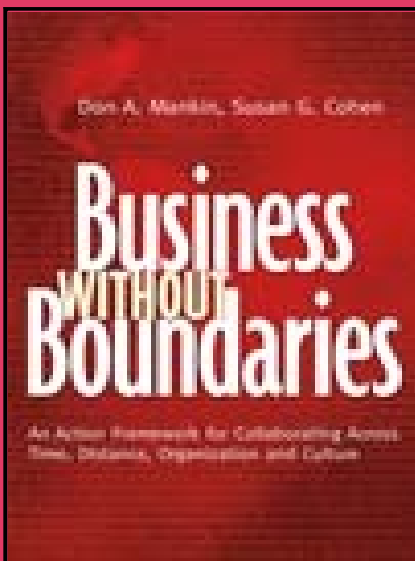


# Electronic Book Summaries

## BUSINESS WITHOUT BOUNDARIES



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### BRIEF OVERVIEW

In this era of global commerce, virtual organizations and e-business, the ability to span functions, levels and organizations leads to ever more diverse and wide-ranging relationships. Knowledge is the key to success in this economy and collaborations are the means for gathering and applying this knowledge to achieve success.

Traditional forms of collaboration are not sufficient for competing effectively in the more complex and dynamic environment of today's business world. Face-to-face meetings between people of similar backgrounds have given way to increasingly complex working relationships. Organizations must be able to gain rapid access to knowledgeable people so as to deal with constantly changing conditions and demands. More fluid, flexible and easily reconfigurable collaborative relationships are necessary to produce the innovations that can make or break organizations - even entire industries -and provide the opportunities that attract the talented and motivated employees who will make the difference between success and failure.

Business Without Boundaries helps managers address these challenges. The authors explore a number of wide-ranging, real-world cases to identify hands-on principles for successful collaboration. They offer managers and executives practical steps and tools for creating, facilitating and supporting complex collaborations throughout their organizations. And they explain how to "team" across boundaries in the new global economy. The recommendations are specific enough to apply to particular forms of complex collaboration (for example supply chains, global product development teams, interorganizational alliances), but general enough to apply to new forms that have yet to emerge.

# THE NEW GLOBAL ECONOMY

## BUSINESS WITHOUT BOUNDARIES IN THE NEW GLOBAL ECONOMY

New technologies have made the world a smaller place and have altered the nature of work. Competition and markets have become global, and knowledge is now the most important resource for organizations trying to make their way through an increasingly complex world. As a result, traditional forms of collaboration are no longer sufficient for competing effectively in this new, more demanding global environment. To deal with changing conditions and demands, business has to transcend boundaries to get what it needs, regardless of where it exists - geographically, organizationally and functionally. We live in an era of business without boundaries where competing effectively means collaborating across time, distance, organization and culture.

To compete effectively in the new global economy, organizations are becoming

increasingly dependent on more complex forms of collaboration. The following are characteristics of these collaborations and the unique challenges they present:

Simple	Complex
Well-defined task (predictable inputs, well-defined procedures, low uncertainty)	High task uncertainty
Two people	Multiple people
Few differences	High diversity (language, goals, organizations, etc.)
Common goals	Different goals and agendas
Face-to-face contact	Virtual communication

### *Business Without Boundaries* An Action Framework for Collaborating across Time, Distance, Organization and Culture

**Selected by Knowledge Resources as an Outstanding Book for Business People.**

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# THE ACTION FRAMEWORK

Complex collaborations involve individuals and formal teams, but they also encompass much more. Different individuals, teams, organizations and cultures, often in dispersed locations, combine in various combinations to comprise the types of collaborations that are the focus of this book. The important thing is to understand that the more complex the collaborations, the more difficult it is and the more effort is required to make them work. The challenge is to overcome the difficulty and to compensate for the complexity.

The first dimension for success of any collaboration depends first and foremost on the **people** involved in it and on the nature and quality of their interrelationships and interactions. The challenge is to manage complexity so that it enhances and energizes the collaborations instead of destroying them.

The second dimension for success is **structure** in terms of:

- ☞ Well-defined roles
- ☞ Expectations
- ☞ Responsibilities
- ☞ Decision-making processes

The more complex the collaborations, the more structure is needed. This creates a zone of stability within which creative collaboration can develop and thrive.

**These two dimensions - people and structure - are of course related and are inseparable.**

## THE ACTION FRAMEWORK:

### Phase 1: Setting the Stage

Getting the organization ready for complex collaborations.

### Phase 2: Getting Started with Specific Projects

Initiating specific projects through the efforts of key people working together.

