Technology has made global teamwork an everyday reality for thousands of people. Software developers in the United States and Europe work with programmers in India to design systems and write code; bankers trade a common book of US government bonds around the world 24 hours a day; medical specialists collaborate with local doctors in remote regions to diagnose and treat rare conditions; and country managers coordinate production plans and marketing campaigns across Europe. Video conferences, voicemail, electronic live-boards, the Internet and corporate intranets, groupware, and virtual team rooms are just some of the technologies that enable people to work together no matter where they are based, giving them access to countless new business opportunities.

Yet many corporations have invested millions of dollars in top-of-the-line technology, only to be disappointed when there is no commensurate improvement in performance. Although technology creates business openings by enabling us to communicate with colleagues and business partners in far-flung places, we cannot rely on technology alone to capture them. Human relationships are still paramount.

Take the case of a US-based law firm serving a client’s Japanese affiliate. A senior partner in the firm used voicemail, e-mail, and video conferences to communicate with the firm’s Japanese partners, with whom he had not worked before. This seemed reasonable given the time and money trips across the Pacific would have consumed, and the apparently cordial atmosphere of an initial face-to-face meeting in Japan. Electronic communications, including a video conference every six weeks or so, seemed to indicate progress.

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But the US lawyer began to grow suspicious when requests for intermediate reports were acknowledged, but not fulfilled. Distracted by other client demands, he did not follow up, expecting his Japanese colleagues to deliver as agreed. But four months into the project, the client’s CEO called to complain about shoddy work – a situation the US lawyer felt would never have arisen had he known the other team members, or had everyone been working in the same place.

On reflection, the lawyer realized he had been wrong to assume that other team members shared his objectives and standards. It had not occurred to him that serving the client’s affiliate might not be a priority for his Japanese partners, or that their purpose might differ. To make matters worse, he had failed to define sufficiently specific performance goals for monitoring the team’s progress. In the end, he had to fly in a team from the United States to redo a large part of the work, at huge expense to the firm.

Horror stories like this abound. The ease with which people can contact one another in today’s business world makes them forget how difficult it is to work well as a team. But effective teamwork is hard to pull off at the best of times, and if team members come from different cultures, speak different languages, and seldom have the luxury of face-to-face meetings in which to size up their colleagues, it can prove a nightmare.

Teamwork depends in great measure on members’ ability to trust one another, and technology can be no substitute for the relationships that engender such trust. Successful global teams therefore pay great attention to building the foundations of sound teamwork. But they also work hard to compensate for some of the human elements that are inevitably lost when teams work together, yet apart.

Real differences

Working in teams that span the globe poses problems not usually encountered when a group of people work together in the same building. Some are obvious. If members of global teams work in different time zones, then responses to queries or requests for information needed to get on with a task will be delayed. And if team members in Shanghai or Singapore are 12 hours ahead of those in New York or Toronto, they will have no opportunity to call one another during normal business hours.

Many companies use time differences to their advantage by transacting business around the clock. Teams of bond traders can trade their book of US government issues in London, then New York, followed by Tokyo or Singapore, before returning to London the next morning. For some people, however, time differences can be frustrating. Certain multinationals regularly
require all overseas affiliates to participate in meetings that are scheduled in the headquarters’ time zone. Thus, a 2 p.m. conference call with New York means that location managers in Australia and Singapore are sitting around in their pyjamas until the early hours waiting to take part. Such insensitivity is unlikely to build team spirit.

Other problems are more insidious. It is said that non-verbal communication—a twitching face muscle, a furtive glance, a reddening neck betraying rising stress—can account for as much as 60 percent of the message an individual conveys. But team members in separate locations are deprived of these clues to their colleagues’ opinions, attitudes, and emotions. Even video conferencing, the best tool currently available to teams that cannot meet face to face, has limitations. Facial expressions can be hard to pick up if transmission is poor, and much can be happening off camera or when the “mute” button is pressed.

Moreover, team members often do not know the people with whom they are assigned to work. When all participants are in the same location, team-building dinners and outings can act as invaluable icebreakers at the start of team assignments. But when social contact is replaced by e-mail or video conferences, team members lose the chance to socialize with colleagues, form opinions of them, and bond.

