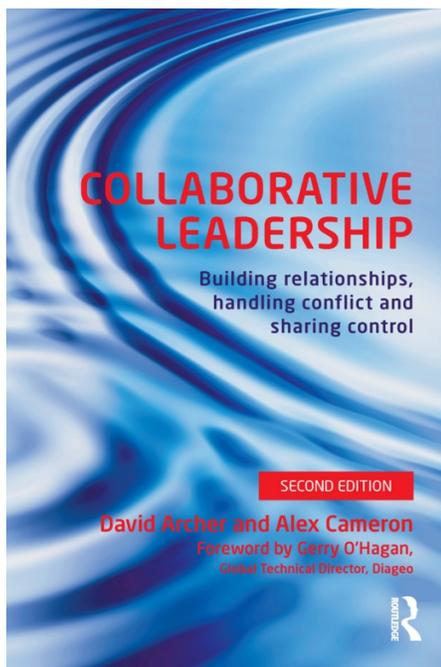


# COLLABORATIVE LEADERSHIP:

## Building Relationships, Handling Conflict and Sharing Control

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*Many of the people who will help make you and your business successful don't work in your own organisation. They may not share your language, beliefs, manners or behaviours but without their skills and effort you will never deliver the results you need to as a leader in today's interconnected world.*



'Today's toughest complex challenges facing business and society need bold leadership across boundaries and many different organisations. Archer and Cameron's latest book shines a practical light on examples of collaborative leadership in action across private, public and voluntary sectors, and on the key leadership capabilities needed by not just one but many leaders who need to work together.'

*Dr Keith Ruddle, Associate Fellow in Leadership, Oxford University*

'The world's most dynamic businesses have one thing in common they're boundaryless. They work naturally and happily with others. If you want to know the secrets of becoming boundaryless, this book is your best choice wise, authoritative and extremely useful.'

*Robert Jones, Head of new thinking, Wolff Olins*

'The benefits of Collaboration are irrefutable; the evidence overwhelming. But it remains counter cultural in many business environments. The real value of this book is in its combination of practical tools that leaders can deploy and inspiring case studies to keep you on track when the going gets tough.'

*Andrew Haines, CEO Civil Aviation Authority*

'Alex Cameron and David Archer have been pioneers in articulating the advantages of collaborative leadership. Leadership styles vary, from the autocratic and dictatorial to the consensual. The authors, though, make a compelling case for a different approach in a fast-changing world – one which embraces the ability to build relationships; to handle conflict; and to share control. There have been plenty of examples, some well-documented in this book, of alternative styles less suited to the contemporary world, with all its complexities and inter-dependencies. If you read this book, it will at the very least provide you with much food for thought; and at best, you may be encouraged to act on its wisdom.'

*Sir Ian Magee CB, Senior Fellow, Institute for Government & Senior Adviser Booz & Company*

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## Chapter 12: The future collaborative leader

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Since we published the first edition of this book in 2008, collaborative leadership as a term and as a concept has moved on considerably. Back then it was just an emergent idea arising from studies of leadership in Joint Ventures, business alliances and Public Private Partnerships. Now the language of collaborative leadership is in regular use in management journals and the business pages of newspapers. A Google search or news alert for collaborative leadership will show a daily stream of ideas and comment about the particular leadership challenges that collaboration brings.

But while the term is in much wider circulation it is still not well understood. In this final chapter we look back at the lessons learned as the discipline of collaborative leadership has developed over the last 10 years and we reflect on some of the ideas that we have discussed in this book. We also look forward to explore three key trends that we believe will drive the demands on collaborative leaders in the future. But first a riddle:

*What's the difference between an iPhone and a Betamax VCR?*

### Lessons from the past

No this is not the start of a bad technology-based stand-up routine but a serious question about collaborative leadership. The story of the commercial failure of the Sony Betamax home VCR is at first sight a familiar one of a technology superior product losing out to a rival system which had more manufacturers and better marketing behind it. But if you drill deeper there are some fascinating lessons for the aspiring collaborative leader.

