

Brenke, Karl

Article

Home offices: Plenty of untapped potential

DIW Economic Bulletin

Provided in Cooperation with:

German Institute for Economic Research (DIW Berlin)

Suggested Citation: Brenke, Karl (2016) : Home offices: Plenty of untapped potential, DIW Economic Bulletin, ISSN 2192-7219, Deutsches Institut für Wirtschaftsforschung (DIW), Berlin, Vol. 6, Iss. 8, pp. 95-104

This Version is available at:

<https://hdl.handle.net/10419/129756>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.

Home Offices: Plenty of Untapped Potential

By Karl Brenke

As far as the share of individuals with a home office is concerned, Germany is below the EU average and lags considerably behind other countries such as France, the UK, or the Scandinavian countries. Only 12 percent of all employees in Germany work primarily or occasionally from home, although this would theoretically be possible in 40 percent of jobs. In most cases, an employee's desire to work from home is not recognized by employers. If these employers were to reconsider their position, however, the share of people working from home could rise to over 30 percent. The disparity between employees wanting to telecommute and the options offered by employers is greatest in the financial sector and in public administration. Well-qualified full-time employees in particular are interested in working from home. The main motive would appear to be more autonomy in managing their own time, not only reconciling work and family life, since there are just as many singles who would like to work from home as there are single parents. Telecommuters often end up working much longer hours than average, and it is not at all uncommon for them to do unpaid overtime. Nevertheless, their job satisfaction is higher than that of other employees—particularly those who would like to work from home but are not given the option.

Since mid-2015, employees in the Netherlands have been legally entitled to perform their existing jobs from home.¹ The onus is on the employer to prove that there are compelling business reasons preventing an employee from working from home. This legislation has given additional impetus to the debate about home offices in Germany. For instance, the Green Party has called for a similar reform,² whereas the German Federal Ministry of Labour and Social Affairs (BMAS) is appealing to employers to provide their employees with more opportunities to work from home.³

The following sections will outline how many employees in Germany work from home, their social characteristics, and features of their jobs. A similar study by DIW Berlin two years ago had to rely solely on data from the German Federal Statistical Office's microcensus.⁴ However, since 2014, data on working from home have also been collected as part of the Socio-Economic Panel (SOEP) study⁵ conducted by the survey institute *TNS Infratest Sozialforschung* on behalf of DIW Berlin, which means that another generally accessible data source is now available to the research community for analyses on the subject. Although the microcensus and the SOEP vary with regard to the questions that members of the households surveyed are asked (see box), there are only slight differences in the results and, consequently, the conclusions drawn from both are robust.

¹ Niederlande schaffen Recht auf Heimarbeit. Frankfurter Allgemeine Zeitung, April 16, 2015.

² Arbeitszeitgesetz: Grüne wollen Recht auf Homeoffice durchsetzen. Spiegel-Online, September 12, 2015. www.spiegel.de/wirtschaft/soziales/die-gruenen-wollen-recht-auf-homeoffice-durchsetzen-a-1052491.html.

³ Interview with Andrea Nahles in Bildzeitung, December 18, 2013.

⁴ Brenke, K. (2014): Immer weniger Menschen in Deutschland gehen ihrem Beruf von zu Hause aus nach. DIW Wochenbericht, no. 8/2014.

⁵ On the SOEP see, inter alia, Wagner, G. G., Göbel, J., Krause, P., Pischner, R. and Sieber, I. (2008): Das Sozio-oekonomische Panel (SOEP): Multidisziplinäres Haushaltspanel und Kohortenstudie für Deutschland – Eine Einführung (für neue Datennutzer) mit einem Ausblick (für erfahrene Anwender). IZA – Wirtschafts- und Sozialstatistisches Archiv 2.

Box

Identification of the home workers: comparison between Mikrozensus and German Socio-Economic Panel

Household and individual surveys such as the microcensus or the Socio-Economic Panel (SOEP) study at DIW Berlin are normally conducted using questionnaires which are presented to household members for them to fill in themselves or have read to them by an interviewer who then notes the responses. The questions are usually in multiple-choice format, with respondents expected to select the answers that best describe their personal social circumstances (for instance: occupational status) or their opinions (for example: preference for a particular political party). The advantage of this extensive standardization is that the data obtained can be collected and processed easily and therefore cost-effectively. If the questions were not multiple-choice (but, instead, respondents are required to give answers to open questions), their freely

formulated statements would have to be captured somehow; these responses would then have to be categorized by qualified personnel. This involves a great deal of work and is barely feasible timewise or financially for surveys with large sample sizes; there is also a risk that respondents' answers may be interpreted and categorized differently by the personnel processing the data.

