Research Paper:

Managing Diversity in Global Virtual Teams

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Introduction

Organizations are increasingly required to “establish a presence in multiple countries as a means of reducing labour costs, capturing specialized expertise, and understanding emerging markets” (Hinds et al., 2011). To accomplish this, organizations are developing processes that require employees to collaborate across national boundaries (Hinds, 2011). In terms of workplace organization, these collaborations are “global virtual teams, defined as nationally, geographically, and culturally diverse groups that communicate almost exclusively through electronic media” (Zander, Mockaitis, and Butler, 2012). Global teams must work through boundaries of time, space, and cultural differences to achieve common goals, often without ever communicating face-to-face (Zander, Mockaitis, and Butler, 2012). To succeed, they must learn how to collaborate effectively with a diverse group of people.

The purpose of this research paper is to gain a comprehensive understanding of how cultural differences impact productivity, product quality, and group cohesion in global virtual teams working for multinational organizations. Cultural differences that are explored include characteristics such as attitudes towards relationship building, the usage and interpretation of technological communications, and communication style dependent on nationality based norms and expectations. This paper focuses on three central components of global virtual teams: high versus low context communication, leadership style, and communicative technology.

Understanding the impact that cultural differences have on the productivity and product quality of global virtual teams is important for several reasons. With the rise of globalization, global virtual teams are gaining popularity and becoming a stark reality in many organizations.
Researching the effective and inefficient ways that different cultures work together in global virtual teams will provide the field with a better understanding of how these teams can increase efficiency and, ultimately, profitability. Hinds et al. (2011) suggests that there is a trend toward the adoption of global best practices which works on the assumption that ‘one size fits all’. This trend may actually do more harm than good and further research in this area may help highlight ways that processes can be adapted to culture rather than culture to processes (Hind et al., 2011).

**High vs. Low Context Communication**

*Edward Hall*

Edward Hall suggests that there are three dominant influences on intercultural communication: the culture’s use of context, the culture’s use of time, and the culture’s use of space (Holtbrugge, Weldon, & Rogers, 2012). The context orientation is the most widely used concept from Hall’s intercultural research and describes the communication style of a culture as being either high or low context. High context cultures are indirect in their communication style whereas low context communicators have a more direct style of communicating. Hall’s second orientation, time, refers to the idea that cultures can be either monochronic or polychronic. Those that are monochronic place an emphasis on schedules, segmentation, and promptness—time is divided into units. In contrast, polychronic cultures are more focused on the involvement of individuals and the completion of work as opposed to adhering to strict schedules—they perform activities simultaneously (Holtbrugge et al., 2012). His third orientation, space, refers to “personal space in a figurative sense rather than physical space. Hall (1966) theorizes that cultures have different sizes of private spheres, based on how much information one shares with others. The smaller the private sphere, the more likely members of these cultures are to share intimate details and allow
others to come closer in a rational sense” (Holtbrugge et al., 2012). While all of these orientations can be used to categorize cultures based on how they communicate they can also be used to understand how different cultures respond and interact to different communication styles. It is important for managers of globally dispersed teams to have a good understanding of how the different cultures communicate so that they can create effective working plans for the team. The following section of this paper will focus on high and low context communication styles and the implications of the different styles in global virtual teams.

Hall’s model suggests that cultures are either primarily high context or low context but he does acknowledge that cultures could fall on a continuum between extremely low context and extremely high context. His intercultural research “classified the following cultures on such a continuum in order of lowest to highest context: Swiss-Germans, Germans, Scandinavians, Northern Americans, French, English, Italians, Latin Americans, Arabs, Chinese, and Japanese” (Cardon, 2008).

High Context Communication

High context cultures are implicit in their communication style and place emphasis on nonverbal contextual factors such as “‘who’ said it, ‘when’ was it said, ‘how’ was it said, ‘where’ was it said, ‘why’ was it said, etc.” (Manrai & Manrai, 2009). Information is widely shared but in limited amounts because providing too much information or too many details is considered condescending. High context cultures prefer stability, slow and indirect messages, think holistically, and often use informal information networks. This type of culture approaches communication as if it were an art “form that is unifying and cohesive and thus displays sophistication, nuance, and cultural identity” (Cardon, 2008). Law is interpreted as needing
personal involvement and high context cultures are flexible and willing to break rules to accommodate relationships (Cardon, 2008).

