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**ADVANTAGES AND DISADVANTAGES OF REMOTE WORK AND ITS
IMPLICATIONS ON LEADERSHIP**

Master's Thesis
Oulu Business School
10/2022

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Title ADVANTAGES AND DISADVANTAGES OF REMOTE WORK AND ITS IMPLICATIONS ON LEADERSHIP			
Subject International Business Management	Type of the degree Master`s thesis	Time of publication October 2022	Number of pages 67
Abstract <p>Covid-19 has made remote work as one of the main ways to work in today`s world. Even though, remote work is not new as a concept, it has become the new normal because of Covid-19. The advantages and challenges of remote work are now part of people`s life, and they should be studied more. While these are the factors that affect remote employee`s life, the leadership of remote work should also be studied to see how remote work and its leadership could be developed.</p> <p>Employees face completely different challenges in today`s virtual workplaces, varying from feeling socially isolated to increased number of altercations with family members, because work is now done from home. Some remote workers enjoy the possibility to work remotely, because of the same reasons, which makes the subject of remote work interesting subject for research. Combining these facts with the leadership of remote work further on increases its importance. The two most used styles of remote work leadership, transformational and transactional, are also perceived having both good and bad qualities. This research aims to give a look of remote works challenges and advantages, how the leadership styles are perceived, and how they affect the remote work.</p> <p>The research is done via qualitative method, because of the nature of the research problem. A survey was used to collect the data. The results of this study support the previous research and literature and gives new information for further research.</p>			
Keywords Remote work, transformational leadership, transactional leadership			
Additional information			

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1 INTRODUCTION

The purpose of this thesis study is to better understand remote work, its advantages and disadvantages, and its implications for leadership. The study aims to show how remote work has grown as a way to work, especially during the Covid-19 pandemic, and what different possibilities and challenges it brings for employees, organizations, and leaders. The goal of the study is to shine light to the newly popularized way of remotely working and how it affects employees, organizations, and leaders, and how it creates the new normal. The study contains the viewpoints of both, employees, and leaders, to give a more concrete view of the current effects of remote work. This first introduction chapter presents the background and motivation for the study, the contributions that it offers for the study of remote work, the research question and what this study is trying to answer, the methodology as what ways are used to conduct the research, and finally the structure of the study in a more precise way.

1.1 Research background, motivation, and contributions

Covid-19 is the disease caused by coronavirus called SARS-CoV-2. World Health Organization first reported on its spreading in Wuhan, China, on 31 December 2019, which later spread around the world and created a global pandemic. Coronavirus spreads easily between people by liquid particles when coughing, sneezing, speaking, singing, and breathing, or by touch. The most common symptoms of Covid-19 are fever, dry cough, and fatigue. Since 28 October 2022 there has been 613 410 796 confirmed cases and 6 518 749 deaths caused by Covid-19. (WHO, 2022.) In the early days of the pandemic countries engaged in border closures to prevent trans-border transmissions, which were followed by lockdowns. Lockdowns are described as actions of non-pharmaceutical interventions that appear as the closing of non-essential businesses, recreational and spiritual facilities, and education, and as the use of masks and social distancing orders, and social gathering restrictions. (Allen, 2022.) As of September 2022, The Ministry of Social Affairs and Health, Ministry of Finance and Finnish Institute for Wealth and Welfare have still issued recommendations to switch into remote work at the regional and national level (Finnish Government, 2022).

In the face of Covid-19 crisis, many businesses are forced to make their employees work from home remotely, which has been the first time for a lot of them. This has resulted in many leaders beginning to struggle with the challenges of managing their remote workers. Offices and workspaces filled with employees are now being replaced by digital alternatives of Zoom, Teams, and Skype. Personal conversations in the hallway are now being replaced by chat rooms online, which has resulted in already extraordinary and uncertain time to a situation where leadership also faces a lot of new challenges in order to remain the high job satisfaction. (Jones & Schöning, 2021.) Globalization, development of technology, customer demands, and the cost and time of commuting have also accelerated the popularity of remote and virtual work arrangements, which has led to either partially or completely eliminating traditional offices, and some companies' trimming specific positions to turn them into virtual work arrangements. (Mulki et al., 2009.) Internal communication, social interaction, and employee satisfaction and commitment have become an increasing area of new challenges that come with remote and virtual work, which has raised the concern of leaders and employees. (Mulki et al., 2009.)

Remote work is generally referred as performing organizational work outside of the normal organizational space and time (Olson, 1983). Employees who work remotely come in many forms; for example, a sales professional who spend time on road or works from a home office; and employees who may see their superior once per month or less. Either way, *remote worker* is usually described as “an employee working from a physically separate location from their manager” and where “the employee and manager meet each other rarely”. (Ramage, 2017, p. 33.)

Remote work has created new concerns that are now the responsibility of the leaders to take care on. Guiding to find the right work-life balance, overcoming workplace isolation, compensating the lack of visibility and face-to-face communication, are some of the key challenges that leaders need to handle with remote workers. (Mulki et al., 2009.) Job satisfaction and safety has come under great concerns because of the lack of personal interaction to maintain the relationships between employees and leaders, especially in the times of Covid-19 (Jones & Schöning, 2021).

The leadership of remote workers has focused a lot on transformational and transactional leadership styles on previous studies (Ramage, 2017). Transformational leadership involves the followers having a vision for the future shared along other employees and the leader, strong personal identification, and working towards a greater good for the group. Transformational leaders heighten the interest and awareness in teams, gradually move the interest of self towards the interest of the group and increase the confidence of the employees. (Kelloway et al., 2022.) The four main characteristics of a transformational leader are:

1. Idealized influence
2. Inspirational motivation
3. Individual consideration
4. Intellectual stimulation.

Idealized influence is reached when transformational leader participates in taking risks with their employees and thus improves performance, are dependable, and have a consistent behavior. Meaning, purpose, challenges, and motivation maintaining are brought for the employees through inspirational motivation. Intellectual stimulation appears in the forms of leaders helping to develop new ideas and offering to see reaching the goal using alternative routes. Individualized consideration appears as transformational leaders paying individual attention to employees, acting as a coach, and offering support. (Kelloway et al., 2002.)

Transactional contingent reward leadership is a leadership style where there is a positive and active exchange happening between leaders and followers where the followers are recognized and then rewarded after reaching the agreed-upon objectives (Neufeld et al., 2008). The follower is told what to do, when it should be done and how in order to fill the objectives and appeal their self-interest to receive the rewards (Ramage, 2017).

Motivation and relevance for the topic of remote work leadership comes from the Covid-19 pandemic which has changed the way people work. The global pandemic has forced organizations to create new ways to work and put more emphasis on remote work. Since the beginning of Covid-19 organizations have made significant changes

on the way they work, some of the changes have been forced and some have become the new normal when the pandemic has gone on the decline. The risen popularity of remote work thus makes the leadership of remote work a relevant topic which most probably will be an important area of leadership research also in the future because of the new normal caused by Covid-19, globalization, and technological advancements.

Previous research of Ramage (2017) on the leadership of remote work has shown similarities on the effects of transformational and transactional leadership styles on remote work. The usual assumption is that transformational leadership has more of a positive effect on employee's job satisfaction than transactional leadership. But there are also some cases that differ and put more emphasis on transactional leadership.

Transformational leadership on remote teams has been analyzed and it has been seen to have more significant impact on teams work performance than transactional leadership (Gil et al., 2011). Transformational leadership is seen to lead to an increase in organizational commitment and intent to stay working in the organization, while the usage of transactional psychological has been linked with a decreased intention to stay (Lombardo & Mierza, 2012). While physical distance influences the perceived leader performance and communication effectiveness negatively, both transactional and transformational leadership styles have a positive effect on remote workers (Jones & Schöning, 2021). Transactional leaders focus on setting rewards and goals to increase the performance of employees which forces the leader to actively monitor the performance and thus communicate continuously and successfully even with the remote workers. Transformational leaders also need to communicate effectively in order to remain their charisma and intellectual stimulation. Physical distance has no major influence on either leadership styles performance. (Neufeld et al., 2008.) Psychological safety of remote employees can be positively influenced in the virtual environment by transformational leaders because they are able to create an environment that is safe for their employees and make them speak up freely without concerns and fears. Especially in the times of Covid-19 and the quick increase in remote work transformational leaders can also give a negative perception to their employees because they might fail in focusing on details, being too charismatic and visionary, and thus fail offering employees what they really need, like interaction, accomplishment, and trust-building. (Jones & Schöning, 2021.)

According to Ramage (2017) transactional leadership behaviors are more effective when leading a remote worker in some cases. There has seen to be a positive link between the performance of a remote worker and transactional leadership and task leadership has seen to be easier from a distance than relational leadership. (Ramage, 2017.)

This study contributes to the study of remote work and its leadership with several minor aspects. Through the theoretical part and its conclusive presentation of the current advantages and challenges of remote work and its leadership, and the empirical parts research into those subjects find differing results which contribute to the further research of remote work. The study had a tight sample of participants which offered almost unanimous results with the main advantages, challenges, and preferred leadership style, which offers the research to continue in the directions of more specific groups, working remote in different organization levels, and under different kind of leadership.

1.2 Research question and methodology

The research of this study will be conducted as a qualitative study. The thesis will consist of theoretical and empirical part in which there the theoretical part will be conducted through a literature review consisting of reviewing former literature, articles, and research of the topics. The empirical part will be conducted with the help of a survey directed towards employees who are involved with remote work. The survey will take a structured form and be conducted via questionnaire. The surveys will be used to conduct a content analysis with the responses and then being compared with the findings of the literature review.

Qualitative research is described by Golafshani et al. (2003) trying to understand phenomena in a context-specific setting. The researcher does not try to manipulate the phenomenon being researched and aims to produce findings from real-world setting. Qualitative research also aims to find understanding, illumination, and extrapolation. (Golafshani et al., 2003.)

Qualitative method is selected because of the subjective nature of the study. The study also focuses on two individual topics and later combines and examines them as one, which also supports the qualitative methods. The nature of the study supports the qualitative method with both the theoretical and empirical part, and especially the empirical part, the surveys and the further on examination of them.

The main research questions for the thesis are:

- 1) *What are the main benefits and advantages of remote work?*
- 2) *What are the main challenges and disadvantages of remote work?*
- 3) *Which of the leadership styles is the best for remote works leadership? Transformational or transactional?*
- 4) *How different leadership affects the challenges and benefits of remote work?*

The objective of this research is to research what are the effects of the recently popularized option to work remote on leadership and employees, what are the main leadership styles used in remote work leadership, and how the different leadership styles affect employees working remote.

1.3 Structure of the study

The study begins with the presentation of the topic, research questions, and relevancy of the topic. Then begins the theory part which lays the ground for the theoretical framework. This part consists of prior research and literature, which presents all the main topics and viewpoints of certain topics. Remote work is presented first, with the new normal, which describes remote work and all its different styles. This chapter also focuses on Covid-19 and it increasing the amount of remote work and creating the new normal. Then follows the chapters of benefits and advantages of remote work and the challenges and dis-advantages of remote work. These chapters present the main advantages and challenges of remote work, taking also under consideration the effects of Covid-19. These both chapters share some of the same points, which makes the

topic more interesting and due for more research. Then follows the chapter of the main leadership styles of remote work, transformational and transactional leadership styles. These leadership styles are presented with the previous research showing positive and negative effect on remote workers. Again, both leadership styles share a lot of positives and negatives, but also differ and show a lot of consistency in their previous research. After the theoretical part, follows the empirical study, which begins with the presentation of the research methodology and validity and reliability. Then is the data analysis, with conclusion and managerial implications. The study ends with the list of references and appendices.