Of course, the formulation of the possible answers for a multiple-choice questionnaire can often be a source of tension: on the one hand, these responses need to be clearly worded and comprehensible, so that respondents can easily categorize their information. On the other hand, it must be possible to accurately record the relevant facts using the answers provided. These can sometimes be conflicting requirements.

Working from home is recorded in the German microcensus and the SOEP using various multiple-choice questions. In the microcensus, respondents are asked: "Have you carried out your work from home in the last three months?," while the question in the SOEP is worded as follows: "Do you ever carry out your work activity at home?" (see table). Apart from the fact that a time reference is included in the microcensus survey ("last three months"), the two questions are virtually identical. In both cases, the aim is to record respondents' most recent habits.

However, there are considerable differences between the two surveys as far as the possible answers are concerned. There are only two options provided in the microcensus: respondents are asked whether they work from home on the majority of their working days or on less than half of them. Conversely, there are four possible answers to choose from in the SOEP: respondents are expected to distinguish between working from home every day, several times a week, once every two to four weeks, or more rarely, only when needed. In both surveys, the focus is on the

Table

Comparison of Mikrozensus and German Socio-Economic Panel: Work from home in the questionnaires

In percentage of all employees

Question	Mikrozensus 2014	German Socio-Economic Panel 2014		
	Do you work from home in the last three months?	Do you ever carry out your work activity at home?		
Answers	In the majority of working days	1.5	Daily	3.9
			Several days a week	4.6
	In less than the majority of working days	5.9	Once every 2 to 4 weeks	2.8
			Rarely, only when needed	6.6

© DIW Berlin 2016

Germany lagging behind other European countries

According to data from the official microcensus, in recent years, there has been a decrease in the number of individuals in gainful employment working primarily or occasionally from home as a share of the total working population. Here, it is important to make a distinction between the self-employed and employees. There has been a continuous sharp decline in the share of self-employed working from home since 2008 (see Figure 1). Among

employees, this share fell between 2008 and 2011, and then stagnated. However, a different trend was seen in the EU as a whole:⁶ the percentage of self-employed individuals who telecommute rose up until 2013—but has stagnated since. As far as employees are concerned, the

⁶ The microcensus is part of the European Union Labour Force Survey (EU-LFS). This entails the statistical offices of the participating states collecting a specified set of information using household surveys with identical questions. Consequently, the information obtained is comparable internationally.

frequency of working from home—but not on how many of the total hours worked were from home.

In both the SOEP and the microcensus, the possible answers relating to questions about working from home lack precision. If—as in the SOEP survey—someone works from home “once every two to four weeks,” in most cases, this is still likely to mean working from home more or less regularly. If, however, someone works from home even “more rarely” and “only when needed,” this does not count as working from home in the strictest sense but rather it is work occasionally carried out from home because, for example, it happened that household members had to be cared for temporarily. Accordingly, all individuals who gave this response in the present study were not counted as telecommuters.

In the case of the microcensus, it is possible that individuals who occasionally work from home due to the exceptional circumstances of having to care for household members (or because of being ill themselves) are also counted as homeworkers. Here, it is not possible to distinguish them from actual homeworkers, however.

The analytical part of the present study focuses on employees only. It excludes groups who do not have the option of working from home due to their occupational status: trainees, individuals on job creation schemes (in particular: one-euro jobs), individuals taking a gap year to do voluntary work in the social or environmental sector, or disabled people working in specially designed workshops. Because these individuals are excluded, the share of employees working from home is slightly higher—also in comparison to the microcensus data used here, which were taken from the Eurostat database and includes the above-mentioned groups of employees so they cannot be excluded from the study.

stagnation began one year earlier, following an increase prior to this.

Despite the downward trend in recent years, the percentage of self-employed individuals who work from home in Germany is still higher than the European average. Conversely, this phenomenon has become a relatively rare occurrence among German employees. Particularly in Scandinavian and Western European countries, a much higher proportion of employees work from home primarily or occasionally (see Figure 2). The share

Figure 1

Employees and self-employed individuals working from home¹

Share of all employees and self-employed individuals, in percent



¹ Usually or sometimes.

