

The Rationale of Gentle Nudges and its Reflections in the Work Behaviour of Corporate Employees during the Outbreak of Pandemic

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Abstract

Nudges have been emerged as a prominent technique in human resource management through linking the productivity and performance of employees with the gentle alterations made in the existing work environment. The suitability and appropriateness of workplace nudges during the period of COVID-19 need to be assessed to incorporate them in innovative human resource practices and their effectiveness has to be determined in the context of employee engagement and empowerment leading to improved organisational commitment and better work culture. This study focuses on analysing the impact of nudges and their contribution to the productivity and performance of employees during times of chaos. An extensive literature review is conducted to strengthen the theoretical models of nudges in the modified work environment. Multiple cases have been analysed to support the primary and secondary data. Results evidenced categorisation of the strategic measures of corporates as nudge initiatives. The study shows that nudges have positive and negative influences on the behaviour of employees and they check whether the nudges are in alignment with rationality. The paper attempts to determine the effectiveness of nudges in the workplace contributing to increased productivity and improved work culture. It adopts extracts from case studies and insights from reviews offering a comprehensive idea about the implications of workplace nudges during the period of a pandemic.

Keywords : Nudges, productivity, work behavior, work culture, employee empowerment

Introduction

Nudge is an intervention, an aid, or a gentle reminder which enables persons to make better decisions. Rather than being rational, people always show leniency towards their emotions and social norms. This psychological aspect of human behaviour demands the essentialities of

nudges among almost every facet of life. When a challenge approaches human being thrives hard to survive and would come up with feasible solutions. COVID -19 has been a great disaster to mankind across the world and everything came to a standstill when mandatory measures have been adopted to curb the spread of the virus. But nothing can be ceased for long,

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so alternatives emerged for leveraging the normal human activities.

Manpower being the most crucial strategic asset and the key factor in organisational productivity and efficiency of any enterprise, Human Resource Management has been evolved as an inevitable area of concern. The COVID-19 shock has fuelled up the need for developing innovative risk and change management strategies by imparting the existing knowledge in the restricted work environment. It had become the need of the hour for HR managers and organisational psychologists to suggest adaptive human intervention techniques for decision making at the individual and organisational level. Indian Corporates have offered the Work from Home option, seen as a default nudge so that employees can work while confronting the notions of social distancing without compromising their health (Ilieva & Drakulevski, 2018). Advancements in technology have contributed to efficiently operationalize entire activities without physical involvement. Virtual team and virtual leadership models have been evolved which embraces behavioural change intervention techniques such as reminders, defaults, and priming aiming at efficient and effective corporate work culture. This study focuses on the effect of nudges in Human Resource planning and its implementation during the period of the COVID- 19 situation. The study also analyses the positive and negative effects of nudges on overall productivity and organizational performance in the Corporate sector from the perspectives of both employer and employee. On the above, it tries to convey that the use of rational nudges brings out the best when people are irrational.

Objectives

To nudge means to remind, to alert or to mildly warn. Nudge is a type of

design-based approach using positive and negative reinforcements to shape the behaviour of the people (Yeung, K.,2016). It is a highly subjective concept making it difficult to ascertain its reliability and replicability under public emergencies, so it is of immense importance to assess the effectiveness of nudges while handling challenges like the COVID-19 pandemic (Debnath R,2020).

Workplace nudges, based on the theory of behavioural economics insights, are simple and cost-effective techniques to help employees in converting their purely personal intentions into fruitful actions (Ilieva & Drakulevski, 2018). The application of nudges incorporates the empowerment of employees during times of hardship and ensues positive adaptability for the organisations. The study focuses on evaluating the effect of nudges on the work behaviour of employees and assessing the modifications in work culture during the outbreak of COVID - 19. The pandemic raised serious questions regarding the corporate firm's ability to carry out uninterrupted business processes, which resulted in switching over the existing work culture to home. It also focuses on the changes in productivity after the implementation of nudges and also analyses the positive and negative impacts of workplace nudges.

Research Methodology

The study design is exploratory cum descriptive in nature. The case study approach is adopted to know the effect of nudges among the employees of the corporate sector, to be specific- IT and Software services. It also uses data from secondary sources and existing author's views are blended to conclude the effects evident in the workplace due to nudging from the perspective of employers. The study indicates the current state of the art in the field of workplace nudging.

