A 2-Year Stanford Study Shows the Astonishing Productivity Boost of Working From Home

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There has been much debate about <u>working from home</u> and whether or not it's a <u>productivity boost</u> or <u>major productivity drain</u>. Paranoid managers envision employees lying on their couches at home in Metallica concert T-shirts eating Doritos off their belly and watching *Ellen*.

But Stanford professor Nicholas Bloom has definitive data that paints a very different picture and indicates it's time once and for all to embrace and enable the benefits of working from home.

Bloom found a willing lab rat for a ground-breaking experiment in his graduate economics class at Stanford--James Liang, co-founder and CEO of Ctrip, China's largest travel agency, with 16,000 employees. The CEO was interested in giving employees the work-from-home option because office space in the company's Shanghai HQ is supremely expensive and because employees had to endure long commutes to work (not being able to afford city living). The result was horrendous attrition.

So Liang wanted to make the work-from-home move but needed proof it wouldn't tank productivity.

Enter Bloom, who helped design a test whereby 500 employees were divided into two groups--a control group (who continued working at HQ) and volunteer work-from-homers (who had to have a private room at home, at least six-month tenure with Ctrip, and decent broadband access as conditions).

You can watch Bloom describe the study and the findings in his 2017 TEDx talk below.

Bloom expected the positives and negatives to offset each other. But he was wrong.

Instead, the robust, nearly two-year study showed an astounding productivity boost among the telecommuters *equivalent to a full day's work*. Turns out work-from-home employees work a true full-shift (or more) versus being late to the office or leaving early multiple times a week and found it less distracting and easier to concentrate at home.

Additionally (and incredibly), employee attrition decreased by 50 percent among the telecommuters, they took shorter breaks, had fewer sick days, and took less time off. Not to mention the reduced carbon emissions from fewer autos clogging up the morning commute.

Oh, and by the way, the company saved almost \$2,000 per employee on rent by reducing the amount of HQ office space.

One surprising finding did put a cautionary veneer over going all in on work-from-home, however. More than half the volunteer group changed their minds about working from home 100 percent of the time--they felt too much isolation.

The research comes with a valuable recommendation.

The sum total of the research led Bloom to recommend going for it with work from home but enabling it just a few days a week versus its being a constant.

I think Bloom is right on with his recommendation. Here's why.

I switched from a corporate, office-driven environment to the work-from-home life (except when I'm keynoting) of an author, speaker, and coach.

I feel I'm consistently at the most productive I've ever been in my entire life. My morning commute is a seven-second walk to my study and I actually start working far earlier than I did in the corporate world.

While I make it a point to not work any later than I did at a corporate office, I'm working more deeply with far fewer breaks in concentration. I quite often "get on a roll" that lasts four-plus hours at a time. I can't remember the last such streak working in an office.

I'm able to be so intense and productive that on most days I intentionally break my day up with exercise, which refreshes me and recharges me for another "burst" in the back half of the day. I was never able to do this in a corporate office setting.

I've written before about <u>the one downside of working from home day in and day out</u>--it can be lonely. I can absolutely see how it could impact team cohesion. So Bloom's recommendation to dive in but keep an eye toward maintaining face-to-face contact and cohesion makes a lot of sense. The nature of every job does not necessarily lend itself perfectly to working from home, even a few days a week. The bigger thought here is that it's time to erase the stigma about telecommuting in general.

It's time for working from home to formally find a home in your company's portfolio of engagement tools.

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The Playbook | 1:27

Want to Work from Home? Tim Ferriss on the Best Way to Start



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Last month, during Austin's SXSW festival, *Inc.* brought together a host of high-profile business executives and innovative entrepreneurs at the <u>Founders House</u>. Naturally, it was a group that was highly experienced and savvy in <u>the art of networking</u>. Some of the luminaries in attendance passed on their best tips for making connections at such events or anywhere you're trying to meet potential business partners and develop new opportunities. Here are their five key lessons.

1. Do your homework before formally networking.

Get to know the person you plan on talking to in advance. By doing thorough research, you should gain a rough idea of how you can appeal to that contact, says <u>Elizabeth Gore</u>, the president of Alice, an A.I.-based adviser for business owners. But professional relationships should benefit both parties. "Really think about that two-way connection," Gore advises. When you approach someone, know what you can offer that person to make the interaction more memorable, authentic, and distinct.

2. Adhere to the '48-hour rule.'

After a business meeting or conference, or even just a quick chat over coffee, Gore says, it's crucial to follow up within a short time frame. Once she parts ways with a potential professional contact, she puts a reminder in her calendar to check back within 48 hours. Getting in touch any later than two days after meeting someone can give the impression

that you don't care about the new relationship or the subject you discussed with your new contact.

3. Be cutthroat in what you want.

Cindy Eckert, founder and CEO of the Pink Ceiling, a venture capital fund that invests in female-led businesses, preaches the value of persistence. She advises being upfront and tenacious in letting people know what you are out to accomplish--an approach that served her well on her path to entrepreneurial success. "You have to be convinced that you would be doing the other person a disservice by not telling them what you're trying to do and how you're trying to change the game," says Eckert, who has sold two pharmaceutical companies for a total of \$1.5 billion. "That is the mark of a true entrepreneur. They're so determined that everybody will hear their vision."

4. Don't ask this question.

Never ask somebody what he or she does immediately upon meeting that person, says Stephen Lease, the founder and CEO of sunglasses startup Goodr: "That is the lamest way to network possible." Being authentic is key--which means skipping the small talk. The best professionals will approach a networking opportunity with fresh questions. Find a conversation topic to connect on, Lease says. Once you hit on something that can bond you with a prospective contact, you have better odds when it comes to asking that person for a favor.

Bonus tip: If your company sells a product, like sunglasses, always have a sample on you to give away when you meet someone, he adds. That's how you leave a lasting impression.

5. Carry yourself with a cool confidence.

"A good \$50 to \$100 million of our cap table came from random introductions," says Chieh Huang, the co-founder and CEO of Boxed, an e-commerce company. Huang says it all comes down to being confident. "Go up to folks whether you know that they can help you or not," he says. Greet them and ask them what they are talking about. "In my entire professional career, I've never gone up to a group of folks and asked that question and been rejected."

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