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TRUST AND LEADERSHIP IN VIRTUAL TEAMS

The Perspective of Global Managers

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Abstract

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Purpose: The purpose of this thesis is to contribute to research on trust in virtual organizations and teams by letting managers of virtual teams elaborate on the concept of trust and leadership in virtual teams.

Theoretical Framework: For this thesis, the concept of trust was along with virtual teams and transformational leadership chosen as the framework of understanding.

Method: This thesis is of qualitative nature. The data has been gathered through semi-structured interviews.

Results: *Relationship building, openness & safety* and *expectation* were found to be components of managers' conception of trust. Results also show that the themes *the enabling leader* and the *supporting leader* identified in the statements of managers' perceived leadership style and the examples they referred to correlate to the four components of transformational leadership. However, it was difficult to distinguish whether the described leadership was actually in reference to leadership and trust, leadership in virtual teams or leadership in general.

It is easy to be seduced by the technological possibilities of the virtual organization, but the managerial and personal implications may cause us to rethink what we mean by an organization. At its simplest, the managerial dilemma comes down to the question: How do you manage people whom you do not see? The simple answer is: By trusting them, but the apparent simplicity disguises a turnaround in organizational thinking. The rules of trust are both obvious and well established, but they do not sit easily with a managerial tradition that believes efficiency and control are closely linked and that you can't have one without a lot of the other.

- Charles Handy, Harvard Business Review, 1995.

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Introduction

Trust is a concept we all can relate to. Whether it's the presence or lack of it, it's part of our compass guiding us through life. As I started out on this journey of writing my thesis I was fixated on what I thought this thesis would be about and perhaps even more so: what it *wouldn't* be about. As I earlier during my education had stumbled upon virtual teams and touched on the subject of trust, I figured I had it all set out. Especially since I was doing an internship at a company where virtual teams are commonplace. I trusted myself and my planning to be immaculate. As time went by, I found myself running out of time I also found myself to be running out of confidence in myself to finish this on time. The potential interviewees took so long to answer me. So, what had gone wrong? Perhaps was it the way I communicated my case to the potential interviewees? Perhaps they did not trust me? How was I then supposed to have a conversation about trust? The realization slowly came to me: That which I had set out to explore had hit me; trust in the virtual work place, or perhaps the effects of a lack of it. More specifically, this thesis will explore the concept of trust among managers of virtual teams as well as the managers' leadership in relationship to trust in virtual teams.

Purpose and Research Questions

Purpose

The purpose of this thesis is to contribute to research on trust in virtual organizations and teams by letting managers of virtual teams elaborate on the concept of trust and leadership in virtual teams.

Research Questions

1. How do managers of virtual teams understand the concept of trust?
2. What are managers experience of leading virtual teams, in relation to trust?

Background

As an intern at a company you get not only valuable experience but also the chance to apply your theoretical knowledge on a practical matter of the business. Furthermore, the possibility to explore a real-life business scenario as part of your thesis is one that arises during an internship. This part will aim to describe the background to the idea of this thesis.

Since the company where the interviewed managers work is a global one, computed-mediated communication between employees is essential for information and knowledge transfer. Especially important is the communication between members of teams who are geographically dispersed. Today's technological tools make it possible for team members to work on the same goal or task from different workplaces. This allows companies to employ staff from abroad without the need for the staff to move. At the company, this setup is far from unusual. The managers interviewed for work in a range of different functions within the company, but what they all have in common is that they manage a team where members are geographically dispersed.

While looking into the existing research on virtual teams, a number of questions arose: How do you do team-building? How do you engage in non-job-related conversations? How do you create a sense of team-ness? How do you motivate and manage a person you do not see? Based on my idea of how it is done in a traditional work group setting I saw the challenges posed by the virtual context. As I discussed this with my supervisor at the company, we considered what role trust plays in work teams, and what impact trust has on team effectiveness and performance. Naturally, questions of how trust is facilitated, how it emerges or how it is created arose, which led me to investigate the matter more thoroughly.

To try to figure out more about the concept of trust the concept needed a definition, while there are several, perhaps the most used definition is:

“the willingness of a party to be vulnerable to the actions of another party based on the expectations that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party”¹

This definition of trust builds on the relationship between two parties. To put it into a context of manager-co-worker you could say that trust based on this definition could be when the co-worker feels safe enough to reach out to the manager if there is something that has gone wrong, without fearing negative consequences for doing so. Another definition is Mishras:

“one party's willingness to be vulnerable to another party based on the belief that the latter party is 1) competent, 2) open, 3) concerned, and 4) reliable.”²

¹ Breuer, C. et al. *Does Trust Matter More in Virtual Teams? A Meta-Analysis of Trust and Team Effectiveness Considering Virtuality and Documentation as Moderators*. *Journal of Applied Psychology*, 101(8), 2016:1152

Similarly to the first, Mishra's definition also builds on the a relationship between parties and both use the term vulnerable to describe the condition of one party when interacting with the other party. Mishra uses belief, Mayer et. al uses expectation, to the describe the vulnerable party's basis of interaction with the trusted party.

It seems trust is a significant factor and perhaps even more so in a virtual context than in a traditional one.³ When you work at a traditional work place you probably see your co-workers and your manager regularly. You interact, have small-talks, you get to know each other and build a relationship. When you are in a virtual team this is probably not be the case, at least not to the same extent.

As my interest grew, I wanted to learn what managers of virtual teams would have to say about the concept of trust, and perhaps why they might think it is or is not important.

Expectation, a commonality within several definitions of trust, refers to one party's belief in another party to behave or act in a certain way. Would this expectation be at the heart of their elaborations of the concept of trust, or something else? Would the interviewed managers of virtual teams hold the same point of view when it comes to trust? How would their point of views correlate to earlier research on the subject, to each other's' point of views? Is any leadership style better suited for a virtual team? What is it like managing a virtual team? All these questions boiled down to my presented research questions. By answering them this thesis will try to shed light upon trust and leadership in virtuality. While research on trust in relation to performance and effectiveness will be presented as part of the overall framework of the thesis, is worth highlighting at the outset that this thesis will not try an answer questions of *how* trust impacts performance or effectiveness, if trust mediates other factors important to performance, effectiveness or happiness, or if other factors mediate levels of trust in a virtual team. Rather, the focus is on leadership and the concept of trust in relation to virtual teams. By interviewing managers of virtual teams and asking them to elaborate on the concept of

² Kramer, Roderick Moreland & Tyler, Tom R. (red.), *Trust in organizations: frontiers of theory and research*, Sage, Thousand Oaks, Calif., 1996:266

³ Breuer, C. et al. *Does Trust Matter More in Virtual Teams? A Meta-Analysis of Trust and Team Effectiveness Considering Virtuality and Documentation as Moderators*. *Journal of Applied Psychology*, 101(8), 2016:1156
Bass, B.M. & Riggio, R.E. *Transformational leadership* 2nd ed., Mahwah, N.J. London: Lawrence Erlbaum Associates. 2006:44. E-book.

trust, and to discuss this in relation to their leadership experiences, the thesis aims to present a perspective on trust and leadership from the virtual managers' point of view.

Theoretical Framework and Previous Research

This chapter is devoted to giving the reader a theoretical framework of the foundation of this thesis. What primarily constitutes a virtual team and earlier research on virtual teams will be presented. There will also be a section regarding leadership. Moreover, this chapter will try to connect the dots between virtual teams, trust and transformational leadership.

The Virtual Team

There seems to be no one established definition of a virtual team or a virtual organization. However, what primarily constitutes the virtual team or organization is clear in the research. A virtual team is primarily constituted by team members who are geographically dispersed, and who primarily communicate electronically.⁴ Several scholars also include cultural aspects, such as communication behaviours, when defining or describing the nature and elements of virtual teams and organizations⁵. What follows is a presentation of existing research on different features of virtual teams and what constitutes them.

Geographical Dispersion

Shrinking time horizons, computer-mediated communication and faster decision-making made possible by the advances of technological and organizational innovation are components of Harvey's concept time-space compression⁶. Virtual teams epitomize how businesses take advantage of time-space compression made possible by advances and innovations. The virtual team makes it possible to work across time zones, distances and organizational boundaries⁷. Access, i.e. availability, is another reason why companies create

⁴ Shekhar, Sandhya., *Managing the Reality of Virtual Organizations*, 1st ed. 2016., Springer India, New Delhi, 2016:37.

Zhang, S. & Fjermestad, J. *Bridging the gap between traditional leadership theories and virtual team leadership*. International Journal of Technology Policy and Management, 6(3), 2006:274.

