5

Coverdale
ThemeBooklet

Cooperation

ThemeBooklet 5
Cooperation

Contents:

Photo right:
Thomas Weegen, Partner
Born in 1958, agricultural
engineer, internat. manage-
ment and project experience,
managing shareholder,
consultant/trainer and
coach with Coverdale
Deutschland since 1991.

brand eins Thema
B
2014
BESTE
BERATER

brand eins Thema
B
2015
BESTE
BERATER

brand eins Thema
B
2016
BESTE
BERATER

According to the results
of a survey conducted by
the business magazine
brandeins, Coverdale is
one of the best consult-
ing firms in Germany in
the "Management, Orga-
nization and Personnel"
category.

Cooperation

... is the subject of our 5th Topic Booklet. We chose this multifaceted topic because it is always on the minds of our clients. We may be tempted to smile when we realize that the Internet, the tool that has had the greatest impact on our collaborative activities over the past 25 years, is itself a product of the need for better forms of cooperation. The physicist and computer scientist Tim Berners-Lee developed the html language, the browser and the first Internet pages for the CERN nuclear research center in Switzerland. Today, more than 10 000 scientists from 85 different countries are working on major projects in the field of particle physics. And problems were encountered as early as 1989 when it came to sharing and preserving knowledge and the results of completed projects. These problems were exacerbated by the fact that most of those scientists worked on a given project or subproject for no more than about two years.

We addressed the issues related to cooperation initially in feuilleton style and asked philosophers, anthropologists and economists for their views on the subject. Then we looked at what some of our clients are doing. The energy provider eprimo, for example, experienced a phase of rapid growth during which they were compelled to change their approach to in-house cooperation and begin delegating responsibility downward, turning managers into coaches and recruiting the support of their employees for the plan. In the case of Haufe Lexware, it was not the pressure of growth, but rather the desire for more facility and fun as well as an atmosphere of greater mutual respect among colleagues that led to change in corporate culture for which Coverdale provided support. The articles entitled "Collaborating in teams" and "Understanding why" are based on insights gained by Ralph Coverdale, the founder of our firm.

Although Ralph Coverdale's notes were made in the 1960s, they read as if they had been written yesterday when, for example, he warns managers against trying to manipulate employees like puppets on strings instead of enabling them to work with each other. Other skills which we regard as prerequisites for effective cooperation are addressed in another chapter, in which we describe our consulting approach.

Things then turn more playful. Members of an improvisation theater group have to collaborate, perhaps much more spontaneously and creatively than people who work in an office every day, yet the parallels are impossible to overlook.

But now it's time for you to take action. Give the booklet a shake – if you haven't already – and discover the enclosed checklist on the status of cooperation in your working environment. Perhaps you'll even have time to fill out the checklist BEFORE you read the booklet and then again AFTERWARDS. We would love to hear the results!

Poor teamwork is when a to-do list becomes a you-do list.

Stefan Orac (*1984), cultural mediator

Teamwork is the art of making your partner believe you're working only for him.

Peter Amendt (*1944), Franciscan

"The strength of the team is each individual member. The strength of each member is the team."

Phil Jackson (*1945), US basketball coachr

"Never wake up a dreaming team."

Prof. Dr. Hans-Jürgen Quadbeck-Seeger, (*1939), German chemist and member of the Enquête Commission on Genetic Engineering of the German Bundestag, was awarded the Federal Cross of Merit for his engagement.

"I never did anything alone. Whatever has been accomplished in this country was accomplished through cooperation."

Golda Meir (*1939, †1978), former Prime Minister of Israel

"Team spirit doesn't just exist. It has to be built."

Torsten Marold (*1962), German game designer

"The potentials of people who work with each other are added. The potentials of people who work for each other are multiplied!"

Steffen Kirchner (*1981), mental coach for professional athletes; now an author, motivation expert and top business speaker

When spiders weave together, they are capable of fettering lions ... ...

"You never win alone. The day you begin to think otherwise is the day you start losing."

Mika Pauli Häkkinen (*1968) Finnish racing driver

Ethiopian proverb

Cooperation
A social context

"Wherever private property still exists and wherever people measure all values in terms of money, it will scarcely ever be possible to pursue just and felicitous policies," says the fictional world traveler Raphael Hythlodeus in Thomas More's Utopia (1516)

Anyone who stops to think about cooperation in a social context will quickly be reminded of the word "justice." For the fair and equal distribution of rights and duties, benefits and burdens is the most important criterion when it comes to assessing the quality of cooperative activity. Those who find it difficult to promote cooperation in business life should probably not get involved in politics. After all, politicians, like managers in organizations, should ideally be expected to engender enthusiasm for common goals and related measures. And one of the most important goals is justice – just distribution and just access to health care and education. The French Revolution was essentially an attempt by the middle class to seize power that had previously been reserved to the nobility.

The Industrial Revolution gave rise to the working class, which struggled for over a century to attain a share of political power. And we are perhaps concerned today with the integration of migrants and the question of how people at the lower end of the income scale can participate in society – or with the question of how global inequities of distribution can be eliminated. A society that consistently excludes a substantial group of people "at the bottom" from participation has evidently never experienced true stability for an extended period of time. Or to express it differently, why is it that Scandinavian countries can levy such high taxes, yet still top the list when it comes to the level of satisfaction of their citizens with their government?

Perceived justice cannot necessarily be equated with objective equality. Yet it must reflect a social condition that is accepted by the majority of those concerned. A certain degree of unequal distribution can serve as a stimulus for greater effort and commitment. But if differences in distribution become too large, they give rise to envy, rejection and frustration: inner resignation among working people and political apathy in society at large. This argument is supported by recent studies published by UNCTAD, IMF. "It would still be a mistake to focus on growth and let inequality take care of itself, not only because inequality may be ethically undesirable but also because the resulting growth may be weak and unsustainable."

(Redistribution, Inequality, and Growth, April 2014, S. 25)

So how can cooperation be organized in a society when those tasked with organizing it have to stand for re-election every four or five years? Every manager in any organization can be fired, but would a manager even accept the job under those circumstances? These are the "extraordinary" conditions under which politicians work – at least in democracies. Ideally, they represent political beliefs and values, which may be liberal, social or ecological. Politicians represent certain interests, and they form coalitions and shape compromises in order to realize them. That was relatively easy in the "good old days" of the 1950s and 1960s, when the dizzying growth rates achieved during postwar reconstruction created a truly exceptional situation. There was work for everyone, goals and opportunities for advancement appeared well within reach, and if that didn't work out, the government was there to soften the landing. Opportunity and income were unequally distributed even then, but people seemed less disturbed by the differences. Today, that abundance of opportunity and wealth is no longer available for distribution as a balm for social conflicts, and social solidarity has given way to fragmentation into numerous different groups and milieus. How, then, is it possible to organize cooperation within a society today? Is there any hope at all?

Are human beings capable of co-operating at all? What do evolutionary biologists say?

Teamwork and cooperation appear to have been a product of one of the most significant leaps forward in human development. Signs of the corresponding capacity can be observed in apes, although only homo sapiens have developed it to the extent that they were able to make systematic use of it. Scientists at the Max-Planck Institute for Evolutionary Anthropology conducted a comparative study of the phenomenon. Infants are capable of interacting with another person by smiling immediately after birth, and the researchers in Leipzig discovered that children begin organizing cooperative activity with clearly defined roles at the age of three – something

two-year-olds are still unable to do. "At the age of three, children appear to have developed a certain grasp of the concepts of agreement and compromise, including the associated normative components. These normative components are indicative of their understanding that certain activities are approved or rejected by something bigger than they are – the group, a representative of the group or an existing rule." According to the researchers, the most important skill is the ability to empathize with others, their perceptions and their goals. And the findings of this study clearly suggest that apes, our closest relatives, do not possess that skill. Thus the human capacity for teamwork is evidently a basic principle on which our civilization is built.

www.mpg.de/4658054/Kooperation_bei_Kleinkindern

How game theorists assess the chances for cooperation

Therefore, the willingness to engage in cooperation is present in everyone from childhood on. Yet it is often later overlayered by the experience of having been "pulled over the barrel" at one time or another. Thus we can reasonably presume that negative experiences serve as a deterrent to cooperative behavior.

Yes, that could be, said the political scientist and game theorist Robert Axelrod in the 1980s. Yet he recognized tendencies toward cooperation, totally unrelated to moral principles and other norms, even among individuals who ordinarily behave egotistically. His computer models showed that players in open-ended (and thus

never-ending) decision-making situations achieve the best results when they offer to cooperate, at least initially. If the opponent refuses such an offer of cooperation, the player should respond accordingly (Wikipedia: "tit for tat"). The point must be to keep the penalties to a minimum while maintaining the value of the rewards. When only two players pursue this strategy in competition with each other, neither is likely to lose badly, and both will finish with roughly the same result. The more players involved, the greater the gain from cooperative behavior in this situation. So far – so abstract. Axelrod's study is based on the prisoner's dilemma, in which two defendants are faced with the choice of "betrayal or jail." If only one of them betrays the other, the victim of betrayal goes to prison for five years. The snitch is acquitted and receives a reward in the bargain. If they both betray each other, they will both be sentenced to three years in prison. If neither betrays the other, both will be acquitted, although neither will receive a reward. The outcome of a single round of play differs fundamentally from the situation simulated by Axelrod. The game continues "forever," and there is no "last round" in which one player can maximize his winnings by acting egotistically. There are surely only few situations in real life in which these conditions apply exactly, and the strategy is also susceptible to misunderstandings, which can continue to "echo" for quite some time. Although some improvements have been achieved with later theoretical and tactical approaches, cooperation, in a purely abstract sense, is not the worst tactic to pursue when the rules are so precisely defined.

(Robert Axelrod: Die Evolution der Kooperation. Oldenbourg, München 2005, ISBN 3-486-53995-7.)

Another approach to fairness and just distribution proposed by game theorists is based on the ultimatum game. Player A receives a sum of money only if he is willing to give Player B a share of the total amount with which Player B is satisfied. If B refuses the offer, neither gets any money at all. The experiment was conducted a number of times. On average, A offers between 40 and 50 percent, and B rejects offers of less than 30 percent in most cases – at least when both A and B come from the US, Europe or Asia. Players from other cultural backgrounds and smaller societies generally offer much smaller amounts, and their offers are regularly accepted. The researchers concluded that the sense of justice or fairness is culturally determined and does not represent a constant among humans all over the world. Several experts go so far in their interpretations as to contend that complex human societies cannot possibly exist without a significant degree of interpersonal cooperation. "It is possible that prosocial (altruistic) behavior is not based on the psychological make-up of the individual, but instead reflects norms and institutions that have emerged over the course of human history."

Henrich, J. et.al., (2010) Market, religion, community size and the evolution of fairness and punishment. Science, Band 327, S. 1480–84.

And how do economists explain the world?

Yet another approach to an explanation of cooperation among human beings is offered by new institutional economics (NIE). In the Stone Age of economic theory, Adam Smith postulated that human behavior was influenced exclusively by economic incentives.

And it was also assumed that all human beings behave entirely rationally. Neither assumption has proven to be true, and generations of economists have been inundated with criticism for defending them. NIE expands the range of basic assumptions about

(economic) cooperation and includes other, non-economic factors, such as moral principles or greed, but also gives greater consideration to such general parameters as property rights, laws, disparate information about markets and simply bad contracts. All of these influences are institutions, and they form a system of formal and informal norms or rules that are intended to steer human behavior in a certain direction and rely on specific incentive and penal instruments in doing so. These systems may serve many different purposes, ranging from personal profit maximization to the attainment of salvation in the religious sense.

