


**REMOTE WORK IMPLICATIONS ON PRODUCTIVITY OF WORKERS IN THE SAUDI FINANCIAL SECTOR**

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ARTICLE INFO	ABSTRACT
<p><b>Article history:</b></p> <p><b>Received</b> 31 January 2023</p> <p><b>Accepted</b> 05 April 2023</p>	<p><b>Purpose:</b> The aim of this study is to evaluate how remote work affects workers' productivity in the Saudi financial sector. It tries to analyze the interrelation of workers' productivity when working remotely with job satisfaction and work management. Moreover, the paper tries to shed light and reflect widely on the cons and pros of remote work.</p>
<p><b>Keywords:</b></p> <p>Remote Work; Financial Sector; Productivity; Job Satisfaction; Management; Digitalization.</p>	<p><b>Theoretical Framework:</b> Remote work is one of the digital transformation consequences, it is a new form of work that allows workers to work away from the employer's primary workplace. The framework of the study is adopted from the association of workers productivity with (1) working remotely, (2) job satisfaction and (3) remote work management. This framework aims to provide the magnitude of these three variables on the productivity of workers in the Saudi financial sector.</p> <p><b>Research Methodology:</b> Primary data collected by conducting a survey, which covers a sample consisting of 1270 respondents from banks, financial, and insurance companies in Saudi Arabia. Secondary data is obtained from previous scientific studies, official reports issued by the Saudi Central Bank (SAMA), and other related international institutions.</p>
	<p><b>Findings:</b> The Results of the descriptive and inferential analysis showed that there is a positive effect and association of workers' productivity by job satisfaction, remote work, and work management during working remotely. As workers in the financial sector feel satisfied with their job due to remote work, their productivity increases. Analysis of remote work advantages revealed that remote work raises the sense of responsibility of staff, promoting self-censorship. Moreover, remote work contributes to balance in work and life, serenity, and enhances the psychological and physical comfort of the employee, consequently, it increases workers' productivity. While physical isolation, lack of communication between co-workers, and low levels of learning due to limited direct contact between colleagues and clients can also challenge building social relationships at work and negatively affect the workers' productivity.</p> <p><b>Research, Practical &amp; Social implications:</b> This study can be generalized and undertaken to improve the application of remote work as a new pattern of work in the financial sector, benefiting from its advantages and tackling its drawbacks. Moreover, design work strategies and restructure the work policies to include the remote work beside the traditional presentism work. In addition to introduce new management system compatible for remote work and specialized training programs, ensuring efficient communication to enhance employee productivity.</p> <p><b>Originality/value:</b> This study addresses an important contemporary issue in the field of work and productivity, remote work. It is a pioneer empirical study which focused on the linkage between remote work and workers productivity in the Saudi financial</p>

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sector. It presents comprehensive conceptional framework and literature review and provides empirical results and policy implications for decision makers in the Saudi financial sector and related sectors.

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## IMPLICAÇÕES DO TRABALHO REMOTO NA PRODUTIVIDADE DOS TRABALHADORES DO SETOR FINANCEIRO SAUDITA

### RESUMO

**Objetivo:** O objetivo deste estudo é avaliar como o trabalho remoto afeta a produtividade dos trabalhadores no setor financeiro saudita. Procura analisar a inter-relação da produtividade dos trabalhadores no trabalho remoto com a satisfação no trabalho e a gestão do trabalho. Além disso, o artigo tenta lançar luz e refletir amplamente sobre os prós e contras do trabalho remoto.

**Enquadramento Teórico:** O trabalho remoto é uma das consequências da transformação digital, é uma nova forma de trabalho que permite aos trabalhadores trabalhar fora do local de trabalho principal do empregador. O enquadramento do estudo é adotado a partir da associação da produtividade dos trabalhadores com (1) trabalho remoto, (2) satisfação no trabalho e (3) gestão do trabalho remoto. Este quadro visa fornecer a magnitude dessas três variáveis na produtividade dos trabalhadores do setor financeiro saudita.

**Metodologia da pesquisa:** Dados primários coletados por meio de uma pesquisa, que abrange uma amostra composta por 1.270 entrevistados de bancos, financeiras e seguradoras da Arábia Saudita. Dados secundários são obtidos de estudos científicos anteriores, relatórios oficiais emitidos pelo Banco Central Saudita (SAMA) e outras instituições internacionais relacionadas.

