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The Collaborative Organization



better results through collaboration

the collaborative
operating system

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By Rachel Conerly and Tim Kelley

Hierarchy is the most deeply embedded paradigm for leading, managing and working in our time. Think about this: A group of people sit down to create a new business. They're discussing the usual topics – funding, a business plan, where to locate the new company, a suitable legal structure, i.e. LLC, LLP, S-Corp, C-Corp, 501(c)3, etc. Yet never do these stakeholders ask the question, “Given our company’s goals and purpose, which system of organization shall we use?” This question, at the current moment, doesn’t even exist. The assumption of a hierarchical structure is usually enacted without any time or thought spent on it whatsoever. Hierarchy is the default system, the prevailing paradigm, by which work is done.

Hierarchy has given us thousands of years of usefulness. Despite that, it is often a hindrance to performance. The structure of hierarchy was never intended to handle the level of complexity that a global organization faces in the information age. End-to-end processes and cross-functional IT projects require communication and decision-patterns that are horizontal instead of vertical.

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One of the key advantages attributed to hierarchy is rapid decision-making. But research shows that hierarchically organized groups spend more time and effort making decisions, and also enjoy the task of decision-making less than collaboratively organized groups.* Perhaps you’ve experienced how hierarchy separates the people with information from the people who make decisions. Still, to the extent that effective collaboration within organizations does take place, it tends to be informal, short-lived and dependent on a few individuals.

What if there were an alternative approach, based on collaboration and an explicit selection process, so that organizations could determine which system would best enable them to achieve their goals in the timeframe required? We’re going to walk you through our *collaborative* paradigm, which we’ve named the Collaborative Operating System (“COS”). As we go, we’ll offer a few distinctions, so you can get a sense of how it differs from the paradigm of hierarchy.

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Distinction #1: The Underlying Values

Values drive the formation and maintenance of a system. Power and authority are the values of hierarchy. They are the “currency” traded. In a hierarchy, people advance by accumulating more power and authority than others; the more power and authority you accumulate, the more you can accomplish.

*Alfred G. Edge, William Remus (1984). The Impact of Hierarchical and Egalitarian Organization Structure on Group Decision Making and Attitudes. *Developments in Business Simulation & Experiential Learning*, Volume 11, 1984. 35-39. Retrieved from <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.488.4131&rep=rep1&type=pdf>

In contrast, the COS is based upon the principles of ownership and alignment. We define ownership as “the degree to which people believe or feel that a process, decision, or outcome is theirs.”

Alignment is defined as “the degree to which people see and understand the problem, goal, or process in the same way.” Ownership is like getting everyone in the same boat. Alignment is like getting everyone rowing in the same direction. As with hierarchy, these principles are the engine, the currency traded, and the primary driver of the culture in the COS paradigm.

People behave differently in a COS environment because accumulating personal power is not an advantage. Instead, proficiency in the development and maintenance of ownership and alignment enables productivity and success. For this reason, workers become adept, even masterful, at building ownership and alignment in every aspect of their work. The shift from operating according to the drive for power and authority to the cultivation of ownership and alignment creates a sweeping change in how work is done and how participants experience it. To those who practice the COS, the shift is truly magical.

Distinction #2: Explicit

The rules of working in a “hierarchy” are primarily implicit. Implicit means “implied rather than expressly stated.” In asking workers about the rules, there’s always that one basic rule that all seem to grasp: Manage up; don’t rile the people above you. Beyond that, the rules tend to vary a great deal from one hierarchical organization (or even leader) to the next.

Motives and behaviors improve when they become transparent.

The Collaborative Operating System, by contrast, is an explicit system. Explicit means “fully and clearly expressed or demonstrated.” As an explicit system, the COS is also transparent. Motives and behaviors improve when they become transparent. As such, the COS serves as a substantial barrier to illegal, duplicitous and other win-lose behaviors. Just as a hierarchical culture rejects people who are unwilling or unable to abide by the hierarchical values of power and authority, so too does a COS culture reject people operating in ways that are not explicitly collaborative, i.e. based on the principles of ownership and alignment.

Distinction #3: Win-win vs. Win-lose

In the movie “A Beautiful Mind,” we witness what is considered to be one of the major scientific achievements of the first half of the 20th century. The physicist John Nash, played by Russell Crowe, is in a bar with several of his college buddies. They’re eyeing a beautiful blonde who is accompanied by several less attractive friends. As they debate how best to proceed, Nash reasons that if each of them goes after the blonde, most or all of them will be rejected. Further, they will now be in a poor position to approach any of her friends. If instead they each ask out one of the friends, they’ll all be more likely to wind up with someone, with perhaps only the blonde going home alone. This leads Nash to his revelation, which has come to be referred to as the Nash equilibrium:

Adam Smith was wrong. Each person doesn't benefit most when he does what's in his own best interests. He benefits most when he does what's in his own interest and the interests of the group.

In a setting we all understand, the scene depicts a resolution to the conflict between self-interest and the interests of others – true, win-win collaboration.

