



# Digital Nomadism and the changing Nature of the Workplace: A Millennial and Gen-Z analysis

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## **Abstract**

**Title:** Digital Nomadism and the Changing Nature of the Workplace: A Millennial and Gen-Z analysis

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The ambition of travelling the world and developing a professional career at the same time has gripped the imagination for generations. Technological advancements have allowed this ambition to become a reality for more and more people, especially in developed countries. The Covid-19 pandemic forced many people to work from home, enhancing the possibility of becoming a Digital Nomad (DN). If you can work from home, why not from anywhere in the world?

The Digital Nomad phenomenon presents, nonetheless, challenges at various levels: to public entities, to businesses, economies, legal systems, logistic systems and last, but not least, Human Resources departments. Adjustments will, arguably need to be carried out to accommodate this new social demand.

The most recent developments in the Digital universe such as 5G, the metaverse, AR, etc., will constitute instruments that facilitate integration of Digital Nomads in the workplaces.

This thesis studies progress of the development of this DN movement and seeks to understand to what extent changes in the nature of the workplaces can be observed. The results showed that the impact felt by companies, at this point, is not yet significant. DNs look for independent and freelancing opportunities and companies do not yet possess the resources and capabilities to integrate Digital Nomads as full-time employees.

**Keywords:** Digital Nomads, Digital Nomadism, the future of work, workplace dynamics, flexibility, remote working, hybrid, freedom

## **Resumo**

**Título:** Nomadismo Digital e a mudança da natureza dos locais de trabalho

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A ambição de viajar pelo Mundo, ao mesmo tempo que se desenvolve um percurso profissional, é antiga. O desenvolvimento tecnológico, permitiu que essa ambição se tornasse realidade para um número crescente de pessoas, sobretudo dos países mais desenvolvidos. A pandemia, na medida em que obrigou muitas pessoas a trabalhar a partir de casa, veio reforçar a possibilidade da opção nómade: se se pode trabalhar a partir de casa, porque não a partir de qualquer sítio do Mundo?

O fenómeno dos nómades digitais representa, todavia, desafios a vários níveis: para as autoridades públicas, entidades patronais, economias, ordenamentos jurídicos, sistemas logísticos e, *last but not the least*, departamentos de recursos humanos.

Adaptações e ajustamentos terão, seguramente, que ser efetuados para acomodar esta nova demanda social.

Os mais recentes desenvolvimentos no universo digital - 5G, metaverse, AR - constituirão seguramente instrumentos que facilitarão a integração dos nómadas digitais no mundo empresarial.

Esta tese estuda o desenvolvimento deste movimento de nomadismo digital e averigua até que ponto poderão ser observadas e esperadas alterações nas estruturas empresariais para consolidar e abranger esta força laboral. Os resultados mostraram que o impacto sentido nas esferas das empresas, de momento, ainda não é significativo, uma vez que a maior parte dos nómades procuram soluções mais autónomas de *freelancing* e, da perspectiva das empresas, estas não possuem ainda recursos para integrar colaboradores full-time na modalidade de nómades digitais.

**Palavras-chave:** *Nómades Digitais, Nomadismo Digital, Futuro do trabalho, Dinâmicas dos locais de trabalho, flexibilidade, trabalho remoto, híbrido, liberdade*

## **Acknowledgements**

By the time I finished the coursework for my master's, I had most of my colleagues deciding what would be the titles of their thesis. As for me, I wasn't even sure if I wanted to start it right away. I did not want to do it to "get it over with." Why rush into it? So, I decided to take an academic break and search for a professional opportunity, which led me to Barcelona.

In the beginning, it was "just an internship" now, a year later, I am managing a team of 5 people. I must admit it is quite a stressful position to be in, especially when you have a thesis to write. With that said, I have a few people to thank for helping me complete this milestone and keeping me sane.

As this thesis marks the end (for now) of my academic life, my utmost gratitude goes to my family, without whom I could not have possibly made it. Thank you to my mother, father, brother, sister, and Fátima.

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## **Abbreviations**

DN: Digital Nomads

RW: Remote working

DT: Digital Transformation

LR: Literature Review

## **1. Introduction**

The Covid-19 pandemic changed the dynamic of workplaces. Remote working became the norm, and digital nomadism arose as a phenomenon. Although DN have been around for over 20 years, the number of people following this lifestyle has grown. Lisbon was even considered a new hub for Digital Nomads because it is cheap, has good weather, is tourist-friendly, and has easy access to most European countries.

Digital Nomads are characterized by a lifestyle of freedom that includes the ability to travel and work from anywhere as well as choosing when to work and for how long. It is the ultimate freedom, for they usually are not dependent on a boss and often work independently by freelancing. Gig jobs make up most works by DN (Wingo, 2021). This study intends to understand the DN phenomenon and how it potentially impacts workplace dynamics.

There are studies regarding the characteristics of Digital Nomads and the benefits and challenges they experience. However, there is not extensive knowledge regarding the impacts of DN on the workplace and shifts that might occur to accommodate this new workforce. By understanding tendencies about the future, conclusions can be drawn about the possible fit for companies.

### **1.1. Research Question**

- RQ: What is the potential impact of Digital Nomads in today's workplaces?

### **1.2. Academic Relevance**

Even though the Digital Nomad lifestyle is not a new concept, there is still not much academic work regarding its possible impacts on the dynamics of the workplaces. So far, research has been more focused on profiling Digital Nomads, discussing their attributes such as gender, race, or educational background, advantages and challenges of being a Nomad, and the "hottest" destinations for Nomads.

Covid-19 was a catalyst for trends towards remote working. Being a recent occurrence, there has not been sufficient attention given to exploring the implications of the Digital Nomadic lifestyle and to what extent it shapes or transforms the nature of business.

This study is based on existing research concerning DN and remote working, bringing together existing knowledge from previous studies and introducing the results gathered from the interviews and survey conducted.

### **1.3. Managerial Relevance**

The topic of Digital Nomadism is relevant for managers especially in the tertiary industry since remote working increased at such a fast pace. Managers need to know what tendencies are being observed and to adapt accordingly. Whether this change leads to a fully remote workforce, a hybrid situation, the pursuit to gig workers, or full back to the office work, is important to understand.

Furthermore, the topic is relevant for managers to be able to analyse scenarios pertaining to the potential impact on the dynamic of the workplaces so they can make informed decisions.

### **1.4. Scope of Analysis**

The scope of this study connects to the “future of the workforce” which is relevant for Millennials and Gen Z. It is focused on people who have already entered the workforce, meaning that students were not included in the sample. The individuals interviewed for this study were mainly targeted for their ties to Digital Nomadism and remote working.

There was no industry of focus since the study was meant to have a broad reach given that Digital Nomadism is already a niche area. This matter will be further explained in the Limitations section of the study.

### **1.5. Structure of the Study**

This study has been divided into seven main chapters. Following the introduction, it is presented a comprehensive review of literature focusing on an overview of Digital Nomadism, followed by the role of Digital Technologies on the concept, Covid-19 and its impacts on the lifestyle, some challenges, and limitations for both DN and companies, and lastly some takes on the sustainability of the lifestyle.

The third and fourth chapters comprise the empirical part of this study, with the methodology followed, providing understanding on the data collected and analysed. This will be followed by

the key findings and discussion of the results. Chapter six will give a summarized conclusion based on the insights. Finally, chapter seven shows a few limitations encountered along the study.

Specificities referred to the primary data collected (survey and interviews) that are not included in the main text, will be displayed in the appendices.

## **2. Literature Review**

This section displays knowledge already gathered referring to Digital Nomadism. However, it is not limited to, given that it also presents a broader approach to remote working to understand better DN, which are a niche in the Remote Working universe.

### **2.1. Digital Nomads**

#### **2.1.1. Digital Nomads: Definition**

Digital Nomads are people characterized as location-independent, who do not have a permanent residence, travel the world while working, and rely on technology to do so.

One of the first uses of the term Digital Nomad traces to 1997, which describes it as a person somewhere in the world, technology-enabled, running their own business from a hotel room or even a beach, and enjoying the freedom from having a demanding boss (Makimoto & Manners, 1997). Digital Nomads unite by their passion for traveling and experiencing new adventures, enjoying the freedom to work from anywhere. (*COVID-19 and the rise of the digital Nomad*, 2020).

#### **2.1.2. Digital Nomad vs Remote Working**

Working remotely does not necessarily mean that one is a Digital Nomad. However, Digital Nomads are remote workers. As a norm, remote workers have a stable household and work from their homes or a mixture of places, whereas digital Nomads “take this location independence further. They travel and do so frequently, both domestically and internationally. They select their location choice based on leisure and lifestyle expectations, not work.” (Thompson, 2018). The key distinction between the two is that even if remote workers can work from anywhere, they have permanent residence. They do not share the same level of freedom as Digital Nomads. This can be due to their job, a family to take care of, or wanting more stability. Essentially, “a remote worker can be working the same exact job as a DN, but they choose to stay in one place.” (Gomarasca, 2021).

### 2.1.3. Maslow's Hierarchy of Needs

This hierarchy of needs was first introduced in 1943 by Abraham Maslow. It is a theory explaining human motivation and how humans are driven to fulfil needs in a hierarchical order. Beginning with the most basic needs (physiological) at the bottom of the pyramid and going up. According to the theory, the goal is to achieve the self-actualization level. This final level mirrors the realization of one's full potential.

Maslow believed that: *"What you can be, you must be"*.



*Figure 1: Maslow's Pyramid of Needs*

It is believed that Digital Nomads find themselves in the top of the pyramid, in the self-actualization phase of their lives (Matt, 2020). Looking at the pyramid, Maslow defined two types of motivation. The first is deficiency motivation and the second is growth motivation. In this latter, people search for their full potential, to fulfil their dreams and seek happiness. According to Maslow, "growth motivation was possible only once basic needs were satisfied to a sufficient degree", which shows, paradoxically, how Nomads live, given that their lifestyle is turned upside down regarding the hierarchy of needs. They prioritize self-actualization above basic needs, like security or shelter. (Ehn et al, 2022).

## 2.4.2. Professional Tendencies

There is no golden rule or a concrete line of business associated with Digital Nomads. Despite this, there are some tendencies observed. Many Digital Nomads are programmers, designers, content creators, some entrepreneurs with online businesses, but most freelancers. (Nash et al.,2018).

Very common within the DN community are gig works. Short-term jobs for different clients characterize gig working. Independent contractors can work from anywhere and have hourly project-based or part-time work. The number of gig workers has increased significantly in the past few years. “During the COVID-19 pandemic, even more workers joined the gig economy, as those who lost their full-time jobs began freelancing.” (Wingo, 2021).

One thing is sure, no matter what the field of work or the modality of it, all Digital Nomads are technology dependent.

