



Factors Influencing the Effective Implementation of the Remote Working Teams in Insurance Companies in Sri Lanka

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Abstract

Global concern about remote working has increased gradually than previously due to the spread of COVID-19 pandemic all over the world and it has taken the increasing attention of researchers as well. Although there are various studies conducted in remote working contexts, the factor influencing on effective implementation of remote working teams are yet to be inconclusive. Therefore, this study aimed at investigating the factors which promote the effective implementation of remote working teams in insurance companies in Sri Lanka. The study examined the effect of reward and recognition systems, flexible and clarity work schedules of the team, continual training processes, trust among the team, and technical support with the support of literature. The data was collected from a sample of 136 officers who work at insurance companies in Sri Lanka. The results revealed that technological support, reward and recognition system and flexible and clarity work schedules of the team are important factors in effective implementation of remote working teams. The findings of the study have important implications for top management of the insurance companies in Sri Lanka to ensure the effective implementation of remote working teams in the sector.

Keywords: Remote working team, reward and recognition, clarity of work, technical support

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1. Introduction

Employees are a key resource of any organization. Organizations invest a lot of capital in employee development. An employee can be defined as an individual who has agreed to be employed to work for some form of payment under a contract of service (Vance, 2006). Many firms have recognized the necessity to engage their staff in remote work practices in order to succeed in today's highly competitive world. The survivals of the corporate industries depend on maximizing profits from existing capabilities (Vance, 2006). As businesses recognize the significance of this requirement, remote working has become a popular topic for researchers currently now (Bellmann & Hubler, 2020). According to Osborne and Hammoud (2017), to make or maintain the company's profitability, leaders of the companies should work hard to engage employees, and also Employee effort and engagement determine organizational productivity.

An effective management of the employees has a considerable impact on the employees' satisfaction (Bellmann & Hubler, 2020). There is an impact on the employees' performance as well, which could ultimately improve the overall productivity of the organization. Employee job satisfaction is vital to facing the dynamic and ever-increasing challenges of maintaining the productivity of the organization. The COVID-19 pandemic situation has affected all of us. To control the global COVID-19 pandemic many countries around the world as well as Sri Lanka had to impose curfews and lockdown the country completely. Therefore, many businesses have adopted government regulations that allow employees to work from home. So, up to today most of the organizations have been practicing remote working environments by considering the safety of the parties engaged in their business activities.

Many studies have paid attention to remote working and factors influencing the effective implementation of remote working teams. Some of the major factors identified, among others, are reward and recognition systems, trust among the team members, clarity of work, top management and technical support, and work flexibility (Wang et al., 2020; Schall, 2019; Yahya et al., 2016; Zoonen et al., 2021). However, there is no agreement among the research on these factors and the nature of their effect on remote team success. Moreover, similar studies in developing country contexts are

also scant to date. Therefore, this study aims to address this void focusing the insurance industry in Sri Lanka. A total of 27 insurance companies are operating in Sri Lankan insurance sector by the end of 2020 with 13 long-term insurance companies, 12 general insurance companies, and two composite insurers that provide both long-term and general insurance services.

The insurance sector in Sri Lanka plays a critical role in the country's financial sector, contributing significantly to the country's development as well as the securing human life from the uncertain circumstances by accepting the risk. The economic and social impacts of the COVID-19 pandemic created numerous challenges and opportunities to the Sri Lankan insurance market (KPMG Sri Lanka, 2021). The public's awareness of the importance of life protection is thought to have increased as a result of the pandemic's circumstances. Furthermore, the pandemic has increased public awareness of the risks that may be mitigated by life insurance, which has boosted the performance of life insurers. In reality, the insurance industry as a whole is behind other industries, such as banking, in adopting digital and more flexible working practices. They are being forced to accelerate and step up as a result of the situation (KPMG Sri Lanka, 2021). While the pandemic is on-going, it is critical to increase remote working efficiency in order to improve the overall efficiency of the insurance industry.