Cultural difference is another stumbling block. It is one thing to expect sophisticated, well-traveled investment bankers from different countries to work smoothly together in an international institution in a cosmopolitan city. It is a far taller order to expect, say, a Newfoundland mining manager to work with a politically appointed Chinese mining manager in remote Shanxi province, using Toronto-based lawyers and Hong Kong accountants to pull off a successful joint venture. The technology that brings them together on a single project will do nothing to narrow the cultural chasm between them.

Another difficulty is that although technology increases the geographic scope for teamwork, it also widens the potential for conflict as it cuts across corporate fiefdoms, with each team member trying to balance the demands and priorities of power bases at home with those of the team. To complicate things further, technology makes it possible for individuals to participate in many more teams than they could if they had to attend frequent meetings or regularly fly long distances.

A German risk specialist, grudgingly loaned to a corporate taskforce assessing investment opportunities in the Czech Republic, had to work every weekend for a month to fulfill all his commitments. His superiors in Frankfurt did
not believe the project would produce any new insights for German investors. They therefore maintained his usual local workload, while assuring him that “a few hours on the phone” was all head office required. The vice-president leading the taskforce assumed that all the team members assigned to the chairman’s project regarded it as their top priority, and demanded a detailed report within six weeks. The risk specialist was caught in the middle.

The challenge of managing heavy and sometimes competing demands is not unique to those who operate in global teams, of course. But it can be harder for them to resolve. Team leaders are likely to find it more difficult to marshal support from colleagues dotted around the globe, who are understandably caught up in their own local problems. As a result, teamwork may never materialize, and expectations may go unmet.

Same magic

Teams that perform well recognize that there are essential disciplines that must be established no matter where they work. In their book *The Wisdom of Teams,* Jon R. Katzenbach and Douglas K. Smith identify four such “team basics.”

The first three basics can be attained whether or not team members work in the same place. To begin with, a team must have complementary skills that together will be equal to the task in hand. Second, it must establish goals and individual and collective accountability for achieving them. Third, it must agree a common approach to getting work done.

A common sales approach for a global engineering products company, for example, might involve a protocol setting out which of its sales offices will call on a customer’s head office and foreign subsidiaries, how technical enquiries should be processed, and the roles of individual functions in assembling and pricing bids. Without a common approach, confusion reigns and nothing can be accomplished.

If a team works apart, however, it will need far more discipline to achieve these three basics. Before the team starts work, the team leader or coordinator will need to facilitate a discussion that nails down roles, goals, and accountabilities. When there are no face-to-face meetings, such discussions can too often go by the board. Regular follow-up conference calls can be used as a substitute for the informal discussions that give co-located team

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Can teams that don’t spend time physically together ever be as effective as those that do?

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members a sense of making progress toward goals. Similarly, all members need to be clear about what work must be done between calls.

The fourth basic, a **common purpose**, is a lot harder to achieve and, unlike the others, not easy to quantify. A common purpose is what binds team members to the task in hand. Unlike business objectives, which tend to be industry- or product-specific (credit ratings in the investment bank’s case, for example), common purpose must harness individuals’ pride and seize their imagination as something worth effort and sacrifice. It is often arrived at only after team members have struggled through debate and reflection – but along the way, trust deepens, members start to feel connected to one another, and energy is released that catapults the team to remarkable levels of performance. This is an intensely personal process, however, and it thrives on face-to-face meetings.

So if the performance stakes are high enough, the cost of holding such meetings before work begins is clearly justified.

At the start of its 777 project, Boeing brought members of the design team from a dozen countries to Everett, Washington, giving them the opportunity to work together for up to 18 months. From a practical point of view, they learned how to function effectively within the company’s project management system. But shared experiences also engendered a level of trust between individuals that later enabled them to overcome the obstacles raised by their separation.

