

Designing effective collaboration

A report from the Economist Intelligence Unit
Sponsored by Cisco Systems





Preface

In early 2008 the Economist Intelligence Unit published a paper titled “The role of trust in business collaboration”, one of a several papers produced since 2006 as a part of ongoing research sponsored by Cisco Systems.

The paper focused on the need for different levels of trust in different business environments. Although each of those environments was commonly deemed “collaborative”, there was in fact a distinct difference between the level of trust required and the degree of collaboration. More importantly, trust was shown to be a key success factor in collaboration.

These findings may seem unsurprising on the surface, but they became far more notable when combined with other results from that research. Particularly, few “collaborations” were seen as completely successful, few people actually trust very highly many of the people with whom they work and the term “collaboration” is most often used today to describe activities that are, in fact, quite mundane.

What happens, then, when companies are pursuing complex and ambitious collaborations with lofty aspirations like innovation, margins and returns to shareholders? Furthermore, how do companies collaborate successfully on such ventures in an increasingly global economy and when knowledge is at a premium?

The Economist Intelligence Unit and Cisco decided to join forces again to explore the kinds of culture, processes and information technology (IT) required for effective collaborations in 21st-century business.

The Economist Intelligence Unit’s editorial team executed the survey, conducted executive interviews and wrote the report. The findings and views expressed here do not necessarily reflect the views of the sponsor; the Economist Intelligence Unit bears sole responsibility for this report.

Our thanks are due to all survey respondents and interviewees for their time and insights.



Executive summary

Just as Leo Tolstoy taught that every happy family is alike, research shows that every successful collaboration shares common traits. It is these characteristics—in culture, processes and the use of information technology (IT)—that set value-creating collaborations apart from the ordinary routines of co-ordination and co-operation in corporate life.

The idea that some forms of collaboration create more value than others is not news. Phrases such as open innovation, mass innovation, co-creation and distributed creation were all invented to distinguish projects that pay big economic and organisational dividends in today's business environment. Successes range from innovative partnerships in pharmaceutical research to supply chain collaborations and consumer-driven product development and marketing. (Several are illustrated in case studies from HP, Kaiser Permanente and Microsoft in this report.)

Companies seeking to design a powerful collaboration can learn from innovators. Success hinges on whether companies:

- **Adopt a commitment to identify and pursue value opportunities.** Successful collaborators recognise there are many types of value opportunities. These include deploying unused or under-utilised assets, finding new and unique applications for assets and employing or combining assets to create discrete new sources of value. They also “know what they do not know”—realising,

About the survey

Of the 610 business executives surveyed, more than three-quarters were located in North America, Europe or the Asia-Pacific region. Just over one-third worked for companies that had annual global

revenue of more than US\$1bn and more than 15% worked for companies with revenue of US\$10bn or more. The executives had a variety of formal titles and functional roles, but 99% say they work with others (who may be inside or outside your organisation) to try to improve existing activities (eg, increase efficiency or quality), increase revenue, or implement mandates.



for example, that they may actually need a process dedicated to identifying and pursuing value opportunities.

- **Align culture, structure and processes behind value opportunities.** Successful collaborative organisations are unique in the way they deliberately position themselves to pursue value opportunities. They recognise that the existing organisational culture, structure and processes may need to change to accommodate the pursuit of value. They also esteem creativity, expertise and engagement as drivers of success.
- **Build capacity to fail.** Successful collaborators value “failure” as a critical signpost on the road to success. The corporate capacity to fail encourages experimentation and provides balance in risk-reward decisions. Failures are seen as a way to focus goals and inform decisions about next steps.
- **Demonstrate a keenness to “scale up” collaboration.** Those who have reaped the benefits of successful value-seeking collaboration soon become champions of the approach and seek ways to scale it up. They are especially keen to explore how IT can expand the reach of collaboration or introduce its benefits to a wider audience, in some cases via next-generation virtual interactions.

This paper focuses on those factors and attitudes that set collaboration apart as a way to capture and create value. Accordingly, it offers insights on how and why value-seeking collaboration differs from other forms of business co-operation and co-ordination, and how companies can design effective collaboration.



Key findings

Executives apply the term “collaboration” to all kinds of interactions, regardless of whether they are routine or groundbreaking. In order to gauge attitudes towards collaboration more accurately, the survey asked executives a series of questions about three specific scenarios: a trivial project requiring individuals to follow instructions; a project with a clearly defined goal and some freedom around the means to accomplish the goal; and a more high-stakes, open-ended collaboration intended to generate new revenue.

That approach led to categorising respondents into three distinct groups—co-ordinators, co-operators and collaborators—according to the type and degree of interaction and the goals of their collaborative endeavours (see Figure 1).

Collaboration: a more open-ended series of interactions intended to go beyond individual strengths to create a new source of value.

Co-operation: a project with a clearly defined goal and some freedom around the means to accomplish the goal.

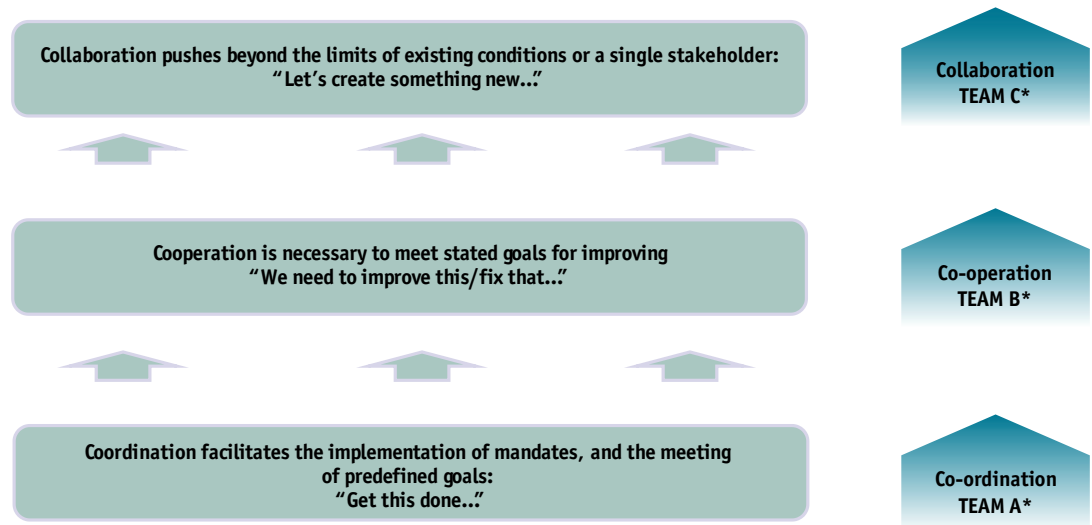
Co-ordination: a trivial project requiring individuals to follow instructions.

Not surprisingly, the survey showed that some factors, such as competence, are important to the success of almost any form of business interaction. Other factors, though, are clearly unique to the success of value-seeking collaborations—those in which the goal is to push beyond the limits of existing conditions or the sum of individual contributions in the hope of creating something new.

The findings of this paper focus on those factors and attitudes that are unique to collaboration. This activity diverges tangibly from co-ordination, where the goals are narrow and pre-defined, and the imperative is simply to get done what has been mandated by others. Meanwhile, a co-operative venture



Figure 1. Survey respondents were asked what they needed to succeed in three different scenarios, each with a different level of collaborative interaction



* See appendix for the full text of the scenarios presented to survey takers.

aimed at improving or remediating existing conditions typically falls between value-seeking and "get it done" activities.

Key findings include:

- **Collaborators require creativity, expertise and engagement.**

Although all work groups value competence and commitment, these factors are valued highly in each team member involved in a collaboration.

- 69% of collaborators say creativity is necessary (not just "nice to have") in each team member in order for a collaboration to meet its stated objectives, whereas only 22% of co-ordinators say creativity is a must-have to get the job done.
- 42% of collaborators say each team member must be personally excited about the project they are working on, compared with just 14% of co-ordinators.
- 63% of collaborators say each team member must bring unique expertise, compared with 24% of co-ordinators.
- 60% of collaborators say each team member must be convinced their project will benefit their company for the collaboration to meet its goals, compared with 35% of co-ordinators.

- **Mutual trust among peers is most important to collaborators.**

The majority of collaborators, co-operators and co-ordinators demand mutual trust among team members, and that connection is far more important than trust in the boss or senior management.

- Collaborators are especially aware of the need for trust, with 79% saying mutual trust among team members is critical to their success.
- Although many co-ordinators (59%) say mutual trust is a prerequisite for success, co-ordinators are also more likely to say trust is not a precondition at all. In fact, 21% say they could get their



job done without much trust in team members, bosses or senior management.

- **Processes for collaborators must be rigorous, with room for freedom.**

Collaborators want processes that are rigorous, but they are also more likely to want some freedom to adopt project-specific processes.

- 36% of collaborators say they need freedom to sidestep existing processes or create new ones to succeed, compared with 18% of co-ordinators.

- **Protection of proprietary knowledge is required for collaborators.**

Collaborators recognise that their work is likely to include proprietary knowledge-sharing and need guidelines to protect interests.

- 45% of collaborators say team members will need to sign non-disclosure agreements (compared with just 6% of co-ordinators), and 52% say they will need guidelines on what information can be shared with whom (compared with 22% of co-ordinators).

- **Collaborators are more intensive users of IT.**

Most people need IT to keep information current and accessible, but collaborators are more likely to need IT to support idea development and protect those ideas.

- 61% of collaborators say they need IT to enhance idea development, compared with just 28% of co-ordinators. Also, 44% say they need IT to limit access of content to project participants (compared with 18% of co-ordinators).
- Collaborators are also more likely to need quick and personal access to each other, whether by e-mail, phone, instant-messaging or in person.