However, within the context of its scientific focus, the basic premise of NIE is that structures and institutions evolve in such a way that the net proceeds from all transactions are maximized. While the relative share of gross domestic product contributed by transaction costs roughly doubled in the course of the last century, labor productivity rose by a factor of ten. NIE recommends choosing the institution or organizational structure (market, vertically integrated institutions, etc.) that offers the best protection against opportunistic behavior, makes honesty more worthwhile than dishonesty and thus possesses a certain self-enforcing power.

So let's ask the philosophers

Political theorists and philosophers look back on a much longer tradition when it comes to the description of possible forms of human cooperation. In his Leviathan (1651), Thomas Hobbes describes a war of all against all that can only be ended by an ordering authority invested with absolute power. Thus reasonable subjects,

he contends, must be willing to accept a political contract. In a somewhat more peaceful vein, yet with much the same logical consistency, Jean-Jacques Rousseau, writing one hundred years later, posited a natural state of paradisiacal peace that was destroyed only by social inequities. In On the Social Contract, or Principles of Political Law (1762), his most important treatise on political theory, he called for the replacement of the existing monarchic or aristocratic social order by the will of equally empowered individuals.

Against the historical background of inequality under monarchic rule, these theorists laid the foundation for contemporary democracies with the idea that all human beings are endowed with equal rights and that, according to Kant, the freedom of the one is limited only by the freedom of the other. People relinquish the right assert their claims to money, freedom or other values by force and delegate that task to the state. In keeping with the principle of the separation of powers, governments pass the laws, the police enforce them, and the courts adjudicate any disputes that arise – and all of these functions are completely distinct from one another.

These theories about the responsibility of the state for the organization of life in society do not answer the question of how people arrive at such a social contract. A comparatively recent proposal was made by the US philosopher John Rawls in the 1970s.

In his *Theory of Justice*, Rawls proposes an approach to the introduction of just principles of human cooperation and the distribution of goods. "The Theory of Justice regards society as a cooperative undertaking devoted to mutual advantage." (TG 2.14, 105) In view of the fact that only very few people outside the field of philosophy are familiar with Rawls's work, it appears that his proposal is still rather theoretical.

Rawls employs the old trick of the conceptual experiment. In the midst of an historically grown situation characterized by cooperation and the corresponding distribution of goods and values, people simply take a step

back and think again. How do they wish to live and work together, and with what values and basic principles? And in order to ensure that everyone has only the issue of just distribution in mind, Rawls invented the "veil of ignorance: Those involved in the process of discussing and choosing the basic principles of justice do not know what their positions will be in the society they conceive. The effect is clear and simple, for everyone will rationally assume the worst, namely that they will end up as the underdogs and losers. And they will want to make preparations for this worst-case scenario. According to Rawls, the subsequent process gives rise to a hierarchical list of principles, of which the first must be realized before the next can follow.

The first principle
Each person is to have an equal right to the most extensive total system of equal basic liberties compatible with a similar system of liberty for all.

The second principle
Social and economic inequalities are to be arranged so that they are both
a_to the greatest benefit of the least advantaged, consistent with the just savings principle, and
b_attached to offices and positions open to all under conditions of fair equality of opportunity.

**First rule of priority
(the priority of liberty)**
Basic liberties may be restricted in the following cases:
a_A less extensive liberty must strengthen the entire system of liberties for everyone;
b_a less than equal liberty must be acceptable to those affected by it.

**Second rule of priority
(Justice takes precedence over productivity and living standards)**
a_An inequality of opportunity must improve the opportunities of the least advantaged members of society;
b_an unusually high savings quota must reduce the burden of those affected by it.

These principles must be continually adapted to new living situations and social conditions. They are never "final" but rather always in the process of being adapted.

Rawls's concept naturally applies to fully "adult" individuals and offers no protection for psychopaths or extremists – and that may be considered a disadvantage. Yet the idea of a "veil of ignorance" that blinds people to their positions when it comes to making decisions about social life in society has a certain appeal. Neither wealth nor talent nor physical condition plays a role, and every preference given to egotistical behavior is limited, as every reasonable person would automatically fear being forced into the role of the loser if the veil were to be lifted.

The principle of protecting individuals against egotistical behavior and the taking of unfair advantage by others plays a central role in all concepts and theories of cooperation. Cooperation in society cannot be organized without the moral component of "justice." That claim is not based on moral considerations, but on practical ones. The sense of living justice promotes engagement and thus growth as well. Or expressed in different terms, why should social life in a given country differ from life in a business enterprise, if the same people are concerned? It remains to be seen how the international alliances of nations respond when one of the major partners discovers the benefits of egotism and begins to enjoy them openly.

Unter nehm

möglich

Mit

"Teamwork: an oasis of cooperation in the desert of competition"

KarlHeinz Karius, originator, human being and advertising consultant

13

More effective cooperation A good start.

Collaboration with Coverdale began for eprimo in 2008. The idea – and the challenge – was to establish a fitting vision and mission as well as suitable structures and forms of co-operation for the growing company. The rapid growth of the customer base was accompanied by an increasingly complex day-to-day business process, which required the capacity for rapid responses and sound decisions. The limitations of the firm's hierarchical structure became clearly evident. During the progressive growth process since the takeover of RWE, the objective was to provide consulting and training support for the process of reorientation in the Operations Department headed by Ralf Friedrich beginning in 2014/2015.

Goal
The goals of the process devoted to a strategic reorientation in support of more effective self-organization were:
– to involve employees in the reorientation process, enabling them to shape and develop it as much as possible and to encourage them to take on more responsibility;
– to support managers in the process of evolving from the role of decision-makers to that of advisors and coaches capable of delegating responsibility and to equip them with the corresponding management tools;
– to install standardized tools for efficient cooperation within the organization – the operating system;
– and thus to design leaner internal processes while pointing out perspectives for further development at the same time.

Interventions by Coverdale

At the outset, a guiding model consisting of the corporate vision, its mission and the basic principles of co-operation and the new management concept was developed in collaboration with employees.

Workshops for managers and line employees were then conducted on the basis of the model. These workshops were combined with competence-enhancement training and individual coaching sessions.

Reviews (consistently linked with topics covered in workshops and training sessions) are conducted four times per year, with guidance and support provided by Coverdale.

Results

As the number of new customers continued to increase while staff size remained unchanged, the number of employees invested with more responsibility rose proportionately. These employees are happy with their new duties and grateful for the support they receive in their new roles. The regular reviews and the introduction of new fields of learning have given rise to a constant, fluid learning culture that strengthens managers in terms of their awareness as well as their decision-making and management skills.

"We turned the responsibility over to the teams and let them do what they needed to do. When we noticed that things were looking shaky, we didn't hit the brakes and say, 'That's not working at all.' Instead, we took the process a step further. Sure, there were risks involved in doing that. But things really did get better afterwards – not for everyone yet, but it's working. The fruits are already there to see."

Ralf Friedrich

15
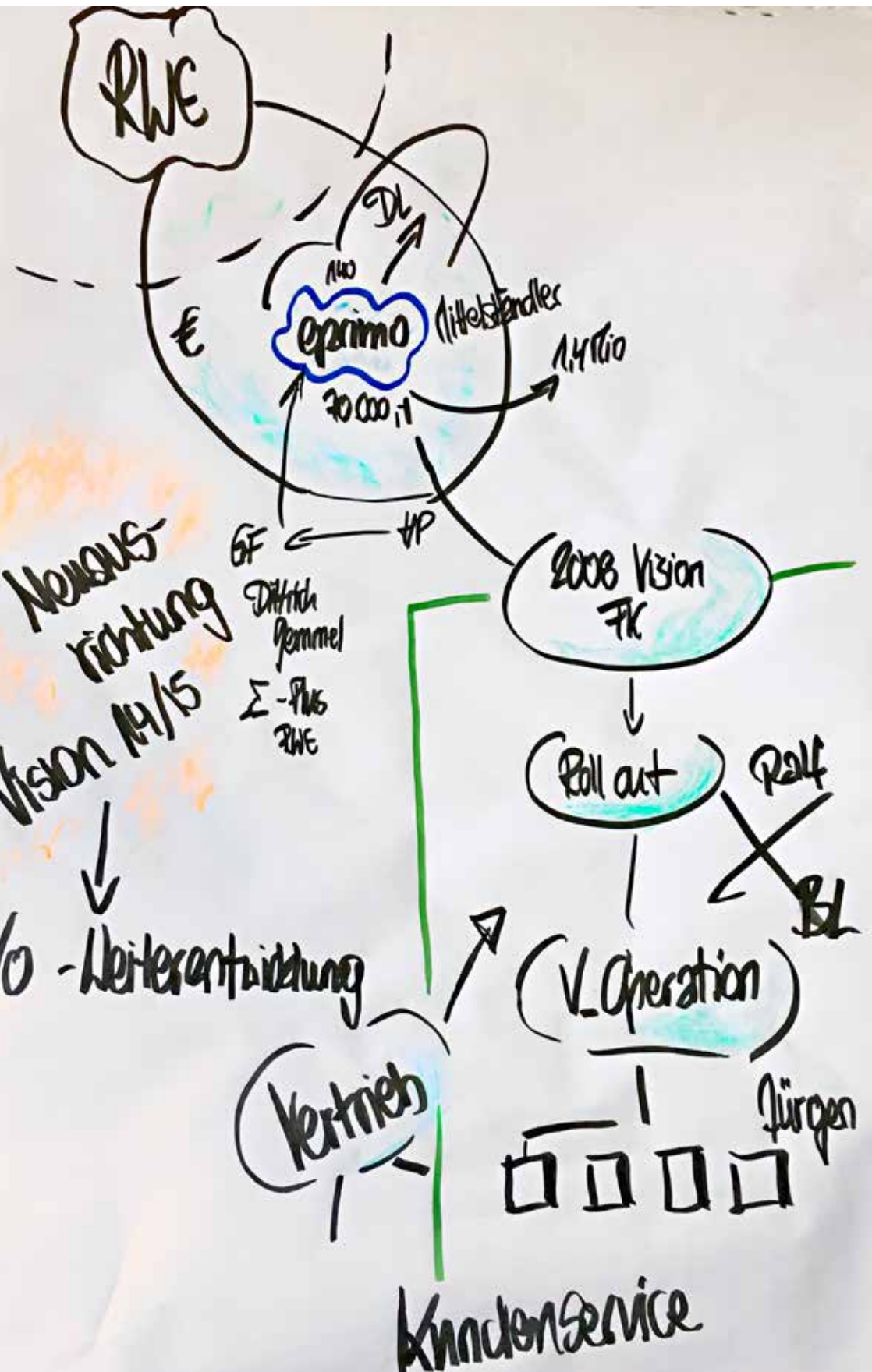
„ ... Dann wird es wuppen!"

Interview
**Questions for Ralf Friedrich,
head of the Operations and
Portfolio Management Depart-
ment at eprimo GmbH**

? You were first confronted with the issue of self-organization within the context of the in-house vision-development process set in motion by Board of Management Chairman Dr. Dietrich Gemmel. Do you remember those days?
:: Yes. We had only been here in Neu-Isenburg for a year. We had 15 to 20 percent of the customers we have today, and it was obvious that it was time to escalate. The challenge back then was to get the management team to commit to ensuring that a lot more would now happen than just drop-by-drop growth. We showed that it could be done relatively quickly. We reached the first million-customer mark after two or three years. Welding this unit together under those circumstances and with many new people in the management team was truly an awesome process – supported by Coverdale.

