



Analyzing the effectiveness of remote work policies on employee productivity in India: Health and work dimensions

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Abstract

The COVID-19 pandemic led to the one of the most important workplace transformations in modern history. Organisations across India embrace the remote work policies at an exceptional scale. Remote and hybrid work models have become an important part of organisational strategies in running business during these years. However, organisations are still confused about how effective they are in long run for improving employee productivity. The researcher through this study examines the impact of remote work policies in India through two main aspects: employee health, both physical as well as mental, and work performance -such as coordination in teamwork, efficiency in employees' performance, creativity, and overall output. Based on related studies, conducted surveys, and reports from 2020 to 2024, the findings show that remote work improves employees' flexibility, eliminates or reduces the stress of daily commuting, and helps in maintaining a better work-life balance. When supported with the right policies, technology, and management practices, remote work has the potential to create positive outcomes for both workers and employers. However, challenges such as Cyber Security, digital fatigue, ergonomic risks, blurred boundaries between work and home, double-burden to women employees, social disconnection and less opportunities for interactive sessions and collaborative innovation, create obstacles to sustained performance. Researcher concludes that while remote work policies can be effective in India, their success depends on organisational strategies, investments in digital infrastructure by organisation as well as employees, employee support systems, and hybrid work models that align health needs with organizational goals.

Keywords: Remote work policies, employee health, well-being, work performance, productivity, hybrid work models

Introduction

Remote work in India was once rare but became common during the COVID-19 pandemic. Lockdowns and the need to keep businesses running, pushed companies to quickly shift to work-from-home models. A 2020 NASSCOM report noted that almost 90% of employees in the IT and IT-enabled services sector were working from home at the peak of the pandemic. What started as a temporary solution soon grew into a long-term strategy. Remote work has since transformed the way organisations work, influencing workplace culture, productivity, and the overall health and well-being of employees across different sectors.

Globally, debates around the effectiveness of remote work have centered on two themes: employee health and organizational productivity. In the Indian context, these themes acquire unique significance. India's workforce is diverse—ranging from IT professionals with access to robust digital tools to employees in semi-urban and rural areas struggling with infrastructure limitations. Moreover, traditional hierarchical structures, joint family systems, and socio-cultural expectations influence the dynamics of working from home.

This paper studies how effective remote work policies are in India, focusing on employee health and work outcomes such as productivity, teamwork, and creativity. It brings together findings from research studies, surveys, and company reports to give a clear picture of the impact. The paper also adds to the wider discussion on how the future of work in India is being shaped by remote and hybrid models.

Remote Work in India: Evolution and Current Scenario

Before 2020, remote work in India was primarily confined to freelancers, start-ups, and certain IT organizations experimenting with flexible models. These generally have not social acceptance either. The COVID-19 pandemic significantly accelerated its adoption, extending remote work practices to diverse sectors such as finance, consulting, education, and public administration. All Indian teachers whether they were from a private or government institution, were well versed with the technology and had adopted the new work from home system very sincerely. According to a 2021 Deloitte report, approximately 67% of Indian organisations had either formalized or were in the process of formulating structured remote work policies, reflecting a decisive shift in workplace strategies and organisational planning.

By 2022, many companies in India moved to hybrid work models, offering employees the option of working from home or the workplace. Large firms like TCS, Infosys, and Wipro implemented this strategy for the productivity and the growing demand for flexibility among workers. A 2023 NASSCOM report showed that 65% of IT employees preferred hybrid work, while only 15% wanted to return to the office full-time. This change underscores the manner in which hybrid models are emerging as the new norm within the workplace

Structural and Cultural Factors: India's traffic of big cities especially IT cities, extended commute times, and poor public infrastructure render work from home worthwhile for minimizing stress and maximizing efficiency. However,

cultural attitudes of face-to-face supervision, poor home office arrangements, and blurred dividing lines between work and personal life pose challenges. It is for this reason that firms such as TCS, Wipro, and Infosys have started abandoning outright work-from-home (WFH) strategies to adopt tighter hybrid working regimes with more office days per week, against which they are imposing punishments. Firms are giving high priority to office collaboration, employee engagement, and productivity by utilizing policies such as associating variable pay with office visitation (TCS) or mandating minimum office days per month (Infosys, LTIMindtree) to bring employees back to the office.

