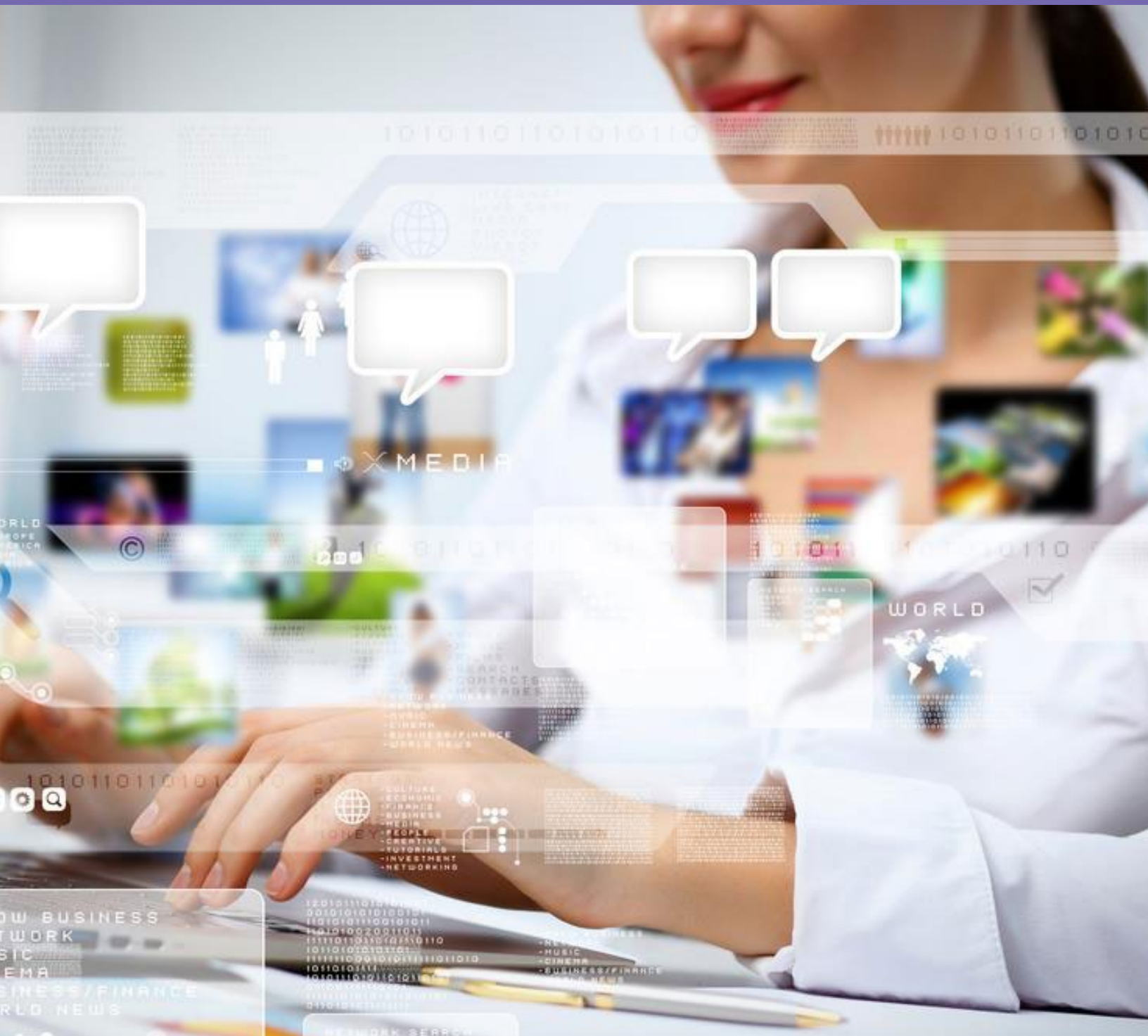


Virtual Teams Survey 2018 Executive Brief



“ The 2018 study underscores that traditional cultural barriers, such as difficulty establishing relationships, impact communication and decision-making in a global virtual world. These behavioral barriers inhibit breakthrough team performance, and are the same issues that surfaced in RW3’s 2010 survey. These challenges are magnified by the growth and reliance on global virtual teams. ”

– MICHAEL SCHELL, CEO, RW3 CULTUREWIZARD



Virtual teams are ubiquitous. They are **the lifeblood of global organizations**, and their effective operation is critical to a company's success. Yet, despite all the technological advances, virtual teams are still impeded. Why? **Human inter-cultural challenges**.