² Excluding Croatia.

Source: Eurostat (Labour Force Survey); calculations by DIW Berlin.

© DIW Berlin 2016

In the EU, the share of workers from home rose temporarily and in Germany the share decreased.

of telecommuters in countries with weaker economies (in Southern and Eastern Europe) is even lower than in Germany.

Two out of five employees could work from home ...

The SOEP data allows us to determine for the first time how many employees could realistically work from home—according to their own assessment—given the requirements of their job. Due to the specific tasks to be performed, many jobs cannot be carried out from home. For instance, a roofer needs to be on site and a sales assistant has to stand behind the shop counter.

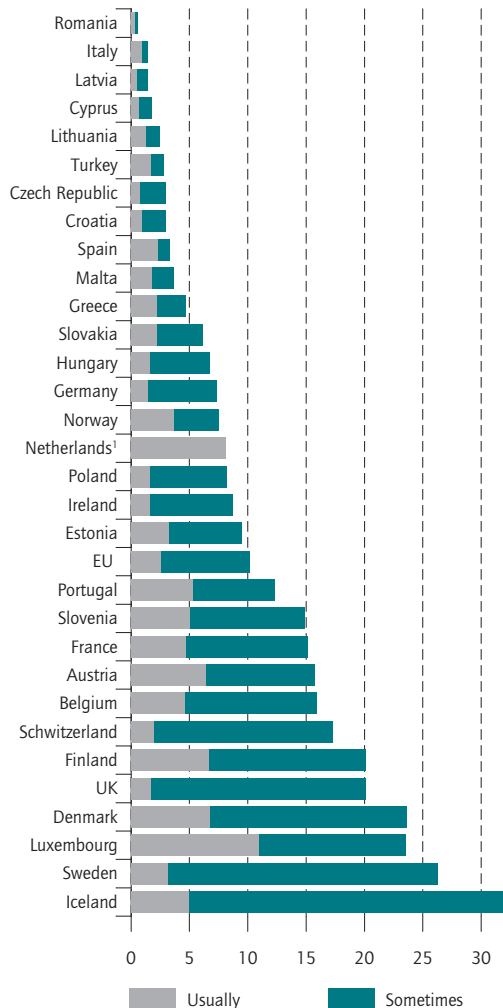
The information in Table 1 is based on data provided by respondents, so this might not necessarily correspond with the actual facts in all cases. Nevertheless, it can be assumed that, as a rule, employees are certainly able to assess whether or not and to what extent their professional activities can be performed from home. For the sake of simplicity, the present study will make no additional distinction according to the extent of work done from home. Furthermore, the self-employed are excluded from the analysis.

In 2014, just under 60 percent of all employees stated that working from home would be inconceivable in their occupation, while around 40 percent felt it would be fea-

Figure 2

Employees working from home, 2014

Share of all employees, in percent



¹ No information available on the share of employees who "sometimes" work from home.

Source: Eurostat (Labour Force Survey).

© DIW Berlin 2016

Germany's proportion of home workers is below the European average.

sible. In general, the higher the qualifications a position requires, the more likely that job could also be performed from home. For professions requiring a college degree, it would be possible to work from home in three-quarters of all cases. For jobs demanding an apprenticeship certificate or technical college qualification, working from home would still be an option for one-third, but only for one-sixth of unskilled occupations where no vocational training is needed.

The options for working from home also vary considerably from one economic sector to another. There tend to be more opportunities to work from home in occupations in the service sector—in particular, financial services (banks, insurance companies, etc.), business services or in public administration—and far fewer opportunities in trade, in the transportation industry, and in the provision of consumer services (including the hospitality industry and healthcare). In the construction industry and agriculture, too, due to the type of activities in these sectors, there are relatively few jobs where employees can work from home.

All this is evidenced by the occupational status of employees: working from home is an option mainly for well-qualified and highly skilled salaried employees, for managers, and for senior civil servants—but not so much for those with jobs lower down the hierarchy (see Table 2). Nevertheless, among skilled workers, salaried employees with an average level of education, and qualified employees performing relatively simple tasks, there were also a number of people who indicated that they could carry out at least some of their work from home. Many employees with a low-level job also share this opinion.