The study employed a multiple case design as it uses replication based on various sources of evidence rather than sampling logic (Yin,1993). Employees of the top ten IT and Software service companies are selected based on market sales during the year 2020 and remote data collection methods such as short message service & in-depth telephonic interview are used as it helps to limit the frequency and number of contacts made between individuals during pandemic situation (Csos et al., 2020). The interview focuses only on relevant factors influencing work behaviour due to the implementation of nudges at the workplace.

The research approach extends to reviews that assess the literature on nudging systematically and adds a conceptual clarity on the different dimensions. The approach has several advantages, particularly its ability to answer some exploratory research questions. The study covers academic articles and surveys relating to Human Resource Management during the COVID -19 period to connect the labour productivity and nudges offered by the employers to the employees. We have taken papers of different dimensions of nudging from different databases and applied them in the theoretical models of human resource management. The review identifies the gaps and the missing linkages of present research on nudging in management.

The Relevance of Nudges in Human Resource Management

The term 'nudge' has been coined by James Wilk before 1995 in Cybernetics (Wilk J.,1999). In this context, a nudge is a small, targeted design for a specific group of people irrespective of the degree of intervention. A nudge is any aspect of the choice architecture that predictably changes the behaviour of people without forbidding any options or significantly

changing their economic incentives. The intervention must be easy and cheap to avoid for a nudge. Nudges never compel but placing fruit at the eye level counts as a nudge and banning junk food does not qualify as a nudge. (Thaler and Sunstein,2008).

The central focus of nudge theory is the biases and heuristics program of Nobel prize laureates Daniel Kahneman and Amos Tversky, which is uprooted in dual-system theories of cognition and information processing and it is made available to the public by Kahneman's famous book *Thinking, Fast and Slow* (2011). Under the dual system theory, system 1 is automatic, quick, and lack the sense of control while system II is slow, reflective and demand effortful activities for information processing. Both system 1 and system II are encompassed together in the decision-making process. The automatic system is subjected to biases and heuristics which speeds up decision making while the reflective system reviews and reinforces the biased decisions (Kahneman & Tversky 1979). Nudging techniques take advantage of system 1 through interventions - offering choice alternatives for decision making resulting in the most desired outcome. Nudging overrides people's rationality substantiates the same (Grüne-Yanoff 2012).

Libertarian paternalism is the idea for influencing human behaviour while respecting their freedom of choice. Choice architecture is the context upon which the nudges are applied so that those interventions affect decisions. To modify the employee behaviour, at first companies need to identify the required behaviour pattern and define the targeted behaviour clearly. Then, determine whether the choice architecture or the pragmatic behaviour change approach is to be adopted. On analysing the behavioural bottlenecks, reasons for diversion from

targeting behaviour can be established, and thus it enables the selection of the right intervention technique (Ilieva & Drakulevski, 2018).

The underlying principle of libertarian paternalism is to offer nudges for any benefit without any harm. Designing default HR options require a cautious effort of choice architects considering the power of inertia. The default nudge adopted to improve the productivity of knowledge workers showed positive results (Ebert & Freibichler, 2017). Knowledge workers usually complained about the workplace environment as they could not concentrate on their task due to numerous distractions. Ebert and Friebichler (2017) proposed an idea for having a “no meeting day” every week after realising that knowledge workers spend a lot of time in less efficient meetings and also proposed another default nudge for adjusting the business software of meetings by shortening the duration of meetings.

Adoption of systematic and innovative HRM practices along with complementary intervention techniques can contribute to a positive effect on productivity, efficiency, and effectiveness in an organisation (Shaw, 2004). To form such complementary HRM systems, advancements in practices including teamwork, training, vigilant recruitment, financial incentives, job rotation, information sharing, and transparency must be applied together with conventional methods to achieve further organizational performance (Shaw, 2004.). There arises the need for developing choice architecture. Nudging in human resource management is an approach that adopts insights from behavioural economics in organisations to optimize the fast thinking and unconscious behaviour of employees in line with the objectives of the organisation (Ilieva & Drakulevski, 2018). Effective and well-designed nudges allow freedom of choice based on personal preferences along with

the encouragement to select a particular option. Interventions based on reminders are effective while addressing the limited attention and cognitive capacities of humans. It modifies the salience and ease of accessing options promising active and reflective decisions (Haugh, 2017; münscher et al., 2015; Szaszi et al., 2018). Defaults are already set courses of action which came into effect if the decision-maker remains silent. It is relevant to note that the decision-maker is left with the freedom to select a different option (Ilieva & Drakulevski, 2018). Implementation intentions are techniques for goal attainment that define the conditions for activating specific behaviours. They are mental links between a certain future condition and the unconsciously created, goal-directed behaviour (Shantz & Latham, 2011). A primed goal activated unconsciously had a positive impact on job performance lasting over an entire work shift.

