



# SOUNDVIEW Featured Book Review

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## How to Put More Minds Together

Review by Chris Lauer

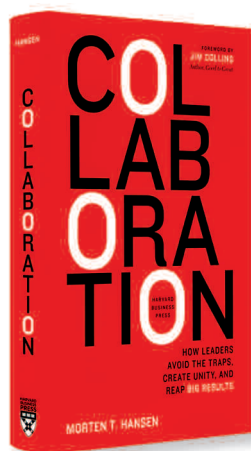
### **COLLABORATION: HOW LEADERS AVOID THE TRAPS, CREATE UNITY AND REAP BIG RESULTS**

by Morten T. Hansen

*Harvard Business Press* © 2009, 231 pages, \$29.95,  
ISBN 978-1-4221-1515-2

Everyone cheers the benefits of creating collaboration, but every leader who has tried has discovered that it is much easier said than done. Building teamwork is difficult partly because it is so hard for us to relinquish our personal responsibilities to other people. Recently, a handful of researchers have figured out some critical ways to weave collaboration into the fabric of their organizations.

Dr. Morten Hansen has been studying how the best leaders and organizations get teamwork right. Along the way, he has also discovered how other leaders have missed the mark. Hansen is a collaboration expert. His research on the subject earned him a Ph.D. from Stanford University. With his doctorate in hand, he joined the faculty at Harvard Business School where he continued his research into collaboration while teaching in the school's MBA program. Today, he specializes in collaboration as a management professor at the University of California and the international graduate business school INSEAD. For the past 15 years, Hansen has compiled a compendium of valuable information on the power of working together. In his book



*Collaboration*, he describes the results of this groundbreaking research.

To start, Hansen points out that bad collaboration is worse than no collaboration, so pay attention when creating teams. The trick is to do it well, like Apple did when it created the iPod. With a variety of examples fresh from the headlines, Hansen shows business leaders how great and awful attempts at collaboration look in real life.

Hansen writes that the most effective forms of collaboration come from a combination of decentralized work and collaborative work. Each work style has its benefits, so it's up to the organization to decide when each one works best.

### **Decentralization**

Lately, more companies than ever are adopting some form of decentralized work. More people are being given the freedom to control their own work. Hansen recognizes the benefits of a decentralized work unit, but he also

believes that leaders should put more effort into creating "disciplined collaboration."

Balancing autonomy with collaboration creates many challenges for business leaders. The best companies are conquering these challenges by creating internal processes that enable collaboration. For example, Procter & Gamble (P&G) has created more than 20 "communities of practice." So far, about 8,000 employees are participating in these communities. A community of practice is made up of volunteers from all corners of P&G's many divisions. Together, these groups work together to solve

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problems and share ideas. Other employees in the company are encouraged to communicate with these groups by using an “Ask Me” feature that is part of P&G’s intranet.

Another way leaders at P&G motivate collaboration in the organization is by promoting from within. By moving people across business units and locations, P&G facilitates the growth of cross-unit networks among its many employees.

### **Crest Whitestrips**

One result from P&G’s efforts to cross-pollinate its business units with ideas from different groups is the tooth-whitening product Crest Whitestrips. P&G employees from three separate units worked on the product, including experts from the oral-care division, researchers from the fabric and home-care division and scientists from R&D. Their unique collaboration created a successful new product.

Innovations like Crest Whitestrips happen at P&G because the company’s CEO, A. G. Lafley, encourages product developers to work with people outside of their own departments. Since he became CEO in June 2000, Lafley has worked hard to make the company more collaborative on every level. That sense of collaboration permeates the top ranks of the company. Studies show that the company’s global leadership team works remarkably well together. Hansen points out that P&G has seen about 5 percent organic growth every year since Lafley took the lead.

### **Disciplined Collaboration**

Hansen summarizes his collaboration model in just a few words: “Disciplined collaboration requires that organizations be decentralized and yet coordinated.” Some leaders will be prepared to create more disciplined collaboration in their organizations, others will need to make some changes to the ways they lead.

Cisco’s CEO John Chambers admits that he had to change his old command-and-control leadership style to adapt to a new era when collaboration within organizations is required. In an interview with *Financial Times* editor Chrystia Freeland, Chambers explains that leaders “make better decisions through collaboration. And while you might spend more time discussing it than you’d like, once the team has discussed it with different backgrounds, then they can build upon that base much faster than before.”

If Chambers can break old habits and create a more collaborative mindset at Cisco, Hansen muses, then any leader can develop a more collaborative leadership style.

