**Czech University of Life Sciences Prague**

**Faculty of Economics and Management**

**Department of Management**



# Master's Thesis

Benefits and challenges of virtual teams and their influence on employee well-being (A case study of the Global Mobility team at SAP services)

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# CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Faculty of Economics and Management

# DIPLOMA THESIS ASSIGNMENT

## Bc. Lennon Bera

Economics and Management
Economics and Management

Thesis title

**Virtual teams and business success/survival**

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**Objectives of thesis**

The main objective of this diploma thesis is to determine the challenges and opportunities businesses and employees face with virtual teams, and evaluate the impact of these virtual teams on business success and or continuity.

Research question: Does flexibility towards virtual teams contribute to business success/survival (taking the COVID-19 pandemic into consideration)?

**Methodology**

The methodology of this diploma thesis will focus on two areas:

(1) the business performance in recent years (including before and including the covid pandemic), and

(2) the results of an online Questionnaire, where the research target population will be employees and managers of the target company.

The questionnaire will help gather information on both employee and manager opinions of the virtual teams created at this time. Feedback from the employees' responses will be discussed with team managers to obtain a balanced opinion.

These responses will also be used for hypothesis testing.

**The proposed extent of the thesis**
approx 60-80 pages

**Keywords**
Virtual team, Challenges, Workplace

**Recommended information sources**
Davison R.M. et al. (2017), Establishing Effective Global Virtual Student Teams, IEEE Transactions on
    Professional Communications, Vol 60 No 3., September 2017
KURTZBERG, T R. *Virtual teams : mastering communication and collaboration in the digital age.* Santa
    Barbara: Praeger, 2014. ISBN 978-1-4408-2837-9.
POWERS, T. *Virtual teams for dummies.* Hoboken, New Jersey: John Wiley & Sons, Inc., 2018. ISBN
    9781119453802.
WHEELAN, S A. *Creating effective teams : a guide for members and leaders.* Los Angeles: SAGE, 2016.
    ISBN 978-1-4833-4612-0.

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**The Diploma Thesis Supervisor**
Ing. Richard Selby, Ph.D.

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Dean

Prague on 30. 03. 2022

**Declaration**

I declare that I have worked on my master's thesis titled "Benefits and challenges of virtual teams and their influence on employee well-being (A case study of the Global Mobility team at SAP services)" by myself and I have used only the sources mentioned at the end of the thesis. As the author of the master's thesis, I declare that the thesis does not break any copyrights.

In Prague on 31.03.2022                            **Lennon Tatenda Bera**

**Acknowledgement**

I would like to thank Dr Richard Selby for his guidance, support and above all, his patience. I would also like to thank my family for their continuous encouragement and belief in me throughout my studies. Finally, I would like to thank those who took the time to participate in the survey.

# Benefits and challenges of virtual teams and their influence on employee well-being (A case study of the Global Mobility team at SAP services)

**Abstract**

The first objective of this diploma thesis was to identify the benefits and challenges that arose from virtual teams (remote work) due to the COVID-19 pandemic. The second objective of this diploma thesis was to explore employee well-being and the factors that influence employee well-being (with a greater emphasis on health and home environment that provided the foundation for the questionnaire). The final aim was to evaluate how the pandemic-induced home environment and employee health impact one's well-being for the period starting from March 2020 up to December 2021. The subject of the study is the Global Mobility team (a small team in the organisation) of SAP Services. The research was conducted through an online standard Likert-scale questionnaire containing sections with respect to the objectives. The top benefits of virtual teams identified in the research are better work-life balance, less commuting stress and more time spent with loved ones. The main challenges identified were distraction within the household, loneliness due to limited contact with colleagues, and increased household bills. Addressing the factors influencing employee well-being, the main factors identified were physical, financial, mental, and social, and these provided a foundation for the questionnaire formulation. Finally, the research also noted that both employee health and home environment significantly impact employee well-being.

**Keywords:** Virtual teams, remote work, well-being, COVID-19, pandemic

# Výhody a výzvy virtuálního týmu a jejich vliv na pohodu zaměstnanců (Případová studie týmu Global Mobility ve společnosti SAP Services)

**Abstrakt**

Prvním cílem této diplomové práce bylo identifikovat přínosy a výzvy, které vyplynuly z virtuálních týmů (práce na dálku) v důsledku pandemie COVID-19. Druhým cílem této diplomové práce bylo prozkoumat pohodu zaměstnanců a faktory, které ji ovlivňují (s větším důrazem na zdraví a domácí prostředí, které se stalo základem dotazníku). Posledním cílem bylo vyhodnotit, jak pandemií způsobené domácí prostředí a zdraví zaměstnanců ovlivňují pohodu zaměstnanců v období od března 2020 do prosince 2021. Předmětem studie je tým Global Mobility (malý tým v organizaci) firmy SAP Services. Výzkum byl proveden prostřednictvím online standardního dotazníku Likertovy škály, jehož struktura byla vytvořena s ohledem na cíle práce. Hlavní výhody virtuálních týmů identifikované ve výzkumu jsou lepší rovnováha mezi pracovním a soukromým životem, méně stresu při dojíždění a více času stráveného s blízkými. Za hlavní problémy byly identifikovány rozptýlení v domácnosti, osamělost kvůli omezenému kontaktu s kolegy a zvýšení účtů za domácnost. Při řešení faktorů ovlivňujících pohodu zaměstnanců byly jako hlavní identifikovány faktory fyzické, finanční, duševní a sociální, které poskytly základ pro formulaci dotazníku. Nakonec výzkum ukázal, že jak zdraví, tak domácí prostředí mají významný vliv na pohodu zaměstnanců.

**Klíčová slova:** Virtuální týmy, práce na dálku, pohoda, COVID-19, pandemie

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# Introduction

Virtual teams are an essential structural component of today's global business environment. DeSanctis and Poole (1994) define virtual teams as groups of geographically, organisationally, or time dispersed workers brought together by information and telecommunication technology to fulfil one or more organisational tasks. Another definition of a *virtual team* is a group of professionals who use digital tools to communicate and collaborate. Despite being based in the same physical area, they are frequently scattered across different parts of the country (Lopez, 2020).

Virtual teams have become more prevalent with each passing day, mainly due to technological developments in telecommunications and the internet. Many businesses have realised that virtual teams offer several advantages to organisations in terms of flexibility and the ability to overcome many challenges such as geographic distance. Ensuring that virtual teams work smoothly is a critical aspect of determining the success of a business. As the definition of virtual teams can be broad, this diploma thesis aims to analyse the move to virtual cooperation because of the COVID-19 pandemic in the Czech Republic.

Prior to March 2020 (the first lockdown in the Czech Republic), most workers in the services industry were required to be present at the workplace to perform their work onsite. The COVID-19 pandemic came as a surprise to many and came with its dangers: claiming thousands of lives and hospitalising many. This rapid increase in deaths and numbers hospitalised changed the situation entirely as many governments had to impose an emergency state and, subsequently, a lockdown. The governments thus encouraged jobs and companies that could be performed from home to do so as to minimise the spread of the deadly virus by limiting contact between the people. Many organisations in the Czech Republic thus asked or encouraged their employees to conduct their work from home. Some companies still have the same conditions as the pandemic is not yet over. The number of deaths and hospitalisations has fluctuated from March 2020, mainly due to seasonal changes.

The change from having to be working onsite to working from home brought several advantages to the employees as well as disadvantages. The perks and shortcomings of this change would be expected to have impacted employee well-being and, in turn, their

motivation to work (performance). Research on stress and employee well-being has helped many organisations to make significant progress in promoting employee well-being as it is directly linked to employee performance. Employee well-being also determines whether employees stay working for an organisation or not.

This thesis, therefore, seeks to explore the benefits and challenges that arose from the changes brought about by the COVID-19 pandemic and evaluate how much that has had an impact on employee well-being.

# Objectives and Methodology

## 2.1 Objectives

The first objective of this diploma thesis was to identify the benefits and challenges that arose from virtual teams (remote work) due to the COVID-19 pandemic. The second objective of this diploma thesis was to explore employee well-being and the factors that influence employee well-being with a greater emphasis on health and home environment as they provided the foundation for the questionnaire used in the research. The final aim was to evaluate how the pandemic-induced home environment as well as health can impact employee well–being. The research period is from March 2020 (when the government encouraged companies in the services industry to work virtually/remotely) to December 2021. The subject of the study is the Global mobility specialist team (A small team in the organisation) of SAP Services.

## 2.2 Methodology

The diploma thesis methodology was conducted through an online standard Likert-scale questionnaire, and the target research population was the Global Mobility specialist team of SAP Services. The feedback from the questionnaire provided insight on the challenges and benefits the employees have faced because of the remote work and these are summarised in the form of graphs and tables. Cronbach alpha test was used to ensure internal data reliability of the questionnaire data. The final part of the research methodology tested two hypotheses. The first hypothesis examined the relationship between employee health resulting from remote work and employee well-being. The second hypothesis analysed the relationship between employee home environment and employee well-being.

# 3. Literature Review

## 3.1 Literature Map

The Literature Map below illustrates the researcher's approach to the literature review, which begins with an introduction to teams, an examination of virtual teams and finally touches on employee well-being and motivation as they are closely linked together.

**Figure 1:Literature map**
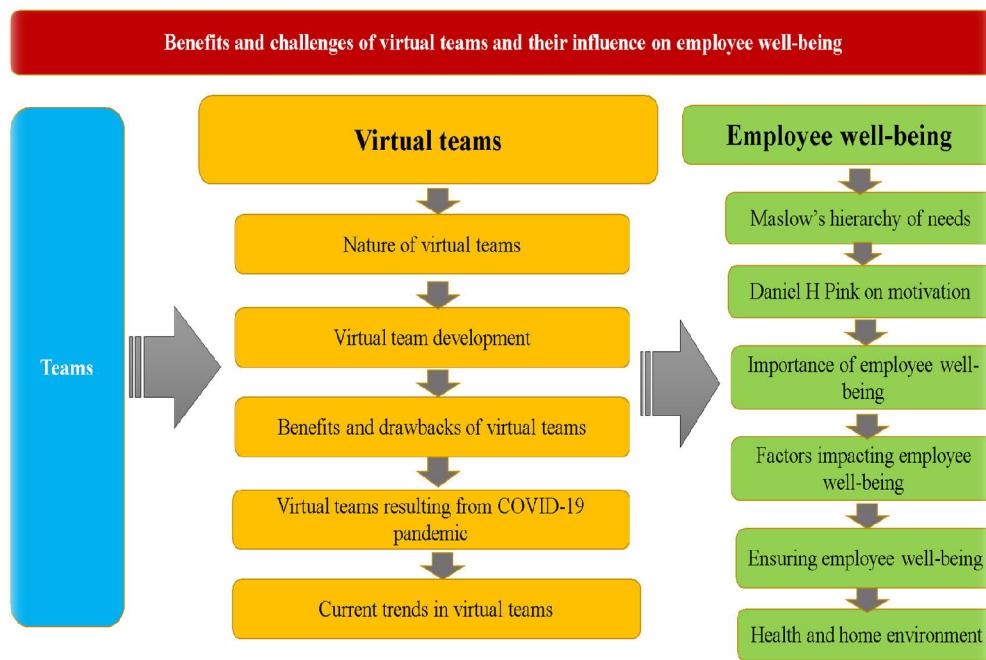


Source: Researcher's own PowerPoint presentation

## 3.2 Virtual teams

This chapter explores teams, virtual teams, the nature of virtual teams, the development of virtual teams, the benefits and challenges of virtual teams, and assesses the current trends in virtual teams. The phenomenon of global virtual teams (GVTs) emerged in the early 1990s, following earlier work on computer-supported cooperative work (CSCW) and group support systems (GSSs) (Davison et al., 2017). This means virtual teams have been existent for quite some time. Although this diploma thesis is based on virtual teams resulting from the COVID-19 pandemic, it is important to understand virtual teams' history and make-up.

### 3.2.1 Teams

A team can be simply defined as several people who do something as a group (Cambridge Dictionary, 2019). This diploma thesis seeks to explore virtual teams; hence a brief introduction or understanding of teams is necessary before dwelling on virtual teams. A team comprises people who collaborate on related tasks towards a particular goal (Lumen, 2019). Every member of a team has a role to play in contributing to the overall success of an organisation. Organisations contain many teams, which may include teams within teams to tackle tasks more precisely, therefore, contributing to the bigger picture. Lumen (2019) writes that "organisations form teams to accomplish tasks too large or complex for an individual to complete. Teams are also effective for the work requiring different skills and expertise. For example, the development of new products involves understanding customer needs and how to design and build a product that will meet these needs. Teams, therefore, play a vital part in contributing to the success of a business; hence managers need to take the topic seriously and find ways to ensure that there is suitable cooperation between employees and that the teams are working effectively. Changing a team's approach from being physically present in the office to contributing virtually has benefits and drawbacks. This concept is evaluated in the next section.

### 3.2.2 Virtual team's introduction

Powers (2018) categorises virtual teams into six main types, and these are as follows:

- geographically dispersed,
- global versus local virtual team,
- telecommuting, hoteling,
- global outsourcing,
- flex jobs.

The geographically dispersed virtual team are those spread around a city, country, or world. For global virtual teams, the group members are in different entities across the globe. A good example is international organisations such as SAP team members based in the Czech Republic, USA or Germany as they work together to achieve a common goal. The third type of virtual team, as mentioned, is telecommuting: a situation where an employee has a flexible arrangement with an organisation and is not limited to conducting work from the work building but can do so from home or library. This option is also dependent on technology. Hoteling is pretty similar to telecommuting as it is a remote working arrangement made between employer and employee. Global outsourcing can be described as a much more flexible work arrangement for people with a particular skill set; for example, if an organisation requires an expert for video editing or application development, they can order these services online. Finally, flex jobs are more related to remote workers who may be working on a flexible job arrangement and may only be working part-time.

Given the types of virtual teams stated above, the most suitable options that this diploma thesis seeks to explore would be the geographically dispersed team or telecommuting. Revisiting the scenario, many organisations in the services industry in the Czech Republic were asked by the Czech government to conduct work from home, if possible, to minimise human contact. Some team members then decided to go to family homes outside of Prague to avoid being lonely during the lockdown hence the concept of geographically dispersed teams within the country. Employees, although encouraged, were not forced to conduct work from home. If there was a reason to do so, they could also

complete work from the work offices by following the COVID-19 guidelines, hence the concept of telecommuting.

