# The Potential Employees' Attraction in the Remotely Work: A Pilot Study that Distinguishes between Ethics and Reality

### **Elena-Sabina TURNEA**

Alexandru Ioan Cuza University of Iași 11 Carol I Blvd., 700506 Iași, Romania sabina.turnea@uaic.ro

#### Adriana PRODAN

Alexandru Ioan Cuza University of Iași 11 Carol I Blvd., 700506 Iași, Romania pada@uaic.ro

#### **Abstract**

The process of human resource attraction is the first activity in which companies engage when they need to fill in vacancies that usually end up with new employments. The details that candidates find out during the selection process influence the final choice regarding their employment. The main aim of this study is to carry out a pre-test of organizational rewards that attract potential employees into organizations working remotely. To develop a relevant instrument comprising the main rewards wanted by potential employees for working in the online work environment, 143 responses were collected from undergraduate students at the Alexandru Ioan Cuza University of Iaşi, Romania. The main results indicate that potential employees are attracted to working remotely when they receive sports benefits, equipment for work, a motivating wage, a flexible working schedule, and more free time. This study also discusses the ethics of the rewards awarded in the remote environment that could be further investigated in a future quantitative study.

#### **Keywords**

Remote work; online environment; financial rewards; benefits; attraction; remuneration; work-life balance; ethics.

#### Introduction

Suitable human resources are attracted to organizations through recruitment and selection processes, based on both financial and/or non-financial organizational rewards. If the reward package is not satisfactory for employees, then they are not further motivated and maintained inside organizations. There are several costs associated with the loss of a talented workforce, such as employee replacement costs, the costs of new recruitments and selections, training costs, etc. (Hagen & Porter, 2011, in Schlechter, Thompson, & Bussin, 2015). And the losses do not stop here as there also appear interruptions in the work process, loss of tacit information, decreased productivity, and demotivated mentors (Hagen & Porter, 2011, in Schlechter, Thompson, & Bussin, 2015).

The outbreak of the Sars-Cov-2 virus has generated several changes in the way work is carried out. Where activities allow, the work environment has moved online, being conducted remotely from home or other locations. Therefore, the preferences of employees for organizational rewards have also changed or are still changing.

This study does not consider the remote and online work in the context of the COVID-19 pandemic, it aims to broadly identify what organizational rewards attract potential employees to working remotely, online.

### Literature review

## What total reward means?

According to the great economist Adam Smith, employees should capitalize from the workplace not only the salary, but also other elements, such as safety and security, tolerance, the possibility of success, and so on (Gerhart & Rynes, 2003; Reilly, 2010). The total reward may be defined in several ways: the totality of direct and indirect rewards (Chişu, 2005); the totality of extrinsic rewards (such as salary, bonuses, etc.), and intrinsic rewards (such as pleasure to work, job satisfaction, etc.) (Armstrong & Murlis, 2007); everything that employees receive in return for work (Kantor & Kao, 2004; Tornikoski, 2011); total remuneration, plus non-financial or intrinsic rewards (Armstrong, 2007). Defined comprehensively, total reward consists of all the organizational rewards received from the workplace (Turnea, 2017).

In the process of attracting, motivating, and retaining human resources, the following organizational rewards are recommended as a part of total rewards: remuneration, benefits, work-life balance, performance and recognition, career development, and opportunities (Boswell et al., 2011). In an updated version of these constructs, the total reward includes remuneration, benefits, well-being at work, development, and recognition (WorldatWork, 2020).

As employees become more aware of the competitive rewards offered in the labor market, they become more attracted to flexible reward packages, and organizations should focus more on creating and implementing a reward system that attracts, develops, motivates, and maintains human resources (Bwowe & Marongwe, 2018). The process of attracting competent employees outside organizations can be improved through clear audits (Bwowe & Marongwe, 2018). Decision-makers should create reward packages to attract, motivate and maintain human resources in the most efficient way (Pregnolato, Bussin, & Schlechter, 2017).