**Resultados:** Os resultados da análise descritiva e inferencial mostraram que há um efeito positivo e associação da produtividade dos trabalhadores pela satisfação no trabalho, trabalho remoto e gestão do trabalho durante o trabalho remoto. À medida que os trabalhadores do setor financeiro se sentem satisfeitos com seu trabalho devido ao trabalho remoto, sua produtividade aumenta. A análise das vantagens do trabalho remoto revelou que o trabalho remoto aumenta o senso de responsabilidade dos funcionários, promovendo a autocensura. Além disso, o trabalho remoto contribui para o equilíbrio entre trabalho e vida, serenidade e melhora o conforto psicológico e físico do funcionário, consequentemente, aumenta a produtividade dos trabalhadores. Embora o isolamento físico, a falta de comunicação entre colegas de trabalho e os baixos níveis de aprendizado devido ao contato direto limitado entre colegas e clientes também possam desafiar a construção de relacionamentos sociais no trabalho e afetar negativamente a produtividade dos trabalhadores.

**Pesquisa, implicações práticas e sociais:** Este estudo pode ser generalizado e realizado para melhorar a aplicação do trabalho remoto como um novo padrão de trabalho no setor financeiro, aproveitando suas vantagens e eliminando suas desvantagens. Além disso, desenhar estratégias de trabalho e reestruturar as políticas de trabalho para incluir o trabalho remoto ao lado do trabalho presencial tradicional. Além de apresentar novo sistema de gestão compatível com trabalho remoto e programas de treinamento especializado, garantindo comunicação eficiente para aumentar a produtividade dos colaboradores.

**Originalidade/valor:** Este estudo aborda uma importante questão contemporânea no campo do trabalho e da produtividade, o trabalho remoto. É um estudo empírico pioneiro que se concentrou na ligação entre o trabalho remoto e a produtividade dos trabalhadores no setor financeiro saudita. Ele apresenta uma estrutura conceitual abrangente e revisão da literatura e fornece resultados empíricos e implicações políticas para tomadores de decisão no setor financeiro saudita e setores relacionados.

**Palavras-chave:** Trabalho Remoto, Setor Financeiro, Produtividade, Satisfação no Trabalho, Gestão, Digitalização.

## IMPLICACIONES DEL TRABAJO A DISTANCIA EN LA PRODUCTIVIDAD DE LOS TRABAJADORES EN EL SECTOR FINANCIERO SAUDÍ

### RESUMEN

**Propósito:** El objetivo de este estudio es evaluar cómo el trabajo remoto afecta la productividad de los trabajadores en el sector financiero saudita. Se trata de analizar la interrelación de la productividad de los trabajadores cuando trabajan a distancia con la satisfacción laboral y la gestión del trabajo. Además, el documento intenta arrojar luz y reflexionar ampliamente sobre los pros y los contras del trabajo remoto.

**Marco teórico:** El trabajo remoto es una de las consecuencias de la transformación digital, es una nueva forma de trabajo que permite a los trabajadores trabajar lejos del lugar de trabajo principal del empleador. El marco del estudio se adopta a partir de la asociación de la productividad de los trabajadores con (1) el trabajo a distancia, (2)

la satisfacción laboral y (3) la gestión del trabajo a distancia. Este marco tiene como objetivo proporcionar la magnitud de estas tres variables sobre la productividad de los trabajadores en el sector financiero saudita.

Metodología de investigación: datos primarios recopilados mediante la realización de una encuesta, que cubre una muestra compuesta por 1270 encuestados de bancos, compañías financieras y de seguros en Arabia Saudita. Los datos secundarios se obtienen de estudios científicos previos, informes oficiales emitidos por el Banco Central Saudita (SAMA) y otras instituciones internacionales relacionadas.

**Hallazgos:** Los resultados del análisis descriptivo e inferencial mostraron que existe un efecto positivo y una asociación de la productividad de los trabajadores con la satisfacción laboral, el trabajo remoto y la gestión del trabajo durante el trabajo remoto. A medida que los trabajadores del sector financiero se sienten satisfechos con su trabajo debido al trabajo remoto, su productividad aumenta. El análisis de las ventajas del trabajo remoto reveló que el trabajo remoto eleva el sentido de responsabilidad del personal, promoviendo la autocensura. Además, el trabajo remoto contribuye al equilibrio en el trabajo y la vida, la serenidad y mejora la comodidad psicológica y física del empleado, en consecuencia, aumenta la productividad de los trabajadores. Si bien el aislamiento físico, la falta de comunicación entre compañeros de trabajo y los bajos niveles de aprendizaje debido al contacto directo limitado entre colegas y clientes también pueden dificultar la construcción de relaciones sociales en el trabajo y afectar negativamente la productividad de los trabajadores.