### 3.2.3 Nature of virtual teams

In their research on the nature of virtual teams, Bergiel, Bergiel and Balsmeier (2018) stated that "many of the elements that constitute successful face-to-face teams are also necessary for successful virtual teams. The key factors of success include high levels of trust, clear communication, strong leadership, and appropriate levels of technology". Remote work requires quite a high level of trust. Companies must know that the employees are responsible enough, have the discipline to manage their time and conduct their work effectively, as working from home comes with distractions and temptations. Without trust, virtual teams would not be successful; hence, managers must build that trust between themselves and employees and amongst the team members. Clear communication is fundamental in face-to-face interactions and even more when communicating virtually. This can be via email, chat, or meeting applications such as Microsoft teams. Employees and managers are responsible for ensuring that they communicate clearly and are precise in their language, as failure to do so may prove detrimental to the organisation and the relationships between managers and employees and between employees.

Strong leadership is a driving force to business success. Organisations with strong leaders such as Microsoft, Tesla, Google, SAP, and many others, have great potential to be very successful. Understanding lead in virtual teams becomes critical as organisations increasingly use dispersed teams for talent acquisition (Liao, 2017). Managers of virtual teams also need to have strong leadership skills to ensure that the team remains focused on achieving the collective objective. It is believed to be easier if people work towards a collective goal when they are physically present in one place. Complications occur when the people have geographically dispersed, requiring strong leadership and communication skills to ensure the success of virtual teams. The last factor contributing to the success of virtual teams is appropriate levels of technology. Working from home or virtual teams would not be possible without the required technology. These requirements begin with equipment such as laptops or company phones that employees can take home and applications that allow

collaboration of team members (e.g., Microsoft Teams, Microsoft SharePoint). Furthermore, an extra monitor for the jobs that require multiple screens and a stable internet connection for the employee is necessary. All the factors stated above are crucial in ensuring the success of virtual teams.

### 3.2.4 Virtual team development

It was reported that 'some evidence shows that virtual teams evolve through processes like those described by Tuckman and Gersick although differences in the speed and pattern of development appear to exist' (Furst et al., 2004). The following stages would therefore apply:

- Forming
- Storming
- Norming
- Performing

Forming refers to the process whereby team members get to know each other and exchange information, and this stage has the risk of stereotypes and relationships being slow to develop. However, most employees are expected to act professionally in a corporate environment. According to Tuckman and Gersick, the second stage would be the storming stage. This stage reveals the similarities and differences: conflicts may arise. The third stage of the model is norming, where the employees align on one common goal, which is conducting work and cooperating to achieve that one common goal. For most established organisations, it is clear to the employees what the modes of communication are and how it is done as they would have been given this information during interviews and onboarding.

The final phase of the model is the performing phase which most organisations would like to reach as soon as possible so that the organisation is successful. The team members work towards task or project completion with better cooperation and understanding between the employees. The image below summarises Tuckman and Gersicks model of Virtual team development or formation.

**Figure 2: Stages of virtual team development**

| Stages of Virtual Project Team Development | | | | |
|---|---|---|---|---|
| | | Model | | |
| Tuckman:<br>Gersick: | Forming<br><br>Phase I | Storming | Norming<br>Midpoint<br>Transition | Performing<br>Phase II |
| Description of Team Behavior During Each Stage | Team members get to know each other, exchange information about themselves and the task at hand, establish trust among group members, and clarify group goals and expectations | Similarities and differences are revealed and conflicts surface as the group attempts to identify appropriate roles and responsibilities among the members | Team members recognize and agree on ways of sharing information and working together; relationships are strengthened, and team members agree on member obligations and team strategy | Team members work toward project completion, actively helping and encouraging each other |
| Challenges to Virtual Teams | Fewer opportunities for informal work- and non-work-related conversations; risk of making erroneous stereotypes in the absence of complete information; trust slower and more difficult to develop | Reliance on less rich communication channels may exacerbate conflicts by provoking misunderstandings; ease of withdrawing behaviors; diversity of work contexts; reliance on an emergent or assigned team leader | Difficulty in developing norms around modes of communication, speed, and frequency of responding, and commitment to use special software | Vulnerability to competing pressures from local assignments, frustrations over free-riding or non-committed teammates, and communication discontinuities due to asynchronous communication |

Source: (Furst et al., 2004)

## 3.2.5 Pros and cons of virtual teams

Virtual teams come with various benefits and disadvantages, explanations of which are summarised in the table 1 below.

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**Table 1: Advantages and disadvantages of virtual teams**

| Advantages | Disadvantages |
|---|---|
| **Cost savings for business** | Social isolation |
| **Increased productivity** | Problems with technology |
| **Flexible scheduling** | Less team cohesiveness |
| **Reduces cost of travelling for employees** | Lack of sufficient communication |
| **Increases employee happiness** | Keeping the team engaged and motivated |
| **Promotes work-life balance** | Managing conflict |
| **Able to care for family, pets, ageing or sick relatives** | Trust |
| **Improved output** | Increase in household bills |
| **Reduced employee turnover** | |
| **Increase employee motivation** | |
| **Location Independence** | |

Source: Researcher's own compilation

Virtual teams or remote work benefits companies in terms of costs. Companies have a chance to save since virtual teams slash overhead costs and allow them to purchase or rent smaller office spaces: reducing costs of heating, cooling, lighting, and securing the property (Malone University, 2019). Additional savings are seen on food expenditure and commuting. Working remotely can significantly reduce commuting costs for employees, especially those travelling by car. Virtual teams also allow those working from home to take care of their loved ones as they are much closer, but this requires a certain level of discipline to focus on

work when the time comes. Still, flexibility is often a welcomed benefit. Ultimately, virtual teams can be attributed to increased employee happiness, directly resulting from another advantage: a better work-life balance.

If employee happiness increases from remote work, then a positive impact on employee retention is expected, thus reducing employee turnover. Work-life balance is currently one of the most critical topics for human resources. A solid work-life balance includes increased productivity, fewer instances of sickness and absenteeism, and more engaged staff, which certainly benefits a business (Migrator, 2000). Virtual teams thus help to promote a better work-life balance. Another significant advantage of virtual teams is location independence. This freedom allows employees to choose where they want to work. Although it may be more complicated to work across national borders due to work laws and taxation, working within the boundaries of a country can be done from anywhere so long as a stable and strong internet connection is available. This location could be from home, a parents' or grandparents' home, or in a café - and this is another benefit that most employees appreciate.

Inasmuch as virtual teams carry several benefits both for employees and employers, it is also fair to evaluate some of the drawbacks of virtual teams. The first drawback would be technology. Failure to have adequate technology, such as a good laptop and strong internet connection, can make virtual teams a poor experience for the employee. Social isolation is also an essential factor because employees no longer get that face-to-face contact. This lack of personal communication may lead to isolation and weakening of work relationships; hence managers must come up with ways to ensure that the social aspect of employees is kept alive. A suggestion could be organising frequent meetings of team buildings where employees get a chance to see each other. Staying at home can save on commuting but may increase other costs, i.e., a surge in water and electricity bills. The company can address the increased expenditures with small gestures such as a home office allowance to cater to these changes as many employees would appreciate it.

Managers have a tough time dealing with trust matters resulting from a change from present to virtual work. According to research on virtual team advantages and disadvantages, Martin (2021) writes that "When you and your employees can't see each other, it may create

a lack of trust, you may become tempted to micromanage as a way of keeping an eye out". Trust is necessary to build from the beginning; otherwise, problems may arise from remote work. Below is another summary of the advantages and disadvantages of virtual teams, according to Bergiel et al.

**Figure 3: Pros and cons of virtual teams**

| Advantages | Disadvantages |
|---|---|
| Reduces travel time and cost | Sometimes requires complex technological applications |
| Enables the recruitment of talented employees | Lack of knowledge among employees about virtual teams and subsequent, there is the need for HRD interventions |
| Promotes different areas | Lack of knowledge among some senior mature managers concerning advanced technological applications generally |
| Builds diverse teams | Not an option for every type of employee because of an employee's psychological make-up and other predispositions |
| Assists in promoting proactive employment practices for disadvantaged individuals and groups Reduces discrimination | Nor an option for every company because of the operational environment |

Source: (Bergiel, Bergiel and Balsmeier, 2018)

### 3.2.6 Virtual teams resulting from the COVID-19 pandemic

2020 was a challenging year for many people. The COVID-19 pandemic did not make it easy for many people due to its fast-spreading capabilities and the pressure on health facilities. Coronavirus (COVID-19) is an infectious disease caused by the SARS-CoV-2 virus. The disease can quickly spread when there is human contact. The numbers and burden on health facilities were dramatically increasing in the Czech Republic; hence, the government had to make a tough decision: a nationwide lockdown to minimise unnecessary movement. These measurements would not allow companies to put their employee's life at risk. With encouragement from the government to opt for remote work when possible, many companies then decided to allow employees to work from home as of March 2020.

Initially, employees were required to come to work, with some having flexibility on home office days depending on seniority in the organisation. However, the change applied to situations where an employee could not work from home and would be allowed in the buildings following the regulations. Protocols included having a negative test before entering the company buildings, masks on whilst at work, and social distancing within the offices. These conditions made working from home much more comfortable for most employees, which has become the norm for many. Those who missed social contact or the work environment have been given a chance to be at the offices physically but had to follow the nationwide guidance on how many people can be in a room and the test requirements. The situation has not been easy for many employees and has been quite stressful for some.

Although there have been recent relaxations in measurements, several mandates are still in place. Therefore, the pandemic is not considered to be overdue to its continuous mutations resulting in other variants, which is why this diploma thesis focuses on the period of March 2020 to December 2021. Since employees were so used to working remotely, a report on research on the remote work report of 2021 stated that "86% of respondents believe remote work is the future. But it's also the present, as evidenced by 84% of those surveyed saying that they can accomplish all their tasks remotely right now" (GitLab, 2020)

### 3.2.7 Current trends in virtual teams (Powers, Tara)

Considering that this diploma thesis mainly focuses on virtual teams resulting from the COVID-19 pandemic, the researcher felt analysis of current virtual team trends was essential for this literature review. Understanding current trends in virtual teams give a broader sense of their future. Powers (2019) states that five trends impact virtual teams and can be named as follows:

1. The continued growth of virtual teams
2. Increase in technological choices
3. A shift in demographics
4. An increase in focus on culture
5. Growth of ROWE (Results-Only work environment)

The first trend raised by Powers (2019) is simply growth. She states that virtual teams are becoming increasingly popular as the workforce demands greater flexibility in their work schedules and the usage of independent contractors grows. This demand means that businesses must embrace the concept of virtual teams – not only when working across countries and continents but also for teams that may be located in the same country, region or city. Many organisations were pushed into remote work and then realised that virtual teams were working; hence many companies are considering a much more flexible approach to virtual teams and remote work.

The second trend raised is more choices in terms of technology. Powers (2019) states that as the virtual workforce grows, so do the technology options. There will be more choices – and lower cost options – for collaborative technologies or organising apps to connect virtual teams. This means that virtual teams are here to stay, and the new technological advancement may help group collaboration, employees satisfaction and business sustainability.

A shift in demographics is third in the current trends of virtual teams. Powers (2019) states that younger people are entering the workforce, while virtual employment has allowed many elderly workers to remain employed. As a result, there are more mixed virtual teams with a diverse range of ages, viewpoints, and degrees of expertise. For businesses, this allows collaboration of different age groups and better sharing of knowledge and skills.

The fourth trend is an increase in focus on culture. Virtual team leaders will need to be innovative in making the company's corporate social responsibility (CSR) rules and practices relevant for their virtual teams because young people want to work for organisations that respect people, the community, and the environment (Powers, 2019).

The final trend, as highlighted above, is the growth of ROWE (Results-Only Work environment). ROWE is a management technique that allows workers to work on their terms and on their own time and evaluates them only on the quality of their work rather than the quantity of time they spend at their desks (Powers, 2019). What this means for businesses and managers is that managers have to improve their skills when it comes to relationship and communication management.

## 3.3 Employee well-being

This chapter explores employee well-being beginning with a school of thought (humanistic psychology) that helps determine what factors affect employee well-being and investigates why employee well-being is a crucial element in determining the success of an individual, team, and finally, an organisation.

**Figure 4: Employee well-being**



Source: (Atreya, 2020)

### 3.3.1 Maslow's hierarchy of needs

Abraham Maslow is deemed the father of humanistic psychology and is one of the most important names in history. Maslow revolutionised how businesses treat their employees as he emphasised that human beings are unique and, therefore, should be treated so and not as machines. Therefore, companies that value their human resources are one step closer to success. Considering that this diploma thesis focuses on employee well-being, Abraham Maslow's hierarchy of needs would be essential. If a business seeks to get the best out of its employees, it would be safe to assume that they would need to have the employees satisfied and motivated by their job. The change from heading to the office to having to stay

at home to conduct work will have influenced the employee, which the diploma thesis seeks to investigate. When evaluating Maslow's hierarchy, the following layers would apply.

