





# The Challenge of Leading & Implementing Change



**SYNERGY**  
Simulation  
Experience ...

**The challenge ...**

**Making Change Happen ...**

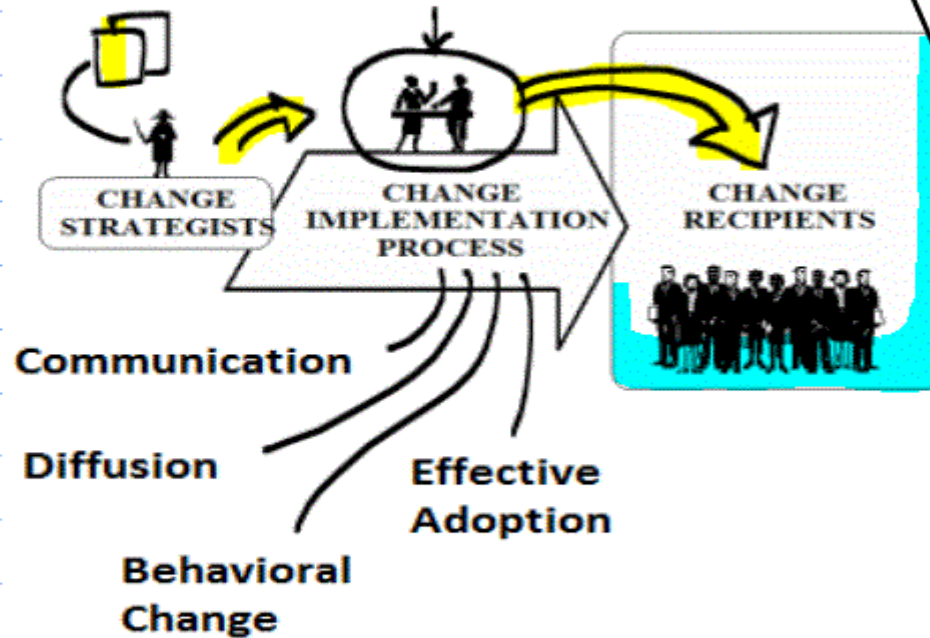
... in a **complex** and very **diverse organization** ...

... where **"sense of urgency"** is not really there ...

... where getting people out of their successful **"comfort zone"** is not always easy ...

... where you will need to **lead the change process** in an **entrepreneurial way** ...

**YOU as an Agent of Change**



Reflecting & understanding the dynamics of  
**Diffusion, Change & Resistance**

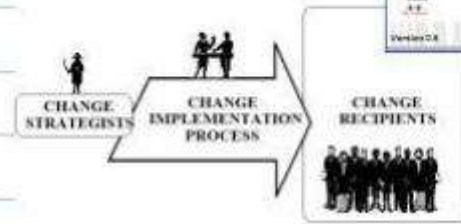
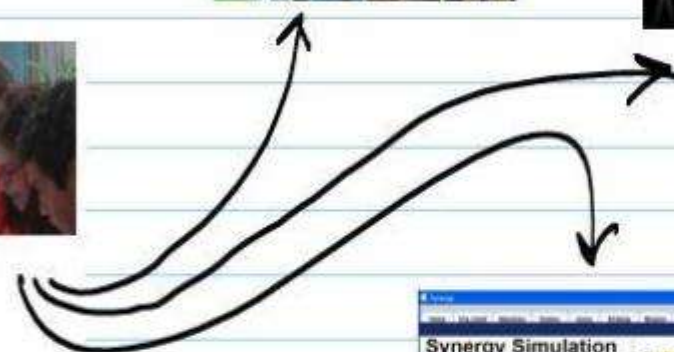
# Example of **Collaboration** ... with Ferrari Pit stop Teams



**Management Teams Challenges**  
... under distance & diversity stress

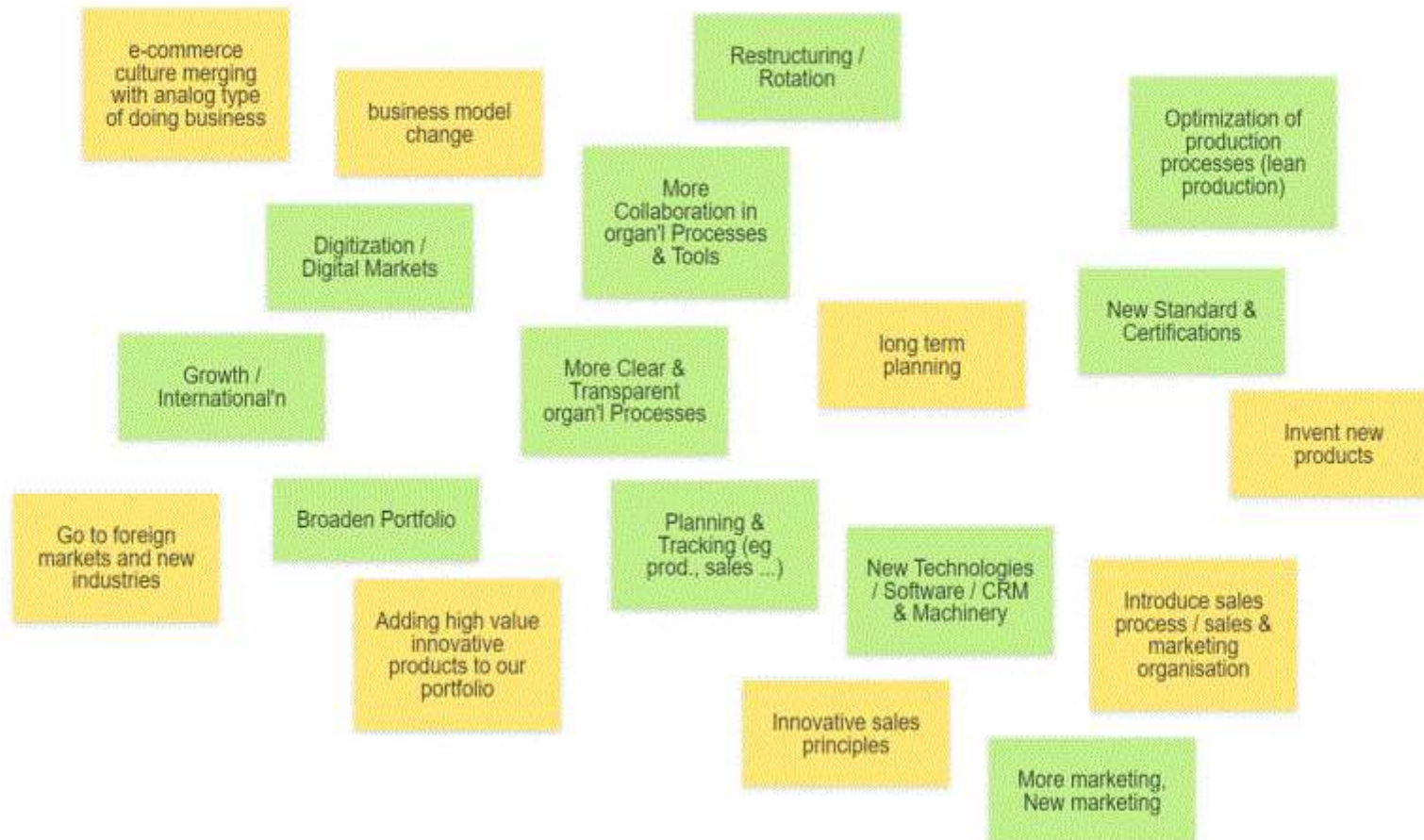


**Leadership Challenges**  
... under time stress



**Organizational Challenges**  
... Collaborative Performance Opportunities  
... Strategy Execution & Making Change Happen

# Change Challenges - Critical Areas



# ... and to gain Insights on **Executing Change**

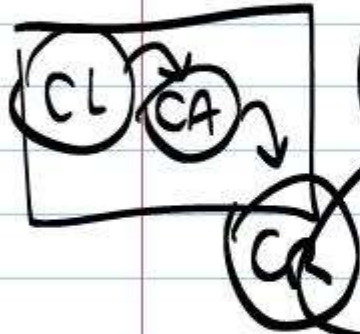
KPI: SAFETY ✓

## Challenging Change Projects: From Heroes to Joystickers

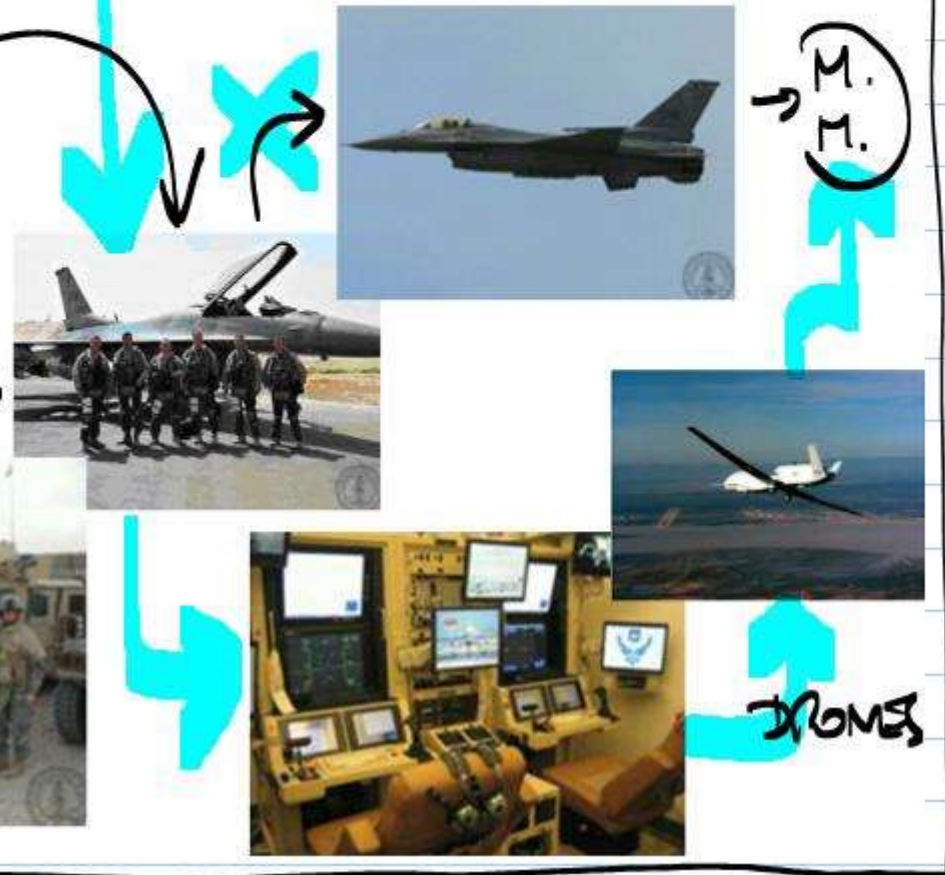
Persuading reluctant pilots to adopt new technologies that will better protect ground forces



Allison Hickey, General  
U.S. Air Force



IDENTITY - EMOTIONS



16/17

# ... and Change Challenges Ahead



# ... and Change Challenges Ahead

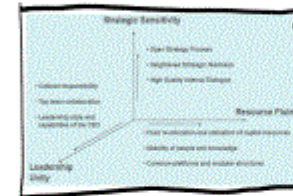
## Technological Innovation & Digitization Trends in Global Organizations

- > Artificial Intelligence (AI) & Machine Learning
- > Big Data & Analytics
- > Internet of Things (IoT) & Sensors,
- > Intelligent Agents, Algorithms & Robotics
- > Blockchain Technology (Cryptocurrencies, Smart Contracts)

Redesign of Key Organizational Processes

**CHANGE Agenda**

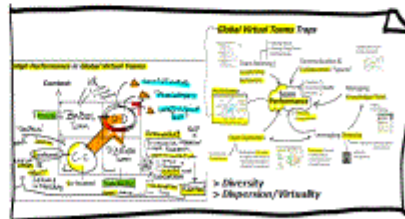
## How our organization **EVOLVES** ...



### Strategic Agility

- ... Change/Transformation Process
- ... Implications & Barriers / Resistance to T.I.
- ... Self-Diagnostics Tools (org. level)

## How we **WORK** together globally ...



### Global Teams Challenges

- ... across DIVERSITY and DISTANCE
- ... developing New Competences, Processes & (Leadership Behaviors) to help Global Teams reach higher performance levels

## How we **CREATE VALUE** together ...



### Collaborative Performance

- > Innovation
- > Client Value
- > Op. Excellence
- ... across Organizational Barriers, Functions and Siloses
- ... leveraging Collective Intelligence (our, ecosystem, market, society)
- ... impacting INNOVATION, CLIENT VALUE and OP. EXCELLENCE



# Towards Collaborative Performance

Which are the key Value Creation Priorities?

**Product/Services Innovation**  
cross-unit & beyond

**New Business Development**

Re-connecting & Re-engineering Information, Communication, Data and Knowledge Flows



**Revenue Gains**  
cross-selling, customizations, integrated solutions

**Effectiveness Gains**  
quality of processes and decision-making

**Top Quality Customer Service & Relationships**

**Efficiency Gains**  
speed and cost optimization through effective knowledge flows



Google



SAP



ALSTOM

Cargill



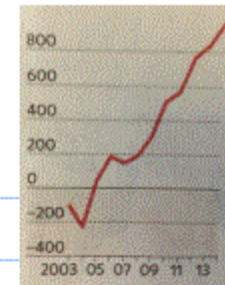
CISCO

★ Heineken

<http://www.youtube.com/watch?v=soYKFWqVVzq>

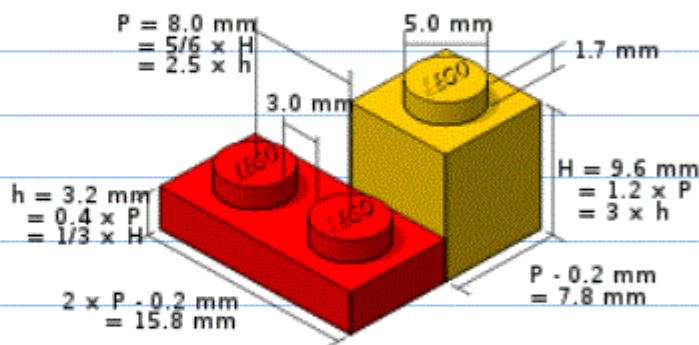
<http://www.youtube.com/watch?v=9WX7BNnYTf8>

# LEGO : Addressing Resistance to Change & Openness towards Web 2.0 Trends

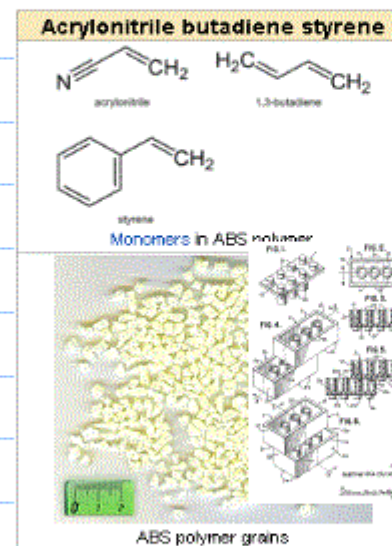


## OBSESSION with QUALITY

Out of every **1 million elements made**, just **18** will be declared defective and removed from the set. Impressive numbers, considering that the LEGO Group is producing **15 billion components a year**—that's 1.7 million items an hour, or 28,500 a minute.



## Acrylonitrile butadiene styrene (ABS)



In 1961, LEGO was awarded its first US patent for "Toy Building Brick." The design calls for a hollow rectangular bricks with studs on top and a round hollow tube on the bottom. This was a marked improvement, as it allows for the precise "tube and stud" coupling. (source: [Google Patents](#))

## World's No. 1 Tire Manufacturer

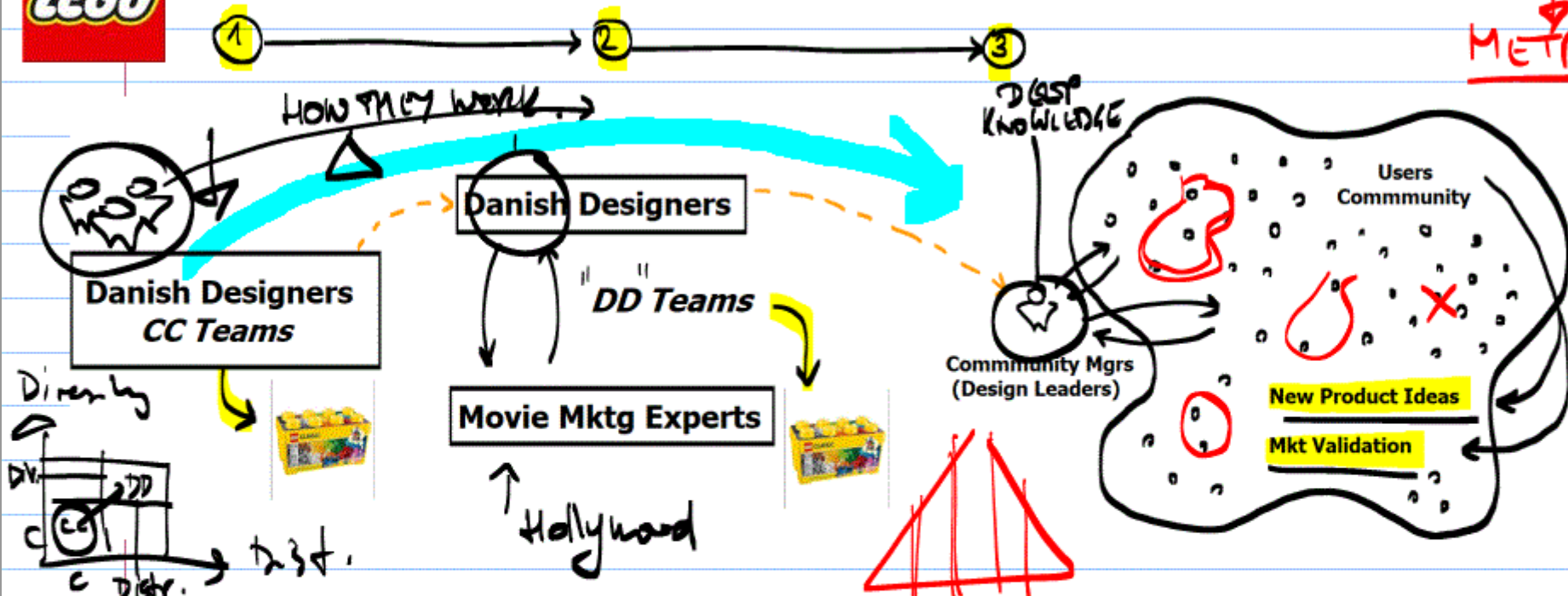
Tire production accounts for some of that number; the factory also produces **306 million tiny rubber tires a year**.



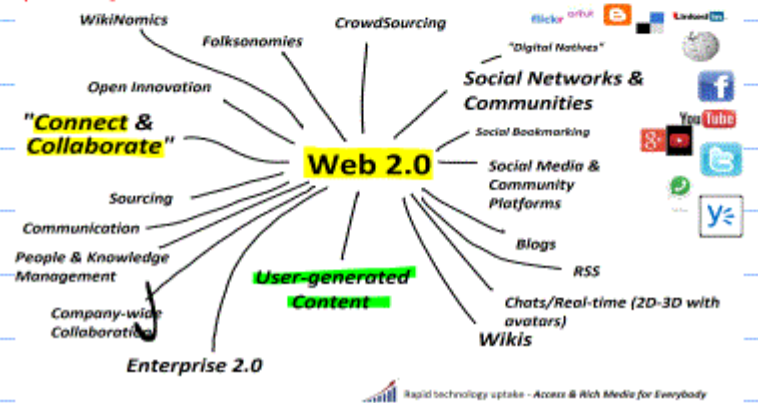
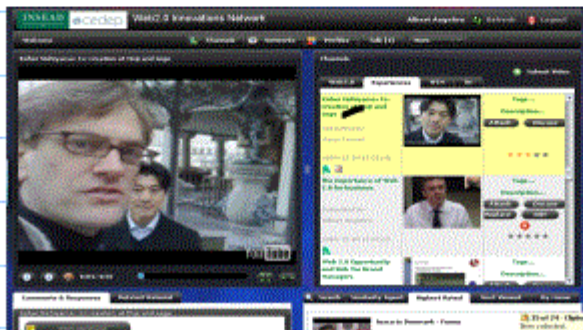
# The evolution of Innovation @ LEGO

(Addressing The Crisis Period & embracing Collaboration & Web 2.0)

ADD  
↓  
METRICS



It all started with a Web Entrepreneur in Japan ...



# strategy+business

"HABITS"

ISSUE 42 SPRING 2011

## That's the Way We (Used to) Do Things Around Here

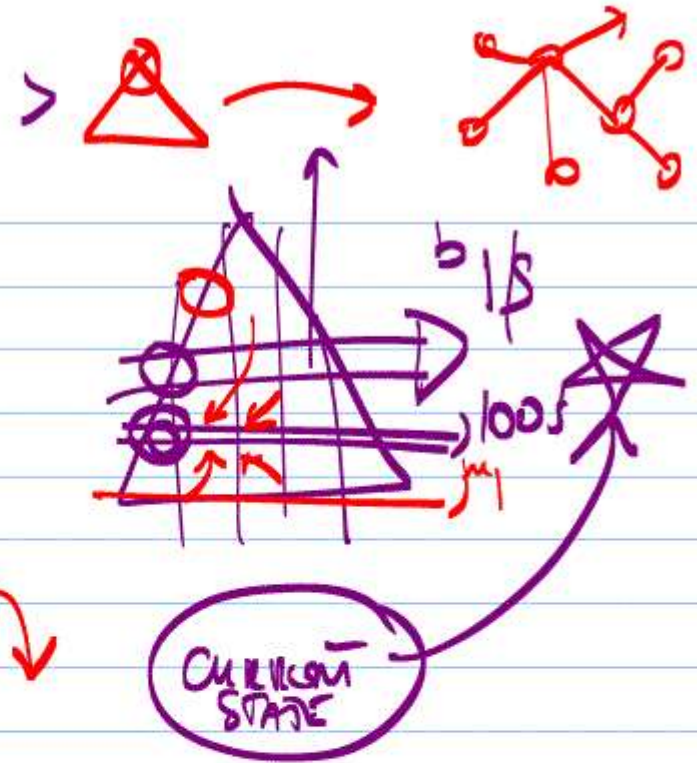
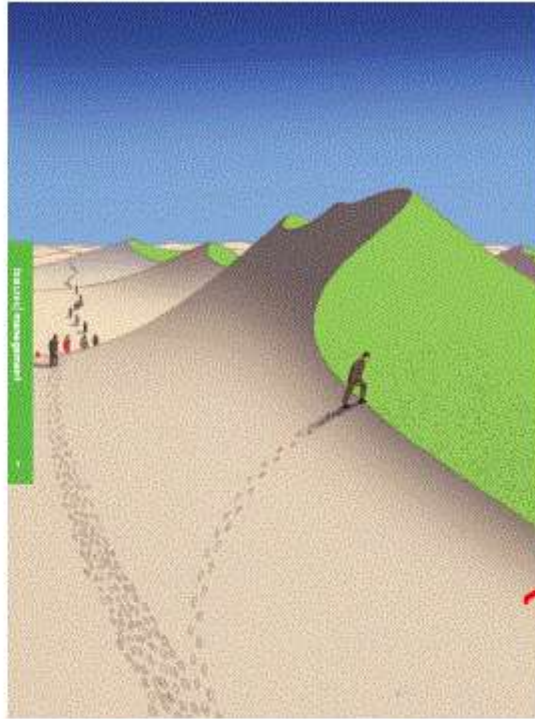
With a little knowledge of neuroscience, reframing behavior can be the essence of organizational change.