**Implicaciones de investigación, prácticas y sociales:** este estudio puede generalizarse y emprenderse para mejorar la aplicación del trabajo remoto como un nuevo patrón de trabajo en el sector financiero, beneficiándose de sus ventajas y abordando sus inconvenientes. Además, diseñar estrategias de trabajo y reestructurar las políticas de trabajo para incluir el trabajo remoto junto al trabajo de presentismo tradicional. Además de introducir nuevo sistema de gestión compatible para trabajo remoto y programas de formación especializados, asegurando una comunicación eficiente para mejorar la productividad de los empleados.

**Originalidad/valor:** Este estudio aborda un tema contemporáneo importante en el campo del trabajo y la productividad, el trabajo remoto. Es un estudio empírico pionero que se centró en el vínculo entre el trabajo remoto y la productividad de los trabajadores en el sector financiero saudita. Presenta un marco conceptual completo y una revisión de la literatura y proporciona resultados empíricos e implicaciones políticas para los tomadores de decisiones en el sector financiero saudí y sectores relacionados.

**Palabras clave:** Trabajo Remoto, Sector Financiero, Productividad, Satisfacción laboral, Gestión, Digitalización.

## INTRODUCTION

Remote work is one of those new forms of work where employees work away from their employer's main workplace, it has been implemented across different economic sectors globally. There are two forms of remote work: full and partial work outside the premises of the organization. In most cases, remote work refers to working from home (RW). Efficient teamwork does not require all members to be present physically, and it is, currently, possible to have members of a team thousands of miles apart while preserving the harmony and efficiency of the team (ILO, 2020). Saudi Arabia is a leading country in adopting and developing digital technologies for different working systems (including remote work). There is a significant positive correlation of leadership, work environment, alignment with IT processes and company performance on the digital transformation in Saudi Arabia (Alasiri et al. (2022). The RW was supported by the availability of strong technological infrastructure and high technological systems of production, not to forget the high capacity of financial workers to adapt to this shift. The transition of financial institutions to foster this new form of work has certainly impacted the productivity and efficiency of these institutions, and the sectoral level.

Assessment of remote work implications on employee productivity in the Saudi financial sector presents the rationale of this paper. In the light of the limited empirical studies which addressed the remote work in the Saudi financial sector, comes this study to bridge the theoretical and empirical gap in this field. The main objective of this paper is to analyze how remote work affects the workers' productivity in the Saudi financial sector, describe the interrelation of remote work with the worker's productivity and job satisfaction, and reflect on the cons and pros of remote work based on views of Saudi financial sector employees. To pursue these objectives, a primary hypothesis was formulated which states "Remote work increases workers' productivity in the Saudi financial sector". Another hypothesis is concerned with the positive effect of job satisfaction and remote work management on the productivity of employees who work remotely. This paper consists of six sections. The first section includes the introduction, followed by the relevant literature in the second section. The third section discusses the data collection strategies, and the underlying methodology, results and findings will be discussed in section four. The discussion of results and findings presented in section five, ending the paper with the conclusion and further recommendations.

## LITERATURE REVIEW

Empirical evidence from earlier recent studies revealed a positive association between workers' productivity as working remotely and job satisfaction. (Jayamaha and Mula, 2011) showed that productivity as a measure was highly correlated to both performance and effectiveness. However, effectiveness and performance can also be related to the ability of the employees to act in fulfillment of what expected of them and measure their output for quality. (Jex and Britt, 2014) discussed that productivity encapsulates the cost of achieving reliable performance. As productivity keeps increasing, it can be considered a benefit for the individual employee by achieving higher efficiency. In general, productivity relies on many factors that can influence levels of workers' productivity, as nowadays remote workers have more freedom to choose where and when to execute their work. Various studies have investigated the effect of e-working on productivity ((Dutcher, 2012); (Laihonen et al., 2012); (Bloom et al., 2015); (Gambardella et al., 2015); (Battiston et al., 2017); (Beno, 2018); (Iazzolino and Laise, 2018); (Palvalin, 2019)). As the connection between working from home and workers' productivity has been the topic of some studies, which showed a positive influence on the productivity of workers' ((Bailyn, 1988); (Olson, 1989); (Dubrin, 1991); (Hill et al.,

1998); (Bélanger, 1999); (Meyer et al., 2001); (Martínez-Sánchez et al., 2008); (Whyman et al., 2015); (Monteiro et al., 2019).

