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# The Challenges of Working in Virtual Teams

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■ ■ ■ ■ ■ VIRTUAL TEAMS SURVEY REPORT - 2010



55 Fifth Ave., New York, NY 10003

Tel. +1.212.691.8900 • **RW-3.com**

[Charlene.solomon@rw-3.com](mailto:Charlene.solomon@rw-3.com)

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## EXECUTIVE SUMMARY AND ANALYSIS

In April 2010, RW<sup>3</sup> CultureWizard sent out 30,000 survey forms to randomly selected employees of multinational corporations. We received 600 completed surveys, and the full results have been analyzed in the attached report.

Overall, participants in the survey confirmed that virtual teams present unique challenges that are culturally based and can be counterproductive unless managed effectively. While the hurdles that virtual teams face are not surprising, we were struck by the depth and breadth of the challenges. Since virtual teams are an ever-growing component of global business, it behooves global organizations to institutionalize some global virtual team structure and training to overcome these potential hazards.

We also found that virtual teams face many of the same challenges that all teams face, but language difficulties, time-and-distance challenges, the absence of face-to-face contact, and above all, the barriers posed by cultural differences and personal communication styles make virtual work far more complex. Fortunately, our business experience shows that all of these challenges are not insurmountable, and once a group is made aware of them, effective training and organizational structuring can ameliorate most of them.

### KEY FINDINGS

- 80% of respondents reported that they were part of a team with people based in different locations.
- 63% of respondents indicated that nearly half of their teams were located outside the home country.
- 64% considered their team to be an example of a virtual team.
- 60% reported that their virtual teams were successful or very successful, and 40% believed their virtual teams were somewhat successful or not successful.
- Respondents found virtual teams more challenging than face-to-face teams in managing conflict (73%), making decisions (69%), and expressing opinions (64%). They also stated that delivering quality output (48%) and generating innovative ideas (47%) were more challenging in a virtual environment.
- Time zones (81%) presented the greatest general hurdle to virtual teams, followed by language (64%); holidays, local laws, and customs (59%); and technology (43%).
- The greatest personal challenges respondents faced were inability to read non-verbal cues (94%), absence of collegiality (85%), difficulty establishing rapport and trust (81%), difficulty seeing the whole picture (77%), reliance on email and telephone (68%), and a sense of isolation (66%).
- 46% of respondents never met other virtual team members face to face, and 30% met only once a year.
- The top five challenges faced during virtual team meetings were insufficient time to build relationships (90%), speed of decision making (80%), different leadership styles (77%), method of decision making (76%), and colleagues who do not participate (75%).
- When respondents ranked the most important characteristics of a good virtual teammate, they ranked willingness to share information as first, being proactively engaged second, and the ability to be collaborative as third.

### KEY RECOMMENDATIONS

The survey clearly confirms the growing importance of global collaboration, which translates into virtual work, and it goes on to point out the key areas in which virtual teams represent unique challenges to the productivity of organizations and individuals. The findings – and our experience – validate the need to recognize that virtual

teamwork is different and requires specific training, tactics, and support. Furthermore, today's leadership needs to include specific competencies to structure and manage virtual teams that invariably comprise people from different cultures and work styles and who come together to meet at different times of the 24-hour work cycle.

Virtual teams need to establish specific work rules (i.e., rules for respectful interaction) that are assumed in co-located teams. They also need to pay greater attention to team structure than co-located teams do. In addition, virtual teams must carefully monitor and adhere to the work rules they have created. Finally, they need to be aware of the influence of culture on work styles and to develop procedures to assure intercultural effectiveness.

## BACKGROUND

### ABOUT RW<sup>3</sup> CULTUREWIZARD

RW<sup>3</sup> CultureWizard is an intercultural training consultancy that specializes in creating online and e-Learning facilities for its client organizations. In 2001, the founders of the company recognized that cultural training was needed by the entire corporate population, not just the people who were traveling and living internationally. In response to that recognized need, we created CultureWizard.com to serve as a cultural e-University and provide tailored learning platforms to our client companies. As a result of the interests of our clients and general recognition of the growing importance and complexity of virtual work, we set about to create a number of cultural learning tools. These tools facilitate global collaboration and acknowledge the impact of culture in virtual work settings.

### SURVEY PURPOSE

The rapid pace of technological change and growing number of collaborative software options have facilitated virtual work to the point where it is now commonplace for teams of people from around the world to work together, sometimes without ever meeting face to face. The obvious efficiency of these virtual work teams has increased dramatically in recent years. More recently, the reduction in business travel brought about by the economic downturn has made virtual teams more useful than ever.

While we all recognize the benefits of accessing the intellectual power of a global workforce, there has been little focus on the challenges that come with working across time zones and cultures. Nonetheless, there has been a growing awareness of the need for effective communication skills among virtual team members. This concern has been voiced by our clients and colleagues. In response, RW<sup>3</sup> CultureWizard is developing a Virtual Team Tool to help improve communication skills among virtual team members. As part of this effort, we emailed a survey to 28,034 randomly selected corporate employees and asked them to participate in a 17-question survey to identify key areas for improving communication skills among virtual team members. RW<sup>3</sup> analyzed the results and presents the findings in this report. In particular, the report examined the following key areas:

- Differences between virtual and face-to-face teams
- General and specific challenges faced by members of virtual teams
- Information about the use of virtual teams and evaluations of their success
- Characteristics of successful interaction among virtual team members

# RESPONDENT PROFILE

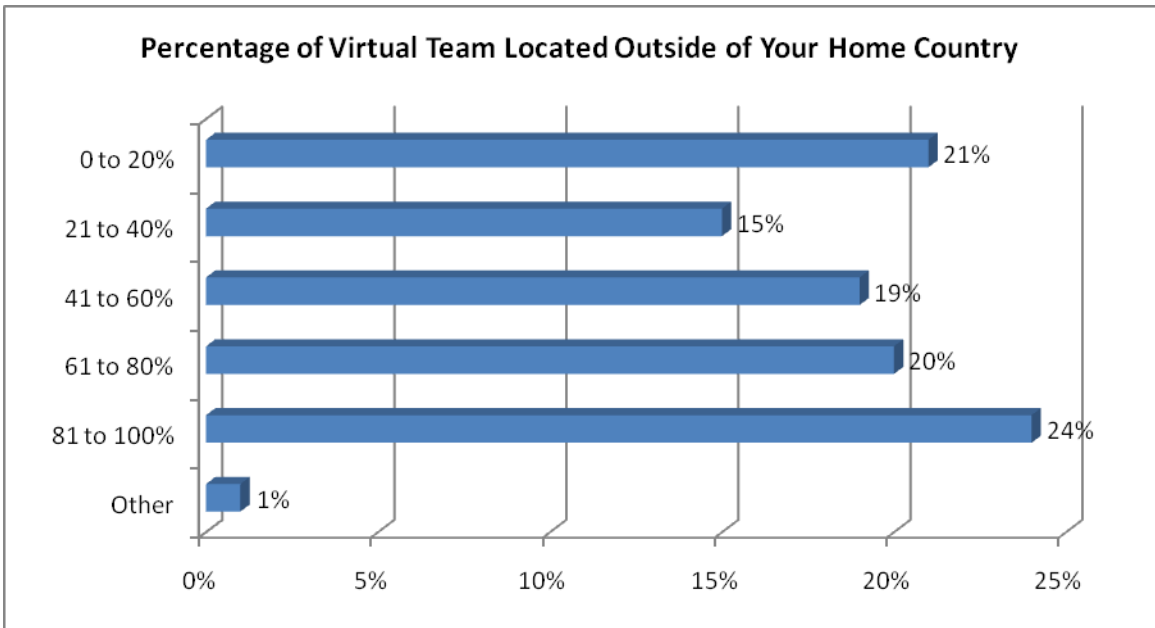
## LOCATION OF RESPONDENTS

The 1,592 survey respondents were based in 77 countries.