Work Culture and Employee Empowerment

The work environment of an organization influences the individual performance of an employee as he should feel safe and comfortable while carrying his profession. The well-known phrase of Peter Drucker “Culture eats strategy for breakfast” explicitly implies the relevance of organizational culture being the key determinant of success or failure for organisational strategies (Engel, 2018). Culture can be a facilitator as well as a hindrance in carrying out activities in any organization. Culture is the complex phenomenon comprising knowledge, art, morals, law, belief, custom, and any other capabilities and habits acquired by humans as a part of society (Tylor and Robert). Better employee relation and engagement is possible through a cautiously developed organisation culture thus improving productivity.

Positive perception about the company motivates the employees to build confidence for achieving pre-defined goals, to inculcate trust and belief between employer and employee, to understand the original value, norms, strategies, and policies of the organisation, thus contributing to improved productivity and increased probability of stay and loyalty in the company (Vyas, 2017). Instilling well-designed nudges in the corporate work environment has significantly contributed to increased employee engagement during the period of disruption and it has facilitated the corporates to move ahead with the new *modus operandi* even after everything gets back to normal.

Redefinition of the Existing Work Culture

The lives of employees and employers across the globe faced fundamental challenges due to the pandemic. At the individual level, the shutdown has an impact on employees as they were turned overnight into i) “work from home” employees, ii) “vital” or “life-sustaining” workers (e.g., emergency medical personnel, banking staff, and supermarket staff), or (c) displaced employees seeking the unemployment benefits. At the organization level, the economic lockdown and related actions (i) changed the fundamentals of some industries, (ii) accelerated trends that were already under infancy in other industries, and (iii) offered opportunities for novel industries to emerge, as typically happens during wars and natural disasters. Given the uncertainty and breadth of the COVID-19 shock, work and organizational psychologists urgently need to apply the field’s current knowledge for sensemaking to help individuals and organizations manage risks while developing and applying solutions.

Setting the default to exploit the default effect is an example of a liberal paternalist

policy. Though work from home remained as an employee preferred option in the corporate sector, the outbreak of COVID-19 forced many to get engaged in Mandatory Work from home- which can be considered as the default intervention strategy. The fourth Industrial Revolution along with COVID 19 recession has resulted in a rapid and robust shift to remote work culture, regarded as the driving force behind the surge for work from home arrangements.

The presence of team style of Human resource deployment is very pertinent in organisations. The team may be face to face team as well as a virtual team. Managing virtual teams is different and more complex than managing face-to-face teams. The effective management of virtual teams requires knowledge and understanding of the fundamental principles of team dynamics regardless of the time, space, and communication differences between virtual and face-to-face work environments. (Berry, Gregory 2011). During the COVID period, the uses of virtual teams have replaced the face-to-face teams in many organisations especially IT companies, and have been experiencing great success. The peculiar situation emerged due to COVID has accelerated the expansion of virtual teams - valuable for HR managers and researchers to monitor and study innovations enabling the optimal functioning of teams. The remote work environment in times of global crisis led to psychological problems among workers due to stress and anxiety, which can be communicated and addressed in virtually connected networks but they lack social and emotional cues (Lindebaum, Geddes, & Jordan, 2018). Virtual teams seem more effective in brainstorming than face to face interactions (Smith, & Hantula, 2007). On the other hand, online teammates miss the creative benefits of frequent face-to-face interactions which may hamper individual

performance(Allen, Golden, & Shockley, 2015). Virtual leadership models have also been established to control and coordinate millions of employees from different hierarchical levels to work remotely.

