LEADERSHIP IN VIRTUAL ORGANIZATIONS

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ABSTRACT
Current economic circumstances, very dynamic and characterized by uncertainty, require organizations to identify new sources of competitive advantage to remain competitive. Collaboration between organizations in collaborative networks are forms and environments in which organizations can use their distinctive potential. Capitalization of organizational potential in isolated manner, will not generate competitive advantage.
Also important, the globalization and relocation of business, and integration of geographically distributed collaborative networks have led to the need of identifying new ways of driving closer distributed nature of business. Collaborative networks, virtual organizations and new technologies underlying organizational processes provides new spaces for interaction. Distributed organizations leadership gains new meanings that can be explored.

KEYWORDS: *leadership, virtual organizations, globalization, collaborative networks*

JEL CLASSIFICATION: *M19, M12, M10*

1. INTRODUCTION

World economy at the beginning of this millennium is characterized by consolidation of the globalization process, generates the potential organizational effects if organizations do not operate in a single or isolated manner. Therefore, collaboration between organizations gained new values, and the potential synergistic effects at group level can be sources of sustainable competitive advantage. Complexity and environmental turbulence that organizations carry out their strategies are sources of change. To become competitive, or to keep their competitiveness, organizations are forced to develop their skills, capabilities and unique potentials to generate distinctiveness in a global context.

Advances in recent decades have had significant effects on organizations. Decentralization of information systems has led to flattening organizational structures, increased interconnection capacity, processes and activities carried out jointly by the organizations. The effect of technical and technological progress in organizations is reflected by the increasing flexibility and the formation of agile and proactive behavior that answers to the complexity of business environment.

Distinctive and unique potential importance of organizations to acquire competitive advantages, is an argument of the roles of collaborative networks in the new economic and social context. To be competitive, organizations develop their capacities, capabilities and unique potential, and develop relationships with other organizations to have access to knowledge, information, skills and resources.

The changes and transformations that have occurred in the structure of business sectors have generated changes in organizations and at strategic level. Organizations chose to shift to the systemic and collaborative innovations. The new strategic direction and collaborative advantages

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have led to a better exploitation of the potential of organizations, but especially common potential, the effect of synergies arising from the emergence of new forms of collaboration.

Collaborative networks and virtual organizations as their distinct forms, come in response to the challenges and dynamic business environment, to the need to identify complementarities and synergies and common cause to achieve strategic objectives. The new paradigm of collaboration generates profound changes in how organizations collaborate.

With the emergence of these new forms of organization, their leaders need to develop new leadership styles to coordinate resources more efficiently, which often are geographically distributed, sometimes at the global level. The emergence of virtual organizations led to the identification of new styles of leadership, according to the new virtual context in which managers and people operate. The interaction between geographically distributed organizations employees is achieved mainly through new technologies, and access to information is ubiquitous. Mobile services and telecommunications software, now provides an intelligent platforms through which managers can coordinate organizational activities and processes. Thus, interaction with team members and leading activities acquires a new dimension, the virtual one.

2. VIRTUALITY IN ORGANIZATIONS

Our appropriate arguments to analyze the implications that virtuality has in the context of organizations, specifically in leading activities are the distinctive features of virtuality on different levels of complexity.

In the literature there are views of some authors from different fields of science on virtuality and virtualization in organizations. In terms of dimensional and relational between members is a constant comparison between the overall size of virtualization by geographical dispersion, electronic interconnections and features that have virtual organizations in this context, and a local dimension. Literature review granted ample space to the role that technology it has in virtualization of management functions, business processes and in relations between organizations. What 's new is the new types of organizational structures and new forms of organizations, most often virtual, being a response to the uncertainty , complexity and globalization trend of businesses.

The overall trend is to expand the virtualization space and access to global electronic information technology and the ubiquity of information. The shift to a new paradigm, namely the information society to virtual society had a major impact on the way people carry out their activities, communicate and share their knowledge through networks.

In a general approach, "virtual" primarily describes "a spectrum of alternative concepts of a future that could have an individual. Second, "virtual" can mean everything in a general sense, a potential new spaces, artificial data processing and digital information medium (Sandbothe, 2001). "Virtuality" defines space to create new identities similar to the real ones. Thiedake believes that "virtuality" is a space where alternative reflected the real world (Walsham, 1994). Explanation of the term "virtual" can be done from many perspectives of knowledge areas such as computer science or philosophy. Philosopher Michael Heim defines the term "virtual" as "the possibility in the future but not now" (Heim, 1993). In the same logic, Sotto defines virtuality as a series of "features that do not exist in reality, but still there, having the ability to be found in reality" (Sotto, 1997). In all philosophical explanations virtuality represents an event or an entity that generate real effects, but are not actually real. And this philosophical approach is in line with our approach concluding that the virtual organization is intangible, without borders and physical boundaries but the actual structure consists of traditional and whose effects are real.

