



The role of business partners:

Management 2.0

**Cooperation
for a sustainable development of companies**



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Born in 1950, Degree in National Economics

Consultant focusing on:

- Implementation of Balanced Scorecard
- Workshops on Strategy, Company culture and Innovation

Engagements:

- For 20 years Head of the PR committee at Int. Controller Verein
- Visiting lecturer at Humboldt University in Berlin, Donau University in Krems/Vienna, University Rostock

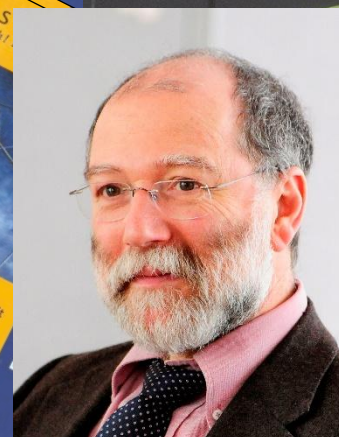
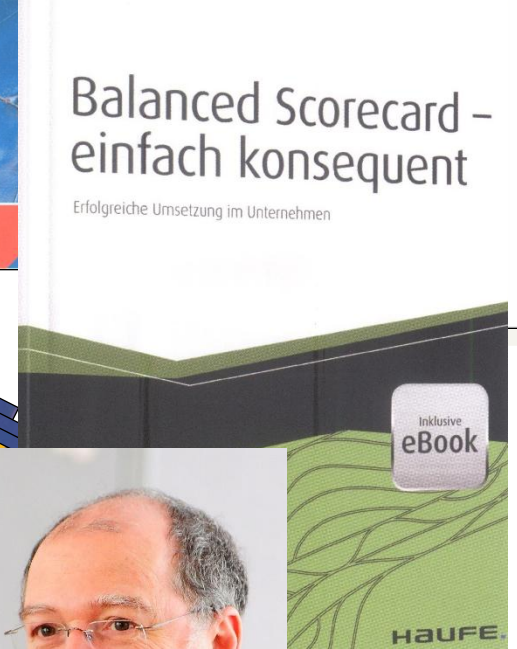
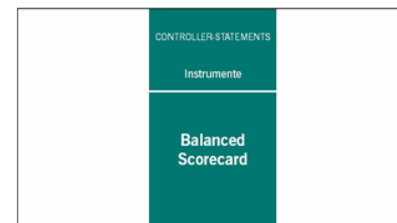
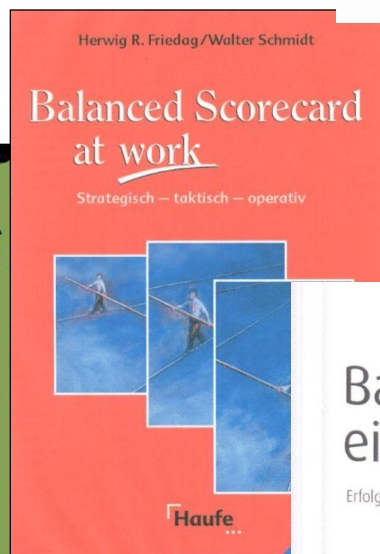
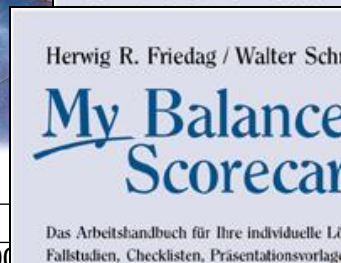
Hobbies:

- travelling, volleyball
- Outdoor activities like bike-tours, sailing, rowing



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4

Management 2.0

Cooperation for a sustainable development of companies

- 
1. Definition of Management 2.0
 2. Aspects of Management 2.0
 3. Don't worry, be happy – Go the “Management 2.0” way

As a manager, how can You be happy ?

Markets and companies always experience ups and downs

Dow Jones Industrial Average

■ DOW ■ DOW



How can You be as a manager happy

But some companies have usually more ups than downs:
amazon vs. Dow Jones-development in the last 5 years

Amazon.com, Inc.

