Enabling enterprise collaboration
The success of large organizations often depends on the ability of its employees to work collaboratively across time and distance. Greater collaboration increases productivity, enhances innovation, and reduces time-to-market.

There are numerous IT tools that enable collaboration within the enterprise. These tools often overlap in functionality, have different standards, create security concerns, or put additional burdens on a company’s IT organization and infrastructure. Consequently, in many companies, IT infrastructure executives are working through how best to select, deploy, and support the right set of collaboration tools.

Although the lines are not clearly drawn, collaboration tools broadly fall into one of several categories:

- Communication: Tools that enable synchronous and asynchronous communication, including videoconferencing, instant messaging, white-boarding tools, and e-mail.
- Team collaboration: Tools that help teams organize their work and work product, including file sharing, project planning/management, group calendaring, and event scheduling.
- Writing/editing: Tools that help teams work together on documents and/or publish documents, including wikis and online document processing tools (e.g., GoogleDocs).
- Engaging/networking: Sites and tools that enable social media, networking and blogging.

We recently convened several Silicon Valley IT executives at the Chief Infrastructure Technology Executive Roundtable (CITER) to discuss how best to derive value from collaboration and collaboration tools. This overview synthesizes the findings from our discussions with the CITER members.

1. The benefits of collaboration tools are there, but it is often difficult to measure these benefits and calculate return on investment.

Collaboration tools offer a wide variety of benefits, ranging from cost reductions to increased innovation to improved safety. Yet the benefits are often hard to quantify, even when executives know that the benefits are there. Consequently, companies often forge ahead with investments in collaboration tools based on business cases built on “soft” rather than “hard dollar” benefits.

CITER members cited benefits such as

- Innovation and virtual teams: Collaboration tools have increased productivity and unlocked innovation by enabling virtual teams to work together across geographies, functions, and organizations.
Human-to-human collaboration: Video conferencing has been one of the most important enablers of “human-to-human” collaboration over distance. However, interoperability across video systems has been a headache for some organizations. To solve the interoperability issue, organizations are increasingly moving toward solutions that do not rely on proprietary systems (e.g., Vidyo, Blue Jeans).

Finding the right resources: Search tools or the search features of collaboration tools are critical to finding the right information or the right person in large organizations. Without search, it is often difficult to bring together the right data and the right people for a productive working session.

The return on investment from collaboration tools is also complicated by the fact that, even if a company deploys the world’s greatest collaboration tool, it does not necessarily mean that adoption will follow. A successful deployment almost always depends on effective user education and fundamentally changing user behaviors. Each CITER member had a story of a great new collaboration tool that had failed because user adoption did not take off as expected. The lesson here is not to skimp on user training and support.

2. Many companies are still working through how to build a holistic collaboration strategy, given the proliferation of tools and approaches

In most companies, the responsibility for collaboration tools is currently spread across multiple teams or organizations within IT or across IT and a company’s business units. It is therefore not surprising that few companies have implemented collaboration tools in a systematic way according to a carefully laid strategy.

Instead, many IT departments are contending with a proliferation of collaboration tools often deployed on an ad hoc basis. Small teams often use consumer or web-based collaboration tools for their work activities, or business units select and implement their own of collaboration tools and only then ask IT to support them.

At the same time, many collaboration tools are point solutions, but users increasingly desire an integrated suite of tools. For example, users want to be able to share a document whether they are building a project plan in a project management tool or conducting a working session over a video conference. Compounding this challenge is user demand to make collaboration work “anywhere/anytime” across desktop and mobile devices.

In response, roughly one third of the companies represented by CITER members have formed cross-functional teams dedicated to creating a holistic approach to collaboration. These teams are typically charged with selecting and deploying collaboration tools for the entire enterprise.
3. **Companies are experimenting with social media tools, but finding it difficult to manage the dividing line between work and personal.**

Companies are increasingly experimenting with social media for internal, employee-directed communications as well as external, customer-directed communications. With respect to internal communications, CITER members noted the following factors at play:

- **Increased connectivity:** Enterprise social media sites (e.g., Chatler, Jive, Yammer) enable teams to stay connected and understand the context and rationale for decision-making.

- **Varied adoption:** Adoption rates for social media often vary across different groups within an enterprise. Younger employees tend to have higher adoption rates while more legally-sensitive functions, such as HR, Audit, and Legal, tend to have lower adoption rates.

- **Blurring of personal and work:** Employees are using social media at work for both their work and personal lives (e.g., communicating to colleagues about upcoming vacation time).

CITER members also had a few tips on how to use social media for customer-directed communications. For example, when it comes to using social media (e.g., Twitter), companies should have an “authentic and consistent” editorial voice rather than allow multiple functions (e.g., sales, marketing, investor relations) to send out inconsistent messages. In addition, enterprises should create content tuned to the format (e.g., concise, easily consumable on mobile devices). Lastly, enterprises must offer original content on social media sites, not just recycled content (e.g., links to a press release).

4. **Collaboration tools host a wealth of data, but it is often difficult to manage and protect information.**

CITER members unanimously cited concerns about managing the data created and stored on collaboration tools. These data exist in multiple collaboration tools and is often not well structured.

Collaboration tools, by their nature, make it easy – perhaps too easy – to share information. This benefit can be problematic when it comes to sensitive or confidential information. Moreover, there is often no clear owner of the data generated through collaboration and no real incentive to archive or delete stored data. These gaps create problems for determining the single source of truth when multiple copies exist and increase the amount, and hence the cost, of stored data.

To address these challenges, companies are attempting to apply governance and retention polices more rigorously to the data that collaboration tools generate.
Collaboration tools may decrease productivity by increasing multi-tasking and context switching.

Many CITER members also expressed concerns about the dark side of collaboration tools.

- Something is always beeping or flashing: Although designed to increase communication and collaboration, some tools can interrupt otherwise productive working sessions. For example, one CITER member likened a long flight on a plane without internet connectivity to a “men’s spa day” because he could catch up on work (and a bit of leisure) without constant interruptions. Other members quickly countered that planes without internet connectivity reduced productivity.

- Multi-tasking: Numerous studies have shown that the human brain was never meant to multi-task effectively. Productivity or quality may therefore dip when collaboration tools encourage attempts at multi-tasking.

- Information overload: Employees can feel overwhelmed because they are inundated with too much information coming at them through too many channels.

- E-mail has overextended the day: Corporate culture often dictates that employees respond to all of their e-mails in a timely fashion, thereby lengthening their workdays

Collaboration tools have also long enabled telecommuting and the rise of remote workers. With the recent press attention surrounding remote workers, there is an emerging debate about whether the workforce is now too untethered to the office and whether in-person should be the priority.

Effective collaboration will continue to be an important factor for increasing the productivity and innovation of an enterprise’s workforce. Consequently, finding better and more efficient ways to deliver collaboration tools to the enterprise will remain an important topic for senior IT professionals.

McKinsey contacts:

Hugo Sarrazin
Director
hugo_sarrazin@mckinsey.com

Kara Sprague
Principal
kara_sprague@mckinsey.com

Michael Huskins
Associate Principal
michael_huskins@mckinsey.com