Capitalizing on virtual teams for business agility

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Agenda

- Virtual team myths

- Business case

- Impact of culture

- Virtual team models

- Virtual team best practices

- Virtual organizations

- Need for face-to-face meetings in a virtual team environment(?)

Definitions

"**Agility**: The ability of an organization to sense environmental change and respond efficiently and effectively to that change." (Designing the Agile Organization: Design Principles and Practices, 6 January 2004, Gartner Group)

"We define **agility** as the time it takes to make changes that are mandated by the business…" (Nora Denzel, HP Adaptive Enterprise Program)

Virtual Team – A team with members that are geographically distributed across more than one location. Virtual teams can include geographically dispersed teams, where team members work in different locations/states/countries from each other, teams with telecommuters (a form of geographic dispersion in of itself), teams formed horizontally across vertical organizations (project teams, task forces, etc.) or teams formed across different companies.

Virtual team myths

Virtual team myths

- "It's always better to meet face to face" - e.g. project launches, new teams, etc.

- "If it's really important, you MUST do it face to face", e.g. negotiations, personnel issues

- "We need to focus on helping those few people who will be remote" - e.g. distributed members will be the exception

- "You can't climb the corporate ladder unless you're physically there" - e.g. you need to sit near the boss and be seen

Virtual team myths

- "Virtual communities are ineffective" - e.g. can't simulate "water cooler" conversations

- "Virtual teams are about working at home" e.g. it's only about telecommuting

- "Technology will solve all problems" - e.g. we just need 3-D virtual reality

- "There is a center of the universe and everything must revolve around it" - e.g. people should be willing to move if they want to work for us

Business case

Business case

- ## Show me the money
  - Eliminate expensive company moves
    - Typical corporate move today costs $42,000
  - Travel avoidance
  - Real estate savings

- ## Human Resources advantages
  - Getting the right person for the job regardless of location
  - Provide better safety and security
    - SARS, terrorist attacks
    - Avoiding single point of failure
  - Providing Work/Life Balance

Business case

- Organizational advantages
  - Mergers and acquisitions
    - HP "clean room"
  - Regional representatives
  - Getting sales representatives out of the office and in front of customers
  - Tying together a decentralized organization
    - HP PC Common Operating Environment team

Case study – "Clean Room"

- Multiple teams formed prior to closing of HP/Compaq merger

- Formed to prepare the new company for the proposed merger

- Geographically-dispersed, cross-company, cross-organizational

- Most work done through virtual meetings
  - Some teams (*Personal Communication Infrastructure Strategy*) *never* met face-to-face

Case study – "Clean Room"

- "Day One" Results
  - Detailed product roadmaps were available to customers
  - High-level organization charts were available within the company
  - Telephone systems, E-Mail systems, networks and the enterprise directory were integrated to the point where employees in the two pre-merger companies could easily communicate

Case study - PC COE team

- Mid-1990s HP team to create an internal managed desktop

- Corporate-sponsored team that tied together 100+ semi-autonomous factory and field IT organizations

- "Seat at the table" approach

- Globally dispersed team

- Funded, partially funded, "extended" members

- $200,000,000 annual savings

Core Team (20)

Extended Team (50)

