

Managing Virtual Teams

How do you enable real teamwork across time, space and organizational silos?

Do you find yourself spending more time in conference calls with colleagues or external business partners in China, Singapore, India, Japan or Australia than you do in meetings with your own local colleagues and team members? Have you recently outsourced a number of your internal business processes to an external provider? Do you report directly or indirectly to more than one manager? If you answered 'Yes', then the chances are that you are a member of one or more 'virtual teams'.

Robert (Bob) Buckman, the former CEO of Buckman Labs and a leading thinker and writer in the field of knowledge management, is often quoted as saying '*Developing virtual teams is 90% culture change and 10% technology.*' Virtual teams have become the new organizational reality for a huge number of today's 'knowledge workers'. A 2005 study by the Gartner Group has stated that by the year 2008, 41 million corporate employees worldwide will operate in a virtual workplace at least one day per week. The challenge of managing virtual teams effectively has become a hot topic across many global matrix organizations operating in the Asia Pacific region.

Virtual teams are here to stay but at the same time virtual teams aren't really new. People have been working across organizational, geographical and cultural boundaries for as long as any of us can remember. Fifteen or twenty years ago we used the phone and fax to communicate and collaborate with our colleagues and external business partners. These days we have a whole range of information and communication technology (ICT) at our disposal. Back then we called these types of teams 'cross-functional teams', 'international teams' or 'geographically dispersed teams' (GDT) and then later 'remote teams'. I first heard the term 'virtual team' being used to describe these groups around ten years ago as the global matrix organization was gaining popularity as the preferred organizational structure for international corporations. Increasingly team members were reporting to both the virtual team leader as well as a second local or functional manager. While these structures can be formal, they are often informal and visualized on an organizational chart with a 'dotted reporting line'. > Hence 'the virtual team'. It is not so unusual these days to hear that people have 3 bosses and 5.5 team members!

Virtual teams are not simply project teams or task forces that will generally disband once their objective has been achieved - or not. We are seeing an increasing number of 'semi-permanent' virtual team structures - e.g., global or regional IT, HR, R&D, marketing, sales and management teams - which will remain in place at least until the next corporate re-organization. So how do we define a virtual team?

A virtual team is a **team**. That means there are two or more people, working together towards a common objective and where collaboration is required between the team members to achieve the objective. This third element is highly significant. Many groups refer to themselves as teams but when virtually no collaboration is required between the group members – usually the group leader acts as a coordinator – they tend to operate as a work group. A lot of sales teams can fall into this category - until they start dealing with common (global) clients where suddenly teamwork IS required. A virtual team will also **operate across time, space and organizational boundaries**. Therefore a virtual team rarely uses the medium of face-to-face meetings but instead depends heavily on information and communication technologies to get things done. In many cases, teams will exist somewhere in a form somewhere between a traditional co-located team and a virtual team, with some face-to-face interaction and a few members working in the same location. Even teams who are located in one place increasingly use the new communication technologies, such as e-mail, voice mail, teleconferencing and even video or web-conferencing alongside face-to-face meetings – the 'hybrid team'.

So why are virtual teams moving from being the exception to the norm?

Globalization has clearly been a major factor in the rapid growth of virtual teams in today's organizations (think global - act local) but there are several other trends that are driving this process. The evolution of new forms of information and communication technology may be one of those trends but I would prefer to call it an 'enabler'. Few organizations will decide to set up a virtual team just because 'we have the technology'. The much talked about 'war for talent' has encouraged organizations to become much more flexible in the way they attract, retain and deploy skilled employees. By adopting a 'virtual organizational structure' they can widen their recruitment net and - of course - keep hold of employees that are forced - e.g. for family reasons - to change their geographical location. This flexibility can actually make them very attractive places to work for their employees. The fact that this form of organizational structure can actually increase productivity (e.g. reduced commuting and travel times) and reduce costs (e.g. office space and relocation expenses) is an additional benefit which will only further encourage the trend. Another trend which has contributed to the rise of the virtual team would include the ever increasing speed-to-market (e.g. many virtual teams in the IT industry can exploit time zones to accelerate product development by extending the working day from 8 to 24 hours without having to work in shifts). The most recent trend I have observed is the process of global industry consolidation - the number and size of mergers and acquisitions are ever increasing. Setting up virtual teams versus attempting to relocate key players allows for much faster and cost effective business integration.... especially when the next integration is potentially just round the corner.

According to the current research virtual teams are effective. They will generally achieve their agreed objectives within the agreed timeframes and can be just as effective as traditional co-located teams while delivering many of the benefits previously discussed. In fact, in many cases there is simply no alternative to the virtual team. That's the 'tangible' or measurable reality that we observe today. The problem with the research is that it often does not dig a little deeper to discover what is really going on in many of these teams - the 'intangible reality'. I personally believe that that only a few of today's virtual teams are operating as true teams. Often we find that while - yes - the team's objectives were achieved, this success can primarily attributed to the contributions of a few dedicated group members - usually including the group leader - who have often made massive personal sacrifices to get the job done. This 'heroic leadership' as I like to call it, while admirable, is often not sustainable and results in frustration, burn-out and ultimately a loss of the talent that we set out trying to attract and retain.

