

What makes an excellent virtual manager?

By Andy Smith and Annette Sinclair



relationships
communication *culture*
performance management vision
trust crisis media

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What Makes an Excellent Virtual Manager?

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Summary

Virtual management arrangements are an increasing feature of organisational life. It is more likely that people will either manage or be part of a virtual team. Virtual working arrangements are becoming more complex and dynamic, with global teams, matrix management, temporary and concurrent team membership.

The increase in virtual working has been driven by a combination of factors. These include cost reduction, the need to access valued knowledge workers and skills and the scope for innovation provided by multi-disciplined teams supported by appropriate technology.

The challenges faced by virtual managers are different from their non-virtual counterparts because:

- they must deal with feelings of isolation and communication difficulties
- trust, a critical factor for effective virtual working, is harder to build
- technology is both an aid and barrier to effective communication
- issues around cultural diversity come to the fore
- psychologically, virtual workers become distanced from their organisation.

Organisational culture can both shape and be shaped by virtual working. Effective virtual management requires a culture that focuses on outcomes, supports worker autonomy, values diversity and a facilitative leadership style over one rooted in traditional command and control.

From our research we can build up both a pen picture and the competencies of an excellent virtual manager. They will have well developed interpersonal skills; an ability to develop trust; be flexible users of different communication media; be results and outcome

focused; be collaborative culture builders and have the ability to stand back from the action. Communication and trust building are most critical to their success.

Excellent virtual managers can be further differentiated from their non-virtual counterparts by the way they deploy their competencies, the micro skills they possess and the actions that they take. These, whilst desirable for most managers, are essential for virtual ones.

Introduction

In today's organisation, managing from a distance, telecommuting and the virtual office are increasing phenomena. At Roffey Park Institute, we know from our work with clients that virtual management is a key business issue and a core competence for the future. In our Management Agenda 2003, over 80% of the managers who responded told us so.

This prompted us to undertake further research to answer a simple question: what makes an excellent virtual manager?

By virtual manager we mean someone who:

- manages people (the size of the team and direct reports may vary from a few to a hundred and more)
- works at a separate geographical location from their team for at least some of the time
- communicates with their people other than by regular face-to-face contact, for example by e-mail or phone.

The research focused on the management, cultural and interpersonal issues of managing virtually rather than technological ones. However, given the importance of electronic communication to this subject, we wanted to bring a virtual element to the research itself.

Conducting our own research and literature review brought us into contact with other leading thinkers, writers and practitioners in this area and in this report we seek to bring all this together to answer not only our primary research question, but associated questions:

- what is different about managing a virtual workforce?
- why is it increasing and what type of organisational culture supports it?
- what are the essential skills managers need to operate successfully in the virtual world?

Research Methodology

Our research methodology had five components –

- a review of existing literature and research in this area
- a small number of in depth interviews with virtual managers perceived as excellent by their organisation, together with some of their peers and reports
- questions in our annual postal survey of managers, the Management Agenda 2003
- an on-line survey
- our existing case studies and consultancy with organisations for whom virtual management was a common and growing practice.

We have structured the report in line with the above, so we start with the literature review before going on to examine the findings of our primary research. To avoid repetition we have included data from our case studies and consultancy with that in the interview data section.

Literature Review: **What do others say?**

In reviewing the literature and the research findings of others, it is true to say that we found no single writer who had sought to answer our essential research question. Rather they were concerned with related issues of the virtual world including teams, virtual organisations, technology, communication and trust. Nevertheless their findings clearly have a bearing on our own work and are reviewed in the following section.

Defining the virtual manager

Firstly it was useful to see how others were defining terms in relation to virtual working. Lipnack and Stamps (2000, p18) concerned themselves with virtual teams and defined one as a 'group of people who work interdependently with a shared purpose across space, time and organisation boundaries using technology'. Others provided different spins around the same theme including Cascio (2000). In his description of telework he refers to remoteness from central offices or production facilities, lack of personal contact between co-workers and electronic communication. Even simpler, Wisenfield, Raghurama and Garud (2001) say people work virtually where they work from home, on the road, or otherwise outside of traditional centralised offices.

Solomon (2001) drew attention to the fact that virtual teams could comprise different working patterns, have a global reach and involve combinations of local telecommuting members and more traditional in-house workers.

Finally Kasper-Fuehrer and Ashkanasy (2001) concerned themselves with virtual organisations: temporary networks of independent enterprises that come together swiftly to exploit an apparent market opportunity and are supported by computer-mediated communication (CMC).

- so the common themes are that the world of virtual work is characterised by:
- separation – either geographically, time wise or organisationally
- different working patterns and arrangements
- the coming together of often temporary and loosely bounded networks and project teams for common business interest
- technology supporting communications.

Hence we define the virtual manager as someone who:

- manages people (the size of the team and direct reports may vary from a few to a hundred and more)
- works at a separate geographical location from their team for at least some of the time
- communicates with their people other than by regular face-to-face contact, for example by e-mail or phone.

How is virtual management different?

So how is the world of the virtual manager different from their non-virtual counterpart? Indeed some, for example Tarpey (2000), have argued that for good virtual management it is possible to read just good management. We do not subscribe to this view: there are essential differences that make the task of the virtual manager more challenging and value adding for those managed and the organisation they work for. As Lipnack and Stamps (2000, p7) say, 'take a typical team, make it virtual and expect trouble', because, even with appropriate technology, the truly difficult part of the virtual equation is the people element.

Why is this so? There seem to be several different reasons. Wiesenfeld et al (2001, p1) argue that virtual working and the separation from co-workers, supervisors, and other members of the organisation, leads to feelings of isolation, greater need for self-organisation and sometimes greater stress. Isolation and dispersion in turn necessitates new communication systems and sometimes even organisational culture change. So they suggest that virtual work can have profound effects on organisational structures and systems, work roles and required skills, and even how individuals define themselves in relation to the organisation.

Furthermore, with employees being able to work anytime and anywhere, management mechanisms, such as direct supervision as a means of co-ordination and control, become out-dated. Instead employees have to be left to self-organise and seek out ways of cooperating to achieve tasks and meet organisational goals.

So working virtually can have profound effects. Key issues are separation and isolation and the need for new ways of providing social contact and managing that are less reliant on command and control styles of management. The introduction of virtual working can indeed change organisational culture and, as we shall see later, requires a certain kind of culture to succeed.

Finally writers do agree that there are two factors that make virtual work different. Firstly generating trust is both more difficult and more important to success. As Lipnack and Stamps (2000, p86) say, 'the fragile sphere of virtual relationships requires a much higher level of trust than do conventional hierarchically controlled settings'. Secondly the whole business of communication is different: Kasper-Fuehrer and Ashkanasy (2001) argue that the need for communication through technology adds an extra layer of complexity compared to more traditional organisational forms.

Most often mentioned here is the absence of all the information available to traditional managers through face-to-face contact. As Cascio (2000, p9) says, 'since facial expressions and body language cues are not available ... teleworkers must compensate with other forms of communication in order to understand each other fully. ... Regular up-dates and status reports are necessary to replace hallway conversations, networking and the daily stimulation of a traditional office environment'.

Why is virtual management increasing?

'Virtual teams offer tremendous opportunities, and tribulations. Electronic communications allow companies to recruit talent without the constraints of location, and to offer scheduling flexibility such as telecommuting and working at home offices. It also creates the potential for follow-the-sun 24-hour workdays and the ability to maintain close contact with customers throughout the world' (Solomon 2000, p1).

Despite the difficulties and differences of virtual working, clearly it is on the increase. In their most recent report, the International Telework Association and Council (ITAC) research showed there were 28 million teleworkers in the USA. (Davis and Polonko, 2001). ITAC estimated in a report the previous year that one in four USA workers would telecommute by 2004 and that the numbers of teleworkers had increased at least 100% since 1997. Wiesenfeld et al (2001) reported that two thirds of the Fortune 100 companies offered opportunities to employees to work virtually.