BY JEFFREY SCHWARTZ, PABLO GAITO,  
AND DOUG LENNICK

↳ 3 cases

REPRINT 11109

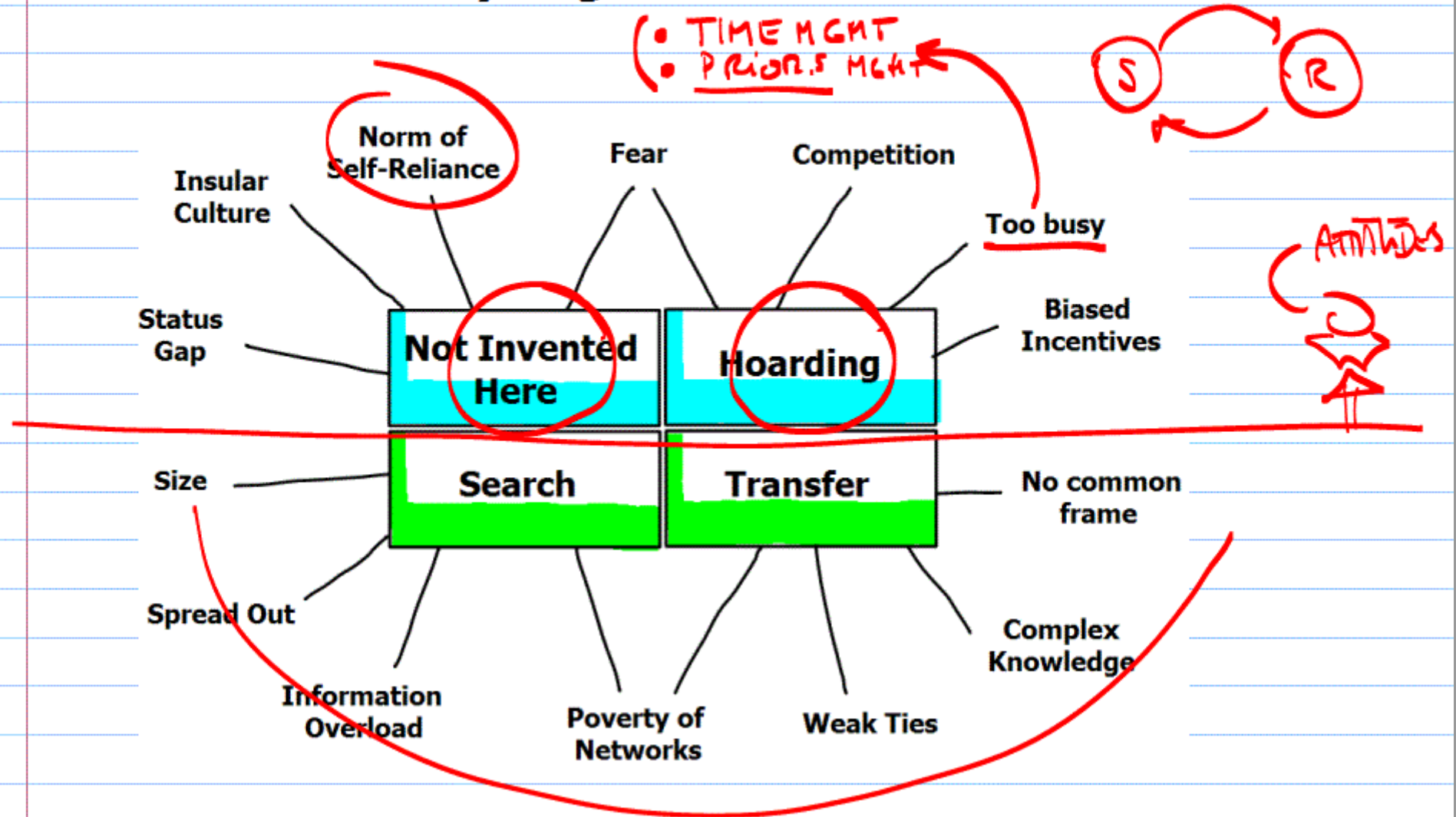
booz&co.



One customer, a large packaged-foods manufacturer, told a Cargill executive, "You send 15 different people to our offices each week from different businesses, and they all ask us some of the same questions, but they never try to understand exactly what we do with all of your ingredients. If you brought all those people together, you could potentially offer much more to us."

# Towards Collaborative Performance

Which are the key Organizational Barriers?



# Striving for **High-Performance**

Business Process Reengineering

Empowerment

Activity-based Costing/Mgmt

TQM

Benchmarking

Time-based Competition

Matrix Structures

Network Organisations

Project-based Organisation

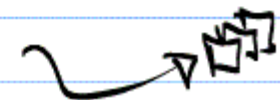
Cross-functional Teams

Mergers & Acquisitions

e-Everything

... Customers/Suppliers Relationship Mgmt (CRM),  
Supply Chain Mgmt (SCM), Knowledge Mgmt (KM), ...

... Collaborative Cultures ... Enterprise 2.0 ...



## ... and the "sad" **Evidence**

**Change is Necessary!**  
**Collaboration is Key**



**But Change & Collaboration, in Reality, are VERY HARD !**

75% of all transformation efforts fail

50-75% of "re-engineering" projects fail

Failure rates are higher (78%) when IT involved

# Flashback 1995-97



**Emotional banking nation**  
 Returns: Thank you for going on the community by please on over to see later. We hope that you will find the reason world. Please do not or know who helped and guide us in the engagement being forward.

**Today's only 28 services**  
 who: We'd like to see if it without? It's great to see it's 1.8 days. We hope that you will find the reason world. Please do not or know who helped and guide us in the engagement being forward.

### DEVELOPING MATURE INTERN STRATEGIES

Insights from the Banking Sector

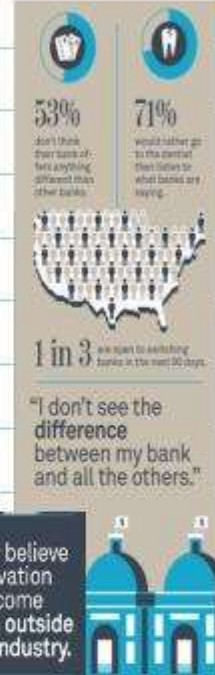
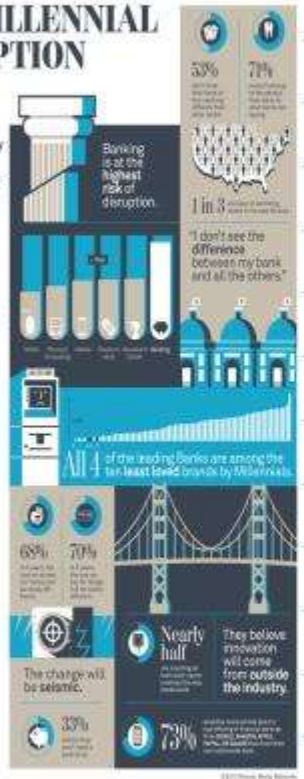
Senior executives from 100+ banks and financial institutions were surveyed to identify the industries most likely to be transformed by Millennials, the largest generation in American history.

3 years  
 15 categories  
 200+ interviews  
 10,000+ respondents

**Methodology:**  
 This study was conducted by Scratch, an in-house unit of Viacom that consults with brands. The study was based on 10,000+ interviews with senior executives from 100+ banks and financial institutions. The study was conducted in three waves: Wave 1 (March 2014), Wave 2 (April 2014), and Wave 3 (May 2014). The study was designed to identify the industries most likely to be transformed by Millennials, the largest generation in American history.

## THE MILLENNIAL DISRUPTION INDEX

Identifies the industries most likely to be transformed by Millennials, the largest generation in American history.



**Nearly half** are counting on tech start-ups to compete for Millennials.

**They believe innovation will come from outside the industry.**

**73%** would be more excited about a new offering in financial services from GOOGLE, AMAZON, APPLE, or WALMART than from their own retail or bank.

### FAST FEED

3.8K SHARES

## SORRY BANKS, MILLENNIALS HATE YOU

A THREE-YEAR STUDY FINDS THAT MILLENNIALS ARE LOOKING FOR WAYS TO LIVE A BANK-FREE EXISTENCE IN THE FUTURE

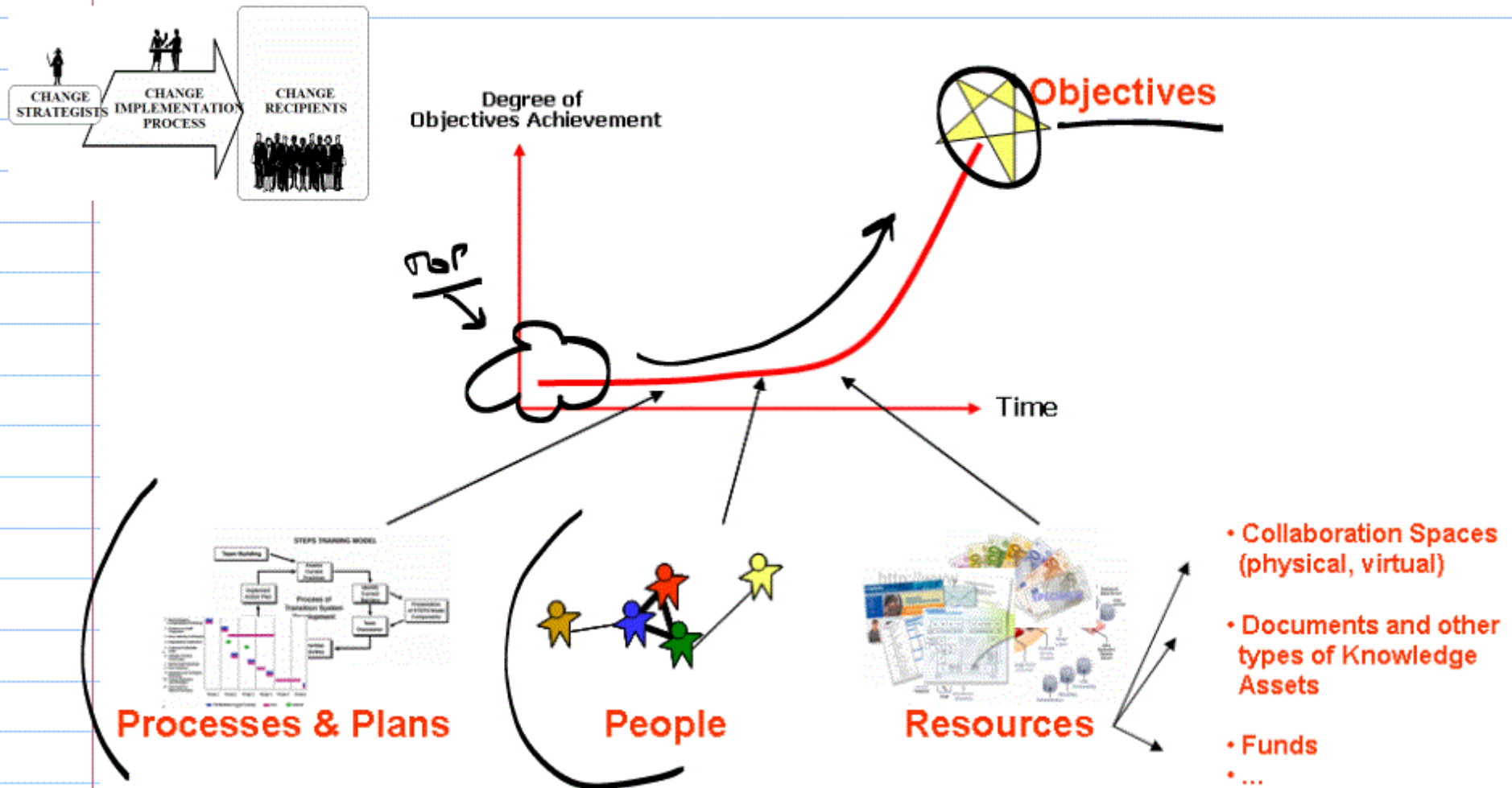
BY ALICE TRUONG

When Scratch polled 10,000 millennials to find out which industry was most prime for disruption, the results were clear: Not only did banks make up four of their top 10 most hated brands, but millennials increasingly viewed these financial institutions as irrelevant.

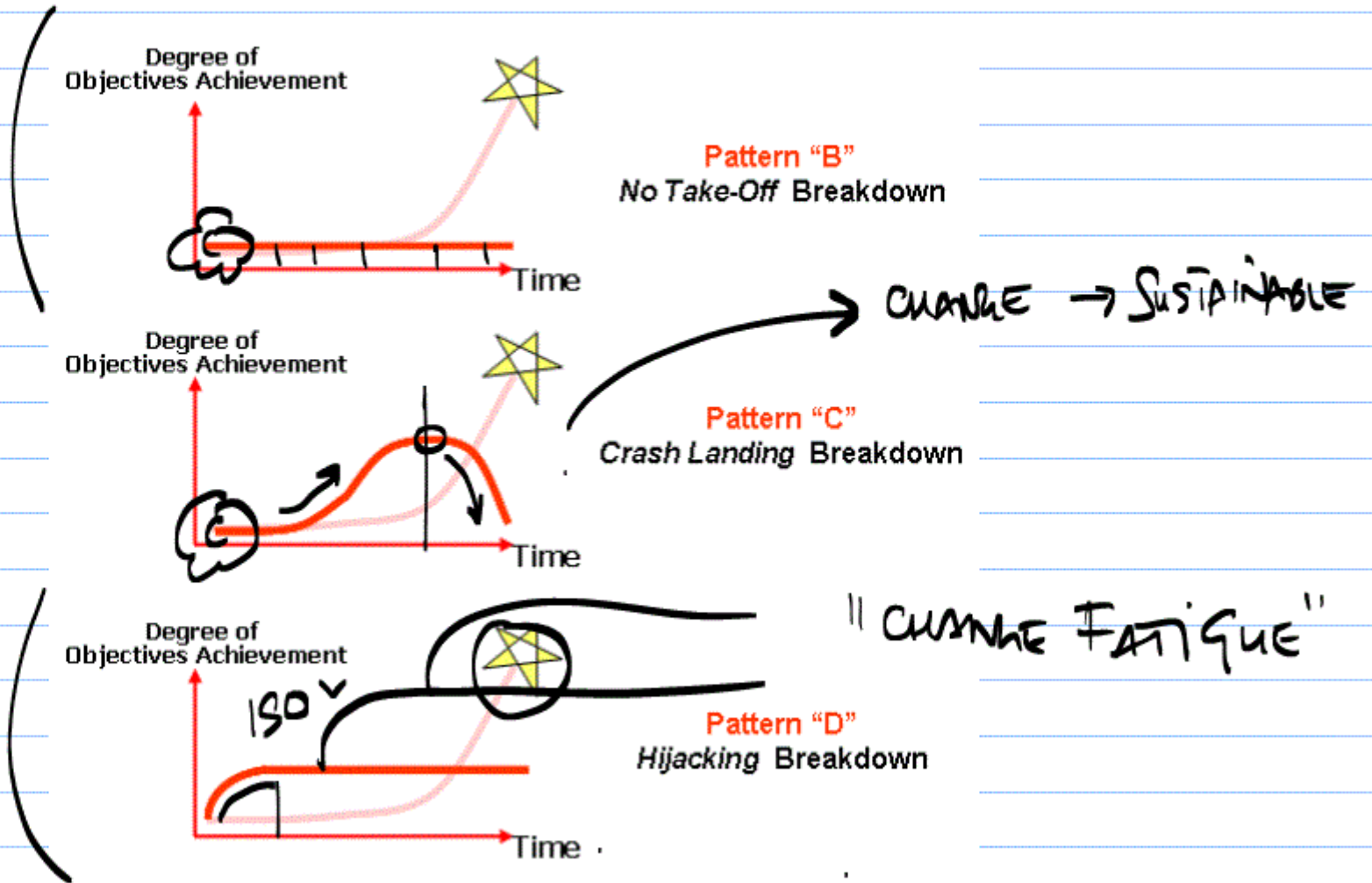
The three-year study from Scratch, an in-house unit of Viacom that consults with brands, found that a third of millennials believed they'll be able to live a bank-free existence in the future. In the age of Simple, Square, and Bitcoin, these millennials, defined as those born between 1981 and 2000, overwhelmingly believed that the way they access money and pay for things will be completely different in five years.

<http://www.fastcompany.com/3027197/fast-feed/sorry-banks-millennials-hate-you>

# Our **Expectations**



# ... and what we typically get



# ***Understanding the role of **Culture***** ***(as important source of collaboration breakdowns)***

## **Knowledge Management Experiences in a global Consulting Company (1989)**

"The corporate psychology makes the use of the KM System **difficult**. Particularly the consultants career path which creates a backstabbing and aggressive environment in which ... people maximize opportunities **for themselves**"

"I am trying to develop an area of expertise that makes **me** stand out. If I shared that with you, you would get the credit, not **me**. It's really a cut-throat environment."

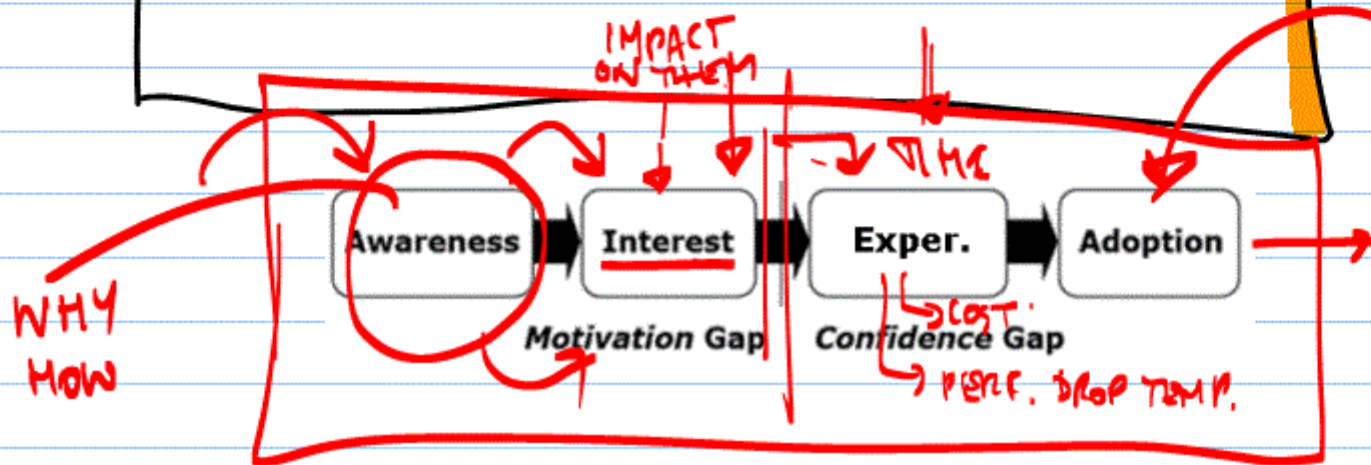
## **Knowledge Management Experiences in a global Consulting Company (1989)**

"Power in this firm is your client base and technical ability. Now if you put all this information in a shared knowledge base, **you lose power**. There will be nothing which is privy to you, so you lose power. It's important that I am selling something that **no one else has**. Sharing expertise in the firm is just a 'dream'."

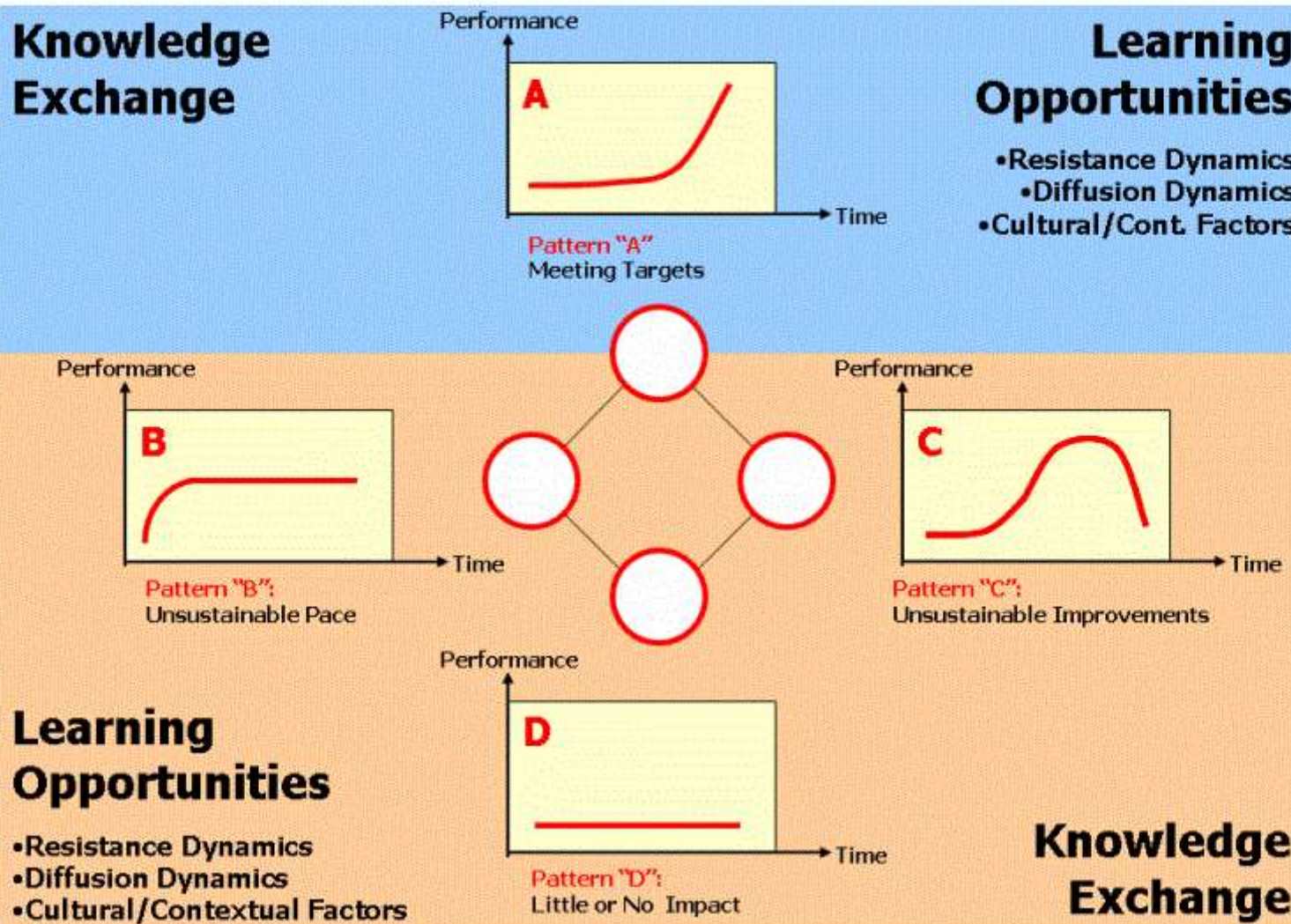
## ... and what is **BEHIND**

△  
"RIGIDITY"  
"