Moreover, it was shown that a larger proportion of the staff in medium-sized and, in particular, in large companies could make use of the opportunity to work from home than in smaller ones. This may be partly related to the relevant branch of industry—but a more important factor may be that there are often a relatively large number of service functions to be performed in larger companies (for instance, office and administrative tasks) and some of the work involved could also be carried out from home. However, virtually no differences were observed between western and eastern Germany with regard to the possibilities of working from home.

... but in fact only one in eight employees works from home

The number of people who actually work from home is much lower than the number of jobs where this would theoretically be possible: according to responses recorded by the SOEP, only just under one in eight employees sometimes works at home, and only one in 25 does so on a daily basis.

As is to be expected, a relatively high proportion of telecommuters are to be found precisely in sectors where it is also frequently possible to work outside the company premises—in some service sectors and in large corporations. As far as the branch of industry is concerned, there is no clear trend, however. In some sectors, it would be possible to work from home very frequently but this is in fact not the case. A particularly strong discrepan-

Table 1

Home workers and non-home workers¹ and workplace factors

In percentage of employees in the respective group

	Nature of activity does not allow working from home	Nature of activity allows working from home, and the employee ...		
		... has already worked from home	... has not yet worked from home	
			Total	... would like to work from home
Industrial sector				
Agriculture, forestry	71	14	15	*
Manufacturing (excluding construction)	58	9	33	65
Construction	72	4	24	59
Trade	76	3	20	61
Communications	65	8	27	74
Financial services	29	11	60	73
Business services, real estate	31	21	48	77
Public administration	40	8	51	65
Consumer services, other services	62	17	21	60
Company size				
Fewer than 4 employees	62	14	24	50
5 to 9 employees	71	6	23	68
10 to 19 employees	64	8	28	71
20 to 99 employees	62	13	25	65
100 to 199 employees	60	10	30	66
200 to 1,999 employees	54	9	37	68
Over 2,000 employees	49	17	33	67
Job qualification requirements				
No professional training needed	82	3	15	57
Apprenticeship, technical college	64	6	30	66
College, higher education	23	32	45	69
Location of offices				
West Germany	57	13	30	66
East Germany	61	9	30	69
Total Employees	58	12	30	66

¹ Excluding trainees, individuals in special labor-market-assigned jobs, individuals in sheltered workshops, volunteers for social or ecological causes, and not active persons in partial retirement measures.

Source: Socio-Economic Panel (v31); calculations by DIW Berlin.

© DIW Berlin 2016

In 58 percent of all jobs, working from home is not possible; it is possible in 42 percent of jobs, but only 12 percent of all employees actually work from home.

cy is evident here in financial services and in public administration.

Among employees whose occupation requires a college degree, one-third work from home, which is a particularly high share. Here, those in the upper echelons of the civil service stand out in particular. Teachers play a prominent role here since they normally carry out their class preparations and grading at their desk at home. However, there is an extremely low proportion of homeworkers among employees whose job requires an apprentice-

ship certificate or technical college qualification. Virtually none of the employees with no qualifications perform their work from home.

Many more employees would work from home if their employers allowed them to

If it is possible to work from home in a good 40 percent of all jobs, but only 12 percent of all employees practice their profession from home (primarily or occasionally), this raises the question as to why this is the case. Only

Table 2

Home workers and non-home workers¹ by selected social characteristics

In percentage of employees in the respective group

	Nature of activity does not allow working from home	Nature of activity allows working from home, and the employee ...		
		... has already worked from home	... has not yet worked from home	
			Total	... would like to work from home
Professional status				
Unskilled, semi-skilled worker	86	2	12	58
Salaried employee engaged in unskilled activities	72	3	25	60
Skilled worker, master craftsperson	81	1	17	53
Civil servant, lower level	52	13	35	73
Salaried employee engaged in skilled activities	52	8	40	69
Civil servant, middle level	28	38	35	71
Civil servant, upper level	12	71	17	62
Salaried employee engaged in highly skilled activities	24	28	48	70
Salaried employee with extensive managerial duties	32	40	28	57
Working time				
Full-time	53	14	34	68
Parttime	62	10	29	61
Minor employment	78	7	15	59
Sex				
Male	58	13	29	66
Female	58	11	31	66
Household type				
Single	57	13	31	66
Single parent	56	13	30	67
Couple with children	69	8	22	66
Couples without children	61	14	25	63
Other households	68	4	28	66
Children at home				
No	58	11	30	66
Yes	56	14	30	68
Likelihood of finding a new job in the event of job loss				
Easy to find a new job	57	13	30	68
Difficult or impossible to find a new job	58	11	31	65
Total employees	58	12	30	66