For the United Kingdom, latest labour force survey data are cited by Ulrike Hotopp (2002) in her report on trends in teleworking. These show that in 2001 there were 2.2 million teleworkers representing about 7.4 per cent of all those in employment. This represents a significant increase in the numbers of teleworkers: 65-70 per cent since 1997 with researchers predicting further growth in the future. And it is important to note that these figures are based on a much narrower definition, one limited to include only those working from home, than our own much broader one of virtual working which includes any form of remote working. So it seems safe to conclude, and our own data supports this, that virtual working is even more widespread than these figures suggest.

No surprise that numbers of virtual workers are increasing given the benefits spelt out by Cascio (2000):

- savings in time, travel and expenses
- greater and quicker access to subject experts
- opportunities to form teams without the need for physical proximity

- utilisation of outside consultants without incurring expenses for travel, lodging and downtime
- expansion of potential labour markets
- opportunities for employees to better accommodate both personal and professional lives
- dynamic and shifting team membership to suit project need with employees assigned to multiple, concurrent teams
- on-line communications as a swift responses to the demands of the global market.

Drivers for the dramatic increase in virtual working therefore are easy to find. The literature points to other less obvious ones too. Lipnack and Stamps (2000) indicate benefits of virtual teams in shortening cycle time and increasing innovation. The evidence that virtual teams are more creative and can leverage learning is reinforced by Wilmore (2000). Finally, Wilmore (2000) also suggests, virtual teams reduce the scope for discrimination as, with visual stimuli removed, people focus more on content and less on the person generating it.

Leadership

'Technology has created a network of faceless workers – and new paradigms for leadership'
(Lipnack and Stamps, 2000, p44)

Many writers comment on the type of leadership required to make virtual management a success and argue this differs from more traditional management arrangements. Different because 'the complexities and subtleties of dealing with widely different personalities, cultures, and languages make communication far more difficult among virtual team members' (Solomon 2000, p1). To rise to these challenges, managers need more diverse skills such as the ability to determine the best technology for effective communication and how to generate trust and productivity in a team with little direct supervision.

There are consistent messages here with other parts of this literature review and the leadership traits are those associated with

newer models of facilitative and transformational leadership, including:

- an emphasis on outcomes and not activities: Virtual management requires a 'shift from a focus on time to a focus on results' (Cascio 2000, p1)
- great communication skills: 'Communication is the key to successful leadership, and clear communication is even more critical in long distance work relationships' (Duckworth 2000, p1)
- the power of influence over direction: 'In a networked organisation leaders have to influence through powers of persuasion, which is much more complex and challenging than giving orders' (Lipnack and Stamps 2000, p7)
- relationship building: 'Good leadership is good relationships' (Duckworth 2002, p3)
- a more participative management style: "In the information age, new forms of leadership that are more participatory and diverse also emerge' (Lipnack and Stamps 2000, 44)
- letting go of control: 'Those who need structure and control are unlikely to be effective managers in virtual work environments'. Rather they need 'an ability to delegate effectively, and to follow-up to ensure work is accomplished' (Cascio 2000, p4).

Leadership in the virtual world is also very much about vision and mission. For the virtual manager there is a sense that these in some way give them a presence even when they are not there. In the world of virtual organisations, 'a common business understanding requires the creation of a shared vision, together with the communication of mutual aims through clear definition of the roles and expectations within the team, especially in the early stages of the partnership' (Lipnack and Stamps 2000, p142). They summed this up when they likened the virtual team to a nomadic team, occasionally coming together: 'Purpose is the camp fire around which the virtual team members gather' (p85).

Culture

The literature suggests that culture plays an important role in the virtual world and in a number of ways. Firstly it can create initial and additional difficulties, 'Virtual organisations operating in a global arena often have to transfer their business policies across collaborating organisations, geography and cultures. This can lead to potential clashes of business and national cultures, which in turn, can undermine the whole alliance' (Cascio 2000, p3).

Secondly, virtual working can change people's relationships with their organisation. Wiesenfeld et al (2001) suggest that virtual work reduces the emphasis on the visible, tangible dimensions of the organisation (e.g. offices, co-located employees) with a shift to more psychological dimensions (e.g. the perceptions of employees and others to represent and organisation). So the virtual manager, what they represent, and how they are, can come to be the embodiment of organisational culture for the people they manage.

Thirdly, effective virtual working requires a particular type of culture to thrive, one that is flatter, where people as knowledge workers have more autonomy and responsibility than in traditional organisations.

Team development

'Virtual teams are the people operating systems of the 21st century'
(Lipnack and Stamps 2000, p7)

According to Lipnack and Stamps (2000) people become less likely to collaborate once they are more than 50 feet apart. No surprise then that virtual teams are difficult to get started; not everyone is suited to them; and to a significant degree, they need to be self-managed.

Given this, our own research confirmed the importance of an effective induction process at the beginning of any virtual relationship and team. Cascio (2000) emphasises the need for new recruits to have a period of socialisation so they can adapt to the

new way of working, the environment, their new managers and co-workers.

This leads Lipnack and Stamps (2000, p192) to recommend that managers should always 'invest in beginnings'. And because of this they argue that virtual managers need to get maximum leverage and be intentional about the minimal face-to-face contact they have. The writers see that off-sites assume metaphorical significance like a major camp gathering for nomadic tribes where teams pull things together to resolve conflict and make decisions. They are also times of immense social interaction. Excellent virtual managers regard the community building aspects of such events as so important that they insist on them regardless of budget (p130).

Performance Management

The approach here is hinted at in the section on leadership. Effective performance management for the virtual manager rests on an approach that promises that 'employees will be judged more on what they actually do than they appear to be doing' (Alexander, 2000). To sketch this out further, Dreyfuss (2000, p1) contends that to handle your virtual workforce successfully you need to set out some goals about what will be produced and when and then 'monetise' the relationship. That is to say, to be clear about reward and exchange. This, he says, 'transforms that relationship from one based on physical control to one of emphasising results'. In many ways this replicates a classic consultant/client rather than manager/report relationship.

Communication

'When it comes to deciding which tool to use, ...take the lead from those who follow'
(Duckworth 2002, p2)

There is no doubt that excellent virtual managers are highly interpersonally skilled and capable of using a range of communication media, flexibly and competently. 'Effective communication skills, both formal and informal, with employees

working remotely and at the primary business location' are the lifeblood of relationships in the virtual world (Cascio 2000, p4).

Virtual managers are responsible for modelling and setting in place the right communication channels. This is needed to overcome the problems associated with a lack of face-to-face contact:

'Technology can't replace the one-on-one relationship. Body language reflects so much of what a person is really thinking or feeling. You just can't get the whole picture over the phone or through e-mail' (Duckworth 2002, pp2-3). Notwithstanding this, the perceptive virtual manager is able to pick up signals and underlying meanings in e-mail in the same way that they can from body language at face-to-face meetings (Lipnack and Stamps 2000).