- **Where context is critical, in-person communication is preferred.**

In-person communication is still preferred in situations where context is critical, regardless of the type of project, but e-mail is quite adequate for disseminating information when no immediate feedback is needed.

- 94% of all survey respondents say they would opt for in-person interactions over e-mail when trying to negotiate or persuade another individual, while 79% say e-mail is preferable for disseminating more mundane information such as a new holiday schedule.

These findings offer some useful road signs for those seeking to design culture, processes and IT that can support and drive effective collaboration.

Defining value is a necessary precondition for collaboration

Successful collaboration requires participants to understand the concept of value as it pertains to their business and the collaboration itself. Many corporate actions “create value” by, for example, increasing revenue or moving the business into a new market. But to design an effective collaboration, the stakeholders must pinpoint the opportunities and be keen to create and optimise that value.

Joe Batista, director and “chief creatologist” at HP, says his job is to “help clients to accelerate their business by creating an alignment of interests between HP assets and client business operations



that creates net new value streams". More generally, he says, collaboration reflects the process of "companies figuring out that they have optimised their own list of assets, so combining their assets with new ones, or finding new avenues for those assets, and creating new currencies for those assets that will deliver some balance sheet impact".

The focus on "assets" is critical, says Mr Batista. He illustrates value-seeking collaboration by describing how HP "discovers, unleashes and reorients" its suite of assets (see HP sidebar).

Collaborations rooted in strategy can speed business decisions

There is another dimension to the value capture/creation equation and that is the link with corporate strategy. In fact, collaborations deeply rooted in corporate strategy can help to restructure traditional models for developing ideas or products and speed up decisions.

Moreover, experienced collaborators agree that the willingness to test a concept until it "fails" creates its own sort of value by saving the company from investing in a project that would have proved to be impractical once fully developed.

Chris Pratley, general manager of technical strategy for Microsoft Business Division (MBD), manages the Office Labs team, which handles exploratory concept testing and long-term vision-setting for Microsoft Office applications. He says that although his organisation is functionally separate, largely to preserve its "thought space", it is also highly collaborative and is tied directly to the business lines.

"My organisation produces the data and prototype usage information that would enable a business leader to say, 'Yeah, that's something I would want to invest in further, based on the known value that exists around that idea'," says Mr Pratley.

HP seeks to align interests and assets, and mutualise economics

"When we speak of collaboration I think ASE," says Joe Batista, director and "chief creatologist" at HP. What is ASE?

1) Alignment of interests. "Can we create alignment of interests between our respective brands that leads to new value? The collaboration requires alignment for innovation to succeed."

2) Synchronised assets. The approach used by each party must be synchronised to accommodate the rhythm of all stakeholders (the pace/process of sign-offs and funding, project reviews, etc) to ensure decisions can be made quickly.

3) Economics. "If you can't create value and a set of economics both parties are comfortable with, it doesn't make any sense."

"Companies have all sorts of cool assets," says Mr Batista, "but first they need to inventory them, then reorient them and unleash them. If you find the flow of how to do that, you can look at very different innovation projects that might come out from

innovating outside the company".

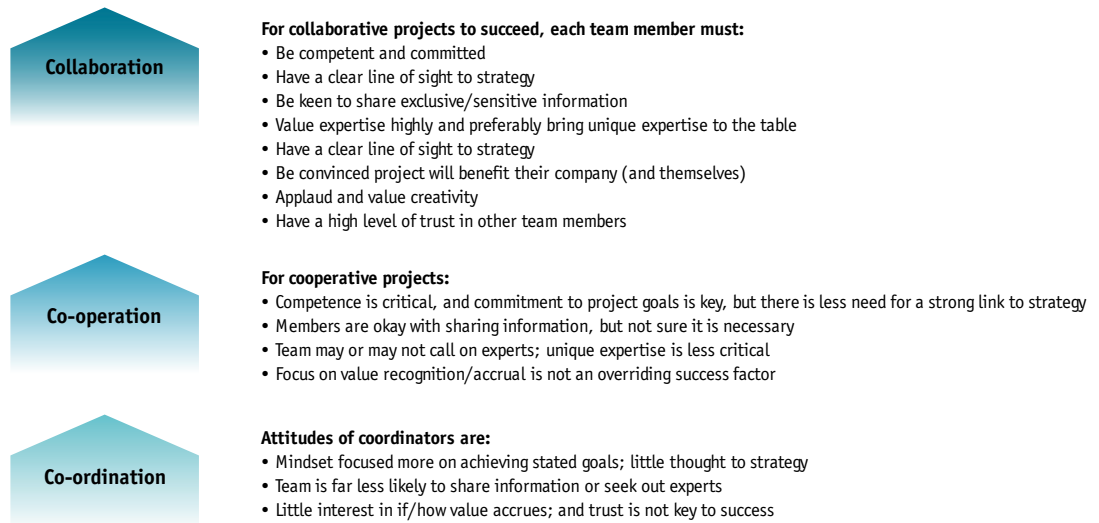
HP is doing just that, notes Mr Batista, by reorienting a core competence—the science behind ink cartridges—into pharmaceutical applications. HP is now licensing its micro-fluidics technology (the process of squirting droplets of ink precisely through a tiny tube) to Crospon, a small Irish medical device maker, which will use it to make a patch that can dispense pharmaceuticals.

Unlike existing "transdermal patches" already used to deliver drugs through skin absorption, the HP-based drug delivery system works just like a thermal inkjet printer, forcing the liquid drug through a tiny micro-needle and pushing it just below the skin and directly into the bloodstream.

This application may seem far beyond HP's core business, but Mr Batista describes the solution as a result of an "asset journey" that involves scrutinising ways to uncover assets (including ideas locked in someone's brain), doing an inventory of those assets and then figuring out how to reorient the assets. The role of collaboration is critical in this process, whether it is via open innovation networks, conversations with customers, or myriad other interactions.



Figure 2. Succeeding in different types of collaboration: How people and attitudes differ



Kaiser Permanente’s Sidney R. Garfield Health Care Innovation Center is also a testing vanguard. The centre, which contains a mock hospital, clinic setting and home environment, is designed to test innovations. Its director, Jennifer Ruzek, says the centre brings front-line staff and patients together “to collaborate to understand how architecture, technology and process all come together whether we are innovating a new facility design, prototyping a safer way to deliver a medication to a patient, or understanding how technology is used by staff and our members”.

The Garfield Center was initially built as a “test before build” stage, to understand how technology and clinical process affect facility construction, a capital project that involves billions of dollars. Based on the experiences thus far, says Ms Ruzek, “Successful failures are a critical positive outcome” of the collaboration at the centre (see the Kaiser Permanente sidebar).

Kaiser Permanente learns successful failures can be very positive

Jennifer Ruzek is director of Kaiser Permanente’s Sidney R. Garfield Health Care Innovation Center, which offers “a living laboratory where ideas are tested and solutions are developed in a hands-on, mocked-up clinical environment”. Its value, says Ms Ruzek, lies in identifying early on what will and won’t work in the real world.

For example, “We had a group of nurses focused on how to improve the safety of delivering medication; one way to improve safety is to minimise interruptions—time spent away from the patient”. One suggestion from nurses was to refit existing wireless carts (workstations on wheels) with a cabinet to hold medications that would eliminate the need to go back and forth to the

medications room.

Pharmacy, patient care services, mobile computing and information technology all got together and developed some basic scenarios that would test the cart design. Two different sets of nurses came to the centre on two different days to test a prototype, which was developed by a vendor.

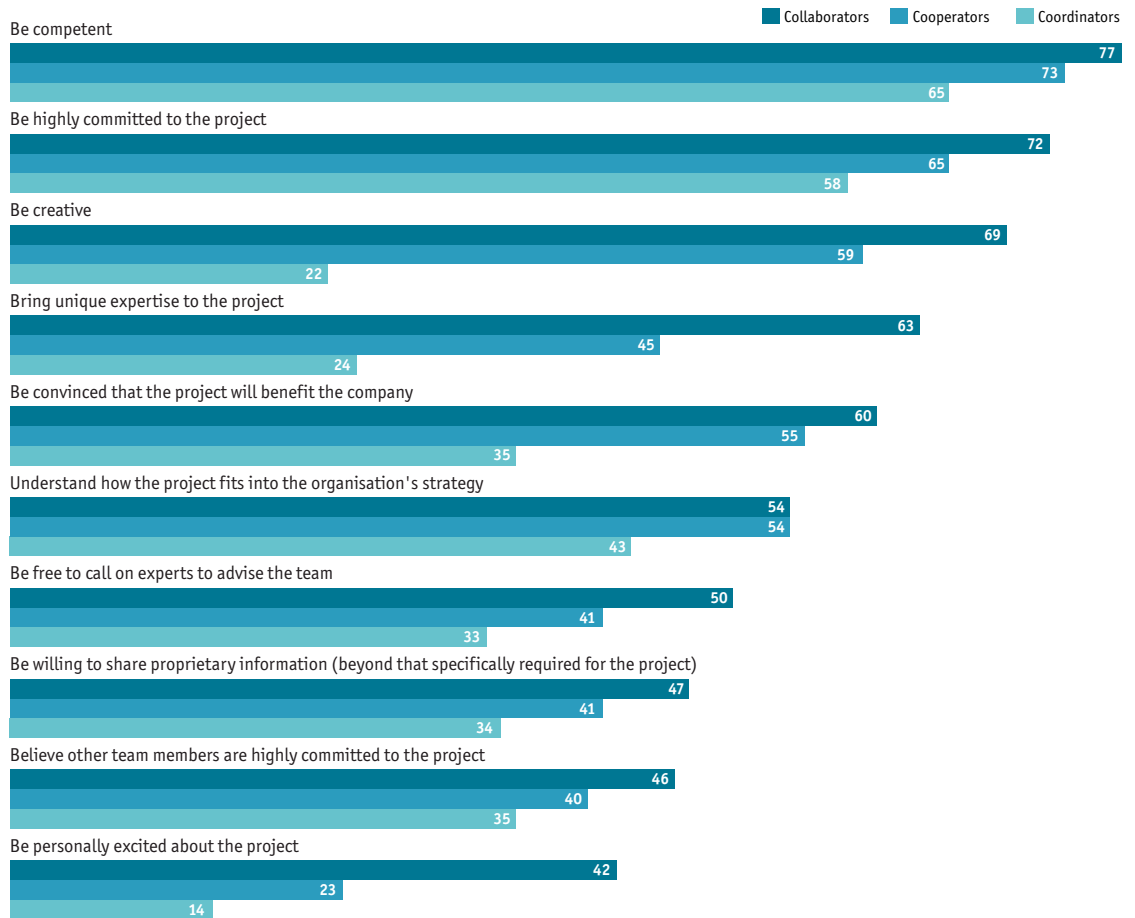
In testing, though, the nurses found myriad problems, including the fact that the medications drawer simply made the cart too heavy. “We killed the pilot,” says Ms Ruzek, and she later found out another large healthcare system had bought a fleet of such carts without testing them. They too discovered the shortcomings, along with other unforeseen problems, including important industry compliance issues around securing and tracking medications. That other healthcare system had to spend millions retrofitting its carts, so “that was a very successful failure for us”, she says.