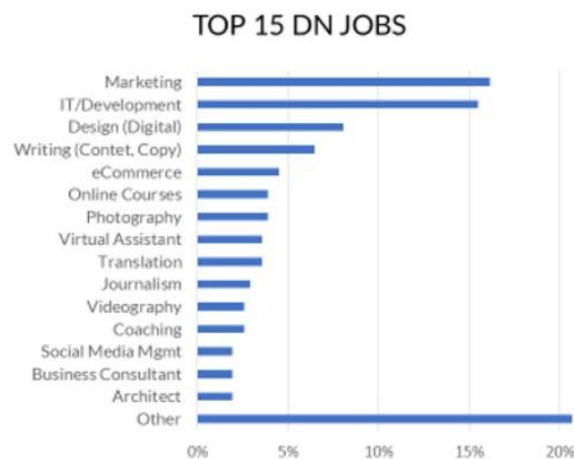


Figure 2: 15 Most Common Jobs for Digital Nomads (AbrotherAbroad, 2022)

## 2.2. Digital Transformation

Digital Transformation is characterized as the “use of new digital technologies, such as mobile, artificial intelligence, cloud, blockchain, and the Internet of things (IoT) technologies, to enable major business improvements to augment customer experience, streamline operations, or create new business models” (Warner & Wäger, 2018). Not limited to, it is added to this definition that “digital transformation is an ongoing process of using new digital technologies in everyday organizational life”.

In this context, digital technologies enable the work of Digital Nomads. Employees in general, and Digital Nomads more so in particular are always “on the lookout for the best digital opportunities, and businesses will have to continually up their digital game to retain and attract them” (Kane et al., 2015)

Investment in digital technologies is an important step in the DT of companies and industries overall. Lack of DT “often creates issues for DNs digital nomads since they do not have the accessibility to the resources a business generally provides its employees” (Nash, et al., 2018). This makes it harder to retain DN workers, and “just as important as developing talent is reducing the risk of losing it” (Kane et al., 2015).

#### **2.4.2. The Role of Digital Technologies**

Digital technologies play a critical role in the work practices of DNs. “Digital work is the essence of digital nomadic work since it is entwined with location independent work practices and enables digital nomads to accomplish work while visiting different cities and countries.” (Nash et al., 2018).

Without technology and access to wi-fi, the work of a digital Nomad becomes almost impossible. To communicate with colleagues, and clients, having meetings or briefings, platforms such as Zoom, Google Meet, or Microsoft Teams play a significant role. New technologies are also being studied application-wise to replicate the workplace conditions and are thought to bring new advancements to Digital Nomads’ work experience. Technologies such as VR, and others included in Augmented Reality (AR) can help. “The metaverse can provide an experience similar to face-to-face interaction in the real world. Once everyone has affordable and easy-to-use VR glasses or other methods of 3D communication, digital nomads’ lives will be a whole lot easier” (Sto, A., 2022). Furthermore, having these kinds of interactions will allow them to have more in-depth experiences and “will elevate remote communication to a whole new level” (Sto, A., 2022).

#### **2.4. Covid-19: The Catalyst**

Covid-19 forever changed the dynamic of the workplace. People had to work from home, companies laid off workers and outsourced processes. “There is an increasing trend amongst

firms that outsource projects to gig workers since they may not need to pay for health insurance or other firing benefits” (Thompson, B., 2018).

According to a study conducted by MBO partners in 2020 in the US, the number of American Digital Nomads before the pandemic started in 2019 was 7.3M. However, in 2020 it was observed a 49% increase of that number, coming up to 10.9M. World-wide there are over 35M Digital Nomads (ABrotherAbroad, 2022).

“The racial make-up of digital nomads is 70 percent white, 14 percent African American, 7 percent Hispanic, 7 percent Asian, and 2 percent from another background. This is statistically consistent year-over-year” (MBO partners, 2020).

However, a more recent study on the subject called “63 Surprising Digital Nomad Statistics in 2022”, shows a slight difference on these statistics. The biggest percentage is still allocated to white people (76%), yet the second race is the Latin/Hispanic with 10% of representation, followed by Asian (8%) and African descent having the smallest expression (6%).

An MBO partners study presented other variations in the profiles of the nomads after the start of the pandemic. The research showed that DNs have gotten younger overall, with Gen Z and Millennials increasing their share by 14%, reducing the weight of older generations (baby boomers and Gen X). (MBO partners, 2020).

Consistent with 2019 results, the MBO partners research found that gender wise the percentage is split 59 to 41 percent, with more men pursuing this lifestyle. However, according to another study called “63 Surprising Digital Nomad Statistics in 2022”, a decrease in this gap was observed, bringing the percentage of men down to 50.19%, and women to 49.81%.

Digital nomads are also, on average, well-educated, with 57 percent having a college degree or higher (versus 35 percent for adult Americans) and 24 percent reporting having an advanced degree (versus 13 percent for adult Americans). (MBO partners, 2020)

Even with the increase and this shift to remote working, most people will not, in fact, become digital nomads. They will continue to follow the adventures of DN, but will continue being “armchair digital nomads” (MBO partners, 2020)

The reality is that the Covid-19 pandemic proved to be a catalyst for trends towards flexible and remote work. With this, the DN lifestyle also accelerated. Although it is not expected that the rapid pace observed in 2020 will continue, it is believed, nevertheless, that growth and the

shift will remain over years to come, “allowing millions of Americans to achieve their dream of doing not just the work they love, but doing the work they love, when and where they want.” (MBO partners, 2020).

Portugal has become a hotspot for Digital Nomads and was rated the top digital nomad location in Western Europe (C. 2022).

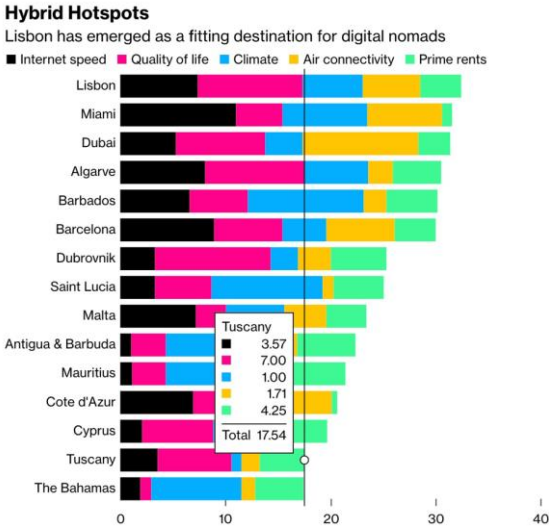


Figure 3: Hybrid Hotspots (Bloomberg, 2022)

**2.3.1. Productivity**

Following the Covid-19 pandemic, people were forced to stay and work from home. Almost overnight they had to adapt to this new way of working. Companies had to invest more in digital solutions to provide the tools for their employees to do their job well. Studies have shown that when employees are allowed to work from home at least partially, productivity increases around 13% (Knight, 2022). Yet, a recent survey by American and European economists showed that they were “uncertain about the long-term (The Economist, 2022).

Despite these results regarding productivity, what is being observed in many businesses is that short-term crisis management was being valued over long-term innovation (The Economist, 2022) with many companies shifting attention to bring employees back to the office. “Google is still planning to complete a 99,000 square foot building that will include a 25-metre swimming pool, basketball court, tennis court and rooftop garden by 2024” (Karpazli, 2022). There can also be observed the other end of the line, companies that are downsizing their facilities, given most their employees are working on a remote basis and the office spaces are

no longer needed, at least, in the current proportions “Property analysts said the amount of space available was likely to have fallen further since march, with employers and developers anticipating a more flexible future of work, in which less space would be needed to accommodate an equivalent workforce” (Hammond, 2022).

The **Great Resignation** is an economic movement characterized by people quitting their jobs. In the US, between April 2021, and April 2022, about 71.6 million people quit their jobs. With the events of the past couple of years, people took the opportunity to have a period of introspection leading employees to rethink their careers and jobs (Parker et al, 2022).

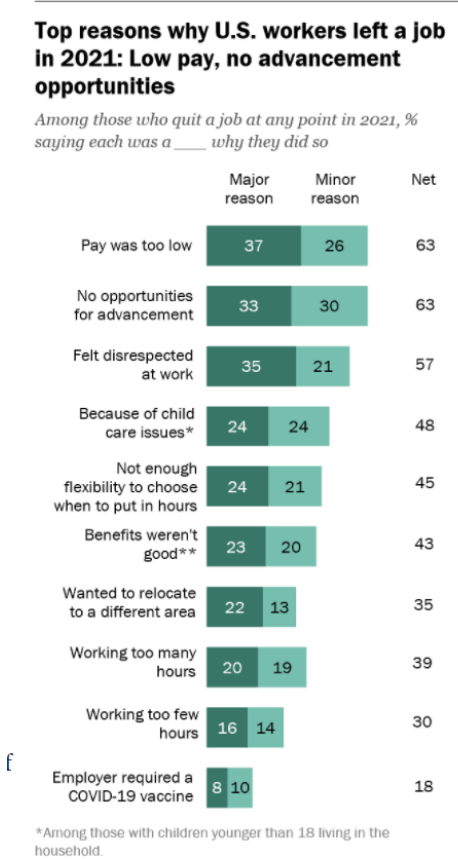


Figure 4: Top Reasons US workers left their jobs in 2021 (Parker & Horowitz, 2022)

**2.3.2. Industries Giants: How are they dealing with Remote working?**

Remote and Hybrid working is becoming a requirement for many workers at a fast pace. Work flexibility is almost more important than pay (Balter, 2021). A study by Microsoft found that 73% of 30,000 people in 31 countries want flexible, remote work as a notion here to stay. At the same time, 67% answered that they want more in-person time. Jared Spataro, corporate vice president of Microsoft 365, said that “everybody around the world wants more flexible work

options”, suggesting that companies with the best chance to win this talent war are the ones that will adapt and offer a mix of remote and in-person, a hybrid model (Balter, 2021). Another survey shows that 77% of market leaders affirm that they believe offering hybrid conditions will be critical to attracting and retaining talent in the future (Cash, 2022).

Some giants in their industries are showing different approaches to this situation. Both Apple and Tesla have started sending out instructions to their employees to return to the office. News such as “Apple set a Sept. 5 deadline for corporate employees to be in the office at least three days a week” (Gurman, 2022) or “remote work is no longer acceptable”, and “if you don’t show up, we will assume you have resigned” (Musk, 2022), have been more and more on the radar.

On the other hand, Twitter and Microsoft are showing more flexible approaches. Twitter’s CEO, Parag Agrawal, said they would reopen the offices, but employees could choose to remain working from home. His message was: “wherever you feel most productive and creative is where you will work and that includes working from home full-time forever” (Rushe, 2022). Microsoft is also showing flexibility in the matter. A statement made by an Amazon software engineer (that asked for anonymity) mentioned: “I am jealous of Microsoft. There is implicit trust in its policy, that trust is meaningful”. This followed an announcement by Microsoft that they were allowing not only hybrid working, but the employees could choose which days to come in the office. Amazon later stated that it was planning to allow two days of remote working. It shows different thinking than its earlier “office-centric culture as our baseline” (Balter, 2021).

