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# **Chapter 1: Virtual Project Management**

## 1.1 Background Area - Going Virtual

The phenomenal growth of mobile technologies, as well as the global adoption of the Internet, have altered the way people access and share information. The division of technical knowledge, brought about by cultural differences and inequalities that fragment societies and the capacities of individuals, has been quickly overcome by a faster and cheaper exchange of knowledge. This provides technological know-how to a wider range of cultures and communities around the world, opening up the possibility of incorporating international workforce with minimal expansion needs. Global markets exceed nationalities and seek key advantages in terms of cost, quality and flexibility.

The virtual teams entail a large set of inherent benefits, such as increased pool capacity, access to talent, long active shifts with dispersed teams, focused virtual knowledge base, smaller sites, reduction of international investment and lower labor costs. Coming to lower wage markets. From the perspective of team members involved in distance work, there are a substantial number of recognized benefits and on the other hand virtual teams also poses wide variety of challenges like geographical difference, motivation and cultural differences.

A survey of more than 1,000 respondents created by Wrike, Inc. shows that the three main benefits identified are time savings (41%), productivity increase (29%) and opportunity to focus on work, instead of office politics (10%). On the other hand, the main challenges identified by the respondents are lack of direct communication (38%), difficulty accessing data (21%) and poor visibility of peer actions (19%). (Filev, 2013).

Project managers, regardless of the typology of the project, are not able to carry out their work without the help of a project team and the proper evaluation of the stakeholders. Therefore, an effective project manager must be able to calculate a balance between technical, personal and conceptual skills, in order to help the manager to analyze and interact properly.

## 1.2 Virtual Project Management

One of the most prevalent project management document is the Project Management Body of Knowledge (PMBOK) edited by the Project Management Institute (PMI) defines Project Management as *“the application of knowledge, skills tools, and techniques to project activities to meet project requirements.”* (Project Management Institute (PMI), 2008)

Virtual project management is the system by which virtual teams collaborate for a finite period of time toward a specific goal. There is a multiplicity of factors that may explain the increasing adoption of virtual project management in the current international workplace. The current increase in virtual projects and their economic importance within the project management industry make it a convincing case to investigate the factors that affect the success of the virtual team. This “Virtual Project Management” paper aims to explore the characteristics of progress, motivation and challenges in intercultural virtual environments.

## 1.3 Virtual Teams

Across literature there are multiple definitions of virtual teams. In the literature section there is a wider definition. An introductory definition is the one that Ebraim (2009) summarize from their own literary review:

*“A virtual team is a small temporary groups of geographically, organizationally and/or time dispersed knowledge workers who coordinate their work predominantly with electronic information and communication technologies in order to accomplish on e or more organization tasks.”*

## 1.4 Intercultural Virtual Projects

Culture is a differentiating aspect that has usually been used to describe Diversity. In each culture there is a specific capital of beliefs, ideas, values, myths and, above all, those that unite a community. An individual from that community, when involved in the working group of individuals from other communities to achieve the goal, forms the Intercultural Project environment. If all individuals are not correlated and work at a distance, they form the virtual intercultural project environment.

## 1.5 Challenges in Intercultural Virtual Projects

In the new virtual project environment, team members seldom share a common workplace, rarely seen, perhaps never worked together before, and may never work together again once the project is complete. In other words, when on-site project management has to manage virtual teams, it becomes virtual project management.

Intercultural virtual projects face tougher challenges than onsite projects. It is harder to manage the virtual teams to be successful than onsite teams. One of the reasons is the difficulty to create the common environment for the people from the different culture background and to foster motivation for the team as a whole, directly affected by the lack of face-to-face interaction. The consequences of low motivation can be directly connected to increased difficulty in monitoring the team performance, misunderstandings and perceptions of isolation within projects.

The platform of virtual projects allows organizations to surpass the boundaries of geographical distance, time zones, and cultural differences, however they are not deprived of specific challenges. The four major areas in which the management of global virtual teams face significant challenges: communication, culture, technology, and project management.