■ AMZN ■ DOW

Sep 19, 2014



The business model of succesful companies

Which business model will you establish ?

- Shareholder-orientation:
 - short-term goal orientation
 - profit maximisation is topmost postulate
- Stakeholder-orientation:
 - balanced orientation to all relevant stakeholders:
 - ✓ customers
 - ✓ employees
 - ✓ production-partners
 - ✓ investors
 - The focus is on the **sustainable** profitability of the company and to benefit the society
 - Reputation is priority task for the management



What means „Sustainable“ development of companies

You earn enough money to pay for
future-investments



Sustainable development of companies

Especially difficult times offer good chances:

It doesn't matter what the current environment is. What is more important is whether we are better than our competitors:

- Serve customer needs faster and with better service
- Build closer relationship to customers and suppliers
- Pay attention to Your reputation to get the best people
- Set tied capital free over the whole supply chain

Management 2.0:
Cooperation



What is Management 2.0?

Web-Generations

| Web | 1.0 (1990) | 1.5 (2000) | 2.0 (2010) |
|--------------|-----------------|----------------|---------------|
| Orientation: | Technology | Advertising | Community |
| Users: | Experts | Commerce | Everybody |
| Focus: | Organisation | Click-rates | Interaction |
| Effect: | Rationalisation | Information | Networking |
| Approach: | Centralisation | Quantification | Qualification |

Source: Smoke&Mirrors, Agency for Online-Communication

Web 2.0: Users themselves create, edit and distribute contents.

Contents are not anymore centralised by big media enterprises but compiled by a multitude of users und distributed through Internet. In addition they get linked with each other by means of [social software](#) (Wikipedia)

What is Management 2.0?

Management-Generations

| Management | 1.0 (1990) | 1.5 (2000) | 2.0 (2010) |
|--------------|-----------------|-----------------|----------------|
| Orientation: | Product | Capital | Community |
| Users: | Experts | Financial world | Networking |
| Focus: | Organisation | Interest | Mutual benefit |
| Effect: | Cost degression | Merger | Sustainability |
| Approach: | Rationalisation | Utilisation | Cooperation |

Management 2.0: By implementing cooperation you

- ✓ achieve improvement of the company reputation,
- ✓ generate benefit for all stakeholders to secure sustainable profitability of the company
- ✓ Realise self-organisation of all partners

Management 2.0 -

Responsibility for sustainable development of companies

Cooperation as the basis for a successful business activity



Management 2.0

Cooperation for a sustainable development of companies

1. Definition of Management 2.0

▶ 2. Aspects of Management 2.0 ◀

3. Don't worry, be happy – Go the “Management 2.0” way

Aspects of Management 2.0

1. Goals

- shared view for the journey together

2. Organisation

- balance of stakeholders interests

3. Values

- internal and external appreciation

4. Structures

- scope for changes (redundancy)

