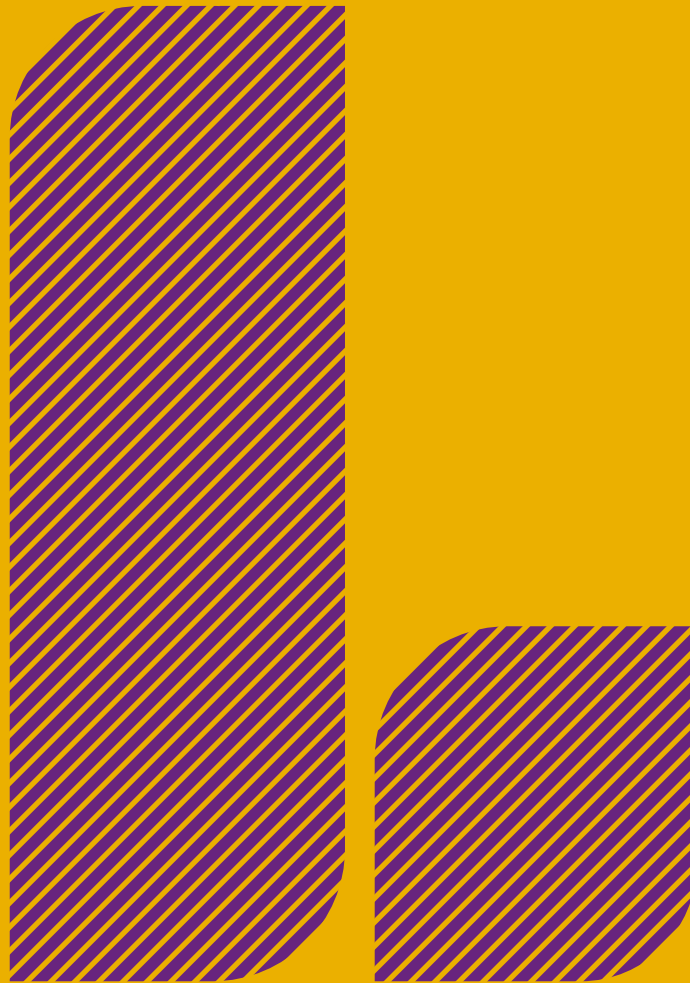




Going Remote

Leading dispersed teams

THE INSTITUTE OF
LEADERSHIP
& MANAGEMENT

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The Institute of Leadership & Management is the professional membership body for leaders, managers, coaches and mentors. We believe inspirational leadership holds the key to personal fulfilment, social wellbeing and economic prosperity. By connecting like-minded people, we aim to influence and inform and be the source of pioneering thought leadership and commentary in our field.

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Introduction

The world of work is changing. Teams are becoming increasingly geographically dispersed and managers need to be equipped with the right skills and technology to lead those teams effectively. Continued globalization, 'the removal of barriers to free trade and the closer integration of national economies' (Stiglitz, 2002: ix) are all contributing to the rise in remote teams. These teams have their benefits both for business and the individual, and the enhanced autonomy and cost savings that flexible and remote working offer also provide an impetus for an increased number of dispersed teams. Technology has eroded many of the geographical barriers to remote working (Jarvenpaa and Leidner, 1998), so not only is there no need for teams to be based in the same physical location, but there are real benefits to dispersion. The London Global Leaders' Summit reported that more than a third of executives expect over half of their full-time employees will be working remotely by 2020 (LBS, 2014).

Managers and leaders are becoming accustomed to the idea that they will not necessarily see their staff on a regular basis, or in some cases, at all. Dispersed team members might be working from home only a few miles away from their colleagues, or they could live and work on a different continent and in a different time zone. Distance may have some bearing on a manager's approach and actions, however, many of the skills used to manage a regional team will still be relevant to managing a team based miles or continents apart.

