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Successfully
Transitioning
to a Virtual
Organization:
Challenges,
Impact and
Technology

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Successfully Transitioning to a Virtual Organization: Challenges, Impact and Technology

Abstract

With an emphasis on a solutions-based approach, this article explores key factors to successfully transition to a virtual organization and includes real-life scenarios to illustrate both effective and ineffective approaches, with a focus on leadership styles, the effectiveness of virtual working teams, communication, technology, virtual meetings and management, and global virtual teams.

Introduction

In today's world, organizations increasingly conduct business in a virtual workspace, whether their employees are located in different countries, cities or venues in the same city. The virtual workspace can be defined as an environment where employees work away from company premises and communicate with their respective workplaces via telephone or computer devices. The virtual organization has different and/or greater challenges than the traditional face-to-face workplace environment, with lines of work crossing over geographies, markets, countries and cultures, alliances, partnerships, and supplier networks. "The virtual office is the office of the future," says John R. Wilson, J.D., Esq., president and CEO of GoffWilson, P.A., and

to replace, no matter the technology or organizational skills of those involved. A major challenge for the human resource professional will be to instill within the virtual office the nuances felt only with real human interaction."

The very nature of virtual work requires planning and thoughtful design. The development and evaluation of virtual teams present a unique opportunity for HR to partner with many different elements of the business. The benefits to the business stakeholders of a successful virtual work program can be significant, yet difficult to achieve without a strong strategic HR function. Further, with increasing dependence on technology for communication in the workplace, the role of leadership is changing. The glue to the virtual

companies are doing to effectively transition to virtual work, the Society for Human Resource Management (SHRM) interviewed HR professionals and researchers in U.S.-based and global organizations. With an emphasis on a solutions-based approach, this article explores key factors to successfully transition to a virtual organization and includes real-life scenarios to illustrate both effective and ineffective approaches, with a focus on leadership styles, the effectiveness of virtual working teams, communication, technology, virtual meetings and management, and global virtual teams. HR and organizational leaders will find this article of value to better understand the challenges of the virtual workplace, discover ways to address these challenges and implement solutions that will promote business success.

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a member of the SHRM Global Special Expertise Panel. "As technology advances and 'live' video becomes high definition, the need and expense of brick and mortar offices diminishes. However, we lose some of the human factor, which is unsettling and difficult

organization is leadership, the right competencies and attributes, trust and rapport, and management of virtual workers and teams.

Organizations can learn from experiences of others in the virtual workspace. To learn what

Leadership Styles

Effective leadership is the number one factor that influences success in a virtual organization. Maintaining cultural identity, employment brand and employee/manager satisfaction requires consistent and regular communication. Leadership skills are even more essential for virtual work. They include a strong focus on relationships, emotional intelligence, a track record of results and innovation, a focus on process and

Figure 1 | A Model to Enhance Leadership Skills for Success in a Multicultural Virtual Organization

| Enhancers | Derailers |
|--|---|
| Promote trust and maintain effective working relationships with virtual workers. | Inability to establish the additional levels of trust required with remote workers. |
| Establish virtual guiding principles and organization charters to ensure the organization is in alignment. | Inadequate communication skills required for virtual network effectiveness. |
| Identify and define virtual worker roles, responsibilities and accountability. | Lack of comfort and expertise with technologies required for success in the virtual organization. |
| Establish a reward and recognition process commensurate with the virtual organization characteristics while maintaining consistency with traditional organization structure. | Inability to address conflict resolution within the work group. |
| Demonstrate cultural competency when interacting globally. | Lack of sensitivity toward different styles of communication. |

Source: SHRM interview with Global Dynamics, Inc. (www.global-dynamics.com)

outcome, and the ability to give positive and constructive feedback. Also important is the ability to teach and coach others and provide recognition both formally and informally in ways that show appreciation and motivate continued success. HR should be part of any

Protocols of communication get more and more sophisticated. The more flexibility I have, the more I can connect with my diverse team,” points out Elaine Orler, president of Talent Function Group LLC and a member of the SHRM HR Technology and Management

Effective leadership is the number one factor that influences success in a virtual organization.

pilot program to help leadership understand, anticipate and mitigate management problems. When HR has experience in participating in a virtual team, it lends credibility for HR to fully participate and respond to problems as they arise.