From different writers we have identified the following ten good practices for effective communication:

- Use different media appropriately: Managers 'should balance e-mail, voice mail, video conferencing, and face-to-face communications' (Cascio 2000, p9)
- Make it interactive: 'The most basic message any medium sends is whether it expects, allows or makes possible a response. Virtual teams need to maximise their use of media that enable interaction (Lipnack and Stamps 2000, p196).
- Be precise: 'The rule of thumb is to be precise in what you want and how you ask for it. Due to the time zone differences, if you don't ask for the right information at the right time, you could be a day behind in getting something done' (Alexander 2000, p7)
- Be clear: 'co-workers thousands of miles away cannot ask him in the middle of San Diego's night to clarify his last message. Passing off information to another team member requires a certain level of discipline. We have to summarise issues in an analytical engineering fashion. We have to be clear.' (Alexander 2000, p7)
- Check out understanding: 'This generally means asking more questions and conversing more frequently' (Cascio 2000, p9)
- Be personal: 'Maintain a virtual persona. ..on-line personalities can be perceived as cooler, task oriented, and more abrupt

without the interpersonal cues that occur in live conversations' (Duckworth 2002, p5)

- Find a place for banter and emotions: 'Disclose appropriate personal information, express appreciation for ideas and completed tasks, apologise for mistakes and volunteer for roles and acknowledge role assignments' (Cascio 2000, p6). Duckworth (2002, p5) also suggests establishing cues that indicate group members are listening, confused, or laughing, using 😊, for example, to indicate laughter
- Follow conversations: 'Track group communication. Create a synthesiser role to pull long distance conversations together for the team' (Duckworth 2002, p5)
- Identify a time when everyone can talk on the phone (Cascio 2000, p9); and finally
- Don't forget the people at the centre supporting your people out there: 'Managers should also encourage other in-office employees to support virtual workers'(Wiesenfeld et al 2001, p11).

Trust

'Virtual teams only have their shared trust in one another as their guarantee for the success of their joint work'
(Lipnack and Stamps 2000, p86)

What all the writers agree on is the importance of trust to the success of virtual teams and management arrangements. Indeed most point to the generation of trust as critical for success. As Cascio (2000, p5) puts it people need to trust that co-workers 'will fulfil their obligations and behave predictably'. Where trust is lacking, despite every other precaution, successful virtual working is unlikely.

Further Kasper-Fuehrer and Ashkanasy (2001) argue trust is essential for the functioning of the virtual organisation. Indeed it has added significance in these contexts because it substitutes for two critical factors that exist in most traditional organisations but are usually absent in virtual ones. The first of these is what they

describe as an endogenous factor: the hierarchical control associated with traditional organisations. The second is the exogenous; the legal framework needed to regulate the formation, operation and dissolution of the organisation. They cite Jarvenpaa, Knoll and Leidner (1998) who also argue that 'trust is maximally important in new and temporary organisations because it acts as a substitute for the traditional mechanisms of control and coordination' (p4). For them trust acts as a buffer that facilitates the agreement and execution of transactions, creating a willingness to co-operate, and, in turn, a reduction in transaction costs.

Trust is therefore critical but perversely in the virtual world there is a sense that it is more difficult to obtain. Kasper-Fuehrer and Ashkanasy (2001, pp3-4) put forward several reasons for this. Firstly, based on the work of Ekamam and Firesen they propose that trust and deception are largely inferred from the perceptions of facial expressions and therefore argue that some face-to-face contact in the early stages of virtual organisations aids communication of trustworthiness. Secondly they argue that trust is often history dependent and builds incrementally and over time but that, in temporary virtual teams, time is a hard to find commodity. And finally the development of trust depends in part on the establishment of a common business understanding expressed in common product specifications, co-operative agreements, a sense of shared identity and all '...members having in place a recognised policy on business ethics. This policy must exist as a set of formal and informal norms and also as a demonstrated propensity to behave ethically' (p12).

Perhaps the most convincing research here is that by Jarvenpaa et al (1998). They conducted research into the issue of trust in six global virtual teams undertaking identical tasks and without opportunity for face-to-face contact. They too believed that the creation of trust is crucial in preventing geographical distance creating psychological distance.

They used a definition of trust based on the work of Mayer, Davis and Schoorman (1995) which talks of the willingness of one party being vulnerable to the actions of another party, based on the expectation that the other will perform a particular action

important to the trustor, even though they are unable to monitor or control this. At a collective level this takes the form of a common belief that co-workers will act in good faith to deliver commitments; that these commitments will have been made through a process of honest negotiations; and that no excessive advantage of another will be taken when an opportunity to do so presents itself.

Jarvenpaa et al (1998, pp31-32) propose that trust 'is a function of the team members' perceived ability, integrity and benevolence, as well of the member's own propensity to trust'. They described benevolence as the extent to which others show interpersonal care and concern and help others out without being transactional and integrity as coming from behaving in line with clear principles, being dependable and reliable. They discovered that in virtual teams integrity is more important in the short term than benevolence as this is more reliant on time and possibly social contact to develop.

They also identified strategies used by high trust teams that were critical to success. Where these were effectively in play, they found that it was possible to build trust swiftly. For example, in high trust teams, feedback on proposals was 'specific, in-depth, and thoughtful indicating careful reading and a concern to contribute to the improvement of the material' (p45). The strategies they identified are summarised in the table on the next page.

Strategies between High and Low Trust Teams		
Behaviours/strategies	High-trust teams	Low-trust teams
1. Styles of action	• Proactive	• Reactive
2. Focus of dialog	• Task output driven	• Procedural
3. Team spirit	• Optimistic	• Pessimistic
4. Leadership	• Dynamic	• Static
5. Task goal clarity	• Team's responsibility	• Individual responsibility
6. Role division and specificity	• Emergent and interdependent	• Assigned, independent
7. Time management	• Explicit/process-based	• Non-existence
8. Pattern of interaction	• Frequent, few gaps	• Infrequent, gaps
9. Nature of feedback	• Predictable, substantive	• Unpredictable, nonsubstantive

Source: Sirkka Jarvenpaa, Kathleen Knoll and Dorothy E. Leidner (1998)

This led them to conclude that 'most important, virtual members should have high levels of initiative, results orientation and integrity'.

In summary trust is a complex business. The effective virtual manager has to be both trusting and trusted. Relationships built on mutual trust will help you deliver business results based on clearer accountabilities in a world where day-to-day mechanisms for micro managing and monitoring are no longer available. In virtual teams trust is both hard to obtain and vital for success. And there are certain behaviours that are more likely to generate trust than not.

Our own Research data

In-depth Interviews:

Methodology

Interviews took place face-to-face except for three that were conducted by phone. Interviewees had completed a short preparatory questionnaire, distributed and returned most often by e-mail. This sought to find out how widespread virtual management was as a feature of organisational life and the nature of the virtual management arrangements in place. We followed this up with semi-structured interviews with each interview taking 1-1.5 hours. Full transcripts of the interviews were then typed up and analysed. A key feature to the methodology was a critical incident interview. This required respondents to describe key incidents they had faced as virtual managers. From this the skills, beliefs and attributes needing to be effective in this situation were drawn out.

Although the sample was small (12), there was a wide diversity in those interviewed for this part of the research:

- by business sector: telecommunications, engineering, financial services, healthcare and learning and conferences
- by size: organisations with 400 to 16000 staff and a turnover of between £11 millions and \$1.3 billions
- by virtual management arrangements in place: small teams (4 people) to large spans of control (200 people), regional to global teams (6 different countries); some co-location to none; traditional line to more complex matrix management arrangements.

Defining virtual management

There were consistent messages here with our literature review and our own definition. Respondents described the following as features of virtual management:

- lack of face-face contact

- geographical distribution with team members based in different locations and sometimes different countries
- where international teams were involved, a separation by time as well as location
- matrix management and project teams
- special arrangements for communication including the use of technology.

The available technology used by respondents were telephones (including home business lines and mobiles), faxes, e-mail, intranet, telephone and video conferencing. It was noticeable that technology, for example, synchronous communication tools, was not commented on greatly as being critical to the success of remote working.

