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

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 motivation 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 **ability** 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

- 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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