

EXECUTIVE SUMMARY

KEY QUESTION

How can software development companies build engagement, collaboration, and commitment to common goals among globally dispersed teams?

INTRODUCTION

It's hard enough to get people who are co-located onto the same page. Add to that the complexity of multiple regions, varying cultures, and virtual communication that characterize globally dispersed teams, and the demands placed on leaders can quickly multiply. Not surprisingly, participation in and management of globally dispersed teams comes with its own unique opportunities and challenges. Globally dispersed teams allow organizations to garner talent from around the world, have greater cost flexibility, and can bring diverse perspectives to the table. On the other hand, they must overcome a greater likelihood of communication breakdowns, lack of collaboration, dissimilar work processes, and difficulty building trust and cohesiveness.¹ In response, we embarked on our own investigation of what makes globally dispersed teams – specifically in the software development industry – high performing. Drawing from real-world examples, we will propose 3 key areas that HR professionals should hone in on to ensure that globally dispersed teams remain engaged, collaborative, and focused on common goals.

KEYS TO SUCCESS: GLOBALLY DISPERSED SOFTWARE DEVELOPMENT TEAMS

1. Have the Right Leadership in Place, Equip Them with the Right Skills

Strong leadership is the foundation for high performing globally dispersed teams. Leaders are not only responsible for setting the vision and holding their own direct reports accountable, but also need to collaborate with their global leader counterparts to ensure continuity and product delivery. Added to the mix are the high-burn initiatives, with long hours, and complex design and implementation strategies associated with software development projects.² While the skills and abilities needed for managers of conventional teams are similar to those needed for leaders of globally dispersed teams, there are a few key differences. Global teams don't have the benefit of frequent face-to-face interaction, and consequently, experience difficulty building trust and rapport among team members. To help foster trust and rapport, globally dispersed team leaders must focus on relationship building, demonstrate excellent communication skills (including the ability to provide regular feedback), and have emotional intelligence.³

Best Practices

- Face-to-face interactions strongly contribute to developing trust, communicating respect, and building personal relationships between teams. Although such meetings can be challenging and costly to arrange, doing so can in itself send a message of value to the recipients.^{4,5} Intel regularly sends employees abroad to understand the culture and working environment of new offices. It is common for new projects to require a week of face-to-face meetings between team members, contributing to initial trust and team-building.⁶
- Successful global team leaders make the deliberate push to create moments that “build and reinforce mutual understanding and trust.”⁷ Four actionable ways leaders can achieve this is through: 1. Structuring “unstructured” time: deliberately create opportunities to build familiarity among global teams; 2. Forcing disagreements: pose questions that force alternative points of view; 3. Stressing differences: create moments around “good differences” in mindset, training, and expertise; and, 4. Creating “awareness” moments: through site visits or online interactions, actively try to better understand the attitudes, behaviors, and motivations of your colleagues.⁸
- Sparta Systems, a New Jersey-based quality-management software company with 260 employees, faced cultural challenges with its leaders as it rapidly grew overseas. Sparta's Europe and Middle East office is located in Tel Aviv, Israel. The Israeli team members report to the U.S. managers. The Israelis tended to be direct and assertive, which initially offended the U.S. leaders. In response, Sparta conducted a “Strength Deployment Inventory” training with team members to better understand the motivations that drive people's behaviors.⁹

2. Communicate, Communicate, Communicate

Communication is the heart and soul of trust. Software development projects often require a high degree of daily collaboration on requirements, design, and testing, as well as ongoing management of issues, risks, and defects. The barriers of time differences and the physical distance can lead to dysfunction in information sharing, collaboration, and timely decision making.¹⁰ Because face-to-face meetings are not always cost effective or practical with globally dispersed teams, it is essential that companies establish strong communication rules. Leaders need to “hyper communicate” with the team and constantly monitor the entire communication process.¹¹

Best Practices

- Prior to the project start date, key stakeholders from the global teams gather together to draft a “Project Charter”. The charter is a mutually negotiated and agreed upon document between the global parties that establishes how resources will be allocated and sets project timelines, distribution of duties, hand-offs, and touchpoints throughout the project lifecycle. The charter documents and defines roles and responsibilities, creating full transparency and accountability. Once drafted, the charter is disseminated to the project teams to ensure everyone is “on the same page”. It is not a static document; the charter may be revised throughout the project cycle as needed. When Cisco Systems faced role ambiguity in its HR Operating Model, it drafted a team charter to clarify roles and responsibilities.
- Sabre, Inc., a travel technology company based out of Texas, holds project kick-off team-building sessions to develop a mission statement, set team objectives and clarify roles, and create a shared group identity.¹²
- Forward-looking organizations are adopting social media tools, such as blogs, podcasts, and wikis to help teams collaborate. One multinational software company created a “Digg for Developers” blog and a Flickr-based tool to allow sharing of ideas in an informal manner.¹³
- In a case from MetLife, a team manager began weekly virtual team meetings by reviewing accomplishments and identifying potential disruptions to the project. Team members were able to raise concerns with the project at this time as well. This routine allowed team members to communicate their needs, support one another and get everyone up to speed on project progress.^{14, 15}

3. Create Work Processes & Structures That Actually Work

Software development projects with globally dispersed teams cannot function without robust work processes and standard infrastructure in place. These work processes and structures promote coordination, communication, collaboration, and decision-making, as well as defining ownership of the various parts of the project.