Low Context Communication

Low context cultures are explicit in their communication style and place emphasis on verbal communication—‘what’ is said carries the meaning (Manrai & Manrai, 2009). Low context communicators do not share information widely but do provide a lot of information and a lot of detail when communicating in an attempt to be thorough. These cultures encourage change and mobility, often use formal information networks, and employ linear thinking. Communication is considered to be primarily a task oriented function so low context cultures prefer fast and direct messages. Low context cultures view law impersonally and strictly adhere to rules, unwilling to bend them (Cardon, 2008).

Implications

Businesses and work teams are increasingly taking on a global and multicultural format. The difference in communication style between high and low context communicators can significantly impact the productivity of global virtual teams. In a study on the influence of culture on international business negotiations, Manrai and Manrai (2009) looked at how high context cultures and low context cultures differed in their approaches to similar business activities. They discovered that, when selecting a candidate to take on the responsibility of business negotiations for the team, high context and low context cultures differed in their approach to defining a qualified candidate. High context cultures selected their negotiators based on status criteria, such as age, seniority, gender, etc. Low context cultures, on the other hand, selected their negotiators based on perceived ability, such as education, experience, skills,
knowledge, etc. Their research also indicated that “content, duration, and importance of rapport-building activities differ across cultures” (Manrai & Manrai, 2009). Low context cultures are reluctant to discuss nonbusiness activities while negotiating with clients whereas high context cultures “devote significant time and effort to building rapport” (Manrai and Manrai, 2009). High and low context cultures also differ significantly in their approach to building business agreements and contracts. Low context cultures expect formal and explicit contracts and “follow a piecemeal, bottom-up, deductive reasoning approach to building agreements. Negotiators from low-context cultures use factual, objective arguments and use their abilities and skills (qualifications) to persuade the partner” (Manrai and Manrai, 2009). The decision making process is empowered to individuals. High context cultures, on the other hand, expect informal and implicit agreements and use a holistic, top down, and inductive reasoning approach. High context negotiators “use emotional, subjective arguments and use their status and seniority (qualifications) to persuade the partner” (Manrai and Manrai, 2009). The decision making process follows a group based approach.

Research also shows that high context and low context cultures have distinct preferences when communicating with distant team members. Email, for example, is commonly used in low context communication (Usunier and Roulin, 2010) because it is direct and concise and, if done properly, needs little contextual cues to decipher meaning. High context cultures, in contrast, prefer phone communication (Usunier and Roulin, 2010) because they can get a better understanding of contextual factors such as tone of voice. Usunier and Roulin (2010) suggest that high context cultures are actually at a disadvantage against low context cultures when it comes to global digital business communication. High context communication “is more sophisticated and allows more complex information processing” (Usunier and Roulin, 2010).
These cultures communicate more effectively in face-to-face meetings where they can see hand gestures, facial expressions, etc.

Managers must have a good understanding of their team’s cultural communication styles when leading global virtual teams. Leading teams without considering that different cultures may approach the same business transaction or activity in drastically different ways can potentially lead to cultural clashes and a disconnect between team members. Additionally, assuming that everyone in the team will be comfortable communicating primarily via email may put some members of the team at a disadvantage. Creating processes that match the expectations of a particular team at the outset of a project, before cultural issues and misunderstanding occur, is important for group cohesion, moral, and, ultimately, a successful outcome.