2 REMOTE WORK

This chapter is built around the concept and definitions of remote work, its advantages and challenges, and the effects of Covid-19 on remote works popularity. Remote work is usually described as a concept where the employees don't travel to the place of work but instead, they work in a place outside of the organization or a usual office space, usually at home. As a way to work remote work is not new, but it has grown significantly in the times of Covid-19 which has forced employees to make a rapid shift away from the traditional office ecosystem, which has brought up several advantages and challenges about remote work. (Anand & Acharya, 2021.)

2.1 Definition of remote work

Remote work is most simply described as being organizational work that is being performed outside of the normal organizational settings of time and space (Klopotek, 2017). Remote work refers to multiple configurations of employment varying from occasional telecommuting to sharing a drop-in basis office space to fully mobile and remote employees (Mulki et al., 2009). The whole concept of remote work is based on the idea that there is no need for work to be done in a certain location or setting, due to the nature of work or compelling factors such as the recent Covid-19 pandemic, and where remote work is an answer as a working practice that encourages employees to work in these settings outside the usual office locations (Prasad et al., 2020). Remote work is also a flexible work arrangement where employees work in remote locations from their organizations without personal contact to other employees and is only able to be in contact with co-workers with the help of technology. Remote work is thus any work performed outside the organization premises utilizing the help of Information and Communication Technologies (ICT). (Mihalca et al., 2021.) Covid-19 has been the main reason for the recent growth of remote work because of the new government regulations regarding social distancing and remote working policies. Organizations must make their employees work remote in order to stop the spreading of Covid-19. (Jones & Schöning, 2021.)

There is a lot of different types of remote work, which are all enabled by the innovations in information and communication-based computer technologies that

make remote work possible. Other popular expressions for remote work are telework, work from home, work from anywhere, and virtual work, which are all on the rise because the advancements in technology and the current situation with Covid-19. (Popovici & Popovici, 2020.) The current era being the digital era is also the reason that some sectors have already taken a part in remote working, which has created some differences in the further adoption of remote work in the times of Covid-19 between sectors. Education sector is one of the main sectors being affected by forcing teachers to teach remotely via virtual sessions. (Stanca & Tarbujaru, 2021). There have also been significant differences between countries with their preparedness with remote work. Countries such as Netherlands and Sweden had 30% of their workforce able to work remotely even before the pandemic (Stanca & Tarbujaru, 2021).

Since the 1990's, remote work has been growing but it still has not gained too much popularity in the eyes of managers and organizations because of the issues related to the monitoring of performance (Saragigh et al., 2021). While technologically there has been advancements which allow remote work, it has not become the preference for organizations and employees until Covid-19 coerced to replace face-to-face work with remote work (Saragigh et al., 2021). Before Covid-19 in 2019 there was an average of 5,4% of employed persons working remote on a regular basis in Europe. The number of employees working remotely has risen from 6% in 2006 to 9% 2019. The highest averages were found to be in The Netherlands and Finland with 14,1% and the lowest in Bulgaria (0,5%) and Romania (0,8%). (Popovici & Popovici, 2020.) In Germany there was already flexible working arrangements in use before the pandemic, especially among the DAX companies (40 major German blue-chip companies trading on the Frankfurt stock exchange). German small and medium-sized enterprises were more reluctant with flexible arrangements because the nature of their work. However, 11,3% of employees in Germany worked remotely before the pandemic, which of 3% full-time and 15% less than half of the time remote working. The European average of remote working employees was 18% which Germany was clearly under, but after the pandemic hit and the European average rose to 35% there has been advancements also in Germany with mobile working. A Forsa study conducted in 2020 found out that 70% of those working in a home office have a high school diploma or a university degree. It is a sign of these jobs being demanding desk jobs that can with the help of technology done also at home. (Steude, 2021.)

Successful implementation of remote work requires technology as mentioned but also a lot of organizational and social support, which means focusing on e-leadership, where digital technology and internet services are again a vital facilitator (Contreras, 2020). Other descriptions of remote work, like e-working, teleworking, and telecommuting, rely heavily on the use technologies. E-worker is usually described as using any type of information technologies for working outside of the organization. This description brings out the nature of location independency the most, while teleworking might instigate more of a travel substitution of work, and describes the work being completely unrelated to location with the help of technology and flexible working practices. (Grant et al., 2013.) Another close description to “e-working” is “work-from-anywhere”, in which the worker can choose the exact location of his living preferences. “Work-from-anywhere” is different from “work-from-home” because it offers also geographical flexibility as well as temporal flexibility and doesn’t tie employees to a location at all. (Choudhury et al., 2020.)

Remote working can be seen as one part of flexible working arrangements such as casual dress day, flexible hours, flexible lunch-hour, break arrangement, telecommuting, part-time work, and job sharing. Working remotely allows the employee to modify how, where, and when the work is carried out. This modifying allows it for employees to meet their demands with the help of technology and helps the organizations to attract employee groups that are under-represented due to limitations such as family responsibilities. (Saragigh et al., 2021.)

2.2 The new normal

Ordinary lifestyle of people globally changed by the outbreak of Covid-19 and brought new procedures to conduct the daily tasks, including all the sectors from less important to the most important such as the health and energy sector. The precautionary measures whose goal were to stop the spread of the virus changed the perception of our daily activities. In order, to not capsize the health sector an artificial coma was put over the economy. This in turn affects all the organizations and forced them to incorporate remote working. So, to say Covid-19 made the organizations to participate in a de facto experiment and quickly made remote working the new normal. (Stanca & Tarbujaru, 2021.)

On March 11, 2020, The World Health Organization (WHO) announced the coronavirus disease outbreak to be a pandemic and gave preventive measures to slow down the spread. Remote working was suggested as one of the important measures which has since been implemented successfully around the world. Before the pandemic, remote working was growing steady globally in different sectors, but the pandemic hit and made it grow rapidly, making the employees now work from outside the traditional office spaces. Outbreak of Covid-19 and the following social distancing rules forced organizations to make sudden and massive changes to the way their employees work. The pandemic made it compulsory for work now to be not limited by location, time, type of communication, and use of information. These changes have affected organizations deeply, changing the relationships between the employers and employees, and bringing along a lot of new threats and possibilities. This new global working norm has been speculated heavily to continue even after Covid-19. (Contreras et al., 2020.)

The phrase “the new normal” is used to describe the time during and after the pandemic as scholars suggest that remote work will remain as a mean to work even after the pandemic (Jones & Schöning, 2021). There are still some necessities for the new normal to take place, such as the organizations allowing constant learning opportunities and ability to adapt to rapid and unforeseen situations. These qualities lay the ground for an organization to maintain safety and encouragement for remote working. Some other points to focus are creating a feedback culture, with open communication and trust, technological advancements, and offering tangible and psychological resources. These points allow great psychological safety for the remote employees. One of the most important changes is the ability for the business model to change quickly through new regulations and changes. (Jones & Schöning, 2021.)

3 BENEFITS AND ADVANTAGES

While there are a lot of challenges and disadvantages with remote work, it also has a lot of benefits, which even usually tend to be same as the challenges. This setting makes the topic interesting and important for further research. This chapter includes the most common benefits of better work and family life balance, flexibility both with geographic location and time management, better productivity, satisfaction, autonomy, morale, and motivation, and lot more of minor benefits. Some of these benefits and advantages are the same as in the upcoming challenges, which shows how the topic of remote work is still new and there aren't any clear rules, and every situation of remote work is different.

3.1 Better work-life balance

The research of Eddleston and Mulki (2017) present the results of a meta-analysis of 46 studies, in which it is demonstrated that working remotely from home decreases work and family conflicts. Also, the more the employee works remote the better the results of decreased conflicts. What is seen beneficial with decreasing work-family conflicts with remote workers is the ability to borrow time from the other role, work, and then help the other, family. This time lending and borrowing is described as the creation of temporal equilibrium. In long run experiments with remote workers, it was discovered that during the day, employees shift back and forth multiple times a day taking care of tasks in work and family roles. In a sense, they are taking multiple "mini-loans" during the day, which they pay back during the same day. This helps the remote employees take care of both lives demands and make sure that issues in one doesn't get to affect the other. (Eddleston & Mulki, 2017.)

Better work-life balance is the best advantage for remote workers, because it allows better chances to plan their own time and to set a better balance between their professional and personal life. Some practical advantages are such as getting to go for a doctor's appointment during the day, helping older family members, and to spend time with family members and see your kids grow without missing work. (Ferreira et al., 2021.) It has also been found that remote employees tend not spend their time on leisure activities that is left free because of remote works advantages, but instead on

household chores or other employed work, especially women. In some cases, the saved time may be redirected into more work, which is also one of the reasons why remote work can be beneficial for both the employee and the employer. (Grant et al., 2013.)

Especially during the times of Covid-19 pandemic some of the employees felt scared and uneasy working at a normal office in case they would get infected with the virus. During the pandemic remote employees felt a positive feeling because they could still work and not worry about the disease as much. That's why they felt safe and secure, and also happy because they could also take care of family demands and their families health. (Saragigh et al., 2021.)

Remote work has been seen to have different perceptions and motivation between gender. While it still the same for both genders that the usual motivation for remote work is the ability to combine work and childcare or family-life, there is still a major difference how men and women end stating their boundaries between work and family-life. Taking care of childcare and household tasks are the main advantage experienced by women and spending more quality time with the family was the main advantage for men. Women perceived remote work as paid work and men as a way to help out more. Both genders still have the same amount of advantages, with only the content being different. (Grant et al., 2013.)

3.2 Flexibility

Flexibility is heavily connected with the previous advantage of better work-life balance, because it also offers more flexibility with the dealing of family demands, because the employee can work from anywhere and anytime (Contreras, 2020). Remote work allows it for the employees to change their working house, working location, balance job resources and demands together with their family and personal life demands, taking care of them simultaneously with the job. Based on individual needs the work may be begun earlier or later and the work can be organized more by the employee themselves, without constant monitoring from the manager. (Saragigh et al., 2021.)

The possibility of remote work offers flexibility in two senses: temporal and geographical. Temporal flexibility offers greater individual productivity because of fewer sick days and reduced commute time. Temporal flexibility also allows the employee to choose their own working hours. Geographical flexibility is the main benefit of remote work because it eliminates the traditional link between your workplace and home and allows the work to be done virtually from anywhere. (Choudhury et al., 2020.) Between the two concepts of work-from-anywhere and work-from-home, work-form-anywhere has slightly better outcomes of 4,4% with employee satisfaction, because it allows more for the employee. Remote work also gives great flexibility in the remote employee's own preferences in their workplace elements, such as music, furniture, clothing, ventilation, and a lot of other stuff, which further on boost comfortability and thus productivity. The option to being able to work form anywhere is also a nonpecuniary benefit which creates different motives from the option of work from home and thus is slightly more desirable amongst remote workers. (Choudhury et al., 2020.) Flexibility also offers the employee to work in a more convenient space and way for them, which allows them to focus better and see improvements in their performance. Remote employees are able also to work more minutes per shift per month, because of fewer sick days, breaks, and flexibility of working hours. (Popovici & Popovici, 2020.)

