

STOCKHOLM SCHOOL OF ECONOMICS
BACHELOR THESIS IN BUSINESS AND ECONOMICS

IS REMOTE WORK THE FUTURE OF FINANCE?

**A qualitative study of employee productivity
in remote working settings in financial services companies**



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Abstract

Through a qualitative study, this thesis investigates how remote work impacts the productivity of financial industry professionals. During the COVID-19 outbreak the world went into a lockdown, culminating in a shift to remote work. The financial services industry was studied because of its proclivity for continuing remote work even after the COVID-19 pandemic lockdown, and the thesis is based on a sample of nine respondents from the industry, four of whom are leaders and five of whom are employees/subordinates. Employee productivity is a critical component of an organization's success and it is influenced by a variety of factors. The Job Characteristics Model and prior literature on various aspects of productivity form the theoretical foundation of the thesis, which together construct a conceptual framework that is used to comprehend and analyze how productivity was affected when COVID-19 forced the financial services industry into a remote working setting. The findings are inconsistent, it is difficult to establish whether productivity has increased or decreased. Nonetheless, the following conclusions are drawn: new and junior employees' productivity decreases as they struggle to acquire and build necessary skills, whereas senior employees' productivity appears to grow in the remote environment. Furthermore, mental illness and the changing form of collaboration have negative effects on productivity. Finally, work-life balance has been found to increase with flexible working schedules, and as a result, increase productivity. This thesis provides organizations with information regarding the effects of remote work on employee productivity as a basis to help financial services organizations better manage their operations in order to capitalize on available possibilities in the field.

Keywords: Remote work, Employee productivity, Financial services company, Job Characteristics Model, COVID-19

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Presentation

May 2022

Bachelor Thesis in Management (619)

Bachelor Program in Business and Economics

Stockholm School of Economics

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Acknowledgements

To begin with, we want to thank our supervisor, Lena Lid Falkman, as well as the members of our seminar group for their continuous useful input and helpful guidance during the writing process. We would also like to express our sincere gratitude to all of the financial services employees who took part in our research and shared their experiences and perception in the field of study. Finally we would like to thank Laurence Romani for sharing insights within the management study field and for providing guidance during the research process. Thank you!

Stockholm, May 2022

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1. Introduction

1.1 Background

The World Health Organization (WHO) reported the emergence of the COVID-19 pandemic on March 11th, 2020. Due to social distance restrictions, all forms of group gatherings were forbidden, and WHO urged that companies employed remote work to prevent the virus from spreading (Bouziri et al., 2020).

Despite the fact that remote employment was a precautionary measure taken during the COVID-19 pandemic, certain advantages have been recognized (DeVerter, 2020; George, 2021). With the increased extent of digital communication and technological solutions, the business world has become more globally reachable. Furthermore, remote work has been proven to be cost effective in terms of lower office expenditures with less traveling (George, 2021). Above all, some employees have preferred working from home as it is more comfortable and it allows them to spend more time with their family and reach a healthier work-life balance (Knight, 2022).

The financial services industry has been found to be an industry suited for remote work, as well as the one with the least productivity loss due to the shift (Madgavkar, Lund et al., 2020). While firms across all industries will presumably become more digital in terms of virtual meetings and less travel even after COVID-19, financial institutions such as JPMorgan and UBS already have strategies in place for employees to be able to work from home (Nguyen, 2022). Nonetheless, even while remote work in the financial industry is convenient and has tangible benefits, it is important to consider the implications of the actual employee job performance and productivity.

1.2 Prior research

Researchers have conducted studies on remote work since long before the pandemic outbreak. (Olsson, 1983; Beckmann et al., 2017; Monteiro et al., 2019; Dutcher, 2012). In 1983, Olson examined the behavioral, organizational and social issues related to working remotely (1983). Later on, Beckmann et al. examined the impact of self-managed working time and how it can decrease effort due to a loss of control (Beckmann, Cornelissen et al., 2017). Monteiro et al. studied remote work's correlation with firm labor productivity, with firm size and research activities as variables (2019). Similar research has also been done on the difference in productivity levels between creative and dull tasks in a telecommuting environment (Dutcher, 2012).

As a large part of society has been forced to work remotely during the past two years, the volume of remote employees has expanded dramatically, reaching previously unheard-of levels. Consequently, the authors notice a gap in qualitative research on how this remote work revolution has influenced employee productivity in the financial services industry.

1.3 Purpose and research question

The aim of this study is to get insights on how remote work has affected the productivity in employee's work in financial services companies. The purpose is also to investigate whether it is found to be more productive working in a home setting than in an office space.

As evidenced by literature, there are conflicting views on the subject, with remote work being found to both increase and decrease employee productivity (Bloom et al., 2015; Mas et al., 2009; Madgavkar et al., 2020). During the past years more and more companies are moving towards a remote work policy, especially for financial services companies. Therefore, it is found to be important to comprehend the implications of remote work on employee productivity. The purpose is also to investigate whether it is found to be more productive working in a home setting rather than in an office space. Consequently, the thesis research questions is:

How does working remotely affect employee productivity in financial services companies?

2. Literature review

2.1 Productivity

The concept of productivity is not an uniform universal concept, there exist several definitions, suitable for different contexts. (Bain, 1982; Belcher, 1987; Björkman, 1992; Anjum et al., 2018) This complicates the use of the terminology, both in practice, and theoretically.

Bain (1982), defines the terminology as an organization's resource capital's (labor) contributions to the organization's overall goals, and Belcher (1987) further researched the measurability of those contributions. Belcher claims that productivity can be measured both quantitatively and qualitatively since the concept is influenced by a variety of elements, including organizational objectives, strategies, staffing procedures, processes, and reporting.

Anjum et al. (2018) defines productivity as a measure of an individual's efforts to convert input resources into output, i.e. it calculates the amount of time spent on a desired task when limited resources are provided. It is also asserted that the term has no constant operational definition as it varies greatly based on context and culture, and that job productivity may thus be judged fairly through quality considerations. Even from a more mathematical standpoint, Björkman (1992) defines productivity as the ratio of output to input of factors of production, and discusses the importance of different contexts when measuring, as well as the importance of analyzing each specific situation for the most appropriate definition. In this thesis the definition of productivity is in line with all mentioned scholars in the sense of input and output variables, however, to provide one clear definition of the study it will align with Anjum et al (2018)'s definition.

Productivity, in this thesis, is defined as: *the amount of time spent on a desired activity that an employee is expected to do with a certain level of quality, while working with limited resources*. The targeted activity and resources vary based on the firm and the employee's position in the organization. When evaluating the defined productivity, the authors regard and emphasize contextual aspects and their importance in measuring productivity. There are a variety of contextual factors to consider, with remote employment being one of the most significant in this thesis.

2.1.1 Factors affecting productivity

Various factors affect the improvement of employees' productivity. For instance, skills is one of the employee-related factors that has been frequently discussed as a factor supporting increased productivity. Training leads to the acquisition of new information and abilities, which leads to increased productivity. (Dermol et al., 2013; Maminuna et al., 2013). Other firm-related factors that have been identified include management support, training culture, and organizational climate including work-life balance. (Mathis et al., 2016). Finally, scholars appear to believe that communication and cooperation are positively linked to productivity (Armstrong, 2012; Mahapatro, 2010; Staudinger et al., 2008).

Based on the findings of various researchers that studied the factors that contribute to employee productivity, this study identifies and focuses on the three most debated contextual determinants of productivity for further investigation: employee skills, work-life balance, and cooperation.

2.1.1.1 Employee skills

Maimuna et al. (2013) presents a lot of prior research that have been performed on the correlation between employee training and productivity, where the training has been found to be invaluable in increasing productivity of organizations. Improvements in working skills have been found to enhance the performance of the individual employees, as well as constructive changes (ibid). Kenny (2019) shares the belief that the most significant element of employee productivity is training. Training

improves employees' knowledge and abilities, helping them to efficiently cope with new everyday job-related hurdles and, as a consequence, enhance their job performance. (Hale, 2002; Armstrong, 2012). Furthermore, employees with more on-the-job experience tend to perform better since their skills and competences improve as a result of additional experience. Employees, the organization, and their effectiveness all benefit from training and development (Divya & Gomathi, 2015).

