

The impact of remote working on employees' motivation and engagement

Carmen Antonio

Haaga-Helia University of Applied Sciences

Bachelor's Thesis

2022

Bachelor of Business Administration

Abstract

Author(s) Carmen Antonio
Degree Bachelor of Business Administration in Aviation Business
Report/thesis title The impact of remote working on employees' motivation and engagement
Number of pages and appendix pages 39 + 2
<p>This thesis is commissioned by Resurs Bank. It examines the shift in remote working being the recommended work policy during the times of Covid-19. Moreover, the thesis investigates the impacts on employees' motivation and engagement during remote work. The job satisfaction highly depends on employee motivation and engagement which should be maintained during the extraordinary times due to the pandemic.</p> <p>The objective of the research is to find out how does the change into remote working affect to the employee motivation and engagement. In addition, it aims to find out what are the positive/negative impacts of remote working among employees after the change.</p> <p>This thesis is qualitative research, and the methods include interviews conducted for the employees. Four employees were interviewed in November 2021.</p> <p>The results from the interviews showed that remote working increased employee motivation and had mostly positive effects. The importance of communication was highlighted. There were no critical challenges pointed out during remote work. To conclude the findings, the most important benefits of remote working were wellbeing, work-life balance, and autonomy.</p> <p>In conclusion, according to the study, remote working was adapted quickly and efficiently by the employees. The changed way of working is considered as a standard working method. It was requested that hybrid-model should be implemented permanently, and it is seen as modern way of working. Long-term impacts of remote working and possible changes in employee's experiences could be investigated if the recourses allow.</p>
Keywords Motivation, employee engagement, remote working, teamwork

Table of contents

1	Introduction	1
1.1	Background	2
1.2	Commissioner overview	3
1.3	Scope and objective	4
1.4	Research questions.....	5
1.5	Structure of thesis	5
2	Motivation and engagement	7
2.1	Motivation - definition	7
2.2	Types of motivation – intrinsic and extrinsic motivation	8
2.3	Need-based motivation theories.....	9
2.3.1	Maslow's hierarchy of needs	10
2.3.2	ERG theory.....	12
2.3.3	Herzberg's two factor model.....	13
2.4	Employee engagement	14
2.5	Employee engagement model.....	15
2.6	Drivers of employee engagement	19
2.7	Outcomes of engagement.....	20
2.7.1	Organisational performance	20
2.7.2	Employee performance	21
3	Methodology	22
3.1	Research design	22
3.2	Qualitative research	23
3.3	Data collection.....	24
3.4	Data analysis.....	25
3.5	Reliability and validity.....	25
4	Analysis and findings.....	26
4.1	Overview of the participants.....	26
4.2	Analysing the interview results.....	27
4.2.1	Remote working and perceptions.....	27
4.2.2	Communication and atmosphere	29
4.2.3	Work-life balance.....	30
4.2.4	Teamwork and support from supervisors	31
4.2.5	Motivation and efficiency	32
4.2.6	Development targets and suggestions	33
4.2.7	Summary	34
5	Discussion and evaluation.....	36
5.1	Key findings.....	36
5.2	Recommendations for future research	37

5.3 Learning process and reflections	38
References	40
Appendices.....	42
Appendix 1. Email cover letter	43
Appendix 2. Interview questions.....	44

1 Introduction

This thesis examines the shift in remote working being a highly recommended work policy (Ministry of Social Affairs and Health, 2021) to a mandatory working requirement for many workplaces during the exceptional times of pandemic context. As a result of the unpredicted outbreak of the SARS-CoV-2 virus, later referred as COVID-19 (WHO, 2021), in 2020, has required millions of people worldwide into remote workers (Joint Research Centre, 2020). Due to these emergency measures, it has thrown employees and employers into uncertainty as prior to the pandemic most workers barely had any remote working experience.

Adapting new ways of working has both advantages and disadvantages. Employee well-being and engagement towards their work as well as the role of management in the organisations during the extraordinary times has required flexibility as well as the mindset of efficient cooperation. In other words, both employees and managers must be aware of the possible challenges in practising remote work. Thus, the current digital age allows cost-savings (Forbes, 2020) for both organisation and employees as well as space savings as working is no longer dependent of the geographical location.

The existing knowledge about remote working covers mainly times when the remote working has been occasional and infrequent rather than a “new normal”. Most likely, people have chosen the working method based on voluntary reasons, which differentiates it from the current COVID-19 crisis (Wang, B. et al. 2020). Moreover, it has been practised by certain sectors and occupations only.

According to the European Commission’s science and knowledge services Joint Research Centre (2020), the prevalence of remote working varies across different sectors. However, their research showed that the occupational groups that are used to work from home usually or sometimes were high-skill professionals and managers as well as the workers in ICT and other communication services. They are more likely to have stronger digital skills and are arguably in a better position to respond to the changed way of working. That is why, the need of development of worker’s digital skills is being highlighted and it needs to be ensured by the organisations. However, the nature of some occupations makes the remote work difficult to perform as it requires face-to-face interaction with the public (Joint Research Centre 2020.)

The topic of the thesis was chosen due to the personal experiences regarding remote working and being a current topic at the moment. In Finland, the government agreed on national and regional recommendations on remote working in October 2020 due to the

widespread increase of COVID-19 cases nationwide (Finnish Government 2020). Employers were responsible of coordinate and assess remote work and provide arrangements for reducing contacts and other risks. Naturally, it was one of the most significant changes in working life due to the rapid shift (Ruohomäki 2020). According to YLE's study, over one million people started working remotely in 2020 due to the pandemic (YLE, 2020).

1.1 Background

For the time being, remote working has been adopted by organisations and re-shaped the pre-existing trends in workplace management (OECD 2021). Working remotely has increased rapidly during the past year even though it is not a new trend as it has been done over the decades. In other words, the change from working from home has been happening before the COVID-19 pandemic as well as the change toward remote workforce was already underway (Mangia 2020). Individuals in occupations with remote work capacity have been able to operate under the exceptional times. Digital platforms have enabled peer-to-peer interaction and the overall continuity of the work despite of non-physical interaction at workplace (OECD 2021).

However, due to the COVID-19 crisis the new ways of working and the emphasis of digital solutions have created a huge transform from the pre-pandemic times. It has enabled more flexibility and freedom to adjust the same work input but in a different working environment. Maintaining the work-life balance has also acquired a whole new meaning as the line between work and home has been erased. It can be said that it is a "win-win" situation where both the employer and employee gain. Employer gains more productive workforce as the usage of facilities decreases and it is cost-effective. Employees, however, can benefit from greater work-life balance and thereby increase levels of job satisfaction and organisational commitment. (Felstead & Henseke 2017.)

The beneficial consequences of remote working are clearly related to matters that affect positively to employee well-being, engagement, and motivation towards work. To maintain the job satisfaction and organisational commitment during the flexible working, it requires organisational responses to the changing demographic profile of the workforce. Therefore, it is important for the employer to adopt the change and response to the new norms so that the benefits mentioned above regarding flexible working corresponds the employees. For instance, providing suitable working arrangements which better suit employees' domestic and personal circumstances. (Felstead & Henseke 2017.)

Thus, the downsides of remote working are also something to take into consideration and need to be mitigated. A lack of interaction and management without any face-to-face contact can cause challenges in resolving unexpected issues. As a result, it creates delays as it takes more time to solve the problem which also delays the overall work progress. In other words, it takes more time to react and find the solutions which decreases the efficiency of the processes. (Hunter 2019.)

Other concerns regarding remote working are related to different personalities and the suitability of distance-collaboration. Some people find themselves to be less efficient and productive when working from home and need more mentoring as well as closer supervision. That been said, it leads again to the already mentioned statement regarding the role of organisational management. Working remotely needs careful managing so that it enhances rather than worsen the productivity and quality of work of those who have internalised the work method. Weekly joint meetings, virtual coffee pauses, and active communication daily online, to name a few, more likely enhance the interaction and the feeling of togetherness. Despite of the sufficient remote collaboration within the organisation it cannot be forgotten, that in the end humans tend to work better when they feel that there a real person on the other side. (Hunter 2019.)

1.2 Commissioner overview

This thesis is commissioned by Resurs Bank. The Resurs Group is located throughout the Nordic countries and consists of the subsidiary Resurs Bank. It was founded in 1977 in Sweden and has established collaborations with over 1,200 retail partners and 35,000 stores and built a customer base approximately five million private customers in the Nordics. Resurs has established itself as a leading partner for sales-driven payment and loyalty solutions in retail and e-commerce in the Nordics. At the end of 2020, the Group had 722 employees and a loan portfolio of SEK 30,9 billion. (Resurs Holding, 2022)

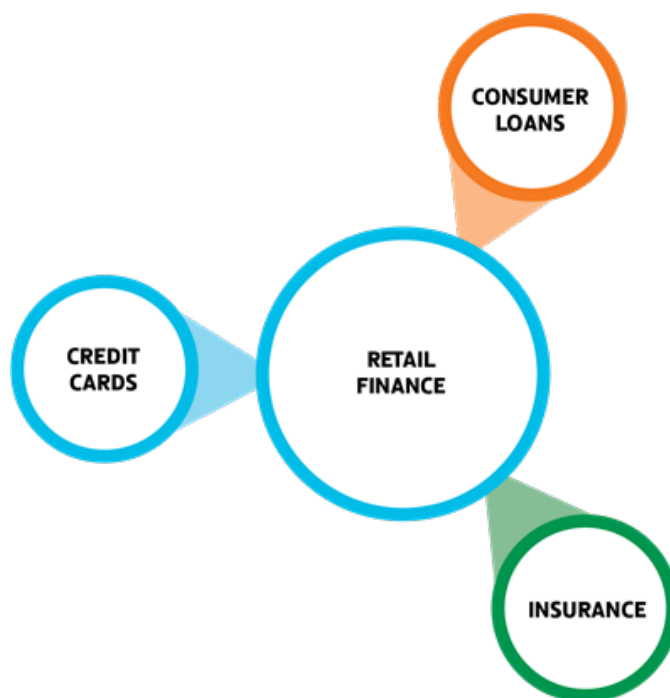


Figure 1. Resurs Bank's business model (Resurs Holding, 2022)

The company offers flexible payment and financing solutions for both consumers and customers. Resurs' operations are divided into two business segments, based on products and services offered. The Payment Solutions segment comprises the retail finance, credit cards, and factoring areas and Consumer Loans. (Resurs Holding, 2022)

In 2020, the average number employees in the Nordics were 679. Most of the Resurs' business activities are conducted by employees at Resurs Bank's head office, which includes centralized accounting, legal, risk management, marketing, HR, and IT functions. (Resurs Holding, 2022)

1.3 Scope and objective

The objective of the research is to find out how remote working affects to the employees' motivation and engagement towards work. The role of management and the ability to react to changes during the extraordinary circumstances is also examined. The aim is to understand the influence of changed work habits within organisation as well as the pains and gains due to the remote working.

