Employee Wellbeing in a Remote Working Environment

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This bachelor’s thesis investigates the effect of remote work on employee wellbeing. Due to Covid-19, the number of people working remotely has risen in the past years. Remote work environment has created new challenges on the wellbeing of employees. Leaders play a big part in this. The objective of this thesis is to examine how leaders can ensure the welfare of their employees in a remote environment and what type of leadership styles are suitable for remote work. The research focuses on the social wellbeing aspect. In addition, the different challenges of remote work prosperity will be addressed. The goal was to provide a handbook for leaders to simplify the steps to ensure the wellbeing of their employees in remote work.

This thesis includes a theoretical part, which focuses on employee empowerment and leadership in remote working environments. The research was conducted as a desk study. A handbook was attached to the appendices.

The findings of the research show that leadership has a big effect on employee’s emotional health overall. The remote setting has benefits for employee wellbeing but still needs special attention from leaders. Challenges rising from the remote setting are usually related to isolation, the lack of belonging and managing your own work capacity. Creating trust among the team, communication, keeping the connections within the community and knowing your team are the crucial parts when ensuring the wellbeing of employees in remote settings. Different leadership styles were investigated and there were suitable elements from various styles that can work well in remote work environments.

Key words: employee wellbeing, remote work, leadership, leadership styles
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GLOSSARY

COVID-19
Coronavirus disease (COVID-19) is an infectious disease caused by the SARS-CoV-2 virus.
1 INTRODUCTION

This thesis will concentrate on employee wellbeing in a remote work setting. Working remotely has become more common in the past decade. Employees are demanding flexibility and remote work gives the opportunity to tailor your work around your lifestyle.

In 2020, Covid-19 started to spread around the world. Due to the virus, a lot of changes occurred to people’s everyday lives. Countries were forced to come up with different restrictions and lockdowns to keep citizens safe. These restrictions brought new challenges to work life. The biggest change occurred in the way the pandemic transferred millions of people around the world into remote work.

We spend a substantial part of our day working. Therefore, how you are feeling at the workplace has a significant effect on your overall wellbeing. The transition to a remote working environment brings out new challenges to employee’s vitality and leadership.

Additionally, employee wellbeing plays a notable role in organizations performance and moreover results. It has been studied that leaders have a key role on how one feels at work. Indeed, the relationship between the employee and manager is the most important one at work.

While the working life is changing, employers need to change their ways according to the new needs of their employees. As an end result, the writer of this thesis will provide a guide for employers to ensure the wellbeing of their employees in remote work environments. The recommendations on the guide will be based on the literature review of this thesis.
1.1 Thesis objectives and research questions

Since, remote work will be more common in the future (Castrillon, 2020). It is important that the organizations are learning how to take care of their employees in the changing working life.

The main objective of this thesis is to examine how the remote work environment affects the wellbeing of employees and how leaders ensure and support one's wellbeing from a distance. In addition, this thesis will investigate what are the specific challenges that occur in remote settings when looking from an employee's view. To support the main objective, different leadership styles and their suitability for remote work will be investigated.

The main research question of this thesis is:
“How can a leader take care of employee wellbeing in a remote working environment?”.

To support the findings the two sub questions are:
“What challenges does remote work bring to employee wellbeing?”.  
“How different leadership styles are suitable for a remote working environment?”.

1.2 Methodology

Qualitative research refers to different research methods used to understand the study of natural social life. Qualitative research analyses non-numerical open-ended data. The source of data can be for example interviews, documents, or visual materials (Saldana, 2011.)

For this thesis qualitative research methods were used to collect the primary data but to understand the trends on the topic, qualitative numerical statistics were included. This is called mixed research techniques. The research was conducted as a desk study. Desk study is a research method that uses existing data as a source. Existing data of a certain field or topic is collected and analysed to answer
the research questions. Data can be collected from various sources for example books, websites, government statistics press releases or market research reports.

For this thesis the author collected data from various books addressing the wellbeing at work, leadership, and remote work. In addition, previous studies from online articles on those topics were analysed. Collecting data from these sources helped to provide the information for the handbook attached to the appendices.

1.3 Structure of the study

The theoretical part of this study starts with the second chapter of this thesis. This chapter will provide broad information about remote work, starting with the history. Statistics were found to illustrate the changes happening in remote work popularity and the future predictions of remote work will be included. Covid-19 had an impact on the number of employees working from home. Both, the benefits, and challenges of this impact will be included in this chapter as well.

