

# Trust Makes the Team Go 'Round

*You can have all the procedures and processes in the world, but without trust, your virtual team or operation is going nowhere.*

*by Judith A. Ross*

**T**HANKS TO THE COMBINED FORCES of globalization and outsourcing, more managers face the challenge of leading employees from afar. The establishment of virtual teams as an organizational way of life has come so quickly that it's left many managers at a bit of a loss. As they have discovered, managing employees virtually is not the same as managing them face-to-face.

Cultural and language differences become magnified, as do conflicts. It is much easier to hide errors and problems, sweep misunderstandings under the rug, and make erroneous assumptions when you are communicating via phone and e-mail rather than in person. Furthermore, such mistakes and mix-ups are more likely to become full-fledged disasters when the group does not feel free to acknowledge and address them openly.

This is not to suggest such problems are inevitable. They are not—as long as team leaders remember to focus on one critical element as they build and manage their virtual operations: trust. While trust is a critical element in any team or operation, it's particularly important when you are managing teams or operations that are geographically and culturally dispersed.

A November 2005 study by The Conference Board on the challenges of offshoring found that of the elements needed for successful collaboration between onshore and offshore teams, trust is among the most crucial. "The development of trust is quite often the single most important tool in overcoming barriers and obstacles," says Sid Milstein, a principal at Princeton, N.J.-based consulting firm Argea, which conducts workshops and Webinars on outsourcing for The Conference Board. "Effective communication, goal attainment, and service attainment are possible only in an atmosphere of trust." This point is relevant not only when outsourcing but when managing any kind of geographically dispersed team or operation.

And whether you are managing an offshore operation, a recent acquisition, or a global team, trust begins with you. You must be as responsive and committed to your virtual team as you are to colleagues sitting right down the hall. They have to know that your door is open, even if they

can't see it. You must be clear about each member's role and know his strengths and weaknesses. And you must go out of your way to accommodate cross-cultural differences—even if that means changing a few of your own habits.

Building on this, *Harvard Management Update* polled several experts and practitioners to put together these six steps to boost trust in dispersed operations and virtual teams.

## 1. Create face time

Even a small amount of face-to-face contact goes a long way toward creating trust among coworkers. For that reason, Stanford Graduate School of Business professor Margaret Neale strongly recommends a physical launch when starting work with a virtual team. "An initial in-person meeting not only allows people to interact within the context of the team and the task, it allows them to sit together at lunch and get to know each other," she says.

Accenture HR Services routinely schedules in-person meetings of key personnel before a new outsourced function goes live. These meetings ensure that there is agreement around goals, service metrics, the live date of the function, and the criteria that must be in place for it to

take place. They also are an opportunity for the team to bolster its working relationships. "These meetings allow onshore and offshore team members to get comfortable with each other's communication style while focusing on the matter at hand. This is critical to establishing a trusting, professional, business relationship," says George Valaika, global geosourcing director for Accenture HR Services.

When meeting face-to-face isn't possible, Neale suggests creating a "yearbook" for the team that includes a photo and brief paragraph about each team member. "It seems like a small thing to know what a person looks like, but that is what makes them seem much more human," says Neale. Sharing a little information about team members' backgrounds and interests gives them some common ground when communicating by phone and e-mail—important for developing rapport, which can be the first step toward building trust. "The more we know about somebody, the

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## Build Trust in Virtual Teams (continued)

more we are willing to let them engage in a wide range of behaviors before dismissing them,” she says.

### 2. Set clear goals and expectations

Clear goals and expectations are fundamental to building and maintaining trust. “In your launch meeting, you should have an explicit discussion about what you want to accomplish and how you will know you have gotten there,” says Neale. “The team can handle divergence without it eroding trust if everyone has the same goal.”

