



# **Virtual Teams: How cultural diversity impacts communication in geographically spread teams**

## **Authors**

Ahmed Al-Shareef

Felix Sie

Nithin Yadav Nimmala Ramesh

Sudipta Tripathy

## **Professor**

Dr. Fatima Albar

## Contents

<b>Abstract .....</b>	<b>3</b>
<b>Introduction.....</b>	<b>3</b>
<b>Methodology .....</b>	<b>4</b>
<b>Literature Review.....</b>	<b>4</b>
<b>Survey .....</b>	<b>5</b>
<b>Results .....</b>	<b>5</b>
<b>Assessment .....</b>	<b>6</b>
<b>Conclusion .....</b>	<b>9</b>
<b>References .....</b>	<b>10</b>
<b>Appendix .....</b>	<b>11</b>

## Abstract

The fast pace progress in the areas of information and communication technology (ICT), has made it way easier for people at multiple locations to share information and collaborate. Consequently, organizations are utilizing this opportunity to hire geographically diverse workforce and groups across multiple locations spanning different cultures and society. The driver for this phenomenon has been to take advantage of emerging markets, intellectual capital and cheaper workforce and in developing countries.

This project looks at the impact of cultural dimensions on effective communication between team members of such global organizations. The team referred to several resources to outline some of the cultural issues that impact communication. A survey was conducted by the team by contacting several employees of organizations with global workforce. The responses were analyzed and its details have been shared in this project.

*Keywords: Virtual Teams, Cultural Variables, Globalization, communications management, project management principles*

## Introduction

Organizations are increasingly relying on virtual teams to propagate their global development strategy and strengthen their presence in the global economy. As a practice company's workforce are spread across multiple geographical locations. Communication and collaboration for day to day business activity is being carried out through the use of various technology mediated tools. Typically, companies try to achieve workforce flexibility by leveraging the best talents without limitation to national, geographic and other kinds of borders. It is also noted that, companies adopt this global workforce for cost minimization reasons, as they get to pay lower wages in developing countries than the original locations [1].

Some papers have discussed the challenges organizations are likely to face in adopting project management strategies and workforce development. Some of the reasons include silent language of project management [2], lack of commitment by team members, difficulty in developing a requisite level of trust and ambiguity about the activities of remote teammates[9][10]. If these are not well managed they could jeopardize an organization's competitiveness and negate potential benefits [4]. Effective communication among these cross-border teams is a critical factor to defining corporate success.

Effective team communication can be achieved through building strong relationships among the team members [TWT]. Strong relationships are forged with increase in work related communication in the face of problem solving [3]. Managers need to evaluate their unique situations and take into consideration several parameters like type of organization, diversity within the team, nature of work or tasks, individual team member preferences, technology available and many more before coming up with a strategy to boost productivity by improving work relationships. Knowledge of the cultural variables that impact team communication is necessary to make appropriate adjustments to project management strategies to reap the benefits of globalization [5] [8].

The project aims at finding out what cultural traits are having major impact communication on organizations having a geographically spread and culturally diverse workforce. The project also tries to

unearth where within the organizational hierarchy team members are seeing the most gap in communication that is impacting projects.

## Methodology

### Literature Review

The team's approach to draw conclusions to this project was to read, review, analyze and evaluate a lot of literature that is already available. The team also decided to conduct a survey to generate conclusions based on the responses. The team's focus was to pin down what and where within project management lifecycle, organizations are seeing issues due to communications gaps because of cultural and geographical diversity.

An important aspect of our project revolves around culture. So first and foremost we decided to define culture. *Culture* refers to the pattern of values, beliefs, symbols (including language), norms, and behaviors shared by an identifiable group of individuals. During enculturation, or becoming part of a culture, one learns how to perceive the world, think, communicate and behave [6, 7]. With more and more cross cultural and geographically diverse teams being set up the cultural upbringing of team members automatically introduces a unique dimension of perspective. This difference in perspective constitutes cultural diversity. These differences lead to conflicts or a silent language [2, 3] within team members that we need to managed and resolved to keep the team productive.

