

Powerless Bosses? Yes please!

(Digital) change requires Agile Teams in Holocratic Structures

By Harald Korsten



Claims

- *The future belongs to highly independent, technically and socially competent teams in non-hierarchical organizations.*
- *Leadership behavior in 'normal' organizational structures is the No. 1 obstacle to agility.*
- *The evolution of leadership culture has reached a revolutionary level: 'Executives 4.0' that are freed from professional and disciplinary authority become competent facilitators for agile teams.*
- *This necessary paradigm shift to shape digital change generates resistance - habit and relative satisfaction with the status quo never turns smoothly into curiosity and openness for change.*

Inflationary used terms mutate into phrases. In mainstream chatter, the original core meanings of for example 'disruptive transformation' or - for over 25 years - 'coaching' become blurred. This fate now also threatens the Latin-German adjective 'agile', which has already caused annoyed eye rolling with some leaders. Real agile teams, however, are incredibly powerful. The organizational structure surrounding them is revolutionary, not to mention the behavior of the managers who do their utmost to support them - who are no longer managers in the usual sense of the word.

1. Agile?!

'What does agility mean to you?' 'To be faster and/or more flexible' is still the uniform response of established German executives in large companies. This changes with 'How do you create agile teams?' Here the answers range from 'through tighter team management' and 'through the right working techniques' to the new classic response 'our staff for digital transformation also takes care of that'. Can you believe that? Apparently, agile teams with self-organized team members who act on their own responsibility are beyond the horizon of understanding for many managers. Since the fish stinks from the head it is fair to say: Leadership behavior is the No. 1 obstacle to agility. In some places, 'leadership 4.0' is propagated as a matter of course. What is that supposed to be and what was it before?

2. About the Evolution of Leadership Culture

Leadership 1.0 Until well into the 1990s, leadership was based nationwide on guidelines, instructions and controls. Executives are senior experts promoted on the basis of technical expertise or according to the seniority principle. This authoritarian understanding can still be found not only in smaller companies but also persistently in larger industrial and government reserves.

Leadership 2.0 Globalization and IT are forcing the first paradigm shift: In order to get a grip on increasing complexity and simultaneous decentralization, employees are now included in decision-making processes. The credo 'turn those affected into participants' casts a shadow: many experienced managers have massive problems with the necessary delegation of partial competencies and responsibilities. Lack of overview, organizational bottlenecks and a lack of social competence lead to hectic actionism - true to Mark Twain's 1898 bon mot: 'and when we finally lost sight of our goal, we redoubled our efforts.' In some places, the workload is increasing rapidly. From this time comes 24/7, the availability fetishism that still has an effect today - to be available around the clock and every day of the week.

Leadership 3.0 Since 2005 at the latest, the battle for 'Generation Y' has been joining the increasingly necessary reduction in complexity: the much-quoted demographic development is increasingly creating an employee market. Well-trained young people refuse the 24/7 insanity, seek motivating challenges and are mindful of their quality of life. Optimal leaders are now inspiring creators of tasks, highly socially competent and at the same time strong decision-makers. Leadership becomes a vocation and a passion. Since 2016, the next stage of leadership development has been based on this base plate, which was also influenced by Otto Scharmer's 'Theory U':

Leadership 4.0 The most recent evolutionary stage is due to the insight that digital change is best shaped by mentally and organizationally flexible teams whose members increasingly want to and are allowed to act on their own responsibility. At last, consistently supportive behavior no longer bobs around in the 'Nice to Have'

harbor, but becomes the new standard: Leaders have to foster the employees entrusted to them in the best possible way, according to their abilities and talents. Only those who systematically and successfully foster and support employees qualify for 'higher consecrations'. If this sounds familiar to you: This progressive credo is almost identical with the core statement of the *Toyota Way 2001* on the understanding of leadership! Thus the digital change provides for the renaissance of a premise, which was ahead of its time and will be common sense in some years.

Leadership 4.0 goes a step further: To enable leaders to concentrate fully on their development roles, they are increasingly 'disempowered', i.e. freed from professional and disciplinary authority to issue instructions and make decisions, and integrated into teams!

Back to agile teams. What is special about them and how do they do it?