The president of Sony in the 1970s was Akio Morita – he had had great success with the development of the Sony Trinitron TV and the first Walkman – products which paved the way for the first great consumer electronics revolution. In fact Steve Jobs described Morita as the inventor of the whole consumer electronics marketplace in a tribute delivered after Morita's death in October 1999.

So where did he go so wrong with the Betamax? With hindsight the key to this failure was Sony's attempt to go it alone with a standard they had developed and owned. When it was launched in 1975 Sony had a clear technology lead but they had to rely on enough film companies coming on board with pre-recorded video-tapes to make it a success with consumers. The idea of recording your own video material with cheap video cameras was in its infancy at

that point. Their rivals at JVC realised that in order to compete they had to get a lot of other manufacturers lined up behind their VHS system and to flood the market with machines. This would, in turn, make the movie studios back the format by releasing new films on VHS and encourage video-hire shops to stock VHS because more customers had those players. They got Sharp and Matsushita (RCA in the U.S.) to back their standard and by 1980 VHS players had 70% of the US market and this scale of production enabled the manufactures to bring the cost of the players down which in turn increased market share. Other manufacturers came on board and by 1984 there were 40 using the VHS standard. The film companies and video hire businesses just followed the trend - the availability of Betamax movies went down – and the cost went up. Eventually in 1988 Sony accepted the inevitable and started producing VHS machines themselves.

Later Morita reflected on the lessons he had learned and said that he had “*made a mistake and should have worked harder to get more companies together in a family to support the Betamax product*”<sup>1</sup>. JVC did try harder and was more effective at forming alliances to back VHS - and they and their partners won the day.

So much so obvious you might say – but if Steve Jobs was such an admirer of Morita, how does he address the big lesson of a high profile failed product from his hero? And why was he able to succeed with products such as the Apple iPhone and iPad? These were ground-breaking designs which didn’t share their operating systems or standards with anyone else - at a time when many of their rivals were getting together to adopt a common standard with the Android operating system. But the iPhone was a great success even though Jobs ensured that Apple went its own way, much like Sony. The stories of the Betamax VCR and the iPhone seem to lead to opposite conclusions about the business need for collaboration and collaborative leadership.

But digging a bit deeper these apparent contradictions can be explained using two of the collaborative leader’s tools described earlier – the collaboration spectrum and the three-legged stool.

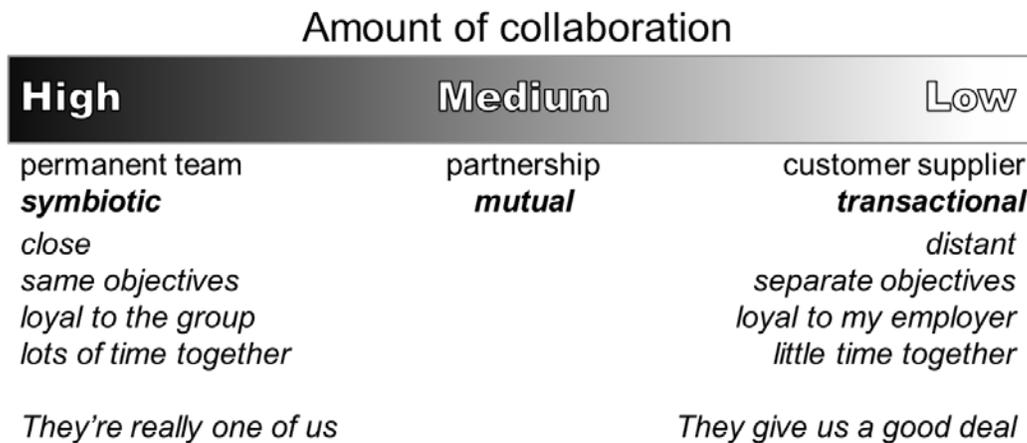
## **Choosing the appropriate amount of collaboration**

In Chapter 2 we introduced the idea of the collaboration spectrum – ranging from highly-collaborative almost symbiotic relationships, to transactional and customer-supplier relationships– with mutually beneficial partnerships sitting somewhere in the middle. The factor

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<sup>1</sup> Quoted in “Sony Betamax” Ecole Polytechnique Fédérale de Lausanne Case Study – Jan 2007

that determines where on the spectrum a particular relationship lies being the amount of inter-dependence between the players.