**Figure 5: Maslow's hierarchy of needs**
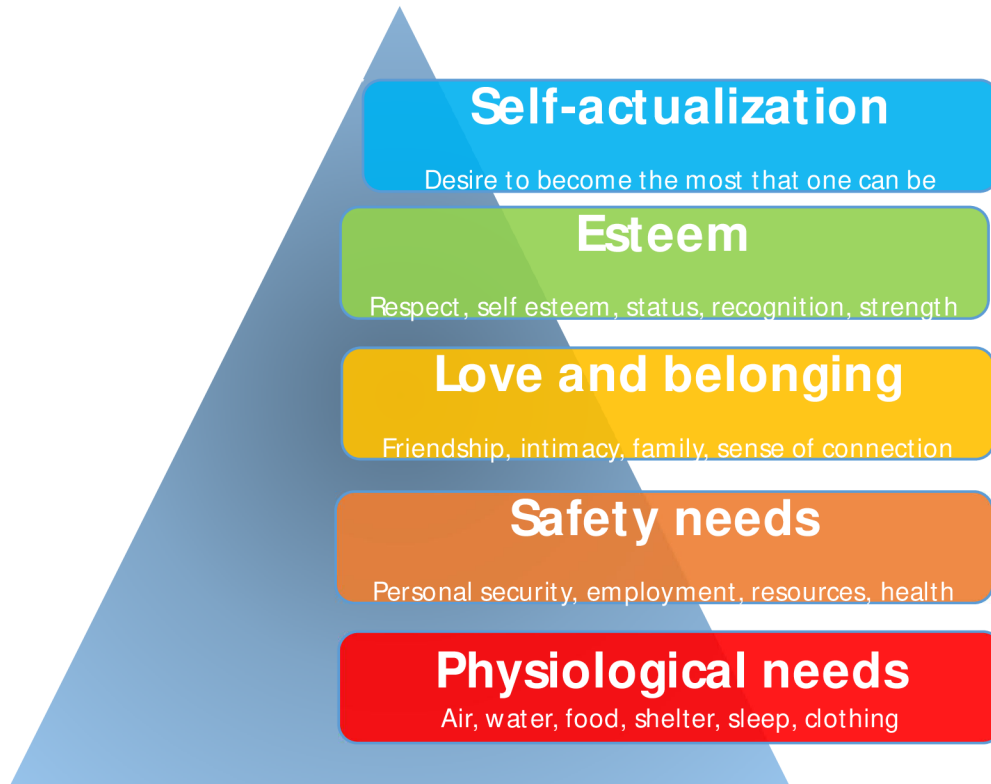


Source: (Researcher's own presentation)

All organisms have needs. Typically, animals whose basic physiological needs (e.g., food, water) are not met for any length of time do not survive (Narvaez, 2018). According to Abraham Maslow, physiological needs are the most fundamental in ensuring employee well-being is high or good. Relating these physiological needs to the diploma thesis, the employees would require water, electricity, food, shelter, sleep, and clothing. All play a vital role in ensuring employee well-being whilst conducting work from home.

Safety needs are the ones that include personal security, employment, resources, and health and in the case of employees working from home, making sure that the employees have these resources is also crucial in ensuring the success of an organisation. The

physiological, safety and love and belonging need are sometimes referred to as the lower-level needs. Guillen (2021) writes that the third lower-level needs involve feelings of belongingness, and examples of such needs include friendship, intimacy, trust, acceptance, affection, and love. Connecting social needs to virtual teams would mean evaluating how teams or managers' employees stay in social contact to avoid losing touch because of the virtual teams. According to Abraham Maslow, once the lower level needs are met, an individual can start developing the need to fulfil the upper level of the hierarchy of needs.

The upper level of the hierarchy is composed of esteem and self-actualisation needs. Esteem needs are ranked fourth on Maslow's hierarchy, including self-worth, accomplishment, and respect (McLeod, 2007). At the top of Maslow's hierarchy are the self-actualisation needs. Self-actualising people are self-aware, concerned with personal growth, less concerned with the opinions of others, and interested in fulfilling their potential (Cherry, 2021).

### 3.3.2 Daniel Pink's three elements of what motivates humans

Daniel Pink is an American writer who looked at the elements that drive people's motivation and argued that money alone is not enough in the 21$^{st}$ Century to keep employees motivated. As employee well-being is closely linked to employee motivation, the three elements concluded by Daniel Pink thus become relevant for businesses to keep up to date with new ways of keeping employees engaged in getting the best out of the employees. These will be discussed in detail below. This section analyses some of the current factors that impact employee motivation. Employee motivation is closely linked to employee well-being hence the need to investigate the modern approach to employee motivation. The three elements, according to Daniel Pink, are as follows:

1. Autonomy
2. Mastery
3. Purpose (Pink, 2018)

The first element is autonomy. Pink (2019) states that autonomy as we perceive it is not the same as independence. It's not the American cowboy's gruff, go-it-alone, rely-on-nobody individualism. It entails acting of our own volition, allowing us to be both autonomous and happily interdependent on others. Giving employees a choice on where they want to work during remote work and having a flexible work schedule gives employees the freedom they require, resulting in increased productivity, employee motivation and satisfaction. For autonomy to work well for employees, there are four essentials necessary, and these are, according to Pink (2019), as follows:

1. Task
2. Time
3. Technique
4. Team

For autonomy to work, employees need to have independence of the tasks, time, technique, and team. This means freedom to choose the tasks they would like to participate in. When employees have the autonomy to control their schedule (flexible schedule), they feel more empowered in the organisation. Giving employees freedom of technique for as long as they achieve company goals gives them the freedom to find the best way to complete a task, thus making them feel empowered and valued. Finally, team autonomy is perhaps the most difficult to achieve unless it is for innovative companies like google.

The second element is mastery. Making progress and meaningful work is one of the biggest motivators for employees and contributes to employee well-being. If employees feel there is no progress or change, there is a risk that they will feel stagnant. Employee progress thus depends on the feedback they get from managers or organisations. Considering the remote work situation, managers must provide frequent feedback to their employees so that they feel that the work they are conducting is relevant to the team's success; otherwise, failure to do so may negatively impact employee well-being.

The third element, according to Pink, is purpose. Pink (2018) writes that autonomy and mastery, the first two legs of the Type I tripod, are required. However, correct balance necessitates the addition of a third leg—purpose—which offers context for the other two

legs. The topic of purpose connected to well-being is increasing in significance daily. Managers have a role to play in ensuring employees have goals, use the right words, and have policies that support purpose maximisation.

### 3.3.3 Employee well-being introduction

Research results from a survey on future workplaces found that 68% of senior HR leaders rated employee well-being and mental health as a top priority. HR leaders have also set corporate well-being as a priority, with spending expected to grow to $87.4 Billion by 2026 (Meister, 2021). Armstrong and Taylor (2020) define employee well-being as meeting the needs of employees for a healthy, safe, and supportive work environment. "Workplace Well-being relates to all aspects of working life, from the quality and safety of the physical environment, to how workers feel about their work, their working environment, the climate at work and work organisation" (ILO, 2009). The definitions above show that employee well-being is a bit complex to define but revolves around how workers feel about their work, the environment they are conducting the work, their feeling toward health, and the support they are getting from an organisation. According to the International Labour Organization (2009), employee well-being is key to long-term organisational success.

### 3.3.4 Importance of employee well-being to organisations

Organisations need to value employee well-being as it directly impacts the stress levels of employees and the mood of the environment they are working in. Better moral engagement benefits an organisation through an increase in employee productivity. There is also a chance that the high employee morale makes the employees feel valued by the organisation, which helps reduce employee turnover. Employee well-being is therefore crucial in ensuring business success. Adams (2019) writes that well-being is closely linked with health and productivity and that research shows that employees who are in good physical health are more likely to be more effective at work.

In his article on employee well-being, Aldana concludes that:

There are over 50 papers that have looked at the connections between worksite well-being programs and reduced absenteeism. Worksites with comprehensive well-being programs can experience reduced absenteeism for a variety of reasons:

1. Employees with good health behaviours have lower absenteeism.
2. Employees who can control their stress have lower absenteeism
3. Employees with healthy blood pressure, cholesterol, and glucose have lower absenteeism.
4. Employees with healthy blood pressure, cholesterol, and glucose have lower absenteeism (Aldana, 2020)

In research on employee health and well-being conducted by the CIPD, the top three benefits of employers increasing their focus on employee well-being were:

- Better employee morale and engagement.
- A healthier and more inclusive culture.
- Lower sickness absence. (CIPD, 2021)

Employee well-being can also result in greater employee satisfaction and motivation. Therefore, those with a higher sense of well-being are of more significant benefit to an organisation which means businesses should also prioritise employee well-being. Zojceska (2019) states that employee wellness programs positively influence company culture. In further support of this theory, a survey conducted by Virgin Healthmiles found 77% of employees voted for the notion that employee wellness programs positively impact the culture of an organisation (Zojceska, 2019). Finally, it is easier for an organisation to attract new talent if it prioritises employee well-being. If the employees have a positive experience in an organisation, it is easy for them to recommend their friends or families through employee referral programs. Word of mouth plays a significant role in marketing a company's organisational culture and beliefs.

The findings above demonstrate how vital employee well-being is to organisations. Businesses that prioritise employee well-being stand better chances of improving employee well-being and improve recruitment by new attracting talent and retaining them.

Consequently, organisations save on costs and ultimately achieve their goal – profit maximisation.

### 3.3.5 Factors impacting well-being and challenges of employee well-being implementation

Employees' subjective well-being has become a subject of great interest for economists, sociologists, and policymakers to improve their quality of life (Athota & Malik 2019). To best understand the significance or importance of employee well-being, it is essential to understand the factors that affect employee well-being.

**Figure 6: Factors influencing employee well-being**



Source: (McLean & Company, 2020)

According to an article on employee well-being on wrike.com, "One of the biggest challenges of wellness initiatives in the workplace is setting and measuring goals" (Waida, 2021). As it is not so easy to measure employee well-being, it is more complicated to be able to measure it. Employee well-being entails employees' mental, physical, emotional aspects and economic health; hence, it is challenging to please them in all these areas, but it is possible to have programs that can help organisations strike that balance.

Waida (2021) writes that another complicated aspect of measuring employee well-being is that incentive programs rely on blood pressure and body mass index metrics, which are often inaccurate. Finally, the biggest challenge of employee well-being programs is in their execution. This may be due to the difficulty for firms to deliver all the things they may have promised, or the success of the programs may not be as successful if the employees feel that it is unnecessary and a waste of time.

### 3.3.6 Health and home environment

The health of an employee as well as the home environment play a significant role on the overall well-being of an employee. This is highlighted in the section on the importance of employee well-being to organisations. The various information gathered in the employee well-being chapter provided the foundation of the researcher's questionnaire. As there are many factors impacting employee well-being, the researcher had to come up with a criterion for examining well-being. This led to the selection of health and home environment as they are closely linked to the title of the thesis i.e., pandemic related to health and remote work related to the home environment. The criteria thus became the explanatory variables of the research.

Health problems play an important role on employee wellbeing and subsequently performance hence many employers have started focusing on employee wellness programs to address the most frequent problems related to employee health. Health can be divided into two main parts which are:

1. Mental
2. Physical

Our emotional, psychological, and social well-being are all part of our mental health. It has an impact on the way we think, feel, and act. It also influences how we deal with stress, interact with others, and make decisions (U.S. Department of Health & Human Services, 2020). Looking at mental well-being from the business side, to improve employee well-being businesses can focus on making work more flexible for employees and a good example for this is SAP's Pledge to flex which provides a flexible and trust-based workplace for

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employees. With this program, employees can choose where they would like to conduct work as well as work offices that make sustainability and employee health a priority. This in turn gives employees more freedom and makes them feel empowered. Employees in such an environment are most likely to be more motivated and have better well-being than those who are not so empowered.   Businesses can also encourage their staff to uses all their vacation time which is a requirement in the SAP organisation as well as many other firms embracing the importance of well-being. Employee wellness is also aided by the availability of meditation rooms, mindfulness training, and/or yoga courses at work. Looking at mental health from the employee side, they are encouraged to participate in activities that make them feel good, use up vacations and joining courses that help improve mental health such as yoga.

The second type of health is physical health. The body functions and processes of a person in good physical health are likely to be at their best. To reduce the risk of disease, physical well-being entails leading a healthy lifestyle. Physical fitness, for example, can safeguard and improve a person's respiratory and cardiac function endurance, as well as muscular strength, flexibility, and body composition (Felman, 2020). Employers or businesses can support employee physical health by allowing staff to use facilities, venues, and programs that encourage them to be physically active and also have policies or incentives to encourage physical activity (CDC, 2022)

Understanding the impact of the home environment on employee well-being is also essential for businesses. Remote work comes with several challenges which if not addressed, can have a negative impact on employee well-being. The challenges have already been discussed in Table 1. and these include the distractions in the household which mainly fall under employee responsibility, loneliness – due to limited contact with colleagues which can be solved by organising social events preferably in person so as to build and maintain bonds between members of the team. The social event can also be essential in solving issue on trust and also improve team cohesion. Businesses can also chip in by providing employees some necessary equipment such as a keyboard, mouse, monitor so as to provide the employee with the materials/ equipment that are vital for their work execution. Support in this area not only makes the home environment more work suitable but also gives some value to the employee as they would feel appreciated and valued by the organisation. This would also help

employees to save some money on cost associated with purchase of equipment necessary for remote work. In conclusion, the home environment can be improved by both the business as well as the employee themselves and so too can employee health.

### 3.3.7 Ensuring employee well-being according to the World Economic Forum

Having addressed the importance of employee well-being and the factors impacting well-being, how can companies ensure or enforce employee? According to the world economic forum framework, employee well-being has four dimensions which are.

- Physical
- Emotional
- Financial
- Social (Sejen, Maselli and Ball, 2019)

To have a successful employee well-being program, companies will have to implement an integrated approach to tackle the areas in a balanced way. The physical aspect of the dimensions entails integrated health and safety and a physical environment. When looking at it from a remote work environment, the company needs to ensure the employee is in a safe working environment and has the right set-up to conduct work from home. Onsite services would not be too relevant when working from home but would apply if an employee needs to change equipment or is receiving extra equipment such as a keyboard, mouse, or headphones from the company. Managers should also be ready to support employees if they have some issues or problems.

Psychological safety is essential when addressing the emotional dimension of employee well-being. Considering the diploma thesis is evaluating remote work during a pandemic, companies must account for the protection of employees and instruct them to work from home to reduce human contact. Therefore, reducing the risks of bringing back the disease to their families. Parental leave can also play an essential role in employee well-being, although this applies to onsite and remote work.

Figure 7 below summarises the four dimensions and shows what areas need to be addressed to ensure employee well-being. Although some may be relevant to onsite work, a link to remote work has been explained above as most of the factors apply to both onsite and remote work. Manager training on how to communicate with employees, especially now when it's a case of remote work, is key to ensuring that the trust that was there when working face-to-face remains. Otherwise, situations where managers are micromanaging employees may lead to dissatisfaction and employee turnover.