What the research is also telling us is that while the opportunity for greater job flexibility and independence should be positively impacting job satisfaction and engagement; this is not actually the case. Virtual team members are - on average - less satisfied than their colleagues working in traditional co-located teams. This can perhaps be explained by the loss of human interaction and rapport which is difficult to achieve without regular face-to-face meetings and 'water-cooler conversations'.

Managing virtual teams has always been and remains challenging.

Out of sight can mean out of mind – or as I prefer to say 'front of nose means front of mind' - especially when virtual team members still have responsibilities within their co-located team. In fact, many employees may not even see themselves as 'belonging' to a virtual team – especially when they still report to a local manager. This reaction is common in any virtual organization but in particular following a business process offshoring (BPO) initiative. Often I will ask the people involved to describe the effectiveness of their teamwork with their external partners and am told 'We are not a team' when clearly, based on our earlier definition, they are. Attempting to rely on a purely customer-supplier relationship based on a service level agreement (SLA) is often a recipe for disaster. These groups often simply need to recognize that, in fact, they are a team which is jointly working to fulfil the SLA.

Conflicting global versus local goals and priorities can make joint decision-making and/or execution of team decisions challenging and the lack of informal communication – those water-cooler conversations – can potentially jeopardize project outcomes as mistakes or misunderstandings can go unnoticed much longer. The secret here is to spend a lot of time up front exchanging expectations in the team, work hard to clarify and align individual, group and organizational objectives and then have ensure that clearly defined team processes are in place. Conflicts will still occur but if team members understand the decision-making process to resolve them based on clearly defined team goals, it makes things much, much easier.

Another major challenge would have to be building trust and relationships with people you rarely meet and dealing with conflicts and critical situations with people with people you hardly know. Building a 'collaborative climate' is generally one of the greatest challenges to any group that communicates primarily through information technology but paradoxically it will be a key success factor. Meeting face-to-face at the beginning of the team development process for a 'kick-off workshop' remains the time- and often cost-effective way of achieving this but not the only way. Effective virtual teams use, for example, regular telephone conference calls for relationship-focused conversations rather than purely task-focused conversations. Sharing personal stories, experiences, challenges, needs and expectations is not a 'waste of time'. Team dialog and personal disclosure is a highly-effective way of building trust in your group and ultimately ensures that tasks can be completed more efficiently.

Managers and organizations that operate with a more traditional 'command and control' mentality generally will continue to struggle in this area. Virtual teams will have - by definition - higher levels of uncertainty, ambiguity, disagreement and conflict. The sooner we accept the 'futility of control', the more effective we are likely to become. Working in a virtual organization requires a new way of thinking - a new mindset. I find that many people who start working in virtual teams worry about how they can use the new information and communication technology to communicate and control individual and team activities more efficiently across time zones and geographies. Later they tend to recognize that they have probably over-used the technology - emails, text messaging, web conferencing, document sharing etc. - and that they could have and should have picked up the phone more often.

I think Charles Handy summed it up perfectly when he said, 'If we are to enjoy the efficiencies and other benefits of the virtual organization, we will have to discover how to run organisations more on trust than on control. Virtuality requires trust to make it work; technology on its own is not enough.'

This leads us to what I believe is the most commonly over-looked and under-rated challenge facing virtual teams; working effectively with people who come from a different cultural background than you do. Let me illustrate this with a brief story.

A Venezuelan businessman met his US colleague in person for the first time at a meeting in Miami. His comment, 'I'm surprised that you're a nice person,' led the US American to ask why he had doubted it before. The Venezuelan replied that since the American generally sent his emails in all UPPER CASE, he thought he must be chronically angry. Now for many of us, we may hear the story and hit upon an obvious and straightforward solution. All we need to do is introduce a communication guideline in our virtual team that discourages the use of UPPER CASE messages in emails. Unfortunately, we have missed the point of the story.



The Venezuelan is demonstrating a preference for 'high context' communication. Many Latin-American and Asian cultures will tend to search for the meaning of a message outside of the content of message - the words themselves. In these cultures, you have to listen to what people are not telling you. The American is demonstrating a preference for 'low context' communication. In most Anglo-Saxon cultures the meaning of the message is to be found in the words themselves. In these cultures, you say what you mean and you mean what you say. This 'simple misunderstanding' can provide the individuals involved and the entire team with a major insight into their cross-cultural communication if they take the time to talk it through. Most teams don't take the time and can end up paying the price later.

We all need to start challenging our own thinking more often and – whenever possible - to try out new ways of communicating and collaborating in our virtual teams. Working effectively across cultures means treating other people they would prefer to be treated rather than the way we would prefer to be treated. This sounds obvious but we can't do it unless we truly get to know our colleagues and find out what their preferences are. Great teams talk and that's the bottom line.

References

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