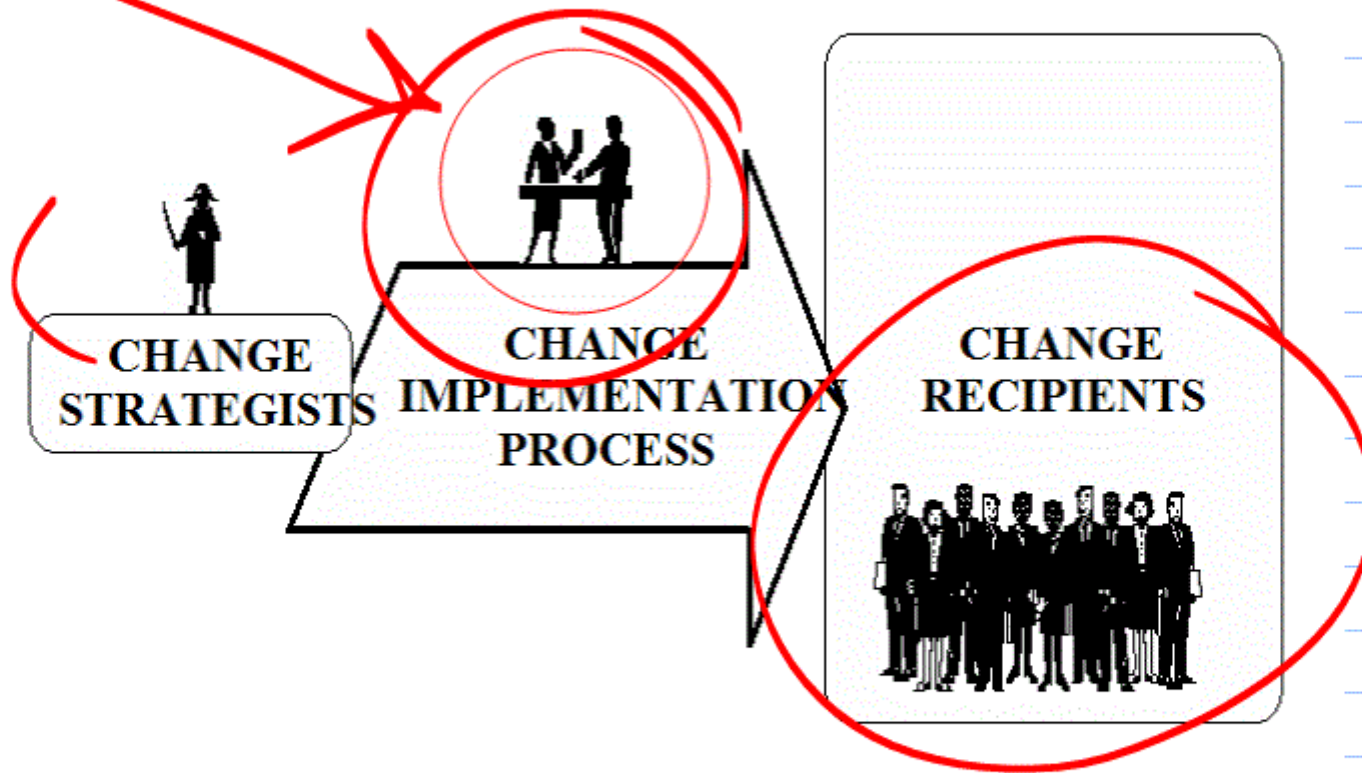
Organizational <b>resistance</b>	82%
Insufficient exec. sponsoring	72%
Unrealistic expectations	65%
Inadequate process mgmt	54%
Unclear business case	46%
Lack of qualified resources	44%
Scope of expansion/uncertainty	44%



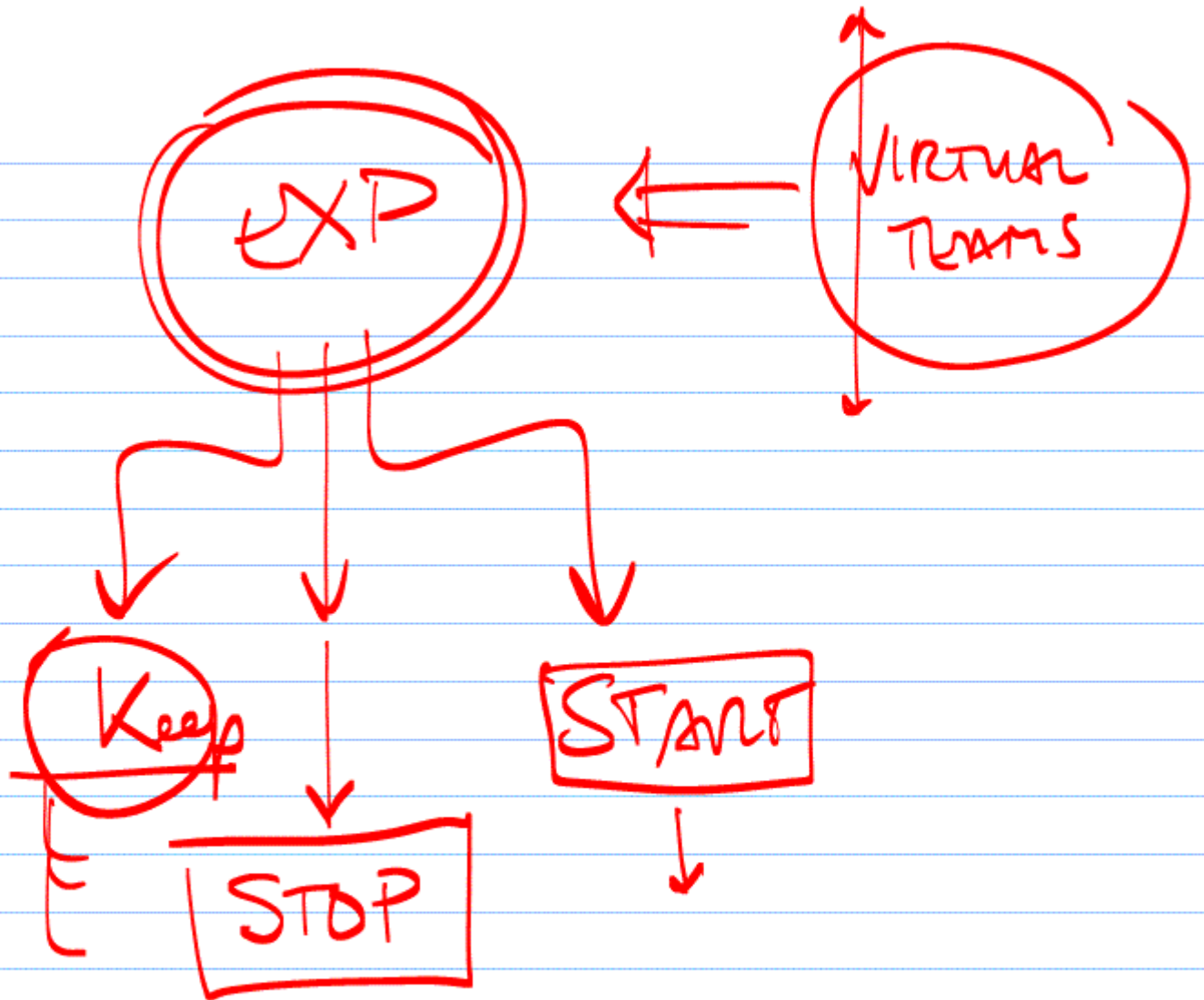
# Learning from **Change/Collaboration Patterns Analysis**



# The challenge ...



Reflecting & understanding the dynamics of  
**Diffusion, Change & Resistance**



# Simulation Scenario & Mission

6 MONTHS  
24 →



**GlobeCom**

- > Grew into successful top global player over last decade, in a very competitive industry and market.
- > Proud of the Org. Transformation it underwent in the last 2/3 years, symbolized by **SYNERGY** - the new common platforms for group-wide Collaboration ... and beyond.

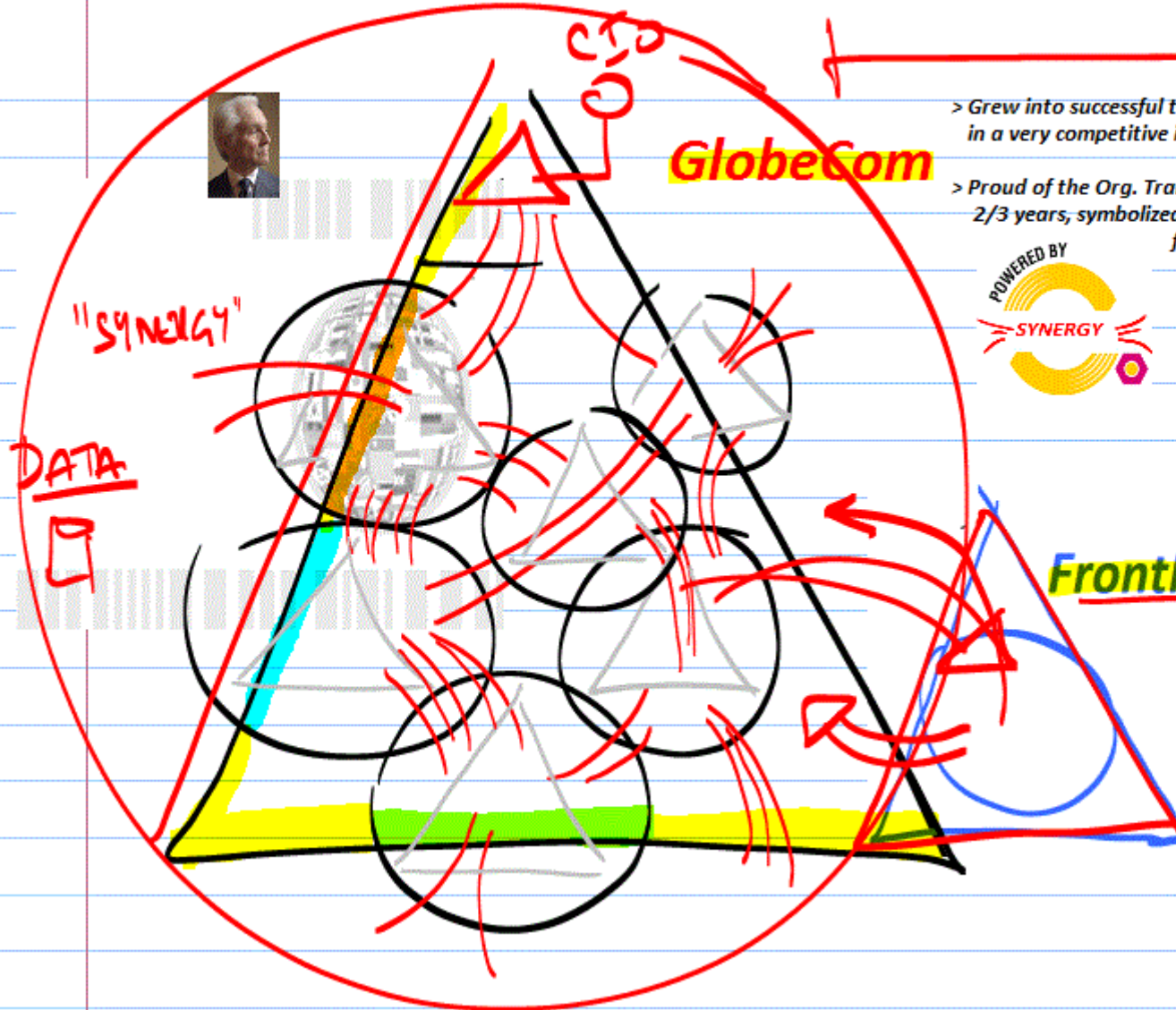


> Acquisition, 2 years ago, of FrontMedia.

"SYNERGY"  
DATA

**FrontMedia**

- > Smaller and recent top global player in markets in which we (GlobeCom) were not present.
- > Extremely high growth and revenue generation in last 2 years (cash-cow status).

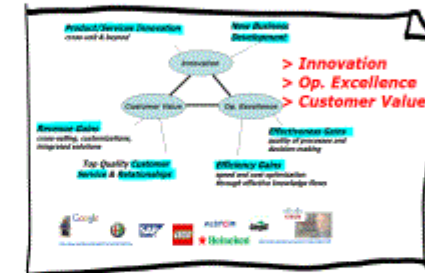


# GlobeCom's Top Target

"Synergy" as a Common Platform

to help us achieve higher levels of

**Collaborative Performance**



The way we create value ...

**Synergy: GlobeCom's group-wide Collaboration System**



**Ideas & Insights**  
Exploration Projects

Execution Projects  
**Know-How & Experiences**

**Agile Connectivity**  
in and out, realtime and asynchronously, among people & systems/algorithms

Targeted Impact on:

Innovation & Collaborative Opportunities Identification

Increased Performance through Best Practice Identif'n & Transfer

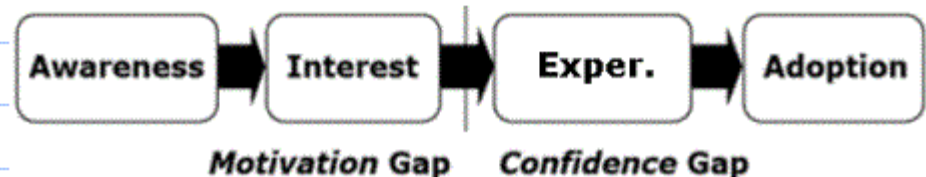
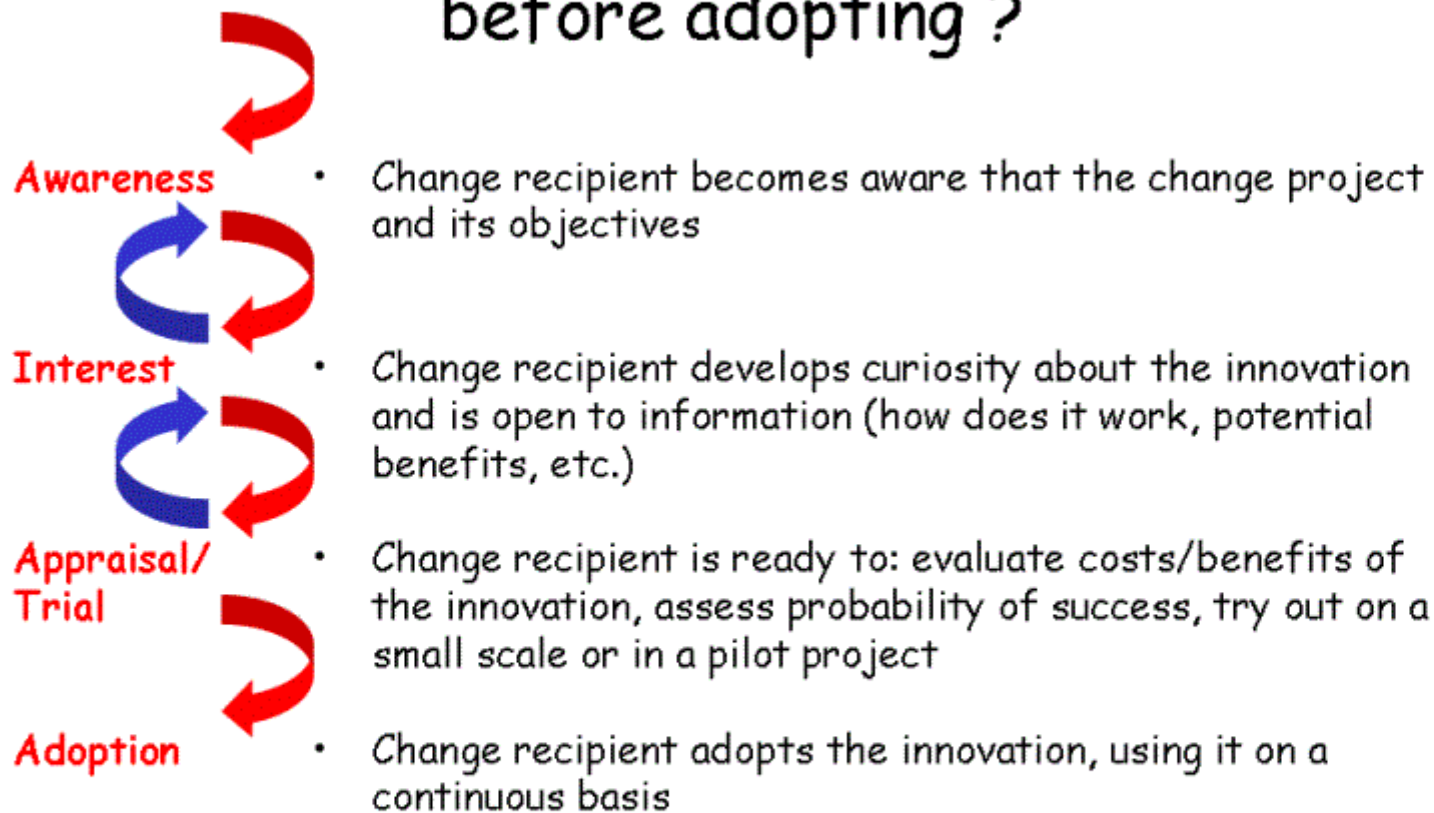
Effectiveness of Teams and Communities (across & beyond boundaries)

Continuous Improvement of Internal & other Value-creation Processes (e.g. with customers)

Addressing expectations of Web 2.0 generation

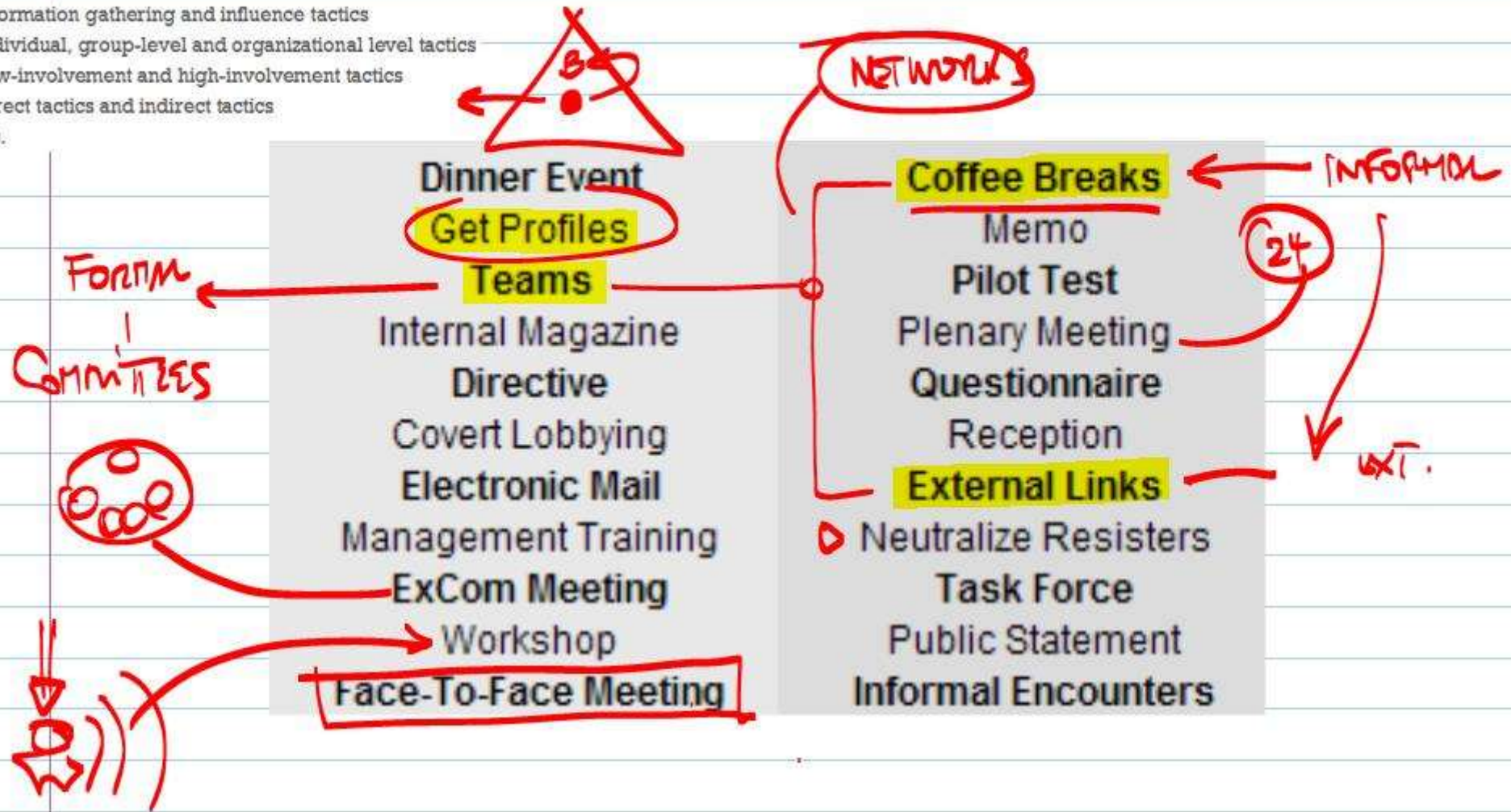
Group-wide Networking

# What **stages** do change recipients go through before adopting ?



# Initiatives / Change Mgmt Tactics

- Information gathering and influence tactics
- Individual, group-level and organizational level tactics
- Low-involvement and high-involvement tactics
- Direct tactics and indirect tactics
- etc.

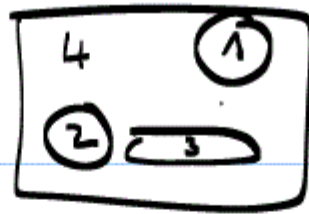


# Hints

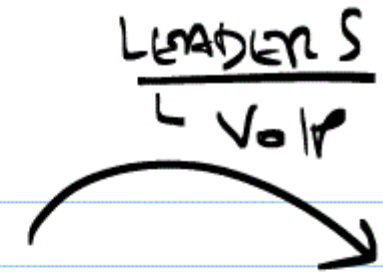
- ✧ ***Understand your "Role" as Change Agent and the Change Initiatives/Tactics you can deploy***
- ✧ ***Get ready for fast Decision & Action, but also spend time gathering information*** *(on individuals, on networks)*
- ✧ ***Prepare to be challenged at different levels***
  - *Rapid Organizational Diagnosis*
  - *Develop a solid Intervention Strategy (first 15 minutes max.)*
  - *Monitor your Progress*
  - *Leverage the Team Experience*
  - *Be in control of the Time*
- ✧ ***Do not expect Change to happen like***



# Teams



<b>Tamara</b>	Buhin	Business	Business-Model-Internationalization
<b>Mateja</b>	Celcer	Science	Export
<b>Mark</b>	Cerle	Engineering	Sales
<b>Barbara</b>	Kepic	Law	Export



<b>Luka</b>	Koprivnikar	Economics	Sales-and-Marketing
<b>Marko</b>	Panjan	WorldStudies	Marketing
<b>Jožef</b>	Kočevar	Engineering	Sales-and-Marketing
<b>Ivana</b>	Zamparini	Europe	Sales-and-Purchasing-Manager



<b>Urška</b>	Bukovec	Business	Sales-and-Marketing
<b>Vitja</b>	Podlesek	Economics	Export
<b>Grega</b>	Šimunovič	Economics	Director
<b>Grega</b>	Požar	Engineering	Technical-Director

R.EMPR.



