

# Collaboration: an interview with Morten T. Hansen

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Interview by Alistair Craven



**M**orten T. Hansen is a management professor at University of California, Berkeley (School of Information) and at INSEAD, France. Formerly he was a professor at Harvard Business School where he taught leadership, general management, and corporate change in the MBA and executive education programmes.

Professor Hansen's research has focused on collaboration, innovation, corporate transformation, and building great companies. His research has been published in the leading international journals, including *Administrative Science Quarterly (ASQ)*, *Strategic Management Journal*, *Organization Science*, *Academy of Management Journal*, *Harvard Business Review*, and *Sloan Management Review*, among others. He was the winner of the 2005 ASQ award for having made exceptional contributions to the field of organization studies.

Professor Hansen has published several best-selling articles in the *Harvard Business Review*, and his managerial research has been covered by the *New York Times*, *Business Week*, *The Wall Street Journal*, *The Economist*, and the *Financial Times*. He won the 2005 *Sloan Management Review*/Pricewaterhouse Coopers award for the management article that has contributed most significantly to the enhancement of management practice.

A native of Norway, Professor Hansen holds a Master's degree in Finance from the London School of Economics and a Ph.D. in Business Administration from Stanford University.

Most leaders believe that company-wide collaboration is essential for successful strategy execution. Yet while some collaborative efforts achieve spectacular synergies, many actually backfire – wasting time, money and resources. Why does this happen, and how can you avoid it? These are some of the questions tackled by Morten Hansen in his new book *Collaboration*.

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**AC: Can you briefly outline for our readers what you intend to achieve with your new book?**

**Morten T. Hansen:**

The purpose of the book is to help managers become masterful collaborators and thereby take their performance to a higher level. But this is tricky: there is a right way and a wrong way to collaborate; my book enables you to implement the right way to collaborate so that you can achieve much better results.

**AC: What do you mean by “disciplined collaboration?”**

**Morten T. Hansen:**

The key point in disciplined collaboration is to start with the end in mind: the goal of collaboration is not collaboration, but better results! This means that you should only

collaborate when it is the best way to improve performance; many times it is better to work independently. You need to have permission to say no to collaboration.

With that key point in mind, you need to follow three simple steps to achieve disciplined collaboration, as outlined in the book:

- 1) carefully select which projects to collaborate on (and which not);
- 2) understand the barriers that currently prevent employees from collaborating; and
- 3) design management solutions to tear down those barriers. That's a "surgical" approach to getting collaboration right. If you implement disciplined collaboration, you will reap big results.

**AC: In his foreword to the book, Jim Collins hits home the idea that collaboration is an important concept no matter which industry you work in. Do the ideas also translate seamlessly across cultural and geographical boundaries?**

**Morten T. Hansen:**

My experience indicates that the ideas of disciplined collaboration apply across countries and cultures. I have given the talk about collaboration to managers from Europe, US, and Asia, and they all have said that this concept applies to their setting. Now, managers in different settings may choose how to stimulate collaboration differently. For example, to motivate employees to collaborate, managers in the US often prefer incentive systems in the form of bonuses, while managers in continental Europe often use things like promotion decisions to signal what they want.

**AC: Your book includes more than a decade of field-tested research. What would you say surprised you most in your research?**

**Morten T. Hansen:**

Without question, my greatest surprise in my research is that bad collaboration is worse than no collaboration. Like everyone else, I started out believing that collaboration was a good thing, so more of it should be better, right? But to my great shock, in my first study at Hewlett-Packard, I found that some project teams did worse because they collaborated. That changed my thinking: the quest was to understand the difference between bad and good collaboration. I have spent fifteen years researching that issue, and this book is the answer to what's the difference between good and bad collaboration.

**AC: Why is over-collaboration a problem?**

**Morten T. Hansen:**

Over-collaboration can be a gigantic problem because people waste time and lose focus because they collaborate on projects of trivial value. Because many people believe that collaboration is a good thing, they keep on doing it and don't ask critical questions. They don't kill or get out of lousy projects. So they do more of it and go to meetings where they shouldn't be spending time. It becomes death by meetings.

Think about it: If you have 10,000 people in a company and each one goes to one wasteful meeting of say 2 hours altogether per meeting, that's 20,000 person-hours wasted. And that's just counting one meeting. Now count all wasteful meetings in a year, and you often have a pretty big problem.

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**AC: The book educates through excellent cross-industry case examples. Which case study impressed you most, and why?**

**Morten T. Hansen:**

The Sony vs. Apple saga is a great story. In 2001, Steve Jobs introduced the iPod for the world to see. The slogan was “1000 songs in your pocket.” In reality, it was a combination of many existing pieces into a very cool product, enabled by collaboration inside and outside Apple. Now think about it; who should have launched that product and owned the market for portable music players? Sony, with its history of the iconoclastic Walkman! And they tried. In 2003, Howard Stringer, the US head of Sony, decided to launch a counter-attack by drawing upon the vast resources they already had – a music division, the VAIO computer line, the Sony Walkman, hard-disk players, and online music stores. The problem was, Sony did not have a culture of collaboration among the divisions that needed to work together to make this happen. They simply couldn’t collaborate effectively. The result, a product called Sony Connect, was so bad that it didn’t get any traction and was eventually killed in 2007. Although other factors than collaboration played a part, Sony gave up the market they had invented to Apple because they failed to collaborate.

