



Collaborative Networks Are The Organization An Innovation in Organization Design

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“The corporation as we know it is unlikely to survive the next 25 years. Legally and financially yes, but not structurally and economically.”

Peter Drucker

Business 2.0

August 2000



**Delphi Group's
Collaborative Commerce Summit**

June 2001

“The greatest change in the way business is being conducted is the accelerating growth of relationships based not on ownership but on partnership.”

Peter Drucker

June 2001



A collaborative network is the collection of businesses, individuals and other organizational entities that possess the capabilities and resources needed to achieve specific outcome

Collaboration is a purposeful, strategic way of working that leverages the resources of each party for the benefit of all by coordinating activities and communicating information within an environment of trust and transparency

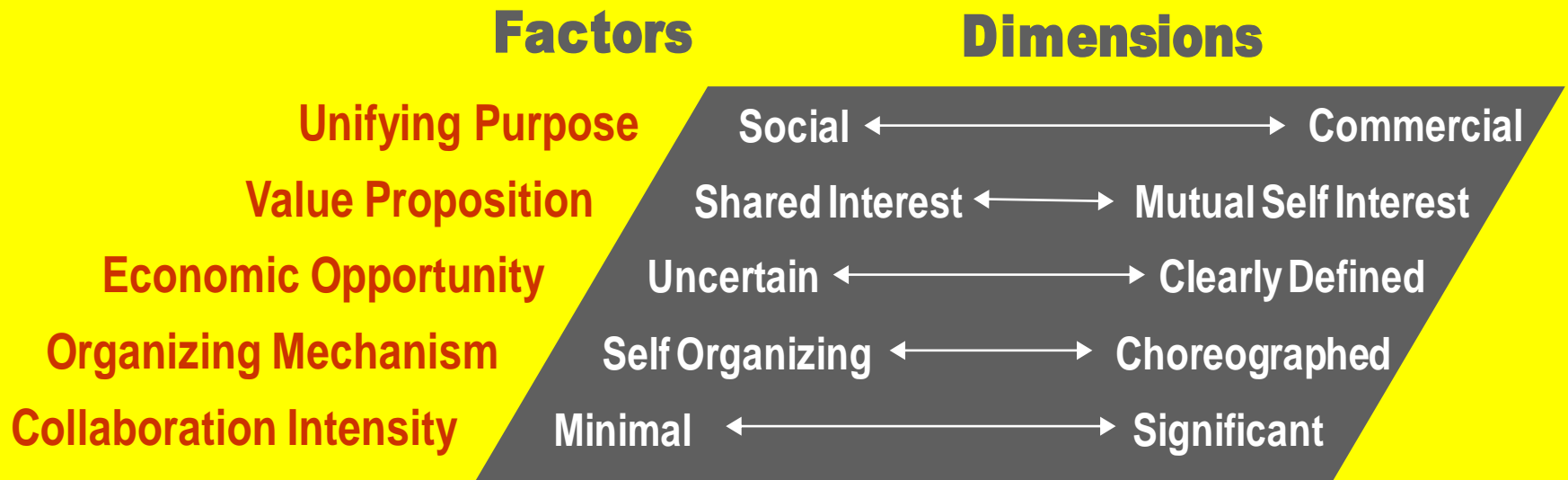
Design Principle #1

Organizations and people only actively engage in collaboration when the benefit they derive is greater than the time and effort it takes to collaborate

$$\text{Benefit of Collaboration} = \frac{\text{Value of Resources Leveraged}}{\text{Time and Effort to Collaborate}}$$

Design Principle #2

Collaborative networks are fit for purpose.
The purpose determines how the network is structured



Design Principle #3

Every network has a choreographer, the individual or entity that organizes the network and is responsible for achieving the purpose of the network



Design Principle #4

Governance is the system for managing the joint and individual work of the collaboration. Governance principles have both structural and behavioral components

Structural Elements

- ▶ **Committee Composition**
 - ▶ **Roles and Responsibilities**
 - ▶ **Decision Making Authority**
 - ▶ **Escalation**
 - ▶ **Milestones**
 - ▶ **IP Rights**
-

Behavioral Elements

- ▶ **Communication Protocols**
 - ▶ **Meeting Management**
 - ▶ **Decision Making Norms**
 - ▶ **Conflict Resolution**
 - ▶ **Evaluation**
 - ▶ **Review Processes**
-