Effectiveness of Remote Work on Employee Health

Physical Health Impacts

- 1. Reduced Commuting Stress:** Employees in Indian metropolitan cities such as Bengaluru, Delhi, and Mumbai commute 90–120 minutes one way because of traffic jams. This daily commute life generates fatigue, stress, and less time for health or family activities. Telecommuting eliminates these lengthy commutes, freeing up almost 15–20 hours per week for most employees. The additional time can be utilized in exercise, relaxation, or personal health, lowering stress levels and enhancing general health. Remote work therefore greatly improves physical health by eliminating one of the largest sources of daily stress—commuting.
- 2. Ergonomic Challenges:** According to a 2021 FICCI report, almost 65% of Indian remote employees lacked suitable ergonomic furniture at home. Most used sofas, beds, or dining tables as their workstations and thus have been suffering from posture problems. Excessive use of laptops in these setups has resulted in more cases of back pain, neck strain, and eye fatigue. Practo (2021) conducted a survey that witnessed a 30% surge in orthopedic and spine consultations during the work-from-home period. These issues emphasize how the absence of appropriate home office facilities has a direct impact on physical well-being and long-term musculoskeletal health of employees.
- 3. Lifestyle Improvements and Risks:** Indeed India's 2022 survey revealed that 40% of remote workers exercised more frequently and prepared better meals at home, enhancing their lifestyle. Nevertheless, the same study revealed that 35% of employees gained weight due to less physical activity and non-standard schedules. For instance, an IT specialist in Bengaluru stated that although work from home enabled him to initiate morning yoga, his co-worker had a problem with long hours on the screen and late nights at the computer, resulting in backaches and gaining weight. This disparity reflects how work from home can either strengthen or weaken lifestyle habits based on self-discipline and company culture.

Mental Health Impacts

- 1. Work-Life Balance:** According to a 2022 Nasscom survey, 70% of Indian IT employees felt remote work improved family time and overall satisfaction. Many reported stronger bonds with children and reduced stress from balancing personal and professional duties. However, challenges remain—urban apartments in

cities like Mumbai and Delhi average just 600–800 sq. ft., often shared by multiple family members. In shared homes, constant interruptions and absence of personal working areas lead to distractions, reducing efficiency. With both partners present at home, there is increased tension and conflicts over domestic chores and duties, resulting in fighting and resentment. A constant, close proximity can sometimes lead to a decline in intimacy and a sense of personal space within the relationship, creating distance and some time becomes a plot to divorce. Thus, while remote work strengthens work-life balance for many, space limitations and family dynamics in Indian homes continue to pose significant challenges.

- 2. Isolation and Social Disconnection:** Remote work has limited casual office interactions like coffee breaks or team lunches, which are vital for social bonding. A 2022 survey conducted by Deloitte revealed that 46% of Indians aged below 30 experienced loneliness while working remotely. New hires, especially, suffered from limited mentoring and peer guidance, leading to difficulties in integrating with teams. This lack of social connection often impacts mental health and engagement. They are facing the same issue in Hybrid Mode because they are far from family and single living is making them lonely.
- 3. Digital Fatigue:** Microsoft's Work Trend Index for 2021 showed that online meeting time in India has been boosted by 38% compared to in-person meeting. All that screen time and relentless virtual back-to-back meetings have led to mental fatigue, reducing well-being and productivity resulting in numerous illnesses such as silent heart attacks, obesity, diabetes, and high blood pressure.

Effectiveness of Remote Work on Work Outcomes

Productivity: Remote work gives employees the freedom to structure their shift time according to the hours of day, when they feel most productive. It also saves long commuting time and eliminates many office distractions. A 2021 Gartner survey in India showed that 43 percent of employees working from home felt more productive than those in offices. However, some companies noticed lower output because of less direct supervision, slower communication, and difficulty in monitoring performance, as highlighted by KPMG India in 2022 ^[5].

Collaboration and Innovation: Web tools like Microsoft Teams, Zoom, and Slack facilitate teamwork, but the lack of face-to-face interactions reduces spontaneous idea-sharing. Creative and innovative sectors such as research, design, and consulting tend to consider remote work less effective for brainstorming and constructing new ideas collectively.

Cost and Efficiency Savings: Remote work helps companies cut costs on office space, electricity, and other overheads. Employees also save money on fuel, transport, rent of accommodation and meals. A 2022 CBRE report pointed out that many Indian IT firms reduced office space by as much as 20 percent after adopting hybrid work. However, poor internet connectivity in Tier-II and Tier-III cities and frequent power cuts continue to lower overall

efficiency of employees and result in delays in everyday activities.