? So you wouldn't refer to that point in time as the beginning of the self-organization process?
:: Oh yes, the beginning by all means. We had a goal, and everything worked wonderfully until we posted the first black zero. But then everything just kind of plodded along. I'm confident that we can make the new goal in the process that is just now getting underway, emotionally

Ralf Friedrich
*1964, head of Operations and Portfolio Management at eprimo GmbH in Neu-Isenburg; training and studies in the German discount retail food trade; actively involved in the design of the liberalization of the electrical power market since 1998 and later in the gas market; responsible for the expansion of business operations at eprimo in response to the requirements of a constantly changing market environment and a progressively growing company since 2007.

graspable once again. We like working with images. The seafaring metaphor was introduced on Hanspeter's and Coverdale's initiative. That helped us get back to doing graspable things again.

? Is there anything different or unusual about the current change process?
:: Something I find exciting and which really is different is the fact that the

17

sense of responsibility we demand from our people has stopped them from just sitting there doing nothing. I recall phases during which I would explain things to the whole team and ask questions when I was done – and nothing would come from them. That is changing now. I think that's good, because it takes the fear out of the issue of change. That's one of the reasons why people react the way they do otherwise. When it's transparent, it gets put on the table, and you can talk about it and find solutions.

? You explicitly rejected the "Big Bang" approach. Would you do that again?
:: Yes. We didn't want to create a Big Bang and tear the whole place down. Customer service is the front runner – keyword Customer Service 4.0. Most everyone in the department has now climbed out of the hole and is actively confronting the new situation. A smaller group is still having trouble adjusting to the changes. And we will have to find solutions for that problem this year. The important thing is for every division and every department to find its own way and then proceed with small steps. A fully planned project for the next two years simply won't work. I see that in the case of the subject of Scrum. My advice is this: Start moving, look where you stumble, and make sure you get rid of the traps. Retrospectives and reviews, as Coverdale calls them, are ideal tools for that purpose.

? In what sequence have you addressed the issues in question?
:: We started to look at new methods and mechanisms in agile work environments in the Intralab early on: business model canvasing, lean start-ups, etc. In one building (which is currently being remodeled) the working environments are much more open, and Customer Service will be moving there soon. The works agreements on working hours and workplaces are in place. Everyone has a laptop and a mobile phone, and work schedules have been relaxed. Employees are required to work 40 hours a week – period. Where doesn't matter, although it should ideally be at the facilities of the service providers. We are currently working on an interdepartmental structure for a strategy for escaping from the silos. Another issue is the need to update the existing individual goal-agreement system.

? Knowing what you know today, what advice would you give other organizations that are striving for more effective self-organization?
:: I'd begin by making sure to minimize risks. Then – at least in the case of organizations in our size range – I would always engage an outside consultant with the appropriate know-how. Then, the people responsible for the process have to get that into their heads. Being able to let go is very important in this context. And error culture is another keyword. People must be allowed to make a mistake once, but must then learn from it. It they make the same mistake again, it's probably time to take another look. That is the task that remains for a manager.

? Your colleagues mentioned the "eprimo spirit" and emphasized that it should be maintained in the face of changes. What is so special and worth preserving about it?
:: These reservations exist because we have always tried to think and act in a solution-oriented manner.
When I look ahead today, the world doesn't seem a clear and understandable as I'd like it to be. That leads to hesitant decisions that are interpreted as showing a "loss of spirit."

? I was surprised to witness the honesty and openness that prevails in your department-head meetings. Why is that openness necessary?
:: Maybe that's a matter of spirit as well. Work isn't everything. There's home life and sports clubs, etc., as well. I have to try to consider the

of trusted colleagues – people I believe will always give me an honest answer. I take the time to listen to their worries and concerns. When you do that, you quickly reach the point at which things become painful, and you can deal with that much better on a horizontal plane.

? How has cooperation within the team changed?
:: We are already working in self-organized teams in Customer Service. That always sounds so wonderfully hierarchy-free, but of course it isn't. They are hierarchy-free only in a disciplinary sense. When I work with a team I'm a team member and am permitted to express my opinions. Decisions are made by consensus in Customer Service – and against my wishes or those of another department head, if need be. That is definitely one thing that works much better than I expected.

? How would you define eprimo's formula for success?
:: That brings me back to the idea of spirit. If the vision, the goal, is clearly defined, the rest largely takes care of itself with the existing group. We've experienced that in three or four cycles over the past twenty years. You have to have a clear picture of future goals and convey it to others. Then things will start to pop.

? That's a great last word ...
:: Isn't it? I just occurred to me.

Thank you for this interview.

personal matters we discuss in our quarterly department-head meetings moderated by Hanspeter in order to be able to manage with an eye to specific situations. That is at least as important as knowing what colleagues have to offer in terms of professional expertise. And to exercise restraint or give people certain liberties here and there in recognition of such matters. And to know that it won't help anyway to go on the attack because someone is going through a difficult personal situation.

? How has your role as a manager changed?
:: There is one point that your Coverdale colleague reminds me about continually: the need to bow out of the operational sphere and take on more management duties. That is one area in which I have made progress. On the other hand, I have built an interdepartmental network

The project manager at eprimo is Hanspeter Durlesser. The interview was conducted by Sandra Luttenberger, who recorded it in writing for this article
.

Dr. Hanspeter Durlesser, Partner
*1965, geophysicist, management responsibilities in his own company, with Coverdale since 2000; Trained as a consultant/trainer (BDVT) and outdoor trainer; advanced training in coaching. Managing Director of Coverdale India.

Sandra Luttenberger, Consultant, *1977, holds degrees in communications management and business management; line and management experience as a marketing manager; consultant and training in project management; basic training in systematic organizational consulting; with Coverdale since 2016.

"Nothing is perfect, and all solutions achieved with many participants require hard work and intensive communication." *

Tim Berners-Lee

* Tim Berners-Lee is recognized as the inventor of the World Wide Web. Proceeding in response to the problem faced by the many scientists at CERN who were compelled to cooperate across national boundaries, he developed the html language, the http protocol, the URL and the first browser, and he also built the first web server at CERN.

Abb.: CERN, Large Hadron Experiment; Pixel Decoder

Szenario: late 2014 – the sales departments at Haufe-Lexware are on track for success, the figures look good and 90 people are now employed in the growing sales organization – yet CEO Mirza Hayit has the strange feeling that something is missing. His intuition tells him that something else will be needed to make the leap to the next level of development.

Profile

Topic: Cooperation and culture change in sales

Client: Haufe Lexware Service GmbH & Co. KG

Industry: Media and software (digital media group)

Size: over 1 million customers

Sales Culture next level

The organization is currently too dependent on him. He contributes the fresh ideas and management impulses, and the organization carries them out. Managers and employees focus primarily on achieving individual goals and less on matters of concern to the company as a whole. He views this kind of cooperation as a limitation and wonders what his team needs in order to assume responsibility for itself, contribute ideas actively, encourage mutual support, challenge itself and take effective action. He turned to Coverdale once again with that question. The consulting partner on whom he has relied since 2001 – then the Managing Director of the WRS Verlag – participated himself in a company-wide Coverdale team training program on the subject of team-oriented cooperation.

Goals

Since taking over as Sales Director at the Haufe Group, he systematically built the sales unit into a professional team and achieved a good position in the market. The expectations, the performance KPIs and the sales approach were firmly established. The massive changes and market requirements faced by the evolving Haufe Group were successfully mastered, and the sales staff grew substantially. Every member of the professionalized team knew what he needed to do to make things work.

Yet in order to reach the next level – the "leap to the Champions League," every individual would have to demonstrate more creative drive and take on a greater share of the overall responsibility. The challenge was to promote recognition of the intrinsic necessity and the desire of managers and employees to achieve the planned cultural transformation – without appreciable pressure from outside. The goal of the transformation process was to achieve much better results by promoting more facility and fun as well as respectful, authentic interpersonal relationships and a climate of collective willingness to assume responsibility

Coverdale Interventions

The first 24-hour workshop for all managers took place in January 2015. The purpose was to familiarize the team with Mirza Hayit's thoughts and initiate a discussion of values.

What kind of a culture do we have? What is the attractive goal we

envision? A task group compiled the results, which were then worked out in greater detail in a second workshop. The ten guiding principles were discussed with all employees in the form of world café in the subsequent summer workshop. Twelve guiding principles subsequently derived on the basis of the processed feedback and listed on a poster were discussed continually in team meetings. At the same time, the organization underwent a 360-degree feedback process to determine the extent to which these guiding principles were actually being put into practice. A culture of mutu-

Results

The firmly established ritual of the summer workshop is an essential success factor in the process of developing, strengthening and stabilizing the sales team. Held in collaboration with Coverdale every year since 2008, the event is a mixture of an annual review, a celebration of past successes, discussion devoted to critical issues and adventure-oriented (outdoor) exercises – all of which serve consistently to promote and enhance cooperation. The often creative and challenging exercises have been conducted in cooperation with a consulting partner, and there

al trust emerged from the 24-hour workshops moderated by Coverdale, and difficult issues were addressed and resolved in the resulting climate of open discussion.

The guiding sales principles were discussed by managers and employees throughout the course of the year, and a total feedback process involving all 80 core and field sales representatives took place during the next summer workshop. Participants provided feedback to each other regarding individual performance, overall performance and application of the guiding principles. The "Sales Culture" project was successfully concluded. Managers and teams assumed responsibility for designing the living culture as a continuous feedback process within the framework of their day-to-day business activities.

was naturally a lot of feedback from the trainer and among the participants. This continuity helped fuel the growth of a culture of trust in which highly respectful and appreciative feedback is possible, in which performance – both individual and group – is honored and in which it is much easier to talk about difficult issues. A strong sense of solidarity is generated in the process. In addition to the professionalization of sales operations, the development of a sales culture and the increase in the number of sales representatives, sales revenue doubled as well.

Starting in 2017, Haufe-Lexware has been working without outside support and with a format of its own on "Sales culture – the next level." Thus cooperation and client development have been a success story for Coverdale as well, from close involvement at the outset to complete client autonomy at the end – enabling people to succeed together.

"I don't believe that employees want to work in purely hierarchy-centered organizations. That has long since outlived its usefulness. Individuals can no longer kick-start a business. There is added value in sum of the skills of all employees. Being able to bundle the capabilities of all of my 120 people is the crucial factor. My job and our challenge is to harness that potential and promote a climate of cooperation in order to achieve success in the market."

Mirza Hayit

Interview:

Questions for Mirza Hayit, Managing Director at Haufe Lexware Service GmbH & Co. KG

? You got to know Coverdale in connection with a training program in cooperation. What prompted you to contact them in 2014?

:: *The trigger was the fact that my organization had grown extremely rapidly. We came from a highly hierarchical organizational structure. I wanted to replace that with agile, employee-centered principles of cooperation. My goal was to reform our operating system by shifting to an employee- and customer-oriented structure in which employees and teams had more responsibility. And I needed support and moderation to achieve it.*

? You have also acquired skills in the management of change processes yourself. So why work with Coverdale?

:: *I've always liked Coverdale because their consultants and trainers represent a strong humanistic approach. Your employee image is characterized by personal responsibility and personal initiative and focused on making strengths visible, building upon them and enhancing them. That image and your image of organizations fit very well with my own entrepreneurial vision.*

? How did your people react to the first 24-hour workshops?

