Managing Culturally Diverse, Virtual Teams

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Abstract

The rise in the use of culturally diverse, virtual teams in business has resulted in unique challenges for managers attempting to lead these teams. This study includes a review of sources published within the last ten years. The purpose of the study is to uncover potential challenges that managers who lead culturally diverse, virtual teams may face as well as highlight best practices they can employ and help foster to address the challenges.

*Keywords:* cultural diversity, global teams, virtual teams, managing virtual teams, virtual communication, virtual trust, dispersed teams, online social ties.
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Introduction to the Annotated Bibliography

Multinational organizations that span the globe are commonplace (Fisher & Fisher, 2011). There is a steady rise in the number of teams that are spread across the globe as employees find themselves organized into virtual teams, and knowledge sharing among these teams is key to the success of these teams (Lin, 2010). For the purposes of this study, virtual teams are defined as teams where at least one member is remote from the others (Pullan & Prokopi, 2016). The vast majority of employees are likely to find themselves placed on a virtual team at some point in their careers; a recent survey showed that 85% of employees across eighty countries and 1,372 businesses had found themselves placed on a virtual team (Alaiad, Alnsour, & Alsharo, 2019).

The emergence of new technology facilitates collaboration and communication for global teams (Fisher & Fisher, 2011). The increased access to new technology that allows companies to leverage teams from locations where specialists or cheaper labor exist contributes to the increase in virtual teams around the world (Fisher & Fisher, 2011). Common tools to facilitate collaboration and communication among globally distributed team members include conference calls, video calls, file sharing applications, emails, remote white boards, and even social networking sites (Fisher & Fisher, 2011).

Organizations employ global teams for a variety of reasons and realize many benefits, including increased creativity and job satisfaction for employees on these teams (Han & Beyerlein, 2016). Shachaf (2008) asserts that multi-cultural, virtual teams can also reduce groupthink, a term that Yale University social scientist Irving L. Janis originally coined in 1972, noting “a group of highly intelligent people working together to solve a problem can sometimes arrive at the worst possible answer” (Silver, 2014, p. xiv). In addition, multi-cultural, virtual teams can increase overall efficiency due to the ability of the team to find unique and varied
solutions to problems, whereas groups comprised of people from a similar background tend to have less varied and successful solutions (Shachaf, 2008). For the purposes of this study, culturally diverse, virtual teams are defined as "geographically and culturally diverse groups that have minimal face-to-face contact, communicate through electronic media, and whose members work across temporal and spatial boundaries to coordinate their activities toward the attainment of common goals" (Mockaitis, Rose, & Zettinig, 2012, p. 194).

While there are benefits to employing global teams, these teams also face challenges in collaboration and information sharing (Fisher & Fisher, 2011). Common issues in these areas include time zone differences, different native languages among team members, and cultural diversity among team members that results in barriers to communication (Fisher & Fisher, 2011). Differences arise not only because team members are not collocated, but also because people in different locations have differences that impact the ability of team members to effectively accomplish goals (Fisher & Fisher, 2011).

**Statement of the Problem**

While diversity is valued at many companies (O’Neill, 2016), leaders of diverse, globally-located teams face unique challenges that may not have been evident when all of the employees on a team came from similar backgrounds and locations (Han & Beyerlein, 2016). Culturally diverse teams often suffer from trust issues and general integration issues, as well as confusion and conflict due to communication issues (Shachaf, 2008). Issues with globally-distributed teams include lower levels of social integration and trust among team members, which can lead to conflict among team members (Han & Beyerlein, 2016). The full impact of the cultural differences and behavior among team members from different cultural backgrounds can be difficult to understand (Han & Beyerlein, 2016). Further, virtual teams suffer from unique
challenges that can inhibit trust, such as lack of eye contact due to the virtual nature of the communication channels (Lapidot-Lefler, & Barak, 2012).

To overcome these challenges, organizations can adopt processes that are designed to facilitate communication and collaboration among culturally diverse, remote teams (Fisher & Fisher 2011). The focus of this study is the identification of best practices organizations can employ to foster effective communication and collaboration among diverse, global teams and the proper application of these best practices.

**Purpose of the Study**

The purpose of this qualitative study is to provide literature that identifies and describes best practices that organizations can utilize to increase collaboration and improve communication among culturally diverse, virtual teams. Specific literature sources are presented that describe challenges with and best practices in managing multicultural, remote teams. The design of the study is a literature review. The method of inquiry was the collection, sorting, review, annotation, and analysis of selected research articles.

**Research Question**

What are best practices that managers can use to foster effective communication and collaboration among diverse, multicultural, virtual teams?

**Intended Audience**

The intended audience for this study is anyone who is working on or with culturally diverse, virtual teams, with a specific focus on people tasked to manage these teams. Specific individuals who can benefit from this study include project and people managers who work for multinational organizations where globally dispersed teams are utilized; these individuals are responsible for ensuring that communication and collaboration on culturally diverse, virtual teams are effective and supported.
Search Report

**Search strategy.** My main search engine was the University of Oregon (UO) Libraries’ LibrarySearch tool. I focused on the Academic Search Premier database due to the number and quality of the articles. The ability to limit the date of publication in order to ensure the timeliness and availability of the text helped to narrow the search results to those that were most appropriate for my study. This allowed me to access peer reviewed studies that are academically relevant. I also reviewed a few of the previously submitted Applied Information Management Capstone papers that were hosted on the University of Oregon Scholars’ Bank; I focused on papers that had similar focus areas to my own in order to mine their lists of references.

I used Google and other general search engines only when attempting to locate full text of specific articles when the full text was not available in Academic Search Premier.

The main hinderance I encountered was sorting through the plethora of articles to find those that were relevant to the topic and selecting the best sources of those available.

**Key terms.** The key terms that I used in my searches are listed below:

- Collocated teams,
- Cultural diversity,
- Global teams,
- Virtual Teams,
- Managing Teams,
- Managing Virtual Teams,
- Virtual Communication,
- Virtual Trust,
- Dispersed Teams, and
- Online Social Ties.
Search engines and databases. The University of Oregon Libraries LibrarySearch was the primary search engine I used throughout my research. There are a few articles and books that I used that were required reading in other classes for the UO Applied Information Management program. I used the following University of Oregon Libraries’ databases:

- Academic Search Premier,
- Academic OneFile, and
- LibrarySearch.

