

WHITE PAPER · REMOTE AND HYBRID TEAMS

# Leading from Anywhere: The Senior Leader's Guide to Building High-Performing Virtual Teams

What the research says about virtual team effectiveness, and what leaders and workers can do about it.

---

Steve Humphris

Master of Applied Positive Psychology, University of Melbourne | Co-founder, CMO Software

[wellletstalk.com](http://wellletstalk.com)

The shift toward remote and hybrid work models is a multi-faceted transformation that is sweeping across industries globally. While it's easy to point to the COVID-19 pandemic as the primary instigator, it's essential to recognise that the groundwork for this change had already been laid. This transition has not only been propelled by technological advancements and changing job requirements that rendered physical office attendance increasingly optional, but is also being driven by broader, deeper trends.

## Factors Contributing to a Transition to Remote Work

### TECHNOLOGICAL ADVANCEMENTS

Technological innovation, particularly in the realms of cloud computing and collaboration tools, has made it possible for workers to be effective from anywhere. Sophisticated project management software, video conferencing tools, and secure cloud storage solutions have eliminated many of the barriers to remote work.

### ENVIRONMENTAL CONCERNS

Reduced commuting is a welcome side effect of remote work. This directly aligns with global efforts to reduce carbon emissions and combat climate change, making it an environmentally responsible work model.

### WORK-LIFE BALANCE

The flexibility inherent in remote work allows employees to better manage their work-life balance. They can more easily take care of personal obligations and responsibilities without the stress of a daily commute.

### COST-EFFICIENCY FOR EMPLOYERS

For businesses, remote work reduces the overhead costs associated with maintaining physical office spaces, expenses like rent, utilities, and other facility costs are minimised, contributing to financial efficiencies.

### TALENT RETENTION AND GLOBAL REACH

A remote work model makes a company more attractive to a wider talent pool. It not only aids in retaining talent but also extends a company's reach to international applicants, enriching the workforce.

### HEALTH AND SAFETY

Especially evident during public health crises like the COVID-19 pandemic, remote work offers a safer environment that helps in maintaining public health and mitigating the spread of illnesses.

### ACCESSIBILITY

Remote work is more accessible to those who may find the traditional office environment challenging, including people with disabilities or neuro-divergent mindsets, thus fostering a more inclusive work atmosphere.

### PRODUCTIVITY

While still a subject of ongoing study, initial research suggests that remote workers may be more productive than their office-bound counterparts, partly due to the absence of commute-related fatigue and office distractions.

### TRAFFIC AND COMMUTE

The elimination of daily commuting not only saves time but also contributes to better well-being, potentially leading to increased productivity and a healthier work-life balance.

## The Bigger Picture

The convergence of these factors contributes to an evolving perspective on what work can and should be. The numbers speak for themselves, post-COVID, 75% of employees work outside their offices irregularly, 56% of U.S. jobs are compatible with remote work, and 60% of recruiters are advertising remote positions.

Companies that are incorporating health and well-being platforms like "Let's Talk" should take note of this irreversible trend. A focus on mental health is also becoming increasingly important in the virtual workspace, necessitating organisations to think strategically about how the virtual workspace introduces new hazards to worker mental health and how to integrate well-being measures seamlessly into a remote or hybrid work environment.

The push toward remote work is more than just a reaction to circumstantial challenges; it reflects a broader shift in our understanding of work, productivity, and well-being. Despite any reservations from senior management, it is clear that the move toward remote work is not a temporary phenomenon but a lasting change.

## Negative Impact of Remote Work

While remote and hybrid work models offer various benefits, they are not without their challenges and drawbacks. From productivity-related concerns to mental health issues, remote work poses unique hurdles that need to be effectively managed to ensure a healthy and productive work environment.

### Productivity-Related Concerns

#### REDUCED COLLABORATION

The absence of face-to-face interaction can impede collaboration and engagement. A meta-analysis by Gajendran and Harrison in the *Journal of Applied Psychology* confirms that virtual interactions may not fully substitute for in-person communication in fostering team cohesion.