Figure 3: For collaborators, the necessary conditions for success extend beyond competence and commitment

"What conditions are necessary for the team to meet its stated objectives?"

(% respondents)



Successful collaborations need engagement, creativity, expertise

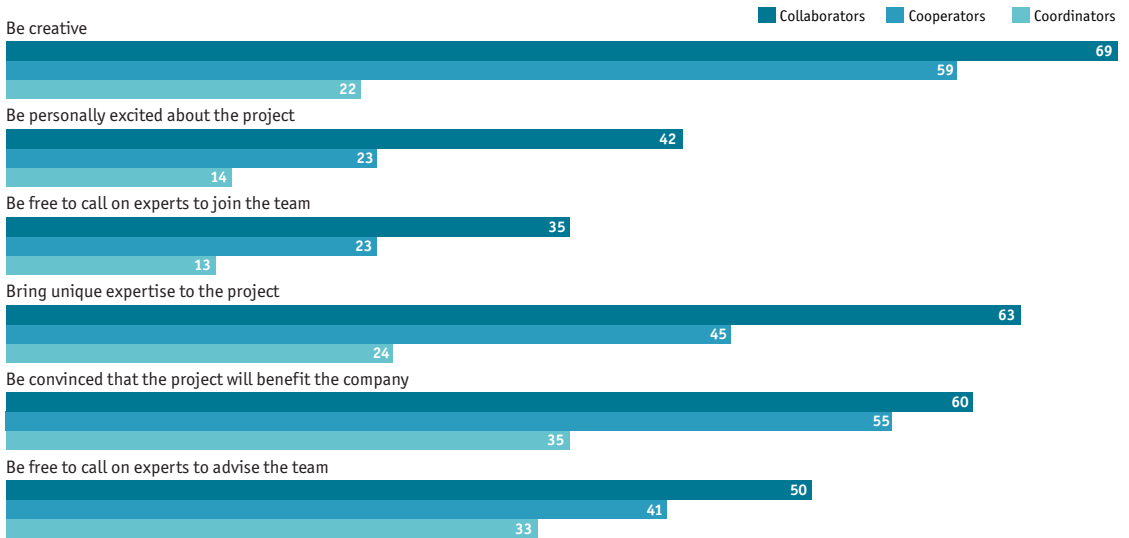
The survey confirms that must-have attributes for team members involved in a successful collaborative effort are often linked closely with strategy and value. A clear line of sight to strategy, an awareness of the value of information and a thirst for knowledge and expertise are critical (see Figure 2).

Not surprisingly, collaborators—like co-operators and co-ordinators—say competence and commitment are must-haves for success. However, they also demand that each team member be highly engaged in the concept and execution of their project, be intellectually interested in the process as well as the outcome and be keen to explore all avenues of resolution to the task at hand (see Figure 3). In fact, when examining the must-have attributes in which collaborators and co-ordinators diverge most widely, the top requisites for collaborative success are that each team member be creative, be personally excited about the project and bring unique expertise to the project (see Figure 4).



Figure 4: Collaborators are unique in valuing engagement, creativity and expertise very highly

"What conditions are necessary for the team to meet its stated objectives?"
(% respondents)



Performance management systems can be aligned to reinforce and reward the sought-after behaviours. For example, recognition can be a strong motivator for individuals, especially for those in non-profit or research environments. Executives agree that successful collaborators often “get a kick” out of what they do, and it is important to remember that visibility may be a key driver of their efforts.

More generally, executives say, it is important for performance management systems to acknowledge and reward the ability to collaborate as a specific area of competence. In the survey, about 30% of collaborators also say it is necessary to reward team members for working together to advance their project, compared with just 12% of co-ordinators (see Figure 8).

Building mutual trust is very important for collaboration

Value-seeking collaborators are far more likely than co-ordinators to see trust as a must-have for success. Therefore, collaborative companies need to invest in building trust among counterparties, via both formal means (eg, providing legal protections) and informal means (eg, facilitating in-person meetings).

Perhaps most notable is that for collaborations to be successful, each team member must have a high level of trust in other members. Accordingly, trust-building efforts should be focused on individuals, rather than on management.

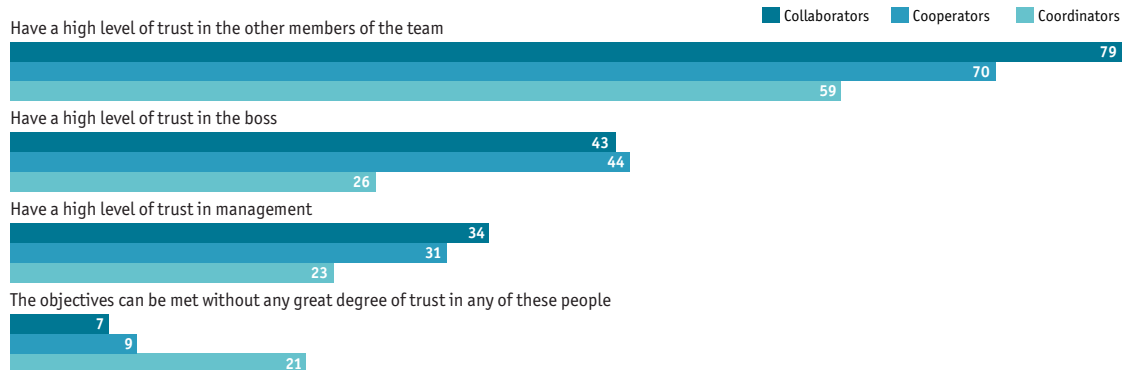
This is consistent with what Chris Rasmussen of the National Geospatial-Intelligence Agency told us about contributions to Intellipedia, the knowledge-sharing wiki (collaborative website) for US intelligence officials. “Every edit, every blog, every social bookmark has your name on it. If we are going to shift from a collection of organisations to a collection of users, it starts with a first name—your name, your brand.”



Designing effective collaboration

Figure 5: Collaborators especially need to trust each member of their team; only coordinators are more likely to say they can get the job done without trust

"In order to meet the objectives each team member must...."
(% respondents)



Existing processes may need to be modified for collaboration

The evolution to collaborative culture may require companies to take a second look at processes and the deployment of IT. The survey shows quite clearly that collaboration often requires more process flexibility than is needed in co-ordination, where processes primarily have to offer standardisation and clarity (see Figures 6 and 8).

Collaborators are more likely to want the flexibility to revise or sidestep existing policies if those processes stand in the way of their efforts. In fact, the survey suggests process flexibility is a boon to all but the most basic forms of business co-ordination (see Figure 8).

Companies may fear that this finding reeks of anarchy, but experienced collaborators are quick to note that flexibility should not be a means of evading accountability. "This is a business-driven process, not a blank check," notes Mr Pratley of Microsoft, and processes must be developed to support

Figure 6. Succeeding in different types of collaboration: How processes differ



For collaboration to succeed, processes should:

- Facilitate transparency and communication, and help to track goals, responsibilities, accountabilities
- Support needs of collaboration itself (not necessarily the enterprise)
- Acknowledge constraints of existing processes, eg hurdle metrics
- Offer flexibility to veer from established protocols and policies or create new, collaboration-specific processes
- Acknowledge collaboration as a distinct skill in evaluations/rewards



Cooperative projects are most likely to have processes that:

- Facilitate transparency and communication and help to track goals, responsibilities, accountabilities
- Borrow from/modify existing activities; not much call for flexibility
- Make little attempt to reward collaboration as a skill



Coordination is marked by processes that:

- Offer clarity around objectives and accountability
- Are imported from existing activities; no need for flexibility
- Make no attempt to reward collaboration as a skill