Percent	Country
23%	United States
18%	United Kingdom
7%	France, India
5%	Germany
4%	Canada
3%	Brazil
2%	Australia, China, Ireland, Italy, Switzerland
1%	Argentina, Austria, Belgium, Bermuda, Czech Republic, Hong Kong, Malaysia, Mexico, Netherlands, Poland, Romania, Singapore, South Africa, Spain, Thailand, Turkey
Other countries represented	Algeria, Armenia, Aruba, Azerbaijan, Bangladesh, Barbados, Bosnia and Herzegovina, Brunei, Bulgaria, Cameroon, Colombia, Cost Rica, Cuba, Denmark, Egypt, El Salvador, Finland, Gabon, Greece, Guatemala, Honduras, Hungary, Iran, Israel, Japan, Kazakhstan, Laos, Lebanon, Madagascar, Malta, Mauritius, Morocco, New Zealand, Nicaragua, Pakistan, Panama, Paraguay, Peru, Philippines, Portugal, Russia, Saudi Arabia, Slovakia, Sri Lanka, Sweden, Taiwan, Uzbekistan, Venezuela, Zimbabwe

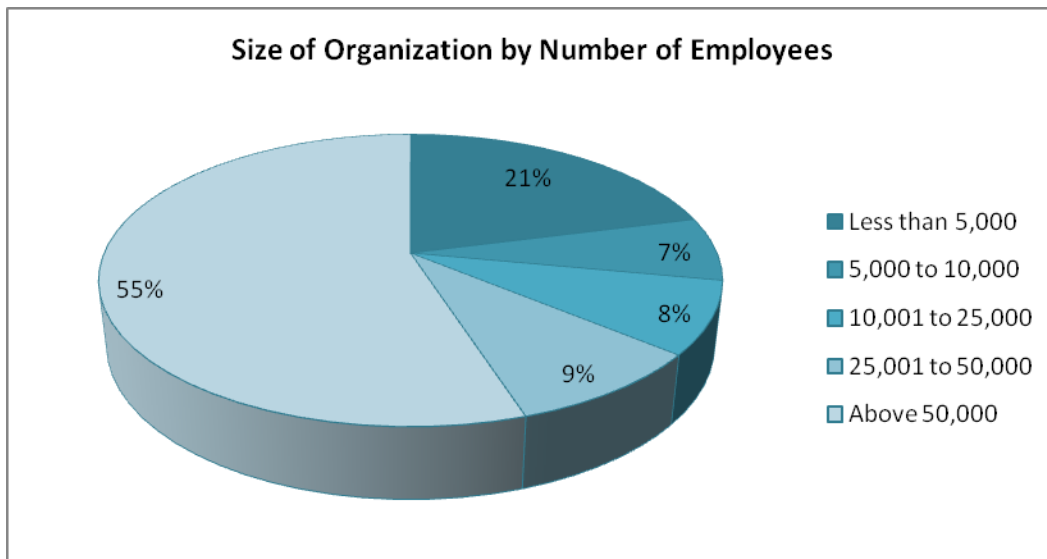
## PERCENTAGE OF VIRTUAL TEAM LOCATED OUTSIDE THE HOME COUNTRY

Sixty-three percent (63%) of respondents indicated that 41% or more of their virtual teams were located outside of the home country. This underscores the global aspect of virtual team deployment.



## SIZE OF RESPONDING ORGANIZATIONS

The largest group of respondents (55%) represented organizations with more than 50,000 employees. The next largest group (21%) was from organizations with less than 5,000 employees. Together, they constituted 76% of the survey participants. Representatives of mid-sized companies (5,000 to 50,000 employees) constituted the remaining 24% of respondents.

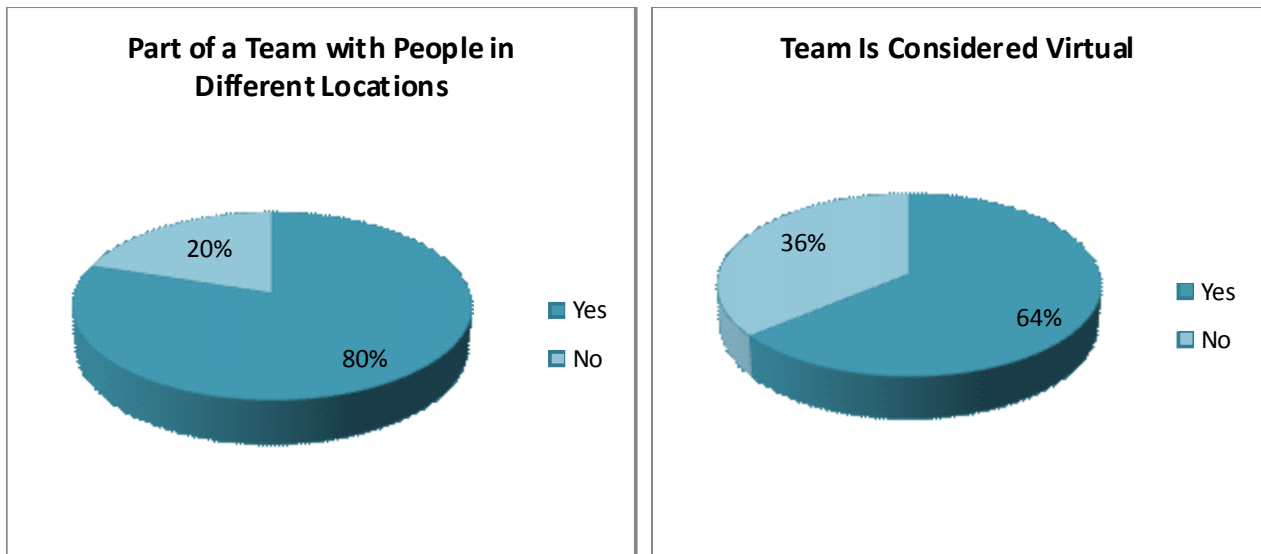


## SURVEY PARTICIPATION BY INDUSTRY SECTOR

More than half of the survey participants (52%) were from the finance, insurance, legal, and accounting industry sector. This was followed by participants from the information technology sector (28%). In addition, there were participants from the manufacturing and aerospace sector; the pharmaceutical and healthcare sector; and the services and hospitality sector.

## DEFINITION OF VIRTUAL TEAM

To establish a shared definition of what it means to be on a virtual team, we asked participants if they were part of a team with people based in different locations. Eighty percent (80%) of respondents indicated that they were, but 20% of them did not. Sixty-four percent (64%) of respondents considered their team to be an example of a virtual team. Consequently, most respondents appeared to agree that a team of people based in different locations is, indeed, a virtual team. We were surprised that 36% of the surveyed population did not think their team was virtual since the recognized definition of a virtual team is a team of people who are in different locations and do not meet



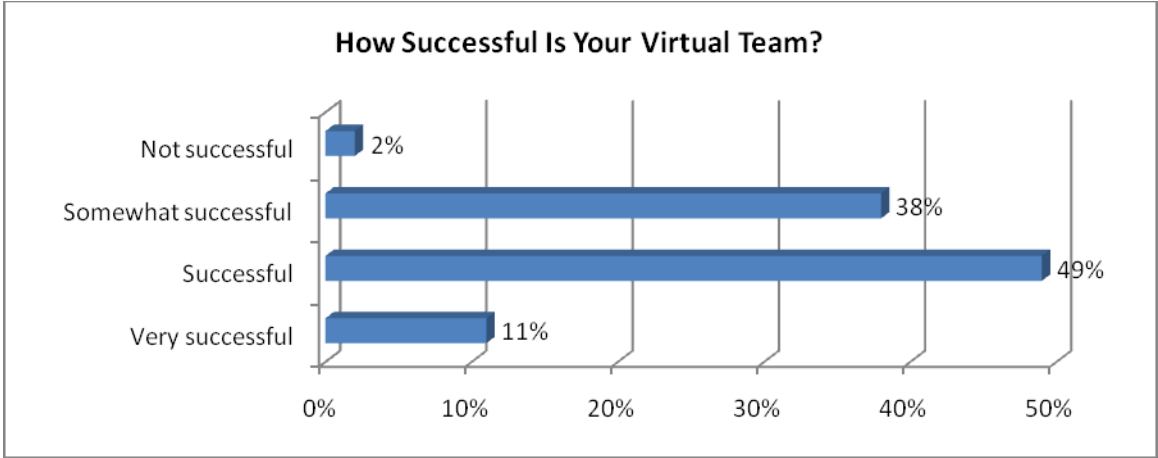
face-to-face but work on projects on a regular basis by phone, email, and video conference.



