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# The Changing Global Context of Virtual Workforce

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### **Abstract**

The technological revolution occurring in today's market place has made it possible for many companies to be innovative about the way and where work is done. This is the next evolution of the Web. To get the job done, due to digital revolution, companies have turned to virtual workforce to harness the benefits of connectivity and effective information sharing among stakeholders to get the job done. More important, the success of coordinating work among a virtual workforce for profitability in a rapidly changing global environment depends on "effective indirect communication" between the leadership and the virtual workforce. This article will address the importance of effective communication as a necessary tool for the success of e-leadership, productivity improvement in virtual work environment.

Keywords: e-leadership, virtual workforce, crowdsourcing, tele-workers

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#### Introduction

The virtual workplace in which employees operate remotely from each other and from managers is now a reality and by all indications, it will become more prevalent in the future (Cascio & Shurygailo 2003). Organization are now benefiting from harnessing virtual work to increase productivity, efficiency, quality, and reduction in reliance on "labor force" skills, to give more strength to "service" strategies and approaches in contemporary industrial workforce. The application of modern technology innovatively has made it possible to redefine where work is done (Davenport & Pearlson, 1998 Jones 2010) and facilitates virtual work arrangements (Cascio et al., 2003). Communicating effectively with the virtual workforce requires a paradigm shift from the traditional way of communicating face-to-face with employees. Virtual workforce constitutes employees that operate remotely from each other and from managers. Therefore, managing this emerging workforce successfully depends largely on effective communication between managers and the employees that constitute the virtual workforce. "Innovation refers to doing new things" (Rue & Byars, 2010, p. 88).

Implementing a virtual workforce successfully in an organization has become more critical. More important is the fact that technology is present in all organizational activities (Jones 2010). In addition, the knowledge of using these technological devices to send or receive messages by the management and the virtual workforce is crucial to the workforce productivity. As such, keeping the virtual workforce informed ahead of any anticipated change and carrying them along in the decision making process is important. "In this process, the supervisor must cope with employees' anxieties and fears that are related to change" (Rue et al., 2010). It will alleviate any fear or concern that may increase their resistance to such change.

### What is Virtual work?

Virtual work has been defined by many scholars in different ways and their views are sometimes based on perspectives such as team, organization and community. Virtuality has most often been used to describe work that is distributed across time and space. For some companies, virtual workers are those who work in truly remote offices, across the country or the globe. For others, virtual workers spend most of their time on the road (Turek 2005). Since distributed work is enabled by information and communication technologies, virtual workforce has also been defined as teams that rely upon electronic communication to accomplish their work. According to Turek (2005) virtual work is defined as "employees who are physically separated from their managers, co-workers and/or immediate reports, even if they themselves work at a headquarters or large satellite corporate office."

The term "crowdsourcing" as a work style is now a part of the ecosystem (Howe, 2009). This is a work style that gives access to a pool of talented, creative, and productive workforce with wide areas of diversification. More important, this work style is a dramatic shift in the way work is organized, talent is employed, research is conducted, and products are made and marketed. This is a perfect meritocracy, where age, gender, race, education, and job history no longer matter, but your ability to get the job done, with quality and value added. Notably, crowdsourcing works for two very fundamental reasons:

- It draws from a global pool of talent, much of which has never before been tapped effectively.
- It allows genuine meritocracies to emerge-where people are acknowledged for the quality of their ideas rather than for their formal academic qualifications. All that matters is the final product, not the backgrounds of those who contributed to it (Howe, 2009).

However, both the positive and negative consequences of this intriguing phenomenon should be considered. Howe (2009) asserts that companies should not view this new work style as a cost-saving, short-term measure, as there are start-up costs involved. This is a work style strategy that cuts across all industries and basically relies on a worker's spare time. More important, a big distinguishing factor of this model is that it is a call for work with the potential of many people replying. These are respondents with a full time job or doing other things. The nature of this "third way" work style does not negate or serve as the replacement for an employer and an employee in the traditional sense (Howe, 2009).

# **Need for Virtual work**

In today's global economy, enterprises have continued to scan the globe to garner the best and effective approach of utilizing human resource with contribution to the total value chain. One of these approaches is through virtual work. The increased efficiency of virtual workers does not only results in enhanced productivity, but the added flexibility of virtual work means that they feel encouraged to think

more creatively and enhance business relationship. It also offer the freedom and independence of commuting to work daily. As the number of remote workers increases globally, assumptions are often made about their work habits, behaviors and preferences (Gillis, 2003). This workforce growth is not void of some managerial headaches. Most importantly, many virtual employees are concerned of being isolated and are not sure if they are valued by their companies like their colleagues that are non-virtual workforce. It behooves graduates of Industrial Technology programs to be aware of this new workforce. The knowledge of the challenges that this workforce may pose and how to manage them is essential. This will help minimize the negative impact of virtual work on productivity.

