

TEAM MEMBER EXPECTATIONS OF LEADERS IN COMPLEX GLOBAL VIRTUAL ENVIRONMENTS

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ABSTRACT

This research focused on answering the question of what do followers in a global team expect of the leader when they are being managed virtually and the leader is faced with leading through environmental complexity. Confounding this situation is the reality that the trappings of leadership once provided by the organization are frequently no longer available to the leader. This research is important because it is a study of a high performing team within an MNC. Globalization, virtuality and a matrix organizational structure contributed to the complexity leaders faced in meeting team member expectations. We also reaffirmed the value of face-to-face interaction for team members in facilitating their sensemaking of the leader.

INTRODUCTION

Companies are moving an increasing amount of work to globally dispersed teams in an effort to enhance their operations. These virtual teams are frequently spatially or geographically dispersed work arrangements that are generally characterized by a relatively short life-span, technology enhanced communications, temporal considerations and a dearth of face to face interaction. This creates obstacles or barriers to be overcome by the leaders of these teams as they cope with temporal, geographic, and national cultural differences that leave the leader little time and few traditional means to establish relationships. In addition, computer mediated communication, (CMC), and tight time lines for project completion mean that the leader has to focus on project goal achievement and task completion rather than building personal ties with the team members.

Additionally, many of the global multinational corporations (MNCs) are matrix organizational structures where team members may have multiple bosses and may be assigned to two or more projects.

“The more virtual a team becomes, the more complex are the issues it must address to function effectively” (Zigurs, 2003, p. 339). Even though virtualization has removed temporal and spatial boundaries, it has created a continuum of boundaries that face virtual teams (Zigurs, 2003; Breu & Hemingway, 2004). “Virtualization increases the number and complexity of organizational boundaries” (Breu & Hemingway, 2004, p. 201). Therefore, leading effectively in the global virtual environment through this complexity needs further exploration and is the gap that will be addressed in this paper.

This research study investigates leadership in a global virtual team within a Fortune 100 MNC known for its high performing culture. The top operational manager of the team was leading through all of the environmental complexity outlined above, which included team members being located in India with no face-to-face interaction during the life of the project. The project was taking place within the MNC’s matrix organizational structure with team members being part of multiple projects with multiple managers making demands on their time. This study included members of the team from India. This team, the managers and the members from India, had been working together for months but had never met face-to-face prior to the meeting that we observed at one of the U.S. regional headquarters. The purpose of the meeting we observed was to close out this successful project, for which the team members and the top manager were given companywide recognition. The organization was moving into another phase of realignment based on the award-winning work of this team.

Our research on this team focuses on answering the question of what do followers in a global team expect of the leader when they are being managed virtually and the leader is leading through environmental complexity. Confounding this situation is the reality that the trappings of leadership, once provided by the organization, are frequently no longer available to the leader (Zigurs, 2003). This research is important because it is a study of a team within an MNC. Many previous studies of virtual teams and virtual leaders were experiments conducted using students (Munkovold, 2005). Furthermore, field studies that examine virtual team leader behaviors at a more detailed level are called for to better define the role of the team leader in the virtual environment (Hambley, O’Neill & Kline, 2007). In addition, further study of leader-member interface along with interpersonal relationships and social presence in virtual teams is needed (Flammia, Cleary, & Slattery, 2010).

THEORY AND RESEARCH QUESTIONS

Leadership

Early leadership theories assumed that leaders can direct and influence their followers by maintaining close relationships over time. However, the new realities of organizational design make that impossible. To date, studies of virtual team leadership have found specific leader behaviors that impact virtual teams. Hoyt and Blascovich (2003) found that group members were “more satisfied with their leader when interacting face-to-face than virtually” (p. 709). The practical implication of this research is that if face-to-face interaction is not possible, leaders

should still spend time attempting to enhance team satisfaction. Hambley et al. (2007) looked at processes in virtual teams and found that face-to-face meetings prior to the start of the team process, having regular team meetings, effectively building the team, “reading” non-verbal cues even in the virtual environment, effectively using media, and charting a course for success enable the team’s functioning. Similarly, Maznevski and Chudoba (2000) described face-to-face interaction as the “heartbeat” (p. 486) that sustains the virtual team.

