DIGITIZATION AND NEW WORK: A QUALITATIVE GUIDE FOR SMALL AND MEDIUM-SIZED ENTERPRISES TO TAKE ACTION

Laura Wasser, Thorsten Weber & Rüdiger Buchkremer

Institute of IT Management and Digitization Research (IFID), FOM University of Applied Sciences, Duesseldorf, Germany.
E-mail: laura.wasser@fom-net.de, thorsten.weber@fom-net.de, ruediger.buchkremer@fom.de

Abstract The Western world is currently facing a persistent shortage of skilled workers. Well-trained employees are difficult to find and even more challenging to retain. Employees, therefore, expect the best working conditions. Companies initiate New Work approaches in response to dynamic changes. This study examines the requirements for New Work design from the perspective of commercial employees to offer small and medium-sized enterprises (SMEs) guidance to find the optimal workplace development for their employees. A qualitative research method in the form of guided interviews was used to explore the needs of employees. The results suggest that employees desire an adapted work structure and change in the sense of New Work. Based on the study results, seven design areas were derived and recommendations for action were developed for the respective areas. Requirements and patterns are identified across several principles and design areas. Based on the results, strategies for implementation were developed.

Keywords: new work, employees, qualitative research.

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1 Introduction

The world of work is undergoing continuous change. ¹ Digitization, in particular, is a current driver of change. ² The digital world of work is becoming increasingly scattered. However, at the same time, individuals have emancipated themselves with steadily growing demands to organize and adjust work and life, while work becomes more critical. ³ These developments may impact the way individuals work in the future.⁴

Nevertheless, companies often consider rigid work models.⁵ Equating work with fixed working hours, a stagnant job in the company under corporate supervision, strict hierarchies, and long-term employment does not reflect current opportunities presented by digitalization.⁶ Companies need to understand that they cannot introduce new approaches while holding on to old concepts.⁷ New technologies, digital exhaustion, constant accessibility, work intensification, and increased mobility are just phenomena leading to increasingly demanding and complex working conditions. The desire for working conditions that are stimulating and facilitating is growing, resulting in new requirements for work design as well as individual demands.⁸

In response to dynamic changes in the world of work and the demands of employees, organizations are initiating New Work approaches that focus on people and attempt to formulate recommendations for action by organizations.⁹ New Work may affect everyone, such that most companies recognize the need to affect change. The question arises to which strategies they should pursue. New Work is not yet tangible for managers and human resource (HR) staff, and there is blurriness

⁵ Cf. Cloots, A.; Wörwag, S., Zukunft Arbeit, 2018, p. V.
to find a state-of-the-art procedure to implement it.\textsuperscript{11} Similarly, research has not advanced significantly.\textsuperscript{12} There is no universally valid concept for New Work design that can be introduced as a standard.\textsuperscript{13}

Against this background, the question arises: What are the requirements for SMEs to design New Work from employees' perspectives against the backdrop of digitalization?

This study examines the requirements for designing New Work from the perspective of commercial SME employees. The aim is to understand which structures employees need or desire regarding New Work. Within the study framework, potential concepts are identified. Finally, recommendations for action and assistance by companies are developed.

\section{State of research}

"New Work" was defined by Frithjof Bergmann, the Austrian-US philosopher, anthropologist, and founder of the New Work movement.\textsuperscript{14} As early as the 1970s\textsuperscript{15}, Frithjof Bergmann was concerned with the relationship between people and work.\textsuperscript{16} He developed an alternative model to wage labor and the capitalist maxim of constant growth \textit{\textit{à la citius, altius, fortius}} (faster, higher, stronger/further) under the term "New Work."\textsuperscript{17} "The goal of New Work is not to free people from work, but to transform work so that it produces free, self-determined, human beings. It is not us who should serve work, but work that should serve us." \textsuperscript{18}

Since then, Frithjof Bergmann has been regarded as the founder of the New Work movement\textsuperscript{19} and a pioneer of modern work culture.