:: *They were curious, in a positive sense. That is a basic attitude in our company anyway. I wasn't the only person who saw the need for change. Our managers saw it as well.*

After graduating from college with a degree in communications, **Mirza Hayit** spent 17 years as an independent businessman and co-founder of the Hayit Publishing Group. He then moved over to the field of media business management. He has served as Managing Director, Direct Sales, Channel Sales and Media Sales for the Haufe Group since 2010. In addition to his many years of management experience in mid-sized enterprises, Mirza Hayit acquired methodological competence in major organizational projects during a three-year training course in process consulting and three years of training as a consulting transactional analyst.

But as it turned out later on, there is a big difference between "Yes, we're with you," and "Yes, we'll act accordingly.

? Which interventions by Coverdale were the most effective?
:: After the kick-off, we repeated the workshops with Wolfgang Lundgreen for the management team and focused on a specific topic – such as feedback culture, performance and mutual re-spect – in each quarter. This continuous, structural development process over a period of 24 months was an important factor in our success. The second was the fact that we top managers figured out how we actually wanted to work with each other so as to develop a consistent picture. Only then did we involve the whole team. Our employees then went through the same process the managers had previously completed. But not top-down with the attitude that "the managers have come up with a great idea." The employees were able to help shape the process and give feedback. We completed sev-eral rounds. Once we had adopted the basic rules in "We are Sales," we went on in the second phase to define how we would make the principles mea-surable, how it would feel, how we would experi-ence the process and where the important issues lay. This iterative, integrative approach was the most important factor.

? How has your role as CEO changed?
:: I've become closely involved in the role of a moder-ator and coach. Actually, all I do now is ensure that the conditions that enable the team to work effec-tively are met. That includes fulfilling the financial requirements, making room for creativity and deci-sion-making and – to the extent necessary – provid-ing support for personnel and team development.

I now focus more on strategic orientation. I enjoy working with people who have skills I don't possess myself. Skills that make us better. And that is where they should have the most creative free-dom. No operational input is needed from me. Re-sponsibility is now distributed over broad shoulders without making individuals feel as if they're being asked for too much. It's a nice effect and it feels just great.

? Imagine that I plan to walk through your offices in Planegg tomorrow. What concrete signs of change would I recognize?
:: As a rule, you notice what's up as soon as you walk through the door of a company. When you visit us, I would hope that you recognize by their attitudes, gestures and facial expressions that our employees enjoy working here. You would probably feel the positive energy in the rooms and sense that honest and open in-teraction and communication take place here.

If you took part in a meeting, you would also see and hear how we in-teract and communicate with each other. We still practice a feedback culture, for example. And we talk about it regularly: "What do I per-ceive, and what effect does it have on me?"

You will also be able to recognize the same things in our office-space concept. We will soon be changing our office configuration and switch-ing to an open-plan format – in other words, one large room with com-munication and creative islands. We're taking that step now because the existing office layout prevents us from communicating in keeping with the new approach. The external structures have to reflect the altered internal attitude and the new mode of cooperation – not the other way around.

? You have invested a great deal of time and money in the process of de-veloping your in-house cooperation. How has that benefitted your business and your relationships with customers?
:: Generally speaking, we have been on a growth course right along –

without losses or setbacks. I attribute that to the fact that we are constantly working to develop and adapt our sales organization. Our customers expect more of us now. We have been able to respond to their heightened expectations because the changes we have undergone enable us to deploy the skills and potentials of our employees at the points at which they have the greatest impact on our customers. We check the Net Promotors Score (NPS) regularly, and that helps us measure the quality of our work. Our NPS has improved steadily – year after year.

? What recommendations would you make to organizations facing the challenge of transforming their cultures and initiating such a process?
:: Put your heart and soul into it and take it seriously. Take your time. Don't be dogmatic, and don't think you know everything already. Have faith in your employees' potential. Those would be the four key pieces of advice I'd give my colleagues. I'm firmly convinced that what helped us was the fact that the transformation of a culture isn't something I generate with a kick-off event. You have to take time for a change like that. I took two years for the process. I was never interested in simply painting a few pretty pictures and a nice poster. What was important to me was that our new attitude, the changes in our cooperative behavior and the ways in which we act would be noticeable – in the eyes of employees, customers and the market – and that we would strengthen our self-image at the end of the day.

? À propos strengthening your self-image – you have just returned from your annual summer workshop, the first one you have conducted without outside support. How did it go?
:: Super. The idea came from our managers, and the team welcomed the fact that we are now capable of organizing such events completely ourselves as a positive change.

? Does that mean that the change process is completed?
:: One challenge that remains is that of designing our internal interfaces within the corporate group – the dynamic that emerges when such a strong sales team with its own principles of cooperation encounters others. We are also still growing, and our new employees – 20 or 30 by now – will have to find their places in the new culture. So we'll never be finished. It's a never-ending process.

And we mustn't forget that the market and our customers are always changing, which means that we must change as well. It is not a rigid system. That is very important for us. It's an open system that is oriented towards business challenges, the

market and our customers and one that demands a high level of willingness to accept constant change and reform.

! Thank you for this interview. We wish you the best of success for "Sales Culture – the next level."

The project officer at Haufe-Lexware is Wolfgang Lundgreen. The interview was conducted by Sandra Luttenberger, who also recorded it in writing for this article.
.

Wolfgang Lundgreen, Partner
*1968, holds a degree in business engineering; with Coverdale Deutschland as a consultant/trainer since 1996; advanced training in telephone counselling, Hakomi therapy (somatic psychotherapy), transactional analysis and structural constellations.

Sandra Luttenberger, Consultant, *1977, holds degrees in communications management and business management; line and management experience as a marketing manager; consultant and training in project management; basic training in systematic organizational consulting; with Coverdale since 2016.

„We firmly believe that there is no more powerful and effective means of educating each other than working together."

Johann Wolfgang von Goethe

Author: Mike De Luca

I came across some old things written by Ralph Coverdale recently. I'm not sure when they were written, but it was certainly at least 40 years ago and maybe even 50. The article below is based on my interpretation of some of Ralph's musings. His thoughts are as relevant today as they were all those years ago.

Collaborating in teams

Based on the writings of Ralph Coverdale

I'm sure we are all familiar with the phenomenon of 'management by crisis', in which we seem to lurch from sorting out one panic to dealing with the next thing to go wrong. However, we are not, in fact, managing: we are being managed by the situation. Management implies awareness of a situation, having a sense of direction and planning so that we can reach objectives. High achievers are well aware that their success has not come by chance, but has been planned for. Luck may play a part, but luck is largely a matter of seizing unexpected opportunities. People who complain that they have never had a break may well not have prepared themselves to recognise the break when it appears.

Some people attempt to control a human situation by regarding it as a machine. They envisage themselves outside the situation, manipulating their employees like puppets. Such a mechanistic approach may bring some short term returns, but, in the long run, it often tends to lead to frustration. Indeed, some of the more perceptive employees will react strongly against being 'controlled', devoting themselves not to achieving the objectives of the organisation but to political intrigue in order to frustrate the ploys of the manager. Others may retire into themselves, doing what they must and no more.

The really effective manager realize that they are part of the human system they are attempting to control and leads it from within. The aim is, in fact to create a working team. But how do you lead a situation within which you are involved?

An approach to this lies in the comment by Teilhard de Chardin that the unique feature of human beings is not that they think and act and feel, but that they can be aware of them-

s is to understand his job and become int

blems and dealing with them.

ng that everyone in a group is giving pr

t the same time.   Generally speaking, a

an may be conscious of a thought, he car

e perspectives :-

)   a more immediate problem or obstacle

)   a more ultimate need or aim.

ed to commonly understand both issues

...... support for the action to be

selves thinking and acting and feeling. We must be aware of any situation before we can hope to exert an influence on it. By developing awareness, a manager can begin to give a lead to the people for whom he or she is responsible instead of simply reacting to a series of different events.

Really good salespeople are well aware of a human situation. They study the way in which their customers react to the ideas they are putting forward, listen to what the customer says so as to build on it, and watch for physical signs that the customer does not understand, or is getting bored or impatient. They will plan each call deliberately, aiming to put themselves alongside the customer to help them to overcome the problem which they face. The aim is to let customers sell to themselves. The salesperson's ultimate objective is to sell the goods or services he or she is offering, but

the aim for the meetings which run concurrently with this will be to get alongside the customer in order to understand his real needs.

In our society we form teams or cooperative assemblies for all kinds of purposes. Athletes, for example, have physical objectives. Members practise to perfect their mutual achievements in overcoming the natural environment, as in mountaineering, or in beating another team, as in football or cricket. The members of a team are selected principally for their physical skills which will help the team to integrate. This integration is largely a matter of working together repeatedly and deliberately practising how they work together. Ultimately, it is more than their individual physical skills that leads to success. It is their ability to integrate and work well together – and this may take several months or even years.

Ralph Coverdale was a pioneer in the fields of organizational development and experiential learning based on an inductive approach to learning.

After being discharged from the army in 1947, Coverdale studied psychology at Oxford under Bernard Babington Smith. It was during those years that he developed his theories about the ways in which people can cooperate successfully.

He was firmly convinced that co-operation and management skills can be learned, a belief that stood in to-tal opposition to the then prevailing assumption that people are born with a fixed set of skills.

Coverdale and Babington Smith worked together for many years and developed the Coverdale learning method, which was influenced above all by the idea that optimum learning success and the highest level of skill development was achieved through "personal experience and action."

Ralph Coverdale died at the young age of 56 in 1975.

Another form of cooperative or-ganization is the therapeutic group, which has proved its value over many years in helping people to over-come psychological disturbances and disorders. This group has no physi-cal function; its objective is to en-able its members to develop greater self-knowledge and understanding of the effect that each has on the others. This is achieved by focusing attention on analysing the feelings of members within the group. The suc-cessful group has a permissive, friend-ly atmosphere. A consultant analyst in the group interprets what is happen-ing for the members, and at the same time, seeks to make them independent in their efforts to understand each other and themselves.

A third and very different type of assembly is the religious community. In this case, men and women band to-gether in the search for ethical values and a spiritual life which transcends material wealth or power. Their aim is to find a deeper meaning to their in-dividuality and mental peace, through the love of God. The head of the com-munity is given widespread power – particularly because obedience to his or her authority is accepted voluntarily by the members.

In business, industry, the armed forces and other institutions, gov-ernment departments, schools and professional organizations, there are systems of organizations which are designed to direct the work of the in-stitutions. Directors or senior manag-ers seek to overcome a multitude of difficulties which beset the organiza-tion and its environment. They set ob-jectives to decide on priorities or dele-gate power to initiate action down the line of command. In order to reach a decision, particularly in a crisis, indi-viduals need to co-ordinate their ef-forts; frequently they operate through one person who, by reason of ability, seniority or status, is given authority to make the final decision.

Each of these very different groups emphasizes one or more of four fundamental characteristics of human beings – behaviour, thought, emotion and respect for ethical val-ues. Although they differ widely in

their aims and methods of approach, the subjective experiences of participants in all of them have much in common. Spiritual people enjoy elations and suffer frustrations like anybody else. They think deeply and work hard. A football player may be enthusiastic or despairing, thoughtful or fair. A businesswoman can have a highly developed sense of service to the community and can get things done, all with the usual accompanying risks and anxieties.

