOCKDOWNS
ONLY ADVANCE
THE SPREAD
OF DELIVERY
VIA PLATFORMS

increase in regulation and imposing labor standards on platform work is not only unfounded, but may also have detrimental effects on the sector, consumers, and national economies as a whole.

THE UPRAISE OF DEBATES ON REGULATING THE SHARING ECONOMY

The EU has long had an enthusiastic approach to the benefits of platform work. It is regarded as a source of job and economic growth¹. Further, it is hoped that the collaborative economy will lead to new opportunities and new routes into work and may serve as a point of entry to the labor market². This not only benefits local workers seeking additional income, but also foreign workers in terms of their integration into the labor market. Platform work increases the efficiency of the matching process, which may help to alleviate problems such as frictional unemployment and skills mismatches. It may also offer new work opportunities to graduates and immigrants,

¹ European Commission (2016) "A European Agenda for the Collaborative Economy", [in]: COM (2016) 356 final, 2.

² European Parliament (2017) *Resolution of 15 June 2017 on a European Agenda for the Collaborative Economy*, (2017/2003(INI)), recital 37.

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THE COMPETITIVE SITUATION IS SIMILARLY UNSTABLE FOR DELIVERY SERVICES, WHICH HAVE OPENED UP A MARKET THAT WAS PREVIOUSLY ONLY SERVED BY SUPERMARKETS AND RESTAURANTS, THE NEED FOR WHICH PARTICULARLY GREW DURING THE PANDEMIC

and act as an income supplement for individuals transitioning into periods associated with low earning potential³. Moreover,

³ Lane, M. (2020) "Regulating Platform Work in the Digital Age", [in]: *GoingDigital Toolkit Policy Note*, No. 1. Available [online]: <https://goingdigital.oecd.org/toolkit-notes/regulating-platform-work-in-the-digital-age.pdf>

a study carried out in Poland concluded that the work of food couriers is a *good job* during the COVID-19 pandemic, as it enables those who have unexpectedly lost their source of income to stay afloat. It also gives satisfaction to those who started this work before the pandemic due to an increase in the number of orders⁴.

At the same time, the EU raised concerns regarding the application of existing legal frameworks and the blurred lines between consumer and provider, employee and self-employed as this can create regulatory gray areas⁵ [See: Figure 1]. The core concerns are those specifically related to platform work that covers the work dimension (e.g. performance appraisal, autonomy, the physical environment, monitoring, etc.) and those of the employment dimension (legal status of the worker and platform). It must be noted that the said criteria may serve as a basis for categorizing key aspects of any work performed via platforms; however, any considerations of imposing harmonized measures should take into account that some concerns raised by the European Commission (EC) and European Parliament (the Parliament) are sector-specific. The Parliament stresses the importance of safeguarding workers' rights and calls on the EU Member States and the EC to ensure fair working conditions and adequate legal and social protection⁶.

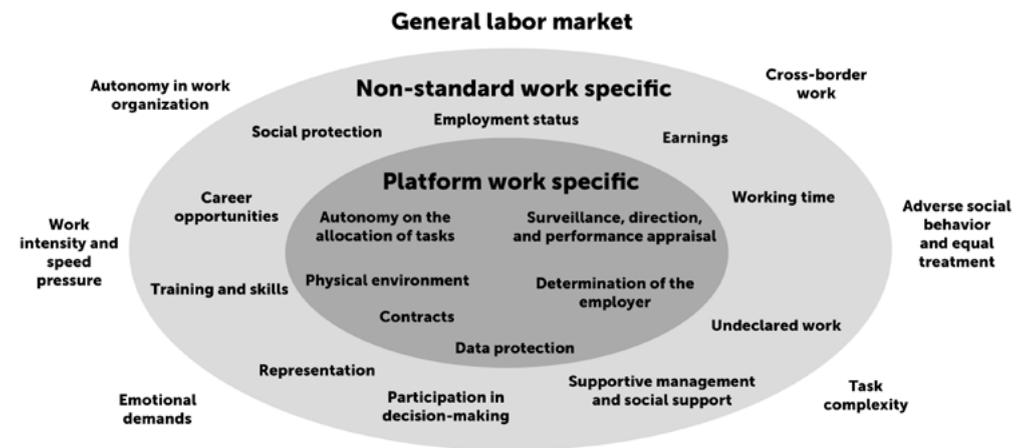
Among one of its key goals for 2021, the EC has set the aim of preparing as a legislative proposal to improve the working conditions

⁴ Polkowska, D. (2021) "Platform Work During the COVID-19 Pandemic: A Case Study of Glovo Couriers in Poland", [in]: *European Societies*. Available [online]: <https://doi.org/10.1080/14616696.2020.1826554>

⁵ European Commission (2016) "A European Agenda for the Collaborative Economy", [in]: *COM (2016) 356 final*, 2.

⁶ European Parliament (2017) *Resolution of 15 June 2017 on a European Agenda for the Collaborative Economy*, (2017/2003(INI)), recital 37.

Figure 1: The summary of challenges outlined by the EC



Source: Kilhoffer, Z., Lenaerts, K., Smits, I., Hauben, H., Waeyaert, W., Giacumacatos, E., Lhernould, J.P., and S. Robin-Olivie (2020) *New Study Looks at the Challenges Faced by Platform Workers*. Available [online]: <https://ec.europa.eu/social/main.jsp?catId=89&furtherNews=yes&langId=en&newsId=9582>

of platform workers. The particular content of the regulation is yet unknown, but it may be assumed that it will be closely based on a prior EC study on working conditions of platform workers⁷.

MATCHMAKING AND EMPLOYMENT: TOMATO-TOMATO?

Although platforms undercut the traditional providers in terms of price, they are also under strong price pressure due to competition between transport or delivery platforms. For example, this is why ride-sharing services tend to reduce fares and thus the

charges for drivers considerably based on the state of competition in the market⁸. Through this, and by expanding the driver network the company's network, effects are increased. The competitive situation is similarly unstable for delivery services, which have opened up a market that was previously only served by supermarkets and restaurants⁹, the need for which particularly grew during the pandemic.

⁸ Schmidt, F. A. (2017) *Digital Labor Markets in the Platform Economy*, Friedrich-Ebert-Stiftung.

⁹ Singh, S. (2019) "The Soon to Be \$200B Online Food Delivery Is Rapidly Changing the Global Food Industry", [in]: *Forbes*. Available [online]: <https://www.forbes.com/sites/sarwantsingh/2019/09/09/the-soon-to-be-200b-online-food-delivery-is-rapidly-changing-the-global-food-industry/>

⁷ Kilhoffer, Z., Lenaerts, K., Smits, I., Hauben, H., Waeyaert, W., Giacumacatos, E., Lhernould, J.P., Robin-Olivie, S. (2020) *New Study Looks at the Challenges Faced by Platform Workers*. Available [online]: <https://ec.europa.eu/social/main.jsp?catId=89&furtherNews=yes&langId=en&newsId=9582>



THERE ARE NO COMMON ISSUES THAT ALL PLATFORM WORKERS FACE

In addition, some researchers argue that labor platforms (such as ride-sharing, delivery, etc.) rely on the model of “Business Growth before Profits” meaning that they operate a “hyper-outsourcing” model¹⁰, in which both workers and fixed capital or training costs are outsourced. Work is usually outsourced and workers are not regarded as employees, but as independent and selfemployed contractors who are paid according to order. In this way, the platform companies not only save a considerable part of direct labor costs such as paid holidays, overtime bonuses or sick days, but also the indirect costs of social security contributions or training and, in the case of work from anywhere in the world, they can put costs out to tender and compete with costs from low-wage countries.

All of this combined leads to the assumption that due to the essence of platforms they are not to be expected to provide stable income and workload. Accordingly, platforms should not expect their contractors to work on a stable basis.

REGULATING THE AUTONOMY OF WORK AND THE RELEVANCE OF “PERFORMANCE REVIEW”

One of the fields that the EC is considering for revision is the work dimension¹¹. It includes, among others, the autonomy of work, surveillance, direction and performance appraisal, and the physical environment. In these areas the EC is contemplating measures of ensuring greater stability and protection of workers that would enhance their bargaining powers.

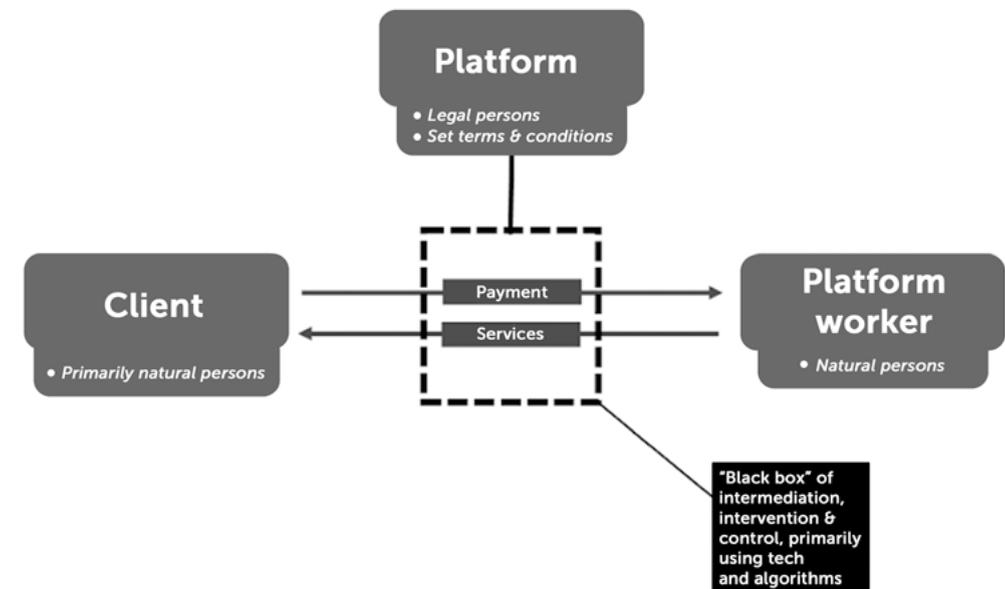
The peculiarities of the digital market may radically reshape how work is allocated, organized, monitored and performed. However, there are no common issues that all platform workers face. Certain issues outlined by the EC as being problematic, such as the physical environment or allocation of tasks, are characteristic of particular tasks rather than platform work as a whole¹². Therefore, the true object of the EC’s policy considerations on the matter is not platform work *per se*, but particular operations – such as ride-sharing services. This is why any attempts to regulate platform work would unjustly affect other forms of services (e.g. consultants, lawyers, architects, etc.), even if they did not share the same challenges that the EC are concerned about.

It must be kept in mind that the platform functions as an intermediary [See: Figure 2] between the service provider and the end-user, and does not operate as an employer since the platform can neither prevent service providers from carrying out their tasks via other platforms or mediums, nor is the platform a determinant condition for

¹¹ Kilhoffer, Z., Lenaerts, K., Smits, I., Hauben, H., Waeyaert, W., Giacumacatos, E., Lhernould, J.P., Robin-Olivie, S. (2020) *New Study Looks at the Challenges Faced by Platform Workers*. Available [online]: <https://ec.europa.eu/social/main.jsp?catId=89&furtherNews=yes&langId=en&newsId=9582>

¹² Ibid.

Figure 2: Conceptualization of platform work



Source: Kilhoffer, Z., Lenaerts, K., Smits, I., Hauben, H., Waeyaert, W., Giacumacatos, E., Lhernould, J.P., and S. Robin-Olivie (2020) *New Study Looks at the Challenges Faced by Platform Workers*. Available [online]: <https://ec.europa.eu/social/main.jsp?catId=89&furtherNews=yes&langId=en&newsId=9582>



THE RESPONSIBILITY FOR HEALTH AND SAFETY FALLS UPON PLATFORM WORKERS THEMSELVES, WHO, NOTABLY, USE THEIR OWN MATERIALS AND EQUIPMENT

the provision of services. Rather than getting employed, the service provider buys the service of connectivity through the platform. Accordingly, primacy should be given to the principle of contractual freedom between the platform worker and operator to decide upon particular conditions of their relationship, assuming that the worker finds the particular conditions acceptable.

In the majority of cases, platforms serve the purpose of more efficiently connecting the service provider and the customer, without imposing requirements on how the service must be provided allowing more leeway for the platform worker to decide on what one finds to be most convenient in terms of working conditions. The responsibility for health and safety falls upon platform

¹⁰ Srnicek, N. (2017) “Platform Capitalism”, [in]: *Polity Press*, Cambridge, p. 76.

workers themselves, who, notably, use their own materials and equipment¹³.

The fact that individuals themselves decide to engage in platform work suggests that they regard other conditions of platform work (such as remuneration and flexible timetables) as significantly better, and thus more attractive. It may also demonstrate the desire to distance oneself from employment relationships and related restrictions on activities, such as minimum rest, maximum working hours, subordination to the employer, etc.

A standardized service contract is concluded between the platform operator and a person buying platform connectivity services, and the premise is that the signatories fully understand their intent and conditions of their relationship. Given that there is no single dominant platform in the market, individuals can choose companies that best suit their interests. In addition, by being able to conclude contracts freely, companies are encouraged to compete in order to attract service providers. In this case, the sole function of governments is to ensure that individuals willing to pursue platform work are provided with the necessary information to make a decision to engage in platform work instead of prohibiting certain conditions – such as a non-compete clause, service costs, and others – from the contracts.

A lack of legal certainty regarding a possible dispute resolution may precondition the need for more rigid rules on contracts. Given that in times national courts may be overloaded with cases, individuals may feel less assured that they will be able to have their disputes resolved. Therefore, the state must commit itself to ensuring prompt dispute settlement, alternative dispute

¹³ Ibid.



GIVEN THAT THERE IS NO SINGLE DOMINANT PLATFORM IN THE MARKET, INDIVIDUALS CAN CHOOSE COMPANIES THAT BEST SUIT THEIR INTERESTS

resolution means included. It is inefficient to engage in patchwork regarding particular terms and conditions of contracts. Rather, it is more beneficial to focus on establishing proper dispute resolution means for people to defend their interests on their own terms. For example, Portugal has introduced a new, simplified judicial procedure to target the growth of false self-employment through changes in 2013 and 2017 (Law n.º 63/2013, August 27 and Law n.º 55/2017, July 17). It provides workers with a speedier court decision recognizing the existence of an employment relationship¹⁴.

EMPLOYEE VERSUS DIGITAL NOMAD

The EC has raised concerns regarding the employment dimension of ride-sharing, which primarily focuses on the status of

¹⁴ Menéndez, U. (2020) "Recent Developments in Employment Disputes in Portugal", [in]: *Lexology*. Available [online]: <https://www.lexology.com/library/detail.aspx?g=da11d99f-8dc3-4a6f-8262-52affa8986e5>

platform workers¹⁵. Lately, there has been a rise in criticism of gig-economy companies suggesting that they are misclassifying workers who should, in fact, be considered employees and provided benefits¹⁶. However, others argue that this precise approach contradicts the nature of platform work and may have detrimental effects¹⁷.

It is well-established in legal theory that a contractor is someone who is free from the control and direction of the hiring entity in connection with the performance of the work, does work that is outside the usual course of the hiring entity's business, and is customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the

¹⁵ Kilhoffer, Z., Lenaerts, K., Smits, I., Hauben, H., Waeyaert, W., Giacumacatos, E., Lhernould, J.P., Robin-Olivie, S. (2020) *New Study Looks at the Challenges Faced by Platform Workers*. Available [online]: <https://ec.europa.eu/social/main.jsp?catId=89&furtherNews=yes&langId=en&newsId=9582>

¹⁶ See, e.g. Ossowski, Y. (2021) "What Does the UK Supreme Court Ruling on Uber Mean for the Gig Economy? Business and Legal Experts React". Available [online]: <https://consumerchoicecenter.org/what-does-the-uk-supreme-court-ruling-on-uber-mean-for-the-gig-economy-business-and-legal-experts-react/>; ILO (2021) "World Employment and Social Outlook 2021: Role of Digital Labor Platforms in Transforming the World of Work"; Aloisi A. (2018) "The Role of European Institutions in Promoting Decent Work in the "Collaborative Economy", [in]: Bruglieri M. (eds) *Multidisciplinary Design of Sharing Services. Research for Development*. Available [online]: https://doi.org/10.1007/978-3-319-78099-3_11, etc.

¹⁷ See, e.g., Griswold, A. (2019) "How Much It Would Cost Uber and Lyft If Drivers Were Employees", [in]: *Yahoo Finance*. Available [online]: <https://finance.yahoo.com/news/much-cost-uber-lyft-drivers-151818345.html>; Ossowski, Y. (2021) "What Does the UK Supreme Court Ruling on Uber Mean for the Gig Economy? Business and Legal Experts React". Available [online]: <https://consumerchoicecenter.org/what-does-the-uk-supreme-court-ruling-on-uber-mean-for-the-gig-economy-business-and-legal-experts-react/>; Schragar, A. (2020) *Taking the Freedom Out of Freelancing*; Hawkins, A. J. (2020) "An Uber and Lyft Shutdown in California Looks Inevitable - Unless Voters Bail Them Out". Available [online]: <https://www.theverge.com/2020/8/16/21370828/uber-lyft-california-shutdown-drivers-classify-ballot-prop-22>, etc.



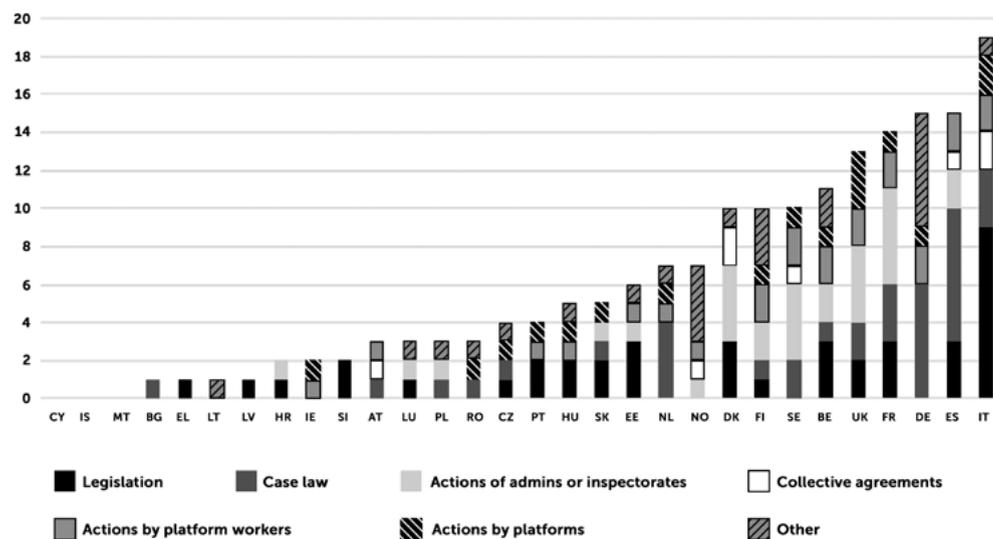
THE PLURALISTIC BUSINESS LANDSCAPE RARELY FOLLOWS THE SAME OPERATIONAL MODEL

work performed¹⁸. However, many individuals and industries fail this test if followed formally. In other cases, people who have been contracting their work for decades run the risk of losing the possibility to engage in their form of work. These include insurance brokers, freelance journalists, doctors, lawyers, architects, accountants, and many others, from translators to "owner-operator" truckers. Applying the employee classification test to these workers could cost them their independence, flexibility, and, if employers did not find it worthwhile to hire them, possibly their livelihoods. For the consumers this *means* increased service prices and, possibly, reduced availability of services. It must also be kept in mind that rigid regulations force some service providers into the shadow market, which means fewer guarantees for consumers.

Relying solely on the basic classification criteria proves to be insufficient and rigid when assessing complex and unorthodox

¹⁸ Kilhoffer, Z., Lenaerts, K., Smits, I., Hauben, H., Waeyaert, W., Giacumacatos, E., Lhernould, J.P., Robin-Olivie, S. (2020) *New Study Looks at the Challenges Faced by Platform Workers*. Available [online]: <https://ec.europa.eu/social/main.jsp?catId=89&furtherNews=yes&langId=en&newsId=9582>

Figure 3: The variety of recorded responses of various EU countries



Note: The figure shows the count of significant identified responses. It does not indicate the intensity or effectiveness of the responses.

Source: Kilhoffer, Z., Lenaerts, K., Smits, I., Hauben, H., Waeyaert, W., Giacomacatos, E., Lhernould, J.P., and S. Robin-Olivie (2020) New Study Looks at the Challenges Faced by Platform Workers. Available [online]: <https://ec.europa.eu/social/main.jsp?catId=89&furtherNews=yes&langId=en&newsId=9582>

business models. The pluralistic business landscape rarely follows the same operational model. Instead of establishing an exhaustive list of criteria that would define employment it is expedient to shift the focus onto proving that certain contractors are indeed service providers and not employees. This would entail a different assessment approach. Service providers are primarily characterized by their independence in operations, responsibility and liability. For example, when classifying a particular relationship, one must assess whether the worker is provided with necessary work tools and equipment, whether the worker is financially responsible for both the equipment and services provided, and who bears the costs of providing the

services. One must also determine whether the worker has the exclusive right to decide on providing the services, meaning that the platform worker may accept, reject, or ignore a particular order at one's discretion. In cases of ride-sharing, strict requirements for the vehicles may be considered merely a civil contract requirement and not an implication of employment relations.

The divergence of national decisions demonstrates that no common principles of classifying platform workers may be established, and issues are solved on a case-by-case basis depending on a particular platform and its terms – rather than addressing any common issues related to platform work as such. Governments



ISSUES ARE SOLVED ON A CASE-BY-CASE BASIS DEPENDING ON A PARTICULAR PLATFORM AND ITS TERMS – RATHER THAN ADDRESSING ANY COMMON ISSUES RELATED TO PLATFORM WORK AS SUCH

around the world are already pursuing the balance between protecting worker rights and allowing the benefits of flexibility and opportunity that gig-business models propose. For example, France has provided some labor rights for self-employed (digital) platform workers and has added new rights specifically for drivers¹⁹. At the same time in the UK, the government is exploring worker classifications²⁰, and it has been decided that Uber drivers are to be regarded

¹⁹ Gerard, J. F. (2019) "Better Protection for Gig Economy Workers", [in]: *Lexology*. Available [online]: <https://www.lexology.com/library/detail.aspx?g=035bd2b8-4d12-4b80-b516-fc0ae7fb4d3d>

²⁰ Summers, N. (2019) *UK Government Will Final Settle the Gig Economy 'Worker' Debate*. Available [online]: <https://www.engadget.com/2018/02/07/uk-gig-economy-worker-rights-consultation/>

as workers that should have access to minimum wage and paid holidays²¹.

Several courts in the EU member states have ruled that digital platform workers cannot be qualified as employees, as the former have the ability to independently manage their time and they are free to select their shifts, and refusing a shift did not trigger any sanction from the company²². In April 2018, the Labor Court in Turin, Italy, rejected a claim from six platform workers of the food-delivery company, *Foodora*, seeking to be reclassified as employees²³. In reaching his decision, the judge relied extensively on the fact that these workers were free to decide when to work and to disregard previously agreed shifts, returning a verdict that the six workers were self-employed.

DISRUPTING THE DISRUPTORS OF TRADITIONAL BUSINESSES WILL AFFECT WORKERS AND CONSUMERS

With regards to classification of the relationship between the platform worker and operator it must be noted that a particular relationship depends on the entirety of characteristics that cannot be established in advance.

The variety of state responses to platform work suggests that any efforts to harmonize principles that separate employees from contractors are most likely to fail and will result in a patchwork of different rules for different jobs [See: Figure 3]. Therefore, private parties should be allowed to

²¹ Butler, S. (2018) "Uber Loses Appeal over Driver-Employment Rights", [in]: *The Guardian*. Available [online]: <https://www.theguardian.com/technology/2018/dec/19/uber-loses-appeal-over-driver-employment-rights>

²² De Stefano, V. (2020) "EU Court of Justice's Decision on Employment Status Does Not Leave Platforms Off the Hook", [in]: *Regulating for Globalization*, Wolters Kluwer.

²³ Ibid.

” THE VARIETY OF STATE RESPONSES TO PLATFORM WORK SUGGESTS THAT ANY EFFORTS TO HARMONIZE PRINCIPLES THAT SEPARATE EMPLOYEES FROM CONTRACTORS ARE MOST LIKELY TO FAIL AND WILL RESULT IN A PATCHWORK OF DIFFERENT RULES FOR DIFFERENT JOBS

individually decide on the nature of their relationship. Establishing a rigid scheme of separating employment and provision of services deprives individuals from independently deciding on their preferred work mode.

The costs and implications of employee reclassification (i.e. employing a service provider under a labor contract instead of an agreement on provision of services)

suggest that intervening into the market with rigid requirements and restrictions may not bring desired results. Equity research analysts at Barclays have estimated that the reclassification of workers could cost Uber an additional USD 3,625 per driver in California. This would increase the company's annual operating loss by more than USD 500 million²⁴. Any new regulations may bring additional operational costs and result in a decreased amount of contracts, loss of flexibility for workers, and increased prices or reduced service provisions due to all of the factors that make platform work appealing to both platform workers and consumers. In addition, new restrictions on flexibility may force platform workers into the shadow market; accordingly any attempts to increase their social protection would be fruitless. However, there are also cases where courts decided that selfemployed drivers to be deemed as traditional workers. For example, in 2021, the UK Supreme Court ruled in favor of thirty-five Uber drivers, who were considered selfemployed, to be classified as workers²⁵. Yaël Ossowski, deputy director of the global consumer advocacy group Consumer Choice Center, stated that the "ruling sends the signal that rideshare companies are not welcome in the UK" and that this is "not what consumers want". He continued by emphasizing the importance of flexibility in the sector as it has propelled the growth of companies like Uber, Lyft, and others and it has been beneficial for both drivers who want independence and consumers who want convenience and competitive

²⁴ Griswold, A. (2019) "How Much It Would Cost Uber and Lyft If Drivers Were Employees", [in]: *Yahoo Finance*. Available [online]: <https://finance.yahoo.com/news/much-cost-uber-lyft-drivers-151818345.html>

²⁵ Ossowski, Y. (2021) "What Does the UK Supreme Court Ruling on Uber Mean for the Gig Economy? Business and Legal Experts React". Available [online]: <https://consumerchoicecenter.org/what-does-the-uk-supreme-court-ruling-on-uber-mean-for-the-gig-economy-business-and-legal-experts-react>

” NEW RESTRICTIONS ON FLEXIBILITY MAY FORCE PLATFORM WORKERS INTO THE SHADOW MARKET

prices²⁶. However, obligatory reclassification of workers may not only drive the prices up, but also could even result in major players exiting the market and thus causing job losses²⁷ [See: Box 1].

SOFT-LAW MEASURES INSTEAD OF INCREASED RIGIDITY

Decision-making is most effective when left at the lowest chain possible, without intervention into market mechanisms. An example could be the Code of Conduct adopted by several German platforms, which is meant to discipline the minimum levels of payment by the platforms, increase the transparency of criteria applied in the operation of rating systems, and ensure the legitimacy of content exchanged online. The document lists some best practices for governing work in these new digitally mediated non-standard work environments and offers a catalog of behaviors to be avoided. Another example may be found

²⁶ Ibid.

²⁷ Browne, R. (2021) *Uber Employment Rights Setback Is a 'Gut Punch' to Its Prospects in the UK*. Available [online]: <https://www.cnbc.com/2021/03/18/uber-is-reclassifying-uk-drivers-as-workers-heres-what-happens-next.html>

in France where a law introduced the possibility for platform operators to draw up a social responsibility charter with a certain number of guarantees for workers. The administration may also approve the platform operator's charter, provided that workers using the platform have been consulted in advance. The idea is that platform operators can make commitments to improve working conditions, with the understanding that their compliance with these commitments cannot be used to presume an employment relationship²⁸.

Instead of adopting rigid requirements and limits, governments should opt for defining social responsibility by default, which could promote transparency of internal processes, especially in case of sanctions such as downgrading or deactivation of workers' accounts²⁹. In addition, greater information and counseling, rather than intervention, would enable individuals to make independent and informed decisions when entering contracts with online platforms. In this sense greater personal responsibility should be fostered instead of deciding for the worker in advance.

ARE THE LABOR REGULATIONS PREPARED?

Forcing former service providers and atypical workers into formal and traditional employment relations poses another conundrum, given that the employment

²⁸ Lane, M. (2020) "Regulating Platform Work in the Digital Age", [in]: *Going Digital Toolkit Policy Note*, No. 1, p. 19. Available [online]: <https://goingdigital.oecd.org/toolkitnotes/regulating-platform-work-in-the-digital-age.pdf>

²⁹ De Stefano, V. (2020) "EU Court of Justice's Decision on Employment Status Does Not Leave Platforms Off the Hook", [in]: *Regulating for Globalization*, Wolters Kluwer.; Aloisi A. (2018) "The Role of European Institutions in Promoting Decent Work in the 'Collaborative Economy'", [in]: Bruglieri M. (eds) *Multidisciplinary Design of Sharing Services. Research for Development*. Available [online]: https://doi.org/10.1007/978-3-319-78099-3_11

LESSONS TO BE LEARNED FROM FREELANCER RE-CLASSIFICATION: REGRETS MAY SOON FOLLOW³⁰

California's Assembly Bill 5 (AB5) aims to make contract workers – such as Lyft, Uber drivers – regular employees. Regardless of the assumed theoretical benefits, soon after introducing AB5, ride-sharing service platforms refused the application of said laws and announced that they will have to entirely shut down operations in California³¹.

AB5 should bring higher pay and benefits to retained workers, but it will also increase costs, which means higher prices for customers. By requiring ride-sharing apps (such as Uber and Lyft) to reclassify their drivers as full employees, the law

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TECHNOLOGY IS TRANSFORMING THE LABOR MARKET, BUT THIS DEVELOPMENT CALLS FOR BETTER REGULATION OF GIG WORK, NOT EFFECTIVELY ELIMINATING IT

framework may be ill-prepared to handle unorthodox work through platforms. It must be kept in mind that platform workers may not wish to engage in traditional employment or are unable to do so due to the peculiarities of their status. The latter may occur in instances where the person does not have a work permit due to immigration status. Furthermore, the majority of traditional employment contracts do not meet the need for flexibility that is provided by platform work.

³⁰ Schragger, A. (2020) *Taking the Freedom Out of Freelancing*.

³¹ Hawkins, A. J.v (2020) *An Uber and Lyft Shutdown in California Looks Inevitable – Unless Voters Bail Them Out*. Available [online]: <https://www.theverge.com/2020/8/16/21370828/uber-lyft-california-shut-down-drivers-classify-ballot-prop-22>

In this instance an alternative could be zero-hour contracts that are the closest alternative to platform work and could ensure the flexibility needed. However, such contracts are prohibited in the majority of EU states, and the EU has itself discouraged them. When considering policy initiatives in terms of platform work, the use and benefits of zero-hour contracts should also be revisited. Work under a zero-hour contract provides the possibility for the worker to determine the preferable amount of work, while being guaranteed at least some income in cases where the worker does not exceed the set minimal amount of work hours. Such contracts provide the possibility to better accommodate the worker's personal needs, it also allows working for multiple employers as it not only ensures flexibility in the work regime, but also ensures a sanction-free

mandated that the companies provide healthcare and benefits to all the drivers in their system and pay additional taxes.