Touching upon the effect on productivity either at the worker or firm level, whereas the empirical evidence overwhelmingly points toward the positive effect of remote work, still, many recent lab experiments provided evidence of negative or, at best, mixed (Bailey and Kurland, 2002); (Gajendran and Harrison, 2007); (Dickinson and Villeval, 2008); (Dutcher, 2012), and (Allen et al., 2015);(Battiston et al., 2017); (Choudhury et al., 2019); (Brueggen, et al., 2019); (Michal and Hvorecky, 2020), (Lemieux et al., 2020); (Akbar et al., 2020). Susanto et al.( 2022), found that the work motivation and work environment have a significant and positive effect on performance, which partially each variable workload, work motivation and work environment affect the performance, but work motivation variables have a very dominant impact on the employee performance, while the work environment and also workload have a significant and positive effect on the work motivation. Mas and Moretti (2009) documented that remote work can limit the possibility of synergies between peers, as well as the advantages of teamwork, including the impact of high-performing workers on other workers and for that policymakers are increasingly calling for more flexible work arrangements to allow labors to better manage their work-life balance (European Commission, 2017). According to the JD-R model,<sup>13,14</sup> job, and personal resources affect workers' well-being and productivity. One of the most prominent job resources of remote work is job autonomy. However, autonomy is positively associated with productivity. (Galanti, et al.,2021).

## **MATERIAL AND METHODOLOGY**

To achieve the aims of this research, primary and secondary data are collected from both primary and secondary data. Primary data is collected using surveys, while secondary data is obtained from previous scientific studies, official reports issued by the Saudi Central Bank (SAMA), and other related international institutions.

The survey targeted both public and private financial institutions in Saudi Arabia. It covered both males and females of different occupations. Moreover, the survey investigated the effects of years of experience, level of education, and pattern of work remotely and from the office on productivity. The sampling methodology of this survey is a stratified random sample, which is a method of sampling that involves the division of a population into smaller sub-groups known as strata, it involves the random selection of data from an entire population, so each possible sample is equally likely to occur (Hayes, 2020). The survey sample covered

three segments of workers in the financial sector in Saudi Arabia namely: banks, insurance companies, and financial companies, and it is proportional to the segment size. The survey sample consisted of 12 banks, 43 financial companies, and 30 insurance and reinsurance companies. The survey sample comprised 1270 respondents who answered all the survey questions with no missing values. The questionnaire consisted of two parts; the first part was about the basic information of the respondents, and the second part comprised 29 questions that covered workers' productivity, job satisfaction, and remote work management. Five Likert Scale is applied to the statements of the questionnaire, starting from "strongly agree" to "strongly disagree". In addition to the previous sections of the questionnaire, four questions as follows; (two questions about positive and negative aspects of remote work, the third question is about the respondents' productivity evaluation while working remotely compared to office work, and the last question inquired respondents about their preference to continue remote work).

Before data analysis, the validity and reliability of the scales were evaluated. Two types of validity tests were used, face validity and content validity, while internal consistency was used to measure the reliability of the survey questions. The research used two types of analysis: descriptive and inferential analysis. In addition to conducting correlation analyses, one-sample t-tests, and multi-regression analysis.

The null hypothesis ( $H_0$ ) and (two-tailed) alternative hypothesis ( $H_1$ ) of the one-sample t-test are expressed as:

- $H_0: \mu = \mu_0$  ("the calculated mean is equal 3.4).
- $H_1: \mu \neq \mu_0$  ("the calculated mean is not equal to 3.4).

where  $\mu$  is the calculated mean and  $\mu_0$  is the proposed mean (3.4).

The regression model constructed in this study consisted of a dependent variable workers' productivity ( $Y$ ) and three explanatory variables: remote work ( $X_1$ ), job satisfaction ( $X_2$ ), and remote work management ( $X_3$ ). To carry out the linear regression analysis, the data of the three variables; workers' productivity, job satisfaction, and remote work management were transformed from ordinary data to continuous data, by calculating the sum of each one of the variables clusters' values using the SPSS statistical program. The remote workers variable is used as a proxy for the remote work variable. Dummy variables are given for remote workers (permanent and partial) =1, and 0= for ordinary workers.

