



SMEs and teleworking

BDC ViewPoints survey results

Research and Market Intelligence at BDC
February-March 2021



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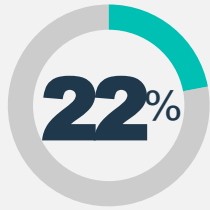
01.

Survey highlights

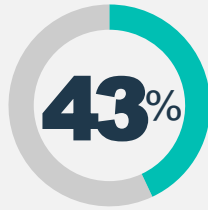
Without surprise, the restrictions of the pandemic have **greatly increased** the practice of teleworking. It appears that the effects will also be felt in the **longer term**.



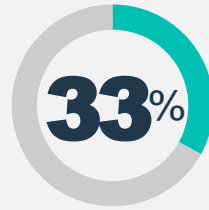
Average % of teleworking employees



Before the pandemic



Currently



After the pandemic*

Quebec had significantly **less** teleworking employees **before** the pandemic (16% on average), whereas **Ontario** has significantly **more now** (53% on average).

3.9

the average number of days per week that employees are currently **working remotely**



Ontario

41



Less than 5 employees

41



Professional services

42



Tech

47

63%

of SMEs

have **increased** the proportion of employees who work remotely since the beginning of the pandemic

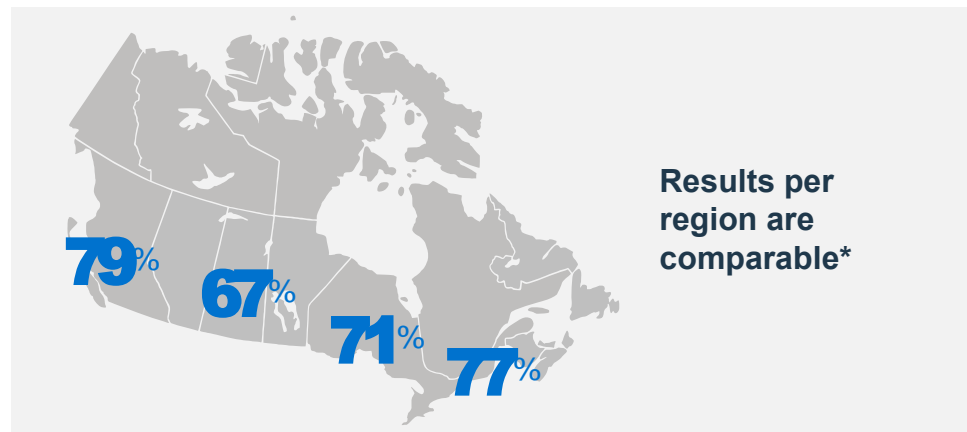
The larger the company, the more likely to have increased this proportion

*This proportion is what SME owners expect the situation to be like when it is safe to return to the office.

The future of telework seems **assured**: most SME owners are **open** to the idea of offering it and anticipate that a majority of their employees will **take up their offer** at least some of the time.



74%
of SME owners
will offer their employees the option
of continuing to telework after the
pandemic



\$10M+ of
revenue

69%



Professional
services

71%



50 to 99
employees

73%



Tech

84%

56%

the proportion of SMEs
where employees will work
remotely **after the crisis**

Most SMEs will **not change** the working conditions of their employees who choose to telework. If they do, changes will be **mostly positive**.

*Atlantic sample size (n=18) is too small for the score to be presented.

Although there are some disadvantages, for most SMEs, the **benefits** of teleworking outweigh the drawbacks, as much for **them** as for their **employees**.



Top benefits of teleworking for SMEs



Flexibility of work schedule

54%



Greater employee retention

35%



Lower operating costs

34%

21%
do not see any advantage to teleworking

Aspects **negatively** impacted

Extent of decrease or deterioration on the following aspects, due to telework:



Employee efficiency

35%



Workload organization

34%



of hours worked

27%



Quality of work

25%

A decrease in employee **efficiency** was noted more acutely in **Ontario** (43%) and in companies with **\$2M to \$10M in revenue** (54%).



02.

Methodology





Methodology

Survey methodology

Online survey

Respondent profile

Business owners and business decision-makers from the BDC ViewPoints panel

Survey dates

February 24 to March 7, 2021

Margin of error

For a probability sample of 724 respondents, the maximum margin of error is ± 3.6 percentage points, 19 times out of 20. However, as this survey is based on a non-probability sample, this information is provided for reference only.

Data processing and analysis

Were performed by the BDC Research and Market Intelligence team.

Weighting factors

Results were weighted by region and number of employees to be representative of the Canadian SME population.

Note: Unless otherwise mentioned, those who preferred not to answer were excluded from the calculation base. Arrows indicate statistically significant differences between a given sub-group and the rest of the sample..



03. **Detailed results**

It appears that the pandemic will have a **lasting impact** on telework: the proportion of employees working remotely after the pandemic will **remain significantly higher** than it was pre-COVID.

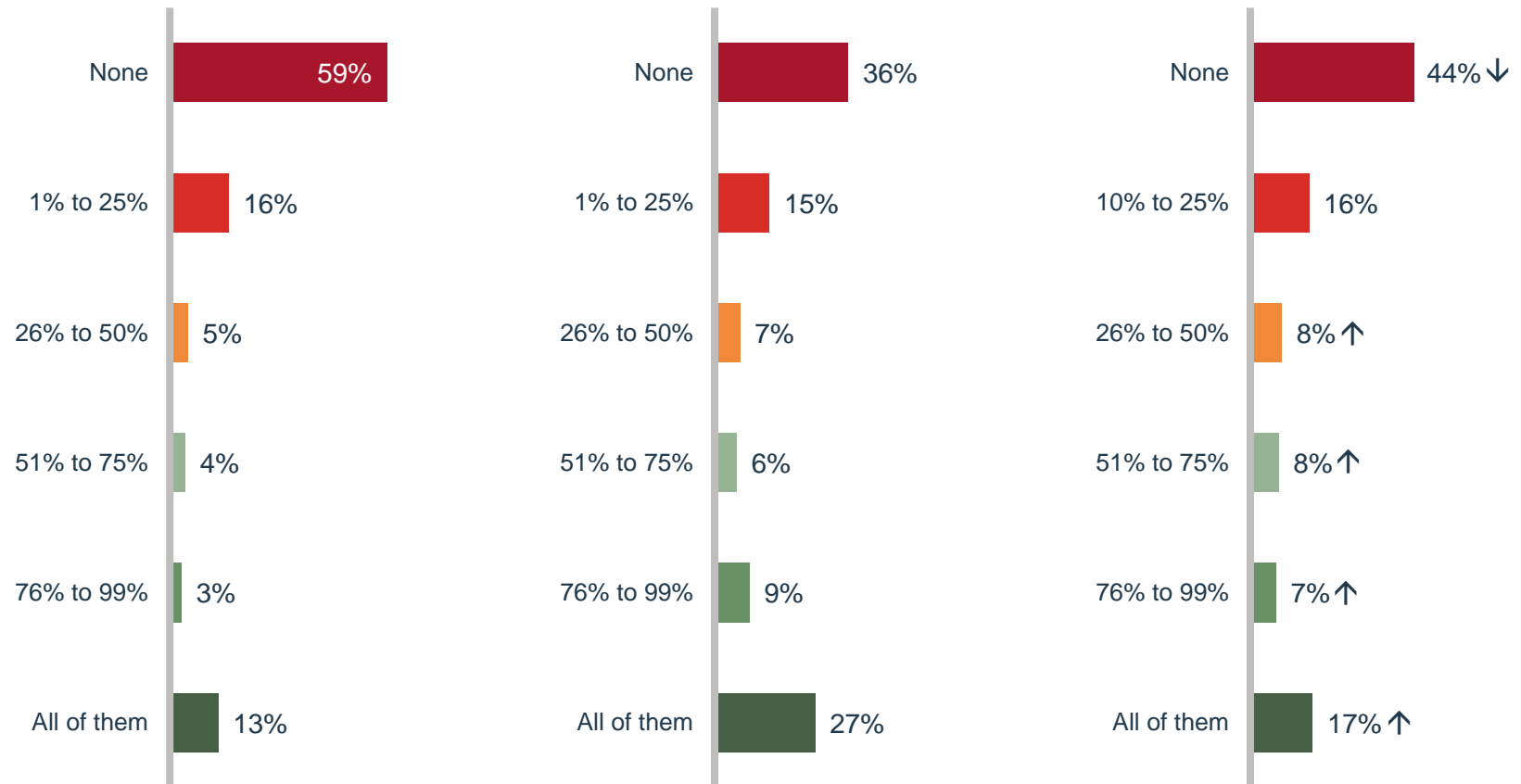


S2Q8. What proportion of your employees were, are and will be **working remotely** on a regular basis?

