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INTRODUCTION

Developing trust among team members is critical for achieving high performance outcomes. Recently, global business operations necessitated working in a team environment with colleagues outside traditional organizational boundaries, across distances, and across time zones. In this article, we discuss how human resource practices can support organizational initiatives when business operations mandate increased virtual teamwork. We examine the role of HR in enhancing relationship building and the development of trust among workers who may rarely, if ever, meet face-to-face. Using research from teamwork, social exchange theory, and knowledge sharing, we discuss how four areas of human resources management—recruitment, training, performance appraisal, and compensation/reward—might combine with technology to facilitate the development of trust among virtual team members.

BACKGROUND

Trust is a key element in successful collaborative work. Lipnak and Stamps (2000) call trust "the elixir of group life, the belief or confidence in a person or organization's integrity, fairness, and reliability." (p.70) Trust includes the willingness to be vulnerable to another party, expecting that he/she will perform actions important to the trustor without controlling or monitoring him/her (Mayer, Davis, & Schoorman, 1995). The challenge in virtual teams is how to develop such confidence in another person and the organization in the absence of shared physical work spaces. Teams are more than just a group of individuals working together. Team members are charged with delivering extra performance outcomes that result from committing to a common purpose, a set of performance goals, and a common working approach, while holding each other individually and mutually accountable (Katzenbach & Smith, 1993). Commitment is the glue that holds team members together. Without the benefit of face-to-face interactions in traditional teams, however, virtual team members must find other ways to develop the level of commitment necessary to produce similar high performance outcomes. Capitalizing on recent advancements in technology can be an effective alternative. In fact, a recent study on global virtual teams found that e-mail improved language accuracy and helped overcome differences in verbal and nonverbal styles of intercultural communication. This was primarily due to members not incorrectly interpreting differences in body language and approaches to public/private spaces, no need to interpret silences and greater ability to balance personal-contextual differences (see Shachaf, 2005).

The Internet and a host of communications software allow employees and teams to work in unprecedented ways, saving organizations millions of dollars in time and materials (Majchrzak, Malhotra, Stamps, & Lipnack, 2004). Communication devices have become so portable that it is nearly impossible to go anywhere in the world and not see someone accessing technology to maintain relationships. The proliferation of Internet cafés has made international travel an opportunity to experience new places while remaining connected to those at home (both personally and professionally). Students in business schools world-wide are learning to work in virtual teams as part of their IT curriculum. Recruiters are becoming keenly aware of the challenges techno-savvy workers present when demands for positions offering state-of-the-art technology eclipse interest in and a focus on the "soft skills" required for virtual teams and project work. As a result, a clear challenge facing HR is how to successfully balance technology and traditional teamwork issues while creating high performance teams in a virtual environment.

Ulrich (1998) delivered a clear mandate for HR professionals: convince managers and employees that "the soft stuff matters." (p. 133) When team members lack the opportunity to interact face-to-face, HRM must credibly demonstrate to their customers (i.e., executives, managers, staff) that trust and relationship building are just as critical as accessing sophisticated software applications. Technology was initially viewed as the cure-all for encouraging collaborative behavior (Davenport & Prusak, 2000). Less than stellar productivity and employees finding alternatives to learning the new technology were surprising, yet understandable. Although technology is one important element, the most successful organizational outcomes are achieved when people, collaboration, reward systems, and technology all intersect (Lewison, 2002).

From a recruitment perspective, as the war for talent heats up, virtual teams are becoming a vehicle for not only meeting project goals faster and more efficiently, but for enhancing the recruitment and retention of talented individuals seeking non-traditional working arrangements. Early research on teams posited that as new members were added to an existing team, team dynamics drastically changed (Tuckman & Jensen, 1977). Anecdotal evidence from one author of the present article suggests that the introduction of a new team member to a virtual team provided a fresh start and opportunities to change old habits, thereby recharging group dynamics. Not all teams are this fortunate. Virtual teams are likely to have even greater challenges than traditional teams when new members arrive unless special efforts are provided for virtual social interactions to re-establish relationships.