<b>Mateja</b>	Gorenak	Economics	KAM-&-Export-Manager
<b>Andreja</b>	Planinšek	Business	Sales-and-Customers-Acquisition
<b>Karel</b>	Stanovnik	Engineering	Export
<b>Milan</b>	Vuković	Engineering	Director



CISCO :

- > R&D → ABD
- > FIN → —
- > S&M/S



# Timing

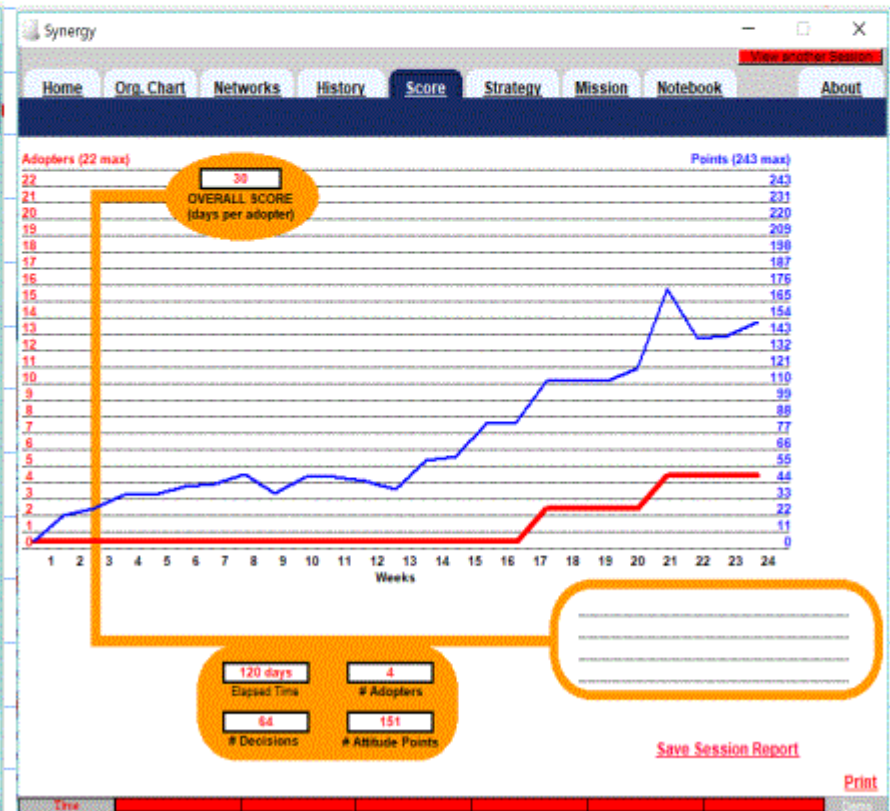
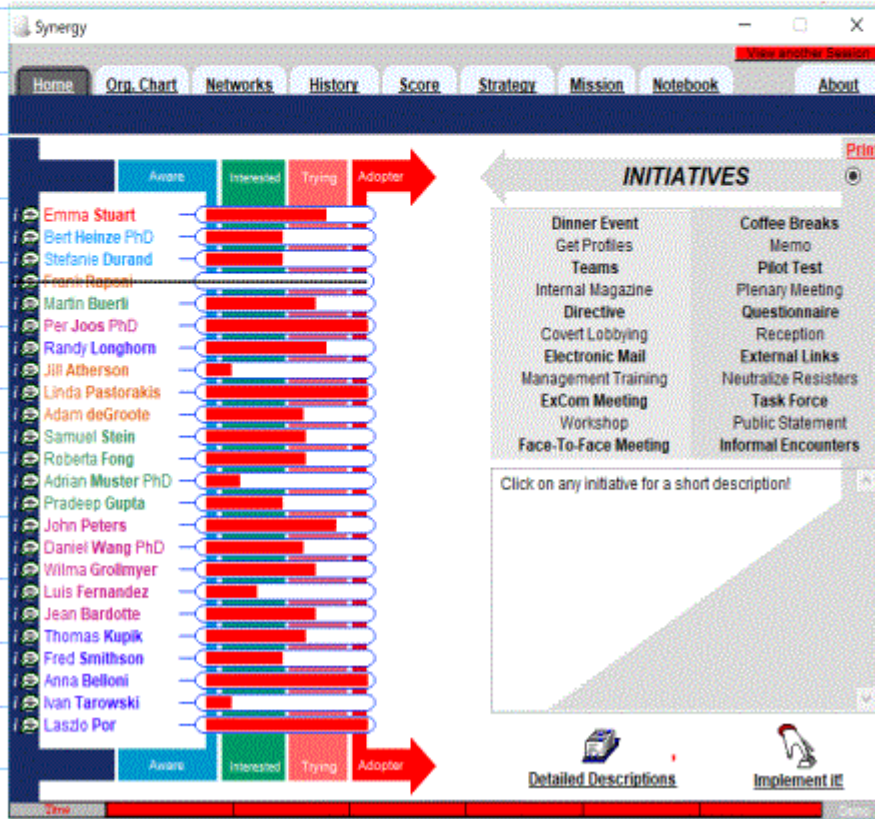
15 min

T<sub>1</sub>

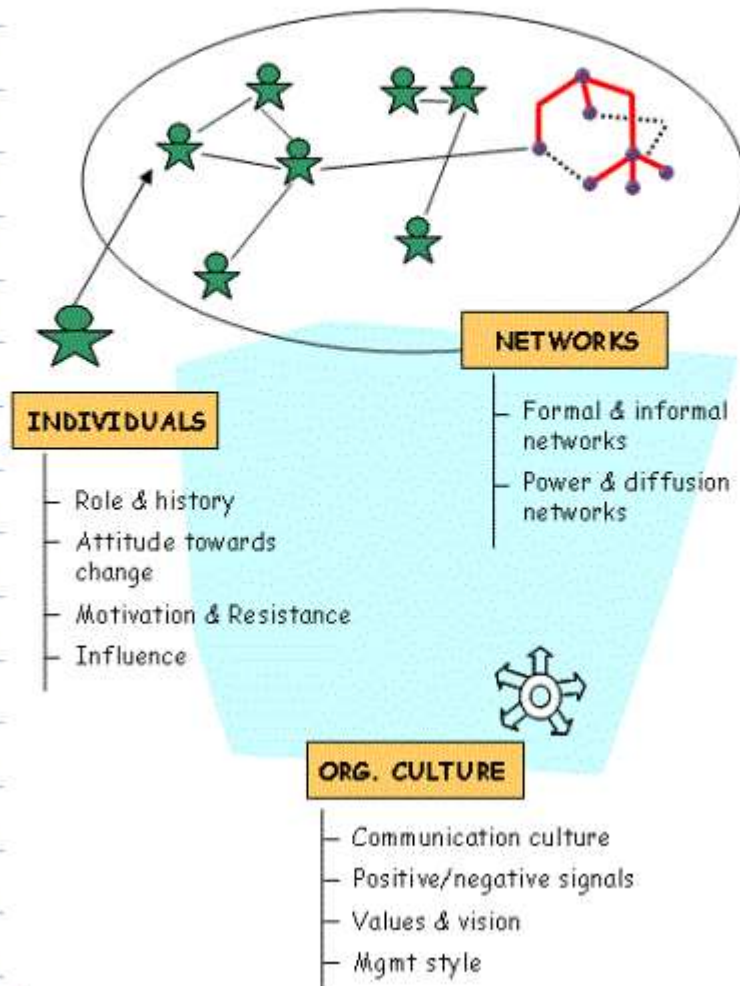
1h 15m

→ "STRATEGY" → EXECUTION

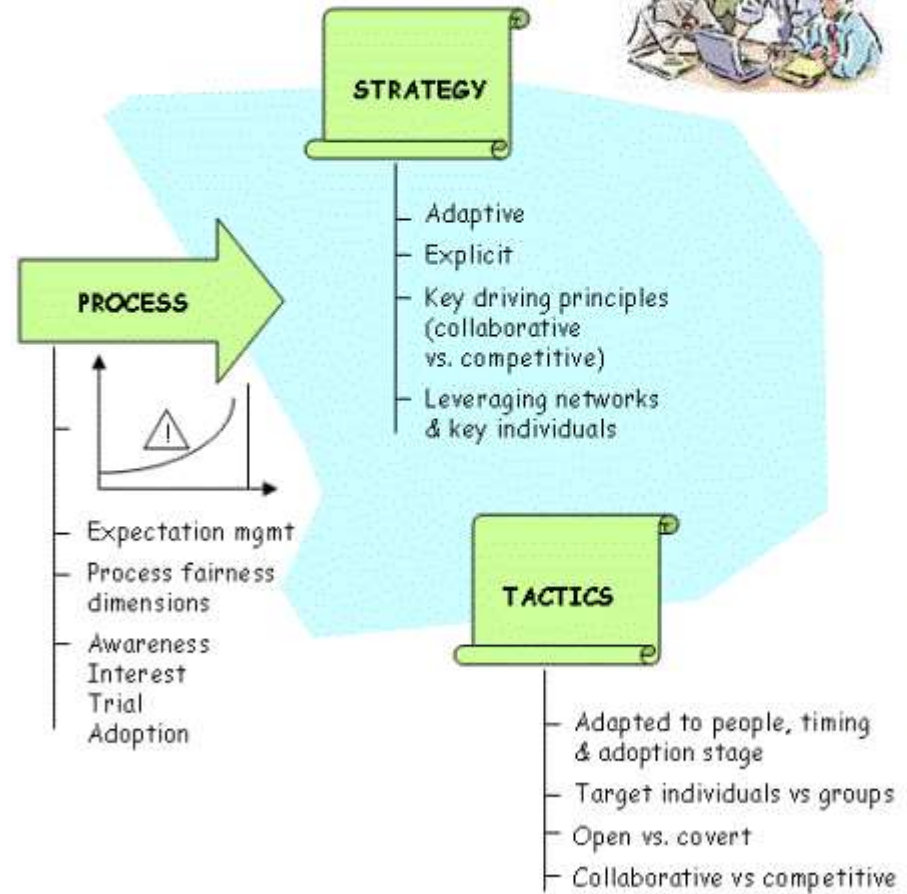
→ TOP DOWN → BOTTOM UP → ...  
14<sup>45</sup> - 15<sup>00</sup>  
15<sup>00</sup> - 16<sup>15</sup> → +10 min.



## ORGANIZATIONAL DIAGNOSIS



## EFFECTIVE ORG.<sup>L</sup> INTERVENTIONS

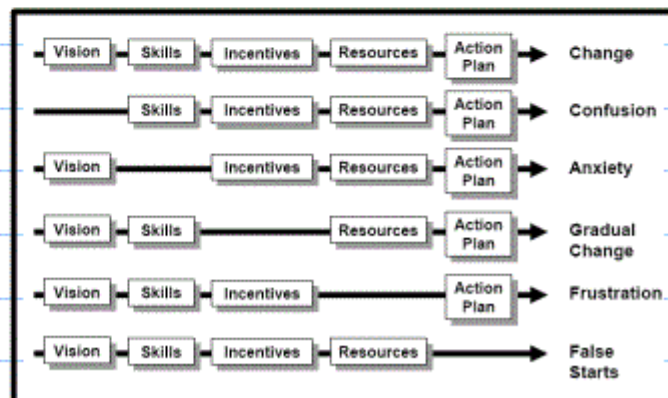


# Start with: Some basic Guidelines / Checklists

## Mobilize momentum – Kotter's steps



1. **Create a sense of urgency**
2. **Form a powerful coalition**
3. **Create a vision for change**
4. **Communicate your change vision**
5. **Empower others to act**
6. **Generate quick wins**
7. **Don't let up: persist**
8. **Make change stick**

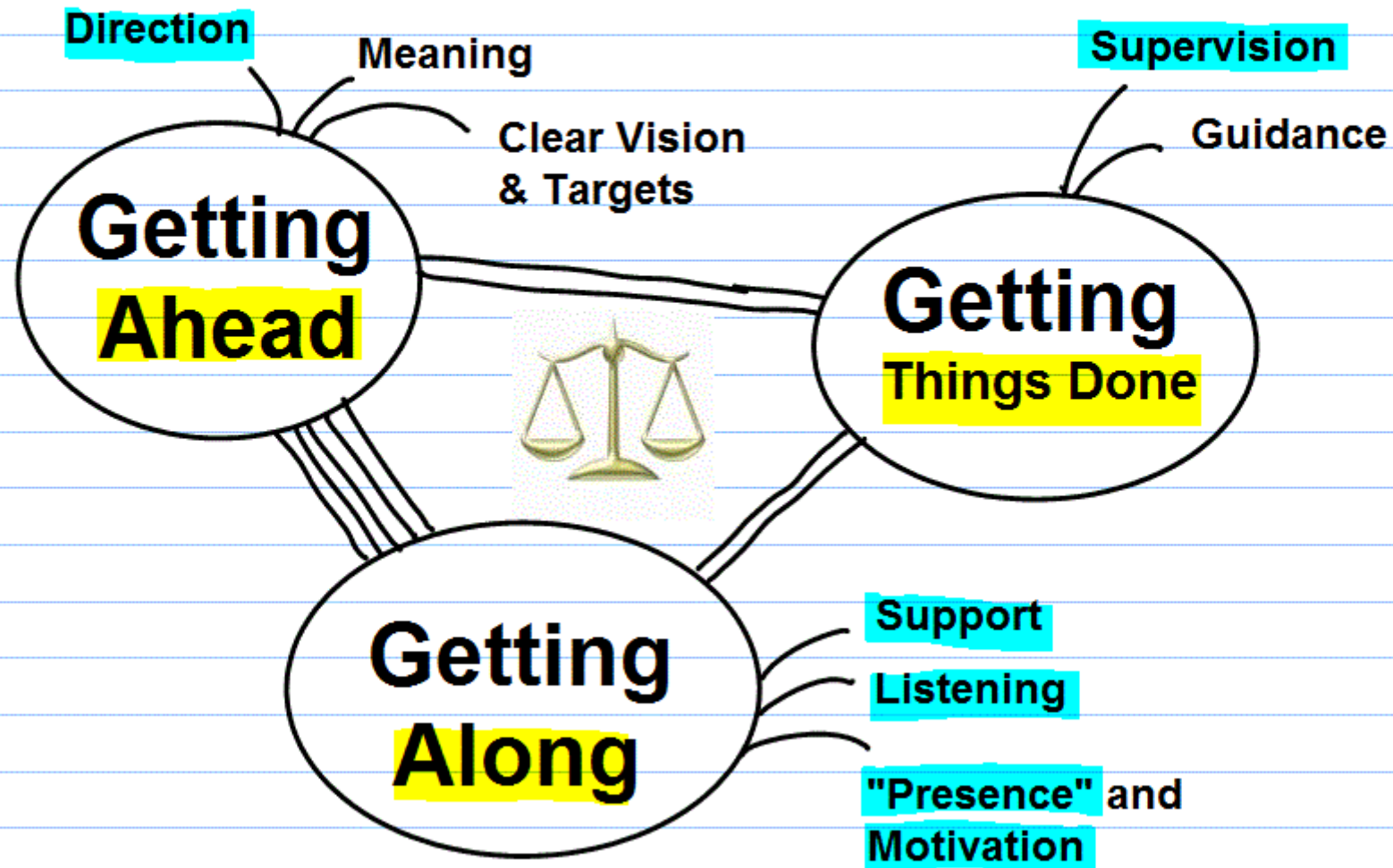


## ***Advanced Insights***

*(linked to the Simulation experience)*

- > Managing Expectations***
  - > New approaches to Change Diffusion***
  - > New approaches to Rapid Persuasion***
  - > Rethinking Change from a RoI perspective***
  - > On the best usage of Change Initiatives***
  - > Understanding and addressing Resistance***
  - > Identifying Collaboration Barriers & Mgmt Levers***
- 
- > Connecting to Win***

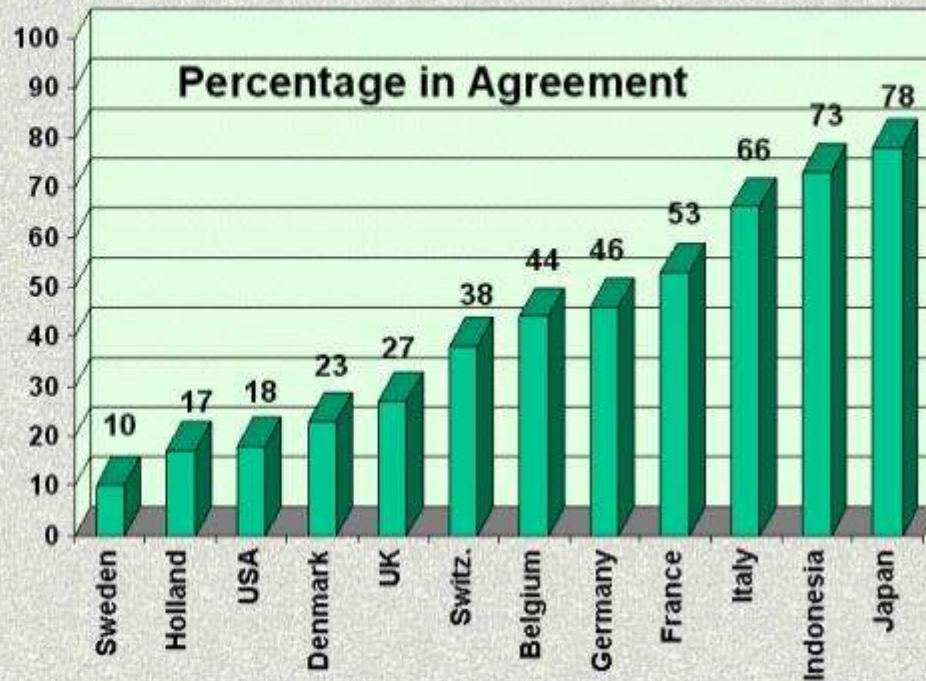
# Leadership Facets



# Culture &

## Diversity in Expectations

"Is it important for a manager to have at hand precise answers to most of the questions that his subordinates may raise about their work?"



**Andre Laurent**

Emeritus Prof. of Organizational Behaviour  
INSEAD

# Virtual Team Leaders Behaviours

## Inclusion Behaviours

Initiating **inclusive actions** in relation to VT members.

- inviting input related to team tasks
- taking initiative to keep in touch
- keeping members fully informed about team activities
- sharing information
- encouraging exchange of information among team members
- recognizing contributions.
- "bringing others in" as opposed to "holding others out"

## Control Behaviours

Initiating **structuring or directive actions** in relation to VT members.

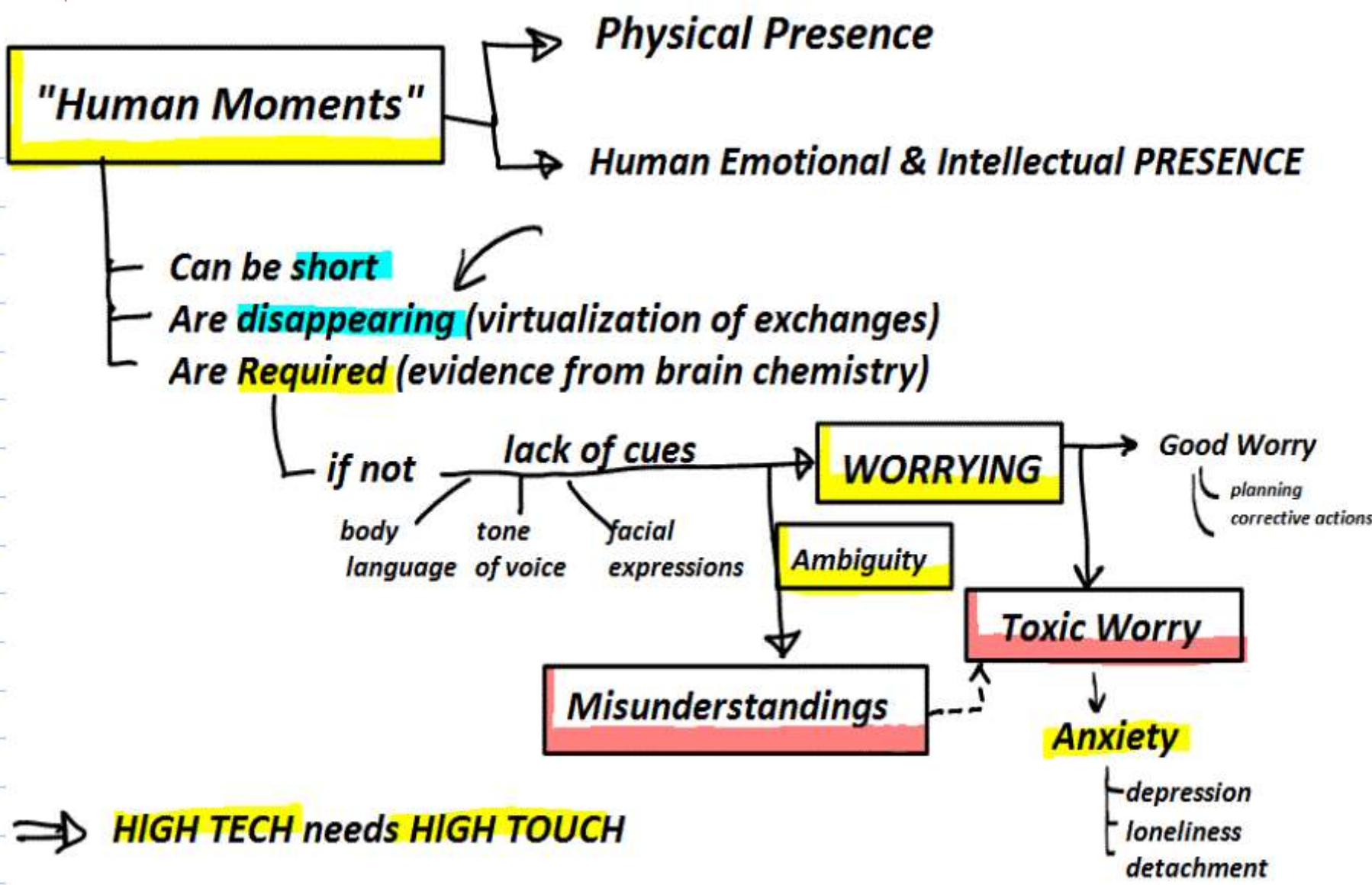
- Establishing structured tasks, procedures and policies
- Setting a clear direction
- Providing clear guidelines for accomplishing individual tasks
- Giving clear directions
- Following up to see how work is progressing
- Dominating group discussions, i.e. pushing the group to adopt his/her own ideas during meetings
- Influencing other team members' opinions related to team activities.

## Affection (Support) Behaviours

Initiating **supportive actions of a personal nature** in relation to VT members.

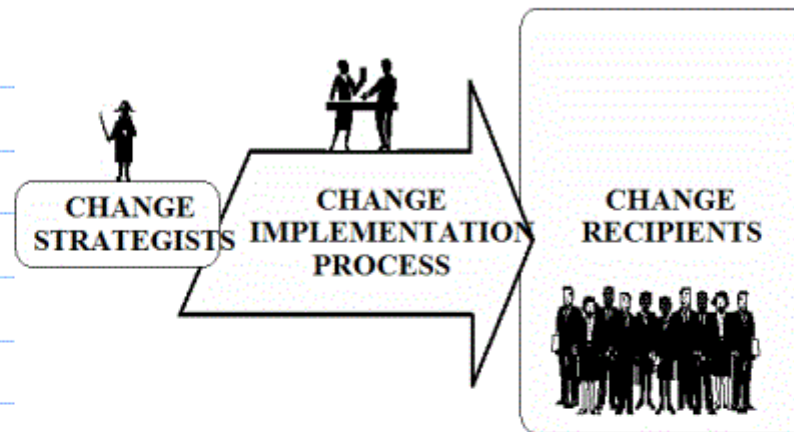
- Expression of personal appreciation for efforts even when team members are not fully successful
- Acting in a kind way
- Praising team members personally for contributions
- Providing personal mentoring
- Giving personal reassurance during difficult times
- Listening with genuine interest to members' concerns
- Showing openness about their own true feelings related to team's work
- Showing interest in knowing team members at a personal level

For more details, see: Leadership Impact on Motivation, Cohesiveness and Effectiveness in Virtual Teams N. Jenster 2010.