# SURVEY RESPONSE DATA

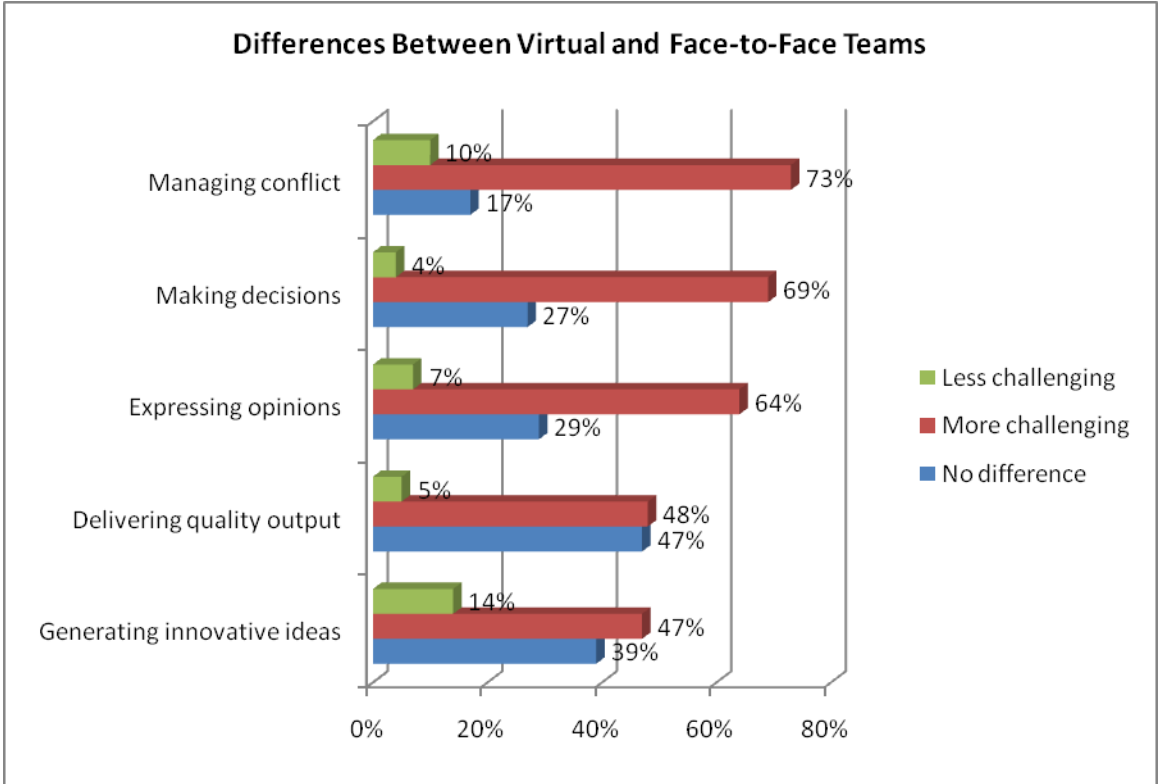
## VIRTUAL TEAM SUCCESS

When asked about the success of their virtual teams, 60% of respondents reported that they were successful or very successful (combined). While this information confirms the value of virtual teams, 38% still reported that they were only somewhat successful, and 2% reported that they were not successful at all. Clearly there is room for improvement, and these results indicate there is a real need for training in this area.



### DIFFERENCES BETWEEN VIRTUAL AND FACE-TO-FACE TEAMS

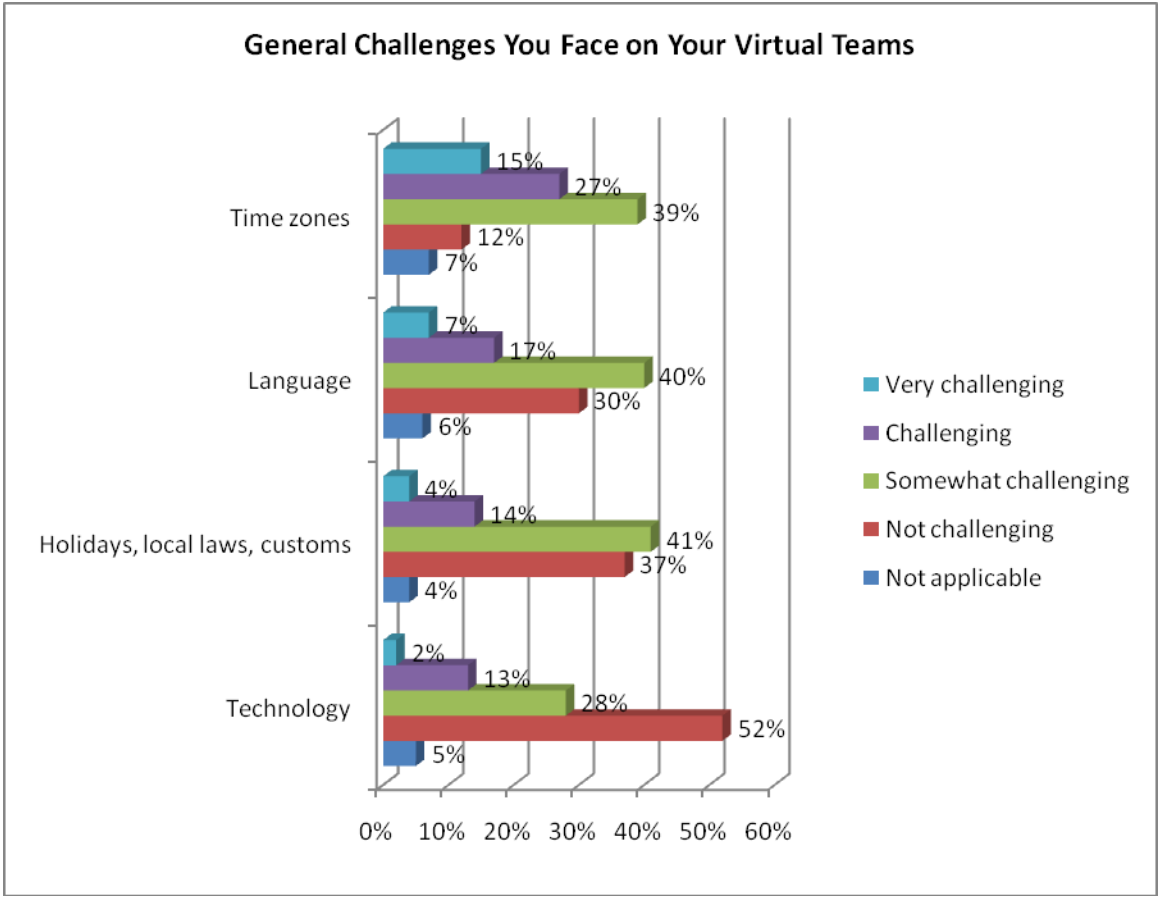
Virtual teams differed most from face-to-face teams in three areas: managing conflict (73%), making decisions (69%), and expressing opinions (64%). Respondents cited all three of these areas as more challenging for virtual teams, and difficulty expressing opinions under these circumstances, in particular, is characteristic of indirect cultures. In the absence of an ability to express opinions or manage conflicts among members, it is not surprising that virtual teams find it challenging to make decisions.



