



**GfK Custom Research
North America**

White Paper

Collaboration Practices within Large Enterprise

Prepared for:
Hewlett Packard Halo Collaboration Team

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Introduction

Hewlett-Packard's Halo Virtual Collaboration Team engaged GfK Custom Research North America (GfK) to conduct exploratory qualitative research in order to develop richer insight into the collaboration and communication practices of key target businesses in a number of countries.

Methodology

GfK's US-based Technology Practice, in conjunction with its Ethnographic and Observational Research Practices in the US and UK, designed a modular program of research within large enterprises that included:

- Interviews with CXO-level executives and other top managers
- Interviews/observations with other participants in the organization engaged in collaborative work across multiple locations, and
- On-site observation of work processes and work flows.

Participating companies and participating executive interviewees were required to be:

- At least one C-level interviewee having the ability to authorize capital expenditures of at least \$5 million
- Organization having employees in multiple locations, preferably across national and time-zone borders, with clear need for sophisticated collaborative solutions.

Fieldwork took place over a five month period, starting in September 2006 and concluding in January 2007. A total of 35 companies participated in the research. In addition, GfK conducted observational work in 8 workplaces, supplemented by opportunistic observation whenever possible during interview visits.

Australia	5	Financial Services	7
China	4	Manufacturing	7
Germany	7	Logistics/Transport	3
Ireland	7	High Tech	6
US	9	Pharmaceutical	1
UK	3	Nat. Resources	3
		Retail	4
		Business Services	4



Key Findings

Globalization is the basic driver of distributed collaboration.

The sheer scale and scope of business and a seller's market for skilled labor means:

- Talent is spread all over the place
- Projects can be too big for one location
- Problems and opportunities can appear anywhere
- Local and regional cultural variations are increasingly recognized as contributing unique value.

"As a global enterprise you depend on diversity, you must have many competency centers. Competency must be promoted and leveraged exactly where it is located."

"Think of colonialism in the 19th century: that's the way most companies think about globalization – exploit the differences in cost structure.... Here's another angle: what are the real strengths in each particular culture?... a second wave of globalism to encompass the richness of different cultures."

The squeeze on productivity makes distributed collaboration both imperative and difficult, and organizations have responded in different ways to this challenge. While some organizations have centralized tasks, moving departments closer together to achieve better coordination, others have pushed competency out to their local offices or have moved to an entirely asynchronous mode of communicating in order to take advantage of skilled labor and local market knowledge wherever it lies.

"Collaboration" covers a broad span of activities but has certain limits and unintended consequences.

Our research shows people and organizations collaborating effectively in all sorts of physical and virtual spaces. One doesn't have to be in a particular kind of space in order to collaborate. Collaboration might be better thought of not so much as a mode of work or work process, but as an effect of interacting together over time and under various circumstances.

Across participating organizations, local definitions of collaboration vary widely, with some instances really being "coordination" or "cooperation." For example, we found instances of videoconference meetings involving hundreds of participants, but these do not fit anyone's definition of collaboration. Executives make it clear that there are limits to the number of participants, whether or not they are all co-present.



"As the group gets bigger, the communication becomes more written.... The cutoff point is when you get to a team of more than a dozen, you stop relying on spoken communication..... Technology tends to break down there, attention span also breaks down at that point, when you're not getting the visual context right, and there are too many distractions at your desk.

However, the need to collaborate across boundaries can have unintended consequences – for example, dealing with different languages and time zones. Not everyone in the business world speaks English, and even if they do, it may be a different form of English.

"Most of the people are bilingual, but there are always one or two who only speak English. This is especially for some German employees not so trivial. For this reason, some people do not take part in those meetings... Language is an omnipresent barrier which confuses the issue."

"The enterprise language is English, but someone from the Philippines speaks a different kind of English than someone from Romania, which will lead to misunderstandings."

There is universal validation of the need for face-to-face collaboration.

Distributed collaborative groups are consistently described as having "face" needs that mirror those of co-present relationships. Moreover, the goodwill generated by interpersonal contact can be used up, and needs to be replenished periodically .