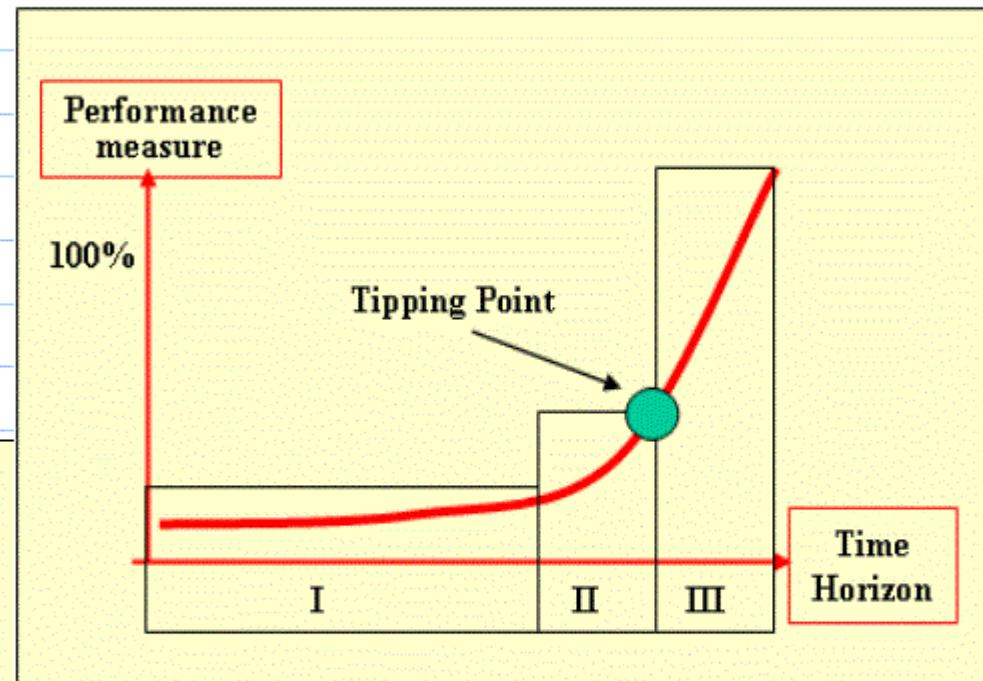
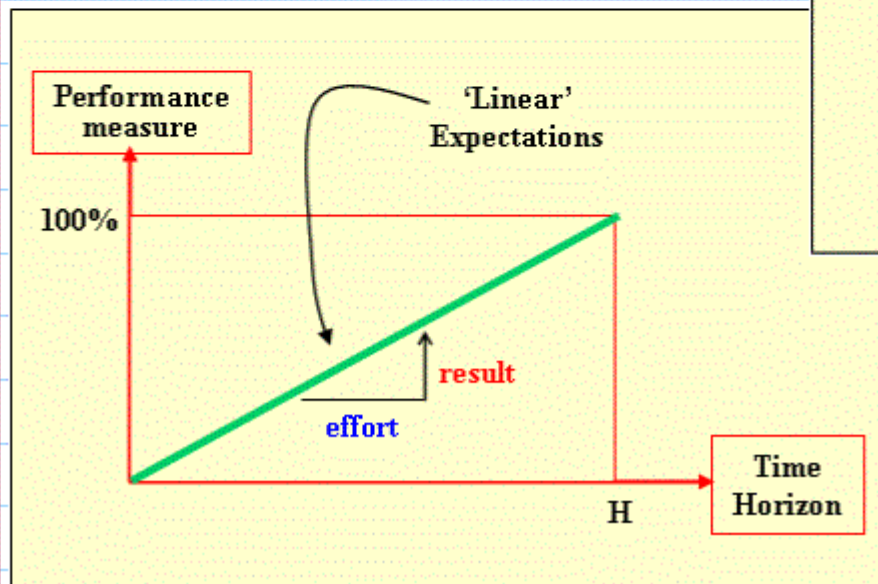
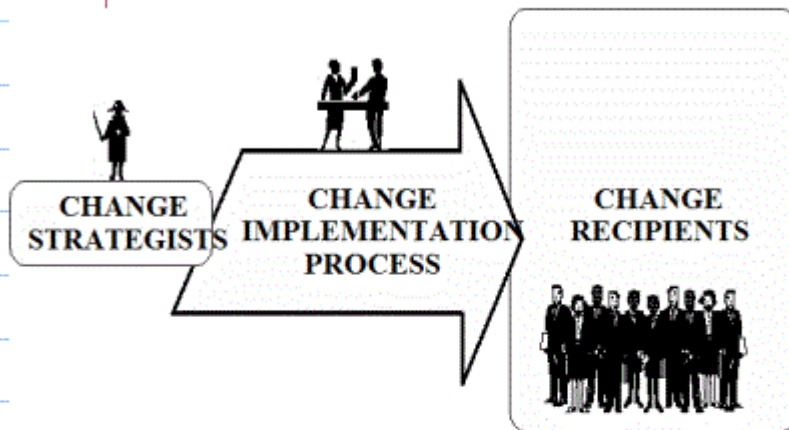


For more details, see: The Human Moment at Work, E. M. Hallowell, Harvard Business Review.

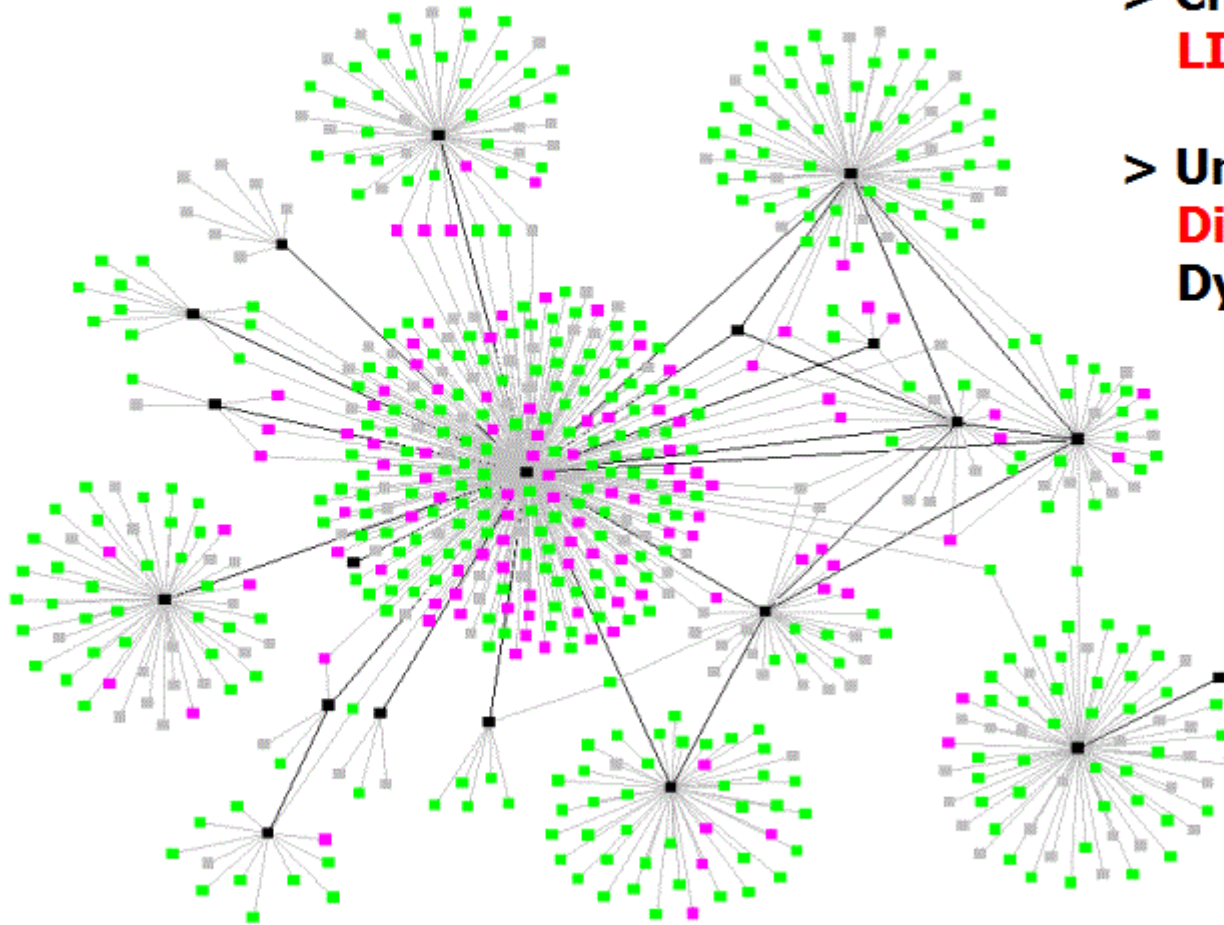
# ***Importance of Teams & managing Expectations***



# Understanding Process Dynamics

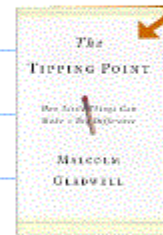


# Think Networks!



> Challenging our dominant **LINEAR** Models & Processes

> Understanding **Epidemic Diffusion & Tipping Point Dynamics**

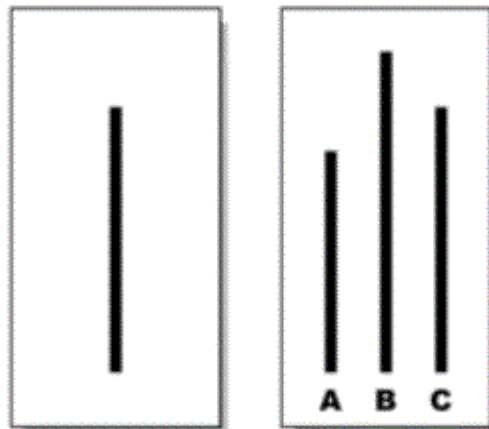


> Accepting **Complexity**

> Focussing on **Links & Relationships** rather than on Nodes

# The power of Persuasion through Social Pressure

## Social Pressure on Minority Representatives



S. Asch early conformity experiments



"Face The Rear"



# Persuasion in Decision Making Contexts: Combining skillfully 3 different approaches ...

Clear Case & Communication  
Rational Alignment

**Rationality**

**Social Dynamics**

**Emotions**

Empathy, Involvement  
Emot. Alignment

Leveraging Influence Networks  
Viral/Epidemic Diffusion  
Speed

**Challenging Change Projects: From Heroes to Joystickers**  
Persuading reluctant pilots to adopt new technologies that will better protect ground forces

Allison Hickey, General  
U.S. Air Force

**Leadership Principles in High Performance Contexts**

**Dimensional Individuals**

- Having a problem to solve
- Being able to understand others
- Anticipating the future
- Creating team spirit
- Encouraging innovation
- Being able to delegate
- Having a clear, specific, and realistic goal
- Responding to the problem quickly

**Dimensional "Hot Teams"**

- **Interdependence**: tasks are **interdependent** and the individual contribution of team members
- **Highly regulated social interaction**: networks and relationships are structured, creating clear dependencies of individuals within the organization
- **The problem** must be clear and be solvable, even before you can begin training and preparation
- **Leadership** is a well-trained and experienced

**The Factor**

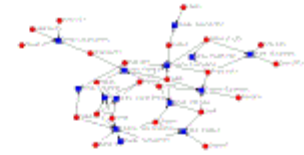
• The Challenge of Collaborative Organization-wide, across Sites & beyond

**The power of Persuasion through Social Pressure**

Ask one directly  
experience

## Importance of formal and informal influence structures

### Guanxi & Wasta



- Guanxi

*“Guanxi is a relationship between two people expected, more or less, to give as good as they get. A Chinese individual with a problem, personal or organizational, naturally turns to his or her guanxiwang, or “relationship network”, for assistance. An individual is not limited to his or her own guanxiwang, but may tap into the networks of those with whom he or she has guanxi.”*

- Wasta

*“Wasta involves social networks of interpersonal connections rooted in family and kinship ties and implicating the exercise of power, influence, and information sharing through social and politico-business networks. It is intrinsic to the operation of many valuable social processes, central to the transmission of knowledge and the creation of opportunity. Just as guanxi has positive connotations of networking and negative connotations of corruption, so too does wasta.”*

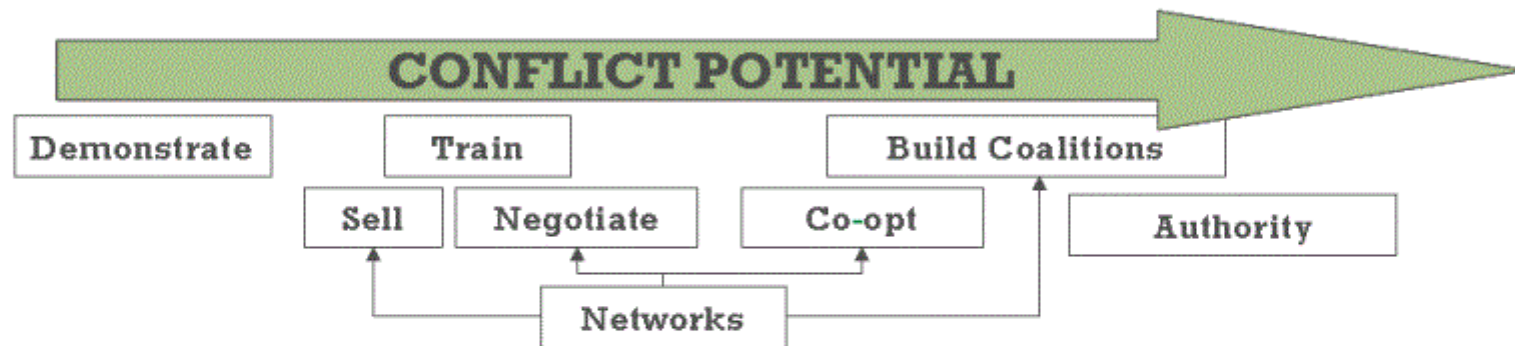
## Understanding of **change** in the Middle Eastern culture

### Comparison between the **West**, **East Asia** and the **Middle East**

Western (Lewinian) OD / change is:	East Asian (Confucian) change is:	Arab / Islamic change is:
Linear	Cyclical	Movement in a zig-zag pattern
Progressive	Processional	Processional
Destination-oriented	Journey-oriented	Goal-oriented and continuous
Based on creating disequilibrium	Based on restoring / maintaining equilibrium	Aimed at maintaining equilibrium
Planned and managed by people who are external to and independent of the objects or processes on why they act to achieve the desired goals	Observed and followed by people who are at one with everything and must act correctly to maintain harmony in the universe	Planned and managed by people who must act according to specific goals
Unusual because everything is normally in a quasi-stationary or static state	Usual because everything is normally in a continually changing dynamic state	Normal because everything is subject to change and man is proactive in directing change in ways that serve his and the community's interests

Ali (1996); Marshak (1993)

# Addressing **Conflict Potential** with appropriate **Change Tactics**



## Tactics:

- Demonstrate: Show how your idea may help (**Workshop, Pilot**)
- Sell: Sell your ideas, use rewards (**Face to Face, Plenary Meeting**)
- Train: Help people to adapt (**Management Training**)
- Negotiate: make trade-offs (**Face to Face, ExCom Meeting, Plenary Meeting**)
- Co-opt: Use buy-in to align moderate opponents interests with yours (**Plenary Meeting, Workshop, Dinner Event, Face to Face, Task Force**)
- Network: Use third parties to sell, induce tipping points, and neutralize opposition (**Coffee Breaks, External Links, Teams; Dinner Event**)
- Build Coalition: Build political support (**ExCom Meeting, Pilot, Dinner Event**)
- Authority: Force compliance through punishments (**Directive**)

# Adapting Change **Tactics** to Adoption **Stages**

SYNERGY Change Initiatives/Tactics	Diagnosis	Awareness	Interest	Exp./Trial
Get profiles				
Teams				
Coffee breaks				
External links				
Face-to-face meeting				
Public statement				
Internal magazine				
Electronic mail				
Memorandum				
Dinner event				
Informal Encounters				
Management training				
Workshop				
Plenary Meeting				
Questionnaire				
Reception				
ExCom Meeting				
Pilot test				
Task force				

## Behind the Classical **Change Adoption** Stages

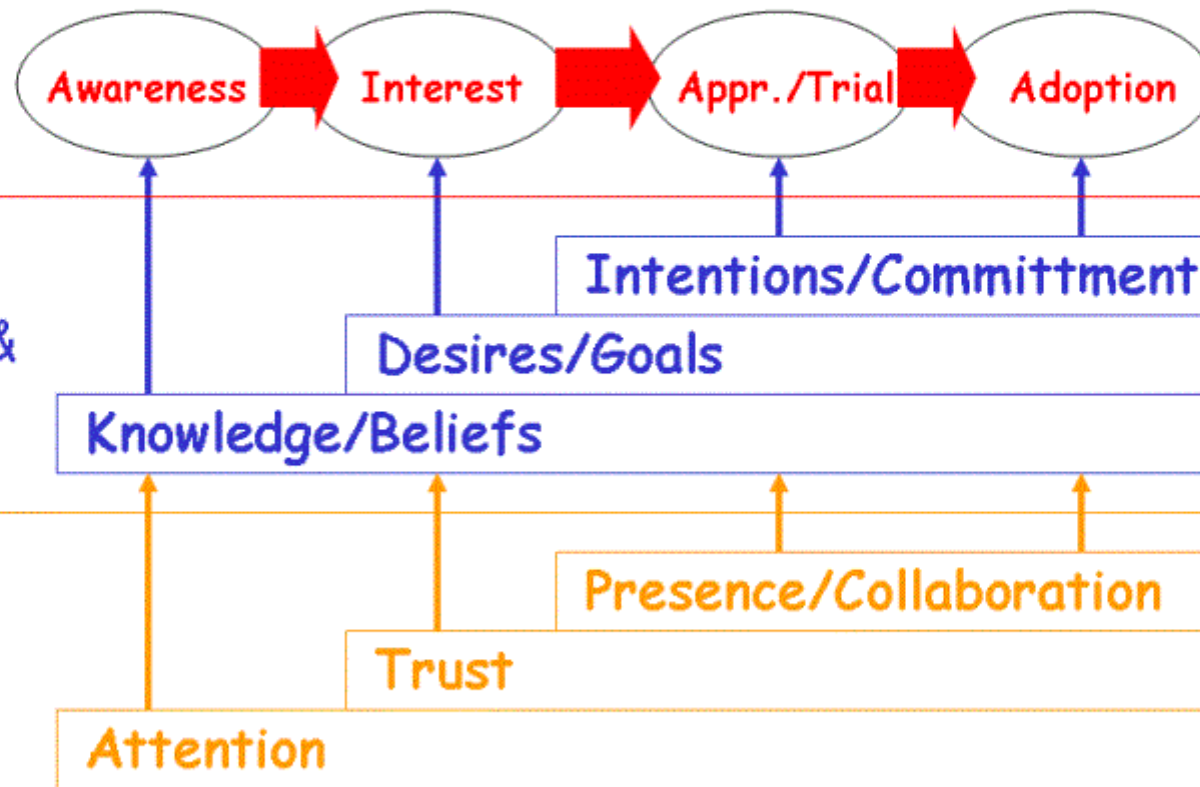
Attitude/  
Behavioral  
Changes

Our Impact

Addressing &  
Diffusing:

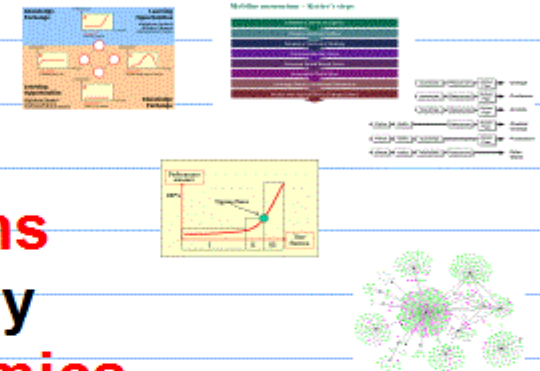
Key Challenges

Capturing &  
Securing:



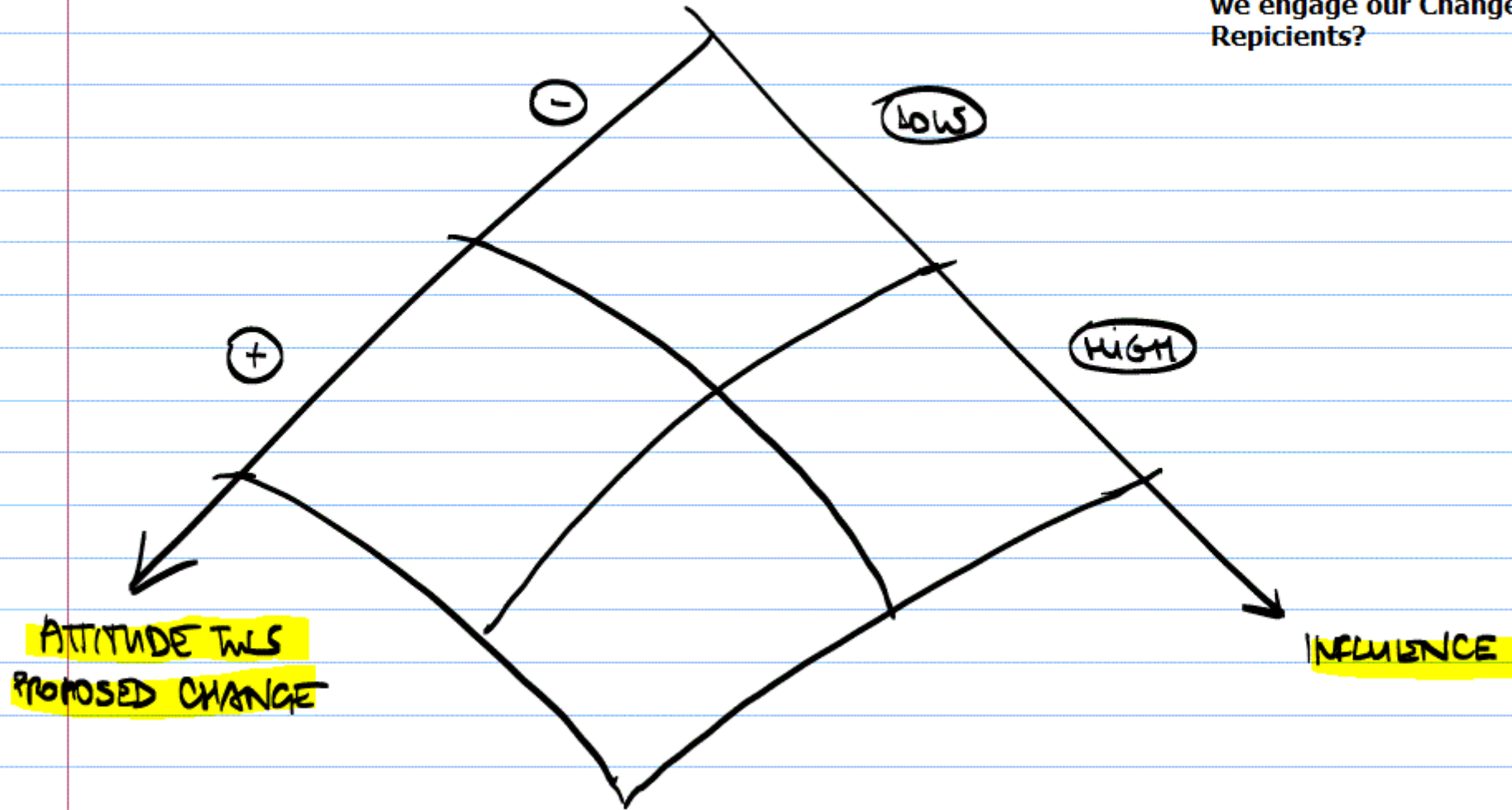
## ***Food for Thoughts ... and Action***

- > Learn **systematically** from ALL Change Projects, accepting **lack of project success** as a source of Continuous Learning
- > Acknowledge **Organizational Transitions**
- > Don't underestimate **Change Agents Teams** Challenges & set **expectations** realistically
- > Rapid change dynamics: **Linear --> Epidemics**
- > Importance of **(social) Influence Networks**
- > Tactical Level: **Timing** of interventions, warning with **compulsive** approaches, **cultural** specificities



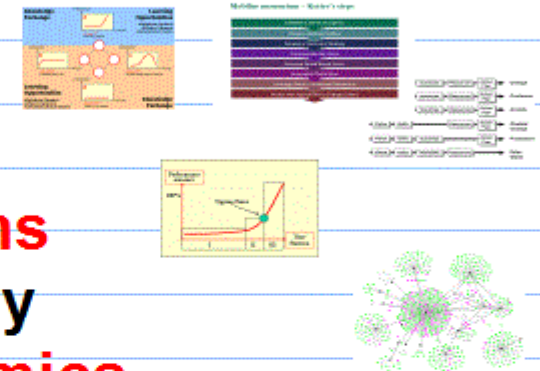
# Selecting the Right Targets - A RoI Perspective

With whom first & how (which Change Tactic) did we engage our Change Recipients?



