

# Hybrid and Remote Work in Outsourcing Firms: An Empirical Study with Reference to Hyderabad

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## Abstract

The rapid evolution of work practices has led to the widespread adoption of hybrid and remote work models, particularly within the outsourcing and information technology (IT) services sector. Hyderabad, one of India's prominent outsourcing hubs, has witnessed significant organizational restructuring to accommodate flexible work arrangements. This study examines the adoption, employee perceptions, and organizational impact of hybrid and remote work models in selected outsourcing firms operating in Hyderabad. Using a descriptive research design, primary data were collected from 200 employees across five major outsourcing firms through a structured questionnaire. The findings reveal that hybrid work models are perceived as the most effective, offering improved productivity, enhanced work-life balance, and higher job satisfaction, while reducing coordination challenges associated with fully remote work. The study provides empirical evidence relevant to policymakers, academicians, and managers seeking sustainable work models in the outsourcing sector.

**Keywords:** Hybrid work, Remote work, Outsourcing firms, Employee productivity, Work-life balance, Hyderabad

## 1. Introduction

The global outsourcing industry has undergone a profound transformation due to digitalization, globalization of talent, and evolving employee expectations. The COVID-19 pandemic accelerated the adoption of remote and hybrid work models, compelling organizations to rethink traditional workplace structures. What began as a temporary response has now emerged as a long-term strategic approach, especially within IT and outsourcing firms.

Hyderabad has established itself as a major outsourcing destination in India, hosting multinational corporations and large IT service providers such as Tata Consultancy Services, Wipro, Cognizant, Tech Mahindra, and Cyient. These firms have increasingly adopted hybrid and remote work policies to ensure business continuity, attract skilled professionals, and enhance employee well-being. However, concerns related to productivity, coordination, performance monitoring, and organizational culture

persist. This study seeks to empirically analyze these dimensions in the context of Hyderabad-based outsourcing firms.

## 2. Review of Literature

### 2.1 Concept of Hybrid and Remote Work

Remote work involves performing job responsibilities outside traditional office premises using digital technologies, whereas hybrid work combines remote and on-site work arrangements (Allen et al., 2015). Hybrid models aim to balance flexibility with organizational control.

### 2.2 Productivity and Performance

Bloom et al. (2015) found that remote work can enhance productivity due to reduced commuting time and fewer workplace distractions. However, Felstead and Henseke (2017) emphasized that productivity outcomes depend on job characteristics, managerial support, and digital infrastructure.

### 2.3 Work–Life Balance and Job Satisfaction

Flexible work arrangements have been associated with improved work–life balance and job satisfaction (Gajendran & Harrison, 2007). Studies in the Indian IT sector indicate that hybrid work reduces stress levels and enhances employee morale (Kumar & Natarajan, 2022).

### 2.4 Challenges of Hybrid and Remote Work

Despite its benefits, hybrid and remote work present challenges such as communication gaps, employee isolation, digital fatigue, and weakened organizational culture (Waizenegger et al., 2020).

### 2.5 Research Gap

While extensive global research exists, empirical studies focusing specifically on outsourcing firms in Hyderabad remain limited. This study addresses this gap through primary data analysis.

## 3. Objectives of the Study

1. To examine the extent of adoption of hybrid and remote work models in outsourcing firms in Hyderabad.
2. To analyze employee perceptions of productivity, job satisfaction, and work–life balance.
3. To identify challenges associated with hybrid and remote work arrangements.
4. To suggest measures for effective implementation of hybrid work models.

## 4. Research Methodology

### 4.1 Research Design

A **descriptive and analytical research design** was adopted.

### 4.2 Sample Size and Sampling Technique

- Sample size: **200 employees**
- Sampling technique: **Purposive sampling**
- Selected outsourcing firms:
  - Tata Consultancy Services
  - Wipro
  - Cognizant
  - Tech Mahindra
  - Cyient

### 4.3 Data Collection

- **Primary data:** Structured questionnaire using a 5-point Likert scale
- **Secondary data:** Journals, books, industry reports, and government publications

### 4.4 Tools for Analysis

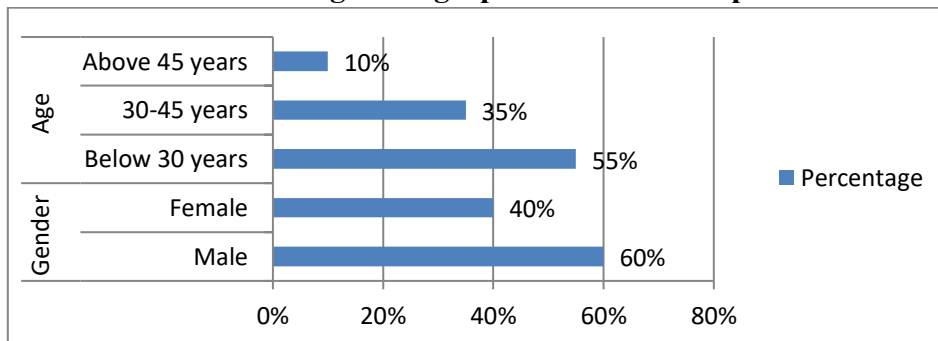
Percentage analysis, Mean Score Analysis, Tables, and Bar Charts.