The financial dimension is one of the most important for organisations, and this applies to both onsite and remote work scenarios. Companies need to ensure that they provide their employees with a fair remuneration package; otherwise, they risk losing this talent to other organisations willing to do so. Linking this dimension with virtual teams, a simple gesture such as a home office allowance would go a long way since it is mentioned on the disadvantages of virtual teams that remote work also brings some cost. Willingness to pay part of these costs by the organisation helps improve employee well-being.

Finally, when exploring the social dimension, social recognition of a job well-done plays a vital role in employees feeling appreciated for their work, whether onsite or online. Encouraging social events such as team buildings (even online) also keeps the team cohesion going on as the team members do not lose touch. Figure 7 below will help summarise what has been discussed above.

**Figure 7: Ensuring employee well-being**



**Physical**
Integrated health and safety
Ergonomics assistance
Onsite/near-site services
Personalized tools
Physical environment
Treatment decision-support
Navigation support services
Targeted clinical conditions

**Financial**
Measure using HR data
Use metrics at pivotal moments
One-on-one counseling
Personalized decision-support
Support borrowing, spending decisions
Monitor group rates for borrowing
Subsidize student loan refinancing
Promote family financial decisions

**Integrate**
Mission/goals
Measurement
Support
Technology

**Emotional**
Strategy/action plan
Psychological safety
Measure stress
Redesign EAP
Programs to support chronic issues
Resilience training
Manager training
Parental leave

**Social**
Link to corporate social responsibility
Incorporate I&D in benefits designs
Support volunteerism
Support compassionate donations
Use social recognition
Sponsor affinity groups
Local wellbeing champions
Key influencers to drive messages

Source: (Sejen, Maselli and Ball, 2019)

# 4. Practical Part

## 4.1 Introduction

This diploma thesis sought to explore the benefits and challenges of virtual teams due to the change from onsite to virtual teams (remote work) as influenced by the COVID-19 pandemic, as well as investigate the impact of the home environment and health on employee well-being. The period of this research is March 2020 up until December 2021. This part of the thesis demonstrates the research approach and its implementation.

## 4.2 Research Approach

The type of research conducted for this diploma thesis was qualitative through an online Likert scale questionnaire to address the following objectives:

1. Identifying the benefits and challenges of remote work that arose from the COVID-19 pandemic
2. Investigating the impact of employees' home environment on employee well-being
3. Investigating the impact of employee health on employee well-being

The sections in the online questionnaire were as follows:

- Introduction (focusing on how the company was willing to support remote work and employee thoughts on the situation)
- The work environment at home
- Physical health because of working from home
- Benefits and challenges of remote work
- Employee well-being

Tables and graphs were used to demonstrate the benefits and challenges of the target population resulting from the COVID-19 pandemic. The Cronbach alpha test was crucial for measuring the internal consistency of the results. Further analysis of the data was conducted

by running a regression analysis to ascertain the relationship between the variables. The Corporate Finance Institute defines regression analysis as "a set of statistical methods used for the estimation of relationships between a dependent variable and one or more independent variables. It can be utilised to assess the strength of the relationship between variables and for modelling the future relationship between them" (Corporate Finance Institute, 2015). The regression analysis thus helps to identify the relationship between work environment at home plus physical health because of working from home and employee well-being.

The data in the questionnaire was converted as follows;

**Table 2: Questionnaire data conversion**

| Likert scale | | | Converted rating |
|---|---|---|---|
| Strongly agree | Completely satisfied | Very significant | 5 |
| Agree | Satisfied | Significant | 4 |
| Neutral | Neutral | Neutral | 3 |
| Disagree | Not satisfied | Insignificant | 2 |
| Completely disagree | Completely dissatisfied | Completely insignificant | 1 |

Source: (Researcher's excel file)

### 4.2.1 Research questions and hypotheses

The research questions driving this diploma thesis are as follows:

1. The COVID-19 pandemic came with unprecedented benefits and challenges. What are the benefits and challenges remote workers face?
2. How does an employee's home environment impact well-being?
3. How does employee health impact well-being?

**Hypothesis for the impact of remote work on employee well-being**

H0: There is no statistically significant relationship between home environment and employee well-being

H1: There is a statistically significant relationship between home environment and employee well-being

**Hypothesis for the impact of employee health on employee well-being**

H0: There is no statistically significant relationship between employee health and employee well-being

H1: There is a statistically significant relationship between employee health and employee well-being

### 4.2.2 Sample

The target population was a small team of specialists in the Global Mobility team who work for SAP Services which had 37 employees from March 2020 through December 2021. The whole SAP organisation has over 2600 employees. Due to the bureaucratic constraints on permissions, the researcher needed to be able to send the questionnaire to all employees. The researcher opted for convenience sampling due to direct access and proximity to the team. Convenience sampling is a way of collecting samples from a location or Internet service that is conveniently accessible (Edgar and Manz, 2017). The employees received the questionnaires via email and social media and had about a week to fill in the 5 minutes survey on virtual team benefits and challenges. The close access and proximity to the team, together with a little nudge from the researcher helped to attain a 100% response rate (37 responses).

## 4.4 Data sources

The data source for this diploma thesis is primary. Primary data is information gathered by the researcher, such as surveys, interviews, and experiments, and is used to better

understand and solve the study topic (Wagh, 2020). The data collected is qualitative using an online Likert-scale questionnaire, and the data is analysed graphically for the challenges and benefits, and statistically once the data is converted accordingly. For the data to be processed in SPSS, the researcher converted the Likert-scale responses to numbers. The highest (5) represents a strong positive response to the question, and the lowest (1) represents total disagreement or negative response.

## 4.3 Questionnaire

The questions in the questionnaire are a combination of template questions on well-being available on the TINYpulse website, as well as the researcher's contribution and adjustment to fit the purpose of the research. The questions in the questionnaire aimed to address the areas in the objective of the diploma thesis, which are the home environment, employee health, and employee well-being. The sections in the online questionnaire were as follows:

1. Introduction
2. Employee home environment
3. Employee health
4. Employee well-being

### 4.3.1 Introduction (how the company was willing to support remote work)

The introductory part of the questionnaire investigates whether the employees responding to the questionnaire favoured the changes made in working from home resulting from the COVID-19 pandemic. This section also sought to examine how far the organisation could go with assisting employees in adjusting to the change in work location and investigate whether there was still some flexibility to allow employees to work onsite. The questions are illustrated in the table below

**Table 3:Questionnaire introduction**

| Introduction |
| --- |
| Were you in favour of the decision to work from home by your company? |
| Do you receive any benefits from your company for working from home (for example, home office allowance)? |
| If you needed or need some equipment from work, would your company be able to provide this? |
| If you were to have challenges with internet connection, is the company able to assist you in such situations? |
| Should you need a change of environment or are unable to work from home, are you able to go to the office for work? |

Source:(Researcher's questionnaire)

## 4.3.2 The work environment at home

An investigation of the employees' work environment at home was also vital in understanding the overall feelings about the remote work situation resulting from the pandemic. This section sought to investigate how employees rate their environment at home and find out the steps they have taken to make the place safer and their ability to handle the distractions associated with remote work. The questions are illustrated in the table below.

**Table 4:Work environment at home questions**

| Work environment at home |
|---|
| I work in a safe home environment. |
| I am comfortable working in the home environment. |
| I have taken steps to make my home environment a safer and healthier place. |
| I am able to handle the distractions associated with remote work. |
| I recognise that my home environment work set-up has an impact on my work. |

Source:(Researcher's questionnaire)

### 4.3.3 Physical health because of working from home

When investigating employee well-being, the employee's physical health plays a significant part in how they will answer questions on well-being as physical health does contribute to employee well-being. The questions include an investigation on eating habits, exercise and the ability to listen to the body when something is wrong. The questions are illustrated in the table below.

**Table 5: Physical health questions**

| Physical Health as a result of working from Home |
| --- |
| I generally feel very good about my health. |
| As a result of the reduced movement from not going to work, I exercise a few times a week. |
| Working from home has protected myself and others from getting ill (due to reduced contact with people). |
| I listen to my body; when there is something wrong, I seek needed assistance. |
| I maintain healthy eating habits. |

Source:(Researcher's questionnaire)

### 4.3.4 Benefits and challenges of remote work

To identify the benefits and challenges of remote work, the researcher compiled a list of benefits that the sample population was asked to check/tick the ones they felt were relevant to them. The same approach was made for the challenges of remote work. Once the research population filled in the challenges and benefits that apply to them, they also had an option to directly fill in any other pros and cons of virtual teams due to the change in work location resulting from the COVID-19 pandemic.

The images below (Figure 8 and 9) illustrate which options were available for the employees to select. The questionnaire contained ten benefits and ten challenges of virtual teams and a text box to add any additional benefits and challenges that the research may have left out. There were three responses in total for the text box for additional benefits.

**Figure 8: Benefits of virtual teams**

Select the benefits of working from home that apply to you.

- ☐ Better work-life Balance
- ☐ Less commuting stress
- ☐ Location Independence
- ☐ Money savings
- ☐ A customizable work station
- ☐ I feel happier
- ☐ More job satisfaction
- ☐ Flexible work schedule
- ☐ More time with loved ones
- ☐ Increased productivity

Source: (Researcher's own presentation)

**Figure 9: Challenges of virtual teams**

Select the challenges of working from home that apply to you.

- ☐ Collaboration and communication
- ☐ Loneliness due to minimum social contact with colleagues
- ☐ Not being able to unplug or determine when to stop working
- ☐ Distractions within the household
- ☐ Low motivation
- ☐ Finding reliable wifi
- ☐ Time management
- ☐ Bad habits
- ☐ Increase in household bills
- ☐ Neglecting your network

Source: (Researcher's own presentation)

The special section for additional benefits is illustrated below.

**Figure 10: Additional benefits or challenges**



Any other benefits or challenges not listed? (optional)

Your answer

Source: (Researcher's own presentation)

## 4.3.5 Employee well-being

The final part of the thesis examines a vital component: employee well-being. There are several approaches used to measure employee well-being. Still, for the sake of simplifying the research for the sample populations as well as the researchers, the questions on employee well-being focus on the overall feeling have resulted from remote work following the beginning of the pandemic. The questions are clear and precise, assessing overall satisfaction and team relevance whilst conducting work from home.

**Table 6: Employee well-being questions**

| Employee well-being |
| --- |
| Working from home has improved my work-life balance |
| Overall, how would you rate your mental health as a result of working from home? |
| Overall, how satisfied are you with working from home instead of office? |
| Overall, to what extent do you feel your contribution in the team remains significant? |
| I feel a sense of belonging to my team. |
| I feel supported and respected in my work relationships whilst working from home. |
| I am able to recognize and manage the things that cause me stress. |

Source:(Researcher's questionnaire)

## 4.4 Variables

Variables in research help establish a common base for their argument explicitly. Mcleod (2019) writes that "the independent variable is the variable the experimenter manipulates or changes and is assumed to affect the dependent variable directly". Concerning this research, the independent variables are the work environment and health responses. In an experiment, the dependent variable is the variable that is being measured or assessed (Cherry, 2021). With respect to this diploma thesis research, the dependent variable is thus employee well-being as the researcher sought to investigate the impact the remote work environment and health have had on employee well-being.

# 5. Results and discussion

The results of this diploma theses are expressed both graphically and through the use of IBM (SPSS software). The benefits and challenges of virtual teams' results were extracted directly from the questionnaire, whilst the impacts on employee health, home environment and well-being were extracted to an excel format, where the data was further converted to be processed in the software. The main tests conducted in the software were the Cronbach alpha test and regression analysis.

## 5.1 Benefits and challenges of Virtual teams

The main goal of this diploma thesis was to investigate the benefits and challenges that employees faced due to the changes implemented as a result of the COVID-19 pandemic. Furthermore, the researcher sought to evaluate how the home environment and employee health impact the overall well-being of the employees. There were sections in the questionnaire which addressed each of the goals mentioned above, mainly health, home environment and employee well-being.

### 5.1.1 Benefits of virtual teams (remote work) resulting from COVID-19

The section addressing the benefits and challenges contained a list of virtual team benefits compiled by the researcher. The sample population was asked to select the benefits of remote work that applied to them. The questionnaire had 37 total responses, and one was a duplicate response, but this was not included in the data analysis as the data had already been extracted from the questionnaire.

Topping the benefits charts was a better work-life balance, with 33 employees selecting this option. The change from onsite execution of work to working from home seems to have brought a better work-life balance, as 89% of the team determined that this benefit applies to them. Second on the chart, according to the questionnaire, is the advantage of less stress from commuting. The fact that the employees could now conduct their work from home meant the hustle of commuting was reduced. 31 out of 37 (83%) employees

stated that this is a benefit for them, and for the six who did not select, it probably meant they do not view commuting to work as stress or a hustle but possibly a benefit.

More time with loved ones ranked third on the results chart with 29 votes out of 37 (78.4%) employees stating that more time spent with loved ones was one of the benefits of the changes in terms of place of work conduct. Spending more time with loved ones was followed by a flexible work schedule with 22/37 votes and location independence with 22 out of 37 votes. Votes were tied 20/37 for increased productivity and money savings, concluding the benefits voted for by over 50% of the team.

