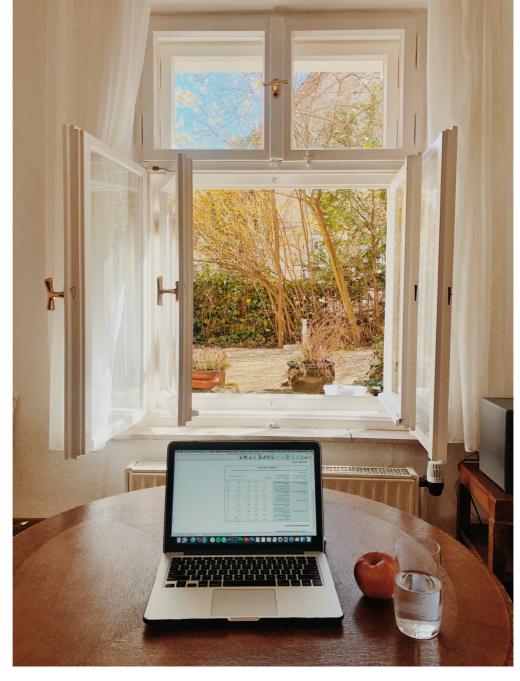




REMOTE WORK IN FINLAND

AN ANALYSIS OF EMPLOYEES' EXPERIENCES

Finland has been applauded for how it has handled the COVID-19 pandemic, as it reports one of the lowest infection rates in Europe and its economy held up better than most others. Nonetheless, many employees have faced significant changes in when, where, and how work has been conducted throughout the pandemic. This report addresses the experiences of employees as they navigated through the crisis.



Although the pandemic has brought economic, social, and health devastation across the globe, the pandemic has also provided a unique opportunity to study remote work at an unprecedented scale.

IS THE FUTURE REMOTE?

RETHINKING WORK AND THE ROLE OF WORKPLACES

The shift to remote work has been embraced by many employees as an opportunity to engage in more focused work with less distractions than in the office. Indeed most Finnish employees seem satisfied with remote work.

Over a period of six months, we surveyed 1164 Finnish employees about their work experiences during the COVID-19 pandemic. Most of them have started working remotely at least four days a week (March, 94%) and continued to do so over an extended period of time (October, 91%).

In March 85% was satisfied with remote work and after six months this was 86%. The percentage of employees that preferred remote work increased from 46% in March to 63% in October.

Most employees have grown increasingly accustomed to remote work. Initial responses in March indicated that 50% of the employees reported to be better able to perform their job at home compared to the office, this percentage increased to 60% in October. Similarly, while 66% was better able to balance work and personal life demands in March, this percentage increased to 75% in October. This suggests that overall Finnish employees have found a good way of coping with remote work transitions. In this report we look more closely at why and how this may be the case.

Throughout the pandemic employees have also reported increased productivity. In March 44% of remote employees indicated their productivity increased, while this was reported by 52% of employees in October.



WHO WORKS REMOTELY ALOOK AT FINISH DATA

The survey had three measurement occasions (March, May, and October). We found that remote work remains widespread over the study period. For most employees this required a major transition as 67% of the respondents normally didn't work at home or not more than once a week.

The employees in our sample predominantly worked in the public sector (64%), others were employed by commercial enterprises (20%) and non-profit organizations (8%). Most of these employees were part of medium and large sized organizations 50% working in organizations of 50 to 999 employees, and 36% worked in an organization with more than 1000 employees.

We asked respondents to assess the probably of losing their job in the near future. Most respondents, 78% indicated that this was highly improbable, while 3% indicated this was highly probable.

The respondents in our sample were on average 47 year old. The majority of the respondents were female (77%). The average organisational tenure was approximately 11 years indicating that most employees had been at their organization for quite some time when the pandemic hit. Most employees indicated that their work was well-suited for remote work practices with 64% indicating that they could easily conduct the majority of their work tasks remotely. Most employees worked full time indicating a 37 hour work week.

When working remotely, 29% of the respondents indicated that they are alone at their work location, and 71% has at least one other person present.

The majority of the Finnish employees in our sample indicated that they had a separate office or work station at home (69%). Most employees were part of single-person (20%), two-person (43%), or three person households (16%). Of the respondents, 34% indicated that there were children under the age of 18 living in their household.

Interestingly, only 24% considered the home-office as a distracting work environment, whereas 71% of the respondents did not!

The respondents relied mostly on technology-mediated communication. In March as much as 76% of the respondents indicated not having had any face-to-face meeting in the two weeks prior to the survey. In October, this percentage decreased somewhat to 73%. Respondents most frequently utilised email and videoconferencing tools. In the first six months of the pandemic 50% of the respondents indicated they exchanged emails with colleagues several times per day. Videoconferencing tools were used several times per day by 40% (in March) and 39% (in October).

