

Management at a Glance

A service provided
by www.kraus-partner.eu
Issue XXV, March 2017

Editorial

Dear business partners,
colleagues and friends,

Did you make it through the fifth season okay? Whether you were celebrating in one of the carnival, Shrovetide or Mardi Gras centres or getting away to quieter destinations, perhaps to the slopes or sitting quite unspectacularly behind your desk, wherever you were, I hope you had a good time.

The first 2017 issue of our 'Management at a glance' newsletter is dominated by one topic: agility. It's a topic that has been preoccupying the management world – and us as well – for quite some time now. We see the opportunities and the risks. The introduction of agility is one of the greatest changes since industrialization!

To ensure that the introduction of agile structures, rather than turning into a farce, is a resounding success, we're offering certified training as an Agile Coach from April. Over five modules and with a combination of agile tools and perso-



nality development, we'll be preparing people to successfully assist with the introduction of agile structures. Scrum Master exams can indeed be quite helpful, but in our opinion they're not sufficient for the complex requirements of the real world. Read more about the training on pages 5 + 6.

Agility places a great emphasis on having a learning culture, tolerance of mistakes, a willingness to take responsibility, and entrepreneurial thinking and action. In our leading article, I set out in search of the phenomenon of ducking responsibility, the exact opposite of the foundation required for agility. From my observations, ducking responsibility is especially prevalent in large companies. Why is that? Do large companies attract employees seeking security who want to hide in the crowd? Or does the older and more inert culture of large companies just consume people's drive? There are also a couple of remarks at the end of the article from people on our team about this.

Enjoy reading!
George Kraus

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Topic of the month

A brave new world: Ducking responsibility

It's no wonder! Today's hot topics bring it up to the surface. VUCA, agile leadership, learning culture – they are all built on people who are prepared to put their back into it and take responsibility. And these people do exist! My own theory of the individual is also based on the assumption that we all want to develop our potential and are happy to take responsibility for the things that are important to us. But that's not what I see on a day-to-day basis. What I observe, particularly in large companies, is a shockingly limited willingness to take personal risks. I rarely meet people who have the courage to say, 'Let's try something! And if it doesn't work, we'll do it differently.' Instead, I often encounter caution, resignation and a grin-and-bear-it attitude, despite large-scale management and employee development programs, and corridors plastered with posters saying things like 'Commitment', 'Entrepreneurial business' and 'Courage'. Why is this?

Too big?

The larger the company, the more security it promises. 'Too big to fail'. If you don't do anything wrong, nothing bad will really happen to you. Is one effect of this stability that it takes away

employees' backbone? Does the rigidity, size and hierarchy of these organisations instil helplessness and the ducking of responsibility?

Even if topics like having a learning culture and responsibility transfer are doing the rounds right now, what happens if something goes wrong? Isn't the first reflex often to look for a culprit? In most companies, the reward mechanisms for acting courageously are scarcely developed, whilst punishment mechanisms are the norm when something goes wrong.

Recognition?

In the best-case scenario, people who bend over backwards for their project, who motivate the team to go the extra mile and make the seemingly impossible happen can expect a small raise; however, it's more likely that there won't be any reaction or that they are even reined in from above or disciplined over formalities. In contrast, if a project goes off course, it is quite possible for the person responsible to be branded for years, shut out of future opportunities for career development.

All of us can cite numerous examples off the top of our heads of behaviour that frustrates go-getters or suffocates

enthusiasm. A collective lack of responsibility is what thrives in this climate. Keep your head down. Avoid eye contact. Discuss everything but decide on nothing. Because doing nothing is less dangerous than doing SOMETHING.

Important: look busy!

So does the working day look relaxed? No way. Frantic activity is part of this pattern. There are lots of meetings – long meetings, boring meetings. Meetings characterized by death by PowerPoint and validation loops. When did you last have the feeling of actually achieving something in a meeting; when did you last detect some excitement? When did you hear, 'Hey, let's do it'? Unfortunately I seldom come across this kind of energy. But what I do find everywhere is the longing for a safe space. The phrase that goes round my head is 'Make me an omelette, but don't break any eggs.'

More courage?