Wise, T.P. *Trust in virtual teams organization, strategies and assurance for successful projects*, Burlington: Ashgate Publishing Ltd. 2013:90-96. E-book.

⁵ Jarvenpaa, Sirkka L. & Leidner, Dorothy E. *Communication and trust in global virtual teams*. Organization Science, 10(6), 1999:791–815.

Shekhar, Sandhya., *Managing the Reality of Virtual Organizations*, 1st ed. 2016., Springer India, New Delhi, 2016:84

Wise, T.P. *Trust in virtual teams organization, strategies and assurance for successful projects*, Burlington: Ashgate Publishing Ltd. 2013:98. E-book.

⁶ Harvey, D. *The condition of postmodernity: an enquiry into the origins of cultural change*, Oxford: Blackwell. 1990:174

⁷ Lu, L. *Building trust and cohesion in virtual teams the developmental approach*. Journal of organizational effectiveness: people and performance; JOEPP, 2(1), 2015:55–72.

virtual teams. It could be access to expertise lacking in the location where the company is based⁸, or it could also be access to cheaper labour⁹. Geographical distance is an important feature of what constitutes the virtual team. Temporal distance, a consequence of the geographical dispersion of team members resulting in different working hours, could make it more difficult establishing trust in team if the overlapping working hours are few¹⁰. Imagine a team-building exercise with your colleagues and co-workers without direct communication. How would you do it?

Electronic Communication

Electronic communication refers to communication that is not performed in a face-to-face setting. E-mailing is by no means exclusive to the Virtual Team, nor is phone-calling or video-conferencing. What makes the Virtual Team different is that computed-mediated communication is the primary means of interacting with colleagues and co-workers.¹¹ A working environment like this presents different challenges compared to a face-to-face setting. Due to communication being mediated by different technological tools, appraising personal cues, like trust, can be difficult, thereby creating an emotional distance between members, which could hamper communication. Another example is constructive criticism, which also can become difficult to properly communicate because the receiver might interpret the communicated criticism more harshly than the sender intended for.¹² However, studies by Jarvenpaa & Liedner et. al. show that communicative behaviours like task-focused communication¹³ alongside socially focused communication, such as discussing weekend activities or hobbies, can strengthen trust within a global virtual team¹⁴. Two studies by Jarvenpaa & Liedner et. al. investigate communication in relation to trust, but the studies differ in the approach taken. In their 1998 study “Is Anybody out There? Antecedents of Trust in Global Virtual Teams”, they investigate what might be the foundation from which trust emerges, while their 1999 study *Communication and Trust in Global Virtual Teams* explores

⁸ Ibid:55-72

⁹ Zhang, S. & Fjermestad, J. *Bridging the gap between traditional leadership theories and virtual team leadership*. International Journal of Technology Policy and Management, 6(3), 2006:280

¹⁰ Ibid:280

¹¹ Thomas P. Wise. *Trust in Virtual Teams: Organization, Strategies and Assurance for Successful Projects*, Taylor and Francis, 2016:93-98. E-book.

¹² Zhang, S. & Fjermestad, J. *Bridging the gap between traditional leadership theories and virtual team leadership*. International Journal of Technology Policy and Management, 6(3), 2006:280.

¹³ Jarvenpaa, S.L., Knoll, K. & Leidner, D.E. *Is Anybody out There? Antecedents of Trust in Global Virtual Teams*. *Journal of Management Information Systems*, 14(4), 1998:29–64.

¹⁴ Jarvenpaa, Sirkka L. & Leidner, Dorothy E. *Communication and trust in global virtual teams*. *Organization Science*, 10(6), 1999:791–815.

the challenges of creating and maintaining trust in a global virtual team. In the 1998 study, the authors conclude that high-trust teams use communicative behaviours such as task focused communication and frequent interactions, while the dialogue that takes place within low-trust teams' focuses on procedures, and they do not frequently interact. Both studies underline the importance of communication and represents a good sample of how research on the subject usually looks: results are somewhat contradictory: while the 1998 study concludes that high-trust teams engage in little socially focused communication, the 1999 study concludes that socially focused communication may strengthen trust. In the 1998 study they write on communicational norms in relation to trust:

It remains unclear whether the existence of trust allowed these norms to emerge or whether the consensus of norms reinforced the trust. We suspect both are true.¹⁵

As indicated by this research, the exact causal mechanisms involved are not easily discerned, i.e. communicational norms help in the creation of trust or vice versa, the case is often ambiguous, as is shown by the quote.

Earlier Research on Trust and Transformational Leadership in Virtual Teams

We've now covered the primary features of what constitutes a virtual team. This forthcoming part will try to extensively explain trust as as it's described in earlier research while also trying to frame it in a virtual context.

Trust

Reading the literature of trust is by no means a one way-street. Different disciplines deploy their own take on the concept of trust. This divergence is described by Rousseau et al. in their efforts to adopt a multidisciplinary concept of trust. Scholars from the disciplines of economics, psychology and sociology make different assumptions about the basis of trust. From the economist's perspective, trust is of a calculative or institutional nature. The psychologist's focus is on the attributes of the trustor and trustee, whilst sociologists focus on "socially embedded properties of relationships among people".¹⁶

¹⁵ Jarvenpaa, S.L., Knoll, K. & Leidner, D.E. *Is Anybody out There? Antecedents of Trust in Global Virtual Teams*. *Journal of Management Information Systems*, 14(4), 1998:29–64.

¹⁶ Rousseau, D. et al. *Not So Different After All: A Cross-Discipline View of Trust*. *The Academy of Management Review*, 23(3), 1998:393–404.

The concept of trust is multi-dimensional, and it is used in a broad variety of disciplines, as well as on micro, meso and macro level of analysis. Mishra defines trust as “one party's willingness to be vulnerable to another party based on the belief that the latter party is 1) competent, 2) open, 3) concerned, and 4) reliable.”¹⁷ Mishra addresses the multi-dimensional nature of trust and argues that definitions and conceptualizations of trust have thus far been vague. When interviewing managers on the subject, Mishra says managers refer to the four different dimensions of trust (competence, openness, concern, reliability) without discussing how they relate.¹⁸

Not far from the definition made by Mishra, McAllister (1995) argues that trust enables people to take risks, that trust is based on expectation, and that competence and responsibility are central to understanding trust¹⁹. Furthermore, McAllister argues for a framework of interpersonal trust in organizations encompassing two aspects: Affect-based and Cognition-based trust. This framework of an emotional and a cognitive aspect of trust has been depicted by several scholars, in older as well as recent research.²⁰

McAllister cites Lewis & Wiegert (1985) saying that trust is:

cognition-based in that we chose whom we will trust in which respects and under what circumstances, and we base the choice on what we take to be ‘good reasons,’[sic] constituting evidence of trustworthiness.

Relationships with co-workers are often built over time and during this time people interact. These interactions with and experiences of one party can then be used by the assessing party to judge the other party’s trustworthiness. What has happened in the past can be a predictor of future actions. These assessments constitute the cognition-based aspect of trust according to McAllister. Furthermore, McAllister argues, once again, with support of Lewis & Wiegert (1985), that the affective – the emotional – aspect of trust is the emotional bond between individuals in which these individuals have made emotional investments such as care and

¹⁷ Kramer, Roderick Moreland & Tyler, Tom R. (red.), *Trust in organizations: frontiers of theory and research*, Sage, Thousand Oaks, Calif., 1996:266

¹⁸ Ibid:261-287.

¹⁹ Mcallister, D.J. *Affect- and Cognition-Based Trust as Foundations for Interpersonal Cooperation in Organizations*. *Academy of Management Journal*, 38(1), 1995:24–59.

²⁰ Erdem, F. & Ozen, J. *Cognitive and affective dimensions of trust in developing team performance*. *Team Performance Management: An International Journal*, 9(5-6), 2003:131–135. Kramer, Roderick Moreland & Tyler, Tom R. (red.), *Trust in organizations: frontiers of theory and research*, Sage, Thousand Oaks, Calif., 1996:261-287

concern and perhaps expecting the same be given back. Given these two aspects, McAllister defines trust as “the extent to which a person is confident in, and willing to act on the basis of, the words, actions, and decisions of another.”²¹

Another definition, which is also encompassed by a theory, is the one by Morten Frederiksen (2014). While he aligns himself to the definition of trust as a “positive expectation of the future”²², Frederiksen further elaborates the concept of trust, building on the cognitive and emotional elements of trust described above, trying to develop a deeper understanding of trust from a relational point of view. Frederiksen argues that trust does not only stem from the individual’s perception of the other, as Mishra would put it: competent, open, concerned and reliable. Instead, trust develops “from and within social relations”²³. Frederiksen’s model of trust encompasses three perspectives of trust. Trust as a disposition, trust as a relationship, and trust as a process. The third perspective, trust as a process, is a manifestation of the process of trust as a disposition and trust as a relationship.

