



BUILDING TRUST IN A VIRTUAL TEAM: A CONCEPTUAL FRAMEWORK

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Abstract

There has been a tremendous increase of technology - mediated working environment leading to the formation of virtual teams due to the globalization and it requires a new leadership approach in making them succeed. E-leadership has been recognized as relevant to lead the virtual team. It is claimed that trust is one of the factors vital to the formation of a successful virtual team. It is also suggested that building and maintaining trust may be one of the most important factors leading to virtual team success. However, building trust in a virtual team is a major challenge as team members do not have face-to-face interaction. Thus, it becomes the sole responsibility of the e-leader in the virtual team to build a trusting relationship between the team members without which the virtual relationship will not succeed. This paper explores the current knowledge about the factors that build trust deemed as critical in virtual team effectiveness and proposed a framework for building trust in the virtual team. This paper is a reflection for e-leadership in understanding how e-leaders can build trust in virtual teams that will enhance the performances of virtual teams in the virtual work environment.

Keywords: *E-leadership; Virtual Team; Building Trust; Team Effectiveness.*

1. Introduction

There has been a tremendous increase of technology-mediated working environment leading to the formation of virtual teams due to the globalization and it requires new leadership approach in making them succeed. Therefore, the importance of e-leadership has been recognized because of the geographic dispersion and the increased use of electronic technologies (Colfax, Santos, & Diego, 2009). Now companies have established a virtual team to organize work in the globalization via technologies (Lipnack & Stamps, 1997; Brunelle, 2012). The virtual team is formed to overcome geographical separations while at the same time reducing office space, travel and time-related costs (Cascio & Shurygailo, 2003). The main purpose of a leadership includes engaging people and directing them toward fulfilling a particular goal (Avolio & Kahai 2003) which is realized through building relationship. The concept of trust is the framework upon which any relationship can be built. It has been demonstrated that trust is vital in the virtual teams as it increases innovation, competitiveness and efficiency (Zhu, Newmanb, Miaoc, & Hooke, 2013). Understanding how e-leaders can build trust on virtual teams can improve the performance of virtual teams. However, building trust in virtual teams is a major challenge as team members do not have face-to-face interaction. Thus, it becomes the sole responsibility of the e-leader in the virtual team to understand and build a trusting relationship between the team members without which the virtual relationship will be awfully delicate and erode the virtual team effectiveness.

2. Objectives and Methodology

This paper explores the factors that build trust in the virtual team and constructs a conceptual framework for future research. It is based on the findings of secondary data.

3. E-Leadership

E-leadership is defined as the leaders who communicate and interact with the followers through information technology as well as collecting and giving out information necessary in supporting organizational work through information technology (Avolio & Kahai, 2003). It is also understood as a process of social influence taken through advanced information and communication that brought about changes in attitudes, feelings, thoughts and behavior in the organization (Savolainen, 2013). It is stated that the most important thing for e-leadership is not connecting technology but ultimately about connecting people (Annunzio, 2001) and thus, the need for e-leadership in a virtual team environment is increasingly relevant as businesses move toward more technology-mediated work environment (Cascio & Shurygailo, 2003).

4. Virtual Team

Virtual team is defined as groups of co-workers geographically dispersed being set up together with the help of information and communication technologies to carry out organizational works (Townsend, DeMarie, & Hendrickson, 1998). It is a group of people who work interdependently with a shared purpose in the organization across boundaries using technology (Lipnack & Stamps, 2000). To be successful in the demanding global market, virtual teams are essential for organizations today (Bell & Kozlowski, 2002) as the innovations in the technology have shaped a new revolution in organizations where human interactions now intercede by information technology across the world (Cascio & Shurygailo, 2003). The virtual workplace where employees and managers operate remotely is now a reality. This virtual team utilized an extensive variety of



computer-mediated communication that facilitates geographically dispersed team members to manage their efforts and inputs (Peters & Manz, 2007). Virtual teams will not only be significant in today's business only but it will continue to be more relevant in the future as well (Lee, 2014).