Linking Nudges and Productivity during Pandemic Days

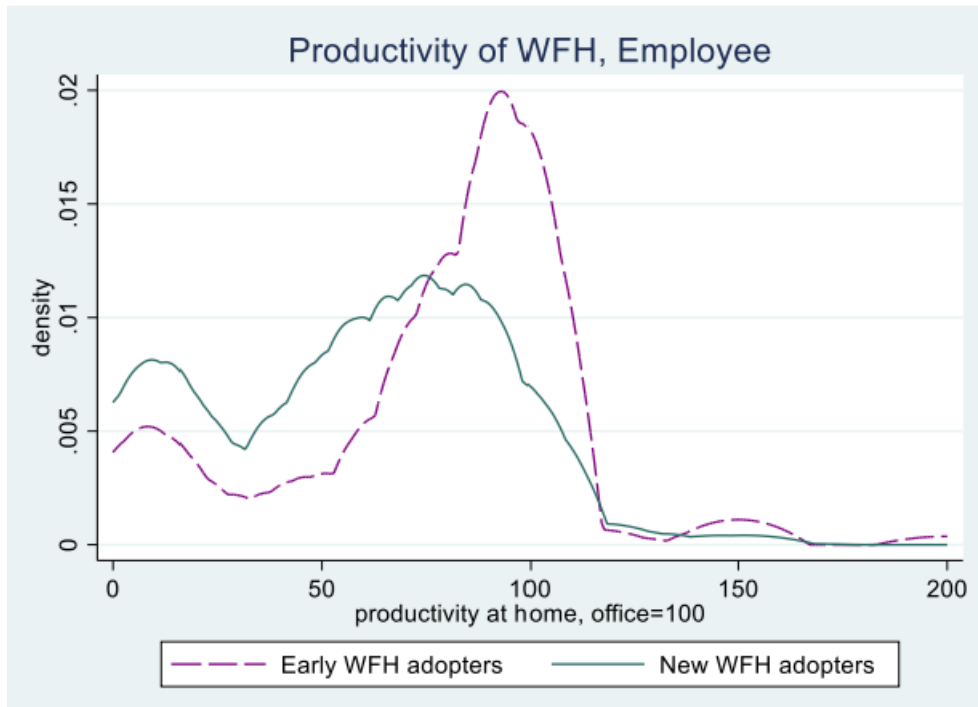
Nudges are liberty-preserving approaches that steer people in specific directions, but also give them the freedom to choose their way (Sunstein, 2014). Work from home is a successful default nudge as it offers employees the privilege of meeting deadlines by sitting on their comfortable couch. At the same time, it has proved beneficial for employers too, diverse talents can be pooled together irrespective of geographical limitations which have a positive impact on the organization's revenue and innovation. It is evident from a random control trial on 1,000 employees of Ctrip, a Chinese travel company in 2013. The experiment showed that working from home for nine months resulted in a 13 percent increase in performance – almost an extra day of output per week – plus a 50 per cent top in employee- turnover rates. The experiment was so successful that Ctrip adopted working from home to the whole firm (Bloom et al., 2014).

Exposure to the unprecedented challenging situation has practical and social implications- both positive and negative so that the nudges adopted by the employers towards the employees

have a mixed response. The worldwide work-from-home movement aimed to maintain output and efficiency during the COVID-19 pandemic could actually in a worldwide productivity slump and threaten economic growth for many years, says Nicholas Bloom, a senior fellow at the Stanford Institute for Economic Policy Research (SIEPR). Bloom said, “we are supposed to work along with kids, in unsuitable spaces, without any choice or in-office days” (The Productivity Pitfalls of Working from Home in the Age of COVID-19 | Stanford News, n.d.).

The pandemic situation affects the employees' daily life adversely, which harms their productivity. Employees experience nosophobia of the COVID-19 outbreak and are afraid of being infected. Most of them feel disconnected due to social isolation and are frustrated of being in the restricted same home environment for a long period. Their work-life balance got disturbed as they could not avail the domestic support services from their cleaners, babysitters, caregivers because of the COVID-19 quarantine period of social distancing. So they need to engage in these household affairs and take care of their children and elderly members of the family in their work environment, which leads to low levels of productivity (Thorstensson, 2020). In all the above it is evident there is a paradigm shift in the existing work culture during the pandemic days.

Figure 1 : Distribution of Work from Home Productivity by the Timing of the Start of Working from Home



Source: <https://www.riti.go.jp/jp>

Note: “Early Work from Home (WFH) adopters” implies those who practiced the COVID-19 pandemic while “New WFH adopters” implies those who initiated WFH after the start of the COVID-19 pandemic.

