

Talking 100% Entrepreneurship and 0% Bureaucracy

with

Heiko Fischer

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Host: Mark Bidwell



Heiko is the "Tony Stark of Human Resources" and founder of innovative management consultancy Resourceful Humans. A recent recipient of the Management Innovation Award for enabling democratic entrepreneurship at HAUFE, RH combines its maverick management framework with cutting edge networking technology to optimise work environments for people and products.

Hello! This is Mark Bidwell of the Innovation Ecosystem Podcast. With me today is Heiko Fischer founder of Resourceful Humans. He has been described by Gary Hamel, one of the world's most influential experts on strategy, as the Tony Stark of human resources. Heiko, welcome to the show.

Thank you very much for having me.

By the way, when I tried to answer the question of who Tony Stark is, I found that Elon Musk was the inspiration for the most recent version of Tony Stark in Iron Man. Are you aware of that?

Yeah. Sitting here in my office, I'm looking at a statue of the Iron Man suit my team gave to me to hit the point home. Outside we have a Tesla Model S parked, the brainchild of Elon Musk and Tesla. I feel a kinship to both of those crazy people. I think my team will say it is as much a curse as a blessing to have those very innovative people running around the company because they have a very short attention span for anything and putting something into action is a challenge but I can come up with a lot of pretty good ideas, so that's the main thing.

I don't think you're doing yourself justice. Some of the ideas that I've seen and some of the products and processes you developed are robust. We'll get into that in a minute, but just while we're on the subject of Elon Musk, I am hoping to have Ashley Vance, the biographer of Elon Musk on the show in 2017 so you are in good company.

Heiko, the mantra of your company Resourceful Humans is 100% entrepreneurship, 0% bureaucracy, can you describe your journey in the workplace and why you set up a company that lives by these two very important principles?

"In video games world people don't think in processes they think in experiences."

Gladly. So, there is a main takeaway for me. My last employment was in a computer games company. It was Europe's largest independent video game designer called Crytek. I was the first HR director in that company. We scaled up rapidly from 200 to 1,000 people within a couple of years, it was a crazy experience. The one thing I took away from this experience in video games world was that people don't think in processes, they think in experiences, the stuff that happens to them is very visceral. We always take in the world through our pathos, not our logos primarily. That's true for most people. I reflected on that for myself and looked back on my childhood, and found that the way I grew up was very much influenced by a dad who loved his work and felt such a high level of identity with the company he worked with that the way I experienced the notion of work was completely different from 99% of my fellow students. They experienced a dad who would come home and be tired and maybe open a beer and sit in front of the TV, slack off and digest another whole of the day in the office. Whereas mine came home with a spring in his step. He had this "Hi-ho, Hi-ho, it's off to work I go." He would talk about the contributions HP made to the world. He would talk about calculators that help the space shuttle re-enter the atmosphere and then all these crazy inventions HP made. He never talked about being an HR guy. For me it was kind of a let-down when I heard he was not an astronaut. He does work for NASA, but he's an HR guy. It shaped my reality that a company could be something that gives you energy, something that gives you purpose. It was something that gave energy and wealth to our family and we could travel around and could live in foreign countries, learn different languages but I always had this nucleus, this HP way of experiencing the world. There was such a strong management philosophy





behind it which was imbued by the founders Hewlett and Dave Packard and I had a very positive, unreflective experience of how a company can positively influence a family, a young boy, and the community in which it operates. That was the nucleus of 100% entrepreneurship and 0% bureaucracy because I was fed that, it was my mother's milk in a way.

And you worked there as well for a period, didn't you?

Yeah, I worked there briefly until I found out it is super stupid to work for a company where your father has been super successful and you look like him because every conversation starts with "you look just like your father" which at a certain point in your life is cruel and from then on you want to prove your own worth and it gets in your way. It was part of my own emancipation process. At some point, you must kick the king off the throne and become your own king but that's an entirely different podcast.

But then you also went to a big German company, Bayer and a big US company General Motors. How did this image of work as a force for good remain? How did your thinking evolve when working in those two large companies?

