Applied research to increase Virtual International Teams (VIT) efficiency in global acting companies:

Findings, success criteria and steps to success

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1. Project overview

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Most of today´s international business life is handled in a virtual manner. In call centres, project and management teams, departments and interface teams, people are working to-gether without being physically in touch and, very often, without even knowing each other.

We noticed during our consulting work, that many virtual teams, noticably, international virtual teams (VIT), face particular challenges. We wanted to explore these challenges further by conducting in-depth qualitative research.

With this research we aim to develop helpful tools to assist working virtual teams and hope to make their lives easier in future.

Research Process Design
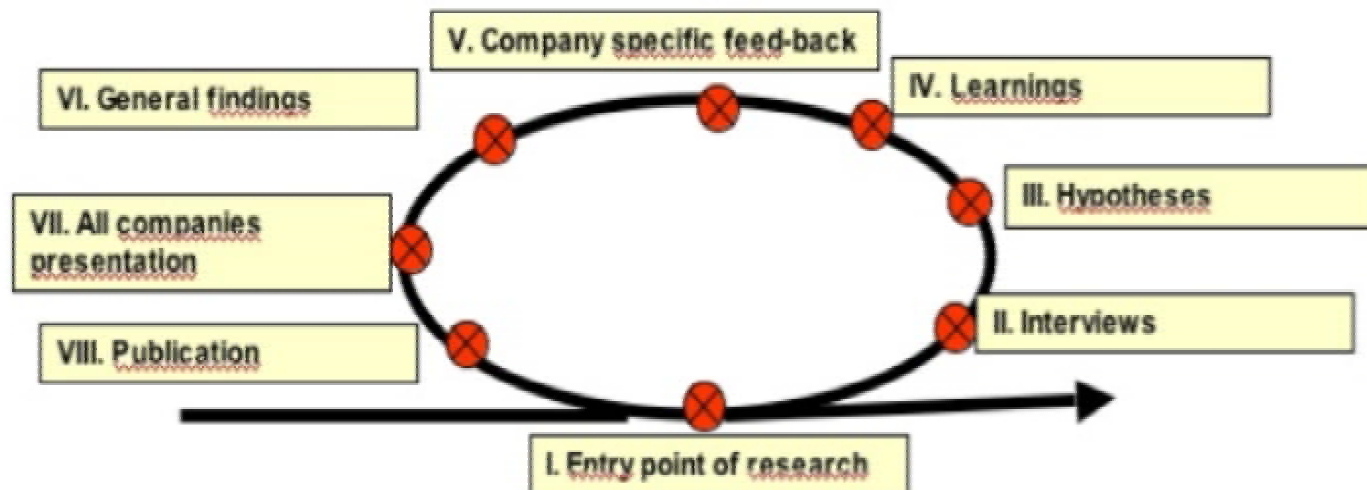
1. Project overview

Goals of the research project

- **Identifying success and failure triggers for VITs**
- **Efficiency upgrades for VITs**
- **Steps to success for a VIT (manual)**

Research Sample

Five companies agreed to participate in this research. They represent various industries like banking, IT/telecommunications/infrastructure, production, the chemical industry and commerce. We interviewed six teams of 12 to 23 members. The criteria was that team members should be located in different countries sharing a common task. With each team member we conducted interviews based on a guideline questionnaire.

From the team interviews we defined assumptions and drew conclustions about the prominent behaviour patterns within this team. The individual results were kept confidential. Each team member received their result individually. Then we looked at the overall result and again identified main findings and patterns, which are detailed herewith.

2. General Findings

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- **Goals**
- **Flow of information**
- **Technology**
- **Cultural Diversity**
- **Trust**
- **Feedback**
- **Identity**
- **Conflict**
- **Leadership**
- **Change**

Goals

Goals tend to be highly relevant binding forces for virtual international teams. We found out that

- *In most cases the team members of the six virtual international teams we interviewed we able to cleary state their individual goals.*

- *Mostly the teams knew what their teams existed for - however, the teams were not often aware of clear, measurable – SMART! - common team goals.*

- *This gap resulted in a greater identification with individual goals and regional focus. This individualisation and regionalization didn't seem to be the intention of the leaders, but turned out to be the substitute for missing team goals.*

Flow of information

VITs are extremly dependent on information, even more than face-to-face teams. The latter satisfy their information needs in meetings; informal information exchanges occur quickly and in situ.
We found out that

- *In most cases there were few clearly communicated rules in place about how to deal with information – neither from the management down to the team members, nor from the team members out to other teams or local entities.*

- *There was in most cases a feeling of not getting all the relevant information.*

- *There was an overwhelming amount of information distributed by email through cc copies to a wide and more or less indiscriminately selected audience.*
Political dynamics in virtual organisations and teams were also noticeable by the wide use of bcc.

