

Raising the Bar:

Leading Global, Virtual Teams

With the costs associated with global business on the rise, companies increasingly are turning to virtual teams to work across borders, cultures, and time zones. Cvitkovich identifies several challenges faced by virtual teams, and how those identified as leaders of these groups can overcome said obstacles to achieve successful results.

BY KAREN CVITKOVICH

A manager is brought into his boss's office and told he is going to be assigned to a new project. This is not a surprise; his success leading previous teams has translated into responsibility for increasingly important and complex projects. He likes a new challenge. He asks who, of the staff in the Boston, MA, office, will be assigned to his team. His boss explains that for this new project, he will lead a team whose members are based in Boston; Buenos Aires, Argentina;

Bangalore, India; Beijing, China; and Brussels, Belgium and, because of a limited budget, his team will come together face-to-face only once during the projected year-long project.

The manager pauses to reflect on this scenario. He has never led a global, virtual team before but the expectation is that he will be a success based on his past experience. As someone who closely monitors the work of his team and relies heavily on frequent face-to-face communication, he is not without concerns.



The World of Virtual Leadership

Sound familiar? This manager is one of many who has been thrown into the world of virtual leadership. The number of virtual, global teams—teams whose members are located in several places throughout the world—has increased significantly as organizations have expanded internationally. Managers, including many

international assignees, are given the responsibility to lead teams and processes that span time zones with members whose work styles are shaped by various country, corporate, and functional cultures. How can leaders of such teams build trust, communicate effectively, and drive performance when they cannot just walk down the hall and stop by the

cubicles of their team members or call impromptu team meetings when the team faces a challenge?

As a human resource and mobility professional, you play a critical role as a business partner in your organization, supporting managers and leaders who face these challenges.

During the last year, Aperian Global, San Francisco, CA, has had

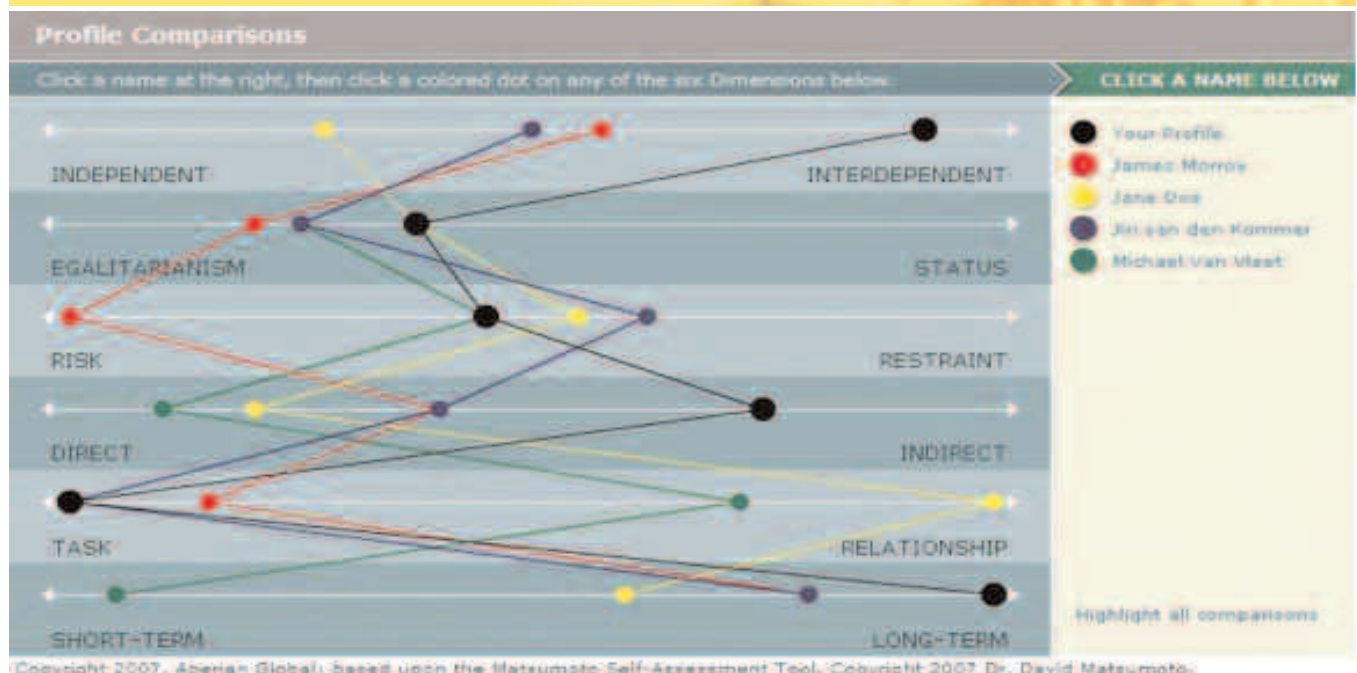
Leaders and Members—the Differences

In our work with team leaders, we have explored the differences between team members and team leaders along six different dimensions:

- independent (individualistic) and interdependent (group-oriented);
- egalitarian- and status-oriented;
- risk- and restraint-oriented;
- direct and indirect communication styles;
- task- or relationship-oriented; and
- short- and long-term-oriented.