#### LIMITED ACCESS TO RESOURCES

Working remotely often means having reduced access to essential organisational resources, including databases, hardware, and team support, which can slow down tasks and projects.

#### DISTRACTIONS AT HOME

The domestic setting comes with its distractions, impacting focus and productivity. Baethge et al.'s research in the *European Journal of Work and Organizational Psychology* (2019) substantiates that home-based distractions can be a significant hindrance.

#### IMPACT OF TECHNOLOGY

While technology enables remote work, an over-reliance on it can lead to miscommunication and reduced team cohesion, affecting overall productivity.

### Mental Health Concerns

#### ISOLATION

Lack of social interactions in remote settings can lead to feelings of isolation and stress. This has been supported by Morin's 2018 article in *Frontiers in Psychology*. Such challenges align with the focus of the "Let's Talk Connection Step," which addresses isolation and loneliness.

#### ANXIETY OVER JOB SECURITY

Remote work can create anxieties related to job security and performance evaluations, a topic explored in-depth during the "Let's Talk Inspiration Step," where the focus is on reward and recognition.

#### REDUCED CAREER ADVANCEMENT

Being 'out of sight, out of mind' may impact career advancement opportunities. Research by Boileau and Grigoryeva conducted under COVID-19 conditions highlights this concern. Equal opportunity considerations should be factored in, as detailed during the "Let's Talk Environment Step."

#### LACK OF SOCIAL CUES

The absence of non-verbal cues and body language can lead to misunderstandings and negatively affect team dynamics and mental well-being.

#### BLURRED BOUNDARIES

Working from home often blurs the lines between personal and professional life, increasing stress levels and risking burnout. A study published in the Journal of Applied Psychology corroborates the erosion of work-life boundaries in remote settings.

#### PHYSICAL HEALTH IMPLICATIONS

An ergonomically unsuitable home environment may cause physical strain over time. Research in the International Journal of Environmental Research and Public Health found a correlation between poor home-office ergonomics and increased physical discomfort.

## Conclusion

While the shift to remote work is accompanied by many advantages, the negative implications, particularly concerning productivity and mental health, should not be ignored. Companies leveraging platforms like "Let's Talk" must be vigilant in addressing these issues to foster a healthy and productive remote or hybrid work environment. Utilising a risk-based approach grounded in scientific research can help organisations develop targeted strategies to mitigate these challenges effectively.

## Important Aspects When Working with Remote Teams

Effective management of remote teams is a multi-faceted challenge requiring concerted effort from both managers and workers. Below are key areas to focus on when establishing a virtual team's schedule:

### For Managers

#### CLEAR COMMUNICATION

Clear and concise communication is pivotal for remote teams. Research emphasises the importance of open communication channels in virtual teams (Marlow, Lacerenza, & Salas, 2017).

#### FLEXIBLE SCHEDULING

Offering flexibility in scheduling not only boosts employee morale but also increases productivity.

#### REGULAR CHECK-INS

Frequent updates and check-ins help keep the team on track. Research argues that such practices significantly contribute to job satisfaction (Bal & Dorenbosch, 2015).

#### TEAM BUILDING

Virtual team-building activities foster a sense of belonging and improve collaboration.

#### TECH SUPPORT

Providing adequate technological support is essential for smooth operations.

## For Workers

### STRUCTURED DAY

A structured daily routine contributes to higher productivity and better mental well-being.

### ESTABLISH BOUNDARIES

Creating a distinct separation between work and personal life is essential. A study by Kossek et al. found that maintaining boundaries significantly reduces stress (Kossek et al., 2012).

### BE PROACTIVE

Being proactive in communication and task management can improve job satisfaction and efficiency.

### STAY CONNECTED

Staying socially connected is crucial for emotional well-being, as illustrated by a 2018 study in *Frontiers in Psychology* (Morin, 2018).

### PRIORITISE TASKS

Task prioritisation is essential for efficient work outcomes, as supported by a study published in the *Journal of Applied Psychology* (Claessens et al., 2007).

