**Czech University of Life Sciences Prague** 

# Faculty of Economics and Management

**Department of Management** 



# **Diploma** Thesis

# An Analysis of Transformation Process from Traditional to Virtual Work Environment - Case Study of Selected Company

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# CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Faculty of Economics and Management

# **DIPLOMA THESIS ASSIGNMENT**

Veronika Soldátová

Economics and Management Economics and Management

# Thesis title

The Analysis of Transformation Process from Traditional to Virtual Work Environment – Case study of Selected Company

# **Objectives of thesis**

The main aim of the diploma thesis is to identify specific managerial actions and approaches which lead to successful transformation from traditional to virtual work environment and subsequently to building of effective virtual team. This diploma thesis analyses the transformation from traditional to virtual work environment.

# Methodology

Theoretical background is built on secondary sources. To fulfil the goal of the thesis the mixed research approach is chosen. The research consists of qualitative semi-structured interview and quantitative questionnaire survey. Subsequently all findings will be synthesized.

# The proposed extent of the thesis

Approx 60 – 80 pages

### **Keywords**

Virtual team, Transformation, Managing virtual team, Communication technology, Team interaction, Digital transformation, Digitalization, Covid-19 pandemic

# **Recommended information sources**

Belbin R.M.(2010), Management Teams: Why They Succeed or Fail, Routledge UK., 208pp, ISBN-13 : 978-1856178075

- DWIVEDI, Y. K. et al (2020), Impact of COVID-19 pandemic on information management research and practice: Transforming education, work and life. International Journal of Information Management, 55, 102211. doi: 10.1016/j.ijinfomgt.2020.102211
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# Declaration

I declare that I have worked on my diploma thesis titled "An Analysis of Transformation Process from Traditional to Virtual Work Environment - Case Study of Selected Company" by myself and I have used only the sources mentioned at the end of the thesis. As the author of the diploma thesis, I declare that the thesis does not break copyrights of any their person.

In Prague on 30.11.2021

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# An Analysis of Transformation Process from Traditional to Virtual Work Environment - Case Study of Selected Company

# Abstract

The diploma thesis deals with the topic of sudden transformation from traditional to virtual work environment due to the COVID-19 pandemic and its precautions. The work aims to analyse the transformation of the Nestlé Česko s.r.o. which was, as many other companies, forced to move its employees from the office to home office. The main aim of the thesis is to identify specific managerial actions and approaches which lead to successful transformation from traditional to virtual work environment and subsequently to establishment of effective virtual team. To fulfil the main aim of the thesis, mixed research approach is chosen and consists of quantitative and qualitative research. In order to assess the whole picture of the process the questionnaire is distributed among employees and the interview is conducted with managers. Although, the transformation in the selected company went smoothly, there were still identified issues, which are challenging for the employees. To conclude, the thesis summarizes main findings, refers to the identified issues which emerged during the transformation and suggests possible improvements, which can help the company maximize the effectiveness of virtual environment.

**Keywords:** Virtual team, Transformation, Managing virtual team, Communication technology, Team interaction, Digital transformation, Digitalization, Covid-19 pandemic

# Analýza transformačního procesu z tradičního do virtuálního pracovního prostředí – případová studie vybrané společnosti

### Abstrakt

Tato diplomová práce se zabývá tématem náhlé transformace z tradičního do virtuálního pracovního prostředí v důsledku pandemie COVID-19 a jejích opatření. Práce si klade za cíl analyzovat transformaci společnosti Nestlé Česko s.r.o. která byla jako mnoho jiných společností nucena přesunou své zaměstnance z kanceláře do home office. Hlavním cílem práce je identifikovat konkrétní manažerské kroky a přístupy, které vedou k úspěšné transformaci z tradičního do virtuálního prostředí a následně k vytvoření efektivního virtuálního týmu. Pro naplnění hlavního cíle práce je zvolen smíšený výzkumný přístup, který se skládá z kvantitativního a kvalitativního výzkumu. Za účelem posouzení celkového obrazu procesu je dotazník distribuován mezi zaměstnance a rozhovor je veden s manažery. I když transformace ve vybrané společnosti proběhla dobře, byly identifikovány problémy, které jsou pro zaměstnance náročné. V závěru práce shrnuje hlavní poznatky, odkazuje na identifikované problémy, které se během transformace objevily, a navrhuje možná zlepšení, která mohou firmě pomoci maximalizovat efektivitu virtuálního prostředí.

**Klíčová slova:** Virtuální tým, Transformace, Řízení virtuálního týmu, Komunikační technologie, Týmová interakce, Digitální transformace, Digitalizace, pandemie Covid-19

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# **1** Introduction

Digital technologies have had an immense impact on the whole society, reaching from alterations in people's daily lives to transformations in businesses. One of the most remarkable changes which has influenced work of organisations has been a massive growth of use of virtual teams. Some of the most influential factors of this growth have been globalisation, innovation in technology, simple communication with people from all around the world and the access to virtually any information.

Previous studies of virtual teams have shown how challenging for both managers and employees working remotely can be. Challenges can be even more daunting for those who were forced to undergo an unexpected transformation to virtual environment. Such sudden transformation from traditional to virtual teams has been a significant aspect of the COVID-19 pandemic. Companies all around the world had to come up with quick solutions and transformation plans to limit the transmission of the virus. The massive increase in virtual work due to the COVID-19 pandemic boosted organizational capacity for virtual work and it is very likely that a number of companies will continue to work partly or even mainly remotely.

However, Companies may fail to recognise that there are many challenges which can arise while functioning predominantly virtually. The suddenness of this change made it difficult to adequately prepare managers to lead in a virtual work environment. Managers need to take particular steps to recognise and subsequently address the challenges, which might be hindering employees' work and personal lives. Considering that these transformations have been taking place for several years, there is a fair amount of information on how to lead, organise, motivate and build organisational support system. The strategies need to be adopted by the managers of newly virtual teams which have emerged at the start of the pandemic. A 2020 survey by Global Workplace Analytics found that 67 % of those surveyed in the US were due to COVID-19 pandemic working from home for the first time. Only 19 % of the respondents wanted to continue working from home full time in the future. Obviously, the transition was not smooth for many (Newman & Ford, 2021).

The current relevance of the topic of virtual teams has been a major influence on the aim of the diploma thesis. The main aim of the diploma thesis is to identify specific managerial actions and approaches which lead to successful transformation from traditional to virtual work environment and subsequently to establishment of effective virtual team. The thesis is divided into two main parts. The first is a theoretical part which focuses on theoretical definition of the topic of traditional and virtual teams and primarily on challenges of virtual teams and their solutions. The second part is analytical, which uses a questionnaire survey and a semi-structured interview to analyse the transformation from traditional to virtual work environment and its issues in Nestlé Česko s.r.o. Subsequently, positive results are identified followed by the weak points to which should be paid more attention. To conclude the thesis, specific recommendations are proposed, which represent managerial actions and approaches, which contribute to efficient functioning of virtual teams in the examined company.

# 2 Objectives and Methodology

# 2.1 Objectives

The main aim of the diploma thesis is to identify specific managerial actions and approaches which lead to successful transformation from traditional to virtual work environment and subsequently to establishment of effective virtual team. The Czech branch of the Swiss multinational company Nestlé S.A. is one of the companies impacted by COVID-19 precautions and was forced to a change of work environment. This diploma thesis analyses the transformation from traditional to virtual work environment. The thesis also refers to the identified issues which emerged during the transformation and suggests possible improvements for the future, based on the reviewed literature and own research. To fulfil the main aim of the thesis, it is important to define the research questions.

# **Research Questions**

RQ1: What did the process of transition from traditional to virtual work environment in the selected company progress?

RQ2: How did the pandemic influence the running of the company?

RQ3: What challenges arose during the transformation?

RQ4: What are the solutions for the challenges caused by the transformation?

# 2.2 Methodology

The diploma thesis comprises of two main parts, theoretical and analytical.

The theoretical part is based on data collection from a variety of critical sources such as books, scholarly journals and articles. Theoretical issues of virtual work environment and their solutions are defined. Research questions are based on literature review.

The analytical part is based on a study of selected company, specifically on the headquarters of Nestlé Česko s.r.o. which is located in Prague. First, the internal materials of the company are examined. To fulfil the main aim of the thesis, mixed research approach is chosen. The main motivation behind selecting this approach is that the combination of

both research methods offers a more concise and complex image of the analysed object (Bryman, 2006). The mixed research approach also helps to answer various research questions, which cannot be answered solely by quantitative or qualitative methods, and it provides larger scale of tools for aim fulfilment (Creswell & Plano Clark, 2011). The research consists of quantitative self-administered questionnaire survey and qualitative semi-structured interview. The combination of quantitative and qualitative research captures the whole picture of the transformation from traditional to virtual work environment within the company. Through the interview, the transformation is identified from the perspective of managers. The questionnaire offers the perspective of their subordinates. These two perspectives are further compared and possible differences, or similarities are pointed out.

The first part, quantitative research is carried out in the form of a questionnaire survey which is conducted for the main research in order to collect data of the employees' opinions, attitudes, preferences and satisfaction with the transformation from traditional to virtual work environment. A questionnaire survey is according to Saunders S. et al., (2019), a research instrument consisting of a series of questions for the purpose of gathering necessary information from respondents. The questionnaire consists of 13 key areas which include a mix of open-ended questions, close-ended questions, semi-closed questions, further the Likert scale, sematic differential, and matrix of questions (see Appendix A). The questions are in Czech language as all the employees are Czech native speakers. For the purposes of this work, the questionnaire is translated. The questionnaire is distributed online via internal e-mail with web page link to the questionnaire and the answers are anonymous. The subject of the questionnaire is employees working in different product categories from the marketing department of the company. There are 35 potential respondents of which 28 completed this questionnaire. The return of the questionnaire is 80 % which makes it a representative sample. The data collection took place in February 2021 which is exactly a year since the first lockdown of the Prague headquarters offices, which started on February 26th, 2020. The questionnaire is evaluated by the deduction method. The data collected from the questionnaire survey is processed in Microsoft Excel and graphically illustrated in pie and column charts/graphs. The subsequent evaluation of the questionnaire survey is assessed through descriptive statistics, and they are illustrated in tables.

The second part, qualitative research, is carried out in the form of an interview. It is conducted to obtain information on how managers and the company management handled the transformation, and complements the results obtained in the first part. The semistructured interview (see Appendix B) with 12 question is conducted through Microsoft Teams in March of 2021 and took approximately 45 minutes. According to Young et al., (2018) interview is a research method characterized as conversation where questions are asked to collect the information or data. In the semi-structured interview, the researcher has a list of preprepared questions; however, it allows the researcher to change the order of the questions during the interview or ask additional questions if an interesting or new line of inquiry develops during the interview process. This flexibility to react to the flow of the conversation helps the researcher discuss a particular topic in depth (Saunders S. et al., 2019; Young et al., 2018). There are two managers chosen for the interview, one of them is chief of the marketing department, and the other is from the HR department. In order to obtain more detailed information, managers are asked to undergo the interview together so that they could complement each other when answering questions. To evaluate the interview, the induction method is used. Classification and relational analysis are used to evaluate the results of both surveys. The interview is assessed verbally.

The results of both methods are further synthetized. Based on the overall results final comparison, evaluation and recommendations for improvement of the current situation are formulated. All data is finally used to answer the research questions and fulfil the main goal of the thesis.

The time period examined is from the middle of March to the middle of May 2020, which roughly demarcates the duration of the first wave of COVID-19. That is when the transition to a virtual environment first took place. Moreover, it is important to analyse how the new system works a few months later and what are the plans for the future.

# **3** Literature Review

# **3.1** Traditional and Virtual Teams

Teamwork in today's highly digital world is more important than ever. Teamwork enables the team to share ideas and responsibilities, which helps reduce stress and allows the team to be thorough and consistent at work. Teamwork of high quality ensures faster innovation, easier detection of mistakes and their subsequent solution. It also increases productivity and performance from which benefits the organisation as a whole and may lead to meeting sales faster. To understand the difference between traditional and virtual team it is necessary to define such terms as "teamwork" and "team".

### Team

When it comes to teamwork, many definitions say that team "is simply a special type of group" (Giske et al., 2017; Wesner et al., 2019). According to Forsyth D., (1999) teams are defined as "structured group of people working on defined common goals that request coordinated interaction to touch their goals/objectives". More specifically, a team is a cooperative unit of two or more people who work together to achieve common goals and objectives. In an organizational structure, teams are formed to maximize the output by combining different types of expertise and people who have complementary skills (Decker, 2010). Teamwork offers a way of synthesizing team members knowledge, skills, and abilities to achieve extraordinary creativity, innovation, and productivity (Richardson & West, 2013). According to Cole (2003) for a team to achieve organizational success, the quality of performance of its individuals is vital. In traditional teams as well as in virtual teams, each member of the group is dependent on each other to accomplish the overall goal (Huettner et al., 2007).

### 3.1.1 Definition of Traditional Teams

This diploma thesis will focus on the differences and similarities between traditional and virtual teams.

The topic of teams and their importance has gained immense attention due to the Covid-19 pandemic. The unexpected situation demanded a fast reaction to the sudden changes, the traditional teamwork disappeared and needed to be brought back in some other way. Hence virtual teams emerged, with some different features than traditional teams.

Traditional teams, sometimes also called "face-to-face" teams, are characterized by physical attendance of team members who come to actual workplace and therefore communicate with each other primarily face-to-face (Weisband, 2007). In face-to-face conversation people rely on multiple modes of communication, such as paraverbal (tone of voice, inflexion, voice volume) and nonverbal (eye movement, facial expression, gestures, and other body language) cues. These cues help create meaningful dialogue, regulate the flow of conversation, reduce the level of misunderstanding, provide the richness of the information transmitted, convey subtle meanings, and provide feedback (Warkentin et al., 1997). Therefore, face-to-face communication is more effective. There is a greater exchange of social-emotional information which helps to develop relational links. Stronger relational links in teams have been associated with higher performance (Warkentin et al., 1997).

The fact that traditional teams communicate face-to-face does not mean that they never use technology to communicate. Both, virtual as well as traditional teams use technology to work on their projects and reach their objectives. Traditional teams use technology as a tool to support face-to-face work (to send documents from one another, deliver presentations, feedback, or work on projects). However, for virtual teams the information and communication technology are the only way they can get the teamwork done. It is the medium which they use on daily basis to communicate, share information, collaborate, and coordinate their efforts in order to reach their goals (DaRos J., 2016).

Most managers agree that managing face-to-face teams is easier than managing virtual teams. Due to better compresence, managers have more influence and easier access to information about the team. It is easier to motivate the team, solve conflicts, monitor performance, develop trust, and team cohesion (Dulebohn & Hoch, 2017).