### Phase 3: Creating the Infrastructure

Developing the structure.

### Phase 4: Doing the Work

Carrying out tasks and revisiting and revising the infrastructure and processes needed. While participants are doing the work, they can learn from their successes and failures and can use this information to modify goals, plans and tasks.

Three very different case studies are examined in the book, with each case featuring different, complex collaborations involving a variety of organizations pursuing diverse goals and operating under varying circumstances.

The first case features **interorganizational collaborations** among the John Deere Construction & Forestry Equipment Company and various John Deere dealerships and two-year Technical Colleges throughout the United States. The purpose of the collaborations was to develop training programmes for technicians who serviced John Deere Construction equipment. These service technicians were in short supply at the time the programme was initiated.

The second case shifts the focus to **cross-cultural collaboration**, particularly collaboration across international boundaries. Only one company was involved in this case, the Radica Games Group, Inc., one of the world's leading developers and manufacturers of hand-held electronic games and video controllers. This case included two major projects, the development of the Bass Fishin' Game in the mid-1990s and a more recent set of projects to develop controllers for the video game consoles produced by Nintendo, Sony and Microsoft. The Bass Fishin' Game project involved different teams in Dallas, Hong Kong and Radica's factories in southern China.

The third case also features interorganizational collaboration, but with a very important

# ACROSS TIME, DISTANCE AND CULTURE

difference. In **supply-chain collaboration**, interorganizational collaborations are more than just the means to an end. Companies like Solectron, the primary organization in our third case, have evolved in recent years from contract manufacturers to global supply-chain facilitators. Their role now involves facilitating the entire supply chain, not just acting as one of the links in the chain. As a result, complex interorganizational collaborations are now the very core of such companies' business and their most important product.

For each case, between 20 and 50 people were interviewed - mostly in face-to-face meetings - with either those directly involved in collaborations or those close enough to the projects to provide additional details and supplementary perspectives.

## ACROSS ORGANIZATIONS: THE JOHN DEERE CONSTRUCTION & FORESTRY TECHNOLOGY PROGRAM

Despite Deere's origins in the agricultural era and its Industrial Age history and image, it is very much a postindustrial company with a global presence. Just as Deere's manufacturing processes have evolved, so have its products. Construction machines now rely heavily on electronics and other advanced technologies, presenting new challenges to the technicians responsible for servicing this machinery.

Therefore it is critically important to dealers, to customers and to Deere that the people working on the machines are well qualified. It's not something they could have learned throughout twenty years of experience of being a mechanic. There are new technologies, new tools and new skills. Therefore technicians need to know what they are doing. At the time there was a shortage of skilled technicians.

The case focuses on collaborations between Deere & Company and several John Deere equipment dealerships and two-year Community/Technical

Colleges throughout North America. The purpose of the collaborations was to develop and offer college-based programmes to train technicians who can service John Deere equipment.

## ACROSS TIME, DISTANCE AND CULTURE: THE CASE OF RADICA GAMES GROUP, INC.

The most important difference between this case and John Deere is the nature and the structure of the complex collaboration described. This case of the Radica Group, Inc., involves only one organization, not several. The projects described in this case study involve collaborations across such far-flung locations as Dallas, London, Hong Kong and Dongguan City. The international nature of this case enabled us to look closer at the challenges of collaboration across great distances, numerous time zones and dramatically different cultures.

The structure and membership of the project team reflected the process by which the product was designed, developed and manufactured. The process was divided into key, broadly defined tasks and each task was assigned to a team at the regional site best suited to execute it. For example: Ideation in Dallas, Engineering in Hong Kong, Manufacturing in China. The Radica Group started out as a small operation in Hong Kong manufacturing gaming devices and souvenir casino games for the Las Vegas market.

It later expanded its product line to include electronic versions of these games. The business grew rapidly from that point on and soon became the leading supplier of casino-style electronic games in the US. Radica anticipated a decline in the market and began to diversify its product line to include other electronic hand-held and tabletop games. The product which eventually transformed the company from a small, struggling operation into an industry leader was the Bass Fishin' Game, which is the project described in the case.

# SETTING THE STAGE

In the case of this project, Radica has had to deal with a number of challenges: building a culture of mutual respect, establishing social norms to reinforce this culture, coordinating tasks across different sites and time zones, communicating and resolving conflicts across cultures, and making the best use of diverse and widely dispersed competencies.