California Governor Arnold Schwarzenegger is a great example. He went from “Terminator” to collaborator

almost overnight. One day he was hunkering down with Republican allies, going it alone, pushing to get voters to pass four of his new ballot measures. On Election Day in November 2005, all four initiatives failed.

The governor opened his eyes to a new reality. He noticed that he was down from a 60 percent approval rating to a 33 percent approval rating. Voters were telling the governor that they disapproved of his partisan, non-collaborative ways.

Suddenly, he switched to a different approach. The governor started reaching out to state Democrats. He demonstrated his commitment to bipartisanship by replacing his Republican chief of staff with Democrat Susan Kennedy. State lawmakers were finally able to sign laws to increase the state’s minimum wage, reduce greenhouse gases and allocate money to rebuild roads, schools and bridges. Together, California’s Republicans and Democrats solved key problems.

### **The Not-Invented-Here Barrier**

One of those obstacles that blocks collaboration is what Hansen calls the “not-invented-here barrier.” This obstruction pops up when the members of one group are unwilling to reach out to other groups for input. Hansen writes that this is a motivational problem that can occur when people develop an insular perspective that excludes outsiders. This can cause them to shun new ideas and perspectives.

The not-invented-here barrier played a pivotal role in the U.S. government’s inability to stop the 9/11 hijackers, Hansen writes. Better collaboration among U.S. intelligence agencies would have made it easier for agents in the FBI, the CIA and the State Department to share important documents.

A study of the intelligence breakdown before 9/11 shows that U.S. agents tended to stick to their own agencies when looking for information. Months before the 9/11 terrorists destroyed the World Trade Center, the FBI had information that could have been used to catch one of the hijackers, Hansen explains, but that information was not distributed to other agencies. That’s why the hijacker’s name never made it to the State Department’s watch list.

If the information had been distributed rather than held until it was requested, agents might have been able to stop him from entering the United States when he reapplied for a U.S. visa three months before the attacks. Hansen writes, “At the FBI, agents rarely reached out to ask other federal agencies with potentially valuable information databases to assist in searches.” Better collaboration among U.S. intelligence agencies before the 9/11 attacks could have saved many lives.

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## The Hoarding Barrier

Another thing that might be holding collaboration back in your organization is what Hansen calls “the hoarding barrier.” People hitting this wall do not return phone calls. They drag their feet when somebody else needs something. If the divisions within your company are having trouble sharing their resources because they have developed competitive relationships, then you have hoarders in your midst.

The 9/11 Commission investigation showed that massive hoarding was taking place within the country’s intelligence services. The CIA didn’t share with the FBI and the State Department. The FBI agents didn’t share with each other. As a result, a crucial memo was never passed along. Hansen writes, “A decentralized structure of the intelligence community, narrow incentives and fear of revealing information all contributed to a climate of hoarding in the intelligence community.”

## The Search Barrier

Another problem that plagues great collaboration is an inability to find who and what you need within your organization. If your searches for people or facts become endless mazes of wrong turns, then the “search barrier” has you trapped. Although this problem can be rampant in large companies, smaller companies can suffer from it as well. Global companies with people spread around the planet have to work extra hard to make their information accessible to employees if they want collaboration to take place.

The final barrier to collaboration that Hansen describes in *Collaboration* is the problem of transferring experience, skills and technologies across people from different units. Tacit knowledge, which includes anything that you cannot easily write down in a manual, is hard to share. That’s why it is so difficult to teach somebody how to close a difficult sale, or execute a successful merger between two unique companies. Unlike explicit knowledge, which can be shared with a written document, tacit knowledge takes a while for people to acquire.

Studies show that collaboration is easier when people work with the types of information that are easier to share, such as clearly documented diagrams or straightforward information. On the other hand, Hansen writes, it is much harder for people to work together when they have ambiguous goals or deal with unknowns.

## Solutions for Collaboration

Hansen’s research has revealed three management strategies for leaders who are trying to motivate employees to collaborate: Unify your people, cultivate collaboration through “T-shaped” management and construct

nimble networks. Unifying people and cultivating collaboration through your management structure can help you conquer hoarding and the not-invented-here barrier. Building agile social networks and cross-unit relationships is a great way to combat problems with searching and transferring information.

The first solution for increasing organizational collaboration is unifying people. Hansen writes that successful leaders do this by creating a goal that unifies people, clearly stating that teamwork is a core value and showing executive support for collaboration initiatives.