Business Drivers for Virtual Management

In our contact with organisations, cost reduction has most often been cited, and sometimes cynically so, as the major driver for the introduction of virtual management arrangements. However in this part of our research, more weight was given by respondents to drivers such as distributed customer base and service improvements, skills shortages, and historical factors such as geographically spread infrastructure sometimes resulting from merger and acquisition. One saw the introduction of remote management as part of the organisation's attempt to develop a culture with encouraged autonomy and innovation.

Is virtual management different?

Our literature review suggested a resounding yes to this question. In truth our respondents were less sure (*'it isn't particularly'* being one response) and again the distinctions were subtle and at process level. By this we mean it was the way and the frequency with which managers deployed their competence rather than their competence overall. As one manager said, *'the biggest difference is in how you use your management techniques'*.

The key differences that people did identify are summarised below:

- **The need to put more conscious effort into communication**
'You need to remember to phone people to find out how they're doing. In an office situation you might just get this by being there.'
- **Time management and scheduling**
'You have to help people get routines and be more assertive around scheduling so they and you make best use of time.'
- **The different communication media used and the greater scope for misunderstanding that might result**
'There is more potential for things to go wrong. More potential for misunderstanding.. It's much looser. The only connection is you.'

'Need to improve listening: to spot inflection and possible underlying meanings in what people have said over the phone.'

'Most communication is remote so there are less visual cues regarding someone's well being, motivation and performance.'
- **The need to be an output driven and a trusting leader of a self-motivated team.**

Finally, one respondent commented:

'Virtual management is much tougher. You have to think about it a lot more. I'm doing a lot of travelling too. This is quite draining and I myself can feel quite isolated. Friday evening I phone the other Director. I do miss the contact and support too.'

So some common themes again with other parts of our research and the literature review in particular.

Issues for Virtual Management

We deliberately framed a broad question here by asking respondents to identify what they saw as the key issues for virtual management. Those put forward were the IT infrastructure; the need for an organisational culture which is open and non-formal;

performance management; and boundary management and isolation for home workers.

'The biggest challenge was home working. ...Typically people end up working too long hours when they're based at home. I'd look out for times of e-mails. This was just a clue. Some might be using the flexibility offered by working from home to vary the hours they worked. But for others it could indicate issues around boundary management. You need to be sensitive to this.'

However what attracted most comment was the use of different communication media particularly e-mail:

'You need to use imagination in using different media and not stick to one type. You need also to use it differently with different people.'

'E-mail is great if things are going well. But you need to be aware of inflection and tone. We also have protocols on e-mail use ... sending them over the time zones means you have time for reflection sometimes before acting ... However if you have a relationship issue involving critical feedback or appraisal you need to do it face-to face or over the phone. Positive feedback is OK. For negative feedback you need to make sure meaning will not be misconstrued.'

'Technology such as video conferencing can be wonderful but only works well for certain things for example – short up-dates; information giving. Team conference calls are also useful where everyone needs to be involved in decision. For high-level decisions on direction it is far better still to be in the same room dealing face-to face.'

' You can't proceduralise what's the right medium for a particular message. You learn by trial and error. I think the best thing is to ask people what they like. Taking account of this preference you then have to manage expectations and negotiate around what is possible.'

So the effective virtual manager appreciates the vital importance of communication and uses well, and in a way that is appropriate to the message, the full range of media available.

Virtual Manager competencies

Here respondents were asked to identify the skills, knowledge and attitudes required by an effective virtual manager. There was danger here that this question would lead to an all-encompassing wish list of the qualities of a perfect manager, virtual or otherwise. Whilst many identified competencies that would be associated with effective general management, for example and hardly surprisingly, well-developed communication skills, we believe there were important although subtle differences, which we have summarised in the table below.

Interpersonal skills	<ul style="list-style-type: none"> • Ability to build rapport and relationships quickly and then sustain them • Precision questioning • Excellent listener – spots underlying meanings and process messages • Tests out meaning by summarising and reflecting • Trusts intuition • Understands and pays attention to cultural difference
Use of media	<ul style="list-style-type: none"> • Clear, direct and concise • Flexible in uses of different media • Matches message to personal preference • Doesn't swamp people with data • Includes social content in electronic messages
Results oriented	<ul style="list-style-type: none"> • Establishes clear accountabilities • Establishes clear measures and standards of performance • Focuses on outcomes and deliverables rather than activity • Sets up agreed monitoring arrangements
Models a high trust relationship	<ul style="list-style-type: none"> • Gives lots of rope • Able to operate away from a command and control leadership style • Sticks by word and commitments • Macro rather than micro manages • Demonstrates confidence in others
Fosters a collaborative culture	<ul style="list-style-type: none"> • Assesses suitability for remote working • Makes people feel part of a team • Makes themselves available to coach and counsel • Provides clarity over team member roles and interdependencies • Committed to making time for team development • Responds quickly and supportively to crises
Stand back from the action	<ul style="list-style-type: none"> • Links what people do to the wider organisation • Networks extensively with customers and suppliers • Able to picture position on the ground • Manages time to maintain and schedule social contact

Again we have reproduced below some quotes from respondents to illustrate the points above.

'You need to have absolute clarity over what each team member is trying to achieve.'

'You have to be able to create a culture in which individual team members feel part of a supportive team even if meetings are infrequent and connect this team with the rest of the organisation.'

'Clear accountabilities and measurement of key areas together with clear standards of performance are important.'

Effective virtual managers 'link what people do to the big picture and the wider organisation.'

'Very good awareness of environment, potential problems and conflicts so you can appreciate operating issues on a day-to-day basis.'

'Excellent communicator and able to use and adapt to each communication medium and know when and why to use each medium: this helps with creating the necessary illusion of being heard even when you are not seen.'

'Rapport building skills are important along with an excellent memory, so you can maintain connections with people, even when you don't see them that often.'

'Understanding that you cannot control every situation is very useful for a virtual manager.'

We believe the indicators we have produced are in keeping with the research of others, for example the competence framework for remote managers developed by Lunt and Hadland, the Centre for Distance Management (www.distance-management.co.uk). Hadland (2001) outlined these as:

- Building and retaining relationships
- Freedom to manage
- Maintaining a united team
- Communications
- Performance Management
- Releasing potential
- Time investment
- Management Information systems
- Dealing with crises and emergencies
- Talking about what is different.

Finally in this section we also asked the reports of excellent managers if there were some other additional qualities that differentiated them. We expected to hear such things as fairness, openness and behavioural flexibility. What was more surprising were comments such as *'they know how to have fun and party'* and *'provide a presence even when they are not there'*. This re-enforces an underlying theme in our research that excellent virtual managers really leverage and build in social contact and pastiming to the occasions when they do get together face-to-face with their teams. This contributes to a sense that they are present even when they are not. Again this endorses the findings of our literature review.

The importance of beginnings

We asked respondents whether the excellent virtual manager did specific things at different times to support effective virtual working. What came through very clearly was the importance of recruitment, induction and start-ups. Some quotes to illustrate these points -

'Selection is key. People are chosen for motivation and general approach. It's really important to get this right for remote workers'

'I think it starts with selection and induction. There is something about getting the right fit. This is a joint process.'

'Get the team together at the outset so people get to know each other.'

'First critical step is to meet face-to-face to establish relationship so you can then manage remotely. On one project I spent 6 months setting up the remote operation; went to visit to get to know the people; got involved in recruitment and the business case for either in or outsourcing. I met as many people as possible including dinner/socially then you can build the relationship further with e-mail. I feel a lot more comfortable. I really need to build up a real picture of where they are and the environment they face.'

'You need to put in time at the front end of the relationship and spend some time doing it. Induction is even more important than usual.'

'I've extended probation period for my remote staff to 6 months from 4. This gives me more time to pick up on development needs. For new people I make sure I see them face-2-face every 4-6 weeks during probation period'

We conclude from this that where people are working remotely, that the induction and process for agreeing ways of working come to represent a psychological contract between the virtual worker, their manager, and the organisation.

