

E-Leadership and Virtual Team

# Understanding the Influence of E-Leadership on Virtual Team Performance

Empirical study

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# Introduction

As a result of many new trends especially, the technology advancements and developments, new kind of leadership has been emerged as adapting to the change in the circumstances in the business world, this adaptation called Virtual Organization (VO) that has been emerged in the 1990s. Such a paradigm, allows companies to intensively use ICTs that encourage collaboration between them anywhere all over the world. At the same time being engaged in collaboration, VO partners have been increasingly depending on a Virtual Team (VT) to accomplish multitasks and more complicated projects. For accomplishing such tasks VT needs a leader able to influence their performance and overcome existing challenges.

## What is E-leadership?

Based on the leading experts in the field, the most common definition of e-leadership that has been developed by Avolio and colleagues (2014) as they noted the e-leadership has been defined as “a social influence process embedded in both proximal and distal contexts mediated by AIT that can produce a change in attitudes, feelings, thinking, behavior, and performance” (Avolio et al. 2014:107).

# Objectives

This study has used the questionnaire as a research instrument and it aims to investigate empirically that:

- E-leaders exists and important in the organization.
- E-leader behavior is positively related to virtual members' performance.
- virtual members' performance is positively related to the performance of other members within the virtual team.

# Research Methodology and Data Collection

- The study was conducted using a primary data collection method, specifically a quantitative data collection method which was a questionnaire with closed-ended questions.
- The sample consists of 66 participants from different firms ranging from startups to large organizations operating within different industries in Saudi Arabia. However, due to the limited number of respondents, the sample has expanded to include organizations from different countries.
- The participants were full-time employees at the time of the study and have been involved in virtual teams or at least aware of virtual teams' practices.

## **First; testing the significant Existence of the E-leader in Organizations**

For testing the statistical significance of the existence and importance of the E-leader dimensions in organizations as the main part of this research, the mean of the E-leadership dimensions is computed to determine whether these dimensions are satisfactory existence in organizations or not. A one-sample T-test was conducted to investigate whether the means of E-leadership factors are significantly different from the mid-point 3.0.

## **Second; testing the significant effect of E-leader behavior on the Virtual Team members' performance**

A correlation analysis was seen as the most appropriate to test the main hypothesis of this research since this hypothesis involved the relationships between one dependent variable (Virtual Team members' performance) and one independent variable (E-leader behavior).

### **Third; testing the significant relationship of the virtual members' performance and the performance of other members within the virtual team**

As the same manner, a correlation analysis had been performed to test the third hypothesis of this research since this hypothesis involved the correlation relationships between one independent variable (Virtual Team members' performance) and one dependent variable (the performance of other members within the virtual team). The result shows that the Virtual Team members' performance has a moderate positive effect on the performance of other members within the virtual team since Virtual Team members' performance is positively predictor of other Team members' performance



# Results

*H1: E-leadership is significantly has significant existing in the organizations existed and important in the organizations*

hypothesis one is accepted. This assures (Sahay & Baul, 2015) study which concluded that Virtual working environment and teams are now in a critical position and this is all due to the changing working conditions and competitive business environment. This also assures Mohammad (2009) results stating that the last decade or so information technology has been revolutionized by the advent of the internet and its support technologies.

***H2: E-leader behavior is positively related to Virtual Team members' performance.***

According to the results hypothesis (2) might be rejected as it shows that only 13% of virtual team members' performance is affected by E-leader behavior. This indicates that there is a weak relationship between the behavior of e-leader and virtual team performance. This assures that e-leaders still need to address the challenges and issues that arise in virtual teams. In general, virtual teams are separated by time and distance. All types of communication and interaction between the virtual team members take place through information and communication technology.

## **Challenges facing E-leaders**

Today, leaders face challenges in integrating information technology and human (virtual employees). Technology acts as a critical component in the virtual organization and use of technology is influenced by several factors such as social factors, usability factors, and situational factors. Integrating technology with traditional models is most important for today's competitive business and also acts as a major challenge. So, it is essential for e-leaders or virtual leaders to overcome those challenges in order to achieve organizational effectiveness. E-leadership also faces challenges due to individual barriers, interpersonal barriers, organizational barriers and changing nature of job or work. This study recommends e-leaders to develop skills and knowledge to overcome the challenges in e-leadership activities (Sahay & Baul, 2015).

***H3: Virtual Team members' performance is positively related to the performance of other members within the virtual team***

This assures the study of Connelly & Turel (2016) which suggest that perceptions of emotional authenticity have significant effects on virtual team performance, albeit indirectly. This also assures that Managers of the company should invest less intangible assets, but more in the virtual team to generate knowledge, and increase employees' creativity to stimulate incremental innovations in already existing information technology that will directly generate their future competitive advantage (Ale and others, 2011).

# Conclusion and Recommendations

Virtual team leaders or E-leaders must develop best practices that have the capacity to face unique issues and challenges in the virtual organizations. Apart from this, this study recommends virtual team leaders to ensure the success of the virtual teams and individual team members. In addition to this, it is essential for virtual team leaders or e-leaders to provide confidence, motivation, proper guidance and coordination to the virtual team members. This will help virtual team members to provide better performance and thereby it paves a way for organizational development. So, it is essential for leaders to develop a new virtual organizational management paradigm in order to address the issues that arise in a virtual working environment.

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