\begin{thebibliography}{99}
\bibitem{5} Cf. Käuffer, T., Neue Arbeitswelt, 2019, p. 13.
\bibitem{8} Bergmann, F.; Friedland, S. New Work, 2020, pp. 25-26.
\end{thebibliography}
Today, New Work represents a change of vision concerning entrepreneurially performed work.\textsuperscript{20} It aims for a more humane future for the working world\textsuperscript{21} with meaningful and fulfilling activities in more accessible and flexible work structures.\textsuperscript{22} New Work is intended to shed light on the future design of work.\textsuperscript{23} New Work is not a concept that can be introduced or a method\textsuperscript{24} that can be applied, but a movement consisting of various individually integrated approaches to solutions.\textsuperscript{25}

Currently, the following findings, among others, contribute to the current state of research on New Work.

Digitalization is changing the means of work, the ways of working, communication, and networking.\textsuperscript{26} Even a brief glimpse reveals its complexity: Smarter ways of working, constant accessibility, work intensification, increasing personal responsibility, mobility as well as time and location sovereignty, and new tools that make it possible to work and communicate differently across time and space.\textsuperscript{27}

Based on the results of numerous studies, overarching principles and areas of design can be identified, demonstrating how New Work should be designed to be attractive to an employer on the one hand and offer employees optimal working conditions on the other.

The principles include individuality, meaningfulness, flexibility, and the dissolution of boundaries.\textsuperscript{28}

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\textsuperscript{22} Cf. Schnell, A.; Schnell, N., New Work, 2019, p. 7.
\textsuperscript{24} Cf. Ternès, A.; Wilke, C., Digitalization, 2018, p. 23.
\textsuperscript{26} Cf. Cloots, A.; Wörwag, S., Zukunft Arbeite, 2018, p. 4.
Different areas of work can be designed according to the principles of New Work. These include working hours, work location, work content, organization, management, and technology. It is also essential to note that the design areas are interconnected and influence each other.

3 Methodology

A qualitative empirical social research method has been used to answer the research question to investigate individual requirements and opinions as well as to understand the individual context, drivers, and motivation of the requirements. Further, based on individual impressions, a true-to-life evaluation can be ensured. Thus the target is to derive overarching patterns and develop indications how and why New Work shall be designed as a guidance for SMEs and managers. Guided semi-structured interviews were applied as a common variant. In the interview, interviewees are asked questions and narrative prompts that are presumed to be relevant to the research question based on theoretical presuppositions. There are no guidelines for how interviewees respond to these questions and narrative prompts or to what extent interviewees may stray from the guide in their responses and set their narrative emphases. Individual interviews are used to reconstruct subjective perspectives based on the interviewees' everyday experiences and inductively generate hypotheses.

The interview guide was developed using theoretical knowledge derived from the current literature and based on the research question according to the four-step formula (collect, review, sort, subsume). In sum, the guide consists of five blocks with 29 questions designed to obtain as much information as possible to answer the research proposal. According to Flick's model, all interview questions were checked to verify meaningfulness, formulation, and structure.
The sample was selected considering several criteria: generation, gender, and hierarchical level. In total, eight individuals were interviewed. No prior knowledge of the subject of New Work was required; the interview and the answers to the questions resulted from personal work and life experience.

This study is subject to certain limitations. The results are not representative due to the qualitative method. Similarly, the video interview format due to the COVID-19 pandemic could have influenced respondents’ behavior and answers. A further limitation arises from the omission of legislation and legal requirements.

4 Data collection and evaluation

In preparation for data collection, two pretests were conducted using non-sample subjects. The pretest is a test run of the interview that precedes the actual interview. The test phase helps to optimize the wording and provides additional background information. Due to the COVID-19 pandemic, interviews were conducted by video call after the respective consent forms were approved for data use and privacy. Immediately after the interview, the interview recording was transcribed using transcription software. The transcripts were anonymized, ensuring that no conclusions could be drawn concerning individuals. The transcribed interview results were evaluated based on qualitative content analysis according to Mayring and Kuckartz. A category system for coding and assessing the data was developed inductively based on the theoretical framework, the research question, and the data material. The text was subsequently coded using these categories and MAXQDA software.

