



**B**UILDING TRUST  
IN VIRTUAL TEAMS



# Building Trust in Virtual Teams

**C**orporations and other organisations take their physical work environment seriously. Large sums are invested in material work conditions such as buildings and office spaces. However, less attention is paid to “virtual office spaces”, which provide concrete work environments for virtual teamwork. Research suggests that such environments benefit from explicit setting of behavioural norms.<sup>1</sup> Such norms build trust in the absence of face-to-face contact between team members. Solu 365 by Solu Digital is a tool that leverages Microsoft Office 365 and Teams, and facilitates virtual team norm-setting, thus generating potential for more trustful and successful collaboration.

Teamwork is a fact of organisational life. Teams consist of individuals working together towards mutual goals and tasks with shared responsibility<sup>2</sup>.

Technological advancements are changing the landscape of teamwork. No less than 1.3 billion workers are estimated to work virtually<sup>3</sup>. Up to 80 % of knowledge workers are frequently or always working in so-called **virtual teams**<sup>4</sup>. These are teams relying at least partly on digital means of communication, such as email, digital collaboration platforms, and virtual meetings.

Virtual teams can consist of individuals working in different continents or time-zones, all over the globe; these can be described as global virtual teams. Up to 70 % of global organisations rely on global virtual teams<sup>5</sup>. A recent survey of 1,372 business respondents from 80 countries reported that 48% of respondents worked in teams in which more than half of the team members came from different cultures than their own<sup>6</sup>.

However, little attention has been paid to the question of organising virtual teamwork. This paper, which is based on academic research concerning virtual teams, takes a look at this important landscape. The paper tackles the questions of why virtual teams are popular, what is expected from them, why they often fail, and how their problems can be solved.

<sup>1</sup> This paper is based on a research report by Deduktia ([www.deduktia.fi](http://www.deduktia.fi)), authored by Dr. Emma Nordbäck.

<sup>2</sup> Hackman, 1987; Guzzo & Dickson, 1996

<sup>3</sup> Johns & Gratton, 2013

<sup>4</sup> Ferrazzi, 2014

<sup>5</sup> SHRM survey 2013

<sup>6</sup> RW3 CultureWizard, 2016



**1.3 billion**  
are working virtually

## Why are virtual teams so popular?

There are many reasons leading to the widespread popularity of virtual teams.

Virtual and global virtual teams are expected to bring competitive advantage to organisations. It is possible to quickly create global virtual teams composed of members from near and far, having the best expertise and knowledge for a certain task. There are high expectations that global virtual teams will bring together diverse knowledge, perspectives, information pools and networks to foster creativity and problem-solving<sup>7</sup>. Global virtual teams are also expected to increase the understanding of local needs and demands<sup>8</sup>.

In innovation processes, there is a need for cooperation and co-creation across organisational boundaries<sup>9</sup>. This is one of the reasons why organisations are moving away from hierarchical structures towards more adaptive organisational designs<sup>10</sup>.

Moreover, work has shifted from production towards service and knowledge work<sup>9</sup>, which can be performed across spatial boundaries.

In addition, organisations are increasingly interacting with customers and other stakeholders digitally when developing and delivering products and services<sup>11</sup>.

Thus, it seems that today's business requires flexible and digital ways to organise work. Virtual teams provide excellent ways of organising, with flexibility both in terms of membership as well as forms of collaboration<sup>9</sup>.

## Trust is crucial in virtual teams

Despite the promise of virtual teams, the majority of global and virtual collaborations are considered to be unsuccessful<sup>12</sup>.

One of the main reasons for this is pertaining to trust. Trust has been identified as one of the most salient factors affecting performance in virtual teams<sup>13</sup>. Without trust, virtual teams will most likely fail.

<sup>7</sup> DiStefano & Maznevski, 2000; Jimenez et al., 2017

<sup>8</sup> Martins et al., 2004; Zander et al., 2015

<sup>9</sup> Townsend et al., 1998

<sup>10</sup> Jimenez et al., 2017

<sup>11</sup> Snow et al., 2017

<sup>12</sup> Ferrazzi, 2014

<sup>13</sup> e.g. Gilson et al., 2015



**80%**

of knowledge workers  
are in virtual teams

On the other hand, trust development has been identified as one of the greatest challenges of working within virtual teams<sup>14</sup>. Developing trust is difficult in virtual teams due to the lack of face-to-face interaction and visibility of actions<sup>15</sup>.

In a recent meta-analytic review<sup>16</sup>, the most important predictors of trust were found to be team tenure, task-related and person-related leadership, as well as the frequency and quality of communication. Team size impacts trust negatively.

## Norms and guidelines help to establish trust

The so-called swift trust, where members decide to trust each other immediately, is important in virtual teams<sup>17</sup>.

Swift trust can only develop into stronger trusting relationships through normative action, for example through setting and monitoring performance norms<sup>18</sup>. Performance norms include, for example, goals, milestones and norms for using communication technologies.