It got shattered, beaten, water-boarded, and electrocuted. When I left HP, I had this drive to start from the bottom. I had a great network from my dad but I said I want to start in the trenches. I want to go my own way. I want to work from the bottom up and that was where I started in those companies and they are huge. These are 200,000 people plus companies. You felt like a resource. You felt like number 3,581 on an excel spreadsheet, a person that will be moved around. If your voice was heard or not, who knows? You felt small and the more you rebel against it, the more it was put into focus just how meaningless and replaceable you were. This was my experience working there as a very junior person with extremely high ambitions of changing the world. It showed me what I didn't want. This is what I would describe as bureaucracy. When there is a system that works against a human way of working. It is completely geared towards a metric. It's geared towards maintaining a stock price or shareholder value but the human being is just a means to an end. I couldn't articulate it that way back then but that's what it gave me. This is not the way organisations should be structured to get us to the next level as a species.

You had a good view of what you needed to move away from. Then you went to this company you mentioned earlier, Crytek which grew exponentially in 2008 right?

Yeah. It was a fantastically innovative company founded by three brothers. It was a garage story. It started out in a garage of their parents in a small town in Germany which just went through the roof. But it was one of those companies that had the same drive as HP did back in the days. They said we don't want to be a "me too". We want to define our own industry. We want to break new ground and go somewhere nobody has been before. They were also open to not just disrupt their industry, they were open to disrupt the way they worked and that's where we found each other and said, "Look. If we want to become a company that brings network gaming to the world, we must create a network game inside the company. That game will be the ideal company culture." Because of what these guys were saying I asked them on day one "what's the best thing that I can do for you?" And they said, "the best thing would be if you were not here if there were no need for you" but she said, "that's not what you want to hear on your first day". But they said "what you call management makes it hard for me to make kickass games." That stuck with me and I was lucky I had a fantastic team around me at the time who said: "Well, you always told us about this weird HP way where the founder just set the overall objectives and then got out of the way and let people lead." I sat down with the founders and said "What if - just hear me out - what if we created a company where we don't scale into silos and matrices? What if we became a network of entrepreneurs where each game project becomes a company within a company and we drive this mind-set of "it's your game" down to every level? So, we have leadership at every level?" They were just crazy and entrepreneurial enough to say that it's a good business and the right thing to do. That's how we grew up. That's how we became successful. We want to make other people successful. That was the real genius behind a 100% entrepreneurship and 0% bureaucracy mindset.

How do you craft such a culture? How do you design a workplace that can hold that promise? I remember at the time I watched a video by an Austrian psychologist called Victor Frankl.

Man's Search for Meaning.

Exactly that one, yeah. His speech about his experience of learning to fly. His flight instructor showed him how to approach a landing when you have crosswinds. He said you must aim for something that is further than the landing piece. You must overshoot it and then you will land in

"It shaped my reality that a company could actually be something that gives you energy."



the right spot. Whereas if you just aim for the piece you will be off course. That was the mental image for us to say "what if we strove for 100% entrepreneurship and 0% bureaucracy"? We might just get tot what this organisation is capable of, but if we approach this realistically with all the crosswinds in the crazy world we will not do justice to the potential of the people in this organisation. We will undercut ourselves. So, let's go in with guns blazing, expectations as high as possible and we'll come out where we should be."

What is the end of that? What did success look like for you?

Unemployment. The success was that we became superfluous as an HR team. So, this was a four-year track where at the end we had a self-sustaining ecosystem of entrepreneurial teams, a federation of teams and a company that needed very little central. So all the marketing, finances and HR competencies were repatriated back into the team so they could recruit their own people, they could develop their own people, they could set their own salaries. Salaries were transparent. They had no vacation policy anymore. They could decide whoever takes vacation and when. It was up to them.

We radically simplified the organisation. We added a lot of technology before the whole digitalization buzzword came out. We were in a great position. We had a tech company at our fingertips so a lot of those tools to hack performance management, meeting management and feedback management we could pioneer because we had the tech at our fingertips. We repatriated that back where we thought it belonged all along and then at the end of the journey, "We succeeded! We were done. What now?" We became Resourceful Humans.

Let's come to that meeting bit in a minute because I would love to pick up on those three areas of meetings. But you mentioned, when we first met, that corporate culture can be a source of competitive advantage. To what extent was Crytek able to convert this unique culture into a competitive advantage in the marketplace? Are there any business outcomes you participated in creating that stand out in the story of Crytek?