Trust as a disposition stem from the Bourdieusian concept of habitus. Habitus is a set of dispositions acquired in life “through the conjuncture of objective structures and personal history”²⁴. These dispositions are a result of acquiring so called capital, which can be either economic – monetary, or symbolic – such as social capital. One form of social capital can be relationships you have with important people. This capital has a particular value in a field (company, society, work group) and contributes to shaping a person’s position in the hierarchy. Thus, Bourdieu’s definition of capital can be described as social relational exchange: one exhibits a form of capital which acts as a positioner, making the individual more or less, depending on the capital, worthy or sought after in a certain context, a so-called field. The field can be described as the scene where struggles of position in the hierarchy take place, e.g. a work group.²⁵ Trust as a disposition, argues Frederiksen, is a state of acquired experiences produced by social structures from which you make decisions about trust/mistrust. Is the situation familiar? Does the situation justify trust? At the same time, he

²¹ Mcallister, D.J. *Affect- and Cognition-Based Trust as Foundations for Interpersonal Cooperation in Organizations*. *Academy of Management Journal*, 38(1), 1995:24–59.

²² Morten Frederiksen (2014) Relational trust: Outline of a Bourdieusian theory of interpersonal trust, *Journal of Trust Research*, 4:2,167-192, DOI: [10.1080/21515581.2014.966829](https://doi.org/10.1080/21515581.2014.966829)

²³ Morten Frederiksen (2014) Relational trust: Outline of a Bourdieusian theory of interpersonal trust, *Journal of Trust Research*, 4:2,167-192, DOI: [10.1080/21515581.2014.966829](https://doi.org/10.1080/21515581.2014.966829)

²⁴ Bourdieu, P. et al. *An Introduction to the work of Pierre Bourdieu: the practice of theory*, New York: St. Martin's Press, 1990:10-23

²⁵ Ibid:8-23

also notes that: trust is not only experiences but a process. The process is described as a circle, where one experiences a situation that is familiar, where trust is justified, and where the aligning of concepts and goals occur between people. Trust as a relationship, he describes, is the part of the process when people interact and align their goals, expectations, strategies etc. – the practice of trust. When this happens the third perspective manifests itself – the process of *trusting* – according to Frederiksen. He hereby draws from Bourdieu while also adding a measurement aspect of high and low alignment.²⁶

Francis Fukuyama defines trust as “the expectation that arises within a community of regular, honest and cooperative behaviour, based on commonly shared norms, on the part of the other members of the community.”²⁷ Furthermore, he adds that these norms can be of greater and deeper significance in society, such as religious beliefs. They can also be of secular and professional character, such as codes of conduct, behaviour and standards. Fukuyama also draws on the Bourdieusian concept of capital, arguing that the prevalence of trust in society enables social capital to arise. Social capital is transmitted between people and requires habituation of the norms of a community²⁸. As a child, the practices of the surroundings you’re exposed to characterizes you, you’re inclined to appraise the world as your surroundings²⁹. The group needs to be aligned, to use Frederiksen’s terminology, in terms of norms for trust to emerge.

Shared norms and cooperative behaviour aside, what connects Fukuyama’s definition with the other presented definitions is the focus on expectations. Mishra does not use the term expectation, but it is fair to say that what he refers to as a “belief of the other party to be...” would count as an expectation. Frederiksen’s as well as McAllister’s definition of trust include expectation. Although his definition does not include the term expectation, it can be interpreted in terms of expectation when he argues that trust is the “extent to which a person is confident in [...] another”.

In their meta-analysis of trust in virtual teams, Breuer, Hertel and Hüffmeier argue that the most cited definition of trust is Mayer, Davis & Schoorman’s definition (see introduction).

²⁶ Morten Frederiksen (2014) Relational trust: Outline of a Bourdieusian theory of interpersonal trust, *Journal of Trust Research*, 4:2,167-192, DOI: [10.1080/21515581.2014.966829](https://doi.org/10.1080/21515581.2014.966829)

²⁷ Fukuyama, F. *Trust: the social virtues and the creation of prosperity*, London: Hamish Hamilton. 1995:26

²⁸ Ibid:26

²⁹ Ibid:10-11

Hereby, we can conclude that 1) there is, arguably, one definition that is the most cited, and 2) expectation is a prominent component of that definition. Hence, trust emanating from one party has something to do with the expectations this party has on the other party. The definition of trust used in this thesis will therefore be: *an expectation on one party from another*.

Trust in the Virtual Team

This section will present research on: trust and its role in the virtual team and trust as a direct or indirect means for virtual team effectiveness and performance.

Trust and its role in the virtual team

Given the nature of the virtual team, supervising the team directly is difficult. Trusting each other to do what is agreed upon thus becomes important.³⁰ In 1995, Charles Handy wrote in the Harvard Business Review on the managerial dilemma of managing those who you cannot see, concluding that trust is at the forefront for managers in this aspect³¹. Studies on trust in virtual teams have found positive relationships between trust and performance. Though, it has also been suggested that it is more appropriate to see trust as a moderating factor rather than trust directly affecting the outcomes³².

Trust, an indirect or direct tool for virtual team effectiveness and/or performance?

In their article, Jarvenpaa et. al. begin by describing the virtual team as a new organizational arrangement in which trust is critical. Geographical dispersion of team members and computer mediated communication can be challenging for work groups. Here, trust is described as a glue between team members in the global workspace.³³ Jarvenpaa et. al. try to unveil the sources of trust in virtual teams by presenting several teams with tasks and team-building exercises, collecting quantitative data on their performance, and qualitatively exploring the processes involved in completing the tasks and team-building exercises by asking questions on behaviours and trust. The results showed that behaviours/strategies like task focused dialogue and joint responsibility for task goal clarity were antecedents for trust in high-trust teams. In contrary, procedural driven dialogue and individual responsibility for

³⁰ Wise, T.P. *Trust in virtual teams organization, strategies and assurance for successful projects*, Burlington: Ashgate Publishing Ltd, 2013:14. E-book.

³¹ Handy, C. *Trust and the virtual organization*. Harvard business review, 73(3), 1995:40–54.

³² Jarvenpaa, S.L., Shaw, T.R. & Staples, D.S. *Toward Contextualized Theories of Trust: The Role of Trust in Global Virtual Teams*. Information Systems Research, 15(3), 2004:250–267.

³³ Jarvenpaa, S.L., Knoll, K. & Leidner, D.E. *Is Anybody out There? Antecedents of Trust in Global Virtual Teams*. Journal of Management Information Systems, 14(4), 1998:29–64.

task goal clarity where linked to low-trust teams.³⁴ This suggests that communication is a contributive factor for trust in virtual teams.

Breuer et. al. suggests in their paper on the effects of trust in virtual teams that team trust is positively related to team effectiveness. In the same study, they also find team trust to be positively related with for instance team commitment, as well as with knowledge-sharing. However, they recognize the relationship with knowledge-sharing to be in need of replication due to the sample being small.³⁵ Interestingly, another study found a relationship between knowledge-sharing and trust, which contributed to team effectiveness³⁶. However, the direct effect of trust on performance and effectiveness are not certain. David & Golan (2017) suggests that trust is rather a mediator of collaboration and communication, and by understanding this management tools can be developed in order to enhance team performance and efficiency³⁷.

Transformational Leadership and Trust in Virtual Teams

As we've seen, the concept of trust can be viewed from many different angles. This part will shine light on transformational leadership and trust in virtual teams by describing transformational leadership, the four components of transformational leadership and connecting transformational leadership to virtual team work and trust.

Transformational leaders seek to stimulate and inspire rather than exchange rewards for productivity. The term transformational leader comes from a description of a charismatic leader who transforms change. Early research on transformational leadership drew a lot from the military but has now extended far in to other sectors such as health care and business. Successful leadership in high-paced sectors partly relies on the ability of leaders to develop and challenge followers. Furthermore, transformational leaders look to the individuals' needs and align goals and objectives amongst individuals, teams and organizations.³⁸ The virtual

³⁴ Ibid:29-64

³⁵ Breuer, C. et al. *Does Trust Matter More in Virtual Teams? A Meta-Analysis of Trust and Team Effectiveness Considering Virtuality and Documentation as Moderators*. *Journal of Applied Psychology*, 101(8), 2016:1157

³⁶ Alsharo, Gregg & Ramirez. *Virtual team effectiveness: The role of knowledge sharing and trust*. *Information & Management*, 54(4), 2017:479–490.

