Formal organization
- Re-org: market-facing units
- Changed top team

Goals & Strategy
- Changed vision
- Set Strategic priorities
- Set Cross-unit goals

People
- Changed leadership principles
- Started T-shaped management
CASE STUDY
182 SALES TEAMS IN “CENTRA” CONSULTING

[Graphs showing the relationship between Hours of Collaboration and Probability of Success]
PROBLEM: SILOS

“It’s impossible to communicate with everybody when you have that many silos.”
– Howard Stringer, Sony CEO

SONY CONNECT: A FAILURE

Million $
BAD COLLABORATION IS WORSE THAN NONE

UNRECEPTIVE CULTURE

OVERESTIMATE VALUE

OVER-COLLABORATE

Last Action Hero

Professional Services firm

THE COLLABORATION CHALLENGE

UPSIDES
- Cross-unit innovation
- Cross-selling
- Best practice transfer
- Coordination
- Efficiency

DOWNSIDES
- Time drain
- Cross-unit fighting
- Lack of focus
- Bottlenecks
- Slow
DISCIPLINED COLLABORATION

Select Opportunities  Spot Barriers  Tailor Solutions
P&G: COLLABORATION
Crest Whitestrips

Fabric & Home
Bleach

Oral Care
Teeth Whitening

Corporate R&D
Novel Film

P&G: Collaboration Success
It all started with candles
**EXTERNAL COLLABORATION**

**IDEA**

“How about printing trivia questions on Pringles?”

**BRIEF**

How do you print volume with edible materials, using inkjets?

**RESPONSE**

“Professor in Bologna owns a bakery. Prints on cookies with edible dyes.”

8 months later

---

**WELLS FARGO: CROSS-SELLING**

![Bar chart showing 5.9 products per customer from 1998 to 2009]
WHERE IS UPSIDE: I.C.E.
EXPLORE VALUE CREATION ACROSS SILOS

INNOVATION
Cross-unit product innovation
New business creations

CUSTOMERS
Cross-selling, better coordination
Better customer service by coordination

EFFICIENCY
Costs/investments savings by coordinating/sharing
Better decisions by getting input

WHEN NOT TO COLLABORATE
Example
VERITAS FOOD PROJECT

INITIAL ESTIMATE, $40m
OPPORTUNITY COSTS, $25m
COLLABORATION COSTS, $20m

$40m
$15m
-$5m
DISCIPLINED COLLABORATION

Select Opportunities → Spot Barriers → Tailor Solutions

NOT INVENTED HERE

Hoarding

Search

Transfer

SPOT THE BARRIERS

NOT INVENTED HERE

Insular culture

Status gap

Norm of self-reliance

Fear

HOARDING

Competition

Too busy

Biased incentives

Fear

SEARCH

Size

Spread out

Information overload

Poverty of networks

TRANSFER

No common frame

Complex knowledge

Weak ties
SPOT THE BARRIERS

MOTIVATION

ABILITY

NOT INVENTED HERE
HOARDING
SEARCH
TRANSFER

DIFFERENT BARRIERS
LOWER VALUES ARE BETTER

MOTIVATION
ABILITY

Consumer Goods
High Tech

25%
50%
75%
100%
## SPOT THE BARRIERS

<table>
<thead>
<tr>
<th>NOT INVENTED HERE</th>
<th>HOARDING</th>
<th>SEARCH</th>
<th>TRANSFER</th>
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<tr>
<td>Insular culture</td>
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<td>Poverty of networks</td>
<td></td>
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</tbody>
</table>

## DISCIPLINED COLLABORATION

- **Select Opportunities**
- **Spot Barriers**
- **Tailor Solutions**

**GOALS**
- T-SHAPED MANAGEMENT
- NETWORKS, IT
- LEADERSHIP
UNIFYING GOAL: THE MOON

UNIFYING GOALS: 4 CRITERIA

COMMON FATE
400,000 people share the same goal

SIMPLE & CONCRETE
“man on the moon ... bring him back safely to earth”

STIR PASSION
“We didn’t want to go home at night. We just wanted to keep going.”

OUTSIDE COMPETITION
The Soviets
UNIFYING GOALS: EXAMPLES

NISSAN
1 million more cars sold
8% operating income
0 automotive debt

SCANDINAVIAN AIRLINES
“become the best airline in the world for the frequent business traveler.”

AIRBUS
Beat Boeing!

DISCIPLINED COLLABORATION

Select Opportunities  Spot Barriers  Tailor Solutions

GOALS
T-SHAPED MANAGEMENT
NETWORKS, IT
LEADERSHIP
T-SHAPED PEOPLE
THE BACKBONE OF IDEO'S COLLABORATIVE CULTURE

“a depth of skill .. and a disposition for collaboration across”

T-SHAPED PEOPLE
THE BACKBONE OF IDEO'S COLLABORATIVE CULTURE

attitude
skills
network

DISCIPLINED COLLABORATION

GOALS
LEADERSHIP
T-SHAPED MANAGEMENT
NETWORKS
DISCIPLINED COLLABORATION

Select Opportunities  Spot Barriers  Tailor Solutions

GOALS
T-SHAPED MANAGEMENT
NETWORKS, IT
LEADERSHIP

CALIFORNIA, 2003
COLLABORATIVE LEADERSHIP

REDEFINE SUCCESS: BIGGER GOALS
Find common ground
Compromise

INVOLVE OTHERS
Vigorous debate
Diverse input

PRACTICE EXTREME ACCOUNTABILITY
Hold yourself accountable for collaboration success
Demand accountability in partners

COLLABORATIVE LEADERSHIP IS NOT COMMON

<table>
<thead>
<tr>
<th></th>
<th>% of Top-performing Managers</th>
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</thead>
<tbody>
<tr>
<td>REDEFINING GOALS</td>
<td>39%</td>
</tr>
<tr>
<td>INVOLVING OTHERS</td>
<td>25%</td>
</tr>
<tr>
<td>BEING ACCOUNTABLE</td>
<td>40%</td>
</tr>
<tr>
<td>ALL THREE</td>
<td>16%</td>
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</table>
The goal of collaboration is not collaboration, but great results.

There is a RIGHT WAY and a WRONG WAY to collaborate.

BEST OF LUCK!