Management across distances – how to ensure performance and employee well-being

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1. Introduction

Today many businesses are geographically distributed with co-located employees and teams across dispersed work situations. Furthermore, today’s technologies and business requirements both allow and demand distance management like never before. Distance work and management are characteristic of various types of knowledge work (Fisher & Fisher, 2001; Jacobs, 2004; Li & Scullion, 2006). In fact, it is precisely knowledge workers who are most likely to experience work-related stress, which to a large extent remains an unsolved problem in practice, and is the second most frequently reported work-related health problem in Europe by the European Agency for Safety and Health at Work.

The risk of work-related stress and the high costs associated with it has generated a large number of preventive intervention studies. However, according to Westgaard and Winkel (2011), balancing organizational performance and employee well-being, also termed sustainable management, is not taken into consideration in most intervention studies. In the present study, the concept of sustainable management is applied at the organizational level, aiming at management, with the intention to improve organizational sustainability (Docherty, Forslin, Shani, & Mari, 2002; Westgaard & Winkel, 2011). Despite the fact that distance management in daily operations in virtual organizations is a growing field, there is little theoretical and empirical knowledge of its characteristics and focus has largely been on managerial activities aimed at ensuring performance and less on the well-being.

1.1 Objective

The objective is to study how distance workers experience distance work, factors affecting their performance and well-being and the managerial activities distance managers carry out to ensure employee performance and well-being across distances.

2. Method

The study is ongoing and completes early summer 2015 (Northern Hemisphere) with a total sum of six companies. This paper only presents the initial findings based on a case-study of four knowledge intensive companies (KICs) representing manufacturing, IT development and engineering consultancies. Four managers and eight employees have been interviewed, where the latter respondent group work longer periods at clients’ and customers’ locations, i.e. in remote (co-located) offices. The customers are located either nationally or internationally. Distance work at branch offices and subsidiaries is not part of the study.

The study is conducted in three steps:

1) Identification of six knowledge intensive companies (mother companies) with co-located employees.
2) Semi-structured interviews of six managers from the companies focusing on what the managers do to ensure co-located employee performance and prevent them from strain and stress.
3) Semi-structured interviews of three to five co-located employees in mother company working at a customer (Satellite Company). Focus is on how they perceive their work, their relationship with their managers (at both the mother and the satellite company), their experience with how work-related issues are dealt with and by whom, and the conditions required for them to perform and to experience a good psycho-social work environment.

The interviews are transcribed, and applying a deductive approach (Crabtree & Miller, 1999), the data is coded with NVivo where the following theoretical fields are used: 1) management style and activities 2) dialogue and 3) participation to gain insight into employee experiences regarding work and distance management. An inductive approach (Bryman, 2004) is also applied to explore other factors that
characterize distance management, which have not already been identified. To organize and synthesize data and develop themes, a thematic analysis model is applied (Bryman, 2004).

3. Results

3.1 Employee experiences and factors affecting their performance and well-being

The data shows that the respondents experience distance work positively in that they perceive it as a flexible job with a high level of autonomy, which is furthermore stimulating as one’s specialist skills are being both challenged and applied. Common frustrating experiences include loneliness, reception and treatment by the customer (satellite), poor physical working conditions, the expectancy of high performance from the first day on the job and long response time from their manager (mother company). In addition, employees working at international customers also point at frustrating experiences and factors like lack of hot water for several days, limited online access, power crashes, and local safety issues.

3.2 Management activities, dialogue and participation to ensure performance and well-being

The managers interviewed are resource and competence managers and responsible for the people working at the customers but are typically not project managers and owners. A basic condition in the context of distance management is that much of the responsibility for performing specific tasks is delegated to the employees. The distance managers’ primary concern therefore is whether the employees perform as expected and according to plan, and how they, as managers, can create a sense of proximity and belonging to the mother company to ensure performance, well-being and knowledge sharing given the constraint to communicate in person with the co-located employees.

Dialogue with the distance workers is a core activity and is conducted virtually via Skype, phone, Lync or email. The frequency varies from weekly to monthly calls depending on the type of employee and the given situation. Focus in the calls is either project related issues which need to be solved or the performance and well-being of the employees. The calls are typically initiated by the manager.

Employee participation in the mother company is difficult to exercise due to the distance. Unlike co-located employees working at national customers who are expected to participate in department meetings, social and other (mother) company related activities, their counterparts working abroad primarily meet virtually and do not participate in (mother) company activities. Face to face meetings occur two to three times per year.

4. Discussion and conclusion

Our analysis shows that working conditions at the customer play a key role in order for the employees to perform as planned both at national and international customers. While it is typically assumed that knowledge workers are motivated by intrinsic factors, motivational factors or the need for self-actualization, the study shows that good working conditions that satisfy physiological and safety needs, be that hot water in the tap, safety on the site or the quality of the office facilities where they are to work, are also needed to ensure well-being and thus provide the conditions for high performance.

Another finding is that well-being and performance are correlated to the employee’s sense of belonging in relation to mother company or customer. If the role of the employee working at the customer is unclear or there are too many uncertainties, well-being and performance are negatively impacted. The study suggests that when resource managers negotiate contracts which involve distance work, they should also take the working conditions at the customers and the reception of the employee into account so the employees experience less stress and can perform optimally. We can conclude that well-being and performance of co-located knowledge workers is directly affected by physical and social working conditions at the site, both nationally and internationally. This finding differs from previous studies that have focused exclusively on intrinsic and motivational factors. The key concern of the distance managers is to ensure a sustainable balance between well-being and performance. It is found, however, that the working conditions and reception conditions are not taken into consideration while negotiating the contract. Future studies should aim at providing a deeper understanding of the experiences of distance workers, the characteristics of distance work and the role of the distance manager prior and during the project as well as the stress management practice of both employees and managers.
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References