³⁷ David, K. & Golan, C. *The Mediating Effect of Interpersonal Trust on Virtual Team's Collaboration*. *International Journal of Knowledge Management (IJKM)*, 13(3), 2017:30-32.

³⁸ Bass, B.M. & Riggio, R.E. *Transformational leadership* 2nd ed., Mahwah, N.J. London: Lawrence Erlbaum Associates, 2006:3-7.

team makes it possible to work across time zones and distances³⁹ making virtual teams apt for high-paced sectors. Trust has been suggested to be important in virtual teams, as demonstrated in the above section. In turn, transformational leaders are suggested to better be able to establish trust amongst followers in virtual teams⁴⁰. The transformational leadership has been described as consisting of four components⁴¹:

Idealized Influence. Followers of transformational leaders trust, respect and admire their leaders. This component is more widely referred to as charisma, encompassing as broad perspectives of leadership as ideology and ideals. The charismatic leader also instils pride and acts to clarify sense and purpose amongst followers by acting as a role model and exhibiting moral and ethical values followers can identify with. Furthermore, the charismatic leader acts as an envisioning guide to help followers reach desirable goals. The charismatic leader is often exemplified by references to people who transform their followers. Tyrants or despots, as Hitler or Mussolini, or peaceful leaders like Mahatma Ghandi can be mentioned.

Inspirational Motivation. By clearly communicating expectations through behaviour, such as articulating visions, the transformational leader inspires, enthuses and convinces followers to work towards common goals. Transformational leaders motivate by being clear about purpose and by challenging and involving followers.

Intellectual Stimulation. The transformational leader encourages individuals to try new solutions, to be creative and innovative. By including followers in identifying, addressing and solving problems, the transformational leaders stimulate and challenge individuals. Trying on new ideas are encouraged and deviating opinions from that of the leader are not criticized and neither are individual mistakes.

Individualized Consideration. By treating every follower as an individual, taking time to teach and coach, the transformational leader is concerned with making sure followers are seen as individuals and not just employees. The transformational leader delegates tasks aiming to develop the individual and supports the working process.

³⁹ Lu, L. *Building trust and cohesion in virtual teams the developmental approach*. Journal of organizational effectiveness: people and performance; JOEPP, 2(1), 2015:55–72.

⁴⁰ Bass, B.M. & Riggio, R.E. *Transformational leadership* 2nd ed., Mahwah, N.J.; London: Lawrence Erlbaum Associates, 2006:44

⁴¹ Ibid:3-7. Bass, B.M. *Two Decades of Research and Development in Transformational Leadership*. European Journal of Work and Organizational Psychology, 8(1), 1999:9–32.

When speaking of transformational leadership, there is reason to distinguish between different contexts when investigating it. Because of constant technological development, the prerequisites for leadership changes. We do not know how leadership will change, or will need to change, because of this development.⁴² One of the changes have to do with the opportunities made possible by computer-mediated communication and virtual team work. These changes require adaptation. Recently, the term e-leadership has emerged, as leadership theory adapts to these developments⁴³. This thesis also aims to incorporate technological developments as a factor when investigating management by investigating leadership in virtual teams. So why is transformational leadership relevant to virtual teams? Several findings show that there is a strong positive relationship between trust in the supervisor and the supervisor's transformational leadership⁴⁴. Another study, which compared the effects of transformational leadership in traditional face-to-face settings with virtual teams, found transformational leadership to be more positively correlated with performance in virtual teams than in traditional teams⁴⁵. It has been suggested that trust in virtual teams are more important than in traditional face-to-face teams⁴⁶. Also, as mentioned at the start of this section, that transformational leaders are better able to facilitate trust in virtual teams than non-transformational leaders⁴⁷.

Concluding Thoughts on Earlier Research

As is often the case in social science, causal relationships between factors are difficult to come by. The effects of trust are no different. The presented research shows that when speaking of the effects of trust one must take into consideration other mediating factors. Trust itself can also be the mediating factor. And as far as the definition of trust goes, while there seems to be no one established definition, expectation on one party from another party is a prominent component of several different definitions presented by different scholars on the

⁴² Purvanova, R.K. & Bono, J.E. *Transformational leadership in context: Face-to-face and virtual teams*. The Leadership Quarterly, 20(3), 2009:343–357.

⁴³ Avolio, Kahai & Dodge. *E-leadership: Implications for theory, research, and practice*. The Leadership Quarterly, 11(4), 2000:615–668.

⁴⁴ Braun et al. *Transformational leadership, job satisfaction, and team performance: A multilevel mediation model of trust*. The Leadership Quarterly, 24(1), 2013:270–283.

⁴⁵ Purvanova & Bono. *Transformational leadership in context: Face-to-face and virtual teams*. The Leadership Quarterly, 20(3), 2009:343–357.

⁴⁶ Breuer, C. et al. *Does Trust Matter More in Virtual Teams? A Meta-Analysis of Trust and Team Effectiveness Considering Virtuality and Documentation as Moderators*. Journal of Applied Psychology, 101(8), 2016:1157.

⁴⁷ Bass, B.M. & Riggio, R.E. *Transformational leadership* 2nd ed., Mahwah, N.J.; London: Lawrence Erlbaum Associates, 2006:44

subject. Furthermore, it seems that transformational leadership in the virtual team is a well-suited leadership style.

Method

This thesis is conducted with a qualitative method where the data is gathered through semi-structured interviews. The purpose of this thesis is to add to the existing research on trust and leadership in virtual teams by investigating whether the perspective of the interviewed managers of virtual teams is consistent with existing research on the subject. Hence, the chosen method for conducting this study was interviews. Since the purpose of this thesis in part is to explore the concept of trust from managers' point of view and by doing so contributing to the already existing knowledge in the subject this thesis' methodological approach has mainly been inductive. Bryman describes this method as inferring data with help from existing research and then adding it on to the existing knowledge on the subject⁴⁸. However, there are some deductive aspects to this thesis as well considering the thesis is in some part being theory driven. Deductive theory is common in social research and essentially means that one starts with what is already known on a subject and then proceeds from there. However, this thesis has not clearly constructed a hypothesis to be confirmed or falsified, which is the outspoken aim of the deductive scientist according to Bryman.⁴⁹ From here on, this chapter will describe the methodological foundations of the approach to collecting, processing and analysing of the empirical component of this thesis and argue for the choices made.

Semi-structured interviews

The semi-structured interview is different from structured and standardized interviews in the sense that the semi-structured interview allows the interviewer to go off track by asking questions other than the predetermined. This makes it possible for the interviewer to follow up respondents' statements with further questions. Also, the questions can be more general than precise.⁵⁰ This way of interviewing was chosen in this study. The aim was to capture experiences and concepts from the managers' point of view. Therefore, semi-structured interviews were found to be a suitable method.

⁴⁸ Bryman, Alan, *Social research methods*, Fifth edition, Oxford University Press, Oxford, 2016:20-21

⁴⁹ Ibid

⁵⁰ Ibid:201

Sample

I have been at the company since January 2019, working as an intern. At this company I've been involved in strategic health work, processing and compiling data from surveys as well as presenting this information to stakeholders. Given the access to the company's intranet it was possible to contact potential interviewees from my company e-mail. The sample of managers constituting this thesis' data was chosen in two ways. By sorting employees by country of stationing and organizational function using the organizational intranet. Also, by viewing employees' intranet profiles, their organizational position could be seen. By applying filters and viewing profiles on the intranet, suitable employees were identified and contacted directly via an email containing a presentation of myself as well as a consent form and a participation information sheet. The other way was connecting with suitable employees through my supervisor at the company. My supervisor reached out to contacts, and they were then asked to contact me via company email if they were interested in participating. To be able to investigate the conception of trust and leadership in virtual teams, the selected interviewees had to meet the demands of the profile. The profile criterion of managers was that they were managers of a global virtual team. The profile of the individuals needed to investigate this subject was established as early as the subject of this thesis. Hence, the research questions shaped the sampling strategy: a so-called purposive sampling strategy⁵¹. From start, one specific function within the company was targeted as interviewees. However, the managers in this function did not match the profile criterion. Hence, the interviewed managers belong to different functions of the company.