Previous studies of virtual team (VT) leadership found that transactional leadership behaviors led to heightened perceived team satisfaction, cohesiveness and efficacy (Hoyt & Blascovich, 2003), and that leaders should use transactional behaviors that include setting early clearly defined expectations and goals (Kahai, Sosik, & Avolio, 2003). Indeed, virtual team literature indicates the need for clear and concise goal and task related communication to set the stage for effective team performance (Pauleen, 2003; Flammia et al., 2010).

Balthazard, Waldman and Warren (2009) found that in virtual settings “how much” and “how a person communicates” (p. 661) are more important than personality traits that have been earlier related to perception of transformational leadership (Judge & Bono, 2000). The Balthazard et al (2009) study found that leaders in VTs were perceived by followers to be transformational based on the frequency, complexity and grammatical quality of their transmissions. Wickham and Walther (2007) and Walther and Bunz (2005) underscore that frequency of communication matters in virtual team leadership.

Bass’s (1985) Inspirational Leadership Theory comprises particular behaviors such as communicating a vision and mission. These behaviors are seen as particularly critical in the early stages of VT development with leaders acting as the “missing link” to enhance trust and commitment (Joshi, Lazarova, & Liao, 2009, p. 249). Jarvenpaa and Leidner (1999) explored swift trust in their study of students and professors in global virtual teams by exploring the circumstances that engendered and maintained trust through electronic media. They found that initially, teams should have early communication of enthusiasm about the project as well as social exchanges not focused on work to facilitate trust in virtual teams. As the team develops, “sustained and timely” (p. 807) communication is needed. Kayworth and Leidner (2002) conducted experiments with virtual teams and found that leaders perceived to be effective displayed a “wider degree of behavioral repertoires (behavioral complexity)” (p. 29) as they could utilize multiple behaviors as needed. Effective leaders displayed both the ability to clarify the goals and task while mentoring and showing concern and understanding for the team members.

Traditional organizations supported the roles of leaders by providing not only the opportunities for the leader to influence followers with face-to-face interaction, but also helping to provide the cues that enable the leader to establish presence. The traditional perks and cues that were available to leaders to influence followers included office space, controlling agendas at meetings, manner of dress and speech, and personal interactions with powerful colleagues. In addition, leaders in face to face environments were able to reward, motivate and encourage followers through acts and deeds. Many of these cues and opportunities to influence are lost in the virtual environment (Zigurs, 2003).

These prior studies on leader behaviors provide leaders with a summary of ways in which they can build effective virtual teams. Very few provide answers to questions concerning the expectations of a team member and what they are expecting from the team leader. This is particularly important when there has been no face-to-face meeting to establish relationships and when the leader is leading through the multiple obstacles or hurdles, which include a matrix organizational structure, global dispersion and virtual communication aided by technology. The review of the literature leads to the following research question:

What behaviors do global virtual team members expect of their leaders when the leaders are physically separated and leading through environmental complexity?

METHODOLOGY

A high performing team is a good environment in which to study virtual leadership of a virtual team. The team studied had won an award for the project and the top operational manager won an additional award for leading the successful team. The project on which they worked concerned the reorganization of a major business process and this reorganization was implemented across the organization shortly after we collected data from the team.

Based on virtuality scales developed by Zigurs (2003) and Griffith, Sawyer and Neale (2003) this global virtual team ranks as highly virtual. They have never met as a team face-to-face thus we were able to witness their first such meeting and conduct a focus group with the workers from India. In addition to our observations of their meeting and conducting the focus group we also consulted archival data on the company's website as well as published information regarding the company.

The team members from India were informed by their immediate superior that the company had approved the research study, they were free to participate in the focus group and their responses would be confidential. The focus group was recorded. We also participated in and observed the evening dinner social in which the team members and the award winning leader first interacted. Thus, we had the opportunity to interact with the team members one-on-one in a social setting and get to know them prior to conducting the focus group.

