

# ConnectING Leadership Styles

*Leadership in 'the new way of working' at ING bank Nederland.*

Final thesis Master of Business Administration (HRM track)



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## Management summary

As part of the pilot of the New Way of Working (NWW) at ING bank Nederland, a research has been performed to the leadership of managers in the NWW. The main research question has been formulated as *"In what way should managers adapt their leadership style to positively affect the outcomes of the New Way of Working?"* The relevance of this research is that the findings of this research can be used as part of the input for the decision to continue to roll out the NWW throughout the organization after the pilot period of the NWW in the organization. Also the findings might be used as input for the roll out throughout the organization when the decision was made to continue with the NWW in the organization after the pilot was finished. Finally this research adds to the academic knowledge on leadership in a flexible working environment as the NWW, and adds to the academic knowledge on the New Way of Working in general.

To answer the research question a thorough literature research has been done. Also a survey was performed amongst all pilot participants and a control group, both before (pre-measurement) as after (post-measurement) the pilot period. Finally interviews with nineteen managers from the pilot group have been carried out. This led to insights in the experiences of the managers who were part of the group of NWW pilot participants. These insights were combined with the results of the surveys to give an answer to the research question.

Difficulties with leadership in the NWW that were found in this research were caused by an increase of the physical distance between employees, and between the manager and employees, after the introduction of the flexible working possibilities in the departments. As a result, managers were less able to lead their employees based on direct observation, but needed to use steering on output criteria to make agreements on what activities employees will undertake in an upcoming period. Also it was found that in the situation where the physical distance between the manager and employees increases, steering on output only works when the relation between the manager and employees is based on trust in both directions.

Another finding of the research is that the manager needs to consciously organize moments to improve the social and professional cohesion in the department. The social cohesion will be reduced when the distance between employees is increased, leading to a more individualized focus of the employee instead of a focus on the team. This will ultimately reduce the engagement and the motivation of the employees. The professional cohesion of the employees, knowledge sharing does not happen spontaneously when employees do not see each other face to face on a daily basis. Therefore, managers need to consciously organize several moments per year (for instance every three months) for employees to share their professional experiences and knowledge.

Several recommendations for ING follow from this research. This research has been performed on the group of pilot participants of the NWW in ING, which largely consisted of knowledge- and project based working departments. These knowledge- and project based departments appear to be specifically suitable for the implementation of the NWW, as the employees of these departments are used to working very autonomously. When the NWW will be implemented in for instance back office departments or sales departments, ING should consider that these departments might encounter difficulties as they for instance have different communication needs or are bound to office branches. It is not impossible to implement the NWW for these departments, but implementation trajectory should be carefully adapted to the needs of these departments.

Additionally, ING should carefully prepare and guide managers in the use of steering on output criteria. During this research it appeared that managers have difficulties to use steering on output criteria in qualitative environments in comparison to quantitative environments, and it appeared that while managers think they use steering on output successfully, in practice they don't use steering on output criteria to its full potential. More preparation and guidance in the use of steering on output might help managers to achieve more using steering on output criteria.

Furthermore, ING should make (future) managers in the NWW aware of the importance of trust in the relationship between managers and employees as the NWW is implemented. The increase in the physical distance between managers and employees means that direct observation as a control method of a manager is not possible anymore after the introduction of the NWW, so the manager has to trust the employees that they perform as is agreed upon when the employees work out of sight of the manager.

Yet another recommendation for ING is to make managers aware that social cohesion and knowledge sharing of teams in the NWW becomes more difficult due to the increase of the physical distance between the team members. Managers should be made aware that they play a vital role in the team cohesion by organizing moments in which team members get to know their direct colleagues, and can share their knowledge and experience with their colleagues.

Finally, ING should guide managers and employees in the months after the introduction of the NWW, and not to focus on short term performance changes but instead to see the introduction of the NWW as a continuous process. ING should regard the implementation of the NWW as a continuous process instead of an overnight change. This research showed that managers and employees need to find their way in flexible working, and that teams that started in the NWW early are further in their adaptation to the NWW than the teams that started later.

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## List of Contents

Chapter 1 - Introduction to leadership in the NWW .....	6
1.1 Hosting organization: ING .....	6
1.2 The New Way of Working (NWW) at ING .....	6
1.3 Key factors in the New Way of Working .....	7
1.4 Leadership in the New Way of Working.....	9
1.5 Problem, goal, questions, and relevance .....	9
Chapter 2 - Literature overview .....	12
2.1 Flexible working.....	12
2.2 Leadership .....	17
2.3 Intermezzo: conceptual model.....	21
2.4 Determinants of the New Way of Working.....	21
2.5 Effective work; results of the NWW .....	23
2.6 Moderating factor; context .....	25
2.7 Moderating factor; leadership in the NWW.....	26
2.8 Summary: conceptual model .....	34
Chapter 3 – Methodology .....	35
3.1 Research approach .....	35
3.2 Research methods.....	37
3.3 Operationalization of factors .....	41
3.4 Analysis of results.....	46
3.5 Planning.....	47
Chapter 4 - Findings and analysis.....	49
4.1 Determinants of the NWW.....	49
4.2 Performance.....	55
4.3 Context of the NWW .....	58
4.4 Leadership in the NWW .....	59
Chapter 5 - Conclusions and recommendations .....	67
5.1 Answer to the research questions .....	67
5.2 Discussion .....	72
5.3 Recommendations to ING .....	74
References.....	77
Appendices .....	79

I - Findings quantitative surveys.....	80
II- Interview questions (semi-structured).....	82
III - Interview elaborations .....	83
Elaboration interview number 1 .....	83
Elaboration interview number 2 .....	87
Elaboration interview number 3 .....	90
Elaboration interview number 4 .....	92
Elaboration interview number 5 .....	94
Elaboration interview number 6 .....	96
Elaboration interview number 7 .....	98
Elaboration interview number 8 .....	100
Elaboration interview number 9 .....	102
Elaboration interview number 10 .....	104
Elaboration interview number 11 .....	107
Elaboration interview number 12 .....	109
Elaboration interview number 13 .....	111
Elaboration interview number 14 .....	113
Elaboration interview number 15 .....	115
Elaboration interview number 16 .....	117
Elaboration interview number 17 .....	119
Elaboration interview number 18 .....	121
Elaboration interview number 19 .....	124

## Chapter 1 - Introduction to leadership in the NWW

The Dutch financial sector has been through a rough period in the past years. The global financial crisis has had its influence on the Dutch banks, insurance companies, and other financially related organizations. As the whole financial sector was at risk, the Dutch government provided many of the large Dutch private financial organizations with large loans to prevent them from heading towards even larger crises or even being shut down permanently.

### 1.1 Hosting organization: ING

Also for ING this period has been very rough. Before the financial crisis hit the Dutch financial market ING has gone through a period of large mergers. Both Postbank and Nationale Nederlanden merged with ING, forming the ING group which from that point on offered a wide range of financial services from banking to insuring. All seemed well, until the financial crisis hit the markets. Large amounts of malicious mortgages and loans especially in the United States caused many financial organizations in the US and Europe to be in need of booking down the incorrect financial products. This affected ING as well.

In October 2008 ING came to a point where its financial position became critical and needed to ask the Dutch government for a loan of 10 billion euro. As a demand from the European Union before being willing to provide the loan they ordered ING to split up the banking and insuring activities in two separate organizations, ING domestic bank and Nationale Nederlanden. Both are positioned in the ING group, but the activities are strictly split. After this split, both the ING domestic bank and Nationale Nederlanden had to restructure their internal activities, so the Human Resources departments of both new organizations needed to be set up as well.

After all internal reorganizations the Organizational Behavior department was set up starting at January 1<sup>st</sup> 2011, as part of the Organizational Effectiveness department, which is a branch of Human Resources of ING domestic bank. The Organizational Behavior department is involved in large projects like the introduction of strategic workforce management, steering sessions after the yearly culture survey (World Performance Culture, will be explained later), and workshops in performance management or culture shifts in large change projects. One of the projects they participate in is the project of the introduction of the New Way of Working in ING domestic bank.

### 1.2 The New Way of Working (NWW) at ING

The project of the introduction of the New Way of Working (NWW) is taking place in ING domestic bank (from here: ING except when explicitly stated differently). The NWW project is a very large project in ING to change the way work is viewed in the organization, as broad as the very basis of the understanding of the need to be in the office to perform the job and the standard times to perform your tasks. This project turns the need to be in the office from 9 to 5 to perform the task and be done for the day (the “traditional way of work”) to a flexible environment in which the employee can plan the activities for him/herself, decide which location suits the activity best (officedesk, meeting room, silence room, home) and what of communication suits a meeting best (face to face, teleconference with webcam, phone, chat).

This is done by providing new communication facilities like laptops, blackberries and remote access to email and document. Also the way the offices are built up is changed, with a choice for employees

to perform their work on long tables with multiple plug-in spots for laptops, in a meeting room for multiple people, or in a silent room to work very concentrated. Furthermore HRM has a role here to provide the right training and workshops to prepare and guide managers and employees in order to perform in their new working environment. In other words, the NWW project at ING has a specific role for the Information Technology (IT) department, the Facility Management (FM) department, and the Human Resources department (HR).

The NWW project in ING can be explained as being a project to introduce flexible working at ING, with a very relevant behavior aspect in it as well. The flexible working possibilities are provided by the mentioned information and facility services in ING, but a real difficulty is to be found in changing the habits and culture of the ING employees. Whereas ING employees are used to having directions of their supervisor on how to perform which tasks on what moment, the NWW demands more autonomy of the employees and a more coaching role of the supervisor.

To change the habits and behavior of the employees, several trainings, workshops and feedback sessions are organized. The role of change agent of HR Organizational Behavior becomes visible in the leading role they take in changing the behavior aspect of this organizational change. Moreover, when departments take the initiative to ask HR organizational behavior for assistance on the subject.

In this project, the writer of this report has contributed by setting up the quantitative post-measurement and analyzing the results of the pre- and post-measurement, both for the pilot group as for the control group. The found results and the implications for the NWW pilot project were presented and discussed with the project group. Also the findings from the interviews have been discussed with the project team and other relevant actors, and there has been a discussion of the results of this research with the senior manager of the department. Furthermore, the results from the statistical analyses have been presented to the project team and other relevant actors. These results have further been used in the decision process to decide whether to continue with the NWW in ING.

### **1.3 Key factors in the New Way of Working**

The role of HR in the NWW project can thus be described as preparing the behavior side of the organization for the new environment. The employees and managers who will start in the New Way of Working are for instance trained in how to choose between the several available communication methods provided by the new IT services that are provided, but also the employees are made aware of some other elements that are very relevant in the introduction of the NWW. ING has some ideas on which factors will be relevant, and state that they are:

- output focused steering
- cooperation
- visibility
- trust relationship
- balance between work and private life
- activity based working
- management of environment at home

These factors are a result of a presentation from ING before the start of the NWW pilot, and these factors will be discussed here more thoroughly.

### Output focused steering

To start with output focused steering, this factor provides managers and employees with a guideline how targets should be set when the manager and employee don't see each other on a daily basis anymore. As "directions" are the opposite of "direction", output focused targets provide an employee with a goal that is a derivative of the organizational goal. The role of the manager in this becomes to coach the employee in reaching this goal, instead of prescribing every step the employee has to take to reach the manager's goal. By this, the employee becomes a more autonomous party in the organization, and knows what to do when working from home.

Output focused goals are also formulated in such a fashion that the employee is provided with a problem for which he can use his experience and knowledge to come to solutions. The role of the manager in this is to provide the right criteria to which the solution should meet. In other words, the managers provides the problem and direction, the employee can use his capabilities to find the best solution to help the organization to come further. This way of challenging employees creates the motivating environment that gets the best out of the individuals.

### Cooperation

The factor cooperation in the NWW situation becomes relevant because cooperation in a team has always meant that employees communicate on a face to face basis to understand each other, while in the NWW situation employees have to find other ways to cooperate. Therefore HR stimulates departments to assign a (part of a) day as moment to ask all department members to be present in the office to stimulate formal and informal conversations. Also HR stimulates departments to use the available communication methods to keep in touch with each other and thereby stimulate cooperation.

### Visibility

A challenge for working in the NWW as an employee is to have the idea that your efforts are visible to the person that will assess your performance at the end of the year. Many come to feel that as long as they work from home, they have to do effort to make clear that they are working as hard from home as they work in the office. Employees resolve this by sending many emails, or staying active in their office communicator. In reality, this issue is resolved by creating an environment in which there is a trusting relationship between the manager and the employee.

### Trusting relationship

A trusting relationship between manager and employee become more important in the situation where employee and manager don't see each other on a daily basis. There has to be an unconditional trust in both directions between employee and manager to create a circumstance in which the employee feels fully empowered to perform in the NWW. It should be stressed that this trusting relationship should work in both directions!

### Balance work/private life

An element that has turned out to be a real challenge is to find the right balance between work and private life. The possibilities to work from home can be a real solution for many employees, but has the risk that employees will work too hard to have the idea of being trustworthy to their superior. The possibility of working 24 hours per day might be a threat to people who are not able to find the right balance, who might overwork themselves by not considering this balance actively.



### Activity based working

The possibility to work in many different places like home, office space, meeting rooms, and concentration rooms creates the need for employees to actively think about which activity would fit which environment best. By actively planning the activities and grouping them per place to perform them, employees can for instance create days in their schedule they can do the tasks they can perform from home. Actively thinking about this alignment of activity and environment can help employees to reduce travelling time and be more efficient by performing in the optimal environment.

### Management of environment at home

Management of the environment at home lastly is the challenge that employees face when they work at home when their home surrounding is not used to the home worker. The home working employee has to manage this environment at home by finding a place suitable to work, where the home worker will not be disturbed. This seems as evident, but is not that normal for home situations that are not used to a home worker. For instance, they can expect an active participating role in the household when someone actually is home to work. To create these circumstances, employees have to be aware of their role in managing the home environment.

## 1.4 Leadership in the New Way of Working

Managers were prepared for working in the NWW at ING by internal HR consultants of ING and workshops on output focused steering, but besides that didn't receive any guidance for starting successfully in the NWW. However, one can imagine that the changes in the work of employees will create different demands for the leadership of the department manager. The role of a manager has always been a "command and control" role, based on providing input and assignments. Managers have been autocratic and dominant, telling employees what to do and assessing the performance of employees on whether they met the assignments of the manager. However, the role of the manager will change along with the introduction of the NWW in an organization. For the ING situation, this is no different. Therefore, the following change accounts for ING just as well as for other organizations.

A manager in the NWW context will have to cope with a different situation than he was used to. Whereas a manager knew he would see his employees on a near daily basis, the NWW provides the employees with the possibility to work where and when they want. The manager in the NWW will have to be aware of the changing context in which leadership will function, because one can imagine that leadership will change dramatically when an organization chooses to become very flexible at once. For instance, in what way should a managers start coaching the progress of the employees in a flexible environment? Should a manager interfere in reaching the right balance between work and private life of the followers? And what about health and safety at flexible work places in the office? And at home? What about differences between departments, will ING have to develop several toolkits to educate managers of different types of departments?

## 1.5 Problem, goal, questions, and relevance

This section will describe the problem which lead to the research, the goal of this research, research question and sub questions to guide the research, and the relevance of this research.

### Problem and goal

The starting point for this research is the NWW in the ING context, where there is a growing knowledge on how the NWW has to be introduced from an IT and FM point of view. However, the

leadership point of view is not as filled in for the NWW introduction as are the IT and FM points of view. This leaves some relevant elements for research, as it can be expected that this organizational change will have serious effects for the leadership of managers. In other words, the problem here can be described as a lack of knowledge of the influence the introduction of flexible work will have on the effective leadership styles for managers of teams in ING. The need for this knowledge will be further elaborated here.

One can expect that when the basics of management (seeing your employees on a daily basis) are suddenly gone, the performance of a department might be strongly influenced. At once, a manager has no direct view on the activities of an employee. Also meeting moments and cohesion in the team might very well be influenced by the introduction of flexible work in the organization. Thorough research to the influence of the increased distance between manager and employee is therefore of utmost importance for the performance of individuals, teams, departments, and organizations when the NWW is introduced, and might even be key to the success of the organization after the introduction of the NWW. In other words, scientific knowledge on leadership in the NWW is crucial for the introduction of the NWW in any organization!

A research to the changes in leadership after the introduction of the NWW in ING will be even more valuable when a toolkit can be formulated in which the results are used to help managers that have not yet started in the NWW. This research will have the most valuable when the results will be easily applicable in practice. The results not only will be presented in a way that adds value to the scientific knowledge on the subject of flexible work forms, but will provide ING with practical advices based on the found results, to help ING and her managers to get the greatest results of the introduction of the NWW in their organization. Also a look has to be taken at the generalizability of the results on other contexts than the one analyzed in this research, to make sure that the results found here will not only be useable in the departments comparable for this research, but also for other departments and organizations.

Therefore, the research question and sub questions of this research can be formulated as follows;

*"In what way should managers adapt their leadership style to positively affect the outcomes of the New Way of Working?"*

This research question has been split in the following sub questions:

*"What influences does the introduction of the New Way of Working have on the work of employees and managers?"*

*"What are the successful leadership styles and methods of managers at ING that follow from the pilot of the New Way of Working?"*

*"How can the results from the pilot of the New Way of Working be generalized for successful leadership styles and methods of managers in other departments?"*

In the section on the sub question *"What influences does the introduction of the New Way of Working have on the work of employees and managers?"*, the situation of leadership of before the introduction of the New Way of Working (NWW) will be discussed as well, as a starting point for the change towards the new situation. Because the focus of this research is not on leadership before the

introduction of the New Way of Working, this subject will not be covered in a separate sub question but will be discussed in the sub question on the influence of the introduction of this flexible work form.

Also, one of the interests of this research is whether the changes in leadership after the introduction of the New Way of Working in ING are as large as is expected. For instance, it could also be that the differences in leadership before and after the introduction of the flexible work form is not as large as is expected before this research. Therefore, the interest of the insights this research will offer are also to have information on the degree of change in the leadership of managers after the introduction of the New Way of Working.

Finally as the last sub question suggests, this research will also try to answer the question of generalizability of leadership in the NWW. As can be expected, different teams and departments have different work methods, meeting schedules, and levels of autonomy. Therefore, the results of this research should also formulate a vision on how general the results of this research can be used throughout the organization, or whether other factors should be taken into account.

### Relevance

This research will have an important addition to the current knowledge because it appears that managers have little to no idea on how to adapt their leadership styles and methods to the upcoming introduction of the NWW. Furthermore these answers are needed at this point in the process of development of NWW because managers who start in the NWW can have a flying start when they are helped in the way they should adapt their leadership styles and methods to the new circumstances. This should create a sense of urgency to prepare these answers at this moment.

The research and its results are interesting because of the contextual dependent, situational element of the concepts, whereas practical useability of these concepts is just as relevant. It provides the reader with a description of the tension that exists between the idealized literature versus the nuanced practice of ING in which more factors are relevant than just the factors that are considered in the literature.

The relevance of this research will be twofold. On the one hand there is a relevance for ING, as they are the assignment providers. They will hopefully benefit from a clear answer on the research questions and might use the results when the NWW pilot phase will be continued in a ING wide use of the NWW concept. On the other hand there is a use of the results of this study for literature in general. As it appears not a lot has been written on leadership in flexible environments, so generated knowledge might fill this gap.

The following chapter will provide the reader with a broad literature overview which should be the basic knowledge for the empirical research, analysis and recommendations to ING.

## Chapter 2 - Literature overview

This chapter will provide the reader with an overview of the available literature on flexible work forms in general and the New Way of Working more specifically. The first section will be on literature on flexible working in general, the second section will introduce general literature on leadership in organizations. In a third section a conceptual model will be introduced, and the fourth and final section will elaborate more on literature on the New Way of Working specifically. Through this structure, the knowledge on the NWW is carefully built up, from basics to specifics. The chapter will be round up by filling in the introduced conceptual model with the knowledge from this literature overview.

### 2.1 Flexible working

This section will provide the reader with the necessary basic knowledge on flexible working in organizations. It will provide knowledge on both the organizational perspective, the team perspective, as the individual perspective on flexible working.

#### 2.1.1 Organizational perspective

The organizational perspective will describe what the advantages, challenges, factors and variables are for the organization specifically. Flexible working is playing an increasingly important role for organizations nowadays. With increasing congestion on the roads, demands from employees to be able to combine work and private life, and changing business environments, the demand for flexible working in organizations has been growing in the past decade. This section will provide the reader with insights on the variants and factors in flexible working, the advantages of flexible working, and challenges of flexible working.

#### Telework, telecommuting, and other variants

Several variants in flexible working can be distinguished, differing from each other in not only terminology but also in distance. The highest degree of distance in flexible working can be found in virtual teams, in which team members are separated from each other most of the time, and communicate and collaborate only in a virtual way. Powell et al. (2004) define virtual teams as "groups of geographically, organizationally and/or time dispersed workers brought together by information and telecommunication technologies to accomplish one or more organizational tasks" (Powell et al., 2004). Two relevant elements can be found in this definition, namely the location and time independent role of virtual workers. As will be made clear later in this literature overview, these elements return in the other flexible work forms as well, as is the case in the New Way of Working in the situation of this research.

Furthermore, several types of less virtual ways of flexible working can be mentioned, for instance by Kurland et al. (1999). They mention home-based teleworking, satellite centers, neighborhood working centers, and mobile working as some of the flexible working concepts (Kurland et al., 1999). On the other hand, Powell et al. (2004) describe a very flexible variant of work, namely the virtual teams. They define virtual teams as "groups of geographically, organizationally and/or time dispersed workers brought together by information and telecommunication technologies to accomplish one or more tasks" (Powell et al., 2004). From this one can understand that communication technology is the only basis on which virtual teams function, and meeting face-to-face is not mentioned.

Furthermore is described that these virtual teams are set up based on an as needed basis, with specific deliverables, or to fulfill specific customer needs (Powell et al, 2004).

All forms of flexible working can be said to be part of a larger phenomenon of flexibility in the work place, which is said to be a crucial part in managing people in today's fast changing environment (Baruch, 2001). The authors point with this at the larger managerial issue of increased demand for flexibility in the workplace, and state that teleworking (and the other forms of flexible working) form a crucial element in reaching goals of flexibility in the workplace.

### **Structural and organizational changes**

The introduction of flexible work in an organization doesn't come without preparations. The offices have to be adapted to the new work form and employees have to be provided with suitable hardware for the flexible work.

"Hot desking" is an example of what changes can be done to the offices to make them suitable as a flexible working environment. Felstead et al. (2003) for instance mention the possibilities of hot desking in organizations that choose for flexible working. Workplaces can be economized by offering work places that can be used by all flexible workers, thereby needing less work places as a significant amount of workers will not attend the office on daily basis (Felstead et al., 2003). This statement is now, 8 years later, fully visible in modern organizations. Flexible workplaces are visible in many organizations, in some situations even in the form of a workplace where the employee can plug in a laptop and work in a healthy position with screen, keyboard, mouse and ergonomically correct chair and desk.

However large the organizational changes can be that come with the introduction of flexible working, the changes are not as large for every type of employee in the organization. Felstead et al., (2003) mention that the changes might be dramatic for some types of employment, occupations and jobs, but for others there has been little change. For instance, employees performing in a very autonomous function will be less affected by the introduction of flexible work forms than employees who never experienced real autonomy in their function. Also they state that the introduction of flexible working not only shows with working from home besides the office workspace, but also from third locations like the train, plane and car (Felstead et al., 2003).

Another interesting view for this research is provided by Khalifa et al., who state that there is a large gap between the large amount of organizations providing possibilities for flexible working, while only little amount of employees choose to telecommute. This is called the telecommuting paradox (Khalifa et al., 2000). The interesting element for this research can be found in the development of opinions on telecommuting in the past decade. This article from 2000 shows doubts among employees regarding telecommuting, while recent articles never mention this element. It appears that flexible working is not anymore a question mark for employees, but organizations should be very aware of the important role flexible working starts to play in the modern working context.

Furthermore Baruch states that even though there are many variations and names for flexible working in organizations, there is one common denominator. The offices are not the only place where work can be conducted. Also, IT is the enabling vehicle in flexible working; electronic media are the main tool of teleworking. However, it has also been stated by Baruch that the main challenge in the start of using flexible working isn't finding the reasons for which flexible working is a good idea

(i.e. road congestion, purely the IT enabler), but that the real deeper hindrances lay within humans and organizations (Baruch, 2001).

A model was presented by Baruch (2001) in which four relevant factors of teleworking are present as being (1) the job (nature and technology), (2) the organization (strategy and culture), (3) the home/work interface (family), and (4) the individual (personality and situation). Baruch states that these factors have to be present at the same time to enable effective teleworking.

### Advantages and disadvantages of flexible work

Kurland et al. (1999) explain furthermore that the several levels of flexible work have advantages and challenges, but some working concepts are better suitable than others. For this research the option of home-based telecommuting is the most alike the ING situation, being the option in which the employee works from both home and office. The organizational advantages and challenges of the home-based telecommuting option (relevant for this research) are mentioned as being;

	Advantages	Challenges
Home-Based Telecommuting	<ul style="list-style-type: none"> <li>• Greater productivity</li> <li>• Lower absenteeism</li> <li>• Better morale</li> <li>• Greater openness</li> <li>• Fewer interruptions at office</li> <li>• Reduced overhead</li> <li>• Wider talent pool</li> <li>• Lower turnover</li> <li>• Regulation compliance</li> </ul>	<ul style="list-style-type: none"> <li>• Performance monitoring</li> <li>• Performance measurement</li> <li>• Managerial control</li> <li>• Mentoring</li> <li>• Jealous colleagues</li> <li>• Synergy</li> <li>• Informal interaction</li> <li>• Organization culture</li> <li>• Virtual culture</li> <li>• Organization loyalty</li> <li>• Interpersonal skills</li> <li>• Availability</li> <li>• Schedule maintenance</li> <li>• Work coordination</li> <li>• Internal customers</li> <li>• Communication</li> <li>• Guidelines (e.g. expenses)</li> <li>• Technology</li> </ul>

Figure 1: organizational advantages and challenges of home-based telecommuting (Kurland et al., 1999)

Furthermore, Kurland et al. state advantages and challenges for the individual employees. The individual advantages and challenges of home-based telecommuting are mentioned as being;

	Advantages	Challenges
Home-Based Telecommuting	<ul style="list-style-type: none"> <li>• Less time commuting</li> <li>• Cost savings</li> <li>• Less stress</li> <li>• No need for relocation</li> <li>• More autonomy</li> <li>• Schedule flexibility</li> <li>• Comfortable work environment</li> <li>• Fewer distractions</li> <li>• Absence of office politics</li> <li>• Work/family balance</li> <li>• Workplace fairness</li> <li>• More job satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>• Social isolation</li> <li>• Professional isolation</li> <li>• Organization culture</li> <li>• Reduced office influence</li> <li>• Work/family balance</li> <li>• Informal interaction</li> <li>• Conducive home environment</li> <li>• Focusing on work</li> <li>• Longer hours</li> <li>• Access to resources</li> <li>• Technical savvy</li> </ul>

Figure 2: individual advantages and challenges of home-based telecommuting (Kurland et al., 1999)

From these two overviews of advantages and challenges some interesting elements for leadership in a flexible environment can be identified. Among the relevant factors mentioned by Kurland et al., the organizational challenges of performance monitoring, performance measurement, managerial control, informal interaction, organization culture, and communication are factors that will appear to



be very relevant for the New Way of Working in the ING situation as well, as will turn out later in this report. It appears that the several variants flexible working have comparable organizational challenges.

### 2.1.2 Team perspective

From a team perspective the introduction of the NWW certainly has some major impacts. In the NWW the employees get the freedom and autonomy to decide for themselves which locations best suits their activities, and working from home is stimulated when the activities are suitable. That means that the distance between team member and between the manager and the team members is increased, leading to new challenges. These challenges are discussed in this chapter.

#### Team structure, strategic objectives, situational constraints

Although virtual teams are considerably different than other forms of flexible working (people in virtual teams seldom meet in person, in contrast to forms of flexible working in which people work from home part of the time, and part of the time from the office) there are some elements to be mentioned that are similar to the flexible work form that is analyzed in the NWW. Kuruppuarachchi states relevant dimensions to be considered are team structure, strategic objectives, and situational constraints. The situational constraints somewhat resemble the situational leadership concept, mentioned later in this literature overview (Kuruppuarachchi, 2009).

Furthermore Kuruppuarachchi mentions that successful virtual teams are characterized by some factors that closely resemble the relevant factors for flexible work forms alike the flexible work form in the NWW. The author states here that successful virtual teams are (among others) characterized by an organizational culture that puts value to communication, learning, teamwork, and diversity in the work force. Also verbal skills, listening and writing skills, and the use of advanced technology by people who are trained to use this technology as relevant factors for successful virtual teams (Kuruppuarachchi, 2009).

#### Socio-emotional processes

In the article by Powell et al. (2004), a model was introduced to show the relations in research to virtual teams. This model is presented in figure 2, and shows the relations of virtual teams in the form of inputs-processes-outputs (Powell et al., 2004). Especially the socio-emotional processes have turned out to be of importance for leadership in flexible working environments, as they seem to return in many of the articles on this subject.

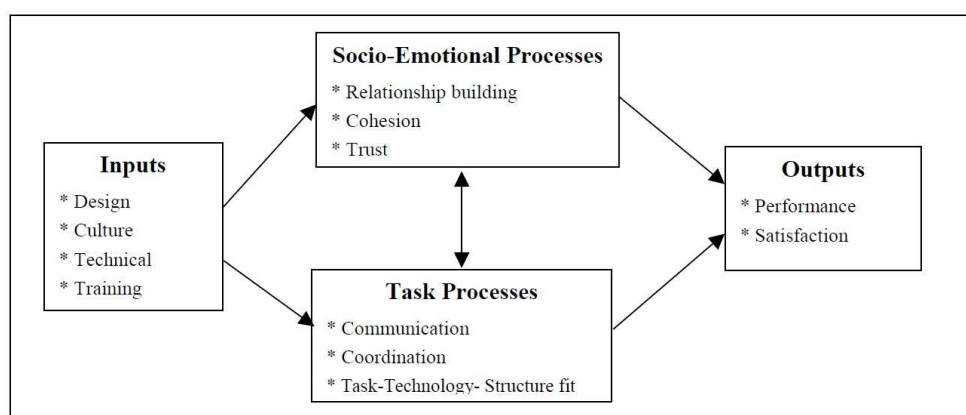


Figure 3: early virtual team research (Powell et al., 2004)

Powell et al. explain that the socio-emotional processes as mentioned (relationship building, cohesion, trust) are the fundamental processes to create and retain team effectiveness, while virtual teams will have difficulty in achieving them. Research on socio-emotional processes in virtual teams has focused on relationship building in general, and team cohesion and trust more specific. Furthermore, they state that early and uniform training will foster cohesiveness, trust, team work, commitment to team goals, individual satisfaction, and higher perceived decision quality (Powell et al., 2004).

Regarding the building of relationships in virtual teams, Powell et al. state that virtual teams show more of a focus on tasks instead of a social-focus, while the task focus declines over time to a better equilibrium. They also mention that if it's feasible for team member to meet face-to-face in the first phase of working as a virtual team, these meetings should focus on relationship building to create a socio emotional bond in the team. This ultimately will create a more trusting relationship among the team members, as well as a better social bond (Powell et al., 2004). The mentioned elements of the socio-emotional processes model by Powell et al. are especially suitable for the home-working element of the NWW; people working with an increased distance to their team members have similarities with teams working on a distance all of the time. Therefore, the relevant elements for virtual team contexts are relevant for teams working according to the NWW as well.

### **2.1.3 Individual perspective**

The individual perspective of working in the NWW provides again other challenges. Among the individual challenges of home-based telecommuting according to Kurland et al. are some relevant factors as well. Several of the individual advantages and some of the individual challenges will be mentioned in the situation of the New Way of Working. One can therefore state that the organizational challenges are most interesting for this research, whereas the organizational advantages and the individual advantages and challenges might be useful as well (Kurland et al., 1999).

A difficulty with telecommuting is that it impacts the social network in the workplace in a negative way, and it creates difficulties to create synergy and informal learning. The communication with the absent employees and the instilling of values to and in these employees provides challenges as well (Kurland et al., 1999).

### **Role interference**

Another relevant factor mentioned by these authors is that working from home creates a difficult tension between performing paid employment and having family responsibilities in the same location. This might contribute to role interference and overload, therefore teleworking employees should be very aware of this risk. Managers might play a very significant role in preparing the employees for these challenges by offering them advice in how to cope with the stress this situation will bring along. On the other hand, the authors provide some very relevant advantages of the teleworking concept, namely that absenteeism was decreased significantly in the researched organization, and retention increased significantly. It could therefore be stated that teleworking has very relevant advantages for organizations, but there are challenges in which managers can play an important role to guide employees and thereby the organization in coping with them (Doherty et al., 2000).



## 2.2 Leadership

The central factor for this research is leadership in the New Way of Working, so this section will focus on that organizational aspect. In the next section (2.3) the effects of leadership in the flexible context will be discussed. Physical separation of the manager and employee is a significant issue in fulfilling a leading role in a flexible environment.

### Traditional leadership styles in the NWW

This section will be used to discover which elements of the traditional leadership styles might be useful in the NWW setting. The traditional leadership styles are therefore approached from a NWW point of view, instead of trying to create a complete overview of all leadership styles.

#### *Charismatic, ideological, pragmatic leadership style*

As a leadership style and its effects on resistance to change, Levay (2010) describes the role that charismatic leaders can have in change situations. As charismatic leadership is usually associated with social change and renewal, in which charismatic leaders show behavior with strategic vision and articulation, personal risk, and elements of unconventional behavior. Furthermore, in change situations charismatic leaders show behavior that *"...repudiates the past and present obligations, out of revelation, inspiration, or his own will"* (Levay, 2010).

Also, according to Levay, charismatic leaders achieve social change by making use of rhetorical tools to break down, move, and realign followers norms and attitudes. This has to do with the special role that charismatic leadership can play in change situations in general. Levay states that pure charisma is a powerful source of social change, and it has the potential to transform people from within, by reorienting their directions of action and their central attitudes (Levay, 2010). However, more relevant for this research is the concept of charismatic leadership itself, and the situations in which it might turn out useful.

For this research, charismatic leadership is an idealtypical concept by Weber that resembles a leader that, in extraordinary times and situations, becomes an aspiring leader with a vision, and attracts a group of followers who devote themselves to the leader's mission. A small group of followers of the charismatic leader may help spread the message and promote an appropriate leader image. In contrast, a Weberian traditional authority leader rests on the belief in tradition and golden rules. A Weberian legal-rational authority leader focuses on legality of enacted rules, hierarchy, defined positions, and office holders appointed by merit (Levay, 2010).