Remote working offers the creation of own rhythm for the remote worker and also reduces and prevents the amount of distractions from coworkers. During the times when it is difficult to reach the office, remote work and especially the flexibility of it still allows the employees to fulfill their duties and obligations, and thus reduce absenteeism. All these factors result in increased job satisfaction, well-being, and organizational commitment. (Contreras, 2020.) Technology is also a great allowing factor for remote work and flexibility. Work can now be done from anywhere and anytime, and together with greater chances for remote employees to schedule their own life it increases their job satisfaction. (Ferreira et al., 2021.) As said, technology and remote work is a way for the organizations to offer great flexibility for the workers, while improving productivity and reducing costs. There has been seen higher rates of satisfaction with employees who are working remotely. Research done by recruiting agencies have seen up to 85% of those who are seeking work, would rather have a job with flexibility and would stay with them. Other advantages for remote employees are

similar as with the better work-life balance, such as more time spent with family, reduced commute time, reduced stress, flexible working hours, taking care of family and household chores, and taking care of other things during the day. (Grant et al., 2013.)

In the research of Flores (2019) the respondents voted flexible hours being the biggest benefit of remote work with a percentage of 83,72%, with better work-life balance being the second biggest with 76,74%. Remote workers enjoy from the ability to better manage and control your time, having better chances to control your work-life balance, and to not be restricted by a typical nine to five jobs.

Saragigh et al. (2021) reports in their research that over half of their respondents (56%) value flexibility with work and life issues the highest, and as the one thing that gives the greatest job satisfaction.

The research of Klopotek (2017) found out remote workers ranking the advantage of flexible working hours as the most important with 80% and one third of the respondents also mentioning the importance of being able to choose your own workplace influence with the music, furnishings, and room temperature.

3.3 Other

Productivity is one of the main practical advantages of remote work as it has been seen to at least not been impacted and even in some cases being as high as in a normal working setting (Anand & Acharya, 2021). Remote workers can be more productive than normal workers because they are able to work without interruptions from their coworkers and managers, which makes it possible to maximize their time. Technology is the main enabler of this productivity because it still allows the communication between coworkers and managers. Even though the productivity can be mostly from working more hours there has been evidence that the productivity itself has also increased. In the research of Flores (2019) the job productivity and job satisfaction were ranked fourth with a percentage of 53,49%. (Flores, 2019.) Factors that also influence remote employees' productivity are working quietly and without interruptions, making sure that work is done on time, reduced amount of social

processes, lack of the problems of open office like noise and no privacy, and better concentration when writing large documents (Grant et al., 2013). Experiment done in a Chinese company employing over 16 000 employees found out a 13% increase in productivity when put into remote work. The results came from the opportunity to work more minutes per day and from a more convenient and quieter environment, which allows better focus and performance and completing more tasks during the day. (Popovici & Popovici, 2020.)

During the pandemic remote work has seen an increase in the employee engagement from both the employees and the employer's mindfulness (Anand & Acharya, 2021). Greater satisfaction amongst remote workers leads also to greater employee engagement, which means that they have reduced attrition levels and are less amused joining other organizations (Popovici & Popovici, 2020). While remote work increases employee engagement it also attracts a lot of new talented and engaged employees, who will lead to better financial outcomes (Prasad et al., 2020).

One very practical benefit that has significant benefits for the environment and corporate image are the reduced commute times. Because the employees don't have to commute to their workplaces anymore has become a way to boost their organizations image as a green company. There is less amount of pollution caused by the remote organizations, which is both a short and long-term solution to improve the air quality in urban areas and globally. While being a greener option to do remote work it also saves money and time, because it saves money being used to gas and traveling, and the time being saved from traveling which can be used to work, which further on improves productivity. (Contreras, 2020.) The pilot study of Klopotek (2017) found out that 56% of the respondents valued time saving when commuting as the most important advantage of remote work.

Increased work autonomy is a direct benefit from increased flexibility. The employees can through their free choice to influence their workplace, methods, and working time, working rhythm, which leads to higher productivity. Remote work also reduces the amount of turnover intentions and stress. Stress is also reduced through the absence of managers and constant and direct monitoring. (Contreras, 2020.)

Great compilation of remote works advantages is that the employees value having more flexibility, spending less money and time commuting, having more autonomy, and being available to take care of family and personal life demands. These advantages often end up increasing job satisfaction, productivity, lower real estate costs, improved customer service, lower absenteeism, and improved employee retention. (Mulki et al., 2009.)

4 CHALLENGES AND DISADVANTAGES

Remote work is not new as a concept but as the recent times of Covid-19 it has grown rapidly, and it has become the new normal for a lot of companies. The growth has been so rapid and large that it has brought a lot of challenges for employees, leaders, and the companies. While the list of challenges and disadvantages is quite long, so is the list of advantages and opportunities which makes the concept of remote work quite interesting. Some of the following disadvantages and challenges are also listed as advantages and opportunities, which further on raises the importance for the research of remote work

Work and personal life balance, social isolation and lack of communication, work overload and reduced performance, and health problems, are the main challenges for remote workers (Contreras, 2020; Eddleston & Mulki, 2017; Popovici & Popovici, 2020). These challenges are heavily related and usually affect each other. Remote work causes it for remote workers to work from home, which mixes up their boundaries between home and work and thus creates conflicts. When work is at home it is more difficult to disengage from it, which makes remote workers to work longer hours. Communication is done via technology and devices, which is worse with quality and amount, and also misses the physical aspect, which causes more and more social isolation. Conflicts, overwork, and social isolation, create stress for the remote employee, which in turn creates health problems, both physically and the most mentally.

4.1 Balance between work and personal life

One of the main problems that remote work brings upon the employees is work-life balance. Remote work is usually conducted from the employees' home which creates difficult challenges for employees because their work role mixes with their home role. Work is done physically at home which also brings the psychological aspect of it into home and makes the boundary unclear. What makes the work and family life boundary so easily affected is the nature of remote work and family demands which are both mutually incompatible, and which usually leads to negative attitudes, emotions, and behaviors inside the family. Both work-to-family conflicts and family-to-work

conflicts increase, and difficulties to disengage from work-mode to family-mode also increases work-to-family conflicts. It has also been studied that it is more harmful for males' work-to-family conflict to have a strong work-family integration and for females to lack the ability to disengage from work-mode. Remote working thus affects the employee's family role and family life negatively. Remote working has been seen to support gender equality quite well and to amplify the usual gender stereotypes in family settings. (Eddleston & Mulki, 2017.)

Before Covid-19 the emphasis on remote works challenges was on emotional exhaustion, but Covid-19 has shifted the focus on maintaining a healthy work-life balance (Stanca & Tarbujaru, 2021). One very challenging factor for maintaining a healthy work-life balance was the closure of school and childcare during Covid-19. While forced to work from home, the closure of schools and childcare also forced the children of families spend days at home which further on increased the family demands and blurs the border between work and family-life. (Mihalca et al., 2021.) The research of Saragigh (2021) that focused on remote work and its challenges showed that 55% of the respondents that work remotely lived with family concurrently. These employees reported that it is harder to focus and maintain your work performance while providing care for children or other family members. The work-life balance became even worse if there was not any personal space for the remote work itself or access to software. (Saragigh, 2021.)

Remote work often attracts employees because it allows the option to better select the ideal blend between your work and personal life. There has been only little research on this issue and some of the first research even say that remote work and telecommuting reduce work-family conflicts by allowing the employees to better select their working schedule and autonomy. This has since not been the case. Remote workers tend to work longer hours and have difficulties to leave room for their personal life. (Mulki et al., 2009). Working from home also leaves expectations to take care of home and family chores which creates conflicts and disagreements with family members. One factor adding to the conflicts created by work and personal life imbalance is also the difficulty to disengage from work. Remote employees work more hours than they would in a traditional office. They work during the time they would have commuted, on weekends and holidays, when they are sick and would not work

in a traditional office and tend to also check emails even right before going to bed. (Mulki et al., 2009.) Some remote employees tend to form norms and habits that gets them to work smaller effort and longer hours because their work is now physically and psychologically located in their home. This phenomenon is called workplace embeddedness where the distinction of home and work has eroded. (Eddleston & Mulki, 2017.)

According to Mulki et al. (2009) there are three main factors that create the challenge of finding a good balance between work and personal life. The absence of clear boundaries between work and personal life is the first factor. In remote work arrangements the boundaries are not as clearly defined as in a traditional setting where it is easy to see where work starts and ends. Employees need to manage their own time and separate work from personal and family issues. Because of the remoteness, home office, and technology the work is always there. The second factor is the nature of remote work and the lack of communication. The work is carried out in a different way and while there can be even more communication than in a normal setting, the quality of the communication is worse because of being made through technological devices. The third major factor affecting the work-life balance are the psychological demands that remote workers put on themselves. Remote workers demand a lot more from themselves because they try to compensate the lack of visibility and role ambiguity. This results in employees working longer hours and being available for work related things constantly which creates stress. (Mulki et al., 2009.)

The research of Grant et al. (2013) brought up some great points on how remote work affects the employees work-life balance negatively on a very practical level. When employees work remotely from home the boundaries have collapsed between private and work life which allows them to work 24 hours a day seven days a week and do harm for their family relationships and own health. Interviews in the research brought up examples where employees worked 12-14 hours a day, were available always for clients, overworked to relieve stress, and not being as productive because of exhaustion. Employees felt that the constant access of work forces them to work even more, ignore family commitments, and to push them to damage their health and family relationships. Thus, these disadvantages of remote work outweigh the benefits of flexibility. (Grant et al., 2013.)

Before the pandemic there has been proven to be clear benefits for remote workers balance between work and personal life. Remote working arrangements advantages were seen to be allowing the employees to better sort out the time between their work and family-related needs. But now recent studies have shown that remote work might affect the work-life balance negatively. Remote work is also flexible work which might lead up to the intensification of work and working times become more and more irregular and unpredictable, even when the remote workers are highly autonomous and professional. These all affect the work-life balance to become precisely the opposite of balance. (Popovici & Popovici, 2020.) Remote work also invades employee's personal life in the way of work and information overload overlapping with home office work setting, which also raises the question of ethical concerns of leaders. Employees who have exceptional self-regulation and are grateful for remote work tend to achieve greater performance. This is not the case with all the employees which of most face work intensification, burden, and stress, because of the remote work and normative control mechanism settings. (Contreras, 2020.)

