Introduction

Globalisation and technological advances in telecommunications and networking, together with the increasing emphasis on flexible working and work/life balance issues, have generated an increase in the growth of remote and virtual working in many organisations. This is revealing a set of unique challenges to the ways we work and communicate and has propelled the issue to the forefront of managers' priorities. When addressing these issues, managers are often confronted with a lack of consistent guidance on "best practices" for justifying, organising, supporting and evaluating the new way of working in a virtual environment.

This article examines the challenges and opportunities managers face when choosing remote working and virtual teams, as a part of the daily work-life of their organisation. The article identifies "best practices" for remote and virtual working and explores how to manage people who work remotely and on virtual teams, to gain the best performance for the benefit of the organisation.

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What is a Virtual Team ?

We define a virtual team as –

> "Team members separated by boundaries of time and/or distance and who leverage technology to conduct discrete interpersonal, social and economic exchanges of value to deliver an outcome. Members are committed to a common purpose, goal and approach to working together that keeps them mutually accountable for their performance."

Such teams can take many different forms: team members may be dispersed in different countries across the globe, or at various locations within a country; they may be located in offices in different parts of a town or city, or in different parts of the same building, in different departments; some members may work from home part of the time or all of the time.

The make-up of virtual teams may also vary considerably. In some cases, the members are relatively permanent; in others, team members may change depending on the stage of a project. Interaction between core team and peripheral members will also vary depending on the nature and scope of the work performed. Whatever the format of virtual teams, they confront challenges that include little or no opportunity for face-to-face dialogue, problems in coordinating the effort, lack of normal social interaction and sense of belonging to the team. These issues are not unique to virtual teams but are exacerbated by distance, technology and the commitment of an organisation to virtual team work.

The Challenges

New Ways of Working

Virtual teams require a shift in views on the role of the manager, employee and team work. We have identified four psychological dimensions that must be taken into consideration when deploying virtual teams.

1. **Comfort and Security**. There is a direct link between the performance of the virtual team and the psychological comfort and sense of personal security on the part of team

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members. Working remotely is often a new experience for members, requiring a period of adjustment. Some members adjust quickly and thrive working remotely while others find remote working stressful and uncomfortable. Personality, life experience and management history influence these reactions. The end result is that each member provides the team with a differing level of emotional commitment, depending on their psychological needs in response to the ambiguities and clarity of the team's tasks.

2. **Communication**. The amount of communication has a direct impact on the success of the virtual team. The most successful teams make an effort to meet face-to-face on a consistent basis. The type of technology used, the frequency and length of communication, the format of interactions, the frequency of interactions, and the more focused the discussions, the more effective the deliverables. Of course, communicating virtually has its issues, including technology glitches and not being able to see body language.

At the heart of effective virtual team communication is sharing a common vision and clearly defined goals. We have found they are the glue that holds the virtual team together, and these are defined within the limits of the strategic goals of the organisation. They clearly define a set of outcomes that are meaningful to team members and help define the level of commitment and energy required to be productive, ie the performance expectations as a team and as an individual contributor.

We have identified four dimensions to assess the communication readiness of a team:

- <u>Words and language</u>. Often we find the ideas we wish to communicate do not fit easily into words, particularly when we are communicating across cultures and languages. Virtual communication relies heavily on the content of messages to convey meaning, and the tone of the communication is critical. Therefore it is essential for team members to take time to reflect back to other team members their understanding, especially when the words may lack clarity, be ambiguous or based on jargon, and when the tone of voice may be misconstrued.

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- Distractions. Depending on the location and use of technology, the emotional state of a team member, the time of day or the level of stress, members may be easily deflected from concentrating on the work of the team. Other things within themselves or in the immediate environment can pre-occupy them. So, it is important for team members to clarify the intent and purpose of any communication, whether verbal or written.

- Meaning Perspective. Communication between team members reflects an interaction between feelings, thoughts and behaviours of the members. Virtual team members report that they are often ambivalent about expressing themselves accurately. This is especially true when cultural and language sensitivities are active in a team. This may result in team members speaking obscurely about ideas and even less clearly about feelings. In some cultures we have been trained to speak indirectly on many topics or not to express our feelings. So, checking the real meaning of any interaction is critical to gain clarity.