From a training perspective, employees working in virtual teams are likely to have a range of comfort levels with technology, and some individuals may have never worked in virtual project teams. Both situations necessitate coaching and skill enhancement for employees to be successful in a virtual team environment. Such training strategies can enhance virtual teaming, as demonstrated in a recent study that found moderate correlations between training and successful knowledge management practices (Yahya & Goh, 2002). The success of these strategies can be applied to similarly collaborative ventures such as virtual teaming, which also requires a high degree of trust among individuals. For example, computer-based training (CBT) can be one development opportunity promoted and managed by HR to meet performance standards and enhance career goals.

The performance appraisal process must establish criteria for successful collaboration and provide a mechanism for accurately documenting contributions to team goals. West (2004) suggests that too many managers assume that employees understand the organization's core values, to their detriment. The old adage that what gets measured is what frequently gets done applies to developing trust in virtual teams. Along with measuring task-related outcomes of virtual teams, HR needs to develop performance criteria related to the soft skills of virtual teams. Firms are increasing paying attention to emotional intelligence (EI) dimensions within groups, including group efficacy, group identity, and trust between group members (Druskat & Wolff, 2001). Although challenging to measure, virtual teaming must be linked to group EI attitudes and behaviors for maximum effectiveness (see Jordan, Ashkanasy, Hartel, & Hooper, 2002).

Finally, compensation and reward systems must be designed to include group incentives and provide additional rewards for collaborative knowledge sharing and innovative thinking. Yahya and Goh (2002) describe a consulting firm in which team members used Lotus Notes technology for collaborative work. Despite access to advanced technology, the project failed because employees had not learned to work collaboratively. Past experience in an individualistic environment taught them that competition was more acceptable than teamwork. Until reward systems focus on collaboration and cooperation, individuals will not be motivated to change their behaviors. It is the responsibility of HRM to ensure that "the reward systems reward teamwork as well as individual performance" and to periodically check whether team members believe such systems are equitable and motivating (West, 2004, p. 191). Organizations with reward structures that encourage collaboration and propagate a culture of sharing and trust possess a strong competitive advantage (O'Dell & Grayson, 1998).

ENHANCING TRUST AT THE INTERSECTION OF TECHNOLOGY AND HRM

Creating the proper culture to facilitate the flow of both tacit and explicit knowledge among team members with

few or no face-to-face meetings requires going well beyond securing sophisticated technological components (Ruppel & Harrington, 2001). In addition to effectively using technology, employees must be willing to collaborate with individuals with whom they are unfamiliar, and those located in other countries. Unfortunately, virtual team experiences can be unsatisfying, yielding less than optimal results. Some teams experience a complete lack of trust among team members. This can result from the fear of a loss of personal power, misuse of knowledge, or lack of appropriate acknowledgment of their contributions (Levin, Cross, Abrams, & Lesser, 2002). Knowledge management research has found that when employees view knowledge as power, they may withhold valuable information to enhance their individual value in the organization. Personal power motives are damaging to the development of mutual trust within groups. Furthermore, in environments that are unstable and constantly changing, mistrust can become an even more powerful force for hoarding behaviors. Knowledge management literature has examined situations referred to as the "not invented here syndrome" (Davenport & Prusak, 2000). Behaviors associated with this attitude are frequently observed in knowledge-intensive firms where employees are unenthusiastic about incorporating knowledge from external sources. The lack of trust about the validity or reliability of external information sources can be devastating to goal accomplishment.

In effective teams, individual and mutual accountability leads to increased trust among group members (Katzenbach & Smith, 1993). And especially in virtual teams, trust must be mutual and reciprocal to compensate for the lack of interpersonal interactions. Team members must be encouraged by a caring environment, or a "context that encourages cooperation, sharing, loyalty, and creativity" (Van Krogh, Ichijo, & Nonaka, 2000, p. 49). Mayer and his colleagues found that employees were able to work together much more effectively when they perceived an environment of mutual trust (1995). Social exchange theory suggests that a high level of mutual trust must exist among employees, and HR activities should focus on developing such trust to improve organizational effectiveness (Whitener, 1999) and build the foundation for successful virtual collaborations.

