

## **What Influencing Conditions Affected Effective Cooperation?**

### **A case study of transforming organizational cooperation processes**

As stressed in 2012 IBM CEO study, cooperative and connectivity has become the tread of business. Effective cooperation demands various conditions, ranging from structural and functional conditions to individual mindsets and behavioral skills. When the agreements are made, expectations are clear, and processes are well organized, cooperative endeavors are more likely to be effective. Seemingly conflicts at interpersonal level may indicate the necessity to streamline structural and functional conditions.

Recently we had the opportunity to work with a Chinese local company to evaluate and transform the cooperation process within the organization. Interestingly what was perceived to be communication breakdowns between the CEO and the employees turned out to be a complex case of organizing, distributing power, and structuring the communication process in a project based matrix organization.

#### **The Ceo's needs.**

To understand the situation, we started with an interview with the CEO and interviews with selected employees, and a Quick Scan filled out by all members. The CEO expressed satisfaction with business performances. Meanwhile, he shared his three pains, including weak middle management, lack of a successor, and personally needing to be physically present all the time.

#### **The employees.**

The employees expressed appreciation for opportunities to work on large scale and challenging projects. They also complained about the CEO's communication style as well as difficulty in interdepartmental cooperation.

#### **The Quick Scan for Cooperation Readiness**

The quick scan further suggested two additional weak areas blocking more effective cooperation:

- \*negative assumptions about their colleagues, and
- \*the lack of a formal communication structure in the organization.

#### **A workshop.**

We organized a workshop to further understand the current conditions, to identify areas of improvement, and to facilitate behavior changes. We proposed to the CEO improvements in several key areas. These are related to agreements on performance goals, establishment of a communication structure that fits the matrix way of organizing, agreements on roles and responsibilities, and improvements in cooperative behaviors.

First, we helped the members to reach agreement on their performance goals and ways of organizing (performance oriented matrix organization) to reach their goals. In terms of forms of organizing, we suggested to reconceptualize roles and responsibilities of project leaders and directors of functional departments to reduce conflicts in personnel demand and demand of other resources. All centered around projects. The functional department directors are mainly responsible for career coaching and developments and performance appraisal. We facilitated the development of clear rules for disturbances so that there is no delay in case of unexpected situations during project implementation.

**In addition**, we suggested reconsideration of power distribution. As a private business owner, the CEO felt free to intervene at all levels, which frustrated his middle level managers. The decision making process was random and highly centralized. The middle management was left with little space to influence. Communication tended to be informal and spontaneous. Instead of addressing communication issues at the superficial level, we advised the CEO to reconsider the power distribution: how much power he is willing to give to his middle management. That is directly related to one of the pains he described to us initially, that is, weak middle management.

**Further more**, we focused on helping the company develop a formal structure of communication, including rules and frequency of communication in different directions. The CEO has to be clear on what he needs from his directors and project managers and at what time he needs them. All project meetings and departmental meetings are handled with regular frequency and standardized agenda that fully covers related areas. All members reached agreements on expected meeting norms and behaviors.

**At behavioral level**, we facilitated changes in communication behaviors. The CEO learned to coach his people when necessary instead of being pushy most of the time. He follows the formal lines of communication and set up clear expectation for his employees regarding when to communicate to him and for what. The employees learned to use appropriate feedback skills in face of interpersonal conflicts, as opposed to acting on false and negative assumptions about others. In effect, after our training, open to feedback became a new behavioral norm in the organization.

**Improvements in cooperation conditions** lead to business success measured by on time delivery of projects and enhanced engagement of the employees. However, transformation is an ongoing process. Periodical reviews of the cooperation process will be needed to constantly improve the influencing conditions.

Huiyan Zhang and Ton Voogt.  
November 2012. Beijing