# What is e-Leadership?

According to Avolio, Kahai, & Dodge (2000), [e] "-leadership is defined as a social influence process to produce a change in attitudes, feelings, thinking, behavior, and/or performance with individuals, groups, and/or organizations. Notably, e-leadership in an organization can occur at any hierarchical level. It may involve one-to-one and one-to-many interactions within and across large units and organizations or it may be associated with one individual or shared by several individuals as its locus changes over time. Most important is to equip graduates of our programs with the knowledge of effective communication skills to enhance a successful e-leadership in virtual work environment. However, an important component that will make such leadership work is trust. This is necessary due to the fact that a virtual workforce may have some members who have more similar training or responsibilities, backgrounds, social interests, or simply have worked together in the past, as well as those that are new to this emerging field.

## E-leadership and trust-building in virtual teams

Tapping the productive potential of virtual workforce poses several unique challenges such as leading a geographically dispersed workgroup or workforce from an e-leadership perspective, how virtual members can "work out task interdependencies, resolve issues involving tradeoffs among various perspectives, and develop solutions and approaches that build upon the diversity of expertise" to accomplish collective goals (Avolio et al., 2000). The authors defined trust by quoting (Mayer, Davis, & Schoorman, 1995, p. 712) as "the willingness of a team member to be vulnerable to the actions of other team member(s) based on the expectation that the other(s) will perform a particular action important to the trustor, irrespective of the ability to monitor or control other team member(s)."

Trust is critical in virtual work since direct supervision, similarity in backgrounds, and experience and a common form of social control in traditional workforce are not feasible. Hence, leadership in virtual workforce should facilitate the formation of trust building in a virtual workforce context. As a result, the effects of leadership on trust should not be underestimated. Since this approach is transformational, such leadership should instill confidence among virtual workforce team members about the ability of individuals in their team through (a) individualized consideration, whereby the leader considers and encourages consideration of input provided by every member of the team, and (b) inspirational motivation, whereby the leader expresses confidence in team members' collective ability to accomplish a task all members identify with (Avolio et al., 2000).

## **Communications within virtual work groups**

Roebuck, Brock, & Douglas (2004) in their study titled "Using a Simulation to Explore the Challenges of Communicating" asked participants to write collaboratively a two- to three-page memo reflecting on the team's communication process. Within the memo, the teams discussed what they did well, what they could improve, and what they would do differently if given another opportunity to work virtually. Some of the lessons learned that were recorded include the following:

- We learned that effective communication is the key for achieving team objectives and success. A common understanding is necessary. We learned that distance is not important as long as you have an effective way of communicating between virtual team members.
- We feel that we have benefited from this experience in that we received a practical, hands-on, and realistic view of a virtual teaming experience. We were forced to adapt to situations and develop real solutions that provided a winning situation for all. We noted the two most important tools needed to accomplish any virtual business goal are communication and technology.

- One of the critical aspects of effective virtual teaming is the full participation of all of the team members. For optimum performance, it is imperative that the team members establish an organizational structure from the very beginning.
- It is important that team members build relationships with each other. Trust comes from performance and virtual performance is still somewhat limited. It is easy to send data by e-mail and other electrical means, but it is harder to send "parts of your heart" and to motivate team members.
- Regardless of the specific means of communication used in virtual teams, the use of good, sound, basic project management techniques can provide a means to clarify the objectives, milestones, plans, and progress toward the objective. Virtual teams by their nature involve very little face-to-face time; therefore, fundamental project management techniques can minimize stress and clarify the process in what is already an extremely challenging environment.

Based on the lessons learned from the study conducted by Roebuck et al. (2004) from the study conducted, the following three challenges were identified and should be addressed by e-leaders in order for a virtual workforce to be able to accomplish their goals:

- The first challenge is compensating for the lack of face-to-face interaction. When meeting in person, team members can depend upon voice levels, smiles, and raised eyebrows to determine whether they are being understood; however, virtual teams do not have these nonverbal cues and can fail without communication strategies to manage the lack of face-to-face communication or silence
- A second communication challenge for virtual teams is building relationships. Virtual teams are confronted with the challenge of establishing trusting working relationships through technological interaction alone.
- A third challenge is accessing and leveraging the unique knowledge of each member to successfully
  achieve the team's goal. Helping virtual team members learn to address these differences in ways that
  will support full, open, and complete communication is also a fundamental teaching objective in
  preparing people for virtual teaming.