Regression model:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \mu \quad (1)$$

$\alpha$  = constant term of the model

$\beta_1, \beta_2, \beta_3$  = coefficients of the independent variables that measure how much the dependent variable varies with an independent variable when all other independent variables are held constant. Where;

$\mu$  = error term.

Y = Workers' productivity due to remote work (Dependent variable).

Independent variables:

$X_1$  = Remote work

$X_2$  = Job satisfaction due to remote work.

$X_3$  = Remote work management.

## RESULTS AND DISCUSSION

This section covered the survey analysis using the Statistical Package of Social Science (SPSS) program, it also covered the validity and reliability analysis of the survey questions, descriptive analyses of the study sample, correlation coefficients of the model variables, and the multi-regression model used to test the study hypothesis presented.

Table 1 Validity and reliability

No.	Section	Cronbach Alpha Coefficient	Number of items
1	Workers' Productivity.	0.793	10
2	Job satisfaction.	0.843	8
3	Remote work management.	0.742	11
4	All sections	0.864	29

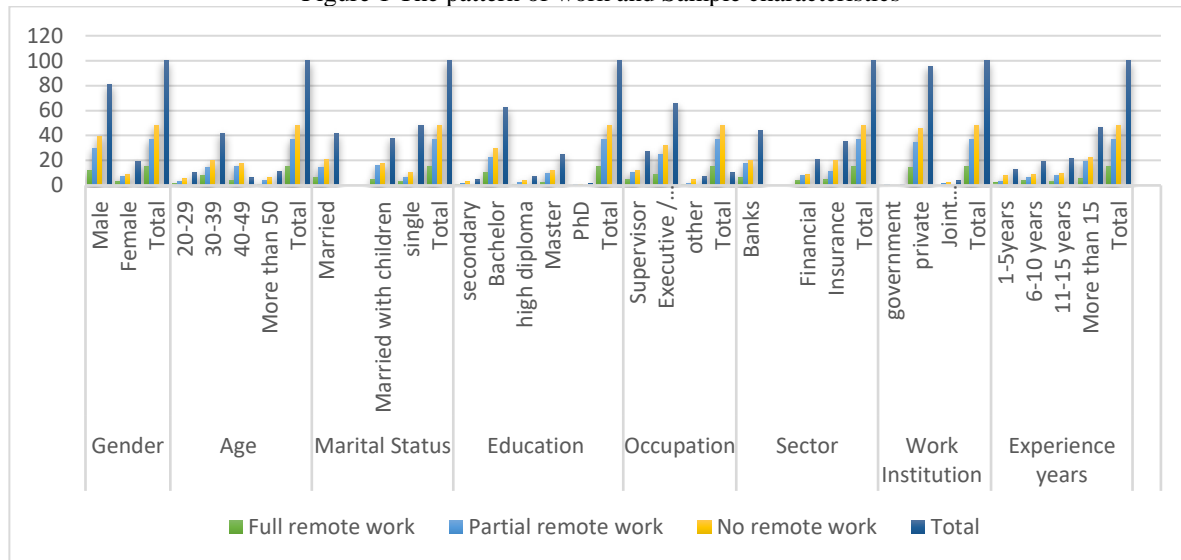
Source: Authors' calculations based on the survey analysis.

Table 1 shows the reliability test using Cronbach Alpha coefficients for the three sections of the survey questionnaire that measure workers' productivity, job satisfaction, and remote work management. Cronbach Alpha coefficients varied among survey sections, with the highest coefficient for job satisfaction. Cronbach Alpha coefficient for the twenty-nine questions of the survey is (0.86). The results revealed that the reliability of the overall questionnaire is high, about 86%, compared to the acceptable level of 70%.

Figure 1 displays the demographic characteristics of the survey sample that correspond to the patterns of work (full remote work, partially remote work, or no remote work). Results showed that: workers with full remote work represented 15%, while workers with partial

remote work and no remote work constituted 37% and 48%, respectively. The total number of workers working remotely, full and partial constituted more than 50% of the sample.