- Engagement versus Freedom. Some team members may be more self-directed, whilst others may require more direction and structure. Members can choose their level of interaction with other team members as well as the way they structure their time and work. Productive virtual teams have an agreed set of mega-communication protocols where team members can do a 'perspective check' when they feel they are becoming disconnected from the content of the work. This is particularly useful to address concerns that may be below the surface.

3. **Trust**. The dynamics of working virtually with others over periods of time, the tendency of technology to de-personalise relationships and the requirements of many people to support their working relationships with some degree of emotional connection, place trust at the centre of virtual team life. Fostering a willingness to share information across cultural and technological boundaries, addressing disagreements and problems immediately they occur, and supporting a level of communication with respect and understanding, enable virtual teams to move beyond the inevitable conflicts that emerge

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in any situation where people must work together. A useful way of developing trust is for virtual team members to be involved in defining and planning deliverables. This is especially important when team members do not have the opportunity to meet in person.

4. **Relationship Building**. The ability to establish, maintain and leverage relationships is key to virtual team working. Individual team member competencies critical to the relationship building requirements of a virtual team include: problem solving and decision-making; interpersonal and diversity/cultural awareness; enthusiasm for working on a virtual team; a high degree of self-direction and motivation; a desire and ability to use technology as a source for working.

The Opportunities

What does successful virtual teamwork look like ?

The most significant barrier to the ways of working of virtual teams is the lack of face-to-face contact, since the level of commitment is directly related to the level of contact. However, audio- and video-conferencing will help in sustaining the basic relationship development, but do not replace the need for occasional face-to-face contact.

Virtual teams work effectively and are successful when team members collaborate in

- supporting the sharing of problems and conflicts related to the work
- establishing formal communication controls and ground rules
- encouraging off-line communication
- rewarding successes / examining failures as a team
- agreeing dependencies
- clarifying expectations, time/location/frequency of meetings, and coordinating work across time zones
- agreeing autonomy
- defining standards of team quality, performance and feedback