## 5. Data Analysis and Interpretation

**Table 1: Demographic Profile of Respondents**

Variable	Category	Percentage
<b>Gender</b>	Male	60%
	Female	40%
<b>Age</b>	Below 30 years	55%
	30-45 years	35%
	Above 45 years	10%

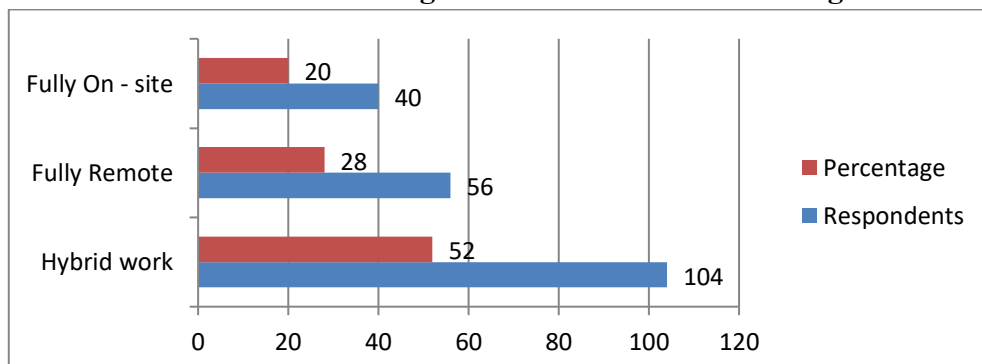
**Bar chart showing Demographic Profile of Respondents.**



**Table 2: Type of Work Arrangement**

Work Model	Respondents	Percentage
<b>Hybrid Work</b>	104	52%
<b>Fully Remote</b>	56	28%
<b>Fully On - site</b>	40	20%

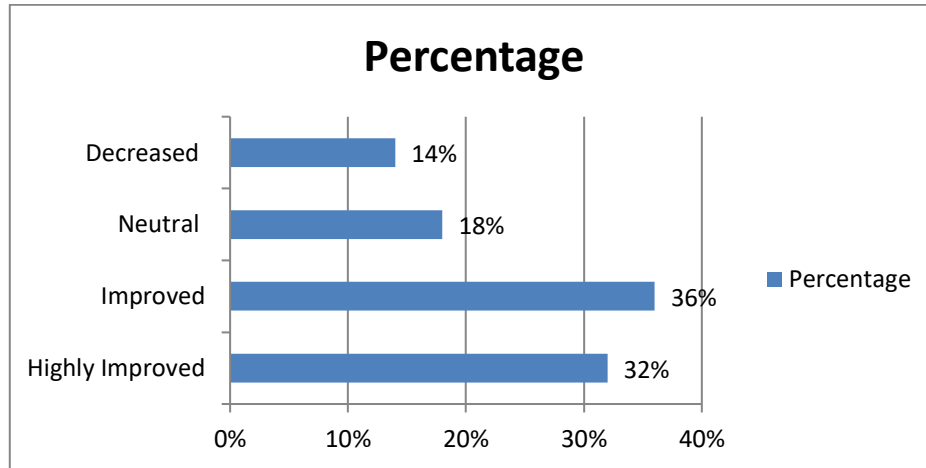
**Chart 1: Bar chart showing Distribution of Work Arrangements.**



**Table 3: Perceived Impact on Productivity**

Response	Percentage
Highly Improved	32%
Improved	36%
Neutral	18%
Decreased	14%

**Chart 2: Bar chart showing productivity perception.**



**Table 4: Work–Life Balance**

Response	Percentage
Significantly Improved	32%
Improved	36%
No Change	18%
Worsened	14%

**Table 5: Major Challenges of Hybrid/Remote Work**

Challenge	Percentage
Communication gaps	38%
Work- Life boundary issues	26%
Team coordination	22%
Technology issues	14%

## 6. Discussion

The findings suggest that hybrid work models provide a balanced approach by combining flexibility with organizational structure. Employees reported enhanced productivity and improved work–life balance, consistent with prior studies (Bloom et al., 2015; OECD, 2020). However, communication gaps and coordination challenges highlight the need for structured hybrid policies and managerial training.

## 7. Findings

- Hybrid work is the most widely adopted and preferred model.

2. Majority of employees perceive improvements in productivity and job satisfaction.
3. Work–life balance has significantly improved under flexible work arrangements.
4. Communication and coordination remain key challenges in remote settings.

## 8. Suggestions

- Formulate clear hybrid work policies with defined office schedules.
- Invest in digital collaboration and monitoring tools.
- Train managers to lead hybrid teams effectively.
- Encourage periodic physical and virtual team interactions.

## 9. Conclusion

Hybrid and remote work models have become integral to the operational strategies of outsourcing firms in Hyderabad. While these models enhance employee well-being and productivity, their long-term success depends on effective leadership, technology adoption, and policy clarity. Hybrid work emerges as the most sustainable model for the outsourcing sector.

## 10. Limitations of the Study

- Limited to selected outsourcing firms in Hyderabad.
- Based on self-reported data.
- Cross-sectional in nature.

## 11. Scope for Future Research

Future research may adopt longitudinal approaches, include multiple IT hubs, or analyze organizational performance indicators.

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