Successful virtual teams are those that are able to establish explicit behavioural norms. In practice, these can be guidelines that facilitate both task-related and social-related interactions<sup>19</sup>. These guidelines may be related to etiquette, collaboration and interactional behaviours, as well as conflict management styles, among others<sup>20</sup>. Norms can be established for communication frequency and preferred technologies<sup>21</sup>, as well as information sharing to make sure everyone in the team has the same information and understands it in a similar way<sup>22</sup>.



**70%**

of global organisations  
rely on global virtual teams

<sup>14</sup> e.g., Breuer et al., 2016; Jarvenpaa et al., 1998

<sup>15</sup> Jarvenpaa & Leidner, 1999

<sup>16</sup> van der Werff et al., 2018 <sup>17</sup> Jarvenpaa & Leidner, 1999

<sup>18</sup> Crisp and Jarvenpaa, 2013

<sup>19</sup> Makarius & Larson, 2017

<sup>20</sup> Geister et al., 2006; Kasper-Fuehrer & Ashkanasy, 2001; Massey et al., 2003

<sup>21</sup> Carte et al., 2006; Kirkman & Mathieu, 2005

<sup>22</sup> Bjorn & Ngwenyama, 2009

## Technology as a medium for trust

As we saw above, setting rules and norms contributes positively to swift trust—once rules are clear, uncertainties are mitigated and one does not have to be unsure about the correct procedures, actions and manners of communication.

Especially when it comes to trusting people you have not met or do not even have visual contact with, it is important to know the rules of the collaboration. Team members should ask the following questions:

- What is the formal goal-setting of the team?
- Is the team only for people working in the organisation or also for external contacts?
- What is the position of the team with respect to other teams in the same organisation?

Solu 365 is an add-on to the Microsoft Teams platform and a tool for virtual team organisation.

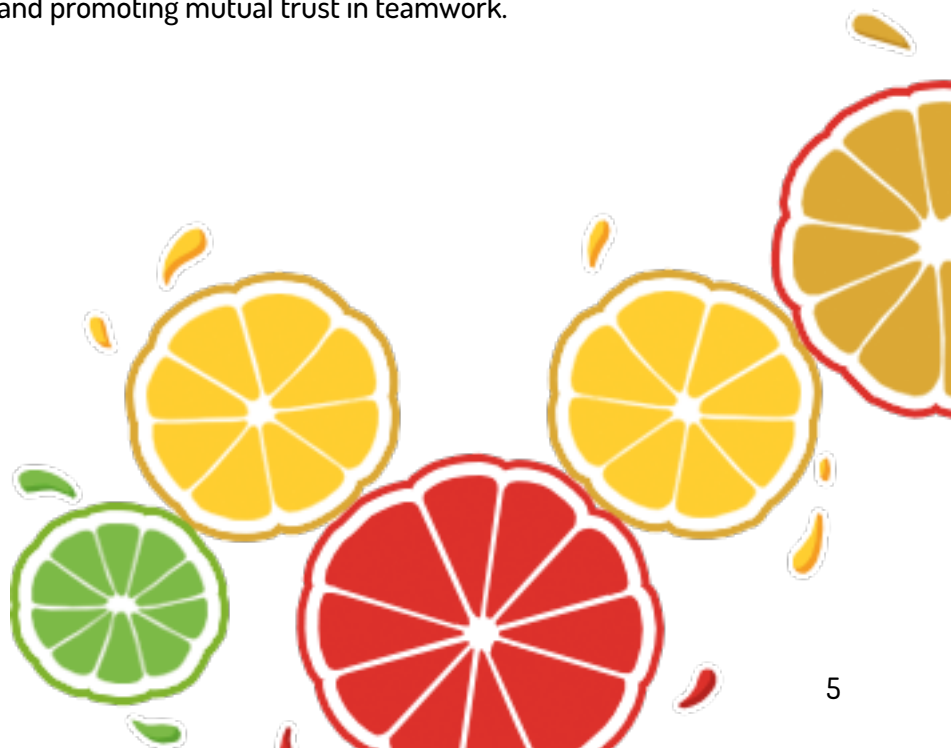
Solu 365 uses team metadata for positioning teams in the organisation. It provides a listing not only of one's own teams, but also all the other teams in the organisation, their owners, their classification data, and their founding date.

Steering teams in the organisation is easier when the above is transparent. Moreover, the organisational situation is clearer even for the teams themselves. If one knows what teams currently exist and how they are classified, it is easier to position the role and duties of one's own team.

A clear task definition may increase activity and willingness to contribute to the teamwork, which can lead to increased trust among members. This, in turn, can lead to further activity, thus establishing a virtuous circle for teamwork.

Moreover, being clear on how one is expected to communicate is an important factor in teamwork. This, in turn, largely depends on the membership base of teams. For example, when some team members are not members of the organisation, the team leader may wish to pay extra attention to explaining things in plain language in order to avoid feelings of exclusion. In Solu 365, it is clear whether a given team is an in-house one or can include external members.

To sum up, by providing a framework for virtual team organisation and definition, Solu 365 increases transparency and facilitates the setting of behavioural norms in teams. Research findings suggest that this is important for improving communication and promoting mutual trust in teamwork.



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