Documentation approach. I documented and saved references onto my Google Cloud account in order to ensure I could access them at any time. I saved files under the name of the article. I used a Microsoft Word document to track the article, sorting them into the two categories of challenges or best practices, and made notes in the document, which enabled me to easily use the search function to locate key words and identify which source to refer to for data or citations.

Reference Evaluation Criteria

I evaluated references using the five characteristics described in the Evaluating Information Sources guide by the University of Florida’s Center for Public Issues Education (CPIE) (2014).

- Authority: I limited research articles to peer-reviewed articles found in scholarly journals, books from authors regarded as experts in their fields, or organizations where the authors were considered experts.

- Timeliness: As cultural diversity and virtual teams have been subjects of study for a number of years, and some best practices have been established several years ago, I
considered resources published within the last fifteen years. This timeframe kept the research current while still allowing inputs from some of the earlier studies.

- **Quality:** I collected works that do not contain any errors in grammar, spelling, and punctuation.

- **Relevancy:** I selected works that related to one or more of the topics of this study, namely challenges with multicultural, remote teams and best practices in managing multicultural, remote teams.

- **[Lack of] Bias:** I selected sources from peer-reviewed, scholarly journals; government agency sources; or books published by established authorities. I excluded sources from vendors or those seeking to sell products and/or services.
Introduction

The following Annotated Bibliography presents fifteen references that focus on culturally diverse virtual teams, the challenges they face, and the best practices for successful teams. These references can assist anyone leading a culturally diverse virtual team understand the challenges and best practices of a globally diverse virtual team. They are divided into two categories: (a) challenges with multicultural, remote teams and (b) best practices in managing multicultural, remote teams.

Each annotation consists of three elements: (a) the full bibliographic citation, (b) an abstract, and (c) a summary. The abstracts included are complete as published. The summaries provided highlight the challenges that culturally diverse virtual teams face, and the best practices of successful culturally diverse virtual teams.

Challenges with Multicultural, Remote Teams


Abstract. Business competition, globalization, increasing opportunities presented by information and communication technology, the increased number of remote workers, and the emergence of computer-mediated groups have propelled the use, deployment, and growth of virtual teams in the past decade. A recent survey of 1,372 business respondents from 80 countries found that 85% of the respondents worked on virtual teams. The increasingly important role of virtual teams in organizations has spurred a parallel growth in research examining various aspects and challenges of these teams. Research goal: This paper reports on a systematic
examination of the literature on virtual teams through which we provide a thorough review, analysis, and synthesis of research published in the past 10 years. Methodology: We follow the systematic literature review methodology proposed by Ramey and Rao to examine theories, research problems, research focuses, research methodologies, and major findings of 149 related studies on virtual teams published between 2007 and 2018. Results and conclusions: By using thematic analysis, we develop a research taxonomy that summarizes the main themes of existing research in the field; we develop a research model of independent, dependent, and moderator constructs that the existing research has examined; we identify the major limitations, unresolved issues, and gaps of existing research; and we suggest opportunities and directions to guide future research by proposing a set of research questions that remain unanswered. The research offers several theoretical and practical implications for scholars, remote workers, knowledge engineers, technology developers and designers, and professionals working in virtual settings.

Summary. The authors performed a literature review of 149 studies in order to answer three research questions:

- **RQ1.** What are the main themes and topics of current research on virtual teams? Which topics have been extensively studied and which have been understudied?
- **RQ2.** What are the main constructs that have been examined by current research on virtual teams? What are the measurements for each construct?
- **RQ3.** What are the gaps in the existing research and future research directions? (p. 212)

The authors identified 14 research themes from their analysis of the 149 studies; key themes include social interaction; training; leadership; and trust, defined as a state involving confident, positive expectations about another’s motives with respect to oneself in situations entailing risk. The authors provided key observations within each research theme; for example,
within the theme of social interaction the authors note that virtual team members face large challenges in establishing social relationships with other team members due to a lack of face-to-face communication and reliance on technology to facilitate communication and collaboration. Within the theme of training the authors note that untrained teams often have more conflict than trained teams. For the theme of leadership the authors highlight that team leaders need to manage conflict in virtual teams but that this is made more challenging as it is harder to build and maintain trust among virtual team members. Finally, for the theme of trust the authors note that once trust is built, the teams experience enhanced cooperation, coordination and control.

This article is relevant to my study because it offers an overview of various studies on virtual teams and provides examples of challenges that virtual teams face.


Abstract. Virtual matrix-managed teams with geographically dispersed members are becoming increasingly common in the high-tech sector. These teams, referred to as global virtual teams (GVTs), are generally described as culturally diverse, geographically dispersed, electronically communicating workgroups. They rapidly form, change, and dissolve due to dynamic changes in the market. In addition, most GVTs today have team members spread among several projects with competing priorities. Communication breakdown can wreak havoc on a project as team members struggle to effectively communicate and work with one another. As a result, project delivery risks with distributed teams tend to be greater when compared to co-located teams. To address this critical issue, this study investigates the types of factors that significantly contribute to communication breakdown by identifying five distinct areas through a series of interviews with project team members in high-tech companies. These areas are trust,
interpersonal relations, cultural differences, leadership and technology. These criteria are analyzed using mathematical Decision Models taking expert opinions from professionals who worked in GVTs.

**Summary.** The authors conducted a study to understand the factors that are most commonly responsible for communication breakdown in global virtual teams (GVTs). The authors began by interviewing employees at Intel Corporation who worked on global virtual teams to better understand the issues faced by GVT members. The authors then conducted a literature review to establish the main issues that can cause communication breakdowns for GVTs. The authors found the following factors are most impactful in terms of causing communication breakdowns: cultural differences, negative interpersonal relations, ineffective leadership, insufficient technology, and lack of trust.

