



SCHOOL OF
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MANAGEMENT

Managing Teams in the Hybrid Work Environment

*A Qualitative Study on Team Leaders' Perspective in Managing Knowledge-Intensive Teams
in the Context of the "Big Four" Consultancy Firms in Germany and Sweden*

Master Thesis

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Abstract

Title: Managing Teams in the Hybrid Work Environment - A Qualitative Study on Team Leaders' Perspective in Managing Knowledge-Intensive Teams in the Context of the "Big Four" Consultancy Firms in Germany and Sweden

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Purpose: The purpose of this study is to explore the contingencies of a hybrid work environment for managers and teams in knowledge-intensive firms, more specifically in consultancies. The aim is to evaluate the type of leadership behavior that is facilitated by the hybrid work environment and how the existing team dynamics translate into and influence the experience of hybrid work.

Theoretical Lens: This study is examined from the Hersey and Blanchard's Situational Leadership Theory and Tuckman's Stages of Group Development.

Methodology: Qualitative multiple-case study with an abductive research approach.

Empirical Foundation: All empirical data was collected through ten semi-structured interviews with senior managers or directors employed at one of the respective "Big Four" consultancies in either Germany or Sweden.

Findings: Analyzing the empirical data uncovered team leaders' understanding of managing their consultant teams in respect to cooperation, team cohesion, client interaction, communication, networking and how employees think and feel about the hybrid work environment.

Conclusion: The conclusions drawn from this study propose that a supportive leadership behavior is considered appropriate to lead knowledge-intensive teams since the findings indicated that consultants have a moderate-high level of knowledge and skills to accomplish tasks but a variable level of commitment. Moreover, for teams that have an established unity and a clear intra-group structure, a greater degree of flexibility seems suitable, and these teams are indicated to be able to reap the benefits of hybridity.

Keywords: Hybrid Work Environment, Knowledge-Intensive Firms, Managerial Leadership, Team Leadership

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List of Abbreviations

Big Four	Deloitte, Ernst & Young, KPMG, PricewaterhouseCoopers
EY	Ernst & Young
ICT	Information and Communication Technology
KIF	Knowledge-Intensive Firm
PwC	PricewaterhouseCoopers
SLT	Situational Leadership Theory

1 Introduction

1.1 Background

The way in which people work has already been changing for several years (Bell & Kozlowski, 2002). A transition from the traditional, collocated work setting to a more virtual one already began in the 1970s as the developments in the information and communication technology (ICT) provided the foundation of a new workplace. Technologies such as desktop video conferencing or collaboration software enabled the change for organizations to become less constrained by geography and time and opened the doors for flexibility, collaboration, and productivity to approach a new potential of work (Di Martino & Wirth, 1990; Townsend, DeMarie & Hendrickson, 1998).

Digitalization has been identified as one megatrend that impacts the status quo of the business landscape. The rapid acceleration of information technology and the growing internationalization of markets forced many organizations to adapt their organizational processes and structures and integrate digital technologies (Glückler & Armbrüster, 2003; Soderholm, Parida, Johansson et al., 2018). These technological changes sparked the prevalence of virtual work environments where employees work together from dispersed places by using advanced technologies (Bell & Kozlowski, 2002; Raghuram, Garud, Wiesenfeld et al., 2001).

The recent Covid-19 crisis has disrupted society and business activities considerably. Governments have implemented lockdowns and social distancing measures to avoid physical contact and reduce the spread of the virus (ECDC, 2021). Also, organizations faced increased complexity requiring executives to implement adaptive solutions quickly (Uhl-Bien, 2021). During this situation, firms mandated their employees to work from home. Teams who have been used to work together in a physical office environment were separated and thereby, interpersonal interactions had been thoroughly altered (Bailey & Breslin, 2021). Hence, the Covid-19 pandemic can be considered a catalyst that led to a widespread transition into virtual work for many organizations (McKinsey, 2020).

There will be no generic solution for how work should be conducted in the post-pandemic future due to different circumstances for every organization, culture, and individual employee (McKinsey, 2020). However, many organizations consider the 'next normal' by shifting to hybrid working models where teams combine in-person work with virtual collaboration (Hooijberg & Watkins, 2021). This aligns with changing employee expectations as many value

flexible work arrangements for the future (Microsoft, 2021). Indeed, this change to hybrid working schedules impacts how firms operate and the relationships between executives and employees (Contreras, Baykal & Abid, 2020). Considering recent data, nine out of ten managers envision a hybrid working model for the post-pandemic future (McKinsey, 2021b). However, McKinsey (2021a) also found out that most C-level executives believe that the main center for work will still remain the company's office. Moreover, a survey with these interviewed C-suite respondents shows that 88 percent state that they expect employees to work from the office three or more days a week for the post-pandemic future.

Effective team management in such a hybrid work setting demands a shift in how team leaders work as it differs from on-site work (McKinsey, 2021b). Management may need to rethink its approach in coaching, leading and motivating employees (McKinsey, 2022; Uhl-Bien, 2021) in the hybrid work environment as the prevalent setting limits the utility of existing knowledge and experiences in team leadership (Contreras et al., 2020).

1.2 Problem Statement

The rising interest in leadership when working from dispersed places (Contreras et al., 2020) has contributed to a deluge of scientific findings that target key activities of leading virtual teams (Hertel, Geister & Konradt, 2005), the challenges leaders thereby face (Bailey & Kurland, 1999; Baruch, 2000; Cascio, 2000; Kirkman, Rosen, Gibson et al., 2002) and effective leadership practices (Malhotra, Majchrzak & Rosen, 2007). Due to the in literature elaborated different challenges, researchers have indicated that leadership may play a more significant role when employees are not exclusively working from dispersed locations than fully collocated teams (Blackburn, Furst & Rosen, 2003; Kozlowski & Bell, 2003; Kirkman, Gibson & Kim, 2012). However, there is not an adequate understanding for how individuals in the position of managers execute leadership functions when team members are working in a hybrid setting.

Team leadership has been recognized as a crucial contributor and prerequisite for well-functioning teams (Contreras et al., 2020), especially since managers influence how teams handle obstacles and how they adjust to new realities of work (Gilson et al., 2015). However, despite the recognized importance of managers in dispersed settings, the number of empirical studies remains scarce (Bell, McAlpine & Hill, 2019).

Similarly, there appears to be a lack of understanding for the team leadership processes in knowledge-intensive firms (KIFs) in the specific case of consultancies operating in the hybrid

work environment. Consultancies represent a unique segment within KIFs, given their extensive reliance on social connections in day-to-day operations, the importance of networking and the rotation of teams through various project cycles (Alvesson, 2004).

Taken together, the prevalence of virtual work arrangements such as hybrid work offers a rich opportunity for researchers to promote a better understanding of how teams in such settings can be effectively managed. Bell et al. (2019) further suggest the need to examine the effectiveness of a particular type of leadership behavior in a dispersed team. Additionally, it is relevant to go beyond the influence of the team leader and look how the degree of development of team dynamics influences the experience of working in the hybrid setting. The researchers believe this literature gap can be addressed by conducting a qualitative multiple-case study in the consultancy sector.

1.3 Significance for Strategic Management

The future of work in many organizations is predicted to be a hybrid work setting (McKinsey, 2021a). As some will perform their jobs on-site while others do it remotely, the reliance on digital tools increases. This introduces new challenges that can put the effective interaction of teams with their leaders at risk (Mitchell, 2021).

The significance of the current topic for management studies is twofold. On the one hand, from a theoretical perspective, it aims to uncover potential nuances in applying leadership on a micro-level, as done by managers leading their teams. For this purpose, it is relevant to gain insight into how well current practices translate into the hybrid setting and whether certain functions are more challenging to accomplish. On the other hand, a practical significance is ensured by defining explicit problem areas for managers to focus on when leading their teams in a non-collocated way.

After all, the hybrid setting introduces a certain degree of complexity in the team's day-to-day management as some employees tune in virtually while others attend in person (Gilson, Maynard, Jones Young et al., 2015). This introduction of an additional communication medium may disrupt the team dynamics or cause a sense of exclusion. Managers need to gain increased awareness of the prevailing conditions in a hybrid work environment in terms of challenges and potential benefits to adjust their leadership behavior to facilitate team performance in this new setting effectively.

This understanding may subsequently manifest in the formulation of new applied team leadership actions that individual managers may adopt and follow to ensure better adjustment to the hybrid way of working. Thus, from a strategic management perspective, theoretical knowledge regarding working methods in the hybrid environment is gained, and from a practical applied perspective, a detailed approach to hybrid solutions is presented.

Finally, a significance to strategic management may be derived from the contribution to tackling the issue of the Great Resignation, a phenomenon related to the unusually high number of willing resignations following the Covid-19 pandemic (Hopkins & Figaro, 2021). As employees begin to have higher expectations regarding flexibility to enhance their work-life balance, it is increasingly important for employers to meet such demands. Since leaders are the key constituents that pave the way for the post-pandemic future (Contreras et al., 2020), it is crucial to put a spotlight on their ability to rethink their leadership behavior in guiding and coaching employees in these new circumstances. This is especially applicable to consultancies, which are located within the knowledge-intensive firms sector and rely heavily on the competence of their employees (Alvesson, 2004). In such cases, each employee represents a significant investment on the company's side, and it may take an extended period until the company recovers this. Understanding the demands of employees concerning hybrid work-enabled flexibility and meeting such demands may improve the efficiency of employee retention initiatives.

1.4 Purpose Statement and Research Questions

This thesis explores the challenges managers face in the hybrid work context. The researchers seek to contribute to the existing body of research by addressing the research gap that has been identified by the scarcity of studies examining the leadership style fitting for hybrid collaboration and its utilization by team leaders.

Furthermore, attention is directed toward the stage of development of the managed groups to build an understanding of the potential influence on the degree of challenge in adapting to the hybrid way of working.

The thesis seeks to uncover the contingencies of a hybrid work environment for teams and managers as these work practices mature and become an increasing part of the corporate business landscape (Wang et al., 2021). Hence, the following research questions are addressed:

How do team leaders manage knowledge-intensive teams in the hybrid work environment?

(a) Which team leadership behavior is enhanced by the hybrid work environment?

(b) How does the development stage of team dynamics influence the experience of hybrid work?

1.5 Outline of the Thesis

Following the introduction, the second chapter elaborates on the context of the present study. The concept of managerial leadership, the definition of knowledge-intensive firms, and a description of the different work environments form the context of the present study. The chapter concludes with a presentation of the theoretical lens used to study the research questions in the defined context. A literature summary and presentation of the proposed framework conclude the chapter.

The scientific approach used to conduct the study is elaborated upon in the methodology chapter. Elements of this include research design, data collection, and analysis. Furthermore, research validity and reliability as well as ethical considerations are included.

The fourth chapter presents the empirical findings based on the analysis and coding of gathered data. The discussion connects the empirical results to the literature by applying the proposed framework. The concluding chapter presents a brief review of the thesis's aim, key findings, and interpretations. The theoretical and practical contributions to strategic management are provided before addressing the study's limitations and possible avenues for future research.

2 Literature Review

The literature review aims to create a contextual framework that is essential for the understanding of the studied phenomenon. Hence, this chapter introduces the concepts of managerial leadership, knowledge-intensive firms (KIFs) and distinctions of working environments. These are the constituting elements of the context of the study. The overview of opportunities and challenges of the hybrid work environment complements this framework by providing a list of moderating variables that affect team leadership and team performance. Furthermore, the theoretical lens consisting of Hersey and Blanchard's Situational Leadership Theory and Tuckman's Stages of Group Development is introduced.

2.1 Team Leadership in Practice

2.1.1 Roles and Responsibilities of Managers and Leaders

Definitions of exact roles and responsibilities of managers and leaders are challenging as academia lacks a decisive distinction between the two or even a clear definition of these roles individually. An attempt at defining the role and function of a manager is elucidated by Mintzberg (1973). An elaboration of this is provided in the acronym POSDCORB:

Managerial Function	Description
Planning	Detailing what must be done and how to reach the targets set for the organization
Organizing	Establishing clear divisions within the workforce, and a system of authority is set to move towards the objectives identified throughout the planning
Staffing	Talent acquisition, development, and maintenance of satisfactory workplace conditions
Directing	Decision-making process through which directives are formulated and enforced, instructions are provided, and leadership is exercised
Coordinating	Connecting the distinct processes associated with work to one another
Reporting	Reporting on work progression to those who hold the managers accountable and ensuring that subordinates are well-informed
Budgeting	Exercise of financial planning, keeping of these accounts, and the act of controlling behavior

Table 1: Overview of Managerial Functions (Developed by Researchers based on Gulick and Urwick (1937, p. 13 cited in Mintzberg, 1973))

The directing management activity has subsequently been broken down into delegation, motivation, coordination, and management of change and differences (Mackenzie, 1969, p. 87 cited in Mintzberg, 1973). There is observable overlap exemplified in the above descriptions. Mintzberg (1973) states that dividing functions into organizing, coordinating, or controlling is relatively meaningless in practice as actual activities often overlap or can belong to several of these functions depending on the adopted perspective and framing of tasks. Nonetheless, the framework provides a comprehensive and general overview of tasks even if distinction remains problematic and limitations are, to some extent, fluid.

An alternative understanding of the managerial role is provided by Drucker (1954). He establishes that the manager's job must align with the organizational objective and desired future state of the firm. The manager's authority has to encompass as many activities as necessary to ensure the manager can be held accountable for and devoted to the results produced within the firm. Drucker (1954) identifies the establishment and management of teams as one of the principal tasks of management. The defined activities are the organization of teams, facilitating cooperation, and providing descriptions of individual tasks the team members face.

Leadership is thus presented as a fluid concept that is difficult to define, and limitations extend across several functions. It is argued that those in the position of leaders focus on flexibility, change, and adjustment. Leaders concern themselves with both performances and the people at the company and pursue long-term objectives (Bennis & Nanus, 1985; Zaleznik, 1977). Leadership also involves motivating employees and ensuring that the circumstances for performance are favorable (Mintzberg, 1973). Kotter (1990) sees leadership as the pursuit of development, arguing that leadership's importance increases during volatile and uncertain phases. Based on the above, Yukl (2010) describes leadership as both a role and ongoing social process of exercising influence, although emphasizing the importance of the process itself.

2.1.2 Managerial Leadership

Leadership and management have been utilized in practice interchangeably. While management concerns itself with the planning and maintenance of stability, leadership is often associated with change, direction setting, and challenging the status quo (Kotter, 1990; Zaleznik, 1998). Management is seen to exercise authority, organize the working method, and ensure that the organizational complexity is reduced to a manageable degree (Kotter, 1990; Kotter, 1995). It is essential to point out that both management and leadership hold the potential to attempt to

motivate employees (Kotter, 1990; Zaleznik, 1998). Seltzer and Bass (1990) concluded that considerable research into leadership signifies that sometimes leaders manage, and managers assume leadership roles. The borders between the two become further blurred in the case of practical application in a given workplace (Kotter, 1990; Terry, 1993; Zaleznik, 1998), further supporting a potential overlap in practice.

Gardner (2007) argues that the differences between a workplace leader and a manager are not as distinct as they are for Kotter (1990) and Zaleznik (1998). Gardner differentiates between what he identifies as the leader-manager and the routine manager. The leader-manager is predominantly focused on the longer term, such as establishing an organizational vision, striving towards goals and values in the distant future, remaining relevant and stable through a more extended period, and inspiring and driving motivation within the organization. On the contrary, the routine manager is, to a higher degree, concerned with the existing structure within the organization, meaning that the focus shifts to the shorter term and stability (Seltzer & Bass, 1990; Gardner, 2007).

In line with this argument, Yukl (1989) refers to managerial leadership as a more suitable term, reflecting the reciprocal and interconnected relationship between the two. In essence, the difference propagated by those supporting the sharp distinction revolves around the fact that managers execute functions and ensure respect for responsibilities without necessarily concerning themselves with employees' commitment. An opposing perspective states that there is no practicality in adopting such a restrictive view on management, and assuming exclusivity regarding the two concepts serves little to no meaning. Yukl (1989) further argues for leadership's multifaceted and complex nature. Leadership is outlined as affecting organizational objectives, defining and executing strategies, managing the establishment and maintenance of group cohesion and identification processes, being responsible for task performance and employee conformity to these tasks, and finally answering for the formulation and manifestation of organizational culture.

Commonalities among definitions of leaders and managers refer to a course of action throughout which deliberate efforts are exerted to influence people within the organization. These include providing guidance, establishing an organizational structure, promoting performance, and relationship building (Yukl, 2010).

The managerial leadership approach has been utilized in the present study in order to allow the researchers to come closer to what is observable in practical execution of team leadership. It

follows recommendations from Yukl (2010) to adopt a wide definition of team leaders' role and functions, to better capture the practical realities of the phenomenon. Further, drawing on Yukl (2010) the present study acknowledges the potential overlap of managerial and leadership activities and utilizes the two terminologies interchangeably in reference to team leadership. Thus, the respondents in the current study, managers, are executing team leadership or team management.

2.2 Knowledge-Intensive Firms (KIFs)

Knowledge is a broad concept that is characterized by an ambiguous and certain complex nature, which makes it difficult to define or to empirically describe it in literature (Alvesson, 2004). However, it can be argued that knowledge is an intangible asset (Alvesson, Kärreman & Swan, 2002) that enables the exercise of judgment and the ability to make interpretations (Alvesson, 2004) through, but not limited to, experiences, expertise, contextual information, theoretical and analytical skills (Alvesson et al., 2002; Alvesson, 2004; Davenport & Prusak, 1998).

Alvesson (2004) describes KIFs as “organizations that offer to the market the use of fairly sophisticated knowledge or knowledge-based products” (p.17). KIFs deliver products or services such as blueprints, plans or prototypes for outside groups such as clients or the public (Alvesson, 2000). The core activities of such firms are centered on the intellectual skills of the workforce which consists of qualified employees with academic background, often called ‘gold-collar workers’. KIFs have a competitive advantage by drawing on mental abilities and applying their employee’s superior knowledge for conducting work compared to manufacturing firms which rely on manual craft or physical strength (Alvesson & Sveningsson, 2003). Hence, the highly qualified workforce is of greater importance in KIFs than in most other organizations (Alvesson, 2004).