Before the pandemic

Currently

After the pandemic

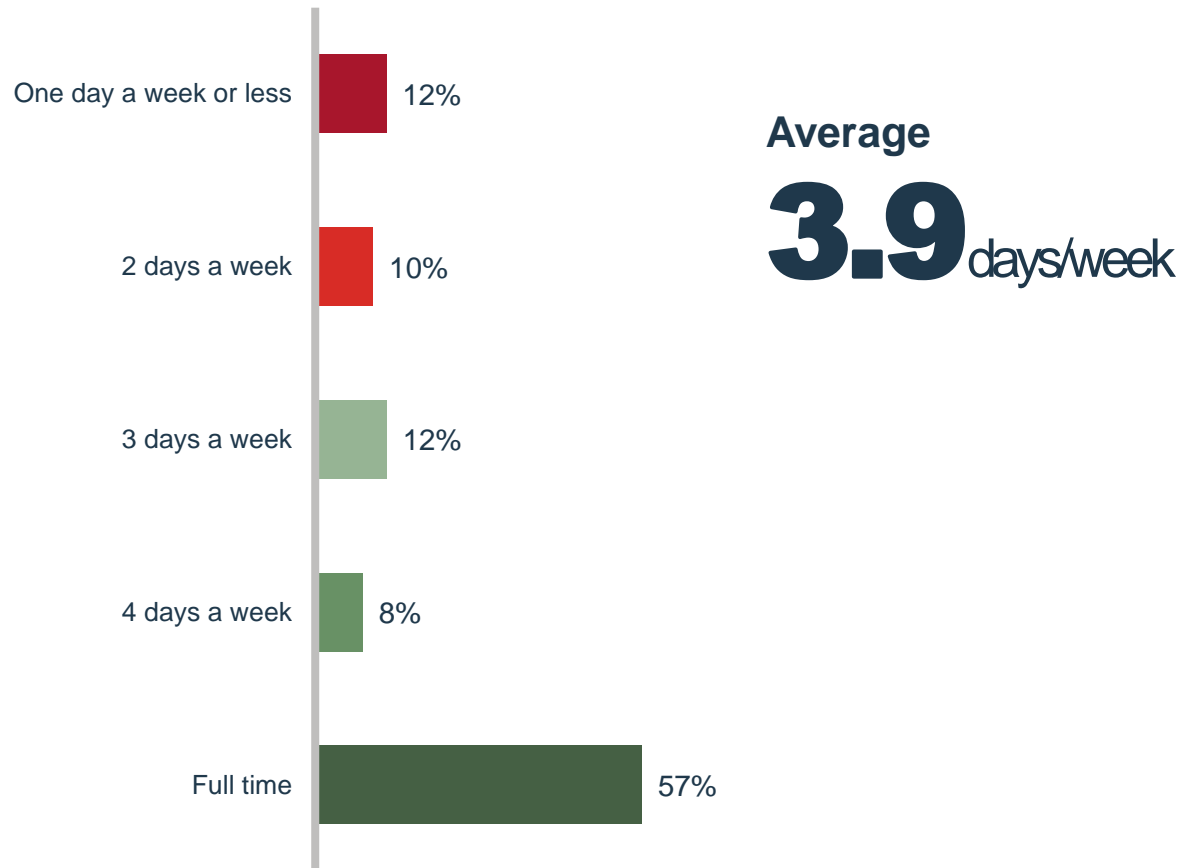


Base: All respondents (n=691-723). Those who did not know were excluded from the calculation base. Arrows indicate statistically significant differences between the “After the pandemic” and “Before the pandemic” periods.

Over half of the SMEs surveyed that have teleworking employees have mostly **full-time** teleworking employees. In **Ontario**, employees telework an average of **4.1 days**, a higher score than elsewhere.



S2Q9. For the most part, are your employees **currently working remotely**...?

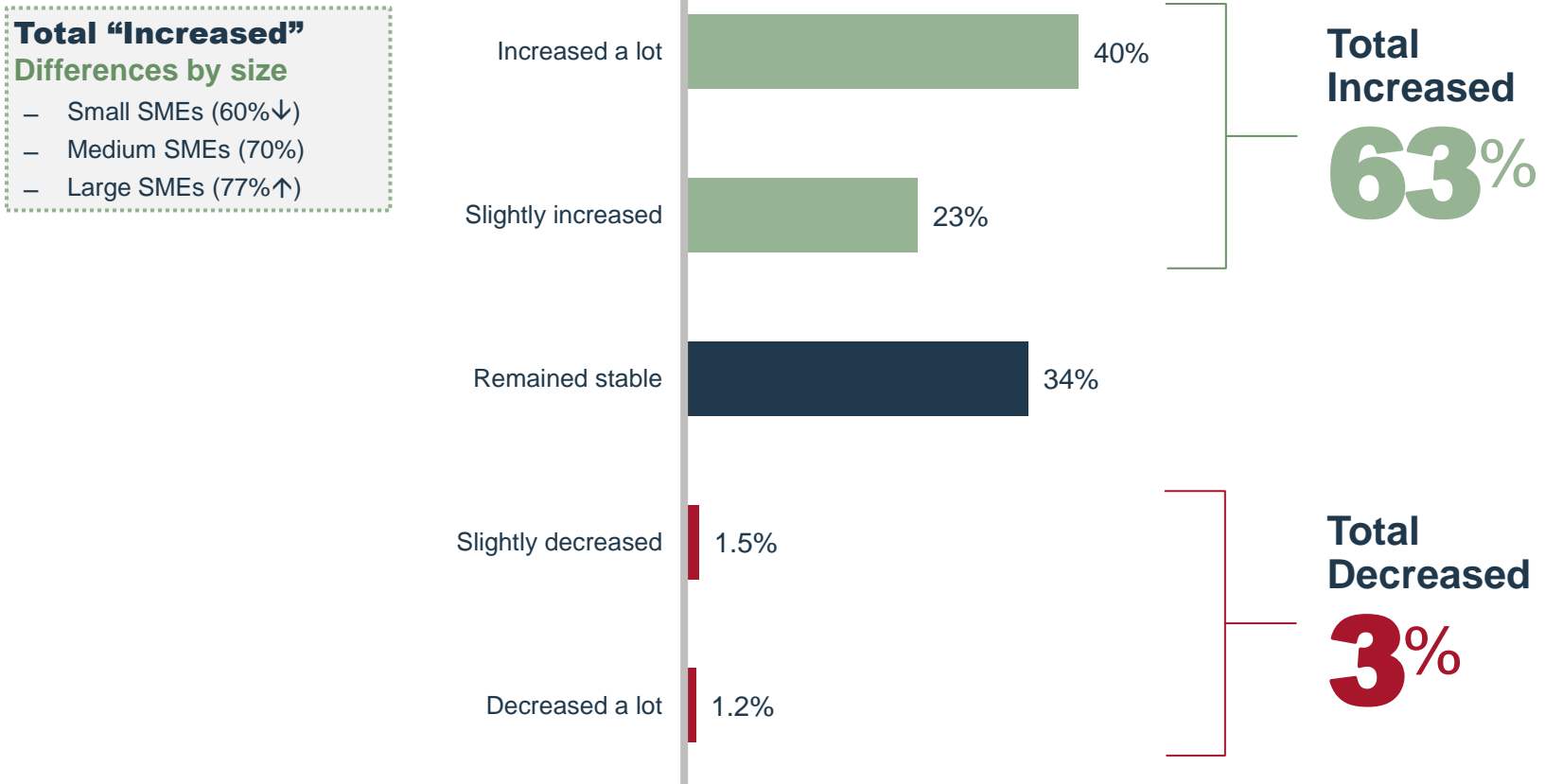


Base: Those who currently have employees teleworking on a regular basis (n=452). Those who did not know were excluded from the calculation base.

Over 3 out of 5 said they have **increased** the proportion of their employees teleworking since the beginning of the crisis. The larger the company, the more likely to have increased this proportion.



S2Q10. Since the beginning of the COVID-19 crisis, would you say that the **proportion of your employees** who work remotely has...?