Critical Incident Data

To corroborate the data from more open questions, respondents were asked to describe critical incidents or difficult situations where a virtual manager had demonstrated their excellence. Respondents described crisis situations ranging from equipment breakdown to conflict with customers or suppliers or personnel related issues such as sickness or potential disciplinary action. The point that comes through here is that in these situations you really get to understand the mettle of the excellent virtual manager.

Whilst not every manager behaved exactly the same way in each of these critical incidents, the data have common themes and reinforce much of what has been described elsewhere in the research. The effective actions and behaviours displayed are listed below.

Managers:

- responded quickly
- took time to establish the facts and whilst doing so they suspended judgement on what was actually happening
- took time to speak to all parties, listen and check out understanding
- acted on hunches and intuition
- often brokered and participated in face-to-face meetings to resolve the issue, frequently travelling long distances to do so
- balanced process issues and task: even in difficult times people got a sense that relationships and sustaining them was important
- inspired confidence, demonstrated patience, sensitivity and loyalty to their people
- communicated clearly concisely and calmly
- influenced key stakeholders and leveraged networks to do so
- acted as mediators when necessary
- were able to 'go meta': to both step back and see the big picture; to step into the shoes of and identify with individuals and hold different and multiple perspectives.

The following quotes illustrate these points. The first relates to a manager dealing with a difficult situation where two of his managers were about to get locked into an unproductive conflict with some key stakeholders. The others are hopefully self-explanatory.

'I could just tell that without my influence the meeting would not have worked out. It was down to my experience and awareness and a belief in the importance of good relationships. I knew they were going to try to shaft the other side. I was able to stand back and literally see the big picture. I was able to get into different people's positions and acted on the belief that all parties were doing the best they could. I persuaded them they would achieve more by being co-operative and building the relationship. They were dealing remotely with these people too and needed to meet up to resolve the issues. The meeting went very well as a result of my visit and pep talk.'

'The most important thing was getting people together away from operations. It was about knowing the importance of the issue and being present.'

'I put myself in her position. I delivered the letter of suspension in person – it meant I had to travel all the way to Harrow. But I'd have gone to Manchester if necessary. I just believed that was the right thing to do.'

Finally in handling these situations, it was noticeable that the communication media relied on were most likely to be phone and face-to-face contact rather than e-mail.

Surveys

The interview data we have summarised above informed the next stage of our research methodology which provided more quantitative and qualitative data through a postal and on-line survey.

Postal survey: Methodology

We carried out the postal survey by means of open and closed questions examining trends in virtual management arrangements and the qualities of excellent virtual managers as a subsection in the 2003 Roffey Park Management Agenda (Appendix 2). This survey, now in its sixth year, includes 190 questions on a wide range of topics aiming to provide an annual snapshot of the issues and challenges facing managers in the workplace.

The Management Agenda survey was sent to 3000 managers in total, comprising people who have attended Roffey Park management programmes as well as people from a management database in order to obtain a broader mix of participants. The survey was distributed by post in August 2002. 371 respondents returned the survey, representing an overall response rate of just over 12%. The vast majority of these, 367 people, completed the relevant questions in the Virtual Manager section. Responses to the survey were anonymous.

Respondents to the Virtual Manager section in the Management Agenda were mainly directors/senior managers (52.8%) and middle managers (36.4%). Their main age ranges were 31-40 (31.8%) and 41-50 (41.3%). There were equal proportions of males (49.9%) and females (50.1%).

A large proportion of respondents came from sizable organisations of 5000 employees or more (36.6%). Small and medium sized organisations were also represented in the sample with 14.8% of respondents coming from organisations that employed 1-50 people and 12.0% coming from organisations that employed between 51 and 250 people. Respondents worked in all sectors of the economy (production and manufacturing 18.6%, services 41.6%,

public sector 30.1% and charity/not for profit 9.6%). Respondents' organisations were focused on UK (41.5%), European (7.4%) and Global/International (51.1%) markets for their products and services.

On-line survey: Methodology

As part of our research we were keen to incorporate as many communication media as possible and to introduce a virtual element too so we decided to conduct an on-line survey using the Virtual Manager section of the Management Agenda and the Roffey Park website. Information about the survey, including a direct link to it, was e-mailed to 1191 managers, team leaders and other professionals from Roffey Park's database in September 2003. Respondents were assured that their responses would be confidential and a free summary of the findings was offered as an incentive to complete the survey. Approximately 200 e-mails were returned as undeliverable. Within the two-week deadline we received 130 responses.

In an attempt to minimise the time taken to complete the survey and increase the response rate, questions on the characteristics of respondents were not included in the on-line survey.

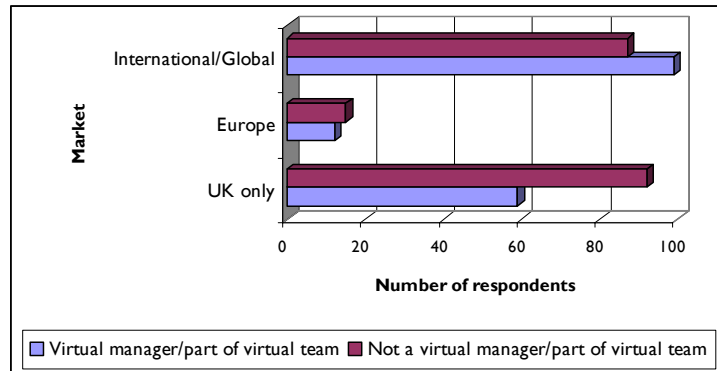
Chi square tests were used to identify significant differences in the responses of the two sample groups to each question. Where no significant differences exist the responses of the two samples were combined.

Survey Findings

Almost half (46.7%) of all respondents to the Management Agenda survey were virtual managers or part of a virtual team. This high proportion may be partly due to the role level of people surveyed, most of whom were managers or other professionals. Within the sample, there were no significant role, age or gender differences in respondents who were virtual managers or part of virtual teams and those who weren't. Similarly they came from all sectors and organisation sizes. Unsurprisingly, the number of respondents involved in virtual working arrangements differed significantly

according to the reach of their organisations' markets ($\chi^2 = 6.8$, $df = 2$, $p < 0.05$). A higher proportion of respondents who were virtual managers or in virtual teams worked for organisations with global markets (53.2%) than for organisations with a UK only market (39.1%) (Graph 1).

Graph 1: Are you a virtual manager or part of a virtual team?



A higher proportion of respondents to the on-line survey were virtual managers or in virtual teams (68.5%). Unlike the Management Agenda survey, where the virtual manager questions were one section of a multi-topic survey, the on-line survey, solely focused on virtual management, was more likely to be completed by people with an interest in the subject. The high proportion of people involved in virtual working arrangements in this sample was therefore not surprising. It was viewed as an advantage in that responses to the questions about effective virtual management would draw on their real experiences of virtual working arrangements.

