

Remote Work, Productivity, and Labour Policy: An Systematic Literature Review in the Global Context

Alfinia Salma Handayani ¹

¹ Universitas Diponegoro, Semarang, Indonesia

Abstract

Article history:

Received: January 5, 2025

Revised: February 12, 2025

Accepted: April 20, 2025

Published: June 30, 2025

Keywords:

Digital Work Transformation,
Labour Policy,
Productivity,
Remote Work,
Systematic Literature Review.

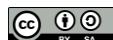
Identifier:

Nawala

Page: 43-53

<https://nawala.io/index.php/gjepd>

The global expansion of remote work has reshaped traditional labour models, productivity dynamics, and regulatory frameworks across various regions. This study presents a Systematic Literature Review (SLR) to examine the relationship between remote work, productivity outcomes, and labour policy adaptations in a global context. Findings suggest that while remote work offers notable benefits such as increased flexibility, reduced commuting, and enhanced autonomy its impact on productivity is uneven, contingent upon job types, organizational culture, and digital infrastructure. Moreover, prolonged remote arrangements raise concerns regarding employee well being, work life balance, and mental health. The review also reveals that existing labour policies are often inadequate for addressing emerging challenges such as digital surveillance, the right to disconnect, and equitable access to remote opportunities. The paper emphasizes the urgent need for adaptive labour regulations and organizational strategies that promote inclusivity, safeguard worker rights, and leverage remote work as a sustainable tool for future employment. This study contributes a comprehensive understanding of how remote work is transforming labour systems and highlights directions for future research and policymaking.



1. Introduction

The global shift toward remote work has emerged as one of the most significant transformations in the modern labour landscape. Accelerated by advancements in digital technology and evolving worker expectations, remote work is no longer a temporary response to crises but has become an integral component of organizational strategies worldwide (Choudhury et al., 2021). This structural shift has raised critical questions regarding its implications for productivity, labour regulation, and equitable workforce participation.

Numerous studies have examined the productivity outcomes of remote work, yielding mixed findings. While some research indicates that remote work can enhance output by offering employees greater flexibility and autonomy (Choudhury et al., 2021), others caution that its effectiveness may vary depending on job type, digital infrastructure, and organizational culture (DeFilippis et al., 2022). Furthermore, disparities in digital access and support systems often mean that not all workers benefit equally, potentially reinforcing existing labour inequalities (OECD, 2021).

In response, labour policies across nations have begun to adapt to this emerging paradigm. From revised labour laws governing working hours and digital surveillance to considerations around health, safety, and the right to disconnect, policymakers are increasingly tasked with creating frameworks that both promote productivity and protect worker well-being (ILO, 2021). However, the pace and nature of these policy adaptations vary greatly across global regions, shaped by differing economic, social, and institutional contexts (OECD, 2022).

This study conducts a Systematic Literature Review (SLR) to synthesize current knowledge on the relationship between remote work, productivity, and labour policy within a global context. By integrating findings across various geographic and institutional settings, this review aims to provide a nuanced understanding of how remote work is reshaping productivity dynamics and labour governance worldwide.

2. Literature Review

The increasing prevalence of remote work has prompted extensive academic inquiry into its effects on productivity, worker well-being, and the adequacy of existing labour policies. Remote work, often termed telecommuting, has shifted from being a niche work arrangement to a mainstream mode of employment across many sectors and countries. While it offers potential benefits in terms of flexibility, reduced commuting time, and autonomy, its actual impact on productivity and labour regulation remains multifaceted and context-dependent.

Several studies have found that remote work can enhance productivity, particularly when employees are granted autonomy and have supportive management structures. Recent reviews highlight how telecommuting improves job satisfaction and reduces work–family conflict, both of which are strongly correlated with higher individual performance (Choudhury et al., 2021; DeFilippis et al., 2022). They argue that employees who experience greater control over their work environment tend to be more engaged and committed, resulting in measurable productivity gains. However, the authors also emphasize that these benefits are not

automatic and are moderated by factors such as job complexity, organizational culture, and technological readiness.

Nevertheless, not all types of work or worker profiles benefit equally from remote arrangements. Recent empirical studies have found that task characteristics significantly influence remote work outcomes (OECD, 2021). Research shows that individuals assigned creative tasks tend to perform better when working from home due to fewer interruptions and more personal control over their time. In contrast, those performing routine or repetitive tasks might experience a decline in productivity, possibly due to lower motivation and lack of external accountability (DeFilippis et al., 2022). This suggests that remote work is not a universally applicable model and must be tailored to the nature of the job and the individual's work style.