Whatever the difficulties posed by issues of location, culture and geography, virtual team leaders must still deliver team performance and organisational outcomes. Remote working is already embedded in the culture of some organisations, but leadership and management practice has not yet fully adjusted to the changes remote working requires. Technology supports remote working but the shift in working with people you see regularly to those that you see infrequently requires managers to reconsider their practice fundamentally and adjust accordingly. Managers need to be aware of the dangers, too – remote working employees are easy to contact through mobile devices and this has increased the tendency for working outside of conventional work patterns with almost half of employees taking work calls, or engaging with work emails, in their personal time (CIPD, 2014).

The Institute of Leadership and Management researched the experience of working in these new types of teams and explored whether traditional paradigms and models meet the needs of lean, austere and vibrant business operations (Colfax et al, 2009). The research identified the challenges and benefits that virtual working brings, and highlights the activities of those who are doing it well.

Executive summary

The research combined the findings from a survey of over 1,000 people and 41 in-depth interviews with members of dispersed teams across a range of sectors, including local government, ICT, construction, manufacturing and financial services.

Key findings

- Team members who work across greater distances are more likely to appreciate the benefits of working in remote teams. For example, 88% of those working country-wide saw some benefit to additional control over their working hours, but this fell to only 79% for those working less than 10 miles apart
- Team members who are geographically closer are more likely to highlight the problems of remote working. Whereas 57% of those working internationally felt access to help and advice was a challenge, this rose to 70% for those working in closer proximity
- The majority of teams meet physically at least once a month with under 5% never meeting their fellow team members
- The principle reported benefit was the opportunity for improved work life balance that remote working offers with 84% of respondents identifying this as a major advantage of working remotely
- Reported challenges included ensuring consistency of practice (88%), the potential for misunderstanding instructions and directions (88%), and email overload (83%)
- Mental wellbeing can be a considerable issue for virtual working, with isolation and loneliness reported as significant risk factors

Recommendations

- Recognise the special characteristics of remote teams and act and plan accordingly – develop a collaborative style, with flexibility and transparency built in
- Hold regular communication through different means, create explicit ground rules and put limitations on the use of email
- Explore alternative communication methods to establish what works well for each team and limit the number that are used
- Keep meetings short and focused and limit the number of conference calls
- Invest in specific training in remote working and the use of digital media
- Recognise that team building approaches are different for remote teams
- Encourage team members to develop relationships, support travel when it is possible
- Be mindful of the well-being of remote workers; make regular checks, monitor work load levels

Key findings

Characteristics of remote teams

Frequency of meetings

The majority of dispersed teams meet physically at least once a month with just under 5% never meeting. Teams meet most frequently between every two weeks and once a month.