The scope of the research is narrowed enough to have a clear direction and more coherent research project by the author. As the study has been conducted from the perspective of customer advisor working in a banking industry, it must be taken into consideration that the results and analysis in the further section are based on the target group in question.

Therefore, the applicability of results and further conclusions are limited for other organisations as it examines chosen target group.

1.4 Research questions

This study has two research questions based to the objectives defined in the previous section (1.3) that determine the theoretical framework of the thesis:

- 1) How does the change into remote working affect to the employee motivation and engagement?
- 2) What are the positive/negative impacts of remote working among employees after the change?

The next section regarding the research questions discusses the topics of motivation and engagement creating the base of knowledge for further interpretation. The content of the sections for the theoretical framework will be introduced in section 1.5. which introduces the structure of the thesis (Figure 2).

1.5 Structure of thesis

This thesis is structured (Figure 2.) into five chapters, first being the introduction chapter that discusses the topic of remote working. There will be also explained the background of the topic including the scope and objective of the research. Chapter 2 forms the theoretical framework of the thesis. In the second chapter there will be introduction to motivation and engagement based on several theories of motivation creating the theoretical framework for the study.

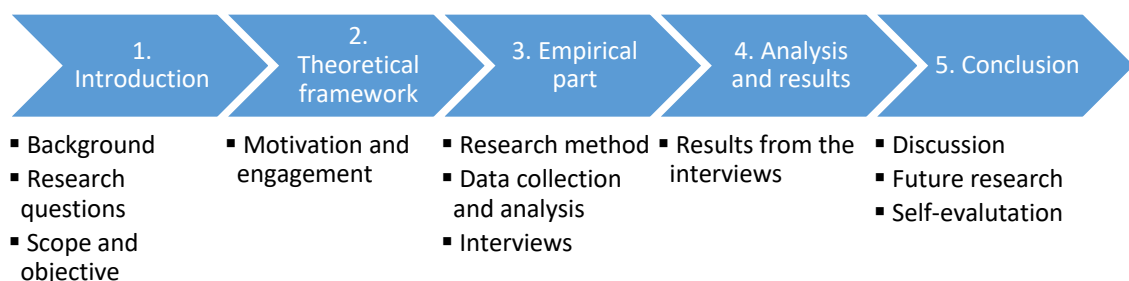


Figure 2. The structure of the thesis

Chapter 3 introduces the experiential part of the thesis. First there will be introduced the qualitative research method being the research method of this thesis. In addition, the data collection method will be explained followed by introduction for the interviews. Chapter 4

discusses the findings from the interviews including the analysis of the results. Furthermore, the reliability and validity of the research will be evaluated. Lastly, the final chapter starts with discussion and ends with recommendation for future research and self-evaluation of the thesis process. At the end of the thesis there will be a list of references and appendices including the interview questions.

2 Motivation and employee engagement

To understand the fundamentals of employee motivation and engagement it is worthwhile to examine these two factors that influence employee behaviour. Taking into consideration the limitations of the study, a lot of data and literature can be found regarding motivation, engagement, and employee behaviour. Therefore, the researcher is not capable to cover the topics profoundly, but rather within the scope of the study.

To begin with, motivation is the force that energizes, directs, and sustains behaviour. Well-motivated people achieve high performance as they are prepared to exercise discretionary effort. In other words, they do independently more that is expected of them. Engagement happens when people are committed to their work and the organisation as well as are motivated to achieve high levels of performance (Armstrong, M. 2017.)

The following sections will explain the meaning of motivation as well as define two main types of motivation. Those two theories of motivation will be discussed and evaluated. In addition, need-based motivation theories will be introduced in order to understand the fundamentals of motivation.

2.1 Motivation – definition

The term of 'motivation' derives from the Latin word for the movement (Provitera 2012). Therefore, it can be said that a motive is a reason for doing something. Motivation is a driving force that initiates and directs behaviour. It is a psychological force and direction of behaviour that influence people to behave in a specific, goal-oriented manner. (Armstrong 2017; Provitera 2012.) People feel motivated when they know that the actions they do will likely lead to the attainment of a goal or reward, which then satisfies their needs and wants. In other words, motivation can refer to goals that individuals have, how do they choose the goals and how do the others try to change their behaviour as inducement of the particular action. (Armstrong, M. 2017.)

There are three components of motivation presented by Arnold et al (1991): direction, effort, and persistence. Well-motivated people engage positive discretionary behaviour which leads to the decision to make an effort. Making effort defines how hard a person is trying. Thus, such people are self-motivated as long as they are having a direction to attain what they want to receive. The persistence is one of the key elements of motivation as it defines how long a person keeps on trying. However, the additional motivation varies depending on the quality of leadership, forms of recognition and reward. The additional motivation that is achieved by these actions build on self-motivation and helps people to make the best use of their abilities and perform well. (Armstrong 2017.)

2.2 Types of motivation – Intrinsic and extrinsic motivation

As the name implies, intrinsic motivation is based on the need to be competent and self-determining. That being said, motivation is based on having a choice that individual makes. Intrinsic motivation takes place when he/she feels that his/her work is important, interesting, and challenging as well as giving the opportunity to freedom to act, achieve and advance which in a long-term provides the possibility to develop their skills and abilities. There are no external incentives that could create such motivation. On the contrary, the work itself is the motivation. Thus, it can be enhanced by job design. The job should provide variety, complexity, and challenge in order to engage the skills and abilities of the workers. (Armstrong 2017.)

To achieve the improved work motivation, the managers should make initiatives such as encourage people to make their own schedules and focus on getting work done instead of telling how it is done. In other words, giving reasonable amount of autonomy and freedom to the workers. Also, helping people to identify the steps that are required in order to make the improvements and asking them how they will now they are making the progress. While the people are identifying the tasks, the manager's role is to master and support during the process. Lastly, taking into consideration that the purpose of the actions during the process is defined clearly while giving instructions. They should be able to explain the "why" and the "how" which reinforces the idea of meaningful actions that are made and considered significant. (Armstrong 2017.)

Extrinsic motivation takes place when things are done to or for people to motivate them. Unlike intrinsic motivation, it is dependent of external motivators that are needed, including rewards such as praise, incentives, and increased pay. In other words, doing an activity specifically because it leads to a separate consequence such as a reward or avoidance of punishment (Deci 2010). However, extrinsic motivators can have powerful and immediate effect even though it will not last long. As mentioned earlier, intrinsic motivation has a deeper and long-term effect because it is inherent in individuals and the work and are not derived from external motivators such as incentive pay. (Armstrong 2017.)

Intrinsic and extrinsic motivation are not necessarily compatible even though one can assume that by adding extrinsic reward when a person is intrinsically motivated for an activity it would enhance the person's motivation. However, when adding intrinsic and extrinsic motivation together they most likely interact negatively. According to Deci (2010), meta-analytic results of the effects of extrinsic rewards on intrinsic motivation have shown that nearly hundred studies regarding adding tangible rewards have led to negative result.

That indicates that people's intrinsic motivation decreased after they received their reward than it had been before the reward had been offered. In conclusion for the study conducted by Deci et al. (2010) the negative effects of tangible rewards on intrinsic motivation appear when people expect the reward before they start doing the activity. If the reward is expected, the intrinsic motivation will more likely be lower compared to not expecting that a reward will be received after the activity. Also, when the reward is contingent meaning that there will be no reward unless the person does the activity.

The reason behind the undermining effect of tangible rewards toward intrinsic motivation is the fundamental human need to be autonomous rather than controlled. In other words, chasing the carrot is not perceived as autonomous activity. Other extrinsic events that undermine intrinsic motivation are threats of punishment, giving deadlines, evaluating people's work or competition against each other. Thus, these are rather standard and frequently used ways extrinsic motivation but tend to have negative effects on intrinsic motivation. However, all events with extrinsic motivation do not have negative effects. There are some examples of events with positive effects: giving the opportunity to choose, acknowledging feelings, and giving positive feedback. It enhances people's experience of autonomy and the satisfies the psychological need. Positive feedback, however, increases the intrinsic motivation as people are feeling more competent and confident what they are doing. (Deci 2010.)

2.3 Need-based motivation theories

According to Bauer and Erdogan (2014), the earliest studies of motivation involved an examination of individual needs. It was assumed by the researchers that employees try hard to demonstrate goal-driven behaviour to satisfy their needs. That been said, the theory of need-base motivation focuses on the content of motivation in the shape of needs. It is based on belief that unsatisfied need creates a tension and instability. (Armstrong 2017)

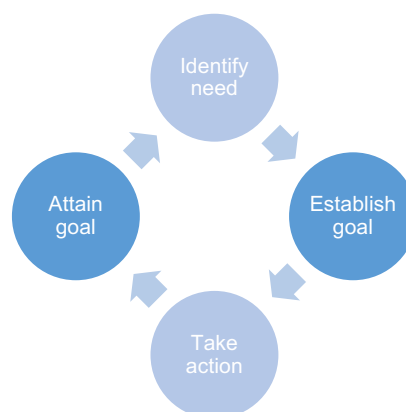


Figure 3. The process of motivation according to content theory (adapted from Armstrong 2017)

To restore the balance, the behaviour pathway will be selected that lead to the achievement of goal and satisfaction of the need. That being said, the behaviour is motivated by unsatisfied needs. The content theory model (Figure 3.) shows the process starting with identification of the need. It is followed by establishing the goal which requires actions in order to finally attain the goal. Maslow's hierarchy of needs, ERG theory and Herzberg's two factor model are one of the best-known theories among this category and will be introduced during the following sections

2.3.1 Maslow's hierarchy of needs

The best-known and the most famous classification of motivation theory is Abraham Maslow's hierarchy of needs (1954). Maslow suggested that there are five major need categories that exist within every human being. The five needs are separated into higher and lower orders starting with fundamental psychological needs that are lower-order-needs followed by social, esteem and self-actualization that are higher-order-needs. As the lower need will be satisfied it no longer serves as motivator and the next highest becomes dominant.