Boundary theory is a theory that captures how remote employees maintain boundaries between family and work, and what kind of "mental fences" they build around those boundaries in order to order the world around them. With this theory remote employees build roles between the two, create tools to handle work and family responsibilities, and build work and family relationships and identities. Boundary theory is very similar to the usual work-family border theory, as it focuses on the individuals engaging in daily transitions of roles as part of their organizational life. The theory is based on integration and segmentation between work and family roles. Both integration and segmentation have their benefits and doubts. Integration may improve some work-family conflicts by allowing flexible boundaries and the easy switching of roles and segmentation allows there not be so much negative spillover between work and family. (Eddleston & Mulki, 2017.) There can also be some parts between the work and family relationship that are integrated and some which are segmented. Between genders, the greater integration between work and family roles have been found to be found as harmful for both genders in creating work-family conflicts. Usually there tends to be more border breakers than border keepers with remote workers and their work and family roles. Remote employees' preferences on how they integrate, or segment differs greatly with the amount of conflicts they end up having, but one fact is very usual

between all remote workers, which the difficulty to switch from work role to family role at the end of the day. (Eddleston & Mulki, 2017.)

Another major challenge is social isolation which will cover its own chapter, but it also has a clear connection to work-life balance. Long term isolation from the workplace caused by remote work is a direct reason for the creation of conflicts in the work-life balance. There are also two usual conflicts caused by remote work which are family-work conflict and work-family conflict. In work-family conflict the employees fail to meet their family demands because of the work pressure and inability to shift from work to family mode. It goes the same in family-work conflict where the employee is failing to meet their work demands because of family needs. (Contreras, 2020.)

It should also be mentioned that the employees are not the only ones suffering from work-life boundaries being blurred by remote work. Also, their families are the ones experiencing the conflicts caused the boundaries being blurred and feeling the struggle. The research of Klopotek (2017) shows that 68% of the respondents feel that the biggest disadvantage of remote work is the difficulty in separating home issues from professional issues.

4.2 Social isolation and lack of communication

The second biggest problem and challenge for remote workers is social isolation. Social isolation stems from not having as many interactions with colleagues and especially not face-to-face. This chapter of social isolation is partnered with the lack of communication because they align together and help to cause each other. Worse communication between remote workers help to cause the feeling of social isolation.

A great threat for remote employee's well-being is the feeling of social isolation. Social isolation results from remote workers being away from their work teams and colleagues, which leads to being disconnected, gradual motivation, and lower performance. Social isolation is a part of the reason also that work-life balance gets blurred, and conflicts arise at home. (Contreras, 2020.) Some other reasons for employees experiencing workplace isolation come from the lack of management,

development, and implementation of work policies for remote employees, and organizational expertise (Stanca & Tarbujaru, 2021). Topic very close to social isolation is professional isolation. Professional isolation, like social isolation, comes from working outside of the normal office space, but its own symptoms can be seen to be the feeling of being less noticeable in the workplace, and the reduced professional networking. Employees performance is less visible, which means that the amount and effort of work is not recognized as easy anymore and thus the employee might not receive the appropriate benefit for his efforts. (Klopotek, 2017.) What makes social isolation worrying is its effects on remote employees. Remote employees who suffer from social isolation often feel that they have lower job satisfaction, increased turnover, and lower organizational commitment. Remote employees don't know who to turn to when they come up with questions, they are feeling disconnected from other members of the organization, have no one to turn to present ideas, and needing to wait long times to get advice and support. The lack of support is one of the main reasons why the feeling of social isolation arises. Social isolation is also more common with employees who live by themselves. Social isolation leads to missing both the formal and informal meetings in the workplace, such as meetings and conversations in the coffee room. Some employees consider the informal conversations as the thing that they miss the most, as they bring joy and social aspect to the workplace. (Mulki et al., 2009.)

The low visibility also poses another threat in the sense of not getting enough feedback, which can in turn be detrimental for the remote employee's satisfactory development process (Steude, 2021). Part of remote employees pose the lack of visibility as a major threat. It harms their contributions to the organizations success, career advancement opportunities, and makes them feel that they must work harder than a traditional employee, in order to get recognized. (Mulki et al., 2009.)

The negative effects of social isolation rely heavily on the psychological well-being of the remote employee. Human interaction and a social aspect are needed for the remote employee to be psychologically satisfied, because after all the employee is a human. Thus, social exchange is needed to maintain the employees to not face social isolation. (Prasad et al., 2020.)

While the nature of remote work forces the employees to use technology as the main source for communication between employees, it has become also one of the main pain points for remote employees and their social isolation. Remote workers are forced to engage in a virtual environment, which harms their social interaction with other employees. Employees miss team interactions, gatherings, they feel that the work has become more monotone, employee development opportunities have been reduced, and all-around feeling of boring and non-creative, are all feelings that come along with social isolation caused by remote work. (Anand & Acharya, 2021.)

The study of Grant et al. (2013) proposes some easy tips for helping remote workers conditions in the sense of social isolation and lack of communication. Managers need to take more responsibility of the remote employee's well-being, by creating discussion about social isolation and building of relationships in concurring physical meetings between team members. Technology can be taken advantage to improve communication and social contact but every now and then happening face-to-face meetings are recommended also, with new or less experienced workers needing them even more. Communication should be added when checking on the employee's well-being, workload, and performance. (Grant et al., 2013.)

Challenge that comes hand in hand with social isolation is communication between employees which can be of a worse quality within remote employees. Even though we are living in a digital era with an endless amount of tools for communication there is still a vast amount of communication problems. The most usual reasons for these problems come from not having enough experience operating these tools, network and connectivity problems that may lead to misunderstandings or the connection breaking completely. One big problem for the organizations is also the remote workers own home offices and all the different technologies that they use, which creates more challenges in trying to match all the devices to ensure a working communication. Employees own different kind of devices, which may cause problems if some employees lack visual presentation and thus being unable to see their body language. (Ferreira et al., 2021.) Technology has also been seen to impair performance. If a teleconference is used instead a physical meeting, important body and social cues can be missed. Teleconferences are harder to run because of that and loud people can be hard to stop when they cannot be "waved off" or "given a little kick under the table".

(Grant et al., 2013.) Lack of communication, its bad quality, and the problems posed by technology may also waste the remote employee's time. When remote employees are not connected as well at home as in the workplace a lot of work can be wasted by bad communication. An example of this kind of activity can be a situation where a team brainstorms ideas and the remote employee has worked out ideas that have already been come up with at the workplace and thus wasted time. (Mulki et al., 2009.) Some remote employees have recognized that they have lost on opportunities by not knowing about potential project assignments, important meetings, or new positions, because they had not been informed. Thus, they feel blamed for that they work remote and do harm for their own career advancements and lower performance evaluations. (Mulki et al., 2009.) Workplace isolation can be more harmful for the older employees and other employees if they are not as skillful with technology (Prasad et al., 2020).

The lack of knowledge on how to use the communication technologies leads to more work and to time-consuming operations to educate to use them properly. The virtual communication also makes it more difficult for the managers to understand the situations of their workers in the sense of living, family, and all-around life, and health, which is important for the manager to know. Team cohesion is more difficult to reach if all with the virtual meetings and team sessions. Also, the manager's monitoring ability is increased because of all the technology but it can also lead to understanding employees results wrong in case they have missed an important upgrade or so. Technological monitoring also doesn't give the full picture of the employees' efforts. Virtual communication also has forced the employees to emphasize on the learning of new soft skills, because of all the misunderstandings. (Ferreira et al., 2021.)

The research of Manko and Rosinski (2020) studied the success factors, as well as problems, in managing remote work, and found out results about the problems that technology imposes to communication. They found out that when meetings and group sessions are done remotely, 44% of the respondents answered them going "not clearly as well" and 19% "not quite as well". Communication with customers went 38% "not clearly as well" and 28% "not quite as well". While video conferencing and file sharing have become so effortless with the development of technology, the communication and information there is still work to be done to get rid of the issues.

4.3 Work overload and decreased performance

One of the main reasons for intensified work overload is the difficulty separating work-life balance. When the remote worker does the work from home the boundary between home and work life has become blurred and disengaging from work to home life is difficult. Remote workers feel that because the work is now at home they can't switch off from work and may end up working longer hours. Remote workers may end up working evening and odd hours, on holidays, when they are sick, or working more hours because feeling the sense of guilt for having the opportunity to work from home. These difficulties to disengage from work end up causing problems inside the family and for the personal health of the remote employee. (Eddleston & Mulki, 2017.) Most of the professionals working remotely tend to work longer than they would in a normal office setting, which means during weekends, holidays, and during the time when they would normally commute to work (Mulki et al., 2009). There is a phenomenon among the digitally enabled remote workers called virtual presenteeism, which is also used to describe work overload among the remote workers. While remote work allows the workers to work even when their sick, it is also even worse for their health and performance. (Popovici & Popovici, 2020.)

One minor but essential adding factor to remote employees' workload is the communication that suffers when employees work remote. Even though the technology is in its peak, the communication is still difficult at times, because of network issues, inexperience in using the technologies, which might lead to miscommunication and understanding things wrong and thus to more work. (Ferreira et al., 2021.) Minor disadvantage for remote workers performance is also the fact that their work is more easily being disrupted by family members and issues. Remote employees still feel that family members "interrupt" their work, even though they let work affect over their family-time constantly. (Eddleston & Mulki, 2017.)

Lack of role clarity and role ambiguity are also associated to added work overload. Role clarity means the amount of clarity that employees hold of their own work duties and roles. If there is role clarity, employees understand their duties and know what to do. Role ambiguity instead means that employee hasn't given clear instructions for their work and then might end up investing more resources than might be necessary.

This leads to a situation where the remote employees' experiences work overload, because of bad information and then depletes their resources. (Mihalca et al., 2021.)

4.4 Health problems

Most of the health problems of remote work are caused by stress and over work. Job stress is defined as psychological and psychical response as what the body ends up feeling when it needs to adapt to new situations, which can be real or fake, and negative or positive. (Eddleston & Mulki, 2017.)

One of the most ultimate cases of health problems for remote employees is burnout. Burnout is usually linked with work overload and emotional exhaustion, which are very typical in the negative cases with remote work and workers. Burnout is a state of emotional, physical, and mental exhaustion, which is caused by heavy stress over an extended period of time. (Mihalca et al., 2021.) This kind of stress can be caused by remote work and the over exposure of job demands and working hours, which lead to emotional exhaustion. Symptoms of burnout usually are depersonalization, reduced personal achievements, and inefficacy. Employee experiencing burnout doesn't feel interested by the job and is unable to meet the works demands. Burnout is a serious issue for the performance of the employee and organization, but what makes it serious is that it is heavily related to psychological distress, anxiety, irritability, fatigue, insomnia, headaches, and depression. Work overload is a direct predictor for burnouts because it shows the amount of and difficulty of the work, which then can lead to mental and physical exhaustion. Work overload was during the Covid-19 and still is a key challenge for remote workers. (Mihalca et al., 2021.) Ability to psychologically detach from work is an important skill which will prevent stress and the possibility of burnout. When the remote employee detaches from work, they don't work and get time to recover and alleviate the negative effects of stressful work. (Eddleston & Mulki, 2017.) Some physical problems also that remote workers may face are sleeping disorder, eye-sight problems, neck pain, obesity, stress, and fatigue (Saragigh et al., 2021).