For a virtual team leader, flexibility is paramount. “Leaders need to be more flexible in how and when they communicate. Some people connect on instant messenger while others prefer text messages.

Special Expertise Panel. “To me, digital connection, including voice, can provide enough connection to co-workers. It is important to establish a digital rhythm with each member of the virtual team. I text, versus e-mail, if something is urgent, use instant messenger when we are in meetings, etc. It is still possible to be very connected to members of your team.” At the same time, it is equally important to position leaders for success. For example, HR professionals should

consider these factors in structured interview processes, provide examples to learn how candidates would think and act in different virtual situations (e.g., with workers spread across geographies, cultures and time zones), and have top candidates meet with senior leaders who can speak about the challenges and expectations of collaborative virtual work. Ultimately, leaders need to be able to engage everyone to work toward a common vision, purpose and destiny.

“In the virtual organization, the role of a leader tends to shift from one of controller to one of coordinator or coach. The leader manages by principle, develops a bias for a cross-functional organization, promotes open sharing of information and empowers the virtual worker,” says John G. Schieman, vice president of Global Programs and Marketing at Global Dynamics, Inc., a leading provider of customized solutions to meet the challenges of globalization, virtual environments, and diversity and inclusion in more than 60 countries for over 25 years. The Global Dynamics’ model to enhance leadership skills in a multicultural virtual organization, based on the company’s experience in the field, is outlined in Figure 1. “It’s essential for organizations to promote trust and effective working relationships, with one of the first steps being the establishment of virtual guiding principles and organization charters,” Schieman points out. Consider the following two scenarios: the first focuses on building trust, and the second shows how assumptions and lack of cultural awareness can lead to unexpected and unwanted surprises.

Best Practice

A senior vice president of a global pharmaceutical company was given responsibility for the Americas. The individual, who resided in the United States, was unfamiliar with the cultures of Latin America. Initially, he attended a course to enhance his cultural awareness. Next, as he prepared to communicate critical electronic messages to his new organization, he decided to translate his message into local languages and confirmed that each message was culturally correct. As he planned to visit each cultural region, he scheduled a cultural coaching session to assist him in building trust and securing relationships.

Critical Incident

A senior executive of a global financial services company was given responsibility for Japanese

operations. The executive, who resided in the United States, was told that there had been relationship and communication difficulties between the U.S. and Japanese organizations. His plan was to communicate his U.S. model and request that the Japanese operation conform. Initially, he sent an e-mail to all Japanese associates indicating he was planning a visit to Japan for one day to introduce his operational plan and obtain their commitments. He failed to recognize the importance of hierarchy in his communication by sending the message to everyone. He scheduled a one-day visit, not allowing enough time to understand the culture and build relationships. During his trip, he misunderstood verbal and nonverbal communication, concluded that he had Japanese commitments, only to discover

upon his return that there were no commitments given.

Team Work: Effectiveness and Communication

Working with and managing a virtual team is very different from managing an on-premise group. “Collaboration tools, goal definition and coaching are areas where HR can help a manager enable a virtual team. Managers need help to understand how embracing technology—such as instant messaging, screen sharing and web conferencing—may make them more flexible and effective. In fact, developing this set of competencies is necessary even for managers of on-premise teams, since these technologies are as familiar as the telephone to many new entrants in the workforce,” points out Kristin Lundin, SPHR, product manager at Salary.com and a member of the SHRM Technology and HR Management Special Expertise Panel. She emphasizes that “when adopting or even evaluating virtual teams, HR needs to lay out the strategy for aligning activities done remotely with those done at physical company locations and how they can creatively integrate remote employees.”