Moreover, Alvesson (2004) categorizes professional service firms and research and development firms as the two major categories of KIFs. Law and accounting companies, advertising agencies or consultancies are examples of the former whereas pharmaceutical or high-tech companies are examples of the latter. As the thesis considers management consultancies as the focus of the research setting, the following will elucidate the characteristics which apply to these specific KIFs more thoroughly.

2.2.1 Consultancies as KIFs

The practice of consulting is defined as “an advisory service contracted for and provided to organizations by specially trained and qualified persons who assist, in an objective and independent manner, the client organization to identify management problems, analyze such problems, and help, when requested, in the implementation of solutions” (Greiner & Metzger, 1983, p.7). Thereby, consulting firms can be described as professional service firms whose most distinct characteristic is its *knowledge intensity* (Von Nordenflycht, 2010). This means that a significant complex body of knowledge is embedded in a firm’s employees, and not in an organization’s equipment or products, and builds the basis for the company’s value addition (Starbuck, 1992; Winch & Schneider, 1993). Consultants are thereby knowledge workers since their “knowledge is simultaneously an input, medium and output for their work” (Newell, Robertson, Scarbrough et al., 2002, p.14). Moreover, they use not only intellectual but also symbolic skills such as concepts or ideas to solve work tasks (Alvesson, 2004).

Furthermore, the work of consultancies circles around the understanding of clients’ situations (Sarvary, 1999) and finding business solutions to their complex and often unique problems (Alvesson, 2004). This requires them to possess expertise in different fields, such as technology, as that knowledge is not easily available within their client’s organization and thereby, create value for them (Momani, 2013). The complexity and uncertainty of tasks reduces the relevance for control means such as rules and allows knowledge workers to enjoy a high amount of *autonomy* in designing their work practices. However, this does not necessarily mean that consultants usually work on their own rather they are *strongly interconnected with their co-workers* while undertaking tasks and cultivate close interaction and cooperation with them (Alvesson, 2004). Moreover, consultancies still have a predominant *hierarchical organizational structure* (see Figure 6), compared to other KIFS who favor more ad hoc organizational structures (Alvesson, 2004).

A further aspect is the *extensive communication* that is indispensable for the coordination of tasks and the agreement on defining and solving problems. The work of consultants requires close team cooperation but also relationships with clients, making formal work-related communication crucial to create a common understanding and manage expectations (Alvesson, 2004). According to Maister (2012), a frequent face-to-face interaction with clients is also a key component for KIFs since the clients’ problems need highly customized solutions which can be best achieved in close collaboration. Additionally, sufficient space for knowledge

workers to have conversations in an informal work setting is important since they thereby often exchange ideas and receive inspiration for their work (Alvesson, 2004).

Moreover, consultants greatly use their profession for their identification (Alvesson, 2004). The strong emphasis on knowledge is also rooted in their *organizational culture* which shapes a common understanding of values and identity among the workforce (Blackler, 1995). To reinforce this, Ouchi (1979) suggests procedures such as a selective recruitment of people or trainings and meetings to impart the organization's values. Having a corporate culture within a KIF also supports a shared agreement on goals and elicits a greater engagement in achieving those and a greater belongingness and commitment to the company and their team. This can help KIFs to retain their employees by enhancing their loyalty to the company (Alvesson, 2004).

2.3 Collocated vs. Virtual Work Environment

This section gives a brief overview of the differences between collocated and virtual work environments to provide the necessary context for the reader's understanding of the hybrid work environment presented afterwards.

A work environment describes the surrounding conditions in which employees operate (Amabile, Conti, Coon et al., 1996). Moreover, in collocated and virtual work environments teams who are defined as “a collection of individuals who are interdependent in their tasks, who share responsibility for outcomes, who see themselves and who are seen by others as an intact social entity embedded in one or more larger social systems, and who manage their relationship across organizational boundaries” (Cohen & Bailey, 1997, p.241) work together. Hence, employees in both work environments are committed to a shared purpose, identify themselves as a social structure and hold themselves mutually accountable (Dess, Rasheed, McLaughlin et al., 1995; Powell, Piccoli & Ives, 2004).

However, in a collocated or ‘traditional’ work setting employees are operating in physical proximity together in an office location and have easy access to face-to-face interactions with supervisors, colleagues or even clients on which they rely on as their central mode of communication (Morganson, Major, Oborn et al., 2010).

In contrast, a virtual setting has “groups of geographically, organizationally, and/or time dispersed individuals brought together by information and telecommunication technologies to accomplish a common goal” (Powell et al., 2004, p.7). Today, different terms such as virtual or

distributed work, flexible work arrangements, remote working, teleworking or telecommuting have been used interchangeably to refer to individuals working at a distance from the office (Allen, Golden & Shockley, 2015). However, researchers have not agreed on a common definition of virtual work, but as mentioned by Kirkman and Mathieu (2005) all terms share the key characteristics of a) members are guided by a common purpose as previously mentioned, b) geographical dispersion and c) dependence on technology for work-related interaction which will be elucidated in the following.

One differing condition between both work settings is the *locational boundary*. Whereas collocated teams are working physically together, team members of virtual teams operate remotely from their teams and from managers as they all perform their work outside of the conventional, physical office space, such as from home or at the client's office and thus, are distributed across different locations (Bell & Kozlowski, 2002; Cohen & Gibson, 2003; Raghuram, Hill, Gibbs et al., 2019). Moreover, in a virtual setting, employees are not constrained to one physical location and teams can even consist of members that are located throughout the world and live in different time zones, which researchers described as 'global virtual teams' (Maznevski & Chudoba, 2000; Montoya-Weiss, Massey & Song, 2001).

A second distinction is the *mode of communication*. While in a collocated setting employees rely on face-to-face conversations, in a virtual setting electronic communication media, such as e-mail, phone or videoconference, support an organization's workforce to stay connected and to facilitate communication and coordination with their teams (Gibson & Gibbs, 2006; Kirkman & Mathieu, 2005; Nilles, 1994). In the case of dispersed teams, the synchronicity of communication can be different. While communication can happen in real-time in collated and virtual teams despite the communication medium, a potential shortcoming can be the asynchronicity of global virtual teams due employees working in different time zones and the limited availability of synchronous working times (Bell & Kozlowski, 2002).

A third aspect can be considered the *organizational boundaries* (Powell et al., 2004). Teams in the traditional work setting are generally composed of members who work together in one organizational unit while a virtual setting offers the opportunity to cross traditional organizational boundaries. Hence, virtual teams can be assembled to work on an 'as needed basis' to cooperate on specific projects or fulfill particular customer needs and collaborate within or beyond their parent company (Leenders, Van Engelen & Kratzer, 2003). According to Powell et al. (2004), this can be viewed as a byproduct of virtual teams rather than a distinct characteristic as such teams are often constructed because firms need specific skills, local

knowledge, expertise or experience from employees who are geographically dispersed (Webster & Staples, 2006).

2.4 Hybrid Work Environment

2.4.1 Definition

Hybrid work describes a flexible working model where employees combine working from the collocated workplace, namely the company's office, with working remotely, either from home or another workspace. Thereby, employees engage in embodied organizational locations while also having the opportunity to carry out tasks at a remote location. Hence, different work practices such as coordinating workload, building relationships and joining conversations with managers and colleagues are conducted either in close proximity or virtually via using ICT. This is due to the fact that in a hybrid setting employees can execute work in varying location and timeslots (Halford, 2005).

Shift of Place and Time in a Hybrid Setting

To better understand the functioning of a hybrid working model in an organization, leaders need to think along the two axes of place and time (Gratton, 2021). Before the pandemic, most firms offered only minimal flexibility along both dimensions (Microsoft, 2022). As already mentioned, in a hybrid setting, a combination of both locations, the organization's office and an employee's own chosen remote workplace, is offered (Halford, 2005).

The axis of time has also been pivoting as more flexibility is now provided. Previously, most organizations relied on synchronous timing where employees worked based on the same schedule. In a hybrid setting, employees can partially self-select their time when working in-person and remotely. This followed a shift of becoming more unconstrained regarding time as employees can work asynchronously, meaning that colleagues' schedules only coincide to some extent. This allows employees to customize their working times fitting into their personal schedules that might include taking time out for private matters (Gratton, 2020).

However, a hybrid working schedule might vary among organizations as there is no one-size-fits-all approach. Each firm needs to develop its own working model that adapts to the needs of the organization and the demands of its employees (McKinsey, 2021b). According to Bloom (2021), three different categories of hybrid workplaces will emerge:

- 1) Employers decide when employees need to work on-side and when they work remotely. Firms can allocate the time in the office by days or specific times or by teams. Another possibility is also to mandate employees to work on-side on a necessity basis, for instance when meetings need to be attended in person (SAP, n.d.).
- 2) Teams or departments can decide for themselves when they meet in the office and when they work remotely.
- 3) Firms provide employees complete flexibility and autonomy regarding their working preferences in terms of place and time. Thus, employees can choose when, if at all, they will work from the physical office (Bloom, 2021).

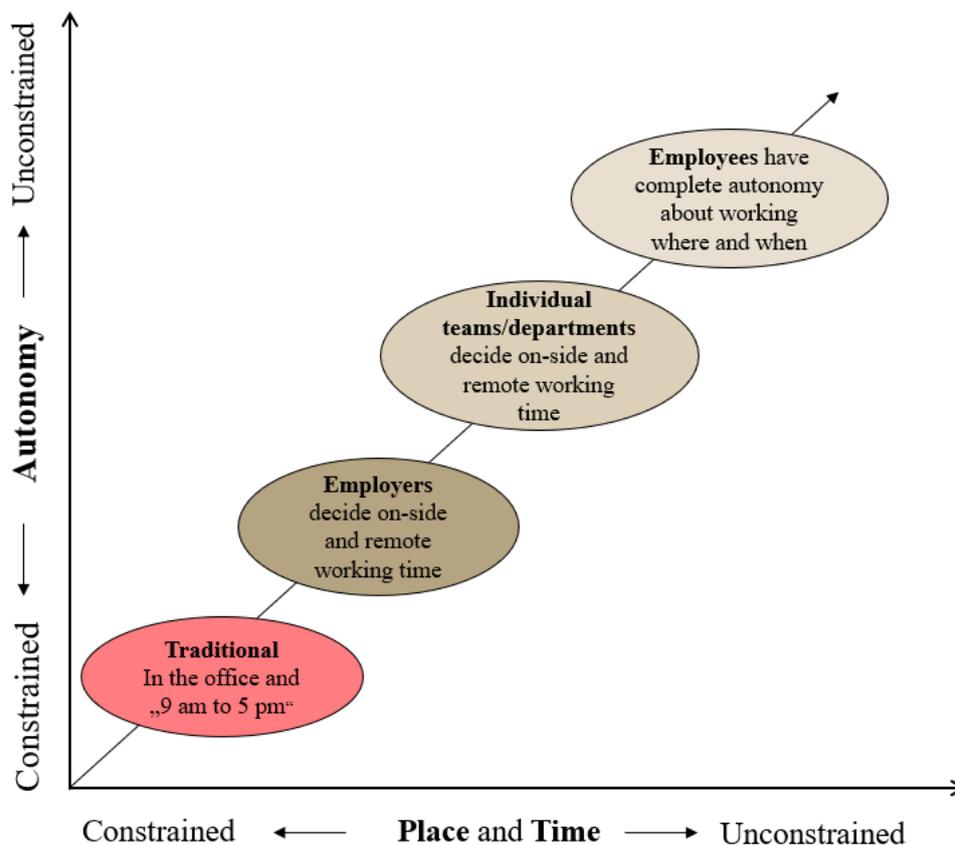


Figure 1: Work Arrangements depending on Autonomy, Place and Time (Interpreted by Researchers based on Bloom, 2021, n.p. and Gratton, 2021, p. 69)

The adoption of an appropriately designed hybrid work model for an organization and its teams depends on different factors. One aspect concerns the jobs and tasks in a firm (Gratton, 2021). Each role occupied by an employee is based on specific responsibilities and interactions and thereby, possesses an individual degree of “remote-ability” (EY, 2021, p.15). For instance, employees operating in the research and development department need more close and physical

collaboration compared to administrative jobs that mainly need individual concentration which can then be performed in distance to the office (Kirkman & Mathieu, 2005).

However, hybrid work dominates for knowledge workers (Kayworth & Leidner, 2002) such as for consultants as their most valuable asset is knowledge which is mobile (Bentley & Yoong, 2000). Moreover, knowledge workers can conduct their often high-concentration and individually based work with a low dependence of time and since their created end product is intangible, the role of where the work is conducted requires only little attention (Bentley & Yoong, 2000; Pyöriä, 2009).

Another factor influencing the design of hybrid working models are employees' preferences. These need to be understood by employers and adapted accordingly (Gratton, 2021). The key to implementing a well-functioning hybrid schedule is to establish clear expectations and listen to employees' feedback and suggestions. Hence, team leaders need to communicate overarching business parameters, such as the objectives and deadlines within its team, before establishing flexibility around the work setting. Then managers should aim to uncover employees' needs such as where they feel most productive or which schedules best support their well-being. Moreover, currently embraced working policies in a firm should be considered as an experiment that can be adapted over time according to the changing circumstances. Thus, employee input is a valuable source for organizations to establish a workable hybrid schedule that supports firms' goals in combination with employees' preferences (Bingham, 2021).

2.4.2 Opportunities and Challenges of Hybrid Work

The following section elaborates on the consequences of a hybrid work environment that directly affect team management. The researchers are aware of societal benefits and drawbacks, however, these fall beyond the scope of the current study. It also needs to be noted that there are additional benefits and challenges connecting to hybrid working, however, the discussed categories are tied to the studied context where the most significant ones, which are necessary for the understanding of the empirical data, are presented below.

Communication

One essential aspect that team leaders encounter in a hybrid setting is communication. It allows to process information, meaning, and common understanding between different parties. Moreover, it provides the main constituent for people to work together, make decisions, and interact to accomplish organizational goals (Berry, 2011).

The communication in hybrid teams is mainly based on ICT which allows for both real-time and asynchronous information and knowledge sharing. The latter supports interaction without real-time communication which facilitates the simultaneous appearance of multiple messages from several contributors. This enables the receiver to have more flexibility in processing information and responding to it (Lilian, 2014). Moreover, employees can thereby assign priorities or value the importance of information and efficiently manage their own focus time to work on tasks (Saunders, Van Slyke & Vogel, 2004). However, the possible asynchronicity of employees working poses a challenge in coordinating and organizing tasks (Bailey & Kurland, 1999). Moreover, working during different timeframes can lead to potential delays in responses and a slow rate of feedback can curb coordination efforts (Cramton, 2001). Furthermore, virtual communication can be perceived as cognitively exhausting (Walther, 1993) due to an overload of information from different channels simultaneously (Lilian, 2014). Hence, it is necessary to provide employees with regular updates to avoid the potential loss of important information (Cascio, 2000).

Moreover, it is indicated that ICT-based communication is more restricted in presenting visual and auditory cues (Purvanova & Bono, 2009) and thereby, people perceive it as more anonymous (Hertel et al., 2005). The positive aspect is that collocutors can be encouraged to considered articulated ideas more objectively (Nunamaker, Briggs, Mittleman et al., 1996), and keep employees from interacting too agreeable due to personal affinity or status differences (Warkentin & Beranek, 1999). Albeit, the loss of nonverbal cues can cause a sense of

uncertainty and ambiguity and thereby, potential misunderstandings between interlocutors (Purvanova & Bono, 2009).

Moreover, it is argued that electronic communication is a ‘to-the-point’ tool to communicate tasks (Bordia, 1997). Maznevski and Chudoba (2000) argue that this is beneficial for gathering information and solving problems. However, virtual communication is often considered detrimental to social-relational communication (Chidambaram, 1996; Bordia, 1997). More specially, people engage less in informal communication which is considered crucial to build and strengthen relationships with colleagues (Hambley, O’Neill & Kline, 2007). Along with that, it is indicated that physical touchpoints among employees which facilitate meeting people from different departments are limited in a hybrid setting, which hampers networking (Windsor, 2001). Hence, managers need to prevent employees from feeling isolated or not belonging to their team when in a hybrid setting as this can influence their commitment towards work (Cascio, 2000; Hertel et al., 2005). Moreover, it is even suggested to encourage regular face-to-face meetings to enhance familiarity between employees and collaborative behavior (Hill, Bartol, Tesluk et al., 2009).

Trust

Trust can be understood as “expectations, assumptions, or beliefs about the likelihood that another’s future actions will be beneficial, favorable, or at least not detrimental to one’s interests” (Robinson, 1996, p.575).

Trust in a hybrid setting is developed differently in comparison to the in-person setting. The main difference being the interpersonal trust building in face-to-face environment contra the performance or task-oriented trust (Kirkman et al., 2002). The earlier relies heavily on the social interaction occurring through a degree of spontaneity and incorporating considerable private elements shared by the interlocutors (Mayer, Davis & Schoorman, 1995). In a hybrid setting, trust is increased when employees can rely on each other when working together and when they can predict each other’s performance and commitment to established deliverables (Kirkman et al., 2002). Hence, when trust is high, uncertainties will be reduced, and expectations will be positive (O’Hara-Devereaux & Johansen, 1994). Additionally, trust among coworkers in a distanced setting enhances communication and motivation for collaboration (Hertel et al., 2005). Trust also allows teams to overcome problems and conflicts easier when they encounter work-related concerns (Jarvenpaa & Leidner, 1999; Ryan & Oestreich, 1998). Moreover, a higher level of trust among employees facilitates information and idea sharing which can increase performance (Driscoll, 1978; Zand, 1972).