Role clarity is an important factor for employees in their well-being. Up to one third of remote employees list role clarity as an important factor for their ability to cope

with the stress brought on by remote work. (Mihalca et al., 2021.) Role ambiguity and lack of visibility are reasons that remote employees might put more psychological demands on themselves for compensation. Remote employees feel the need to work longer hours, overcommunicate and overpromote their work, in order to become more visible and acknowledged, which puts a strain on their psychological well-being. (Mulki et al., 2009.) Social isolation can lead up several mental issues, such as increased irritability, negative emotions, and extra worry. Together with overwork, social isolation can thus lead to serious mental-health problems. Also, if the remote employee ends up doing too many hours and the work is done sitting, it may end up causing musculoskeletal disorders. (Grant et al., 2013.)

4.5 Other

Work-life balance issued problems, social isolation and lack of communication, work overload and decreased performance, and health problems, are the main problems that remote workers face. While these problems are heavily connected with each other and affect one another, there are a lot more of minor challenges that also harm remote workers.

Due to the digital environment and remote work itself, the employees can face email/data overload, which further on boost work overload and lap with their personal lives (Contreras, 2020).

Remote work has made the work boring, non-creative, and monotone, with reduced employee development opportunities (Anand & Acharya, 2021). Some remote employees have also stated a drop in morale and motivation. Sudden changes in organization during change can result in difficulties maintaining high morale and motivation, especially if the organization faced drops in business or job loss. (Manko & Rosinski, 2020.)

Some remote workers had to face conditions where they had to contend with unpaid leave, pay cuts, or job loss (Mihalca et al., 2021).

Several remote employees have stated that their organizations have had problems taking the remote work policies and practicalities in use. Remote employees have also faced a lot of technical issues, such as not having access to software or network. (Saragigh et al., 2021.) Organizations can't be in charge of remote employees' internet and electricity providers and for the breaks they may cause (Ferreira et al., 2021). The respondents in the research of Flores (2019), which focuses on the advantages and challenges of remote work, found out the challenge of getting the technology to work properly as the second largest challenge with 44,19%. Yet it is extremely difficult for organizations to build a functioning remote work culture, because it comes with a lot of risks and potentials, it affects employee's morale, motivation, and satisfaction, and because it can be hard to observe who is working and how much (Popovici & Popovici, 2020).

5 LEADERSHIP OF REMOTE WORK

This chapter focuses on the main leadership styles usually used in the leadership of remote work. Transformational and transactional leadership styles have been the main styles in remote leadership and while they differ a lot, they both have a great amount of benefits which work great in a remote and virtual setting. Both styles have been studied greatly and have a lot of previous records of positive and negative effects on remote leadership, which makes it an interesting subject and important to research more. It is important to study the leadership of remote work more, because after Covid-19 it has become such a big way of working and needs more evidence on how to lead it successfully. Like the challenges and advantages of remote work itself, transformational and transactional leadership styles share a lot of the same benefits and challenges, and act very differently in different situation.

5.1 Transformational leadership

Transformational leadership is a style where the followers tend up expressing high personal feelings of identification with their leaders and can go beyond self-interest towards a commonly shared vision with their leaders and organizations (Clinebell et al., 2013). Being strongly motivated and inspired to overachieve their expectations is a result of successful transformational leadership. Transformational leadership happens when the leaders manage to elevate and broaden their employees' interests, the groups mission and purpose is being made aware and accepted, and when instead of the employee's self-interest the good of the group is being made more important. (Clinebell et al., 2013.)

Transformational leadership is based on the four components that define the characteristics that a transformational leader should exhibit. These components are idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. These characteristics are defined by Kelloway et al. (2002) as following:

- 1) **Idealized influence:** is the manifestation of idealized influence happens when leaders manage to make improvements in performance by

maintaining consistent behavior, are dependable, and participate in taking risks together with their followers.

- 2) **Inspirational motivation:** occurs when leaders bring purpose and meaning to the work, maintain motivation, and keep introducing challenges. The sum of idealized influence and inspirational motivation is charisma, which is the situation where the leader has managed to arouse their followers by being motivational, visionary, confident, powerful, and captivating. When a leader is charismatic, they are able to use language that is expressive and thus emotionally appealing, and communication, that messages a clear vision related to the values and needs of the followers.
- 3) **Individual consideration:** occurs when leaders simply pay attention individually to their followers and provide support and act as a coach.
- 4) **Intellectual stimulation:** occurs when leaders motivate their followers to take alternative route with problem solving and looking at different solutions and outcomes and help develop new ideas.

Idealized influence is the main attributes for transformational leader because it forms together with inspirational motivation the charisma and is a vital part in creating an atmosphere of collaboration. Transformational leaders who obey these attributes are able to display fairness, dedication, honesty, with other great leader and personal attributes, while highlighting the importance of the organization and the group as whole. These are also the attributes of a leader that is ready to sacrifice himself for the benefit of their group and followers. These attributes make the leader set with high morals and ethical standards, that the followers aspire to be and admire. First, transformational leaders act as a role model, which behaviors, and attributes the followers will acquire. (Parker, 2013.)

Inspirational motivation is important in creating a sense of importance for both the employee and their belonging in the organization, while inspiring and igniting energy within the employee. Inspirational motivation is in its originality future oriented and rooted in the organization's foundation. The leader shares their vision and positive messages about the future in a way that appeals to the feelings and emotions of the followers. Vision about the future is described in a way that is reachable, adaptable, and tangible enough with the employee's skill and talent. Every employee is made felt important by themselves and in the group. The employees share the common goal and feel to be an important part of the group trying to reach it. (Parker, 2013.)

Transformational leaders' skill for individual consideration is based on their skill to form relationships with their followers and recognize their individual needs personally, while providing right kind of support and encouragement. This nurturing and caregiving forms better relationships with the follower and develops them both. While this attribute may require the leader to exceed the boundaries of work, it is still necessary for transformational leader because it builds trust and gets the follower to admire the leader, which leads to better work ethic and attitudes towards work. (Parker, 2013.)

Intellectual stimulation is a way for transformational leaders to foster creativity and challenge old beliefs. Constant offering of new viewpoints and challenging old beliefs allows the room for discussion and growth within the employees, while the diversity of ideas improves the groups and individual employee's problem-solving skills. This attribute of a leader boosts the employees' self-esteem and confidence, and the organizations growth and competitive power. Intellectual stimulation also increases satisfaction, productivity, and team effectiveness. (Parker, 2013.)

A lot of research about transformational leadership has been done in the face-to-face interaction setting, where the leader is present physically with the follower. There have been suggestions that in order for transformational leadership to take place there should be physical interaction into some degree, but in the face of globalization and advanced communication technology that is no longer necessary. Leaders use technology as the main source of communication with their remote employees and

thus is why this kind of leadership is sometimes also referred as “remote leadership”. (Kelloway et al., 2002.)

Transformational leadership in the remote context highlights the importance of trust, social ties and relationships, team cohesion, and motivation. These aspects are so important because in the remote work context the amount of physical face-to-face interaction is minimal because most of the communication is done via technology. This makes it difficult for transformational leaders to maintain trust and relationships and motivate their team members. (Fraboulet, 2021.) Transformational leaders should focus on creating an atmosphere that is trust-based and encourages growth, as both the leader and followers consider the environment and atmosphere being a significant aspect in order to accomplish their objectives. Trust is the main source for reaching common goals and building relationships and effective communication. Also important in the remote setting is the creation of team cohesion and collaboration by the leader. In the virtual environment it is more difficult to motivate and communicate with employees which also forces the leaders to put more emphasis on promoting autonomy, coaching, and the previously mentioned team cohesion and collaboration. (Fraboulet, 2021.) Transformational leaders in virtual settings are perceived to be more centered on relationships and less on the task, and oriented more towards the development of the groupwork and the future itself. Perceptions of transformational leader are more positive, and they are seen not only as intelligent but also as creative and original. (Ruggieri, 2009.)

The research of Mawanda et al. (2012) showed that transformational leadership had a positive impact on remote employees’ job satisfaction. The research was conducted via quantitative non-experimental study and with a multifactor leadership questionnaire it was found out that the four attributes of transformational leadership, idealized influence, intellectual stimulation, inspirational motivation, and individual consideration, were the main predictors of successful leadership. Through these attributes the leadership is effective, employees are satisfied and motivated, and ready to do extra-effort.

The research of Kelloway et al. (2002) showed that transformational leadership was met by the followers with greater satisfaction and interpersonal justice, than other

management styles like transactional leadership and management-by-exception. The followers were sent email from the leaders following the styles of different leadership styles and their techniques. The emails that followed the theories of transformational leadership were perceived to be better and which created more satisfaction and interpersonal justice. The research also stated that transformational leadership has the same effects when it is done electronically with remote workers as when done in a physical office face-to-face. The followers react better to an intelligent and intellectually stimulating email than to a non-intelligent and non-intellectually stimulating one. Employees react to transformational leadership in a similar way as they would in a normal office setting because the attributes and teachings of transformational leadership can also be sensed via remote virtual ways. (Kelloway et al., 2002.)

The research of Lombardo and Mierza (2012) states that transformational leadership tends to lead to increased organizational commitment. The participants of the study were remote workers that currently had a transformational leader. However, their intent to stay working in the organization were more influenced by the mission, the customer team, daily interactions, and by the work itself, than by the management style.

When remote employees are working under a highly transformational leader, they tend to be more effective, generate more original solution, clarifications, questions about possible solutions, and had a higher group potency, than when working under a low transformational leader. Trust is the main reason why the followers of transformational leader can exceed themselves and perform beyond their limits. Trust also affects the employee's personal life and citizenship, which is why transformational leadership has both direct and indirect effect on their performance. Transactional leaders also have effect on their employee's performance through trust, but it is only direct. Remote employees are usually more satisfied and trustworthy with transformational leaders, but there is great difference in the short- and long-term performance of employees under different leadership styles. There has been evidence that in a short-term period transactional leadership style would be more efficient quantitatively and transformational better in the quality sense. (Hoyt & Blascovich, 2003.)

The research of Rathi et al. (2021) supports the previous results of transformational leadership having a positive effect on remote employee's trust, job satisfaction, and extra effort. Especially, during Covid-19 transformational leadership is beneficial because it is based on trust and during difficult times it is extremely important. Trust supports the creation of healthy relationship and work culture. Through motivation and support transformational leaders also reduce the strain levels, increase job satisfaction and self-confidence, and get the employees to extra effort, even during the times of Covid-19.

The research of Fraboulet (2021) points out interesting connections with transformational leadership and its different characteristics. Team cohesion amongst the employees has seen to be a major factor for motivation. If the team cohesion is bad or the employees are unsatisfied, the employees might only focus on their own work and less focus on group and organizational work. Satisfied employees go out of their way and work on stuff that helps other and the whole organization. Good team cohesion improves communication and performance indirectly, because it allows the employees to ask help easier and the opportunity to learn from others. During Covid-19 it more difficult to build a functional team cohesion because most of the interactions are done virtually, which further on increases the importance of team cohesion. Trust was not seen as such an important factor, even though it was still important. Trust made it easier to communicate, relate with goals, and it played a complimentary part with team cohesion and monitoring. Leaders on the research argued that trust shouldn't be use as the sole source for leading because it harms fairness, and it should be use only as complimentary aspect. Greater self-autonomy was seen to increase creativity and out-of-the-box -thinking and team performance. Autonomy should only be increased to a level because too much of it can create confusion and unproductivity. During Covid-19 training and coaching has been important because technological issues, software's, and devices have created a mass of challenges, which have required training and coaching in order to remain productive. Coaching and training are vital for performance and productivity. (Fraboulet, 2021.)