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- assessing technologies

- agreeing project management tools

- agreeing evaluation criteria

- scheduling face-to-face meetings at regular intervals

Cultural Awareness

The notions of 'work' and 'time' vary across cultures. Working in a virtual team requires team members to be aware of and appreciate the unique dimensions of national culture and work actions. Learned behaviours, automatic responses and psychological predispositions, will influence the style of communication, what is communicated and the reaction to communication, especially when technology is involved.
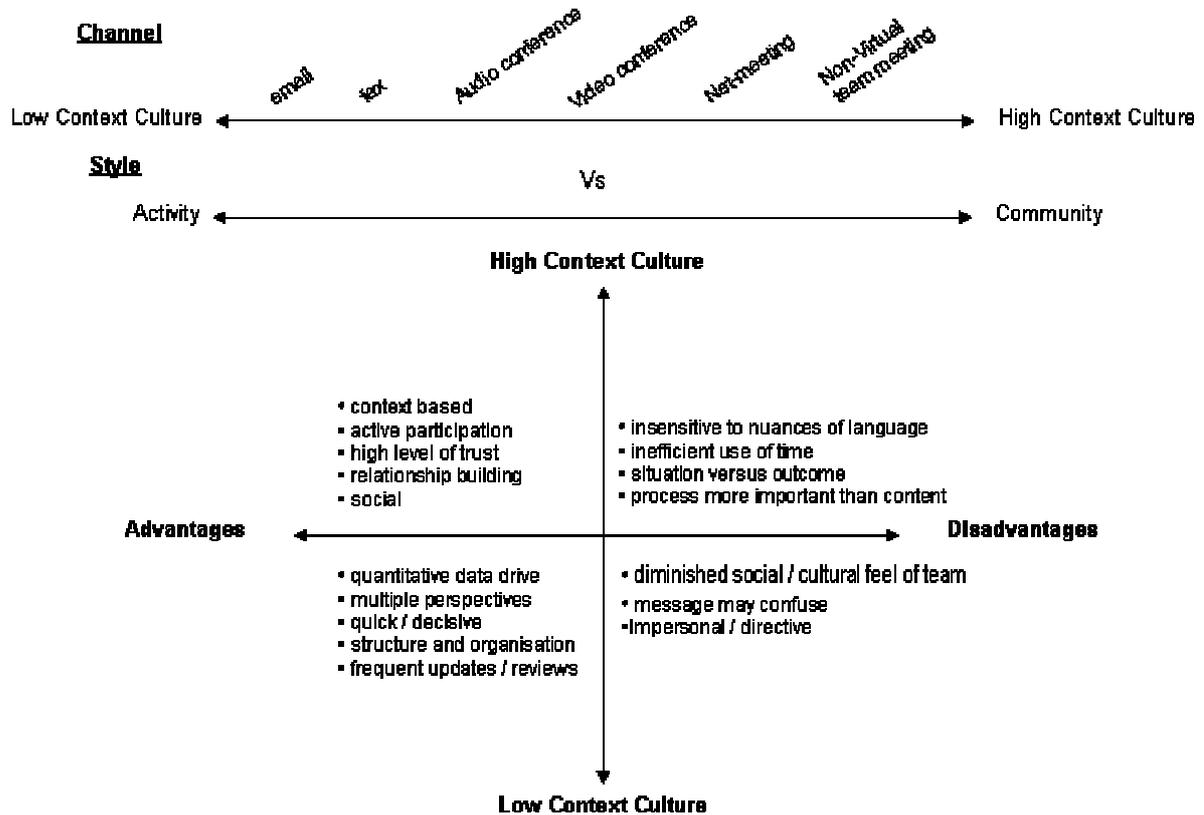
The following figure provides a general summary of the interplay between culture and communication. Note the term 'context culture' as the basic element influencing the communication requirements of team members, which we define as the expression of behavioural, psychological and cognitive dimensions informing cultural preferences.

Furthermore, members of virtual teams need to develop an appreciation of the effort required from those team members whose mother tongue is not the language of choice of the virtual team, or the wider organisation.

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Cultural and Virtual Team Communication

Channel

email   fax   Audio conference   Video conference   Net-meeting   Non-Virtual team meeting

Low Context Culture ⟵————————————————⟶ High Context Culture

Style

Vs

Activity ⟵————————————————⟶ Community

High Context Culture

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- context based
- active participation
- high level of trust
- relationship building
- social

- insensitive to nuances of language
- inefficient use of time
- situation versus outcome
- process more important than content

Advantages ⟵————————————————⟶ **Disadvantages**

- quantitative data drive
- multiple perspectives
- quick / decisive
- structure and organisation
- frequent updates / reviews

- diminished social / cultural feel of team
- message may confuse
- impersonal / directive

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Low Context Culture

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Management Practice

In many organisations, managers ignore a fundamental principle – that people working remotely or virtually must be integrated, managed, and motivated appropriately. This challenges the traditional management practice in the organisation and highlights certain differences, as shown in the table below.

Differences between virtual teams and management practice

Organisational Criteria	Virtual Team	Management Practice
Objectives/tasks	• Develop or optimise organisational talent from across the organisation • Specific, targeted goals linked to business strategies • Time limited, focused and leveraging the use of technology	• Work with known products, processes and organisational talent • Multiple objectives and goals • Optimise ongoing processes
People	• People with different experiences, competencies and values • Temporary team composition based on business needs	• People with similar experiences and values • Plan to optimise resource use over time
Systems	• Systems must be created or modified to integrate/evaluate work	• Systems in place to integrate/ evaluate work
Risks	• Higher uncertainty of outcome, time lines and deliverables • Disturbs status quo	• Higher certainty of outcome, cost, and deliverables • Supports status quo

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To deploy virtual teams successfully may involve management ceding certain accountability and control, and organisations will need to assess the strategic role and contribution of virtual teams in 'adding value' to delivering business results. The benefits and potential risks need to be weighed in terms of the performance desired, as shown in the following table.