Figure 1: Frequency of face to face meetings

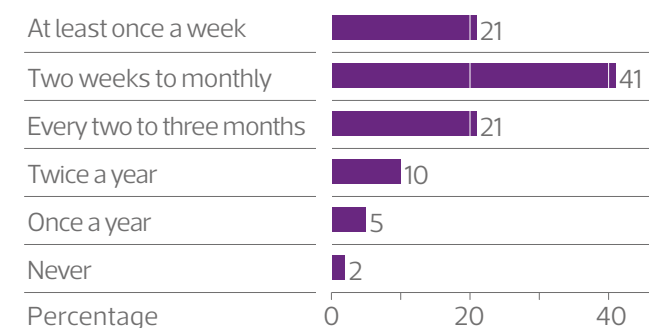


Figure 2: Organisational benefits of remote teams, for the business

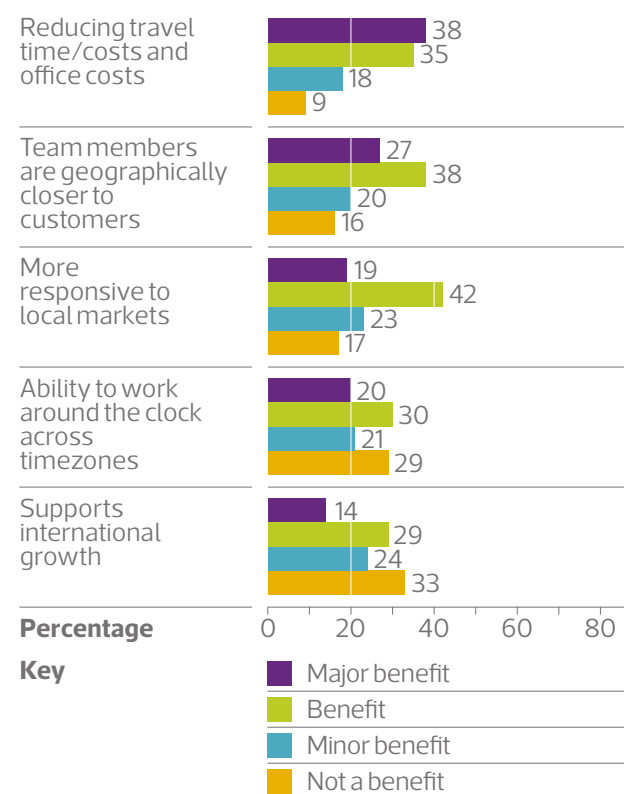
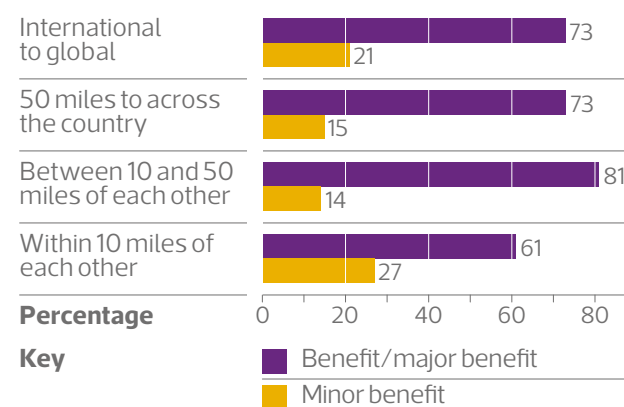


Figure 3: Reducing travel time/cost and office costs



Perceived organisational benefits of operating remote teams

Cost and time effectiveness

Cost and time effectiveness is the most frequently stated benefit to organisations operating in dispersed teams. Interviewees suggested that the greatest contributing factor to reduced costs is the need for less office space. Distance seems to be a determining factor in how well these benefits are recognised. While they were cited as a major benefit by the majority of interviewees, they seemed to be optimised in those teams working between 10 and 50 miles of each other.

Business reach

For the purposes of analysis, we have considered that several factors contribute to business reach: the ability to have team members who are geographically close to customers; being more responsive to local markets; and having staff coverage around the clock with support across several time zones. Several interviewees commented that the use of dispersed teams had contributed to improved business reach for their organisations. For some, this meant an increased presence across a single country, whereas for others it meant the ability to serve clients in multiple countries and time zones. The ability to be more responsive to local markets was regarded as of most benefit in international teams. Geographical closeness to customers is cited as the most important contributing factor to expanding business reach.

"We've made so many more connections and links with others because we are not sat at a desk. The reach of the organisation has expanded as a result of these connections."

Director, Local government

Diverse perspectives and skills

Dispersed teams allow for a cross-pollination of ideas and experience. Diversity of thought, innovative thinking and creativity is particularly evident in international teams. Working in a dispersed team broadens employees' perspectives of the organisation and business. International teams recognised this as even more of a benefit than those working in national or regional teams.

"The biggest diversity is diversity of thought... we live in a world where we cannot afford not to have this."

Financial services, Compliance Officer

Work-life balance, recruitment and retention

Supporting the work-life balance of employees is an important organisational benefit of dispersed teams as it can deliver gains in a number of key areas. It can help improve retention by offering employers and employees alternative and more flexible working arrangements. It can improve recruitment outcomes by expanding the pool of available talent to those who would not otherwise apply. This is particularly valuable in sectors suffering skills shortages. Organisations with team members based upwards of 50 miles apart seem to be the ones benefiting most in the area of recruitment and retention, followed by global teams. When it comes to supporting work-life balance policies, national and regional teams seem to be more successful at realising the benefits.

"In the future, [companies] are going to be less likely to find someone with the [technology] skills they need and in their geographical area – they need to be far more open to home working and remote working."