The greater the inter-dependence between your business and others the greater the amount of collaboration required.

When Sony launched the Betamax Morita may have thought that he could capture the newly emerging home video market on his own. But crucial to that success was the availability of content for customers to watch on their expensive new VCR – and film companies weren't going to commit to risking a lot of distribution costs for pre-recorded video tapes until they were sure there were enough players out there. Sony had a major inter-dependence with content providers in its strategy, but partnering with some of its rivals to increase market share for the Betamax standard really wasn't in Sony's DNA at that point. JVC spotted this opportunity and had the collaborative leadership skills needed to bring rival manufacturers together and leap ahead of Sony. Morita for all his success as a leader either didn't see the need to build these relationships early enough or he lacked the skills to do so.

At Apple, Steve Jobs (in his second phase in charge of the company) decided that by concentrating on the quality of the consumer experience he could design new products that broke into new markets with little dependence on others and so little need for collaborative relationships. He found a strategy that worked for Apple's position in its market – at the transactional end of the collaboration spectrum. In fact Apple is known for its control over of its suppliers – and to work with Apple you have to play by its rules. Now that works in situations where one company has all the power; power to specify contracts with suppliers and to make the decisions that will control its fate in its market. But this is a rare occurrence in our inter-dependent business environment. We see many more situations that are much more complicated

for leaders - where no single organisation can completely achieve its aims without being able to work with or influence others.

In these situations leaders need to balance an internal focus on product design or service excellence, with an external focus on building strong relationships and putting the right operating processes in place to link them efficiently to their partners. So in most situations leaders need to assess the levels of interdependence and the spectrum can help them choose the appropriate level of collaboration necessary.

### **The three legged stool – Governance Operations and Behaviours**

In chapter 3 we explained how collaborative situations need much more than the parties' being nice to each other! Using the analogy of a three legged stool we described the priorities that collaborative leaders need to balance – these are:

- **Governance** – the contracts, the accountabilities and the decision making
- **Operations** –the joint processes and systems - the way progress is measured and information is shared
- **Behaviours** –the way leaders behave as role models and people treat each other to produce joint results.

Just like a three legged stool – if you take away any one of these legs you end up with something which is unstable – a resilient collaboration needs attention to all three elements. The relative amount of time and effort required on each element depends on how interdependent the parties really are and that can be discovered using the collaboration spectrum.

If the situation is more like the transactional approach used by Apple with their suppliers then the focus is on getting the governance right. However, the more collaboration that is required in a relationship the more attention needs to be paid to operations and, in particular, behaviours.

At the high-collaboration end of the spectrum in symbiotic situations, things are very different. Here the leadership focus has to be first and foremost on behaviours, finding common values and working to understand each other's culture. This helps to deepen the relationship and enables people to spot opportunities to join things up and create new business value in unexpected ways. This is what Akio Morita and Sony should have been doing with their rival video tape machine manufacturers but JVC and others proved more adept responding to the collaborative leadership challenge and building these types of relationships with their partners and stakeholders.

## **Six capabilities of a collaborative leader**

Put simply, collaborative leadership is the type of leadership required to get results across internal or external organisational boundaries. And that means the leadership required to get value from the differences (in culture, experience, or skills) that lie in the organisations that sit either side of that boundary. As we've emphasised this means leaders; investing time to **build relationships**, being ready to **handle conflict** in a constructive manner, and most importantly being able to **share control**.

As we saw from the examples of successful collaborative leaders in chapter 7 there are many ways of doing this. There isn't a simple template to follow or one personality type to emulate, but successful collaborative leaders are pretty self-aware – they know their strengths and weaknesses and they understand that it's not all about ego and charisma.

### *Three critical skills and three essential attitudes.*

The capability of the collaborative leader is dependent on them having all the basic experience and skills of any leader, but it also a set of skills and attitudes that are necessary to address these complex interdependent situations. There are three essential skills.