Cognitive effort is increased in virtual setting with transformational leadership and reduced with transactional leadership. Cognitive effort directly affects the decision quality, which also causes more discussion and thus more dissatisfaction with

discussion. This is a direct answer from the leadership styles, because transformational relies heavily on communication and transactional more on action. Both leadership styles still have a net positive effect on discussion satisfaction, both directly and indirectly. (Kahai et al., 2013.)

During the Covid-19 pandemic there has also been some negative perceptions of transformational leadership with remote workers. Jones and Schöning (2021) studied the impact of transformational leadership on remote workers during the pandemic and found out that transformational leadership had negative effects on the remote workers which were less satisfied than without the transformational leadership style. The main reason for this negative outcome was the lack of interaction, trust building between the leader and follower, and the feeling of accomplishment. The leaders were messaging about their vision and future clearly in a motivating and charismatic way, but they didn't address the needs what the followers needed and may benefit from. These factors caused the decrease in job satisfaction. There were also some positives in the research. Psychological safety of the followers was positively affected because the leaders managed to provide support and empowerment to build a secure base, increase their confidence, meet their personal needs, create transparency and trust, and acknowledging the accomplishments of individuals. (Jones & Schöning, 2021.)

5.2 Transactional leadership

Transactional leadership is the other most used leadership model used with remote work. Transactional leadership or also often called traditional leadership is based on the idea of certain underlying transactions between employees and managers. These transactions are further on based on the idea that the employees acknowledge what is required from them in order to be entitled to a reward or compensation for the work they have done. This type of leader-follower relationship relies only on satisfying self-interest which entails a cost-benefit exchange process. (Clinebell et al., 2013.) There are two main ways for the leader to attain goals: contingent reward and management-by-exception active. With contingent reward the employee is rewarded or punished based on his expected performance, which the whole relationship is based on. Things get done in the organization by the leader making and fulfilling promises for employees who are performing well by pay increases, advancements, and other

rewards, and penalizing employees who don't perform well enough. Management-by-exception relies on deviance observation amongst the follower's performance and adequate repay. (Clinebell et al., 2013.) Management-by-exception can further on be divided to passive and active management. Passive management-by-exception is a style where the leader only intervenes when the followers don't fill the required goals and after that uses guidance to improve their performance. If the actions of the employee were unacceptable the leader may punish them. Active management-by-exception instead tries to prevent mistakes from happening and the leader has an active approach. The leader is constantly involved in the work process and monitors the work and then intervenes when rules are being violated in order to prevent bigger mistakes from happening. (Fraboulet, 2021.)

There are two factors that define how well the rewards and penalties work with the employees. The employees need to have the desire for rewards and avoidance of penalties, and the leader needs to have control and power with rewarding and punishing their employees. Rewards, such as, promotions and pay increases are most usually tied strictly to internal policies, regulations, and qualifications, while the penalties are given under only set of regulations. This can lead to a situation where the leader can't reward or punish, because their hands are tied by organizational politics, contract provisions, or inadequate resources. (Clinebell et al., 2013.)

In the leadership of remote employees and with transactional leadership the most common techniques are the contingent reward system and active version of management-by-exception. Acknowledging the achievements of remote employees is required in a remote work setting because it improves their efficiency because of learning through the experience. There is also a positive correlation with contingent rewards and employee commitment. The other beneficial way is the active management-by-exception, as it offers a lot of important feedback for the remote employees. Passive management-by-exception has no prior research showing that it would be beneficial for remote employees. (Fraboulet, 2021.) Transactional leaders are perceived to be more authoritative than transformational leaders, and having better self-esteem, and being more focused on the job in a practical sense (Ruggieri, 2009).

The research of Rathi et al. (2021) further on supports the positive effects of transactional leadership on remote work. Transactional leadership has positive effect on trust, job satisfaction, and extra effort. During Covid-19, transactional leadership style can be a great style because it creates a strong and healthy relationship between the leader and follower through trust and commitment. Even though, the leadership style is based on the idea of carrot and stick, it still enforces the employees to reach extra effort, which further on increases productivity. Giving feedback improves the performance of employees because it points out what is wrong and offers them to change their ways and improve. Feedback should be constructive so it would offer the chance to learn. It is more difficult to give feedback for the leaders in a remote context, because all the informal communications have vanished and the only way to give feedback is through formal messaging. Monitoring was also seen important for team performance with a bigger importance than when working in a normal office. Monitoring has become more challenging, it plays a bigger role, and while some people may still work less than other, it has seen to bring fairness to the workplace and improving productivity. One other factor that has also increased its role during remote work is assigning clear roles and assignments. (Rathi et al., 2021.)

The research of Fraboulet (2021) supports the previous results on transactional leaderships effect on remote employees. Rewards and recognition are important for the employees and the whole organization because they influence motivation, satisfaction, which influence the performance of the whole organization. Rewards and especially recognition also compensate the informal interactions that are reduced in the virtual setting, which increases and maintains motivation. During Covid-19 it was important for the leaders to state clear expectations with goals and objectives. In a changing environment it is important to have clear goals which guides the employees through the process of change. With unclear goals, it is also more difficult to monitor and may lead the employees feeling lost. (Fraboulet, 2021.)

Neufeld et al. (2008) studied the effects of transformational and transactional leaderships styles effects on remote workers and found out several interesting factors for both styles. Their results confirm that transformational and transactional leadership styles both had a positive link with perceived leadership performance and behavior. There was also no influence on performance by physical distance with either of the

leadership styles. It is suggested that distance doesn't have any significant influence because the leaders and followers share a deep level of relational familiarity. When followers know the procedures of how the organization works, they can apply themselves easier in new and unexpected situations, and not let physical distance affect their performance and communication effectiveness. Communication effectiveness was seen to be affected positively by both leadership styles and the only thing mattering the effectiveness was seen to be if the leaders were strong and capable in general. Transformational and transactional leaders communicate both effectively but in a completely different way. Transactional leaders state the goals and expectations in a more precise way and monitor and communicate through the whole process of working. Transformational leaders instead communicate in a way that reflects their charisma, intellectual stimulation, individualized consideration, and a lot of non-verbal communication. (Neufeld et al., 2008.)

The research of Lombardo and Mierza (2012) found out that transactional leadership and its use of transactional psychological contracts caused a decreased intent to stay employed in the organization. When working remotely, the employees don't feel as much of belonging to their employer than they feel towards their customers and customer program.

6 METHODOLOGY

This chapter consists of the methodology of this study, explains it, evaluates it, and shows why it was selected. The nature and diversity of this study supports the methodology of surveys to be used to collect the data and to be then used for further research. This chapter will also present the research questions, the survey, and the different aspects of this study and how they will be combined.

6.1 Research Methodology

The research method for this study is qualitative and for the collection of data a set of online surveys were conducted. The nature of this study is qualitative by its nature as it studies phenomena, perceptions, people, and their actions, which is why this methodology supports the study best. As this study tries to understand perceptions and feelings, and not numbers, the quantitative method is not suitable. The sample of participants consisted of eight people, between the ages of 25-29. Their positions were of a middle to higher middle level in their organizations and whom all were working remotely, either full or part time.

Qualitative research aims to better understand people's behaviors, perceptions, opinions, and experiences, that are not possible with quantitative research. Qualitative research answers to questions why and how people behave in specific-context settings and manages to sufficiently propose a solution to the topics problem and explain it. It also generated more theories and hypotheses for more research and further development of existing ones, instead of testing old ones. Qualitative research also fits to study more specific issues instead of broader topics and explore nuances, because it allows the study of complex, multiple perspective, and deep understanding requiring issues. (Mulisa, 2021.)

Qualitative research is a naturalistic method that is used to better understand phenomena in certain settings, such as which can be happening in the real world. The phenomena that are researched by qualitative measures are not manipulated by the researcher. Qualitative research produces results from real world phenomena occurring naturally, which differs from the quantitative methods way produce results

from statistical procedures, numbers, and quantification. Qualitative research tries to illuminate, understand, and extrapolate, the topics being researched. (Golafshani, 2003.)

The main research questions of the study are the following:

- 1) *What are the main benefits and advantages of remote work?*
- 2) *What are the main challenges and disadvantages of remote work?*
- 3) *Which of the leadership styles is the best for remote works leadership? Transformational or transactional?*
- 4) *How different leadership affects the challenges and benefits of remote work?*

There were multiple survey interviews conducted for this study with several kind of remote workers. The respondents were employed by a different kind of organizations, with different kind of remote work options. The respondents shared a variety of options on how they could work, either remote or in the office, and how much they worked remote and in the office. This offers a lot of good insights for the study and offers to see how these different set-ups affect the respondents.

The sample of participants consisted of eight people, between the ages of 25-29. Their positions were of a middle to higher middle level in their organizations and whom all were working remotely, either full or part time. The roles of the participants were: consultant, tax secretary, senior specialist, marketing trainee, regulatory affairs team leader, customer success manager, junior associate, and operative buyer.

The surveys were conducted via Google Forms -questionnaire. This method allows for a greater amount of data collection in less time, which will offer more results and more room for conversation. The surveys were conducted in Finnish because all of the respondents were from Finland, and most probably not completely aware of the English vocabulary on this research topic. Questionnaires used directly transcribed words and further explanations for the topics, so that they were understood and could

acknowledged taking place in the respondents' organizations. Together with the questions, some of the main topics and concepts were briefly described, so that the respondents acknowledge them and familiarize better with the study and the actions done in their workplace. Questions of the survey that were relevant for the study were open-ended and structured in a way that can provide data for the study. Questions were built around the main research questions of the study.

6.2 Validity and reliability

The verification of this research validity and reliability is done with the help of Morse et al. (2002) five verification strategies. These strategies prove the use of the selected research method and data collection method. The strategies are methodological coherence, appropriate samples, concurrent data collection and analyzing, theoretical thinking, and theory development.

Methodological coherence makes sure that the research question matches the research method, as well the data and way its collected and analyzed. During the research process these methods may change but to reach coherency, they all should support each other. (Morse et al., 2002.) This study and its research questions support the choice of qualitative method because it studies phenomena, people, perception, and opinions regarding remote work and its leadership.

For the sample to be appropriate, there needs to be optimal quality of data with minimum drop and with effective category saturation. This means that the participants and respondents of the study should represent the topic well and have knowledge about it. Both sides, positive and negative, of the studied topic should be represented for the sample to be valid. (Morse et al., 2002.)

The development of the data collection process should consist of concurrent collecting and analyzing. This ensures what is already known and what direction the research can develop in. (Morse et al., 2002.) Data for this research was collected over a long period of time which left room for concurrent development for the data and research quality.

Theoretical thinking means that the already collected data emerges new ideas, which further on gives direction and moves the research forward (Morse et al., 2002). The progress of this study has followed theoretical thinking from the beginning all the way to the end constantly giving it new directions.