The demands made upon the appointed leader in each of the four examples of groups cited above will be very different. The relative priorities of the problems which arise will vary considerably, so that what to one group will appear as a major crisis, to another will be a mere incident. Each group will, however, experience the same kinds of situations. If a group is to become an effective team, working towards a common objective, its members may need to develop a greater awareness of their own thinking, feeling, acting and morality and that of their colleagues as they work together. In this way the team can take better advantage of its personal resources.

Of course the most comprehensive example of a group, the purpose of which is to stay together irrespective of the work to be done, is the family. Survival is the purpose and any occupation, sport, religion or social friendship can spring up and die in the interests of preserving the underlying cohesion of personal ties.

A manager, then, must plan to create a team in which there is a clear sense of direction or purpose, so that its members may co-operate in getting things done; in which the feelings of people are channelled to their mutual advantage; in which there is an atmosphere of confidence, trust and integrity. In the harshly competitive world of business today, in which the ability to wield long knives sometimes seems to be rated higher than long experience, such a working team may appear an unattainable ideal. But, in many instances, it has been achieved. It can be achieved, and indeed, it must be achieved if an enterprise is to have the internal strength it needs to survive in the face of growing external pressures.

However, some people, while praising the ideals of teamwork, they assume that membership of a team demands conformity to existing rules, procedures or people which they see as restrictive and limiting. When a mechanistic approach is taken towards team formation, this is bound to be so; you obey the master and the rules or you get out. The most effective teams, however, recognize and operate as organic systems. The members seek to co-operate by supporting and helping each other, so that the individuals' performance is not restricted to the 'group norm', but to the best that they can achieve. This is almost invariably higher than their own individual expectations. The motto of the Three Musketeers 'All for one, one for all' has a meaning. For even the most extreme individualist, to be a member of such a group is a liberating not an inhibiting, experience – liberating their own potential and the personal strength of others through the team.

Mike De Luca, Associate
After studying literature and publishing, Mike De Luca gained experience in many leadership positions. He has been on the board of three different publishing companies and has also held three other board positions. He has worked for Coverdale for 25 years and has served as Chief Executive and Chairman of Coverdale UK and MD of Coverdale International. His main focuses as a consultant are board coaching and facilitation, international leadership development, performance improvement and helping organizations achieve their aims through their people.

Author: Mike De Luca

Understanding the Why

Based on the writings of Ralph Coverdale

The search for meaning

Human beings must have meaning. If they find themselves in a situation which appears meaningless, inevitably they will project a meaning into it. Thus, thousands of years ago, when the human race was faced with natural phenomena which they could not explain, like thunder and lightning, they attributed these to human-like behaviour on the part of super-human Gods.

Provided people have meaning behind their work and effort, they will give all they can, which may involve them in considerable self-sacrifice. Meaning, however, is something which people must determine for themselves. It cannot be imposed upon them by another person.

There can be no achievement without objectives and to provide motivating force objectives must be approachable, even if they are never ultimately achieved. Thus a poet may strive to convey in words an emotional or spiritual experience; they can never succeed perfectly in reproducing in another human being the full meaning of that experience, but they can move some way towards this goal and this motivates them to create and perfect the poem so far as their own ability will allow. 'Hitch your wagon to a star' the youngster is advised, for to reach a limited objective demands an equally limited performance.

With experience, objectives change. This leads to progress and achievement. It is this capacity to imagine the things that need to be achieved, to envisage the end results of a course of action and the benefits that will accrue from this, which enables people to strive for greater things. It follows, therefore that the most important capacity in the terms of success is to envisage objectives

ntd)

2.   Setting of the right perspective

To delegate the immediate problems (lea

rec.prub.

and initiative of the instructee, who

and hostile or apathetic because he is

On the other hand, to delegate the pur

to the individual.   Setting the appro

is therefore both difficult and necess

and the purpose that underlie those objectives.

Like any other words, 'purpose', 'objective', 'aim', 'target', 'success criterion' mean different things to different people. The fact that people tend to use diverse words to describe the future achievement which they imagine is not simply a matter of semantics, but is also indicative of the different ways in which different people are able to anticipate and imagine the future.

Purpose and objectives
The future achievement which people anticipate can have two forms. It may be an abstract purpose concerning some indefinite principle that someone desires to achieve, like profitability, honesty or integrity. Alternatively, future achievement can be seen in more concrete terms as an objective, like making a million Euros by the age of forty or completing a book by a set date.

Generally speaking, most people will accept as desirable the abstract purposes of integrity and profitability. When someone denies that profitability is a desirable purpose in business, they will do so because they hold some other abstract purpose in life, such as service to society. An abstract purpose in and of itself is likely to remain simply a pipe dream. In order to achieve it, we must convert an abstract purpose into some concrete, achievable objective. The word 'objective' therefore may be used to describe a desired achievement which is expressed in material terms. It is an objective to have made a profit of 100,000 by the end of the financial year, whilst the purpose in doing so is to conduct a profitable business – and the business will have an even higher purpose, for example,

Walt Disney's is to make people happy. It is an objective to buy a car or a cottage in the country, to have six weeks holiday a year, to enjoy sabbatical leave or to establish a herd of cattle with a certain quality and hereditary characteristics; the underlying purpose of these objectives may be to enjoy a life of higher quality. Provided that someone has an underlying long term purpose such as the increase of wealth or the well-being of dependants, as they achieve each objective in turn they will determine the next. Their life will continue in the same direction, according to their purpose. If someone has an objective it will always be found that they have an underlying purpose in seeking to achieve that objective, for a series of objectives are only the means of achieving a purpose. As each objective is achieved, so we perceive success in working towards our purpose; it is by the achievement of objectives, therefore, that one may measure progress and success.

A purpose, then, is a pre-requisite of achievement. This motivates us to action. We enjoy a sense of achievement when we succeed in reaching an objective.

Although a purpose is a prerequisite of activity, it need not be a conscious purpose. It is only when people know their purpose, however, that they are able to set up their objectives and to act deliberately in order to achieve them. It is by working to achieve their objectives that people become aware of success. Recognized success brings with it confidence and encouragement towards great efforts. Such awareness of purpose and objectives is a necessary precursor to enthusiastic activity, or to a planned activity which aims to achieve success. In any enterprise activity must be planned and it is useless to undertake any activity without the intentions of achieving success. Managers, therefore, must plan the situation in such a way that those who are working with them become committed to achieving the objectives of the activity. People must not only know the purpose and objectives of their work in an enterprise, but must share them.

Gaining commitment

No one can impose a meaning on another or impose a purpose or an objective. If a manager tells an employee what the employee's objectives is, this is important information to the employee. But it is no more than information. The employee may know what the manager thinks are his or her objectives, but this information, by itself, does not incur any commitment on the part of the employee to achieve those objectives. Commitment implies the motive, the desire or enthusiasm to achieve something. The distinction between an objective and a piece of information is whether or not the individual feels compelled to do something about it. And if someone is to become committed to an objective they must be able to contribute to it the relevant information which they hold. If their information and ideas can be incorporated in the objective they will have helped to formulate the objective and it therefore becomes theirs rather than the manager's.

In this way people will know that their views and ideas have been considered and their personal needs taken account of, even if they do not appear to have been directly incorporated into the objective. It becomes something to which they can become committed and not an aim which a higher authority is attempting to impose upon them. It is important that the objective be evolved in the presence of the team member, because in the process of determining what the objective shall be the team member can begin to make clear the things that need to be done in order to achieve that objective. In this way both the manager and team member are clarifying in their minds what they have to do in their respective jobs.

Commitment to an objective is very much a function of the extent to which someone has taken part in setting that objective, which in turn is a function of the knowledge, experience and information which the individual has been able to contribute towards the composition of the objective.

It is helpful to consider both the abstract purpose and the concrete objective in terms of an aim, which
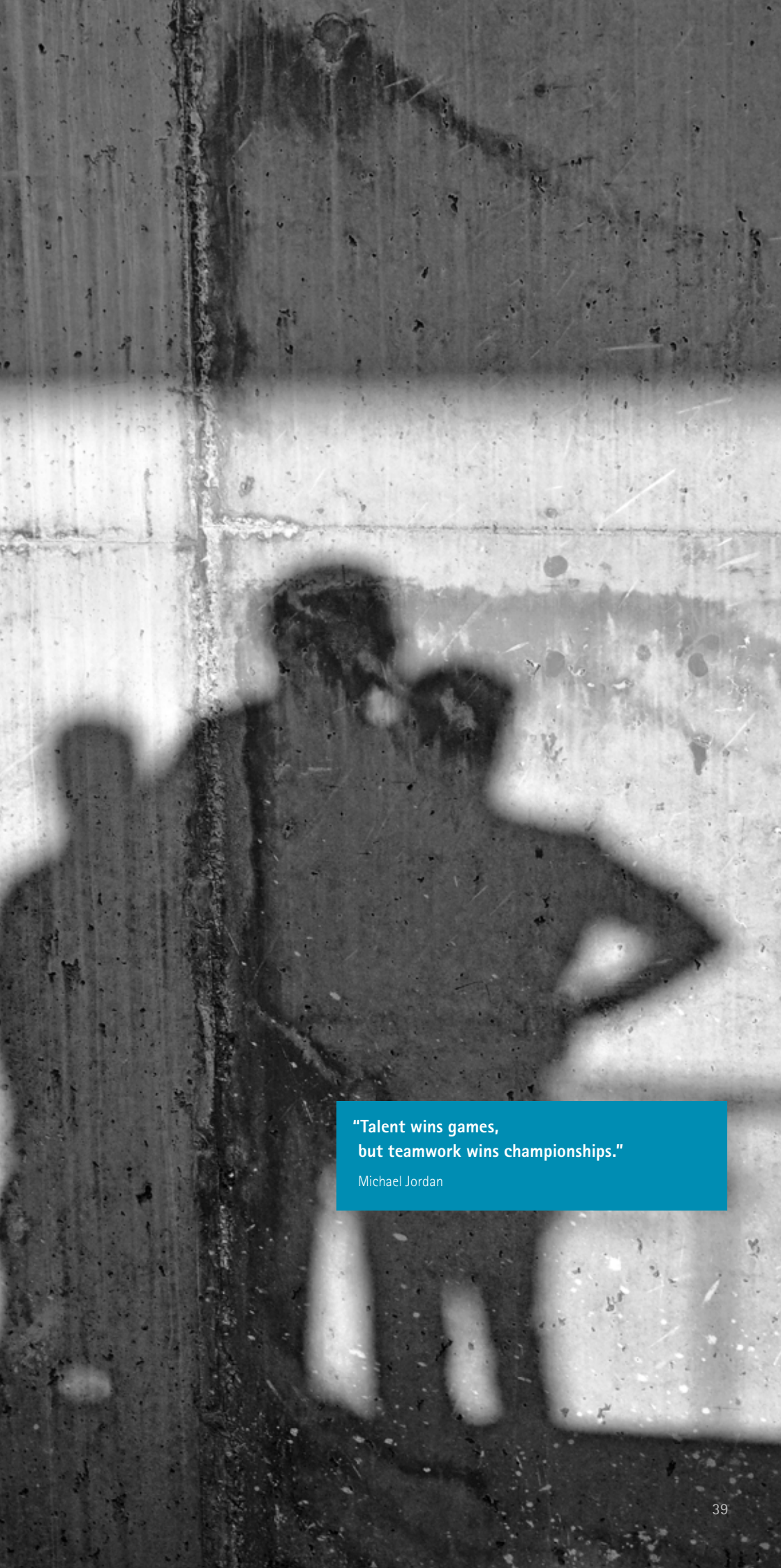
within the organization, you can pass on information which may be relevant to that other's objective. This lack of knowledge of objectives throughout the company is very often the reason for the lack of communication between people.