The review of a case study on the global development strategy of Siemens AG [1] led the team to look into the aspect of cultural diversity in project management. The team decided to concentrate its effort on evaluating how cultural diversity impacts communication in geographically spread teams. We reviewed several resources to understand the various contributing factors towards communication gaps in teams. Two main aspects came to light that impact effective communication in teams - Individual traits and social behavior of an individual. Both of which are influenced by culture and geography.

By individual traits we mean individual preferences that are impacted by culture and geography. Our communication style depends a lot on our personality preferences which are explored using the Myers-Briggs Type Indicator (MBTI). Not surprisingly there's a big difference between Extroverts and Introverts. Each culture defines appropriate acceptable ways for people to express themselves, including ways to express their type preferences. Cultural norms and expectations guide the expression of type.

The team referred to a training program developed by the Conflict Research Consortium, University of Colorado, USA, to look into the individual traits. The team narrowed down to Substance and style of communication, Language Differences (Fluency and accent), Lack of Communication Channels/Avoided Communication, Poor Listening Skills, Inadequate Information Gathering/Time Constraints, New or Poorly Informed Participants and Lack or gaps in technology preventing effective communication.

The second aspect, social behavior, is more to do with values, beliefs and norms of a society or culture that influences an individual. "Seven Dimensions of Culture" were identified by management consultants Fons Trompenaars and Charles Hampden-Turner, and the model was published in their 1997 book, "Riding the Waves of Culture." They found that people from different cultures aren't just randomly different from one another; they differ in very specific, even predictable, ways. This is because each culture has its own way of thinking, its own values and beliefs, and different preferences placed on a variety of different factors. The team also referred to Hofstede's cultural dimensions. Hofstede's

model talks about five dimensions (Long Term Orientation, Uncertainty/Avoidance Index, Masculinity, Individualism, and Power/Distance).

Dragan's article also adds a social dimension to project management practices. The article makes an endeavor to study the impact of six social variables on project management practices and how project managers should adapt and respond to difference in outlook of team members driven by these social variables. The article focuses on six social or cultural variables -- (1) relationship to nature (2) how they value time (3) how they perceive human nature (4) focus on activity, (5) what responsibility one has towards others welfare and (6) orientation towards ones surroundings.

The team studied all these dimensions and used them in the survey to find out which of these cultural dimensions is a major inhibitor of effective communication in virtual teams.

## Survey

The idea behind the survey was to gauge the impact of cultural and geographical diversity on communication. The questions were framed to inquire team members from different organizations about how diverse their workforces are and what means of communication are being used in their organizations. The survey also aimed to find out what various people think, is the most common cultural trait that impacts communication within teams in their organizations. We also framed a few questions to understand where the communications gaps are, at what stages of project lifecycle and at what levels in the organization. Finally the questionnaire try's to find out how the organizations have got past the communication issues arising from cultural diversity within their teams.

The below questions were sent out as part of the survey:

- Does your organization have a culturally diverse and geographically spread out work force?
- Where is the work force located?
- What are the preferred means of communication used by the geographically spread work force for information exchange?
- Do you think cultural diversity within your workforce impacts effective communication?
- What is the most common issue that inhibits effective communication within your culturally and geographically diverse workforce?
- Which cultural dimension is the most important factor to consider for team communication?
- At What phase of project/product life cycle did you find these issues to have the greatest impact on the projects/products?
- Within your organization where has been the biggest gaps in communication impacting projects/products?
- What have been the most effective methods to minimize the impact?

The team aimed at using the responses gathered from this survey to draw conclusions by implementing the knowledge harnessed from various topics discussed in the class.

## Results

The team contacted 50 individuals from various organizations in their IT departments to conduct the survey. We had 22 individuals that responded back.

- 77% responded to being part of culturally and geographically diverse workforce.
- Most of the workforce is spread across America and India.