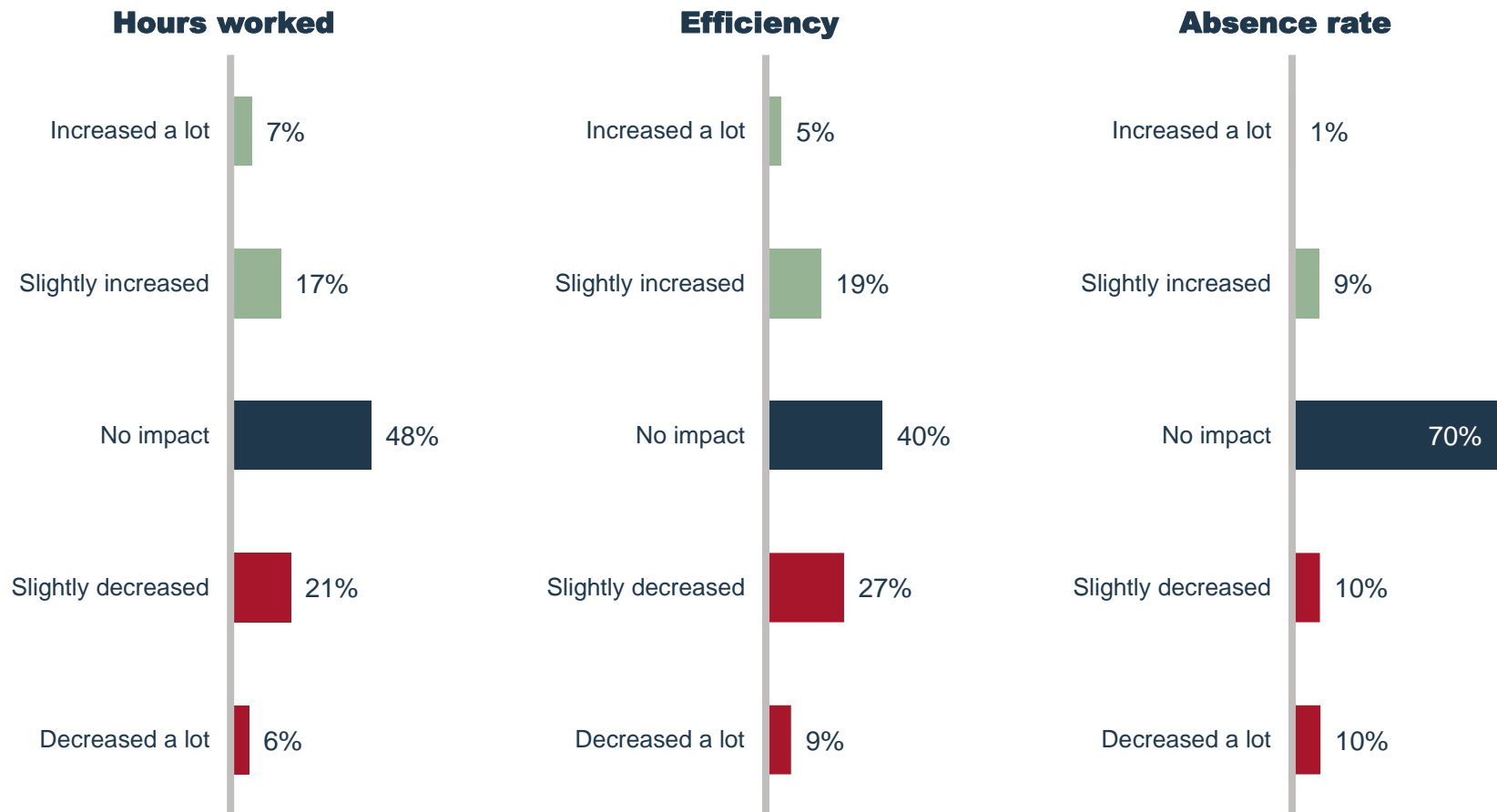


Base: Those who currently have employees teleworking on a regular basis (n=462). Those who did not know were excluded from the calculation base. Arrows indicate statistically significant differences between a given sub-group and the rest of the sample.

The aspect most affected by telecommuting appears to be employee **efficiency**, followed by the **number of hours** worked. Absence rates were minimally affected, and if so, positively.



S2Q11a. What **impact** do you think **teleworking** has had on your employees in the following areas?

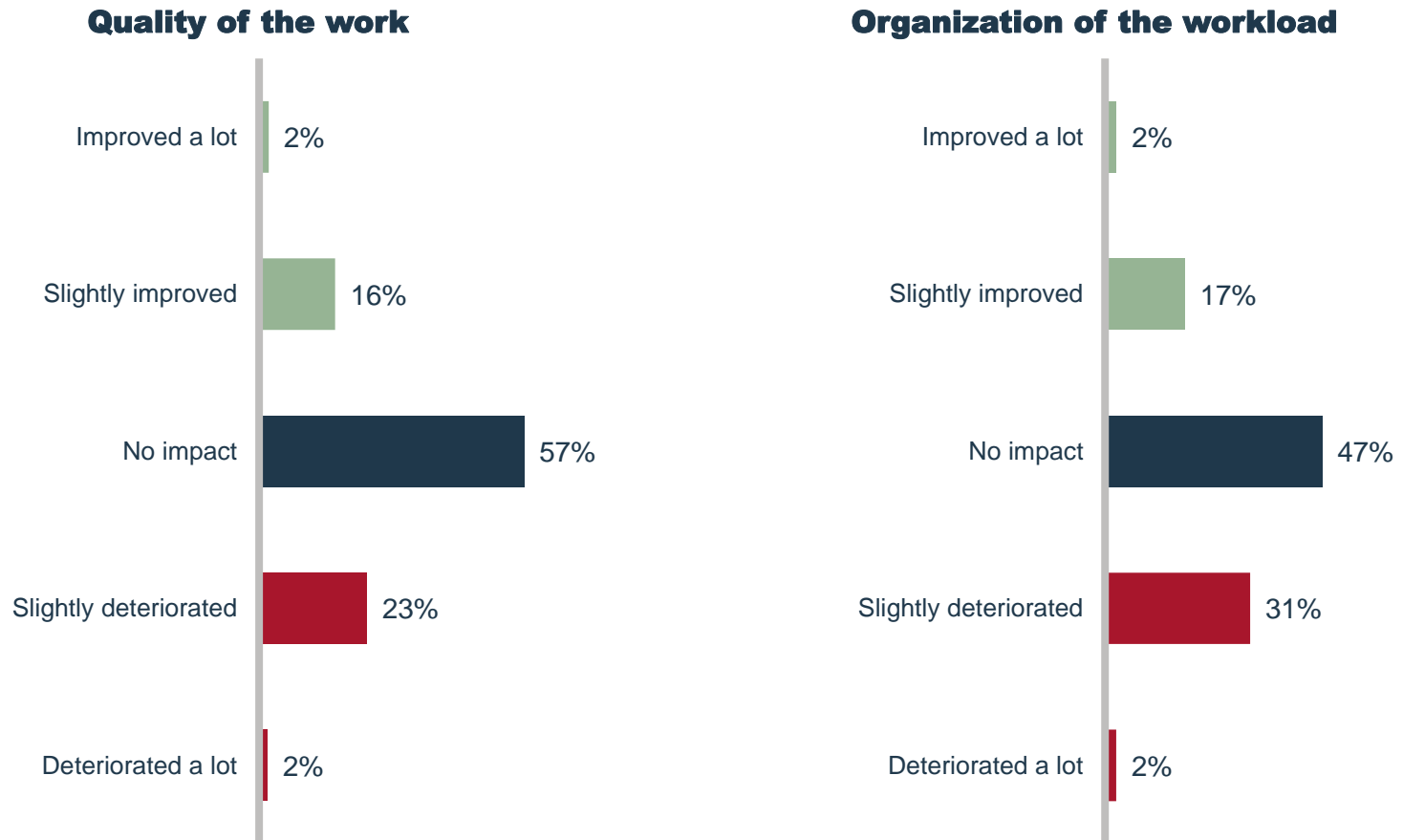


Base: Respondents with employees working remotely 3+ days a week (n=299-310). Those who did not know were excluded from the calculation base.

Workload **organization** has also been **strongly affected** by telework; about a third of employers consider that this aspect has deteriorated for their employees.



S2Q11b. And what **impact** do you think **teleworking** has had on your employees in these two other areas?

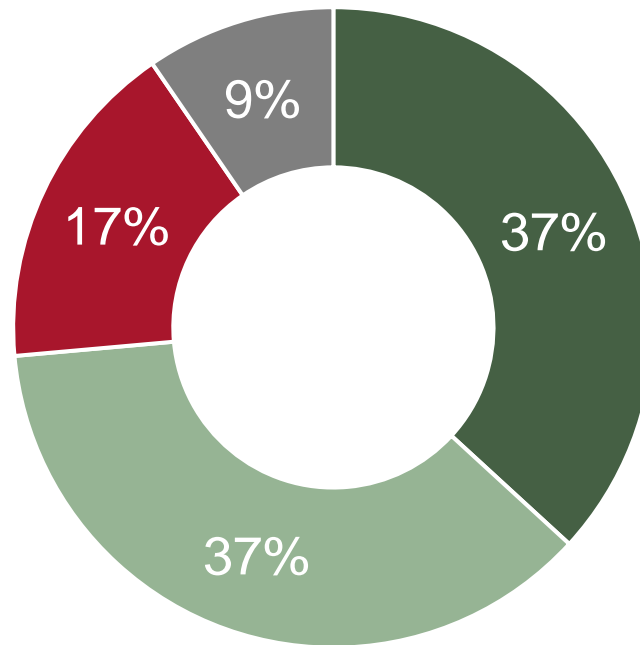


Base: Respondents with employees working remotely 3+ days a week (n=314-315). Those who did not know were excluded from the calculation base.