This phenomenon is, in my opinion, one of the greatest challenges facing organisations. So I ask myself: how can people be supported to think and act entrepreneurially? How can the courage to take risks be cultivated? What nourishes self-confidence? How does the realization take root that things can only be changed through action?

Thinking entrepreneurially – nearly every employer today demands this from their employees, at least from managers. But what does that mean? For me it means that as an entrepreneur I'm the one primarily driving the project, the task, the company forward. Entrepreneurs are enterprising.

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They get things going; try things out; they do. But this attitude has become rare. What I do see everywhere, however, is tactical game-playing. How do I look? What will give me an advantage? Does this help my career? If not, I'll leave it be. Bad for the company? Not my problem...

Fear?

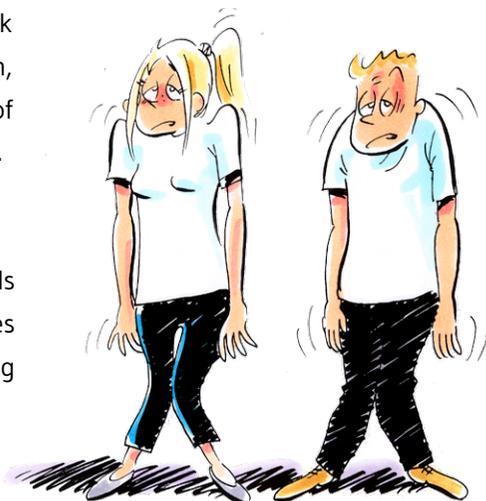
Most people in organisations are driven by fear. This means that change is almost impossible, because the majority only think about what is in it for them personally. At the extremity of an anxiety culture lies petrification: nobody moves anymore here. But beside fear, I see three more dimensions to the group phenomenon of ducking responsibility:

Social conformity

...because in an environment where everyone holds back, anyone who pushes things forwards is criticising the others. Even if they're not yet active but are just starting to feel held back and dissatisfied, if they complain, they're threatening the cosiness of the system. And this is sanctioned.

Mercenaries?

The brave soldier asks for goals and five-year plans and marches off to make them happen. Thinking beyond that is not called for. Deviations and errors are not tolerated.



Doubt and discouragement

Of course, it makes sense to assess risks and to question things. In mathematics, it is easy to produce formulas. In business, however, every forecast is like a wager. Whether a new product will be successful or not ... no one can guarantee this. How great is the desire for doubt? How willing are we to make bets? Where is the courage to take a step forward, despite the doubt?

The chicken or the egg?

These phenomena are nothing new. What's new is the urgency to do something about it. Dynamic markets and growing complexity demand increasing agility and personal responsibility. I am fascinated by the question as to whether large, stable organisations attract a type of individual who seeks security and shies away from risks. Or whether the rules, processes and sanctions condition people who used to be motivated. The truth surely lies somewhere in between.

Nevertheless, regardless of whether the chicken or the egg came first, this is the environment in which the topic of agility is increasingly required. How is this going to work when security is one of the strongest values and fear reigns? This is a question that preoccupies me tremendously. It preoccupies all of us! Here are a few different perspectives from our team:

Gobbled up

'I don't think that large companies attract people who duck responsibility, but rather that the old culture devours the new. When someone who is full of energy and decision-making drive enters an organisation in which a hedging culture has developed over decades, either the person leaves again very quickly or likely gets swallowed up by the old culture over time.'



It is always a bit of a paradox to me when staff are expected to think and act like entrepreneurs but are not rewarded like entrepreneurs. For me the greatest showstopper is not letting those with responsibility share in the economic success or failure. Many businesses are already showing that it can be done differently. Even some corporations are now setting consistent agile conditions.

Within these islands, an agile methodology, e.g. Scrum, is introduced to start with. As a result, a gradual change in the mindset can be effected. But this only works if managers and boards change their thinking as well! Agility starts with your own values and demands a consistent framework. You have to want it! Then it can work brilliantly.'

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Decide!

Stefan Bald



'For me, the anthropological credo is true: people are responsible. They have the capacity to be so. What does that mean? Responsibility is manifested when a person makes decisions (which we do all the time). But decisions require room for manoeuvre. Decision and freedom belong together and are interdependent. And decisions have consequences. In a capitalist system, these are often economic consequences. And this is where I see the sticking point in our discussion. Because we find ourselves in economic dependencies. The more my economic existence is endangered, the greater the likelihood is that I'll perceive my room for manoeuvre to be restricted.