## Across the Supply Chain: The Solectron Case

Supply chains - the highly interdependent flow of parts, subassemblies and final products from suppliers through manufacturers to customers. Each link in these chains must not only accomplish these tasks at low cost and high quality, but also do it "just in time". There is little margin for error. The winners are those who can master the intricate timing and global choreography required by this vast goods-producing machinery. Solectron started out as a contract manufacturer handling the manufacturing overflow from such equipment manufacturers as HP, IBM, etc. Solectron was well positioned to take advantage of the outsourcing boom in the 1980s by providing world-class manufacturing capabilities to companies that wanted to focus on their core competencies.

Solectron continues to innovate and shape the increasingly important and challenging industry, having evolved from a contract manufacturer for the computer and consumer electronics industry to a company that can manage the entire supply chain ("across the entire product life cycle"). It is positioned in the middle of the supply chain, between customers and suppliers, and enables them to look both up and down the supply chain.

## THE ACTION FRAMEWORK, PART 1: FROM SETTING THE STAGE TO GETTING STARTED

The purpose from here onwards is to develop the action framework by linking all the action steps suggested by the three cases. This framework will

organize the action steps into a comprehensive, focused plan - describing what should be done, by whom and when - for executing collaborations across time, distance, organizations and culture.

## PHASE 1: SETTING THE STAGE

In a perfect world, this is probably where all complex collaborations would begin - with innovative, forward-looking senior executives identifying critical trends and the needs and opportunities created by these trends. These executives would then lead in the development of the appropriate strategy for moving forward and creating the capabilities and conditions for effectively carrying out this strategy. However, this is not a perfect world, so many collaborations get started without the stage being set and the appropriate groundwork being laid. Regardless of where the process starts, the organization eventually has to set the stage for collaboration across boundaries, or even the most innovative and resourceful project will wither and die.

A good place to begin our overview is with what executive management can do to articulate a vision and culture of business without boundaries, develop the potential for fulfilling the vision, and create opportunities that can spark action and reinforce and support this action so it will happen again.

### Action steps:

- ☞ **Articulate and promote a strategic vision and a culture of collaboration characterized by mutual respect and a focus on performance:** speak about it, write about it, model the behaviour, celebrate success, make benefits clear, examine and reflect on actions that build the desired culture and those that run counter to it, coach appropriate behaviour, repeat continuously, implement programmes that explicitly promote cross-boundary collaborations.
- ☞ **Develop potential through people:** finding

# GETTING STARTED WITH SPECIFIC PROJECTS

the right people by recruiting and hiring people who have good lateral skills and by putting them in positions where these skills can be put to good use. Develop lateral skills throughout the organization using training programmes, job rotation, temporary assignments and lateral career paths.

- ∞ **Create opportunities by building relationships through face-to-face interaction:** providing budgetary support for travel, attending meetings, and providing time for employees to build new relationships through networking and so on.
- ∞ **Reinforce and support collaboration over the long term:** convert potential into action by developing performance assessment and reward systems that focus on collaboration. Support continued, focused action by embedding information and communication systems, performance metrics, standardized contracts and processes in a collaborative context.

## PHASE 2: ACTION: GETTING STARTED WITH SPECIFIC PROJECTS

### Starting projects from the top down.

As with the Radica case, Bob Davids recognized the need for a new direction for the company and initiated the Bass Fishin' Game project to take Radica down this new path. This example illustrates key action steps that all senior managers can follow to get projects started.

1. Identify the need.
2. Provide high-level structure and search for compatible partners if the collaboration is interorganizational.
3. Create liaison roles (considering single person versus separate liaisons, defining responsibility and autonomy, and including

lateral integration as a primary responsibility).

4. Put people with lateral skills in these roles.
5. Provide them with opportunities to create collaborative pairs through face-to-face interaction.
6. The collaborative pair begins building the project team by bringing in others as needed.
7. The project team develops proposals and presents them to management.
8. Management reaffirms support for the project and provides resources.
9. Create collaborative pairs between project sponsors.

### Start projects from the bottom up and middle out.

Many complex collaborations bubble up from lower levels of the organization. In fact, some even argue that this is where innovation should begin - from bottom up and middle out. Individuals do not always have to be told by management what new initiatives to pursue. Sometimes they just need to be inspired by management's vision and be provided with the opportunity to think out of the "boxes" defined by the boundaries of the organization. Then they can come up with the ideas themselves - by trying to figure out how to do their tasks more effectively, by thinking of new uses for new technologies, or by coming up with ideas for new products or services in collaboration with others in the normal course of work. This is how the Solectron-Brocade logistics initiative was started.

1. People with lateral skills form collaborative pairs to explore project ideas and compatibility (corresponds to steps 4 & 5 in a top-down project, but modified to reflect different origin).