Leaders still have a long way to go regarding collaboration. Beyond the organizational barriers that can stand in their way, there are a few other things a little closer to home that are preventing them from creating teamwork. Hansen lists four: arrogance, bad attitude, fear and ego. The worst of these is arrogance, he writes. Some people are under the firm, but erroneous, assumption that everything they say and do is right. When a leader or team member thinks he or she is smarter than everyone else, that arrogance can stifle collaboration.

## Conquering Defensiveness and Fear

Defensiveness can also be a problem. If you are defensive, then you might get stuck in a very narrow perspective and ignore important criticisms. Defensiveness can also make you less inclusive, Hansen writes, which can shut down efforts to grow collaboration.

Fear is another destructive element that can limit the possibilities of collaboration. When a leader is afraid to lose or afraid to be humiliated, he or she will usually stick with a very narrow agenda. Hansen explains that collaboration works better when everyone is open to everyone else’s ideas and the possibility that their own ideas are less important than the team’s goals.

Finally, big egos can kill collaboration. Hansen’s research shows that big egos were the least powerful of the collaboration killers, but they can stop collaboration dead when a leader is enraptured with his or her own agenda. An egotistical leader does not usually involve other people in his or her decision-making process.

## Unify People

Collaboration starts with unifying people. To create a unifying goal, Hansen proposes four criteria to help leaders get started. First, make sure your goal creates a common fate for all relevant groups. Sometimes your message will be designed to unify only part of your organization.

Jack Welch had a unifying message when he took over as CEO at General Electric (GE), but it was just for GE’s business units. “Be number one or two in every

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business globally,” Welch said. This was a unit-specific goal, as opposed to a “common-fate goal.”

Another way to unify people is to create a goal that is simple and concrete. President Kennedy wanted to land a man on the moon. It was a difficult endeavor, but it was a simple message. About 400,000 people coordinated their efforts to make this goal a reality. The country rallied around the message and made it happen. Hansen advises leaders to strip away any clutter from a message so people can connect to it. They must also make sure it stirs passion.

Finally, remember to put your competition on the outside. As Hansen writes, “Few things unite people better than having a common enemy.”

Words alone will not make a campaign for increasing collaboration a success. Leaders need to state their commitment and follow up with concrete action. Many people will be involved because that commitment will need to be reflected in how people are recruited, rewarded, promoted and fired.

### ‘T-Shaped Management’

In 2001, Hansen and author and business strategist Bolko von Oetinger wrote an essay for the *Harvard Business Review* titled “Introducing T-Shaped Managers: Knowledge Management’s Next Generation.” They called their strategy for getting collaboration to stick a “T-shaped” management approach. In their model, the vertical line of the T represents how you deliver results in your job. The horizontal line stands for getting results while collaborating with other people across the organization. A T-shaped manager balances horizontal knowledge-sharing responsibilities and business unit responsibilities.

How does a leader implement T-shaped management when individual and group concerns are equally important? Start with training. Then move to the organization’s appraisal process. To show leaders how this works in the real world, Hansen presents a popular Harvard Business School case study from Professor Diane Burton.

Burton’s case study describes the dilemma of a senior banker at Morgan Stanley. Executives will likely be able

to identify a similar problem player in their own organizations regardless of industry.

The banker had an employee who was a great producer but a terrible team player. The senior banker had to decide whether to hire his star performer as managing director.

Two years earlier, leaders at the company had launched a campaign to ensure that collaboration was taken seriously throughout the organization. To demonstrate their commitment to the program, leaders set up a 360-degree performance appraisal process that assesses contributions to the company and “team player skills.” Morgan Stanley’s annual performance appraisals include comments from bosses and colleagues on how well an employee demonstrates teamwork. When the senior banker’s “lone star” was up for a promotion, those performance reviews showed he was great with clients, but horrible with partners and traders. This kind of information helped the senior banker make his decision.

### Nimble Networks

In his bestseller *The Tipping Point*, author Malcolm Gladwell asserts that knowing more people is the key to becoming more connected.

Hansen disagrees. He writes that “the more, the merrier” does not always work better than a nimble network of great contacts. He also offers this tip: The goal of networking is not simply more networking. The goal of networking is better results. A strong contact list, he adds, includes a variety of people whose jobs span different disciplines, technologies, experts, customers, colleagues and industries.

Most leaders already know that better collaboration boosts performance, but few have mastered the ability to cultivate collaboration throughout an entire organization. Hansen spent many years studying the successes of collaboration masters and the mistakes of collaboration failures. He then shaped that research into a collection of smart ways leaders can leverage more teamwork into their organizations. The result is a practical guide to building fruitful collaborations. ●

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