2. Literature Review

Remote working means working from home, also called remote work (RW), telecommuting, teleworking, homework, home office, mobile work, outwork, and the flexible workplace, is a work arrangement, in which employees do not travel to their workplace in the company. (Bellmann & Hubler, 2020). According to Nakrosiene, Buciuniene, and Gostautaite (2018) remote working has been considered another way of forming work. Remote work has garnered the responsiveness of both researchers and practitioners because it allows them to work from anywhere and at any time. Notwithstanding developments in technology during the last decade, working from home has grown only discreetly.

"Virtual teams" are groups of geographically and organizationally dispersed co-workers who may never meet but rely on synchronous and

asynchronous communicational tools such as telephones, e-mail, and audio/video conferencing to communicate and work on the assigned project with the advancement of technology (Ng & Tung, 2018). Effective remote working can be defined as the working properly by achieving all predefined targets of the company while at the online mode of work (Bellmann & Hubler, 2020).

Employees are advocating for working remotely, and many organizations are working towards the policy of remote work. The flexibility awarded by remote work is desirable, especially to millennial employees. They still want to spend time on their hobbies and talents and dedicate time to their families. Employers enjoy the same perks, with the added advantage of lesser costs on in-house office facilities and rent on large office spaces. In a 2018 experiment on enhanced productivity, it was discovered that remote workers were 13% more productive than office workers and worked 9.5% longer (Ilag, 2021). Remote work also allows companies to recruit top talent employees without limiting themselves to just those who can physically make it to the office every day. To get the most out of remote work, companies must establish and implement proper and effective policies (Ilag, 2021).

Reward and recognition are recognized in one of study as communication and motivation de-vices. Having an appropriate reward and recognition system is one of the key characteristics of an effective team (Ng & Tung, 2018). Rewards can be defined as "something that increases the frequency of an employee action". Recognition means constructive, genuine feedback based on acknowledging people as sincere, worthy of respect, having needs, and equipped with their own personal expertise (Baskar & Rajkumar, 2015). When it comes to rewards and recognition in this kind of changing times when more employees are working remotely or virtually. As seen in the previous studies, reward & recognition have been well-established as a predecessor to employee engagement. Engagement helps the workforce to be motivated and makes them more productive as well (Agarwal, 2020).

Flexible work schedules, such as flex time, telework, or shortened workweeks, are instances of how the timing and duration of work hours, as

well as the place of work, are becoming more variable (Kossek & Michel, 2011). Although traditional work schedules have been the norm in organizations for decades, an increasing number of employees are experimenting with a variety of flexible work schedules while also modernizing employment systems and work processes across time zones and cultures (Kossek & Michel, 2011).

Training is the systematic process by which businesses provide development and improve the quality of new and existing personnel. Individual, group, and organization training is defined as a systematic approach to learning and development that improves individual, group, and organizational performance. (Nda & Fard, 2013). A study carried out by Nda and Fard (2013) stated that employee training and development must be designed and delivered to satisfy the needs of all employees so that they are not just productive but also satisfied. Employees benefit from training and development because it helps them perform their jobs more efficiently by improving their interpersonal and technical talents, teamwork, job confidence, and drive (Nda & Fard, 2013).

Trust is a vital factor in forming and maintaining social relationships and trust among the team is a key to cooperative relationships and effective teamwork and also trust is considered for leadership, cohesion, and team empowerment (Abarca, Sanchez, & Camacho, 2021). Establishing trust among virtual team members is more difficult. Information exchange, prompt responses to electronic messages, and maintaining commitments made to virtual teammates all contribute to virtual team trust. These activities demonstrate a team member's ability, commitment, and desire to assist the group (Rosen, Furst, & Blackburn, 2006).

According to Rosen, Furst and Blackburn (2006), in a virtual situation, opportunities to participate in organizational operations are constrained, therefore trust may be difficult to establish early in the team relationship. Because virtual teams are more likely to be effective when they can create trust in the early phases of their work, this delay may have an impact on team performance (Rosen, Furst, & Blackburn, 2006).