The following chapter focuses on the wide topic of employee wellbeing. Research was focused on the social wellbeing of employees, yet all the parts of employee wellbeing will be introduced. The author addressed both sides of employee wellbeing, meaning that the company point of view was taking under consideration as well.

Chapter four is on leadership. First, the author of this thesis examined the wide topic of leadership and provided a quick overlook on the basics of leadership. Data on different leadership styles was collected and summarized. To answer the research questions the focus was on leadership in remote work. Data was collected on existing books and articles on leadership in remote work. The conclusion and appendices will summarize the information found during the research.
2 REMOTE WORK

Remote work refers to work that is being done outside the actual workplace. It only refers to work that can be done at the workplace as well, for example construction work is not remote work (www.stat.fi, 2021.) Remote work is a method that is not tied to any certain time, location, type of communication technology or use of information (Contreras, Baykal and Abid, 2020).

Fast-evolving technology has been enabling companies to find new ways of working. Over the last few decades working from outside the office has increased rapidly in many lines of business. Even though technology plays a big part in the remote working environment, the history of remote work still goes back decades. Many companies have recognized the benefits of remote work years ago. Businesses were allowing people to work remote, as a test, already in 1979. What is more, young entrepreneurs were working from home to save costs in 1999 when many start-ups were launched. (Gupta, A. 2021.)

The Finnish company DNA launched a “seamless work” model in 2012. This model gave the employees freedom to choose when and from where they wanted to work. According to DNA’s director of human resources this model has increased both the results of the company and the job satisfaction of their employees (DNA, 2020.)

On the contrary, not all companies did believe in remote working environments efficiency. In 2018 Facebook stated that they want as few people working from home as possible. The reasoning behind this was the lack of productivity and accountability (Gupta, A, 2021.)

According to Eurostat statistics (2020), in 2019 5.4% of employees in Europe were working most of the time remote. There has been no significant change to this percentage in the past decade. The number of employees working from home intermittently has risen from 6% in 2009 to 9% in 2019. This clearly shows that companies are implementing hybrid work environments where employees can
work part time from home. The statistics show that the Netherlands and Finland are the top countries in Europe where employees work from home.

![Figure 1. Statistics of persons usually working from home, 2019.](ec.europa.eu/eurostat)

Source: Eurostat, 2020

However, a review of the last view years will look a lot different due to the Covid-19 pandemic. In 2020, employees around the world were forced to transfer into remote work because of restriction’s countries put in place to prevent the pandemic from spreading. Even though remote work has been known for decades this change was unexpected. Companies were facing new challenges
and had to adapt quickly. According to Tilastokeskus (2020) around one million Finnish employees were working remotely in March 2020.

Employees and employers faced new challenges with little to no warning. This change forced companies that were against remote work environments to try this different type of working. There have already been signs that remote work will become more common even after the pandemic. Many companies are seeing the benefits of this type of work for both employees and the company itself (Haapakoski, Niemelä & Yrjölä, 2020.)

There are a variety of benefits in having a remote work environment. The flexible arrangements in remote work may potentially increase job satisfaction and overall, wellbeing. This flexibility allows employees to choose the best option for their work which could potentially increase their work efficiency. What is more, some might find it easier to concentrate at home or other location rather than being in an office space full of distractions. People feel that working at the office might interrupt the work too much (Fried and David Heinemeiser Hansson, 2013.) While working from home there is no time needed for the commute. This gives the employee more time for example with family and hobbies. When given more time to enjoy the things that make you happy, it affects overall happiness, and this reflects positively on their work as well. Offering the opportunity to work remotely may be a notable factor while building a great employer profile (Haapakoski, Niemelä & Yrjölä, 2020.)

A remote work environment also has benefits for the company. As mentioned above, a remote working environment is not tied to any specific country or region. While recruiting, this gives the company a bigger talent pool to find the most suitable person for the job. This benefits the company and the employees searching for a job. Offering the opportunity to choose where to work is a way of meeting the needs of your employee. Happy employees are more dedicated to the company and will deliver better results (Vikman, 2020.)
Naturally, the financial benefits are also notable. The company will have no need to own or rent big office spaces since some members of the team will be working elsewhere. Similarly, when your employees are well and are staying longer with the company, it saves money in different ways. Experiments have shown that remote work can lead to an increase in performance. Employees took fewer and more efficient breaks and had fewer sick days. Moreover, a quieter environment offered more focus to the actual work (Freid & Heinemeier Hansson, 2013.)

