

Coalition government - what can politicians learn from the motor trade?

In a major announcement this month, the leaders of three organisations that have been deadly rivals for decades have agreed to form a new strategic alliance in order to tackle the toughest economic conditions that anyone can remember and together protect the long term future of all the people that they represent.

No this wasn't an announcement of a Lib-Lab-Con pact as a pre-cursor to the May election - the organisations in question were Renault, Nissan and Daimler and on April 7th they announced the sort of wide ranging alliance that would have been unthinkable even a few years ago in the ultra-competitive world of car manufacturing. But in common with many industries the leaders of these three long established brands have had to swallow their personal pride and reach out across cultural boundaries in order to forge an alliance which aims to cut costs and improve both financial performance and customer service.

Of course automotive alliances haven't always been a success story - Daimler themselves were involved in a very public falling out with Chrysler after a failed merger a few years back - but managers (and shareholders) are starting to learn the lessons of survival in this interconnected world and to build new ways of working that focus on long term stability and mutual benefit. Perhaps it's time our politicians learned some of these same lessons.

Collaboration is a necessity but sharing control isn't easy

It's not just in the motor trade, all sorts of private sector organisations have learned that they can't survive this recession on their own. In turn this necessity to collaborate with different partners means leaders have had to go back to first principles to learn new ways of working for themselves and new forms of governance for the organisations that they run. Carlos Ghosn the CEO of Renault who will co-chair the co-operation committee has highlighted some of the behaviours and attitudes that will underpin the alliance¹ *"Respect for different identities ... transparency ... the development of trust ... making sure that diversity and looking at problems in different ways should be seen not be an obstacle but an enrichment of the relationship"*

He also says about his new colleagues *"their strengths are going to be supporting our strengths and our strengths are going to be supporting theirs"*

A political wake up cry

And yet to date our politicians haven't faced up to the same challenges of collaboration - you get the impression they just hope the need to work together will just go away and so they go on about the risks of a hung parliament and raise the spectre of in-decisive government and a consequent hiatus in the City if one party is not in control. In contrast investors seem happy to have added \$8Bn to the combined share price of Renault Nissan and Daimler since talks on their new Alliance began last February.

In Britain politicians seem not to have noticed the quiet revolution in leadership that has been going in companies across the world in recent years. The old 'master of the universe' model of leadership has had its time. People understand that successful business leaders now need to be able to share control, to handle conflict constructively and build a wide

¹Joint press conference with Carlos Ghosn, Chairman and CEO of the Renault-Nissan Alliance and Dieter Zetsche, Chairman and CEO of Daimler Ag April 7th 2010

<http://www.renault.com/en/groupe/evenement/pages/conference-de-presse.aspx>

ranging network of relationships. To make a similar shift in political leadership it's not just the behaviour or leaders that need to change, it's institutions and political systems too. For example fixed term parliaments in the UK would mean that politicians would have to learn to work together for the long term rather letting a coalition government fail after a few months with the hope that in a subsequent election their own party would benefit.

Mind you on reflection maybe it's not really fair to say that it's 'British' politicians that need to learn these lesson, we really should single out Westminster politics for this special treatment. If Ian Paisley and Martin McGuinness can learn how to make collaboration work in the government of Northern Ireland surely Messer's Cameron, Clegg and Brown can put their past behind them and learn the lessons of collaborative leadership for the rest of the United Kingdom.

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