- 81% agreed that cultural diversity impacts effective communication within teams.
- Accents and fluency emerged as the primary personal trait that inhibits effective communication.
- Cultural barriers impacting the substance and style of communication came in as a close second in the individual traits section that inhibits effective communication.
- The respondents felt that the cultural dimensions of Universalism versus Particularism and Specific versus Diffuse are the most important factors to consider for team communication.
- 47.6% respondents believed that during the monitoring and control phase of product/project lifecycle that most issues due to communication happen.
- 76% respondents felt that biggest gaps in communication happen in the top or mid-level management within their organizations.
- Face to Face communication is what individuals (43%) believe is the most effective way to resolve communication issues.

## Assessment

The survey highlights language fluency and accent as an important element that deters communication within cross cultural teams spread across geographically.

Broadly stated, accent is the way an individual sounds when he/she speaks. There are two different kinds of accents. One is a 'foreign' accent; this occurs when a person speaks one language using some of the rules or sounds of another one. For example, if a person has trouble pronouncing some of the sounds of a second language they're learning, they may substitute similar sounds that occur in their first language. This sounds wrong, or 'foreign', to native speakers of the language.

The other kind of accent is simply the way a group of people speak their native language. This is determined by where they live and what social groups they belong to. People who live in close contact grow to share a way of speaking, or accent, which will differ from the way other groups in other places speak.

In culturally and geographically diverse teams this could be a real problem because of the strong social, psychological, and communicative consequences of speaking with a non-native accent (Derwing and Munro 2000). Most non-native speakers have an accent, and it could cause them to seem less credible for two main reasons: (1) The accent serves as a signal, and (2) the accent makes the speech harder to process. Native speakers are very sensitive to foreign accented speech, and are quick to use it as a signal that the speaker is an out-group member. This conjures up stereotypes about outsiders, which promote prejudice that could impact the credibility of the speaker (e.g., Dixon, Mahoney & Cocks, 2002). The difficulty of understanding the speaker is inherent to the accent itself. We propose that people believe non-native speakers less, simply because they are harder to understand. Language misinterpretation could lead to issues with perception of status and competence. Lack of faith leads to lack of mutual accountability which is an important ingredient of a team. If teammates become frustrated or impatient with a lack of fluency, interpersonal conflicts can arise. Nonnative speakers may become less motivated to contribute, or anxious about their performance evaluations and future career prospects. The organization as a whole pays a greater price: Its investment in a multicultural team fails to pay off.

The survey results show that the workforces of the organizations of the respondents are spread between USA and India. USA is Universalist and Specific culture whereas India is a Particularistic and Diffuse culture.

The Universalist, or rule-based, approach is roughly: "What is good and right can be defined and ALWAYS applies." In Particularistic cultures, far greater attention is given to the obligations of relationships and unique circumstances.

Specific versus diffuse cultural dimension measures how far people get involved with other's life space. In specific-oriented cultures, the project leader would segregate out the task relationship he/she has with a subordinate, and insulates this "work relationship" from other dealings. Therefore, the leader's authority only reaches where his/her work relationship with the subordinate is defined, and each area in which the two persons encounter each other is considered apart from the other. Work and life are sharply separated in specific-oriented cultures. In diffuse cultures, however, life space and every level of personality tend to permeate all others. The boss-subordinate relationship usually does not stop only in the office; the boss is likely to have a say in other aspects of his/her employee's personal life.

Keeping mind these cultural dimensions, our recommended strategies to manage conflicts are documented below.