Previous research has found that compared to virtual teams, traditional teams have higher degree of cohesion (Polzer et al. 2006). Also, members of traditional teams have more trust

in each other (Gibson C. & Manuel J.A., 2003; Newell et al., 2007) and communicate and coordinate more effectively (Hinds P. & Weisband S.P., 2003). Traditional teams consist of mostly local base members, which eliminates multicultural problems and ensures greater employee stability (Gibson & Gibbs, 2006). Traditional teams also find it easier to establish a clear hierarchy and structure (Lipnack & Stamps, 1999).

However, researchers argue that, with time, virtual teams will overcome the limitations of the technologies and achieve the same level of relational links and, therefore, the same level of performance as face-to-face teams (Warkentin et al., 1997).

### 3.1.2 Definition of Virtual Teams

#### "Virtual teams are here, and they are here to stay." (Bell & Kozlowski, 2002)

People's daily lives and the nature of organizations have been highly transformed by digital technologies in the last years (reports.weforum.org, 2018). Information and communication technology advances have enabled a quicker change than in the past and have created jobs which are increasingly more complex, flexible and dynamic (Hunsaker & Hunsaker, 2008). Evolving technologies have been driving dramatic shifts in the way people work, allowing them to complete their tasks virtually without having to travel to their offices (Graves & Karabayeva, 2020). Virtual teaming is a new way of organising work which allows people to work together even though they are geographically separated (Maduka et al., 2018). The bulk of our understanding of teams is based on traditional teams in which all members are collocated and communicate face to face. However, geographically distributed teams, whose members are not collocated and must often communicate via technology, are growing in prevalence (Hinds & Bailey, 2003).

For correct understanding of the topic as a whole, it is vital to precisely define the term "virtual team". According to Gazor (2012) the concept of the virtual team evolved from teleworkers and virtual groups. Teleworker is someone who works at home, and communicates with their office by phone, email, or internet (Press & Combley, 2011). As the development of technology continues, the concept of teleworkers evolved to virtual groups. Virtual groups are characterised as several teleworkers reporting to the same

manager. Virtual groups then evolved to virtual teams also known as geographically dispersed teams, distributed teams, or remote teams. Virtual teams are characterised by virtual groups interacting with one another to accomplish common goals (Mogale, 2009).

Gibson C. & Manuel J.A. (2003) summarized definitions of virtual team developed by (Hertel et al., 2004; Townsend et al., 1998; Zigurs, 2003). Virtual team is a functioning team, a collection of individuals who are dispersed in certain ways and who work on tasks with varying degrees of interdependence and mutual accountability to accomplish a common goal. Instead of interacting face-to-face in traditional teams, members of virtual teams rely primarily on technology to connect and communicate with other team members.

Team design has moved beyond a configuration of same-location employees to include members from different geographic locations (Alsharo et al., 2017). Team members can be dispersed either nationally or internationally. Thus, they can reside in different cities, countries or even continents and are then known as a global virtual teams (Johnston, 2011). Management consultants and practitioners associate high potential with global virtual teams in terms of greater innovation and performance. It allows for bringing experts from all around the world together (Gibson & Gibbs, 2006). Additionally, Jarvenpaa & Leidner (1999) describes global virtual teams as teams whose members may have never worked together before and who may not expect to work together again as a group.

However, this diploma thesis focuses on virtual teams which were created as a reaction to the COVID-19 pandemic. Therefore, these new virtual teams are same-location teams, which were used to face-to-face communication. They are not nationally nor internationally dispersed. Hereinafter "virtual team" refers to the virtual teams created by the pandemic. (The process of transition from same location to virtual team will be described in the chapter "Transition from Traditional to Virtual Work Environment".)

Over the past several decades, the organizations' use of virtual teams has increased immensely and this trend is expected to continue in the future. The growth is attributable to factors including distributed expertise, higher innovation and product development needs and improved networking and collaboration technologies which support e-collaboration (Dulebohn & Hoch, 2017; Gilson et al., 2015) Further factors are desire to maintain flexibility and agility while reducing operating costs, and the need to share knowledge and information efficiently (Liao, 2017).

# **3.2** Transition from Traditional to Virtual Work Environment

This diploma thesis focuses mainly on transformation of working environment in offices which are highly dependent on their managers and their managerial approaches (Chapter -3.3 Approaches for Successful Virtual Environment Building.)

The pandemic caused the transformation to be quite fast, therefore it is important to analyse the managerial approaches which support this transition and ensure effective function of the virtual teams.

### 3.2.1 Covid-19 pandemic

In 2003 Hinds & Bailey acknowledged that "virtual teams may, at times, be the only viable option for achieving organizational goals". Due to COVID-19, the transition took place significantly earlier that anyone anticipated. The virus spread around the whole world and the pandemic has triggered a huge global crisis. "Global health crisis that is leading to the deepest global recession since the Second World War" (The June edition of the Global Economic Prospects). Its consequences are far-reaching, with no individual or organisation unaffected (Davison, 2020). The situation has become so severe that lockdowns have become the key tool for governments trying to prevent the spread of the virus (Singh et al., 2020). Cessation of almost all forms of human in person contact outside the immediate family has also become vital (Tubadji et al., 2020). This has had an unprecedented impact on people's personal lives but also on organisations as they attempt to maintain operations during the pandemic (Griffin & Denholm, 2020). However, many companies have been forced to close down or considerably reduce operations. The organisations which have continued to operate had no other choice than to almost immediately shift from traditional to virtual work environment (Leidner, 2020). "The reality is that the pandemic is by no means short-term, and these new technology-driven practices will now form part of the new normal" (Carroll & Conboy, 2020), which could potentially influence many facets of our daily life in the foreseeable future (Griffin & Denholm ,2020). This has forced companies to

undergo a significant transformation. Rethinking the key elements of their business processes whilst adhering to constantly changing government regulations has put unusual stress on the companies (Singh et al., 2020), mainly in the way in which people interact and operate within the workplace (Griffin & Denholm, 2020).

This transformation has been enabled by digital technologies which have allowed people to maintain interaction, not just in the workplace, but also within society in general as the virus has continued to spread across the world (Kodama, 2020). The COVID-19 pandemic has devastated many aspects of daily life where governments across the world have needed to subject their citizens to prolonged periods of lockdowns (Tubadji et al., 2020). Therefore, video conferencing platforms such as Zoom and Microsoft Teams have seen extensive personal and organisational use to hold business meetings and trainings, as well as education and even sustain connection with family and friends (Kodama, 2020). The information technology sector is one of the few industries positively impacted by the Covid-19 pandemic. Only a few industries can function remotely without the support of technology. This situation has accelerated the digital transformation of businesses (Singh et al., 2020). Organizations have had to adopt new information technology systems, move to online services, and engage in new business channels (Nguyen et al., 2020).

The transformation to technology-driven work environment took place in an unprecedented and time pressured manner. Businesses had only little time to plan, develop strategies and train how the practices and associated technology should be integrated and adapted to suit the new work environment or even to consider their long-term impact (Carroll & Conboy, 2020). Many organisations along with their employers and managers had very little time to set-up the transformation to the remote work (Ågerfalk et al., 2020). The good news is that over the last 20 years, there has been a trend of moving to increasingly virtual work environments and much has been learned about how to lead virtual teams (Newman & Ford, 2021).

This chapter demonstrates how to successfully undertake the transformation and how to effectively handle the management of a virtual team. It is important to first mention some of the key challenges concerning this sudden transformation and how dramatically it has altered work practices.

# 3.2.2 Challenges

The emergence of COVID-19 pandemic has presented employees and employers with new challenges as many employees and managers were forced to work in virtual environment for the first time. Previous studies of virtual teams have documented how challenging, and daunting can the virtual environment be. However, it can be even more challenging and daunting for both leaders and employees who have had to suddenly shift their work patterns from face-to-face to virtual environment. The question they all were facing was: "How can we effectively transfer from face-to-face to virtual working environment while keeping our employees safe in this COVID–19 world?" (Newman & Ford, 2021).

It is important to mention, that virtual teams may not be an appropriate for every company or organization. Types of work that are highly sequential or integrated can pose problems for virtual teams (Joinson, 2002). Also, for organizations with strong culture, it may be quite alien to shift to this form of work and management (Nydegger & Nydegger, 2010). Further, some employees may not be psychologically fit to work entirely in virtual space. Thus, virtual teams are not always seen as an ideal for all employees. According to (Joinson, 2002) some employees "who are stimulated by interaction with other people or who need external structure to stay on track may be unsuccessful in a virtual environment".

Employees and organizations may fail to realize, that working virtually comes with many challenges that can create substantial stress and ultimately impact their well-being and performance (Graves & Karabayeva, 2020). For example, most of the downfall of performance in virtual teams is frequently blamed on the technology, but in reality, it is more often individuals or social factors that are responsible for decrease in performance (Kimball, 1997). Another study found that both men and women reported that the "real" problem in performance difficulties in virtual teams come more from poor sharing of information, inappropriate expectations and unclear lines of accountability or control than from technology problems (Boiney, 2001).

Thus, virtual work may be accompanied by technological challenges as well as increased workloads, low levels of physical interaction and trust, deteriorated manager-

employee relationships and a blurred boundary between work and home (Graves & Karabayeva, 2020).

### **Technology Challenges**

The first thing when it comes to technological challenges is the cost challenge. There is a significant amount of extra money which the company must spend on setting up and maintaining the expensive hardware and software necessary to support virtual team (Cascio, 2000).

Then, virtual workers must devote time to stay up to date with these constantly changing and increasingly complex technologies (Tarafdar et al., 2015). Some virtual workers may have lack of experience, limited access to training and technical support, which makes it difficult for them to master the technologies (Graves & Karabayeva, 2020). Virtual teams may experience a generation gap. This occurs on account of lack of expertise in technological applications related to virtual teaming among some senior colleagues or even managers. On the other hand, the younger generation of employees have much more experience with technologies inasmuch as, they are using them as a way of life (Lipnack & Stamps, 1999).

According to Snyder & Duarte (1999) many "organizations create virtual teams with almost no understanding of the unique implications of the decision". However, even computer savvy employees may not know how to use information technologies effectively in virtual settings. For instance, they may not be able to choose the right technology for the task (Wang & Haggerty, 2011). In some locations, workers may be hampered by insufficient internet connection or other technical issues such as common errors, online viruses, loss of data and so on. In such cases, employees are unable to work effectively (Graves & Karabayeva (2020). Further, communication and sharing complex information via technology is more difficult because it takes more time (McGrath & Hollingshead 1994). It is often delayed Kraut et al. (1993), and due to the lack of para-verbal and non-verbal cues may demand more cognitive effort (Warkentin et al., 1997).

## **Increased Workload**

Virtual work is usually associated with increased employee workload. As a result of use of information technologies organizations may raise performance requirements because they anticipate increased efficiency and innovation. Furthermore, workers are managing multiple information streams on different platforms. They work hard to keep up with incoming information thus, they may feel overloaded (Tarafdar et al., 2015). They may also experience time pressure since it is assumed, that with the use of information technologies, they can accomplish work faster or under tighter time schedules (Tarafdar et al., 2015). Virtual employees may be also forced to work longer working hours as organizations expect that they will be available outside of normal business hours (Dettmers, 2017). Overloaded employees are exposed to frequent stress, and they expend more emotional and physical effort to achieve the goals (Graves & Karabayeva, 2020). Prolonged stress may lead to subsequent problems like decreased productivity and work quality (Walther et al., 2005) which lead to impaired turnover, at the worst case it can even lead to a total burnout of an employee (Graves & Karabayeva, 2020).

# Lack of Physical Interaction

The main challenge which virtual teams face is anonymity and the lack of physicality (McKenna & Green, 2002). Colleagues have fewer opportunities to interact with each other, develop and enhance the relationships that are vital to group and team success. They also have less access to the information that is typically shared in informal interactions. This all may impact collaboration, creativity, innovation and overall performance (Zhang, 2016). Moreover, the lack of para-verbal (tone of voice, voice volume) and non-verbal (body language) cues Warkentin et al. (1997) in their virtual interactions may lead to miscommunication, personal conflicts, and frayed relationships (Raghuram & Wiesenfel 2004). Thus, one of the most important things for the team which is to be effective, to maintain a clear group identity and stable norms could be a problem (Finholt & Sproull, 1990). Similarly, establishing consistent roles and expectations is not an easy thing to do either (Nydegger & Nydegger, 2010).

Trust

Trust is an immensely important aspect of team effectiveness. However, trust tends to diminish when there are fewer para-verbal and non-verbal cues, which is the case in virtual teams (Box et al., 2002). Also, the feeling of isolation and lack of trust relate to more limited interaction with managers (Cascio, 2000). According to Merriman et al. (2007) virtual employees often feel unimportant or "being out of sight, out of mind". As we know, trust is important among group members, and it makes them feel like part of the organizational community (Cascio 2000). According to Goodman et al. (1987) to determine how effective a group is, cohesiveness is very important. As virtual teams show lower cohesiveness, they feel less connected to their group (Lea & Spears, 1991). These factors depend on group members regard, trust and like of one another which depend on the quality, type and amount of communication they have (Walther et al., 2005). While Handy (1995) has asserted that trust cannot be maintained in virtual teams, Nydegger & Nydegger (2010) does not agree with this statement and believes that trust is established and maintained differently in virtual teams. Trust is often a brittle aspect of virtual teams because of the limited opportunities for building a relationship. Virtual team members have often low perception of managerial support thus, they have little trust. The reduced trust weakens work performance, impairs turnover, lowers employees support of management, and makes it difficult for employees to adjust to the virtual work environment (Merriman et al., 2007).

# Low-Quality Manager-Employee Relationships

The limited face-to-face interactions between managers and virtual workers interfere with trust, warmth, and liking (Golden, 2006). Many managers might find these types of changes threatening and may resist the use of virtual teams. Some managers feel that virtual teams are a threat to their identities because they feel that this will reduce their power and impact in the organization. They may also feel that there is an issue related to status and esteem, and many may feel that they have less control over the work for which they are responsible (Wiesenfeld et al., 1999). Moreover, managers may react to employees' physical absence by being either inattentive or over-controlling. Inattentive managers disengage and try to avoid making decisions or creating conflicts, they sometimes try to avoid doing any work at all. They treat virtual workers as if they are invisible. Managers often do not clearly communicate goals, requirements, priorities, and performance measurement criteria. They may also fail to demonstrate interest for employees' well-being

or recognize and appraise their efforts and contributions (Raghuram & Wiesenfeld, 2004; Zhang, 2016).

On the other hand, over-controlling managers may not trust virtual employees to get work done in a proper way. They care so much about the quality of the work, that they would rather do it themselves. They must be involved in every project, closely monitor employees' work, lead employees to increased work pressure and cause a lack of autonomy of the employees. Such behaviour reduces the desire of employees to work and to be creative and innovative (Graves & Karabayeva, 2020).