Leadership

Global virtual teams are comprised of unique structures that pose challenges to leadership and management. Challenges such as “coordinating team activities, establishing effective working relationships with unseen and perhaps unknown teammates, overcoming communication and cultural barriers, and mastering new technologies” (Al-Ani et al., 2011) are all components of dispersed teams that leaders must acknowledge to achieve success. Perhaps the most overwhelming challenge that leaders of global virtual teams must face is the culturally-based leadership expectations of each member of the group (Zander & Butler, 2010). Some cultures prefer a directive leader while others expect a participative style—when leadership style does not match team expectations cultural clashes will threaten productivity. Some team members may view leaders who delegate required team tasks and decision-making as being legitimate leaders.
while others in the same team, who are of different cultural backgrounds, may see delegation, as opposed to direction, as qualities of a weak leader (Zander & Butler, 2010). This is an interesting power paradox that “places the team leader in a position where parts of the team question his/her legitimacy and authority for the same reasons that make other team members give the leader the ‘license to lead’” (Zander & Butler, 2010). Some research in this area suggests that tailoring leadership style to match the cultural expectations of each team member is an effective way to deal with this power paradox, however, this may not be the case. Recent research indicates that individualizing leadership styles to meet the expectations of each team member may result in a disconnect between global team members and a lack of team cohesion (Zander & Butler, 2010). Teams will function as if they are several small sub-groups as opposed to one cohesive team. Alternative leadership styles, those that differ from traditional single person led team, may be effective in addressing some of these leadership challenges.

Paired team leadership practices involve two individuals who divide leadership tasks with horizontal authority. Both of the leaders have equal influence and decision-making authority but are often responsible for different activities that they complete individually. Leading the group, however, is a responsibility that they share together (Zander & Butler, 2010). This type of leadership is effective when the leaders are located in different global locations and are familiar with the cultural expectations of the team. Dispersed teams often do not have physically present leaders to motivate, provide immediate feedback, or visually observe the team’s daily activities and having multiple team leaders may increase leader access. Research suggests that shared leadership “is the manifestation of fully developed empowerment in teams, in which team members engage in simultaneous, ongoing, and mutual influence processes” (Al-Ani et al., 2011). Shifting focus from a unidirectional single-leader style to multiple leaders who are
engaged in more fluid, reciprocal, and dynamic processes is a change that many scholars agree would be effective in terms of managing global virtual teams (Al-Ani et al., 2011).

Rotated leadership is another leadership style that can be effective when trying to manage globally dispersed teams. In this de-individualized and delegated style of leadership, functions and practices are divided and distributed among small groups of team members. Decision-making is a vertical authority and is not shared among the team members but is, instead, shifted between them—only one individual has decision-making authority at a time (Zander & Butler, 2010). This style of leadership is most effective when routines and values have been established amongst the team members and there is a mutual trust between hierarchal positions—senior members trust the abilities of the junior members and junior members trust the senior members to fix any mistakes that may be made. While rotated leadership is effective in various settings it can be particularly beneficial for knowledge work teams. Research has shown that this style of leadership is related to “higher levels of voice (speaking one’s mind) and cooperation (quality of interaction among team members), and that these effects were associated with higher levels of team performance” (Zander & Butler, 2010).

Leadership style is just one challenge that must be considered when trying to effectively manage global virtual teams. Effectively addressing the leadership expectations of each member of the team lays down a solid foundation for processes and practices but group communication is just as important in terms of leading a cohesive and productive global team. Members of global teams bring their own cultural values, behaviours, and languages to the team dynamic. Language barriers present unique challenges to global teams that leaders must effectively address to avoid the consequences of miscommunication. In a study on multinational teams by Harzing, Koster, and Magner (2010), language barriers were present in almost all of the interactions in the
global team that they studied. When interviewed, their participants mentioned language barriers multiple times in several different contexts. Participants identified problems such as slow and less-efficient decision-making and lengthy and time consuming processes resulting in revenue loss, as being direct results of language barriers (Harzing et al., 2010). Similar research in the field suggests “that misunderstandings and delays in decision-making are the most important costs associated with the language barrier” (Harzing et al., 2010). Decision-making processes in global virtual teams have been reported as having come to a standstill due to language barriers. Research on global virtual teams, however, has provided insight as to how the challenges of language barriers can be addressed.