Yearly PC COE "Congress" (over 100)
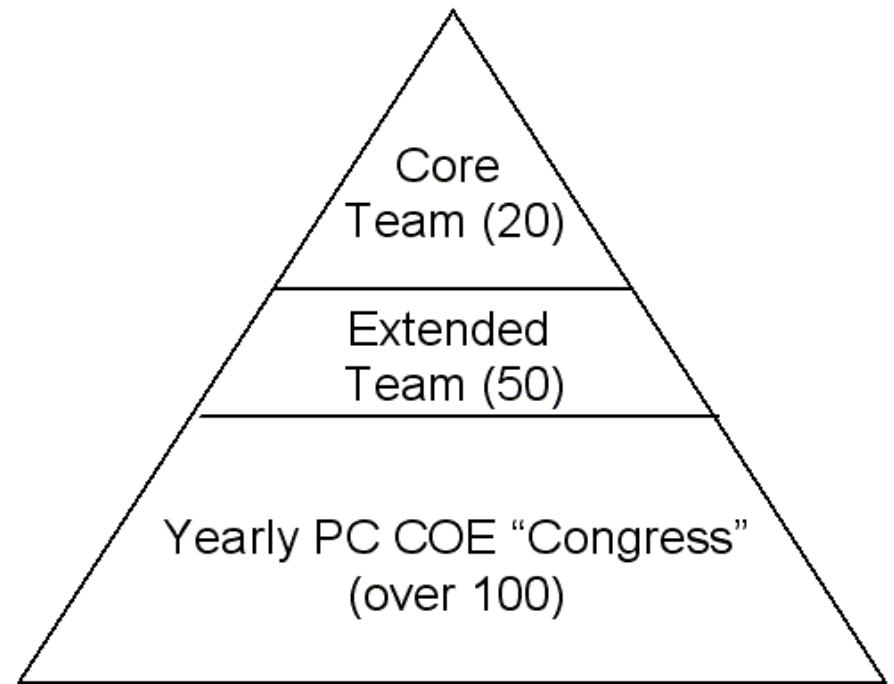
Impact of culture

Why some companies don't get it

- Effect of company culture
  - Hierarchical, command and control environments may have a harder time with virtual teams

- Management culture
  - Managers like to be able to see people when they have assignments to hand out
  - Managers like to be able to see if someone is at their desk and "working"
  - Water cooler conversations are key to innovation, and can't be replicated electronically

Jobs near the corporate "central hive"

	% jobs in state (Mar 2002)	% jobs in state (Jan 2004)
HP	46	44
IBM	21	34
Microsoft	87	82

Virtual Team Maturity Curve
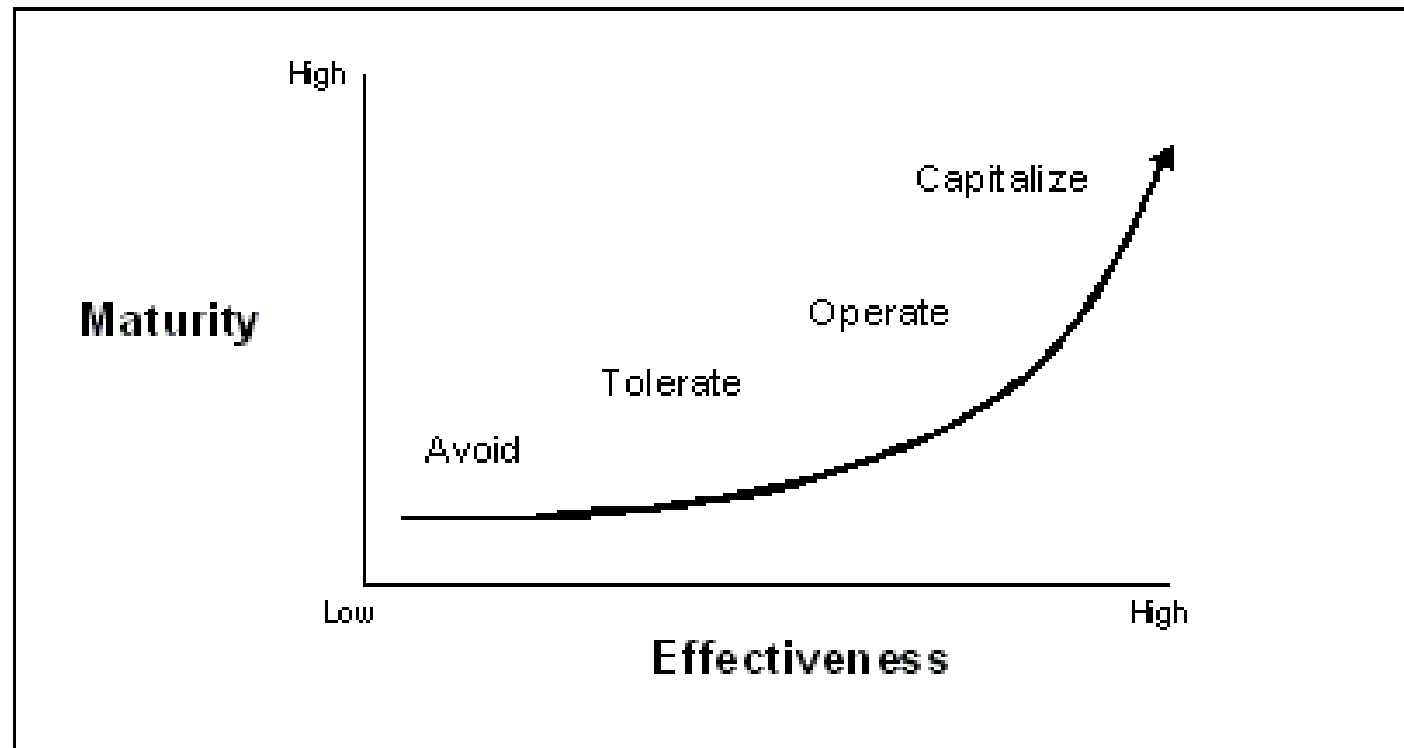
Virtual team models