At the dinner the leader informed those attending that one of the other managers, who had to leave early, had inadvertently left his luggage at the corporate office and had called to ask that they ship it to him. One of the topics discussed at the dinner concerned what additions to the suitcase should be made prior to sending it to the manager. Many varied options were discussed. In the morning the leader brought the suitcase into the team room and they conspiratorially began to add items to the luggage before sending it to him. Later we were sent a copy of the "thank you" email that the manager sent to the team when he received the luggage and began unpacking it. It was quite humorous. Immediately following the joke being played, the focus group was held. While we did not limit the responses of the focus group to the project itself, their responses seemed to indicate that the recent activities had had a significant effect. This, together with the fact that they were in the U.S. as part of this project, led them to answer

primarily relative to the project unless we specifically asked very general questions. The examples they used still tended to be relative to their recent experiences.

Data Analysis

The focus group recording was subsequently transcribed verbatim and the accuracy of the transcript was verified. Analysis of this data was then conducted according to the methodology of Creswell (2007) and Miles and Huberman (1994). A coding scheme was created by each of the researchers and a research assistant independently using key word responses and themes. The three researchers, with disparate backgrounds and research interests (leadership, organizational behavior, information systems and decision sciences), then reviewed the themes and agreed upon the coding schema which included broad categories related to organizational culture and personal responsibility, organizational identification, leadership, and communication (Table 1 below). The frequency of responses for these themes were noted and used to provide a framework to our data analysis.

Once major themes were discussed and agreed upon by the researchers, the coders were then directed to reanalyze the coding themes and reach agreement on the passages to be included in each theme. They were trained to review the transcripts independently, line by line, and to extract passages associated with each theme. If the coders did not agree, the disagreement was discussed and then brought to the researchers for further discussion and resolution. The transcript was coded by a variety of ethnic backgrounds, sexes, and native national cultures.

Table 1: Indian Team Coding Summary

<u>Coding Terms</u>	<u>Total</u>	<u>Coding Terms</u>	<u>Total</u>
Leadership	57	Customer Focus	7
Communication	75	Innovation	9
Lifestyle	41	Org.Culture-Sensemaking (overall)	39
Team Process	56	Org. Identity/Commitment	37
Trust	17	Cultural Comparison	46
Performance	22	Personal Responsibility	29
Organizational Structure	38		

FINDINGS

Virtuality

Since the team had never met face-to-face, all impressions of the leader had been formed virtually. This allowed us to observe the reassessment they made of their leaders once they had met. Cognitive dissonance existed between their impression of the leader formed during virtual

interactions and their impressions formed after face-to-face interactions in meetings and at a social event. The India team now felt that the manager was approachable and “*I can call now*”. “*Even with video teleconferencing, I never met ...before, and the kind of person I heard of...a hard taskmaster, a good leader, someone who is not so approachable...you know, someone very high up in the hierarchy. But when I met her yesterday...she is very approachable, she is so likeable and she is such fun to work with*”. The impressions of the leader gleaned from virtuality did not match the reality of the leader face-to-face.

Another team member expressed similar sentiments. Because of the ambiguous nature of being managed virtually, it is the “*unknown*” that is problematic, as indicated by one team member. “*When you are facing something unknown, when you are facing somebody unknown, you have a mental picture of the person—of the talker—you have a mental picture and you have preset assumptions...the person is like this. The moment you come face to face...it changes a lot in that person...it becomes more like reality. So when you go back, you are talking to a person in reality—you can feel them in reality, so you are not scared*”.

When asked what characteristics are important in a virtual leader the team suggested that in a virtual setting, “*the face is missing, so the more of human touch has to come in the form of the approachability of the person*”. Virtual approachability and availability, while e-mailing and calling, comes from “*the way you talk...to be more open while you are talking*”. For example a manager can “*ask about how you are feeling today or how things are going...that touch...emotional touch...you tend to work more for a person, you tend to give more than 100% to a leader whom you have faith installed in*”.