True cooperation

This revealing of aims is a matter of getting to know people. Confidence and the revealing of aims are interwoven inextricably. Gaining your own ends without the knowledge of other people or their willing co-operation (which is manipulation) is inevitably done to the detriment of others. The manipulator seeks power rather than their cooperation. It is necessary to bring these matters out into the open so that the members of the organization may build up the confidence in and respect for each other if they are to be able to cooperate effectively. When there is true cooperation between people each knows the objectives of the other and is able to work with them to ensure success not only in their own objectives but in those of their colleagues as well. Managers will therefore be seen to be helping each other to achieve their objectives and in return to be benefiting the whole organization.

This does not mean, of course, that everyone must make clear their inner, private aims but it does mean that secret aims, connected with work are dangerous. On the other hand, as people disclose their aims to each other and help each other to achieve them (which is true cooperation) so confidence and trust grows between them. Courage in revealing aims can be repaid with integrity on the part of colleagues. In this way the organization can progress purposefully and with increasing confidence and ability.

Ralph Coverdale:
„To make your way in life you need three things: A deep sense of inner purpose and the will to renew it. – A clear vision of where you want to get to and the energy to pursue it. – And courage. Courage to take steps which others might fear to take."

is the directional quality of person's activity. The word 'aim', therefore, covers both objective and purpose.

Because people must have meaning, operators who are told that they must have no work on their machine at a certain time will ask for a reason. An experienced foreman indeed would not attempt to give the bare instructions without explaining why it had to be done. When the operators know why the machine has to be clear they can then act accordingly and instead of leaving tools locked in a box on the machine will take them out and place them in store so that the machine may be moved more easily while they are away. The same considerations apply up the line and each person has to be aware of the objectives of the next person up in so they may meet their own objectives in such a way as will help towards the achievement of the further objectives. People need meaning; that is, they must be able to see the aims of their own job in the context of the aims of the organization as a whole.

This common knowledge of objectives within an organization is important for another reason too. If you are aware of the objectives of another

**"Talent wins games,
but teamwork wins championships."**

Michael Jordan

"Those who are selfless, and thus considerate, do not gamble away the resources entrusted to them in the casino simply to receive a bigger bonus at the end of the year.

Those who are considerate of others ensure that everyone has the chance to develop their educational, vocational and social potential under the best possible conditions."

(Source: Matthieu Ricard, a molecular biologist and Buddhist monk in „Die Revolution der Selbstlosen", ARTE 2015).

Prerequisites for effective cooperation

We at Coverdale have always believed that the willingness to cooperate is deeply rooted in human nature.

Over the years, our conviction has been affirmed by studies published by a number of psychologists, neuroscientists and primatologists. They show that babies already possess the capacity for moral judgement, a certain sense of fairness and spontaneous, unselfish behavior in the first few months of life. However, human beings accumulate numerous conflicting attributes that often have a negative influence on their ability to cooperate.

In the world of work, people with different predilections come together – those who are clearly predisposed to cooperate and share success with colleagues and those who tend to work against others and reap the benefit of success for themselves alone. Corporate cultures contribute in one way or another and thus promote one of these two opposing approaches.

Today, many business enterprises recognize the potential benefits of effective cooperation and invest systematically in the development of cooperative skills. We focus on the following competencies:

Clear goal definition
Attempts to practice effective cooperation in day-to-day operations often fail because employees do not know exactly why their customers need the fruits of their work. In many cases, in fact, they don't know their customers at all. We regard the ability to concentrate on the customer and determine the purpose of the task at hand as essential skills. We also firm-ly believe that effective cooperation has a great deal to do with a shared commitment to corporate goals from which employees can derive the meaning and purpose of their work.

A common working language
One can only guess how much time is wasted in organizations because new procedures and approaches are constantly being introduced. We have determined that it is helpful for people to agree on a form of systematic cooperation. That helps ensure that all essential phases in the process of achieving an objective are completed and that those concerned arrive at a common understanding of what has been achieved and what steps must follow – in the interest of maximum transparency, efficiency and integration of everyone involved.

Reviews
People still seldom deliberately take the time not only to analyze the quality of the products of their work and the extent to which they, and ideally the customer as well, are satisfied, but also to reflect on the quality of cooperation. Addressing the questions of what was helpful in our cooperative activities, what was not helpful at all, what we want to retain and what we want to change contributes to the progressive development of a team. It is also helpful to adopt different points of view in the process..

Feedback
The practice of obtaining and providing feedback on a regular basis strengthens the culture of cooperation. Our experience has shown that this requires a clearly articulated appeal to everyone concerned within the organization and the possibility of conveying the skills needed to obtain and provide feedback. These include observing, listening and offering appropriate feedback on the effects of a given behavior on others, what is appreciated and what potential improvements are identified. Employed properly, feedback is an extremely valuable tool in support of personal and organizational development.

Awareness of strengths

Many people find it difficult to name their own strengths. They are often able to list their deficits, and they are firmly convinced that working on them will be much more helpful than trying to build on their strengths. We think otherwise. When people actually recognize and embrace their strengths, they grow stronger in their hearts and minds and are better able to tap their potential. And people have different strengths. Truly successful organizations value the different skills, knowledge and experience of every employee and enable their people to make use of them to the best of their ability.

Self-awareness

Not all organizations conduct exercises in awareness. They are still not taken seriously, since many people find it difficult to imagine what they can be good for. Employed regularly, they help people gain better command of their own resources – physical, intellectual and spiritual. And that enables them to develop greater empathy. We have observed that heightened self-awareness has a significant positive impact on the quality of cooperation within an organization.

Conflict resolution

Conflicts are still regarded as unpleasant, bothersome and counter-productive in some organizations. Yet conflicts offer a great deal of positive potential, provided these reservations can be set aside. Handled correctly, conflicts can release energy that is capable of fueling cooperation in teams and organizations. To achieve that, people must be empowered to resolve interpersonal conflicts instead of avoiding them. We regard clarification of the relationships between the parties to a conflict as a necessary prerequisite for substantive agreements.
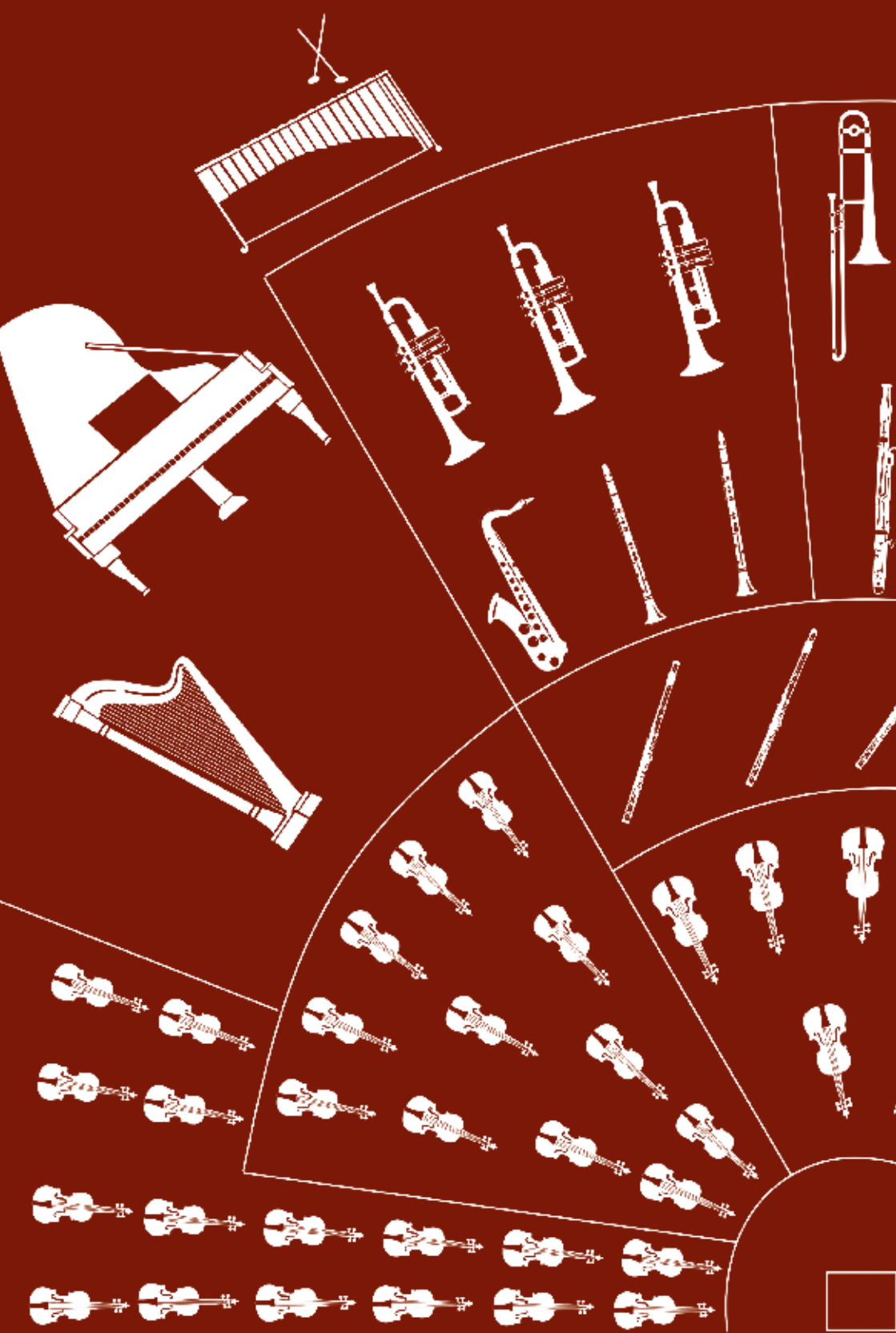
Negotiation

People often associate negotiation only with buying and selling situations. Yet negotiations take place in many different everyday situations and often deal with such matters as budgets, time management and personnel issues. Those involved are often dissatisfied with the results of negotiations, and that naturally impacts on the quality of cooperation. In our opinion, negotiating with the goal of establishing a good relationship with the other party means, among other things, abandoning opposing positions for the time being and identifying common ground in the underlying interests of everyone concerned.

Learning and progressive development

People assume different roles in professional life. One such role is that of the life-long learner. Organizations today are called upon more than ever to offer people opportunities for learning and self-development as a means of promoting self-assured, intelligent and creative action. As we see it, that requires a clear commitment on the part of the organization and the willingness to make space and platforms for cooperative learning available.