According to Allison Schragger, a senior fellow at the Manhattan Institute, if in an industrial economy dependence on a single employer made sense, in a knowledge-oriented economy, where technology makes work easier to find and on-the-job skills are more commonly transferable across companies than in the past, independence can suit both employers and employees. As Schragger argues, technology is transforming the labor market, but this development calls for better regulation of gig work, not effectively eliminating it. As Brad Polubo argues, legislators did not realize the drastic implications their legislation would have; they were simply hoping to improve

working conditions in the gig economy. The unintended consequences may end up destroying it instead³².

Even “granting that the law was a well-intended effort to ensure workers are provided the benefits and protections of part- and full-time employment, the law, as conceived, written and implemented wreaked havoc across California³³. Though the law was clearly aimed at companies like Uber and Lyft, workers who choose to support themselves as independent contractors found themselves out of work. AB 5 did not work as predicted. It led mostly to firing instead of full-time hires. California companies responded to the law not by turning contractors into employees, but by getting rid of them³².

refusal to take upon an employer's work task.

CONCLUSIONS

For the past decade, platform work has been spreading rapidly, yet its relevance became evident during the COVID-19 pandemic. It serves as a key lifeline for restaurants and stores, which gained access to their clients whilst being closed down, as it also provided supplementary (or at least minimal)

³² Polumbo, R. (2020) *Why Uber and Lyft Are about to Shut Down All Operations in California*. Available [online]: <https://fee.org/articles/why-uber-and-lyft-are-about-to-shut-down-all-operations-in-california/>

³³ Editorial Board (2020) “Proposition 22, a Strong Rebuke to Assembly Bill 5, Withstands Legal Challenge”, [in]: *The Willits News*.

³⁴ Bader, H. (2020) *Why Is Joe Biden Supporting California's Job-Killing Anti-Gig Work Law?*. Available [online]: <https://fee.org/articles/why-is-joe-biden-supporting-californias-job-killing-anti-gig-work-law/>

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GREATER PERSONAL RESPONSIBILITY SHOULD BE FOSTERED INSTEAD OF DECIDING FOR THE WORKER IN ADVANCE



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income for those who lost their jobs or had to go into idle time. Nevertheless, along with the growth of platform work's popularity concerns about the protection of workers grew too. Centralized rigid regulations of platform workers and reclassification would be a step backwards and would deny the very essence of working through online platforms as it would deprive individuals of their ability to decide on their preferred work mode and conditions. Imposing labor standards to platform work could possibly reduce the supply of services and increase their cost for the consumers, which may lead to many platform workers losing their income. This would result in decreased possibilities to get employed in this sector, which is particularly relevant for those suffering the consequences of nation-wide lockdowns and unemployment due to the pandemic. The most efficient and sustainable strategy for governments is to ensure

an enabling environment and foster competition between platform operators, to ensure more availability of information to the society and to provide an efficient legal infrastructure for dispute resolution.



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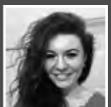


ŽILVINAS
ŠILĖNAS

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The World Will Find a New Normal: A Czech Perspective



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ŠÁRKA
PRÁT

The COVID-19 pandemic has forced many employers in the private sector and self-employed workers to make the decision of whether or not their employees should be working from home. During the epidemic, home office became a crucial tool not only for protecting workers from infection, but also for maintaining the operation of companies in a full or limited capacity.

Because the lives and health of employees, as well as the computer security of companies are at stake, more and more

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businesses and authorities have made it possible to work from home as the constraints upon professional and social life continue to grow. However, many companies and governments were not prepared for this model of remote operation due to the lack of flexibility of their technical, material, and personnel capabilities.

In effect, the coronavirus has spurred the most extensive home office experiment in history, providing valuable knowledge to managers, sociologists, psychologists, urban planners, and human resources alike. Many of these specialists are already discussing home office's groundbreaking effects, noting the competitive advantage of companies whose affairs can be smoothly transferred to remote operations. Organizations with an existing technological, personnel, and procedural system for working from home have benefited greatly from such foundations when adapting to the ongoing extraordinary circumstances.

HOME OFFICE DEEPENS INEQUALITIES

According to a study by the International Monetary Fund (IMF), within the countries included in the study, young people with precarious employment and low income make up the largest proportion of the roughly 100,000,000 people who have started working from home¹. For many, prolonged home office will become the norm. However, it is very likely that the share of those who work from home is stabilizing at a higher level than it was before the pandemic, as noted by the French daily *Le Monde*².

¹ Brussevich, M., E. Dabla-Norris, and S. Khalid (2020) "Teleworking Is Not Working for the Poor, the Young, and the Women", [in]: *IMF Blog*. Available [online]: <https://blogs.imf.org/2020/07/07/teleworking-is-not-working-for-the-poor-the-young-and-the-women/>

² Ibid.

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When applying for a job, many adepts are now inquiring about the possibility to work from home. Whereas home office used to be a privilege limited mainly to employers, many employees and self-employed workers are now seeking this option as it allows them to keep their jobs despite regular lockdowns and other restrictions to contain the coronavirus. Companies now risk

losing their attractiveness if they are unable or unwilling to allow home office, as more and more prospective employees are moving away from physical work, which would increase their vulnerability to the virus.

As restrictions continue to be extended, those employed in the tourism economy (in shops, hotels, restaurants, etc.) and any other sectors, which are not conducive to remote employment, are facing loss of income and unemployment. According to economists at the International Monetary Fund, this group consists of nearly 100,000,000 workers in 35 developed and developing countries, amounting to 15% of the active population. Of this 15%, the majority are young, poorly educated people with fixed-term employment contracts from small businesses and with low incomes³. Therefore, many experts are concerned that the ongoing pandemic will exacerbate inequalities between generations, genders, the rich and poor, and between individual countries. Because the ability to work from home reflects a country's focus of production, degree of technical maturity, and the nature of employment and income, developed countries hold a significant advantage as up to 40% of their citizens can work from home. Despite its comparative advantage, even the Eurozone demonstrates internal disparities, as the proportion of employees able to work from home ranges from 24% in Italy to 42% in Germany⁴ showing that few people can work from home in countries such as Turkey, Chile, Mexico, Peru, and Ecuador, while the possibility is much more available in Singapore and the Nordic countries. Such disparities and inequality could affect the policies needed to protect these workers after quarantine.

³ Ibid.

⁴ Ibid.

GENDER INEQUALITIES

Working from home may also increase inequalities between men and women. On the positive side, for women, working from home can help facilitate better coordination of professional and family life. However, on the negative side, such a dynamic has the potential to create a pattern in which they will have to do more housework than before, a situation which is often reinforced by the fact that during the pandemic female workers have gone to the office less frequently than their male counterparts, often at the expense of their careers. This trend does not only affect household dynamics, but also impacts women's position in the company, as those who are more present in the office – and, therefore, in

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the eyes of their supervisors – are seen as more successful. As Pauline Hodson of The Guardian summarized:

“I believe there is an unconscious expectation that “home”, just like “mother”, can cope with anything and adapt to any situation, but just like the office our home is an institution, and as such has a culture and adheres to a set of rules and boundaries that need to be recognised and taken into account if working from home is to be successful.”⁵

In addition, this new dynamic at home may create problems for a couple that now spend most of their day in the home office. This dilemma was well summarized by former Canadian Prime Minister Lester Pearson's wife, who was upset with how little she saw her husband following his transition to working from home. She is quoted as saying, “I married him for better or worse. I didn't marry him for lunch.”⁶

While increased telework also holds many possibilities for decreasing gender inequality in employment, the negative impact of the COVID-19 crisis on women's employment may have lasting detrimental consequences for future female participation in the labor force, as well as women's earnings, due to disruptions in employment history and work experience⁷. Multiple studies⁸ from the past thirty years depict a bleak future for those who lose jobs and earnings

⁵ Hodson, P. (2020) “How Working from Home Affects Family Life”, [in]: *The Guardian*. Available [online]: <https://www.theguardian.com/world/2020/aug/06/how-working-from-home-affects-family-life>

⁶ Ibid.

⁷ Madell, R. (2020) “Remote Work May Increase Gender Inclusivity for Women”, [in]: *Remote.Co*. Available [online]: <https://remote.co/remote-work-inclusivity-women/>

⁸ Alon, T., M. Doepke, J. Olmstead-Rumsey, and M. Tertilt (2020) *The Impact of COVID-19 on Gender Equality*, NBER Working Paper, No. 26947.

“WHILE INCREASED TELEWORK ALSO HOLDS MANY POSSIBILITIES FOR DECREASING GENDER INEQUALITY IN EMPLOYMENT, THE NEGATIVE IMPACT OF THE COVID-19 CRISIS ON WOMEN'S EMPLOYMENT MAY HAVE LASTING DETRIMENTAL CONSEQUENCES FOR FUTURE FEMALE PARTICIPATION IN THE LABOR FORCE

amidst recessions, as their future employment is jeopardized by lost experience. During the coronavirus crisis, women have tended to be disproportionately affected by cyclical unemployment and economic

inactivity⁹. The impact of COVID-19 on female entrepreneurs in the Czech Republic also demonstrates the severity of the gender disparity, as 8,400 women abandoned or postponed their entrepreneurial endeavors from 2019 to 2020¹⁰. LMC surveys also observed this trend from 2019 to 2020 in the Czech Republic, showing a disproportionate number of women on paid and unpaid leave when compared to men with full-time employment¹¹. The ILOSTAT data from 55 high- and middle-income countries displays the same pattern that women have been losing their jobs at a much higher rate than men during the COVID-19 crisis, a trend which is particularly concerning due to the already unequal labor force participation rates between men and women¹².

Sectors with existing opportunities for remote work display fewer differences in gender employment when compared to jobs without the opportunity to work remotely¹³. Before COVID-19, home office was driven by individual employees' needs (and the needs of self-employed individuals), and this pandemic is no exception. Generally, women's higher rates of remote work, when compared to men, likely reflect

⁹ Madell, R. (2020) "Remote Work May Increase Gender Inclusivity for Women", [in]: Remote.Co. Available [online]: <https://remote.co/remote-work-inclusivity-women/>

¹⁰ LMC (1996) *Práce se změnila. Navždycky... . HROzně dobrý čtení.* Available [online]: <https://magazin.lmc.eu/prace-se-zmenila-navzdycky>

¹¹ Ibid.

¹² Azcona, G., A. Bhatt, U. Cattaneo, G. Fortuny, R. Gomis, S. Kapsos., and P. Seck (2020) "Fallout of COVID-19: Working Moms Are Being Squeezed Out of the Labor Force" [in]: ILOSTAT. Available [online]: <https://ilostat.ilo.org/fallout-of-covid-19-working-moms-are-being-squeezed-out-of-the-labour-force/>

¹³ LMC (1996) *Práce se změnila. Navždycky... . HROzně dobrý čtení.* Available [online]: <https://magazin.lmc.eu/prace-se-zmenila-navzdycky>

their need to transition to telework in order to care for out-of-school children or relatives. This trend is not only limited to women, however, as an increasing number of workers between the age of 25 and 44 are also working remotely because they are more likely to have young children and are therefore more heavily impacted by school closures¹⁴. The authors of a 2020 study on the impact of COVID-19 on gender equality, Alon et al., put it succinctly: "women will be less protected from employment loss..."¹⁵.

While remote work has the potential to allow women and men alike to no longer have to choose between parenthood and employment by offering more flexible hours or the ability to stay at home with young children, the closure of childcare facilities due to the pandemic and the norms around mothers as the primary provider of childcare are resulting in women's employment being disproportionately affected in a negative way by the COVID-19 crisis. Though potential positive impacts of remote work on gender equality in the workforce will likely be seen in the long-term, the present disruption of COVID-19 is accentuating the negative aspects of remote work for women.

HOW COVID-19 TOOK PEOPLE'S HAPPINESS – OR QUITE THE OPPOSITE?

According to the President of the Chamber of Commerce in the Czech Republic, there is a group of people who are treating home office as a form of paid leave. These employees are far less productive in their home office setting, generally doing only what work is given to them directly by their

¹⁴ Alon, T., M. Doepke, J. Olmstead-Rumsey, and M. Tertilt (2020) The Impact of COVID-19 on Gender Equality, NBER Working Paper, No. 26947.

¹⁵ Ibid., p.9.

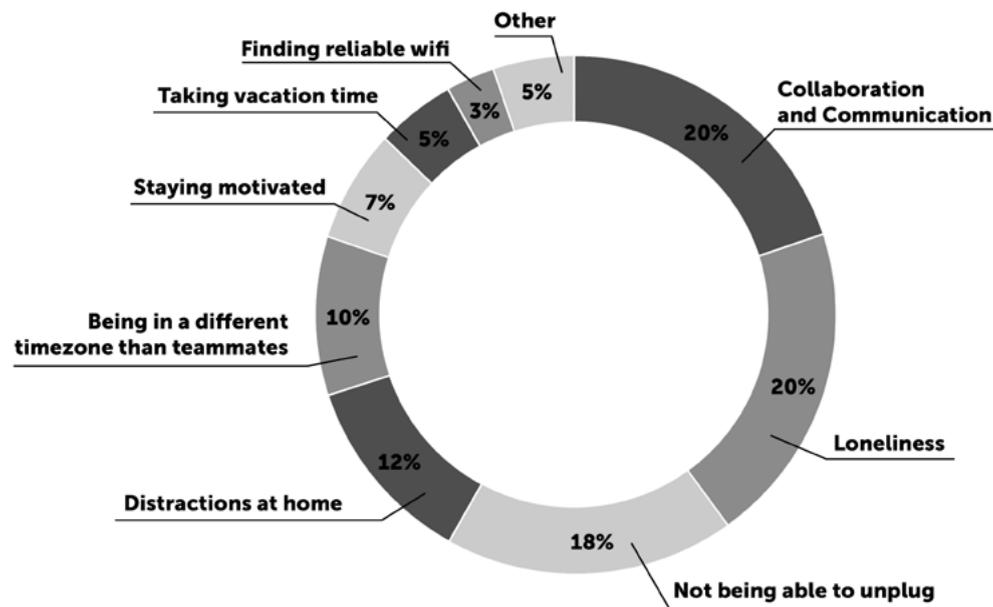
“BEFORE COVID-19, HOME OFFICE WAS DRIVEN BY INDIVIDUAL EMPLOYEES' NEEDS (AND THE NEEDS OF SELF-EMPLOYED INDIVIDUALS), AND THIS PANDEMIC IS NO EXCEPTION

boss. Some often procrastinate until even procrastination stops entertaining them, at which point they will turn to other activities such as renovating their apartment, which is evidenced by the increased sales of hobby markets in the Czech Republic last year¹⁶.

"We live in a time when the focus on working for the company is disrupted, when you have to spread your working hours and devote part of it to your personal responsibilities. If you worked in an office, you wouldn't do this. It is a mutual tax for the

¹⁶ John, Z. (2020) "Glossary: Stories from the Home Office. Who Makes More at Home and Who Less", [in]: Seznam Zprávy. Available [online]: https://www.seznamzpravy.cz/clanek/glosa-historiky-z-home-office-kdo-doma-maka-vic-a-kdo-mene-141150#dop_ab_variant=0&dop_source_zone_name=zpravy.sznhp_box&dop_req_id=6pAOkXA36ZV-202102081728&source=hp&seq_no=4&utm_campaign=&utm_medium=z-boxiku&utm_source=www.seznam.cz

Figure 1: Biggest struggles in working remotely



Source: <https://lp.buffer.com/state-of-remote-work-2020>

covid era that we are experiencing. Your boss has to come to terms with lower productivity, and you have to come to terms with multitasking,” says Dlouhý¹⁷.

However, not all employees and self-employed workers are simply finding ways to entertain themselves, as many working from home are suffering from weight gain, poorer working conditions, and decreased concentration. Mental health concern can also occur due to a range of factors – such as the loss of sports and social activities as well as a loss of separation between the work and home environment. Although experts agree that the change in work regime has affected people’s lives, their work commitment, and their physical and mental condition, the extent of the change

remains unclear, because comprehensive data and long-term studies are still lacking.

“THE PRESENT DISRUPTION OF COVID-19 IS ACCENTUATING THE NEGATIVE ASPECTS OF REMOTE WORK FOR WOMEN

¹⁷ Ibid.

In practice, however, some physicians are already noticing the changes:

“We observe that employees at the home office are gaining weight, even though we cannot quantify it yet. Much depends on the family, what options it has and how much it is possible to replace what people would otherwise have when going to the gym or various sports activities. On the one hand, it is true that people sit and are at computers, but it also happens in the office. In the afternoon, however, they could move in the normal mode,” said doctor Ilona Hülle¹⁸.

Another doctor, Bohuslav Procházka, notes that “the number of people with symptoms of depression, requiring pharmacological help, is increasing significantly.” Such developments make it imperative for both employers and doctors to realize that people spend much more time with computers than the work that would normally take place in the office. In addition to work, people also use the Internet to contact one other, play online games, or watch social media and streaming sites. It is obvious, then, why their eyes are suffering and why many people are reporting headaches, fatigue, and a loss of sleep. As doctor Alena Šebková describes, “I increasingly encounter my patients with panic disorder, anxiety and sleep disorders, which require psychological or pedopsychiatric intervention.”¹⁹

These challenges to working remotely have been further exacerbated by the fact that the original extraordinary situation is becoming routine, as unfavorable conditions

¹⁸ Přádova, D. (2020) “Overweight and Depression. The Epidemic Can Affect the Lives of Isolated Children”, [in]: *Seznam Zprávy*. Available [online]: <https://www.seznamzpravy.cz/clanek/nadvaha-a-deprese-epidemie-muze-ovlivnit-zivoty-izolovanych-deti-141743>

¹⁹ Ibid.

“UNTIL SEPTEMBER 2020 ALONE, OVER 200,000 PEOPLE IN THE CZECH REPUBLIC HAD PROBLEMS WITH THEIR BACKS. ACCORDINGLY, THE AMOUNT OF SICK PAY DUE TO BACK PROBLEMS WAS 30% HIGHER IN 2019

continue. As psychologist Kulhánek puts it: “People are clearly suffering from a lack of exercise. There is also a lack of contact with peers and hobbies and we are more isolated when we spend time at home and at the computer. It all plays a role”. Another thing is that concentration and bad mood are closely related, and depressive states have a great influence on the ability to concentrate well.

The Safety Line, a Czech nonprofit NGO, also recently drew attention to the increase in mental health conditions. According to Kateřina Lišková, the head of the professional services of The Safety Line, more

callers turned to them in 2020 because of these pandemic-related problems. The year-on-year increase in such calls amounted to 28%. There have also been more problems in family relationships as well as cases of cyberbullying. Lišková noted, *"Much more often than before, we also encounter the fact that callers on the line bring the topic of suicidal tendencies and self-harm, which are very serious things."*

According to psychologist Jana Růžičková, the perception of a pandemic and the associated limitations is individual and depends on the situation in the family. In addition to their job, some parents have to help with homework and learning.

"The situation is very exhausting and stressful for some of them. Some clients experience sleep disorders and nightmares. Clients with depression lack social contact - contact with friends, although it was more difficult for them due to illness, activated some of them at least a little," she added.

“ COMPANIES
COULD PAY
UP TO 1.2 BILLION
CZECH CROWNS
FOR SICKNESS
BENEFITS
FOR A PERIOD
OF SIX MONTHS

Due to a lack of exercise and computer work in the home environment, more and more people are having problems with their spine²⁰. Physiotherapists also warn that the situation will worsen after the winter²¹. However, companies are already paying the cost, as hundreds of millions of Czech crowns are spent on medical bills due to back pain problems²². Until September 2020 alone, over 200,000 people in the Czech Republic had problems with their backs. Accordingly, the amount of sick pay due to back problems was 30% higher in 2019. *"The role was played by insufficient physical activity and days spent at home office in the wrong positions,"* indicates Katarína Železná, the co-founder of Fitgee. According to earlier Chamber of Commerce estimates, about 40% of people worked from home in both waves of the coronavirus pandemic²³. In addition to sports, many of them lacked natural movement, such as walking to the bus stop, moving to the office, or going to lunch or shopping.

Physiotherapists warn that the main onslaught of people with back problems is yet to come. There were longer days and more favorable weather conditions in the spring wave, which attracted more to outdoor activities. Though these activities partially abated many people's sedentary regime, these options are now once again limited. *"With the autumn and winter waves, the lack of exercise will become even more pronounced,"* says Vladan Toufar, chairman

²⁰ Havelková, E. (2021) "Current Aspects of Work at Home Office", [in]: *Money Blog*. Available [online]: <https://money.cz/mzdy-a-personalistika/aktualni-aspekty-prace-na-home-office/>

²¹ Ibid.

²² Ibid.

²³ Ibid.

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of the Union of Physiotherapists of the Czech Republic²⁴.

At the same time, Toufar points out the problem of low physical activity does not only apply to adults, but also pupils and students who are learning from home. In adults, symptoms are usually limited to back pain, damage to the intervertebral

²⁴ Hronová, M. (2021) "Little Physical Activity and Bad Sitting. Working from Home Destroys People's Backs, It Has Already Cost Companies Over a Billion", [in]: *Hospodářské noviny*. Available [online]: <https://archiv.ihned.cz/c1-66868250-malo-fyzickych-aktivit-a-spatne-sezeni-prace-z-domova-nici-lidem-zada-firmy-uz-to-stalo-pres-miliardu>

discs, headaches, and neck pain. In addition to lack of exercise, unsuitable working conditions are also detrimental, such as the use of a bad chair or desk, incorrect computer settings and poor lighting²⁵. *"For example, working with a laptop is completely unsuitable for longer work performance. Here, there are justified requests from employees for the possibility of paying for the necessary equipment and facilities,"* he gives as an example.

According to experts, in order to prevent health problems due to sitting position, people must intersperse the session with movement. However, employers also pay for health problems with the spine, as *"physically inactive employees deprive their companies of finances on wage compensation"*, notes Železná from Fitgee²⁶. According to her calculations, companies could pay up to 1.2 billion Czech crowns for sickness benefits for a period of six months. Some companies are aware of this problem and have responded to it – for example, České energetické závody, Czech company specialising in the distribution of electricity, offers training for its employees to learn how to organize their work environment at home. Consulting company KPMG did the same, drawing up a manual for its employees with advice on how to prevent back problems at home office²⁷.

According to Fitgee, the investment in prevention of health problems will pay off for companies, as is supported by data from foreign companies that have implemented prevention programs. A 2014 analysis by O'Neil Industries found that when its employees began to move more and take care of their health, this led to cost savings of almost 12 million crowns.

²⁵ Ibid.

²⁶ Ibid.

²⁷ Ibid.

GOVERNMENT OFFICIALS GO TO THE OFFICE EVEN DURING A PANDEMIC

Working from home during a pandemic is common for private companies, but in government offices it is often complicated by insufficient technical equipment and weak digitization. According to the press department of the Czech Social Security Administration, the security of the data with which officials work also hinders work from home. This mainly applies to logging into applications and databases²⁸.

The director of the Prague Cadastral Office, Lubomír Klučka, explains that only certain tasks can be completed remotely, primarily those which do not require looking at papers, printed records or maps²⁹. Prague Cadastral Office generally allows its employees to work from home when there is a greater risk of infection in the region or city where it is located, or when one of the employees suspects an infection in the workplace³⁰. Another solution has been to divide people into teams that take turns coming into the office in order to avoid having too many employees together in one space.

Michal Fišer, the director of Operator ITC, admits that work outside the office had to be fine-tuned and that people took some time to adjust. *"They had to realize that if they didn't work at home, sooner or later it would show"*, says the boss, adding that some initial projects were delayed, but clarifying that this was also caused by external pandemic circumstances. The direc-

²⁸ Ibid.

²⁹ Ptihalová, M. (2021) "Úředníci chodí do kanceláře i při pandemii. Práci z domova jim komplikuje technika i bezpečnost", [in]: *iHNed.cz*. Available [online]: <https://archiv.ihned.cz/c1-66875940-urednici-chodi-do-kancelare-i-pri-pandemii-praci-z-domova-jim-komplikuje-technika-i-bezpecnost> [in Czech]

³⁰ Ibid.

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IN 2019, AROUND 27% OF EMPLOYEES WORKED PART-TIME IN GERMANY AND AUSTRIA, 47% OF EMPLOYEES WORKED PART-TIME IN THE NETHERLANDS, AND ONLY 6% WORKED PART-TIME IN THE CZECH REPUBLIC

tor plans to continue to offer home office as a benefit as soon as the pandemic subsides. *"I can imagine that, for example, we will not force developers to go to work at all, if they do not need it"*, describes Fišer. For other employees, he wants to set up a "reasonable mix" of office and home. According to him, people still have to meet in person occasionally because it promotes creativity and corporate culture.

Furthermore, Fišer does not foresee any serious technical barriers, which would prevent home office from reaching its full potential, noting only the need to retrofit its employee's home computers for security purposes. However, he estimates that the organization of work itself is often an obstacle. For instance, it is difficult to

work remotely with clerks who help clients at counters, as is evident in Prague, where long queues formed in front of the driver's register building in the autumn of 2020. Despite the challenges, some issues could be handled electronically over time. *"I think that if something accelerates the pandemic, it is the digitization of offices"*³¹, Fišer notes.

However, according to the Czech Government Commissioner for IT Vladimír Dzurilla, some institutions are facing a shortage of laptops, as it has been difficult to quickly replace them with desktop computers. *"In the state administration, we can't suddenly make an order and exchange 150,000 computers for laptops"*, he explains.

THE POST-PANDEMIC PLAN

Economists have drawn comparisons between the current fall in GDP and the post-war economic crisis due to coronavirus' severe blow to the global economy. In this context, GDP can be understood not only as a number, but also as an answer to the question of whether or not *I have a job*. Accordingly, it seems the time for a new post-epidemic Marshall plan is upon us, so that people have something to turn to *after the war* – whether at home or in the office.

One of the solutions might be shared spaces. According to Eurostat, in 2019, around 27% of employees worked part-time in Germany and Austria, 47% of employees worked part-time in the Netherlands, and only 6% worked part-time in the Czech Republic. The average rate among all 27 EU

³¹ Hronová, M. (2021) "Little Physical Activity and Bad Sitting. Working from Home Destroys People's Backs, It Has Already Cost Companies Over a Billion", [in]: *Hospodářské noviny*. Available [online]: <https://archiv.ihned.cz/c1-66868250-malo-fyzickych-aktivit-a-spatne-sezeni-prace-z-domova-nici-lidem-zada-firmy-uz-to-stalo-pres-miliardu>

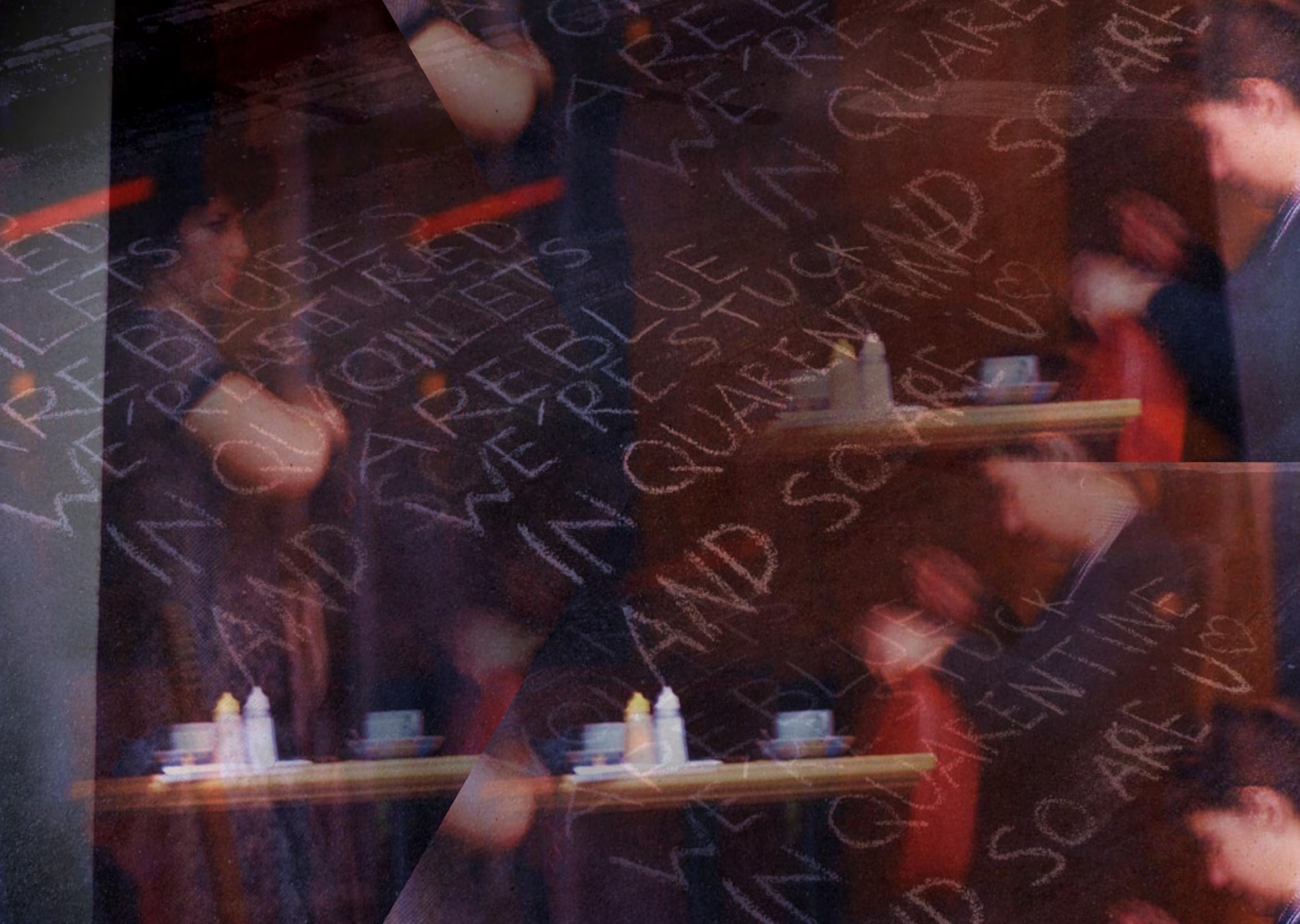
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MORE AND MORE WORKPLACES REMAIN EMPTY, DEVOID OF THEIR USUAL EMPLOYEES FOR MONTHS ON END

member states was about 18%³², meaning Czechia is one of the countries with the lowest share of part-time workers in the European Union. Even compared to developed countries, mothers with young children have the lowest employment in the Czech Republic. State-sponsored shared spaces could change that, according to company representatives.

The relative success and smooth transition to home office has led many companies to realize that they want to allow a substantial part of their workforce to continue working remotely even after the pandemic subsides. They have already begun adapting their offices, which are shrinking, and incorporating more shared spaces. According to experience from abroad, we can assume that one job could be shared, for example, by employees in accounting offices and receptions, assistants or cashiers. As pointed out by Miroslav Dir, a spokesman for the

³² Eurostat (2019) *19% of 20-64 Year Olds in Part-Time Work in 2018*. Available [online]: <https://ec.europa.eu/eurostat/web/products-eurostat-news/-/DDN-20190621-1>



Czech Chamber of Commerce, it is likely that even with regard to the current economic situation, employers will support the idea of shared jobs³³.