Participation on global virtual teams grew from 64% (in 2010) to 89% today. That 40% increase is an indication of their importance in the way all business is conducted. Clearly, corporate effectiveness is directly tied to how well these teams integrate and operate.

The sobering fact is that all the challenges facing global virtual teams in 2010, 2012, 2014 and 2016 are still present today, and the frustrations caused by these challenges are described with the same degree of importance and frequency. In other words, while technology has developed greater capabilities, the humans still need development. And, **the problems are growing in scale**.

Importantly, not only are virtual teams more pervasive, but they have become more critical. 88% of this year's respondents said they were **critical to their productivity**.



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Today, the challenge of making a virtual team operate effectively has gotten even more complex. The study revealed that 62% of respondents work on **teams with three or more cultures**.

Although the data proves that workers today are expected to demonstrate skills in global virtual communication that are mission-critical, **only 22% of respondents receive formal training**, and only 24% report that their companies provide virtual team charters or guidelines. Given the pervasiveness of global virtual teams, it's surprising that so few people are given formal training.

And, leaders of these teams face hurdles as well. Almost one-third of the global virtual team leaders **rated themselves as ineffective or only slightly effective**. Add to this the 53% who state they are only moderately effective, and you have 85% of all global virtual team leaders. Yet, 19% had formal global leadership training.

Generational diversity causes additional challenges:

“New team members are learning how to work across cultures and generations. They do not have the confidence to speak out and participate. Today we have four generations with equal voices struggling for balance.”



Challenges Virtual Teams Face

Consistent with our studies, the key challenges that are holding virtual teams back continue to plague teams and in some cases have increased in magnitude.

TOP ISSUES 2018:



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The data only tells half the story. Respondents expressed a number of other frustrations with their virtual teams.

Lack of Participation

Hesitant to raise their hand and make a quick decision without management approval. Some cultures are reticent to speak out on a global call.

Language

It is not just accents that are difficult: the use of regional slang terms can cause miscommunications.

Assumptions

Unspoken assumptions or too much explanation can offend the pride of the one receiving it. I have lost big RFPs and have had to rework contracts due to misinterpretation of directions.

Lack of Real Agreement

Acceptance of decisions is not clearly communicated: one party thinks everything is agreed, the other thinks it is still under discussion. In some cultures, it is difficult to say 'no' or to correct misunderstandings.

Lack of Ownership

It is clear there is a "not-invented-here" bias towards other-site recommendations.

Unlocking Team Potential

In spite of these challenges, employees see value in their teams, as 72% of respondents believe diversity has a positive effect on their team's performance.

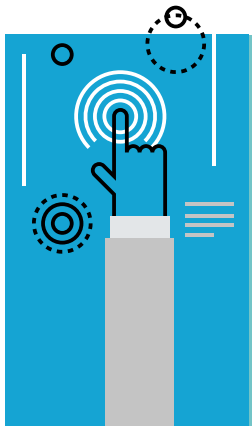
When asked what defines a good virtual team, respondents cited information sharing and collaboration.

In the absence of formal training, what are companies doing? Our study indicates they are increasing the usage of video conferences, group emails, and group discussions. And 62% of respondents say they adjust their communication style to compensate for lack of visual contact. Yet clearly these tactics are not enough.

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We have long realized the business imperative of optimizing global virtual teams. This most recent study points out the rich opportunities for further enhancement. It's clear that organizations will see a significant ROI as they develop these essential skills.



“ Our team has deteriorated: less travel, only virtual meetings, time pressure, little social interaction, and production lines have issues. More stress means our team really struggles and morale is not good.”

About the Study Sponsor



CultureWizard is a powerful blended learning system that develops the intercultural expertise necessary to succeed in a global workplace. Owned by RW3, with offices in New York, Los Angeles, London, and Hong Kong, CultureWizard is a leading provider of intercultural learning solutions for global business. Through a proven combination of digital & mobile learning, in-person workshops and an ever-growing multimedia library, professionals can master a Global Mindset and dramatically improve personal and company performance.

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