#### **Blurring of the Work-Home Boundary**

The traditional office provides a boundary between work and home which limits the degree to which employees' work and family lives interfere with one another. An increased flexibility of employees in virtual teams, where home office allows employees to be constantly connected and work outside normal working hours blurred the boundary between working and nonworking periods (Schwarzmüller et al., 2018). It brings many challenges to virtual employees. Some employees may focus on family demands instead on work during work hours, which may impact the work performance. Some of them may work longer hours due to the organizational expectations of constant connection and after normal working hours' availability, which create the intrusion of work into personal time (Barber et al., 2019). Lack of personal time may compromise the quality of employees' relationships with family members. Moreover, the intrusion of work into personal time prevents employees from recovering from work. They are unable to cut themselves off from work, relax, and recharge (Barber et al., 2019). Recovery from work is critical to reducing stress, and failing to do so leads to negative feelings, poor sleep, and reduced work engagement the next day. Moreover, when individuals continuously fail to recover from work, their stress levels rise dramatically. Overall, this can lead to the feeling of overload, high levels of stress, and ultimately a burnout. Poor mental state of employees has a negative influence on the organisation as a whole, leading to diminished productivity, and turnover (Graves & Karabayeva, 2020).

# 3.3 Approaches for Successful Virtual Environment Building

This chapter considers the approaches which deal with the above mentioned challenges. Firstly, it will discuss organisational approaches. Secondly, it will focus on managerial approaches for successful virtual environment building.

#### 3.3.1 Organizational Approaches

The first step is to get the employees to acknowledge that this new reality represents a change. Leaders should be transparent about any changes the organization may be taking as they may impact work activities. Understanding that this new reality is not just transitional, may take longer and may also lead to permanent changes is important, therefore it is crucial to encourage employee acceptance of change (Newman & Ford, 2021).

To be successful in this new reality it is important to gain employees acceptance of learning how to work remotely. This new reality leads to an increased need for computer competencies, time management and interpersonal interaction skills (Schwarzmüller et al., 2018). Relatedly, there is also an increased need for lifelong learning. There are no more jobs that can be performed based on knowledge from 10 years ago (Frenkel et al., 1995). Thus, organisations should help their employees with personal development (Day et al., 2014). And teach their newly distant employees how to efficiently work in virtual team (Patterson et al., 2005). It is a necessity to ensure appropriate training for employees as well as for team leaders to succeed in a virtual work setting (Newman & Ford, 2021). Work in virtual teams requires leaders to lead from a distance (Joshi et al., 2009). Thus, leaders might need very different skills, behaviours and instruments than they did when leading in person (Serban et al., 2015). Leaders should aim to establish a climate for change and reduce barriers and learn more themselves to provide direction and optimal support for their employees (McCann et al., 2009). Organization should create new thoughtful policies, procedures and systems to support their employees, handling employee issues such as promotions, career counselling, discipline, and leadership development as they will all require different procedures in the new reality (Newman & Ford, 2021). As these changes affect the conditions under which employees work (Parker et al., 2001) they affect also the design of work (Barley, 2015). Yet, the new reality does not only mean that existing job profiles change, but also that emergence of new types of jobs may occur (Schwarzmüller et al., 2018). Thus, every position should have updated job description that clearly defines key duties and requirements. This means all employees should understand that each has a role to play in the team and what it takes to excel in their job (Mader-Clark, 2013). It is vital to establish working at home rules, consistent standards which when equitably applied to all employees, relating to business days and working hours make it easier to gain trust (ex.: Whether there will be a possibility of flexible working hours) (Newman & Ford, 2021).

Goal setting processes enhance and maintain motivation, performance, and satisfaction of employees in face-to-face teams (Rodgers & Hunter, 1991) as well as in telework (Konradt et al., 2003) and thus, it is even more important to set goals in virtual teams, where goals should be set for performance, behaviours and learning (Hertel et al., 2004). If this pandemic lasts long enough, creating new policies and procedures for recruitment, selection, and on boarding of new employees in the virtual workplace will be needed (Newman & Ford, 2021).

One of the main changes and challenges is that communication and collaboration will take place exclusively online by digital technologies via new media (Colbert et al., 2016). Work in virtual teams implies that communication with others is mediated through instant messaging and video conferences, while collaboration occurs by means of knowledge-sharing platforms and collaboration tools (Haas et al., 2015). Thus, communication norms, rules and etiquette need to be re-established. Establishing new routines to enhance communications with now virtual employees is important to adjust to the new reality (Newman & Ford, 2021).

Furthermore, this new reality may change the way in which leadership is exerted in organizations. As information technology increased the access to information (internet), enhanced information transparency (internal information) (Oldham & da Silva, 2015) and instant messaging allows direct communication with leaders on all organizational levels (Pfeffer, 2013), an increased participation of employees in organizational decision making is possible (Campion et al., 2016). Leaders may be forced to convey more responsibility as well as autonomy to team members (Snyder & Duarte, 1999). Thus, more trust and also the need for inspiring and motivating followers is required (Gajendran & Harrison, 2007). Overall, this can lead to flattening hierarchies (Lorinkova et al., 2013).

In this new reality leaders must expend greater effort to align employees with the organization's culture as well as its goals and objectives to establish an environment that sustains and reinforces the team's commitment to the organization's culture (Newman & Ford, 2021). Finally, organizational culture should be transformed into culture of innovation and involvement, in which decisions are taken together, and where employees develop their skills constantly (Patterson et al., 2005).

### 3.3.2 Managerial Approaches

#### Communication

Virtual team members are distributed among different geographical locations. Thus, any communication and collaboration must be mediated by technology. (Marlow et al., 2017) In this case, facilitating collaboration becomes a critical concern for leaders. Both task and informal collaborations allow everyone to stay connected and leaders should reinforce the norm that team members are expected to interact with each other to complete tasks, share knowledge and solve problems even when they are not able to connect face-toface (Newman & Ford, 2021).

Leaders need to make sure employees know what is occurring in the larger organization so that they feel like part of the organizational community (Graves & Karabayeva, 2020). Leaders serve as a communication hub for information, and it is that person's responsibility to communicate up to management and down to the team (Newman & Ford, 2021). Since effective communication is the base of any functioning relationship, leaders should be trained to understand that communication techniques need to be modified or enhanced to meet the communication needs of virtual employees (Maduka et al., 2018). Specifically, it is important to focus on communication frequency, clarity, responsiveness, and mode (Newman & Ford, 2021).

First, frequent leader communication, using rich, synchronous technology which provides social cues helps to establish trust and strong relationship between leaders and virtual workers and reminds everyone that they are part of a team and a shared culture (Graves & Karabayeva, 2020). These relationships are one of the most fundamental job resources (Golden, 2006; Raghuram, 2001). Leaders may schedule weekly team meetings to provide necessary information to a team, check on goals, progress, and team problems (Newman & Ford, 2021). Similarly, leaders must encourage and support frequent, honest, and helpful feedback (Nydegger & Nydegger, 2010). And at least monthly one-on-one meetings with employees with group chats or texts in between to identify any personal problems (Newman & Ford, 2021). Leaders must express concern for employees' well-being and let them know that their contributions are valued. These messages can get lost when employees work virtually (Graves & Karabayeva, 2020). Second weekly meeting should also be established by the leader for the team members to collaborate and engage with each other to discuss work or any other topic they need to discuss. It could potentionally help them to reduce the lack of social connection (Newman & Ford, 2021).

Leaders must also find new ways to compensate the lack of nonverbal communication cues (Nydegger & Nydegger, 2010). Thus, communication must become clearer by being formal and documented. Indeed, a basic definition of authority is a leader's communication that is accepted by the receiver. Employees cannot do what they do not understand. Thus, whether the communication is giving direction or feedback, it needs to be understood by the receiver. Providing clear roles, goals, and expectations also helps align virtual team members with the organization's culture, mission, and vision (Newman & Ford, 2021).

Leaders must not underestimate the need for social connection. It satisfies the employee's fundamental need to bond with others. To replicate some of the informal interactions of face-to-face meetings and to help building and maintaining good relationships, the leaders should encourage the implementation of coffee hours, or water cooler chats (Graves & Karabayeva, 2020) or even introduce some fun activities like quizzes, virtual pizza/ice cream celebrations, or other techniques to build sense of community and team collaboration within the virtual team (Newman & Ford, 2021).

Another related communication technique which requires the leader's attention is timeliness of response. The best practice for timely communication is to acknowledge the receipt of an email as soon as possible and include a timeline for providing a complete response. Timely response builds trust as it signals that the inquiry and the sender are important and deserve the leader's quick attention (Newman & Ford, 2021).

The last communication technique is a careful selection of the communication mode that best fits the message with the receiver. According to media richness theory, the choice of communication medium is very important, as different medias possess different levels of richness and convey information in a more or less equivocal way (Daft & Lengel, 1986). Deciding when to use an email instead of a call, or instant message is very important because it impacts how virtual team members interpret the particular message (Newman & Ford, 2021). According to Social Presence Theory, "communication is effective if the communication medium has the appropriate social presence required for the level of interpersonal involvement required for a task" (Cheng, 2008).

When an organization transitions to a virtual workplace, it puts an extra burden on the leader's ability to communicate effectively when the physical reminders of the company's culture and the informal communications that are part of the traditional office environment are no longer available. Above mentioned communication techniques provide the structural support for leaders to effectively develop their newly remote employees and manage performance issues. It will improve performance and increase trustworthiness while increasing the ability to effectively communicate goals, vision, mission, culture, and values of the organisation (Newman & Ford, 2021).

# Technologies

The main factor in creating the virtual team has been the development of advanced communication technology (Newman & Ford, 2021). One of the first steps is to help newly distant employees with setting up a home office with the right tools. It is vital to ensure that appropriate technological resources and other equipment that is needed such as hardware,

software, applications, office furniture and technical support are available to ensure smooth work from home (Wang & Haggerty, 2011).

The technology that connects the team members with each other, the team leader, other resource providers, and the home company headquarters, should be as reliable, rich, and fast as possible if the organization expects employees to be efficient and effective (Maruping & Agarwal, 2004). This seems obvious, but resource constraints and differences in infrastructure across locations may make this difficult (Wang & Haggerty, 2011). Further, simply buying and distributing communication technologies to virtual employees will not automatically make them effective (Newman & Ford, 2021). To manage the challenges of remote work and to facilitate more efficient work practices, it is essential to also recognize the experiences and competences of the users (Laitinen & Valo, 2018). Employees need training to develop competences and skills in using technology in a virtual setting (Wang & Haggerty, 2011). In addition, it is necessary to make sure that virtual employees use technology that is especially suited to their communication needs and thus has the right properties and functions (Laitinen & Valo, 2018). Virtual competence includes not only technical knowledge. Employees will need to be taught the enhanced collaboration tools and gain understanding of the pros and cons of different media, and how and when to use them. Providing employees with appropriate tools and technical support and giving them training to boost their competences will increase their ability to collaborate effectively and handle the demands of their work and do the job well (Graves & Karabayeva, 2020).

Among the major communication technologies has always been and often still is email. While email may be the go-to, constantly refreshing inbox and formatting the messages can be a tedious time drain. Instant chat tools like Slack, Telegram, and Quip simulate the ease of in-office communication over the web. The backbone of many businesses are face-to-face meetings. Audio and video conferencing platforms like Zoom, Microsoft teams, Skype, and Google Hangouts make it easy to stay in touch with co-workers or clients across distances. Software applications like Microsoft OneDrive, SharePoint, Drop Box or shared electronic workspaces, project management platforms like Asana or Trello allow employees to share documents, mediate collaborative work without direct interpersonal communication and allow employees to concurrently work on data sets or projects. Many of these technologies sit on cloud services and only require internet access to utilize these applications. Therefore, organizations should also prepare for employees' loss of the internet connection or the support applications going down (Newman & Ford, 2021). Such technologies are crucial for a distributed team's functioning because team members spend only a portion of their time meeting or otherwise communicating with one another (Hinds & Bailey, 2003).

When considering the management of virtual teams, it is obvious that we usually first think about the necessary technology. However, it must be remembered that a virtual team like any other team is primarily a social system. Therefore, regardless of the technologies that the team uses to do the work, the success depends upon the information availability and the quality of communication and teamwork (Nydegger & Nydegger, 2010).

# Trust

Trust is a crucial factor in forming and maintaining social relationships which affect employees' effectiveness, productivity as well as effective teamwork (Alsharo et al., 2017) which is vital for achieving project success (Hunsaker & Hunsaker, 2008). Team members have to trust their leaders, each other, and the organization to be effective. (Gilson et al., 2015) Trust is especially important in a virtual environment as it reduces employees' psychological distance in a physically dispersed team (Jarvenpaa & Leidner, 1999; O'Hara-Devereaux & Johansen, 1994). In trustworthy environment employees will enjoy their jobs and feel a part of the team (Cascio, 2000). According to Marlow et al. (2017) trust is considered to be "the glue of the global workplace". Building and maintaining trust among virtual team members without observing physical behaviours and non-verbal cues which traditional face-to-face team members rely upon is a complicated issue, which increases performance uncertainty (Alsharo et al., 2017). Information technologies are not successfulin transferring feelings and emotions (Pinjani & Palvia, 2013). There are many benefits when there is a high level of trust in the workplace such as increasing team productivity, facilitating resolution of conflicts and disagreements, and improving effectiveness (Alsharo et al., 2017). Trusting team members are more proactive, have a higher level of focus on task output, display more optimism, communicate more often, and provide more substantive, productive feedback (Clark W.R. et al., 2010).

Leaders play the most important role in building trust among team members. Effective virtual team leaders have been trained to adapt their communication and management approaches to better respond to the needs of virtual employees (Newman & Ford, 2021). Trust is a leader's propensity to easily facilitate cohesion, tasks, and build relationships (Hunsaker & Hunsaker, 2008). Since the establishment of trust depends heavily on the exchange of information (Jarvenpaa & Leidner, 1999), helping virtual teams find ways to enrich their communication is very important (Nydegger & Nydegger, 2010).

The backbone of communication, which drives team success and effectiveness, and the ability to collaborate, depends heavily upon trust (Paul & McDaniel, 2004). Without trust, members may exert a less than optimal collaborative effort towards the team outcome. When level of trust among team members is low, their productivity may be minimized (Aubert & Kelsey, 2003).

Virtual team members are reliant upon different behaviours, unique to virtual settings, to compensate for the lack of face-to-face communication and thus better assess trustworthiness. One of the key behaviours that virtual team members can observe and rely upon to build trust is knowledge sharing (Alsharo et al., 2017). Knowledge sharing is another fundamental feature of collaboration that is closely related to the establishment of a shared meaning context (Malhotra et al., 2007). In a cohesive group with a history of relationship building, knowledge sharing is usually better, and vice versa knowledge sharing facilitates better relationship building (Nydegger & Nydegger, 2010). Also, enhancing transparency among virtual employees has been proven to be valuable for trust building (Liao, 2017). On the other hand, for example, when team members are slow to respond to emails or request information in the team formation stage, those employees may be considered less reliable or trustworthy (Ford et al., 2017).