Shared jobs have long been supported by trade unions in the Czech Republic. “We have been saying for a long time that any support for flexible forms of employment is good”, said Josef Středula, chairman of the Czech-Moravian Confederation of Trade Unions. However, he does not think that it is precisely this type of aid that could help the current labor market situation in any fundamental way. According to Dir, who commented for *Hospodářské noviny*, the institution of shared jobs also entails certain complications for employers. “For example, it is about organizing work – the sum of working hours must not exceed one working time, so it is necessary to solve the transfer of tasks, there is also a problem of termination or termination of the agreement by one of the employees,”³⁴ he added.

The pandemic also affected plans for office construction. Companies have stopped projects and investments. They are waiting for what will happen next. “According to estimates, activity on the office market fell to the 30% level of 2019”, says Tomáš Pardubický, CEO of the Finep Group. In some cases, however, the changes also affect projects already in progress. Česká spořitelna, for example, is negotiating with the developer Sekyra Group, who has been given the contract to build Česká spořitelna’s new campus in Smíchov,

³³ Marčeková, M. and A. Váchal (2021) “Companies Are Shrinking Offices and Looking for Subtenants. Owners Must Make Discounts and Offer Incentives”, [in]: *Hospodářské noviny*. Available [online]: <https://archiv.ihned.cz/c1-66880810-firmy-zmensuji-kancelare-a-hledaji-podnajemniky-vlastnici-objektu-se-musi-prizpusobovat-pobidkami-i-zlevnovanim>

³⁴ Ibid.

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Prague, which will be designed to have more shared space. According to the advisers, how big an impact the pandemic will have on the offices will be clear when people return to work.

EVERYTHING BELONGS TO EVERYONE

Silence, no one in sight, an experience usually reserved for cleaners walking between empty desks in the quiet evening hours. More and more workplaces remain empty, devoid of their usual employees for months on end. Flowers are left neglected upon their desks, hot and cold water flow in the kitchen, heaters are left running, and yet no one goes there. Despite their apparent state of abandonment, there are some employees who bounce from home to office once or twice a week. As a consequence, companies are not able to sell or lease out their buildings yet, and are instead devising ways to avoid losing money on their operation.

Companies are, therefore, changing the layout of their offices and looking for ways to sensitively explain this to their

employees. Will offices survive the corona crisis when people discover how much can be done from home? Certainly not in the form we know now. The fundamental change is that the office will be a place for meetings rather than for focused individual work. “In the offices, it is less and less expected that everyone will have a stable place in them – their own desk. The premises will be divided according to activities: in one zone you can think undisturbed, in

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FROM HOME.
A SURVEY BY ABSL,
AN ASSOCIATION
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SHOWS THAT
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EMPLOYEES WANT
TO WORK MORE
THAN HALF THEIR
WORKING HOURS
FROM HOME
IN THE FUTURE

one you can discuss and create with colleagues, in another you can make phone calls, conduct video conferences or relax”, explains Apolena Weiss, who specializes in working in Capexus designing offices. Weiss adds that the changes are intended to bring greater work efficiency, deeper cooperation and, as a result – despite their less than enthusiastic acceptance – an improvement in the environment so that people want to return from their home workplaces. Employers also react fundamentally to the development of work procedures, mainly due to the development of agile ways of cooperation that require flexible spaces. “In such offices, there are not only chairs on the wheels, but also tables. People can readjust the furniture themselves,”³⁵ describes Weiss.

Many offices to which people return after the COVID-19 pandemic will be different, and employees need to be prepared for such changes. They may feel that the company has taken away a piece of their comfort and disrupted their habits. “The key is to explain the reasons and the benefits of the change. And ask them about their needs, not whether they want change. Because they always get a negative answer to such a question”, says Weiss, who provided several such office transformations before the current pandemic. According to her, it is ideal to entrust someone within the company to manage the change instead of leaving it to the building managers. “Usually, HR professionals or better managers who are in charge of corporate culture or solve corporate community projects can do it well”, she says.

³⁵ Jarošová, B. (2021) “What about Empty Offices? Most People Like Working from Home”, [in]: *Idnes News*. Available [online]: https://www.idnes.cz/finance/prace-a-podnikani/home-office-prazdne-kancelare-vyuziti-coworking.A210121_590468_podnikani_sov

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THERE IS A HIGHER INTEREST IN COWORKING POSITIONS, ESPECIALLY AMONG EMPLOYEES OF COMPANIES WITH A MANDATORY HOME OFFICE

Vodafone is now on the threshold of such a change in their working environment. Already at the beginning of the pandemic, when people left for the home office, the company rented one of their buildings. Now, they are waiting to see how the planned regime will work: two days of work from the office (creative and team) and three days from home (focused, individual). People like working from home. A survey by ABSL, an association of customer, business, and IT service providers, shows that four out of five employees want to work more than half their working hours from home in the future. People do not want to go to work every day, but, on the other hand, they cannot imagine that they will not go anywhere at all and work only from home. In addition to comfort and flexibility of renting, the location and equipment of the office will now be crucial. According to Colliers, which advises on real estate, employees who worked in open spaces are the least likely to return to the office.

Companies are thus considering a completely new arrangement of workplaces with several variants to choose from.

“One of the possibilities is the Hub & Spoke model, where the company reduces the size of the main office and complements it with smaller spaces in different locations in the same city or even regions. Many large companies already operate offices in several locations today, but so far the individual premises have been intended only for one specific department, not for all employees of the company,”³⁶ says Jana Vlková from Colliers.

According to her, the regional offices must be rebuilt into a kind of internal mother company, where any employee of the company can work.

Jana Vlková believes that another alternative is the Flex & Core model. In this case, the company's head office offers a high-quality design and technologically equipped shared internal work environment with membership in one or more coworking centers. *“This model is especially suitable for companies whose dynamically changing number of employees and with it the required capacity of offices”,* offers Vlková. This means that those who will return to the newly designed offices may not have access to their customary workplaces as the tables will be given to those who need it.³⁷

Another option is the so-called fix desk, which provides the client with one permanent place that no one else can use. *“This method is mainly used by people who*

³⁶ Vacková, H. (2021) “Personal Space Is Disappearing from the Offices, Everything Will Belong to Everyone”, [in]: *Ekonom*. Available [online]: <https://ekonom.cz/c1-66871480-z-kancelari-mizi-osobni-prostor-vsechno-bude-patrit-vsem>

³⁷ Ibid.

do not go to the office so often, but feel the need to have a solid workplace where they can put their things away,”³⁸ describes Jana Gerhátová. The desk is part of a larger workspace used in the same way by other clients, who usually do not know each other.

There is a higher interest in coworking positions, especially among employees of companies with a mandatory home office. The closing time is long and in the households of young families with children, employees do not have a professional and quiet place for their work³⁹.

NEW TECHNICAL EQUIPMENT

In recent months, companies have also set up virtual studios, such as Generali Česká pojišťovna, Microsoft, and Česká spořitelna⁴⁰. Demand for such solutions was recognized by the company AV Media, which equips offices with technology, and also helped Komerční banka with digitization. AV Media has also been devising solutions for inter-office connectivity. *“From the car park to the meeting rooms and relaxation zones, employees can book all this via their mobile phone and from anywhere, as well as control the presentation that is projected in the meeting room,”* Jiří Plátek from AV Media Marketing describes the possibilities of interconnection.

Interconnectivity and remote access will support new forms of hybrid collaboration where part of the team will work from home alongside their colleagues in the office. These online connections between homes and offices will be facilitated by reservation systems. *“Not only do they provide space control, they can also help organize community life”,* says Apolena

³⁸ Ibid.

³⁹ Ibid.

⁴⁰ Ibid.

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INTERCONNECTIVITY AND REMOTE ACCESS WILL SUPPORT NEW FORMS OF HYBRID COLLABORATION WHERE PART OF THE TEAM WILL WORK FROM HOME ALONGSIDE THEIR COLLEAGUES IN THE OFFICE

Weiss. *“It is advisable to have them if the company has more than 20 employees. In a larger number of people, it is no longer effective to keep all communication with employees in emails”,* she adds. The office will, therefore, record and transcribe meetings through new methods – such as video or digital annotations.

In addition to virtual connections and crowd-control methods, new voice technologies are being implemented in office spaces as the risk of the COVID-19

pandemic persists. Companies in the Czech Republic are beginning to use automatic transcriptions of audio recordings from online meetings and call centers. Voice identification is also being implemented in order to verify people's identities for purposes such as gaining access to buildings and individual rooms. *"Corporate virtual assistants are also being used abroad, i.e. business alternatives to commercial Alexa from Amazon or Siri from Apple. In the Czech Republic, 'voice robots' are also beginning to emerge, some alternatives to chatbots"*, says Michal Hrabí, the head of Phonexia, a company that develops voice technologies and works primarily for banks, operators, and call centers.

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Komerční banka has set up special rooms in the Czech Republic that support creativity and cooperation by providing special audiovisual and interactive technology, such as smart boards with touch screens and special electronic pens. *"Paper boards were not enough for us"*, says Zajiček, adding that there will be more places in the bank for individual phone calls and video calls. *"These have increased and people would be disturbed in the open"*.

Presently, communication tools such as Skype, Microsoft Teams, or Google Meet still predominate. Although the controls are intuitive for all applications, users may still need to learn a number of basic functions such as muting their microphone and sharing their screens with colleagues or teachers. *"No one wants to wait for the first ten minutes while you fix your microphone, camera or applications which aren't working"*, emphasizes Zuzana Krajča, an HR partner of Sodexo Benefit41. It is also a good idea to consider what will be displayed when you use the camera.

COSTS FOR EMPLOYEES/SELF-EMPLOYED INDIVIDUALS WORKING AT HOME

According to an analysis by consulting firm Grand Thornton, the employer should reimburse employees for expenses related to work at home⁴². However, certain expenses (such as the costs of heating, electricity, water, or the Internet) cannot be determined at a flat rate. Therefore, it is impossible to calculate the actual expenses related only to the performance of work from home, and not to housing. On the other hand, calculating compensation

⁴¹ Ibid.

⁴² EuroZprávy (2021) *The Current Legislation Is Unsatisfactory for Work from Home*. Available [online]: <https://eurozpravy.cz/domaci/politika/nynejsi-pravni-uprava-je-pro-praci-z-domova-nevyhovujici.e8d70207/>

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for the wear and tear of an employee's own property used for work, such as a computer, printer, telephone, or furniture is comparatively straightforward. Refunds for such regular wear and tear may be fixed at a flat rate.

Complications arise, however, when trying to differentiate electricity usage from work-based activities and personal entertainment. Though employers should be responsible for expenses such as Internet, electricity, and heating incurred when

working, they should not be held accountable for other, non-work related uses. At the end of last year, the Czech Chamber of Commerce stated that 47% of employers in the Czech Republic had at least one home office worker in November. This proportion was greater for large companies (92%), and comparatively low in micro companies, where only one third of businesses had ten (or fewer) home office employees⁴³.

According to Labor Law § 2 subsection 2, companies are not allowed to order their employees to work from home; it can only be done with consent. Though some of its aspects can be managed through internal regulation, companies cannot impose specific obligations on employees, and instead have to set the conditions for the performance of the home office on a contractual basis. In these contracts, it is advisable to implement adjustments for home office conditions and to agree at least in general terms when the employee must be available by telephone or other technical means. It is also possible to make agreements on various matters – such as how the employee will record the time worked and how they will be assigned tasks. Ideally, the employee should also avoid working at night, on days off, or overtime without the consent of the employer, so as not to incur additional costs due to the supplements provided by the Labor Code for specific states.

Because employers cannot pass on the costs associated with work performance to the employee, it is practical to adjust the method and amount of reimbursement for costs incurred by employees (e.g. the Internet, energy and others). Although companies could reimburse the billed costs retrospectively, it might be best to agree on a lump monthly sum. Employees may

⁴³ Ibid.

also be required to ensure the protection of company and personal data, and to treat the employer's entrusted property with care.

HOW TO SURVIVE (OR EVEN ENJOY) WORKING REMOTELY?

If an employee/self-employed individual is not in quarantine, she is advised to go out at least once a day, otherwise she runs the risk of cabin fever. All she needs is a coffee on the balcony or a walk in the park. One should not feel remorse when indulging in ordinary breaks. It is important to maintain the line between privacy and work, and working from a sofa or the bed should be avoided.

Employees need to create a comfortable place to work, which means finding the right lighting and layout of their monitor, keyboard, and mouse.

It is also important that the table is not too low or too high, and that the chair is adjusted so that your elbows form right angles with your hands placed on the table. The screen should be at eye level, not lower or higher, and it is also advisable to connect an external keyboard and mouse.

It is a good idea to change your sitting position every 20 minutes and to combine movement with normal work activities. For example, walking around the room while on the phone, doing stretching exercises while waiting for the coffee machine, and occasionally standing while working at a suitably high shelf are all beneficial. At least once an hour, stand up, breathe, and stretch for a few minutes.

With the team, it is necessary to establish clear rules on availability, methods of communication or periodicity of information exchange, assignment, and reporting. However, mere e-mails cannot replace

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social contact, and phone calls should be arranged whenever possible if you are feeling depressed or isolated. It is also necessary to set a time when the work will be performed, and to remember that some stimuli from the home environment can cause inattention or distraction from unfinished tasks.

Because there are few reasons to leave your apartment when working at home, you may grow accustomed to solitude and not feel the need to interact with others.

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However, it is very important to keep in touch with co-workers and colleagues.

CONCLUSIONS

In the first few weeks of the global health crisis, many thought that the break from normalcy was likely to last for a few weeks or months at most, and that their make-shift home-offices would go back to

being a spare bedroom in no time. As the COVID-19 pandemic has dragged on and crushed all hopes for a speedy return to work, school, and socialization, many are beginning to reimagine the future of work and experts agree it is likely to be increasingly remote.

People's experience of working from home differs greatly, and while some have lost their jobs due to necessary social distancing, others are finding that telework suits them and their lifestyles. The lack of a commute, time flexibility, and no office distractions are some of the many positive elements of remote work, even though still, they are balanced with negative consequences, which may not be as inevitable as employers and leaders think.

Despite the contradictory costs and benefits of home office, company leaders are enthusiastic about its future implementation, with 88% of business leaders in Western Europe forecasting the permanent adoption of remote-work elements. Leaders recognize increased employee retention and savings from cutting down on office space as two of the prominent benefits of telecommuting, and as organizations across the world are adapting to remote work on a massive scale, the solutions they craft in response to unique challenges will benefit other leaders.

Remote work is not new, but its widespread adoption is. Scientific benefits of this rapid adaptation are surfacing as scholars continue to investigate the factors, which make or break the teleworking experience on the individual and organizational level. Yet, the mass transition to home office is taking place synchronously with a global pandemic that exacerbates some of the challenges of remote work. Conditions such as social isolation prevent us from reaping some of the potential rewards of telework



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working population has increased dramati-
 cally. Views of part-time employment and
 home office are likely to change in the fu-
 ture, and will likely be appreciated, espe-
 cially by employed mothers.

In any case, we can look forward to 2021
 with a sense of cautious optimism. Phar-
 maceutical companies will compete in the
 supply of vaccines, the majority of the pop-
 ulation will be vaccinated quickly, and the
 world will return to a new, perhaps *better*,
 normal.

– like increased gender equality in employ-
 ment, something which has suffered great-
 ly due to the COVID-19 crisis.

What positive effects did the year 2020
 bring? Hundreds of thousands of pupils
 and students probably got their first com-
 puter and learned to use it. Thanks to home
 office mode, the computer literacy of the



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ŠÁRKA
 PRÁT

The director of the Institute for Politics and Society, a
 Czech think-tank, and an elected board member of the
 European Liberal Forum, a think tank of the ALDE Party

Remote Work and Remote Healthcare in Poland



*
MAREK
TATAŁA

While digitalization has been advancing in many aspects of human life, the COVID-19 pandemic has accelerated changes in workplaces, trade, doing business, health-care, education, public administration, and many other spheres. In fighting the disease and addressing challenges related to the pandemic, we were lucky that many technologies were available when the pandemic broke out and *"progress of the last few decades has been so fast (...) that even major setbacks only pushes us back a few years"*¹.

It takes time for legislation to adjust to societal changes. Therefore, it is not surprising that legal systems have lagged behind digitalization. But many policies for years have been preventing or inhibiting technological transitions. In certain professions in Poland remote work was possible before the COVID-19 pandemic. Yet, it was underutilized not only because of work culture, but also due to legal and regulatory barriers. As an example, telehealth, despite technologies that could be used and were developed in the private sector, was almost absent in the Polish public healthcare system.

The pandemic led to many unavoidable changes in work and health protection. It required legal changes, building new corporate culture, educating customers, and organizational adjustments. This article focuses on barriers to remote work and telehealth that explain their underutilization before the pandemic in Poland. It also demonstrates how the coronavirus led to changes to legislation and internal organization of employers and healthcare providers to facilitate remote work and

¹ Norberg, J. (2020) "Why 2020 Was the Fourth Best Year in History", [in]: *spectator.co.uk*. Available [online]: <https://www.spectator.co.uk/article/why-2020-was-the-fourth-best-year-in-history>

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provision of health services using modern technologies.

Although many changes that took place in the areas of work and healthcare during the pandemic were needed and sometimes treated as temporary, the legal system in Poland should be modified to enable continuation of remote work and growth of telehealth after the pandemic on a voluntary basis in a flexible legal environment. Temptations to overregulate should be avoided, as flexibility is a far better answer for the needs of employers and employees, healthcare providers, and healthcare users. Moreover, COVID-19 may also permanently alter preferences of some employees and patients regarding remote and digital approach to work and healthcare altogether.

REMOTE WORK BEFORE COVID-19: LEGAL BARRIERS AND LOW POPULARITY

According to Eurostat, popularity of remote work in Poland was rather low before the pandemic and slightly below the EU average. Further, the percentage of people who usually worked from home in Poland was also relatively stable between 2012 and 2019 [See: Figure 1]. It was the coronavirus that led to radical changes in some workplaces. In many places where people had to visit the office every day, employees needed to start working remotely; even parts of public administration, usually the most

conservative towards non-traditional working arrangements, moved towards remote work. There were many reasons behind low interest in remote work in Poland, among them were legal barriers.

The only regulated form of remote work in the labor code in Poland up to 2020 was *telework (telepraca)*. It is defined as work performed on a regular basis with the use of electronic communication, away from the premises of an employer². It does not, however, apply to situations where an employee occasionally works remotely. A telework arrangement is based on a mutual agreement of both parties.

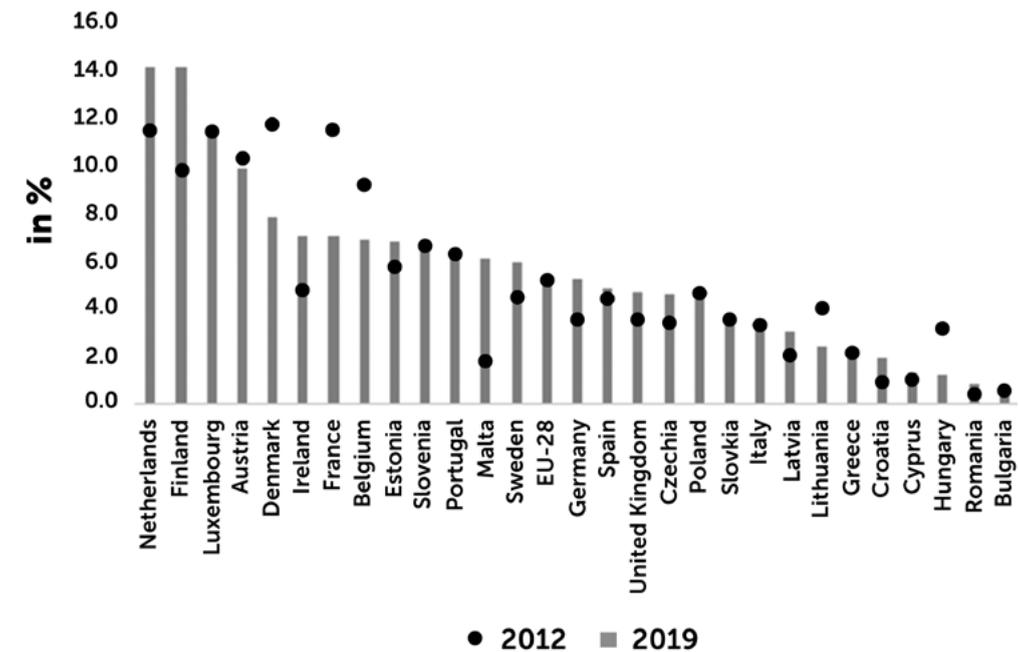
As telework is performed from a remote location, there are some limitations regarding employer's responsibility for health and safety, as well as supervision on how work is conducted. Until June 2018, employers in Poland needed a separate agreement with trade unions or regulations on telework decided with employee' representatives, even if only a few employees were to participate in teleworking. Apart from cultural reasons (including trust and management methods), these and other formal requirements are usually given as reasons why application of telework has been limited³. It was rightly noticed by P. Wróbel and D. Jendza that "while being a flexible form of employment [telework] has been functioning poorly within inflexible legal regulations"⁴.

² Czarzasty, J. (2007) *Telework in Poland*. Available [online]: <https://www.eurofound.europa.eu/publications/article/2007/telework-in-poland>

³ Jezierska, K. and A. Totwińska (2020) *Remote Work – Legal and Tax Regulations*. Available [online]: <https://www2.deloitte.com/pl/pl/pages/doradztwo-prawne/articles/newsletter-strefa-pracodawcy-podatki-i-prawo/praca-zdalna-a-regulacje-prawne-i-podatkowe-obecnie-i-w-przyszlosci.html> [in Polish]

⁴ Wróbel, P. and D. Jendza (2018) *Teleworking – Legal Regulations and Labor Market Practice*. Available [online]: https://www.researchgate.net/publication/329649214_Telepraca_-_regulacje_prawne_a_praktyka_rynku_pracy [in Polish]

Figure 1: Employed Persons Working Usually From Home as a Percentage of the Total Employment in 2012 and 2019



Source: Eurostat (2021)

It is, therefore, no surprise that a less formal way of work has been developing in parallel to telework. It has often been called *home office*. There is no formal definition of *home office* in Polish legislation and, before the pandemic, it was based on arrangements between employees and employers. Usually an employee combines *home office* with office work when the latter is needed. The legal arrangements created at the beginning of the pandemic were closer to the *home office* approach to remote work existing in the past.

REMOTE HEALTHCARE BEFORE THE PANDEMIC: GROWING BUT UNDERUTILIZED

The COVID-19 pandemic has revolutionized access to healthcare in many places. From remote communication with doctors

and online prescriptions, to much more sophisticated examples like smartphone

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USERS

diagnosis, remote respiratory monitoring or digital stethoscopes⁵.

Further, when we look at Medicare, a government health fund in the United States, it increased reimbursements of virtual visits from 11,000 a week before the pandemic to 1.3 million visits a week during the first lockdown⁶. Similar trends have been observed in many other countries, including the EU member states, although the legal systems in Europe often lacks legal provisions regulating telemedicine, and the legalizations have not kept up with innovative technologies⁷.

Popularity of remote healthcare has been growing in Poland for many years, but mostly in the private sector. Its use in public healthcare had been limited before the pandemic. Changes in legislation in 2015⁸ adjusted healthcare to technological advancements and enabled the organization of remote medical consultation, but telehealth services financed with the public healthcare insurance (NFZ) were limited⁹.

⁵ StartUs Insights (2020) *7 Top Remote Healthcare Solutions For The Coronavirus Pandemic*. Available [online]: <https://www.startus-insights.com/innovators-guide/7-top-remote-healthcare-solutions-for-the-coronavirus-pandemic/>

⁶ Economist Intelligence Unit (2020) *Digital Disruption: Risks and Opportunities in the Shift to Online*. Available [online]: https://www.eiu.com/public/topical_report.aspx?campaignid=digitalrisks20

⁷ Michalopoulou, I., Tatsi, V. (2020) *COVID Puts the Legal Spotlight on Telemedicine: Do Not Check This Box Lightly*. Available [online]: <https://www.ibanet.org/Article/NewDetail.aspx?ArticleUid=881C2D2E-5F51-4A29-9E09-704344F56B34>

⁸ Legal Act: *Ustawa z dnia 9 października 2015 r. o zmianie ustawy o systemie informacji w ochronie zdrowia oraz niektórych innych ustaw*. Available [online]: <http://isap.sejm.gov.pl/isap.nsf/DocDetails.xsp?id=wdu20150001991> [in Polish]

⁹ Pochrzęst-Motczyńska, A. (2018) *Telemedicine – A Second Step Is Necessary for Development*. Available [online]: <https://www.prawo.pl/zdrowie/telemedycyna-konieczny-drugi-krok-by-zaczela-sie-lepiej-rozwijac.261986.html> [in Polish]

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POPULARITY OF REMOTE HEALTHCARE HAS BEEN GROWING IN POLAND FOR MANY YEARS, BUT MOSTLY IN THE PRIVATE SECTOR

Important legal improvements that have been made since then include introduction of e-sick leaves (*e-zwolnienie*)¹⁰ and e-prescriptions (*e-recepta*)¹¹ in 2018-2019. Former unavailability of these digital tools hindered the development of remote healthcare¹².

Only since late 2019, general (family) physicians have been able to formally arrange remote consultations and update patients'

¹⁰ Legal Act: *Ustawa z dnia 10 maja 2018 r. zmieniająca ustawę o zmianie ustawy o świadczeniach pieniężnych z ubezpieczenia społecznego w razie choroby i macierzyństwa oraz niektórych innych ustaw*. Available [online]: <http://isap.sejm.gov.pl/isap.nsf/DocDetails.xsp?id=WDU20180001150> [in Polish]

¹¹ Legal Act: *Ustawa z dnia 1 marca 2018 r. o zmianie niektórych ustaw w związku z wprowadzeniem e-recepty*. Available [online]: <https://isap.sejm.gov.pl/isap.nsf/DocDetails.xsp?id=WDU20180000697> [in Polish]

¹² Telemedycyna Grupa Robocza (2018) *How to Effectively Use the Potential of Telemedicine in the Polish Healthcare System?*, p. 11-12. Available [online]: http://telemedycyna-raport.pl/api/file/events/rtgr/DZP_raportTGR%20raport-www.pdf [in Polish]

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ALTHOUGH TEMPORARY PANDEMIC-RELATED LEGISLATION DOES NOT REQUIRE THE BUSINESS TO CONSULT INTRODUCTION OF REMOTE WORK WITH EMPLOYEES, MANY EMPLOYERS IN POLAND STILL DECIDED TO MAKE DEDICATED AGREEMENTS WITH THEIR EMPLOYEES ON THIS MATTER

medical documentation based on telehealth services as part of the guaranteed services in the field of primary care in the public system. In the past, they sometimes talked to patients over the phone, but usually

this mode of communication was adopted only in certain emergency situations (but not requiring visit in a hospital) and when patients wanted to consult results of blood or urine tests to adjust therapy¹³. Support for telehealth has been justified by the Deputy Minister of Health, Janusz Cieszyński, as “one of the activities leading to the improvement of the efficiency and accessibility of the health care system”¹⁴. Therefore, one could say that the Polish legal system has been to some extent prepared for the acceleration of use of telehealth due to the coronavirus pandemic.

HOW THE COVID-19 VIRUS REORGANIZED WORK AND HEALTHCARE?

The government had to rapidly adjust labor market regulations and healthcare to extraordinary conditions. New regulations of remote work were created, as pre-existing telework was an inadequate tool to respond to challenges related to COVID-19. Telehealth services, growing in the past in the private sector, became more frequently utilized in public healthcare. Therefore, we have been observing a growing number of users of remote work and remote healthcare, and opinions on these new tools have been collected.

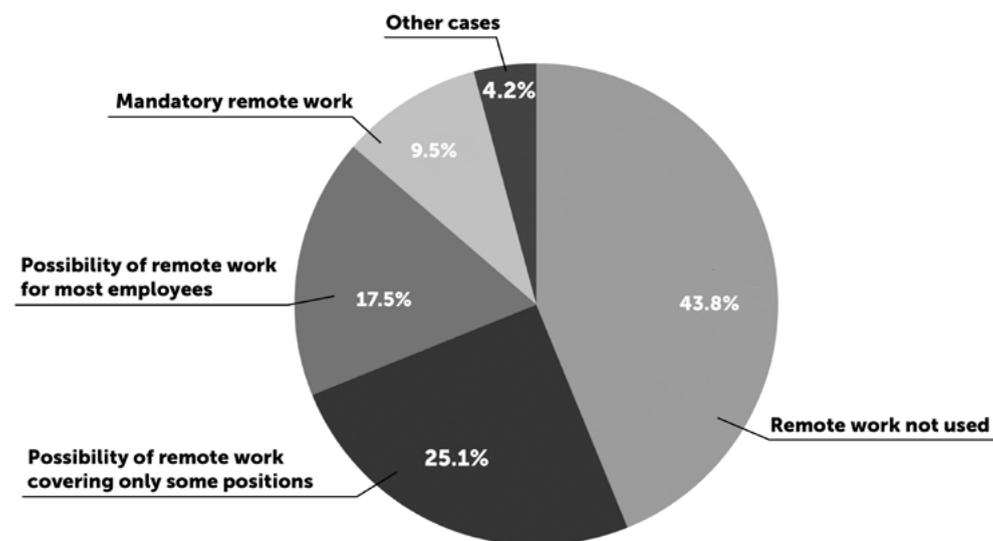
WORK

Soon after the outbreak of the pandemic, the government of Poland decided to regulate remote work. It was done in order to limit the number of people present in workplaces and reduce social mobility

¹³ Pochrzęst-Motczyńska, A. (2019) *Telehealth Will Not Be a Relief for Healthcare System*. Available [online]: <https://www.prawo.pl/zdrowie/porady-przez-telefon-od-5-listopada-2019-r-mozliwe-juz-u-lekarza.495714.html> [in Polish]

¹⁴ Minister of Health (2019) Answer to a parliamentary question, p. 4. Available [online]: http://orka2.sejm.gov.pl/INT8.nsf/kLucz/ATTBH6GTU/%24FILE/i33939-o1.pdf#xd_co_f=NzEzMGM2NzctMmYxMS00ZjcxLTkwZGtEtNzIzYzhhMTC2NjUw~ [in Polish]

Figure 2: Answers to the Question: "Has Remote Work Been Used in Your Workplace Due to the Pandemic?"



Source: Polish Economic Institute (2020)

(e.g. using public transportation). "Remote work is actually the safest at the moment," recommended Polish Minister of Health Łukasz Szumowski in March 2020¹⁵.

Moreover, in comparison to telework described in the previous section, during the state of the pandemic and three months after it, employers could mandate employees to work remotely using temporary legislation to respond to COVID-19. As there were no specific regulations regarding many areas of remote work, some employers decided to create their own internal rules¹⁶. This option is a much more flexible and

efficient way to organize relations within a company regarding remote work, as it takes into consideration characteristics of the particular business, like their size or type of work.

According to a survey of 246 companies using remote work conducted by EY in November 2020, 52% of businesses in Poland had internal rules regarding working remotely, with 33% intended to introduce them¹⁷. The most popular by far was the hybrid model in which part of work is done remotely and part in the office, as 67% of the surveyed enterprises selected this mixed approach. What is also interesting is that in 42% of companies both employers and

¹⁵ Leśniak, G. J. (2020) *Special Act on the Coronavirus Must Be Changed – There Are Problems with Remote Work*. Available [online]: <https://www.prawo.pl/kadry/specustawa-w-sprawie-koronawirusa-do-zarzenia-a-co-z-praca-zdalna.498579.html> [in Polish]

¹⁶ Jezierska, K. and A. Totwińska (2020) *supra* note 3.

