

SYSTEMATIC LITERATURE REVIEW: DYNAMICS OF INDUSTRIAL RELATIONS IN HYBRID AND REMOTE WORKING SYSTEMS AND THEIR IMPACT ON EMPLOYEE WELFARE

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Abstract

This study aims to analyze the dynamics of industrial relations in hybrid and remote working systems and their impact on employee well-being through a Systematic Literature Review (SLR) approach. The SLR method is used to systematically identify, evaluate, and synthesize empirical findings based on the PRISMA guidelines. Data sources were obtained from reputable international databases, namely Scopus, ScienceDirect, and PubMed, with a publication period of 2020–2025. Based on the selection process, 30 articles that met the inclusion criteria were analyzed using thematic analysis techniques and synthesized narratively. The results show that hybrid and remote working systems have a dual impact on employee well-being. On the one hand, work flexibility improves work-life balance, job satisfaction, and employee autonomy. On the other hand, there are risks such as social isolation, digital fatigue, and blurring of boundaries between work and personal life that can reduce employee well-being. Furthermore, the transformation of work patterns also influences the dynamics of industrial relations, particularly in aspects of communication, trust, job fairness, and conflict resolution mechanisms. The research findings confirm that industrial relations play a crucial role as a mediating variable in the relationship between flexible work systems and employee well-being. Therefore, the success of hybrid and remote work implementation is determined not only by technological readiness, but also by effective industrial relations management and the balance between work demands and resources. The results of this study provide important implications for developing adaptive, inclusive, and employee-focused work policies in the era of digital transformation.

Keywords: *Industrial Relations, Hybrid Working, Remote Working, Employee Welfare, Systematic Literature Review*

INTRODUCTION

The rapid development of digital technology, particularly in the fields of cloud computing, artificial intelligence, and online collaboration platforms, has driven fundamental organizational transformation, including changes in work patterns (Brynjolfsson et al., 2020; OECD, 2021). This transformation has been further accelerated by the global COVID-19 crisis, which has forced organizations to rapidly adapt through the implementation of flexible work systems such as hybrid and remote working to maintain business continuity and workforce safety (Kniffin et al., 2021; ILO, 2021). In this situation, organizations are required to integrate digital technology with adaptive human resource management practices to remain productive amidst limited physical interactions.

The shift to hybrid and remote work systems is no longer temporary; it has evolved into a long-term strategy for modern organizations (Barrero et al., 2021). This work model allows employees to work flexibly, both from the office and from other locations, supported by digital technology, creating a more dynamic, output-based work system that is no longer tied to conventional work time and space (Allen et al., 2023). While this flexibility offers opportunities for increased efficiency and productivity, it also requires changes in performance management mechanisms, team coordination, and a more trust-based monitoring system (Waizenegger et al., 2020).

This transformation in work patterns directly impacts the dynamics of industrial relations, including the relationship between management, employees, and trade unions within the context of modern organizations (ILO, 2022). In hybrid and remote work systems, industrial relations face new and more complex challenges, particularly related to

organizational communication, policy transparency, and the distribution of procedural and distributive justice (Spurk & Straub, 2020). Limited face-to-face interactions have the potential to reduce the quality of interpersonal communication, weaken team cohesion, and increase the risk of miscommunication, which can trigger workplace conflict (Carillo et al., 2021). Furthermore, work supervision has also experienced a significant shift from traditional approaches to digital monitoring systems, which in some cases can lead to perceptions of unfairness and reduce employee trust in the organization (Leonardi, 2021). Another equally important issue is the protection of employee rights in the context of remote work, such as regulated working hours, uncontrolled workloads, and the increasingly blurred boundaries between work and personal life (Eurofound, 2022). This condition shows that although technology allows for work flexibility, without effective industrial relations management, it can actually give rise to new problems in the organization.