Respondents also reported that delivering quality output and generating innovative ideas were more challenging in a virtual environment than face to face. These challenges, serious as they are, are not surprising inasmuch as virtual teams face hurdles of language, time zone differences, and culture as they try to complete their work. These hurdles are exacerbated by the lack of visual and tactile interaction. Nevertheless, it is satisfying to know that research indicates that the eventual output of successful intercultural virtual teams is more innovative and of higher quality. However, this benefit does not come easily, and it highlights the need for observing rules for respectful interaction among virtual team members.

### RATING GENERAL CHALLENGES FACED BY VIRTUAL TEAMS

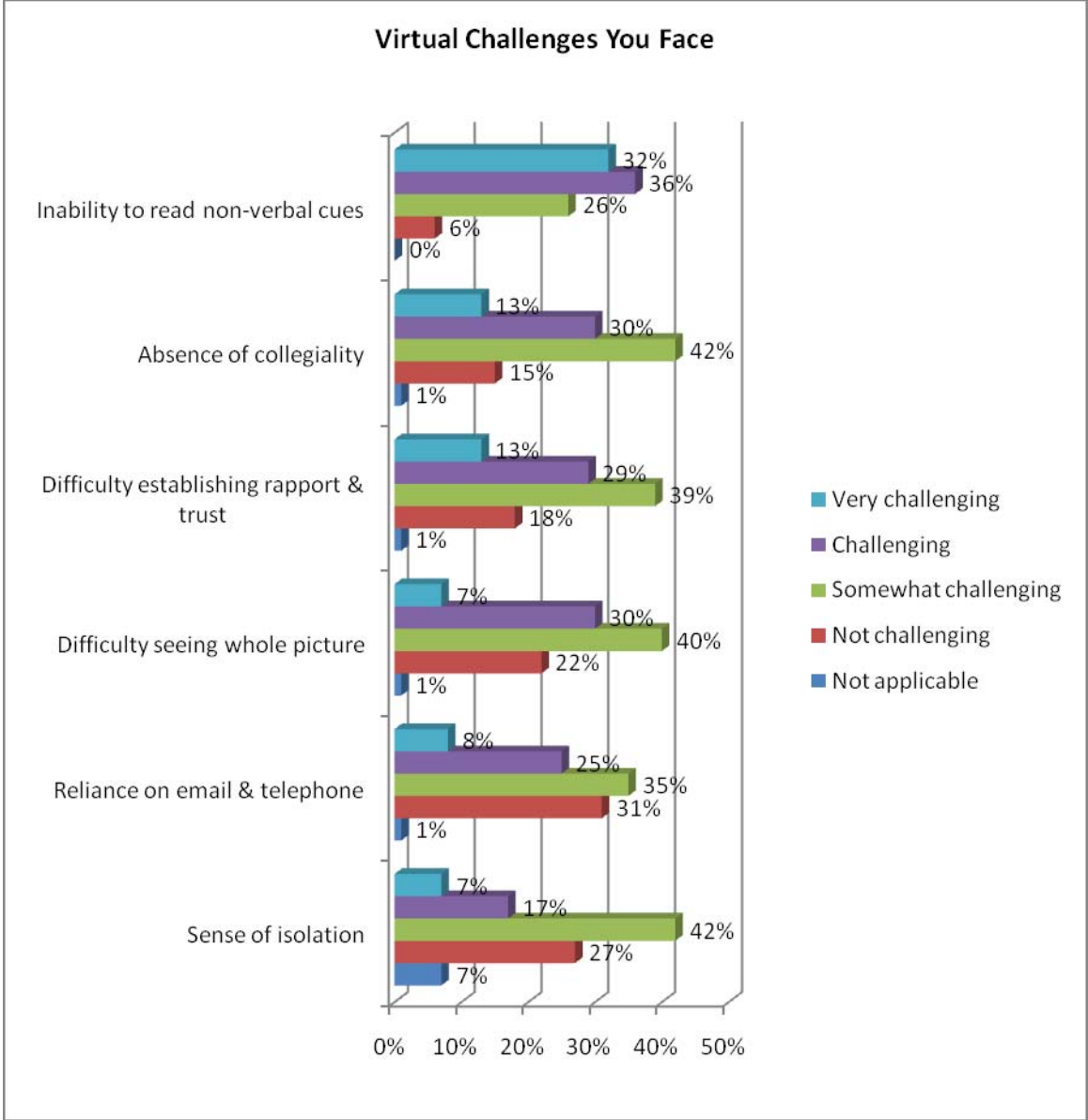
Time zones presented the greatest general challenge to virtual teams. This was followed by language; holidays, local laws, and customs; and finally by technology. We found it interesting that technology represented only a small challenge to virtual teams, especially compared to the other challenges. Time zones, however, were an issue to 81% of the respondents who found it very challenging (15%), challenging (27%), or somewhat challenging (39%). Sixty-four percent (64%) found language at least somewhat challenging, and the open-ended comments elicited greater detail about how and when language-related challenges came into play. Finally, 59% of respondents had some challenges with holidays, local laws, and customs.



The challenges addressed in this section of the survey are difficult to manage with anything other than compromise. For example, it is a good idea to equally distribute the hardship of scheduling meetings on a global clock so that the time zone issue is not borne by one culture alone. Successful global teams also distribute holiday schedules to each other in advance, and they address language difficulties by following up phone conversations with written communications.

### CHALLENGES YOU FACE PERSONALLY BY WORKING VIRTUALLY

Respondents indicated that the greatest virtual challenge they faced was inability to read non-verbal cues. This was followed by absence of collegiality, difficulty establishing rapport and building trust, difficulty seeing the whole picture, reliance on email and telephone, and a sense of isolation. Not surprisingly, our studies and anecdotal evidence indicated that the inability to read body language (which according to some studies represents 70% of the message) led to the biggest challenges that virtual teams face. In this survey, the inability to read non-verbal cues was a challenge of varying degree to 94% of all team members. Furthermore, it is closely linked to the lack of face-to-face meetings: we found that 46% of virtual team members never meet in person.

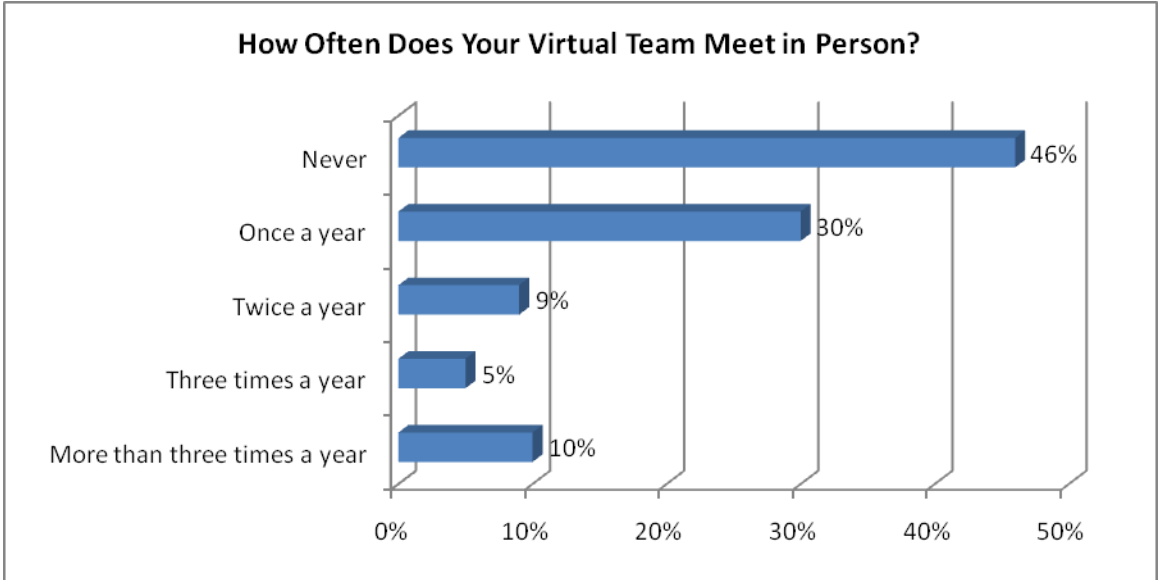


The absence of collegiality (85%) and the difficulty of establishing rapport and trust (81%) also made it more difficult for team members to be productive. Taken together, these findings about virtual challenges indicate the importance to virtual teams of establishing clearly defined structures, procedures, and processes.

