

Autonomy and managerial control in teleworking in SMEs in Spain

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Abstract

This paper investigates the relationship between managerial control and employee autonomy in SMEs in hybrid and full telework settings. Qualitative interviews with 22 employees, managers and directors at two Spanish SMEs in the technology sector compare one operating hybrid working with the other operating full telework. We find high degrees of autonomy present in both SMEs, but significant differences in the nature of managerial control. Managerial control takes multiple forms, and we find that unobtrusive control proliferates, supporting the paradoxical relationship between managerial control and employee autonomy. However, we also find application of overt managerial control in the SME operating full teleworking is embraced in circumstances when applied alongside employee responsible autonomy and where it mitigates telework challenges including relational concerns around isolation and coordination. The findings have implications for SMEs and larger organisations, emphasising the non-linearity of the autonomy-control paradox and the importance of workplace context in realising positive outcomes from blending managerial control and employee autonomy.

Keywords

Autonomy-control paradox, employee autonomy, hybrid telework, isolation, job quality, managerial control, SME, telework, work-life balance.

Introduction

Teleworking has been defined in multiple ways and is often used as an umbrella term that covers overlapping, but distinct, modes of work including remote work, homework, mobile work, distributed work, distance work and virtual work (Wheatley et al., 2021). In this paper we draw on Caillier's definition of telework as a 'flexible work arrangement that affords employees the ability to periodically, regularly, or exclusively perform work for their employers from home or another remote location that is equipped with the appropriate computer-based technology to transfer work to the central organisation' (Caillier, 2012, 462). The COVID-19 pandemic in 2020 prompted a considerable and sudden expansion in teleworking across occupations and sectors, including amongst workers who had not previously engaged in this mode of work. Use was initially mandated on grounds of public health, but organisations and employees soon became aware of the potential advantages offered by telework. Since restrictions ended application of teleworking has continued in many organisations, albeit with the majority utilising a model that combines face-to-face and remote work captured in the moniker hybrid telework. Hybrid telework refers to the larger scale application of work combining time spent at the employer workplace with time spent working remotely from home (Oppong Peprah, 2023), that had been coined in earlier including Halford (2005). The relative efficacy and impacts of the application of teleworking has been investigated in recent contributions (Ikegami et al., 2023; Santos and Pereira, 2023; Wheatley et al., 2023).

Less is known about the specific case of teleworking applications in small and medium sized enterprises (SMEs) including the balance between autonomy and managerial control. SMEs are central to the health of the European economy with it estimated that 99% of companies in Europe are SMEs (Cordina, 2023). SMEs employ around 100 million workers across Europe and the annual contribution of SMEs to the European economy is valued at €4.1 trillion (European Commission, 2023). Spain has a total of 2.6 million SMEs, third to Italy and France in the European Union (Muller et al., 2022). Past evidence has indicated that SMEs can encounter difficulties in implementing flexible working and this can limit availability and use, including as a result of: (1) limited number of job positions; (2) lack of resources, (3) informal management systems, and; (4) limited knowledge capital held by managers to enact flexibility (Dex and Scheibl, 2002; Maxwell et al., 2007). The flexibility offered by developments in digital technologies in recent years has offered several advantages to SMEs from the application of flexibility in work including access to a less geographically restricted labour pool, greater flexibility in contracting employees, and the potential to reduce overheads by adopting hybrid and/or full teleworking (Wheatley et al., 2021).

The objective of this study is to compare autonomy and managerial control in two SMEs in the technology sector in Spain that perform different types of teleworking, full and hybrid. The study adopts a case study with a qualitative methodology capturing data from two SMEs from the technology sector in Spain that fall into the small enterprise category. The parameters chosen to carry out the analysis and formulate the questions of this research are determined by themes that existing research into teleworking have identified as central to the efficacy of this modality of work, drawing on literature on job quality (Felstead et al., 2019) and the autonomy-control paradox (Putnam et al., 2014; Bader and Kaiser, 2017). This study aims to answer the following research questions in the context of SMEs operating in Spain:

1. How is employee autonomy manifest in full telework versus hybrid telework?
2. How do methods of managerial control impact the efficacy of telework in full and hybrid telework modalities?
3. How is job quality and work-life balance impacted by the balance between autonomy and control in full telework versus hybrid telework?

Method

Research context

This study adopted a qualitative design utilising in-depth interviews with employees, managers and directors at two Spanish SMEs, consistent with other studies exploring autonomy and managerial control in teleworking (e.g., Schou et al., 2024). The selected SMEs belong to the technology sector, a sector in which teleworking is particularly prominent (Dingel and Neiman, 2020). Both are small enterprises with a staff of n=11. The comparison between two SMEs with similar characteristics and different ways of implementing telework, one adopting full telework and the other a hybrid model, allows a rich exploration of the two telework modalities.

To carry out the qualitative analysis, individual semi-structured interviews were conducted through the Microsoft Teams video conferencing tool. To understand the experiences of employees engaged in teleworking in the two SMEs, contextual interviews were first conducted with the Directors of both companies to understand their level of involvement in the development of teleworking arrangements and the support they gave their workers. Subsequently, semi-structured interviews were

conducted with 20 employees, reflecting the entire workforce of the SME adopting full telework (11 employees) and at the SME adopting hybrid telework 9 employees were interviewed, accounting for all but two employees who were unavailable at time of data collection. Both SMEs have relatively flat structures given their size. All employees are engaged in highly skilled occupations with roles including Project Manager, Data Scientist, Programmer and Software Designer. Several workers in both SMEs have management/leadership responsibilities although not all with a specific people management focus. Roles include Client Area Director, Commercial Director and Business Development Manager.

