# FACTORS INFLUENCING THE EFFECTIVE IMPLEMENTATION OF REMOTE WORKING TEAM: EVIDENCE FROM INSURANCE COMPANIES IN KALUTARA DISTRICT

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## INTRODUCTION

Global concern about remote working has increased gradually than previously due to the spread of the COVID-19 pandemic all over the world. Remote working means an employee is working from their home, apartment, or other places of residence rather than from the office and is not required to report to the office on time (Yvas & Butakhieo, 2020). It is not a new concept. According to a recent study, remote working improves job performance, reduces work-family conflict, reduces stress, and reduces turnover intentions (Irawanto et al., 2021).

Although research has given attention to remote working and framework conditions for effective implementation, our understanding of determinants of effective implementation of remote working teams, especially in developing country contexts, is limited. Moreover, the findings of the previous research on this focus are inconclusive (Yvas & Butakhieo, 2020). Therefore, this study attempts to study the factors influencing the effective implementation of remote working teams in insurance companies in Kalutara District in Sri Lanka. The insurance sector in Sri Lanka plays a critical role in the country's financial sector, contributing significantly to the country's development and the secured human life from uncertain circumstances by accepting the risk (KPMG Sri Lanka, 2021). In reality, the insurance industry is behind other industries, such as banking, in adopting digital and more flexible working practices. They are forced to accelerate and step up due to the situation (KPMG Sri Lanka, 2021). Therefore, this study is appealing and timely important. The findings of this study add new insights to the literature on remote working teams and enhance our understanding of the determinants of effective implementation of remote working teams, especially in the service industry. Moreover, the study findings would have significant implications for policymakers and practitioners in the industry.

## METHODOLOGY

The study developed the following conceptual framework (Figure 1) after reviewing the extant literature, followed the deductive research principles, and adopted a quantitative research method. The study population was all the underwrite officers of insurance companies in the Kalutara district. The sample was selected using the purposive sampling method, consisting of 136 officers. A structured questionnaire was used to collect the data and was pre-tested to ensure validity and reliability. Correlation analysis and multiple regression analysis were employed in the data analysis.
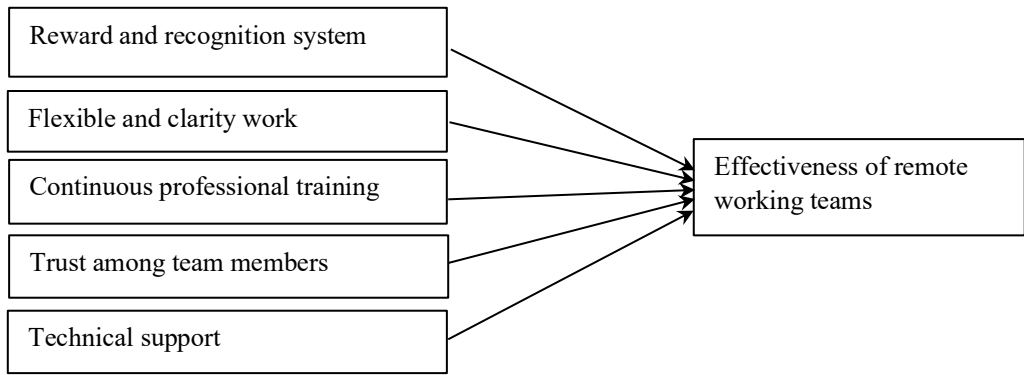
Figure 1 Conceptual Framework

## RESULTS AND DISCUSSION

The primary purpose of the current study was to identify the effective implementation of the remote working team with the particular reference insurance industry in the Kalutara district. The sample consists of 53.7% male and 46.3% female officers. Table 1 shows the result of the correlation analysis.

Table 1 Results of the correlation analysis

| Variable | RW | FCW | CPT | TRT | TS |
|---|---|---|---|---|---|
| RW | - | | | | |
| FCW | .598** | - | | | |
| CPT | .645** | .729** | - | | |
| TRT | .552** | .646** | .622** | - | |
| TS | .623** | .671** | .669** | .572** | - |
| ERW | .645** | .687** | .664** | .604** | .685** |

**. Correlation is significant at the 0.01 level (2-tailed)

RW = Reward and recognition system, FCW = Flexible & clarity work, CPT = Continuous professional training, TRT = Trust among team members, TS = Technical support, ERW = Effectiveness of remote working team.

According to the correlation result, there is a positive relationship between the reward and recognition system and the effective implementation of the remote working team ($r=0.645$, $p<0.05$). The correlation result also indicates a positive relationship between flexible and clarity work and effective implementation of remote working teams ($r=0.687$, $p<0.05$). The relationship between continual professional training processes and the remote working team's effective implementation is positive ($r= 0.664$, $p<0.05$). According to the result, trust among the team members is also positively corrected with the effective implementation of remote working teams ($r=0.604$, $p<0.05$). The result also confirms the positive relationship between technical support and effective implementation of remote working teams ($r=0.685$, $p<0.05$).

Table 2 reproduces the result of the regression analysis.

Table 2 Result of Regression Analysis

| Model | Unstandardized Coefficients | | t | Sig. |
|---|---|---|---|---|
| | B | Std. Error | | |
| Constant | 0.246 | 0.267 | 0.923 | 0.358 |
| Reward and recognition system | 0.203 | 0.073 | 2.779 | 0.006 |
| Flexible and clarity work | 0.217 | 0.089 | 2.426 | 0.017 |
| Continual training processes | 0.135 | 0.088 | 1.527 | 0.129 |
| Trust among the team | 0.116 | 0.073 | 1.594 | 0.113 |
| Technical support | 0.274 | 0.091 | 3.031 | 0.003 |
| Adj. $R^2$=0.603 | F-Stat. = 42.084. | | Sig. F<0.01 | |

The Adjusted $R^2$ value (0.603) indicates that the predictor variable can explain 60.3 percent of the variation in the effective implementation of remote working teams. Although all the regression coefficients of the predictor are with a positive sign, the coefficients of reward and recognition system, flexible and clarity work, and technical support are significant at the 0.05 significance level. Therefore, these variables only positively affect effective remote working teams.

There is a common perception that reward and recognition system and virtual team effectiveness is positively related (Tung, 2018). This study also supports the previous research findings showing a similar result in the insurance industry in Sri Lanka. As per the previous researchers, flexibility and clarity of job criteria are positively associated with employees' adjustment to remote work (van Zoonen et al., 2021). Studies also found effective use of training to promote successful virtual team performance (Rosen et al., 2006). Remote working allows employees to perform their tasks at a distance in a better way, as long as their tasks are measured by objectives (Garro-Abarca et al., 2021). Past studies state that communication, coordination, and knowledge sharing are essential elements of action processes to predict the efficiency and effectiveness of the team (Garro-Abarca et al., 2021).

**CONCLUSIONS AND IMPLICATIONS**

This study found reward and recognition systems as essential factors in effectively implementing remote working teams in the insurance industry. Moreover, the result indicates that flexibility and clarity of work schedules and technical support as essential factors in promoting the effectiveness of remote working teams. Therefore, top management should consider these factors to make favourable environments for better outcomes for the remote working teams. The present study suggests several potential paths for future research. Since there are very few studies done in the Sri Lankan context, it is suggested to conduct similar studies focusing on the other industries to validate the findings of the present study. Moreover, future studies could be carried out in the same industry employing qualitative and mixed methods to uncover the other essential factors promoting the effectiveness of remote working teams.

*Keywords:* Remote working teams, rewards and recognition, technical support

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