In an evolutionary sense, virtual organizations are considered to be extensions of the boundaries, structures and all the components that make up traditional organizations achieved through technological progress. That understanding, however, is not comprehensive enough to define concepts sucjh as "virtual" and "virtualization" in the context of our work. Virtuality can not be explained as a simple extension of the physical boundaries of organizations, beyond what is

tangible and physically defined, but can also mean a new entity, an emergent one.

Organizational studies literature we found Zigurs and Qureshi opinions. They conclude that virtuality includes activities that can be performed, and may take place at any location and at any time, without limitations and barriers imposed by time and space. The two authors, believes that virtual entities is attribute of "being somewhere else" and not be present due to their inability to be experienced physical presence (Zigurs and Quereshi, 2001). Under this approach, we conclude that virtually does not define a place but a space because virtualization does not fall within fixed limits. A physical space has its limits, but a virtual one is fluid and flexible without borders and limits, allowing interconnection of entities with a high degree of diversity. Virtuality breaks the pattern of traditional physical spaces clearly defined by boundaries, providing new perspectives and opportunities. Virtual context is one unrestricted with linear flow allowing free movement of any kind of intangible resources. Such a potential expression of freedom and flexibility encourages fluid exchange of ideas, informations, setting the context for learning and creativity. Information technology plays an important role in virtual organizations and a wider vision creates new forms and representations of systems, processes and different realities.

From group theory perspective, virtuality is a measure of dispersion of a group from temporal, cultural, spatial, organizational perspectives and communication between group members is achieved through technology. The same logic we cand find at Chudoba. He believes that virtuality is closely correlated with spatial discontinuities, time, organizational, cultural, technological and organizational culture (Chudoba et al., 2005). Gibson and Gibbs define virtuallity as "a higher order construct that has many connotations and includes independent four defining characteristics: geographical dispersion, dependence on technology, dynamic structure and diversity" (Gibbs and Gibson, 2006).

A complete definition of virtualization we met at Panteli. He see virtuality as the process begins by modeling and abstraction of reality through technology and people. Technology in this sense is the basis of human actions and interaction (Panteli, 2004).

3. LEADERSHIP IN VIRTUAL ORGANIZATIONS

Virtual teams are groups of people new forms in globally distributed organizations. Leadership teams and virtual organizations grow in importance due to the trend of globalization of business as a result of interaction between individuals through new technologies. The most appropriate employees, depending on the level of training and skills held can be anywhere, thanks to new communication technologies, flexibility and labor mobility. Virtual teams can be members of the same organization, or it may include members of different organizations. These teams are characterized by flattened structures, or horizontal and geographically distributed human resources and offers a lot of advantages and challenges their leaders.

As in traditional organizations where the virtual key leaders perform various roles such as motivating employees, coordinate the efforts, identifying, developing and harnessing the potential of the individual and joint activities. In virtual teams and organizations leaders coordinate distributed groups of people, and face to face communication is replaced by the interaction in virtual environments.

For leaders who lead individuals remotely through virtual environments is a great challenge to motivate them. There are some key challenges in terms of motivating individuals away: the transmission of a common vision, sending messages in a convincing manner, conflict management and appropriate team foundation. For leaders with specific features, genuine inspiration is a key feature in transmitting messages vision and also to motivate employes.

As argued in previous passages, communication in virtual organizations is mediated by technology, so that leaders will be difficult to inspire the members of the teams. To facilitate communication, virtual organizations use a variety of audio and video technologies which successfully replace face to face communication but nonverbal communication is important in the interaction between

individuals and will be difficult to convey through virtual environments. Some authors, however, believe that information and communication technology offers more complex environments to facilitate interaction between individuals. For example, it was found that individual motivation arises in the early stages of a team, being greatly affected by the communication media used (Wright and Webb, 2010). Therefore important elements such as the transmission of mission, vision and objectives underpinning the efforts of a team of virtual organization must be transmitted through multiple channels and rich environments, not only through unidirectional communication.

Clear targets and objectives, is a way for teams to be effective , motivated and involved. The role of leaders is to define and submit individual and group goals and then to create convergence between them. Studies have revealed that teams interacting in virtual environments mediated by information technology have a greater commitment and cohesion of the members and a climate for collaboration and sharing of ideas. Compared with individuals who interact face to face, distributed team members can be involved simultaneously in multiple projects and teams and dynamically allocating effort on the progress of the project. Memberships of several distributed teams can bring disadvantages by increasing ambiguity, inability to coordinate and one of the most important roles that leaders have is to take into account, when determining the overall objectives of the team, te commitments of individual team members.

