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List of abbreviations

Abbreviation	Meaning
AVE	Average Variance Extracted
HRM	Human Resource Management
HTMT	Heterotrait-Monotrait Ratio
ILO	International Labour Organization
JD-R	Job Demands-Resources model
JS	Job Satisfaction
MH	Mental Health
OECD	Organisation for Economic Co-operation and Development
OS_COM	Organizational Support and Communication
PLS-SEM	Partial Least Squares Structural Equation Modeling
RWC	Remote Work Conditions
RWP	Remote Work Productivity
SDT	Self-Determination Theory
SME	Small and Medium-Sized Enterprise

Abstract

In the post-pandemic period, the remote work format was transformed from an emergency measure into a stable component of modern labor relations. Despite the obvious advantages in the form of flexibility and autonomy, the transition to remote management creates specific challenges for small and medium-sized enterprises (SMEs), which traditionally operate in conditions of limited financial, technological and human resources. This dissertation is devoted to the analysis of the impact of remote work on the well-being of SME employees, with a special focus on such parameters as mental health, job satisfaction, quality of organizational support and productivity. The theoretical foundation of the research is based on the synthesis of the theory of self-determination and the model of "requirements and resources in work" (JD-R model). The empirical part was performed within the framework of the quantitative paradigm: data collection was carried out through a survey of SME employees in Kazakhstan, and subsequent verification of hypotheses was carried out using the structural modeling method (PLS-SEM) in the SmartPLS 4 software environment. The results of the study demonstrate that the well-being of staff in a remote format is determined not so much by the availability of digital tools as by the quality of "soft" management factors: clarity of communications, regularity of feedback from management, emotional support and respect for the boundaries between professional and personal life. The author concludes that remote work becomes a driver of productivity in the SME sector only if it is administered as a human-centered organizational practice, and not as a purely technical solution for changing the workplace location.

Keywords: remote work, employee well-being, SMEs, mental health, job satisfaction, organizational support, productivity.

1. Introduction

Lately, the workspace has seen massive shifts. Fast digital growth and the heavy use of tech tools have created a completely fresh work reality. This shift matches long-term structural changes caused by the COVID-19 pandemic. The main sign of these changes was the adoption of the remote work format as a standard practice. Previously, remote employment felt like the privilege of a narrow circle of specialists or a forced temporary fix, but today it integrates into the operations of entire business fields on a global scale. According to the findings of the OECD (2021), the remote format has ceased to be an exclusively crisis-driven tool. It has taken on a permanent nature, bringing a complex impact to business strategies, employee situations, and regional development as a whole. Eurofound (2022) research proves that remote work has become a basic feature of the modern labor market. The mix of technological progress with changing employer needs and worker expectations suggests that the weight of this format will only increase over the long term.

These massive shifts in the employment sector catch heavy attention from both researchers and business experts. This interest stems from the fact that the remote format reshapes not just the physical office setup, but also daily schedules, management styles, communication channels, and employee freedom. The balance between job duties and personal life stands out as a particularly vital issue.

In early papers, remote work was frequently viewed as a flexible tool that could help both bosses and staff. A major study by Gajendran and Harrison (2007), which combined data from 46 separate projects and over 12,000 workers, proved that the remote setup brings a "minor but sustained positive impact" on job results. Among the main benefits, the authors pointed to a higher personal sense of freedom, less friction between job and family life, and an overall rise in work satisfaction.

Importantly, the findings show that even with an intensive remote work schedule, the negative impact on interpersonal team connections remains minimal, despite widespread worries. This leads to the conclusion that remote work itself represents neither a purely positive nor a negative phenomenon. Instead, its success depends on how a worker builds self-organization habits, manages time, and personally views this setup (Gajendran & Harrison, 2007).

The growing relevance of the remote format links directly to increased attention toward employee well-being. This concept holds the status of a core element, as it does more than just reflect the emotional state of the staff. It also acts as a major factor shaping productivity, engagement, and adaptability in the workspace. In remote employment setups, well-being depends heavily on the level of freedom and the quality of communication, which involves the digital readiness of the firm and specific management routines.

As highlighted in the ILO reports (2022), the length of working hours, the way they are organized, and the degree to which employees control their own schedules have a direct impact on mental and physical health, as well as overall life and work satisfaction. This problem becomes particularly acute precisely in the remote format, where flexibility is an ambivalent factor. On the one hand, it can enhance a sense of control over work processes, but on the other, it can provoke the effect of "always-on culture", blurring the boundaries between professional and personal spheres and, as a result, lead to overwork (ILO, 2022).

Nevertheless, current empirical evidence and programmatic reports indicate a pronounced dualistic nature of remote employment. On the one hand, this format generates a number of important preferences for staff. According to the Eurofound (2022) report, teleworking helps to optimize the balance between professional and private spheres by leveling the time spent on the road ("pendulum migration"). It is facilitating control over family responsibilities, as well as expanding personal autonomy and a more rational allocation of working hours.

Also hybrid models are of particular value, which make it possible to synthesize the flexibility of remote work while maintaining stable social contacts and organizational coordination. Both employees and, to a certain extent, employers prefer the hybrid format, since it acts as an effective tool for minimizing professional isolation. This model makes it possible to integrate the benefits of working from home, such as effective time management and psychological comfort, without degrading the system of interpersonal interaction within the team (Eurofound, 2022).

On the other hand, the remote format carries important risks for the well-being of employees. According to Eurofound (2022) expert estimates, teleworking often provokes an increase in psychological pressure. So employees face an unspoken expectation of "constant availability", which forces them to perform professional tasks in their personal time and makes it difficult to switch mentally. In addition, some employees note a growing sense of social isolation and a deformation of the boundaries between paid work and private space.

These risks are not only organizational, but also deeply psychosocial in nature, since their cumulative effect correlates with an increase in stress, anxiety, and the risk of professional burnout. The Eurofound report highlights a paradoxical aspect: even in cases where teleworking generally improves the balance between work and family, it does not offset the negative impact of "digital attachment" factors and difficulties in demarcating life spheres. This problem is particularly acute in hybrid models, where staff are often expected to combine high flexibility with instant responsiveness to the demands of the organization (Eurofound, 2022).

The central issue in this discussion is the problem of the balance between professional and personal spheres. According to the ILO's expert assessment (2022), the discrepancy between the actual and desired length of working hours - and, above all, overemployment - is a key predictor of increased inter-role conflicts and reduced well-being. Employees who systematically work beyond the preferred norm demonstrate lower satisfaction rates with both work and life in general, while the lack

of control over the work schedule negatively affects both the psychological state of the individual and the overall organizational results.

In the context of remote work, this aspect becomes critically important, since flexible work formats de facto shift responsibility for time management from the organization to the employee himself. Despite the fact that such autonomy is a valuable resource, it simultaneously provokes increased self-management pressure, leads to an involuntary prolongation of working hours and makes rest periods less protected from professional interventions. Thus, remote work transforms not only the spatial localization of work, but also the very nature of time perception and control, turning the working time management system into a defining determinant of the well-being of a modern employee (ILO, 2022).

Another fundamental dimension of remote employment is the system of communications and social connections. The effectiveness of remote work is determined not only by technological equipment, but also, first of all, by the quality of information exchange, transparency of expectations, and the ability of management to convey trust, ensure engagement, and provide timely support. The ILO Practical Guide (2020), summarizing the experience of remote employment in the post-pandemic period, emphasizes that sustainable productivity and psychological well-being of employees do not arise spontaneously. They are the result of purposeful creation of an infrastructural and cultural environment: from the banal but critically important availability of serviceable equipment to a high level of digital literacy of staff and transparent "rules of the game" in communications. The format of continuous dialogue between management and subordinates is of fundamental importance here, which allows for timely adjustment of work processes.

At the same time, experts point out the dangers of "spontaneous" remote setups. The lack of organized company help naturally leads to rising frustration and a feeling of work isolation, which drops performance. In practice, managers face a double challenge: they must keep operations running smoothly while acting as an emotional shield to stop team members from feeling isolated and to keep them driven

without regular office contact. In this regard, steady formal and casual updates start to play a vital role, acting as a tool to keep the team united and to balance the emotional state of the group (ILO, 2020).

The use of remote setups in small and medium businesses brings specific challenges. Even though the SME sector serves as the foundation of national economies by providing flexibility and high employment, these firms differ fundamentally from large corporations in their setup. Based on OECD data (2023), while SMEs depend heavily on the quality of their people, their actual resources for long-term talent management remain very small.

Unlike large corporate setups, small businesses often rely on informal and casual ways to manage staff. Facing a shortage of both money and time, managers and owners of SMEs must focus on daily survival. This naturally pushes the task of building long-term employee support systems to the back burner. The problem grows because these firms lack specialized HR departments and have very small budgets to improve digital skills. Ultimately, these organizational limits shape the broken nature of help for remote workers in this segment, making them more vulnerable to the risks of the digital workspace (OECD, 2023).

The purpose of this study is to study the impact of remote work on the well-being of employees of small and medium-sized enterprises. To achieve this goal, the study addresses the following research questions: What is the impact of remote work on the well-being of employees of small and medium-sized enterprises? How do small and medium-sized enterprises support employee well-being in remote or hybrid work environments? What strategies can small and medium-sized enterprises use to improve the well-being of remote workers?

To execute the planned research outline, the following tasks were set.

First, the project aims to identify the main ways remote employment affects staff well-being in small and medium businesses. Second, it analyzes in detail how factors like mental health, work-life balance, job satisfaction, and internal company communication shape the personal experience of employees. Finally, the ultimate

goal of the study is to build practical recommendations for the SME sector to improve working conditions and boost employee well-being in remote or hybrid setups.

The value of this research comes from a mix of academic interest and practical needs from the business community. From a theoretical perspective, the work adds to the growing literature on remote work by shifting the focus specifically to SMEs. In this segment, the effects of remote setups can show up differently than in large corporations due to unique management and structural limits. At the same time, the practical value of the study lies in providing small business owners and HR specialists with tools to understand when a remote setup serves as a resource and when it turns into a threat to well-being.

The results of the work help pinpoint the most effective forms of communication, workload management styles, and company support setups tailored specifically for small firms. Given the forecasts by the OECD (2021) and Eurofound (2022) that remote employment will remain high in the future, these findings go beyond a simple academic analysis. They provide the necessary foundation for building sustainable, human-centered management models that can adjust to the long-term challenges of a changing labor market.

2. Literature review

2.1 Remote work: definitions, development and main discussions

The format of remote employment has become, perhaps, one of the most ambitious challenges for modern labor organization. Despite the fact that the concept of working outside a regular office has its own history, it is the rapid development of information technology (as well as the pandemic) that has turned remote work into a global standard. As Allen and coauthors (Allen et al., 2015) rightly point out, remote work is currently at the epicenter of scientific and practical discussions. It discusses how it destroys traditional ideas about business processes, interpersonal interaction and staff effectiveness control. At the same time, the researchers state that the development of this field of knowledge has long been hindered by terminological uncertainty and inconsistency of empirical data.

One of the central problems in specialized research, Allen and his colleagues (2015) call the synonymous use of concepts such as "remote work", "teleworking", "remote work" or "distributed employment". Although each of these terms may have fundamentally different organizational models. Their review convincingly proves that remote work is mistakenly interpreted as a similar practice. Its actual results always depend on a number of variables. Such as the intensity of the remote schedule, the specifics of the tasks being solved, and the system of norms and rules in which this format is implemented (Allen et al., 2015).

Eurofound (2022) adheres to a similar position, noting that the term "remote work", which is the most common in European studies and political discourse. It still covers a number of overlapping forms of employment. According to Eurofound, remote work is defined as an activity carried out using ICT in whole or in part outside the employer's territory (most often at home). In an applied sense, this means that remote work is not limited solely to the issue of spatial location.