Changes indeed are happening. A few months ago, Ian Goodfellow, Apple’s director of machine learning, stated he would resign due to the lack of flexibility regarding remote working (Gurman, 2022). He ended up joining DeepMind, a subsidiary of Alphabet.

Furthermore, a few countries are working towards making remote working a right by law. Recently, “the Dutch parliament approved legislation to establish work-from-home as a legal right, making the Netherlands one of the first countries to do so” (Baazil et al., 2022).

## **2.4. Constraints/ Limitations of DN**

### **2.4.1. Perspective of a Digital Nomad**

Digital Nomads seek a lifestyle of freedom and detachment, travelling when and where they want, being enabled by technology. “There’s this sense that this is the only time in our lives where we’ll be able to commit ourselves fully to exploration and adventure before the increasing responsibilities to our family, partners, and careers require us to be rooted in place.” (Peng, 2022).

Digital Nomads still have many obstacles to overcome. To start, many have precarious employment status; lack benefits such as healthcare, retirement, unemployment insurance, and family leave; it is no basis for economic freedom or security (Thompson, 2018).

Today it is easy to move between countries, especially as a European citizen traveling within Europe and enjoying the right of free movement. However, staying for long periods of time in a particular country can be a more challenging task. They must ensure they have working permission in the country they are traveling to. Getting the proper visa is not always the easiest thing. (Mai, 2021).

You can work legally or illegally in a country. It is widespread for Digital Nomads to enter a country with a tourist visa, stay the amount of time the visa allows, and then move to a new location. This is a way to avoid taxes in those countries. Some countries only make someone pay taxes, for instance, if a person stays longer than 182 days a year. As a Digital Nomad, it is customary to always be on the move, and with that, this type of residency can easily be avoided. Other countries have the so-called territorial tax system, meaning they will not tax foreign income. So, if you live there but make your money in another country, you don’t have to pay income taxes (Mai, 2021).

Flag theory was a concept introduced by Harry Schultz in the 1980s. It was initially a three-flag theory extended later with another two flags by W.G. Hills. The idea behind it is that a person does not need to “get stuck” in one country, meaning that travelers can benefit from the advantages of the different countries. The rationale is to choose the country with the best banking systems, which has the best corporate law, or which one best protects assets and has the best tax rates. “Perpetual travelers can utilize these advantageous systems by globalizing their different aspects in life. It is a famous tax optimization strategy that leverages offshore communities.” (Henderson, 2022). Something to be considered is that governments are

increasingly making it more challenging to work and enjoy the benefits of lower taxes. (Henderson, 2022). “Finding the right balance of such and the proper places to plant flags based on your interests can also help you maximize your freedom and make the most of your own time and money. After all, being free from a country means being a “world’s citizen” (Natterer, 2021).

Another determining factor is the passport one holds. Having a powerful passport “becomes the most significant variable factor for being a digital nomad” (Thompson, B., 2018). Together with income and “freedom” from family obligations, these conditions are primary factors of being a Nomad.

A criminal record can also “pose barriers for travel” (Thompson, 2018). Excessive student debt can also be a barrier to becoming a Digital Nomad. On a more psychological level, it is very common that “work and life blur together because of the choice to travel and work nonstop simultaneously” Many times, DNs sleep and work in the same places, which is “not very stimulating”. This makes it harder to motivate themselves. “Part of the digital nomad’s productivity problem is due to constantly switching time zones or working in a different time zone than their client or employer” (Nash et al., 2018).

#### **2.4.1.1. Mental Health**

A study has shown that when employees have the flexibility to work remotely, they have better mental and physical health than colleagues working in the office. This is a fact when considering remote workers in general; however, coming to Digital Nomads, other factors are in place. “The constant travel and distance from your own country and loved ones can begin to take its toll on a digital nomad’s mental health.” A few main problems identified are burnout, loneliness, anxiety, and difficulty finding stability. (Todorov, 2022).

Loneliness can be a big challenge. When travelling, you meet people from around the world and can make “road friends,” but many of these relationships are ephemeral friendships. Being away from loved ones might give a person the sense of not having a support network. (Sto, 2021). These transitory relationships can lead to being more isolated. “They’re younger, they’re single, and they’re lonely, (...) they seek out community in this very fractured way, not based on location but based on online communities and coming together temporarily.” (Peng, 2022). There is also a stigma against Digital Nomads regarding concerns about mental health. “When you are jet setting from one beautiful location to the next and sharing photos in some of the

most beautiful and inspiring places in the world, few people want to hear you complain”. Due to this, many DNs do not talk about any struggles they might have, and they fear being seen as “ungrateful, spoiled, weak, maybe even unworthy of the lifestyle that you have chosen” (Sto, 2021).

#### **2.4.2. Perspective of a Company**

There can be some legal risks for companies that have Digital Nomads on their payrolls. This can pose a problem specially when the Nomads travel without the knowledge of the firm, leaving them exposed to possible employment laws without even being aware of the ramifications.

Given the fact DN travel freely whenever and wherever they feel like it (practicing Geo arbitrage), they might by accident create a new “permanent establishment” for their employer in the location they find themselves at that point. Meaning “laws and regulations that apply to a person’s work are generally based on the jurisdiction where the work is performed, even if the employer is located elsewhere.” This can expose both the employer and the employee to a new jurisdiction’s tax, regulatory, and compliance rules and laws (HBR, 2021).

Companies might be caught by surprise to learn that “the activities of an employee in another country may unintentionally trigger a corporate presence in that country”, which can lead to an overseas tax authority to notify them that an employee has created a corporate presence in the country in question (McIntyre-Hamilton, 2022).

Another challenge for companies is tied to cyber security. “With employees frequently changing their work locations and working over potentially unsecured consumer networks, the attack surface is greatly magnified”. The issue is not limited to networks or devices. New ways of doing business put a toll on security analysts tasked with anticipating, detecting, mitigating, and investigating breaches (Verizon, 2022).

#### **2.5. Sustainability of the Lifestyle**

It is commonly thought that Digital Nomadism is simply a phase in someone’s life. It is like a sabbatical year(s), an escape from “real” life. However, in the perspective of the Digital Nomad community that is not the reality. “The nomad lifestyle is more than that. It’s a kind of

philosophy that people consciously chose to live on” (Mai, 2021). Not being an escape or a phase does not mean it is a sustainable life decision.

It can be exhausting and lonely to live out of a backpack. The constant moving, uncertainty, lack of stability, etc., are exciting for some time but, at some point, many people desire other things. “You may crave for a home base. A closet. A place to come back to after traveling again for a few months. A circle of friends who are living near you and won’t be moving any time soon...” Many nomads get tired at some stage and want more stability (Mai, 2021). As people come to an age where they want to settle down, they seek to create roots and have a family. This doesn’t mean they can’t travel anymore, or still work remotely. It is about making a place home. “This will be my last long-term trip. When this is done, I’ll have been on the road for close to six years. That’s six years of constant movement. Six years of fresh starts. I regret nothing, but I’m ready to move on to something new” (Matt, 2011).

### **3. Methodology and Data Collection**

This section of the study illustrates the methods implemented to answer the Research Question.

#### **3.1. Research Design**

This thesis is both a qualitative and quantitative study. The preceding Literature Review discussed the DN phenomenon and connected it to management theory. The primary research and data collection methodology were expert interviews and a survey to help formulate insights on this area of study and hopefully contribute to a better understanding of Digital Nomadism.

Based on the literature review, relevant variables were explored in the survey to test and compare findings with information already gathered. This will allow us to answer the Research Questions posed.

Furthermore, within the different possibilities of qualitative research, expert interviews were conducted following a semi-structured format (Berg, 2009). When interviews are not restricted to specific scripted questions, there is a better “flow” to the conversation, and additional pertinent topics can be raised.

The experts chosen were based on the theoretical sampling approach (Bagnasco et al., 2014), relying on their relevance and perceived ability to answer the research question. The interviewees came from different backgrounds, industries, and roles within companies, giving a more holistic and global view of the Digital Nomadism phenomenon. They shared how/if the companies are prepared for and adapting to embrace more DNs and gave insightful remarks on more specific matters concerning DN.

Digital Nomads, ex-Digital Nomads, remote workers, entrepreneurs, recruiters, and individuals associated with co-working spaces were the subjects chosen.

<b>Interviewee</b>	<b>Position</b>	<b>Company</b>	<b>Description</b>	<b>Age</b>
Interview 1	Business Consultant	EY	Remote Worker	23
Interview 2	Copywriter and communication specialist	Freelancer	Digital Nomad	30
Interview 3	People Operations Generalist	AirDNA	Hybrid Worker	31
Interview 4	Recruitment Consultant	Acquiring Talent	Remote Worker	24
Interview 5	Teaching Assistant	Freelancer	Digital Nomad	31
Interview 6	Filmmaker	Freelancer	Ex-Digital Nomad	37
Interview 7	Entrepreneur	Itnig	In-office Worker	41
Interview 8	Journalist	Freelancer	Digital Nomad	33

*Table 1: Overview of Interviews*

All interviews were conducted face-to-face via google meets, apart from Interviewee 1 who wrote her answers directly into a document due to scheduling and time-zone incompatibilities. The duration of the interviews was between 20-40 minutes. All interviews were conducted between july and august of 2022.

### **3.2.Data Collection:**

The data considered for this study is both primary and secondary. Primary data was gathered from the survey and semi-structured interviews whereas the secondary data was collected from publicly available information represented in the LR. This included previous studies, articles and papers published, books and blogs shared by Digital Nomads.

### **4. Empirical Setting:**

There were eight expert interviews conducted. Interviewees were selected according to the relevance of their work arrangements and to complement the sample of this study: Millennials and Gen-Z. Three interviews were conducted with Digital Nomads working as freelancers, one with an ex-digital Nomad who decided to leave the lifestyle, one with the perspective of an entrepreneur and start-up builder, and the last three were two remote workers and a hybrid one. Two of these latter subjects work as recruiters for companies, so they shared insights regarding tendencies we see in the workplace. There is no specific industry chosen as a focus, and interviewees came from a cross-section of areas. Key findings from the interviewees can be found below.

The first interviewee belonged to the Gen-Z category and works as a Business Consultant for EY. Her work is mainly remote, apart from going to the office maybe once or twice per month. She shared that her preferred working arrangement is remote work given that this allows her to have more flexibility and create her own routine. Not having to commute enables her to have extra time to work out in the morning and be with friends in the afternoon. She believes herself to be more productive at home because doesn't have to experience any in-office related stress or feel like she is being "controlled" by colleagues or superiors. She shared that going through the pandemic showed her that remote working is not only possible it but doesn't decrease productivity. This convinced her that in searching for a job, not having work flexibility is a deal-breaker for her. If at some point she is not allowed to work remotely at her current company, she would consider searching for new opportunities.

