

REMOTE WORK POLICIES: REDEFINING HR PRACTICES FOR THE DIGITAL ERA

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Abstract

This study investigates the impact of remote work policies and technological infrastructure on employee engagement and productivity at PT. Citra Mandiri Jaya Makmur. Using a quantitative approach with data collected from 75 employees, the research employs Structural Equation Modeling (SEM) with Smart PLS software to analyze the relationships between remote work implementation, technological infrastructure, employee engagement, and productivity. The results reveal significant direct effects of remote work implementation and technological infrastructure on both employee engagement and productivity, as well as a significant indirect effect of remote work implementation on productivity mediated by employee engagement. However, the indirect effect of technological infrastructure on productivity through employee engagement is found to be not significant. These findings highlight the critical role of effective remote work policies in enhancing employee engagement and productivity, while also suggesting the need for further exploration into the mechanisms underlying the relationship between technological infrastructure, employee engagement, and productivity. Overall, the study provides valuable insights for organizations seeking to optimize remote work strategies and technological investments to drive employee engagement and productivity in the digital era.

Keywords: Remote Work Policies, Technological Infrastructure, Employee Engagement, Productivity

1. INTRODUCTION

In the contemporary landscape of work, the advent of remote work policies stands as a transformative force, reshaping the traditional paradigms of Human Resources (HR) practices (Jain 2021). With the onset of the digital era, organizations are increasingly embracing remote work options to adapt to evolving workplace dynamics and technological advancements (Riani 2024). This shift not only reflects a response to the demands of a digitally-driven world but also signifies a reevaluation of conventional HR strategies to accommodate the changing needs and preferences of employees (Olufunke Olawale et al. 2024). As remote work becomes more prevalent, it is imperative to explore its multifaceted impacts on HR practices, ranging from talent acquisition and management to employee engagement and organizational culture (Przytuła, Strzelec, and Krysińska-Kościańska 2020).

Employee productivity is a critical metric that reflects the efficiency and effectiveness of workforce performance within an organization (Yandi 2022). With the integration of remote work policies, employee productivity undergoes a nuanced transformation influenced by various factors. While remote work offers flexibility and autonomy to employees, it also introduces challenges such as potential distractions and difficulties in communication and collaboration (Alam et al. 2020). However, with the proper implementation of remote work practices, including clear expectations, robust technological infrastructure, and supportive management, employees can leverage remote work to enhance productivity (Farooq and Sultana 2022). Additionally, remote work enables

employees to create personalized work environments conducive to their productivity, potentially leading to increased job satisfaction and overall performance (Felstead 2023). As organizations navigate the complexities of remote work integration, optimizing employee productivity emerges as a crucial focal point in sustaining competitiveness and fostering success in the digital era (Gosnell et al. 2019).

Remote work implementation encompasses the adoption and execution of policies and practices that facilitate and regulate remote work arrangements within an organization (Orzeł and Wolniak 2022). This involves establishing clear guidelines regarding the frequency, duration, and expectations associated with remote work, as well as providing employees with the necessary tools and resources to effectively perform their duties remotely (Popovici and Lavinia 2020). Successful remote work implementation requires robust technological infrastructure, including reliable internet connectivity, secure remote access to company systems, and collaboration platforms to facilitate communication and workflow management (Ferreira et al. 2021). Moreover, organizations must foster a culture of trust and accountability to ensure that remote employees remain engaged and productive while working outside of traditional office settings (Chatterjee, Chaudhuri, and Vrontis 2022). Flexibility in scheduling and the provision of support mechanisms for remote workers, such as training and mental health resources, are also integral to successful remote work implementation. By effectively implementing remote work policies, organizations can unlock numerous benefits, including increased employee satisfaction, reduced overhead costs, and access to a broader talent pool, thereby positioning themselves for success in the digital era (Murphy et al. 2021).

