

# **The Making of a Virtual Employee: The Sri Lankan Experience**

**Author: W.M. VishakaWanasinghe**

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W.M. VishakaWanasinghe- Management & Science University (MSU)  
(vishakaw@hotmail.com)

Jeong Chun Phuoc  
Management & Science University (MSU)  
jeong@msu.edu.my

Ali Khatibi  
Management & Science University (MSU)  
alik@msu.edu.my

**Abstract**

In Sri Lanka, a larger population is said to be virtual employee and the laws, rules and regulations which are applied to them are same as which are applied to non-virtual employees. The segment of virtual employees is not recognised and is considered to be hidden segment of working population. Apart from Sri Lanka, the segment of virtual employees is considered as a hidden segment in any country where there are not effective laws pertaining to the virtual employees. A lack of attention to this working group has been observed for this working group, therefore, this is not much data available for such people. There is not any study conducted in this area in Sri Lanka. This study aims to explore about the virtual employees such as to identify who they are and why they choose to become virtual employees. It would be difficult to identify why they chose virtual employment and why they do what they do, without understanding the obligations, rights and duties of virtual employment. A qualitative study has been carried out in order to explore the area of virtual employment as there was not much data available in this area and snowball sampling technique has been chosen for the qualitative study. A sample of 28 virtual employees has been chosen for this study. Since the sample is very short, it may not represent whole population of the country. The virtual employees chosen for this study are working for local employers as well as employers from abroad. The employers from abroad who they work for comprises UAE, Australia, Netherlands, Singapore, Canada, United Kingdom and United States of America. This study has explored numerous demographic criteria such as marital status, qualification, education, gender and age.

Key Words: Virtual Employment, Laws Pertaining to Labour, Employment Terms and Conditions, and Nature Of Work.

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## CHAPTER: 1 INTRODUCTION

Today all across the world a new kind of employee is appearing in increasing numbers such as the virtual employee. The reality is that in the 21st century the virtual employee has begun to play an increasingly significant role in the field of employment. According to Global Workplace Analytics, the number of remote employees in the United States has gone up by 79.7 percent since 2005. In the US around 3.3 million people work from home (Fuetsch and Suess-Reyes, 2017). These employees are now a part of the labour force of many countries and therefore remain a major force in the globalised economy. Virtual or remote employment “*is any working arrangement in which a worker performs some significant portion of his/her work at a fixed location other than an employer’s central office or plant – typically at the worker’s home*” (Gregg, 2012, p.12). It must be noted however, that workplace flexibility doesn't mean simply giving an employee a laptop and a Smartphone and sending them off to do their job. Careful thought and planning is required to determine the best approach to working in a regionally or globally-distributed environment (Hampton, 2011).

A virtual employee is a dedicated employee who works exclusively for you or your organization. Unlike freelancers, they often spread thin to protect as many projects as they can, a remote employee does not have these concerns (Agarwal, et al. 2014). Their job is to work for employer, as would any other employee as a permanent and a dedicated resource. The offshore outsourcing company surrendered all the control of the employee, from the selection phase to the training itself. Even if the virtual worker is skilled in their domain of knowledge, he or she still needs to learn their specific tasks or style of operation (Yan, et al. 2013). This will be transmitted to them by you personally through the outsourcing provider's advanced communication

technologies. So knowledge transfer is the key to good results and since employers are not afraid of virtual employee running in the middle of a project, this knowledge only grows and builds, leading to a positive impact on business (Yan, et al. 2014).

This is radically a new phenomenon of virtual employment and it is seen as 'globalization' where "*People live and work within the context of their local towns, cities, and countries. And yet they must somehow be ready, willing, and able to act on behalf of a worldwide mission*" (Lojeski, 2010, p. 109). As Weiss (2006) commented, from the point-of-view of the employee, that it can be dream job type of context where they have the opportunity to work from home and avoid commuting and working in a physical office. At the same time, Hampton (2011), points out that by working remotely it is difficult to demonstrate their value to the company and they feel isolated from co-workers and do not feel part of a team. Pettinger (1998) argues that in all respects, the 'virtual' workforce is part of the larger labour force and as such, the long-term commitment of this workforce is a function of their motivation towards the achievement of the corporate goals and objectives brought about by safety and security at work, security of employment, remuneration commensurate with their risks and contribution, adequate working conditions and opportunity for career advancement, among others.

Any long-term project, or an ongoing business function cannot be handled by a freelancer, who, by virtue of its limitations, simply cannot offer when it comes to something more than a short-term project. A remote employee who has been working with your organization for an extended period of time, knows how the business functions, had the experience of working with a certain task for a long time and experience is always a valuable skill (Praveena, et al. 2016 and Lahtinen, et al. 2017). A virtual employee was selected after a

rigorous selection process, so there is no possibility of later finding out that the statements were false, or the sample articles were falsified.

Since the virtual employees are also a segment of the population of the 'employees' in a country, it is submitted that a country's labour laws containing terms and conditions of employment should be applicable to them as well'. Yet, many do not understand clearly who virtual employees are. In some countries the labour laws have not caught on as, officially, it is not recognized that a type of employment called, virtual employment exists. This is especially the case in Sri Lanka. Yet, without an understanding who virtual employees are and the nature of their duties, rights and obligations, it will be difficult to assess and analyse the type of work they do and the effect they have in the field of employment. The first step is to understand who virtual employees are in Sri Lanka. In Sri Lanka, like many countries all over the world significant developments are taking place in the virtual employment sector. Yet, they constitute a hidden community that requires extensive and in-depth insights in order to discover who they are and to make sense of why they have chosen the 'virtual' path.