My thesis is this: economic (personal) responsibility is dependent on my willingness to take economic risks. Human beings seek existential security. The more vulnerable this is, the less they're prepared to bear consequences, the more their room for manoeuvre is restricted, the more cautiously they'll make decisions. This explains their restrained responsibility.

What can organisations do? Here, as before, Sprenger (The Principle of Responsibility) is the authority for me. His most important core thesis: managers support decisions. Only people who decide also assume responsibility.

In simple terms, this means that if organisations require entrepreneurial thinking, they must provide space for decision-making. That's when responsibility can grow.'

What's in it for me?

'Responsibility duckers don't go to large companies – they are made there! The young people I meet belong to an extremely flexible generation of people. They love change and the creative process, and are also used to assuming responsibility for their own actions in their private lives. So they often experience disillusionment in companies. Numerous initiatives lay scattered all over the place; the proverbial shit rolls downhill; and you learn from role models that it's not the brave, but the clever tacticians who succeed. The level of responsibility that is assumed is inversely proportional to the size of the company. In my opinion, VUCA is now both an opportunity and a risk. The VUCA world accelerates change and intensifies this dynamic even more. It is becoming more and more unclear what will happen next year, and whether the direction that is currently being pursued will lead to the goal. In the worst case scenario, this completely extinguishes the desire to take responsibility. If everything is arbitrary, why bother spending energy on anything? Better to become like the FDP (Note of the translator: FDP = abbreviation for a German political party = free democratic

Christian Berthold



party) – don't have any opinions or take any positions. On the other hand, however, the organisation could now support people who manage to make things happen against this whole backdrop of madness. But this must be cleverly targeted and honoured. 'What's in it for me?' The person who takes responsibility and acts with courage needs to get something out of it!'

I'm sure there's no single standard solution here. I suspect one would have to target various levels to be able to dive into the culture and change things. What are your thoughts? How do you experience your environment when it comes to assuming responsibility? Are you happy with it? How could you make a difference? What would be necessary to do that?

I look forward to your letters!

g.kraus@krauspartner.de

Warmest regards,
George Kraus ■



Management at a Glance

Trends & facts

Agility – Agile Coaches

It's been official now at least since Daimler CEO Dieter Zetsche announced his vision of a new agile organisation in October 2016: agility is leading a niche existence no longer but has mutated into a trend that encompasses every sector and is currently seen as positive.

So now corporations want to emulate the success of startups and 'agilise' their organisations. But what exactly does that mean?

Agile teams are set up and the Scrum handbook is given to project leaders who are told they now need to 'be agile'. But hardly anybody has a clue what that's supposed to mean. There is the danger that the term 'agility' is misused to mean 'fast' and 'flexible'.

What everyone sadly forgets in the process is that it requires a particular philosophy, and that a change in thinking has to take place in people's minds.

The last great wave, the last big trend – which also required a mindset change but was implemented half-heartedly or with methods too rigid to maintain its appeal – was the Lean philosophy. I don't even want to think about how many administrative departments Lean was introduced into and where it was incorrectly applied. Sketches of scissors in the

drawers of staff in the personnel department are the relics of a misplaced slavery to the methods.

Agility and Lean have one thing in common: both philosophies are based on constantly questioning yourself and your actions, and reflecting on them in order to learn from them and improve. This process, however, can't at all be taken for granted in most companies. On the contrary: if you admit to making a mistake, you've lost, you've failed! If the methods that lie behind the philosophies are to lead to success in companies, a change of thought and culture is a basic prerequisite.

Scrum Masters, product owners, team members and managers of Agile teams face the following challenges:

- Staff who've always had everything 'prescribed' are suddenly supposed to take responsibility and think and act entrepreneurially, too.
- Managers no longer have the only say-so and are supposed to have a supportive coaching role.
- Hierarchy is no longer a privilege that you acquire by your own efforts once and for all. Instead, your status depends on the project, on your own ideas, and on many other factors.