- **Mediation** - Collaborative leaders need to be able to address conflict constructively and effectively as soon as it arises. This is a demanding skill. Evidence from many collaborative leadership 360° feedback programmes suggests that handling conflict and the associated mediation skills are often the number 1 leadership development priority.
- **Influencing** - Collaborative leaders need to be able to share control and so choose the best approach to influencing their partners. This requires an understanding of the organisational culture and personality type of their partners as well as an objective analysis of the business situation to hand.
- **Engaging others** - Collaborative leaders can't be successful without the skills of networking and relationship building. This means communicating with clarity, often in high stress situations, and involving others in decision making at the right time.

In support of these three skills, collaborative leaders can only be successful if they hold three additional essential attitudes.

- **Agility** - These complex collaborative situations require a forward looking attitude of mind, coupled with an ability to quickly assimilate facts and ask incisive questions.

- **Patience** - Managing relationships takes time and collaborative leaders need to be able to take a calm and measured approach, reflecting on new information and giving confidence to others.
- **Empathy** - All the attributes of any collaborative leader must be underpinned by a willingness to truly listen and be open-minded to the views of others. Only with these attitudes can the leader develop the high degree of self-awareness necessary to accurately assess the impact their behaviour on others.

In many ways Jobs' leadership style could be seen as the antithesis of what is required to tackle the collaboration challenges facing many leaders today – but remember that Apple has created a situation where collaboration with external parties is very limited indeed. For most collaborative leaders there may be more to learn from Akio Morita's more interdependent situation at Sony.

## The impact of future trends

This is a time of great financial and business uncertainty but even now there are some emergent trends which will affect collaborative leaders in the years ahead. We look at three of the most important of them here; the growth of collaboration technology, the impact of global power shifts from West to East and changes in workforce demographics.

### The growth of collaboration technology

Collaboration is in the news – and this has been driven by a boom in collaboration technology over recent years. The phenomenal growth of websites like Facebook® and YouTube® with millions of individuals used to sharing all aspects of their social life on-line. This has led to a great deal of interest in how similar tools could be used to increase the sharing of information and the building of networks in a business context.

The potential market is huge for these technologies – the Forrester research group predicted the value of collaboration tools or what it calls “social enterprise apps” would grow to become a \$6.4 billion market by 2016<sup>2</sup>. Of course the scale of this market depends on what are defined as collaboration tools – people use the term to mean many things; video conferencing technology, document sharing and editing software, knowledge management tools, professional networking

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<sup>2</sup> Social Enterprise Apps Redefine Collaboration - Henry Dewing - Forrester Research - November 2011

websites (such as LinkedIn), workplace blogs or cloud computing. And soon you can lose any sense of where this technology is going in a maze of buzzwords. But if we try to stand back and look at the longer term trends, collaboration technology is really about 3 things:

- Remote collaborative working – helping specific groups of people to simultaneously work together creating virtual teams.
- Managing user generated content and knowledge – this is the Wikipedia or Trip advisor of the business world. Where large numbers of staff (or customers) can create and maintain bodies of knowledge about a product or service.
- Business networking –tools to enable people within an extended organisation to make connections and to build relationships that might be useful to them in the future.

So as these technologies converge and allow access to this software and information on tablets and smartphones, there are new challenges (and opportunities) for the collaborative leader. In the future organisational boundaries will mean even less, and new collaborations will evolve that are enabled by these technologies. These new collaborations will exist to exploit new business opportunities or to change how organisations work – for good.

Already leaders are finding new ways to implement these technologies and, at the same time, facing up to some new collaboration challenges.

### ***Tesco – managing rapid growth far from home***

Tesco has rapidly grown from its position as the largest retailer in Britain to being the third largest in the world – with most of this growth coming in markets far from the UK such as Turkey, South Korea and Thailand. The Tesco strategy depends on bringing together retail and logistics expertise from its mature markets with local knowledge from businesses it has acquired or staff it has recruited in its new markets – and doing all this quicker than its competitors.

Tesco has invested heavily in network technology and collaboration software<sup>3</sup> as part of the package they bring to a new organisation that they were buying or building in one of these markets. Using this technology they set up tools for sharing written information such as blogs and wikis, and advanced video conferencing (or telepresence) suites for holding virtual meetings. After piloting various uses of the technology, and possibly because Tesco have a process driven management culture, they incorporated these collaboration tools into a number of standard workflow processes for; stock planning, store layout, innovation and promotions.