Nevertheless, there are some challenges that occur in remote working environments. The key challenges of remote work according to MITSLOAN (2009) are the difficulties around work-life balance, the feeling of being isolated, lack of interactions during the day, and lack of visibility. While working from home, the employee is close to their work equipment even after work. Consequently, it can be difficult to separate work from free time and therefore employees might find themselves working more. In a traditional working environment, employees are used to having others around. After moving into a remote working environment, employees might feel isolated and lonely. Working from a different location, even with advantaged technology, might slow down some of the communication processes and this might affect the work satisfaction of an employee if they feel like they are being ignored. Communicating fully through technology can raise challenges with building trust among the team. It might take more time and feel like a bigger thing, to illustrate, one might find it easier to just walk into someone’s office and ask a question rather than calling them about the matter.

The future of remote work looks bright. Castrillon (2020) estimated that by 2025 70% of the workforce will be working remotely in some way. The Covid-19 outbreak showed many companies and their employees that work can be done efficiently from home. Even though remote work was becoming more common already before the pandemic, it still boosted the transition to a more remote environment.

Companies are figuring out the best way for them to keep working after the pandemic. A hybrid model allows flexibility for both the company and their
employees. Hybrid model combines working from the office spaces and from other locations, offering the flexibility to work from where it best suits the employee (Ro, 2020.)

In conclusion, remote work gives the company, employers, and employees opportunities. When organized correctly it can create great advantages. However, due to the different circumstances, a remote work environment requires new ways of leading a team.
3 EMPLOYEE WELLBEING

The interest on employee wellbeing has risen in the past years. In the English dictionary occupational health is described as the act of preventing people from becoming sick because the work they do.

Being well at work means that one feels safe to be at work, working does not harm their health and it is pleasant (The Ministry of Social Affairs and Health, 2021). Additionally, to safe, healthy and productive work environment, wellbeing at work includes well-led organizations with happy workers who enjoy their job and find meaning in it (The European Foundation for the Improvement of Living and Working Conditions).

The World Health Organization (2010) describes a healthy workplace as an environment created in collaboration with the employers and employees to ensure the health and safety of everyone.

According to various laws employers need to make sure that physical and physiological stress does not grow too much at work (Manka and Manka, 2016).

Wellbeing at work has a significant influence on the overall wellbeing. Wellbeing at work reflects how employees feel at work and how these feelings affect their lives in general. People spend a substantial part of the day working and therefore how one feels at work will impact their overall wellbeing (Rath & Harter, 2010.)

The wellbeing of someone is an important factor as it is. Furthermore, recognizing the matter brings advantages to the company as well. Organizations will benefit from understanding the importance of employee wellbeing because satisfaction with it will lead employees to contribute to the work better. With the right type of strategy, implemented the right way, a company can improve employee performance, reduce sick days, and increase the effort, trust, and loyalty (Hesketh and Cooper, 2019.) Obviously, every sick day taken is away from the results of the company. In addition, happy and well employees will give you better effort (Rath and Harter, 2010). These aspects will potentially lead to better results.
When a company is investing in the wellbeing of their employee, furthermore the employee will invest into others. This is, to the colleagues and customers, meanwhile creating more value to the brand itself (Rath and Harter, 2010).

To keep qualified resources now and in the future, the strategy for employee wellbeing needs to be preventive. How well employees feel has a direct effect on the company's competitiveness. Thus, having a clear plan around well-being before problems arise is important (Manka and Manka, 2016.)

Building a strategy around employee wellbeing revolves around a solid foundation. When the basics are in order, there can be more consideration on the next levels. The higher levels of employee wellbeing include things like work engagement, ability to keep up with the changes, thriving at work and finding meaning in the things there. The final goal and the highest level are to create an environment where employees grow with the company and adapt to the changing working life in the same company. Again, having a foundation ensures that during these changes employees can work in a stable community, when there might not be time to focus on the communality. All this requires good leadership and strategies that include their employees in the making process (Manka and Manka, 2016.)