Nineteen managers in total were asked to participate, seven people accepted to participate, three men and four women. Three declined and eight didn't answer. The participants were all global managers, stationed in Sweden and in England.

Collecting, Processing and Analysing Data

Collecting Data

The data has been collected by conducting semi-structured interviews with the selected sample of managers. The interviews lasted between 25-55 minutes. Each manager had the interview questions either sent to them beforehand via email if the interview was conducted

⁵¹ Ibid:410

via skype or handed to them in printed form when sitting down for the interview if it was a face-to-face interview. All participants were asked to either consent or not consent to being recorded. As a result, some interviews were recorded while some were not.

Processing Data

The interviews that were recorded were transcribed immediately after the interview, while the ones where only notes had been taken were left as such. Furthermore, notes were taken on paper to mark clock marks when the interviewees talked about something of particular interest to the study. This was done to help keep track of thoughts derived from the conversation during the time of the interview. Recording and transcription of interviews is helpful when trying to keep attentive to the interviewees' story, and to be able to follow the conversation and picking up on points, rather than focusing attention on taking notes of all that is being said⁵².

Analysing Data

The analysis of the data was conducted by comparing different themes identified in the data with the described existing research and also by inferring the data with help from the described existing research. This enabled answers to the research questions and the overall purpose of contributing to research on trust in virtual teams.

Validity and Reliability

Validity and reliability are two concepts used when assessing the quality of a study. Validity refers to whether the study in question really measures the concept it claims to measure. Reliability refers to the consistency of the results of the study, whether the results can be replicated.⁵³ Validity and reliability are quality indicators important in quantitative research. However, this study is of qualitative nature. That doesn't mean validity and reliability is out of the question, though. There are alternative indicators that can be used for qualitative research. These are credibility and transferability as alternatives for validity and dependability as an alternative to reliability. The emphasis in credibility is on ensuring the research is carried out in good practice and that the study is made available to respondents in the study so that what has been written can be confirmed as correct. Regarding transferability, the emphasis is on encompassing rich and detailed descriptions of the material so that the findings

⁵² Ibid:478-479

⁵³ Ibid:156-158

are possible to transfer to other contexts. Dependability in this case is explained as the possibility to go back in to the material, thus the researcher needs to keep track of and keep complete records of the collected, processed and analysed data. Given the descriptions of the three alternative quality measures to validity and reliability: credibility, transferability and dependability posited by Bryman⁵⁴ and how the manner of which this thesis has been executed, this thesis can be considered being of acceptable quality considering the circumstances of this thesis' progress and execution described above. The results of this study will be communicated to the company and the complete thesis will be sent to the participating respondents. Regarding good practice, this study has been conducted in an openly and transparent manner, as described in this chapter, while thorough information has been given the respondents before, during and after the interviews. Also, the complete record of data from the interviews is available.

Critical Reflection of Method

Computer Mediated and Traditional Interviews

The traditional interview and perhaps the common picture of an interview is people sitting in a room, talking face to face. This was the case with some of the interviews in this thesis, but the bigger part was done via Skype. Since this thesis is about trust in virtual teams, it seems befitting that this is the case. The Skype interview offers the same benefits as the traditional interview but possibly also some limitations due to its dependence on technology. The flow of the interview can be less smooth due to poor internet connection, and it can be more difficult to appraise personal cues. However, there are also benefits, such as convenience and flexibility related to time and geography.⁵⁵ I was worried before having conducted the first Skype interview about whether the interview would reach the same level of experienced quality as the traditional interview. After the first couple of Skype interviews however, I was certain there was no problem. Although some interviews had poor sound quality which led to some words being difficult to hear when transcribing the recorded interviews. One problem that I did experience was when trying to get in contact with potential interviewees, settling an

⁵⁴ Ibid:383-385

⁵⁵ Bryman, Alan, *Social research methods*, Fifth edition, Oxford University Press, Oxford, 2016:492

agreement was not as easy as outside the virtual context, an experience consistent with a German study referred to by Bryman⁵⁶.

Sampling Strategy

Due to the chosen sampling strategy, which was a so-called purposive sampling strategy. One need to consider the implications of this strategy. Probability sampling is a strategy commonly practiced when conducting quantitative studies and an important strategy to deploy when it is important the results of the study are generalizable to the greater population or when it isn't important that the sample falls within a certain category⁵⁷. However, as the criterion of the virtual team managers in the sample was just that, that they are virtual team managers, probability sampling wasn't applicable here. Possibly, this indicates that even if the results of this study is consistent with similar studies, this study's generalizability can be questioned. Furthermore, the rate of the contacted managers who declined to participate or didn't answer the enquiry-of-participation email was higher than the combined amount of participating managers. As mentioned in the introduction of this thesis, time ran out quickly. It is therefore difficult to conclude whether the seven conducted interviews were enough to achieve empirical saturation. While it is impossible to know in beforehand how many interviews it will take to reach empirical saturation, it is said that the broader the scope of the study, the more interviews are needed⁵⁸. Hence, another indication given this thesis' method, is that more interviews could have been appropriate.

Being an Intern

Being an intern at the company while simultaneously taking on the role as the critical scientist and the difficulties combining those two roles was made evident to me when discussing the approach of this thesis with my supervisor at the University. As an intern I was eager to show the best of my capabilities and to add value to the company. My supervisor and I discussed, amongst other things, how I would react if I was to find something compromising for the company during my thesis work. Also, questions from the company arose when it was clear what my subject was: trust. What would happen if I discovered compromising circumstances in a team and what would I do with that information? If I was entrusted with a secret, how could I ensure confidentiality? How could I remain loyal and appreciative to the company

⁵⁶ Ibid.

⁵⁷ Ibid: 407-408.

⁵⁸ Ibid:416.

taking me in, while at the same time being the critical scientist? A phenomenon which is described as when the researcher performs actions that unintentionally influence the outcome of the study or the participating respondents' behaviour is researcher bias⁵⁹ was always present in my mind. With my supervisor at the company looking for a "win-win" outcome I often reflected on the back of my discussion with my supervisor at the University on how to stay true to the scientific ways of conducting a study. Considering the description in the section above regarding credibility, transferability and dependability along with mentoring conversations with my supervisor on the subject, I have tried to balance my position as an intern with that of a critical scientist to the best of my capabilities. This balanced position has been achieved by taking in consideration the scientific demands posed by the university as well as the those of the company by not compromising the pursuit of scientific quality when trying to also create something of value to the company. Furthermore, in the next section the four demands posited by the Swedish Research Council will be drawn upon in relationship to this study.

Ethical Reflections

Scientific research comes with certain rules and guidelines which are to be met if a work is to be considered being of scientific nature. In this chapter I will describe how I've taken into consideration the guidelines of The Swedish Research Council's four demands.

Principles of Research in Social Sciences, Four Demands by The Swedish Research Council

The principles posited by The Swedish Research Council are composed of four demands which acts as guidelines when reviewing research within social science. Also, they serve to guide the researcher him self when conducting research. These four demands are (my translations): 1) The Demand of Information to Participants 2) The Demand of Consent 3) The Demand of Confidentiality 4) The Demand of Information on Use of Data.⁶⁰

The Demand of Information to Participants

This demand postulates that information to respondents about their participation being voluntarily, that they can withdraw from the study at any time and what the purpose of their

⁵⁹ Duignan, John. "Researcher Bias." *A Dictionary of Business Research Methods*, 2016.

⁶⁰ Vetenskapsrådet. Forskningsetiska principer inom humanistisk-samhällsvetenskaplig forskning. <http://www.codex.vr.se/texts/HSFR.pdf> (Accessed 20190605)

participation is, is necessary⁶¹. To be able to align with this demand, potential participants where sent a *Participation Information Sheet* along with the email explaining the reason for contact. The participants who where not initially contacted via email, but asked face-to-face about their interest in participating, where sent the *Participation Information Sheet* after their interest was confirmed.

The Demand of Consent

The Demand of Consent, means that the researcher explicitly asks the respondent to consent to participate in the study⁶². This was done by, in the same manner as described in the section above, handing out a physical or digital *Consent Form*. In this form the participant could consent to being interviewed and consent to being recorded. One participant signed and returned the consent form. The respondents who didn't sign and return the consent form was regarded as consenting to participating when accepting the interview, they where also once more explicitly asked to consent to participate. They where also asked to consent to being recorded or not, two participants did not consent to being recorded. Hence, their interviews where not recorded.