In a hybrid setting, trust needs to replace the conventional means of control as a manager cannot physically oversee what tasks employees are working on (Handy, 1995). From a supervisory perspective, trust thereby serves as an “implicit mechanism for control and coordination” (p.387) when employees work from dispersed places. Raghuram et al. (2019) further argues that employees who experience trust from their supervisor are more likely to act according to organizational expectations. Hence, trust presents direct implications for employee’s performance and reduces turnover intentions (Robinson, 1996; Jarvenpaa & Leidner, 1999). Conversely, managers who feel that they are trusted by their employees are more inclined to show behavior such as mentorship and support that is appropriate in a hybrid context instead of monitoring and control (Wiesenfeld, Raghuram & Garud, 1999).

However, different barriers to establish trust in dispersed teams have been identified and are connected to communication. Due to the lack of nonverbal cues, people can have difficulties inferring the intentions of colleagues which can inhibit relationship building (Cascio, 2000). This also may lead to issues regarding the translation of the corporate culture in the given setting as it becomes increasingly challenging to ensure a uniform understanding and management of employee experience of the culture with geographically dispersed teams (Bailey & Kurland, 1999).

Furthermore, less dedicated time to have deep, informal conversations that allow people to open up and share individual insights and problems in a hybrid setting decreases the familiarity of team members and thereby, trust building. Additionally, perceiving isolation and alienation when working away from colleagues may make people feel less comfortable and less likely to trust employees they only know little (Eisenberg & Krishnan, 2018).

Team Cohesion

Team cohesion describes “the overall attraction or bond amongst members of a group” (Wellen & Neale, 2006, p.168) which motivates them to collaborate (Casey-Campbell & Martens, 2009). Moreover, it is intertwined with communication and trust. A cohesive team has a common understanding of values and objectives and thereby, shares commitment towards organizational tasks (Knouse, 2006; Paul, Drake & Liang, 2016). To achieve this, it is essential to build relationships and engage in frequent conversations that are reported to enhance feelings of belongingness which in turn increases team cohesion (Powell et al., 2004). Moreover, if team members experience mutual support and can expect that they will do so in the future, employees have a higher security to pursue common objectives which translates into higher team cohesion (Brahm & Kunze, 2012).

However, the potential distancing from co-workers in a hybrid setting can cause a feeling of isolation as employees are separated from their social network in the collocated work space (Kurland & Egan, 1999) which can decrease the quality of established relationships (Caproni, 2001). Blackburn et al. (2003) report it becomes more difficult to develop a high level of team cohesion since team members often experience less communication and interaction when working from dispersed places. This can negatively affect employees' productivity, motivation and job satisfaction (Hertel et al., 2005; Kirkman et al., 2002). A group that is impacted disproportionately by the challenges created in the hybrid setting is new hires. The execution of the onboarding process is considerably hampered in scenarios where the new employee does not get too much interaction with the manager and team members of the company (Mitchell, 2021). Given that setting, it may become difficult to ensure that newcomers adhere to similar team values and develop a sense of belongingness (Kozlowski & Bell, 2003).

Work-Life Balance

Maintaining a proper work-life balance is a crucial aspect for employees in a healthy work environment. Spending more time working remotely requires less time for commuting to and from the office and allows allocating more time to one's personal life (Bailey & Kurland, 1999; Hill, Ferris & Mårtinson, 2003). Thereby, employees can free up time for things they value in their personal lives such as doing sports or childcare (Rockmann & Pratt, 2015). An improved work-life balance promotes physical and mental well-being as it supports workforces to take time for themselves. Further, increased flexibility of where and how employees work provides them with more autonomy in structuring their work schedules which can increase their productivity. Moreover, it is argued that employees have fewer sick days and are less absent while showing increased motivation, commitment and job satisfaction (Bailey & Kurland, 1999; Bergiel, Bergiel & Balsmeier, 2008).

However, in a home-based work environment, employees often experience ambiguous or entirely diminished boundaries between professional and private life (Baruch, 2000; Harpaz, 2002). This can drive increased stress to staying constantly connected to colleagues and responding to their demands. Moreover, the absence of visibility of employees' efforts when working from dispersed places can even lead to the compensation through increased workload (Bathini & Kandathil, 2019; Felstead & Henseke, 2017). Consequently, this can negatively affect employees' well-being, their attitude and decrease their commitment towards work (Felstead & Henseke, 2017; Kim, 2014).

2.5 Theoretical Lens of Team Leadership

2.5.1 Situational Leadership Theory (SLT)

Situational leadership theories suggest that effective leadership is mainly determined by the interplay of personal and situational components. Hersey and Blanchard (1993) further claim that the leadership process is a function of the leader, its subordinates, and other situational variables. Thus, the ambition to define only a single type of leadership behavior is unrealistic. A successful leader is rather one who adapts its behavior based on the demands of a situation.

A contingency theory called “Situational Leadership Theory” has been developed by Hersey and Blanchard (1996). The following leadership theory is applicable to the context given the centrality of leadership in the understanding of managerial leadership. The theory determines the appropriate type of leadership behavior based on an interaction among:

1. The amount of direction a leader provides (*directive/task behavior*)
2. The amount of supportive behavior a leader provides (*supportive/relationship behavior*)
3. The level of *employees’ development* that is shown on a specific task or activity that the leader wants to perform through the group or the individual employee

More specifically, task behavior describes the extent to which an executive employs one-way communication to explain to subordinates what to do and how, when and where tasks are carried out (directive dimension). Relationship behavior expresses the extent to which an executive employs two-way communication to provide support, encouragement and facilitating behavior but also listens to their employees (supportive dimension)

The development level of employees consists of two aspects – job maturity and psychological maturity. The former is defined as the ability in terms of knowledge and skills gained from education or experience that followers possess to accomplish a task. Psychological maturity reflects the willingness of employees in terms of motivation and commitment necessary to perform their work (Hersey, Blanchard & Natemeyer, 1979; Hersey & Blanchard, 1996).

The following visualization shows the theory in more detail. Moreover, it needs to be noted that the appropriate leadership style from S1 to S4 (see Figure 2 on next page) corresponds to the respective development levels of employees from D1 to D4.

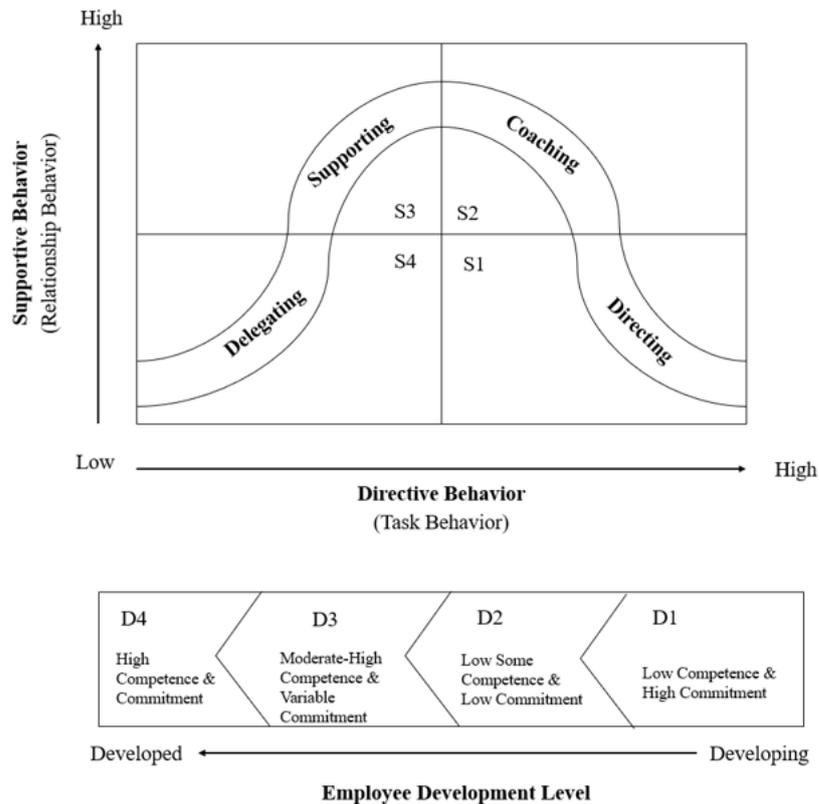


Figure 2: Situational Leadership Theory/Model (Interpreted by Researchers based on Blanchard et al., 1993)

S1 shows the leadership behavior “**directing**” as employees possess a low level of competence to fulfill a task. However, those employees have a high commitment due to their motivation and willingness to learn and thereby, leaders need to define their roles and give them specific and explicit directions on their tasks (Blanchard, Zigarmi & Nelson, 1993).

S2 shows the leadership behavior “**coaching**” as employees gained some knowledge and skills on working on a task but are discouraged because they have not received enough training, supervision or recognition for their job. Hence, leaders need to engage in a two-way communication to listen to employees’ concerns and provide them socioemotional support to maintain their motivation while the leader still provides directive behavior on tasks (Blanchard et al., 1993; Hersey et al., 1979).

S3 shows the leadership behavior “**supporting**” as employees appreciate the received recognition from their managers concerning their competences, but their commitment can still vary based on confidence or motivation even though they possess the necessary skills to accomplish a task. This might be the case if employees feel insecure about a task or fear the additional responsibility and thereby, lack the confidence to conduct their work. Moreover, employees can also become demotivated or unsympathetic to a specific task at hand. Hence, a

leader needs to engage in a two-way communication and provide supportive behavior by listening to the employees, assisting them with problem solving and encouraging them to regain confidence in their competence to carry out their work or regain the employees' enthusiasm. However, employees need less structuring and guidance in how to conduct their work like in both cases before (Blanchard et al., 1993; Hersey & Blanchard, 1996).

Lastly, S4 shows the leadership behavior “**delegating**” as employees have the ability and motivation to conduct their work autonomously while only little direction or support from the leader is required. Thus, the leader delegates authority and responsibility to its subordinates as they make their own decisions (Hersey & Blanchard, 1996).

Overall, the appropriate leadership behavior can be determined if leaders know their subordinates' level of competence and commitment well enough. Based on this development level of employees, the right combination of directive and supportive behavior can be specified to meet the demands of the respective situation (Blanchard et al., 1993; Hersey et al., 1979; Hersey & Blanchard, 1996).

2.5.2 Tuckman's Stages of Group Development

This model explores the development and processes of change within small groups, from the perspective of behavioral studies. It adopts a temporal aspect to be able to assess and categorize groups based on three criteria: the setting of the given group, the group behavior and positioning of a group within identified stages of development (Tuckman, 1965).

Furthermore, Tuckman (1965) provides three examples of group settings, namely: therapy, training and laboratory (or natural) groups. Differentiation among these is executed along considerations for the formulation of the groups, their purpose and expected length of existence. In this regard the most suitable category for the study of KIFs is the third setting: laboratory and natural groups. These are characterized by being oriented around a job or task to be executed, having a professional function and are expected to be rather small and temporary (Tuckman, 1965).

The classification criteria, setting, is important as it allows the grouping of studies based on the similarity in their context, such as size, arrangement, and duration of existence. Similarity in this sense enhances the comparability of groups making the identified differences and

similarities dependent to a larger extent on the development phase rather than contextual factors deriving from setting.

The first stage called “**Forming**” in Tuckman’s model concerns itself with structuralization (Modlin & Faris, 1956). It aims to clarify the roles within the group as well as the tasks themselves connected to these roles. Along with this a definition and attribution of responsibilities occurs. Inter-group hierarchy and norms are defined as an effort to add clarity and guidance to an otherwise uncertain environment (Schroder & Harvey, 1963). Throughout this stage main concerns lie with the sense of belongingness to the group, the incorporation and commitment of team members become key considerations of this phase (Schutz, 1958). Finally, in this phase the delimitation of the problem area occurs and the means of tackling the issue are defined (Bales & Strodtbeck, 1951).

The second stage called “**Storming**” deals with issues of control (Schutz, 1958) as the professional members of the group aim to find their position within the internal hierarchy of the group. Individual acting freedom and autonomy become the center of attention and sources of potential resistance and friction within the group (Theodorson, 1953).

In the subsequent third stage “**Norming**”, attention is directed towards the establishment of team cohesion effectively shaping the team into a functional entity (Modlin and Faris, 1956). This same phase is referred to as “conditional dependence” by Schroder and Harvey (1963) who emphasize the act of assimilation, establishment of a common ground and support and sustenance of social relations within the team. Theodorson (1953) continues to elaborate on group development within this stage in terms of the following activities: 1) uncovering commonalities for team members, 2) developing social connections and familiarity among members, 3) mutual reliance of team members, 4) engagement between members and increase in team unity and finally 5) formulation of group norms for conduct.

During the final and fourth stage “**Performing**” the team structure solidifies and becomes integrated in the sense that members are capable of exercising their autonomy but also act as a cohesive and coordinated unit (Schroder and Harvey, 1963). In this case conflicts between control and autonomy are largely resolved and attention is shifted from the social architecture of the team towards accomplishment of tasks. Theodorson (1953) further argues that a sense of accountability towards the team can be identified.

The below presented graphic visualizes the model:

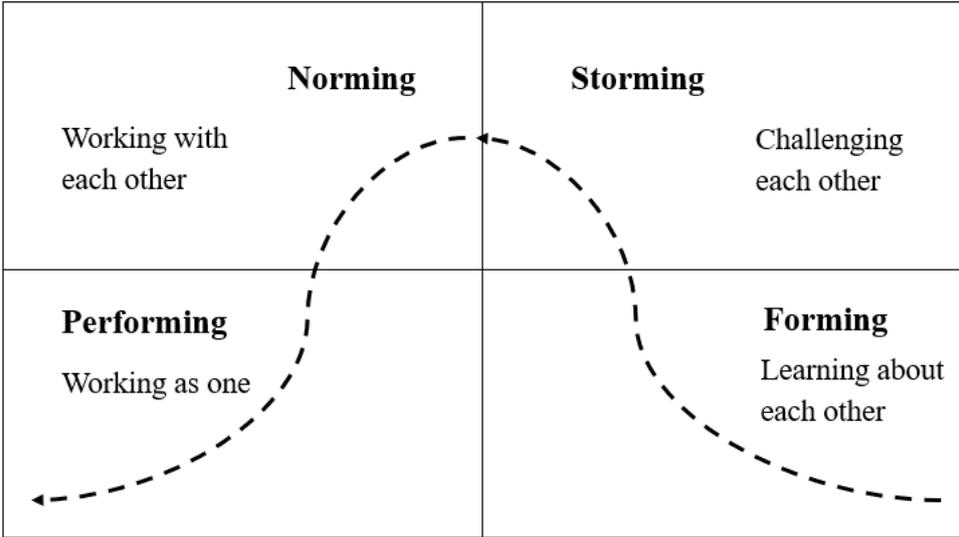


Figure 3: Tuckman's Model of Group Development (Interpreted by Researchers based on Davila (2017))

The above model has been updated by Tuckman and Jensen (1977) during a revisit of the initial study. As a result the original group development stage model has been expanded with the inclusion of a fifth stage: “**Adjourning**”. This level in the development process signifies the termination of the project, the processes of closure for members: a sense of frustration and separation (Tuckman and Jensen, 1977). Although highly relevant for study of group development this fifth stage is excluded from the present analysis as the study does not follow respondents’ groups until the stage of termination and thus this stage cannot be assessed, nor is resolution of project work part of the present study.

2.6 Summary and Proposed Framework

The present chapter establishes the necessary framework for studying the chosen topic. It elaborates on the context in which team leadership is conducted. The three pillars of this are managerial leadership, the knowledge-intensive firms' definition and description, and an overview of the hybrid work environment.

Managerial leadership affirms the difficulty in separating the roles of managers from the tasks of leadership in practice (Yukl, 2010). Given the practical inclination of consultancies and how team leaders tend to execute both managerial and leadership roles, it is necessary to familiarize the reader with the concept and its leading proponents to understand the provided assessment of functions team leaders carry out.

Moreover, consultancies are characterized as KIFs since they deliver products or services based on their employees' intellectual skills. Different characteristics of consultants' work were presented, such as knowledge intensity, strong interdependence with colleagues, and extensive communication needed to coordinate work (Alvesson, 2004).

Finally, an overview of a hybrid work environment and the main opportunities and challenges (see Figure 5) that are connected to it form a potential foundation against which individual responses from the multiple-case study can be related and contextualized to gain a broader perspective.

These pillars collectively form the context and are required for the reader's understanding of the analysis carried out in the present thesis and are referred back to within the conclusion chapter.

The SLT (Hersey & Blanchard, 1996) and the Stages of Group Development (Tuckman, 1965) provide the two layers of the applied theoretical lens. The SLT is utilized to assess the prevalent leadership behavior and its potential impact on the managed teams. In turn, Tuckman's Stages of Team Development allows the researchers to specify the impact of the developmental stage of teams on their ability to realize the benefits of hybrid work. Applying these two models in conjunction allows for answering the posed research question.

Figure 4 on the next page presents a suggested framework for the understanding of managerial leadership in the context of knowledge-intensive teams in a hybrid setting.