In general, the analysis of the literature makes it possible to interpret remote work as a complex phenomenon that depends on the situation. The studies of Allen and co-authors (Allen et al., 2015), as well as Gajendran and Harrison (Gajendran & Harrison, 2007) confirm the possibility of important benefits in the form of increased autonomy and job satisfaction. It emphasizes that these effects are conditional and nonlinear. Experts from Eurofound (2022) and the ILO (ILO, 2020) focus on the ambivalent nature of teleworking, contrasting flexibility with the risks of social exclusion, labor intensification, and blurring the boundaries between professional and private spheres. The OECD (OECD, 2021) expands on this discussion by considering the remote format as part of a large-scale transformation of social and labor relations. Thus, the key issue in modern literature is shifting from the possibility of implementing remote work to the search for more effective design and management models. That is, they are able to ensure a balance between the well-being of employees, their productivity and the stability of the organization.

2.2 Remote work and employee well-being

The issue of employee well-being has become established as one of the central topics in the literature on remote employment. It has become especially noticeable against the background of the accelerated transition to work from home during the COVID-19 pandemic. Modern research demonstrates that the impact of "remoteness" on the state of staff is multivectoral and often paradoxical. While in some scenarios the remote format expands the boundaries of autonomy and opens up new opportunities for the harmonization of professional and private life. In others it becomes a stress, provoking a blurring of the boundaries of the working day and a lack of social contacts. Because of this, the relationship between remote work and employee well-being is now interpreted not as a linear relationship, but as a complex, contextually determined process.

In this regard, the conceptual review by Beckel and Fisher (Beckel & Fisher, 2022) deserves attention. The authors define teleworking as an activity outside the traditional office space (mainly at home) with the active use of ICT. They show that modern research has shifted its focus from business efficiency to employee health and well-being. Beckel and Fischer show that remote worker well-being depends on many levels. It includes personal traits, family life, company practices, and the economy. This is a crucial point. It proves that working from home itself doesn't make an employee feel good or bad. Instead, their well-being is shaped by a mix of factors, like workload, family demands, and support from the company.

Ferrara and co-authors (2022) reached a similar conclusion. They reviewed 20 high-quality studies on how remote work affects well-being and productivity. The authors found that working from home impacts different employees in completely different ways. The study confirms that remote work reshapes both professional views and employee health, primarily through work-life balance. The value of this review lies in rejecting the idea of a universal outcome. Instead, working from home creates both advantages and serious drawbacks, depending on leadership, organizational context, and individual circumstances.

In short, research shows that remote work only improves well-being if employees can set clear boundaries between work and life, manage their workload, and communicate well. Without the right physical and social conditions, working from home quickly turns into a source of stress, leading to isolation and low job satisfaction. This proves again that well-being does not happen automatically just by staying home. It depends entirely on how the process is structured, how the company supports it, and how the employee feels about it in practice.

2.3 Organizational support, communication and trust in remote work

The company's support, good communication, and trust are the foundation of a great remote work experience. People often talk about freedom and flexibility when it comes to remote work. However, research shows that success actually depends on

whether employees feel connected and supported outside the office. Remote employees need regular feedback and care from management even more than office staff. Therefore, support and communication are no longer just pleasant additions. These are the most important tools that directly affect employee well-being, satisfaction, and productivity.

The main concept here is "Perceived Organizational Support" (POS). Eisenberger and his team (1990) define POS as an employee's belief that the company truly values their hard work and cares about their well-being. Their classic study proves that higher POS directly leads to better performance, stronger loyalty, and more innovation. In a remote work setup, POS becomes much more important. Physical distance cuts off informal office praise and makes people feel less connected. As a result, remote workers rely heavily on clear, official support from management to make up for the lack of daily office interaction.

Other research on POS supports this idea. Sun (2019) shows that employees judge company support based on real actions, like fair treatment, good managers, fair pay, and safe working conditions. His study proves that high POS leads to higher job satisfaction, stronger emotional loyalty, and lower staff turnover. For remote workers, this is critical. Without daily face-to-face contact, they cannot easily feel valued by the company. As a result, keeping POS high is now one of the hardest parts of managing remote and hybrid teams.

Based on these findings, this study includes "organizational support" and "communication" as key elements of its conceptual model. The literature shows that remote work success depends on more than just tech or office setups; employee awareness, involvement, and trust in management matter just as much. Therefore, support and communication act as critical links (mediators) that directly turn remote working conditions into employee well-being and performance.

2.4 Remote work, job satisfaction and productivity

One of the biggest debates in research is whether remote work actually increases job satisfaction and productivity or destroys them. Even though these two results are often linked, real-world evidence shows their relationship is complicated. Some studies show a double win - a simultaneous boost in both loyalty and efficiency. However, other research points to negative effects caused by difficult tasks, poor technology, or a bad home environment. Because of this, modern science agrees that satisfaction and productivity must be studied as two completely separate results of remote work.

A key contribution to this debate came from an experiment by Bloom and his team (2015). They showed that working from home boosted call center productivity and lowered staff turnover. This classic study is often used to prove that remote work works under the right conditions. However, the context of this experiment matters. These positive results happened in a strictly structured workplace with clear, official support. Therefore, Bloom's findings cannot be simply applied to all industries, especially to knowledge work where tasks are more complex and unpredictable.

More recent research shows that remote work has mixed effects on productivity. For example, Kitagawa and his team (2021) surveyed four manufacturing companies in Japan. They found that employees working from home became less efficient than those in the office. The researchers blamed this on poor home setups and communication barriers. However, they found an important twist: remote workers had better mental health than office staff. This is a vital point for research. It proves that remote work can improve well-being without boosting productivity. In short, a better mental state does not automatically mean better work results.

For this study, the literature justifies two important decisions. First, it confirms that "job satisfaction" must be included as a standalone element because it changes quickly under remote work conditions. Second, it shows that "remote work productivity" must be measured separately, rather than treated as a natural result of

satisfaction. Research clearly shows that employees can be highly satisfied without being efficient, or they can stay highly productive even under severe stress. Therefore, studies must analyze both metrics directly and independently, without using one as a shortcut to guess the other.

2.5 SMEs as a special context

Small and medium-sized enterprises (SMEs) provide a unique setting for studying remote work and employee well-being. While most HR research focuses on large corporations, SMEs operate differently. They face tight resource constraints, have informal HR systems, and rely on close personal relationships. Furthermore, the owner's management style dominates the company, and the business depends heavily on the performance of each individual. Because of these structural realities, research findings from large companies cannot be simply applied to SMEs.

In their 25-year review of small business HR practices, Harney and Alkhalaf (2020) emphasize that very little research focuses on SMEs. They argue that it is a mistake to treat small firms simply as smaller copies of large corporations. Instead, SMEs face unique challenges. They lack resources, suffer from the "vulnerability of smallness," and rely on informal, personal leadership. However, these exact factors make HR critical for small businesses. Unlike large corporations, SMEs do not have a financial or structural safety net; they depend entirely on their people. This makes the SME sector both an unexplored and highly relevant area for studying the shift to remote work.

Cunningham and Rowley (2007) provide a similar argument in their study of HR in Chinese SMEs. Even though their research focuses on one country, its main lesson applies globally. That small business HR is shaped not just by management decisions, but also by cultural and economic factors. The authors note that SMEs face fierce competition and lack the financial, tech, and administrative tools of larger companies. As a result, small business HR practices must be highly flexible and adapt quickly to external conditions. This is especially true for remote work. An SME's

ability to successfully run remote teams depends heavily on its specific workplace environment and tools.

For this study, the literature provides a solid foundation for rejecting a simple copy-paste of corporate experiences onto SMEs. The analysis confirms that remote work success in small businesses depends heavily on specific factors, such as communication quality, supportive management, employee adaptability, and overall company capacity. Therefore, focusing on SMEs is not just a background choice for this research. It is the core of its analytical contribution, showing how to manage well-being under tight resource constraints.

2.6 Theoretical framework

This research combines Self-Determination Theory (SDT), the Job Demands-Resources (JD-R) model, and a systems approach to HR. This mix is perfect for the study's goals. Instead of just stating that remote work affects well-being and productivity, it helps reveal the deep organizational and psychological reasons behind this process. The proposed framework suggests that remote work success depends on three main elements: specific workplace resources, the employee's personal psychological experience, and the quality of company support. Therefore, this model is built to be multi-layered, allowing it to capture the complex, non-linear relationship between remote work and human capital.

Self-Determination Theory

The first foundation of this research is Self-Determination Theory (SDT), developed by Ryan and Deci (2000). SDT focuses on how social and workplace conditions either support or block a person's motivation and psychological health. According to Ryan and Deci, well-being requires satisfying three basic needs: autonomy, competence, and connectedness (belonging). Meeting these needs drives internal motivation, professional growth, and engagement. Conversely, blocking them destroys psychological comfort and productivity. For remote work, SDT is crucial

because working from home completely reshapes how employees experience autonomy, maintain social ties, and receive feedback.

The Job Demands-Resources (JD-R) model

The Work Requirements and Resources Model (JD-R) explains staff well-being through a balance between work stress and support factors. According to Van den Broeck and co-authors (2017), office demands take away mental and physical strength, provoking overwork. On the contrary, labor resources help solve problems, smooth out the negative effects of workloads and stimulate engagement. In the realities of remote work, the JD-R concept explains the dual effect of the home-based format. On the one hand, there is no need to waste time on the way to the office. On the other hand, problems such as social isolation, digital saturation and blurring of personal boundaries are becoming more acute. The final level of employee adaptation depends on whether the flexible schedule, autonomy, and digital support of management are able to compensate for these specific challenges of a remote environment (Van den Broeck et al., 2017).

A systematic approach to HR

A systematic approach to HR means that a person's work is influenced not by any one factor, but by the entire work environment as a whole. According to Rovold and Bormann (2015), an employee's results are the result of the interaction of his personal qualities, leadership style, work tasks and the atmosphere in the company. This is most evident on the remote site. Working from home is not just a computer on the kitchen table. This is how phone calls are set up, how the boss sets tasks, and how the company helps the employee. Without live communication in the office, people are completely dependent on clear rules and online support. Therefore, the comfort of a remote location depends not only on the person himself, but also on whether the company was able to build a convenient and understandable work system (Rowold & Bormann, 2015).

Overall, combining SDT, the JD-R model, and a systems approach to HR ensures that remote work is not seen simply as a change of workplace location. Instead, it is treated as a complex environment that shapes well-being and performance by affecting basic psychological needs and resource balance. This theoretical mix creates a solid foundation for the research model and its hypotheses, as it accounts for both internal psychological factors and external management influences.

2.7 Research gap

Although remote work is heavily researched in modern management, important gaps remain. First, the existing data is mixed and often contradicts itself. While some studies show that working from home boosts autonomy, satisfaction, and flexibility, others focus on negative effects. These include higher stress, blurred boundaries between work and life, communication barriers, and lower well-being.

For example, the classic meta-analysis by Gajendran and Harrison (2007) viewed remote work mainly as a tool to boost satisfaction and productivity. However, recent reviews show a much more complex picture. Studies by Ferrara et al. (2022) and Anakpo et al. (2023) confirm that remote work outcomes are highly situational and never the same for everyone. This shows that researchers still disagree on exactly when working from home acts as a helpful resource and when it turns into an organizational risk.

Second, research shows that staff well-being and productivity do not always move together, and we still do not fully understand why. While some studies prove that a well-structured remote workplace can boost efficiency (Bloom et al., 2015), others report lower productivity. Authors usually blame these losses on poor home setups or communication barriers (Kitagawa et al., 2021).

In this regard, a study by Sandoval-Reyes et al. (2021) highlights a strange paradox: remote work can actually boost productivity and engagement while simultaneously increasing stress and lowering job satisfaction. This shows that high

work performance does not automatically guarantee that employees can preserve their mental and psychological energy. However, the exact reasons for this gap are still unknown. This makes it a blind spot in current research, requiring a closer look at the mediators and moderators of this process.

Third, although researchers agree that organizational support and good communication are important, they usually treat them as background conditions rather than key factors. The theory of Perceived Organizational Support (POS) clearly states that how much an employee feels valued by the company directly drives their loyalty and behavior (Eisenberger et al., 1990; Sun, 2019). Similarly, research on virtual teams proves that communication is the "glue" that builds trust and coordination in a digital workplace (Jarvenpaa & Leidner, 1999; Powell et al., 2004).