Feedback is a critical mechanism for the leading team members to adapt their behavior and efforts. Barriers to virtual forms of organization as indivudual and group performance can be difficult to quantify. In traditional organizations, more information on employee performance can be obtained simply by observing the behavior and how they work. Literature on leadership in virtual organizations provides little guidance on how leaders can get information about the work of the team members.

When team members identify in a large extent with the team will be part of the identity and values that team promotes, and their commitment will be much higher. Geographic dispersion and different origins in terms of cultural values that may have members of a virtual organization can be obstacles to group cohesion. The role of the leader is to create a distinct identity which reflects the team members, regardless of their origins. Another way in which leaders can create a group identity is designing activities that are interrelated. Interdependence of activities to be carried out, will lead to collaboration for work to be performed. Collaboration means exchanging ideas and sharing knowledge and mutual understanding of shared values within team. Another advantage of interrelated activities and hence the collaboration is to increase mutual trust between distributed team members. If a virtual team leader manages to motivate members to open up and communicate personal values, even through virtual environments will generate openness and acceptance of cultural differences , opinion or ideas , thus increasing trust and group cohesion.

One of the most important effects that can generate collaboration at team or group level is synergy. Discussions, exchange of ideas, knowledge and skills intake facilitates generating synergy effects at team level. A significant advantage that virtual teams bring is that, due to their flexibility, allowing access to new members. Individuals, bearers of skills can be integrated into teams according to needs. A significant advantage is that virtual organizations minimize costs and integrate in teams new members wich are carriers of skills found in other geographical locations.

A particularly interesting aspect, identified in the literature, is the paradox of connectivity (Lojeski, 2009). When individuals perceive each other as being remotely, effective leadership can be considerably affected, reducing the commitment of the team. Leaders work on three different levels: communicating the vision, inspiring and motivating individuals to act. Leaders should act in virtual environments to create a context in which the followers be sufficiently well informed to make good decisions and take actions. In traditional organizations leaders who talk face to face with individuals acting on the sharing mental models and vision of the organization. Mission, organizational goals, inspiration and team enthusiasm are transmitted efficiently and increase in intensity in organizations that rely on traditional models of organization (Lojeski, 2009). Leading effectively in virtual environments means to develop some dimensions of space of individuals interactions.

First, leaders must develop and maintain an ongoing context for the manifestation of members cognitive potential in virtual organizations. Virtual teams or virtual organizations must constantly engage, retain and connect team members within organization. Members of virtual teams, as stated in the preceding paragraphs, may be involved in a multitude of projects carried out simultaneously, so they can face changes and high dynamics and situations of uncertainty. The constant is the leader in virtual organizations. The leader acts as an anchor and guide the organizational dynamics of distributed group. Leaders in virtual organizations have an important role as integrator and facilitator therefore should provide informations about the organizational context and the people who are part of them. The leaders are the ones who must thoroughly understand and communicate the organization's strategic vision to increase cohesion of distributed groups.

Secondly virtual organizations leaders must generate and lead communities. In electronic collaboration and virtual environment the cultivation and maintenance of active virtual communities is a precondition that can ensure success. Collaboration in the virtual communities will generate sharing of information and knowledge, but the most important is to urge members to action to achieve organizational objectives. Equally important is that these communitier are used to identify ways to create cohesion, confluence and commitments.

Some of leadership practices in traditional governance of organizations require that the leaders consider tasks as processes can be divided and assigned to individuals. Leaders in virtual organizations view followers as carriers of competence with their own style of communication and expression of ideals. In this respect, leaders who lead globally distributed teams, encourages followers to develop a leadership style based on global experiences, cultural compatibility, mentoring, 360-degree vision, communication and interaction adapted to other members and increase self-activation capacity.

4. CONCLUSIONS

Leaders excelence and leading organizations geographically distributed teams in virtual environments requires: technological dexterity, the ability to convey the vision and mission, overcoming barriers imposed by interaction in cyberspace and virtual environment, more cohesive groups and communities, authenticity and transparency leaderhsip.

Techno dexterity refers to the abilities and skills required to use the new technologies and communication for interacting in cyberspace. Because of the cultural diversity that defines a virtual organization, flexibility is needed. Virtual organizations leaders can increase the cohesion of distributed groups by overcoming organizational, geographical, cultural and specific fields barriers. One of the most important feature of virtual organizations is the high degree of heterogeneity, and fluidization of interaction between individuals and groups with different cultural backgrounds or different values. For those leaders who lead remotely the team members, from glocalization perspective, convergence of vision and actions is important. Authenticity and transparency are traits that leaders of virtual organizations need to develop, but especially to promote as value within organizations. Authenticity also to be found in all the means and ways by which individuals communicate and interact in the virtual organization.

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