However, it is necessary to gain trust for the leader himself/herself in order to further help employees build trust among each other. Trust in the team leader plays a critical role in the team's success (Kayworth & Leidner, 2000). Trust in the leader increases the commitment to the decisions made by the leader (Dirks & Ferrin, 2002). The employees decide the level of trust in a leader. There are various patterns of behaviour, which indicate how much trust a leader can gain among his/her employees (Dirks & Ferrin, 2002). These patterns of behaviour are precisely those that correspond with the different dimensions of trust. Ability refers to a "person's capacity to perform a specific task" (Guinalíu & Jordán, 2016). Integrity is the "perception that the person being trusted adheres to ethical principles that are considered to be fundamental for the establishment of a relationship" (Butler, 1991).

Leaders must be trusted by their subordinates as a source of organizational and team knowledge, trust teller, and active advocate of the organizational leadership and other units that control resources needed by the team. Employees need to be routinely informed about company's values and progress towards goals. Otherwise, they will struggle with maintaining the organizational commitment and cohesion which sustain a culture and a commitment to an organizational mission. Virtual team members are extra dependent on the leader to define and sustain the organization and team culture (Newman & Ford, 2021). Organisational culture is primarily a set of values and beliefs articulated by leaders to guide their subordinates (Bate S., 1994). "Cultures serve to give people a sense of belonging through collective identity and thus break down the intrinsic isolation of the individual" (Willcoxson & Millet, 2000). Leaders should learn how to employ the tools of establishing culture. Leaders teach culture by everything they do. To sustain the culture and build leader trustworthiness, leaders should use virtual celebrations of important personal and professional milestones (Newman & Ford, 2021) and rituals and symbols of the culture to remind team members of the core principles of the culture (Trice & Beyer, 1993). Also, distant employees do not have access to informal conversations as often as they used to when they communicated face-to-face, where information was easily shared. Leaders who understand and address these needs for information and ensure informal videoconferences between employees build higher levels of trust (Newman & Ford, 2021).

Empathy is "the ability to share someone else's feelings or experiences by imagining what it would be like to be in that person's situation" (Cambridge Academic Content Dictionary). Empathy is a critical skill for successful leadership (Judge et al., 2004), in fact, there are studies that suggest that empathetic leaders adapt their behaviour to the needs of

their subordinates (Batson, 1991). Empathy includes feelings for others, easy approachability, ability to listen and respond suitably to their feelings (Goleman et al., 2002). Virtual environment requires the leader to display a greater sense of empathy and sensitivity (Lacher & Biehl, 2019). New health management training for leaders will be required to ensure that any mental health issues are caught early, and help offered in time (Schwarzmüller et al., 2018). Leaders should show a genuine interest in the safety and well-being of the team members, by asking employees about their feelings, families, and health. Effective virtual leaders must listen extra carefully to hear any concerns or frustrations their subordinates may raise, as the nonverbal cues are no longer available. This is how leaders maintain trustworthiness (Newman & Ford, 2021).

Leaders should monitor employees' work demands so that they do not become excessive. Leaders should set realistic goals and deadlines considering the increased pressure associated with using technology (Tarafdar et al., 2015). Unreasonable goals and deadlines do not enhance performance. Expectations should take into account the probability that the employees are under pressure because of (Graves & Karabayeva, 2020) the constant connectivity of employees to their work (instant pressure to be available 24/7) (Mazmanian et al., 2013), expected shorter reaction time (Foster L.W. & Flynn D.M., 1984), extent emails and messages on weekends (Bansal & Corley, 2012), very high information density (Butts et al., 2013), communication and technical problems. Addressing these issues will reduce employees' stress and enhance their well-being and performance (Graves & Karabayeva, 2020).

Finally, leaders should respond in a timely manner to show, that they are paying attention and doing whatever is possible to support each member and the team (Newman & Ford, 2021).

The trust of employees towards the company is as important as their trust towards the leader and trust among each other. Institutional trust is created through such strategic actions as setting thoughtful policies and procedures, providing appropriate technology, ensuring leaders and employees training, clearly defining tasks, roles, accountabilities (Ford et al., 2017), establishing the rules of working at home, regularly scheduling leader and team meetings, promoting transparency. All these tasks have already been considered. Further we will discuss topics such assuring organizational justice, recognizing work-family conflicts, mental health, work stress, fostering employee's growth, and recognizing and rewarding employees (Newman & Ford, 2021).

Greenberg & Colquitt (2013) define organizational justice as "People's perceptions of fairness in organizations". The perception of organizational justice of the employees has important implications for the workplace (Cohen-Charash & Spector, 2001) such as satisfaction with the job and with the leader, organizational commitment and on-the-job performance. Organizational justice refers to policies and procedures being executed consistently, rewards and promotions being granted consistently, and people being treated with respect (Guinalíu & Jordán, 2016). Organizational justice is also related to commitment and trust in the organization (Sweeney & McFarlin, 1993).

It is immensely important for an organisation to create a positive work environment that promotes employee well-being and organizational performance (Grawitch et al., 2015). To create such workplace organizations can add new options to enable employees to use any extra time for personal and professional growth or to support mental health, eliminate work stress and work-family conflicts in stressful times incurred as a result of work from home. Leaders should offer newly remote employees' mediation and mindfulness services to help them unplug from work while at home (Newman & Ford, 2021). For example, online access to yoga, self-management training, time management, career counselling (Biron & Karanika-Murray, 2014), or educational, and skills-based programs. Such routines ensure that the team members stay focused on accomplishing team goals while acknowledging the additional challenges of working at home (Newman & Ford, 2021).

To build the organizational trust the corporate recognition and communication are important as well as pay and benefits. Various authors have addressed the importance of transparent reward system (Hoch & Kozlowski, 2014; Joshi et al., 2009). Fair and transparent reward system in an organization maintains conducive work environment (Lawler E., 2003). Also, in view of this new reality, policies related to pay and rewards must be adjusted to account for a virtual workforce.

# 4 Practical Part

## 4.1 Introduction of Assessed Company

The Chosen company which is the subject of the study is Czech branch of the Swiss multinational company Nestlé S.A. Which is world's largest food and beverage company founded in 1866 and named after the Swiss chemist Henri Nestlé. Today, Nestlé employ around 273,000 people and have factories or operations in almost every country in the world. Their global business portfolio includes a wide range of brands from food and beverages to health care nutrition and pet care. With its headquarters still based in the Swiss town of Vevey, Nestlé had sales of CHF 84.3 billion in 2020. Their aim is: unlocking the power of food to enhance quality of life for everyone, today and for generations to come (Nestle S.A., 2021)

This study focusses on Czech branch of Nestlé SA concretely their headquarter based in Prague. With approximately 300 administrative employees at the headquarter. Nestlé Česko s.r.o. owns three manufacturing plants Sfinx in Holešov, Zora in Olomouc and Tivall in Krupka. In which chocolate and confectionery of the Orion, Zora and Sfinx brands are produced, and culinary products Maggi, Nescafé coffee and pet food Purina (Nestle S.A., 2015).

Powdered and Liquid Beverages	22,2
Pet Care	14
Nutrition and Health Science	12,2
Prepared dishes and cooking aids	11,5
Milk products and Ice cream	11
Confectionary	7
Water	6,4

Table 1: Product portfolio and world sales in 2020 (in billion CHF)

Source: Annual Report 2020 Nestle World

Table 2: Market sales in 2020 (in billion CHF)

EMENA	24,5
AMS	37,7
AOA	22,1

Source: Annual Report 2020 Nestle World

Table 3: Nestle in Figures 2020

Organic growth	3, 60 %
Sales	84,3 billion CHF
Trading operating profit	14,2 billion CHF
Number of employees	273 ths.
Number of countries where we sell	186

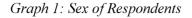
Source: Annual Report 2020 Nestle World

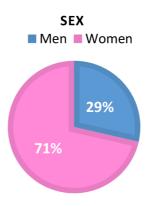
# 4.2 Quantitative Research: Analysis of Transition from Traditional to Virtual Work Environment

This part of the thesis deals with the analysis of one of the two research methods used in this work, the questionnaire survey. The analysis aims at determining the transformation from traditional to virtual environment from the employee's perspective. The subject of the questionnaire is employees working in different product categories from the marketing department of the company. There were 35 potential respondents of which 28 completed this questionnaire. The return of the questionnaire was 80 % which makes it a representative sample. The anonymous questionnaire was sent to employees via internal e-mail with web page link to the questionnaire. The questionnaire consists of 13 key areas (see Appendix A). The data collection took place in February 2021 which is exactly a year since the first lockdown of the Prague headquarters offices, which started on February 26th, 2020. The analysis is divided into chapters according to several main topics on which this work focuses in connection with the transition to a virtual environment.

#### 4.2.1 Identification of Respondents

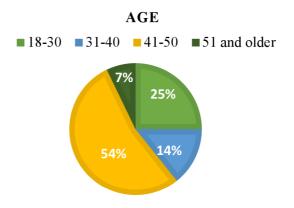
The first chapter summarized the basic information about respondents of the questionnaire. The first question examined the sex of the respondents, as shown in *Graph 1*. The second question examined the age of the respondents shown in *Graph 2*. The total number of respondents was 28, of which 71 % were women and only 29 % were men. This ratio clearly demonstrates that the team is predominately comprised of women.





Source: Own input (data from survey)

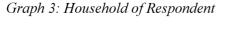
The responses of the second question showed that the majority of respondents (54 %) were employees in the age range of 41-50 years, from which 10 were women and 5 were men. Another 25 % were in the age range of 18-30 years from which 6 women and only one man. Employees of the age between 31 and 40 years ranked third with 14 % among which were 3 women and again, only one man. The group of 51 years and older had the smallest share of 7%, of which 1 man and 1 woman. The group of respondents was comprised of employees of various generations.

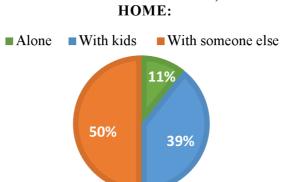


Source: Own input (data from survey)

#### 4.2.2 Work Environment

The second part of the questionnaire survey focuses on the work environment in which team members found themselves, after moving from their usual office workplace into their homes, and also which of these two environments they prefer. The first question asked if they are alone while working from home, or with kids or with someone else. This question has divided the respondents into 3 groups, which demonstrate the difficulties of working from home for each of these groups. Results can be seen in Graph 3. A half of the respondents (50 %) answered that they are not home alone. 39% of respondents are home together with their kids, from which are 8 women and 3 men. Only 11% of respondents are home alone, 2 women and 1 man.





WHILE WORKING AT HOME, YOU ARE

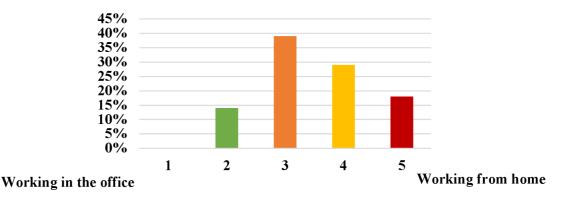
Source: Own input (data from survey)

The second question was designed to find out whether people prefer working from the office or working from home. In *Graph 4*, relative values of the workplace preferences are shown. The results show that (47%) majority of the respondents leans towards working from home. 39 % of the respondents do not have a preference, they enjoy both working from home and working in the office. The smallest group of 14% slightly prefer working in the office.

Based on the answers to the open question, the reasons for choosing home office rather than traditional office can be according to respondents the following:

- The time saved by not having to prepare and commute to work
- No travel expenses
- Less money spent on clothing and make-up
- The ability to spend more time with family
- Time flexibility
- The possibility of dealing with personal matters during work hours
- More comfortable environment for introverts
- Calmer environment for work

Employees who chose the traditional office, prefer to work in close proximity of colleagues which ensures the basic human need for social interaction. The possibility of face-to-face verbal and non-verbal communication, which ensures easier transmission of information and overall simpler and faster understanding, makes the informal communication more enjoyable; however, most importantly, it makes work-related communication more effective. The employees who prefer working in the office also focus better in a traditional work environment, and deem it important to divide work from personal and family life.



#### WORKING AT THE OFFICE OR WORKING FROM HOME

Source: Own input (data from survey)

#### 4.2.3 Technologies

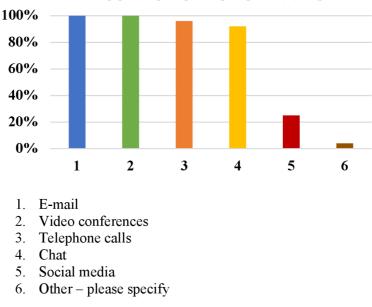
This question aims to examine whether the respondents use sufficient range on communication media, to be able to use communication mode that best fits the message with the receiver. The respondents were asked to pick those communication channels they use while working from home. The results shown in *Graph 6* demonstrate, that all respondents use email and video communication platforms while working from home. Only one respondent does not use telephone as a communication channel and two respondents do not use any chat media. Social media is used by 25% of the respondents. In the open question, Microsoft Teams and Skype have been stated as video communication platforms, which are used the most within the organisation.

Email is the communication channel which is among the respondents used the most. According to Newman & Ford (2021) e-mail has always been and often still is among the major communication technologies. Video conferences are used just as much, they are immensely important for working in virtual environment, as they help with non-verbal communication of the colleagues. The results have proved that almost 100% of employees use sufficient variety of communication channels, which is vital for effective communication of a virtual team. According to Daft & Lengel (1986) a wide range of different communication media is important as different media possess different levels of richness and convey information in a more or less equivocal way. Wide range of communication media is especially important for virtual teams, as they experience the lack of face-to-face communication.

#### Summary

The results of this part of the questionnaire demonstrate that the most used means of communication are emails and video conferences, which are used by 100 % of the respondents. Telephone calls took the second place, which are used by 96 % of the respondents. Next were chat media, which are used by 93 % of the respondents. The results prove, that the organisation uses various kinds of communication channels.

Graph 5: Communication Channels used While Working from Home



**COMMUNICATION CHANNELS** 

#### 4.2.4 Transition from Office to Home Office

This part of the questionnaire aims to identify the processes used in the transition itself. Respondents were asked to select the steps which were implemented in the transition. As can be seen in *Graph 5*, vast majority of respondents (78 %) stated that the transition from traditional to virtual work environment was organised by the company which means that the company took necessary steps to help the employees with this situation. The second most common step that was selected by 57 % of respondents was that suitable technology

Source: Own input (data from survey)

was provided. However, only 18 % of respondents stated that employees were equipped for work from home. Similarly, further education or courses for employees were provided for only 18 % of respondents. Only 14 % of respondents experienced change of their job description. And only 7 % of respondents changed working hours from fixed to flexible. Two respondents have chosen to fill in further information by answering the open question option. First answer read: "the transition was smooth because even before covid, there had been the option of partly working from home. Now it simply means that we work more at home than in the office". Second answer read: "After the announcement of the state of emergency in March, our manager told us not to go to work the next day, and to work from home".