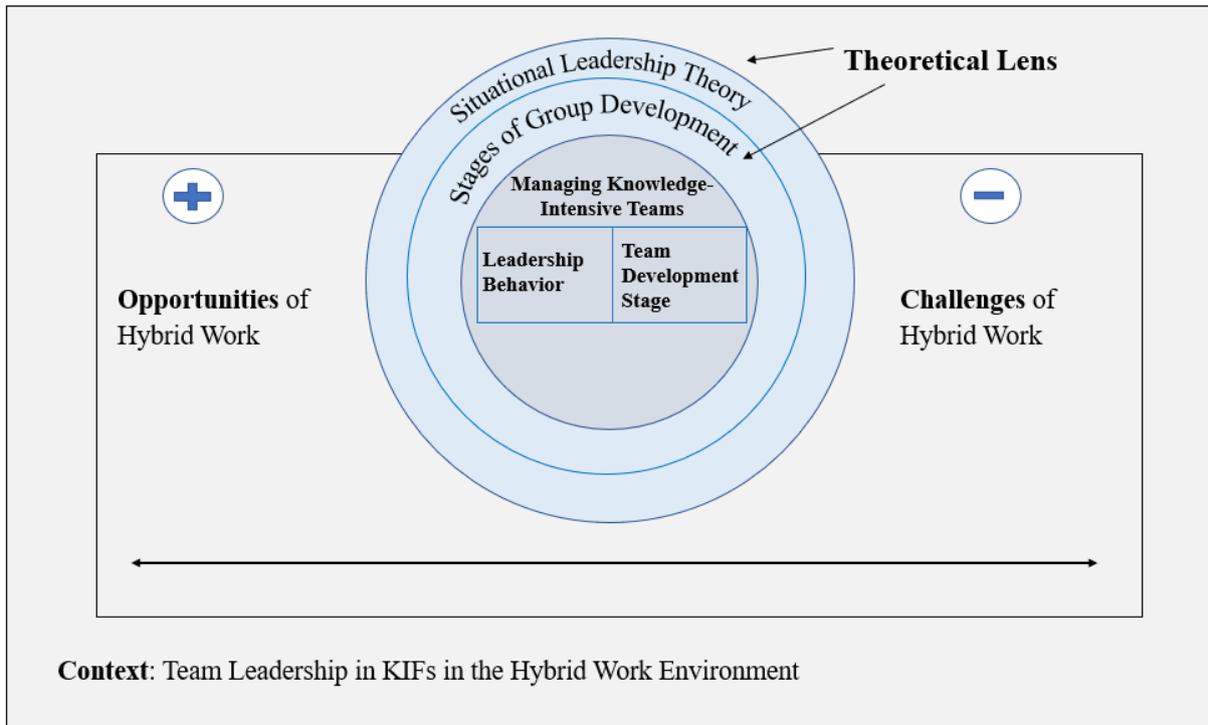


Figure 4: Proposed Framework (Developed by Researchers)

Opportunities of Hybrid Work (Examples)		Challenges of Hybrid Work (Examples)
<ul style="list-style-type: none"> Flexibility in processing information (<i>Lilian, 2014</i>) ICT as 'to-the-point' tool to communicate tasks (<i>Bordia, 1997</i>) 	Communication	<ul style="list-style-type: none"> Coordination and organization of tasks within teams (<i>Bailey & Kurland, 1999</i>) Less social-relational communication (<i>Chidambaram, 1996; Bordia, 1997</i>)
<ul style="list-style-type: none"> Trust replaces conventional control (<i>Handy, 1995</i>) 	Trust	<ul style="list-style-type: none"> Lack of nonverbal cues prevents inferring intentions of people (<i>Cascio, 2000</i>)
<ul style="list-style-type: none"> Common understanding of values and objectives (<i>Knouse, 2006</i>) enhanced through frequent communication (<i>Powell et al., 2004</i>) and higher trust (<i>Brahm & Kunze, 2012</i>) 	Team Cohesion	<ul style="list-style-type: none"> Feeling of isolation and disconnectedness from colleagues due to separation from social network (<i>Kurland & Egan, 1999</i>)
<ul style="list-style-type: none"> Flexibility in scheduling work (<i>Bailey & Kurland, 1999</i>) 	Work-Life Balance	<ul style="list-style-type: none"> Ambiguous or diminished boundaries between professional and private life (<i>Baruch, 2000</i>)

Figure 5: Summary of Opportunities and Challenges in the Hybrid Work Environment (Developed by Researchers)

3 Methodology

The following chapter elaborates on the methodology underlying this study to address the proposed research question and the purpose of this thesis. First, the research approach and design are introduced and motivated. Subsequently, the case selection is elaborated upon, motivating the selection and relevance of the case studies, the planned survey and the context applicable to these. This is followed by a motivation for the approach employed in the sampling of cases, elaboration on the data collection process and its characteristics, and the course of the data analysis employed to interpret the gathered information. The methodology chapter is rounded off with a discussion and elaboration on the applied assessment criteria for the quality of the conducted research, meaning validity and reliability as well as ethical considerations connected to the conduct of said research.

3.1 Research Approach

The study adopts a qualitative and explorative approach to meet the ambiguity surrounding team leadership in the hybrid setting. This approach can contribute towards clarifying possible long-term implications of the current, post-pandemic, hybrid work situation and underlying reasons by scrutinizing the challenges companies face. The selection of an explorative approach is motivated by the uncertainty associated with the stated topic. The lack of pre-existing data and the novelty of Covid-19-related impact further motivate applying a qualitative approach (Bryman, Bell & Harley, 2019).

The exact degree and nature of shifts in team management in a hybrid setting are yet to be uncovered, supporting the application of an explorative study approach. Furthermore, the uniqueness of the studied organizations motivates closer scrutiny of their circumstances and affects the degree to which general findings derived from literature apply, further supporting both the qualitative explorative approach.

Finally, the experiences of individuals in team leading positions in the hybrid work setting are highly subjective. These experiences and perceptions of the challenges and benefits of the studied phenomena depend highly on situational factors such as team constitution, maturity of team dynamics, and the perspectives of individual interviewees. Quantification of such data may lead to oversimplification and loss of richness, yet again advocating for applying a qualitative research approach (Eisenhardt, 1989).

Ontology

Ontological considerations concern the view of reality. This choice will influence the formulation of research objectives and the employed research method. The present thesis is located within the constructionist ontology (Creswell & Creswell, 2018). It sees management in consultancies as a product of social interaction between the constituting parts of the organization, meaning the employees as team members and the managers assuming the team leader role. It is further affected by the subjective view of the managers in terms of leadership roles and tasks and similarly by the recognition of said activities by the employees, making its definition and experience conditioned to the studied context (Bryman et al., 2019; Creswell & Creswell, 2018). It is arguably impossible to provide an objective overview of this phenomenon, meaning that the unique context and experiences of the researchers and the managers themselves are expected to have a considerable impact on voiced views. Furthermore, considering the defined research questions, the perception of the managerial activities and experience of hybrid work from both leadership and employee sides is more fitting to the constructivist research ontology.

Abductive Reasoning

The abductive approach has been utilized in the interpretation of gathered data. It entails a continuous back-and-forth relationship between the empirical data and literature, allowing the reviewed literature to be adopted and developed according to the research questions (Bryman et al., 2019). Arguably, such an iterative approach puts considerable emphasis on the skill of the researchers to identify and correctly apply the theory most suitable to the studied context to decrease the degree of uncertainty and provide a sufficient theoretical ground to elaborate upon (Mantere & Ketokivi, 2013). The choice of abduction can be argued to alleviate some of the limitations of deductive reasoning and its reliance on theory-testing and inductive approach, which is aimed at theory-construction based on empirical data. In deductive approach, issues arise as to what theory to test, whereas in the inductive approach, it can be challenging to argue for enough qualitative data for theory construction. It is precisely this dilemma that the abductive research aims to cover through the practical alternation between theories, literature, and empirics (Bryman et al., 2019).

3.2 Research Design

3.2.1 Multiple-Case Study Approach

The thesis aims to get an understanding of the “phenomenon of interest from the participants’ perspectives” (Merriam & Tisdell, 2016, p.16). Hence, to investigate managers’ perceptions of leading in a hybrid work environment, a case study approach was adopted as a qualitative research design. Yin (2014) states that the case study approach is preferably used to explore contemporary occurrences in-depth within their real-world context. A better understanding of complex social situations can be established as a multiple case study allows for aspect richness (Larsson, 1993; Yin, 2014). Moreover, Eisenhardt and Graebner (2007) argue that a case study approach is embedded in detailed empirical data and, thus, is likely to establish authentic and interesting results.

The researchers have chosen a multiple-case study approach over a single case study. Each interview with a senior manager or director represents one case, as they portray distinct participants of the consulting industry possessing a different perspective on the topic of interest. The choice of a multiple-case study is motivated by several reasons. The empirical insights gained from multiple cases are considered more compelling and, thus, more robust than a single case. Moreover, as a multiple-case study approach emphasizes individual cases and their unique context, it is appropriate to study the hybrid work environment (Bryman et al., 2019)

Furthermore, multiple case studies facilitate the researchers to ascertain whether findings reliably occur in other cases or if these are only meaningful within a single case which helps to corroborate particular propositions (Eisenhardt, 1991). According to Yin (2014), this can be attributed to the availability of extensions, differences, and replications offered by the multitude of cases. Compared to a single case study, a multiple-case study allows a “broader exploration of research questions and theoretical elaboration” (Eisenhardt & Graebner, 2007, p.27). As several cases are considered, complementary aspects are distinguished, and hence, the researchers can better comprehend and establish the circumstances in which a theoretical framework will hold or not (Yin, 1984; Eisenhardt, 1989).

However, the associated limitations need to be recognized. One concern of conducting multiple case studies is the lack of consistency and accuracy. Since researchers do not need to follow specific processes, the direction of findings and the derived conclusion can be influenced by the potential for negligence and allowance of ambiguous findings and biased perspectives (Yin, 2014). Furthermore, as a multiple case study approach embraces rich empirical data, the risk of

deriving an overly complex theory to cover everything researchers have investigated arises. At the same time, the simplicity of an overall perspective is neglected. Additionally, the lack of quantitative data such as regression results can cause the inability to differentiate between the most important relationships and those specific to a particular case (Eisenhardt, 1989).

3.2.2 Case Selection

The employed form of sampling is purposive, where a set of individuals is selected based on eligibility to the identified questions, studied context, and applied delimitations. In this case, the main criteria were that the individual is in a managerial position at one of the “Big Four” companies. This position could be a senior manager or director responsible for direct interaction or influence on a group of employees.

Purposive sampling is a non-probability style of collecting samples for research. Thus, it severely inhibits the opportunity for generalizability in the broader context. It is vital to remain mindful of the uniqueness of respondents’ background in terms of organizational context, which may shape the expressed views and, subsequently, the data derived from the sample. Specifically, the applied approaches to purposive sampling in the present thesis are those of criterion sampling and opportunistic sampling. Criterion sampling entails that all individuals fitting the applied criteria are contacted for interviewing purposes up to the point where the collected data could still be processed and analyzed within the restricted timeframe of the master thesis.

Additionally, opportunistic sampling has been utilized insofar as it was impossible to foresee contact with all individuals whose responses have been suitable for the studied context. Opportunism in the sampling is also evident from the researchers’ reliance on personal networks and the academic institution as sources for potential interview contacts.

The reasoning behind the application of purposive sampling is to ensure that the individual cases are comparable in terms of the functions conducted by those in managerial positions. It is crucial to ensure that the respondents have personal touchpoints with employees and can thus provide detailed accounts of the interaction and how the way of working has changed.

To determine which cases, more specifically which participants, are of particular interest for this research, they have been selected based on three predefined sample criteria:

1. Participants must be employed at one of the “Big Four” consultancies
2. Participants must work in either Germany or Sweden
3. Participants need to occupy the position of either a senior manager or director

The following section will motivate the choice of sample criteria and describe the selection of interviewees.

Firstly, the “Big Four” were chosen because they offer their services in various business areas such as auditing and assurance, tax, legal and advisory to clients such as large corporations, banks or governments (Deloitte, 2022b; EY, 2022b; KPMG, 2022b). More specially, this study investigates the “Big Four’s” consulting departments since they operate more internationally compared to their more traditional accounting and auditing services (Boussebaa, Morgan & Sturdy, 2012). Furthermore, the “Big Four” are comparable on various dimensions, such as their Anglo-American heritage, global revenue and presence, number of employees and the previously mentioned diversity of service (see Table 2).

Fiscal Year 2020	Ernst & Young	Deloitte	KPMG	PwC
Origin	US/UK	US	US/UK	US
Global revenue	US \$ 37.2 bn	US \$ 47.6 bn	US \$ 29.22 bn	US \$ 43.032 bn
Global presence (number countries of operation)	> 150	> 150	145	157
Number of employees worldwide	252,217	334,800	226,882	284,258
Number of employees in <i>Germany</i>	11,470 (Source: Statista, 2022a)	9,027 (Source: Statista, 2022b)	12,500 (Source: Statista, 2022c)	12,000 (Source: Statista, 2022d)
Number of employees in <i>Sweden</i>	2,844 (Source: EY, 2020)	> 2,800 (Source: Deloitte, 2020)	1,204 (Source: Rocketreach, n.d.a)	2,245 (Source: Rocketreach, n.d.b)

Table 2: Overview of the “Big Four” Consultancies (Developed by Researchers based on Respective Company Data or Specified Sources in Table)

Secondly, Germany and Sweden as the countries of investigation have been selected based on several reasons. Germany has the biggest consulting market in Europe with a turnover of €33.8 billion and 149,850 employed people in 2018 (Feaco, 2019). More than three quarters of the revenue in the consulting sector within Europe are generated in the four largest markets, namely Germany (33 percent), United Kingdom (22 percent), Spain (12 percent), and France (10 percent) (Gross & Poor, 2008). As the numbers show the relevance and size of Germany’s consulting industry, it is put in the leading position in Europe which makes Germany an interesting market to investigate.

Moreover, when considering the northern part of Europe, Sweden’s consulting market has the strongest performance compared to Norway, Finland, and Denmark as it accounts for over a third of the Scandinavian market’s revenue in 2017. Moreover, most revenue in the Nordics comes from digital transformation consulting and accounts for more than one third of the region’s consulting market (Consultancy.eu, 2018).

Furthermore, Sweden (OECD, 2018) and Germany (GTAI, 2022) are comparable in terms of their digital infrastructure, meaning that the opportunities and challenges of hybrid work are inherently derived from the work method itself instead of potential infrastructural shortcoming.

Additionally, the consulting industry counts to the service sector and is considered a major pillar in the German and Swedish economy. Numbers show that the service sector contributed 63.31 percent to Germany’s GDP (Statista, 2020a) while in Sweden it contributed 66.14 percent to its GDP in 2020 (Statista, 2020b), making both countries again comparable in terms of contribution to their respective economies.

Thirdly, participants have been chosen based on their managing position in the “Big Four”. Consultancy firms are characterized by a traditional, strict hierarchy which can be visualized in a pyramid structure (see Figure 6). The pyramid narrows as it increases upwards since fewer people have the respective position assigned in the following layers. The higher the seniority of a consultancy’s employee and its appropriate performance, the higher the rank of its position in the company (Deloitte, 2022a; PwC, 2022).

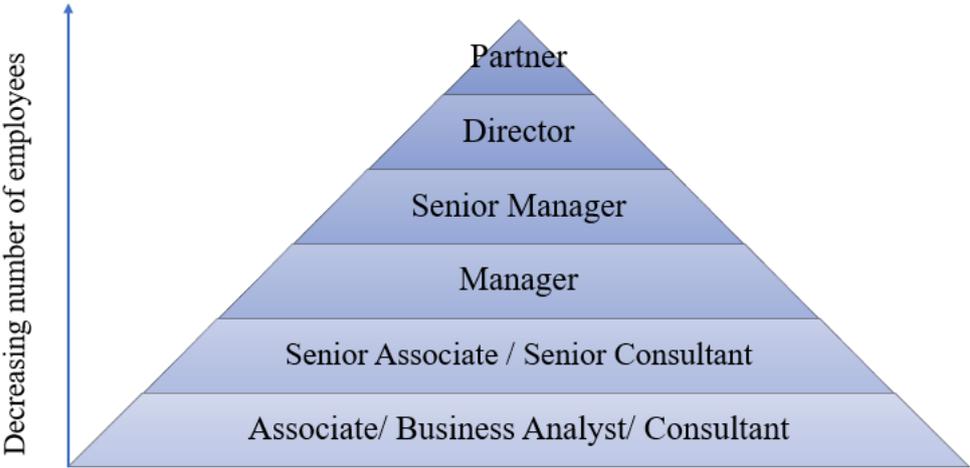


Figure 6: Hierarchy in Consultancies (Developed by Researchers based on Data from Deloitte (2022a), EY (2022a), KPMG (2022a), PwC (2022))

Senior managers serve as team leaders and are responsible for client interaction. Hence, they need to outline the overall operational direction for teams and engage in decision-making. Moreover, senior managers are responsible for building and maintaining relationships with clients and their team members while providing support and counseling. A counseling role can be described as mentoring and encouraging their 'counselees,' especially younger colleagues, on performance, technical learning, and supporting them in achieving career goals (Deloitte, 2022a; EY, 2022a; KPMG, 2022a; PwC, 2022). Besides, the director's main task is to plan strategies for developing client portfolios and managing teams' work, and "team members will look up to you for coaching, leadership, and inspiration" (Deloitte, 2022a, n.p.). Due to the close contact with consultants and their responsibility to maintain relationships and support their subordinates, senior managers and directors are considered appropriate as interviewees to investigate the team leader-employee interaction in consultancies.

3.2.3 Qualitative Employee Survey

The present study also aimed to conduct a qualitative survey to complement the perspective provided by managers with additional insight from the employees. The survey questions (see Appendix B) matched the categories that managers answered throughout the interviews and incorporated inquiries inspired by the detailed accounts of interviewees (Bryman et al., 2019; Ricci, Lanfranchi, Lemetayer et al., 2019).

The purpose was to validate concepts and perspectives presented by managers with that of team members to gain insight into whether these perceptions align. The survey results can be utilized to improve the currently existing initiatives by adjusting focus in them to what is valued and appreciated by the employees, alternatively by focusing on the highlighted problem areas.

For this purpose, the aim was to collect 40-50 employee survey responses in the respective "Big Four" companies per country, meaning Sweden and Germany and employed as consultants. This restraint has been executed to limit the impact of potential situational factors.

3.3 Data Collection

Primary data was collected by conducting ten single-person semi-structured interviews with managers at the Big Four consultancies. The following section will motivate the choice of semi-structured interviews and elucidate how they were prepared and executed.

One advantage of semi-structured interviews is to gain insightful perspectives and subjective perceptions from the interviewees on the focus of the research topic. This is especially relevant since the research topic considers the different perceptions of individual managers leading in a hybrid setting. Bryman et al. (2019) further mention that semi-structured interviews highlight the recollection of behavioral patterns based on the respondents' motives, attitudes, and judgments.

Moreover, semi-structured interviews allow the flexibility to not strictly follow the prepared questions and adjust these based on new information received from the interviewees. Accordingly, respondents can be assumed to be more informed about their company's conditions and the execution of leadership in the given context, meaning that answers are likely to contain elements beyond the researchers' questions. This can allow leveraging unexpected insights while these additional contributions can be essential in capturing the intricacies of the subject matter, thus providing essential depth and authenticity to the gathered data (Creswell & Creswell, 2018).