Absolutely. You can see it in the products themselves. If you go on sites like Metacritic which rate the games you will see that Crytek has a proven track record of extremely valued games. What they came out with in a marketplace with such a schizophrenic value creation chain that requires you to be super innovative so people want to buy your game and super on time and in budget to get it out in the window of opportunity, was outstanding. This company consistently hits deadlines and came out with games that were rated and reviewed as top of their class, so interest in terms of product is a validation of a culture. That they can sustain that in such a boom and bust industry is quite remarkable and that's something anybody in this industry will tell you. They were also recently acquired by Amazon. If you want to talk about success that is if Google, Facebook or Amazon want to buy you. It shows that you have a certain value and something to bring to the table. Not that I particularly like that outcome but it speaks to the fact that they have something to offer.

So let's discuss Resourceful Humans now, founded in late 2011. I understand it's about hacking human behaviour in the workplace and you focus on three things that you have experienced in these large organisations you worked with: useless meetings, too little feedback and non-value adding performance management. Let's start with meetings because the two biggest time wasters in the corporate world are meetings and email. 28% of people's time is spent doing email and 70% of a leader's time is spent either in meetings, preparing for meetings or debriefing meetings. We all know what a bad meeting looks like. Tell us a little bit about how you think about meetings either internally or when you work with clients. Maybe from an industrial company that has bad meeting practices. What are you able to do? What outcomes are you able to create in this area?

One thing that is important to put this in context is our main product or service next to the tools which is a management framework we call the RH way. This management philosophy is founded on what we call the first principle. That is something that goes back to Elon Musk, who you mentioned at the beginning of the show, when you said what we do too often when we talk or when we innovate is think by analogy rather than reasoning from the bottom up. If you break things down to their fundamental truth, then you can come up with stuff that is revolutionary rather than incremental in nature. We do that too little. We looked at the same thing for organisations. We looked at what the natural laws of organisations are that are undisputed, for example, you can have an opinion on gravity but gravity doesn't have an opinion on you. We were wondering if the same was true for organisations and we came up with three principles. The first one is that if you give good people a choice or autonomy then they will step up and act





responsibly. It's been true for all these maverick game-changers that were there long before the digital age and worked as entrepreneurs on networks, like W.L. Gore who did the Gore-Tex of jackets and stuff like that. Morningstar company, one of the biggest tomato producers in the world, works with that logic and they have nothing to do with fancy start-ups or anything, they've done this for decades. Semco working in marine heavy industry pumps and stuff like that.

The second principle was that you must give radical transparency on everything, on any formation, especially on process, progress and results because you can only increase the decision-making capability of a team if they can base their choices and the evolution of their choices on ever better information. Then you have accountability. So, choices lead to responsibly. Transparency leads to accountability.

Then the third one is that you must keep things small. You must keep things at a level where the human factor still works so that the connectivity thrives. It doesn't matter if the team is too large or the task too big. These things must be extremely small because nobody understands it when you say our goal by 2020 is 20 billion or something like that. You can't. Your brain can't.

Now we try to apply these principles of network organisations to the symptoms of bad culture as we said performance, feedback and meetings. I think a great example would be a tech company, a big tech company that is very bureaucratic, SAP. We work with the HR board member Stefan Riess. He said he wants to try this tool, this card tool because he hates that his team often gets into a consumer position. For example, I come to your meeting and I will consume what you give me as the meeting host and I will say it sucks and that it wastes my time. As consumers, they were unhappy with the meetings. As the host, Stefan was unhappy with the meetings because he said it feels like I push and I feed and all I get back is lethargy and antagonism and stuff like that.

How can we get into a meeting where -- if it were up to me, I would have no meetings? I'm just trying to enable them to do their jobs, right, so by my disposition of spoon feeding my senior leadership. We said okay try this tool, it does the following: You log in as meeting host and you will have four cards on your iPad. We're making things as simple as possible. We are honouring our values. We're very clear on follow ups and owners and the customer is the centre of this meeting.