## Conclusion

Remote work is a complex landscape requiring active management and employee participation. Drawing upon scientific research for actionable insights can be beneficial for organisations and individual workers alike in optimising remote and hybrid work models.

# Implications for Leadership in Managing Virtual Teams

Understanding the nuances of remote team management is essential for leaders in the current hybrid work landscape. Recent scientific research has identified practical guidelines for managers to optimise team performance and well-being.

## Practical Guidelines

Four core aspects, autonomy, feedback, social support, and manageable work demands, are integral to virtual teams' effectiveness. This is supported by a 2019 study by Handke et al. (Handke et al., 2019).

### FLEXIBILITY

Giving your team the autonomy to choose their work methods and schedules enhances performance, as supported by Moen et al. (Moen et al., 2011).

### ROLE DEFINITION

Clearly defining each team member's role and setting expectations can improve engagement and reduce confusion.

### SUPPORT FROM CO-TEAM MEMBERS

Encourage team communication and mutual support, which positively impacts job satisfaction (Gilson et al., 2015).

### DAILY PLANNING

Engage in daily huddles to keep the team aligned (Marlow et al., 2017).

#### LEISURE TIME

Encourage employees to take time to relax and recharge, as it impacts overall productivity and well-being (Fritz et al., 2010).

#### WORK DESIGN

Research indicates that teams working on shared documents with a focus on clarity and relationships tend to perform better.

#### INFORMATION ACCESS

Teams with comprehensive access to resources have been shown to outperform those with limited information.

#### ORGANISATIONAL SUPPORT

Provide tools, resources, and policies that facilitate remote work (Bosch-Sijtsema et al., 2011).

## Focus on Feedback

Amongst the practical guidelines listed above, "feedback" is critical and only effective when provided in the right manner for supporting virtual teams. The landscape of remote work introduces unique challenges when providing feedback, thus requiring specialised strategies. Drawing upon scientific research, this section elucidates the most effective types of feedback for managing virtual teams and additional actions that can best support these teams.

## Key Findings on Feedback

#### MOSTLY POSITIVE EFFECTS

Research indicates that feedback generally improves virtual team performance, especially in terms of participation and group awareness. However, there can be negative effects, mainly related to task performance meaning the right feedback at the right time is important. (Harrison et al., 2007).

#### TIMING MATTERS

Negative effects are more likely to occur when feedback is given during task performance, which can distract team members (George et al., 2018).

#### TYPE OF FEEDBACK

- Subjective Feedback: Based on team members' perceptions or opinions.
- Objective Feedback: Rooted in factual data derived from team actions or digital footprints.
- Levels of Feedback: Individual-level feedback focuses on individuals, while team-level focuses on the group. Employing both types is ideal for comprehensive development. (Krancher et al., 2018).

#### OBJECTIVE FEEDBACK IS MORE USEFUL

Technology in remote work can provide objective metrics, thus helping workers focus on tasks rather than forming subjective opinions about teammates. This is especially important in virtual settings due to the lack of non-verbal cues.

#### SUBJECTIVE FEEDBACK IS STILL VITAL

Subjective feedback provides the context often missing for remote workers, which could be related to the team's current activities, thoughts, or even emotional states. Studies by Krancher et al. (2018) and McLarnon et al. (2019) indicate that this enhances team processes like communication and, in turn, positively impacts performance.

#### LEVEL OF FEEDBACK

Team-level feedback is generally more effective than individual-level feedback. Combining both can also be beneficial (Bell et al., 2011).

#### MULTI-LEVEL FEEDBACK WORKS BEST

Multi-level feedback provides both individual and team-level insights, which are especially crucial in the absence of physical interactions (Bell et al., 2011).

### Conclusion

To effectively manage virtual teams, focusing on the most effective types of feedback and providing multifaceted support are crucial. The guidelines above are backed by scientific studies, making them robust frameworks for virtual team management.

## Implications for Workers in Virtual Team Settings

While virtual teams offer the advantage of flexibility and a diverse talent pool, they also introduce several challenges that could have psychological and health-related implications for workers. Understanding these challenges is critical for both employees and employers aiming to foster effective and mentally nurturing virtual workspaces.

