

Fostering social cohesion in the digital age

Information on the case study:

Organisation: UpWORK (created in 2015 from Elance)

Size: 798 corporate employees, 2022 freelancer or contract workers, with workers in over 800 cities. (2021)

Location: USA (San Francisco)

Sector: Digital Economy

Operational context

Upwork is an online freelancing platform that connects companies with freelancers for short or long-term projects. The majority of Upwork employees works from home. The company adopted a remote working model long before it became a global trend. As a platform dedicated to freelancing and remote working, Upwork advocates a flexible and decentralised way of working, which is also reflected in its own internal practices. The practice of working from anywhere has been the company culture since its founding in 1998 when it was "Elance."

According to the Upwork President and CEO Hayden Brown, COVID 19 provided an opportunity: "It was really a moment to say, we're going to leverage the strengths we have as a team that knows how to work remotely and do that really well," she said. "And lean into my brand as the new CEO around communication, clarity, transparency, and amplify all of that at once and make sure everyone is hearing from me and our leadership team."

The problem/opportunity

The company maintains two offices for collaboration and socialisation, and remote working environment is the main rule for most of corporate team members. The company has developed a remote-friendly work approach, and employees have the flexibility to work from home or come into the office. In the company *Upwork Future Workforce Report 23*, figures showed the importance of remote work for employees. More full-time workers will want the opportunity to work remotely, maybe not on a 5/5 basis but clearly more on the flexible working side. A 2024 study¹ shows that 12.7% of employees are fully remote in the US, with 30% participating in some hybrid model. In ten years, some experts predict that those numbers will rise to 30% and 60-65% respectively.

For employers, remote work could be the better and more cost-effective option as long as managers understand that remote workers are facing different challenges, such as time zone differences, miscommunications as relaying on e-mail might increase understanding mistake, plus the risk of a feeling of isolation and neglect. But on the bright side, benefits for both sides can be found by saving money on office space and real estate, being able to hire talented

¹ <https://www.justworks.com/blog/future-of-remote-work-and-working-from-home>

people from a global market and increasing diversity workforce. For the employees, the gain can be measured by a better work life balance, less stress and an increased feeling of commitment.

According to Upwork, they are developing a new model: the “hub” company. With the growing importance of freelancing as a social trend among younger generations, Upwork aims at integrating corporate workforce with freelance talents from outside the company. In this model, most of the workforce works “in the cloud”, corporate employees as well as freelancers. Then how can Upwork maintain the link and foster a culture of commitment and retention among the members of the “hub” and harvest all the benefits of remote work without falling into its pits?

What was done

Upwork uses several strategies to maintain social links and encourage collaboration among its teleworking employees. But the mindset is essential, and trust is first. Trust towards the employees, acknowledged as professionals committed enough to deliver what is expected from them. Second is the shift of focus from “time in seat” to outcomes. Modern teams want autonomy and flexibility to enhance their productivity.

Several actions have been developed.

1. Creating connection by using remote collaboration tools (Slack, Zoom, Microsoft Teams...) to engage in team-building activities, socialise, and share personal content like a music playlist or vacation photos and avoid the feeling of loneliness and being put aside.
2. A strong remote team culture necessary to foster a sense of belonging, encouraging collaboration, and motivating individuals to work out differences when issues arise. It has been assumed by many business leaders that a company’s culture is built within its four walls, but a Gartner survey from 2021 show unexpected results. According to their findings, more than half (53%) of remote workers who had the most flexibility in where, when, and how they work reported high cultural connectedness. The Upwork values are based on trust, encouraging autonomy and collaboration, in addition to transparency and open communications.
3. Virtual social events (online games, quizzes, open discussions).
4. Teams’ rituals with regular check in to discuss ongoing projects but also their daily life, and virtual cafes meetings.
5. Face to face retreats and events: the company operates on teleworking basis but face to face meetings enable employees to connect through collaborative workshops, team building sessions or group dinners. These events are considered very important for the group’s cohesion.
6. Project management and collaboration tools such as collaborative platforms (Asana, Trello, Jira) to develop online collaboration.

Upwork uses several tools and methods to measure the social cohesion and commitment of its teleworking employees, such as surveys on employee’s satisfaction, Employee Net

Promoter Score², Real-time feedback tools like pulse surveys, anonymous feedback tools, analysis of digital interactions from the data of the project management tools. Upwork gathers information from the analysis of participation rate in online social events and team's rituals in addition to the HR classical metrics such as staff retention and turnover rate.

Outcomes

By combining these methods, Upwork obtains an overall view of the social cohesion in the company and can adjust its practices to encourage a better collaborative environment. Upwork has not been officially certified as a 'Great Place to Work', but it enjoys a good reputation in terms of employee satisfaction, thanks to its flexible, teleworking environment. The company is rated 4.2 out of 5 by the Indeed website with 437 reviews and a score of 4.3 on work life balance and 3.9 for management and Culture.

Employee reviews on platforms such as Glassdoor are generally positive. In 2023, the company had an employee satisfaction rating of 4.3/5 on Glassdoor, with comments highlighting its flexibility, collaborative corporate culture and management commitment.

The company is developing the hub model company, acknowledging at least in the US the rise of freelancing especially among the younger generation, as 60% of freelancers work remotely and the younger generations see freelancing as a viable career option.

In this organisational model, people analytics are very important to monitor a remote workforce and keeping it motivated, engaged and productive. Upwork is actively developing new HR processes to match the evolution of their workforce. The importance of HR is assessed by a recent interview (2024) of Upwork's Director of Remote Organisational Effectiveness Jessica Reeder who considers herself as an inventor working on creating a gold standard for remote work so Upwork can deliver a "best in class" remote-first experience for employees.

References

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<https://www.hr-brew.com/stories/2024/02/20/upwork-tapped-this-hr-pro-to-make-remote-work-best-in-class>

² This indicator measures the likelihood of an employee recommending their company as a good place to work. A high score suggests good social cohesion and strong commitment, while a low score indicates areas for improvement.