Workers can use information and communication technology to actively collaborate, reorganize organizational hierarchies, and increase citizen involvement. Internet, mobile phones, satellite communications, and digital television through cable are only a few examples of ICT technology (Saini, Prakash, & Gaur, 2015). Ilag (2021) stated that the overall benefit of using the right unified communication and collaboration platform for remote work, as we move closer to a working environment, it is critical that we do not have to compromise on work quality.

Microsoft Teams can reduce time and span distances without sacrificing quality or quantity of work output, as well as customer satisfaction, while also lowering costs. They also have the added advantage of data storage in the cloud, automated workflow and updates, event planning and scheduling, and end-to-end encryption for security (Ilag, 2021).

3. Methodology

The purpose of this study is to determine the factors which influence the effective implementation of remote working teams, with special reference to the insurance industry in Sri Lanka. With the literature directives, the study investigated the influence of reward and recognition systems, flexible and clarity work schedules, continuous training processes, trust among the team, and technical support for the effective implementation of remote working teams (see Figure 1).

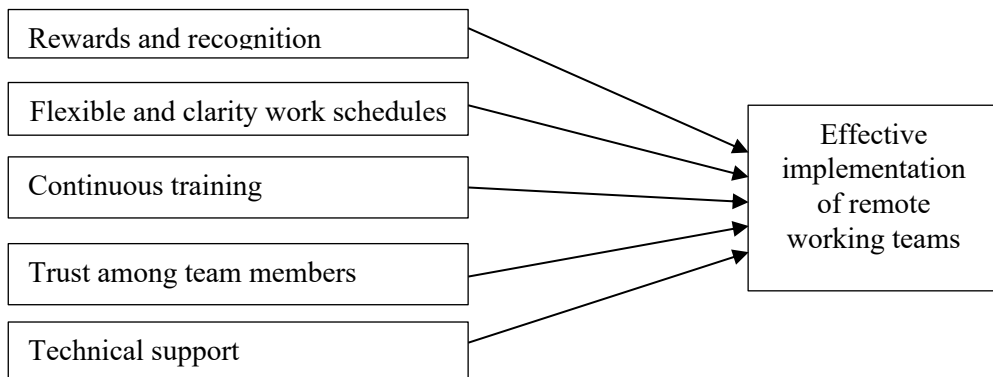


Figure 1: Conceptual Framework

The following hypotheses are also proposed for the present study based on the literature

H1: Rewards and recognition have a positive impact on the effective implementation of remote working teams.

H2: Flexible and clarity work schedules have a positive impact on the effective implementation of remote working teams.

H3: Continuous training has a positive impact on the effective implementation of remote working teams.

H4: Trust among the team members promotes effective implementation of remote working teams.

H5: Technical support has a positive impact on the effective implementation of remote working teams.

This study was carried out in a natural setting where no manipulation is possible. As a result, this research was conducted in a non-contrived context. The population of this study consisted of all the employees who work at the insurance companies in Sri Lanka and those who have experience in remote working. The sample was selected from Western Province where a large number of employees working in insurance companies when compared to the other provinces of the country. Moreover, as there is a significant difference among the different job categories in remote working, underwrite officers were considered for the sample selection. The sample selection was done in two stages. In the first stage, five insurance companies were selected using the simple random sampling and then participant were selected using snowball sampling. the final sample consists of 136 underwrite officers. A survey method was employed to collect the data and the questionnaire was developed in structured forms to measure the main variables of the study. The independent variables were measured on Likert type five scales ranking from 1 (Completely disagree) to 5 (completely agree). The dependent variable was also measured using the same scale focusing the main aspects of the remote working team success. The internal consistency of these

constructs was measured with Cronbach's reliability test and it reveals that all the constructs are reliable having Cronbach's alpha values over 0.7.

