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COLLABORATION

How Leaders Avoid the Traps, Create Unity, and Reap Big Results

MORTEN HANSEN

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The Web site for this book is at www.TheCollaborationBook.com.

MAIN IDEA

Everyone loves the idea of collaboration, but the goal sometimes get confused. The whole objective of collaboration is not merely to tear down silos and get people to work together. That's all well and good, but to be worthwhile, collaboration must generate results. It must be disciplined and effective. Disciplined collaboration will amplify the results each individual would have attained whereas poor collaboration can actually end up being worse than no collaboration at all.

To assess when it makes sense to collaborate and when not to, there are three steps involved:

3 Steps of Disciplined Collaboration

1. Evaluate your opportunities for companywide collaboration across organizational units
2. Look at the four potential barriers which might arise to derail your collaborative efforts
3. Tailor solutions to these barriers using a mix of the three collaborative levers

"What is the difference between good and bad collaboration? The answer I provide is a set of principles I refer to as disciplined collaboration. It is an answer to a simple question that confronts us all, whether we are business executives, nonprofit leaders, government officials, politicians, mayors, school principals, doctors, lawyers, or church leaders: how do we cultivate collaboration in the right way so that we achieve the great things that are not possible when we are divided?"

– Morten Hansen

"The idea of disciplined collaboration can be summed up in one phrase: the leadership practice of properly assessing when to collaborate (and when not to) and instilling in people both the willingness and the ability to collaborate when required."

– Morten Hansen

Step 1 – Evaluate your opportunities for companywide collaboration across organizational units . . . . Page 2

Ask: "What's the upside potential of collaboration?" Remember the true goal of collaboration is not to get people to work together but to generate better results. Take time to figure out whether or not the potential benefits of collaborating will be worth it or not. Those benefits tend to be along these lines:

1 Evaluate your opportunities

- Corporations – innovate, find new customers and cut costs
- Governments and non-profits – great projects, better decisions, cut costs
- Legislators – solve the problems people care about

Step 2 – Look at the four potential barriers which might arise to derail your collaborative efforts . . . . Pages 3 - 4

Once you figure out it's worth collaborating, you then ask: "What are the likely barriers we will strike when we try and get our people to collaborate?" There are four barriers which arise again and again:

2 Look at the potential barriers

1. The "not-invented-here" barrier – we don't reach out to others
2. The "hoarding" barrier – we keep things to ourselves
3. The "search" barrier – we can't find what we need anywhere
4. The "transfer" barrier – we only work with people we know well

All four barriers need to be addressed before disciplined and effective collaboration can take place.

Step 3 – Tailor solutions to these barriers using a mix of the three collaborative levers . . . . Pages 4 - 8

Armed with an understanding of which barriers you face, you can then get to work tailoring solutions. Most solutions will be a mix of three different levers:

3 Tailor solutions using levers

1. Unification lever – get everyone aiming at a lofty goal
2. T-shape lever – work within and across units simultaneously
3. Networks lever – get people to use their personal networks

3 Steps

1 Evaluate your opportunities for companywide collaboration across organizational units

Ask: "What's the upside potential of collaboration?" Remember the true goal of collaboration is not to get people to work together but to generate better results. Take time to figure out whether or not the potential benefits of collaborating will be worth it or not. Those benefits tend to be along these lines:

- Corporations – innovate, find new customers and cut costs
- Governments, non-profits – great projects, better decisions
- Legislators – solve the problems people care about

Everyone loves the idea of collaboration. It sounds good and it has produced some amazing results for others. From a business perspective, the big three potential upsides of engaging in collaboration are obvious and alluring:

1. By collaborating with new and different people, you may be able to come up with better innovations than any you could have generated by yourself. You might pool your existing resources and come up with something better.
2. The second potential advantage of collaboration is you can make more sales – or perhaps, more accurately, you can increase sales revenues by cross-selling different products to the existing customers of all parties in a collaboration. Internally, one unit can sell to another unit's customers and externally one company can sell to the customers another company already has. Also products can get bundled together to make solutions through collaboration.
3. Collaboration can also be used to make operations become more efficient by cutting costs or by enhancing the quality of the decisions which get made. Solutions that have been used in one part of the business can be transferred to other parts of the enterprise to achieve this advantage.