The remote offshore provider's office acting as an extension of your office, a virtual employee operates from a controlled environment, equipped with all the latest hardware, software and modern media (Mostafa, et al. 2015). This means that employer can easily collaborate with virtual employee, discuss work issues, plan future goals smoothly. Since customer interaction with a freelancer is minimal, the issue of collaboration rarely comes up (Orhan, 2014). Therefore, it is easy to understand how knowledge and experience empower the virtual employee to produce consistent results in the long run.

Perusal of the National Labour Force Survey (National Labour Survey 2015) confirms that there is no category of employees called 'virtual employee'/'tele-worker' in Sri Lanka even

though such a group physically exists. Consequently, there are no data available on the exact nature of virtual employees. Despite this many individuals identify themselves as virtual employees. No prior studies in Sri Lanka have looked at virtual employees in Sri Lanka. This is probably due to the fact that Sri Lanka still adheres to and values the traditional forms of employment which have prevailed for nearly 175 years. This paper attempts to break new ground in this sphere and is an exploratory analysis looking at who is considered a virtual employee and their accompanying rights, duties, and obligations. Specifically, the demographics of people who are engaged in virtual employment, what type of field they are engaged in, why they chose to enter the field, type of work hours, type of benefits issues and experiences by them are gone into. Given the hidden nature of the population and lack of official data, this study utilized qualitative methodology, using purposeful sampling.

In comparison to on-site teams, virtual teams have different challenges and opportunities. A lot of trust and good communication are critical among managers and employees who do not meet regularly, and while this may sound daunting, the first step is to hire the right employees who are trustworthy and good communicators (Ferrazzi, 2014 and Hill, et al. 2014). The best virtual employees will have a unique set of skills that keep them in evidence, and their autonomy allows managers to focus on creating an environment in which their virtual team will not just work but thrive. "Virtual" usually means working from home, and can also refer to a "distributed" team, i.e. a team whose members are distributed in multiple offices (Lacity, 2017). In any case, remote management is a skill that can be learned or Consider what makes a good virtual employee, how to promote good communication, ideas to keep work fun, and tools that promote efficiency and transparency (Hoch, et al. 2014 and Dufrene, & Lehman, 2015).

## CHAPTER: 2 METHODOLOGY

The Senior Legal Advisor of the Department of Labour well as the Director, Department of Census and Statistics who are widely accepted as having the necessary knowledge and authority with regard to statistical data on the labour force in Sri Lanka, have stated that no database exists for 'virtual employees' in Sri Lanka. In the absence of a proper database/statistics available on virtual employees employed by companies within and outside the territory of Sri Lanka, the researchers were unable to pursue random sampling methods and had to utilize purposeful sampling techniques, i.e. snowball sampling. These individuals often hidden from the public eye and who existed quite apart from the traditional workforce had to be located through a snowball sampling method. The snowball sampling is a tool used to gather information-rich informants' who can start the process of introducing the interviewer/researcher to other potential informants/interviewees.

Patton states that snowball sampling "*identifies cases of interest from people who know people who know people who know what cases are information rich, that is, good examples for study, good interview subjects.*" (Patton, 1990, p. 182). Further, those who are engaged in virtual employment were sometimes reluctant to declare themselves as virtual employees due to income tax cultural and/or personal issues. Therefore it was decided to use the snowball sampling method to select the sample of employees for the study. The participants were identified using email and/or telephone to contact them, permission was obtained after which a place of their choosing was agreed on to conduct the interview. This analysis comprised of 28 in-depth interviews with individuals who identified themselves as data for the current analysis. The participants were recruited till saturation was reached in thematic codes.

The interviews were transcribed and when necessary translated. The transcribed data was subsequently analysed using content analysis method, a coding technique developed to gain meaningful themes (Auerbach & Silverstein, 2003). Analysis began with open-coding, which was then followed by repeatable or axial coding, which was then used to develop themes, combining several repeatable codes. The primary author conducted the analysis of the data and increased reliability while the second and third authors audited and provided feedback on the themes and analysis. Using the above approach this paper attempted to answer the broader questions of who is a virtual employee, what are their characteristics, and why they chose to become virtual employees, their terms and conditions of employment and perceived benefits and risks.

## CHAPTER: 3 RESULTS

Table 1 represents the information of virtual employees such as where they have been employed.

Table 1: Presentation of the sample

<b>Segment</b>	<b>Description</b>	<b>Number of participants</b>
Virtual Employees	The Virtual Employees who have been working for Sri Lankan based Companies	06
	The Virtual Employees who have been working for UK based Companies	04
	The Virtual Employees who have been working for American-based Companies	06
	The Virtual Employees who have been working for Australian based Companies	03
	The Virtual Employees who have been working for Netherland based Companies	01
	The Virtual Employees who have been working for UAE based Companies	02
	The Virtual Employees who have been working for Canada based Companies	01
	The Virtual Employees who have been working for Singapore-based Companies	05

The sections below present findings from the current study. Which interviewed 28 virtual employees as indicated above employed in virtual mode in Sri Lanka as well as in the USA, UK, Australia, Singapore, UAE, Canada and Netherland base companies. These persons were employed in this manner while living in Sri Lanka. Their demographics are presented first. It is important to note that as a cohort selected through purposeful sampling methods, this group may not be representative of the entire virtual employee's sector in Sri Lanka. However, the demographics below are presented to highlight the range and variety of people engaged in virtual

employment. As an exploratory study that attempts to provide a pioneering investigation into the activities of virtual employees in Sri Lanka, it is hoped that the readers will get a sense of who virtual employees are in Sri Lanka through this study sample characteristics. The participants ranged in age, gender, the country that employees them, and type of employment.