The wide topic of employee wellbeing can be separated into four parts: psychological, physical, social and financial wellbeing. Psychological wellbeing at work refers to the mental health of an employee. It includes the way the employee is interacting with others. Having a meaningful job and finding purpose from it affects the psychological part of employee wellbeing in a good way. The problems evolving around mental health can be harder to spot than physical problems. Thus, it is important to keep on track on how your employees are doing overall. This will additionally help your employees to feel valued and part of the company (Hesketh & Cooper, 2019.)
Being well at work can reduce the risk of various health problems, like depression or heart issues (Rath & Harter, 2010). Yet the physical part of employee wellbeing does not only mean the absence of illness. In addition, it includes the lifestyle choices one makes in everyday life to be able to get through everyday tasks (Hesketh and Cooper, 2019).

Financial wellbeing refers to the problems rising around one’s wealth. These issues might be arising due to problems with the other areas of wellbeing. Money problems can be overwhelming and affect overall wellbeing (Hesketh & Cooper, 2019.)

![Figure 2. Four parts of employee wellbeing.](image)

*Source: Wellbeing at work, Hesketh & Cooper 20*

This thesis aims to focus on the sociological part of employee wellbeing. As noted previously, the challenges in remote work are mainly related to communication and socializing, thus studying the sociological part of wellbeing is important.
3.1 Social wellbeing at work

The feeling of belonging is the main part of social wellbeing at work. It includes the feeling of belonging into communities and having meaningful connections and relationships with others. Social well-being at the workplace consists of both, connections with your colleagues and with your leaders. These connections give meaning and purpose into the workplace (Tapping, R, 2020.) The social capital one gains from meaningful connections strengthens trust in community, mutuality, and networking (Manka and Manka, 2016).

The social part of employee wellbeing also consists of how one is in line with the company values. If they are close to our own values, we are more likely to give the best commitment from ourselves to the company and work (Cooper and Hesketh, 2019.)

Taking care of your team’s social wellbeing, you need to know what are the things that this certain team appreciates. When those things are addressed it adds on to the feeling of being valued as well as overall job satisfaction (Cooper and Hesketh, 2019.)

Overall, the sense of belonging to a certain group or community and feeling valued brings results. If one is feeling that their work matters and that the company is doing the work for a reason, they are more likely to perform better. The feeling of belonging increases the performance towards goals. As mentioned earlier, reduced sick days will affect the profits of the company. Social connections will reduce sick days as well (Manka and Manka, 2016.) However, social employee wellbeing needs a strategy as well as the other parts of holistic wellbeing.
3.2 Employee wellbeing in remote work

The remote working environment has changed the way of working. Although the employers might not be sitting in the same room with the employees anymore, the wellbeing of the employees is still crucial. The wellbeing in remote work includes the same type of challenges but also rises new ones.

Perhaps one of the biggest challenges from the employee wellbeing point of view is the workplace isolation. For many, work gives a lot of social interactions during the day. Thus, going into or working in a remote work environment can be hard. Evidently, a sense of community is one of the things that suffer the most when moving into remote work (Haapakoski, Niemelä & Yrjölä, 2020).

Building connections with each other happens differently. One of the important factors of social wellbeing at the workplace is the feeling of being valued as a person, colleague, and employee. In remote work the lack of connection and interactions might leave one feeling lonely and disrespected. Especially if the change of environment happened unexpectedly (Cooper and Hesketh, 2019.)

Even though internet access is everywhere, people are still more likely to turn to each other for information. Knowledge sharing happens when people gather and share their own knowledge to create new knowledge. This sharing process is crucial for building connections within a team. The remote environment makes this process more difficult since the sharing of knowledge requires communication (de Vries, Bakker-Pieper and Oostenveld, 2010.)

Managers are noticing that it is harder to have connections with the team in a remote work environment. For instance, without everyday small talk, the manager might not know how their employee is doing generally. Stress levels are harder to estimate remotely. In the remote working environment, the need for self-leadership rises, it might be hard to know your own limits (Vikman, 2020.)
If changes to the working environment are happening unexpectedly it can affect the person-environment fit of the employee. P-E fit theory indicates that companies draw and select people who share the same values, cultures, and work features. Employees who fit in the environment are more likely to be more engaged and happier at work. Experiences of misfit may occur when unwanted changes are happening suddenly, like with Covid-19. To illustrate, the employee might have chosen a specific job because of the environment and interactions there. Social wellbeing at work is affected by the values that are shared with the company. Due to the remote environment this aspect is changing, and it might affect the job satisfaction of this employee. The organization needs to understand what type of processes are needed to remain with the same level of P-E fit, while the ongoing changes (Carnevale and Hatak, 2020.)