If you log in to this meeting now or if you're in the room, you will log in with your smartphone. You will have the same four cards on your phone and you can swipe through them like Tinder. At any point if you feel that any of the statements are not true, like we're not honouring our values right now or the customer is not at the centre of the meeting or we're not making it as simple as possible, you'll tap the card and the card will turn from green to red on your phone and everybody else's, so the meeting host can see that Heiko just said that the meeting has lost sight of the customer which begs the question who is the customer of this meeting? You would be amazed to find that many of the companies we work with, when you ask who are you serving with this meeting, ask what do you mean? What customer are we serving? Who does this benefit specifically? If I go to a shop, let's use our experience with T-Mobile. If I buy an iPhone or a contract with T-Mobile, how do they benefit from this meeting? Well they don't. It's about an internal issue. Okay then, this meeting should be redundant. If you cannot relay its value to an actual customer experience even indirectly then you should question the existence of the meeting. It is super hard for people to put their actions in relation to an actual customer because we have become so used to serving our internal mechanisms and processes that it's not the mindset we approach stuff with. We had fantastic experiences on the board level where you have to hold them to this tool in the beginning because they will say "The tool sucks. This is not useful. Go away with it." And you say "No, we've committed to this and I'll go through it." And the card for the customer is still red. Somebody burst out, (This is C-level of a DAX company like a Fortune 500 company in Germany) "I don't have time for the customer in my job!" You say "Hold. Now everybody just reflect on that for a second." You're the leader of this company and you just said you don't have time for the customer. Who pays your salary? Then they said "Group headquarters". "No. Your salary is paid by the customer. You're forgetting about that in your leadership practice."

Therein lies the roots from Hewlett Packard. That's a very HP based approach for why businesses ultimately exist.

The customer defines a job well done. The purpose of a company is not to make money. The purpose of the company is to contribute something to the customer. And the customer decides if you are on the market or not. Today, I saw a picture of Stephen Elop, the Nokia CEO, who said "We haven't done anything wrong and still we've lost. We're out of the game." Why? They lost touch with their customer. They lost that next step that they wanted. If you're too preoccupied

"That's how we became successful. We want to make other people successful."





with your internal organisation, you are too in love with your own product, if you're too secure, you will lose touch. This tool is a prime example of holding people accountable to serving a customer need and if you are not doing that, you are wasting your time. We've built that in this system so if you have the right information feeding into it and you have the right interface, an optional feature will tell you how much money you're currently burning by calculating the salaries of the people participating in the meeting. Instead of telling you "you have 15 minutes left" it will tell you, you have burned 450,000 euros at this point. Do you feel the outcome is worth it?

Extraordinary. I can imagine this creates existential angst among executives because many of them probably look at their agendas and realise that none of their meetings have anything to do with their customers. What's the end of the story with SAP? Have they embraced it? Is there a real shift going on in the culture based on this intervention?

"The purpose of a company is to contribute something to the customer."

In this case, it wasn't an intervention because it was too crass for them. You can only shift the culture so much; it leads to exactly what you are saying – you start arguing with the tool. You are arguing with your culture and your leadership model. We are saying you must move away from the leader-follower model to a leader-leader model. You must give people the choice to participate in meetings or not. That's why the next level comes in. This is a future inspired by eBay. I worked for eBay briefly. I had a fantastic manager who at the end of each meeting would hold her supervisory team accountable to the meeting and say "Now, we will go once around the table and score the meeting on a scale from 1 to 3. 1 the meeting was useless. 2 it was somewhat helpful. 3 it was really meaningful or valuable." We went around and would say 1 or maybe a 2, on a good day. 1-1-1-1. She would say, "Okay now, tell me what you've contributed to making this a valuable meeting? 1 - nothing, 2 - a little bit, and 3 - I gave all I could" Obviously, they said "Oh damn it." 1, 1. Somebody would say 3 and we would say "No you didn't." The system tracks that. It will show you and say your average meeting score as a host is a 1.2 and the average participation of people is 1.0 so if people don't participate the meeting is meaningless.

Then it will tell you that if you stay below that threshold for too many meetings, you can't host meetings anymore. If you are not participating or contributing to creating meaningful meetings, you cannot participate in meetings anymore. It holds you accountable for your actions and not your words. That's where people say "I'm not empowered to make those decisions." Well, that's where the leadership comes in to say yes. You have to be able to empower people to say "No, I'm not going to participate in that meeting because that host burns my time. I can show you his track record." or, "No. I refuse to allow you to join this meeting because I see that you are never contributing value so I'm free to exclude you from it." Of course, this is not nice and a lot of the other things that we're seeing like there is too little feedback in organisations, has to do with the fact that these courageous conversations are very tough for us to have in organisations. We're talking about being nice to each other, about being human, about being honest. That's something we're not very good with; being positively and constructively critical. These tools force you to do that. They hack the system to create such transparency and they take all the excuses away for it to work, if you wanted it to work, if you have the competencies to make it work but it brutally exposes if you lack either the will or the ability to do it.