Figure 2 shows the excerpt from “Productivity of Working from Home during the COVID-19 Pandemic: Evidence from an Employee Survey” conducted by Rakuten Insight, Inc., and contracted out by the Research Institute of Economy, Trade, and Industry (RIETI) in late June 2020 in Japan. The empirical survey showed that 32% of employees are already practicing Work from home while 28% have started Work From Home after the onset of the COVID-19 pandemic. It also stated that the workforce input from Work From Home was about 19% of weekly working hours. Again questions

upon productivity showed that 82 % of employees working at home have lower productivity than in their usual workplace. The mean Work From Home productivity was about 60% to 70% of the productivity at the workplace and lower for employees that started Work From Home after the onset of the COVID-19 pandemic. The aggregate loss arising from lower productivity at home was estimated to be approximately 7% (Morikawa, 2020).

Case Study

The case study method can be defined as an empirical investigation into a contemporary phenomenon in its real-life perspective where the distinction between phenomenon and perspectives remain unclear and for which numerous sources of evidence can be used (Yin,1984). In

this study, employees of the top ten IT and Software services companies in India, ranking based on revenue generation for the year 2020, undergoes in-depth telephonic interview and short messaging service mechanisms as making personal contact is inadvisable as per social distancing protocol.

Top Ten IT-Software companies are as follows

1. TCS
2. Infosys
3. Wipro
4. HCL Tech
5. Tech Mahindra
6. L&T Infotech
7. Mindtree
8. Mphasis
9. Oracle Fin Serv
10. Persistent

Three employees from each company are contacted via telephone and are inquired about the implications of strategic alterations in organizational structure made in the form of workplace nudges introduced during the pandemic situation. They are also asked to assess their

experience in the amended environment and contribute their viewpoints in before and after nudges context. For the com interview following strategies are identified as nudges

- Press notes and circulars of top officials
- Modified incentive package
- Social distancing norms- no handshake initiatives, no U-turns move
- Work from home
- Virtual meeting and virtual leadership models
- Priming cues
- Perceived proximity initiatives
- Alerts regarding financial and health aspects
- Recognition

The discussion document released by the Behavioural Insights Team of the UK Government set out the nine most robust and non-coercive influences on human behaviour –MINDSPACE – can be used as a checklist in policymaking (Ambler et al., 2011). We used it as the base for classifying the nudges adopted by Corporates in India during the outbreak of COVID-19.

Table 1

Expansion of acronym MINDSPACE and the strategical modifications introduced during COVID-19 situation.

Types of nudges	Meaning	Strategies adopted
Messenger	Influence of the communicator.	Video conferencing (Dhawan, 2020) Press notes or tweets of tech experts and top officials.
Incentives	Response to incentives- predictable mental shortcuts, such as loss aversion.	Modified incentive package – Wi-Fi allowance, BYOD, home office furniture allowance (Phani,2020)
Norms	Influence of what others do or common practice	Safesense by HCL, Handshake alternatives- Thai wai elbow bow, Wuhan Foot shake (Wright, R. 2020), Clockwise movement in the office space- no U-turns
Defaults	Go with the flow of pre-set options.	Work from home (Morikawa, 2020).

Saliency	Attention to what is novel and relevant.	Virtual team and virtual leadership models (Berry, Gregory 2011)
Priming	Acts are influenced by sub-conscious cues.	“Wash your hands” wallpaper for ZOOM/TEAM background, Frequent popup notification to sanitize hands, Distance bubbles on the floor, Blue light at home improve productivity (HYVE,2020), Mail alerts.
Affect	Emotional associations shape actions.	Perceived proximity (Wilson et al. 2008), Mood measurement techniques - real-time and via pulse surveys
Commitments	Be consistent with our public promises and reciprocate acts.	Alerts regarding financial and health benefits provided by the employer, Brainstorming sessions.
Ego	An act that makes us feel better about ourselves.	Recognition strategies- Congratulation cards and hampers at doorstep, award ceremonies, Cloud clubbing, Home karaoke station, Online workout groups (Wright, R. 2020)

Source: (Ambler et al., 2011)

www.instituteforgovernment.org.uk/sites/default/files/publications/MINDSPACE.pdf

Responses from the selected employees have shown that the strategies of their employers offered them the freedom to choose their own way even if it seems mandatory. Employers induced certain measures for carrying out their operations uninterruptedly with the adoption of nudge techniques. Employees are satisfied as they got an option to win bread during the most distressing situation.

Rather than insisting employees to work, employers gently intervene in their workplace behaviour through modifying the incentive package, facilitating smooth communication through virtual models, applying priming cues to impart caution while working, motivating them through recognition, switching onto novel norms for back to office model, etc.