Research shows that to connect human beings, it is essential to thoughtfully select the most appropriate technology. For example, e-mail is not the best medium to communicate an inspirational message. Particularly in the early stages of establishing a virtual team, it is important to consider technology that allows individuals to see and hear expressions, since nonverbal cues are key to trust and rapport. Virtual team members

PROMOTING INCLUSION

“Today’s virtual meetings often involve participants from multiple cultures, and this requires global leadership skills and culturally appropriate communication to foster engaged participation that leads to improved collaboration,” points out Lorelei Carbolante, SCRP, GMS, GPHR, SCRP, CEO/president of G2nd Systems and a member of the SHRM Global Special Expertise Panel. She describes a situation that illustrates an easy but important way to promote trust and inclusion:

A senior manager, who resides in the United States, was leading an engineering team that relied on multi-site expertise to develop a new product for a global semiconductor manufacturing company. In his experience, managing meetings with a combination of virtual and in-person venues was much more difficult than either one or the other, because participants in the conference room would unintentionally dominate the discussions without including the rest of the team. Remote participants felt irrelevant and unable to significantly contribute. To leverage the expertise of all, the manager sent Starbucks cards to all remote participants (coffee and tea were available for the in-person group) in advance of the meeting to establish a feeling of inclusion from the beginning. Throughout the meeting, the manager made a conscientious effort to ask the remote participants to provide their perspective first, helping the group achieve its objectives.

may also have conflicting commitments, such as being involved in multiple projects and multiple teams. To balance time and work commitments, the leader needs to carefully consider other responsibilities of team members when setting goals. Since in many instances virtual team members may never meet each other, the virtual team

is achieved during those weeks than during the rest of the year.”

In companies where a significant amount of the work is either knowledge-based or involves producing technology that is easily transferred, virtual teams present a unique opportunity to build a win-win situation between

have broadband access either off-premise or at home,” points out Lundin. “Even in retail or manufacturing, some roles are not dependent on the physical plant to be productive. In some locations in the United States and other developed nations, even wireless broadband has become ubiquitous. This provides the ability for an employee to have a work experience that is productive and very similar, regardless of the employee’s physical location.”

“Collaboration tools, goal definition and coaching are **areas where HR can help** a manager enable a virtual team.”

Kristin Lundin, SPHR, product manager, Salary.com

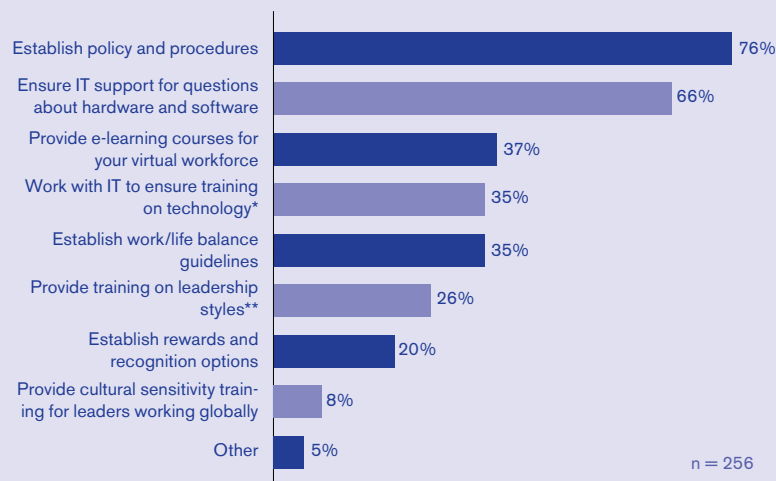
leader’s role is essential to help develop confidence among team members to create a team identity.

When team members identify with their team, they are more likely to be engaged and energized to fulfill the team’s goals. Miguel R. Olivas-Luján, Ph.D., a professor of management at Clarion University of Pennsylvania and Tec de Monterrey, Mexico, and a SHRM Global Special Expertise Panel member, points out that where possible, it is still important to meet face to face, especially at the start of the project: “This is more relevant to tasks that are not central to the teams’ main job, such as temporary task forces, virtual teams formed with a particular purpose where participants are not discharged of their main duties to accomplish the goal. Through the years, I have noticed that virtual work groups have a flurry of activity and interaction just before and a few weeks after every face-to-face meeting. Often, much more

employers and employees by offering an attractive work/life balance for employees while also reducing facilities and infrastructure costs for employers. “Technology has developed to a level where many knowledge workers

Yet, productivity in the virtual workplace can be challenging. Olivas-Luján notes, “I recall a couple of research projects in which the cultural diversity of the team participants made it almost impossible to get things done on time. In contrast, another effort that gathered responses from employees in about 22 countries turned out results much faster because the leader set up a structure that

Figure 2 | In what ways does your HR department currently support your organization's virtual workforce?



* e.g., web conferencing software, webinars for working virtually, social networking tools, e-learning programs.