## Specific organizational rewards for different industries

In a study conducted in South Africa, the following reward elements were presented to the knowledge workers (employees who work with knowledge) for joining organizations: remuneration, benefits, and variable remuneration (Schlechter, Hung, & Bussin, 2014). The knowledge worker was first defined in 1968 by Peter Drucker as the employee who applies ideas, concepts, and information to the detriment of physical work: doctors, teachers, managers, lawyers, sales agents, etc. (Brinkley et al., 2009, in

## Strategica. Shaping the Future of Business and Economy

Schlechter, Thompson, & Bussin, 2015). The study results report that all three categories of rewards have a significant influence on accepting a job, and the greatest attraction is towards remuneration (Schlechter, Hung, & Bussin, 2014). There were found no significant differences by age, gender, or race groups in reward preferences (Schlechter, Hung, & Bussin, 2014).

In the employment process, the job seeker analyzes the extrinsic attributes (career prospects, social prestige, or other financial and non-financial benefits), which are related to extrinsic motivation, and the intrinsic attributes (like the work itself), which are associated with intrinsic motivation, and do not involve any tangible reward for conditioning the expected behavior (Asseburg et al., 2020). Employees' perceptions of intrinsic and extrinsic attributes are strong predictors of the intention to apply for public sector jobs, while perceptions of prosocial attributes of work (social impact, the public value of results, etc.) lack such an effect (Asseburg et al., 2020). Therefore, potential employees for public administration can be attracted to this field especially through the rewards perceived intrinsically and extrinsically, without necessarily the prosocial nuance (Asseburg et al., 2020).

In a study conducted in Latvia for public sector organizations, remuneration proved to be the most important reward for attracting young people aged under 30 (Ludviga, Senņikova, & Kalviņa, 2016). Also, the recognition of merits and the awarding of the best results attract new talented employees (Ludviga, Senņikova, & Kalviņa, 2016). The quality of life also attracts young people in the public sector as it offers the flexibility that the private sector does not provide (O'Riordan, 2013, in Ludviga, Senņikova, & Kalviņa, 2016).

According to a qualitative study conducted in the Indian hotel industry, employer branding, merit recognition, financial benefits, international experience, job security, and other age-appropriate organizational rewards are the elements that organizations should pursue to attract talent (Sen & Bhattacharya, 2019). A talented workforce can also be identified, attracted, and maintained through an innovative tool that uses gamification (Lowman, 2016). For example, online game is used in the recruitment of soldiers by the United States Army (Lowman, 2016). Depending on the nature of work, gamification could attract young talent.

The results of a study conducted in Spain comprising human resource managers indicated that flexible reward systems, in which employees choose their benefits, lead to a greater ability to attract human resources in organizations compared to the classic version of the same package of benefits to all employees (Vidal-Salazar, Cordón-Pozo, & de la Torre-Ruiz, 2016). Thus, reward policies for human resources significantly influence the ability of firms to recruit and retain key employees that are extremely useful for business success (Vidal-Salazar, Cordón-Pozo, & de la Torre-Ruiz, 2016). The results of another study highlight that the attractiveness of a job occurs especially due to non-financial rewards (work-life balance, learning and career opportunities, etc.) (Schlechter, Thompson, & Bussin, 2015). Remuneration is the simplest method of rewards that can be replicated quickly, so it is recommended to firms to find out new methods of rewards that differentiate from that of the competition (WorldatWork, 2003, in Schlechter, Thompson, & Bussin, 2015). A study on craftsmen showed that

work-life balance is the most important organizational reward for attracting and maintaining them in companies (Schlechter, Faught, & Bussin, 2014).

The process of attracting employees to organizations depends on several factors, which differ for each individual by circumstances encountered in life, personal development, general and environmental changes (Amundson, 2007, in Schlechter, Thompson, & Bussin, 2015). Amundson (2007) identified ten factors that attract human resources to companies: security, location, relationships, recognition, contribution, job fit, flexibility, learning, responsibility, and innovation (Amundson, 2007, in Schlechter, Thompson, & Bussin, 2015).

People prefer companies that they perceive as having similar attributes to their own (Devendorf, 2005). These attributes are reflected in the company's employee-stereotype image (Devendorf, 2005). Therefore, organizations have a different degree of attractiveness, depending on the individual attributes of the applicants (Devendorf, 2005). At the opposite pole of the attraction is the rejection of companies by employees. This behavior can occur when employees do not adhere to values, behaviors, and norms in the organizations, not feeling comfortable in the work environment (Devendorf, 2005; Panaite, Neştian, & Iftimescu, 2014). Attractiveness towards organizations can be defined by a positive attitude of applicants to companies with which they want to engage (Gomes & Neves, 2010). Organizational attractiveness plays a key role in the process of attracting human resources (Gomes & Neves, 2010). So, a positive image of employer branding strengthens people's intention to apply for a vacancy (Gomes & Neves, 2010).