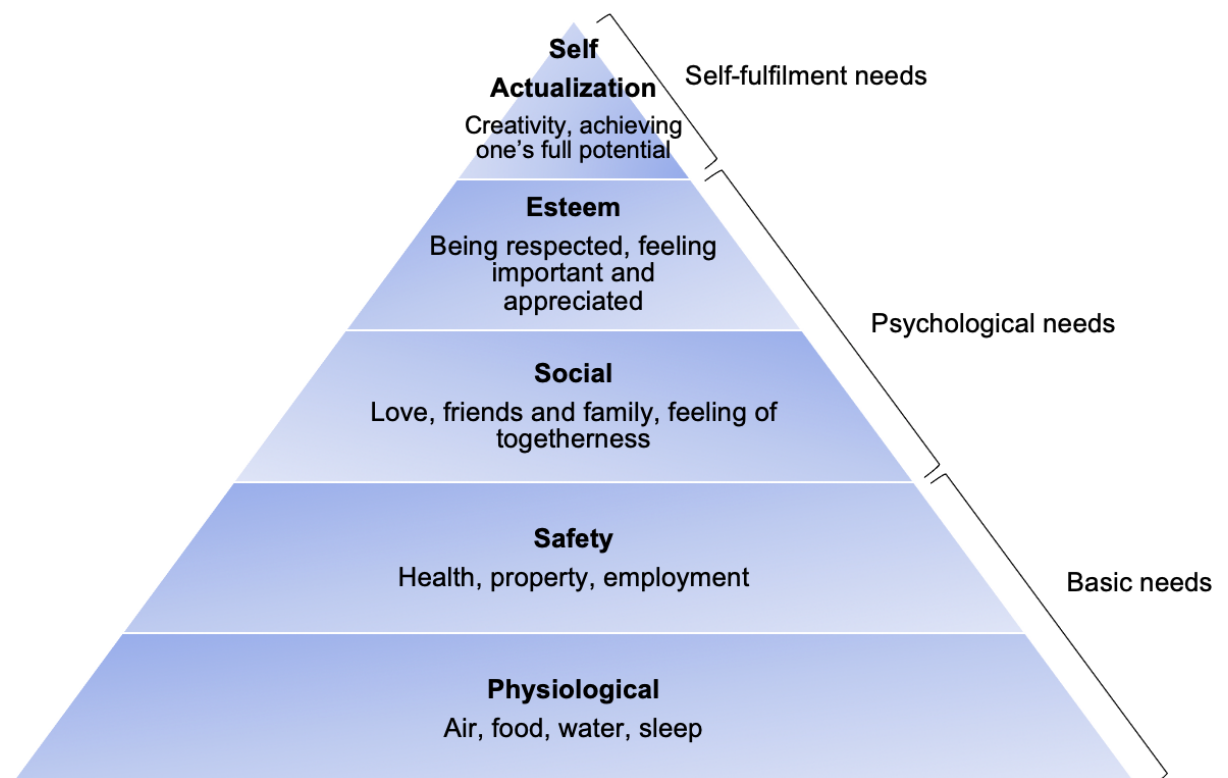


Figure 4. Abraham Maslow's hierarchy of needs (adapted from Erdrozan & Bauer 2012)

At the bottom of the pyramid above (Figure 4) there are basic needs, physiological and safety that need to be satisfied first. Physiological needs refer to air, food, water, and

sleep which every human being needs to survive. If a human is very hungry all behaviour will be directed finding food and after the food is found it no longer serves as a motivator. The same applies for other physiological needs. (Erdogan & Bauer 2012)

After the physiological needs are satisfied, the next concern is safety. Therefore, humans want to make sure that they are free from threat and danger as well as pursue health. Also, uncertainty of employment is considered as threat and people aim to reach stability of all the safety needs (Erdogan & Bauer 2012). As Maslow (1954) stated, satisfactions of the safety needs produce at best a feeling of relief and relaxation.

Once the basic needs including physiological and safety are fulfilled, there will be social needs which refers to love, friends and family as well as feeling of togetherness and bonding. The need of belonging and interpersonal attachment are fundamentals of human motivation. However, lack of any social need is associated with health and well-being. (Erdogan & Bauer 2012)

On the next level up, esteem needs refer to being respected by one's peers as well as feeling important and appreciated. Internal factors such as self-respect, autonomy and achievements which increases self-confidence and feeling good about oneself. In addition, external factors such as status and recognition by others makes people feel valuable and important. (Erdogan & Bauer 2012; Robbins & Stephen 2014)

Finally, on the top of the pyramid there are self-actualization which indicates achieving one's full level of potential by creativity. It is a unique feature, and it means doing something that is meant to be. The need manifests itself to acquire new skills, taking challenges and behave in a way that leads to one's life goals. (Erdogan & Bauer 2012; Robbins & Stephen 2014)

However, Maslow's theory of motivation was not originally designed for work setting as he was clinical psychologist and there has been criticism related to the order which the needs are ranked. Thus, there are applicable factors in business setting. When thinking about the hierarchy it can be considered as systematic way of thinking about different needs of employees. Naturally, understanding what people need helps to understand them better as well as explains different reactions they might have. Organisations should take into consideration that some categories of the needs have to satisfy other needs as well. As Deci (2010) has stated, "need-supportive environments allow satisfaction of psychological needs for competence, relatedness, and autonomy". It maintains the intrinsic motivation as well as facilitates the internalization of extrinsic motivation. However, as the physiologi-

cal need may be satisfied by the person's paycheck it is important to satisfy safety and esteem as well. By providing various benefits such as health insurance and job-security helps to satisfy the safety need. (Erdogan & Bauer 2012)

Communication, collaboration, and friendly work environment leads to satisfaction of social needs as it enhances the work atmosphere as well. The ways of satisfying esteem needs, however, are recognizing person's accomplishments verbally, providing promotion opportunities at work and having job titles that communicate to the employee that one has achieved high status within the organisation, to name a few. Lastly, providing provision of development and growth opportunities by work, which is challenging, and interesting self-actualization needs may be satisfied. As a result of that and putting effort to satisfying all the different needs of employees leads to more motivated workforce. (Erdogan & Bauer 2012)

2.3.2 ERG theory

The ERG theory developed by Clayton Alderfer (1969) is a modification from the Maslow's hierarchy of needs. It stands for existence needs, relatedness needs and growth needs (Figure 5). Instead of five needs there are three basic human needs instead of hierarchical order. (Erdogan & Bauer 2012)

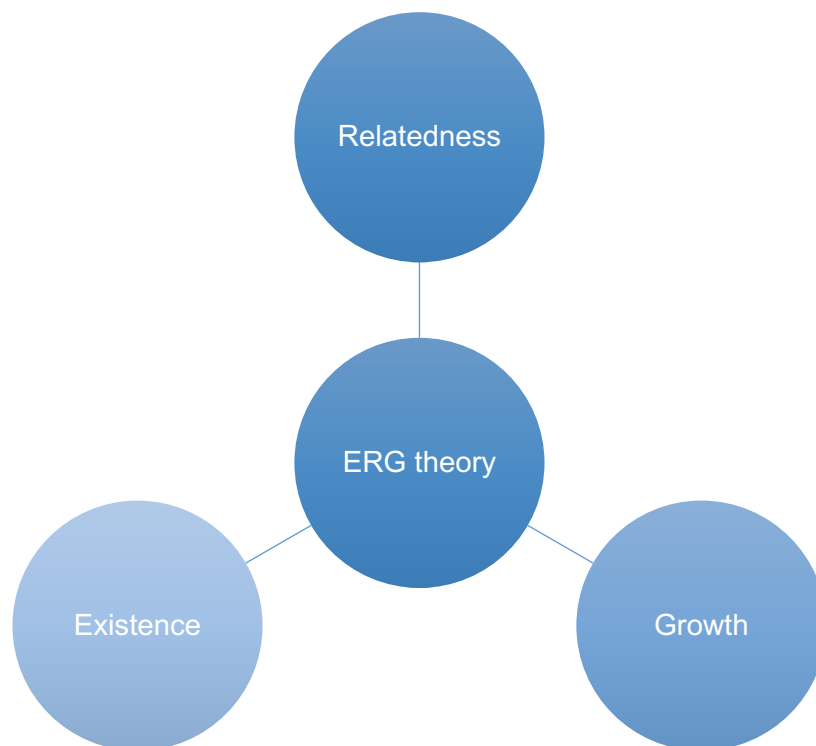


Figure 5. ERG theory by Alderfer (adapted from Erdogan & Bauer 2012)

Starting with existence needs such as hunger, pay and working conditions, to name a few, correspond to Maslow's physiological and safety needs. The relatedness needs refer to social needs such as acceptance, understanding and influence. The last group of needs is the growth needs which refers to Maslow's esteem and self-actualization. (Armstrong 2017; Erdroğan & Bauer 2012)

Compared to Maslow's hierarchy of needs, the ERG theory does not rank needs in particular order and acknowledges that more than one need may operate at given time. In addition, the theory has a hypothesis suggesting that as people get frustrated in their attempts to satisfy one need it may regress to another. For instance, employee is frustrated about growth opportunities in his job and progress toward career goals might regress relatedness and start to spend more time socializing with co-workers. In conclusion, the implication of the theory is that multiple needs have to be recognized that drive individuals at given point in order to understand their behaviour and motivate them properly. (Erdroğan & Bauer 2012)

2.3.3 Herzberg's two factor model

Frederick Herzberg (1957, 1966) developed the two-factor model (Figure 6) from the perspective of asking individuals what satisfies them on the job and what in turn dissatisfies them. As a result, the research established that there were two factors that affected the feelings of satisfaction and dissatisfaction: motivators and hygiene. (Armstrong 2017)

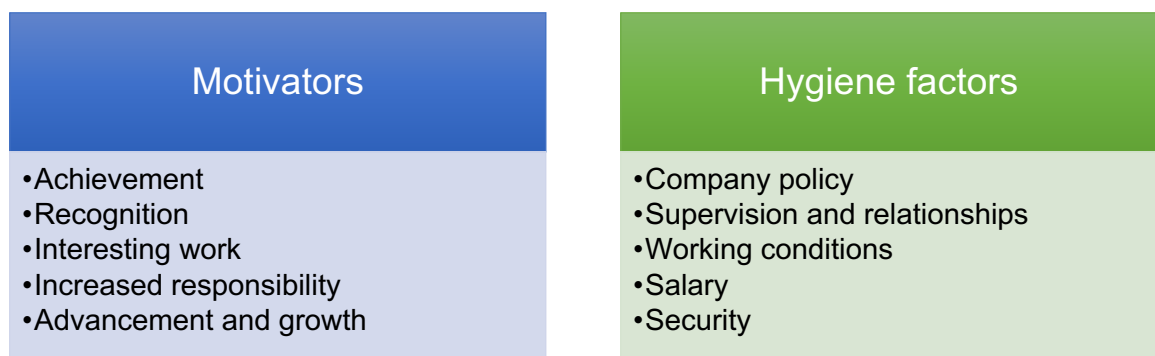


Figure 6. Two Factor theory of motivation by Herzberg (adapted from Erdroğan & Bauer 2012)

According to Herzberg, motivators include the factors that increase the job satisfaction. Those factors are intrinsic to the job such as achievement, recognition, increased responsibilities, advancement, and growth opportunities. That being said, these needs are related to the job content and being intrinsic motivators. (Armstrong 2017; Erdroğan & Bauer 2012)

On the contrary, hygiene factors relate to the working environment and are preventative. These factors including such things that salary, working conditions, safety, and security on the job in themselves do not neither satisfy nor motivate. However, they primarily prevent job dissatisfaction and have little effect on positive job attitudes. For example, if the working environment is unpleasant (office temperature is too hot/cold, being mistreated etc.), undoubtedly, it makes people feel miserable in such working environment. However, if these problems were solved people will most likely be more motivated. It is worthwhile to take into consideration, that factors in the work environment are sometimes taken for granted if they are present but missed when they are absent. It demonstrates the applicability of the theory that hygiene factors rather have neutral or negative effect to job satisfaction. (Armstrong 2017; Erdogan & Bauer 2012)

However, there are some limitations and criticism regarding the two-factor model as the research method does not measure the relationship between satisfaction and performance. In addition, it has been suggested that there is no evidence that the satisfiers improve the productivity as it cannot be assumed that everyone has the same needs. Thus, the definition of hygiene and motivator is not that explicit. For instance, salary is considered as hygiene factor by the theory but can also have symbolic value by demonstrating employees that they are being recognized for their contribution toward their work in the company. The quality and relationship between the employees and their supervisors may also determine whether they are more committed and interested in their work as well as being recognized for their potential. (Armstrong 2017; Erdogan & Bauer 2012)

Another aspect for the employee's perceptions in addition to motivation is engagement. There is rising importance of employee engagement which has been discovered in recent decades as it has become a major issue for businesses small and large. The context of employee engagement has provided by relationship between the individual and the organisation (Holbeche, L. et al. 2012). The next section will discuss in more detail about employee engagement in the scope of this research.