3. The DNA of Agile Teams

Agile teams are always performance teams, whereby performance is not a question of average IQ, but of professional and social qualification. All team members respect and trust each other. They are valued by their 'leaders' and individually supported to the best of their ability. Everyone is ready to support the others at any time. If a team has completed its task early, it will make its own efforts to find a new assignment. As practice shows, this optimum is achievable if the following decisive skills and key factors are developed, in a sense the agility DNA:

3.1 Systematic problem solving

Agile teams organize themselves completely on their own to cope with their work. Tasks and projects are put together independently in work packages, which are processed in systematic, scheduled steps.

They work systematically on each problem, change or development topic:

1. A common understanding of the topic or core question: what exactly is this all about?
2. Goals, measurable and scheduled; WHAT do we want to achieve when we tackle the topic?
3. Solution ideas and their evaluation on the basis of the goals: HOW will we achieve our goals?
4. Tasks, measures: WHAT will we DO to implement the best solution in concrete terms?

The working techniques for this are as simple as they are effective: 'SMART' to formulate objectives, creativity techniques such as 'STOP' and '635' for developing solution ideas, a benefit analysis for idea evaluation and finally the binding action plan for implementing the solution – WHO does WHAT until WHEN?

Locate topics / problems	Exchange of information	Goals	Solutions	Action planning - measures
Method: Stocktaking • Collect • Arrange <ul style="list-style-type: none"> • Bundle/Cluster • Weigh 	...collect topics matching the cards Group work	Specific Measurable Attractive Realistic Terminated Group work	Collect, sort and assess ideas Use creativity techniques: -Brainstorming -635 – 6 hats -Headstand -STOP etc. Group work	Binding agreement on the implementation of solutions -what – measures -who -until when Group work
Result	Result	Result	Result	Result
Pool of topics Bundle of topics (Tb1) Tb2 Tb3 Tb4 <div style="border: 1px solid black; padding: 5px; display: inline-block; margin-top: 10px;"> Continue with Tb1, possibly with Tb2 </div>	All in the same boat	1-3 goals for Tb1 <u>Leading question:</u> What do we want to achieve when we approach Tb1?	2-10 solutions <u>Leading question:</u> How are we going to achieve our goals?	Agreed measures <u>Leading question:</u> What exactly will we do to implement our solutions?

Figure 1: Solving problems and issues systematically (© Harald Korsten M.A.)

That's how effective problem solving works. This is motivating and fun teamwork in effective work meetings, miles away from what happens in most 'normal' meetings. Their normality is often characterized by aimlessness, dogmatism and enforcement strategies, recognizable by endless discussions with 'yes, but...'-pingpong and devaluations of contributions. The resulting lack of results, in turn, leads to even more meetings ('we have to get a move on somehow!') for which hardly anyone can prepare properly and in which unimportant details can ignite tormenting discussions even faster.

Discussions often tempt to the self-opinionated 'yes, but...!' and lead to more or less lazy compromises, if at all. The lowest common ground is laboriously fought for or a 'take-it-or-leave-it manner' from above determines the course. Typical participant comments after such meetings are: 'That's just the way it is with us. A lot of people go into meetings and they don't get much out of them', 'well, the usual hiccups but I've been able to write a lot of e-mails' or 'but we need to discuss - there is no other way'.

Agile teams put an elegant end to this everyday madness of wasting resources. How do they do that without falling back into demotivating behaviors? What have they learned? The answer lies in the two other building blocks of agility DNA.

3.2 Ability to reflect and reach a consensus

Members of agile teams understand that there is nothing better than different experiences and views among colleagues – 'why not?' instead of 'yes, but...!' They recognize: These are rich sources for other or new impulses, ideas and solutions - what else? They learn to reflect on their own behavior in the group. In a working atmosphere characterized by increasing esteem and motivation it is always easier for them to lose impatience, assertiveness and rigid views and to become more curious about other opinions.

The 'super technology' for this: listening correctly! Many experienced discussers must learn that again, without after seconds falling into impatient snap breathing because they have right now the suitable 'yes, but...!' counterargument. Interested listeners ask questions, dig deeper and occasionally summarize what they have understood... If this seems familiar to you: yes, this is basic, radical (from lat. radix: the root) coaching behavior.