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Benefits and risks of virtual teams to management practice

	Benefits for the organisation	Associated risks	Suggestions
Goal	• Set challenging and innovative goals • Leverage assets from across the business • Develop flexibility and agility across the business	• Difficulties in executing multiple, divergent business goals across cultures and time zones at the same time • Choosing wrong people, strategy or technology • Heavy political, competitive and time pressure	• Focus on strategic clarity • Develop and evaluate alternative solutions • Support the creation of a virtual team culture in the organisation
Communication	• Reduced communication effort through dispersed teams • Improved speed and flexibility of communication	• Unclear loyalties, division of roles or tasks within the team • Higher degree of uncoordinated effort. Remote locations may not have technology infrastructure to support virtual teams	• Team-based planning together with management • Communication audit, team-based decisions on best communication strategies and technologies
Change	• Quickly react to market and customer requirements • Quickly shift to new technologies	• Speed of work may overwhelm the entire organisation • Wrong solution or technology could be chosen	• Place greater importance on linking results to strategy • Develop and evaluate alternative solutions
Structure	• Organisational structures to support flexibility and responsibility at all levels • Quicker release of resources • Formal authority replaced with interpersonal, technical and entrepreneurial competencies	• Overburdening virtual team members with organisational structures • Conflict with management over role and priorities for virtual team members • Changing the power structure will meet with resistance from some line managers	• Agree boundaries and roles of virtual team members • Choose team members based on reputation and personality in addition to technical skills • Stakeholder management

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"Best Practices"

We have identified a number of critical success factors and behavioural competencies that can inform "best practices" associated with the deployment of successful virtual teams.

Strategic Clarity. Effective virtual team orientation provides a realistic review and outlook within the organisation for the support and role of a virtual team. This includes clarifying the value of the team's work to the larger business, and a clear definition of team member contributions and participation. Participative planning as a team empowers team members to define their roles, rules for working, the manner and scope of communication and technology and take decisions on execution. The key is that the team takes the lead on these activities with the support of management.

Leveraging Technology. A critical assessment of the limits and opportunities of the organisation's technology assets is a pre-requisite for assisting the work of a virtual team. These may include e-mail, i-Phone/Blackberry, groupware, instant messaging, intranet, video conferencing, social media, group online workspace, space for 'virtual water cooler conversations', VoIP, etc. Contingency plans must also be put in place to ensure continuity, as the following incident illustrates:

> *In the midst of a short-term, business critical project for the launch of a health care computer system, a series of winter storms battered the regions of the city. The storms eliminated basic electrical and telephone services for more than two days in many areas. Team members in these regions were isolated from their colleagues in the rest of the city, depriving them of critical data essential to the delivery of the project. With no back-up plan, the team missed the deadline.*

Behavioural Management. Effective communication is facilitated by clearly defining the tools for communicating. The common barriers to communication that exist between people should also be taken into account. Relationship building needs to recognise the emotional as well as cultural dimensions that are essential to developing the discipline required to work in a virtual team. Building trust between team members is essential for the success of the virtual team. Consistency in words and actions, as well as bringing to the surface all issues

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that militate against the team working effectively, are critical. Performance management of a virtual team requires clear and detailed performance goals for team members. They will be most productive when feedback is provided formally and informally in culturally appropriate ways. The organisation's performance management system needs to take into account the unique features of a virtual team and should focus on balanced scorecard outcomes.

Organisation Transitions. Identifying and managing key stakeholders involves defining the sources of power that make things happen, and who will have the most impact on the work of the team. Developing a stakeholder strategy provides agreed actions to influence the impact of stakeholders in achieving the virtual team's goals. Through networking opportunities virtual teams will better understand and manage the organisation systems and structures and use them to benefit their work. Mentoring and career development are key concerns of members of virtual teams. They may have been assigned to a virtual team by managers, without consideration of the impact on career development and the level of competencies to deliver the results. Team members may become isolated from performance reviews, or have managers unable to assess performance due to lack of oversight or contact with the work of the team. Teams and their members should keep records of their achievements.

Culture and Communication. Cultural sensitivity is very important as the work of many virtual teams can be compromised by failure to consider the impact of national and regional cultures. Cultural differences are not just based on nationality but also on a unique set of behavioural, language and relationship variables.

> *A small, French-based virtual team dedicated to dealing with client emergencies on a continuous basis in a global professional services company, reported diminished coverage on Thursdays and Fridays in parts of the Middle East. Team members were not available at short notice when required. Due to cultural practice, Thursday and Fridays were set aside as days for religious retreat.*

Managing the paradox of structure and adaptability requires negotiations with management to enable the virtual team to develop its own structures, possibly outside the scope of standard organisation practice, to support the work of the team.

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These success factors are reflected clearly in the Virtual Team Orientation (VTO) Model below.
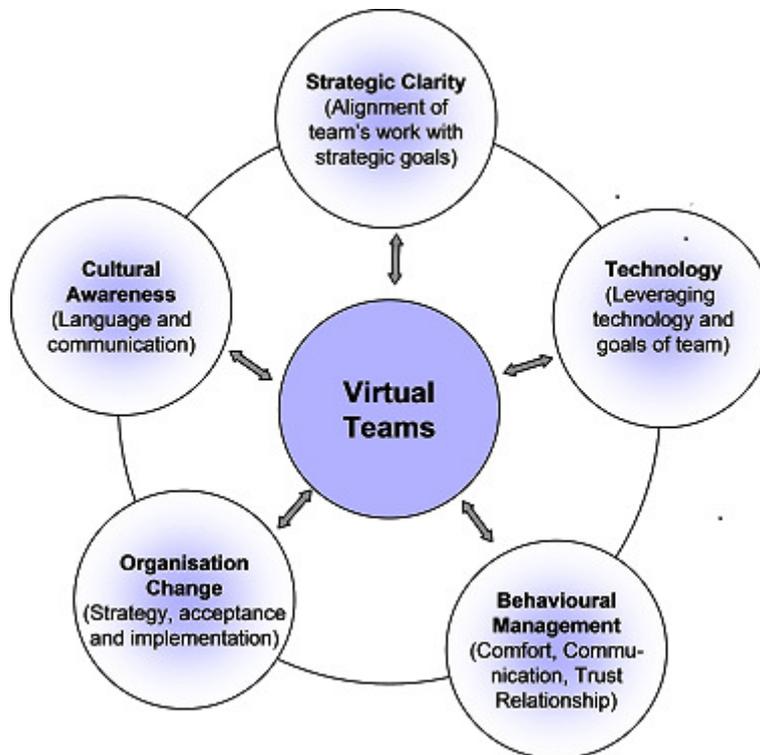
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Virtual Team Orientation (VTO) Model

As you can see, virtual team performance is at the core of the VTO. Although no "one size fits all" recipe exists for managing the performance of a virtual team, there are four key ingredients that drive virtual team outputs.

1. linking performance indicators to the organisation's strategy
2. utilising a behavioural balanced scorecard
3. consistent review of team performance benchmarks against goals
4. team-based performance rewards

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Virtual Teams - Challenges and Opportunities

In **summary**, from a technology perspective it has never been easier to work with team members dispersed internationally, nationally or locally. However, Virtual Teams do pose a number of unique challenges and opportunities. It is important to recognise that

- Virtual teams work differently from intact teams working face-to-face - in their purpose, structure and dynamics. They therefore require considerable flexibility of approach.
- Organisations need to develop a clear strategy for virtual teams, and assess the value of virtual working to the business.
- Virtual teams require reliable simple-to-use and well-supported technology.
- The availability of good systems and processes assists remote and virtual working.
- Keeping a balance between tasks, behaviours and learning is essential.
- Managers and team leaders need to learn the skills of motivating, communicating, appraising and encouraging learning for virtual teams.
- Virtual team members need to develop their skills in working collaboratively at a distance, building relationships, and communicating effectively across cultures and time zones.
- Trust is a key requirement for effective virtual working.

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