The interviews were conducted based on an interview guide that consisted of open-ended questions (see Appendix A). The questions were based on the research objectives and aligned with the theoretical framework presented in the literature overview (Bryman et al., 2019; Creswell & Creswell, 2018). These areas of interest emerged from continuous theory gathering and sampling. During this process, the main challenges for the hybrid work setting have crystalized and served as inspiration for the questions constituting the semi-structured interview guide.

The defined areas of interest within the interview guide are the following: introduction and role; work method; day-to-day operations; cooperation and communication; workplace well-being; networking and trust building, and final recommendations provided by the interviewee. All the above sections have been divided into example questions that provide the interviewee with a sense of direction and a general idea of the aspects of interest within these topics. For further clarity and guidance, an initial interview agenda has been presented at the beginning of each interview session, and a PowerPoint presentation has been utilized.

The interview guide was deemed appropriate to ensure that all areas of interest were covered while the researchers had the opportunity to ask specific questions to each participant. Furthermore, asking open-ended questions is essential to encourage participants to share their perspectives. The researchers further ensured that questions were not formulated in a leading manner to increase the trustworthiness of respondents' answers (Bryman et al., 2019).

The interviews have been carried out predominantly in the digital medium, relying on Microsoft Teams software, with one exception being carried out in person. Some of the noted benefits of the digital medium manifest in potential scheduling advantages, saved time, and the likelihood of participation (Hanna, 2012; Deakin & Wakefield, 2014; Weinmann, Thomas, Brilmayer et al., 2012).

Beyond the convenience of the format, other noteworthy benefits include the increased control over environmental factors making the recording process more effortless. All interviews were recorded after the interviewees granted their consent. Furthermore, digital tools enable sharing of guiding presentations, allowing for heightened clarity throughout the interviewing process. Finally, both researchers participated in the interviews, which allowed for divergent perspectives on the collected data while strengthening confidence in the findings (Eisenhardt, 1989).

Case No.	Company	Country	Position	Functional Background	Interview Length
1	Deloitte	Germany	Senior Manager	Strategy & Business Transformations	54 min
2	Deloitte	Germany	Director	Consulting Focus on Strategy & Operations in Finance Sector	52 min
3	EY	Germany	Senior Manager	People Advisory Services	56 min
4	KPMG	Germany	Senior Manager	Public Sector Consulting, Counseling Role for (Junior) Consultants	61 min
5	PwC	Germany	Senior Manager	Digital Transformation Consulting	66 min
6	Deloitte	Sweden	Senior Manager	M&A Advisory, Counseling Role for (Junior) Consultants	59 min
7	EY	Sweden	Senior Manager	Data Analytics and Technology Consulting	62 min
8	EY	Sweden	Senior Manager	Business Consulting with projects such as "Workplace of the future", Counseling Role for (Junior) Consultants	71 min
9	KPMG	Sweden	Senior Manager	Global Mobility Services Consulting	73 min
10	PwC	Sweden	Senior Manager	Public Sector Consulting, Counseling Role for (Junior) Consultants	79 min

Table 3: Overview Case Selection (Interviewees) (Developed by Researchers)

3.4 Data Analysis

To ensure coherence and sufficient understanding of the gathered data, the researchers have utilized immediate analysis to facilitate the emergence of a clear structure (Bryman et al., 2019; Creswell & Creswell, 2018). This is especially important in the case of rich qualitative data that the present study relies upon, which may mandate the application of an iterative process throughout the analysis, where it may become necessary to revise the initially established structure.

Before the coding process, the gathered material was transcribed to capture as much of the detail and nuance of the rich qualitative data as possible. This step also contributed to using said transcriptions as a source for excerpts in the form of citations and usage of the data for the subsequent coding process. Furthermore, providing a detailed account of the exact formulations and wordings used by interviewees may limit researcher subjectivity, further enhancing data value (Rennstam & Wästerfors, 2018).

The transcription process was followed by **sorting**, through which the gathered qualitative data was freely assessed without any predetermined categorizations or concepts in mind (Rennstam & Wästerfors, 2018). By adopting a broader initial approach, the researchers could limit the likelihood of confirmation biases from emerging. Both pre-established categories and new, unexpected ones have emerged organically from the data throughout this phase.

The subsequent phase in the analysis process, as proposed by Rennstam and Wästerfors (2018), is **reduction**. The emerging categories are related to one another, and prominent ones have been identified as the aggregation of constituting subcategories. These categories represent the researchers' interpretations of topics of interest and the most prevailing perceptions emerging from the interview material. In a sense, these groupings have been identified as critical determinants of the studied topic: leadership of teams in KIFs in a hybrid context.

Reducing was essential in avoiding one of many pitfalls of qualitative data analysis, such as attempting to capture too many categories, resulting in too high of complexity for data analysis and failure to recognize the most prominent themes in the study. At the same time, caution has to be exercised throughout the process as it may contribute to the fracturing of rich and contextual data, effectively reducing its value and losing narrative flow (Coffey & Atkinson, 1996; Marshall & Rossman, 2016), which is one of the main critiques of coding of qualitative data.

In practice, the basic nodes have been created through the utilization of NVivo software, which greatly enhanced the process of coding. The researchers have established their respective starting categories and, following this, reconnected to discuss similarities and potential deviations. After this deliberation, the larger groups of categories have been established with their respective subcomponents, to which the individual nodes have been related (Rallis & Rossman, 2012). Having built a common understanding of the most basic of nodes and subsequently organized these into the overarching categories allowed the researchers to refine the scope of the study on an ongoing basis and to adjust the theoretical lens and literature to better align with the new perspective on the studied phenomenon.

Finally, during **arguing**, the main themes of the research paper have been connected to provide additional new perspectives regarding the studied phenomenon and existing theory. The individual narratives and perspectives of interviewees have been linked to one another, providing the researchers with the necessary foundation to establish concepts that may increase understanding of the studied subject, thus going beyond mere representation and illustration (Rennstam & Wästerfors, 2018). Argumentation has been carried out utilizing both the individual conceptions of the researchers, aligned with one another, literature and the presented themes based on the collected responses. These distinct data sources have been examined through the theoretical lens in an iterative process until no further details could be derived.

3.5 Validity and Reliability

External validity in qualitative research could be understood in terms of generalizability and often constitutes a problem area for qualitative research (Bryman et al., 2019). The study's delimitation naturally complicates generalization to other sectors or organizations with other attitudes towards organizational leadership. However, the study approach ensures ecological validity, defined as the degree to which the findings are applicable in everyday settings or the natural habitat (Cicourel, 1982). The study originates precisely from data of respondents' everyday situations and thoughts that come from open conversations with researchers intervening as little as possible (Bryman et al., 2019).

Internal validity refers to the compatibility between the collected data and the theoretical recommendations (Bryman et al., 2019). In this regard, ecological validity helps ensure that the data is as genuine and richly described as possible (Creswell & Creswell, 2018). Using a multiple-case study means that the developed recommendations are entirely based on the

gathered data, providing enhanced internal validity so long as the researchers remain observant of potential deviations or personal bias. Data triangulation and constant feedback loops with external parties were crucial in ensuring common understanding among researchers. Triangulation of data from multitude of sources further increased validity of the study as highlighted in the arguing section.

External reliability in qualitative research refers to the replicability of the research, which is problematic for qualitative studies as it is challenging to reproduce the social setting and circumstances (Bryman et al., 2019). The researchers will attempt to facilitate replication and secure external reliability by describing the analysis process and context study thoroughly. It is still worth keeping in mind that the multiple-case study depends on researchers' ongoing examination, which is inherently difficult to replicate.

Internal reliability concerns to which degree the researchers agree on the perception of data. The two researchers behind this study have had ongoing discussions to ensure a compatible and corresponding understanding of the approach and purpose of the study as part of cross-validation efforts. However, it remains vital that both researchers contribute their unique perspectives to heighten the quality of the present paper (Bryman et al., 2019). Efforts to attain a high degree of internal reliability have to be balanced with the restrictions concerning time, as constant repetitive rearrangement and co-alignment is only beneficial to the extent it does not take time away from the interpretation process.

3.6 Ethical Considerations

Ethical issues are an essential element that needs to be considered when conducting research to prevent causing any harm to respondents. Hence, the research of this thesis followed the suggested ethical principles by Bryman et al. (2019): 1) avoidance of harm, (2) informed consent, (3) protection of privacy and (4) prevention of depletion. Hence, before starting an interview, the researchers reviewed informed consent together with the participants. Each interviewee received information about the nature of the research, their role and the intended use of information for the study. Thereby, it was ensured that all participants have full information about the research and can make an informed decision about their involvement in the study. Moreover, all interviewees were informed about their right to refuse to answer any question, to withdraw content or to stop the interview process at any time. Additionally, to ensure that the privacy of all respondents was protected, their names were anonymized, and their recorded interviews were deleted after their transcription.

4 Results

The following chapter presents the findings that were collected from the ten interviews with nine senior managers and one director from the “Big Four” companies in Germany and Sweden. First, the hybrid work setting in these companies is described. This is followed by the elaboration of the subcategories, cooperation, team cohesion, client interaction, communication and networking, which together form the overarching theme of social interactions. Afterwards, the theme of well-being is introduced which encompasses employees’ emotions connecting to the work environment. Finally, a summary of the empirical findings will be presented to provide an overview of the analysis.

4.1. The Hybrid Setting in the “Big Four”

4.1.1 The General Hybrid Work Environment

Manager 8 stated that the hybrid work environment itself is not something new, it has already been explored over 50 years ago but experienced increased attention since the 1990s. However, the recent pandemic accelerated the rethinking of changing the status quo of the prevalent work setting in consultancies to implementing a more hybrid setting in these organizations in the last two to three years. Manager 2 explained that previously, the work week looked very similar for most consultants as they mainly spent Monday to Friday at the client’s office and worked on Friday in their company’s office with their teams. In contrast, working from home was considered rather an exception, only possible if it was indeed necessary for the employee and required to get permission from the manager. However, the Covid-19 crisis and the subsequent restrictions did not allow the physical presence at the offices anymore and made employees accustomed to the new circumstances of conducting work mainly from home. According to Manager 7, these recent happenings can be considered as an “enabler” to change to a new post-pandemic workplace. The following quote elucidates this shift:

“We have set up a hybrid model that really empowers all of us. And the same rules apply for everyone [...]. You are allowed to choose by yourself where and to also quite a lot of extent when you work. And which means that you can choose to work from the office [...], but you can also choose then to work from the client side, or from somewhere else, which is likely from home, but it could be the country house or your parents’ house or some friend’s house, wherever you choose to.” – Manager 8

The hybrid work model can be illustrated as a triad:

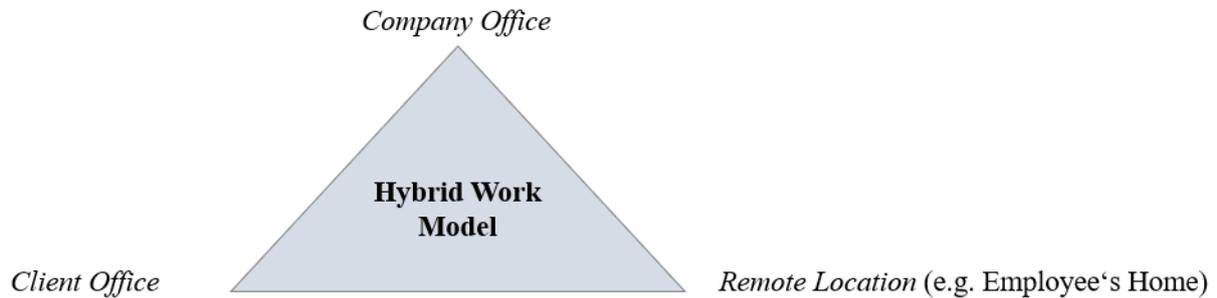


Figure 7: Hybrid Work Model at the “Big Four” Consultancies (Developed by Researchers)

As Figure 7 shows, employees can conduct their work from three different locations. The remote office location can be a preferred place chosen by a firm’s employee within its country of employment. Moreover, the “Big Four” introduced the possibility of “*job portability*” as stated by Manager 3. This means that employees can work from specific countries abroad for a specific timeframe which is mainly around 4 weeks a year.

Even though all “Big Four” companies are very international, their hybrid work models can look differently depending on the location:

“EY is very much a global firm. But we have this hybrid model that works in the Northern and in the Western part of Europe as well. [...] And also, it's important to remember that we live in a well-developed part of the world, we have really good opportunities to work from home. I have a lot of colleagues working both in Asia, and also actually Eastern Europe. And their opportunity for working from home looks different. They might live smaller; they don't have the broadband connection that's required, and they have families at home.” – Manager 8

As only executives from Germany and Sweden were interviewed for the thesis’ research, the described working model applies only to the respective Western Europe and Nordic region as they have the infrastructure that allows employees to choose their home as a remote working location. Furthermore, all organizations have implemented digital tools such as Microsoft Teams that allow their employees to work and collaborate from distributed locations.

Moreover, different managers elaborated on different prevalent hybrid working models in their departments. Manager 8 explained that there is “*no one-size-fits-all solution*” that can be applied to all companies but rather there are slight variations in how it is structured. Manager 7 (statement 1) mentioned one version of a hybrid work model where employees are expected to

be at the company's office at least one or two days a week which they can choose themselves. Moreover, the managers of this department decided to be in the firm's office on two specific days a week to offer their subordinates the opportunity to meet physically. All work meetings are conducted in a hybrid way as employees can decide if they want to join in person or virtually via a Microsoft Teams link which is always included in the meeting invitation. In contrast, only a few meetings require physical attendance from all team members. This might be the case if a client requires a team of consultants to work on-site for a specific project which can be one to two days a week or even just per month. Apart from this, employees are flexible regarding their working hours and when to work in the home office but still need to confirm this with their manager.

Another version of an implemented hybrid working model is mentioned by Manager 2 who explained that teams working together on a project are often located in different cities in the country. These teams are then meeting once or twice every week in one of those locations. Furthermore, Manager 2 stated:

"It's a model where we have projects, which work if you put people out of the project on client side and the others at home and that then rotates. So, that always some people will be able to work at home. [...] So that is also kind of a hybrid model. So, it's very diverse, this hybrid model is not a standard model, like either I'm in the office, or I'm at home. There's also the client site included, and this mentioned rotation." - Statement 2 (Manager 2)

A further version of a hybrid setting is elucidated by Manager 1:

"For me, hybrid working means 100% full flexibility for everyone in the company. I can work whenever I want to, I can go anywhere and work from anywhere. [...] But also, there will be times when you will need to meet up with your teams, you will need to go to clients. A suitable hybrid working model really depends a lot on the circumstances and the type of projects that you have right now and how you can make this work in the most efficient way." – Statement 3 (Manager 1)

The first two statements indicate that employees are demanded to meet their colleagues on a regular basis. As the team from Manager 2 is locally dispersed in the country, the team members are supposed to travel to the respective different office locations every week whereas the team of Manager 7 meets in their local office. Moreover, Manager 7 also stated that leaders of this department even introduced regular office days where they are present and that their

subordinates have the chance to meet them weekly in person. When it comes to clients, Manager 2 places high attention on being active on the client-side as they have introduced a rotating model where consultants are constantly present at the client to work in a physical setting. In contrast, Manager 1 places the most attention on flexibility and states that meetings with colleagues or clients are more conducted on an “as-needed” basis. The following table summarizes the aspects of the mentioned three statements:

	Home Office	Company Office	Client Office
Manager 7 (Statement 1)	Possible 3 – 4 days a week (depends if client visit is needed)	1 – 2 days a week Managers go to the office on two regular days a week	Dependent on client’s preferences (1-2 days a week or per month)
Manager 2 (Statement 2)	Number of days not specified, but rotating model (3-4 days a week)	1 – 2 day a week (changing city/office location every week)	Number of days not specified, but rotating model (3-4 days a week)
Manager 1 (Statement 3)	Possible 5 days a week (100% flexibility but depends if company or client office needs to be visited)	„As-needed“ basis	„As needed“ basis

Table 4: Hybrid Work Arrangements based on Statements from Interviewees (Developed by Researchers)

4.1.2 Tools and Technology

Furthermore, different managers stated that an office environment that supports collaboration and connection within teams is a key aspect to enhance effective hybrid working within organizations. Hence, different tools have been introduced in all “Big Four” consultancies. Firstly, the same technical equipment, like laptop, headsets, webcams and screens is provided for all employees. Moreover, Microsoft Teams and Zoom are both software that allow video conferencing, chat functions and other collaboration features. However, the former was mentioned by all managers as more prevalent while its choice is reinforced by the following quote:

“With Microsoft Teams, everybody would be on board on the same platform - that I would say was really technically the most significant change. Because obviously all the bigger scale team meetings and also client work needed to have one coherent platform.”
– Manager 4

Another two managers noted the tool Mural which is a software that provides a digital whiteboard which facilitates interactive engagement and the exchange of ideas by visualizing those. Moreover, it allows teams to work together in real-time or also asynchronously (Mural, 2022). Additionally, Manager 4 emphasized if employees are conducting meetings on a hybrid basis, meeting rooms need to be well-equipped. This can create an environment where people joining virtually and those joining physically have the feeling that they are in the same room by seeing each other on their screens and can listen to each other properly due to high quality sound.

4.1.3 The Role of the Office

In a hybrid setting, the office still seems to play a key aspect for consultancies as most managers mentioned that they still want their teams to meet there on a regular basis. As stated by manager 3, some employees will still prefer going to the office over working from home due to several reasons. One of these might be that those employees see the office as a functional, effective workplace to detach themselves from their home office setting that might be prone to distractions from private situations such as from family members. However, according to manager 2 around 70 to 80 percent of the firm’s workforce is currently working remotely from home.