In this research, the researcher has followed the quantitative research methodology to perform the research and justify the conclusion of the study. Further this study employed quantitative data collection, descriptive and inferential statistics. Descriptive statistics usually involved measures of central tendency (mean, median, mode) and measures of dispersion (variance, standard deviation, etc.), and inferential statistics involved measuring Multiple Linear Regression, Correlation coefficient, ANOVA, and Independent sample T-test.

4. Results

4.1. Sample Profile

The sample of the study consists with the 136 of underwrite officers who work at insurance companies in Western Province in Sri Lanka. Table 1 presents some demographical information of the respondents.

Table 1. Sample Profile

Description	Range	Frequency	(%)
Gender	Male	73	53.7
	Female	63	46.3
Civil status	Married	53	39
	Single	83	61
Age	Below 25	44	32.4
	25-35 years	67	49.3
	35-50 years	22	16.2
	Above 50	3	2.2
Duration of working as a virtual team member	< one year	50	36.8
	> one year	86	63.2
Number of members in the team	Below 10 members	50	36.8
	10-20 members	68	50
	Above 20 members	18	13.2

4.2. Descriptive Analysis

Descriptive statistics were calculated to identify the basic nature of this research. Table 2 provides a summary of the descriptive statistics.

Table 2. Descriptive statistics

Variable	Mean	Std. Deviation	Skewness		Kurtosis	
			Statistic	Std. Error	Statistic	Std. Error
Reward and recognition system	3.911	0.590	-.865	0.208	2.001	.413
Flexible & clarity work schedules of the team	3.994	0.569	-1.503	0.208	5.291	.413
Continual training processes	4.022	0.569	-1.182	0.208	3.611	.413
Trust among the team	4.044	0.593	-1.619	0.208	5.255	.413
Technological support	4.092	0.516	-1.246	0.208	3.922	.413
Effectiveness of remote working team	4.038	0.568	-1.433	0.208	4.875	.413

According to the descriptive statistics, reward and recognition system for effective implementation of the remote working team has the mean value ($M=3.911$, $SD=0.590$) above the average representing favorable conditions for the employees. The mean value for technological support ($M=4.092$, $SD=0.516$) also reveals that the respondents receive good technical support from their companies to perform their duties. The mean values of flexible and clarity work schedules of the teams, continual training processes and trust among the team are respectively 3.994 ($SD=0.569$), 4.022 ($SD=0.569$) and 4.044 ($SD=0.593$) which show the evidence for those factors are also favorable for the respondents.

4.3. Correlation Analysis

The Pearson Correlation measures the direction, intensity, and significance of bivariate relationships among all variables. In this study, correlation analysis was performed to identify the relationship between main variables of the study.

Table 3. Results of the correlation analysis

	R	F	C	T	TS	EIRW
R	1					
F	.598**	1				
C	.645**	.729**	1			
T	.552**	.646**	.622**	1		
TS	.623**	.671**	.669**	.572**	1	
EIRW	.645**	.687**	.664**	.604**	.685**	1

** . Correlation is significant at the 0.01 level

R = Reward and recognition system, F = Flexible & clarity work schedules of the team, C = Continual training processes, T = Trust among the team, TS = Technological support, EIRW = Effective implementation of remote working team

As shown in Table 3, the correlation coefficient for the relationship between effective implementation of the remote working team and reward and recognition system is 0.645 which is significant at 0.01. However, there is a positive correlation between effective implementation of remote working team and reward and recognition system. The correlation coefficient for the relationship between effective implementation of the remote working team and flexible and clarity work schedules of the team is 0.687 and it is significant at 0.01. However, there is a positive correlation between effective implementation of the remote working team and flexible and clarity work schedules of the teams.

The correlation coefficient for the relationship between effective implementation of the remote working teams and continual training processes is 0.664 and it is significant at 0.01. So that there is a positive correlation between effective implementation of remote working team and continual training processes. The correlation coefficient for the relationship between effective implementation of the remote working team and trust among the team is 0.604 and it is also significant at 0.01. Therefore, there is a positive correlation between effective implementation of the remote working team and trust among the team. Lastly, the correlation coefficient

for the relationship between effective implementation of the remote working team and technological support is 0.685 and that is also significant at 0.0. There is a positive correlation between effective implementation of the remote working team and customer response.