Table 2

Comparative Performance of Top Ten Companies in India in 2019 & 2020

Companies	Sales (Rs Crores)			Gross Profit (Rs Crores)			Net Profit (Rs Crores)		
	Dec 2020	Dec 2019	% Change	Dec 2020	Dec 2019	% Change	Dec 2020	Dec 2019	% Change
TCS	34957.0	33040.0	+5.8%	9907.0	8768.0	+12.99%	9242.0	7683.0	+20.29%
Infosys	22043.0	20064.0	+9.86%	6023.0	4635.0	+29.95%	5083.0	4076.0	+24.71%
Wipro	12596.1	12695.9	+0.79%	2865.0	2446.4	+17.11%	2611.3	2261.3	+15.48%
HCL Tech	9404.0	8654.0	+8.67%	3488.0	2936.0	+18.8%	3397.0	2444.0	+38.99%
Tech Mahindra	7565.0	7699.1	-1.74%	1368.3	975.6	+40.25%	1255.6	923.2	+36.01%
L&T Infotech	2965.5	2634.5	+12.56%	607.1	437.5	+38.77%	494.2	366.5	+34.84%
Mindtree	2023.7	1965.3	+2.97%	396.2	236.4	+67.6%	326.5	197.0	+65.74%
Mphasis	1483.0	1128.5	+31.41%	366.1	297.7	+22.98%	316.3	268.5	+17.8%

Oracle Fin Serv	888.1	835.6	+6.28%	500.8	437.4	+14.49%	391.9	370.7	+5.72%
Persistent	642.6	544.9	+17.93%	129.2	80.8	+59.9%	125.9	90.0	+39.89%

(Software & IT Services Sector Performance, Software & IT Services Company Share/Stock Performance, Yearly Analysis | Results & Earnings, n. d.)

The Software-IT sector showed a significant increase in the net profit in 2020 compared to that of 2019 and it can be seen as proof of the success of nudges adopted during the time of strategic breakdown (Refer Table 1). The positive trend in profitability and performance of these companies can be assumed as the appropriateness and adequacy of well-designed nudges in the disturbing work environment. The agile operating model of TCS, Infosys, and other employers grant employees the stake of success through fostering a culture that emphasises transparency, experimentation, continuous improvement, and engagement of employees. Early adoption of the agile approach allowed organisations to implement new, digitally-enabled business processes for reaping improved business outcomes during the COVID-19 situation and there arises no question of resistance from employees towards change management techniques. Top global employers in the corporate sector have confirmed the support for the government to flatten the curve of new cases by engaging employees virtually to address the needs of the industry. Ravi Kumar S, President of Infosys wrote “As cities shut down, travel grinds to a painful halt, and familiar routines become unrecognizable, there are new capabilities emerging and new ways of coping that will seed long-term positive outcomes in our lives—a confluence of opposites born in unprecedented times.” Responses of the employees contributed to the same as the policy adoption took the smooth transition from physical to digital work environment.

The companies monitored the evolving pandemic round the clock to modulate their operations and serving the best for their employees and clients. The modified policies portray contentment among its employees as their needs are addressed with due caution and care. These companies exhibited support to its employees during the period of disruption and gained positive discernments in the highly competitive world. Global upheaval due to COVID-19 forced the companies in migrating to remote digital workplace unit and provisioning employees with advanced cloud collaboration tools. The remarkable resilience of these organisations is evident through its flexible working norms that have an immense impact on employee attitude, quality of work, and better work-life balance. The HCL Technologies launched a contactless workplace model – SAFESENSE is introduced to bring back the essential workforce to the office.

On interpreting the case study results, the application of well-designed nudges at the workplace leads to empowerment of employees which can be linked to increased organisational commitment. An in-depth conversation with the employees has confirmed that they are hugely motivated and remained loyal to their organisation when everything went upside down. The fair and liberal policy formulation in the form of nudges evolved as an ideal HR mechanism and organisations have already initiated efforts towards encompassing nudge theory in manpower management. Based upon the insights from the case study, an operating model have been developed.