2.4 Employee engagement

Engagement happens when people are committed to their work and the organisation as well as are motivated to achieve high levels of performance. However, there has been several definitions for engagement since the explosion of interest in the concept during the 2000s which explains the indefinite nature of the concept. Different definitions of employee engagement refer to a range of human resource management and organisational behaviour concepts such as work effort, commitment to the organisation, job satisfaction, motivation, and optional functioning. Employee engagement is also defined as individual's

involvement and satisfaction with as well as enthusiasm for work. (Armstrong 2017; Bridger 2015)

In addition to several definitions of employee engagement, there are three dimensions provided:

- 1) *Intellectual engagement* – thinking hard about the job and how to do it better;
- 2) *Affective engagement* – feeling positively about doing good job;
- 3) *Social engagement* – actively taking opportunities to discuss work-related improvements with others at work. (Bridger 2015)

During the following sections employee engagement model will be introduced as well as the drivers of employee engagement. Since there are various of theories regarding engagement and huge amount of literature can be found regarding the subject, the content has to be limited. In addition, taking into consideration the limitations of the research time-wise, the author has considered the following sections to be relevant considering this research.

2.5 Employee engagement model

Various models and theories have been introduced regarding employee engagement. In this section employee engagement model (Figure 7) by Holbeche and Matthews (2012) will be presented and explained in more detailed. It is worthwhile to understand the areas dynamic interconnection between individuals and organisations. Moreover, it is argued that many different drivers of engagement mostly fall into four areas: Connection, Scope, Voice and Support. All the four elements of the model are essential. Without connection, an employee will lack identification and connection with the organisation; without support the efforts made by the employee may be discouraged; without voice, an employee may feel excluded and ignored; and without scope the employees might feel unable to fulfil their potential or feel disempowered. The core aspects of employee engagement from employer perspective will be explained in more detailed below.

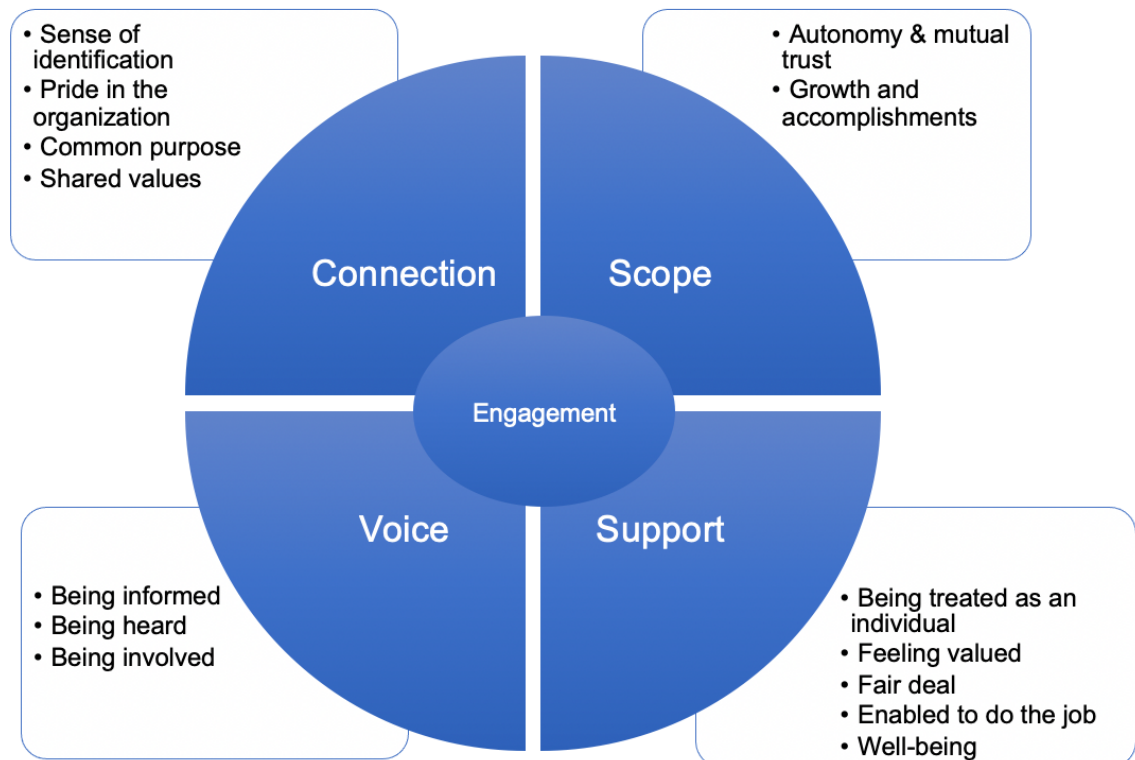


Figure 7. Employee engagement model (adapted from Holbeche & Matthews 2012)

The first core aspect that will be examined is connection. Strong sense of connection usually consists of being with like-minded people, with the same goals and attitudes, and a shared commitment to achieve them. Engagement occurs when the employees identify with the organisation and its values as well as believe in its products and services. In addition, it requires understanding the context in which the organisation operates. Employees need to know and care what the company is aiming to do which is the power of a clear vision. In high performance organisations the employees know what to do and want to do the work. (Holbeche & Matthews 2012)

High-performing organisations have strong sense of purpose internally which naturally requires engaging leaders. People-focused, strategic, and proactive leaders can engage employee's around common purpose. It answers the question 'why' or the reason of an organisation's existence. On the contrary, low levels of shared purpose indicate a disintegration of efforts and lack of strategic direction. Without a clear line of the purpose of people's everyday jobs, the motivational effect is unlikely to be achieved. (Holbeche & Matthews 2012)

Lastly, regarding connection there are shared values that allow employees to feel congruent between how other people do in the same organisation and how they interact with the world. The importance of this congruence has been demonstrated with a study where the

employees were asked what would increase their sense of meaning at work. Their responses included closer alignment between organisational values and practises, work-life balance initiatives and greater emphasis on teamwork and community, to name a few. Based on the responses it can be noticed that the role of leaders as values role models are particularly important. People want to work with leaders and managers with high standards and for ethical organisations. Also having the organisational support needed to be successful is considered important. People want to work in organisations they can be proud of. (Holbeche & Matthews 2012)

The next core aspect of the model is Voice which is one of the key drivers of the employee engagement. Communication and sharing information are the starting points for the involvement of employees. Without a doubt, the non-existence of involvement such as feeling left behind or ignored are unwanted situations among people in the organisation. That is why, it is important to feel valued and involved. There are some elements that influence those feelings such as fundamental or contractual requirements of employment. Those can be the 'hygiene factors' (Figure 6.) such as pay and benefits, and health and safety. In addition, aiming higher level in ensuring employees sense of being valued and involved requires effective communication, management, and cooperation by the organisation. Other important components are involvement in decision-making, freedom to voice ideas, having opportunities to develop in the job and feeling the organisation is concerned for employees' health and wellbeing. (Holbeche & Matthews 2012)

In addition, openness combined with trust is essential for engagement. As the organisation increases the transparency about the business it enhances the sense of trust. Moreover, it improves the employee involvement as the ideas and experiences of staff will be taken into consideration. Lastly, a precondition of Voice is diversity. It is about accepting differences of experience, outlook, and approach. Managing diversity means valuing everyone as an individual – as employees, customers, and clients. Moreover, the importance of diversity is recognized by employers in recruiting processes and retaining skills and talent. Managing diversity helps organisations to create working environments in which people from all backgrounds can work together peacefully without harassment, bullying or stereotyping, making sure their people policies and working practises are bias-free and fit with business excellence models and initiatives. In addition, it helps having a workforce that is more creative and innovative. (Holbeche & Matthews 2012)

The third core aspect is Support which emphasizes the importance of line managers role enabling employee engagement. The relationship with line managers is one of the factors which defines how they feel about the organisation as well as their commitment and willingness to release discretionary effort. If there is lack of support from the line managers,

psychological bonds loosen, and employees get disengaged. Managers play crucial role creating positive environment and prevent demotivating factors. As mentioned earlier, building, and maintaining relationships of trust on personal level as well enhances engagement. (Holbeche & Matthews 2012)

Moreover, treating people as individuals is one of the key elements of social support from line managers. Naturally, employees want themselves to be treated as full human beings. In companies where the social support is implemented well, the vital difference between burnout and employee engagement is more likely recognized. Showing empathy and concern as well as identifying everyone's talents, needs and interests enables line managers to match those with the organisation's objectives. At the same time, it creates trusting relationships. Engaging managers provide tools and resources, coaching and feedback as well as gives the opportunity to develop and recognize people's progress. (Holbeche & Matthews 2012)

Lastly, wellbeing of employees needs to be taken into consideration and attention must be paid by the line managers regarding the support. As engagement consists of involvement, energy, and efficacy, in worst scenario it turns into exhaustion and ineffectiveness. As a result, actively disengaged employees can drive themselves into burnout. Furthermore, three interconnected elements of a person's work life have been defined:

- 1) *Physical health* – overall health, energy/stamina
- 2) *Psychological health* – stress/anxiety, intrinsic satisfaction, accomplishment, optimism, confidence, control, empowerment, safety
- 3) *Social health* – work relationships, balance in work and personal life, equity, fairness, respect, social connectedness.