With the rise of virtual projects, it is particularly important to adapt management and leadership strategies to the new paradigm. Project management knowledge and techniques need to be applied on virtual projects, however, reduced direct human interaction, technical complexities and other characteristics require that project leaders of virtual teams address various issues of enhanced difficulty when approaching intercultural virtual environments.

# **Chapter 2: Theory and Literature Review**

## 2.1 Virtual Projects and Teams

The virtual project is one in which the participants are geographically distributed to an extent that they may seldom, meet face-to-face as a team.

A virtual team is a set of individuals who work independently working together to provide business solutions. A virtual team will typically include members who work primarily from home and may have a small, centralized meeting office and group projects can be planned and executed.

Virtual teams reside within the interaction of three larger systems: people, processes and technology. These are the components of virtual teams, and as such, need to be addressed in order to have a successfully collaborating team.

As it has been shown, virtual teams main characteristic derives from the lack of physical existence. The tasks, goals, or missions that they intend to accomplish do not introduce necessary differential aspects, however, it is the way these tasks are accomplished, and the unique constraints they face, that differentiate virtual teams from onsite ones.

## 2.2 Challenges in Virtual Projects

In a way, the most challenges identified relate to some of the special characteristics of virtual teams. As it has been pointed out, space and time are some of main characteristics, however, these factors have four main causes for concern: geography, culture, organization, and social issues.

Geography, culture, organization and social issues offer serious challenges in all types of projects, or even, any type of enterprise that has a wide-territory and that involves a multiplicity of individuals. It is true, that virtual environments are affected more severely from these challenges. Thus, the only truly challenge that is only present in virtual teams that has not relation in on-side ones resides in the lack of face-to-face interaction. However, trust, innovation, and leadership are challenges that exist in collocated teams, as well. With this in mind and as a fitting broad summary of virtual team challenges. The first challenge is precisely building trust within the team, which in virtual environment stems on performance consistency, rather than social bonds. The second challenge is maximizing process gains and minimizing process losses. The third challenge deals with overcoming feelings of isolation and detachment associated with virtual teamwork. The fourth challenge is balancing technical and interpersonal skill among virtual team members, which links back to selecting the right individuals for specific virtual environments, due to their technical skills rather than interpersonal skills.

## 2.3 Motivation in Virtual Projects

The fact that motivation is discussed separately because it is challenge and a solution at the same time. Motivation is positively related to productivity, makes it an area worth to be invested in. The two types of work factors influence motivation: hygiene factors and motivation factors. Hygiene factors refer to the contextual features of the working environment, such as salary, working conditions, interpersonal relations, etc. Motivation factors refer to the characteristics of the work itself, such as sense of achievement, responsibility, advancement and growth; in other words, progress.

# **Chapter 3: Methodology and Analysis**

## 3.1 Data Collection with Google Forms

The google form interviews are the main data sources for this paper. The interviews consist of a series of multiple choice, mandatory, optional questions followed by some description questions that aim for an extended reply or clarification. The questions are divided in different categories which at the same time can be focused into three main blocks: background and experience of the respondent, virtual projects, motivation and culture.

## 3.2 Data and Analysis

### *3.2.1 Virtual Environments*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **ADVANTAGES** | **DISADVANTAGES** | **TIME ZONES** | **FACE TO FACE** |
| Respondent 1 | The challenge of meeting new cultures and establishing new relationships. Travel. | Language barriers. Making everybody understand what needs to be done. | It's not a problem. It's a challenge that can easily be bridged. | Depends on projects. |
| Respondent 2 | Flexibility in working schedule. | Not being able to physically interact with people. | Not a problem. | Normally there's no face to face interaction nor meetings. |
| Respondent 3 | Access to talent, flexibility of working hours, higher productivity. | Scheduling everybody is difficult. | It's not a problem. | Depends on the project. |
| Respondent 4 | More flexibility. Higher productivity as you can work with the best talent in continuous shifts. | It's hard to keep up with the progress of team members. | It's not a problem. | It's important to do it as much as you can. |

Table 1 Virtual Environments

The category identified is the one regarding virtual environments and how the respondent experiences their particular characteristics. This category shows interesting points that all respondents seem to have experienced. Challenges, cultures, talent, focus are some of the words that are mostly used. The time variable is a particularly interesting one, as several respondents show the advantage of higher productivity due to the possibility of having continuous shifts across the world in different time-zones.