Senior software engineer

Productivity and efficiency

Productivity and efficiency gains are frequently cited as benefits of remote working, with the indirect benefits of greater well-being amongst employees leading to increased staff commitment and reduced turnover (Thompson & Truch, 2013). Absenteeism is also lower when employees coping with the combined pressures of work and home life are satisfied with their employment arrangements (de Menezes, 2011). Where more than one dispersed team exists they may share best practice to improve performance and in some cases a healthy sense of competition is generated between those in different locations.

"We have now created a North and South team, so there's a lot of competition there. We all talk to each other. I tell them what I've been doing and they want to get in with it too."

Financial services, Team Leader

Figure 4: Organisational benefits of remote teams, for team members

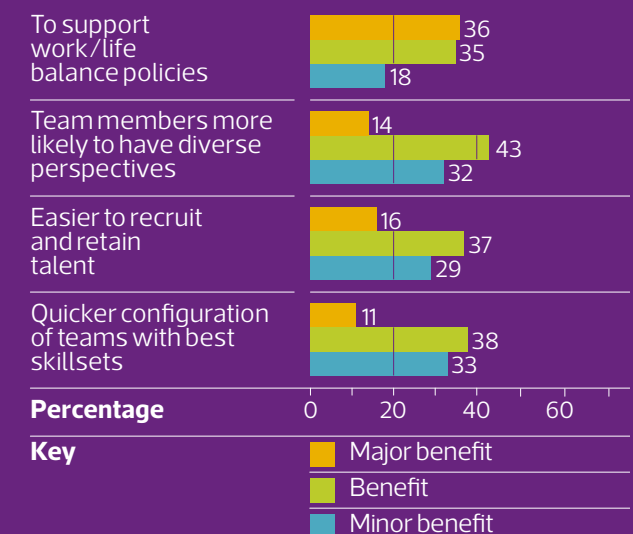


Figure 5: Individual benefits of remote teams

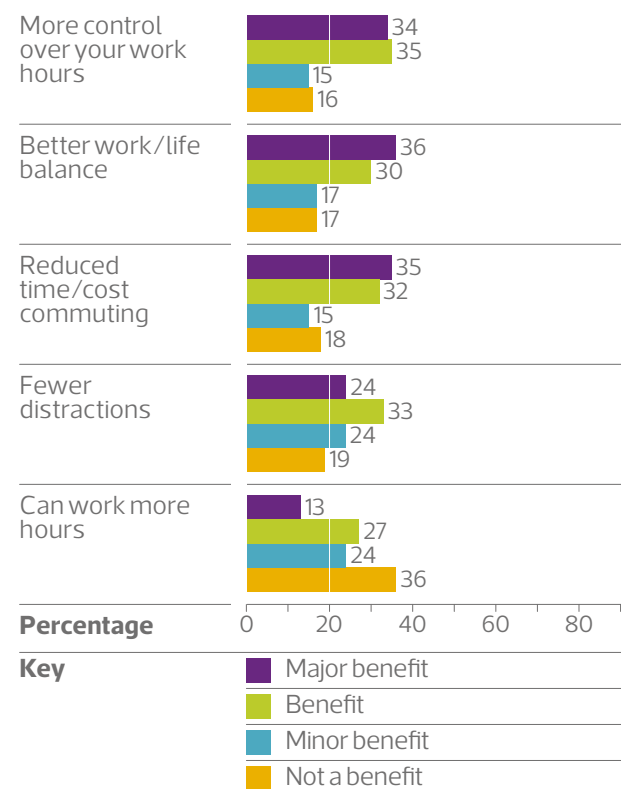
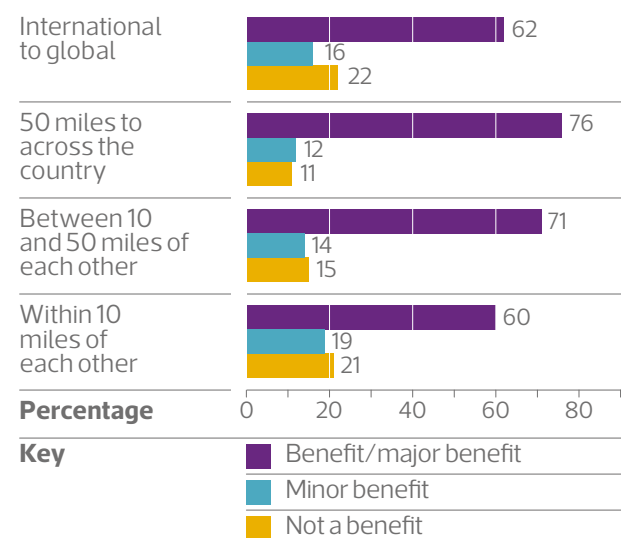