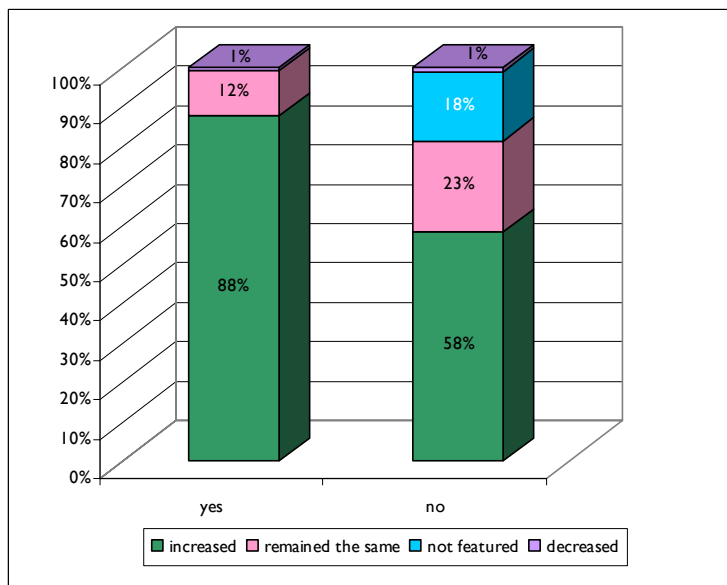
Trends in virtual arrangements

The vast majority of respondents from both samples (approximately 80%) reported that virtual management arrangements had increased in their organisation over the past five

years. In both samples, less than one percent reported the arrangements had decreased. Fewer than five percent of respondents reported that virtual arrangements did not feature at all in their organisation.

Whilst there were no significant differences between the two samples in response to this question, there was a significant difference between the responses of people who were virtual managers or in virtual teams and those who weren't ($\chi^2 = 59.3$, $df = 3$, $p < 0.01$). People who were virtual managers or in virtual management teams were particularly likely to report that virtual management arrangements in their organisation had increased, perhaps due to their first hand experience, whilst a higher proportion of people who weren't involved in virtual working arrangements reported virtual arrangements had remained the same (23.1%) or not featured at all (17.6%) (Graph 2).

Graph 2: Over the past 5 years, would you say that virtual management arrangements in your organisation have increased, decreased, remained the same or have not featured at all?



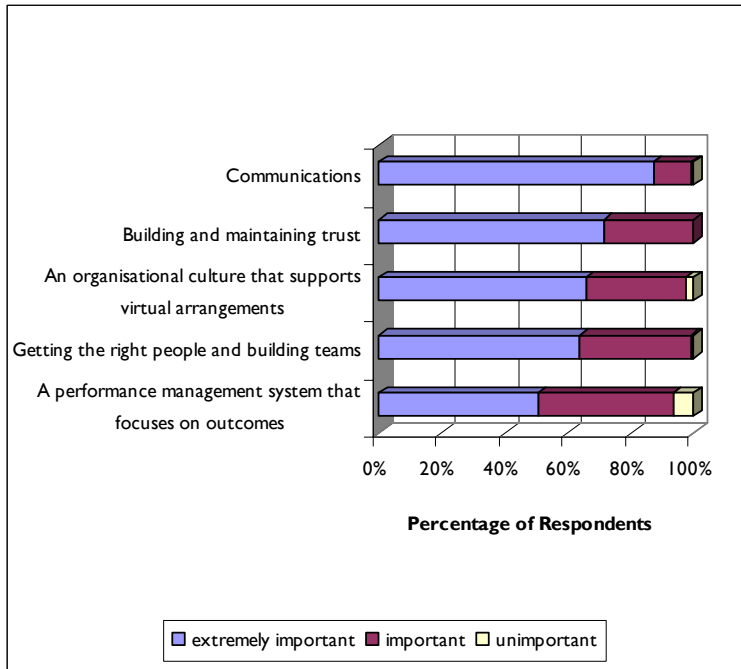
Effective virtual management

Respondents were asked to rate how important the following factors were for effective virtual management:

- An organisational culture that supports virtual arrangements
- A performance management system that focuses on outcomes rather than activities
- Getting the right people and building teams
- Building and maintaining trust
- Communications.

The vast majority of respondents rated all of these factors as important or extremely important (Graph 3). There were no significant differences between the responses of each sample or the responses of those who were virtual managers or in virtual teams for this question.

Graph 3: How important are the following for effective virtual management?



Qualities of excellent virtual managers

An open question was included in the survey asking ‘What are the most important skills and attributes for an effective virtual manager?’ The vast majority of respondents to the web survey responded to this question (96.6% of people who were virtual managers or in virtual teams, 87.8% of people who were not virtual managers or in virtual teams). A significantly smaller proportion of respondents to the Management Agenda answered this question, no doubt due to the length of this survey (45.6% of people who were virtual managers or in virtual teams). People in this sample also tended to give shorter or less detailed responses. People who were not virtual managers or in virtual teams were not required to answer this question in the Management Agenda as,

due to the length of the survey, people are directed around less relevant questions. However, 9.7% of these people still gave a response.

We conducted a content analysis on the responses to identify key themes and any significant differences between the responses of the two samples or of people working in virtual arrangements compared to those who weren't. Findings are presented collectively where significant differences among respondents were not identified. This was the case for most key themes. Overall the responses to this question confirmed our findings from the interview data.

Effective communicator

'Communication, communication, communication!'

The ability to communicate effectively was reported to be one of the most important skills/attributes of an effective virtual manager by over three quarters of respondents. This mirrors the findings above where 87% of respondents reported that communication was extremely important for effective virtual management.

Respondents' comments indicated that there were three aspects to the communication skills that an effective virtual manager needs:

1) Excellent written, verbal and listening skills

Many respondents emphasised that an effective virtual manager needed excellent written, verbal and listening skills in order to communicate clearly over distances and avoid misunderstandings.

'Communication is so vital for any effective team but is twice as difficult when it is done by email, telephone, fax etc ... You have to be more sensitive to reading between the lines ... as all the physical prompts of face-to-face communication and interaction aren't there to tell you how things are going and how people are feeling. You have to be less sensitive to the written word - people don't have time to phrase things appropriately on email and it can be easy to misinterpret tone and subsequently meaning.'

2) *Effective and appropriate use of multiple communication methods*

Effective virtual managers need to understand the advantages and limitations of different communication media and use multiple methods appropriately. Understanding team member's communication preferences was also seen to be important by several respondents.

'Try to pick up the phone for a chat instead of sending only instruction e-mails.'

'It is easier to adapt style and engage effectively on a one-to-one basis. The challenge in e-mailing is the ability to engage all recipients with one message.'

Several people asserted that a good virtual manager needed to be skilled enough in long distance communication methods to be able to *'understand a colleague and their problems without face-to-face contact'*. However, one in ten people reported that some face-to-face meetings were essential or at least desirable.

'Some structure for regular face-to-face meeting and team building to break down the feelings of isolation which remote staff sometimes feel.'

'The manager must have the ability to make the time to bring people together to discuss issues and air differences, as some staff do not respond to formal communication systems that well.'

3) *Effective processes and systems for regular communication*

Effective virtual managers were also seen to need to have effective systems, processes and networks in place to facilitate communication to engage, inform, update, review progress, provide feedback, and simply *'keep in touch with the team, not just for formal work or personal development communications, but every day work issues.'*

Several people stressed the importance of frequent communications. Virtual managers need to be disciplined to make time for regular communications with all members of the team and

be available, approachable and responsive to the team when they were needed.

'Booked time out for lengthy telephone calls is critical for team members to feel they are being appreciated and looked after.'

Interpersonal skills

'Recognition that virtual management actually does mean real people and not machines.'

Almost half of respondents referred to interpersonal skills as being among the most important skills of virtual managers. These included being 'people focused', having 'a passion and respect for others and caring about people. A sizeable proportion of respondents also referred to the need for understanding and building relationships.

1) Understanding

'Acceptance of the fact that we are all different'

Over one fifth of respondents reported that included in the most important qualities of an effective virtual manager were empathy, sensitivity and understanding of other people. Understanding of individual differences, motivations, values, cultural issues and needs were all reported to be important as was a 'real understanding of who can do what'. An awareness of the contexts people work in and the way they like to work was also a key attribute. Some respondents felt that an effective virtual manager should have experience of working in the field so that they can visualise people's environments and understand their problems.

'Must have a good grasp of you and your context. He knows what issues will sort themselves out, and those that require his active involvement.'