As the social interactions decrease in remote work, creating an environment where ideas, concerns and feelings are shared openly gets harder. Having a trusted team around, makes one perform better when all ideas are shared. The virtual setting and online meetings can make it more difficult to create this type of trust. Online meetings tend to have accidentally interrupted discussions and too fast ending meetings. Not seeing other people's reactions as clearly might decrease the willingness to share feelings. In addition, conflicts are easier to hide in a remote setting. This will potentially grow the issue and inflame team's connections (Orti and Middlemiss, 2019.)

The need for socializing can be addressed also in the virtual setting. A study conducted by showed that employees reported higher levels of wellbeing when the organization addressed the change more and provided opportunities to be social in remote environments. Practices that allow the employees to reconnect with their team creates a feeling of belonging (Caldeira et al., n.d.)
4 LEADERSHIP

Most affecting factor with employee wellbeing is leadership. Social wellbeing at workplace includes the relationship with others. Evidently, the relationship with the team leader or manager is the one closest associated with wellbeing at work (Cooper and Hesketh, 2019.)

Leadership is about working towards achieving common goals. A leader is an influencer rather than a dictator, guiding the way respectfully. Simply put, making things better”. (Summerfield, M.) The responsibility of providing a vision to the employees and inspire them to get to the common goals around that vision is with the leader.

There are some qualities and skills that are important while building a well-functioning team. Crucial social skills that are needed from leaders are enthusiasm, toughness, fairness, warmth, humility, and confidence. These qualities will create trust among the team and build credibility. In addition, some technical skills are required. In any field of work, it can not be expected that leaders know all the technical parts. However, it is important to know enough to guide your employees when needed. Especially with the working life changing and virtual settings becoming more common, leadership requires some technical skills (Adair, 2010.)

Figure 3. Key elements of leadership.
Source: Wellbeing at work, Cooper & Hesketh, 2019.
As featured in figure 3, the basics of leadership are knowing your staff, your stuff and yourself. When these elements are clear to the leader it is easier to spot things when they are not in control (Cooper & Hesketh, 2019.)

4.1 Leadership styles

4.1.1 Transformational leadership

Transformational leadership evolves around trust and commitment while creating an environment where employees are satisfied. It is an inspirational way of leading where the leader is coaching the team instead of ordering (Cooper and Hesketh, 2019.)

In this leadership style the leader focuses on finding the strengths of the team and ensuring the growth for those elements. Indeed, according to Rath and Harter (2010), when employees can work on a task that uses their strengths, they are up to six times more engaged with the company.

According to Hesketh and Cooper (2019) the theory of transformational leadership evolves around four factors:

1. idealized influence,
2. Individualized consideration,
3. inspirational motivation and
4. intellectual stimulation.

Idealized influence is the credibility a leader has in their employees’ eyes. This credibility comes from the knowledge on how to make your employees feel good at their work and create meaning and purpose to it. The individualized consideration is linked with caring. Transformational leaders tend to have a deep care for the people around. With the ability to be present and giving personal
focus, a leader can create high commitment, loyalty, discretionary effort, productivity, and performance. As mentioned above, transformational leadership aims to motivate through inspiration. This requires the leader to have great communication skills and effective engagement. The leader's own commitment will create inspiration within others. As an outcome it will likewise offer loyalty, high contribution and overall satisfaction. Intellectual stimulation refers to the need for challenges at work. Without any challenges the work can be as tiring as with a burn out. Leaders need to support and challenge their employees to keep the work meaningful (Hesketh and Cooper, 2019.)

4.1.2 Transactional leadership

Transactional leadership focuses on rewards and punishment. This leadership style aims to result by rewarding employees who meet their goals and punishing the ones who do not. The idea is that when the employees are fearing the punishment, no mistakes will happen, and the productivity will be higher. This type of leadership creates competition inside the team which can affect the team spirit and overall, the wellbeing of the employees (Cooper and Hesketh, 2019.)

The four main areas mentioned in transformational leadership are often compared with transactional attributes which are Contingent reward (CR) and Management by Exception (MBE). With CR employees are being motivated through a reward. Motivation is built around competition and fear. Management by Exception is a negative-based style of managing people. It includes criticism and other negative types of leading. This type of leadership can cause long-term harm to employees and is proven to be ineffective (Cooper and Hesketh, 2019.)