The authors found that older teambuilding methods are still valid to avoid communication breakdown in GVTs; however, they note that there are many more facets to teambuilding with a virtual team. The authors highlight that the biggest struggle is cross functional communication, which is characterized by group members having different specialties, knowledge bases, reasoning abilities or motivations.

The authors provide recommendations and best practices for avoiding and addressing communication breakdown in GVTs, including adopting the company culture to create a shared culture, which helps improve team communication. Another best practice is setting up protocols for communication, such as how quickly the recipient of an email is expected to respond, how and when the sender can be reached, and steps to take if the recipient does not understand the communication. Strong leadership is vital for successful GVTs, characterized by leaders who generate discussion among team members, foster consensus, model group norms, provide
coaching, acknowledge difficulties with distance and virtual communication, provide concrete expectations and goals, and reward performance.

The authors also define a best practice related to the selection of and use of technology. The authors assert that managers of GVTs must not only select the right technology for the product the team is producing and for the individual team dynamics, but must also define how the technology should be used by the team to collaborate. The authors list social networking tools including blogs, wikis, video-on-demand, and discussion forums as team tools that promote productive and efficient corporate cultures.

The final best practice the authors note is building trust among team members. While the authors found contradictory recommendations in the literature of how and whether trust can be effectively developed in GVTs, they did note research supporting the finding that social communication and communication of enthusiasm early in a group setting promote trust at the beginning of a project, while the maintenance of trust is fostered by predictable communication and timely, detailed responses. The authors recommend having clearly defined roles, and that leaders be both trustworthy and have frequent, substantive and timely responses to others. Also, team members and leadership work towards team goals with enthusiasm can also help increase trust among team members.

This source is relevant for my study because it identifies causes of communication breakdown in global virtual teams, offers solutions for how to address communication breakdown in these teams, and suggests best practices for how to avoid communication breakdown when managing a culturally diverse, virtual team.

Abstract. Globalization of the economy and the technological revolution has led to increased reliance on teams with geographically distributed membership, which has increased multiculturalism in the workplace. This study identifies factors that affect the processes and performance of nationally and culturally diverse teams working in a virtual environment. A systematic review of the literature was conducted to identify previous empirical studies in global virtual team research published from 1998 to 2014, focusing on the effects of deep diversity in the form of national culture on multinational virtual teams (MNVTs). Sixty of the 268 articles met our criteria for inclusion in this study. We concentrated on the critical factors regarding processes and outcomes in MNVTs. The resulting framework included four socioemotional and four task-related challenges for team leaders to focus on. We found that dynamic interdependency among socioemotional and task process factors affects MNVT performance.

Summary. The authors focus on culturally diverse teams and the processes affecting them. Cultural diversity can affect both task-orientated and socioemotional processes, which then impact overall performance. The authors define task-oriented processes as occurring among team members working to accomplish a task or goal, such as communication and coordination; and socioemotional processes as occurring among team members as they focus on team cohesion, trust, affect, and social integration.

The authors examined sixty studies on diverse virtual teams; from this research, they identified critical factors to create an efficient team. These process factors included the following task-orientated processes: task-related communicating, or effective communication related to task completion; coordinating communications, or deciding what tools to use to communicate and overcome issues related to scheduling communications; establishing expectations; and effective knowledge sharing. The socioemotional process factors include overcoming biases; building relationships; developing trust; and intercultural learning, such as
sharing learnings about the cultures of the team members. Examples of these challenges include the fact that poor communication can magnify task conflict and issues, coordination can be difficult due to communication issues, and unclear roles and cultural issues that hinder team performance. Another major challenge is deciding which technologies to use when communicating among team members; the authors note that different team members may have different levels of comfort with various programs.

This source is relevant for my study because it highlights many of the challenges that MNVTs face related to cultural diversity.


Abstract. The present research studied the impact of three typical online communication factors on inducing the toxic online disinhibition effect: anonymity, invisibility, and lack of eye-contact. Using an experimental design with 142 participants, we examined the extent to which these factors lead to flaming behaviors, the typical products of online disinhibition. Random pairs of participants were presented with a dilemma for discussion and a common solution through online chat. The effects were measured using participants’ self-reports, expert judges’ ratings of chat transcripts, and textual analyses of participants’ conversations. A 2×2×2 (anonymity/non-anonymity×visibility/invisibility×eye-contact/lack of eye-contact) MANOVA was employed to analyze the findings. The results suggested that of the three independent variables, lack of eye-contact was the chief contributor to the negative effects of online disinhibition. Consequently, it appears that previous studies might have defined the concept of anonymity too broadly by not addressing other online communication factors, especially lack of eye-contact, that impact disinhibition. The findings are explained in the context of an online
sense of unidentifiability, which apparently requires a more refined view of the components that create a personal sense of anonymity.

**Summary.** This study focused on the online disinhibition effect, defined as a lowering of behavioral inhibitions in the online environment. The authors note that a sense of anonymity, invisibility, and lack of eye contact can all contribute to this effect. This study included 142 Israeli students of both genders who were given a dilemma to debate via an online chat. The variables that the researchers changed were anonymity, visibility, and eye contact. Differing camera positions controlled for visibility versus eye contact. Participants self-reported via a questionnaire after the experiment on the general atmosphere of their online chats. The researchers found that eye contact played a major role in lowering online hostility, although the other factors were also impactful.

This source is relevant for my study because many virtual teams begin their interactions solely based on virtual communications such as instant messaging and email. The results of the study indicate that people often come across differently in these virtual exchanges than they do when speaking on the phone or meeting someone in person. The study helps to highlight some of the potential causes of the issues related to the online disinhibition effect. It is important for a manager of a virtual team to understand these potential hazards and how to circumvent them by providing opportunities for virtual teams to make eye contact or speak on the phone.