Three quarters of respondents say they will **offer the option to telework** when it is possible to return to the office, and for half of those, there will be no limitations imposed.



S2Q12. When it will be possible for your employees to return to the office full time, do you intend to offer them the option of **continuing to telework**?



Total
"Yes"
74%

■ Yes, as much as they want

■ Yes, with certain limitations

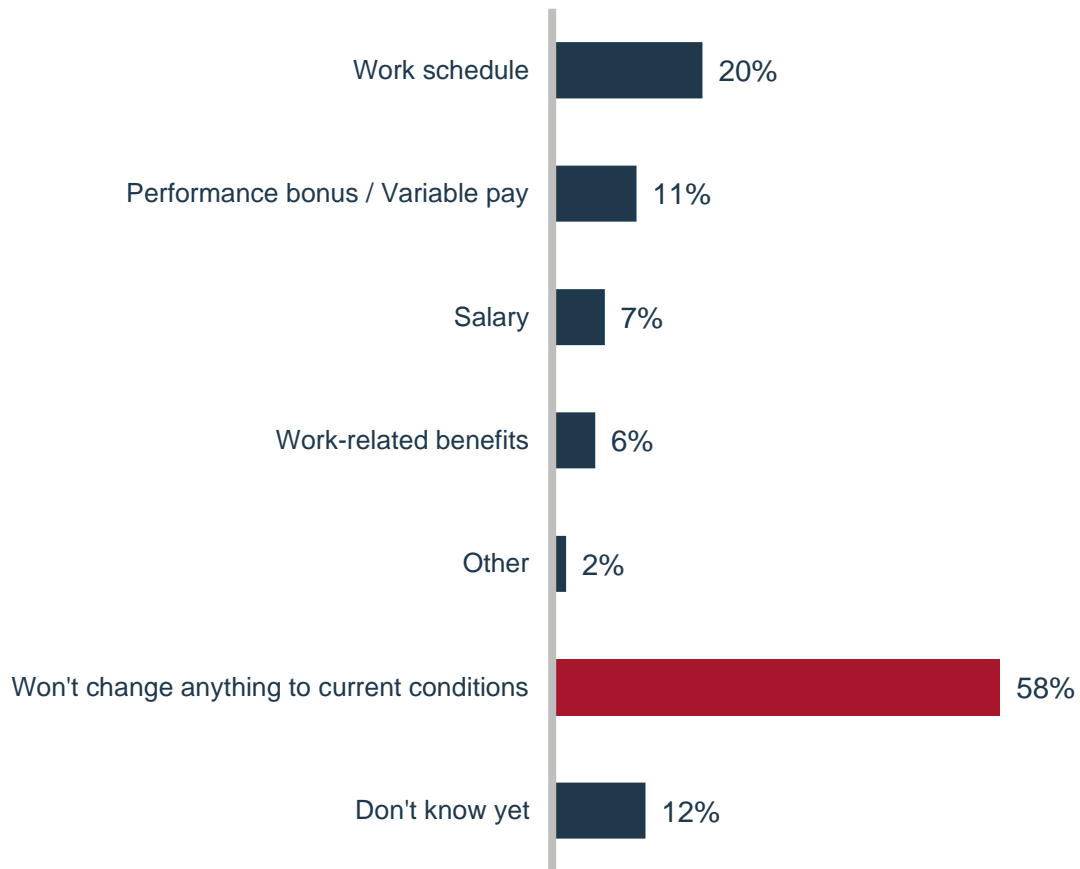
■ No

■ Don't know yet

Most SMEs will **not change the working conditions** of their employees who choose to telework. Those who intent to will mostly make changes to the work schedule and performance bonus.



S2Q13. Do you intend to **change the working conditions** of employees who choose to continue to telework when it is possible to return to the office full time?

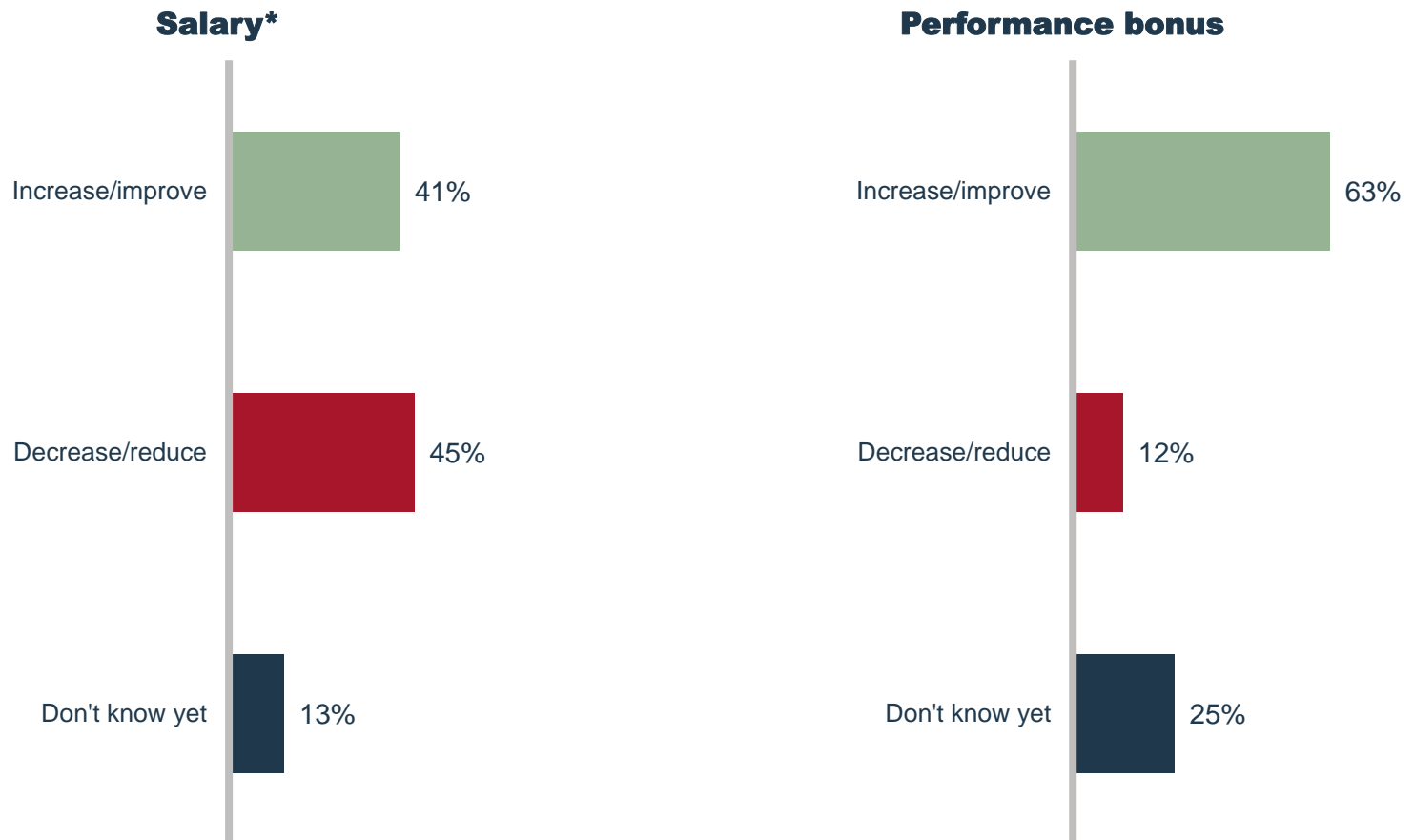


Base: Those who intend to allow their employees to continue working remotely after the pandemic (n=329). Multiple mentions were allowed, therefore total exceeds 100%.

Opinions appear to be **divided** among those who intend to adjust their employees' **salary**. However, a majority intend to **improve** the performance **bonus** for their teleworking employees.



S2Q14. How do you intend to **change the conditions** of your teleworking employees?