In another study, the highest levels of benefits, performance, recognition, and remuneration proved to be the most attractive in the reward mix and the most effective in employee maintenance (Pregnolato, Bussin, & Schlechter, 2017). According to another study, in the processes of attraction, motivation, and retention, remuneration (salary, performance bonuses, etc.) is the commonly preferred reward for several generations, while career, learning, and development opportunities are especially targeted by young people (Fobian & Maloa, 2020). At the same time, it has been found that there are no significant differences between baby boomers, X, and Y generations in terms of reward preferences (Fobian & Maloa, 2020).

## Models for applying total reward in organizations

The applicability of organizational rewards may be shown by total reward models. The model of transactional and relational rewards identifies four categories of rewards: transactional or tangible (such as basic salary, cash bonuses, shares in the company's capital, health insurances, etc.); relational or intangible (such as learning and development activities, the quality of professional life, considering the opinion of employees, etc.); collective rewards (vacations, the organizational values, the quality of professional life, etc.); individual rewards (salary, other financial incentives, regular training, etc.) (Armstrong, 2009; Rumpel & Medcof, 2006).

The total reward model adapted from Maslow's Pyramid assigns specific rewards to each need: physiological needs match the basic salary; security matches the income

## Strategica. Shaping the Future of Business and Economy

security; belonging and love match the existence of affiliation and colleagues; cognitive needs are attributed to learning and development; the exciting work is related to the aesthetic needs; self-esteem is connected to advancement, growth, and affirmation (Kantor & Kao, 2004). The "Hay Group" performance engagement model focuses on the quality of work, work-life balance, inspiration and values, work environment, growth opportunities, and tangible rewards (Armstrong & Murlis, 2007).

The WorldatWork rewards model involves the use of total rewards in attracting, motivating, and retaining employees through the following constructs: remuneration, benefits, work-life balance, performance and recognition, development, and career opportunities (Boswell et al., 2011). The total reward works only in the context of organizational culture, a general business strategy, and a human resources strategy adapted to the organizational environment (Boswell et al., 2011). The results of applying this model should lead to employees' satisfaction and commitment and visible performance in the organizational results (Boswell et al., 2011). The Workwell BITC model aims to make employees work better through better work, relationships, specialized support, and high physical and mental health (Aston, 2011). The expected results are high employee commitment, increased productivity, a better image of companies, and high quality of human resources (Aston, 2011).

## Organizational rewards in remote work

If people work without going to work, it means that they work remotely, blending personal and professional space (Reshma, Aithal, & Acharya, 2015). The remote way of working moves the work to employees, and not vice versa due to technology (Bassant, 2021). Remote work brings flexible work arrangements (Rahman & Zahir Uddin Arif, 2021).

In a study conducted in Dhaka city in Banglades comprising 100 professionals, 45% of respondents declared that they had been fairly productive working from home, and 22% that they had been very productive working remotely (Rahman & Zahir Uddin Arif, 2021). But among the found consequences, there were social isolation, anxiety, stress, work overload, and work-life conflicts (AbuJarour et al., 2021; Crosbie & Moore, 2004; Rahman & Zahir Uddin Arif, 2021).

Harrington and Emanuel (2021) from Harvard University found in their study that employees were 12% less likely to be promoted when working remotely, which could lead to concerns of employees related to being overlooked when it comes to job promotion while working in remote jobs (Harrington & Emanuel, 2021). The study found that remote work attracted latently less productive employees (Harrington & Emanuel, 2021), which stirs ethical debates.

## **Research methodology**

The purpose of this study was to conduct a pilot study and select the most important organizational rewards that potential employees want so that in the future they could engage in the online environment and work remotely. To this aim, an online questionnaire was applied between 19.04.2021 and 16.05.2021 to approximately 250

potential employees, of which, 143 responded. The potential employees, who participated in the research, were aged between 20 and 25, not being employed at the time. Respondents were simply asked to specify the organizational rewards they would want to accept a job, in which, they would work remotely: "What rewards would you prefer to accept working online? Please list them without further explanation".