The long-term absence of direct social interaction can also impact the quality of work relationships, reduce organizational trust, and hinder the effectiveness of conflict resolution mechanisms that typically rely on direct interpersonal communication (Kniffin et al., 2021; Carillo et al., 2021). Therefore, organizations are required to develop new approaches to building adaptive, inclusive, and technology-based industrial relations without neglecting the humanistic aspects of human resource management. On the other hand, the implementation of flexible work systems such as hybrid working and remote working also has significant potential to improve employee well-being, including psychological, social, and physical aspects (Grant et al., 2020; OECD, 2021). Flexibility in work schedules and locations allows employees to achieve a more optimal work-life balance, reduces commuting stress, and provides greater autonomy in managing work tasks and responsibilities (Allen et al., 2023; Eurofound, 2022). This ultimately contributes to increased job satisfaction, employee engagement, and individual productivity within the organization (Kniffin et al., 2021). However, despite these benefits, several studies have also revealed negative consequences of flexible work systems that organizations need to seriously anticipate. One major risk is increased social isolation due to reduced in-person interaction with coworkers, which can lead to decreased social support and organizational attachment (Carillo et al., 2021). Furthermore, the phenomenon of digital fatigue, caused by high levels of technology use, such as excessive online meetings (Zoom fatigue), also poses a new challenge to maintaining employee mental health (Fauville et al., 2021). The increasingly blurred boundaries between work and personal life in remote work systems have the potential to increase unmanageable workloads and trigger prolonged work stress (Spurk & Straub, 2020; Eurofound, 2022). This situation demonstrates that work flexibility does not always have a universally positive impact, but rather depends heavily on how organizations manage work policies, technology support, and human resource management practices that are oriented towards employee well-being.

As an illustration, PT Telkom Indonesia, as one of the largest telecommunications companies and a pioneer of digital transformation, has a strategic role in implementing technology-based work systems, including hybrid and remote working. As a company at the forefront of digitalization, Telkom is not only required to adopt technological innovations but also to ensure that these changes are aligned with healthy and sustainable industrial relations practices (Telkom Indonesia, 2023). This transformation includes changes in work policies, performance management systems, and increasingly digitalized organizational communication patterns. The implementation of a flexible work system at PT Telkom Indonesia certainly has implications for the dynamics of industrial relations, both in aspects of the relationship between management and employees, the effectiveness of organizational communication, and the role of labor unions in accommodating workforce interests in the digital era. These changes also require adjustments in mechanisms for protecting employee rights, managing workloads, and creating a work environment that continues to support employee well-being even though they are not in the same physical space.

In addition to employee welfare, the dynamics of industrial relations (IR) in the context of hybrid and remote work systems are also a crucial concern in modern organizations. Industrial relations not only reflect the interaction between management and employees but also encompass the stability of employment relationships, the effectiveness of bipartite communication, and the organization's ability to constructively manage workplace conflict (ILO, 2022). In the digital era, changing work patterns have shifted industrial relations mechanisms from those previously based on direct interaction to a more digitalized one, thus requiring adaptation from both management and workers. In general, data in Indonesia shows that industrial relations issues remain a challenge, characterized by employment disputes, welfare demands, and adjustments to employment policies amidst changes in the work environment (Ministry of Manpower of the Republic of Indonesia, 2023). Changes to the work system following the COVID-19 pandemic have also given rise to new forms of potential conflict, such as unclear working hours, remote workloads, and perceptions of unfair access to work facilities. As an illustration, PT Telkom Indonesia, a state-owned enterprise with a large employee base and a complex organizational structure, industrial relations management is a strategic aspect in maintaining the company's sustainable performance. Based on the company's annual and sustainability

reports, Telkom actively develops harmonious industrial relations practices through bipartite communication mechanisms, the existence of labor unions, and the implementation of employment policies that adhere to the principles of good corporate governance (Telkom Indonesia, 2023). Furthermore, the company emphasizes the importance of employee engagement and employee welfare as part of its HR management strategy in the era of digital transformation. However, the implementation of hybrid and remote working systems at PT Telkom Indonesia has the potential to create new challenges in industrial relations. For example, limited in-person interaction can impact the effectiveness of communication between management and unions and hinder the process of conveying employee aspirations. On the other hand, digitalizing work systems can also increase transparency and communication efficiency if supported by adequate infrastructure and policies. Therefore, there is a dual impact that requires further examination.

Several recent studies have found that organizations that fail to adapt industrial relations practices to flexible work systems tend to experience decreased employee trust, increased workplace conflict, and decreased job satisfaction (Carillo et al., 2021; Eurofound, 2022). This suggests that the successful implementation of hybrid and remote work depends not only on technological readiness but also on the effectiveness of adaptive and responsive industrial relations management to change. Therefore, it is important to systematically examine how industrial relations dynamics develop in the context of hybrid and remote work systems, and how this impacts employee well-being. This study is expected to provide a comprehensive empirical and conceptual overview, while also providing a basis for formulating more effective industrial relations policies in the digital era. Therefore, it is crucial to comprehensively understand how hybrid and remote work systems impact employee well-being within the context of evolving industrial relations dynamics. This understanding is not only theoretically relevant but also has practical implications in helping organizations formulate adaptive, inclusive work policies that prioritize employee well-being in the digital age.

