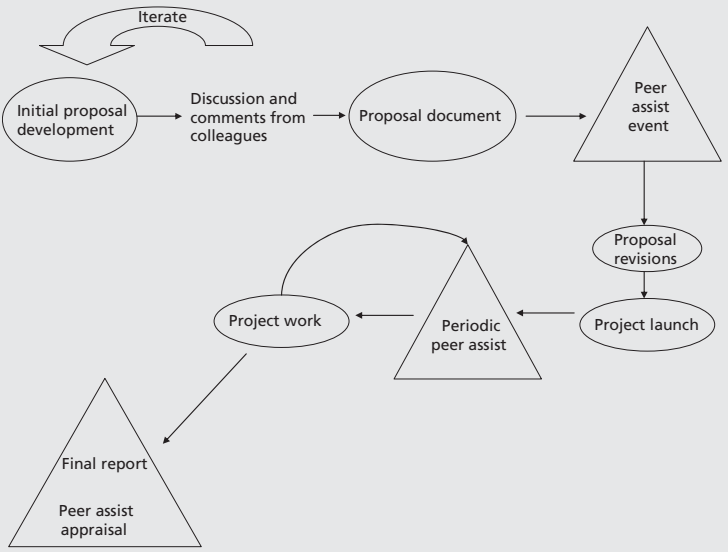

Figure 6.4. Peer assist process

It is important to select an appropriate team of experts for the Peer Assist team. Normally between six and eight people are chosen from a cross-section of disciplines of relevance to the project. Members should be selected for their willingness to engage in developing ideas in an open manner and the team should be non-hierarchical in its approach. If the project has direct applications orientation it can be important to include members from the user community. Peer Assist processes vary in length depending upon the complexity of the problem, with most workshops occupying from four or five hours to two days.

A facilitator from outside the project team is used to guide the workshop, setting the ground rules, and focusing participants on achieving a set of desired outcomes; clarity of what is expected from the process is important. Participants should be provided, in advance of the workshop, with briefing materials on the project's context, method, and resources. Project members should be prepared to provide further evidence and to listen to questions and comments during the process.

The main purpose of Peer Assist is to encourage and facilitate learning to generate and hone ideas. Templates for capturing feedback during the process are devised by the project team or the facilitator. Outcomes are usually logged as written reports. In some situations this log can be used as part of an auditable process to show how decisions are taken for programme management purposes.

Peer Assist works well when the project team has developed a clear proposal, which enables them to be assisted by respected peers in an environment that supports the development of ideas and learning. Lessons can be applied immediately. The type of benefits from this process include: lessons about how others might approach a problem or research question, ideas and possible solutions developed through a collective process, and insights from a wider pool of knowledgeable experts. The process can also help to support a strong team ethos and knowledge-sharing in which junior members can be encouraged to present their ideas in a supportive, yet critical environment. Sometimes projects are halted after a mid-term Peer Assist review, because the team decides that there is little benefit in continuation.

Integrated, interdisciplinary, or cross-functional teams involving representatives of a wide range of functions within the firm, bring benefits for innovation. A study of a group of mainframe computer companies (AT&T, Bull, Fujitsu, Hitachi, IBM, ICL, Mitsubishi Electric, NEC, Toshiba, and Unisys) in the early 1990s, showed the value of creating