** styles that promote trust and maintain effective working relationships with virtual workers.

Note: Asked only of respondents who said their organizations offered virtual work options. Percentages do not total 100% as respondents were allowed multiple choices.

Source: SHRM Poll: Transitioning to a Virtual Organization (2010)

could be considered autocratic, yet was highly efficient. She provided standard instructions, offered advice and made sure each country co-author knew exactly what to expect. This experience is also consistent with the research that suggests that diverse teams often take longer to reach the ‘performing’ phase and become more productive than homogeneous teams. The outcomes are more

and infrastructure. For employees who never see and/or meet each other, it can be a daunting effort to establish trust and rapport, effectively communicate and share information on an ongoing basis. Obviously, technology is a large component of managing and enabling a virtual team. HR professionals should be closely aware of what technologies are being offered and used by remote

such as e-mail, intranets and the Internet, video conferencing, teleconferencing, webcasts, shared electronic whiteboards and groupware (e.g., Lotus Notes). Every organization, as it expands to work at a virtual pace, will encounter challenges when working virtually.”

Yet, as Olivas-Luján points out, “Familiarity trumps sophistication. As my colleagues and I have moved from e-mail to synchronic discussion groups (chat rooms) and now to social networking-based communications, I used to try to get my colleagues to employ the newest technology (instant messenger, Skype, etc.). However, some were too busy to learn, others needed more hand-holding, and it was just not productive. I now try to use the lowest common denominator (e-mail with attachments or shared documents in some cases) and don’t push the ‘newest and the latest.’ Ultimately, the expectations and needs of companies to use technology appropriately will drive change in the workplace.”

The following examples show how organizations are being proactive to connect with their workforce by using technology as a strategic tool to ensure seamless work and stronger communication despite a lack of face-to-face interaction with key stakeholders in the company.

Performance Management

A medical testing organization is creatively using virtual teaming technology to connect managers and their direct reports in the performance management process. A group of sales managers has direct

Virtual teams are highly dependent on collaboration technology and infrastructure.

creative and effective than those of homogeneous teams if the leader is able to manage the diversity.”

A recent SHRM poll on HR’s involvement in the virtual workforce reveals a variety of key transition factors (see Figure 2). This research found that within the next 12 months, 22% of organizations expect the percentage of their employees who work virtually to increase, 76% expect it to remain the same, and 3% will decrease the percentage of virtual employees. The poll shows the various ways in which HR is working to support the organization’s virtual workforce. In addition, according to a SHRM survey report *Workplace Flexibility in the 21st Century: Meeting the Needs of the Changing Workplace*, 43% of HR professionals say that in the next five years, a larger proportion of their workforce will be telecommuting.

Virtual Teaming Technology

Virtual teams are highly dependent on collaboration technology

workers so that they can help managers transition to managing virtual teams. “HR leaders need to guide their teams to evaluate and become familiar with all of the various technology that the virtual team will be using,” says Lundin, of Salary.com. “Understanding and using these technologies will enable HR professionals to coach managers and leaders on the needs of the virtual employee and to understand how to best support those managers and employees.”

The expansion of virtual teaming technology provides a variety of communication tools for virtual teams. “Technology should be a strong conduit for virtual team success. That technology is not solely based on corporate infrastructure, but rather is an extension of that infrastructure to create and bond the team as a community of peers,” emphasizes Orlor, of Talent Function Group LLC. “Virtual communication and information sharing can be accomplished using a number of vehicles,

reports whose job duties keep them in the field. This group's efforts are vital to the organization's success, and weekly field reports are an inherent part of the performance review process. Managers use an online system to record their field reports on a daily basis. This Internet-based system is available via their wireless PCs and accessible anytime. Consolidated online reports are also available to senior management and allow real-time monitoring of the organization's sales efforts to support immediate oversight of their revenue growth strategic goal.