Virtual team models

Mostly Co-located:
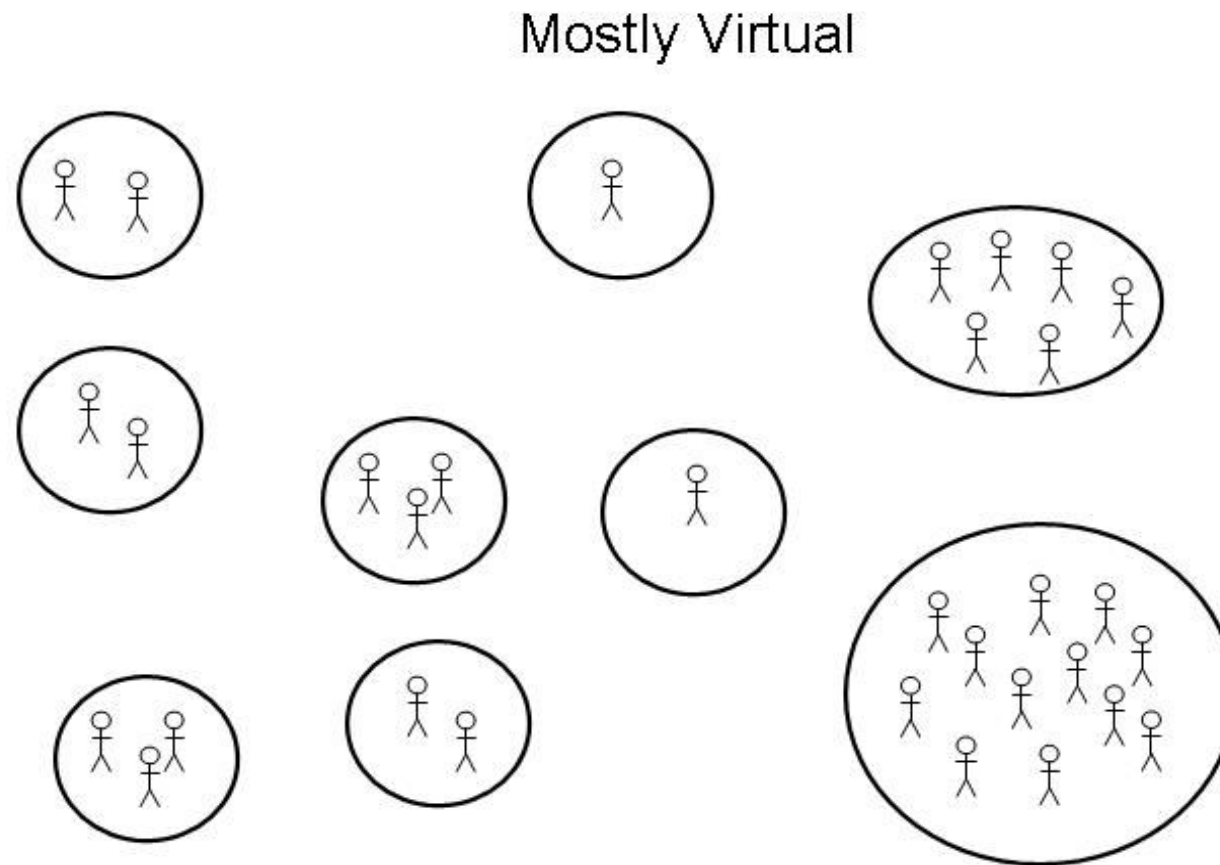One location, several remote team members