Ligon et al. offer a wider array of leadership styles and orientations. They distinguish between charismatic, ideological, and pragmatic leadership. According to Ligon et al., charismatic leaders point to the presence of a passionate vision of a future radically different from the present conditions. They rely on inspirational communication to their followers, and their messages focus on the positive aspects of the future (Ligon, Hunter, and Mumford, 2008). Bedell-Avers et al. add to the description by Ligon et al. that charismatic leaders tend to be unusually good at getting other to follow the vision they advocate, using persuasion, eloquence, and a focus on employees' personal needs. Visions of charismatic leaders are described as being emotionally evocative and focused on a future-oriented timeframe (Bedell-Avers et al., 2009).

Ideological leadership has been described by Ligon et al. as leadership with a focus on past conditions, pointing on positive examples of a group's history. Personal vision and values of the

manager are central, and individuals who don't share this vision are often dismissed (Ligon et al., 2008). Added to this description by Ligon et al., Bedell-Avers et al. mention that ideological leaders gather follower support by rejecting situational causes of injustice. The visions of ideological leaders are described by Bedell-Avers et al. as being emotionally evocative, tradition-oriented visions that place an emphasis on a shared collective past (Bedell-Avers et al., 2009).

Pragmatic leaders however, are concerned with aspects of the current situation and its characteristics. By surveying the surroundings, leaders are exposed to new people, places, and ideas. The acquired knowledge helps the pragmatic leader in his problem solving, and pragmatic leaders exhibit flexibility are strong in adapting strategies when feedback comes in that the current strategy doesn't work. This is in sharp contrast with ideological leaders, who tend to hold on to their own action plans and are resistant to redirection (Ligon et al., 2008). In addition to this, Bedell-Avers et al. mention that pragmatic leaders do not articulate a vision, but rather focus on current issues and exert their influence by having a good understanding and sensitivity to the social system and the operating causal variables. Finally, Bedell-Avers et al. state that charismatic, ideological, and pragmatic leadership can and do work together, although they do that in different ways. For instance, the frequency of interaction and intensity of interaction might differ (Bedell-Avers et al., 2009).

### *Personalized versus socialized leadership orientation*

Besides charismatic, ideological, and pragmatic leadership, Ligon et al. also mention socialized and personalized leadership orientations. Leaders with a socialized orientation are more concerned with group survival than their own protection, and base the problem identification and solution finding on the good of others. Also socialized leaders appear to instill followers self-responsibility, self-initiative, and autonomy when solving organizational problems (Ligon et al., 2008). Socialized leadership has also been called constructive leadership by Van de Vliert et al., as the description is very similar to the above (Van de Vliert et al., 2008).

In contrast, personalized leaders are focused on personal dominance, and do that regardless of the consequences for others. Personalized leaders tend to control others with threat, and their own agendas are input for the goals of the team. Personalized leaders seem to distrust others, and have little eye for others' well-being, safety, and happiness. Responsibility or action inhibition play no role in the personalized leaders' strive for power. In short, personalized leaders put their own interest before the interest of the group (Ligon et al., 2008). Personalized leadership has also been called destructive leadership by Van de Vliert et al., as the description is very similar to the above (Van de Vliert et al., 2008).

Van de Vliert et al. also mention team-oriented and humane-oriented leadership, which are respectively medium and low on the factor leader direction by the managers. Both team-oriented as humane-oriented leadership are high on the factor subordinate orientation, meaning that the focus of the manager's leadership is mainly on the interests of the subordinates instead of his own interests (Van de Vliert et al., 2008).

### *Transformational, transactional, laissez-faire leadership style*

Another characterization of leadership styles is the characterization of transformational and transactional leadership, which has been issued by Bass and Avolio multiple times. According to them, transformational leadership includes four interrelated components, namely charismatic,

inspirational, intellectually stimulating, and individually considerate. They state that charismatic leaders are in high esteem and have function as role model with a certain vision and mission. The engender trust from followers. Inspirational leaders are characterized as providing meaning and optimism about the mission and its attainability, provide symbols and emotional appeals to followers, and thereby create mutually desired goals (Bass et al., 1996).

Furthermore, intellectually stimulating leaders encourage followers to question basic assumptions. The motivate followers to be creative in solving problems. Finally individually considerate leaders diagnose the needs of followers and elevate them on the Maslow hierarchical scale of individual needs. They encourage followers to improve their capabilities and to adopt more challenging goals and opportunities. Also they show empathy and concern for the individual needs of their followers (Bass et al., 1996).

Transformational leadership (also called: adaptive leadership) has argued to emerge in times of distress and change, and to reflect social values. Four components of transformational leadership included idealized influence, inspirational motivation, intellectual stimulation, and individual consideration. From these four components, only the factor idealized influence differs from the older overview of Bass et al. (1996) and resembles admiration, trust, and respect from followers to leaders (Bass et al., 2003). One could therefore say that "idealized influence" is a new formulation for the "charismatic" component of transformational leadership in Bass et al. (1996).

Management-by-exception and contingent reward are mentioned as elements of transactional leadership, the second category of leadership styles. In management-by-exception, managers are actively and passively involved in identifying and correcting mistakes of followers and taking disciplinary action. They constantly and structurally monitor performance and mistakes of followers, both actively and/or passively. More constructive is the concept of contingent reward, in which leaders promise employees suitable rewards and recognition for achieving objectives or executing tasks as was required by the leader. Agreements between leader and follower are designed to clarify expectations and rewards are offered in exchange for a good performance (Bass et al., 1996).

A third style of leadership was mentioned by Bass and Avolio as laissez-faire leadership, which can also be described as non-leadership; leadership is avoided, leaders refuse to make decisions, avoid conflicts, and do not involve themselves in the development of followers. Interventions are avoided and no attempt is done to engage or motivate employees. Needs of employees are not identified or respected (Bass et al., 1996).

According to Hinduan et al. (2009) transformational leadership has also been linked to improvements in job satisfaction after change, provided that employees are open to the change. Therefore openness to change should be assessed during recruitment and development of employees. Hinduan et al. also claim that when transformational leaders foster collective values, engagement should increase and ultimately work attitudes should improve (Hinduan et al., 2009).

### **Forcing change vs. convincing of advantages**

An important point has been made by Baruch (2001), who states that results of the introduction will be less positive when it is forced upon employees, so implicitly states that employees will have to understand the advantages of switching to flexible working methods before the option is offered by

the organization. Also Baruch states that the fear of employees that out of sight can implicitly mean out of mind when promotional decisions are taken (Baruch, 2001).

### **Managerial control: behavior, output, clan controls**

When managers and employees are asked what the most important challenges in telecommuting are, two important challenges are mentioned; the supervisors' resistance to manage employees they cannot physically observe (managerial control), and employees' concern about professional and social isolation. The first factor refers to managers' habit to steer and evaluate a manager based on observations the manager can make on the workfloor. This method of observing and concluding is less useful in a situation in which the employee doesn't necessarily work in the office. The second factor refers to the fear of employees that by gaining autonomy and the freedom to work on other locations than the office, they might miss out on opportunities like special assignments or training, or might be forgotten by the manager when promotions are provided to their office working colleagues (Kurland et al., 2002). For a manager, these factors will obviously have influence on the way leadership is performed.

For managers, the three categories of control are behavior control (telling employees what to do, providing strict procedures), output control (agreeing on the output deliverables of the employees), and clan control (controlling by providing shared values and beliefs, and regulating knowledge, skills, and abilities by providing the right training). Regarding the use of behavior controls on telecommuting employees, managers were reported to use methods other than physical observation, and evaluated employees' performance not so much on what they did, but how well they did their jobs. Therefore, managers used informal interaction, defined tasks and/or formalized job requirements (Kurland et al., 2002).

Regarding output control, managers reported the use of management by objectives (MBO) and performance-linked rewards. Clan controls were used by managers of telecommuting employees in the form of selection of employees capable of telecommuting, providing guidance, and telecommuting training. However, these training were reported scarcely, and depended mainly on the individual supervisor. All in all, managers of telecommuting employees reported the use of all three forms of managerial control, namely behavior control, output control, and clan control (Kurland et al., 2002). Mainly the output controls and clan controls will appear in the ING context of this research.

The same overview of controls is provided by Kurland et al. (1999), who make the distinction between behavior controls, output controls, and clan controls. They focus their research on public and private sector employees' perceptions of managerial control strategies and employee development concerns. They state that in their research, public organizations appeared to focus more on behavior control and clan control strategies than the private organizations did. This followed from their strict reporting procedures and their formalized training program (Kurland, Bailey, and Cooper, 1999).

## 2.3 Intermezzo: conceptual model

An attempt is been made to summarize the interdependencies from the literature in a conceptual model. This conceptual model will provide this research report with structure and provides a reflection of the researcher's view on the interdependencies of factors in this research. Furthermore it will over the readers some clarification in the relations between the mentioned factors. The four elements of the conceptual model will be further filled in at the end of the literature chapter. The conceptual model is visualized as follows (figure 4).

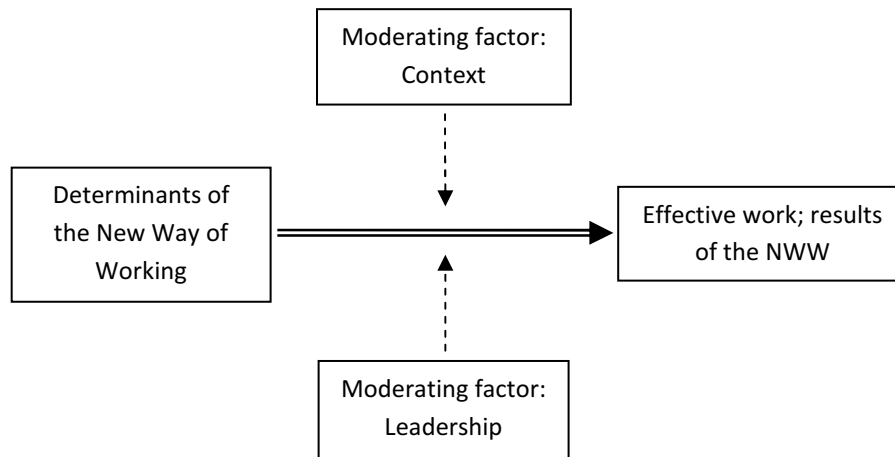


Figure 4: conceptual model.

Based on this conceptual model, the four mentioned elements of the model will be further elaborated in a section on literature on the New Way of Working. The goal of the next sections is to further fill in the four boxes of the conceptual model. This completed conceptual model will be offered at the end of chapter 2.

## 2.4 Determinants of the New Way of Working

To start a section specific on the determinants of the NWW, it's important to outline what the definition of the NWW would be according to relevant authors. Baane et al. (2010) define the NWW ("Het Nieuwe Werken" in Dutch) as "a combination of bricks, bytes and behavior" meaning that the NWW consists of a combination of refurbished buildings to provide room for the NWW, IT provided flexibility, and behavior that fits the new flexible environment. Baane et al. mention leadership, the organization and its culture as the relevant behavior elements, therefore also having a focus on the main research subject of this study as well. To determine whether an organization is working according to the NWW, one should determine whether these three factors (bricks, bytes and behavior) are present in the flexible working project (Baane et al., 2010).

Furthermore Baane et al. (2010) state that working in the NWW is characterized by four factors, namely working without dependency on time and place (1), steering of the employees based on output (2), easy access and use of knowledge, experience and ideas (3), and flexible labor relations (4). These elements are presented as the rules of the NWW game (Baane et al., 2010)..

The determinants of the NWW in organizations will be discussed here. More general elements that have been introduced in 2.1 and 2.2 will not be repeated here, but will be used in the completed conceptual model at the end of chapter 2.

### **Presence and visibility**

Another way to view the challenges provided by working from home is provided by the article by Felstead et al. (2003), namely that the main challenge for managerial controlling employees working at home are the factors visibility and presence. With the factor visibility is meant the possibility of employees being observed by supervisors and others, while with the factor presence is meant the ability of employees to participate in social relations with co-workers and others. Working from at home provides challenges for employees on these aspects, and managers search for solutions for these challenges (Felstead et al., 2003).

Regarding the visibility of employees, Felstead et al. mention that the lack of visibility among employees working at home gives room for slack and skiving, and that the less visible home working employees could become excluded when information is disseminated or team spirit get revved up. Organizations with limited ICT quality are most vulnerable for this lack of visibility. Both home-working employees as their manager reported finding the relative invisibility to be disturbing, because the increased difficulty to show their honesty, reliability and productivity. Finally it was questionable for responding employees how far and in what way it was legitimized to utilize the new opportunities for time flexibility. Underperformance was one response to this uncertainty, but an increase of output by the employee was the response of the large portion of the flexible employees (Felstead et al., 2003).

On the subject of presence in the office and working at home of employees, Felstead et al. explain that team-based social activities and corporate culture have become explicit and deliberate managerial tools in organizations where rule-bound conformity is not appropriate or possible. By using normative controls, teams can be seen as ways to implement collective values, beliefs, and identities. There have been fears among the researched organization that employees working at home would be harmful to the integration of teams and the reproduction of corporate culture (Felstead et al., 2003).

Another challenge on the subject of presence in the office versus home-working employees is that the use of personal space as working environment was thought to pose a threat to the sense of commitment with the organization of the home working employee, and that home working would reduce the transmission of tacit knowledge, even as a potential threat to peer group pressure as source of motivation and comradeship. Furthermore, it has been stated that employees working from home had a tendency to focus on their own goals instead of the goals of the group, and that the tasks of the on-site working employees changed to the emergency tasks while the ongoing tasks are performed by the off-site working employees, which might lead to envy from the on-site workers. All mentioned factors could lead to a misalignment between the home working employees and the on-site working employees, which should lead to a response of the manager (Felstead et al., 2003). This response is yet again discussed in section 2.2 of this literature overview.

### **Trust and organizational justice**

A trusting relation between the manager and the employee and vice versa is one of the most important factors for working in a flexible environment. In the article by Baruch (2001) many relevant

factors of teleworking are mentioned. Among them are trust in general and organizational justice more specifically. Also control and motivation are mentioned as being two complementary factors; as the degree of control decreases, control can also be achieved by motivating employees by offering performance-related pay along with clear targets. Furthermore Baruch mentions the risk of full reliance on IT for communication, as communication cues are filtered out. It even brings the risk of ending up with an "autistic society" (Baruch, 2001).

According to Cascio (2000), lack of trust will even reduce overall group productivity. Therefore, it is critical for teams to solve trust issues. In the start-up phase, teams with the highest levels of trust showed series of social messages in the start of their interactions, set clear goals for each team member, and all team members demonstrated positive attitudes. Managers should definitively adapt their leadership style to this. Cascio also stresses that not fewer managers, but better managers are needed to make flexible working work in practice (Cascio, 2000).

To summarize for the conceptual model, the factors that will be used to further specify the determinants of the NWW are flexibility, autonomy, the use of creativity, use of capabilities, use of the best place for activities, use of IT as enabler (telework), and the need for a balance between work and private life (as will be explained further in the segment on results of the NWW).

## **2.5 Effective work; results of the NWW**

The results of the NWW in organizations in the form of more effective work will be discussed here. More general elements that have been introduced in 2.1 and 2.2 will not be repeated here, but will be used in the completed conceptual model at the end of chapter 2.

### **Productivity**

Doherty et al. (2000) mention that are several researches which prove an increase of productivity in the size of 20 to 43%, which should prove that teleworking really has benefits for productivity, but they warn for the risk of measuring only the perception of productivity. Measuring the increase of productivity of teleworking employees is more valuable when a comparable control group is provided. Doherty et al. provide an example in which the perception of increase in productivity was 30%, but after controlling with a on-site working control group, the control group employees reported similar increases in productivity. All in all, no significant differences were found (Doherty et al., 2000).

### **Balance work and private life**

O'Neill et al. demonstrated that telework provides employees with children with a good opportunity to combine work with their private life. They describe the advantageous effect of telework for parents as a situational aspect of telework, and prove that those employees who have children living at home are more attracted to telework arrangements than those employees without children at home. This context dependent factor of the success of telework is accompanied in the article by a notion that employees who telework are more likely to have autonomous functions than non-teleworkers, and teleworkers appear to have less complex jobs than non-teleworkers. In other words, organizations should be aware of who they select for teleworking, as some employees and functions are more suitable than others (O'Neill et al., 2009).



### **Professional isolation; effects on career possibilities**

For years a suspicion has existed that working from home has significant effects on career outcomes of an individual. In the article by Tolbert et al. (1994) a suspicion is argued that a certain professional isolation exists when employees work at home. The suspicion was that managers who had to evaluate both employees who work from home as employees who work in the office, managers would be inclined to evaluate the performance of home working employees more negatively. This would be related to the fact that the activities of home working employees are less visible for the managers. These claims however are based on the managers attitudes, and not on objective measures. In the research by Tolbert, there was no evidence for biases in evaluations (Tolbert, 1994).

Furthermore, McDonald et al. (2008) mention that the risks of isolation offer the greatest reason for concern among the part-time employees, as the effect is strongest for these employees. Part-time employees are unable to respond to a range of demands in their periods of absence, and the context of part-time work and the corresponding career possibilities is very resistant to change. Also it appeared that management is telecommuting in general was unsupported by management, and should be hidden from clients, monitored closely, and should only be allowed for discrete and specified tasks (McDonald et al., 2008).

This suspicion however indicates a fear of employees that they might be evaluated negatively when they are less visible for their managers, and might choose to remain working in the office instead of from home just because of this reason.

Some authors base their theories on teleworking or telecommuting on working from home on a full time basis, while in practice in the Netherlands flexible working is used in a part-time basis; people work from home part of the time. Baruch (2001) mentions that the best output from teleworking comes when it's done on a part-time basis, as part-time use can prevent or reduce the social isolation of workers. It provides employees with the possibility to find a good balance between the quiet atmosphere at home on the one hand, and the personal relationship with their colleagues on the other hand (Baruch, 2001). That bridges this theoretical overview to the influences of flexible working on socio-emotional processes on the work floor.

### **Effort and cost effectiveness increase**

One can find several authors who will state that the introduction of flexible work forms like the NWW will ultimately increase the effort of employees and cost effectiveness of the organizations, thereby leading to an increase of the organizational performance (Bass et al., 1996 and 2003). With the above mentioned factors in mind, one can imagine the importance of the role of the manager in making sure that employees work according to plan, but also with as much room their own inputs, efforts, creativity, and use of capabilities.

Ultimately, one can imagine that the benefits of the NWW for the individual employees will lead to an increase in the performance of the organization as a whole, as literature showed that autonomous employees are better motivated, more engaged, and happier about their balance between work and private life, which ultimately will lead to better performing individuals and a better performing organization.



### Increased organizational yields

According to Baane et al. (2010) the increases in the organizational yields after the introduction of the NWW should be sought in several factors. They mention an increase in the satisfaction and engagement of the employees after the introduction of the NWW, an increase in the productivity of employees, improvements in the cooperation between employees, better use of the knowledge in the organization leading to an increase of the innovativeness of the organization, a better organizational image, an increase of the customer satisfaction, and doing business in a socially responsible and sustainable way (Baane et al., 2010).

### Cost reductions

Baane et al. (2010) also mentions some cost reduction factors, namely a reduction of the costs of the housing and facilities, reduction of travel and overnight costs, reduction of costs by improvement of employability of employees (therefore less employees are needed), reduction of ICT costs, reduction of costs due to absenteeism, and reduction of costs due to undesired retention (Baane et al., 2010). These cost reductions and increased organizational yields should convince organizations of the use of the NWW in their organization.

To summarize for the conceptual model, the factors that will be used to further specify the results of the use of the NWW in organizations are an increased productivity, more efficient work of employees, a better use of skills and knowledge in the organization, cost reductions and yield increases, and an improved balance between work and private life for employees.

## 2.6 Moderating factor; context

Interwoven throughout this literature chapter elements can be found that explain the contextual factor of this research model which moderates the effects of the NWW on the effectiveness of work. For instance, on team might have very autonomous tasks and need very little support and direction from their manager, while another team might only function with very short and fast communication lines, and clear guidance from the manager.

This is also reflected in the section on control and autonomy, and the literature of Dimitrova on this subject. The core of the arguments was that it would be misleading to treat workers as a homogeneous group and it would be better to place the analysis in context (Dimitrova, 2003). This feeds the argument that there is no one-size-fits-all solution to the use of the NWW in any organization and any team, but there should be sufficient attention to the context dependency in this field.

Also Kuruppuarachchi (2009) mentions elements that point on the context dependency of the NWW; he mentions the importance of the situational constraints in his literature on virtual teams. Also team structure and team diversity are mentioned as important dimensions of virtual teams (Kuruppuarachchi, 2009). This further feeds the suspicion of the relevance of the contextual factor in the success of the NWW in organizations.

Regarding the contextual dependency of leadership in the NWW, Farmer (2005) mentioned situational leadership as a reaction of the leadership style of the manager on the level of directive and supportive behavior demanded by the employee. In this, the development of the employee is

leading in the type of leadership the manager uses on this particular employee (Farmer, 2005). This again feeds the suspicion that the use and implementation of the NWW should keep in mind that each team and individual is different, and that managers should adapt their use of the NWW and their leadership style to the context in which the NWW is applied. Furthermore, common sense would also tell us that different teams need different levels of security, might have different needs for close one-on-one contact moments, and might have the need to react quickly on crisis situations.

Furthermore Dimitrova (2003) covered this discussion, who stated that there is high context dependency in this field. It would be misleading to treat workers as a homogeneous group and it would be better to place the analysis in context. Instead of using best practices for supervision, research showed a large array of practices and outcomes from telework. Dimitrova therefore asks how work context shapes control and autonomy in telework (Dimitrova, 2003).

To summarize for the goal of this research, the context box in the conceptual model will be summarized as the influence of different working concepts on the effectiveness of the NWW in a department and the autonomy of the individual tasks of the employees as context dependency factor in the fit of the NWW in a department.

## **2.7 Moderating factor; leadership in the NWW**

This section will start with an overview of relevant leadership elements in general, followed by an overview of leadership elements for the NWW situation specifically.

In the article by Kurland et al (1999), remote managing was mentioned as a result of the physical separation of the managers and employees in the flexible working environment. They state that remote managing is characterized by the inability of managers to observe the work processes of the flexible worker. The article by Kurland et al. further notes the difficulties with managing on a distance, in which the manager can't see her employees in action. In that case, some managers can focus on the output rather than the process, with the assumption that these outcomes are easier to measure and monitor. For salespeople this is a good possibility given their measureable performance, but for many other types of employees measuring performance comes with large difficulties. (Kurland et al., 1999).

Kurland et al. describe that the difficulties of remote managing are further increased when teleworkers "hotel", in which hoteling means that employees don't have a permanent desk but companies assign office space to employees on an as-needed basis. This means that employees can be in different places every time they come to the office. Furthermore, Kurland et al. describe a continuum of the challenge of remote managing, in which the increasing distance of the employees also increases the number of challenges to the manager in managing the employees on a remote distance (Kurland et al., 1999).

### **Communication**

Recommendations of Kurland et al. for preparing for managing telework environments stress the importance of covering topics as scheduling, communication expectations, telecommunication eligibility, performance expectations and how to maintain healthy collegial relationships. Also managers should guarantee that prospective teleworkers have basic technical tools such as e-mail

access and responsive communication links to ensure successful offsite work. Finally they issue the need for a basis of trust and familiarity in a telecommuting relation between manager and employee (Kurland et al., 1999).

As a reaction to the reduced visibility of home working employees, Felstead et al. mention 5 different approaches of managers to counteract to the uncertainty that the relative invisible brought along. These 5 different approaches are to (1) introduce new surveillance devices, (2) activation of surveillance capabilities of existing managerial devices, (3) set short-term or medium-term output targets, monitored at regular intervals, (4) bring management to the homes by the means of home visits, and (5) to emphasize trust, thereby reducing the need for visibility. None of these responses are reported to be ideal, so multiple approaches were followed simultaneously (Felstead et al., 2003).

### **Output targets**

Regarding the third approach (target setting) Felstead et al. state that monitoring outputs instead of inputs is a widely recommended approach. By focusing on short-term and medium-term outputs instead of inputs a manager can steer the activities of the employee by providing these employees with a goal and giving them the autonomy to find the best way to reach this goal (Felstead et al., 2003).

However, some limitations to the approach have been mentioned as well. For instance, some service-oriented organizations had problems with defining relevant output targets that could be readily measured and compared. When secondary targets were generated, the situation could arise that home working employees try to prove their capabilities by working very hard at home on targets that are short sighted or unhelpful for the organization (Felstead et al., 2003).

### **Trust vs. decreased visibility, presence.**

Regarding the trust approach to counteract the decreased visibility of home-working employees, Felstead et al. mention that trust was mentioned multiple times as being a necessary and unavoidable element in the supervision of home-located workers. Trust has been defined here as a relationship with reciprocal moral obligations in which rewards and productivity were exchanged without investigation. It functioned as a form of control, not as an alternative to it (Felstead et al., 2003).

Challenges with the adoption of trust have been experienced as well, such as that the willingness to trust varied among the types of managers. First, some managers combined the focus on trust with a simultaneous deployment of a surveillance device, leading to a degree of cynicism among employees. Second, the effectiveness of trust as a control mechanism was reduced by the simultaneous use of surveillance devices. Third, some managers commented that not all employees (not even the most capable) could be trusted, and the managers pointed to the relevance of self-discipline and self-management as skills for employees (Felstead et al., 2003).

The challenges regarding the presence in the office of home working employees has been discussed in section 2.1, which showed that the different activities and weakening ties between home working and on-site working employees might lead to a misalignment of these two groups of employees. According to Felstead et al. (2003) this could be counteracted by the managers by two main approaches. Managers might choose to get employees in line with the corporate culture and team

norms before letting the employees work from home, and/or using new and existing channels for communication to create a team spirit and ownership of the organization among the established home workers (Felstead et al., 2003).

### **Situational leadership**

The theory that there is not one leadership style that is suitable in every situation has been described as situational leadership, for instance by Farmer (2005). She states that the fitting leadership styles have different levels of both directive and supportive behavior, and is introduced as being a model that is a way for leaders to help the people they work with to grow and become achievers that can be self-reliant. In this, directive behavior was described as giving detailed rules and instruction, and supportive behavior as listening, communicating, recognizing and encouraging. In order for a manager to find the fitting leadership style, he first needs to know how to diagnose performance, competence, and commitment of others. Also, managers should be flexible and a partner for performance, and should do this by eliminating obstacles and providing adequate resources (Farmer, 2005).

The model of situational leadership appears to be very relevant for the context of the NWW, as there are many factors for a manager to remember. He has to take into account the development level of the employees themselves, but also needs to take into account the development of the team as a whole, the autonomy of the kind of work of the team, and the surroundings of the organization as a whole. Therefore, the model of situational leadership will turn out to be useful in the analysis of the case of this research.

In addition to this, Baane et al. (2010) mention leadership in the behavior element of their bricks-bytes-behavior description of the NWW. On the subject of leadership in the NWW, Baane et al. state that leadership should mainly be coaching, leaving room for employees to be selfsteering where they are able to be selfsteering (Baane et al., 2010).

### **Managerial approaches towards telecommuters and non-telecommuters**

Lautsch et al. (2009) are concerned about the results of different managerial approaches towards telecommuters and non-telecommuters. They state that managers should stay in close contact with their employees, but that this should focus on information sharing, not on close monitoring of the activities of employees. Also they state a paradox, namely that when managers encourage their telecommuting employees to set boundaries between work and private life when they work from home, these employees starting working less in evening hours. As a results, the workload for non-telecommuting employees starting to increase (Lautsch et al., 2009).

Lautsch et al. describe the changed role of managers, namely that they must learn how to supervise, maintain contact with telecommuting employees and improving their performance, despite the fact that they are out-of-sight when they are working. Furthermore they state that the positive effect of telecommuting are most likely to be achieved when they are effectively implemented and supported in the organization. The element of support in the organization is yet again stressed when the work-life balance is discussed; managers should not only be empathetic and helpful regarding finding the right balance between work and private life, but should also assist workers in maintaining their performance when they choose to telecommute (Lautsch et al., 2009). The supportive role of the manager in telecommuting is thus relevant in multiple ways!

Overall managers in telecommuting contexts should remember that telecommuters benefit from equity in monitoring practices, as well as from the increased level of contact with their managers related to information sharing and encouragement to set work and private life boundaries. At the same time managers should be aware that they should remain attentive to equity issues in workgroups. In other words, the authors identify some specific changes that managers should make to support a telecommuting context (Lautsch et al., 2009).

A surprising finding was that a supervising strategy that stressed the relevance of separation of work and family related to lower work-family conflict for telecommuters, but at the same time lowered the helping behavior of telecommuting employees to their non-telecommuting colleagues, and higher work-family conflict among the non-telecommuting colleagues (Lautsch et al., 2009). Managers should be very aware of this surprising tendency to keep both groups of employees satisfied.

### **Control versus autonomy**

Control methods that were found in the research by Dimitrova were combinations of work rules, formal supervisory procedures, and informal practices. The manager in teleworking situations has the twin role of planning and organizing on the one hand and clearing roadblocks on the other hand. Finally the role of trust in the relation between managers and employees turned out to be very relevant (Dimitrova, 2003).

It has to be stressed that the role of the manager has to be to find the right balance between control and autonomy. Whereas the organization will wish to remain a certain degree of control over the activities of the employee to have a certainty that an employee performs what is agreed upon, but also that an employee doesn't work in a direction that differs from the direction that is desired or expected by the organization. On the other hand research results have been found that state that autonomous employees are more motivated and will perform even better. Managers should therefore find the right balance. Steering on output is claimed to be a method to find this balance (Baruch, 2001).

The change to more autonomy for the employee by introducing flexible working in the organization will provide the employee with a way to combine work and private life better than before. From the organization's perspective it has to be remembered by managers that employees find the correct balance as to prevent that the employee will remain at home too much. This is made especially clear in the discussion on knowledge sharing in the flexible environment. The risk of professional isolation has to be taken into account by the manager, by making sure that the employees share their knowledge as much as is needed by the colleagues and the organization. In other words, the manager has to guide the change to more freedom and autonomy for the employees and find the right balance where the organizations interests contradict with the employees interests (O'Neill et al., 2009; Kurland et al., 1999).

### **Virtual teams: leadership versus performance and satisfaction**

An interesting view on leadership aspects on the one hand and performance and satisfaction on the other hand was provided by Powell et al. (2004), who offered an overview on early research on virtual teams in the form of a model. This model has been presented earlier in this report regarding the socio-emotional processes, and was already presented again in figure 2. This shows that the input factors for virtual team research, leading through the socio-emotional processes (discussed in

section 2.1) and task processes, will lead to the output factors performance and satisfaction (Powell et al., 2004).

### Higher workload

Furthermore Dimitrova states that managers increased monitoring of employees, but his close monitoring was temporary. Changes in formal and informal supervisory procedures were not initiated by telework. On the other hand, telework helped the autonomous employees to carry a higher workload. Dimitrova also reported that control mechanisms were well developed, including both output criteria as process (input) criteria (Dimitrova, 2003).

### Unity of place, time, action

A question Taskin et al. ask in their article is how telework affects autonomy and control of the employees. They point at the important role that performance management techniques will play in reinforcing both managerial control as well as allowing employee discretion. Also they state that telework and the mentioned performance management techniques are most suitable for knowledge workers, who will benefit from the provided autonomy in performing high complex tasks and working on projects. Also the authors warn that the introduction of the changes that come with the introduction of teleworking will conflict with the convention as it was known in the traditional working context (Taskin et al., 2007).

### Steering in terms of output

Literature on steering on output suggests that the formulation of employees' goals by the manager plays a central role in the success of steering on output. Goals have to be formulated in such a way that managers make sure that employees will work in the direction that the organization desires, but must leave enough room for employees to provide them with the autonomy and freedom to use their capabilities and creativity to come with their own approach to their responsibilities. The role of the manager here changes to a coaching role; he has to guide and help employees where they need it, and give them the autonomy to use their capabilities where possible (Vandendriesche, 2010). In other words, the role of the manager here is crucial for the interest of the organization in the NWW; managers make sure that by the correct formulation of the output goals, the employees will work in the correct direction (Baruch, 2001).

In a book by Vandendriessche et al. (2010) is described that a focus on steering on output is a very good way to steer the actions of employees when these employees are not present in the office on a daily basis. Vandendriessche et al. state that while an input focused agreement between a manager and an employee focuses on the what and how in the agreement (how does the manager think the employee needs to perform the job), the focus on output in the agreements between manager and employee focuses on the ultimate goal (the "what"), stating why the employee should perform this job and to what higher goals this job is contributing. This way misunderstandings are prevented, and ultimately employees will be more motivated, act more autonomous, and use more of their capabilities. Thus, by stating the agreements in terms of output and rewarding these achievements, managers really get what they reward (Vandendriessche and Clement, 2010).

### Outcomes of leadership

Three measures of outcomes of leadership are mentioned by Bass and Avolio, namely effectiveness, extra effort, and satisfaction. Effectiveness is measured in meeting the job-related needs of followers, representing these needs to higher management, and contributing to the effectiveness of

the work unit and the organization. Extra effort is reflected by whether the followers shows extra effort beyond the expected level of effort. Satisfaction is measured by asking the followers how satisfied they are with the leaders' style and methods (Bass et al., 1996).

The link between a leadership style on the one hand and unit performance on the other hand has been examined in a research by Bass et al. (2003). They state that transformational leaders are expected to set higher expectations to thereby enhance the performance capacity of their followers by setting higher expectations, and also to generate a higher willingness to address more difficult challenges. Also transformational leadership puts an extra focus on the individual development of followers, challenges followers to think in new ways, and inspires followers to perform even better than the followers deemed possible. This is done while keeping the high moral standards and values in mind that guide the performance of the followers (Bass et al., 2003).

Transactional leadership (contingent reward leadership) theoretically relates positively to unit performance in that such leaders clarify expectations and reward performance that contribute to higher levels of effort. This clarification is an extra driver for followers to perform better and receive more rewards (Bass et al., 2003).

Baruch (2001) mentions furthermore that cost savings is a tangible result of introducing teleworking in an organization. Improved efficiency, morale, and satisfaction are intangible factors influenced by the introduction of teleworking. He also states that the traditional control mechanisms based on direct supervision will not work in the flexible environment, leading to a fear among managers to lose control over teleworkers when the latter gain autonomy through teleworking. As a result managers will have to find their base for controlling in a results-based orientation and a culture of trust (Baruch, 2001).

### **Motivation and engagement**

As mentioned the outcomes of leadership in the NWW also has a specific element that is focused on the interest of the individual employee. The example of control versus autonomy of the individual employee was already mentioned from the organization's point of view. This discussion shows that the main interest of the organization will be to keep control over the activities of the individual employees, while the employee will wish to have more autonomy. In this autonomy, the literature shows that the employee doesn't wish to be totally let loose, but wishes to feel supported by the manager, and wishes that the activities he performs from home are seen by the manager. That is what will motivate the employees and what makes him engaged to his task (Kurland et al., 1999).

