Chapter 2

Shared Leadership Meets Virtual Teams
A Match Made in Cyberspace

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ABSTRACT

Virtual teams are generally widely dispersed by geography, and also often by culture, language and time. They are usually comprised of highly skilled professionals and are brought together in order to achieve strategic organizational goals or to work on complex projects. They do not normally meet face-to-face but, rather, build and maintain relationships using various types of communication and information sharing technologies. With the continued increase in virtual teams a new leadership model becomes critical since traditional hierarchical models might not be able to facilitate the results that the organization needs to compete in a globalized economy. The authors suggest that shared leadership (e.g., Pearce & Conger, 2003), the dynamic allocation of leadership responsibility based on the expertise of the team member and the needs of the team or project, might be the solution to more effectively creating productive, balanced teams in a virtual workplace. This chapter is a brief exploration of the shared leadership literature as it pertains to organizing, leading and participating on a virtual team.

INTRODUCTION

Drucker (1993) predicted that advances in information systems would allow information to flow more freely between more people. He believed that these changes would alter the way that managers and subordinates relate to each other in organizations. Senge (2000) observed that both the dynamic and
inter-reliant nature of the economy would ensure the impossibility of top management being able to figure out everything on their own. Rather he stated that organizations must now seek out solutions that incorporate thinking and problem-solving at all organizational levels.

Building on these earlier ideas, is the dawn of the age of the digital enterprise. Many leading authorities believe that organizations will be increasingly rely on virtual teams to tackle their most pressing business issues (Rosen, Furst & Blackburn, 2007; Gibson & Cohen, 2003; Zacarro & Bader, 2003). Virtual teams are located over wide geographic areas, who trade or share information using technology to create new knowledge. How are these teams led? According to Pearce and colleagues (e.g., Pearce, 2008; Pearce & Conger, 2003; Pearce, Manz & Sims, in press) the most successful teams are lead via shared leadership processes, which entail the dynamic exchange of leadership roles, as the needs of the organization dictate. In a society in which knowledge work is more and more the currency of competition, allowing those who have the requisite knowledge, and the skill to share that knowledge, to lead is an increasingly important organizational imperative (Pearce, 2008).

When thinking about teams in a global economy it is ever more important to develop a shared vision yet it might even be more challenging to do so in the face of economic or environmental uncertainty— particularly since the world-wide financial meltdown of 2008. Constraints due to cultural boundaries or customs, national interests, political or resource based conflict, social norms or even technological changes or pressures also pose considerable challenges (Davis & Bryant, 2003; Saunders, Van Slyke & Vogel, 2004). In an increasingly complex business environment the importance of shared leadership as a means to aid knowledge creation will become progressively more important (Nonaka & Takeuchi, 1995; Nonaka et al., 2001).

**THE EVOLUTION OF VIRTUAL TEAMS**

What is a virtual team? Virtual teams are often organized as project or development teams. Lipnack and Stamps (1997) describe a virtual teams are guided by a common purpose or vision and that the members have interdependent tasks, just as face-to-face teams. They involve a group of individuals, often from multiple functions who come together temporarily for reasons such as assignments, process improvement or product innovation and/or creation.

Virtual teams are comprised of individuals working together while located in multiple, geographically discrete locations (Fulk & De Sanctis, 1995; Maznevski and Chudoba, 2000). They rely on technology to achieve member participation and to coordinate individual effort in productive knowledge work. These teams rarely meet face-to-face; rather, they work together on complicated, extended projects aided by technology-mediated communication (Townsend, De Marie, & Hendrickson, 1998). Often, the team members involved might change or shift as the requirements of the project evolve. While virtual teams generally allow team members to be more nimble and to cooperate with each other, the question of the role of the traditional vertical leader model must still be taken into consideration (Pearce, Yoo & Alavi, 2004; Shin & McClomb, 1998).

It is only in recent years that teams can truly be described as virtual. A virtual team can and will use both traditional communication channels and web-based solutions to exchange information, converse, stay in contact and collaborate with team members who might be many time zones removed. Leading these teams poses a considerable challenge for organizations (Kirkman, Rosen, Gibson, Tesluk & McPherson, 2002); they must manage people who are culturally diverse, from many different functional areas, and who cannot be limited by the traditional boundaries of geography or custom. As Rajiv Dutta, former CEO of Skype
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