The final strategy is the theory development, which means that deliberation is required when moving between the data micro perspective and theoretical macro understanding. This offers the theory to develop in two ways: (1) through the research process itself and not copying the framework to work the analysis; and (2) by further developing and comparing the theory. (Morse et al., 2002.) The whole research has followed the theory development by creating some new and supporting the old results of previous research, by its own research process compared with existing literature.

7 DATA ANALYSIS

The data for this study was collected via Google Forms -questionnaire, which was consisted of questions based on the main and supporting research questions of the study. The questionnaire is listed in the appendices with the refences. The selected participants were known to have worked remote before and or concurrently and thus have experience and knowledge on the topic. They also were employed by a variety of employers and organizations, with different amounts working remote and views on remote work, which gave a lot of different insights and good quality data on the topic of remote work and its leadership. This chapter presents the results of the study.

7.1 The survey

The questions of the survey were the following:

- *Name*
- *Role*
- *How long have you worked remote? During Covid-19 and at the moment?*
- *What are the positives of remote work?*
- *What are the negatives of remote work?*
- *Have you noticed any clear leadership manners or clear ways, that leaders try to improve remote working?*
- *Have you noticed supporting, encouraging, team spirit enhancing leadership, that encourages to reach team goals, and improves satisfaction? If, what kind?*
- *Have you noticed clear setting of goals from the leaders and rewarding when reached or punished when not?*
- *If you have noticed these styles, one of them, both, or a mix of them, which do you see to be more beneficial when leading remote workers? What kind of effects they can have, and can they create more negatives or positives that were listed earlier?*
- *Do you have anything to add related to these topics?*

The survey included 10 questions with follow-ups, and which of seven focused on the topics of the study, and the rest for their names, positions, and chance to add something

related to the study. There were eight participants, with varying roles: consultant, tax secretary, senior specialist, marketing trainee, regulatory affairs team leader, customer success manager, junior associate, and operative buyer.

All of the participants still work remote either part-time or full-time. Many of the participants respond that they used to work much more during Covid-19 and less currently, still most working easily over half of the time remotely.

A little bit more remote work during Covid-19. At the moment, I work two days of the week at the office and three remotely. This is because I can better focus on my work from home.

Two years 100%, because of my studies, with the rest of the staff doing about 80% remote then. Now 30%.

Overall, the quality of the answers varied with most of them being insightful and broad in length, but still, some of them being short and not giving much information, which still in some cases was useful.

7.2 Positives and negatives of remote work

The first part of the question focusing on the study, was about the positives and negatives of remote work. The benefits and advantages, and the challenges and disadvantages were listed on the study earlier in a broad manner, which lays the ground for this part. The meaning of these questions is to find out how the respondents view remote work and how well their perceptions match the previous research and literature on the topic. This part also prepares for the latter part of the survey when the leadership styles are matched with their outcome on the negatives and positives. The questions were simple, but still offered great results.

The positives of remote working saw one factor coming up in majority of the answers. This positive was the time saved by reduced commuting. All the participants, excluding two, listed the advantage of saving time as their main positive. Because, the office is now at their home, they save the time they would usually use to commute,

which shows also in not needing to get prepared for work and as the ease to match your own life with your work life. One participant mentioned alongside with not needing to get ready, that you could even work in your underwear if you please. This came up also in another answer, by it becoming easier to concentrate when you get to create your own comfortable working environment and you can take care of home chores, like have the laundry machine on while you work. Couple participants also listed the quiet of your own home as a positive, because there is no longer the noise and interruptions of an open office to distract you. “100% of focus on your work, without the chaos brought on by an open office”, was the positive listed by one of the participants. While all these listed positives increase productivity and freedom, two of the participants still simply listed the increased freedom, concentration, and productivity as the main positives of remote work.

There is better focus, and you can even work wearing just your underwear. There is no time spent on commuting and getting ready for work.

There is no commute, the timetable is more optimate, there is not any hassle of the open office, which offers better concentration, and you get to create your own comfortable working environment, while you can also simultaneously take care of your home chores, like for example have your laundry machine on.

While in the previous research reduced commute time was a smaller advantage of remote work, ranking after improved work and life balance and flexibility, in this study it was the main positive for the participants. Reduced commute has also a lot of other benefits than the saved time for the remote employees. In her research Contreras (2020) describes the benefits, like as the benefits for the environment and corporate image and the reduced commute times. Since the employees don't have to commute to their workplaces' anymore, reduced commuting has become a way to boost their organizations image as a green company. There is less amount of pollution caused by the remote organizations, which is both a short and long-term solution to improve the air quality in urban areas and globally. Besides the green option benefits, reduced commuting also saves money by reduced gas and travelling expenses, and time being saved which can now be used to work and thus improve productivity. The results of this study also support partly the results of Klopotek (2017), who in their research

found out 56% of respondents valuing the time saved by commuting as an important advantage of remote work.

What came as surprise was the little meaning of better work and life balance, which was already discussed also in the negative sides of remote work. There were only couple remarks of better work and life balance, but it goes in line with the findings of Grant et al. (2013), who found that remote employees tend not spend their time on leisure activities that is left free because of remote works advantages, but instead on household chores or other employed work, especially women. In some cases, the saved time may be redirected into more work, which is also one of the reasons why remote work can be beneficial for both the employee and the employer.

The participants also recognized some minor advantages like the reduced interruptions of home office. This is also recognized by Grant et al. (2013) as the factors that also influence remote employees' productivity are working quietly and without interruptions, making sure that work is done on time, reduced amount of social processes, lack of the problems of open office like noise and no privacy, and better concentration when writing large documents.

The negatives of remote work seemed to share a lot of the results, with most of them concentrating on the lack of socialization, feeling isolated, communication, and time management. All of the respondents listed the lack of socialization and physical interaction with coworkers as the main negative of remote work or at least as one of them. One participant answered that it is the main negative for remote work, but that there is an easy relieve to just go to the office every once in a while, to socialize, if possible, and that they had found a good balance between remote and office working. It was also said that communication becomes harder because you get more passive, harder to contact others, and all-around interaction becomes more difficult. One participant also recognized the difficulty of new employees to get engaged with the organization, its habits, and other workers, in addition with the difficulties of communication and social isolation.

There is lack of work ergonomics, normal interaction with your work community, the new employees have more difficulties to get into the work team, and there no clear boundaries when the workday starts and ends, when the office is at home.

There are more difficulties with time management and getting enough rest during the workday, which shows as often eating lunch at the desk in the middle of work. Development of new ideas has been left in the shadows when working remote, at the office development of new ideas is easier.

Both main challenges of remote work, social isolation and the boundary between work and personal life getting blurry, were recognized. As the previous literature and research review showed the problem of work and life boundary issues was seen to be the more relevant one as the most usual problem of remote workers, but this study saw that its participants faced more problems from social isolation related problems. This is most probably because of the participants age and family situations, or more the lack of it. The study goes well in line with the prior research with that the main challenge was social isolation, with the participants being of age and family situations, who are not capable to being affected as much with the issues of borders being blurred between work and family life.

The challenges of social isolation brought up by the participants go almost directly in line with the description of social isolation issues of remote workers by Anand and Acharya (2021). In their research Anand and Acharya (2021) describe the situation as, while the nature of remote work forces the employees to use technology as the main source for communication between employees, it has become also one of the main pain points for remote employees and their social isolation. Remote workers are forced to engage in a virtual environment, which harms their social interaction with other employees. Employees miss team interactions, gatherings, they feel that the work has become more monotone, employee development opportunities have been reduced, and all-around feeling of boring and non-creative, are all feelings that come along with social isolation caused by remote work.

The previous description captures all the points that this study captured about the main challenge for its participants: the feeling of isolation from their work friends,

socialization, lack of communication, becoming more passive, and feeling that the development of ideas has suffered. These points confirm the results supporting previous research, but also pointing out that for younger people with no particular family life, the issues of social isolation are greater than the ones with work and family issues.

The participants also recognized other minor challenges that they have faced with remote working. Time management has become a challenge, which affects the workload and satisfaction with the job. Difficulties with time management also created difficulties with work and family life with one participant, by making it more challenging to notice when workday starts and ends, when the office is at home. One participant also noticed not getting enough rest and breaks during the remote workdays, by often eating lunch at the desk while working. Development of new ideas and projects has also seen some challenges by remote working.

Like mentioned, the main problems for the participants were social isolation related and the only signs of work and family boundary issues were related to the office being at your home. Therefore, it can be seen that there were also some signs of workplace embeddedness. Workplace embeddedness is described by Eddleston and Mulki (2017) as some remote employees tending to form norms and habits that gets encourages them to work easier and longer hours because their work is now physically and psychologically located in their home. In this phenomenon the distinction between home and work has eroded and is why it is called workplace embeddedness. There were also signs of work overload which is also described by Eddleston and Mulki (2017) as a situation when the remote worker does the work from home and the boundary between home and work life has blurred and disengaging from work to home life is difficult. Remote workers feel that because the work is now at home they can't switch off from work and may end up working longer hours. Remote workers may end up working evening and odd hours, on holidays, when they are sick, or working more hours because feeling the sense of guilt for having the opportunity to work from home. These difficulties to disengage from work end up causing problems inside the family and for the personal health of the remote employee.

These other minor negatives of remote work noticed by the participants were also in line with the previous literature and research, and all the most common challenges of remote work were also seen appearing in this study. The emphasis was on different challenges than with previous research, which brought some good results for this study.

7.3 Remote work leadership

This part of the survey will contain the next three questions about the leadership of remote work. First it was questioned if the remote workers had seen any general ways that the leaders have used to make remote work more enjoyable. After this the two most common leadership styles of transformational leadership and transactional leadership were questioned if they had been used and noticed. These leadership styles were briefly described by their main characteristics, so that they could be acknowledged by the participants and more easily remembered happening in their remote work leadership. This part will also contain the combining factor of the study to see if the participants have noticed these leadership styles, and if, which is the better one, and can the different leadership styles have any effect on the previously listed negatives and positives.

There were several clear and typical ways that leaders have tried to lead remote employees and improve their performance. The most common answer revolved around the added amount of team meetings, personal meetings, and training. Several participants answered their leaders to keeping Teams -meeting with the team and personally to keep up with them, and to encourage the good work. These meetings differ with some having them every morning and some having them monthly for larger issues. These meetings were also mentioned varying if there is lack of employees for some reason, because then they could be used around the day to keep up with the workers. The formality also differs, some being just virtual coffee breaks and some formal conversations to develop ideas and actual work. Some other actions by leaders were noticed, such as the providing of correct technology for remote workers and lunch coupons to increase satisfaction. These actions from the leaders have also been seen as encouraging, supporting, common spirit creating acts that lead to reaching the common set goals and better satisfaction and performance. So, it could be said that

these actions from their leaders have been in a sense transformational and these meeting and constant communication have been their main ways to perform transformational leadership. In addition to these previous actions their leaders have done other minor things, such as creating team chemistry and getting to know other workers by team meeting, especially during Covid-19. Several participants also answered by their leaders encouraging and setting a flexible environment for hybrid working, having “virtual coffees”, and by having informal meeting every Friday afternoon, where refreshments are enjoyed, and weekend plans and discussion not related to work is had.