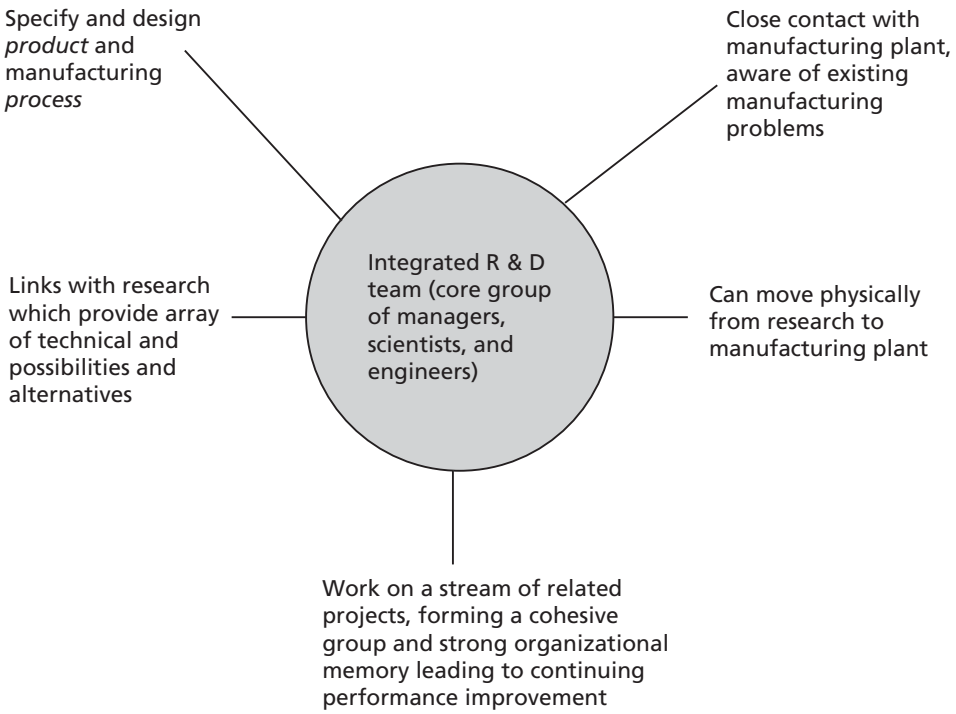

Figure 6.5. Integrated R & D teams

Source: Iansiti 1993.

integrated R & D teams with a 'systems focus' (Iansiti 1993). It was found that systems-focused companies achieve the best product in the shortest time and at the lowest cost. The integrated R & D team included a core group of managers representing both the research function and existing manufacturing capabilities. Figure 6.5 shows some of the characteristics of integrated R & D teams.

A similar approach proved effective for US car manufacturer Chrysler in the 1990s. According to Lester (1998: 75), Chrysler created five autonomous 'platform teams', each devoted to a different product line (small cars, large cars, minivans, Jeeps, and trucks).

Each team consisted of all the people needed to design and produce a new car, including manufacturing, purchasing, finance, and marketing professionals, hourly manufacturing workers, and even representatives of key outside suppliers, as well as engineering and design staff.

Hardly any bureaucracy was allowed to remain above the platform teams. Each team was presided over by a top executive, giving it a voice at the highest levels of the corporation. The teams received precise instructions from the top regarding key vehicle specifications—engine power, weight, fuel economy, and so on—as well as total budgets for the projects. Once these specifications were met, however, the teams were free to

work out how to meet them, with little or no interference from senior management. In return for this increased responsibility and authority, the platform teams were also held accountable for their performance. And since the members of the team were judged by the overall success of the vehicle, rather than their particular bit of it, they were inclined to find ways to cooperate with each other.

The use of platform teams was one of the major reasons, according to Lester, for the regeneration of Chrysler in the 1990s, before the merger with Daimler-Benz to form DaimlerChrysler in 1998, and Chrysler's subsequent difficulties.

In Gann and Salter's (1998) study of project-based organizations around the development of CoPS, it was found that 'integrative competences' were becoming increasingly important. Rapid team-building skills were described by project-based firms as core capabilities for personnel at all levels.

> People need to be able to form teams quickly to tackle new projects or respond to events in existing projects. Professionals, managers, and shop-floor operatives need to be able to respond to unforeseen events and deploy a high level of problem-solving expertise. (Gann and Salter 1998: 443)

Box 6.4 Media richness and the transfer of knowledge

Transferring experience and ideas from one person or team to another is one of the most difficult tasks in organizations. Knowledge is often 'sticky' to individuals and teams, locked in jargon, informal codes, and personal or collective experiences and relationships (Teece 1977; Szulanski 1996; Brown and Duguid 2000). It is hard for someone to codify or express all they know; their knowledge may be based on highly personal experience and understanding of a situation. It may also require recipients to make a considerable effort to learn before the information provided by one individual can be absorbed by another (Cohen and Levinthal 1990; von Hippel 1994).

Considerable attention in management studies has been devoted to trying to understand how organizations can promote knowledge-sharing between individuals and teams and much of this attention has focused on the use of different media. In a classic study in the early 1970s, Allen (1977) showed that communication between scientists and engineers was strongly influenced by geography. This study found that 25-metres distance between two people within an office was enough to ensure that they did not speak to one another. In response, BMW designed its new corporate R & D laboratory to ensure that engineers working on related topics were located within 25 metres of each other. Other research shows that people tend to share knowledge with people who are physically close or whom they know intimately (Cross et al. 2002; Argote, McEvily, and Reagans 2003). One reason for this pattern is that we are all social creatures, responding to personal aspects of face-to-face communication. Our choices about whom to communicate with and how are products of our experience, attitude, and nature of the information we wish to exchange. Since the 1980s, considerable attention in communication research has focused on why people choose to use different media and how these choices shape the effectiveness of their exchanges (Daft and Lengel 1986; Fulk 1993; Monge and Contractor 2003). This work argued that different types of media were imbued with different degrees of richness. The richest media was face-to-face communication, followed by telephone conversations, and then written memos. Richer media offer the opportunity for the individual to make personal connections, use multiple cues, gain immediate feedback, and use variety and nuance in their expression. Rich media were seen to be especially well suited for exchanges where there was a degree of *equivocality*, that is, multiple understandings of a situation, and *uncertainty*, that is,