2) Building relationships

'To be visible as well as virtual.'

Approximately one in six respondents reported that effective virtual managers should be good at building and developing relationships with all members of the team. Some people specifically mentioned that relationships with support staff were important. Several people stressed the need to include personable aspects in relations, *'including feelings in dialogue'*, to increase understanding of each other. Respondents also stressed the need for virtual managers to *'be a team player'*, building open and consultative relationships, amenable to mutual sharing of ideas and opinions.

In addition to having the skills to build and maintain their own relationships with team members, several respondents, particularly those in virtual teams, also mentioned the importance of managing relationships among other team members effectively. This was seen to be a particular challenge given the physical remoteness of virtual teams and the isolation that remote staff can feel. The skills of effective virtual managers therefore included:

'Noticing opportunities for team members to collaborate on work and setting that up.'

3) *Influencing skills*

Nearly one in twelve respondents reported that an effective virtual manager needed to be good at influencing and motivating teams and individuals both remotely and face-to-face.

'The manager must be able to impart a vision without being there and motivate direct reports.'

Performance management

Various skills and attributes related to managing performance from a distance were reported to be required by virtual managers.

1) *Trust*

'Trust is a major issue and, in my earliest attempts at Virtual Management, a lack of this very much detrimented my performance.'

Effective virtual managers are not micro-managers. Trust, empowering teams and having the ability to delegate effectively were considered to be important attributes of virtual managers by nearly half of respondents. Virtual teams were seen to need *'above average autonomy'* so teams need to be *'empowered to make day to day decisions themselves'* and *'trusted to deliver the work'*.

'The illusion that you can exercise control is impossible to sustain. Results are only obtained by collaboration and willing commitment.'

A few respondents reported that an effective virtual manager must also be trustworthy and *'instil trust'* in themselves. Related to this, attributes such as honesty, integrity and openness were also reported as being extremely important for effective virtual managers.

2) Clarity of objectives

'Virtualism requires a rather more robust and clear view of exactly what outcomes are required (there is less opportunity to share team perspectives).'

Clarity of purpose and objectives were mentioned by nearly one in five respondents who were virtual managers or worked in virtual teams and one in eleven of those who didn't (though this difference was not statistically significant). Respondents referred not only to the need for clarity regarding individual or team objectives but also in how this contributed to the *'big picture'* or whole organisation. Effective virtual managers need to have a *'clear focus on what is important'* and provide their team with clear objectives and timeframes which should be *'flexible when needed'*, *'jointly agreed'* and *'understood'* by teams. Respondents also stressed the need for virtual managers to provide clear boundaries within which to operate and a clear understanding of roles and responsibilities.

Some respondents reported that this clarity was particularly important in virtual arrangements because there is less opportunity to share perspectives, check back with others or spot misunderstandings.

'Making sure that they are all working to same standards/goals - it is very easy for remote workers to go off at a tangent.'

However it was also important for team members to understand what was expected of them.

'Clear objectives (jointly agreed) - so that all team members are comfortable that they are working at the same output rate as others.'

3) Assessing performance

'Understanding performance without the usual non-verbal clues.'

An ability to assess teams' performance from a distance and provide appropriate and timely feedback was mentioned as an important skill of effective virtual managers by one fifth of respondents. Having 'effective planning and monitoring', 'regularly updating/reviewing progress', ensuring objectives and performance measures are understood and met were all considered to be important. The need to celebrate and acknowledge good performance and successes was also raised.

Some respondents pointed to the difficulties of monitoring performance and providing feedback 'because you have few opportunities to observe what your people are doing'. Some respondents thought feedback should be collected from other team members, peers, customers, etc., and that there should be processes for reporting such feedback to individuals.

'Monthly focus reporting - both outputs and person specific to alert you to the successes, issues, challenges, questions etc. It's also a great tool for managing performance (keep it short and designed to stimulate discussion).'

4) Results orientated

'Focus on the outcomes and not the actual hours spent doing them.'

As seen in graph 3 the vast majority of respondents felt that a performance management system that focuses on outcomes rather

than activities was important. Some respondents reiterated the importance of this focus in effective virtual managers. Approximately 7% reported that an effective virtual manager needed to focus on and manage by outputs or productivity rather than inputs, attendance or the actual number of hours spent working.

Good recruiter and developer of people

'Needs to have highly self-motivated team members that can deal with ambiguity and complexity.'

Several people reported that one of the most important attributes of virtual managers was the ability to identify and select the 'right fit' people, implying or directly asserting that effective virtual teams also have particular attributes, namely the ability to work with little supervision, trustworthiness, independence and proactive and effective self management.

Others reported that an effective virtual manager would be skilled in developing, training and empowering their team to meet the needs of working virtually, including making 'day to day decisions themselves' and taking 'ownership of their part of the business'.

'He is not so much a manager but someone who leads an individual onto their next plain of achievement or at least shows them the possibilities (i.e. a developer of people).'

The ability to do this through multiple communications media, i.e. coaching over the phone, was also reported to be important.

Good organisational skills

'Clear focus on what is important and very good systematic organisation.'

One in eight respondents reported that an effective virtual manager needs to be good at planning, coordinating and organising tasks. They need to have good time management skills and the ability to prioritise and multi-task.

Flexible

'An ability to be flexible and to react swiftly and positively to changed circumstances.'

A few people mentioned that an important characteristic required by virtual managers was flexibility. This included the ability to *'think in different dimensions'* and be *'mentally agile'*. This quality also relates to the consultative style required by effective virtual managers. Excellent virtual managers were required to be flexible in response to individual's needs, working hours, and communication preferences.

Good links within the wider organisation

Several people made references to the need for an effective virtual manager to be connected to the wider organisation, both in terms of understanding the organisation's goals and having *'strategic vision'* and in terms of linking in to the organisation's political network.

'To be part of the local organisation though geographically separate from it. Team only trusts a remote leader if that leader is seen to be locally connected and therefore in a position to help with local politics, organisation, career matters and HR issues.'

Conclusions

We believe the data from the different components of our research present a coherent picture. The literature review reinforced much that we found in our primary research and vice versa. This section draws together our findings in relation to our original research questions. It also highlights areas where there are subtle differences between different data sets.

The increase in virtual working and management

All our data sources confirm that virtual working is increasing. Labour market data suggests it has increased by as much as two thirds in the last five years. More than half of the respondents to our survey were virtual managers or part of a virtual team.

As well as the increase in frequency, virtual working is increasing in its complexity. Virtual teams can be global. They can cross boundaries of time and organisations. With matrix working, a virtual manager may not only lead their own team but also, and concurrently, be a resource for teams led by others.

The increase in virtual working has been driven by a combination of factors. These include cost reduction, the need to access valued knowledge workers and skills, opportunities to get closer to the customer, the scope for innovation provided by multi-disciplined teams supported by appropriate technology, the search for work life balance and the demands of split-site infrastructure sometimes resulting from merger and acquisition.

Is virtual management different from non-virtual management and, if so, how?

We conclude that virtual management is different. The writers featured in our literature review were far clearer on how virtual could be distinguished from non-virtual management whilst our primary research suggested the differences were more subtle.

Some of the more obvious differences arise from the dispersed nature of virtual working which contributes to feelings of isolation and difficulties in communication. Deprived of face-to face and social contact, trust, a factor critical to effective virtual working, becomes harder to build. Technology provides some ways of filling this communication vacuum whilst, at the same time, adding to the complexity of virtual work by generating more opportunities for misunderstanding. Working across boundaries increases the likelihood of issues around cultural diversity coming to the fore. Psychologically, virtual workers are likely to be distanced from traditional symbols and artefacts of their organisation.