- Dealing with uncertainty is suddenly supposed to be your daily bread.
- The maximum diversity of team members is advantageous for generating good ideas but also harbours the potential for major conflict and creating rifts within teams. This has to be tackled by targeted team development and converted into a productive, understanding co-existence. The 'otherness' of others has to be understood to be appreciated.
- The Scrum team is embedded in old structures that look on in disbelief at the agile principles as they come into contact with them and wonder what all this is about – we've never done it like this before.
- The Scrum team itself consists of staff who are not yet fully practiced in self-organisation – conflicts arise from role uncertainties, and when obstacles emerge there is the lurking danger of falling into old, familiar patterns again.
- Agile teams and structures are supposed to be introduced without Scrum. In this case, however, there is no exact framework to which everyone can keep, and a process including principles of cooperation still needs to be developed first. >>>

Management at a Glance

Within the scope of Scrum methodology, the Scrum Master is the one who is supposed to coach team members, the product owner, and perhaps also those participating only on the margins when agility is introduced. A complementary concept has therefore developed in the arena: the Agile Coach.

Until now, Scrum Masters were trained via a 2-day seminar (if everything went well) and prepared for the Scrum Master examination, a multiple-choice test completed online. And even though this test may not at all be that easy to pass, it still deals exclusively with the theory of the principles and methodology. Nothing and no-one prepared the Scrum Master for working methodically with the new challenges, or coaching and developing teams. In practice, however, they are expected to be able to do it, to already be an Agile Coach.

What does an Agile Coach do? What should they be able to do? To:

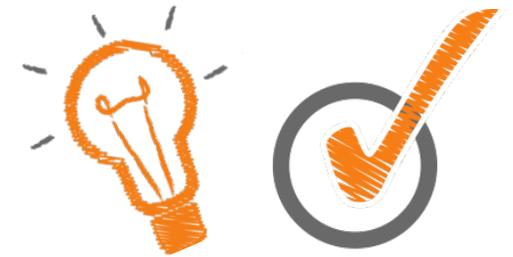
- know and understand **agile practices and principles** and passionately support teams in learning and applying them.
- recognise organisational blockages and obstacles, and coach the management and other stakeholders in the **agilisation of the company.**

- be able to support teams in a mediatorial, moderating, coaching and methodical manner in their **development into high-performance teams.**
- be able to convince managers and executives of and inspire them for the benefits of **agile methods and processes.**



This gap between knowledge of agile principles as a Scrum Master and the competencies required by an Agile Coach is something we want to close. From April, we'll be offering a 5- module course which through extensive practical experience, knowledge transfer, reflection, and supervision provides participants with certification as Agile Coaches.

Katja von Bergen ■



On our own behalf

K&P Agile Coach training

In this course, we attach particular importance to the close relationship between agile tools and personal development. Alongside a wide range of methods, participants also gain the competencies an Agile Coach requires to fulfil all the responsibilities within their challenging role. With a healthy mix of input and practical sessions, participants are prepared for all the challenges that the agilisation of companies, or the introduction of individual agile teams, entails. The combination of our know-how in agility and our decades of experience in supporting change processes has resulted in this comprehensive training for all those who are making their way into the 'new world'.

“**The introduction of agility is probably one of the greatest changes since industrialization.**”

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Our certified Agile Coach training consists of five modules and takes place in the Frankfurt/Stuttgart area.



Modul 1: 24/4 – 26/4/2017

Agile dimensions and consultancy

Normally, all your client says is, 'Make us agile!' Learn to distinguish what this means for different people and start with a good brief. We'll give you a tool that helps you implement a comprehensive and structured analysis of the change situation and the effects of change on the system in dialogue form.



Modul 2: 31/05 – 02/06/2017

Agile project management for Scrum Masters and those who want to become one

Agile project management can be more than just Scrum. We reflect with you on other agile methods and apply these together with you to non IT-related teams and organisations as well. Experience what it means and how it feels to carry out a project in an agile way. As an option, we'll prepare you for the Scrum Master exam.



Modul 3: 03/07 – 05/07/2017

Agile organisational development and change management

Cultural analysis and organisational development. What has to change and how for successful introduction of agile structures and processes? How much agility can your business tolerate, and how can you 'just start' in completely rigid structures? No easy task, but doable with the right change management interventions.