# BUILD AND DESIGN THE PROJECT TEAM

2. Collaborative pairs bring in others as needed (similar to step 6 in a top-down project); if senior management has not adequately set the stage, more effort may be required to get others involved.
3. Project team develops proposals and "sells" them to management (similar to step 7 in top-down project, except that effort will be required to sell the project, and even more will be required if senior management has not adequately set the stage).
4. Management affirms support for the project and provides resources (similar to step 8 in a top-down project).
5. Create collaborative pairs between project sponsors (similar to step 9 in a top-down project).

The three cases presented illustrate what is needed to get complex collaboration started: promoting and supporting a vision of collaboration across boundaries, putting the right people in the right place, giving them the opportunity to connect with their counterparts in other teams and organizations, and then, when appropriate, seizing the opportunities that arise from these serendipitous connections. We now come to the transition from the preliminary phases, leading up to the formal go-ahead for the project, to the heart of the process itself: working on the project tasks.

## THE ACTION FRAMEWORK, PART II: FROM CREATING THE INFRASTRUCTURE (PHASE 3) TO DOING THE WORK (PHASE 4)

Phase 3, which involves creating the infrastructure, is the first phase that deals with the **conduct of the project**. The focus in this phase is on laying the groundwork for the project by **creating structures and processes to help**

**participants understand everyone's roles and responsibilities, execute tasks, make decisions, manage the project and work together with the other team members.** The next phase also deals with the conduct of the project, but the emphasis **shifts from the groundwork to doing the actual project tasks.**

## BUILD AND DESIGN THE PROJECT TEAM

Building and designing the project team actually begins in Phase 2 when the members of the collaborative pair bring in others to help develop the project idea into a proposal to be presented to management for its formal support. Once the project, budget and an executive sponsor have been approved, it is time to transform this informal collection of individuals into an actual project team with a well-defined mission and charter. Those who originally worked on the proposal will make up the core of the team but won't necessarily have enough skills, knowledge and time to carry out the complex task. They will need help.

### Action steps:

1. Identify high-level work tasks.
2. Add new members with needed expertise and skills.
3. Learn more about the conceptual and applied knowledge that will guide the design of the infrastructure and tasks.
4. Define adaptive goals and objectives and develop performance metrics.
5. Design governance and authority structures for representation, simplicity and clarity.
6. Formally define roles, tasks, responsibilities and relationships.
7. Identify communication needs.

# CREATE STRUCTURE AND PROCESS

8. Establish understanding and ground rules for communication, information sharing and about actively recruiting partners' employees.
9. Develop a charter to codify roles, communication needs, ground rules for communication, information sharing, active recruitment and so on.
10. Identify information needs.
11. Identify other resource needs.
12. Present resource needs to management.
13. Develop a plan for project tasks.
14. Develop plans for learning.

## CREATE STRUCTURE AND PROCESS

This project team will be different from the typical team. We are talking about complex collaborations that involve multiple organizations in different locations. The boundaries of the overall team will be ill defined and membership may be more fluid than usual. To reduce the potential chaos, one of the first orders of business for this project team will be to create the structure that will be needed for managing, conducting and supporting the project.

This leads us to the heart of Phase 3: creating the actual infrastructure for the project, which is divided into four groups (The overall structure 4-6, expectations about collaborative behaviour and process 7-9, identification of resource needs 10-12, and development of plans for the transition to doing the work 13-14).

**Phase 4 is concerned with actually doing the work** - executing the project tasks, learning while doing so, and revising tasks, processes and structures accordingly. Here are the action steps:

- ☞ Execute the project plan and work tasks.

- ☞ Execute the learning plan.
- ☞ Revise goals, plans, structures and processes.
- ☞ Disseminate learning to high-level decision makers.

## THE RECAP

This framework is based on actual experiences of several organizations and individuals wrestling with - and, for the most part, overcoming - the challenges they faced in their own attempts to collaborate across boundaries.

The action framework may be daunting with so many steps over four phases. So, what is offered in the last few pages is a metaprinciple that captures the essence of the action framework and integrates the action steps within it.

Essentially the action steps are specific manifestations of this metaprinciple. The metaprinciple is much easier to keep in mind and it may be all that is needed in many situations and projects.

There are two threads to this principle, the one being the "softer" side of the collaboration - people, their relationships and how they work together.

The other thread represents the structuring elements that support the collaboration by helping to focus action, inform decisions and buffer against distraction. Both threads are related and are inseparable. Without both it would fall apart.

The synergy can be summarized by two broad points:

1. Collaborations start with relationships.
2. Relationships are the axis for launching a formal, more extensive effort.