

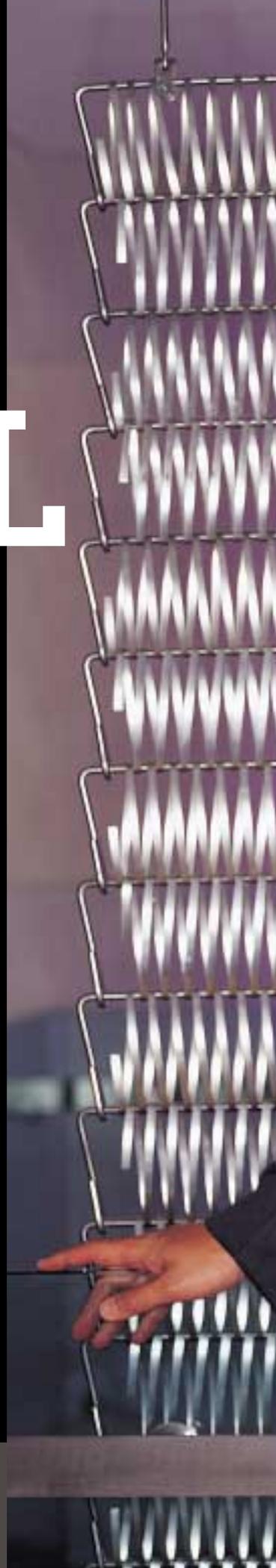
COLLABORATIVE
SOFTWARE ALLOWS
TEAMS TO MANAGE
GLOBAL PROJECTS IN
REAL TIME, QUICKLY
AND EFFICIENTLY. SO
WHY ARE COMPANIES
RELUCTANT TO PUSH THIS
ADVANCED TECHNOLOGY
TO ITS FULL ADVANTAGE?

THE

BY ROSS FOTI PHOTOGRAPHY BY GEORGE FETTING

VIRTUAL HAND SHAKE

In the future, traditional meetings will cease to exist. All face-to-face meetings will be recorded digitally for easy reference. Project teams that meet virtually will use broad bandwidth to capture video, audio and text along all information channels. The contents of the video and audio streams will be tagged automatically, allowing users to find and access pertinent data quickly.