¹⁷ EY (2020) *Organization of Work During a Pandemic. Challenges for HR in 2021*. Available [online]: https://www.ey.com/pl_pl/news/2021/01/sposrod-firm-ktore-stosuja-rozwiazania-pracy-zdalnej [in Polish]

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IN A VAST MAJORITY OF POLISH COMPANIES, REMOTE WORK WAS EITHER NOT ENABLED DURING THE PANDEMIC OR WAS LIMITED TO SELECTED POSITIONS

employees agreed on working at home. In 29% of cases, remote work was a result of a unilateral decision of superiors. Although temporary pandemic-related legislation does not require the business to consult introduction of remote work with employees, many employers in Poland still decided to make dedicated agreements with their employees on this matter.

Another piece of research from July 2020 shows limitations in the use of remote work during the pandemic. Respondents of the survey from the report by the Polish Economic Institute indicate that in only 17.5% of workplaces working remotely was used for the majority of employees, and in 9.5% of companies for all members of staff¹⁸. In

¹⁸ Polish Economic Institute (2020) *Monitoring the Digital Economy: Three Quarters of Accelerated Transformation*, pp. 25-27. Available [online]: https://pie.net.pl/wp-content/uploads/2020/11/PIE-Raport_Monitoring_cyfrowy.pdf [in Polish]

a vast majority of Polish companies, remote work was either not enabled during the pandemic or was limited to selected positions [See: Figure 2]. It is not surprising as there are only some professions where not being present in a workplace is possible. The authors of the report emphasize that remote work is limited to "people working with computers, in the service sector, and in workplaces with a high use of digital technologies"¹⁹.

The data from the Polish Central Statistical Office (GUS) show that popularity of remote work was related to stages of the pandemic. While at the end of March 2020, 11% of participants of the labor market surveys worked remotely, this measure dropped to 10.2% at the end of June, and to 5.8% at the end of September²⁰. Similar changes are visible in the results of Polish equivalent of the European Labor Force Survey (BAEL). The number of people working from home changed from 14% in March 2020, 13.1% in June, to 6.8% in September²¹. It will be interesting to see how these measurements were affected with the second wave of the pandemic in Poland in the last quarter of 2020.

New, flexible legal arrangements enabling remote work – similar to *home office* existing before COVID-19 – have been present in the legal system for almost a year, but they will cease to function after the

¹⁹ Ibid.

²⁰ GUS (2020) *The Impact of the COVID-19 Epidemic on Selected Elements of the Labor Market in Poland in the Third Quarter of 2020*. Available [online]: <https://stat.gov.pl/obszary-tematyczne/rynek-pracy/popyt-na-prace/wplyw-epidemii-covid-19-na-wybrane-elementy-rynku-pracy-w-polsce-w-trzecim-kwartale-2020-roku.4.3.html> [in Polish]

²¹ GUS (2020) *Information on the Labor Market in the Third Quarter of 2020* (Final Data, BAEL). Available [online]: <https://stat.gov.pl/obszary-tematyczne/rynek-pracy/pracujacy-bezrobotni-bierni-zawodowowg-bael/informacja-o-rynku-pracy-w-trzecim-kwartale-2020-dane-ostateczne.12.44.html> [in Polish]

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JUST LIKE
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AND DIGITALIZATION
OF HEALTHCARE

pandemic. Therefore, discussions about the future of remote work in Poland have already started. The list of questions is long:

Who should be responsible for health and safety? How do we monitor employees' performance? Should employees be compensated for resources used at home, like their personal electronic devices, Internet connection or even electricity? Although financial compensation might be possible, it remains unclear how they will be treated by the tax administration and how calculations of a fee for resources used at home for remote work will be done.

REMOTE HEALTHCARE

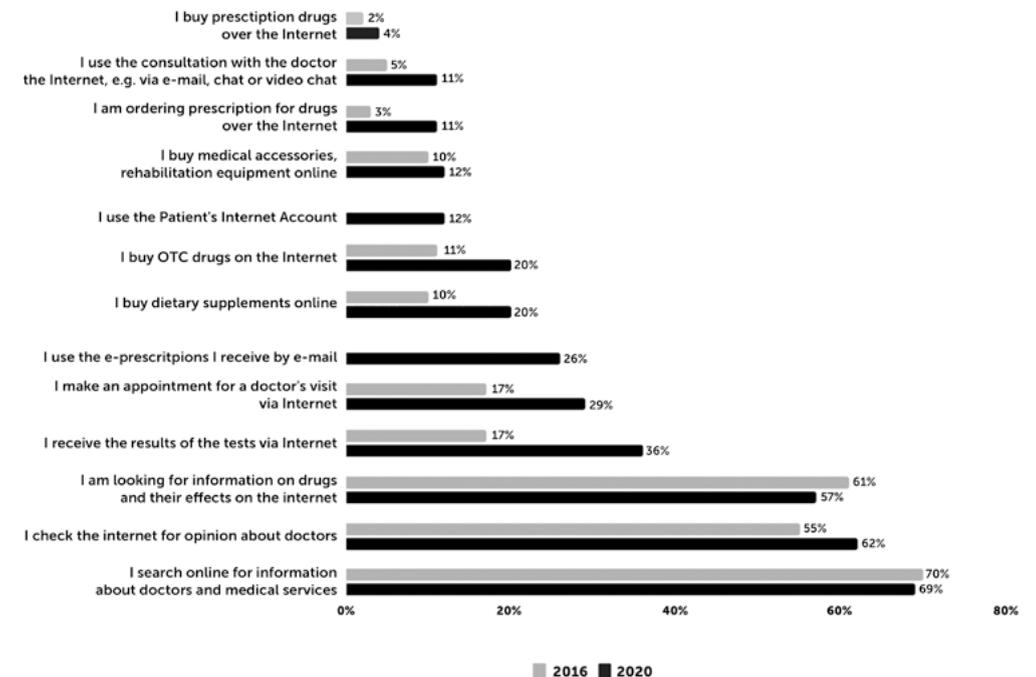
Just like in other countries, the COVID-19 pandemic has been a significant undertaking for the Polish healthcare system, and together with infectious characteristics of the virus, it has all contributed to accelerated development of telehealth and digitalization of healthcare.

Remote healthcare services are one of the responses to minimize social mobility and gatherings of people in closed spaces. Therefore, the Ministry of Health in Poland emphasized that during the pandemic *“the teleconsultation is treated as a fully-fledged medical examination”* to encourage patients to use this method of consulting doctors, if possible²².

When analyzing opinion polls on popularity of online search for medical information and the use of digital technologies in healthcare from 2016 and 2020 in Poland, one may observe the progress in many areas during the pandemic [See: Figure 3]. Receiving test results online, making appointments with doctors via Internet, and e-commerce in OTC drugs became much more popular during the pandemic than four years earlier. Purchases of prescription

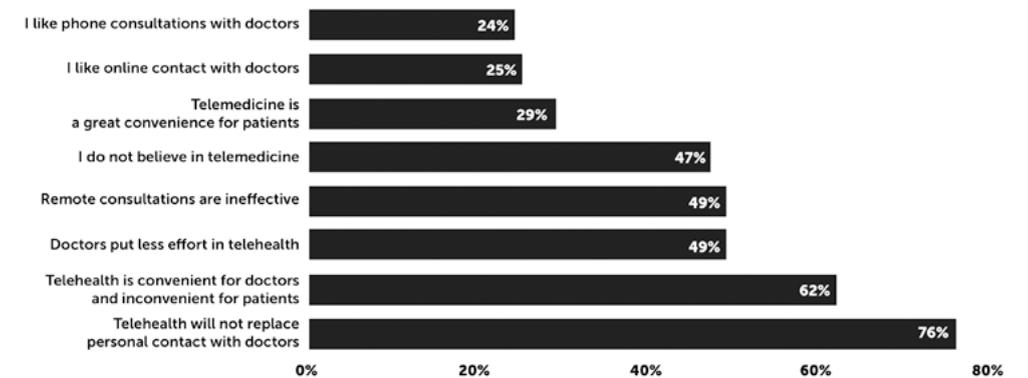
²² Healthcare Market Experts (2020) *Will the Coronavirus Cause a Telemedicine Boom in Poland?*. Available [online]: <https://healthcaremarketexperts.com/en/news/will-the-coronavirus-cause-a-telemedicine-boom-in-poland/>.

Figure 3: Popularity of Online Healthcare in Poland in 2016 and 2020



Source: CBOS (2020)

Figure 4: Opinions on Telemedicine in September 2020



Source: ARC Rynek i Opinia (2020)

drugs online doubled – from 2% to 4%²³. While e-prescriptions finally replaced paper documents in early 2020, it is still not possible to order prescribed drugs online with delivery to home address, and pharmacies have to be visited to complete a transaction.

Surveys by CBOS from 2016 and 2020 also show growth in online consultation with doctors, like video chats or e-mail exchanges – from 5% to 11%. Nevertheless, it only includes communication via Internet, whereas telehealth is a much broader category in which the main communication tool is, at least for now, the phone. Other research shows that during the pandemic 49% of respondents had a contact with a doctor using a phone (and 5% using the Internet)²⁴. The same opinion poll indicates that around half of respondents are not satisfied with telehealth [See: Figure 4]. Doctors were accused of putting less effort in these services, which, according to the participants of the survey, might be more convenient for them than for patients.

While these results may not look good from the perspective of telehealth, they should be interpreted with caution. As growth of telemedicine was to a great extent given, due to the coronavirus, it may also reflect that some doctors and the entities, especially in the public healthcare, where telemedicine was not as well developed, as was the case of private healthcare providers, were not ready for this new method of work. Moreover, the results may reflect a general fatigue with doing things online and in a remote way during the pandemic. Nevertheless, another survey found that

²³ CBOS (2020) *Health Online*. Available [online]: https://www.cbos.pl/SPISKOM.POL/2020/K_100_20.PDF [in Polish]

²⁴ ARC Rynek i Opinii (2020) *Poles Reluctant to Use Telemedicine*. Available [online]: <https://arc.com.pl/Po-lacy-niechcetni-telemedycynie-blog-pol-1601547987.html> [in Polish]

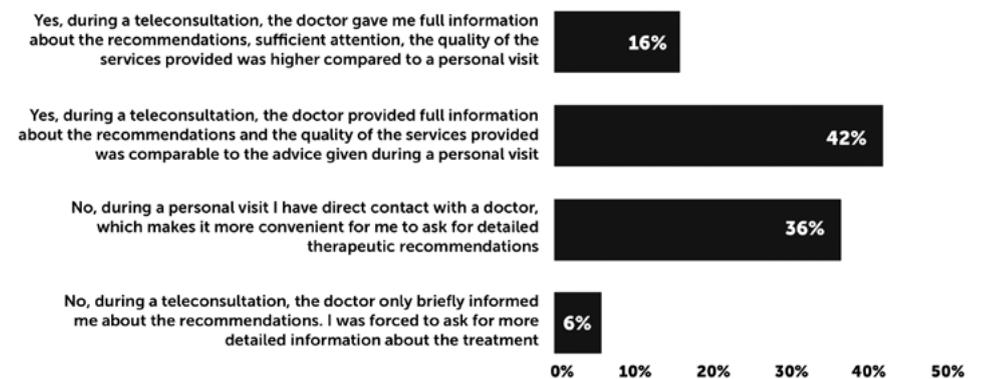
“RECEIVING TEST RESULTS ONLINE, MAKING APPOINTMENTS WITH DOCTORS VIA INTERNET, AND E-COMMERCE IN OTC DRUGS BECAME MUCH MORE POPULAR DURING THE PANDEMIC THAN FOUR YEARS EARLIER

over 72% of Poles indicated telemedicine as the safest form of medical consultation during the pandemic²⁵.

The criticism of telehealth should also signal that the balance between telehealth and traditional services has to be maintained. Especially in the public healthcare system, the rules regarding remote consultation in times of a pandemic should be transparent. Otherwise, patients may think

²⁵ BioStat (2020) *Patients During the Coronavirus*. Available [online]: <https://www.biostat.com.pl/pacjenci-w-czasie-koronawirusa.php> [in Polish]

Figure 5: Answers to the Question: “Is the Quality of Medical Advice Provided During Teleconsultation Comparable to the Quality of Advice Given by a Doctor During Personal Visits?”



Source: NFZ and the Ministry of Health (2020)

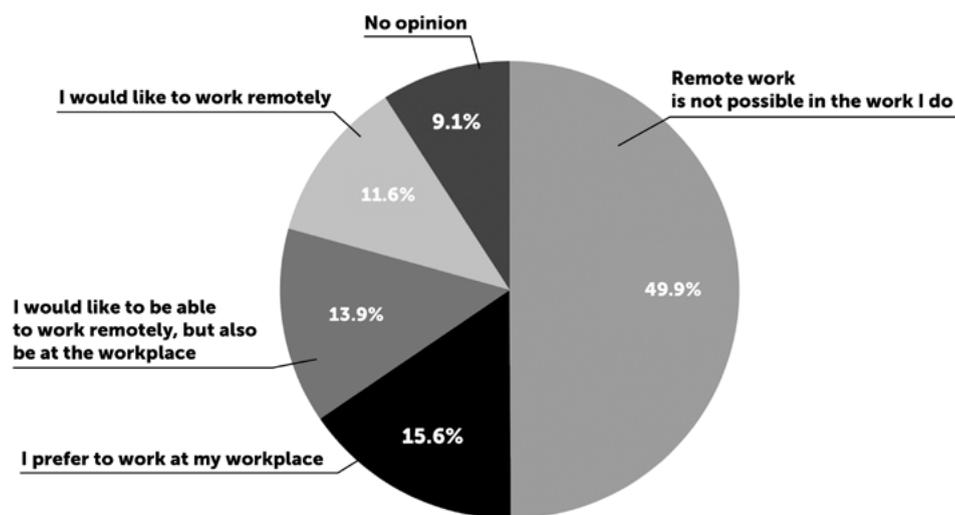
that the telehealth is only used due to the convenience of medical personnel and this kind of bad image may have a long-term detrimental impact on remote healthcare, which should stay with us in the future.

“72% OF POLES INDICATED TELEMEDICINE AS THE SAFEST FORM OF MEDICAL CONSULTATION DURING THE PANDEMIC

Furthermore, the abovementioned surveys were conducted on representative groups of Poles, including people who did not have any personal experiences with telehealth. In different research conducted by the Polish public health insurer (NFZ) and the Ministry of Health, among 13,961 users of primary healthcare during the pandemic – including over 80% patients, who used telehealth, – the assessment of remote medical consultations was better²⁶. Among many questions asked in the survey participants were asked to rate how likely they were to recommend using remote healthcare to close friends or relatives (using a scale of 1-10). The Net Promoter Score of 33 is assessed as a good result, as it indicates that there were far more happy customers of telemedicine

²⁶ Ministerstwo Zdrowia and NFZ (2020) *Report on the Satisfaction Survey of Patients Using Telehealth from a Primary Healthcare Doctor in the Period of COVID-19 Outbreak*. Available [online]: https://www.nfz.gov.pl/download/gfx/nfz/pl/defaultaktualnosci/370/7788/1/raport_-_teleporady_u_lekarza_poz.pdf [in Polish]

Figure 6: Answers to the Question: "Would You Like to Work Remotely?"



Source: Polish Economic Institute (2020)

than unhappy ones²⁷. Almost 58% of remote healthcare users declared that the quality of services was either better or the same as with traditional visits. Over 92% of patients claimed that the problem which they consulted with the doctor has been solved.

What is interesting in this survey is that over 33% of participants belonged to the age group 46-60, and around 35% were older than 60. Therefore, the authors of the study concluded that "the emerging concerns that the elderly will not be able to cope with remote healthcare and that it will be unavailable to a wide range of patients have not been confirmed in the study"²⁸.

²⁷ Retently (2020) *What is a Good Net Promoter Score?* (2020 NPS Benchmark). Available [online]: <https://www.retently.com/blog/good-net-promoter-score/>

²⁸ The Polish Ministry of Health and NFZ (2020) *supra* note 26, p. 20.

DIGITAL AND REMOTE FUTURE: WHICH CHANGES SHOULD STAY WITH US FOR LONGER?

While many hardships related to the pandemic lead to questions of when we will return to *normal times*, the answer from the perspective of work and healthcare seems to be *never*. COVID-19 accelerated changes that had been happening due to technological developments and removed some barriers that were in the past difficult to overcome due to cultural reasons, *status quo* bias, and opposition of some groups, like public administration, trade unions or some members of medical professions.

REMOTE WORK

The provisions on remote work have been discussed for weeks by members of the Social Dialogue Council in Poland, which is a forum for a debate between employers, employees, and the government, where the employers' and employees' sides are represented by representative organizations.

“ COVID-19 ACCELERATED CHANGES THAT HAD BEEN HAPPENING DUE TO TECHNOLOGICAL DEVELOPMENTS AND REMOVED SOME BARRIERS THAT WERE IN THE PAST DIFFICULT TO OVERCOME DUE TO CULTURAL REASONS, STATUS QUO BIAS, AND OPPOSITION OF SOME GROUPS

So far, the only agreement in the Council is the removal of the provisions on teleworking²⁹. As it was discussed in one of

²⁹ Leśniak, G. J. (2021) *Remote Work Will not Soon be Regulated in the Labor Code*. Available [online]: <https://www.prawo.pl/kadry/praca-zdalna-jakie-sa-ustalenia-partnerow-spoecznych-i-kiedy,505241.html> [in Polish]

the previous sections, telework has been an inflexible and extensively formal tool, so it should be gone (with some smooth transition of people using telework into new ways of doing remote work). It is also obvious that a new model of remote work should not be just a copy of telework with some minor adjustments.

The views on the future of remote work in the Polish labor code differ. For example, trade unions would like to regulate compensation for all expenses related to remote work – from equipment to electricity and maybe even part of housing rent. They also oppose a hybrid model in which part of the work is done at home and at part at work on the same day³⁰. On the other hand, employers prefer to implement only general legislation to enable flexibility and create internal rules of remote work within companies.

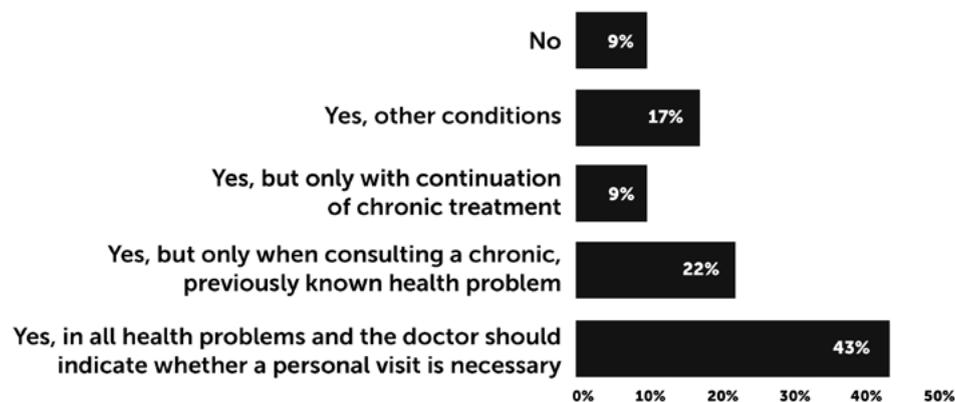
In places with trade unions, i.e. in larger sectors, they will still be able to participate in these intra-company arrangements. The rules that are in force during the pandemic, which are general and flexible, should work as potential inspiration for future solutions. Employers emphasize that what is needed is "a fresh approach to legal and labor relations, with particular emphasis on the social and technological changes that have occurred in recent years, which have become clearly visible during the pandemic"³¹.

What is also important is to understand connections between different parts of the labor code in Poland. Therefore, some provisions that regulate traditional work are not suitable for remote work. For example,

³⁰ Ibid.

³¹ *Puls Biznesu* (2021) "The Entrepreneurship Council Calls for the Regulation of Remote Work in a Flexible Way". Available [online]: <https://www.pb.pl/rada-przedsiębiorczości-apeluje-o-uregulowanie-pracy-zdalnej-w-elastyczny-sposob-1108301> [in Polish]

Figure 7: Answers to the Question: "Do You Think That Telemedicine/Video Consultation Should Be One of The Channels of Contact With A General (Family) Physician?"



Source: NFZ and the Ministry of Health (2020)

THE VIEWS ON THE FUTURE OF REMOTE WORK IN THE POLISH LABOR CODE DIFFER

working time records are an unjustified burden for both employers and employees when work is done remotely. Flexibility in terms of mixing working hours and breaks should be enabled. There might be people who would like to work for five hours then have a few hours of free time, and then return for three hours to remote work. Moreover, employees should not be forced to declare only one place for doing remote

work if their employers do not object. What matters for employers is also possibility to keep all work-related documentation only in a digital form.

Of course, remote work is not for everyone and it will not replace traditional labor relations. At the end of July 2020, almost 50% of respondents claimed that it is not possible to do their work remotely, while almost 16% would prefer to work at their offices. Among people who can and would like to work remotely, a hybrid model was slightly more popular (13.9%) than a complete switch to remote work (11.6%)³².

Furthermore, implementation of remote work into the Polish labor code is only a short-term solution. In the future, the whole labor code should be rewritten and adjusted to the new reality of working and doing business. Professor Tomasz Rostkowski of SGH Warsaw School

³² Polish Economic Institute (2020) *supra* note 18.

of Economics indicated "the new reality shows even more clearly that the current labor code is only suitable for rubbish" as "it was created in the seventies and was designed for the needs of companies that produced standardized products on the conveyor belt. This is completely out of step with the digital reality"³³.

At the moment, Poland ranks 27th out of 41 EU and OECD members in the Employment Flexibility Index³⁴. The popular emigration destinations of Poles, like Great Britain and Ireland, as well as the Czech Republic, are high at the top of the ranking, so making the regulation of employment contracts more flexible is within the reach of Poland³⁵. Implementation of remote work should not further weaken low flexibility of labor relations in Poland, and the whole system should be improved by radical reforms of the labor law, adjusting it to new realities of markets, customer preferences, and digitalization.

REMOTE HEALTHCARE

Implementation of remote healthcare has been facilitated by important reforms from the previous years including the introduction of e-sick leaves, e-prescriptions, and creation of the Patient Internet Account. In 2021, the system was also extended by adding e-referrals to specialist doctors or selected examinations (*e-skierowanie*). This digitalization of the public healthcare system should be continued. Further

³³ Future Business Institute (2020) *Remote Work – A Revolution That Has Happened. Now It's Time For Changes*, p. 12. Available [online]: http://www.pte.pl/pliki/2/36/Future_Business_Institute.pdf [in Polish]

³⁴ LFMI (2019) *Employment Flexibility Index 2020*. Available [online]: <https://www.lfri.lt/wp-content/uploads/2019/12/Employment-flexibility-index2020-3.pdf>

³⁵ Trzeciakowski, R. (2020) *Employment Flexibility Index 2020: One Size is Not for Everyone*. Available [online]: <https://for.org.pl/pl/a/7464,komunikat-1/2020-indeks-elastycznosci-zatrudnienia-2020-jeden-rozmiar-nie-jest-dla-wszystkich> [in Polish]

THE RULES THAT ARE IN FORCE DURING THE PANDEMIC, WHICH ARE GENERAL AND FLEXIBLE, SHOULD WORK AS POTENTIAL INSPIRATION FOR FUTURE SOLUTIONS

developments may include video conversations and use of domestic testing devices that can share medical information with the doctor. While a discussion about financing of public health is beyond the scope of this article, it seems that the future legal changes should include implementation of the basis for broader financing remote healthcare services via the public insurer (NFZ) contracting.

While opinions on remote healthcare during the pandemic were mixed, it is obvious that these services should stay with us after the pandemic, especially in public healthcare. It will increase flexibility and may improve availability of services. The survey conducted among users of remote

healthcare and general physicians in primary healthcare shows that a vast majority (43%) would like to continue this type of medial consultation [See: Figure 7]. 22% of patients indicated that it should be limited to people with whom the doctors are already familiar and 9% answered that remote healthcare should only be used in the case of treatment of chronic diseases.

What must be introduced are transparent rules regarding the use of telehealth, especially in the public sector. In the private sector, when a customer claims that the healthcare provider overuses telemedicine, they can switch providers. We can also imagine private providers that will specialize only in remote healthcare. In public healthcare, the choice is much more limited, so it is why some general rules might be required. On the one hand, after COVID-19, the use of remote healthcare should be voluntary. Still, incentives might be created for people who do not need an in-person visit to use remote healthcare. Moreover, while

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WHAT MUST BE INTRODUCED ARE TRANSPARENT RULES REGARDING THE USE OF TELEHEALTH, ESPECIALLY IN THE PUBLIC SECTOR

the pandemic unintentionally promoted remote healthcare, further promotion of these tools might be needed in the future and can be done by both public and private providers.

CONCLUSIONS: MORE FLEXIBILITY AND DIGITALIZATION

The outbreak of the pandemic affected many aspects of human life, including work and healthcare.

Before COVID-19, the rules regarding remote work in the Polish labor code were inflexible, which made this type of work unattractive. The alternative to regulated *telework* were *home office* arrangements based on internal rules of employers. The pandemic-related laws introduced remote work in a relatively flexible way. While these solutions are only temporary, some permanent changes should be made:

1. **Current regulations** regarding so-called telework should be eliminated from the labor law and fully replaced by new rules regarding remote work.
2. **New regulations** on remote work should enable a high level of flexibility in arranging labor relations between employers and employees – from full remote work to various hybrid models. Labor code should only include some general rules while specific rules should be decided at a company level.
3. **Remote work should not be hindered by some other parts of the labor law** that were created for different labor market relations of the 20th century. This is why, after the introduction of flexible remote work arrangements, more general reforms of the labor code should take place, so that Poland improves its position in the Employment Flexibility Index.

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BEFORE COVID-19, THE RULES REGARDING REMOTE WORK IN THE POLISH LABOR CODE WERE INFLEXIBLE, WHICH MADE THIS TYPE OF WORK UNATTRACTIVE

The Polish legal system of healthcare was better prepared to the pandemic than the labor code thanks to the introduction of various e-tools – like e-prescriptions or e-sick leaves, – just before COVID-19. Moreover, remote healthcare services have been developed in the private sector for years with very limited presence in the public healthcare system. The use of telemedicine might be continued after the pandemic and some measures can be taken to facilitate other provisions of remote healthcare:

1. **Digitalization of the public healthcare system should be continued**, based on best practices from the private sector. Further developments may include video conversations and use of domestic testing devices that can share medical information with our doctor.
2. **Financing of telemedicine services** via public insurer contracting should be broadened.

3. **Transparent rules for the use of telemedicine in public healthcare should be implemented** and incentives for patients to select telehealth instead of a traditional visit, when possible, might be created.
4. **Both private and public healthcare providers should continue promotion of remote healthcare services** and respond to accusations of their overuse by doctors due to their own convenience during the pandemic.
5. **Online purchases and delivery to home addresses of prescribed drugs** should be enabled.

Finally, in Poland, ICT and other digital technologies have been important for work and healthcare during the pandemic, and regulations should not inhibit digitalization and discoveries of new methods of providing medical assistance or arranging labor market relations. Best practices from the private sector, which has been more advanced in the use of remote work or telehealth can also be an inspiration for public entities, including public healthcare or administration. The post-coronavirus future will be even more digital.



*

MAREK
TATAŁA

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COVID-19
Mutual

COVID-19
Mutual

The Role of the State in Regulating Work from Home: The Cases of Croatia and Estonia



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IGOR
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Ever since the first lockdown in 2020, the world has been going through some radical changes. Social distancing became a rule. Everyday life, in general, has changed and people focused on the prevention of the spread of the virus. While governments were buying time, an inevitable change in the economy happened. Hastened by the COVID-19 pandemic, the workplace has changed – and that change is here to stay¹.

Due to lockdown and, at that point, an unprecedented set of rules and regulations, a vast number of companies have to now resort to working from home. Simply doing your work, which was for many originally intended for work from the office, from home. But the change itself has not been unexpected. Many companies had already anticipated that the change was coming, but not quite so suddenly. Virtually overnight, the concept of working from home has impacted almost everybody.

Naturally, there are jobs that simply cannot move *online* like essential and production line workers. Still, some governments, like the one in Croatia, were unprepared to recognize this new way of doing business. Hence, in their attempts to define what work is and regulate everything pertaining to such work, they have left the companies with vague descriptions of new working arrangements and poorly defined terms and conditions of such work. Such legislation and regulation further emphasizes that government should leave the vast majority of such arrangements to the parties involved.

¹ Fox, J. (2020) "The New Battles to Come Over Working from Home", [in]: *Bloomberg*. Available [online]: <https://www.bloomberg.com/opinion/articles/2020-12-17/the-new-battles-to-come-over-working-from-home?sref=QNwK5RQe>

”WHILE GOVERNMENTS WERE BUYING TIME, AN INEVITABLE CHANGE IN THE ECONOMY HAPPENED. HASTENED BY THE COVID-19 PANDEMIC, THE WORKPLACE HAS CHANGED – AND THAT CHANGE IS HERE TO STAY

Moreover, existing problems in the job market, like lack of general flexibility to hire and fire employees, has further slowed down and it can play a role in preventing more robust economic growth. There are two factors that can help any nation to get out of the economic downturn faster, less government involvement and more digitalization. Finally, after the article explores the issues currently shaping the Croatian labor market, a limited comparison is made with the Baltic state of Estonia, a pioneer in digitalization and an example of how work is best regulated, in which Croatia may learn some lessons.

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THE PANDEMIC CHANGED THE WAY WE WORK, BUT WE KNEW THAT WAS HAPPENING ANYWAY

The COVID-19 pandemic has changed the way we work. More precisely, it has accelerated the processes that were already underway. Working from home is now preferred and, in many ways, the only way to earn your paycheck. For many, it all began in March of 2020 when COVID-19 cases started rising all across Europe. Many countries did the only thing that seemed sensible at the time: lockdown.

Lockdown was a way to simply *buy time*, and hardly anyone can argue that a different course of action would be more successful. Why? Back in 2020, the COVID-19 virus was in many ways an unknown. We

had no information on it, except for a few indications of what symptoms might be. Further, we only had the numbers of infected individuals and those who died from COVID-19 in China. Reasonably, one could have suspected back then that China was not fully forthcoming when it comes to the spread and contagion of the disease. Many cases were not reported initially, doctors were silenced, and many facts were *altered* in the process, further undermining our effort to fight the upcoming pandemic². Hence, during the first months of 2020, Europe virtually had no choice but to choose public health above the economy, and almost every country followed that.

Urgently and primarily, it was necessary to address the capacity and needs of the healthcare system, as well as to inform the public of the severity of this virus, and most importantly, to make sure that even though the vaccine trials were months away the healthcare system was not overwhelmed. Ultimately lockdown was the only measure we could take at that time that not only sent a clear signal to everyone how dangerous this virus is, but also buy us some time before vaccines arrived.