The effectiveness of Boeing’s huge globally scattered team effort has been widely documented. With members from more than a dozen countries linked by a network of 1,700 workstations, the team designed and launched the 777 in five years – at least 30 to 40 percent faster than a comparable paper-based design. The plane also boasted 33 percent greater fuel efficiency than a 747, and cost 25 percent less.

Lotus, developer of Notes groupware, also brings together its employees to “develop some level of trust and relationship before moving into electronic communication,” as Chris Newell, executive director of the company’s R&D arm, put it. Eastman Kodak does likewise. According to John Spencer, worldwide manager for the design and development of the company’s single-use camera, gathering teams together physically helps friendships to form, work styles to merge, and – again – trust to develop.

In many situations, however, it is impractical to bring a team together for any meaningful period. The travel time and costs, not to mention wear and tear on the body, rule it out. The question then is: can teams that don’t spend time physically together ever be as effective as those that do?
Different magic

The short answer is “no” – in theory, at least. Remote teams do not go through the intense personal interaction needed to shape a common purpose. There again, teams that do get together don’t necessarily establish a common purpose. In practice, only about 5 percent of teams reach a level of performance that goes beyond the sum of what individuals could achieve on their own. It is perfectly possible, therefore, for remote teams to be among the best performers provided they pay attention to the first three team basics, then find ways to compensate for the loss of physical togetherness. There are three options they can pursue:

Shape shared beliefs

Geographically dispersed team members often operate within vastly different contexts. Their beliefs are shaped by the world around them, and these beliefs in turn govern their behavior. Financial market fundamentals in Tokyo are not the same as those in New York, for example, which means that a New York bond trader could have a different view of what the latest US trade deficit figures might mean for bond prices than a trader in Japan. In such a case, it would be vital for team members to discuss the likely size of the deficit before the figures are announced, and to agree in advance how each trader should react.

One multinational paper company negotiating a joint venture in China discovered how problematic a lack of shared beliefs can be. Team members at head office disagreed with those in China about whether fiber was likely to be in short supply, and if it was, whether it should be secured through plantation ownership or locked-in supply contracts. Opinions also differed over whether the new venture should generate its own power on site or buy from the provincial power grid. Head office thought power prices likely to escalate, while the team on the ground felt reassured by a letter from the municipal government that guaranteed stable prices. The team’s inability to agree delayed the already lengthy process of gaining approval from the ministry of electric power to build an on-site power plant, which head office thought was the best course of action. Every time the power issue was raised, the discussion degenerated into a personal argument. Tempers flared as team members’ judgment and motives were questioned. And as discussions got bogged down, tension escalated to the point where the whole venture was in jeopardy.

The paper company’s experience demonstrates how important it is that team members’ collaboration be underpinned by shared beliefs. When remote teams invest time to make sure that they think the same way about essentials, other problems are likely to be less damaging.
A useful technique for remote teams is to pose and discuss a dozen or so fundamental questions. Examples might be: how quickly will our industry grow in the next five years? Who will be the most formidable competitors? Is our goal (a doubling of new product launches, say) feasible? What are our top three priorities? By examining areas of potential conflict and taking the time to resolve differences, remote teams can build a reserve of goodwill that will cushion them against the inevitable difficulties that dispersal brings.

**Build a storehouse of credibility and trust**

Credibility and trust cannot help but be in short supply when team members are unable to get to know one another. A lack of trust can create difficulties if time delays make it impossible to check for consensus before decisions are taken, say, or members who miss a team meeting are unsure that their colleagues will represent their interests and do the right thing on their behalf. Developing shared beliefs partly compensates for the deficit, but there are plenty of other areas where trust is required, yet may be lacking.

A professional judgment made by an individual team member separated by time and space from colleagues must often be taken on trust by those colleagues. So must a decision made on the basis of confidential information. In these circumstances, colleagues can judge the individual only by his or her reputation. For this reason, team members should pay careful attention to the way others perceive them. They should deliver on their promises, and do so on time; consider other people's schedules; deal straightforwardly with colleagues; and respond promptly to e-mails and voicemails, even if they do not know the sender.