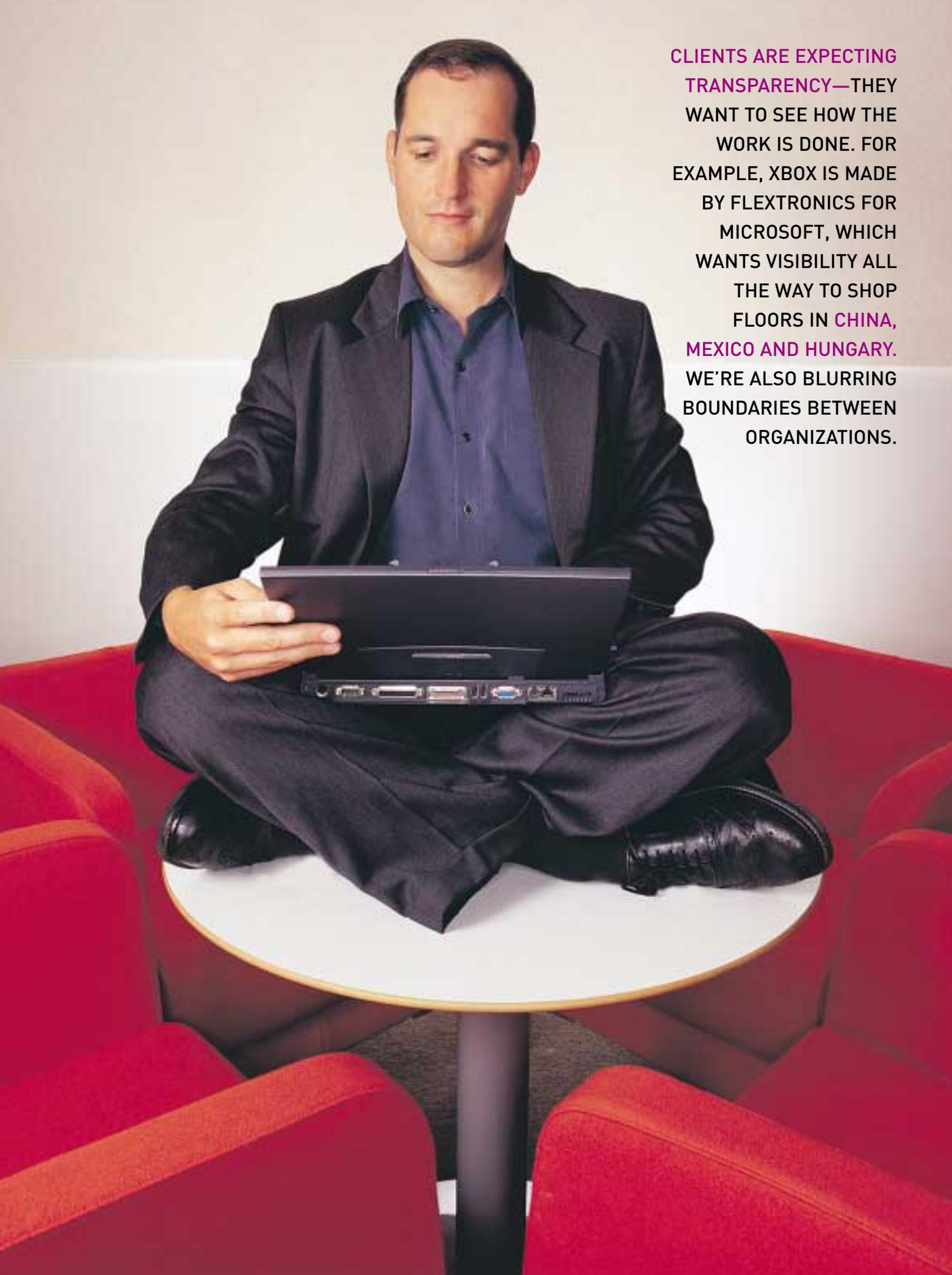




EXECUTIVE SUMMARY

- Virtual collaboration technology helps companies improve global performance, but only if the project team is ready to take advantage.
- With multiple stakeholders at varying comfort levels, establishing rapport and trust among the project players can be challenging.
- You must recognize the limitations of your staff, your infrastructure and your customers' capabilities to choose a system that works.
- To build an efficient network, you must establish how all team members will use the system. Technology can hide conflict and doesn't guarantee solid change management.
- Before making an investment, take the time to research your options—best-in-class may be more advanced than you really need.

Ross Dawson, CEO, Advanced Human Technologies, Sydney, Australia



CLIENTS ARE EXPECTING
TRANSPARENCY—THEY
WANT TO SEE HOW THE
WORK IS DONE. FOR
EXAMPLE, XBOX IS MADE
BY FLEXTRONICS FOR
MICROSOFT, WHICH
WANTS VISIBILITY ALL
THE WAY TO SHOP
FLOORS IN CHINA,
MEXICO AND HUNGARY.
WE'RE ALSO BLURRING
BOUNDARIES BETWEEN
ORGANIZATIONS.

DECISIONS, DECISIONS

When choosing a collaboration system, you have to look for the best fit. The top 10 decisions, according to Dennis Smith, president, CompanySmith Inc., are:

- 1 Synchronous Versus Asynchronous Use
- 2 E-mail Integration
- 3 Server-based or Peer-to-Peer
- 4 Provider-Hosted (ASP) or Self-Hosted
- 5 Ad Hoc or Scheduled
- 6 Real-Time or Archival
- 7 Support of Proprietary Document Formats
- 8 Firewall Friendliness
- 9 Supplier Viability
- 10 Internet Access Reliability.



With virtual technology, there are new ways you can have a lousy meeting. We haven't built organizational norms to mitigate that.

an economy based on the flow of information and ideas," Dawson says. "Clients are expecting transparency—they want to see how the work is done. For example, Xbox is made by Flextronics for Microsoft, which wants visibility all the way to shop floors in China, Mexico and Hungary. We're also blurring boundaries between organizations."