2.1.1.2 Work-life balance

Work-life balance, according to Kalliath and Brough (2009), is defined as satisfaction and performance at work and at home, with minimal role conflicts. Work-life balance concerns finding the appropriate level of balance between work and outside work arrangements, as well as, feeling comfortable with both work and non-work related commitments. Work-life balance is directly related to concerns including employee productivity, performance, and job satisfaction, and flexible work schedules have been demonstrated to improve job quality and productivity (Kalliath & Brough, 2008). According to a study by the Federal Reserve Bank, having a good work-life balance enhanced productivity by 10.6% (2013).

2.1.1.3 Cooperation

Evidently, productivity is not just dependent on the specific individual and individual efforts. Interactions are used to create the conditions essential for securing the collaboration required for productivity increase (Mahapatro, 2010). Staudinger et al. (2011) states that efficient communication and teamwork in the workplace boost productivity at all levels. It facilitates information exchange by ensuring that all workers are aware of their responsibilities within the business. Additionally, a cooperating environment supports resolving certain problems in the organization and faster feedback and information exchange equates to quicker improvement (Staudinger & Glück, 2011).

2.1.1.4 Summary of the factors affecting productivity

To summarize section 2.1.1, research has shown three frequently debated variables that increase productivity:

- Employee *skills* have a favorable impact on productivity for skill improvement to boost individual worker performance.
- *Work-life balance* and flexible working hours have been demonstrated to positively correlate with productivity and boost employees' level of performance.
- *Cooperation* has been shown to promote productivity through facilitating information exchange, and increases innovation within organizations.

2.2 Financial service company

The financial services industry is the primary driver of a country's economy as it is the sector that enables the free flow of capital and liquidity in the marketplace (Silver, Attiksson et al., 2021; Phaneuf, 2022). Using Adam Hill's (2022) definition of the term, this thesis defines a financial service company as: “a business or company which manages, invests, exchanges, or holds money on behalf of clients.”

2.3 Remote work

Remote work is defined as: *employees performing their work from a location other than an office operated by the employer* (Gartner, 2022). The big rise of remote work became significantly visible first in the year 2020 during the global COVID-19 pandemic (Belzunegui-Eraso & Erro-Garcés, 2020).

2.3.1 Remote work and productivity

Researchers at Stanford University explored virtual work programs and employee productivity even before the COVID-19 pandemic (Bloom, Liang et al., 2015). The researchers ran a nine-month controlled study at the largest travel agency in China. The researchers split a sample population with similar qualifications into two groups: home-based workers and office-based workers. The study results showed that the home-based workers had a 13% increase in productivity, a \$2,000 savings per employee, and staff attrition was half that of office-based workers (ibid).

According to another study conducted by Stanford University, remote employees are 35-40% more productive than the in-office colleagues at the firm. The majority of office workers say they are distracted at work because of workplace sounds and interruptions, and studies suggest that noise alone may cost up to 86 minutes every working day, and it takes an average of 23 minutes to restore complete attention following an interruption. Additionally, because office grounds transmit a lot of illnesses, remote employees lose less time on sick days (Knight, 2022).

According to a survey conducted by Mayor et al. (2008) of Federal Government employees in the United States who work remotely, 60 percent of employees reported that the flexible arrangements increased their performance. Furthermore, working from home also has beneficial consequences on individual performance. This can be seen from an increase in job satisfaction, an increase in the assessment of supervisors and an increase in performance records (Gajendran & Harrison, 2007). Additionally, working from home has been proven to improve performance, particularly in terms of autonomy, work-family balance, and workplace stress (Peros Khan et al., 2018). Nevertheless, remote work has also been found to reduce synergies and peer effects that in general boosts productivity (Mas & Moretti, 2009). Additionally, employers have discovered that various collaborative contacts, such as

crisis management, which is strengthened by physical contact, as well as teaching, and cooperation in general, are less effective when conducted remotely (Madgavkar, Lund et al., 2020).

However, there are also downsides of remote working regarding employee performance. According to a survey by the American Psychiatric Association (2021) a majority of remote employees experience negative mental health impacts, including isolation, loneliness and difficulty getting away from the job by the end of the day. (Robinson, 2021). Moreover, employees with anxiety and depression experience a 35% loss in productivity (McClean Hospital, 2021).

2.3.2 Remote work and work-life balance

Employees that work remotely have the freedom to select where they wish to work (Kalliath et al., 2009). This means that remote work affects not just the task completed but also the time around the actual working hours, such as transportation to and from work, lunch options, and breaks. Remote work can have a favorable influence on employees' psychological well-being and motivation. It enables employees to have calmer lives in both dimensions, where work can be integrated in a balanced and healthy way, and *work-family conflict* can be handled in the meantime (Kalliath & Brough, 2009; Monteiro, 2019).

Owl Labs and Global Workplace Analytics surveyed 1,202 full-time, U.S. workers and found that 71% of remote workers say they are happy in their job, compared to only 55% of office workers (Hart, 2019). Research from Princeton shows that family relationships are the biggest contributor to human happiness and health, and commutes provide the opposite. A 20 minute commute has shown to have an equal negative effect on job satisfaction as if getting a 19% salary decrease, and 25% have to quit their job simply because of the commute to the office (Knight, 2022).

Grant, Wallace, and Spurgeon (2013) conducted qualitative research on remote workers and discovered that they suffered from overworking, which had a detrimental influence on their well-being. However, the same survey discovered that remote employees valued the freedom to work whenever they wished, particularly when connecting with people in other time zones or scheduling family duties. Even when they were working, the distant employees appreciated being among their families. Working remotely makes it more difficult to quit work when the working day is completed, according to the study (Grant, Wallace et al., 2013).

2.3.3 Remote work in the financial services industry

During the past two years of the COVID-19 pandemic there have been several studies conducted on the results of remote work in the financial services industry (PWC, 2021; McKinsey, 2020; Deloitte, 2020). McKinsey (2020) examined over 2000 distinct tasks inside 800 occupations in nine different countries to see which industries and activities are most suited for remote work. Updating information, engaging with technology, thinking creatively, and communicating were among the tasks highlighted, all of which required minimal engagement with colleagues and clients. Given the result, the financial and insurance business was discovered to have the lowest productivity loss.

2.3.4 Executive- vs employee perspective

PWC (2021) conducted a study on financial services businesses in remote work and discovered that remote work and productivity are positively correlated. Almost 80% of the executives polled in the survey answered that work from home did increase, or at the very least maintained, the employees' productivity. The employees in question were satisfied with work and felt remote work to be beneficial. Before the COVID-19 pandemic, only around a third of the 'executives' had a majority of personnel working from home, but afterwards at least three-fifths of the workforce did. The vast majority of people were in favor of it, with some even desiring for it to be a full-time alternative (Caglar, Couto et al., 2021).

Nonetheless, many executives believe that physical workspaces have value and are critical for maintaining a company culture. While many employees have found remote work to be advantageous to their productivity, the majority of executives feel physical offices are still required to maximize employee productivity and cooperation (PwC's US Remote Work Survey, 2021). PWC has created two lists that illustrate the top four advantages of working in an office, one from employers' perspective and one from employees' (*see Table 1*). Employers put "increasing employee productivity" at the top of their priority list, nevertheless, productivity was not mentioned among the employees' answers. Employees, on the other hand, perceived physical work as incremental when it came to e.g. cooperating and procuring equipment (Caglar, Couto et al., 2021; PWC's US Remote Work Survey, 2021).

<i>According to employers</i>	<i>According to employees</i>
<ol style="list-style-type: none"> 1. Increasing employee <i>productivity</i> 2. Providing a space to meet with clients 3. Enabling employees to collaborate effectively 4. Enabling our company culture 	<ol style="list-style-type: none"> 1. Collaborating 2. Accessing equipment or documents securely 3. Meeting with clients or colleagues 4. Training and career development

Table 1: Respondents most frequently answer the question of the purpose of an office (PwC's US Remote Work Survey, 2021).