4.1.3 Other leadership styles

Laissez-faire is a leadership style where there is little to no leading. There is no inspiration, no coaching or feedback (Cooper and Hesketh, 2019). The theory behind this leadership style is that people are complicated to understand, so it is better to let them make the decisions rather than trying to understand them. This
leadership style, too, encourages personal growth but is often reported with the lowest levels of motivation (Chaudhry & Javed, 2012).

4.2 Leadership in remote work

The reason why leadership in a remote environment feels hard is because leaders are trying the same things as in a normal setting. Strategies need to be changed according to the changes happening in the working environment. Even though there are similarities, the leaders need to be aware of the challenges their employees are facing. There is no model that works for all teams, managers need to work according to the needs of their team. The traditional leadership knowledge is not enough. In fact, education for the digital world needs to be implemented as well as training for the missing knowledge of the rest of the team (Vikman, 2020.)

According to Vikman (2020), there are six key elements of leading a team (remotely):

- trust
- respect
- openness
- rules
- ongoing dialog
- communiality

Cooper and Hesketh (2019) outline some of the challenge’s managers are facing in a remote working environment. Firstly, even with the history, remote work is still new and leading a team remotely is a new role. Research has shown that managers tend to forget the differences between employees. People adapt differently to new environments and managers need to address this in their plan of leading the team. The importance of clear communication is emphasized in remote environments. Managers need to ensure the right tools for all their employees to ascertain the results of the whole team. In addition, figuring out a way to measure those results. As mentioned before, social wellbeing includes the need for a sense of belonging into a community. Managers should form a strategy
that brings the employees together even in a remote environment. Activities that keep up the working identity are needed to avoid any feelings of isolation.

In addition, managers think that the following challenges are coming from remote work environments. The way of measuring the productivity of the employees must be changed according to the needs of the remote environment. For instance, it might be better to measure the results of the employees rather than the time spent on the task. It requires giving up some of the control but will eventually create better results. What is more, managers need to choose if they want to measure results individually or in a team setting. Remotely it might be hard to measure the results from the whole team but measuring only individual results might cause harm to the team spirit and relationships between colleagues. In the remote setting it is already challenging to keep the employees committed when the connections are disappearing. Thus, every relationship needs to be valued (Vikman, 2020.)

Another challenge arises when teams are decentralized. A team where employees are working both, at the office and remote needs attention to the setting even more. Employees who are working from home need to be as big a part of the team as they would be from the office. This needs special attention from the leaders of the team (Vikman, 2020.)

The connections between the team members are crucial in all working environments. The difficulties establishing those connections rise especially in a remote working environment. If one wants to succeed in leading a remote team, they must consistently work on making sure that the connections are working between all team members. Thus, the manager needs to know their people. High social intelligence and sensitivity are highly valued skills when it comes to leading a remote team. It is difficult to gain the influence needed in a virtual team without knowing your people (Haapakoski, Niemelä and Yrjölä, 2020.)

Managers need to have high communication skills, both written and spoken. Technology helps in communication but does not solve the issues around
connections and community. Therefore, clear communication and being present in conversations is important (Vikman, 2020.)

Feeling valued as a person is part of social wellbeing at work. The remote environment makes it harder to be present to the employees. The manager needs to find ways to communicate and be present even when they are not sitting in the same room as their employees. For instance, using the same tools and equipment will ensure that the manager knows the things that are difficult and communicates with the employees about it. When you are doing the same things, you are being present. This gives the employees a feeling of value (Haapakoski, Niemelä and Yrjölä, 2020.)

Leaders need to create a safe environment that allows employees to be open about their ideas, concerns and feelings. With the virtual settings it requires different practices. Firstly, it is important to invite people to speak up, showing your own vulnerability will give an example to others. It is important not to interrupt anyone but in addition it needs to be clear that any uncomfortable discussions can be intervened (Orti and Middlemiss, 2019.)

In conclusion, to get a team to succeed in a remote work environment, managers need to lead by example, provide clear goals and assignments, communicate regularly and create new opportunities for their employees (Popovici and Popovici, 2020.)
5 CONCLUSION

The outbreak with Covid-19 has sped up the changes in the working life. Both employers and employees are noticing the benefits of remote work. Technology makes it even easier to adjust with the changes.

Remote work has benefits for employee wellbeing. Still, the elements of this different environment need special attention from leaders to maintain the needed levels of employee wellbeing. Organizations are beginning to understand the importance of employee wellbeing and the effect it has on employee performance. The remote work environment creates new challenges that need even more attention than before.