### **Demographic characteristics**

#### **Age**

As the chart below (Figure 1), reflects, while the participants ranged in age, a majority of the participants were from in the age group between 31-35 representing 46% of the sampling population. Followed by 36-40, and 26-30 age groups indicating that the majority of the participants are either in their 30s or close to this age. This is consistent with larger global trends in virtual employment where the younger generation who grew up with IT and the computer and who accepted same as being a part of their lives became more attracted to and more proficient in virtual matters as compared to their older colleagues. (Research Manager, Bar Association of Sri Lanka). It is due to this reason that the older age groups between ages 41-45 were not widely represented. At the group discussions, it was revealed that when they reach middle age, those employees want to find more stable, non-virtual jobs as by that time their home front is more settled with older children and they can leave home to take up no virtual jobs.

Moreover, it is possible that the demands of family – getting loans, finding schools among others which require 'permanent' employment might be another reason for this trend. However, it is noteworthy that due to the limited number of interviewees, such generalizations – regarding gender and age range is difficult. But it is interesting to note that all those below the age of 40 stated that they did not even consider the importance of legal protection for their job. In Sri Lanka usually, a person would be in their late 20s when they complete their higher studies

and it is only then that they become free to turn their attention to their employment that may be the reason that the 26-30 age group is less well represented than the 30-35 group in the Figure below;

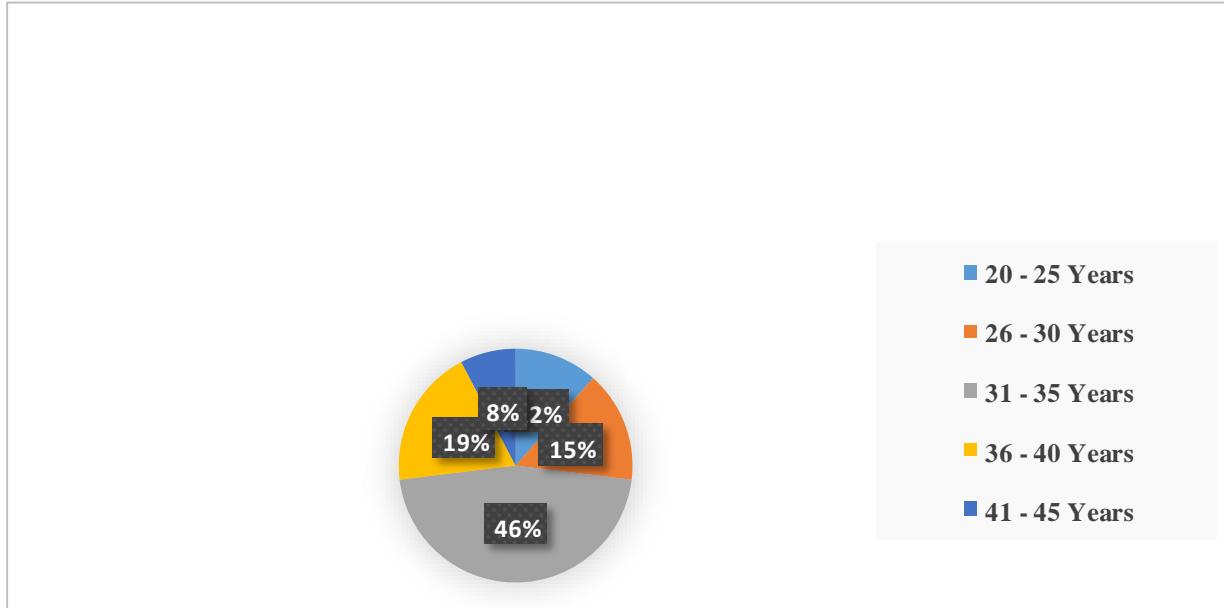


Figure 1: Demographics on Age

### Marital status and virtual employment

This study also attempted to explore, whether marital status impacts ones decision to go into a non-traditional type of employment? This was important to pursue as historically virtual employees do not get the same benefits as traditional employees (Wanasinghe, forthcoming). As shown in the table below, out of the total number of respondents the majority were married. This would mean that they preferred this type of employment as it allowed them more time and freedom to organize their office and personal lives so that they had a more balanced work life approach as compared to their office colleagues. This is intriguing since this aspect of employment – to be close to family or to be available to the family through working from home

was not traditionally a role of males in Sri Lankan society. This revealing find is interesting as it was assumed that virtual employment would attract educated females more as they could combine being at home (i.e. family, housework, safety) with their employment as compared to males.

Based on interviews, the majority held the view that family commitment was a major reason for finding such employment, but a few interviewees informed that since their whole life was tied up in office work they did not have any free time even to find a suitable partner for marriage. Some of these participants were previously employed while for others, this was their first job. While family remained at the forefront for some of the participants, it was evident that for the majority, the fast-pace work environment of online employment was highly suitable.

