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- Lead effectively from remote sites
- Communicate across cultural boundaries
- Increase your team's performance

MANAGER'S GUIDE TO

VIRTUAL TEAMS



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Mareen Fisher

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To our clients, who have always been our teachers and,
thankfully, often our friends, as well.

Preface

We were thrilled to be invited by CWL Publishing and McGraw-Hill to create *Manager's Guide to Virtual Teams* for the Briefcase Books series. This was an opportunity to revisit the material we published several years ago in *The Distance Manager*, also published by McGraw-Hill. We believe that the issues we discussed then are still important, perhaps even more important than they were at that time. Virtual teams have become common, and the challenges faced by virtual team managers are even more complex.

However, much has changed since the original book was published. At that time we lamented, for example, that no one had yet invented a combination of the PDA and the telephone so that we could manage e-mail, shared calendars, voice mail, and phone calls with one device. Now, smart phones are so common that it is hard to remember how we worked without them. Companies are using social networking techniques, blogging, and instant messaging that were unheard of when we originally published. But today's smart phones, BlackBerries, and iPads will be replaced by technology we can't imagine, and in this book, we wanted to do something more than just respond to the latest wave of communication technology.

Many of the topics in *Manager's Guide to Virtual Teams* echo those we covered in our previous work, especially in the areas of trust building, the role of the virtual leader, employee expectations of leadership, focusing teams, and basic communication technology-use techniques. We cover

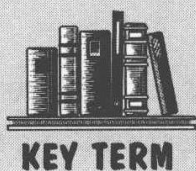
new ground in chapters on managing performance from a distance, training virtual team members about their businesses and finance, engaging in team building, giving and receiving feedback, supporting group decision making, fostering problem solving, and what we believe has become an issue of extreme importance for managers of virtual teams, maintaining personal and work life balance in the age of intrusive technology.

Even when revisiting topics we have covered earlier, however, we've added more specific advice based on several more years of practical experience. Since we wrote *The Distance Manager*, we have had a busy consulting practice helping our clients apply these concepts; and although there is some common content, many of our current insights are different enough that we believed this new work was much needed. The unique approach of this series emphasizes pragmatism over theory, and promotes helpful tips over general observations. We like this practical approach, and we hope you find it helpful.

We want you to know that we are not just reporting the best practices of our wonderful Fortune 100 clients. We've used most of what we suggest at The Fisher Group, Inc. (www.thefishergroup.com), ourselves, because much of our work must be done virtually. As former managers, we've always been hesitant to recommend anything to a client that we wouldn't be willing to do in our own practice.

Special Features

The idea behind the books in the Briefcase series is to give you practical information written in a friendly person-to-person style. The chapters are short, deal with tactical issues, and include lots of examples. They also feature numerous sidebars designed to give you different types of specific information. Here's an overview of the types of sidebars and



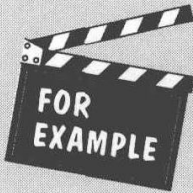
Every subject has some special jargon, including this one, dealing with virtual teams. These sidebars provide definitions of terms and concepts as they are introduced.



These sidebars do just what their name suggests: give you tips and tactics for using the ideas in this book to intelligently manage and encourage effective operations management practices in your organization.



Tricks of the Trade sidebars give you how-to hints on techniques astute managers use to execute the strategies and tactics described in this book.



It's always useful to have examples that show how the principles in the book are applied. These sidebars provide descriptions of how managers and organizations implement the techniques in this book.



Caution sidebars provide warnings for where things could go wrong in managing your virtual team and things you should be aware of to help prevent problems.



How can you make sure you won't make a mistake when you're trying to implement the techniques the book describes? You can't, but these sidebars will give you practical advice on how to minimize the possibility of an error.



This icon identifies sidebars where you'll find specific procedures, techniques, or technology you can use to successfully implement the book's principles and practices.

Acknowledgments

We wish to express our appreciation for the keen editorial insight of John Woods, who brought this project to us on behalf of Briefcase Books and our long time publishing partner, McGraw-Hill. Thanks also to our literary agent Mike Snell for his vigilant efforts on our behalf, and to our own company, The Fisher Group, Inc., for allowing us to use excerpts from

The Distance Manager Training Program workbooks and assessments. We give our most special thanks to our clients from whom we have learned much and to whom we dedicate this book. Without the virtual team leaders and team members at organizations like AXA Equitable, Apple Computers, CDW, Cummins Power Generation, DynoNobel, GE Capital, Hewlett-Packard, IBM, Microsoft, Nike Hong Kong, Ralston, State Farm Insurance, the U.S. Department of the Treasury, the Staff Office of the U.S. Senate, and Weyerhaeuser, we wouldn't have much of practical value to share with our readers.