Therefore, the outcome of leadership of a manager in the NWW context from the perspective of the individual employee will also focus on finding a new balance between control and autonomy. As was explained in the former section on leadership from the organization's perspective, steering on output can be a fitting method to provide manager with a method to find the correct balance between control and autonomy of the employee. When this balance is found and the coaching role of the manager towards the employee is attained correctly, the real interest for the employee is to be able to find a better balance between work and private life (Vandendriessche, 2010).

For the manager, his leadership can make a real difference in helping the employees to find a better balance between work and private life. The manager can help the employees to find this better balance by providing them with a real life example on how work and private life can be combined. He



can use the exemplary role to show that it is accepted to work from home, and this should not be a source for mixed feelings with the colleagues as long as you perform as is agreed upon. The trusting relation between employees and manager is crucial. As is mentioned in this chapter, the manager will have to work on creating a trusting relationship between manager and employee to create the right circumstances for the employee to perform well (Cascio, 2001).

Employees who have a better balance between work and private life will be better performers and one can imagine that employees with a better balance between work and private life will be less stressed and therefore healthier than colleagues with a worse balance between work and private life. The leadership of a manager can play a significant role in this, as managers can also help employees to find the best location for their work activities. Also, the additional flexibility for employees will make that employees can choose the best location to perform the activities as efficient as possible. Therefore, the work load will be better manageable and the employees will even be able to have more tasks than before (Kurland, 1999).

Summarizing so far, according to the used literature, the increased flexibility and autonomy of employees will ultimately lead to a better manageable work load, better job satisfaction, improved morale, and extra effort in the job by the employee. However, a negative outcome of the NWW might be that employees can feel socially and professionally isolated. The role for the manager in this is to prevent employees from feeling isolated by consciously creating moments at which the colleagues meet in person, and thereby create the social bond that might be deteriorated by the increased distance between colleagues and between the manager and the employee (Tolbert, 1994).

### **Trust, security, culture**

Also Harrington et al. state that the management style of control and stability needs to be adapted for the situation of telecommuting employees to accommodate the new methods of communication and interaction with the telecommuting employees. Instead of control and stability, the authors state that trust, security, and culture are the three main factors for management in the telecommuting context. Furthermore is stated that creating the right corporate culture will create a trusting relation between manager and employee, which yet again will lead to telecommuting adoption, diffusion, and success. Especially telecommuting success is relevant for this research in this NWW situation at ING, so the relation between trust, open communication, and frequent communication on the one hand, and telecommuting success on the other hand is a relevant finding of this research (Harrington et al., 1999).

### **Increase in flexibility**

The disappearance of strict working schedules and the greater flexibility and autonomy were limited changes, but were really appreciated by the respondents. However, these results were also contradictory. On the one hand employees gained flexibility and autonomy, and thereby the possibility to combine work and private life. On the other hand, long working hours were a threat for employees, as the administrative barriers were removed (Dimitrova, 2003).

### **Employee isolation**

Kurland et al. (2002) mentioned that the fear of employees to become professionally and socially isolated from their colleagues who work on-site. According to the authors, managerial controls and employees' concerns for isolation are linked, because of the output focus of managers. Employees report that when managers focus solely on the outputs, these employees miss out on the offered



professional development and training, which they would have attended when they were on-site to apply for the sessions. According to the authors, out-of-sight employees become professionally isolated (Kurland et al., 2002). One can imagine that the results that professional isolation of employees has on the success of knowledge sharing will therefore

Managers on the other hand reported the use of clan controls as a panacea for the professional isolation issues mentioned by the employees, but also mention that team synergy, informal interactive learning, and remote mentoring are factors that are challenging in the telecommuting context. Team synergy is challenged by the lack of belief of non-telecommuting employees that their teleworking employees actually work from home. Face-to-face meetings appeared to be critical. Regarding informal learning, the factor of spontaneous learning on the workfloor is mentioned, on which the telecommuting employees miss out, but are relevantly enhancing the performance of on-site working employees. Finally regarding the interpersonal networking, the authors mention the risk for telecommuting employees of missing out on the motivating projects, and not creating the relationships that might bring employees further in their career (Kurland et al., 2002).

Also Cooper et al. (2002) mention the risk of professional isolation, and mention the importance of interpersonal networking, informal learning, and mentoring as development activities for telecommuting employees to counteract this risk of professional isolation. They stress the importance of both telecommuting employees as the managers to counteract the risk of professional isolation. This training should include maintaining open communication between telecommuters and on-site employees, maintaining synergy between location-wise separated employees, the need for formal channels of communication like weekly meetings, and finally the importance of spreading all necessary information to employees working at home (Cooper et al., 2002).

The research by Kurland, Bailey, and Cooper (1999) reported something similar. They reported that private organization employees were more likely than public sector employees to perceive telecommuting as a negative influence on informal learning. Also, manager mentioned that they were less able to coach and counsel employees, because they were unable to observe telecommuters in action. These observations were stronger in the private sector than in the public sector (Kurland, Bailey, and Cooper, 1999).

To summarize for the conceptual model leadership as moderating factor on the success of the NWW in a department will be summarized with the elements trust versus visibility and presence, steering based on output criteria, a coaching role of the manager, the example role of a manager, the facilitating role of a manager, and finding the right balance between work and private life.

## 2.8 Summary: conceptual model

These found elements of the literature are summarized in the research model, to make the research model complete. This research model was introduced at the start of the literature chapter. The completed research model will be used throughout the research report, as a way to structure the results. The completed research model can be found on the next page, figure 5.

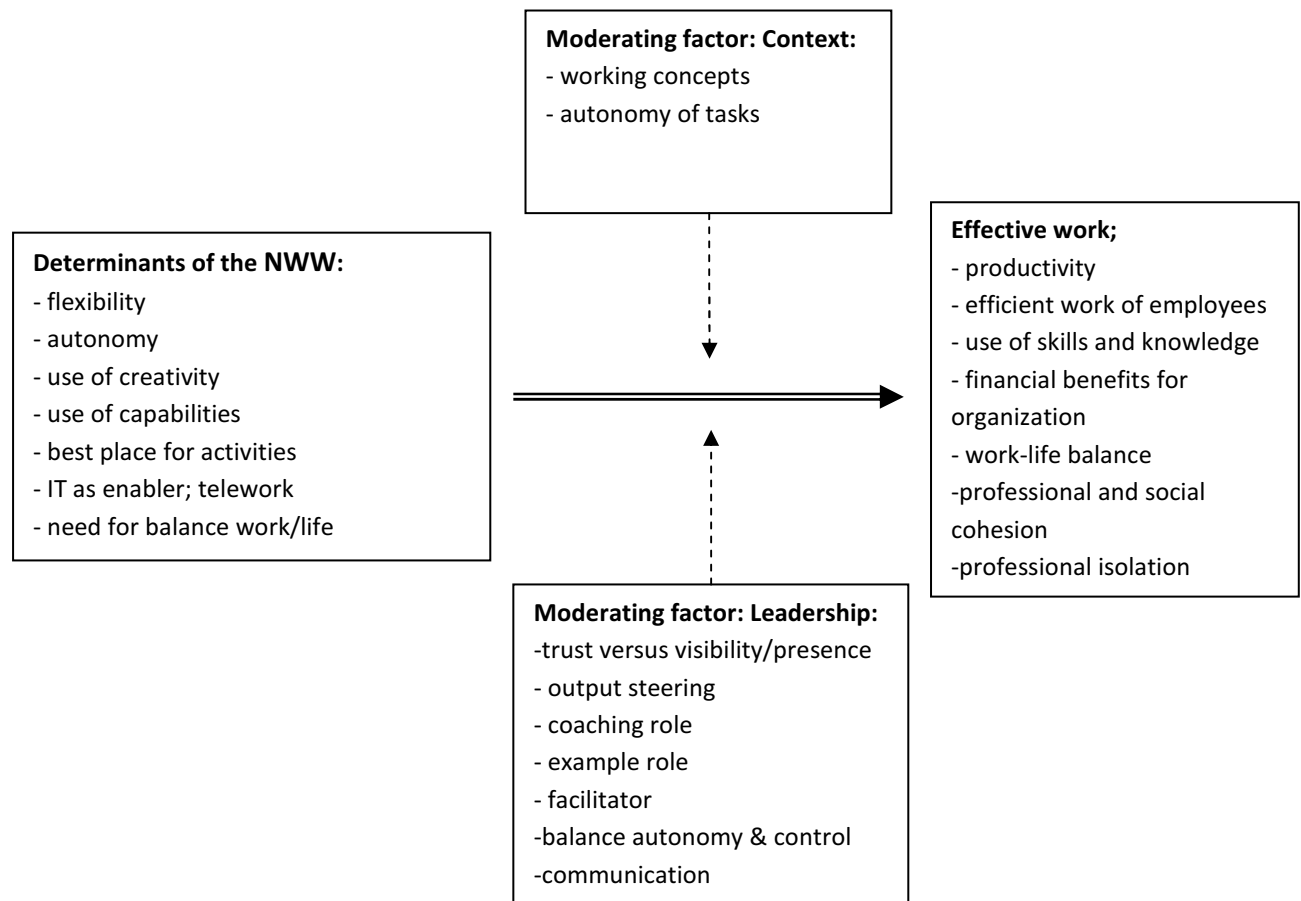


Figure 5: conceptual model with added knowledge from literature.

The discussion in these three sections have created an overview on the knowledge in the literature on the subject of this research. In the next section (chapter 3) the research methods for the empirical research will be presented, giving the reader a clear overview of the methods and the reasons to chose for the methods. After this methodology chapter, the findings of the empirical research in the organization will be presented. Naturally these findings will be presented with the central research model in mind, so the structure of the next section will be similar to the structure of this chapter. After the next section on the empirical findings (chapter 4), a section on the analysis of the results of both the literature research as the empirical findings will be presented (chapter 5), and the conclusions and recommendations are presented (chapter 6).

## Chapter 3 – Methodology

As described in the introduction chapter of this research report, this research was part of a pilot phase of the NWW in ING, and had the practical goal to offer ING some more knowledge on how leadership in the NWW should be formed in the ING context for managers to be successful in the NWW.

### 3.1 Research approach

There are multiple types of researches, depending on multiple factors in these researches. In the case of this research, the research consisted of three main elements which were combined to come to a research result. As was mentioned in the section on the research methods, this research consisted of a literature element, a quantitative survey element, and a qualitative interview element.

The literature search for this research had a wide focus, due to the multiple elements in the research question. Literature has been sought on flexible working forms, leadership in general, and on leadership and management roles in flexible working environments. Because of the wide focus a lot of literature has been used for this research. Also, the wide focus of the literature search is the reason that this research wasn't mainly a literature review, because this would have had a more focused search on a specific subject. One could state that the found literature search provided the basis for the next steps in the research.

The survey amongst the NWW pilot participants provided this research with a qualitative element, and at the same time provided ING with information on for the evaluation of the pilot of NWW for a company-wide roll out. This qualitative data was analyzed with SPSS version 18 (statistical software) and was used to find information on the development that the total group of participants in the NWW pilot has gone through, but also the development of the first departments to start in the pilot (Business Banking and Organizational Change) and the managers in the group of pilot participants. The knowledge that followed from the surveys from the pre-pilot and post-pilot measurements of the pilot group and the control group, along with the information from the literature search, were the basis for the interview questions.

These 19 interviews in the research can be identified as the qualitative element in this research. By means of the knowledge from the literature research and the information from the surveys, the questions for the interviews were formulated. As the interviews are the final product of this process and thereby consist of the main element of this research, this research should be seen as a deductive research to use the general knowledge from the literature in the specific situation of the ING pilot of the New Way of Working.

The choice for a single case study for this approach has been made because the subject of choice was relatively new in the literature and the organization. As Yin (2003) mentions, the case study is the right choice for a research method when the “how” and “why” question is being asked about a subject that is recent in that moment in time. The answers to this “how” and “why” question should lead to a better understanding of the concept that is discussed; it tries to understand a contemporary

phenomenon in the real-life context, especially when the boundaries between phenomenon and context are unclear (Yin, 2003).

From this can be understood that the choice for the single case study approach of this research was the correct one; leadership in the NWW was a new subject for the organization and little literature could be found on the subject. Therefore a better understanding of the dominant mechanisms was necessary to come to good amendments for ING as a single case organization, and more generally for leadership in the NWW and leadership in flexible environments more in general.

An advice by Yin (2003) was to try to have more than one case study to create a multiple case study research. That way a researcher might avoid the risk of putting “all your eggs in one basket”, i.e. the risk that your single case study organization is an exception compared to the other organizations (Yin, 2003). For this research however, the research is focused on leadership in the NWW in the ING specifically. A goal was to offer the ING some amendments and advices on how leadership in the NWW in their context should be applied, so that managers who started in the NWW had some information that was specifically focused on their situation.

As was described by Saunders et al. (2009) a continuum can be identified between a basic research as it is performed on a university (focused on universal principles, findings of significance for society in general) and applied research as it is performed in organizations (findings of practical relevance, new knowledge limited to problem, focused on particular situation) (Saunders et al., 2009). From these definitions should be concluded that the research that is discussed here has elements of both definitions. On the one hand it provides information that is specifically applicable in the ING situation, but on the other hand an answers is sought that can also be applied in other situations and organizations. In the mentioned continuum, this research will be closer to the applied research than to the basic research, because the primary objective is to provide ING with amendments and advices on how leadership in the NWW could be shaped.

Also, Saunders et al. (2009) describe three research purposes, namely exploratory, descriptive, and explanatory. Exploratory studies study the nature of a problem to clarify the problem. It questions a concept in a new light to come to a better understanding of the subject. The descriptive study tries to portray a an accurate profile of persons, events, or situations. Explanatory research tries to clarify the relation between variables (Saunders et al., 2009). From these three research purposes, the research that is discussed here should be categorized as explanatory research, as it uses already existing described concept to answer a question from ING.

### Research questions leading to research approach

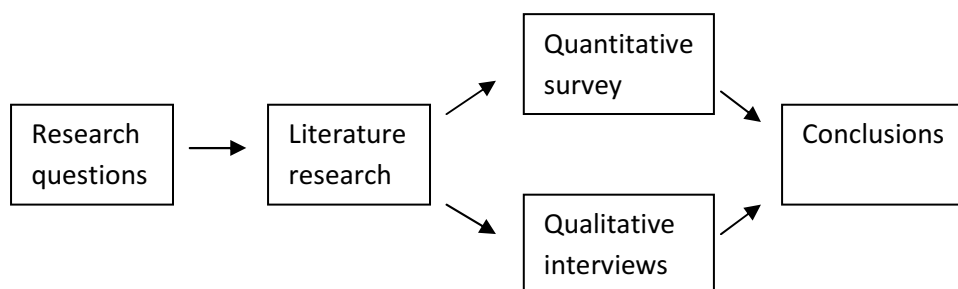
The research question for this research *"In what way should managers adapt their leadership style to positively affect the outcomes of the New Way of Working?"* was translated to the research approach in the first place by analyzing the elements of this question (leadership and flexible working) in the literature. The knowledge that followed from this literature search was translated for the second element of this research. This second element was the gathering of knowledge from practice, by means of the more general surveys for evaluation of the NWW pilot as a whole, and the more subject-specific interviews with managers from the pilot of the NWW.

To translate the specific question to the gathering of information from practice, the broad information from the surveys has been analyzed from the point of view of the research question. The

results of the relevant question from the survey will be analyzed and presented in the findings chapter of this report. As said, the formulation of the questions for the interviews was done after the literature research and with the research question in mind. The interview questions can be found in the appendices at the end of this report. As can be seen, the interview questions focused on all advantages and disadvantages that managers experienced in the performance of their jobs, and had a focus on the performance of the department as a team. So for instance, what happens with the quantity of work that is done by the department after the NWW is introduced, and what happens with the quality of work that is done? One can also see that the questions were formulated in a broad sense, and with follow-up questions the line of reasoning of the responding managers was sought.

### 3.2 Research methods

An overall overview of the review methods can be visualized as in figure 6. As can be seen this research will start with research questions, followed by the literature research, followed by a quantitative survey and qualitative interviews, which then are followed by conclusions.



*Figure 6: research methods visualization*

#### Literature

For the literature overview for this research, a literature search has been performed. The search has been focused on the different forms of flexible work, leadership in organizations in general, leadership in flexible environments, and the effects of flexible work on the effectiveness of work. The articles were selected to be used for this research either because they were relevant and recent, or because they were relevant and no more recent information was available.

The analysis of the articles has been performed in a specific sequence. First the literature on the several variants and factors of flexible working was analyzed, to form a paradigm on the flexible working environment. This paradigm turned out to be very useful for the next part of the analysis, namely the analysis of the literature on leadership. There is so much literature available on leadership that it turned out to be very useful to analyze the literature on leadership from the flexible working point of view. This prevented the analysis of literature on leadership to become too wide and thereby too time consuming.

After the analyses of the literature on flexible work forms and leadership styles, all is combined in the analysis of the literature on leadership in flexible work forms. An attempt has been done to

understand the moderating influence that leadership will have on the relation between the introduction of the NWW in organizations and the increase in efficiency of work by understanding the literature in all mentioned fields. In the analysis of the mentioned fields, also the moderating role of the context of the department was found to be very relevant and as added to the research model as an acknowledged moderation on the influence of the introduction of the NWW on efficient work.

The found literature has been used for this research as to create a broad basic knowledge on flexible work forms in a broad sense, and leadership in flexible work forms more specific. For this, the different opinions and visions of the authors are understood and used to formulate questions for the surveys and interviews. In other words, the broad knowledge from the literature is applied in the practical situation of ING to analyze their context and come to a decent answer to their question regarding leadership in a flexible work form.

The literature search (which mainly has been performed on scholar.google.com and scopus.com) offered a lot of articles on the subjects, but the literature overview also showed some gaps in the knowledge that is available. A literature search on flexible work forms offered a lot of information on several kinds of flexible work, but only some of them are alike the Dutch form of flexible work like it is used in ING. Also the search for literature on leadership provided a lot of results, but then again it turned out to be harder to find literature on leadership specifically in flexible work contexts, and it even turned out to be very difficult to find literature on leadership in flexible work forms that are alike the flexible work form that is used in ING. Furthermore it turned out that most available articles were quite old, perhaps showing that the real trend of flexible working in the literature had been some years earlier. All in all it can be said that there was a gap in the literature on the specific research subject of this research.

### **Pre- and post measurement survey in the pilot; survey outline**

For years ING had used a survey to assess factors as motivation, job satisfaction, intention to leave, and several other qualitative and quantitative indicators to measure the overall employee satisfaction, to come to a Winning Performance Culture (WPC). These WPC surveys were performed once per year, with a second survey 6 months later which focuses on specific fields of the regular WPC survey. The last measurement for the WPC before this research was performed was a focused measurement, performed in May 2011.

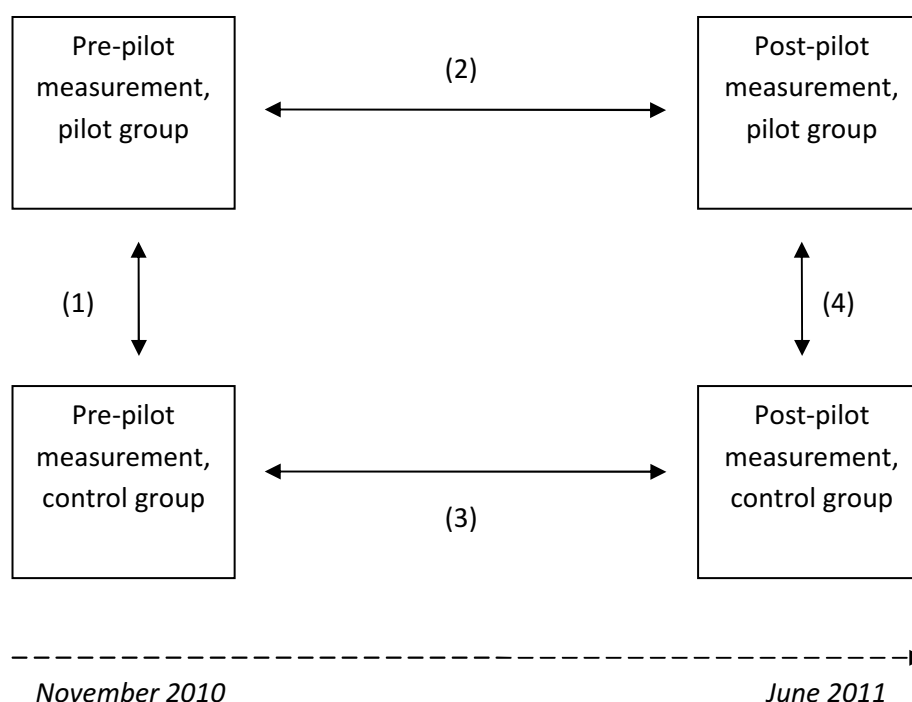
Before the start of this research, a measurement has been performed on several factors amongst the employees who were going to participate in the pilot of the NWW and a control group. Because the data of the pre-measurement was available and the post-measurement would be held in the period of this research, some questions for this research were added to this post-measurement to support this research. The availability of the valuable data and the fact that the data followed from both the employees as the managers made this data a valuable addition to this research.

The quantitative element of this research is resembled in the form of the pre-pilot and post-pilot survey, which have a similar structure as the WPC surveys. The pre-pilot and post-pilot quantitative surveys were focused on the evaluation of the NWW pilot in a general way, and the pre-pilot measurement was performed in November 2010 so before the start of this research. Both the pre-pilot as the post-pilot measurements were performed on the pilot group and a comparable control group. The post-pilot measurement was performed from the 1st to the 10th of June 2011 and was based on the pre-pilot measurement. The survey was built from 104 questions (pre-pilot

measurement) and 82 questions (post-pilot measurement) with a 5 point Likert scale (totally disagree=1, disagree=2, nor agree/disagree=3, agree=4, totally agree=5), some questions in which respondents divide 100% over some options, and open questions. The questions and answers of the surveys were formulated in Dutch.

Some questions of the pre-pilot measurement were asked again in de post-pilot measurement, but some other questions from the pre-pilot measurement weren't asked again because these questions were already asked in the WPC survey. These dropped questions gave room in the survey for new question, so some questions that are relevant for this research have been added to the pre-pilot survey. Also, some of the questions of both the pre-pilot as the post-pilot survey are relevant for this research, so will be used in the analysis as well. For the analysis of the results of the surveys, the raw results of the pre-pilot and post-pilot were imported and SPSS and statistically compared. For the analysis of arrows (1), (2), and (3), the One Sample T-test was used because of the homogenous composition of the pilot and control group. For the analysis of arrow (4) the One Way ANOVA was used because the assignable experience of the pilot by the pilot group.

A schematic overview of the surveys can be found in figure 7. The focus for this research was on the comparisons (2) and (4). The analysis of arrows (1) and (3) has also been performed but only as a control for the result of (2) and (4). The arrows (2) and (4) are the relevant comparisons for this research because the change in the behavior of the managers in the pilot group is what is the interest of this research.



*figure 7: pre-pilot and post-pilot survey.*

The strength of these results was that all NWW pilot participants received an invitation to participate in the survey, so also all managers in the pilot received the invitation. Also strong elements of these surveys were that there is a comparability of the pre-pilot and post-pilot measurement for some of

the questions, and a comparability between a pilot group and a control group. However, the weak point was the response ratios of the surveys. Whereas the pre-pilot measurement of the pilot group had a response ratio of 51% (269 out of 525 respondents), the post-pilot measurement of the pilot group had a response ratio of 24% (151 out of 630 respondents). The difference between the size of the respondent groups (525 vs 630) can be explained by the growth of the pilot group due to interest in the flexible work pilot in ING.

In the section on the operationalization of the factors found in the literature in the survey, not all questions that were asked are mentioned. The basis of the survey already existed before the start of this research, so most of the question were formulated earlier. Therefore the survey questions were coupled with the concepts from the literature, but were mainly used as background information for a better understanding of the complete NWW context in ING. The interview results were more relevant from the research perspective.

## Interviews

To find out what the personal experiences are of the managers in the pilot of the NWW at ING, qualitative interviews with 19 managers were held. These semi-structured interviews were guided by a list of questions regarding the expected topics of issues the managers would experience in the pilot, but the questions were asked in an open manner to give the managers the possibility to talk about their issues from their point of view, and not from the point of view of the interviewer. The results of the interviews were translated in interview overviews, which were gathered and analyzed to come to an overall overview on the experiences, issues and problems of the managers from the pilot of the NWW. Again, these results came from managers of staff departments in ING, and the generalizability of the results over sales and back-office departments has been considered.

According to Saunders et al. (2009) one-on-one interviews can be performed face-to-face, via telephone or via internet-mediated interviews. Also he mentions that for explanatory studies, the semi-structured research is the most suitable. The semi-structured interview here provides the researcher the possibility to understand the relation between variables, such as those that were revealed by other descriptive studies (Saunders, 2009). Therefore, the choice for a semi-structured interview method for this research appears to be the correct method. The choice for a face-to-face interview method appears the best fit with the semi-structured interview method, because the reaction of the respondent should lead to follow-up questions that lead to the best understanding of the line of reasoning of the respondent.

The respondents for the interviews have been selected from the database of all NWW pilot participants, from which could be selected who has a managing function. From these selected managers, respondents were picked randomly, but in such a way that from each of the four participating departments (Business Banking, Organizational Change, Marketing, Communications) some managers were interviewed. The interesting element in this array of managers from each of the four participating departments was that whereas Business Banking and Change were the first departments to start using the NWW in their activities, the Communications and Marketing departments started to use NWW much later. Therefore, a distinction can also be made from the experiences on short term (+/- one month) and on longer term (+/- 6 months). These differences between the amounts of experience with NWW of the managers of the different departments can also help to offer insight in the development of the adaptation of managers to the NWW context.



Another way that it will be attempted to create a prediction for how the NWW will work out in different contexts is to use literature on the use of flexworking, teleworking, and telecommuting in different situations. By identifying differences in the surroundings and the results of introducing flexible working situations one could attempt to formulate a prediction for the different contexts in ING. In this ING situation, a specific set of leadership styles and skills will be formulated from the knowledge from literature and empirical information. This set of styles and skills will be the input for the prediction on what might work in a very different context and which styles and skills might need some adaptation.

### 3.3 Operationalization of factors

The model that was presented at the end of chapter 2 will be used here as a basis to explain the operationalization of the factors in the surveys and interviews for this research. The final model was presented as:

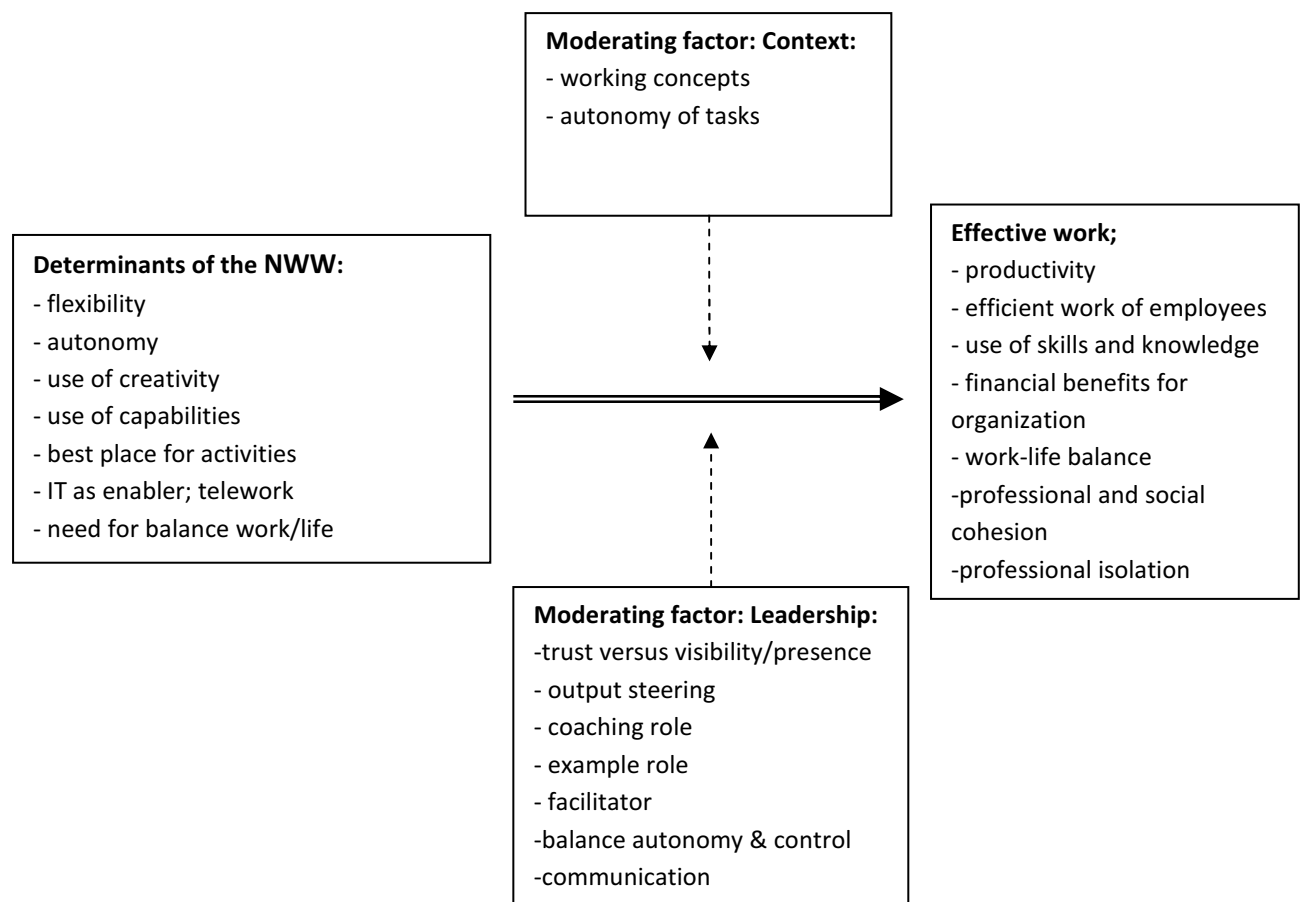


Figure 8: conceptual model.

The structure of this model is used here as a structure for this section on the operationalization. The variables in the NWW will be discussed first, the factors for effective work secondly, the contextual factors thirdly, and finally the operationalization of the leadership factors will be discussed.

In the surveys, the pretest-posttest model with pilot group and control group as discussed in 3.2 was used. The opinion of the respondents on several statements was measured. The mean of the rating of the opinion of the anonymous respondents was used to draw conclusions from the outcomes. The concepts of the research model were used as a start to formulate the questions for the surveys. Also interviews were held with managers from the NWW pilot at the hosting organization. The questions that were asked to the managers also followed from the research model. In the following section the links between literature and empirical research are explained, and will clarify the operationalization of the research concepts.

The reasoning of employees is what's missing to understand the dominant reasoning of employees and managers and therefore understanding why the findings show what they show. Therefore, the survey results are useful as a background, but the interview results provide the real valuable and useable results for this research.

### 3.3.1 Operationalization of variables of the NWW

The relevant factors for the NWW have been researched in the surveys and the interviews, and have been asked to in multiple ways. The variables in the NWW have been described after the literature research as flexibility, autonomy, work-life balance, use of creativity, use of capabilities, best place for activities, and IT as enabler. Although they are not the main research subject, they are discussed here.

#### Surveys

The variables in the NWW have been researched in the surveys, for instance in the case of the variables on the flexibility of the employee. It has been asked in the survey where employees perform their job, and a more spread result of the possible answers (for instance at home, on an open office floor, in a room in the office, etc) means that employees use their flexibility to choose which place to perform their job fits best. Also, a lower result in the "hours commuted" question in the post measurement compared to the pre measurement points at increased flexibility of the employees, used to reduce that commuting times by avoiding the traffic jam moments.

Autonomy was measured in the surveys by the questions "I have the freedom to make my own schedule and plan my own activities" and "I'm allowed to work where and when I want". In other words, employees were asked how they experience their freedom to plan their activities. Changes in the balance between work and private life were measured by "I experience a good balance between work and private life" and "My work fits with how I'd like to fill in my preferences in my private life", so questions that indicate the respondent's experience of the balance between work and private life.

The use of creativity and capabilities was measured by indicating questions as "I'm encouraged to initiate a change when I see a possibility for improvement" and "My ideas and suggestions matter". In other words, use of creativity and capabilities is measured implicitly. The use of the best place for an employees' activities is indicated by the results of questions as "I'm satisfied with the possibility to choose the work place that best suits my activities" and the question in which respondents indicate where they perform their tasks.

The IT as enabler factors hasn't been measured in the survey but was accepted as a given factor.

## Interviews

As mentioned earlier, the interviews were more relevant for this research. They were formulated based partially on the pre-measurement results of the survey, and partially on one-on-one conversations with involved employees, and are focused especially on this research. For the variables of the NWW as researched here, the questions were adapted to get answers on the research questions.

Regarding the mentioned relevant variables of the NWW (flexibility, autonomy, work-life balance, use of creativity, use of capabilities, best place for activities, and IT as enabler), the factors flexibility was questioned in the start of the introduction of the interviews. Questions for the interviewed managers like "How did the NWW work out for your department?", "In what way are your employees using the NWW in their jobs?", and "Which changes can be identified in the autonomy of your employees?" gave answers to the first issues of the variables of the NWW. Furthermore questions were asked like "What influences does the NWW have on the balance between work and private life of the employees?" and "Are the employees able to cope with the invasion of work in their private environment now they're equipped with a laptop and blackberry?" gave answers to the work-life balance variable of the NWW.

The use of creativity and capabilities in the work activities was questioned by asking follow-up questions on questions on steering on output. These questions were asked to find out how managers formulate their output goals, and to find out how much room these goals left for the use of creativity and capabilities of individual employees. Because of the different contexts and work activities of the departments of the interviewed managers, this ad hoc questioning provided the answers. To find knowledge the NWW variable of the best place for the work activities, the managers were asked questions on the agreements they make with the employees on obligatory moments to be in the office. Questions like "What agreements have been made with your employees concerning presence in the office?" and follow-up questions on the choices employees make to work on different locations when there is no obligatory moment in the office gave input for the NWW factor of the best place for activities.

Finally, the factor IT as enabler of the NWW was researched as well. Managers were asked questions like "What has been changed in the ways of communications with your employees?" to find out what influences the introduction of new IT based communication methods have had on the ways of communication between the manager and employees, but also between the employees of the department.

### 3.3.2 Operationalization of effective work factors

The relevant factors for effective work have been researched in the surveys and the interviews, and have been asked to in multiple ways. They are discussed here.

