

WORK-FROM-HOME MODELS AND THEIR IMPACT ON EMPLOYEE MORALE AND OUTPUT

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ABSTRACT

The WFH phenomenon has undoubtedly revolutionized the modern working environment, more so after the onset of the COVID pandemic. This research analyzes variations in WFH policies, including all of them: fully remote, hybrid, and remote-first. Whereas there are certain positive effects of remote work on morale and productivity such as flexibility, less stress from commuting, and a better work-life balance, downsides do exist, which include feelings of isolation, problems with communication, and ambiguity between what is work and what is personal. Productivity-related outcomes will depend on the variables of job, marital home, and organizational support systems. Hybrid models can sometimes land a perfect patch of compromise for autonomy and collaboration but can foster inequity in access to leadership and resources. Any WFH model's potential success is contingent upon company culture, style of leadership, and technology used effectively. WFH, in the right form, with a real concern for employee well-being, can uplift the morale and increase the productivity of a person. This study, therefore, highlights the need for such flexible and inclusive approaches able to cater to the needs of a diverse workforce.

Keywords: *Remote Work, Employee Morale, Organizational Support.*

I. INTRODUCTION

Work-from-home (WFH) situations have moved from a peripheral option to practically the norm in a matter of months particularly with the onset of the recent global pandemic called COVID-19. What solidified as an emergency response to an ordered lock-down in the interests of global health has solidified in many sectors as a normal way of working (for many), affecting how companies are operated and how their employees engage with their work. Given now that technology becomes a bridge to combine the work done from physical spaces and virtual spaces, companies have been starting to experiment with the various WFH workplace practices, whether fully remote, partially remote, or remote-first. These transitions alter the logistics but they also change the culture, and may have ripple effects on employee morale and productivity. Employee morale, which relates to job satisfaction, motivation, and emotional health, is a key element

of the organization effectiveness. Employee output, or productivity, relate to how well individuals fit the work setting and adapted to their surroundings. The experience of WFH can provide much to benefit an employee in terms of flexibility, independence, time saved commuting, decreased cost, and etc. The downside of WFH can be detrimental in areas of communication, disconnection/feelings of being isolated, and the balance between work and home can impact not only employee individual morale but performance as well dependent on how WFH occurred or was constructed. For organizations wanting to stay competitive, retain employees and build a healthy workplace culture is important in understanding if the many forms of WFH can affect employees differently? This would add to this paper will discuss and define the different categories of WFH as well as some of the benefits and challenges, both outlined by Johnston and Toohey (2021) and then outline various intercultural factors that mediate the impact of WFH categories on employee morale and output. We will again provide a review as current literature and trends, to provide organizations building a remote work cultural experience going forward for employee's benefits as well as for employers.

II. RELATED WORK

A global transition to work-from-home (WFH) options has been hastened by the COVID-19 pandemic and has significantly transformed traditional work paradigms; what was once deemed a privilege bestowed on select employees that offered some flexibility—at some level for the benefit of work-life balance—has now transitioned itself into being a fundamental aspect of many organizational strategies (Ipsen et al., 2021; Mukherjee & Narang, 2022). Organizations have now adopted a WFH model and embraced it in many forms with different organizational meanings, or sense-making, possibilities—the fully remote, hybrid, or remote-first model—all which provide their own operational and psychological realities. While the various models of WFH offer flexibility, cost savings, and more expansive talent pools (Bailey & Kurland, 1999; Harpaz, 2002), they prompt organizations to consider morale, engagement, and employee output. Employee morale is shaped by job satisfaction, work-life balance, and emotional state; it is an imperative construct in determining organizational performance (Weakliem & Frenkel, 2006; Churchill et al., 1976). WFH can motivate autonomy and reduce commuting time to the office but

has also been identified with problematic social isolation or disconnection from workplace visits as well as decompressed boundaries of work and nonwork visits and mental exhaustion due to fatigue (Allen et al., 2021; Hallman et al., 2021). Also, the variation in home residence structural supports, job design, and managerial feedback can impact productivity levels (Bloom et al., 2015; Dey et al., 2020). The study of the impact of WFH models is important in gaining broader information about developing resilient and adaptable workplaces. The adoption of different models for WFH will mean balancing employee preferences with technology and operational objectives. This study will therefore, explore how WFH models similarly affect.

