## Secrets of virtual success

How do you manage a team across borders and time zones? Start by tearing up your old management rule book, says INSEAD Professor Erin Meyer.

Today's financial woes have forced many companies to pick members of project teams from across various global locations and have them communicate virtually - by phone, email and videoconferencing - thereby saving both time and money.

I consider myself a seasoned and skilled team-leader. But it was an overwhelming challenge, learning how to manage people I would never meet face to face and to build team cohesion with a group of people who were so culturally diverse that they seemed to instinctively not trust one another.
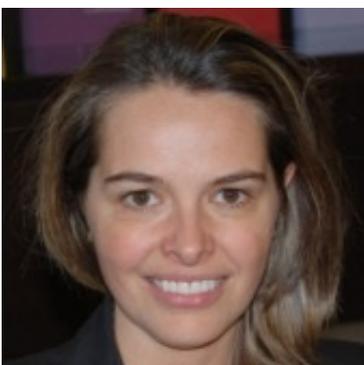
Erin Meyer

There are more global virtual teams today than ever before - and their numbers are increasing rapidly. Recently INSEAD

has been bombarded with requests to set up a programme showing executives the skills they'll need to meet this new management challenge. The latest research shows that these skills are not simply different from those needed for running co-located teams; they are often the exact opposite. Here are five principal ways they're very different.

1. You must lead differently

I learned quickly that the style of leadership I had learned while getting my MBA - empowering team members to set their own objectives and then encouraging them to work together, adjusting and adapting as necessary - was not a good approach to managing virtual teams and it did not work well on our virtual team.

Jose Santos

While co-located teams often benefit most from a leader who acts as a facilitator, virtual teams need a manager who provides clearly-defined direction and removes all ambiguity from the process. Research by fellow INSEAD Professor José Santos demonstrates that highly-centralised supervision usually works best in globally distributed teams. A well-managed virtual team is therefore more of a hierarchy than a well-managed classic team. In addition, formalisation and accounting must be higher so that a well-managed virtual team is also more of a bureaucracy. When a team works together in the same office, you can have loose job descriptions, possibly even with two people sharing elements of the same role. Rules may be loose and team culture and habits may develop naturally. In virtual teams that just doesn't work. Team leaders have to formalise roles, responsibilities, and behaviours - starting with their own.

Roderick Swaab

INSEAD Professor Roderick Swaab provides examples as to how this high degree of centralisation should be established. "It is important during the planning phase of the project that the leader establishes rules for seemingly trivial things such as response times", Swaab explains. "Should people respond to emails within four hours or 48 hours? Are people aware of each other's preferred communication media and did they agree which technologies they should use

for different tasks?" This level of detail may be superfluous in a classic team but is critical to a global team's success.

2. You must make decisions differently

James, Kathy, Laura, what do you think? Any other input? Those are all great ideas. Let's go with the idea from Kathy. James, please draft a project plan for the team to review next week.

In the US, managers are trained to solicit input from a team, choose a direction quickly and make adjustments as the project moves forward. It works, but then so do other methods. In Sweden, teams learn to make decisions through lengthy consensus-building, which can span many meetings but eventually leads to strong buy-in and rapid implementation. In France, the Descartes-inspired education system teaches that debate and confrontation are necessary elements of any decision-making process. And in Japan, decisions tend to be made in informal one-on-one discussions before a formal group meeting.

In my own research, I've found that one of the most difficult tasks for leaders of global teams is to recognise that their styles of decision-making may be deeply rooted in the cultures they come from. Global teams therefore need very explicit descriptions of how decisions will be made, and the best global team leader is one who is willing to try out different kinds of decision-making processes at different points in a project.

3. You must build trust differently

What my team struggled with the most was learning to trust people that they had never met. This old adage that you only trust someone you can look in the eye proved to be a real problem for all of us. And looking into someone's Skype image just didn't cut it.

Trust takes on a whole new meaning in virtual teams. When you meet your workmates by the water cooler or photocopier every day, you know instinctively who you can and cannot trust. In a geographically-distributed team, trust is measured almost exclusively in terms of reliability.

Cristina Escallon

Cristina Escallon teaches on the new Managing Global Virtual Teams programme that trust plays a critical but different role on a virtual team. Given the absence of face-to-face relationship building opportunities, leaders of virtual teams need to concentrate on creating clear, predictable processes and highly defined communication systems in order to encourage team confidence and trust. At the same time, social focus also pays off in building trust in virtual teams-particularly in the early team formation stages and then maintained in creative ways. In this case face-to-face meetings can be limited to once a year or so.

4. You must negotiate differently

Physical distance almost always makes teamwork more challenging. The one big exception is when we have an internal disagreement and have to negotiate a solution.

Global teamwork is not always about collaboration. Often team members have to compete with each other for resources, deliverable dates, and product specifications - and research shows that being physically dispersed may have surprising advantages.

Swaab has carried out research projects in the U.S. and Northern Europe to measure creativity during the decision-making process. He discovered that men (in contrast to women) are actually more creative when they can't make eye contact. [Click here to read more.] This means that two male negotiating partners may be more likely to come up with creative ideas for win-win solutions when they cannot look each other in the eye. In addition, his research leads us to question the common assumption that more media-rich communication platforms such as videoconferencing or Skype are preferable to email or phone. For example, negotiators with competitive motives achieved better outcomes when email was used instead of videoconferencing. It may be counter-intuitive but sometimes less direct contact can help people to see better ways of doing things.

5. You must communicate differently

We had cutting-edge technological tools available to our team. But we always seemed to drift back to using the telephone. Why was it so much easier to make a point walking around my office talking on my iPhone than it was sitting next to soeone's full body image using video presence?

Ian Woodward

The key to leading global virtual teams is, without doubt, communication. But when we communicate virtually, we often become less influential. INSEAD Professor Ian Woodward has demonstrated through practical exercises that moving your body while speaking enhances your voice quality. Managers of global virtual teams who sit rigidly at their desks, glued to Skype or videoconference screens, tend to lose their interpersonal or persuasive edge. Walking around or simply moving your arms is just one of many simple but effective communication tricks that managers can use to improve the sound of their message.

The upshot of all this is that managers with geographically-scattered teams need a much broader skillset than those with traditional, co-located teams. More than that, they need the ability to switch between skillsets, based on the diversity of their team members and the distance between them. Welcome to a new virtual world of business.

Erin Meyer is an Adjunct Professor of Organisational Behaviour at INSEAD. Erin specialises in cross-cultural management, and is Director of INSEAD's new 'Managing Global Virtual Teams' programme for executives.

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