### *3.2.2 Virtual Teams (Bruce Tuckman’s Model)*

It is important to look into the key activities in the lifecycle of virtual team management. While tradition team dynamics lifecycle stages are defined by Tuckman (1965) as Forming, Storming, Norming, Performing, and later on Adjourning.

The first phase is Phase A: Preparations, where the mission of the project is developed, team members are assigned, tasks are designed, rewards systems are defined, technology is selected, and an organizational integration is planned.

Phase B: Launch starts with a Kick-off event, on which team members get acquainted, the goals are explained and clarified, and a set of rules are set.

The third phase, Phase C: Performance Management revolves around leadership regulation of communication, assessment of motivation and emotions, and knowledge management.

Phase D: Team development is the fourth phase, and holds the assessment of needs and deficits of the team. Individual and/or team training is conducted, as well as the evaluation of the effects of the training.

Finally, Phase E: Re-integration of team members into the organization or other projects.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **FORMING** | **STORMING** | **NORMING** | **PERFORMING** |
| Respondent 1 | Project team members vary from project to project. | Team harmony and positive peer pressure are infectious. | 90% of communication happens via phone and conference calls. Teams are encouraged to communicate. | Knocking down barriers. |
| Respondent 2 | Teams are mixed with client and team members. | Teams are approached on one- by-one basis. | Communication is done with email, IM, phone. | Aim for a very open environment so that everyone can communicate any direction they want. |
| Respondent 3 | Project team members vary from project to project. | Team dynamics are difficult to get going. | Daily Skype meetings with tasks assigned in meetings and followed by emails. | Using the pyramid of communication. Between face-to-face and email. |
| Respondent 4 | Members are dispersed. | The stress lays in the planning phase, instead of brainstorming. Task oriented approach. | Communication is constant with email, instant messaging and Skype. | Use a team site where people can share things or show their profiles. |

Table 2 Virtual Teams (Tuckman’s Stages)

The categories chosen for this theme are taken directly from Tuckman's (1965) stages of group development model (Tuckman, 1965). The patterns that emerge from the first category are the way the teams are created. The teams are assembled normally by a multi-organization approach with different (and sometimes conflicting) roles and goals, and normally are delivered to the project managers already assembled.

The second category, since is symbolically linked to the storming stage deals with the dynamics that teams follow when interpersonal challenges arise. The narratives of the respondents are surprising when they try to think about this process. All respondents mentioned that either they did not experience problems, or that the problems between team members are negligible due to the limited interactions and the higher task oriented nature of Virtual Project Management environment.

The third category, the norming stage defined by Tuchman, responds to the dynamics on which virtual teams communicate or how tasks are assigned and delivered to the teams.

The fourth category of this theme, Performing, which relates more to the way the team performs as a team, instead of the actual tasks and process produced and delivered by the team.

### *3.2.3 Motivation in Intercultural Virtual Projects*

The importance of motivation in Inter-cultural virtual projects is provided in two ways. The first one in a scale from 0 (not important at all) to 10 (critically important). The second one in relation to virtual projects. The responses show a very definite pattern. The value of importance averages 7.75, which signifies a high importance of motivation in virtual teams. However, almost all respondents clarified that the importance of motivation is equal in any type of project, virtual or not. They all agree that fostering motivation in virtual projects is particularly more challenging and difficult than in onsite projects and specially motivation becomes quite challenging in intercultural environment.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **IMPORTANCE** | **INTER CULUTRAL ASPECTS** | **MOTIVATORS** | **DEMOTIVATORS** |
| Respondent 1 | 9 out of 10 | With similar cultures it's easy to see if they're motivated. Overseas is more difficult. | Important to set goals together and build relationships in the beginning. | It's difficult to maintain high motivation if people fear for their jobs. |
| Respondent 2 | 7 out of 10 | Being virtual is a challenge. Having experience in the field is a big leverage point. | Knocking down Cultural barriers for the team. Focus on communication and the good things. | Big changes in the direction of projects. |
| Respondent 3 | 7 out of 10 | The best way to see if they're motivated is by looking at the completion of objectives. | Meaningful work. Listening to the team and the individuals. | Bossing people around. |
| Respondent 4 | 8 out of 10 | It shows because people don't do what they have to. | Choosing the right personality for virtual projects. Task driven people will be motivated. | Can't think of anything. |