Cultural Dimension	Strategies that might help
Universalism	<ul style="list-style-type: none"> <li>▪ Help people understand how their work ties into their values and beliefs.</li> <li>▪ Provide clear instructions, processes, and procedures.</li> <li>▪ Keep promises and be consistent.</li> <li>▪ Give people time to make decisions.</li> <li>▪ Use an objective process to make decisions yourself, and explain your decisions if others are involved.</li> </ul>
Particularism	<ul style="list-style-type: none"> <li>▪ Give people autonomy to make their own decisions.</li> <li>▪ Respect others' needs when you make decisions.</li> <li>▪ Be flexible in how you make decisions.</li> <li>▪ Take time to build relationships and get to know people so that you can better understand their needs.</li> <li>▪ Highlight important rules and policies that need to be followed.</li> </ul>
Specific	<ul style="list-style-type: none"> <li>▪ Be direct and to the point.</li> <li>▪ Focus on people's objectives before you focus on strengthening relationships.</li> <li>▪ Provide clear instructions, processes, and procedures.</li> <li>▪ Allow people to keep their work and home lives separate.</li> </ul>
Diffuse	<ul style="list-style-type: none"> <li>▪ Focus on building a good relationship before you focus on business objectives.</li> <li>▪ Find out as much as you can about the people that you work with and the</li> </ul>

	<p>organizations that you do business with.</p> <ul style="list-style-type: none"> <li>▪ Be prepared to discuss business on social occasions, and to have personal discussions at work.</li> <li>▪ Try to avoid turning down invitations to social functions.</li> </ul>
--	--

They need to speak slowly to understand each other and use eye contact to reach your opinion to other. Also, respect other opinion and become ready open mind by listening to other culture that lead to improve communication. They must use body language more easily and avoid using slang word because it leads to misunderstand especially in different culture. Also, avoid using humor especially team from different culture although it is beneficial in the team but misunderstood it from other consider bad point. Team must use formal communication and ask feedback from members to make idea clear.

Based on the PMBOK5 categorization of project management processes (Initiation, Planning, Execution, Monitoring and Controlling and Closing) the survey asked the team members, where do they think the most gaps in communication happen in the product or project lifecycle. They were also asked where in the organizational hierarchy they see most gaps in communication that impacts projects.

Respondents believed that during the monitoring and control phase of product/project lifecycle that most issues due to communication happen. They also felt that biggest gaps in communication happen in the top or mid-level management within their organizations. The team expected that the responses would point towards lower level management (programmers or developers) being the group in an organization that cause most issues related to gaps in communication. But the responses came back pointing that the issue lies with upper and mid-level management. The team sees a correlation.

The processes in the Monitoring and Controlling phase of project management are implemented during the entire project life-cycle. Planning is carried out in the early stages of a project but there should be ongoing monitoring to ensure the project remains on budget and schedule. The project manager needs to control issues so they do not adversely affect the end result.

In the monitoring and controlling phase of project management pertinent information must be identified, captured, and communicated in a form and time frame that enables project managers to carry out their responsibilities. Effective communication must occur in a broader sense, flowing down, across, and up the organizational structure. All personnel must have a means of communicating significant information upstream. The team members must also effectively communicate with external parties, such as SMEs, sponsors, stakeholders, and administrative personnel.

The role of a project manager as an enabler of such effective communication is important to successfully monitor and control projects. The managers should recognize that there are some cultural differences that should be considered and an effort to optimize communications between geographically diverse teams should be made. It is important that managers are educated to practice patience, inculcate tolerance; work to increase their knowledge and understanding of these cultures and follow the principle of keeping it simple. The managers need to be open to the idea of getting help in case the issues tend to impact team functioning.

The survey reinforced the need and significance of face to face communication even with the advent of technology mediated virtual communication. The team believes that, when something is important,



nothing compares to communicating face to face. Here are six good reasons for leaders to make the time to communicate face to face - demonstrate importance, interpret thoughts and feelings, enhance credibility and trust, build relationships, gather feedback and address sensitive issues. Managers must use technology to conduct more and more face to face interfacing if budget permits and situation demands.