Virtual collaboration helps companies improve performance, communicate, collaborate and motivate across boundaries. Given what firms stand to gain, you'd expect executives to jump in with both feet, but that's not the case. "The power of today's collaborative

technologies is beyond our current willingness to use it," Dawson says. "In terms of potential, it's constrained by buy-in. The technological foundation is already there, but we need to change our culture and implement clearer business processes."

Human Nature

Essentially, collaborative systems are best used in any industry where companies have dispersed teams or partner with outside firms. For example, one specialized application is the virtual deal room, primarily used in mergers, acquisitions, and accounting and legal firms. Law firm Gray Cary, San Diego, Calif., USA, has implemented a series of virtual deal rooms, in which an Internet database serves as a document repository. Lawyers can request a configured deal space that can be produced on the fly, in 12 to 24 hours, to work with a client. Lawyers have a basic system so they and clients can access key documents online. "The system's not used in a highly sophisticated way, but it's still valuable," Dawson says.

The future is now.

Collaboration software provider Quindi Corp., Palo Alto, Calif., USA, already has deployed this application with Veritas Software Corp., which is using it to share information with its development team in Pune, India. Essentially, the technology captures the entire life of a project, enabling teams to work together seamlessly. "We're trying to make our employees in Pune feel exactly like they're next door, as much part of our team as the people down the hall," says Tom Battle, Mountain View, Calif., USA-based senior manager of engineering for Veritas. "When you're separated by 12 hours and 12,000 miles, that's hard to do."

Virtual collaborative technology holds great promise, especially in a competitive global climate. Companies are beginning to see an integrated, distributed workflow that's more modular and unbundled, according to Ross Dawson, CEO, Advanced Human Technologies, Sydney, Australia, and San Francisco, Calif., USA, and author of *Living Networks*. "Connectivity is driving globalization and the rise of

MINI CASE HISTORY

CALLING ALL CUSTOMERS

COMPANY: Sprint Corp., Overland Park, Kan., USA, a global communications provider serving more than 26 million customers in more than 70 countries

BACKGROUND: In 2001, Sprint needed to integrate its customer data and billing with customer care. To accomplish this data migration, the project team, which included Sprint, its billing vendor and an affiliate partner, Golfcoast Wireless, needed close

cooperation. The project was to be accomplished in three U.S. locations: Overland Park, Cincinnati, Ohio, and Baton Rouge, La.

PROCESS: The team used virtual collaboration tools to ensure coordinated delivery. Although the project kickoff included face-to-face meetings allowing the team to step through the joint application design phase, members relied on conference calls, e-mails and other virtual tools going forward.

OUTCOME: The project was delivered on time and under budget. In the end, there were a few data discrepancies that needed to be cleaned up, but the team easily worked through them after implementation using conference calls.

LESSON LEARNED: Don't rely solely on tools—you need to develop effective personal communications with the project team. Don't go too long without any kind of face-to-face interaction.

CYBER CHANGE



The tools have to be accessible to everyone on the project team. You have to think about people's ability to configure the tool to get better productivity out of it.

DON'T USE A HAMMER TO DIAL A PHONE: Use the right technology for the job. "Collaborative software offers a good tool to notify people of a change, but not necessarily to assess the impact of the change," says Bob Tarne, PMP, senior consultant with PM Solutions. Tarne's five tips for virtually managing change include:

- 1 Make sure the project team understands that virtual collaboration is the preferred tool for change management so they're effectively monitoring the interfaces and repositories.
- 2 Agree how to find each other in change management situations—everyone will not be logged onto the system all the time or at the same time. Figure out how to alert people to a problem.
- 3 Ensure the tool can capture the details of the change and impacts to schedule and scope. At the very least, the team should enter details of the changes and who's requesting them.
- 4 Assuming you have good change management process, you should be able to track each change through the approval process.
- 5 Allow the project team to record all their potential impacts as a result of the change.