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<sup>3</sup> See [http://www.cisco.com/web/about/ac79/docs/success/Tesco\\_Success\\_Story.pdf](http://www.cisco.com/web/about/ac79/docs/success/Tesco_Success_Story.pdf)

This has meant that Tesco managers in their new markets could participate in the standard company operating model and learn from their colleagues without having to fly half way around the world –speeding up decision making and the integration of new stores into the Tesco business and culture. In this case the use of technology has enabled leaders to accelerate the sort of international collaboration they might have wanted to create anyway but it’s made it a reality. However, the leaders know that the technology on its own will not deliver the benefits. Their tasks have been to re-think communication and decision making processes in order to make the new collaborations work. Without these changes in ways of working, the leaders will miss the opportunity to deliver the benefits of new innovative collaborations.

### ***Comic relief project management***

Comic Relief is an organisation with a very different culture and we can see a different approach to using collaboration tools in a global setting. As well as fundraising, Comic Relief staff have to work closely with organisations big and small across the world to ensure that the development grants that it awards are well used. This means people working together creating project plans and financial business cases on IT systems that are sufficiently secure, but also widely available and cheap and simple to use. You can’t force your charitable partners to adopt an expensive corporate IT system or to send out a trainer to Africa to teach them how to use it.

For this type of collaboration, publically available web-based collaboration tools are a useful way forward, Comic Relief uses one called Huddle<sup>4</sup>. Any organisation that is awarded a grant can buy a cheap user licence and as long as they have a broadband or mobile access to the internet can be given secure access to different sections of a Comic Relief filing cabinet. Groups can work together on plans – learning from similar projects elsewhere in the world and swapping ideas with others facing similar challenges. In this example the collaboration software is a neutral infrastructure which gives people secure access and a means of connecting groups but doesn’t specify what they do with it – it’s the leader’s job to engage others in the potential benefits.

It’s easy to get overwhelmed by the sheer numbers and scale of new collaboration tools and the speed of innovation in this area. One challenge for collaborative leaders is just to make sense of it all and to decide which new developments are important and which are not. Remember our message that effective collaboration does not come free; it will always take considerable effort to derive any real benefits from these new technologies. These technologies will require that people

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<sup>4</sup> See [www.huddle.com](http://www.huddle.com)

adapt their ways of working to make best use of the facilities that they bring. And making that happen is the real work of the collaborative leader.

## **Global power shifts**

One trend that has gathered pace since the first edition of this book is the shift in power away from the old economies of the US and Western Europe towards markets in the BRIC countries (Brazil, Russia, India, China) and beyond. Originally this power-shift raised questions in the press about how established western firms could exploit the increasing numbers of consumers in these markets and see off competition in their own countries from low wage manufacturers. But this rather simplistic response was replaced by a more complex analysis highlighting the interdependence between global networks of suppliers, each with different customer needs and expectations. In terms of global power we appear to be moving away from the days when America was the only global superpower to a much more multi-polar world.

In business terms this means that for many well established companies a large percentages of their revenue is going to be generated far from their traditional markets. And at the same time much of their R&D and innovation as well as their product manufacture is also going to be happening a long way away from their home base.

Now in some ways this isn't new – but the traditional leadership response was to put in hub and spoke organisational model. With a central HQ (usually in the US or Europe) reaching out to regional centres each with a degree of local control over marketing and customer service. But in the future if the majority of the business's revenue comes from outside your home market – leaders need to think carefully about where functions are based and where they draw talent from to staff their management teams.

Some leaders have tackled this by using matrix structures, with individual managers belonging to several different decision making teams – perhaps a country based sales team looking at the local market, a global product team looking at supply and production issues, and regional talent pool for their own career development. This can get very confusing and decision-making can slow to a crawl as different groups have power to review or block the decisions of others.

The temptation for leaders is to try to control – centralising decision-making again, but often that defeats the object. Collaborative leaders look to create decentralised decision making where authority for different types of decision is passed down to the appropriate level and there is a good understanding across a decentralised team of which stakeholders need to be consulted and

when. This approach has the added advantage that local decision making can reflect the cultural norms of the people working in different parts of the world.

