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The Rise of Collaborative Working

In an exclusive extract from their new book *Collaborative Leadership*, authors David Archer and Alex Cameron discuss Visa's record-breaking IPO and how collaborative efforts can help stave off the direst predictions of climate change.

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In March 2008, a San Francisco-based finance company raised \$17.9bn by listing on the New York stock exchange. It was the world's biggest IPO - and it happened right in the middle of the credit crunch that had toppled Bear Stearns and Northern Rock.

That company was Visa - an entirely collaborative venture founded a quarter of a century earlier by visionary CEO Dee Hock. It's been called 'a corporation whose product is coordination' - a highly decentralised, largely self-organising group of member companies that both cooperate and compete under the Visa banner. All members issue their own credit cards and are free to price and market them in whatever way they wish. At the same time there's a high degree of cooperation - each member has to agree to accept any Visa card, regardless of issuer, and everyone participates in a central clearing house that handles transactions and customer billing. It's a formula that has proved remarkably successful. Visa is the world's largest credit card network and its products are used in more than 170 countries.

An article in *Fast Company* describes Dee Hock's motivations in setting up the radical Visa structure back in 1970 - a time when credit card companies were locked in desperate competition, sending out pre-approved cards to any customers they could lay their hands on. 'Command-and-control organizations were not only archaic and increasingly irrelevant,' says Hock. 'They were becoming a public menace, antithetical to the human spirit and destructive of the biosphere. I was convinced we were on the brink of an epidemic of institutional failure.'

Instead, Hock decided that 'the organisation had to be based on biological concepts to evolve, in effect, to invent and organize itself'. With those principles well established, he tested the concept of self-organisation by resigning from Visa in 1984 to follow his own pursuits (and to develop his theory of 'chaordic' organisations - a synthesis of chaos and order). According to *Fast Company*, 'Visa never missed a beat'.

Everything is mutual

Two months before Visa's record-breaking IPO, leaders in government, business and NGOs from all round the globe converged on the Swiss ski resort of Davos for the annual meeting of the World Economic Forum. Their theme was 'collaborative innovation', and over the five days of the forum they examined how organisations and governments could work together on issues ranging from sustainable agriculture to conflict and terrorism in order to make the world a better place.

'Globalisation is forcing changes in how people collaborate in a fundamental way,' said former Prime Minister Tony Blair, one of the co-chairs of the forum. 'If we are interconnected and the world is interconnected, the only way for the world to work is to have a set of common values. We have no option but to work together.'

It's not just rhetoric. Collaboration is on the rise everywhere. Over the last century we began to collaborate on the big things - fighting world wars and trying to keep global peace. And ever more frequently we're collaborating on a global scale to tackle major global issues - epidemics, poverty and climate change.

In 2003, at the behest of the World Health Organisation, a team of 11 research labs around the world collaborated to isolate the virus that caused the deadly SARS outbreak in just one month. The Kyoto Protocol entered into force in 2005 and has been ratified by more than 180 governments. And in the same year, Make Poverty History brought together NGOs and voluntary organisations all round the world.

When the issues that touch us have global impacts, our response is increasingly one of global collaboration. In a 2001 speech in New York, Gordon Brown recalled President John F Kennedy's words of 40 years earlier: 'As the worldwide effort for independence, inspired by the American declaration of independence, now approaches a successful close, a great new effort - for interdependence - is transforming the world about us.' Today few people would disagree. We're all in it together. And we need to work together to sort it out.

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"When the issues that touch us have global impacts, our response is increasingly one of global collaboration."

Collaboration is an evolutionary adaptation - and we're not just talking ants, bees and termites. At its most basic, collaboration is displayed throughout the animal kingdom in pair bonding. Many organisms also form wider social groups that offer greater protection and allow roles such as food gathering or looking after young to be shared.

But the life form that really excites us from the collaborative point of view is pretty unprepossessing - it is slime mould, the nasty reddish jelly-like stuff you sometimes find under half-rotted bark. Slime mould has fascinated scientists for decades. We have a special affection for it (after all, one of us originally trained as a zoologist), because it's the ultimate model of partnership.

Slime mould has been hard to classify, as it's not a mould at all. Cellular slime mould is a single-celled, amoeba-like organism that spends most of its time minding its own business. But when resources are scarce, individual slime mould cells start to cooperate to form a more complex organism that behaves as one. What's more, when slime mould cells get together, they can display surprising levels of apparent 'intelligence' - like solving the puzzle of a maze by stretching between two food sources at either end. Then when the crisis is over, they split up and go back to existing as single cellular organisms once more.

Steven Johnson tells the story of slime mould brilliantly in *Emergence: The Connected Lives of Ants, Brains, Cities and Software*. His point is that slime mould displays emergent behaviour - the 'intelligence' it demonstrates comes about from aggregating a mass of relatively simple elements. No one element is directing the show: rather, this complex behaviour emerges from the level of individual cells.

The reason we like slime mould so much is rather different. It's because it has clearly got the hang of how to be a good partner. Slime mould knows when to be independent and when to collaborate. It doesn't spend all its time as a team - each single cell manages perfectly well on its own for large stretches of time. But when slime mould cells get together, they can do amazing things.

We realise aspiring to the condition of slime mould may not be for everyone. But for us, it's seriously clever stuff. And if the world's collaborative efforts to stave off the direst predictions of climate change don't succeed, we'd put our money on slime mould making it through.

The following people contributed to this article:

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