All interviews were conducted in Spanish and translated by a native Spanish speaker. The interviews lasted 45-60 minutes and were conducted in July 2023. Interviews began with an introduction outlining the study purpose. After this, questions were asked to get to know the interviewee and to contextualize the interview, and discussion was then oriented towards their employment. The focus then turned to questions organised around the exposed dimensions drawn from existing literature on teleworking, job quality and autonomy-managerial control, with a series of starter questions that allowed freedom to be reflexive to emerging themes and some tailored lines of questioning for the full teleworking and hybrid teleworking cases respectively. The text data was coded into thematic sub-groups and analysed using a set of identified deductive themes with additional 'reflexive' themes emerging during the analysis.

Initial Findings

Both companies have adopted teleworking, but with different modalities and, in turn, differing forms of flexibility present. The SME adopting a full telework approach reported working hours typically of 8-9am to 5-6pm, including a lunch break, although evidence was found of greater informal flexibility in hours worked. The SME operates two virtual rooms where their employees connect during the entire working day. The second SME operates a hybrid telework approach in which telework on Mondays and Fridays is combined with onsite presence at the employer office on Tuesdays, Wednesdays and Thursdays, although there is some flexibility over this arrangement with days varied in some cases on individual-level agreements. Working hours are typically from 10am to 6pm, including a lunch break.

RQ1. How is employee autonomy manifest in full telework versus hybrid telework?

Although employing two distinct modalities of telework, both SMEs offer high degrees of employee autonomy. That said autonomy is realised within prescribed teleworking routines, especially in the SME adopting full telework, although a relative fixity in working hours is driven partly by Spanish legal requirements over recording of working hours. In both SMEs employees did report greater flexibility in practice than the routines specified with evidence of both informal and more formalised individual-level agreements. Employees in the SME adopting hybrid telework separate teleworking days from the collaborative sphere, using remote working days to carry out autonomous and individual work and almost exclusively leave meetings and collaborative tasks for the days of onsite work. In addition, among the personal experiences of the participants, while we note the differing nature of the tasks completed in the respective SMEs and by individual employees, the perception of autonomy and flexibility in the approach to their tasks is a consistent feature.

RQ2. How do methods of managerial control impact employee experiences of work in full and hybrid telework?

While autonomy is relatively consistent in its presence in both SMEs adopting their respective modes of telework, differences are found in methods of managerial control and their impacts. Virtual rooms where employees keep their webcams on throughout the working day are a feature in the SME adopting full telework. Counter to expectations we find that this approach, which on the surface could be viewed as a method of enacting high degrees of managerial control through constant surveillance, is perceived by employees in a positive manner. Employees view the virtual rooms as a way of eliminating or at least counteracting feelings of isolation from teleworking as they remain in contact and can see and access their colleagues throughout the working day. We find that in addition to the relational benefits of the virtual room, this approach is viewed positively by workers as a method of enhancing their productivity and contribution, through enabling more fluid interactions that support problem solving and progression of tasks.

Employees engaging in hybrid telework compared onsite situations in the office with teleworking. They reported control as being relatively absent, at least in overt forms, with several noted unobtrusive mechanisms in place. The SME adopting hybrid work use a tool called Slack to coordinate telework days. While having a monitoring function, importantly, this tool provides greater employee control over the management of status compared with other remote working tools such that they can determine when they appear as connected or disconnected. The added autonomy afforded by this tool supports employees to mould their working routines and engage with control on their own terms.

The approaches to managerial control differ considerably, however, consistent in both companies is that while employees understand the systems and tools employed as reflecting forms of managerial control, they do not perceive them as having a core controlling function *per se*, but instead as necessary tools that facilitate them performing in their roles when working remotely, while offering other benefits including to work-life balance (especially in hybrid telework), relationships (especially in full telework) and productivity (both SMEs).

RQ3. How is job quality and work-life balance impacted by the balance between autonomy and control in full telework versus hybrid telework?

Overall, we find that job quality is positively impacted by both telework modalities through the afore noted flexibility and autonomy experienced by employees. In exploring job quality with the interviewees three key themes emerged: (1) an intensification of work as a trade-off for experienced flexibility and autonomy that has implications for work-life balance; (2) the workplace context of the SMEs facilitating positive outcomes including the flatter hierarchies and associated internal dynamics present, and (3) the role of trust and support from leaders and good manager-employee relationships in creating a positive organisational climate.

Conclusions

The objective of this study was to compare autonomy and managerial control in two SMEs in the technology sector in Spain that have adopted full and hybrid teleworking. This study contributes to existing research on telework and debates around autonomy and control in several ways: (1) the empirical analysis identifies consistencies and

distinctions in the autonomy and control experienced by employees engaged in full telework and hybrid telework, and its relative impacts; (2) the evidence uncovers a complex interplay between autonomy and control, including application of unobtrusive forms of control alongside employee autonomy, and evidence of intensive and overt managerial control being recognised as offering dual benefits for employer and employee in specific contexts, and; (3) we find despite some commonly identified challenges, e.g., risk of isolation and increased work intensity, the work practices and workplace context within SMEs including flatter hierarchies and good manager-employee relationships facilitates win-win outcomes in applications of teleworking supporting job quality and employee work-life balance.

Disclosure statement

No potential conflict of interest was reported by the author(s).

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