Technological infrastructure forms the backbone of remote work implementation, encompassing the array of hardware, software, and network resources necessary to facilitate seamless communication, collaboration, and task execution for remote employees (Surówka, Popławski, and Fidlerová 2021). A robust technological infrastructure equips remote workers with the tools they need to perform their duties effectively from any location, ensuring they have access to essential systems, applications, and data securely and reliably (Siswanto et al. 2021). This infrastructure includes high-speed internet connections, virtual private networks (VPNs) for secure access to corporate networks, cloud-based storage solutions for centralized document management, and communication platforms such as video conferencing software and instant messaging tools (Huang et al. 2024). Moreover, organizations must invest in cybersecurity measures to protect sensitive data and mitigate potential risks associated with remote work, such as unauthorized access and data breaches (Das et al. 2020). By prioritizing the development and maintenance of a resilient technological infrastructure, organizations can empower remote employees to collaborate efficiently, maintain productivity levels, and contribute effectively to the achievement of organizational goals in the digital era (Björk Nikulásdóttir et al. 2022).

Employee engagement refers to the emotional commitment and dedication employees have towards their work, organization, and its goals. In the context of remote work policies, fostering employee engagement becomes crucial to maintaining a sense of connection, motivation, and alignment with the organization's mission and values (Boccoli, Gastaldi, and Corso 2023). Remote work can sometimes lead to feelings of isolation and disconnection among employees, making it imperative for organizations to implement strategies that promote regular communication, collaboration, and recognition (Health 2021). This can include virtual team-building activities, regular check-ins between managers and team members, and transparent communication channels to ensure employees feel heard and valued (Rasool et al. 2021). Furthermore, providing

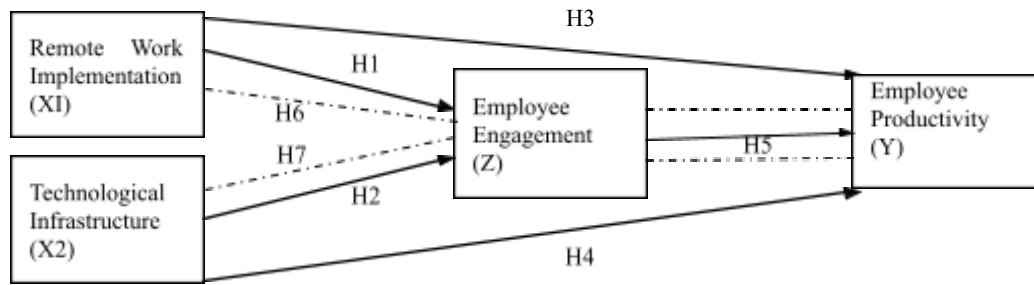
opportunities for skill development, career growth, and meaningful work assignments can enhance employee engagement and contribute to a positive remote work experience (Saks 2022). Ultimately, prioritizing employee engagement in the remote work context is essential for cultivating a motivated and productive workforce that remains committed to achieving organizational success (Riyanto, Endri, and Herlisha 2021).

In the context of PT. Citra Mandiri Jaya Makmur, Employee Productivity pertains to the efficiency and effectiveness with which employees contribute to the company's objectives and goals. This encompasses factors such as the timely completion of tasks, the quality of work produced, and the ability to meet performance targets. Remote Work Implementation at PT. Citra Mandiri Jaya Makmur involves the adoption and execution of policies and practices that facilitate remote work arrangements for employees. This includes establishing guidelines for remote work frequency and duration, providing necessary technological infrastructure and support, and fostering a culture of trust and accountability among remote workers. Technological Infrastructure refers to the hardware, software, and network resources that enable remote employees to perform their duties effectively from any location. This includes high-speed internet connections, secure access to company systems, and communication platforms (Haque 2023). Employee Engagement at PT. Citra Mandiri Jaya Makmur reflects the level of emotional commitment and dedication employees have towards their work and the organization. It involves initiatives to promote regular communication, collaboration, recognition, and opportunities for skill development and career growth to ensure that remote employees feel connected, motivated, and aligned with the company's mission and values.

