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# DIGITALIZATION, WORKPLACE ORGANIZATION AND EMPLOYEE MOTIVATION: A MEDIATION ANALYSIS

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PRELIMINARY VERSION

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## ABSTRACT

This study investigates the motivational consequences of using information and communication technologies (ICT) at work. More precisely, we analyze the direct and indirect effect of using digital tools in the workplace on employee motivation, thereby identifying workplace organization as a possible channel. From a theoretical point of view, we rely on the basic self-determination theory (SDT) model in the workplace and distinguish between autonomous and controlled motivation as well as between the three basic psychological needs for competence, autonomy, and relatedness. On the one hand, ICT can directly foster employee motivation by facilitating access to information and communication tools allowing more collaboration, social interactions and continuous improvement. On the other hand, ICT lead to changes in autonomy and monitoring policies that might have distinct effects on employee motivation. Thus, workplace organization in terms of employee autonomy and monitoring can serve as a channel affecting employee motivation. For our empirical analysis, we use cross-sectional Luxembourgish linked-employer-employee data on working conditions, work life quality, and organizational and managerial practices. The data provides us with rich information on employee motivation and the use of different ICT in the workplace, such as ERP, workflow and groupware systems, intranet, and e-mail. Methodologically, we apply causal mediation analysis and check the robustness of our empirical results by specifying an instrumental variables regression model. First results show that the effect of using ICT on employee motivation is partially driven by the channels of workplace organization whereas employee autonomy is of greater importance than employee monitoring. Furthermore, while focusing on employee autonomy as a mediator, the effect of ICT on autonomous motivation is more pronounced than the corresponding effect on controlled motivation. Finally, the opposite is true for the mediator employee monitoring.

**Keywords** Information and communication technologies (ICT), workplace organization, autonomy, monitoring, self-determination theory, motivation

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