## Surveys

Regarding the effective work factors, direct survey questions have not been formulated. The interview moments appeared to be better suitable for question around performance of employees from the perspective of the manager, as employees were expected to give socially expected answers. Also, the answers on other questions were indicating for the effectiveness of work in the NWW, and the use of reasoning from the answers on indicating questions appeared stronger here. For instance,

employees choosing to work at a location because it better fits with the activities will work more efficient, and employees with a better balance between work and private life will perform better.

## Interviews

The effective work factors of the NWW have been researched in this research as well, by asking question to the factors found in the literature (productivity, efficient work of employees, use of skills and knowledge, financial benefits for organization). The managers were asked for possible changes in the productivity of their department after the introduction of the NWW by questions as "Have you experienced changes in the productivity of your employees since the introduction of the NWW?". The efficient work of employees was questioned in follow-up questions after the question for the productivity of employees in general.

The use skills and knowledge is questioned by questions on output focused steering (freedom to approach an assignment in your own way leads to the use of your skills in your way), while the use of knowledge is also questioned by asking questions on professional cohesion and knowledge sharing in the department like "What happened to the professional cohesion of the employees in your department?". For this research, professional cohesion was seen as the sharing of knowledge and experience between colleagues. The focus in the interviews was on how difficult the sharing of knowledge and experiences was before and after the introduction of the NWW in ING.

The financial benefits for the organization as a whole weren't asked in the interviews with first and second line managers, as they will have little knowledge of the exact numbers of the results. Instead it has been reasoned that more efficient working employees in a department will lead to a better performing department and thereby a better performing organization.

### 3.3.3 Operationalization of contextual factors

The contextual factors have been researched in the surveys and the interviews, and have been asked to in multiple ways. They are discussed here.

## Surveys

The result of the literature research on contextual factors in the NWW were summarized in the autonomy of job tasks and the suitability of flexible work forms. As was the case with the effective work factors, more questions on the context in which the NWW is implemented were asked in the interviews. In the surveys, some questions were asked that have an indicating value for the context of the NWW. For instance, the question "I'm satisfied with the possibility to choose the work place that best suits my activities" will indicate whether the context in which the NWW was implemented suits well with the work concept. Also the answers to the question "Independently of where I work, I can easily cooperate and communicate with my colleagues" might have some indicating value for this research.

Yet again it turns out that the questions asked in the survey are not useful for every element of this research, but the amount of respondents makes this survey interesting as a factor in this research.

## Interviews

As the literature research summarized the influence of the context in the autonomy of job tasks and the suitability of flexible work forms, the interviews also held questions to gather more information on these subjects from the respondents. In these interviews, especially the "why" question and other follow-up questions provided valuable information on the contextual subject. Other questions that

were asked to managers to find information on the influence of the context on the success of the NWW in the department and thereby the organization are "How can the changes for your department since the introduction of the NWW be characterized?" and "Regarding the autonomy of the tasks of your employees, are there relevant changes since the start in the NWW?".

By asking follow-up questions on these questions, a broad overview on the influence of the context of the NWW on the performance of departments in the NWW was created. Especially important was to ask the managers what the effects were of the introduction of the NWW on the performance of the department, and then to ask follow-up questions to the reasons for the change in the effectiveness of the department. Contextual factors were mentioned as well as other factors. This will point to the relevance of the contextual factor.

In a broader sense, these question for the managers should provide this research with information on what a manager can do in the ING context to make the best of the NWW in his department, thereby providing input for managers on how to adapt their leadership styles on the NWW. The answers to this questions should also provide insight in how large the changes for the departments of the managers are, given that the context in which the NWW is applied will adapt to the new given flexibility.

### 3.3.4 Operationalization of leadership factors

Finally, the relevant factors for leadership in the NWW have been researched in the surveys and the interviews, and have been asked to in multiple ways. They are discussed here.

#### Surveys

Regarding the operationalization of the leadership element in questions in the survey, the factors found in the literature were trust versus visibility/presence, output steering, coaching role, example role, facilitator, and balance between autonomy & control. In the survey questions all these issues were questioned.

The factors trust, visibility and presence were asked in questions such as "My manager trusts my efforts, even if I work from home", "I'm allowed to work where and when I want", and "I trust my manager that he'll evaluate me fairly based on my outputs". The last question is also suitable as an indicating factor for output steering in the flexible environment. Also regarding output the question "I have the freedom to make my own schedule and plan my own activities" was asked as indicating to the rate of output steering in the organization. The coaching role of a manager is reflected by the questions "My manager supports me in the improvement of my performance", "My manager supports me in my growth and development", and "My manager gives me feedback to improve my performance".

The example role of managers in the NWW was reflected in this survey by the question "My manager gives me an example on how to combine work and private life". The balance for a manager between autonomy of his employees and control over the activities of the employees also followed from the literature research, but was not issued in the survey questions. The results from the interviews will offer more insights in this balance between autonomy and control .

#### Interviews

The relevant factors in leadership in the NWW as followed from the literature were used for questions for the managers as well. The factors were trust versus visibility/presence, output steering,

coaching role, example role, facilitator, and balance between autonomy & control were used to formulate the questions that will clarify the managers' point of view regarding leadership in the NWW.

The central question here would be; "What should a manager do differently when the NWW is introduced for his department?". Further questions like "What happens to the communication between manager and employee", "What happens to the communication between employees?", and "What happens to the coaching role of a manager?" should provide information on how the manager experiences the changes in his role. The same type of questions should be asked to the manager on the changes in the professional cohesion and social cohesion in his department. Further, the managers were asked what the introduction of the NWW did to the trusting relationship between managers and employees, and whether the manager still felt they have an overview and control over the activities of their employees.

Especially steering on output received attention in the interviews. By asking questions like "How does steering on output work for your department?" the managers were asked for their first experience with the new methods of goal setting that already followed from the literature. Another field of leadership in the NWW in these interviews were the agreements with employees regarding visibility and presence. Also, the managers were asked whether they have an exemplary role regarding the balance between work and private life towards their employees. Finally, another question that was asked to the managers was "What knowledge and experience does a starting manager in the NWW need to have a successful start with his department in the NWW?". This also provided information on the experiences of the managers on leadership in the NWW in a more broad sense.

### **3.3.5 Leadership styles and forms**

To provide more insight in the suitability of the leadership styles, indicating questions have been asked in the surveys. The questions asked for the factors trust, autonomy, and the coaching role of the manager provide insight in the distinction between transactional and transformational leadership.

## **3.4 Analysis of results**

For the analysis of the results of this research, a structured approach will be applied. After all separate elements of the information for this research have been gathered -literature, survey outcomes and interview outcomes- these three packages of information will be analyzed qualitatively, and results will be presented. The literature that has been found and read for this research is analyzed by trying to identify different opinions on the relevant subjects. By gathering the different factors on which the research subjects rely in the literature, a broad scoped base of knowledge is created to base the analysis of the survey and interviews on.

The results of the survey have been analysed in SPSS statistical software as has been mentioned in section 3.1. For the analysis of these results, first will be looked which questions are relevant for this research, as the survey was focused as an overall evaluation of the NWW pilot in the hosting organization. From the relevant questions, the results will be compared with the expected results that followed from the literature.

As Saunders et al. (2009) mention, the data should be checked for errors. Therefore all data has been checked for extraordinary values in the open question. For the Likert scale questions in the survey this wasn't possible, because the answer problem only gave the possibility to answer a 1 to 5 value (Saunders et al., 2009).

The analysis of the interviews will be done by first creating an overview from the results of all 19 interviews. From that overview, yet again a comparison will be made with the expectation that followed from the literature. Also an overview will be provided of which conclusions the hosting organization can draw from the interviews with managers from the NWW pilot, and what lessons should be learned for the future of the NWW in the organization. The choice has been made not to try to create a quantitative matrix of the results of the qualitative interviews, because the reasoning that's offered by the interviewed managers is an important element here. Therefore, this reasoning will be central in the elaboration of the interviews.

Saunders et al. (2009) further mention that, for the analysis of qualitative data, it's of importance to summarize, categorize and structure the results That way that relationships can easily be recognized and developed, and well-grounded conclusions can easily be produced (Saunders et al., 2009).

An interesting element of the analysis is whether theory and practice show the same outcomes, or whether there are very striking differences between the found results from both sources. The literature has been written by writers in different contexts and some of the articles are somewhat older, so an interesting element of the analysis is whether the results from the literature research will be acknowledged by the results from practice, or whether practice will provide contradicting results.

A practical goal of this research is to provide the hosting organization with results of this research that can be used in practice when the NWW will be rolled out throughout the organization. So, in the analysis of the results of the literature, qualitative information, and interview results, the practical situation will be kept in mind. After the analysis of the three separate elements, the findings chapter of this research report will offer the reader an overview of the comparison of the literature, surveys, and interviews. In this, the striking differences between literature and practice will be presented, but also the dominant reasoning of the interviewed managers. Based on the found findings, the conclusions will be drawn for the conclusions chapter.

### 3.5 Planning

At this moment the pilot project for introducing the New Way of Working in ING has a planning of its own, which involves a roundup of the New Way of Working pilot at May 1st 2011, followed by a round of evaluations in May and the first half of June 2011. The information from the evaluation sessions will be used for an advising document that will be sent to the executive board of ING. After this, the approval for continuance with the New Way of Working throughout ING might be given or withheld.

The WPC survey for all of ING will be performed in April 2011 and is prepared as we speak. The post-measurement of the enlarged WPC specifically for the pilot group of the New Way of Working will be performed in May 2011. The results of both investigations will be compared with the earlier



measurements and pre-test of the pilot group and control group of the New Way of Working. These results will be used to perform interviews with employees and managers from sales and back-office departments to acquire information on the generalizability of the results from the staff departments in the pilot group.

Until half June, qualitative interviews will be held with managers and employees from the New Way of Working pilot group, sales and back-office departments, and the results will be used for the final analysis. The final analysis and writing of the final report will take place from the end of June 2011 until the end of July, after which the report hopefully will be accepted. A presentation of the results will then be held in the start of September. All-in-all, the timeline for the NWW project in ING and for this research can be visualized as follows;



Figure 9: timeline *NWW project (red)* and *research (green)*.

The next chapter will present the findings of this research, containing findings of the NWW surveys, interviews, and discussion with employees aside from the scheduled meetings. Furthermore, the discussion

## Chapter 4 - Findings and analysis

This chapter will offer the reader an overview of the findings from the survey and interviews of this research. Also other findings will be presented, for instance on management in ING before the introduction of the New Way of Working. Furthermore the findings will be analyzed with the literature research in mind, to form a good basis for the conclusions in chapter 5.

The results of the quantitative research showed some interesting findings as well. An overview of all findings can be found in the appendices. In this section, all relevant elements are presented. For the selection of the relevant results, the research model has been used as a starting point. The research results are presented grouped by the conceptual model.

### 4.1 Determinants of the NWW

The results of the interviews on the determinants of the NWW will be discussed here, followed by an overview of the results from the surveys.

#### 4.1.1 Results from interviews.

The reactions of the interview respondents show that managers adapt their activities to the introduction of the NWW. The awareness that the distance between the employees and manager increases with the introduction of the NWW is present, and leads to changes in how the managers perform their tasks.

##### *Use of NWW possibilities*

Managers report that they have the impression that employees do not make full use of the possibilities of the NWW. Employees do not make a conscious choice to work on the location that suits their activities but choose to work from home on fixed days. Therefore the managers feel that even more benefits can be found from the use of the NWW when both managers and employees get used to the NWW and start planning their activities and work locations more consciously.

##### *Social and professional cohesion*

As a reaction on the increase of the distance between employees and between manager and employees, the social and professional cohesion in the departments becomes an issue. The responding managers react by consciously planning regularly scheduled moments for the employees to meet, have a lunch or coffee, and take time to create a social cohesion in the department, for instance 4 informal afternoons per year, or a weekly shared lunch with all colleagues. Interview respondent 4 provides an example; the amount of formal meetings remained the same as before the start in the NWW, and regularly social events are organized to improve social cohesion. This interview respondent did not yet mention the rate of social meetings of the department.

For the departments this is found to be very important, as it leads to easier contact with employees to look for necessary experience or knowledge, but it also creates a possibility for a manager to understand how well an employee is feeling, how the performance should be interpreted, and which employees might need steering or coaching. Also many managers consciously organize multiple social events per year to retain social cohesion.

Furthermore the managers mention that professional cohesion and knowledge sharing really starts to work when employees know each other. Professional and social cohesion with other departments

increased since the start of the NWW pilot, as employees and managers now have more contact with other departments on the flexible work floor. No concrete results have been mentioned, only the increase of contact moments and knowledge of what other departments do. Managers also mention that professional cohesion becomes extra important for departments where junior employees work side to side with senior employees to get knowledge and experience transferred to younger generations.

Some managers choose to set one fixed day on which all employees of the department are expected to work in the office, to have days on which employees can discuss work with short lines or improve the social and professional cohesion of the department in general. Professional cohesion in the departments is further improved by making agreements on how sharing of knowledge and experience should take place, or by making employees aware that they should take the initiative to share valuable knowledge or request it when needed. The increased distance between employees and related reduction in contact moments create the need for differences in the way managers approach the professional cohesion.

### *Scheduled formal meetings*

For some departments, the rate of formal department meetings is increased since the start in the NWW, but for other departments the rate of meetings remained the same. The managers state that they reviewed the need for discussion of work activities at the start of the NWW. The same accounts for the bilateral meetings between the manager and individual employees; most managers state that the rate of bilateral meetings remained the same as before the introduction of the NWW, but yet other managers react that they increased the rate of meetings as they felt that the increased distance between manager and employee created a need for more meetings. It appears that different departments have different needs regarding the rate of formal meetings.

Furthermore, managers report that having paperless meetings (one of the expected benefits of the NWW as employees are all equipped with laptops) appears difficult to get used to; meeting partners while all sitting behind laptops gives the wrong impression that your partners don't pay attention to the meeting's discussion. Responding managers mention that they look for other methods to work paperless while not having laptops as barriers between conversation partners.

The scheduled formal meetings have changed since the distance between employees and between manager and employees have increased. As they haven't seen their colleagues for some days the meetings now start with more social talk out of interest and need for social context, but also managers mention that formal meetings are now done more efficiently. Discussion get to the point quicker and take less time than before the start of the NWW.

### *Communication is changely*

Overall, managers report that the communication in the departments slowly changes; most communication now happens via telephone, Office Communicator is used less to communicate with colleagues or only for quick impersonal messages. Short discussions like "what do you think of...?" become more difficult now as employees don't see each other in person on a daily basis. Telephone and Office Communicator are helping, but not to the full extent that managers would like.

### *Reachability and availability*

The managers report that reachability and availability of employees is no issue for these departments; only in exceptional crisis situations managers report that employees are somewhat harder to reach than before the start in the NWW. Agreements might therefore be useful, but mainly with crisis situations in mind. In daily practice, Office Communicator is used to see whether employees are online and available. The managers state that they feel that employees should find their own line for themselves on whether they wish to be available 24/7; there is a risk that the balance between work and private life becomes lost here. Some manager asked their employees to communicate their current working location in Office Communicator so the manager can adapt communication on this information and maybe even come to the employee for an ad hoc meeting or discussion where needed.

### *Already used to autonomy*

Many managers acknowledged during the interviews that most of the departments of which the managers were interviewed have employees who were already very autonomous and professional before the introduction of the NWW. Multiple managers mention that for departments that have less experienced or autonomous employees, the manager will have a lot more difficulties to make social and professional cohesion remain on sufficient levels. For managers of departments who still have to start, this should be taken into account before the start in the NWW.

### *Working effectively from home*

Some managers mention that their employees work more effectively from home than in the office, but yet other managers state that working from home or other locations in general creates the possibilities for employees to "hide" from the observation of the manager. As managers state, this might lead to possibilities for slacking behavior of employees, so managers try to prevent this by finding other methods to follow the activities of employees. Many managers also mention that employees who raised doubts with the managers regarding their activities, remain to raise doubts after the introduction of the NWW. Managers are aware of this and state that the NWW clarifies the performance of employees as the differences between expectations and actual performance become clear. Employees sometimes choose to work from home on fixed days in the week, so this problem remains to exist.

### *Discussing personal issues*

Employees are mentioned to have difficulties to find a moment to discuss a personal issue with the manager, as the manager now also works on the flexible work floor. Discussing a sensitive subject in a private environment now requires planning and finding a room beforehand, so a threshold exists. Managers do not know yet how to deal with this.

### *Relation manager-employee*

The relation between manager and employees doesn't appear to change with the introduction of the NWW, as this relation is partially built on formal meetings and partially on the initiative of the manager to create moments of social conversation. However the relation between employees is mentioned to change; employees see each other less often and therefore have less understanding of what their colleagues experience professionally and personally. The relation with second line managers is noticeably improved, as they work on the flexible floor instead of their own rooms since the start in the NWW.

#### 4.1.2 Result from the surveys

The results from the surveys regarding the determinants of the NWW are presented here, followed by an interpretation of the results. Two tables of results are presented in this section; one table with survey results on a scale of 1 to 5 (figure 10) and one table with survey results in percentages (figure 11).

		N	Mean	Sig.	Early starters	Results mngrs
I feel capable of taking responsibilities in my work.	pre-m	269	4,6022	,344	4,6333	4,6389
	post-m	188	4,6436		4,5882	4,3750
I take my responsibility for the results of my work.	pre-m	269	4,8067	,244	4,85	4,8333
	post-m	188	4,8404		4,8676	5,0000
I have the freedom to make my own schedule and plan my own activities.	pre-m	269	4,4387	,206	4,525	4,5833
	post-m	188	4,5053		4,5294	4,7500
To my opinion, there is open and honest two-way communication in my business unit.	pre-m	269	3,7993	,050	3,7417	3,9444
	post-m	168	3,6429		3,3824	4,0625
I experience the work load as acceptable.	pre-m	269	3,9554	,411	4,0583	4,2222
	post-m	167	4,0240		4,2059	4,3125
I'm satisfied with the possibility to choose the work place that best suits my activities.	pre-m	269	3,1301	,000	3,2667	2,9722
	post-m	161	3,8882		3,8088	3,8125
Independently of where I work, I can easily cooperate and communicate with my colleagues.	pre-m	269	3,1636	,000	3,2000	2,8611
	post-m	153	4,0850		4,1471	4,0000

Figure 10: survey findings on determinants of the NWW (1/2).

When the results in figure 10 are observed, some results attract the attention. The results with a statistically significant difference between pre-measurement and post-measurement attract attention (significance  $\leq 0.05$ ), but even then some questions produce results in an opposite direction than was expected. Whereas one could expect that the communication in a department will clarify as a result of the introduction of the NWW, the result of the question "To my opinion there is open and honest two-way communication in my business unit." shows a decrease in the perception of open communication from the pre-measurement to the post-measurement. This might point to a perception of employees that some communication in the department takes place when they aren't in the office, so they miss out on relevant messages in the office. There might be more research necessary to be sure on where this feeling comes from. Worrying is however, that the result of the early starters in the NWW pilot show an even bigger negative difference between the results of the pre-measurement and the post-measurement.

A significant increase between the pre-measurement and the post-measurement can also be found for the satisfaction of employees with the choice to work at a location that suits the activities ("I'm satisfied with the possibility to choose the work place that best suits my activities."). Another large increase in the survey result can be found on the statement "Independently of where I work, I can easily cooperate and communicate with my colleagues.", where the results from the pre-measurement and the post-measurement show a big difference. This might point to employees being better able to communicate and cooperate with their colleagues than before the introduction

of the NWW due to the introduction of new ICT hardware, or the employees might have become more aware of the importance of cooperation and communication with employees in general.

A final interesting finding is that whereas employees show little or no difference in their reaction on the statement " I feel capable of taking responsibilities in my work.", managers show a large decrease in their reactions in the post-measurement in comparison to their reaction to the pre-measurement. This points to an issue for managers in the discussion on autonomy of employees versus managerial control, which is discussed further in this chapter. The results of the statements " I take my responsibility for the results of my work." and " I have the freedom to make my own schedule and plan my own activities." show that the respondents perceive little change in their autonomy, while the NWW does focus on more autonomous working employees. This might be a relevant point of discussion for the further roll out of the NWW.

		N	Mean	Sig.	Early starters	Results mngers
In a typical month, where do you work? Work in a room (percentage).	pre-m	269	22,3048	,000	19,1667	41,6667
	post-m	163	50,3067		61,7647	56,2500
In a typical month, where do you work? Work on an open office floor (percentage).	pre-m	269	89,5911	,409	93,3333	72,2222
	post-m	163	91,4110		89,7059	100,0000
In a typical month, where do you work? Home (percentage).	pre-m	269	48,3271	,000	59,1667	72,2222
	post-m	163	92,0245		89,7059	87,5000
In a typical month, where do you work? During commuting (percentage).	pre-m	269	22,6766	,013	24,1667	36,1111
	post-m	163	31,9018		30,8824	43,7500
In a typical month, where do you work? While travelling (percentage).	pre-m	269	3,3457	,087	3,3333	,0000
	post-m	163	6,7485		5,8824	18,7500
In a typical month, where do you work? In a public place (percentage).	pre-m	269	1,8587	,005	1,6667	2,7778
	post-m	163	7,9755		2,9412	12,5000
What percentage of your working month do you spend in the office (percentage)?	pre-m	269	75,6654	,000	69,2333	66,8611
	post-m	155	61,0516		57,3971	60,3125

Figure 11: survey findings on determinants of the NWW; percentages. (2/2).

The results of the survey shown in figure 11 show percentage based results of survey statements. The percentages of the first six statements show which percentage of the respondents mentioned to have work in the stated location. As follows from the results, the percentage of employees that work from home shows a large increase ("In a typical month, where do you work? Home (percentage)."), as could be expected from the essence of the NWW. Interesting in the results of this question is that managers used to work from home more than average (pre-measurement), while they work from home less than average after the introduction of the NWW (post-measurement).

Also, one can see an increase of employees reporting to work in a room in the office ("In a typical month, where do you work? Work in a room (percentage)"), meaning that the concentration rooms on the flexible working floor of the NWW flexible floor in the ING office is used, and the rooms

appear to be popular amongst the employees. This explanation follows from the fact that observation on the flexible work floor showed that the one- or two-person rooms for concentrated working activities are very popular and occupied most of the time. In informal conversations with employees it was mentioned that this can also be a result of the fact that employees never had a private room to work in so feel special when they can isolate themselves for concentrated work, whereas second line managers have been used to do so before the start in the NWW so are less eager to occupy these rooms.

Also interesting is that the option to work from a public location ("In a typical month, where do you work? In a public place (percentage).") is still used only sometimes; the result has increased from pre-measurement to post-measurement but is still very low. It could be suspected that the possibility to work everywhere and anytime an employee wishes is used by the employees, but public places aren't as popular to work at as work places in the office (rooms or the office floor) or working at home. This connects with the time that employees spent in the office; the results of the question "What percentage of your working month do you spend in the office?" shows that the percentage of the working month that employees spend in the office was strongly decreased from the pre-measurement to the post-measurement. It also shows that the regular working environment before the introduction of the NWW was perceived as an open office floor, while the restructured NWW working floor is meant to be open as part of the NWW restructuring. Also a significant increase has been found in the percentage of employees that work during commuting ("In a typical month, where do you work? During commuting (percentage).")

Finally, the results of the last question "What percentage of your working month do you spend in the office (percentage)?" show a significant decrease in the amount of time that respondents spend in the office. This is a clear indicator for the implementation of the NWW, as employees are more free to choose the location that fits best with their activities. This choice for the best location to perform the working activities can also be found in the results of managers on the statement "In a typical month, where do you work? While travelling (percentage).", which has increased from zero to eighteen percent of the managers from pre-measurement to post-measurement. This is explained by the interviews with managers; managers use their time in the train or car on the way home to have informal phone calls with colleagues when the day has been too busy during the office hours.

#### 4.1.3 Findings and analysis

Following the results of the interviews and the survey on the determinants of the NWW, the findings will be discussed and analyzed here, in preparation of the conclusions in chapter 5.

When the findings from the interviews and the surveys are analyzed, the first thing that attracts the attention is that ING appears to be working according to the NWW, as employees report to be satisfied with the possibility to work on different locations, and the post-measurement shows a wider variety of places where employees report to work. Especially the amount of employees working from home has increased. Furthermore, managers report that employees appear to work more efficiently from home, but this also provides employees the possibility to "hide" from the control of their manager. The increased distance does also appear to bring some troubles for employees to discuss personal issues with the manager on an ad hoc basis. Manager should therefore be very aware to be available for personal discussion on predictable moments in the week, with a location available to have these personal discussions.



From the interviews followed that social and professional cohesion is a relevant element for managers in the NWW at ING. From the surveys, no question has been asked to support or disprove this finding, but from the interviews can be understood that managers feel that this subject should be taken seriously as the NWW brings serious changes to the way employees can interact informally.

Interesting is that some managers report in the interviews that the changes for their department aren't that large, as their employees were largely used to working very autonomous already before the start in the NWW. That said, the NWW brought them more hardware to work more efficiently, but one can question whether the choices that these employees make are made consciously or because they have been made that way for some time.

All in all one can conclude that the characteristics of the NWW change the environment for both the manager and the employee on multiple aspects, and the results for leadership in the NWW have to be considered. This will be done later in this chapter.

## 4.2 Performance

The results of the interviews on the performance in the NWW will be discussed here, followed by an overview of the results from the surveys.

### 4.2.1 Results from interviews

#### *Too soon to tell*

The most heard argument is that it still is too early to assess whether the introduction of the NWW has lead to change in the performance of individual employees or departments. The interviewed manager have at most 6 months experience in the NWW, so it still is too early for the interviewed managers to have an view on possible changes in the performance of the employees.

#### *3rd party evaluation*

To compensate for the loss of a direct view on the performance of the employees as managers don't see employees at work on a daily basis anymore, some managers state that they try to get a better view on the activities of employees by asking 3rd parties to evaluate the activities of the employees. These 3rd parties are mostly clients or managers of client departments. By asking these third parties for their opinion, managers create something like a 360 degree feedback on the performance of the employee from the several stakeholders.

#### *Qualitative performance hard to measure*

Manager report that some of the activities of the departments are hard to measure; the quality of the activities of the employees is no easily formulated in output focused results. Managers report that some departments with very clear goals (like for instance sales departments) might have an easier task here, but for instance communication or HR departments have a harder task here because of the quality element of the outputs of the employees. Quality is reported to be part of the process as well, which makes outputs even more difficult to quantify.

#### *Support staff performance*

So, up to now no differences in the performance of the employees have been mentioned yet, but there also hasn't been an assessment round yet. Some managers also state that the NWW requires

getting used to before the real results will become clear. Only negative sound that was mentioned was that the support staff of a department was unreachable for some hours on a moment they were definitively needed. There were complaints about that and new agreements were made.

### *Balance work and private life*

Some managers report issues of employees with finding a right balance between work and private life, as the blackberries and laptops give employees the possibility to read emails and react to them 24/7. Employees are found to react on emails late at night, and some employees appear to have difficulties to ignore less urgent mail communication in the evenings. Some managers report to discuss this with employees that show difficulties with finding a balance, other managers mentions that they feel that finding a balance between work and private life is the responsibility of the employees themselves. Therefore it appears that different functions and departments react differently to issues in the balance between work and private life. Some managers of highly paid professionals even state that issues with the balance between work and private life are part of their jobs, as that's partially where they're paid for. For these departments issues in the balance between work and private life aren't new.

### **4.2.2 Results from the surveys**

The results from the surveys regarding the context of the NWW can be found in the figure 12 in which the results of statements that were rated by the respondents with a value between 1 (disagree) and 5 (agree) are shown, followed by an interpretation of the results.

		N	Mean	Sig.	Early starters	Results mngrs
I'm satisfied with the knowledge sharing in this department.	pre-m	269	4,0818	,000	3,2667	2,9722
	post-m	198	3,6919		3,8088	3,8125
My knowledge and skills are used well in my business unit.	pre-m	269	3,9368	,254	3,975	4,2222
	post-m	187	4,0053		3,8824	4,1875
I experience a good balance between work and private life.	pre-m	269	3,8996	,038	3,9667	3,9722
	post-m	167	4,0659		4,2941	4,1250
My work fits with how I'd like to fill in my preferences in my private life.	pre-m	269	3,8216	,000	3,8500	3,8056
	post-m	167	4,1976		4,3088	4,3125
I can plan a private appointment on a workday without feeling checked by colleagues.	post-m	188	4,2021		4,1618	4,3125
I can work more productive from home then in the office.	post-m	161	4,2236		4,2941	4,0000

*Figure 12: survey findings on performance in the NWW.*

Not a lot of questions have been asked in the surveys on the subject of performance before and after the introduction of the NWW, as it followed from early meeting with participants in the NWW pilot that the participants were finding their way in working in the NWW instead of trying to become as efficient as possible in the NWW. The result on the balance between work and private life might be useful as indicators for employees becoming more efficient than before, as having a good balance between work and private life also points at conscious consideration of the location to work and finding the best place to perform activities.

As follows from these survey results, there are positive results on the perception of the balance between work and private life after the introduction of the NWW ("My work fits with how I'd like to fill in my preferences in my private life."), showing that the respondents feel that they are better able to combine their work and private life since the introduction of the NWW for their department. These results are in line with the results on the statement " I experience a good balance between work and private life.", which also shows an increase from pre-measurement to post-measurement, pointing at an improvement in the balance between work and private life of the respondents. The good balance between work and private life is reflected by the positive results on the statement " I can plan a private appointment on a workday without feeling checked by colleagues."

A final relevant result comes from the question "I'm satisfied with the knowledge sharing in this department". The result has decreased from the pre-measurement to the post-measurement, with a rather large difference. However, the early starters and managers show an increase in the result, which might imply a group of employees in the late starters in the pilot that are very dissatisfied with the knowledge sharing in their department. This might be a result of the problems that starters in the NWW find in the first weeks of their experience in the NWW, maybe because they're just getting used to the new communication and sharing methods. The results of this statement are in line with the results of the statement " My knowledge and skills are used well in my business unit." which show little or no change since the start in the NWW.

Also it is interesting to see that managers in the NWW pilot are less positive on their effectiveness during working at home than their employees are ("I can work more productive from home than in the office"). This might be a results from the difference in the task of the managers and employees. Whereas employees might be able to work autonomously on a distance from the office, the managers have a more communicative role. They have to be available for their employees, but also for other managers and for higher management. Therefore, the office might be the location to work for the managers, as ad hoc meetings with these mentioned communication partners might be very relevant for them.

#### 4.2.3 Findings and analysis

Following the results of the interviews and the survey on the performance in the NWW, the findings will be discussed and analyzed here, in preparation of the conclusions in chapter 5.

The major conclusion that has to be drawn from these results is that the six months that the NWW has been used by the pilot participants is not enough to have an idea of the effects of the NWW on the performance of employees. From meetings with NWW pilot participants also followed that they are more busy to find out which working methods fits their department best, and on an individually level which location and time suits the individual activities best. Therefore, the effects of the introduction of the NWW on the efficiency of employees and departments should be assessed again on a longer term, say a year from now. In other words, one should view the introduction of the NWW in an organization as an ongoing process in which the employees start to work more and more according to the "new way of working". The NWW is not introduced in a day, but in a continuous process in which employees start working more flexible step by step.

Also the outcomes of the activities of the departments are hard to measure. The respondents of the interviews mentioned that the qualitative element of the outcomes of the outcomes of their activities is such an important element of their department, that measuring their outcomes of their

work is hard. It is possible to formulate indicators to approach the outcomes, but the respondents mention that this is hard or will not provide a complete overview. This issue is also relevant for formulating output criteria for output focused steering, as is mentioned in the leadership section of this chapter. Third party evaluation was mentioned by managers as a solution, both for individual evaluation as for evaluation of the performance of the department as a whole.

Especially relevant here is that finding a balance between work and private life has appeared to have become more difficult as a result of the introduction of the NWW. The results from the interviews show that the introduction of flexible working hardware in the life of the NWW participants has as negative impact that work activities seem to intrude more in the private life of employees. As it becomes easier for employees to continue working in the evening hours or during private life moments in general, the working life might intrude in the private life. Managers mentioned that this is especially a problem for employees in the first period of the use of the NWW, as employees have to find their way in working with the new flexible working hardware in their private surroundings.

### 4.3 Context of the NWW

The results of the interviews on the context of the NWW will be discussed here. No survey results are discussed here, as the interview results turned out to be a better way to approach the context issue than survey question.

#### 4.3.1 Results from interviews

##### *Degree of autonomy*

Another reason that was mentioned for the suitability of the NWW in some departments is that some departments were already very autonomous. Departments where all employees were already working alone as professionals in their jobs were used to working autonomous, so the introduction of the NWW brought new hardware that enabled to employees and managers to retain contact. Knowledge sharing and professional cohesion improved in these departments and employees were better able to be reachable when it was needed. So, for departments that do for instance project work the change with the introduction of the NWW was not that large, as well as for department with autonomous working knowledge workers with their own working field and knowledge of the profession.

##### *Degree of direct communication*

Multiple managers mentioned that departments that require a lot of cooperation or work discussions like internal and external communication or HR departments, the introduction of the NWW can provide new difficulties as the direct communication becomes more difficult than where these departments are used to. New communication methods are little help when these departments are used to sit together in one room on a daily basis. Therefore especially these departments have to work hard to make the NWW work well in their context, according to the responding managers.

Some managers even question whether all departments are suitable for the NWW at all; not all departments are performing activities that can be performed on a distance or are suitable to communicate with colleagues on a distance.

### *Organizational structure and culture in line*

One manager reported that he expects the NWW to really work when the whole organizational structure and culture becomes in line with it. With this he means that it is difficult for a department which is working in the NWW to cooperate with a department that is not working flexibly. When the organization as a whole is changed to the NWW, the benefits will become clearer.

### *Size*

Smaller departments report less troubles with the introduction of the NWW than larger departments. The managers report less troubles to keep in touch with their employees if their department is very small (i.e. 3 employees) then when the department is larger (i.e. 15 employees).

### **4.3.2 Findings and analysis**

Following the results of the interviews on the context in the NWW, the findings will be discussed and analyzed here, in preparation of the conclusions in chapter 5.

As follows from the results of the interviews, some factors have been mentioned by the managers as being relevant for the suitability of the use of the NWW by departments. Most of the mentioned factors have to do with the kind of activities of the employees of the department, with a focus on the autonomy of the employees. The more autonomous the employees can perform their job, the better the NWW would be in place in the department. Therefore, the departments of ING that were used to having their employees travelling to clients on a daily basis, therefore seeing each other sometimes only during scheduled formal meetings, are very suitable for using the NWW.