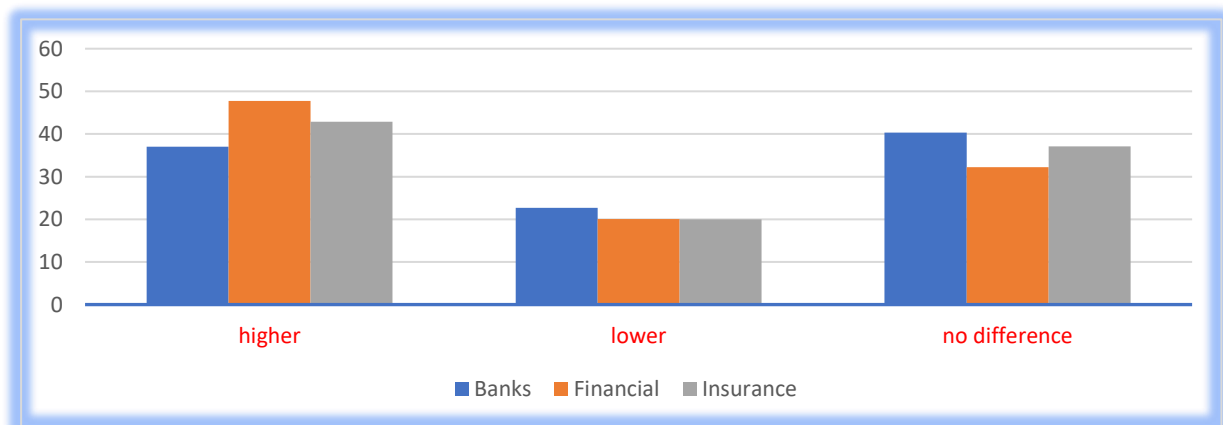
Figure 1 The pattern of work and Sample characteristics



Source: Authors' calculations based on the survey analysis.

As shown in Figure 2, the highest proportion of workers in the financial and insurance companies believed that their productivity is higher due to remote work compared to working from the office, whilst the highest proportion of workers in the banks thought there is no difference. The lowest proportion of workers in the three sectors thought their productivity is lower while working remotely compared to working from the office.

Figure 2 Productivity due to remote work



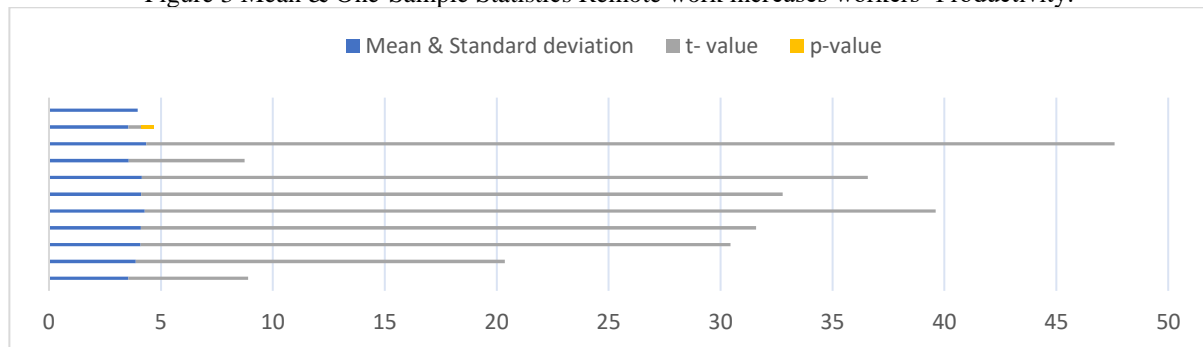
Source: Authors' calculations based on the survey analysis.

Figure 3 displays the mean, standard deviation, and one-sample t-test analysis of remote work increases worker productivity. Regarding the Likert length scale adopted by this study,



the mean of all the section’s statements ranges between the score levels Agree and Strongly Agree. The overall mean of all statements is (3.9620) which is of score level Agree, thus, it is in the range (3.41-4.20) set in this study as score level Agree. Depending on this result, we can say that participants believe that remote work increases workers’ productivity. A one-sample t-test had been conducted to test the hypothesis “Remote work increases workers’ productivity”. The results implied that there is a significant statistical difference between the means of statements and the hypothesized mean of the study 3.40; however, the difference between the upper level and lower level is 95%. The Confidence Interval of all statements is less than one digit, which is considered a significant difference. Also, the p-value of all the section statements is less than 0.05, except for the last statement is insignificant equal to 0.558. However, this is an insignificant statement that addresses productivity in the long run.

Figure 3 Mean & One-Sample Statistics Remote work increases workers’ Productivity.



Source: Authors’ calculations based on the survey analysis..\* N =1270, the total number of respondents.

Using Pearson correlation analysis, table 3 illustrates that there is a positive significant relationship between variable workers’ productivity”, and the three variables “remote work, job satisfaction, and remote work management”. The highest correlation is with job satisfaction (0.59), while three is a weak positive correlation with the other two variables.