Differences along these dimensions can be a reflection of country, functional, regional, corporate, and other cultures. This might be best illustrated with a graphic of a “team profile.” Individual, country, and team profiles are generated by Aperian Global’s GlobeSmart web tool on completion of the self-assessment questionnaire.

In the illustration below, the “team leader” is represented as “your profile,” and one can see some significant differences between the work style of the team leader and the other team members. He is more interdependent than his team members, more indirect, more task-oriented, and more long-term oriented. This could influence, among other things, how he communicates both face-to-face and virtually, and what he sees as immediate priorities for the team.



the opportunity to work with hundreds of virtual team leaders across industries and geographies. Through this interaction, it was observed that the leaders of these virtual teams face similar challenges. Now, more than ever, the leaders of virtual, global teams are in the spotlight and feeling the pressure to show results at rates consistent with, if not exceeding, those of co-located teams of the past.

Leaders of virtual teams often must adjust their leadership styles to build trust and relationships among team members and, at the same time, be able to truly take advantage of working across time zones to meet their business goals more efficiently. In this article, we will explore some of the trends and challenges of global, virtual teams, and suggest some specific strategies for increasing team leaders' effectiveness in facing these challenges.

Business Trends in Globalization

As organizations become increasingly global, they recognize the need to leverage their international presence to better meet the needs of customers, create economies of scale, increase efficiency, and optimize the talent of new and existing employees regardless of where they are located in the world. Team leaders must be equipped with new skill sets and a mindset to effectively keep their geographically dispersed team members connected, informed, and motivated.

Many organizations are managed by geography in the early stages of global expansion for the ease of operation and familiarity with the local market. Being organized by geography also was much more practical in the past when many of the current communication technologies either did not exist or were too expensive to be widely used.

Today, however, as companies expand, the limitations of being organized by geography become clear. Among the challenges are a lack of synergy across geographies; lack of ability to leverage the talent of employees in various sites; and duplication of efforts—especially in the areas of “shared services” such as finance, human resources, and information technology. As a result, many companies have begun reorganizing away from geographically-led efforts. The vast majority of team leaders with whom we have worked in recent years have been placed into their role of virtual team leader after such reorganization.

Virtual teams enable organizations to combine the talents of their expanded organization to meet the increasingly competitive pressures of the marketplace. Nevertheless, research indicates that these diverse virtual teams, while having the potential to be far more effective in their outcomes than their co-located and more homogeneous counterparts, more often experience a high degree of ineffectiveness. This creates pressure for the managers who lead these teams.

Challenges: Leadership Style

We each have a style of leadership that is most comfortable. Often, our leadership style is a reflection of our cultural conditioning, past experiences, and qualities that we admire in the people who lead us. What is surprising to many team leaders is that their management style that has been successful when leading singularly located teams does not necessarily translate to their leading virtual, global teams effectively.

In our experience, this is caused by two main factors: the dynamic of virtual communication; and the effect of

cultural differences between the team leader and the team members.

If the manager is someone who is accustomed to closely monitoring the work of his team members and imparting new skills by working side-by-side with them, he or she often struggles significantly when working in a virtual management situation, feeling as though he or she is out of touch and, therefore, cannot hold team members accountable for their work.

Team leaders also may find that their management style, based on certain cultural assumptions, may not align with the various team members' expectations of leadership.

When a team leader can better understand his or her own work style, and how it relates to that of his or her team members and how that affects team performance, he or she can then build concrete strategies for bridging the gap. These strategies foster the skill of “style switching,” which has proven critical in leading virtual, global teams.

One proven strategy for building the skill of “style switching” is for leaders to gain work experience outside of their home country. In this way, international assignments can be used as strategic development tools to increase the skills of global managers. Employee mobility professionals can act as advocates in ensuring that these assignments are used effectively in this way. As the leader increases his skill in bridging the differences and modifying his leadership style, he builds the ability to leverage the diversity in the team as an asset.

Challenges: Relationship Building and Trust

As global teams are formed, issues emerge such as how to divide work between sites and how to handle orga-

nizational resistance. Individuals often believe their jobs are threatened, experience a loss of control over the overall success of their work, and fear the possibility of being relocated internationally. These initial feelings of alienation make building strong relationships and building trust within teams even more difficult. Such challenges affect a number of critical HR issues such as employee morale and retention.