Collaboration can result in three different financial mechanisms:

✓ Sales growth

✓ Cost reduction

✓ Asset efficiency

What's even better is when all three benefits of disciplined innovation occur simultaneously, the impact on the bottom line can be substantial. For example, suppose a company:

- Grows its revenues by 3 percent per year; and
- Cuts costs by 2 percent a year; and
- Improves its asset efficiency by 2 percent over three years;

then the company's overall return on equity goes up by 25 percent. That's the kind of hefty contribution to overall financial performance collaboration is capable of delivering. While admittedly, companies differ in just how much value they can create through disciplined collaboration, the fact remains the upside potential benefits are very attractive.

It's easy to see why collaboration attracts so much good press. Many companies believe collaboration is a panacea which can correct all their various ills. If only it were this easy. In practice, reality has a way of being a little bit more messy and undefined. It's not at all hard to overshoot when trying to estimate the potential value of collaboration.

As counterintuitive as it may sound, the key to being successful with collaboration is to know when to say no to it. If you can decide when collaboration does not make sense and turn down projects which don't have a solid business case in their favor, then you increase the odds the collaborative projects you do undertake will be winners.

To make a go/no-go decision of this nature, you need to calculate what the collaboration premium will be for each new project which gets suggested. This is calculated in this way:

$$CP = RP - OC - CC$$

Collaboration Premium = Return on Project − Opportunity Costs − Collaboration Costs

where:

Return on Project – is the net value which will be derived from the proposed collaboration.

Opportunity Costs – are the net cash flows which the organization must forego in order to fund the collaboration. Opportunity Cost is the answer to the question: "What else could we be profitably doing with the time, energy and resources we are committing to this collaboration?"

Collaboration Costs – are the negative cash flows which will result from the hassle of working across units to make the collaboration happen, the time and energy spent haggling over various details, the complications, delays, budget overruns, etc.

Collaboration Premium – specifies whether you should start a collaborative project or say no instead. Obviously, if the collaboration premium is a positive number, it makes sense to go ahead. If this collaboration premium is a negative number, then you're better off saying no to the idea of a collaboration.

Calculating the collaboration premium is a good litmus test for whether a collaboration should happen or not. If the collaboration premium is a positive number, a good business case exists and you should move forward. If the collaboration premium is a negative number instead, then you should not move forward.

A good leader will be doing everything possible to drive collaboration costs down to as close to zero as possible. By lowering or ideally removing entirely any internal barriers to collaboration, then it becomes more likely the collaboration premium will be a positive number. The more people who know how to collaborate the better.

"It's easy to get carried away with collaboration, believing that you will gain many benefits from it. It's equally wrong to undershoot. When leaders believe – incorrectly – that there is little or no upside from collaborating across the company, they ignore a big opportunity. Sometimes they fear that it will kill the entrepreneurial freedom that each business unit enjoys. They believe, often wrongly, that the potential gains from collaborating will be overshadowed by the loss of entrepreneurship."

– Morten Hansen

"In complex organizational activities, effective collaboration is often a necessary requirement for success. Smart managers can easily get collaboration wrong. In fact, many companies fall into a number of collaboration traps."

– Morten Hansen

3 Steps 2 Look at the four potential barriers which might arise to derail your collaborative efforts

Once you figure out it's worth collaborating, you then ask: "What are the likely barriers we will strike when we try and get our people to collaborate?" There are four barriers which arise again and again:

1. The "not-invented-here" barrier – we don't reach out to others
2. The "hoarding" barrier – we keep things to ourselves
3. The "search" barrier – we can't find what we need anywhere
4. The "transfer" barrier – we only work with people we know well

All four barriers need to be addressed before disciplined and effective collaboration can take place.

Collaboration does not tend to occur naturally within most organizations generally because people are so focused on meeting their own targets. This is the natural consequence of the fact all the incentives which are available reward those who perform and penalize those who do not deliver.

