Chapter 5
Skill Building for Virtual Teams

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ABSTRACT

Advances in Information and Communication Technologies (ICT) are creating new opportunities for organizations to build and manage virtual teams. Such teams are composed of employees with unique skills, located a distance from each other, who must collaborate to accomplish important organizational tasks. As such, it is very important for organizations to identify and develop skills that critical for virtual teams to succeed. Participation in and management of virtual teams comes with its own unique challenges and opportunities. This chapter explores virtual teams, their benefits and challenges to organizations, and provide ways to ensure that virtual team members and leaders in their organizations have the skills, competencies and tools needed to succeed. Specific recommendations to improve skills of virtual teams are also provided.

INTRODUCTION

During the decade of 90s a large number of public and private sector organizations and non-profit organizations implemented high performance, team-based management. The reason behind this move was the fact that organizational structures that consisted of high-performance teams continued to outperform organizations having conventional teams (Taha, Ahmed, & Ale Ebrahim, 2009). A properly implemented team-based approach helps to improve organizations in in virtually every measure—from productivity to morale; from quality to shareholder return (Beth Watson-Manheim, Chudoba, & Crowston, 2002).

In today’s world, telework is gaining significance (Boell, Campbell, Cecez-Kecmanovic, & Cheng, 2013; Greer & Payne, 2014). According to the Telework Research Network, regular telecommuting grew by 61 percent between 2005 and 2009, and based on current trends, the organization estimates that the number of telecommuting workers will grow to nearly five million by 2016—a 69 percent increase (Lister & Harnish, 2011). Globalization requires employees and business partners to be geographically and temporally distant from one another, deploying information technologies within a virtual organization is an obvious choice for overcoming spatial and temporal boundaries (Boudreau, Loch, Robey, & Straud,
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1998; Keller, 2014). Technology is changing fast and the number of collaborative software is growing. These collaborative software facilitate virtual work. These software have now become so comprehensive and easy-to-use that teams of people dispersed geographically are using them to perform their virtually and more efficiently. The recent downturn in global economy has forced businesses to cut travel costs. This phenomenon has also made virtual work more popular (Kam & Katerattanakul, 2014).

Virtual teams are groups of people who are geographically dispersed but leverage technology to work together virtually (Hinds & Bailey, 2003). The use of virtual teams is growing as the amount of virtual work continues to grow. Today, it is hard to find an organization that doesn’t have one or more virtual workers and virtual teams. Virtual teams are now a reality in the workplace. If this trend in the workplace environment continues, virtual working will increasingly influence the way we operate, and the “effective virtual team worker” will be a valued asset. A key benefit to forming virtual teams is the ability to cost-effectively tap into a wide pool of talent from various locations (Crisp & Jarvenpaa, 2015).

Most project managers with a few years of experience or more are likely to have managed a project where some or even all of the project members were remotely located. Being a virtual team worker is not for everyone or every organization. A virtual team worker is more likely than the collocated worker to suffer from feelings of isolation if the set-up is not right, and they need to be more self-managing and focus their efforts in a particular way. According to experts, virtual teams are here to stay. For organizational success, it is necessary for organizations to learn how to work with them (Purdue University, 2008).

The global weakening of economies and increased realization by businesses that increased travel reduced productivity and increased has fueled the growth of virtual teams into corporate structures. Inclusion of virtual teams can result in an average productivity increase of 27% and in many instances the net productivity increase can surpass organizational real-estate cost savings. However, increase in productivity vary across organizations and industries (UNC Kenan-Flagler, 2010; Purvanova, 2014). There exist ample reports showing increased number of employers continuing to expand the number of virtual workers and team in their organizations (Leonard & Trusty, 2015). A 2009 survey found that more than 90% planned either to increase virtual work or keep it on the same levels (Leonard, 2011). Another survey conducted in 2010 found that more than 20% of organizations had planned to increase their virtual team members within one year and more than 75% planned to keep their number of virtual workers at the same level (Lockwood, 2010). Another poll of organizations in 2010 found a large proportion of organizations planning to increase their telecommuting workers within the next five years (Lockwood, 2010).

Various studies confirm virtual teams offer many positive benefits for both employers and employees. These benefits include increased flexibility and productivity, better work outcomes, increased knowledge sharing, and reduced time-to-market, attract talent from around the globe, reduced operating costs, and increased access to low-wage resources (Lockwood, 2010; Boutellier, Gassmann, Macho, & Roux, 1998; Chudoba, Wynn, Lu, & Watson-Manheim, 2005). Virtual teams are also eco-friendly (Mocanu, 2014). According to Lister and Harnish (2011), the existing telecommuting work in USA results in annual saving of 390 million gallons of fuel and annual decrease of around 4 million tons of greenhouse gases.

Management of and participation in virtual team pose some unique challenges and opportunities (McDonough, Kahnb, & Barczaka, 2001). The objective of this chapter is to explore the benefits and challenges of virtual teams to organizations and provide suggestions/recommendations that virtual team members and leaders of the organizations can use to acquire tools, skills, and competencies needed for the success of virtual teams.