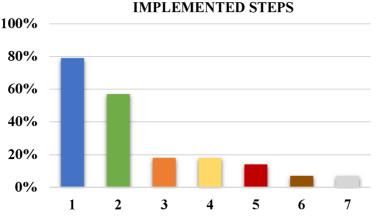
The two employees who decided to answer the open question have shared some valuable information. It demonstrates that certain employees had experience with working from home. Therefore, the transformation has not been too difficult, and their managers did not have to pay extra attention to such employees. However, the transformation happened suddenly, which could have possibly cost some difficulties for anyone, no matter how experienced they were with working from home. The results therefore show that the company and managers had the situation under control, they managed to help the employees with the transformation, and that they insured that all the employees have been made aware of all the changes and that they have been provided with suitable technology. This is a very important step for a successful transition to a virtual team and further smooth operation. However, this step might not be enough. Companies and managers might expect that the fact that the employees were provided with technologies is enough. However, proper education and courses are immensely important. The results of the survey which showed that only 18 % of respondents took courses or some form of further education for employees demonstrates that this step has not been secured enough. According to Graves & Karabayeva (2020) it is necessary to ensure appropriate training for employees, to develop competences and skills in using technology in a virtual setting. They do not need only technical knowledge but should also understand the pros and cons of different media and how and when use which. The boost of their competences will increase their ability to collaborate effectively and handle the demands of their work and do the job well. According to Wang & Haggerty

(2011) only buying and distributing communication technologies to employees will not automatically make them effective.

The next step, which is providing the employees with equipment has been selected also by only 18 % of respondents. The company should make ensuring smooth work from home a priority, so that the employees can work in the best environment possible and work efficiently. According to Wang & Haggerty (2011) it is very important to help newly distant employees with setting up a home office with the right tools, to ensure that appropriate technological resources and other equipment that is needed in the office such as hardware, software, applications, office furniture and technical support are available. Therefore, it is highly probable that the employees who have not been provided with the right equipment for their Home Office and did not work in optimal environment have been influenced in their work efficiency in a negative way. The next step which was part of the survey was the change of job description. This step has been chosen by only 14 % of employees. Change of job description does not always seem necessary during the transition from traditional to virtual environment, as some jobs can be performed from home office just as well as from a traditional office. However, according to Schwarzmüller et al. (2018) the emergence of new types of jobs may occur. For this reason, every position should have updated job description that clearly defines key duties and requirements. Only 7 % of employees have undergone the change from fixed to flexible workhours. 39 % respondents have stated that they work while their kids are also at home. Therefore, it would be appropriate to consider changing workhours to flexible for these employees as well, if not for all employees. The results demonstrate that this change has not taken place.

#### Summary

From the steps of transition from traditional to virtual environment the most respondents selected step number one "transition organised by the company". The second most selected step was "sustainable technology was provided". However, the most important results are that only 18 % of respondents stated that employees were equipped for work from home, also only 18 % of respondents stated that they attended further educational courses for employees. These steps are immensely important for a successful transition to a virtual environment, therefore the results are rather surprising.



- Transition organised by the company (the company took necessary steps) 1.
- 2. Suitable technology was provided
- 3. Employees were equipped for work from home
- 4. Further education or courses for employees
- 5. Change of job description
- Change from fixed to flexible working hours 6.
- 7. Other please specify

Source: Own input (data from survey), 2021

#### 4.2.5 Managers

This part of the questionnaire aims to identify if managers fulfil their general obligations towards their subordinates. First part focuses on the question if there are enough meetings of managers with their subordinates. Frequent communication with one's manager is immensely important especially in virtual setting. The question therefore was, how often the respondents have meetings with their managers. The findings which can be seen in Graph 7, showed that 46 % of respondents has meeting with their manager several times a week. 32 % of the respondents has such meetings once a week, 17 % once every two weeks and 4 % only once a month. None of the respondents chose the answer "quarterly".

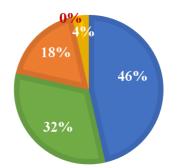
The results show that almost half of the respondents (46 %) have meetings with their manager multiple times a week, which is even more than literature usually recommends. According to Nydegger & Nydegger (2010) managers should schedule weekly team meetings and at least monthly one-on-one meetings. According to Graves & Karabayeva (2020) frequent leader communication using video conferences which provides social cues helps to establish trust and strong relationship between leaders and virtual workers. Thus,

the communication should not only provide necessary information for their subordinates, check on goals, progress and encourage frequent feedback. But also, to check on their wellbeing, feelings, personal issues and remind employees that they are part of a team and shared culture and that their contributions are valued. These messages can easily get lost in virtual work environment.

#### Summary

The results of this set of questions demonstrate that managers, according to the recommendations of Nydegger & Nydegger (2010) have meetings with their subordinates frequently enough. The most common answer was that such meetings take place multiple times a week. No respondent stated that they have meetings with their manager quarterly.

Graph 7: Frequency of Meetings with Manager



**MEETINGS WITH MANAGER** 

Second part analyses if managers show interest in their subordinates, or if they are over-controlling, or neutral. Based on the responses, which can be seen in *Graph 8*, 25 % of respondents stated that their manager does not pay them enough attention, 18 % have neutral opinion and 57 % did not agree with this statement. Only 3 % of respondents stated that their manager closely watches everything they do, 14 % have neutral opinion and 82 % did not agree with this statement. 57 % of respondents stated that their manager cares about their feelings, health, and family, 36 % have neutral opinion and 7 % did not agree with this statement. And 50 % of respondents stated that their manager cares about their current needs, 43 % have neutral opinion and 7 % did not agree with this statement.

Source: Own input (data from survey)

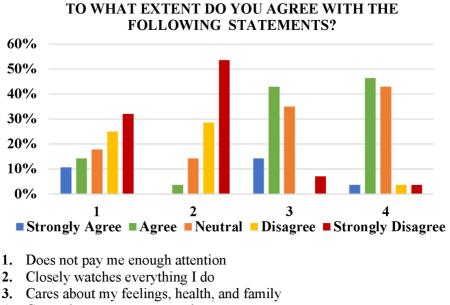
25 % of respondents stated that their manager does not pay them enough attention. According to Cascio (2000) virtual employees often feel unimportant or "being out of sight, out of mind". The feeling of isolation and lack of trust relate to more limited interaction with managers. Moreover, according to Raghuram & Wiesenfeld (2004) managers may react to employees' physical absence by being either inattentive or over-controlling in virtual teams. Inattentive managers treat virtual workers as if they are invisible. Thus, they may fail to demonstrate interest for employees' well-being or recognize and appraise their efforts and contributions.

Only 3 % of respondents stated that their manager closely watches everything they do. These over-controlling managers may not trust virtual employees to get work done in a proper way (Graves & Karabayeva, 2020). However, 82 % did not agree with this statement which is a very positive outcome. The responses to the next question were also satisfactory, as 57 % of respondents stated that their manager cares about their feelings, health and family and only 7 % did not agree with this statement. In the last question, 50 % respondent stated, that their manager cares about their current needs and again, only 7 % did not agree with this statement.

#### Summary

The overall results of this set of questions demonstrate that the majority of the employees has a good relationship with their manager, and that the managers fulfil their managerial duties. However, the high percentage of neutral answer of the last two questions (manager cares about my feelings, health, and family; cares about my current needs) offers space for improvements.

Graph 8: Managers' Interest in Their Subordinates



4. Cares about my current needs

Source: Own input (data from survey)

The graph shows the percentage distribution of responses within each statement. The following table shows descriptive summary characteristics for the individual variants.

Table 4: Descriptive statistics of the listed options

		Quantity	Mean	Median	Minimum	Maximum
Ň	1	28	3,54	4	1	5
Statement	2	28	3,79	5	2	5
mer	3	28	2,43	2	1	5
lt	4	28	2,57	2,5	1	5
Summ	ary		3,08	3,38	1	5

Source: Own input (data from survey)

#### 4.2.6 Work Complications Following the Transition to Home Office

This part of the questionnaire aims to identify whether the setup of work in virtual environment ensures that employees do not get overwhelmed nor worsen their mental health. Respondents were asked to tick to what extent they agree with statements about work from

home. Results can be seen in *Graph 9*, and they show that 90 % of respondents experienced working longer hours while working from home than in the office and the rest of the respondents had neutral opinion. Also, more than 50 % of respondents felt more overwhelmed while working from home, 32 % had neutral opinion and only about 11 % disagreed. 43 % of respondents felt more stressed. However, 36 % had neutral opinion and 21 % disagreed. 50 % of respondents felt under more pressure of time, 29 % had neutral opinion and 21 % disagreed. 36 % respondents stated that the company had raised the expectations on the amount of work done, 29 % had neutral opinion and another 36 % did not agree with this statement. 21 % of respondents stated, that their current work projects and deadlines were difficult to fulfil, 36 % of respondents felt the pressure to be available 24 hours a day, 11 % had neutral opinion however, 50 % disagreed with this statement. More than 50 % of the respondents cannot fully stop working and rest enough, 14 % had neutral opinion and 32 % disagreed with this statement.

The very first question showed surprising results, 90 % of respondents stated that they work more hours when working at home than when working in the office. This is an issue frequently discussed in literature. According to Dettmers (2017) an organisation may expect that employees in virtual environment will be available outside of normal business hours, therefore they are forced to work longer working hours. This can have negative consequences for employees, which is demonstrated in question number two. More than 50% employees stated that they feel more overwhelmed while working from home. This result also corresponds with literature, according to Ragu-Nathan et al., (2008) employees are managing multiple information streams on different platforms, they work hard to keep up with incoming information thus, they may feel overloaded. This can lead into spending more time working, which reflects the results of question number one. Situations as these can cause the surge of stress levels, which can also be seen in results of the next question. 43 % employees stated that they feel more stressed. Such an outcome is not surprising, according to Graves & Karabayeva (2020) overloaded employees are exposed to frequent stress and they expend more emotional and physical effort to achieve common goals. The next question had once again brought concerning results. 50 % felt under more pressure of time compared to office work. This result is yet again supported by literature, according to

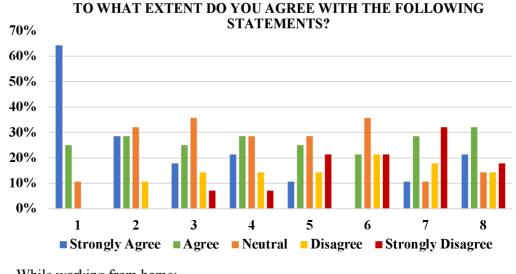
Tarafdar et al. (2015) since it is assumed, that with the use of information technologies, employees can accomplish work faster or under tighter time schedules, they may experience time pressure. The next question did not show such alarming results as the previous questions; however, they are still quite concerning. 36 % of employees stated that the company has raised the expectations on the amount of work done. However, another 36 % did not agree with this statement. Nevertheless, the reason why some employees might feel, that the company has raised the expectations on the amount of work done may according to Ragu-Nathan et al., (2008) occur as result of the use of information technologies, organizations may raise performance requirements because they anticipate increased efficiencies and innovation. Results of the next question are less concerning, as only 21 % respondents stated, that their current work projects and deadlines were difficult to fulfil. Literature mentions that some managers expect the technologies to make the work easier to finish, therefore they expect unrealistic results (Tarafdar et al., 2015).

The results of the next question are slightly concerning, as 36 % of the respondents felt the pressure to be available 24 hours a day. This issue has already been mentioned in one of the previous questions with connection to virtual setting. The results of the last question showed that 50 % of employees cannot fully stop working and rest enough which is closely connected to Blurring of the Work-Home Boundary. Literature argues the same point, according to Schwarzmüller et al. (2018) working from home allows employees to be constantly connected and work outside normal working hours, thus blurs the boundary between working and nonworking periods. Employees are unable to cut themselves off from work, relax, and recharge. Moreover, it may compromise the quality of employees' relationships with family members. According to Graves & Karabayeva (2020) this leads to negative feelings, poor sleep, and reduced work engagement the next day. Constant fail to recover, increases the stress level which can escalate even to a burnout. Poor mental state of employees has a negative influence on the organisation.

### Summary

The most significant result of this part of the survey is that 90 % of respondents agree with the statement that they work more hours at home that in the office. That is closely related to the fact that more than 50 % of respondents felt more overwhelmed while working

from home and that more than 50 % of the respondents cannot fully stop working and rest enough.



Graph 9: Work Complications Following the Transition to Home Office

While working from home:

- 1. I work more hours than in the office
- 2. I am more overwhelmed
- 3. I am more stressed
- 4. I am under more pressure of time
- 5. The company has raised the expectations on the amount of work done
- 6. My current work projects and deadlines are difficult to fulfil
- 7. I feel the pressure to be available 24 hours a day
- 8. I cannot fully stop working and rest enough

Source: Own input (data from survey), 2021

The graph shows the percentage distribution of responses within each statement. The following table shows descriptive summary characteristics for the individual variants.

		Quantity	Mean	Median	Minimum	Maximum
	1	28	1,46	1	1	3
Sta	2	28	2,25	2	1	4
tem	3	28	2,68	3	1	5
Statement	4	28	2,57	2,5	1	5
	5	28	3,11	3	1	5

Table 5: Descriptive statistics of the listed options

	6	28	2,43	2	1	4
	7	28	3,61	3,5	1	5
	8	28	2,75	2	1	5
Summa	ry		2,61	2,38	1	5

Source: Own input (data from survey), 2021

The results show that the respondents most agree with option number 1, hence that they work more hours in the home environment than at work. According to the average values obtained by the second option, it can also be stated that employees feel more overwhelmed. Closely related to this is the sixth option, where the results show that many employees have problems meeting deadlines and meeting the goals of current projects. On the contrary, the average values show that employees do not feel that they need to be available 24 hours a day (option 7) or that the company raises its expectations regarding the amount of work done (option 5).

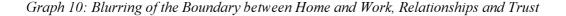
#### 4.2.7 Blurring of the Boundary between Home and Work, Relationships and Trust

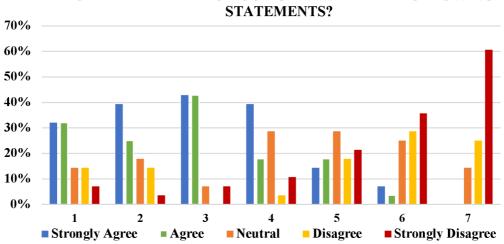
This part of the questionnaire aims to identify employees' feelings towards working from home and how the situation impacted their family and work relationships and to explore the sense of trust towards their colleagues and managers. Respondents were asked to choose to what extent they agree with statements about work from home. Based on collected answers which can be seen in Graph 10, 64 % of respondents feel lack of balance between their personal and work life, 15 % had neutral opinion and 21 % disagreed with this statement. 64 % of respondents spend more time on their work than with family, 18 % had neutral opinion and another 18 % did not agree with this statement. Whole 86 % of respondents stated that they miss the work team, 7 % had neutral opinion and another 7 % did not agree with this statement. 57 % of respondents stated that their relationship with colleagues has suffered, 29 % had neutral opinion and another 14 % did not agree with this statement. 32 % of respondents stated that work from home is a threat to the trust among colleagues, 29 % had neutral opinion and 39 % did not agree with this statement. Only 11 % of respondents stated that work from home is a threat to the trust towards the manager and the company as a whole, 25 % had neutral opinion and 64 % disagreed with this statement. The question if they feel unimportant at work had 14 % of neutral opinion answers and 86 % of respondents did not agree with this statement.