However, in practice, most remote work research still fixates only on physical location, schedules, or dry efficiency figures. This leaves out the most important part: how support and communication link the work format to an employee's well-being. Today, there is a clear demand for studies that treat these factors not as background noise, but as the main channels (key pathways) through which remote work actually impacts people.

In this reading, this dissertation contributes to the scientific debate in three ways. First, it fills the clear shortage of empirical data on SMEs, which have long been overlooked in favor of large corporations. Second, the study examines the exact roles of organizational support, communication, and mental health. Instead of treating them as background factors, it analyzes them as the core mechanisms linking working conditions to employee performance. Finally, the research responds to the global call for contextual analysis. It moves away from treating remote work as a single, uniform standard, focusing instead on the specific qualities of the workplace environment. Through this approach, the study provides valuable theoretical and practical insights into how SMEs actually operate in a digital world.

3. Methodology

3.1 Introduction to the chapter

This chapter explains the study's research methods used to analyze what is an impact of remote work on employee's well-being in SMEs. Its main goal is to justify the research design and show how it helps answer the key research questions. Specifically, this section details the reasons for choosing this design, describes the target population and sample, outlines the data collection process, and explains how variables are measured and analyzed.

This study uses a quantitative approach. This choice matches the main goal of the research: to test the relationships between key model elements. These include remote working conditions (RWC), organizational support and communication (OS_COM), mental health (MH), job satisfaction (JS), and remote work productivity (RWP). Because the focus is on finding and statistically testing these connections, a quantitative design is the best method for this study.

3.2 Research design

This study uses a quantitative research design to analyze how remote work impacts employee well-being in SMEs. A quantitative approach is necessary because the study's goal is to statistically test the connections, strength, and direction between specific model elements, rather than just describe subjective feelings. Therefore, the priority of this research is to find measurable patterns across the entire sample, rather than interpret individual experiences, which is typical for qualitative methods.

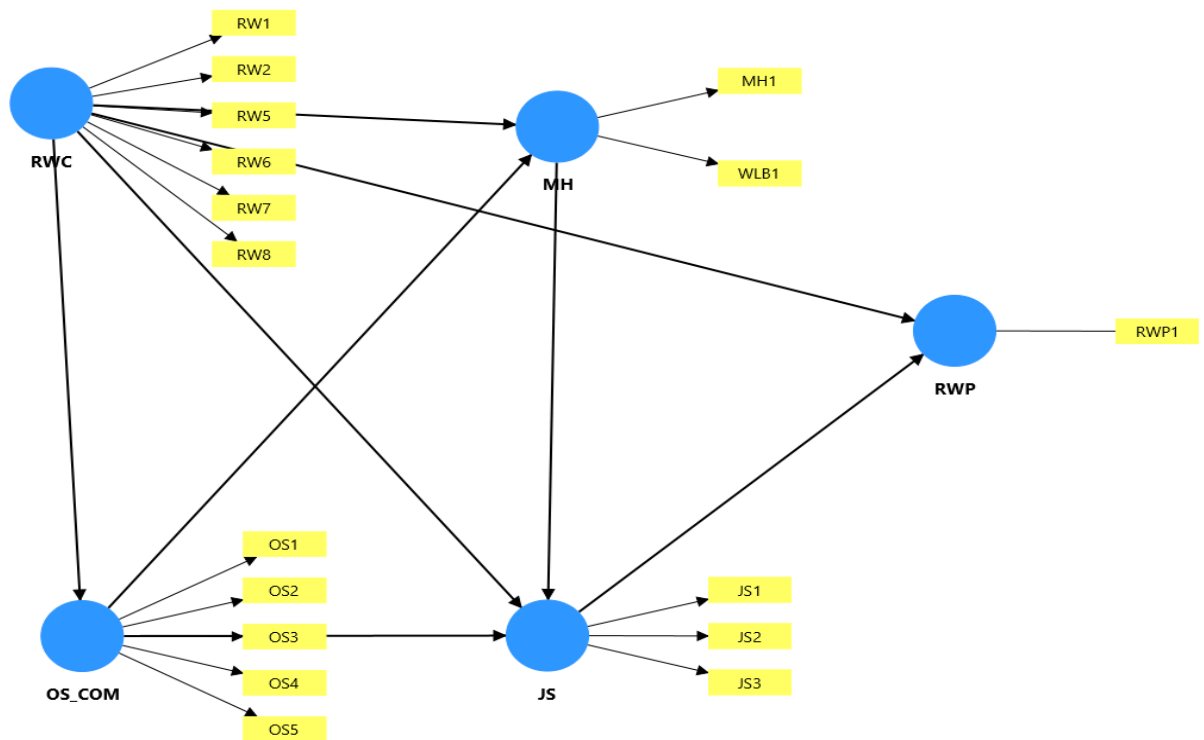
Methodologically, this is a cross-sectional study. This design is optimal because the goal was to capture how employees view their working conditions, support, mental health, and productivity "here and now," rather than tracking changes over a long time. Additionally, the cross-sectional approach made it possible to quickly collect data from a large number of respondents under tight time limits.

The primary data collection tool was an online survey of SME employees. This method is ideal for gathering standardized responses and measuring subjective attitudes using structured scales. Crucially, using questionnaires in quantitative research ensures data comparability, which is necessary for a correct statistical analysis of the relationships between variables.

3.3 Research approach and model

The conceptual model is built to explain how remote work impacts employee well-being and productivity in SMEs. It includes five key elements: remote working conditions (RWC), organizational support and communication (OS_COM), mental health (MH), job satisfaction (JS), and remote work productivity (RWP). The model includes both direct effects and indirect pathways of influence (Figure 3.1).

Figure 3.1. Conceptual model of the study



Source: compiled by the author.

The primary independent variable is remote working conditions (RWC). This construct is the foundation of the model. It reflects how employees view their work environment, including technical equipment, comfort, and how suitable their home

space is for professional tasks. Thus, RWC acts as the initial trigger that shapes an employee's organizational experience, psychological state, and overall performance. The model assumes that RWC directly impacts all other elements: organizational support and communication (OS_COM), mental health (MH), job satisfaction (JS), and remote work productivity (RWP). This means that a lack of good working conditions cannot be fully replaced by other management efforts. The material, technical, and spatial setup forms the essential base for employee engagement.

The primary mediator in the model is organizational support and communication (OS_COM). This element reflects the quality of feedback and the level of empathy from management. According to the model, OS_COM directly impacts mental health (MH) and job satisfaction (JS). Transparent communication acts as a psychological buffer: higher perceived support leads to a more stable emotional state and stronger employee loyalty.

Mental health (MH) is viewed as a vital resource that helps employees cope with the challenges of remote work. The model identifies a key relationship between MH and job satisfaction (JS), confirming that emotional comfort is necessary for a positive view of one's professional role. In turn, job satisfaction links directly to remote work productivity (RWP) - the final dependent variable that reflects overall work performance.

The final model proves that the impact of remote work on productivity is not linear. Instead, employee efficiency in SMEs results from a complex, multi-level system where physical conditions (RWC) work together with organizational (OS_COM) and psychological (MH, JS) mechanisms. This integrated approach does more than just show that a connection exists; it uncovers the exact processes that drive efficiency in a remote work environment.

3.4 Research hypotheses

Based on this conceptual model, the study develops a set of hypotheses to test the relationships between key elements. These assumptions build on the idea that

remote working conditions (RWC) act as the primary driver of employee well-being and performance. RWC impacts these outcomes both directly and through a sequence of organizational and psychological steps.

The working hypotheses of the study are presented below:

H1: The conditions of remote work (RWC) have a positive impact on the level of organizational support and the quality of communications (OS_COM).

H2: The qualitative conditions of remote work (RWC) act as a predictor of strengthening the mental health (MH) of employees.

H3: There is a direct positive relationship between the conditions of remote work (RWC) and job satisfaction (JS).

H4: Favorable conditions for remote work (RWC) contribute to the growth of individual productivity in the remote format (RWP).

H5: The quality of organizational support and communications (OS_COM) directly affects the mental health (MH) of staff.

H6: An effective support and communication system (OS_COM) is an important factor in increasing job satisfaction (JS).

H7: Psychological well-being and mental health (MH) have a positive effect on overall employee satisfaction with their work (JS).

H8: High job satisfaction (JS) translates into higher productivity rates on the "remote" (RWP).

The hypotheses are structured to systematically test the logic of the conceptual model. The first group (H1–H4) analyzes remote working conditions (RWC) as the primary antecedent, testing their direct impact on organizational, psychological, and performance outcomes. The second group (H5–H7) shifts focus to internal mechanisms, testing whether organizational support and mental health act as key mediators that shape overall job satisfaction. Finally, hypothesis H8 tests the direct relationship between an employee's emotional state (JS) and their actual productivity (RWP) in a remote environment.

Ultimately, these hypotheses form the analytical foundation for testing the structural model. This approach does more than just state facts; it helps analyze the exact paths through which the remote work environment shapes employee well-being and productivity in SMEs.

3.5 Population and Sample

The target population for this study consists of employee's in small and medium-sized enterprises (SMEs). This sector provides a unique organizational environment where the remote work experience differs radically from that of large corporations. These differences stem from tight resource constraints, informal management processes, and weaker institutional support structures. Because the main goal of this dissertation is to analyze how remote work impacts well-being specifically within small and medium-sized businesses, this population is the most appropriate choice.

The empirical data consists of responses from SME employees in Kazakhstan, representing various industries and job levels. The final analysis included 160 valid questionnaires. This sample size is acceptable for the PLS-SEM method, which works effectively with moderate sample sizes during exploratory and predictive analysis. The sample is highly diverse in terms of age, gender, industry, company size, and remote work experience, which increases the value of the results. The study used a non-probability sampling method-specifically, convenience sampling with elements of purposive selection. Respondents were chosen based on their availability and compliance with the research criteria. The purposive element ensured that only SME employees with real experience in remote or hybrid work could participate. This approach was a deliberate choice, as creating a strictly randomized sample across various SMEs was impossible due to time and resource constraints.

3.6 Data collection procedure

Primary data was collected using an online questionnaire on the Google Forms platform. An online survey format was chosen for its flexibility and accessibility. It allowed quick contact with SME employees working in different setups, including fully remote, office-based, and hybrid modes. Additionally, the digital format provided data in a uniform style, which is essential for statistical processing. The questionnaire was distributed through accessible online channels, including professional networks and personal communication channels. Since the study focuses specifically on employees with real-world experience in the SME sector, online distribution was the most effective approach within the study's constraints.

The survey included structured blocks of questions to measure the model's key elements: working conditions, organizational support and communication, mental health, job satisfaction, and productivity (Table 3.1). It also featured a section on demographic and professional characteristics. Ethically, all participants were informed about the study's goals before starting the survey. To minimize respondent fatigue and increase participation, the questionnaire was optimized to take no more than 8–10 minutes to complete.

3.7 Measurement of variables

Table 3.1. Measurement of variables

Construct	Code	Items	Role
Remote Work Conditions	RWC	6	Independent variable
Organizational Support and Communication	OS_COM	5	Mediating variable
Mental Health	MH	2	Mediating variable

Job Satisfaction	JS	3	Mediating/outcome variable
Remote Work Productivity	RWP	1	Dependent variable

Source: computed by author

To measure the study's variables, a structured questionnaire was developed to focus on key aspects of remote work, well-being, and performance. Most constructs were measured as latent variables using multiple indicators. The only exception was remote work productivity (RWP), which was evaluated as a single-item construct. All variables were measured on a five-point Likert scale, ranging from 1 ("strongly disagree") to 5 ("strongly agree"). This format is a standard tool in management research, as it effectively unifies subjective opinions and personal experiences for statistical analysis.

The primary independent variable, "Remote Working Conditions" (RWC), was measured using six items that evaluate the quality, adequacy, and functionality of the home workspace. These indicators assess how comfortable and effective employees feel in a remote environment, and how well their setup meets professional tasks. Thus, the RWC construct captures the employee's overall subjective evaluation of their remote work setup. The first mediator, "Organizational Support and Communication" (OS_COM), included five items. It focuses on whether employees find their interactions with the company transparent and supportive despite the physical distance. This variable reflects the organizational layer of the employee's experience, specifically looking for clear signals from management and a sense of employer support without physical office contact.