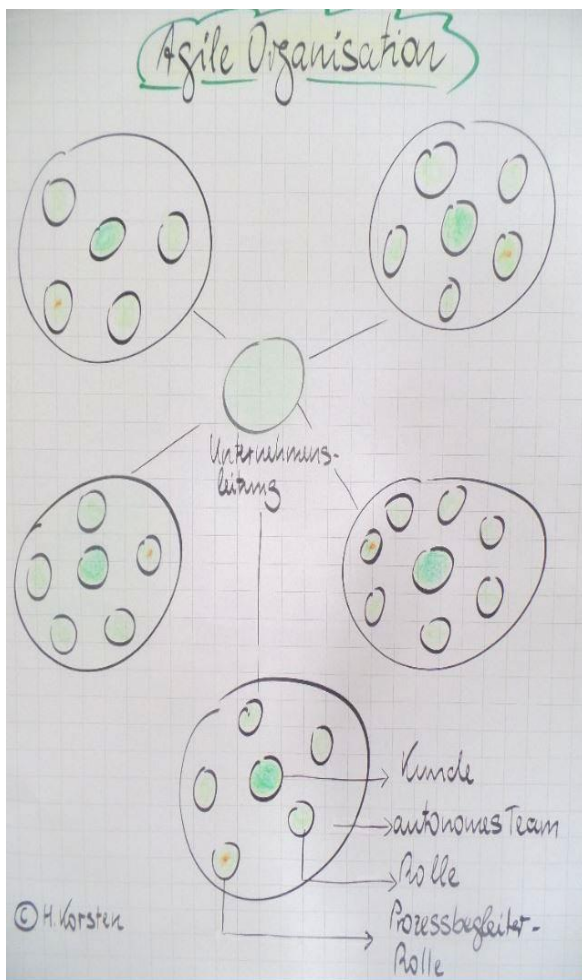
Typical participant comments after such a dialogue- and consensus-oriented meeting in which topics were systematically dealt with are 'that was really fun', 'we wouldn't have gotten that far in 10 meetings otherwise' or 'we found solutions that I would have never come up with on my own'.

3.3 Continuous Improvement and non-hierarchical Organization

Agile teams improve from meeting to meeting through a simple but almost unknown routine called 'process analysis'. At the end of each business meeting, they answer the following questions in a few minutes: What has...

- benefitted us this time?
- inhibited us this time?
- What will we do better next time?

Plan ⇒ Do ⇒ Check ⇒ Act - the famous premise of the Kaizen (jap. "Way of small steps"), known by "Toyota Way 2001", says that finished work must be evaluated regularly to get further/better. Without 'Check' there is a standstill, because no learning can take place. This is exactly what the process analysis provides: the team members systematically reflect on the way they work together. The results, recorded on a flipchart, hang on the wall at the next meeting, which has a strong self-disciplining effect and effectively inhibits hindering communication and behavior patterns. Effectiveness and motivation increase continuously and every meeting are used for real team development - by the team itself. After 3 months the cooperation has usually improved so much in terms of commitment and effectiveness that outsiders can hardly believe it. This does not happen with 'normal' teams, because they can hardly learn more about the way they work together. That's why they usually get stuck in the perpetual, 'normal' discussion swamp.



Agile teams need non-hierarchical organizational structures, as Brian Wilson introduced in his company in 2010, where they have been further developed ever since. Like a Phoenix from the ashes, another old-fashioned premise is now becoming a hot topic: his much-noticed model of 'holocracy' (literally: dominance of completeness) is a progression of 'wholeness'!

And the leaders? They should now be on the way as developers and multipliers of meaningful change in order to promote agile teams in the best possible way, as change agents, to pick up another catchword. What does that mean? In holocratic structures activities turn into roles for which suitably qualified employees are responsible. Related roles form a circle, i.e. the team. The members of the circles organize themselves independently in order to perform tasks in the best possible way. Internal or external clients/customers are just as integrated as competent process companions - the former leaders.

In operational meetings (tacticals) they structure topics and process them systematically. With some experience these meetings also work virtually, e.g. via Skype. Representatives of the customers are naturally part of these meetings, without a special role, as often as possible and necessary. In structural meetings (governances) they adapt roles and circles to tasks and challenges.

Figure 2: The agile organization (in German, © Harald Korsten M.A.)

Roles that have become redundant are eliminated and the colleagues search for new roles independently if necessary. This requires that everyone has access to all relevant figures, data and facts. Due to the necessary self-organization for their coordination, prioritization, processing, chronologization and more

systematic storage, team members become better and better at their ability to coach and to help each other.