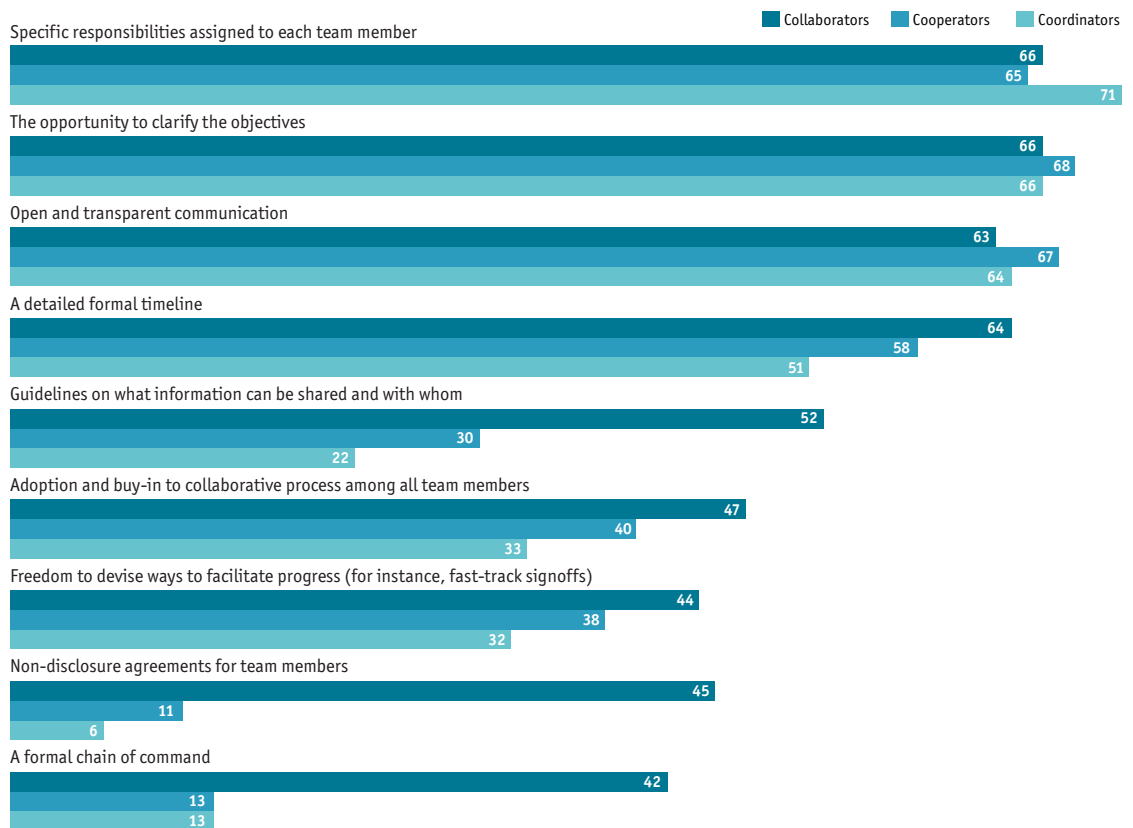


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Figure 7: Collaborators want processes that are rigorous but also want flexibility

"What conditions are necessary for the team to meet its stated objectives?"

(% respondents)



the goals of the collaboration. "The processes may not mirror others in the business, but they must still be business-driven," he says. "The freedom to develop unique processes allows for more relevant prioritisation of activities; it is not meant to skirt accountability."

Indeed, the survey shows (see Figure 7) that in all types of projects it is critical for each team member to be assigned specific responsibilities, to have the opportunity to clarify the objectives and to have a detailed, formal timeline. All of these conditions require clear processes.

Some executives advocate Six-Sigma-type approaches. Others prefer to base standards on industry practices. But all agree rigour is needed to ensure that goals, responsibilities, accountability and compliance are systematically covered.

Existing processes should not constrain value-seeking opportunities. Mr Pratley of Microsoft notes that Office Labs up-ends the traditional product development process that "necessarily limits the degree to which you think about new possibilities" (see Microsoft box).

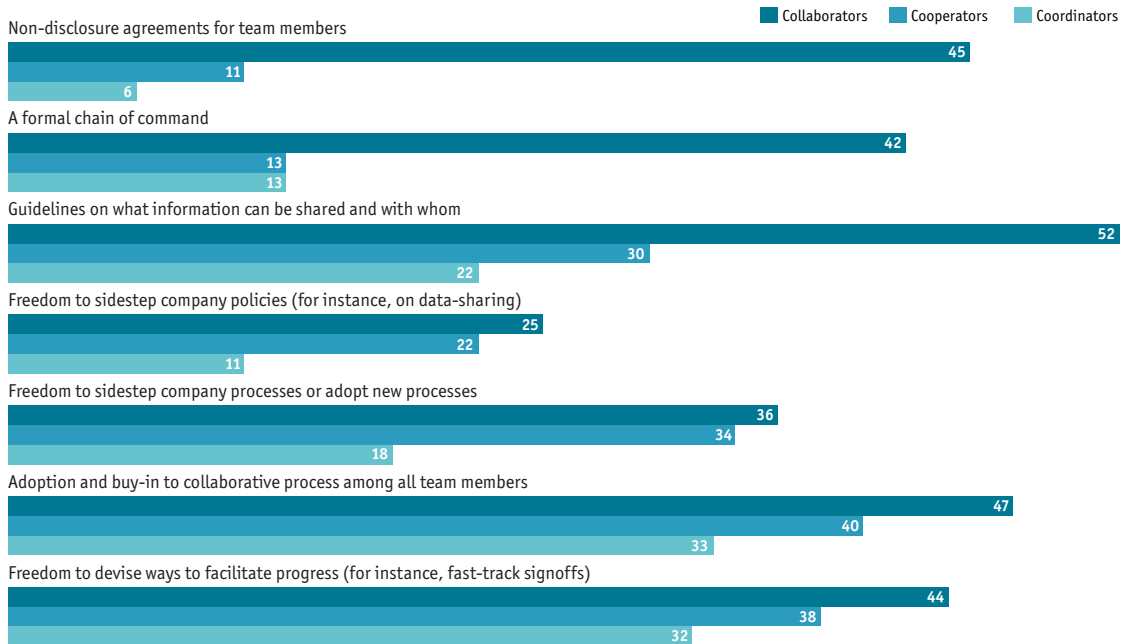
Mr Batista of HP notes that processes may need to change to ensure progress is not stalled by one stakeholder. He illustrates the need for a "synchronisation of assets" with a collaboration between HP and Partners HealthCare, which is pioneering the concept of personalised medicine (care based on a patient's genetic/genomic make-up). From the outset, notes Mr Batista, HP knew its IT could help Partners HealthCare, but "We were dealing with a non-profit, so we needed



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Figure 8: Collaborators are more likely to recognise that work will include proprietary knowledge-sharing, and to want freedom to adopt project-specific processes

"What conditions are necessary for the team to meet its stated objectives?"
(% respondents)



to synchronise our rhythms towards a common goal: personalised medicine. Synchronising the business rhythms is sometimes an overlooked concept, but a very important one." Some of the differences and challenges are:

Organization:	HP	Partners HealthCare
Business Model:	For-profit	Not-for-profit
Constituents:	Stakeholders	Patients
Time frames:	Quarters	Lifetime
Industry:	High-tech	Healthcare
Structure:	Commercial entity	Mission-based organisation

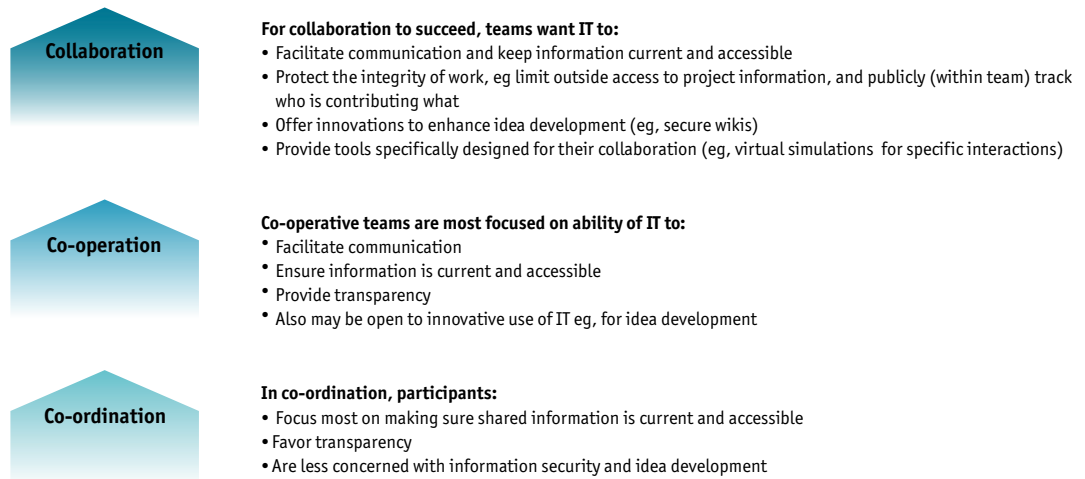
This example illustrates how even basic processes may need to be realigned in any collaboration to make sure, for example, that executive committees are reviewing ideas, signing off on implementation and approving/deploying funding on the same schedules. Processes may have to be cobbled together to serve a specific collaboration and may not be the best ones for any single stakeholder, but the aim is to establish a process that will work to advance the collaboration.

IT can provide flexibility and security for collaborations

Collaborators are also more demanding of IT than are co-operators or co-ordinators. According to the survey, although all business interactions need IT to facilitate communication and keep information



Figure 9. How information technology differs in three collaborative scenarios



current and accessible, collaborators are more likely to expect that IT will also protect the integrity of their work and define and maintain a “thought space” for idea development (see Figures 10 and 11).

Paul Saunders, the director of enterprise collaboration at Textron, notes that IT uses a variety of tools to meet collaborative needs, from a centralised employee portal that provides “a single point of truth for employee communications” to blogs, forums and wikis for various business units and functions.

Importantly, he says, the solutions need not be complex to be highly functional. He notes, for

Microsoft Office Labs up-ends development process to test ideas

Chris Pratley, general manager of technical strategy for Microsoft Business Division (MSBD), concedes his Office Labs team could not properly test concepts within the confines of traditional product development processes. In these systems, participants are constrained by imperatives, such as a mandate to develop a new product in a given timeframe that is superior to but compatible with its antecedent.

These constraints, says Mr Pratley, “necessarily limit the degree to which you think about new possibilities”. For the purposes of Office Labs concept testing, he says, “You can’t ignore those constraints completely, but you don’t have to take it to the extent that you have to once it’s on the table as a product in development.”

