

# Globalization & The IT Organization

## Can A Global Workforce Work For Your Company?



Dealing with the effects of globalization has become a necessity in the light of competitive pressures and the incessant push to reduce costs. Outsourcing is no longer something restricted to call centers and low-cost manufacturing. Managing a distributed workforce with both employees and contract team members requires an extra measure of skill and tact.

Barbara Gomolski is a research vice president for Gartner and has presented a talk titled "Future Shock: Prepare for A Future Unlike the Past." "Today, business expectations of IT are largely centered around supporting revenue growth and lowering the cost of doing business. Going forward, there will be many new opportunities for organizations to exploit IT for competitive advantage," says Gomolski.

### ■ Look Ahead

Understanding the challenges of globalization will play a big part in determining how successful a company is in a global environment. "A truly global economy means boundless new opportunity for organizations, but it also creates heightened competition both in terms of business efficiency and the hunt for the best talent. As a result, price competition and the need to move work to the best sources of labor will remain," according to Gomolski.

Positioning an IT organization to take advantage of these opportunities and to prepare for the challenges will take some planning. Identifying specific business functional areas as potential outsourcing candidates while keeping company core competencies in-house is an important first step. In terms of software development, this could mean adapting new methodologies that lend themselves well to a distributed team.

DataArt ([www.dataart.com](http://www.dataart.com)) is a provider of software development outsourcing services. "We have adopted the agile methodology for all our projects because we believe that it lends itself well to distributed teams. It also provides the customer an opportunity to redirect a project before it gets too far off track," says DataArt Executive Vice President Alexei Miller.

"We believe there's no project or effort too small for us to undertake. Our goal is to work with a customer to gain their trust and to show how we can provide the best value for their investment. We spend a lot of effort up front in an attempt to understand their business and specific project to the fullest extent possible. From there we hope that our results speak for themselves," says Miller.

### ■ Cultural Awareness

Outsourcing isn't the only global influence many companies must come to grips with. Multinational corporations have their own sets of challenges requiring a slightly different approach. Identifying these challenges and understanding how to deal with them is an ongoing effort.

Mainssoft ([www.mainssoft.com](http://www.mainssoft.com)) is a developer of cross-platform application development tools for the Microsoft .NET environment. The company maintains offices in Israel and the United States. Managing the differences between cultures and skill-sets has been one of its biggest challenges. "Whereas our U.S.-based field engineers can quickly assess customers' business requirements and focus on what it will take to resolve their issues, the Israeli team has a limited understanding of corporate communications and what it takes to work with enterprise customers," says Philippe Cohen, vice president of product development at Mainssoft.

IT organizations may require a new mix of skills for their management teams. This is especially true when dealing with a global organization. A good manager understands the strengths and weaknesses of his team. Taking advantage of the strengths while minimizing exposure of the weaknesses will require a good mix of project management and communication skills. ■

*by Paul Ferrill*