Technology

As the word virtual already implies, technology plays a big role in virtual team work. We found out that

- 🔴 ***Astonishingly few teams used technology in an innovative way according to the needs of the virtual team or task.***

- 🔴 ***Very often the virtual international teams work with a poor technological infrastructure (bad phone lines, limited conf call facilities, few video conferences etc).***

Cultural Diversity

Virtual international teams are a common reality in business life today. Most global businesses are run by teams whose members don't work together face-to-face, are situated in different countries and have various national (cultural and linguistic) backgrounds. We found out that

- 🔴 *Working in a virtual international team was perceived by most interviewees as being fascinating – like being part of a global community.*

- 🔴 *The majority of interviewees have not been especially prepared for this challenge – for example, being trained in how remote teams can be organised efficiently or how culturally diverse members of a remote team can best be addressed and worked with.*

Cultural Diversity

- *The added value which is theoretically found in culturally diverse teams could not sufficiently be tapped into in the teams interviewed.*

- *Despite the fact that the relevance of cultural diversity tended to be ignored, during all the interviews it turned out to be indirectly highly relevant. How team members deal with time, with conflict or feedback; how they communicate or what they want from their leader – everything was subconsciously influenced by the different cultures.*

- *On the flipside we found that the topic of cultural diversity tended to be matched by the 'catchword' "professionalism" – working in a remote international team requiring specific so-called "professional" values and norms. These were assumed to be valid and applicable to everybody, but not agreed upon.*

Cultural Diversity

🔴 *'Culture' tended to be perceived as a synonym for emotional, uncontrolled behaviour - and hence "unprofessional" – in the fact- and figure-based business world. We got the impression that team members feel very unsure about how to deal with emotions (in the workplace).*

🔴 *Cultural diversity tended to be actively addressed by the remote managers very rarely, the managers themselves feeling overloaded by this task.*

Trust

How trust can be created and fostered in a virtual international team turned out to be one of the most challenging tasks. We found that

- *In general, the virtual international teams interviewed by us operated at a fairly low level of team trust.*

- *Trust existed in bilateral, one-to-one relationships, where one could rely on experiences made during real life – for example during face-to-face meetings or through previous cooperation on project work.*

- *Trust tended to develop more easily between team members from the same cultural background/nationality, either because of similar behaviour and ways of communicating or because of the same language being used.*

Trust

● *The level of trust increases considerably when the team leader deals with the dissemination of information in an appropriate way ie giving information to every team member, keeping his word, talking to all team members on a one-to-one basis, respecting each team member's cultural background and being able to deal with cultural diversity.*

Feedback

Feedback in virtual international teams needs various preconditions. We found out that

- *In VITs, conscious feedback is given considerably less . Feedback is given on the lowest common communication ground possible.*

- *The cultural diversity with its various culturally different styles of conveying critical messages directly or indirectly seems to increase the complexity of communication. There seems to be a high risk for the person wanting to give a feedback of not being able to make the point and keep the appropriate tone/style for the feedback receiver. As a result, very few or no feedback is given in a virtual situation.*

- *The more an international team acts exclusively virtual, the less the team members feel in the position to give feedback in the team. As the rare face-to-face meetings are organised as efficient as possible, there seems to be no time for feedback – with effects on the teams´ efficiency inbetween.*

Identity

A Virtual international teams is a social entity. As such it tends to develop a specific identity. We found out that

- *It seems to be very difficult for virtual international teams to develop a strong, binding identity, as distance, lack of personal knowledge and cultural diversity hinder an intense exchange of thoughts and the creation of a common image of the team as an entity.*

- *Common goals, even if they are still vague, contribute to the process of building a team identity.*

- *A main contribution to identity building in VITs is the clear message/task and pride to know "Why do we exist? What do we contribute? Why we as a team are unique?"*

Identity

● *Many team members in a VIT belong to several VITs and face-to-face teams at the same time. This asks for an extremely high level of ability to self manage, also at management level. Clear team priorities are seen as being extremely helpful but are not set clearly enough.*

● *The boundaries of the virtual teams seem to be quite a grey area: Who belongs to the team and what do they contribute? Who no longer belongs to the team? Who is present during conf calls and why? As the level of trust is lower, these questions are rarely asked openly. This lack of clarity makes it difficult for VITs to develop a sense of unity and an identity of their own.*