Manager 8 argued that now executives in general need to rethink the role of the office and explain their employees the intentionality of going to the office:

“What is the purpose of the office? It’s about sense making, coming to the office matters. What is actually the reason that we want people to come in? We are supposed to collaborate, across those service lines, and across borders to a much greater extent than we have done historically, that’s part of our strategy. And for that reason, we have an office where all of us work in one building on equal setups and equal opportunities. Because we want people to get to know more people than just the ones belonging to your group.” – Manager 8

This thought is reinforced by other managers who attribute different purposes to the organization’s offices. Manager 7 considers the office mainly as a “*social meeting point*” and less a place for concentrated work as this team leader believes that the home office is more suitable. Manager 10 also stated that the major purpose of the office is for meeting other consultants and having the opportunity to network with them whereas silent or administrative work needs to be conducted in a place which allows a more focused atmosphere. Moreover, different managers advised to arrange specific days or times where employees are in the office to ensure that colleagues can meet each other. A further team leader articulated another crucial element of how the office can be used:

“We have modernized our offices to cover the modern aspects of working together and to adapt them to sort of nurturing innovation and creation. We need to bring people together and provide them rooms or studios with a number of tools such as for visualization. That’s what can trigger uncovering new ideas or new approaches of thinking.” – Manager 2

Providing such creative office spaces can foster interdisciplinary cooperation, discussions about different topics and the exchange of opinions and ideas which helps to inspire each other. To Manager 2, physical interactions are needed to stimulate innovation among employees and to come up with new ideas that go beyond the employees’ existing knowledge.

Overall, the role of the office is signified to be a workplace that needs to fulfill different purposes. On the one hand, the office needs to provide a calm space for employees who want to remove themselves from distractions at the home office. On the other hand, the office in the hybrid work environment is considered to be a place that offers consultants the opportunity to connect with colleagues, to build their network but also to provide a space for creative thinking.

4.2 Social Interactions

Throughout the empirical data analysis, a reoccurring topic has been that of social interactions. All respondents have elaborated on the intricacies of social activities within their respective project teams, with some responses pointing to the centrality of this issue concerning hybrid collaboration on a more general level within the given department or the company. It comes as no surprise that social interactions play such a central role in the study of consultant work, given the nature of knowledge-intensive firms in general and the heavy reliance on social connections within the consultancy line of work. Furthermore, considering that consultants predominantly conduct their work in smaller, concise project teams, the significance of social interactions is further enhanced.

4.2.1 Cooperation

The overarching theme of cooperation consists of two subcategories derived from the grouping of individual codes connected to time management and team organization, both of which relate to the description and practical quality of cooperation provided by respondents.

Time Management

Time management describes the way meetings are scheduled, implications deriving from virtual attendance of meetings on efficiency, and so-called “focus time”. Manager 8 suggested that the “*control of the calendar is more important than ever*” to avoid lack of time dedicated for focused work. Most findings indicate an increased frequency of meetings throughout the day, especially in the proportion of administrative and alignment tasks compared to the actual project work. Additionally, Manager 7 stated that “*virtual meetings going on for three hours are completely inefficient*” as employees “*struggle to remain concentrated*”.

Additionally, it can be established that in some instances, the actual workflow may become increasingly asynchronous due to the hybridity of work, making the alignment of individual tasks within the teams increasingly challenging. This may occur due to time zone differences among team members or commitments outside work which can affect the availability of employees.

As the degree of flexibility grows it becomes increasingly important to align meetings and schedule these based on “*the availability of colleagues’ and team members’ presence in the office*” as mentioned by Manager 1. Manager 7 indicates that flexibility is embraced

conditionally by managers meaning *“if we constrain for the outcome, it’s fine [...] if people work at midnight, or in the morning [...] as long as they do their job.”*

The distributed way of working, taken together with the deviations of working hours for individual consultants, creates additional challenges for leadership in terms of performance evaluation and tracking, leading to further increased touchpoints and frequency of communication. The model of collaboration shifts as the extent of collocated work decreases, meaning there is now a higher need for scheduling *“daily checkups with teams [...] and to provide ongoing feedback”* as stated by Manager 2, although such performance evaluation and feedback processes are indicated to be more challenging to perform in a hybrid environment.

Team Organization

This subcategory deals with how a team’s work is organized in the hybrid setting. Decisions on the medium of communication and the team’s constitution are included within it. Consequently, the division between on-site and virtual offices falls under the same category as a form of employee flexibility enabled by the team manager. The alignment of in-office presence for teams and the designation of deliverables fall under this subcategory, further enabling asynchronous work. The opportunities opened up by asynchronous work, and the benefits of flexibility may come at a cost, putting additional requirements on employees to adjust and exercise self-control.

“[...] If you don't feel that you want to come in one day and be at home one day, that's absolutely fine. I think flexibility is good. As long as people can adapt to it and can be responsible about it.” – Manager 9

Additionally, Manager 9 stated that on-site work becomes increasingly a compliment to the distributed one as employees choose to come to office *“if they wish to meet in groups or want to socialize”*. This indicates that there is a complex relationship between allowing for additional focused work and flexibility remotely and efficient collaboration within teams. An increase in complexity of team management may manifest primarily in coordinating individual team members’ efforts and *“making sure equal amounts of inclusion are done”* as mentioned by Manager 8. At the same time, there may be benefits that would not be realized in a fully collocated environment, such as the ability to include additional consultants or *“open up for work across offices”* as pointed out by Manager 9. In essence, hybrid work is suggested to alter teamwork conditions, which in turn has implications for the division of work and consultant performance.

As exemplified in the following exert the virtual component of a hybrid work environment may prove challenging in terms of managing the creative process of consultancy work.

“There are so many things that can't be done in a virtual environment, everything that's, again, innovation, creativity, personal relationships, it's not good to do this in a virtual environment.” – Manager 7

Team organization also overlaps with the inclusion of new members to pre-established teams. There may be a shift in team dynamics due to introducing a new member with whom previously decided workflow considerations must be revisited. This individual is somewhat out of the loop and may be more challenging to include in the team's discussion in a hybrid setting, primarily if these are occurring among pre-established members in-person and the new addition to the team participates online.

“[...] coming into that setting when you're new, that can be a bit tricky, because the team knows each other, they know how they want to work. And that becomes a bit trickier into the hybrid setting” – Manager 6

Finally, absence of trust can also inhibit the effectiveness of managers' leadership regarding managing the team. In such cases, investigative and controlling behavior is conducted by the manager to gain reassurance of the activity of workers. This however runs the risk of shifting focus and attention away from the actual team performance.

“[...] if you don't trust your employees, managers have big problems [...] they're always trying to search for the employees who're not working [...] they tell me I don't see my team, I don't know if they're really working.” – Manager 5

Whereas, on the other hand, trust among team members has been stated to be one of the main facilitators of efficient work in the hybrid setting, as *“you need to establish that personal relationship”* as suggested by Manager 10 to be able to perform efficiently and be productive.

In conclusion, it can be stated that managers embrace the asynchronous working method and direct attention mainly to the outcome of work. Time management gains importance as there is a need to manage dedicated focus time and restrict the extent of longer meetings that are deemed unproductive. Cooperation is further impacted by flexibility as cross-office collaborations increase and employee control over their availability is facilitated. However, inclusion remains a problem area.

4.2.2 Team Cohesion

Team cohesion connects to the unity within a team, which comprises of subcategories familiarity, trust, belongingness, and organizational culture. Here, it is essential to determine that the above subcategories do not imply a general position of team cohesion superiority compared to culture. Nor is it argued that culture is exhaustively covered by team cohesion as a category. Instead, it is the case that in the empirical material gathered, the organizational culture, sense of familiarity, and trust were all presented by respondents as enablers of team cohesion.

Grounded in the empirical results, it is further indicated that establishing team cohesion is a challenge. One explaining factor could be the obstacles to translating organizational culture and specific values and belongingness into the hybrid setting, as pointed out by Manager 3 that *“it’s difficult to create a feeling of belonging when some are in the office and some at home”*. Manager 6 stated that culture may translate poorly to the hybrid setting due to it being carried out through *“activities that historically were done in the office”*.

“I think it’s the same thing with culture, because culture has a lot to do with the stories, the icons [...] It does create more of a sense of belonging, and the whole identity. That is more difficult to create from a distance.” – Manager 10

However, it has been argued that the degree of success is also contingent on the familiarity of the cooperating members. Inclusivity in the team is well maintained among employees with pre-existing connections, even in the hybrid setting.

A similar finding can be attributed to the phenomenon of trust. A clear majority of respondents have pinpointed that only maintenance of pre-established ties can be sufficiently ensured in a hybrid setting. Building trust becomes challenging due to the lack of personal interactions, as Manager 7 stated that *“you don’t see the team on a daily basis”*. Manager 4 mentions that the virtual environment within a hybrid setting is more suitable *“to discuss functional topics [...] but it is quite difficult to build trust”*. Some indicate a gradual erosion of trust in-between organizational members should distance be maintained between the cooperating parties.

“[...] the hybrid contact is a good way of extending that [what] is already established, you can lengthen the periods between physical meetings that you need [...] it helps to keep [trust] going [...] it’s a good temporary thing. But at some point, it needs to get refreshed [...] to stay on a high level, otherwise it will erode.” – Manager 4

Potential remedies for the decrease in connectivity among team members have been identified in either virtual social activities or planned in-person interactions in the office space, with the former being somewhat disputed. Social events that are carried out in virtual environment simply do not satisfy participants' needs to connect with. Manager 9 stated *"I felt even worse during these events, it made me feel depressed"* while Manager 6 pointed out that *"they become repetitive and tiring"*, indicating that fully in-person team building activities are clearly superior.

Regarding team cohesion, it is indicated that its components: familiarity, trust, belongingness, and culture, all translate problematically into the hybrid setting. The hybrid medium is deemed more suitable for functional topics than for establishing unity in the team.

4.2.3 Client Interaction

Client interaction constitutes the third category within the chapter on social interaction. Trust remains a vital component in this category. It is yet again reiterated that for existing connections, trust does not constitute a considerable issue in the hybrid setting *"as the client already knows the organization from earlier contact"* as mentioned by manager 1 and 10 and thus has some degree of trust already built.

However, client acquisition is in a more contested position, with some of the respondents arguing for challenges in the formulation and cultivation of trust, reminiscent of the observations to be made internally among employees. Manager 4 mentioned that it is preferable to initiate projects in person to *"determine the scope and the deliverables in a physical meeting"* indicating that for more important tasks that set the direction of a project it is good to meet in person to *"build that trust and knowledge of one another"* as suggested by manager 6.

In contrast, Manager 10 pointed to their respective organization's potential size, maturity, and renown as sufficient counterforce to the difficulties in establishing trust, *"the clients already know us in the „Big Four“ and it helps a lot"*. This indicates that trust towards consultancies may be built indirectly in some cases, where the client is capable of recognizing past successes of the consultancy or has a preestablished perception of the consultancy from before.

Traditionally, consulting businesses are highly client-oriented. A considerable amount of the way of working and medium of working have been determined by the clients or made to fit the clients' requests to the best possible degree. This continues to be the case, although team leaders

have pointed out that clients' requests for travel and in-person meetings have decreased, showing increased comfort with and application of virtual meetings. Manager 9 stated that clients *"realized that a lot of the meetings can be done virtually"*, especially smaller clients tend to avoid having consultants over at their offices, *"there may be a lack of space or other factors making consultants expensive to host"*. Hybridity in such cases is manifested in the fact that these meetings arise in tandem with personal touch points and within the same project cycle.

As for performance specifically the client side of business has been exemplified in a negative sense, pointing to issues regarding selling solutions and scheduling follow-up meetings. Manager 1 reported that as in the hybrid setting people do not sit in the same room all the time, facial expressions and a big part of *"reactions towards the presentation of the solution"* may get lost. Leading the discussion forward in an organic fashion becomes also difficult as the touchpoints are more formal and restricted. Manager 1 explained that consultants miss out on the opportunity to connect and *"ask for quick follow-up questions, ideas or views"*, which could lead to a slower progression of the project as *"in physical meetings you discuss and make changes faster"*.

Client interaction relies heavily on the degree of trust, similar to other categories. Here it is voiced that existing contacts are sufficiently manageable in the hybrid setting, with some even realizing efficiency benefits in follow-up meetings. Whereas for client acquisition, the personal touchpoint remains crucial. The general difficulty of hybrid is connected to the selling of solutions to the client, where the hybrid setting has been indicated to be restrictive.

4.2.4 Communication

Communication is an essential tool for consultants to share information about a project, gain a common understanding of a client's problem and to coordinate tasks. Hence, it is needed to interact within teams working together but also with the client. Previously, it was common to have physical face-to-face interactions while teams met in the office or at the client's organization at the same time. However, in a hybrid work environment the communication via ICT became more dominant. Teams still try to update each other on a regular basis and thereby schedule more meetings than in the office environment prevalent before the pandemic which is reinforced by the following quote:

“We now tend to a much larger extent schedule work meetings. Not like those ad hoc times, when you ask a colleague for help before in the office, you just run by them. Or you want to ask something, it could take three, four minutes, maybe one minute. Now you tend to schedule 25 minutes for the same kind of dialogue. And that also increases the amount of time we have set in our calendars.” – Manager 2

This implies that the frequency of interaction increased while also some managers stated that they even experience an “*overload of meetings*”. According to Manager 2, this can be attributed to the fact that when teams are distributed, they are afraid of losing information and want to have check in a few times a day. Moreover, it also became much easier to schedule meetings since locational boundaries that people need to be in the same room are reduced. Not only meetings but also other communication channels like team chats and emails increased as those are considered a fast and easy way to reach out to people and receive an answer quickly. Nevertheless, Manager 4 mentioned that also the opposite can happen. Many people are tired of spending so much time in front of their laptops and decline meetings to decrease the frequency of communication.

Furthermore, Manager 1 agreed with the previously mentioned quote and said that managers started to reduce the length of internal meetings to a maximum of 30 minutes to encounter the risk of losing people’s interest as virtual conversations that are too long can be perceived as very exhausting. Moreover, another articulated initiative was that the responsible manager sets up at least two structured meetings a week to have regular status updates with the whole project team to talk about on-going projects and their process. This can help the team to feel trusted that they receive all information they need on a continuous basis.

Additionally, managers reported that the degree of formality of meetings increased. People tend to schedule meetings when they work virtually instead of calling their colleagues on their phone or passing by their office in the company. This is the case as employees might work asynchronously and their virtual calendars allow their colleagues to find a free time slot which ensures that those colleagues are then available. Moreover, Manager 3 reported that there is “*no informal socializing like before*”. In an office environment, many conversations happened coincidentally. As people are often distributed in a hybrid setting, the chance of having “*spontaneous conversations in front of the coffee machine*” decreases. Also, virtual meetings often have less informal talks among consultants or their clients as people tend to begin straight with professional topics since they often have a tight schedule with meetings the whole business day.

However, manager 8 considers these informal, small talks as an essential element to establish a connection between people. For this purpose, this team leader recommends that managers should schedule time where people can get to know each other on a personal level. Social activities such as taking lunch together with colleagues or team members of a project are a good option. These events can either take place in the virtual or physical setting. Through informal conversations and an atmosphere that allows employees to feel comfortable to talk about personal things, people can enhance their familiarity. Furthermore, Manager 7 emphasized that thereby consultants can establish and maintain trust between each other which helps to build interpersonal relationships and allows to have more open and deep conversations.

Another mentioned aspect is the quality of communication. Manager 10 argued that it is necessary to encourage an open and *“inclusive environment”* while some employees are working from the office, and some are from other locations. Hence, this manager said it is important that managers need to encourage their employees to speak up about different topics so that everyone’s opinion is considered and valued. However, due to the amount of various communication channels, people tend to put less of their full attention on one conversation and rather try to disperse their attention to answer several conversations in a short amount of time. Especially, when people are joining a meeting virtually this *“risk of lost attention”* can be hidden as other participants will not notice. Furthermore, the missing body language can influence the quality of a conversation:

“It’s a much less reduced depth and quality of feedback. Because there’s a lot of body language signals [...], that you can only share physically. And so, my experience is that even with people that one has already known well before that, the feeling of ‘we have a mutual connection’ gets a little smaller over time, because it’s often limited to that screen.” – Manager 4

This thought is also reinforced by Manager 10 who stated that the quality becomes more superficial when people are joining in a hybrid way. The communication through a screen allows a person to only see the facial expressions for their collocutor. However, a person is missing out on the *“important cues”* that are crucial to determine how the other person really feels or how the client perceives the presented solutions during a presentation. Hence, Manager 7 suggested following up with colleagues or clients in a physical meeting to confirm the perceived feedback.

To summarize, it is indicated that most managers agree that the frequency of communication increased as regular work updates are requested by many employees. Moreover, it is signified that the formality of scheduling meetings increased while arranging informal conversations needs to be encouraged by managers. Lastly, it seems that the quality of communication has decreased due to the more superficiality of responses and the missing out of important cues of body language.

4.2.5 Networking

Networking is the employees' efforts to create new connections among their colleagues, and given the nature of consulting business, it plays a vital role in the ability to execute projects. It allows consultants to be included in teams formulated for a specific task. Through their network, consultants get to connect and learn of their peers' capabilities and based on this, consider them for cooperation in future projects. In a sense, the network may determine the ability to advance both knowledge and expertise. Additionally, it may have a positive indirect effect on promotion prospects. The developed internal initiatives are part of the consultancy value offering to employees where they gain the ability *“to develop beyond the scope of project work within smaller junior groups”* as emphasized by Manager 1. Manager 10 provided an example of such initiatives is the counseling role, where in three cycles the *“planning of career, [...] short-term development activities, [...] and desired project experience”* are touched upon to determine the educational and learning path of the junior consultant.

Onboarding is a crucial activity that falls under the broader umbrella term networking. It initiates a new employee into the organization and connects to both a sense of belonging and the beginning of the earlier discussed development path. Precisely this form of networking is impacted most significantly by the shift to hybrid work, as Manager 3 pointed out that *“onboarding is challenging, togetherness and giving these employees a sense of belonging and cultivating engagement”* is difficult in the hybrid environment. The junior colleagues' learning curve is high with no pre-existing ties to the team or company, little to no experience with the corporate culture, and thus a low sense of belonging. Therefore, new employees suffer a greater proportion of the adverse effects of hybrid work on the development of networks.