*"Working with computers is my whole word and I am most of the time involved in my office work. Therefore I did not meet a suitable partner for marriage as yet."*

*"My uncle sent me to the USA for higher studies and after graduation, I worked there as a web designer for some time. Later my parents wanted me to come back to get married. Even though I left the USA with the idea of coming back, after marriage my wife did not like to go abroad, therefore, I decided to stay back and found this job through a friend of mine. Now I have a son and I am happy with the employment arrangement"*

*"When I worked in Sri Lanka although the working hours are 8.30 am - 5 pm I had to work until 7 or 8 pm most days and by the time I go home my children were fast asleep. However, now I can be with my children while working and they are also happy due to my presence and now I have a better work-life balance."*

Table 2: Civil Status of Respondents and the country of the employer

Country	Married	Unmarried
Sri Lanka	1 (M)	3 (M)

	1 (F)	1 (F)
UK	2 (M) 1 (F)	1 (M)
USA	3(M) 1 (F)	1 (M) 1 (F)
Australia	2 (M)	1 (F)
Netherlands	1 (M)	0
UAE		1 (M) 1 (F)
Singapore	3(F)	2 (M)
Canada	1 (M)	0
Total	10 (M) 7 (F)	8 (M) 3 (F)

#### Educational and professional backgrounds and virtual employment

Their education and professional qualifications are an important aspect of discovering who these virtual employees really are. Findings presented in the table below indicate that the majority had obtained either a first degree or a post graduate degree. Another salient characteristic is that many of them had obtained professional qualifications particularly in the fields of Information Technology (IT) and Software Development. 53% of the participants worked for the IT sector, followed by 14% from the marketing field the rest worked in such diverse areas as research, engineering, accounting, survey, and designing fields.

Table 3: Qualifications and Expertise

Qualifications	Designation
B.Com Degree/IT Diploma	Product Marketing Executive
B.Sc. Degree/IT Diploma	Product Marketing Executive (Pharmaceutical Products)
IT Degree	Software Developer
B.Sc. (Computer)	Software Developer
IT Degree	Software Developer
B.Sc., MBA	Researcher
IT Degree	Software Developer
IT Diploma	Software Developer

ICT Degree	Software Developer
B.Sc. Fashion Designing (Trainee) IT Diploma	Fashion Designer
B.A (English)	Researcher
B.Sc. web (Designing)	Web Designer
B.Sc. (Information Techno)	Software Developer
B.Sc. Engineering	Mechanical Engineering
B.A Degree, M Phil	Researcher
IT Higher Diploma	IT Executive
IT Degree, M.Sc	IT Specialist
B.Sc. Engineering	Structural Engineering
IT Degree	Software Programmer
IT Degree	IT Consultant
IT Degree	IT Consultant
IT Degree	IT Consultant
B.Sc. Management	Marketing Manager
Chartered Accountant	Financial Accountant
B.Sc. Quantity Surveying	Quantity Surveyor
B com, MBA, IT Diploma	Product Marketing Manager
B.Sc. Software Engineering	IT Developer

Gender and the location of the employer

The table below describes the gender distribution of the participants. Which is once again consistent with larger trends, It is seen that more study group participants were male than female. 28% of the participants worked for Sri Lanka based employers, while the remainder worked for employers located abroad in countries considered developed and technologically advanced. 72% of the males and 70% of the females worked for countries abroad. These characteristics are also consistent with larger trends where people tend to hire virtual staff from developing countries (Legal Advisor for Labour Issues, ILO).

Table 4: Location of Employer and Gender Distribution of the Virtual Employees

Location of employer	Male (M)	Female (F)	Total
Sri Lanka	5	3	8
UK	4	1	3
USA	3	2	7
Australia	1	1	2
Netherlands	1	0	1
UAE	2	1	3
Singapore	1	2	3
Canada	1	0	1
Total	18	10	28

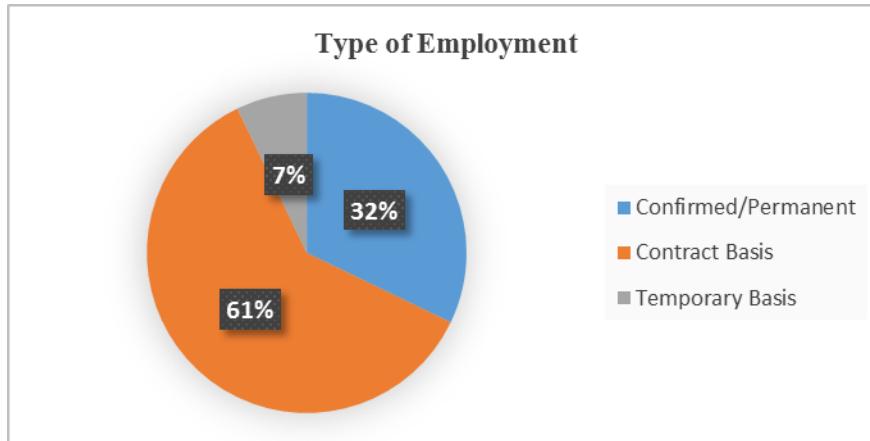
#### Types of virtual employment

It was also important to understand the nature of their employment for example, were they contractual or permanent. The type of employment – confirmed/permanent to contract/temporary – is relevant in Sri Lankan society where the traditional belief is that permanent and pensionable employment is better with the long-term financial wellbeing and safety of an employee being of paramount importance. Despite lower salary, permanent employment provides social status, financial stability, ability to put children to school, get bank loans and credit cards and welcoming pension at the evening of a long career. Most of the respondents worked on a contract basis (15 responses).

It is observed that in such instances both the employer and employee have negotiated this type of employment beforehand. Most of the respondents stated that they had been employed overseas earlier and had the opportunity to work in full time confirmed jobs in companies abroad before coming back to Sri Lanka due to various personal reasons. According to the results of the study, most of the employees had gained experience working in countries like the USA, UK, Australia, and Netherlands. On the other hand, there were employers in the domestic virtual

market who employed such workers. At the interviews, it was also revealed that out of eight virtual employees working in Sri Lankan companies 5 have subordinate staff either in Sri Lanka or abroad reporting to them. Meanwhile, 14 virtual employees working in companies outside Sri Lanka have their subordinates to supervise as well.