“We actually turn the product development process on its head,” he says. The Labs team does “the least possible” to make the product functional, “cutting all the corners just to get the data

the product team will need” to decide whether to put the concept into development.

“If we, in concert with the business partner/sponsor, think we’ve exhausted the value in an idea, then we know it may be time to move on. Moreover, we’ve learned for example that projects that are mild successes are actually not successful for us. Even if they have an increasing number of users over time, if the uptake isn’t fast enough, then really it’s just not that interesting.”

There is a romantic notion that collaboration and innovation involves “a bunch of smart people off in a separate building with orange walls and bean bags that go dream stuff up,” says Mr Pratley. On the contrary, he says, there is a process. The gauges may be soft compared with established business metrics, but they are iterative and business-focused, driving the likelihood of collaborative success.

Moreover, says Mr Pratley, a successfully collaborative culture can “turn a threatening, business-disrupting idea into a value-creating initiative”, as all parties agree to test a concept and can comfortably agree, “We should probably look at that or a competitor will.”

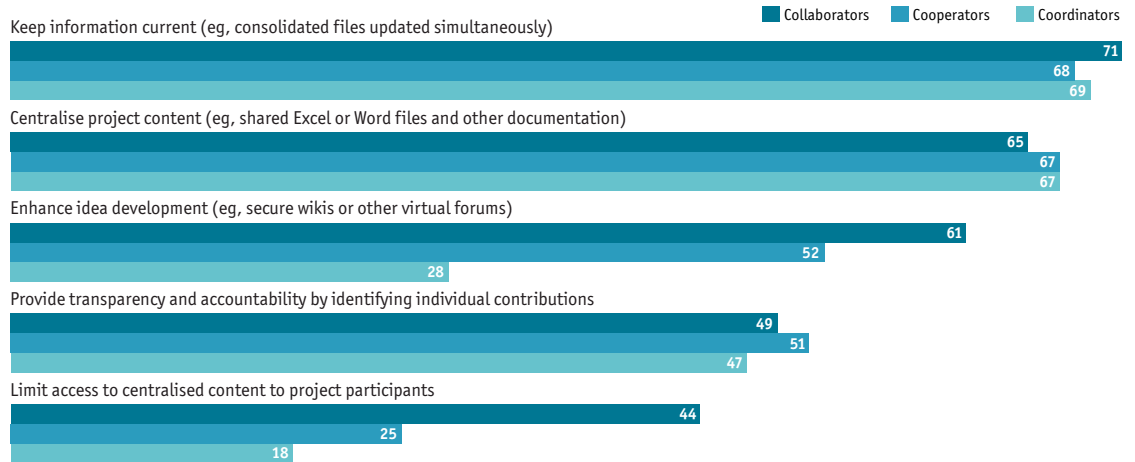


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Figure 10: Most people need IT to keep information current and accessible, but collaborators are more likely to need IT to support idea development and protect those ideas

"To meet its objectives, the team needs IT to ..."

(% respondents)



example, that the firm introduced internal, secure, encrypted instant messaging, because "public instant messaging (IM) was prolific, so we needed a solution that would allow employees to continue to IM, but would reduce risk of SPIM [messaging spam], viruses and other legal concerns". Collaborative efforts have greatly benefited, as "the technology part can just help you get it done", he says.

Virtual interactions could help scale up collaborative efforts

The instant, secure IM access that Mr Saunders describes is exactly the kind of collaborative tool needed to ensure success, according to the survey, given that collaborators are far more likely than co-operators or co-ordinators to expect each member of the project to be highly accessible (see Figure 12).

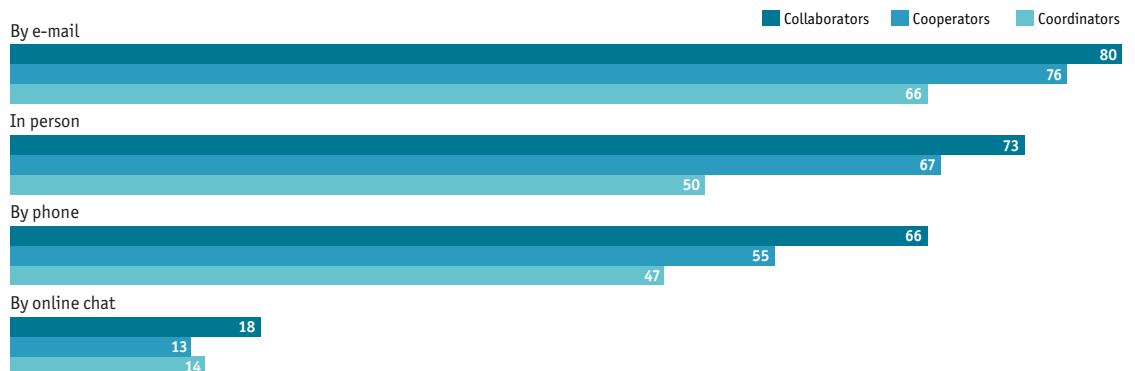
Notably, though, all survey respondents show a clear preference for in-person communication in certain situations, particularly those in which immediate feedback is required or a human response offers additional insight (see Figure 13).

Virtual interactions, though nascent, are already helping collaborators to bridge the gap in situations

Figure 11: Collaborators are more likely to need quick and personal access to each other

"In order to meet the team objectives, *each* team member must be available..."

(% respondents)





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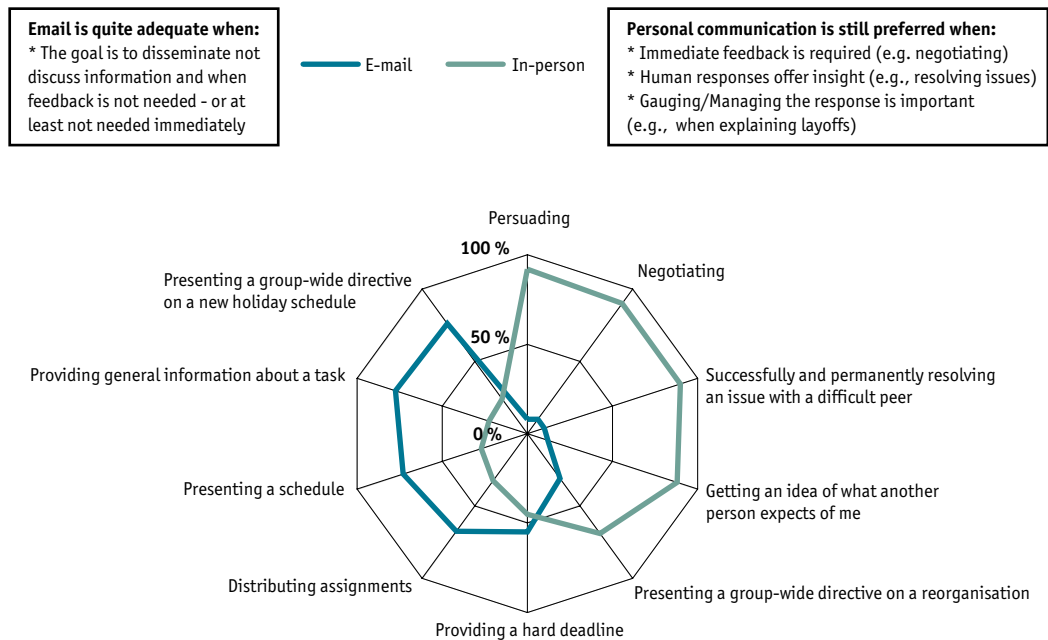
where e-mail or even phone interactions may be too impersonal to nurture collaboration. However, it seems virtual interactions could also become an important tool for scaling up collaborative efforts.

The Garfield Center, for example, has piloted a virtual-reality simulation of the information exchange between nurses at shift change. “We were already spreading the Nurse Knowledge Exchange (NKE) practice through our facilities using face-to-face education, so we ran a pilot to see if we could also train people in a virtual environment.” Ultimately, says Ms Ruzek, “We found the learning outcomes were the same in a virtual environment as they were in a face-to-face environment”, and the approach was actually preferable for people who are uncomfortable with more traditional role-playing methods.

Figure 12: In-person communication is still preferred in situations where context is critical

"For the following types of communication, would you opt for e-mail or in-person?"

(% respondents)





Conclusion

Collaboration goes hand-in-hand with discussions about corporate innovation and value-creation. The research confirms, though, that although collaboration can be an invaluable tool in the race to capture and create value, companies cannot decide overnight to be collaborative.

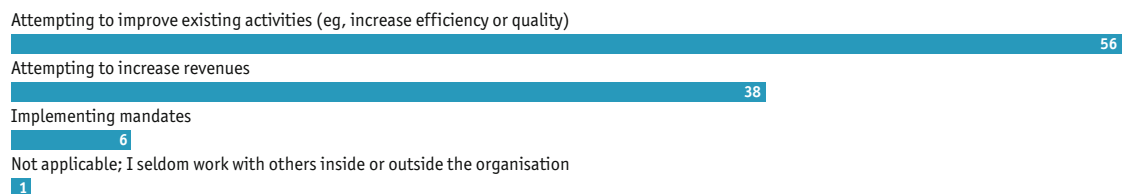
Successful collaboration requires strategic commitment, organisational and process flexibility, supportive IT and, ultimately, an ability to scale up the approach and the benefits.

As a result, companies seeking to design effective collaborations must be prepared to examine what they will need to change and are willing to accommodate to reap the benefits of collaboration among internal stakeholders or with outsiders.

Appendix: Survey results

Which of the following objectives most closely matches how you most often work with others (who may be inside or outside your organisation)?