3. Theoretical framework

3.1 Job Characteristics Model

Proposed by Hackman and Oldham (1974), the Job Characteristics Model (JCM) describes five core job dimensions leading to three critical psychological states, resulting in work-related outcomes.

1. *Skill variety*: *Skill variety* relates to the amount to which the job allows employees to use and develop a *variety of skills* to perform a range of tasks.
2. *Task identity*: The degree to which a worker is in charge of the outcome of a completed project is referred to as *task identity*. People are more likely to feel satisfied with their work if they can claim responsibility for the end product.
3. *Task significance*: Whether a worker's employment has a significant impact on the work or well-being of others. When people believe that their activities are *significant*, they tend to feel like they are having an impact on their environment.
4. *Autonomy*: *Autonomy* refers to a person's control over their own employment and how they should carry out their responsibilities. Autonomy has been found to enhance not only motivation but also productivity.
5. *Feedback*: The model's final core dimension is *feedback*, in which people learn how productive they are at work.

Workers experience three different psychological states as a result of these five fundamental job dimensions: they experience their work as *meaningful*, they feel *responsibility* for the outcomes, and they gain *knowledge* of the outcomes (see Figure 1). These psychological states result in improved total job satisfaction, internal motivation, enhanced productivity, and fewer absenteeism and turnover (Bauer et al., 2010; Batchelor et al., 2014).

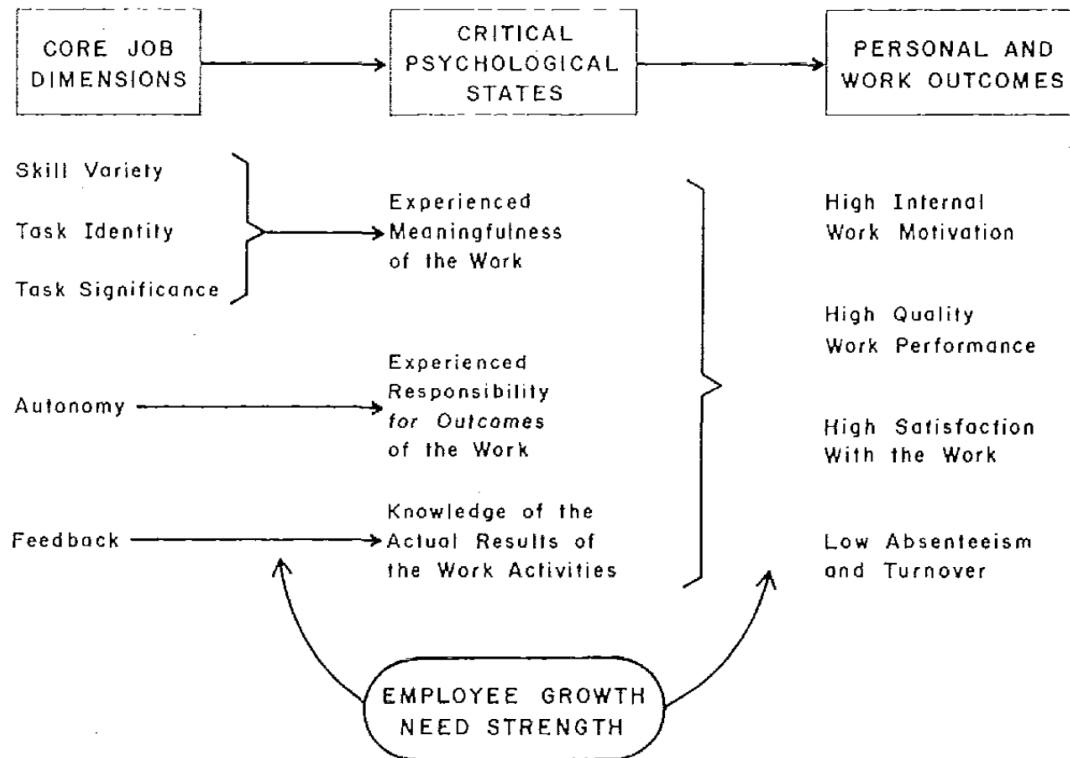


FIGURE 1. A theoretical model relating the core job dimensions, the critical psychological states, and on-the-job outcomes (as moderated by employee growth need strength).

Figure 1: Job Characteristics Model by Hackman and Oldman (1974).

3.2 Use of model

During the COVID-19 pandemic context, several job characteristics and settings have been forced to reshape, which is likely to have impacted both the psychological states as well as the motivation and productivity outcomes. By using JCM the impact of these changes on work performance will be analyzed.

3.2.1 Conceptual framework

According to the literature reviewed, employee productivity is influenced by three important aspects: employee skills, work-life balance, and cooperation. The model of Hackman and Oldman indicate similar relationships, but with the inclusion of two components not frequently mentioned in the literature. This thesis will exclusively address employee productivity, hence the *five* fundamental job aspects from the JCM will be condensed down into *three*. The three factors are:

Skill: As the literature research suggests, Hackman and Oldman (1974) sees a positive correlation between working *skills* and productivity. The model connects working skills with positive outcomes, including increased motivation and performance.

Autonomy: The *autonomy* of the job is a key component of the work-life balance that comes with remote employment. Working from home and having flexible work hours entails a great deal of responsibility, one is in control of the set-up of one's own work.

Feedback: While most tend to associate *feedback* with one-way communication between an employee and their supervisor, this model broadens the definition, implying that feedback may come from a variety of sources and take different forms. Nonetheless, the relationship between feedback and work performance may appear to be more controversial, where the mere presence of feedback is not enough to motivate employees to perform better (Kluger & DeNisi, 1996). This implies that it is not always the feedback itself which affects performance, but rather the communication exchange, or, in other words, teamwork and cooperation.

The model's core dimensions may be analyzed separately and do not have to be combined to reach certain psychological states. Additionally, the work outcomes are effects of the core job dimensions, and as the psychological states are not relevant to the research question, this middle step will not be included in the framework of the study. In Hackman et al's model, the job dimensions have four possible work outcomes. However, not all of them are relevant to the research question. Because of its clear connection to productivity, *High Quality Work Performance* will be the only outcome investigated in this study to keep the focus on productivity. Due to this simplification, the analysis of this study's empirical data will be concentrated on productivity only, which will make it easier to address the research question.

The several core dimensions, as well as the various outcomes, are separate pillars with individual implications. A reduction in the number of dimensions and outcomes will have no influence on the remaining ones since they are assessed individually. That is, the simplifications are only for the purpose of emphasizing and clarifying which parts of the model are essential to answering the research question.. Furthermore, the authors believe that the prior research on productivity described in section 2.1 supports the framework's simplification since it shows comparable outcomes.