Telecommuter

Remote site

Majority of Team in One Location
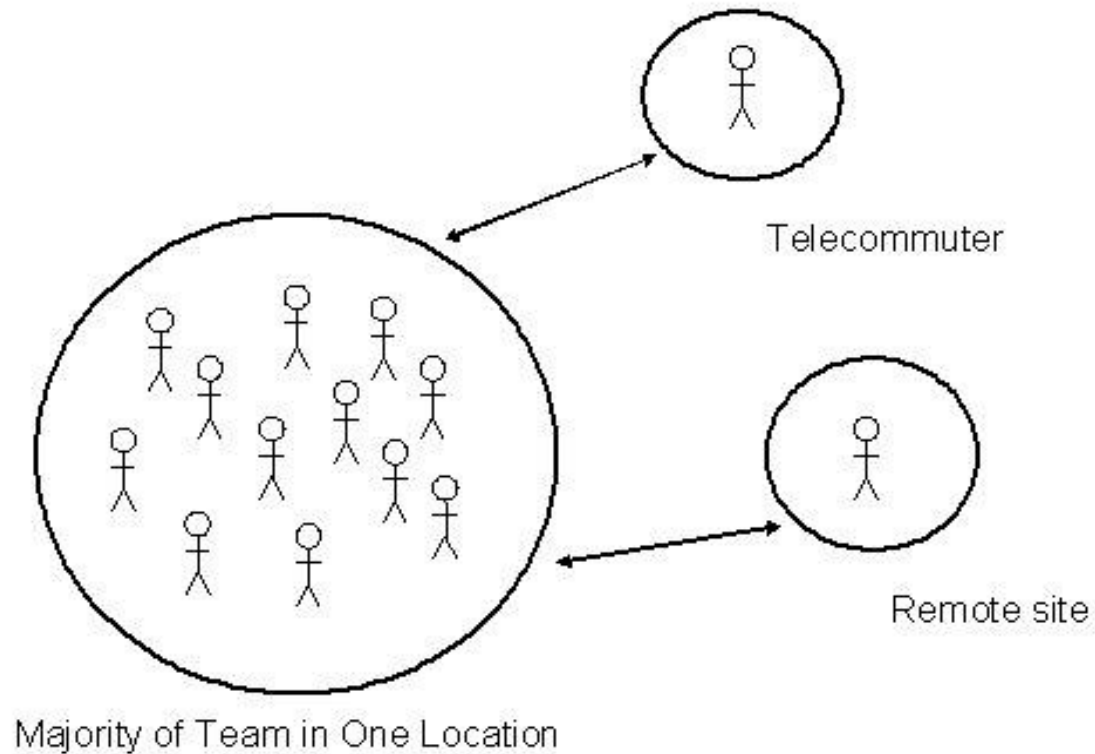
Virtual team models

