Our agenda

- What are virtual teams?

- Benefits of virtual teams

- Challenges of virtual teams

- Implications for leaders

- Key takeaways

What are virtual teams?

Definition:

Members are **geographically dispersed**

Communication is **technology dependent**

i.e., work remotely

Common synonyms:
Distributed teams
Cross-border teams
Global teams

NOTE: Teams can be completely virtual or partially virtual

How widely used are virtual teams?

Survey of 379 U.S. organizations:

- 46% use virtual teams

- organizations with multinational operations (66%), organizations with U.S.-only operations (28%)

- publicly owned for-profit companies (50%), privately owned for-profit organizations (46%), government agencies (9%)

Source: Society for Human Resource Studies

Benefits of Virtual Teams

Survey of 379 U.S. organizations:

- utilize **talent** in different locations (53%)

- boost **collaboration** (49%)

- improve **productivity** (39%)

- minimize **travel costs** (39%)
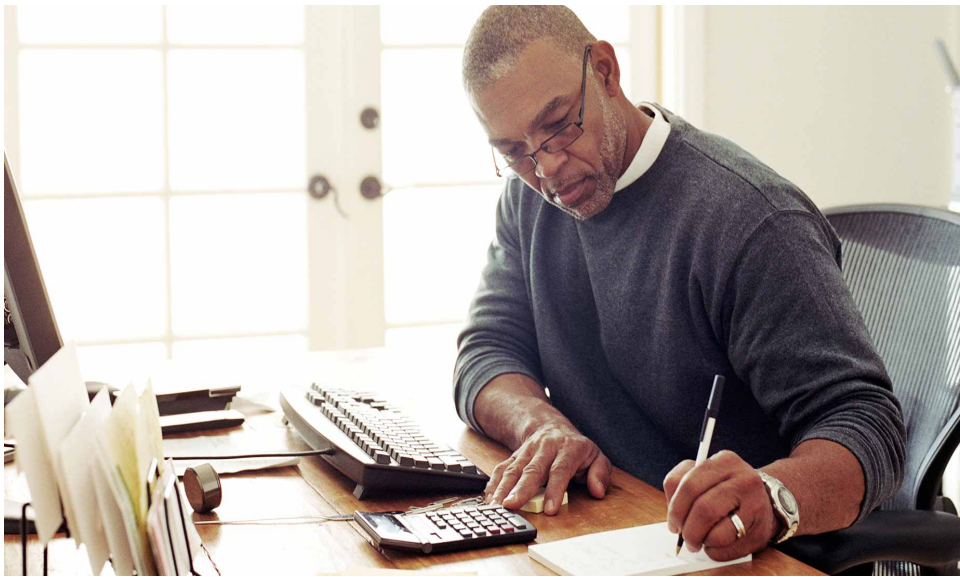
- carry out **global projects** (37%)

Source: Society for Human Resource Studies

Benefits of Virtual Teams – Post Covid-19

Also:

- Lower office space costs

- Attract, motivate, and retain employees

  – Reduced need to commute

  – Lower cost of living

  – Increased flexibility

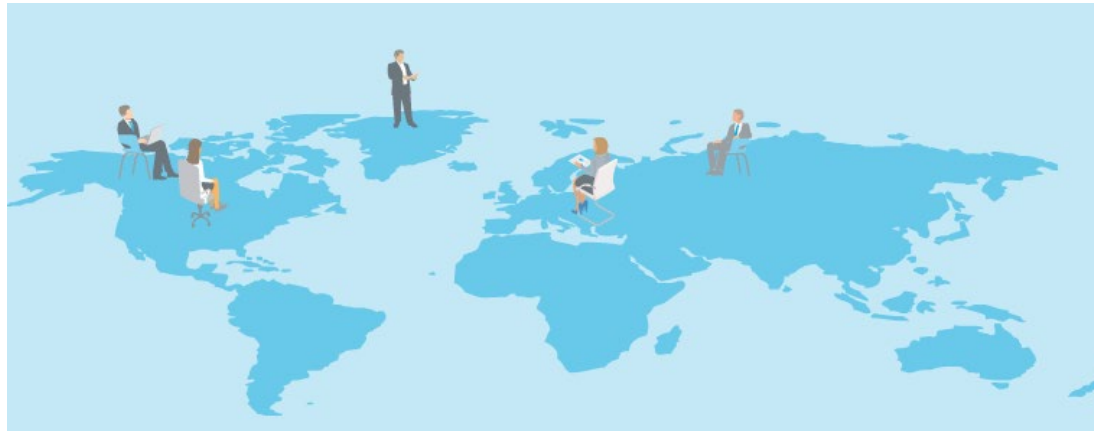 – Balancing work and family

  – Improved lifestyles

Challenges of Virtual Teams

Technology

Time Zones

Hierarchy

Languages

But the challenges go much deeper…

SURFACE-LEVEL CHALLENGES:

- Technology
- Time zones
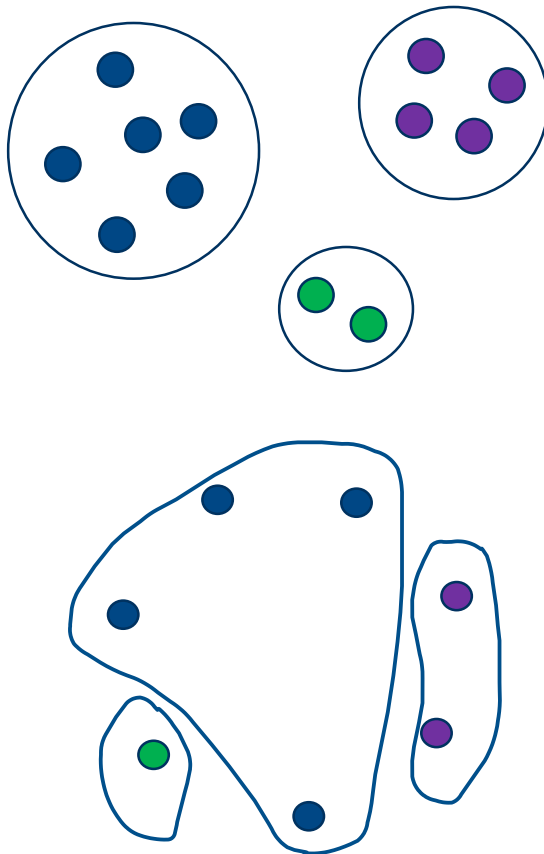- Hierarchy
- Languages

DEEP-LEVEL CHALLENGES:
- Shared identity
- Shared understanding

Shared Identity

Subgroups

Shared Identity

Consequences:

- Reduced <u>motivation</u> to work together

    - "Us versus Them" mentality

    - Lack of interpersonal trust

    - Lack of psychological safety

    - Information withholding

    - Conflict

Shared Understanding

Lack of "common ground"

- Shared information

- Shared context

Shared Understanding

Consequences:

- Reduced <u>ability</u> to work together

  - Miscommunication

  - Missed information

  - Mutual knowledge gaps

  - Mistakes and inefficiencies

  - Overlooked opportunities

So, what's a leader to do?

SURFACE-LEVEL CHALLENGES:

- Technology
- Time zones
- Hierarchy
- Languages

DEEP-LEVEL CHALLENGES:
- Shared identity
- Shared understanding

Building Shared Identity

SHARED IDENTITY

- Launch team in person
- Emphasize team goals
- Hold frequent team meetings
- Keep stereotypes in check
- Be inclusive
- Use video
- Give virtual tours
- Share 24/7 burden
- Build in unstructured time to chat
- Share and celebrate successes
- Meet in person regularly

Building Shared Understanding

SHARED UNDERSTANDING

- Schedule regular meetings

- Use multiple collaboration tools

- Pay extra attention to those who are on phone or video, non-dominant language speakers, or lower status in hierarchy

- Consider team members' other commitments

- Learn about everyone's contexts

- Regularly invite everyone's input

- Solicit diverse and dissenting opinions

Takeaways

- Leading virtual teams is even more challenging than leading traditional teams

- Virtual teams can offer important benefits for managing talent, collaboration, productivity, costs, global projects, and more

- But virtual teams also create substantial challenges:

    - "surface-level" – technology, time zones, hierarchy, languages

    - "deep-level" – lack of shared identity and shared understanding

- To manage virtual teams successfully, leaders need to pay deliberate and careful attention to addressing these challenges

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