Modul 4: 14/09 – 16/09/2017

Agile management and instruments

Leading agile teams is a joy but also a challenge. Especially during the team identification phase there are significant conflicts and frictions. Reflect with us on your own leadership style and learn to become a 'servant leader'. Improve your leadership style through coaching and team development formats as well as conflict moderation methods.



Modul 5: 13/11 – 17/11/2017

Agile personality as an important building block for becoming an Agile Coach

Agile organisations need agile personalities. Since, as with the Lean philosophy, the principles and methods of working are built strongly on independent initiative, personal responsibility and continuous reflection on your own actions and collaboration, people need self-confidence. Explore with us the strengths of your personality, lay down limiting patterns of behaviour, discover the values that form the basis of your decisions, and recognize the interactions of your (communication) behaviour in relation to the personalities of the stakeholders. In this module, you'll use the coaching techniques from module 4 and a number of new tools for personal growth.

More information and details

Detailed information on the training and its content are available from our **downloadable flyer** at: www.kraus-und-partner.de/seminare/ausbildung-zum-agilen-coach
Note: The flyer is only available in German. The training will be held in German as well.

Registration

Online: www.kraus-und-partner.de/anmeldung/seminare

Or by email: Katja.vonBergen@krauspartner.de

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Tip: Individual modules can also be booked as in-house seminars. Get in touch with us if you're interested!



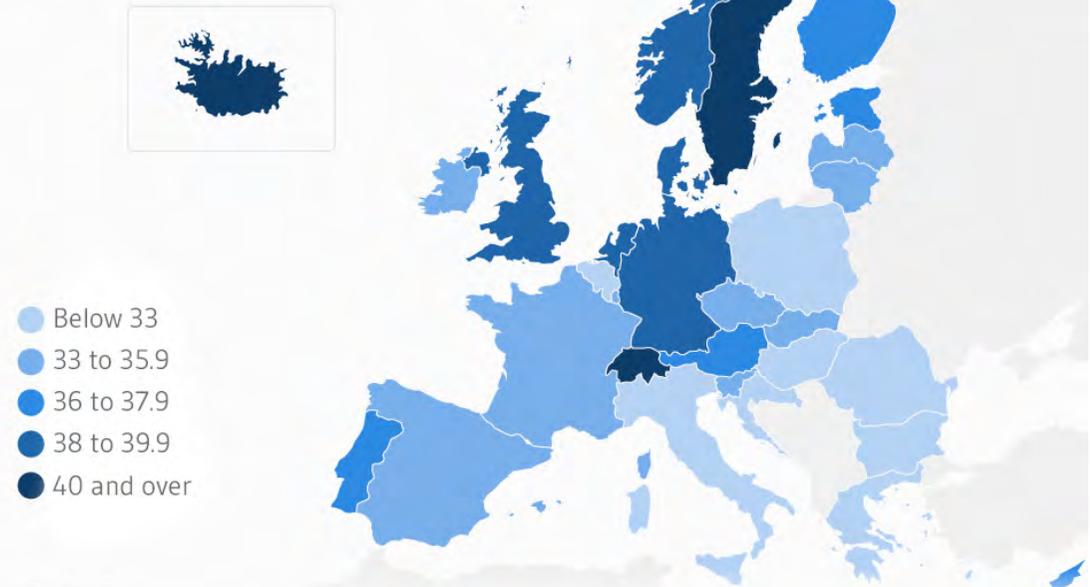
Management at a Glance

Trends & facts

This is how long a working life is

Across the EU, people can expect to work for about 2 years longer than they did 10 years ago. The average European working life thus lasts 35.4 years. Working life is the shortest in Italy (30.7 years). That is more than seven years fewer than in Germany. Iceland, Finland and Switzerland topped Germany with a working life of 40 years and more. Men generally work longer than women. However, the workload for female employees is increasing faster by comparison. While men in the EU work on average 1.2 years longer today than in 2005, the figure is 2.6 years for women. ■

