THE CIO'S ROLE IN GOING GLOBAL.

~ Preston Williams III

The global marketplace is quickly becoming a more integrated environment where individuals and businesses collaborate in real time across multiple geographies. This is possible today because of new innovations in technologies and the ability to work seamlessly in virtual space. The development of cloud technologies, as well as the availability of on-demand solutions, knowledge workers, and equipment resources, makes it possible to operate as a global player in a growing marketplace.

But *should* your organization go global? Are you ready to make the move? The Chief Information Officer is key to answering these questions and getting this right. In this two-part article, I'll examine the key issues the CIO needs to consider when taking the enterprise global and the traits a company needs to do it right. [Ed. note: Preston will also be doing a live interview on this topic on Monday, June 18, at 2:00 p.m. ET.]

There are many things for a company to consider before deciding to distribute its resources across many different countries. Several companies become "international" as they strive to make their products and services available in different countries. They calculate that they can increase revenue as well as brand recognition/appreciation in multiple markets. To accomplish this, the leadership has to understand the difference between an international or multinational company versus a truly "global" business. And the CIO must help the rest of the business leaders understand these complexities.

The CIO should be responsible for creating and managing a Global Project Management Office, which must ensure that stakeholders across the globe can exchange information quickly and challenges can be resolved in a timely fashion.

Some key variables to consider when an organization makes the decision to become a global business can be identified as follows.

Portfolio: products and services
The company should conduct a proactive market analysis to determine consumers' appetite for its portfolio of products and services in both its domestic and international markets. The review should be as realistic as possible since the ability to properly identify and manage revenue streams is dependent on good information.

Staffing: human capital
This is a critical factor in creating a strategic plan to achieve the goal of becoming a truly global company with a singular mission and unified message. The organization must prepare to acquire the caliber of human capital required to deliver the kind of service associated with its products. To achieve maximum satisfaction in a demanding, customer-driven global market place, businesses must be willing to be nimble and make timely shifts in order to retain loyal customers. Most successful businesses today operate efficiently in an on-demand market.

When you take your company global there are many human cultural factors to consider as well. For your GPMO to work, you need to think about the following.

Diversity
A company has to be prepared to deal with any number of universal issues that may increase productivity and ultimately result in increased sales and capital flows. Conversely, failure to properly consider multiplier effects associated with diversity may impede the chances for success.

Culture
Every country has a unique culture. To operate with meaningful results, each company must understand the nature of current and prospective clients in its local market. For example, in many developing countries, prospecting for new business often involves developing deep, long-lasting relationships with government officials. This is often the case because federal and state governments are still the largest consumers of products and services in developing nations. The private market requires a different strategy and approach. To do business in that environment, vendors and other service providers must be prepared to provide proof of performance. These customers tend to be savvier with contemporary trends and may select a service provider based strictly on their evaluation of the company's past performance when delivering similar solutions to other clients. These customers may require proper references from satisfied clients.

Roles and responsibilities
When adequately defined, all parties can track the progress of the project and quickly identify potential problems and develop options to resolve these issues as quickly as possible. These roles and associated responsibilities can be properly represented using tools like Microsoft Project or Clarizen, among others.

As you can see, there's quite a lot more to talk about. We've barely scratched some of the technical issues that a CIO has to work out. We'll cover them in the second part tomorrow.

But what we've covered is the foundation required to create a Global Project Management Office. As you can see, they demand top-down engagement across an enterprise to make it happen. But if the CIO doesn't get it right, it simply won't work.

Yesterday I talked about some of the cultural and strategic matters a company needs to get right before going global. Once those are taken care of, it can begin tackling the legal and technological issues at hand.

It can start here:

International customer agreement (ICA)
An ICA can be utilized to ensure that most variables known at the time of contract negotiation are covered in the goals and objectives outlined for the successful implementation of the project. Where necessary, the ICA should be structured to reflect each participating country's role in the project. This should be done against the backdrop of a consistent view of the overall mission of the solution being deployed. Each country's project should be

clearly defined to ensure that execution is aligned with anticipated outcomes.

Legal considerations

Federal, state, and local laws vary. When a company commits to deliver products and services to a customer with a global presence, they should also pay close attention to legal guidelines for conducting business in-country.

In addition to providing legal guidance and administrative support to ensure that KPIs (key performance indicators) are being met, The Global Project Management Office is also responsible for issuing progress reports and deploying technological solutions.

Creating a global standard

The company offering a "global" product/service portfolio should spend the time required to create a global standard. This requires easily understood and clearly defined terms and conditions associated with the offering. This offering should be consistent across borders.

Logistics

Labor, equipment, and transportation are constant variables in every project. Whether it's manufacturing cars or computers, trans-shipment of components and finished products is part of the solution landscape. From design and manufacturing to final product delivery at the client site, employees involved with the project should be properly trained to perform their specific tasks in the chain of events.

Progress/status reports

The project leadership team should also agree on the key items to be reported on and the frequency of these reports. One caveat often included in the customer agreement is a clause that allows responsible parties to conduct impromptu meetings to address any anomalies that may impede successful completion of the engagement. Status reports are often consolidated before submission. It is also considered a "best-practice" to include individual project managers/administrators' reports as supporting indices to the summary report.

Billing and finance

The GPMO constantly reviews financial records to ensure that all cost is properly captured and that billing and payment are timely and accurate.

End-of-engagement review

At the end of every engagement, the leadership team should conduct a project review. This is an opportunity to evaluate how well the project was

executed and to highlight "lessons learned" to be included in the company's intellectual capital repository.

Customer satisfaction survey
When possible, the project leadership team should coordinate solicitation of a referral from satisfied clients. Upon getting a positive response from a satisfied customer, the GPMO should work closely with the company's marketing division to create a mutually agreed message that informs current and prospective customers about the company's ability to meet and exceed customers' expectations.

The bottom line is that a properly structured and efficient Global Project Management Office can be the difference between success and failure. With success comes new revenue streams and more efficient operations. Failure could result in a public relations nightmare as well as lost revenue and cost overruns. A CIO looking to take his business global has a lot of things to consider, but then again, we're talking about doing business on a scale you've never done it before. No one said it would be easy. But if you follow these guidelines you'll see it can be done.

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