¹ Excluding trainees, individuals in special labor-market-assigned jobs, individuals in sheltered workshops, volunteers for social or ecological causes, and not active persons in partial retirement measures.

Source: Socio-Economic Panel (v31); calculations by DIW Berlin.

© DIW Berlin 2016

It is not only employees in households with children who work at home or wish to work at home: many others do as well.

to a lesser extent is the decision made by the employees themselves: of those whose job would permit them to work from home but who have not done so to date, only one-third would turn down an offer from their employer to telecommute. The vast majority—in other words, around one in five employees in Germany—would take up the

opportunity to work from home if this were authorized by the company or public authority they work for. Here, no major differences can be seen based on the individual branches of industry, company size, the qualifications needed for the job, or between western and eastern Germany. Where working from home would be possible as

Table 3

Home workers and non-home workers¹ and working hours

In percentage of employees in the respective group

	Nature of activity does not allow working from home	Nature of activity allows working from home, and the employee ...		
		... has already worked from home	... has not yet worked from home	
			Total	... would like to work from home
Working hours				
Full-time	53	14	34	68
Part-time	62	10	29	61
Minor employment	78	7	15	59
Extent of flexibility in working hours				
Fixed beginning and end of work hours	73	5	22	66
Working hours fixed by employer, which may vary from day to day	74	10	16	62
Flexitime within a working hours account	30	12	58	67
No formally fixed working hours	33	37	30	68
Overtime				
No overtime	69	9	21	56
Overtime with time or wage compensation	54	8	38	67
Overtime not or only partially compensated	51	21	28	73
Total employees	58	12	30	66

¹ Excluding trainees, individuals in special labor-market-assigned jobs, individuals in sheltered workshops, volunteers for social or ecological causes, and not active persons in partial retirement measures.

Source: Socio-Economic Panel (v31); calculations by DIW Berlin.

© DIW Berlin 2016

Working from home is most common among those with full-time jobs or with working hours that are not strictly regulated.

far as the type of professional requirements are concerned and if this option were available to them, employees would also make use of this opportunity in the majority of cases.

There are still some anomalies, however. In microenterprises, a relatively high proportion of employees would forgo working from home—a special affinity with the company or a friendly working environment may play a role here, or perhaps even a particular degree of social expectation and control. In financial services, where the disparity between opportunities to work from home and the actual take-up of telecommuting is particularly great, an above-average share of employees would like to be able to work from home. The same applies to corporate services.

Telecommuters work long hours—and overtime is often not remunerated

Employees who are already telecommuting work relatively long hours. In 2014, they clocked up 40.6 hours a week on average (compared to 36.2 hours a week for

employees overall). This can be partly explained by the fact that a relatively high number of people working from home (over three-quarters) have a full-time job—whereas this only applies to two-thirds of all employees (see Table 3). While one in seven full-time employees works from home, the corresponding figure for part-time employees is only one in ten; among those in marginal employment, working from home is even less widespread. Due to the nature of the tasks to be carried out by those working reduced hours, it is also more frequently unfeasible for them to work from home than for full-time employees.

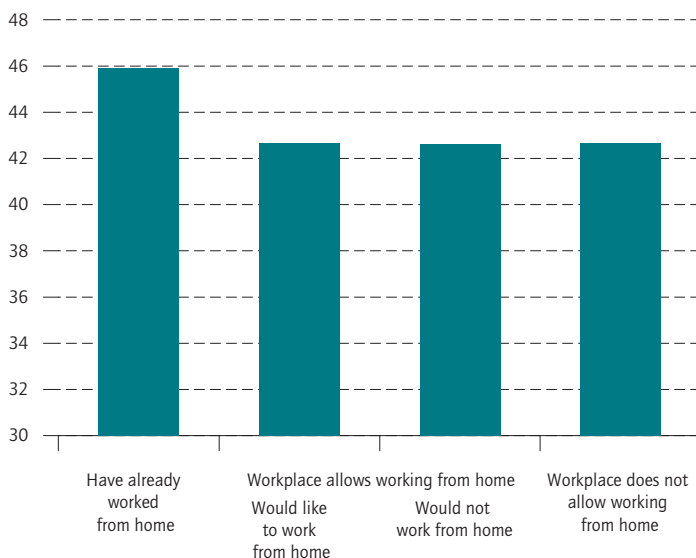
Another factor is that telecommuters work relatively long hours in general, irrespective of the number agreed. For instance, those in full-time employment clock up just under 46 hours a week on average—a good three hours more than the norm for a full-time job (see Figure 3).