When teams are co-located, they are able to build relationships informally through their daily activities. With global, virtual teams the lack of this “relationship building time” is especially challenging for team members whose work style is more relationship- than task-oriented. In their recent article, “Creating and Sustaining Trust in Virtual Teams,” published in *Business Horizons*, authors Penelope Sue Greenberg, Ralph H. Greenberg, and Yvonne Lederer Antonucci outline two specific kinds of trust:

Cognitive trust: based on rational assessment of activities, function of a person’s integrity and ability.

Affective trust: based on social bonds developed in a reciprocal relationship—emotional ties.

Both of these types of trust are a challenge to establish in a virtual context. Cognitive trust often is built over time as team members build a “track record” of success in following through on tasks. If the knowledge of these accomplishments is not shared with virtual team members equally, these teams may build cognitive trust at a slower rate than co-located teams. In some cases, cognitive trust actually may be hurt through “misinformation” or “misinterpretation” of facts. There may be a disparity in working contexts across multiple locations such that team members are

unaware of the effect of situational, technical, resourcing, and other challenges that their fellow team members face when trying to complete their tasks, according to the article.

There are specific strategies that team leaders can implement to increase the level of trust and the strength of relationships in their teams. Michael P. Farrell, in the article “Informal Roles and the Stages of Interdisciplinary Team Development,” featured in the *Journal of Interprofessional Care*, talks about the integration of different functions in teams, and discusses the concept of “anomie”—a state of confusion regarding roles, missions, and the like in the early stages of team development. One of the best strategies for team leaders in building cognitive trust is to create a clear vision, and roles related to that vision, that bind a team together. The team leader also can contribute to cognitive trust by giving team members “data” on why they were chosen to be a part of the team.

These steps toward establishing cognitive trust are especially critical when “affective trust” has not yet been built within a team. Because affective trust depends on informal interaction between team members, it, too, is a challenge when working virtually.

Challenges: Leveraging Time Zones for Business Efficiency

When members of virtual, global teams are asked about the challenges they face, one of the most common areas cited is time zones. Gone are the days of cleaning out their e-mail inbox at night and finding it empty in the morning. A constant flow of communication at all hours of the day and night now is the norm.

Team members face the challenges of creating a work/life balance while

scheduling conference calls at midnight to accommodate team members in different locations. Yet, these time zone differences can be a team’s greatest asset if they can be used to enable a project or goal to progress consistently as it is passed from team members in one time zone to another. One of the greatest challenges leaders face in enabling this to occur is streamlining the “handoffs” from one team member to another. Also critical to the success of this “follow the sun” management is leveraging to full capacity the brief overlaps in the working hours of the team members.

Helena Holmström, Brian Fitzgerald, Pär J. Ågerfalk and Eoin Ó. Cochúir, in their article, “Agile Practices Reduce Distance in Global Software,” as featured in *Information Systems Management*, stressed that the methods that were most successful in dispersed teams were those that emphasized speed and simplicity. Successful methods were characterized by short, iterative cycles of development driven by product features, periods of reflection and introspection, collaborative decision-making, and incorporation of rapid feedback. While their findings were based on observations in the software development industry, they seem to apply to the various industries in which our client companies operate, for example in manufacturing, technology, biotech and pharmaceuticals, and financial services. The more well-documented and streamlined the processes, the more effective the team will be at taking advantage of working around the clock.

Effectively Managing Global, Virtual Teams

We have seen a trend in companies moving away from being organized

Best Practices for Follow-the-sun Management of Virtual, Global Teams

Best practices for leaders to better address the challenge of managing across time zones include:

- well-documented processes that enable team members to understand the “context” of what has happened in the process prior to their involvement and to anticipate what will happen in the process when they pass it on to another team member;
- a well-defined decision-making sequence so it is clear who should be involved in what types of decisions (because some members of the team will be working while other team members are not on the job); and
- clarification of who needs to be consulted about what and informed of decisions that affect the overall work of the team.

by geography and reorganizing based either by product or by function, such as in the case of shared services including human resources. In addition, as companies globalize, there is the realization that with today’s virtual communication technology, the best talent for a particular project does not have to be bound by geography.

There is a solid business case for increasing the number of virtual, global teams. The challenge of leading these teams effectively still is a concern for many. On the other hand, it has been documented that, when led effectively, virtual global teams can far exceed domestic teams in terms of efficiency, innovation, outcomes, and the likelihood of

meeting the needs of customers.

So, back to our manager who has just been given responsibility for a team in Boston, Buenos Aires, Bangalore, Beijing, and Brussels. Will he be successful? Much of his success will lie in his ability to overcome the challenges of virtual leadership.

Many teams have reached high levels of performance through the capacity of their leaders to modify their leadership style, to build strong relationships and trust despite geographic obstacles, and to leverage time zones as an asset. As an employee mobility or HR professional, you have an important part to play in building your company’s organizational capabilities to address the challenges ahead. ■

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