A Change Initiative

An office services firm was implementing major benefits changes for its U.S. employees. Part of the benefits strategy change was a shift away from a paternalistic approach to more employee responsibility. The company knew this represented a major change management opportunity. It wanted to have its best change management team lead efforts to announce, engage and manage change efforts but without letting advance word leak out. The change management team was scattered across the United States, but had to work closely together for several months to effect the desired change results. To work as a virtual team, a secure blog was created for the change management team members. Only team members had access to ongoing discussions and draft change documents. The blog was a convenient way to pro-

vide real-time collaboration as well as a record of discussions and decisions for team members who could not make the live conversations. Team members learned to use the blog as the central repository for all planning and implementation tools. It was the most accessed site on a daily basis, even if no synchronous communication was required between members. The change team's success using the blog for virtual team collaboration

was noted as a key element of the change process. The blog tool has since been used by other virtual teams throughout the organization.

Seamless Service

A major outsourcing firm leverages teams in Europe, North America and Asia to successfully deliver client projects. While some work efforts can be completed around the clock and take advantage of time zone differences to speed up

VIRTUAL MEETINGS AND MANAGEMENT

1. **Shared project/program management tools** ensure that documentation is consistent and relevant across the team and enable real-time updates and changes (e.g., SharePoint by Microsoft, Connect Pro by Adobe, and eRoom by EMC2, off-the-shelf products (some free) such as Jive, Basecamp and Google Docs).
2. **Instant messaging, text messaging.** Mobile devices are the number one most common tool used around the world (see www.mocom2020.com/2009/03/41-billion-mobile-phone-subscribers-worldwide). With company plans, text messaging globally for simple status checks is less expensive than phone calls, and in many countries, it is a more effective way to reach someone. Text messaging is not limited to just a mobile device; it can be integrated into e-mail notifications and various other standard desktop tools.
3. **Voice over IP and video chat** can create a sense of community among a virtual team and are a low-cost alternative to international calling plans, from high-tech innovative virtual conference rooms offered by Cisco Systems to mainstream readily available products such as Skype or GoogleTalk.
4. **World clock.** The greatest obstacle to a global virtual workforce is finding the time to meet without forcing anyone to work unrealistic hours to participate. Several free programs offer the ability to review time zones and check availability, and this simple consideration can foster unity in the team and a sense of equal sacrifice and commitment.
5. **Dynamic project planning tools.** Microsoft Project continues to be the traditional tool for project management, but the market is moving to real-time dynamic project support tools. The new web 2.0 features word clouds, mind maps and context-based search, with options to share information by timeline, dependency, owner or goal. Applications such as MindJet and solutions by Matchware are easy to use and intuitive, leading to increased productivity.

processes, team members must also work together in real time. A variety of virtual teaming technologies are used to facilitate their interaction and collaboration. Web conferencing technology is used for synchronous and asynchronous communications. Team members who cannot make a conference call can listen to and view a recording of an earlier session when they are available. Team members can also track problems online and address issues while working in their respective time zones. This technology helps span time zones and allows seamless work efforts.

Virtual Meetings, Management and Team Building

Motivation and engagement are among the top challenges for virtual teams. Building the sense of team makes all the difference to establish rapport and trust, encourage creativity and innovation, and accomplish the mission and goals of the team. Managers need to find ways to provide public forums for recognition, avenues to share ideas, take advantage of training and development opportunities to strengthen the team, and celebrate the achievements of both individuals and the team. The following three real-life stories portray examples of solutions to motivation and engagement challenges.

Recognition²

A senior manager at a high-tech company was discouraged to provide recognition for his distance sales group, which

had recently moved into a virtual organization environment. The manager was finding it difficult to offer praise and recognition in a public forum, where salespeople tend to thrive. Prior to the company transitioning these employees to home offices, the manager had brought the sales team together on a regular basis, where they could stand up and be recognized for their accomplishments. While the sales goals were monitored on a monthly basis, the manager was finding it more difficult to maintain momentum without the face-to-face monthly meetings, despite energy-producing events such as the team signing a company for a significant contract or a new product being launched in the marketplace. The manager went to the HR director to ask for recommendations. As a result, the company chose to invest in web-conferencing and

videoconferencing as tools to better motivate company teams (sales included) and create better real-time opportunities for recognition.