Departments that are used to working in the same room on a daily basis and having to use these short communication lines in their daily jobs, are less suitable to use the NWW. Employees working on a distance from their colleagues or their manager then leads to delays in work or frustration amongst employees. Departments like internal and external communication departments have to react to happenings in the media and market, and therefore have to be able to react on an ad hoc basis to happenings that affect their work. Short communication lines then seem to work best, and these short communication lines seem to be optimized when the employees sit together.

Another main argument that has been mentioned is that it is hard for departments to adapt to the NWW, while colleagues from other departments remain in the regular working rhythm. This leads to misunderstandings, miscommunication and ultimately frustration amongst colleagues. The responding manager of interview number 2 mentioned this issue, stating that the alignment of the NWW with the structure of the organization will make the NWW easier to use for departments.

## **4.4 Leadership in the NWW**

The results of the interviews on leadership in the NWW will be discussed here, followed by an overview of the results from the surveys

### **4.4.1 Results from interviews**

#### *Suitability of departments for the use of NWW*

The context in which the NWW is introduced was mentioned to be relevant for the performance the department in the NWW. As some managers stated, some departments are more suitable to

introduce the NWW than others, as some departments have goals that can be more easily quantified to suit in the output focused steering.

### *Steering on output*

On the main subject of this research, managers report many different issues with the introduction of the NWW. The most reaction of managers regarded the issue of steering on output. Most managers mention that they have difficulties to formulate the outputs of their department in terms of output, as formulating goals for employees without telling them how to perform their jobs, but with sufficient certainty that there will be no room to misinterpret the goals appears to. Some managers even state that it's impossible for them to predict what will happen in the next months, let alone the next year. Therefore other criteria are sought to base the output focused targets on, but managers don't know yet how this should be done.

Especially managers of departments that work with project assignments report that the NWW suits their working style. Project based working in ING is based on many project reports from the start until the finish of the project, and budgets and timelines. The budgets and timelines of the project provide input for the manager to formulate goals for the employees, as the manager of the department wants the employees to stay with the time and budget lines that were set before the start of the project.

A difficulty with steering on output in practice is that employees can't influence all factors on which they will be evaluated. The environment of departments constantly change and assignments of departments change, leading to differences in the context of the goals of the employees or changes in the goals of the employees themselves. Manager report that they solve this problem by adapting the goals of employees throughout the year, sometimes even multiple times.

Some managers do state that new managers in the NWW should be trained in the use of output focused goals, but add to that that employees who start working with output focused goals should be educated as well. According to these managers this changed way of working requires another mindset and more self reflection by the employees, which some of them might not be used to. Some other managers however state that their departments have been experimenting with output focused steering for a long time before the introduction of the NWW, as the activities of these departments were very suitable for steering on output.

Almost all employees of the departments of which the managers have been interviewed are highly educated and autonomous in what they do; they are very independent and therefore very suitable for the NWW. Especially the managers of departments that are have very autonomous and professional employees who are used to work independently are reported to be very suitable for working on an output focused basis.

### *Steering on behavior instead of output*

One manager however reported to steer based on behavior instead of outputs. She believed that the quality based activities of her department are very suitable to steer on the process by influencing the behavior of employees, and she believed that improvements in outputs will follow from steering on behavior. One other manager stated that she had difficulties with using output focused steering targets as she was new to the department and had no idea what reasonable targets were for her

department. Also she doesn't know her employees very well so she doesn't know what to expect from the individual employees.

### *Difficulties with steering on output*

Yet again another manager reported that she had no idea how to implement the "how" into the output focused targets. Again another manager mentions that she was looking trying to incorporate personal development goals into the target agreements of employees.

### *Situational leadership*

Situational leadership has been mentioned by multiple managers as a very useful tool to determine the amount of coaching and steering an employee might need. Managers mentioned that employees that need more guidance because their job requires it or because they are less experienced in what they do should receive more guidance and attention of the manager, while experienced and autonomous employees don't like to be disturbed in what they do and prefer to show what they have done and are doing once in a while.

### *Exemplary role manager; balance work and private life*

Most managers state that they don't experience an exemplary role towards their employees regarding finding a balance between work and private life. These managers mention that the long work hours they make and the emails they read and send later in the evenings don't mean they expect the same behavior from their employees. One manager however stated he does expect his employees to be flexible in their balance between work and private life, as they are well-paid partially for being available at all times.

Some managers state that finding the right balance between work and private life is the responsibility of the employees, while other managers state that they actively advice employees on finding the right balance. One manager even stated that when employees choose to work on their email late at night, she advised them to delay the sending of the emails until the next morning.

Regarding the exemplary role of managers regarding using the flexibility of planning in the NWW, some managers stated that they feel that they should show their employees how to use the flexibility of the NWW as it was intended. That means, viewing your activities per week and adapting your work places to these activities. In practice managers see that employees choose to have one fixed day to work at home every week, which is a suboptimal use of the flexibility of the NWW.

### *Communication of working location*

Some managers mentioned that when employees become more flexible in where and when they work, these managers like to make agreements with employees on communicating where you are working. That way the manager can know when to call an employee and when it's possible to walk to the employee to discuss something or meet for coffee. Letting know where you work can be done via the Outlook schedule or via Office Communicator.

### *Know your employees*

Managers mention that it's important to know your employees before starting to work flexibly in the NWW. When employees have the possibility to work where and when they want there is a possibility for employees to "hide" from the view of the manager, reducing the overview and control that the manager has over what happens in the department. When you know your employees before they start flexibly, manager state that this problem can be partially solved. Making agreements on



presence in the office and visibility in general is also be mentioned by managers as being part of the solution here.

### *Coaching on a distance*

Some managers report that coaching on a distance is done from observation, and no difficulties are found here by these managers. Also other managers mention that employees are asked to take the initiative when coaching is needed, and managers ask regularly how things are going. Yet other managers prefer to coach on a face to face basis; they need the personal environment to really understand what would help the employees the most. Especially for starting managers this is mentioned to be important. Managers who are used to micro manage employees are reported to have troubles with coaching on a distance, when the constant face-to-face factors of cooperating with your team in a room falls away.

Regarding both coaching and steering, most manager state that the information they get from their employees in the bilateral meetings is enough to be able to coach and steer their employees. Others state that they call their employees once in a while to see how they're doing, and again other ask the employees to take the initiative to communicate when they need support from their manager. Another manager adds that the initiative for requesting coaching or steering needs to put at both the manager as the employee, as the manager can't fully sense the feelings of employees as well as before the start of the NWW. Office Communicator is used less.

Managers of departments that lead projects at other client departments in ING state that the project reports that are part of the project process in ING are used to view whether the project leading employee needs steering in his task. If yes, the manager will act, but if no, the manager will tell the employee that all is well in his task and he can proceed in his project.

### *Trusting relationship*

The influence of the introduction of the NWW on the trusting relationship between a manager and an employee is a point of discussion amongst the managers. Some state that they have been managing their department based on trust for years now and the NWW doesn't influence that at all, mainly because they have known their employees for years. Other managers state that they feel they have to work harder to create a two-way trusting relationship between manager and employee. All responding managers do agree that a trusting relationship between manager and employee is very important when a department starts in the NWW. As the distance between managers and employees increases the managers agree that a trusting relation is the only way to work.

### *Overview and control*

Regarding the overview and control that manager have over what employees do when their out of sight of the managers, some managers state that it's not necessary to know in detail what the experienced and autonomous employees do and how they do it. Knowing the big picture is for enough for the managers that are used to having the employees work on a distance without seeing them before the start in the NWW. Another manager adds that a very direct control over the activities is not necessary in the NWW, because the experienced and high educated employees know best what to do. Yet again, crisis situations will put the overview and control of managers to the test, but these situations haven't been met yet since the start in the NWW.

#### 4.4.2 Results from the surveys

The results from the surveys regarding leadership in the NWW can be found in figure 13 in which the results of statements that were rated by the respondents with a value between 1 (disagree) and 5 (agree) are shown, followed by an interpretation of the results.

		N	Mean	Sig.	Early starters	Results mngrs
Members of the management team are sufficiently visible and accessible for me.	pre-m	269	3,8922	,935	3,8583	3,8889
	post-m	184	3,8859		3,8088	4,3125
My manager has clear expectations of my performance.	pre-m	269	4,1561	,255	4,1583	4,1944
	post-m	179	4,0726		4,0882	4,3125
My manager supports me in the improvement of my performance.	pre-m	269	4,1970	,290	4,2417	4,4167
	post-m	179	4,1229		4,2059	4,2500
My manager supports me in my growth and development.	pre-m	269	4,1152	,056	4,2083	4,2778
	post-m	179	3,9665		4,0441	4,0000
My manager gives me the feedback to improve my performance.	pre-m	269	4,0967	,318	4,0917	4,1667
	post-m	179	4,0223		4,0588	3,9375
I see a clear connection between my work and the goals of the business unit.	pre-m	269	4,2007	,068	4,2500	4,3889
	post-m	167	4,3174		4,2059	4,4375
My results agreements clearly contribute to the goals of the business unit.	pre-m	269	4,1152	,919	4,1167	4,3333
	post-m	167	4,1078		4,0147	4,3125
I can easily exchange information and knowledge with my colleagues.	pre-m	269	3,5576	,000	3,4583	3,3056
	post-m	153	4,1765		4,1912	4,0625
The leadership style of my managers is well adapted to the circumstances.	post-m	184	3,9293		3,8676	3,8750
My manager gives me an example on how to combine work and private life.	post-m	179	3,5922		3,6471	3,8125
I trust my manager that he'll evaluate me fairly based on my inputs.	post-m	168	4,2381		4,2353	4,2500
I trust my manager that he'll evaluate me fairly based on my outputs.	post-m	168	4,2202		4,2059	4,3125
My manager trust my efforts, even if I work from home.	post-m	168	4,5536		4,6471	4,8125

Figure 13: survey findings on determinants of the NWW.

As can be seen in the survey result above, only one result is statistically significant. The result of the statement "I can easily exchange information and knowledge with my colleagues." in the pre-measurement differs significantly from the result in the post-measurement in a positive direction, meaning that employees perceive sharing information and knowledge with their colleagues as easier since the introduction of the NWW.

Other interesting results from the leadership focused statements in the surveys can be found as well. For instance, the results of the statement "Members of the management team are sufficiently visible and accessible for me." show little development in the overall group from pre-measurement to post-measurement, but show a remarkable development amongst the managers group. The managers appear to have become more positive on their own visibility and the visibility of their superiors, while

the reactions of the employees are less positive given the overall reaction. It appears that managers are more positive on their own visibility and accessibility than their own employees. Managers need to be aware of this, and should be made aware of this difference before they start in the NWW to be able to sense the perception of the employees.

The results of the statement "My manager has clear expectations of my performance." one can see that the general results remain more or less the same from pre- to post-measurement, while the results for the manager specifically become slightly more positive in the post-measurement. From this can be analyzed that the managers feel that they perform better on this issue since the introduction of the NWW, while employees feel that there is hardly any change in the communication of the expectations of their managers. The result "4" is on the positive side of the range, but if the managers wish to use the introduction of the NWW in their department as a moment to improve their communication of expectations as part of the use of steering on output criteria, managers should be aware of the perception of their employees.

The results on the statements " My manager supports me in the improvement of my performance.", " My manager supports me in my growth and development.", and " My manager gives me the feedback to improve my performance." show that there is little development in the amount of support that employees perceive from their managers since the start in the NWW. All results are positive, and it can be explained as positive that the perception of support hasn't changed when the physical distance between manager and employee has increased.

The perceived relation between individual goals and the organizational goals ("I see a clear connection between my work and the goals of the business unit.") has changed slightly from the pre-measurement to the post-measurement, whereas a larger increase might have been expected since the introduction of the NWW. Yet again, the managers' perception is more positive than the overall average, pointing on discrepancy between the perception of the manager and the employee. However, the results of the statement " My results agreements clearly contribute to the goals of the business unit." show nearly no development at all since the introduction of the NWW, both for the overall result as for the managers' result.

The exemplary role of a manager in the use of flexibility in the work environment and in finding a balance between work and private life didn't come forward in the results of the survey. However, the results of the survey do show that the trust in the relation between manager and employee provides very positive reactions (for instance "My manager trusts my efforts, even when I work from home."). No structural differences in the reactions on trust related statements between managers and employees can be found from these results.

An overall view following from the survey results on leadership related statements is that the managers appear to be more positive on their work results than the perception of their employees on these subjects. This difference between the perceptions of the manager and the employees should get attention in the amendments in chapter 5.

#### 4.4.3 Findings and analysis

Following the results of the interviews and the survey leadership in the NWW, the findings will be discussed and analyzed here, in preparation of the conclusions in chapter 5.

As followed from the interview results, steering on output is a very urgent subject amongst managers who start working in the NWW. A lot of attention is given to the subject in the stories of the managers during the interviews, and many managers state to have been actively using steering on output even before the start in the NWW. However, reactions on further questions on steering on output points out that most have not come to the core of steering on output yet. The statement of a manager that she has not yet found out how she can formulate output focused criteria for the result agreements with her employees with a security of how her employees will perform their jobs is an example of the misunderstandings around the use of output focused criteria by managers in the pilot of the NWW. Steps have to be taken to successfully use steering on output in the NWW in the future. This is backed up by the results of the surveys; the clarity of the expectations of managers regarding the activities of employees aren't as clear as manager think or hope.

This brings up another issue. In general, the perception of managers on how well employees perceive their communication or performance in general might need some attention. From the survey results follow some differences in perception, and mainly the managers perceive their activities as more positive than the employees do. Whether an intervention would be necessary for the further roll-out of the NWW throughout the organization might be questionable, but it might be interesting input for discussions between managers and employees.

Whereas the literature mentioned an exemplary role of managers in the use of the flexible environment of the NWW, the interview and survey results don't show signs of an exemplary role being perceived by managers or employees. When starting in the NWW, it might however be very useful for employees to have a manager who is able to take an exemplary role to show how to use the new flexible hardware successfully on the one hand, but on the other hand also show how a balance between work and private life can be found. This might also be interesting input for the amendments for ING.

Both the interview results as the survey results show that a trusting relationship between manager and employees is found important by both managers as employees. It also shows no shocking differences between the perception of importance before and after the introduction of the NWW, but nevertheless shows that managers and employees perceive trust in the relation between managers and employees to be important. Objectively seen, the trusting relationship between managers and employees becomes more important in a flexible environment as the distance between managers and employees increases. Managers should be aware that as the distance between managers and employees increases, they should trust employees in the period that they work out of direct supervision of the manager, on another location. The overview and control of a manager should come from other methods in this situation, as followed from the interviews.

From both the interviews as the survey results follows that the sharing of knowledge and experiences amongst the employees works well. Also, the managers expressed their concerns on this subject in the interviews, stating that the increased distance also accounts for employees amongst each other. They should be aware that their colleagues might have experiences or knowledge on fields where new assignments arise, so this knowledge should be shared and used by the employees. Managers do struggle to find ways to facilitate this professional cohesion.

The next chapter will provide an answer to the research question and sub questions. Furthermore amendments for the organization will be provided, and the results of this research will be critically assessed in the discussion section.

## Chapter 5 - Conclusions and recommendations

In this chapter the research questions that were stated at the start of this research report will be answered. Furthermore the results will be critically assessed in a discussion segment which will point at the possible weak points of this research and its results. Finally recommendations for the hosting organization will be formulated as a result of the research report.

### 5.1 Answer to the research questions

The research questions as they've been stated at the start of this research were formulated with the question of the organization in mind. The organization just started with a pilot of the New Way of Working (NWW) with several departments from different functions of the business. The question of the organization was what would change in the leadership of managers with the introduction of the NWW, with a possibility in mind to help managers in functioning quicker in their tasks in the new flexible environment after the introduction of the NWW. The research question was formulated as follows:

*"In what way should managers adapt their leadership style to positively affect the outcomes of the New Way of Working?"*

This research question has been split in the following sub question:

*"What influences does the introduction of the New Way of Working have on the work of employees and managers?"*

*"What are the successful leadership styles and methods of managers at ING that follow from the pilot of the New Way of Working?"*

*"How can the results from the pilot of the New Way of Working be generalized for successful leadership styles and methods of managers in other departments?"*

In this section the sub questions will be answered first, followed by an overall answer to the main research question. To answer the sub question and research question, a conceptual model (see figure 14) was developed covering the subjects of the determinants of the NWW, the performance in the NWW, contextual influence on the success of the NWW and the moderating factor of leadership of managers in the NWW. This last factor was the main focus of this research, but can't be researched without understanding the other three factors as well. The conceptual model was introduced as follows.

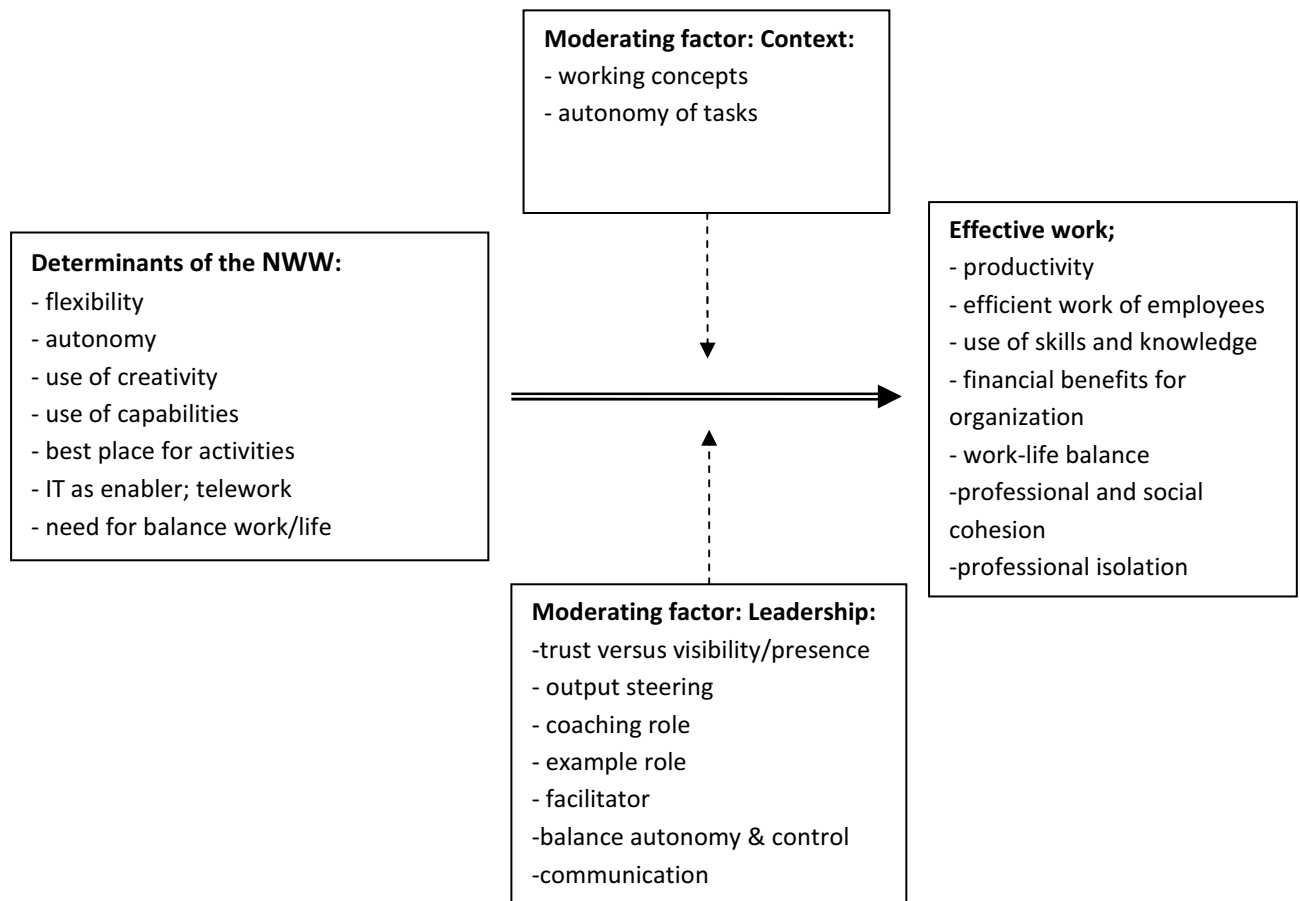


Figure 14: conceptual model.

Based on this conceptual model and the results that have been discussed in chapter 4, the research questions and sub questions will be answered here, starting with the sub questions.

#### 5.1.1 Influence of the NWW on work of employees and managers.

To answer the first sub question of this research, “What influences does the introduction of the New Way of Working have on the work of employees and managers?”, the determinants of the NWW have been researched in the interviews and surveys, as well as the results of the introduction of the NWW.

From the results of this research can be concluded that the introduction of the NWW has influenced the way employees and managers perform their tasks in a number of ways. First, a basic factor that was influenced by the introduction of the NWW was that the distance between the manager and employee is increased by the introduction of the flexible working hardware, behavior, and refurbished buildings. For some other departments however, the change that came with the increased distance between manager and employees wasn't as large as for other departments. The degree of autonomy of the individual employees of the department is essential to predict the rate of change the introduction of the NWW will bring along. Moreover, the manager should adapt the leadership even more if the change for the department is larger.



Secondly following from the results of this research followed that not all pilot participants of the NWW pilot in ING use the NWW to its full potential. This follows from interview respondents mentioning employees planning their location before knowing the activities they have to do that week, or respondents mentioning employees that leave their flexible working hardware in the office after a day of work, on a daily basis. Whether the full influence of working in the NWW has been met by these departments might be a question for an evaluative session. One could surely state that the introduction of the NWW is not an overnight project, but is an ongoing process of getting to work more and more flexible.

A major influence of the increased distance between managers and employees is that the communication between managers and employees changes. Whereas managers were able to discuss work related issues directly and ad hoc when the manager and employee work in the same room in an office, the introduction of the NWW brings in new challenges with communicating well on a distance. This issue becomes extra clear when the issue of professional cohesion (sharing of knowledge and experience) comes to discussion. This professional cohesion between employees, and between manager and employee, becomes a lot more difficult when the distance between employees and managers is increased.

Thirdly, another issue for managers in the NWW is that the cohesion between employees might change with the introduction of the NWW and thereby the increase of the distance between employees. Since the introduction of the NWW employees do not see each other on a daily basis anymore, leading to less contact on work related and non work related subjects. Employees know less of each other, thereby reducing the social cohesion that's very important for a strong team spirit. The manager needs to organize moments at which the employees of the team can interact on an informal level to improve the social cohesion between employees. This can be in the form of organized informal meetings like a weekly lunch on a fixed moment, or a fixed day in the office.

### **5.1.2 Successful leadership styles and methods in the NWW**

To answer the second sub question of this research, *"What are the successful leadership styles and methods of managers at ING that follow from the pilot of the New Way of Working?"*, the factor leadership in the NWW has been researched in the interviews and surveys, combined with the determinants of the NWW, context in which the NWW is introduced, and performance after the introduction of the NWW. The results are discussed here to answer the sub question.

First, central for the answer to this sub question is again the increased distance between managers and employees. As a result of this increased distance, managers will have to adapt their leadership style and methods to the fact that the possibility to observe the activities of employees on a daily basis is gone with the introduction of the NWW. Therefore, managers will have to adapt their styles from direct overview and control to well formulated agreements on outputs and trust that employees will perform as was agreed upon.

Second, these mentioned moments for employees to interact face to face should also be used or specifically organized to improve the sharing of experience and knowledge by the employees. As experience and knowledge can't be shared as the need for this information shows up like in a situation where employees share the same room, the knowledge sharing should be organized consciously in another way. This can be in the form of organized meetings specifically for sharing knowledge on an certain subject, or in the same informal form as for the mentioned meetings for

social cohesion, like fixed days in the office or informal lunches. Also one can think of agreements on how knowledge can be saved centrally so it's available for all employees, but then again tacit knowledge or the approach of new situations might need a discussion with the experienced colleagues of the department.

Also relevant for managers in the NWW situation is to be aware of the fact that managers are not that approachable for employees as they were before the introduction of the NWW. Where the discussion of personal and sensitive issues was possible before the introduction of the NWW, as employees could approach the manager directly to have a discussion, this possibility has become more rare since the distance between manager and employee increased. The manager should be aware of this and maybe even reserve a moment for employees to be able to approach the manager face to face. As managers don't have an own room in the NWW, the manager should also facilitate a location to talk in private.

Third, situational leadership was mentioned several times by managers in the pilot of the NWW as being very suitable for the NWW, as the concept of situational leadership forces managers to realize the state of development of employees and adapt their leadership style to this development level. Although this is already evident for most managers, it's relevant for all managers in the NWW to actively consider this. Employees working on a distance might feel supported by their manager if the manager calls them regularly when the employee has just started in the new job. On the other hand an employee might feel violated or distrusted by the manager when the manager calls regularly to ask how the employee is doing in the job, if the employee is already very experienced in the job. This also points on the trust a manager has to develop in the employees.

Finally, the trusting relationship between manager and employees has become more relevant since the introduction of the NWW, as the manager sees the activities of the employee less often. The manager has to trust the employees in that they will do what was agreed upon, but on the other hand the employees also have to trust their managers in that they will be assessed fairly based on the outputs that were delivered. Core here is that employees have to be visible for the manager, not in a face to face manner but in a way that the manager has an image of what all employees are doing. The manager then can decide what method to keep an overview suits the specific department best, whether this is a discussion of the activities of the employee in a scheduled meeting between manager and employees, or via face to face meetings in the client's office.

### 5.1.3 Lessons drawn from knowledge on working in the NWW for other contexts

To answer the third sub question of this research, *"How can the results from the pilot of the New Way of Working be generalized for successful leadership styles and methods of managers in other departments?"* the determinants of the NWW have been researched in the interviews and surveys, as well as the results of the introduction of the NWW.

As was mentioned earlier, the context in which the NWW is applied appeared very relevant for the suitability of the NWW in a department. As the main question of this research focuses on leadership in the NWW, a conclusion of this research should be that there is a context dependency on the way the NWW is applied and this also accounts for the leadership of managers. Whereas some departments can function very well when every autonomous employee works on his own, some other departments might need very short communication lines in order to function well in the NWW. For instance, managers should be very aware of their own communication needs, whether their

employees need to be controlled or can be trusted, and how many face to face meetings are necessary for the department. Other factors might account for other departments, but the central issue here is how much difficulties the department will encounter when the distance between the employees and between manager and employees increases. In the discussion section, this subject of context dependency will be issued as well.

For the further roll out of the NWW in ING it is of importance to remember this dependency of the fit of the NWW in a department on several contextual factors for a successful implementation of the NWW, but on the other hand it's also of importance that the general themes that were discussed in this research still account in more or less degrees, depending on the context in which the NWW is applied. Managers should be aware of the effects that the increase of the distance between employees and between manager and employees will have on social and professional cohesion, the formulation of performance agreements, the importance of the trusting relation between manager and employee, and the communication in the department in general.

#### **5.1.4 Main question: How should managers adapt their leadership style?**

Following from the answers to the three sub questions, the answer to the main question *"In what way should managers adapt their leadership style to positively affect the outcomes of the New Way of Working?"* should start with the words "That depends..". As there has been found, the activities of the department, the autonomy of the individual employees and whether the department has to be able to react ad hoc on urgent issues from their external environment are examples of factors that influence the suitability of a very flexible and free way of organizing work in a department. Thereby, these contextual factors also influence the way that the manager has to adapt the leadership styles and methods to be successful in the NWW.

A number of factors have been discussed in this chapter that should be taken into account by managers when their departments starts in the NWW. First, steering on output was mentioned as a core adaptation of managers to the NWW, as the increased distance between manager and employee forces the manager to assess the performance of employees on other factors than the input that an employee puts in an attempt to perform well. As managers do not see the employees at work on a daily basis in the NWW situation, the performance criteria for employees will have to formulated as an output agreement between manager and employees. These output agreements work best when a goal is formulated and the criteria that a solution should meet, but a manager should encourage the employee to use their capabilities and creativity to find their own solution. This will ultimately improve the engagement and motivation of the employees.

Second, managers who are starting to use the NWW should be aware of the increased importance of a trusting relationship between manager and employee to be able to make steering on output, and communication and coaching on a distance possible. Thereby the manager needs to be aware of the need to consciously organize moments for employees to develop social cohesion, as the increased distance between employees will also mean that social cohesion will not develop as happened when employees worked in the same office on a daily basis.

Third, for managers in the NWW it is also of major importance to be aware of the influence that the introduction of the NWW will have on the balance between work and private life of employees. If employees are not used to be able to easily access their files from home, or aren't used to be able to access their office email with a smartphone from home, this might lead to an intrusion of the home

situation by work. Employees who are not used to the possibility to work from home and start to show signs of having troubles with finding a good balance between work and private life should be recognized by the manager. The manager should make sure that they guide employees who have difficulties with finding this balance between work and private life, so that they will find a healthy balance.

Fourth, the manager also needs to be aware that the manager can form an example for the employees in finding a balance between work and private life. One can think of choosing to turn off the phone or email sometimes and also stating this to the employees. This might show the employees that it's okay to choose your own moments for your private life, and therefore not to be available for the office twenty four hours per day. The manager can also choose to expect different degrees of availability of the employees than to expect from himself as a manager, but then it could be wise to communicate this to the employees as well.

Finally, social and professional cohesion have also been mentioned as relevant factors for the success of the NWW in a department. Managers should be very aware that the social cohesion of the department in the NWW situation requires conscious planning of face to face meetings. Also the professional cohesion of employees is an issue for managers in the NWW; the sharing of knowledge and experience in the department is changed when employees find themselves on a distance from their direct colleagues when they might need the knowledge or experience of a colleague. The manager should therefore make sure that the employee know where to find the required knowledge, and should consciously plan moment at which employees can share recent new experiences. In other words, for both the social as the professional cohesion, the manager should consciously take the role as a facilitator of the social processes in the department.

## 5.2 Discussion

This research has been performed with the best intentions, but nevertheless will not be flawless. This section will provide the reader with side notes that can be placed with the found results.

### 5.2.1 Literature

A relevant factor in this discussion section should be that not all of the literature that was used as a basis for this research was recent. It turned out to be very difficult to find literature that was relevant for this research, and at the same time was recent enough to be useful for a research that takes place now. It turned out that new literature on this specific type of flexible work was hard to come by, which also lead to the use of Dutch references that aren't directly scientific literature, but are very relevant for this research (see Vandendriessche (2010) and Baane(2010)).

Also it turned out that there is a lot of literature available on leadership in general. So much, that a choice had to be made for the relevant authors on the subject of leadership, like Bass and Avolio who have many citations in leadership literature. The literature on leadership that has been used also originated in a western context, whereas can be discussed whether the same leadership findings are useful in for instance a Russian or Asian context. It might even be questionable whether the Dutch organizational culture is a hundred percent comparable to the US organizational culture. For this research the assumption has been made that the organizational culture are comparable enough, but it should be kept in mind.

### 5.2.2 Surveys

For the surveys that were used in this research, the comparison of the pre-measurement and the post-measurement took place on a group level, with a possibility to distinguish for the departments and for the managers. However, this still happened on a group level, whereas it would be more useful to be able to understand individual developments, to be able to better understand why the results of the survey are as they are.

Also, the pre-measurement of this survey was performed before this research started, so the questions of this survey were formulated with the overall evaluation of the NWW pilot project in ING in mind. Some of the statements of this pre-measurement were useful for this research as well, so they were used for this research because they were available. For the post-measurement, some questions were added with this research in mind, but the results of these questions didn't have the valuable over time comparison possibility between pre-measurement and post-measurement. Furthermore should be mentioned that the response rates of the surveys weren't very high. Whereas the pre-measurement had a response rate of about 50%, the response rate for the post-measurement even decreased to 30%. However, the availability of the results and the strength of the results due to the time based comparison possibility meant that they were used for this research.

### 5.2.3 Interviews

The respondents for the interviews for this research have been selected randomly from an overview of all available managers in the NWW pilot group, where it should be mentioned that 25 managers were contacted and the managers that were interviewed were the managers that were able to clear their schedules for an hour. During the interviews a semi-structured interview protocol was used, and the respondents were asked for the reasoning behind their opinion to understand their line of reasoning. However, as a result of very limited time some of the interviews were less than an hour long, which led to some subjects getting more attention than other subjects. As an interviewer however, the researcher attempted to spread the available time over the question as well as possible.

A problem with interviews as a source of information for this research is that it sometimes required the responding managers to critically review what they do in their job and how they do it. The possibility that managers provide socially desirable answers is present, as is the possibility that managers were not critical enough in their self evaluation. During the interviews, the researcher attempted to prevent this problem by thoroughly asking follow up questions and listening well to the answer.

Another relevant issue here is that the departments that were part of the pilot of the NWW in ING were knowledge based departments and project departments with employees that work very autonomously, communication, and HR. The reactions of the managers therefore provide the opinion of managers of these departments, while for instance back office departments that are not part of the pilot of the NWW in ING might have a very different opinion on these subjects. For example, departments that are security sensitive or call center departments of ING might have a very different opinion on the discussed subjects. The mentioned context in the conclusions is relevant here; the impact of other contexts in ING should be researched before the roll out of the NWW throughout the organization.

#### 5.2.4 Suggestions for future research

As followed from this discussion session, the effects that the NWW will have on departments in different contexts should be researched as well. An interesting research would for instance be which contextual criteria determine the success of the NWW in a department and organization.

Another interesting research approach might be whether the organizational structure plays a role in the suitability of the NWW in the organization. For instance, employees in very small departments have less difficulties to stay in contact with their direct colleagues than employees in large departments, as the distance will increase between these employees.

### 5.3 Recommendations to ING

One of the goals of this research was to provide ING with practical knowledge on leadership in the NWW in their context, to help future managers in the NWW in the organization to perform better. With the decision to roll out the NWW throughout the organization (taken July 2011), this becomes especially relevant as the managers who still have to start in the NWW might really benefit from the results of this research in their daily job. A number of recommendations are mentioned here that might help ING in their roll out of the NWW in the organization.

#### NWW in project and knowledge based departments versus other departments

The first recommendation for ING regards the generalizability of the research results. The results of this research account for the project based departments, knowledge based departments, communication department, and HR department that were in the pilot group for the NWW in ING. It therefore appears that the project and knowledge based departments of ING have little issues with changing their work methods to the NWW as followed from the research results. A recommendation for ING might be that the implementation of the NWW in the project and knowledge based departments are easy wins when the NWW will be implemented in the organization, but more difficulties might be expected when the NWW will be implemented in other types of departments.

For back office departments and sales departments for example, different issues with the use of the NWW might be necessary to take into account. Back office departments for instance need to be able to help customers no matter what. To accomplish this, a telephone connection that is put through to an home phone or mobile phone will not be difficult, but the communication with colleagues in case of an exception situation might be harder. In short, the implementation trajectory for other types of departments that have other communication needs will be different.