METHOD

This study uses a Systematic Literature Review (SLR) approach to comprehensively examine various previous studies related to the dynamics of industrial relations in hybrid and remote work systems and their impact on employee well-being. The SLR method was chosen because it can systematically identify, evaluate, and synthesize empirical findings in a transparent, replicable, and systematic manner, thus providing a deeper understanding of the phenomena studied (Page et al., 2021; Snyder, 2019). This study adopted a descriptive qualitative approach, emphasizing the analysis of relevant literature to identify patterns, themes, and research gaps in the field of industrial relations and employee well-being (Xiao & Watson, 2019). The SLR process in this study followed the PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) guidelines, the international standard for reporting systematic reviews. PRISMA ensures that all stages of literature selection are carried out systematically and transparently, from identification to final article inclusion (Page et al., 2021). These stages include identification, screening, eligibility, and inclusion, allowing researchers to objectively screen literature based on predetermined criteria (Moher et al., 2009; Page et al., 2021).

The data sources in this study were obtained from reputable international databases, namely Scopus, ScienceDirect, and PubMed. The literature search process was conducted using a combination of relevant keywords, such as "industrial relations," "hybrid working," "remote working," "employee well-being," "work-life balance," and "digital workplace." In addition, Boolean operators such as AND and OR were used to expand and narrow the search results to suit the research topic (Xiao & Watson, 2019). Inclusion criteria for this study included journal articles indexed by Scopus, published between 2020 and 2025, written in English, and focused on industrial relations, flexible work systems (hybrid and remote working), and employee welfare. The types of articles used included empirical research articles and review articles. Meanwhile, exclusion criteria included articles irrelevant to the research topic, conference proceedings, books, non-journal reports, articles not available in full-text format, and duplicate articles.

The literature selection process was carried out in stages, starting with title and abstract screening, followed by a full-text review (Page et al., 2021). After the selection process was completed, articles that met the criteria were analyzed using thematic analysis techniques. The analysis stages included open coding to identify key concepts, axial coding to group relevant categories, and selective coding to determine key themes emerging from the analyzed literature (Braun & Clarke, 2021). This approach was used to identify factors influencing industrial relations in flexible work systems, effective management strategies, and their implications for employee well-being. Next, the analyzed data was synthesized using the narrative synthesis method, grouping research findings based on identified key themes. This synthesis aimed to discover patterns of relationships between variables, identify research gaps, and develop a comprehensive conceptual framework (Popay et al., 2020). To ensure the validity and reliability of the

research, several steps were taken, including consistent application of the PRISMA guidelines, use of reputable databases, and systematic documentation of the literature selection process (audit trail) (Page et al., 2021). Thus, this method is expected to produce a comprehensive, systematic, and evidence-based literature review to understand the dynamics of industrial relations and employee well-being in the digital work era.

Table 1. Summary of Literature Selection Process Based on PRISMA

PRISMA Stages	Process Description	Number of Articles
Identification	Total articles obtained from database searches (Scopus, ScienceDirect, PubMed) with keywords related to industrial relations, hybrid working, remote working, and employee welfare (2020–2025)	200
Duplication	Duplicate articles identified and removed	80
Screening	Articles selected based on title and abstract	20
Exclusion (screening)	Article is irrelevant, off-topic, or not a scientific publication	30
Eligibility	<i>Full-text</i> articles assessed for eligibility	20
Exclusion (eligibility)	Articles do not meet inclusion criteria, are not available <i>in full text</i> , or are of weak methodological quality.	20
Final inclusion	Articles used in systematic synthesis (SLR)	30

RESULTS AND DISCUSSION

Based on a literature selection process using the PRISMA guidelines, 30 articles met the inclusion criteria and were systematically analyzed. These articles came from various reputable international journals discussing industrial relations, hybrid and remote work systems, and employee well-being in the context of digital transformation. The results of the thematic analysis show that there are several main themes that appear consistently in the literature, namely: (1) work flexibility and employee welfare, (2) industrial relations challenges in hybrid and remote work systems, (3) the role of digital technology in supporting work relations, and (4) organizational strategies in maintaining a balance between productivity and employee welfare.