Employee Engagement and Retention: Flexible work has become a powerful driver of attracting and retaining talent. A 2023 Nasscom-TCS study found that seven in ten employees saw flexibility as a deal-breaker when making employment choices. Another report by PwC India (2022) also revealed that 59 percent of employees said that they would quit their job if forced to return full-time to office. Yet, if companies do not actively build a strong culture, remote employees may feel disconnected and demotivated over time.

Challenges in the Indian Context

1. **Digital Divide:** Access to high-speed internet is still disproportionate. TRAI (2022) reported that only 37% of rural households had reliable internet, creating barriers for remote work and online collaboration in rural areas.
2. **Infrastructure Limitations:** Frequent and Routine power cuts in rural areas, congested city residential areas, and lack of ergonomic furniture remain hurdles. In 2021 FICCI survey showed 65% of employees lacked proper work setups, leading to health problems and decreased efficiency.
3. **Organizational Resistance:** Many Indian companies still follow hierarchical and presence-based management styles, where leaders favour in-person supervision. This mindset and resistance slow down the adoption of flexible and hybrid work trends.
4. **Gendered Impacts:** Women still carry an unequal burden of domestic work. A report by ILO (2021) revealed that Indian women spend 4.5 hours daily on unpaid care work which lower their productivity at work.
5. **Double Burden:** Women often find themselves juggling professional responsibilities with family duties, a condition made worse by social norms and limited availability of affordable childcare and healthcare infrastructure.
6. **Productivity and Livelihood:** The constant switching between domestic and professional tasks can lower efficiency and productivity. It also limits employees' ability to enter, stay in, and move up in the new activity, affecting their economic opportunities and overall well-being.
7. **Cybersecurity Risks:** With increasing reliance on digital platforms, organisations face higher risks of cyber-attacks. CERT-In reported 14 lakh cybersecurity incidents in 2021, ranging from phishing to ransomware, making data protection a cause of concern.

Review of Literature

Since the COVID-19 pandemic, research related to remote work in India has surged in terms of span, depth, and expansive potential, particularly with respect to

productivity, employee well-being. Evidence shows that there is variation in productivity during the transition to remote work, that may be shaped by infrastructural limitations, organizational culture, and socio-economic realities.

According to NASSCOM (2020) ^[1] the study showed that nearly 90% of IT sector employees transitioned to remote work during the first pandemic lockdowns. This large-scale shift permitted businesses to maintain a certain level of continuity despite the lockdowns. However, the report indicated that organizations were not entirely prepared regarding cybersecurity, digital infrastructure, and support systems for employees. For example, many employees located in Tier-II and Tier-III cities experienced frequent power cuts and poor internet connectivity, which disrupted smooth operations for remote workers.

Another study by FICCI & Deloitte (2021) ^[2] highlighted health-related issues. The researchers reported that 55% of employees stated they had increased productivity, yet 48% indicated some form of musculoskeletal injury due to inadequate ergonomics setups at home. Many workers reported using dining tables or sofas as their workstations, leading to posture-related problems and a rise in orthopaedic consultations. This study emphasized the importance of organizations providing ergonomic allowances or wellness programs to effectively maintain health and productivity in the long term.

According to LinkedIn's Workforce Confidence Index (2022) ^[3] employees no doubt appreciated flexibility but stress levels increased due to blurred boundaries between home and work. Stresses from work were so bad for some that they were reported as working longer hours and feeling compelled to be "always online." Consider the case of an IT employee in Bengaluru. He mentioned that although he enjoyed family time, his work responsibilities stretched so that he had to spend most of the night working because of the overlapping demands of home and the office.

Data from the TomTom Traffic Index (2022) ^[4] highlighted the other side of the coin, underlining the positive impact of reduced commuting. Employees in Bengaluru and Mumbai saved up to 15–20 hours in a week, which they could utilise to exercise, family care, or rest. This directly improved their physical and mental health and in return enhancing productivity.