Four barriers to collaboration tend to crop up again and again:

Collaboration Barrier #1

The Not Invented Here Barrier

- Insular culture with little outside communication
- Nobody wants to cross established status lines
- Self reliance is lauded and preferred
- People are afraid to admit their problems

Not-invented here arises whenever people within an organization are not willing to reach beyond their own units to get the input and help they need to collaborate. This is more of a motivational problem than anything else. People are not willing to make the effort to reach out to others, even when it's obvious doing so would be beneficial. There are several factors which can result in this kind of mindset:

- Your people might be so used to working with each other they have become insular and close themselves off from other possibilities. In fact, the more success a business unit has enjoyed in the past, the more likely it becomes the prevailing culture will be insular.
- It's difficult sometimes for a successful business unit to reach out to a much less successful unit for new ideas. That's a little bit like admitting defeat publicly which is hard to do.
- When the prevailing culture stresses that people should take care of their own problems and be strongly self reliant, then the likelihood they will seek the help of others diminishes.
- There may be a fear that by admitting you're not doing well in one area, others will interpret this as a total failure. Even asking for expert help requires that you show them your vulnerabilities. It allows them to stand in judgment. Many people would do anything to avoid that.

"Why don't people reach out to seek help? Of course, many times there is no need. But at other times people can reap big rewards by getting input from others – a piece of advice, a transfer of technology. This is a motivational problem caused by several factors."

– Morten Hansen

Collaboration Barrier #2

The Hoarding Barrier

- People are in competition with their colleagues
- There are no incentives for joint initiatives
- Everyone is too busy to help others
- People lose power by sharing information

Hoarding also tends to happen all too often in organizations. People withhold information, help, time and effort, or sometimes they agree to help and then do everything they can to drag their feet. Again, hoarding tends to arise as the result of several factors rather than just one:

- When everyone is competing for resources, promotional opportunities and even the right to develop certain technologies, it's natural for hoarding to occur. Nobody wants to inadvertently help a competitor get ahead.
- Generally speaking, most organizations have incentives in place which are unit-focused. People know if they do their specified jobs well, they will reap the rewards. What tangible rewards will flow from collaborating are not clear and therefore people prefer to stick with what they know.
- If you're so busy working hard to meet your own targets, you really don't have much free or discretionary time to commit to something else. The simple dynamic at work here is the more time you commit to a joint venture project, the further behind you get on your own work. Many people are simply not willing to do that.
- In some organizations, the unwritten rule is: "Knowledge is power". There is an expectation the more you know that others don't, the more powerful you can become. If you feel like you will be disadvantaged and become less valued by spreading your wisdom, then it's natural you will be reluctant to do so.

Collaboration Barrier #3

The Search Barrier

- It's hard to search a large enterprise for ideas
- Physical distance may make search impractical
- People may suffer from information overload
- There may be little or no networking going on

Even if people are ready and willing to collaborate, sometimes it's hard for a person with a question to identify who in their organization has the answer. Some studies have shown innovation teams spend almost a quarter of their time searching around to try and find applicable technical know-how or other useful information. Search can be a real drain on productivity when it comes to any kind of collaborative effort.

Several factors frequently combine to make searching difficult:

- If you work for a large company, it's extremely difficult if not impossible to have any idea what other business units are working on or have available. The larger the enterprise, the more difficult searching and finding anything becomes.

- By and large, people prefer working and interacting with others who are close at hand. If you're based in New York and you find out a business unit based in Iceland or Indonesia has some ideas that might be useful, it's physically difficult for you to go there and check it out for yourself. I's hard to get your boss to pay your travel costs when there is no likely payoff. It's inconvenient, expensive and impractical to look for knowledge in units which are far away.
- To help their people pool their knowledge, companies have put in databases, intranets and all kinds of other knowledge-management systems. These are all excellent resources, but when you have too many, you run the risk of information overload. Paradoxically, information overload makes searching for something harder. It becomes difficult to find the right stuff because there is so much background noise and other distractions.
- With everyone being busy at their jobs, very few people have the time or inclination to network anymore. That's unfortunate. Well-connected people get to be very good at finding what they want, but the overall number of people who can be considered to be well-connected is falling dramatically.