Figure 6: How teams dispersed differently value the increased control over working hours



Perceived benefits to individuals of working in remote teams

Working hours and work-life balance

Golden et al (2012) state that employees report flexible working arrangements help to make them happier, particularly where the employee had some choice over their start, finish and break times. These findings were replicated in our study with control over working hours and an improved work-life balance being highly rated benefits of individuals working in dispersed teams. Reduced or eradicated commuting time is also a key benefit for individuals. Working in a dispersed team can be particularly beneficial for those with caring responsibilities, allowing them to better balance their personal and work demands.

"If you know somebody has a doctor's appointment in the morning, but you know that they will work an extra three hours in the evening to make up for it, that's the workforce you want."

Local government, Project Manager

Job satisfaction

We found working in a dispersed team can improve levels of job satisfaction and motivation as giving employees autonomy builds their confidence and sense of fulfilment. Remote working can mean staff are less directly engaged with office politics and thus less distracted by it. There is also evidence to suggest that people find working in dispersed teams simply more interesting than working in a traditional office.

"You could spend 20 years in the same office with the same people, or you could work in a distributed team with other people with other interests and other ways of working."

Project Manager

Personal and career development

Working in dispersed teams can increase confidence and empowerment and so can have a positive impact on both personal and career development. Remote working develops both self-motivation and personal discipline.

"They [individuals] grew in confidence because they were given that responsibility and trust."

ICT Manager

Working hours and remote distance

While 84% of all respondents state that control over working hours was a benefit to some degree, there was variety according to the degree of remoteness. Generally, the more remote or dispersed the team within the country, the greater the extent to which people felt they could control their hours.

Challenges of managing remote teams

Practice and standards

The biggest challenge for dispersed teams is ensuring consistency of practice between team members.

Communication and directions

Another key challenge for dispersed teams is the potential for misunderstanding instructions and directions. From a manager's perspective, it can be difficult to manage team members when rarely meeting in person and team members reported feeling that managers communicate inadequately and fail to offer support. Some interviewees reported going days without speaking to a manager, but there is a tension between achieving a level of clarity of advice and the time it takes to do so.

"You'll be playing voicemail tennis all the time. You were just left to do your own thing"