# **Research findings**

Data were processed using the following steps: the financial rewards were separated from benefits and perks, then the answers were grouped by sub-categories of organizational rewards. The financial rewards are presented in Table 1.

Table 1. Desired financial rewards for working remotely (online) (N = 143)

	, ,	, , , , , , , , , , , , , , , , , , ,	,
No.	Desired financial rewards for working	No. of	Percentage
	remotely (online)	respondents	(%)
1	Motivating salary	44	30.77
2	Bonuses	31	21.68
3	Premium payment	15	10.49

Salary is the most desired reward for accepting a job that involves work from home environment. Second, are bonuses, and third appears the premium payment. In remote work, financial organizational rewards remain classical as respondents ask for a wage (base payment) and variable payment (bonuses and premium payment).

Table 2 shows the benefits and perks.

Table 2. Benefits and perks for working remotely (online) (N = 143)

No.	Benefits and perks for working remotely (online)	No. of respondents	Percentage (%)
1	Sport benefits	57	39.86
2	Equipment for work	52	36.36
3	Flexible work schedule	44	30.77
4	Extra free time	20	13.99
5	Payment of bills	18	12.59
6	Ophthalmological consultations	14	9.79
7	Training	12	8.39
8	Wellness benefits	12	8.39
9	Discounts for vacations	12	8.39
10	Psychological counseling	7	4.90

Under the category "Equipment for work", respondents specified laptops, cables, computers, printers, desks, headphones, ergonomic chairs, or other materials needed to perform the work tasks. Respondents mentioned that the payment of bills is especially needed for the payment of the Internet connection and electricity. Some respondents specified that bills must be partially paid by the employer. The extra free time refers to more days off and longer breaks during working hours. Sport benefits

include subscriptions to gyms, discounts at gyms, and gym vouchers. The wellness benefits include spa and massage facilities.

Figure 1 shows all the desired organizational rewards for accepting a remote work offer.

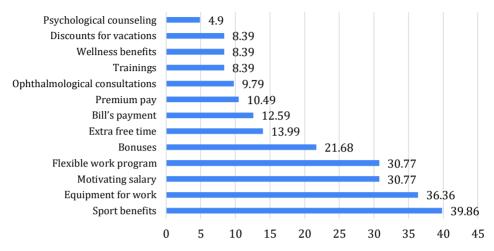


Figure 1. Desired organizational rewards for accepting to work remotely (online) (%, N = 143)

Many respondents declared they would accept a remote work offer if they received sports benefits, equipment for work, a motivating wage, a flexible work schedule, and more free time. Interestingly, salary is not at the top of reward preferences, and potential employees want to balance their remote work with physical activity. Also, many of them (36,36%) declared they would need adequate equipment to work remotely.

Psychologically, when extrinsic motivators have lower importance, intrinsic rewards tend to compensate. Remote employees see themselves as being easy to replace and wage captives (the partner of a household may be unemployed), or due to rising costs, making their need for income security go up. An ethical debate is related to the fact that remote work offers the possibility to employees to work at the same time for several employers, which reduces loyalty. On the other part, there appears an extremely important positive aspect: higher employee's autonomy and self-confidence regarding work. It should be assessed whether these are benefits for the way companies approach their ethics.

#### Conclusions

The review of the literature in the field provides evidence that a talented workforce could be attracted by total organizational rewards. Also, the reward and recognition programs proved to be most valuable in maintaining employees' passion at work (Danish & Usman, 2010), and in remote work, employers should emphasize work-life balance (Crosbie & Moore, 2004). Many factors influence employment in the online

environment, not only rewards. For example, trust in an employer can successfully bring satisfaction for employees (Clipa et al., 2019).

The research topic of this study is useful for employees, employers, and other beneficiaries (institutions, researchers, etc.), however, it still needs further analysis. Moreover, recent changes in the labor market (work from home, remote work, online work environment, etc.) make this research topic even more interesting as the organizational rewards must be recalibrated, in line with market requirements and financial possibilities of companies.

In the remote environment, there could be a higher risk of payment decisions being made contrary to company values and ethics. This could entail more accessible ways for employees to gain feedback on decisions, and to seek advice on workplace issues. Good communication and engagement strategy could be the basis for an ethical approach towards the remote workforce. In this study, this aspect has not been explored. It is evident though that ethical practice should be further explored in human resource policies and practices related to payment of remote work.