Virtual Training Can Be Effective and Fun

The Inspection Division of Manheim, the world's leading provider of vehicle remarketing services, recently won the bronze award from Brandon Hall Research Excellence in Learning for its use of simulation/gaming in a learning program. The division launched a state-of-the-art online training program for its 1,300 highly technical vehicle inspectors, who were accustomed to in-person/hands-on training. Due to its significant growth, the company had to shift to virtual learning, and the change was initially met with apprehension. As it turned out, the combination of interactive games, video

EIGHT IDEAS TO CELEBRATE FROM A DISTANCE

1. Celebrate both individual and team accomplishments.
2. Celebrate the mileposts, not just getting to the goal.
3. Hold an annual or semiannual achievement review event.
4. Respect team member preferences on how to celebrate.
5. Acknowledge personal milestones, such as birthdays, weddings, birth of children, anniversaries of tenure in the company, educational accomplishments, community service, etc.
6. Present e-gift certificates to the team. Leaders can bring these to on-site visits.
7. Invest in "portable parties"—send party kits (such as party hats, horns, party favors, confetti) to each member and celebrate via tele- or video-conferencing.
8. Create a location on the company intranet to post best practices and learnings.

Source: Adapted from Fisher, K., & Fisher, D. (2001). *The distance manager: A hands-on guide to managing off-site employees and virtual teams*. New York: McGraw-Hill.

Figure 3 | Tips for Effective Virtual Meetings and Management

| |
|--|
| Prepare and distribute agendas in advance; ensure agendas reflect input requested from participants. |
| Initiate meetings with “roll call” of all participants; review agenda, meeting objectives and timeframe. |
| Identify the key roles of facilitator and scribe. |
| Position participants in locations “free” of distractions or background noise. |
| Promote climate of collaboration and inclusion; encourage every attendee to participate and express his or her view. |
| Encourage participants to effectively use available technology. |
| Conduct meeting evaluation at the close of the session. |
| Establish expectation for distribution of the meeting minutes. |
| Establish “next steps” and make follow-up assignments. |

Source: SHRM interview with Global Dynamics, Inc. (www.global-dynamics.com)

SHRM's *Future Insights* report identifies a number of key trends in today's workplace. One trend points to working virtually: The need for global organizations to work virtually across functions and geographies increases and intensifies, with implications for intercultural communication, business ethics and organizational effectiveness. A new approach is needed to develop global workforce cultures, with better understanding of transnational teams, online collaboration, globalization and business process transformation.

and commentary were very well received. The company's national trainers reached out to the inspectors for their feedback, answered their questions and made it as easy as possible. Personal follow-up took the fear out of the new approach, and now inspectors throughout the organization routinely use this award-winning program.

The Virtual Office and Employee Engagement³

At the company headquarters, there was a growing need to consolidate office space to save costs. As a pilot, one of the regional teams began to work from home offices. Although the real estate savings from eliminating office space were significant, the team's manager found that team engagement levels decreased, as did productivity, due to the lack of informal interaction, essential for sharing and generating ideas. The company ended up putting back some of the office space, using a “hotelling”

concept, with networked office space available on a first come, first served basis. This change allowed for monthly face-to-face meetings, promoted an increased sense of team and was cost-effective for other teams as well, as additional employee groups began to work virtually.

Global Virtual Teams

A commonly quoted advantage of global virtual teams is the ability of an organization to leverage competencies and skills from all parts of the world. These teams are seen as having the capability to solve very complex problems and open up possibilities for substantial process creativity and innovative solutions. Global virtual teams are typically assigned to projects aligned with an organization's strategic goals and may be short term (less than 12 months) or long term. They offer additional advantages to remain competitive, such as using synergies, providing cost savings (e.g., travel), enhancing knowledge transfer and enabling access to low-wage resources through globalization.⁴

Leaders of global virtual teams deal with different dynamics than those of a traditional team, including different styles/work etiquette and different cultural viewpoints. Time can be a challenge (working either synchronously/“real time” or asynchronously/accessed any time, such as e-mail), as can culture and language (English may be the second or third language for some members, with cultural context communication in meaning or translation of documents), and humor (best to avoid online humor, as it does not translate well in e-mail).⁵

Working with clients in the transition to a virtual organization, Schieman, of Global Dynamics, Inc., has found that a model for effective multicultural virtual team should demonstrate the following characteristics: 1) successful team performance exceeds the sum of the individual performance and contribution; 2) team style is established by all team members and leverages the cultural diversity of the group; 3) accountability exists at both the individual and entire team level;

and 4) reward and recognition are based on the success of the entire team, consistent with cultural norms. The following examples illustrate some of these points.

