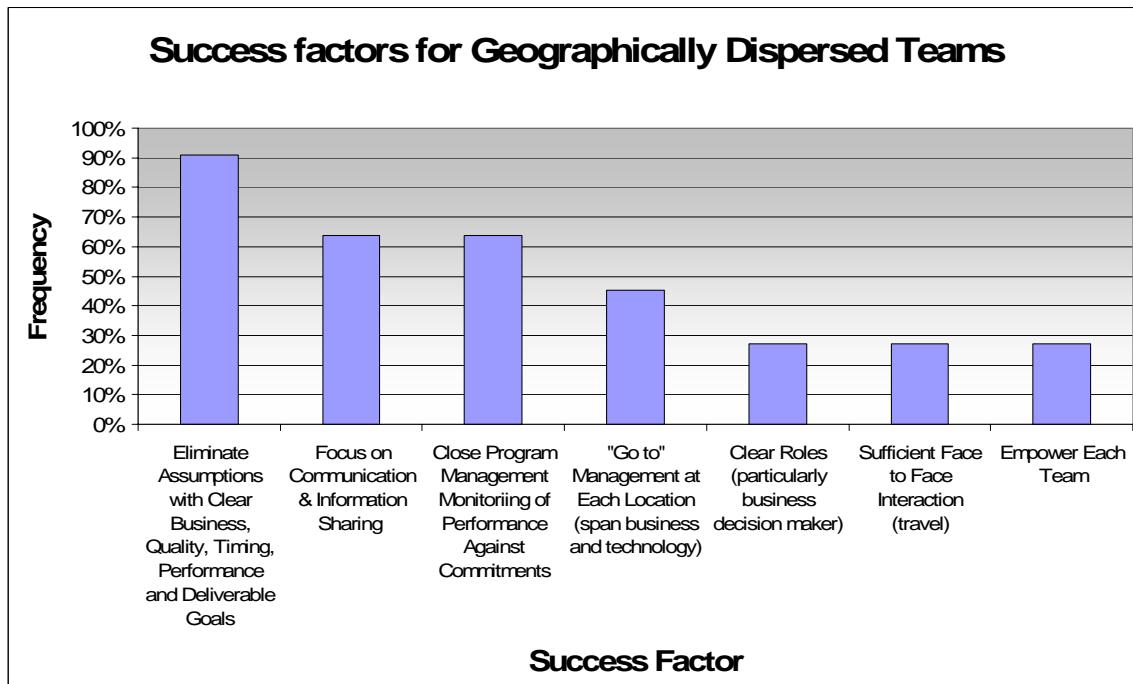


Key Success Factors for Geographically Dispersed Product Development Teams

When a dozen successful product development leaders from across the globe were asked "What are the key attributes of geographically dispersed new product development efforts that have led to success for you?" I received answers with near consensus on some factors and other interesting perspectives cited by only one or two.

Since people answered independently of one another and weren't given a list to choose from, the factors cited are sometimes related. I did not want to change their intended meaning by abstracting their statements and grouping many together. There is also enough diversity to remind us that there is no 'one-size-fits-all,' however in many instances, I believe a majority of these factors will likely apply. It is interesting that some responses are about team dynamics, some about leadership, and others about process. The chart below shows how frequently the seven most cited attributes were mentioned. A majority of individuals cited the first three as being critical with near unanimity about the importance of having sufficiently specific goals in all dimensions so faulty assumptions won't derail the program. If you have geographically dispersed efforts, are you investing enough energy into *clarity*?



After the top seven, there were another dozen helpful factors revealed:

- ◇ Don't Allow the Program Manager to be an Information Bottleneck
- ◇ Create Mutually Agreeable Working Hour Guidelines (if you cross time zones)
- ◇ Invest in Understanding the Cultures
- ◇ No "Big Bang" Inter-Group Milestones
- ◇ Highlight Successes to Everyone
- ◇ Standardize Terms/Nomenclature
- ◇ Minimize Interdependencies
- ◇ Leverage Experienced Overall Program Management
- ◇ Formal Status Reporting
- ◇ Encourage Inter-Group Collaboration
- ◇ Create a Common Work Culture (even when cultures are very different)
- ◇ Develop a Shared Understanding of the Work Styles of Every Team Member (team building and the use of the Myers-Briggs Type Indicator Instrument were mentioned)

There were three additional key factors mentioned in this study that were focused specifically on offshoring to a vendor:

- ◇ Develop and Maintain Mutually Aligned Business Goals (vendor should have a vested interest in your business success)
- ◇ Ensure you have Qualified Personnel at the Vendor (interview them, don't settle for temps)
- ◇ Have the Other Firms Liaison On-site (vendor at yours, yours at vendors)

These sound like great suggestions that reflect the "NRE" and management overhead involved with offshoring. If there are still economies and other great reasons to go offshore once those are taken into account, it can certainly make great business sense.



By combining these success factors with 15 years of my own experience, I've created a short, top-level, checklist for those embarking on their geographically dispersed projects:

1. Do I have the right, experienced program leader who can work effectively with other managers? Is she/he both people and culturally sensitive? Can she/he stay focused on making progress while not becoming a bottleneck?
 - ◇ *There is no substitute for having great team leadership.*
2. Are there 'go-to' managers at each site with the right technical, people and business savvy? Are they willing to play the role that we need them to play?
 - ◇ *You're only as strong as your weakest link and daily decision making doesn't work well from afar.*

3. Can the work be divvied up in a way that maximizes synergy while minimizing interdependency?
 - ◇ *From the architecture to the work allocation be aware of the need to create clean interfaces between organizations and don't pretend you can do it like you are all in one place.*

4. Do we have the patience and disciplined capability to remove ambiguity in nomenclature and terms as well as from quality, performance, business and schedule goals?
 - ◇ *A dependency on tacit knowledge and common assumptions may work well enough in one small group with history, but it can cause serious issues across geographies and organizations (not to mention across different cultures and languages which can really 'up the ante').*

5. Am I willing to invest in travel for face time and a communications infrastructure to operate well as a team?
 - ◇ *Despite efforts to reduce dependencies, personal relationships are inevitably a key to success that should not be underestimated.*

Thomas Friedman has recently highlighted that “The World is Flat.” That is most certainly becoming true in many relevant dimensions and one of the reasons why geographically dispersed product development teams are becoming more and more frequent. If you aren't taking advantage of the fact that talent can be located almost anywhere, your competition is. Additionally, a failure to recognize that there is still a difference between being co-located and being dispersed can result in falling well short of a successful outcome. People, organizations, norms, values, cultures, inertia and times zones are often bound to be diverse. Ignore the differences at your peril. On the other hand, learning to get the most out of your teams by taking the right steps to make your efforts successful can create a very compelling advantage.