Chapter 7
Managing Effectively in Virtual Work Contexts: An Empirical Study

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ABSTRACT
This chapter offers an empirical examination of supervisory behaviors perceived to be effective in a virtual office setting. The study presented in this chapter is driven by a general research question: What behaviors are perceived to be effective when managing individuals virtually? To address this research question, the authors collected data in a Midwestern government organization that recently transitioned its employees to virtual offices. They conducted interviews with, and distributed surveys to, managers and employees during and after the organization’s transition to a virtual office. Based on the analysis, the authors present eight virtual supervision competencies and measures of these competencies adapted for, or developed in, this project. The competencies are trust, organizational identification, technology, buy-in, communication, evaluation, knowledge management, and hiring.

INTRODUCTION
Virtual work is commonplace in organizations across a variety of industries and sectors. WorldatWork (2011) reported that the number of people who worked from home or remotely for an entire day at least once a month in 2010 was 26.2 million, which represents nearly 20% of the U.S. working adult population. In addition, the percentage of these people who teleworked more often than once per month increased from 72% in 2008 to 84% in 2010.

DOI: 10.4018/978-1-4666-4478-6.ch007
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Telework is expected to continue to grow. TechCast at George Washington University projected that “while a recent survey found that less than 4% of U.S. private sector workers actually work from home, that figure could reach as high as 30% by 2019” (TelCoa, 2011). Gartner also forecasted in 2011 that mobile work will become a $1 trillion market in the next four years, and “within this decade, most, if not all workers will be mobile to some degree” (TelCoa, 2011). The growth of telework is affecting the government sector as well. Indeed, the United States Office of Personnel Management (2010) reported that 113,946 Federal employees (5.72%) teleworked in 2009, an increase of 11,046 employees from 2008. Yet WorldatWork also reported that only 17% of employees and 21% of managers said that they received training about such flexible work arrangements. The United States Office of Personnel Management (2010) underscores that there is a need to “build Federal telework capacity by highlighting leadership support. The success of any change effort begins and ends with leadership support. Leadership should consider the message relayed to employees when choosing to telework or not. Modeling telework behavior sends a clear message of support and would be an effective strategy for expanding Government-wide telework” (p. 6). Thus, identifying virtual management competencies and incorporating them into formal training of managers and employees is needed.

Virtual work arrangements drive and constitute major changes for both an organization and its employees (Morris, 2011). In particular, researchers and practitioners have recognized that managers and supervisors of employees in virtual work arrangements need to master particular skills and behaviors to enable positive virtual work outcomes (Cascio, 2000; Connaughton & Daly, 2005; Dambrin, 2004; Davenport & Pearson, 1998; Helms & Raiszadeh, 2002; Hertel, Geister & Konradt, 2005; and Raghuram, Garud, Wiesenfeld, & Gupta, 2001). These skills and behaviors include both enhancements to traditional management skills and additional competencies needed to address the unique nature of virtual work. The implementation of virtual work impacts the ways employees are hired, managed, evaluated, and communicated with. Yet relatively sparse empirical work exists that examines both managers and their virtual employees’ perceptions of key management competencies and how they may relate to team processes such as communication, collaboration, and decision-making.

This chapter seeks to fill the research void noted above by offering an empirical examination of supervisory behaviors perceived to be effective in a virtual office setting. We are inspired by behavior complexity theory (Denison, Hooijberg, & Quinn, 1995), which acknowledges that effective managers display a complex and varied set of roles and behaviors. Virtual work environments are indeed complex, present highly varied situations, and require multi-tasking; and, as this chapter will discuss, they require a wide variety of skills, behaviors, and roles in order to successfully manage.

The study presented in this chapter is driven by a general research question: What behaviors are perceived to be effective when managing individuals virtually? To address this research question, we collected data in a Midwestern government organization that was transitioning its employees to virtual offices. We conducted interviews with and distributed surveys to managers of virtual employees as their organization was transitioning to a virtual office. In addition, we also gathered data from employees who had recently transitioned to being managed virtually.

Taken together, this chapter (a) reviews prior research on virtual management, (b) identifies virtual supervision competencies based on analyses of data from virtual managers and their employees, and (c) reports measures of virtual management competencies adapted for or developed in this project. In accomplishing these objectives, this chapter will be of value to researchers and practitioners alike.