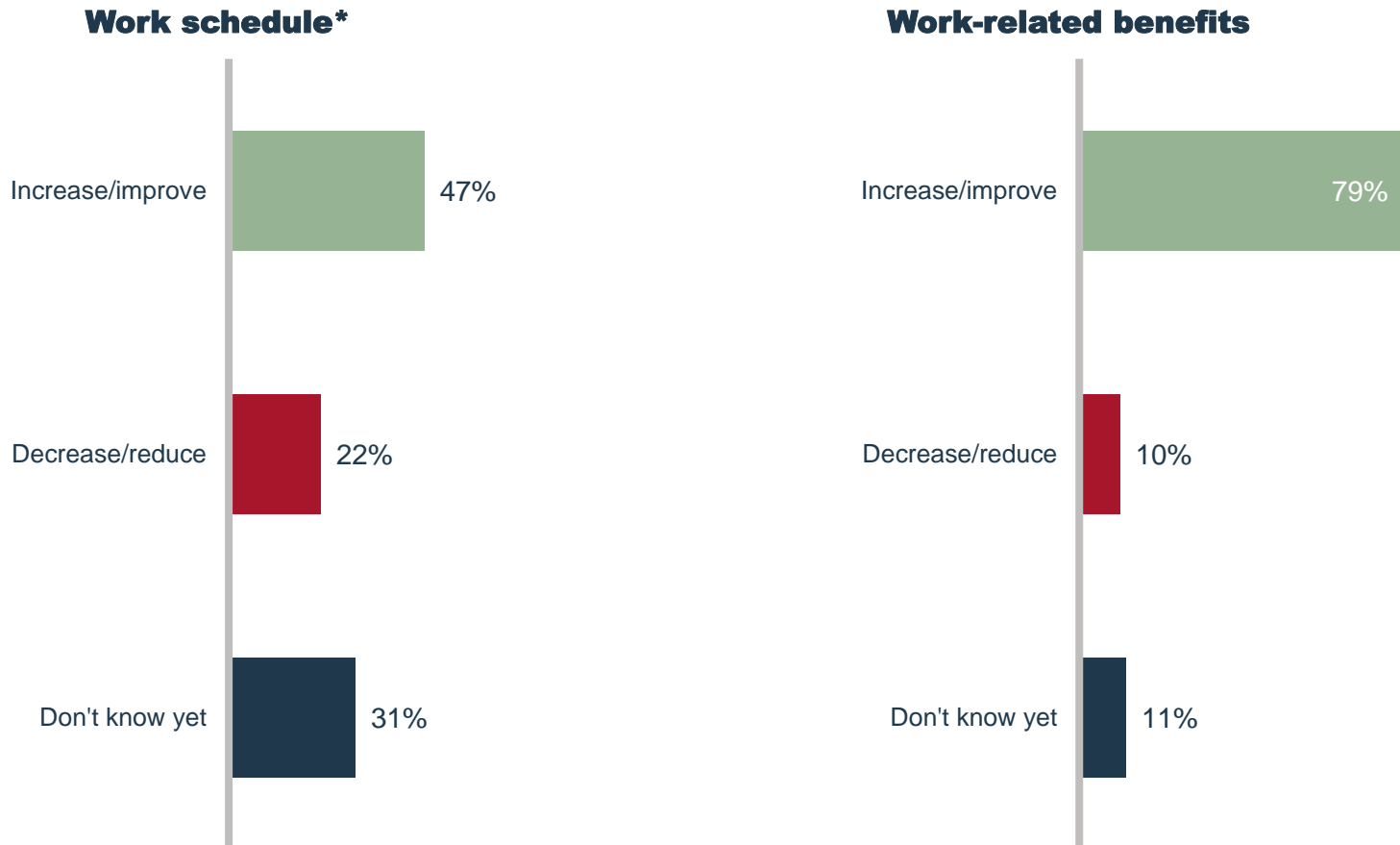


Base: Respondents who intend to change some of the working conditions of their employees who continue to work remotely (n=23-36). *Sample size is small; please interpret these results with caution.

Most of those who want to make changes to the conditions of their teleworking employees intend **improving their benefits** and, to a somewhat lesser extent, their work schedule.



S2Q14. How do you intend to **change the conditions** of your teleworking employees?

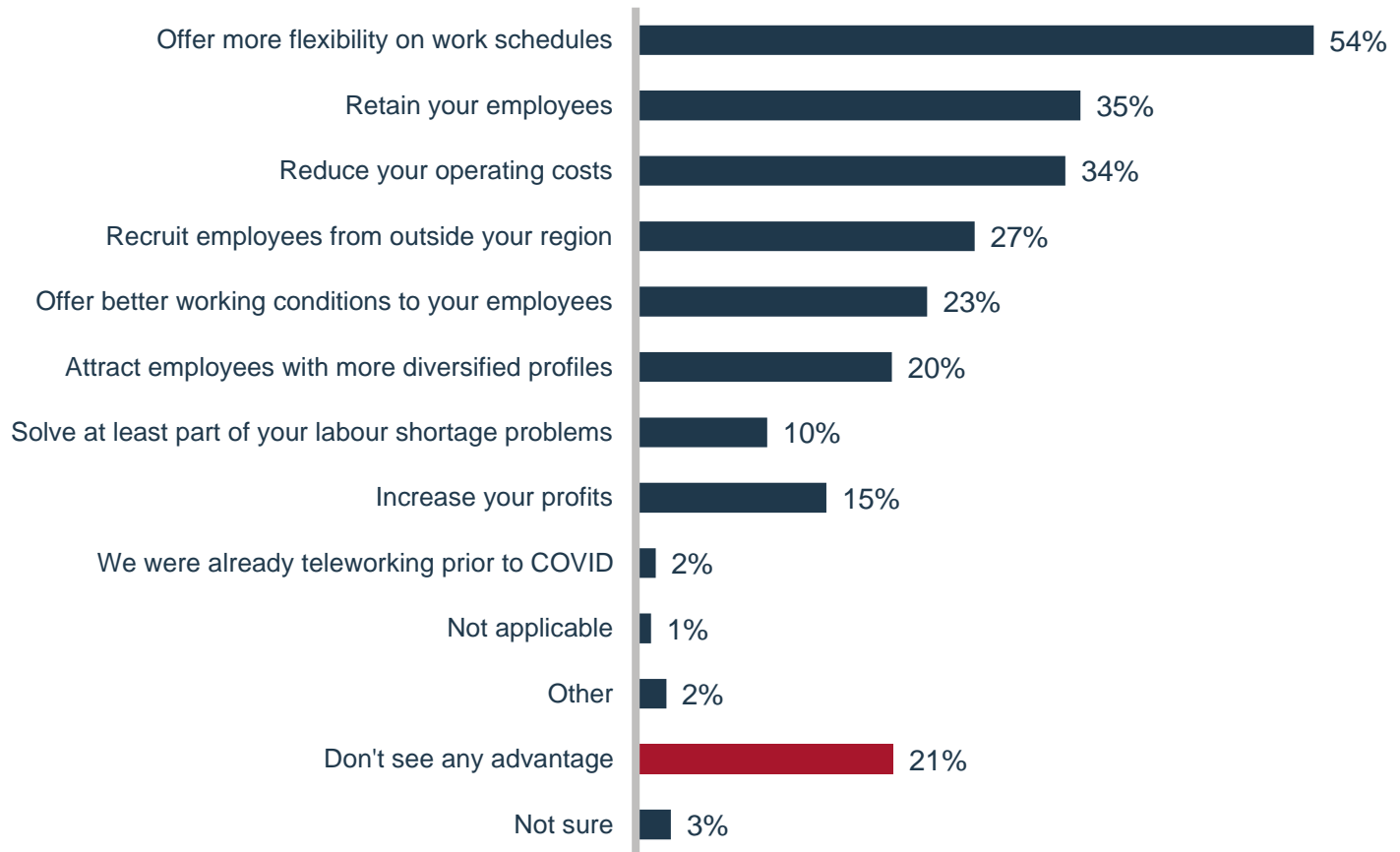


Base: Respondents who intend to change some of the working conditions of their employees who continue to work remotely (n=23-64). *Sample size is small; please interpret these results with caution.

The top three perceived **benefits** of teleworking are flexibility on **work schedules**, employee **retention**, and reduced **operating costs**. 1 in 5 do not see any benefit to the practice.



S2Q15. In your opinion, has the **use of telework helped or will it help** you to...