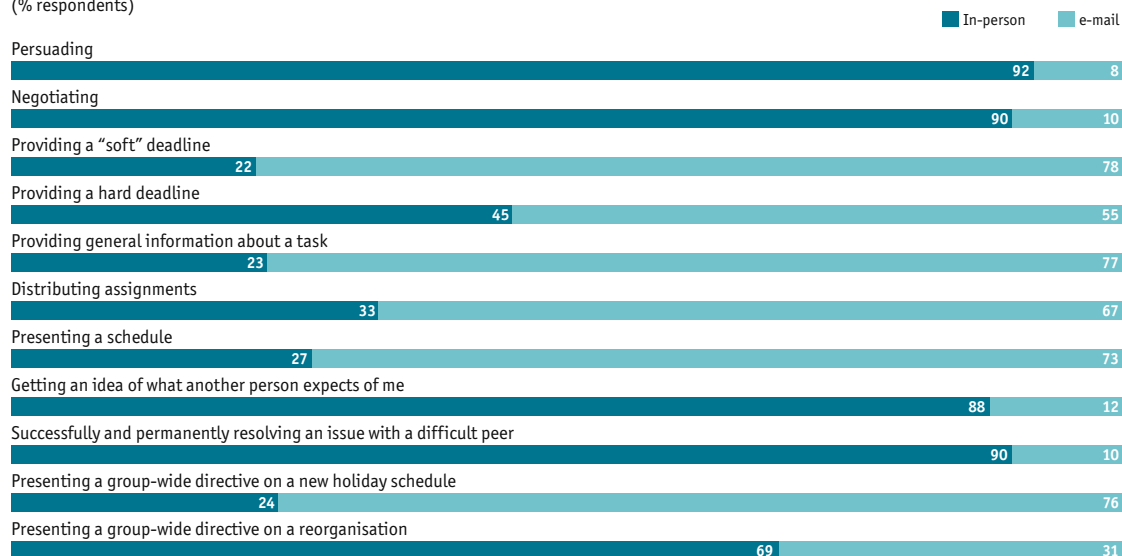
(% respondents)



For the following types of communication, imagine that you can choose between communicating in person or by e-mail.

Which mode would you choose?

(% respondents)



Team A: Get it done

Imagine that you work for one of the functional heads of your company (CFO, CIO, COO, head of human resources, etc.). One day you are summoned to your boss's office. When you enter, you recognise three of your counterparts. All have also been summoned; all report to the same executive. Despite working together for several years, you know them only superficially. You feel some discomfort, as you do not know what to expect, and you brace yourself for bad news. Glancing around, you suspect that the others feel discomfort too.

For several minutes your boss continues to stare into a computer monitor before finally looking up. Starting now, the boss announces, the four of you need to find a way to provide a monthly spreadsheet containing information originating in all four of your functions. The boss distributes three sheets of paper:

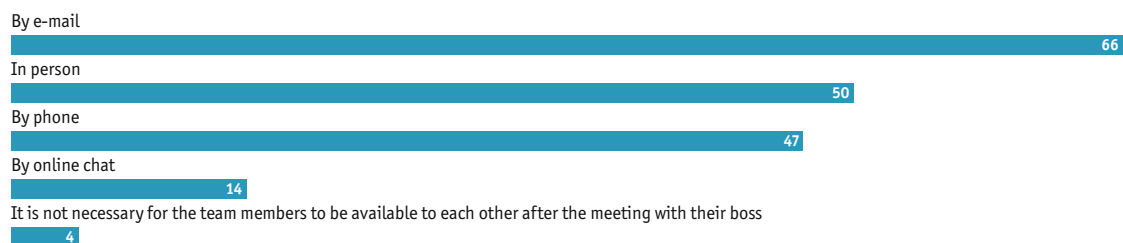
- a list that describes exactly which data items are needed
- a format showing how the report should look
- a schedule that shows when the report is due each month

The last words to the group are: "Get it done." With that, he turns back to the monitor, and the four of you get up to leave the room.

In order for Team A to meet the objectives, each team member must be available:

Select only the necessary conditions, not the "nice to have" ones.

(% respondents)

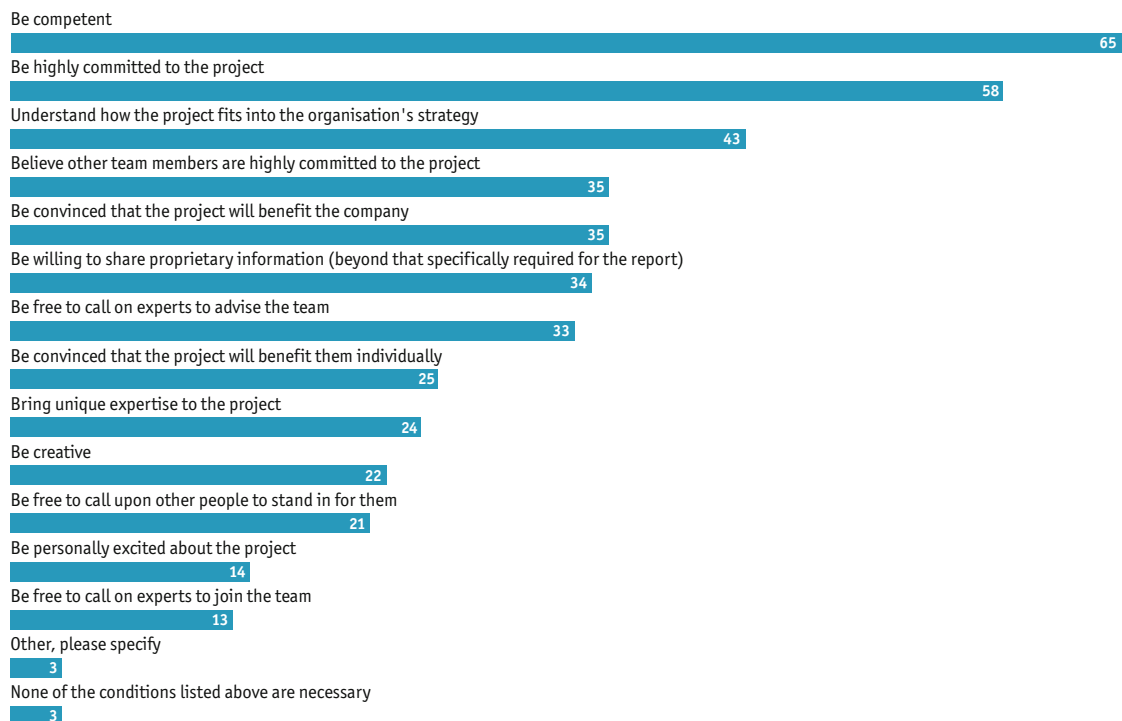


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In order for Team A to meet the objectives each team member must:

Select only the necessary conditions, not the "nice to have" ones.

(% respondents)



In order for Team A to meet the objectives, each team member must:

Select only the necessary conditions, not the "nice to have" ones.

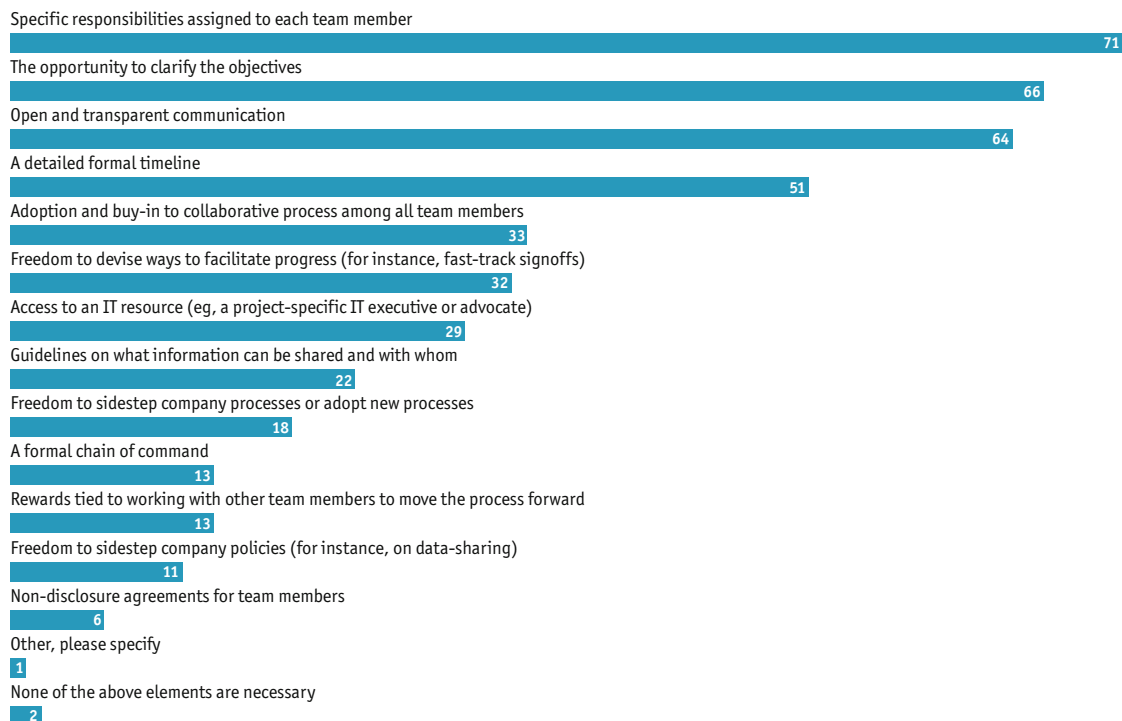
(% respondents)



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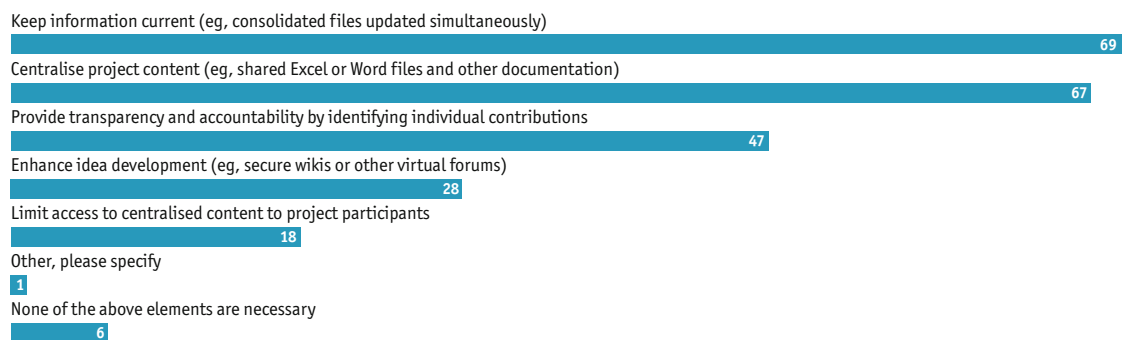
To meet the objectives, the collaboration process must include the following elements: Select only the necessary conditions, not the “nice to have” ones.