For example, let’s say your team is charged with implementing a worldwide corporate standard for monthly financial reports. The first stage is to select the best software. With the team leader guiding the discussion, stage one is completed with relative ease. But now the team must develop an implementation plan and time line. There is a great deal of disagreement about the right approach. The head of accounting in Warsaw favors a stage-by-stage rollout that will achieve uniformity in nine to 12 months; his counterpart in São Paulo argues that it would be easier to manage the changeover in one fell swoop, which would mean it could be accomplished in

less than six months. They may argue over the details, but they are focused on the same ultimate goal: establishing financial uniformity. This kind of argument does not erode trust; in fact, it may even reinforce trust by cementing a shared belief among team members that they are all in this together and focused on achieving the same thing.

Whatever the project, once expectations and initial plans for your virtual team have been established, you must keep the team on task. Valaika keeps the offshore teams he works with focused through regular telephone calls. Immediately after a function goes live, Valaika talks to the team on a daily basis; as time goes on, he tapers communication to two or three times a week. His calls focus on how the team is performing against its metrics. In the case of the accounting team in our example, such metrics might include completing training by a certain date or generating beta reports using the new software. If the offshore team isn’t hitting its goals, members can discuss why and get help to work through the problem. “These meetings ensure that they are delivering what they were trained to deliver and are communicating any issues,” he says.

One way to make sure the phone calls themselves

## BUILDING CONTRACTUAL TRUST

Trust experts Dennis S. Reina and Michelle L. Reina’s recent book, *Trust and Betrayal in the Workplace: Building Effective Relationships in Your Organization* (Berrett-Koehler, 2006), focuses on the concept of *contractual trust*, which the authors describe as a mutual understanding that people in a relationship will do what they say they will do. Contractual trust is important to the success of any operation or team, but it is absolutely essential in virtual and highly dispersed operations. Here Reina and Reina outline the behaviors necessary for leaders to establish contractual trust:

- **Manage expectations.** Both explicit and implicit expectations regarding the work must be clear. In addition, managers must set realistic goals. Stretch goals with appropriate support demonstrate a leader’s trust in people’s abilities.
- **Establish boundaries.** Roles and responsibilities must be well defined, and the parameters and direction of the project must be clearly mapped out. “Establishing and maintaining clear boundaries provides a framework for accountability in an organization,” write the authors, and thus plays “a strong role in developing contractual trust.”
- **Delegate appropriately.** When giving employees responsibility, you must also give them the necessary authority, resources, and voice to accomplish the goal. Individual objectives must also be “clear, explicit, visible, and mutually understood,” write the authors. “When leaders and employees work together to define mutually agreed-upon check-points and follow-up procedures, it helps develop people’s trust in themselves and the organization.”
- **Encourage mutually serving intentions.** You want your team members to share the attitude that they are all in one boat and together can pull through any storm. “When they support each other’s intentions and are aligned in their purposes, contractual trust is reinforced and people’s trust in each other is enhanced,” write Reina and Reina.
- **Be consistent.** Even when adapting your strategy to the demands of a constantly shifting business environment, your behavior should be based on principles and values rather than on expediency. Employees will find you unfair and untrustworthy if you play favorites or keep changing your expectations.
- **Keep agreements.** If you must break an agreement, renegotiate promptly. “When we break agreements with others,” write the authors, “we disempower the relationship and compromise the trust between us.”

## Build Trust in Virtual Teams *(continued)*

enhance—rather than hinder—trust is to put each team member in a separate room whenever possible, rather than have groups clustered around one phone in some locations. This levels the playing field for each caller and helps encourage equal focus and attention from every member of the team. “Putting everyone in separate rooms is really counterintuitive,” says Neale. “But when you have some who are face-to-face and some who are virtual, the virtual people fade. The folks who are face-to-face start talking in shorthand that the virtually connected people can’t follow. They eventually get frustrated, put the meeting on mute, and go about other tasks.” Such disengagement hampers trust for those at both ends of the phone.

### 3. Make the work visible

Another roadblock to trust occurs when team members don’t know whether their distant colleagues are taking care of business. Ton Heijmen, senior adviser to The Conference Board for outsourcing and offshoring, says that one company he works with created its own collaborative software for managing outsourcing projects. It includes detailed steps to be checked off by employees at various levels as a project moves forward. But this isn’t just about documenting progress: the software provides space for users to document learning and best practices around each activity so that team members can help one another boost performance.