In their research on multinational teams, Harzing et al. (2010) identified several techniques that leaders can implement to reduce language barriers and increase communication among members. Their first identified technique is that of redundancy. Asking team members to repeat information several times, verifying understanding by asking them to repeat instructions just provided to them, “providing illustrative examples, and building in frequent summaries” (Harzing et al., 2010), are all techniques that can help leaders identify any misunderstandings. Asking team members to reiterate instructions allows both the leader to verify that instructions are effectively communicated and team members to verify that they understand what is expected of them.

Another identified solution to language barrier issues is to adjust the mode of communication. Harzing et al., (2010) found that the vast majority of the managers in their study preferred email over phone calls. Having written instructions, as opposed to spoken, provide team members with a visual that they can return to for verification and allows more time to be spent on deciphering meaning. Research also shows that “oral communication presents an additional challenge over
written communication because of the differences in accents” (Harzing et al., 2010). While written instruction is shown to be the preferred method of communication among global virtual teams, the structure of the written communication is an important factor in comprehensibility. Harzing et al. (2010) discovered that “Germans had the tendency to write long unstructured emails in their communication with Japanese managers. They quickly realized that this writing style led to miscommunication” (Harzing et al., 2010). Emails that contained too much information went unanswered in the virtual team that they studied and the managers, through trial and error, learned that keeping emails short, including only one piece of information per email, and structuring emails with bullet points and numbered lists were effective communication techniques (Harzing et al., 2010).

Language training is another long-term solution that leaders can implement when trying to avoid the consequences of miscommunication and language barriers. Harzing et al., (2010) found that “many companies consider language training as an important solution to overcome the language barrier” (Harzing et al., 2010). The majority of the companies that they studied provided language courses free of charge to employees but, in some circumstances, the free training was conditional—employees were required to achieve a certain grade or level. If participants did not perform at a satisfactory level the company made them pay for the training themselves. This conditional format may increase participation and motivation levels among employees because they are given an incentive—do well and save money.

The third leadership concern that this paper will look at in regards to leading global virtual teams is effective leadership qualities. Research suggests that maintaining communication, establishing relationships, and managing conflict are all straightforward management techniques but, when leading global virtual teams, they are not as easy as they sound. Zander, Mockaitis, and Butler
(2012) suggest that global virtual team members “often rely on team leaders to provide direction and inspiration from a distance. GVT [global virtual team] leaders must possess excellent asynchronous communication skills, and must be especially effective in synchronous and face-to-face communication since there are often limited opportunities for such interaction” (Zander et. al, 2012). Distributing and delegating leadership functions and responsibilities among team members are effective in empowering global virtual teams in the absence of face-to-face communication.

Because of their unique structure, global virtual teams require leadership skills that are unique from traditional work team leadership. Members of dispersed teams need to be empowered to be successful because they have limited access to manager input and feedback and, to accomplish this, “team leaders need to provide clear directions as well as specific individual goals” (Zander et. al, 2012). Establishing routines early on in the project, maintaining a proactive and structured leadership style, and developing mechanisms that allow team members to carry out tasks individually (Zander et. al, 2012) are all techniques that leaders can implement to increase team member independence and efficiency.

Leading global virtual teams also introduces the challenge of working with a multinational group of people who may never meet face-to-face. Research shows that, “although it is impossible for any manager to know everything about all cultures and ethnic groups, it is important to learn as much as possible. The very act of expressing genuine interest in an individual and his background improves morale and understanding” (Zander et. al, 2012). When leaders of global virtual teams are unable to work with multinational individuals and lack insight and sensitivity toward accommodating different cultures the team will fail and productivity will be lost. Cross-
cultural understanding and adaptability are crucial factors in the success of global virtual teams (Zander et. al, 2012).

**Communicative Technologies**

Technology is a central component of global virtual teams (Daim et al., 2011). Communicative technologies such as the internet, video conferencing, and collaborative platforms such as wikis are all tools that allow global virtual teams to establish working relationships and collaborate on projects. These tools increase efficiency and productivity among diverse teams but they must be used properly to reach their full potential. Studies in this area have shown that cultural differences need to be considered when creating processes and selecting technologies to use in global virtual team projects. Different cultures communicate and use technology differently so it is important for leaders of global virtual teams to use technologies that work best for both the project and the team dynamics (Daim et al., 2011).