(% respondents)



To meet the given objectives, Team A must be able to: Select only the necessary conditions, not the “nice to have” ones.

(% respondents)



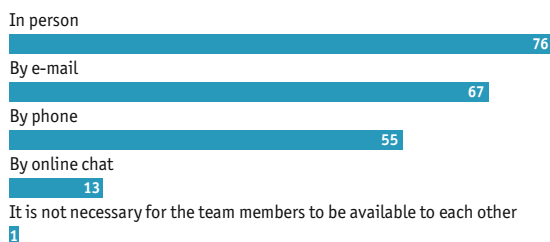
Team B: We need to improve

You are a functional executive in a public company. You know that senior management believes that the company's operational processes – from procurement to manufacturing to sales and distribution – are slow and inefficient. You believe that unless something changes, senior management will impose a plan to speed up internal processes and make them more flexible and efficient.

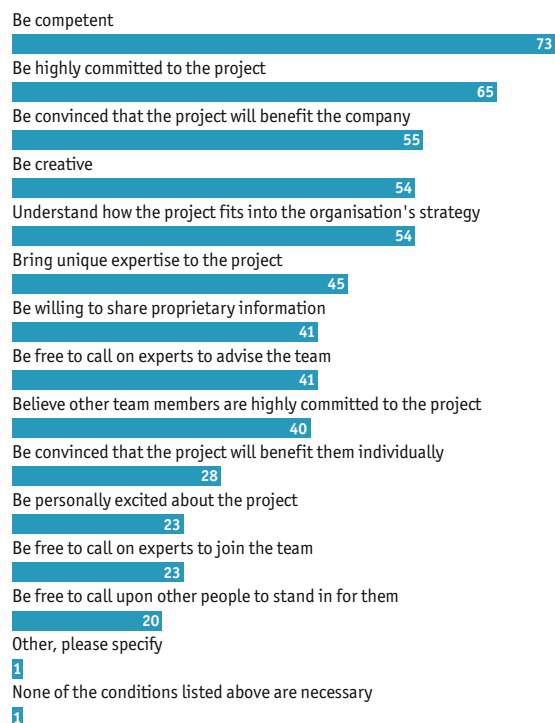
Instead of waiting for senior management to act, you and several of your colleagues from other functions decide to develop and present to senior management a “bottom-up” plan to address these inefficiencies.

There is some risk to this undertaking, as senior management may see you and your colleagues as part of the problem. However, you believe that you can change their perception. If management accepts the plan, you will have more control over the outcome; if the plan is rejected, you expect to be no worse off, and may have gained some stature for taking the initiative.

In order for Team B to meet the objectives, each team member must be available: Select only the necessary conditions, not the “nice to have” ones.
(% respondents)



In order for Team B to meet the objectives each team member must: Select only the necessary conditions, not the “nice to have” ones.
(% respondents)

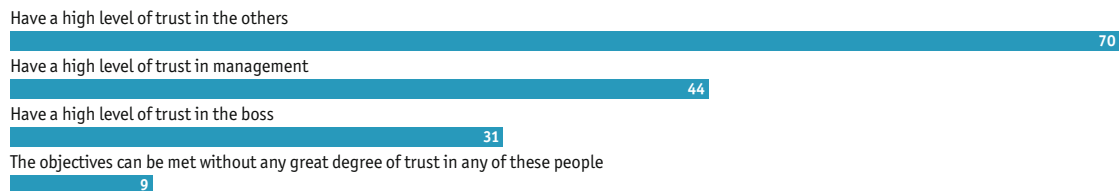


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In order for Team B to meet the objectives, each team member must:

Select only the necessary conditions, not the "nice to have" ones.

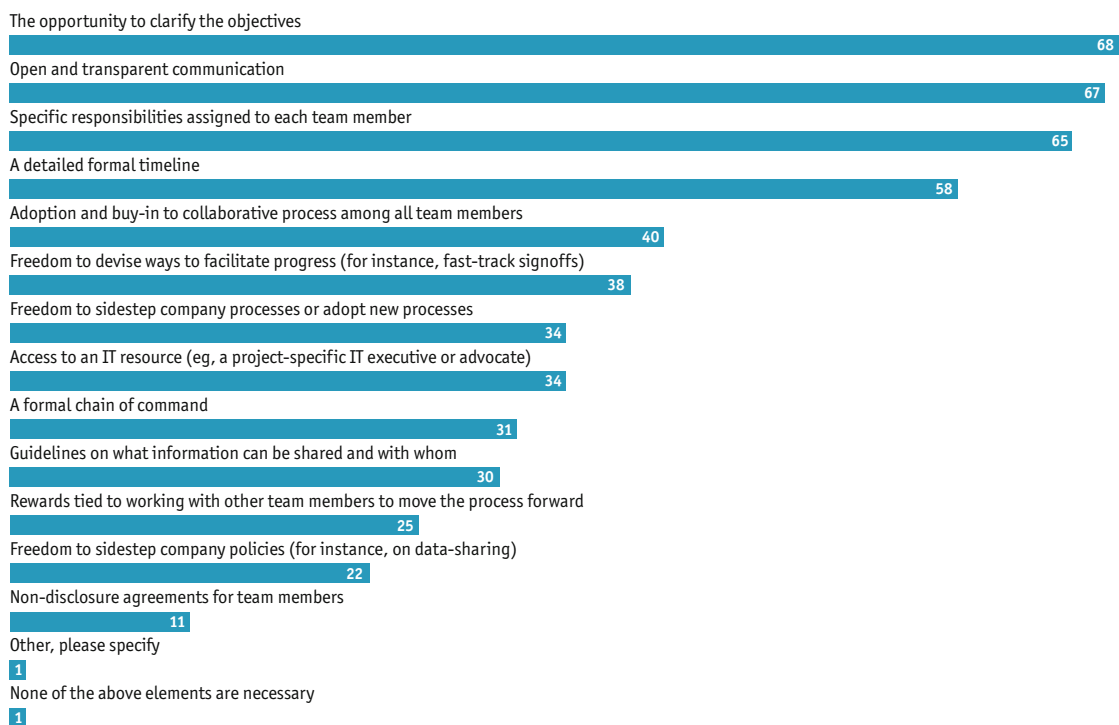
(% respondents)



To meet the objectives, the collaboration process must include the following elements:

Select only the necessary conditions, not the "nice to have" ones.

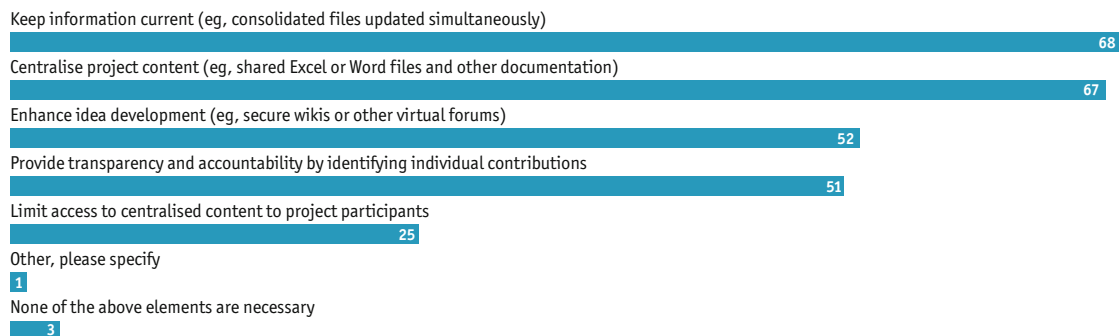
(% respondents)



To meet the given objectives, Team B must be able to:

Select only the necessary conditions, not the "nice to have" ones.

(% respondents)



Team C: Let's create something new

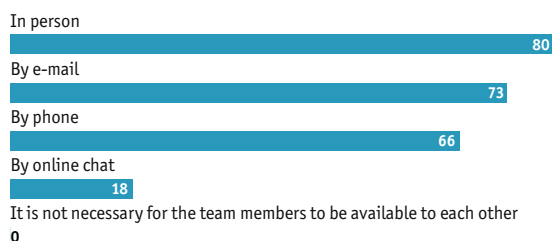
You work in the product development group of a well-known manufacturer of industrial machinery. A representative from a consumer goods company – not a direct competitor – approaches you about jointly developing and marketing a new product line which would draw on the specialised capabilities of both companies.

Your counterpart believes – and, after discussion, you come to believe – that there is a big opportunity for new revenues and growth for both companies, as well as big personal opportunities for both of you.

You realize that it will not be easy to start a joint venture like this. It will require that you persuade people from the company as well as key constituencies within your own. You will need to draw on all of the trust relationships that you have built up over the years. You must operate with transparency and integrity and get others to share the enthusiasm that you and our counterpart already have. This is a high-stakes project, and the only way to succeed is to lead by example.