In conclusion, managers are more likely to have most direct effect on the work-life balance of employees. The control and support of the supervisors form the daily workloads and involvement in decision making affects positively to the employee engagement. (Holbeche & Matthews 2012)

The fourth core aspect is Scope which is a continuum to the previously explained Support. As the Support is all about creating the environment, Scope is about filling it. It means providing the space for individuals to take responsibility, being proactive, giving their best and take responsibility for making things happen as well as willing to change if needed. It is said that people with scope are more likely to build new capabilities and skills which increases their chances to be employed, which is increasingly needed in today's world. (Holbeche & Matthews 2012)

Moreover, the possibility to grow and develop is considered as one of the key aspects of good job design. People do not want to be micro-managed either which creates the desire of autonomy. The feeling of being capable, competent, and responsible enhances their feeling of being trusted to do a good job. Thus, the job should provide space for growth and accomplishments which leads to the urge to get better at something that matters. That is how people can find meaning and purpose in their work and the engagement is more likely to be increasing. (Holbeche & Matthews 2012)

2.6 Drivers of employee engagement

It is necessary to understand the factors that affect to engagement before being able to do anything about it. According to Armstrong (2017), there has been introduced following drivers by other researchers regarding employee engagement:

- *Job challenge* – it takes place when the scope of jobs is broad, the workload is high and job responsibility is high. It creates potential for accomplishment and personal growth which then enhances the engagement.
- *Autonomy* – it provides freedom and independence as well as discretion allowed to employees in scheduling their work and determining their procedures for carrying it out. In addition, it enables a sense of ownership and control over work outcomes.
- *Variety* – jobs which allow individuals to perform many different activities or use many different skills.
- *Feedback* – providing employees with direct and clear information about the effectiveness of their performance.
- *Fit* – the existence of compatibility between an individual and a work environment (for instance, job, manager, co-worker, organisation) which allows individuals to behave in a consistent manner with how they see or want to see themselves.
- *Opportunities for development* – these make the work meaningful since they provide pathways to employee growth and fulfilment.
- *Rewards and recognition* – direct and indirect returns on the personal investment of one's time in acting out a work role.

In addition to the drivers listed above, the quality of leadership operated by line managers is important. It is discovered that supervisory support is positively related to employee engagement as well as the involvement in decision making and day-to-day control over tasks and schedules. Having clear and fair expectations by the leaders enhances the positive effects on employee engagement as it generates a sense of at-

tachment to the job. Clear purposes, employee appreciation by their effort and contribution and treating people as individuals by the line managers ensures that the work is organized efficiently and effectively so that employees feel that they are valued, equipped, and supported to do their job. (Armstrong 2017)

2.7 Outcomes of engagement

The sections below will discuss the outcomes of engagement from both organisational and employee perspective. The links between engagement and different performances will be explained and introduced to understand the correlation.

2.7.1 Organisational performance

The importance of engagement can be seen in the organisation's performance, and it is linked to a variety of business outcomes. Various studies have been made to demonstrate the link between engagement and different performance. As a result, it has shown that employee engagement does have strong link to productivity, increased profits, customer satisfaction, customer retention, beneficial discretionary and innovation. A range of negative behaviours can be avoided such as absence and voluntary turnover as employee engagement reduces such behaviour according to the studies. (Bridger 2015)

Revenue and growth can be expected due to the increased levels of employee engagement. The connection between engagement and profit is demonstrated by academic journals and studies as improvements in engagement lead to increased revenue growth, profit margin and overall shareholder returns. Undoubtedly, such connection enables and increase companies' potential to increase their sales in different routes. The effects can be seen in direct sales, through the customer satisfaction, and through reduction in staff absence. Strong correlation between employee engagement and financial performance is proven by several studies in high-engagement organisations from wide range of industries. (Bridger 2015)

Moreover, it is concluded that organisation with highly engaged employees have demonstrated 2,5 times greater revenue growth compared to organisation with lower level of engagement. However, according to Robertson-Smith and Markwick (2009) it is considered necessary to measure an organisation's engagement and performance over a certain period and compare the findings and changes during this period to determine whether increased profit is due to the engaged workforce.

Lastly, it is demonstrated that employee engagement plays critical role considering positive customer experience. Engaged workforce with positive attitudes towards work will

more likely be willing to do discretionary efforts to deliver high level customer service. According to various research, it has shown that the discretion is exercised by customer-facing employees through their customer interactions while non-customer-facing employees did it through the quality and consistency of the produced products. (Bridger 2015)

In addition, it can be said that the overall attitude and the level of organisational engagement influences customer experience. In high-performance organisations with effective teamwork in branches enhance customer perceptions of competence and courtesy which improves customer loyalty (Bridger 2015). Therefore, it is suggested that employees who are content and happy in their work are more likely to create loyal customer. They tend to have better understanding how to meet customer needs (Robertson-Smith & Markwick, 2009).

2.7.2 Employee performance

It is demonstrated by research that improvements in performance can increase due to enhanced productivity and there is a strong link between employee engagement and business outcome. The level of productivity arose as the employees were more involved and were socially connected with their work. This, however, gave the employees opportunity to develop better solutions. As the organisations focus on engagement, it will more likely lead to positive and supportive atmosphere which then reduces counterproductive behaviour. (Bridger 2015)

In addition, the enhancement of the workforce's desire to exceed performance expectations is considered as a mechanism to increase the overall productivity. The culture of high-performance enables the organisation more likely exceed the set targets and performance expectations. With the help of leadership teams that have adopted the high performance and are aiming to pursue it, the employee engagement plays crucial role achieving this goal (Bridger 2015).

It has been found that employee engagement has positive effects considering health and feelings towards work and the organisation. Research and gallups conducted on the subject demonstrate that perceptions of the healthy organisation increase the employees' level of support for their organisation. Without a doubt, engagement, and investment into every employee's contribution towards their work may lead to increased effort and involvement, intrinsic motivation, mindfulness, creativity and overall, more productive employee. (Robertson-Smith & Markwick, 2009)

3 Methodology

This chapter introduces the methods and research design used in this research. In addition, data collection and analysis will be discussed as well as the reliability and validity of the research.

3.1 Research design

The methodology of the research is based on qualitative approach. The aim is to get answers to the questions what and how, that are presented as research questions, and moreover, producing knowledge that is practically relevant and possibly promoting solutions based on the answers. The research is concerned with subjective assessments of attitudes, opinions and behaviour being characteristic for the qualitative approach. (Kothari 2004, 3) The chosen methodology for the research is considered relevant and suitable considering the research topic.

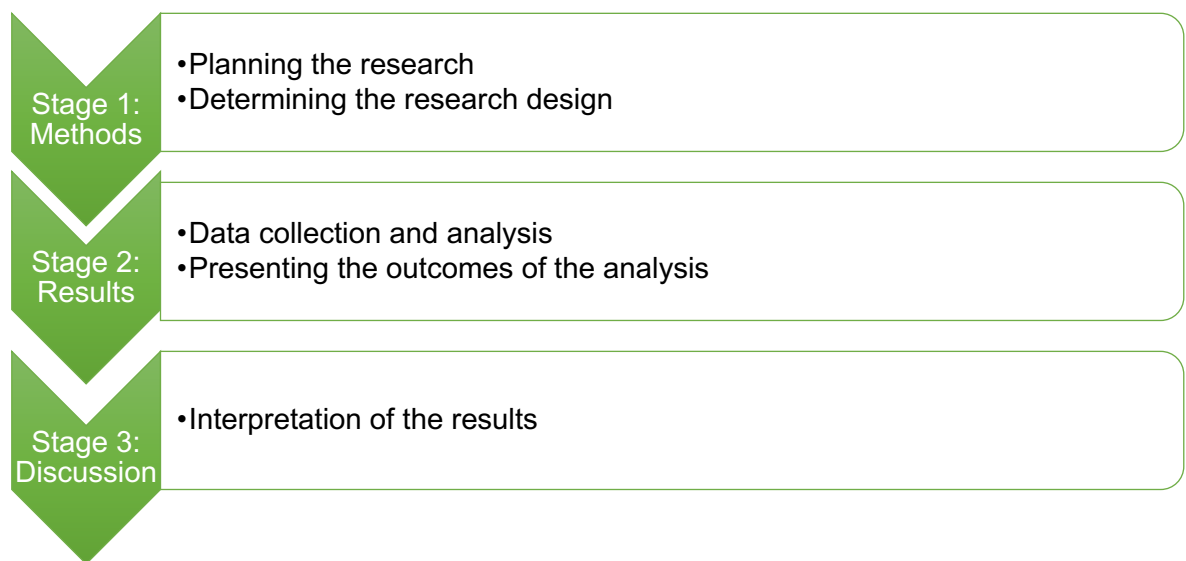


Figure 8. Research design

There are three essential stages (Figure 8.) during the research in order to carry out effective project. During the first stage the research is planned, and the objectives are stated. (Myers, J. et al. 2010)

The objectives for this research are to find out:

- 1) How does the change into remote working affect to the employee motivation and engagement?
- 2) What are the positive/negative impacts of remote working among employees after the change?

In addition, during the first phase decision about the treatments to be included are made; the type of number of subjects and measures are obtained; the research design is determined as well as the possible patterns of results and their implication are considered. (Myers, J. et al. 2010)

In the second stage the data is collected and analysed. Data collection will be explained in more detailed in section 3.3. The outcomes of analysis are presented in words, tables, and graphics and considering this research the analysis will be examined in words in the results section of this report. (Myers, J. et al. 2010)

The final stage is the interpretation of the results which will be presented in discussion section of the research report. The aim is to find out and discuss what do the results tell the researcher about the answers to the questions that the researcher initially asked. (Myers, J. et al. 2010)

3.2 Qualitative research

Qualitative research uses text as empirical material (instead of numbers), starts from the notion of the social construction of realities under study, is interested in the perspectives of participants, in everyday practises and everyday knowledge referring to the issue under the study (Flick 2007). That been said, the methods should be appropriate to the issue in order to fully understand the relation. As Dingwall and Miller (1997,13) have stated, the choice between research methods can depend upon pragmatic matters.

Often, the material for the qualitative research is collected by in-depth interviews, notes, conversations, and recordings of the focus group. The aim is to interpret the phenomena and understand the profound meaning. Furthermore, through such research it is possible to analyse the various factors which motivate people behave in a particular manner as well as discover the underlying motives of human behaviour. (Kothari 2004, 3)

Qualitative research was chosen for this study as the aim of the research is to understand the employees' perceptions towards remote working and how it affects to their motivation. Therefore, qualitative methods may be favoured when exploring people's wider perceptions or everyday behaviour. Regarding the data collection and material, the researcher considered qualitative method more relevant than quantitative as the interviews and conversations could give more profound answers and broader answers from the interviewees.

3.3 Data collection

The method for the collecting the data was done by four one-on-one interviews during November 2021. According to Flick (2007), interviews are one of the dominant methods of qualitative research. Therefore, it was considered the most effective and suitable data collection. Interviewing participants is a data collection method which enables effective way of document and pursue, in their own words, an individual's perspectives, opinions, feelings, attitudes, values and beliefs about their personal experiences and social world as well as information about their personal lives. The research topic and the purpose determine the basis of the subject and the questions that will be asked during the interview. In addition, improvised conversation may also generate unexpected areas and other insights for further inquiry. (Saldana et al. 2011)

Thus, some qualitative research studies might consist of several data collection methods such as interviews, participant observation, and written surveys to collect broader spectrum of perspectives and evidence. Moreover, it enhances the trustworthiness and credibility of the analysis (Saldana et al. 2011). However, in this research it was considered the most convenient to gather the data using only one data collecting method, interviewing participants, because the personal experiences and histories will the best answer the researcher's question. In addition, the other methods such as observation was not considered suitable due to the abstract nature of the subject.