Ulrike Böhm, Partner
*1958, business correspondent; several years of international management and project-supervision experience; trainer and coach with Coverdale Deutschland since 1999.
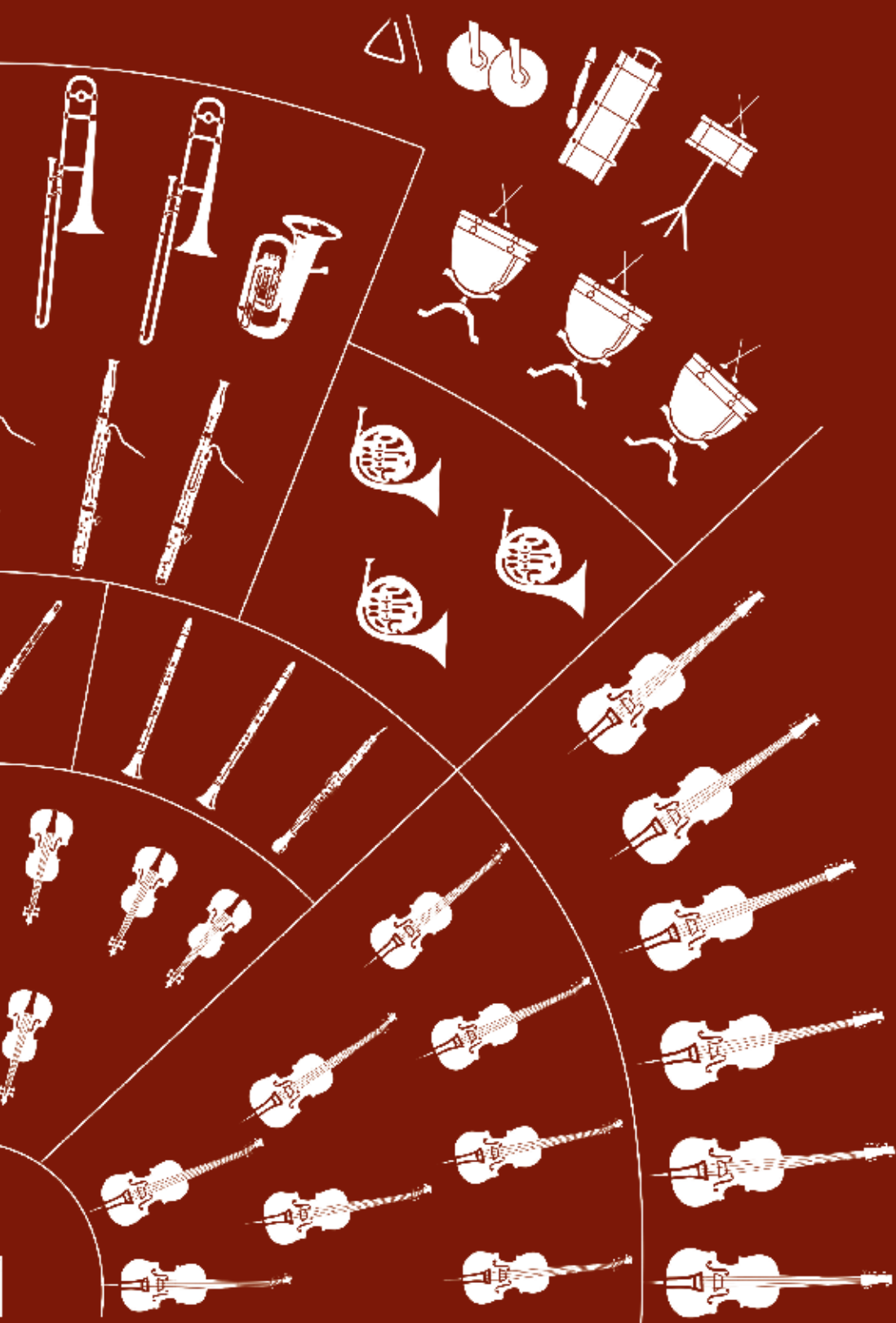
"No one can whistle a symphony.
It takes an orchestra to play it."

Halford E. Luccock

Win Win Win
oder: Win³

Negotiating skills as a key prerequisite for cooperation

by Andreas Schattschneider

As soon as I use the words "negoti-ation" or "negotiation seminar" and mention the "Harvard Concept" in the same context, people think immedi-ately of buying, selling, distribution or contracting. Experience has taught me that restricting the application of these terms to these admittedly im-portant areas does not do justice to this brilliant "communication concept." The fact is that whenever two or more people with at least partially divergent interests meet with the aim of achiev-ing or promoting something together, they find themselves in a negotiating situation. Thus practically every discus-sion that takes place within an organi-zation (including even those regarding personal matters) amounts to a "small negotiation."

In times in which traditional line or-ganizations and the corresponding hierarchies are constantly evolving or even giving way to matrix, proj-ect-based and other types of agile/ fluid organizations, the ability to en-gage in dialog with different people and arrive at mutually satisfactory solutions becomes an increasingly important success factor. The Harvard principles offer a wonderful frame-work for that process.

   In the following section you will find my interpretation of the original four Harvard principles and corre-sponding recommendations for their application.

A clear view of the problem – compassionate approach to people – treating people and issues separately and why heightened self-awareness is needed in order to do so

The Sales Director stands in the doorway of the Marketing Director's office with a brilliant suggestion for the next sales round but is met immediately with skepticism and reservations. Even the best arguments are of no help, even though the Marketing Director offered a similar proposal himself a year before. What the Sales Director fails to notice or consider is the fact that the Marketing Director has abandoned all willingness to cooperate with the Sales Department in response to harsh criticism of his new campaign by the Sales Department at their last meeting. This is where our first (Harvard) principle comes into play. Impaired personal relationships impact the substantive level. When that happens, even the best arguments won't get me anywhere. Personal differences need to be resolved first. That presupposes awareness of the strong influence of personal relationships as well as the ability to recognize conflicts. In my view, heightened self-awareness is essential in this context. The more aware I am of my own physical and emotional signals, the more likely it is that I can perceive those of the other person as well.

The second crucial aspect of this principle is the matter of "separate treatment." More than a few people tend to mix the two levels together. In other words, they make concessions on the issues in question in the hope of scoring points at the personal level or of resolving conflicts. This approach ordinarily leads to less satisfactory results for oneself, fails to bring genuine resolutions and creates obstacles to future cooperation.

Focus on interests, rather than positions – the power of the question "To what end?" and why we should go one step further today

The classic example used to distinguish between positions and interests is the famous "orange story." Two children are fighting over an orange. A father hurries by to mediate their

dispute. When I ask participants in my seminars what they think is the best response in that situation, I generally get two responses: split the orange between them or eat it yourself. Only very rarely does anyone suggest asking, "What do you want the orange for?"
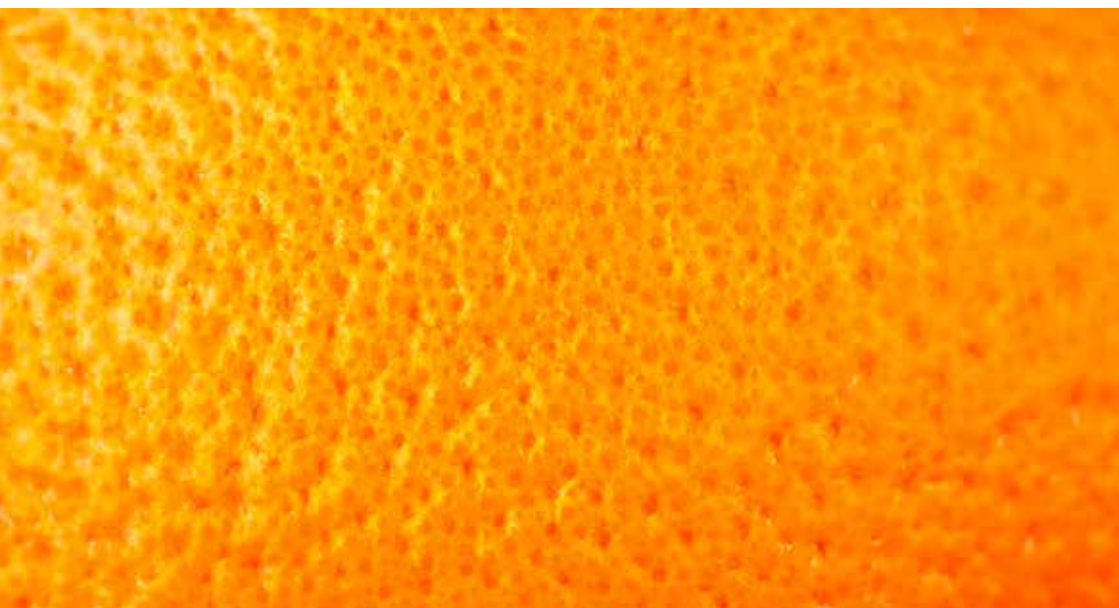
The traditional story goes on, and we learn that one child wants the orange peel and the other the juice. So the position of "I want the orange" encompasses two different interests: "juice" and "peel."

Splitting the orange would have resulted in the classic bad compromise, i.e. each party would have satisfied only 50% of his interests, whereas the question "What do you want the orange for?" would have made a win-win

47

or 100%-to-100% solution possible. I have experienced much the same thing in organizations during negotiations regarding such matters as resources, deadlines, etc. Negotiators frequently focus on their own position, which they defend with good arguments designed to weaken the opposing position. When no further progress is made, the parties have no choice but to seek a compromise or end the negotiations in anger. Experience has taught me that a culture that invites people to talk honestly about their own interests and encourages them to try to understand the interests of the other party, at least

Inventing options for mutual gain and experimenting with out-of-the-box thinking

If the parties succeed in considering the different interests on the basis of an intact relationship, they will often find it possible to develop solutions or options. Particularly "helpful" if the objective is failure are state-

make it possible to achieve qualitatively better and more sustainable solutions. Under those conditions, questions become more important than arguments and listening more helpful than rhetorical skill.

We should go one step further today, however. It is often not enough to consider one's own interests or those of one's own department and those of the other party. In my view, win-win is too restrictive. It is always important to take a step back and look objectively at the matter in question and to consider who else is affected and has interest at stake. Thus I think it's important to go beyond the traditional stakeholder mindset to an approach in which the individual is responsible for the whole, and that brings us to WIN³.

ments such as "That will never work," "We've never done that before;" and "I can't imagine that."

If no options are readily available, which can happen (as in the case of the orange game), it may help to embark on a search for ideas. This traditionally involves a brainstorming process, which helps in many cases. Yet I have observed that this rarely generates radically new ideas, as people generally continue to cling to customary thought patterns. Still, however, those who develop a sense of their own thought patterns at least have a chance to break away from them deliberately or – as we say nowadays, "to think out of the box." Desire, curiosity and the ability to move to a helicopter level in order to question assumptions

and articles of faith, etc. are fundamental prerequisites for both personal and organizational development. In addition, it is often helpful to stop looking for the perfect solution and start experimenting – or prototyping – right away. I see these approaches as the keys to WIN[3].

Insist on using objective, mutually acceptable criteria – or the fundamental need for fairness

The fourth principle is based on fairness, a value that is important to many people. If during a discussion or a round of negotiations one or the other side has the feeling that the other is not playing fairly or if that feeling surfaces afterwards, it often becomes impossible to forge a viable agreement, or the results of negotiation are put to question. That has a negative impact on mutual trust and long-term cooperation. The challenge involved is that people have differing concepts of fairness. Take the matter of the distribution of tasks within a project, for instance. One person is satisfied that tasks have been fairly distributed when he travels to visit participants in the project and flies all over the world to do so but is less involved in the process of preparing presentations and compiling project statistics, for which his colleagues work overtime on weekends. "Substantial time and effort spent travelling, jetlag and long evening meetings are enough," he says. Another colleague feels that it's unfair to be left with all of the routine chores and paperwork and forced to work overtime.