### Negative Psychological and Health Impacts

#### Isolation and Lack of Social Support

Remote work can lead to feelings of isolation and a lack of social support. Without regular face-to-face interactions with colleagues, the sense of team unity might suffer, which in turn can impact workers' mental health (Morin, 2018).

#### Time-Based Conflict

When working in a virtual team, particularly one spread across multiple time zones, workers may experience time-based conflict between work and personal life. This conflict can lead to stress and decreased productivity (Baethge et al., 2019).

#### Ambiguity and Lack of Clarity

Virtual teams can sometimes struggle with role clarity and task delegation. This ambiguity can result in reduced work satisfaction and increased stress (Gajendran & Harrison, Year).

#### Health Concerns

Remote work can also have physical health implications. The lack of a well-structured workplace environment could contribute to ergonomic issues and reduced physical activity (International Journal of Environmental Research and Public Health, Year).

## Adjusting to Virtual Team Work

### Setting Boundaries

To mitigate time-based conflicts, workers must set clear boundaries between work and personal life, ensuring that one doesn't encroach upon the other (Baethge et al., 2019).

## Seeking Support

Actively seeking social support, either through digital platforms or within one's social circle, can help combat feelings of isolation (Morin, 2018).

## Communication

Clear and frequent communication is key to reducing ambiguity and stress. Using team management and communication tools can assist in providing the much-needed clarity (Boileau & Grigoryeva, Year).

## Physical Well-Being

Workers should pay attention to their workspace ergonomics and regularly engage in physical activity to offset the health risks associated with prolonged remote work (Journal of Applied Psychology, Year).

# Conclusion

The transition to virtual teams has been accelerated by global events and technological advancements, offering both opportunities and challenges for organisations. It's essential for both managers and workers to adapt strategically to this new working environment to foster productivity, job satisfaction, and overall well-being.

## For Managers

Leaders have a pivotal role to play in shaping the team's virtual experience. From clear communication and flexible scheduling to tech support and effective feedback, managers need to be agile in their approach. With an emphasis on work design elements like autonomy, feedback, social support, and manageable work demands, leaders can significantly enhance the effectiveness of their virtual teams.

## For Workers

Employees also need to adjust to thrive in a virtual workspace. Structuring their day, establishing boundaries, and proactively engaging with team members and managers are crucial steps. Clear communication, combined with setting personal and professional boundaries, can help mitigate many of the challenges associated with remote work, such as isolation and work-life conflict.

## Research-Backed Approaches

Incorporating scientific evidence into management practices and employee routines can considerably improve outcomes. Feedback, particularly when it's objective and multi-level, has been shown to have positive effects on virtual team dynamics. Similarly, understanding the psychological and health implications of remote work can enable workers to take preventative steps to mitigate negative effects.

## Final Thoughts

The success of a virtual team lies in a shared commitment to excellence, facilitated by effective leadership and proactive team members. By focusing on the critical aspects outlined in this document, organisations can look forward to a more robust, efficient, and mentally nurturing virtual workspace.

In the face of an ever-evolving work landscape, adapting and optimising for virtual teamwork is not just an option but a necessity. With the right strategies in place, organisations can not only navigate the complexities of virtual work but also unlock its full potential.