## ***Food for Thoughts ... and Action***

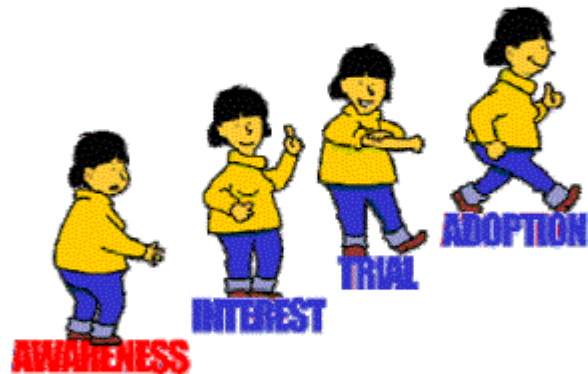
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- > Focus attention on **Key Influencers** (persistence, networks & signals)



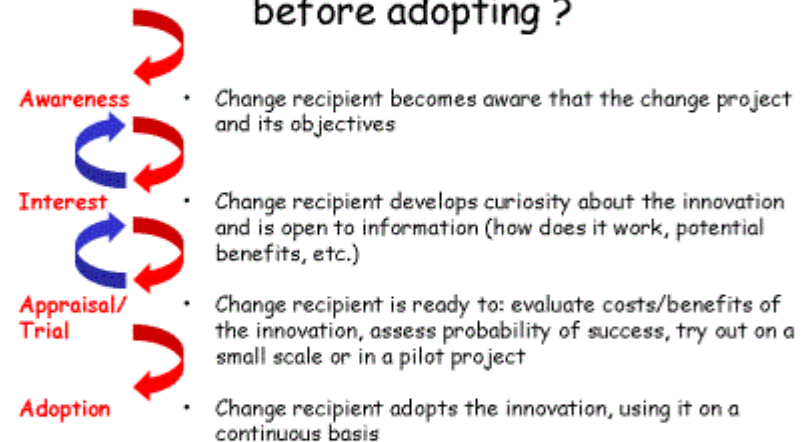
# **IKEA** : Creating a **Common Language** to support rapid **global collaborative change**

Communication & Change

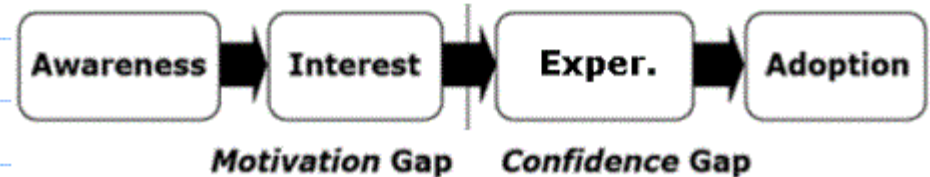
## The four step model for Change Communication



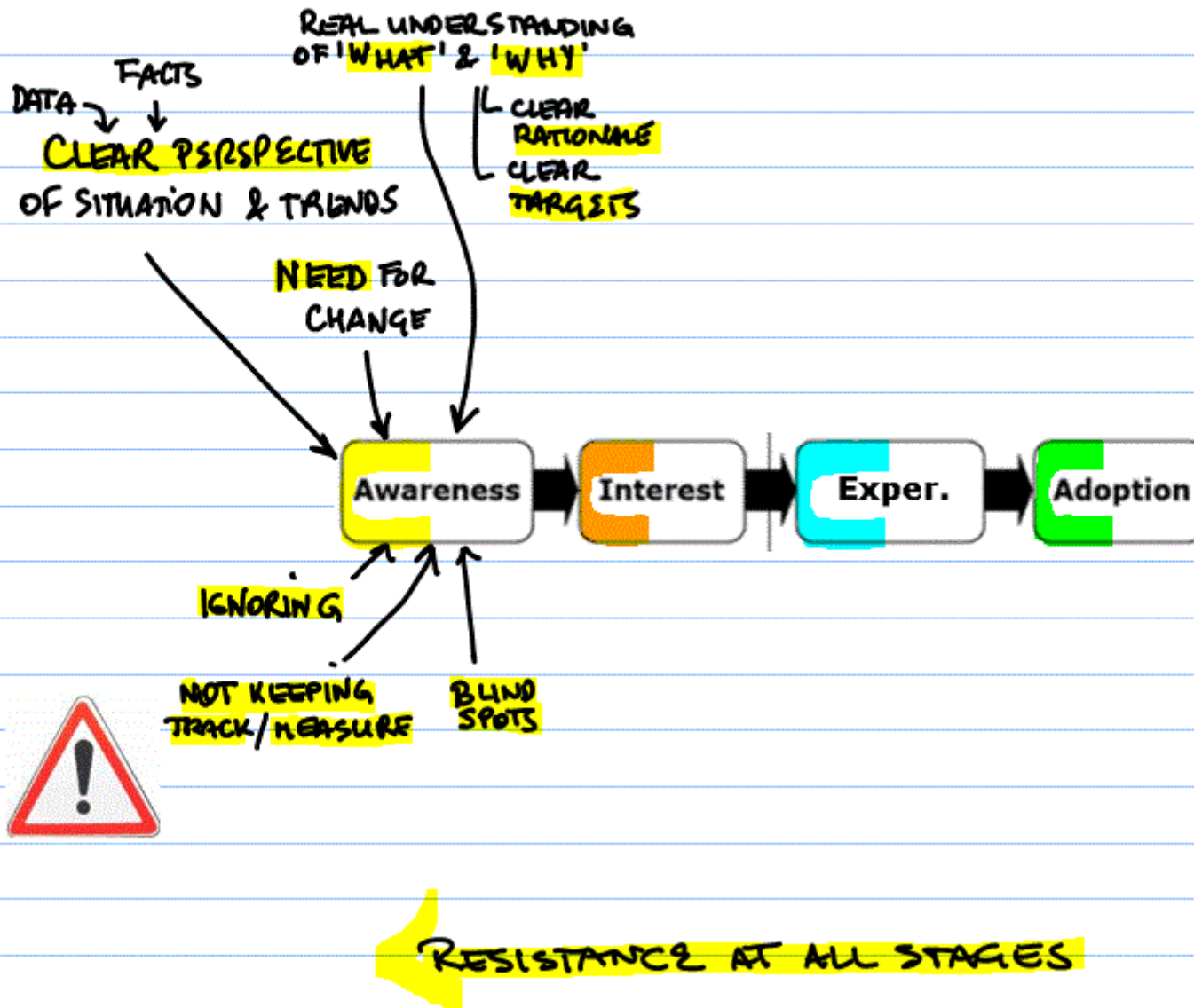
### What **stages** do change recipients go through before adopting ?



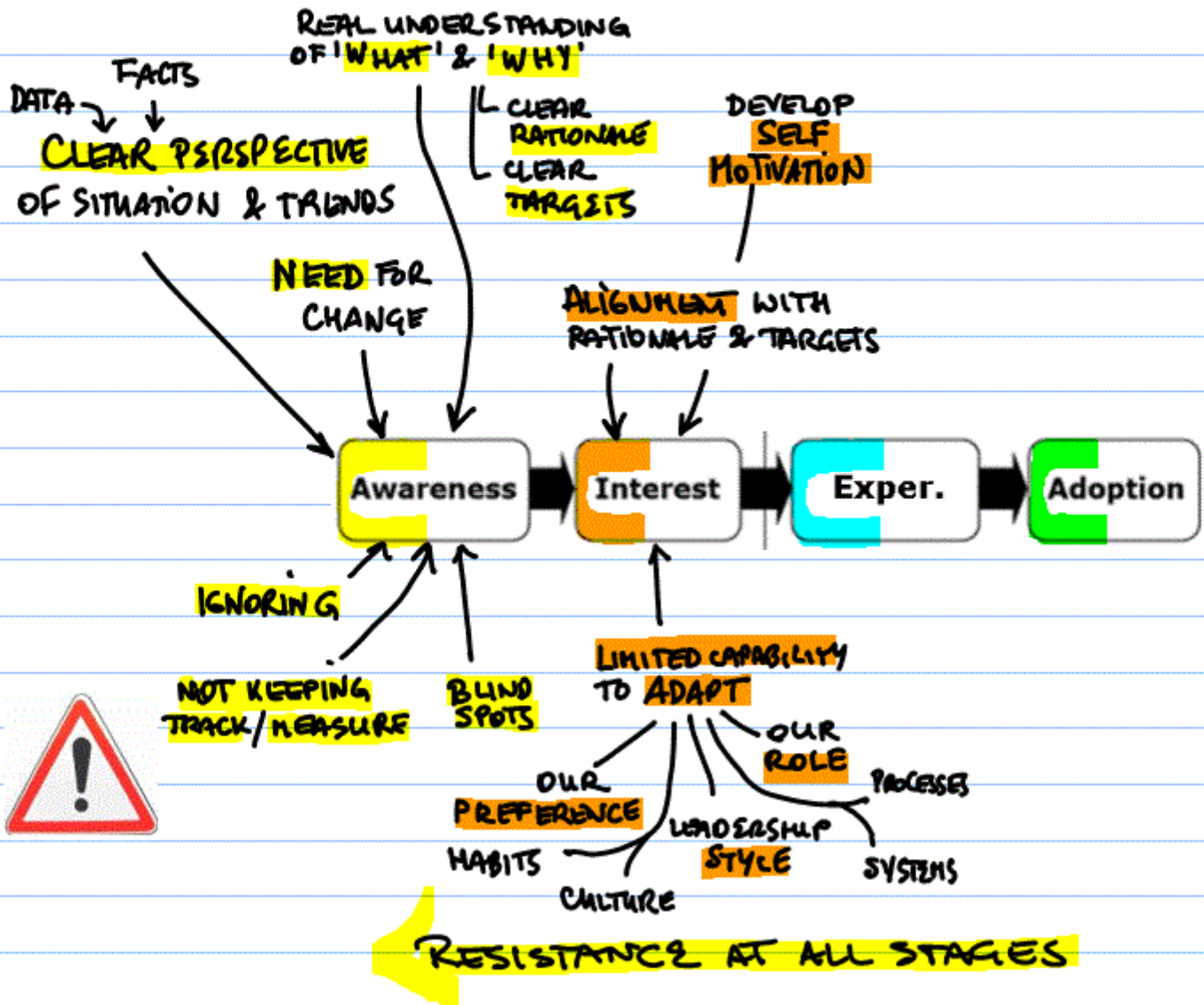
# **IKEA**®



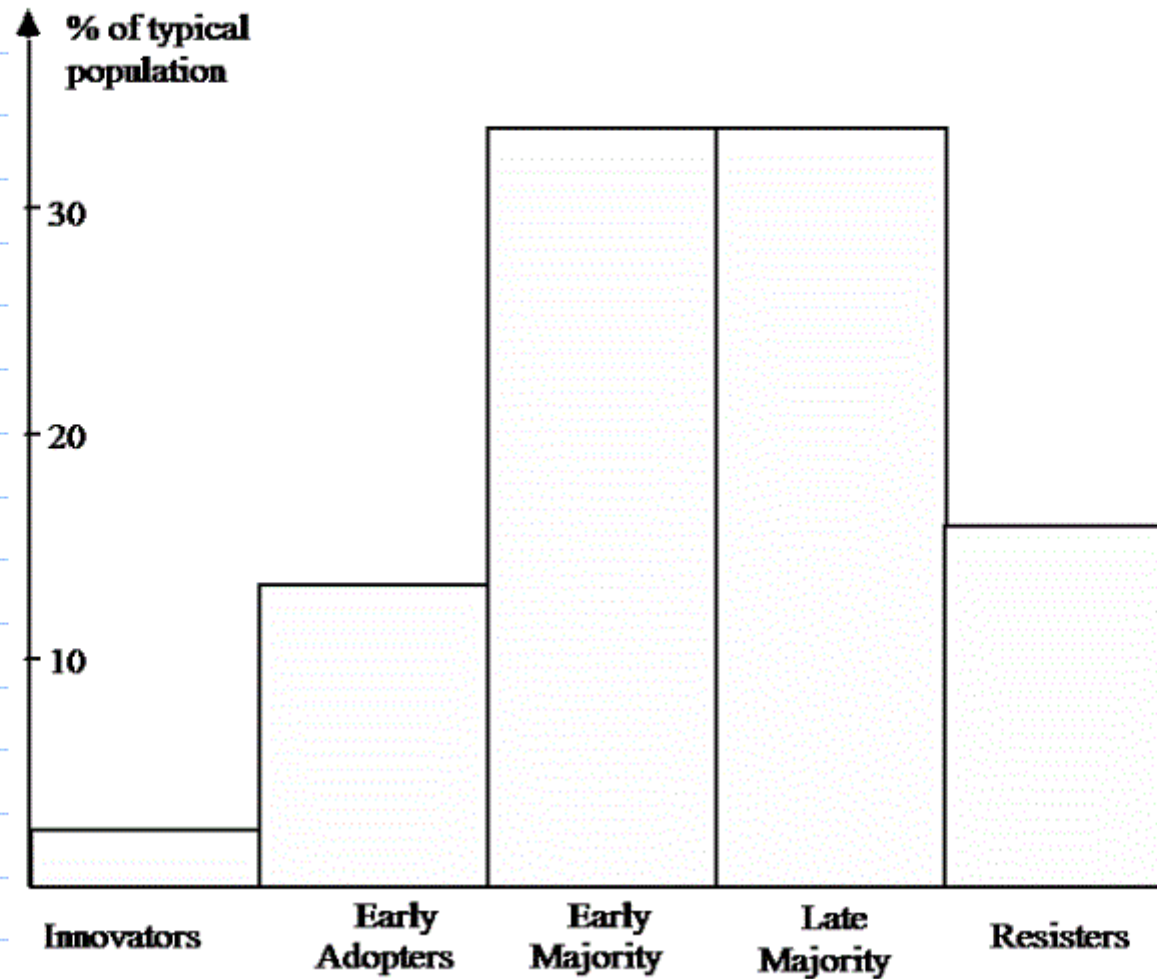
# Managing Change: AIEA Model



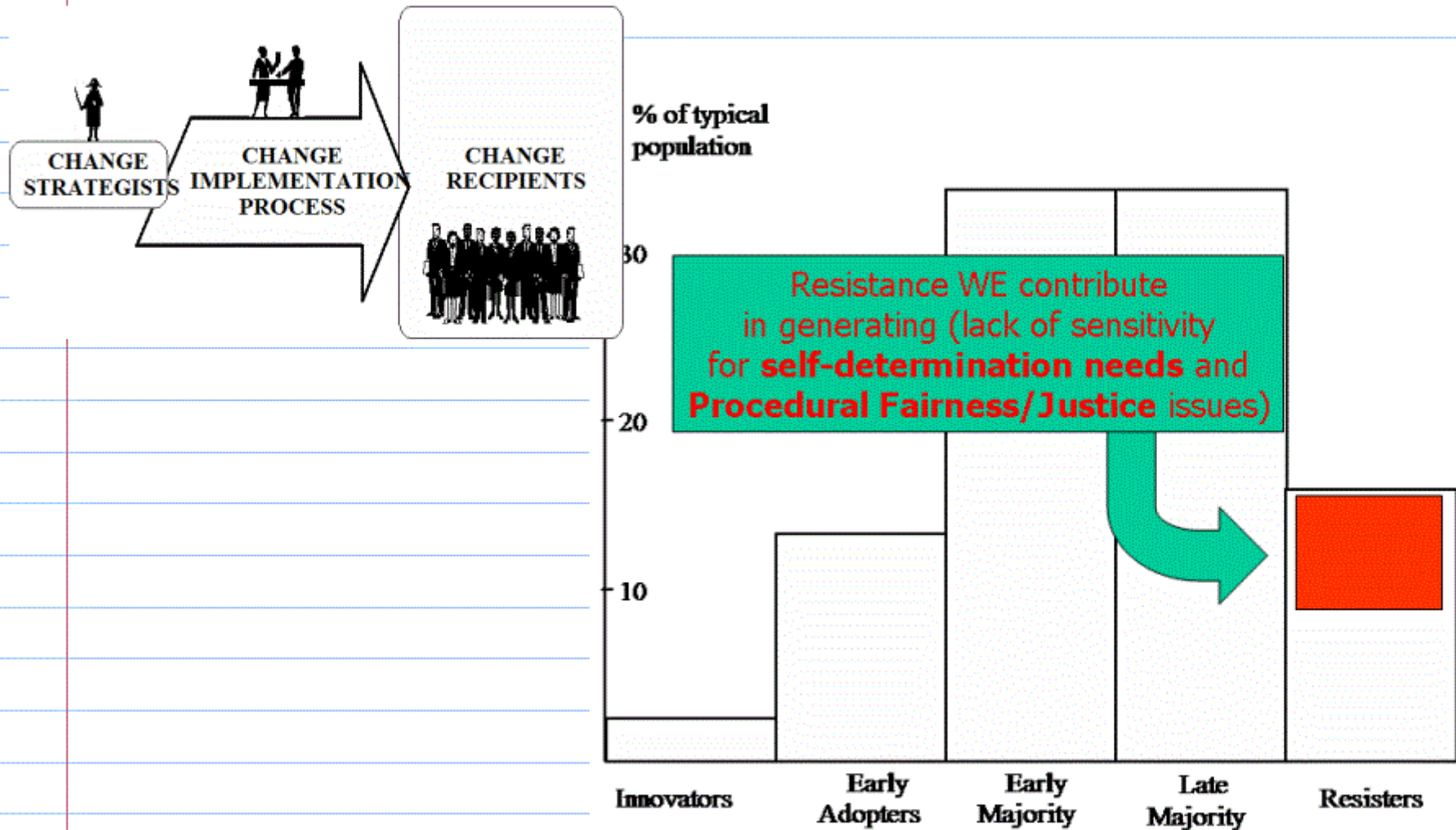
# Managing Change: AIEA Model



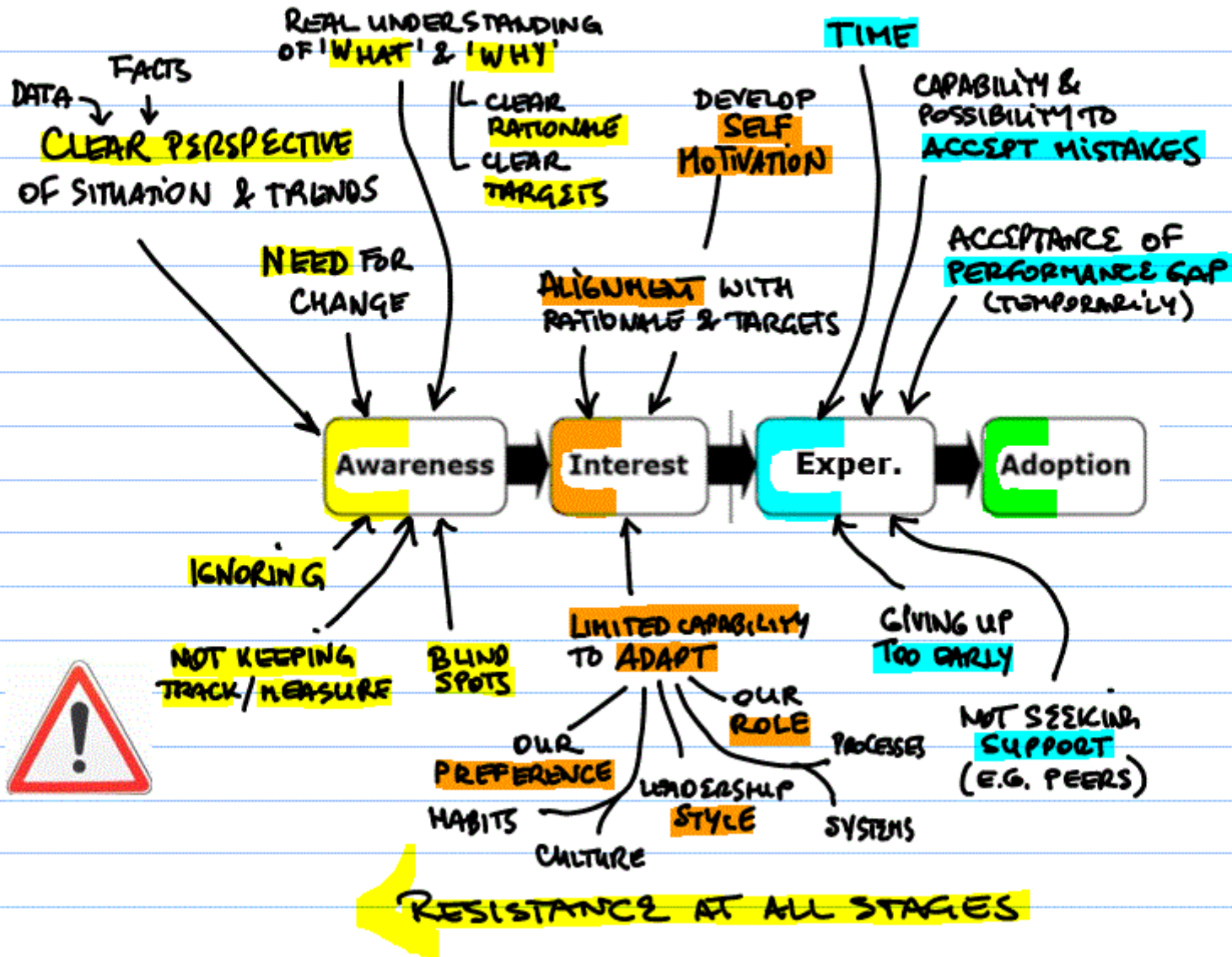
# ***Understanding & addressing **Resistance*****