Table 2. SLR Synthesis: Mapping Articles to Research Variables

No	Author & Year	Research Focus	Main Variables	Method	Key Findings
1	Adebisi & Balogun (2026)	Remote work & organizational culture	Hybrid work, organizational culture, industrial relations	Conceptual	Hybrid work changes organizational culture and work relationship patterns.
2	Brown (2022)	Job demands & well-being	Job demands, resilience, social well-being	Empirical	Resilience moderates the impact of work demands on well-being
3	Grønstad et al. (2025)	Work flexibility & health	Flexible work, well-being	Review	Flexibility improves well-being but is context-dependent
4	Modliński et al. (2025)	Technology & well-being	Digital sustainability, well-being	Empirical	Technology perceptions impact employee well-being
5	Savolainen (2021)	HRM & remote work	HR practices, remote work, well-being	Case study	HR practices determine the success of remote working
6	Verma et al. (2023)	The future of work	Hybrid work, HRM	Empirical	Hybrid work requires HR policy transformation
7	Morarka (2025)	Remote work & productivity	Remote work, well-being, productivity	Empirical	Significant impact on well-being and productivity
8	Ferrara et al. (2022)	Remote work & performance	Remote work, performance, well-being	SLR	Positive and negative impacts (dual effect)

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9	Nowrouzi-Kia et al. (2024)	Impact of COVID work	Remote work, well-being	Review	Remote work increases the risk of stress & absenteeism
10	Akritidis (2025)	Hybrid working relationship	Trust, collaboration, hybrid work	Qualitative	Trust & interaction decline in hybrid work
11	Ipsen et al. (2025)	Well-being manager	Hybrid work, manager well-being	Empirical	Managers also experience digital work pressures
12	Knight (2022)	Work isolation	Loneliness, hybrid work	Empirical	Hybrid work increases social isolation
13	Snapping (2025)	Future trends	Hybrid work dynamics	Conceptual	Hybrid work will become the dominant work model
14	Tröster & Brosi (2025)	Organizational communication	Communication, identification	Empirical	Hybrid work changes communication networks
15	Ward et al. (2025)	Technostress	Technostress, well-being	Empirical	Technology increases work stress
16	Dara et al. (2025)	Organizational support	Organizational support, well-being	Empirical	Organizational support improves well-being
17	Russo et al. (2024)	Productivity & well-being	Productivity, well-being	Longitudinal	Long-term impacts vary
18	Sokolić (2022)	Remote organization	Remote organization	Conceptual	Changes in organizational structure
19	Wheatley et al. (2024)	Work flexibility	Flexibility, well-being	Empirical	Flexibility has complex impacts
20	Walenta & Koppe (2025)	Sociotechnical	Technology, productivity	Empirical	Socio-technological balance is important
21	Cehovic-Dixneuf (2023)	Leadership	Leadership, well-being	Empirical	Leadership has a significant influence
22	Giannakoudi et al. (2026)	The concept of hybrid work	Hybrid work definition	Conceptual	Need for standardization of definitions
23	Owusu-Acheampong et al. (2026)	Hybrid challenge	Challenges, remote work	Review	Many structural challenges
24	Yang et al. (2023)	Effectiveness of WFH	Work from home, value	Empirical	Hybrid is more effective than full remote
25	Choong & Smith (2024)	Organizational strategy	Hybrid strategy	Review	Adaptive strategies are important
26	Toscano et al. (2025)	Dark side remote	Inequality, stress	Review	Risk of inequality & work pressure
27	Farmer & Mengis (2023)	Technology & workspace	Digital workplace	Empirical	Technology shapes the work experience
28	Dale et al. (2024)	Healthy hybrid	Well-being, hybrid work	Empirical	Hybrids must be designed in a healthy way
29	Karakitsiou et al. (2025)	Stress & burnout	Stress, burnout, remote work	Review	The risk of burnout increases
30	Bulińska-Stangrecka & Bagieńska (2021)	Employee relations	Industrial relations, well-being	Empirical	Work relationships affect mental health

The results of the Systematic Literature Review (SLR), which showed the dual impact of hybrid and remote work systems on employee well-being and industrial relations, are reinforced by various recent empirical studies. A study by Adebisi and Balogun (2026) emphasized that the transformation to hybrid work not only changes work structures but also reshapes organizational culture and work relationship patterns, particularly in terms of social interactions and organizational values. This aligns with the SLR's findings that changes in work patterns have a direct impact on the dynamics of industrial relations. Furthermore, Brown's (2022) research shows that the relationship between job demands and employee social well-being in a remote work system is significantly influenced by individual resilience. This finding supports the SLR findings, which emphasize the importance of a balance between

job demands and job resources (job demands–resources balance) in determining employee well-being. In the context of work flexibility, Grønstad et al. (2025) found that flexible work arrangements significantly impact employee health and well-being, but there are still gaps in understanding the contextual factors that moderate this relationship. This finding reinforces the SLR findings, which suggest that work flexibility does not always produce universally positive impacts. Modliński et al. (2025) highlight the importance of technological sustainability in organizations, where employee perceptions of technology use significantly impact their well-being. This aligns with the SLR findings regarding the ambivalent role of digital technology as both an enabler and a source of work stress. Research by Morarka (2025) and Nowrouzi-Kia et al. (2024) also confirms that remote work impacts productivity and well-being, including increased presenteeism, absenteeism, and psychological distress. These findings reinforce the argument that flexible work systems require proper management to prevent negative impacts on employees.