5. Importance of Trust in a Virtual Team

Researchers believed that trust is the main foundation of successful teams (Bennett, 1996; Hart & Saunders, 1997). Teams that are geographically dispersed have a harder time to establish a relationship and getting to know each other very well due to the limited face-to-face meetings (Martinelli, Rashulte & Waddell, 2010). Furthermore, there are differences in nationalities, education and personal life experiences that might lead to misunderstandings and negatively affects the team-work (Fisher & Fisher, 2011). But trust is a critical factor for all teams especially for the teams that are working virtually. Trust is considered as the foundation of effective team-work and co-operative relationships (Thomas & Bostrom, 2010) and plays the key role in shaping collaborative behavior (Lewicki et.al, 2006). It is claimed that trust is one of the factors vital to the formation of a successful virtual team (Brennan and Braswell, 2005; Couzins and Beagrie, 2005; Barczak et al., 2006). Therefore, building and maintaining trust may be one of the most important factors leading to virtual team success (Zaccaro and Bader, 2003). Understanding the factors in building and maintaining trust among virtual team will contribute to effective virtual team performances. As mentioned above, trust is a critical factor in all teams to be able to succeed, but it is particularly important in virtual teams since it is much harder to develop trust when team members are geographically dispersed and communicate through technology (Greenberg et al., 2007).

6. Factors Building Trust in a Virtual Team

Avioli et al, (2000) suggested that if the virtual workforce has no trust in the e-leadership, it may pose several challenges in leading the geographically dispersed workforce. One of the leader's task is building trust (Yukl, 2010) and trust is a key concept in a virtual team that would help bridge the gap between the challenges of virtual teams and team effectiveness (Khan, 2012). The importance of trust has been studied by Hurley (2012) and found that it has a positive impact on the employee trust in the organization, commitment, job performances as well as engagement. Thus, trust in the leadership determines the effectiveness of the team and for the rest of the organization. Though trust is difficult to build within a virtual team because of the unique way they operate across the world, it is the responsibility of the e-leadership to foster trust in the virtual team for collaborative behavior. Given the challenges of a virtual setting of how should e-leadership build trusting relationships within the virtual team, the following section deals about which factors build trust in the virtual team.

6.1 Preliminary Information/ Personal Information

In order to attain a high level of trust among the virtual team members, it is important that e-leaders should emphasize in the development of trust from the beginning of the team formation (Tseng & Ku, 2011). It has been shown that after understanding team members' background, there is an increase in the level of trust (Chen et al., 2011). It improves the level of trust in virtual teams and their productivity by sharing this preliminary information as it creates strong initial perceptions of trustworthiness (Rusman et al., 2013). A proven study on how sharing personal information with each other in a team leads to accomplishing task has been demonstrated by Rusman, Van Bruggen, Sloep, & Koper (2010). The introduction of the preliminary information of the e-leaders should also include the member's functional role qualification and why the function is important to the success of the team. This clarification of roles will allow members to grow initial trust in each other and help build a foundation for trust in the abilities of other members. Therefore, it is important that engaging the virtual team in these self-disclosure exercises will develop a deeper understanding of team members to form the bonds necessary for building trusting relationships.

6.2 Sharing Knowledge and Objectives

Knowledge sharing is important for virtual teams (Kauppila, Rajala, and Jyrämä's, 2011). In the study conducted Staples et al. (2008), they have empirically proven that trust has a direct positive correlation with knowledge sharing. With shared knowledge, the virtual team members will have the capacity to fully understand and apply the knowledge that is transmitted to them. Trust is also considered important in initiating knowledge exchange (Rolland & Chauvel, 2000, p. 239). Additionally, when team members are following shared objectives by the team leader, they develop high cognitive trust in the leader which in turn will influence the team effectiveness (Webber, 2008). Thus, one of the strategies to build trust is to exercise knowledge sharing and objectives in the virtual team.

6.3 Effective Communication

Communication increases the level of trust in virtual teams and trust is a factor for effective communication which in turn builds trust to accomplish tasks (Brandt et al., 2011; Berry, 2011a). In the study conducted by Owonikoko, E. A. (2016), team members recommended that there should be a free flow of information to build and maintain trust among the virtual team members. And the participants agreed that effective communication brings closeness and foster in building and sustaining of



trust among team members. The participants also suggested that a team leader should not break the chain of communication with the virtual team members. Furthermore, virtual teams who received virtual team communication training had more level of trust than who had not (Warkentin and Beranek 1999). Based on this finding, it is crucial to provide communication training to the virtual team members in the virtual environment. Virtual teams will overcome the challenge of building trusting relationships through effective communication.