Regardless of whether they are working full-time or reduced hours, the share of telecommuters who do any overtime at all is not much higher (77 percent) than for

Figure 3

Average weekly working hours of full-time employees,¹ 2014

In hours



¹ Excluding trainees, individuals in special labor-market-assigned jobs, individuals in sheltered workshops, volunteers for social or ecological causes, and semi-retired individuals without paid working hours.

Source: Socio-Economic Panel (v31); calculations by DIW Berlin.

© DIW Berlin 2016

Full-time home workers work much more hours per week than the average.

other employees (71 percent). If they do work overtime, telecommuters log a lot of hours, however—and most of these are only partially recompensed through time off in lieu or extra pay—or sometimes not at all (see Figure 4).

Full-time employees who do not yet work from home but who would be able to in principle, given the nature of their work, and would also be happy to do so, do not clock up more hours a week than the average for all employees. It is striking, however, that a disproportionately high number of employees work overtime in this group. In most cases, however—unlike with telecommuters—their additional work is compensated by time off in lieu or extra pay, and the amount of overtime is generally quite low. These employees who are also eligible to work from home are therefore relatively flexible in that they are prepared to work overtime—so far, they have not been used to doing unpaid overtime, however.

As is to be expected, telecommuting is mainly observed when company hours are virtually unregulated. Accord-

ingly, it seldom occurs when work is rigorously scheduled—and strictly regulated working hours also often reflect the fact that employees' constant presence in the company is essential, or at least considered to be. It would theoretically be possible for more people to work from home, particularly in jobs where working hours are regulated by a flexitime system—here, more than half of employees believe that at least some of their work could be done from home, and the vast majority would also take up this opportunity. Although there are already a relatively high number of telecommuters in jobs where the start and finish of the working day are not regulated at all, working from home would also be a viable option for considerably more employees.

Working from home not linked to household composition

The family environment does not play a decisive role in determining whether someone already works from home or would like to. For instance, there are just as many telecommuters among people living alone as among single parents. And working from home is even a somewhat rarer occurrence for families with children than for couples with no children in their household. Moreover, if employees have not worked from home to date, but the nature of their job would allow it, no differences are evident in terms of their desire to telecommute: two-thirds would accept an offer to work from home—irrespective of their household composition. There are no significant gender differences here, either.

Lower job satisfaction among employees wanting to work from home but unable to do so

The majority of employees in Germany are satisfied with their job. There are very few differences in the levels of satisfaction measured according to the usual systems when employees are compared using relevant socio-economic characteristics; even the level of pay has virtually no impact on job satisfaction.⁷ A different picture emerges when we look at working from home: employees who work from home are on average not substantially but still somewhat more satisfied than those who do not (see Figure 5). The difference between these employees and those whose job requirements would allow them to work from home and who would also like to do so but are unable to because their employer does not provide them with this option is statistically significant.⁸ This group is also

⁷ Brenke, K. (2015): The Vast Majority Of Employees in Germany Are Satisfied with Their Jobs. DIW Economic Bulletin, no. 32-33/2015.

⁸ Since the measured values of job satisfaction are not normally distributed, only non-parametric tests can be used. The Mann-Whitney test was utilized here.

significantly⁹ less satisfied with their job than those who have no desire to work from home whatsoever.

Moreover, telecommuters are not only particularly satisfied with their job but also with their life in general and with their income. Whether or not and to what extent these aspects are linked is beyond the scope of the present paper. The high level of satisfaction with income can probably also be partly explained by the fact that most employees who work from home have demanding and well-paid jobs. This is also likely to have an impact on life satisfaction.