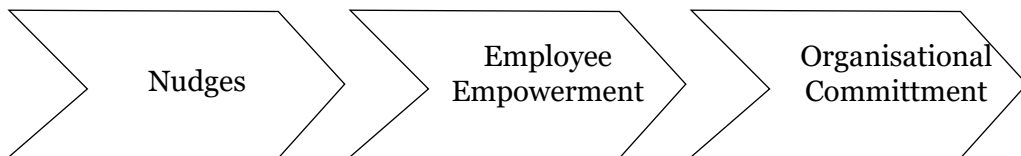


Figure 2 Linkage of Nudges, Employee Empowerment and Organisational Commitment

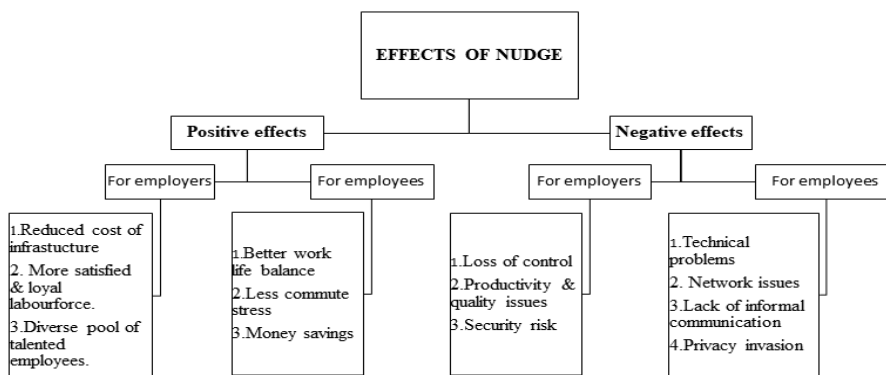
Even though the GDP declines, the IT sector shows an upward trend in profitability which can be inferred as their success of restructuring the existing operating mechanism at the outbreak of COVID-19. The performance of employees has been improved when employers introduced subtle and significant alterations in the work culture without forbidding their freedom. Responses of the employees from the case study are encapsulated as impact of nudges in HRM – both positive and negative effects.

Impact of Nudges in Human Resource Management

Even though the ethics of nudges remain a debatable topic, significantly

large-scale individual and collective benefits can be attained by implementing small nudges that are not overlooked in the organizational context (Felin, 2014). Nudges are already being used in HRM but the terminology is not popular. However, identifying and envisioning these kinds of hidden nudges in a theoretical perspective, and determining their effectiveness and level of influence on employee performance and satisfaction is essential to use them consciously and systematically in an effective manner. Thus benefits of nudges can only be maximised for both organisation and employees (*Article: HR’s Nudge Unit – People Matters, n.d.*).

Figure 3 : The Positive & Negative Effects Of Nudge



The chart has been developed through an explorative approach after analyzing the research papers of eminent academicians and institutions and the cases of experiences of employees served

for the industry during the shutdown period. It shows the positive and negative aspects of applying nudges in a work environment and its implications.

Positive Effects – Benefits of Nudges

For employers :

Remote work strategy has benefitted employers as their operations continued in times of compulsory quarantine and complete lockdown. One of the most important advantages of Work from home is the reduction in the cost of infrastructure and the associated amenities. Expenses of the organisation such as rent, maintenance, computers, telephones, offices, utilities, equipment, etc have been reduced (Lupu ,2017). The employers also experienced an increased rate of new technique adapters from different parts of the world surpassing the geographical boundaries. Most of them are loyal and satisfied as the corporate sector fed them during the worst time of their lives.

Due to scarce temporal and financial resources, HR managers cannot address all the personnel interests. They adopt nudging techniques like the application of incentive systems like goalsetting and performance-based pay. To achieve operational performance and increased productivity, HR managers have to convince their subordinates. Teaching and paternalism often do not work out. A sustainable conscious attitude occurs when the person decided on it by him or herself. Therefore, it is not possible to force good decisions, but rather initiate them. (Grunewald et al., 2017). The autonomy to choose what to do helped the organisation during the pandemic days as they never persuaded them to adapt to new propaganda.

For employees:

Work from home complies with World Health Organisation guidelines regarding the social distancing protocol and employees got isolated from the rest of the world without risking their earnings. Flexible work scheduling allows employees to have a certain freedom in

organising their daily chores, both work, and family affairs according to their needs, such as taking care of their children or going for a walk with the dog (Lupu ,2017). Working from home equipped employees with a quiet environment where they are sheltered from continuous distractions by colleagues, especially in a shared workspace and they enjoyed the freedom to schedule their time to suit their job patterns rather than tailor their working day as per the surrounding environment (Almarzooqi & Alaamer, 2020)

For the employees, the adapted working model save time in commuting to the office, avoiding traffic jams, etc and also financial advantage – as reduced or no expenses for travel, shopping for the office etc. (Almarzooqi & Alaamer, 2020).