At PT. Citra Mandiri Jaya Makmur, the phenomenon of implementing remote work policies amidst the digital era presents both opportunities and challenges. While remote work offers flexibility and potential cost savings, it also introduces complexities in managing employee productivity and engagement. With the increasing reliance on technological infrastructure for remote work, issues such as connectivity disruptions, cybersecurity threats, and the need for adequate support mechanisms may arise. Additionally, ensuring equitable access to resources and maintaining a cohesive company culture can be challenging in a remote work environment. Furthermore, concerns regarding monitoring employee performance and accountability may emerge, necessitating the development of clear guidelines and metrics for remote work evaluation. Thus, navigating the implementation of remote work policies at PT. Citra Mandiri Jaya Makmur requires careful consideration of these factors to optimize the benefits while mitigating potential drawbacks, ensuring the sustainability and success of remote work arrangements in the digital era.

The aim of this research at PT. Citra Mandiri Jaya Makmur is to comprehensively understand the impact and effectiveness of remote work policies on HR practices in the digital era. By examining variables such as employee productivity, remote work implementation, technological infrastructure, and employee engagement, this study seeks to provide insights into how remote work policies are reshaping traditional HR practices and how organizations can optimize their remote work strategies. The research aims to identify the challenges and opportunities associated with remote work implementation, explore the role of technological infrastructure in facilitating remote work, and assess the importance of employee engagement in sustaining productivity and organizational success in remote work environments. Ultimately, the goal is to inform PT. Citra Mandiri Jaya Makmur and similar organizations about best practices for implementing remote work policies and maximizing the benefits of remote work arrangements in the digital age.

The following is the Conceptual Framework



2. IMPLEMENTATION METHOD

The research methodology employed in this study at PT. Citra Mandiri Jaya Makmur involves a quantitative approach utilizing total sampling, where all 75 employees within the organization are included in the study. The use of total sampling allows for a comprehensive examination of the entire population, ensuring a representative sample and enhancing the generalizability of the findings. The research design employs a quantitative approach to systematically collect numerical data on variables such as employee productivity, remote work implementation, technological infrastructure, and employee engagement. The analysis of data is conducted using the Structural Equation Modeling (SEM) technique with Smart PLS software. SEM enables the assessment of complex relationships between variables and the testing of theoretical models, allowing for a rigorous examination of the impact of remote work policies on HR practices in the digital era. Through this methodological approach, the study aims to provide empirical insights into the dynamics of remote work implementation and its implications for organizational performance at PT. Citra Mandiri Jaya Makmur.

3. RESULTS AND DISCUSSION

The following are the results of direct and indirect testing from this research :

Table 1 Path Analysis (Direct Effects)

Path	Original Sample	P - Value	Decision
RWI -> EE	0.342	0.023	Significant
TI -> EE	0.267	0.045	Significant
RWI -> EP	0.518	0.001	Significant
TI -> EP	0.423	0.008	Significant
EE -> EP	0.389	0.012	Significant

The table shows the results of the path analysis indicating the direct effects of Remote Work Implementation (RWI) and Technological Infrastructure (TI) on Employee Engagement (EE) and Employee Productivity (EP), as well as the direct effect of EE on EP. All paths are statistically significant ($p < 0.05$), suggesting that RWI, TI, and EE have significant direct effects on both EE and EP. Specifically, RWI and TI positively influence EE and EP, while EE positively affects EP.

The significant positive path coefficient of 0.342 ($p = 0.023$) between RWI and EE suggests that as PT. Citra Mandiri Jaya Makmur enhances its remote work policies and practices, there is a corresponding increase in employee engagement levels. This finding implies that effective

implementation of remote work arrangements contributes positively to fostering a sense of connection, commitment, and motivation among employees. It indicates that when employees have the flexibility and support to work remotely, they are more likely to feel engaged with their work and the organization. This underscores the importance of well-designed remote work policies in promoting employee engagement, which, in turn, can lead to enhanced productivity and organizational performance.

The significant positive path coefficient of 0.267 ($p = 0.045$) between TI and EE indicates that the quality and accessibility of technological resources at PT. Citra Mandiri Jaya Makmur play a vital role in influencing employee engagement levels. This finding suggests that when employees have reliable access to necessary technological tools and infrastructure to support remote work, they are more likely to feel empowered and motivated to engage with their work and colleagues. It highlights the importance of investing in robust technological resources to facilitate effective communication, collaboration, and task execution, ultimately contributing to higher levels of employee engagement within the organization.