Figure 2: Type of Employment of the Respondents



#### The operating mode of Employment

The operating mode of these employees is relevant to the virtual employment, therefore, the participants can be considered as valid for this study in order to identify the virtual employees in Sri Lanka. Considering the operating mode of employees, 22 employees were pure virtual employees such as they only worked from home. However, 3 of them were working from home and office also. These 3 employees were employed at Sri Lankan companies. It can be implied from this ratio that majority of the people only prefer to work from home on the basis of certain reasons. These reasons include more freedom, balance in life and produce work, working at their own pace result in more pay than non-virtual employees, not like to work in an office and to report their employer physically a being with the family and spending more time with them.

Table 5: Operating Mode

Operating Mode	Number of Responses
From Home	23
From Office	00
Both from Home and Office	05
Total	28

### **Duties and Obligations of Virtual Employment**

Considering the identified sample in the study, it was possible to classify the nature of the virtual employment as follows;

I. Routine Work

ii. Assignment-based Work

After analysing the raw data and its subsequent synthesis, it was concluded that a question must be asked regarding “*Whether these employees know of their duties and obligations vises-a-vis their rights.*” In this regard, the majority of the respondents stated that they have received their list of duties in writing from the employer when they were selected for virtual employment and this includes all employees working for local companies. The remainder were given the job on an assignment basis. These job descriptions were not specially designed for virtual employment, but are similar to those involving normal routine employment. (Box 10 in Annex4. has extracted the experiences expressed by some participants). This shows that by the very nature of virtual employment, the level of discretion involved when discharging duties is higher compared to employees engaged on non-virtual jobs as they have to make their own decisions on a daily basis as to how they are going to carry out the tasks assigned to them.

“*When you are a virtual employee you are on your own, there is no boss to tell you what to do. You are working from home and you are free to do it in your own way. The only problem is that you have to do the job given to you by the date they give you. How you do it is up to you*”

*“They are not very specific but I have a general idea of what I am supposed to do but once the work commences they send instructions from time to time to do something like this, change it like that, but apart from these instructions I work independently.”*

*“Actually yes I have a job description of what should I do but it is not the usual rules and regulations. I have the freedom to do it the way I want but I have to deliver what they want. So it is up to me, I can do whatever I want but at the same time I have to deliver exactly what they want me to deliver.”*

### **Field Visits**

In the context of virtual employment, field visits are not a frequent occurrence. It depends on the nature of the business and the job and some virtual employees take up field visits to meet clients and for product marketing. This is done to show the employer or the client the technical aspects of the job or to explain certain issues or problems which may have cropped up and if necessary to carry out some training which may be needed. In a contract of employment, supervision is also very vital as the employee should perform the duty under the supervision of the superior. When considering the frequency of the mode of contact it was revealed that E-mails and Skype are the most frequent methods used for contacting their immediate supervisor in virtual mode. Apart from that phone calls/ conference calls and chat boxes were also used as a mode of contact. The respondents state that every week or every fortnight (twice a month) they have to communicate everything they have done so far to their superiors.

Sometimes when they are on an important project with strict deadlines they have to communicate with their supervisor on a daily or even an hourly basis to get the job done on time. The majority of employees working for local companies used to meet their supervising officers at least once in 2 weeks. However, all of them mentioned that when needed, the supervisor

contacts them every day or even many times a day, depending on specific deadlines. The result also shows that significant variations in the frequency of contact exist and it appears that the majority of respondents have been contacting their immediate supervisors on a daily basis. The remainder is doing so on a weekly basis while a few employees are contacting them within a milestone of the projects (see table below).

Table 6: Frequency of Contact

Frequency of Contact Point	Number of Responses
Daily Basis	13
Weekly	9
Within milestone of the projects	4

Source: Author

### **Modes of Supervision**

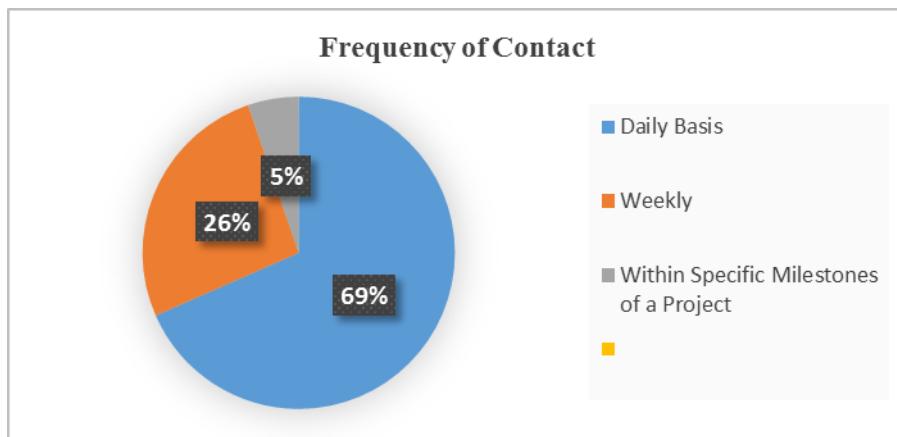
Virtual employers used a tracking system to evaluate their virtual employee's productivity. They have an online system called a Time Tracker. When they start work they start the Time Tracker and when they finish they stop it. It automatically records the working time. Apart from that as a normal procedure, the supervisors send e-mails or contact them over the phone or use Skype for ad-hoc cases and to solve necessary problems. Usually, they do not supervise frequently. They state that as long as their employer gets the work which they are sent on time, they are satisfied. However, it is a prerequisite that the employee has to be accessible, especially when tight deadlines have to be met; they have been there to answer the calls. This they have to do without fail as otherwise if they get a negative feedback from the client then they may be in trouble.