Collaboration Barrier #4

The Transfer Barrier

- It is difficult to transfer tacit know-how
- People may not know how to work together
- Weak ties may discourage knowledge pooling

When people from different business units don't know how to work together, they can find it difficult to transfer their know-how, expertise and technologies. This may be true even if they have the best of intentions to work together. The factors which contribute to the transfer barrier include:

- The know-how you possess might be tacit – it might be difficult to articulate. If that's the case, you will struggle to pass that knowledge to others. To genuinely understand what you're saying, they would need to go through the years of hands-on experiences you did. It's too ambiguous to talk about intuition and gut instincts in a business setting.
- If there is no common framework for collaboration, transferring knowledge might be almost impossible as well. To work together, you have to understand the other party's working habits, preferences, methodologies, priorities and more. If that kind of communication framework is absent, collaboration won't happen.
- When two parties don't know each other well, they have what can be termed "weak ties". In this case, the parties won't be able to work together all that well because they speak different languages, use different terminology to describe problems and solutions and can't communicate subtle points. For collaboration to occur, strong ties are needed, which generally are based on relationships where people talk often and have an association and experience in working together.

"Different situations have different barriers. Leaders must first evaluate which barriers exist in their organization. Not doing so is the same as throwing darts in the dark; you have no idea what you're hitting."

– Morten Hansen

3 Steps 3 Tailor solutions to these barriers using a mix of the three collaborative levers

Armed with an understanding of which barriers you face, you can then get to work tailoring solutions. Most solutions will be a mix of three different levers:

1. Unification lever – get everyone aiming at a lofty goal
2. T-shape lever – work within and across units simultaneously
3. Networks lever – get people to use their personal networks

"Different barriers require different solutions. No solution fits all situations. For example, installing an information system helps search but does not lower hoarding behaviors. Disciplined collaboration means first evaluating which barriers are present and then tailoring solutions to those barriers. This means that leaders have to be careful when they choose a mix of levers to implement disciplined collaboration. They need to fit their particular circumstance."

– Morten Hansen

To come up with customized solutions to the barriers to collaboration, there are three levers leaders can choose from.

3 Levers 1 Unification

Unification – you can create a central unifying goal or state a core value of teamwork. In essence, what you're doing here is using a leadership position of influence to signal collaboration is highly valued and desirable.

3 Levers 2 T-Shape

T-shaped management – you can teach people they need to combine the results they generate within their own units with those they generate by cross-unit collaboration.

3 Levers 3 Networks

Networks – you can encourage the formation and strengthening of the right kinds of cross-unit relationships. By building these nimble networks, you facilitate searches and reduce potential transfer problems.

As a general rule-of-thumb, levers 1 and 2 typically are used most frequently in dealing with the not-invented-here barrier and the hoarding barrier. These two barriers exist because people are not willing to collaborate together. To address this, ways must be found to motivate people to collaborate. Levers 1 and 2 do that by helping you choose the right people and working on the attitudes of everyone involved.

Lever 3 usually addresses the search barrier and the transfer barrier. Overcoming these barriers has little if anything to do with motivation or attitudes. Instead, building strong networks which enhances overall efficiencies becomes more important.

"The first step in overcoming barriers is to accurately assess which ones occur in a situation. The second step is to tailor management solutions to each barrier. Leaders who practice disciplined collaboration pick the right solution for the right barrier. Deploying a wrong solution to reduce a barrier is a waste of resources. The problem is that it's not always apparent which barriers have sprung up in a company. Many managers start at the wrong end, first assuming what the problem is and then devising a solution for it."

– Morten Hansen

Unification

How can a leader unify groups so they will collaborate together? There are three fundamental mechanisms to use:

1. *Craft a central unifying goal of some kind* – something which is in equal parts easy to describe and compelling. What you're trying to do here is to get people to commit to a common cause which is greater than their own individual goals. A well crafted and constructed unifying goal will meet four specific criteria:
   - The goal must articulate a common fate which everyone in the organization agrees would be a tremendous achievement. Example: "I believe that this nation should commit itself to achieving the goal, before this decade is out, of landing a man on the moon and returning him safely to Earth" – John F. Kennedy
   - The goal must be simple and concrete. It becomes memorable because everyone gets it right away. There is no clutter and nothing is left to the individual's own interpretation. Example: "Be no. 1 or no. 2 in every business globally." – Jack Welch's goal for General Electric when he became CEO.
   - The goal must stir passion. It must inspire people so much they hate to go home at night. Competition is good for this. Example: "Beat Boeing." – Airbus's goal in the 1990s.
   - The goal must put competition on the outside, not the inside. Everyone in the organization must understand they need to unite against the bigger foe. There must be collaboration on the inside so the competition on the outside can be won.
2. *Create and demonstrate a core value of teamwork* – that everyone should be willing to collaborate with others in order to do great things. As you give voice to the virtues of teamwork, there are three sins you need to be aware of:
   - You might end up with the wrong kind of teamwork. People might start working in teams within their own units rather than in efforts across the rest of the company. You have to specify teamwork means collaborating across the breadth of the entire organization.
   - You might say one thing but do something entirely different yourself. If people see you extolling the virtues of teamwork but then aggressively competing against others to build your own individual unit up, they will wonder whether or not you're very genuine. If the senior management of your organization are not united, it will come as no surprise nobody else in the organization is either.
   - You have to be careful teamwork doesn't become the point of what you're trying to do. Remember, teamwork is a tool, not a destination. You want to use teams to achieve your business goals. There needs to be clear links established and maintained between teamwork and results. Keep your eye on the ball. Use teamwork to generate the kind of results you want and not merely as a way of life for your company.
3. *Create and use language which encourages collaboration* – which is important because the language you use sends a powerful signal. If you talk about collaborating in one breath but then use the aggressive language of intense competition in the following breath, people will get confused about what's really valued the most. There is a direct dynamic at work here. To get more collaboration, talk about it. Emphasize the need to collaborate for results and those results will be forthcoming. Language can be a great tool for collaboration.

   A good way to look at this is to sit down and calculate how much time you spend in an average meeting talking about and encouraging collaboration. You have to be relentless in this regard. If you keep increasing the percentage of time which gets dedicated to collaboration day in and day out, people will get the message.

As you work at using lever 1, keep in mind it is possible to overuse the concept of unification. Sometimes and in some circumstances, people get busy hiding behind a unification goal in the hope their individual performance gets glossed over. It's possible for people to be part of teams but not pull their weight. And talk about collaboration can become an excuse for people not to do their share if you're not careful.

To combat this possibility, you'll need to balance unification mechanisms with others which are based on individual accountability. At an organizational level, you talk about unifying goals and the benefits of teamwork using the language of collaboration. But these large-scale matters then need to be broken down into individual goals and responsibilities using the language of accountability. This is the best way to avoid overdoing unification.

"Bad collaboration is worse than no collaboration. People scuttle from meeting to meeting to coordinate work and share ideas, but far too little gets done. Employees from different units in a company squabble over who should do what on a common project and infighting consumes their work. This is a terrible way of working in the best of times: resources are wasted while better players pull away. It's downright reckless in tough times, such as in a crisis, where the ability to pull together can make the difference between making it or not. The essential question is: What is the difference between good and bad collaboration? For the past fifteen years, I have searched for answers to that question, concentrating on collaboration within companies. I have had a long and immensely rewarding journey figuring out the difference between good and bad collaboration. This is my completed puzzle."

– Morten Hansen

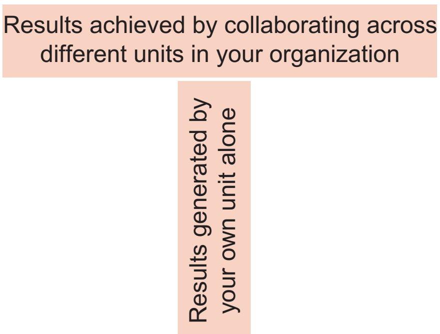
"Companies differ in how much value they can create from innovating, selling, and improving operations based on collaboration. A leader needs to be disciplined in evaluating the potential upside from collaboration. One way is to look across your entire company and ask, 'What is the potential for innovation, sales and operations based on collaboration in our company, assuming we could do it well?' This quick assessment can produce a shared understanding of the upside. However, taking such a broad sweep overlooks differences within a company. It's easy to get carried away with collaboration, believing that you will gain many benefits from it. The reality may be different. Both overshooting and undershooting add up to undisciplined collaboration. The leader is not carefully calibrating the opportunity to calibrate."

– Morten Hansen

3 Levers 2

T-Shape

When you're a manager working for an organization which values collaboration, you need to become skilled in what can be termed "T-shaped management". The concept here is as follows:



- You need to excel at delivering results in your own job or unit – the vertical part of the "T"; and yet at the same time
- You also need to derive results from collaborating across the company – which is the horizontal part of the "T" pattern.