The Demand of Confidentiality

This demand means that the researcher needs to secure that information regarding the participant's identity are treated with confidentiality. The researcher must make sure that the information regarding the participants' identity is safely stored and managed so that the identities of the participants can't be disclosed.⁶³ To meet this demand there is a conscious lack of identifiable characteristics when describing the managers' positions and teams along with pseudonyms given the participants when presenting the data in the Findings & Analysis chapter. However, it is possible that the participants in this study who are located at the same site talk to each other about participating and by so identifying each other.

The Demand on Information of Use of Data

The Swedish Research Council also demands that the respondents are informed on how the data gathered from their participation will be used. The data is only to be used for scientific

⁶¹ Ibid.

⁶² Ibid.

⁶³ Ibid.

purposes and is not to be sold or any other non-scientific purposes⁶⁴. This demand was met by inserting information on this in the *Participation Information Sheet*.

⁶⁴ Ibid.

Findings & Analysis

The interviewed managers are here given pseudonyms. All interviewed managers are aged between 40-60. In total seven managers were interviewed, 4 men and three women. The men are given male pseudonym names and the women are given female pseudonym names. The managers are: *Winston*, ca: 50 years old. *Nate*, ca: 45 years old. *Roger*, ca: 50 years old. *Bart*, ca: 50 years old. *Donna*, ca: 55 years old. *Maggie*, ca: 50 years old. *Elisabeth*, ca: 45 years old.

The Concept of Trust

As one might suspect, the answers to what the concept of trust holds was not unanimous amongst the interviewed managers. This part is an attempt of breaking down the concept of trust in virtual teams to components. Furthermore, connecting the different components with earlier research on the subject will be made. In this section the three identified components of trust compiled of data from the interviews will be presented.

Building a Relationship

In the interviews, trust is often spoken of in relation to relationships between people. Trust is something that you build together person to person, and not something that just exists, it is created. Many of the managers say that meeting outside of the virtual world is important in building this relationship. Donna says:

To build a genuine relationship you need regular meetings, every other week or so, to follow up anything really. But you also need to see each other face to face. This adds a totally different dimension when it comes to creating trust.

When team members are stationed far away, perhaps on different continents, video-conferencing via skype is mentioned by the managers as an important tool when face-to-face meetings are not possible. When analysing the material, it is clear that there is a coherent view of the importance of building a relationship by actively and consciously communicating. Winston, Bart and Donna states that they more carefully consider how and what they communicate because of it being more difficult to know how your message will be interpreted when you do not see the other part you are communicating with. This view on the risks of misinterpreting communication align with Zhang & Fjermestad's study where they say that

e.g. constructive criticism can be appraised in other ways than intended due to the uncertainties of virtuality⁶⁵. Winston says that to humanize the virtual meeting between him and his team members he actively speaks of non-work-related subjects in videoconference meetings one-to-one as well as in team meetings. These conversations are what Jarvenpaa et al. call socially-focused communication which they consider being important when building trust in global virtual teams⁶⁶. Furthermore, Maggie states that allowing members to visit each other physically has had a “*massive change on the way the team operates*”. Meeting in real life to build a relationship that can have an impact on team trust and performance is widely regarded as important amongst the managers. This correlation of team trust and effectiveness is confirmed in the meta-analysis by Breuer et al.⁶⁷. While the managers say physical meetings are important in building a relationship to create trust, which leads to better performance, the Breuer study makes no such correlation. The study only confirms the correlation of trust and performance in virtual teams. Interestingly, though, their study shows that the correlation between trust and performance is stronger in virtual teams than in face-to-face teams⁶⁸. This suggests that the strategy of having people physically meet to build their relationship and trust amongst each other to improve performance is an evidence-based strategy.

Safety and Openness

Safety was a topic commonly spoken amongst the interviewed managers in relation to trust. The described existing research in this thesis has not included safety. However, Mishras definition “*one party's willingness to be vulnerable to another party based on the belief that the latter party is 1) competent, 2) open, 3) concerned, and 4) reliable*”⁶⁹ encompassing vulnerability and reliability resonates with Rogers statement regarding safety and trust:

To me, it also means that this person can feel safe enough to come to me if this person needs anything. If you're in a project which you're responsible for and you feel insecure or have questions, then of course you can ask me. I won't question this. He

⁶⁵ Zhang, S. & Fjermestad, J. *Bridging the gap between traditional leadership theories and virtual team leadership*. International Journal of Technology Policy and Management, 6(3), 2006:280.

⁶⁶ Jarvenpaa, Sirkka L. & Leidner, Dorothy E. *Communication and trust in global virtual teams*. Organization Science, 10(6), 1999:791–815.

⁶⁷ Breuer, C. et al. *Does Trust Matter More in Virtual Teams? A Meta-Analysis of Trust and Team Effectiveness Considering Virtuality and Documentation as Moderators*. Journal of Applied Psychology, 101(8), 2016:1157.

⁶⁸ Ibid:1158

⁶⁹ Kramer, Roderick Moreland & Tyler, Tom R. (red.), *Trust in organizations: frontiers of theory and research*, Sage, Thousand Oaks, Calif., 1996:266

shouldn't feel that I will question whether he's able or not. To have that openness in a way so that you don't feel reviewed.

Further, Mishras definition includes openness, which is a concept that either precedes or follows safety when several managers elaborate on trust and what it means to them. Being open as a manager is seen as an antidote to insecurity in the team. Being open as a person and sharing with your team member's personal views on matters is widely perceived as an important part of managing the virtual team in terms of creating trust. Manager 2 state:

They need to trust me, and I need to trust them. So, it's definitely a two-way street that we are working on but it's having that openness and having the conversation, having a safe conversation with people.

As stated in the quote above, trust is viewed necessary. And to create trust in a virtual team, according to the interviews, openness and creating an environment where people feel safe enough to reach out for help knowing that, using Mishras words "...one party's willingness to be vulnerable..."⁷⁰, will not be a problem is important. This view of trust emerging from one party's willingness to be vulnerable, because there is a safe climate in the team due to the openness on the behalf of the other party is consistent with and applicable to Mishras definition of trust.

Expectation

The presented existing research on trust where definitions of the concept where posited all included expectation in some way. Either it was explicitly part of the definition or expectation could be interpreted as an implicit component of the definition. In the interviews, expectation was only explicitly used one time, by Elisabeth. Elisabeth stated when asked about her conception of trust that trust is partly about "*setting clear expectations*" about openness and transparency and that she, by trusting the team member, expects to be trusted. Among the other managers however, expectation was elaborated around implicitly, and also confirmed that expectation was a part of trust when asked if this could be the case. Nate:

Trust... I guess I will boil it down to that positive intent piece. Believing that people are actively trying to do the best that they think, from their perceptions and understanding. That they are doing

⁷⁰ Kramer, Roderick Moreland & Tyler, Tom R. (red.), *Trust in organizations: frontiers of theory and research*, Sage, Thousand Oaks, Calif. 1996:266

what's right. And so, I need to trust that they are absolutely doing that. I need to believe that. And then everything stems from there.

If I understand correctly, could trust have something to do with expectation?

Yes, it's the expectation that they are there to do the best for the company, or for the team. Best for the role. So absolutely is there expectation.

The third section of the extract from the interview is a clear depiction of the expectation piece identified in all interviews. All managers, when asked to elaborate on the concept of trust, do talk about trust as having something to do with them as managers trusting their team members to do what they are supposed to.

Leadership in Virtual Teams

In the interviews, managers were asked to describe their own leadership, asked about obstacles and opportunities when managing a virtual team, and what leadership strategies they see as more or less befitting when managing such a team. These questions were asked with the intention of investigating how the managers' descriptions of themselves – their behaviours, strategies and perceived leadership style – correlated to research on transformational leadership and to which extent trust is a factor when managing a virtual team. The reason for interest for transformational leadership in relation to virtual teams is that it has been suggested that trust is more important than in traditional teams, and that transformational leaders are better able to elicit trust amongst followers⁷¹. This section will try to connect the managers' described leadership style to the presented research on transformational leadership and transformational leadership in relation to trust and virtual teams. In the interviews, two themes were prominent: The Enabling Leader and The Supporting Leader.