Your CEO is intrigued by the idea. Despite the fact that you are not the most senior member of your group, he gives you the go-ahead to assemble a small task force to meet with representatives of the other company. This group will develop and present a plan with the objective of getting a formal signoff from board of directors.

In order for Team C to meet the objectives, each team member must be available: Select only the necessary conditions, not the “nice to have” ones.
(% respondents)



In order for Team C to meet the objectives each team member must: Select only the necessary conditions, not the “nice to have” ones.
(% respondents)

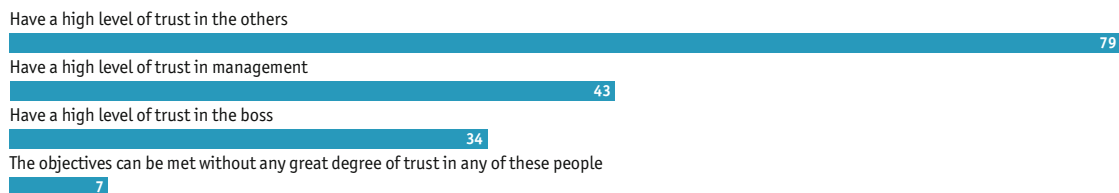


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In order for Team C to meet the objectives, each team member must:

Select only the necessary conditions, not the “nice to have” ones.

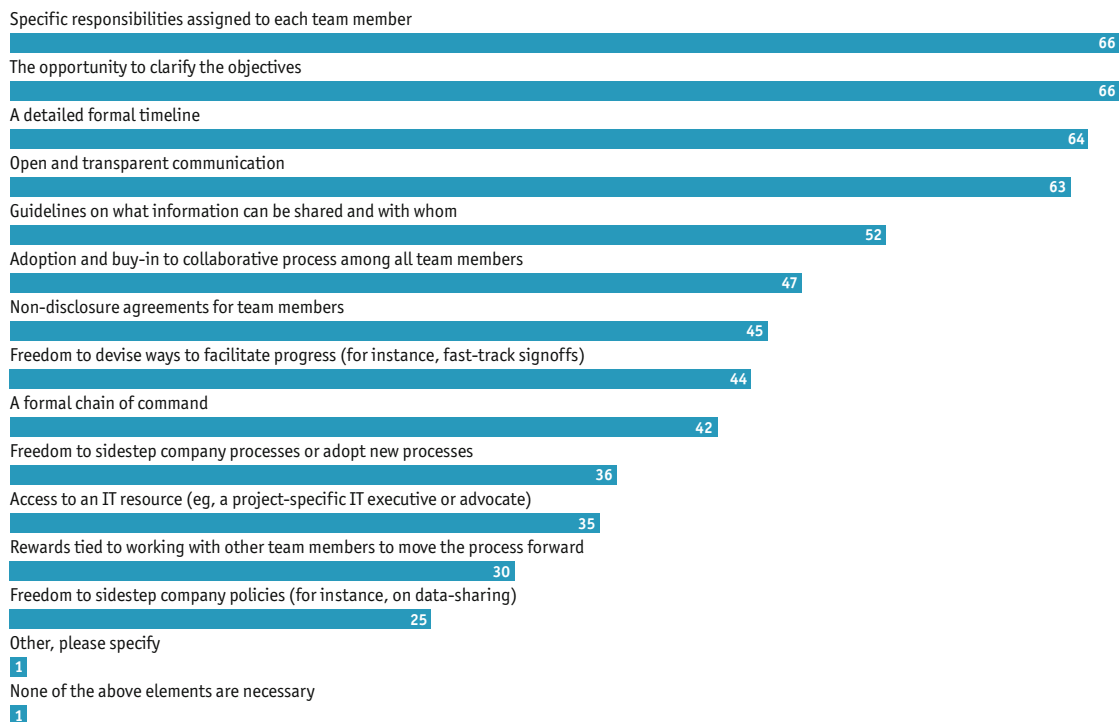
(% respondents)



To meet the objectives, the collaboration process must include the following elements:

Select only the necessary conditions, not the “nice to have” ones.

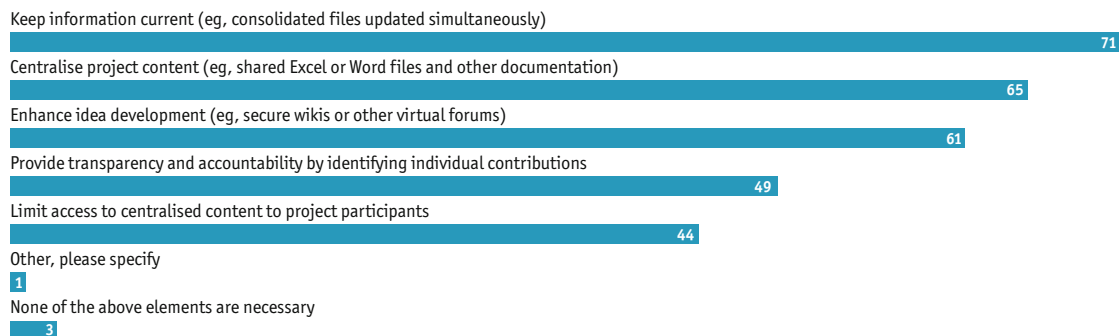
(% respondents)



To meet the given objectives, Team C must be able to:

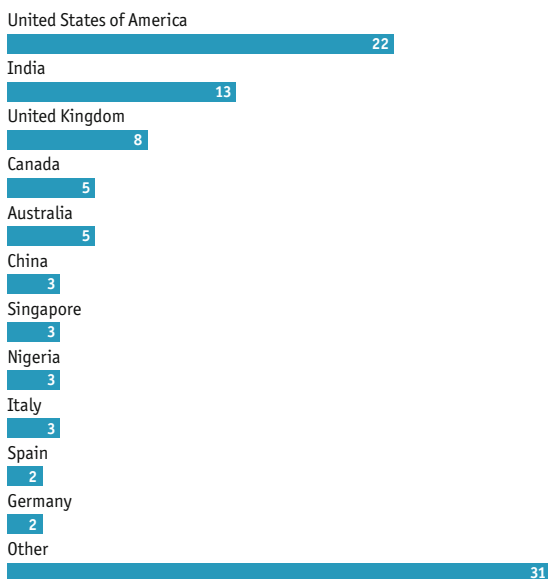
Select only the necessary conditions, not the “nice to have” ones.

(% respondents)

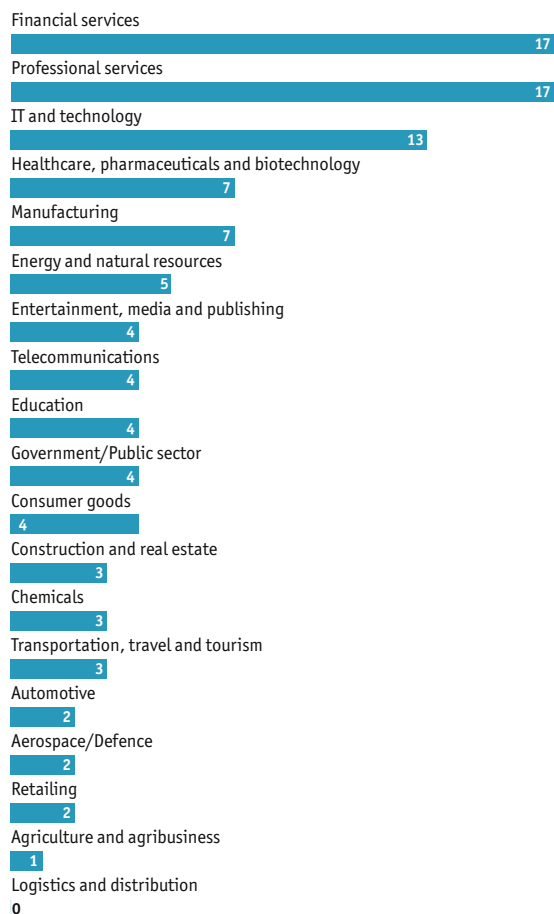


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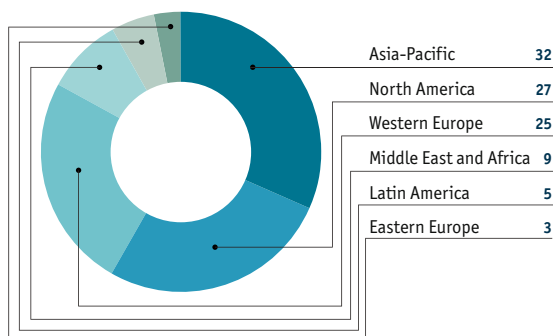
In which country are you personally located?
(% respondents)



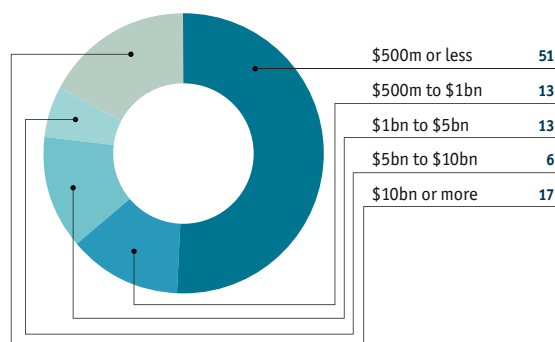
What is your primary industry?
(% respondents)



In which region are you personally based?
(% respondents)



What are your company's annual global revenues in US dollars?
(% respondents)



Whilst every effort has been taken to verify the accuracy of this information, neither The Economist Intelligence Unit Ltd. nor the sponsor of this report can accept any responsibility or liability for reliance by any person on this white paper or any of the information, opinions or conclusions set out in the white paper.

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