**Abstract.** Despite the importance of leadership and the wealth of empirical studies focused on leadership effectiveness in traditional and computer-supported groups, there is little
research examining leadership dynamics in partially distributed virtual teams (PDTs). Virtual teams are partially distributed when they are configured with one or more subgroups of colocated members and isolated members. This paper lays the groundwork for an in-depth study of leadership in PDTs that can be extended to other types of virtual team configurations. Using three dimensions of virtual distance geographic, cultural and temporal), we analyze how the configuration of virtual teams interacts with leadership dynamics. We also summarize the results of an exploratory study using 12 student teams to examine the effects of distance and configuration on leadership in PDTs. Findings show significant differences in leadership dynamics (i.e., leader emergence vs. leader retention) which impacted team performance. From these results, we develop propositions on leadership and PDTs.

**Summary.** This study focused on leadership issues related to distance and configuration that can arise in partially distributed teams (PDTs). The authors collected data from a small sample of students who were placed into eight different teams and located in different sites; data was in the form of participant reflections and team performance as assessed by a project sponsor. The authors found that the number of team member sites per team did not impact the responses, but the number of members per site, as well as the site location of the leader, did have impacts on team performance. Teams where the highest number of people collocated did better if the leader was also collocated with them. When the leader was physically at another site away from the majority of the team members, performance was down, and in some cases, a new leader arose from the site with the highest concentration of collocated team members. Also, temporal distance negatively impacted the team’s ability to communicate in real time, which resulted in a slower pace for collaboration and decreased productivity.

This source is relevant for my study it speaks specifically to the challenges of partially distributed teams, which are often not addressed by other studies.
Abstract. Modern organizations face many significant challenges because of turbulent environments and a competitive global economy. Among these challenges are the use of information and communication technology (ICT), a multicultural workforce, and organizational designs that involve global virtual teams. Ad hoc teams create both opportunities and challenges for organizations and many organizations are trying to understand how the virtual environment affects team effectiveness. Our exploratory study focused on the effects of cultural diversity and ICT on team effectiveness. Interviews with 41 team members from nine countries employed by a Fortune 500 corporation were analyzed. Results suggested that cultural diversity had a positive influence on decision-making and a negative influence on communication. ICT mitigated the negative impact on intercultural communication and supported the positive impact on decision making. Effective technologies for intercultural communication included e-mail, teleconferencing combined with e-Meetings, and team rooms. Cultural diversity influenced selection of the communication media.

Summary. The author conducted this study over a nine-month period, interviewing 41 members of global virtual teams (GVT) across nine countries. The study identified both negative and positive effects of the impact of cultural diversity on global virtual teams. The cultural diversity resulted in miscommunication, which can negatively impact trust, cohesion, and team identity. Additionally, when two GVT members were faced with a language barrier, this tended to cause frustration related to the accuracy and speed of information transference. Further, the way that different cultures approach time was also a cause for conflict in this study, as polychronic and monochronic cultures scheduled meetings together. While the members
found the diverse skills and knowledge available to them due to the cultural diversity to be valuable, most team members focused on the conflicts in interviews instead of the benefits.

The GVT members employed information and communication technology in order to communicate with their teams. Global virtual team members in this study used email as the main source of communication. The research indicated that communicating via text helped to smooth over the translation and frustration over body language differences or slow speech due to communicating in a non-native language. Teleconferencing using only audio was frustrating to end users; respondents indicated that email, chat, or video conferencing was preferred. The study results also highlighted that a team room, basically a virtual space for the team to use to collaborate, helped build team cohesion.

This article is relevant to my study because it highlights some of the major challenges with GVT, as well as the fact that members of GVT seemed to focus more on the negative aspects of cultural diversity than the positive aspects when interviewed. The study results also showed that the proper use of technology can mitigate some of the frustrations caused by cultural diversity. Further, the author provided a relevant recommendation about creating a virtual space for a GVT to communicate.


**Abstract.** This study examines the different mechanisms of online social ties underlying individual knowledge sharing through comparative perspectives of collocated vs geographically dispersed teams. By integrating social capital theory and social cognitive theory, this study develops a theoretical model that predicts individual knowledge sharing. Next, the study uses social network analysis to empirically test the proposed model using 186 participants: 84 on
collocated teams and 102 on dispersed teams. The results indicate that the frequency of online interaction does not affect knowledge sharing in collocated teams, while it plays a critical role in stimulating motivational factors that affect knowledge sharing of dispersed teams. On the other hand, centrality of online interaction positively influences trust of collocated teams and norms of reciprocity of dispersed teams. Based on these findings, this study suggests users should manage online social ties as carefully as offline social ties to facilitate knowledge sharing in work groups.

**Summary.** The authors conducted a study of five global consulting firms in Korea via surveys which were used to compare the perception of the relationships between members of collocated and geographically dispersed teams. Their study focuses on social ties, specifically centrality and frequency, and how social ties impact knowledge sharing across teams. The authors highlight the effect that having a social network can have on geographically dispersed teams versus collocated teams.

The results of the authors’ study indicate that having online social interactions between geographically dispersed teams can offer advantages to the teams, including increased trust and knowledge sharing. The authors built a framework to link knowledge management to online social ties and found that perceptions based on online profiles can influence the way that members chose to engage in knowledge sharing.

The authors found that one of the biggest challenges in a dispersed team is building socioemotional bonds, outlined as ties that provide friendship and social support. The authors offer three best practices to encourage the establishment of socioemotional bonds among dispersed team members: “(1) design and develop communal communication systems that can support social networking in online spaces; (2) facilitate the frequency of socio-emotional contacts of group members in online spaces; and (3) increase the level of generalized norms of reciprocity that mediate trust and knowledge sharing” (p. 459).
This article is relevant to my study because it identifies challenges dispersed team members face in establishing social ties and provides key best practices in creating these ties in geographically dispersed teams that can encourage knowledge sharing and trust. The authors also provide recommendations for managers to implement strategies to encourage socioemotional bonds among globally diverse, cross cultural teams.
Best Practices in Managing Multicultural, Remote Teams


**Abstract.** Social media has changed the way many team members “meet” for the first time. Due to the increased use of virtual environments, it is now common for team members to examine each other’s profile on a firm’s enterprise social networking site (ESNS) in lieu of an initial face-to-face meeting. This study examines how the information provided in an ESNS impacts impression formation at the initial formation of a virtual team, specifically perceptions of social capital (i.e., relational, structural, and cognitive). To examine social capital perceptions, the elaboration likelihood model (ELM) is utilized to understand how not only information impacts these perceptions but the way in which the user processes information to form the perceptions. Toulmin’s model of argumentation is used in conjunction with ELM to understand the strength of the argument presented. Results suggest that users evaluate ESNS information differently depending on the type of processing (heuristic or systematic) and that these social capital perceptions influence preferences for different team members.