The Enabling Leader

It appears that enablement is an important aspect of leadership amongst the virtual managers. The enabling leader acts to create a sense of freedom amongst team members. Not freedom to do whatever one pleases, but rather accepting that the team members need a certain amount of

⁷¹ Bass, B.M. & Riggio, R.E. *Transformational leadership* 2nd ed., Mahwah, N.J.; London: Lawrence Erlbaum Associates, 2006:44. Purvanova & Bono. *Transformational leadership in context: Face-to-face and virtual teams*. *The Leadership Quarterly*, 20(3), 2009:343–357.

freedom in how they conduct their work. Several managers describe their team members as being very competent in their respective fields. This leads to the possibility of giving people freedom to explore their own way of doing things. However, for managers to be able to entrust their team members with this kind of freedom, it is just that: trust is needed. Trust is a prerequisite for freedom. Donna says that trust can be established by team members showing that they are capable of performing what is required of them. When they can present facts to confirm their capability, they can be entrusted with freedom. Ultimately, the role of the manager is described more as a coaching one, where the manager keeps goals and priorities in mind and guides team members towards these by enabling the right prerequisites, information and support. This, in turn, requires a set of interaction strategies amongst the managers. Instead of managers making sure tasks are being conducted in perfect accordance with their own ways of conduct, they act to create a climate where team members are free to pursue their own preferred way and to ask for guidance when needed. Given the nature of the virtual team, where members are geographically dispersed, and members being described as highly skilled and driven, check-ups on team members is widely viewed as not necessary and ineffective. Bart describes his leadership:

I don't want to micro manage. If you are going to get the best out of a team the members who are the most competent and driven have got to drive different things. [...]
You must be a little allowing since the solutions perhaps aren't going to be exactly as you would have wanted them to be, but that has to be OK. Each person must be able to stand for what they do, and I need to know enough to be able to stand behind it. [...]
This is my style, I try to be more... create possibilities for the team to develop and encourage the ones who want to, to take another step. When doing so you sometimes see very good results.

However, check-ups are different from the regular communication such as virtual team meetings and manager-team member conversations. The micro-managing referred to above is more in line with excessive checking-up, extending to lack of trust and confidence in the team member being able to carry out ordered tasks in a suitable or acceptable manner. Managing the virtual team seems to be more about setting an example and leading the way. Nate describes this view metaphorically:

For me its clearing that path in that thick forest so that people choose to go in that direction. If there is[sic] multiple paths then you make sure that your path is the friendliest, nicest. I believe that's what we are there for.

Transformative leaders have been described as people followers trust. Furthermore, they are also described as being motivating employees, as being able to envision the future and as being encouraging of new ways of thinking and as viewing employees as individuals rather than only employees⁷². The interviewed managers' described leadership bears resemblances to the four components of transformational leadership: idealized influence, inspirational motivation, individualized consideration and intellectual stimulation, in several ways. Nate describes his role as a manager as that of a guide. When considering the two quotes, one can conclude that the managers are more concerned with the process rather than the actual task being performed. Bart talks of involving individuals and encouraging both individual and team development and allowing team members to be a driving force in development, consistent with the components Intellectual Stimulation and Individualized Consideration. Nate talks of people choosing to follow him, and of him clearing the path for his team members, i.e. envisioning the future, a statement consistent with the components Idealized Influence and Inspirational Motivation.

The Supporting Leader

Drawing on the last section describing the theme called the Enabling Leader, The Supporting Leader is the second identified theme from the interviews. When the managers where asked to describe their leadership, they where explicitly asked to keep trust in mind when answering.

Nate depicts his leadership style as being one that clears a path in the forest. This description is also a befitting starting point on this theme. The enabling leader was described as more of a stereotypical description of a leader made up by the combined statements of the interviewed managers. This theme, however, is more about strategies employed by this stereotypical leader. The managers were asked about opportunities and obstacles when managing a virtual team and if there are leadership strategies they use more or less as a result of being a virtual manager. Making sure that the path is clear, as Nate puts it, and helping team members understand their context is a leadership strategy adopted by the managers.

⁷² Bass, B.M. & Riggio, R.E. *Transformational leadership* 2nd ed., Mahwah, N.J.; London: Lawrence Erlbaum Associates, 2006:5-7.

The combined view of the managers' team members is that they are competent and driven. Nevertheless, managerial feedback and support is important according to the managers. Elisabeth draws on situations in newly formed virtual teams where she's had to intervene to support individual team members. She says that one part, the bigger part of a team was stationed at the same site, while the remaining team members were individually dispersed on other sites. This resulted in that the part of the team stationed at the same site "*took over*" the virtual meetings. To combat this meeting dynamic Elisabeth ordered each team member to find an own room from which they connected to the meeting to make sure that all meeting participants joined the meeting with the same prerequisites. The reason for doing this was to support the individually dispersed team members in being more vocal during meetings. Two other supportive strategies were described, one by Winston and one by Elisabeth. The supportive strategy described by Elisabeth is what she calls "*Buddy them up*". Since you can't see your team members it's more difficult to know if something is wrong compared to a traditional team. Hence, a new member of Elisabeth's team is given a contact person in the team with the purpose of helping to guide the new team member in their role. This is especially important in a global role where perhaps no one of your primary contacts are at the same site as yourself. Winston describes a similar strategy, though it's called a SHE (Safety, Health & Environment) Host. The SHE Host is an agreement between the virtual team manager, the team member and a senior person at the same site as the team member that this person will "*keep an eye out*" for them. These two described strategies depict another challenge posed by virtual team work, and that needs to be dealt with in a supportive way. Maggie says when asked about challenges in managing a virtual team:

Particularly in Sweden because the rules are so, so different. Everything: SHE regulations, employment law. A classic one [...] is study leave laws in Sweden. We don't have the same rules in the UK so from a leadership perspective it's how do you make sure that you know about the different rules and regulations [...]. It is then also managing the expectations of your team members in different regions. Managing those expectations across the team of what they can expect [...] and what's different to regional level.

Winston says that the SHE Host agreement is a semi-formalized way of conduct when managing a virtual team. This agreement however, is a more common practice in Sweden. Winston states that it's not as common in England. This means a person working in a team

can find themselves working under different rules, regulations and/or routines than other members of the team due to regional differences. Maggie continues:

Your team have to believe that you are doing the best by them and that you are doing everything you can to them as individuals to help them out. But they also need to recognize that fundamentally the needs of the business has[sic] to come above the needs of individuals.

Zhang & Fjermestad calls interorganizational differences like these divisional membership, stating that it under circumstances like these is important that the leader has an ability to influence the team in order to keep focus on the job⁷³, which Maggie's statement can be interpreted as giving an example of.

"You need to help team members to understand and to take their own decisions" says Donna. She says she does that by making herself available as much as possible. This is done by combining the joint virtual team meetings and manager-team members 1on1-conversations, where conversations are of a professional nature, with weekly socially focused team meetings. The regularity of the 1on1's depends on whether or not the individuals are junior or more senior. Winston also use socially focused communication as a way of *"humanizing"* the virtual meeting. This strategy of actively making themselves available for support and feedback, both in professional and socially focused meetings, is consistent with Jarvenpaa's et. al. suggestion that both professional and socially focused communication creates trust⁷⁴. Also, their behaviour is consistent with the component of transformational leadership Individual Consideration: treating team members as individuals and taking time to teach and coach⁷⁵.

However, both Maggie and Elisabeth, when describing their leadership and elaborating on the importance of support state that it really is no different from how you would manage a traditional team. Elisabeth says:

⁷³ Zhang, S. & Fjermestad, J. *Bridging the gap between traditional leadership theories and virtual team leadership*. International Journal of Technology Policy and Management, 6(3), 2006:285-288.

⁷⁴ Jarvenpaa, Sirkka L. & Leidner, Dorothy E. *Communication and trust in global virtual teams*. Organization Science, 10(6), 1999:791-815. Jarvenpaa, S.L., Knoll, K. & Leidner, D.E. *Is Anybody out There? Antecedents of Trust in Global Virtual Teams*. Journal of Management Information Systems, 14(4), 1998:29-64.

⁷⁵ Bass, B.M. & Riggio, R.E. *Transformational leadership* 2nd ed., Mahwah, N.J.; London: Lawrence Erlbaum Associates, 2006:3-7. Bass, B.M. *Two Decades of Research and Development in Transformational Leadership*. European Journal of Work and Organizational Psychology, 8(1), 1999:9-32.

It shouldn't differ that much in managing a virtual and traditional team. It's about doing the same things but doing them with the electronic tools that you have and doing it consciously and actively.

The biggest difference is, according to Maggie:

It's more about how you pick the people up that are on the virtual side of things and how you focus differently on breaking those into the relationship of the ones who are located on the same site. It's not necessarily treating the team differently but it's treating the individual within that team slightly differently.

