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ABSTRACT

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Abstract

Business environments and industries are in a constant cycle of development and change. Organizations, units, teams and individuals often need to overcome boundaries of location, time, countries, language and not least culture in daily operations and communication. To be successful, companies need to find other models of operating in addition to the traditional local organization, team and reporting structures. This thesis takes a look at how virtual teams work in today's business environment; emphasis will be to study how culture and cultural differences impact trust between virtual team members in the virtual working environment.

The empirical findings of this thesis are based on interviews and observation conducted on members of one virtual organization within the case company. Conclusions and findings were projected through the theoretical framework. The theoretical framework consists of some of the most prominent researches on organizational and national culture and articles on virtual teams and organizations.

Based on the study culture does have impact to how trust is developed in virtual teams and how lasting relationships are maintained. Communication, as part of culture, was considered the main contributor to gaining trust of the lack of it in the case organization. With the lack of face to face collaboration the methods of communication as well as how communication was organized was seen as pivotal parts to building trust as well as the success of the virtual team. Understanding cultural differences degreases the risk of misunderstandings in communication and loss of trust.

The focus of the empiric part of this study is based on observations and interviews of virtual team members within only one organization and one corporation the conclusions and findings presented at the end of this thesis paper can not be considered universally applicable. For further studies on the topic comparing the differences of the impact of culture to trust in virtual teams against traditional co-located teams in several different size companies and organizations would a have given a wider perspective for the analysis.

Key words	Virtual teams, virtual organizations, organizational culture, trust
Further information	