In order to build a rapport with co-workers, virtual lunches with co-workers were arranged at least once a month. While the intention is to get together, build rapport foster team spirit and create a sense of loyalty to the organization, the different time zones mean that for

some virtual employees it will not be convenient and therefore these virtual lunches might not be had during their meal time. However, while only 13 insisted that their supervisor contacted them every day and others weekly or depending on the nearness of specific milestones of a project, it is more truthful that all participants had supervisors who would interact with them as and when issues arose. This meant that some supervisors, who interact weekly, might, if problems arose, interact with the virtual employee on a daily basis.

It appears that the majority of the respondents get involved in supervision using different modes of contact in instances where virtual employees supervise their subordinate staff. Those respondents informed that they do not physically meet them but report back on virtual mode. When supervising their work most of the time they have to work outside their working hours due to time differences in the countries their subordinate staff lives. All 28 participants informed that the mode of contact – over the phone, using conference calls and through Skype – was used by their supervisors.

Figure 3: Frequency of Contact



### How participants understood virtual employment

It is observed that the majority of the participants did have a sound knowledge of the uniqueness of their employment and how it is clearly different in nature from the traditional concept of employment.

*"Virtual employment means being able to work from home without going to office and working irregular hours and achieving the goals entrusted to you"*

*"Virtual employment means working when you like and where you like using the World Wide Web"*

*'Virtual employment is a new way of carrying out the task allocated which gives you an opportunity to strike a balance between work and family life'*

However some employees have not grasped the true nature of their employment and this misunderstanding is highlighted: one participant revealed that he was under the impression that this type of employment is limited to a foreign country, *"Virtual employment involves a situation where a person may be working for a company which is located overseas, through cyber space"*.

The above statement highlights the incorrect understanding of what is a 'virtual employee' from those who themselves are working as virtual employees. The view held by a large majority of the interviewees suggest that virtual employment means working from home using the internet without going to office according to one's own time schedule and targets and at the same time achieving an acceptable work-life balance.

As is made evident in quotes below, a number of interviewee's spoke of the freedom such unconventional employment offered. However, while most spoke of "working from home" (Participant VEP17) and "working when you like and where you like", none spoke of the obligations this entailed. While the 'right' to, for example, "strike a balance between work and

family life" was put forward, the 'obligations' that go hand-in-hand with it, often enshrined in the rules and regulations of employment remain unexplored/misunderstood/seen as irrelevant/not discussed by those being interviewed.

Apart from the above, in carrying out this research, it is vital to gain an insight into what kind of people are these virtual employees. Further, questions such as how and why did they enter this mode of employment; what are the qualities of a typical virtual employee (i.e. what kind of a person becomes a virtual employee); and what are their hopes, fears, desires, and aspirations might also be asked. It was felt that if these demographic details were not given, it could be perceived as a weakness in the research that the socio-economic aspect was not thoroughly gone into. In the above situation, it could be argued that this would negatively impact the overall quality of this study. The socio-cultural and educational information provided below, while on face value might appear unnecessary, is vital for two main reasons. The first is that it paints a picture of the daily lives of the individual. Secondly, more importantly, it provides an explanation as to why these individual provided specific answers to questions. This might explain the lack of interest in long-term employment, the unconcern for legal protection – which an individual who has faced issues such as 45-year-old. VEP 28

### **Living as a Virtual Employee**

Living as a 'virtual employee' in a country where the norm is 'traditional employment' means living a life that is slightly different from the majority. This is important as a number of these virtual employees noted that they were willing to agree to specific terms and conditions in order to live their lives in this non-traditional employment style. This begs the question as to 'why' they would seek a non-traditional form of employment, which is often not even understood by the masses. 'As noted below, the interviews allowed the researcher/interviewer to

use the 'thick descriptions' given to understand the personal lives of virtual employees. Some spoke of the reduction of stress of being an active co-parent [*I am a mother of 3 kids and I will never want to be employed as a non-virtual employee as this working arrangement suits me better*]. It is evident that financial benefits alone did not attract these individuals to virtual employment.

However, as is evident, some participants took up the position that even though the work was monotonous, routine and dull, they carried out the work purely because of the higher financial benefits they received. "Even though the work is monotonous and I feel the lack of an office atmosphere and that I am not a part of a team I am doing this because of the higher salary I get at the end of the month'

*When you are a virtual employee you are on your own, there is no boss to tell you what to do. You are working from home and you are free to do it in your own way. The only problem is that you have to do the job given to you by the date they give you. How you do it is up to you."*

At the interviews it was also revealed that one participant had left his non-virtual employment and switched over to virtual employment mainly because his work place had become highly politicized as a result of which it became very difficult for him to carry out his duties as a Quantity Surveyor impartially without being involved in bribery, corruption, and party politics. This highlights that there are different reasons – some quite personal – for individuals to become virtual employees. It is not only about financial issues but was seen as a way of handling work-family balance, which gave them 'freedom' and flexibility to do their work satisfactorily and achieve their targets. However, none have discussed the potential impact of legal issues – termination, leave, among others – which might arise to reduce the 'freedom' enjoyed by these individuals. These aspects will become clearer below. In a sense, this

illuminates the divide between 'job security', which is what most Sri Lankans want, and 'employment security', which is apparently what some of these participants require.