“We had difficulties onboarding people [...] It's super hard for them to pick up a certain cultural sense of belonging, a sense of this is my community. This is my tribe. These are the people I belong to.” – Manager 4

One reason for this is yet again the notion of trust. Like its role in team dynamics and client interaction, trust also plays a significant role in explaining challenges connected to networking. In this case, it is arguable that network establishment has elements connected to the initial development of trust, meaning it is to a great degree preferable to be done in person.

“Networking [in hybrid], right because each individual sits in front of a laptop and the interaction is difficult. [...] It's a cheap thing. It's just a try not to lose everything. It cannot replace the initial networking in person” – Manager 2

Availability and spontaneity of interactions have been mentioned as one factor in this. A considerable proportion of networking occurs during unplanned interactions and meetings or throughout a guided office tour where new employees get to meet and greet colleagues. These interactions are becoming more scarce as the in-office rotations are altered by the flexibility offered in hybrid, as Manager 9 pointed out that *“there are colleagues I haven't met at all since we are less in the office”*. Manager 10 mentioned that in a hybrid setting networking becomes *“more planned and formalized”* the naturally occurring meetings and interactions *“by the desk or coffee machine”* are replaced with *“scheduled meetings”*.

However, it is essential to note that there is also some degree of positive interaction moderating the overall negative impact of hybridity on networking. Namely, individual departments have opened up to a greater extent to the possibility of co-operating with fellow company associates, who are located in either other departments or other offices altogether. Apart from impacting cooperation, this also entails initial networking in-between offices to build an understanding of existing capabilities and establish a sense of familiarity.

The management and preservation of relations may be more difficult to categorize in terms of hybridity's positive or negative influence. Here a somewhat nuanced perspective is lifted by the fact that communication with fellow employees and superiors becomes more accessible and less restricted by physical constraints as in the office, however, the availability of individuals is entirely different. In a sense, interaction with higher-ups within the office space suffers from a greater sense of exclusivity. If a manager has a visitor in the office, other employees generally need to wait for a future opportunity to connect and exchange perspectives. However, in the hybrid setting, there is always an opportunity to interact with several individuals simultaneously through video conferencing and chat functions. At the same time, it is highlighted that one retains the opportunity to choose to participate or not. In contrast, in the office, the workflow is interrupted by visitors resulting in a “might as well” attitude.

In comparison, the ease and efficiency of connection ensure that relationship maintenance is, comparatively speaking, more suited to a hybrid environment than the initiation of a connection. However, indications of network deterioration have been voiced, meaning that social connections cannot be upheld indefinitely in the hybrid setting.

In terms of networking, respondents indicate that new employees are particularly adversely affected as they struggle to build connections with colleagues. Furthermore, the onboarding process is particularly difficult in a hybrid setting. Spontaneous interactions are replaced with formalized, scheduled activities. Respondents highlighted, however, the potential benefit of availability offered by the hybrid medium.

4.3 Workplace Well-Being

Well-being at the workplace describes different aspects in the work environment and its dynamics such as personal relationships or workload, that affect how employees feel and think about their work. Manager 3 stated that the well-being of employees has always been an important element that a company and their managers need to consider. Different managers further emphasize that this became even more crucial in a hybrid work environment due to the increasing amount of communication channels and “*lack of social control*”. When people are working from dispersed places, it becomes more difficult to recognize their colleagues’ expectations and to communicate their own priorities and boundaries.

“Previously [...] you had your own office, you closed the door, no one then knocked. Now instead, you're in these meetings all day. And then you're supposed to answer your emails, someone's chatting you over Teams and then someone if you're in the office knocks someone knocks you on the shoulder.” – Manager 4

In this quote, Manager 4 illustrated why people can feel social pressure to treat requests and messages from colleagues as urgent and hence, require responding quickly. The problem of prioritizing work and balancing connectivity with colleagues arises. For this reason, manager 8 suggested establishing rules or guidelines for timeframes where no communication is desired or ‘meeting free hours’.

Another aspect is the “*work-life blending*” effect mentioned by Manager 3. When working from home, the living and working space becomes the same, making it likely that the boundaries between private and business life can become very blurry. The positive side of this is the increased flexibility of employees which allows them to schedule their work aligned to their

personal preferences and life situation. For instance, they can pick up their children from childcare or do their workout schedule when it works for them. According to manager 2, this allows employees to work more when they feel most productive. People have different “*productivity timeframes*” during the day as some people can better focus in the morning while some do in the evening. This has a positive influence on employee’s mindset and well-being as they can simultaneously manage the demands of private and professional life better.

Nevertheless, there is the challenge of separating work from private life and hence, making it difficult for employees to disconnect from work. Employees who work from home tend to work more than those in the office. Manager 4 explains that this is due to the “*always-on mentality*” as they find it “*difficult to turn off notifications and to shut down the laptop*” when they work from home. Thus, employees’ stress level can be increased, making it crucial to “*teach people [...] that we only have limited resources.*”

Manager 8 explained that to control this, they use a software called ‘Viva Insights’ to get an overview of their team’s working hours. More specially, working hours are tracked on a group level based on their calendars. This makes it easy to identify “*unbeneficial or unhealthy working behaviors*” within a team, for instance if they extend their weekly working pensum extensively. Hence, the data provides insights if employees need support to maintain a healthy work behavior, especially if any “*warning flags*” are recognized and employees might feel exhausted from too much work. Manager 2 also stated that regular conversations with employees are beneficial for the following reason:

“The hurdle is super high, nobody’s going to expose themselves in a high-performance environment like consulting.”

Thus, Manager 2 emphasized that it is important that managers make their subordinates feel trusted to talk about problems or if they need a break from work. This helps managers to understand what challenges they are currently facing and what conditions are required or need to be improved for the individual employee or team to conduct their work effectively. Hence, this can enhance employees’ work experience and help them maintain a healthy work-life balance.

To summarize, managers indicated that the hybrid work environment can have both a positive and negative influence on employees’ wellbeing. On the one hand, employees can enjoy increased flexibility and adapt their work schedule based on their personal preferences and life situation. On the other hand, employees often experience difficulties disconnecting from work

when they decide to work from home. Another factor is also that employees can feel under pressure to determine the urgency of requests from colleagues while they need to accomplish their own work simultaneously.

4.4 Summary of Empirical Findings

A summary of the most prominent findings can be found below in Table 5, these are thematically organized in the two sections of the table. The first part details the findings from the five subcategories comprising social interactions, whereas the second part of the table displays the main findings connected to well-being.

Well-being has received its separate section due to it being a broad theme that has been emerging recurrently throughout the empirical data. It was not related to social interactions, which focus primarily on the way work is conducted, but rather represents how employees feel and think about work.

Finally, trust falls into a special category as it has been mentioned as a facilitator of all categories within social interactions and an important determinant of employee well-being, thus it is displayed in a separate column connected to the two sections of the table.

Social Interactions	Trust
<p>Cooperation</p> <ul style="list-style-type: none"> • Need to schedule focus time • Need to align in-person presence • Increased regularity for feedback and regular checkups • Inclusion of new team members challenging 	<ul style="list-style-type: none"> • Erosion of trust due to the lack of physical control • Trust as facilitator of efficient work
<p>Team Cohesion</p> <ul style="list-style-type: none"> • Less belongingness • Translation of organizational culture seems more difficult • Online social events are repetitive • Maintenance and prolong of connection possible temporarily 	<ul style="list-style-type: none"> • Lack of personal interactions hamper trust building • Erosion of trust if distance is maintained
<p>Client Interaction</p> <ul style="list-style-type: none"> • Poor project initiation • Selling solutions is challenging • Clients embrace flexibility • Positive effect on renown 	<ul style="list-style-type: none"> • Building and cultivating trust can be more challenging • Physical touchpoints advisable for trust building
<p>Communication</p> <ul style="list-style-type: none"> • Increased frequency of interactions • Increased formality of scheduling meetings • Decreased quality of communication due to missing body language 	<ul style="list-style-type: none"> • Informal conversations for trust building and maintaining necessary
<p>Networking</p> <ul style="list-style-type: none"> • Better accessibility to senior colleagues • More cross-office work • Lower Engagement • Onboarding more difficult 	<ul style="list-style-type: none"> • Availability and lack of spontaneous interactions hamper trust building

Well-Being	Trust
<ul style="list-style-type: none"> • Social pressure • Flexibility in scheduling work • Ambiguous boundary between private and professional life 	<ul style="list-style-type: none"> • Trust helps managers to support employees when they have problems

Table 5: Summary of Empirical Findings (Developed by Researchers)

5 Discussion

The following chapter aims to detail the results of the empirical findings discussed in light of the existing literature and theories, namely the SLT and Tuckman's stages of group development. Both of these theories constitute the theoretical lens within the adopted framework (see Figure 4), which is applied to leadership practices within a hybrid work environment.

5.1 The Hybrid Work Setting as the New Normal

The findings suggest that the hybrid work environment can be considered the new prevalent working concept in the post-pandemic future. As different managers emphasized it was not new for consultants to work from dispersed places as they have previously engaged in work at client side and office interchangeably. Nevertheless, different managers stated that the Covid-19 pandemic was a catalyst that triggered the rethinking of this 'traditional' work setting. The hybrid work model that has now been implemented in consultancies still consists of the two pillars, namely the company and the client's office, that were common workplaces before while a further pillar was added. The third pillar consists of an employee's preferred remote location which is often their home.

The empirical findings indicate a desire for flexibility and support for hybrid work, both from middle management and their teams. The interviewees pointed out that in all "Big Four" consultancies the hybrid model consists of the three previously mentioned pillars. However, it is signified that there is not a 'one-size-fits-all' solution of a hybrid model that is prevalent, rather there exist several with slight variations in how they are conducted. McKinsey (2021b) also suggests that there will be no generic approach that applies to every company while different managers expressed that the implemented version of a hybrid setting can even vary from department to department within a consultancy.

The findings further suggest that there is a divide regarding the extent of flexible work arrangements in the empirical findings. Manager 1 argued for 100 percent flexibility in how a hybrid setting can be structured for every employee. Referring this back to Figure 1, employees experience unconstrained autonomy about their work location and schedule (Bloom, 2021) with the only exception if there are compulsory occasions to meet the team or the client. In contrast, Manager 2 expressed a more balanced approach of all three pillars of the hybrid setting. This individual has implemented a rotating model for the team and emphasized a close interaction with the client, meaning that some team members are always present there. This seems also

present in the approach of Manager 7, who advocated for presence at client based on the clients' preferences and needs. Both of these managers allow their employees to work from home on a regular basis and while they express a low preference for office presence of their employees, stating one or two days as sufficient amount.

Hence, each respondent expressed a tendency towards home office solutions, however the exact details of such signified to be adapted to the employees' preferences and conditions and the client's expectations. At the same time, for activities related to relationship establishment or management, most managers expect employees to be on-site at least one day a week. The motivation behind this is primarily the superiority of face-to-face medium for such activities. This seems to provide a conflicting result compared to findings from McKinsey (2021a) where C-level executives expect a return to the predominantly office-centered way of work. This entails an expectation of a minimum of three expected days at the company's office.

Another mentioned aspect is the role of the office. As working from home is considered a dominant part of the hybrid working model, it seems to become essential for managers to emphasize why the office is still an important element for consultants' work. As the empirical findings indicate, the office is not necessarily needed for productivity reasons but rather serves primarily the function of socialization. A physical office location allows consultants to meet each other and network in person which enhances their sense of belonging and cooperation with team members (Hambley et al., 2007; Windsor, 2001). This is viewed as a crucial aspect for consultants as their work tasks often require a close interaction with colleagues and hence, the cultivation of mutual relationships seems indispensable (Alvesson, 2004).

The analysis of interviews also indicated that the layout of the office has changed accordingly. The offices of the "Big Four" consultancies were redesigned to provide optimized conditions for social interactions such as by offering areas that invite employees to engage in informal conversations that can spark their creativity and for innovative collaboration. This is reinforced by Alvesson (2004) who states that such conversations allow employees to more easily exchange ideas which count as a source of inspiration for consultants. Moreover, informal conversations can help to build trust and enhance familiarity between team members as they are encouraged to share personal insights and concerns (Eisenberg & Krishnan, 2018).

Overall, the empirical findings imply that hybrid work is a model that is intended to stay in consultants' daily work life. However, to find an appropriate version of such a model, it is suggested that a manager needs to take team members' preferences into account. This goes in

line with Gratton (2021) who argues that a manager needs to establish clear expectations but also needs to uncover employees' needs such as their productivity timeframes to adapt a hybrid working model that supports organizational goals in combination with employees' preferences. Moreover, it is also proposed to consider clients' preferences and that the aspect of socializing in the company office still plays a significant role for consultants' work.

5.2 Supportive Leadership Behavior in the Hybrid Setting

The analysis of the empirical findings allows to examine the appropriate leadership behavior based on the situational leadership theory in a hybrid work environment (Hersey & Blanchard, 1996).

As the interviewed managers stated that they enable their employees to work from dispersed places, it is indicated that consultants have a certain high level of knowledge and skills to perform their work autonomously (Hersey & Blanchard, 1996). However, the managerial function of providing guidance in the form of regular check-ups, or performance promotion through feedback processes (Yukl, 2010) remains highly relevant in the hybrid setting.

Moreover, as different managers expressed that they trust their subordinates to exert self-control in choosing to a large extent where and when, it can be signified that consultants enjoy a high autonomy in structuring their daily work (Alvesson, 2004). As expressed by Handy (1995), trust also replaces the conventional means of control since managers cannot physically control what their employees are doing. Accordingly, different interviewees pointed out that team leaders refrain from controlling employees' activities and rather pursue a more results-oriented working approach. The trust managers have in their employees' level of competence for carrying out work can be reinforced if they can rely that consultants' actions are favorable and that they perform on established deliverables (Handy, 1995; Kirkman et al., 2002).

However, the empirical results indicate that consultants have difficulties associated with their psychological maturity in several phases of social interaction (Hersey et al., 1979). It has been reported that the frequency of meetings has increased while people are working from dispersed places. One mentioned reason for this was employees' anxiety of losing information. As extensive communication is viewed as an important part of consultants' work (Alvesson, 2004), managers have initiated to set up regular meetings to ensure that all necessary information is provided to their teams to perform their work effectively (Cascio, 2000). A further aspect is that people might be insecure to speak up when they can only see their colleagues over the screen

which makes it crucial for managers to encourage an environment with an equal inclusion of every team member. This can enhance the belongingness of employees to a team, thereby increasing their commitment to work (Cascio, 2000).

Moreover, consultants are supposed to cultivate a close interaction with their colleagues as teamwork is a crucial part to find and provide solutions to their clients' problems (Alvesson, 2004). A threat of disconnectedness between team members can reduce the common understanding of values and identity among consultants (Blackler, 1995) which negatively impacts employees' engagement of accomplishing shared tasks and goals (Ouchi, 1979).

As an important task of a team manager is to build and maintain relationships (Yukl, 2010), it is viewed crucial to encourage informal conversations to enhance trust between team members (Eisenberg & Krishnan, 2018). However, they seem to receive a shortcoming in hybrid settings as reported by different managers. Hence, different managers proposed to regularly schedule time for such informal meetings and provide regular physical touchpoints, such as with social events or office days, as they facilitate the spontaneity of informal meetings. This enables to enhance familiarity and trust between team members as they are comfortable in sharing private elements (Mayer et al., 1995). As suggested by managers, this also allows employees to have more open communications which in turn facilitates the exchange of ideas, information and knowledge (Alvesson, 2004; Kim, Ferrin & Rao, 2008).

Additionally, the empirical findings indicate that employees need to receive support to maintain well-being at the workplace. For instance, the difficulty of separating private and professional and the potential increasing workload, can cause the occurrence of unhealthy work behavior in a hybrid setting. This in turn can make it difficult to maintain their motivation towards work (Bailey & Kurland, 1999). As managers have the potential to motivate employees (Kotter, 1990; Zaleznik, 1998), it is considered crucial for them to recognize if employees experience any imbalance in their daily work and encourage their subordinates to speak up if they have other problems that might decrease their well-being.

Those presented findings signify that consultants have the necessary competence in terms of skills, knowledge and experience to perform their work. More specially, they are considered to have a high-moderate degree of job maturity, meaning that they can accomplish tasks without much direction provided from their managers. Nevertheless, thorough analysis of the interviews implies that consultants face many situations in a hybrid setting that can cause variable commitment and motivation. When managers provide an inclusive, equal environment,

employees' confidence can be increased while the assistance in maintaining a healthy work-life balance can enhance employees' motivation towards work. Hence, team leaders can support their subordinates to strengthen their psychological maturity. Moreover, it is suggested that managers engage in two-way communication and actively listen to what their employees need to enhance their efforts in using their existing competence. Consequently, it is proposed that a **supportive** leadership behavior may be appropriate as employees' development can be characterized with a moderate-high competence and variable commitment located in phase D3 (see Figure 2) in a hybrid work environment (Hersey et al., 1979; Hersey & Blanchard, 1996).

5.3 Team Maturity as a Facilitator of Performance in the Hybrid Setting

The application of the Tuckman model allows the researcher to draw conclusions regarding the developmental stage of a given team which subsequently, enables the researchers to suggest expected team experiences of hybrid work.

Consultancy workers fall into the third group setting presented in the Tuckman model, namely the laboratory group. Laboratory or natural groups are regarded as professional groups consisting of knowledge workers, meaning that consultancies, being KIFs (Alvesson, 2004), constitute a subsegment of such group setting (Tuckman, 1965).

Stage 1 - Forming

Phase one processes lifted throughout interviews were connected to establishing the initial team structure and sense of belongingness to the group. Primarily, belonging constitutes a significant concern for newly hired employees or those new to the team (Kozlowski & Bell, 2003). During the interviews it was pointed out that it is critical but difficult to achieve in the hybrid setting due to a sense of disconnectedness. Suggested countermeasures include virtual backgrounds, company-branded items, and organizing internal communities. This indicates that it may be necessary to target the threat of disconnectedness from various angles to achieve better results.

