Chapter 5

The Effect of Cultural Dimensions on the Development of Intra-Team Trust in Global Virtual Teams

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ABSTRACT

The widespread adoption of global virtual teams has been driven by an unprecedented need to draw upon talents of employees from around the globe in a manner that is both organizationally and financially feasible. The success of these teams depends largely on the levels of intra-team trust and collaboration they are able to establish throughout the life of their projects. Team members on global virtual teams may differ substantially on a number of cultural dimensions including preferences for individualistic versus collective teamwork, power distance, uncertainty avoidance, and contextual communication. This chapter will investigate how these four cultural dimensions are likely to impact intra-team trust within a global virtual team. Suggestions that team leaders can utilize to address these cultural dimensions are also presented.

INTRODUCTION

Given the increasing globalization of business practices, and the difficulties associated with international and even domestic travel, organizations are seeking ways to realize the benefits of multinational collaboration without the undue inconvenience and expense that have typically been associated with globalization efforts. New information and communication technologies
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have provided the means by which multinational companies can move beyond the geographic constraints that were formerly associated with traditional face-to-face business models. Such technologies enable companies to draw upon the contributions of employees or associates from around the world as they develop creative products for a global market. Much of this work is done in global virtual teams. The term global virtual team has been defined as a “group of people who work interdependently with a shared purpose across space, time, and organization boundaries using technology” (Lipnack & Stamps, 2000, p.18). Virtual teams cross multiple domains to streamline a company’s operations by maximizing personnel efficiency and adding flexibility (Hanover Research Council, 2008).

As important as technology is to the global virtual team, it is merely a tool to carry forward the team’s purpose. What is more important is that the team is clearly organized, with a unified purpose, and that it is capable of drawing upon the strengths of all its members. Given the international nature of global virtual teams, cultural considerations become a significant concern and may be a more important factor in the team’s success than its chosen technologies or working processes.

The ways in which team members communicate and contribute ideas will, to a large part, be driven by their cultural orientation toward interpersonal interaction (Sosik & Jung, 2002). The level of initiative demonstrated by team members may have much more to do with their attitudes toward authority and power than anything related to personal motivation (Hofstede & Hofstede, 2005). Even the content and completeness of communication are impacted by norms that vary widely from one culture to the next. Failure to understand culturally-based differences toward key activities that will be encountered in team formation and process can pose a serious threat to the generation and maintenance of intra-team trust which is critical to the success of global virtual teams (Dubé & Paré, 2001; Gibson & Manuel, 2003).

This chapter will review key considerations of cultural relevance to intra-team trust on global virtual teams. Specifically, how a team’s development and maintenance of intra-team trust is impacted by its members’ views on individualism versus collectivism, power distance, uncertainty avoidance, and contextually based communication will be reviewed. Each of these cultural dimensions is presented in the sections that follow along with a list of suggestions that team leaders and members can utilize to minimize the adverse impacts that these dimensions can bring to a team.

BACKGROUND

Team formation can be a challenging process and one that takes time. Often, the process of forming the team and bringing its members together to accomplish a difficult task can take longer than the actual task itself (Wallace, 2001). Peck (1987) used the term pseudocommunity to refer to the ways in which a team interacts when it is first formed. The team will attempt to become an instant community through cordial interactions and the denial of differences. Yet, Peck points out that such reticence toward the recognition of individual differences does not support the development of novel solutions to pressing problems. The team must progress beyond its pseudocommunity stage and this requires the acknowledgement of different traits, attitudes, experience, and cultural norms.

Increasingly, large numbers of employees serve on teams with members whose locations, work processes, and collaboration technologies differ from their own. Teams are assembled and most complete the bulk of their work using communication and information technologies such as email, audio and video conferencing, and other technologies that allow information exchange across distances and time zones. Virtual teams differ in the range of communication technologies used and