**Summary.** The authors focus on social capital, defined as resources, both actual and potential, derived through an individual’s network of relationships. The authors note that social capital can be leveraged to accomplish tasks in a virtual team. The authors were specifically interested in learning how individuals form impressions of team members by viewing the team members’ enterprise social networking sites (ESNSs) at the formation of a virtual team.

The authors conducted the study using undergraduates from a business course at a state university. The researchers asked for participants to look at fictitious team member ESNS profiles and answer questions about the social capital of each profile. The authors found that the
information presented in profiles influences the end user’s perception of social capital. This perception than influenced the students to choose team members that they perceived to have more social capital. The authors found that attitudes formed via an initial virtual interaction can be stronger than those formed during a short, in-person interaction with a person. The results of the study demonstrate how social network profiles can influence the perception of individuals. For example, the authors found that virtual first impressions were improved when a potential team member listed details for past projects but were unaffected when other colleagues posted recommendations for this team member.

This source is relevant for my study because it specifically addresses the challenges virtual team members face in making first impressions when the first impression is made through a social networking profile rather than a face-to-face meeting. The researchers focused on a social networking site internal to the company in the study and examined how this type of site can be leveraged to help build social bonds among culturally diverse virtual teams.


Book Inside Cover. Globalization and new technologies have made team collaboration from distant geographical locations—on the road, from home or client sites, even on the other side of the globe—a routine part of business. Managing these teams requires new skills and sensitivities to maximize team and organizational performance.

Emphasizing pragmatism over theory and offering helpful tips instead of vague observations, Manager’s Guide to Virtual Teams helps you bridge the communication gaps created by geographical separation and get peak performance from employees you rarely see. You will learn how to:

- Keep team members in remote locations motivated and involved
Coach for peak performance via e-mail, telephone, teleconference, and videoconference

Help widely scattered team members understand their contribution to the business

Build consensus for decisions among virtual team members

Learn effective communication and feedback techniques for enhancing team performance

**Summary.** The authors cover cultural struggles faced by geographically dispersed virtual teams, including the building of stereotypes and generalizations of team members, and challenges with interpersonal communications, which can be hampered by distance. The authors share recommendations to address cultural struggles, including highlighting how important it is to be aware of these differences in order to work through them. Some of the main cultural differences the authors identify that global team members need to comprehend and address include understanding different team members’ conceptions of timeliness, communication styles, preferences for personal space, management perceptions of how work should be performed, and use of the body to make physical gestures. For example, the authors note that people in some cultures tend to be less strict about arriving on time to meetings than their US counterparts. As a result, US counterparts find themselves frustrated, and because in the other culture the behavior is acceptable, the person who is late may not understand the frustrations. The authors also identify that some cultures sit close together, with little space between employees, while others have a larger personal bubble, which causes confusion among team members.

The authors also describe distance issues with virtual teams, including differing time zones and challenges with building relationships with team members who are physically removed. The authors share recommendations to address distance issues, including the use of technology such as video conferencing, email, and internet-based collaboration tools to build interpersonal relationships. The section on tools is out of date, but still has relevant information at a high level, including some of the recommendations to address specific challenges of video
conferencing to help build trust. The authors recommend employing mute when team members are not talking and remembering that you can be seen while on camera and therefore ensuring you have a good camera angle and refrain from activities you would not engage in if the other team members were in the room. Challenges with video conferencing that are still present include general technical difficulty, lack of privacy, and poor eye contact due to camera placement.

The authors highlight the seven competencies for effective virtual leaders, which are: leadership; results catalyst; facilitator; barrier buster; business analyzer, or the ability to manage businesses instead of functions or sites; coach and living example. The authors also highlight that virtual team members need their managers to provide coordination rather than control and they need to have accessibility to the manager despite the physical distance between them. Team members may chafe at control, but coordination is considered helpful.

This source is relevant for my study because the authors focus on and give specifics of how to be an effective manager of a culturally diverse virtual team.


**Abstract:** This paper investigates the perceptions of members of 43 culturally diverse global virtual teams, with respect to team processes and outcomes. Despite widespread acknowledgement of the challenges presented by cultural differences in the context of global teams, little is known about the effect of these differences on team dynamics in the absence of face-to-face interaction. Using a student-based sample, we study the relationship between global virtual team members’ individualistic and collectivistic orientations and their evaluations of trust, interdependence, communication and information sharing, and conflict during the team task. Our
results suggest that a collectivist orientation is associated with more favorable impressions regarding global virtual team processes and that cultural differences are not concealed by virtual means of communication.

**Summary.** The authors conducted a study using students to examine the effects of cultural differences in virtual teams. This study is focused on short-term teams, where the team members may not know each other at all before the formation of the team. The researchers used questionnaires filled out by team members that focused on relationship factors: trust, interdependence, communication and information sharing, and conflict. The results showed that team members who had stronger collectivist orientations, defined as individuals who identify with the groups in which they belong and give priority to group goals and rewards, had better outcomes than team members with more individualist orientations, defined as cultures where the individual identity is primary. The key recommendation from the authors is that working to increase trust among team members positively impacts the productivity of the team. One recommendation the authors offer to achieve this goal is to use a collectivist’s loyalty as a quick glue to build trust among short-term teams, which would help with future trust and team building among culturally diverse virtual teams.

This source is relevant for my study because it highlights one of the most important hurdles to culturally diverse virtual teams: establishing trust.