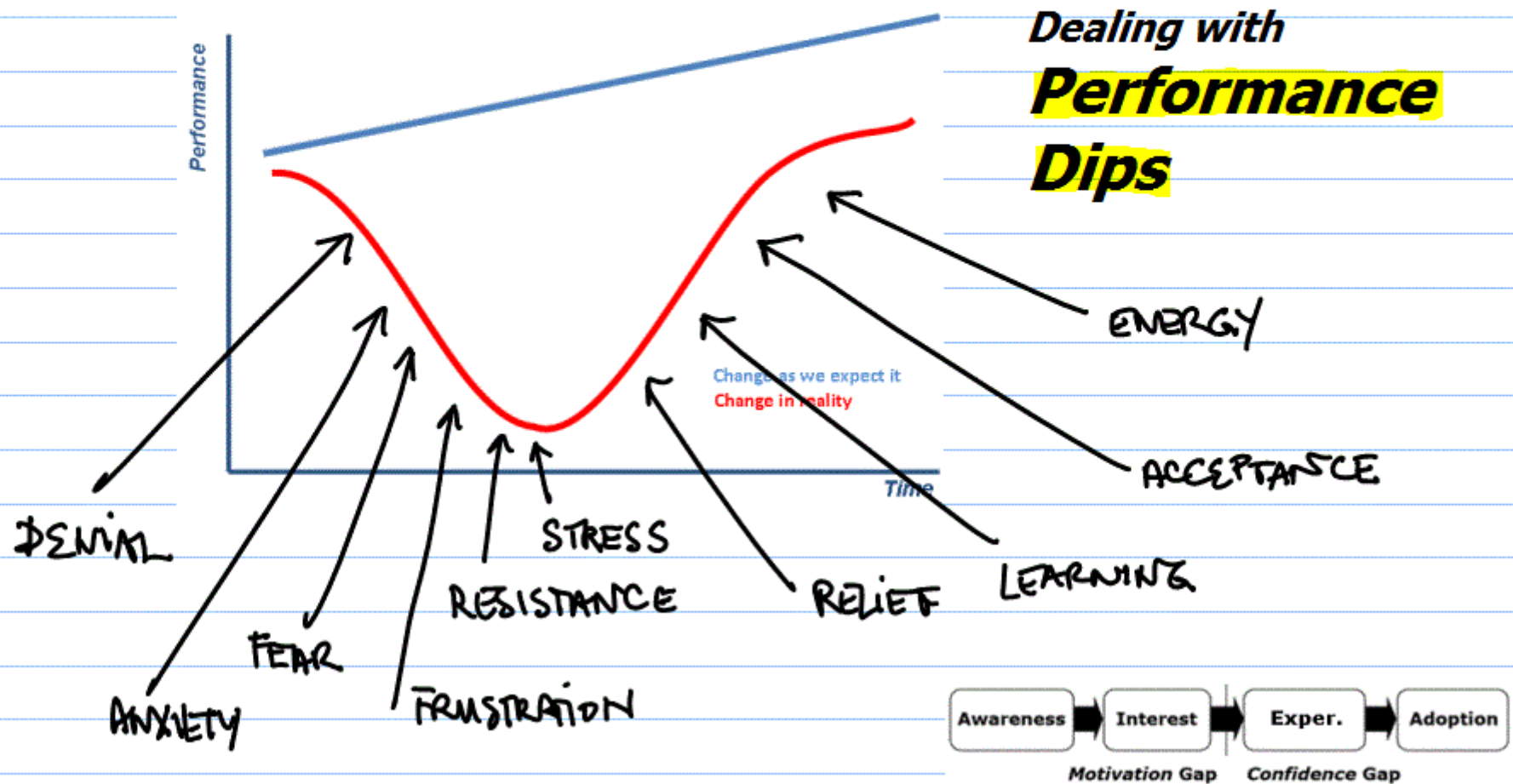
# Understanding **Resistance** Sources



# Managing Change: AIEA Model

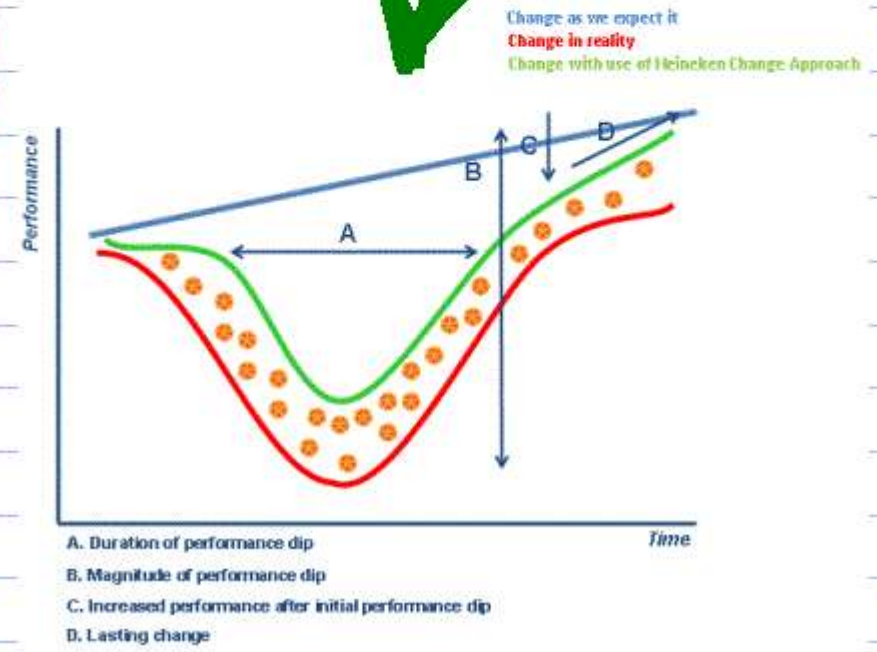


# Taking into consideration **Individual Transitions**



# Learning from ...

## Heineken Change Approach



# Collaboration & its Key Ingredients

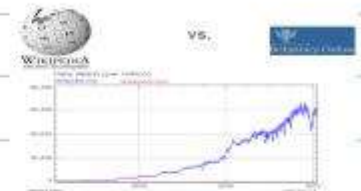
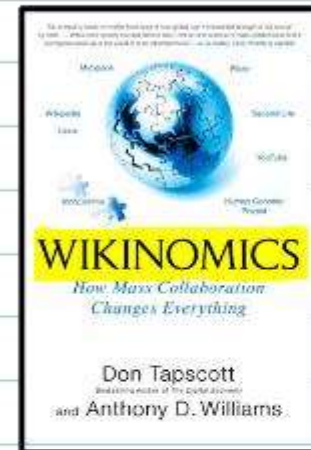
Corporate collaboration is necessary, in general, because no matter how we organize work, we end up with activities that **cut horizontally across the company.**

Main **Objectives** :

- To **optimize** business activities that cannot be optimized by "sum of the local metrics"
- To identify **innovations** that are unlikely to be seen from any single vantage point
- To reinforce **professional disciplines** that cut across product or geographic organizations
- To identify and replicate operational **best practices**
- To identify and cross-train **next-generation managers**

Enterprise 1.0	Enterprise 2.0
Hierarchy	Flat Organization
Fiction	Ease of Organization Flow
Bureaucracy	Agility
Inflexibility	Flexibility
IT-driven technology / Lack of user control	User-driven technology
Top down	Bottom up
Centralized	Distributed
Teams are in one building / one time zone	Teams are global
Silos and boundaries	Fuzzy boundaries, open borders
Need to know	Transparency
Information systems are structured and dictated	Information systems are emergent
Taxonomies	Folksonomies
Overly complex	Simple
Closed/ proprietary standards	Open
Scheduled	On Demand
Long time-to-market cycles	Short time-to-market cycles

# Stimulating Collaborative Innovation & Change enhanced by Web 2.0 Platforms & Social Media



**Creating an ally for innovation**

- How do you create a vibrant marketplace where you leverage other people's talents, skills and assets quickly and efficiently?
- P&G's Larry Houston: "Alliances and joint ventures don't open up the spigot of capitalism within the company. They're wedges of the central planning approach when instead you need free market mechanisms."



Comprehensive IP Protection **INNOCENTIVE**



At May 2008 and after relatively 3 years, health social networking service "PatientsLikeMe" reached more than 12000 patients in its different communities and was named by Business 2.0 as one of the "15 Companies that Will Change the World"

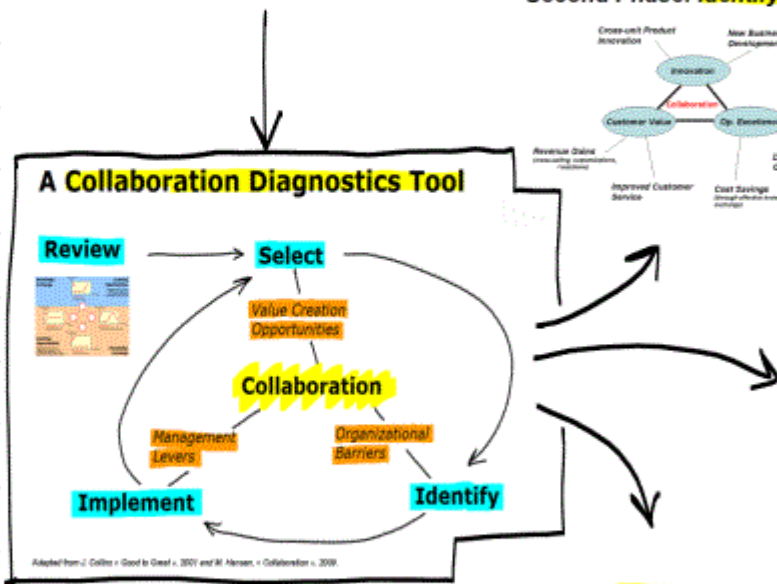


- Social networking service for sharing treatment and symptoms information of diseases in order to learn and to learn from real-world outcomes.
- Provides a basis for creating personal accounts and tracks progress
- Peer performance review for doctors related to how the others are approaching a specific issue (e.g., distribution of dosage range, side effect frequency)
- Offers research insights and relevant information for doctors and other stakeholders

**Key Trend:**  
**Open Innovation**

# Towards Collaborative Performance Putting Theory into Practice

Instrument for  
Systematic Information  
and Insights Collection



Second Phase: **Identifying Opportunities**



6 Key Questions



Third Phase: **Identifying YOUR Barriers**



12 Key Questions



Last Phase: **Management Levels**

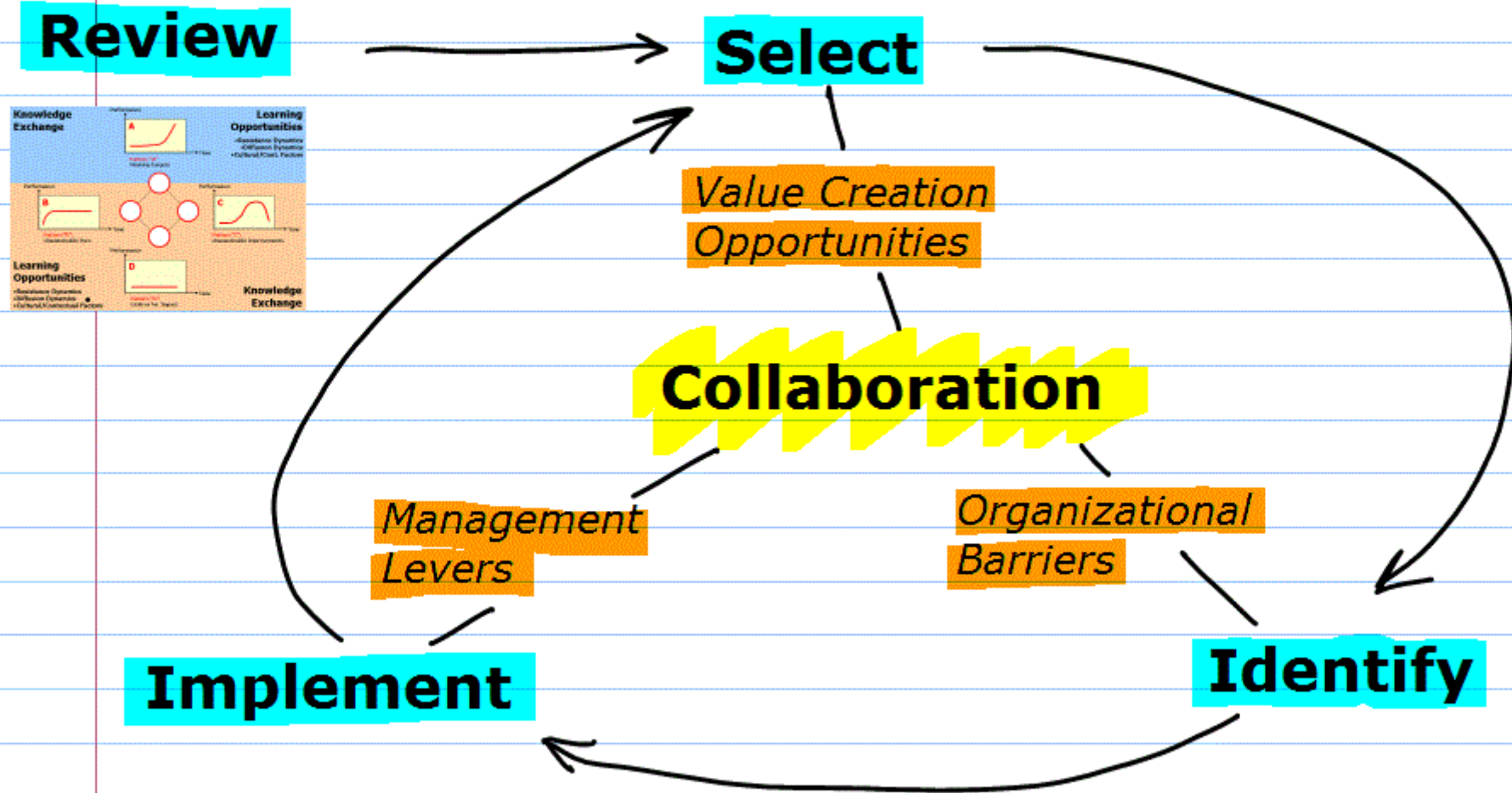
- Unification
- People & Culture
- Relationships & Networks



14 Key Questions

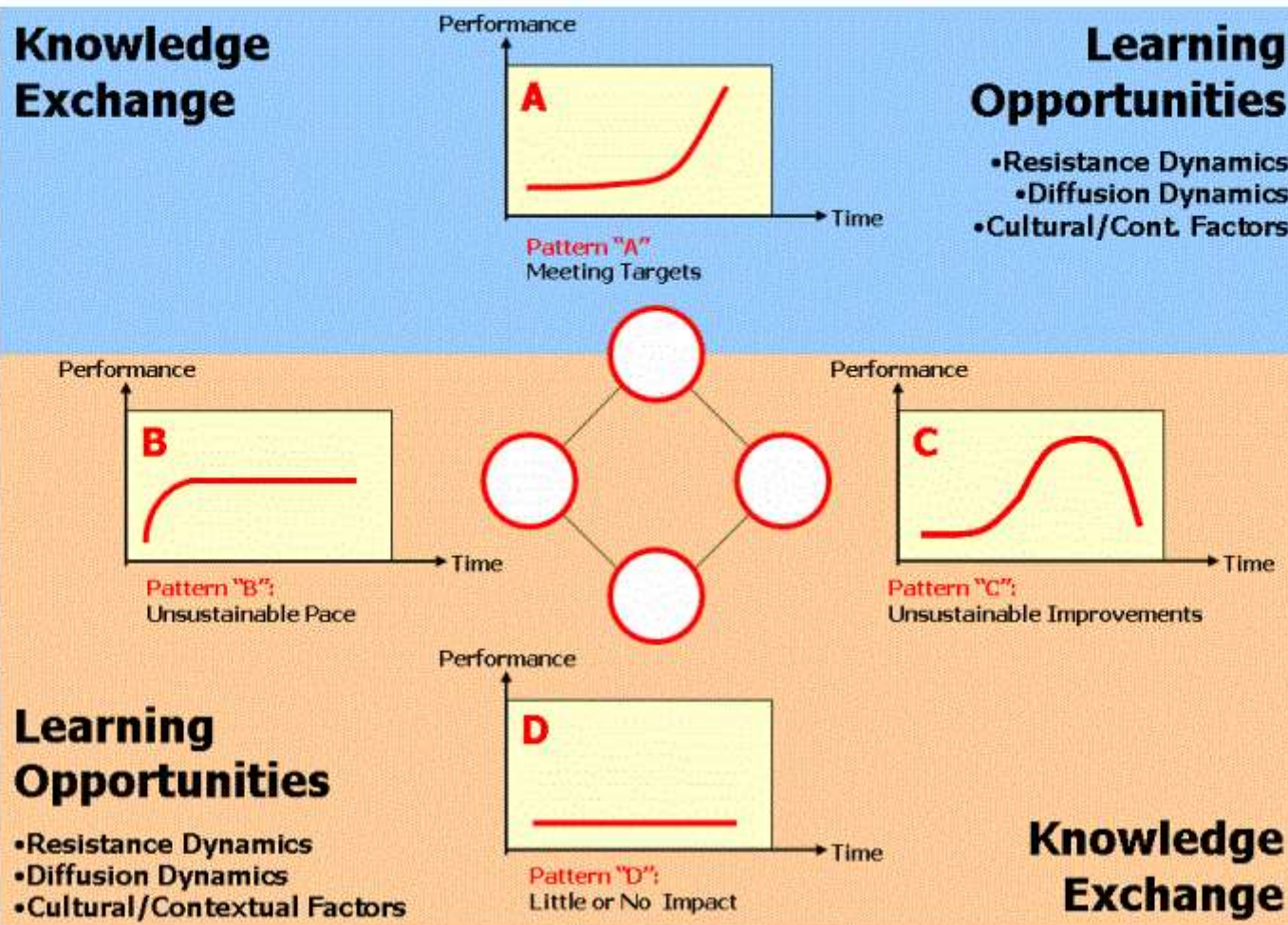


# A Collaboration Diagnostics Tool

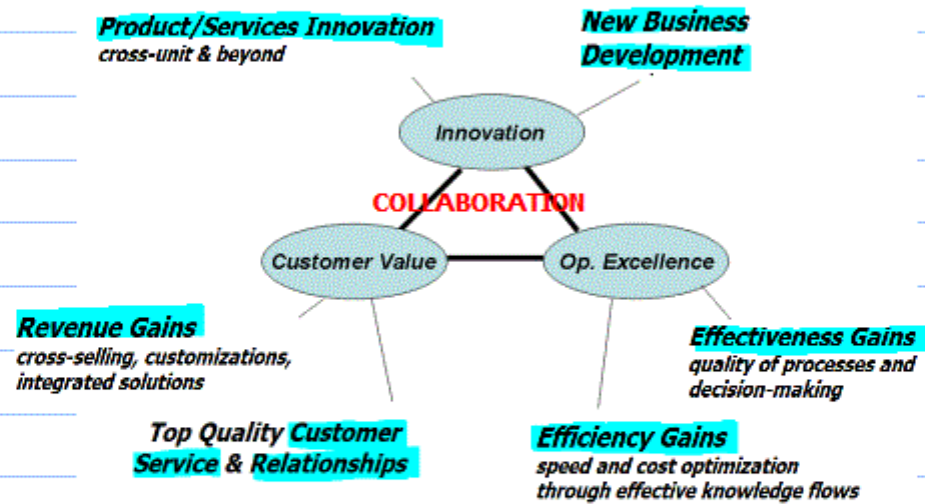


Adapted from J. Collins « Good to Great », 2001 and M. Hansen, « Collaboration », 2009.

# The starting point: Systematic review of **Collaboration** Projects



## 2. Where are the Opportunities?



Google



SAP



ALSTOM

★ Heineken

Cargill

CISCO



<http://www.youtube.com/watch?>

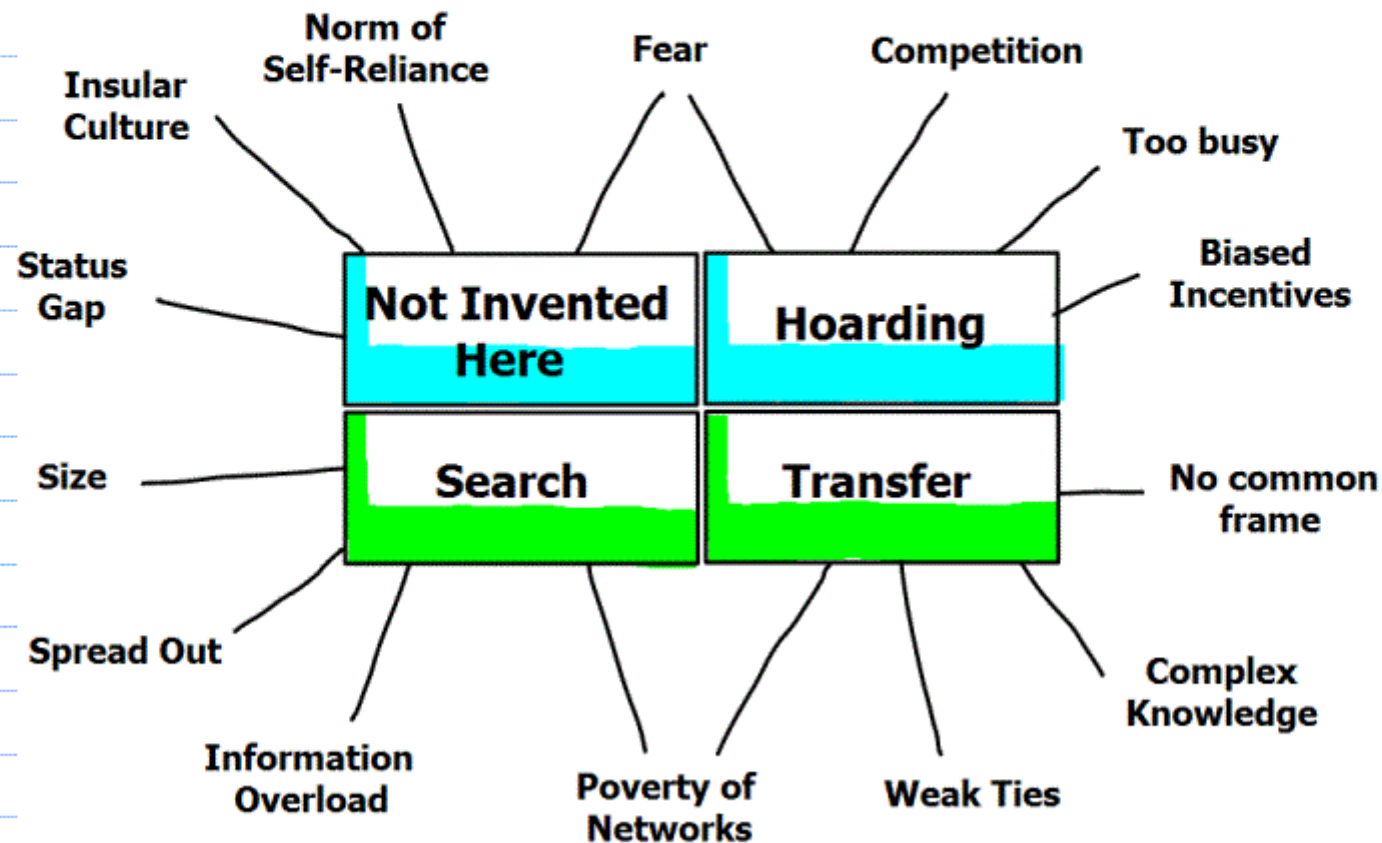
<http://www.youtube.com/watch?v=6IAV70MhVT40>

# Resistance to Collaboration

(Huhxam & Vangan, 2005)

- Not seeing any advantage from belonging to the collaboration
- A belief that the cost of collaboration will outweigh the benefits to their own organization or themselves
- Concern that the collaboration will take over a major area of the organization or individual's work
- Lack of trust in some or all of the other members of the collaboration
- Bad experiences of previous collaborations
- An organizational or sub-group culture that does not encourage sharing of information or resources
- Assuming the superiority of one culture and/or attempting to impose cultures on others

### 3. Where are **the Barriers** & **Management Levers** ?



1a. Even when they need help, our employees are not willing to seek input from outside their organizational unit

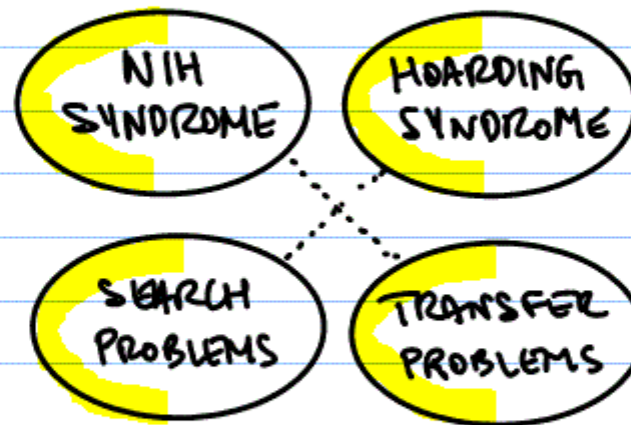
1b. When faced with problems, employees in our unit strive to solve them by themselves without asking for help from outsiders

1c. There is a prevailing attitude in our unit that people ought to fix their own problems and not rely on help from outside their unit

2a. Our people keep their expertise and information to themselves and do not want to share it across organizational units

2b. People in our unit are often reluctant to help colleagues in other parts of the organization

2c. Our employees seldom return phone calls and emails when asked for help from people outside our unit



3a. Our employees often complain about the difficulty they have locating colleagues in other units who possess the information and expertise they need

3b. Experts in the company are very difficult to find

3c. Our employees have great difficulties finding the documents and information they need in the company's databases and knowledge management systems

4a. Our employees have not learned to work together effectively across organizational units to transfer tacit knowledge

4b. Employees from different organizational units are not used to working together and find it hard to do so

4c. Our employees find it difficult to work across units to transfer complex technologies and best practices

*see: "Self- Diagnostics Assessment Tool"*

# On the Relationship between **High Performance** and **Collaboration** in Organizations

## A key Trend since 2010: Towards **Collaborative Performance**



**Do you remember the 9/11 terrorist attack in NYC?**

**Now we will focus particularly on the role of FBI:**

As many modern organizations, at the beginning of the second millennium, the Federal Bureau of Investigation (FBI) prioritizes **independence** of their managers / officers. **Delegation of power** has got also an economic reason as it allows to have a **light central infrastructure**.