Associated Director, Financial services

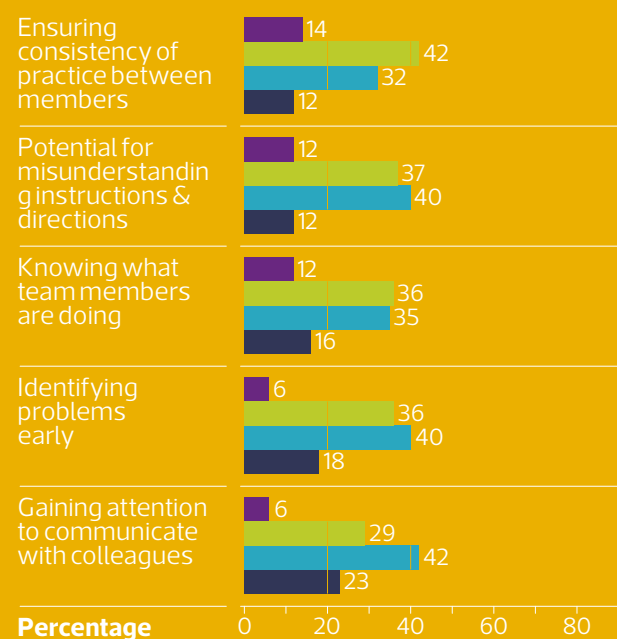
Interpersonal relationships

The interpersonal dynamics of a remote team may be very different to those of a face-to-face team, managers have to work harder to create and keep a team ethos. Managing virtual teams has been recognised as a key challenge for leaders, arising from the lack of visibility of the employee(s), and the lack of face-to-face interaction between team members (Konradt & Hoch, 2007). Remote management of staff from different cultures and backgrounds can be challenging, adding a layer of complexity to the relationships. Trust was considered to be very important, if individuals take advantage of increased autonomy and independence trust can deteriorate rapidly. The distance can also mean that issues that might be swiftly resolved with a quick conversation can snowball if less interactive methods of communication are used and blame quickly and wrongly apportioned.

"You gave them the opportunity to work freely and independently and they blew it. The rewards are great, but if it goes wrong it is really quite damaging to the relationship."

Project Manager

Figure 7: Challenges of managing remote teams – effects on team tasks



Communication

Concerns with aspects of communication represented the largest area of difficulty experienced by dispersed team members. Email overload is a characteristic of all remote teams irrespective of distance with over 83% of respondents stating that it was a challenge to some degree. Misunderstandings can arise when relying on emails for communication or when there are large gaps between face to face meetings. Clarity of message and failure to understand the bigger picture can also be an issue for dispersed teams, exacerbated by an absence of body language to aid understanding. Some interviewees felt communication was particularly challenging for internationally dispersed teams not just because of the language but due to grappling with time-zones as well as political and cultural difficulties. Some said they had to work hard to ensure that they wouldn't be misunderstood or that any images, language, terminology used would cause offence.

Access to help and advice is a less significant concern with greater distance. For those consistently working remotely from their managers, methods and means of support and advice may be well recognised and established.

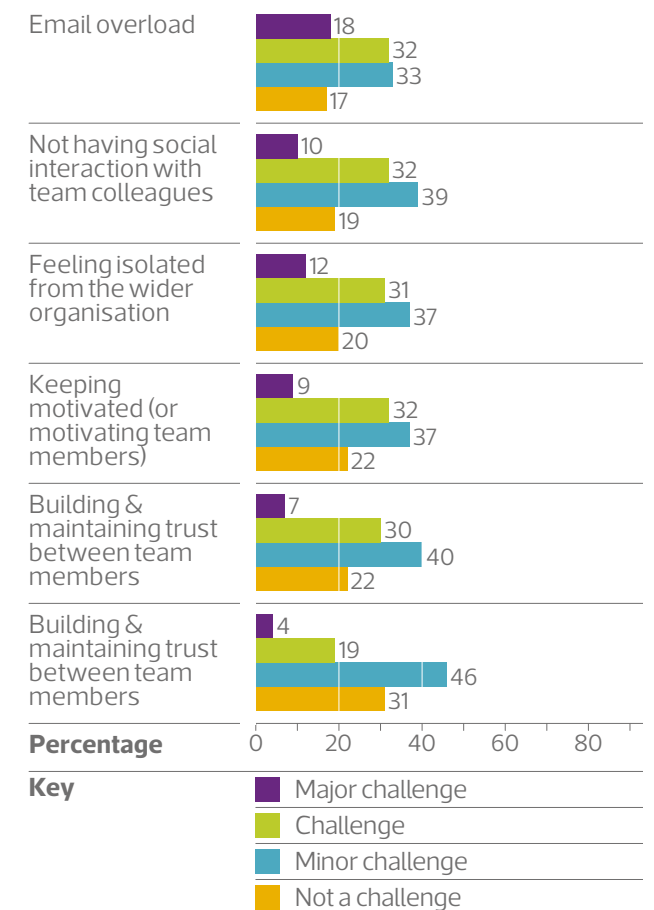
"You don't get the interaction and the nuances. I don't feel I get a lot out of the meetings. I contribute 75% of what I normally would."

Projects and Performance Officer

Tools and resources

Respondents noted the range and differing reliability of available technological tools. Further complications arise through varying levels of access to systems and resources amongst team members, with limited access and to video conferencing facilities perceived to be a particular problem.