Design Principle #5

**Innovation in organization design
requires innovation in management**

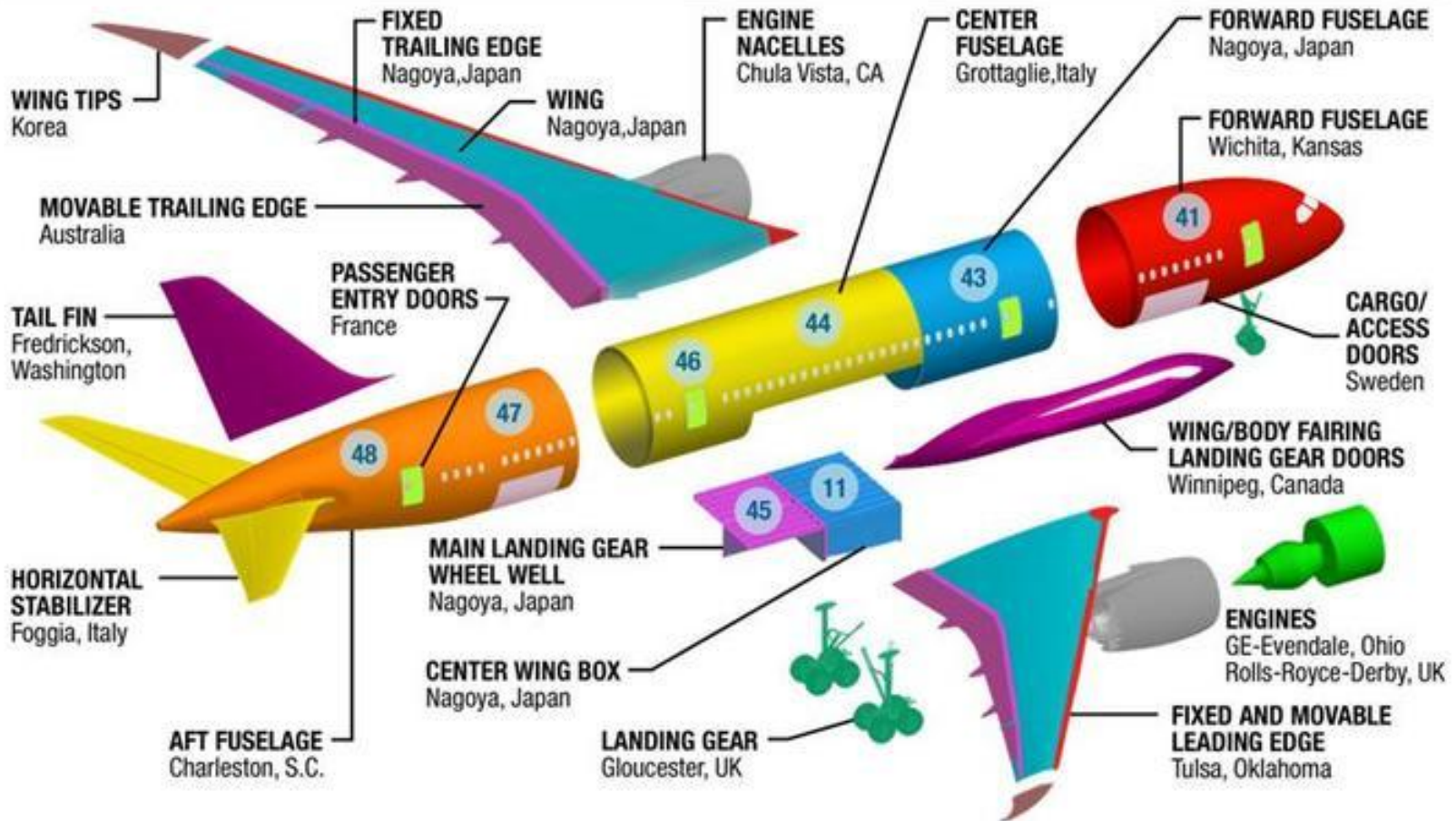
**Products and Services
Business Processes
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Partners Across The Globe Are Bringing The 787 Together

787
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THE COMPANIES

U.S.	CANADA	AUSTRALIA	JAPAN	KOREA	EUROPE
Boeing	Boeing	Boeing	Kawasaki	KAL-ASD	Messier-Dowty
Spirit	Messier-Dowty		Mitsubishi		Rolls-Royce
Vought			Fuji		Latecoere
GE					Alenia
Goodrich					Saab



Challenge of Successful Collaboration

**to manage the work
of the collaboration AND
manage the collaboration**

**If you can walk
You can dance
If you can talk
You can sing**

– Proverb from Africa



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