Of course the demands of a multipolar world apply right at the top of organisations too. Boards and executive teams need to respond by becoming more diverse, representing the different parts of the world that they depend on for suppliers or customers. This global interdependence has major implications for the development of leadership talent and the selection processes for top teams. The question Nominations Committees on Boards need to ask themselves is what are they doing to find and develop talented managers from across the full spectrum of regions in which they operate or have critical business relationships? The German manufacturing company Siemens has even gone as far as appointing a Chief Diversity Officer to oversee this sort of work<sup>5</sup>. Only 30% of its more than 400,000 employees are based in Germany and so having global processes for individual performance management, talent development and succession planning is vital if they want to recruit and retain the best people wherever they are located.

Shifts in global power mean that collaborative leaders will need to have a deep understanding of other cultures and the ability to work as part of very diverse senior teams. In organisational design terms, centralised control systems and organisational designs dominated by an HQ based in the old 'home country' are unlikely to succeed. Collaborative leaders will need to demonstrate that they can share some control by creating more decentralised structures and shared decision making processes with different partners and different cultures.

## **Changes in workforce demographics**

The fact that in the UK and most of the Western world we have an aging population is no surprise. Advances in medicine and greater awareness of the impact of lifestyle on health have combined to push up life expectancy and this trend is likely to continue. This fact coupled with the decline of pension provision has consequences for the workplace - 1 in 5 people questioned in a recent poll of UK employees said that they expected to work until they were over 70<sup>6</sup>. But having to manage the aspirations and needs of a significant number of older workers is not the only change that leaders will see in the workforce.

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<sup>5</sup> Managing in a multipolar world – Paolo Pigorini – Strategy + Business May 2012 – available from: <http://www.strategy-business.com/article/00112?gko=855a7>

<sup>6</sup> Work:Life UK: Making plans for an ageing workforce – Guardian - 22 November 2011 – available from: <http://www.guardian.co.uk/worklifeuk/making-plans-for-an-ageing-workforce>

At the other end of the age spectrum the evidence is that young people are growing up with very different attitudes to work. Many graduates expect to spend some of their career working for a small business or indeed to set up in business for themselves as an entrepreneur. These IT literate young workers will carry this experience of a small and flexible workplace into the rest of their careers. Expectation of greater transparent access to information, instant results and rapid feedback on performance will not sit easily with the traditional styles of leadership. Some leaders are responding by bringing ideas from computer games into the workplace – in a so called ‘gamification of work’. This can mean people earning reward points by completing tasks quickly and accurately. They can move up levels when they have reached a certain proficiency levels or have successfully worked with colleagues on team challenges. At the heart of the technique is using rapid on-screen feedback and competition (to beat your own high score or to beat you colleagues) in order to engage and motivate staff.

Using techniques borrowed from the gaming world may be useful when motivating some teenage workers but they are less likely to be a success in leading other segments of the workforce. An increasingly diverse age profile will call for diverse organisational approaches and a more collaborative leadership style.

Leading a future workforce which is more diverse is not just about addressing the age profile, the workplace is continuing to change in other ways too. There will be more female workers and more people employed on part time contracts. Many office and knowledge worker jobs are likely to disappear as increased computing power makes it possible to automate standardised elements of these roles. But there are also skills shortages in areas such as medicine and engineering that have long periods of training and professional qualification. The most likely way to fill these gaps will be through more inward migration from countries with younger, educated populations.

The good news is that there is plenty of evidence that a diverse workforce has the potential to be more innovative and ultimately successful than a homogeneous one. In his book “Difference”<sup>7</sup> Scott Page makes a very powerful argument for why diverse groups can outperform groups where all the members have similar characteristics. He uses some very elegant mathematics to show why – and in which situations - groups who have and can use that sort of diversity will outperform those that don’t. But even without the maths his conclusion makes sense. To tackle tricky problems that have multiple causes and require innovative solutions, a group of similar people will find an answer they can all agree on and is the best fit to

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<sup>7</sup> The Difference: How the Power of Diversity Creates Better Groups, Firms, Schools, and Societies - Scott E Page - Princeton Press - 2008

their common view of the world. But a more diverse group is likely to have people in it who will challenge that common view. This will force the group to explore other avenues which can eventually lead them to a test a wider set of possible solutions - and if there is a better solution out there to find it.