Also sales departments in the bank branches throughout the country form a different situation than the pilot participants of this research. These employees are bound to the offices branches to help employees directly, and form the first contact that customers have with the organization. A good impression to the customer here is crucial, but this cannot be done from home or from another location. The NWW is not impossible for these departments, but the implementation trajectory should be carefully adapted to the needs of these departments.

These two examples show why it is important for ING to critically assess how large the step is for a department to change to the NWW. For some departments the step to the NWW will not be very large, as for the project work departments and the knowledge based departments, but for sales or



back office departments some extra measures might be needed to start using the NWW. In other words, the way that the NWW is implemented in a department should be considered for every department specifically, as different departments have different characteristics that influence the way the NWW can be used in practice. Security sensitive departments have different issues in the NWW than departments in which employees should cooperate a lot, or departments that work individually with the customers.

For leadership in the NWW the effects should be sought in the difference in distance between the manager and employee from the current situation to the future NWW situation for departments that still have to start in to start using the NWW, when the NWW is rolled out throughout the organization.

### **Use of steering on output**

The main issue for the responding managers was that the use of steering on output was difficult at first. The formulation of goals in terms of outputs was the issue was offering managers difficulties in the use of the NWW in the pilot period, and was suggested as element of the NWW where managers should be educated in before they start to use the NWW with their team. The recommendation for ING is therefore to carefully prepare the managers for the use of steering on output, to make the managers able to start in the NWW successfully.

### **Adaptation of leadership styles**

Another manager mentioned that managers should first consider which kind of manager they are, before they start to adapt themselves to the use of the NWW in their team. With this he meant that the changes a manager has to go through can be very easy for someone who is used to being on a distance of his employees and trusts the performance of them. For managers who have a leadership style of "command and control" the NWW will bring a lot more issues as the increase of the distance between manager and employees implies that no direct overview and control of the activities is possible anymore. The recommendation for ING is to guide managers to recognize their leadership style before managers start to use the NWW. This will help managers in the transition they will have to make to successfully start in the NWW.

An interesting question for ING to conclude this section is how the start in the NWW might help ING to become a more innovative organization. When employees are encouraged to use more of their creativity, knowledge, and capabilities when their managers start to steer employees on output criteria, a possibility arises that found solutions by employees will be more creative, making the organization more innovative. This might even have effects on the perception that possible employees have of ING, making the organization a more preferred employer. As this is one of the strategic goals of the organization, ING should definitively attempt to use the outcomes of the NWW to achieve this goal.

### **Trusting relation manager-employee**

Another relevant recommendation for ING following from this research is to be found in the relationship between the manager and the employees. As the physical distance between the manager and the employees increases, managers have to be aware of the increase in the relevance of trust in the relationship between managers and employees. Managers are not able anymore to control all activities of the employees as they are performed, and have to trust their employees that they do as they have promised. On the other hand employees also have to be able to trust the



manager in that he sees what the employee does and evaluates these activities fairly in the case of an assessment of the performance of the employee.

In short, the recommendation for ING is to make managers that have to start in the NWW aware of other ways to steer the activities of their employees, other than direct observation. Steering on output and scheduled formal one-on-one meetings might provide a solution here, just as making strong arrangements with the employees on how communication should be structured, when to ask for support, and what to do if the activities of the employees just go smoothly. Making solid agreements will make the manager more secure and more comfortable with the increased distance between the manager and the employee.

### **Social and professional cohesion**

As was mentioned in this research, maintaining the social and professional cohesion in the department becomes more difficult when the physical distance between the employees and between managers and employees increases. It is important for the team to know each other to be able to function effectively, and it is important for the team to regularly meet face to face to share knowledge and experiences. The recommendation following from this research for the future roll out of the NWW in ING would therefore be to make managers aware of the necessity to organize moments for both social and professional cohesion.

### **Implementation as continuous process**

Finally, an observation from this research was that the pilot period of six months for the NWW in ING was not enough to base conclusion regarding performance of departments in the NWW on. Instead the introduction of the NWW should be seen as an ongoing process, in which departments in the NWW start to adapt their behavior more and more to the flexibility of the NWW. The recommendation for ING is therefore not to expect overnight changes to new behavior by the departments, but rather to educate managers so they can guide their employees to adapt their behavior to make better use of the flexible possibilities of the NWW.

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## Appendices

The appendices of this research report show the reader more insights in the outcomes of the quantitative survey and qualitative interviews.

## I - Findings quantitative surveys

### 1. Determinants of the NWW

		N	Mean	Sig.	Early starters	Results mngrs
I feel capable of taking responsibilities in my work.	pre-m	269	4,6022	,344	4,6333	4,6389
	post-m	188	4,6436		4,5882	4,3750
I take my responsibility for the results of my work.	pre-m	269	4,8067	,244	4,85	4,8333
	post-m	188	4,8404		4,8676	5,0000
I have the freedom to make my own schedule and plan my own activities.	pre-m	269	4,4387	,206	4,525	4,5833
	post-m	188	4,5053		4,5294	4,7500
To my opinion, there is open and honest two-way communication in my business unit.	pre-m	269	3,7993	,050	3,7417	3,9444
	post-m	168	3,6429		3,3824	4,0625
I experience the work load as acceptable.	pre-m	269	3,9554	,411	4,0583	4,2222
	post-m	167	4,0240		4,2059	4,3125
I'm satisfied with the possibility to choose the work place that best suits my activities.	pre-m	269	3,1301	,000	3,2667	2,9722
	post-m	161	3,8882		3,8088	3,8125
Independently of where I work, I can easily cooperate and communicate with my colleagues.	pre-m	269	3,1636	,000	3,2000	2,8611
	post-m	153	4,0850		4,1471	4,0000

### 2. Determinants of the NWW (percentages)

		N	Mean	Sig.	Early starters	Results mngrs
In a typical month, where do you work? Work in a room.	pre-m	269	22,3048	,000	19,1667	41,6667
	post-m	163	50,3067		61,7647	56,2500
In a typical month, where do you work? Work on an open office floor.	pre-m	269	89,5911	,409	93,3333	72,2222
	post-m	163	91,4110		89,7059	100,0000
In a typical month, where do you work? Home.	pre-m	269	48,3271	,000	59,1667	72,2222
	post-m	163	92,0245		89,7059	87,5000
In a typical month, where do you work? During commuting.	pre-m	269	22,6766	,013	24,1667	36,1111
	post-m	163	31,9018		30,8824	43,7500
In a typical month, where do you work? While travelling.	pre-m	269	3,3457	,087	3,3333	,0000
	post-m	163	6,7485		5,8824	18,7500
In a typical month, where do you work? In a public place.	pre-m	269	1,8587	,005	1,6667	2,7778
	post-m	163	7,9755		2,9412	12,5000
What percentage of your working month do you spend in the office?	pre-m	269	75,6654	,000	69,2333	66,8611
	post-m	155	61,0516		57,3971	60,3125

### 3. Performance in the NWW

		N	Mean	Sig.	Early starters	Results mngrs
I'm satisfied with the knowledge sharing in this department.	pre-m	269	4,0818	,000	3,2667	2,9722
	post-m	198	3,6919		3,8088	3,8125
My knowledge and skills are used well in my business unit.	pre-m	269	3,9368	,254	3,975	4,2222
	post-m	187	4,0053		3,8824	4,1875
I experience a good balance between work and private life.	pre-m	269	3,8996	,038	3,9667	3,9722
	post-m	167	4,0659		4,2941	4,1250
My work fits with how I'd like to fill in my preferences in my private life.	pre-m	269	3,8216	,000	3,8500	3,8056
	post-m	167	4,1976		4,3088	4,3125
I can plan a private appointment on a workday without feeling checked by colleagues.	post-m	188	4,2021		4,1618	4,3125
I can work more productive from home then in the office.	post-m	161	4,2236		4,2941	4,0000

### 4. Leadership in the NWW

		N	Mean	Sig.	Early starters	Results mngrs
Members of the management team are sufficiently visible and accessible for me.	pre-m	269	3,8922	,935	3,8583	3,8889
	post-m	184	3,8859		3,8088	4,3125
My manager has clear expectations of my performance.	pre-m	269	4,1561	,255	4,1583	4,1944
	post-m	179	4,0726		4,0882	4,3125
My manager supports me in the improvement of my performance.	pre-m	269	4,1970	,290	4,2417	4,4167
	post-m	179	4,1229		4,2059	4,2500
My manager supports me in my growth and development.	pre-m	269	4,1152	,056	4,2083	4,2778
	post-m	179	3,9665		4,0441	4,0000
My manager gives me the feedback to improve my performance.	pre-m	269	4,0967	,318	4,0917	4,1667
	post-m	179	4,0223		4,0588	3,9375
I see a clear connection between my work and the goals of the business unit.	pre-m	269	4,2007	,068	4,2500	4,3889
	post-m	167	4,3174		4,2059	4,4375
My results agreements clearly contribute to the goals of the business unit.	pre-m	269	4,1152	,919	4,1167	4,3333
	post-m	167	4,1078		4,0147	4,3125
I can easily exchange information and knowledge with my colleagues.	pre-m	269	3,5576	,000	3,4583	3,3056
	post-m	153	4,1765		4,1912	4,0625
The leadership style of my managers is well adapted to the circumstances.	post-m	184	3,9293		3,8676	3,8750
My manager gives me an example on how to combine work and private life.	post-m	179	3,5922		3,6471	3,8125
I trust my manager that he'll evaluate me fairly based on my inputs.	post-m	168	4,2381		4,2353	4,2500
I trust my manager that he'll evaluate me fairly based on my outputs.	post-m	168	4,2202		4,2059	4,3125
My manager trust my efforts, even if I work from home.	post-m	168	4,5536		4,6471	4,8125

## II- Interview questions (semi-structured)

### Introduction;

Introduction (name, study, university)

Explanation research

Explanation role of research in pilot

Finishing of the research

Introduction of respondent; what do you do precisely? How autonomous are your employees?

What is your background?

Are you satisfied with the NWW?

Besides problems with starting up the pilot, what were the biggest challenges you met in the NWW?

### Leadership in the NWW;

In what way did the introduction of the NWW change the way leadership works?

What changed in the communication between manager and employees?

Do you feel you have the overview and control over the activities of your employees? Do you feel you have the overview and control over the quality of their activities? What was the effect of the introduction of the NWW on the performance of your team?

In what way did the increased distance between you and your employees change your relation with your employees?

In what way did the trusting relationship between you and your employees change since the introduction of the NWW?

Do you use steering on output in practice? If yes, how? Which challenges did you meet? What can be done to improve this? Are the roles of actors clear in the assessment cycles?

How does steering on a distance work for your department?

Did you make agreements with your employees on presence and visibility? And on reachability and availability?

What effects have you seen on the social and professional cohesion in your department? And between your department and other departments?

Are you able to coach your employees on a distance where needed?

Do you feel you as a manager plays an exemplary role towards your employees regarding finding a balance between work and private life?

### Finishing the interview;

Which preparation would a starting manager in the NWW need? Which education or training?

Did this interview miss a subject that's relevant for leadership in the NWW?

Thank you for your time! Would you like to receive the results?



### III - Interview elaborations

These interviews were performed as part of a final thesis on leadership in the New Way of Working (NWW), done as a single case study in ING Domestic Bank in Amsterdam. The question for which answers are sought is *"In what way should managers adapt their leadership style to positively affect the outcomes of the New Way of Working?"*. The interviews were performed in Dutch, but are elaborated in English. These elaborations provide insight of the valid arguments regarding this research question. The elaborations of the interviews have been structured according to the research model, to make analysis of the results easier.

#### Elaboration interview number 1

This respondent works for the internal communication department, which provides content for internal and external magazines. They cooperate with external communication on the content and messages that are provided for the external clients. First experiences with the NWW are positive, mainly that the organization shows her trust in the employees.

She really believes in steering on output, and the trust in employees that follows from that. Steering on own responsibility works better according to this respondent than controlling what exactly is done, by offering an employee the freedom to decide where when and how to perform the task, the manager and the organization show their trust in the individual. Monitoring performance of an employee by only monitoring presence is less useful. This can't work for every department, but for the department of which this respondent is the manager, steering on output should work this way.

#### *Variables in the New Way of Working*

The responding manager states that the employees that still look for the social contact, find ways to sit together for their tasks. They really make appointments to have the possibility to sit together. She hasn't found aspects of her department that didn't work just because of the introduction of the NWW, but she acknowledges that it requires conscious planning to make sure that there are always enough employees available to perform tasks. Crisis situations in which it's very important that communication lines are very short haven't appeared since the introduction of the NWW up to now, so time will tell how it will work then.

Employees who get the freedom to work where and when they wish will have to make agreements on availability and modes to communicate. According to the responding manager, this worked out well for the department, also because there was some guidance offered by the NWW project team. In the period before starting to work with the NWW the department has made conscious agreements on the availability issues. A "team charter" provided the guideline for these agreements. The days on which all department members should be in the office were agreed upon, to be able to plan the department meetings. The other days of the week, the department member were free to work where and when they wish. A check to make sure that the occupation of the office is high enough is made on a weekly basis.

The social aspect of the department of this interview respondent is positively affected by the introduction of the NWW. The cooperation within the team has benefited from the period between leaving the old office and entering the new office in the NWW style, because everyone had to go through the same difficulties in this period. Also part of the social aspect of the department is that

employees feel the need to decorate the floor with personal items. They feel more at home and comfortable on the workflow.

The responding manager does state that employees who now have the possibility to work from home report to be more efficient when they work from home than when they work from the office. This might be the result of the office work floor being a lot more noisy and employees are disturbed a lot by their colleagues with little question or informal talks. Questions people might have are asked when they can easily ask their question, but when the colleague with an answer is not around, employees will search and find the answer by themselves. For people working from home this therefore means that they will not be interrupted by this kind of questions. The responding manager therefore expects that the employee satisfaction will increase with the use of the NWW. Thus, the effects on performance are yet unclear, but the employee satisfaction already increased.

The responding manager can acknowledge that employees started to work from home more often, and sometimes also choose to go start a day working in the office, and choose to finish their activities at home. Most employees also choose to work from home one fixed day in the week, and choose the other days to work either from home or the office depending on the kinds of tasks they have to do. For the communication with the employees, the responding manager mentions the importance of her weekly moment to meet with her employees. Every Tuesday morning she asks all her employees to be in the office to discuss relevant issues. Furthermore the responding manager states that she uses email a lot as a communication method. The presence of employees in the office hasn't changed a lot, because employees already had a lot of appointments during the day. She also mentions to use the phone and Office Communicator more than before, but doesn't feel experience it as a drawback in the quality of work.

The employees who gain the freedom to work where and when they wish has the result in this department that employees finish their work from home. They do this now more than before the introduction of the NWW. The responding manager also tells that she is a bad example in this issue; she is fully available on her day off and she works on her day off. She doesn't expect the same from her employees. When this manager works in the evenings, she can see via Communicator which employees are also online, and she observes that there are always some people online. This subject has been discussed in the department as a pitfall.

### *Effective Work*

For the assessment of the performance of the employees, this responding manager not only uses her own insights, but she also tries to get a reaction and opinion of other parties for which her employees performed their jobs. The responding manager uses the opinion of the third party to complete the view on the performance of the individual, as focusing on output in this communication department turns out to be rather difficult. The focus on the output of the employee returns when texts are reviewed; does it look good, are there no mistakes in the text, is it written in a flow. However, the satisfaction of the third party should be taken into account as well.

Regarding the measurability of the activities of the communication department, the responding managers acknowledges that the activities of this communication department are hard to measure. As a result it is possible that the steering will focus on input instead of output, but yet again some communication employees state that they need this type of guidance. Some people just are used to this amount of guidance, and feel lost when they suddenly need to be steered on output. So, the

individual needs of employees also lead to the amount of guidance that is offered by the manager. For organization wide roll-out of the NWW this responding manager advises that it should be kept in mind that in every organization there are employees that can cope with getting an assignment and then having the room to perform in this. Others need to be guided and are more passive instead of proactive. Even more, some employees will even say one thing and do another, so be contra productive for the department. In other words, make managers aware that they should make a consideration of the amount of guidance that every individual employee needs. Situational leadership might be helping in this kind of situations; people who need more guidance should receive it, people who are more autonomous in their function should get more freedom from their manager.

### *Context*

All employees are highly educated and autonomous, and in the function description is stated that the employee should be able to work independently. The employees of the department of this manager was used to sitting together in one room, leading to very short communication lines.

### *Leadership*

This manager made some agreements with the department on the subject of availability and letting the colleagues know where you'll work at what moment, to make sure that in case of a crisis situation they can find each other to react fast. Also while working from home this respondent found that she was able to steer the actions of the employees in the office to make sure that a situation is handled correctly. The NWW wasn't a disadvantage in this situation, but it does require that you know your employees and have the set agreements.

The visibility of team members is also assessed. The interview respondent states that she tried to make her team members aware of the imaging. Once they go "under water" (work from home and become less visible) they should be aware of what their work looks like for the rest of the department. For this, not only the manager of the department should be taken into account, but also the direct colleagues. She also consciously asks her team members to make an appointment with a colleague to communicate on their activities to make sure that the colleagues know what they need to know. This accounts especially for cooperation within the own team. Cooperation with other communication departments was already a difficult issue before the start with the NWW, and remains difficult after the introduction of the NWW. The cooperation with other department is tried to get to the right level with planned meetings, but because every team is focused on their own subject and it's impossible to stay in contact with 100 communication employees from different departments, the cooperation is far from ideal.

Steering on output in a department that works on assignments that come in at a unpredictable pace creates the difficulty that the workload of an employee can't be predicted. Also, the performance of the communications department depends partially on qualitative measures; do the delivered items meet the quality standards? Steering on output in this department works partially, also depending on how much guidance the employees need. So, the suitability of steering on output depends on the amount of experience someone has in the job, but also on the type of job. Some jobs are more suitable to steer on output than others. The responding manager states that she makes an estimation of how much guidance the individual employee needs based on the type of job and the rate of experience of this individual. Also, the manager asks regularly in planned one-on-one meetings whether the individual employee needs more guidance, whether the workload still is

doable, and whether the responding manager should take an issue to an higher level in the organization.

The responding manager states that in the roll out of the NWW, an output focus should not only be used on the field of a manager's steering, but also on the employee's work. So, the training on output focus should be focused on both managers as employees. The expectations both from manager to employee as from employee to manager should be considered. Also individuals should be made aware of their task to make visible what they do.

The overview of a manager of what the employees do might be affected by the introduction of the NWW. The responding manager however, states that she didn't have much control over what her employees did exactly before the introduction of the NWW. She just agreed with her employees that they immediately contact the manager when they encounter exceptions or difficulties in the performance of their jobs. That way, the manager hopes to prevent that problems escalate or surface when it's too late. The bilateral meetings that are scheduled regularly are used to discuss issues that the manager encounters in the surroundings of the department, or the manager just asks to show what employees have done, but in other cases the employees are experienced enough to know when they should discuss an upcoming issue with their manager. What really changed by the introduction of the NWW according to the responding manager is the possibility of observation, even though that is only partially useful in practice. The manager also mentions that she sees her employees less often in an informal way (i.e. at the coffee machine), but only in a formal way (i.e. in scheduled meetings). The changes in the visibility of the employees have no noticeable effect on the quality or quantity of what employees do, but the managers also mentions that it might be too soon to tell something about that.

The responding manager can't say whether something changed in the relation between her and her employees. She doesn't know how difficult it is for her employees to contact her with questions or issues, and states that she might be less visible for her employees after all as well. By this decreased visibility and less contact moments, the manager also states that she knows less of how her employees feel. In general employees know how to find their manager when there's something wrong either on the work floor or in private. When this manager meets one of her employees on the work floor, she tries to ask for personal issues when she knows they're there.

The trusting relationship between an employee and a manager is affected by the increase in distance and the related decrease in informal meeting moments. On a question what effect this has on the trust the employee has in a manager regarding the honest assessment of results, the manager states that it is too soon to tell whether there will be differences as a result of the introduction of the NWW. There haven't been coaching meetings since the start with the NWW.

The coaching of employees on a distance is based by the responding manager on observation. She also explains that she asks from her employees that they tell her what offers them difficulty, what they've done up to now and then discusses with them what should be done differently the next time. However, this hasn't changed with the introduction of the NWW.

For managers that still have to start with working in the NWW, this manager advises to prepare well by making solid agreements with the employees. Also it should be discussed with employees what it

will mean when steering on output is introduced with the NWW; it requires a degree of independence to make that work.

## Elaboration interview number 2

### *Variables in the New Way of Working*

Regarding knowledge sharing, professional cohesion, and steering on a distance there are no significant differences; the employee were already very autonomous and the kind of work they do already knew a certain distance between them, their colleagues, and their manager. The same accounts for the planning, coaching, and assessment meetings; they are still done on a face to face basis instead of via a new communication methods. This manager does so because of the personal type of conversation that comes with these meetings.

The relation between the employees has changed according to this manager, but the relation between employees and this manager hasn't changed. The distance hasn't specifically changed, only the way of communication has changed due to the available new technology. Every Friday this department tries to have lunch together, and they try arrange moments to sit together in a room. She senses that her department feels the need for this, as she also senses that the social aspect of her department is somewhat reduced since the start with the NWW.

The professional cohesion of a department is changed by the introduction of the NWW, as is indicated by this manager. As formerly you have your direct colleagues around you to tell them something from your email or experiences, after the introduction of the NWW you have consciously make an appointment for a meeting or a cup of coffee to tell your colleagues what's new.

The difference between reachability and availability of an employee is not a subject that has been discussed in the team. The responding manager does mention that she feels that her department should discuss this, but the discussion hasn't yet taken place. She does mention that availability of her employees on the office communicator (indicating whether a colleague is logged in) sometimes even runs on until 23:00 hrs in the evening. She also indicates that when the manager emails late in the evening, this provides an example for the rest of the department. It is questionable whether this is a desirable situation, and the manager feels that there should be some agreements on this subject with the department members.

Regarding the exemplary function of a manager in a team, this manager emails to her superiors in the late evening hours, but tries to avoid to email her employees late in the evenings to give a certain example to her department. The flickering light of a blackberry (indicating a new message) is now a trigger to react every time it is seen, but this manager wants to discuss this with her department to make sure that employees don't overreact in this by reacting late in the evening and thereby disturbing the balance between work and private life.

This responding manager mentions that she feels that her department isn't optimally making use of the possibilities of the NWW, and could perform better when they get used to this new environment. She also mentions that she would like to have some guidance in the process to get further in the use of the NWW. Especially in finding the balance between work and private life this guidance can be very helpful.

### *Effective Work*

Regarding the quality of the output of this department, this manager's opinion is that there are no influences to assign to the introduction of the NWW. She also mentions that there is a possibility that the communication between colleagues is not ideal when you're not each other's room buddy. The communication lines to share a small bit of information are much shorter when you sit next to each other in a room on a daily basis. Also, when you share a room with someone on a daily basis, you're willing to help this person out. When everyone is spread over an office of flexible work places, this might be changed.

### *Context*

The employees of this responding manager work on projects from clients who are internal for this organization. They work very autonomously and are used to working away from their colleagues on a daily basis. This responding manager therefore states that the introduction of the NWW isn't a very large step from what they already did in this department. The difference between the old situation and the new situation (in the NWW) is that the steering of the department by the organization has changed; by introducing steering on output and a new assessment cycle with the introduction of the NWW these things changed for the department of this responding manager.

The manager states that working with an output focus will only be possible when this is in line with the culture and structure of the organization. Also she states that an output focus is only possible if employees feel they can influence the outcomes on these output indicators.

### *Leadership*

Whereas the change department is very suitable for output goals (think of a budget and time limit for a specific project; if a change consultant keeps x percent of his change projects within the limits, he performs well). However, the general opinion of this department was that results are there when they're needed, and it's done when it's done. So, the big difference since the introduction of the NWW is that there now is an increased focus on formulating goals in terms of output. Exception reports are used to indicate why the project's budget and timeline were not achieved. During the projects it can occur that the real problem for which the project leader was hired appeared to be just the superficial effects of the real problem, thereby redefining the problem that the project leader should solve. The problem definition can even change when a leading function is fulfilled by another individual.

More in general, this responding manager states that the objective assessment of the achievements of an individual employees, based on his/her outputs is far from the norm in this organization. Still the measureable achievement of the individual is not the core indicator for the flexible reward, but also effort and commitment play a major role in the composition of the total reward. The more objective standards in assessment leading to flexible rewards based on one's objective performance might be a very good turn for ING, according to the interview respondent. At this moment there is too little influence on the factors on which an assessment should be based to fully assess the performance of the individual on this. So, this manager acknowledges that these factors are not suitable, but doesn't have the correct criteria that should be used.

The main difficulty of using steering on output is that there is a limited influence possible on the results of the department and of the individual. There are too much influencing factors and stakeholders. "I manage my stakeholders in such a way that my project will run well" can be a viable

formulation of a goal for the project management department, but still is far from the ideal image of an output focused goal. The time factor cannot be included in the goal formulation at this point in time, because of the influences of other factors and stakeholders. "I'll do my best within my possibilities" is as far as the manager can go in goal formulation at this point in time. Smart managing of the assignment formulation and result presentation, or stalling might be options for project leaders to influence their assessments to their advantage. Also, project cannot be finished for less than the stated budget, as that would indicate that this money could have been used for other projects as well. In the end, an evaluation of all projects in a year ended up with the fact that all projects were finished over budget or later than planned.

At this point in time, the project management department doesn't have the possibility to prioritize between different assignments. Whereas some project or IT departments of other organizations might prioritize between the different assignments they receive, the incoming assignments from ING departments are all found to be "important". Therefore, all assignments have to be done on short notice and planning is difficult. It would be easier when the department would be free to choose which assignment has priority and which assignment can wait somewhat longer.

Because the resources of this department have been reduced as a result of the financial crisis, the rate of flexibility and planning has reduced as well. The expectation of this manager is that when output focused steering is applied in this context, it will only be used for small items such as coaching, instead of on the main issues.

Overall, it can be stated that the current structure of the department isn't ideal to implement output focused steering, as there just are too many dependencies on different factors and stakeholders to promise to finish a project within the stated budget and timeline.

Regarding agreements on presence of the employees of this department, the manager states there is an increase in communication moments in this department since the introduction of the NWW. This might be the result of the use of more communication channels such as the blackberry, office communicator and conference calls. The weekly schedules department meetings are continued, because the manager feels that it's very important to keep meeting face to face, to retain the social cohesion of the department. To have a short discussion with a colleague on a difficult subject, the several communication methods provide enough possibilities. It doesn't matter where you are at that moment, the communication channels provide enough possibilities to discuss with your colleagues.

This responding manager mentions that all managers can now be found on the work floor more than before the introduction of the NWW (the second level managers have lost their own rooms with the start in the NWW, the first level manager didn't have a room). Now rooms are available for every employee in the NWW pilot project for tasks that can be performed best in a quiet environment (high concentration tasks), and the manager observes that these available rooms are used far more by employees than by managers. The manager does mention that it isn't a shame when managers have their own rooms, as they tend to have a lot of privacy sensitive meetings with their employees. The threshold for this kind of meetings should be low for employees. When managers don't have their own office, the spontaneity of this kind of meetings is removed and a threshold is the result.



### Elaboration interview number 3

This manager of the project management section has a department that also started in the NWW. Her employees are spread over the organization's locations, in Amsterdam and Leeuwarden. The manager feels that the changes from the start of working with the NWW have only just begun, she feels there is a lot more to happen when employees really get used to the NWW. She feels that the real change in behavior will come when everyone is fully used to the NWW, the hardware, and the environment. She feels the organization is not yet there.

#### *Variables in the New Way of Working*

The differences between the former situation and the situation since the start with the NWW aren't to be found in the amount of contact; the face to face scheduled meetings between manager and employee are held in the same rate. A difference is to be found in that this manager doesn't sit with her management team in a room anymore, but also works on the flexible work floor. Some agreements have been made with the employees to make sure they see each other face to face in this flexible context. Once per week this manager chooses to sit with her direct colleagues with who she works together a lot. She enjoys sitting with her employees, because she gets to know them a lot better than she already did.

A disadvantage of working on the flexible work floor in the NWW is that people don't easily walk to your room for a talk on a more sensitive or personal subject. To create an environment to talk about personal subjects you really need to find a room of which you can close the door.

This manager feels that work is not only about delivering results, but also has a social function. In that sense, she feels objections against not seeing someone for months. Employees find energy from social contacts and can be motivated by their seniors. This really has its function when people meet each other face to face. So, on the one hand this manager feels she has to let go to let her employees come to their results, but on the other hand she identifies the social function of work and the possibility of learning from seniors. Regarding social cohesion in a department, she feels that a manager should act very consciously on this subject. She identifies three groups of employees; the first driven by group results, the second driven by the profession itself, and the third driven by the social aspect. A manager should actively look for the right balance in these three factors and employees should make concessions in this by finding the drive for all three factors.

When professional cohesion is discussed, the role of the manager hasn't changed a lot since the introduction of the NWW. This appears to her as being driven by the profession itself. Professional cohesion between different departments increased since the start of the NWW, just because each department meets other departments on the flexible work floor. The same accounts for social cohesion between departments; this also increases since the start with the NWW.

The communication between in this team changed slowly since the start of the NWW and thereby the new communication tools. The communication is becoming more short cyclical; instead of long face to face meetings the discussion are shortened and on a distance. This development is still ongoing, and is somewhat in contrast with the meeting culture in the organization. This is especially noticeable in a meeting with a team that didn't switch to the NWW. This also accounts for working paperless; the employees in the NWW try that, but the employees in the "old" way of work not.

In the opinion of this manager, employees have the responsibility to keep their balance between work and life in sight, but in some cases the manager will interfere and ask her employees to think of private life as well. She has far less employees who work less as a result of the increased flexibility. She even gives an anecdote of an hard working employee who feels guilty to leave the office an hour earlier to work from; there is a long way to go to really incorporate the NWW in the organization. This manager feels she has an exemplary role to communicate that she chooses to keep her weekend for herself. In a broader sense, she feels that the NWW fits in the vision that work should be fun, and it should be possible to combine work and private life.

### *Effective Work*

The quality of work isn't affected by the NWW when the group of consultants and experts is regarded, but the manager does see a decrease in the quality of work for the staff functions of this department. When the management assistant for this department works from home a lot, it didn't yet turn out that well. She wasn't reachable and the cooperation didn't work out well. The performance of the department as a whole has not been negatively influenced by the introduction of the NWW, the bigger risk is that employees start to work too much. This is also discussed in scheduled meetings between manager and employees, just as the subject on being reachable and available.

### *Context*

Before the introduction of the NWW, they were used to not seeing their colleagues throughout the week. The manager however sat together on a regular basis in the same room. Although this manager didn't see her employees on a daily basis, she had regularly contact with her employees via telephone. The amount of contact she had depended on the individual needs of the employee.

### *Leadership*

When employees aren't bound to fixed working places, it provides a requirement that manager and employees discuss when and where they will meet in person. That way, the manager remains visible for the employees and the employees remain visible for the manager.

Regarding a focus on steering on output; the manager states that they already did that a lot. The amount of meetings that are necessary depend on the amount of experience of the employee. When employees have shown that they deliver the promised output, they get more and more freedom from the manager to perform their job without a lot of meetings with their manager. This way, a trusting relationship is built.

Steering on a distance isn't a real issue since the start with the NWW for this department. The employees already were very autonomous in their jobs so the manager didn't see them a lot in person before they started with the NWW. The accessibility of employees has improved with the use of blackberries and laptops. The coaching of employees also hasn't changed a lot since the start with the NWW; the regular scheduled meetings were remained. The manager also thinks that because she is more visible for her employees while working on the flexible work floor, she can coach her employees better on the job. However, this only accounts for a part of the group, namely the part that works from the office that day. Other employees work at the client's office and therefore have no advantage of having a manager working on the flexible work floor.

Steering on output in this department is not so difficult for the professionals who work very autonomous. The challenge here is to define all aspects of the job in terms of output; this provides a struggle for the manager. Especially in special situation, the formulation of goals in terms of output costs a lot of time and labor. So the difficulty of steering on output is not only based on the kind of work in which it is applied, but also on the type of function on which it is applied. The way of work in this department fits well with steering on output, as each assignment is formulated in an assignment form stating the assignment, budget and timeframe. The step to formulating goals in terms of output wasn't very large from there. Difficulties are found in the exception case that someone doesn't function as he/she should. People who didn't function well before the start with the NWW provide a difficulty after the start with the NWW; the manager starts feeling nervous when she doesn't hear from these employees for three months.

For future managers, this responding manager advises that they should be aware for themselves how they stand in this NWW; not everyone is a fan in the beginning, but his manager believes that other managers should view the start of working with the NWW as a journey. The real advantages will not be present from the first day, but will emerge gradually. When one manager in a group doesn't believe in the NWW, this will influence the work of other managers. Other managers should therefore be open-minded for this change to really make it work. Also managers should be aware of differences between departments; what works well in another department doesn't necessarily work in the this department; there is a context dependency here. Furthermore this manager mentions that the traditional hierarchical way of thinking of managers (I'm the boss, this is my room) doesn't work in the NWW; it creates a smaller distance between manager and employees.

## Elaboration interview number 4

### *Variables in the New Way of Working*

Once per week they arranged a day to all be in the office. The interview respondent stresses the importance of making solid agreements when the work context becomes more flexible. The functions of the three employees of this department are very different, so all work very autonomous but yet together for the same subject.

Before the start of the NWW, there were four members of this department (three employees and a manager), and they sat together at one table all of the time. Therefore, problems were attended to at an ad hoc basis, and scheduled work meeting were not necessary. Since the start with the NWW this changed, and the manager feels a need to schedule weekly meetings to discuss what needs to be discussed with all department members.

Since the start with the NWW there is a need to choose the moments and ways to communicate. In the first weeks Office Communicator has been used a lot, but since then the use of it decreased. Now, some months later, email and telephone are the most used communication tools to discuss with colleagues. Sometimes conference calls are used as well. This managers further mentions that the non-verbal communication is missed.

Agreements have been made on how much time people can spend working from home and how much time has to be spend working from the office. This has been done to prevent a situation in

which no one sees his colleagues anymore. This manager is -according to him- one of the few managers who chooses to work from home one fixed day of the week.

Regarding the social cohesion of departments in the NWW, this manager mentions that the NWW forces departments to consciously plan the activities that might lead to a better social bonding in the department.

This department was used to directly react to a colleague's comment regarding work activities or something else, and this led to very short lines, open and direct coaching. With the introduction of the NWW, they cannot sit together so don't catch each other's frustration phrases. Also, they consciously have to plan moments to sit together and discuss the problems of each other.

The responding manager acknowledges that the use of blackberries is a serious threat to the balance between work and private life. Employees even use them on holidays. According to this manager, employees should be more aware of this risk, and consciously choose to turn the blackberry off if the moment is right for it. On the other hand he also sees that at a certain employment level in this organization, people expect you as a manager to be available 24/7.