4.4. Regression Analysis

In regression analysis effective implementation of the remote working team was entered as a dependent variable and reward and recognition system, flexible & clarity work schedules of the team, continual training processes, trust among the team, and technological support were entered as the independent variables. The results are produced in Table 4.

Table 4. Result of Regression analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Er.	Beta		
(Constant)	.246	.267		.923	.358
Reward and recognition system	.203	.073	.210	2.779	.006
Flexible & clarity work schedules	.217	.089	.217	2.426	.017
Continuous training processes	.135	.088	.135	1.527	.129
Trust among the team	.116	.073	.121	1.594	.113
Technological support	.274	.091	.249	3.031	.003
<i>R square: 0.618 F-Value: 42.084</i>					
<i>Adjusted R square: 0.603 Sig F: 0.000</i>					

The adjusted R square value (0.603) indicates that the predictors used in the analysis can explain high proportion of the total variation in the dependent variable. F-value also reveals that the regression model is statistically significant. The regression coefficient for reward and recognition system indicates that it has a positive influence on the effective implementation of the remote working team ($\beta = 0.203$, $p < 0.01$). This result supports the first hypothesis (H1) of the study. The regression coefficient of flexible & clarity work schedules of the team indicates that it has a positive impact on the effective implementation of the remote working teams ($\beta = 0.217$, $p < 0.05$). This result also supports the second hypothesis (H2) of the study. Regression coefficient of continuous training processes ($\beta = 0.135$,

$p=0.129$) which is not significant at 0.05 indicates that it has no any impact on the effective implementation of the remote working team. This result does not support the third hypothesis (H3) of the study. The regression coefficient of trust among the team also indicates that it has no any impact on the effective implementation of the remote working team ($\beta =0.116$, $p=0.113$). This result does not support the fourth hypothesis (H4) of the study. However regression coefficient of technological support indicates that it has a positive impact on the effective implementation of the remote working team ($\beta= 0.274$, $p<0.01$). This result supports the fifth hypothesis (H5) of the study.

5. Discussion

The main purpose of the research was to identify the factors which influence the effective implementation of the remote working team with the special referencing insurance companies in Kalutara district. The result indicated that reward and recognition system significantly and positively affects the effective implementation of the remote working team. This finding supports the results of the previous researches. There is a common understanding that reward and recognition system and virtual team effectiveness is positively related. Giving out rewards and recognitions at different stages of the virtual project team life cycle could serve different purposes such as encouragement, reinforcement, conformation, and satisfaction (Ng & Tung, 2018). Flexible & clarity work schedules of the teams was found to be a significant factor in effective implementation of the remote working team. This result is also par with the current literature (Zoonen, et al., 2021). However, surprisingly this study found continuous training process and trust among the team members as insignificant factors in effective implementation of remote working teams (Rosen, Furst, & Blackburn, 2006). So, this result would be only applicable to the insurance industry. Consistence to the previous studies, technical support was identified as a significant predictors in effective implementation of remote working teams (Abarca, Sanchez, & Camacho, 2021).

6. Conclusion

The major purpose of this study was to identify the factors that influence the effective implementation of the remote working teams in the insurance industry in Sri Lanka. The study found reward and recognition systems, flexible and clarity work schedules, and technological supports as the important factors in implementing the remote working teams in the insurance companies in Sri Lanka. Therefore, top management should pay their attention on these factors in designing and implementing remote working teams to get achieve the desired results from such work arrangements. More especially monetary and non-monetary rewards and appraisal would play a significant role in this endeavor. The remote working team success would also determine by the technical and other necessary support provided to the teams. As this study only focused the insurance industry and used a research quantitative approach, future research should validate the findings of this study focusing on other industries with the use of mix method research designs.

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