

# Leadership functions in virtual teams

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**I**n recent years, activities in all types of organizations have become increasingly more global, competition from both foreign and domestic sources has grown dramatically, and there has been a continued shift from production to service/knowledge-based work environments.

Advances in information and communication technology have enabled a faster pace of change than in the past and have created jobs that are increasingly more complex and dynamic.

In response to these changes, organizational systems, structures, and processes have evolved to become more flexible and adaptive. Horizontal organizational structures and team-based work units have become more prevalent, and with advances in internet technology there is an increasing emphasis on geographically distributed “virtual” teams as organizing units of work. Virtual teams are groups of geographically and/or organizationally dispersed co-workers that are assembled using a combination of telecommunications and information technologies to accomplish an organizational task.

To some individuals, working alone at home is a terrific option. They like the idea of sitting at their computer terminals in comfy clothes, the dog at their feet. The worker has no need for an office or a parking space. Air pollution and traffic congestion are reduced. Others find the idea a little lonely and somehow disconcerting. They worry that they will miss interaction with their colleagues, and they worry about the pitfalls of the virtual teams: lack of individual recognition, celebrations of team accomplishments, lack of project visibility, the constraints of technology and lack of trust.

However, despite some of the potential pitfalls for virtual teams, the benefits of virtual team phenomenon ultimately outweigh the pitfalls. Virtual teams allow organizations to access the most qualified individuals for a particular job regardless of their location, enable organizations to respond faster to increased competition, and provide greater flexibility to individuals working from home or on the road. Conversely, a company may not look for the most qualified individual; rather it takes advantage of high degrees of expertise while paying less than the prevailing wage. Some find this business practice negative if cost savings is the only reason for the implementation of the virtual team.

The ability to work in virtual teams has started to play a big role in the recruitment and retention of employees. Virtual teams offer high flexibility and other potential benefits, but they also create numerous leadership challenges.

The leadership function in virtual teams

## **There are two primary leadership functions in virtual teams:**

1. Performance management
2. Team development

The ability of leaders to monitor team member performance and to implement solutions to work problems is severely restricted by the lack of face-to-face contact within these teams. It is also difficult for virtual team leaders to perform mentoring, coaching, and developmental functions. How do leaders of virtual teams monitor team member performance and progress toward task accomplishment? How do the leaders of virtual teams develop and mentor team members?

The challenge for virtual teams is that these functions must be accomplished by leadership substitutes and by distributing the functions to the team itself. For example, the members of virtual teams are usually chosen for their expertise and competence and often for their prior virtual team experience. They are expected to have the technical knowledge, skills, abilities, and other attributes to be able to contribute to team effectiveness and to operate effectively in a virtual environment. In addition, it is important for virtual team leaders to distribute aspects of these functions to the team itself, in effect, making it more of a self-managing team. Leaders will need to implement a system in which team members will be able to regulate their own performance as a team.

To accomplish this, virtual team leaders need to provide a clear, engaging direction along with specific individual goals. Clear direction and goals enhance individual self-regulation and enable team members to monitor their own performance, gather their own feedback, and evaluate their own performance. Although this is relevant in all teams, virtual team leaders need to be more proactive and structuring. Virtual team leaders need to develop mechanisms and processes that become reinforced by the team members themselves to regulate team performance patterns.

### Developing new virtual teams

The ability of virtual team leaders to perform key leadership functions is limited by the distribution of team members across space and the consequent lack of face-to-face contact. These difficulties are compounded with putting together a brand new team versus leading an established team. In both cases effective virtual team leaders are expected to be more likely than leaders of traditional teams to create structures and routines to substitute for the functions, and to distribute the leadership functions to the team. They are also more likely to create self-managing teams by providing direction and specific goals, monitoring environmental conditions, updating/revising goals and strategies as environmental contingencies warrant, and facilitating collaboration and cohesion among team members.

With respect to new team development, leaders may be faced with the prospect of building a brand-new team or integrating new members into an established team. At formation, new teams are merely a collection of individuals. The leader's functional role is to develop these individuals into a coherent and well-integrated work unit. In other instances, on-going teams experience personnel outflows and inflows over time. As new replacement personnel are brought into the team, they need to be socialized and assimilated. Leaders are critical to this newcomer assimilation process.

The success of a project or mission is often related to team members' effectiveness in relating to one another which, in turn, is influenced by team cohesion and norms. For virtual teams, norms and cohesion are not automatically present. Team leaders need to not only select members with necessary skills and, but they also need to make sure the project is clearly defined, outcome priorities are established, and that a supportive team climate and cooperative relationships are established.

### The developmental function

The developmental functions of team leaders focus on the enactment of team orientation and coaching to establish team coherence. Team orientation includes factors with motivational implications, such as promoting shared goal commitment, creating positive affect, and shaping climate perceptions. Team orientation represents the affective bonds that connect members to the team and its mission. Team coherence includes the development of linked individual goals, a repertoire of team task strategies, and a compatible network of role expectations across team members. Team coherence represents team members' collective bond to task interdependencies and dynamics and provides the capability for teams to self-manage.

**“There is no, and there can probably be no, agreement on the current size of the government sector.”**

## Building trust

One critical element of team building is developing trust, and it is up to the leader to create the atmosphere of trust. Five things a leader should do to boost trust in dispersed operations using virtual teams are:

1. **Create face time.** This can include physical face time, or if face-to-face is not possible, digital “yearbook” featuring pictures of the team members and their interests. This will help people get an idea of who they will be dealing with.
2. **Set goals and expectations.** Explain plans and expectations. Set up mutually agreeable schedules and check points to keep team members on task.
3. **Provide ongoing feedback.** Feedback is essential for both individuals and the team as a whole to know how they are doing and make necessary changes.
4. **Show-case team members' competence.** Define clear roles and share with all team members. Highlight individual areas of expertise for the rest of the team.
5. **Foster cultural understandings.** This is often one of the biggest challenges in global work teams. When different cultural issues are not dealt with openly, team members may feel dismissed and distrust can develop. Language barriers are often the issue but companies have found that communication through online chat sessions can make it easier for someone that is not comfortable speaking in a specific foreign language.

## Effective leadership

Because the world has become increasingly complex, global, and technological, virtual teams have emerged. It must be recognize that virtual teams are all but inescapable in today's world, and it is certain that at some point in our careers we will work as a member of a virtual team.

This modern day reality demands that we adapt and evaluate traditional ways of working together, and focus on techniques that can lead the virtual team to success. While it is recognize that although there may be pitfalls that virtual teams have relative to co-located teams, these drawbacks can be addressed by developing effective virtual team leadership.

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