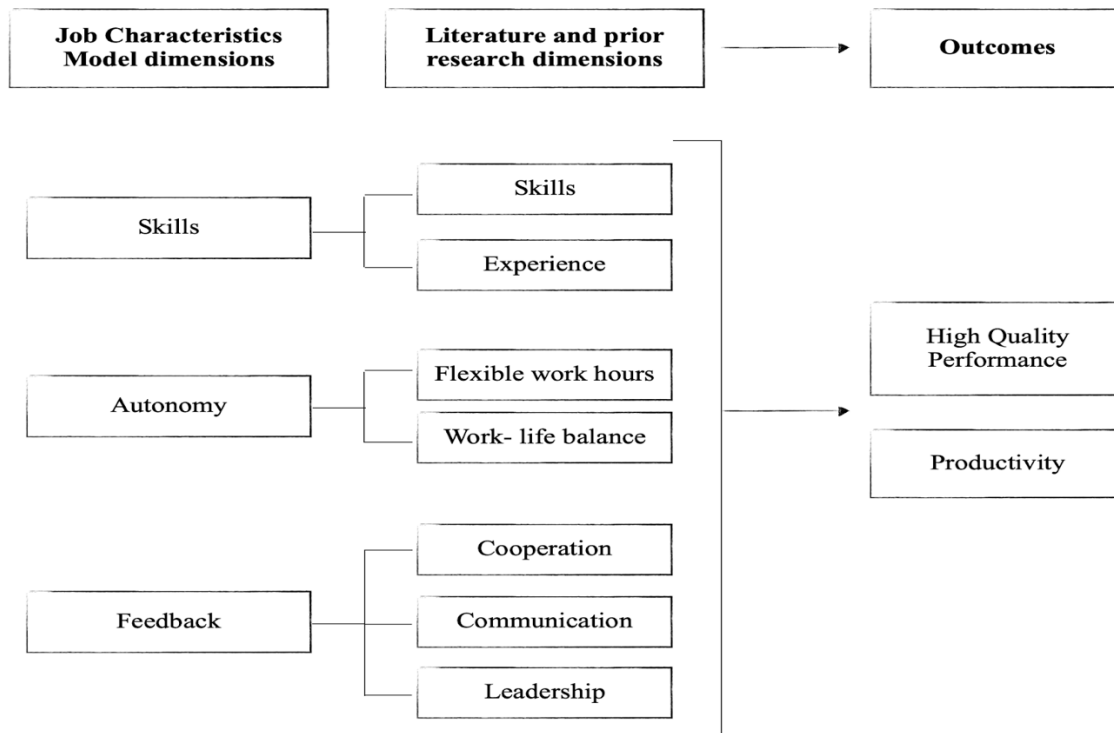


Figure 2: Conceptual framework by Taofik & Boström (2022), inspired by Hackman & Oldman (1975).

Figure 2, which serves as the thesis' conceptual framework, is a modified version of Hackman's model, in which the authors used the JCM as a reference point, and supported with external research to make modifications to better suit the research aim and objectives.

3.3 Theory discussion

The theoretical foundation for the study is based on the chosen model with enhancement from prior research presented in the literature review. The literature adds a pragmatic dimension to the model and highlights the most relevant aspects in modern day productivity. As seen in Figure 2, the JCM's pillars are connected to the comparable factors from the literature and prior research. The different dimensions will be used as a lense to analyze the empirical material of the study. Even though the JCM was developed 1975, the model has been actively used in modern research regarding job characteristics. The continued relevance signals its appropriate use in contemporary research.

The authors are conscious that the theoretical framework has certain limitations, the first shortcoming being that JCM is frequently used as a model of employee *motivation*, which might be argued to be unrelated to the research. However, the model was established to examine and improve employees' *work*, not merely their *motivation*. The major purpose is to evaluate how job changes influence

employees' mental states and results, such as motivation and productivity (Sashkin 1982; Batchelor et al., 2014). As a result, JCM is used in this research to describe how a job shift, to remote work, affects productivity. Lastly, the theoretical framework does not describe the terminology of productivity. It describes aspects that impact productivity but not how to interpret the concept. To address the possibilities of ambiguity in the definition and other factors impacting productivity, the literature review thoroughly explains the terms.

4. Research design and methodology

4.1 Methodology approach and fit

4.1.1 Epistemological and ontological considerations

This thesis took a constructivist ontological and interpretivist epistemological approach. It was founded on interpretivist epistemology, which was appropriate for comprehending how and why things happen in a social context (Bryman & Bell, 2015). The interpretivist approach is based on the premise that the researcher is a participant in the study, interprets data, and can not be fully impartial and detached from the study (Hayes, 2018). People develop their own understanding and knowledge of the world, according to the constructionist ontology, by experiencing things and reflecting on them (ibid). This approach gave the authors permission to evaluate the context when analyzing and making meaning of individual productivity experiences rather than relying on the collected data's objective reality.

4.2 Research design

Case studies are defined as in-depth practical analyses of contemporary occurrences and are used to better comprehend real-life phenomena in natural settings (Gaikwad, 2017; Yin, 2014). The single case study design used in this study has been criticized for its methodological rigor, the subjectivity of the researchers, and external validity (Verschuren, 2003; Edmondson et al., 2007). Despite this, the authors concluded that there is a positive trade-off with using the design at hand because it helps in understanding the relationship between phenomena, context, and people. This case study was employed in abductive reasoning, which entails a back-and-forth interaction with the chosen literature and the social environment (Bryman & Bell, 2015). An abductive method of research uses preliminary analytical frameworks and ideas from existing literature to guide the study while enabling concepts and frameworks to develop and grow along the process (Bell et al., 2019). Theory and empirical evidence were generated in tandem and iteratively in an ever-changing process.

4.3 Data selection and collection

4.3.1 Selection of the firms and participants

This study was based on interviews with nine employees, at various organizational levels and with different seniority levels (senior/junior), from four distinct financial services firms of varied sizes in Stockholm (*See Table 2*). Junior roles are defined as employees who were hired during the pandemics, or shortly before. In order to identify suitable firms, the authors established two selection criterias. The organizations needed (1) to be financial services companies with offices in Stockholm and (2) employees that had experiences working remotely in the previous six months.

The interview participants were chosen using a purposive sampling strategy, which means that they were chosen based on their relevance to the research (Bryman & Bell, 2015; Silverman, 2021). Snowball sampling was utilized, meaning that participants were chosen in agreement with the company's contact person that verified that the requirements were satisfied and that selection bias was minimized. The respondents were contacted by email (*see Appendix 1*).

No.	Respondent	Company	Company position	Date of Interview
1	Adam	Company A	Leader	2022-02-17
2	Albert	Company A	Employee (senior)	2022-02-22
3	Agnes	Company A	Employee (senior)	2022-02-22
4	Bengt	Company B	Leader	2022-03-01
5	Beatrice	Company B	Employee (junior)	2022-03-01
6	Bella	Company B	Employee (junior)	2022-03-04
7	Carl	Company C	Leader	2022-03-01
8	Cecilia	Company C	Employee (senior)	2022-03-09
9	David	Company D	Leader	2022-02-22

Table 2: Overview of the participants and firms of the research.

4.3.2 Primary data

Interviews were chosen as the primary data collection as they allowed the researchers to capture not just the *what*, but also the *why*, of interviewees' perspectives. The data was collected in February and March 2022, with a total timespan of three weeks.

The number of participants was not determined in advance; rather, the authors opted to conclude the interview procedure once sufficient data had been obtained and no more data had been discovered. In qualitative case study research, this is frequently believed to be the optimum way of determining the number of participants (Bowen, 2008; Hallin & Helin, 2018). Since no new codes emerged in two interviews, the authors believed saturation had been achieved after nine interviews. Further, the authors met resistance through canceled interviews due to the 2022 Russian invasion of Ukraine, which affected the work of two potential interview prospects. Instead of postponing the interviews, the authors chose to cancel all further interviews to reduce the chance of external factors affecting the empirical results. This is in line with Diener and Crandall's (1978) ethical principle *avoidance of harm*, where the authors wanted to avoid the stress of the potential interviewees, further discussed in section 4.4.5 (Lee & Saunders, 2017).

Semi-structured interviews allowed researchers to gain a deeper knowledge of diverse viewpoints and understandings of processes while also expressing personal opinions around the key phenomenon (Bell et al., 2019; Silverman, 2021). One disadvantage of semi-structured interviews is that the openness of the format makes it difficult to compare various interviews (Bryman & Bell, 2015). Regardless, it was deemed adequate in terms of supplying the study with sufficient information.

The interview guide (*see Appendix 2*) was developed based on the research questions and theoretical framework. To encourage discussion and more in-depth responses the interview outline was kept as open as possible. Interviews were performed in Swedish due to the idea that it would make respondents feel more at ease and eliminate potential language difficulties (Baumgartner, 2012). As a result, the empirical data supplied was translated from Swedish to English. When there has been no direct translation, the authors have made subjective assumptions to best optimize the respondents' message in the quotes.

The interviews were conducted over video-link with both of the authors present, one leading and one taking notes and following-up with clarification questions. Online interviews have the disadvantage of being more difficult for reading body language (Bryman & Bell, 2015), however, due to video meetings facial expressions and some body language could still be detected. (Hallin & Helin, 2018). The social distancing restrictions due to COVID-19 further restricted the authors to conduct physical interviews, which also explains the choice of the digital design.