### *Effective Work*

The quantity of work of employees has been slightly affected by the start with the NWW; a first notion is that the queues of work to be done have decreased, so it could be stated that more work is done since the introduction of the NWW. According to the manager this is mainly a result of working from home, where there is less distraction in the work environment. The quality of work of work isn't affected by the start with the NWW, only the speed of work changes with the start with the NWW.

### *Context*

Because the department of this responding manager is rather small (3 employees), this department sits together a lot to discuss what happens. Once per week this department has a structured scheduled meeting to discuss the topics of the department.

As this department is rather small, keeping an overview of what happens and controlling this isn't a big issue. The manager does add that in holiday times employees do choose to work from home more often, leading to questions of what the employee does at home.

### *Leadership*

This manager mentions that he already manages by trust, so he doesn't have a lot of difficulties with the NWW. As he knows the small group of employees around him very well and knows what he can expect from them, the NWW doesn't provide a challenge in creating a trusting relationship. In the scheme of situational leadership he would be in the highest quadrant. Responding on happenings in the surroundings might change this role (think of crisis situations), but for now this works well. This way of working is easier when the employees are visible, but in this department where they know each other very well, this works fine.

Regarding steering on output; this department has formulated output focused targets for the employees. However, for this department a lot of government regulations are due to change, so they find it difficult to formulate goals that are challenging yet achievable. Also objections are felt with the assessment based on the client's rating of the organization as a whole, while most employees have

no influence on that at all. It is of utmost importance that employees feel they can influence the factors on which they will be evaluated.

Steering on a distance is not complicated for this department; when activities don't run as they should a phone call is the solution for this department. As the employees are autonomous and professional this works out well.

This manager states that a big threat for managers who are about to start in the NWW is the tendency to try to control everything that happens. Easier said than done, managers should try to give employees more freedom and autonomy once they start working in the NWW.

## **Elaboration interview number 5**

### *Variables in the New Way of Working*

The team of this manager has made agreements to meet with the complete department once in the two weeks for a scheduled meeting. In general, most employees are in the office on Tuesdays. They try to have face to face contact at least half of the week, mainly for the knowledge transfer to less experienced employees. Also this manager has a weekly one on one meeting with each individual employee, but this hasn't changed with the start in the NWW.

The employees of this team don't specifically like that they don't see their colleagues that often anymore. They try to discuss their work on a regular basis with their colleagues to keep track of what happens in the department. Advice on how to react on a specific media request or interview should be sought actively since the start in the NWW, while this happened on an ad hoc basis before the start of the NWW when this team sat together in one room.

The employees are dissatisfied with the environment in which they work; they think it's too noisy and crowded. In the NWW it's not suitable to claim one or two rooms for your department as a standard, but then again this provides troubles for this department when sensitive information is shared. In other words; this department is still struggling to find their way in the NWW.

The social cohesion in the department of this responding manager is promoted by organizing informal events 4 times per year. At this events, serious elements are combined with something fun. Also the managers and employees choose to ad hoc have a lunch together, without this being planned beforehand. People appear to feel a need for this. Furthermore, what worries this manager is that the employees of the department and rest of the communication staff spread out over the flexible work floor, which leads to colleagues not knowing or recognizing each other as being a colleague. This might be difficult when they turn out to need each other.

The sharing of knowledge in this department is the challenging element for this department. Senior employees have to help the junior employees to develop, and with the flexible element of the NWW this provides a need to consciously arrange the sharing of knowledge.

### *Effective Work*

Regarding the quality of work, this manager mentions that the cooperation between her department and other departments isn't ideal. She doesn't know everyone on the work floor, and she has the feeling that this contact is more stubborn. The quality of work itself isn't changed with the

introduction of the NWW, or maybe even improved when people work out articles in the quiet surroundings of their homes.

### *Context*

Before this department started with the NWW, this department was used to sitting together in a room with 10 people, so communication lines were very short. Also people rarely worked from home. In the new situation of the NWW this isn't possible anymore. Employees of this department are happy with the NWW and the flexibility to combine work and private life. For instance, half of the employees now have the possibility to bring their children to school before they have to go to work, or avoiding the traffic jam. These employees are more flexible in how they manage their time. The other half keeps their rhythm and come to the office on a daily basis. Overall, employees with a family at home are most happy with the NWW. Some employees are better able to concentrate when they work from home, others in contrast mention to find more distractions when they work from home.

This manager chooses to work from the office most of the time, mainly because the composition of this department is rather new. The manager wants to be in the office in order to get to know her employees in this period. She feels she does that better when she meets her employees face to face than on a distance.

### *Leadership*

The manager finds it difficult to assess the amount of time it costs the employees to perform their tasks. She has little overview over working hours, but finds that this isn't a big change from the former situation. Before the introduction of the NWW this department already had the need to be available in weekends to react to crisis situations. Also work had to be finished in the weekends. The NWW just provided new communication and working facilities for that.

The control and overview of this manager over what happens with her colleagues is okay, due to the weekly one on one meetings, two-weekly department meetings, and Monday morning a call around the colleagues to get a feeling of what they'll do that week. Furthermore, this manager asks from her employees that they'll come to her with significant information, so she expects an active attitude of her employees in this.

The trusting relation between the manager and employees isn't changed by the introduction of the NWW; she already knew all employees when she became a manager and thereby knows all employees well. She knows they're all professionals, knows their challenges, and trust that they will deliver as promised.

Steering of employees has become more difficult since the start in the NWW. As the manager can't micro manage her employees anymore and isn't sitting with her colleagues on a daily basis anymore, she has to give her employees more freedom. A similar thing accounts for the coaching of employees; it might take a little longer to sense which employee needs coaching on which element, and employees have the responsibility to tell the manager when there might be a need for coaching. Senior employees in her department also play a role in this; they are her eyes and ears.

Steering on output in this team is used in the planning forms of the individual employees. However, it turns out to be difficult to translate the "how" goals that are in the nature of communication work in output formulated goals. The development goals of the planning forms also provide difficulties for

the manager and employee to translate in terms of output. Positive in the statement of goals in terms of output is that employees are challenged to think of new solutions and ways to work. Rethinking is better than telling what to do. Another more negative result of steering on output is that there is a risk that employees view their list of deliverables as an "action list". It doesn't cover the process.

This manager thinks a manager should have an exemplary role for her employee as to use the flexibility in a good way. She consciously worked from home some days to show her employees that it's a good way to work and nothing to feel odd or guilty about. Regarding finding the balance between work and private life, this manager tells that she isn't the best example; she works a lot and until late a lot.

As an advice for managers who still have to start in the NWW, she feels that the implementation process of the NWW in departments should focus more on the behavior side of the change process instead of only focusing on the hardware side of the change process. Also she sees the importance to discuss the change and new surroundings regularly with the employees.

## **Elaboration interview number 6**

### *Variables in the New Way of Working*

The respondent feels that there are too many deliverables in the array of elements on which an individual is rated, on which the employee has little or no influence. For instance, the customer satisfaction is an element of all employees of this organization, but the employees of this team have very little or no influence on this factor. This responding manager feels that employees should know in the NWW when their effort and activities lead to a good performance appraisal. However, at this moment every employee in the department of this manager's team is obliged to add a standardized customer satisfaction factor to their performance planning forms, while some of them have no direct customer contact. He feels that -especially in the NWW- the employee specific element of the performance planning forms should be largest, instead of the company pushed factors.

The communication between this manager and the employees is mostly done via telephone during the week and face to face on the Mondays. Monday morning the whole department has a meeting in which the whole department of this respondent is present, after that the one on one meetings are done, followed by an informal lunch.

In the communication with the team members, this respondent mentions that telephone discussion on a specific work relation subject not always leads to the right understanding with the receiving party; it occurs that the responding party understands something different than the sending party has meant, leading to a week until the team meeting in which both parties don't fully understand each other. The communication on a distance appears not to be perfect. On the other hand, all team member can now more easily follow what is discussed in the team than before, so in a sense the communication has become richer, but not yet perfect.

The start in the NWW has little or no effect on the small team of this responding manager, but he does see that in the department there are some employees who he sees less since the start with the NWW. On the other hand, the flexible work floor has as result that you don't solely sit with your



direct team members, but also next to others of your department. As a result you get to know a lot more people than you would before the start in the NWW, according to this respondent.

This manager mentions that the only way to work in a team with autonomous professionals is to let them free in their line of work and create a trusting relationship between manager and employee. This hasn't changed since the start in the NWW: the employee were away from the office a lot to visit customers before the start with the NWW and now just as much.

The relationship between manager and employee in this team hasn't noticeably been affected by the introduction of the NWW. Even more, the one on one meetings are scheduled every week on the same moment, whereas before the introduction of the NWW there was some discussion on whether this meeting should be held and when it should be held. This agreement to have the team meeting on Monday morning is strong; only in exceptional situations employees choose to divert from this to be with a customer. This might be in the situation of a crisis at a customer. The strong will to be at the Monday meeting is also useful for the social cohesion of this team; weekends and personal things are discussed as well. Also employees from the department (not this specific team) are aware of a personal crisis in the family sphere, and are compassionate with their colleague. This is a strong cohesion as well.

The professional cohesion and sharing of knowledge in this team isn't affected negatively by the introduction of the NWW. According to the respondent the cooperation in this team runs well. Coaching of employees in this team after the introduction of the NWW happens mostly via telephone, but runs well. Steering where needed runs via telephone as well; when files are sensitive a discussion between manager and employee might be useful. It might also happen that both the manager and the employee are at customers, and they decide to meet in an office in the neighborhood.

The balance between work and private life is a point in the discussion in this team, especially now there is a crisis in the field of one of the knowledge workers. The loyalty towards the work is very high so this employee will work very hard in this crisis period, but when private life needs some more attention this is accepted as well. There is acceptance in the team and department for both directions.

### *Effective Work*

The respondent admits that his team's activities are hard to predict, as their deal support activities are dependent on the success of the sales force of the organization. Therefore it is hard to predict performance factors for this team.

### *Context*

This respondent is manager of a small team that function as support of deals that are made by the sales department. The small team of this respondent is very autonomous in their tasks; they are all academic level educated employees and very autonomous on their field of expertise. So, the influence of the introduction of the NWW on this team is rather small.

For managers who still have to start in the NWW, this manager has as main advice that a command and control leadership style definitively isn't suitable in this context. It's very important to trust the employees, even further than is done at this moment. Then the NWW would provide even more chances than it does at this moment.

## *Leadership*

The team of this respondent works partially from the office and partially from other locations. One day in the week is chosen as day to be in the office, so weekly one on one meetings can be planned on this day. The flexibility that comes with the introduction of the NWW is used well by the team members of this manager; people choose to work from home some days in the week.

The overview and control over what happens in the team is still sufficient, because of the high rate of communication between team members. If necessary like in crisis situations, the team members always know how to find their colleagues. The technology certainly helps this team to communicate well. Also this manager states that he feels no need to know every details of the activities of his team members, as they know a lot more on their fields of work than he does himself. He provides them their functional and professional autonomy. He also states that this works out especially well because he himself works outside the office some time of the week as well.

This respondent does sense that his department could use more guidance in the use of steering on output, as there has been no steering up to now on this point.

## **Elaboration interview number 7**

In the first weeks of the use of the NWW, the department of this team had a weekly meeting with all members to create the right social cohesion to make the NWW work well in this department. After a few weeks they decided to decrease the amount of meetings.

## *Variables in the New Way of Working*

What this manager misses is the non-verbal communication element; since the introduction of the NWW he meets his employees less in the hallways of the office, leading to less feeling of the mood of his employees. A phone call is made with a reason, but a call just to ask how someone's feeling today isn't made that quickly. The social cohesion of a department is affected by this as well; part of the social cohesion is, according to this manager, that you know from each other what makes your mood from your private life. The introduction of the NWW makes this more difficult.

Professional cohesion isn't an issue for this team since the introduction of the NWW. They are all highly educated professionals who know when they have to share information or discuss something with their colleagues. Because the discussing of work issues with colleagues happens more focused, it might even happen more efficient. For knowledge sharing the one on one meetings have an important role; however, this hasn't changed since the start in the NWW.

In finding the right balance between work and private life, this responding manager states that this is not an effect of the NWW, but a broader problem in work nowadays. This manager hasn't encountered problems with employees starting to make more hours since the start in the NWW, but at the moment he sees that employees start emailing at unexpected moments, he will start a discussion with this employee. Speaking for himself, he states to spread his activities more than before the introduction of the NWW; he combines it with nice things in private life.

This manager feels that he is hired by the organization to make sure his employees function well. So, he should work hard, be available, be a partner in the activities of the employees. The other way

around; the manager has to communicate when he isn't happy with the proceedings. That way, the employees know what the manager expects from the employees.

### *Effective Work*

The quality of work hasn't changed since the start of the NWW, because this team has used output steering for a while. It can also be said that people started to work somewhat more efficient. People are more consciously rethinking the need for a meeting in the office when people work from home that day.

### *Context*

As a manager of a marketing team, this manager was used to steering based on output before the introduction of the NWW for this department. The department already worked very autonomous and like the work methods of the NWW. Therefore, the differences in the communication between the manager and the employees aren't very large. Also the manager doesn't see a lot of difficulties with the NWW in his department in general.

This manager questions whether all teams and departments of the organization are suitable for the introduction of the NWW; he states that the organization should think well before introducing the NWW in all teams and departments, because there is a context dependency in the suitability of the departments.

### *Leadership*

Steering on a distance also didn't change with the start in the NWW. In the one on one meetings both the manager and employee has items to discuss, and in the case of urgent issues the phone is used. This is not different compared to before the introduction of the NWW. When the manager wishes to have an update on a certain subject, before the introduction of the NWW he walks to the desk to have a talk. Nowadays he postpones his question to the next one on one meeting, or he calls the employee. Furthermore, junior employees are coupled to senior employees to support knowledge sharing.

This manager explains that there is an exchange for the provided autonomy of the employee. As the employee gets more autonomous and gets a lot more freedom all of the sudden, he should also know that his manager will back him if needed. In other words, the employee shouldn't feel left alone but should feel that he is supported by his manager. The manager should communicate that he takes responsibility for the activities of the employee, especially if the activities of the employee are above the pay grade of the employee. Only when an employee loses the trust of the manager, he has a real problem.

The responding manager states that employees look for responsibilities and get motivated by these challenges. Credits for work by employees within these responsibilities will be sent to the well performing employee. A danger is that employees who cannot handle the freedom might choose a wrong direction for his actions, but that is a risk that the manager is willing to take. The introduction of the NWW doesn't change anything in the trusting relation between manager and employee in this team; this team has worked this way for years.

Regarding steering on output, this manager mentions that the biggest risk is that you as a manager might have a certain vision or direction in mind, that isn't literally filled in by the autonomous employee. He might make different choices or a different view, leading to other outcomes than

expected by the manager. Letting go the employees to come with another solution is difficult thing to do; the pitfall for a manager is here to try to manipulate and come to your own solution.

Managers should provide their employees with clear assignments, and then give them the autonomy to find their own solution to that assignment. Furthermore, expectations should be managed; employees have to know that it's very uncomfortable for a manager to know last minute that a deadline will not be made. A manager should know what to expect, so the employee should know when to communicate if a deadline is not feasible. A planning is made by backplanning from the moment of delivery, so an employee must communicate well on the progress in his project.

For managers who are to start in the NWW, this manager advises to have a talk with a manager who is more experienced in the NWW. Managers should also steer in the availability of his employees; the use of office communicator, et cetera. Also, managers have to learn to trust in their employees and let go of the controlling background of managerial function.

## Elaboration interview number 8

### *Variables in the New Way of Working*

The frequency of the bilateral meetings hasn't changed since the start in the NWW, and still is once per three weeks. The team meeting frequency hasn't changed either, and also is once in three weeks. Mutual subjects are tackled in the team meetings, individual issues are discussed in bilateral meetings.

On the subject of visibility of employees, no additional agreements have been made. The main issue stays; you're responsible for your projects as employee, so you'll be evaluated on the result of the progress of these projects. This manager added that the communication methods that are used in this department haven't changed a lot since the introduction of the NWW and the new communication methods. Still, the manager will talk face to face with the employee when he/she is in the office by coincidence. Other communication is done by telephone. Office communicator isn't used by this manager; he needs a push to start using new things, or he will stay in his own pattern.

The line between being reachable and being available isn't made very explicit by this department. This manager mentions that he works four days, but can sometimes be reached on the fifth day as well. There is no need felt in this department to make agreements on when to be reachable, because employee feel that their work doesn't stop at 17:00 hrs. They feel that the work is done when the project is finished successfully. Outside office hours, there is still contact between team members in special situations. This is no change since the introduction of the NWW.

The information flow of the project work of employees from this department is structured along the several stakeholders of project work in this organization. As this responding manager explains, all project documents also run past him, so he can have an eye on what happens at the projects of his employees. Assessment of the performance of the employees then follows from the feedback forms of the stakeholders of the project, along with the subjective assessment from the responding manager based on a broader picture. This subjective assessment of the employee is already discussed in the one on one meetings with the manager and employee.

Social cohesion in the department of the employees in the vision of this manager is partly a result of what the employee does; is the employee open for social contact with his fellow workers? On the other hand this responding manager tries to create a safe environment in the three-weekly team meeting for employee to tell what happens in their function and private life. The employees don't really know this manager yet, because he hasn't been with them for a long time. However, this manager does see that employees open up more and more.

Regarding the communication between manager and employee, this responding manager states that the changes for his department aren't that large. This department was already used to working apart from their colleagues, before the introduction of the NWW. What this manager does mention is that the NWW offers him more than he uses at this moment. This department has used the live meeting option of the NWW in the start up phase, but later never used it again. Office communicator isn't used for very personal or difficult issues, but has appeared useful for easier questions.

Regarding the change in the balance between work and private life, this manager mentions that employees don't really view this as a problem in their job; it's part of the job in their opinion. The manager also doesn't see a lot of changes in time on which his employees are at work; very late emails haven't been sent.

The trusting relationship between this responding manager and his employees hasn't really changed by the introduction of the NWW. In the vision of this responding manager, this communication and trusting relation is the core of the type of work they perform, so it's good that it hasn't changed. The manager says he needs to have the correct view on the activities of his employees, and feels that he fails when he doesn't have a complete view of this.

Professional cohesion in the team (knowledge sharing) hasn't changed with the introduction of the NWW. The responding manager however is more actively looking for the elements that bind his employees, to bring them together. The team meetings are used here to discuss these elements to really form a team out of the individual employees. It should be noted here that this responding manager hasn't been the manager of this team for long, but he has managerial experience in other teams. Finally the manager adds that knowledge sharing with other teams doesn't take place often enough, but that hasn't changed with the start in the NWW.

### *Effective Work*

The performance of this department as a whole is positively affected by the increased flexibility of the employees. A next step to use the full potential of the technology and flexibility might further increase the performance of the department. According to this manager, it appears that the 6 months that this department used the NWW is too little time to have a full understanding of what the NWW might mean for this team, department, and the organization as a whole.

### *Context*

The team of this respondent works very autonomous; the change consultants and experts work for other departments of the organization, and work on the client departments' work floor most of the time. The team thereby worked throughout the buildings of the organization, already before the NWW was introduced. Working on a distance from the colleagues and the manager was therefore not new to this department.

This manager views working from home on change projects as something that doesn't fit with the work activities, as personal contact is important for project work. Employees have to be in the customer department's office to be able to perform well. Management of expectations, meetings et cetera are all crucial elements of change processes that the employees of this department guide. These processes all work more fluently when employees are present in the location of the client's department.

### *Leadership*

Steering on a distance isn't really changed since the start in the NWW; people already worked on a distance from the office and their manager. This is a contrast with departments where employees and managers work on the same floor or in the same room on a daily basis, where the manager not necessarily has to control everything the employee does, but still catches that what's important in the team. The manager states furthermore that there always are people in a department that need little or no control, and there are people of which the manager might have some doubts. People who might be in doubt with the manager might choose to work at home more, but this manager states to be okay with this as long as the employees are reachable. The manager says to respond when the client department complain that the change consultant isn't present, and will contact his employee. Otherwise, he will stick to the regular meeting schedule and await the formal results of the employee.

Overview and control of the activities of the employees hasn't changed for this department since the start in the NWW. It provides some new possibilities, but doesn't change a lot for the core of the activities of this manager and his employees. The same accounts for the new possibilities for flexibility for employees; up to now employees only use the new hardware as part of the introduction of the NWW, but don't fully make use of the behavioral possibilities. The flexibility to choose to work where and when you'd wish isn't just to its full potential yet. This is in line with the roll out planning for the NWW; first employees have to work out the new hardware and surroundings, before the change of behavior comes up to speed. This manager also feels that employees should be more proactive to get the most out of the possibilities of the NWW.

Steering on output isn't really the management style of this specific manager. Where other managers tend to be very clear in their expectations and thereby are promoters of steering on output, this manager tends to steer on behavior and lets his employees more free in the exact outcomes of their activities. He forms his view on the performance of his employees by asking them to show the documents they produced.

Coaching of employees on a distance hasn't changed since the introduction of the NWW, this manager still has the same role in his team. He still has to call his employees once in a while to get a status update and to find out whether they need his coaching role. Furthermore the one on one meetings are used for coaching.

## **Elaboration interview number 9**

### *Variables in the New Way of Working*

Agreements on when to be present in the office have been made by this team. The monthly team meeting is agreed upon to be attended by everyone of the team. There has been chosen to do this in

person and not digital, to retain the social element of the team meeting. Also the monthly one on one meeting between the manager and one employee helps; the manager chose to go to the employee's site to see their working environment as well (they work mostly on building sites).

As the employees get more possibilities to work flexible, they choose more often to work from home instead of the office. However, on the social aspect of the team as a whole this doesn't provide problems. The team is used to the situation in which most team members work on different places. In contrast, a problem with flexible work for this department is that the project support team also works flexible, and employees of the project team of this responding manager find it difficult to come to the office once in a while and find out that their support department isn't present. New arrangements for this will be made in the future.

Knowledge sharing in this team works well, because the employees know each other well. They find each other with question and know who to ask their questions.

This team has found that the line between availability and reachability is hard to define for yourself. The manager tries to discuss this with the employees, and the employees now identify this as well. The manager doesn't try to form an example in this for the team. She explains some tips and tricks about how to cope with this balance between work and private from her own experience. Furthermore, the employees are very satisfied by being able to prevent the email inbox to become too large.

The relationship between managers and employees becomes closer with the introduction of the NWW, because the one on one meetings are now used to come to very personal issues of the employees. The communication between manager and employees still happens a lot via telephone. Office commuter is used in an increasing rate for short questions and messages.

The trusting relationship between managers and employees is very important in the NWW, according to this manager. However, this trusting relationship is difficult to come to with employees whose activities were already doubtful before the start in the NWW. The employees who need more supervision take longer to come at a trusting relationship with. All employees get the manager's trust in the first place, but they'll lose it when it turns out they cannot cope with it. On the other hand, this manager also sees that employees have to trust their manager that she will assess them in a fair way, and that she sees the effort the employees put in it.

The flexibility of the employees is used sufficiently; employees decide on a weekly basis which day suits best to work from home, and don't plan their activities to have a specific day without appointments to be able to work from home. Therefore they seem to use their flexibility in the right way.

### *Effective Work*

The influence of the start in the NWW is not noticeable in the performance of this team, as the changes since the introduction of the NWW haven't been that large.

### *Context*

The department of this responding manager is manager of a team project leaders who work spread out over the country at the client department's office. Therefore, this manager doesn't see or speak to her employees on a daily basis, so she states that steering on a distance is something that her



department has done for some time now. Also, the employees of this department are used to be able to access their office files from home via remote access. Since the employees had this possibility, they more often chose to work from home at the time of the most traffic congestion, so the employees who used to work from the home office most often came in the office later.

### *Leadership*

Steering on output isn't new for this department, they are used to it as result of the project based work they do. They project descriptions describe the demands of the project like budgets and timelines, and these match with the output steering demand from the NWW.

This manager identifies a difference between the formerly used target assessment and steering on output. Whereas target assessment is very SMART focused, steering on output focuses more on what the manager want to see as overall image. SMART focused targets are by definition not output focused steering goals. It appears that the opinion here differs from the performance management department of ING. She mentions an example of an employee who is very introvert, of which the manager views that this employees should become somewhat more extravert. With SMART formulated goals this is not possible to formulate, as these goals focus on measureable goals. There are appears to be some discussion on the use of target goals (input) and output focused goals in this team and in the organization as a whole.

The increased distance between manager and employee leads to difficulties for the manager to retain an overview over what happens with the employees, especially where it regards the employees who already needed more supervision before the start of the NWW. The manager misses the idea to know what this employee does when he works from home. Therefore, this manager uses the monthly one on one meetings to address this issue.

The manager will ask her employees regularly whether they have come across some problems in their work, but the employees reply most of the time that they will be alright and there is no problem at all. Most employees are very experienced in their job, so they know who to call to solve their problems. The manager has no need to do a lot for them but to ask whether they are alright, and she keeps on stating that when there might be issues, her employees can come to her and she will help them. Most of the time the employees turn out to be okay and find solutions themselves.

Steering on a distance still remains to be done a lot via telephone, and in difficult instances via face to face meetings. Even so, this is no different than before the introduction of the NWW in this department. Coaching is mostly done by this manager in the monthly one on one meetings, so the increased distance again made on difference for this department. Work load and personal feelings in the job are regularly assessed in the one on one settings.

## **Elaboration interview number 10**

### *Variables in the New Way of Working*

This responding manager mentions that the balance between work and private has had a negative impact from the NWW pilot. She explains that she feels comfortable with having appointments all day long, because she knows that she can do her administrative work (email etc) from home after

the day in the office. She explains that this work in the evenings comes on top of what she does during daytime. She sees this as a threat to the balance between work and private life.

The cooperation with team members working in the same building is organized by agreeing to work in a certain corner of the flexible working floor, to make sure the team members still see each other.

Short discussions on work related items ("what do you think about..") become more difficult. Whereas before the introduction of the NWW employees easily walked to the desk of the colleagues, it now requires getting used to looking for new communication methods to have the same discussion. The department is now getting used to which communication method works in which situation.

Regarding the agreements on visibility of employees, this manager feels that it turns out to be necessary to make agreements on how to be visible for your colleagues and employees, to be able to give feedback on the work activities.

Also this manager feels a necessity to make agreements on when to be present in the office, to have the opportunity to talk with colleagues and employees on more private subjects. That way the manager feels that she can support her employees to find the right balance between work and private life. Also this provides the employees the possibility to understand the private situation of the employees, and understand why an employee is happy or unhappy.

Regarding finding a balance between work and private life, this manager also recognizes that some employees work until late when they're home, but other have less difficulties to find a balance. The manager reacts to this by mentioning her observation in the bilateral meetings and asks if the employee is okay with working that late. Until now employees react by saying that they do this on purpose to plan other activities.

This manager also mentions that she feels that employees still don't use the capabilities of the flexible working environment. She regularly asks her employees why they choose to plan their activities like they do, and tries to convince the employees to plan their activities more flexible.

The responding manager mentions the importance of a trusting relationship between a manager and employee when the steering of an employee by the manager happens on a distance. She feels that managers in the NWW situation should give the employee somewhat more space and control them on a distance. However as mentioned before, this manager has difficulties in how to do this in practice.

This manager also mentions that she is having difficulties in trusting her employees in what they do. She mentions she sometimes checks the status of the employees in Office Communicator, or checks what's in the schedule of the employee. She has difficulties with letting go. On the other hand she also communicates to her employees that they too have a responsibility here, the relationship between manager and employees is also a form of cooperation. She expects from her employees that they communicate what's bothering them and what they need in their jobs, so surprises can be prevented.

This manager feels that in the NWW, regular department meetings should be scheduled more often than before. She feels that now she doesn't see her employees and colleagues on a daily basis

anymore, she wishes to plan meetings to see each other to compensate for the lack of informal meetings.

This manager also started an initiative to have a weekly meeting hour so her employees can discuss issues with their manager. When the employees know when and where they can find their manager, that could help in compensating the increased distance between manager and employees. Another suggestion was for the manager to call the employees once in a while only with the question "how are things going for you". This manager suspects that this won't work, as the reaction will be a hollow talk and not as useful as focused discussions. She does feel however that this is very dependent on the department in which methods are applied. Departments differ too much to appoint one single best method.

Regarding the trusting relation, this manager admits that the trust she had in her employees was based on seeing that the individual employee is busy with his tasks. She doesn't yet see how she can make a natural process out of gaining trust in employees. She suggests that a first step to come to this natural development of a trusting relation between manager and employee might be to actively communicate on what the manager needs from the employee and vice versa.

Regarding the trusting relation, this manager also mentions that the employees that were distrusted by the manager before the introduction of the NWW, or of whom the manager felt that these employees never reacted on requests for assistance, are still the focus of the manager after the introduction of the NWW. The manager states that she keeps an extra eye on these employees since the start in the NWW. The NWW makes it more clear which employee might slack in reacting on emails or requests. This is confronting for the manager.

The social cohesion in this department hasn't changed since the introduction of the NWW; employees actively contact each other to ask how things are going. The social bond is strong apparently.

The professional cohesion in this department does change; employees more and more do their own things. The cohesion in the professional field is where the manager sees more difficulties. It doesn't happen often that people ask their colleagues to know who has experience with a subject, while the manager as guard of the total activity of the department actually would like employees to do that! Also the professional cohesion with other department could be better, and the lack of face-to-face meetings doesn't help there. The manager does feel that she should facilitate these face-to-face meetings more, to create a better professional cohesion within the team and with other teams.

This manager also feels that employees should be made aware of the effects the NWW has on the expectations of his behavior. Employees also get extra responsibilities to be able to work in the flexible environment.

### *Effective Work*

Also, this manager finds difficulties to adapt the organizational goals on customer satisfaction to the HR activities. She feels that departments that have direct contact with the customer are able to influence the customer satisfaction, but HR is too far away from the customer to really make a difference. She has difficulties to explain to her employees why the customer satisfaction rate is part of the flexible reward program. She also finds it difficult to describe when a year of her employees'

work has been successful, and she feels that this is even more difficult in the NWW, as steering on output plays a significant role here.

This manager also feels that the beneficial effects that the NWW has on the balance between work and private life, and thereby on the well-being of the employees, will ultimately be felt by the customers as well. Therefore she feels that the introduction of the NWW is a very good thing for ING.

### *Context*

The respondent mentions that it's difficult to fully work according to the NWW when the rest of the organization around her hasn't switched to the new flexible work form. The difference between the groups who work flexible and the group that hasn't switched yet leads to less understanding between these groups, difficulties to accept that people chose to work from home, and still no full use of the advantages of having meetings without printed minutes and schedules. Also the non-flexible working employees expect the flexible working employees to come to the office at moments they wish, without considering other options as part of the flexible working environment. She sees this as a challenge in the NWW.

Some of the team members of this manager work in other parts of the country, so the changes since the introduction of the NWW for the cooperation with these employees are minor. Still they work on other locations and this manager has to use communication methods to be able to cooperate with her team.

### *Leadership*

The manager isn't really thinking of the exemplary role she has as a manager. She advises other employees on how they should combine work and private life, but works in the evenings a lot herself. However, she recognizes that her employees might feel a pressure when they see that their manager sends emails in the evening, to do the same thing. That is not the intention of this manager.

Steering on output is found difficult by this manager, she has difficulties to formulate in terms of output what she expects of her employees. Also she has difficulties to formulate the goals of her individual employees in terms of the ING organizational goals. She also feels that the "soft" activities of her HR department are not very suitable to formulate goals in strict terms of output. The defining of the individual goals in terms of output is where the difficulties are, especially on the soft side of HR.

## **Elaboration interview number 11**

### *Variables in the New Way of Working*

After 6 months of experimenting in the NWW, this department hasn't yet made agreements on presence, visibility and reachability. At the time of this interview this department is discussing which agreements should be made. The frequency of meetings between employees and manager hasn't yet been changed since the start in the NWW.

The manager also states that the employees of this department don't optimally use the possibilities that the NWW facilities offer the employees. The manager mentions that he sees a lot of employees put their laptop in a closet before going home, and picking it out the next morning. Office

Communicator is used by this department, but the other new communication tools haven't yet been used. The differences in the operations haven't changed for this department.

Also the time flexibility of the employees hasn't changed; the amount of hours in the contracts of persons is the leading number for the amount of work a person works for the organization. Also regarding the working hours, this department keeps with the traditional schedule. The old contracts and the NWW seem to collide here. For this department, the NWW provides possibilities but also challenges. The responding manager suspects that the generational differences between employees and departments, and the type of departments determine the suitability of the NWW for a department.

This manager expects that the social cohesion in the department will become difficult to retain when in the future the NWW will lead to an further increase in the distance between the employees.

This manager suspects that the NWW creates an urge for managers to consciously create moments for social cohesion, as the risk for individualism in the organization increases with the introduction of the NWW.

Regarding the balance between work and private life, this manager states that the most important issue here that is a result of the introduction of the NWW is that the borders between work and private seem to fade.

Regarding the trusting relationship between a manager and employees, this manager states that he doesn't expect a lot of changes here for his department. He states that trust still has to be earned and can be lost, and doesn't expect a change in that as a result of the NWW. A manager and employees still have to invest in trust, whether in the NWW or not.

### *Effective Work*

This responding manager can't point to things that change in the way this department works or performs their advising tasks. However, he also states that the first six months of the NWW in this department is too short term to draw conclusions on advantages or disadvantages.

This manager states that experience of a manager and the visible result of what an employee has done makes it possible to assess an employees' performance. The experience of the managers helps to assess whether the performance of the employee in the time used is according to the expectations of this employee.

### *Context*

This responding manager leads a team that partially participates in the NWW, and partially remains in the traditional way of working. The employees of this department work in an project based form for internal clients, namely other departments at ING. As was already the case, this manager sees his employees only once in the two weeks in person. There are no differences here since the introduction of the NWW. The largest change for this department is that employees are now flexible in their choice for where to work.

The employees of this department work for other ING departments, so according to this manager they depend on the working times of the client departments.

This manager suspects that the knowledge on the NWW in ING in knowledge based departments isn't necessarily directly useable for production departments. He feels that further research is necessary on what factors differ and what factors don't.

### *Leadership*

Regarding an exemplary role of the manager; he chooses to be present in the office a large portion of the week, because he values the one-on-one contact with employees.

According to this manager, the exemplary role of a manager in finding a balance between work and private life isn't changed since the introduction of the NWW. Still a high workload has to be discussed with the manager, but that was also the case 2 years ago.

For managers who still have to start in the NWW, this manager feels that steering on a distance, steering on output, and coping with the increased distance need attention before starting to work flexibly.

## **Elaboration interview number 12**

### *Variables in the New Way of Working*

The responding manager mentions that a distinction should be made between being reachable and being available. He feels that employees should choose when to be available, and when to choose for private life. He also feels that younger employees are very different in this; their border between work and private has faded more. Also the individual characteristics (like introversion versus extraversion) can be mentioned as a cause of rapid switching between work and private life, leading to a very different balance between work and private.