5. Culture

- competition and mistakes to get better

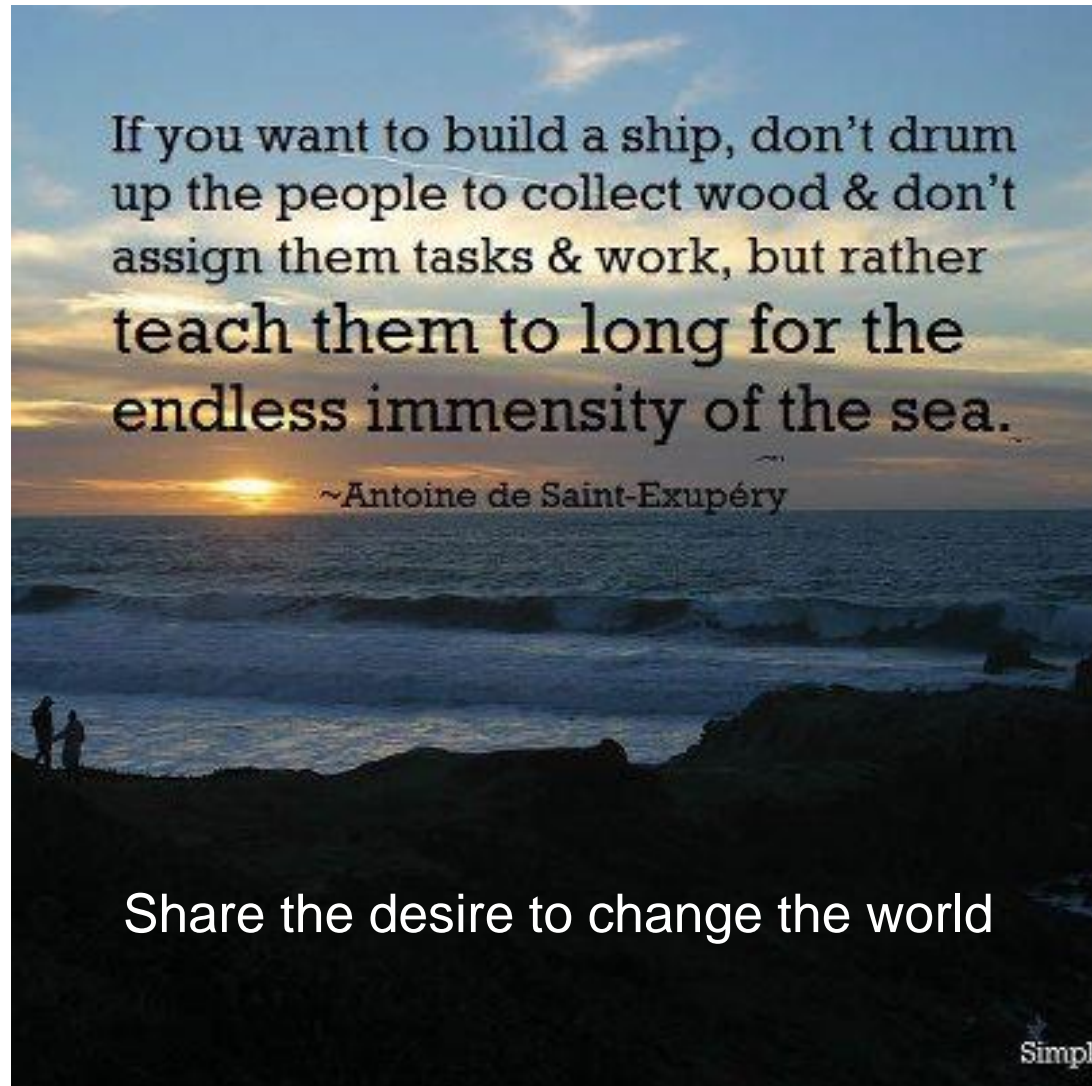
6. Responsibility

- results orientation of all

7. Communication

- open communication

1. Goals – shared view for the journey together



1. Goals – shared view for the journey together



*„Wer seine Heimat liebt,
bewahrt sie. Daher
engagieren wir uns für
regionale Lebensmittel aus
nachhaltiger, biologischer
Landwirtschaft.“*

*Heinz Gstir, Bio-Bauer und Obmann
von BIO vom BERG*

who loves his homeland will preserve it.
therefore we are committed to local
food from sustainable, organic
agriculture.

1. Goals – shared view for the journey together

- Talk with all the people helping you about your desire, about your dreams, about your goals
- Your desire should not be only to earn money (that is the basis to realise your dreams) – but for example ...
 - ✓ to have a family
 - ✓ living in peace
 - ✓ preserve your homeland

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2. Organisation – balance of stakeholders interests

“while looking forward Sunday to Monday”:

- Shopping-service
- Laundry service
- Massage
- Kindergarden
- Volleyball space
- ...



2. Organisation – balance of stakeholders interests



Founding or joining a cooperative for

- selling products
- using machinery
- working together
- financing extensions
- ...