● *Keeping in mind the four different phases of the team building process (forming, storming, norming and performing), VITs with highly permeabile boundaries regularly tend to revert back to earlier phases in the process.*

Conflict

In nearly all teams, whether face-to-face or virtual, conflicts are hard to address but this is especially so in VITs. We found out that

- **due to the lack of face-to-face communication and very often the fact, that the virtual team members do not even know each other, there is clearly a tendency to avoid addressing conflicts at all. This is reinforced by the cultural patterns of those team members whose culture it is to use indirect forms of communication.**

- **for most of the members of the virtual international team interviewed, the use of English as a foreign language also doesn't encourage the addressing of an issue, especially if they are not fluent in English.**

- **the myth that dealing with difficulties in a professional way means a restriction to the facts, without taking emotions into consideration, makes it nearly impossible for the team to deal with conflicts.**

Leadership

Leadership is crucial for every team. The more the team is in the forming stage, the more the team depends on its leader. For VITs we found out that

- ● **the team leaders seem to have an understanding of the potential value added by a culturally diverse team, but were not sure about how they could tap into these resources.**

- ● **the leaders don't seem to be sufficiently prepared for the more challenging task of leading an international virtual team.**

- ● **the team leaders tend to underestimate the importance of building up relationships between the virtual international team members right at the beginning of the team´s lifecycle.**

Leadership

- **the team leaders tend to underestimate the importance of collective common team goals.**

- **they tend to communicate, in a spider web format, by phone.**

- **During local visits, due to urgent business, they tend to not invest sufficient energy and resources in team events and the communication/ celebration/ appreciation and acknowledgement of highlights or achievements.**

Change

The introduction of virtual international teams and structural changes in organisations is a symptom of fast-growing globalisation.
We found out that

- 🔴 *working in a virtual international team amplifies prior organisational issues like unclear structures or problems in interfaces, hindrances in the flow of information, the avoidance of conflict or weaknesses in leadership. As trust is difficult to build up and nurture, such issues are rarely addressed and solved. Team efficiency is negatively affected.*

- 🔴 *whereas in "ordinary" face-to-face teams, measures to increase team efficiency are often used, VITs have to fight hard regarding the cost of travel, even if their performance is at stake.*

3. Success criteria

Team members' competences

A whole package of competences is necessary in order to be able to work efficiently in a virtual international team. We found that the following competences are key for members of virtual international team :

- **Respect of cultural diversity**

- **Intercultural sensitivity**

- **High degree of self-management**

- **Moderation skill in a virtual space (during conference calls, in virtual board rooms, community plattforms etc)**

- **Focus on goals**

- **Proactive attitude e.g. to extract relevant information**

Team members' competences

▶ *The ability to communicate per mail/phone, conf call and video conference*

▶ *Good technical skills in handling the latest communication devices*

▶ *Very good (English) language skills*

▶ *The courage to actively seek feedback*

Team leaders' competences

The team leader of a VIT needs all the previously mentioned skills plus some more. We felt that the team leader's role is one of the most critical success factors of the team as a whole.

- *Project Management skills*
- *The development of strategic team goals*
- *The determination of critical success factors and their continuous monitoring*
- *negotiation skills (e.g. to fight for resources to make a face-to-face meetings possible at least once a year)*
- *The provision of a steady flow of information into the VIT*
- *Awareness of and the seeking of opportunities for the team's development*
- *Acting as a role model in order to foster an atmosphere of integrity and trust*

Team leader`s competences

- *Highly developed communication skills*

- *Demonstrating appreciation of every individual team member*

- *Creation of a mutually shared sense of the VIT's identity*

- *Acknowledgement of the performance of the team*

- *Motivation of horizontal communication and relationships*

- *Patience and listening skills*

- *Taking positive symbolic actions and the creation of 'highlights'*

- *Careful integration of new members into the team*

Structured flow of information

In the virtual world, team members feel on the one hand overloaded by information, on the other hand VIT members feel permanently under-informed. We found that VIT members need a meaningful, well-structured and sustainable information flow.