On the other end of the voting spectrum was higher job satisfaction with 16 votes, a customisable workstation with 13 votes and, with the least votes (11), a happier, healthier work life. In conclusion, even if they may have been deemed possible benefits of virtual teams, these were not relevant or were the least relevant to the employees answering the questionnaire. The chart demonstrates this below.
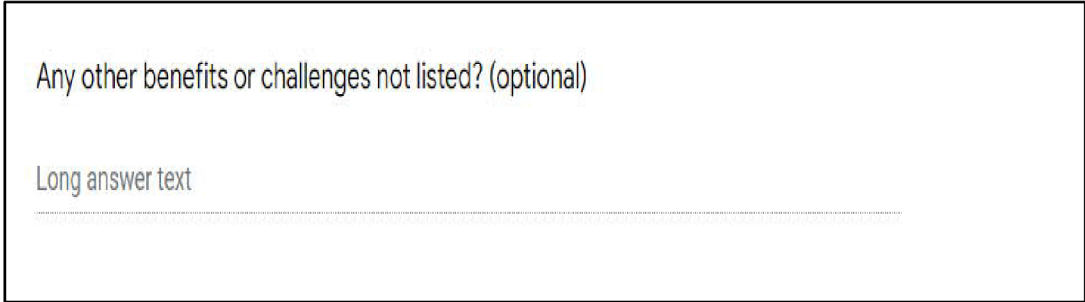
**Figure 11: Benefits of virtual teams results**



Source:(Researcher's questionnaire)

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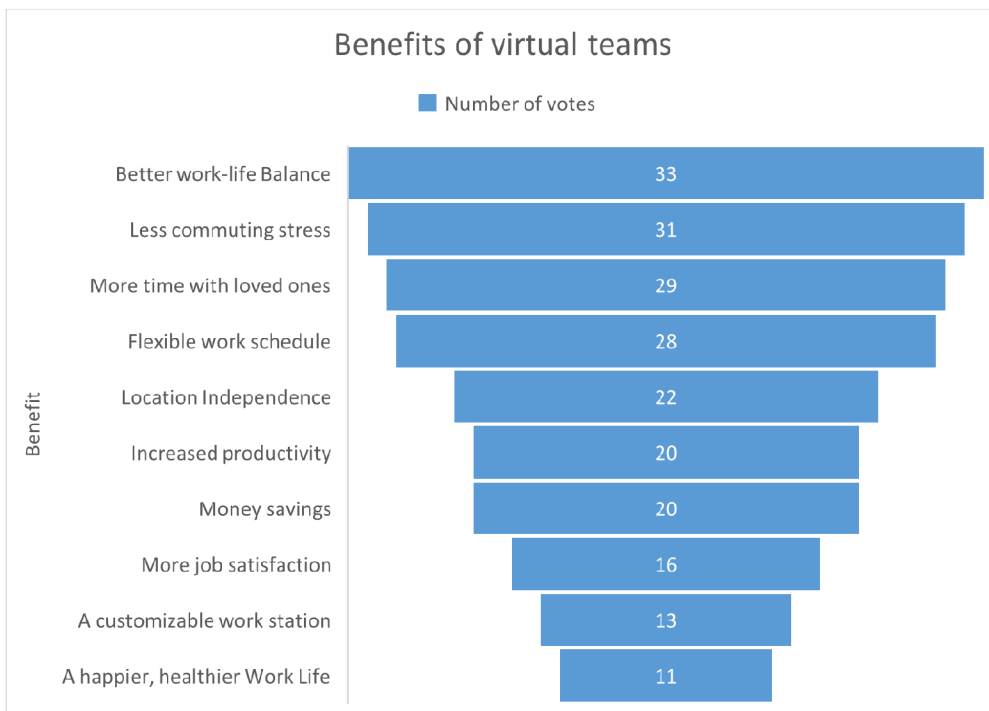
Finally, the employees were also asked to add any other benefits or challenges (the various responses are illustrated in the image below) that they face because of virtual teams, and the three responses were as follows:

- No time spent getting ready to work (clothes, make-up, packing the back etc.)
- Multitasking
- Greater productivity

**Figure 12: Additional benefits and challenges results**

Any other benefits or challenges not listed? (optional)

Long answer text

Source:(Researcher's questionnaire)

## 5.1.2 Challenges of virtual teams resulting from COVID-19

For the investigation of the challenges of virtual teams, the same approach as for the benefits was taken. The challenges section contained ten challenges whereby the employee was asked to select which challenges they have faced applied to them. The researcher compiled the list of benefits with the option of an open textbox to add any other challenges that the employees face, but the researcher may have skipped.

Over 50% of the team voted for the first three challenges, while the rest were below 50%. Seemingly, the most common challenges for the employees investigated in the research are the first three challenges in the chart, whereas the result depended on each individual's

response. Topping virtual teams' challenges are the household's distractions, voted for by 20 out of 37 employees. The other 17 did not consider the household distractions a challenge for virtual teams. Loneliness came second on the chart due to minimum contact with colleagues. Therefore, even though virtual teams carried their benefits, they also resulted in colleague isolation where meeting outside of work was the only option. An increase in household bills ranks third. Inasmuch as virtual teams seemed to be cost-saving for employees due to reduced commuting, they also brought some expenses home. These additional costs could be more electricity, water, and food consumption.

On the other end of the spectrum are challenges such as finding reliable Wi-Fi, low motivation, and time management. Some challenges can be mitigated by today's level of technology, where most people have reliable Wi-Fi. It is perceived that for those who selected it as an issue, it was more of a situational experience rather than a permanent one. This development in technology has facilitated many virtual teams around the world. The challenges of bad habits and time management are also probably low because these characteristics would likely be the same even if an employee were working from home or onsite. A point of concern or *the challenge of working from home* is the neglect of work – voted for by 41% of the employees, indicating that managers would need to address it to get the best out of their employees.
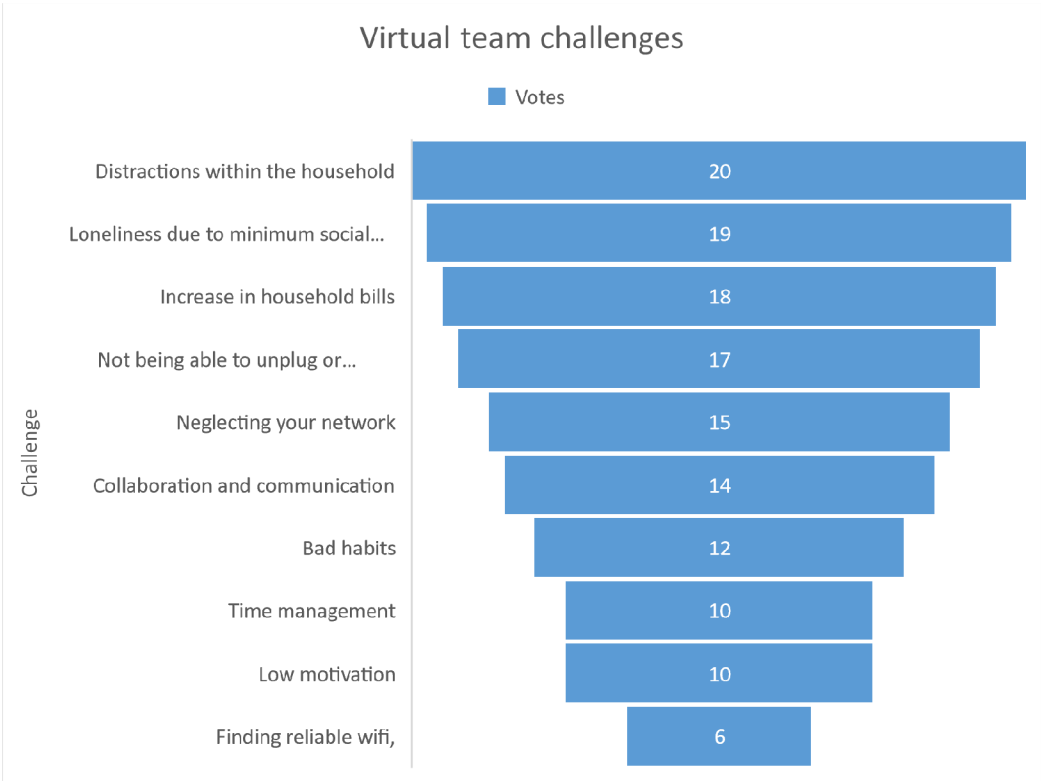
Source:(Researcher's questionnaire)

## 5.2 Employee well-being resulting from working from home

The final section of the questionnaire addresses a key element of this diploma thesis: employee well-being. Since it is a broad and complex thing to measure, the researcher compiled seven basic questions to measure employee well-being. It further specifies a connection with one of the goals of the diploma thesis: investigating employee well-being as a result of working from home because of the pandemic.

**Figure 14: Questionnaire sample**



Source:(Researcher's questionnaire)

The questions in this section (results illustrated in the diagrams to follow) were as follows:

1. Working from home has improved my work-life balance
2. Overall, how would you rate your mental health as a result of working from home?
3. Overall, how satisfied are you with working from home instead of office?
4. Overall, to what extent do you feel your contribution in the team remains significant?
5. I feel a sense of belonging to my team.
6. I feel supported and respected in my work relationships whilst working from home.
7. I am able to recognize and manage the things that cause me stress.

**Working from home and work-life balance**

On the question of whether working from home has improved the work-life balance, sixteen out of thirty-seven employees voted for strongly agree whilst fifteen agreed with the notion. Five employees were neutral, and one disagreed. The researcher chose this question to begin the well-being section as improved work-life balance is closely linked to employee well-being. The assumption is that employees with a better work-life balance are more likely to have better well-being scores than those with a poor work-life balance. This imbalance leads to stress and fatigue for the individual and low productivity and employee turnover for the business. The results show that most employees (sixteen strongly agree and fifteen agree) have positive feeling on working from home. One employee disagreed with this notion, and it could be possibly because of their preferences. This means business should be flexible enough to be also able to accommodate the employees on the other end of the spectrum or those who prefer a hybrid situation. Allowing employees to choose where they would like to work ceteris paribus would be the best solution. The results on work-life balance are illustrated (Figure 15) below.

**Figure 15: Work-life balance votes**
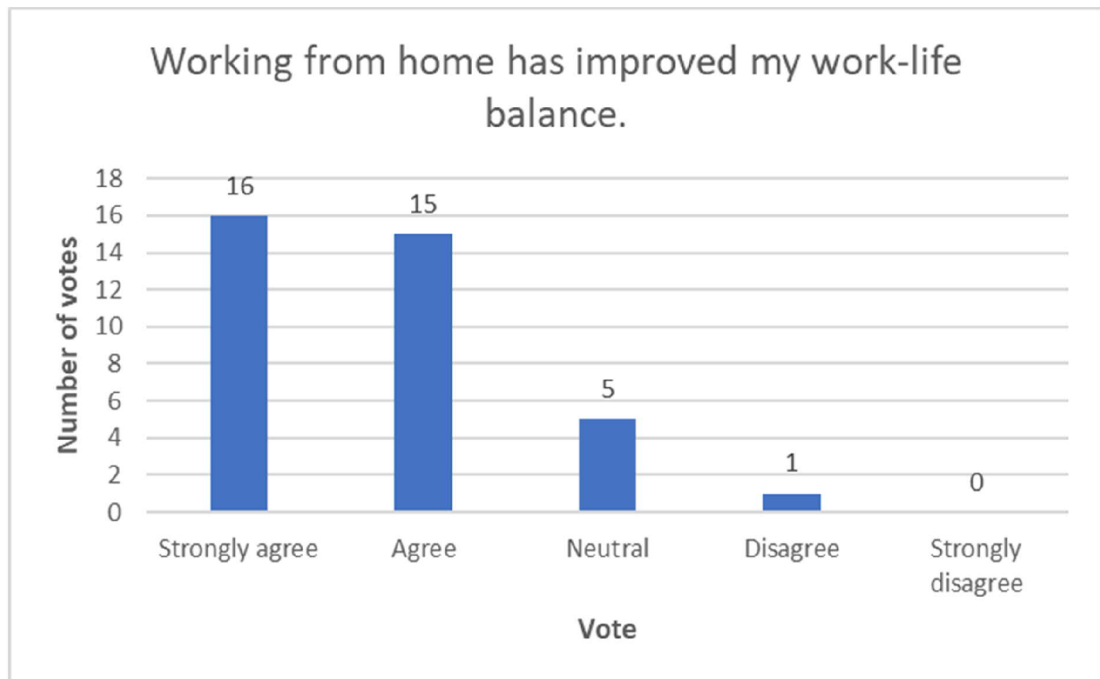


Source: (Researcher's questionnaire)

**Mental health resulting from working from home**

The second question on employee well-being is how employees rate their mental health because of working from home. The researcher brings in the topic of mental health as it is also heavily linked to employee well-being. The assumption is that employees with better mental health tend to maintain a better sense of well-being. Fifteen employees rated their mental health as very good, seventeen voted for good and five voted for neutral. What the results imply is that most of the employees in the team have a high rating of their mental health. The worry arises on those who are neutral and those that would theoretically have poor to very poor mental health. The results provide a starting point for managers to have conversations with employees to find out the root causes of neutral to very poor mental health. For those employees with good mental health, there is room for improvement and finally for those who state they have very good mental health, it is more about maintenance and creation of interesting challenges or variations that keep employees engaged. The Results from this question are illustrated below in Figure 16.

**Figure 16: Working from home votes**
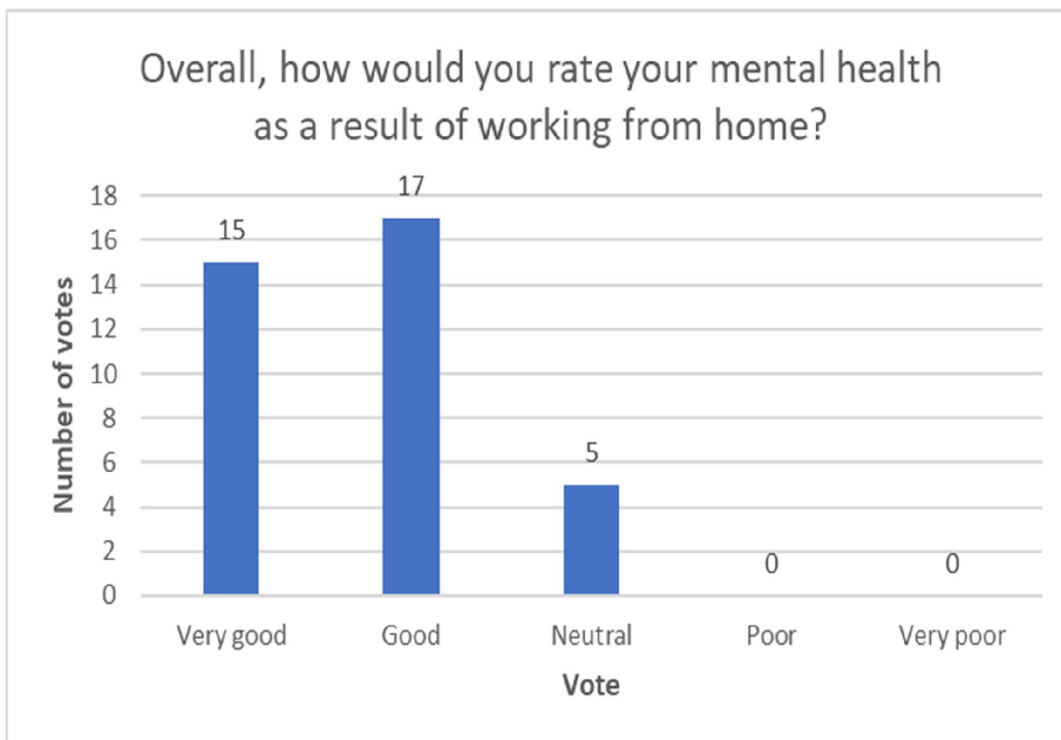


Source:(Researcher's questionnaire)

**Satisfaction from remote work over onsite**

The third key question analyses the employees' level of satisfaction from working from home instead of the office. The COVID-19 pandemic brought changes which meant the decision made by the government to impose a lockdown and encourage working from home may not have been the one that all employees wanted. Satisfaction levels from this change from onsite to remote work serve as a suitable parameter for measuring employee well-being. Twenty employees out of thirty-seven were completely satisfied with the current work arrangement whilst twelve were satisfied. Four employees were caught in between, and one fell on the other side, voting for dissatisfaction with the current set-up. Most of the employees from this team were satisfied by the change whilst four were neutral and one was dissatisfied. This implies that businesses should not ignore the neutral and dissatisfied but actually make it possible for employees to choose where they would like to work. The results from this question are illustrated (Figure17) below.