In order to have insightful and valid data for further analysis and interpretation, the interview questions were provided for the interviewees prior to the interviews in order to give them time to prepare themselves with the questions. The interviewees were told comprehensively in advance what is the purpose and objective of the study when they were asked for an interview in order to enhance the reliability of the study. Also, the interviewees were also able to ask questions regarding the research process from the researcher beforehand. In the further section (4.1) it will be explained in more detail how the interviews were conducted.

The tools for the data collection were digital voice recorder and laptop for documenting the answers. The voice recording was considered sufficient in this qualitative data collection purpose in one-person interview. Fortunately, technical issues were avoided. The audio recorded interviews were transformed into written transcripts to document and analyse the data. As the interviews were conducted in Finnish, the answers were translated to English.

3.4 Data analysis

As stated by Maison (2019), “the analysis and interpretation of the findings of qualitative research is a very important stage in the research process, on which the quality of the conducted study largely depends”.

There are no strict and explicit rules that have to be followed when it comes to analysing qualitative data. Moreover, qualitative analysis is mostly based on the researcher’s experience and leaves lots of room for different interpretations and therefore the conclusions drawn from qualitative research are highly complex. (Maison, D. 2019).

Moreover, it is said that data analysis is a dynamic and creative process. The objective is to gain deeper understanding of what has been studied and continuously refine the interpretations. The ongoing discovery of identifying themes and developing concepts and propositions is considered as the most important activity in data analysis. (Taylor, S. J. et al. 2015)

3.5 Reliability and validity

The assessment of reliability and validity is crucial for the quality of the research. However, the principles of reliability and validity applies both qualitative and quantitative research. The criteria for determining these are slightly different in the two research approaches. Nevertheless, both qualitative and quantitative research have generally the same view that the entity being examined should emerge from the results of a study (validity) and it should do so in a systematic way (reliability). (Newell, B. & Burnard, P. 2011.)

Validity refers to ways that the researcher can be confident that the thing under investigation is emerging. (Newell, B. & Burnard, P. 2011.)

Reliability refers to the extent to which an entity is measured in a consistent way. In order to be reliable, a measure needs to be repeatable meaning giving similar responses in the same conditions. In addition, it needs to be reproducible meaning giving similar responses in different conditions. (Newell, B. & Burnard, P. 2011.)

The reliability and validity are ensured in this research. The interviews were prepared carefully and the answers from the interviews were transcribed and analysed as soon as possible. Moreover, the researcher made sure that the quality of the answers remained the same during the transcription process when translating the answers from Finnish to English language.

4 Analysis and findings

This chapter discusses the results from the interviews conducted in November 2021 for Resurs Bank employees regarding remote working. There will be an overview of the participants and brief description about the interview process. Thereafter, the analysis and findings will be discussed in more detailed in sections 4.2.1 - 4.2.6. Lastly, there will be a summary of the findings.

4.1 Overview of participants

Four employees from Resurs Bank customer service department were interviewed for the study during October 2021 (Table 1). The interviewees were selected from different teams within the customer service department consisting of both women and men. The interviewees will be later called as I1, I2 and so on.

Table 1. Information about the interviewees

Interviewee	Department/position	Duration of employment
1	Customer Advisor/Consumer loans	3,5 years
2	Customer Advisor/Consumer loans	2 years
3	Customer Advisor/Pre-Collection	4 years
4	Customer Advisor/Payment Solutions	1 year

Three interviewees out of four have started working remotely from April 2020 due to the Covid-19 outbreak which changed the company's working policy. First the employees worked both remotely and, in the office, but the worsened pandemic situation in Finland required everyone switch completely remote workers in the fall 2020.

All the interviewees were initially contacted by email (Appendix 1). They were introduced the background information regarding the study as well as the purpose and desired outcomes. In addition, the confidentiality of the research was stated as voluntary participation as well as the anonymity of the results presented later in the final report.

4.2 Analysing the interview results

In this section the analysis and findings from the interviews will be presented. The researcher can therefore assess whether the objectives and goals set for the study are met. In addition, whether the research questions are answered successfully. In addition, the suitability of the theoretical framework and the interview results will be assessed.

The interviews were recorded and transcribed as well as translated into English as the interviews were conducted in Finnish. The interview questions (Appendix 2) were handed out for the interviewees beforehand to have couple days to familiarize with the question that ensured higher probability for profound answers.

In the next sections there will be discussed the topics that were interviewed as well as the themes and perspectives that arose during the interviews. The topics discussed in the sections and the answers from the interviewees were selected as highlights and according to the relevance and importance from the researcher's point-of-view.

4.2.1 Remote working and perceptions

The first theme that was discussed in the interviews were the start of remote working. The interviewees were asked to go back in time when the strong recommendation for remote working started. They were asked to describe their perceptions and the possible preconceptions towards remote working. Most of the interviewees had rather neutral opinion and attitude towards the change and felt that it is something that they just have to adapt to even though most of the interviewees did not have any previous experience working remotely.

I1 states: "There weren't really any preconceptions, although I haven't worked remotely before. It felt like the world was suddenly changing a lot, so you just had to go along. I didn't have time to think about it that much, but I had positive feeling towards it."

I2 states: "Back then, I was a new employee, so I had bit terrified feelings. But in the other hand, I thought I would get more time in the days and work commuting would be avoided. However, it was a bit scary that no one was physically present to help me as the first half of the year I was still learning. On the other hand, help was always available for example, via Teams and e-mail."

I3 states: "There were no preconceptions or fears about working remotely. I have worked remotely before being employed by this company and have had home office as well. Therefore, there was nothing new to me."

It can be said, that according to the interviewees, the sudden change to remote working affected the employees a bit differently depending on their previous experience and according to their level of competence. That is, on the other hand understandable and the employer has the responsibility to ensure that everyone receives the needed support and encouragement to adapt to the new situation. In addition to the answers above, I4 summarizes that it is convenient way of working so there were no preconceptions either.

Regarding the positive aspects and benefits of remote working there were various things pointed out by the interviewees. Firstly, most of the employees mentioned the difference between backgrounds noise and the effects of the noise in general. Working from home ensures more peaceful working space without any interruptions or disturbing sounds. It was also pointed out by I3 that the stress levels are lower during remote working compared in office work since home is a quieter space to work.

I1 comments: "What comes to my mind is being allowed to be at home in silence. The open office is a noisy place, so I immediately noticed that at home it is easier to concentrate. There were also fewer interruptions and the communication worked through Teams..."

Secondly, practical benefits were mentioned by most of the interviewees regarding commuting and saving time which ensured more time free time. I1 said that it also gave possibility to do housework during breaks from work. As a result, the leisure time was then spent more on taking care of one's own well-being and exercising or being with a child and meeting friends.

I1 comments: "The flexible working hours made it possible to start working early at home and take a break in the middle of the day, for example, to work out or go for a run... also the state of alertness remained better after getting a little break during the day. Flexibility and scheduling your own work were also more possible during teleworking."

As mentioned in the section 2.5. regarding the employee engagement model, one of the main aspects were support and scope. There were mentioned, that the support by the line managers maintains and builds the relationships of trust on a personal level which enhances engagement. It can be seen from the answers, that the employees need and

value social support which includes identifying individual's needs and interests. Attention paid to employee's wellbeing as well as the control and support of the supervisors from the daily workloads and involvement affect positively to the employee engagement. Employees value that they are provided by space to take responsibility and being proactive.

There were also pointed out other practical benefits regarding reductions of absences especially in the current situation as the pandemic is still present.

I4 comments: "... if you feel little sore in the morning, you can work from home because you don't want to infect others but are still able to work."

Lastly, the possible challenging aspects regarding remote working were asked from the interviewees. All the employees mentioned the technical issues at the beginning, which however, were solved and avoided later. It seemed that there were no critical challenges that had to take into consideration which is positive. In addition, thoughts about the physical and social aspects were mentioned by the interviewees.

I2 comments: "... but perhaps the ergonomics meaning having a really good workplace at home, and that too, is an employee's own responsibility which may not be supported by the employer. If I was constantly working remotely, I would also invest in my own workplace at home."

I4 says: "Small laptop screen compared to two screens at the office might be a challenge as we have lot of programmes open at the same time" ... "not seeing co-workers reduces sociality."

4.2.2 Communication and atmosphere

Working remotely requires more emphasis on communication which is important in terms of efficient working and the flow of information. The interviewees were asked about their experiences regarding communication between team members as well as supervisors. All the interviewees seemed to have slightly different experiences.

I1 says: "It was challenging at first. Even though at the office things were communicated via Teams, some things were forgot to be mentioned in Teams when working remotely. As a result, there were things left unsaid because no one can see what you're doing at home..."

I3: states: "I think remote communication was much more abundant compared to the office. There was less job-related communication as people were working independently at home. Communication, however, was mostly about what everyone does (tasks). At the office there are not so much communication."

According to the section 2.5, effective communication by the organisation, management and cooperation needs to be aimed to ensure employees sense of being valued and involved. On the other hand, the non-existence of involvement such as feeling behind or being ignored are unwanted situations among people in the organisation. Luckily, the lack of communication or other negative concerns were not mentioned by any interviewee.

I1: "At the beginning (of remote working), team leaders tried to communicate more and take into account that for some people it was more challenging at first to work from home alone" ... "you always had to react on Teams with a smile is someone commented something. It felt like they were there so there weren't a feeling that everyone was sent home on their own and try to survive. The maintenance of team spirit was tried to consider even remotely."

I2: "... I remember several times that the team leader has made a Teams call to ask how I was doing and at the same time see each other."

4.2.3 Work-life balance

Another important topic was work-life balance and how did the interviewees experience the effect of remote working. As discussed in the section 1.1, the new ways of working due to the Covid-19 outbreak has enabled more flexibility and freedom to adjust the same work input but in a different environment. Furthermore, maintaining the work-life balance has acquired whole new meaning as the line between home and work is erased. Without a doubt, all the interviewees experienced positive effects regarding their work-life balance and found it easier to regulate these two.

I1 comments: "Remote working has definitely improved it. I almost don't come up with anything bad about working remotely. There is no need to spend time on commuting, no need to spend money on a monthly ticket when using transport..."

I2 says: "Even two extra hours a day is lot of time"

I3 says: "It was significantly more balanced compared to being at the office."

The answers from the interviewee demonstrate that remote working does have a significant role in employees' working ability and the balance between work and free time. Even few hours that can be used daily for maintaining wellbeing undoubtedly might have long-term affects to employee motivation and resilience. In the section 1.1 it was stated that due to the improved work-life balance both employee and employer gain. Employer gains more productive workforce and the usage of facilities increase which is cost-effective. Employees, however, can benefit for better work-life balance which thereby increases job satisfaction and motivation as well as organisational commitment.