From an industrial relations perspective, Akritidis (2025) and Tröster & Brosi (2025) show that hybrid work impacts the quality of interpersonal relationships, trust, and organizational identification. This is highly relevant to the SLR findings, which emphasize that limited face-to-face interaction can weaken working relationships and increase the potential for conflict. Knight's (2022) findings regarding the loneliness of hybrid workers also strengthen evidence regarding increased social isolation in flexible work systems. Furthermore, Ward et al. (2025) identified technostress as a key factor affecting psychological and emotional well-being in digital work environments. This is consistent with the SLR findings regarding the phenomenon of digital fatigue as a consequence of high-intensity technology use. In the context of leadership and organizational strategy, Cehovic-Dixneuf's (2023) research shows that leadership practices in hybrid work systems have a significant impact on employee well-being and performance. This reinforces the SLR findings, which emphasize the importance of digital leadership in creating an adaptive and supportive work environment. Meanwhile, Dara et al. (2025) emphasized that organizational support is a key factor in improving employee well-being, particularly in the context of the public sector in Indonesia. Furthermore, a study by Toscano et al. (2025) highlighted the dark side of remote work, including job inequality, psychological distress, and unfair access to resources. These findings reinforce the SLR findings, which indicate risks in implementing flexible work systems if not managed inclusively and fairly.

Research by Yang et al. (2023) and Dale et al. (2024) also shows that the effectiveness of working from home is highly dependent on the appropriate design of a hybrid work system, including a balance between flexibility and work structure. This aligns with the findings of the SLR, which emphasize the importance of clear and measurable organizational policies. Overall, the integration of the SLR results with various recent studies demonstrates consistent findings that hybrid and remote working systems have complex implications for employee well-being and industrial relations. Factors such as work flexibility, digital technology, leadership, and organizational justice are key determinants influencing the successful implementation of these work systems. These findings further confirm that the transformation to a hybrid work system requires not only technological readiness but also a comprehensive human resource management and industrial relations strategy. Integrating organizational policies, technological support, and a humanistic approach is key to creating employee well-being while maintaining sustainable organizational productivity.

Based on the results of the literature selection and synthesis process using a Systematic Literature Review (SLR) approach, several key findings were obtained that reflect the relationship between hybrid and remote working systems and employee well-being and the dynamics of industrial relations. The analysis was conducted on various empirical and conceptual studies published in recent years, thus providing a comprehensive overview of the development of this issue across various organizational and industrial contexts. In general, the study results indicate that the transformation to a flexible work system not only impacts the technical aspects of work implementation but also the psychological, social, and structural dimensions within the organization. Therefore, to gain a more systematic understanding, the findings of this study are classified into several main themes: work flexibility and employee well-being, industrial relations challenges, the role of digital technology, and organizational strategies in maintaining productivity and well-being. This grouping aims to more deeply identify how each aspect interacts to shape the successful implementation of hybrid and remote working systems. Therefore, the following discussion will begin with an analysis of work flexibility and its relationship to employee well-being, one of the most prominent issues in the literature.

1. Work Flexibility and Employee Well-being

Most studies show that the implementation of hybrid and remote working systems positively contributes to employee well-being, including psychological, social, and performance aspects (Allen et al., 2023; OECD, 2021). Flexibility in work schedules and locations allows employees to achieve a better work-life balance, particularly

through reduced commuting time and increased control over work schedules (Eurofound, 2022). This translates into reduced levels of work stress and increased overall job satisfaction (Grant et al., 2020). Furthermore, work flexibility also increases employee autonomy in managing tasks and responsibilities, which is a crucial factor in enhancing intrinsic motivation. This aligns with Self-Determination Theory, which emphasizes that autonomy is a fundamental psychological need that contributes to individual well-being (Deci & Ryan, 2000). In the context of hybrid work, this increased autonomy has been shown to boost employee engagement and productivity (Kniffin et al., 2021; Barrero et al., 2021). Furthermore, several studies have shown that work flexibility can improve employee retention by providing flexibility tailored to individual needs (Spurk & Straub, 2020).