3.8 Data analysis method

The data was analyzed using SmartPLS 4 software using partial least squares (PLS-SEM) structural equation modeling. PLS-SEM was chosen to analyze a complex system of relationships between many hidden structures, which is important

for search and predictive research. Given that the model includes multiple levels of mediation and control variables, this approach provides the most comprehensive way to test the proposed conceptual framework. Several key factors justify the use of PLS-SEM for this study. Firstly, the method works effectively with moderate sample sizes (160 respondents participated in this study), while maintaining high statistical reliability. Secondly, PLS-SEM is ideally suited for models with multiple indirect paths and mediating effects. Finally, it allows simultaneous evaluation of both measurement and structural models, which allows hypotheses to be tested within a single analytical cycle. The analysis was carried out in two stages. At the first stage, the measurement model was evaluated to confirm the reliability and validity of the indicator. This included checking the external loads on the reliability of individual elements, as well as the Cronbach alpha, ρ_A and composite reliability (ρ_C) systems to assess internal consistency. Convergent validity was tested using the extracted mean variance (AVE), while discriminant validity was tested using a strict ratio of heterotrauma to monotrauma (HTMT). This multi-step process made it possible to clearly identify hidden variables and accurately reflect their theoretical concepts.

3.9 Reliability and validity

To ensure the high methodological quality of the study, the reliability and validity of the measurement model was checked through PLS-SEM.

The primary metrics for internal consistency are Cronbach's alpha and composite reliability (CR). These indicators confirm that the items within each scale work together to measure a single latent concept and provide stable results. Additionally, the study includes the ρ_A coefficient, which PLS-SEM literature recognizes as a more precise measure of reliability. Using these three metrics together creates a solid methodological foundation, proving that the measurement scales are fully reliable and ready for hypothesis testing.

3.10 Ethical considerations

Ethical considerations were central to this study, as the data collection focused on sensitive topics such as mental health, job satisfaction, and personal experiences with management. To address these sensitivities, the survey process strictly followed the principles of voluntary participation, strict confidentiality, and complete anonymity.

The interaction with participants was fully transparent. Before starting the questionnaire, each respondent received detailed information about the study's goals, academic nature, and focus on employee well-being in the SME sector. Participation was entirely voluntary, with no administrative pressure or coercion. Crucially, the ethical protocol guaranteed respondents the right to withdraw from the survey at any stage without explanation. This approach helped create a trusting environment, ensuring the sincerity and quality of the collected responses.

During the fieldwork stage, a strict data anonymization protocol was implemented to ensure sample reliability and protect participants. The survey was designed to completely exclude personal identifiers, meaning no questions asked for names, contact numbers, or specific company names. This strict approach met ethical standards and minimized the "social desirability" bias, where respondents give answers they think are expected. Eliminating the risk of personal identification created a safe environment that encouraged sincere, undistorted answers to sensitive questions about mental health, stress, and management support. As a result, complete anonymity ensured that respondents could openly share their real experiences without any fear of professional or personal consequences.

Strict confidentiality was maintained at all stages of the research. The collected data was used exclusively for this dissertation and analyzed only in aggregate form. Primary questionnaires were never shared with third parties or published fragmentarily. All final conclusions are based on generalized statistical indicators (such as means, reliability coefficients, and path coefficients) making it impossible to identify any specific participant from the results.

The study also strictly followed the principle of non-maleficence. The questionnaire deliberately avoided items that could cause psychological discomfort or create social and professional risks for the participants. The survey was limited to general work experiences and subjective perceptions of the workplace. Additionally, the research did not collect confidential corporate information or evaluate specific employers, minimizing any potential risks to respondents.

All theoretical propositions, ideas, and findings from previous literature are properly cited in the text and included in the reference list according to APA standards. The analysis and interpretation of the collected data are fully transparent, completely excluding any form of plagiarism or falsification. Together, these measures ensured compliance with core ethical principles, from respect for individual autonomy to confidentiality and scientific objectivity.

3.11 Summary of the chapter

In conclusion, this chapter establishes the study's methodological foundation, ensuring full transparency and reproducibility. The section justified the research design, data collection procedures, and analytical tools used to study how remote work impacts employee well-being in SMEs. A quantitative approach was necessary to test the statistical relationships between working conditions, organizational support, mental health, and productivity. Additionally, the cross-sectional survey design successfully captured how employees view their remote work experience within a single time period, aligning perfectly with the study's goals.

The study's methodological framework focused on SME employees in Kazakhstan. Using online questionnaires on Google Forms with a five-point Likert scale provided a standardized dataset ready for statistical analysis. A key part of this chapter outlined the two-step analysis in SmartPLS 4, moving from a rigorous evaluation of the measurement model (using Cronbach's alpha, AVE, and HTMT criteria) to testing structural relationships and mediation effects. Finally, the chapter addressed ethical considerations. The research strictly followed the principles of

voluntary participation, complete anonymity, and academic integrity, which protected respondents and increased data reliability. Overall, this methodological framework is fully appropriate and sufficient for addressing the research goals and moving forward to the empirical findings.

4. Data analysis and results

4.1 Introduction to the chapter

This chapter shows the results of our study based on a survey of 160 small and medium business employees. The main goal of this step is to test how working from home affects employee well-being using simple numbers and statistics. Using the SmartPLS 4 program helped us process the data in a complete way, combining a careful check of our survey questions with a test of the real connections between our key topics.

The order of showing these results is logical, moving from a basic description of the participants to clear statistical conclusions. The personal background of the workers is given at the start of the chapter, which helps to show who took part in the study. This is followed by a simple description of their current home work setups, which creates the necessary context for understanding the daily work life of the employees.

The main data analysis is split into two clear steps. First, to check if the survey questions are reliable and accurate, and second, we test our main model itself. At this point, checking if main ideas and guesses are true, showing how working from home conditions (RWC), company support (OS_COM), mental health (MH), job satisfaction (JS), and final productivity (RWP) connect with each other.

Along with these main topics, it also added extra background factors into math: age, gender, type of industry, size of the company, as well as the exact work schedule and how long the person has worked from home. Including these extra facts helped us separate the true effects of remote work from the personal backgrounds of the workers and made sure our results were not just accidental differences. The last but very important step of our study was testing how things connect indirectly. This was necessary to find the hidden paths and steps through which working from home conditions actually change into employee well-being and final success.

In general, the structure of this chapter is subordinated to the task of a systematic presentation of statistical data. Our aim was not just to record empirical facts, but to build an evidence base from them that would allow us to provide reasoned answers to research questions and achieve the goals set in the dissertation.

4.2 Demographic profile of the respondents

The empirical data for this study comes from the responses of 160 small and medium business employees. Before testing the main statistics and models, the analysis looks at the personal and professional background of the workers, including age, gender, type of industry, size of the company, and their remote work experience.

This description creates the necessary context to help explain all later results. In terms of age, the group of participants is mostly made up of young workers. The largest group consists of people aged 18–24 ($n = 66$, 41.3%), followed closely by the category of 25–34 years ($n = 58$, 36.3%). The share of workers aged 35–44 makes up 13.8% ($n = 22$), while employees over the age of 45 account for only 5.6% ($n = 9$). A very small part of the data (3.1%) relates to the oldest age groups, which confirms that the "digital generation" dominates among the survey participants.

The gender split among the participants is completely equal, with exactly 80 men and 80 women (50.0% each). This equal balance ensures that all conclusions about how employees feel are fair and not affected by gender differences.

The types of industries represented by the workers show a wide variety, which is typical for the modern small business sector. The largest group of specialists comes from the information technology (IT) sector, making up 31.9% ($n = 51$). Big groups also work in marketing (17.5%), services (12.5%), trade (10.0%), and finance (8.8%). Education (6.9%), media (4.4%), and manufacturing (3.1%) have smaller representations. Additionally, the dataset contains a few workers from medicine, catering, HR, the oil and gas sector, and auditing. This diverse mix of jobs makes it possible to apply the findings to many different business activities within small and medium-sized companies.

4.3 Characteristics of respondents' remote work

In addition to personal facts, analyzing the actual setup of the work process is essential, as these conditions shape how employee well-being and productivity are evaluated. The breakdown of work schedules in the sample clearly confirms the value of this study. The vast majority of workers (61.3%) work fully from home, while the hybrid schedule and traditional office work account for 20.6% and 18.1%, respectively. Therefore, the dataset comes mostly from people with deep personal experience in remote work.

Professional experience in a remote environment shows that this setup is not new for most participants. The largest part of the sample (41.9%) has been working remotely for 1 to 3 years, and a quarter of the respondents (26.3%) have used this schedule for more than three years. Only a small group (5.6%) has worked from home for less than six months, while 13.7% had no such experience before. This combination of experienced remote workers and newcomers makes it possible to analyze adaptation steps at different stages of their career.

Descriptive data on the physical work environment shows a clear split in conditions. On the one hand, almost half of the respondents (48.1%) rate their home conditions as quite suitable, and 33.1% work in a separate private office. On the other hand, a large number of workers face home restrictions: 18.1% are forced to work in shared areas like the kitchen or living room, and 10.0% do not have a dedicated workspace at all. These differences in the physical setup are key to explaining why stress levels and satisfaction vary so much.

The everyday context also includes external stress factors and distracting triggers. The analysis shows that 17.5% of employees combine work with parenting, which directly affects their work-life balance. While 15.0% of respondents face almost no interference, about 10% regularly work with high background noise and frequent interruptions. Only a small part of the sample (4.4%) lives alone. This variety in home environments is critical, showing that the effect of remote work is not the same for everyone but depends on many life circumstances.

4.4 Measurement Model Assessment

Before testing hypotheses and analyzing structural relationships, the measurement model underwent a thorough statistical check. Within the PLS-SEM methodology, this stage acts as a critical filter to ensure that the chosen indicators correctly measure the corresponding latent variables. Without confirmation that the empirical data has sufficient accuracy and internal stability, any later interpretation of the path coefficients would be incorrect.

The validation of the measurement model in this study focused on four main areas: the reliability of individual indicators, the internal consistency of scales, and both convergent and discriminant validity. Each of these checks guarantees that the model is free from random noise and measurement errors.

4.4.1 Reliability of indicators

The primary stage of the measurement model evaluation was focused on the analysis of external loads, which demonstrate the degree of contribution of each observed indicator to the formation of the corresponding latent construct. Within the framework of the PLS-SEM methodology, the reference value is considered to be a load above 0.70. However, in exploratory studies, it is allowed to retain variables with values in the range of 0.60-0.70, provided that the overall parameters of reliability and validity of the construct remain within the normal range (Table 4.1).

The analysis of the "Job Satisfaction" (JS) construct revealed a heterogeneous but generally stable picture. While JS1 (0.909) and JS2 (0.854) demonstrated exceptional reliability, JS3 (0.649) was slightly weaker. Nevertheless, we found it possible to keep it in the model, since it is within acceptable limits for management research and meaningfully complements the concept of satisfaction.

The "Mental Health" (MH) unit has the highest measurement accuracy. Both indicators involved - MH1 (0.923) and WLB1 (0.919) - showed ultra-high loads. Such values indicate that the selected questions fall into the essence of the studied construct as accurately as possible, providing a powerful empirical basis for further analysis.

A similar high performance is typical for the variable "Organizational Support and Communication" (OS_COM). Here, all five indicators (OS1-OS5) confidently crossed the threshold of 0.80, ranging from 0.805 to 0.905. Such a load distribution density confirms that the measuring scale of organizational support has a high internal consistency and all its points work effectively to disclose the latent variable.

4.4.2 Internal consistency Reliability

Table 4.1. Construct reliability and validity

Construct	Cronbach's alpha	rho_a	rho_c	AVE
JS	0.731	0.775	0.850	0.658
MH	0.821	0.822	0.918	0.848
OS_COM	0.901	0.910	0.927	0.717
RWC	0.802	0.809	0.858	0.503

Source: computed by author

After analyzing the importance of the indicators, it is important to check the consistency of the question groups to make sure that they measure one hidden parameter. Reliability was assessed using Cronbach's Alpha and combined coefficients rho_a and rho_c: values above 0.70 are considered acceptable, and values above 0.80 are considered reliable.