Mostly Co-located:
Several Locations of Concentration

Virtual team models

Mostly Virtual
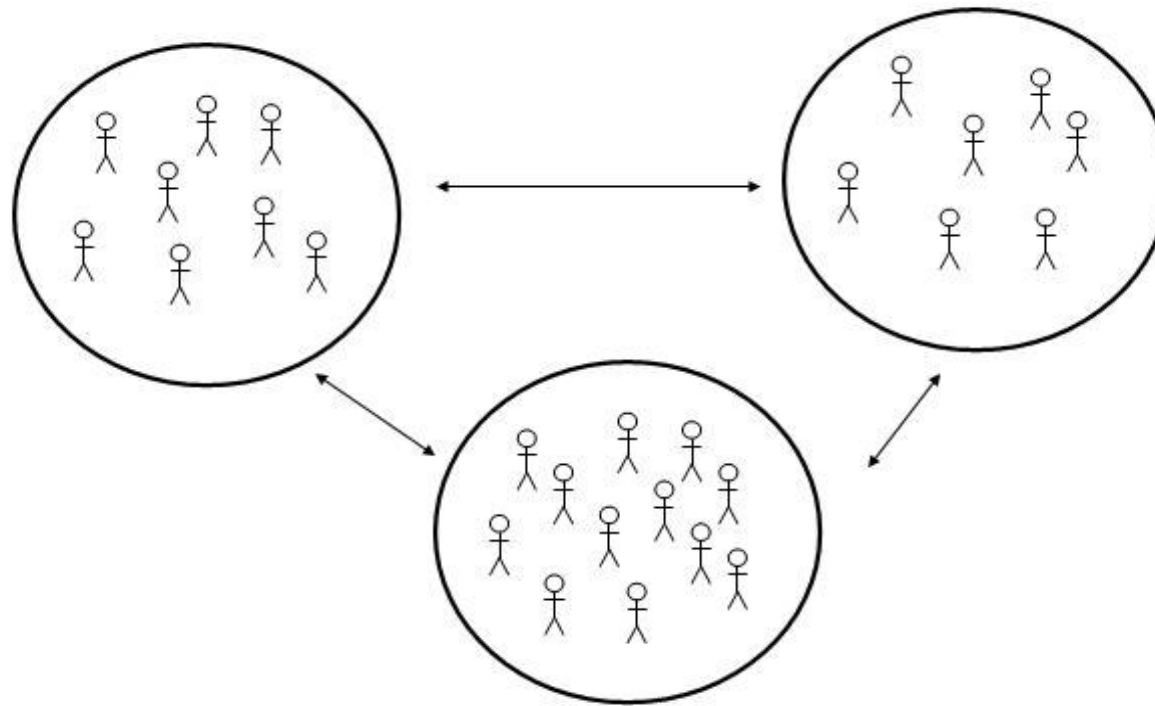
Virtual team best practices

"In our team, we've committed to always meeting virtually, or all face-to-face".

Don Rohrer

HP IT

Managing a remote employee

- Establish clear goals and measures, review them periodically

- Be flexible and sensitive of time zones

- Find out what motivates them

- Make sure their contributions are visible inside the team, to management, and outside the team

- Don't just talk to them when you want them to do something. Ask them for their opinions, advise, perspectives.

Managing a remote employee

- Establish a rapport, get to know the person first

- Make yourself available – if they don't call you, give them a call or send a quick instant message just to check-in to see how things are going and if there's anything you can do to help

- Schedule regular one on one time

- Come prepared with topics to discuss

- Everyone is different so each meeting will be different (frequency, types of topics, etc.)

- Find out what interests the person – useful for development as well as rewards and recognition

Individual contributors – making yourself known

- Use the status report to your advantage

- Provide periodic project updates via e-mail

- Use web sites and organizational newsletters to your advantage

- Always be prepared to say a few words about your projects

- Seek out opportunities to meet and interact informally with individuals (managers or otherwise) to build your network

Technology tools

- Audio-conference
- Instant messaging
  - "Water cooler" experience
  - Presence information
- E-mail/voice mail
- Team spaces for document sharing, idea sharing, etc. (Groove, eRoom, etc.)
- Meeting management tools (Netmeeting, etc.)
- Web casting tools (one to many communications, "all hands" meetings, etc.)
- Desktop and room-based video

Tools based on requirements of the conversation

	Speed of interaction	Archivability	Speed of setup	Richness of interaction	Accessibility
Email	O (neutral)	▲	O	O	O
Phone call	▲ (High)	▽ (Low)	▲	▲	▲
Instant messaging	▲	▲	O	O	O
Text messaging	▽	▲	▲	▽	▲
Video messaging	▽	▽	▽	▲	▽
Voice mail/ voice messaging	▽	▲	▲	▲	▲
Audio conference	▲	O	O	▲	▲
Discussion Forums/ Newsgroups/Threaded Discussions	O	▲	O	O	O