## **Conclusion**

Our research shows a correlation between cultural dimensions and communication, especially in geographically diverse teams. For organizations to successfully implement such teams, it is important to consider the cultural dimension. We recommend that the ensuing firm should understudy the culture in which it plans to engage a workforce in order to unravel some of these differences. We believe this will be crucial to reap the benefits of such global workforce development because it will improve the ethics of communication among teams, strengthen relationships and yield productivity. There are no clear rules for dealing with an organization's global workforce development but our team believes a little research about the differences of various societies will be handy for management to improve the communication processes.

We recognize that the sample space for the survey was not large enough. It will be curious to see what difference it will make if there was much time to extend the study and include a lot more people in the survey.


## References

- [1] Thomke, Stefan H., and Ashok Nimgade. "Siemens AG: Global Development Strategy (A)." Harvard Business School Case 602-061, October 2001. (Revised March 2002.)
- [2] D. Z. Milosevie, "Echoes of The Silent Language of Project Management," Project Management Journal, vol. 30, no. 1, pp.27-39, 1999
- [3] Rama K. Hart, Poppy L. McLeod, "Rethinking team building in geographically dispersed teams: One message at a time," Organizational Dynamics, Vol. 31, No. 4. (2003), pp. 352-36
- [4] "The impact of culture on International business" <http://www.ukessays.com/essays/international-studies/impact-of-culture.php>: retrieved on: February 18, 2015.
- [5] "Understanding and Managing Cultural Differences" <http://www.mindtools.com/pages/article/seven-dimensions.htm>, retrieved on : February 18, 2015
- [6] Carol K. Goman "How Culture Controls Communication" [<http://www.forbes.com/sites/carolkinseygoman/2011/11/28/how-culture-controls-communication/>] retrieved on: February 18, 2015.
- [7] "Culture and Small groups" <http://www.mhhe.com/socscience/comm/group/students/diversity.htm>, retrieved on: February 18, 2015.
- [8] Weimann, Peter, et al. "Enhancing Team Performance Through Tool Use: How Critical Technology-Related Issues Influence the Performance of Virtual Project Teams." IEEE Transactions on Professional Communication 56, no. 4 (December 2013): 332-353. Academic Search Premier, EBSCOhost (accessed February 18, 2015).
- [9] Fan, Zhi-Ping, et al. "Trust estimation in a virtual team: A decision support method." Expert Systems with Applications 38, no. 8 (August 2011): 10240-10251. Academic Search Premier, EBSCOhost (accessed February 18, 2015).
- [10] Chen, Charlie C., et al. "Importance of Diversified Leadership Roles in Improving Team Effectiveness in a Virtual Collaboration Learning Environment." Journal of Educational Technology & Society 11, no. 1 (January 2008): 304-321. Academic Search Premier, EBSCOhost (accessed February 18, 2015).

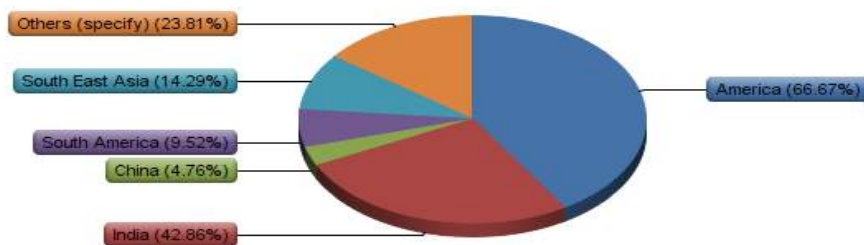
## Appendix

### Survey Questionnaire and the responses.

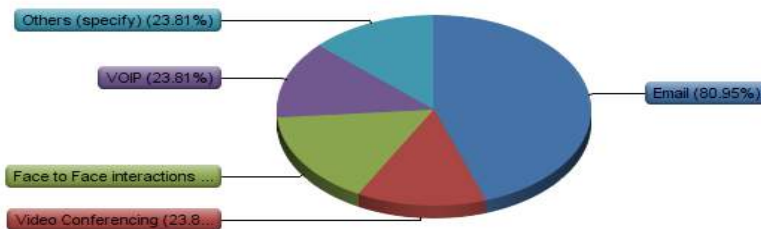
1. Does your organization have a culturally diverse and geographically spread out work force?