→ However, the technology itself doesn't guarantee smooth cooperation or buy-in. "Virtual teamwork is an oxymoron," says John Gray, professor of management, Australian Expert Group in Industry Studies, University of Western Sydney, Sydney, Australia. "What you have is a group of people in cyberspace who agree to common practices to protect their interests. Transaction costs are low. Management tries to overcome moral hazards or freeloading and relies on individuals to serve their own interests by serving management." In other words, simply saying that you are going to collaborate doesn't mean everyone is on the same page about what cooperation really means, how it will facilitate work or when

Shawnee, Kan., USA-based senior consultant with PM Solutions and chair of PMI's Information Technology & Telecommunications Specific Interest Group. "The tools have to be accessible to everyone on the project team. You have to think about people's ability to configure the tool to get better productivity out of it."

You must also understand your customers' capabilities—they may need a higher bandwidth to access your system. "There will be some cases in which the tools will not be the most effective interface, and you'll have to rely more on travel or talking on the phone," Tarne says. "If customers don't want to interact with a system, they'll find a way to get around it.

technology supersedes old-fashioned interaction.

→ With stakeholders looking out primarily for their own best interests, establishing team rapport can be tricky. "You need a very clear strategy to which the players have agreed," Gray says. "You need a strategy and clear systems that enable it. In my direct experience, law firms have knowledge management systems but haven't realized this. The trick is to put strategy, structure and systems together so that you get commitment."

High Stakes

→ To gauge whether virtual collaboration is right for your company, closely examine your staff and customers. "You can't use a really complex tool if you don't have a bunch of techies," says Bob Tarne, PMP, a

MINI CASE HISTORY

STANDING AT ATTENTION

COMPANY: U.S. Navy Tactical Information Technology Integration Program Office (TacIT IPO)

BACKGROUND: As the Navy's technology support organization, TacIT IPO helps facilitate program objectives and improve processes or structures. TacIT IPO was using a legacy Microsoft Disk Operating System (DOS) product, which was limited in terms of security and customization.

PROCESS: The team integrated a secure, browser-only, Web-based product that offers threaded discussions, calendar and document sharing, workflow, chat and instant messaging. TacIT IPO then worked with SiteScape Inc. to customize the commercial software. The result was a collaboration system called Tactical Calendar, Action-item and Meeting Management (TCAMM), which gives a dashboard view of which projects are on track and who is accountable.

OUTCOME: TacIT IPO successfully has incorporated virtually all of its processes—such as procurements, ISO processes, engineering change proposals—into the system. TCAMM allows secure communications with both government and commercial partners.



Companies have to juggle the cost of using an automated tool versus lost business because people don't want to use it."

Stakeholders also may have security restrictions. They may not like to share information across firewalls, and for good reason: viruses. In fact, the most common way to hack information is through people leaving their computer on and accessible, according to Groove Networks Inc., Beverly, Mass., USA. And if your repository is a shared service, what happens if it's bought, sold or has a breach? Your backup data simply disappears.

Comfort Quotient

Aside from technical challenges, collaborative systems impact human interactions. Most communication is via body language, says Dennis Smith, president, CompanySmith Inc., Norfolk, Mass., USA. "The chief financial officer is happy because cost of airfare has been saved, but if people have miscommunicated or undercommunicated due to a virtual meeting, the long-term project impact can cost more than was saved on the meeting," he says. "With virtual technology, there are new ways you can have a lousy meeting. We haven't built organizational norms to mitigate that."

→ To build a solid, trustworthy system, you must agree what will be communicated online and what won't. "You've got to have norms about how a system will be used, how people look at it and interact with it," Smith says. "If you get true buy-in on those norms, then you can get to where you need to be. If two or three critical people think it's a nuisance, then you may be fooling yourself that it's worth the investment."

When working with your customers, you must ensure they have access to critical informa-

tion—and that your staff feels comfortable sharing it. "Run projects as open-book endeavors to cultivate a climate of trust," Smith says. "What you gain with being open and honest is bigger than what you lose over disclosing small issues that arise."