Table 3 Motivation in Inter-Cultural Virtual Projects

If motivation is important, how do managers see if the team is motivated or not. If the individuals are doing their work, on time, and as requested, that is a sign of a motivated individual. If the project continues its course and moves forward, if it progresses, motivation should be high. In this case, it is not because of progress that team members are motivated, it is because managers see progress that they assume the team members are motivated. It is a little but important difference.

The last 2 categories try to capture the respondent’s experiences in regards of motivators and demotivators within an inter-cultural virtual project. It is worth pointing out that these factors are not necessarily different from those of onsite projects, as, for example, the cultural difference is a well-known demotivators in any kind of working environment. This category below is probably the most important of all, as provides a self-reflection quality that puts in perspective the other answers.

### *3.2.4 Self-Motivation in Inter-Cultural Virtual Projects*

|  |  |
| --- | --- |
|  | **WHAT MOTIVATES YOU IN INTERCULTURAL VIRTUAL PROJECT?** |
| Respondent 1 | Diversity of projects and dealing with different people of different cultures around the globe. |
| Respondent 2 | New challenges. See the group complete a project successfully motivates me. |
| Respondent 3 | Learning new technology. Pushing myself to more difficult levels. |
| Respondent 4 | I'm motivated by the fine salary I get at the end of the month. |

Table 4 Self-Motivation in Inter-Cultural Virtual Projects

This category is probably the most important of all, as provides a self-reflection quality. It is particularly interesting that all but one responses refer to purely intrinsic motivators. Diversity of projects, new challenges, learning, pushing oneself, attaining the goal, the sense of responsibility, pride in accomplishing something bigger, becoming better, self-accomplishment and a fine salary at the end of the month. All these factors are related to the internal gears that drive each individual and have little or no connection to external factors.

Obviously, this does not mean that without motivators, like a salary, or recognition, these individuals would continue working with the same motivation levels. What it means is that when given the opportunity of reflecting on what drives them, they think of factors that come from within. Even more interesting is that, the only person that acknowledges a motivator as the primary source of motivation is Respondent 4.

# **Chapter 4: Observation and Conclusion**

## 4.1 Observation on the Analysis

The observation about the first category, Virtual environments, is the fact that advantages noted by the respondents have a background of own personal enrichment. However, the disadvantages are linked directly to the social aspect of virtual projects. Team building, communication, misunderstanding, language barriers, enthusiasm, all seem to fit in a pattern of social interaction and intercultural environment.

The second category, Virtual teams, presents one of the main challenges of virtual teams and some of the problems that may derive from it. The lack of physical meetings and face-to-face interactions introduce a difficult situation.

Motivation in Intercultural virtual projects is the third and fourth theme emerging from the responses and are probably the most revealing of all. The main personal motivators of each respondent are so strong and genuine that everyone can feel as own motivators.

## 4.2 Conclusion

This study has been a personal journey that offered both expected and unexpected results. The expected results came in the shape of a lack of motivational features in intercultural project environment.

However, a complete set of unexpected results came with the notion of motivators and the way that translates into actual working settings.

The conclusions that can be drawn from this study are many. The importance of motivation regardless of the project management context. The enhanced complexity of challenges in virtual settings. The progress and the notion of improvement is an extremely powerful motivator that drives us and the salary as motivator is negligible whereas recognition, appreciation and learning curves with different people having different cultural background seem as good motivators.

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