This is the point where society reached the first crossroad. While lockdowns happened in many countries around the world, the strength of each individual lockdown was different. In almost every country in order to stop the spread of the virus, the hospitality sector was hit hard. Some countries closed even more sectors and also schools. It is 2021, many governments still see the lockdown as the best and only way to fight the COVID-19 pandemic. The COVID-19 virus remains to

² Porčnik, T. (2020) "Access to Information in Times of Crisis.", [in]: *DisinforNation: Disinformation Practices in CEE*, 4liberty.eu Review, No. 13, p. 45.

this day something we still have to decode, no doubt, but we are ahead in many ways. Multiple vaccines work.

But no matter where you live and work, no matter how tough the lockdown is, many had to adapt to the new reality of working from home. In many countries, the idea of working from home was a mere curiosity, nothing more than a possibility or a letter on a piece of paper nobody adhered to. 2020 and the pandemic changed all that.

Working from home has become the only way to keep companies afloat and to follow the government's restrictions on social distancing. No more a curiosity, but a way the economy runs. Work from home now requires many companies to adapt and to shift their business to the online world. As it always is with the private sector, companies shifted almost overnight to ZOOM meetings, Google Meetings, MS Teams,

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and others, accompanied with their own intranets and other solutions they found along the way. What was once considered impossible, the monumental shift from office to work from home was done with remarkable success. Of course, most of the companies had their internal processes and flexibility tested, but most of them passed the test.

WORKING FROM HOME, TELEWORKING, AND TELECOMMUTING

Terms like remote working, telecommuting, and working from home are used interchangeably. Hence, their definition could prove useful for clarity of the discussion. According to the International Labor Organization (ILO), and their guidelines, working from home (WFH) is defined as:

*"a working arrangement in which a worker fulfills the essential responsibilities of his/her job while remaining at home, using information and communications technology (ICT). For the purpose of this guide and in the context of the COVID-19 pandemic, the term "working from home" is used to refer uniquely to home-based teleworking as a temporary, alternative working arrangement. It requires shared responsibility and commitment by both employers and workers to ensure business continuity and employment."*³

In an additional explanation, all terms are very similar and some "may imply a temporary arrangement while others may imply a long-term arrangement."⁴ It goes further in explaining the difference between WFH

³ International Labor Organization, (2020) *An Employers' Guide on Working From Home in Response to the Outbreak of COVID-19*, p.5. Available Online: https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---act_emp/documents/publication/wcms_745024.pdf

⁴ Ibid.

and telework. By their definition, WFH is considered a “home-based telework”, while telecommuting and telework refer to substituting telecommunications for commuter travel. There are some differences between the terms teleworking and telecommuting, mainly because telework is broader and may not always be a substitute for commuting, but they are relatively minor.

To summarize, working from home is a temporary arrangement and the difference is that teleworking can imply working from other premises other than a primary one (mobile working). As much as it was a great change, there is a myriad of issues that accompany WFH. Both good and bad, as well as implications for the future.

THE GOOD, THE BAD, AND THE UGLY

One advantage of working from home is definitely a better balance between work and personal life. More flexibility in one's life is a step forward and may lead to not just more productivity, but also better results all around. For many employers who feel distrustful toward this kind of work, it is time to adapt to the new reality and to include this possibility into their organization, because work from home is here to stay⁵.

Good balance between work and personal life is most certainly going to help reduce stress and encourage individuals to deal with everyday challenges they are facing on a day-to-day basis⁶, plus a couple

⁵ Barrero, J. M., N. Bloom, and S.J. Davis (2020) *Why Working from Home Will Stick*, University of Chicago, Becker Friedman Institute for Economics Working Paper, No. 2020(174).

⁶ Mauer, R. (2020) “Study Finds Productivity Not Deterred by Shift to Remote Work”, [in]: *SHRM*. Available [online]: <https://www.shrm.org/hr-today/news/hr-news/pages/study-productivity-shift-remote-work-covid-coronavirus.aspx>

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more during these difficult times. Also, if their employer decided to give them that option, working from home does provide a certain amount of security, job-wise.

One of the big changes that came with more work from home is definitely lower or no commuting time. Therefore, not only are the employees saving time, but also they are saving money both for them and for the employer. Further, a side benefit is a reduction of the carbon footprint⁷. Moreover, less commuting means less traffic - for those who cannot work from home or have already come back to their offices, which means less time spent on

⁷ Newburger, E. (2020) “COVID Pandemic Drove a Record Drop in Global Carbon Emissions”, [in]: *CNBC*. Available [online]: <https://www.cnbc.com/2020/12/11/covid-record-drop-global-carbon-emissions-2020.html>

commuting. A win-win situation for everybody, including the planet? Not really. Well, not for long.

We have, indeed, seen a significant drop in CO2 levels and emissions since the beginning of the COVID-19 pandemic. According to new research from the University of East Anglia, the University of Exeter, and the Global Carbon Project, global greenhouse emissions plunged by roughly 2.4 billion tonnes in 2020, a 7% drop from 2019 and the largest on record, of course, caused by COVID – 19 restrictions. The United States dropped 12% in carbon emissions, the European Union 11%, India 9%, and China just 1.7%. While everything here looks good and it seems that this drop will be permanent, it is quite clear that it is a temporary one and the carbon levels will quickly rebound the moment world economy gets back on its feet. The same thing happened during the 2007-2008 world financial crisis, after which carbon levels rebounded higher than ever before. That is why scientists are urging a green transition to renewable sources of energy and new technological innovation.

An additional point in favor of the work from home is flexibility. As it has always been, the private sector is very resilient and strong when given room to grow and innovate. Working from home allows for greater flexibility in finding a new workforce, the ability to grow employee satisfaction, and to be more prepared for the next major crisis which will hit. For employers, this flexibility comes in the form of hiring more individuals from all around the world, without any need to go through the long process of helping the employee move into the country (or city) where the company is located. Employers can thus expand their efforts across the continent and the world and reach the very best talent they can.

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WORKING
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For employees, this means more inclusivity and a better chance of getting a job in the work market if no geographical obstacles are lying in front of them. Furthermore, this removes any obstacles of a financial nature that young people might be facing when moving into another country or city. For many young and talented people, this way of work will be their first and they will appreciate it for the most part. Flexibility may, therefore, be the only way to survive this pandemic and the crises companies will face going into the future.

When it comes to the negative aspects of working from home, there are not any problems with working from home that might relate to the very nature of such work. However, there are many circumstantial events that are already in place or will prove to be an insurmountable obstacle for some companies – be that solely because they lack the flexibility. In such a case, it is for the market to resolve and for the government not to meddle in the private sector beyond the absolute minimum.

In any event, work from home opens up a whole different set of issues that must be addressed. First, while work from home

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does offer a good balance between personal life and work, for some employees and their families this means an increased possibility for cases of domestic violence. It is a problem that is growing and it is the complete opposite of *stay home, stay safe* catchphrase. While many of us seek safety in our homes and feel safe there, this might not be the case for everybody.

Second, the distractions, which are abundant within your own home, can prove to be quite detrimental for someone's professional results. That point can lead to some other negative consequences, like a lack of motivation⁸, which can impact productivity because of the lack of working environment and lack of social contact

⁸ Fox, M. (2020) "Remote Work Burnout Is Growing as Coronavirus Pandemic Stretches On", [in]: *CNBC*. Available [online]: <https://www.cnn.com/2020/07/28/remote-work-burnout-is-growing-as-coronavirus-pandemic-stretches-on.html>

with coworkers. It is very difficult to casually chat with them over video calls. The last and most important point would be a lack of clarity in the national legislation as to what constitutes work from home.

A law may fail to specify what the obligations and commitments are for both employer and employee. It is bad enough that the government tries to regulate anything when it comes to the employer-employee relationship, but it is even worse when it tries and fails. In such a situation, which may be considered the absolute worst, economic entities are forced to rely on a set of rules, which raise more questions than answers and are accompanied with an additional lack of flexibility already present on the job market, which does not allow the economy to achieve the best results possible. Below, the article will illustrate what has just been said on the case of Croatia – how the Croatian government approached working from home during the COVID-19 pandemic and what the solutions to the situation at hand are.

CROATIA: NATIONAL LEGISLATION

The current situation in Croatia regarding working from home from a legal perspective is defined by the Labor Law⁹, which was enacted in 2014 and saw only minor changes since. The aim of the new Labor Law was to give more flexibility to the ailing economy after the economic and financial crisis, and to provide the private sector an easier access to the job market to exit the deep recession Croatia has found itself in.

Favorable labor legislation may lead to greater flexibility on the market when, in terms of the process of employment termination and hiring becomes less

⁹ Zakon.hr (2014) *Zakon o radu*. Available [online]: <https://www.zakon.hr/z/307/Zakon-o-radu> [in Croatian]

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complicated, both having positive effects on the recovery of the economy¹⁰. The favorable labor legislation would simply mean that no excess of regulation stands in the way between the company and the talent, while flexibility on the market would imply greater flow of workforce. However, the flexibility also depends on the structure of the workforce and the levels of education, as well as having appropriate talents available. What is needed is that companies have better access to the job market and vice versa. The dynamic job market is the best guarantee for the nation that the recession will end at the earliest point, and that not a single extra job will be lost, besides the ones that have fallen as a result of the inevitable rules of the economy in a downturn.

In Croatian labor legislation, there is a single article with the intention of regulating remote work. Many questions, which were justly raised in this article, found no answer

¹⁰ Lider Media (2020) *Rad od kuće: Što žele Vlada, sindikati i poslodavci, a što je sada moguće napraviti*. Available [online]: <https://lider.media/sto-i-kako/rad-od-kuce-sto-zele-vlada-sindikati-i-poslodavci-a-sto-je-sada-moguće-napraviti-134272> [in Croatian]

or the answer was not good enough. Article 17 of the law mandates that the contract between the employer and an employee which regulates remote work must contain, besides the usual information, the following extra details: work hours, tools and equipment that the employer must obtain, set up and maintain, usage of employees own tools and equipment and compensation as a result of that use, compensation of other expenses to the employee that might arise from doing work, and various details on professional education of the employee during such work. After that, what follows are a couple of more paragraphs pertaining to the employee's compensation: it should not be lower than the pay of an employee working from the office, the employer is obliged to provide safe working conditions and cannot deny the employee a right to a daily break, as well as weekly and annual vacation.

The current Croatian labor legislature is unclear¹¹, even though there is an abundance of rules and regulation defining and regulating job's market. The situation can be described as rigid labor laws that are colliding with a very nimble and flexible concept of work from home¹². The reality (now) of working from home is that employers and companies are in a situation where they do not know how to deal with the scenarios that will most likely come up.

¹¹ Lider Media (2020) *Rad od kuće: Površna zakonska regulative otvorila mnogo pitanja na koja se traže hitni odgovori*. Available [online]: <https://lider.media/sto-i-kako/rad-od-kuce-površna-zakonska-regulativa-otvorila-mnogo-pitanja-na-koja-se-traže-hitni-odgovori-134983> [in Croatian]

¹² Milovan, A. 2020. "HUP traži da u ZoR uđu izvanredne situacije te definiranje rada od kuće, sindikati protiv", [in]: *Jutarnji list*. Available [online]: <https://novac.jutarnji.hr/novac/hup-trazi-da-u-zor-udu-izvanredne-situacije-te-definiranje-rada-od-kuce-sindikati-protiv-10252915> [in Croatian]

When it comes to work hours, the law only mentions them and that they must be addressed. However, are they going to be more flexible, is the employee going to work from nine to five every day? If not, how is anybody going to know? Furthermore, because the worker is staying at home, is the company going to be responsible for compensating them for the utility bills? What about the travel compensation, is that going to be necessary? What about the equipment the employer must provide for the employee? Do they have an Internet connection at home? Do they have laptops? And what about work-related injuries? How does one address those issues? Simply put, the reality of the current situation is that things are much more flexible and less susceptible to regulation from the state than ever before.

It is vital for every state to create a job environment that is adaptable and quick enough to counter many negative circumstances economic reality is facing every day. However, the current flaws and lack of clarity in the most recent labor legislation highlighted some of the problems Croatia was facing for a long time now.

Croatian employment laws are quite rigid. It is very difficult to fire an employee, even more so someone with a contract for an indefinite period. Hence, both companies and employees must resort to *legal gymnastics* in order to terminate employment and achieve the only solution, a "mutually terminated contract". This level of inflexibility on the labor market in Croatia has contributed to low GDP growth at every stage of the economic cycle.

The current public debate among lawmakers, unions and employers can be perfectly summarized in several points. First, a more detailed definition is needed when defining work from home, which is currently

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WORK FROM HOME OPENS UP A WHOLE DIFFERENT SET OF ISSUES THAT MUST BE ADDRESSED

defined as "work in a separate workplace". The details actually include whether the employer must obtain a specific kind of table and how is an employer going to make sure if the workplace is meeting all of the criteria. Second, whether the employer is going to compensate the worker for possibly higher utility bills – the Parliament in Switzerland¹³ has gone in that direction, for example. Third, the Croatian Employer Association (HUP) is looking for a clearer definition of the material rights of the employees, like travel expenses and severance packages. Finally, Croatia needs easier hiring and termination of employment, less paperwork, and bureaucracy. Examples would be a strict measurement of employee efficiency and monitoring of work hours. Unfortunately, one of the most important stakeholders in this debate are the unions, and they are opposing any kind of meaningful change and are, therefore, effectively preventing greater flexibility of the job market which will ultimately benefit everyone.

¹³ Swissinfo.ch (2020) *Court Decision: Companies Must Pay Share of Rent for Employees Working from Home*. Available [online]: https://www.swissinfo.ch/eng/court-decision_companies-must-pay-share-of-rent-for-employees-working-from-home/45781126

The government's role in this new reality of a more fluid and dynamic environment is to regulate as little as possible. It is apparent that the government's attempt to regulate work is stifling economic growth. To be able to exit the recession(s), the private sector needs to be given as much space as possible. Gone are the days of working for one company in the span of a person's life. Companies now look for individuals who can adapt to the new reality, learn fast and solve problems never seen before. The government simply cannot do that and it would be foolish to even

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GONE ARE THE DAYS OF WORKING FOR ONE COMPANY IN THE SPAN OF A PERSON'S LIFE. COMPANIES NOW LOOK FOR INDIVIDUALS WHO CAN ADAPT TO THE NEW REALITY, LEARN FAST AND SOLVE PROBLEMS NEVER SEEN BEFORE

try beyond the absolute bare minimum. Defining the basics and letting the company and the employee(s) sort out their relationship. Everything is voluntary and everything is according to one's capabilities. However, there is also one major element that will help not only the labor market become more flexible, but which also has the capability to make the government smaller and its presence to be less visible: digitalization.

COMPARATIVE ANALYSIS: ESTONIA VIS-A-VIS CROATIA

To look for ways to move forward in terms of digitalization when it comes to a large part of the public sector, it is prudent to take lessons from those that have not only achieved a greater level of digitalization, but also excel at it. There are countries in Europe that have done remarkably well when it comes to transforming the public sector into a digital oasis to make things done faster, more efficiently, and with less trouble all around. The article selects the small Baltic country of Estonia, which stands out as a trailblazer for many on digitalization and e-governance. In fact, 99% of government services and procedures have been digitalized in Estonia. In order to make the labor market more flexible, technology can be very helpful. Technology helps the government to be a little bit less intrusive and present in the lives of the citizens. The whole effort of digitalizing the government can also be seen as a continuous desire to make government govern less – eventually, with time perhaps, even in the area of legislation. In the case of Estonia, e-government has been somewhat of a generational project, however, now that is mostly complete and Estonia is trying out some new experimental solutions like e-voting and a digital embassy, we can take a look at some of the numbers summarizing Estonian progress in digitalization and compare it with Croatia.

“IT IS TRUE THAT ECONOMIC GROWTH WILL RETURN IN 2021, AND THAT THE MAJORITY OF THE WORLD WILL BE BACK TO PRE-PANDEMIC ECONOMIC LEVELS IN 2022. BUT NOT EVERY COUNTRY WILL GET BACK UP WITH THE SAME SPEED

Estonia occupies third place on the UN's E-Government Development Index (EGDI), with a score 0.9473, trailing only behind Denmark (first) and the Republic of Korea (second), with a score of 0.9473. Croatia on that same list holds 51st place with a score of 0.7745. EGDI takes into account the three most important dimensions of E-government: scope and quality of on-line services (OSI), development status of telecommunication infrastructure (TII) and inherent human capital (HCI). This global survey is conducted on a biannual basis. Estonia saw a jump from 20th place in 2010

to third place in the newest 2020 survey. Croatia, on the other hand, had steadily declined from 35th place in 2010 to 51st place in 2020, with the biggest problems in scope and quality of online services (OSI)¹⁴.

What is the secret to Estonian success? On a more empirical side, we can mention the size of the country. With little over 1.3 million people living in the country making any nation-wide project is much easier and less complicated. But the process itself cannot really depend on the size of the country alone. The success really depends on the nation and the mentality of it. The whole process of digitalization, as I have mentioned before, can be seen as an aspiration to move the government away from all but essential duties. Probably the most important fact in this section is very clear. In Estonia, a large majority of the affairs between the employee and the employer is left to the parties involved. Apart from the basic requirements of protecting workers' rights, which resides with the government, it is up to the company to define the terms and conditions of working for it. Here are a few details of how major elements of the employment contract are defined when WFH is in question.

Work from home is a very flexible way of working and it is impossible to regulate it the old-fashioned way. As a comparison, in Estonia the decision on the contractual relationship between an employer and employee is left to the parties. Furthermore, in Estonia, it is up to the employee to note how they are going to be reachable (i.e. WhatsApp, MS Teams, ZOOM, etc.). Next, the employer covers the costs of any work equipment to some extent. However, any costs relating to the equipment must be laid out in the agreement – it is

¹⁴ See: <https://publicadministration.un.org/egovkb/en-us/Data/Compare-Countries>

“NO COUNTRY CAN MOVE FAST IF IT DOES NOT DEAL WITH INTERNAL LABOR MARKETS, WHICH HELPS FACILITATE FASTER ECONOMIC GROWTH

not automatically given. Along those lines, costs of office equipment are only covered partially, as the equipment may end up being used by someone else in the household or used outside working hours. So instead of regulating even further, the company gives out a certain amount of funds and accounts for all of the taxes. While some costs are one-time payments (i.e. a chair, a table, a pair of headphones), others are given on a monthly basis – such as costs of heating and electricity. But again, such costs are agreed upon and do not cover the full amount.

At last, when it comes to occupational health and safety requirements, in Estonia, the employee signs the agreement confirming that they are fully aware of any such requirements and that their place of work is in conformity with occupational health and safety requirements. If the employer has reasonable doubt that the workplace is not up to the standards, it can inspect the working premises with prior 14-day notice.

CONCLUSIONS

2020 has been a year in which the Croatian government has entered the private sector on a scale unimaginable just a year before. Apart from bailing out companies, giving loans, and encouraging investments on a massive scale, it gave a monthly paycheck to people employed in the private sector (!). The level of government involvement is going to take years to rollback. However, the slower we are in removing that involvement, the worse it will get. The private sector is currently struggling, and while that is not the case for every industry and every company, the recession is the evidence that the economic slowdown is here.

It is true that economic growth will return in 2021, and that the majority of the world will be back to pre-pandemic economic levels in 2022. But not every country will get back up with the same speed. Some will grow faster, others slower. The growth will be determined by many external factors, as well as some internal factors. Needless to say, we have no power over external factors. Some major economies are still in lockdown, and their trading partners are heavily reliant on their economic growth. For Croatia, that would be Italy and Germany. Both countries are either in lockdown or are implementing strict measures on a city-by-city basis. The economic growth of major European economies will result in the economic growth of the entire continent. Recovery in the United States will speed up the recovery of the European Union. So, while we cannot influence external factors, we can work from within to help our own economy grow, or to become more resilient in the future.

For Croatia, one of the major reforms must be in the area of the labor market. No country can move fast if it does not deal with internal labor markets, which helps



A SMALL AND DIGITAL GOVERNMENT WITH LESS BUREAUCRACY AND ADMINISTRATION IS A BENEFIT THAT WILL BE HERE FOR GENERATIONS

facilitate faster economic growth. Croatian legislature is slow, inefficient, and ineffective. It leaves companies wondering what to do. If you cannot fire an employee, or this may be very difficult, it will inevitably lead to inefficiencies. Consequently, many companies do not follow the law. The government's role is simple. Give as much power as possible to the companies themselves. Let them take charge of the provisions laid out in the contract, let them work it out with the employees, and let the majority of the process run on companies' internal regulations, manuals, and rule-books.

Work from home is definitely something that should be mostly regulated internally by the companies. Government should stay out as much as possible when it comes to the agreement an employer will have with its employee if they have chosen a work from home as a preferred way to run their business, simply because it is flexible in every aspect. Furthermore, I would

say one of its advantages is creativity and innovation it allows and encourages. Many aspects of being employed in such a way simply cannot be effectively regulated by the government. A government's heavy hand can put many employers at a disadvantage where they will simply not be able to provide for employees everything a government sees necessary, or to a required level. If the government tries to regulate aspects of WFH (employer's obligation to pay utility bills, to provide an Internet connection, office equipment, etc.) can lead to overregulation, which in return, in my opinion, largely defeats the purpose of WFH. There is a role for the government to play, but it remains within the limits of making sure that fundamental regulations are followed, which will prevent exploitation and violations of worker's rights.

A flexible labor market means a faster recovery. Most importantly, we have to start giving more freedom and flexibility to the private sector when it comes to hiring talent and letting them go. But in order to do that, we must allow technology to make the government govern more efficiently through digitalization.

A small and digital government with less bureaucracy and administration is a benefit that will be here for generations. Baltic states (with Estonia being the most notable example) have done it, and that same thing can be done in Croatia – gradually. But if we reach the point where people have a faster, leaner government, the economy will blossom, because the very best thing for the private sector is to have the government out of their business altogether.

A government's heavy hand can put many employers at a disadvantage where they will simply not be able to provide for employees everything a government sees necessary or to a required level. If the

government tries to regulate aspects of WFH (employer's obligation to pay utility bills, to provide internet connection, office equipment, etc.) it can lead to overregulation, which in return, in my opinion, largely defeats the purpose of WFH. There is a role for the government to play, but it remains within the limits of making sure that fundamental regulations are followed that will prevent exploitation and violations of worker's rights.



IGOR
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TOP RANK
D. K. G. E. N. E. R. A. L.

M.A.E.
ADULT

Remote Work Is Here to Stay: A Journey Through Time and Technological Development



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TOMASZ
KASPROWICZ

Remote work is not new. For some jobs it was actually the mode of work that was preferred or even required. This has been true for writers, journalists, salesmen, and artists. Yet, for most of us the norm was a job performed in an employer's facilities: an office, a factory, a lab, a lecture hall, a classroom, a workshop... Presence in person at a workplace provides structure, focus, imposes a certain level of professionalism and standardization, as well as allows for easier monitoring of employee's progress and effort. It also helps divide professional and personal lives, which constitutes a healthy approach. Sometimes physical presence is mandatory in the case actual interaction with other humans or machines is essential

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OF COST AND TIME

in performing the tasks at hand. It is difficult to imagine remote hairdressers or mechanics – even though, actually, less and less so.

Globalization and the rise of multinational corporations changed the way employees work. With multiple divisions around the globe and dispersed expertise, the teams were often virtual in the sense that team members never meet in person due to various locations of the individuals. This mode of work may be called semi-remote work, as it took place mostly on the employer's premises, but team members were spread all around the globe. Application of *semi-remote* work also brought about realization that, in many cases, there is little to no benefit in mandating certain workers to the office, since they have little physical interaction on-site. This insight gave rise to *home-office*, when worker's presence was not required for some days during the workweek. At the same time, Internet connectivity and technical infrastructure improved at homes, which was required to conduct work in a way analogous to the one in the office. The ability to work remotely was sometimes seen as a perk, both for workers and employers, as working from home is more efficient both in terms of cost and time (mostly in relation to commute). From the point of view of the employer, it was also beneficial, as it allowed a reduction in the cost of office space, increased morale and gave an extra motivational tool. Still, employers were wary of potential slacking off by employees, improper behavior – especially when facing outside parties, – and productivity losses. All in all, the whole premise reached a certain equilibrium, where remote work was present, but not dominant.

In order to accommodate the needs of employers with respect to remote work, new technology was required in terms of



DUE TO THE CORONAVIRUS PANDEMIC MOST BUSINESSES HAD TO SWITCH TO SOME SORT OF REMOTE WORK ALMOST OVERNIGHT

hardware, software, and infrastructure. Initially, the focus was on hardware – with laptops and mobile phones on the forefront. However, software solutions were also required. At first, they were based on periodic synchronization with employer's systems whenever in office or with proper network access. As the access to Internet became more widespread both at homes and remotely, solutions could become more on-line in nature. With new possibilities and technology, a number of solutions followed to accommodate the needs of remote work that included teleconferencing, remote collaboration, knowledge sharing, and monitoring tools.

However, these new modes of work and tools were more common in the largest companies, which were forced into limiting face to face interactions due to their sheer size¹. Smaller companies were not that interested in remote work, being more

¹ <https://www.statista.com/statistics/1123806/share-employees-access-remote-work-size-firm-us/>

fearful of the dangers of remote work and lacking access to pricey technology. There was just not that much to gain for them as they are much more centralized².

And then the year 2020 came along. Due to the coronavirus pandemic most businesses had to switch to some sort of remote work almost overnight, unless they were deemed *essential* – a distinction closely resembling the one made by Douglas Adams³. Many workers finally achieved the highly desired option of working from home, while employers were nudged into adopting solutions that earlier they avoided as much as possible. Surprisingly, soon enough, almost all of the employers realized that such an approach yields a lot of cost-cutting possibilities, especially in terms of office space expenses and now claim home office is here to stay to a much larger degree than in the past. Meanwhile, however, employees found out that working from home is not as much fun as they expected. In fact, it is much more difficult to separate professional and private life, many workers feel trapped at home and struggle to avoid distractions⁴. Those workers who thrive in such conditions constitute a minority (16%), while more than half of employees find the current situation to be really difficult⁵.

Fortunately, the technology was available, fast, and reasonably cheap at this point. Still many servers on the side of vendors needed quick expansion in order

² <https://www.forbes.com/sites/nigeldavies/2020/03/10/this-is-why-employers-are-still-denying-your-remote-working-requests/>

³ Adams, D. (1989) *The Restaurant at the End of the Universe: Hitchhiker's Guide to the Galaxy*, Book 2, Vol. 2, Tor: United Kingdom.

⁴ <https://buffer.com/2021-state-of-remote-work>

⁵ Martec Group (2020) *Working Remotely During COVID-19: Case Study*. Available [online]: <https://www.martecgroup.com/wp-content/uploads/2020/11/The-Martec-Group-WFH-COVID19-Summary.pdf>



COMPANIES DID NOT REALIZE THAT REMOTE WORK BRINGS ALSO NEW RESPONSIBILITIES, NOT ONLY BENEFITS

to accommodate peaking demand. There were some hiccups, but the upscaling of infrastructure went surprisingly smoothly – mostly due to applied cloud technology. The bigger problem was that neither smaller companies, nor workers, were prepared for remote work neither in terms of hardware nor software. Companies did not realize that remote work brings also new responsibilities, not only benefits. According to a survey by buffer.com, 75% of 3,500 companies around the world surveyed in 2020 did not pay for Internet access of remote workers and other costs⁶. This technology and responsibility gap is an important distinction between corporations and small and medium enterprises (SMEs). Furthermore, many countries were not prepared for such a change from the point of view of labor code, which would clarify responsibilities of employers towards remote workers⁷. Still, the urgent need for remote work during the COVID-19 pandemic

⁶ <https://lp.buffer.com/state-of-remote-work-2020>

⁷ <https://www.irishtimes.com/news/crime-and-law/change-to-remote-working-would-raise-a-range-of-legal-issues-expert-says-1.4459519>; <https://knowledge.leglobal.org/corona/country/poland/poland-planned-changes-in-regulations-regarding-remote-work/>; <https://www.cms-lawnow.com/ealerts/2020/12/russia-changes-labour-legislation-on-remote-work>

created a situation in which some of the remote work was performed outside the bounds of legal framework⁸.

In general, the technology created in order to enable remote work may be divided into several segments:

- **Communication enhancement:**
 - videoconferencing tools and video calling;
 - telepresence (including VR and ER);
 - instant messaging;
- **Collaboration tools:**
 - knowledge sharing;
 - document collaboration;
 - project management tools;
- **Other tools:**
 - activity monitoring;
 - presence monitoring;
 - performance evaluation.

COMMUNICATION ENHANCEMENT

One of the biggest challenges of remote work is assuring that the social bonds, culture, and communication within an organization are not interrupted too much by physical distance. These challenges include not only purely technical elements (like information flow), but also other elements arising from frequent interactions like human connection, emotional attachment to the employer and coworkers, maintaining work culture and integrity. Achieving this goal requires a great deal of innovation – and, indeed, in the face of pandemics, the wave of innovation accelerated. Communication tools can be roughly divided into two groups: asynchronous and synchronous communication and the

⁸ <https://www.prawo.pl/kadry/praca-zdalna-czy-pracownik-moze-wyjechac-za-granice-i-tam,506709.html>

distinction between them is the timing of the responses.

Asynchronous communication tools are probably the simplest form of communication enhancement and the oldest one. It is a case when one party posts a message and awaits some time for a reply. This type of remote communication is the oldest known to humankind and includes letters, telegrams, and similar devices. Today, these methods are to a large degree obsolete, but linger on due to legacy issues, inadequate education, and access to technology, especially in older generations and in less developed countries and regions. They are, however, inconsequential for remote work.

These means of communication are also one of the oldest tools provided by the Internet⁹. These include forums and e-mail. The business was quick to adopt them, primarily e-mail, which continues to be the backbone of most communication systems at work – both in the case on remote and on-site work. The problem is, however, that this channel of communication is usually quite dry, and while it fulfills most of the information transmission roles, it does not substitute well the emotional and social component of communication in person.

Internet also allows for the creation of a hybrid of synchronous and asynchronous communication: instant messaging. Its origins can be traced to the beginnings of the Internet in the 1960s and IBM's Compatible Time-Sharing Systems¹⁰, which allowed multiple users to log in and send messages to each other. Instant messaging is a hybrid system, because it allows

⁹ Van Vleck, T. (2001) *The History of Electronic Mail*. Available [online]: <https://www.multicians.org/thvv/mail-history.html>

¹⁰ <https://www.multicians.org/thvv/7094.html>

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ONE OF THE BIGGEST CHALLENGES OF REMOTE WORK IS ASSURING THAT THE SOCIAL BONDS, CULTURE, AND COMMUNICATION WITHIN AN ORGANIZATION ARE NOT INTERRUPTED TOO MUCH BY PHYSICAL DISTANCE

for both instantaneous communications, when both parties are on-line, and delayed responses in case they are not.

The first instant messenger that was widespread among consumers was ICQ, launched in 1996, followed by AIM, introduced by America Online. Further platforms followed shortly. Soon it became hard to manage the multitude of platforms by the users. This led to the rise of aggregation services – like Jabber, which allowed the use of various platforms at the same time using one IM client. The market was later reshaped by the rise of messengers integrated with social media platforms –

like Google Chat, MySpacelm, and, eventually, Facebook Messenger¹¹.

Adoption of instant messaging at workplace was mostly driven by employee behavior that used consumer solutions at work. This phenomenon was somewhat problematic as it was outside of standardized procedures and employee monitoring. The issue was remedied only at the end of the 1990s by developing Enterprise Instant Messaging (EIM). First solutions included Sametime in Lotus Software and Microsoft Exchange Instant Messaging shortly after that. More of them followed, including Jabber XCP, Cisco Unified Presence, and specialized platforms – like Reuters Messaging and Bloomberg Messaging.