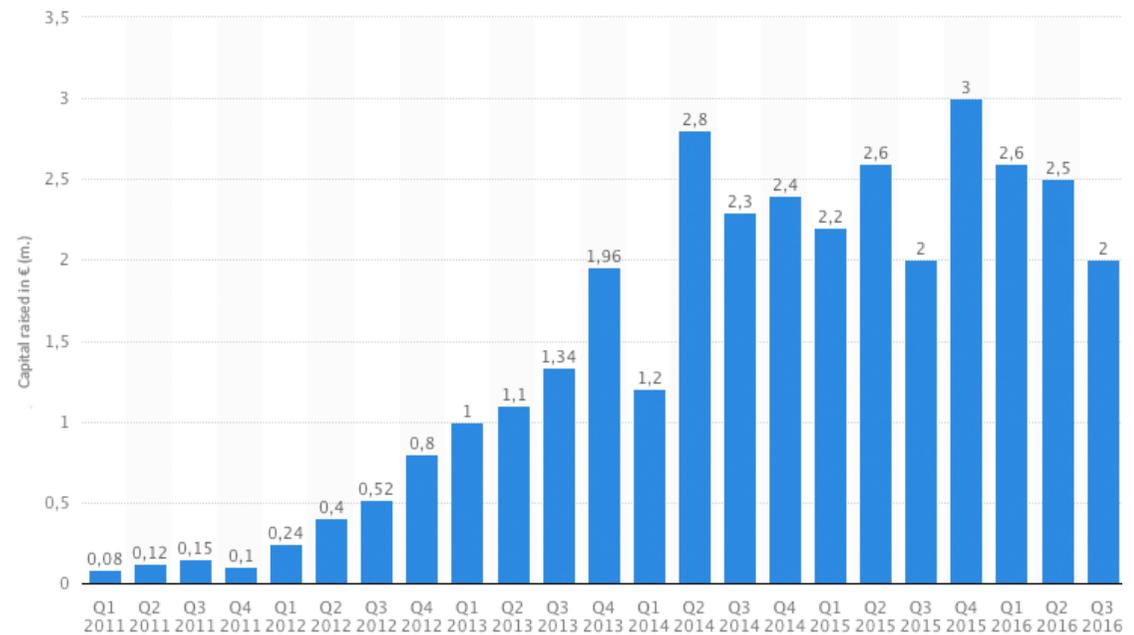
Projected working life in years (as of 2015)



Crowdfunding capital on the rise

Crowdfunding is still in its infancy here. But the statistics show a clear positive trend with numbers that warrant taking seriously. Every year, the amount of capital raised via crowdfunding platforms keeps growing. In addition to young companies and start-ups with limited capital resources seeking ways to finance their product ideas, medium-sized companies are also increasingly resorting to crowdfunding to raise capital.

There are no real restrictions on the nature of the products to be financed, but product ideas that generate hype are clearly easier. In order to be successful, a clear benefit is needed, along with a target audience that is as large and as clear as possible, an authentic and appealing net-based presentation, and a reward for providing financing. The effort required to nurture the 'crowd' on social media should not be underestimated. ■





Rubrik 42

42 – Answers from our think tank

In Section 42, we're on the hunt for answers to all sorts of management questions. In this brief video, Georg Kraus and Kevin Pfander talk together about holistic management using the Balanced Scorecard, the four perspectives it provides, and the risks and opportunities of this process. Look smart. Lights! Camera! Action! ■



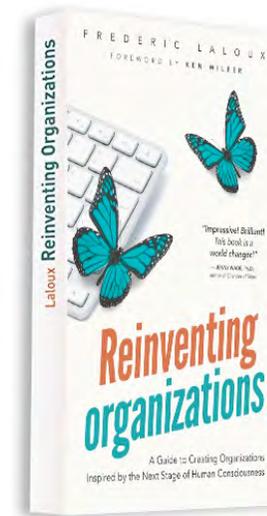
Book recommendation

The Principle of Responsibility
A Guide to Creating Organizations Inspired
by the Next Stage in Human Consciousness
by Frederic Laloux

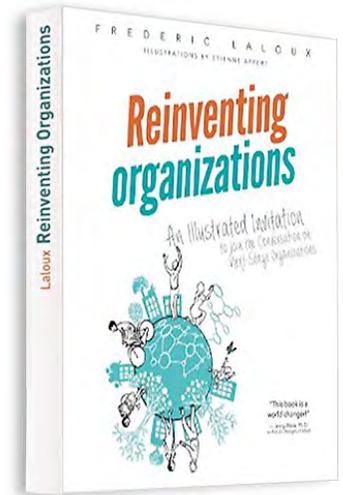
On the threshold of a new age we experience that our previous working world with its organisational forms does not serve the requirements and needs of people any more. Frederic Laloux steers the focus from the sum of all management problems to the solution of new ways of working together.

