

## Chapter 6.8

# Leadership Competency in Virtual Teams

**Deborah Petska**

*Northrop Grumman Information Technology, USA*

**Zane Berge**

*University of Maryland, Baltimore County, USA*

### INTRODUCTION

As organizations race to increase their global market share, traditional face-to-face teams are evolving into virtual teams. Aided by swift advances in communication technology, virtual teams allow organizations to pool the intellectual resources of geographically dispersed experts from multiple fields to achieve organizational goals and advance the corporate mission. Virtual teams benefit organizations by saving travel costs and time lost away from work. Although similar to traditional teams in many ways, the virtual team's dispersed nature necessitates different leadership competencies, the use of multiple communication media, and more structure and guidelines (Stone & Thach, 1999). With a growing number of organizations now

relying on virtual teams to perform work, there is also increased recognition that strong leadership is critical to the successful functioning of virtual teams. However, the additional component of technology used by virtual teams is sometimes overlooked when organizations develop their core competency models.

*The leader's use of technology to manage projects and human relationships is what sets the virtual team apart from traditional teams.* Core competency of virtual team managers includes solid leadership skills, as well as an ability to integrate technology to share information and, perhaps most importantly, to manage relationships inside and outside the virtual team. In the staff development process, organizations tend to focus on generic leadership development and overlook the technol-

DOI: 10.4018/978-1-60566-198-8.ch190

ogy component of competency that is essential to virtual teams.

This article reviews the research literature regarding teams and virtual teams to identify the individual characteristics—such as cognitive ability, conscientiousness, tolerance for uncertainty, and skills used in technology—that facilitate leadership within teamwork. Team leaders can exercise critical success factors such as setting clear goals, providing frequent feedback, building team cohesiveness, and demonstrating empathy towards staff to improve team performance. However, there are often barriers to overcome when leading a team. The article identifies important critical success factors and the significant barriers that get in the way.

### **Guidelines for Establishing a Virtual Team**

Eom and Lee (1999) recommended four guidelines in the establishment of virtual teams. First, the core competency of the organization should be defined. Next, the organization's operations should be integrated with those of other entities that are contributing to the virtual team's efforts. Then, the technology needed to unite and sustain virtual teams and organizations should be developed. Finally, an organizational culture that deals with resistance to the use of virtual teams needs to be shaped.

Eom and Lee's guidelines are supported by a review of the current literature. Additionally, a study by Boss (2000) indicated that leadership presence is critical to the success of teams. When a team lacks a designated leader, one will emerge, particularly when problems requiring resolution are encountered (Tagger & Hackett, 1999). In a similar study on emergent leadership in teams, Kolb (1996) reported that the ability of a team leader to manage relationships within and outside the team accounts for the team's level of success. Gould's (1997) study of leadership in virtual teams, as well as Kayworth and Leidner's (2000) study

of global virtual teams, corroborate Eom and Lee's guidelines for virtual team development, particularly the need for leadership competency in communication media.

In a speech given at the Team Strategies Conference in Toronto, Kimball (1997) suggested that managing virtual teams is very similar to managing traditional teams. The underlying difference is the use of technological tools to support collaborative work. Leaders of virtual teams must be capable of using a wider array of electronic telecommunication tools for regular interaction with team members.

Eom and Lee's guidelines are further supported by related studies undertaken by Horvath and Duarte (2000) and Schlough (1997). The results of their studies suggested that goals must be aligned and integrated at the organizational, process (team), and individual levels; that virtual team members require the development of skills specific to the technologies being used to share work; and that a culture supportive of virtual teams should exist within the organization.

### **Leadership Competency**

While much of the focus regarding virtual teams is on the technology that allows such teams to exist, the major difference between traditional and virtual teams is in leadership competencies (Kimball, 1997). A proficient team leader manages the relationships of team members and external partners, guides the team to achieve its goals, and communicates effectively (Chase, 1999). Those leadership challenges become magnified when the team being led is a virtual one. The ability of a virtual team leader to foresee delays in a project or to resolve potential conflict is often hampered by the lack of face-to-face contact with team members (Gould, 1997). Visual cues, such as body language and facial expression, are missing from human interactions that take place over telephone lines and in cyberspace. The virtual team leader must be particularly skilled in communication (Chase,

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