T-shaped managers are accountable for the performance of their own business units. There is no ambiguity here whatsoever, and this will likely take up the majority of the manager's time, but typically around 15 - 20 percent of his or her time will also be applied in a variety of cross-unit collaborations. Good managers must be able to balance both demands on their time for disciplined collaboration to occur. Managers need to perform well in both dimensions.

So how do you expand T-shaped management in your organization? Some suggestions:

1. *Change your reward system* – so people are rewarded for individual results and contributions to other units. In simple terms if you come up with some T-shaped reward criteria, everyone will change their behavior to try and earn those better rewards on offer. Many organizations have found making a bonus 50 percent of salary works, and half that bonus should be based on individual unit performance while the other half is derived from collaborative contributions. If 25 percent of your compensation is tied to how well you collaborate, you'll be anxious to do more.
2. *Use T-shaped promotion criteria* – as another carrot for people to do this more. If you progressively promote those who engage in T-shaped behavior and not others, everyone will understand they need to get with the system in order to get ahead.
3. *Specify what the criteria for cross-unit contributions will be* – the metrics everyone will use. For collaboration to increase, it must be measured and tracked using consistent measures everyone understands.
4. *Gather data about cross-unit collaborations consistently* – and evaluate that data openly and candidly. If people perform well both in their own units and also across other units, promote them. If not, you might delay their promotions or reduce their bonuses. Both approaches will work and both will send the right signals.
5. *Recruit new people who are T-shaped managers* – rather than going after the superstars who act more like lone wolves. Bring in new people who are inclined to collaborate. Hire proven T-shaped managers.
6. *Coach for T-shaped behavior* – teach your people how to collaborate. Change their attitudes. Instill in them a new vocabulary which enshrines teamwork and collaboration as being highly desirable. In addition to providing training, use peer pressure to good effect. Help people make the transition. Provide coaching so people can develop the skills and behaviors which will enable them to be more successful collaborators.
7. *If necessary, fire laggards* – and fill those vacancies with T-shaped practitioners. If firing isn't an option, actively encourage the laggards to find positions which are better matched to their preferences. At the very least, be proactive in encouraging noncollaborators to move on.

"Disciplined collaboration helps you avoid one of the greatest sins of collaboration: in the quest for collaboration across the enterprise, leaders sometimes centralize decision making, and information flows to the top of an organizational pyramid, where a few managers rule. In the name of collaboration, decentralization goes down. This approach implies a tradeoff – that you must choose between the benefits of decentralization and the benefits of collaboration. Disciplined collaboration rejects this compromise. Organizations can have it both ways – performance from decentralized work and performance from collaborative work."

– Morten Hansen

"The idea of disciplined collaboration is to let organizational units work independently when that approach produces the best results. This practice maintains the benefits of decentralization – giving people the freedom to 'own' a chunk of work, to be responsible, to be close to customers, and to be rewarded for results. This approach, however, needs to be complemented – not replaced – with a 'behavioral overlay' of collaborative behaviors, which occur when people throughout the organization appropriately select collaboration projects. They don't need orders from the top on how and where to collaborate. Rather, they themselves see opportunities, know when to (and when not to) collaborate, and are willing and able to execute the selected projects. They act as disciplined collaborators."

– Morten Hansen

"Companies, nonprofits, and governmental agencies that embrace disciplined collaboration perform better than those with an exclusively decentralized approach, because disciplined collaboration combines the results of all the independent units and results based on collaboration. That kind of performance is hard to beat."

– Morten Hansen

"The idea of cultivating T-shaped management puts the whole business of 'the war for talent' in a new light. The idea is not to attract or develop anyone who is a star. It's a misplaced focus. The war for talent should not be about stars of all kinds but about T-shaped stars."

– Morten Hansen

"The solution is not to get people to collaborate more, but to get the right people to collaborate on the right projects."

– Morten Hansen

3 Levers 3

Networks

The third lever which can be used to overcome the barriers to collaboration is to encourage people to build “nimble networks.” For all practical purposes, collaborative companies run on networks – the informal working relationships people form which cut across all formal lines of reporting. To get more collaboration happening, harness the informal network that exists.