**Figure 17:Overall satisfaction with working from home**
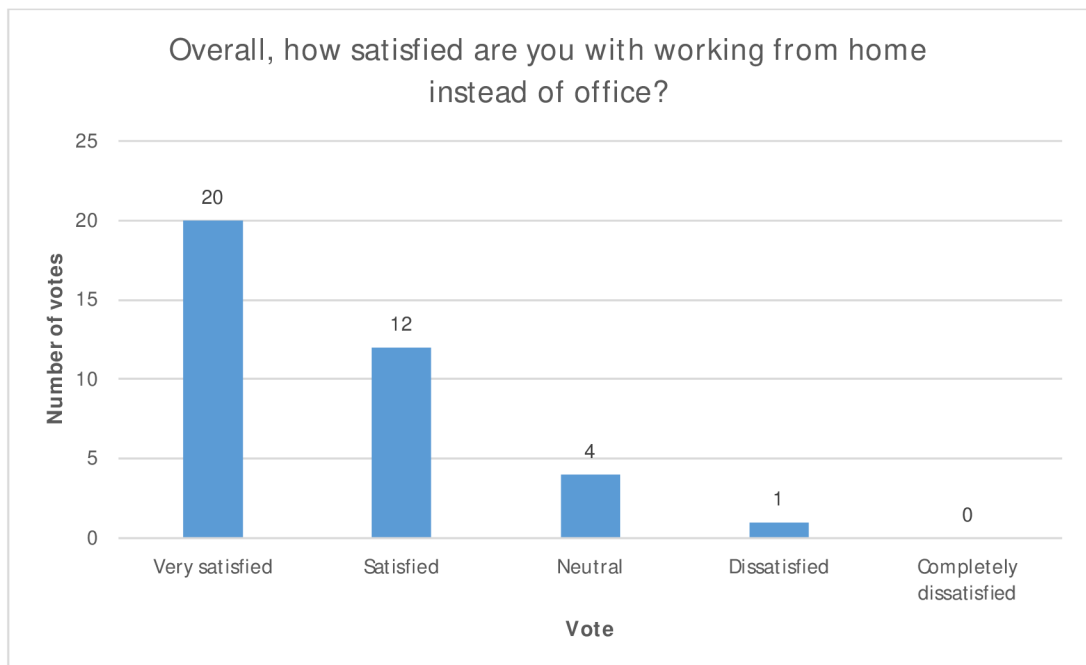


Source:(Researcher's questionnaire)

**Overall team contribution feeling**

In an attempt to understand what impact the change from work onsite to remote work, the researcher also examined how employees feel about their contribution in the team i.e., whether they feel their contribution in the team remained relevant or significant. Twenty-nine employees fell on the agree-strongly agree spectrum whilst seven were neutral and one disagreed. It is not clear why the employees would feel as if their contribution in the team dropped but this is a good starting point for managers to analyse and address the root causes of such feelings. This would then help improve employee well-being. The results from this question are illustrated (Figure18) below.

**Figure 18: Overall team contribution feeling**
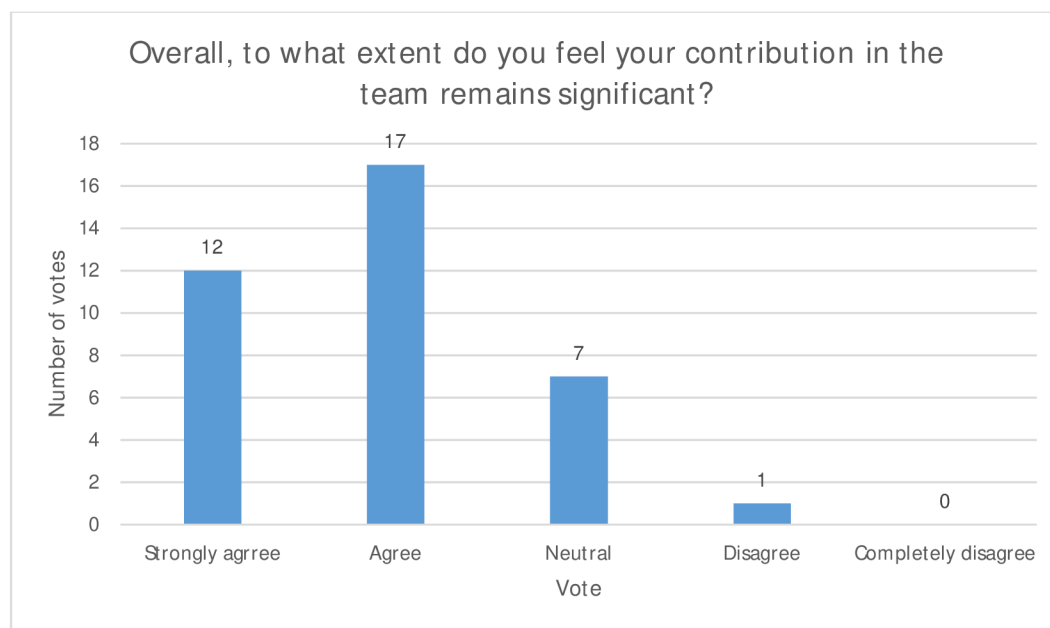


Source:(Researcher's questionnaire)

**Sense of belonging in team**

In the next question, the researcher explored how employees feel in their team as this can be very important factor in determining employee well-being. The results on this question show that twenty-nine employees fell on the agree-strongly agree spectrum whilst seven were neutral and one disagreed. Sense of belonging is fundamental for driving business success and thus also good starting point for managers to analyse and address the

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root causes of such feelings. This would then help improve employee well-being. The results from this question are illustrated (Figure19) below.
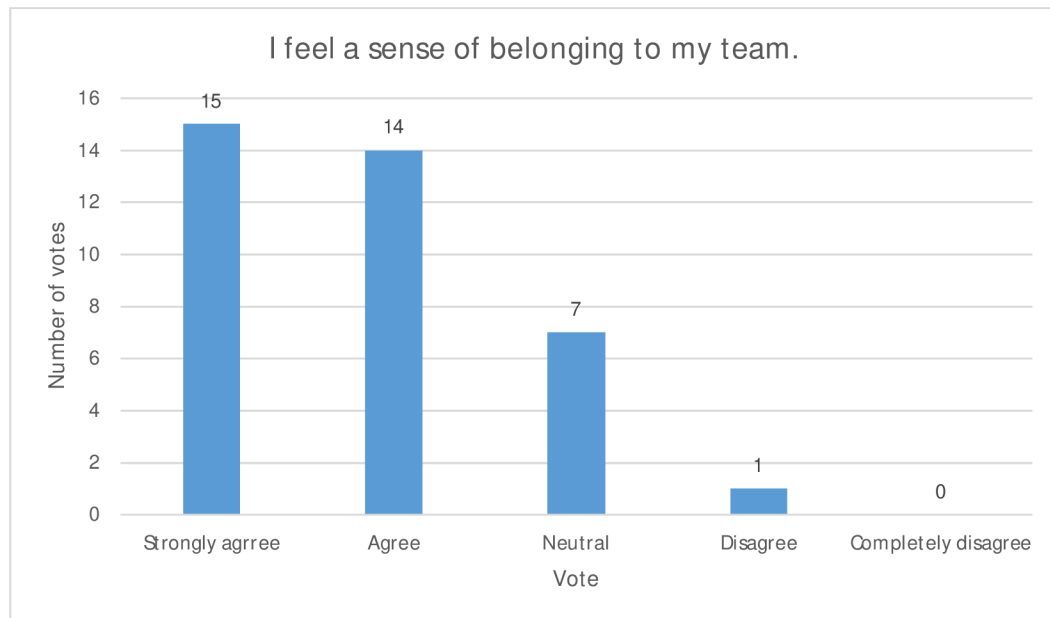
**Figure 19: Sense of belonging in team**



Source:(Researcher's questionnaire)

**I feel supported and respected in my work relationships whilst working from home.**

Just as sense of belonging is vital for business success, the feeling of being supported and respected at work is also crucial as it helps improve employee well-being, motivation, retention amongst many others. The results on this question show that thirty-four employees fell on the agree-strongly agree spectrum whilst two were neutral and one disagreed. Respect and support in teams impacts employee well-being. This means managers need to focus on building a culture of respect and support amongst employees as this will benefit employees by improving employee well-being as well as all the other factors linked to well-being. The results from this question are illustrated (Figure 20) below.

**Figure 20:Support and respect at work**
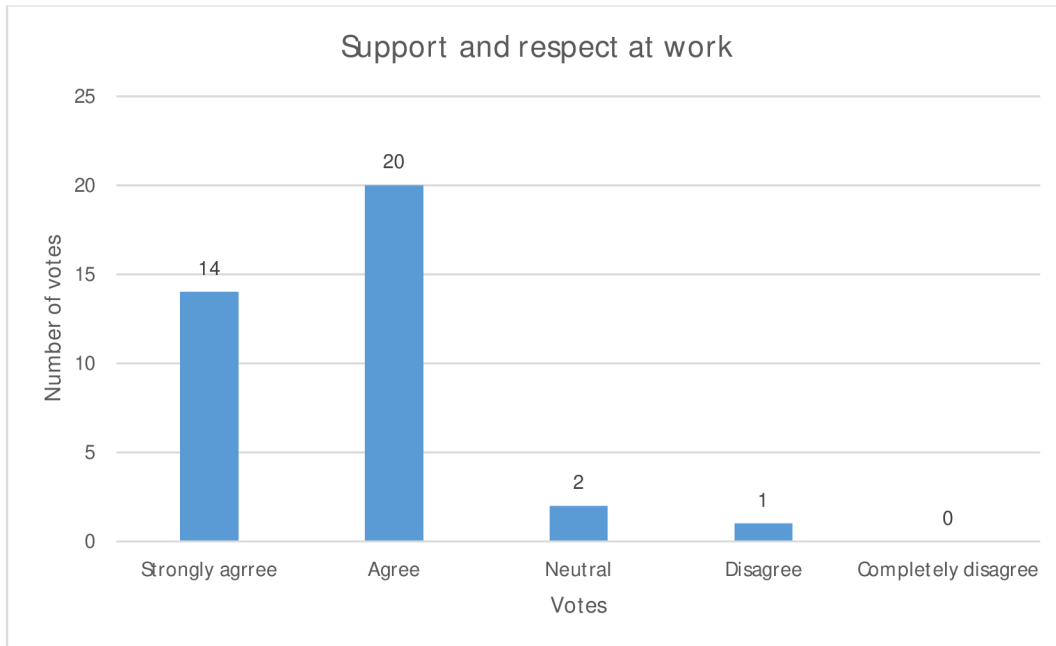


Source:(Researcher's questionnaire)

## I am able to recognize and manage the things that cause me stress.

Stress has a detrimental impact on employee well-being, motivation, retention amongst many others. It is important for employees to be able to identify the things that cause stress as well as manage it. The results on this question show that twenty-eight employees fell on the agree-strongly agree spectrum whilst eight were neutral and one disagreed. This is the question that had the highest neutral responses which could probably suggest this is an area that managers will need to prioritize if they want to take steps in improving employee well-being. The results from this question are illustrated (Figure 21) below.

**Figure 21: Stress recognition and management**
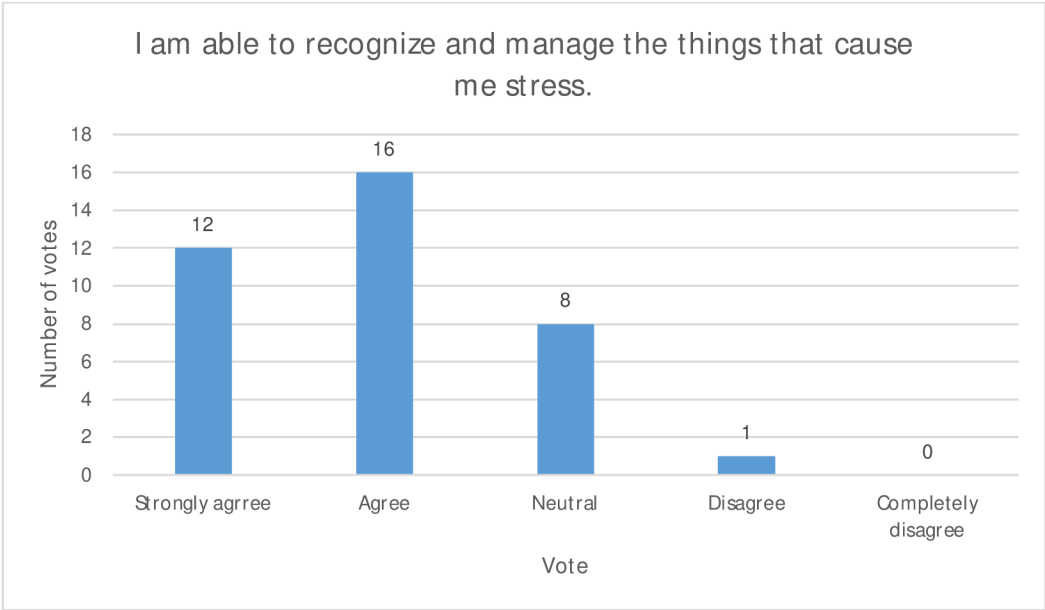


Source:(Researcher's questionnaire)

## Comments and notes section

The comments and notes section provided the target research population to add notes that they may find relevant to the topic. One was specifically curious how other employees keep their work-life balance while working from home. Another stated they prefer a combination of both home and onsite work and finally the last comment expressed positive feelings towards remote working. The conclusion that can be drawn from these notes is that individual opinions vary from one person to another, and true leadership involved taking all opinions into consideration. The balance that results from this will positively impact employee well-being.