Table 2: Correlation Coefficients

		Workers’ Productivity	Remote work	Job satisfaction	Remote work management
Employees’ Productivity	Pearson Correlation	1	0.140	0.591	0.289
	Sig. (2-tailed)		0.000	0.000	0.000

Source: Authors’ calculations based on the survey analysis.

Table 3: Model Summary (ANOVA)& Regression Coefficients

Variable	Coefficient	T	Significance
Constant	12.003	10.820	.000

Remote work (X <sub>1</sub> )	1.144	4.769	.000
Job Satisfaction (X <sub>2</sub> )	0.522	23.235	.000
Remote Work Management (X <sub>3</sub> )	0.157	6.581	.000
Dependent variable (Employees productivity) 95% confidence interval			
R	R square	Adjusted R Square	F test
0.621 <sup>a</sup>	0.386	0.384	244.355 sign (0.000)
			Durbin-Watson
			1.966

Source: Authors' calculations based on the survey analysis.

A multiple regression model is generated to explain the effect of the study explanatory variables; remote worker (X<sub>1</sub>) job satisfaction (X<sub>2</sub>), and remote work management (X<sub>3</sub>) on the dependent variable, workers' productivity of working remotely, (Y). Analysis of the regression model is illustrated in Table 4. The estimated multiple regression model is:

$$Y = 12.003 + 1.144 X_1 + 0.522 X_2 + 0.157 X_3 \quad (2)$$

The regression analysis showed that the model predictors are statistically significant at a 95% significant level, thus the p-value of the three explanatory variables is less than 0.05. This statistical result indicates that a unit increase in remote work, job satisfaction, and remote work management will cause increases in the productivity of workers by 114%, 52%, and 16% respectively. Based on this result, we can reject the null hypothesis (H<sub>0</sub>) and accept the alternative hypothesis (H<sub>1</sub>) which states that workers' productivity is positively affected by remote work, job satisfaction, and remote work management.

The correlation coefficient (r) which is less than 0.6 showed a positive medium association between the model variables, indicating that there is no multicollinearity between the study predictors or independent variables of the model. The determination coefficient R square means that 39% of the change in workers' productivity is explained by remote work, job satisfaction, and remote work management. F-test analysis which tells whether a group of variables are jointly significant and the overall regression model is a good fit for the data, the results showed that the model is statistically significant, since the p-value of F statistic is less than Alpha level (0.05), concluding that the overall parameters (β<sub>1</sub>, β<sub>2</sub>, β<sub>3</sub>) are statistically significant. Durbin-Watson (DW) test, which is a measure of Autocorrelation (also called serial correlation) in residuals from regression analysis, the results indicated that there is no autocorrelation among the residuals in the model since the value of DW is 1.966 is close to 2.

The distribution of the research sample in gender terms reflects the actual distribution of the workers in the financial sector in Saudi Arabia, males represent 82% and females represent 18%. This distribution put more emphasis upon the decision-makers to hire more females in this sector. Particularly, in recent years, huge numbers of higher education females who graduated from related majors joined the financial field. The age distribution of the sample turns out to show that most of the workers in the Saudi financial sector are young. This gives hints showing the high ability to adopt the new technologies and work system consistent with the digital requirements and involved new patterns of work like partial and remote work. A very optimistic sign generated from the research sample is the education level of the workers in the financial sector, those with bachelor's and higher degrees constituted 95% of the sample. In addition, most of the workers in the financial sector have long experience and there is high retention of workers in the same field. This is consistent with Human capital theory, that there is a strong positive association between the education and productivity of workers. Since the high capability of the workers in the financial sector to master their work duties required technological knowledge besides their knowledge of how to perform work duties whether it is in the workplace or remote work. These give the high opportunity of this sector to adopt remote work as a pattern of work along with the work from the office.

The proportional distribution of workers who practice full and partial remote work among the banks, financial companies, and insurance companies implies that financial companies are the highest sector that adopted remote work compared to banks and insurance companies. This may refer to the nature of the financial companies' operations which can be conducted remotely, making use of digital and technological software. Referring to the preferences of the workers in the three financial sectors to continue remote work, the results reflected that the highest percentage of participants preferred the hybrid work option, as a pattern of work in the future. This indicates that remote work (partially) is an accepted and preferred type of work for a large segment of the financial sector workers. This result is consistent with the findings of the Economist's aggregation of nationally representative employee surveys (2021), indicating that the highest percentage of the respondents from different countries in the survey believed that their productivity increased due to working from home. And with the findings of (Bloom et al., 2015) who found a positive impact of remote work in a single firm in China, using measures of objective individual productivity.

