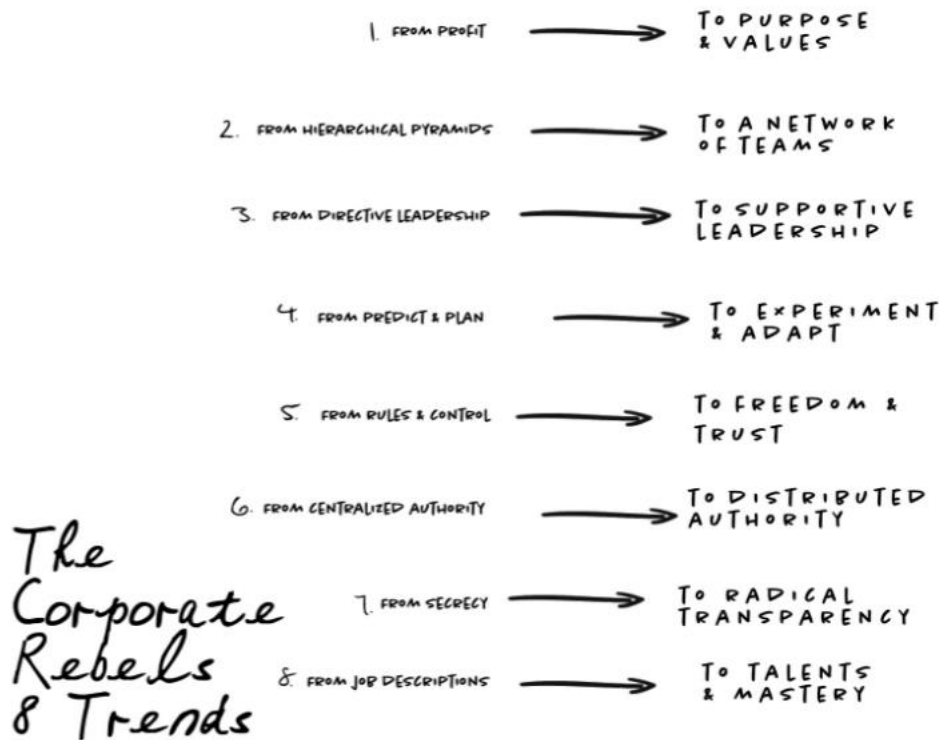


**Brief Summary  
of  
Corporate Rebels  
Make Work more Fun**

**Joost Minnaar and Pim De Morree**

- The authors were fascinated by entrepreneurs who tackled work in a radically different way and kept their employees engaged and connected – and make work a lot of fun
- One of their inspirations was Ricardo Semler of Semco – who broke all conventions, had no unnecessary meetings and pointless regulations
- According to Gallup only 15% of employees felt engaged with the work they do
- They looked out for organizations which made work enjoyable and rewarding in the most challenging environments and they came up with 8 trends which were significant in terms for employee engagement and work place fun



**From Profit to Purpose and values**

- Patagonia has this mission statement “Build the best products, cause no unnecessary harm, use business to inspire and implement solutions to the environmental crisis”
- Holland Kroons a municipality in the Netherlands has six core values to follow which form part of their identity – trust, grit, enthusiasm, contact, respect and innovation

### Practices followed from across the globe

- Have a bold purpose
  - The purpose must tick boxes, must be authentic, honest fearless and real
  - The higher purpose must provide a trust sense of direction – especially In times of frustration or loss
  - The most powerful examples must provide answers to questions such as : why does our company exist? Why do we do what we do? What is our added value? Do we mean what we say? What difference do we want to make?
- Get the message to everyone
  - The higher purpose must be shared and must be applied in all areas
  - Every department, team, person is aware of their contribution
- Hire for culture, train for skills
  - Employees are custodians of corporate culture
  - Herb Kelleher of Southwest once said, “the business of business is people”
  - Southwest hires for values – you can try people to fly planes and serve passengers, but you cannot change who they are
- Measure impact, track progress and share it widely
  - Are goals being accomplished? Employees need to see their own role as part of the bigger picture
  - Measure and be transparent, authentic and honest
- Put your money where your mouth is
  - Actions are important than words – authenticity and credibility are lost when you fail to follow through with your words
  - Patagonia directs one percent of its annual revenue to non-profits