Let's say we got a team leader listening and thinking "what can I do now to begin to hack the system?" I think you mentioned earlier on that you've got a hack template. Can you give an example of how someone in a large German DAX company, feeling a long way away from the customer and from any sense of mission, can do this afternoon or tomorrow morning to bring a little bit of life back into their meeting worlds?

The first thing is to simply use the tool and see what your score would be. If you are brutally honest with yourself and you say "okay in this meeting, we are going to go in and going to define what customer would pay for this." Let's say you work for Mercedes and somebody is going to buy a new C-class and they witness us having this meeting and this meeting makes the C-class 100 euros more expensive. Would they say yeah, it's a valuable meeting to have because it will invest in the safety feature that might save my life? Will they pay for this or will it add nothing for them? And try to reason through that because it's hard if you are further away from production or design if you're in an internal division to challenge yourself to connect what you're doing in this meeting to what the customer experiences with your product or service. From that rationale, work back and score yourself honestly, did you achieve that? Would the customer score you the same point? Then set yourself a target and say "you know what, we suck now. We got a 1.2 and a 1. By the end of this month, we want to get up to a 2. We want to make this valuable." But for that, you must clearly define who your customer is and how you want to contribute to them. In computer games, you always start from the gamer's perspective. You don't make a game because you think it's cool





but you make a user story. You say as a well-playing gamer, "I want to experience an endless world where I can be a green orc" or something like that. If you can create a user story to say as a person who is buying a Mercedes, "I will invest in this meeting because it gives me XYZ." Then you've cracked it. All these tools we've created are ultimately training wheels. We want them to become instinctive, intrinsic behaviour. You shouldn't need the tool at some point anymore. It should be obvious that you think about this. Does this meeting add value or not? If not, make it optional for people to come. If there is one hack I would offer in terms of the meeting culture it's to make it optional for your people to come to meetings that you as a team lead hold and few shows up.

You're creating an internal marketplace essentially.

Exactly. Then you become a servant leader because you have to ask and say "Okay. Nobody showed up to my last meeting, why? What would I need to do to make this valuable?" And make it a 9 o'clock in the morning meeting. Make it unpleasant for people to be there so you can gauge if the value is there. Would they get up at an earlier time to come to your meeting because they feel like "if I'm not there I'm missing out"? Don't make it attractive. Don't bring pizza. Make it about the core of the meeting. Do you add value to your team as a leader? Do you have a feeling that they're there because they want to be, they see that purpose, they want to contribute to that purpose? Or are they there because they should be?

The servant leadership model is based on a book called Turn the Ship Around by David Marquet. It's an important book. In 30 seconds, can you describe that model? What's unique about that model?

David took the worst performing submarine of the US Navy and within a year, turned it into the best performing submarine in the fleet, ever. An incredible turnaround story. He refused to give orders. He only asked questions. He forced his team to become autonomous and he said there are two pillars to that: clarity and competence. If people are competent in their jobs and have been given a clear mission, I should get out of their way. That goes right back to what we talked about with HP. When David and I talked about our partnership, he said the RH way is the way to create leadership at every level and that's how we blew every other ship out of the water. My team doesn't have to wait for orders from the captain. They act. That's why we were faster and better and stronger than any other ship in the fleet because no matter how good the captain, we are a tidal wave because we act autonomously. People have the choice to do what they feel is best and they align amongst themselves.

That gets back to the idea of corporate culture as a source of competitive advantage.

And it proves it doesn't have anything to do with your industry. It doesn't matter if you are a fancy start-up, if you're in retail, if you're in heavy production or if you're a highly hierarchical navy military submarine. I wouldn't dare to say the more adverse the environment, the higher the likelihood of success because people want to change something. If you're doing fine because you're sitting in a fancy Berlin start-up office and you have your Fussball tables and your sushi, then why rock the boat? David and his crew, felt like they didn't just want to rock the boat, they wanted to rock the fleet. And they did.