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What Is a Virtual Team?

Teamwork is the ability to work together toward a common vision and the ability to direct individual accomplishment toward organizational objectives. It is the fuel that allows common people to attain uncommon results.

—Andrew Carnegie

Let's consider three common situations involving virtual team management. Meeting challenges like those described here are part of what we discuss in this book.

Case One: The Global Team Management Challenge

Not too long ago we worked with a manager at Cummins Engine, Inc. He was located in the United Kingdom, but the small teams reporting to him were scattered across more than 20 countries. An especially bright and capable leader, the manager found that he would seldom see a more significant challenge than coordinating the work of people sharing a common office. Leading global teams, for example, sometimes seemed like tiptoeing through an unmarked minefield. People had diverse cultural backgrounds and often interpreted the same e-mail in different (and sometimes contradictory) ways. Offense was taken when none was intended. Confusion and duplication of effort occurred with alarming regularity. Finding time for meetings that didn't conflict with someone's sleep schedule or national holiday was almost impossible. He was also

concerned about the communication challenges associated with running an operation that required almost immediate access to him 24/7. How could he lead a balanced work and personal life when he was constantly tethered to work by his smartphone and computer?

Case Two: Can a Group of Remote Employees Really Function Like a Team?

A manager from IBM went through a significant downsizing in his organization, leaving him with 65 direct reports spread across the continental United States. Turnover was high enough that even with a grueling travel schedule, he could never meet all his direct reports in person before they transferred away. Unfortunately, temporary travel restrictions for nonmanagers made it impossible to get his team together in one place at the same time. All their meetings had to be Web meetings or teleconferences. But how could he help the team members get to know each other well enough to trust each other? Would they ever reach the comfort level that would allow them to openly admit mistakes, offer constructive criticism, share their best ideas, or ask each other for assistance? How could he help them—especially those who worked alone from their homes—overcome their inevitable feelings of isolation?

Team members who share a common office could get to know each other by taking breaks or having lunch together. Informal interaction in the hallways, at the water cooler, or in the parking lot builds relationships and a sense of common team identity. Celebrating birthdays and childbirths, sharing pictures of children and weddings, informally telling work stories about organizational disasters and victories and any of the thousand other tiny social interactions that connect people and create a social lubricant that facilitates working together would likely never happen. Was it even possible to create a highly functioning team in this situation?

Case Three: Can a Team That Shares a Common Office Be Virtual?

A manager of a sales team at the high-tech distribution giant CDW told us that she struggled with the challenges of managing people who were never in the office. Her sales team was almost always in the field work-

ing with customers. She was a good manager and had a track record of positive accomplishments, but many of her leadership practices were based on the traditional management model that assumed regular face-to-face interactions. She knew how to pop over a cubicle and help someone she could see was struggling with an assignment, how to gather an obviously confused group together for an emergency meeting, how to correct a misconception she overheard in the lunchroom, how to take full advantage of those fortunate moments when you run into someone in the hallway you need to speak with, or how to watch people and tell from their expressions and body language whether they understood or agreed with her.

When she observed gossiping, whining, blaming, or other behaviors she knew would erode the effectiveness of the team, she intervened immediately. If she saw cliques forming, behaviors that indicated disunity or silo thinking, or indications of the early stages of conflict brewing, she resolved them. She knew how to rally the troops when the tone of their comments indicated that they were discouraged. To continue the military analogy, she liked being on the front lines, helping the wounded, and personally leading charges far into enemy territory. “But,” she asked in an interview, “how do you lead a team over the Internet?” It felt to her like calling in orders to the battlefield when she was located in a tent, blinded and deafened by separation from her army, a million miles away.

The Challenges of Working with Virtual Teams

We have hundreds of these stories about the challenges of working with what are widely known as “virtual teams.” They come from operations as diverse as large multinational insurance companies to the staff office of the U.S. Senate, and from jobs that range from Microsoft executives to Swedish R&D scientists in a mining explosives company. Even though these are very different organizations—both private and public, blue collar and white collar, large corporations and small home-based businesses—they share a common problem: How do you manage people you seldom see in person—especially when that group of people is supposed to be a cohesive and productive work team?

Why Are Virtual Teams Becoming So Common?

The bad news is that these types of operations are difficult to manage, *and* they are increasingly common. Since the industrial revolution started more than a century ago, organizations have had employees who didn't work in the same location as their manager. But in the last several years, the number of these operations has exploded. Why? True global marketplaces have required that even smaller organizations have people closer to their customers, vendors, and key stakeholders.

