

**Leadership Challenges in
 Global Virtual Teams:
 Lessons From the Field** **4**

Managing a team effectively is always a challenge, but never more so than when the team members are scattered across the globe, unlikely ever to meet. A case study of a “virtual” team found that leaders can take some steps to counter the forces tending to fragment the team and undermine its effectiveness. These include making sure the team is working on issues its members find personally compelling; jointly defining and committing the team to an identity, goals, and processes; managing performance with a process that recognizes the team members’ routines and daily work; creating a “lavish” information flow; and binding the process with the leader’s unmistakable commitment. Allowing time for virtual socializing — during phone or video meetings, for instance — also fosters team cohesion.

Kenneth W. Kerber and Anthony F. Buono

**How Should Business
 Respond to a More Religious
 Workplace?** **11**

To begin with, the U.S. is one of the most religious nations in the world. In addition, the rise in foreign-born workers from non-European countries is changing the composition of faiths represented as well as the assumption that religion and work should be separate. Finally, the concept of “spirituality” not necessarily connected with an established faith is becoming more pervasive. Title VII of the Civil Rights Act of 1964 forbids discrimination based on religion, and EEOC guidelines also include “moral or ethical beliefs.” Employers are required to make “reasonable accommodation” for an employee’s religious needs, and most litigation under Title VII pertains to this requirement. Following a set of five recommendations may help managers navigate in these choppy and clouded waters.

James F. Morgan

**Career Development of
 Women in Information
 Technology** **20**

As an ever-widening range of industries need employees with information technology (IT) skills, employers should be aware of the main issues affecting IT as a vocational choice as well as turnover rates among IT employees. Furthermore, the crucial role played by these employees in productivity and innovation suggests that women, now underrepresented, will become more important. A survey of 20 individuals in the IT field sheds light on the issues and perceptions that determine whether women choose this field and whether they are satisfied with their IT positions. Balancing work and family and equality of career opportunities are among the main ones for women.

Jennifer A. Muryn Kaminski and Anne H. Reilly

**Cultural Assessment:
 Differences in Perceptions
 Between Boards of Directors
 and Other Organizational
 Members** **31**

Given the harsh glare of publicity recently accorded boards of directors, an examination of how they perceive the companies they oversee seems timely and appropriate. Among the many responsibilities of a board is to help develop and implement strategy. Can they do this successfully without an accurate understanding of the organization’s culture? A study of cultural perceptions of directors and employees in three Midwestern credit unions showed significant disparities between the two groups that could inhibit organizational success. Further research could investigate whether boards develop their own cultures through which their perceptions are filtered.

**B. S. Sridhar, Don Gudmundson,
 and Dale Feinauer**

Business-Domain Definition and Performance: An Empirical Study 40

Back in 1974, Peter Drucker pointed to managers' failure to ask, "What business are we in?" as the principal cause of organizational frustration and failure. The purpose of an explicit business-domain statement is to answer this question by identifying competitive boundaries. Does having such a statement boost the bottom line? An empirical study based on questionnaires sent to CEOs of small and medium-sized multi-media firms in the Netherlands supported the hypothesis that an explicit business-domain statement was associated with higher performance (represented by sales growth). Further research using a larger sample and also companies in other industries and other countries should continue to explore this thesis.

Jatinder S. Sidhu

The Effects of Family Ownership and Management on Firm Performance 46

Family ownership or control is the most common form of business organization in the world. In the U.S., such businesses, while often small, compose 35% of companies in the Standard & Poor's 500 Stock Index. Nevertheless, there is little hard information about the effects of family ownership on firm behavior and performance. A statistical investigation based on the 150 largest family firms in the U.S. in 2003 (from Family Business magazine) finds that family ownership and control tend to enhance firm efficiency, leading to a higher return on investment. Results on profitability for family versus non-family firms were mixed.

Jim Lee