Instant messaging to a degree helped overcome emotional distance of asynchronous communication by the invention of emojis. These graphical manifestations of emotions arose from even earlier pictograms created from regular characters in chat rooms. Our ability to infer information from tone of voice or body language is mostly lost in written communication. Emojis gave a substitute and it should not be underestimated. In fact, they are widely recognized and in 2010 they were included in Unicode (standard set of characters for computers) and now appear in all sorts of written communications.

One may think that asynchronous communication should be rendered obsolete by on-line videoconferencing and is not really applicable to remote work. This belief is, however, far from the truth. The rise of digital communication and mobile devices introduced a plethora of distractions into the workplace. It is great if you

¹¹ Petronzo, M. (2012) *A Brief History of Instant Messaging*. Available [online]: <https://mashable.com/2012/10/25/instant-messaging-history/?europa=true>

need something quick, but troublesome when there are plenty of communication requests. Asynchronous communication allows for uninterrupted time to focus on personal tasks and, at the same time, keep tabs on ongoing issues.

As for synchronous communication, the telephone is the oldest and most adapted technology. In the case of remote work, of course, a landline is not really applicable. This is not a problem when one takes into consideration how widespread the mobile devices are. In recent years, however, traditional telecommunication is, to a degree, being replaced by other means of communications – mostly integrated with abovementioned instant messaging systems, which were developed primarily for traditional PCs and Voice over IP solutions. Their main advantage is similar to mobile phones – the user can be reached even when switching locations, unlike in the case of landlines. These solutions are

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ADOPTION OF INSTANT MESSAGING AT WORKPLACE WAS MOSTLY DRIVEN BY EMPLOYEE BEHAVIOR THAT USED CONSUMER SOLUTIONS AT WORK

supplemented by software that originated on mobile devices, not PCs. The most popular of them are WhatsApp and Viber, which over time migrated to PCs as well.

While sound-based communication is certainly better at maintaining social connection than asynchronous written communication (even when emojis are included), humans were working on including the video part as well. The goal was to mimic face-to-face meetings (almost) perfectly. The earliest video-calling solutions were quite clunky and expensive, requiring specialized equipment and infrastructure. These solutions were introduced for the first time commercially in the early 1980s with upfront cost of a quarter of a million dollars in set-up and hardware. The cost of a call was at a rate of USD 1,000 per hour, offering very low resolution and large delays in visual. In the 1990s, corporate solutions that were more affordable and of a better-quality appeared, but they were

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still based on the same premise of dedicated hardware and, often, infrastructure. It was the early 2000s, when videocalling became integrated into instant messenger applications, bringing the technology to the masses.

In 2003, Skype appeared, implementing p2p protocol allowing cheap (or even free) calls to everyone. The big advantage of p2p protocols is that they utilize multiple connections between many computers at once. Every user contributes part of their bandwidth when needed. This solution allowed for large bandwidth without dedicated infrastructure. Decentralized protocol allowed also to include more participants into a videocall (initially, Skype allowed for 25 participants; later it raised the limit to 50), basically introducing videoconferencing to consumers and making older systems obsolete to a significant degree. Large corporations still relied on providers like Cisco, but these providers had to change their solutions to incorporate innovation in technology and decrease prices. In 2011, Zoom Video Communications was founded on an already very competitive market, and its software allowed for up to 1,000 participants for business customers. It became the platform of choice mostly for education services, despite its notoriety for privacy protection.

Apparently, a pretty straightforward idea of video connection was able to generate a multitude of innovation in order to manage the meetings. Some of them mimicked the features of regular meetings – like hand-rising, blackboards, and presentation/video sharing. Others provided features that could be applied in face-to-face meetings, but which in on-line were even more useful: polls, Q&A without interrupting the speaker, or breakout rooms, which allow participants to consult in subgroups and rejoin the plenary meeting in order to

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summarize findings. Quickly, new solutions appeared that supplemented standard solutions with extra features useful in particular situations – like brainstorming or scientific conferences. These include solutions such as Mentimeter, which allows to create on-line idea maps, or Miroboards allowing for brainstorming using post-it-notes. All of these features started reshaping the way employers perform meetings even before the COVID-19 pandemic. One very visible change was the adoption of huddle spaces – small conference rooms viable for a few workers, but equipped with videoconferencing equipment. These started to replace large conference rooms at a fast pace.

Soon enough, the idea of telepresence was taking a hold. Telepresence is an extension of the concept of videoconferencing, where the remote presence of a person is established via technical means so that it

seems the person is actually present on site. This may include: ability to move in the environment, manipulate objects, but also receive stimuli from a remote location. Seamless videoconferencing was the first step in that direction, but it was quickly extended to include remote object manipulation. Sometimes, it included robots that were pretending to be an actual person.

Probably the best-known case are the interviews during TEDTalks with Julian Assange who was stranded in the Ecuadorian embassy at the time¹². The technical solution resembled a tablet stuck on a lawnmower, but it allowed for movement and simple interaction (the same solution was later replicated in a popular geek TV series, *Big Bang Theory*). The ability to interact with remote objects seems trivial in the case of teleconferencing, but there are actually certain situation when it is crucial. For quite a while, remote work using telepresence has been used in extremely dangerous tasks – like disarming bombs or exploration of dangerous places. The rise of drones has also been a growing area of remote work, which spans tasks ranging from military to logistics. The pinnacle of telepresence is the DaVinci robot, which allows for remote surgery where a patient and a surgeon may be thousands of kilometers apart¹³.

The COVID-19 pandemic greatly accelerated the adoption of videoconferencing and telepresence. 30% of organizations started to use videoconferencing solutions for the first time¹⁴ and free teleconferencing solutions became extremely popular

¹² <https://www.theguardian.com/us-news/shortcuts/2016/jun/27/snowbot-edward-snowden-telepresence-robot>

¹³ <https://www.intuitive.com/en-us/products-and-services/da-vinci/systems>

¹⁴ <https://www.twilio.com/covid-19-digital-engagement-report>

overnight. Zoom has become the software of choice for many education organizations, as it declared it will be free for educational purposes¹⁵. Videoconferencing software of various vendors stated being downloaded millions of times per day¹⁶.

Currently, the market is dominated by Zoom and its share is estimated at 43%. GoToWebinar follows with a 21% share, Cisco Webex comes third with 16%. Other major players include ON24, Adobe Connect, ClickMeeting, and GoToMeeting¹⁷.

The challenges of impromptu remote work have shown to be considerate. Some of them are quite funny and have taken the Internet by the storm, like the case of the BBC live interview with Robert Kelly interrupted by his children¹⁸. This may look hilarious, but, in the long run, is a challenge in maintaining professional appearance in a home setting. A step in this direction is the introduction of background filters that are replacing clunky home interiors with a background of choice. It is quite ironic that technology that was developed to enhance our faces with rabbit ears and other funny filters were repurposed to change on screen anything but our persona.

Video conferencing companies try to tackle other problems arising from inadequate hardware in many home offices. The answer to this problem might be Hardware as a Service (HaaS), where a client is

¹⁵ Konrad, A. (2020) "Exclusive: Zoom CEO Eric Yuan Is Giving K-12 Schools His Videoconferencing Tools For Free", [in]: *Forbes*.

¹⁶ Novet, J. (2020) "Zoom Has Added More Videoconferencing Users This Year Than in All of 2019 Thanks To Coronavirus, Bernstein says", [in]: *CNBC*.

¹⁷ <https://www.datanyze.com/market-share/web-conferencing--52>

¹⁸ BBC (2017) *BBC Dad: Interview with Robert Kelly Interrupted by Children Live On Air*. Available [online]: <https://www.bbc.com/news/av/world-39232538>

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THE COVID-19 PANDEMIC GREATLY ACCELERATED THE ADOPTION OF VIDEOCONFERENCING AND TELEPRESENCE

purchasing videoconferencing service access for a given time period and receives all necessary hardware. This approach, which was adopted by Zoom and other companies, will surely follow¹⁹. Similar solutions also try to meet sanitary requirements – for example, Google Meet introduced voice commands in order to minimize the touch of hardware²⁰.

The technological frontier in telepresence is marked by the use of virtual reality (VR) and augmented reality (AR) in remote meetings. AR and VR are related technologies that change our perception of reality. VR completely replaces our reality with an artificial one usually using a VR headset, while AR is only supplementing our reality with virtual objects or modifications usually using portable devices or glasses. So far, these solutions serve mostly consumers, as

¹⁹ <https://www.pcmag.com/news/zoom-launches-hardware-as-a-service-products>

²⁰ <https://support.google.com/meethardware/answer/9473867?hl=en>

over a half of the market share is directed at this sector²¹, with products like Oculus, which is mostly dedicated to gaming and entertainment. However, many virtual meeting solutions are already in beta tests, including MeetinVR²². VA is also used for remote trainings, and this approach is growing in popularity as it promises significant cost-cutting possibilities while providing the highest quality of trainers, and in the cases where training materials are scarce. The best example is a solution allowing medical students to perform virtual autopsies using Microsoft HoloLens²³. This saves specialized facilities and scarce cadavers for advanced learning.

COLLABORATION TOOLS

Remote work provides challenges beyond just communication. Tools that enable communications, described above, solve only a piece of the problem. In many cases, people need to collaborate to deliver results. In other cases, physical presence is required precluding remote work (but even these obstacles are, sometimes, removed – like in the case of the DaVinci robot); however, the object of collaboration can often be digital in its nature and, in such a case, remote collaboration is not a problem.

Collaboration enhancing tools are a vital element of enabling remote teamwork. The history of collaboration software dates back to groupware of the 1980s. Probably the best-known software of this type was Lotus Notes – a desktop solution working on a common database that allowed users to collaborate on the same documents and tasks. The development of modern

²¹ IDC (2020) *Worldwide Spending on Augmented and Virtual Reality Forecast to Deliver Strong Growth Through 2024, According to a New IDC Spending Guide*. Available [online]: <https://www.idc.com/getdoc.jsp?containerId=prUS47012020>

²² <https://www.meetinvr.com/>

²³ <https://case.edu/hololens/>

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webpages (also known as Web 2.0) allowed for implementing these solutions in web browsers, thus making the software available remotely. This step gave rise to a multitude of intranet and extranet systems often based on the Microsoft SharePoint platform. Later, new options emerged that were more lightweight and moved from rather dry lists and calendars towards interface demanded by workers that were raised in mobile environments. Companies such as Slack, Chanty, or Mattermost gave a new outlook on how teams can collaborate remotely by giving the communication tools a modern interface and the ability to

organize communication in order to make it more accessible.

The features included by Web 2.0 were impressive and continue to be used extensively. However, over time, required functionalities were beyond capabilities of this technology. To solve this problem, stand-alone collaborative applications returned – the main example being Microsoft Teams, which integrate functionalities beyond collaboration like videoconferencing.

PROJECT MANAGEMENT SOFTWARE

One of the main challenges in remote work management is keeping track of the tasks assigned. While working on-site, frequent meetings – both scheduled and casual – helped streamline the projects. Working in an isolated environment is a recipe for delays and a decrease in the quality of performed work. This is why project management software is a crucial addition to the managerial toolbox in order to assure that the tasks are performed well.

The first project management software appeared as early as in 1977 created by Oracle and Artemis. Early software was mostly focused on scheduling, critical path management, and asset allocation. Their interface was not really user-friendly and used only by management even after the inclusion of Microsoft Project into the Office suite.

The Web 2.0 revolution changed the desktop approach, as it allowed team members to report tasks completed directly to the system. It allowed also for communication and documents management on the project. Currently, there is a multitude of project management systems in the SaaS mode (Software as a Service, where software is rented for a periodic fee – usually along with necessary infrastructure) – like Trello, Monday.com, Asana, ClickUp, and others. These platforms use inventive

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ONE OF THE MAIN CHALLENGES IN REMOTE WORK MANAGEMENT IS KEEPING TRACK OF THE TASKS ASSIGNED

techniques in order to foster cooperation and engagement. For example, gamification techniques make the work feel a bit like a game where one can use avatars and earns little virtual trophies (for example, badges) or compete in prearranged challenges – for instance, using Kahoot²⁴. These small changes actually change people's behavior and increase engagement by making work feel a bit like fun²⁵.

OTHER TECHNOLOGIES CRUCIAL FOR REMOTE WORK

Virtual Private Network (VPN) is an essential element of any remote work solution. It was developed in the mid-1990s and introduced by Microsoft to enable connection of separate local networks into one virtual, unified, and secure network. Initially, the idea was used to connect separate corporate locations without the use of dedicated infrastructure. Quickly, the idea was applied to connecting separate

²⁴ Shalev K. (2016) *Effectively Manage a Remote Team via Gamification*. Available [online]: <https://www.entrepreneur.com/article/272801>

²⁵ Seaborn, K. and D.I. Fels (2015) "Gamification in Theory and Action: A Survey", [in]: *International Journal of Human-Computer Studies*, No. 74, pp. 14-31.

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CLOUD COMPUTING BY ITSELF IS NOT AS ESSENTIAL TO REMOTE WORK AS VPN, BUT IT CHANGED THE WAY MANY IT SYSTEMS WORKED TO BE MORE REMOTE FRIENDLY

computers into a corporate network. From this moment on, remote workers could use all of an employer's digital resources in any place connected to the Internet without compromising security too much. Despite the fact that some of the modern tools for remote work are web-based and do not require a secure connection to an employer's local network, still a lot of them are placed behind firewall for security reasons. Therefore, remote work on a large scale or for extended time periods in a work setting does not seem to be possible without VPN.

Cloud computing is a mixture of hardware and software solutions. The principal idea behind cloud computing is outsourcing infrastructure and its administration. Employers who move in that direction reduce or eliminate on-site servers and instead use datacenters for a periodic fee. This allows employers to focus on their core

tasks while leaving complex problems of security, administration, backups, and availability to specialists. This sales pitch seems quite convincing, yet one must remember that cloud computing is done on actual hardware, which may malfunction or be otherwise destroyed. This is well demonstrated by a recent fire in the OVH data center that crippled multiple companies and services²⁶. Cloud computing by itself is not as essential to remote work as VPN, but it changed the way many IT systems worked to be more remote friendly. In particular, the headquarters is remotely connected to the main servers as well, so remote access is a default mode of operations – unlike in the case of on-site infrastructure. Cloud computing is not only the HaaS solution (Hardware as a Service), but it also often extends into software solutions. This ranges from ERP software used to manage corporate operations to collaboration suites – like G Suite by Google. These are almost by definition accessible exclusively remotely. Again, this is not crucial for remote work, but made it much easier to implement.

The fears of employees slacking during remote work created the market for employee monitoring systems (the so-called *bossware*). Project management systems may be one way of controlling employees. However, some managers are not satisfied enough with results-based monitoring and insist on making sure that employees are actually doing something work-related during work hours. Validity of such an approach is, of course, debatable, but as long as there is demand, there is also supply.

²⁶ <https://www.searchenginejournal.com/ovh-data-center-fire-darkens-thousands-of-sites-worldwide/398485/>

“EMPLOYERS MUST WEIGHT COSTS AND BENEFITS OF A BIG-BROTHER APPROACH – BOTH IN TERMS OF COST AND IMPACT ON OVERALL EMPLOYEE MORAL

There is a plethora of software that allows for tracking employee activity on-line. Solutions such as Time Doctor, Toggl, Hours, Timely, Everhour, and many others allow for reporting time spent on tasks, but also monitor *poor usage* of time – for instance, when an employee accesses social media or Youtube, they are nudged by a pop-up to revise their reporting. Software of this type can also report time of keyboard and mouse inactivity. This, in turn, prompts hilarious employee counteractions, like simulating mouse moment with toy fan²⁷. Catching such cases is relatively difficult and time-consuming, requiring further features – like remote screenshots, on-line monitoring and recording of activities. This approach also requires employees to dedicate their time to monitoring others. Employers must weight costs and benefits

²⁷ <https://traqq.com/blog/the-top-6-ways-your-employees-can-cheat-your-time-tracker/>

of a Big-Brother approach – both in terms of cost and impact on overall employee morale.

CONCLUSIONS

The propensity to work from home is clearly correlated with technological progress. Traditionally, few select jobs could be performed remotely, because in most cases the object of work was physical in nature and required collaboration with team members. All this shifted gradually with the digitization of the economy. When the object of work is digital, then – given right access – the location of the employee is irrelevant. Such conclusion led to the use – as well as invention – of secure data access techniques: primarily VPN, but also remote desktops, intranets, etc. All of these solutions were heavily dependent on and co-developed with mass Internet access – both at home and mobile.

Similarly, given appropriate communication channels, physical contact with other employees is not necessary. This may seem quite obvious, but in reality, it is much more problematic than data access. It appears that people value personal interactions. Work is something more than just performing tasks, as bonds between workers are an important part of the overall experience. This is why telephone and e-mail are not sufficient. The last few decades have shown constant technological progress in providing communication as close to the physical one as possible. What started with videoconferencing, is now changing into telepresence and virtual reality solutions. Strides in telepresence allow many to bypass dependence on a digital object of work, allowing for remote surgery.

The COVID-19 pandemic has accelerated the pace of adoption of these techniques, even if the innovation did not change the

“GIVEN APPROPRIATE COMMUNICATION CHANNELS, PHYSICAL CONTACT WITH OTHER EMPLOYEES IS NOT NECESSARY

way people work remotely yet. Still, the sheer size of the workforce performing their tasks from home is now reshaping corporations and smaller companies alike. Remote work is here to stay – regardless of former fears and objections of various companies.



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KASPROWICZ

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THANK YOU FOR EVERYTHING WE LOVE YOU, AND...
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WE WILL BE BACK!
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Solidarity in Times of Crisis, But With Whom? The Impact of the COVID-19 Pandemic on the Work of Civic Society Organizations and Other NGOs in Slovakia



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It has been a year since the COVID-19 pandemic hit the globe and completely transformed the way we think, behave, and work. It has had a great impact on our daily lives – and an even a greater one on the work that we did in the past. Various concepts and forms of remote work have been applied by both state and private sector – for example, a short-time working scheme (*Kurzarbeit*). The COVID-19 pandemic disclosed shortcoming and flaws in the states across Europe. It has also revealed vulnerable communities that were particularly affected by lockdowns and other state restriction put

in place to fight the spread of the coronavirus. With the sudden loss of financial stability, place of living, job, or even a business, the hardship of minority groups have only increased.

This article will focus on civic society organizations (CSOs), a sector that lies somewhere in the middle of the state and business. In the past, this sector created new ways of participation, engagement and impacted political culture and society with its various areas of specialization. The aim of this article is to study the position of CSOs in Slovakia, and the impact of the COVID-19 pandemic has on their work, struggle to survive, and ability to endure without being able to meet in person. The following questions shall, therefore, be addressed:

1. What or who has the crucial impact on a life cycle of CSOs during the COVID-19 pandemic?
2. What is the strength of the civic organization to survive despite their negative perception of part of the society?
3. What are the limitations and opportunities for civic organization in the COVID-19 pandemic, and so-called “era of lockdown”?

COVID-19 AND CIVIC SOCIETY

The global pandemic has greatly impacted not only on the performance of governments, but in a crucial sense also the role and competences of civic society actors and organizations. The impact was even greater because of their special role in the political system and society as a whole. Their strong ties within the society were visible even more than before the crisis, and their role was prominent and multi-tiered. The question here is, how the civic society has been changing during the pandemic, and how it will look afterwards. Various

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articles, commentaries, and analyses have been published recently on this issue. However, in Central Europe – and especially in Slovakia, – we still lack research that could help us re-categorize, or even redefine, the role of civil society during the COVID-19 pandemic and after it, including their potential structural changes in their performance and work.

Relying on trends in global civic society and analyses from other states¹, we predict that also in Slovakia the civic society could expand on three levels in relation to the new coronavirus-related civic activism:

1. **vital coronavirus-related roles**, they change their functioning of daily activities and identities and fill the gaps where the state/government is unable to act;
2. **their role of watchdog has widened**, they create a new monitoring initiative to monitor the government performance and actions;
3. **they strengthen their roles in the policy** – design, and become the new promoters of political, social, and economic changes for the post-COVID society and state².

All these new forms of civic activism have the potential to change not only the inner structure of the CSOs and the sector, but also, they could have an impact on their performance and their quick ability to adapt into the new normal of a post-COVID world. If these assumptions are correct, the question is whether the civic society in Slovakia has become a powerful player in the

¹ Youngs, R. (2020) *Global Civil Society in the Shadow of Coronavirus*, Washington: Carnegie Endowment for International Peace, p. 1.

² Ibid.

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IN GENERAL, ALL INTERVIEWED CSO REPRESENTATIVES STATED THAT THEY HAVE BEEN REQUIRED TO PUT PLANNED ACTIVITIES ON HOLD OR SHIFT THE MAJORITY OF THEIR ACTIVITIES INTO THE ONLINE ENVIRONMENT

political system after the crucial transformation in the recent decades³.

METHODOLOGICAL NOTE

This article relies on the interviews with CSOs in Slovakia, conducted for the purpose of this article. These interviews are a tool to explore the context in which CSOs and their organizations were working in during the COVID-19 crisis, and how they have addressed these crisis-related challenges.

³ M. Vašečka, V. Žuborová, B. Strečanský, I. Borárosová, and O. Gallo (2019) *Občianska spoločnosť 2019 očami formalizovaných a neformalizovaných skupín* [in] *Analýza socioekonomického prínosu neziskového sektora a stavu a trendov rozvoja občianskej spoločnosti*, Bratislava: Úrad splnomocnenca vlády SR pre rozvoj občianskej spoločnosti, pp. 171–216.

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FOR DECADES, THE CSO SECTOR IN SLOVAKIA STOOD UNDER ATTACKS FROM VARIOUS POLITICAL FORCES BECAUSE OF THEIR VALUES, ATTITUDES, AND FIGHTS FOR AN OPEN SOCIETY

The article will analyze the answers of thirty CSOs in Slovakia, who were selected according to their memberships in platform of CSOs under the High government representative of civil society in Slovakia (*Úrad splnomocnenca vlády SR pre rozvoj občianskej spoločnosti*). The structured interviews were designed to identify major challenges and trends in the CSOs. Overall dramaturgy of the interview questions focuses on the CSOs performance and ability to adapt to the new rules and circumstances. The set of questions was designed in such a manner so as to focus on CSOs' ability to adapt on the new conditions influenced by the COVID-19-related restrictions. Also, the interviews explore the main barriers and limitations that impacted their regular activities, which might have uncovered their potential to improvise during the unclear present and future days.

In January 2021, I interviewed thirty (30) CSOs from various types of civil society (from social service, human rights activists, culture, education, sport and volunteerism to consultation services) in Slovakia. I have chosen qualitative research rather than quantitative research, because of its ability to recognize patterns among words in order to build up a meaningful picture. So, in this article you won't find generalizing assumption or general statement towards a large population, or the whole CSO in Slovakia. Because qualitative data are beyond the numbers, and should not be used to make quantifying claims⁴.

CSOs PERFORMANCE IN PANDEMIC CONTEXT

In so-called "normal times", the performance and activities of civic society organizations would be related to the accountability of governments and other private/public institutions. But the current COVID-19 crisis poses several challenges and barriers for civic society organizations and their performance in a shrinking space of personal networks and remote workspaces. In this article, I look at the performance of CSOs in Slovakia during the COVID-19 crisis and their ability to adapt to a different environment *within new ways of civic activism*⁵.

All CSOs in Slovakia claim that COVID-19 has had an impact on their daily performance and their activities [See: Figure 1]. However, how seriously the COVID-19 crisis

⁴ Mason, J. (1996) *Qualitative Researching*, London: Sage Publications; Temple, B. (1998) "A Fair Trial? Judging Quality in Qualitative Research", [in]: *International Journal of Social Research Methodology*, Vol. 1(3), pp. 205-215.

⁵ M. Vašečka, V. Žuborová, B. Strečanský, I. Borárosová, and O. Gallo (2019) *Občianska spoločnosť 2019 očami formalizovaných a neformalizovaných skupín* [in] *Analýza socioekonomického prínosu neziskového sektora a stavu a trendov rozvoja občianskej spoločnosti*, Bratislava: Úrad splnomocnenca vlády SR pre rozvoj občianskej spoločnosti, pp. 171–216.

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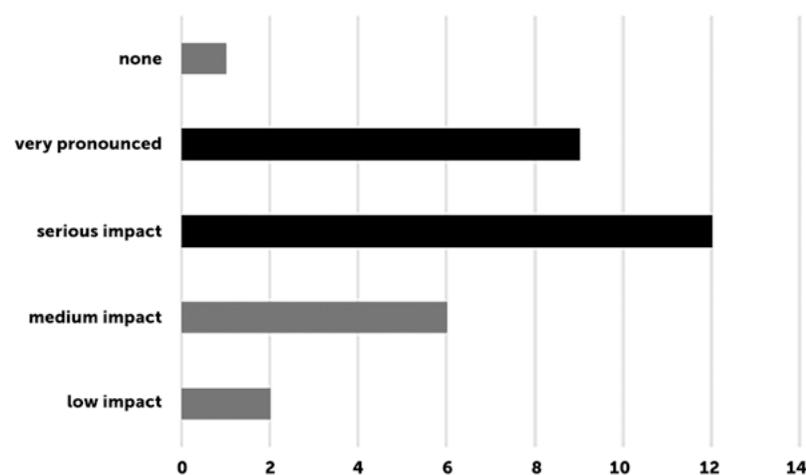
affected them vary depending on the main aim and purpose of the organization. The most affected were those that operated directly with clients or with individuals from society. The majority of CSOs declared that

COVID had a serious or very pronounced impact on their performance, whereas only one third of them declared low or even no impact on their activities and performance.

CSOs were also asked about challenges that their organization face throughout several months of lockdown and other restrictions related to the COVID-19 pandemic. More than a majority of respondents are insecure about the future of their organization because of very chaotic and unpredictable moves of state authorities and the virus in general. This reflects the global trend observed by various other initiatives and scholars that government responses are disrupting civil society and CSOs globally.

In general, all interviewed CSO representatives stated that they have been required to put planned activities on hold or shift the majority of their activities into the online environment. However, these shifts only resulted in new challenges and obstacles for them. Suddenly, they faced a new type

Figure 1: How did COVID-19 affect the management and operation of 30 CSOs in Slovakia?



Source: own elaboration

Figure 2: What are the main challenges of CSOs in Slovakia during the COVID-19 pandemic?



Source: own elaboration

of management, communication and coordination of work with their partners, members, and project/ volunteering activities.

The main challenges that were observed during the COVID-19 pandemic and lockdown in Slovakia [See: Figure 2] mirror the global trends in the civic society sector⁶. Nevertheless, some specifics should be deeply analyzed for the purpose of this article. Few of the interviewed CSO representatives declared that they feel “bad”, and lost their integral appetite in their work

and working habits. This should be seen not only as a common phenomenon, but also as a very natural reaction of all human beings to social distancing measures, working remotely, and long-term restriction being in place through unstable time like this⁷.

For decades, the CSO sector in Slovakia stood under attacks from various political forces because of their values, attitudes,

⁶ Youngs, R. (2020) *Global Civil Society in the Shadow of Coronavirus*, Washington: Carnegie Endowment for International Peace, p. 1.

⁷ Panchal, N., R. Kamal, C. Cox Follow, and R. Garfield (2021) *The Implications of COVID-19 for Mental Health and Substance Use*, KFF analysis. Available [online]: <https://www.kff.org/coronavirus-covid-19/issue-brief/the-implications-of-covid-19-for-mental-health-and-substance-use/view/footnotes/>



CIVIC SOCIETY ORGANIZATIONS IN SLOVAKIA, AS WELL AS IN OTHER COUNTRIES, PLAYED A CRITICAL ROLE SUPPORTING THE MOST VULNERABLE COMMUNITIES THAT SUFFERED DURING THE RESTRICTIONS UNDER THE COVID-19 PANDEMIC

and fights for an open society⁸. This notion is helping us to create a general framework for the better understanding of the Central European region and its stances towards the CSOs. The COVID-19 pandemic found these civic actors unprepared, exhausted, and without willpower to strike back. Based

⁸ M. Vašečka, V. Žúborová, B. Strečanský, I. Borárosová, and O. Gallo (2019) *Občianska spoločnosť 2019 očami formalizovaných a neformalizovaných skupín* [in] *Analýza socioekonomického prínosu neziskového sektora a stavu a trendov rozvoja občianskej spoločnosti*, Bratislava: Úrad splnomocnenca vlády SR pre rozvoj občianskej spoločnosti, pp. 171–216.

on “common knowledge”⁹, one may say that not only globally, but also regionally, civic society and CSOs are in the most vulnerable period after 1989.

WORKING TO FILL IN THE GAPS: “BUSINESS AS USUAL”

Civic society organizations in Slovakia, as well as in other countries, played a critical role supporting the most vulnerable communities that suffered during the restrictions under the COVID-19 pandemic. For instance, a Slovak CSO *permanent ability of CSOs to adapt*, which provides shelters and other services for homeless people, has been actively trying to protect this community during these difficult times. However, in terms of the monitoring and advocacy activities they left their watchdog position far behind the expectations of their own. During the interviews, they were asked if they were able to proceed with their monitor and advocacy activities and all of the CSO representatives agreed that it was a serious obstacle, which they could not overcome. Some of the CSO representatives also noticed a negative trend and critique from their own “sector” in a sense that various organizations are not doing their work properly, even when the law is bounding.

“We do not record extraordinary activities of civil society organizations in monitoring of state and government activities, or other representatives of the state administration or self-government. On the contrary, many organizations, despite obvious violations of the law, bending the law or emergency abuse does not call for action or react or create pressure” – stated a CSO representative working in social services.

⁹ Úrad splnomocnenca vlády SR pre rozvoj občianskej spoločnosti (2019) *Analýza socioekonomického prínosu neziskového sektora a stavu a trendov rozvoja občianskej spoločnosti*, Bratislava.

On the other hand, their current position – to fill the gaps left by government and state authorities – remain the same, just the intensity and permanent emergency to provide essential services, social care to the most vulnerable citizens in Slovakia has been greater. From their answers on the questionwe can assume, that they have found themselves to be in the fight in the first line to protect marginalized groups, or even to be combating fake news and conspiracy theories about COVID-19.

“We reacted really promptly, especially in those areas where the state was incapable. We created a financial assistance instrument for the most vulnerable citizens, and communities in Slovakia. We were also more flexible and direct in social services, field works, in so-called helplines, or fast in mobilizing volunteers in all necessary areas. And nobody was solidary to us, not even the state.”

They are also aware of the fact that they are doing their job in Slovakia, which is not being overall supportive towards CSOs the last couple of years, however the pandemic shows how badly the quick, imprecise and badly-managed decisions can influence them and their work as well. Most of them were mostly cynical about their roles within the Slovak society where they feel that they are being forced to be adaptable to work under any circumstances and under any conditions. One of the CSO representatives commented:

“Civil society actors are trained in adaptability - especially in the environment of Slovak politics and legislation.”

CSOs representatives from social services sphere (6) struggled to maintain the same level of dialogue with governments and state authorities during the COVID-19 crisis – even in times when they were in the front

line with their volunteers and social services providing assistance. One organization also pointed out that the government and state authorities saw their help as something that is taken for granted, and their professional organization has been stereotypically defined as “those volunteers”.