Figure 8: Challenges of managing remote teams – effects on people



Percentage

Key

Major challenge
Challenge
Minor challenge
Not a challenge

Team building

Team building is a key challenge experienced by dispersed teams, where the lack of social interaction with colleagues reduces the scope to build and maintain trust. Working in a dispersed team makes it more difficult to understand people's abilities, strengths and weaknesses, particularly if the team has never worked together in one location. In the absence of a physical working space, it can be difficult to create any sense of identity or belonging, with some respondents reporting feeling a greater sense of identify with their customers.

"I feel I often relate more to my customer who I see on a very regular basis than I do to the team or company I work for."

Technical Account Manager

Skills and training

Difficulties in delivering and or participating in remote training were widely reported, and informal learning opportunities also tend to be fewer. Online training is not an ideal solution as opportunities to ask questions or share ideas with colleagues are more difficult.

"It's only when you are physically alongside someone that you get to see their expertise and learn from that."

Business Analyst

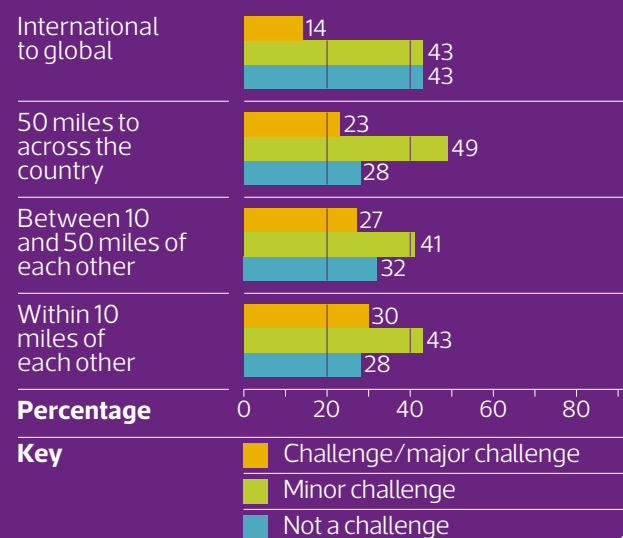
Mental wellbeing

A range of factors associated with working in a dispersed team can influence levels of stress and mental wellbeing, the most common of which is isolation. Other influences include poor management, a potential lack of empathy with colleagues due to lack of face to face contact, and an inability to share thoughts with colleagues can lead to increased stress even paranoia.

"A dispersed team where you have no communication can be quite stressful. In a team where it is set up properly, it can be very motivational."

Human Resources Manager

Figure 9: How challenging it is to get help and advice by distance



Characteristics of successful dispersed teams

Structure and management

Planning and time management

Careful planning and time-management are important for dispersed teams with professional standards, long-term outcomes, goals and expectations being clearly defined at the outset so dispersed team members have a common understanding of their purpose.

"It's about having very clear visions. Decision-making and instruction must be consistent."

Public Health specialist

Management approach

While it is important for management to be aware of what their team is doing, managers need to walk a fine line between micromanagement and enablement of their staff. The danger of being micromanaged diminished the further apart the team members were. Being seen to treat co-workers fairly and equally was also seen as very important.

"In an office environment, you know what people are doing because you can see them. When they are all remote, I have no idea what they are doing. Micro-managing is very detrimental."

Associate Director Financial Services

Effective communication

Regular and effective communication was frequently mentioned as essential for dispersed teams to operate and particularly important at the establishment phase of a dispersed team, or as new members join the team, in order to establish initial contact and to get to know people. Establishing a set of ground rules for daily or weekly contact was recommended and holding regular face to face meetings provide opportunities to form social relationships and also helped to build an understanding of different cultures.

In an office, you don't need these regular check-in meetings, but in a virtual team they are very important.

Product Development Manager

Tools and resources

Technology

Technological tools were identified as beneficial for facilitating communication amongst dispersed teams, including audio/video conferencing and chatrooms. As long as the quality is good enough, a webcam can mimic face-to-face interaction. The use of chat tools or instant communication software enables team members to communicate simultaneously. The use of tools such as HipChat or Slack can reduce unnecessary time wastage associated with emails.

"We try to use as much tech as we can...I prefer not to send emails, as I spend the first 40 minutes of every day going through unnecessary emails."