**AC: You note that, amazingly, between 39 and 66 per cent of acquisitions can fail to deliver promised value. In such cases, is collaboration doomed from the start?**

**Morten T. Hansen:**

Several studies show that many acquisitions do not deliver value. One reason is that the planned synergies do not materialize: the envisioned  $2+2=5$  formulae turns into  $2+2=3$ . This often happens because the leaders were assuming that people from the two companies would gladly work together to implement cost savings and revenue enhancing projects resulting from the merger. But that’s a tenuous assumption; people often do not want to collaborate after an acquisition. When Daimler sold Chrysler in 2007 at a loss of some \$35 billion, CEO Dieter Zetsche quipped that “we obviously overestimated the potential for synergies.” Well, that’s a pretty bad mistake! However, sometimes things work out very well. When oil giant BP bought Arco and Amaco, CEO John Browne very effectively used collaboration as a tool to integrate the companies. In my view, it’s about leadership: leaders need to get their people to collaborate, and that is really important in post merger integrations.

**AC: What do you mean by “T-shaped management?”**

**Morten T. Hansen:**

I believe that T-shaped management is the future of work. In fact I think it is one of the most important concepts in my book. T-shaped management is a simple idea: we need people who can perform their own individual work very well (the vertical part of the T) and also contribute effectively across the organization (the horizontal part of the T). They deliver two performances, not just one. In contrast, lone stars can only do their own work very well, and they do not contribute beyond that.

Why do I believe this is the future of work? One word: specialization. We live in a world of increasing specialization. To give you one factoid: The number of specialties in medical education that are approved by the American Medical Association has grown from 34 to 103 specialties from 1975 to 2000 – that’s a three-fold increase in just 25 years. Doctors, engineers, managers, designers, marketers, consultants, and also professors (!) are all becoming more specialized. T-shaped people bring this fragmented world back together. T-shaped people not only have a deep expertise (the vertical part) but also enough breadth to work with others. We need more of them, and we need leaders who cultivate T-shaped people.

**AC: In a discussion about coaching you raise an interesting point about self-promotion versus team playing. It seems as though managers with a strong sales background in particular may be more interested in their own gains than opening up**

**to teamwork and collaborative practices. Is this a fair statement to make? If so, what do you think can be done about it?**

**Morten T. Hansen:**

Sales people risk falling into an ego trap: their early career is based on a simple yet tough rule: you sell more, and you get more money. The trap is that this can become an ego-trip: it's about how much you sell and how well you do. That works up to a point. Sooner or later you will be asked to take a senior role and that requires collaboration with others. Success at this level is also about helping others succeed, not just yourself. A number of sales people cannot make this transition. To make the transition from an ego-trip to collaboration, the first step is that you need to be aware of this and to understand that success in senior roles often means collaboration. The second step is for senior leaders to put in place promotion criteria that clearly spell out the demand for demonstrated collaboration. And this needs to be followed up with some tough decisions – do not promote sales people to senior roles if they have not demonstrated that they are good collaborators.

**AC: The data you collected on 162 top managers showed that only 16 per cent scored highly on the three behaviours that make up the collaborative style. What was your initial reaction to these findings?**

**Morten T. Hansen:**

My colleague Roger Lehman and I conducted these assessments. We weren't surprised, really, that only about one in five managers had a collaborative leadership style, because we knew that this style was not common. Over the past 20 years we have lived in an era that has worshipped the managers as heroes that ride into town and turn things great. They make the decisions, they call the shots, they are the geniuses. Now that one-star model is becoming outdated. We need collaborative leaders that harness the collective intelligence around them. President Obama is leading the way with his forceful collaborative leadership style, and I bet many corporate executives will follow his lead.

**AC: Where do you see discussions about collaboration being in, say, five years' time?**

**Morten T. Hansen:**

I think collaboration is a perennial issue, just like "execution," "leadership," and "change." I hope my book will continue to be the reference on the topic of collaboration for managers for years to come – the go-to-book on collaboration. The fundamental challenge of collaboration won't change: how managers can reap better results by collaborating effectively and saying no to wasteful collaboration.

One area will change rapidly – online collaboration. Social media – Facebook, LinkedIn, Twitter, and so on – will become pervasive and much more powerful. No question about it. But, I predict we will face a backlash on social media in business: at some point executives will ask, are we getting the results from all that humungous time employees are spending on social media? The answer will be, "not always." That brings us back to my book and disciplined collaboration: there is a difference between good and bad online collaboration. What we need is disciplined online collaboration.

Visit <http://www.thecollaborationbook.com/>

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