The CSOs also reported a positive trend towards their perception for the society. People often changed their minds and attitudes towards the civil society sector when they saw their engagement in practice, as one of the CSO representatives stated:



CSOS REPRESENTATIVES FROM SOCIAL SERVICES SPHERE STRUGGLED TO MAINTAIN THE SAME LEVEL OF DIALOGUE WITH GOVERNMENTS AND STATE AUTHORITIES DURING THE COVID-19 CRISIS

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DESPITE THE DAILY STRUGGLES THAT HAVE BEEN REPORTED AMONG CSOS AND THEIR REPRESENTATIVES, THEY HAVE BEEN ABLE TO MOVE THEIR ACTIVITIES TO THE ONLINE WORLD

“Yes, our reputation was changed in the eyes of the public because they saw us. But the perception of politicians and government remained on the same level, and even in some periods it got worst. We felt again just a declaratively support from their side, and their non-willingness to re-evaluate their cooperation towards us was breathtaking.”

FREE TIME AS ADDED VALUE

The COVID-19 pandemic has sped up many changes and trends that were expected to be put into practice in a distant future – such as new office culture, remote work, new sharing practices of their offices, new ways of communication, and coordination of activities [See: Figure 3]. Everyone with a flexible way of working was able to shift into the new era of business and public relations. Based on the data gathered during the interviews, one can say that CSOs were

one of those actors that were able to do it – of course, with some loss towards their earnings, inability to postpone some regular activities, or even to proceed with the project coordination.

Despite the daily struggles that have been reported among CSOs and their representatives, they have been able to move their activities to the online world. Some of them even widened their scope, which emerged during the lockdowns and restriction related to the COVID-19 pandemic. Accord-

ing to the answers by CSOs, their (organizational) activities may be divided into two main categories:

1. the improvement of CSOs own organization and doing the work that was left behind in “normal times” before the pandemic, improvement of performance in the online environment and activities, which were shifted into the online sphere.

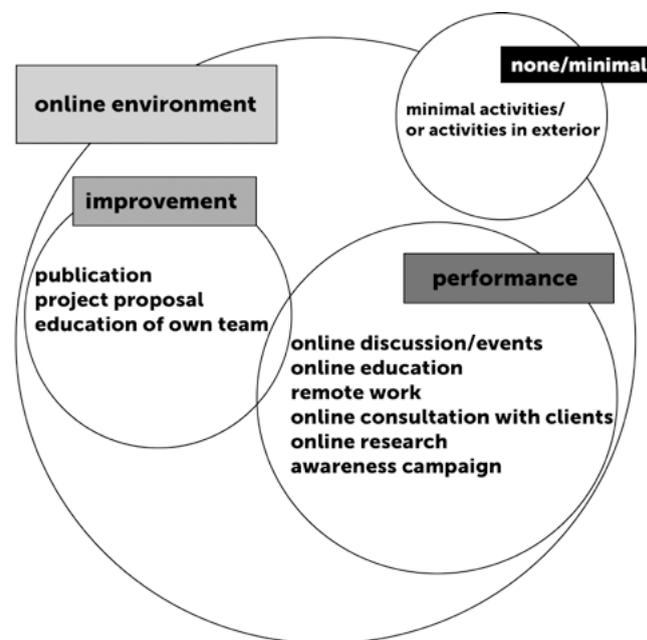
CSOs were aware of all limitations and barriers that have been present ever since the beginning of the pandemic crisis. Nevertheless, they were mostly able to adjust their activities to the options available within the online space [See: Figure 3]. Some of them even discovered new ways of promoting themselves and designing new awareness campaigns that educate on the protection against COVID-19, new health habits, or devoted to combating misinformation and fake news. But what they all have in common is the willingness to be more flexible than ever and stay in touch with real life and are up-to-date with the ongoing changes to the rules and restriction, which were put in place to minimize the spread of the coronavirus. As one of the CSO representatives stated,

“Many activities went to the online environment, there were also some new ones, but in our case, there was no activity that would be without restriction. Since we work with volunteers everything was a challenge for us. We had to constantly monitor and change accordingly to the latest news from the political authorities and their new recommendations.”

What was really interesting, and maybe even obvious, was the fact that these organizations – despite their limitations in carrying out their activities – found time for their improvement. Overall, few of the

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CSO'S PERCEPTION TOWARDS THE ONLINE ENVIRONMENT IS THAT THE COVID-19 PANDEMIC HAS NOT TRANSFORMED THEIR WORK AUTOMATICALLY AND FULLY, WHILE IT HAS OPENED THEM UP TO ANOTHER WORLD THAT WAS COMING ANYWAY

Figure 3: Performance of CSOs during the restriction and lockdowns



CSOs reported that they started to educate their own members through various webinars and online educational events. These representatives were predominantly from the human rights or advocacy sphere. As indicated by one of the CSO representatives:

"We were able to take part in a larger number of trainings and educational events that would otherwise have taken place in the capital city, far from us. We could also attend more festivals in comparison to previous years because they were held online, without limited participation and without financial expenses."

One CSO even had time to go through their old files and reorganize them. Three of them, reported that their work on publication doubled in comparison to the pre-COVID-19 period.

THE ONLINE WORLD: A NEW LOVE-AND-HATE STORY OF REMOTE WORK

It was impossible to realize the majority of activities due to the restrictions and lockdowns at the beginning of the COVID-19 crisis, as was already mentioned above, CSOs found their place in the online world. The main change that was visible and needed to be adopted very quickly was the communication and coordination activities of their members and volunteers. In some cases, the CSOs shifted activities to the online world, but some events were not possible to be held online and, therefore, have had to be either rescheduled or even canceled.

There were cases where this shift was very natural. One part of CSOs even spent less money on organizing educational projects and consultations. The other part of CSOs, whose majority of work lies on their ability to meet in person, the pandemic was more than a struggle. They needed to be creative

and come up with new channels – or even new activities – to survive, – as exemplified by sport associations. The same situation was observed in the social service sector, where all planned activities in person had to be canceled and one representative of CSO confirmed that their organization hibernated for more than ¾ year.

The majority of the interviewed CSOs reported that they were able to shift to the online world, only a few of them have had a crucial problem to continue with their activities. Moreover, they managed to find a way to challenge the new culture of remote work until the moment when some of

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them (twelve participants) started noticing coordination and management issues on a regular basis. They envision being able to meet regularly and have "ordinary executive and project meetings", not just online discussions. CSO's perception towards the online environment is that the COVID-19 pandemic has not transformed their work automatically and fully, while it has opened them up to another world that was coming anyway.

FINANCIAL SUSTAINABILITY IN THE CRISIS?

Many CSOs in Slovakia are dependent on various types of financial support of fundraising networks, and foundations¹⁰. Their fundraising activities are also related to in-person contacts. The COVID-19 crisis hit the financing sustainability from various angles, as regular donations and grants from the state were shifted away to fund activities related to the pandemic, as various donors and foundations also became influenced by the crisis and oftentimes also lacked funds to survive.

Majority of the interviewed Slovak CSOs reported concerns and fear about their financial ability to organize future activities or even to pay their members and professional staff. Financial sustainability was the most paralyzing question during the interviews that was raised towards CSOs, because they also saw the latest data about future potential income from the taxes, which is a crucial channel of their incomes. The decline of GDP in Slovakia for more than 10% in 2020 indicates a negative impact on sources of funding for civil society organization (whether 2% tax or donations).

¹⁰ Brozmanová Gregorová, A. and M. Murray Svidroňová (2020) "Analýza socio-ekonomického prínosu neziskového sektora pre spoločnosť" [in]: *Analýza socio-ekonomického prínosu neziskového sektora a stavu a trendov rozvoja občianskej spoločnosti*, Bratislava: Úrad splnomocnenca vlády SR pre rozvoj občianskej spoločnosti.

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Nevertheless, on a more positive note, it is worth mentioning that 4 of interviewed CSOs from the human rights and advocacy sphere were able to save some earnings and project-related funds, because they were able to shift the majority of their activities as well as launch new ones into the online environment. The advantage of such a solution is that they do not need to pay rent, catering, and even transportation for speakers and trainers.

WHAT IS NEXT?

The COVID-19 pandemic crisis affected various areas of human life in all sectors – and civil society organizations are no

exception. We still do not know how extensive the damage is (nor will be). Researchers lack data and on going monitoring to follow actual trends and challenges of CSOs in Slovakia. Still, what has already been discovered from the conducted interviews may help us recognize and understand the context in which civil society organizations are addressing the challenges brought by the COVID-19 crisis.

What the interviews revealed is the *permanent ability of CSOs to adapt* to any circumstances, externalities, potential restrictions, and limitations. From their own perception, the representatives state that Slovak CSOs are extremely flexible, even in the current crisis-driven conditions. According to the latest surveys¹¹ and focus group¹² conducted among approximately 340 members of CSOs, cynicism was visible even before the COVID-19 pandemic, and has almost doubled in the time of crisis, because CSOs are being left on their own. However, they fight against it so it does not influence them in their work. On the contrary, CSOs are pre-prepared for any scenario – but this preparedness will not last forever as the funds and perseverance may eventually run out, should the situation persist.

Insecurity was the most quoted term in all interviews. Four of the interviewed CSOs reported, that the insecurity feeds their mental well being, like loss of enthusiasm to work. Despite the barriers such as lack of financial support, travel or other official restrictions, and various personal challenges, CSOs created new tools that help them in

¹¹ Ibid.

¹² Vašečka, M., V. Žúborová, B. Strečanský, I. Borárosová, and O. Gallo (2019) "Občianska spoločnosť 2019 očami formalizovaných a neformalizovaných skupín" [in]: *Analýza socioekonomického prínosu neziskového sektora a stavu a trendov rozvoja občianskej spoločnosti, Bratislava: Úrad splnomocnenca vlády SR pre rozvoj občianskej spoločnosti*, pp. 171–216.



THE DECLINE OF GDP IN SLOVAKIA FOR MORE THAN 10% IN 2020 INDICATES A NEGATIVE IMPACT ON SOURCES OF FUNDING FOR CIVIL SOCIETY ORGANIZATION (WHETHER 2% TAX OR DONATIONS)

their daily activities. This especially holds for CSOs that perform essential services and offer psychological support to the general population and minority communities all around Slovakia.

Furthermore, CSOs in Slovakia also reported that they were unable to help in those areas where in-person contact was absent. As is the case of violence towards women and children, but they tried it with online consultations and helplines, even when they were skeptical.

Even in times of crisis when the level of *solidarity* is not only declarative, but also real, the relation between CSOs and the Slovak government did not change. On the

contrary, CSOs in Slovakia are even more critical towards the chaotic leadership and ever-changing rules. They do not see the government as a partner relevant for cooperation. When they do, they mean local leaders and communities rather than the government representatives on the national level. This trend of regionalization was even reported by scholars and analysts in other European countries, because of their direct support and a greater potential to target the risk immediately and provide security¹³.

"Civil society organizations have responded much more flexibly than public administrations to the change's conditions. They were more prepared to work in an online environment and they also learned very quickly to work with modern technologies and tools in this environment. A large number of NGOs, including ours, have actively responded to the pandemic with their own instruments (we in particular, developed a crisis grant scheme aimed at financing primary education for children from the most vulnerable region in Slovakia, namely from Roma communities and children without internet connection)."

Moreover, CSOs are not an exception to experiencing distress in these uncertain times. However, they have found potential resources and new alternatives of their functioning. For some of them, this will mean to start again and change their attitudes and expectations towards a new normal. Some of them might not survive if they are unable to adapt.

¹³ CIVICUS (2021) *Solidarity in the Time of COVID-19. Civil Society Responses to the Pandemic*. Available [online]: https://reliefweb.int/sites/reliefweb.int/files/resources/solidarity-in-the-time-of-covid-19_en.pdf; Greer, S., S. Rozenblum, M. Wismar, and H. Jarman (2020) *What Is the Value of Civil Society in the COVID-19 Crisis?*. Available [online]: <https://analysis.covid-19healthsystem.org/index.php/2020/06/05/what-is-the-value-of-civil-society-in-the-covid-19-crisis/>

Some of them even revealed the dark side of CSOs. Not all CSOs are positive. Those that are not became stronger during the COVID-19 pandemic by working on the spread of conspiracy theories, fake news and misinformation.

FINAL REMARKS

CSOs in Slovakia suffered during the COVID-19 crisis greatly, as in other countries around the world and in times of crisis – as many other private and public sectors within the state. The pandemic hit the activities of the CSOs immensely. Not all of them were able to shift to the online world, especially those that are so-called "first-liners" in the fight against coronavirus. Those CSOs organized volunteers, supported lonely souls in their apartments or social houses. They also provided psychological support for doctors and nurses, and they even took care of children that have not had the chance to stay in touch with their classmates and teachers via online platforms because of poor Internet connection.



THE COVID-19 PANDEMIC CRISIS AFFECTED VARIOUS AREAS OF HUMAN LIFE IN ALL SECTORS – AND CIVIL SOCIETY ORGANIZATIONS ARE NO EXCEPTION



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CSOs have been crucial in the fight against the COVID-19 virus. Many took this sector for granted and saw these organizations as a group of volunteers assisting in the field. For some, they are unnecessary and redundant at the negotiating table.

The conducted interviews show that CSOs are enormously adaptable, creative, and innovative. Their flexibility helps them to survive, save finance, or even invent new ways of interaction with their members and clients.

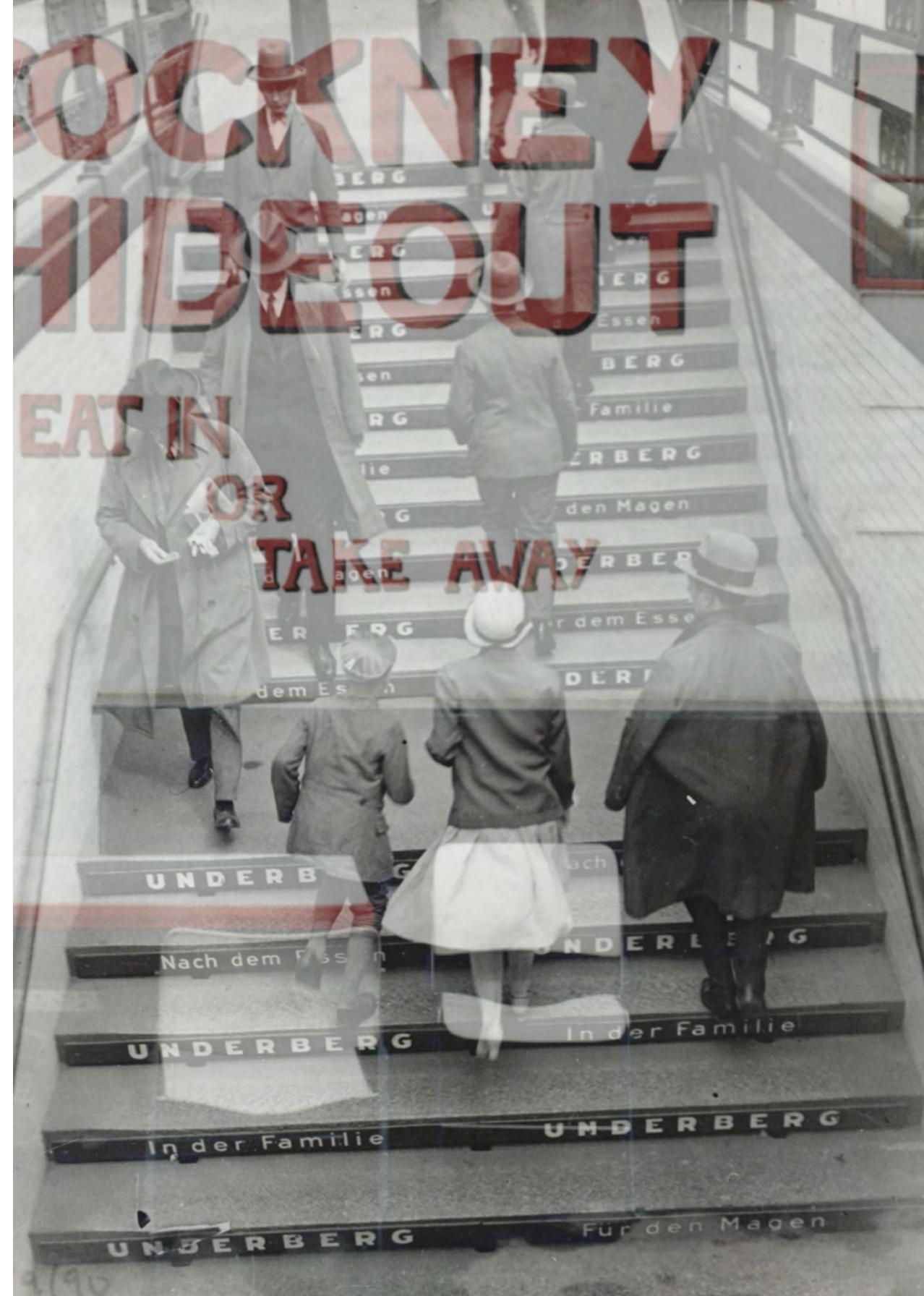
How the CSOs will look like after the COVID-19 remains unclear. Although they will undoubtedly have to face several challenges regarding the culture of new labor and remote work, these organizations will still be perceived as leaders in the field of creativity and innovation. What we may see, however, is that civil society organizations

will be the front runners in those areas where others might lack flexibility and creativity – such as in social services, supporting the most vulnerable communities and individual members of the society.



VIERA
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The Effects of COVID-19-Induced Transition to Remote Work on Gender Equality



*
MARIA
SŁOMIŃSKA-FABIŚ

The COVID-19 pandemic triggered a boom in the use of digital solutions like Zoom or Microsoft Teams, enabling employees across the world to continue working at home, away from their now empty offices. Some companies have struggled to adapt, clinging to the hope of a speedy return to the *old normal*. Others, like Google, Microsoft, and Spotify, have been more open to change, announcing that their employees will be able to continue working remotely, indefinitely. Remote work might well be on course to becoming the *new normal* of the 21st century. Historically, the locality of work, be it the home, the factory or the office, had an impact on women's representation in the labor market and gender relations, both positively and negatively. What will be the long-term impacts of COVID-19-induced remote work on gender equality?

WOMEN'S REMOTE WORK THROUGHOUT HISTORY

It is not the first time in history for workers to make their income from their kitchen tables. The emergence of capitalism in Europe between the 17th and 19th century took place not in the factories but, for the most part, at home. Workers produced consumer goods on large kitchen tables or small workshop spaces attached to family houses. This work was mostly carried out by women and children who were unlikely to write biographies, leaving behind little historical trace. Through limited existing records, depictions in literature, and even architectural clues, historians paint a faint picture of home-working women. These women operated on highly varied time schedules, juggling diverse sets of tasks, while also – compared to that of a factory worker – enjoying greater individual autonomy to decide their workloads and weekly outputs. The emergence of the at-home industrial workforce was fueled by the expansion of

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THROUGH LIMITED EXISTING RECORDS, DEPICTIONS IN LITERATURE, AND EVEN ARCHITECTURAL CLUES, HISTORIANS PAINT A FAINT PICTURE OF HOME-WORKING WOMEN

global trade from the 1600s onward and raising individual incomes, thus a growing demand for manufactured goods¹. Before the invention of the spinning jenny in the 1760s, the first consequential emerging industrial technologies were relatively small-scale and fitted better into the home than the factory. Workers operated more like independent contractors than hourly salary employees, getting paid per finished product, often working longer hours than those in the factory. The economic historians Jane Humphries and Ben Schneider of Oxford University warn against glorifying the 18th century home worker². Dispersed across the country, they were vulnerable to

¹ *The Economist* (2020) *Home-Working Had Its Advantages, Even in the 18th Century*. Available [online]: <https://www.economist.com/christmas-specials/2020/12/16/home-working-had-its-advantages-even-in-the-18th-century>

² Horrell, S., and J. Humphries (1995) "Women's Labor Force Participation and the Transition to the Male-Breadwinner Family, 1790-1865", [in]: *The Economic History Review*, No. 48(1), new series, pp. 89-117.

” DRAWING ON HISTORICAL EXAMPLES, IT MAY BE TEMPTING TO FEEL OPTIMISTIC ABOUT THE RETURN OF THE HOME AS A CENTRAL LOCATION OF PRODUCTIVITY

exploitation from bosses. Unable to unionize quickly like factory workers could, they had little leverage to demand better pay.

The migration of productive labor from home and into the factory had far-reaching consequences, argue Humphries and Schneider, notably on women's presence in the labor market. Despite its shortcomings, home-based work allowed women to engage in paid labor alongside domestic responsibilities, which men seldom took part in. While by no means an easy task, women could contribute to the household income while looking after the family – a tricky balancing act, unsupported by the factory system. With industrialization, women's participation in the labor market fell, increasing their financial dependence on men³.

³ Ibid.

Fredrich Engels believed the departure of productive labor from the home had a negative effect on gender relations⁴. He argued that women's oppression originated from the specific structure of the family in a class society. In pre-class egalitarian societies, labor was divided by sex. Still, because much of productive activity happened in the sphere of the home, women's positions in society were secured by their productive power. Engels attributed the development of private property and migration of productive labor from the home into the factory as the main cause of the hierarchical relationship between the sexes, leaving women behind in the home to perform unpaid labor⁵.

Drawing on historical examples, it may be tempting to feel optimistic about the return of the home as a central location of productivity. Today, thanks to information and communication technologies (ICTs), remote workers are able to maintain networks with one another, making them considerably less vulnerable to exploitation than the 18th century home worker. We may welcome remote work as allowing women to no longer have to make the often-difficult trade-off of choosing between a professional career and motherhood. Perhaps even, drawing on Engels' arguments, we may hope that remote work will help equalize the relationship between the sexes. However, in the years prior to the outbreak of the pandemic, studies conducted on remote work and women provide less optimistic insights.

⁴ Pelz, W. A (1998) "Class and Gender: Friedrich Engels' Contribution to Revolutionary History." [in]: *Science & Society*, No. 1(62), 1998, pp. 117–126. Available [online] www.jstor.org/stable/40403691

⁵ Sandford Encyclopedia of Philosophy (2004) *Feminist Perspectives on Class and Work*. Available [online]: <https://plato.stanford.edu/entries/feminism-class/>

WOMEN AND FLEXIBLE WORK IN THE 21ST CENTURY

The COVID-19 pandemic is likely to exacerbate previously noted gendered trends, such as those identified by Zoe Young. In her 2018 book, *Women's Work: How Mothers Manage Flexible Working in Careers and Family Life*, the gender and family researcher extensively studies the experiences of thirty women in balancing motherhood with professional careers. The author offers a critical lens on the work-life balance of working women and argues that while flexible working could potentially improve equality in the workplace, in practice, organizational implementations end up constraining women's careers.

She points to the 'inherent incompatibility' of the societal expectations directed at modern women to engage in 'intensive mothering' and at the same time pursue professional employment. The women interviewed in Young's study had mixed feelings about the effects of technology on their work, finding it at once enabling and constraining⁶. These contradictions help to illustrate how the complexities of identities and the overlapping of different spheres of life are enabled by technology.

A 2010 study conducted by Bain & Company found that the lack of access to flexible work models that are responsive to women's specific needs was causing significant divergence in job satisfaction between men and women in the mid-40s age group, just as both genders would expect to take on leadership roles. In this age group, women are more likely to opt out of a promotion or the job entirely, as they are first to lose eagerness for long hours and extended travel expectations. The study suggests

⁶ Young, Z. (2018) *Women's Work: How Mothers Manage Flexible Working in Careers and Family Life*, Bristol University Press.

” THE COVID-19 PANDEMIC HAS FORCED COMPANIES AND COUPLES TO ADOPT MORE FLEXIBLE WORK SCHEDULES, CONSIDERED BY SOME AS AN OPPORTUNITY TO EQUALIZE BOTH PARTNERS WORK-LIFE BALANCE

that through offering flexible work models, companies can increase their female retention rates in executive and leadership roles by as much as 40 %⁷.

According to the gender role theory, societies tend to define the home and family life as central to women's, and not men's, social

⁷ Coffman, J. and R. Hogey (2010) *Flexible Work Models: How to Bring Sustainability to a 24/7 World*. Available [online]: https://www.asx.com.au/documents/about/flexible_work_models_bain_and_company_2010.pdf

identity⁸. While such gendered perceptions of identity continue to shape social relations, companies risk, consciously or otherwise, systematically reproducing gendered attitudes prevalent in society, for instance by overlooking fathers' work-life balance needs and expecting work devotion⁹. The COVID-19 pandemic has forced companies and couples to adopt more flexible work schedules, considered by some as an opportunity to equalize both partners work-life balance. While a promising idea in theory, critics warn that women who bear a greater proportion of unpaid labor at home are at a greater risk of burnout and compromised work performance¹⁰, as they disproportionately face having to juggle the responsibilities of homeschooling, childcare and paid employment¹¹.

Further study is necessary to better understand the long-term consequences of working from home on gender equality, however initial signals the pandemic's impacts on gender equality do not bode well. Research of Australian academic workers during the pandemic suggests that women are submitting fewer papers to peer-reviewed journals, while men's submission

⁸ Feng, Z. and K. Savani (2020) "COVID-19 Created a Gender Gap in Perceived Work Productivity and Job Satisfaction: Implications for Dual-Career Parents Working from Home", [in]: *Gender in Management: An International Journal*, No. 7/8(35), pp. 719-736.

⁹ Blair-Loy, M. (2003) *Competing Devotions: Career and Family Among Women Executives*, Cambridge, MA: Harvard University Press.

¹⁰ Cannito, M. and A. Scavarda, (2020) "Childcare and Remote Work During the COVID-19 Pandemic. Ideal Worker Model, Parenthood and Gender Inequalities in Italy", [in]: *Italian Sociological Review*, No. 10(35), pp. 801-820. Available [online]: <http://dx.doi.org/10.13136/isr.v10i3s.399>

¹¹ Wenham, C. (2020) *The Gendered Impact of the COVID-19 Crisis and Post-Crisis Period, Report commissioned by the European Parliament*, Available [online]: [https://www.europarl.europa.eu/thinktank/en/document.html?reference=IPOL_STU\(2020\)658227](https://www.europarl.europa.eu/thinktank/en/document.html?reference=IPOL_STU(2020)658227)



WOMEN OVERALL TEND TO BE OVERREPRESENTED IN SERVICE AND CLIENT-FACING ROLES, SUCH AS HOSPITALITY, TOURISM, ACCOMMODATION, RETAIL, FOOD, OR ENTERTAINMENT, ALL OF WHICH HAVE BEEN SEVERELY IMPACTED BY SOCIAL DISTANCING MEASURES

rates have risen¹². As families negotiate how to manage childcare, women end up bearing a greater proportion of the burden¹³.

¹² Bem, S.L. (1993) *The Lenses of Gender*, Yale University Press, New Haven, CT.

¹³ Office of National Statistics (2020) *Parenting in Lockdown: Coronavirus and the Effects on Work-Life Balance*. Available [online]: <https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/articles/parentinginlockdowncoronavirusandtheeffectsonworklifebalance/2020-07-22>



RESEARCH HAS CONSISTENTLY INDICATED THAT WOMEN ENTREPRENEURS FACE NUMEROUS DISADVANTAGES, MAGNIFIED BY THE COVID-19 PANDEMIC

Worryingly, a recent EU annual report on gender equality found that "*the pandemic has exacerbated existing inequalities between women and men in almost all areas of life*."¹⁴

To ensure against deepening structural gender inequality and reproduction of traditional gender roles, companies' flexible work models must take into account the unique needs of women and can do so most effectively by ensuring adequate representation of women in the decision-making process. A recent study comparing the experiences of remote work for female and male software engineers in Brazil, found that various incentives adopted by companies to facilitate remote work, were a significant predictor of men's well-being, but not women's, suggesting organizational failure

¹⁴ European Commission (2021) *Report on Gender Equality in the EU*. Available [online]: https://ec.europa.eu/info/files/2021-report-on-gender-equality-in-the-eu_en

to adequately understand unique challenges of remote work for women¹⁵. Companies exposed to the productivity cost of their female employees having to bear the bulk of household and childcare labor, have an opportunity to improve institutional practices to better account for women's needs¹⁶. The concern remains, however, whether they will take up this opportunity or end up simply penalizing women for any compromise in their productivity¹⁷. On the flip side, fathers who have had to spend more time on housework and childcare responsibilities¹⁸, may wish to continue to do so after the crisis subsides and seek to renegotiate institutional expectations of work devotion. However, early research in the UK on the sharing of household work and childcare during lockdown signalled the trend to be seemingly temporary¹⁹. In a recent video conference for International Women's Day, Angela Merkel echoed concerns highlighted in the EU's annual report on gender equality²⁰, warning that "*We have*

¹⁵ Machado, L., C. Caldeira, M. Perin, C. de Souza (2020) "Gendered experiences of software engineers during the COVID-19 crisis". *IEEE Computer Society*

¹⁶ Feng, Z. and K. Savani (2020) "COVID-19 Created a Gender Gap in Perceived Work Productivity and Job Satisfaction: Implications for Dual-Career Parents Working from Home", [in]: *Gender in Management: An International Journal*, No. 7/8(35), pp. 719-736.

¹⁷ Andrew, A., S. Cattan, M.C. Dias, C. Farquharson, L. Kraftman, S. Krutikova, and A. Phimister, and A. Sevilla, (2020), *How Are Mothers and Fathers Balancing Work and Family Under Lockdown?*, Institute for Fiscal Studies, London.

¹⁸ Lamont, T. (2021) *'I had No Idea About the Hidden Labor': Has the Pandemic Changed Fatherhood Forever?*. Available [online]: <https://www.theguardian.com/lifeandstyle/2021/feb/20/i-had-no-idea-about-the-hidden-labour-has-the-pandemic-changed-fatherhood-for-ever>

¹⁹ Tapping, A. and P. Duncan (2020) "Lockdown-Fuelled Novelty of Domestic Chores Wanes for Men" [in]: *The Guardian*. Available [online]: <https://www.theguardian.com/inequality/2020/dec/09/lockdown-fuelled-novelty-of-domestic-chores-wanes-for-men>

²⁰ *Report on Gender Equality in the EU* (2021) Available [online]: https://ec.europa.eu/info/files/2021-report-on-gender-equality-in-the-eu_en



Forest Gate
Poplar Aldgate
London Bridge

SOUND
LONDON
SIGHTSEEING
TOUR

STOP
CHILDREN

STOP
CHILDREN

55



WOMEN ARE MORE LIKELY TO WORK IN ESSENTIAL AND CARE ROLES, IN WHICH THE COVID-19 PANDEMIC HAS AMPED UP PHYSICAL AND MENTAL HEALTH RISKS FACTORS

to make sure that the pandemic does not lead us to fall back into old gender patterns we thought we had overcome.”²¹ Germany recently passed legislation that requires companies to include more women on their executive boards, but Merkel stresses that more must be done to support women, including greater access to childcare facilities, putting care labor back into public political discourse.