It isn't always possible to avoid having your actions distorted or even misrepresented by others. But if you have been a reliable team player in the past, your reputation will counter these and other hiccups such as transmission losses, delayed responses, and the second-guessing that can be rampant among team members working in different locations.

Team members should also reach out to help others. This might involve extra effort – be it to respond to a request or to pass on to others ideas that might benefit them – and it seldom brings immediate reward or recognition. But the long-term benefits in terms of building a reputation and accruing trust are immeasurable. A good deed might even lead to a new business opportunity.

A call from a New York–based corporate finance specialist to a colleague in London did just that. The finance specialist passed on details of recent efforts to structure an innovative swap-driven, multi-callable bond (now known as a “step-up” note). As a result, three similar deals were done in Europe within three months. The step-up note is now a routine transaction that has been copied by competitors on both sides of the Atlantic.
Even establishing a store of credibility and trust will not always stand individuals in good stead, however, because often they will work with people who know nothing about them. In such cases, they have to take every opportunity to establish themselves as reliable team players as soon as work begins.

The same sort of discipline needs to be maintained in situations where team members do get the opportunity to meet for a kick-off session, but then separate. However useful the initial meeting may have been, teams that work remotely have to work harder to build the trust and rapport enjoyed by people who chat over a coffee break or work late into the night together.

**Develop shared space**

The third element that global teams need if they are to work effectively is shared space. When teams operate in the same place, they hardly have to think about the space in which they work. They set up meeting rooms, discuss ideas over the lunch table, or pin notes to a bulletin board. Perhaps they stand around a prototype or scale model to discuss design, use a red pen to update a draft document with their comments, or gather round a computer screen as someone describes a problem. The shared space is the intermediate ground – physical or mental – that people use when they come together to create and develop ideas.

When team members are apart, however, the issue of shared space becomes crucial. If a member in Tokyo has the only spreadsheet model required to complete a “what if” analysis, the rest of the team in New York can hardly play a full part in problem solving. In these circumstances, an electronic live-board could display the computer screen image to the team in New York, enabling them to mark changes that can be seen by their colleague in Japan. Without this kind of shared space, discussions cannot be detailed enough to resolve difficulties rapidly.

Again, establishing a communication medium such as an e-mail distribution list constitutes a shared space only if it is used to discuss ideas – as a customer service team from a North American commercial bank found. The senior client relationship manager thought team performance would improve if members communicated through a virtual team room (VTR) on their corporate intranet. Accordingly, she circulated an e-mail outlining the virtues of posting messages in the VTR to keep everyone informed and involved. Six months later, however, it was clear that the VTR was not a shared space for the creation of anything. It was, in effect, an electronic filing cabinet that nobody used.

The problem lay not with the VTR *per se* but with the way it was used. Had the team members all updated their customer contact log sheets and used the information available to develop a coordinated sales approach, the VTR would have functioned as a useful shared space. But lack of familiarity with the technology hindered team members’ acceptance of the system, and their lack of discipline in updating it rendered it ineffective.

Choosing a shared space with which team members are comfortable ought to be straightforward. The real challenge is having the discipline to decide and implement rules governing its use. Procedures for revising documents, protocols for informing colleagues about decisions, and routines to follow when members are forced to miss a team meeting should all be set down clearly in rules that everyone understands are not there to be broken.

Failure to enforce this type of operating discipline could lead to mistakes such as a document being edited by several people simultaneously, or design engineers omitting to alert colleagues to changes they have made. The consequences might amount to no more than an irritation. Or, for a project like Boeing’s – involving 230 cross-functional teams of up to 40 members each, 500 suppliers in a dozen countries, and four airline customers – they might be devastating.

There are two sides to the technology coin. On the one hand, technology can help uncover business opportunities that would otherwise have remained out of reach. On the other hand, it cannot erase the difficulties faced by global teams that rarely, if ever, get together in the same place. Indeed, it can sometimes prove to be a false friend.

Perhaps we shall just have to accept that teams denied the chance to build close working relationships may never be as effective as those that do. But we can also take heart from the fact that teams that couple the use of technology with the discipline needed to build common beliefs, trust, and a shared space in which to work can come a very close second.