4.3.2.1 Coding of data

Each interview was transcribed shortly after the interview, then coded and evaluated to synthesize the most important interpretations of the data. Coding and thematic analysis, based on the *Grounded Theory framework*, involved evaluating the data to find "repetitions, parallels, metaphors, and differences" (Bell et al., 2019; Birks & Mills, 2011). Locke (2001) claims that this framework is effective at capturing complexity, tying interviewees to their situations, and presenting an alternate vision of reality due to its open-ended data-gathering technique.

From the early data, the authors created as many codes as possible based on frequently mentioned explanations (Birks & Mills, 2011). Using axial coding, the various concepts were defined and sorted into categories by arranging the most relevant aggregate dimensions, shown in Figure 3 below (ibid). There were a total of 45 codes discovered that resulted in ten themes, which led to the four mutually exclusive core categories of the thesis; *organizational changes*, *individual changes*, *productivity*, and *other outcomes*.

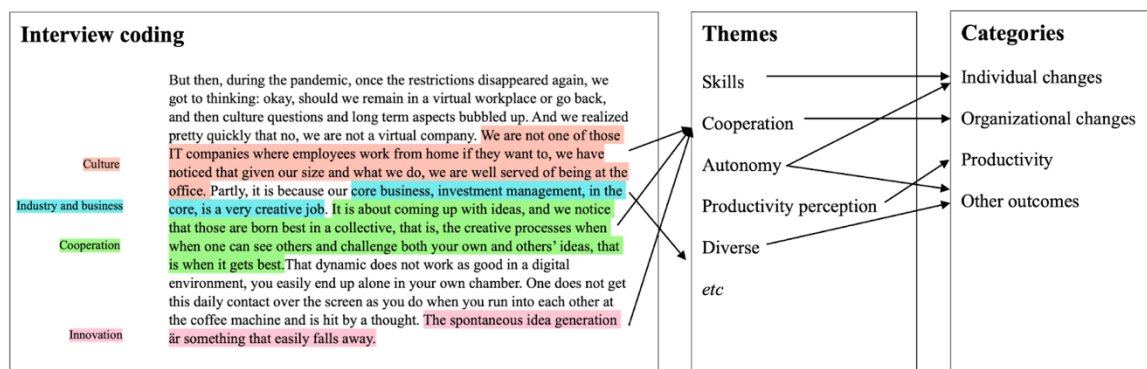


Figure 3: Illustration of three-step interview coding of the research.

4.4 Method discussion

This thesis used Lincoln & Guba's (1985) well-established quality standards, credibility, dependability, confirmability, and transferability, to assure the reliability of the results. (Lincoln & Guba, 1985). As the number of respondents was relatively small, and confined to Swedish operations only, the conclusions could appear rather generalized, and the transferability can be questioned. However, the study's particular setting and limitations have been highlighted, allowing future researchers to assess if the findings can be applied to comparable scenarios.

4.4.1 Credibility

The collection of empirical data in natural settings has the potential to increase credibility (Bryman & Bell, 2015). Due to the COVID-19 pandemic, it was not feasible to interview the respondents in their

offices, however, video interviews allowed interviewers to sit in a familiar area, meaning that a natural atmosphere may be regarded as attained. Another way to address the issue with the credibility of the data is by conducting member checks (ibid). The participants were given the opportunity to review the transcripts, and had the chance to provide further insights and clarification. Triangulation was also employed as both of the authors were present in all interviews, and co-wrote the paper (Bell et al., 2019; Korstjens & Moser, 2018; Lincoln & Guba, 1985).

4.4.2 Dependability

The procedure and method through which the study was conducted were detailed and transparently reported (Bell et al., 2019). Descriptive information was ensured in all phases of the research process, including issue formulation, transcripts from management and other employees involved, as well as supervisory input to further reinforce the report's dependability. The use of auditing techniques helped guarantee uniformity in the research process and presentation of the data (Bryman & Bell, 2015).

4.4.3 Confirmability

Confirmability is the degree to which the findings are free of figments of the authors and unaffected by their biases (Korstjens & Moser, 2018). Potential biases based on the authors' experiences, opinions, and values may have influenced the study's conclusion; however, it is difficult to quantify to what extent. In an attempt to reduce the authors' biases, data triangulation was applied. Furthermore, validity was constructed using data from a variety of sources (Yin, 2014). The questions of the interview guide were aimed to be unbiased and free of leading questions. The interviews' transcriptions and recordings were also accessible for auditing (Bell et al., 2019; Korstjens & Moser, 2018).

4.4.4 Transferability

The context in which the thesis is written has been made apparent to address issues of transferability (Bell et al., 2019; Korstjens & Moser, 2018). As the authors interviewed members of the same industry and interacted with both employees and leaders, the thesis' readers will be able to apply the results to their own organization in this niche. To determine whether these findings can be applied in a specific scenario, the readers are provided with information about the respondents' experiences, allowing them to determine whether the findings are applicable to their own circumstances (Bell et al., 2019; Korstjens & Moser, 2018).

4.4.5 Ethical considerations

The study has been conducted with consideration of the ethical principles of Diener and Crandall (1978) presented by Bell et al. (2019): avoidance of harm, informed consent, privacy, and deception

prevention. Through an email invitation regarding the research aim and implications of participation, the respondent voluntarily accepted the offer of an interview. Informed consent and privacy considerations were included in the data gathering and analysis to ensure the integrity of the work. Before the interviews began, the interviewees were asked for their consent to participate and to be recorded (*see Appendix 3*).

The interviewees were informed that all documentations would be deleted after the study has been finalized, and that the interview would follow GDPR guidelines of SSE. To ensure anonymity, all firms and interviewees were assigned pseudonyms throughout the study and in the internal working materials. Anonymity was granted to allow for open and honest discussion of sensitive matters such as business model changes, initiative failures, and organizational obstacles (Bell et al., 2019).

5. Empirical results

5.1 Organizational changes

5.1.1 Organizational results from the COVID-19 pandemic

In general, the perception has been that the transition to remote work has been seamless. David (leader) explained that he is *“Surprised over how smooth the transition {to remote working} has been, it has been the best two years so far.”*

Most of the interviewed firms had already established technical solutions for working remotely, which facilitated the transition. Bengt (leader) meant that: *“The pandemic has pushed forward a technological development that makes it much easier to work in that way {the remote way}”*. It was explained by several respondents, that with technical deficiencies the transition would have been more complicated.

5.1.2 Cooperation

An identified trend of the interviewees' perceptions was that some aspects of collaborations have been deteriorated. It is explained to be more difficult to synchronize smaller follow-ups remotely due to the unnatural way of communicating over digital platforms. Carl (leader) explained *“Physically you can get 30 seconds with someone regarding a quick task. But in a digital world you always have to match your calendars to put together a meeting.”* Bella (employee) mentioned: *“Normally people at the office will share ideas with us, or if they heard something on the market they would stand up and tell the whole office.”* Bengt also explained how physical collaboration increases the creativity among employees, more specifically he said: *“It is about coming up with ideas and we notice that it is best born in a collective, i.e., creative processes when you meet other people and challenge each other's ideas.”*

Nevertheless, a majority of the interviews claimed that meetings have been perceived to be more efficient, i.e less time consuming. To illustrate, Albert (employee) stated: *“Regarding work-related communication it has been more effective with chat functions [...] Communication is not a big problem, just lift the phone and call.”* Furthermore, both Adam (employee) and Albert explained that the collaboration is based on experience within the team. More specifically, Albert said: *“We have worked together for a long time, remote work has not negatively affected our collaboration. It can be hard with a new coworker as there can be barriers. But we {the more senior workers} are a self-playing piano.”*

5.1.3 Leadership

The leader's style of leadership has not been affected significantly. Carl stated: *“Employees should know their authority, because then they will make the right decisions. [...] It should not be noticed if the leader is away for a day.”* In other words, apart from the practical distinctions, Carl has not encountered any significant inconsistencies in his leadership, which he credits to the nature of his leadership. This experience was shared by both the leaders Albert and David, who further emphasized the relevance of the seniority of the employees, as they have more experience regarding their roles.

One can identify a pattern that leaders have implemented short frequent check-up calls with employees during the work days. Check-up calls seem to have filled the same function across various companies, a mixture between business-related topics as well as the employees well-being. According to two junior colleagues the calls have a positive effect on their work effort. As Agnes (employee) put it: *“it is a driving factor to finish something so that I have something new to mention and bring up during the meeting.”*

5.1.4 Difficulties in building culture

The junior workers agreed that emphasis needed to be put on the physical settings in order for them to learn about the intangible aspects of the company culture. Bella explained *“I have difficulties in understanding the culture when only working remotely. Instead, when meeting my colleagues in person, I can develop a whole new perception of the parts that make up the culture.”*

Difficulties in building culture with remote settings have also been identified by the leaders. Carl mentioned that: *“It is difficult to engage the newer employees with the culture as they are not aware of it”*. All leaders agreed that a physical setting is needed for culture to be taught and cultivated to newly hired workers.

“When I went to an afterwork with colleagues I learned a lot about the company from just hearing what other departments were doing. If you are working from home you are not going to message another department and ask what is going on in their department.” [Bella]

5.2 Individual changes

5.2.1 Skills

When asked about remote work's impact on the employees' skills, the perceptions differed depending on if the employee was a new hire or a senior employee at the company.

5.2.1.1 The skills of the new hires

It has been discovered that engaging and educating employees in more junior roles has become increasingly challenging with a remote working setting. As Carl put it: *“There is no opportunity to overhear conversations. People listen and learn, you hear others talk, and then you ask about it. Without overhearing, the learning curve loses frequency.”* It also appeared that less formal training has been undertaken in general.

Bella and Beatrice (employee), who were both hired during the COVID-19 pandemic, admitted the difficulty of learning from their coworkers when the physical interactions are limited. Bella explained: *“You have this time that you carved out for a specific meeting, but maybe you need to ask a small question that does not deserve its own meeting. At that point there is no one to ask.”* They both emphasized that online onboarding made them miss out on things such as “company lingo” that is frequently used by colleagues with office experience, which as well, has an effect on the learning.

5.2.1.2 The skills of the senior employees

Employees who have gained more job-related experience prior to the pandemic breakout have not been as affected, in terms of their performance and learning, by the shift to remote work. As Albert explained: *“We are senior people, and have structured processes from before Covid, where everyone knows what they are supposed to do.”* And David emphasized this by saying: *“We are senior enough that we do not have to be there {the physical office}. People do their job, and it becomes clear if they do not.”*

5.2.2 Preferences

Almost all participants admitted a preference of a hybrid style that combines remote work with presence at the office. Remote work seems to optimize work-life balance for some employees, and they get the freedom to perform their job tasks as they prefer. But at the same time, the respondents acknowledged

that remote work has negative social consequences. As Bella put it: *"A combination is the best, flexibility is everything!"*

5.3 Productivity

5.3.1 Respondents' own perceptions of productivity

When interview respondents defined productivity in their work the common definition is: the time it takes to complete a certain task, with the additional aspect of the quality. From their own definition of the term, the respondents were asked if they considered themselves more or less productive when working remotely. While all did not agree, there was a tendency of a perceived higher productivity with remote work. This is exemplified below:

"I think we work less and have a better output. This is due to two reasons:

- 1. Practical issues and set-up time goes away, such as going in between physical meetings and flying.*
- 2. A lot of the "background noise" naturally disappears. You become more selective with meetings and the meetings get more focused."* [David]

"I would say that productivity has increased. [...] If I look at what we have accomplished during these past two years, [...] I do not believe we would have had time to do as much if we would have been in the office." [Agnes]

5.3.2 Concentration

A typical belief of the employees interviewed was an increased ability to concentrate at home. Background noise at the workplace, as well as interruptions when colleagues approach, i.e. colleagues asking questions unexpectedly, tend to be a barrier to concentration, making the home setting more beneficial for concentration. Albert illustrated this: *"I believe I am more efficient from home, there is less noise and people around. [...] You do not get surprised by someone knocking on your back"*. However, personal differences appeared to play a role, with some respondents experiencing greater 'slackness' related to concentration when working remotely. As one employee interviewed stated: *"I can easily get distracted by Netflix and social media. [...] No one is watching you so you can do whatever you want."* [Bella]

A trend associated with remote work appears to be an increase in working hours. When working from home, the distinction between work and home gets more unclear, and the working hours are not as set. Bella explained: *"I extend my working hours and sometimes do some work at 10 PM while I would have left office by 6"*, which was similar to Agnes's experience: *"I do some things in the evening just because*

the computer is standing there. It is nice to get things done instead of waiting until tomorrow.” Remote work appears to lead to longer working days for most of the interviewees. This was explained to be due to the flexibility of being able to merge work and personal schedules, allowing for longer breaks to, for example, go for a run or pick up the kids from daycare. Nonetheless, negative consequences have been discovered as well.

5.4 Other outcomes

5.4.1 Work-life balance

The respondents agreed that remote work increases the work-life balance. All companies included in the study provided their employees with the equipment necessary for the remote work, and as Beatrice said: *“You can sit wherever you want and control when you work”*. It was found that employees get a high degree of independence and autonomy, which seemed appreciated. Most of the respondents indicated that a high contribution to their work-life balance is the flexible working schedule. Bella illustrated: *“I am able to coordinate a lot of stuff along with work when working from home, such as cooking and working out.”* Another important aspect of remote work and the flexibility is the time people seem to save on commuting. To illustrate an example, Bengt said *“A big advantage is that you can skip the commute, you can take it easier in the morning and start earlier and finish later.”* However, a risk identified with the increased flexibility is that it can become more difficult to separate between job and home. Albert said that *“It is more blurry what is the weekend and what is a weekday.”*

5.4.2 Mental health

Remote work was shown to negatively affect many employees' mental health. Social isolation and limited opportunities for physical interactions with colleagues acts as two reasons for this outcome.

“I think that research will show statistics of trauma and a higher share of mental illness. People need to meet other people to feel good and you need to get out of your house now and then. [...] It is easy to hide your well-being behind a screen, but if I see a person for 8 hours I get a feeling that something is wrong. Then we can talk about it and try to support them.” [Carl]

5.4.3 Sustainability

The overall perception was that a fully remote workplace is not optimal and sustainable. As Carl said: *“Let's say that we have a lockdown now and work remotely for two weeks. Nothing happens. But in nine months the productivity definitely goes down”*. Adam agreed and said that *“It is not sustainable with 'only' remote work.”* Opinions regarding the performance's sustainability seemed to be scattered. David

expressed uncertainty regarding the long term effects: *“It has been the best two years ever. The only thing we do now know is if there are any long term effects that we cannot see today. But, if there are any, I think we would have seen them by now.”* Agnes argued: *“I believe that the mix would be sustainable. The flexibility is valuable to remain balanced in life, but it is still important for the company that we are here as well.”*

6. Analysis

6.1 Skills

During this research, it has been discovered that engaging and educating employees in more junior roles has become increasingly challenging in remote working settings, due to physical constraints. Not only has less formal training been conducted, but both senior and junior employees have emphasized that the indirect training gained from overhearing is just as important, and has decreased significantly. Consequently, there is a reduction of the natural skills-training passed to, particularly, junior employees. In accordance with JCM and prior literature that emphasizes the positive correlation between employee skill and productivity, this development results in a decrease in employee productivity. Employees with more developed skills and senior roles have not been affected by remote work to the same extent as the junior workers related to their skill development. Based on the interviews, it can be concluded that employees with more advanced skills have a higher degree of perceived productivity than employees in junior positions.

6.1.1 Sub-conclusion

The theoretical foundation of this thesis emphasizes the importance of skills for workers to perform better and maximize productivity. The empirics suggest that the remote setting has decreased this opportunity, meaning that for employees with junior positions, training is perceived to be lower. A conclusion that is reasonable to draw is that remote work *decreases productivity* for junior employees based on the aspect of skills development.

