INTRODUCTION

Given the growing demand for the use of teams as fundamental building blocks in organizations (Furst, Blackburn, & Rosen, 1999), particularly geographically distributed teams, it is essential to establish a means to ensure their high performance and productivity. The first step to improve our understanding of what makes these teams effective is to identify a series of best practices that should be followed by all those involved in what we call online collaborative teams (OCT): their organizations, leaders and members.

OCT are groups of individuals who work on interdependent tasks, share responsibility for outcomes, and join their efforts from different locations. These teams are now being used by many organizations to enhance the productivity of their employees and to reach a diversity of skills and resources. Information technology can support their activities by reducing travel costs, enabling expertise to be captured where it is located, and speeding up team communication and coordination processes. Unfortunately, these distributed teams are not always productive.

BACKGROUND

There are several “how-to” books on virtual teamwork and online collaboration. We reviewed some of these to identify best practices (e.g., O’Hara-Devereaux & Johansen, 1994; Grenier & Metes, 1995; Lipnack & Stamps, 1997; Haywood, 1998; Duarte & Snyder, 2001; Fisher & Fisher, 2001). We also searched the academic literature for articles that dealt with best practices for OCT.

Groups in organizations have been formally studied for over half a century, resulting in thousands of studies and a huge body of literature (Guzzo & Shea, 1992). Fortunately, there are already several reviews of the knowledge in this field (e.g., Goodman, Ravlin, & Schminke, 1987; Bettenhausen, 1991; Guzzo & Shea, 1992; Cohen, 1994; Cohen & Bailey, 1997; Holland et al., 2000), and these reviews were used as the basis for our understanding of traditional team best practices.

MAIN FOCUS OF THE ARTICLE

We have organized the best practices according to three separate sets, which we will look at in detail: organizational practices, management practices and team member practices.

Organizational Practices

In order to succeed, OCT need some help from the organizations that have created them, not only to ensure the team’s diversity, but also to supply sufficient

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Table 1. OCT best practices

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resources and support, as well as to develop human resource policies that stimulate high OCT performance. The Organization should encourage team member autonomy, while adopting standard processes and procedures to avoid wasting time with unnecessary repetitions of tasks, and developing an organizational culture that stimulates the sharing of information.

**Diversity**

Diversity is an important element to the success of an OCT and one of its main advantages. Working in an OCT can produce a diversity of backgrounds, experiences, ideas, thoughts, competencies, perspectives, and views. OCT might also involve members from different functional areas. Diversity stimulates interest and makes it more rewarding and fun to work on OCT, because there is the opportunity to learn about new cultures and interact with people beyond one’s own work location.

The importance of creating teams with the appropriate mix of skills and individual traits has been extensively mixed in the traditional team literature. Virtually all team models of effectiveness include team composition as an important input variable (e.g., Bettenhausen, 1991; Cohen, 1994).

**Resources and Support**

Organizations have to supply OCT with sufficient resources. These include such things as financial resources, time, facilities, hardware, software, communication channels, technical equipment, and proper training.

Given the need to communicate electronically, it is essential that OCT members be provided the technical resources and support for working virtually and all members should have access to electronic communication and collaboration technology (Duarte & Snyder, 2001). Fisher and Fisher (2001) also agreed that OCT members need good information and communication systems to interact effectively with the team leader and each other. The virtual work literature reinforces the importance of having good information technology (IT) support. The system has to fit with the strategy, structure, culture, processes, and IS infrastructure (e.g., training and support), implying that the organizational context has to support the use of the systems.

In addition to having the IT systems available, it is important that team members have access to continual online training and technical support so that they develop the ability to use the systems effectively (O’Hara-Devereaux & Johansen, 1994; Duarte & Snyder, 2001). Continual training and learning can be accomplished through the use of shared lessons, databases, knowledge repositories, and chat rooms. Organizations must ensure that OCT members are capable of facilitating meetings using technical and nontechnical methods (Duarte & Snyder, 2001). Furthermore, O’Hara-Devereaux and Johansen (1994) believe that IT training is much more than simply teaching users to use applications. It means continually supporting users as applications evolve, grow in functional complexity, become integrated with other applications, and as cross-platform problems are resolved.

IT training by itself is not enough. Organizations also need to provide adequate training for how to work in teams and provide team-building activities for team members. Training and team building are important, because they ensure that members develop the knowledge required to contribute to organizational performance (Cohen, 1994).

Another way an organization influences the resources OCT have is by controlling the number of people that are on the team. It is important to have an adequate number of team members on the team so that they have the resources needed to accomplish their tasks.

**Human Resource Policies**

The impact of the organizational context on team effectiveness was identified in collocated (e.g., Cohen, 1994) and online team research (e.g., Duarte & Snyder, 2001). Organizational human resource policies (i.e., those with reward structures for team activities) can positively affect collocated team cohesion, motivation, and effectiveness (Cohen, 1994). Cohen, Ledford, and Spreitzer (1996) found that management recognition was positively associated with team ratings of performance, trust in management, organizational commitment, and satisfaction for self-directed and traditionally managed groups in a telecommunications firm. Lawler (1986; 1992) suggested that the organization should provide employees with rewards that are tied to performance results, the development of capability, and contributions. This motivates employees to achieve their performance goals.

The design of the reward system itself also has an effect on team performance. In Wageman’s study (1995), the highest performing collocated maintenance