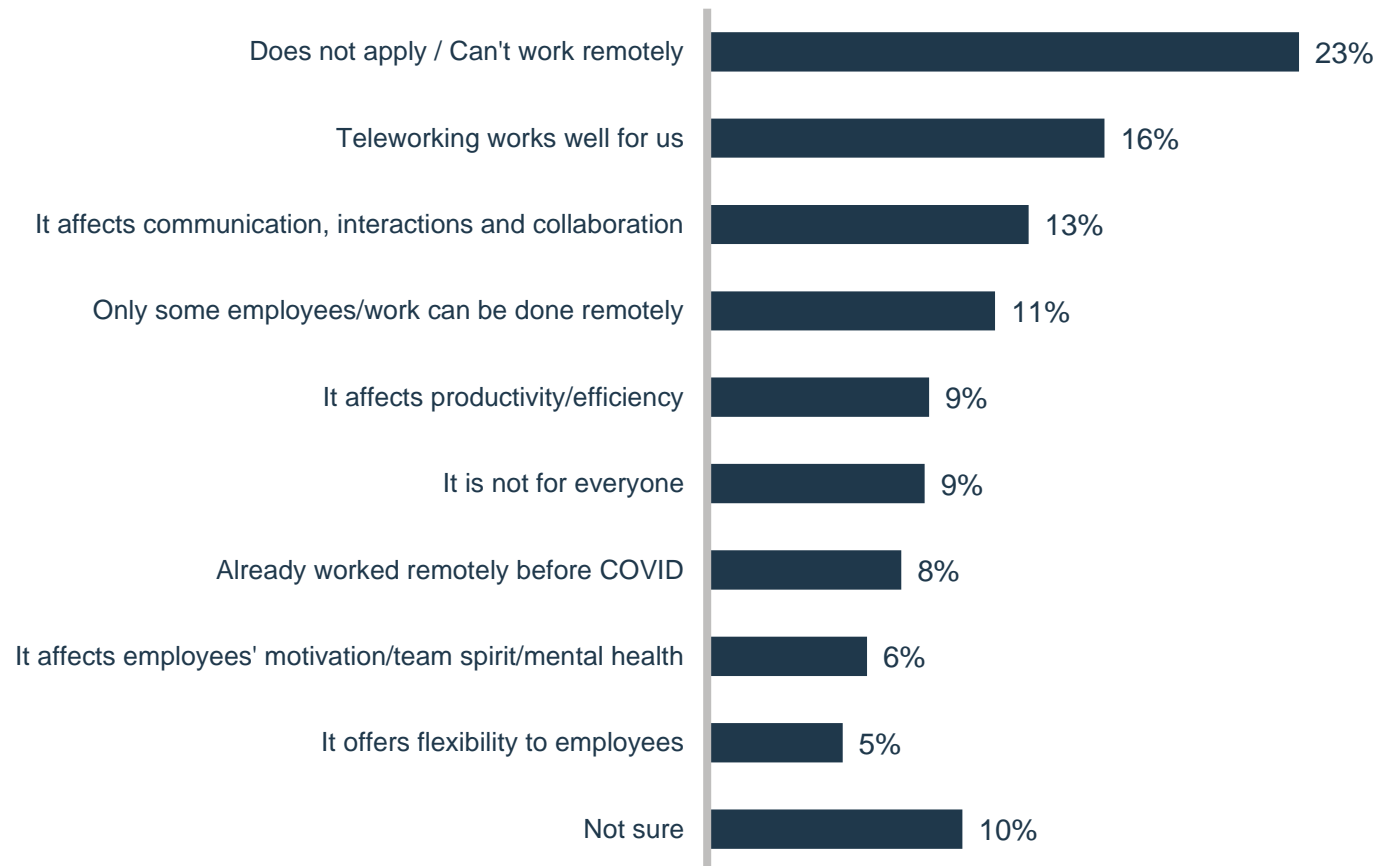


Base: Those who currently have employees teleworking on a regular basis (n=467). Multiple mentions were allowed, therefore total exceeds 100%.

Comments about telework are **divided**, but **negative perceptions** about interactions, productivity, and motivation, among others, are quite present.



S2Q7. Would you like to **share comments** with us regarding teleworking in your company (pros and cons, best practices, etc.)?



Base: Respondents who accepted to answer this non-mandatory question (n=225). This was an open-ended question for which answers were categorized. We only presented comments mentioned by 5%+ respondents.

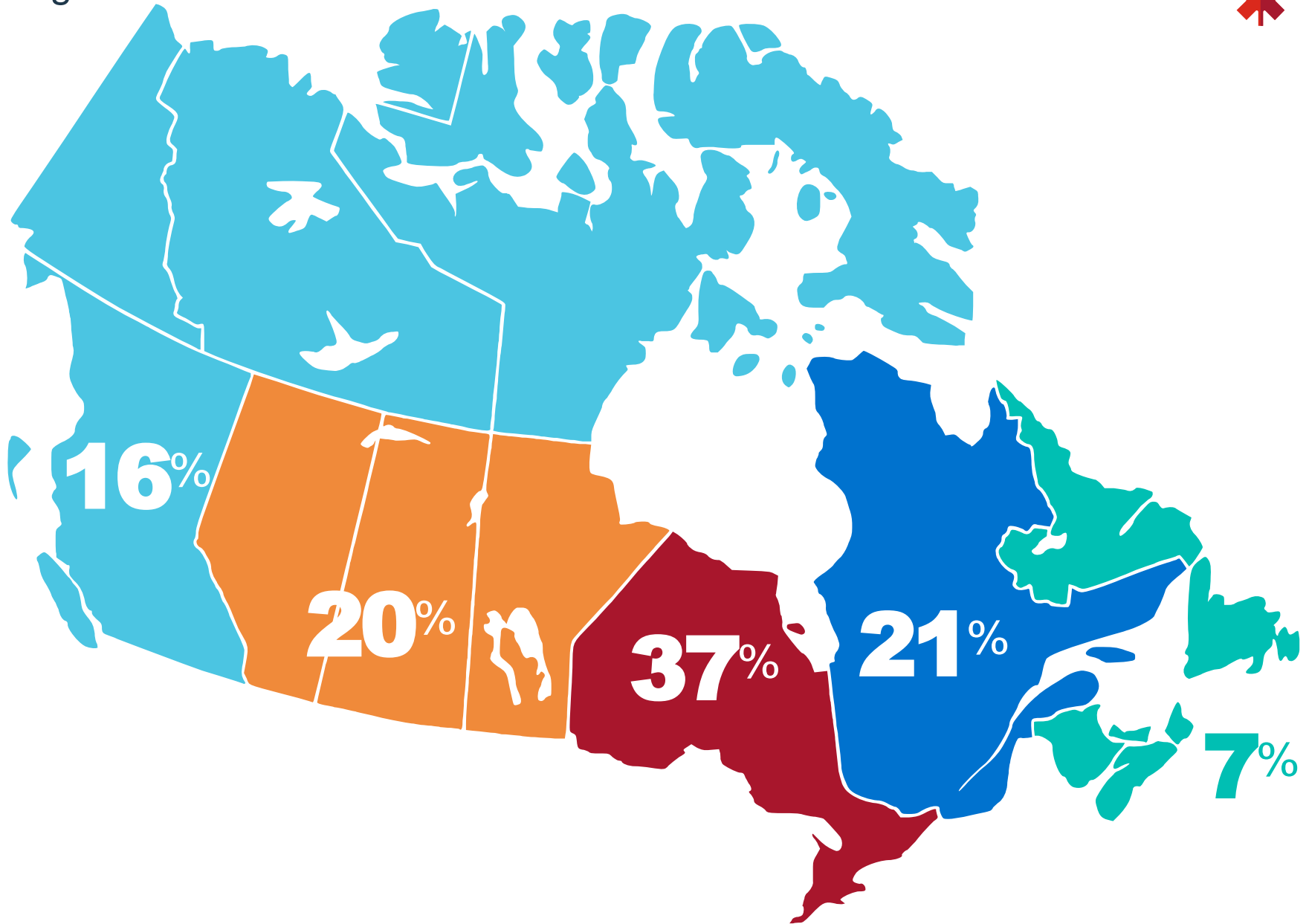


04.

**Respondent
profile**



Region



Number of employees, annual sales and sector of activity



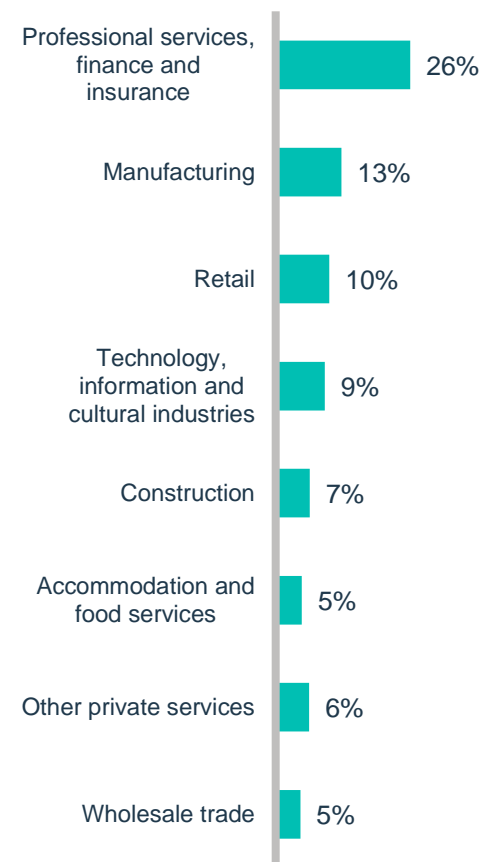
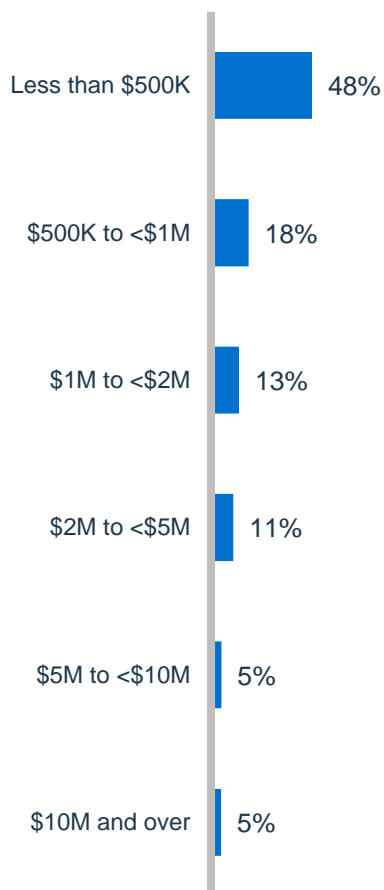
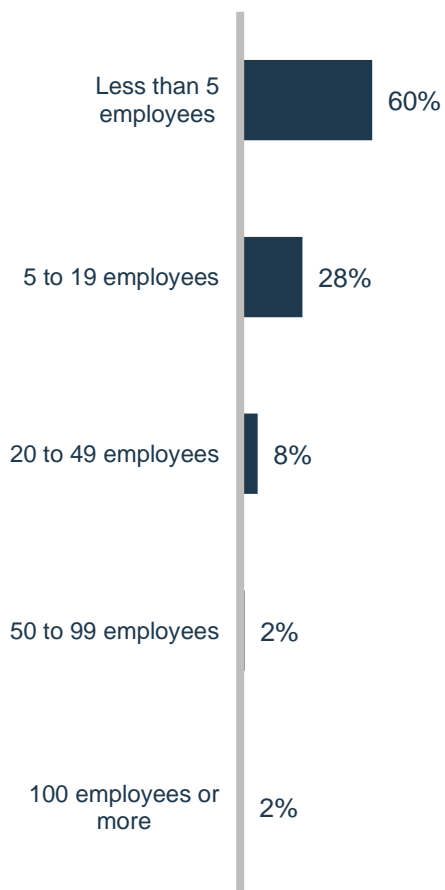
Number of employees (currently)