Take Ketchum, New York, N.Y., USA, which implemented an internal collaborative system to enable staff in its 40 offices worldwide to collaborate internally and on global client projects. The public relations firm saw good initial buy-in fairly rapidly, but when it rolled out the system to clients, some consultants didn't want to expose their work, according to

MINI CASE HISTORY

STRENGTH IN NUMBERS

COMPANY: Rio Tinto Borax, Valencia, Calif., USA, a leader in borate technology, research and development

BACKGROUND: The firm needed to connect geographically disparate employees to cultivate new ideas for borate usage and manage projects. Borax used a combined idea-generation and community of practice forum. Everything posted was placed automatically into a workflow.

PROCESS: The solution was to separate the two using an integrated off-the-shelf product. In a new Ideation Forum, ideas are submitted, evaluated by the innovation manager and available for review by forum members.

OUTCOME: Borax implemented the software as a pilot program that included the business development group but, based on its success, gradually included other staff. The project management virtual workspace contains ideas, dispersed into separate forums, that the company will explore. Borax management easily can control the access and keep all the information in one place.

Dawson. “Because the system was rolled out internally at first, those consultants started to get more comfortable and overcome their initial resistance to engage effectively with clients.”

Common Mistakes

Despite your best intentions, technology still has limitations. “People mustn’t think that technology is the solution, rather it is just another possible solution,” says Stefanie Heiter, president, HeiterConnect Inc., Townsend, Mass., USA. “People must be motivated to use the technology. If you can’t manage a project in a regular environment, it will be harder in a virtual environment. If you can agree on how you’ll really share information, make decisions and deal with issue escalation around the globe, you’re going to reduce some of the problems. If you don’t have the time to do it right, you’d better have the time to do it again.”

Technology also can mask people issues. “A team can’t gel well if it doesn’t

have a home,” Heiter says. “If I can’t walk to a bulletin board and look for information or pull up the latest project plan, it’s harder to stay motivated and connected.”

Cultural differences can be harder to ferret out in a virtual project. “You may have to look for conflict in different ways—what does it look like in an e-mail or collaborative Web site as opposed to face-to-face in a conference room?” Heiter says.

In addition, global locations may not have compatible IT architecture, training or an understanding of your business processes, and collaborative systems will compound the issue. In these cases, a project steward who has experience with both cultures can address the additional risks.

Slow Down to Speed Up

→ While you may have the expertise in-house to build a system, remember your core competencies. “If you’re in the business of selling cars, you should focus on selling cars,” Smith says. “If you need a



You need a strategy and clear systems that enable it. In my direct experience, law firms have knowledge management systems but haven’t realized this.

John Gray,
Professor of Management, Australian Expert Group in
Industry Studies, University of Western Sydney

system to connect your salespeople, source it from people who know how. Otherwise, you may see cost overruns or future problems. Even if you have someone on staff who is able, if that person leaves, you're in trouble. If you can get 80 to 90 percent of what you need from an outside purchase, buy it."

Whether in-house or outsourced, you should research your options upfront, when it can be done relatively easily at low cost. (For a rundown of some typical collaborative tools, see this month's Software Review.) Recognizing how your process works helps you understand your true needs. "You don't always need to know what others know," Heiter says. "It's just data until it becomes important to somebody. Make the implicit ways we operate explicit. If you don't know or aren't sure, find out."

Also, by garnering feedback from those who will use the system, you can best gauge what components or functionality makes sense. "You need a mix of technologies to achieve what you want in a given situation," says Jim Shelhamer, Shelhamer Consulting, Acton, Mass., USA. "If you need intensive collaboration, you need to find the appropriate tool for the task."

Once you establish the business case for an integrated system, you can begin to change company culture. "People are often dubious because they are wary that the technology and techniques are flexible enough to work for them," Shelhamer says. "Start small and share successes to prove there will be benefits."

In the Cards

Current technology impacts the speed of business, but the next wave of virtual collaboration could transform the way you work altogether.

"In the future, this technology will be used to enable a community of practice, but it will be more than just a tool that captures data," Tarne says. "It will enable conversations. You'll be able to throw a question out, get an answer, and identify people who have worked with a problem you're trying to solve or who have experience in the field. The movement is away from 'data repository' toward 'community.'" **PM**

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