### From Hierarchical Pyramid to Network of Teams

- Research shows that about 55 million meetings take place in the US every day and the average employee spends six hours in a week in one of them
- Managers spend close to 23 hours in meetings every week – at least half of them are unproductive
- Zhang Ruimin of Haier was inspired by management ideas from around the world and principles of Lean and TQM came up with initiatives to eliminate bureaucracy and stimulate innovation and encourage entrepreneurial thinking – moving away from hierarchical pyramids to team networks to shared ownership
- “We try to organize ourselves like a rainforest – eventually every empire will collapse, a rain forest will continue to thrive” – Zhang Ruimin

### Practices around the globe

- Inverted Pyramid
  - Change from the unrealistic vertical command and control to an inverted pyramid where employees/managers closest to the client take most of the decisions
- Autonomous teams in pyramid
  - Have small intertwined autonomous teams which choose to manage themselves and are responsible for the end result
- Flat organization with autonomous teams

- Having a flat organization with minimal management layers
- The autonomous teams determine how they work, where they work and with whom they work
- Network of teams
  - Teams organize themselves in a network that is managed by a small and efficient “head office”
  - Divide teams based on region, product, service or client and ensure an efficient IT system that allows employees to work well together
  - Buurtzorg has over 1000 autonomous teams by only 50 people
- Ecosystem of mini companies
  - Network of mini organizations with in a company by providing part ownership and an online platform to give access to stakeholders
  - Haier has 4000 mini companies across multiple online platforms for its 70000 strong organization
  - The role of the top management is to determine long term strategy only - investing in mini companies and funding the start ups

### **From Directive to Supportive Leadership**

- The cost of bad management in the US alone is estimated at 310 billion USD per annum - Statistics show that around 65% if employees hate their boss so much that they would rather change their position and work with another manager than receive a pay rise
- Zingerman’s community of business(restaurants) and UKTV are examples where leadership moved from a command and control to a supportive one – leaders are closer to the teams, better communication between colleagues, meetings where people share stories of adversity and mistakes and transparency in the ways of working

#### Practices from around the globe

- Beware of HIPPOS
  - Practice of siding with highest ranking officer and not acknowledging the person who has the most expertise, expertise and the brightest ideas
  - The NHS in UK has signboard which says “Park your hierarchy at the door”
- Destroy the ivory tower
  - Maintaining the ivory tower is outdated and undermines the empty words which say “Employees are the backbone of business”
  - It is critical to get rid of the ivory towers and create a more inclusive environment
- Evaluate your manager
  - Supportive leadership can only work well when there is a proper feedback system that will listen to the people and the discussions are candid and open
- Split Managers
  - Hierarchy is itself not the problem – artificial hierarchy is – when authority is not based on competence and quality of leadership, the dreaded Peter’s Principle shows up
  - If you are a good sales representative and are promoted to a role which manages people – there are chances that the person might fail. Similarly a great programmer may not make a good manager.
  - Reward structures should be meaningful

- Choose your leader
  - Supportive senior staff lead by example and are open to supporting junior members in the team and are open to feedback and criticism
  - In Swiss IT company Haufe Umantis, all positions of power are chosen democratically – the fact is those are chosen can really lead

### **From Plan and Predict to Experiment and Adapt**

- Detailed annual plans may have been a standard practice a hundred years ago, but in this modern world, this is far from ideal
- We can no longer predict with any certainty what the next calendar year will bring.
- As organizations have become more complicated. The problem of complexity in addition to bureaucracy has made it extremely frustrating for leaders and team members alike
- Experiments are key to long term success and mistakes do happen – Spotify “we make mistakes faster than anyone else”
- Experiments are reviewed and mistakes can be reflected upon before an improved experiment is put to test
- A “Fail Wall” encourages learning from errors and internal blogs share success stories and failure stories to create a culture of improvement