The final checks prove that all the main variables in our model are measured accurately. Specifically, the "Job Satisfaction" section performed well (Alpha = 0.731; rho_a = 0.775; rho_c = 0.850). Even though these numbers are slightly lower than the other categories, they still fully meet international quality standards. This confirms that the chosen questions fit together well.

It found even more convincing results for the "Mental Health" variable. Here, both the Alpha and rho_a scores went over 0.82, while the composite reliability reached an impressive 0.918. Such strong numbers show that this scale is highly stable. Because of this, we can safely trust this data to test our main theories next.

The "Organizational Support and Communication" section turned out to be the most reliable of all. With an Alpha of 0.901 and a composite reliability of 0.927, the questions showed nearly perfect consistency. This high precision means that the people we surveyed understood the questions in the exact same way, which heavily cuts down the chance of any statistical mistakes later on.

4.4.3 Convergent validity

Convergent validity ensures that the chosen metrics truly concentrate on assessing the same theoretical concept. Within the PLS-SEM approach, the primary instrument for evaluating this parameter is the average variance extracted (AVE) metric. An AVE score of 0.50 or greater serves as solid proof that a hidden variable can account for more than half of the fluctuations in its items, which is vital for the precision of the assessment model.

The evaluation demonstrated that every construct in the model easily exceeded the required limit. Specifically, the AVE scores were distributed as follows: "Mental health" reached the highest mark (0.848), followed by "Organizational support and communication" (0.717), and "Job satisfaction" (0.658). Such numbers point to a high level of connection among the items within these groups and prove their conceptual harmony.

Particular notice should be given to the "Remote Work conditions" (RWC) variable, where the AVE score (0.503) sat at the bottom edge of the acceptable bracket. While this outcome technically passes the minimum line and remains statistically viable, it shows that this concept possesses weaker explanatory strength compared to the other parts. Nonetheless, fulfilling the baseline rule permits its retention in the setup as a legitimate assessment tool. In summary, the AVE evaluation outcomes lead to the conclusion that sufficient convergent validity exists across the entire testing model. This indicates that the survey questions inside each category link quite tightly with one another and jointly create a steady picture of the ideas behind them.

4.4.4 Discriminant validity

Table 4.2. Heterotrait-Monotrait Ratio (HTMT)

Construct pair	HTMT	Interpretation
MH - OS_COM	0.760	Acceptable
MH - RWC	0.826	Acceptable
JS - RWP	0.382	Acceptable
MH - RWP	0.501	Acceptable
OS_COM - RWP	0.474	Acceptable
RWC - RWP	0.493	Acceptable
JS - MH	0.948	High overlap
JS - OS_COM	1.031	High overlap

Source: computed by author

The concluding phase of the measurement model testing involved assessing discriminant validity. Its primary goal is to verify the empirical separation of each construct and ensure that hidden variables capture distinct angles of the investigated phenomenon instead of repeating one another. In this study, the main evaluation instrument was the heterotrait-monotrait ratio of correlations (HTMT), supported by the classic Fornell-Larcker test and cross-loading evaluation (see Table 4.2).

The HTMT analysis outcomes presented a mixed picture that calls for a thorough explanation. On the one hand, several paired constructs showed complete alignment with strict limits. For instance, the metrics for the pairs "Mental health - Support" (0.760) and "Working conditions - Productivity" (0.493) sit within the zone of clear statistical independence. This proves that the participants distinctly separated these ideas in their personal experience.

Conversely, the evaluation uncovered regions of significant overlap between the ideas. Specifically, the HTMT scores for the "Job Satisfaction" (1.031) and "Remote Work Conditions" (1.092) pairs went beyond both the strict 0.85 limit and the more relaxed 0.90 boundary. Such data point to a strong conceptual merge: for the

surveyed staff of small and medium companies in Kazakhstan, work satisfaction appeared tightly bound (and sometimes nearly identical) to their view of communication quality and remote work setup. This partial drop in distinction might show that under remote setups, the lines between company help and individual satisfaction blur. However, because these variables hold heavy theoretical weight for mapping well-being, they stayed in the setup while keeping the found boundaries in mind.

4.5 Structural Model Assessment

After establishing the statistical soundness of the assessment tools, the evaluation shifted to the analysis of the structural model. At this point, the proposed hypotheses regarding the direction and strength of the links between the investigated constructs undergo testing. Within the PLS-SEM approach, the core attention turns to calculating the sign, size, and statistical significance of the path coefficients, alongside finding the coefficient of determination, which displays the predictive power of the setup regarding endogenous variables. This phase helps verify the conceptual framework of the research and shows whether theoretical ideas about the effect of remote work on employee well-being find objective support in the gathered empirical data. The compiled outcomes of the structural analysis, which formed the foundation for confirming or dismissing hypotheses, appear in the tables below (Table 4.3).

4.5.1 Path Coefficients

Table 4.3. Path coefficients

Relationship	Beta	t-value	p-value	Result
RWC -> OS_COM	0.863	34.569	0.000	Supported
RWC -> MH	0.420	2.954	0.003	Supported
RWC -> JS	0.342	3.728	0.000	Supported

RWC -> RWP	0.548	7.441	0.000	Supported
OS_COM-> MH	0.345	2.481	0.013	Supported
OS_COM-> JS	0.461	4.157	0.000	Supported
MH -> JS	0.206	1.597	0.110	Not supported
JS -> RWP	0.186	1.631	0.103	Not supported

Source: computed by author

To evaluate the statistical weight of the path coefficients, the bootstrapping routine was utilized within the SmartPLS 4 software tool. The gathered data proved the presence of several steady positive links between the central nodes of the setup, allowing a thorough explanation of how remote work affects employee perspectives. The strongest link appeared between the "Remote Work conditions" (RWC) and organizational support ("OS_COM"). The path parameter (beta = 0.863, $t = 34.569$, $p = 0.000$) points to a very high level of reliance: a good remote setup serves as the bedrock for how staff view the entire corporate communication network. In practical terms, this demonstrates that when workers see their work environment as controlled and stable, they project this positive view onto the standard of company assistance as a whole. Concurrently, a substantial impact of working conditions (RWC) on the "Mental Health" (MH) of workers was proven (beta = 0.420, $t = 2.954$, $p = 0.003$). This outcome underscores that the setup of the home office and the overall rules of the off-site mode represent more than a technical detail; they form a vital element of psychological comfort. Enhancing the remote setup, therefore, translates straight into better metrics regarding the psychological fitness of the personnel. An equally meaningful direct link was found between working conditions (RWC) and "Job Satisfaction" (JS) (beta = 0.342, $t = 3.728$, $p = 0.000$). This uncovered connection indicates that the execution of remote workflows provides a major share to the overall personal appraisal of employment. Simply put, staff members whose domestic and professional setups are smoothly organized during remote periods exhibit a noticeably higher level of dedication and a better mindset toward their daily duties.

4.5.2 Coefficient of determination (R²)

Table 4.4. Coefficient of determination

Construct	R²	Interpretation
Job Satisfaction	0.799	Strong
Organizational Support and Communication	0.745	Strong
Mental Health	0.484	Moderate
Remote Work Productivity	0.230	Weak to moderate

Source: computed by author

Besides checking the direction of links, another key step is measuring how well the model explains the results. This is done using the R² score. This number shows how much the changes in the main outcomes depend on the factors included in the study. High R² scores prove that the theoretical ideas are right, while lower numbers mean that outside factors are also at play. The strongest results appeared for Job Satisfaction (JS), where the R² score hit 0.799. This means that nearly 80% of the changes in how happy employees feel at work come down to a mix of working conditions, company support, and mental health. This high percentage proves that the chosen variables are the main reasons for the psychological comfort of workers in small and medium businesses (Table 4.4).

The model also shows strong accuracy for organizational support and communication ("OS_COM"), with an R² score of 0.745. The fact that nearly three-quarters of the changes in how staff see company support come from remote work conditions highlights just how much the daily work setup shapes loyalty and trust in the firm. For "Mental Health" (MH), the R² score was lower, standing at 0.484. This means the model explains about 48% of the factors behind the psychological state of the staff. In research, this is seen as a moderate result. Even

though the chosen factors are important, over half of the changes in mental health are clearly shaped by outside reasons - like personal life, personal stress limits, or general social issues.

4.6 Demographic control variable analysis

4.6.1 Age as a control variable

Inside the structural model, the age of the participants was treated as a demographic control factor. This helped check if the main connections stay steady across different age groups. The results demonstrate that age has only a tiny direct impact on the main metrics. Specifically, the path score for "Job Satisfaction" was just $\beta = 0.077$, and the impact on "Mental Health" was even weaker at $\beta = 0.062$. The total impact of age on "Job Satisfaction" $\beta = 0.094$ points to an incredibly small indirect share (indirect effect = 0.016). For "Mental Health", the total impact comes only from direct links. An even smaller connection appears regarding remote work productivity, where the negative indirect impact $\beta = -0.017$ is too small to matter statistically.

Checking the impact size using the f^2 rule completely proves that this factor plays only a minor role. The scores of 0.029 for satisfaction and 0.007 for mental health sit far below the lines for real significance. Therefore, the age of the workers is not a deciding factor in this setup. This leads to the conclusion that the discovered patterns of remote work impacts are widespread. They depend mainly on the standard of the corporate environment rather than the demographic traits of the staff.

4.6.2 Gender as a control variable

Gender was included in the structural model as a control variable to spot potential differences in how the main concepts are viewed. The statistical test uncovered a clear negative impact of gender on how "Remote Work Conditions" (RWC) are seen, with a path score of $\beta = -0.496$. Meanwhile, the direct impact on organizational support and communication ("OS_COM") was tiny $\beta = -0.057$. This

difference leads to a meaningful conclusion: the gender factor links closely to personal views of the physical, living, and daily setups of a remote workspace, rather than views of company ethics or communication quality. The analysis of total impacts presents a broader view of this influence. Negative total scores appear for several variables: "Job Satisfaction" $\beta = -0.442$, "Mental Health" $\beta = -0.353$, and productivity $\beta = -0.222$. A technical detail is worth noting here: because gender does not act as a direct predictor of satisfaction or mental health in this setup, these links remain purely indirect. This demonstrates that the role of gender in the final well-being and efficiency of workers passes through middle factors (working conditions and company support). In particular, the total indirect impact on productivity $\beta = -0.222$) proves that gender differences in remote work performance show up precisely through how various groups of employees adjust to their given work setups.

4.6.3 Industry as a control variable

The employment sector of the participants was added to the structural model as a control variable to check how much the industry field changes the main metrics. The statistics point to only a weak negative impact of the industry on views of "Remote Work conditions" (RWC) $\beta = -0.200$, while the direct link with organizational support ("OS_COM") is nearly zero $\beta = 0.006$. These outcomes lead to the conclusion that industry details match only slightly with how workers view their work setup, and do not actually shape the quality of company communication. The total impact analysis supports this trend, as the scores for "Job Satisfaction" $\beta = -0.166$, "Mental Health" $\beta = -0.134$, and productivity $\beta = -0.092$ stay very low. It is worth noting that since the industry field does not serve as a direct predictor for these outcomes, its entire influence works solely through indirect channels. The total indirect impact of (-0.092) for productivity and (-0.166) for satisfaction demonstrates that industry differences play only a minor role in shaping employee well-being. Therefore, the conclusion is that the ways workers

adjust to remote setups in small and medium companies are more widespread rather than dependent on the specific business field.

4.6.3 Position as a Control Variable

The total impacts demonstrate that job position has positive overall effects on "Job Satisfaction" $\beta = 0.324$, "Mental Health" $\beta = 0.259$, "OS_COM" $\beta = 0.353$, and "RWC" $\beta = 0.365$. The total impact on remote work productivity remains weakly positive $\beta = 0.054$. This trend indicates that even though position carries a small negative direct score for productivity, this link is balanced out by positive indirect channels through the other variables in the model.