Furthermore, it should be noted that there are no differences between employees who would also like to do their job from home but are unable to do so and those who have no desire to telecommute in terms of general life satisfaction or satisfaction with their personal income, only in terms of job satisfaction. This suggests that the unfulfilled desire to work from home has a dampening effect on job satisfaction.

Conclusion

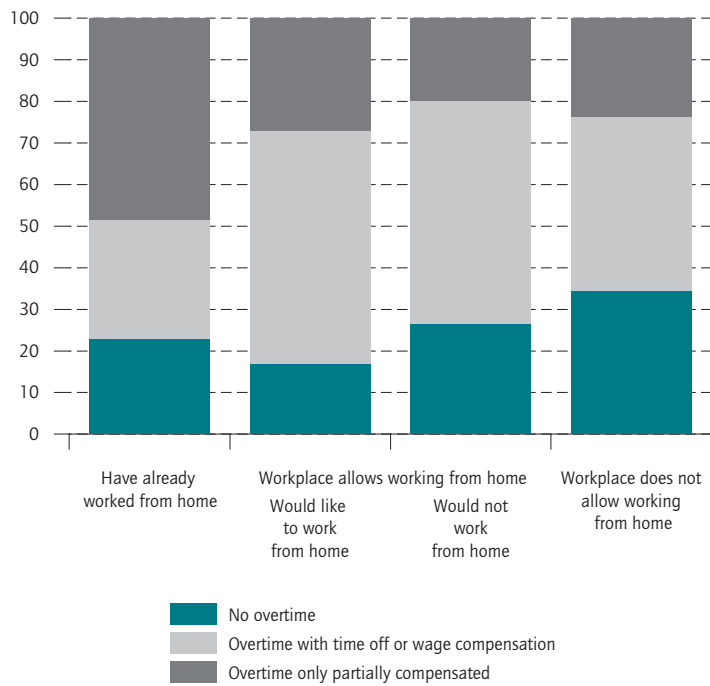
With regard to opportunities for employees to carry out at least some of their work from home, Germany has been overtaken by other European countries. In terms of the share of telecommuters among all employees, Germany is now below the EU average and lagging considerably behind other economically strong countries. Around 40 percent of all jobs do not require constant presence in the company premises, but the opportunity to work from home is taken up in fewer than one-third of these. This is only to a lesser extent because employees do not want to work from home but in the vast majority of cases it is because employers do not provide the option of working from home. If employers were to reconsider their position, the number of telecommuters could be more than doubled.

Many employers have apparently still not realized that employees who are also able to work from home tend to show higher levels of job satisfaction and dissatisfied staff tend to change jobs relatively frequently.¹⁰ The study also shows that working from home is primarily the domain of qualified and—at least with a view to working hours—rather flexible employees. The motives for working from home are not—or not only—to better reconcile work and family life. There must therefore be another reason for this which can only be a desire for more autonomy in organizing the working day.

⁹ See Footnote 8.
¹⁰ See Brenke, The vast majority of employees.

Figure 4

Home workers and non-home workers' and overtime work, 2014
 In percent



¹ Excluding trainees, individuals in special labor-market-assigned jobs, individuals in sheltered workshops, volunteers for social or ecological causes, and semi-retired individuals without paid working hours.

Source: Socio-Economic Panel (v31); calculations by DIW Berlin.

More home workers work unpaid overtime than do non-home workers.