Based on the results, 64 % of respondents feel lack of balance between their personal and work life. Only 21 % did not agree with this statement. Such an outcome is not surprising and corresponds with literature, according to Schwarzmüller et al. (2018) virtual environment blurred the boundary between work and home which traditional office provides. This boundary limits the degree to which employees' work and family lives interfere with one another. Thus, some employees may focus on family demands instead on work during work hours and vice versa. They sometimes work longer hours due to the organizational expectations of constant connection and after normal working hours' availability, which creates the intrusion of work into personal time (Barber et al., 2019). This is demonstrated by the results of the next question, where 64 % of respondents stated that they spend more time on their work than with family and only 18 % did not agree with this statement. Results of the first two questions are not at all positive. 86 % of the respondents stated that they miss the work team, only 7 % did not agree with this statement. And 57 % of respondents stated that their relationship with colleagues has suffered, only 14 % did not agree with this statement. Such results are not surprising, according to (Lea & Spears, 1991) virtual teams show lower cohesiveness, thus they feel less connected to their team. This depends on type and amount of communication they have, which is usually insufficient for virtual teams. One of the reasons behind this issue is that distant employees do not have access to informal conversations as often as they used to when they communicated face-to-face, where information was easily shared (Newman & Ford, 2021). This can have a correlation with the fact that physical reminders of the company's culture are no longer available. According to Willcoxson L. & Millet B. (2000) "Cultures serve to give people a sense of belonging through collective identity and thus break down the intrinsic isolation of the individual". 32 % of respondents stated that work from home is a threat to the trust among colleagues, 39 % did not agree with this statement. And only 11 % of respondents stated that work from home is a threat to the trust towards the manager and the company as a whole, 64 % did not agree with this statement. These findings are also interesting, considering the result of the previous question, where 57 % of respondents stated that their relationship with colleagues has suffered. According to Box et al. (2002) trust tends to diminish when there are fewer para-verbal and non-verbal cues, which is the case in virtual teams. Also, according to Merriman et al. (2007) virtual team members have often low perception of managerial support thus, they have little trust. Luck of trust and feeling of isolation relate to more limited interaction with managers (Cascio, 2000). The question of feeling insignificant at work, has been answered by 86 % disagreement with this statement. That is a very optimistic result because according to Merriman et al. (2007) virtual employees often feel unimportant or "being out of sight, out of mind".

#### Summary

This set of questions has shown several interesting results. 64 % of respondents feel lack of balance between their personal and work life and 64 % of respondents spend more time on their work than with family. These results demonstrate how much and how negatively work from home interferes with private lives of respondents. Other results point to the worsened relationships with colleagues, as 86 % of respondents stated that they miss the work team and 57 % of respondents stated that their relationships with colleagues have suffered. The most significant and positive result is that 86 % of respondents feel to be important in the workplace.





TO WHAT EXTENT DO YOU AGREE WITH THE FOLLOWING

While working from home:

- 1. I feel lack of balance between my personal and work life
- 2. I spend more time on my work than my family
- 3. I miss the work team
- 4. My relationship with my colleagues has suffered
- 5. Work from home is a threat to the trust among colleagues
- Work from home is a threat to the trust towards the manager and 6. the company as a whole
- 7. At work, I feel insignificant

Source: Own input (data from survey), 2021

The graph shows the percentage distribution of responses within each statement. The following table shows descriptive summary characteristics for the individual variants.

		Quantity	Mean	Median	Minimum	Maximum
	1	28	2,32	2	1	5
	2	28	2,18	2	1	5
Statement	3	28	1,79	2	1	4
l tem	4	28	2,29	2	1	5
len	5	28	3,14	3	1	5
-	6	28	3,82	4	1	5
	7	28	4,46	5	3	5
Summ	ary		2,86	2,86	1	5

Table 6: Descriptive statistics of the listed options

Source: Own input (data from survey), 2021

The statistical data show that the respondents most agree with statement number 3, hence that they lack co-workers from their team. On the contrary, he mostly disagrees with the statement number 7 that he feels insignificant at work. Respondents generally took a rather positive view of all the other statements.

#### 4.2.8 Effectiveness

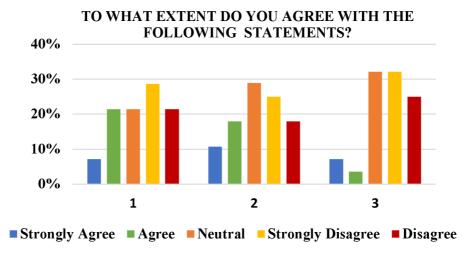
This part of the questionnaire aims to identify how has virtual environment influenced effectivity of work in the organisation. The findings which can be seen in *Graph 11* showed that 29 % of respondents have access to less information, 21 % had neutral opinion and another 50 % did not agree with this statement. 29 % of respondents stated that there is a negative effect on collaboration and the efficiency of the team. 29 % had neutral opinion and another 43 % did not agree with this statement. Only 11 % of respondents stated that there are more misunderstandings and conflicts. 32 % had neutral opinion and 56 % did not agree with this statement.

The results show that 29 % of respondents stated that they have access to less information. According to Zhang (2016) colleagues in virtual teams have less access to the information that is typically shared in informal interactions because of fewer opportunities to interact with each other. According to Zhang (2016) this all may impact collaboration, creativity, innovation, and overall performance. However, 50 % did not agree with this statement. 29 % of respondents stated that there is a negative effect on collaboration and the efficiency of the team. According to Alsharo et al. (2017) employee's effectiveness, productivity as well as effective teamwork is affected by social relationships. Trust is a crucial factor for forming and maintaining social relationship. According to Aubert & Kelsey (2003) when the level of trust among team members is low, their collaborative effort towards the team outcome and overall productivity may be minimized. However, 43 % of respondents did not agree with the statement that there is a negative effect on collaboration and the efficiency of the team. Only 11 % of respondents stated that there are more misunderstandings and conflicts. 56 % did not agree with this statement. This is an interesting outcome considering that literature states that the lack of para- and non-verbal cues in virtual interactions of colleagues may lead to miscommunication, personal conflicts, and frayed relationships (Raghuram & Wiesenfeld, 2004).

#### Summary

The most significant result of this set of questions is that 56 % of respondents did not agree that there are more misunderstandings and conflicts in the virtual environment. However, 11 % of respondents stated that there are more misunderstandings and conflicts which could be indicating some minor issues.

#### Graph 11: Effectiveness



While working from home:

- 1. I have access to less information
- 2. There is a negative effect on collaboration and the efficiency of the team
- 3. There are more misunderstandings and conflicts

Source: Own input (data from survey), 2021

The graph shows the percentage distribution of responses within each statement. The following table shows descriptive summary characteristics for the individual variants.

Table 7:	Descriptive	statistics	of the	listed	options

		Quantity	Mean	Median	Minimum	Maximum
	1	28	3,36	3,5	1	5
Statement	2	28	3,21	3	1	5
	3	28	3,64	4	1	5
Summary	7		3,40	3,50	1	5

Source: Own input (data from survey), 2021

The above statistics show very similar results for all claims. In the case of the first two, the respondents answered neutral on average, the third, the final statement had a rather dissenting opinion from the respondents. That is, he does not agree with the statement about a number of misunderstandings and conflicts with the transition to a home office.

#### 4.2.9 Challenges

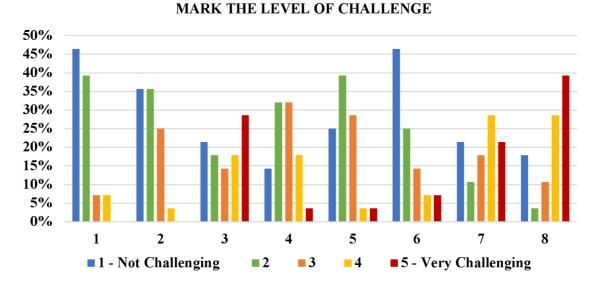
This part of the questionnaire aims to identify how challenging for employees were some of the factors connected to transition to virtual environment. Based on collected answers which can be seen in Graph 12, 85 % of respondents stated that lack of technological knowledge (Microsoft Teams, Skype for Business, ...) was not challenging for them, 7 % had neutral opinion and another 7 % stated that it was challenging for them. 71 % of respondents stated that technical issues (faulty internet connection, computer viruses, loss of data, ...) was not challenging for them, 25 % had neutral opinion and 4 % stated that it was challenging for them. 39 % of respondents stated that more workload was not challenging for them, 14 % had neutral opinion and 47% stated that it was very challenging for them. 46 % of respondents stated that worsened communication (sharing of information, knowledge...) was not challenging for them, 32 % had neutral opinion and another 22 % stated that it was challenging for them. 64 % of respondents stated that unclear goals and expectations were not challenging for them, 29 % had neutral opinion and 7 % stated that it was challenging for them. 71 % of respondents stated that worse relationship with the manager was not challenging for them, 14 % had neutral opinion and another 14 % stated that it was challenging for them. 32 % of respondents stated that imbalance between personal and work life was not challenging for them, 18 % had neutral opinion and 50 % stated that it was challenging for them. And 22 % of respondents stated that lack of social interaction was not challenging for them, 11 % had neutral opinion and 68 % stated that it was very challenging for them.

The first question of this set of questions had positive results. 85 % of respondents stated that they had enough technical knowledge. This shows that the organisation and managers have provided sufficient technical education. However, 7 % employees stated that working with technologies has been challenging. This is described in literature by Graves & Karabayeva (2020) who argue that some virtual workers may have lack of experience, limited access to training and technical support, which makes it difficult for them to master the technologies. The next question also had positive results. 71 % stated that they did not experience technical difficulties. This points to good technical equipment and support from the organisation. However, 25 % of respondents stated that they experienced technical issues which is mentioned in literature by Graves & Karabayeva (2020) who mention that in some

locations, workers may be hampered by insufficient internet connection or other technical issues such as common errors, online viruses, loss of data and so on. In such cases, employees are unable to work effectively which can be stressful for the employees and negative for the organisation, considering both health of employees and the quality of their work. 47 % of respondents stated that more workload was challenging for them. Such an outcome is not surprising and corresponds with literature, according to Ragu- Nathan et al., (2008) Virtual work is usually associated with increased employee workload. Workers work hard to keep up with incoming information, they are managing multiple information streams on different platforms. Furthermore, organizations may raise performance requirements as a result of the use of information technologies they anticipate increased efficiencies and innovation. Only 22 % of respondents stated that worsened communication (sharing of information, knowledge...) was challenging for them. This is a surprising outcome, because literature lists many hurdles while using virtual communication. According to Raghuram & Wiesenfeld (2004) the lack of para-verbal (tone of voice, voice volume) and non-verbal (body language) cues in virtual team may lead to miscommunication, personal conflicts, and frayed relationships. Employees have also less access to the information that is typically shared in informal interactions. This all may impact collaboration and overall performance (Zhang, 2016). 64 % of respondents stated that goals and expectations were clear. This displays an optimal system of setting important values throughout the organisation. 71 % of respondents stated that their relationship with the manager did not get worse. This is a surprising result considering that literature mentions that virtual teams often face many different obstacles in this area. According to Golden (2006) the limited face-to-face interactions between managers and virtual workers interfere with trust, warmth, and liking. 50 % of respondents stated that imbalance between personal and work life was challenging for them. This is not surprising, and literature supports the idea. This according to Schwarzmüller et al. (2018) occurs because home office allows employees to be constantly connected and work outside normal working hours, which creates the intrusion of work into personal time. 68 % stated that lack of social interaction was very challenging for them. This result also corresponds with literature. Due to the lack of face-to-face communication in virtual environment, the informal interactions disappear. The need for social connection is a basic human trait (Graves & Karabayeva, 2020).

#### **Summary**

In this set of questions, the majority of respondents stated that the most challenging part was the lack of social interaction, second most common challenge was the imbalance between personal and work life. The third most common challenge was more workload, followed by worsen communication on fourth position, unclear goals and expectations were fifth, sixth were technical issues, followed by the seventh challenge, which was a worsened relationship with manager and eight and last challenge was the lack of technical knowledge.



Graph 12: Challenges

- 1. Lack of technological knowledge (Microsoft Teams, Skype for Business, ...)
- 2. Technical issues (faulty internet connection, computer viruses, loss of data, ...)
- 3. More workload (time consuming)
- 4. Worsened communication (sharing of information, knowledge...)
- 5. Unclear goals and expectations
- 6. Worse relationship with the manager
- 7. Imbalance between personal and work life
- 8. Lack of social interaction

Source: Own input (data from survey), 2021

The graph shows the percentage distribution of responses within each statement. The following table shows descriptive summary characteristics for the individual variants.

		Quantity	Mean	Median	Minimum	Maximum
	1	28	1,75	2	1	4
	2	28	1,96	2	1	4
Statement	3	28	3,14	3	1	5
tem	4	28	2,64	3	1	5
lent	5	28	2,21	2	1	5
	6	28	2,04	2	1	5
	7	28	3,18	3,5	1	5
	8	28	3,68	4	1	5
Summa	ary		2,58	2,69	1	5

Table 8: Descriptive statistics of the listed options

Source: Own input (data from survey), 2021

Statistical data show that the least challenging for respondents in the transition to the virtual world was the lack of technological knowledge (Microsoft Team, Skype for Business, ...). On the contrary, the most challenging was the lack of social interaction, in other places the respondents stated as the most challenging imbalance between personal and work life and also more workload.

# 4.3 Qualitative Research: Analysis of Transition from Traditional to Virtual Work Environment

This part of the thesis deals with the analysis of second of the two research methods used in this work, the questionnaire survey. The analysis aims at determining the transformation from traditional to virtual environment from the manager's perspective and complements the results obtained in the first part. Later, the manager's and employee's perspectives are compared. The interview was based on 12 questions listed in Appendix B. The subject of the interview was two managers, one of them is chief of the marketing department, and the other is from the HR department. The interview was conducted through Microsoft Teams and managers were asked together so that they could complement each other, bringing different perspectives to the answers, which helped their completeness. The overall interview lasted approximately 45 minutes and was recorded, which facilitated the subsequent evaluation. The interview took place on March of 2021, hence one year after the first lockdown of offices in the Prague headquarters, which took place on February 26, 2020.