So, even though there are obvious differences and different challenges between the virtual and traditional team, the nature of the way you address those challenges perhaps are the same.

Team members need support, from each other as well as from managers. As Elisabeth puts it "*You have to do the same things, but you do it virtually.*" .

Discussion

In this section I will discuss my results and my course of action. The results will be discussed in relation to earlier research on the subject. My course of action will be discussed in relation to what consequences it might have had on the results. Also, I will discuss the potential impact my findings can have and whether they are transferable to different contexts.

Trust

The cornerstone of this thesis has in many ways been trust. However, it is difficult to say if trust in the manner of which I have investigated it is in any way specific to the virtual context. As was the case with the leadership part, it is difficult to know whether the interviewed managers are talking from a perspective of a virtual context or not. However, in case of trust this might not be a significant problem, as the investigation of the concept of trust was just that: the *concept* of trust. When comparing earlier research on the concept of trust, expectation was identified as a common component among all the definitions considered. Expectation was also identified in the interviews as a component of trust, however, it was only once explicitly mentioned, by Elisabeth. In the other interview's expectation was either acknowledged to be a part of trust if asked or interpreted as being a component of trust during the analytical phase working with the data. This is arguably a case of researcher as well as confirmation bias. Researcher bias is described as when one behaves and/or communicates in ways favourable to the outcome of the research and confirmation bias as when one tends to look for, or interpret, information confirming what one belief⁷⁶.

However, safety and openness were widely and spontaneously discussed during the interviews. The identified safety & openness aspect of trust was, as described, consistent with parts of Mishra's definition of trust. Mishra defines trust as "*one party's willingness to be vulnerable to another party based on the belief that the latter party is 1) competent, 2) open, 3) concerned, and 4) reliable.*"⁷⁷. Several managers spoke of the importance a working climate where team members are certain that asking for help or reaching out when in need of support is important. This belief is closely linked with the concept Psychological Safety.

⁷⁶ Duignan, John. "Researcher Bias." *A Dictionary of Business Research Methods*, 2016. Encyclopædia Britannica Inc., "Confirmation Bias." *Britannica Online Academic Edition*, 2019.

⁷⁷ Kramer, Roderick Moreland & Tyler, Tom R. (red.), *Trust in organizations: frontiers of theory and research*, Sage, Thousand Oaks, Calif., 1996:266

Ukko (2015) draws on Edmondson (1999) when he defines Psychological Safety as “*a shared belief that the organization is a safe environment for taking interpersonal risks without needing to fear negative consequences*”⁷⁸. According to Edmondson, team psychological safety builds on trust but is rather a state in the group, a climate at the work place characterizing the group rather than individual relationships⁷⁹. Perhaps psychological safety more than trust would have been easier to objectively discuss with the managers? This is the question I ask myself. When reflecting on the experience of the research, at least I am positive that my findings could make for a solid basis to go on and investigate psychological safety.

Leadership

Researcher and confirmation bias, as described in the above section, may have been an influential factor here as well. This is due to the difficulties of distinguishing between topics being about leadership in general or leadership in virtual teams. Also, when analysing the two identified themes, The Enabling Leader and The Supporting Leader, it was difficult to know whether trust was the foundation of the answers, even though the managers were explicitly asked to keep trust in mind. This difficulty became evident during the last two interviews when the managers were asked if there is any difference in virtual and traditional team leadership and gave answers suggesting there is not any difference in leadership per se, but that the difference is rather in the electronic tools you use to communicate your leadership. However, the two themes encompassed the lions share of the interviewed managers’ descriptions of their own leadership and when drawing on situations when asked to keep trust in mind. These identified so-called strategies, the enabling leader and the supporting leader correlate to transformational leadership and show that the managers exhibit transformational leadership behaviours. If this is a case of the interviewed managers doing so because of being virtual team leaders or if it is their fundamental leadership style is not clear. Purvanova & Bono discuss the matter of whether leaders act differently depending on the nature of team. They conclude that leaders do change their behaviour (transformational leadership behaviours) depending on the nature of the team by adjusting themselves to the demands of the situation. However, they argue that it may be the case that leaders with a high sense of self-awareness increase their transformational leadership behaviours when they are in a virtual

⁷⁸ Ukko, J. et al. *Effectiveness of innovation capability development methods*. Innovation, 18(4), 2016:526.

⁷⁹ Edmondson, A. *Psychological Safety and Learning Behavior in Work Teams*. Administrative Science Quarterly, 44(2), 1999:354.

context.⁸⁰ For the sake of this thesis' transferability it would have been better if the research questions would have been more precise. Perhaps it would have been better to try a comparative approach to leadership in traditional and virtual team leadership.

⁸⁰ Purvanova & Bono. *Transformational leadership in context: Face-to-face and virtual teams*. The Leadership Quarterly, 20(3), 2009:352.

Conclusion

The purpose of this thesis was to try to add on to the existing research on trust and leadership in virtual teams by interviewing virtual team managers at the company. By asking questions about the managers' conception of trust and their perceived leadership style I tried to investigate if the interviewed managers' statements could be tied to the existing research. When analysing earlier research on trust, expectation was found as a common component of several definitions of trust. All the definitions presented in the theory chapter of this thesis were found to either explicitly or implicitly encompass expectation. In the interviews, only one manager, Elisabeth, explicitly used the word expectation as being a component of trust, however, expectation was interpreted as being an implicit component of the other interviewed managers' conception of trust. The other components of trust identified were safety & openness and building a relationship. These components were explicitly elaborated on during the discussions about the concept of trust. The part of the interviews dealing with leadership resulted in two themes being identified. They were called leadership strategies: The enabling leader and the supporting leader. These so-called strategies were found to be related to the four components of transformational leadership: Idealized Influence; Inspirational Motivation; Intellectual Stimulation & Individualized Consideration. However, it was difficult to distinguish if the managers' description of leadership was of leadership in general or, which was this thesis' aim to explore, leadership and trust, and leadership in virtual teams.

Concludingly: *Relationship building, openness & safety* and *expectation* were found to be components of manager's conception of trust. Results also show that the components *the enabling leader* and *the supporting leader* identified in the statements of managers' perceived leadership style and the examples they referred to correlate to the four components of transformational leadership. However, this thesis would have profited from more precisely formulated research questions as well as more cohesive questions. Had I the chance to start over, I would have chosen a comparative approach of leadership in traditional and virtual team leadership. Which is also my suggestion for further research, aligning with Purvanova & Bono's 2009 study⁸¹.

⁸¹ Purvanova & Bono. *Transformational leadership in context: Face-to-face and virtual teams*. The Leadership Quarterly, 20(3), 2009:352.

When I start to draw on the relevance of this thesis to my subject, work science, I end as I began: With Charles Handy's quote in the Harvard Business Review, the latter part of the quote:

The rules of trust are both obvious and well established, but they do not sit easily with a managerial tradition that believes efficiency and control are closely linked and that you can't have one without a lot of the other.

As we develop our organizational infrastructure to heights seemingly incomparable to that of past times, reflecting on how we manage the people working in these developed and advanced organizations is to me of the greatest importance. You can't have organizational development without development in management, you can't have one without the other. It is therefore, equally important that scholars of work science and sociology continue to monitor and explore these developments and advances from our perspective, that which keeps the human at the forefront.

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Appendix

Appendix 1

Interview questions:

1. Introduction: interviewer, the thesis; concept of trust, concept of virtual team, the interviewee.
2. Can you describe your team, in terms of numbers, tasks, geographical dispersion, main ways of communication?
3. Could you describe your role as a global manager? Responsibilities etc. Describe a work day..
4. What is trust to you? Feel free to elaborate on the concept...
5. What is it like to manage a virtual team, and how does it differ from a traditional team?
6. If, how do you take trust into consideration when managing a virtual team?
7. Can you tell me about your leadership?
8. Is there anything in your leadership that you apply more or less of as a result of being a GM?
9. What are the biggest obstacles in managing a virtual team?
10. How do you tackle these obstacles?
11. Could you give me an example, a situation?
12. If, what role do you think trust plays here?
13. What are the biggest opportunities?
14. How do you make the most of these opportunities?
15. Could you give me an example here as well?
16. If, what role does trust play in making the most out these opportunities?
17. Can you elaborate on why you think/not think trust plays a role? Both in tackling obstacles and making the most out of opportunities.
18. How do you think one creates trust in a virtual team?(What do you need, what does the org. need, what does the team need[to create trust])
19. Is there anything you would like to add, anything about anything? Or a question



