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# Chapter VII CA Case Study of How Technology and Trust Enable the Projectized Team-Based Organization

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### ABSTRACT

The phenomenon of projectized teams operating via teleworking and moving towards the virtual mode of operation is explored. The major developments in the relevant HRM and trust literature are covered prior to the consideration of how IT can enable the development of unconditional trust as part of the formation of projectized teams. The case study company is a small but rapidly growing enterprise in the technology and software industry. A model of its new organizational structure is developed and recommended steps for moving from a flexible work-based organization to a virtual organization are provided based on the case study and the literature. Finally, future challenges and recommendations for organizations using IT-enabled projectized teams are considered.

# INTRODUCTION

Organizations today are often searching for new ways in which to promote cooperation between people and teams and to enhance the value created (Mayer, Davis & Schoorman, 1995; Jones & George, 1998) through the use of technology (Hunsaker & Lixfield, 1999; Townsend, DeMarie & Hendrickson, 1998). Many

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organizations seek to use technology strategically to assist in the reengineering of their structures into flatter, more team-based forms (Jones & George), with no middle management level, a chief executive officer (CEO) responsible for "managing the company," and employees responsible for managing themselves (Lipnack & Stamps, 1997, 1999). This is particularly so in medium and small enterprises in the technology and software industry where knowledge workers and professionals predominate and the use of teams is further complicated by the "virtual" component (Jarvenpaa, Knoll & Leidner, 1998). For example, teams of teleworkers come together to work on a project in a task force team (Eom & Lee, 1999), a parallel team (Duarte & Snyder, 1999), or project team (Kharbanda & Stallworthy, 1990; Porter & Lilly, 1996) that is cross-functional (Bishop, 1999; Jassawalla & Sashittal, 1999; Pinto, Pinto & Prescott, 1993) and will disband on project completion. A company operating with a projectized team structure or a networked structure based largely on virtual teams (Kharbanda & Stallworthy; Lipnack & Stamps, 1999), must have an organizational culture of trust that in turn promotes unconditional trust amongst individual team members (Barney & Hansen, 1994; Cascio, 2000; Fiol, 1991; Handy, 1995; Jones & George) so that team effectiveness and intellectual capital can be maximized. There is a range of demands placed upon managers in these organizations, requiring foci and skills other than those expected from traditional managers (Cascio; Duarte & Snyder; Gainey, Kelley & Hill, 1999; Lepak & Snell, 1998; Nilles, 1998). This also applies to employees working within the projectized teams and who are themselves teleworkers or virtual office employees and likely to experience problems such as isolation (Gainey et al.) and distrust of unseen and "unknown" team nC. members (Jarvenpaa et al.) and managers.

This chapter investigates the manner in which the management of technology, particularly the use of Internet, online project rooms, and peer to peer (hereafter referred to as P2P) systems allowing real-time emails (e.g., ICQ) and collaboration between users involved in computer-supported cooperative work (Mills, 1999) can be used to build trust within an organization-enabling it to move from the physical office to the virtual office-and in doing so, establish regional, national, and international alliances. This technology promotes projectized virtual teams as the new organizational structure and enables these teams to operate with maximum flexibility and creativity and to successfully produce optimizing products to meet their clients' individual needs (Porter & Lilly, 1996). Technology used as a strategic tool enables parallel or concurrent team membership and completion of synchronous (Duarte & Snyder, 1999) and asynchronous tasks (Duarte & Snyder; Jackson & Grossman, 1999; Morris, Neuwirth, Regli, Chandhok & Wenger, 1999). The organizational structure is flattened because self-managing, temporary projectized teams replace middle management. Further, electronically available procedural guidelines and policies eliminate many of the repetitive administrative tasks that previously accompanied teams. The CEO is to manage the organization's culture and resources and facilitate the functioning of the projectized teams.

For this chapter, we combine three frameworks by two groups of researchers and a consultant to provide the theoretical and conceptual background. Jones and 17 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage: <u>www.igi-</u> <u>global.com/chapter/case-study-technology-trust-</u> <u>enable/24793</u>

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