The data indicates that email and videoconferencing are far more frequently utilised than instant messaging and enterprise social media.

CLASSIC CHALLENGES IN REMOTE WORK

Remote work has been increasingly studied over the past decades. Typically, remote work is part of workplace flexibility policies where employees are afforded some level of freedom over when, where, and how they work. The COVID-19 pandemic has sparked a major shift to remote work, one that is not necessarily characterised by flexibility or individual choice but by necessity and organisational or governmental requirements. This gives rise to study context specific phenomena such as workplace isolation as well as re-examine some of the issues that have been traditionally associated with workplace flexibility and teleworking practices. We highlight three areas of impact of remote work.

1. Does remote work lead employees to work everywhere all the time as previous literature suggests?

We asked respondents to indicate their average working hours over the week prior to the survey. Interestingly, the self-reported working hours were highest at the beginning of the pandemic (the average reported work week was 38 hours). A few months into the pandemic and working remotely the reported average work week started to decline to 37.8 hours per week, and finally to 37.7 hours per week in October. Although the differences are very small, the number of working hours seems relatively stable and more likely to decrease rather than increase. This finding aligns with the idea that employees feel more productive and may also help explain why employees reported better work-life balance. For instance, the employees in these studies reported an overall absence of work life conflict as 75% of employees disagreed with statements that the amount of time spend working makes it difficult to fulfil other life responsibilities. Employees reported fewer distractions while working at home. As such, they were able work more effectively, reported fewer work hours as the pandemic lasted, and reported overall low levels of work-to-life and life-to-work conflict.

2. How about the relationship between working remotely and employee wellbeing?

We first asked employees about their energy levels, enthusiasm about work, and the extent to which they were immersed in their jobs in May. **The engagement of employees decreased throughout the pandemic.** Comparing the data between May and October indicates a decrease in the frequency with which employees felt energised while at work. In May 69% of respondents often felt energised while working against 62% in October. Similarly, enthusiasm decreased from 74% in May to 68% in October, and being being immersed in work decreased from 73% in May to 68% in October. However, we saw an increase in being happy with work situation (30 -> 38%), and enjoyment of day-to-day activities (28 -> 37%). At this point, it is good to remember that 91% of the employees still worked remotely at least four days a week.

3. Does working remotely lead to a lack of social support and increases of workplace isolation?

Social aspects of work were among the more challenging aspects of adjusting to remote work. About 75% of employees felt separated from co-workers in March, in October this was still 72%. In turn, feelings of social isolation increased from 56% in March to 60% in October. Social support and workplace friendships are important mechanisms in the workplace that are strongly affected by dispersion between colleagues. For instance, in our survey from May, 64% of employees working remotely indicated that they missed opportunities to develop workplace friendships.

PRELIMINARY FINDINGS

In this section we present some initial findings from unpublished studies from this project. Hence, the validity, quality, and novelty of the findings are currently subjected to the scrutiny of various experts in the field.

What are the factors that contribute most to employee adjustment to remote work settings?

The findings indicate that structural factors – i.e., work independence and clarity of job criteria – make it easier for employees to adjust to remote work settings. In turn, relational factors – i.e., interpersonal trust and isolation – were negatively related to adjustment. Interpersonal trust was negatively associated with adjustment to remote work. Arguably, trust serves as a proxy for important interpersonal functions, such as socialisation and support, and when such cues are missing employees may feel less satisfied and effective, hence experiencing lower levels of adjustment to remote work.

Our findings also show that feelings of social isolation decrease adjustment to remote work, presenting further evidence that the social dynamics of work present a key barrier in adjustment during the COVID-19 pandemic.

Furthermore, the results indicate that adjustment is also decreased by high discrepancy between the amount of current vs. 'normal' remote work as well as a high disruption of work practices. Finally, the findings demonstrate a relatively small positive impact of organisational communication quality and communication technology use in adapting to increased remote work. Organizational communication quality does not affect the negative impacts of relational factors, i.e., interpersonal trust and feelings of isolation, neither the disruption of work practices on adjustment. However, more frequent use of various communication technologies with colleagues seems to mitigate the negative relationship between trust and adjustment probably by reviving social relations.

What is the impact of challenge and hindrance stressors on psychological job strain?

