Building

High

PerformanceTeams

A virtual team is a small group with a common purpose interacting interdependently on agreed tasks across boundaries of space, time, and organization, supported by technology. Virtual teams operate within and between networked hierarchies. Visible and shared information is essential for teams to make good decisions that serve the larger organization.

– Jessica Lipnack
and
– Jeffrey Stamps

> **It's almost five years since you (along with your co-authors) wrote that wonderful piece in *Harvard Business Review*, "Can Absence Make a Team Grow Stronger?" (May 2004, HBR). Any updates on this?**

Yes, because of the dramatic increases in technology capacity and changes in the economy around the world, "far-flung" teams, as they're called in the article, have gone from being optional to being mandatory. This means that organizations are scrambling to figure out how to make such teams successful, usually without the "new ways of working" that they need. Companies continue to throw different kinds of technology at their organizations without thinking through the behavioral aspects. Result? People are confused and not as effective as they could be.

Meanwhile, outside the corporate walls, employees are adept with so-

cial networking tools that organizations tend to resist. So for the first time, with Web 2.0 – like blogs, wikis, Twitter, and Facebook – we see the public as way ahead of big enterprises when it comes to good use of the tremendous communication tools at our disposal.

Finally, video conferencing, which our teams didn't use, is now becoming a viable option. It is becoming widely used, but not yet there. We

still have some way to go before video's really good and affordable – and it will always be limited by the size of screens for larger teams and such but it's so much more useful than it was in 2002 when we did the original research.

> **Can you elaborate on the background research for this article? What was the trigger point for this research?**

We were asked to participate by Professor Ann Marjchzak, who was working with her colleague, Arvind Malhotra. They had done a detailed study of a highly successful Boeing-Rocketdyne project that had been conducted virtually, which led them to secure sponsorship from the Society for Information Management for a more in-depth study with a larger sample. They were having trouble getting enough respondents. Because we had written a number of books and consulted extensively about this topic, we had a large database of interested people. And, indeed, when we wrote to our folks, they responded immediately and enthusiastically about participating.

> **What are virtual teams? What are their unique characters and distinguishing strengths?**

We use a broad definition: A virtual team is a small group with a common purpose interacting interdependently on agreed tasks across boundaries of space, time, and organization, supported by technology. Unique virtual characteristics are the boundary-crossing nature, which demands strict adherence to good operating agreements and collaborative behavior, and the extensive use of technology. Distinguishing strengths include: reduced costs (for example, less travel); shortened cycle time (due to improved work processes); increased innovation (due in large measure to the ability to recruit diverse experts with specific expertise regardless of location); and direct leveraged learning (due to work being done online in real-time, as opposed to captured later in a "knowledge management" system or in a post-project review).

> **What do you think are the critical success factors for virtual teams really pulling it off?**

Four principal success factors apply:
1. Clarity of purpose across the team and with stakeholders;
2. Independent and interdependent people among whom leadership shifts, depending on the task at hand;
3. Multiple links creating high-trust environments using simple technologies and supported by explicit and easy-to-comply-with operating agreements; and
4. Mindfulness of time as people operate on different "clocks" and the team develops through its life cycle.

> **What kind of organizational structure, organizational culture and leadership do you think are required to achieve the desired results from virtual teams?**

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Jessica Lipnack, CEO, and **Jeffrey Stamps**, PhD, Chief Scientist, are co-founders of NetAge. For three decades, Jessica and Jeff have provided expertise and tools that allow their clients to collaborate more effectively. NetAge's pioneering initiatives are in use in companies, public sector organizations, non-profits, and religious denominations.

Jessica and Jeff's research and practical experience have taken them around the world. Their clientele include American Management Association, Assurant, Apple Computer, AT&T Universal Card Services, GlaxoSmithKline, General Electric, Hewlett-Packard, Intel, Merck, Pfizer, Presbyterian Church (USA), Roche, Royal Dutch Shell, Toyota Foundation, The United Nations, Unilever, the US Army, US Joint Forces, and Volvo, to name a few.

Their six books, including *Virtual Teams*, *The Age of the Network*, and *The TeamNet Factor* (all Wiley), have been translated into many languages. Recent works include *The Virtual, Networked Organization*, the final chapter in *The Handbook of High Performance Virtual Teams* (Jossey-Bass, 2008); *The Strange Beauty of Virtual Teams* (Milestone Group Quarterly, 2007); *Communicate, Collaborate, Coordinate, Decide: How IT Achieves Strategic Leadership* and *The Easier Way to Work: Collaborating in World-Class Virtual Teams* (both Cutter IT Journal, November, 2008, and July, 2005); and *Can Absence Make A Team Grow Stronger?* (HBR, May, 2004), the landmark article reporting on best practices in "far-flung" teams. In 2008, they also co-authored and edited Teams of Leaders Handbook for the US Army under the Battle Command Knowledge Systems program. Jessica and Jeff's other books include *Networking* (Doubleday, 1982) and *The Networking Book* (Viking Penguin, 1986). Jessica also co-authored *Bear Island Reflections* (Bear Island Conservation Association, 1989 and 2000). Their articles have appeared in numerous publications and they have contributed chapters to a number of books.