It is still important even with remote work that the quality and set goals are fulfilled. This encouraged by the leaders with development conversations. I personally have my working methods in good control, so these come pretty much from my inner motivation towards my work.

For example, we have given the right tools and technology to home, so that the remote work would be as good quality as possible. Monthly development conversations with the foreman are held for bringing up any wishes or sorrows if there comes up any.

These actions by the leaders prove that they follow the style of transformational leadership. In the research of Fraboulet (2021) transformational leadership is described in a large manner, which also describes the results of this study very well. In a remote context trust, relationships, social ties, motivation, and team cohesion are highlighted, because the amount of face-to-face interaction is minimal. Most of the communication is done via technology, which makes it harder for leaders to maintain trust and relationships. In these kinds of situations leaders should focus on building an environment that is based on trust, encourages growth, and which helps to reach the objectives. Trust is also the main source for creating effective communication, relationships, team cohesion, and collaboration. All of this is more difficult in a virtual environment which requires extra efforts from the manager. (Fraboulet, 2021.) The leaders of the participants in this study, were focused on adding more open communication with the help of extra meeting, both formal and informal, which goal was to catch up on work, issues, and talk outside of work. These can be seen to fulfill the previous points of Fraboulet (2021) as those means which aim to create trust in a

challenging virtual environment. These actions are also recognized by Ruggieri (2009) who points out that in a virtual setting transformational leaders tend to put more focus on relationships, development of groupwork, and future, than the tasks itself.

The actions related to transactional leadership were not noticed clearly as much as the ones of transformational leadership. Majority of the answers revolved around them not noticing any clear goal or reward setting or rewarding or punishing from reaching or missing on those previously set goals. Same was with the fact that if there were set goals, they were the same as before Covid-19 and remote work. One participant still mentioned that goals are important for their work and if they are not met the reasons behind not reaching them are discussed but still not punished. One participant answered that remote work performance had been measured and further on proved that the performance is at least on the same level as with normal office working. There were a lot of consensuses amongst the answers with punishing and rewarding. Punishing was not seen as correct way to react to under-performance, but instead focus should be put to solve the problem behind it and develop the skills to succeed in the job. Using of the “stick” was also not seen in the workplaces because the performance during remote work has been exceptionally good, and the “carrot” has been proved to work much better. Encouraging leadership style, in this case transformational, was also always seen to be the better one, and which always leads to better results in the long run.

Interesting for this study was the lack of transactional leadership and how much more transformational leadership appeared and had clear benefits. Prior literature and research support the benefits of transformational leadership exceeding the ones of transactional. Possible reasons for the lack of transactional leadership could be the positions of the participants being the ones of higher level inside the organizations, which can direct further research on these subjects.

The set goals are always important to reach and if they are not met, the reasons will definitely be discussed about. In my work information search, working methods, problem solving, and individual decision making are important for reaching the set goals.

The last question of the survey allowed for the participants to add anything they felt necessary related to the topics of the survey. There were some positive and negative things listed. One participant mentioned them only having positive feelings towards remote working, with their setting of week-in and week-off remote working, with the ability to choose to work office full-time if they desire and during the remote week not being monitored too much. Free choice on working either remote or at the office was also seen having positive impact on remote workers. Consequences of too much monitoring from the leaders was listed to be potentially harming because it comes off as too patronizing and lack of trust. These, and if the remote employee is left alone for too long can be risks for the leadership of remote work. Other challenges listed were the training of new employees, social isolation from the work community, and the development of new ideas.

8 CONCLUSIONS

This study had several purposes: to give a look about the state of remote work, its challenges, and advantages, how it's being lead, and is the use of transformational leadership or transactional leadership more convenient in remote work. This chapter compresses the results and presents them with possible reasons. These results also act as the basis for the also being presented managerial implications and possible future research suggestions.

8.1 Conclusions

The theoretical part of this study focused on remote work, its benefits and advantages, and challenges and disadvantages, and remote works leadership, and the two most common styles on it, transformational and transactional. This part also laid the foundation for the theoretical framework, which was later completed by the empirical part and the research itself. The study itself was conducted as a qualitative study, with the help of a survey. This part collected the participants views on the same issues as the theoretical part, with also connecting them and creating new information.

The advantages and benefits of remote work saw differing results from the theoretical part. The main advantage of remote work was the reduced amount of commute, which was also almost unanimously mentioned to be the main advantage. The participants appreciated the saved time from commuting, not needing to get ready for work, and it being easier to match your work and personal life. Remote work also allows better concentration and more comfortable working conditions, because you get to wear what you please and decorate your environment how you please.

The results of the advantages of remote work differed a lot with the theoretical part, as it listed the biggest advantages of remote work being better work and life balance and flexibility, only reduced amount of commuting being a small benefit. This study instead found out its participants appreciating the saved time from reduced commuting, which could also be explained by the participants age and family situations. The participants are of a younger age with no particular family life, and experience more

benefits from saving time, comfortability, and better chances to fit their work and personal life.

The study recognized the main challenge of remote being the feeling of social isolation. The participants felt that the reduced amount of physical interaction, socialization, and communication, were the main challenge and the one which affected their satisfaction with remote work the most. The results were almost unanimous, with nearly all the participants listing social isolation as the main challenge of remote work. Social isolation was also seen to creating other minor problems like it being more difficult for new employees to get into the group and learn the work itself. The second largest challenge listed by the participants was the work and personal life boundary issues. Some participants said it being harder to know when the workday starts and ends, and also time management being harder, which shows as more intense work and usually eating lunch at your desk.

The results of this study differ from the ones of the theoretical part by the social isolation being the bigger challenge than the issues of work and life boundaries. Previous literature and research, like the ones of Mulki et al. (2009) and Saragigh et al. (2021), show that the issues of work and life boundaries to be the more prevalent challenge of remote work with the social isolation coming as the second largest. The possible reasons for the results of this study are the age of the participants being between 25-29, and thus most of them not living the family life yet, which also makes the feeling of social isolation bigger, because of greater chances of loneliness and reduced socialization.

Theoretical part on the leadership of remote work focused on presenting the styles of transformational and transactional leadership and pointed out how they are used and what benefits they possess. Like the research of Ramage (2017) pointed out transformational leadership is usually seen as the better alternative for the leadership of remote work, there is still cases where transactional leadership style has seen better outcomes.

The results of the theoretical part were supported to a large degree. The participants answered that there is much more leadership that follows the style of transformational

leadership and little to nothing the one of transactional. The style of transformational leadership was also appreciated much more by its manners, with it mentioned to always lead to better results in the long run. Transactional leadership was either not seen at all, or it was not seen as a good leadership style at all. The style of transactional leadership and its potential means of punishing and rewarding was not seen as a good way to lead. The participants also mentioned that the use of “stick” is not good for the workers and that if the goals are not met, the reasons for poor performance are discussed in order to develop and reach them again. The results of the theoretical part were almost unanimous that transformational leadership is more usually a better alternative for remote work leadership, but that there are cases where transactional leadership can see better results. This was not recognized by this study, as transactional leadership was not recognized and the participants not valuing the means of it. Transformational leadership appeared mostly as the increased amount of virtual meetings, both formal and informal, virtual coffee sessions, and the leaders supporting and offering help for the remote workers.

This study managed to find out new information by it offering new main challenges and advantages differing from the usual layouts of previous research. Like mentioned, the participants age and family situation were most probably the reason behind these results, which also can offer some future research suggestions and managerial implications.

8.2 Managerial implications

This study and its result can offer a lot of managerial implications for today’s remote leaders. Remote work has increased in the times of Covid-19 and after it to a degree, which means that it should researched a lot more and understood its importance, so that the remote workers could be lead better and see better results.

The results of this study found out that the participants appreciated the advantages and challenges differently from the previous research. This means that there are a lot of differences in the preferences of different age employees, which needs to be understood by the leader and taken under consideration when making decisions. While age is most definitely a differentiating factor, there is a lot of other factors, like family

situations, culture, personality, and a lot of other factors, that affect the employees view of remote work. All these things need to be recognized by the leaders, because they can affect the employee's satisfaction, performance, and motivation with remote work.

The use of transformational leadership should also be studied more in general. This study saw that it is the only leadership style out of the studied two that the remote workers appreciate. In this kind of organizations and positions, where the participants worked, it should be studied especially more, because the nature of the work of a kind, which can only be supporting transformational leadership. While there is a lot of theoretical studies and results about transformational leadership in remote work setting, there should also be done a lot more practical work, because the challenge of virtual leadership changes the nature of leadership completely.

The results of this study should most definitely be noticed by leaders. The main challenge of social isolation and the main advantage of reduced commuting should be taking advantage of by leaders whose remote employees consist of similar people like the participants of this study.

8.3 Limitations and suggested future research

This research was based on a small number of participants, who conducted a survey, which had advantages for the results, but could also be seen as a limitation. The sample of participants was quite narrow, only focusing on employees aged 25-29, who were employed in positions of middle level to higher middle level in various organizations. On one side, this gave the research much more precise insight on this sector but leaves the comparison to other groups out of further inspection. The research also faced limitations from resources, mostly being time, which pushed the study towards simple qualitative study method, like survey. Further on interview, face-to-face, would offer much more insight on the issue, and could better understand and link up the challenges and advantages with the best style of remote leadership.

Suggestion for future research that arose from this research would be to study more the levels of organizations and their leadership styles. This study saw that its

participants only faced transformational leadership and saw it being the only useful style, especially in the long run. This lays a good ground on the studying of how the different levels of organization are lead, because the participants in this study were all in the middle or higher middle level positions in their organizations. Could lower levels of organizations face more transactional leadership and the higher levels more transformational? Also, this study had its participants between the ages of 25-29, which is quite narrow and could be seen as a good sample of one age group. This raises questions about if different age groups could perceive the challenges and advantages of remote work and the best leadership style differently.

These are the suggestions that arose purely from the results of this study, but there are a lot of other suggestions for future research of remote work, because of its current popularity. Different kind of organizations, with different settings, should be studied separately and together. Remote work and its leadership should be studied globally with different cultures. Remote work has increased extremely during Covid-19, which has made it a new normal and made much of the employees work remote. This and all the other variables have made it an important area of research, which should be studied more. While the theoretical base should be built for remote works challenges and advantages, the practical side for the employees and managers should also be studied.

The nature of remote work and leadership all around means that there should be also focus on studying the different leadership styles on their own but also together and especially in a way that would combine them or at least their best parts.

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APPENDIX 1**THE QUESTIONS OF THE SURVEY**

1. Name
2. Role
3. How long have you worked remote? During Covid-19 and at the moment?
4. What are the positives of remote work?
5. What are the negatives of remote work?
6. Have you noticed any clear leadership manners or clear ways, that leaders try to improve remote working?
7. Have you noticed supporting, encouraging, team spirit enhancing leadership, that encourages to reach team goals, and improves satisfaction? If, what kind?
8. Have you noticed any clear setting of goals from the leaders and rewarding when reached or punished when not?
9. If you have noticed these styles, one of them, both, or a mix of them, which do you see to be more beneficial when leading remote workers? What kind of effects they can have, and can they create more negatives or positives that were listed earlier?
10. Do you have anything to add related to these topics?