All kinds of myths exist in the business world about networking. Some of the more widespread myths include the ideas:

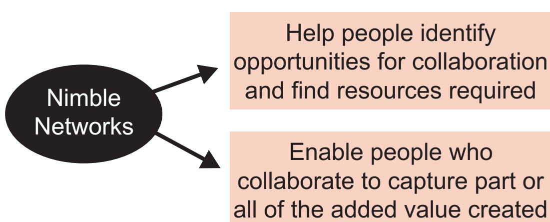
✘ *Networking is always a good thing* – which is not true. Some people spend so much time building their network they forget it’s all about results. A network is a business tool, not an end in and of itself.

✘ *The more people you have in your network, the better* – which is also false. A few high quality relationships will always be more productive than lots of casual associations.

✘ *Great networkers are socially gifted* – which is also incorrect. Good networkers come in all shapes, sizes and temperaments.

✘ *Networking is an art rather than a science* – which sounds plausible but has been shown to be false by the emergence of next generation social networking tools which can be applied systematically to great effect.

Once you get these myths out of the way, your focus can turn to what principles of smart networking can lead to more disciplined collaboration taking place. From a business perspective, networks provide two fundamental benefits:



1. *Networks are a great way to help people identify opportunities for collaboration* – because they enable people to use their professional relationships to secure the resources they need to make collaboration happen.
2. *Networks help people capture all or part of the added value created* – which is obviously essential. Businesses have to show bottom line results for their collaborative efforts and networks excel at capturing value.

By providing these benefits, networks reduce all four barriers to collaboration in tangible ways. Specifically:

- Networks reduce not-invented-here tendencies.
- Networks help people become more open to input from others.
- Networks are great at helping people search for things.
- People are always more willing to help those they know.
- Good networks can lower any potential transfer problems.
- The relationships inbuilt in networks can be very useful.

There are six network rules which apply from a collaboration perspective. The first four rules help people identify opportunities while the last two assist with the capture of value. The rules are:

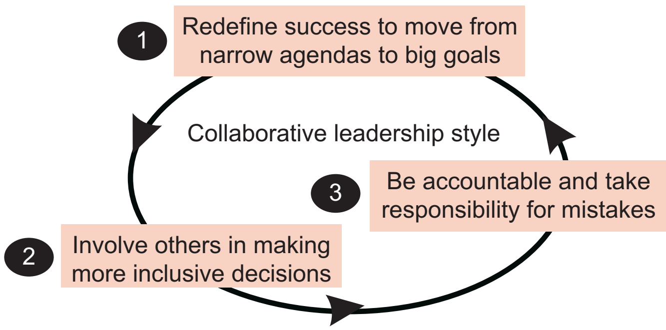
1. *Build outward, not inward* – your network will always be stronger if you people it with professional contacts from outside your own firm. Build connections to other parts of your company and to the outside world and not just to those you already work with on a day-to-day basis.
2. *Build a diverse network and not merely a large network* – because when it comes to networks size doesn’t really count. You’re far better off having a network that includes people with different expertise, additional know-how and knowledge of technologies you’re not at all familiar with. Try and add contacts who can attack challenges from a different perspective to yours.
3. *Networking is a case where weak ties are surprisingly better than strong ties* – you’re better placed if you know lots of people you contact infrequently than if you have just a few close friends you know well and talk with all the time. Weak ties are good because they form bridges to resources you don’t often access. Strong ties tend to be to worlds you already know. Also, you can maintain lots of weak ties without them becoming a drain on your productivity.
4. *Work hard to develop bridges* – rather than linking up with familiar faces. Bridges are people who are uniquely positioned to help other people find what they want based on the strength of their personal networks. They develop good contacts all over the place and can make the needed connections for you.
5. *Always try and swarm your target* – rather than going in alone. In other words, when you meet with someone to make a proposal, mention all the influencers you know and network with. Invoke the common links you have with those people and use those various linkages to be more persuasive. When you have a good network, you speak for lots of other people as well so make their influence felt.
6. *Know when it’s time to switch to your strong ties* – because that time will come during most projects. Sooner or later when you’re working on something complex, you have to stop dealing with superficial matters and get down to the nitty-gritty details. If you keep dealing with people who have only cursory knowledge, problems can arise. You have to narrow down those who go into the details and get them working together to make the right things happen.