Abstract. Using a mixed-methods approach, we develop the concept of perceived proximity, which is created through communication, shared identity, and the symbolic aspects thereof. Building on previous theoretical work, we create and validate measures of perceived proximity. Then, we compare how perceived proximity and objective distance relate to relationship quality for collocated and geographically dispersed work colleagues. Our results show that perceived proximity (i.e., a cognitive and affective sense of relational closeness) and not physical proximity (i.e., geographic closeness measured in miles or kilometers) affects relationship quality in an international survey of more than 600 people and 1,300 dyadic work relationships. We also find that people’s perceptions of proximity mediate the effects of communication and identification on relationship quality. Using qualitative data (2,289 comments from 1,188 respondents coded into 9 themes), we explore the symbolic meaning of perceived proximity. We show how people can form strong bonds despite being separated by large distances and continue to shift the emphasis from information systems as “pipes” or channels to information systems as vehicles for conveying shared meaning and symbolic value. Our findings have important implications for scholars, managers, systems designers, and members of virtual teams, teleworkers, and other geographically dispersed contexts.

Summary. This study is focused on how the concept of perceived proximity, defined as a dyadic and asymmetric construct that reflects one person’s perception of how close or how far another person is, can impact virtual teams. The authors assert that perceived proximity can have nothing to do with the physical distance between people. The authors conducted a mixed methods study consisting of survey responses obtained from 676 respondents who had experiences with remote and collocated colleagues; the authors recruited the participants through an online forum that recruits and pays study participants. The authors sought to measure objective distance, communication and shared identity, perceived proximity, and relationship
quality. The authors examined an equal number of collocated work relationships and dispersed work relationships and found that through the use of technology, perceived proximity can outweigh objective proximity. Specifically, the authors assert that technology should be used to encourage and create frequent contact, as well as social contact, not strictly business contact.

This article is relevant to my study because it shows that people on virtual teams can develop relationship, build trust, and feel closer to their virtual counterparts than they might to others who are collocated. The challenge is finding the proper use of technology to ensure that this level of trust can be developed.


Abstract. The article discusses the question of how power is exercised in global virtual teams and how it can be used to effectively contribute to the development of trust. The insufficient attention given to power dynamics in the development of understanding with regard to virtual teams in the early 21st century is noted, mentioning that more should be done to explore the nature of power within virtual teams that are geographically distributed. The need for greater understanding with regard to computer-mediated interactions and the dynamics of virtual teams is also noted.

Summary. The authors interviewed members of 18 globally distributed teams in an IT Fortune 500 organization. The authors found that teams with high trust performed better than teams with low trust. High trust teams demonstrated three main factors: (a) “knowledge as power,” which was demonstrated by the fact that the power, or leadership, tended to rest with whomever was the expert; (b) power shifted among team members; and (c) the power differential among team members were minimized. The four factors that were prevalent in the teams with
low trust were: (a) power battles, (b) coercion, (c) misunderstandings, and (d) conflicts of interest.

The authors identified best practices to establish high trust teams, including establishing shared goals to create an overriding goal or vision that focuses on the success of the team as a whole. The authors cite an interviewee as sharing the practice of acknowledging who has the most relevant knowledge at the time a key decision must be made in order to facilitate making the best decisions. The authors also noted that facilitators can minimize destructive power differentials by helping the team build techniques early in a virtual project and promoting a shared understanding among team members; the authors cautioned however that the facilitator required skills in bringing team members together, encouraging the use of collaborative technologies, and developing shared understandings.

This source is relevant for my study because it clearly identified that trust among team members was a factor in the success of a global virtual team. It also identified three ways that power can be used to help build trust among teams and potential pitfalls that can lead to mistrust among global virtual teams. Finally, the source provides recommended best practices to establish trust among virtual team members.


**Abstract.** A project professional of today lives in an increasingly virtual world, resulting in the need to lead virtual projects. The dynamics of a remote team requires project managers to communicate with their teams differently. In this paper, we introduce the current situation and share best practices and practical strategies. These will help a project leader bridge the culture,
time and language barriers, and help to eliminate the distance across virtual teams, both teams within an organization, and those including freelancers and partners from different organizations.

**Summary.** This short article was written by authors with authority on the topic of leading virtual teams. The authors used results from 205 project members from culturally diverse locations to identify the perceived challenges when managing a virtual team. The biggest challenges the authors identified included missing out on the dynamics and nuances of face-to-face conversations, time zone differences, cultural differences, and building trust. Based on these key issues, the authors recommend methods for overcoming these challenges, including having leaders build individual connections with their team members, utilizing video conferencing in meetings whenever possible, and ensuring that time is being used efficiently in meetings.

This source is relevant for my study because it highlights the biggest challenges that are faced by culturally diverse virtual teams and provides recommendations to address these challenges.


**Abstract.** The effects of transactional and transformational leadership on groups in which people interact in a virtual manner were analyzed and specifically the level of satisfaction and perception of the style adopted were evaluated. Results indicated that a transformational style is more satisfying than a transactional style, and that a transformational leader is judged to be better than a transactional leader.

**Summary.** The author conducts a study to attempt to identify how followers perceive the styles of transactional leaders, defined as leaders who view the relationship between a leader and a follower as an exchange process based on a system of reward and punishment, and
transformational leaders, defined as leaders who base their leadership on four principals: idealized influence (or “charisma”), inspirational motivation, intellectual stimulation, and individualized consideration.

The author notes that other studies have found that transformational leadership has a better outcome in face-to-face teams. The author used sixty psychology students in the study, all in their early twenties, and placed them evenly into ten groups. Each group was given a task to accomplish and assigned a leader, alternating between transactional and transformational leadership. The author gathered data based on a questionnaire given to each student; the results confirmed that transformational leadership produced greater levels of satisfaction in virtual teams than transactional leadership. The authors noted that transformational leaders who were more charismatic, less focused on tasks and more focused on relationships, concerned about team development, and focused on the future were perceived by the study participants more positively in terms of intelligence, creativity, and originality. The authors found that the transactional leaders in the study were viewed as more authoritative, having stronger self-esteem, and more focused on the work of the team. Notably, the authors found that while both types of leaders were perceived as equally positive, participants felt a higher level of satisfaction with the transformational leaders.