Annual sales



Sector of activity



Base: All respondents (n=724). Only sectors with 5%+ respondents are presented.

Business revenue growth, diversity and gender ownership



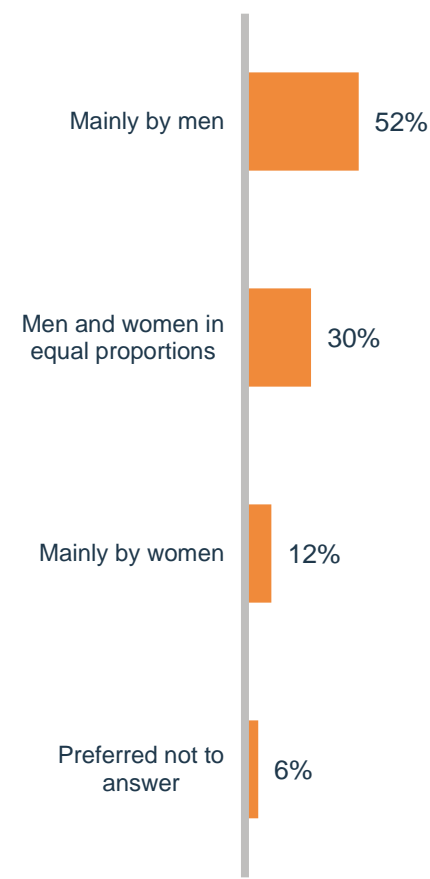
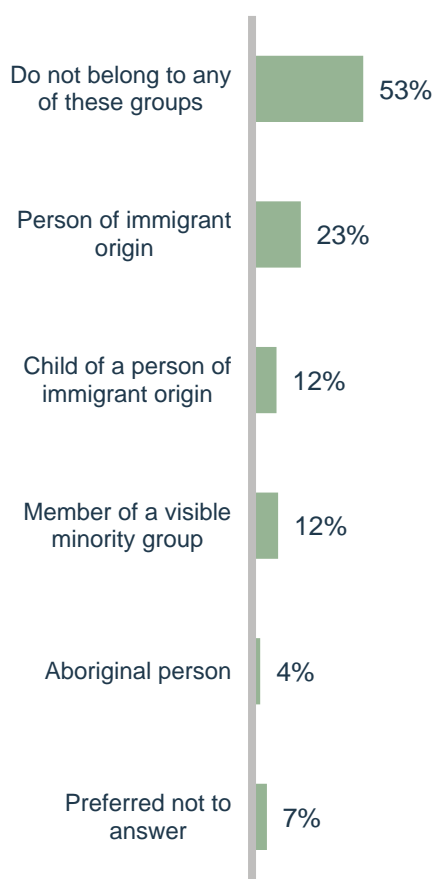
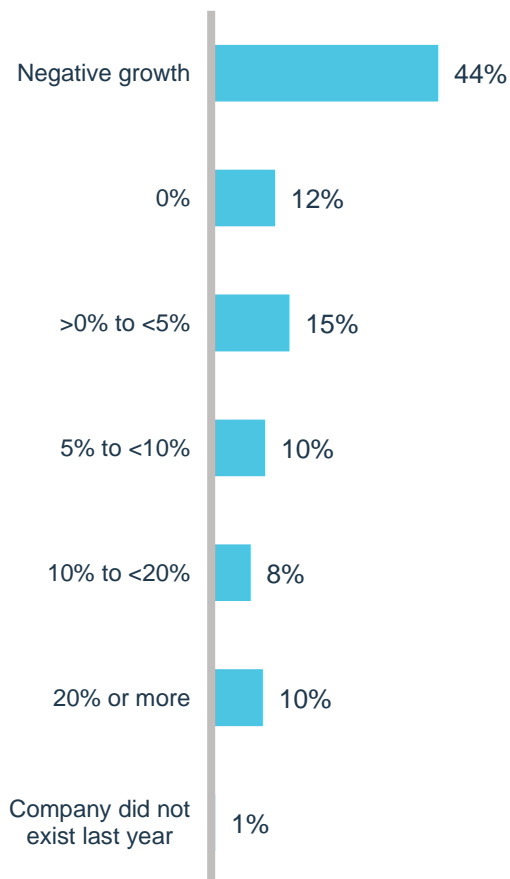
Revenue growth



Diversity groups



Gender ownership





04.

Appendix:
Results by region



Employees working remotely before the pandemic



S2Q8. What proportion of your employees were, are and will be **working remotely** on a regular basis?

Before the pandemic	Region				
	Atlantic (n=45)	Quebec (n=198)	Ontario (n=233)	Prairies (n=127)	B.C. & North (n=117)
None	61%	64%	57%	59%	54%
1%-25%	13%	20%	15%	13%	17%
26%-50%	10%	4%	4%	6%	6%
51%-75%	2%	1% ↓	5%	6%	5%
76%-99%	0%	3%	3%	3%	4%
All of them	14%	9%	15%	13%	14%
Average	20.5%	16.1% ↓	24.5%	23.5%	24.9%

Base: All respondents. Those who did not know were excluded from the calculation base. Arrows indicate statistically significant differences between a given region and the rest of the sample.

Employees currently working remotely



S2Q8. What proportion of your employees were, are and will be **working remotely** on a regular basis?

Currently	Region				
	Atlantic (n=45)	Quebec (n=198)	Ontario (n=234)	Prairies (n=128)	B.C. & North (n=118)
None	55% ↑	34%	31%	38%	41%
1%-25%	6% ↓	18%	12%	17%	19%
26%-50%	5%	9%	4%	12% ↑	5%
51%-75%	12%	4%	7%	4%	7%
76%-99%	2%	16% ↑	9%	6%	8%
All of them	20%	19% ↓	38% ↑	23%	20%
Average	31.6%	41.1%	53.0% ↑	37.5%	36.3%

Base: All respondents. Those who did not know were excluded from the calculation base. Arrows indicate statistically significant differences between a given region and the rest of the sample.

Employees who will work remotely after the pandemic



S2Q8. What proportion of your employees were, are and will be **working remotely** on a regular basis?

After the pandemic	Region				
	Atlantic (n=43)	Quebec (n=190)	Ontario (n=223)	Prairies (n=123)	B.C. & North (n=112)
None	56%	40%	42%	49%	45%
1%-25%	5% ↓	20%	13%	21%	16%
26%-50%	12%	13% ↑	8%	5%	6%
51%-75%	0%	8%	10%	7%	5%
76%-99%	5%	8%	7%	5%	9%
All of them	21%	11%	20%	14%	19%
Average	31.2%	30.3%	37.5%	26.5%	33.7%

Base: All respondents. Those who did not know were excluded from the calculation base. Arrows indicate statistically significant differences between a given region and the rest of the sample.

Number of days a week currently working remotely



S2Q9. For the most part, are your employees **currently working remotely**...?