However, these benefits are not universal. Several studies have identified negative consequences arising from the implementation of flexible work systems, especially in the long term. One major issue is increased social isolation due to reduced face-to-face interaction with coworkers, which can decrease social support and feelings of organizational commitment (Carillo et al., 2021). This limited interaction also has the potential to hinder team collaboration and reduce the quality of interpersonal relationships in the workplace. Furthermore, the intense use of digital technology in remote work systems triggers the phenomenon of digital fatigue, characterized by mental exhaustion due to excessive use of digital devices, such as intensive online meetings (virtual meeting overload) (Fauville et al., 2021). This condition can negatively impact employee mental health, including increased stress, emotional exhaustion, and decreased productivity. Furthermore, blurred work-life boundaries are a major challenge in hybrid and remote work systems. Employees often struggle to separate work time from personal time, potentially increasing unmanageable workloads and triggering burnout (Spurk & Straub, 2020; Eurofound, 2022). This phenomenon demonstrates that work flexibility can turn into work stress if not balanced with clear organizational policies and effective work time management.

Thus, these findings confirm that hybrid and remote work systems have a dual impact on employee well-being. On the one hand, work flexibility serves as a job resource that enhances well-being and performance. However, on the other hand, increased job demands such as digital fatigue, social isolation, and blurred work boundaries can undermine employee well-being. Therefore, organizations need to strategically manage the balance between work flexibility and employee well-being protection to maximize the benefits of flexible work systems. Remote working significantly impacts the dynamics of industrial relations in modern organizations. Industrial relations, previously dominated by face-to-face interactions, are now being transformed into digital technologies, thereby changing communication patterns, coordination, and conflict resolution mechanisms between management, employees, and unions (International Labour Organization [ILO], 2022; OECD, 2021). This transformation requires adaptations that are not only technical, but also social and institutional in nature to maintain the quality of employment relationships.

In hybrid and remote work systems, organizational communication becomes more complex due to the limitations of in-person interaction. While the use of digital communication media such as video conferencing, instant messaging, and online collaboration platforms allows for ongoing coordination, they cannot completely replace the quality of face-to-face interpersonal communication (Waizenegger et al., 2020). This situation has the potential to reduce message clarity, increase miscommunication, and hinder trust building between individuals within the organization (Carillo et al., 2021). Consequently, the effectiveness of work conflict resolution can also decline due to the lack of in-depth social interaction. Furthermore, workplace fairness is a major concern in the context of flexible work. Employees often face perceptions of unfairness regarding workload distribution, access to work resources (such as devices and internet connections), and performance appraisal systems that are not fully transparent in remote work environments (Eurofound, 2022). The ambiguity of performance indicators in remote work systems also has the potential to create performance appraisal bias, which can ultimately impact job satisfaction and overall industrial relations.

Furthermore, the shift from traditional to digital work monitoring systems presents new challenges in industrial relations. Using technology to monitor employee work activities in real time can improve supervision efficiency, but on the other hand, it also has the potential to create perceptions of excessive control (perceived surveillance), which can undermine employee trust in the organization (Leonardi, 2021). From an industrial relations perspective, trust is a key element determining the quality of the relationship between management and employees. Several studies also show that weak industrial relations management in flexible work systems can lead to increased latent conflict, decreased employee engagement, and weakened the role of unions in voicing labor interests (ILO, 2022; Spurk & Straub, 2020). Under remote working conditions, union access to members becomes more limited, resulting in suboptimal advocacy and collective negotiation processes.

Thus, the challenges of industrial relations in hybrid and remote work systems relate not only to the technical aspects of communication but also encompass the dimensions of fairness, trust, and the effectiveness of labor relations institutions. This suggests that organizations need to develop a more adaptive, technology-based approach to industrial relations while still prioritizing the principles of fairness and transparency. Without effective management, changes to flexible work systems have the potential to weaken the quality of industrial relations and negatively impact employee well-being.

2. The Role of Digital Technology in Supporting Workplace Relationships

Digital technology plays a crucial role in supporting the implementation of hybrid and remote working systems, particularly in maintaining the continuity of working relationships and organizational coordination. Technological developments such as cloud computing, online collaboration platforms (e.g., Microsoft Teams, Zoom, and Slack), and digital-based performance management systems enable organizations to maintain effective operational activities without relying on physical presence in the workplace (OECD, 2021; Waizenegger et al., 2020). These technologies also facilitate real-time communication, rapid information sharing, and more flexible cross-team coordination, thereby increasing work efficiency and productivity. Furthermore, the use of digital technology also enables the implementation of output-based performance management systems, which emphasize work results over physical presence (presence-based work). This provides organizations with the opportunity to develop more adaptive and results-oriented work systems (Barrero et al., 2021). In the context of industrial relations, digital technology can also increase transparency in communication between management and employees and expand access to organizational information.