Wonderful. Heiko, so let's wrap up. One final question before I get to the questions I sent across. You've got 5 children? Is that up to date?

The only ones I know about, yeah.

You've been studying how work will evolve and you've been actively involved in shaping the world of work, what can the next generation expect? What are your expectations for the kind of workplaces that your kids will find themselves in? Are you optimistic that some of the things you're talking about are resonating? And that with the technology, the gamification, the millennials coming to the marketplace, that this wave has been unleashed? Or are you concerned that you're just looking at a very small proportion of workplace environments and the status quo will remain more characteristic of those big German and American companies you worked for?

Absolutely this is coming. It's inevitable at this point. The pace is picking up and I would do this or I would die trying. From what I can see we did it ourselves at Crytek. Then we worked with small to medium size business like Swiss Hotel or Heifer in Switzerland and they proved you can do it externally. Then we stepped it up and showed you can do it in a big company with the group at T-Mobile and we're currently doing a very interesting project with Accenture and that's 400,000

"Interest in terms of product is the validation of culture."





people globally. Once the first big domino falls, you will see a chain reaction. But the best way I can put this is what I learned from my dad, what I learned from HP and the HP way was that you create spaces which the next generation can build something into. Don't build it fully, they are going to destroy it anyway. When I talked to my 14-year-old daughter, she's incredibly smart, smarter than me at this point. I was invited on a diversity panel. It was just white dudes in the panel talking about women and how to create quota so women can make it in the workplace. They gave us a question that we should answer at the end which is what the next generation expect from us, so I asked my daughter and I said "Hey, I'm going there and I'll talk about that diversity. What do you want me to tell these guys? What should they do for you so you can succeed as the next generation?" She said something that sums up the whole topic which is "just leave me alone, I'll take care of it myself."

Create the space for them to play but don't get in the way of them.

Yeah. In your logic, you would call this the shit list and the wish list. What we see in organisations is people don't want you to add too much stuff. If you remove a lot of the nonsense you are doing, things will already go a lot better. That's what my daughter said: "If you remove some of the major hurdles, some of the major obstacles, I can create my own best environment." That is something that sets our management philosophy apart from something like phallocracy, which is again very prescriptive as a new model. We're saying this needs to be an organisational future created all for and by the teams themselves.

Interesting. Heiko, let's just get into the 3 questions if we can to wrap this up. What have you changed your mind about recently?

Well, in light of Brexit and Donald Trump.

I should put a non-political frame around that question.

"Choices lead to responsibility. Transparency leads to accountability."

I think it's inevitable because I cannot name other instances in my life – let's forget 9/11 or fall of the wall - that as an adult man impacted me so much that I doubted the society I live in. You start looking over your shoulder and say, "could that be a Trump or could that be somebody who voted for a Brexit? Why would you do that in a day and age like this?" I think what I changed my mind about is that we are a society at a tipping point again. We always have this evolutionary burst and right now with the interconnected world we are at such a tipping point and there are those that are disenfranchised. Those who are not connected to the wealth and prosperity and positive outlook of what that world might create. They might not have had the experience and the good fortune I've had through HP and my family and they are sitting there saying: "What is everybody so happy about?" I want things to go back to how they were when I felt like I had a grip" There's this positive nostalgia which might or might not be true but in the past, I have always had the belief "only go with the people who go forward, always forward." I think what we're seeing right now is a backlash from people who are saying "you can go screw yourself with your forward, I'm going to hold you back and we are a sizeable part of this country and we also have a voice." If we don't engage in dialogue with people who we might find despicable, who Hillary Clinton called the - what was the term for them?

I think it was the deplorables?

The deplorables. The bunch of deplorables. Those are human beings and they have for whatever reason a good mind to vote for Donald Trump whatever that might be. We must engage with them. As much as we go forward we can say what we think is the right side of history. You can't call the other side foolish, stupid and backwards because that will divide the world in two and that will not work. You must engage with these people and you must talk to them. You can't ignore them or label them as idiots.

Yeah. Which I guess presumably has implications in your work when people resist change for all sorts of reasons. Not everyone is going to go with you to the new future so there's also is a change management lesson in there as well, isn't there?