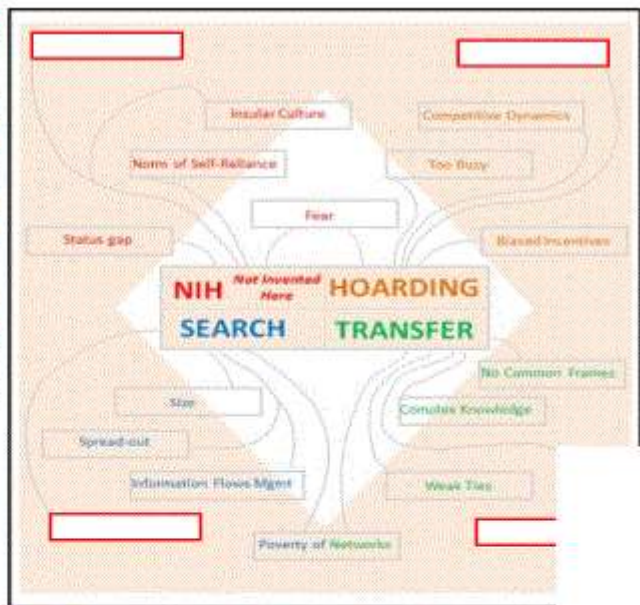
Therefore, FBI house rules foster field officers' empowerment and high incentives on their performance using metrics such as number of arrests, indictments, and convictions. In this structure, individual cases were assigned to a specific field office. Overall, **flexible field offices** scattered around the United States have the control and the responsibility on internal security issues.

The great advantage of such a **decentralized system** is to have clear lines of **responsibility** set and to guarantee a great deal of **accountability**, as well as to keep managers' **motivation** to perform at their best high and not being distracted or influenced by centralized control.

Still, despite the agile organization put in place, the **amount of information and sources** to be checked out is considerable for each field office. Therefore, in order to simplify the work of the analysts and of the field agents as well as to prevent legal issues, criminal cases are **kept separated** by intelligence-related ones and strict formal procedures for information distribution are in place for respecting the privacy of citizenships and for accountability reasons (transgressing these rules could bring to criminal, civil, and internal administrative sanctions).

Besides the clear advantages of a **lean structure** as the one FBI implemented until 9/11, nobody at FBI was able to **predict** collaboratively the incoming disaster despite some elements started to emerge in FBI local field offices as well as other U.S. intelligence community agencies. Which **roles** related to the FBI **structure** and, more in general, to **decentralizations** might have played a role? Please try to **identify EXCLUSIVELY Collaboration Barriers** directly related to the behavior and attitudes of individuals operating within FBI.

- Not Invented Here Syndrome
- Fear
- Norm of Self-Reliance
- Insular Culture
- Status gap
- Hoarding Syndrome
- Overloaded Individuals
- Too Busy
- Competitive Dynamics
- Blame
- Search Barriers
- Size
- Spread-out
- Information Flow Mgmt
- Poverty of Networks
- Transfer Barriers
- Poverty of Networks
- Weak Ties
- Complex Knowledge
- No Common Frames



Click on the Barriers List to display the implications in the 9/11 FBI Case.

### Understanding Collaboration Barriers

Done! Let's move on.

Add 4 new Collaboration Barriers which you consider relevant for you and your organization! And pass the mouse on the List to get more explanation.

## The "Fear" Collaboration Barrier (9/11 FBI Case)

The Insular Culture and the Self-Reliance Attitude prevent to ask for help outside the group in order not to reveal lack of knowledge or of competences to solve a problem. Officers' reputation would have been at stake. Field offices' independence would have been at risk if decision-making processes had to rely from external input. This is even more true in inter-agencies relationships. Governmental funds might depend on the performance of single organizations and related units. In a highly competitive environment, officers' reputation is measured by their performances. Therefore, the more assets they can use to consolidate their position in their group and in the organization, the more likely they succeed. Sharing knowledge clearly is against their interest.

The **Insular Culture** and the **Self-Reliance Attitude** prevent to ask for help outside the group in order not to reveal lack of knowledge or of competences to solve a problem.

Officers' **reputation** would have been at stake. Field offices independence would have been at risk if decision-making processes had to rely from external input.

This is even more true in **inter-agencies relationships**. Governmental funds might depend on the **performance** of single organisations and related units.

In addition comes the Fear of **Losing Power**. In a highly **competitive** environment, officers' reputation is measured by their performances. Therefore, the more assets they can use to consolidate their position in their group and in the organisation, the more likely they succeed. Sharing knowledge clearly is **against their interest**.

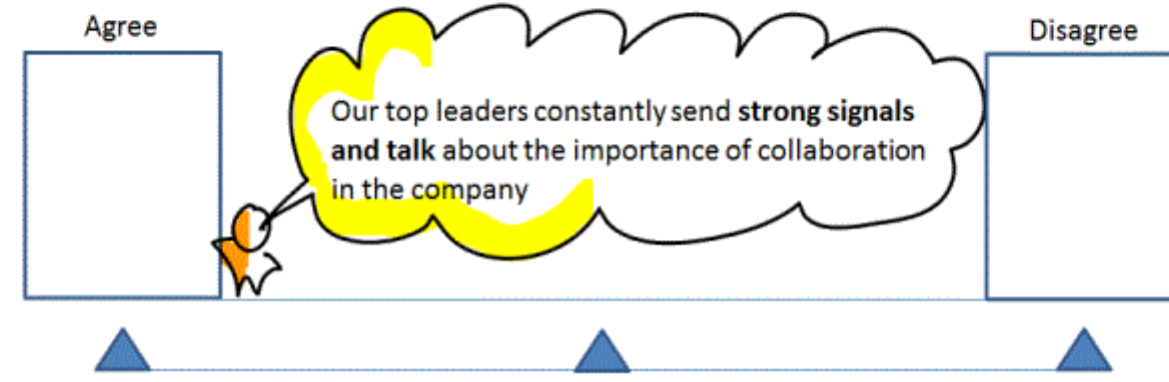
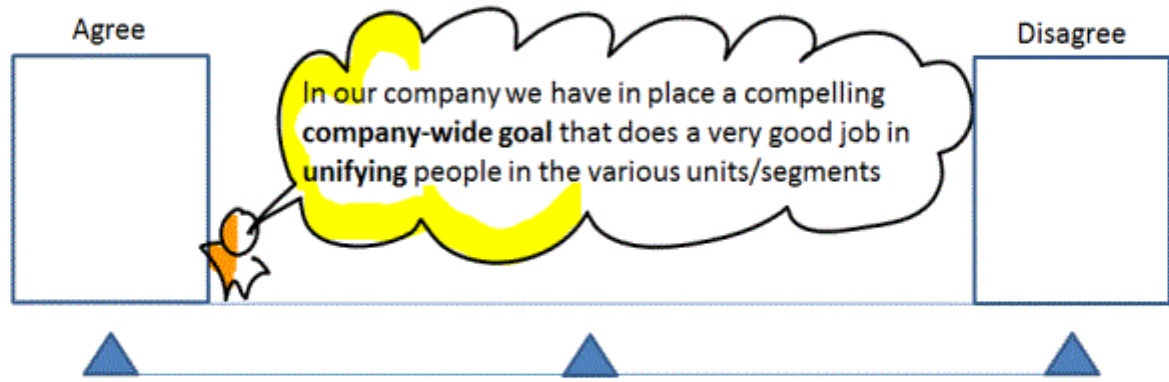
# 4. Where are **the Barriers** & **Management Levers** ?

UNIFICATION

PEOPLE

NETWORKS

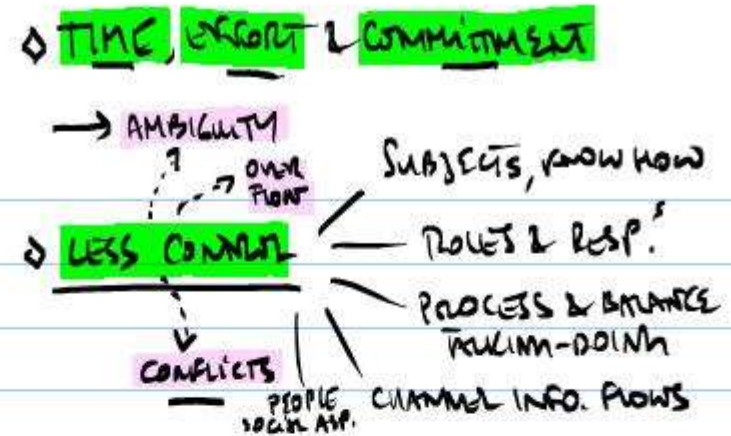
EXAMPLES



# ... and the "dangerous" side of COLLABORATION

1. **Not knowing the answer.** The fundamental premise of collaboration is that you can use it to solve complex problems that are beyond the function of one domain or expertise. That means that each participant needs to be comfortable with a certain amount of ambiguity. Most people have built their careers — perhaps even their identity — on being the expert. They don't like feeling ignorant.
2. **Unclear or uncomfortable roles.** Role and responsibilities in the collaboration space tend not to be hierarchical; they are often fluid, changing from phase to phase of the work. This can be especially hard for senior executives, because it may mean taking off their mantle of being the "chief of answers" and becoming part of the "tribe of doing things."
3. **Too much talking, not enough doing.** Collaboration means a shift from thinking big ideas alone, and more into the real-time mess of problem solving with others. Shifting work from "I tell, they do" to a "We think together" approach will appear at first to be all about talking. Like we've moved to the land of yack, yack, yack. But thinking together closes a gap. By thinking together, people can then act without checking back in because they were there when the decision got made. They've already had the debates about all the tradeoffs that actually make something work. But that means organizations spend more time in the messy and time-consuming up-front process of designing solutions that'll work.
4. **Information (over)sharing.** For collaboration to work, information is rarely left in any silo but is shared and often combined in unexpected ways to reframe problems. For some people, this can mean information overload. For others, who withhold information in order to retain power, the free flow of information is threatening.

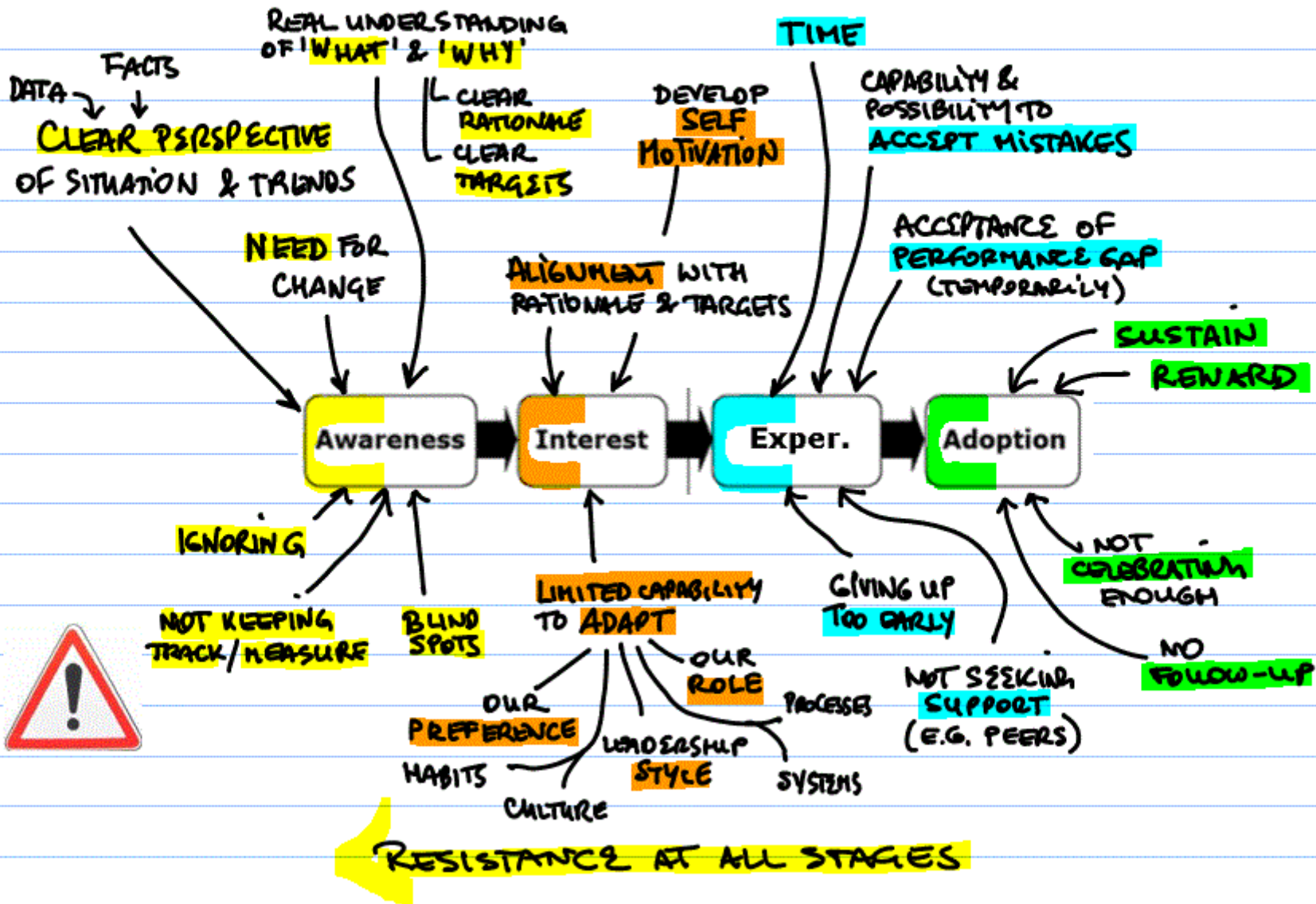
○ FROM VALUE CREATION TO VALUE DISTRIBUTION  
 → LEADERSHIP  
 → FAIRNESS !!



5. **Fear of fighting.** Collaborating means dealing with conflicting priorities. "Turf" isn't always clear. If you avoid conflict, or don't know how to fight effectively, nothing will happen. Knowing how to debate the tradeoffs between many viable options means knowing how to argue with each other about the business in more open and visible ways. (I've already written about Steve Jobs doing this with his team.) Not doing it well, or doing it wrong — or simply losing? Very risky. Very dangerous.
6. **More work.** Often, collaboration happens on top of other work. Participants are already plenty busy with their "day job" and the new project may be especially stressful because of this. Until the problems that any collaboration project is aimed to fix gets solved, a collaboration project can often be overwhelming. Most people describe collaboration in what I call a nice-nice way: *if we would just collaborate, then we would do better!* But as we've already described, collaboration is about the friction of ideas and the forging of new ways of working. That is not easy, or even nice. And it makes new demands on all of us. It means leaders must do more than just tell people what to do. It also means people within the organization have to do more than say, "Hey, that thing is broken" and then delicately walk away.
7. **More hugs than decisions.** The fear is that if we ask for opinions we must listen to all of them, and that we'll create watered down "solutions" by committee. In that way, collaboration is often used synonymously with teamwork or democratic exchange. It shouldn't be. The goal isn't about feeling good; it is about business results. If people have been heard, have participated in creating solutions and then know why the business picks one option over another, then we can all require what Barbara Kellerman appropriately called followership. Leaders still need to make tough calls and direct the focus. Without both Leadership with the capital L and Followership with a capital F, all we get is the equivalent of a group hug and not the results the organization needs.
8. **It's hard to know who to praise and who to blame.** Collaborative projects are judged on the outcome, more than the individual efforts than when into them (which are hard to even measure). Leaders have less visibility into who did what. If things go right, they worry about rewarding the wrong people. If things go wrong, they complain about no longer having a single "throat to choke."

See: [http://blogs.hbr.org/cs/2011/12/eight\\_dangers\\_of\\_collaboration.html](http://blogs.hbr.org/cs/2011/12/eight_dangers_of_collaboration.html)

# Managing Change: AIEA Model



# Food for Thoughts ... and Action

- > Learn **systematically** from ALL Change Projects, accepting **lack of project success** as a source of Continuous

Learning

- > Acknowledge **Organizational Transitions**

- > Don't underestimate **Change Agents Teams** Challenges & set **expectations** realistically

- > Rapid change dynamics: **Linear --> Epidemics**

- > Importance of **(social) Influence Networks**

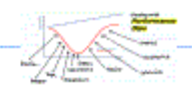
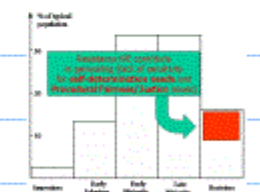
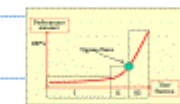
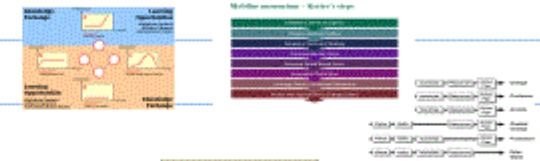
- > Tactical Level: **Timing** of interventions, warning with **compulsive** approaches, **cultural** specificities

- > Focus attention on **Key Influencers** (persistence, networks & signals)

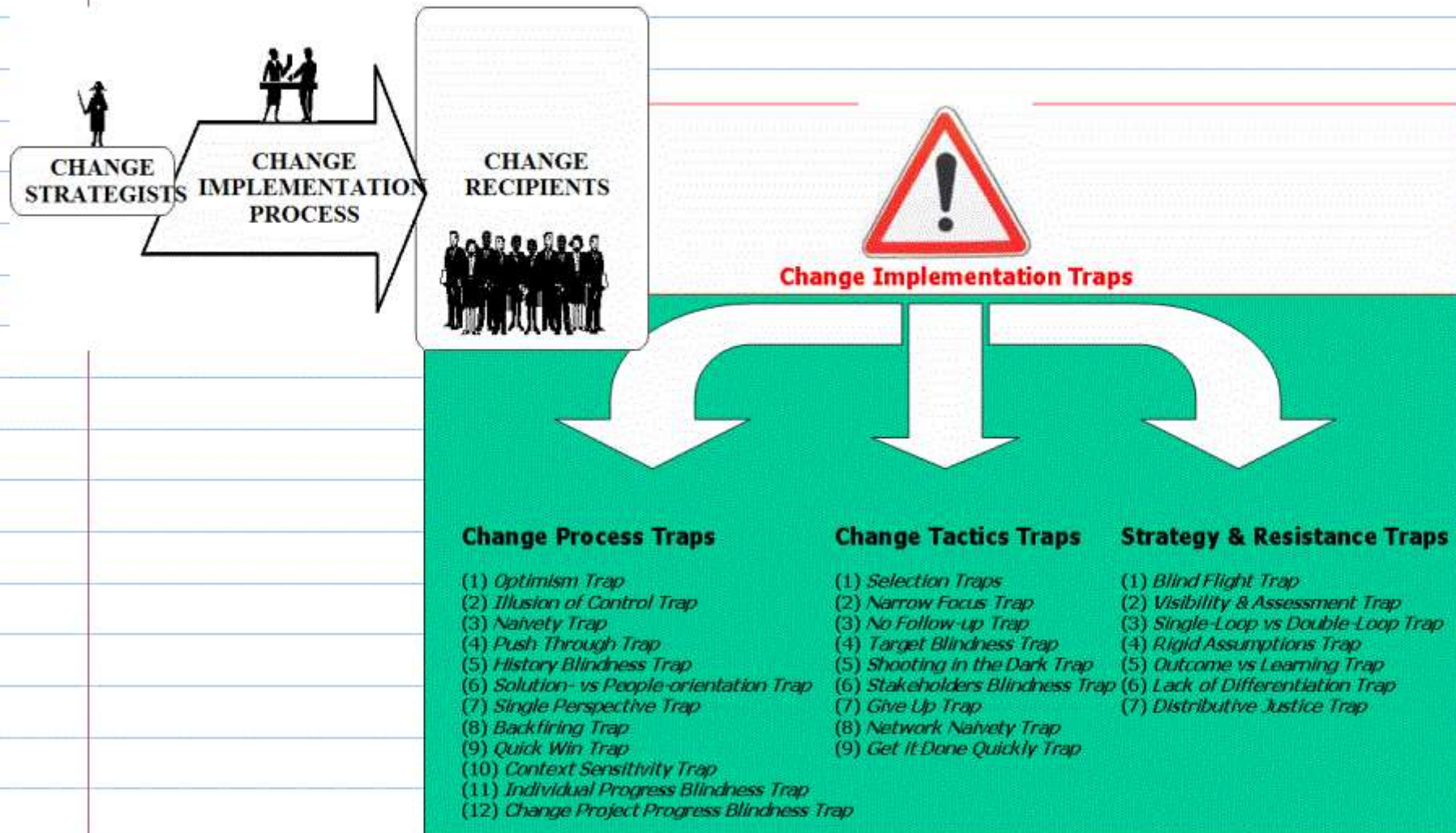
- > It's not enough to "Snap your Fingers" : Ackn

**Individual Transitions**

- > Openness to **Emerging Trends** (Web 2.0, Open Innovation)



# Change Implementation Traps



# A few Key Points

❗ **Still very high Failure Rate requiring more Focus & Learning from own Experiences**



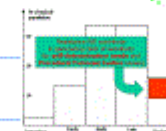
❗ **Beware Change Implementation Traps**



❗ - **Think Epidemics**

❗ - **Think formal AND informal Networks**

❗ - **Avoid generating Resistance**



❗ **The Challenge of "Collaborative Cultures"**  
- **Org. Barriers & Management Levers**



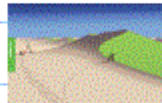
# ***Follow-Up*** (suggested)



## > Replay Simulation (or other versions)

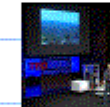
- ▶ [Change Traps Overview & Synergy Reflection Points](#)
- ▶ [Behind the EIS Simulation: An Overview of Underlying Models](#)

## > Review Debriefing Slides and follow-up Readings



[That's the Way We \(Used to\) Do Things Around Here](#)

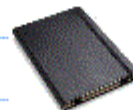
- ▶ [Knowing-Doing Gap Book summary](#)
- ▶ [Tipping Point Book Summary](#)
- ▶ Leadership & Epidemics Video: [How to Start a Movement](#)



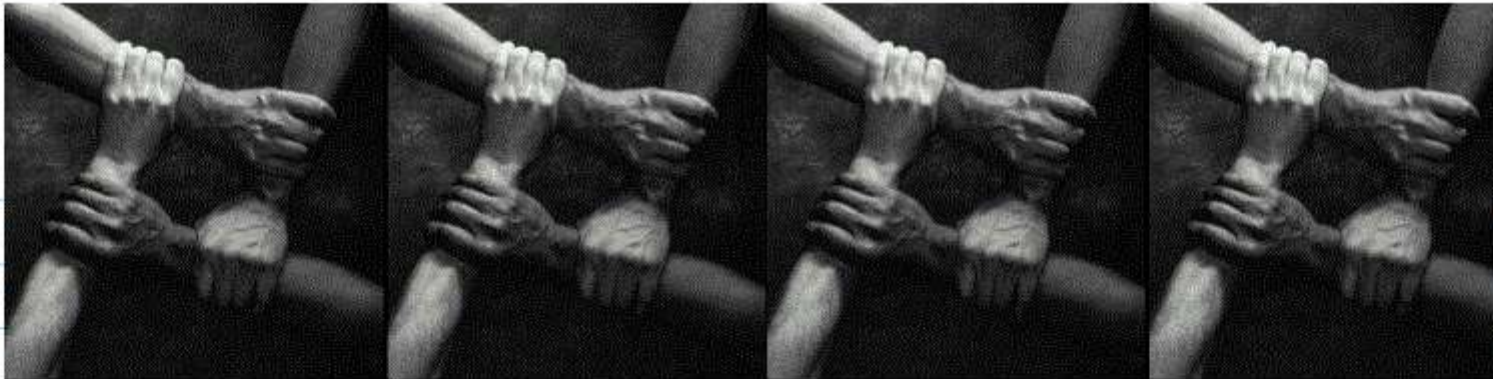
## > Extract Key Learnings & Actions related to your own Change Challenges

- ▶ > Keep-Stop-Start
- ▶ [Change Robustness Check](#) (Key Models - Try to apply to your Projects)

## > Start Collecting your personal insights & planned actions



- ▶ Implications for myself as a Change Agent in my Company
- ▶ Implications for my company's Change Projects & Change Readiness (share them!)



# Thank you

Questions, Issues, ...

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<http://mycalt.insead.edu/eis/sites/ITM0519>

