

Fostering Collaboration

KEITH LAWRENCE & JOE GROCHOWSKI
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Participating RBL Institute Members:

*Sarah Fong, Accenture | Bob Beardsley, Applied Materials | Helen Young, Bon Secours | John Stepper, Deutsche Bank
Denise Haylor, Flextronics | Ralph Christensen, LDS Church | Laurence Smith, LG | Florian Pequignot, P&G
Emma Burns, RBS | Nicolas von Rosty, Siemens | Shelly Harvey, United Health Group*

"It is the long history of humankind (and animal kind, too) those who learned to collaborate and improvise most effectively have prevailed." – Charles Darwin

Our Premise: Organizations are increasingly concerned with accelerating growth. Achieving this will require an unprecedented degree of collaboration - both within organizations and across many boundaries (with other companies, governments, across multiple geographies and cultures, etc.). Given the demands of the marketplace (such as getting products and services to more markets faster and cheaper) companies need to work with ever-increasing numbers of stakeholders in new partnerships. Unleashing the creative potential and collaborative capacity of every employee to drive breakthrough innovation and growth requires creating new ways of working more closely together.

KEY QUESTIONS COVERED

1. What are you finding to be successful new approaches (organization design, technology applications, new behaviors, etc.) to enable increased levels of collaboration in your company?
2. What have you found to be the greatest obstacles to collaboration and how can we overcome them?
3. How will fostering increased levels of collaboration impact the human resources function (the work it does, the skills it needs, etc.)?

KEY INSIGHTS FROM THE DISCUSSION

- Organizations have embarked on making a number of changes in how they operate their businesses in order to escalate collaboration efforts. These changes fall into four main categories: 1) structure, 2) behaviors, 3) incentives, and 4) technological.
- Driving higher levels of collaboration does not come easy for large, complex, and highly matrixed organizations. There are a number of obstacles that get in the way, such as the company's current culture, organization design, reward systems, and the lack of time to focus on collaboration efforts - to name just a few.
- HR can play a critical role in enabling the work of collaboration. HR needs to not only role model it within their function, but HR also importantly has to champion the redesign of the organization and key HR systems (e.g., incentives) that are critical to enabling higher levels of cooperation and collaboration.
- New technology is playing a vital role in fostering collaboration. Social media tools such as Twitter, Facebook, SharePoint, blogs, chat rooms, etc. makes it easier for employees to collaborate. And interestingly, these new technologies often create a ground swell at the grass roots level where collaboration comes from the bottom up which empowers individual employees.

WHAT IS COLLABORATION?

Collaboration fosters relationships that create opportunities for mutual benefit and results beyond what any single person or organization could realize alone. There are multiple dimensions of collaboration. For example, within a single company such as collaboration across functions, business units, regions of the world, levels in the organization, etc. or collaboration across different firms/organizations such as companies partnering with their suppliers, customers or with other organizations in joint ventures or with local governments.

The benefits of higher levels of collaboration are significant, including:

- Speeding the sharing and reapplication of ideas
- Accelerating the development of technical mastery
- Partnering to play to different organizational strengths/competencies
- Leveraging scale to reduce costs, yield greater influence, etc.
- Strengthening working relationships among groups of employees

FOSTERING COLLABORATION

The following model depicts the four key levers organizations are tapping into to drive collaboration.



1. ORGANIZATION STRUCTURE

New roles and networks of people are being established as a way to foster higher degrees of collaboration within companies. For example, **LDS Church** is using five different levels of councils around the world that cut across cultures. **Bon Secours** has formed collaboration teams comprised of doctors, medical staff, finance, and others to work on projects to drive transformation of the clinical experience and to begin to talk the same language. **Accenture** has created new "interlocking roles" that cut across the various functional areas to enable work and provide much better decision-making capabilities. They also make sure to clarify where people should be interfacing and collaborating from a process perspective. **Deutsche Bank** has created a dozen virtual communities of practice that are sponsored by management and have open membership enrollment. They are platforms to provide greater access to the collective knowledge of the company as well as provide greater visibility and influence for the community. They created a new role called "community manager" to help these groups organize and operate effectively. The community manager helps to "build a tribe around a work objective." The communities have specific roles but are run like open source communities. The goal is to balance the need to be tied to the organization but allow for grassroots contribution. Of note, there are about 2,000 active members in these communities.

LG Electronics, an organization from a traditionally hierarchical culture, found that while R&D people were collaborating, leaders were not effectively collaborating across boundaries, be they functional, generational, or boundaries of nationality. Recently HR has led the way in launching global teams of Korean and non-Koreans, working together both physically and virtually, using Enterprise 2.0 tools (in this case, Yammer) to drive radical transparency, reduce re-work, increase collaboration, and accelerate innovation. It was necessary for leaders to lead by example, identify early adopters and natural collaborators, and give them increased responsibility and accountability. **Applied Materials** has always been a very collaborative company. However increased complexity has highlighted the awareness and need for even more mechanisms to collaborate. A cross-functional team at the corporate level has been created to identify key opportunities to be more successful going forward. In addition seventeen cross-functional, cross-level global virtual teams have formed to spur the learning journey. This has created a viral effect with pilots being launched in various operations to test new ideas. This effort is being driven by the field and not corporate.