The second interviewee was with a Digital Nomad and Millennial who is a freelance copywriter in 4 languages. For her, being a digital Nomad, is a way of life characterized by freedom: freedom to travel where/ when you want, freedom to work whenever you feel like it, freedom to live your life without limitations of meetings or a boss telling you what to do. The biggest challenges are related to finding consistency and with the uncertainty of being paid at the end of the month. In terms of work arrangements, she believes that the current generations have different values and mindsets in the sense that they value work-life balance much more, and it's increasing the mentality of "working to live" and not "living to work". With that in mind young talent will search for companies that give them flexibility to find that balance, and if companies don't innovate and understand this, they will lose talent.

The third interviewee was a millennial working as a people operations generalist at AirDNA. She works under a hybrid arrangement. However she mentioned that she prefers working in the office. In her view, "we should be able to live the life we want, make decisions, and be happy working". She felt that employees should be given the possibility to choose between working remotely and in person according to which alternative they identify with the most. With the pandemic some people realized they missed the interactions and bonding with work colleagues, but there were also many others who realized they thrive working remotely. She held balance to be key stating that it is important to listen to employees. They are most productive when they feel listened to and valued. There shouldn't be a "one size fits all" policy when it comes to work arrangements. Companies are made of up people, so the mindset of people must change for companies to change.

The fourth interviewee was a Gen-Z Recruitment Consultant working on acquiring talent. She works remotely and her company operates in fully remote mode without physical offices. She stated that working online gives her much more flexibility and maximizes the use of her time while not having to spend hours commuting to work. She stated that she can work from anywhere and works from home as well as in a co-working space when she feels inclined to do so. If she wants to travel to another city she does this. She considers that this form of arrangement makes employees feel more trusted and freer to organize their day as they see fit. She mentioned that she has always been the most productive in the morning and on previous jobs would get most her work done before lunch. However, she felt like she had to stay the whole day at the office, even if she had already finished everything just so as not to look bad or

have people think she was not a committed employee by leaving earlier. “That was pretty stressful”. Now she organizes her time and if work is done she can leave earlier. She maintained that companies would significantly increase their employees’ productivity and happiness at work if they listened to their needs.

The fifth interviewee was a Millennial and a Digital Nomad. He is doing freelancing work as an Assistant Professor at a university. As a Digital Nomad he explained that he could either be self-employed or employed by a company. When someone becomes a Nomad, they should be able to enjoy the lifestyle to the maximum, so being employed full time by a company does not allow one to have that flexibility and balance. When we talk about the freedom DNs have, this aggregates at many levels. It is not just freedom to travel but includes being free to decide when you want to work, where, and how many hours. Not having a boss means being free of those rules. In his opinion, DNs are searching for self-fulfilment and are motivated to explore the unknown and enjoy their freedom. This is more than having a steady pay check or a place to call home. He also shared that he thinks Digital Nomads are privileged in a certain way. If things don’t work out, they have a “safe base” to return to. People with education debts, houses to pay, family to take care of, etc., are not able to pursue this kind of lifestyle. Covid really helped many people feel more comfortable using online platforms, which helped DNs being accepted in some organizations or to be viable as freelance candidates. A challenge the interviewee shared was related to visa situations. He mentioned that most times people enter countries with tourist visas even if they are working remotely. When the visa expires, they need to leave the country, so “the nomad part of Digital Nomad is not always a choice, but sometimes a necessity”. They can have immigration issues given that it is a common practice to leave a country for a few days and ask for a new tourist visa. More and more authorities are aware of these actions so might deny the future entry.

Regarding the topic of the work arrangements the interviewee mentioned that he is shocked with how quickly many companies are going back to the “norms” before Covid. In his mind so many resources such as time and knowledge were invested in digital tools that facilitate people remotely working, but still companies are going back to offices. Of course, there are many companies and businesses that don’t have the resources and capabilities to offer superior quality of products/ services in the digital space and this is just not their strategy. For some firms,

digitalization would require bigger efforts to make this part of the core of the organizations, an effort which many companies do not want to make.

The sixth interviewee was a Millennial who as a filmmaker and Digital Nomad for 9 years, returning home to Lisbon in 2018. He was part of a volunteering initiative to travel to underdeveloped countries making and sharing short films with the local communities. This was a bit different from the other Nomads interviewed. The interviewee's company was an ONG not for profit. Workers were living off of what villagers offered them to eat, and from crowdfunding which they used to pay for gas. As the interviewee mentioned, "being a Nomad is to live your life to the fullest, to search for happiness, to be free". When someone becomes a DN, the priorities are completely different. You don't care as much about security or stability. In 9 years, he travelled to more than 50 countries but felt, on the whole, that he was living a lifestyle he knew was not sustainable. He was not getting paid and it was becoming harder and harder to sustain himself. He was committed to his volunteering work, and he knew that his happiness was tied to that. He maintained that he wouldn't experience as much joy living his Nomad experience any other way. He didn't want a freelance job just to get money, he wanted to share his art. So, when it became almost impossible to survive, he decided to return home. The reality is that when you experience that level of freedom, it is hard to "go back". Even before Covid, the interviewee was only looking for remote and freelancing jobs. He might not be a full-time Nomad anymore, but he still travels at every chance he gets. In his view, Covid opened more doors for people who were already freelancing or thinking about doing it. Employers are turning more and more to gig workers and there is an increase in the gig economy. This way they can recruit the best talent without any physical limitations, and companies that are forcing a return to the office might be losing an opportunity to get these more qualified workers who find more attractive opportunities with firms offering flexibility through remote working.

The seventh interviewee was an entrepreneur who is one of the founders of the Itnig Group, a start-up incubator composed of 3 companies. The interviewee shared that in his companies they always try to put people first. He knows that depending on the position, age of the individual, mindset regarding work (live to work or work to live), etc., people have different preferences when it comes to work arrangements. He mentioned his firm tries to adapt and be flexible to

the needs of employees however remote working is not part of their strategy nor does it fit their company culture. Companies that were not designed to be fully remote are always a step behind firms initially set up to be that way. So even though he tries to maintain a balance he doesn't want to lose 27ompetetor in an industry that is already highly competitive (tech). He believes that the offices are not disappearing anytime soon and many people are now valuing physical interactions more. However, there is still the other side of the coin. With remote working, many people realized they work best and are more productive at home. However, many companies are not ready to embrace employees on these terms. Maybe if we are talking about freelancing jobs, or specific departments it is manageable and you get access to better talent. He shared that he doesn't see much impact in hiring Digital Nomads for his companies because there are not many examples (yet), but this may change with shifts to more part-time/ freelancing jobs rather than full-time positions.

The last interviewee was a Digital Nomad, Millennial, and a journalist. She is self-employed and writes articles about people she meets on her adventures. She has a blog where she shares their stories. Her take on life is that people were born to find happiness in the simplest things and that money and wealth are not an end or an indicator of that happiness, but a means to help you get there and live life to the fullest. Before becoming a Nomad 5 years ago, she worked at a newspaper and hated it. She felt stuck and unproductive. Having the same routine, seeing the same people every day, having the same paycheck every month made her feel like life her was ebbing away. So, she quit her job and started her journey. For her, workplaces should promote ways to help their employees develop skills and nurture them to feel safe and valued in the company. And in her opinion, this requires giving them the possibility to work wherever they want. Work flexibility builds trust. When someone knows they're being given the freedom and the chance to work wherever they want, they feel appreciated and grateful so they will want to do better. Of course, we cannot generalize as there are always people who stay home and do nothing all day. But maybe those people should not be employees in a company after all. When individuals are not trusted, they start to feel like maybe they are not in the right place and might decide to leave.

## **5. Findings/ Discussion**

### **5.1.Survey Analysis**

#### **5.1.1. Survey Design and Composition**

The survey was conducted in English and shared on multiple platforms to have a broader range. Since the sample of respondents was very narrow, mainly digital Nomads and remote workers, the platforms chosen were targeted to reach them (i.e. Facebook groups of Digital Nomads). The survey was active between 3.08.2022 and 26.08.2022.

There were 308 respondents in the survey. The sample was focused on Gen Z and millennials, so all the respondents that did not match the age ranges in the preliminary question were eliminated (5 people). From these, there were made a few more eliminatory questions to focus on the sample. One question was related to professional status, to which 23 people answered “student” and were eliminated from the study since students cannot be considered Digital Nomads or comment on preferred work arrangements.

In the end, there were **two hundred eighty** valid questions to analyse. From these 280, 47.5% were female, 52.1% male, and 0.4% non-binary/third gender. Age-wise, approximately 33% of Gen-Z (between 18-25 years old) respondents and 67% of Millennials (between 26-41 years old).

As mentioned, the focus was on these age categories, given that they are considered the future of the workforce.

#### **5.1.2. General Findings**

Participants were asked about their work arrangement, to which 72% answered they were remote workers, 21% worked in the office (to which in the following question, 98% of these stated that given the opportunity, they would like to become remote workers), and lastly, only 7% said they were Digital Nomads.

The reduced number of Digital Nomads responses poses a problem regarding the analysis of the data. It makes possible insights related to DN inconclusive and insignificant (this will be further discussed in the limitations section).

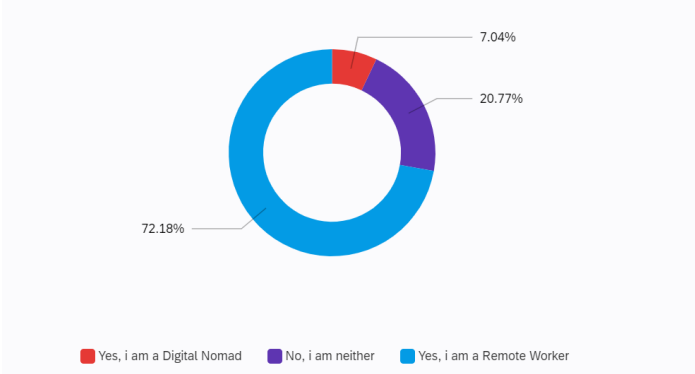


Figure 5: Q3 survey (appendix 1)

The survey asked respondents what they thought was the best work arrangement (Q13 of the survey, see appendix 1). The offered options were Remote working, Hybrid Working, Office and employees’ choice, meaning that employees can choose which days to work at home and which days at the office. There was a close result between Hybrid working (with 39.78% of votes), and Employees’ choice with 34.05%. Remote working came as the third most selected choice with 24.73% and the office one had a very low ranking with only 1.43% choosing it as the best arrangement. With this, Hybrid working was the preferred workplace arrangement by the respondents.

The participants were also asked if being unable to work remotely at least a few days per week was a deal-breaker for them at a job. 36% of the respondents answered affirmatively to the question, 44% said “maybe”, and only 20% answered “no” (Q14 of the survey, appendix 1).