**Figure 22: Comments and notes**



Source:(Researcher's questionnaire)

In conclusion, the well-being section evaluates whether the employees still feel their contribution to the team is relevant together with a sense of belonging in a group. The chances are high that if an employee does not feel a sense of belonging in a group, they are also low on well-being. All the questions discussed above evaluate various dimensions that are essential to explore a simplified questionnaire on employee well-being. It is important to note that measuring employee well-being is very complex and the researcher chose his own methods that he deemed suitable.

## 5.3 Reliability testing results

Cronbach's alpha is a metric for determining the internal consistency, or reliability, of a set of scale or test items. In other words, a measurement's reliability refers to how constant it is in measuring a notion, and Cronbach's alpha is one method of determining how strong that consistency is (Goforth, 2015). The scale items refer to the Likert scale used to address the questions on the respective sections: home environment, employee health, and employee well-being. It is important to note that the number of elements in the scale affects the Cronbach alpha values. Cronbach alpha levels can be quite low when the scale has a small number of components (less than 10). The number of items in each section is 5,5, and 7, respectively. The researcher did this purposely to be direct and simplify the questionnaire for the research population.

It's vital to acknowledge that getting a high Alpha value with fewer than ten items on the scale is challenging, especially with a relatively small research population. In such instances, an Alpha value greater than 0.5 is acceptable (Pallant, 2010). The results that the researcher sought in this case were anything greater than 0.5.

The most prevalent as well as deduced guidelines are as follows:

- Cronbach's alpha $\geq 0.80$ is good
- Cronbach's alpha $\approx 0.70$ may or may not be just acceptable
- Cronbach's alpha $> 5$ for items less than 10

### 5.3.1 Health questions

The questions on employee health scored the highest with an alpha value of 0.638, which in this case is an acceptable value considering the number of items in the health section, sample population size and the complexity of evaluating employee health in five questions. The researcher could have had more questions on this section, but this would have made the questionnaire quite cumbersome for the research target population, so a simplified version was sent to the employees. The figure 23 below illustrates the extracted SPSS results.

**Figure 23: Health question reliability**

### Case Processing Summary

|  |  | N | % |
|---|---|---|---|
| Cases | Valid | 37 | 100,0 |
|  | Excluded[a] | 0 | ,0 |
|  | Total | 37 | 100,0 |

a. Listwise deletion based on all variables in the procedure.

### Reliability Statistics

| Cronbach's Alpha | Cronbach's Alpha Based on Standardized Items | N of Items |
|---|---|---|
| ,638 | ,625 | 5 |

### Item Statistics

|  | Mean | Std. Deviation | N |
|---|---|---|---|
| I generally feel very good about my health. | 3,7568 | 1,06472 | 37 |
| As a result of the reduced movement from not going to work, I exercise a few times a week. | 3,1892 | 1,30890 | 37 |
| Working from home has protected myself and others from getting ill (due to reduced contact with people). | 3,9189 | 1,25562 | 37 |
| I listen to my body; when there is something wrong, I seek needed assistance. | 4,0270 | ,86559 | 37 |
| I maintain healthy eating habits. | 3,8378 | ,89795 | 37 |

Source:( Researcher's calculation in SPSS )

## 5.3.2 Home environment

The home environment questions scored 0.525 in the internal reliability test, which is a good score considering the researcher sought to get a result (greater than) > 0.5. Although this is the lowest of the three sections analysed, anything less than 0.5 would have been questionable, and the questions would have to be redone. Figure 24 illustrates the extracted SPSS results as explained.

**Figure 24: Home environment question reliability**

**Case Processing Summary**

| | | N | % |
|---|---|---|---|
| Cases | Valid | 37 | 100,0 |
| | Excluded[a] | 0 | ,0 |
| | Total | 37 | 100,0 |

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics**

| Cronbach's Alpha | Cronbach's Alpha Based on Standardized Items | N of Items |
|---|---|---|
| ,525 | ,520 | 5 |

**Item Statistics**

| | Mean | Std. Deviation | N |
|---|---|---|---|
| I work in a safe home environment. | 4,7568 | ,49472 | 37 |
| I am comfortable working in the home environment. | 4,6216 | ,59401 | 37 |
| I have taken steps to make my home environment a safer and healthier place. | 4,2432 | ,79601 | 37 |
| I am able to handle the distractions associated with remote work. | 4,0811 | ,86212 | 37 |
| I recognize that my home environment work set-up has an impact on my work. | 4,2703 | ,65186 | 37 |

Source:( Researcher's calculation in SPSS )

## 5.3.2 Employee well-being

The final section of the questionnaire addresses employee well-being. The Cronbach alpha value for this section was 0.683, which is the highest value of all three Likert-scale sections. This outcome can be justified as there were more questions on employee well-being than in the other two sections. Despite being outside the usual standard, the results show positive correlations for the researcher, considering the diversity of the questions on employee well-being, the less than ten items recommended for a sound Cronbach alpha value, and the limited target population size. The results extracted for SPSS software in this section are illustrated below in Figure 25 below.

**Figure 25: Employee well-being question reliability**

**Case Processing Summary**

| | | N | % |
|---|---|---|---|
| Cases | Valid | 37 | 100,0 |
| | Excluded[a] | 0 | ,0 |
| | Total | 37 | 100,0 |

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics**

| Cronbach's Alpha | Cronbach's Alpha Based on Standardized Items | N of Items |
|---|---|---|
| ,683 | ,683 | 7 |

**Item Statistics**

| | Mean | Std. Deviation | N |
|---|---|---|---|
| Working from home has improved my work-life balance | 4,2432 | ,79601 | 37 |
| Overall, how would you rate your mental health as a result of working from home? | 4,2703 | ,69317 | 37 |
| Overall, how satisfied are you with working from home instead of office? | 4,4054 | ,72493 | 37 |
| Overall, to what extent do you feel your contribution in the team remains significant? | 4,1351 | ,88701 | 37 |
| I feel a sense of belonging to my team. | 4,1081 | ,80911 | 37 |
| I am able to recognize and manage the things that cause me stress. | 4,0541 | ,81466 | 37 |
| I feel supported and respected in my work relationships whilst working from home. | 4,2162 | ,78652 | 37 |

Source:( Researcher's calculation in SPSS )

## 5.4 Regression analysis results

The final objective of the thesis was to evaluate the impact of the home environment on employee well-being and the impact of employee health on well-being. To do this, the researcher used regression analysis: a set of statistical procedures for estimating relationships between a dependent variable and one or more independent variables. It can be used to determine the strength of a relationship between variables and to predict how they will interact in the future (Corporate Finance Institute, 2015). The independent variables in this research are:

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1. Employee health
2. Home environment

The dependent variable with respect to the research is employee well-being. The researcher sought to explore which of the two independent variables has a more significant impact on employee well-being, i.e., which of the two independent variables' scores has a greater effect on employee well-being.

This meant investigating if there is a correlation between the results on employee health and the impacts on well-being. A similar analysis was done on the health environment and employee well-being. To do so, the researcher calculated the score of each employee in all the section's questions and then made an average score; the same was done for employee well-being. The final part was running the average scores of employee health vs average employee score and average home environment score versus average employee well-being score. Frost (2018) writes that R-squared is a goodness-of-fit metric for linear regression models. This figure shows the percentage of variance in the dependent variable that the independent factors account for when taken together. On a handy 0–100 per cent scale, R-squared measures the strength of the association between your model and the dependent variable.

The key elements of the results in this research were as follows:
1. R-squared value
2. P-value (significance level 0.05)

### 5.4.1 Employee health vs employee well-being

As explained in the section above, the researcher sought to evaluate how employee health scores impact the overall well-being score, i.e., how can we use employee health scores to predict employee well-being scores. As previously explained, the dependent variable was the employee well-being average score, and the explanatory variable was the employee health average score.

**Figure 26: Impact of health on well-being**

**Descriptive Statistics**

| | Mean | Std. Deviation | N |
|---|---|---|---|
| Employee well-being | 4,2043 | ,46320 | 37 |
| Employee health | 3,7230 | ,77006 | 37 |

**Correlations**

| | | Employee well-being | Employee health |
|---|---|---|---|
| Pearson Correlation | Employee well-being | 1,000 | ,961 |
| | Employee health | ,961 | 1,000 |
| Sig. (1-tailed) | Employee well-being | . | <,001 |
| | Employee health | ,000 | . |
| N | Employee well-being | 37 | 37 |
| | Employee health | 37 | 37 |

**Variables Entered/Removed[a]**

| Model | Variables Entered | Variables Removed | Method |
|---|---|---|---|
| 1 | Employee health[b] | . | Enter |

a. Dependent Variable: Employee well-being
b. All requested variables entered.

**Model Summary[b]**

| | | | | | Change Statistics | | | |
|---|---|---|---|---|---|---|---|---|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | R Square Change | F Change | df1 | df2 | Sig. F Change |
| 1 | ,961[a] | ,923 | ,921 | ,13036 | ,923 | 419,546 | 1 | 35 | <,001 |

a. Predictors: (Constant), Employee health
b. Dependent Variable: Employee well-being

Source:( Researcher's calculation in SPSS )

**Hypothesis for the impact of employee health on employee well-being**

H0: There is no statistically significant relationship between employee health and employee well-being

H1: There is a statistically significant relationship between employee health and employee well-being

The P-value for the model is less than 0.001, which means the null hypothesis is rejected. The alternative hypothesis was thus valid, which states that **there is a statistically significant relationship between employee health and employee well-being.**

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The R-squared value for the model is 0.923, meaning 92% of the variation in employee well-being can be explained. Fernando (2020) writes that an R-Squared value of 0.9 indicates that the variance of the independent variable explains 90% of the variance of the dependent variable under investigation. In the research, this is 92% – which is a strong correlation.

The results confirm the researcher's initial assumption that there is a positive correlation between the employee health and employee well-being. What this means in real life is that employee health has a significant contribution (positive correlation) on well-being. This implies that if the average score from the health questions increases, then the average score on employee well-being is anticipated or expected to increase. This also means that if the average score on home environment decreases or drops, then a decrease in overall well-being score can be anticipated. Figure 26 above illustrates the results.

## 5.4.2 Home environment vs employee well-being

The second part of the regression analysis used the same approach as the analysis for the impact of employee health on well-being. This time the independent variable became the home environment, and the dependent variable was employee well-being. The results on employee home environment were also averaged along with the employee well-being score. The researcher's objective, in this case, was to investigate whether the employee well-being average score is affected by the home environment score.

**Figure 27:Impact of home environment on well-being**

**Regression**

**Descriptive Statistics**

| | Mean | Std. Deviation | N |
|---|---|---|---|
| Employee well-being | 4,2043 | ,46320 | 37 |
| Home environment | 4,3946 | ,40685 | 37 |

**Correlations**

| | | Employee well-being | Home environment |
|---|---|---|---|
| Pearson Correlation | Employee well-being | 1,000 | ,957 |
| | Home environment | ,957 | 1,000 |
| Sig. (1-tailed) | Employee well-being | . | <,001 |
| | Home environment | ,000 | . |
| N | Employee well-being | 37 | 37 |
| | Home environment | 37 | 37 |

**Variables Entered/Removed[a]**

| Model | Variables Entered | Variables Removed | Method |
|---|---|---|---|
| 1 | Home environment[b] | . | Enter |

a. Dependent Variable: Employee well-being

b. All requested variables entered.

**Model Summary[b]**

| | | | | | Change Statistics | | | |
|---|---|---|---|---|---|---|---|---|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | R Square Change | F Change | df1 | df2 | Sig. F Change |
| 1 | ,957[a] | ,915 | ,913 | ,13668 | ,915 | 378,489 | 1 | 35 | <,001 |

a. Predictors: (Constant), Home environment

b. Dependent Variable: Employee well-being

Source:(Researcher's calculation in SPSS)

**Hypothesis for the impact of home environment on employee well-being**

H0: There is no statistically significant relationship between home environment and employee well-being

H1: There is a statistically significant relationship between home environment and employee well-being

The P-value for the model is less than 0.001This implied that the null hypothesis was rejected. The alternative hypothesis was thus accepted, which stated that **there is a**

**statistically significant relationship between home environment and employee well-being.**

The R-squared value was 0.915, meaning almost 92% of the variation in the employee well-being average score can be explained by the average score in the home environment.

The results confirm the researcher's initial assumption that there is a positive correlation between the home environment and employee well-being. What this means in real life is that an employees' home environment has a significant contribution on well-being. If the average score from the home environment questions increases, then the average score on employee well-being also increases. This also means that if the average score on home environment decreases, then a decrease in overall well-being score can be anticipated. Figure 27 above illustrates the results.

# 6. Conclusion

This diploma thesis had three main objectives:

1. To identify the benefits and challenges that arose from virtual teams (remote work) due to the COVID-19 pandemic.
2. To explore employee well-being and the factors that influence employee well-being with a greater focus on health and home environment factors.
3. To evaluate how the pandemic-induced home environment as well as health impacted well-being of the employees.

The research focused on a small group of Global mobility Specialists in SAP Services in the Czech Republic comprising 37 team members between March 2020 and December 2021. This was due to convenience sampling as the researcher works in close proximity to the team. The research was conducted using an online Likert-scale questionnaire with a one-week feedback timeline. The questionnaire comprised of four main sections, and these are as follows:

1. Introductory questions about virtual teams and the company
2. Employee home environment
3. Employee physical health resulting from virtual teams
4. Employee well-being

Addressing the first objective (identifying the benefits and challenges of virtual teams), the researcher sought to understand and identify some of the challenges and benefits employees were facing because of virtual teams or remote work resulting from the COVID-19 pandemic. It is important to note that the challenges and benefits that applied to the employees varied from one employee to another. Amongst the top benefits faced by this team were better work-life balance, less commuting stress and more time spent with loved ones. On the other hand, the top challenges were distractions within the household, loneliness due to limited contact with colleagues, and an increase in household bills.