2. Organisation – balance of stakeholders interests

- Pay attention for responsibility for all people you are working with
- See the client as the deliverer as a partner
- Talk early with your bank –
when you need the bank, it is very often too late
- There should always be a win-win-situation
 - ✓ for your clients
 - ✓ for your partners
 - ✓ for you

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3. Values – internal and external appreciation

- appreciation:



Samsung Galaxy S5
440 €



Apple iPhone 6
900 €

3. Values – internal and external appreciation

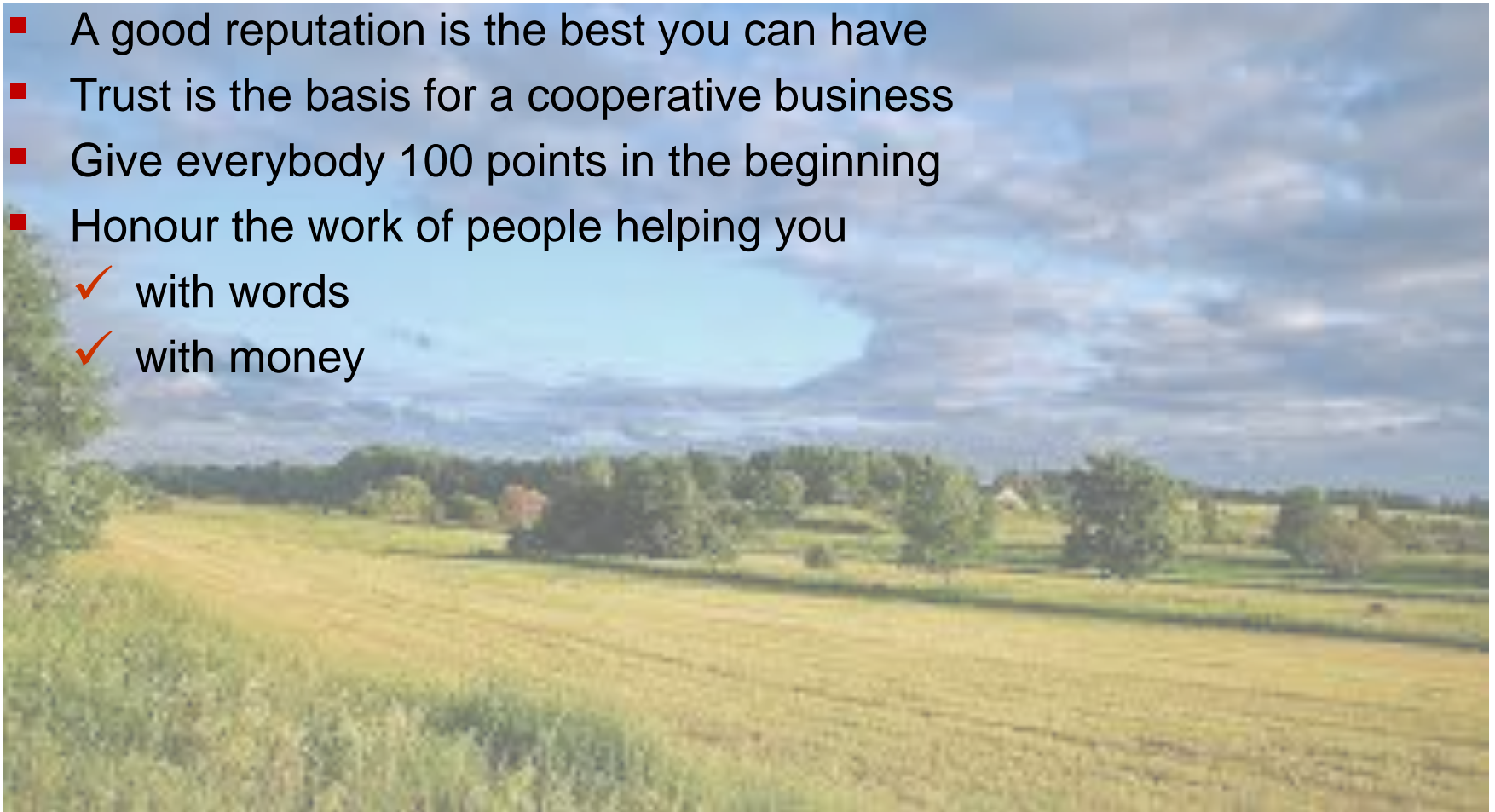


Weekly deliveries of vegetables and fruit - the rural delights from cooperative business come to your home.

The client should be able to expect more:
Fresh fruit, interesting vegetables, deals of the season, interesting recipes and much more at Customer Service.

3. Values – internal and external appreciation

- A good reputation is the best you can have
- Trust is the basis for a cooperative business
- Give everybody 100 points in the beginning
- Honour the work of people helping you
 - ✓ with words
 - ✓ with money

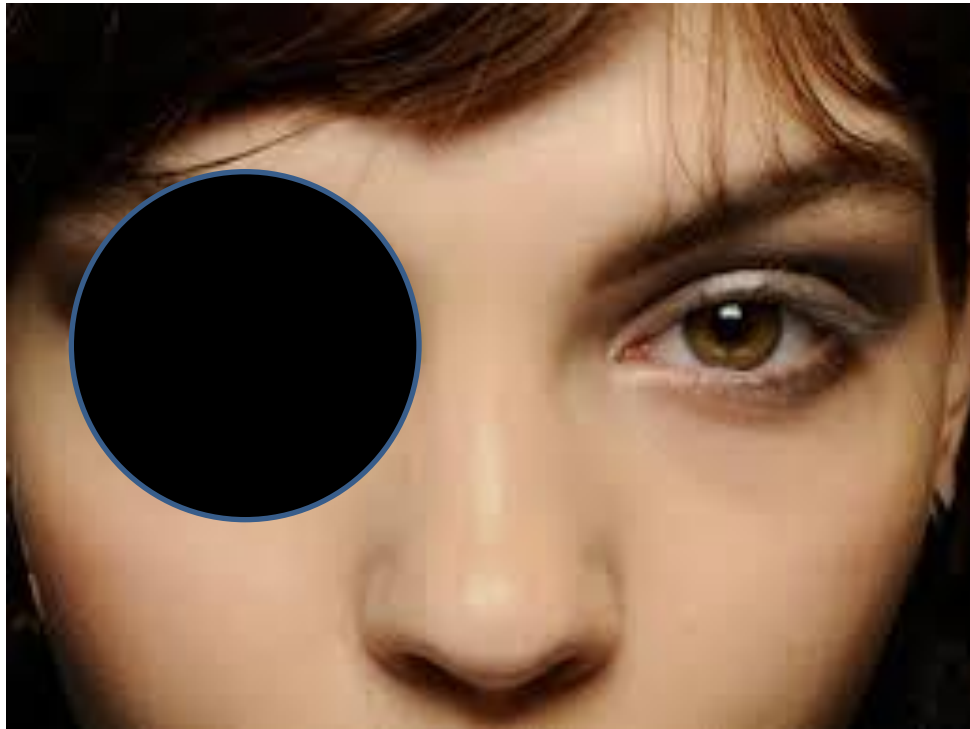


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4. Structures – adapted to changes

- With redundancy You have more chances – but in the first view also more costs



4. Structures – adapted to changes



4 ways of earning money – nearly no dependency:

- Tourism
- Apples
- Dairy farming
- Green energy

4. Structures – adapted to changes

- You should not be dependant on one product:
- ✓ Asparagus and blueberries
- ✓ More than one client
- ✓ ...