6.4 Appropriate Technology

Jarvenpaa, S. L., & Leidner, D. E. (1999) claimed that another trust facilitating action in a team is to develop a system of coping with technical and task uncertainty. It stands true as virtual leaders achieve trust from the virtual team members by managing the communication and technologies (Dominic Thomas, Robert Bostrom, 2008). Virtual teams predominantly use computer-mediated technology for communication and mistrust can be created if there is an interruption in the technology-based communication (e.g., messages missed, inability to meet deadlines etc). Webber (2008) also agreed that trust can be build by using communication technology appropriate for social interaction. Ying (2012) demonstrated that factors that contribute to building trust and enhancing the effectiveness of virtual team performance include providing technology appropriate to the task, ensuring adequate training for operating new technology, enabling members to convey social signs and useful information. Ebrahim et al. (2012) also suggested that having the right technology and the ability to apply it to task helps team members build confidence and trust. Therefore, appropriate technologies devices such as webcams, Skype, phone calls, and e-mails increase the level of trust in a virtual team (Zaugg, & Davies, 2013). By increasing the number of appropriate technologies methods (i.e. video conferencing, chat sessions, etc.), virtual team members will build stronger trust with other team members.

6.5 Transparency

Palanski et al. (2011) demonstrated that transparency in the team members is positively associated with team behavioral integrity, which in turn positively related to team trust. They have suggested that virtual team leaders should be able to lead with openness to team questions and decisions and be able to fulfill promises. Their findings recommended that if the team leader is open, available, and answerable to team members, team members would automatically trust him and the same trust momentum would follow throughout the team members.

6.6 Responsiveness

O'Hara-Devereaux and Johansen (1994) suggested that trust holds the virtual workspace together and that frequent ongoing communication between team members increases trust. It has been found that regular and timely communications were key factors in building trust and commitment in the distributed teams (Jarvenpaa and Leidner, 1999). Regular ongoing communication is required for team success (Kayworth and Leidner, 2000). The team that received a timely message and feedback created a high trust in the team members (Coppola et al., 2004). Communication must occur immediately in an online environment for trust to develop and e-mail between virtual team members with continuous and frequent communication maintained high levels of trust with team members (Iaconna & Weisband, 1997). Therefore, timely and substantive responses in the communication lead to trust (Jarvenpaa et al., 2004).

6.7 Cultural Intelligence

Differences in organizational cultures can lead to miscommunications and the deterioration of group works (Veiga, Lubatkin, Calori, & Very, 2000). Zey (2012) argued that intercultural training and awareness may bridge cultural and geographical differences in virtual teams. Their findings also suggested that cultural awareness and training will help in building trust and bridging the gap of geographical differences among virtual team members. Participants of the study also mentioned that cultural awareness and respect for individuality as one of the strategies virtual team leaders could use to build and maintain trust among virtual team members. Additionally, overcoming language barriers could determine trust formation in multinational teams. A study conducted by Tenzer, Pudelko, & Harzing (2013) investigated the influence of language barriers on trust building involved interviews with 90 participants who were team leaders, team members, and senior executives in 15 multinational teams in German automotive corporations. The findings demonstrated that members' cognitive and emotional reactions to language barriers influenced their superficial trustworthiness and intention to trust, which in turn affected trust formation (Tenzer, Pudelko, & Harzing, 2013). They have recommended that one of the strategies virtual leaders could use to build and maintain trust is by respecting team members' individuality and cultural values; this includes language and accent in the computer - mediated communication.

6.8 Psychological Safety

According to the study of Ayoko et al. (2012), they confirmed that there are sentimental interactions within virtual team members which sometimes create conflict aggravating opposing reactions due to the lack of social signs in the virtual team



and this will lead to a lack of trust among the team members. They warned that virtual leaders should avoid conflict from such events because it affects the procedures of trust and co-operation. Rosen et al. (2007) clearly demonstrated that developing a psychological safety culture fosters trust within virtual teams and in order to create a culture of psychological safety, virtual leaders must emphasize the value in asking fellow team members for help. With this exercise, it enables personal connection and relationship that build trust in a team (Mc Neish et al. 2010).