When global virtual teams collaborate via communicative technologies, consideration must be given to whether or not the technology is designed with cultural biases. Consideration must also be given to whether or not the diverse team members will use and interpret the technology in the same way (Hinds et al., 2011). A collaboration platform created in America, for example, is likely to have a bias towards western ideologies and processes that can, potentially, put the non-western team members at a disadvantage and create a barrier between them and their western team members. In a study on culturally biased technology by Walsham (2002), the process of creating software for the Ministry of Environment and Forests, based in India, was examined. The development process included a global virtual team with members in America.

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technology was intended to represent space through the device of maps. While the use of maps is both common and well-understood in western cultures, India, according to Walsham (2002), is not a map–based culture and rarely uses maps. The cultural divide, in this case, is that Indians view space as “subjective and inherent to the person, rather than “out-there” as some objective entity” (Walsham, 2002). The technology created for the India-based organization was intended to control space and nature through technology which is a concept understood in the west but a concept that is not natural to Indians who “typically see themselves as part of nature rather than standing outside of it” (Walsham, 2002). The developers of the technology did not understand the cultural requirements of the intended user. This lack of understanding resulted in numerous delays in production, an unclear understanding of objectives, additional required funding, a lack of coordination, and, at project completion and after several years of work, an unfinished product (Walsham, 2002).

When determining how global virtual teams will communicate, it is important for the leader to understand how each member in their team will use and interpret the technology of choice. While in this case the technology was being developed for and tailored to the organization, albeit unsuccessfully, generally already existing technology must be chosen by leaders or managers. Clearly explaining, at the outset of the project, how the technology should be used and why it was chosen can effectively identify any misunderstanding early on in the project. Communicating this information can also create clear project objectives that will ensure each team member can use the technology to its full potential.

Different cultures also differ in how they process information, how they communicate with each other, and how they interpret communication (Hinds et al., 2011), all of which significantly impact how they will use technology. A study by Verran and Christie (2007) looked at how an
Aboriginal Australian elder used video recording and DVD technologies to create educational documentary recordings on his culture (Verran & Christie, 2007). The final DVD showed that the medium was redesigned by the participant from being representational—the expected usage of documentary DVD’s—to performative—more representative of “Aboriginal Australian knowledge practices where knowledge is always actively performative rather than representational” (Verran & Christie, 2007).

These results indicate that communicative technologies are not universal. Hinds, Liu, and Lyon (2011) suggest that the study shows “that certain communicative technologies may not be appropriate for, or may disadvantage, some members of an intercultural collaboration specifically because the technology does not support a particular communication method” (Hinds et al., 2011) or is unable to effectively portray particular types of content.

Communicative technologies also require consideration of cultural differences between team members when being utilized. Collaborative community platforms, such as file sharing, wikis, and blogs, are all tools that “offer the ability to connect users and information regardless of location and break down information silos and barriers” (Daim et al., 2011). When used properly, online collaboration tools are excellent resources that play a significant role in the success of global virtual teams—they are accessible, easy to use, and often have little or no associated costs.

The emergence of email, together with other space and time reducing technologies such as video conferencing, has significantly changed communication in the workplace and has “fundamentally altered the dynamic between corporations and their employees and outside parties, such as customers, clients and partners” (Evans, 2012). In Evans’ (2012) study on the
use of email in the workplace, results indicated that email plays a significant role in binding together both internal and external activities that “are directed towards the resolution of problems, the formulation of plans or the execution of decisions” (Evans, 2012). This form of communication allows for quick and efficient exchange of information and ideas but, surprisingly, is often tightly interwoven with other texts, such as reports, and traditional forms of communication, such as face-to-face meetings and phone calls (Evans, 2012). Many respondents in his study indicated that while email was an often utilized form of communication, it was often used to summarize phone conversations or face-to-face meetings. These findings suggest that when new technology is presented, people will both adapt their work processes to utilize it to its full potential and incorporate it into their traditional work processes.