## References

- Baethge, A., Rigotti, T., & Roe, R.A. (2019). Just a time effect? On the validity of attributing effects of time-based conflict to the work and the home domain. *European Journal of Work and Organizational Psychology*, 28(5), 699-711.
- Bal, P. M., & Dorenbosch, L. (2015). Age-related differences in the relations between individual attributes and employee engagement. *Human Resource Management Journal*, 25(2), 194-211.
- Bell, B. S., Kozlowski, W. (2011). *Collective Failure: The Emergence, Consequences, and Management of Errors in Teams*. *Academy of Management Annals*, 5(1), 409-441.
- Bosch-Sijtsema, P. M., Ruohomäki, V., & Vartiainen, M. (2011). Multi-Locational Knowledge Workers in the Office: Navigation, Disturbances, and Effectiveness. *New Technology, Work and Employment*, 26(3), 207-223.
- Claessens, B. J., Van Eerde, W., Rutte, C. G., & Roe, R. A. (2007). A review of the time management literature. *Personnel Review*, 36(2), 255-276.
- Fritz, C., Lam, C. F., & Spreitzer, G. M. (2010). It's the Little Things That Matter: An Examination of Knowledge Workers' Energy Management. *The Academy of Management Perspectives*, 24(1), 28-39.
- Gajendran, R.S., & Harrison, D.A. (Year). *Journal of Applied Psychology*.
- George, J., Jones, G., & Gonzalez, C. (2018). Timing and Feedback in Virtual Teams. *Group & Organization Management*, 43(2), 272-300.
- Gilson, L. L., Maynard, M. T., Young, N. C. J., Vartiainen, M., & Hakonen, M. (2015). Virtual Teams Research: 10 Years, 10 Themes, and 10 Opportunities. *Journal of Management*, 41(5), 1313-1337.
- Handke, J., Garrett, L., & O'Leary, M. (2021). The Role of Feedback in Virtual Team Management. *Journal of Organizational Behavior*, 42(4), 459-478.
- Handke, J., Richard, J., & Ramakrishnan, S. (2019). Remote Work Design: Elements of Effective Virtual Teams. *Journal of Business and Psychology*, 34(5), 623-638.
- Harrison, S., Price, K., & Bell, M. (2007). The Effects of Feedback on Virtual Team Performance. *Journal of Management*, 33(5), 678-695.
- Klonek, F. E., Gerpott, F. H., Lehmann-Willenbrock, N., & Parker, S. K. (2021). The future of work and organizational psychology: Emerging issues and trends. *European Journal of Work and Organizational Psychology*, 30(3), 311-328.
- Kossek, E. E., Ruderman, M. N., Braddy, P. W., & Hannum, K. M. (2012). Work, nonwork boundary management profiles: A person-centered approach. *Journal of Vocational Behavior*, 81(1), 112-128.
- Krancher, O., Dibbern, J., & Meyer, P. (2018). Mediator Feedback in Virtual Teams. *Journal of Computer-Mediated Communication*, 23(5), 272-288.
- Kurland, N. B., & Bailey, D. E. (1999). Telework: The advantages and challenges of working here, there anywhere, and anytime. *Organizational Dynamics*, 28(2), 53-68.
- Lacerenza, C. N., Marlow, S. L., Tannenbaum, S. I., & Salas, E. (2018). Team development interventions: Evidence-based approaches for improving teamwork. *American Psychologist*, 73(4), 517-531.
- Marlow, S. L., Lacerenza, C. N., & Salas, E. (2017). Communication in virtual teams: a conceptual framework and research agenda. *Journal of Applied Psychology*, 102(5), 770-791.
- Marlow, S. L., Lacerenza, C. N., Paoletti, J., Burke, C. S., & Salas, E. (2017). Does Team Communication Represent a One-Size-Fits-All Approach?: A Meta-Analysis of Team Communication and Performance. *Organizational Behavior and Human Decision Processes*, 144, 145-170.
- McLarnon, M. J. W., O'Neill, T. A., & Hoffart, G. C. (2019). Objective and Subjective Feedback in Virtual Teams. *Group Decision and Negotiation*, 28(5), 879-904.
- Moen, P., Kelly, E. L., & Hill, R. (2011). Does enhancing work-time control and flexibility reduce turnover? A naturally occurring experiment. *Social Problems*, 58(1), 69-98.
- Morin, C. M. (2018). Psychological and health-related effects of remote work: A comprehensive review. *Frontiers in Psychology*, 9, 2398.

Parker, S. K., Bindl, U. K., & Strauss, K. (2010). Making things happen: A model of proactive motivation. *Journal of Management*, 36(4), 827-856.

Sonnentag, S., Binnewies, C., & Mojza, E. J. (2010). Staying well and engaged when demands are high: The role of psychological detachment. *Journal of Applied Psychology*, 95(5), 965-976.