His book is an encouragement to embark on new paths. Using the latest research and positive examples from business practice, he shows that it's possible to work holistically, meaningfully and independently. 'If we want to change life and work in organizations radically for the good, it is the management not least who must achieve an advanced level of development,' he stresses. This requires a major paradigm shift and takes effort and the willingness to learn.

Reinventing Organizations is a good guide for anyone willing to change. The book's first chapter gives an overview of the historical development of organisational paradigms. The second chapter introduces organisations that are al-



ISBN-10: 2960133501
ISBN-13: 978-2960133509



ISBN-10: 2960133552
ISBN-13: 978-2960133554

ready successfully breaking new ground. Laloux sheds light on the structure and culture of these pioneers and explains their characteristics using specific examples. The third chapter consists of the conditions required for the development of evolutionary organisations, and the typical obstacles and challenges encountered.

The illustrated edition, which abbreviates the core ideas from the original and is filled with graphics and illustrations, is recommended for those who don't have the time or leisure to read a 360-page thick management book. If you can't decide, read both – it's worth your while. Welcome to the journey towards a new working world! ■

Management at a Glance

X-lab was a great experience!

The safari was brilliant! Thumbs up for the lively presentation of the content, the organisation, the great location, and the interesting discussions. Thanks very much!

The event was once again informative and fun, and I took a lot away from it. The workshops covered exactly what I needed to know. What a feat of organisation setting it all up in the zoo! Respect!

On our own behalf

X-Lab „Change Safari“ at the Munich Zoo Hellabrunn – A look back from the perspective of the king of the forest >>>

‘Allow me to introduce myself: I’m the king in the jungle house, gorilla by profession and basically a great friend of humans. Humans have raised me, but I can’t help wondering at them time and again. Just recently in the jungle house I hosted a large group who held several strange sessions which they called ‘workshops’. Workshop means sitting in a circle, chatting with your neighbours, filling out slips of paper, jumping up and pinning slips of paper to cardboard walls, listening intently to two chief animals, discussing, gesticulating, drinking coffee, swapping seats, and then starting all over again. Crazy or what? During the discussions, they were using heavyweight words like ‘leaderlessness’, ‘obsessive bureaucracy’, ‘over-commitment’ and ‘strategy vacuum’. Sounds like problems as large and weighty as four African elephants at once. If I understood correctly, the aim of the workshops was to solve these problems. It must have been successful, because the humans were in a pretty good mood all day long. They were beaming a bit more after the night tour through the animal park, and when they had finished eating that evening, they were so happy they didn’t want to go home. They must have liked it, solving problems and visiting my jungle. As far as I’m concerned, these humans can come back anytime. My night was a bit short, but it was a very entertaining and exciting day!’



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On our own behalf

X-lab Hamburg working group New design – dates – topics

Tried & tested, always great, and now refreshed:

The X-Lab Hamburg Working Group was founded in 2013 by Dr. Kraus & Partner after the Lean & Change X-Lab. It's now kicking off again, and more convenient single sessions are available to book now. All interested parties are welcome and invited to register.

Key dates

Open event, bookable as a single session

Costs: €60 net (lunch included)

Location: Hamburg, venue to be announced about 1 week before the event.

Time:

12:30–13:30 lunch together

13:30–17:30 four hours of topical work

Language: German

Registration

Online: www.kraus-und-partner.de/anmeldung/x-labs

Oder per Email: friederike.vobistram@krauspartner.de



27 March 2017

'Recognizing and understanding corporate culture'

Spiral Dynamics trial workshop followed by discussion.

Registration deadline: 10 March 2017

29 May 2017

'Do you have a business plan for your life?'

Trial format for individuals undergoing change: how you can kick-start your personal and career development with your own personal 5-year plan.

Registration deadline: 5 May 2017

Quote of the month



*It is easier
to nod with
an empty head.*

;-) Zarko Petan

Imprint

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Published by: Dr. Georg Kraus

Issue XXV, March 2017