Absolutely. I must tell you that one of the biggest lessons we took away from the T-Mobile story was the level of cynicism you encounter in these organisations about "oh here comes another company that is going to consult us in the future of work. There is going to be another set of PowerPoints, there's going to be another set of something that ultimately results in layoffs, rationalisations and budget cuts. So, don't give me the spill, just tell me how many people I must let go to make it over that hurdle and they had to create a very strong symbol." What the CEO at the time, my client and the head of the worker's council, Emma Chapman, did was create an



asshole list. They said "we have the same 10 people holding us back for the past 5 years but they are top performers. We must engage with them and we should say do you realise you have been given the feedback that people hate you? That they feel that you perform on their backs rather than through enabling them? We want to tell you that we would give you the chance because we've groomed this behaviour to change but if you don't change within this timeframe and with this help, you will be out of this organisation." It turned heads when the first people who were resistant to this were shown the door (but they were shown so respectfully). The dialogue had been there. The chance, the opportunity to turn their ship around had been there, and to do that in a human way. But then to say sorry, but now we are going forward in another way – hugely powerful.

We didn't touch the non-value adding performance management piece but that is a great example of what it could look like in extreme circumstances. Second question: what do you do to remain creative and innovative?

A lot. The answer is to do as much as possible. I have the fortune and misfortune, depending which day of the week you ask me, that my wife is extremely different from me. If you introduce me with the analogy of Tony Stark, then the rest of the team calls her Pepper, who in the movie is the sidekick or the foundation to Tony Stark's success because he doesn't remember his social security number and he can't tie shoe laces. She's the one who gives him structure. She's very different from me. Her interests are always elsewhere. She will always kick my butt to do different things and explore different areas that I have a blind eye to. I think the more interdisciplinary things you do, the more you expose yourself to stuff that you would never ever do. The more synapses in your brain fire and the more ideas will come up. One fantastic example from David Marquet, when he came visit us in Berlin and went for dinner, is that he always lets the waiter or the waitress choose dinner for him. He will say "I don't like fish but anything else on the menu, look at me and tell me what you would get and then go and do it." He said "the only caveat is later I want you to tell me why you chose that for me." Take a different way to work, try to find 10 different ways to work. Let someone else choose your food. Try a sport this weekend that you've never done. For me, as you mentioned I have 5 kids, I'm trying to engage with my kids on everything. My kids are the first people I let test our new products because I'm saying if they must engage with the C-level, it's better that a 4-year-old can explain it too because that's about the same attention span right. It's fantastic to look at how a 3-year-old or an 11-year-old or a 14year-old look at the world and look at your products and play. Play a lot.

Then final question, to what do you attribute your success in life? Do you have any specific skills, habits or mindsets you think you've mastered that have a significant impact?

Well, what I wrote down for this question was an inspiration to me, a guy called Sir Richard Francis Burton who was a traveller in the 18th century. He was in the army and he was one of those renaissance men. I think he spoke 26 languages and he was in the east India company and he travelled to a hundred different countries. If I had to point to a success formula for my life it is exposing myself to a lot of different cultures: living in Spain, in Egypt, in France, in the United States, Switzerland. Learning the language, learning the culture, trying to immerse yourself in the culture to a point where even as a 6'4 white dude with blue eyes you've become as indistinguishable as possible from the rest. It teaches you about walking in someone else's shoes. In terms of working as a leader or as an entrepreneur, consulting others in being successful, trying to enable them to be successful, this adaptability to culture is becoming native but still retaining your identity so you can communicate your perspective to those people. Travelling and learning languages that would be my answer.

Love it. Brilliant. Brilliant. Heiko, where can people get in touch with you?

Well, I think the easiest is to go on our website.

Otherwise I'm happy to engage with anybody personally so just send me an email at heiko@resourceful-humans.com. We want to come out with something fantastic and I want to advertise that here because there is a great way to get to know us, to get to know the companies we work with. In honour of Jerry Seinfeld who has a fantastic show you should watch, it's called comedians in cars getting coffee, watch the Barack Obama episode, it's fantastic. We've created a show called leaders in cars getting coffee and our first ride is with David Marquet, the submarine commander who will tell us about how he turned his ship around and he would do so in Elon Musk's Tesla Model S.





Brilliant. Will link to those in the show notes as well. Heiko, this has been great. I appreciate your time, your openness. Thanks very much for coming on the show.

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