

Telework and digitalisation in the COVID crisis

Enrique Fernández-Macías

The European Commission's
science and knowledge service
Joint Research Centre

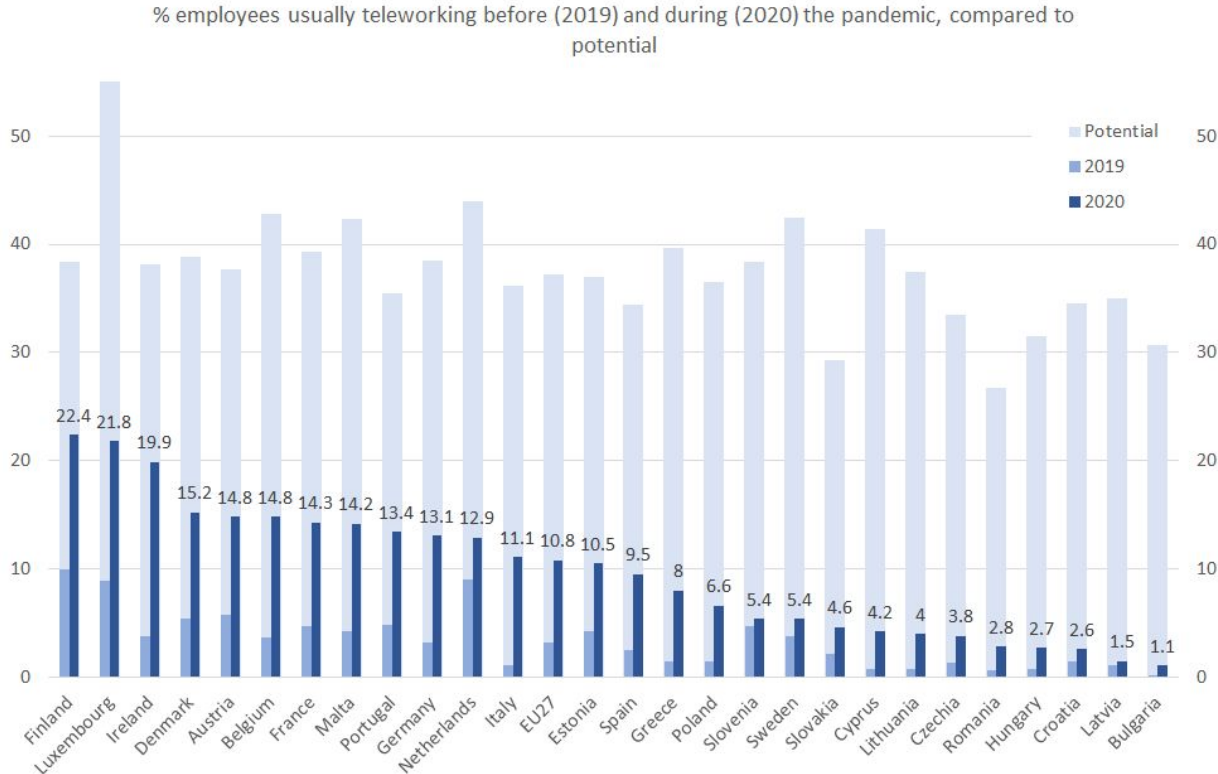


The pandemic as an accelerator of digitalisation

- **Accelerated digitalisation in all areas of social life**
 - Need to socially distance expanded the use of digital communication and online economic activity
 - Sense of emergency reduced public and private concerns

- **Big expansion of remote work**
 - In critical periods, *almost anyone who could telework did telework*.
 - [Our estimate](#): up to 37% in EU27.
 - Hard constraint: working with *hands*.
 - Soft constraint: working with *people*.
 - Reemergence of old [divide](#) between *manual* and *intellectual* work. During the pandemic, double benefit for intellectual workers: job security (less disruption of activity) and health (less risk of COVID).

Remote work after the pandemic - will it last?



The prevalence of telework expanded significantly everywhere (3% to 11% of regular teleworkers in EU)

But except in the most critical periods, regular telework remains far below potential (37% in EU according to [our estimation](#))

Still a minority, but big enough to require changes in work practices. Also, probable increase in hybrid forms not captured here.

Implications for European labour markets

- **The digitalisation of work started decades ago, and is already quite mature in Europe.**
 - (C. Pérez) Installation phase from the 1970/80s: big investments, new infrastructures, diffusion of new tools, skills and know-how.
 - Since the turn of the Millennium, deployment phase: the real socio-economic transformation as the possibilities of the innovations and infrastructures accumulated earlier are realised.
- **3-vectors framework** for understanding impact of the Digital Revolution on work and employment
 - **Automation**: replacement of (human) labour input by machine input for some types of tasks within production and distribution processes
 - **Digitisation**: use of sensors and rendering devices to translate parts of the physical production process into digital information (and vice versa)
 - **Platformisation**: use of digital networks to coordinate transactions in an algorithmic way

Automation

- **Despite the hype, it seems unlikely that COVID will accelerate automation**
 - Current robots are [mostly deployed in manufacturing](#), where the need for social distancing is not so critical (and there are not so many jobs to automate anymore)
 - [Robots in services](#) still very rare, partly for technical reasons (services not so standardised), partly for economic (relative cost) and social (awkwardness) reasons.
- **But there can still be job restructuring linked to COVID-driven digitalisation**
 - Changed habits (online shopping, online services) can lead to market concentration and more self-service (retail, banking).
 - But the associated employment losses are not related to automation, but increased efficiency.

Digitisation

- **Big push, mostly related to telework but extending to all office work (hybrid model) and beyond (smart devices to control social distancing, etc)**
 - Digital work devices become pervasive and permanently connected, blurring boundaries between work and not work.
- **Relaxation of limits with respect to privacy and surveillance may be difficult to revert**
 - Greater scope for data collection and monitoring (“algorithmic surveillance”)
- **Even if the prevalence of telework remains low, the hybrid model requires digitising and reorganising workplaces too**
 - If only one member of a team works remotely, the meetings have to use VC

Platformisation

- Also big push, and perhaps the most consequential one
- Transition to remote work forced the introduction of digital platforms for collaborative work (MS Teams, Slack, etc)
 - These platforms are not just spaces where people interact: they are management tools, involving some degree of algorithmic control of work processes
 - These platforms are likely to remain even after the return of normality
- Platformisation has consequences for work organisation and job quality:
 - Potential displacement of low-level management and supervisors
 - Increased standardisation and control of work processes, intensification of work
 - Blurs the boundaries between internal workers and subcontractors

Thanks!

Enrique.FERNANDEZ-MACIAS@ec.europa.eu