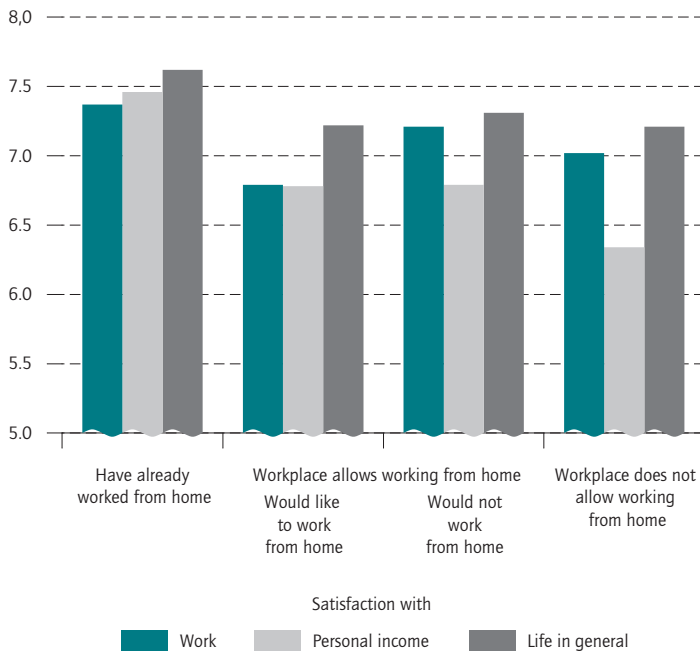
It may still be entrenched in the mindset of some HR managers that the performance of employees can only be monitored if they are actually present. Performance is not always synonymous with presence, however. When working from home, it is down to employees to prove themselves by producing results. It may be more difficult to monitor productivity then but it is certainly more effective than simply having employees clocking on and off.

As complex job activities are set to gain ground and consequently the structure of employees will continue to shift toward those who are highly qualified, even more employees might also want to be able to work from home—particularly since modern communication technology of ten already makes this option possible. With a potential workforce that will probably shrink in the future, employers who do not take enough account of their employees' wishes and rigidly insist on their presence at work will

Figure 5

Home workers and non-home workers' and job satisfaction, income satisfaction, and life satisfaction, 2014

Mean (from 0 = "very unsatisfied" to 10 = "very satisfied")



¹ Excluding trainees, individuals in special labor-market-assigned jobs, individuals in sheltered workshops, volunteers for social or ecological causes, and semi-retired individuals without paid working hours.

Source: Socio-Economic Panel (v31); calculations by DIW Berlin.

© DIW Berlin 2016

On average, home workers are more satisfied than are other employees.

Karl Brenke is Research Associate in the Department of Forecasting and Economic Policy of the DIW Berlin | kbrenke@diw.de

JEL: J81, J28, J83

Keywords: Home office work, job satisfaction

be left behind. Some of these employers could then really have cause to complain about a shortage of skilled workers. Here, the onus is on market forces to bring unreasonable employers to their senses and compel them to keep up to speed with modern human resource management. If this is effective, there would be no need for any special legislation to be introduced. One exception is the civil service, where there is a major disparity between what employees want and the reality in terms of working from home—and market forces are powerless to change this situation.

Working from home also brings risks for employees, however. Those who already do their job from home put in relatively long hours, and their overtime is frequently not remunerated. Company agreements and perhaps even collective agreements might be helpful to counter such developments. There are also certain demands placed on the employees themselves: they have to be disciplined with time management and ensure that their job is kept strictly separate from housework or leisure time.



DIW Berlin – Deutsches Institut
für Wirtschaftsforschung e.V.
Mohrenstraße 58, 10117 Berlin
T +49 30 897 89 -0
F +49 30 897 89 -200

Publishers

Prof. Dr. Pio Baake
Prof. Dr. Tomaso Duso
Dr. Ferdinand Fichtner
Prof. Marcel Fratzscher, Ph.D.
Prof. Dr. Peter Haan
Prof. Dr. Claudia Kemfert
Dr. Kati Krähnert
Prof. Dr. Lukas Menkhoff
Prof. Karsten Neuhoff, Ph.D.
Prof. Dr. Jürgen Schupp
Prof. Dr. C. Katharina Spieß
Prof. Dr. Gert G. Wagner

Reviewer

Hermann Buslei
Prof. Dr. Gert G. Wagner

Editors in chief

Sabine Fiedler
Dr. Kurt Geppert

Editorial staff

Sylvie Ahrens-Urbaneck
Renate Bogdanovic
Dr. Franziska Bremus
Sebastian Kollmann
Dr. Peter Krause
Marie Kristin Marten
Ilka Müller
Dr. Wolf-Peter Schill

Translation

HLTW Übersetzungen GbR

Layout and Composition

eScriptum GmbH & Co KG, Berlin

Press office

Renate Bogdanovic
Tel. +49-30-89789-249
presse@diw.de

Sale and distribution

DIW Berlin

Reprint and further distribution – including extracts – with complete reference and consignment of a specimen copy to DIW Berlin's Communication Department (kundenservice@diw.berlin) only.
Printed on 100 % recycled paper.