There was a question posed regarding what participants valued the most in a job. They had to rank from 1-7 (seven the highest valuation) the multiple options (Q15 of the survey, appendix 1). The option with the highest ranking, meaning the one people value the most in a job was “salary/economic security”. The mean of responses was 6.15 and had the lowest standard deviation (of 1.25), meaning that it had the less spread-out results, with respondents choosing a value closer to the mean. The second highest ranking was given to the “flexibility of working hours” with a mean of 5.63.

**5.2. Scenario Analysis**

**5.2.1. Scope of the Scenarios**

Three scenarios were proposed relying on Schoemaker (1995). The three arrangements were the fully remote option, a hybrid one, and in person and “employees’ choice (meaning that they can choose which they prefer). The focus is on the tertiary industry as physical goods, more technical jobs, and manufacturing, for instance, are not likely to see a shift. So primary and secondary industries are less affected (Interview 7, 2022).

**5.2.2. Major Stakeholders**

We identify 3 main stakeholder categories: the primary ones who drive change, secondary stakeholders directly affected by said change, and tertiary ones indirectly affected by work arrangements.

<b>Primary Stakeholders</b>	<b>Secondary Stakeholders</b>	<b>Tertiary Stakeholders</b>
<ul style="list-style-type: none"> <li>- C-levels of industries</li> <li>- Governments</li> </ul>	<ul style="list-style-type: none"> <li>- Employees of the companies</li> <li>- Digital Nomads</li> </ul>	<ul style="list-style-type: none"> <li>- Cloud based platforms (Zoom, Slack)</li> <li>- Commercial Property companies</li> </ul>

*Table 2: Main stakeholders categories affected by the modality of workplace arrangements*

**Primary Stakeholders:**

For the past couple of years, companies were forced to their close doors and conduct business fully remotely. Many companies invested resources such as time and knowledge in digital tools (Interview 5, 2022). The common observation is that it was more of a short-term crisis management strategy than a long-term shift (The Economist, 2022).

Giants in the tech industries are going out of their way to bring employees back to the office. Google is developing new installations with tennis and basketball courts and a 25-metre swimming pool (Karpazli, 2022). Tesla and Apple are giving out ultimatums to go back to the office or leave the company. Other companies such as Microsoft or Twitter are being more flexible with remote working “Wherever you feel most productive and creative is where you will work” (Rushe, 2022). Companies not designed to be fully remote are always a step back regarding the ones that follow a remote business model by nature” (Interview 7, 2022).

This matter is not industry specific, there are other relevant factors including the organization, resources and capabilities, competitors, customers. Looking at faster moving industries, these tend to be more digital than more conservative ones and have core resources available to better adapt to new technologies and modalities of working (Interview 5, 2022).

Governments can also play a part in driving change. Some countries are working on creating new legislation to make remote working a right by law. (Baazil et al., 2022). New regulations mean that companies in these countries must comply with legal guidelines. This can bring additional risks in the sense that a remote worker who decides to work in a different country may “unintentionally trigger a corporate presence in that country” (McIntyre-Hamilton, 2022).

## **Secondary Stakeholders**

The main stakeholders who are implicated in workplace arrangements are evidently employees. Covid-19 forever changed the dynamic of workplaces and the mentality of the employees. Many realised that they could perform their jobs well in the comfort of their homes. Recent studies have shown that working from home increases productivity by around 13% (Knight, 2022).

Not having the flexibility of doing remote work is becoming a deal-breaker for people, especially younger generations (Interview 1, 2022). “Balance is key”. Employees should be given the possibility to choose where they feel they work best. It is important to listen to their needs (Interview 3, 2022).

There is also the other side of the coin. Many people, by working remotely the past 2 years, gained a better appreciation for going into an office and seeing their teams and socializing with colleagues (Interview 7, 2022).

With the pandemic, many people changed their mindset from “living to work” to “working to live”. They started to worry more about their mental and physical health and, with being home, “people took the opportunity to have a period of introspection that led employees to rethink their jobs and their career paths” (Parker, et al, 2022). They are standing up for themselves and prioritizing benefits such as flexibility of work rather than salaries (Balter, 2021).

It is suggested that if companies want to retain employees and attract the best talent they will need to adapt and offer a mix of remote and in-person work (Balter, 2021). Digital Nomads are also affected by changes in workplaces. They seek maximum freedom by working mostly as freelancers or being self-employed, however having more remote working policies would facilitate the integration of these workforce in companies.

### **Tertiary Stakeholders**

The adoption of a fully remote/ hybrid arrangement in workplaces will positively affect companies related to cloud-based solutions. With the pandemic, platforms like Zoom and Microsoft Teams attained unprecedented growth. If workplaces pursue a remote arrangement, this growth will continue. Companies invested time and resources for remote work (Interview 5, 2022).

Many offices closed during the pandemic and some never opened again, or they downsized. With hybrid work there is no need for five or six floors in a building and workers go to the office on a rotation basis (Interview 3, 2022). Downsizing is impacting the commercial property market with less office space needed to accommodate workers (Hammond, 2022).

#### **5.2.3. Identification of Basic Trends**

Fewer and fewer people post-pandemic want to work 100% at the office; remote working has become crucial, even if it is just a few days a week, it can even be a deal-breaker not having that. (Interview 1, 2022). Employees are always looking for the best digital opportunities, and companies must continuously increase their digital image to attract them (Kane et al., 2015).

With many people resigning, one of the biggest reasons for leaving their jobs in the US in 2021 was the lack of flexibility (Parker, 2022).

#### **5.2.4. Key Uncertainties**

There are many unresolved questions regarding the future of work. Employees and employers seem to disagree on the best arrangement. Even with studies showing a 13% increase in productivity (Knight, 2022), many companies are pushing employees to reduce remote work. In more extreme cases, firms are forcing employees to either return in person or quit (Musk, 2022).

Companies typically follow the trends of the giants in their industry. However, even the biggest and more powerful companies are struggling to find a solution to retain and attract the best talent while maintaining the company culture.

The impacts that remote working will have in the long run are uncertain. Even if RW has shown many positive benefits, economists are concerned about the longer-term impact on productivity (The Economist, 2022).

How different industries adapt to a more flexible way of working is also unclear. Some industries can better make that shift, but other industries, such as manufacturing, for instance, cannot alter their operations. This can cause backlash from employees not offered flexibility, even leading to people quitting and looking for new opportunities in other areas. (Interview 7, 2022).

#### **5.2.5. Scenario Building**

##### **Conservative Scenario/ Worst case**

Expert 5 suggested that the remote era is completely over. Companies are no longer interested in adapting to a new remote reality but trying to find ways to bring employees back to the office. This will require an adjustment period where employees might be allowed to work remotely a couple of times a week/ month. But at a certain point they will be required to go back to the office full time.

Ultimatums are being given to employees to return and the reality is that many are not happy about it. Expert 8 shared that companies are treating the pandemic and remote work as a hiccup in their businesses. They believe things will “go back to normal”, meaning back in the office.

From the employees’ side, the perspective of expert 1 was that many will quit with this arrangement. People will start looking for companies that maintain the flexibility. This will cause a talent shortage in some industries/ organizations, or people “quiet quitting” which means doing the minimum possible to show dissatisfaction with the company. These actions will cost companies in terms of productivity, high rotation, and the investments companies are making in human capital will not bring any long-term results.

### **Trend Scenario/ Median**

In this scenario, companies will offer employees hybrid solutions. The company would dictate this, meaning they would set specific days to work at the office and others to work from home. It is believed that the companies able to retain the talent are the ones that offer a mix of remote and in-person solutions, a hybrid model (Balter, 2021). Market leaders also agree that offering this kind of hybrid conditions will be critical to attracting and retaining talent.

When companies show more flexibility and are more modern/ digital, they become more attractive to talent and prospective employees. When looking for a job, many employees will target specific organizations or industries with certain key attributes. With Covid-19, one of those attributes is tied with remote working flexibility. “Remote and Hybrid working are becoming at a fast pace a requirement for many workers. Work flexibility is close to being more important than pay” (Balter, 2021).

A solution such as this can contribute to the overall happiness of the employees, productivity, and a sense of trust in the company. It can also help the decrease of quiet quitting or resignation by employees. They will be able to enjoy both the flexibility and freedom of working from anywhere and the chance to be with their colleagues and socialize with them.

### **Optimist Scenario/ Best case**

This scenario is characterized by a more liberal approach where employees can choose where they want to work and when. They can opt if they work to go to the office, work from home, or work from a remote island; and, if they decide to go to the office, choose which days they want

to go. The idea is that wherever the person feels most productive and creative is where they should work (Rushe, 2022).

With the pandemic, numerous people took the opportunity to have a period of introspection and rethink their choices (Parker et al., 2022), in the sense that the search for a better work-life balance increased. To find this balance, people want to be given flexibility and freedom to make their own choices and work where they feel the most productive (Interview 2, 2022). This does not have to be necessarily remote; many people also discovered how much they missed interactions with their colleagues (Interview 7, 2022); the key point is having the choice of deciding it, not being decided for them.

### **5.2.6. Scenario Evaluation**

Flexible work is a reality that has forced companies to adapt. Now it is being heavily debated as to whether it is here to stay or was just a short-term crisis management strategy to overcome the circumstances of the pandemic. Even though it is still uncertain what the future holds, studies are starting to appear offering opinions of many stakeholders on the subject. A few are more directed to ending of this phenomenon and some are in favour of continuing it.

With positive feedback from employees and studies showing improvements in productivity by working remotely, it is hard to imagine that remote work will disappear. Therefore, the worst-case scenario is taken to underestimate the influence and strength of remote working.

Considering the optimistic, here it is expected that people have “full control” of their work arrangements. This assumes that if people want to go to the office they can, if they want to work from home or anywhere else, they are allowed to. However, they might not enjoy the full experience of being the workplace this way. This could also create a shift in workplace relationships. If someone likes going into the office, but most their team is working remotely, they will not have a sense of belonging. Or if someone wants to go in the office on a particular day but their colleagues are there on those same days, this defeats the purpose of going in to bond with peers. Choosing this more liberal approach leaves employers limited control. They might also be exposed to legal risks if employees disperse to other countries, triggering new corporate presences (McIntyre-Hamilton, 2022). Companies might have to re-invent themselves to replicate their culture for employees who are both remote and onsite, and they might not have resources to do so. Given these considerations, this scenario appears to be overestimated and improbable.

Consequently, the scenario that appears most likely given our findings is the intermediate one. It represents a compromise between employees and employers. Employers get to choose and have the people in the office on certain defined days when they can take advantage of employee interactions, office culture, and team-building activities, as well as discuss subjects best addressed in person. Companies also allow a few days at home or anywhere else, where people can have a better sense of work-life balance.

With the hybrid model they will have the “best of both worlds”. Companies will still have a certain level of control to avoid certain legal risks as it will be easy to adapt in the long run. Given that they already experienced and invested in tools and solutions to work online due to the pandemic, employees will feel valued and trusted when allowed to work remotely, providing them with a greater sense of happiness at work, and a “break” from office stress (Balter, 2021).