This source is relevant for my study as it highlights the transformational leadership is effective in virtual teams, and that this type of leadership results in higher levels of satisfaction for virtual team members.

Abstract. As global economies and interactions increase, students face a developing need to obtain a variety of cross-cultural experiences. Traditionally they have obtained these experiences through study abroad programs and internships. With the advent of virtual technologies, global virtual teams have become a new opportunity for providing students with cross-cultural experiences. However, stakeholders (including students) need to be aware of their roles and responsibilities in such endeavors. This article discusses findings from a three-year study seeking to integrate global virtual teams into regular, physical classrooms. We discuss the roles and responsibilities of institutions, faculty, and students in this article.

Summary. The authors conducted a three-year study in which they integrated global virtual teams into an existing engineering course that previously included only students in a physical classroom. The authors placed students at a US university on a team with students from another university outside of the US. The focus of the study was on the student interactions.

The authors found that strong language skills of a communal team language were key for team success. The authors provided an example of a team split between Asia and the US where the team in Asia chose their best English speaker to be the spokesperson to communicate with the US team to help translate for the others. Another key finding was that having one team member who understood the other culture helped the team be more successful. For example, one team member from the US had lived in Brazil for two years prior to attending the university; as a result, that student was able to make recommendations such as more flexible start times for meetings to US team members when interacting with their Brazilian counterparts. The authors noted that global virtual teams experience more technical issues than teams that only meet in the classroom.

Overall, the authors concluded that the experience of global virtual teams provided students with meaningful cross-cultural experiences. They also recommended that members of
global virtual teams prepare themselves for social communication to build trust and collaboration with their virtual team members, in part by becoming familiar with the cultures of their team members; remain flexible; and have clear communication to succeed.

This source is relevant for my study because it highlights some best practices for global virtual teams, including communication, identifying team members who share languages, and encouraging flexibility.
Conclusion

This annotated bibliography highlights challenges faced by and offers examples of best practices for culturally diverse, virtual teams. The increase of culturally diverse, virtual teams in the business world and the dependency on the success of these teams makes the ability to effectively work on and lead these types of teams important skills (Fisher & Fisher, 2011). This study provides literature that identifies and describes best practices organizations and leaders of virtual teams can utilize to increase collaboration and improve communication among culturally diverse, virtual teams.

Challenges with Multicultural, Remote Teams

While there are still many dimensions of the challenges that a multicultural, virtual team may face that have not yet been studied at length (Alaiad et al., 2019), many of the sources of this study described the challenges these teams face. Some challenges that might be unique to virtual teams arise with first impressions (Cummings & Dennis, 2018) and the online disinhibition effect (Lapidot-Lefler & Barak, 2012). First impressions in virtual teams can be challenging, as often the members of these teams will not meet face-to-face or even on the phone when they begin working together (Cummings & Dennis, 2018). Team members may also face the online disinhibition effect, defined as a lowering of behavioral inhibitions in the online environment that is impacted by a sense of anonymity and invisibility and lack of eye contact (Lapidot-Lefler & Barak, 2012). People often come across to others differently in these virtual exchanges than they do when speaking on the phone or meeting in person (Lapidot-Lefler & Barak, 2012).

Communication breakdown is one of the many challenges that a culturally diverse, virtual team may face (Daim et al., 2012). There are five factors that can significantly contribute
to communication breakdown: (a) lack of trust, (b) issues with interpersonal relations, (c) cultural differences, (d) ineffective leadership, and (e) technology issues (Daim et al., 2012). One great struggle of culturally diverse, virtual teams is cross-functional communication, which is characterized by team members with different specialties, knowledge bases, reasoning abilities, or motivations (Daim et al., 2012). Another significant challenge is the lack of training by organizations on how to work effectively on a multicultural, remote team (Han & Beyerlein, 2016). Studies show that untrained virtual teams often have more conflict than trained teams (Alaiad et al., 2019).

Building trust in virtual teams presents a major challenge (Alaiad et al., 2019; O’Leary et al., 2014; Panteli & Tucker, 2009; Shachaf, 2008). Alaiad et al. (2019) define trust as a state involving confident, positive expectations about another’s motives with respect to oneself in situations entailing risk. High trust teams routinely perform better than low trust teams, so building trust is key to a successful team (Panteli & Tucker, 2009). Alaiad et al. (2019) note that once trust is built, virtual teams experience enhanced cooperation, coordination and control. Because it is harder to build and maintain trust among virtual team members, leaders may find it challenging to manage conflict in virtual teams (Alaiad et al., 2019). Four factors that can be prevalent in teams with low trust are power battles, coercion, misunderstandings, and conflicts of interest (Panteli & Tucker, 2009). Culturally diverse, virtual teams often also suffer from a lack of trust due to perceived distance (O’Leary et al., 2014) and miscommunication arising from cultural diversity (Shachaf, 2008).

Shachaf (2008) found through interviews of members of culturally diverse, virtual teams that team members were often more focused on the disadvantages related to cultural diversity than the advantages. Multicultural teams can struggle when faced with the lack of a common language or a language barrier (Shachaf, 2008). Lack of a common language can occur when not
everyone on the team speaks the same language, while a language barrier occurs when members of the team may speak a common language, but have different dialects or lack fluency in a shared language (Shachaf, 2008). Lack of understanding of another culture and cultural differences such as respect for meeting start times were found to inhibit team success (Shachaf, 2008). Another challenge is building socio-emotional bonds among remote team members, such as ties that provide friendship and social support (Suh & Shin, 2010). Weak social ties can negatively impact knowledge sharing and trust in a team (Suh & Shin, 2010).

Technology itself can also be a barrier to culturally diverse, virtual teams, which can result in a lack of trust and miscommunication (Shachaf, 2008). The reliance of virtual teams on technology to facilitate communication and collaboration can contribute to challenges in establishing social relationships (Alaiad et al., 2019). Insufficient technology or a lack of clarity on how the technology should be used can cause communication breakdowns among virtual team members (Daim et al., 2012).