In addition to mutuality concerns, virtual team members must be motivated to collaborate voluntarily. Among team members who voluntarily collaborate and share knowledge, there are expectations of receipt of future benefits (Jarvenpaa & Staples, 2001). Organizations also establish trust with employees by developing performance management systems that reward team members appropriately for collaborative performance. Outdated measures that fail to include explicit criteria for teamwork, collaboration, and accomplishment of team goals run the risk of indirectly encouraging mistrust. In addition to performance criteria, compensation systems and incentive plans need to consistently and fairly reward individuals who demonstrate ongoing collaborative behavior. In the recruitment process, establishing expectations and perceptual obligations among applicants for collaborative behavior and clearly articulating reciprocal incentives encourages this behavior upfront (Cohen & Prusak, 2001). Recruitment efforts can also underscore the non-monetary incentives for virtual teaming, including not having to travel distances to meet, less disruption in personal lives due to technology use, opportunities to broaden one's career, and acquiring diverse perspectives by working across organizations and cultures on a variety of projects and tasks (Duarte & Snyder, 2001).

It is not sufficient for HR professionals to leave technology issues to the IT department. In order to maintain credibility, HR professionals must keep abreast of technological developments and investigate opportunities for successful virtual teaming throughout their organizations. Understanding how to enter payroll changes into the HRIS system or knowing how to change life insurance beneficiaries are insufficient to establish credibility with a technologically astute workforce. There are several challenges facing organizations that utilize virtual teams. We discuss several examples, highlighting opportunities and/or challenges for HR.

First, there is an underlying assumption that distance makes trust more difficult for virtual teams than for regular, co-located teams. In addition to e-mail, which is now widely available, shareware or nominally-priced software easily accessible via the Internet can help organizations break down the distance barriers. The challenge for HR is to ensure that virtual team members are flexible enough to adapt to new, unfamiliar tools, and that they will find them useful. Effective recruitment strategies can ensure that applicants are screened for adaptability and flexibility. Existing employees, however, may require coaching or additional training to reduce inhibitions associated with using unfamiliar

software. A challenge inherent in virtual teams that might not be found in other teams is the inability of one team member to mandate use of a new software tool. Disparate levels of technology acceptance may cause some team members to push for more and better technology while others may be intimidated by the technology, or may simply not see the value in switching. Developing and maintaining trust in virtual teams will hinge on whether members can openly and honestly discuss such issues, using richer forms of communication (e.g., telephone, videoconferencing), rather than online discussions. HR can assist in scheduling telephone conference calls and/or investigating videoconference services for team members.

Next, many virtual teams come together for a finite period of time, which is frequently of a short duration. In such cases, team members have been found to rely upon "swift trust" to build esprit de corps among group members. Swift trust involves less focus on interpersonal and social aspects of relationship in the initial stages, relying instead on the professional reputations and the integrity of team members (Hoefling, 2003). There is little or no guarantee of ongoing trust until such time as it is appropriately earned (or discredited). Mechanisms for developing ongoing trust would be occasional discussions of personal issues (e.g., vacations, hobbies, families) so that individuals begin establishing relationships. In some virtual teams, it is commonplace to exchange amusing Web links that may be related to the activities in which individuals are engaged. In other cases, individuals may begin private off-list discussions with some or all of the group members, which can also enhance relationships and build trust. Such virtual interactions are the equivalent of office banter around the water cooler.

The role of HR here may be less tangible, but important nonetheless. In their role as communicators, HR must with become "a vehicle for creating capabilities and capitalizing on the human factor," particularly among employees with expertise (Lengnick-Hall & Lengnick-Hall, 2003, p. 96). Using existing HRIS systems, HR professionals can enhance the organization's competitive advantage by facilitating the development of communities-of-practice that allow virtual team members to demonstrate their knowledge across a variety of areas not be directly related to the project at hand. When employees participate in such activities, trust and camaraderie is fostered and feelings of legitimization are developed (Hildreth & Kimble,

2000). As members of these communities increasingly interact, confidence and personal relationships are also enriched, thereby enhancing trust.