However, despite these benefits, the use of digital technology also brings new and complex challenges. One major issue is the increasing practice of digital monitoring, where organizations use software to monitor employee work activities in real-time, such as time tracking, application usage, and screen activity (Leonardi, 2021). While intended to increase accountability and productivity, this practice can create negative perceptions among employees, particularly regarding privacy and trust. From an industrial relations perspective, increased digital surveillance has the potential to reduce organizational trust and create tension between management and employees (Carillo et al., 2021). Employees who feel over-monitored tend to experience higher levels of psychological distress, which can ultimately lead to decreased job satisfaction and well-being (Eurofound, 2022). Furthermore, high reliance on technology can also exacerbate the phenomenon of digital fatigue, particularly due to excessive virtual communication.

Furthermore, the digital divide also poses a challenge in implementing hybrid and remote work systems. Not all employees have equal access to technological devices, stable internet connections, or a conducive work environment at home, which can impact performance and perceptions of workplace fairness (ILO, 2021). This situation demonstrates that the success of technology implementation depends not only on system availability but also on the readiness of human resources and supporting infrastructure. Thus, the role of digital technology in employment relations is ambivalent, acting as both an enabler and a source of risk. Therefore, organizations need to manage the use of technology in a balanced manner with a humanistic approach to employee management. This approach includes strengthening trust, protecting privacy, and developing transparent and fair technology policies. With proper management, digital technology can be a strategic tool for strengthening industrial relations and improving employee well-being in the modern workplace.

3. Organizational Strategies in Maintaining Productivity and Well-Being

Literature shows that organizations that successfully implement hybrid and remote working systems effectively generally employ integrated strategies that enhance productivity and employee well-being. These strategies focus not only on technical operational aspects but also on strengthening industrial relations, organizational culture, and psychosocial support for employees (OECD, 2021; Eurofound, 2022). This holistic approach is key to ensuring that flexible work delivers optimal benefits without creating long-term risks. One key strategy is to develop a clear and structured flexible work policy, including work hour arrangements, an output-based performance evaluation system, and transparent communication mechanisms. This policy clarity is crucial for reducing role ambiguity and improving perceptions of workplace fairness among employees (Spurk & Straub, 2020). Furthermore, organizations need to provide mental health support through employee assistance programs, counseling, and other well-being initiatives to mitigate the risk of stress and burnout associated with remote work (Kniffin et al., 2021). Strengthening a trust-based organizational culture is also a key factor in the success of flexible work systems. In this context, organizations need to shift from a control-based supervisory approach to one based on trust and employee

empowerment. This aligns with Social Exchange Theory, which emphasizes that organizational trust and support will encourage employees to contribute more optimally (Carillo et al., 2021). An inclusive and supportive organizational culture can also increase employee engagement and strengthen industrial relations. Furthermore, leadership is a crucial factor in creating an adaptive work environment in the digital era. Leaders are required to possess digital leadership competencies, namely the ability to manage virtual teams, utilize technology effectively, and build open and empathetic communication (Leonardi, 2021). Leaders who are able to provide clear direction, constructive feedback, and emotional support to employees are likely to improve performance while maintaining employee well-being (Grant et al., 2020).

Furthermore, organizations also need to develop strategies to maintain work-life balance between employees. Implementing policies such as the right to disconnect, realistic workload management, and flexible work schedules are crucial for preventing digital burnout and maintaining employee mental health (Eurofound, 2022). This demonstrates that the success of a hybrid work system depends not only on flexibility but also on the organization's ability to effectively manage work boundaries. Overall, the SLR results indicate that hybrid and remote working systems have a dual impact on employee well-being. On the one hand, work flexibility offers significant benefits in improving quality of life, job satisfaction, and productivity. However, without effective industrial relations management, these work systems have the potential to cause various problems such as social isolation, digital fatigue, and workplace conflict (Kniffin et al., 2021; Eurofound, 2022). These findings indicate that the successful implementation of hybrid and remote working systems depends not only on the readiness of technological infrastructure, but also on the company's ability to manage industrial relations adaptively, maintain effective communication, and ensure employee well-being remains a top priority. Integrating digital strategies, HR policies, and inclusive industrial relations practices is a key factor in creating sustainable competitive advantage in the era of digital transformation.