In summary, the consensus seems to be that virtual management is difficult to do well. Success is more dependent on the extent to which people find new ways of collaborating to achieve organisational goals than the supporting technology and how well they well use it.

What type of organisational culture supports effective virtual working?

Organisational culture can both shape and be shaped by virtual working. Effective virtual management requires an organisational culture that focuses on the achievement of outcomes over activity, supports worker autonomy, values diversity, and advocates facilitative and participative leadership over those ways of working associated with traditional command and control.

What are the essential skills of an effective virtual manager?

Our survey data confirmed that communications, building and maintaining trust, selecting the right people, developing the team and an outcome-based approach to performance management are all important for effective virtual working. Of these communication and trust were most critical with effective virtual managers excelling in these areas.

From our research we can build up a pen picture of excellent virtual managers. They invest in selection and induction. They meet the need for regular and frequent communication without swamping people with data. They communicate flexibly to suit the message and the preferences of the receiver. They forsake electronic communication for the phone and face-to-face when the situation demands. They respond quickly and calmly to crises and without undermining their commitment to local autonomy. They act as honest brokers and mediators and are sensitive and loyal to their people. They are facilitative leaders. They provide people with freedom and hold them to account for delivery of what was promised and expected. They succeed at building relationships with and between team members. They provide clarity of direction and vision. They prioritise staying in touch and schedule in time to catch up. They act as an anchor for the organisation and its values. They can take the helicopter view, zooming out for the big picture and moving in close to understand what is happening on the ground.

From our analysis we have been able to identify specific competencies, actions and broader traits characteristic of the effective virtual manager. The majority of these behavioural indicators drawn from our interview data can be summarised under the following broad headings:

- Interpersonal skills
- Ability to develop trust
- Flexible user of communication media
- Results focus
- Collaborative culture builder
- Ability to stand back from and zoom into the action.

To this our survey data has added the need for the excellent virtual manager to:

- be strong on time management
- be good planner
- appreciate diversity

- put effort into building relationships between co-workers
- have systems for regular communication and feedback
- have a significant commitment to coaching and developing others.

Aside from the requirement to be a flexible user of all communication media, a specific and we believe separate competence, the above could be seen as true of any manager. However we see there are two further differentiators of effective virtual managers. Firstly, how they deploy and apply these skills and behaviours in the virtual world render them different. Secondly, there are micro level skills and actions that underpin each competence cluster. Whilst desirable for most managers, they are essential for virtual ones. For example, taking the heading interpersonal skills we can see this refers to the ability to:

- build rapport and relationships quickly and then sustain them
- ask precise questions
- be an excellent listener who spots underlying meanings and process messages
- test out meaning by summarising and reflecting
- trust intuition.

Finally, in the area of trust we know from the literature review in particular that excellent virtual managers will in all likelihood have a greater propensity to trust as a personality trait. They will also initiate and encourage specific actions likely to contribute towards trust.

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The Virtual Manager Research Project

Introduction

From our experience of working with managers we know that effective virtual management is a key business issue and one that is likely to become of increasing importance. We hope participating in the research will therefore be of direct benefit to your organisation.

Defining a virtual manager and our research question

Our research question is simply what makes an excellent virtual manager. By a virtual manager we mean someone:

- who manages people (the size of the team and direct reports may vary from a few to a hundred and more)
- works at a separate geographical location from all/some of the team for at least some if not the majority of time
- communicates with their people other than by daily and face-to-face contact, for example e-mail, IT, phone, or other medium such as video conferencing.

Research Methodology

Our research methodology is two fold. Firstly it would be useful if you could return the attached short questionnaire. This seeks to find out how widespread virtual management is as a feature of organisational life and the nature of the virtual management arrangements you have in place. We will then follow this up with a small number of interviews across a range of organisations. For each organisation we would like to carry out semi-structured interviews with one highly effective virtual manager, their manager and one or two of their peers/reports. This is in order to capture a 360 degree

view of what constitutes effective behaviours and competence. Each interview should take 1- 1.5 hours.

How we will use the results

The results of our research will be fed back to organisations which have supported it. We will then make the information more widely available as part of our overall research agenda, for example at one of our regular research seminars. It will also inform how we work with managers to develop their competence in this area.

Virtual Manager Research Project

Name:

Organisation:

Confidentiality:

We will protect the confidentiality of individual responses but our overall research findings will be for the public domain. We would like to use some direct quotes from narrative but these will not be attributable unless we have specific permission. We will be interviewing managers, their managers and subordinates but the information between parties will not be shared by us except in overall research findings

General Background on your organisation:

- type of business:
- size:
- turnover:
- number of people:
- where it operates from:

Background on virtual management arrangements

- What do you understand by the term virtual management?
- Types of virtual arrangement you have in place (frequency, size of teams, geographical spread, communication media used):
- Availability of and use of technologies to support virtual management arrangements:
- Business drivers for virtual management:

- Details of specific virtual management arrangements of which you are part:

Virtual Manager competencies

What do you think generally managers need to be effective in this area (skills, knowledge, attitudes etc)

My organisation would be happy to take a further part in the research (small number of semi-structured interviews).

YES NO

If the answer is YES please let us know the person we should contact to take this further.

Thank you for completing this questionnaire. Please return it to:

Andy Smith
Roffey Park Institute
Forest Road
Horsham West Sussex
RH12 4TD UK
Tel: 01293 851644
Fax: 01293 851565
E-mail: andy.smith@roffeypark.com

Follow up interview

Run through answers to pre-interview questionnaire if completed

Virtual Management Issues

Thinking about virtual management arrangements they are part of, what challenges/issues does this represent

Virtual Manager competencies

- What do you think generally managers need to be effective in this area (skills, knowledge, attitudes etc)
- Thinking of you/your manager/your subordinate what is it about them that makes them particularly effective as a virtual manager

How is the above different from general management leadership?

Are there specific things an excellent virtual manager does at different times which are important, for example at the start/end of a relationship or project, reviews, performance management cycles etc

Critical Incident

Think of an critical incident/difficult situation where you/your manager/subordinate demonstrated their excellence

NB Prompt interviewee to differentiate this from a 'normal' management event for example the people were geographically/time separated:

- Describe the situation
- What did the virtual manager do?
- What behaviours/capabilities did they display to handle the situation?
- What did this say about them as virtual managers (for example their attributes/values/vision)?
- What communication medium was used and why?
- Is there anything they could have done even better?

Final comments

Anything else they might like to add:

What happens next

Remind them of confidentiality

Virtual Managers

By virtual manager we mean a manager who works at a separate location from all/some of the team for at least some of the time and communicates with their team other than by regular and face-to-face contact, for example by e-mail, phone, or other IT medium.

1. Are you a virtual manager or part of a virtual team?

Yes ¹

No ²

2. Over the past 5 years, would you say that virtual management arrangements in your organisation have increased, decreased, remained the same or have not featured at all? *Please tick one only*

Increased ¹

Decreased ²

Remained the same ³

Not featured ⁴

3. How important are the following for effective virtual management? Please tick

	Extremely important	Important	Unimportant
An organisational culture that supports virtual arrangements	<input type="checkbox"/> ¹	<input type="checkbox"/> ²	<input type="checkbox"/> ³
A performance management system that focuses on outcomes rather than activities	<input type="checkbox"/> ¹	<input type="checkbox"/> ²	<input type="checkbox"/> ³
Getting the right people and building teams	<input type="checkbox"/> ¹	<input type="checkbox"/> ²	<input type="checkbox"/> ³
Building and maintaining trust	<input type="checkbox"/> ¹	<input type="checkbox"/> ²	<input type="checkbox"/> ³
Communications	<input type="checkbox"/> ¹	<input type="checkbox"/> ²	<input type="checkbox"/> ³

4. What are the most important skills and attributes for an effective virtual manager?



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