In addition, “*the team should be ready to believe what the leader has to say, and that comes when the leader has some amount of your heart here – some space in your heart – some perspective*”. Availability is important so that the team can feel that the managers are “*there on every team. For me, wanting my manager to be there is something which I need to do*”. The India team recognizes that from a manager’s perspective it is more about “*something which I need to get done*” or the task. “*There should be no barriers...I mean that stops you right in your tracks. And if you get to the point where you can’t speak to your manager, it breaks down completely*”. Of course, leading a global team in different time zones adds to the complexity of being available, particularly since in this case the leaders were located in the U. S. and the team members located in India with diametrically opposed schedules.

The team felt that good leaders need “*charisma*” and that “*it can come over the phone too*”. In addition, “*giving clarity of what you do in terms of responsibility*” was vital. Clarity is needed in terms of “*your job roles and what is expected out of you and with a kind of emotion that comes with that ...That gives confidence—okay, this is my role and what I’m going to do*”. Thus, the ability to communicate clearly is an important virtual leadership trait as is the ability to reduce the uncertainty for team members that is inherent in the matrix organizational structure.

Matrix Organization

In analyzing some of the qualities that a virtual leader should possess we identified some that appear to be related to the matrix structure of the organization present in the MNC we studied. In keeping with House's (1971) Path-Goal Theory, the India team expected effective managers to have not only charisma, but to be "*empowered*" to help them get their job done. He should have "*some power of his own...who can make you feel like...if you share your grievances or if you share something with him he can correct it for you*" and that he can "*show you how to grow in this company...mentor me*". Similarly another member of the team stated that a leader should instill "*confidence that if I approach him for anything, it will be resolved*". The fact that this organization had the added complexity of a matrix culture serves to give some context to these statements. Being a "*complete manager*" meant having "*backbone*" and having "*the mentoring capability for the team*" and having "*influence*".

Global

The team repeatedly expressed that effective managers will "*understand cultural differences*" and even when working remotely managers should take care to be "*responsive...being able to get the heart-share – share in someone's heart – understanding the culture of the person he is working with*". They further suggested that consistent with their cultural norms, small gifts would facilitate the relationship building that is part of the Indian culture. As noted above, time zone issues also pose a barrier to communication from the perspective of leader availability.

DISCUSSION

We found that team expectations were often related to issues we could identify such as the organization's matrix structure and the leadership issues inherent in this structure. In today's global virtual environment teams are often formed to perform work structured in projects. This type of global project environment is conducive to a matrix organizational structure, particularly in large organizations (Galbraith, 2009; Gottlieb, 2007; Sy & D'Annunzio, 2005; Wellman, 2007) such as the one we studied. The matrix form of reporting in organizations was popular in the late 1970's with its origins in the defense industry (Galbraith, 2009; Sy & D'Annunzio, 2005; Wellman, 2007). However, many times its implementation in organizations did not go as intended (Galbraith, 2009; Sy & Cote, 2004). This structure "*inherently creates a state of constant conflict with its multiple-boss model and simultaneous pursuit of multiple objectives*" (Sy & Cote, 2004) forcing the leader to compete for "*heart share*" in their team members and increasing the complexity leaders faced.

Among the frequently cited issues in a matrix reporting structure are misaligned goals and unclear roles and responsibilities (Sy & D'Annunzio, 2005). From the team perspective, teams in matrix organizations have special needs which include clear objectives and goals, openness and confrontation, participation and trust, cooperation and conflict, workable procedures, leadership, benchmarking and review, personal development, and good intergroup relationships (Gottlieb, 2007). These nine common characteristics were found to be related to high performance in teams in matrix organizations (Gottlieb, 2007; Sy & Cote, 2004) such as the one we studied. For example, we saw this in the team's expressed need for availability and clarity from their leaders

and also the desire by the team members for opportunities for personal development and mentoring from their leaders.

Leaders in a matrix organization need to be able to resolve conflicts as well as balance power which includes "...a deep and nuanced understanding of the power levers in the organization, as second, being skilled in the use of these levers to shape the decisions being made in the teams throughout the matrix." (Galbraith, 2009, p. 201). The desire the team members expressed for their leaders to have power of their own can be best understood in the context of the matrix organization. When multiple teams are competing for resources to meet their goals the power of the leader to attain the required resources directly or through negotiation impacts the team's success. Gottlieb (2007) suggests that in this rather complex organizational structure the one tool that managers at all levels have available to them is communication that is both frequent and informative.