Research shows that when people are required to collaborate through online communications they are able to adapt to compensate for the lack of face-to-face communication (Daim et al., 2011). Online communication tools are perceived by global virtual teams as being easy to use, especially if it incorporates face-to-face communication elements such as video conferencing, efficient in terms of time management, and cost effective in areas such as transportation. On the other hand, members of global virtual teams have also indicated that, when using online communication tools, it is harder to communicate knowledge, communication is more ambiguous, and online collaboration requires an increased cognitive effort (Daim et al., 2011).

For communicative technologies to reach their full potential, managers “must choose from a menu of technological solutions to meet their GVT [global virtual team] needs. Beyond choosing technology, managers must define how and when the tools should be used” (Daim et al., 2011). It is not enough to simply direct team members to the technology of choice and assume that they will interpret its use correctly. Managers must, at the outset of the project,
clearly explain to the team how the collaboration tools work and how they are to be used during the project.

**Research Questions**

To gain a better understanding of how global virtual teams can increase efficiency, cohesion, and productivity, this research paper was guided by the following overarching question:

1. How do cultural differences impact the way that global virtual teams collaborate?

To narrow the research parameters, I used the following two sub-questions:

2. What processes increase effective communication between cultures?

3. What processes hinder effective communication between cultures?

**Conclusion**

This research paper looked at how cultural differences impact the way that global virtual teams collaborate with each other in terms of three aspects: Hall’s model of high context communication and low context communication, leadership, and communicative technologies.

Research shows that cultures can, generally, be categorized as having either a high context communication style that is more implicit and dependent on contextual cues or a low context communication style that is explicit and direct. High and low context cultures differ in their approach to similar business transactions and tasks which can have significant impacts on group
cohesion and productivity. Low context cultures, on one hand, are comfortable communicating with diverse team members via email because of its direct and concise format. In contrast, high context cultures prefer communicating with team members either over the phone or via video conferencing so that they can decipher communication meaning through contextual cues, such as hand gestures. The differences between these culturally based styles of communicating need to be addressed at the outset of each project to avoid miscommunication and frustration between team members.

Global virtual teams are introducing new challenges to those in leadership roles and traditional leadership tactics may not be effective when managing a diverse group of multinational team members. To successfully lead a global virtual team, research shows that it is important for leaders to understand the cultural differences, and expectations, of each member of the team and to address any issues. Creating a project plan that reasonably addresses the cultural differences of each team member is an important factor in both team cohesion and product quality. Global virtual teams may actually benefit from nontraditional leadership styles, such as paired leadership, where tasks and responsibilities are shared among a few different people. This is especially effective when the leaders are based out of different locations and are able to share first-hand knowledge of their cultural expectations.

Communicative technologies, a central component of global virtual teams, also require cultural consideration. Research has shown that different cultures use and interpret similar technologies in very different ways. When choosing technologies for their team, leaders of global virtual teams must be able to understand how each culture in their team uses technology. They must also consider things such as whether or not the technology was created with a cultural bias and whether or not the team members will use the technology the same way. Setting clear objectives

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and clearly explaining how and why the technology will be used during the project will allow the
team leader to identify any technology-based misunderstanding early on in the project and ensure
that the team members use the technology according to project requirements.

The data collection process for this research paper revealed that there has been a great deal of
research done on both leading global virtual teams and the differences between high and low
context cultures. There was a surprising gap in the literature regarding communicative
technologies, however. Global virtual teams are becoming increasingly more prevalent in
workplaces, especially the field of technical communication (Starke-Meyerring, Duin, &
Palvetzian, 2007), and more research on how different cultures use and interpret technology is
needed. Research in this area can reveal important data that can help leaders of global virtual
teams choose appropriate technologies during project planning stages. Data on this topic may
also be useful for software developers working for global markets.
References