Understanding Cultural Differences

Two high-level information technology virtual teams were formed, each with members from the United States, India, Japan, Brazil and Germany. Both team leaders were American. Each team was tasked with the design and development of a web-based business application, which had to be available for use within six months. The first team leader created a team charter without any understanding of cultural values and without involving team members in the creation of the charter. The leader decided that iterative, prototype development would be the best approach and that he would empower all team mem-

bers. He assigned that function to team members from Japan and India. Establishing milestones and maintaining schedules was critical on the project since the development life cycle was only six months. This project experienced numerous false starts and delays and failed to deliver on time.

bers of her team, participated in a cross-cultural awareness training program. She decided, similar to the first team leader, that prototyping was a good approach. She met with her team members, discussed her thoughts and asked for feedback and suggestions. The Japanese and Indian team members stated they would be more comfortable with final specifications. The U.S. team members volunteered to do the prototyping. The Japanese and Indian members agreed to develop the final product based on the completed prototype. The Brazilian member volunteered to evaluate the “ease of use” capabilities of the design. The team leader asked each person to provide his or her milestones, time schedules and interdependencies with one another. She and the German team member agreed that he would create and manage the final project plan. This team leader devel-

oped an understanding of the strengths each individual and culture contributed to the team and leveraged those characteristics while creating an inclusive working environment. The project was delivered on time, within budget and was well received.

In Closing

Whether in a domestic or global virtual work environment, today’s virtual workplace is rapidly changing as new technologies are introduced. HR should take a leadership role to support its organization to remain competitive in an increasingly virtual marketplace. No doubt, within months of the publication of this report, there will be new technologies to support the virtual worker and offer better opportunities for collaboration and productivity. HR and team leaders need to ensure that all staff understand the various technologies that will make the most effective use of time and resources but will also support people, communication and achievement of the business goals.

Endnotes

- ¹ O’Neill, T. A., Lewis, R. J., & Hambley, L. A. (2008). Leading virtual teams – potential problems and simple solutions. In J. Nemiro, M. Beyerlein, L. Bradley, & S. Beyerlein (Eds.), *The handbook of high-performance virtual teams: A toolkit for collaborating across boundaries* (pp. 59-83). San Francisco: Jossey-Bass.
- ² Fisher, K., & Fisher, D. (2001). *The distance manager: A hands-on guide to managing off-site employees and virtual teams*. New York: McGraw-Hill.
- ³ Ibid.
- ⁴ Lockwood, N. R. (2004, August). *SHRM Briefly Stated: Team series part III: Global virtual teams*. Retrieved from www.shrm.org.
- ⁵ Ibid.

Motivation and engagement are among the top challenges for virtual teams.

bers. He assigned that function to team members from Japan and India. Establishing milestones and maintaining schedules was critical on the project since the development life cycle was only six months. This project experienced numerous false starts and delays and failed to deliver on time.

The second team leader, recognizing that she did not fully understand cultural differences as they related to the strength

of her team, participated in a cross-cultural awareness training program. She decided, similar to the first team leader, that prototyping was a good approach. She met with her team members, discussed her thoughts and asked for feedback and suggestions. The Japanese and Indian team members stated they would be more comfortable with final specifications. The U.S. team members volunteered to do the prototyping. The Japanese and Indian members agreed to develop the final product based on the completed prototype. The Brazilian member volunteered to evaluate the “ease of use” capabilities of the design. The team leader asked each person to provide his or her milestones, time schedules and interdependencies with one another. She and the German team member agreed that he would create and manage the final project plan. This team leader devel-

oped an understanding of the strengths each individual and culture contributed to the team and leveraged those characteristics while creating an inclusive working environment. The project was delivered on time, within budget and was well received.

Finally, solid experience in conflict resolution is recommended to successfully manage and address the complex dynamics of a global virtual team. (For further reading, see the *SHRM*

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ABOUT SHRM

The Society for Human Resource Management (SHRM) is the world's largest association devoted to human resource management. Representing more than 250,000 members in over 140 countries, the Society serves the needs of HR professionals and advances the interests of the HR profession. Founded in 1948, SHRM has more than 575 affiliated chapters within the United States and subsidiary offices in China and India. Visit SHRM Online at www.shrm.org.

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