Regarding the limits of this study, on the one hand, the potential employees for the online work in the sample have between 20-25 years old, so they may not really appreciate the rewards they need; on the other hand, they may be more attracted to this type of work compared to other age groups. Another limitation of this study is that it did not involve choosing rewards from a predefined list, to make rankings. For these reasons, the research on this topic will continue with a more complex tool that will be applied to more diversified respondents.

## Acknowledgments

This work was supported by a grant by "Alexandru Ioan Cuza" University of Iasi, within the Research Grants program, Grant UAIC no. GI-UAIC-2021-05.

## References

AbuJarour, S., Ajjan, H., Fedorowicz, J., & Owens, D. (2021). How Working From Home During COVID-19 Affects Academic Productivity. *Communications of the Association for Information Systems*, 48(8), 55-64. https://doi.org/10.17705/1CAIS.04808

Armstrong, M. (2007). The fundamentals of reward management. Kogan Page.

Armstrong, M. (2009). Managementul resurselor umane: manual de practică [Human resources management: practice manual]. Codecs.

Armstrong, M., & Murlis, H. (2007). Reward Management. Kogan Page.

Asseburg, J., Hattke, J., Hensel, D., Homberg, F., & Vogel, R. (2020). The Tacit Dimension of Public Sector Attraction in Multi-Incentive Settings. *Journal of Public Administration Research and Theory*, 30(1), 41-59. <a href="https://doi.org/10.1093/jopart/muz004">https://doi.org/10.1093/jopart/muz004</a>

Aston, L. (2011). Elevating the agenda for employee wellness and engagement. *Strategic HR Review Journal*, 10(4).

Bassant, A. M. (2021). The Effect of Remote Working on Employees Wellbeing and Work-Life Integration during Pandemic in Egypt. *International Business Research*, 14(3), 41-52. https://doi.org/10.5539/ibr.v14n3p41

Boswell, W. R., Cook, A. L., Horner, M. T., Payne, S. C., & Shaub, M. K. (2011). The relative influence of Total Rewards Elements on Attraction, Motivation and Retention. *WorldatWork Journal*, 20, 1-45.

- Bwowe, P. W., & Marongwe, N. (2018). Implementing a total reward strategy in selected South African municipal organisations. *SA Journal of Human Resource Management*, 16(1), 1-9. https://doi.org/10.4102/saihrm.v16i0.927
- Chişu, V. A. (2005). Posturi, salarii şi...beneficii [Jobs, salaries and ... benefits]. Irecson.
- Clipa, A.-M., Clipa, C.-I., Danilet, M., & Andrei, A. G. (2019). Enhancing Sustainable Employment Relationships: An Empirical Investigation of the Influence of Trust in Employer and Subjective Value in Employment Contract Negotiations. *Sustainability*, 11. https://doi.org/10.3390/su11184995
- Crosbie, T., & Moore, J. (2004). Work-life Balance and Working from Home. *Social Policy and Society*, *3*(3), 223-233. https://doi.org/10.1017/S1474746404001733
- Danish, R. Q., & Usman, A. (2010). Impact of reward and recognition on job satisfaction and motivation: An empirical study from Pakistan. *International Journal of Business and Management*, 5(2), 159-167. https://doi.org/10.5539/jibm.v5n2p159
- Devendorf, S. (2005). Perceived Similarity to Employees and Organizational Attraction: An Examination in the Retail Industry. *Psychology Ph.D. Dissertations*, *106*, 1-56.
- Fobian, D., & Maloa, F. (2020). Exploration of the reward preferences of generational groups in a fast-moving consumer goods organisation. *SA Journal of Human Resource Management,* 18(0), 1-11. https://doi.org/10.4102/sajhrm.v18i0.1244
- Gerhart, B., & Rynes, S. L. (2003). *Compensation. Theory, Evidence and Strategic implications*. Sage Publications.
- Gomes, D. R., & Neves, J. (2010). Employer branding constrains applicants' job seeking behaviour? *Revista de Psicología del Trabajo y de las Organizaciones, 26*(3), 223-234. https://doi.org/10.5093/tr2010v26n3a6
- Harrington, E., & Emanuel, N. (2021). Working Paper: Working' Remotely? Selection, Treatment, and Market Provision of Remote Work (JMP).