The results indicate that challenge stressors (e.g. work load) and hindrance stressors (e.g. role ambiguity) demonstrate a similar negative impact on adjustment to remote work, while hindrance stressors are more strongly negatively related to social support. Furthermore, we found that especially employees' adjustment to remote work diminished psychological strain (e.g., compared to the impact of social support). The findings also show that both challenge and hindrance demands increase work-life conflict, with challenge stressors demonstrating a particularly strong relationship. Finally, the study further demonstrates that there is hardly any buffering impact of job control, work structuring, and technology use on the implications of these work stressors

Are these stressors unique to the pandemic?

No. Within every job and situation employees may experience some challenges (e.g. work pressure) as well as some hindrances (e.g. role conflict) associated with task completion and overall job performance. However, our studies demonstrate that the initial disruptions in work routines triggered by the pandemic increase subsequent experiences of challenge and hindrance stressors. This is important, because these stressors were also found to be related to employee wellbeing at later moments in the pandemic. Although Finland seems to have managed the pandemic quite well, this doesn't mean employees are not experiencing some adverse effects from transitioning to remote work as well. Ultimately, we find that disruptions in work routines increase job strain and reduce engagement through increased challenge and hindrance demands at work.

What about the social aspects of work?

Our studies have demonstrated that in the initial stages of the outbreak, technology-mediated communication practices completely mitigated the impact of remote work on feelings of workplace isolation. However, as time passed the ability of technology-mediated communication to reduce perceptions of workplace isolation seem to wear off. This was evidenced by significantly smaller impact of technology-mediated communication on workplace isolation, compared to lasting impact remote work is still exhibiting after six months of working remotely. We were further able to shed light on the relationship between workplace isolation and job strain. Specifically, we found that workplace isolation increases job strain, but we also found that job strain had a strong impact of workplace isolation. This seems to suggest that employees who experience greater job strain and may normally turn to colleagues for support, may experience a greater feeling of isolation in their absence under remote work conditions.

How about work performance and innovation throughout the pandemic?

Of course one concern for companies is how to ensure the productivity of remote employees. Throughout the pandemic, we have asked employees to indicate their level of productivity. Most employees believed they remained effective employees (March 92%; October 87%), and were satisfied with the quality of their output (March 92%; October 89%). Overall, an average of 69% of employees felt highly productive throughout the pandemic. In March 77% reflected the thought that their manager believed they were efficient employees, against 74% in October. During times of uncertainty and disruptions of routines innovative work behaviours are important for employees and organizations to adequately adapt to new realities. In our surveys were examined idea generation, idea mobilisation, and idea realisation as important components of innovative work behaviours. Employees indicated generating new ideas was difficult. In March only 24% of the employees indicated they generated new solution for problems they encountered, this decreased to 23% of employees in October. Mobilising support for innovative ideas was also difficult as evidenced by the low percentage of employees that reported these performative actions (March, 20% October, 19%). Realisation of these new ideas was even more difficult under remote conditions. Few employees were able to introduce innovative ideas into the work environment in a systematic way (March, 10% October, 10%). These results indicate that individual performance may not have suffered too much during the pandemic, while innovative work behaviours seem more difficult to maintain in remote work settings.



TOWARD A FUTURE OF REMOTE WORK. KEY INSIGHTS FROM FINNISH EMPLOYEES.

This report highlights the findings of an ongoing study into the experiences of Finnish employees with transitioning to, or increasing, remote work practices. This research group aims to help organizations and employees as they navigate an uncertain and volatile work environment that calls for dispersed work practices. The findings reported here largely support the image portrayed in (inter)national media, suggesting that Finland's approach to containing the pandemic and mitigating the economic impact is among the most

effective approaches in Europe. What was missing from these discussions were insights from Finnish employees as they transitioned to remote work practices.

Six months into the pandemic, 86.4% was satisfied with working remotely.

There are many reasons that can explain the high level of satisfaction of Finnish employees. First of all, the socio-economic system and low risk of job loss, as reported in these studies, may contribute to a peace of mind. Prior experience with working remotely, even for half a day a week, seems to help employees adjust to more frequent remote work practices. Many employees were well equipped to work remotely with access to a designated work space at home.

Employees did not increase their work hours and reported good work-life balance.

Employees were capable of avoiding some of the pitfalls of remote work for instance by preventing excessive work hours at home. They were able to maintain a better work-life balance. However, they did seem to miss social aspects of work as they felt isolated. Communication technology use initially made up for the physical separation of employees, but our findings also demonstrate that this is not a long term solution. As such scholars and organisations need to continue to consider new ways of organising remote work.

The pandemic taught us that many employees don't need to be colocated to be productive and satisfied with work. However, many also miss the social dynamics of the workplace. So, the question remains, as future work is increasingly remote, how to best organise it?