4.7 Mediation Analysis

Mediation analysis (Table 4.5) showed that remote work conditions (RWC) affect employees primarily through organizational support and communication (OS_COM). This factor became the main mediator, significantly improving both job satisfaction ($\beta = 0.398$); ($p = 0.000$)) and staff mental health ($\beta = 0.298$); ($p = 0.016$). At the same time, other hypotheses were not confirmed: mental health does not link working conditions with satisfaction ($\beta = 0.087$); ($p = 0.112$), and satisfaction itself does not translate into increased productivity ($\beta = 0.064$); ($p = 0.134$). Thus, in small and medium-sized businesses, the effectiveness of remote work depends on the quality of internal communications and management support, rather than on the personal attitude of employees to work.

Table 4.5. Specific indirect effects

Indirect relationship	Beta	t-value	p-value	Interpretation
RWC-> OS_COM -> JS	0.398	3.709	0.000	Important
RWC -> MH -> JS	0.087	1.589	0.112	Not important

RWC -> OS_COM -> MH	0.298	2.414	0.016	Important
RWC -> JS -> RWP	0.064	1.498	0.134	Not important

Source: computed by author

4.8 Qualitative conclusions from open responses

Even though the study relied mostly on a quantitative design, one open-ended question was added to the survey form. This step helped gather extra descriptive insights straight from the participants. These comments served purely as extra illustrative material to clarify and add depth to the statistical findings, rather than acting as a separate qualitative research phase. Using this method helped cross-check numerical trends through the real personal experiences of small business workers.

Therefore, open fields were placed in the survey, offering participants a chance to explain their remote work experiences in detail. Because the research design was mainly quantitative, these replies served as helpful illustrations rather than an independent focus for content analysis. Still, this extra data made it possible to see the reality behind the numbers and learn how workers themselves view their daily routines in "remote" and hybrid setups.

Overall, the gathered descriptive data fully match the statistical findings. In the comments, many participants describe the remote setup as a tool that provides flexibility and freedom. Respondents highlight major time savings because there is no need to travel to work, alongside the ability to balance jobs with personal duties and work in a psychologically comfortable space.

For a large part of the group, these factors helped increase focus and lower daily stress. This feedback supports the idea that remote work turns into a resource for well-being precisely when it comes with proper environmental setups and a high level of worker control over their own schedules.

Alongside the benefits, a major portion of the open replies focused on the struggles faced by small business workers. The most intense challenges include a lack of fast communication, a feeling of social isolation, and the fading of lines between work and home life. Several employees noted that the remote format slows down feedback from supervisors and makes it harder to fix work problems quickly. The personal feeling of "alienation" from the team is particularly notable. The lack of a physical office presence often feels like weaker involvement in company life. This evidence proves that without organized digital habits, "remoteness" leads to a drop in the company's social connection.

The topic of mental well-being in the replies shows a clear dual nature. On the one hand, a flexible schedule acts as a strong factor against stress. On the other hand, the participants point to the rise of a specific "digital pressure". The lack of a clear timetable and the silent expectation to be always available in chat apps increase emotional burnout. This double effect supports the theoretical idea that the impact of remote work on the mind is not simple. Instead, it depends heavily on the quality of organizational support and the ability of supervisors to build a culture of trust rather than total control.

The participants named the quality of management and technical tools as the main factors for efficiency. The comments show that productivity links directly to clear instructions, realistic deadlines, and emotional support from leaders. The staff's suggestions to start informal digital meetings and improve teamwork tools match the statistical findings perfectly. Therefore, these descriptive insights reveal the exact steps through which company support changes into real job satisfaction and worker dedication.

The final layer of open replies highlighted the deep link between an employee's emotional state and their actual output. Many respondents directly connect their productivity to a sense of safety and help from the company, stressing that a calm state and the absence of constant interruptions are the main drivers of efficiency. On the other hand, factors like household issues (the presence of distractions), a

communication vacuum, and emotional burnout act as the main barriers that lower work returns. This observation serves as descriptive proof of the statistical calculations, which showed a tight link between mental health and productivity during remote work.

Overall, these qualitative insights allowed for a deeper understanding of the complex nature of remote work. The gathered data clearly proves that "being removed" depends heavily on the situation. For one group of workers, this format became a symbol of comfort, freedom, and high focus. For another, it acts as a source of isolation, stress, and organizational friction.

Therefore, the results from the open questions definitely support the central point of the study: employee well-being and efficiency during remote work do not happen automatically by just changing the work format. Instead, they depend on how well the management structure is built, how clear the communication channels are, and how much real help the company provides to its staff during the digital transition.

4.9 Summary of findings

This chapter presents the results of an empirical analysis aimed at identifying the mechanisms of the impact of remote work on the well-being of employees in the small and medium-sized business sector. The study covered a complex network of relationships between the operational conditions of remote work, the quality of organizational support, mental health and the final productivity of staff. The verification of the measurement model carried out at the first stage confirmed the statistical reliability and validity of most of the constructs involved. Special attention should be paid to the high internal consistency of the scales of "Job satisfaction" and "Organizational support". Despite the moderate Cronbach's Alpha values for the Mental Health variable, composite reliability values made it possible to preserve this construct in the model, although its interpretation was carried out with the necessary methodological care. The close relationship between mental health and support, revealed through the HTMT criterion, although it balances on the verge of

discriminant validity, seems theoretically justified: in the context of remote work, the psychological comfort of an employee is inextricably intertwined with the quality of corporate communications.

Of particular importance to the model is the revealed relationship between mental health (MH) and productivity. The data obtained indicate that it is the psychological state of an employee that is the key driver of his effectiveness in remote conditions. Notably, the association between mental health and job satisfaction (JS) turned out to be statistically unimportant. This indicates a conceptual difference between these constructs within the framework of our model: if satisfaction is more determined by external organizational factors, then productivity on the "remote" is directly linked to the internal psychological resource of the individual.

The analysis of the structural model confirmed the central role of remote work conditions (RWC) as a fundamental predictor of well-being. The strong and statistically important impact of RWC on organizational support and the mental health of employees proves that a remote format is not just a technical change of location, but a profound transformation of the work environment. The results demonstrate that optimizing working conditions directly translates into strengthening mental health and creating a positive perception of corporate culture.

Thus, the presented data form an evidence base for understanding how the structural aspects of labor organization change into the subjective well-being and objective effectiveness of employees in the modern realities of SMEs. Further evaluation revealed the important role of organizational support and communications (OS_COM) in the formation of staff loyalty. It is statistically confirmed that high-quality feedback and support from management act as a powerful predictor of job satisfaction. However, a meaningful methodological nuance appears here: the impact of communications on productivity (RWP) did not reach the level of statistical significance. This allows a critical conclusion that a favorable information climate in

a company, although it contributes to the emotional comfort and satisfaction of employees, is not in itself an automatic guarantee of increased productivity.

Mediation analysis allowed us to finally reconstruct the logic of the impact of remote work:

Working conditions (RWC) translate into job satisfaction (JS) primarily through the lens of organizational support. This means that a "remote job" brings professional satisfaction only if it is supported by effective management and a culture of organizational care.

The impact of working conditions on actual efficiency (RWP) passes through mental health. Thus, any company's investments in ergonomics and the setup of remote workplaces convert into results only through strengthening the psychological well-being of employees. These findings highlight the non-linear nature of personnel management in the SME sector: qualitatively different levers of influence are required to achieve different management goals (satisfaction vs productivity). The results of the analysis convincingly prove that the impact of remote work on the well-being and productivity of staff in the SME sector is not a linear process. Instead of simple direct links, a complex system of organizational and psychological mechanisms determines the ultimate success of digital transformation. While job satisfaction is crucially shaped by the quality of management and transparency of corporate communications, actual productivity at a remote location depends directly on the mental well-being of employees.

Consequently, for small and medium-sized businesses, the strategy of simply transferring employees to a remote work format without the accompanying restructuring of management processes is obviously ineffective. The study shows that the key success factors are not the technical parameters of access, but the creation of a sustainable support system that includes the protection of mental health, the introduction of clear rules of interaction, and the cultivation of a culture of managerial trust.

The qualitative data obtained during the survey served as an important confirmation of this dualistic nature of the "remote". The respondents clearly identified a watershed: between autonomy and flexibility on the one hand, and the risk of social isolation and blurring the boundaries of personal space on the other. This feedback verifies the main conclusion of the chapter: remote work turns into an efficiency resource only if there is strong organizational support. Otherwise, it becomes a source of emotional pressure and communication failures. Summarizing the above, the conclusion is that the effectiveness of the remote format in the SME sector is derived from the quality of management and attention to human capital. The empirical results obtained in this chapter serve as the basis for an in-depth discussion and the development of practical recommendations, which will be presented in detail in the next part of the work.

5. Discussions and recommendations

5.1 Discussion of the main conclusions

The results of the study convincingly prove that remote work conditions (RWC) represent the most influential construct in the proposed model, playing a decisive role in shaping the professional outcomes of SME employees. Statistical analysis of direct links confirmed that the quality of the remote work organizations act as a primary driver for all dependent variables: organizational support (OS_COM), mental health (MH), satisfaction (JS), and productivity (RWP).

The strongest momentum of influence appeared on the path from RWC to organizational support and communications ($\beta = 0.863$, $p = 0.000$). This result holds critical importance: it shows that in the eyes of employees, the physical and operational work setup is the material embodiment of company care. This is followed by a strong positive impact on productivity ($\beta=0.609$, $p=0.000$), alongside important effects on mental well-being ($\beta=0.420$, $p=0.003$) and satisfaction ($\beta=0.342$, $p= 0.000$).

These patterns lead to a fundamental conclusion, that positive views of organizational support, psychological comfort, and employee loyalty do not appear out of nowhere. They are a direct consequence of how effectively the firm builds the logistical and regulatory framework for remote work. Thus, the study confirms the central point: the final success of a remote setup depends not on the change of location itself, but on the quality of the infrastructure and management that accompany this process.

A meaningful layer of findings involves the mechanisms behind job satisfaction (JS). The study reveals that this metric comes not just from physical working conditions, but from a mix of corporate and psychological factors. Specifically, organizational support and communication (OS_COM) show a direct positive impact on satisfaction ($\beta= 0.362$, $p=0.000$) while acting as an important predictor of mental health (MH) ($\beta= 0.300$, $p=0.048$). In turn, the worker's

psychological state itself adds a major share to the overall appraisal of the employment situation ($\beta = 0.275$, $p = 0.000$). This relationship layout shows that satisfaction on the "remote" is a multi-level concept. It does not stop at the convenience of interfaces or schedules, but forms where the corporate environment meets the internal resource of the individual. Simply put, high dedication and a positive mindset from a worker are reachable only when clear communication and available help build a reliable shield to maintain psychological stability. This conclusion holds particular practical value for the SME sector. In an environment where formal HR tools often step aside for direct personal contact, individual support habits and attention to the emotional state of the team become the foundation of business survival. The results prove that employee satisfaction at a distance depends less on control systems and more on a sense of connection and mental comfort shared through communication channels.

One of the most remarkable and unexpected findings was the absence of a statistically important direct link between job satisfaction (JS) and productivity (RWP) ($\beta = -0.180$, $p = 0.288$). This fact holds particular interest for academic discussion, as it refutes the simplistic notion that a loyal and satisfied employee automatically becomes more effective in a remote environment. The data indicate that the subjective comfort of a worker and their objective performance are two parallel processes that do not always overlap. A high level of satisfaction with the current work situation may come from schedule flexibility or a lack of close control, which in itself does not guarantee high focus and KPIs.

The lack of this connection can be explained by the fact that productivity at a distance is shaped by a much more rigid set of factors than the emotional state alone. These include structural parameters like the setup of work tasks and clarity of deadlines, the technological stack involving the quality of digital tools and steady communication, as well as individual competencies such as time management skills and the ability to self-organize amidst home distractions. Therefore, job satisfaction should be seen as a valuable independent outcome that is important for staff retention,

but not as a sufficient predictor of effectiveness. For SME management, this means that strategies aimed solely at increasing employee "happiness" may not bring the expected productivity growth if they lack instrumental support and a clear structuring of work processes. High satisfaction may be a consequence of schedule flexibility, but it does not guarantee the fulfillment of KPIs unless it is supported by self-organization skills and high-quality digital tools.