Finally, the difficulties of identifying and selecting team members to work on a virtual team can be challenging, particularly if membership is defined solely by expertise or knowledge. Regardless of whether face-to-face or telephone screening interviews are used, more time must be spent getting to know potential team members, checking references for criteria inherent in virtual teaming, and thinking about team dynamics. In an ideal situation, a team leader may have the luxury of knowing how potential team members previously performed, and can make determinations based on first-hand knowledge and by accessing performance reviews. When an individual is a new hire to a virtual team, access to sufficient information to determine person-job fit may be difficult to secure from anyone other than the applicant. Here, reference checking becomes more critical and should extend beyond references supplied solely by the applicant. Many HR recruiters are accessing the Internet, conducting a Google search (inserting an applicant's name in the search window to see what the Internet might find on the individual), or accessing personal weblogs (online diaries posted on a Web page that are chronological logs of one's thoughts). Snowball reference checking may also be useful here. This involves asking an existing reference at the end of a call for other individuals who might speak to the applicant's ability to be flexible and adaptable. Securing behavioral examples that support reference information can then be directly linked to virtual teaming success factors. In addition, applicants should be given a realistic preview of the nature of virtual teaming required, including both positive and negative aspects. Turnover can be reduced if a realistic job preview (RJP) is done right before a job offer is made, and information given directly after hire (termed "realistic socialization") enhances overall performance (Phillips, 1998). Although RJP research has yet to focus specifically on virtual teams, specific types of RJPs are thought to be important in addressing virtual teaming outcomes (Phillips, 1998).

FUTURE TRENDS

There is no doubt that virtual teams are here to stay. It is estimated that by 2010, 70% of the U.S. will spend

10 times longer per day interacting virtually (Emelo & Francis, 2002). Such proliferation suggests that organizations are becoming more global in nature and that more employees will be required to work virtually. Trends in virtual work behavior that are starting to emerge include moving discussions of task-technology fit outside the IT department. Task-technology fit involves determining if the technology being utilized has features that support the needs of the task. If so, then performance of those tasks will be enhanced with the utilization of these support technologies (Shirani, Tafti, &Afisco, 1999). Increasingly, HR is beginning to leverage information located in extranets, intranets, and Web portals to access extensive search and learning mechanisms that allow employees to work more collaboratively and to identify individuals' training needs. Recruitment has increasingly moved away from manual paper-handling towards more Web-based functions, allowing for greater access to more employees. Along with increased information access and enhanced technology are issues of privacy and online misbehavior. Proving wrongdoing or documenting poor performance become more challenging for managers who must complete performance evaluations for employees they may never have met. It is important for HR to build strong relationships and develop trust themselves with managers charged with such activities. They must offer managers opportunities to learn the best practices for meeting standards of due diligence in handling and investigating delicate employee issues, regardless of workers' virtual locations. Employees who were difficult to manage in face-to-face teams will become even more difficult in a virtual work environment. Managers and HR must become strategic partners and assist each other in developing trust between virtual team members and those charged with administrative functions. Although technology may seem an easy alternative to in-person discussions, it is important for both HR professionals and managers to remember the importance of relationship building in establishing trust throughout the organization.

CONCLUSION

The global expansion of the work context has opened the door to increased use of virtual teams. Although many team processes have changed, particularly as they relate to technology, some things remain constant.

Trust, cooperation, and collaboration are issues that remain critical success factors for high performing teams regardless of team member location. Effective HR professionals must keep current with technological changes to be viewed as credible resources. Traditional functions of recruitment, training, performance appraisals, and compensation management must begin to address issues peculiar to virtual teams. By developing mutual trust between managers and HR professionals, both become better equipped to understand the strengths and limitations of teams working in a virtual environment.

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