We have found that wherever possible, it is valuable for virtual teams to have periodic face-to-face meetings, but even when such meetings are part of a team structure, it is still important for team leaders to be cognizant of these challenges and to leave time during meetings for building rapport and collegiality, which have a significant impact on team trust. Furthermore on the subject of trust, there are several ways that the absence of trust manifests itself. It can be a lack of trust in the perceived competence of team members or a lack of trust in their dedication and commitment to the team. Both of these aspects are often rooted in cultural behaviors and can be addressed effectively by properly structuring communications and by setting aside time for dialog.

### MEETING VIRTUAL TEAM MEMBERS IN PERSON

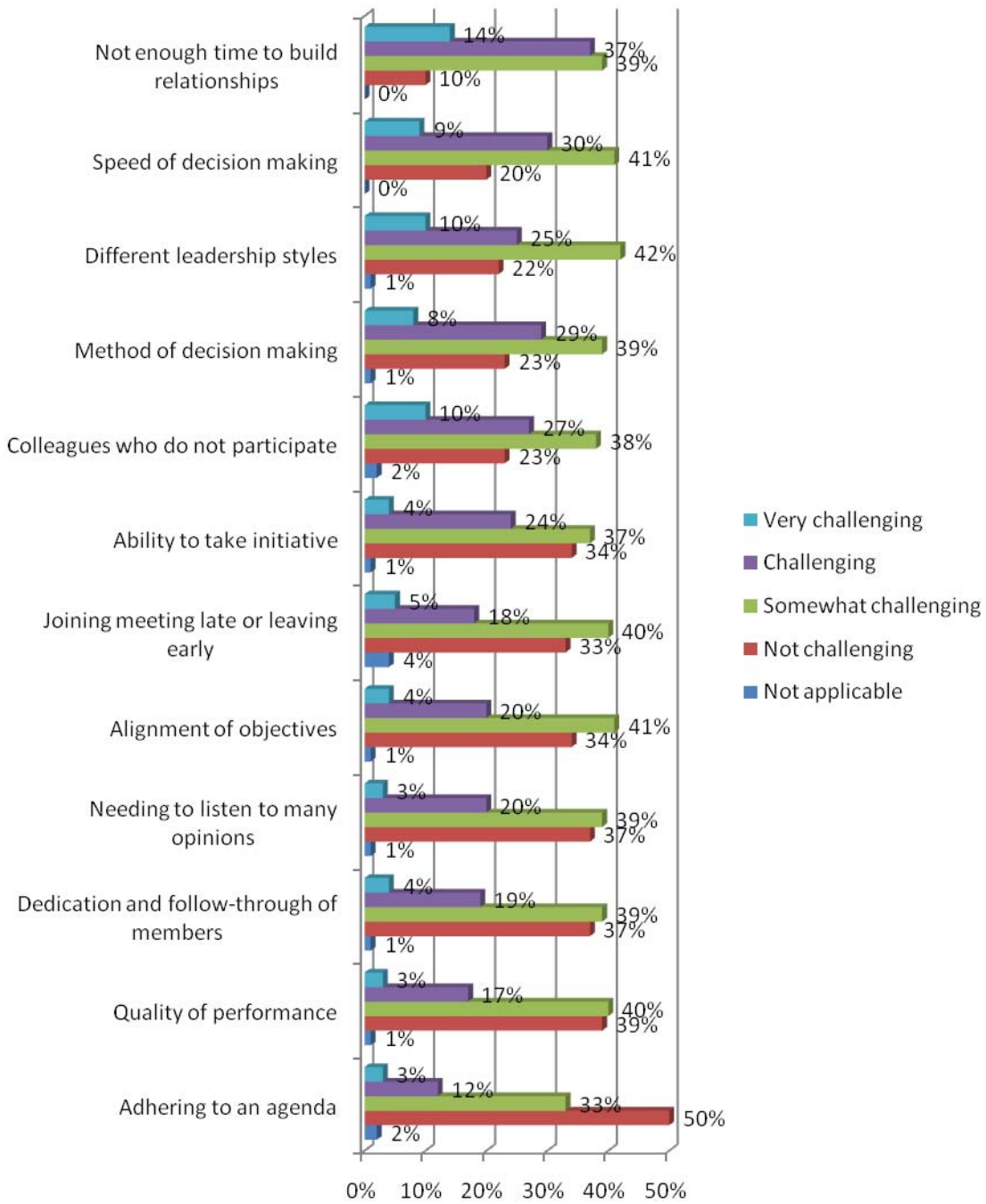
The infrequency of meetings among virtual team members underscored their “virtual” nature. Nearly half (46%) of respondents never met their other virtual team members, and 30% met only once each year. Twenty-four percent (24%) of respondents met two or more times each year. The open-ended questions elicited even more information about this aspect of virtual teams. Again and again, respondents voiced a desire for more face-to-face meetings among virtual team members.



## CHALLENGES YOU FACE DURING A VIRTUAL TEAM MEETING

The accompanying graph lists virtual-team meeting challenges by the severity of the challenge. The top five challenges were insufficient time to build relationships (90% had some degree of challenge), speed of decision

### Virtual Team Meeting Challenges You Face



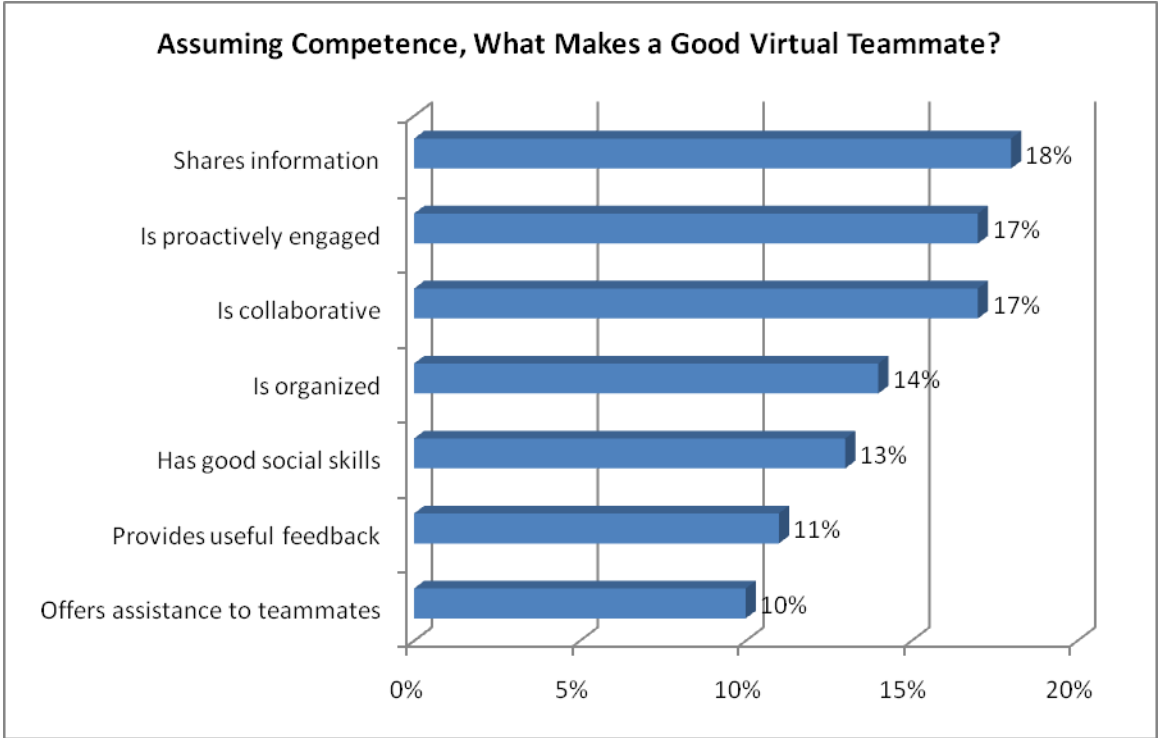
making (80%), different leadership styles (77%), method of decision making (76%), and colleagues who did not participate in the process (75%).