4. About Change Agents and Rooms of Change

As multipliers of change, powerless leaders take on tasks that are currently almost exclusively taken over by external experts (if at all): they are interactive trainers for coaching behavior, modern working techniques and genuine criticism. They moderate difficult situations and establish continuous improvement processes. They competently accompany teams through group-dynamic phases (forming, storming and norming) so that the performance becomes more and more constant. They intervene in unavoidable hierarchies in teams so that they are reflected and productively channeled.

The more violent (disruptive) the change, the more vehement the resistance. The usual needs to be defended – see 'room 1' in figure 3 - often with creative perseverance, before something new is finally accepted and finally taken for granted. In C. F. Janssen's 'Four Rooms of Change' these phases become rooms in a house. Opponents are located in room 2, which still has a cellar under it: the 'party room of refusal' in which like-minded people in resistance often 'celebrate' with astonishing tenacity. The following room 3 is characterized by confusion and reflection. Below, under a trapdoor, lies the dangerous 'labyrinth of despair'. In contrast to the party room, those who fall in here do not find their way out alone, which can lead to tragic consequences. The vast majority of those affected, however, gradually let go and the threat shrinks. They enter room 4 and become visibly open, confident and able to recognize opportunities in the new.

Unfortunately there is no direct connection between room 1 and room 4. Relative contentment and comfort never turns smoothly into openness and renewal. Everyone who is already on the way as a multiplier/change agent of this (r)evolutionary change of leadership culture should know this. How long the leaders and employees will hide in the first three rooms depends of course on participation, clear goals and professional process support.

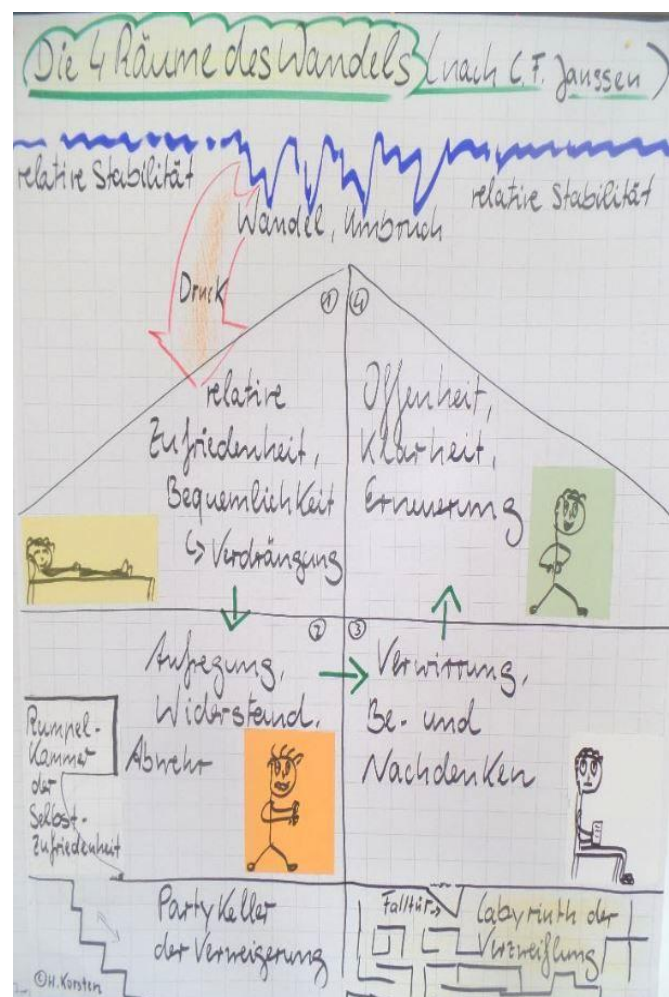


Figure 3: 4 Rooms of Change (in German, © Harald Korsten M.A.)

5. The final chord

Bosses thus become 'enablers'. Disempowered, or rather freed from disciplinary and professional authority, they act as multipliers and change agents to shape change. To this end, they are well qualified as trainers, coaches and process assistants in order to qualify individuals and teams competently and continuously to develop further. This is undoubtedly a necessary and radical reinterpretation of leadership culture, the upheaval of which is already underway.



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