6.2 Autonomy

6.2.1 Work-life balance

According to the study by Grant, Wallace, and Spurgeon (2013) it is argued that remote employees value their flexibility. This statement is supported by the findings of this study, which found that the interviewed employees appreciated the flexibility and work-life balance, and believed it to boost their

performance. Also in line with Grant et al (2013), the respondents have experienced more control over their job, resulting in a higher autonomy. While Grant et al discovered no direct connection between work-life balance and productivity, the JCM does suggest that having more autonomy over one's job boosts performance and in turn productivity.

According to the findings of the 2013 research study, the workers also suffered from overworking, which had a negative impact on their well-being. This outcome is in contrast to the findings of this study. Overworking has not been recognized as an issue; examples have shown that employees may even *prefer* working an extra hour to complete a task and avoid having to do it the next day. Consequently, even though employees work longer hours at home, their work-life balance is still considered substantially better.

6.2.2 Performance and preference

While senior employees embrace the flexibility of spending time with their children and the convenience with which they may solve the *life puzzle*, younger employees appear to miss out on the social component of working in an office. In contrast to this statement, senior employees, who favor remote work, simultaneously appear to believe that remote work is less sustainable in the long run. While the majority still advocate for hybrid, senior employees and managers have a stronger belief in the office's long-term viability. As shown in the PWC research (presented in section 2.3.4), there are disparities in the attitudes of leaders and subordinates. While the findings of this study suggest that leaders prefer having the employees in the office, there is no indication that subordinates share the same preferences as each other, once again, the differences between junior and senior employees appear more relevant.

6.2.3 Mental health

The empirics suggest that remote work might cause a rise in mental illness due to isolation. Employees can more effortlessly hide their mental health behind a screen, making it more difficult for employers to obtain a sense of their employees' well-being and provide support. In line with the survey by American Psychiatric Association (2021), increased distress about the employees' health has been identified during the interviews, and the empirical material suggests that remote working has had a significant negative impact on the employees' well-being and performance at work.

6.2.4 Sub-conclusion

It can be concluded that increasing the work-life balance leads to increased autonomy and, as a consequence, increased productivity. This thesis is unable to establish any obvious linkages between overworking hours and productivity, other than that it does not seem to have any direct harm to it. Also,

there are tendencies that senior employees appreciate remote work more than junior employees, even though the flexibility is appreciated by more than a majority. Finally, there has been a noticeable social isolation issue, which has significant negative consequences on employee productivity, according to both empirical evidence and earlier studies.

6.3 Cooperation

In line with Caglar, Couto et al.'s (2021) research, the respondents believe that collaboration increases their performance. During a remote working setting, collaboration has been indicated to become worsened, as it is explained to be more difficult to synchronize smaller follow-ups remotely due to the usual unnatural way of communicating over digital platforms. Collaboration has also been identified to depend on the experience within the team. Employees with more experience with their team, have had an easier journey in collaborating remotely, compared to teams with newer changes in team composition. As it is established by both the respondents and prior literature that collaboration does affect productivity, and because a remote working setting increases the difficulty of collaboration, there is a connection to decreased productivity. It can be argued that both individual's experience and the team's experience together impact this level.

6.3.1 Feedback

A trend that seems to extend to all companies interviewed is the implementation of more frequent checkups and scheduled feedback sessions with the employees from managers. Even though these sessions are frequent, it does not replace the casual and more *everyday support*. As seen in section 5.2.1.1, issues that would have been discussed or inquired about during physical encounters may not be raised or asked during virtual communication because they do not appear to be critical enough for planned meetings. This indicates that a lot of new ideas and perspectives are lost when people communicate digitally and on a timetable, resulting in a lower innovation for the company, in line with Staudinger & Glück's findings regarding feedback building.

6.3.2 Culture

Due to the lack of informal connection, managers have fewer opportunities to influence workers' beliefs and conventions during remote work and to support them when having trouble. According to the literature review, employers value physical offices as purposeful as they enable company culture. Employees feel less linked to one another, and the organization, during remote work since meetings are shorter and communication is less natural. While some employees appear to think digital meetings are more efficient and time-consuming, the lack of social connection makes it difficult for firms to express goals and objectives that employees should associate with.

6.3.3 Sub-conclusion

When there is insufficient communication, natural collaboration declines, having a hampering effect on productivity. Employees with senior positions feel a stronger organizational identification than those with junior positions, probably as they already have established relationships and influence. Idea creation gets limited when all communication and feedback are scheduled and culture-building is suffering as a consequence.

7. Conclusion

7.1 Answer to the thesis question

The authors have investigated how remote working impacts productivity using qualitative research. The empirical data was studied through the lens of the study's theoretical framework to gain a better understanding of the occurrences. This approach has been described and explained to address the research question of the study, which is: *How does working remotely affect employee productivity in financial services companies?*

- It is increasingly difficult for junior employees to learn and develop necessary job skills, which has a detrimental impact on their productivity.
- The senior employees' skill set appears unaffected, and their productivity has grown as a result of the improved work-life balance.
- Remote work increases risks of mental health issues, having a negative effect on productivity.
- The nature of cooperation has changed. While most evidence suggests that the change has negative implications on productivity, more experienced teams believe communication to be more effective.
- Less disturbance at home increases concentration and, as a result, productivity.
- Employees prefer flexible work schedules, which has a positive impact on employee productivity.

While this study enables inferences to be drawn on specific areas of productivity, it is ambiguous to give a straight answer whether remote work has a favorable or negative impact on total productivity. Various productivity components might have been negatively impacted, nonetheless, this study has been unable to quantify how much each component weights as personal qualities, employee seniority, and other circumstances further adds dimension to the discussion.

7.1.1 Discussion

Using the theoretical framework of the study, it was discovered that remote working has an impact on all three aspects of the framework; employee skills, work-life balance, and cooperation. An expanded version of the theoretical framework is provided below to integrate the empirical findings of this research (see Figure 4). Rather than establishing any causal relationships, the expansion focuses on providing the contextual elements that have been explored and either *support* or *limit* productivity when working remotely.

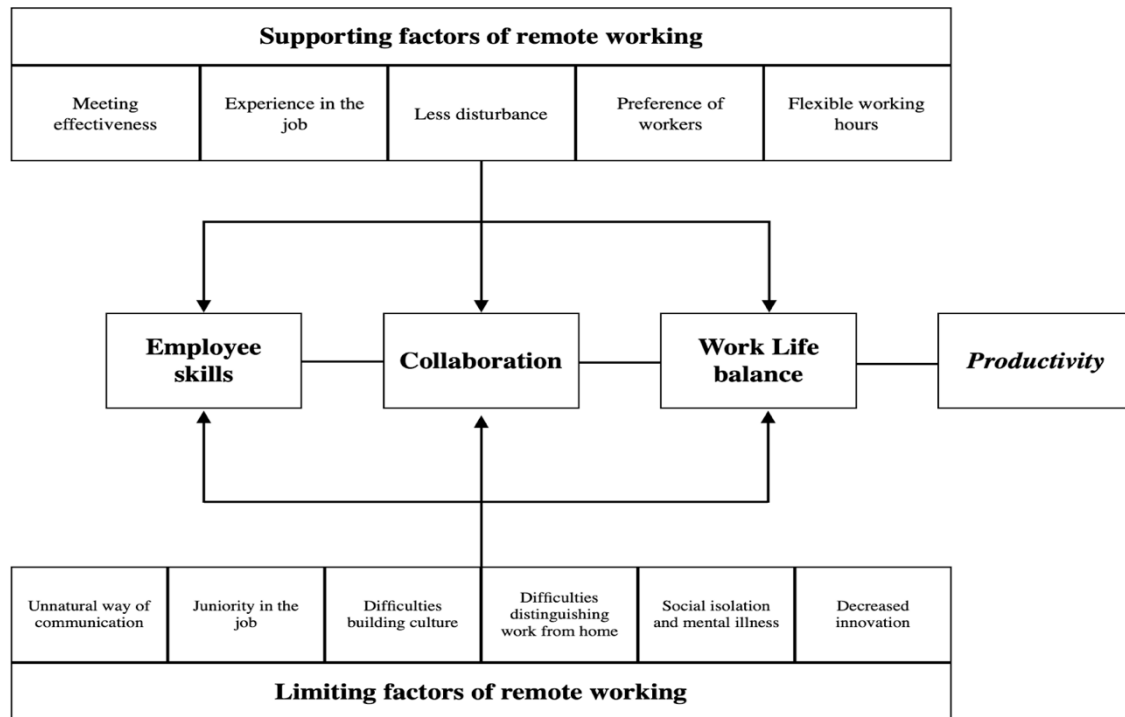


Figure 4: Expanded version of theoretical framework (Figure 2) by Taofik & Boström (2022).

