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3 Reasons Virtual Teams Fail And How to See It Coming

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Introduction

At a recent training event, two managers sat at the back of the room as a Senior Executive from their firm spoke to them about the days when he was a line manager. He waxed rhapsodic about the way he used to focus on the "soft skills" of management, of the "HP Way" and "Management by Walking Around" and how they needed to get away from their desks- stop sending so much email and really connect with their teams. Heads nodded. Some in agreement-most in boredom. Finally one attendee turned to the other and muttered in frustration, "Yeah but it's a long bloody walk to Bangalore".

That's the problem facing many of today's managers- while the challenges of creating, managing and getting the most out of people hasn't changed in thousands of years, the constraints under which we work now are very different from even a few years ago.

Nowhere is this more evident than in the rise of Remote and Virtual Teams. Problems that were common but manageable by committed teams when they could all get together physically are made even more dramatic when separated by time, distance and even corporate or national cultures.

Because of distance and communication challenges, the costs of failure are higher than ever- and many projects are threatened by forces they don't even know exist until the project is behind budget or crashes completely.

How confident are you that your managers and teams have the skills, tools and attitude to address these challenges?

How do you know?

What's the Problem?

The world of work has changed forever. More people are working remotely with people they don't know over technology they barely can keep up with- but the financial stakes have never been higher.

Here are a few salient facts:

- 70% of managers above 1st-level supervisor now have at least one team member who is not co-located with them
- At Fortune 100 companies, it is estimated that 70% of managers don't co-locate with the majority of their teams
- According to PMI (Project Management Institute) the number of projects run by Virtual teams has doubled every year since 2001 and sits at over 80% of projects

Napoleon Bonaparte once said, "If nations want to avoid war, they should avoid the thousand little pinpricks that lead to it".

What are the little things that lead to massive team and project failure? There are many, but the most common complaints are:

- Missed deadlines due to competing priorities, especially on cross-functional teams
- Insufficient trust between team members, often putting managers in the middle and taking valuable time and resources
- Communication errorsusually caused by not

- proactively communicating between team members
- Technology is viewed as a nuisance, or as not being the right tool for the job. Many people don't know how to use the tools to truly communicate (which is different than knowing functionality, or which button to push)

The costs of these problems are not trivial. Lack of cross-functional communication between teams working on the Airbus 350 project is a great example. Built in parts using the most modern technology available, each individual location's work was perfect. The problem is that the different components didn't fit together when it came time to assemble the airplane. One team was using a different set of specs than another.

\$6 Billion is a lot of money to lose because of an easily-addressed communication problem.

Why Are Virtual Teams Different and Why Does It Matter?

First, let's define the difference between a Remote Team and a Virtual Team. Remote teams have all the problems that Virtual Teams have:

- Team members separated by time and distance
- Communication is mediated by technology
- Human contact is harder to maintain
- Lack of frequent and incidental communication means that mistakes are often not identified until very late in the process

Virtual teams certainly share all of these potential pitfalls, with one important distinction- the team or project leader often does not have direct line-of-sight reporting

responsibility for these workers. They actually work for someone else.

At best, it means competing for time and mindshare with other parts of the worker's job. At worst, it means the manager gets all of the responsibility for the work without the ability to coordinate, hire or fire the project team directly.

This means that on top of all the reasons projects have succeeded or failed over the years the person with the most responsibility (the project manager or team leader) often has the least amount of authority (threats of firing slackers are pretty much empty).

There are three important things to remember about running a successful virtual team. The success of the project often depends on how well these factors are taken into account and exploited:

- Persuasion and influence are the key communication skills- coercion and manipulation are largely ineffective and unproductive
- Technology and online tools are great but they are effective only if they are used to create context and human connections. Mere data transfer will result in shortterm time savings and long term communication problems
- Managers and team leaders must use all the skills they've always used, but management by walking around must be done virtually- and this

doesn't come naturally to most managers because these circumstances have never existed before. They'll need the support of their organizations to succeed.

What are the 3 Reasons Virtual Teams Fail?

Despite years of training in Project Management and great technological tools Virtual and Remote teams still fail at an alarming rate. Here are 3 reasons why

Reason 1: They don't know what to do

This is not to imply that you have not hired highly competent people. In fact, experts in Human Performance Technology assure us that fewer than 10% of problems are due to someone being completely incapable of doing the task assigned them. No, what we mean when we say they don't know what to do could mean:

- They are working (really hard and well) on outdated assumptions and data which can result in blown assignments. Just ask Airbus- the work was brilliant, just completely useless in conjunction with the rest of the project
- What they are doing is not aligned with the company's vision. If you're using temps or people from another company or division they may have very different ways of working, expectations of quality or other paradigms that conflict with the team or its leaders.
- Because Virtual team members frequently don't know each other or don't have experience with the team leader, they may not have a clear understanding of how to work

together as a team. To some people no news is good news, to others it's a black hole and a sign of poor ommunication. People must know how they are expected to work together. This doesn't happen automatically, despite everyone's good intentions.

Teams cannot form the short-hand communication they need to really function at a high level without conscious effort to set standards for working, open communication channels and develop real, trusting, human relationships (even through technology).

These problems can be solved through a mix of training, strategic communication and technology-including synchronous and asynchronous tools like webcams, blogs, wikis, file sharing and the telephone. It's amazing how many managers won't pick up the phone until a problem has reached crisis proportions.

The 4 scariest words to a project manager or team leader are "Oh, by the way....". Organizations that understand how to recognize and prepare for problems then raise issues before they become costly stumbling blocks encounter fewer unpleasant surprises down the road.

Do your project leaders and managers know for certain that their team members have all the information they require to do great work?

Are you sure?

Reason 2: Systems don't work- or leaders don't know how to make them work

Just as people usually work hard and well- if sometimes at the wrong things- technology and workflow processes sometimes don't work as well as they should for the project or task at hand.

For example- a major supplier of web-based meeting and presentation tools estimates that fewer than 25% of the managers who are supposed to use that tool actually use it to anything near its full capability (if at all). There's an example of a system that is fully functional but isn't working. Not using an available tool is as bad as not having it available at all.

Because Remote and Virtual Teams are so dependent on technology the team and its leadership must be conversant with not just what tools are available, but when to use which tool to achieve maximum impact.

A good project requires a mix of synchronous (people can talk at the same time) and asynchronous (people use them at different times) tools to be truly effective.

A team which communicates solely by email might save time "wasted" on social niceties, but will eventually bog down in misunderstanding. Managers that hate communicating over distance and save everything for the weekly conference call or webmeeting find themselves overwhelmed and too little vital information is shared.

The good news is that tools are available and many companies are investing in webmeeting platforms, file sharing tools, wikis and other forms of communication. The bad news is that many managers don't know how to use these tools themselves, aren't properly encouraging the use of them on their teams and generally letting them lie fallow.

This is money wasted. Without training, coaching, reinforcement and reward the activities that lead to excellent use of these tools will happen in only a haphazard fashion.

Human systems like HR and Performance Reviews work the same way. If the system rewards a certain behavior (like donating all your time to the tasks their "real" boss demands of them and making the other project a lower priority) is anyone surprised when deadlines get missed and the cross-functional project doesn't get that person's best work? That's a system problem at its core.

Do your managers and project leaders have the tools at their disposal to manage over time and distance?

Do they use them well?

Are the human performance systems in your company set up to be fair to both employees and project managers?

How do you know?

Reason 3: Team member priorities aren't in line

Let's be clear: good people frequently make decisions that work against you, and on a Virtual Team the reasons for this increase exponentially.

The biggest reason for missed deadlines and poor workmanship in cross-functional teams is that good, hard-working, capable people have to decide where to invest their limited time and mental resources. Too often it's not with the project you want them focused on.

Why do people make your project work a lower priority?

- They are being rewarded for doing something else. This is particularly true when reporting relationships conflict with the demands of a crossfunctional project. If the project doesn't count at performance review time as much as something else does, what do you think is going to get top priority?
- It's easier to do something else. That something else might be doing the work they way they've always done it (ignoring a new process or request) or putting off unpleasant tasks and putting their effort somewhere else. Certainly almost anything is easier than learning a new software system or using that file-sharing tool (SharePoint is an example of a great tool, frequently underused and cursed at by people who haven't learned to use it- and a few who have).
- They like the other people betterall things being equal, people will put more time and effort into supporting teammates, managers and organizations that they have an emotional connection to. If numerous departments or people are clamoring for their time, many

people will default to the people they care most about. Team leaders who don't' develop good human connections of trust between team members will often wind up on the short end of this equation.

Do your managers and team leaders really understand what's going on in your employees' work environments?

Do your project teams have the kind of relationships that help make great work and team dynamics a priority?

Are you absolutely positive?

How To Assess Your Virtual Teams

Addressing the problems we've identified (once you've identified them) is relatively simple. There are only a few good answers to any of them:

- Get new people- if you can find them
- Train the people you have on both the function and effective facilitation of tools
- Ensure managers create an environment of open communication and trust
- Give people the tools to get the job done
- Make sure people are properly rewarded for what they do

Granted, those are simple, although not necessarily easy. Still, once you know the problem you can apply the right solution- expensive, painful or remedial as it may be. How do you identify the problem area?

Truth is, a few strategic questions asked of the team leaders and individual team members will often give you a quick and surprisingly accurate snapshot of what's going on with that team.

There are many ways to examine these dynamics. At Greatwebmeetings.com, we do a simple analysis of remote teams that takes three areas into account:

- 1. Task Completion Often the most obvious sign there's a problem is when smart, hard-working people miss deadlines or the quality of their work drops. Is this a problem for just individual members? Is it the whole team? How do you know?
- 2. Team Communication How well does communication flow in your organization? Not just between team members and managers (which is often a pretty solid relationship) but between the individual members of the team and their cohorts? What tools are at their disposal? Are people using them? Why or why not?

3. Team Relationships

Communication only flows through technology if someone tries to communicate in the first place. What is the level of trust between manager and team? Do teammates trust each other and communicate openly and proactively? Do they create bottlenecks that result in poor communication?

This analysis can done as part of a training program, such as in our "How to Create and Manage Remote Teams" program, or in conjunction with a consulting activity. A simple assessment tool will often reveal

sources of tension, miscommunication and potential problems which can be tackled head on- either by a determined individual leader or on a larger (and more impactful) organizational level.

Without knowing where to look, however, organizations can spend a lot of time and effort into guessing where problems are, only to find that the problem- and the solutions- rest in the minds and hearts of the people on those Remote and Virtual Teams. Management by "Virtually Walking Around" is not only possible, but it's an absolutely critical competency if a company is to survive in today's global, 24/7 environment.

How Can Greatwebmeetings Help?

Greatwebmeetings.com is the world's premier resource for helping organizations and individuals learn to manage, sell, present and facilitate using today's webmeeting and communication tools.

Because we are platform-neutral, we focus on your organization's strategy, outcomes and immediate needs.

Whether it's training a team or an individual on one of our powerful webinar-delivered Training Programs or using our simple and effective consulting approach to help you ask the right questions before investing in a solution that might not be right for you, we are eager to be of service.

Our Training Programs include:

How to Create and Manage Remote Teams

Web Presentation Basics

Advanced Web Presenting and Facilitation

Conducting Great Web Demos and Sales Calls

For more information, drop us a line at <u>information@greatwebmeetings.com</u> and find out how we help our clients do more than present, but to communicate and connect.



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