While the remaining team meeting challenges were somewhat less challenging for respondents, between 60% and 65% of respondents had some degree of challenge with all the hurdles identified in the survey with the exception of adhering to agendas, which was challenging to 48% of respondents. From these responses, it is clear that virtual teams need structures and defined processes. Introducing them will not only enhance the comfort level of participants but will have a marked impact on performance.

### CHARACTERISTICS OF A GOOD VIRTUAL TEAMMATE

When we asked about the characteristics that made good virtual teammates, respondents indicated that the most important characteristic was a willingness to share information (18%), followed by being proactively engaged (17%), collaborative (17%), organized (14%), having good social skills (13%), providing useful feedback (11%), and offering assistance to teammates (10%)

It is clear that many of the behaviors of a good teammate are culturally rooted. For example, in some cultures, sharing information (18%) is both a manifestation of power and a way of building relationships. In some cultures the bulk of information sharing takes place in off-line settings, which are hampered in the virtual environment. Furthermore, direct communicators (who are also low context) focus on sharing just the facts, which will leave high-context communicators feeling under-informed. Global team leaders would be well advised to develop plans to share this information with their team members.





## OPEN-ENDED COMMENTS

### GENERAL COMMENTS

When we asked survey participants to add any other comments, they responded with statements that encompassed the following topics: communication and language; coordination, technology, and a sense of collaboration; management, goals, and accountability; cultural bias, and better team selection.

#### COMMUNICATION AND LANGUAGE

*"All teams are virtual, whether your colleague is three desks away or 3,000 miles away....In professional relationships, non-verbal, non-written communications are off record and therefore irrelevant."*

*"Inability to understand people due to thick accents is very, very frustrating."*

*"...emails are OK to solve 80% of problems...phone calls help solve 10% of remaining problems...then adding video-conferences helps solve 5% of the remaining problems...for the remaining 5% of problems, a face-to-face meeting will help solve easily half of the remaining problems...those remaining after that are real essential problems potentially impacting the essence of the project and need deep negotiation."*

#### COORDINATION, TECHNOLOGY, AND A SENSE OF COLLABORATION

*"We have created a virtual lunch once a month that co-workers can voluntarily attend....This has helped in building rapport with co-workers."*

*"Virtual teams require a good infrastructure to overcome the lack of personal interaction. We use chats, video-conferencing, and audio-conferencing constantly in addition to one-on-one conversations and email."*

*"If you can see a profile of the people you are working with, how they fit into the overall organization, what is their expertise, etc., helps the virtual teams to be successful. I also think having good tools to share screens and collaborate on documents or projects and share visibility to action items (not getting lost in emails) helps to make virtual teams successful."*

## MANAGEMENT, GOALS, AND ACCOUNTABILITY

*“Virtual team building is a balanced act and requires a good skill set and talent management and selection criteria. Virtual teams require more management time and additional time to adjust to time zone differences.”*

*“Virtual teams can be successful if the expectations and leadership are clear and the members are willing, able, and committed to making the time for meetings.”*

*“Ensuring accountability is the key to success.”*

*“Leadership plays a big part...establishing clear goals for everyone, not just the project, takes effort. Getting commitment by agreeing to project objectives that fit with each individual’s performance objectives also helps.”*

## CULTURAL BIAS

*“Some nationalities I find difficult to work with, every time, irrespective of the individuals. Definitely some big cultural challenges!”*

*“A key to success in virtual teams is the respect that has to exist between the team members in different countries. One country cannot feel it is better than the others. There is nothing more disruptive than having one country acting as if it knows it all and the others are ignorant.”*

*“Political agenda of different nationalities, geographic entities, and departments is a major hindrance to the concept of virtual team. We need to understand that though we are globalizing, we still have asymmetrical power, economic well being, and ethnocentricity among different geographical units.”*

## BETTER TEAM SELECTION

*“Some people perform better on virtual meetings, some are better on face-to-face meetings.”*

*“The team members are what make a virtual or co-located team work. I am fortunate that everyone in my team has many years of experience and is able to work well in a virtual team.”*

*“Critical to performance, whether the team is virtual or co-located, is the composition of the team. A blend of driven, strong individual contributors, who will complement each other and function seamlessly, unhampered by time and location, makes for a high-performing team.”*

## OTHER IMPORTANT DIFFERENCES BETWEEN VIRTUAL AND FACE-TO-FACE TEAMS

When we asked participants to identify other important differences between virtual and face-to-face teams, they responded with suggestions. We selected several and divided them into the following seven categories: face-to-face contact and relationships, communication, language and misunderstandings, time and distance, level of participation in discussions, decision making, and positive observations.

### FACE-TO-FACE CONTACT AND RELATIONSHIPS

Respondents expressed a need to have face-to-face interactions with team members. On one hand, the need for personal interaction related to *task-centered* activities. These included informal brainstorming, spontaneous discussions, sharing ideas around the water-cooler or while passing in the hallway, or unscheduled visits where one team member drops in to discuss an exciting idea. Examples included the following statements:

*“Less opportunity for ‘water cooler’ moments, when you make breakthroughs in ideas, or unblocking roadblocks by interpersonal reaction.”*

*“You need to connect with people. There is no way to connect with people virtually....It is inefficient when conflicts arise or to brainstorm. By experience, we have done in two days of face-to-face meeting what we could not achieve in two months.”*

On the other hand, the need for direct interaction and relationship-building involved the *personal* side of the equation. Respondents expressed a need to build trust, gauge the strengths and weaknesses of teammates, or assess where one’s teammates stood with respect to an issue. In some cases, this involved a desire to personally witness a sense of commitment to the project or to personally experience the shared sense of a common goal or team spirit. Examples included the following statements:

*“Lack of face-to-face contact makes it take longer to build the team relationships and trust.”*

*“No real team feeling. I never met one team member personally.”*

*“It’s hard to trust someone I never see and have trouble understanding.”*

### COMMUNICATION

As in the case of face-to-face contact, uncertainties about the effectiveness of communication among virtual team members coalesced around specific tasks on one hand and a more personal dimension on the other. Task-related concerns included doubts about communicating effectively without visual aids. In such cases, respondents were concerned that teammates could not visualize or absorb information. Examples included the following statements:

*“I feel that it is hard to get your point across when you cannot see or [use a] whiteboard [to convey] some designs.”*

*“The lack of visualization and contact.”*

On the other hand, respondents were concerned about their inability to observe the body language of teammates. They were concerned about whether other team members agreed with or even understood their communications. Assent, comprehension, and a sense of being “on the same page” were important. Examples included the following statements:

*“Overall communication is different as no body language can be used. Lacks a dimension in that regard.”*

*“Difficult to ensure that everyone actually has agreed to the same thing. Not seeing body language can also mean that it is difficult to understand exactly what someone is feeling and if this differs from what they are saying so that you can manage their expectations better.”*

#### LANGUAGE AND MISUNDERSTANDINGS

Some respondents cited language problems and a fear of being misunderstood. While these can be considered part of the general communication challenge, they were cited frequently enough to merit independent consideration. On one hand, these concerns were expressed in terms of the task-oriented, technical meaning of communications and the precise terminology used. Examples included the following statements:

*“Must be more aware of terminology used in virtual teams. It’s more likely that things are misunderstood. Virtual teams seem less likely to speak up and say ‘I don’t know that term’ or assume it means one thing, but the term is being used in a different context.”*

*“It’s much easier to misinterpret what is said when you can’t see faces and body language.”*

On the other hand, concern about misunderstanding was based on the possibility that cultural cues and language differences would lead to personal friction. Examples included the following statements:

*“Cultural, linguistic differences.”*

*“Communication issues arise when people come from different countries. Misunderstandings are multiplied.”*

## TIME AND DISTANCE

Comments about working with team members located in different time zones included concerns about inefficiency, establishing mutually agreeable meeting times, time-zone-based delays in obtaining responses, and the availability of team members – all leading to delays. Examples included the following statements:

*“Finding mutually agreeable meeting times.”*

*“Locations can cross time zones, so the return of feedback or answers can be delayed....A person who has a question on the West Coast sends it at 4 p.m. to a teammate on the East Coast. It is then 7 p.m. on the East Coast, so they have to wait until the next day for a response.”*

On the other hand, time and distance concerns included uncertainty about the personal commitment of the other team members. Respondents also suspected that remote team members might have other “local” priorities. Examples included the following statements:

*“The level of engagement differs because of time zone differences. Some are just waking up (5 to 6 a.m.) while others are ending their day (9 to 10 p.m.). They don’t contribute as much at either end.”*

*“Local priorities take precedence over overall goals.”*

## LEVEL OF PARTICIPATION IN DISCUSSIONS

Respondents were concerned that people did not speak up or were unmotivated to participate. They also wondered if team members were paying attention during long discussions – suspecting that they were multitasking and answering emails while a discussion was underway. They believed that the quality of the work was lower as a result. Examples included the following statements:

*“...someone is always on mute and doing their emails!”*

*“I feel that many people try to multi-task during conference calls, which means that they do not pay full attention to the task at hand. This subsequently means that we repeat issues/statements quite often because someone misses something.”*

Some respondents believed it was easy to become invisible and “disappear” during discussions with virtual team members. Sometimes they applied these concerns to themselves and expressed a sense of personal isolation. They felt left out, far away, and unwilling to speak up. Examples included the following statements:

*“In conference calls in particular, people are more reluctant to speak up and offer opinions than they are in face-to-face discussions.”*

*“General feeling of isolation (or being ‘left out’) of certain discussions.”*

## DECISION MAKING

The absence of clear leadership and inability to make decisions were concerns among some respondents. They believed that more attention had to be devoted to managing the progress of virtual teams and planning ahead to achieve a desirable result. Examples included the following statements:

*“Leadership, governance, effective planning, and virtual-meeting management by the team leader and his assistant play a crucial role.”*

*“Effective leadership demonstrates what it looks like to remove isolation and confusion while building virtual trust....Regrettably, some placed in leadership roles opt only to ‘manage’ their teams, which fuels a repetitive cycle of challenge after challenge, resulting in mediocrity and loss of talent.”*

Resolving differences also was considered a key obstacle. Respondents expressed concern that in a virtual environment, there was no clear way to move on to the next topic. These difficulties revealed a need for effective leadership. Examples included the following statement:

*“I’ve had to totally change my work process and am much more direct when asking people how they are feeling or acting when I sense hesitation or lack of commitment....I have to translate what I pick up from body language...the silent lack of verbal agreement is deafening...will you each tell me how you are feeling about this change...at this moment? It is very direct and can be somewhat ‘in your face’ with new folks.”*

## POSITIVE OBSERVATIONS

Some respondents claimed it was easier to work with a virtual team than in a face-to-face environment. They felt that a wider range of opinions and more time were made available. Examples included the following statements:

*“I find that remote working has more pluses than minuses. Focus is on tasks and deliverables, not on office politics.”*

*“On a positive note, you have a lot of diverse ideas. Also, you can utilize more hours in the workday (day and night).”*

In addition, some respondents claimed that strong team members and appropriate use of technologies made for successful virtual teamwork. Examples included the following statements:

*“If the manager has strong employees on a virtual team, it is just as easy, if not better, than face-to-face [meetings].”*

*“I have found that you have to use the tools you have and not rely on person-to-person contact....I do more contact on the phone regarding performance than I do in person. I also provide documents online to staff (versus in-person arrangements)....The only thing I miss is body and facial language....However, this is the nature of working remotely and in different locations. You have to find ways to determine if people are working [and] are available. Once you find that and are comfortable with it, it works quite well.”*

## EXPERIENCE WITH VIRTUAL TEAMS OUTPERFORMING CO-LOCATED TEAMS

We mentioned research showing that virtual teams outperformed co-located teams, and we asked survey participants to describe their experiences with both types of teams. While some respondents had good experiences with both types of teams or had criticisms of both types, the responses were often polarized on each side of the question. In this section we present a sampling of the strengths and weaknesses identified by supporters of each type of team.

### SUCCESS WITH VIRTUAL TEAMS

Respondents highlighted the wider range of experience and skills that can be accessed when virtual teams tap into an organization’s worldwide resource pool:

*“It is an exciting feel to be part of an international team. One gains more of a ‘big picture’ view and has the opportunity to view many different management styles that are born in different cultures.”*

*“Virtual teams can have a broader experience and exposure and offer new perspectives but require much more effort to coordinate to make it work.”*

*“With a virtual team, you can tap into a much wider resource pool, but you have to get the dynamic right to get contributions that maximize the output from the team’s competencies.”*

Some respondents reported that since virtual teams were unable to function properly without taking additional measures to organize their efforts more carefully, these measures were, indeed, taken and had beneficial results. They also indicated that strong leadership was the source of this positive result:

*"I believe the virtual teams do not take anything for granted and as a result ensure there is common clarity and understanding."*

*"Virtual teams are forced to be better organized and follow clear procedures. So [they] could have better performance in this sense."*

*"It depends on the motivation level. My virtual team projects are followed at a very high level, so they are more driven to succeed than my team who sits in the same building."*

Many respondents indicated that virtual teams were able to maintain a stronger focus and had fewer distractions than face-to-face teams:

*"I think virtual teams tend to be more goal-oriented and focused....With a virtual team, you get together on a call for a specific purpose, and you all focus on that."*

*"...have worked in both environments...feel that there are less distractions working in a virtual team."*

A number of respondents indicated that the flexible scheduling required for virtual teams was preferable for team members because it enabled them to improve both their team product and quality of life:

*"Working virtually, I can flex my schedule as needed to concentrate fully on work, but also take care of personal needs, balancing as needed. I can be more flexible in terms of taking calls at early or late hours as needed to accommodate other time zones."*

*"Virtual teams often provide individuals with better quality of life, including ability to have flex hours to support a better work/life balance. This motivates people to do what they can to continue to be successful in that setting."*



## WEAKNESSES OF VIRTUAL TEAMS

Many respondents felt that poor language skills and cultural barriers compromised the efforts of virtual teams:

*"...but it would require a certain level in language skills and social behavior as well. For some people, it seems to be just too much to take a call to a team member if you don't know him that well."*

*"Virtual teams can be as good as co-located teams if [they have] the same language and culture. For different languages and cultures, virtual team working becomes much less effective."*

*"The miscommunications brought on from geographical and cultural separation have proved very painful and require people in every site (and of every culture) to have an above-average skill set to overcome these difficulties and avoid a total breakdown in trust and cooperation between the disparate parts of the team."*

Some respondents indicated that virtual teams were too dependent on exceptional leadership skills to perform effectively under most circumstances:

*"It is very dependent on the team and in particular on the leadership of the manager to develop the team's virtual skills and ensure an opportunity for effective communications."*

*"Major problem with a virtual team is to ensure fair load-balancing between members. A member's estimate of his own contribution and efforts may not match reality."*