Beyond productivity, remote work also introduces challenges related to employee well-being, especially in prolonged work-from-home situations. Oakman et al. (2020) reviewed evidence on the physical and mental health impacts of remote work during extended periods and found that lack of ergonomic furniture, blurred boundaries between work and personal life, and social isolation can negatively affect both health and performance. Their findings call for a more proactive organizational approach to remote work, one that includes providing ergonomic resources, promoting work-life balance, and maintaining regular social interaction among colleagues.

These changing dynamics have exposed the inadequacy of traditional labour policies, which were designed primarily for on-site, time-bound employment models.

As work becomes increasingly digital and flexible, policymakers face growing pressure to adapt regulatory frameworks. Recent policy analyses argue that modern labour regulations must address new concerns such as the right to disconnect, digital surveillance, working-time boundaries, and fair access to remote work opportunities (OECD, 2021; ILO, 2022). Comparative evidence shows that while some countries have begun to implement such measures, many regions still lack comprehensive remote work legislation. This regulatory lag could exacerbate existing inequalities and leave workers vulnerable to overwork, under-compensation, or digital burnout.

In sum, the literature demonstrates that remote work, while offering potential productivity gains and employee satisfaction, also brings challenges that require adaptive strategies from both employers and policymakers. Future research should continue to explore how contextual factors such as digital infrastructure, industry norms, and cultural expectations influence the effectiveness of remote work and the design of supportive labour policies (OECD, 2022).

3. Methods

This study employed a Systematic Literature Review (SLR) approach to explore the relationship between remote work, productivity, and labour policy within a global context (Snyder, 2019; Xiao & Watson, 2019). The SLR method was chosen to ensure a structured and comprehensive review of existing literature by systematically identifying, evaluating, and synthesizing relevant studies. The process was conducted in three stages: planning, conducting, and reporting the review.

In the planning stage, research questions were formulated to guide the review process, focusing on how remote work affects productivity, what challenges arise in terms of labour policy, and how different countries have responded to these changes. These questions served as the basis for determining the inclusion and exclusion criteria during the literature selection process (Xiao & Watson, 2019).

The literature search was carried out using several academic databases such as Scopus, Web of Science, and Google Scholar. The keywords used included combinations of “remote work,” “telecommuting,” “productivity,” “labour policy,” “work from home,” and “telework regulation.” The search was limited to peer-reviewed journal articles published last five-year and written in English. Articles that did not focus on the themes of productivity or labour policy in relation to remote work, or lacked full-text availability, were excluded from the review.

After the initial screening of titles and abstracts, several articles were identified. Following a more detailed evaluation, several articles were selected for in-depth analysis based on their relevance and quality. These articles were then categorized thematically into several key areas, including productivity outcomes, labour regulations, employee well-being, and regional or institutional responses to remote work (OECD, 2022).

The data from the selected studies were extracted using a coding framework to identify common patterns, differences, and emerging themes. The synthesis was conducted narratively due to the diverse nature of the methodologies and findings in the reviewed studies. This approach enabled a deeper understanding of the global

dynamics surrounding remote work and provided a foundation for further discussion and analysis in the following sections (Snyder, 2019).

4. Results and Discussion

The systematic review of selected literature reveals several key themes regarding the intersection of remote work, productivity, and labour policy in the global context. Overall, remote work has shown potential to increase productivity under the right conditions, yet its outcomes are influenced by various contextual factors including job type, organizational culture, infrastructure readiness, and regulatory support.

One prominent finding is that productivity gains from remote work are not uniform across all industries or employee groups. Studies suggest that while knowledge-based workers often report improved performance due to fewer distractions and greater flexibility, others face declines due to lack of structure and increased domestic responsibilities (Barrero et al., 2021). Moreover, remote work tends to benefit employees who have access to reliable digital tools and stable internet connectivity, further emphasizing the importance of digital inclusion.

In addition to individual performance, the literature also highlights organizational challenges related to collaboration, innovation, and long-term engagement. According to Yang et al. (2022), firms that lack established digital workflows or inclusive communication practices often struggle to maintain team cohesion and knowledge sharing, which can offset the productivity benefits of

remote setups. This suggests that remote work requires not just a shift in physical location but also a strategic redesign of work processes and leadership practices.