Best Practices

- Globally dispersed teams should strive to “take a systems view” in understanding how their role coordinates with the rest of the organization. Simply providing teams with high-level resources and information – organizational charts, other teams on their level, and project stakeholders – will give group members a better understanding of their team’s role in the organization.^{16, 17, 18}
- Global software development projects are often most successful with a flexible, hybrid approach – applying an iterative (agile) mixed with waterfall approach. While the iterative software development model is widely recognized as having many benefits compared with traditional waterfall model, “the best practices in global software projects...begin with an iterative process, adopt waterfall-like practices in the middle implementation phase, and then move back to iterative to complete the project.”¹⁸
- A large US regional healthcare insurance provider undergoing a system modernization established a 27-member offsite team based in Mumbai, India to support the process. With much of the team half way around the world, the HR leadership team determined that a proactive and structured approach to integrating the team would help mitigate potential project risks. To facilitate the integration and ensure the new team was high functioning, the company: 1. Established regular (at least weekly) touchpoints between onsite and offshore teams to provide visibility of the tasks planned and accomplished; 2. Formalized the onshore/offshore delivery process; 3. Clearly defined the deliverables of both the onsite and offsite resources; and, 4. Developed a communication plan for the project team to ensure that all parties are getting the messaging they need at the right time and in the right way.²⁰

CONCLUSION

Building globally dispersed teams for software development projects can provide significant opportunities. In order for these teams to be successful, a critical first step is to have the right leadership in place and to support their team-building efforts. A second key step is to facilitate communications and collaboration between the dispersed teams to ensure everyone is on the same page. Finally, software development organizations need to look at their work processes and structures to drive coordination, collaboration, and ownership of project elements.

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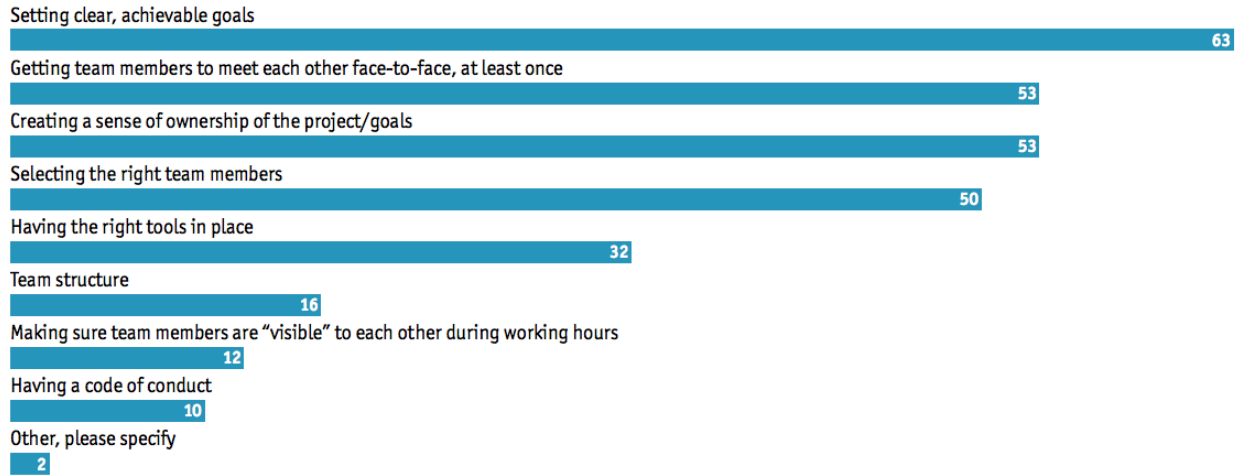
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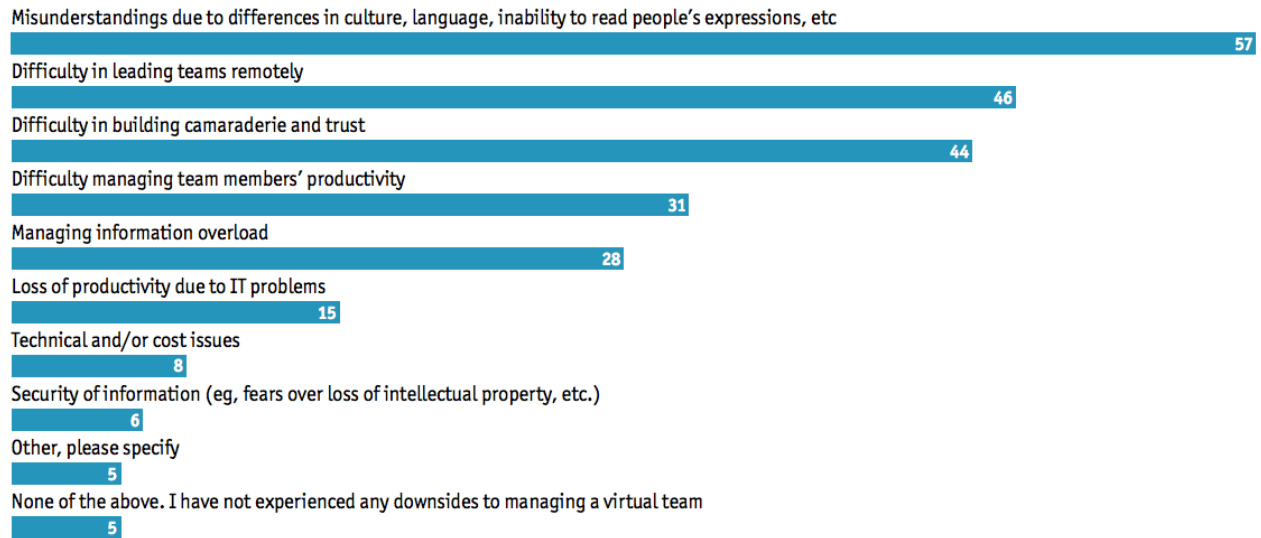
Results from the Economist Intelligence Unit Survey on Managing Virtual Teams