Note that we did not assign probabilities or apply quantitative criteria since there is a level of uncertainty associated with the three future scenario options that makes hard and fast probabilistic claims less meaningful and mere speculation. Furthermore, our conclusions are based purely on qualitative evaluations and thus we draw inductive conclusions from the findings of our expert interviews and survey data.

## **6. Conclusion**

Before the pandemic, workplaces were associated with going to the office, having a morning briefing in the conference room, having coffee with co-workers, and complaining about the bosses. Today, the reality has shifted; this notion is now associated with questions such as "do I have a good Wi-Fi network for this zoom call?", "does it look like I am wearing my pyjamas for this briefing?", "On which days must I commute to the office?". Over the past couple of years, work dynamics changed, and now, with the pandemic ending, the question of the future of the workplace arises.

This thesis aimed to discover the influence of Digital Nomads in today's workplace dynamics, and it became clear that a significant impact is not currently observed. The study showed that Digital Nomadism does not show any relevant influence in workplaces for two main reasons. First, Digital Nomads seek jobs that allow them maximum freedom, meaning they are not looking for companies where they must work 8-hour-a-day shifts and be constantly on call for

their bosses. Most are either self-employed or do freelancing/gig jobs for some clients. This provides them with opportunities to organize their lives and enjoy the nomadic lifestyle, which entails flexibility, freedom, and independence. The DN interviewees were clearly aligned with this reasoning during the interviews. When a person chooses to pursue this lifestyle, the priorities are different from those of a typical worker. DNs are not concerned about salary or career advancement and rather prioritize flexibility to work from anywhere at any time and detachment from company obligations. Not having a steady salary at the end of the month brings additional instability; however, as long as it is enough to sustain their lifestyle, it is good enough for them. The second main reason there is no significant impact relates to companies themselves. Companies do not have the resources to promote and replicate their culture and incentivize relationships with employees in a digital universe if that digital component is not part of their core business. DNs are thought to be somewhere in Thailand by their fellow colleagues, with a considerable time difference and with other priorities at hand rather than work-related ones. In a professional context, Digital Nomads are more associated with the concept of "lone wolves." As they perform their work without the need to be physically present, DNs generally do not fit with companies that have teamwork, teambuilding and cooperation at the core of their cultures.

In addition, this study aimed to explore what the future of the workplace could be and understand how companies can adapt and keep retaining talent. It concluded that hybrid working appears to be the most reasonable arrangement between employees and companies. From the employees' side, this allows for flexibility to work remotely, so people who prefer working from home will still be allowed to do so, as long as this time is complemented with some days at the office to be with their teams and better experience the company's culture and values. Some people realized they worked best from home during the pandemic, so now being forced to return to the office in person is discouraging. They might even rethink their role within the company. Hybrid working attenuates this feeling; it brings a balance to the workplace and shows a flexibility that previously did not exist in most traditional companies. In the same way that many people identified a new preferred way of working, others started to appreciate the old in-office ways, contacts with colleagues, bonds created and breaks shared. This transition to a more hybrid arrangement aims to work as a middle ground of compromise.

Another factor to consider is that this study focused on the "future of the workforce," which includes Millennials and Gen-Zs. These generations are very different from the previous ones. The conception of the workplace is not the same, especially over these past couple of years. More and more, the mentality is shifting from "live to work." to "work to live." Younger generations are showing more significant concerns with better work-life balance; they are searching for jobs that provide them with purpose and meaningful work and they care about their mental health. They are not afraid to fight for better life opportunities even if that means making a career change. Therefore, the median trend scenario described previously seems to be a reasonable solution.

Therefore, Digital Nomadism is currently not impacting the workplaces significantly because their lifestyle is not compatible with a hybrid arrangement. As mentioned previously, Digital Nomads constitutes a niche in the remote working universe, so as it is believed that fully remote working has come to an end. It can be stated that Digital Nomads will not affect companies in any significant way, and they will remain with their freelancing, gig jobs, where they work 100% remotely.

This paper contributes to a better understanding of the possible influence of DN in the workplace and what seems to be the best compromise arrangement for employee retention. Although there is still more to be explored in this area, it has contributed to closing the knowledge gap regarding the implications of Digital Nomadism in the workplace. Further research is encouraged to understand, for instance, the impact of other variables on the significance of the Digital Nomadism phenomenon.

## **7. Limitations**

The first limitation of this study relates to the sample of the survey. From the 280 valid responses, only 20 mentioned they were Digital Nomads at this time, accounting for around 11% of respondents. As mentioned, we are dealing with a small niche within the remote working universe. So, although there were many responses from remote workers, the survey was inconclusive in terms of Digital Nomadism insights. A larger group of DN respondents would lead to statistically significant results.

Additionally, not all sectors or industries are represented, and some insights taken cannot be generalized to all industries. The sector focus was the tertiary one, given its propensity to quickly adapt to more digital solutions.

The semi-structured interviews also present some limitations. The interviewees shared subjective opinions, and the conclusions and insights might differ if there were an alternative array of experts. These factors limit the generalizability of the insights.

Given that Digital Nomadism is included in the universe of remote working, as mentioned, the survey was inconclusive because inadequate DN responses and conclusions tended to be about more general remote working tendencies.

Even though no significant impacts of Digital Nomadism on the dynamics of the workplaces were identified, more and more people are following this lifestyle. It is predicted that this number will continue to increase. Therefore, it would be interesting for further studies to explore this topic to understand better the place of Digital Nomads in work arrangements.

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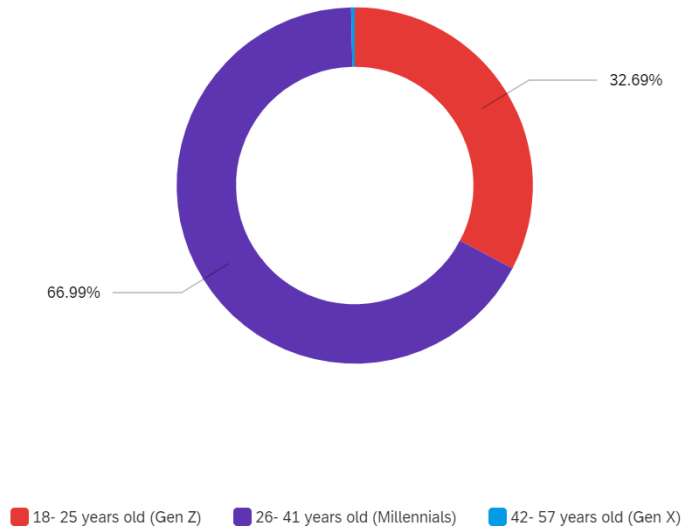
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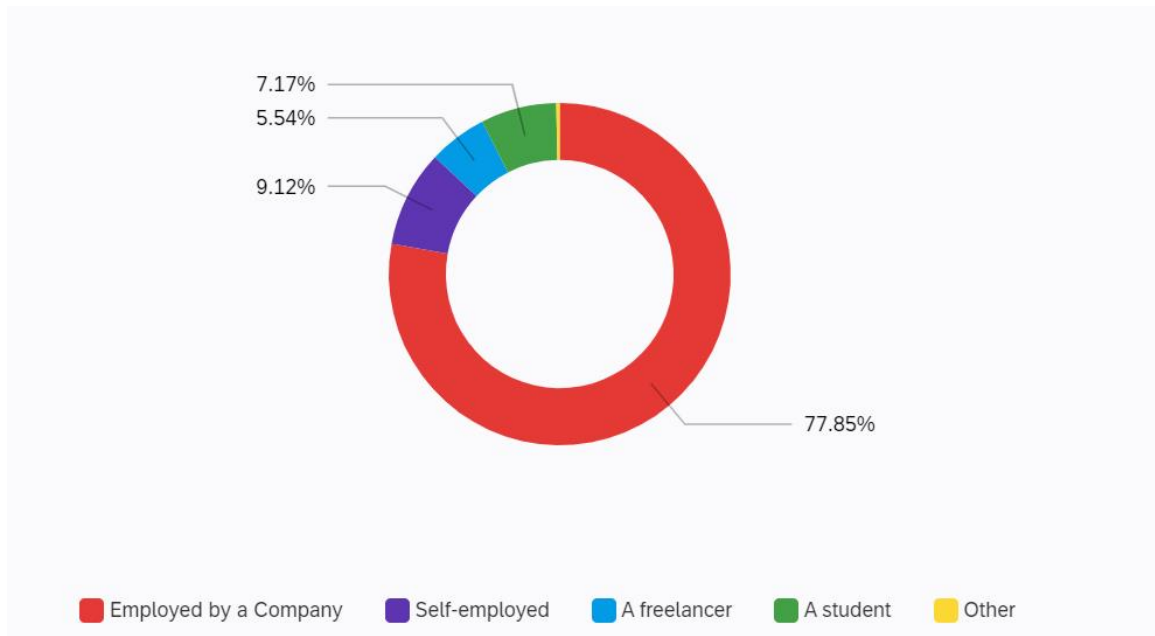
## 9. Appendices

### Appendix 1: Survey Results

Q1: What is your age category?

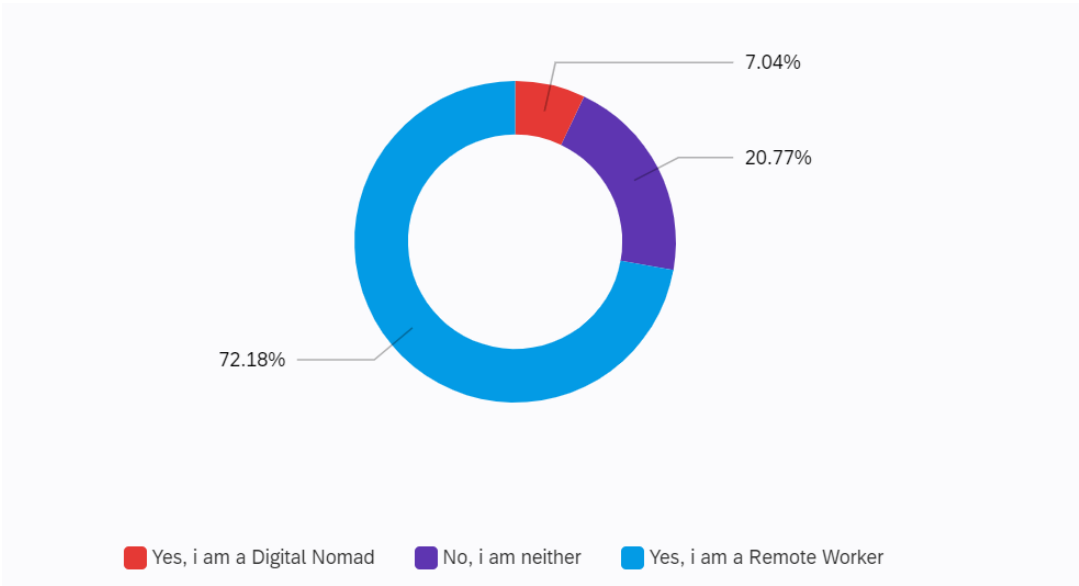


Q2: Are you currently:

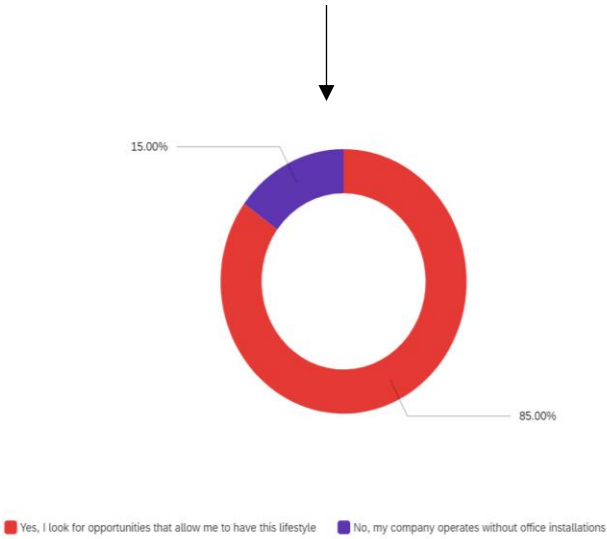


**Q3: Are you currently a Digital Nomad/ Remote Worker?**

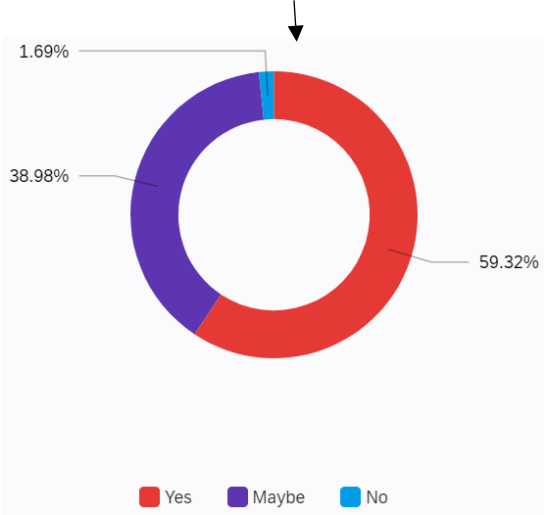
Note that Digital nomads are a specific type of remote worker, i.e. someone that works remotely while travelling and has no permanent address



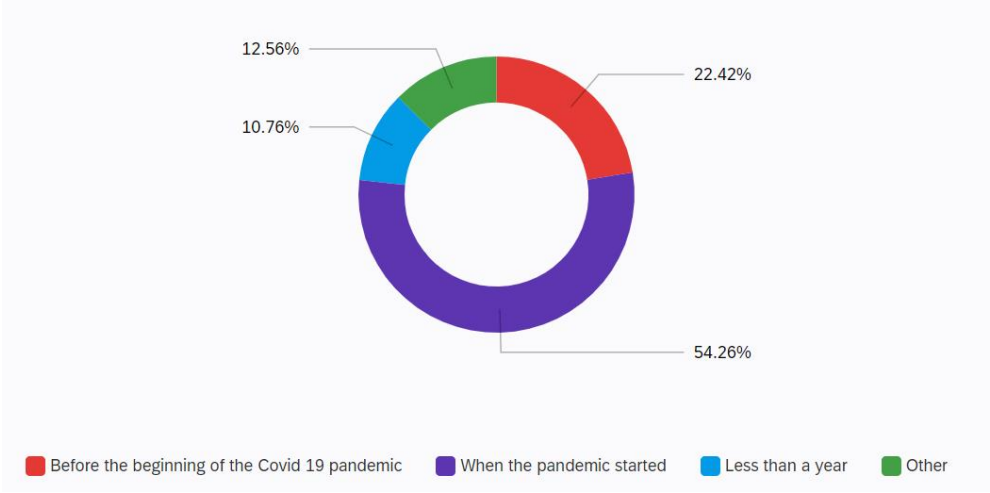
(For those who answered to the Q3 “yes I am a Digital Nomad”, the following appeared)  
**Q4: Are you a Digital Nomad/ Remote Worker by choice?**



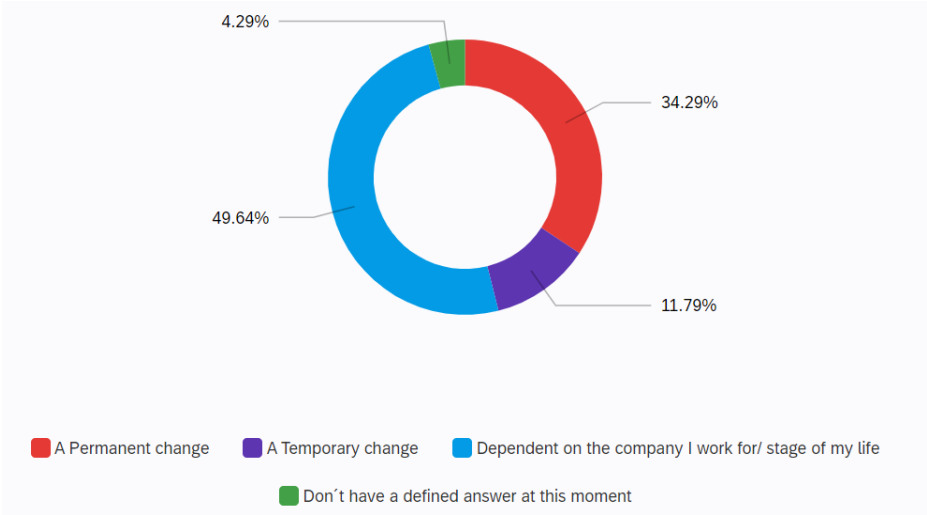
(For those who answered Q3 “No, I am neither”), the following appeared  
**Q5: Given the chance would you like/ have you ever thought about becoming a DN/ Remote worker?**



Q6 - How long have you been a Digital Nomad?



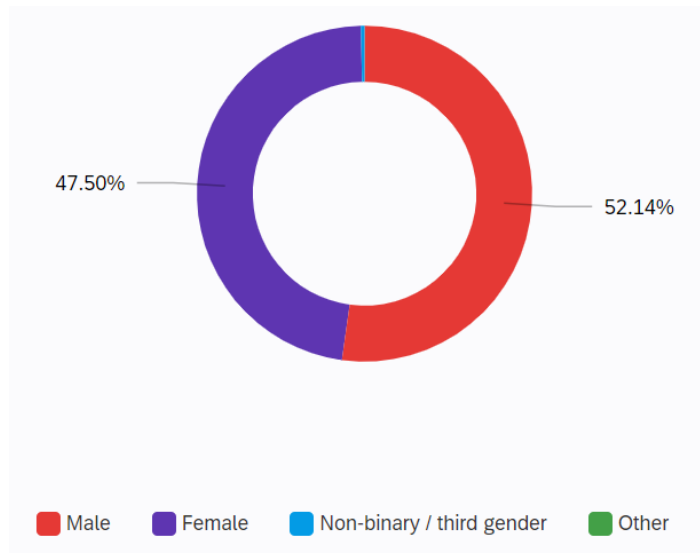
Q7 - Do you believe that becoming a Digital Nomad/ Remote worker is.....?



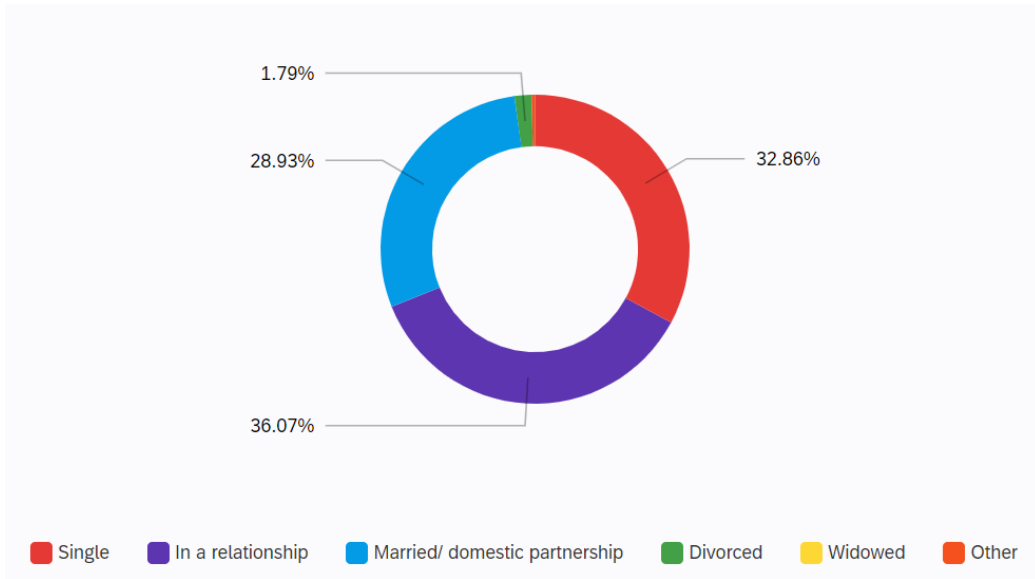
Q8 - What is your professional occupation?

Management, Business, Finance, sales, Accounting, Mathematics or IT Occupations	41.79%
Arts, Design, Marketing, Content Writing, Entertainment, Sports, and Media Occupations	14.29%
Office and Administrative Support Occupations	13.21%
Education, Training, or Researching Occupations	11.07%
Other	7.14%
Healthcare Practitioners	3.93%
Legal occupations	3.57%
Transportation, Installation, Maintenance, Repair and other technical Occupations	2.14%
Hospitality, restaurant/ customer attendance, food preparation	1.79%

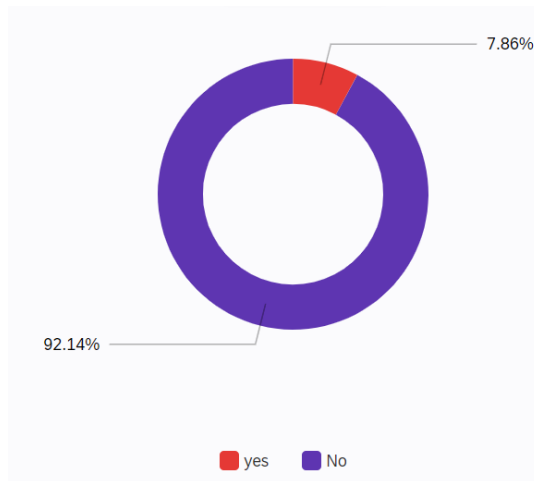
Q9 - Which gender do you identify with?