#	Answer		Response	%
1	Yes		17	77%
2	No		5	23%
	Total		22	100%



2. Where is the work force located?






3. What are the preferred means of communication used by the geographically spread work force for in...



4. Do you think cultural diversity within your workforce impacts effective communication?

#	Answer		Response	%
1	<a href="#">Yes</a>		17	81%
2	<a href="#">No</a>		4	19%
	Total		21	100%

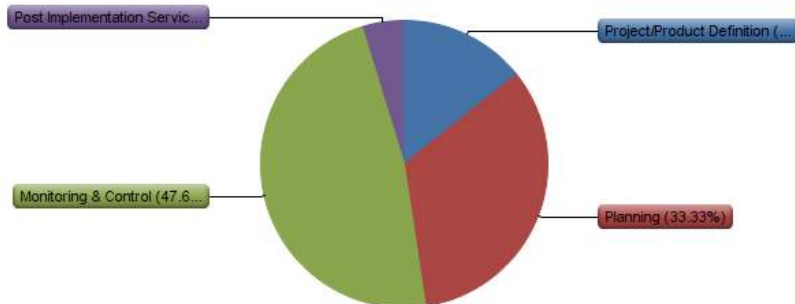
5. What is the most common issue that inhibits effective communication within your culturally and ge...

#	Answer		Response	%
1	<a href="#">Cultural Barriers (effects of culture on substance and style of communication)</a>		4	25%
2	<a href="#">Language Differences (Accents, fluency)</a>		6	38%
3	<a href="#">Lack of Communication Channels/Avoided Communication (after a particularly disagreeable incident)</a>		0	0%
4	<a href="#">Poor Listening Skills</a>		0	0%
5	<a href="#">Inadequate Information Gathering/Time Constraints</a>		1	6%
6	<a href="#">New, Poorly Informed Participants</a>		2	13%
7	<a href="#">Lack or gaps in technology preventing effective communication</a>		3	19%
	Total		16	100%

6. Which cultural dimension is the most important factor to consider for team communication?

#	Answer		Response	%
1	<a href="#">Universalism Versus Particularism (Rules Versus Relationships)</a>		8	38%
3	<a href="#">Specific Versus Diffuse (How Far People Get Involved)</a>		6	29%
6	<a href="#">Sequential Time Versus Synchronous Time (How People Manage Time)</a>		2	10%
4	<a href="#">Neutral Versus Emotional (How People Express Emotions)</a>		1	5%
7	<a href="#">Internal Direction Versus Outer Direction (How People Relate to Their Environment)</a>		2	10%
2	<a href="#">Individualism Versus Communitarian-ism (The Individual Versus The Group)</a>		2	10%
5	<a href="#">Achievement Versus Ascription (How People View Status)</a>		0	0%
	Total		21	100%

7. At What phase of project/product life cycle did you find these issues to have the greatest impac...



8. Within your organization where has been the biggest gaps in communication impacting projects/prod...

#	Answer		Response	%
1	<a href="#">Upper-level Management (Directors, CIOs, CEOs, Business Partners)</a>	<div></div>	7	33%
2	<a href="#">Mid-Level Management (PMs, Managers, Team Leads, Project Leads)</a>	<div></div>	9	43%
3	<a href="#">Lower-level Management (Developers, Programmers)</a>	<div></div>	5	24%
	Total		21	100%

9. What have been the most effective methods to minimize the impact?

#	Answer		Response	%
1	<a href="#">Training workforce on cultural diversity and tolerance</a>	<div></div>	2	10%
2	<a href="#">Training on communication to tackle cross cultural differences</a>	<div></div>	7	33%
3	<a href="#">Engage in more face to face communication</a>	<div></div>	9	43%
4	<a href="#">Explore and adapt new technology for communication</a>	<div></div>	3	14%
	Total		21	100%