For leaders, as the trend for greater workforce diversity continues, the question is how to get value from the differences that brings. And how to apply that value to problems where it really counts – problems that require innovative thinking and multi-party implementation. The ability of collaborative leaders to demonstrate agility, patience and empathy really come into its own in these situations.

## **The consequences of these trends for collaborative leaders**

Look back twenty years to a time when the internet and mobile technology were in their infancy and the BRIC economies had yet to grow, who would have predicted the business environment that we understand today? The trends that we have discussed are already having an impact – they cannot be avoided. We cannot fully predict the future business environment, all we can be sure of is that leadership will have to evolve to meet the challenges that these changes will bring.

### **A new kind of change management**

Firstly there is the continuing need to manage the delivery of business change — often across a complex landscape of different business units and multiple external partners. The growth of collaboration technology is already a major driver of change. As the BRIC economies become more powerful players, consumer business models and organisational relationships will need to change. And the changes in the workforce will bring their own leadership demands. Traditionally change management has been seen by leaders as the ‘softer side’ of programme management – and something that can be planned and controlled with Gantt charts and programme boards. In an interdependent world, leaders need to look beyond that programme model to more organic approaches to delivering change across a network of different organisations each with their own capabilities, traditions and constraints.

Understanding the different organisational cultures involved becomes an important skill as well as the ability to bring people together to create joint plans and common tools for managing the change process. Success often happens when, as a collaborative leader, you can create the environment where the different organisations involved can co-evolve, each organisation

learning from and reacting to the changes in the other as they move towards an agreed set of goals.

### **A new kind of organisation design**

In the future we envisage the need for leaders to design their organisation to fit its own collaborative niche. This sort of organisational design work has often been seen as a technical task and delegated to HR specialists. But increasing globalisation and powerful collaboration technology will mean that there are many more options for size, geographical base, and organisational structure. Getting the strategic decisions right about which parts of the network you want to own, where you want to transact with others and where you want to collaborate is the responsibility of the leader. They then need to define the right governance structures, culture and accountabilities with regard to critical business decisions.

Building the right organisation can be about designing dynamic roles rather than creating static structures. For example when outsourcing an operation it's often the case that a team is left in the client organisation to play a combination of 'inspection', 'supplier management' and 'intelligent customer' roles. But because the team is inevitably small, any allocation of individuals to static roles is going to leave tasks very under-resourced at key points in the contract lifecycle, especially when things go wrong. It's far better to have a group of staff who are trained to have a reasonable level of skill across the range of roles with expertise in a few. That multi-skilling, combined with some well-documented processes, means that the group can dynamically allocate its own time depending on need and the leader can oversee overall performance without having to get involved in regular re-organisation and re-prioritisation of work.

### **New kinds of business relationships**

If the demands of organisation design are an inward looking response to the three trends we discussed earlier, collaborative leaders need to make a similar response in the external world reaching out to engage wider groups of stakeholders. Resilient relationships with stakeholders seem to have been key to the long lived success of many companies and we can only see that continuing as the world becomes more inter-dependent.

In his book *The Living Company*<sup>8</sup>, Dutch business thinker Arie de Geus described a study he commissioned for Royal Dutch/Shell Group. In a world where the average lifespan of a

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<sup>8</sup> The Living Company - Arie de Geus - first published by Nicholas Brealey Publishing Limited - 1997

multinational company is between 40 and 50 years, Shell wanted to know what allowed some companies to weather fundamental change and survive for well over a century with their corporate identity intact. De Geus describes a number of traits that help companies build the constructive relationships that the study found to be vital to their longevity, but we'll focus here on just one, which he calls 'flocking' by analogy with bird behaviour. Blue tits, he noted, adapted remarkably over the twentieth century to tap the new food source of bottled milk delivered to doorsteps. Not only did they learn to siphon off the cream from the early topless bottles, but by the 1950s the entire blue tit population had also learned to pierce the aluminium caps of new bottles introduced between the wars. Apparently robins also learned the first step – but failed at the second. Although individual robins learned how to pierce the aluminium caps, the skill wasn't passed on to the species as a whole. What was causing the difference?