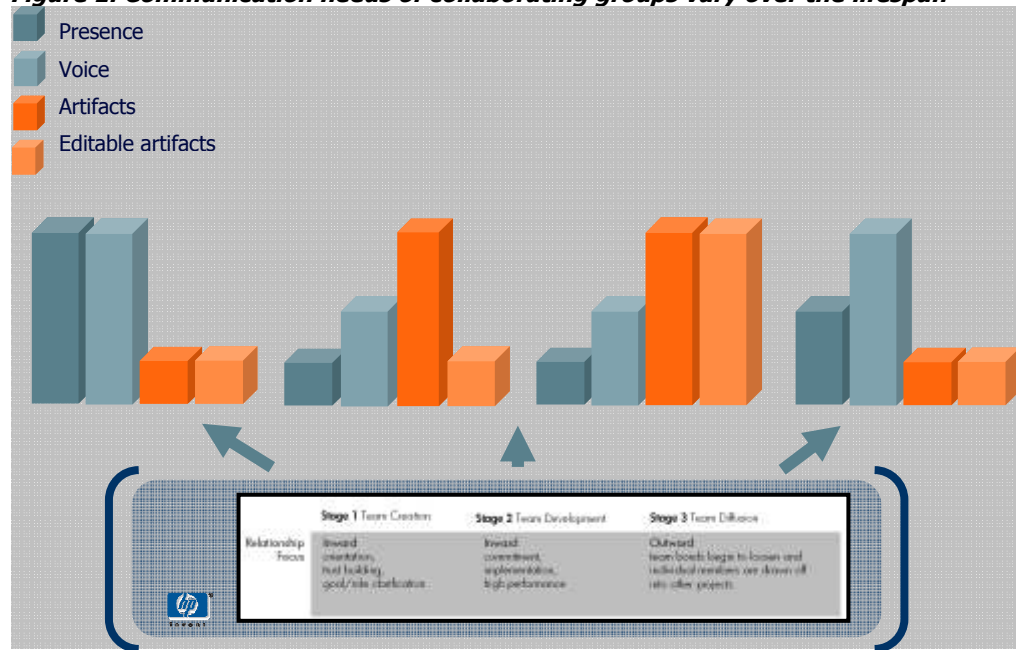
"In significant relationships, it is important not to go too long without face to face communication. I feel that the relationship can possibly suffer... First, [it's about] the respect of showing that they are important enough, that they are worthy of your time, respect, credibility."

Face to face contact matters most when the stakes are highest. From the perspective of group members, high stakes are about people getting aligned with one another and with a shared set of ideas. For example, there is heavier emphasis on formal recognition of a group's existence at the beginning and end of a collaboration. At a higher level, high stakes often have to do with the consequences if the collaboration doesn't turn out right.

"Empathy is about being able to understand the complexities and subtleties of what the clients' concerns are. Of understanding the way in which their concerns affect their business, and how we have a role in that. If there is a situation that calls for this more subtle and deeper understanding, a phone call or email can be cold and aggressive."

Beyond that, though, the relative balance of information types (visual, voice, data, etc.) that a group requires changes over the lifespan of the collaboration, leading to opportunities to use lower fidelity communication and collaboration tools. When it is data that needs to be shared, the face-voice dimensions of communication matter less.

Figure 1. Communication needs of collaborating groups vary over the lifespan



An unpredictable mix of work modes is part of today’s collaborative work, and demands a modular, flexible set of collaboration tools.

Distributed collaboration tools such as teleconferencing, video-conferencing, web meetings and telepresence solutions often represent a balancing act among competing needs for rich human content (high-resolution visuals, voice quality) with other desired qualities such as mobility and real-time data access. Whether to travel for a face to face meeting, or whether to use a collaboration tool – and in the latter case, which tool – is the outcome of multiple decision factors. We saw semi-conscious rules of thumb being used in selecting collaboration modes and tools:

Business factors

- Issue at hand is a show-stopper versus not a show-stopper
- Topic is strategic versus topic is operational (i.e., if we mess up, how bad will it be?)

Interpersonal factors

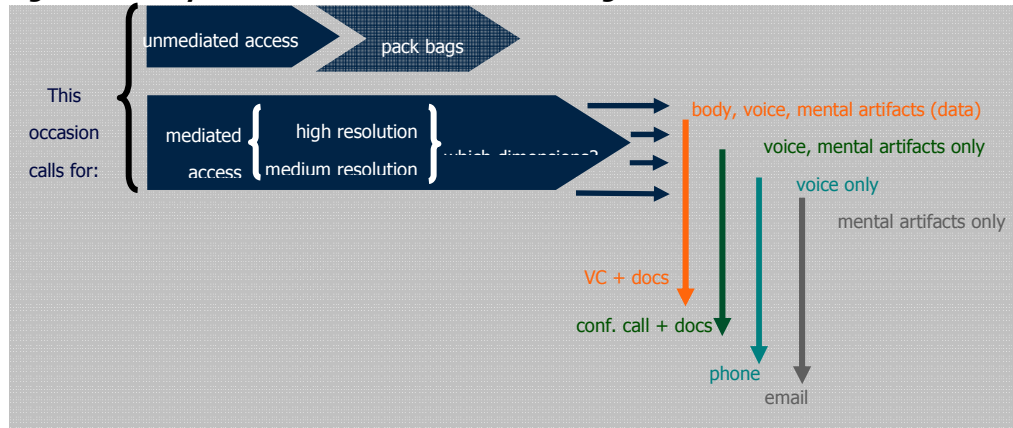
- If a semi-permanent group, point in the lifecycle of the group is early/middle/late

- Interaction is focused on people versus data or things
- Importance of my most important interlocutor in relation to me (above me/peer/below me)
- Stock of interpersonal goodwill with my interlocutors does/does not need replenishing