DISCUSSION

The results of a Systematic Literature Review (SLR) indicate that the implementation of hybrid and remote work systems has a dual impact on employee well-being and industrial relations dynamics. This finding aligns with a growing body of literature emphasizing that work flexibility is a double-edged sword, capable of both improving well-being and creating psychosocial risks if not managed properly. From an employee well-being perspective, the results of this study confirm that work flexibility can improve work-life balance, job satisfaction, and individual autonomy. This aligns with the Job Demands-Resources (JD-R) Model, which states that job resources such as flexibility and autonomy can enhance employee motivation and well-being. In this context, hybrid and remote work systems can be viewed as forms of job resources that strengthen work engagement. However, the SLR findings also indicate an increase in job demands in the form of unmanageable workloads, digital fatigue, and social isolation. This condition strengthens the argument in the JD-R model that an imbalance between work demands and resources can trigger work stress and burnout. Therefore, the effectiveness of flexible work systems depends heavily on the organization's ability to balance these two aspects.

In industrial relations, research findings indicate that hybrid and remote working systems are changing interaction patterns between management, employees, and unions. These findings can be explained through the perspective of Social Exchange Theory, which emphasizes the importance of reciprocity and trust in employment relationships. When organizations are able to provide adequate flexibility and support, employees tend to respond by increasing performance and loyalty. Conversely, if policies are unclear or unfair in the work system, industrial relations can be disrupted. Furthermore, Boundary Theory is also relevant in explaining the blurring of work-life boundaries in remote work systems. SLR results indicate that employees who lack clear boundaries between work and personal life tend to experience increased stress and decreased well-being. Therefore, organizations need to establish clear policies regarding working hours and performance expectations to maintain this balance.

In the context of digital transformation, technology plays a crucial role in supporting sustainable industrial relations. However, the use of technology has also given rise to the phenomenon of digital surveillance, which has the potential to undermine employee trust. This demonstrates that a technology-based approach must be balanced with a humanistic approach to human resource management. For companies at the forefront of digital transformation, the implementation of hybrid and remote work systems requires integration between technology policies, managerial practices, and strengthening industrial relations. Successful implementation is determined not only by the readiness of digital infrastructure, but also by the quality of organizational communication, workplace fairness, and support for employee well-being.

CONCLUSION

Based on the results of the Systematic Literature Review (SLR), it can be concluded that the implementation of hybrid and remote working systems has a significant impact on employee well-being and the dynamics of industrial relations. Flexible work systems have been proven to provide benefits in the form of improved work-life balance, job satisfaction, and employee autonomy in managing work. This indicates that work flexibility is a crucial factor in supporting employee well-being in the era of digital transformation. However, the study also revealed negative impacts that need to be anticipated, such as increased social isolation, digital fatigue, and the blurring of boundaries between work and personal life. This condition confirms that work flexibility does not automatically improve employee well-being, but rather depends heavily on how the organization manages the work system effectively. Furthermore, the dynamics of industrial relations undergo significant changes in hybrid and remote working systems. Increasingly digitalized communication patterns, changes in supervisory mechanisms, and challenges in maintaining work equity and employee trust are key issues affecting the quality of the relationship between management and employees. Therefore, industrial relations plays a key role in mediating the influence of flexible work systems on employee well-being. Overall, the results of this SLR show that the successful implementation of hybrid and remote working systems is not only determined by technological readiness, but also by the organization's ability to balance job demands and job resources, as well as manage industrial relations adaptively and sustainably.

Managerial Implications

Based on research findings, there are several managerial implications that can be applied in facing the digital work era:

1. **Strengthening structured flexible work policies**
Organizations need to formulate clear and standardized hybrid and remote work policies, including work hour settings, performance targets, and evaluation mechanisms. Clear policies will reduce ambiguity and increase perceptions of fairness among employees.
2. **Managing the balance between job demands and job resources**
Management needs to ensure that increased work flexibility is balanced with the provision of adequate resources, such as technology support, digital training, and psychological support. This is crucial to prevent burnout and digital fatigue.
3. **Strengthening communication and industrial relations**
Organizations need to develop transparent, open, and technology-based communication systems to maintain quality relationships between management, employees, and unions. Strengthening bipartite communication forums and mechanisms for conveying employee aspirations is crucial in remote work systems.
4. **Implementation of digital leadership**
Organizational leaders are required to be able to manage virtual teams, build trust, and create an inclusive and supportive work environment. An adaptive leadership style will play a crucial role in maintaining employee engagement and well-being.
5. **Managing work and personal life boundaries**
Organizations need to establish policies that support work-life balance, such as limiting working hours, having the right to disconnect, and setting realistic workloads. This is crucial for maintaining employee mental health in flexible work environments.
6. **Optimizing the use of technology in a humanistic manner**
The use of digital technology in work systems must be balanced with a people-centric approach. Digital monitoring practices must be implemented proportionally to avoid creating negative perceptions and reducing employee trust.
7. **Strengthening employee welfare programs**
Organizations need to develop comprehensive wellness programs, including mental health support, employee assistance programs, and employee engagement initiatives.

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