In cases like this, the Harvard Principle recommends identifying and applying objective criteria in order to ensure that tasks are fairly distributed on the basis of mutual agreement. However, my experience has shown that it is often difficult to come up with corresponding criteria. So I recommend changing levels and starting negotiations with dialog – asking "What do I regard as fair?" and learning what the other party considers fair. This kind of dialog takes place much too seldom, but it often does wonders – heightens mutual understanding, creates a climate of mutual respect and paves the way for fitting solutions.

The Harvard Principles: a helpful method, but not enough …

In my view, the principles outlined above go beyond the purely methodological approach. Only when the principles are integrated within a fundamental attitude can they achieve their full effects in combination. Those who strive in teams, departments or organizations for cooperation with less friction loss while developing the various different potentials at the same time are well advised to establish these principles as elements of a common working language and culture – even among employees who believe that negotiating is a task for buyers and sellers only.

Andreas Schattschneider, Partner, *1964, holds a degree in business management; many years of management experience in sales and marketing; with Coverdale Deutschland since 1999; advanced training in coaching, EI and organizational strategy, etc.

Volker Quandt, *1946, professor and Director of the Impro-Akademie at Eberhard-Karls-Universi-tät in Tübingen, is a dramaturg and sociologist. He founded the Harlekin Theater Tübingen – Theater sports – in 1992 and moderated 1250 performances as a referee. He has also established theater-sport teams in Germany, Austria and Switzerland, for which he has received numerous national and international awards. He has directed more than 60 performances in Germany and abroad since 1973. He served as Artistic Director of the Kinder- und Jugendtheater am Landestheater Württem-berg-Hohenzollern in Tübingen from 1989 to 1992. In 1993 he wrote the film script for "Abenteuer in Kopf und Bauch" – Kinder- und Jugendtheater in Deutschland. He was a guest professor at the Improvisationstheater in Zürich from 2000 to 2006.

Theater sports
or: embracing failure

Interview mit Volker Quandt, director, founder of the Harlekin Theater in Tübingen, professor and Director of the Impro–Akademie at Eberhard–Karls–Universität Tübingen

? How do you manage to turn an improvised theatrical performance into an enjoyable evening for the audience?

:: *The essential prerequisite is that, as an actor, I say "yes" to whatever the other person suggests – that I accept the suggestion "Look, it's a ghost!" for example, and react accordingly: "Yes, I see it ..." and take it a step further: "... and it's looking at us and holding something in its hand" – and don't say "No, I can't see it!" In other words, I have to take up the thought introduced by the other person and pursue it further in a direction that is favorable to the development of the story. I must build on that thought and continue the story. That's how we reach our audience. We tell stories. We keep trying earnestly to tell stories again and again. And the audience is invited to witness the process, our attempts, our experimental forays and our tentative probings.*

? What are the most important skills required to do that?

:: *You have to be a good, active listener. While the other person is speaking you can't be thinking about "What could I say that's interesting and original then?" Contact is essential, the ability to focus on the other person. Everything that goes on between the actors, everything that takes place between them, relates only to them. They must act consistently in keeping with the idea that whatever happens in the story has to do with them. They must keep asking "Who am I, and who are you?" and what is our relationship? Only when that is established quickly can the story proceed.*

It goes without saying that improvising continually puts actors in difficult situations – situations in which they face the problem of having to say something and repeatedly overcoming their speechlessness, and of having to respond to every suggestion. Actors constantly put themselves in these difficult situations, and they have to dwell in them and enjoy the difficulties.

? What criteria do you apply when selecting your performers?

:: *My minimum criteria include a bit of fun and curiosity and the willingness to abandon prepared texts and scripts. That sometimes engenders fear. In order to overcome that fear one has to embrace the possibility of failure. One has to fail in order to progress.*

? The goal is to achieve the best possible interaction among different people, just like in a business organization. People have to build trust in each other. How do you achieve that?

"Theater sports involve competition between two teams in the great art of improvisation. Nothing is agreed upon in advance. Nothing is prepared. There are no texts to learn by heart. No, everything is definitely improvised!"

Volker Quandt

:: It is essential to ensure that everyone has learned the same skills – that they all speak the same working language. As long as the rules are clearly defined, I can bring people from different theaters together – theaters in Zurich and Tübingen, for example. And it works. And here's another example: I worked with a group in Brazil and invited them to come to Germany. The problem was that the Germans didn't understand Portuguese and the Brazilians didn't understand German. Yet they were still able to perform together. That surprised even me – that, and the fact that I didn't have to explain to the audience what was actually going on. It works because suggestions are accepted without question and because everyone plays their roles.

? What are the rules?
:: First of all, you have to accept failure as a principle and an opportunity. You have to accept suggestions, focus on the other person and learn to switch off your critical faculties. Those are painful throw-away processes. After all, the story must go

on, and we have to tell it together. I believe that you have to keep putting yourself in difficult situations. And you have to trust yourself, know that you'll survive no matter how difficult the situation is and know that when you start to speak, you don't have to have the end in mind, but you have to start speaking. That requires practice, practice and more practice.

? What do the actors have to learn?
:: They must learn to choose a setting and define roles for themselves – roles and people who want something. They have to establish and maintain contact, build relationships with each other and be aware that they have something to do with each other. They have to be able to think dramaturgically and to act in different modes – in musical and theatrical styles. They need to think in terms of plots and develop the ability to tell stories. And they mustn't specialize in certain roles.

? What do you think managers can learn from you?
:: That listening is key. They can learn about the importance of status. Every individual sends status signals and is also a status chameleon – dependent on space, attitudes, other people, voices, etc. Important questions to ask are "How do I see myself?" and "How does the other persons react to me?" Personal relationships need to be defined.

? How much of theater sports is attitude, and how much is craft?
:: You can't separate the two. On the one hand, every actor has to internalize the simultaneity of story-telling, establishing relationships, creating places and building a dramatic tension. And an actor's ability to give himself or herself up to what is happening comes from an attitude: "I have no idea what I'm going to say next, but I'll start – with a smile."

? I'm going to cite several different terms. Can you tell me what you associate with them?

Freedom

:: Within the context of many rules, you have a task to perform and you have to conform to the intrinsic logic. But there is an exception to every rule. That puts you in unfamiliar territory. And here as well, you're always smarter when it's over.

Action

:: The absence of action is standstill. Breaks are necessary when constructing dialogs. But you mustn't specialize in certain roles.

Duty

:: Doesn't sound positive. Everyone senses a duty to submit to the established order of things.

Success

:: Can be addictive. We try to counteract it and avoid being bedazzled by the fact that the audience is always so enthusiastic. That mustn't cause us to switch off our own critical faculties. If it does, we run the risk of slipping into the gag mode.

Self–confidence

:: A part of the job – believing in something and asserting yourself; coping with difficult situations

Initiative

:: Very important. It's needed in every situation, especially when a scene is just plodding along. It requires dramaturgical sensitivity.

Responsibility

:: Nothing is possible without responsibility. All actors share responsibility. We have a trained opera singer in our group. She's in a class of her own. And it's obvious that people want to hear her sing in opera scenes. But yesterday she couldn't appear in a performance, and others had to assume responsibility. And it would be stupid if she were to be set in this role. By doing so, we would be giving in to a safety mindset we don't want at all.

? I have just two more questions in conclusion. How do you deal with conflicts within the ensemble?
:: It's been a long time since we had any – at least ten or twelve years. There were lots of conflicts at first. We had specialists and people that weren't quite so good yet. There was some jealousy involved.

? What has theater sports taught you about people?
:: That everyone has potential. Every human being is capable of learning and growing – provided they have a positive image of human nature.

Peter Vogel–Dittrich, Partner, *1967, with Coverdale Deutschland since 2008; experience as a consultant in change processes, a trainer for managers, a project manager for outsourcing processes at international IT firms; advanced training in group dynamics and transactional analysis. .
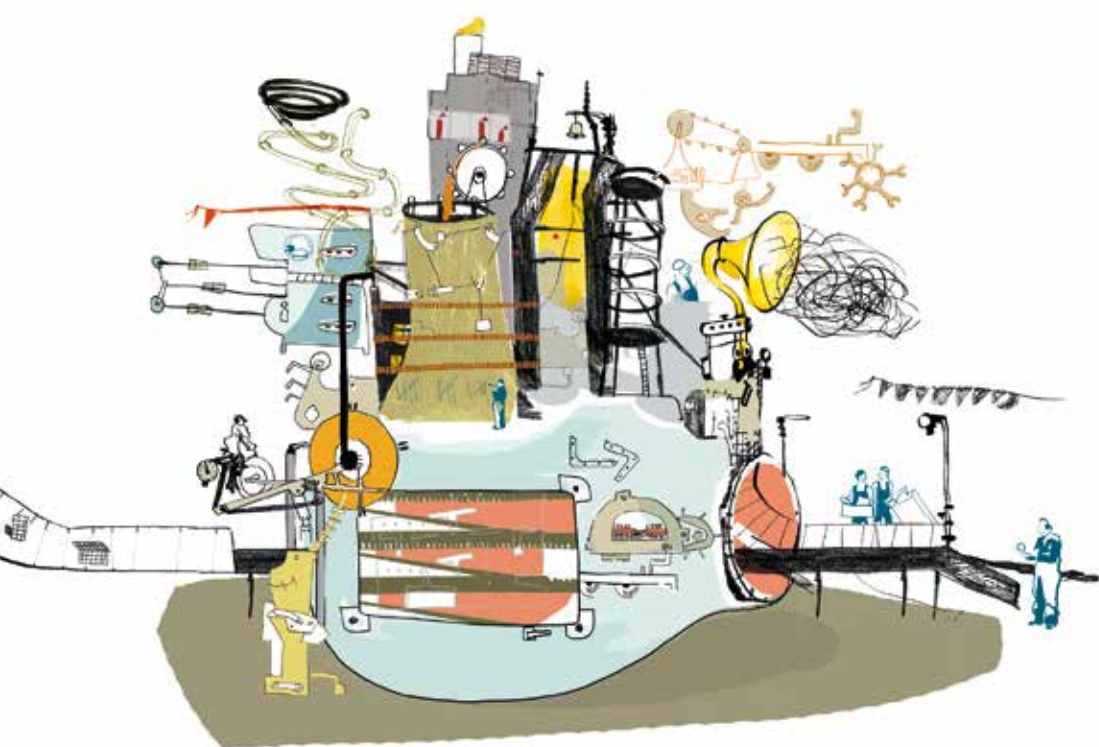
Coming soon: **ThemeBooklet** **6**

[Topic: „Transformation/Operating System"]

"We need to make fundamental changes. We're going to have to make adjustments at many points at once."

"And everything will have to move faster than before. But that simply can't be done." Nearly all of our clients (including firms in the automotive and industrial sectors or the banking industry and IT industries) are faced with this dilemma. They are struggling with the need to cross the transformation threshold in our era of digitization and globalization.

Decision-makers and managers are under tremendous pressure and find themselves caught in the trap of accelerating development. Existing strengths and problem-solving approaches are no longer effective. Many different concepts – from Laloux to Design Thinking to Scrum, etc. – offer the promise of a way out. But do they really help?

In the next issue we describe an approach with which transformation processes can be designed successfully. An effectively functioning operating system for management and co-operation plays a decisive role in that context. That system is called HIOS (Human Interaction Operating System). A study we conducted recently shows just how much untapped potential lies in the Human Interaction Operating Systems of many organizations. We explain what needs to be done in order to ensure that this potential is developed to optimum effect and made available for use in transformation processes.