The answer is that blue tits flock for two or three months in the summer. Robins, meanwhile, are highly territorial, with fixed boundaries they won't allow others to cross. And the ability to flock is the determining factor that allows learning to be spread throughout the population. Birds that flock increase their chances of surviving – and De Geus believes the same is true of organisations.

Collaborative leaders need to build their own and their organisation's awareness what other organisations and other leaders are doing. Understanding which relationships will support your long-term survival is essential. Some of the collaboration technologies can help this process by making the business of connecting to others and sharing knowledge easier to do. But learning from people in that wider 'flock' requires much more than technology, it needs the right attitude of mind and the skills of the collaborative leader.

## **A manifesto for the collaborative leader**

Akio Morita at Sony was widely regarded as one of the most influential leaders of his generation and he certainly led the creation of some iconic consumer products, but perhaps the most lasting lesson of his leadership comes from near the end of his career when he learned that by failing to reach out and build relationships with his competitors at home and abroad he had made a strategic mistake.

Aspiring collaborative leaders need to keep learning – from their successes and from their failures – but most importantly learning from the other leaders who are their potential partners and collaborators. And this takes self-analysis and humility.

If collaborative leadership starts with **building relationships** and progresses through **handling conflict** of the sort that will inevitably arise when leaders with different objectives and cultures come together, it culminates with **sharing control** in a spirit of mutual trust. These are demanding challenges for any leader. In order to address these challenges, what follows is a ten-point manifesto for the aspiring collaborative leader distilled from all we have learnt in writing this book.

1. Seek out conflict early - address it openly and with confidence. And be prepared to mediate others' conflict in order to build relationships.
2. Don't expect your partners to have the same objectives as yourself – but look for common ground in shared values and in the things you can achieve together that neither of you could achieve alone.
3. Understand that collaboration is not a zero sum game – in an inter-dependent world your organisation can only succeed through the success of others. If you want them to invest in your success you must invest in theirs.
4. Value and use diversity – both within your organisation between you and your partners. Apply the value of diversity to find innovative solutions to the most important and complex problems that need a new approach.
5. Only get as close and collaborate as much as the situation demands. Collaboration is not a moral choice but it is a business necessity in certain circumstances.
6. Look to the long-term in relationships – and combine patience when sticking by your principles with agility in your actions to make tricky relationships work.
7. Listen hard – and then show you have understood what you heard. Get behind the face value of what your partners are saying to understand and empathise with their motives and fears.
8. Be clear where the significant 'points of interdependence' are in a relationship. Don't expect to eliminate them – you can't control everything – but get very efficient in your interactions at these key points.
9. Engage others in your mission to be a collaborative leader – one thing is for certain, you can never be a collaborative leader on your own.
10. Be authentic in all you do – people need to know that what they see is what they get.

We've been working in the fields of collaboration and leadership for much of our professional lives. Most of the fundamental lessons of what works and what doesn't work have

remained constant over that time but the context in which these lessons are applied is changing rapidly. There is clearly more inter-dependence in the world but, perhaps more significantly, the nature of that inter-dependence is getting more strategic and speed of the knock-on impacts is accelerating.

In the middle of all this, leaders are under yet more pressure to deliver and are judged harshly by their shareholders, customers or electorate if they are seen to be failing. Under this sort of pressure there is a risk that leaders turn to tribal behaviour – acting to serve the interests of their own constituency - looking within their own tribe and trying to isolate themselves from or defeat everyone outside it. And if we have learnt one thing in researching this book it is that this tribal approach simply will not work. Because if inter-dependence (financial, operational or reputational) is a reality then collaboration is a necessity and developing collaborative leadership capability becomes a vital activity for any business.

However there are opportunities as well as challenges in becoming a collaborative leader. By opening yourself up to different organisational cultures and working out how to collaborate with them effectively, leaders also increase their access to a diverse range of ideas, tools and opportunities. Out of this this diversity collaborative leaders can create the innovative solutions necessary to both deliver results in today's difficult business environment and to enhance their own career.

That is the great promise of Collaborative Leadership.

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