Associate Director ICT

Regular social events and personal connections

Regular social events can facilitate and support team building. It can be cost effective to combine social events with other meetings or corporate events

“I’d advocate instead of organising a half day’s meeting, [having] people check into a hotel the night before so there’s a bit of bonding.”

Product Development Manager

Skills and training

Training and development

Training of dispersed team members is crucial for ensuring common quality standards and knowledge in each location and for developing necessary skills. A variety of training methods were reported as being used including standard induction training and ‘on-boarding’; mentorships or ‘buddy schemes’; and the use of webinars and case studies. Specific training on working effectively in a dispersed team contributes to the team’s effectiveness.

“Training can help to ensure that you are working to a common goal and in a more collaborative manner. It helps [team members] to get on with the job.”

Portfolio Manager

Values

The establishment of common values was widely considered to be important for dispersed teams to understand expectations and work effectively. Integrity, respect, team work, trust and co-operation were mentioned as appropriate values for dispersed teams.

“You’ve got people you can pick up the phone and speak to, you know them, and you’ve worked with them before. It’s almost like building a corporate glue.”

Senior Project Manager.

Feeling part of the company

Dispersed teams require reinforcement of their place in the company, and the company’s brand, in order to feel included. Internal communications tools such as email newsletters can help to support this and can build and maintain a team ethos.

“Every time something happens, I make a note and we have a newsletter for staff. If someone’s getting married – if people are happy to share that – that’s really nice as well.”

Support and Strategy Manager

Mental wellbeing

Some managers mentioned the need to be conscious of the duty of care they bear towards members of dispersed teams and to take action accordingly, with some organisations offering regular health checks and access to confidential counselling services.

“Employees need to understand they’re not alone.”

Strategy Manager

Recommendations

Structure and management

- Careful planning and time management to ensure that the team is aware of deadlines and priorities
- Develop a collaborative and reward-focused management style to ensure staff members receive positive feedback and recognition for work well done
- Be flexible in arranging meetings and respect home working arrangements
- Develop a vision with and for the team which links to the wider organisation
- Ensure there is shared transparency of expectations for all team members
- Lead by example and trust your team to do a good job

Communication

- Test different communication styles to see what works best with each member of the team,
- Hold regular face-to-face meetings or video alternatives
- Limit the number of people on conference calls to three
- Use email as a last resort, use the phone, leave audio or video messages

Tools and resources

- Video conferencing is essential to enable face to face contact between team members
- Use chat tools for work and have a separate application for social interaction
- Use technology that works, don’t experiment with new tools at the start of a meeting
- Encourage people to pay attention at meetings by keeping them short and focused

Team building

- Support team members to travel to meet when possible
- Build in social time even if it is virtual
- Encourage team members to develop personal relationships with each other
- Develop a sense of identity through the use of names, brands, logos etc.

Skills and training

- Develop induction training for virtual working
- Set up a formal mentoring programme
- Invest in digital and social media training for everyone

Values

- Work with the team to develop a set of common values that are made explicit

Mental wellbeing

- Schedule regular checks with staff members
- Ensure access to counsellors
- Carefully monitor work levels to help manage stress in staff working remotely;
- Encourage staff members to separate their work/ life boundaries, and lead by example

Methodology

1,008 respondents completed an on-line survey consisting of closed and open response questions. 41 in-depth interviews were conducted with representatives from four sectors: financial services, local government, construction/manufacturing and ICT. The majority of interviewees were sourced through the survey itself, while a small number were identified using contact details provided by the Institute. It should therefore be noted that interviewees were predominantly self-selected.

Data from the survey and interviews were triangulated using mixed methods approach. Survey questions were used as a structural guide in order to compare and contrast findings from both the survey and the interviews.

Interviews were delivered in accordance with the Market Research Society's Code of Conduct and were recorded. Participants were given anonymity in their responses in order to allow them to answer as fully and freely as possible. A semi-structured discussion guide was designed to reflect the survey by allowing qualitative exploration of quantitative findings. An additional question focused on the impact of working in a dispersed team on mental wellbeing.

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