The matrix correlation of the research indicators (worker's productivity, remote work job satisfaction, and work management) revealed that as workers in the financial sector feel

satisfied with their job due to remote work, their productivity, consequently, will increase, and this will lead to higher competitiveness and efficiency of the institution. The findings of ((Beauregard et al., 2019), and (O'Neill et al., 2009)) advocate this result. However, both studies recommended that organizations make some guidelines such that to prepare their workers for remote work and provide them with the necessary support to increase their productivity. This is considered a logical relation because challenges usually create obstacles to the increase of labor productivity, job satisfaction, and institution competitiveness and efficiency. ((Brooks et al., 2020), (Ozcelik and Barsade, 2018), (Cacioppo et al., 2006)) agreed with these results, that the remote work drawbacks like physical distance and loneliness are negative effects on the effective commitment of employees, affiliative behaviors, and consequently performance.

According to the mean and one-sample t-test analysis of the research hypothesis that remote work increases workers' productivity, all statements of the construct were of the score "agree" and two of the score "strongly agree". Autonomy and responsibility of remote workers are important to increase their productivity, as it is strongly agreed by the survey participants, and present very important aspects for the success of remote work in financial institutions. Remote work requires a high level of self-autonomy; hence, there is no direct monitoring from the managers of the subordinates as the case is at the workplace. Similarly, there is strong agreement that works institution provides technical support like computers and technical programs for remote work that increases workers' productivity. This digital development facilitated the process of working remotely by the financial sector employees.

Digital developments are pushed by the innovations and introduction of new technologies and programs which assisted the success of remote work tasks. The findings of ((Bloom et al., 2021), and (Jerbashian and Vilalta-Bufi, 2020)) supported this research result. According to the analysis, workers of the financial institutions agree that remote work enables the employment of highly skilled and efficient workers from outside the region or the country. This is considered one of the important consequences of remote work and assists the improvement of the institution's competitiveness. This is endorsed by the (OECD, 2020) which suggests that the governments should formulate policies that help employees and employers make a smooth transition into the virtual workspace.

The results of regression analysis indicated that rewards and job satisfaction have a positive significant impact on productivity. In addition to work, management affects productivity positively in the Saudi financial sector. New skills, competencies, and attitudes are needed to navigate today's changing workplace priorities and result in a positive impact on productivity. The performance evaluation must be done according to performance, skills, knowledge, and abilities. The survey results record that the manager in the Saudi financial institutions reported that the most important factor that affects the monitoring and evaluation of remote work workers' needs are, effective communication of workers, special methods for monitoring and supervision of workers, electronic documentation of all job activities and procedures, obvious work goals and tasks for workers. Evaluation of remote workers depends on different criteria, the most important of which are productivity and achievement of job tasks, not work hours.

## CONCLUSION

The paper addresses the effect of remote work (full and partial) on productivity. In addition, it highlights the main challenges, and obstacles facing the financial institutions in Saudi Arabia in 2021 as a result of adopting remote work. Based on the results of analyzing the survey sample which consists of 1270 respondents from banks, financial companies, and insurance institutions. Workers' productivity is affected positively by job satisfaction, remote work, and management when working remotely. Besides, remote work requires higher levels of management since obstacles and challenges are hindering remote work in the financial sector. The research outcome reveals that digital developments and the innovation of modern systems promote remote work in the financial sector. Similarly, the analysis of remote work advantages shows that remote work raises the staff's sense of responsibility, promoting self-censorship, balancing work and life, serenity, and psychological and physical comfort, which increases the quality of the work output. According to the study results concerning remote work disadvantages, isolation, lack of communication between co-workers, low levels of learning, exchange of experiences and direct contact between colleagues and clients can also pose a challenge in building social relationships at work. The outcome of the study is primarily consistent with the previous studies' findings. In addition, it provides theoretical and empirical results and policy implications, hence contributing to better understanding and implementation of remote work in the Saudi financial sector. The results of the current study can be generalized to other similar sectors. Regarding the limitation of this study, the survey covered mainly the

private institutions of the financial sector, however, there are some public financial institutions like; Human Resources Fund and Estate Development Fund could be surveyed. The study suggests that further research conducted about remote work in other financial institutions and economic sectors like educational, industrial, and commercial sectors.

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