5.2 Discussion in connection with previous literature

The gathered data are generally consistent with an array of modern studies postulating that the outcomes of remote work are determined not by the fact of location change itself, but by the quality of the work environment. In this model, remote work conditions (RWC) proved to be the dominant predictor, which confirms the thesis that telework is not inherently "useful" or "harmful". Its impact varies, depending on how the process is organized and maintained at the company level.

In this regard, the results develop the classical argumentation of Gajendran and Harrison (Gajendran & Harrison, 2007). Their meta-analysis demonstrated that telecommuting leads to beneficial effects, such as autonomy and work-family balance, only under certain conditions and not automatically. This research adapts that logic to the specifics of SMEs, proving that a remote employee becomes a resource only when the worker perceives the created conditions as manageable and supportive.

These findings find direct support in Eurofound's reports regarding the "dualistic nature" of hybrid employment. According to Eurofound experts, eliminating travel time and having flexible schedules represents just one side of the coin, which is often offset by the risks of isolation and blurring the boundaries of personal space. This dualism shows up clearly in the model: the absence of a meaningful influence from the "Mode" variable proves that neither a one-hundred-percent "remote" setup nor a hybrid format guarantees success by themselves. The key factor remains the "ecosystem" around the employee, which

makes the format sustainable in the long term. Finally, the role of organizational support and communication (OS_COM) in this study almost completely coincides with the practical recommendations of the International Labor Organization (ILO). The model demonstrates that OS_COM acts as a fundamental mediator linking external conditions with mental health and satisfaction. This confirms the ILO's position: the success of remote work is based less on access to technology and more on transparent communication standards and empathic leadership. In the context of SMEs, where bureaucratic HR systems are often absent, "live" communication becomes the critical bridge that maintains the psychological balance and professional involvement of staff at a distance. keeps the psychological balance and professional involvement of staff at a distance.

5.3 Theoretical implications

The results of the study make an important contribution to the development of theoretical concepts about remote work in the SME segment, suggesting a revision of a number of traditional assumptions.

1. Rejection of linearity: Remote labor as a multilevel system

The first important theoretical conclusion is the need to move from linear stimulus-response models to a systematic understanding of remote employment. The study demonstrates that the impact of remote conditions on employee well-being does not happen through isolated links, but through a complex architecture of organizational and psychological mediators. Identifying remote work conditions (RWC) as the dominant predictor acting through support and mental health channels makes it possible to conceptualize remote work not just as a change of location, but as a transformation of the entire operating ecosystem of the enterprise.

2. Integration of psychological and organizational paths (Layered Pathways)

The theoretical value of the study also comes from proving the role of multi-layered mediation processes. The fact that organizational support (OS_COM)

serves as the foundation for mental health and satisfaction makes it possible to merge organizational support theory with psychological models of well-being. Theoretically, this means that remote work can no longer be viewed solely through the lenses of "physical distance" or "flexibility." Instead, it must be seen as a state that depends heavily on the quality of the communication setup and the psychological resource of the individual. This shifts the boundaries of classic management closer to industrial psychology.

3. Conceptual separation of satisfaction and productivity

The third important contribution is identifying the functional autonomy of satisfaction and performance metrics. The lack of a statistically important direct link between JS and RWP challenges the simplified managerial paradigm of "happy employee - effective employee". The gathered data theoretically support the need to separate attitude results from operational scores in remote labor research. This supports the concept of a differentiated approach to evaluating staff effectiveness, emphasizing that productivity at a remote location is determined by instrumental and resource factors to a greater extent than by the emotional background. The results of the work contribute to management theory, suggesting a transition from linear models to a systematic understanding of remote employment. The study shows that the impact of working conditions on well-being works through a complex architecture of mediators (communication and mental health). Theoretically, this means that remote work cannot be considered solely in terms of "physical distance." On the contrary, it should be interpreted as a state critically dependent on the quality of the communicative space and the psychological resource of the individual, which expands the boundaries of classical management towards industrial psychology.

5.4 Practical implications

Despite the revealed patterns, this study is associated with a number of methodological limitations that must be taken into account when generalizing the conclusions. First of all, the cross-sectional data collection design does not allow for

a full determination of cause-and-effect relationships in their long-term dynamics. Although structural modeling indicates the direction of influence, the presence of a recursive effect cannot be excluded. For example, high productivity itself might become a driver of satisfaction, rather than the other way around.

In addition, the work relies on the subjective assessments of respondents (self-reported data), which potentially introduces an error in the form of social desirability bias or cognitive distortions when assessing personal effectiveness. In the context of SMEs, where the boundaries between personal contribution and team results are often blurred, using objective KPIs in future research could importantly enrich the model and provide a more rigorous verification of the identified patterns.

A promising area for further research is to conduct longitudinal studies covering various stages of employee adaptation to hybrid formats. Of particular interest is the study of "moderating" variables, such as the type of corporate culture (clan vs market) or the level of digital maturity of the organization. An in-depth analysis of exactly how these external factors modify the relationship between working conditions and mental health will make it possible to create even more accurate and adaptive models of human capital management in the era of digital transformation.

For SME management, the main conclusion is the need to move to a human-centered management model. Managers should shift their focus from time control to the audit of "remote ergonomics" (realistic loads and the availability of tools). Since organizational support directly affects mental health, communication should stop being spontaneous. It is recommended to implement "active support" protocols (regular check-ins) and clearly regulate the time of "availability" in order to avoid employee burnout. The elimination of "gray areas" in responsibility and the clarity of roles directly transform working conditions into high staff loyalty.

5.5 Limitations of the study

Despite the significance of the findings, this work has a number of limitations that impose certain limits on the interpretation of the results.

Firstly, the sample size of 160 respondents, although methodologically sufficient for conducting an exploratory analysis using the PLS-SEM method, still limits the possibilities for a broad extrapolation of data to the entire range of small and medium-sized enterprises. In this sense, the study should be considered more as a representative cross-section rather than as an exhaustive analysis of the entire SME sector.

Secondly, the geographical and cultural location of the study (Kazakhstan) introduces into the model specific features characteristic of this national economy and work ethic. Cultural peculiarities of the perception of remote work, the specifics of the local labor market, and the level of digital maturity of domestic organizations inevitably leave their mark on the identified relationships.

Consequently, the transfer of these findings to other institutional environments or countries with fundamentally different models of corporate governance should be approached with the necessary scientific caution. The results obtained serve as an important indicator for emerging markets, but their universality requires further verification within the framework of cross-cultural comparisons.

5.6 Suggestions for future research

The outcomes of this work open up a wide field for future research aimed at deepening the understanding of remote work. First of all, expanding the scale and diversifying the sample holds critical importance. The transition from a regional case (160 respondents in Kazakhstan) to larger-scale cross-national studies will not only increase the statistical power of the models but also verify the identified patterns in various institutional and cultural environments. This will make it possible to conduct a more subtle subgroup analysis, revealing the specifics of adaptation to the "remote" depending on demographic characteristics and professional affiliation.

A methodologically justified step would be the transition from cross-sectional studies to longitudinal designs. Since the perception of remote work is a dynamic process, only long-term observation will allow for capturing the effects of habituation, accumulated fatigue, or, conversely, long-term growth in adaptability. A longitudinal approach will answer the question of whether the identified links between mental health and productivity are stable or whether they undergo a meaningful transformation as the remote format integrates into the daily practice of SMEs.

A comparative analysis of SMEs and large corporations holds great interest for science. Given the shortage of formal HR tools in small businesses, future research could clarify how unique the remote work setup truly is in SMEs. Are flexibility and personal communication a real advantage for small firms, or does the advanced digital infrastructure of large companies build a more stable foundation for staff well-being? Answering this question requires cross-sector comparisons, with special attention given to high-tech fields like IT and fintech compared to sectors where remote labor acts as a necessary backup measure.

Further development of the model requires clarifying the structure of the variables. The discovered dominant role of remote work conditions (RWC) highlights the need to break down this concept. Future researchers should separate technological help, the quality of physical space and ergonomics, and home environment factors like family distractions. This separation will make it possible to find with precision which element of the remote setup adds the biggest share to the final performance.

Finally, the paradox regarding the lack of a link between satisfaction and productivity deserves close attention. The research focus should shift to finding hidden factors, such as digital skills, self-discipline levels, or the type of work tasks. Using mixed methods that combine statistical analysis with in-depth interviews will help not only map this gap but also explain its psychological nature. Coupled with multi-factor scales for evaluating productivity, including feedback from supervisors,

this will ensure the creation of a complete theory of remote work for today's changing market.

6. Conclusion

6.1 Summary of the study

The results of the study show that in the SME segment, remote work conditions (RWC) serve as the foundation on which the entire system of staff well-being and efficiency is built. Statistical analysis confirms that the quality of the remote work organization (from technical equipment to the clarity of work tasks) determines the level of mental health and employee satisfaction. In conditions of limited formal HR tools typical for small businesses, the physical and operational work environment becomes the main indicator of organizational care for the worker.

Of particular importance in the structure of the identified connections is the role of communication and psychological state as mediators. The study shows that organizational support and transparent communication channels act as a critical bridge connecting external working conditions with an internal sense of comfort. It is noteworthy that mental health proved to be the only important predictor of actual productivity, while overall job satisfaction does not always translate into high performance. This highlights the non-linear nature of management: loyalty is important to retain employees, but their psycho-emotional resources are critically important to achieve business outcomes.

Ultimately, the study confirms the dual nature of distance work described in the Eurofound reports and the ILO recommendations. For companies in the SME sector, switching to remote access can act as both a tool for increasing flexibility and a source of stress and isolation. The success of this transformation depends not on working from home itself, but on creating a human-centered management model where clarity of roles, accessibility of support, and attention to mental well-being build a sustainable and productive work environment.

6.2 Answers to the research questions

The impact of remote work on well-being (RQ1)

The first research question aimed to find out exactly how the remote work format changes the well-being of employees in the SME sector. The gathered data clearly prove that this effect is not direct or uniform. It is not the fact of switching to "remote" that is crucial, but the quality of the remote work conditions. In cases where workers view the created environment as supportive and proper for their professional tasks, a major increase in satisfaction and a strengthening of mental health occur. On the contrary, a lack of resources or an unfavorable home environment become triggers for lower dedication and emotional burnout. Therefore, the deciding factor for well-being is not the physical location, but the availability of the practical and psychological infrastructure needed for steady work.

Organizational support in the SME environment (RQ2)

The second research question focused on the channels through which small and medium-sized enterprises assist their staff in hybrid or remote setups. The analysis demonstrates that the foundation of this assistance rests on communication quality and management responsiveness. In an SME environment where extensive HR departments are often absent, clear expectations, regular feedback, and a sense of belonging serve as the main management levers. However, the qualitative data point to an existing gap: employees express a need for more systematic technical help and structured feedback. This supports the idea that SME assistance relies not on formal procedures, but on the firm's capacity to build a complete and predictable communication environment.

Optimization Strategies and Management levers (RQ3)

The third question focused on finding specific strategies that can improve the situation of remote workers. The results of the study make it possible to identify several priority areas: from instrumental improvement of workplace ergonomics to the introduction of programs for psychological relief and work-life balance. Special attention should be paid to requests for partial reimbursement of expenses, access to coworking spaces, and the organization of face-to-face meetings to combat social exclusion. The final conclusion indicates the need for a change in the management

paradigm: remote work should be administered as an integrated organizational system that requires taking into account the individual circumstances of employees, and not just as a formal act of workplace change.