Skilled workers now live everywhere instead of in clumps surrounding key corporations or schools. Employees who were once willing to relocate to wherever the employer needed them now have to manage multiple careers and are reluctant to move their kids. Businesses don't want to pay for relocation expenses. Cost pressures have also forced large organizations to reduce expensive brick-and-mortar office buildings and place key components of their businesses in other countries. The nature of work itself has changed from mostly physical labor to mostly knowledge work, allowing people to work away from farms, factories, and mines. (For more about this, see our book *The Distributed Mind*, Amazon, 1998.)

Perhaps most importantly, technology that allows people to do knowledge work jobs from anywhere is cheap, effective, and plentiful. The ubiquity of the Internet, in particular, allows people to coordinate their work regardless of location. What was once rare—a virtual team including employees who are remote from their manager and each other—is now commonplace. And it is unlikely that any professional manager will go through his or her entire career without having to manage at least one. Surprisingly, this is also the good news. These types of operations are increasingly common. That means that even though there are challenges, lots of people have already faced these challenges successfully.

There was a time when some experts wondered if an effective work team was even possible if its members weren't physically located together. They argued that communication technologies could never substitute for face-to-face interaction. We now know that is not true. Yes, it's more difficult to lead a group of people located all over the place. But it is possible. Lots of managers are doing it. In all three cases that open

this chapter, for example, the leaders ended up not only solving their difficult problems, but excelling as virtual team managers.

Defining Virtual Teams

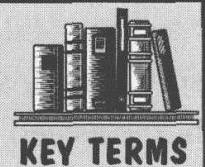
To begin our discussion, let's define *virtual teams*. Please note that there are many organizations that are not teams. If your operation doesn't require people to collaborate to achieve common goals, for instance, then a team structure isn't necessary. People can do independent work effectively even if they are isolated from each other. For example, we once worked with a utility that wanted to create teams, but when we helped management discover that individual gas meter readers didn't have to work with each other to accomplish their jobs, it quickly (and appropriately) abandoned the project. (Ironically, technology that now allows for the remote reading of meters makes the former nonteam of employees new candidates for teaming because they now have to collaborate to make the best use of the technology. Before, they could work in the field without sharing anything other than an occasional tip on how to deal with aggressive dogs.)

This book deals with virtual teams composed of people whose work depends on one another. We do not write about virtual *groups* of people. Unlike virtual groups, virtual *team* members have to collaborate to do their work, but unlike teams who are collocated, their mission is more difficult because they don't share a common office and/or work schedule.

Virtual teams are more prevalent than many people believe. Our experience suggests you have a virtual team if *any* of the team members:

- Are located in different workplaces
- Work in shifts
- Travel frequently

Team A group of people who share a common purpose and who must collaborate to get their work done.



KEY TERMS

Virtual team People who must work together, but who can't frequently meet face-to-face because they:

- Work in different locations
- Work different time schedules

- Often work from their homes, cars, or in the field
- Are assigned to multiple project teams
- Work part-time
- Report to more than one manager

If you're a student of virtual teams, you'll probably notice that our definition of virtual teams varies from that of some other experts in the field. Some, for example, consider virtual teams to be only those teams that are geographically dispersed. To them, a global team is obviously virtual, but a collocated 24-hour call center, 24/7 manufacturing plant or a multiple-shift IT help desk is not. But to us, the management dynamics of leading across a distance are similar whether the distance is geographic or is caused by working different hours. (For more on this, see our book *The Distance Manager*, McGraw-Hill, 2001).

One of the authors, for example, was a manager in a multiple-shift manufacturing plant operated by Procter & Gamble in Lima, Ohio. The plant continues to be one of the most advanced team-based operations in the world (described in detail in *Leading Self-Directed Work Teams*, McGraw-Hill, 2000). Because team members were scattered across three shifts, however, some people were always unavailable because they were home asleep. They might just as well have been living in a different state.

And although it is not part of our definition, we believe that culture is a third important variable affecting virtual teams. If team members are separated by significantly different cultures, they can be as behaviorally distanced from each other as if they were in a different country, regardless of whether they occupy the same space or time. This is especially obvious in those teams whose members may share a location but do not all speak the same language and therefore cannot collaborate effectively with each other. But it is also true when other cultural differences separate people and make it difficult for them to work together.

What's in This Book?

Now that we have defined virtual teams, we'd like to dedicate the rest of the book to helping you lead them more effectively. Common questions about managing virtual teams that we intend to answer in this book include: