Sensing uncertainty

Far-flung teams are flexible enough to help companies recognise uncertainty, say Arvind Malhotra and Ann Majchrzkak

In the new globalised economy, the knowledge resources required for innovation are dispersed across a range of markets and settings. This requires a radical new approach which enables knowledge resources to be deployed globally and locally simultaneously. Such an approach would allow multinational corporations to establish product/service platforms that have a large common base, but can then be customised for local tastes and preferences.

Companies at the leading edge of innovation are making extensive use of “far-flung” teams. These are groups of individuals that represent different areas of functional and geographical expertise, work independently on a task, rarely (if ever) meet face-to-face and communicate largely through electronic media.

Far-flung teams are flexible units that allow companies to recognise uncertainty, capitalise on global opportunities and pull in expertise on an “as needed” basis. Building on improvements to communication technology, far-flung teams enable companies to leverage local and global expertise by allowing invaluable expertise to be virtually in more than one location simultaneously. Further, far-flung teams allow individuals to work at their convenience, encompassing and leveraging a variety of working styles and diverse perspectives.

Our research into far-flung teams has revealed a series of broad characteristics: they are extremely efficient and, in many cases, more innovative than face-to-face teams; they make decisions more quickly, using greater input from others; and they develop global policies that are implemented with fewer problems than conventional teams. This article will look at how to maximise the impact of far-flung teams to meet the challenges of a global economy.

Maximise diversity while minimising diversity

Breakthrough ideas, designs and processes require a diverse range of expertise to be represented on far-flung teams. Further, team members should be encouraged to think in divergent ways. This cognitive diversity is what enriches far-flung teams and leads to ideas that are the seeds for innovation. However, if divergent thinking is not managed through a structured and clearly articulated process, it can lead to chaos. In essence, successful leaders of far-flung teams have to maximise cognitive diversity while minimising behavioural diversity.

For example, an automotive engine design team brought together to launch a new product in Latin America had representatives from the US, Europe and Brazil. The far-flung team floundered from the start. Each member had their own system and rhythm of design.

To remedy this, the leader made a concerted effort to ask each member to express what he/she liked about their process of designing new concepts. This led to a new team process that incorporated the best elements of the “old way of doing things” and a more effective team.

Build trust without social settings

More often than not, members of a newly assembled far-flung team have few shared experiences. Further, their work on the team is conducted mostly through electronic communications and with little face-to-face interaction. As a result, successful far-flung teams must rely more on expertise-based trust than on traditional “look me in the eye” social cues-based trust. Expertise-based trust is built through demonstrating that team members have the intellectual capital required to make innovative contributions.

The methods employed by leaders of far-flung teams to ensure “idea convergence” (and not “idea divergence”) are: creating non-project related tasks before starting the main work; engaging the entire team in online group activities, such as scavenger hunts or multiplayer games; breaking teams into sub-teams that work together on an activity or sub-task and report to the whole team; pairing members with different expertise, or from different disciplines and regions; and allowing each person to comment on or contribute to every facet of the overall task rather than pigeon-holing them into activities based only on their previous experience or area of expertise.

Breakthrough ideas, designs and processes require a diverse range of experience

Making the invisible visible

The primary responsibility of team members is to accomplish the objectives and tasks of their local – functional and/or geographic – constituency. Given that team members can only allocate a small percentage of their time between meetings to asynchronous communications and with little face-to-face interaction, the leader has to ensure that each member of her 12-person team once every two weeks. These discussions would cover recent reports made to the team and other team members have the intellectual capital and report to the whole team; pairing members with different expertise, or from different disciplines and regions; and allowing each person to comment on or contribute to every facet of the overall task rather than pigeon-holing them into activities based only on their previous experience or area of expertise.

Establishing synchronous and asynchronic rhythms

Successful far-flung teams work on establishing a synchronous/asynchronous collaboration rhythm. In most traditional face-to-face collaborations, team members wait until face-to-face or synchronous meetings to brainstorm and make progress on the task.

By contrast, successful far-flung teams use the time between meetings to asynchronically generate and evaluate ideas. This is more efficient because it enables team members to pick and choose when to make their contributions. People with diverse cultural backgrounds have a different rhythm and pace of generating and digesting ideas. As one team leader put it: “Try sketching a new concept without looking over your shoulder with a stopwatch in their hand.”

Successful far-flung teams need use document and design knowledge repositories and electronic discussion boards/databases to pursue their “idea divergence” activities asynchronously. They then follow this up with synchronous meetings, such as telephone conferences or electronic brainstorming sessions, to pursue their related conflict resolution and negotiations.

The likelihood of breakthrough innovative ideas emerging through this rhythm is far higher than if the teams were to rely only on synchronous meetings to get work done.

Leading by distributing leadership

Successful leaders of far-flung teams create the right environment for innovation by distributing the leadership role across the team. Members are encouraged to play the role of virtual meetings facilitator, team knowledge manager, electronic discussion maintainer and so on.

As the leadership becomes more distributed, the team moves away from a hub-and-spoke structure – where all ideas are filtered through a central individual – to a more organic and democratic process that leads to more creative and breakthrough ideas.

Leaders of far-flung teams tend to adopt a more communications-intensive monitoring and mentoring role. For example, one team leader had a telephone conference with each member of her 12-person team once every two weeks. These discussions would cover the person’s contributions during meetings, recent reports made to the team and other areas of improvements. The member would discuss areas of improvements he/she would like to see in the team as a whole.

Conclusions

If leveraging globally dispersed knowledge resources for innovation is to become a core competency of global companies, managing far-flung teams is paramount to success. The essence of an effective leader in this context is the “command and control” approach is giving way to a “sense and mentor” communication-intensive way of leading. Nowhere is this more evident and potent, than in the extreme innovation oriented settings of far-flung teams.

Such teams enable organisations to sense the slightest shifts in supply and demand trends and to be the first to recognise uncertainty – and capitalise on the opportunities – such changes afford.

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