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5. Culture – competition and mistakes to get better

- Learning by doing new things – sometimes it hurts



5. Culture – competition and mistakes to get better

Learning by doing new things:

- breeding of new plant varieties



- mistakes should be seen and used as part of the learning process

5. Culture – competition and mistakes to get better

- Discuss with your colleagues as well as specialised consultants about the best solutions
- Learn from colleagues all over the world
- Try new things and learn what runs and what is a flop



Aspects of Management 2.0

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6. Responsibility – results orientation of all

Today, new ideas are mostly the result of a process of many persons



6. Responsibility – results orientation of all

new ideas and good results are the result of a process of many persons

Crop rotation

- Preservation of soil fertility
- Renewal of soil fertility
- Reduction of diseases and pests in the crops
- Increasing the nutrient content in the soil
- Prevent excessive weed growth
→ Improve the yield

6. Responsibility – results orientation of all

- When you want to be succesful, give responsibility for results to your helping people
- Pay attention to waste
- Have a clean farm,
the best way to convince partners, clients, banks ...



Aspects of Management 2.0

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7. Communication – open communication

- Discuss openly projects; realise that more people know a plan before You have it...

Shell had in 1995 the plan to dispose the oil-platform Brent Spar in the Atlantic

→ Greepeace organised world-wide resistance

→ 50 m £ loss of sales for Shell



7. Communication – open communication

- You are not alone and you are able to communicate



7. Communication – open communication

- Why not using free-days in winter?
Build-up a yearly client communication,
a sum-up of one year activities via Internet

or even a vivid homepage:
Dieters butcher shop“



7. Communication – open communication

- Talk with many persons about your plans – sometimes they know better than you
- When you realise problems, talk with people: no mails, no letters, no lawyers



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Change your company to a cooperative one

Goals – shared view for the journey together

Try to find colleagues for a cooperative way to your future:

- Ask together: why should a customer buy your product in 3 years?
- Do all employees know your dreams for your company?
- Does every employee know how he/she can contribute to the achievement of those goals?

Organisation – balance of stakeholders interests

- Involve neighbours, customers and employees in the process of setting goals – and implementation
- Name the uniqueness of your products
- Does your product deserve its price or does it offer the customer - value?

Values – internal and external appreciation

- Build up trust – for clients as helping hands / suppliers
- Do not budget every pencil!
- Internal month- or quarter reports should be on one page and every report should be recipient-oriented

Structures – adapted to the changes

- Don't be dependant on
 - ✓ one client
 - ✓ one product
 - ✓ one supplier
 - ✓ one bank
- Engage customers and suppliers in developments and make them partners
- You should manage not more than 7 people directly

Culture – competition and mistakes to get better

- No solution is bad;
a not consequently implemented solution is the worst
- Mistakes are communicated with the aim that others learn from them
- Every supervisor is responsible that at least one process improvement is suggested per every employee per quarter
- Managers should reserve one day a week for strategy

Responsibility – results orientation of all

- Pay attention that every employee accepts responsibility for results
- Make competency possible and give authority for taking decisions
- What happens if you have an accident ?

Communication – open communication

- Try to communicate with your clients
- You as a manager should try to talk to each employee personally once a week, once a month at his workplace
- Every team should announce its goals and the current results

Management 2.0

Can you imagine that you will sleep better with Management 2.0 ?
If so: be happy and try to change your company !

Management 2.0: Cooperation for success

**Coming together is a beginning,
Keeping together is progress,
Working together is success.**

Henry Ford

With Management 2.0 you will secure commitment –
Owner, management, employees and all other stakeholders
have better chances
to work in a company with future
and
will be happier ...

**For being part of it,
some ideas for tomorrows
group work:**

**Management 2.0:
with cooperation to success**

Group-work-idea

Give for the enterprise we are visiting soon 3 ideas for work with management 2.0:

| Company, farm, enterprise | 1 | 2 | 3 |
|------------------------------|---|---|---|
| 1. Goals | | | |
| 2. Organisation | | | |
| 3. Values | | | |
| 4. Structures | | | |
| 5. Culture | | | |
| 6. Responsibility | | | |
| 7. Communication | | | |

Paldies

Management 2.0