Table 1 summarizes the categories that emerged based on coding. The categories allow the investigation results to be summarized in a structured way.

From the opportunities versus risks survey on digitalization, it can be deduced that the focus is on opportunities, primarily greater flexibility, more individualized design, networking, and more efficient working methods. The risks include constant

accessibility, difficult demarcation, information overload, a decline in social exchange, and hacking incidents.

The importance of work can be derived from the respondents' motives. In addition to renumeration to secure one's livelihood, the most significant reasons are meaningful work, interpersonal relationships, teamwork, and self-fulfillment. These motives underscore the New Work idea and indicate that the basis can be expanded.

Table 1: Categorization of the test results

<table>
<thead>
<tr>
<th>Category</th>
<th>Subcategory</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digitalization of the working world</td>
<td>Opportunities</td>
</tr>
<tr>
<td></td>
<td>Risks</td>
</tr>
<tr>
<td>Importance of work</td>
<td>Motives &amp; motivating factors</td>
</tr>
<tr>
<td>New Work principles</td>
<td>Sense of purpose</td>
</tr>
<tr>
<td></td>
<td>Individuality</td>
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<tr>
<td></td>
<td>Flexibility</td>
</tr>
<tr>
<td></td>
<td>Dissolution of boundaries</td>
</tr>
<tr>
<td>Design areas</td>
<td>Working time</td>
</tr>
<tr>
<td></td>
<td>Work location</td>
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<td></td>
<td>Work-life balance</td>
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<td></td>
<td>Organization</td>
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<tr>
<td></td>
<td>Leadership</td>
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<tr>
<td></td>
<td>Technologies &amp; Tools</td>
</tr>
</tbody>
</table>

Studies on principles and requirements were investigated to demonstrate that they align with the theoretical framework and determine whether the interviewees wish to see different forms of the individual tenets. Precise requirements emerged for meaningfulness, individuality, and flexibility.

Meaningfulness was discussed as an essential requirement for the activity. The respondents experience meaningfulness at four levels: Social contribution, personal identification and conviction with the job, identification with the corporate vision, and purposeful and result-oriented tasks. The respondents compare the principle of individuality with self-determined and self-actualizing work. They consider a culture of trust and error necessary as a basis for this. From the survey results, it is possible
to derive three areas that enable individual work: Participation, freedom of decision, and design freedom.

Flexibility is primarily associated with flexible working hours and a flexible arrangement of personal and professional needs. In addition to the time factor, freedom in the choice of work location is also counted as flexibility.

The principle of the dissolution of boundaries, the increasingly blurred boundary between professional and private life, proved challenging. Although flexibility is desired, the respondents perceive the blurring of limitations to be the most significant risk. Ideas on how improved demarcation can succeed or be supported are less concrete.

Potential New Work design approaches emerged via an investigation of individual design areas. The desire for flexible working hours is undisputed. However, there are two interpretations of this: flexible working times within a predefined framework and the dissolution of working time regulations.

Regarding the work location, the desire for a hybrid model (workplace in the company and home office (HO)) is undisputed among all respondents. A potential challenge with a hybrid model is increased difficulty holding meetings with workers in different settings. When working on-site at a company, employees value having single offices and meeting rooms for teamwork and a "tech zone" that offers professional IT equipment. In addition, two concepts, "coworking spaces" and "activity-based working," were briefly presented to the respondents, who were asked for their impressions. The respondents had little or no experience with either concept and little imagination for individual wishes.

To support work-life balance, respondents desire more significant consideration given to individual perspectives. Further requirements are mobile working, more spontaneous vacation decisions, and better meeting organization regarding the right participants and time management. In addition, a digital tool for coordinating workload and additional strategies for shaping work-life balance is desirable.
The fundamental prerequisite for work content is a sense of purpose, which should be provided by purpose-bound and result-oriented tasks and an individual value contribution. In addition, the desire for further training opportunities and the idea of a company-wide task pool (pull principle).