Leaders have the biggest impact on employee wellbeing. It is the relationship that affects the most during our workday. In a normal setting attention is needed to have happy workers but specially with the big changes happening at work, leaders need to make sure that their employees are doing well. With clear communication and addressing the changes rather than just moving through them, leaders can make a big difference.

The challenges that stand out in remote work wellbeing are the isolation, the lack of belonging and managing your own work capacity. The leaders need to find the keys to ensure that the feeling of community and belonging does not disappear when moving into a remote working environment. Communication is again, the key to taking care of these challenges.

As mentioned in the theory part, there are different leadership styles. The transformational leadership style builds around trust that might be harder to achieve in a remote environment where the communication is lesser. This type of leadership focuses on coaching and inspiring, yet remote work needs clearness in communication to avoid confusion.

Remote working environment might create competition between team members as it is. Transactional leadership style might have a negative push to this matter.
Especially in remote work the whole team needs to work together towards common goals. When there is competition inside the team it might harm the results. If team members are put against each other the feeling of belonging might decrease. Still, having fun and inspiring employees with games and little competition might increase the social aspect and help with the feeling of being isolated. Moreover, often working remotely is lonely and then the connections coming from the workplace should be positive to boost the engagement and productivity not the other way around.

Laissez-faire leadership style as mentioned earlier might work good for specific work. In a remote setting it might be too free since many feel that remote work needs even more clear communication than usual type of work. The non-leadership style might create confusion and affect the results. In addition, when there are no connections daily between the manager and the team it increases the changes of loneliness and work depression. If being ignored by their managers, employees are more likely to be disengaged.

The key to leading a team remotely is to know who you are working with and finding the right way to work with them. There is no right way to do everything.

The focus of this thesis was to investigate what type of challenges the remote work environment brings to employee wellbeing and how leaders can affect it. In addition, different leadership styles were examined to collect the needed information. The author has provided a handbook for leaders with the data collected from the research. This handbook will provide clear information about employee wellbeing in remote work and explain what the factors are to focus on. The handbook is done based on the literature research conducted for this thesis.
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Appendix 1 Handbook about employee wellbeing in remote work
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WHAT IS REMOTE WORK

the future of work

DEFINITION
Simply put, remote work is work that is not tied to any certain location. It refers to work that is done outside the office space, for example at home or while traveling.

DIFFERENT TYPES OF REMOTE WORK
- office-based with an option to work from home (hybrid)
- work full time outside the office
- remote teamwork in the same timezone
- team in different timezones

WHY REMOTE WORK
The flexible arrangements in remote work can increase the job satisfaction and overall wellbeing. It gives the employee the opportunity to choose where they work the best. Saves time, no need to commute, the employee has more time for family, friends and hobbies.
REMOTE WORK WELLBEING

NEW CHALLENGES

ISOLATION
One of the challenges when working from home is isolation. The lack of social interactions can decrease the overall wellbeing, thus it is important to remember that socialization can happen online too.

WORK CAPACITY
It is important to make sure your employees do not burn themselves out. When working from home it might be hard to separate work from free time. Create clear working hours and do not work when sick.

BELONGING
Important part of being well at work is the feeling of belonging. Being part of the community and sharing the values with the company increases job satisfaction.
CONNECT

KNOW YOUR PEOPLE

In order to lead a team successfully, you need to know the people you are working with.

Know the differences between individuals and value their strengths.

Remote work brings different challenges to everyone, understand the changed needs of your employees.

CREATE TRUST

Create an environment where feelings, concerns, and ideas can be shared, even in the virtual setting.

Show your own vulnerability.

Learn the do’s and don’ts of virtual meetings.

TACKLE ISOLATION

Everyday checkups.

Communicate often and be available easily.

Special attention is needed if the team is decentralized.
## COMMUNICATE

### BE PRESENT

- Arrange frequently meetings.
- Be clear on when and how to contact you.
- Be present in the meetings, listen, and be curious.
- Use the same tools to understand better.

### COMMUNICATION SKILLS

- written
- spoken
- chat

### CLEARNESS

- Clear communication.
- Challenging enough assignments.
INSPIRE

OPPORTUNITIES

Give your employees room to grow. Keep them active and interested by creating opportunities and valuing their strengths. This will create better meaning and potentially boost their performance.

ACTIVATE

It might be fun to organize competitions in a good spirit to boost social interactions at work.

Arrange fun virtual gatherings.