Some landmark events in their career include:

In 1984, they served as faculty for the first online global executive education program sponsored by the Western Behavioral Science Institute, La Jolla, California. In 1993, they helped design, facilitate and launch NetResults, the first electronic cross-agency network for the US government employees linking thousands swapping ideas on how to reinvent government. In 1994, they launched www.netage.com, an early website now in its fourteenth year. In 1995, they co-founded MassNet: Collaboration for the Commonwealth, a cross-sectoral effort to encourage collaboration among Massachusetts business, government, nonprofits, and educational institutions. Peter Drucker was the keynote speaker at the inaugural event held at The Computer Museum in Boston. In a 1996 ceremony at the John F Kennedy Library, they jointly received the 21st Century Leadership Award from First Community Bank of BankBoston. In 1999, they keynoted the US Intelligence Community's Fourth Annual Conference on Collaboration. In 2002, they introduced Livelink virtualteams, a collaboration software for virtual teams, based on NetAge's methodology, developed in partnership with Open Text Corporation. In 2003, they signed a partnership agreement with Inxight Corporation to develop OrgScope, NetAge's organizational network display and analysis software. Howard Rheingold's The Virtual Community cites them as pioneers in electronic communication. In 2005, they participated in the design and delivery of the first "jam" outside IBM's pioneering efforts, helping to produce a 48-hour online conversation among 5000 people in a European company.

Since 1995, Jessica has served on the Board of Directors of Freedom House, Inc., a 60-year-old Boston-based nonprofit providing leadership and technology initiatives in the city of Boston, where Jessica has co-chaired the board and on which board Jeff also served for ten years, and, from 1982-2005, both she and Jeff served on the Advisory Council of the Calvert Social Investment Fund. Jessica is a graduate of Antioch College and has served as a trustee for Antioch University.

serve the larger organization. Leadership is shared as needed. Virtual teams need more, not fewer, leaders than traditional face-to-face teams. Cultures must be conducive to and reward collaboration, not just individual work.

> **For what kind of industries/companies, do you suggest virtual teams, instead of, face-to-face teams? Is there any verifiable evidence in this regard?**

Except for those organizations that are manufacturing tangible stuff that truly requires hands-on expertise (not to be too flip, but brain surgery, cooking dal, raising chickens), all industries can benefit from virtual working. However, even brain surgeons can be observed and aided by true experts from afar! Even dal-cookers can learn from chefs at a distance! Even farmers can and do share best practices online!

when virtual teams become the mainstream way to work.

> **The world is in the midst of an unprecedented crisis created by a few greedy investment bankers. The effects of this crisis are quite pronouncing. What is the importance of team work and high performance in such troubled times?**

Teamwork is critical and this is a real, immediate, compelling opportunity for us to perfect our virtual working skills. It underscores the trust that is so vital to launching and sustaining virtual teams, a quality sorely missing in conventional organizations, especially those most responsible for the crisis. And, it reinforces the need for transparency, not only for building trust but also for sharing the information required for distributed teams to make smart, informed decisions.

Nothing is static now as change accelerates. Teams either fall apart under the stress, or they reach deep and manage to become more effective and efficient despite the challenges. Virtual teams have more flexibility than collocated teams, and thus are more likely to hold up in tough times. It is also easier, in principle, to balance home and work life. Of course, poor collaboration behaviors sink virtual teams faster than their collocated cousins.

> **How important is it to sustain high performance teams? How do you think these teams have to be kept focused? What do you think companies should be doing to keep their tempo and temperaments going in these tough times?**

Managers are going to have to let go of their tendency to control everything, which is increasingly impossible. Team members must step forward and offer leadership when their skills and experiences are called upon to solve common problems. Leaders must state clear goals, but then know when to follow others on the team to produce results.

> **What is the role of business schools in equipping the students with the necessary skills and attitudes to be part of either virtual teams or high performance teams?**

Business schools have not traditionally stressed the benefits and behaviors of collaboration; have typically focused on individual achievement and competition instead. It is not enough to just expose students to the new technologies or have them work together in small study groups, but there is a need to redesign at least some teaching processes to better reflect the real world of virtual work. Finally, the increased interest in the "double bottom line" – paying attention to both financial and social results – speaks of the greater ethical requirements of virtual work, where values hold people together rather than command-and-control hierarchies.

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> **In your article, you have highlighted three principles/rules that guided the virtual teams of your research? Can you please elaborate on these three rules highlighting the efficacy of each of the rule?**

Exploiting diversity is most evident by the increase in innovation that is possible when people can work together without being collocated, which always limits who can be involved. Technology is used to simulate reality, like conference calls, which support communication at a distance, but the real benefit comes with the use of persisting, "asynchronous" tools, such as team rooms and wikis that support shared memory. Hold the team together by a constant stream of communication using multiple media, not just one collaboration tool of choice.

> **Do you think the current economic times have necessitated more of virtual teams?**

Yes. The times require less travel to do more work with fewer people. We believe this may be the watershed point

> **What according you are high performance teams? What are their unique characteristics? Can you give examples of a few companies that have created and nurtured high performance teams?**

The US Army is an unlikely exemplar of high-performing teams. These teams have the qualities of shared vision, trust, competence, and confidence – the emphasis here is on the "shared" part. What propels these teams beyond the conventional bounds is the use of information technology and knowledge management while practicing the shared qualities of high performance. Our own experience of working closely with ProdEx, a software development company with a team of engineers in Chennai, on a complex project without a single conference call points to how important virtual working is for small companies as well as large ones.

> **What happens to all such high performance teams in these economic crisis times?**