A significant theme that has emerged from this research is the disparity in productivity between junior and senior employees. Working from home appears to mostly benefit senior employees' productivity, whereas it hurts the learning curve and output of younger employees. While it may appear to be the ideal solution for increasing everyone's productivity by having seniors work from home and younger workers work from the office, senior employees must be present for the advantages of office work to be utilized for junior employees. This presents the intriguing issue of which option improves productivity the most, or which at the very least, hinders it the least. For companies' long-term development the junior employees get trained since they one day will turn into senior employees and are essential assets for the firm. Consequently, perhaps the right solution is the hybrid approach used by certain firms, in which all workers go into the office on the same days of the week and work from home the remaining days.

7.1.2 Contributions and implications of this study

7.1.2.1 Theoretical contribution

Employee skills, work-life balance, cooperation, and remote work are among the four areas of productivity research that have been examined in this study. Furthermore, the study adds to the field of productivity development research by applying JCM to a new context; remote working, as well as extending its methodological application to determine how tasks should be organized to maximize employee productivity. Several of the findings drew the same links between contextual elements and productivity as previous research, but with the added lense of how remote work plays in. This study has resulted in much-needed advancement regarding discrepancies in productivity between junior and senior employees. Although this thesis showed it to be the most essential part of the productivity assessment, it is a topic that is rarely discussed in productivity research.

7.1.2.2 Strategic implications

Although it is unclear how work arrangements will change in the future, flexible work arrangements are projected to become increasingly common in the financial services industry. This study may help practitioners enhance their ability to create conditions in their enterprises that support current or future transitions to remote working arrangements, and as employee demand for remote work grows, this will be important to stay competitive as an employer. The identification of *supporting* elements in the context might provide helpful information on how they can be leveraged to boost productivity further. By identifying *limiting* factors, practitioners can improve their ability to provide necessary assistance and tools to minimize contextual restrictions, such as allowing for spontaneous meetings or relationship building. To illustrate an example, businesses must guarantee that their IT infrastructure can accommodate the changing working habits. Additionally, team members would ideally be introduced to frequent face-to-face formal and casual meetings to ensure that working from home does not feel isolating.

Employees who currently work from home may benefit from mentoring or other training programs where they can get new perspectives and enhance their skills. Because junior workers may not fully integrate with the organization's corporate culture and principles, practitioners should establish weekly physical office days with all employees to assist the junior ones in integrating. To eliminate the uncertainties, businesses might develop a well-defined plan for working from home, encompassing availability, performance, data security, business ethics, and peer connections. In sum, if remote work is considered, managers should establish clear guidelines for remote work, integrate regular skill training, invest in technology to improve communication among colleagues, set limitations for overworking, and work against social isolation.

7.2 Limitations

This study is limited to financial services company offices in Stockholm, which limits the transferability of the result and may not be the most representative respondents for answering the research topic at hand. The research is also based on interviews with representatives from four firms, with distinct characteristics, e.g. policies, culture, and resources. This might impose difficulties in drawing direct conclusions regarding the findings. Furthermore, interviewing employees from a range of positions, departments and firms may have presented a fragmented image of the phenomena that were researched, as it was not meant to compare various groups within the sample. However, the range of perspectives gathered allowed for a comprehensive understanding of how productivity is perceived in remote working settings.

Additionally, regardless of anonymity, productivity is often an area of work on which employees are assessed, thus there is a chance that information may be withheld or answers will be biased. Productivity is further difficult to define since it has different meanings to different individuals and may vary depending on industry, organization, and nation, among other things, and the outputs of productivity are frequently intangible. However, to reduce the risk of various interpretations of productivity, the authors presented a definition to the interviewees during the interviews.

7.3 Suggestions for further research

The authors wish that this study will spark more research on the topic of remote work, allowing others to dig deeper into diverse organizational circumstances. To improve the transferability of the study, further research on remote work and productivity, with a larger sample of financial services employees, from a broader geographic area, could be useful in increasing variation and revealing additional experiences. Furthermore, future research could delve deeper into the topic by taking into account other factors such as the size of the company, its age, and the sort of financial service it provides, as well as contextual factors that could affect productivity. Finally, because the research was done during the COVID-19 pandemic, the examined firms and their employees were obliged to adopt remote working techniques. The study's findings may therefore have been impacted by the study's forced nature of remote working and other societal issues during the pandemic. Further, it takes a rather short-term perspective of the objective. Future research could therefore examine the effects of remote working on productivity based on a longer period to gain insights into long-term effects.

7. Appendix

Appendix 1. Email to prospective interview subjects, translated into English

Hi [XX],

My name is [XX], and I am in my third year of my bachelor's degree in Business and Economics at the Stockholm School of Economics with my classmate [XX].

We are currently working on our bachelor's thesis in management, in which we will examine how remote work influences employee productivity in financial firms. It would be interesting to hear [XX]'s perspective on this, therefore we would like to set up an interview with you. Of course, all interviews are completely anonymous!

The interview findings, combined with earlier research, will form the basis for our thesis, which will draw conclusions regarding how remote work affects both managers' and employees' perspectives. We are happy to share the completed project with you, and we hope you will benefit from it.

Given the circumstances of COVID-19, interviews will be conducted online, and you will not be required to prepare anything. If possible, we'd like to conduct an interview within the following two weeks.

We hope you are interested in participating, it will be greatly appreciated by us!

Let us know if you have any further questions!

Sincerely,
[XX]

Appendix 2. Interview guide, translated into English

Background

- Can you describe your role and experience at the firm?
- How does a normal day look like for you today? How does it differ from when working remotely?

Productivity focused questions

- How would you describe productivity?
- Do you think your productivity has changed when working remotely?
- When are you the most productive? Why?
- How do you judge the performance in work when comparing office work and remote work?
- How would you say you are increasing the productivity of your employees? (for leaders)

Our definition of productivity

- *Cooperation*
 - How has teamwork changed during remote work?
 - How has leadership changed during remote work?

- How do you monitor / are monitored?
- **Staff skills**
 - Is there any training development since going remotely?
 - Is it easier to do training remotely? Any statistics?
 - Has welcoming and training new employees been harder remote? How has it changed?
- **Work/life balance**
 - How has your work-life balance changed? Flexible work schedule?
 - How has the separation between work and home-life developed (for either you or your employees if you are a leader)?
 - Do you feel more distracted at home or in the office (noise and interruptions etc)?
 - Do you work more or less hours when working remotely?
 - Is there a difference in active hours of work?

Opportunities and challenges with productivity development in remote settings

- What opportunities have you seen with the situation with COVID-19 and remote work?
- What is important for you in the future regarding working home vs office?
- Do you think working remotely is sustainable in the long run?
- What obstacles do you experience with remote leadership?
- How will this situation change your way of working (long term) after Covid-19?

Appendix 3. Ethical considerations during interview, translated into English

Ethical aspects considered and formulated to interviewees during the interviews

- Participation is voluntary. You have the right to cancel the participation whenever you want without further explanation.
- Your name and the company name will be anonymous in the research.
- The information collected will only be used for the thesis purpose, and not for another purpose.
- Do we have your consent to record the interview? The recording will be used for the purpose of analyzing and transcribing the material from the interview.
- All documentation including audio files will be deleted after the completion of the study.

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