Table 6 (below) summarises the top 5 benefits and top 5 challenges selected to apply for the employees.

**Table 7: Top 5 benefits and challenges**

| Top five benefits and challenges of virtual teams from the questionnaire | |
|---|---|
| Benefits of virtual teams | Challenges of virtual teams |
| Better work-life balance | Distractions within the household |
| Less commuting stress | Loneliness due to minimum social contact with colleagues |
| More time with loved ones | Increase in household bills |
| Flexible working schedule | Not being able to unplug or determine when to stop working |
| Location Independence | Neglecting work |

Source:(Researcher's questionnaire)

The second objective was to explore the factors that affect employee well-being. The literature review guided the researcher to the conclusion that employee well-being depends on four main factors categorized into:

1. Physical,
2. Mental,
3. Financial and
4. Social

The four factors mentioned above provided a foundation and guidance for the researcher to create a simplified questionnaire that focused mostly on a combination of mental physical and social areas classified into three categories:

1. Health
2. Home environment
3. Overall well-being

The literature review suggests that if an organisation wants to increase employee well-being, it must address all four factors (physical, mental, financial, and social) omission of one of the factors is no longer enough for the modern employee. This implies that proper management of all four factors and establishing a balance is fundamental for business success.

Finally, the last objective of the researcher was to evaluate the impact of the home environment on employee well-being as well as impact of employee health on well-being of the employee. The results showed that employee health and home environment almost equally play a vital role in determining employee well-being. Both models had greater than 90% R-squared values as well as statistical significance at a 0.05 alpha level. Organisations must recognise that both employee health and home environment are fundamental in determining their employees' well-being. Firms that jump on to the trend of employee wellness programs and focus on work-life balance to improve well-being have a greater probability of getting the best out of their employees.

In conclusion, virtual teams (remote work) resulting from COVID-19 have shown many businesses that remote work is the future of employment, especially in the services industry. The remote work improved work life balance, reduced commuting stress for many, and generally had a positive impact on employees who expressed that they felt "trusted" by their employers by being allowed to work from home which ultimately resulted in greater employee loyalty. The challenges faced by virtual team members provide a foundation for business on what factors they can influence.

This research provides a strong foundation/basis for future oriented organisations to analyse how best they can develop and support a positive remote working experience for their employees by focusing on the virtual teams' challenges highlighted in this study. For example, the challenge of loneliness due to limited social contact can be addressed by managers organizing team building event (preferably in person) to help maintain team cohesion. The challenge of increase in household bills can be addressed by home office allowance as done by many multinational companies since the start of the pandemic. Modern companies must therefore consider employee well-being as a crucial part of organisational success. Organisations that deliberately focus and prioritise the well-being of their

employees in turn get the following benefits: increased employee motivation, higher employee retention, talent attraction, increased productivity, amongst other benefits.

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# 8. List of pictures and tables

## 8.1 List of pictures

## 8.2 List of tables

# Appendix

**Figure 28: Chronbach alpha - health part 2**

<table>
<tr><th colspan="6">Inter-Item Correlation Matrix</th></tr>
<tr>
<th></th>
<th>I generally feel very good about my health.</th>
<th>As a result of the reduced movement from not going to work, I exercise a few times a week.</th>
<th>Working from home has protected myself and others from getting ill (due to reduced contact with people).</th>
<th>I listen to my body; when there is something wrong, I seek needed assistance.</th>
<th>I maintain healthy eating habits.</th>
</tr>
<tr><td>I generally feel very good about my health.</td><td>1,000</td><td>,552</td><td>,671</td><td>-,053</td><td>,277</td></tr>
<tr><td>As a result of the reduced movement from not going to work, I exercise a few times a week.</td><td>,552</td><td>1,000</td><td>,331</td><td>-,029</td><td>,240</td></tr>
<tr><td>Working from home has protected myself and others from getting ill (due to reduced contact with people).</td><td>,671</td><td>,331</td><td>1,000</td><td>,028</td><td>,087</td></tr>
<tr><td>I listen to my body; when there is something wrong, I seek needed assistance.</td><td>-,053</td><td>-,029</td><td>,028</td><td>1,000</td><td>,399</td></tr>
<tr><td>I maintain healthy eating habits.</td><td>,277</td><td>,240</td><td>,087</td><td>,399</td><td>1,000</td></tr>
</table>

Source:(Researcher's calculation in SPSS)

**Figure 29: Chronbach alpha - health part 3**

<table>
<tr><th colspan="6">Item-Total Statistics</th></tr>
<tr>
<th></th>
<th>Scale Mean if Item Deleted</th>
<th>Scale Variance if Item Deleted</th>
<th>Corrected Item-Total Correlation</th>
<th>Squared Multiple Correlation</th>
<th>Cronbach's Alpha if Item Deleted</th>
</tr>
<tr><td>I generally feel very good about my health.</td><td>14,9730</td><td>7,305</td><td>,654</td><td>,610</td><td>,449</td></tr>
<tr><td>As a result of the reduced movement from not going to work, I exercise a few times a week.</td><td>15,5405</td><td>7,366</td><td>,440</td><td>,316</td><td>,561</td></tr>
<tr><td>Working from home has protected myself and others from getting ill (due to reduced contact with people).</td><td>14,8108</td><td>7,491</td><td>,456</td><td>,475</td><td>,550</td></tr>
<tr><td>I listen to my body; when there is something wrong, I seek needed assistance.</td><td>14,7027</td><td>10,937</td><td>,090</td><td>,211</td><td>,696</td></tr>
<tr><td>I maintain healthy eating habits.</td><td>14,8919</td><td>9,488</td><td>,345</td><td>,286</td><td>,606</td></tr>
</table>

<table>
<tr><th colspan="4">Scale Statistics</th></tr>
<tr><th>Mean</th><th>Variance</th><th>Std. Deviation</th><th>N of Items</th></tr>
<tr><td>18,7297</td><td>12,203</td><td>3,49324</td><td>5</td></tr>
</table>

Source:(Researcher's calculation in SPSS)

**Figure 30: Chronbach alpha - home environment results part 2**

**Inter-Item Correlation Matrix**

|  | I work in a safe home environment. | I am comfortable working in the home environment. | I have taken steps to make my home environment a safer and healthier place. | I am able to handle the distractions associated with remote work. | I recognize that my home environment work set-up has an impact on my work. |
|---|---|---|---|---|---|
| I work in a safe home environment. | 1,000 | ,245 | ,225 | ,243 | -,049 |
| I am comfortable working in the home environment. | ,245 | 1,000 | ,553 | ,387 | -,087 |
| I have taken steps to make my home environment a safer and healthier place. | ,225 | ,553 | 1,000 | ,375 | ,030 |
| I am able to handle the distractions associated with remote work. | ,243 | ,387 | ,375 | 1,000 | -,139 |
| I recognize that my home environment work set-up has an impact on my work. | -,049 | -,087 | ,030 | -,139 | 1,000 |

**Item-Total Statistics**

|  | Scale Mean if Item Deleted | Scale Variance if Item Deleted | Corrected Item-Total Correlation | Squared Multiple Correlation | Cronbach's Alpha if Item Deleted |
|---|---|---|---|---|---|
| I work in a safe home environment. | 17,2162 | 3,396 | ,273 | ,092 | ,487 |
| I am comfortable working in the home environment. | 17,3514 | 2,790 | ,502 | ,356 | ,355 |
| I have taken steps to make my home environment a safer and healthier place. | 17,7297 | 2,258 | ,521 | ,350 | ,291 |
| I am able to handle the distractions associated with remote work. | 17,8919 | 2,432 | ,358 | ,219 | ,426 |
| I recognize that my home environment work set-up has an impact on my work. | 17,7027 | 3,937 | -,086 | ,036 | ,665 |

Source:(Researcher's calculation in SPSS)

**Figure 31: Chronbach alpha - home environment results part 3**

**Scale Statistics**

| Mean | Variance | Std. Deviation | N of Items |
|---|---|---|---|
| 21,9730 | 4,138 | 2,03424 | 5 |

Source:(Researcher's calculation in SPSS)

**Figure 32: Chronbach alpha  - Well-being part 2**

| Inter-Item Correlation Matrix | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Working from home has improved my work-life balance | Overall, how would you rate your mental health as a result of working from home? | Overall, how satisfied are you with working from home instead of office? | Overall, to what extent do you feel your contribution in the team remains significant? | I feel a sense of belonging to my team. | I am able to recognize and manage the things that cause me stress. | I feel supported and respected in my work relationships whilst working from home. |
| Working from home has improved my work-life balance | 1,000 | ,431 | ,402 | -,009 | ,131 | -,021 | ,002 |
| Overall, how would you rate your mental health as a result of working from home? | ,431 | 1,000 | ,495 | ,391 | ,244 | ,170 | ,246 |
| Overall, how satisfied are you with working from home instead of office? | ,402 | ,495 | 1,000 | ,042 | -,077 | -,226 | -,061 |
| Overall, to what extent do you feel your contribution in the team remains significant? | -,009 | ,391 | ,042 | 1,000 | ,521 | ,182 | ,674 |
| I feel a sense of belonging to my team. | ,131 | ,244 | -,077 | ,521 | 1,000 | ,286 | ,704 |
| I am able to recognize and manage the things that cause me stress. | -,021 | ,170 | -,226 | ,182 | ,286 | 1,000 | ,415 |
| I feel supported and respected in my work relationships whilst working from home. | ,002 | ,246 | -,061 | ,674 | ,704 | ,415 | 1,000 |

Source:(Researcher's calculation in SPSS)

**Figure 33: Chronbach alpha  - Well-being part 3**

| Item-Total Statistics | | | | |
|---|---|---|---|---|
| | Scale Mean if Item Deleted | Scale Variance if Item Deleted | Corrected Item-Total Correlation | Squared Multiple Correlation | Cronbach's Alpha if Item Deleted |
| Working from home has improved my work-life balance | 25,1892 | 8,824 | ,227 | ,288 | ,693 |
| Overall, how would you rate your mental health as a result of working from home? | 25,1622 | 7,862 | ,563 | ,497 | ,607 |
| Overall, how satisfied are you with working from home instead of office? | 25,0270 | 9,416 | ,132 | ,400 | ,711 |
| Overall, to what extent do you feel your contribution in the team remains significant? | 25,2973 | 7,270 | ,517 | ,548 | ,610 |
| I feel a sense of belonging to my team. | 25,3243 | 7,503 | ,535 | ,530 | ,607 |
| I am able to recognize and manage the things that cause me stress. | 25,3784 | 8,797 | ,221 | ,290 | ,695 |
| I feel supported and respected in my work relationships whilst working from home. | 25,2162 | 7,341 | ,603 | ,675 | ,588 |

| Scale Statistics | | | |
|---|---|---|---|
| Mean | Variance | Std. Deviation | N of Items |
| 29,4324 | 10,530 | 3,24500 | 7 |

Source:(Researcher's calculation in SPSS)

**Figure 34: Regression analysis – health vs well-being part 2**

ANOVA[a]

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 7,129 | 1 | 7,129 | 419,546 | <,001[b] |
| | Residual | ,595 | 35 | ,017 | | |
| | Total | 7,724 | 36 | | | |

a. Dependent Variable: Employee well-being
b. Predictors: (Constant), Employee health

Coefficients[a]

| Model | | Unstandardized Coefficients B | Std. Error | Standardized Coefficients Beta | t | Sig. | 95,0% Confidence Interval for B Lower Bound | Upper Bound | Zero-orde |
|---|---|---|---|---|---|---|---|---|---|
| 1 | (Constant) | 2,053 | ,107 | | 19,149 | <,001 | 1,835 | 2,270 | |
| | Employee health | ,578 | ,028 | ,961 | 20,483 | <,001 | ,521 | ,635 | ,961 |

a. Dependent Variable: Employee well-being

Residuals Statistics[a]

| | Minimum | Maximum | Mean | Std. Deviation | N |
|---|---|---|---|---|---|
| Predicted Value | 2,9197 | 4,7978 | 4,2043 | ,44501 | 37 |
| Residual | -,22442 | ,22137 | ,00000 | ,12853 | 37 |
| Std. Predicted Value | -2,887 | 1,334 | ,000 | 1,000 | 37 |
| Std. Residual | -1,722 | 1,698 | ,000 | ,986 | 37 |

a. Dependent Variable: Employee well-being

Source:(Researcher's calculation in SPSS)

**Figure 35: Regression analysis – home environment vs well-being part 2**

ANOVA[a]

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 7,070 | 1 | 7,070 | 378,489 | <,001[b] |
| | Residual | ,654 | 35 | ,019 | | |
| | Total | 7,724 | 36 | | | |

a. Dependent Variable: Employee well-being
b. Predictors: (Constant), Home environment

Coefficients[a]

| Model | | Unstandardized Coefficients B | Std. Error | Standardized Coefficients Beta | t | Sig. | 95,0% Confidence Interval for B Lower Bound | Upper Bound | Correlations Zero-order | Partial | Part |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | (Constant) | -,583 | ,247 | | -2,358 | ,024 | -1,084 | -,081 | | | |
| | Home environment | 1,089 | ,056 | ,957 | 19,455 | <,001 | ,976 | 1,203 | ,957 | ,957 | ,957 |

a. Dependent Variable: Employee well-being

Residuals Statistics[a]

| | Minimum | Maximum | Mean | Std. Deviation | N |
|---|---|---|---|---|---|
| Predicted Value | 2,9031 | 4,8638 | 4,2043 | ,44317 | 37 |
| Residual | -,28807 | ,22550 | ,00000 | ,13476 | 37 |
| Std. Predicted Value | -2,936 | 1,488 | ,000 | 1,000 | 37 |
| Std. Residual | -2,108 | 1,650 | ,000 | ,986 | 37 |

a. Dependent Variable: Employee well-being