The reduced presence of employees means for this manager that he doesn't see employees when they struggle. On the other hand he states that it would be an utopia to think that he would always see it when they are around, so he is satisfied with the way their communications work at this moment. For employees this means that the freedom comes with the responsibility to take the initiative when they meet troubles in their work. The manager also states that this way of working requires some experience in the tasks; an employee that has just started needs more help from his manager than an experienced employee.

Regarding the relationship between a manager and employee, this manager states that the weekly department meeting is very important to retain the social cohesion of the department. In this social cohesion, no real changes were experienced. The manager feels that the weekly meeting really works for this department.

This manager does miss the possibility to share information, knowledge and experience with colleagues on an ad hoc basis. Earlier, a problem could be discussed as soon as it turned up. Since the introduction of the NWW this turned out to be more difficult, as distances between employees and between manager and employee have increased.

Professional cohesion in this department was influenced by the NWW, as this manager feels that the sharing of knowledge was changed as you can't share your knowledge with the person next to you.

However, the most ideal situation is a situation in which valuable knowledge is shared with all colleagues. That really has to be facilitated by the manager since the start in the NWW.

Regarding the balance between work and private life, the employees of this department also started to work harder since the introduction of flexible work forms. This manager reacted by guiding employees and explaining them that they should find a good balance between work and private life.

### *Effective Work*

This manager identifies a difference in the knowledge sharing of a department, depending on the type of work of a department. Whereas a manager of a department that prepares work throughout the company can suffice with knowing the greater lines in the results, a manager of financial department needs to know the details and the numbers to be able to report to his superior. A context dependency can be identified here; the need for knowledge sharing depends on the type of work of the department.

### *Context*

The department of this manager started six months before the start of the pilot of the NWW with setting targets in terms of output. This was done to make it easier and faster to react on exceptions in the performance of individual employees. The agreement was made back then that employees take the initiative to discuss their difficulties with the manager as soon as they occur, instead of waiting until the next scheduled meeting. These agreements give the employees the freedom to perform their job where and when they wish.

This manager mentions that this organization has quite some managers at work who are used to working in the "command and control" method, meaning that when they don't see an employee working, he isn't working. He identifies it as a critical risk for managing in the NWW.

The biggest change for this department hasn't been in the autonomy of the employees, as they were very task autonomous already before the introduction of the NWW. The biggest change has been to structure and organize things like knowledge sharing, as it turned out for this department that this needed conscious structuring.

### *Leadership*

This manager coaches and steers his employees on a distance, but requires from his employees that they take the initiative when something goes wrong.

This manager doesn't see everything his employees do, but feels that he knows the things he has to know. The performance of the employees is discussed based on the outputs, and that is what is relevant for this manager. The big picture is clear for this manager, but the fine details aren't always clear. He doesn't experience this as a problem.

Part of the trust in the relationship between manager and employees is according to this manager a result of the much higher in-depth knowledge of the employees on the subject of work, while the manager cannot know all subjects in-depth. The task of a manager should be to keep an overview of all activities. The NWW had an influence here, as managers now should be focused more on the performance outputs of employees, making it easier to steer employees on a distance.



For the trusting relationship between manager and employee, this manager states that he trusts his employees in the basis, and they won't misuse this trust. Once they misused it once, it's very hard to rebuild this trust, so it should be cherished.

The manager does give a strong example on how to balance work and private life, by consciously turning off the blackberry after 9 'o clock in the evening.

For managers who have to start in the NWW, this manager advises other managers to understand the concepts of situational leadership, steering on output, and other relevant terminology for the NWW.

## **Elaboration interview number 13**

### *Variables in the New Way of Working*

The communication between employees and between manager and employees happens in this department via phone, mail, teleconference, and Office Communicator. Also on an ad hoc basis, these communication methods work well for this department. According to this manager, the employees and himself are used to working on a distance from each other. Therefore, the change isn't that big.

The relationship between manager and employees was hardly influenced by the introduction of the NWW; this department was already used to working on a distance. The facilities that come with the NWW offer some new opportunities to make work a little easier.

When employees feel uncomfortable with the task they perform or in the department, according to this manager it is rather easy for the employees to hide from the daily tasks of the department. The NWW makes it easy for employee to stay out of sight for a while.

Agreements with employees regarding visibility of employees haven't been made. That happens on a natural way, but yet again people are used to this. When employees are less visible, the employees in the Amsterdam office point each other on the difficulties of finding each other. For colleagues working elsewhere in the country, the visibility needs are less urgent so the manager is okay with these employees being less visible.

Regarding social and professional cohesion in this department, this manager states that the introduction of the NWW hasn't had an influence. This department was already used to working on a distance from each other.

In finding a balance between work and private life, this manager agrees that the possibility to continue working in the evenings from home leads to an increase in the amount of hours worked. This has an effect on the balance between work and private life of this manager. Most of the employees of this manager do the same and react on emails late in the evening. They have a feeling that this is expected from them, whereas the manager says this is not the case. Also the employees have a feeling they have to be available in the evening for their colleagues, even if it's only for a moment. Also this manager states that to have read and replied to your email before going to the office in the morning is a comforting feeling.

The possibility that the distance between the manager and employee provides for the employee to hide from the view of the manager means that earlier or later this has to be alerted, because of the focus on output criteria. The manager says that this might not be easy, but is a necessary step for departments starting in the NWW. The setting of output goals is a moment in which the manager should pay attention that the goals aren't set too easy, so the performance of employees is made very clear. Also, it should be possible to adjust goals through the year, or to give the employee another task.

### *Effective Work*

Assessing employees on their outputs is mentioned by this manager as a difficult issue of working in the NWW. The formulation of performance indicators in terms of output should be enough for a manager to work in the NWW. However, this manager indicates that the average manager will have difficulties with the fact that he will not know at every moment in time what his employees are doing exactly. The perception of control of manager is under pressure with the increase of the distance between manager and employees. Letting go of employees is part of the NWW for managers. Employees of who the performance was already doubtful will draw even more attention when managers start to assess based on output performance indicators.

The formulation of performance indicators in terms of output is done by this manager in cooperation with the employees. That way the expectations are made clear and a basis for assessment discussion is laid.

Knowledge sharing in this department is done from the perspective of the employee that wishes to inform his department about what he does for his job at that moment in time. "I'm busy with... at..." informs his department on what he does, and also gives his colleagues information on what knowledge this employee can share with them. This is done in a proactive way, not by sending documents just to have the information documented, but on request and where needed.

### *Context*

This manager mentions that his department already worked flexibly, but didn't have the facilities for flexible working. As with the start of the NWW in ING, now they do. The change for this department wasn't that big.

The biggest challenge for this department remains the same as before the start of the NWW; what to do to see each other once in a while? To facilitate that, this department made the agreement to try to be in Amsterdam (the office) on a fixed day of the week.

This manager agrees that the change a department has to go through with the introduction of the NWW depends heavily on the context of the department. Some departments already work very autonomously and on a distance from each other, while others are used to working together on a daily basis. In practice this means that one department will have more difficulties to adapt to the NWW than other departments.

### *Leadership*

This manager mentions that it is the task of the manager to build on the trusting relation between manager and employee by regularly communicating on what they do, why they do it. Open communication between manager and employee on their relationship and actions makes expectations clear and creates trust in the honesty of what the other does.

Steering on a distance in this department is mentioned by the manager as providing little challenge, as this department is already used to working on a distance from each other. Communication is the key; stay in contact and keep communicating. This manager also mentions that he knows which employee reads his email directly and who doesn't, so he can adapt his communication methods with individual employees on these habits.

Coaching and guiding of employees on a distance works by communicating well on a proactive manner; when employees need the manager or vice versa, they know how to find each other. The manager also travels through the country physically to meet the employees in their work environment (at clients' offices).

The manager states that the role of a manager in the NWW is definitively different than before the introduction of the NWW. According to this manager, a lot of managers in ING manage in a command and control setting. These managers will have troubles to leave the physical visibility and presence of the employees behind and start managing on outputs, as they will get restless and will feel without control over what the employees do.

## **Elaboration interview number 14**

### *Variables in the New Way of Working*

Communication on a distance is done mostly by email, as this manager answers quickly. Telephone is more difficult because he has a lot of meetings.

On a group level, this manager plans regular meetings with his subordinates. Also he sends a weekly update email to inform employees, but also to trigger employees to critically reflect on activities. Also he tries to use it to create a group feeling in his team.

The social aspect of this department is more difficult, as it is decentralized organized. The social aspect is mentioned to be much stronger in departments that work in one room on a daily basis. Because this department is organized decentralized, the employees proposed to have a quarterly "fun" activity.

The professional cohesion in this department is stronger than the social cohesion; employees know how to find the experience of the colleagues where needed.

The visibility of employees means for this manager not to be able to see employees, but to know what an employee has done for his project. If an employee wishes to grow in his function, this manager tells the employees to make visible what they do for the higher management as well.

Regarding the availability of employees, this manager states that the location of employees should be visible in the outlook schedules. From this schedule also follows that the manager knows when the employee can be reached.

The balance between work and private life is mentioned by this manager isn't the main focus of employees, but the work pressure more in general is more the concern of the manager. The balance between work and private life isn't mentioned by employees as a problem. This manager does state that for him the balance between work and private life is fading.

### *Effective Work*

This manager also sees that measuring outputs and personal development in a SMART manner has disadvantages. He states that there is a lot of emotion involved, which can be seen back in the effort that an individual puts in the task. This should be accounted as well in the assessment of employees.

This manager mentions that the main results of the NWW in a department is that employee find their peace and quiet in their job; employees are now able to combine work with private life.

### *Context*

Regarding agreements on presence of employees, this manager states that he understands that young employees nowadays wish to plan their own working times. This manager reacts to that by offering employees freedom to plan their working times throughout the week, and focuses on the output of the employees to assess their performance. Especially for supporting functions (secretaries) it's important that they are reachable, and able to support each other (other secretaries). Those functions might be less suitable for flexible working.

This manager mentions that traditional leaders will have more difficulties with adapting to leadership in the NWW, for example in setting goals in terms of output. He also mentions that age isn't relevant here, but the traditional or flexible mindset of manager is leading here.

The respondent stated that this department is especially suitable for the NWW because their work activities spread throughout the country. Employees weren't in the office on a daily basis, and now have extra possibilities to work flexible. For the manager, the changes in his leadership weren't very large. It should be stated that this manager had some years experience with the NWW in another banking organization.

### *Leadership*

The focus on terms of output is supported by the project based work of the employees; the achievements in projects are easily translated to terms of output. Also this manager is able to translate personal development of employees in terms of output. Through his experience in the NWW this manager is able to steer other employees in a way that helps younger colleagues to develop themselves. In other words, this manager sees possibilities to develop his employees on a distance, and is able to assess the development of his employees by stating the development in terms of output at the start of the year.

This manager keeps control over what his employees do by keeping contact with the assignment provider to discuss the performance of the employees, and sometimes this manager attends meetings of his employees with the client to see the employee in action.

Steering on a distance (not in the office where this manager works a lot) in the NWW is done by this manager by keeping track of project reports. The reports on the progress of the project give this manager the information he needs. Again this department seems very suitable for the NWW.

Coaching on a distance is done from the point of the experience of this manager in project work; he understands what happens to the employees and can advise his employees in what they do.

However, this manager tries not just to advise his employees, but tries to ask the right questions to have the employee find the answer himself.

The trusting relation in the team of this manager is done from the point of empowerment; employees are empowered to a far going degree to find their own way in their job. That is reflected in the relation between manager and employees.

For managers who still have to start in the NWW, this manager advises to first make sure what the vision of ING is with the NWW. It isn't clear enough yet what ING wants in the future with the NWW. This manager also states that the NWW should be considered per function.

## Elaboration interview number 15

### *Variables in the New Way of Working*

Regarding the presence of employees, this manager mentions that he asks all of his employees to be present in the monthly team meeting. He feels that this is very relevant for the group cohesion, even though some of the scheduled items are less relevant for some of the employees. Also this manager plans 4 team days per year, at which he asks all employees to be present. Besides these two arrangements, no other arrangements have been made between manager and employees regarding presence. Informally there is an arrangement to be present in the office every Thursday morning, but that hasn't been made formal so other appointments can be made by the employees if necessary.

This manager also explained to the department that it's okay to plan your day flexible; going for a haircut at lunchtime, not being available then, and working a little longer in the evening is just fine. This is discussed in the group, and individually. In practice this hasn't come to discussions yet.

Regarding professional and social cohesion this manager reported that there are no relevant changes since the introduction of the NWW. This department already worked decentralized and autonomous, so the changes haven't been large from a cohesion point of view. However, this manager continued that the smalltalk that employees had when they sat on the same table to work now has become more difficult. These employees now value the Thursday morning meeting moments extra, to speak with their colleagues again on an informal level.

This manager further mentioned that he must consciously work on the social cohesion aspect by remembering what happened to his employees in the private context. By remembering what was said earlier this manager can ask his employees what changed since the last time he spoke with them. In the NWW this manager does this consciously. The employees do this more naturally.

Regarding professional cohesion, this manager motivates employees to share what they do on their "island". By sharing their activities and knowledge, employees can help each other and prevent the wheel from being invented twice.

Regarding the communication of this manager with his employees, this manager stated that since the introduction of the NWW this manager started using Office Communicator less, and uses the telephone far more. Since the introduction he has had a lot of bilateral meetings with his employees, while before the introduction of the NWW he didn't do this at all. The manager does add that he misses the non-verbal communication element of the bilateral meetings. Bilateral meeting via video

conferencing is technically not always an option, because at ING there always has to be someone in the office to start the meeting.

In the bilateral meetings this manager asks employees how their meetings were. Before the introduction of the NWW this manager could see from the employees how they felt and what posture they had when they talked about their work. Since this manager tries to do the bilateral meetings on a distance he can't see the posture anymore and tries to hear hints from the tone of voice of the employees. He tries to do this from the basis that he knows his employees, but has difficulties with it.

Regarding finding a balance between work and private life, this manager reported that his employees still work a lot in the evenings. The basis for this manager is however that he trusts his employees and hopes that his employees feel this as well. He hasn't felt yet that his employees have difficulties with working until late. Working from home however isn't entirely new for this department; remote access already provided employees with the possibility to work from home. This manager states that he'll discuss the balance between work and private life in the next department meeting.

### *Effective Work*

The quality of the work of employees hasn't changed by the introduction of the NWW, according to this manager. It's too early to really see the differences, but he suspects that there are no changes. Also regarding a change in the quantity of work it's too soon to tell.

### *Context*

The functions of the department of this responding manager are decentral and autonomous; they are HR consultants working in one of the 50 offices of ING in the Netherlands. Therefore, working on a distance is not new for this department.

This manager mentions that not his complete team started in the NWW. Some of the employees still work based in the office. With the employees who do work in the NWW the basic starting point is that this manager trusts them. He also actively communicates this with the employees.

### *Leadership*

The trusting relationship between manager and employee as it's deployed by the manager hasn't come to problems up to now. However, the manager does have troubles to define hard output focused targets to be able to fully steer his employees on output. He does try to define a timescale for an assignment and approximately three criteria to which the result of the employee must comply. The fact that the manager doesn't see his employees on a daily basis anymore means here that the manager must communicate the criteria more clearly when an assignment is communicated to the employee.

The manager described a moment of an urgent assignment, in which one of his employees who participates in the NWW wasn't available for a while. This manager still has to discuss with this employee what went wrong, but feels this should be discussed.

Steering on output is not entirely new for this department, as the manager stated that the past 2 years this department has already experimented with more structured planning forms for the HR consultants. The real concretization step however turned out to be rather difficult, so the coaching and assessment discussion don't feel very natural yet. According to this manager, these coaching and

assessment discussion should become easier when steering on output is better incorporated in the department. The manager doesn't know yet how far the concretization of output goals should go; he hesitates whether a manager should remove all flexibility in output goals or that it should be that bolted down that all discussion is removed from the coaching and assessment discussions. The manager overthinks that some professions are easier to make concrete than others. He also overthinks whether employees are responsible enough to be totally let go. Finally he also overthinks whether he as a manager is capable to coach his employees from that point of view. On these three elements, this manager still isn't entirely sure. This manager feels he's not experienced enough for that role. This manager further adds that the description of the end goal for employees and the criteria for the solution should be formulated more clearly by the manager, to make steering on output really work in the context of this department.

The manager added regarding the assessment discussions in steering on output that he can make it possible to measure what employees have done in comparison to the planning agreements that were made at the start of the year, but then he still can't see how his employees reached this goal. In his profession it's for instance important how HR consultants positioned themselves. A solution for this might be for this manager to have better contact with the clients, but this hasn't been tried yet. Before the introduction of the NWW this manager was capable to see how his employees prepared themselves for a meeting, while he doesn't have this possibility since the introduction of the NWW.

Another point that worries this manager in the use of steering on output is that when output criteria aren't formulated in such a way that they can't be misinterpreted, it can happen that an employee understands the criteria differently than the manager. In that case the assessment meeting can be very awkward. The in between meeting (the coaching session) is therefore increasingly important to make sure that manager and employee have the same goal in mind.

Regarding the overview and control of this manager over what his employees do, this manager stated that he asks his employees more how they're doing and how far they are in their assignment. The bilaterals are used for these questions.

Steering on a distance in this department is still possible since the introduction of the NWW; plans of individual employees are communicated to the manager and then discussed, face to face or via telephone. This hasn't changed since the start in the NWW.

Coaching on a distance provides this manager with more difficulties. He stated that he stills misses the face to face element here to see whether his coaching has the right result.

For managers who still have to start in the NWW, this manager advises to prepare for the influence of the NWW and the reactions that will follow amongst the employees. Not everyone will like the NWW. Also he advises these managers to quickscan their employees on which reactions might be expected from the different employees.

## **Elaboration interview number 16**

### *Variables in the New Way of Working*

The manager stated that the communication between manager and employee changes a lot by the introduction of the NWW. Every employee of this department is an expert in his specific field of



work, so the risk exists that you see each other even less than before the introduction of the NWW. According to this manager, the NWW encourages individualism, while this department of autonomous working experts was working on becoming more of a team. Before the introduction of the NWW, the manager could walk to the office floor to talk to some of the employees, but since the introduction of the NWW this has become more difficult. Creating moments for the employees to get to know each other and for the manager to get to know the employees must be done consciously, so the manager now has the task to organize these moments.

Bilateral meetings are planned to be face to face, but if the manager knows that there is no urgency he'll plan them via telephone.

Every week this department has a formal meeting to discuss the activities of each employee. These moments are also used to improve the professional cohesion of this department. Once per month this department has a lunch to improve the social cohesion. This manager doesn't know how the employees share their knowledge amongst each other in the meantime. Finally, this manager organizes four days per year to meet a whole day with the team, to discuss the subjects that might be relevant at that point in time.

This manager mentions that he doesn't believe that the distance between the manager and employee has changed for this department with the introduction of the NWW. By creating moments to have formal and informal contact, this manager believes that the distance for this department hasn't increased.

Regarding finding the balance between work and private life, this manager states that the first weeks of working with all flexibility the employees worked in the evenings a lot, while the functionality of the flexibility is seen better now. When deadlines approach the flexible tools are used much more than in quieter periods.

### *Effective Work*

No changes for this department were mentioned by this manager.

### *Context*

This manager is a second line manager in the business intelligence field. According to this manager, the knowledge management of business intelligent is an excellent department to deploy the NWW, as the employees already worked very autonomous.

### *Leadership*

The overview and control since the changes in the relation between manager and employee is an issue which was handled by this manager as well. The manager has chosen to keep track of the activities of all employees in a spreadsheet, to retain the overview of the activities of the employees.

This manager doesn't see a change in the trusting relation between a manager and employee since the introduction of the NWW. Also he doesn't see a change in the importance. According to the manager, this is a result of the autonomous function that the employees already had.

Steering on output in this department is found to be difficult and it gets more attention than before the introduction of the NWW. The formulation of the goals gets a lot more attention, mainly in the bilateral meetings. This manager feels that because this department has a support function, the

formulation of goals in terms of outputs is more difficult. For instance, they have no profit and loss account at the end of the month but they have a supporting role. Measuring the outputs is found to be difficult. The NWW doesn't help here, but also doesn't stand in the way. The difficulty is in quantifying the value added by this department, because the results are qualitative.

This manager advises manager who are new in the NWW to keep on communicating with the employees what changes with the introduction of the NWW. Also there should be regular evaluation of the progress in the introduction of the NWW, both individually and as a team. Also a manager should take care to plan these moments consciously. That's a pity according to this manager, because the ad hoc meetings and discussions are valued by him.

Steering on a distance is found by this manager as not very urgent in the cases he has met up to now. The employees are very autonomous and professional, and on the days they're in the office the manager will discuss with them what happens to see whether the activities are still in the correct direction. Problems that are met by the employees are discussed and solutions are sought in these meetings. These meetings have turned out to be enough for this department up to now.

This manager has warned some employees for working too much in the evenings, and advised his employees to look for a better balance between work and private life. The balance between work and private life in the case of all employees of this department has a focus on work, as a little too much work is far more normal in this department than too little work. According to this manager, this is part of the function and rewards of these employees.

Regarding making a start in the NWW, this manager says that in the first phase it's very important to have a discussion between the manager and the employee what the expectation of each other are. Very important here is that the expectations in both directions should be discussed.

## **Elaboration interview number 17**

### *Variables in the New Way of Working*

This manager values that he sees his management colleagues face to face, twice per week. He doesn't yet wish to transfer this face to face meeting to another communication form. This manager thinks that the threshold to start to use the new communication is non-existent; it's just a matter of starting to use them and finding out what works and what doesn't. This manager believes it's a matter of time before all employees start to see the benefits of the new methods and start using it.

The relation between this responding manager and his manager hasn't changed a lot since the introduction of the NWW.

This manager mentions that steering on a distance works well for this department, but adds that he very much values the face to face meetings twice per week. These moments are the moments this manager uses to steer his employees, just as he did before the start in the NWW. The manager chooses not to sit next to his employees every moment that that's possible, because he feels it's more important to steer employees on the major outlines of the assignments and not on the details.

Regarding social and professional cohesion, this manager states that in the NWW events have to be consciously planned to improve both forms of cohesion. He also mentions that the planned events

are used more efficiently; the small talk is reduced when you see each other less and the meetings are better prepared.

On the subject of balancing work and private life, this manager states that he himself chooses his moments to work in evenings or weekends carefully, and hasn't got any troubles with enormously increasing hours of working at home. He finds that his employees are not having a lot of troubles with this. He does advice people who work on their email late in the evening to postpone sending these emails early in the morning.

### *Effective Work*

Nothing mentioned.

### *Context*

Nothing mentioned.

### *Leadership*

Since the introduction of the NWW this manager is more aware of the use of his time; a more conscious choice of how to use the available time is made by this manager. This manager doesn't yet make the conscious choice of which communication method and which location suits the activity yet.

Regarding the overview and control over what happens, this manager states that this department already had an activity overview and states that he values the freedom for employees to fill their activities in as they wish. The professional skills of employees should give this space. Through making agreements in the bilateral meetings the employee and manager provide each other insight in where they wish to stand two weeks from that moment. Through this communication this manager know when he has to escalate issues to higher hierarchical levels or when the employee needs guidance.

This manager has a different role to his employees, meaning that he doesn't discuss output focused goals with his employees. He does formulate goals output focused goals with his own manager, in which his manager does give him the room to find his own route to achieve these goals. In his work, this responding manager regularly discusses his approach with his manager to ensure that he approves his approach.

Regarding the trusting relationship between a manager and his employees, this responding manager states that this is for a large part a result of your own development. Along your own development as a manager you get to know what suits you as a person, and where you feel healthy with. This manager already worked very "open" with his employees, and he feels that this relationship with his employees only opened up further since the introduction of the NWW. With this development and opening up the relationship with the employees, this manager offers his employees the autonomy and freedom they can use in the NWW, and sometimes asks a check question to see whether the employees need support in their task. Another factor that this manager mentions is that the manager and employees cooperate quite short. This manager works for 1,5 years with his employees now and feels he still gets to know them better. The preferences of manager and employees in the relationship between manager and employees just needs time to develop, independent from the introduction of the NWW.

According to this manager, the formulation of goals in terms of output is not too difficult for the department of this manager. The employees of this manager guide and perform change processes,

which are suitable for formulating output goals. The project based assignments of the employees are well documented in assignment documents, expectations documents and the such, so the deliverables of the processes are well formulated in terms of output. This manager does expect that for instance production departments will have more difficulties to adapt to the focus on steering on output.

Coaching on a distance is also still done on a face to face basis by this manager; he values the moments of seeing employees in person when he discusses work related issues with them. The coaching is based on how well people perform and whether they work in the correct direction. The input for coaching comes in this department from the bilateral meetings that the manager has with his employees.

Steering on output is for this manager specifically useable for employees who are experienced in what they do and have shown that they are capable of performing their task. Employees who just started in their jobs are steered more on input so they can show that they're capable of doing just that, before steering on output can be introduced.

This responding manager doesn't believe in an exemplary role as manager to the employees regarding finding a balance between work and private life. He believes more in a role as manager to carefully sense the signs of communication of the employees, and to react where necessary.

For managers who still have to start in the NWW, this manager advises to focus on the coaching element in the NWW. The what element is easier to contain as a manager in the NWW than the how element, so the focus should be on containing the activities of employees as they start in the NWW. Managers in the NWW need to be more sensitive on signals that come from their employees; as the distance between manager and employee increases the manager should be able to see problems when they show themselves.

Also managers that have to start in the NWW should be made aware of their possibilities of organizing events or meetings that might be necessary to retain cohesion or sufficient communication in the NWW. Furthermore they should be aware of the importance of these activities.

## **Elaboration interview number 18**

### ***Variables in the New Way of Working***

This department doesn't yet make use of all possibilities of the new methods, but works on that by getting used to the new possibilities. Especially the blackberry makes that employees can use the spare time between meeting usefully by reading email and reacting.

The employees don't use the flexible work floor on a daily basis but usually work from the client departments' offices. On the moments they are in the office where this manager is as well, they use the time to communicate on what happens at the clients and to reflect.

The social cohesion of this department is said to be improved with the new communication methods. Especially the blackberry is important to keep contact with colleagues and makes it easier for this department (who all work on different locations) to keep track of each other. This manager

furthermore organizes meeting for the department, both in the form of formal and informal meetings. This department doesn't have a standard day in the week to have lunch together, because the different schedules of the employees don't have room on the same moments. The employees do find moments to meet and talk to each other, and this manager sees the task to try to join in these meetings to keep track of what happens in the department informally and formally. Also this manager tries to meet the employees at the client's departments to see them at work and discuss their activities with them.

The department meetings are visited well by all employees. Bilateral meetings are organized once per 4 weeks by this manager, this isn't changed since the introduction of the NWW.

The professional isolation of this department (knowledge sharing) still is difficult, as it was before the introduction of the NWW. Still the question at the start of a new assignment is who to ask for his or her experiences. New online knowledge sharing initiatives are thought of, but not yet implemented. The big issue is for employees to see the benefit of a new system.

Social cohesion in the department is consciously done in the department meetings, but not mentionable besides that.

This department hasn't yet chosen for a standard day to be in the office, but is overthinking whether they should do that. Practical difficulties like finding enough workspaces is one of the issues that makes this department doubtful.

Visibility of manager and employees has not yet become an issue for this department, but this manager does stress to his employees that the employees should be visible and available not only for their clients, but also for their colleagues and the higher managers from the home office. This has to do with possibilities of promotion.

Regarding the communication between manager and employee, this manager gave examples on situations in which the choice between a face to face meeting and phone call was made very consciously. This had to do with the large distance between Amsterdam and Leeuwarden. Knowing who will be on the other side of the phone line is important, this trusting relation has to be built.

The relation between manager and employee in this department was already rather positive and informal. This hasn't changed since the introduction of the NWW.

### *Effective Work*

The performance of this department has changed slightly positive since the introduction of the NWW, as the employees now have more methods of communication available to discuss issues with colleagues or with the manager. This responding manager does stress that the results will be minor.

### *Context*

This responding manager mentions that an important element of this department is that the employees don't work in one office every day, but work in clients' departments throughout the working week. Therefore, this department and this manager were already used to not seeing each other on a daily basis and communicating to each other on a distance. The NWW doesn't bring a lot of changes along for this department.

For this manager, the NWW doesn't increase the distance between manager and employee because the activities were already very autonomous. It can even be said that the positive and negative experiences with the introduction of the NWW have decreased the distance between employee and manager. The blackberry provides this manager with extra possibilities to have contact with his employees.

### *Leadership*

This manager doesn't believe in the exemplary role of a manager regarding the balance between work and private life. He believes that his role as manager should be to be available at all times so employees know they can depend on his support. From the employees this manager doesn't expect the same, he thinks that you can't expect from employees that they'll always pick up their phones. He even once told an employee to turn off his phone when he saw that an employee worked too hard.

Steering on output was already done by this manager before the introduction of the NWW. The manager states that steering on output increased the grip and overview of a manager on what the employees do and the output they deliver. The NWW had a role in this; the focus on output made the output of employees more clear.

The assessment of the employees is not only done by measuring the output of the employees, but the manager who initiated the assignment is asked to give feedback on the performance of the employee, and what the points for improvement for this employee would be. This knowledge is combined with the knowledge that this responding manager has on his own employee, and his discussed with the employee. That way, a 360 degree feedback can be given to the employee and the assessment of the employee can really be focused on the growth of this individual.

In a sense, this transparent way of dealing with feedback and improvement points is a form of coaching for the employees as well. In bilateral meetings between manager this information is also used to think of ways to further develop the employee.

The trusting relationship between a manager and an employee has changed since the introduction of the NWW, according to this manager. As long as everything is well, no issues can be found in this trusting relation. Whenever some friction exists, this trusting relation becomes more important. The newly introduced hardware give the manager some possibilities to see whether an employee is online, and gives extra opportunities to communicate with this employee. When the output is okay, the trusting relation will never become an issue.

The trusting relationship from the perspective of the employee might also be an issue; does the manager see what how hard I work beyond the output that has been agreed upon? To this employees, this manager advices to work on your organizational PR by communicating what exciting things you've done and how hard you work. The NWW has no real influence here, maybe in the sense that the new communication methods can be used for this organizational PR.

The overview and control of the manager on the activities of the employee isn't changed since the introduction of the NWW. The manager doesn't know in detail what the employees do, but has an overview of the activities of the employees.

For managers who still have to start in the NWW, this responding manager advises the new managers to do an "internship" to see how the NWW will work in practice. The new managers can then see whether working in the NWW suits their personality. A workshop or training might also help new managers to create this awareness.

## Elaboration interview number 19

### *Variables in the New Way of Working*

As a result of the introduction of the NWW, the small irritations of employees that were kept silent earlier, now are communicated in the department. Whereas the sake of peace and quiet was leading before the introduction of the NWW, now the social relations are becoming more clear.

The department of this responding only started in the NWW 4 weeks before this interview, so the experiences that are described here are very fresh.

This responding manager mentions that since the start in the NWW, she knows less of where her employees are working. She has to trust her employees that their tasks are running well and that her employees will contact their manager when they need coaching.

Because this department has been reorganized recently this manager doesn't know her employees very well. Therefore she expects that when the first assessments will arrive in December, this manager will need information from the stakeholders of the employees to determine the performance of the employees. She just doesn't know enough on the activities and performance of the employees herself.

This manager organizes bilateral meetings with her employees once per three weeks, but also then she cannot oversee all activities of her employees. For steering on output, this means that the information from third parties is very relevant. Information on workload comes from the employees in the bilaterals.

Once per week this manager organizes a department meetings.

The flexibility of employees is valued a lot, but this manager states that the full possibilities of planning a week according to activity based working is still not done yet. This manager for instance states that not all employees plan their weeks as smart as they can do, and don't put the priorities as they should do. A more conscious choice in how to use the time should be made by some of her employees. This manager mentions that in discussion with her employees if the employees mention their busy schedule.

The department of this manager organizes a full day department meeting four times per year. Shortly before this interview such a department meeting was held on the subject of knowledge sharing. This manager experienced this day as being very good for social and professional cohesion. This manager feels that these days become more important in the NWW.

On the subject of communication since the introduction of the NWW, this manager states that it has become more important to be available for your colleagues and employees for the moment they might need you. Knowledge sharing was already important to prevent people of inventing the wheel



twice, but that hasn't changed since the introduction of the NWW. Methods like a sharepoint might help in sharing knowledge.

Regarding the visibility of employees, this manager mentions that especially since the introduction of the NWW this manager sometimes doesn't see her employees for a week. She states to have difficulties with this, because she misses the social element of meeting with employees.

The real challenge that this manager sees at this point of the introduction of the NWW is how she can prevent the NWW of turning her department in a full-on professional group without having the social cohesion that they had before the NWW. The increased distance makes this a real threat, according to this manager.

Regarding finding the balance between work and private life, this manager stated that she feels this is partially the employees' own responsibility. Working in the evenings might sometimes be necessary in busy weeks, that's not new since the NWW. This manager did warn some employees that they emailed a lot on Saturdays and Sundays, and told them to think of private life as well.

### *Effective Work*

To determine whether the performance is affected by the introduction of the NWW, this manager feels it's still too early. She expects that the effects will be positive for some employees and negative for other employees, depending on the amount of guidance the employees need. She refers to situational leadership here.

### *Context*

The department of this responding manager is very autonomous; the employees all have their own field of work and are professionally developed enough to perform their tasks themselves.

This manager further states that her department isn't very process focused; as a result of the introduction of the NWW employees cannot walk to each others' desks anymore to discuss something, so some effort should focus on planning the work and communicating on a distance what happens in the field of work of the employee.

### *Leadership*

Regarding steering on output, this management states that steering on output still is very difficult for her in her department, as she still tends to be rather instructive to her employees. The insight following from situational leadership is new for her since she started in the NWW.

For this manager, output focused steering is mainly done by the short term and long term projects of the employees. All these projects are organized from an output point of view.

Output focused steering is done in this department by determining time lines and quality norms. The performance of individuals is rated by how well they kept in their time limits and by the quality of their work. Output focused agreements are also made on these criteria.

Regarding the control and overview of what the employees of this department do, this manager mentions that she doesn't know in detail what the activities of the employees are. She knows the big picture of the department, and knows only from some employees in detail what they are doing. Also this is not influenced by the NWW.

The coaching role of this reporting manager is partially done in the bilateral meetings, but in between these bilaterals this managers expects from her employees that they contact the manager when they need her. However, she also feels she could be more proactive in this.

This manager doesn't see an exemplary role for a manager here, as every employee has his own methods of working. This is personal, people have to find their own methods. If this manager sends an email on Sunday evening, she doesn't expect a reply instantly.