In the area of organization, it can be summarized that the respondents advocate diminishing hierarchies in favor of more dynamic structures and more interactive cooperation and networking at all levels. Employees wish to work quickly, flexibly, agilely, and efficiently and make decisions to streamline decision-making processes. Leaders are expected to have an adaptive and results-oriented leadership style. The leader should fulfill the functions of a mediator of internal political issues, a coach, and a motivator.

In the area of technologies and tools, the study indicates that the focus is initially on standard applications. There is little active or proactive insight into the technologies, digital tools, or applications (of the future) that employees desire to support their work.

Comparing the results of the principles and design areas demonstrates that the contents and requirements are congruent. This congruence confirms and clarifies the interdependencies of the individual dimensions.

5 Recommendations for action

Based on the survey results, Figure 1 lists several recommendations for respective design areas using the principles of New Work. The figure uses the individual design areas and instruments to illustrate the multidimensionality of New Work and the mutual influences of the individual elements. It is crucial to note that the different ideas can be implemented with varying speed or ease and are subject to change of variable intensity. In addition, individual instruments may have greater significance or impact than other measures. Hence, the company must determine its priority.

The changes extend to the entire company, affecting working methods, processes, structures, and employees. Therefore, managers should refrain from implementing only individual instruments, as these have no impact in the sense of New Work.
However, it is recommended to strive for changes according to the four New Work principles and consider potential interactions to act according to the New Work approach. Another recommendation is to make proposals as open as possible so that employees can select each supporting measure individually. Voluntary access makes it possible to incorporate different employee perspectives and, as a company, to determine what employees ultimately use. In addition, leaders should consider that some employees do not prefer flexibility, favoring a stricter prescribed framework. Managers must identify these individuals and support them closely.

![Figure 1: New Work recommendations for action](image)

6 Change management

Another critical aspect that must be emphasized is that New Work is not an implementable project. New Work thrives on continuous change in which the focus is on individuals in the sense of a human way of working.
The greatest challenge is not to adhere to old structures and patterns in new work approaches. It is a matter of breaking away from them and creating space for new ideas to be experienced fully. Depending on the company's size, it could make sense to redesign areas in line with New Work.

7 Conclusion

The world of work is undergoing continuous change. Digitalization, in particular, is currently considered the biggest driver of change in the world of work. As a result of this change, new challenges and opportunities arise for work design. As a company's essential resource, individuals are exposed to unique circumstances, with the desire for more human forms of work design taking center stage. In this context, New Work is seen as a reaction to the increasingly dynamic, changing world of work.

Therefore, this study investigated the requirements for companies to design New Work strategies from the perspective of employees against the backdrop of digitalization. Guided interviews were employed to derive recommendations for action by companies.

At the outset, it can be noted that the COVID-19 pandemic accelerated transformational thinking and probably fostered a new openness regarding these issues. The study enabled a comparison of the theoretical dimensions of New Work with the wishes of employees, whereby the desire for meaningfulness, flexibility, individualization and the dissolution of boundaries can be ultimately confirmed. The desire for an adapted work structure and change in the sense of New Work is presented to clarify that New Work can be seen as a suitable approach to meeting the needs of employees. Requirements and patterns were identified across various principles and design areas. The overriding conclusion is that employees across all types of work desire a wide range of freedoms within a particular framework. Based on the study results, company recommendations for action were developed to address the research question further. A critical success factor is the understanding that New Work thrives on a holistic approach that focuses on people. Only if old structures are dissolved can the new world of work be given room to succeed for companies and employees.
8 Outlook

The work results can serve as a starting point for developing strategies around New Work and work design transformation for companies. In addition, the results can be used for further research using more extensive samples or detailed studies of individual principles or design areas. In particular, further research into the design area of work-life balance, and potential approaches for employees to more easily differentiate between them, is recommended.

In principle, it is advisable to investigate further the qualitative research results obtained using quantitative methods.

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