The whole idea here is to build nimble business networks which embrace individuals who can work in a collaborative way. Every once in a while, you need to pause and evaluate how well you’re doing as a company in applying these six network rules. To do that, follow three steps:

1. *Map the network as it currently exists* – get a top-down view of where you currently stand.
2. *Evaluate your network* – see how you stack up against the six network rules. Look at all the cross-unit ties and see what you need to encourage to be happening in the future.
3. *Tailor some interventions* – identify any obvious weak spots in your companywide network and design some specific solutions. Figure out what needs to be done to make your networks more nimble and increasingly robust and then get to work making the right things happen.

To make disciplined collaboration take hold in any organization, leaders themselves have to walk the talk. In other words, leaders need to exemplify and practice a more collaborative style of leadership if they are to have any hope the idea of collaboration will take root throughout their organization.

There are three behaviors which characterize a collaborative leadership style:



1. *Redefine success to move from narrow agendas to big goals*
   Collaborative leaders try and find common ground. Instead of defining success based around your own narrow agenda, look at what bigger goals you can be working towards. Often, this change of focus will throw up some very pragmatic ideas and potential solutions. These may be a compromise between what two units want but the compromise is very good for the organization as a whole.

   "You can push your own narrow agenda above all else, or you can redefine success as achieving bigger goals. CEOs can define success in personal terms – maximizing their compensation, celebrity status, and prestige on the world stage – or they can redefine success by pursuing goals bigger than themselves such as focusing on the company, not themselves, and leaving behind a strong organization that will do well when they are gone."
   – Morten Hansen

2. *Involve others in making more inclusive decisions*
   Collaborative leaders are inclusive when making decisions. In practical terms, this means they are:
   - Open to other people's views and eager to get their input on the decisions which are getting made.
   - Willing to consider different points of view and to get to understand what others are thinking and why.
   - Open to debate and willing to let others freely voice their opinions without recrimination.

   "One risk of an inclusive approach to decision making is that leaders debate endlessly without forging decisions and moving ahead. To combat this risk, collaborative leaders also need to be decisive. They make the final decision. This approach is not the same as a consensus process, in which everyone must agree on a decision. Collaborative leaders who master this inclusive style make better decisions and get better buy in. It ensures that alternative views are considered and that flaws in thinking are exposed.
   – Morten Hansen

3. *Be accountable and take responsibility for mistakes*
   Sometimes, when people get involved in a joint effort of one kind or another, they try to hide a little. Since everyone is worried about the group results, they try and get by on the strength of the overall collective work. Collaborative leaders do the exact opposite. They have a high degree of individual accountability. They take responsibility by:
   - Assuming individual accountability for what the group generates and even going so far as to specify what metrics should be used to track and ultimately judge the overall collective effort.
   - Demanding that others accept responsibility for delivering results as well.

   "Collaborative leaders who hold themselves and others accountable engage in a few key practices. They spell out what they are accountable for – which targets, what kind of job. You can't hold yourself and others accountable if you don't know what to be accountable for. They then accept responsibility for mistakes and poor performance, no matter the circumstance and whether or not others mess up a collaborative effort."
   – Morten Hansen

A collaborative leadership style is exceptionally powerful so the natural question arises: "Why don't we see this style of leadership more often?" It easy to blame all kinds of different factors but the simple reality is there are personal barriers which you must overcome in order to use collaborative leadership:

- *Hunger for power* – if you're busy trying to get others to rely on you, then it's difficult to be inclusive or willing to redefine success in terms of bigger goals.
- *Arrogance* – if you sincerely believe you're the smartest person in the room, then it's unlikely you will ask others for their opinions.
- *Defensiveness* – if you dislike direct criticism, you'll never open up to people because that runs the risk of admitting you were wrong.
- *Fear* – if you take decision making personally and consider every setback as a personal affront, then it is unlikely you will seek out the ideas and input of others.
- *Ego* – if you're anxious to be the top dog, then you won't tolerate anything which dilutes that perception.

"These personal barriers may be deeply rooted personality traits in some leaders and therefore very difficult to change. But they may be changeable in others. By reducing these personal barriers, more leaders can take on a collaborative leadership style."
– Morten Hansen

"I have witnessed collaboration becoming a top priority in large multinational companies in the United States, Europe and Asia. The focus on collaboration will continue, as companies become larger, more complex, more efficient, more global, more decentralized, and more open to working with other parties – all demand disciplined collaboration. And this emphasis continues in a recession, as leaders strive to get more out of existing assets by collaborating."
– Morten Hansen