# Influencing Factors of Team Effectiveness in Global Virtual Teams

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#### ABSTRACT

Virtual teams are gaining importance because they have given organisations and employees the ability to work from anywhere in the world without relocating them. The ability to work remotely and collaborate virtually has allowed organisations to expand their reach and tap into a global talent pool. Additionally, COVID-19 has resulted in seeking alternative work arrangements, including the information technology (IT) industry. However, virtual teams also have challenges that can affect team efficiency and effectiveness. Factors such as knowledge sharing, trust, language and cultural differences, distance, and time zone differences can all impact virtual team performance. This research describes several important factors that affect global virtual team efficiency, especially in IT projects, and underlying solutions are addressed to reduce the barriers. By understanding the challenges and implementing effective solutions, organisations can leverage the benefits of virtual teams.

#### **KEYWORDS**

Challenges, Communication, Global Virtual Teams, Team Effectiveness

#### INTRODUCTION

The digital era has brought significant changes to the organizations that operate and collaborate, particularly in globalized markets. The COVID-19 pandemic has also accelerated the shift to remote work to be able to collaborate effectively in virtual environments (Garro-Abarca et al., 2021).

Virtual teams are formed by individuals with different backgrounds and from different cultures and nationalities (Zander et al., 2012). The intercultural dimension brings diversity, creativity, and new perspectives to problem-solving. However, cultural differences can also pose a challenge for virtual teams, thus it is important to manage the differences for effective collaboration (Eubanks, et al., 2016). Virtual teams are becoming more frequently implemented within organizations (Marlow et al., 2017).

Communication technologies are supporting virtual teams, providing the necessary infrastructure for collaboration across geographical, cultural, and organizational boundaries. Information technology provides the necessary infrastructure to support the development of virtual environments. Virtual teams represent large know-how that is a promising source of innovation (Ebrahim et al., 2009). Overall, virtual teams present both opportunities and challenges for organizations. People with different cultural backgrounds work together, bringing creativity, new ideas, and new approaches to problem-solving.

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By leveraging the benefits of virtual teams while effectively managing the costs, companies can achieve their goals and remain competitive in the global marketplace (Popescu et al., 2014). Virtual teams provide benefits but incur costs as well. Virtual teams while effectively managing the costs, companies can achieve their goals and remain competitive in the global marketplace. Therefore, companies need to manage the virtual teams in specific ways (Siebdrat et al., 2009).

# **DEFINITION OF TEAM AND VIRTUAL TEAM**

A team is a group of people who are focusing to achieve a defined goal. Team members collaborate with a high degree of interdependence, share responsibility for self-management, and work toward a common goal (Jain, 2009). A virtual team is a group of people who work with a shared purpose across space, time, and organizational boundaries using technology to collaborate. Virtual team members can be located across a country from different cultures and they rarely meet face-to-face (Kimble et al., 2000). Virtual teams have several unique characteristics which are mainly, 1) physically distributed members, 2) communication through a number of synchronous and asynchronous methods. There are different researches in the literature and according to Duarte and Snyder (2006), it is easy to characterize virtual teams as traditional teams. However, virtual teams are more complex as they have time differences, distance, different organizational structures and they use information technology to communicate and collaborate (Rosa, 2013). Although virtual teamwork is a current topic in literature it is difficult to define the complexities and clear solutions. The team is described as a small number of people with different backgrounds who are committed to achieving a common goal. Virtual teams work across boundaries of time, space by using computer-driven technologies (Chudoba et al., 2005 and Anderson et al., 2007). Virtual teams included members who are located in different physical locations. They use different forms of computer-mediated communication to coordinate (Peters and Manz, 2008). Amongst the different definitions of a virtual team, the concept from Powell et al. (2004) is the most widely accepted definition. They define virtual teams as groups of geographically, organizationally and time dispersed workers to achieve the organizational tasks. Consequently, a summary of the definition of a virtual team can be defined as, a group of geographically, and time dispersed workers collaborating with computer-mediated communication technologies in order to achieve the common goal for organizations.

## **Communication Within Global Virtual Teams**

Virtual communication has many advantages. Due to globalization and the need for rapid knowledge transfer across borders and time zones, computer-mediated technologies allow users to communicate at any time and any location with access to the technology. Virtual teams overcome the limitations of time, space that traditional teams have. Moreover, virtual communication allows you to think about your response before you send an e-mail or reply to a message which reduces misunderstanding (Baltes et al., 2002). On the other hand, virtual communication provides cost savings to employees and to companies as well (Johnson et al., 2001). In addition to cost savings, a virtual working environment encourages innovation. Because in virtual teams' productivity is much more important than other characteristics (Bergiel et al., 2008). Although, virtual communication has various benefits in terms of cost, distance, cultural difference, and access to expertise it has disadvantages as well.

Virtual communication has software problems from time to time which causes delays or cancellations (Powell et al., 2004). This causes rescheduling the timetable which can be difficult to schedule the meeting again due to time zone barriers. In addition to this, technological expertise issues arise in virtual environments. Some team members do not feel comfortable enough with technological structure. Indeed, one of the most important disadvantages is the lack of team cohesion and trust. Because sometimes people need to see or even feel to understand what people think. Because virtual team members often assume others` intentions incorrectly when they do not respond to e-mails or messages (Bergiel et al., 2008 and Dewar, 2006). Consequently, studies showed that both virtual

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