Logistical factors

- Interlocutors are far away (i.e., the travel will take longer than the meeting) versus not far away
- There’s a lot else on my plate versus there’s not too much else on my plate (therefore I can or cannot travel easily)

Figure 2. Example rules of thumb used in selecting communication modes and tools



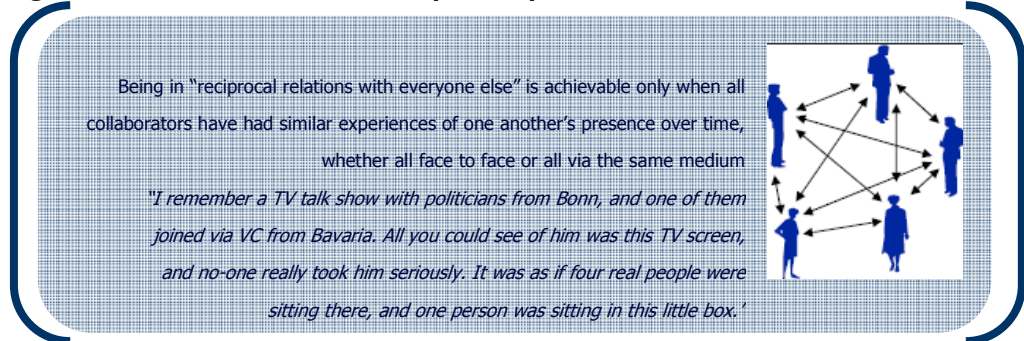
Rich human content (sensory accuracy and quality) versus small size and/or mobility is the most common reported tradeoff, given the expectation of 24/7 availability, but externalities also influence the selection of different tools. For example, younger age cohorts are more comfortable with instant messaging and MS Live Meeting than older ones. Company culture and custom sometimes signal preferred methods to communicate and collaborate. One company we interviewed used to send hard copies of documents to use alongside videoconferences; after they were acquired, they adopted their new parent company’s style of communication, sharing spreadsheets and PowerPoint presentations electronically.

There are also variations based on national or regional culture. Western-based firms tend to lead the way, given their more egalitarian ethos, while East Asian firms approach collaboration in a more hierarchical and formally structured way, although globalization is rapidly standardizing collaboration practices around the world. For example, we saw some evidence of a youth-based movement in Chinese companies, blending Chinese and Western management styles and organizational techniques.

Collaboration tools must respect fundamental rules of human behavior.

People demand a certain level of deference from their interlocutors just by dint of being a person, and that this deference be given in roughly equal measure: it is one of our most basic human expectations and key to a collaboration environment. For true collaboration to happen, basic social equality needs to be preserved by presenting everyone in equally full or equally restricted ways – same size, same relative location, same bandwidth, same amount of “self”.

Figure 3. Effective collaboration requires equal access to the same tools over time



Trading sensory dimensions for other benefits is okay if the tradeoff is shared by all. However, mixed channel collaboration (e.g., videoconferencing plus mobile phone) doesn’t work as well because it violates these basic social deference expectations.

The bigger the mismatch, the higher the likelihood of social damage to the one who is present “in miniature” as it were. The participant who repeatedly phones in from his or her car to a videoconferencing session, or beams in via teleconference to a live work session, will find him- or herself marginalized. A collaborator cannot survive too many occasions like this and remain effective.

The essence of the HP Halo telepresence solution as a social experience is that it does not “damage the self” of any participants by having some be present on a less “socially-there” basis than others.

Spontaneity within a given collaboration – the ability of remote participants to interact as if co-present – is also an important consideration for choice of collaboration tools. For example, “audio chaos” is not just realistic, it’s crucial to the self-constitution of the group – the give and take, the dynamic allocation of the floor, are the very means by which members ascertain their ability and willingness to get along. A collaboration tool that blocks audio chaos also stunts the possibility of self-organization; thus, how well a particular collaboration tool or method simulates the characteristics of co-present interaction must be taken into consideration.



"It's about the speed of emotional warm-up. In a face-to-face meeting, you can quickly get involved, while in a Polycom meeting, you cannot get yourself involved that fast."

Finally, it is important that collaboration environments provide for visualization tools, such as white boards or flip charts. Sometimes what needs to be seen is not a face but a thing:

"I tend to be a draw-er, so people on the phone will miss it [when I use the whiteboard]...The challenge for me is to explain what I'm drawing verbally."

"I spend 90% of my time in a meeting pointing to the board with my finger going, "Remember this thing here?" and so on."

"Documentation – that's tough over the phone. Document sharing is one of the nice things about NetMeeting, if it's relatively small."

Ultimately, business behavior is adaptive – people deal with suboptimal collaboration conditions all the time – but sometimes the medium really does get in the way. Where participants spend too much effort accommodating themselves to collaboration tools that they shift away focus away from their purpose, "interaction consciousness" enters in and can bring negative repercussions.

"In a videoconference, everyone is squeezed together so as to fit on the screen, and it is not really comfortable. It's a bit like chickens roosting. I don't like our videoconferencing room."

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