Team formulation and project initiation have received predominantly negative descriptors, indicating a challenge for the hybrid setting. Similarly, it is suggested that new teams may struggle to manage the flexibility aspect of hybrid work. Manager 10 stipulated that a functional team possesses a compatible approach to the execution of work. Any new additions to the team would require controlling behavior on the management side and onboarding sessions to build necessary competencies in the execution of work. Communication quality also decreases during extensive conference meetings. Participants may have a higher need for closure, and especially

in connection to concerns with an ongoing project, employees are less likely to voice concerns. Additionally, a loss of nuance can be observed as social cues are challenging to translate (Cascio, 2000).

A benefit of the hybrid setting highlighted by managers is the availability of the employees, meaning it is easier to schedule and execute onboarding initiatives as employees spend less time traveling and have more open timetable slots.

Stage 2 - Storming

The notion of flexibility is what signifies the second stage of team development. During this period, potential friction between internal hierarchy and autonomy is brought to attention. Building on the challenges of the first phase due to the dilemma surrounding the inclusion of new co-workers within established teams, it also becomes challenging to determine the intra-group hierarchy (Tuckman, 1965). Hierarchy is presented in terms of interactions among different groups within the company. While the structure remains well-defined and unchanged, the perception is flatter due to participants' increased interaction frequency and availability.

Flexibility may be perceived as a proxy for autonomy as team members gain the opportunity to decide on their availability and work arrangements in hybrid work due to the asynchronous arrangement of tasks (Bailey & Kurland, 1999). This manifestation of autonomy receives much support from different managers. Manager 5 even regards it as the primary requirement for functional hybrid work. Flexibility may contribute to the friction between hierarchy and autonomy. A necessity for adaptation and coordination of individuals' flexible scheduling is highlighted, effectively limiting the autonomy of individuals to some degree. This resonates particularly well with the argument that there is a need for a group perspective where autonomy is enabled to the extent it does not hamper group dynamics and is handled with responsibility from individuals' point of view.

Stage 3 - Norming

The third stage of team development concentrates on establishing group cohesion (Tuckman, 1965), highlighted as one of the most crucial and challenging aspects of hybrid work (Powell et al., 2004). Here, the group focuses on identifying common ground among members and initiates a social connection among constituting members to build familiarity within the team (Wellen & Neale, 2006). In practice, relationship-building activities entail counseling tasks that focus on the personal aspect of life and seek to uncover commonalities among employees. Manager 10 stated that such discussions occur more naturally in a personal environment

(Hambley et al., 2007; Windsor, 2001) but are possible in a hybrid, too, albeit they require greater attention and effort. For this purpose, specific meetings may be held to facilitate such discussions, where the topic is strictly non-work related. Although this introduces a sense of formality in the otherwise organically emerging conversations, it still may fulfill the purpose of maintaining familiarity in-between physical interactions (Hill et al., 2009). However, it is essential to note that maintenance is not indefinite, and there is still a clear preference for in-person connection. Attempting to build cohesion in a hybrid environment may prove difficult as the mutual reliance becomes challenging to uphold in a setting where people work from the home office to a greater extent and can avoid or plan their discussions with colleagues (Blackburn et al., 2003). It can become harder to gain that critical personal component, the building block of trust and social connections (Knouse, 2006).

Engagement of individuals in the team may also fade in virtual touchpoints, referred to as disconnectedness. The virtual setting of hybrid work can extend existing ties, but after prolonged time these connections may require reinvigoration. Furthermore, the intra-group work distribution and norms can be contingent on an active discussion between the manager and team members. If the group dynamics and ways of conduct are not ironed out, and people lack that personal and intimate connection, then establishing it from the base may prove challenging. On the other hand, familiarity can effectively sustain the relationship if physical interactions are planned with a sense of regularity to avoid disconnectedness (Eisenberg & Krishnan, 2018; Hill et al., 2009).

Stage 4 – Performing

The final stage, performing, shifts the focus away from the social aspects of teams toward the actual execution of functions. This is the stage of the so-called effective or performing teams, and members have already established a clear structure, roles, responsibilities, the intra-group hierarchy, and the cohesion from earlier phases (Tuckman, 1965). Due to this, it is indicated that project teams that have reached this degree of maturity in team dynamics may thrive comparatively more in the hybrid setting as they are well-equipped to reap the benefits of flexibility.

In this stage, the main concerns are those of alignment of deliverables which constitutes additional employee responsibility (Tuckman, 1965). However, this does not constitute an issue for most teams with extensive experience working together.

As for the accountability and assessment, there is no need for adaptation recognized by the interviewees. They indicate that the evaluation of work does not change or get affected by the hybridity of work. It was further argued that specific evaluation and feedback measures are easier to conduct over a hybrid setting, given the convenience of ICT technology. Manager 8 pointed to the difficulty of assessing incomplete results, as the more minor details may be lost in the hybrid setting, potentially due to asynchrony.

To summarize, the findings indicate that mature teams with a well-established way of working and sufficient levels of trust and mutual connections among members perform better from the perspective provided by the managers. These teams can handle the additional scheduling work that comes with the asynchrony of work. Due to previous ties to one another, they can focus on maintaining cohesion and may dedicate more attention to the tasks themselves as they face comparatively fewer obstacles in this new setting.

6 Conclusion

The purpose of this thesis was to explore and understand how managers lead knowledge-intensive teams in a hybrid work environment in the context of the “Big Four” consultancy firms in Germany and Sweden. Furthermore, this study aimed to find out what development level of team dynamics facilitates working in a hybrid work environment. To examine these phenomena, the following research questions were formulated:

How do team leaders manage knowledge-intensive teams in the hybrid work environment?

(a) Which team leadership behavior is enhanced by the hybrid work environment?

(b) How does the development stage of team dynamics influence the experience of hybrid work?

To address these research questions, a qualitative multiple-case study with nine managers and one director was conducted. The conducted interviews allowed the researchers to explore and identify the underlying work interactions among consultants collaborating with one another and the respective team leader within a hybrid work environment. The empirical findings suggest that cooperation, team cohesion, client interaction, communication and networking are factors that are incorporated in the category of social interactions whereas workplace well-being builds a category of itself. Social interactions and well-being the two large themes together determine the leadership function an individual manager exerts.

Derived from the empirical findings, the thesis analyzes two overarching insights that concern the appropriate type of leadership behavior and the development level of teams that are suitable to interact in a hybrid work environment:

First, the thesis proposes that a supportive leadership behavior is considered appropriate to lead knowledge-intensive teams. This is motivated by the consultants’ identified moderate-high level of knowledge and skills to accomplish tasks but a variable level of commitment. Hence, leaders are advised to engage in two-way communication with their employees to enhance their confidence and motivation to actually use their existing competency to potentially enhance performance.

Secondly, the empirical findings indicate that the experience level of a team has a moderating relationship to the perceived challenges and an enhancing or facilitating role in terms of the benefits of hybrid work. Managers express greater concern and apply a rather negative stance towards the execution of teamwork in a hybrid work environment if the team happens to be

newly formed. Reasoning behind this is the expressed lack of cohesion and in some instances low levels of trust. Individual members may require guidance and coaching in the way of working in addition to focused efforts on networking. However, not all components of the initiatives translate into the virtual aspect of hybrid work meaning that groups at a lower stage of development will find it difficult to maintain engagement and motivation. Particularly the communication quality aspect limits the relationship building potential of the hybrid setting, where social cues and details are not translated amply.

Comparatively speaking this means that in less mature teams attention may shift from the fulfillment of tasks and performance to the social ties to avoid disconnectedness and adverse consequences for employee well-being. Building on the Tuckman's (1965) model for team development the researchers see that this issue may not occur for teams in the later phase of stage three or those in stage four. For these teams, unity is considered established, and a clear intra-group structure is in place meaning that rather than establishing trust and cohesion members and leaders can focus on maintenance. This has been indicated to work well in hybrid environments with some stating it is even preferable.

Finally, these teams are composed of members well accustomed to working with one another meaning that the increased autonomy in the form of flexibility may contribute to higher efficiency and better performance, effectively minimizing the challenges and capitalizing on the benefits of hybrid work.

6.1 Theoretical Implications

Theoretical implications derived from the findings in the present thesis contribute to the understanding of the hybrid way of working within knowledge-intensive firms. Specifically, it is in the context of consultancies that the contribution to literature may occur. This contribution aims to problematize and explore the suitability of hybrid work in an extensively network-oriented context from the perspective of the manager of consultant teams. Through the present qualitative study additional understanding may be accomplished for the leadership behavior and style within such organizations and for the interplay between the teams' degree of development and challenges of hybrid work.

The application of Hersey and Blanchard (1996) and Tuckman (1965) aimed at exploring whether these models can be suitable to study the recent developments and spread in the hybrid way of working. While dispersed teams have existed since long before, it is first now that the

hybrid setting is truly entering the focus of attention potentially due to Covid-19 pandemic acting as a catalyst for its spread. Through the application of the models a deeper understanding can be gained for the activities that are affected and for the perceived challenges and benefits from management perspective. This may prove to be a foundation for the development of existing theory, with focus on network-dependent and knowledge-intensive firms.

Regarding the theoretical distinction between management and leadership the following finding can provide certain theoretical implications. The presented activities that team managers are expected to conduct and the respondents' acknowledgement of their importance for managing teams in the hybrid setting seem to support the application of managerial leadership (Yukl, 2010). The overlap in managerial roles and leadership tasks are exemplified by the empirical findings, which indicate that indeed managers in practice do seem to concern themselves with the engagement and motivation of the employees and the long term consequences of hybridity for their respective teams but also on a broader organizational level. This finding suggests that embracing the concept of managerial leadership allows researchers to bridge the gap between academia and practice to a greater extent.

6.2 Practical Implications

The findings of this thesis indicate several practical implications for senior managers in consultancies comparable to the "Big Four" consultancies. These can be summarized in two points:

First, despite the sufficient levels of consultants' competence, managers often identified weak spots that can cause their subordinates' variable commitment. This is the case as consultants might face situations such as the potential of loss of connection with colleagues which can decrease their confidence or motivation in accomplishing their work. Hence, it seems crucial for managers to remember that they should regularly check-in with their employees, such as by providing them project updates or only engage in personal conversations, listen to their employees' concerns, and encourage regular informal meetings with colleagues. Consequently, a leader that adapts a supportive behavior can facilitate working in a hybrid work environment.

Secondly, team leaders are suggested to customize their hybrid strategies to the existing stage of team dynamics, meaning that for comparatively speaking more developed teams, a greater degree of flexibility seems suitable, and these teams are indicated to be able to reap the benefits of hybridity. Whereas for less developed teams, the hybrid setting is suggested to enhance the

uncertainty and ambiguity connected to team roles and may further increase sense of isolation among employees potentially leading to a deterioration of their work-life balance.

These practical insights may aid managers in understanding the challenges of a hybrid work environment. By incorporating these insights, managers may be enabled to adjust their leadership behavior and approach connected to teamwork and thus, be able to meet employees' demands better in terms of flexibility. This holds the potential to decrease the impact of the Great Resignation and potentially improve employee retention initiatives.

6.3 Limitations and Future Research

To conclude this thesis and enhance transparency, different limitations and future suggestions are presented.

One explicit limitation of the present study is its qualitative and explorative nature. Based on this, the generalizability of findings suffers considerably. It is essential to consider the context of the studied organizations when attempting to extrapolate the findings and relationships described between the categories. This extends to both societal and infrastructural contexts beyond the apparent organizational characteristics. For instance, initiatives described throughout the interviews may not be feasible from a resource perspective for smaller consultancies. The cultural aspect may have had more pronounced importance if studied in countries more distinct than Germany and Sweden. Finally, infrastructure, especially internet accessibility, may have looked different in other regions and impacted the degree of hybridity. Thus, the study only provides a general overview of potentially essential topics to consider, which must be adapted to the prevailing context.

We may establish that the perceptions only indicate the direction of effect in the present study. The researchers cannot assess the absolute degree of change in performance or well-being; instead, it is only suggested whether the relationship is of facilitating or hampering nature. For further details and potential for absolute impact measurement, it is proposed to conduct a longitudinal study and revisit the organizations to assess performance and survey employee feedback on critical topics studied in the present paper.

A further limitation is that this study is based on the managers' view of team interactions and well-being in the hybrid setting. An attempt was made to capture the employee side through a survey; however, due to insufficient data, this did not meet the desired saturation of responses.

It is suggested that future inquiries into the topic consider conducting an employee survey to explore whether the team leader and the employee perspective overlap and align. This can potentially improve the fitness of team leadership and the impactfulness of initiatives. Due to time constraints and slow response rates, such a thorough investigation was not feasible.

Finally, the applied theories require critical assessment too. The Hersey and Blanchard Situational Leadership Model contributes to a clearer understanding of leadership behaviors in terms of adaptability to the current degree of employee maturity while also emphasizing the importance of contributing to employee development and adjustment of executed leadership as the situation changes. However, it is to some extent unclear what situational variables may affect the performed leadership behavior and how. Yukl (2010) argues, for instance, that these situational variables may serve an important role in determining suitable leadership in a given context. The present study provides further indications of this being the case, as applying the Tuckman Stages of Team Development model allowed the researchers to identify the developmental level of team dynamics as a moderating variable of conducted team leadership. Further research in this area is thus suggested to uncover additional situational variables of importance.

In the case of Tuckman's stages of development for teams, it is essential to note that the consultancy falls into two categories: the natural group and the laboratory group. Tuckman merged these two categories into one due to a lack of responses, but slight differences in definitions and descriptions exist. Natural groups focused comparatively more on the professional nature of the setting and the task orientation. It is thus not entirely unlikely that with more data collection, the two could be separated and specific differences in details explored. Further, Tuckman describes the stages in detail, providing ample references to relevant literature. However, it is not mentioned how to advance from one stage to the next. Thus, the model is more of a diagnostic tool, and practical applicability becomes contested.

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Appendix A – Interview Guide



**SCHOOL OF
ECONOMICS AND
MANAGEMENT**

Interview Guide

Lund University

International Strategic Management M.Sc.

Students: Denise Effner and Sándor Havrilják

Supervisor: Ulf Ramberg

Thank you for participating in this interview. Our focus in the thesis is on management consultancies, and we are primarily interested in seeing how digital/hybrid work has impacted managers' perceptions of leadership and managerial roles/skills. We treat Covid-19 as a catalyst for change of coordination and execution of work and we look at changes introduced as a result of restrictions and whether they still hold to the present day.

Topic	Questions
Introduction and Role	<ul style="list-style-type: none">• Could you please describe what your role in the company is?• Could you please give a short overview of your duties?• What groups within in the company do you work/interact with?
Working Method	<ul style="list-style-type: none">• How has the way of working changed in your company during Covid-19?• Were you prepared for virtual work?• How has the change been perceived by employees?• Has the role of the office changed?• Do you consider continuing with this way of work?
Day-to-Day Operations	<ul style="list-style-type: none">• How has client interaction changed?• How has virtual work affected managers' tasks?• Did some leadership skills become more important?

	<ul style="list-style-type: none"> • What benefits and challenges can you think of as a manager in leading a hybrid team?
Cooperation and Communication	<ul style="list-style-type: none"> • How would you imagine a flexible work arrangement? • How do you ensure that team leaders/managers focus on social connectivity and belongingness for their teams? • How do you maintain team cohesion when some people are working remotely while others are onsite? • How is virtual work evaluated? • To what extent has the frequency of communication between managers and teams changed?
Workplace Well-Being	<ul style="list-style-type: none"> • How do you support employees to manage work-life boundaries and exhaustion in a digital work environment? • What initiatives do you provide to maintain employee health?
Networking and Trust Building	<ul style="list-style-type: none"> • How has digital work impacted networking among employees? • Did it become more difficult for employees to establish trust with colleagues during virtual collaboration? • Did you see any effect on client trust towards the organization? • Have you experienced any form of disconnectedness among colleagues?
Final Recommendations	

Appendix B – Employee Survey Questions

The first section serves the purpose controlling for the following factors:

1. Which consultancy are you employed at?
2. What country are you employed in?
3. What position do you work in?

The aim of this is to ensure that respondents to the questionnaire are indeed fitting of the description provided in 3.2.3 and represent valid entries.

Day-to-Day Operations

4. How large parts of your daily tasks are conducted in a hybrid setting?
5. How desirable is it for you to work in a hybrid setting?
6. How would you imagine a hybrid work arrangement?
7. What benefits do you perceive in a hybrid setting?
8. What challenges do you perceive in a hybrid setting?
9. How would you describe your level of productivity when your company transitioned to hybrid working?

Corporate Well-Being

10. To what extent do you feel that the boundary between working and private life has disappeared?
11. Do you find it difficult to disconnect from work?
12. How supported do you feel by your employer in the transition to hybrid work?
13. To what extent do you feel digital exhaustion in the hybrid work environment?

Expectations and Belongingness

14. What are your expectations in the hybrid work?
15. Do you feel part of your company?
16. Do you think that organizational culture translates well into the hybrid setting?
17. What elements of culture do not work well in a hybrid setting?

18. What types of events have you found to be successful to maintain engagement and culture in a hybrid setting?
19. Do you feel connected to your team members in a hybrid setting?
20. What are you thinking about hybrid team building experiences?

Communication and Cooperation

21. To what extent has the frequency of communication between you and your manager changed?
22. How can team cohesion be maintained in a hybrid setting?
23. How has collaboration among team members changed in a hybrid setting?
24. What skills do you deem important for team leaders to possess?
25. How formalized is hybrid work through explicit "dos and don'ts" at your company?

Trust Building and Networking

26. How is it to maintain trust with your manager(s) in a hybrid setting?
27. How is it to maintain trust with your team members/colleagues in a hybrid setting?
28. To what extent has hybrid work impacted your networking opportunities?
29. To what extent has hierarchy in your company become flatter?
30. What are your recommendations to implement a hybrid setting successfully?