According to KPMG India (2022) ^[11] having a remote work policy and workplace outcomes mixed positively for the IT and the knowledge sectors, but remote work did not work as well for the other three sectors of manufacturing, retail, and healthcare. Because they require more on-site staff. For example, consulting firms reported improvement in business outcomes, whereas healthcare professionals faced difficulties balancing teleconsultations with hands on work. NASSCOM-TCS (2023) ^[6] demonstrated the value of flexibility in recruiting and retaining talent. Their study showed that 70% of employees considered hybrid work as a deal breaker in job selection. Organizations offering hybrid work arrangements had greater retention ratio, suggesting that flexibility in hybrid work arrangements is a core component in employee value propositions.

While productivity improvements were reported by Gartner (2021) ^[7], but highlighted a trade-off in innovation and collaboration. The lack of in-person interactions, limited spontaneous and free-form brainstorming, which is essential in creative fields. For example, advertising firms reported

delays in campaign ideation when relying solely on virtual tools.

The World Health Organization – India (2021) ^[8] highlighted the negative impact of prolonged work-from-home arrangements during Covid-19 pandemic, such as decreased physical activities, increased food intake and the sedentary work patterns, less communication with the co-workers all these led to the associated conditions like, obesity, diabetes, and cardiovascular disease.

McKinsey & Company India (2022) ^[9] considered hybrid models as the most reasonable and sustainable compromise as it provides the required level of flexibility and in-office collaboration. The case study on an Indian IT services firm showed how a hybrid model not only increased innovation but also employee satisfaction compared to a fully remote arrangement.

According to PwC India (2023) ^[10] The strongest productivity gains were registered by firms that invested in digital infrastructure and employee wellness. Firms that subsidized internet upgrades, provided mental health counselling, or adopted hybrid model, reported increased commitment and stronger workforce stability.

The JLL Future of Work Survey 2024 ^[16] – India Insights discussed how corporate leaders are rethinking hybrid work strategies. The study found that while flexibility and employee experience remain priorities, Indian organizations are increasingly focusing on balancing remote options with purposeful office presence. The research identified technology investments, collaborative workspaces, and employee wellness as the most important factors that will redefine and guide the future of the workplace in India

Discussion and Critical Analysis

Remote work in India demonstrates both opportunities and contradictions. On one hand, it eliminates urban commuting stress, increase flexibility, and makes work-life integration easier. On the other hand, digital fatigue, inadequate infrastructure, and cultural barriers impacts the effectiveness of workers.

The health dimension highlights that physical benefits like reduced travel are offset by ergonomic and lifestyle risks, while psychological well-being depends heavily on organizational support and individual coping strategies. The work dimension suggests that while productivity can increase, sustained innovation and collaboration require hybrid solutions. There are numerous reports focused on urban, IT-centric sectors and the rural workers remain virtually ignored. Moreover, most surveys rely on self-reported perceptions generalizability is limited in most cases. Future research must address the gaps of diverse sectors, including the inequity of cross-border, gender, and regional disparities to provide a more balanced understanding.

In Indian context with its infrastructural disparities, cultural norms, and socio-economic diversity, a policy which is contextual embedded should be adopted rather than an imported model from Western economies.

Future Implications

1. The Normalization of Hybrid Work: Indian organizations will likely institutionalize hybrid models that have come to balance health and well-being needs, as well as productivity needs.

2. Investment in Digital Infrastructure: Indian organizations and in conjunction with the government will invest in digital infrastructure that will bridge the divide between rural and urban contexts and ensure inclusivity and participation.
3. Employee Wellness Programs: Companies will need to focus on Employee wellness programmes, ergonomic support, mental health counselling, and flexible work policies.
4. Policy and Regulation: The Indian government may need to establish clearer labour laws around remote work, ensuring employee rights and well-being.
5. Gender-Sensitive Approaches: Policy must also consider women's double-burden and will provide women with support structures such as child-care benefits.

Conclusion

Remote work in India has proven both effective and challenging since covid-19 Pandemic period. Its impact on productivity is mediated by health outcomes—physical, mental, and social. Remote work improves productivity by removing stress from commuting and permitting flexibility, but such flexibility creates the potential for risks to health and wellness, including social isolation, burnout, and lifestyle disorders. Similarly, work-related outcomes such as efficiency and employee retention improve, but innovation and collaboration potentially decline when in-person contact is not fostered.

The future of remote work in India lies in adaptive hybrid models that combine the benefits of flexibility with the strengths of face-to-face interaction. Organizations that invest in wellness, digital infrastructure, and leadership practice will be better positioned to benefit from the full value of remote work, while protecting employee health and productivity in the long run.

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