➤ *A code of best practice for virtual communication is widely appreciated: How do we want to communicate?" in order to support team development and performance. Rule No 1 : Try and make direct contact! At least pick up the phone!*

➤ *clear email rules regarding: cc, no go for bcc*

➤ *clear headings for the "subject"*

➤ *clear mention of deadlines and milestones (what is needed from whom by when?!)*

➤ *scheduling of conf calls/video conferences at regular intervals*
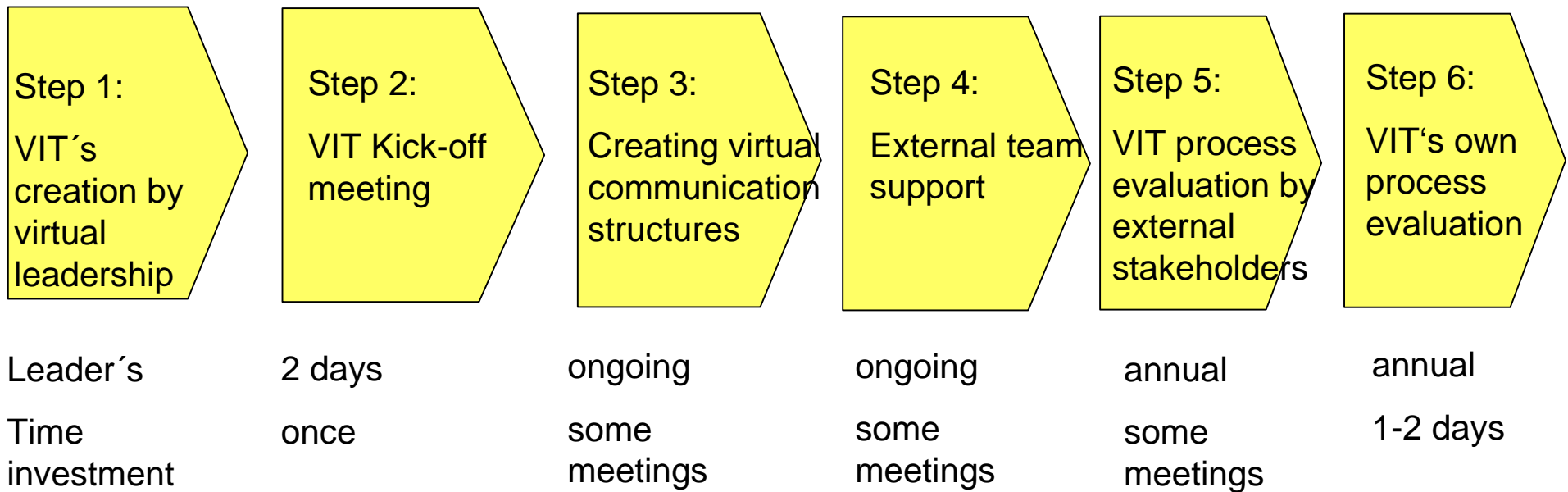
Structured flow of information

➤ *presence of every team member at virtual team meetings*

➤ *minutes sent out the day after*

➤ *small groups of less than 10 persons for conf calls*

➤ *Once a week an exchange regarding each work topic with immediate colleagues*

➤ *Once a month the evaluation of the achievement of goals and review of learnings as a whole team plus "top down" information from the leader regarding relevant news for the VIT*

➤ *Bi-weekly very brief newsletter to the whole team*

➤ *Installation of an intranet platform for the team.*

e-Tools for virtual communication

▸ **Knowledge platform**

▸ **Shared calendars**

▸ **Shared documents**
  simultaneous working on documents

▸ **E - Community**

▸ **Development of skills to use tools appropriately**

4. Six steps to virtual success

Six steps to success for VIT

Step 1: VIT´s creation by virtual leadership	Step 2: VIT Kick-off meeting	Step 3: Creating virtual communication structures	Step 4: External team support	Step 5: VIT process evaluation by external stakeholders	Step 6: VIT's own process evaluation
Leader´s Time investment	2 days once	ongoing some meetings	ongoing some meetings	annual some meetings	annual 1-2 days

Project kick-off

Step 1: VIT´s creation by virtual leadership

What: The leader as a role model for the virtual team fosters the VIT

Why: The leader makes a VIT succeed through continous, appropriate communication with the VIT

How:

- **start with personal communication with each individual team member:** establish personal relationships, get to know the expectations of each team member regarding the leadership role and their needs as well as the project's needs. Repeat after 6 months.
- **very specific communication regarding the goals and tasks of the VIT:** during the first weeks either in face to face meetings or during conf calls. Facilitate actively, provide time for discussion and necessary questions. Clarification of individual contributions.
- **create a checklist of the most important individual needs of team members according to their cultural background:** requirements re leadership, communication and relationships; working style;leadership intervention needs. Check during personal phone calls.
- **frequent evaluation of goals achieved**: positive feedback to the whole team: success breeds success; appreciation is necessary. Positive performance achievement check.
- **virtual coaching for leader:** in case of a difficult leadership situation

Step 2: Kick-off meeting

What: Kick–off meeting - the VIT gets established and meets face-to-face

Why: the team members get to know each other, trust is developed, tasks, goals and team rules are defined. The basis for team efficiency is set.