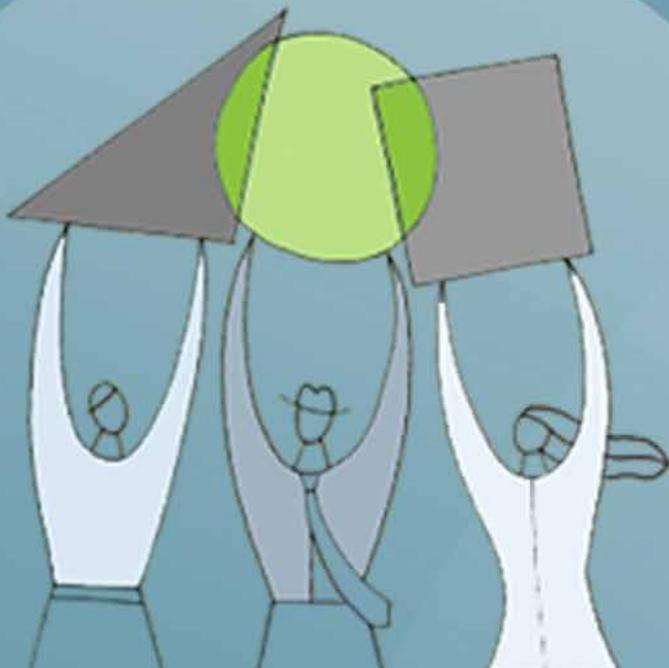
The hierarchical values of power and authority tend to set up a zero-sum game in which the “pie” is finite and resources are limited – such as a promotion which only one individual can win, or the fact that the number of positions in a hierarchy naturally diminishes at higher levels of the structure.

Alternatively, the Collaborative Operating System embodies Nash's ground-breaking, Nobel Prize-winning demonstration that win-win solutions produce the highest possible payoffs for all players. The COS makes a Nash equilibrium possible through transparency. Transparency is an inevitable outcome of explicit, ownership- and alignment-building negotiations.

How The Collaborative Operating System Works

The Collaborative Operating System is based on developing and evolving the principles of ownership and alignment throughout the organization. These two meta-principles lead to other critical workplace effects, such as trust, respect, accountability, personal responsibility, and of course, win-win outcomes. In order to operationalize these principles in the workplace, we use the Five Elements of Collaboration as the new, explicit framework for leading, managing, and working. Each element is a collection of carefully structured guidelines, simple templates, and training for how to operate within the new paradigm.

The Five Elements are outlined below. We welcome any inquiry on these or any aspect of the COS. Contact us at info@theCOS.org.



Element 1: Identify the Problem

Element 2: Involve All Stakeholders

Element 3: Design and Facilitate Collaborative Meetings

Element 4: Form a Collaborative Team

Element 5: Create a Collaborative Plan

About Collaborative Leaders, Inc.

Our work is developing collaborative leaders. We coach and train leaders in collaboration so they can achieve extraordinary, sustainable business results and solve even the most complex problems.

Our vision is to develop a critical mass of leaders who use collaboration as their primary way of leading and solving problems. We believe that increased collaboration will bring dramatic improvement to key global problems, both within and beyond the world of business.

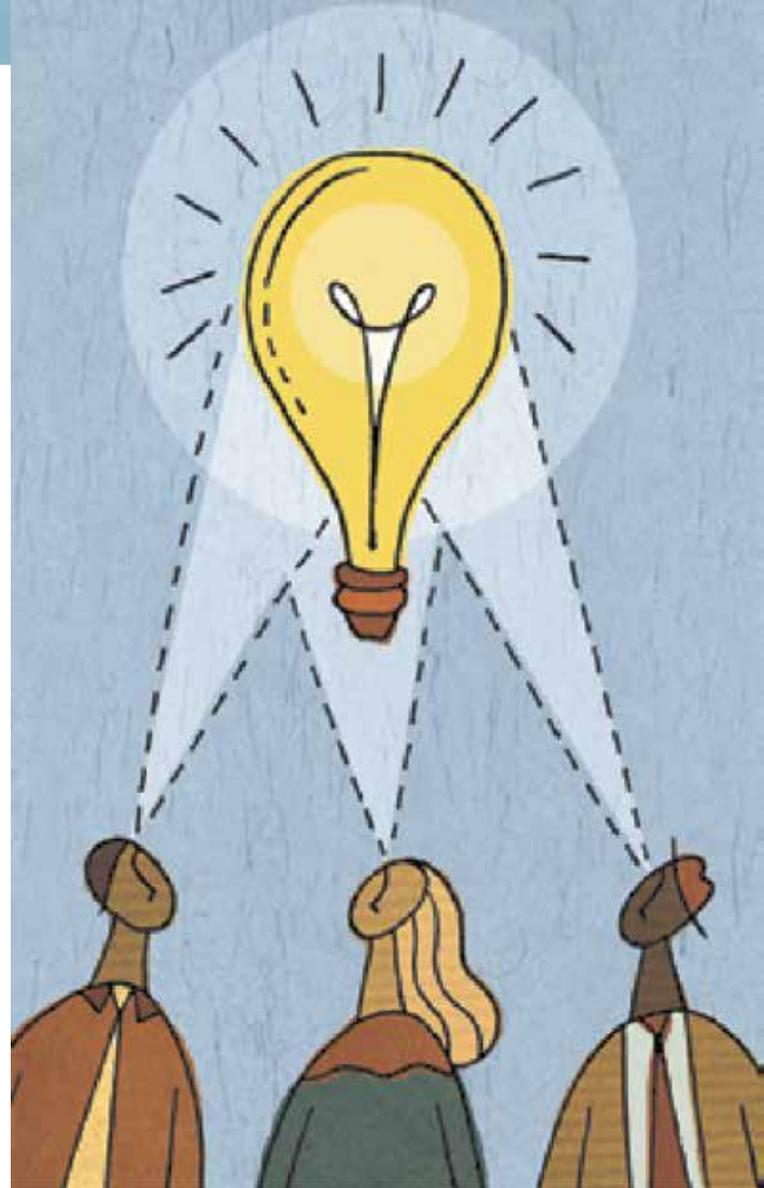
About The Authors

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As a management consultant whose expertise is executive coaching and collaborative organizational development, Rachel works with executives, teaching and coaching them to be collaborative leaders.

Tim Kelley

In addition to teaching and coaching executives to be collaborative leaders, Tim also helps executive teams discern their unique higher purpose. He is a public speaker and author.



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