Since the concept and the practice of e-leadership may be new to most employees, it behooves the management to foster employees acceptance of the new paradigm through discussion of the upcoming change and make sure that the employees are involved in the change. To foster employee acceptance of e-leadership, the management must constantly strive to create a positive environment for such a change so as to avert employees' resistance of this new paradigm. Employees' uncertainty of the effect the new change may bring constitute the major reason for resistance. This could be the fear of the unknown, inconvenience, threats to interpersonal relationship and the possibility of threat to job or income. To this effect, the management must understand the strategies to be used to implement a change and how to implement each one of them successfully.

## **Forms of Virtual Teams**

Virtual workforce and related teams vary from one organization to the other. Fig. 1 below illustrates this graphically by classifying virtual teams with two primary variables, the number of locations (one or more) and the number of managers (one or more).

		Managers	
		One	Multiple
Locations	One	Teleworkers	Matrixed Teleworkers
	Multiple	Remote Team	Matrixed Remote Teams

Figure 1. Forms of Virtual Teams (Adapted from Cascio et al., 2003).

Each factor in fig. 1 is a determinant of the types of issues that are likely to arise and what techniques to be used to manage them. There are four categories of teams:

- Teleworkers: A single manager of a team at one location
- Remote team: A single manager of a team distributed across multiple locations
- Matrixed teleworkers: Multiple managers of a team at one location
- Matrixed remote teams: Multiple managers across multiple locations

From the information in figure 1, it is likely that a company may use different combinations among the methods and actual situations will probably be more complex hybrids of these abstract classifications.

## Tool for successful e-leadership in virtual work environment

The empowerment of the workforce is one big element that if well implemented will assure the success of the e-leadership. This is the active engagement of the rank-and-file of workers more than ever before. Although members of the workforce can be educated on the anticipated change, they are often inclined to favor more services for themselves. More important, an organization's approach to innovaton must be comprehensive and must involve everyone in the innovation process. It should be noted that changes will be better accepted, other things being equal, if they are the result of discussion and input of both the management and the workforce, and positively presented As an example, technological change that includes new equipment, machinery, and processes can greatly affect the success of an organization if not well implemented (Rue et al., 2010). These authors suggests the following as the four basic reactions of employees to change.

- (1) If they don't know how it will affect them, they will resist it, or at best be neutral,
- (2) If they're sure the change won't help meet their personal needs, they'll resist it,
- (3) If they see that the change will take place, regardless of what they do, there will be initial resistance followed by resigned acceptance,
- (4) If they see the change as being in their best interest, they will accept it (Rue et al., 2010, p. 80-81).

Since resistance to change should be anticipated by the organization, it behooves that organization to minimize or reduce the resistance to such a change that is crucial to the survival or the maintenance of the organization's cometitive edge. As such the environment created by the organization, particularly the manager or supervisor can greatly affect employees' acceptance of change. According to Rue et al., (2010) the following are several suggestions for creating a positive environment:

- A. Build trust it is established over a long period of time,
- B. Discuss upcoming changes give background as to why the changes are being made and the expected impact on the employees,
- C. Involve the employees-solicit employee ideas and inputs as early as possible,
- D. Make sure the changes are reasonable It is the supervisor's responsibility to intervene when proposed changes from upper management are unreasonable,
- E. Avoid threats they are damaging in the long run and have a negative impact on morale and attitude,
- F. Follow a sensible time schedule the supervisor can often influence the timing of changes,
- G. Implement the changes in the most logical place use the most adaptable employeesand try to minimize the effect on interpersonal relationships,
- H. The five W's and an H: what, why, whom, when, where, and how explain these to the employees (p. 83-85).

The need for virtual leadership is growing with more promise for organizational goals to be met. This is a new paradigm in organizational management. Managers at all levels should acknowledge that "organizations that fail to respond to change often find themselves out of business" (Rue et al., 2010, p. 79). It is imperative for any organization that is thinking in the line of adopting this new leadership paradigm to be aware of the barriers to its successful implementation. Some of these barriers are: lack of appropriate communication technology and know-how, lack of effective communication skills, poor choice of strategies to implement change, and; time taken to implement a change.

## Lack of appropriate communication technology and know how

Technology is an integral part to harness employee's talents, skills and contributions to meet organizational goals. This technological advancement will allow employees to work from remote locations. Since it is evident that virtual workforce team will have less face-to-face communication than a traditional

workgroup, there will be greater reliance on indirect communication mechanisms, such as voice-mail, e-mail and fax, and many more. This suggests that members of virtual workforce should learn how to use these communication mechanisms effectively. More important is the need for potential managers and supervisors of the virtual workforce to possess the necessary skills to navigate the virtual workforce successfully. This is important and mandatory because the practice of virtual leadership is on the rise worldwide.