Similarly, virtual work arrangements also inherently present obstacles for leaders. Ahuja (2010) states that virtuality causes difficulties in communication compared to face-to-face such as frequent interruptions, longer pauses in time between responses, fewer cues and information overload. Therefore, virtual leaders need enhanced communication skills and appropriate communication technologies. It is also suggested that conflict resolution takes on increased importance as does the importance of directing activities toward shared goals to stay the course (Ahuja, 2010). These issues in virtual team leadership together with the same issues of unclear or misaligned goals and inherent conflict in the matrix reporting structure make these obstacles to leadership in this MNC twofold. Thus, a matrix reporting structure in the organization combined with the additional pressures of virtuality and a global context adds significant complexity to the ability of leaders to meet team member expectations of their leaders.

It is interesting to note that in our case the leader's reputation was used to help alleviate some of the ambiguity concerning the leader; however, much like the traditional trappings of leadership such as a corner office, this can be misinterpreted, especially across cultures. Face-to-face interaction replaced the team member's ambiguity with some level of reality. This reality appeared to address some of the misperceived characteristics of leaders. In this case it enhanced communication by increasing the perceived approachability of the leader and helping the leader gain "heart-space". This confirms the reported importance of face-to-face interaction; however, it also provides some insight into the specific benefits to leadership of face-to-face interaction.

The global nature of the team added complexity as a result of the opposing work schedule appropriate for each time zone. This was felt to increase timeliness and productivity by having work continue across the time zones resulting in a longer "workday". However, this resulted in the leader often sleeping during the team's work time, making it more difficult for the leader to be available to the team in real-time. It also resulted in the use of more asynchronous communication, making it more difficult to achieve clarity. The richer the communication media such as a phone conversation, the more efficient it is to communicate complexity clearly.

To study the richness of the situation a single high performing global virtual team in an MNC with a matrix reporting structure was studied. The result is that the size of the sample is not large

enough to make generalizations beyond similar teams. It is rich enough to suggest that the context of a global virtual team has significant impact on the performance of the team including its leaders. This global virtual team never met face-to-face yet they performed at a level that enabled them to win awards as a team for the project, and also to gain recognition for the leader. It was clear to us that this was achieved even though the team's perceptions of the leader were significantly different after the face-to-face meeting.

The leader had none of the traditional outward manifestations of a leadership position and the only leadership by example that could be provided had to be provided virtually. The global nature of the team added to the complexity of the situation due to differing national cultural norms as well as significant time zone differences. Added to this was the complexity of a matrix reporting structure which further erodes leader position and power.

SUGGESTIONS FOR FUTURE RESEARCH

Similar to this study, Howell and Shamir (2005) focused on the follower in the leadership process by exploring followers with both personalized and socialized relationships with the leader. Their definition of a socialized relationship proposes that the relationship is "based primarily on followers' social identification with the group or organization" (p. 100). This view results in followers seeing the leader through the lens of the group or organization. Can this lens be developed by the organization to provide the proper context to the specific situation so as to reduce the complexity the leaders face and must overcome?

Similarly, future research should also further explore the role of national culture and organizational culture on the functioning of the virtual team. Do these cultures provide additional complexity or can they be used to reduce the complexity? For example, can an organizational culture which espouses a high level of trust serve to reduce the complexity? As noted above, trust is one of the nine common characteristics of high performing teams in matrix organizations. If trust is embedded in the organizational culture of a matrix organization, can this reduce the need for the leader to build this trust either initially or on a continuing basis? Moreover, will this trust transfer to reduce the complexity of working virtually and/or globally? While these issues may have been previously studied in isolation, can the synergy of the effects be captured? While we identified the overlap, this study was not designed to capture the degree of overlap and the potential gain to performance by reducing shared complexity.

REFERENCES AVAILABLE AT
www.nova.edu/~lesliet/swdsireferences