III. PROPOSED WORK

The study aims to investigate the effects of different work-from-home (WFH) models—100% remote, hybrid and remote-first—on morale and productivity. This research will identify the models' characteristics, and assess how these connection points affect happiness, satisfaction, motivation, emotional well-being and performance for both employees and organizations. Next, it will focus on individual differences, such as job type, marital status and demographic factors, and their effects with the impact of the model on the employee experience. The study will also examine organizational mediators of impact such as types of leaders, communication tools and networks and support systems. Finally, we will assess other factors such as industry type, and cultural considerations, that can inform the efficacy of remote work practices by organizations in Canada. To get to this existent study phase, this research will use a mixedmethods synergistic research strategy, which utilizes surveys, interviews and case studies from different organizations, industries and sectors, to analyze an iterative and inductive perspective of how WFH practices need to be designed with flexibility and inclusivity in mind to achieve enhanced morale and productivity in employees. The objective of this existing study and research is intended to allow capture evidence and data to help risk Canadian organizations from being careless or careless with remote work or hybrid work. The goal is to allow companies to develop meaningful approaches to the remote work, leading to equity, workplace culture, sustainability, and prosperity-based efficacy-performance.



Fig 1: System overview

IV. IMPLEMENTATION

In order to successfully carry out work-from-home (WFH) practices, it is important to have a structured method of managing the interdependence of technology, organizational culture, and employee support structures to support employee morale and productivity. Organizations must first choose which model of WFH works best for their industry and organization, the different job roles in the organization, and employee demographics. Organizations typically have 3 models of WFH: fully remote; hybrid; and remote-first. An initial step is to invest in the technical infrastructure. When investing in a secure and robust process there are many opportunities including: VPNs which are protected by multi-factor authentication; cloud-based file sharing, storage, and applications; good systems for communication, such as video conferencing and instant messaging for team collaboration; and we want all systems to be integrated to the extent possible to avoid loss of employees' workflow or ability to collaborate due to physical distance. Once the technical requirements are established, it is equally important to develop explicit policies and guidelines for WFH expectations, including work hours, availability, communication protocols, and performance metrics. When guidelines are explicit, the ambiguity related to work-life-balance improves while creating accountability in the context of employees' autonomy. The nature of support systems drives implementation. Human resources need to conduct regular pulse surveys and other response tools to help ascertain employee morale, wellbeing and workload. Even managers should go through training around managing remote teams focused on

empathy and trust, to encourage labor and communication. Policies around security and compliance have to be rigorous, to protect company data, and to protect employee data and privacy, including things like multi-factor authentication, endpoint security, data encryption, as part of an unattended workspace. Acknowledging the challenges of social isolation, work-from-home (telecommuting) as motivated organizations to invest in knowledge management systems to facilitate virtual socializing, team-building and mentorship programs, that bring a awareness to socializing in the workplace. Organizations with hybrid models can enhance overall productivity with known in-person collaboration days, and the ability to have team lunches can enhance connectedness. On-going evaluation of the model is important to improve the WFH model, including keeping pace with changing needs of employees, and evaluating against goals of the organization. It is important for organizations to recognize and focus on agencies that may enhance and sustain the morale of employees and productivity of the organization via technology readiness, policy clarity, management support and employee engagement approaches that encourage employees to thrive in a new sustainable way.

V. ALGORITHMS 1. Employee Morale Score (MS)

To calculate the morale score based on contributing factors:

$$MS = \alpha_1 S + \alpha_2 B + \alpha_3 (1 - IS) + \alpha_4 C + \alpha_5 M$$

Where:

- S = Job Satisfaction (normalized to [0, 1])
- B = Work-Life Balance (normalized to [0, 1])
- IS = Isolation Score (inverted to reflect connection)
- C = Communication Effectiveness (normalized)
- M = Managerial Support (normalized)
- $\alpha_1, \alpha_2, \alpha_3, \alpha_4, \alpha_5$ = weight coefficients such that

$$\alpha_1 + \alpha_2 + \alpha_3 + \alpha_4 + \alpha_5 = 1$$

2. Employee Productivity Score (PS)

To assess productivity using multiple metrics:

$$PS = \beta_1 T + \beta_2 R + \beta_3 U + \beta_4 F$$

Where:

- T = Task Completion Rate (normalized)
- R = Self-Reported Productivity (normalized)
- U = System Usage (e.g., logged productive hours)
- F = Communication Frequency (normalized)

- $\beta_1, \beta_2, \beta_3, \beta_4$ = weight coefficients such that

$$\beta_1 + \beta_2 + \beta_3 + \beta_4 = 1$$

3. Average Model Score (AMS)

Used to compare WFH models (Fully Remote, Hybrid, Remote-First):

$$AMS = \frac{1}{n} \sum_{i=1}^n (w_1 \cdot MS_i + w_2 \cdot PS_i)$$

Where:

- MS_i = Morale Score of employee i
- PS_i = Productivity Score of employee i
- w_1, w_2 = Weights for morale and productivity ($w_1 + w_2 = 1$)
- n = Number of employees in the WFH model

4. Communication Health Index (CHI) Used to evaluate communication effectiveness in remote work:

$$CHI = \gamma_1 M + \gamma_2 R + \gamma_3 P$$

Where:

- M = Meeting Frequency (normalized)
- R = Responsiveness Score (normalized)
- P = Peer Interaction Level (normalized)
- $\gamma_1 + \gamma_2 + \gamma_3 = 1$

5. Work-Life Balance Ratio (WLB)

To measure the ratio between personal and work time:

$$WLB \text{ Ratio} = \frac{H_p}{H_w}$$

Where:

- H_p = Average daily personal/free hours
- H_w = Average daily work hours
- **Interpretation:**
- WLB Ratio > 1: Healthy balance
- WLB Ratio = 1: Neutral
- WLB Ratio < 1: Imbalanced

6. Predictive Model for Morale/Productivity (Regression)

For statistical prediction:

$$Y = \theta_0 + \theta_1 X_1 + \theta_2 X_2 + \dots + \theta_n X_n + \varepsilon$$

Where:

- Y = Output variable (either Morale Score or Productivity Score)
- $X_1 \dots X_n$ = Predictor variables (e.g., WFH model, job type, age, support level)
- θ_0 = Intercept
- $\theta_1 \dots \theta_n$ = Coefficients
- ε = Error term

VI. RESULTS

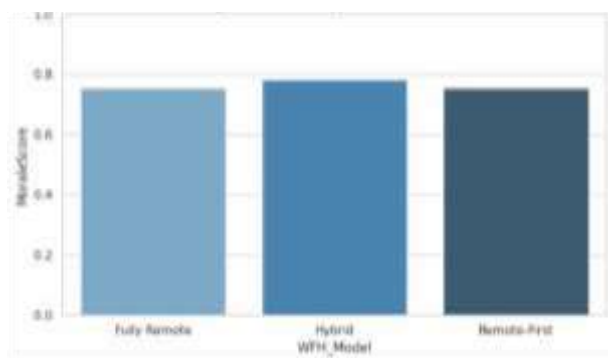


Fig 2: Average Morale Score by WFH Model

The y-axis shows the Morale Score which has a range from 0.0 to 1.0 and the x-axis can be used to compare the WFH models as a whole. In total, the bar for "Fully Remote" shows the average morale score was approximately 0.74. The "Hybrid" model, which is closely related to "Fully Remote," represents the highest morale score, just shy of 0.80 (the top half of the scale), which suggests some improvements in morale. The "RemoteFirst" model had average morale scores that were unambiguously near those of the "Fully Remote" morale scores at approximately 0.74. Overall, the chart suggests the Hybrid WFH model had slightly higher average morale scores compared to both the Fully Remote and Remote-First models.

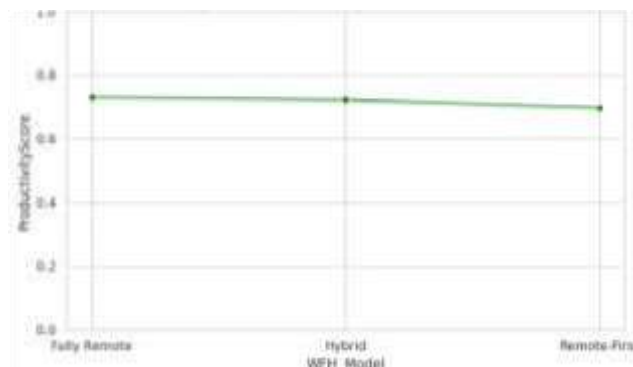


Fig 3: Average Productivity Score by WFH Model

The y-axis provides the Productivity Score on a scale from 0.0 to 1.0 and the x-axis provides the different WFH (Work From Home) models. The line begins with "Fully Remote" representing a productivity score of about 0.73. The productivity score for the "Hybrid" model (work at home days/frequency near the middle of the productivity score) does not differ very much; it is approximately 0.72. The "Remote-First" had a slight dip, with the productivity score of about 0.70. I would conclude that on the whole, productivity scores are relatively high on all models but there does appear to be a slight downward trend from Fully Remote to Remote-First. Also note that Hybrid productivity is nearly identical to Fully Remote.

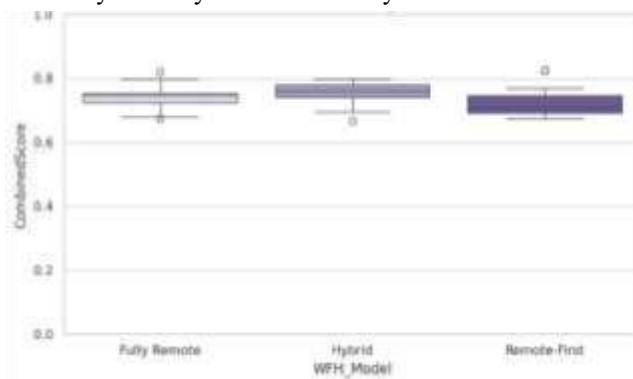


Fig 4: Distribution of Combined Scores by WFH Model

The y-axis presents the Combined Score, ranging from 0.0 to 1.0, the x-axis shows the WFH models. For "Fully Remote", the median for combined score is around 0.74 with most scores clustering between approximately 0.70 and 0.75, and some outliers. In the "Hybrid" model, the median will be a little higher at around 0.76 and with a tighter distribution which correlates to tighter grouping or a range of scores. The "Remote-First" scores are at the lower end of the other two categories, with a median around 0.72 that is higher than the other two but with more spread—both above and below the median and with an outlier above 0.80. The box plot generally indicates that while all models indicate relatively a high combined score, the Hybrid

model generally how's slightly higher medians and a more consistent pattern.

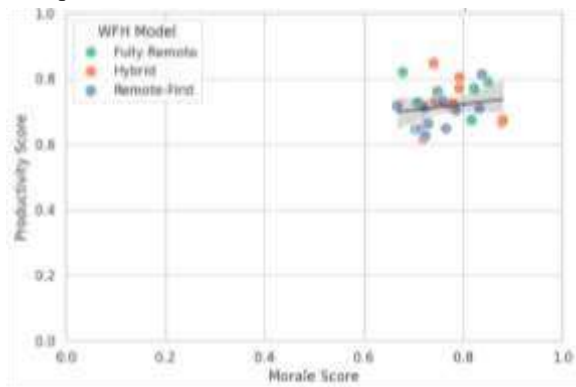


Fig 5: Correlation Between Morale and Productivity

The x-axis is Morale Score, and the y-axis is Productivity Score; both the x and y axes have a range from 0.0 to 1.0. Each dot on the plot represents an observation and is coloured based on the WFH model (Fully Remote in teal, Hybrid in orange, RemoteFirst in lavender). There is a weak positive linear regression line, including a shaded confidence interval to demonstrate the weak positive correlation of the data: as morale increases, productivity slightly increases. Most data points cluster in the area of high morale and high productivity in the upper right quadrant; this indicates that across all WFH models, employees generally had higher morale and productivity. The plot shows the variance of individual scores for morale and productivity within each WFH model.

VII. CHALLENGES AND LIMITATIONS

The Work-From-Home (WFH) scheme is offered with certain benefits like flexibility and the avoidance of stressful commutes. However, with these benefits come several challenges and limitations. Some potent issues in dealing with remote work concern communication barriers; the absence of spontaneous face-to-face interactions may generate misunderstandings and delay feedback. Another psychological set of problems, including feelings of social isolation and loneliness, arise out of the lack of informal social interactions in workplaces, which may decrease morale and emotional well-being. A frequently cited downside is the potential for cruel blurring of distinctions between one's work and personal life, placing them at a disadvantage in the battle for a good work-life balance- in the worst-case scenarios, such incidents may lead to burnout. Technology reliance continues to create disruption problems: employees may not have adequate broadband access or hardware, and technical glitches may interrupt security considerations- thereby jeopardizing anyone's productivity. Lastly, hybrid WFH may create certain scenarios

where remote workers face inadvertent barriers to access present for their inoffice colleagues. Management and supervision, ideally, scale complexity when placed in a virtual setting, hence requiring new skill sets and an explicit trust-building effort. From a research outlook, since productivity and morale measurements are subjective experiences, relying on self-reports invites bias. Finally, culture and organizational factors weigh on a WFH model's fit into a company, though resistance to such changes does exist in certain environments and among certain employee cohorts. These limitations stress the importance of formulating a carefully thought-out and inclusive WFH policy that addresses the diverse needs of its work populace while being effective as an organization.

CONCLUSION

Before the concept was fully instituted, workplaces were presented with an opportunity and a threat through the growing adoption of Work-From-Home (WFH) models. Following this study, it suggests some limitations to remote working arrangements (fully remote, hybrid, or remote-first) uplifting an employee's morale for reasons of flexibility, less commuting, and improved work-life balance. Issues such as social isolation, communication barriers, blurred lines between personal life and work life, and inequality in accessing resources and leadership should be considered. Other variables in productivity would include types of jobs, home environment, and organizational support. If working on a hybrid basis, the setup provides a loose sort of balance between autonomy and collaboration, though must ensure that such models do not provide avenues for discrimination and differentiation among employees. Said implementation depends on culture, on how leaders within the organization run the organization, on existing technological infrastructure, and in reality, on how much the organization actually cares for its employees' well-being. All organizations now need to set policies that are flexible, inclusive, and adaptive, remembering that they may have to address situations diverse from one another while also creating a bond of accountability between the parties. With comprehensive support given priority to, open communication cultivated, and continuous evaluation conducted, companies will be in a better position to actualize the positive effects of remote working possibilities to an increase in morale and productivity on a sustainable basis. At the end of the day, through the well-thought-out implementation of workfrom-home possibilities, a healthier, engaged, and highperforming workforce may be built, aiding the evolution of the world of work.

FUTURE WORK

For a distant future, WFH models seem to be set for creating intelligent environments that are all-encompassing and still

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adaptive, relying on flexibility and accountability. Now, this begs for re-fashioning whatever has been learned about supporting remote teams and evaluating their performance through AI, virtual collaboration tools, or data analytics. At a future moment, one should be exploring the long-term psychological impacts and career effects of WFH by industries, cultures, and types of jobs. Next, the other aspect will be the development of remote work policies personalized for different groups among the employees based on their own preferences and productivity patterns to close the gap. Other than that, digital infrastructure, virtual onboarding, remote leadership training, and mental health support for a long RWH sustenance would need to be developed. Attention will also need to be geared towards hybrid working discrimination with regard to promotions, visibility, and access to resources against remote workers.

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