**Best Practices in Managing Multicultural, Remote Teams**

Despite many challenges, best practices are available to assist leaders in managing diverse, virtual teams (Cummings & Dennis, 2018; Daim et al., 2012; Fisher & Fisher, 2011; Han & Beyerlein, 2012; Lapidot-Lefler & Barak, 2012; Shachaf, 2008). Han and Beyerlein (2016) note that the establishment of strong relationships among virtual team members is critical to create efficient virtual teams. Some traditional teambuilding methods from collocated teams do still work to help virtual team members avoid communication errors and build trust, but there are more facets to teambuilding with a virtual team (Daim et al., 2012). An internal social media website where employees can post profiles can help with team members’ first virtual meetings, and virtual first impressions can be improved when potential team members list details for past projects on which they have worked (Cummings & Dennis, 2018).
Best practices for avoiding and addressing communication breakdowns in culturally diverse, virtual teams include adopting the company culture to create a shared culture, setting up protocols for communication, and defining how technology should be used for team collaboration (Daim et al., 2012). Han and Beyerlein (2016) note that effective task-related communication, or engaging in effective communication related to task completion, and the coordination of communications, or deciding what tools to use to communicate and overcome issues related to scheduling communications, are critical to create an efficient virtual team. Zaugg et al. (2015) also note the need for virtual team members to provide clear communication for the team to succeed.

Proper leadership is one of the critical factors of success in a culturally diverse, virtual team (Daim et al., 2012; Fisher & Fisher, 2011; Han & Beyerlein, 2016). Transformational leaders are more successful overall in leading both collocated and culturally diverse virtual teams (Ruggieri, 2009). Ruggieri (2009) defines transformational leaders as those who base their leadership on four principals: (a) idealized influence or charisma, (b) inspirational motivation, (c) intellectual stimulation, and (d) individualized consideration. Ocker et al. (2011) reported better results for teams where some members are collocated across multiple sites when the leader is at the site with the highest concentration of collocated team members. Fisher and Fisher (2011) further highlight seven competencies for effective virtual leaders: (a) leadership, (b) results catalyst, (c) facilitator, (d) barrier buster, (e) business analyzer, or the ability to manage businesses instead of functions or sites, (f) coach, and (g) living example. Daim et al. (2012) describe strong leaders of global virtual teams as those who generate discussion among team members, foster consensus, model group norms, provide coaching, acknowledge difficulties with distance and virtual communication, provide concrete expectations and goals, and reward performance. Fisher and Fisher (2011) also highlight that virtual team members need their
managers to provide coordination rather than control and to be accessible despite the physical distance between the manager and the team members (2011). Team members may chafe at managers who control, but coordination is considered helpful (Fisher & Fisher, 2011).

Han and Beyerlein (2016) advise leaders of diverse, virtual teams to establish expectations and promote effective knowledge sharing. As the online disinhibition effect can cause issues with virtual teams, it is vital for a manager of a virtual team to understand these potential hazards and how to circumvent them by providing opportunities for virtual teams to make eye contact or speak on the phone (Lapidot-Lefler & Barak, 2012). Further, team leaders can build trust and rapport with their team by providing frequent, substantive and timely responses to team member inquiries (Daim et al., 2012).

Best practices for technology use in diverse, virtual teams can also address challenges (Shachaf, 2008). For example, when a language barrier among virtual team members does exist, communicating via text can help to smooth over the translation and frustration over body language differences or slow speech that can arise when communicating in a non-native language (Shachaf, 2008). Teleconferencing using only audio can be frustrating to team members, as accents without the additional visual inputs can be harder to parse; therefore, email, chat, and video conferencing are preferred methods of communication for diverse, virtual teams (Shachaf, 2008). Creating a virtual space for the team to use to collaborate and share files can help build team cohesion (Shachaf, 2008).

Best practices to address cultural issues that arise in diverse, virtual teams involve ensuring that global team members comprehend and address potential cultural differences, including understanding different team members’ conceptions of timeliness, communication styles, preferences for personal space, management perceptions of how work should be performed, and use of the body to make physical gestures (Fisher & Fisher, 2011).
Understanding these differences can help to increase trust among team members (Fisher & Fisher, 2011), and high levels of trust among virtual team members positively impacts the productivity of the team (Han & Beyerlein, 2012; Mockaitis et al., 2012). Han and Beyerlein (2016) and Zaugg et al. (2015) note the value of intercultural learning in virtual teams, such as sharing learnings about the cultures of the team members (Han & Beyerlein, 2012). Further best practices for understanding and overcoming cultural differences include having leaders build individual connections with their team members, utilizing video conferencing in meetings whenever possible, and ensuring that time is being used efficiently in meetings (Pullan & Prokopi, 2016). Han and Beyerlein (2016) note the need to overcome biases such as unhealthy racial and national stereotypes in order to foster efficient virtual teams.

Panteli and Tucker (2009) found that high trust teams demonstrated three main factors. The first factor they discovered is “knowledge as power;” Panteli and Tucker (2009) found that the power, or leadership, tended to rest with whichever virtual team member was the expert. The second factor they discovered is that power shifted among virtual team members according to which team member had the most relevant information at the time (Panteli & Tucker, 2009). The third factor they discovered is that competent facilitators in virtual teams could minimize destructive power differentials among team members (Panteli & Tucker, 2009). Members of global virtual teams should prepare themselves for social communication in order to build trust and collaboration with their virtual team members (Zaugg et al., 2015). Finally, trust can be increased among team members through social interactions with one another (Daim et al., 2012).

**Final Thoughts**

Organizations employ global teams for a variety of reasons and realize many benefits, including increased creativity and job satisfaction for employees on these teams (Han & Beyerlein, 2016). In order for organizations, team leaders, and team members to take advantage
of the benefits of culturally diverse, virtual teams, it essential that these teams have influential, competent leaders who understand the challenges and best practices of running these teams (Daim et al., 2012; Fisher & Fisher, 2011; Han & Beyerlein, 2016).
References