### 4.3.1 Interview evaluation

The whole situation around Covid-19 brought many new experiences, and one of them is the alteration in how we get work done. It is important to analyse how the whole process of transitioning to virtual environment began. Thus, the first question for the managers was, how did the **transition** from traditional to virtual work environment go at the company. From the interview, we learned that the transition happened basically overnight. Both managers stated that Nestlé, alongside another company, was first to opt for Home Office. Moreover, it was the first office from Europe Nestlé group to transition. The managers stated that there have been doubts about the reactions of European Bosses, Italian HR and so on. According to the managers, the situation has been accurately predicted by the head of HR, therefore the organisation was ready to transition to virtual environment fast. Using MS Teams has helped immensely with the technology part of the transition.

The next question aimed to find out which steps were most important for correct function in virtual environment. Managers were asked what **courses** or **training** did they or their subordinates have to attend in order to understand work in virtual environment. They stated that the courses for employees were focused mainly on IT applications such as Microsoft Teams, OneNote or SharePoint. The employees had the option to choose also other courses within the educational system of the company. What e-learning courses the employees attended was in their own hands. The HR manager stated that Nestlé's cooperation with a company which provides training for managers was one of the significant innovations. She has also mentioned that "virtual leadership" is currently the most popular training program.

The Home Office and its equipment is very important during the transition to virtual environment. Thus, managers were asked if it was necessary to **provide the employees with the technology** necessary for work in virtual environment or to provide further equipment. Both of the managers agreed on the fact that there was no need for any significant investments into equipment. They have explained that, and the employees use the same laptops they were using in the actual office which made for seamless transition. If there was a need for an extra keyboard, monitor, printer, computer mouse or any such piece of equipment, it has been provided. The HR manager further stated that the company pays the

expenses connected with working from home such as Internet connection or electricity and such. This financial support can be also used for office supplies.

In the next question of the interview, the managers were asked about the **frequency and organisation of meetings** in the virtual environment. The HR manager stated that the frequency of meetings has not changed as a consequence of transitioning into virtual environment, they are simply held virtually instead of face-to-face. Meetings one-to-one, manager and subordinate, take place strictly once a week. The manager added that there are exceptions and sometimes these meetings are held once every two weeks or even once a month; however, that is very rare. Team meetings take place once a week but also once a month for some teams. If there is a new employee, meetings take place more often in traditional teams, and even more in virtual teams.

The next part of the interview examines the well-being of the employees. How do the managers take care of **mental and physical health** of their employees in these difficult times? How do they take care of their personal growth? The managers agreed that it has always been a priority for Nestlé to take care of physical and mental health of their employees. A great example of that is a sabbatical leave which is a temporary leave which is provided for employees if needed. It is also demonstrated through different benefits. The managers stated that after the transition to virtual environment, there have been added some new activities for maintenance of good physical and mental health of employees. The company developed two apps called "First Aid of Mental Health" and "Healthy with Nestlé" which provides educational videos on for example how to stretch by the computer. The app is rich in information on how to enjoy work and how to be effective. It was also pointed out that the company provides psychological help for free. The managers concluded this question by mentioning that the company does not only teach how to work in virtual environment. The company also focuses on stressing the importance of healthy lifestyle, balanced diet, spending time with family and spending time in nature. Considering personal growth of employees, the company provides a large training package focused on personal growth, which is part of the company system no matter if the is a pandemic or not.

The next question read "how do the managers compensate the **lack of face-to-face communication** of their subordinates?". Employees compensate the lack of social contact by attending informal virtual meetings. Such meetings are for example virtual coffee, games, various beer games, cooking together or even walks with strollers. The HR manager stated that some of the employees are spending even more time together now than before the pandemic. This phenomenon has been caused by lockdown which limits all contact.

The next question focuses on **monitoring the workload** of employees in the company. Based on the response of the managers, the employees are not being monitored through no IT systems or in any other way. The only thing that is being controlled are the aims which have been established between individual employees and their managers. The aims are being checked weekly, monthly or even yearly, based on the time stretch of the project. It is a simple and fast way to find out if the employees are working effectively added the manager. Based on the statement of both managers it is obvious that the company believes in transparency and trust.

Another part of the interview focused on **work flexibility**. The manager stated that the employees should be available from 10 am to 5 pm. However, they have also stated that it is not a strict rule. Both managers agreed that considering work hours the company is very flexible. Employees can organise their day based on their needs; the managers then only check if what was supposed to be done is actually done. The manager stated that: "the best feedback for the company is when an employee says that nobody has been forcing them to sit by the computer". The virtual environment has brought the option to work from basically anywhere and this flexibility has brought better and more effective work of the employees.

The next question for the managers was if they consider the **projects and deadlines** of their subordinates easy to fulfil. The manager explained that the aims should be "SMART", they should not be difficult to accomplish but they should not be too easy to accomplish either, they should be just challenging enough. The interview showed that the transition to virtual environment could change some of the aims but the expectations in general have not been altered. To conclude this question, they stated that the ways to

accomplish the aims had to be fitted to virtual reality and the company is looking new for ways how to accomplish them.

The next question was supposed to find out how often the **employees are informed about the company's business aims and proceedings** and through which communication channels. The employees in Nestlé are informed about the proceedings weekly, sometimes even more times a week. They get the information through the so called "Weekly" which as the name suggests is issued once a week. It is a medium through which the company shares information about business affairs, news in marketing and HR and so on. Another tool is the company's app "Workplace". The manager explained that it is an app similar to Facebook, but it is strictly for the employees. The company uses it to post anything that needs to be shared with the employees. The manager listed these means of communication as the most important ones; however, email is also still being used.

Next question focused on how and how often the managers provide **feedback** to their subordinates. Feedback has always been a part of Nestlé culture and is usually given during regular meetings, both one-to-one and team meetings. The managers explained that both constructive criticism and positive feedback are given automatically during any communication; however, this is different for different individuals. Once a year there is the occasion of evaluation of the yearly plan which is the opportunity for giving formal systematic feedback.

The second to last question read "how do you appreciate your **employees' value for the company**?" The managers agreed that the company is aiming for utmost rewards and appreciation of their employees. The manager stated that in the company's politics there are of course included the politics of rewards and appreciation. Praise is usually given at regular meetings, monthly meetings and their objective is to motivate their employees. There are also special rewards which range from financial to material gifts, there are also many yearly bonuses and so on. Every manager chooses their own way how to reward their employees, it is a matter of discussion.

The last question for the managers was supposed to find out **how the pandemic influenced the company** and if there are any changes planned for the future. The managers see the flexibility connected to working from Home Office and the possibility to work virtually from anywhere as a huge advantage. The digitalisation has been also pointed out as it enables the company to use paperless communication and solutions of all kinds of matters. They have also mentioned the virtual form of education and recruitment of new employees which is still an area of HR which has not been explored. The manager also added that a huge step has been the reconstruction of the company building. The company was using four floors originally, now they are able to use only two floors. In each department of the company there will be only a few employees with fixed positions. Rest of the employees will work mainly from home; however, they will also work on site 1 to 3 times a week and they will be using the so-called shared desk. The economy of the company is currently good, moreover the company has grown by 3,5% globally. The manager also explains that this is an expected growth considering that Nestlé is a food company and people need food no matter if there is Covid or not. There is one challenge for the company in the future, and that is to ensure stability in production and to eliminate the transmission of Covid among the employees so that can continue working.

## **5** Results and Discussion

This chapter synthesises the results of the questionnaire and the interview and compare them with the theoretical basis. Subsequently, recommendations for the future will be proposed. And research questions (RQ) will be answered.

#### Transition

Based on the results of the research, we can tell that the transition was successful. The organisation was ready to transition to virtual environment, which enabled the company to transition overnight, which was proved by the results of both parts of the research. Entry to the office was enabled only exceptionally, therefore the vast majority of employees fully used Home Office. The employees took their work laptops home, which made for a smooth start of virtual work. MS Teams has been selected as the main communication media, which facilitated smooth sharing of information. No work meetings were cancelled, they were simply moved to virtual environment. This provides the answer to RQ1.

#### Influence of the Pandemic on the Company

The main influence was definitely the transformation from traditional to virtual environment. Among the biggest advantages were the possibility to work virtually from anywhere and the cost reduction connected to the reduction of working space from four to two floors, and the shared desk for employees. Among challenges were virtual form of education, recruitment of new employees, ensuring stability in production and elimination of the transmission of Covid among the employees. The economy of the company has not been negatively influenced by the pandemic, contrariwise the company has grown by 3,5% globally. The pandemic brought both positives and negatives (see below). This provides the answer to RQ2.

### **Work Environment**

The majority of respondents leaned towards working from home rather than working from the office. This was a surprising result considering that majority of respondents worked more hours from home than from office. Half of the respondents felt more overwhelmed, under more pressure of time and could not fully stop working and rest enough while working from home. Almost half of the respondents felt more stressed. It is an interesting fact that

majority of those more stressed was working from home while their children were also at home which must have been very challenging.

## 5.1 **Positive Results**

This part of the evaluation focuses on the positive results.

#### Meetings

Results considering the regularity of meetings between managers and their subordinates turned out more positive than expected, as such meetings took place even more regularly than the literature recommends. According to (Nydegger, 2008) managers should schedule weekly team meetings and at least monthly one-on-one meetings. According to the statements of the managers, these meetings took place once a week; however, almost half of the employees stated that the meetings took place even a few times a week.

#### Trust

The vast majority of respondents did not agree with the statement that their manager closely watched everything they did. Based on this result, it is apparent that managers are not over-controlling, and they trust virtual employees to get work done in a proper way (Graves L.M., Karabayeva A., 2020).

Another positive result considering trust is that for majority of respondents work from home is not a threat to the trust towards the manager and the company as a whole. To ensure that trust prevails, it is important to focus on strategic actions which help create institutional trust (R. C. Ford et al., 2017).

#### Sharing Information about Company Matters with the Employees

The employees were informed about the company's business aims and proceedings multiple times a week through different communication channels, which was also a positive result. According to Newman & Ford (2021) employees need to be routinely informed about company's values, aims and progress towards goals.

#### Feedback

According to (Nydegger, 2008) managers must encourage and support frequent, honest, and helpful feedback. According to the managers, this point was not an issue. Feedback has always been a part of Nestlé culture. Constructive criticism as well as positive feedback were given automatically during daily communication. And once a year during the evaluation of the yearly the formal systematic feedback is given.

#### Rewarding the Employees' Value for the Company

The company strives to reward the employees maximally. To motivate employees, praise is usually given at regular and monthly meetings. There are also many yearly bonuses and special rewards in the politics of rewards and appreciation which range from financial to material gifts. According to (Graves L.M., Karabayeva A., 2020) managers must let the employees know that their contributions are valued. These messages may get lost in virtual environment and employees may feel unimportant or "being out of sight, out of mind" (Merriman et al., 2007). In addition, another positive result was that more than three quarters of respondents did not feel insignificant at work.

#### **Communication Channels**

Another positive result was also that almost all respondents used sufficient variety of communication channels such as e-mail, video conferences, telephone calls, chat and social media while working from home. Wide range of different communication media is important as different media possess different levels of richness and convey information in a more or less equivocal way (Daft & Lengel,1986). However, wide range of communication media is not the sole factor, which determines the effectivity of communication. The choice of communication medium is very important as it impacts how virtual team members interpret the particular message (Newman & Ford, 2021). For employees to confidently choose the correct media at the right time, managers should provide appropriate education and practice of such skill. This can be considered the first managerial action or approach to pay attention to.

## 5.2 Weak Spots

This part of the evaluation summarises weak spots, which have been revealed in the questionnaire and the interview. To eliminate these weak spots, it is necessary to apply

appropriate managerial actions and approaches. The actions and approaches are further stated in the form of recommendations, which will improve the current situation and help to accomplish the main work aim. Thus, this chapter provides answers to RQ3 and RQ4.

#### **Employees' Home Office Equipment**

Less than fifth of respondents stated that employees were equipped for work from home. This was supported by the managers' statements that there have been almost no investments into the equipment of employees. Literature points out that one of the first steps during the transformation from traditional to virtual work environment is to help newly distant employees with setting up a home office with the right tools and furniture to ensure smooth work from home (Wang and Haggerty, 2011). Therefore, the recommended managerial action or approach is security of sufficient equipment for Home Office.

#### Training

The managers stated that there has been an IT training for employees to ensure that they were able to use applications such as Microsoft Teams, OneNote or SharePoint. The employees had the option to choose also other training programs, which are part of the education system of the company. However only less than fifth of employees stated that further education or courses for employees were implemented during the transition. The results therefore show that more attention could have been paid to this issue. According to (Lacerenza el.al, 2015) virtual teams should be trained not only in using virtual tools but also in fitting technology to the task, effective coordination, collaboration, communication when using virtual tools, how often they should communicate, conflict solving, and other teamwork processes. Therefore, the next suggested managerial action or approach is to ensure appropriate training for employees to succeed in a virtual work setting (Newman & Ford, 2021). Such approach could be, for example, that all the virtual employees undergo at least a few basic courses for effective transition to virtual environment and choose a training according to their own preference at least every six months.

#### Efectiveness

A third of the respondents had access to less information. This could be caused because of fewer opportunities to interact with each other. According to (Zhang, 2016) this

all may impact collaboration, creativity, innovation, and overall performance. This correlated with the result of the next question, which showed that the same percentage of respondents believed that there was a negative effect on collaboration and the efficiency of the team. According to (Alsharo et al., 2017) employee's effectiveness, productivity as well as effective teamwork is affected by social relationships. The base of any functioning relationship is communication; thus, managers should be trained to be able to modify and enhance communication techniques to meet the communication needs of virtual employees (Maduka et al., 2018). Moreover, the lack of para-verbal and non-verbal cues in virtual environment may lead to miscommunication and personal conflicts (Raghuram and Wiesenfeld, 2004). Tenth of respondents stated that there were more misunderstandings and conflicts in the virtual environment.

#### **Change of Job Description**

Only an eight of respondents experienced change of their job description. However, literature states, that every position should have updated job description (Mader-Clark, M., 2013). As the transformation affect the conditions under which employees work, they affect also the design of work (Barley, 2015). Thus, it is really important to clearly defines key duties and requirements of every position (Mader-Clark, M., 2013). Therefore, the suggested action or approach is to check and discuss current job descriptions with individual employees and decide if it is necessary to update the job descriptions.

#### **Managers-employees Relationship**

Three questions focused on how much attention the managers give to their employees. There was quite a high percentage of neutral responses which shows that there is a potential for improvement of this issue. According to (Lacher, 2019) virtual environment requires the leader to display a greater sense of empathy and sensitivity. New health management training for leaders is required to ensure that any mental health issues are caught early, and help offered in time (Schwarzmuller, Brosi, Duman, & Welpe, 2018). Therefore, the next recommended managerial action or approach is to show a genuine interest in the safety and well-being of their subordinates by asking them about their feelings, needs, health and families during virtual meetings as much as possible. And listen extra carefully to hear any concerns or frustrations their subordinates may raise (Newman & Ford, 2021).