While they agreed that virtual teams were capable of furnishing high-quality results, some respondents believed that the team-building effort required was too time consuming:

*"...however, significant time and effort should be invested in team-building activities at the beginning of the project."*

Some respondents claimed that simple tasks were more appropriate for virtual teams than complex assignments:

*"Depends on the complexity of [the] task...[on] simple tasks for volume output, [virtual teams] outperform due to round-the-clock working."*

*"If the task lends itself to a divide-and-conquer approach [specialized, segmented activity] and benefits greatly from geographic diversity, then virtual teams are great."*

Participants reported that the lack of sufficient interaction among virtual-team members placed them at a disadvantage:

*“Co-location has the advantage [because] it is easier to update and advise teams of revised actions and changes in plans due to a local presence; this has proved more difficult across virtual teams, which feel isolated.”*

*“In engineering, a large part of the job depends on short, face-to-face interaction. Email and time-zone differences dramatically degrade quality and productivity. With very good people, it can be accomplished, but at a steep price in terms of time and development cost.”*

A number of respondents claimed that only experienced team members were capable of functioning with the independent focus and necessary skill set required for most virtual-team efforts:

*“If [the virtual team] consists of well experienced members, it will perform well. For a team with members that are relatively new or have less working experience, it is better to be co-located as communication can be made clearer.”*

*“In areas where team members, especially juniors, require mentoring and support, co-located teams provide better opportunities and one-to-one contact time to provide guidance and mentoring to get the work done.”*

#### SUCCESS WITH CO-LOCATED TEAMS

According to many respondents, face-to-face interaction is vital:

*“Team spirit is much better in co-located teams, which normally leads to better results.”*

*“Face-to-face checking for understanding on key issues in a project or process ensures that the work is not wasted.”*

*“Personally, commitment to achieving team objectives increases to a sustainable level if the team has an opportunity for a face-to-face engagement a minimum of once per year.”*

Some respondents indicated that the speed and efficiency of co-located teams gave them an advantage over virtual teams:

*“Decision speed, better communication, learning from other’s experiences, information sharing...are characteristics of co-located teams.”*

*“Co-located teams are faster [and] more flexible. Less communication and meetings [are] needed since everyone is sitting together – certainly for problem handling. Easier to brainstorm.”*

*“Co-located teams tend to work better as decision-making is quicker, and it is easier to test understanding.”*

Some respondents claimed that co-located teams had greater commitment and were more responsive to leadership:

*“My experience is a co-located team was well run, communicated regularly, and all were engaged. My experience now with a virtual team is that not everyone is engaged (or that is the perception). It is hard to read others whom you don’t have the opportunity to speak with often.”*

*“It is much easier to get good results with co-located teams since you can see the people and you can push them to have a higher commitment.”*

A number of respondents believed that co-located teams were a better choice for complex, advanced projects:

*“Depends on the complexity of task...complex tasks [are] less suitable [for virtual teams] due to communication [requirements].”*

*“Virtual team is not efficient to perform advanced results in engineering or training. Virtual training is unsuccessful compared to academic engineering school with technical practice learning.”*

#### WEAKNESSES OF CO-LOCATED TEAMS

Some respondents believed that co-located teams were more insular in their outlook and were unable to provide creative solutions:

*“Members of co-located teams often have the same background and share the same traditions and habits (e.g., of the company). This leads them to think in a more single-minded way than virtual teams. In my opinion, virtual teams generate more different and more innovative ideas.”*

There were reports that local office politics and friction between personalities posed a significant challenge to members of co-located teams:

*“Local [co-located] teams have the disadvantage of group think or aligning with the local power structure – going along with the boss or person with most authority.”*

*“I think there is a possibility that personalities could get in the way if the people are co-located, whereas virtual teams are not as close personally and do not have the opportunity for more personal issues to get in the way.”*

A number of respondents believed that the distractions facing co-located team members tended to lead to excessive amounts of wasted time:

*“With face-to-face teams, there are many distractions and other issues that can come up.”*

*“Working onsite, there are a number of distractions that decrease productive work time, in addition to commuting, greater likelihood of lunch breaks, etc.”*

*“...casual distractions, interruptions, and time-consuming socializing.”*

## MAKING VIRTUAL TEAMS MORE SUCCESSFUL

When asked how they would make their virtual teams more successful, some respondents expressed a need for more time. Others cited the need for a common language, time zone, and currency. These comments, however, constituted only a fraction of the total. The largest number of comments cited a need for more frequent face-to-face contact to cement better relationships among team members. In a related vein, many participants identified a need for better communication, and they frequently suggested the use of better collaborative technologies – especially video-conferencing. There also were numerous comments that only can be interpreted as expressions of frustration about poor project management – usually evidenced by a lack of organization or a clear understanding of shared objectives and responsibilities. Finally, comments about the lack of initiative, cooperation, and meeting etiquette among team members pointed to a need for more careful selection of virtual team members.

## FACE-TO-FACE CONTACT

The following statements expressed the need for regularly scheduled face-to-face contact, better relationships, and informal exchanges:

*“Having regular meetings or even just conference calls, where the whole team comes together so that we can all have a sense of what each team member is working on....Currently we have no team meetings, and everyone is left to work in isolation.”*

*“The ability to build up relationships and trust so more ‘informal’ exchanges of information [should] naturally occur. These are the types of things that would happen when you walked past someone’s desk and chat or bump into them making coffee...”*

*“Regular touch-points, face to face, for lessons learned, for relationship-building activities. Also, to have a teambuilding possibility before the virtual teams have to work together.”*

## BETTER COMMUNICATION AND COLLABORATIVE TOOLS

The following statements were typical of respondents that cited a need for using the same systems, software, and collaboration tools to improve communication:

*“Our team and the other teams we work with would find it much easier to be successful if we were all using the same systems and products. The lack of uniformity in the company is distressing.”*

*“...communication is key. Finding more ways to communicate without sacrificing time away from the actual job functions would help.”*

*“Less reliance on email and more willingness to pick up the phone and call each other when there’s a conflict or impasse.”*

## BETTER MANAGEMENT AND ORGANIZATION

The following comments illustrate respondents' frustrations about the lack of management oversight, leadership, clear objectives, assignment delegation, coordination, and awareness of team progress:

*"Better follow-up, information, and visibility into what each member is doing."*

*"Clearly defined ownership. Not letting people get away with not doing their job and passing the buck."*

*"Ensuring everyone understands and is aligned to the same objectives. Commitment to objectives and constant follow-up on milestones to achieve objectives."*

*"Starting and ending meetings on time, adhering to an agenda, and timely follow-up on action items logged during the meeting."*

## BETTER TEAM MEMBERS

In various comments that were linked to perceived management deficiencies, respondents indicated that virtual teams required a more responsible, self-directed type of person with a mix of appropriate skills:

*"...if they would use their own initiative."*

*"Pay attention during calls and dedicate the time to the call rather than multi-tasking during calls."*

*"...a method to motivate people by email and phone."*

*"Caliber of people."*

## CONCLUSION

The numerical data and open-ended responses in this report corroborate the trend toward global collaboration. They also highlight fundamental areas where virtual teams pose unique challenges to organizational and individual productivity. Knowing that challenges such as conflict management, decision making, time zone differences, and cultural and language barriers have such a strong impact on the success of virtual teams, forward-looking leaders are well positioned to structure and manage their relationships for optimal results in a global business environment.

There is a vital need to develop specific and explicit work rules to replace those that are tacitly understood among members of co-located teams who share a common culture and language. To ensure that these rules have their intended, positive effect, mechanisms to assure their observance should also be put in place – just as quality-control programs require a tandem effort of quality assurance to document their successful implementation. Armed with an awareness of cultural influences in the workplace and procedures to sustain intercultural effectiveness, organizations will be able to capitalize on the diverse range of talent that their worldwide employee populations can bring to bear on their efforts.