Working from home is especially beneficial for “new mothers or the differently-abled who find travel difficult or are unable to leave the home but they can stay in the workforce” (Ford and Butts 1991).

Negative Effects - Challenges of Nudges

To employers:

Organisations fear that they may lose actual control over their employees as they may give priority to their personal errands over the work. Productivity and quality problems arise due to distractions in the home environment of the employees.

There exist a security risk of unauthorized access to the system and confidential company database when the important files reach employee’s computer terminals. It may lead to serious problems if it can be accessed by its competitors (Thorstensson, 2020)

To employees:

The technical problems which cannot be solved remotely, employee alienation, lack of interaction with teammates, and

troubles in organizing team activities are some of the drawbacks associated with work from home (Lupu ,2017). Installing a high-speed internet connection adds extra tasks and costs on the worker which has become a mandatory prerequisite for work from home (Almarzooqi & Alaamer, 2020).

Another limitation is the lack of opportunity to have an informal communication network with colleagues. When the employees are deprived of such interactions, they may feel isolated from their colleagues and estranged from the company goals and values (Ford and Butts 1991).

Even before COVID-19, employers started adopting new forms of surveillance for monitoring employees, for example, they use sociometric sensors (Bhave, Teo & Dalal, 2020). Since managing-by-walking-around cannot be done when employees are working remotely, they rapidly expanded the use of videoconferencing. These virtual sight-lines can add up to the perceived stress of employees through continuous monitoring and feelings of privacy invasion. The faraway and automated monitoring can increase the centralization of management and may lead to the dampening of creativity among the labour force (Nell et al., 2020).

Workplace loneliness harms employees' affective commitment, affiliative behaviours, and performance (Ozcelik & Barsade, 2018). Virtual communications lacked richness, and it may result in a risk of misunderstandings in online communications due to the absence of nonverbal cues which may increase employees' concerns of being rejected, trigger loneliness (Cacioppo et al., 2006).

Conclusion and Discussion

Workplace interventions based on behavioural economics insights are a

simple and cost-effective method to help employees to transform their intentions into actions. It is essential to become aware of the pertinent prejudices that hinder the exhibition of the target behaviour in the process of connecting the insights from the bottleneck analysis to specific choice architecture intervention techniques (Münscher et al.,2015). The recent developments in virtual interactions and remote teambuilding offer an opportunity to evaluate the current system and also suggest interventions to improve teamwork in virtual settings. Close attention and regulation are required in multidimensional aspects as virtuality varies among remote teams (Mak & Kozlowski, 2019).

The era of corona phobia demanded interventions differently as the employees are more concerned about health and security. Maintaining a productive and efficient workforce during challenging situations can be done only through the adoption of liberal and negotiable policies. Most of the corporates have confronted the issue with an optimistic outlook – by providing their employees with the autonomy to decide their working hours, monetary incentives for network facility, informal online meetups, yoga and dance sessions, infotainment services such as a free subscription to OTT media services, tickets for virtual music festivals, etc, discount coupons in online shopping and services. Online award ceremonies, thank you gifts at doorstep, lucky draw contests, etc have been introduced as “dopamine-rush” techniques that ensure employee retention. To achieve further improvements in new corporate work culture productivity, innovation in information and telecommunication infrastructure is necessary enabling effective human interactions as same that of face to face communication. Prodoscore, a global leader in employee visibility software announced that remote

worker productivity increased by 47% and general work trends showed the sudden and overwhelming shift to remote workforces began in March 2020, despite the coronavirus lockdown.

Nudge management offers exciting avenues to increase knowledge worker productivity by redefining the organisational framework and focusing on the intersection of automatic and reflective systems in improving efficiency, effectiveness, and motivation (Ebert & Freibichler, 2017). It is difficult to measure the effectiveness of nudges and default rules. The employees always prefer to respond to rational nudges and they may show indifference when encountering irrationality. Further research needs to be conducted on the area of application of Nudge theory in Human Resource Management, especially in challenging situations. As nudges have the potential for influencing human behaviour subconsciously, the use of well-designed and appropriate nudges can make extraordinary results in an organisation in terms of employee productivity and overall performance. Appropriateness and applicability of nudges have to be decided with due care and diligence as manipulation of human activities need not be positive always. Immense opportunities in digitalisation, big data, and change management approach enable the companies to evaluate the success rate of nudges, thereby suggesting the modifications and customisation needed for tomorrow.

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