From a labour policy perspective, there is growing recognition that current legal frameworks are outdated and insufficient to protect workers in remote environments. For instance, work-from-home arrangements have blurred the boundaries between work and personal life, raising concerns over overwork, surveillance, and mental health. De Klerk et al. (2021) found that prolonged remote work without adequate labour protection leads to increased stress, emotional fatigue, and burnout, especially among employees with caregiving responsibilities. These findings highlight the need for updated regulations that account for the realities of hybrid or fully remote work.

Globally, policy responses have varied. Some countries have implemented reforms such as the “right to disconnect,” mandatory remote work contracts, and ergonomic support programs, while others remain slow to adapt. The literature emphasizes that effective regulation should not only ensure fair treatment and privacy protection but also promote equitable access to remote work opportunities (Chung et al., 2020). In regions with high digital inequality or informal labour markets, policy gaps may deepen existing disparities rather than reduce them.

In summary, while remote work has the potential to enhance productivity and improve work-life balance, its success depends heavily on supportive organizational practices and adaptive labour policies. Governments and employers must collaborate to ensure that the shift toward remote and hybrid models leads to inclusive, sustainable, and productive outcomes for all segments of the workforce.

5. Conclusion

This systematic literature review highlights the multifaceted impact of remote work on productivity and labour policy in a global context. While remote work offers potential benefits such as increased flexibility, enhanced productivity, and improved work-life balance, these outcomes are highly dependent on contextual factors including job type, access to digital infrastructure, and the presence of supportive organizational systems.

The findings indicate that remote work is more effective in knowledge-based roles and in environments with strong digital capabilities and inclusive leadership. However, challenges remain in maintaining collaboration, innovation, and employee well-being, especially when remote arrangements are prolonged without adequate support.

From a policy standpoint, current labour regulations are often insufficient to address the complexities of remote work. There is an urgent need for adaptive policies that safeguard employee rights, ensure fair access to remote opportunities, and promote digital inclusion. Without such adjustments, remote work could risk reinforcing existing inequalities in the labour market.

In conclusion, for remote work to evolve into a sustainable and equitable model of employment, both employers and policymakers must act collaboratively. Organizations should invest in digital infrastructure, inclusive work practices, and mental health support, while governments must update labour policies to reflect the realities of the modern workplace. These efforts are essential to ensure that remote

work not only enhances productivity but also contributes to long term workforce resilience and well being.

References

Barrero, J. M., Bloom, N., & Davis, S. J. (2021). Why working from home will stick. National Bureau of Economic Research Working Paper Series, No. 28731.

Choudhury, P., Foroughi, C., & Larson, B. (2021). Work-from-anywhere: The productivity effects of geographic flexibility. *Strategic Management Journal*, 42(4), 655–683.

Chung, H., Seo, H., Forbes, S., & Birkett, H. (2020). Working from home during the COVID-19 lockdown: Changing preferences and the future of work. University of Kent Working Paper.

De Klerk, J. J., Joubert, M., & Mosca, H. F. (2021). Is working from home the new workplace panacea? Lessons from the COVID-19 pandemic for the future world of work. *SA Journal of Industrial Psychology*, 47(1), 1–14.

DeFilippis, E., Impink, S. M., Singell, M., Polzer, J. T., & Sadun, R. (2022). Collaborating during coronavirus: The impact of COVID-19 on the nature of work. National Bureau of Economic Research Working Paper Series, No. 27612.

International Labour Organization. (2021). Working from home: From invisibility to decent work. ILO.

International Labour Organization. (2022). Teleworking arrangements during the COVID-19 crisis and beyond. ILO.

Oakman, J., Kinsman, N., Stuckey, R., Graham, M., & Weale, V. (2020). A rapid review of mental and physical health effects of working at home: How do we optimise health? *BMC Public Health*, 20(1), 1825.

Organisation for Economic Co-operation and Development. (2021). Teleworking in the COVID-19 pandemic: Trends and prospects. OECD Publishing.

Organisation for Economic Co-operation and Development. (2022). The future of remote work. OECD Publishing.

Yang, L., Holtz, D., Jaffe, S., Suri, S., Sinha, S., Weston, J., Joyce, C., Shah, N., Sherman, K., Hecht, B., & Teevan, J. (2022). The effects of remote work on collaboration among information workers. *Nature Human Behaviour*, 6(1), 43–54.