PANDEMIC AFFECTS WOMEN'S EMPLOYMENT STATUS

The European Union's annual report on gender equality suggests that the pandemic has caused higher unemployment of women than men. Early data indicates that

²¹ Agence France-Presse in Berlin (2021) "Covid Could Endanger Progress on Gender Equality, Says Merkel", [in]: *The Guardian*. Available [online]: <https://www.theguardian.com/world/2021/mar/06/covid-could-endanger-progress-on-gender-equality-says-merkel>

more women exited the labor market after the first wave of the pandemic than men. In the second quarter of 2020, unemployment fell equally among men and women, however, women had a harder time re-entering the job market in the summer of 2020, with women's employment rising by only 0.8% compared with 2.4% of men's²². This is likely because women overall tend to be overrepresented in service and client-facing roles, such as hospitality, tourism, accommodation, retail, food, or entertainment, all of which have been severely impacted by social distancing measures²³. The labor sectors dominated by women are less likely to allow for telecommuting, hence greater risk of experiencing unemployment as a result of the COVID-19 crisis.

On the other hand, men are more likely to hold positions that are compatible with telecommuting, and henceforth less likely to face unemployment²⁴. Therefore, before inferring the potential risks and opportunities of working remotely for women, it is important to take into consideration that women are more likely to find themselves unemployed as a result of the COVID-19 pandemic. Evidence from the UK suggests that women are seven percent more likely than men to have been furloughed or fired²⁵. Unemployment not only poses a risk to women's financial security in the short

²² *Report on Gender Equality in the EU* (2021) Available [online]: https://ec.europa.eu/info/files/2021-report-on-gender-equality-in-the-eu_en

²³ United Nations (2020) *Policy Brief: The Impact of COVID-19 on Women*, New York. Available [online]: www.un.org/sites/un2.un.org/files/policy_brief_on_covid_impact_on_women_9_april_2020.pdf

²⁴ Alon, T., M. Doepke, J. Olmstead-Rumsey, and M. Tertilt (2020) *The Impact of COVID-19 on Gender Equality*, working paper [26947], National Bureau of Economic Research, Cambridge, MA. Available [online]: www.nber.org/papers/w26947

²⁵ Sevilla, A., and S. Smith, (2020) *Baby Steps: The Gender Division of Childcare During the COVID19 Pandemic*, University of Bristol. Available [online]: www.bristol.ac.uk/news/2020/may/childcare-inlockdown.html

run, but also can have notable negative impacts on their future earnings and career progression. This is of particular concern taking into account that women on average receive less pay than men and are less likely to have assets and savings, exposing them to a greater risk of financial difficulty and poverty as a result of unemployment²⁶.

FEMALE ENTREPRENEURSHIP

Similar concerns touch female-run businesses, as here too women tend to manage client-facing ventures. There has been much institutional attention highlighting the economic opportunity of Female entrepreneurship. The UK has launched the Investing in Women Code, supported by HM Treasury and 22 participating organizations²⁷. However, structural barriers remain prevalent.

Research has consistently indicated that women entrepreneurs face numerous disadvantages, magnified by the COVID-19 pandemic.

Female-founded start-ups received negligible VC funding of just 2.3% of total global venture investments in 2020, noting a 27% decrease since 2019²⁸. Women have also been found less likely to seek growth financing or credit²⁹. Researchers have

²⁶ Carli, L. (2020) "Women, Gender Equality and COVID-19" [in]: *Gender in Management: An International Journal*. Vol. 35(7/8) pp. 647-655. Available [online]: [10.1108/GM-07-2020-0236](https://doi.org/10.1108/GM-07-2020-0236)

²⁷ Rose, A., P. Scully, and J. Glen, (2020) *The Alison Rose Review of Female Entrepreneurship – Progress Report*. Available [online]: <https://media.natwestbusinesshub.com/uspUz4YSdyBKwr7T8kew>

²⁸ Teare G. (2020) "Global VC Funding to Female Founders Dropped Dramatically This Year", [in]: *Crunchbase News*. Available [online]: <https://news.f.com/news/global-vc-funding-to-female-founders/>

²⁹ Rosa, J. and D. Sylla, (2016) *A Comparison of the Performance of Female-Owned and Male-Owned Small and Medium-Sized Enterprises*, Government of Canada. Available [online]: www.ic.gc.ca/eic/site/061.nsf/eng/h_03034.html#sect-2



MOTHERS ARE WORKING FEWER PAID HOURS AND SPENDING COMPARATIVELY MORE TIME ON HOUSEHOLD WORK DURING THE LOCKDOWN THAN FATHERS ARE

shown that women face higher interest rates and weaker term sheets, resulting in higher repayment burdens³⁰.

Reports from Statistics Canada indicate that small and medium enterprises (SMEs) have been hit the hardest by lockdown restrictions. As women are most likely to own or hold leadership roles in small and medium-sized enterprises (SMEs), they are disproportionately affected³¹. The report also finds that going digital will play a major role in business survival strategies, but that women entrepreneurs are likely to lack the required assistance and human capital needed to effectively implement digital technologies.

³⁰ Orser, B., Riding, A. and Manley, K. (2006) "Women Entrepreneurs and Financial Capital", [in]: *Entrepreneurship Theory and Practice*, No. 5(30), pp. 643-665.

³¹ Statistics Canada (2021) *Staffing Actions Taken by Businesses During the COVID-19 Pandemic, by Business Characteristics*. Available [online]: <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3310023101>

Furthermore, Canada's economic relief response is thought to overlook the gendered structures of businesses, resulting in women not qualifying for government payouts to the same extent as men. For example, one Canadian government's relief program targets SMEs with employees, while women are twice as likely as men to be self-employed and, as a result, less likely to receive it³². Women make up just 16% of SMEs with one employee, but more than 38% of self-employed Canadians. Such governmental oversight is likely to have lasting, negative consequences on female-led businesses³³.

ESSENTIAL WORKERS

Women are more likely to work in essential and care roles, in which the COVID-19 pandemic has amped up physical and mental health risks factors³⁴. Worldwide, women make up as much as 70% of the healthcare workforce, and typically serve in front-line health roles³⁵. Therefore, they are at a higher risk of exposure to infection than men³⁶, and are on the whole less likely to have the option of working remotely.

³² Statistics Canada (2019b) *Study: Self-Employed Canadians: Who and Why?*. Government of Canada. Available [online]: <https://www150.statcan.gc.ca/n1/daily-quotidien/190528/dq190528f-eng.htm>; www.ic.gc.ca/eic/site/061.nsf/eng/03086.html

³³ Grandy, G., W. Cukier, and S. Gagnon. (2020) "(In)Visibility in the Margins: COVID-19, Women Entrepreneurs and the Need for Inclusive Recovery" [in]: *Gender in Management: An International Journal*, No. 7/8(35), pp. 667-675.

³⁴ Robertson, C., and R. Gebeloff (2020) "How Millions of Women Became the Most Essential Workers in 'America'", [in]: *New York Times*. Available [online]: www.nytimes.com/2020/04/18/us/coronavirus-women-essential-workers.html?smid=nytcore-ios-share

³⁵ United Nations (2020) *Policy Brief: The Impact of COVID-19 on Women*, New York. Available [online]: www.un.org/sites/un2.un.org/files/policy_brief_on_covid_impact_on_women_9_april_2020.pdf

³⁶ ILO (2020) *ILO Monitor: COVID-19 and the World of Work, Second Edition*. Available [online]: www.ilo.org/global/topics/coronavirus/impacts-and-responses/WCMS_740877/lang-en/index.htm



THE GENDERED GAP BETWEEN WORKING PARENTS HAS INCREASED SIGNIFICANTLY SINCE BEFORE THE PANDEMIC. SIMILAR PATTERNS HAVE BEEN DOCUMENTED IN EUROPE AND ASIA, POINTING TO THE WIDENING OF THE GENDER GAP IN CHILDCARE, ELDERCARE, AND HOUSEWORK AS A RESULT OF THE PANDEMIC

Moreover, women are also more likely to have to make the tough choice between risking their health or face unemployment. One US nation-wide poll found that the majority of essential workers were worried about contracting the virus and putting their families at risk, sometimes choosing

to segregate from other members of their household, consequently reporting higher levels of stress and isolation³⁷. Hence, during the COVID-19 pandemic, women, carrying out the bulk of essential duties, have been disproportionately exposed to the risk of infection and impaired mental health.

BLURRED BOUNDARIES

There is extensive research on the subject of work-life interference experienced by women, but the bulk of it assumes work and family settings as separate, non-overlapping spheres³⁸. The COVID-19 pandemic created new sets of challenges, where people's work and family share the same physical locality, creating new challenges for working women, particularly mothers. In July 2020, Zhiyu Feng and Krishna Savani from the Renmin University of China and Nanyang Technological University in Singapore, respectively, conducted a study on work productivity and job satisfaction by gender during the pandemic. Looking specifically at heterosexual, dual-career couples, who were in full time employment before and during the pandemic, they found a statistically significant drop in work productivity and job satisfaction in women, compared to their male partners³⁹.

Additionally, the Institute for Fiscal Studies based in London found that mothers are working fewer paid hours and spending comparatively more time on household

³⁷ Glenza, J. (2020) "US Medical Workers Self-Isolate Amid Fears of Bringing Coronavirus Home", [in]: *The Guardian*. Available [online]: www.theguardian.com/world/2020/mar/19/medical-workers-self-isolate-home-fears-coronavirus

³⁸ Demerouti et al. (2007) "The Role of Personal Resources in the Job Demands-Resources Model" [in]: *International Journal of Stress Management*, Vol. 14(2), pp.121-141.

³⁹ Feng, Z., and K. Savani (2020) "COVID-19 Created a Gender Gap in Perceived Work Productivity and Job Satisfaction: Implications for Dual-Career Parents Working from Home" [in]: *Gender in Management: An International Journal*. No. 7/8(35), pp. 719-736.



THE SUDDENLY ALTERED REALITY OF WORKING FROM HOME INCREASED THE CHALLENGE FOR EMPLOYEES TO MINIMIZE WORK-LIFE INTERFERENCE, CONTRIBUTING TO INCREASED EMOTIONAL EXHAUSTION

work during the lockdown than fathers are. Mothers were also found more likely than fathers to have their paid work interrupted by household responsibilities. Mothers combine their paid work and other responsibilities (primarily childcare) 47% of their time, compared to 30% of fathers'. Compared to the 2014-2015 data, mothers and fathers used to get interrupted proportionally during paid work; now mothers report getting interrupted over 50% more often⁴⁰. The findings suggest the gendered gap

⁴⁰ Andrew, A., S. Cattan, M.C. Dias, C. Farquharson, L. Kraftman, S. Krutikova, and A. Phimister, and A. Sevilla, (2020), *How Are Mothers and Fathers Balancing Work and Family Under Lockdown?*, Institute for Fiscal Studies: London.



ADDITIONAL FACTORS SUCH AS CLASS, CULTURE, AND RELIGION WILL INEVITABLY ALSO AFFECT WOMEN'S EXPERIENCE OF REMOTE WORKING, FURTHER EXACERBATING GENDER INEQUALITIES

between working parents has increased significantly since before the pandemic. Similar patterns have been documented in Europe and Asia, pointing to the widening of the gender gap in childcare, eldercare, and housework as a result of the pandemic⁴¹.

Another study conducted by the Indian Institute of Management, Lucknow found that the relationship between personal life interference with work and emotional exhaustion was moderated by gender, such that

⁴¹ UN Women (2020) *The Impact of COVID-19 on Women's and Men's Lives and Livelihoods in Europe and Central Asia: Preliminary Results from a Rapid Gender Assessment*, Istanbul. Available [online]: <https://data.unwomen.org/publications/impact-covid-19-womens-and-mens-lives-and-livelihoodseurope-and-central-asia>.

women experienced it more than men⁴². The findings are consistent with previous research on the work-family conflict as a contributor to women's emotional exhaustion⁴³. Boundary theory is often used in analysis to facilitate better understanding of how individuals manage their time and energy between multiple life domains, such as those of work and family. A person in everyday life will cross various boundaries when crossing from one domain to another. These may be physical (like the home or the office), but are also temporal and psychological. They help the individual mediate interference between the multiple domains of their life.

Boundary theory suggests there is a psychological demand associated with transition between domains that require different sets of psychological and cognitive efforts, and frequent transitions can leave a person feeling emotionally exhausted⁴⁴. The suddenly altered reality of working from home increased the challenge for employees to minimize work-life interference, contributing to increased emotional exhaustion.

The differences in experience of work-life interference across gender lines reflect the continued grip of gender role expectations in societies around the world. To varying degrees, the home continues to be viewed as the primary domain for women. It is important to note that additional factors such

⁴² Bhumika (2020) "Challenges for Work-Life Balance During COVID-19 Induced Nationwide Lockdown: Exploring Gender Difference in Emotional Exhaustion in the Indian Setting" [in]: *Gender in Management: An International Journal*, No. 7/8 (35), pp. 705-718.

⁴³ Posig, M. and J. Kickul (2004) "Work-Role Expectations and Work Family Conflict: Gender Differences in Emotional Exhaustion" [in]: *Women in Management Review*, No. 7(9), pp. 373-386.

⁴⁴ Bhumika (2020) "Challenges for Work-Life Balance During COVID-19 Induced Nationwide Lockdown: Exploring Gender Difference in Emotional Exhaustion in the Indian Setting" [in]: *Gender in Management: An International Journal*, No. 7/8 (35), pp. 705-718.



UNLIKE A MAN, A WOMAN WITH A JOB STILL FACES EXPECTATIONS TO FULLY PARTICIPATE IN HOUSE CHORES

as class, culture, and religion will inevitably also affect women's experience of remote working, further exacerbating gender inequalities.

PRACHI: REMOTE WORK AND WOMEN IN INDIA

Asiya Islam at the University of Cambridge focuses her research on the lives of lower-middle-class women in the context of socio-economic change in urban India. Her most recent case study documented the immediate experience, and potential long-term consequences of remote working during the COVID-19-induced lockdown for Prachi, a young woman working in an e-commerce company in Delhi. Prachi's account of suddenly working from home is one of deterioration of her physical and mental health caused by "limited access to infrastructure, increased workload, hyper-surveillance from her employers, and restricted access to space and time for herself."⁴⁵

⁴⁵ Islam, A. (2020) "Two Hours Extra for Working from Home": Reporting on Gender, Place, and Time from the COVID-field of Delhi, India" Newnham College, University of Cambridge. Unpublished manuscript. Available [online] [doi: 10.1111/gwao.12617](https://doi.org/10.1111/gwao.12617)

In India, the practice of women working from home is common, as women regularly participate in the large informal economy by predominantly producing material goods such as textiles or mechanical parts. However, this type of home working tends to be undertaken as a subsidiary means of income and differs significantly from the 'modern' practices of remote working that are understood as full-time and the sole source of workers income. In Dr. Islam's case study, Prachi describes the limitations of her home environment: no access to a computer, no air-conditioning, no private space to work without distraction from other family members, and unreliable internet. While Prachi's employer equipped her with a laptop, they could not account for the patchy Internet connection, which meant Prachi had to work longer hours, sometimes stretching into the night, before she was allowed to log-off for the day.

Additionally, her employer's heightened surveillance made Prachi feel distrusted and devalued, as if they lacked appreciation that she and her colleagues are trying their best to adapt to home working and the additional pressures associated with it. Islam's previous research suggests that lower-middle-class income women in India value employment not only for the income, but also for the resources they can access in their offices (computers, air-conditioning, among others) and for the chance to routinely leave the home, associated with numerous domestic responsibilities⁴⁶.

Despite being the household's main income provider, Prachi's family saw her devotion to work as an excuse not to participate in house chores, accusing her of 'being a queen'. Unlike a man, a woman

⁴⁶ Islam, A. (2020a) "It Gets Really Boring if You Stay at Home": Women, Work and Temporalities in Urban India", [in]: *Sociology*, No. 54(5), pp. 867-882. Available [online]: <https://doi.org/10.1177/0038038520934995>

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WORKING
FROM HOME
DURING
THE COVID-19
PANDEMIC,
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AL PRODUCTIVITY
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RESPONSIBILITIES,
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OF THEIR MENTAL
WELL-BEING

with a job still faces expectations to fully participate in house chores. Prachi depicts the disparity in treatment by her family between herself and her brother, whose income is lower than hers. Her family would make sure not to disturb her brother and tend to his needs around the clock,

“because he is working.”⁴⁷ Prachi raised her frustrations that despite her salary providing for the whole family, she gets no say in how it is spent. Additionally, she notes her male colleagues receive higher salaries because her bosses expect them to be their families’ main breadwinners. However, contrary to this assumption, Prachi believes that many women like her are the main income providers.

Prachi’s account offers a glimpse into the challenges of working remotely in developing countries. For women like Prachi, the value of employment is closely linked with access to office infrastructure and the opportunity to escape the domestic labor expectations at home. Working remotely during government-imposed COVID-19 lockdown deteriorated Prachi’s mental and physical health. Understanding the different ways the COVID-19 pandemic will impact women’s access to the labor market across the world will determine the success of EU funded programmes implemented in partnership with the ILO and UN Women, such as the WEEMPOWER/Asia initiative⁴⁸.

CONCLUSIONS

With only recent and limited data available, how COVID-19 will impact women’s employment in the long-run remains to be seen. Pre-pandemic literature on remote and flexible work notes that while allowing mothers to better balance paid work and childcare, it can compromise women’s career progression. Societal expectations of being a *good mother* alongside a professional career, can lead to more

⁴⁷ Islam, A. (2020) *Two Hours Extra for Working from Home: Reporting on Gender, Place, and Time from the COVID-field of Delhi, India*, Newnham College, University of Cambridge. Unpublished manuscript. Available [online] [doi: 10.1111/gwao.12617](https://doi.org/10.1111/gwao.12617)

⁴⁸ European Commission (2021) *Report on Gender Equality in the EU*. Available [online]: https://ec.europa.eu/info/files/2021-report-on-gender-equality-in-the-eu_en

mothers opting for flexible work solutions, while fathers return to full-time in-person work, risking exclusion from often dynamic, decision-making discussions in the office.

Working from home during the COVID-19 pandemic, many women reported to have been sacrificing their professional productivity for childcare and home responsibilities, often at the cost of their mental well-being. Although both mothers and fathers have spent more time on childcare during the lockdown, mothers continue to bear the bulk of the responsibility, and have become the ‘go-to parent’ in the majority of households⁴⁹. Women across all sectors have reported significant work-life interference as a result of working from home. Employers choosing to continue to offer remote work options must take the gendered disparity into account if they are to ensure adequate support for their female staff. Perhaps more pressingly, it is crucial that governments’ COVID-19 recovery strategies reflect how occupational sex-segregation resulted in women being disproportionately hard-hit by unemployment as they make up the majority of employees in service and client-facing jobs. Without targeted and sustained effort to boost post-pandemic female employment, the crisis will worsen economic gender inequality for years to come, as unemployment can have negative effects on women’s career progression and future earnings. It is vital that decisions shaping post-COVID-19 economic recovery are not just taken with women in mind, but by women represented in elected political institutions and corporate executive boards.

⁴⁹ Andrew, A., S. Cattan, M.C. Dias, C. Farquharson, L. Kraftman, S. Krutikova, A. Phimister, and A. Sevilla, (2020) *How Are Mothers and Fathers Balancing Work and Family under Lockdown?*, Institute for Fiscal Studies: London.

Additionally, women continue to account for only a negligible percentage of fund-receiving entrepreneurs and face disadvantages in accessing investment and credit. Studies have shown governments failing

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to adequately target economic relief for women-led businesses. Such governmental oversight is likely to have lasting, negative consequences on female-led businesses.

Furthermore, any analysis of the effects of remote work on gender equality must also take into account the economic, cultural, and religious dimensions of women's lives across the world, in order to ensure international response is adequate. As the case of Prachi demonstrates, women working

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remotely in India face discrimination from their employers as well as their own families, who do not perceive women breadwinners as entitled to the same treatment and privileges as their male counterparts. In fast-developing urban settings like Delhi, office jobs have value for women beyond income. They allow for access to attractive material infrastructure, like desktop computers, printers, and air conditioning. They also provide women with an escape from the overbearing pressures at home to conform to traditional gender role responsibilities, which young women increasingly view as unfair.

LOOKING FORWARD

There are, however, opportunities for improvements in gender equality in the aftermath of the COVID-19 pandemic. Notably, remote-working parents have been additionally impacted by school closures, which are likely to be temporary. Nevertheless, the gendered experiences of remote work have helped to shed some light on the prevalence of women bearing the burden of unpaid care labor.

Fathers have had to spend more time on housework and childcare responsibilities⁵⁰, creating the opportunity that they may continue to do so after the crisis subsides, renegotiating to challenge institutional expectations of work devotion. Companies have been exposed to the productivity cost of their female employees having to bear the bulk of household and childcare labor, creating an opportunity to improve institutional practices to better account for women's needs.

⁵⁰ Lamont, T. (2021) *'I had No Idea About the Hidden Labor': Has the Pandemic Changed Fatherhood Forever?*. Available [online]: <https://www.theguardian.com/lifeandstyle/2021/feb/20/i-had-no-idea-about-the-hidden-labour-has-the-pandemic-changed-fatherhood-forever>

Feminists have long sought to politicize the private sphere by rejecting the public-private divide, which kept women's issues outside of political discourse. The COVID-19 pandemic has arguably helped to do that, by forcing government-leaders, company-bosses and women's local communities to take a moment to consider the pressures of unequal distribution of unpaid care labor women face across all studied societies.



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NEW JAMAICA

THANK
BEFORE
YOU
STEP OUT

POLICE POLICE

POLICE

WINDMILL

Working Remotely Is Here to Stay



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TANJA
PORČNIK

The COVID-19 pandemic has not only reshaped the world around us, but also our lives. Even after the pandemic is gone, many of these changes are expected to stay with us to some extent. Among them is our more vigorous embrace of remote work.

The **employees** who in the last year switched from office work to remote work, mostly from home, have undergone profound changes in not only how and where they do their job, but also how they balance work with private life. Many of them report being happier now with their new work-life balance. They claim to be more productive at their work and more satisfied with the relationship they have with the employer. Also, they report having more time with their spouse and children.

On the other hand, employees reminisce about the daily commute to work, when they had time to reflect on their lives, read a newspaper, or grab a latte from a coffee shop. They also hanker for day-to-day social interactions, like stepping out for lunch with co-workers or clients. Some still miss daily dress-ups and makeup application. For others, the current situation is saving time and resources. Still, one must not forget the benefits of human interaction and being physically active – aspects that are lost during the pandemic.

At the end of the day, most office employees want to keep working remotely, at least one day a week, even if this means a challenging blurred line between work and social life at home. However, striking a balance between office and remote work seems to be the most optimal path for many employees. Such an attitude is a signal to employers and policymakers. Some are ahead of the others in addressing this new expectation from the employees.

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The **employers** are aware that the work environment is much more than a computer and a desk. Hence, many of them provide office equipment to their employees working remotely and proactively address technical, security, and privacy challenges of creating the work environment, interactions, and archives that would be as digital as possible.

With the application of remote work, the employer's duty of care – in relation to providing a safe place of work that extends to an employee's home if that is her place of work – does not extinguish. At the same time, employers are challenged with identifying practical and pragmatic solutions for not only managing employees' critical

“GOVERNMENTS ARE PLAYING CATCH-UP, AS THEY DRAFT AND DEBATE BILLS ON REMOTE WORK AND FLEXIBLE WORKING HOURS

skills, resources, and their contacts with colleagues, customers, and other partners, but also for oversight over employees who work remotely. For many employers, this moment is an opportunity to, on the one hand, improve the employee experience, and, on the other hand, to increase flexibility and agility of the organization or the business. Consequently, many employers have started to revise their internal policies on communication, interaction, and workflow while emphasizing building a culture of trust within the organization.

Finally, to address this new perspective on a balanced office-remote work, the **policy-makers and legislators** are called upon to make changes to the nation's legal frameworks. Not every country is like Finland, which already has a remote work law. Other governments are playing catch-up, as they draft and debate bills on remote work and flexible working hours. The provisions in those bills are not only about how many days in a week an employee works remotely, but also what equipment the employer is legally bound to provide, what expense

claims the employee is entitled to, and how to address the health and safety considerations of an employee. However, it can take years for such bills to become law. For this reason, employers are advised to take their own steps in setting up company policies and guidelines on remote work.

Working remotely is here to stay. It is on us to find the best path forward to build a better environment for further reinforcing its advantages, and at the same time remedy-ing its drawbacks.



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TANJA
PORČNIK

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The President of the Visio Institute in Slovenia

MEMBERS OF 4LIBERTY.EU NETWORK

Free Market Foundation (Hungary) is a think tank dedicated to promoting classical liberal values and ideas. The organization's projects focus on advocating a free market economy and fighting racism. The Foundation's activities involve education, activism, and academic research alike, thus reaching out to different people.

Liberalní Institut (Prague, Czech Republic) is a non-governmental, non-partisan, non-profit think tank for the development, dissemination, and application of classical liberal ideas and programs based on the principles of classical liberalism. It focuses on three types of activities: education, research, and publication.

The Lithuanian Free Market Institute (Vilnius, Lithuania) is a private, non-profit organization established in 1990 to promote the ideas of individual freedom and responsibility, free markets, and limited government. The LFMI's team conducts research on key economic issues, develops conceptual reform packages, drafts and evaluates legislative proposals, and aids government institutions by advising how to better implement the principles of free markets in Lithuania.

The F. A. Hayek Foundation (Bratislava, Slovakia) is an independent and non-political, non-profit organization, founded in 1991, by a group of market-oriented Slovak economists. The core mission of the F. A. Hayek Foundation is to establish a tradition of market-oriented thinking in Slovakia – an approach that had not existed before the 1990s in our region.

IME (Sofia, Bulgaria) is the first and oldest independent economic policy think tank in Bulgaria. Its mission is to elaborate and advocate market-based solutions to challenges faced by Bulgarians and the region face in reforms. This mission has been pursued since early 1993 when the institute was formally registered a non-profit legal entity.

The Academy of Liberalism (Tallinn, Estonia) was established in the late 1990s. Its aim is to promote a liberal world view to oppose the emergence of socialist ideas in society.

INESS (Bratislava, Slovakia), the Institute of Economic and Social Studies, began its activities in January 2006. As an independent think tank, INESS monitors the functioning and financing of the public sector, evaluates the effects of legislative changes on the economy and society, and comments on current economic and social issues.

Projekt: Polska (Warsaw, Poland) comprises people who dream of a modern, open, and liberal Poland. It is those to whom a democratic, effective, and citizen-friendly government is a key goal, and who help accomplish this goal while enjoying themselves, forming new friendships, and furthering their own interests.

Liberales Institut (Potsdam, Germany) is the think tank of the Friedrich Naumann Foundation for Freedom dedicated to political issues such as how liberalism can respond to challenges of the contemporary world and how liberal ideas can contribute to shaping the future.

Fundacja Liberté! (Lodz, Poland) is a think tank created in Łódź in 2007. Its mission is to promote an open society, liberal economic ideas, and liberal culture, and to organize a social movement around these ideas. Among the foundation's most recognizable projects are: Liberté!, Freedom Games, 6. District. The foundation is coordinating the 4liberty.eu project on behalf of Friedrich Naumann Foundation.

Republikon Institute (Budapest, Hungary) is a liberal think tank organization based in Budapest that focuses on analyzing Hungarian and international politics, formulating policy recommendations, and initiating projects that contribute to a more open, democratic, and free society.

Civil Development Forum (FOR) (Warsaw, Poland) was founded in March 2007 in Warsaw by Professor Leszek Balcerowicz as a non-profit organization. Its aim is to participate in public debate on economic issues, present reliable ideas, and promote active behavior. FOR's research activity focuses on four areas: less fiscalism and more employment, more market competition, stronger rule of law, and the impact of EU regulations on the economic growth in Poland. FOR presents its findings in the forms of reports, policy briefs, and educational papers. Other projects and activities of FOR include, among others, Public Debt Clock, social campaigns, public debates, lectures, and spring and autumn economic schools.

Visio Institut (Ljubljana, Slovenia) is an independent public policy think tank in Slovenia. Aiming for an open, free, fair, and developed Slovenia, the Visio Institut is publishing an array of publications, while Visio scholars regularly appear in media and at public events.

The Institute for Economic Research and Policy Consulting (Kiev, Ukraine) is a well-known Ukrainian independent think tank, focusing on economic research and policy consulting. IER was founded in October 1999 by top-ranking Ukrainian politicians and scientists, and a German advisory group on economic reforms in Ukraine, which has been a part of Germany's TRANSFORM program. Its mission is to provide an alternative position on key problems of social and economic development of Ukraine.

New Economic School – Georgia (Tbilisi, Georgia) is a free market think tank, non-profit organization, and NGO. Its main mission is to educate young people in free market ideas. It organizes seminars, workshops, and conferences for education and exchanges of ideas. NESG was founded by Georgian individuals to fill the knowledge gap about the market economy in the country and the lack of good teachers and economics textbooks.

ASSOCIATE MEMBERS

Centre for Economic and Market Analyses (CETA) (Prague, Czech Republic) is a pro-market think tank. Its main goal is to analyze the market, socio-economic and political phenomena in the Czech Republic, and point out their impacts.

Svetilnik (Ljubljana, Slovenia) is a non-profit, non-governmental, and non-political association. Its mission is to enlighten Slovenia with ideas of freedom. The goal of the association is a society where individuals are free to pursue their own interests and are responsible for their actions.

MÁRTON SCHLANGER

REMOTE WORKING IN HUNGARY: WILL WE EVER SEE OUR OFFICES AGAIN?

PAGE 006

A big increase in remote work, part-time jobs, alternative means of income, the average man's introduction to the stock market, and so on – these are all defining elements not only of the COVID-19 pandemic, but of the evolving economy of the 21st century.

KAROLINA MICKUTĚ & ŽILVINAS ŠILĖNAS

THE PILLAR OF SUSTAINED BUSINESS DURING COVID-19: THE PLATFORM ECONOMY

PAGE 022

The COVID-19 pandemic should not be used by state authorities as a pretext for limiting freedom of expression, including suspension of the right to information and attacks on media freedom. In this endeavor, it is of particular importance for governments to accept and uphold the crucial role of independent media having access to first-hand information.

ŠÁRKA PRÁT

THE WORLD WILL FIND A NEW NORMAL: A CZECH PERSPECTIVE

PAGE 038

The COVID-19 pandemic has forced many employers in the private sector and self-employed workers to make the decision of whether or not their employees should be working from home. During the epidemic, home office became a crucial tool not only for protecting workers from infection, but also for maintaining the operation of companies in a full or limited capacity.

MAREK TATAŁA

REMOTE WORK AND REMOTE HEALTHCARE IN POLAND

PAGE 062

In Poland, ICT and other digital technologies have been important for work and healthcare during the pandemic, and regulations should not inhibit digitalization and discoveries of new methods of providing medical assistance or arranging labor market relations. (...) The post-coronavirus future will be even more digital.

VIERA ŽÚBOROVÁ

SOLIDARITY IN TIMES OF CRISIS, BUT WITH WHOM? THE IMPACT OF THE COVID-19 PANDEMIC ON THE WORK OF CIVIC SOCIETY ORGANIZATIONS AND OTHER NGOS IN SLOVAKIA

PAGE 114

Despite the daily struggles that have been reported among civil society organizations and their representatives, they have been able to move their activities to the online world. Some of them even widened their scope, which emerged during the lockdowns and restriction related to the COVID-19 pandemic.

MARIA SŁOMIŃSKA-FABIŚ

THE EFFECTS OF COVID-19-INDUCED TRANSITION TO REMOTE WORK ON GENDER EQUALITY

PAGE 130

Notably, remote-working parents have been additionally impacted by school closures, which are likely to be temporary. Nevertheless, the gendered experiences of remote work have helped to shed some light on the prevalence of women bearing the burden of unpaid care labor.

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