Please select which of the following are most important for creating a successful virtual team? Select up to three.
(% respondents)



Source: Economist Intelligence Unit survey, October-November 2009.

Please select which of the following are the primary challenges of managing a virtual team? Select up to three.
(% respondents)



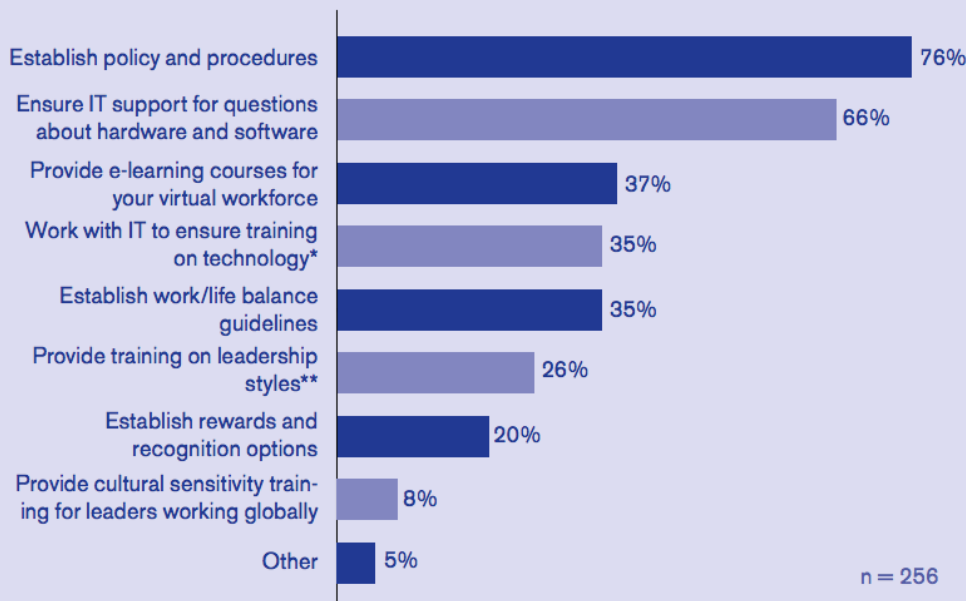
Source: Economist Intelligence Unit survey, October-November 2009.

Figure 1 | A Model to Enhance Leadership Skills for Success in a Multicultural Virtual Organization

Enhancers	Derailers
Promote trust and maintain effective working relationships with virtual workers.	Inability to establish the additional levels of trust required with remote workers.
Establish virtual guiding principles and organization charters to ensure the organization is in alignment.	Inadequate communication skills required for virtual network effectiveness.
Identify and define virtual worker roles, responsibilities and accountability.	Lack of comfort and expertise with technologies required for success in the virtual organization.
Establish a reward and recognition process commensurate with the virtual organization characteristics while maintaining consistency with traditional organization structure.	Inability to address conflict resolution within the work group.
Demonstrate cultural competency when interacting globally.	Lack of sensitivity toward different styles of communication.

Source: SHRM interview with Global Dynamics, Inc. (www.global-dynamics.com)

Figure 2 | In what ways does your HR department currently support your organization's virtual workforce?



* e.g., web conferencing software, webinars for working virtually, social networking tools, e-learning programs.

** styles that promote trust and maintain effective working relationships with virtual workers.

Note: Asked only of respondents who said their organizations offered virtual work options. Percentages do not total 100% as respondents were allowed multiple choices.

Source: SHRM Poll: Transitioning to a Virtual Organization (2010)