How:

- **detailed presentations about the individuals** (showing 'personal posters'/ own hopes and wishes, small two-way interview sessions etc)
- **create a team charter:** purpose and overall goals of the VIT
- **invest in team building exercises**
- **define operating guidelines**: how do we want to act vis-à-vis our customers and their needs, our performance criteria to satify them, how to deal with problems
- **define common team goals and key results as success factors (one year from now... tangible!)**
- **connect the team goals to the company's stated values**
- **create virtual team rules:** information flow, dealing with conf calls, facilitation of conf calls, use of online board room: what to put there and when, frequency of meetings and information exchange.

Requirement: 2 full days, full attendance of all team members

Step 3: Creating virtual communication

What: Establish appropriate communication structures and a code of practice for communication

Why: A well-organized technical infrastructure and well-practiced communication and information flow can compensate for geographical distances. This ensures efficiency for work and maintains motivation.

How:
- **choice of technical communication platforms (**email, phone, VoIP, video, intranet, etc), based on the technical infrastructure of participating countries and size of team.
- **agree on communication rules for emails and their distribution**
- **decide frequency of and participants in confcalls; rotate facilitation of conf calls**
- **Create an intranet space to enable visibility of each team member (professional and personal) – an intranet community**
- **welcome of new team members and farewell to leaving ones clearly communicated**
- **training (face-to-face and online) for the facilitation of virtual meetings**
- **establish newsletter, blogs, Twitter.. for larger team**
- **identify team members with special responsibility to manage virtual spaces**

Step 4: External Team Support

What: Ensure support for VIT – an active task that is committed to

Why: Communication and technology play a big role in the virtual team in order to ensure communication, motivation and the achievement of goals

How:
IT offers special technical training and support:
- **VIT training for the best application of the technology in use**
- **Finding of adequate and relevant solutions for virtual work**
- **Finding of technological solutions adaptable to the countries´ standards and needs**
- **Providing and hosting of a special team intranet community area**
- **Technical support hotline for virtual teams**

HR offers development support for the team leader and team:
- **Support for team kick–off and continous team building**
- **Virtual coaching for team leader, HR e-tools**

Strategic support for virtual team members by their department heads

Requirement: full attendance of team members plus involvement of other external support agents and constant communication with the latter

Step 5: VIT process evaluation by external stakeholders

What: Process and performance evaluation by governing bodies, managerial functions and other relevant stakeholders

Why: It is important for the leader and his team to get feedback and an external view about the VIT´s development, status quo and perceived performance

How:

- **Project team leader and other team members select relevant stakeholders**
- **They develop a short and simple interview guideline (for example: perceived accomplishment of the team's charter (purpose and overall goals of the VIT), important key figures of the project´s business, success criteria, room for improvement, etc)**
- **They conduct personal interviews with selected stakeholders**
- **The interview team develops hypotheses from the collected data and write up a short presentation for the whole team.**

Requirement: depends on the number of stakeholders to be interviewed. To be done once a year.

Step 6: VIT´s own process evaluation

What: Process evaluation - the project team reflects on itself and its relationship to external stakeholders based on its own criteria

Why: It is important for the team and its leader to get a clear view about the VIT´s development, status quo and accomplishments within the process

How:

- **Reflection on feedback received by external stakeholders**
- **Own feedback about the accomplishment of the team's charter (purpose and overall goals of the VIT) and important performance indicators**
- **the team describes its current situation and reviews it against its objectives**
- **team and team leaders prepare their feedback for external supporters & stakeholders**
- **give feedback on the adherence to the team rules, especially regarding the communication code of practice and operating guidelines**
- **Appreciate achievements**
- **Create team building opportunities**
- **Team members identify learnings and improvement measures for their future success.**

Requirement: 1 to 2 full days, full attendance of all team members, once a year.

5. Research Team

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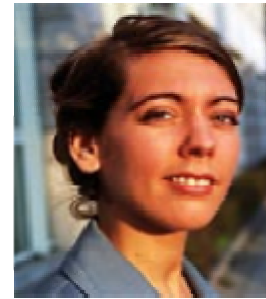
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