4.2.4 Teamwork and support from supervisors

One of the important aspects from the employee motivation point-of-view is the importance of teamwork and support from supervisors. It is emphasized when working remotely as all the communication is done virtually. Lack of face-to-face interaction effects both positively and negatively. The interviewees pointed out the importance of communication and paying extra attention to it. In addition, it was mentioned that the changes in remote working policy during the fall caused mixed feelings among employees which temporary lead to dissatisfaction and thereby negative atmosphere. I2 pointed out, that employees should get rid of ongoing complaining and the absences can also affect the tense atmosphere.

I1 states: "Of course, there could always be room for improvement in that you always send a message when changing the task or if you have training and other exceptions as it affects in the bigger picture."

I2 comments: "I think we are doing well. Sometimes there may be some people who might say a negative comment or complain and provoke which may cause a bad atmosphere. I personally find it very stressful."

I3 comments: "Increasing communication such as textual communication, which, of course, can never be too much."

Regarding received feedback and support from supervisors, all the interviewees experienced that the support has been enough and there were no areas of development mentioned. This is, of course, positive and it can be said that the supervisors have succeeded in this area. Furthermore, most of the interviewees experienced that they do not need any extra feedback from their work which on the other hand depends on a person how much it

is needed. Taking initiative independently and seeking for help was also mentioned in the answers.

I2 states: "I feel like I have. It depends on a person, especially the new ones will definitely need more remote contact, encouragement, and of course, feedback in general. I don't feel like I didn't get any feedback from my supervisor, and I didn't need any more either."

As discussed in the section 2.2 regarding intrinsic motivation, achieving improvements in work motivation requires initiatives by line managers such as encouraging people and giving reasonable amount of autonomy and freedom to the workers. The line manager's role is to master and support. What comes to engagement, the relationship with the line manager is one of the factors which defines how the employees feel about the organisation.

In addition, it was mentioned in the section 2.5 that it also defines the employee's commitment and willingness to release discretionary effort. Furthermore, one of the drivers of employee engagement in section 2.6 is feedback which states that line managers should provide direct and clear information about the effectiveness of employees' performance.

4.2.5 Motivation and efficiency

Considering the topic of this research, the employee perceptions and thoughts about their motivation and efficiency during remote working is one of the most essential areas to investigate. Most of the motivating factors were already mentioned in the previous questions above considering autonomy, improved work-life balance and saving time during the day. It seems that remote working does have several benefits and its effects on many areas.

I1 states: "Definitely the fact that you can do your work in peace. You can also pause your work, of course taking consideration your task. I see it so that the employer also trusts its employees which is also one aspect if given the opportunity to work remotely."

The interviewees were also asked if there were unmotivating factors considering remote working. All the employees did not find any crucial factors that would have decreased their motivation. Although, the already mentioned technical difficulties at the beginning might have been affected negatively, but it was not considered as constant unmotivating factor. Some of the interviewees mentioned the fewer human contacts as a social person. However, the employees were always allowed to come to the office when they wanted, even

though they did not have so called office week. Nevertheless, there was always conversations going on via Teams which enabled socialization.

I1 comments: "The situation could be different if you never had to go to the office. It may feel like am I really even at work or am I home alone working hard."

I4 comments: "There is really no reason why I couldn't work from home. I didn't come up with any unmotivating factors, though I'm excited about this job, so it doesn't matter whether I have to go to the office or work from home."

It was also considered relevant to examine did the interviewees feel more/less productive when working remotely. As discussed in the section 1.1 working remotely requires careful managing so that it enhances rather than worsen the productivity and quality of work. There was also mentioned the concerns regarding different personalities and the suitability of distance-collaboration. The interviewees had slightly different opinions, some felt more productive when working from home and some experienced being equally effective.

I1 states: "I feel that I've been more efficient. It feels like in the office the hurry is present all the time and you can feel the pressure when talking on the phone with a customer. Also, seeing the queue status in front of you which creates the feeling that I have to be even more effective which creates that pressure."

I3 comments: "Yes, I feel that when you're allowed to work in peace without distractions, you can concentrate more deeply and attentively. To me, these two are indicators of effectiveness in being able to finish a task at once without having to restore and fix it."

4.2.6 Development targets and suggestions

The interviewees were asked if there are some tools from remote working that they would adapt into office work. The researcher was aiming to find out if there were any development ideas by the interviewees that could be implemented in everyday work. In addition, the possible ideas would be presented to the commissioner as propose for a new solution. I2 thinks that already mentioned quiet and calm workspace at home is valued by employees. Although, at the office there is the possibility to book meeting rooms if a job requires

more focus and peaceful environment, but of course, taking others into account, if there are lot of meeting going on etc. There was also mentioned efficiency related factors.

I1 says: "The fact that remote working increased the advantage taken from the help guides which thereby increased the courage to make independent decisions. There was not always someone right next to you asking how to do something. It helped a lot."

Nevertheless, it was not relatively easy question to answer which is on the other hand understandable. The solutions are not self-evident and as the results have shown so far, remote working is considered efficient and great way of working. Naturally, all the tools and practises are not directly applicable to office work. However, great idea was suggested by I3 that has potential to be implemented in the future.

I3 comments: "One solution could be that when a lot of work has done on a laptop during remote work, the office could have workstations with two screens and a laptop dock at each workstation. The laptop acts as a work device and people could choose the workstation from anywhere and install the laptop in the dock."

I4 says: "There are no technical conditions for working in one location do I don't personally feel that it is modern. Working in one particular place is very old-fashioned thinking. Especially in today's world it is more actual and in the future."

4.2.7 Summary

The purpose of the interviews was to get better understanding about employee motivation and engagement from the employee point-of-view. By conducting the interviews, the researcher can do further interpretation based on the answers.

Based on the answers it can be concluded that remote working has rather positive than negative effects towards motivation. The beginning of remote working caused mixed feeling; some were used to work remotely whereas some did not have any previous experience. However, all the interviewees had the same attitude which was adaption to the situation to the best of their ability.

There were several benefits mentioned and the most highlighted ones were wellbeing, work-life balance and autonomy related. In addition, the effect of working environment

was considered important as there is significant difference between home and the office. That is something that would be valuable to take into consideration when working at the office as well. Minimizing the unnecessary noise and conversations can have significant impact on overall comfort and more motivated and efficient workforce. The interviewees did not find out any critical challenges that have been faced during remote work. Although, there were technical related challenges mentioned that do not impact in long-term as they are already solved.

Thoughts about support from the supervisors and changes in team spirit arose among the interviewees. As discussed earlier, remote communication requires more attention to be paid as face-to-face interactions are non-existent. Although, the interviewees were relatively content to the contribution of the supervisors. However, there were different experiences considering the team spirit during remote working. Here again, it is important to maintain the positive atmosphere regardless of sudden changes in work policies.

Regarding of the changed ways of working, it was considered old-fashioned to work only in one location. The remote working is seen as modern solution which do not bind people in one place but brings more flexibility and possibility to build a suitable working environment. The use of hybrid model was suggested and supported among the interviewees.

To conclude the summary from the interviews, the researcher found the conducted interviews rather successful. The gained knowledge and getting broader understanding from the employee point-of-view is considered as valuable information as a part of the study.

5 Discussion and evaluation

The final chapter of the thesis discusses the key findings and presents the recommendations for future research. Lastly, the researcher's evaluation about the learning process and reflections regarding the thesis.

5.1 Key findings

The aim of the study was to find out how does remote working affect to employee motivation and engagement. The objective was also to find out how does the changed ways of working due to the pandemic impact employees' perceptions and what is the role of managers. There were two research questions based on the objectives mentioned above that also determined the theoretical framework of the thesis. The research questions were:

How does the change into remote working affect to the employee motivation and engagement?

What are the positive/negative impacts of remote working among employees after the change?

It was self-evident that the sudden change into remote working required effective management and supervising by the employer. There were employees with different experiences regarding remote working, some were used to work remotely whereas some did not have any experience. In addition, new employees needed to adapt to the situation and be prepared that they had no one physically helping or supporting. However, based on the answers the employees did have rather positive attitude at the beginning. Therefore, it can be concluded that the line managers have coordinated their employees well and no one felt uncertainty or fear. As discussed before, the role of line managers and their support encourages the employees to face changes and builds trust.

The researcher was aiming to find out the impacts of remote working to the employee motivation and engagement. According to the answers, the employees found remote working positive and motivating. There were several benefits mentioned which increased their efficiency and overall resilience when working from home. That was relatively positive and confirmed the researcher's assumptions. Autonomy & mutual trust, work life balance and being treated as individual were part of the factors discussed in the theoretical framework section regarding engagement. Those were also mentioned several times by the interviewees which demonstrates the interpretation and validity of the research.

According to the study, the employees did not find out nearly any negative impacts of remote working. There were, however, few things mentioned such as lack of social interacting and work ergonomics. According to the Maslow's hierarchy of needs (Erdogan & Bauer 2012), social needs such as belonging and interpersonal attachment are fundamentals of human motivation. That demonstrates that the literature goes along with the results from the study which creates validity. The feeling of togetherness and bonding are crucial especially now when the pandemic restricts social contacts. Therefore, the employees working from home experience lack of these needs which might impact negatively to their motivation.

The study found out that unbalanced employee well-being can have crucial impacts to motivation and efficiency at work. The effect of Covid-19 pandemic has limited the possibilities of social contacts and physical well-being. Restricted human interactions and physical activities such as exercising worsen their motivation and overall well-being. The interviewees argued that remote working enables the fulfilment of the physiological needs or at least makes it easier to fulfil. In the background and literature review these aspects were discussed which as well demonstrates the similar findings.

It was interesting to see that remote working was adopted rather quickly and efficiently by the employees as it demonstrates the ability of human being comply with extraordinary situations. It can be concluded that the long-lasting Covid-19 pandemic and the changed ways of working has normalised remote working and it is seen as standard working method. The interviewees requested hybrid-model to be implemented permanently. It can be demonstrated that working only at the office is seen old-fashioned and not as modern way of working.

In conclusion, it was also interesting to see that the answers of the interviewees are relatively compatible with the theoretical framework introduced earlier. The interviewees recognized different needs regarding motivation and engagement and were able to discuss the impacts in more detailed. That demonstrated the validity of the interview questions as they supported the theoretical framework. The researcher sees that the research questions and objective was answered, and the results were desirable.

5.2 Recommendations for future research

This research was conducted as a qualitative study during fall 2021. Four people from customer service department were interviewed, and the analysis was based on their answers for further interpretation. However, it would be interesting to hear answers from a

larger sample meaning that more employees would have been interviewed. The researcher may gain more perspectives and broader view about the employees' perceptions and experiences.