### **Reasons behind becoming Virtual Employees**

An analysis of the variety of responses received from the respondents reveals that there appear to be three reasons as to why a person becomes a virtual employee namely personal, professional and economic.

#### **Personal**

According to the "personal reasons," most of them believe that virtual employment makes their personal lives free and they can manage the time within their own schedules. However, they admit that they have to strictly work to deadlines even though most of them have an opportunity to work from home.

*"It is a very flexible kind of arrangement. I can attend to my house work, attend to my other work during the day time. Then when the rest of the people are at work or sleeping I can work peacefully"*

*"I love working virtually, it helps me to manage my girls at the same time. I would not want to go back to working in an office from 8-5 ever again."*

#### **Professional**

In their professional career, they expect a better exposure and stress-free work environment. Further, the respondents say this is a unique experience as there is no office environment as such.

*"Fewer calls, but more effective meetings, where the chair person has properly prepared and all attendees have had time to prepare. This would hopefully aid in decision-making during the call".*

*"I find that international teams are much easier to work with than our domestic teams. I think it is because it is expected that when such team comes together, the cost of meeting face to face is prohibitive so everyone quickly finds a way to work together effectively"*

### Economic

This reason is that they have an opportunity to draw higher salaries when compared to the non-virtual workers in Sri Lanka who do the same kind of work.

*"To get a very high income compared with non-virtual employees working in the same capacity"*

*"Higher salary in Sterling pounds."*

*"I don't think any one of us has any real job security. They can fire us at any time if they don't like our work. The real plus point here is that we get a much higher salary than what a non-virtual employee would get for doing the same work in Sri Lanka"*

It is evident from those quotes that participants perceived various benefits of being a virtual employee. These benefits need to be weighed against perceived and real barriers or problems.

### **Issues faced being a virtual employee**

Lack of legal protection and lack of certain benefits were identified as two areas participants felt posed impediments for their careers. The analysis of interview data illuminated that these virtual employees weighed the pros and cons of having freedom whilst working from home to the safety available in working in a traditional setting.

#### **Lack of legal options or no knowledge of legal options**

Many of the study participants did not have lengthy detailed contracts that described their legal rights. In few instances, some participants did not have any legal contracts. As one

participant stated, "I was not given a formal letter of appointment as such. An email was sent informing I have got selected for the appointment, my compensation package and the list of duties were there. However, if they do not have work, if there's a shortfall of work in Melbourne the company will be hit and I will also be hit- because I will be getting less work." Another stated, "Actually I didn't get a letter of appointment, I signed a document but I didn't get a copy."

*"I had to sign a kind of a document before I got the job and it contained the list of things that I had to perform."*

However, most of the participants were aware of the fact that there is no adequate legal protection for them.

*"We have to trust them to a great extent because if they don't make payments or something like that you can't go there and sue. We have to be practical about it. The same risk is there for them as well".*

Some participants also felt they are not aware of what options they have in dealing with their employer. For example, some participants felt that they were constantly supervised. They felt that their every action was monitored. Indeed, as noted in the technologically advanced world, even the Face Book comments are scrutinized by the employer as the computer being used is the one used to do their work.

*"I have to log in to the Computer sharp at 8 am of their American time which is around 8 pm in Sri Lankan time. The problem is I have to be logged on for hours and I feel that I am over supervised by them. I say this because they are constantly contacting me and I can't afford to miss a single communication from them. Sometimes I find this kind of work demanding and exhausting and wonder whether the extra income is worth all this trouble".*

However traditional forms of employment provide protection against such severe monitoring. There are statutory intervals such as lunch and tea breaks, work is limited to 8 hours, additional hours compensated with overtime payments, and freedom to join a duly registered Trade Union.

Virtual employees cannot avail themselves of their rights due to

- a) Their own admission of not knowing their rights, duties, and obligations;
- b) Foreign companies obtaining their services have no obligation to follow the law of Sri Lanka
- c) Not knowing of the legal procedure to challenge deviation from prevailing legal position

*"My letter of appointment is silent about leave. Actually, I don't have any leave; if I take leave then my salary will be deducted." [VEP 20]*

*"I was informed by email that I am entitled to the Washington D C to leave calendar. I took 15 days off to go abroad which was the only leave I applied since I joined the company. The employer was not happy about it and I was asked to work on line most of the time to meet my target."*

*"Joining a trade Union is a futile exercise as we won't be able to pressurize the employer aboard by launching trade union actions."*

*"That is a bit of an issue. My company is based in the USA. In my letter of appointment it says I am subject to Sri Lankan vacation leave but you see in the US and Canada they have about ten days or less official holidays, then I had an issue as they want to communicate with me when there are matters to be clarified specially my subordinate staff who are scattered in other countries like India and Singapore. It is difficult for me to avoid them saying it is a holiday for me".*

Adding to their lack of knowledge was the fact that existing laws are insufficient to address legal infractions. An analysis of the major labour laws in Sri Lanka and the opinion given by the Legal Advisor of the Labour Ministry found that under current laws protection can be given to the virtual employees if their employer is also based in Sri Lanka (Wanasinghe, unpublished). Foreign employers are not bound by legislation enacted in Sri Lanka and therefore employees working for foreign countries have no legal protection. Furthermore, both international laws such as the ILO treaties, as well as bi-lateral Treaties and Agreements pertaining to the issue of reciprocal jurisdiction that can help virtual employees are also lacking (Wanasinghe, forthcoming).