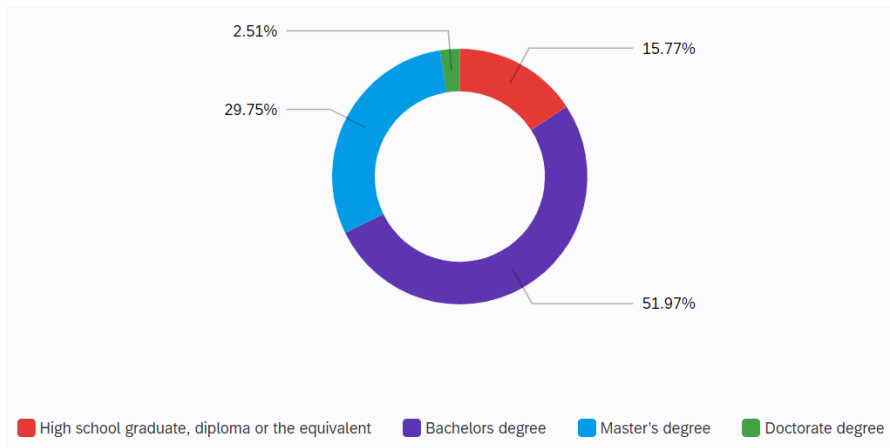
Q10 - What is Your Relationship Status?



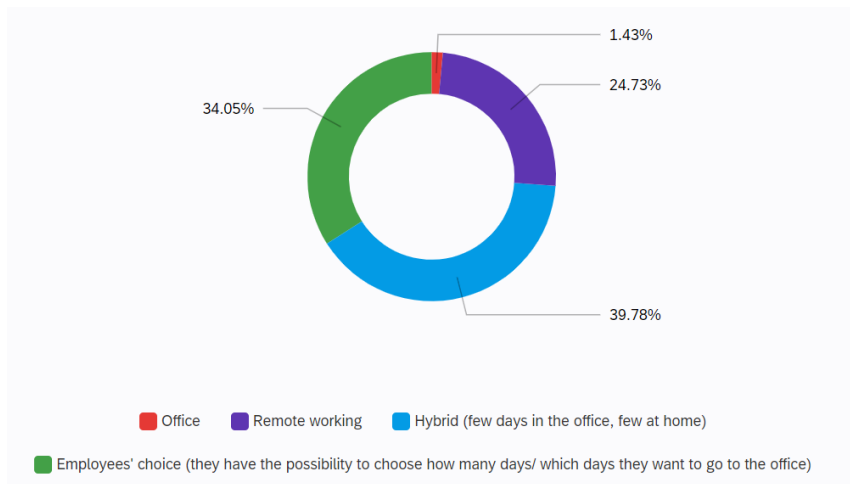
Q11 - Do you have dual nationality?



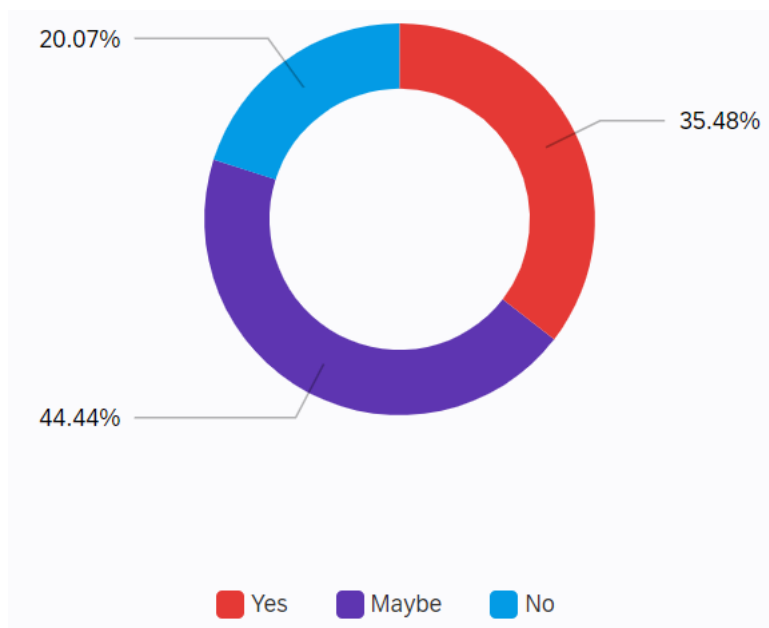
Q12 - What is the highest education level?



Q13 - What is, in your opinion, the best work arrangement?



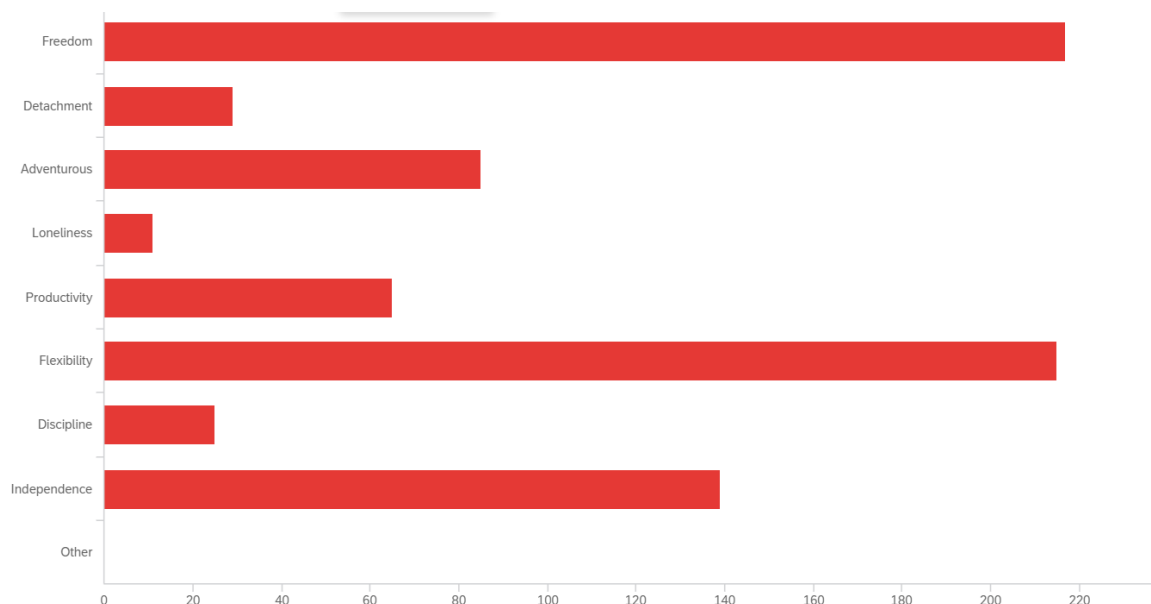
Q14 - Is the impossibility of remote working a deal-breaker when looking for a job?



Q15 - Please rank what you value the most regarding a job (1: The lowest value; 7: The highest value)

Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
Salary/ Economic Security	1.00	7.00	6.15	1.25	1.57	278
Flexibility of working hours	1.00	7.00	5.63	1.32	1.74	278
"Freedom" to work from anywhere	1.00	7.00	5.26	1.52	2.31	278
"freedom" to work while traveling	1.00	7.00	4.45	1.96	3.83	278
Work on what they love	1.00	7.00	5.44	1.45	2.09	278
Work relationships with colleagues/bosses	1.00	7.00	4.91	1.48	2.19	278
Benefits (health, retirement, family leave)	1.00	7.00	5.44	1.41	1.99	278

Q16 - Select the word(s) you find the most adequate to describe the Digital Nomad lifestyle: Digital Nomads are a specific type of remote worker. i.e., someone that works remotely while traveling and has no permanent address Select up to 3 answers



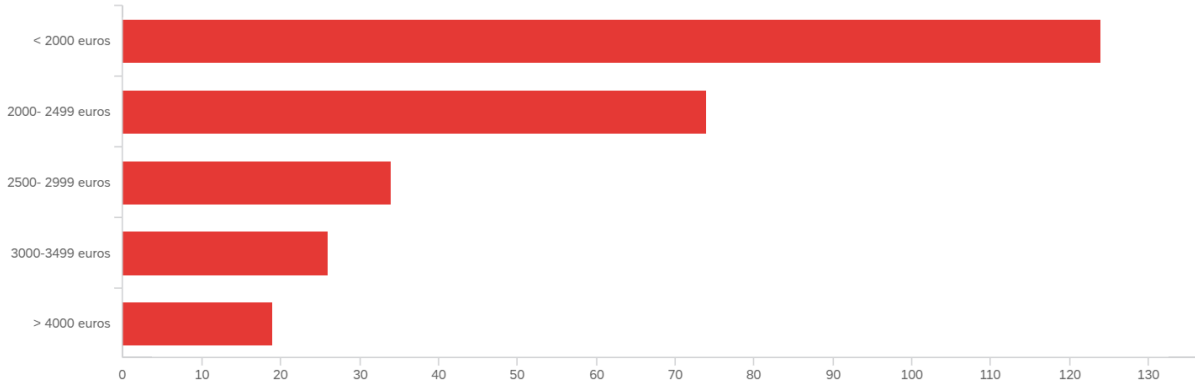
Q17 - Where do you prefer to work?



Q18 - What do you think to be the major downsides about being a Digital Nomad? Select up to 3 answers

Loneliness/ Homesickness	16.15%
Social life/ making friends	15.41%
Work/ life separation	14.22%
Lack of stability (i.e., economic, financial, physical)	13.78%
Travel Fatigue/ Burnout	9.93%
Lack of productivity/self-motivation	8.59%
Lack of benefits (i.e. healthcare, social security benefits, retirement, paid holidays)	8.59%
Relationships	7.11%
Precarious employment status	6.22%

Q19 - What is your monthly income (before tax)?



## Appendix 2: Interview Questions

1. Talk a little bit about yourself (name, age, nationality, background, what do you do for work, the company you work for, etc)
2. What does it mean to you to be a DN? What are your thoughts on it? Would you say is a permanent change or a temporary one? (Why/How did you become one?)
3. What do you feel are the biggest challenges DN face compared to people in an office, and the biggest advantages you think they have over them?
4. With this fast-changing environment, how do you see the future of the workplace (fully remote, hybrid)? What do you think is the recipe to success and to companies be able to retain talent
5. What about specifically in your company? How is your company adapting to this new “remote era”?
6. Do you think all industries are ready to embrace this change or can we observe some tendencies? If so, which industries come to mind as the most prepared to shift to fully remote?
7. (Any last comments or regards to add in your perspective as a digital Nomad?)

Note: As mentioned previously these questions pose the structure of the interviews, they were adapted with the interviewees (i.e. Digital Nomad vs. remote worker), and additional ones that made sense with the flow of the conversation were added. The overall insights of the interviews can be found in the section 4 “Empirical Setting”.