### Workload

The transition to virtual environment could alter some of the aims. According to the managers, the company did not change the expectations. The employees were not being monitored through any IT systems or in any other way. That could be the reason why almost all respondents experienced working more hours while working from home than in the office. Further, more than half of the respondents felt more overwhelmed while working from home and under more pressure of time. More than a third of the respondents stated that the company has raised the expectations on the amount of work done and they felt the pressure to be available 24 hours a day. Fifth of respondents stated, that their current work projects and deadlines were difficult to fulfil. Overall, more workload was very challenging for almost half of the employees. Another managerial action or approach which should be implemented should therefore be monitoring of work demands on employees so that they do not become excessive. Managers should set realistic goals and deadlines considering the increased pressure associated with using technology (Tarafdar et al., 2015).

### Blurring of the Boundary between Home and Work

Nestlé takes care of the physical and mental health of their employees in the longterm. Additional activities and services to support good physical and mental health have been added as a result of the transition to virtual environment. An example of such service is free psychological service. The company is trying to support their employees in having a healthy lifestyle, spending time with their families, going out into the nature and so on. These activities correspond with literature, which mentions that managers should offer newly remote employee's mediation and mindfulness services to help them unplug from work while at home, support mental health, eliminate work stress and work-family conflicts (Newman & Ford, 2021). For example, on-line access to yoga, self-management training, time management, career counselling, or educational, and skills-based programs (Biron & Karanika-Murray, 2014). More than a half of respondents feels lack of balance between their personal and work life and the same amount of respondents said that they spend more time on their work than with family. This area is a challenge for almost a half of the employees. The recommended managerial action or approach is to do a survey, in order to obtain information on how to help employees lead a more balanced life.

### **Social Interaction**

The questionnaire showed that for two thirds of employees was lack of social interaction and very challenging. More than a quarter of respondents miss the work team, more than a half of respondents stated that their relationship with colleagues has suffered and a third of respondents stated that work from home was a threat to the trust among colleagues. According to (Jarvenpaa and Leidner, 1999, O'Hara-Devereaux and Johansen, 1994) trust is especially important in a virtual environment as it reduces employees psychological distance in a physically dispersed teams. The managers stated that social interaction and lack of faceto-face communication was compensated by informal virtual meetings, which were being organised by employees themselves. However, the results showed that it is not enough. According to (D. Paul, R.R. McDaniel, 2004) leaders play the most important role in building trust among team members. Distant employees do not have access to informal conversations as often as they used to when they communicated face-to-face. Thus, managers should ensure regular informal virtual meetings between employees to help them minimize the lack of social integration, build and maintain good relationships, trust and collaboration within the virtual team. This can be considered the next managerial action or approach, which could help with social interaction of employees in Nestlé in the future.

### 6 Conclusion

The diploma thesis examined the topic of transition from traditional to virtual work environment because it is a currently relevant topic. The main aim of the diploma thesis is to identify specific managerial actions and approaches which lead to successful transformation from traditional to virtual work environment and subsequently to establishment of effective virtual team. The thesis also refers to the identified issues which emerged during the transformation and suggests possible improvements for the future, based on the reviewed literature and own research.

The mixed research approach was selected to examine four research questions, and the results showed that the company was successful in many aspects. Positive aspects of the transformation were shown in regularity of meetings between managers and their subordinates, in the fact that managers are not over-controlling, and they trust virtual employees, and also that work from home does not jeopardize the employees' trust towards the manager and the company. Other positive results were that the employees were informed about the company's business aims and proceedings multiple times a week through different communication channels and that the company strives to reward the employees maximally. Almost all respondents used sufficient variety of communication channels, which is another positive outcome.

Weak points were detected in a few areas as well. Among them is the fact that there have been almost no investments into the equipment of employees and that not enough further education or courses for employees were implemented during the transition. It is also important to point out that more than a half of respondents feels lack of balance between their personal and work life and the other half of respondents said that they spend more time on their work than with family. This area is a challenge for almost half of the employees. For two thirds of employees was lack of social interaction very challenging. More than a quarter of respondents miss the work team, more than a half of respondents stated that their relationship with colleagues has suffered and a third of respondents stated that work from home was a threat to the trust among colleagues.

Subsequently, managerial actions and approaches were formulated, in order to help with the situation. The managerial actions and approaches are to secure sufficient equipment for Home Office of employees, to offer courses for effective transition to virtual environment, to update the job descriptions, if necessary, to show a genuine interest in the safety and well-being of their subordinates and also to set realistic goals and deadlines. Further managerial actions and approaches are to do a survey to obtain information on how to help employees lead a more balanced life and to ensure regular informal virtual meetings between employees.

The aim of the thesis was met as seven managerial actions and approaches were suggested. These suggestions can help the company Nestlé maximize the effectiveness of a virtual environment.

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# 8 Appendix

8.1	Appendix A: Questionnaire – English Version	.87
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# 8.1 Appendix A: Questionnaire – English Version

Dear participants,

I would like to ask you for a little bit of your time to answer a few questions of my survey, considering your work environment.

I am a student of Czech University of Life Science in Prague, and the results of this survey will provide me with information crucial for my diploma thesis.

The survey will take less than 10 minutes.

Please follow this link to the survey:

• • •

I greatly appreciate your help and thank you very much for your participation!

Best Regards,

Veronika Soldátová Student of CZU Prague

- 8. What is your gender?
- Male
- Female
- Other
  - 9. How old are you?
- 18 30
- 31 40
- 41 50
- 51 and older

10. While working at home, you are home:

- Alone
- With kids
- With someone else

11. What is your preference:

- Working at the office and why?
- Working from home and why?

12. How did the transition from working at the office to working from home look like?

Choose the steps, which were implemented:

- Transition organised by the company (the company took necessary steps)
- Suitable technology was provided
- Employees were equipped for work from home

- Further education or courses for employees
- Change of job description
- Change from fixed to flexible working hours
- Other please specify

13. Which communication channels do you use while working from home?

- E-mail
- Video conferences
- Telephone calls
- Chat
- Social media
- Other please specify

14. How often are meetings with your manager held?

- Few times a week
- Once a week
- Every two weeks
- Once a month
- Quarterly

15. To what extent do you agree with the following statements? My manager:

- Does not pay me enough attention
- Closely watches everything I do
- Cares about my feelings, health and family
- Cares about my current needs

16. To what extent do you agree with the following statements? While working from home:

- I work more hours than in the office
- I am more overwhelmed
- I am more stressed
- I am under more pressure of time
- The company has raised the expectations on the amount of work done
- My current work projects and deadlines are difficult to fulfil
- I feel the pressure to be available 24 hours a day
- I cannot fully stop working and rest enough

17. To what extent do you agree with the following statements? While working from home:

- I feel lack of balance between my personal and work life
- I spend more time on my work than my family
- I miss the work team
- My relationship with my colleagues has suffered
- Work from home is a threat to the trust among colleagues
- Work from home is a threat to the trust towards the manager and the company as a whole

• At work, I feel insignificant

18. To what extent do you agree with the following statements? While working from home:

- I have access to less information
- There is a negative effect on collaboration and the efficiency of the team
- There are more misunderstandings and conflicts

19. Mark the level of challenge

(5 - very challenging 1 - not challenging)

- Lack of technological knowledge (Microsoft Teams, Skype for Business, ...)
- Technical issues (faulty internet connection, computer viruses, loss of data, ...)
- More workload (time consuming)
- Worsened communication (sharing of information, knowledge...)
- Unclear goals and expectations
- Worse relationship with the manager
- Imbalance between personal and work life
- Lack of social interaction
- Other please specify

### 8.2 Appendix B: Interview Questions – English Version

- 1. How did the transition from traditional to virtual work environment go at your company?
- 2. What courses or training did you or your subordinates have to attend in order to understand work in virtual environment?
- 3. Was it necessary to provide the employees with the technology necessary for work in virtual environment or to provide further equipment? (If so, what kind?)
- 4. How often do you communicate the company's business aims and proceedings to the employees? Which communication channels do you use?
- 5. How often are there meetings in your company? How are they organised? (manager-team, manager-employee, only employees)
- 6. How do you compensate the lack of face-to-face communication of your subordinates?
- 7. How do you take care of mental and physical health of your employees in these difficult times? How do you take care of their personal growth?
- 8. How do you appreciate your employees' value for the company?
- 9. Are expressions of care, such as care for feelings, health, safety, and family of the employees' part of the company's culture?
- 10. How do you monitor the workload of employees in the company?
- 11. Do you consider the projects and deadlines of your subordinates easy to fulfil?
- 12. How and how often do you provide feedback to your subordinates?
- 13. How did the pandemic influence the company? Are there any changes planned for the future?

# 8.3 Appendix C: Questionnaire – Czech Version

Vážení zaměstnanci,

mohla bych Vás tímto požádat o chvíli Vašeho času na zodpovězení otázek v rámci výzkumu k mé diplomové práci?

Jsem studentkou České Zemědělské Univerzity v Praze a ve své diplomové práci se snažím zjistit, jak pandemie Covid-19 ovlivnila chod společnosti Nestlé Česko, s.r.o., a také práci a život Vás zaměstnanců.

Tento dotazník Vám nezabere déle než 10 minut. Pro jeho relevanci je třeba zodpovědět všechny otázky. Data, která uvedete v dotazníku jsou anonymní, nebudou spojována s Vaší osobou a veškeré údaje jsou přísně důvěrné.

Dotazník naleznete na následujícím odkazu:

. . . .

Velice si vážím Vaší pomoci a mnohokrát děkuji za Vaši účast!

S pozdravem,

Veronika Soldátová Studentka CZU v Praze

- 20. Jaké je Vaše pohlaví?
- Muž
- Žena
- Jiné

21. Kolik je Vám let?

- 18–30
- 31–40
- 41–50
- 51 a starší

22. Při práci z domu jste doma:

- Sám/sama
- S dětmi
- S někým jiným

23. Preferujete spíše:

- Práci z kanceláře a proč?
- Práci z domu a proč?

24. Jak u Vás ve firmě probíhal přechod z kanceláře na práci z domu? Zaškrtněte ty aktivity, které se u Vás proběhly:

- Organizovaný přechod ze strany společnosti (společné kroky, postupy, ...)
- Zajištění technologií pro práci na dálku
- Vybavení home office zaměstnanců
- Školení zaměstnanců
- Změna popisu práce
- Změna z fixní pracovní doby na flexibilní
- Další –prosím uveď te

25. Zaškrtněte komunikační kanály, které při komunikaci z domu používáte:

- E-mail
- Video konference
- Telefonní hovory
- Chat
- Sociální sítě
- Další –prosím uveď te

26. Zaškrtněte, jak často v současné době probíhají schůzky s manažerem?

- Každý týden
- Každých 14 dní
- Jednou měsíčně
- Kvartálně

27. Do jaké míry souhlasíte s následujícím tvrzením? Můj manažer:

- Se mi nevěnuje dostatečně
- Sleduje každý můj krok
- Projevuje zájem o moje pocity, zdraví, bezpečí a mou rodinu
- Projevuje zájem o mé aktuální potřeby

28. Do jaké míry souhlasíte s následujícím tvrzením?

Při práci z domu:

- Pracuji více hodin týdně než při práci v kanceláři
- Jsem více přetížen/a
- Jsem více ve stresu
- Jsem ve větší časové tísni
- Společnost zvýšila nároky na množství odvedené práce
- Mé aktuální pracovní úkoly, cíle a lhůty pro jejich naplnění jsou těžko dosažitelné
- Cítím, že se ode mne očekává, že budu k dispozici "24 hod." denně
- Nemohu se odříznou od práce a dostatečně si odpočinout

29. Do jaké míry souhlasíte s následujícím tvrzením?

Při práci z domu:

- Pociťuji zvýšenou nerovnováhu mezi osobním a pracovním životem
- Věnuji více času práci než rodině
- Chybí mi kolektiv
- Ztrácím vztah se svými kolegy
- Práce z domu ohrožuje důvěru mezi kolegy
- Práce z domu ohrožuje mou důvěru vůči manažerovi a celkově společnosti

• Cítím se pracovně nedůležitý/á

30. Do jaké míry souhlasíte s následujícím tvrzením?

Při práci z domu:

- Mám přístup k méně informacím
- Práce z domu negativně ovlivňuje spolupráci a celkový výkon našeho týmu
- Dochází častěji k nedorozuměním a dokonce konfliktům

31. Oznámkujte níže uvedené výzvy.

(Známkami jako ve škole, 5 – je pro mě největší výzva 1 - není pro mě výzva.) Za největší výzvu při práci z domu považuji:

- Nedostatek technických znalostí (s online aplikacemi: Microsoft Teams, Skype for Business, ...)
- Technické problémy (špatné internetové připojení, zavirování počítače, ztráta dat, ...)
- Větší pracovní vytížení (čas)
- Zhoršení komunikace (předávání informací, sdílení znalostí, ...)
- Nejasně definované cíle a očekávání
- Zhoršený vztah s manažerem
- Nerovnováha mezi osobním a pracovním životem
- Nedostatek sociálního kontaktu
- Další –prosím uveď te

### 8.4 Appendix D: Interview Questions – Czech Version

- 1. Jak u Vás ve firmě probíhal přechod z tradičního do virtuálního prostředí?
- 2. Jaké školení jste Vy či vaši zaměstnanci podstoupili pro práci ve virtuálním prostředí?
- 3. Bylo nutné zajistit pro zaměstnance potřebné technologie pro práci ve virtuálním prostředí či vybavit jejich home office? (Případně jaké a čím?)
- 4. Jak často informujete zaměstnance o obchodních cílech a chodu společnosti? A jaké komunikační kanály k tomu používáte?
- Jak často a jakým způsobem v současné době probíhají ve Vaší firmě meetingy? (manažer-tým, manažer-zaměstnanec, zaměstnanci mezi sebou)
- 6. Jakými způsoby kompenzujete nedostatek osobní komunikace svých podřízených?
- 7. Jak se v této nevlídné době staráte o psychické a fyzické zdraví vašich zaměstnanců a jejich osobní rozvoj?
- 8. Jak oceňujete přínos zaměstnanců pro firmu?
- 9. Jsou projevy zájmu o pocity, zdraví, bezpečí a rodinu Vašich podřízených součástí Vaší podnikové kultury?
- 10. Jak je ve Vaší firmě monitorováno pracovní vytížení zaměstnanců?
- 11. Považujete aktuální cíle pro Vašich podřízených a lhůty pro jejich naplnění za snadno dosažitelné?
- 12. Jak často a jakým způsobem poskytujete zaměstnancům zpětnou vazbu?
- 13. Jak ovlivnila pandemie chod společnosti? Chystají se do budoucna nějaké změny?