Sharing information within virtual teams

	One on one	Small Groups (>15 people)	Large Groups (>15 people)
Routine project documentation or updates	▪ Project web sites	▪ Project web sites ▪ Audio-conferences (possibly combined with meeting management software) to discuss project status and answer questions	▪ Project web sites ▪ Audio-conferences (possibly combined with meeting management software) to discuss project status and answer questions
Day to day organizational announcements and bulletins	▪ Email updates ▪ Phone conversations	▪ Email updates ▪ Organizational newsletters ▪ Company or organizational portal	▪ Email updates ▪ Organizational newsletters ▪ Company or organizational portal ▪ "All Hands" meetings held via audio-conferencing/meeting management software
Organizational announcements with considerable new or controversial data	▪ Phone call	▪ Audio-conference combined with meeting management software ▪ Follow-up via company or organizational portal ▪ Follow-up via email summary	▪ Audio-conference combined with web cast. ▪ Follow-up via email notification ▪ Follow-up via company or organization portal

Working together within virtual teams

- Examples
  - An organizational "farewell" party
  - A team building/celebration event
  - Determining what projects an organization will pursue
  - Substituting for a multi-day, face to face meeting
  - Getting quick, routine decisions made

Virtual organizations

Case Study – Eddy Current Specialists

- Small company in Villa Rica Georgia

- Testing of commercial air conditioning units

- Two employees – office workers

- All technicians are contractors
  - Must maintain own insurance, testing equipment, taxes

- At end of the year, most profit distributed among the contractors

Case Study – HP IT "VC Café"

- Research project with MIT
  - See "The Future of Work: How the New Order of Business Will Shape Your Organization, Your Management Style and Your Life" by Thomas W. Malone

- Used "e-lancing" concepts to staff internal projects

- Organization had 100 people distributed across 70 locations

- Create a "supply" of projects, and manage the "demand" for those projects by team members

Case Study – HP IT "VC Café"

- Regularly scheduled org-wide meetings allowed ICs and managers to pitch new projects for funding

- Funded projects were made visible to whole organization before they were staffed
  - Staffing was not limited to people who were known to the project manager or other team members
  - Team members had more control over how they spent their time since they could select the projects they wanted to work on rather than be given an assignment

- Skills data base maintained

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VC Café results

- Generally, projects were staffed with people who were passionate about the project

- Broadened scope of available people resources for a given project

- Excellent matching of skills to project needs

- Projects with few "bidders" were re-examined

- Role of managers changed in this model

- Project managers had increased power to choose resources
  – "Free market" determined what employees were most in demand

- New(er) employees could feel isolated

Need for face-to-face meetings in a virtual team environment(?)

Traditional view – face-to-face required for…

- Project kickoffs, checkpoints, end game
- Firing an employee
- Dealing with a sensitive personnel issue
- Hiring an employee
- Giving bad news
- Giving difficult performance feedback
- Interviewing for a new job
- Discussing a controversial/difficult subject
- Meeting with a brand new team

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Alternate view – face-to-face really can be minimized

- University of Nijmegen study
  - Face-to-face only important in situations where negotiation or adversarial environment is likely
  - Face-to-face more important in companies that evaluate individual, rather than team accomplishments

- Collaboration tools are really quite good today

- Younger generation quite comfortable with making, maintaining relationships electronically

- And…
  - What if the air system is shut down (post 9/11)?
  - What if you could die from traveling on an airplane (SARS)?

"If I had to go without ever seeing anyone [ECS employees and contractors] again, it wouldn't hurt a thing – we could operate very effectively."

Ken Eisenhauer

President, ECS

Sources

Many of the ideas in the presentation are taken from a forthcoming book entitled *Working Virtually – The Challenges of Virtual Teams*, by Robert Jones, Rob Oyung, Lise Pace (Idea Group)

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