#### Practices from around the globe

- Ruthlessly experiment
  - When it comes to experimentation, the best advice is – “just do it”
  - Action is the most powerful antidote to the corporate disease of “analysis paralysis”
  - It is always better to experiment and fail than never to try something new
- Kill the budget cycle
  - Dispense with the annual management processes which are based on wild guesswork, involve fixed targets and revolve around office politics
  - Only plan and forecast if it seems vital – have short-term rolling forecasts
- Create a “safe to try” environment
  - Experiment properly and fail masterfully – ensure people feel safe with this
  - Simply ask the question – “Is it safe enough to try?”
  - Experimentation should be fun and exciting not threatening
- Crowdsourcing experiments
  - Set up a crowdsourcing platform and invite employees to join
  - Build a crowdsourcing platform that allows anyone to do something new
  - Invite everyone to participate and come up with suggestions – let them recruit fellow rebels and launch the most popular experiments
- Rebel time
  - Give everyone the time they need to rebel
  - Create dedicated experimentation time through appointment of full time rebels – those who constantly push things forward
  - Spotify’s 10% hack time, Google 20% rule etc call under this category

### **From Rules and Control to Freedom and Trust**

- One of the common mistakes is to bring in the wrong managers, those who take full control. This feels “safe” – but is lacking in trust and employees are deprived of responsibility and ownership
- Netflix has this policy with respect to corporate travel – “Act in Netflix’s best interest” – treat company money as if it were your own and make all costs transparent
- Perpetual Guardian, an asset management firm in New Zealand experimented the four day work week for its 200+ employees – the workers were still paid for 5 days. Though it was tough initially, they noticed that after a year, their profits doubled, revenue increased by 46% and retention grew from 77 to 88%

#### Practices from around the globe

- Design your workplace
  - Empower employees – give them the freedom to design and decorate – it is a simple way to provide first level of autonomy
- Results based working
  - It is time to move away from fixed working hours, provide unlimited holidays, stop creating rules for the three percenters and encourage common sense
  - Address the cause of the problem – not the symptoms
  - Provide freedom and trust and start doing real work
- Peer review
  - Move away from top-down control and reviews – create an environment that have workers accountable to their colleagues, create a culture of transparency and provide valid regular feedback
- Self-Setting salaries
  - A few companies allow workers the freedom to determine their own pay level – they know that after setting their own goals and evaluating themselves, their own pay is the next step

#### From Centralized to Distributed Authority

- Towards end of 1990, David Marquet, “Turn the Ship Around”, made the decision to give as few orders as possible
- Centralized decision-making leads to an unwillingness to take responsibility, poor choices and endless coordination leading to frustration
- According to Marquet, employees taking important decisions have greater sense of entrepreneurship and pride – they start thinking for themselves
- Advice process – before any one takes a decision; they must seek appropriate advice. This has to be given by those who are affected by the decision and who have relevant experience

#### Practices from around the globe

- Map decision making
  - Teams may not know if they are allowed to take a certain decision – Simple decisions – just do it - In Medium to Big decisions – take the Advice process
- Change the language
  - Marquet changed the language of the organization and this moved them towards a distributed decision making organization.

- When employees ask for permission or approval, simply ask “What do you propose?”
- Push authority down
  - Once it is clear who makes the decisions, then it is about distributing authority down the chain of command
- Pre-Approval
  - A leader or manager approves something in advance before the employee has made a decision – the approval is given on the condition that the decision would adhere to the predefined boundaries
- Advice Process
  - Radical way of distributed decision making
  - Someone takes the initiative to solve a problem or grasp an opportunity
  - Decision maker seeks advice from people directly involved or from more experienced colleagues
  - Advice can be heeded or ignored – decision maker has the final say
  - Decision maker ensures all involved are informed about the advice received and the eventual decision
  - Not everyone has to agree not every source has to be taken into account

#### From Secrecy to Radical Transparency

- Having secrecy in organizations leads to informational asymmetry – an imbalance resulting in distrust, ignore, gossip and poor performance
- Radical transparency is vital – as trust increases, involvement rises and people take better decisions
- For resolving conflicts
  - Talk to the person with whom you are in conflict
  - Bring in a mediator that you both trust
  - Get yourselves a panel of mediators
  - The appointed arbiter by the CEO will force a solution – this is seldom used
- Studies show that higher levels of motivation are a typical outcome of increased transparency
- Salary transparency is also proven to have a positive effect on gender equality – research shows that the difference between salaries of men and women is less when there is transparency

#### Practices from around the globe

- Open Communication
  - Every one is involved in the process – having daily stand-up meetings and commitment meetings and town hall meetings help
- Openness as the default
  - Open by default policy ensures that as many people as possible have access to relevant information – brings better decision making and a higher level of involvement
- Transparent performance and goals
  - Good to have a transparent set of goals that would motivate others to do well too
- Open book management