United Health Group is finding it hard to drive collaboration internally and still maintain an external lens that is focused on the market. They completed an organization design to realign roles to be market facing and embedded within the business units. They want to be laser focused on their clients but they are also finding that organization design can help drive collaboration as people have to rely more on others to learn. **P&G** has been very successfully pioneering for the last decade a concept called “Connect & Develop” to tap the creative capability of the world to accelerate its rate of innovation. Today 50% of its new product ideas come from collaborative partnerships it has established with other organizations.

2. BEHAVIORS/RELATIONSHIPS

Accenture is using the deployment of new global processes to improve clarity of each other’s roles. Specific instructions are now included to cover multiple roles so that key interfaces can better understand one another’s responsibilities. **Bon Secours** is teaching collaboration skills to its functional teams as part of its learning and development curriculum. **P&G** is a “hyper-matrixed” organization, which seeks to optimize its performance across multiple dimensions (business, region, function, etc.). To speed decision-making they are investing in defining and broadly communicating roles and responsibilities of the various organizational units. P&G is also building individual knowledge and skills to be better collaborators through its diversity programs (such as increasing cultural awareness and building trust). **United Health Group** is reinforcing its values and how people can work more effectively together (such as demonstrating greater compassion to others) and investing more in building relationships (such as bringing people physically together more often).

3. INCENTIVES

Siemens is taking daring approach to jumpstart higher levels of collaboration and remove what they felt was a main barrier to collaboration, namely, too many unit targets that were counterproductive and did not create enough incentive for collaboration. So this year they are modifying their incentive system to include a 20% weighting solely based on collaborative behavior. The new system is both bonus relevant and payment relevant. This will impact the rewards for their top 70 leaders (top managers reporting to the board). They found that the previous business unit only performance targets resulted in silo thinking and behaviors. **P&G** ties collaboration to its rewards system through embedding into the key skills for all

employees “building diverse and collaborative relationships.” Collaboration is also a key factor in the annual performance rating of each business unit.

4. TECHNOLOGY

The many different forms of new technologies are widely being used to better connect people and organizations. Social media tools such as Twitter, Facebook, LinkedIn, SharePoint, chat rooms, etc. are collaborative by design and allow for bottom up collaboration. Corporations are looking to use these new technologies to drive more bottom-up innovation but also to foster more relationships amongst employees. The key challenge is picking those vehicles that provide the most benefit for the organization for the least amount of effort. As one example, **RBS** is fostering greater collaboration through the broad use of technology at the grass roots level. IT is helping the organization change the way it works through different tools and systems, such as e-forums, SharePoint sites, etc. It is hoped that this experience will create a groundswell of interest and momentum to effect broader changes in the culture.

KEY OBSTACLES OF COLLABORATION

As companies embark on transforming how they work to facilitate collaboration they are facing several hurdles along the way:

- **Workload:** The fast pace of change, tight budgets/headcount, and heavy workloads causes people to be so busy and focused on doing their daily work they lack the time to look up and collaborate with others. While many people want to do it, it is just not a priority all the time.
- **Culture/Habits:** Collaborating with others represents a significant change for many individuals and organizations, and we know that change is not easy. **Bon Secours** is creating a set of tools to help both individuals and leaders through this transition. **Deutsche Bank** has put in place “buddy systems” and small control teams led by IT to help people improve their writing/presentation skills, start up blogs, etc. **LG** has found that their leaders partner well externally, and has added the aspect of internal collaboration to its leadership brand and are reinforcing the concept that it is the way you do your work as a leader.
- **Competing Priorities:** Collaboration is viewed as “yet another thing to do,” versus being how we do our work.

We need to realign mindsets and behaviors to get it in line with the work versus being something extra. Also as **LDS Church** noted, people struggle with trying “picking one” (geography or function) to focus on versus seeking to integrate seemingly divergent views. **P&G** is using a robust priority setting and deployment process of cascading choices to align individual work plans with the top of the organizations goals. It is also changing how it rewards people to more of reapplication versus reinvention.

- **Rewards:** Today we focus primarily on assessing the results people deliver. We need to rebalance this to also include evaluating how they accomplished this through their actions and behaviors (e.g., did they collaborate with others to deliver this or not).
- **Generational Thinking:** Many workplaces have four different generations of employees. They all have unique experiences and beliefs in the value of collaboration. For example, the Boomers feel that hard work and sacrifice is critical to success and don't see the need for collaboration like those who are younger and have grown up naturally doing it.

THE ROLE OF HUMAN RESOURCES

The importance of improved collaboration to drive better business results is having a profound impact on the work of HR leaders. As one astute member expressed on the call, “Human Resources seems kind of broken. Many of its systems are quite antiquated, for example, how performance reviews are done or how people move around. The traditional role of manager as the gatekeeper of opportunities and the judge of contribution is over. People now have the tools to do this for themselves. HR needs to step up and enable this change. It needs to do more field work with real teams and real people.”

This includes changing organization designs, revamping HR systems, and providing more coaching to senior leaders to enhance their effectiveness. It also begins by leading by example and HR “cleaning its own house” - practicing the many forms of collaboration that the business is already embracing.

CONCLUDING THOUGHTS

There was strong consensus among the group as to the critical importance of collaboration to the future world of business. We need more of it and faster. It represents a significant cultural change, which can be enabled through organization redesign and proven through success stories and improved results. We appear to already be well along this journey but challenges still remain. As noted by many members on the call, organizational complexity, silo thinking and behavior, and overworked employees are just some of the barriers to collaboration. But as we have also seen, these can be overcome by new and creative ideas in the areas of organization design, behaviors/relationships, incentives, and technology.