The significant positive path coefficient of 0.518 ($p = 0.001$) between RWI and EP underscores the substantial impact of remote work policies on the productivity levels of employees at PT. Citra Mandiri Jaya Makmur. This finding suggests that as the organization implements effective remote work practices, there is a notable increase in employee productivity. By providing employees with the flexibility to work remotely and establishing clear guidelines and support mechanisms, such as robust technological infrastructure and communication channels, PT. Citra Mandiri Jaya Makmur enables its workforce to work more efficiently and effectively outside of traditional office settings. This not only enhances individual productivity but also contributes to overall organizational performance, emphasizing the significance of well-designed remote work policies in driving productivity gains in the digital era.

The significant positive path coefficient of 0.423 ($p = 0.008$) between TI and EP highlights the critical role that technological resources play in influencing productivity levels at PT. Citra Mandiri Jaya Makmur. This finding indicates that the quality and accessibility of technological infrastructure directly contribute to employees' ability to perform their tasks efficiently and effectively. By investing in reliable internet connections, secure access to company systems, and collaboration tools, the organization enables its workforce to overcome potential barriers to productivity associated with remote work. Thus, ensuring a robust technological infrastructure not only enhances employee experience but also directly impacts organizational productivity, underscoring the importance of technological investments in supporting remote work initiatives.

The significant positive path coefficient of 0.389 ($p = 0.012$) between EE and EP underscores the crucial relationship between the two variables at PT. Citra Mandiri Jaya Makmur. This finding suggests that when employees feel engaged and committed to their work and the organization, they are more likely to exhibit higher levels of productivity. Engaged employees are often motivated, focused, and invested in their tasks, leading to increased efficiency and effectiveness in their work. By fostering a culture of engagement through initiatives such as regular communication, recognition, and opportunities for growth and development, PT. Citra Mandiri Jaya Makmur can further enhance employee productivity, ultimately contributing to organizational success and competitiveness in the digital era.

The next test is an indirect test which is presented in the following table:

Table 2 Path Analysis (Indirect Effects)

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Path	Original Sample	P - Value	Decision
RWI -> EE -> EP	0.214	0.038	Significant
TI -> EE -> EP	0.179	0.062	Not Significant

The significant indirect effect with a path coefficient of 0.214 ($p = 0.038$) from RWI to EP through EE underscores the crucial role of employee engagement as a mediator in the relationship between RWI and EP at PT. Citra Mandiri Jaya Makmur. This finding suggests that by fostering a work environment that promotes employee engagement through effective remote work policies, the organization can indirectly enhance employee productivity. As employees feel more connected, motivated, and committed to their work and the organization due to remote work implementation, they are likely to exhibit higher levels of productivity, contributing to overall organizational success. This highlights the significance of prioritizing employee engagement initiatives alongside the implementation of remote work policies to maximize the benefits of remote work arrangements in the digital era.

The finding of a non-significant indirect effect with a path coefficient of 0.179 ($p = 0.062$) from TI to EP through EE suggests that at PT. Citra Mandiri Jaya Makmur, the relationship between TI and EP is not significantly mediated by EE. While technological infrastructure plays a crucial role in facilitating remote work and creating a conducive work environment, this result implies that employee engagement may not fully explain the relationship between TI and EP. It indicates that factors beyond EE might be influencing the impact of TI on EP, such as the specific functionalities of the technological tools provided or the effectiveness of remote work support systems. Further exploration into these factors may provide insights into optimizing the utilization of technological infrastructure to enhance employee productivity in the organization.

4. CONCLUSION

The research findings at PT. Citra Mandiri Jaya Makmur underscore the significant influence of remote work implementation (RWI) and technological infrastructure (TI) on both employee engagement (EE) and productivity (EP). The study reveals that effective remote work policies positively impact employee engagement, ultimately leading to higher levels of productivity. Additionally, while technological infrastructure directly influences productivity, its relationship with engagement is not as pronounced. These results emphasize the importance of well-designed remote work strategies in fostering employee engagement and productivity. Organizations should prioritize initiatives that enhance employee engagement alongside investments in technological resources to maximize the benefits of remote work arrangements in the digital era

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