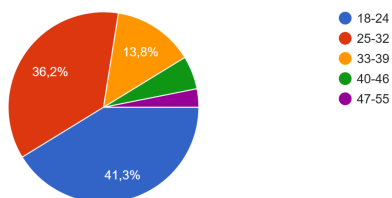
6.3 Final concluding statement

In a global sense, this study supports the idea that remote work in the SME sector should be seen not as a universally positive or negative practice, but as an organizational process that depends heavily on the situation. The research clearly shows that the well-being and productivity of staff are determined not by the remote format itself, but by the quality of its "infrastructure". Physical and technical conditions, the depth of company support, and how well employees adjust. In this light, the most important contribution of the work lies in revealing the specific steps that change remote employment from a technical solution into an effective tool for managing people. The work also highlights the need to treat SMEs as a distinct, specific focus when studying remote forms of work. In conditions of limited resources and the absence of strictly formal HR systems, the employee's experience becomes highly sensitive to communication quality, the empathy of management, and prior experience with independent work. This suggests that small and medium-sized businesses are not just a smaller copy of a large corporate sector, but an independent research field where organizational links are more personal and flexible. In summary, the conclusion is that the success of digital transformation in SMEs depends on the ability of management to understand remote work as a complex ecosystem. The results of this work serve as a theoretical and practical guide for companies seeking to balance financial efficiency and the psychological well-being of staff in a changing market environment.

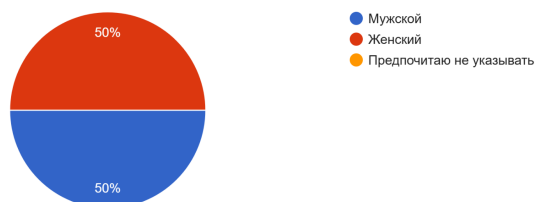
Appendices

Appendix A. Survey questionnaire

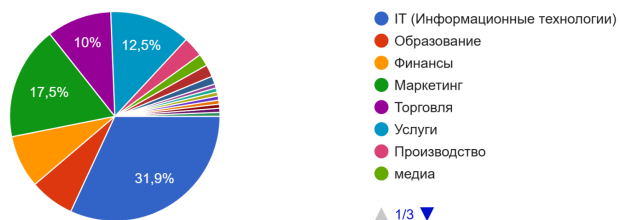
Возраст:
160 ответов



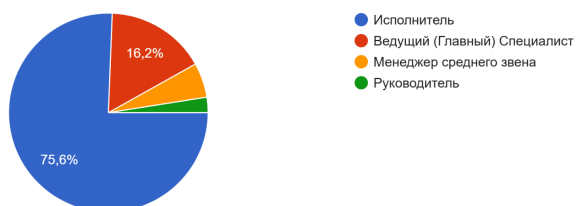
Пол:
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Сфера деятельности компании:
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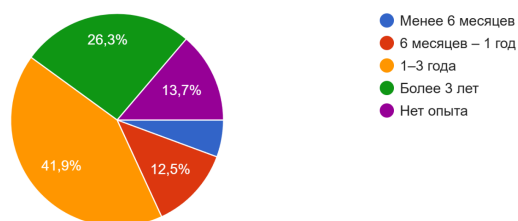


Должность:
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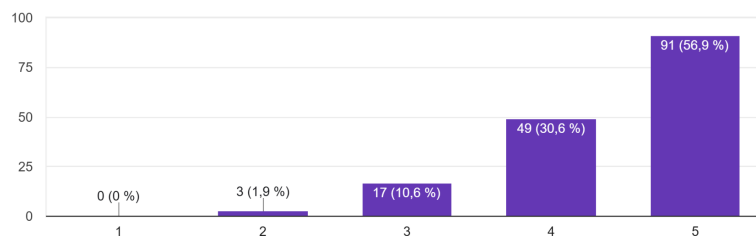
Какой у Вас опыт работы в удаленном формате?

160 ответов



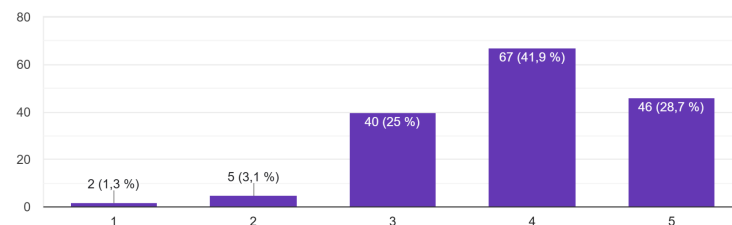
У меня есть возможность самостоятельно планировать своё рабочее время.

160 ответов



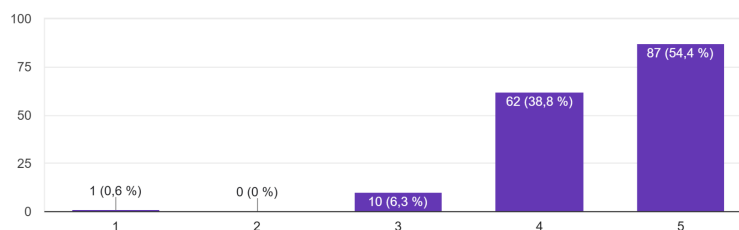
Я получаю своевременную обратную связь от руководства.

160 ответов



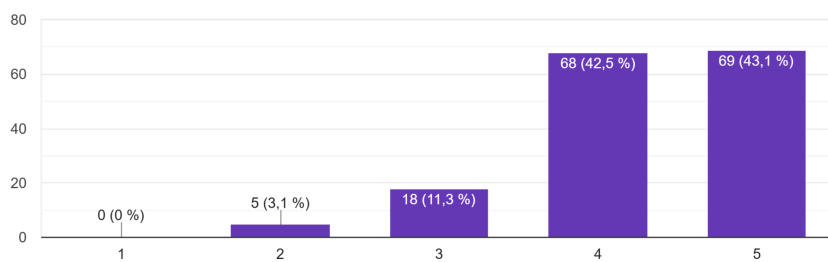
Мои обязанности чётко распределены и понятны.

160 ответов



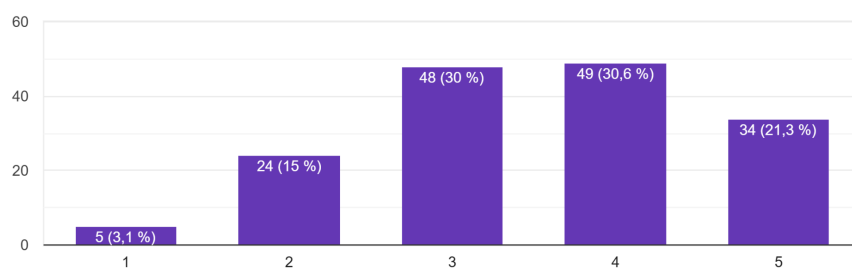
У меня есть доступ к необходимым инструментам и технологиям.

160 ответов



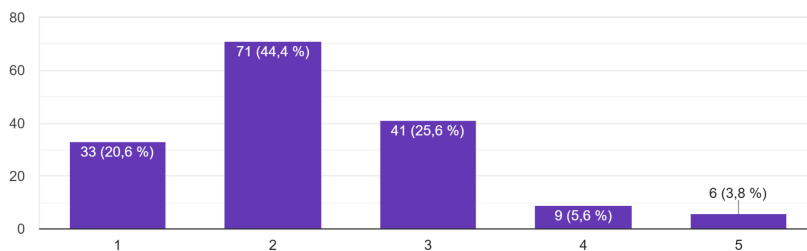
У нас есть регулярные онлайн-собрания или синхронизации.

160 ответов



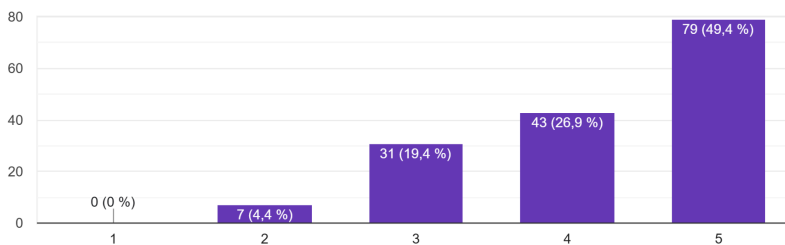
Я чувствую одиночество или изоляцию.

160 ответов



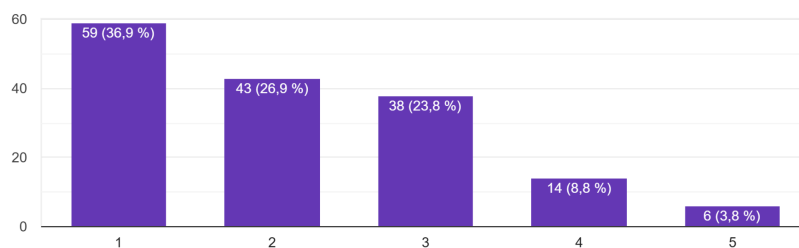
Моя продуктивность не ухудшилась при удалённой работе.

160 ответов



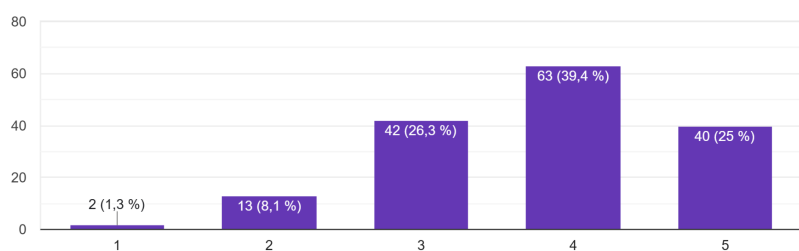
Компания предоставляет ресурсы для психологического благополучия (например, консультации, поддержка).

160 ответов



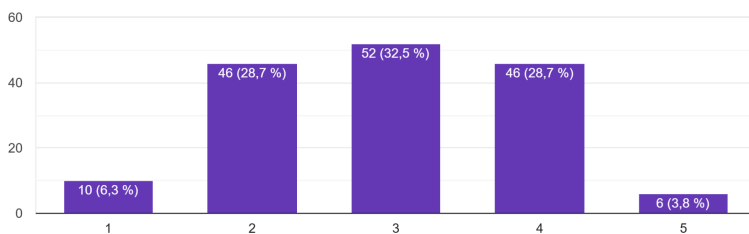
Я чувствую, что мои усилия признаются и ценятся.

160 ответов



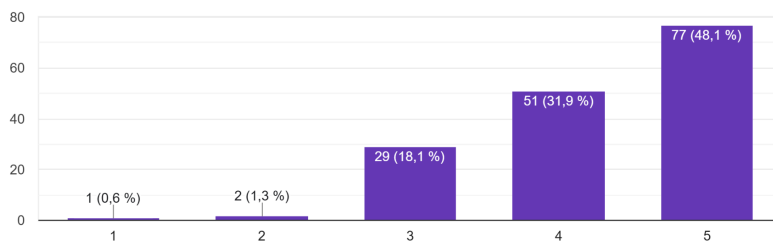
Компания активно работает над улучшением условий удалённой работы.

160 ответов

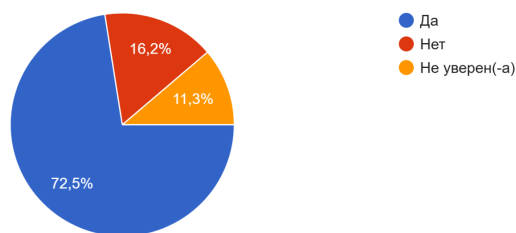


Насколько вы удовлетворены своей текущей работой?

160 ответов



Хотели бы вы продолжать работать удалённо после окончания текущего периода?
160 ответов



Appendix B. Measurement items and coding

Age groups: 1 = 18-24, 2 = 25-34, 3 = 35-44, 4 = 45+. Work mode: 1 = full-time office-based, 2 = hybrid, 3 = fully remote. Remote work experience: 0 = no experience, 1 = less than six months, 2 = six months to one year, 3 = one to three years, 4 = more than three years.

The main constructs were coded as RWC, OS_COM, MH, JS, and RWP. All latent constructs were measured using a five-point Likert scale ranging from 1 = strongly disagree to 5 = strongly agree.

Appendix C. Informed consent statement

Participation in the survey was voluntary and anonymous. Respondents were informed that the data would be used only for academic purposes, analyzed in aggregated form, and not linked to any personal identity or specific employer.

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