  <a href="https://scholar.harvard.edu/files/eharrington/files/harrington\_imp\_working\_remotel\_v.pdf">https://scholar.harvard.edu/files/eharrington/files/harrington\_imp\_working\_remotel\_v.pdf</a>
- Kantor, R., & Kao, T. (2004). Total Rewards. WorldatWork Journal. Third Quarter, 13(3), 7-14.
  Lowman, G. (2016). Moving Beyond Identification: Using Gamification To Attract and Retain Talent. Industrial and Organizational Psychology, 9(3), 677-682.
  <a href="https://doi.org/10.1017/jop.2016.70">https://doi.org/10.1017/jop.2016.70</a>
- Ludviga, I., Senņikova, I., & Kalviņa, A. (2016). Turnover of public sector employees and the mediating role of job satisfaction: an empirical study in Latvia. Society. Integration. Education. Proceedings of the International Scientific Conference May 27th -28th, IV, 364-378. https://doi.org/10.17770/sie2016vol4.1577
- Panaite N., Neştian, A. Ş., & Iftimescu, A. (2014). *Managementul organizației. Concepte și practici* [Organization management. Concepts and practices]. Sedcom Libris.
- Pregnolato, M., Bussin, M. H. R., & Schlechter, A. F. (2017). Total rewards that retain: A study of demographic preferences. *SA Journal of Human Resource Management*, *15*(1), 1-10. https://doi.org/10.4102/sajhrm.v15.804
- Rahman, K. T., & Zahir Uddin Arif, M. (2021). Working from Home during the COVID-19 Pandemic: Satisfaction, Challenges, and Productivity of Employees. *International Journal of Trade and Commerce-IIARTC*, 9(2), 282-294. https://doi.org/10.46333/ijtc/9/2/3
- Reilly, P. (2010). Total reward is a capital idea. *Strategic HR Review Journal*, 9(1). https://doi.org/10.1108/shr.2010.37209aab.007
- Reshma, P. S., Aithal, P. S., & Acharya, S. (2015). An Empirical Study on Working from Home: A Popular E-Business Model. *International Journal of Advance and Innovative Research*, 2(21), 12-18.
- Rumpel, S., & Medcof, J. W. (2006). Total rewards: good fit for tech workers. *Research Technology Management*, 49(5), 27-35. https://doi.org/10.1080/08956308.2006.11657395
- Schlechter, A., Faught, C., & Bussin, M. (2014). Total rewards: A study of artisan attraction and retention within a South African context. SA Journal of Human Resource Management, 12(1), 1-15. https://doi.org/10.4102/sajhrm.v12i1.648

- Schlechter, A., Hung, A., & Bussin, M. (2014). Understanding talent attraction: The influence of financial rewards elements on perceived job attractiveness. *SA Journal of Human Resource Management*, *12*(1), 1-13. https://doi.org/10.4102/sajhrm.v12i1.647
- Schlechter, A., Thompson, N. C., & Bussin, M. (2015). Attractiveness of non-financial rewards for prospective knowledge workers: An experimental investigation. *Employee Relations*, 37(3), 274-295. https://doi.org/10.1108/ER-06-2014-0077
- Sen, K., & Bhattacharya, A. (2019). Attracting and managing talent, how are the top three hotel companies in India doing it? *Worldwide Hospitality and Tourism Themes*, 11(4), 404-417. https://doi.org/10.1108/WHATT-04-2019-0021
- Tornikoski, C. (2011). Fostering expatriate affective commitment: a total reward perspective. *Cross Cultural Management: An International Journal, 18*(2), 214-235. <a href="https://doi.org/10.1108/13527601111126030">https://doi.org/10.1108/13527601111126030</a>
- Turnea, E.-S. (2017). Teoria și practica recompenselor organizaționale [Theory and practice of organizational rewards]. Tehnopress.
- Vidal-Salazar, M. D., Cordón-Pozo, E., & de la Torre-Ruiz, J. M. (2016). Flexibility of benefit systems and firms' attraction and retention capacities. *Employee Relations*, *38*(4), 487-504. https://doi.org/ 10.1108/ER-07-2015-0152
- WorldatWork (2020). Total Rewards Model Inventory. https://www.worldatwork.org/media/pdf/2020 TRModel Inventory [16197.pdf]