	Region				
	Atlantic (n=18)*	Quebec (n=138)	Ontario (n=156)	Prairies (n=74)	B.C. & North (n=66)
One day a week or less	n/a	19% ↑	9%	12%	15%
2 days a week	n/a	8%	7%	15%	13%
3 days a week	n/a	16%	11%	10%	12%
4 days a week	n/a	9%	11%	8%	4%
Full time	n/a	49%	63%	55%	57%
Average	n/a	3.6	4.1 ↑	3.8	3.7

Base: Those who currently have employees teleworking on a regular basis. Those who did not know were excluded from the calculation base. Arrows indicate statistically significant differences between a given region and the rest of the sample. *We do not present the results when sample size is smaller than 20.

Change in the proportion of employees working remotely



S2Q10. Since the beginning of the COVID-19 crisis, would you say that the **proportion of your employees** who work remotely has...?

	Region				
	Atlantic (n=18)*	Quebec (n=146)	Ontario (n=155)	Prairies (n=76)	B.C. & North (n=67)
Increased a lot	n/a	46%	48% ↑	29%	24% ↓
Slightly increased	n/a	23%	14% ↓	34% ↑	36% ↑
Remained stable	n/a	29%	35%	35%	36%
Slightly decreased	n/a	1%	3% ↑	1%	0%
Decreased a lot	n/a	1%	0%	2%	3%
NET Increased	n/a	69%	62%	63%	61%
NET Decreased	n/a	2%	3%	2%	3%

Base: Those who currently have employees teleworking on a regular basis. Those who did not know were excluded from the calculation base. Arrows indicate statistically significant differences between a given region and the rest of the sample. *We do not present the results when sample size is smaller than 20.

Impact of teleworking on the number of hours worked



S2Q11a. What **impact** do you think teleworking has had on your employees in the following areas?

Number of hours worked	Region				
	Atlantic (n=9)*	Quebec (n=88)	Ontario (n=110)	Prairies (n=52)	B.C. & North (n=45)
Increased a lot	n/a	9%	10%	4%	5%
Slightly increased	n/a	24%	15%	17%	12%
No impact	n/a	43%	46%	49%	64% ↑
Slightly decreased	n/a	23%	22%	19%	12%
Decreased a lot	n/a	2% ↓	6%	10%	8%
NET Increased	n/a	33%	25%	21%	17%
NET Decreased	n/a	24%	29%	29%	20%

Base: Respondents with employees working remotely 3+ days a week. Those who did not know were excluded from the calculation base. Arrows indicate statistically significant differences between a given region and the rest of the sample. *We do not present the results when sample size is smaller than 20.

Impact of teleworking on efficiency



S2Q11a. What **impact** do you think teleworking has had on your employees in the following areas?

Efficiency	Region				
	Atlantic (n=10)*	Quebec (n=91)	Ontario (n=115)	Prairies (n=51)	B.C. & North (n=43)
Increased a lot	n/a	7%	6%	0%	8%
Slightly increased	n/a	15%	16%	30%	15%
No impact	n/a	22%	22%	30%	23%
Slightly decreased	n/a	45%	35%	46%	53%
Decreased a lot	n/a	27%	32%	16%	18%
NET Increased	n/a	5%	11%	8%	6%
NET Decreased	n/a	33%	43% ↑	24%	24%

Base: Respondents with employees working remotely 3+ days a week. Those who did not know were excluded from the calculation base. Arrows indicate statistically significant differences between a given region and the rest of the sample. *We do not present the results when sample size is smaller than 20.

Impact of teleworking on absence rate



S2Q11a. What **impact** do you think teleworking has had on your employees in the following areas?

Absence rate	Region				
	Atlantic (n=9)*	Quebec (n=90)	Ontario (n=107)	Prairies (n=49)	B.C. & North (n=44)
Increased a lot	n/a	0%	0%	2%	3%
Slightly increased	n/a	14%	6%	3%	13%
No impact	n/a	68%	70%	82%	67%
Slightly decreased	n/a	6%	14%	9%	6%
Decreased a lot	n/a	13%	10%	4%	12%
NET Increased	n/a	14%	7%	5%	15%
NET Decreased	n/a	18%	24%	13%	18%

Base: Respondents with employees working remotely 3+ days a week. Those who did not know were excluded from the calculation base. Arrows indicate statistically significant differences between a given region and the rest of the sample. *We do not present the results when sample size is smaller than 20.

Impact of teleworking on the quality of the work



S2Q11b. And what **impact** do you think teleworking has had on your employees in the following areas?

Quality of the work	Region				
	Atlantic (n=11)*	Quebec (n=90)	Ontario (n=118)	Prairies (n=53)	B.C. & North (n=43)
Improved a lot	n/a	3%	2%	0%	3%
Slightly improved	n/a	17%	15%	13%	15%
No impact	n/a	53%	54%	64%	64%
Slightly deteriorated	n/a	27%	27%	19%	14%
Deteriorated a lot	n/a	1%	1%	4%	3%
NET Improved	n/a	20%	18%	13%	18%
NET Deteriorated	n/a	27%	28%	22%	18%

Base: Respondents with employees working remotely 3+ days a week. Those who did not know were excluded from the calculation base. Arrows indicate statistically significant differences between a given region and the rest of the sample. *We do not present the results when sample size is smaller than 20.

Impact of teleworking on the organization of the workload



S2Q11b. And what **impact** do you think teleworking has had on your employees in the following areas?

Organization of the workload	Region				
	Atlantic (n=11)*	Quebec (n=89)	Ontario (n=116)	Prairies (n=53)	B.C. & North (n=45)
Improved a lot	n/a	5%	3%	0%	2%
Slightly improved	n/a	19%	14%	19%	19%
No impact	n/a	46%	44%	49%	50%
Slightly deteriorated	n/a	28%	38%	25%	29%
Deteriorated a lot	n/a	2%	1%	8% ↑	0%
NET Improved	n/a	24%	17%	19%	21%
NET Deteriorated	n/a	30%	39%	32%	29%

Base: Respondents with employees working remotely 3+ days a week. Those who did not know were excluded from the calculation base. Arrows indicate statistically significant differences between a given region and the rest of the sample. *We do not present the results when sample size is smaller than 20.

Possibility to continue teleworking after the pandemic



S2Q12. When it will be possible for your employees to return to the office full time, do you intend to offer them the option of **continuing to telework**?

	Region				
	Atlantic (n=18)*	Quebec (n=146)	Ontario (n=157)	Prairies (n=78)	B.C. & North (n=68)
Yes, as much as they want	n/a	39%	31%	34%	50% ↑
Yes, with certain limitations	n/a	38%	40%	33%	28%
No	n/a	17%	17%	19%	18%
Don't know yet	n/a	7%	12%	13%	4%
NET Yes	n/a	77%	71%	67%	79%

Base: Those who currently have employees teleworking on a regular basis. Those who did not know were excluded from the calculation base. Arrows indicate statistically significant differences between a given region and the rest of the sample.

Intention of changing the working conditions after the pandemic



S2Q13. Do you intend to **change the working conditions** of employees who choose to continue to telework when it is possible to return to the office full time?

	Region				
	Atlantic (n=15)*	Quebec (n=110)	Ontario (n=105)	Prairies (n=48)	B.C. & North (n=51)
Work schedule	n/a	21%	16%	18%	20%
Performance bonus / Variable pay	n/a	14%	10%	9%	12%
Salary	n/a	7%	3%	10%	8%
Work-related benefits	n/a	7%	6%	5%	6%
Other	n/a	2%	0%	3%	6% ↑
Won't change anything to current conditions	n/a	63%	62%	59%	52%
Don't know yet	n/a	7% ↓	14%	11%	15%

Base: Those who intend to allow their employees to continue working remotely after the pandemic. Multiple mentions were allowed, therefore total exceeds 100%. Arrows indicate statistically significant differences between a given region and the rest of the sample.

Advantages of telework



S2Q15. In your opinion, has the **use of telework helped or will it help** you to...

	Region				
	Atlantic (n=18)*	Quebec (n=146)	Ontario (n=157)	Prairies (n=78)	B.C. & North (n=68)
Offer more flexibility on work schedules	n/a	55%	53%	47%	58%
Retain your employees	n/a	46% ↑	32%	30%	34%
Reduce your operating costs	n/a	26%	33%	37%	38%
Recruit employees from outside your region	n/a	30%	25%	20%	35%
Offer better working conditions to your employees	n/a	33% ↑	19%	11% ↓	31%
Attract employees with more diversified profiles	n/a	19%	19%	18%	24%
Solve at least part of your labour shortage problems	n/a	19% ↑	6% ↓	6%	18% ↑
Increase your profits	n/a	17%	14%	17%	12%
We were already teleworking prior to COVID	n/a	3%	1%	1%	2%
Not applicable	n/a	2%	0%	3%	0%
Other	n/a	0%	3%	1%	5%
Don't see any advantage	n/a	22%	19%	30% ↑	15%
Not sure	n/a	5%	4%	0% ↓	0%

Base: Those who currently have employees teleworking on a regular basis. Multiple mentions were allowed, therefore total exceeds 100%. Arrows indicate statistically significant differences between a given region and the rest of the sample.



Thank you.

Research and Market Intelligence
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