# Lack of effective communication skills

It is anticipated that by 2011, 30% of the worldwide workforce will work virtually and this statistics will represent an increase from 756.6 million in 2006 to over 1.0 billion by 2011 (Vinci 2011 Annual Report). "As remote workers become the norm and companies expand their reach nationally and globally, tracking employee performance and costs is increasingly difficult-and critical to the bottom line" (Goodridge, 2001). Otherwise, its implementation may constitute waste rather than fulfilling its anticipated outcome of increasing productivity. Therefore, it is imperative to improve the effectiveness of communication with the virtual workforce. It is imperative to note that this rapid technological innovation and lack of training can lead employees uncomfortable with technology alienated.

## Poor choice of strategies to implement change

Strategies taken to implement change sometimes are erroneous. This stems from decision made in a hurry due to the need to execute a new change policy. When the workforce is not involved in the change policy, the acceptance and adoption of the new idea may be in jeopardy. The resentment or lack of support for the new conceived to be innovative change by workforce could be due to fear of the unknown, inconvenience, threats to interpersonal relationship and the possibility of threat to job or income. To this effect, the management must understand the strategies that may be used to implement a change and how to implement each one of them based on a particular situation successfully.

Rue et al., (2010) suggests the following six strategies for overcoming resistance to change: education plus communication; participation plus involvement; facilitation plus support; negotiation plus agreement; manipulation plus cooperation; and explicit plus implicit coercion (Figure 2).

Approach	Appropriate Situation	Advantage	Drawbacks
Education + communication	Where there is a lack of information or inaccurate information and analysis	Once persuaded, people will often help implement	Can be very time- consuming if many people are involved
Participation + Involvement	Where the initiators do not have all the information they need to design the change, and where others have considerable power to resist	People who participate will be committed to implementing change, and any relevant information they have will be integrated into the change	Can be time- consuming if participators design an inappropriate change
Facilitation + Support	When people are resisting because of adjustment problem	No other approach works as well with adjustment problems	Can be time- consuming and expensive and still fail

Negotiation +	Where someone or some	Sometimes it is a	Can be too expensive,		
Agreement	group will clearly lose	relatively easy way to	in many cases it alerts		
	out in a change and	avoid major resistance	others to negotiate for		
	where that group has		compliance		
	considerable power to		_		
	resist				
Manipulation +	Where other tactic will	Relatively quick and	Can lead to future		
Co-optation	not work or are too	inexpensive	problems if people		
	expensive		feel manipulated		
Explicit + Implicit	Where speed is essential	Speedy and can	Can be risky if it		
Coercion	and the change initiators	overcome any kind of	leaves people mad at		
	possess considerable	resistance	the initiators		
	power				
	Before choosing a strategy for reducing resistance to change, managers				
Working with	must identify the source of resistance. What strategy would you use to				
charts	overcome resistance by employees who are confused about the				
	implications of a proposed change?				

Figure 2. Strategies for overcoming resistance to change (Adapted from Rue et al., 2010, p. 85).

### Time taken to implement change

The time taken to successfully implement a change should be minimized. The managements knowledge of the following three factors can positively affect the time required to successfully implement a change:

- A. Communication-the form of information about the change from both an organizational and personal perspective.
- B. Engagement and the opportunity for people to become involved in the process and have input into the decisions affecting the change.
- C. The support provided to employees throughout the change process.

Since time taken to implement a change is crucial to organizational success, the implication for educators is to identify the characteristics of each team and prepare graduates on how to manage each team based on the alternative virtual-work arrangements (figure 1) in any organization that implements virtual work. Therefore, the designed curriculum should address issues that are relevant to each of the alternative virtual-work arrangements, characteristics, communication challenges, and how to select the best indirect communication mechanisms.

#### Conclusion

The increased efficiency of virtual workers does not only results in enhanced productivity, but the added flexibility of virtual work. However, the knowledge of communication challenges of virtual interaction through e-leadership will help future graduates of our programs to overcome many of the difficulties typically encountered in virtual settings. Notably, when anticipated change are not deemed favorable by the workfore, this change may be resisted due to many factors. More important, for successful implementation of change, the awareness of the model for change from the employees' perspective should be noted. These include the extent of information the employee has about change, the extent of participation the employee has in the change decision, the trust the employee has in the initiator of the change, and the experience the employee has had with change (Rue et al., 2010).

As the nature of jobs is changing so quickly, no longer are workers going to be tied to lifetime employment with the same company. More important, workers will no longer just exist to work. The lifestyle will come first while organizations will no longer take care of employees for life. The order of the day is that work producers have to leverage their skill sets to provide their own revenue streams. This has a greater implication for the educators of the future managers.

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