Another interesting viewpoint would be the long-term impacts and possible changes in the employees' opinions and attitude. If the time and resources of the researcher would allow, the study could be continued in the longer term. Interviews could be held several times at regular period. As the recommendations regarding remote working have changed several times in Finland during the pandemic, also the employees' viewpoints may change.

As mentioned, this research followed the qualitative research method. However, the research could just as well be done quantitatively. Larger sample would be gained, and the numbers and figures would be easier comparable if the further research would be conducted. Although, from the researcher point-of-view it might require more attention and precision when planning questionnaire for the employees to ensure the desirable answers.

5.3 Learning process and reflections

The thesis process started initially in October 2021. I was aiming to finish the thesis in February-March 2022, as I did not want to put too much pressure and try to graduate in December 2021. I was working at the same time which also created some limitations. At the beginning, there were some challenges regarding the thesis topic. Fortunately, with some brainstorming and help of my thesis supervisor I came up with an idea. First, I questioned my choice of the topic, but by the time it felt more relevant and most importantly, it genuinely interested me. In addition, as mentioned at the beginning, I had personal experiences regarding remote working which affected the interest in the topic.

There was a Gantt-chart type of schedule created particularly for the thesis process which helped me to get started and I was able to set my own deadlines. I highly recommend doing that and would definitely use the same method if I had to write master's thesis for instance. However, there were ups and down's during the journey and I did not manage to do some steps on time. Especially, during the halfway of the process there were some breaks when I did not write the thesis at all. Despite of that, I managed to find my inner motivation back and started to work on harder. I realized that writing and conducting this type of study requires persistency and motivation. It is also important to know that there will be difficult moments and it tests your motivation and willingness to complete the study.

This was the first time for me to conduct such research. Despite this fact, I managed to create a thesis which included the core aspects, empirical study, and the analysis of the

results. Without a doubt, it has required a lot of research and self-initiative. Especially, the theoretical framework took the most time and effort. The internet and libraries are full of literature and studies regarding these topics. The challenge, therefore, was to find out the most relevant sources that could be included in this research. Another challenging section in the thesis was the empirical part including the interviews. Luckily, it turned out to be successful and I am content with the results.

All in all, this has been challenging but very rewarding process. I have deepened my knowledge in the topics discussed in this thesis as well as learn more about research projects. Despite the challenges along the way, I am proud of myself for finishing the thesis according to the set schedule and good results.

References

Armstrong, M. & Taylor, S. 2017. Armstrong's handbook of human resource management practice: Building sustainable organisational performance improvement. 14th edition. London: Kogan Page.

Bauer, T., Erdogan, B. 2012. An introduction to Organisational behaviour.
<https://2012books.lardbucket.org/pdfs/an-introduction-to-organizational-behavior-v1.1.pdf>.
 Accessed: 29 October 2021.

Bridger, E. 2014. Employee engagement, 1–17. URL: <https://www.proquest.com/docview/1811046367/fulltextPDF/51D1AF6A167F4137PQ/1?accountid=27436>.
 . Accessed: 26 November 2021.

Deci, E. L. 2010. The self-determination theory perspective on motivation in organisations. URL: <https://hstalks-com.ezproxy.haaga-helia.fi/t/1755/the-self-determination-theory-perspective-on-motiv/?business>. Accessed: 27 October 2021.

Felstead, A., Henseke, G. 2017. Assessing the growth of remote working and its consequences for effort, well-being, and work-life balance. URL: <https://onlinelibrary.wiley.com/doi/full/10.1111/ntwe.12097>. Accessed: 5 October 2021.

Finnish Government 2020. Government agrees on national and regional recommendations to prevent spread of COVID-19 epidemic. URL: <https://vnk.fi/en/-/government-agrees-on-national-and-regional-recommendations-to-prevent-spread-of-covid-19-epidemic>. Accessed: 7 October 2021.

Flick, U. 2007. Designing qualitative research.

Forbes. 2020. Digital Transformation Benefits Beyond Cost Reduction. URL: <https://www.forbes.com/sites/peterbendorsamuel/2020/08/03/digital-transformation-benefits-beyond-cost-reduction/>. Accessed 22 December 2021.

Hatry, H., Newcomer, K., Wholey, J. 2015. Handbook of practical program evaluation. URL: https://www.researchgate.net/publication/301738442_Conducting_Semi-Structured_Interviews. Accessed:

Holbeche, L., Matthews, G., Matthews, G. 2012. Engaged: Unleashing Your Organisation's Potential Through Employee Engagement

Hunter, P. 2018. Remote working in research. *Embo reports*, 20, 1.

Joint Research Centre. 2020. Telework in the EU before and after the COVID-19: where we were, where we head to. URL: https://ec.europa.eu/jrc/sites/default/files/jrc120945_policy_brief_-_covid_and_telework_final.pdf. Accessed 22 December 2021.

Liu, Y., Parker, S., Qian, J., Wang, B. 2020. Achieving Effective Remote Working During the COVID-19 Pandemic: A Work Design Perspective. *Applied Psychology*, 70, 1, 16–59.

Maison, D. 2019. *Qualitative marketing research: understanding consumer behaviour*. 1st edition.

Mangia, K. 2020. *Working from home*.

Marwick, C. & Robertson-Smith, G. 2009. Employee engagement: A review of current thinking. URL: <https://www.employment-studies.co.uk/system/files/resources/files/469.pdf>. Accessed: 10 January 2021.

Maslow, A. H. & Frager, R. 1987. *Motivation and personality*. 3rd ed. New York: Longman.

Miller, G. & Dingwall, R. 1997. *Context and method in qualitative research*. London: SAGE.

Ministry of social affairs and health. 2021. URL: <https://stm.fi/en/-/10623/government-recommends-remote-work-in-areas-in-the-community-transmission-phase-until-further-notice>. Accessed: 22 December 2021.

Myers, J. L., Well, A. D., Harrison, P., Harrison, R., Kimmins, S., Lorch Jr, R. F. & Woolley, T. 2010. *Research design and statistical analysis*. Routledge.

Newell, R. & Burnard, P. 2011. *Research for Evidence-Based Practice in Healthcare*. 2nd ed. Hoboken: Wiley.

OECD 2021, 48. Implications of remote working adaption place-based policies.

Provitera, M. J. 2012. *Mastering Self-Motivation*. New York: Business Expert Press.

Ruohomäki, V. 2020. Miljoona suomalaista loikkasi etätöihin. URL: <https://www.ttl.fi/miljoona-suomalaista-loikkasi-etatoihin/>. Accessed: 7 October 2021.

Saldaña, J., Leavy, P. & Beretvas, N. 2011. Fundamentals of qualitative research.

Sobel Lojeski, K., Reilly, R. 2020. The power of virtual distance: a guide to productivity and happiness in the age of remote work. 2nd edition.

Stanfor, N. 2018. Organization design. 3rd edition.

Taylor, S. J., Bogdan, R., DeVault, M. 2015. Introduction to Qualitative Research Methods. John Wiley & Sons, Incorporated.

The European Commission's science and knowledge center 2020. Telework in the EU before and after the COVID-19: where we were, where we head to. URL: https://ec.europa.eu/jrc/sites/default/files/jrc120945_policy_brief_-_covid_and_telework_final.pdf. Accessed: 5 October 2021.

Walliman, N. S. R. 2010. Research methods: the basics.

World Health Organization. 2021. Coronavirus disease. URL: https://www.who.int/health-topics/coronavirus#tab=tab_1. Accessed 22 December 2021.

YLE 2020. Ylen kysely: Yli miljoona suomalaista siirtynyt etätöihin koronakriisin aikana – heistä noin puolet haluaa jatkaa etätöissä koronan jälkeenkin. URL: <https://yle.fi/uutiset/3-11291865>. Accessed: 7 October 2021.

Appendices

Appendix 1. Email cover letter

"Hi!

I am currently working on my thesis as a part of my Bachelor studies regarding employee motivation and engagement toward remote working, and what kind of tools could be implemented in office work. Therefore, with the help of Team Leads, I have planned interviews in which I would like to interview our employees and one person from each customer service team. So, I would like to ask if you are interested to take part in an interview as part of my research?

The interviews will be held as soon as possible, but of course depending on your own tasks and schedules. The duration of the interview is about 45 minutes including 15 questions, and I can send the question in advance. Since the interview is rather long and the purpose is to get comprehensive answers and good discussion, the purpose is to record the interview so that it would be more efficient for me to go through the answers. I hope this is fine for you. The answers will remain anonymous, and the recording will only be for my own use.

Thank you in advance and I will be happy to tell you more about the research!

*Best regards,
Carmen Antonio"*

Appendix 2. Interview questions

Employment

1. What is your role/position? *Missä roolissa työskentelet?*
2. How long have you been employed in Resurs Bank? *Kauanko olet työskennellyt Resurs Bankissa?*

Remote working

3. When did you start to work remotely? *Milloin aloitit etätyöskentelyn?*
4. What were your thoughts when starting to work remotely? Did you have any pre-conceptions towards remote working? *Mitä ajatuksia etätyön aloitus herätti? Oliko sinulla mitään ennakko-oletuksia etätyöskentelyä kohtaan?*
5. What are the positive aspects of remote working? *Mitä hyötyjä olet huomannut etätyöskentelyssä?*
 - a. Challenging aspects? *Haasteita?*
6. How do you see the communication between you and your team members when working remotely? *Miten koet kommunikation sinun ja tiimiläistesi kesken etänä?*
 - a. Communication between team members and supervisors? *Kommunikaatio tiimiläisten ja esimiesten välillä?*
7. How has the remote working affected the team spirit and work atmosphere? *Onko etätyö vaikuttanut työyhteisösi tiimihenkeen ja työilmapiiriin?*
8. How has the remote working affected your work-life balance? *Miten etätyö on vaikuttanut työn ja yksityiselämän väliseen tasapainoon.*
9. What are the tools from remote working that you would like to adapt into office work? *Mitä etätyössä käytettäviä työkaluja voitaisiin soveltaa myös lähityössä?*
10. What kind of development targets do you see in remote/office working within your team? *Millaisia kehityskohteita näet tiimilläsi olevan lähi- etätyöskentelyssä?*
11. Have you received enough feedback/support from your supervisor during remote working? *Koetko, että olet saanut tarpeeksi palautetta ja tukea lähiesimieheltäsi etänä?*

Motivation

12. What motivates you during remote working? *Mikä motivoi sinua etätyöskentelyssä?*
 - a. Anything that unmotivates you during remote working? *Onko jotain joka epämotivoi sinua etätyöskentelyssä?*
13. Do you feel more/less productive when working remotely? *Koetko, että olet tehokkaampi/vähemmän tehokkaampi työskennellessäsi etänä?*
14. What would increase your motivation regarding office work? *Mikä lisäisi motivaatiasi lähityöskentelyä kohtaan?*
15. Any other thoughts regarding remote working? *Muita ajatuksia etä-/lähityöskentelyä kohtaan?*