Virtual teams and meetings: Investigating the conventional wisdom that face-to-face communication is better

Bob Dignen, Director of York Associates

Besig Conference

15 November 2014

York Associates



Virtual teams and virtual meetings:

Investigating the conventional wisdom that face-to-face communication is better

Stefan Gudjohnsen

Thesis of 12 ECTS credits Master of Project Management (MPM)

May 2014

York Associates

2 research questions

- Q1: Can virtual teams be as effective as 'physical' ones?
- Q2: Can teams benefit from the use of virtual meetings over face-to-face meetings?



York Associates

TABLE OF CONTENTS

1. INTRODUCTION	1	
2. LITERATURE REVIEW	2	
2.1 Virtual teams	2	
2.1.1 Virtual team defined	2	
2.1.2 Reasons for the increased usage of virtual teams	3	
2.1.3 Virtual team performance – the classical "underperforming" thesis	4	
2.1.4 Success factors for virtual teams	5	
2.2 Virtual meetings	8	
2.2.1 Virtual meeting defined	8	
2.2.2 Media richness theory	9	
2.2.3 Video conferencing – a historical perspective	10	
2.2.4 Evolution of video conferencing - from problematic to immersive	10	
2.2.5 Video conferencing now a viable alternative to face-to-face meetings	12	
2.2.6 Improved communication dynamics in video conferences	13	
2.2.7 Remaining reservations about video conferencing	14	
2.2.8 The potential impact of new virtual technologies	15	
3. CONCLUSIONS	17	
4. ACKNOWLEDGEMENTS	20	
5. REFERENCES	21	

York Associates

Defining 'virtual'

• Virtual is different and special

'... (dispersed) groups of people that are engaged on a common organizational task through the use of electronic information and communication technologies.' (Guo, Ambra, Turner, & Zhang, 2009)

• Virtual is a constant and a continuum

The use of electronic media for interaction is common and according to a Cisco (2012) study on 862 business leaders more than 60 percent of communication today does not occur in real time, in other words, the majority of communications is virtual in character.



Positive drivers for 'virtual' teams

- Reduced workspace costs
- Increased productivity
- Better ways of serving customers in multiple time zones
- Being able to work on projects 24/7
- Drawing on expertise in different parts of the world
- Preferred by some



York Associates

Effectively planned communication

Organizational commitment

Virtual team CSF seem to be generic not specific

Cross-cultural understanding

Quality communications technology

Balancing

classical and

contingent trust

Clearly defined roles and responsibilities

York Associates

'Virtual' may not be an issue

• There is *no conclusive research evidence* that virtuality in and of itself consistently leads to less productive teamwork. 'The bottom line is that the quality of task-related processes appears to be a significant factor in deciding whether dispersion becomes a liability or an opportunity.'

(Foroughi, Perkins, & Jessup, 2005)



'Virtual' is part of a bigger picture



York Associates

Virtual can even be better!

• One research study found that teams with members in the same building on different floors ('proximate virtuality') performed worse on a similar task compared to teams with greater degrees of dispersion (disparate virtuality), including those that had members spread across, city, country or even continent.

(Foroughi, Perkins, & Jessup, 2005)



Virtual meetings

• Virtual meetings are different and special compared to F2F

Unlike conventional meetings, virtual meetings take place using communications technology such as audio conferencing, web conferencing or video conferencing. Specificities in perceived challenge and practice due to the virtual nature of interaction ... emerge. (Paul & Ruchinksas, 1995)

• Virtual meetings are virtually the same as F2F

Effective virtual meetings are governed by the same principles as conventional meetings. They are '...mediated by rules of good conduct: turn taking behavior, addressing behavior, politeness rules and dominance relations.' (Reidsma et al., 2007).

Media Richness Theory (MRT)



York Associates

MRT – then and now

- MRT is highly suspect and ignores critical non-channel aspects of communication e.g. relationship, shared culture, urgency, clarity of task etc.
- It was developed over a decade ago and is based upon a contrast between physical meetings and the then much less efficient audio and video conference technologies
- Acceptance of MRT meant that prejudicial attitudes towards *all* virtual communication became the norm.
- Today's more sophisticated conferencing systems, particularly those with video, mean that virtual communication presents itself as a *viable alternative if not a preferred option* over F2F meetings, although little research has been done since emergence of MRT.

High-end video conferencing



- ease of use

- life-size images on larger screens
- spatial audio to convey positioning of speaker
- image / audio synchronized
- a shared office environment
- additional data features

When Cisco replaced their existing video conferencing platform with Telepresence solutions within their organization (a high-end immersive video conferencing solution) the utilization jumped from 5 percent average utilization up to *65 percent* (Bushaus, 2008).

York Associates

Practice makes perfect

• Van der Kleij, Paashuis, Langefeld, and Schraagen (2004) showed in their research that with repeated long term exposure to video conferencing the teams adapt to the usage of the video conferencing solution to the point where the ability for task based work is the same for both face-to-face and virtual meetings using video conferencing.