At Accenture, offshore HR teams use a Web-based program to document weekly performance. If there is a metric on which the offshore team has fallen short—say they haven’t identified the targeted number of potential candidates with a particular skill set—they can record an explanation in the program’s issues log. “For example, the note might say that some members of their team have been out sick, so they have been playing short-handed,” says Valaika. This ongoing view of each other’s challenges not only increases understanding and boosts trust, but it also promotes collective problem solving as these “issues” become part of the team’s regular telephone discussions.

### 4. Provide ongoing feedback

Managers who are perceived as fair and trustworthy are usually those who provide feedback to subordinates on their performance. Just like your team down the hall, your virtual team needs regular input on how it is doing. Valaika makes a special effort to give his offshore teams feedback—both good and bad. “E-mails that say, ‘We had a great week,’ or ‘Great job solving that issue,’ go a long way toward establish-

ing trust and good relationships. When things don’t work out, make sure that feedback gets delivered as well,” he advises.

When an offshore colleague managing an HR call center didn’t voice concern about high call volumes and high attrition among the center’s customer service representatives, the situation quickly escalated from a minor challenge to a full-blown service-delivery issue. Once the problem was addressed and the dust had settled, the team had an open discussion about not being afraid to share bad news.

According to Stanford’s Neale, this kind of reinforcement is particularly important when the organization’s culture is adversarial and lacks an assumption of trust or benevolence.

### 5. Showcase team members’ competence

When managing a virtual team, you must make sure each team member has a clear understanding of her role

and, just as important, the roles of her teammates. You must also take special pains to highlight each individual’s expertise for the rest of the team.

Having confidence in the competence of one’s teammates is an important component of trust, asserts Neale. “You have to believe the other people can do the task,” she says. As a manager, it is up to you to have a good handle on each member’s strengths and experience. “That way, during the course of a meeting, you can point out the ‘go to’ person on any particular issue,” she says, and give people the opportunity to put their expertise on display.

### 6. Foster cultural understanding

When you are managing from afar, cultural differences stand out. Virtual teams must often overcome language barriers and diverse ways of doing business. When those kinds of differences aren’t addressed and understood, it is very easy to dismiss or come to distrust a virtual colleague.

For example, Valaika was recently approached by a local team member who was perplexed by the spiritual message at the end of an e-mail from a colleague in India. “I explained that Indian culture tends to be more open about spiritual life,” he says. “Then we discussed whether the message was harming anyone or disrupting business. As a leader, it is my job to promote an environment of understanding.”

Neale notes that the e-mail behavior of Americans, who tend to go immediately into the task, often is experienced by people from other cultures as rudeness—a definite inhibitor to trust. Says Neale: “Once this was pointed out to

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## Build Trust in Virtual Teams *(continued)*

me and I began using pleasantries at the beginning of my e-mails, I found, as an American working with Europeans and Middle Easterners, that my e-mails were much better accepted.”

Conference calls in which everyone is speaking English with a different accent can be a minefield for the kinds of cultural misunderstanding and missteps that can create distrust. During his meetings with offshore operations, Valaika makes a point of asking others to slow down or repeat when he doesn't understand what they are saying. “The more often you do it, the less shy others will be about asking when something is not clear,” he advises.

Remote meetings can be especially difficult for non-native English speakers, who may feel intimidated and thus remain silent, depriving the group of their input and ideas. To counteract that tendency, a group of managers at Hewlett-Packard instituted a “warm-up” at the beginning of every meeting. They asked each participant to check in with a two- to three-minute anecdote about a recent event in their life—either work related or personal. “That warming-up period goes both ways,” says Neale. “It not only gives nonnative speakers a chance to get in the swing of speaking English, it also helps the local team get their cultural sensitivity into place—such as avoiding the use of jargon.”

In addition to tightening the lines of communication, this exercise also gave the team the opportunity to learn more about each member's skills and interests—just the thing for creating that all-important reservoir of trust. ♦

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