The lack of protection under the law makes these individuals vulnerable to exploitation and abuse by their employers. As they constitute a hidden minority at present, therefore, their needs are not even understood clearly by the virtual employees themselves. It is observed that the majority of the participants did have a sound knowledge of the uniqueness of their employment and how it is clearly different in nature from the traditional concept of employment. However, some employees have not grasped the true nature of their employment which misunderstanding is highlighted earlier.

### **Career Benefits**

Due to the fact that the majority of the study participants fell under the category of contractual employment, many participants work for overseas companies stated that they do not receive benefits, such as leave, holidays, hours of work, intervals, terminal benefits such as Employees Provident Fund, Employees Trust Fund, Gratuity, right to join a union, maternity leave, and protection from unlawful termination,. While all participants who worked on a permanent basis for Sri Lankan agencies felt that they received statutory benefits mentioned

above as the Department of a labour of Sri Lanka is closely monitoring the employers in Sri Lankan companies.

*"I reside 125 km from the city of Colombo and work for a company in Colombo. I have no problem with the terms and conditions of employment as I get all benefits that no virtual employees in my company are given"*

*"As a virtual employee work for a Sri Lankan company, I get the same salary that a non-virtual worker in the same position get in my office. But I save money and time by not traveling to my office every day"*

*"My company is not based in Sri Lanka. I'm paid in Dollars. In Australia there's an equivalent to EPF, ETF called "Super Fund'. My situation is such in the company's point of view that I'm a person who works outside from Australia. They don't have to pay me annual leave or anything like that... So it's basically as if they don't even have to do payment for Super Fund there (Australia)."*

## CHAPTER: 4 DISCUSSION AND RECOMMENDATIONS

To conclude, since there exists a dearth of existing data on virtual employees within Sri Lanka – as the evidence below will indicate, it is possible to speculate that this is so perhaps because this phenomenon is new or because these virtual employees remain ‘hidden’ simply because they are small in numbers, scattered and do not belong to a Union or because these employees intentionally do not wish to be visible for numerous reasons.

The rationale behind the need to gain knowledge on the demographic information and the backgrounds of these virtual employees, is that as Sri Lankan culture is still quite traditional, it is still the accepted norm that if one is employed, then it is ‘proper’ and in the accepted order of things that he should work physically in a ‘permanent’ and ‘stable’ employment either in a government or private sector or any other place with his other colleagues and his employer. In such a situation an analysis of the backgrounds of these virtual employees would go a long way in dispelling or diluting the above traditional theories of non-virtual employment and act as an eye opener to legislators, legal experts as well as ordinary laymen that there exists a category of employees called virtual employees.

This study is based on a relatively small purposeful sampling method, and cannot make larger conclusions to the larger virtual employees operating in Sri Lanka. However, this paper highlights the result of a rigorous and systematic qualitative research as it pertains to this often hidden group of participants. The insights provided below are more than snap-shots. The characteristics of virtual employees in the study were analysed with particular emphasis placed on their educational and professional qualifications. Thereafter, their work environment, along

with the duties, rights, and obligations of virtual employment and the procedures pertaining to supervision and follow-up were considered.

The paper then looked at how virtual employees identify themselves, such as their definition of a virtual employee and why they would wish to engage themselves in this type of work. Finally, the benefits and disadvantages of the being virtual employee were considered. The participants provided information, their views, and their concerns. This is vital as these inquire into whether and why they want 'protection' provided by the law. This provides information not only on the socio-economic aspects of the virtual employees but also informs of whether they require job security (i.e. this particular job) or employment security (i.e. finding any job that suits their qualification and expectations). The information presented in this study also highlights the assertion that these virtual employees are not a homogenous group. However, they tend to be higher and the majority appear to be engaged in IT related fields.

Along with technological and other advancements, while virtual employment has become a growing mode of employment globally, this study identified that no official data from the government exists of virtual employees (to that matter even unofficial statistics). It is recommended as a first step that Sri Lankan National Labour Force survey revise its questions to include a section on virtual employees. Comprehensive understanding of a group is key if one want to make practical changes or advancements. Without even an identification that such a group exists, it is difficult to know what their needs and issues are, to make necessary recommendations. It was observed that many virtual employees were unaware of their rights and responsibilities to a certain degree as regards their employment while others appeared to be indifferent to this issue, their main concern being the fact that they were making much more money than their office-bound counterparts. This seemed to be insufficient compensation for the

fact that the protection of the law would be denied to them in instances where labour issues had arisen between them. This had led certain employers to exploit their virtual employees.

In the circumstances, in order to offer a viable solution, it is recommended that steps be taken to fully educate these virtual employees on their legal rights and duties in this field through the holding of seminars, conferences, workshops and discussions with the labour department as well as legal experts and academics with these employees. The employers should also be included in the above activity in order to offer a more acceptable solution to this problem. In this regard apart from educating the employees and their employers, it is recommended that awareness programs should be initiated among lawyers, the labour department, judges, academics specializing in labour law as well as members of the legislature as some of these categories are not sufficiently aware that there is such a segment of the labour population is operating in this area of the law.

Additional research is also needed to look at the existing labour laws in Sri Lanka and to what extent they grant protection to these virtual employees. As the majority of these employees worked for employers outside of Sri Lanka, it is also important to understand what type of international laws, and bi-lateral agreements exist to support virtual employment sector. The limitation of this study is limited to 28 virtual employees, recruited using snow-ball sampling. Future research needs to look into national surveys or random sampling methods utilizing quantitative analysis methods to fully understand who virtual employees are. For example, due to a dearth of data on the issue, at the moment it is impossible to know the percentage of the population engaged in virtual employment.

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