York Associates

Virtual even outperforms (1)

According to Paul and Ruchinskas (1995), respect for time constraint in a video meeting, is higher than with face-to-face meetings. The need to use facilities efficiently stimulates increased effectiveness in using allocated time. As these meetings become *more structured and task focused*, video conferencing meetings become more productive than face-to-face meetings.

Siebdrat et al. (2009) concluded that when the objective of the virtual team focuses around *task* related processes and *care is taken to plan and foster socio-emotional aspects*, virtual teams will *outperform* co-located ones.



Virtual even outperforms (2)

Rosetti and Surynt (1985) ran experiments with tasks requiring a high degree of interpersonal communication between team members, and looked at their ability to **solve problems**. In their research they concluded that group scores in a virtual setting supported by video conferencing were consistently higher than the face-to-face meeting.

Schmidt et al. (2001) looked at communication in new product development. They found that due to cognitive limitations individuals have problems performing optimally in face-to-face situations with individuals subject to *group dynamics or social influence* that contribute to *decisional error*.





But ...

- Cost is inhibiting adoption of high-end video conferencing solutions
- Reliance on audio conferencing persists
- Little training is provided on how best to plan and facilitate virtual meetings, and integrate with other communication channels
- The challenges other than 'virtual' remain significant
- Negative attitudes to virtual persist and are significant
- All these are conspiring to maintain the virtual 'myth'

Cisco commissioned a study to explore business value of in-person communication in distributed organizations with respect to their interaction with partners and customers. The research was conducted by the Economist Intelligence Unit in December 2011 and uncovered business leader perspectives from 862 business leaders across more than 19 industries regarding the value of inperson communication and its effect on more than 30 business processes. The main findings were that 75 percent of business leaders indicated in-person collaboration as critical to business success affecting business outcomes more than other forms of communication (Cisco, 2012).

Conclusions

- A1: Virtual teams can be as effective as 'physical' ones.
- A2: Teams can benefit from the use of virtual meetings over face-to-face meetings.



The answer is 'yes' but it depends on other factors.

York Associates

The future is virtual

- User preference
- Cost
- Issues of climate impact
- Risk management
- Ongoing globalisation of corporate organisation
- More pervasive available video technology
- New technologies (<u>http://www.doublerobotics.com</u>)

'87 percent of these young execs the organization's ability to facilitate video meetings, would impact their decision when considering job offers.'

'When aspiring to manage teams larger than 50 people, 70 percent of respondents reported they would rely more on video when managing these teams.'

Cisco (2013)

York Associates

What does it mean for us?

- Challenge limited, limiting and false beliefs / discourses
- Investigate the specific risks and opportunities of a client's 'virtual'
- Focus efforts back to personal responsibility for team basics individual, team and task – and to avoid blame of external factor(s)
- Explore a few e-communication norms for telephone conferencing and email writing *plus* feedback cycles
- Help to define a balance between full trust and supervisory needs
- Reposition 'virtual' as part of a bigger picture uncertainty, complexity, paradox and diversity
- > As a profession, we need to get much more involved in research
- > We have to become comfortable as practitioner with 'It depends.'

REFERENCES

Anderson, F. F., & Shane, H. M. (2002). The impact of netcentricity on virtual teams: The new performance challenge. *Team Performance Management*, 8(1/2), 5–12.

Bushaus, D. (2008, March). Telepresence: Ready for its close-up. *Connected planet*. Retrieved April 27, 2014, from http://connectedplanetonline.com/broadband/news/telecom_ready_closeup_2/index.html

Cascio, W. F. (2000). Managing a virtual workplace. *The Academy of Management Executive*, 14(3), 81–90.

Cisco. (2012). Power of in-person: The business value of in-person collaboration. Retrieved April 18, 2014, from http://www.cisco.com/web/telepresence/economist.html

Cisco. (2013, August 5). Cisco Global Survey Reveals That the Majority of Aspiring Executives See a Big Future for Video in the Workplace. The Network: Cisco's Technology News Site. Retrieved April 19, 2014, from http:// newsroom.cisco.com/press-release-content?type=webcontent&articleId=1231231

Druskat, V. U., & Wolf, S. B. (2001). Building the emotional intelligence of groups. *Harvard Business Review*, 80(3), 81-91.

Foroughi, A., Perkins, W. C., & Jessup, L. M. (2005). A Comparison of Audio-Conferencing and Computer Conferencing in a Dispersed Negotiation Setting: Efficiency Matters! *Journal of Organizational and End User Computing*, 17(3), 1–26.

Gaupin, G., International Project Management Association. (2006). *ICB: IPMA competence baseline ; Version 3.0*. Nijkerk: IPMA.

Guo, Z., D"Ambra, J., Turner, T., & Huiying, Z. (2009). Improving the effectiveness of virtual teams: a comparison of video-conferencing and face-to-face communication in China. *IEEE Transactions on Professional Communication*, 52(1), 1–10.





bob.dignen@york-associates.co.uk

Thank you!



bob.dignen@york-associates.co.uk