7. Proposed Conceptual Framework for Future Research

As from the findings of the previous studies revealed that preliminary information, sharing knowledge and objectives, effective communication, appropriate technology, transparency, responsiveness, cultural intelligence and psychological safety build trust in the virtual team. Therefore, a conceptual model is being proposed for building trust in the virtual team (Fig1). This framework also represents the assumptions of how the factors can be inter-related (i.e., direct and indirect relationship) with one another in fostering trusting relationship in a virtual team. These assumptions of the interrelationships

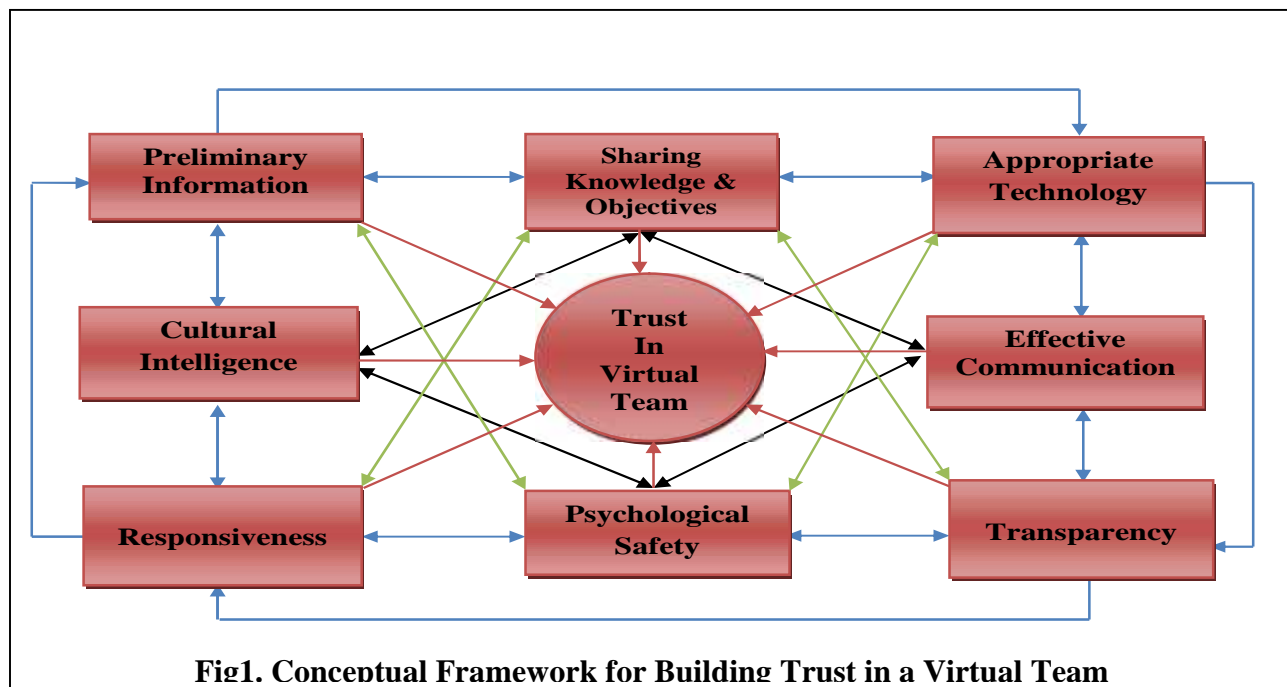


Fig1. Conceptual Framework for Building Trust in a Virtual Team

Conclusion

This paper has led to a conceptual framework for building trust in the virtual team. It is recommended to the future researchers to test the fitness of the model. It is also a reflection for the e-leadership in the understanding of how trust can be fostered in the virtual work environment. The sole responsibility of the e-leadership is to understand the factors that contribute to trust and how they inter-relate each other for building trust to gain virtual team effectiveness. Since there are few works of literature available in building trust in the virtual team, it is suggested that further research should investigate other possible predictors or factors leading to trust in a virtual team.

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