How to Get People to Collaborate When You Don't Control Their Salary

Shared By: Steve Whiteside PhD   From HBR.ORG

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Most of us assume that if we want to change people's behavior, we need to change their incentives.

For example, after I published research and advice on collaboration in professional service firms, I heard from a surprising number of people who wrote to ask questions like, "Maybe it'll work in a partnership, like a law or consulting firm, but what about in my company, where employees aren't owners and can't change the rules?" People in industries as different as commercial real estate, pharma, biotech startups, hedge funds, and public school districts worried about how to transform a competitive, star-driven culture into a collaborative one when they had no power to juggle financial rewards and no influence over promotion decisions.

To pursue this issue, I picked a new research setting where the reward system is highly constrained — and so is the career ladder. By investigating how a leader can boost cross-silo collaboration without changing either the compensation or the promotion system, maybe we could find lessons that translate to companies where people also face limits on their ability to change organizational structures.

Tackling Collaboration in a Constrained Setting

The Boston-based Dana-Farber Cancer Institute is one of the world's leading institutions for adult and pediatric patients. Collaboration is as necessary as it is tricky in this setting. Just as with business knowledge, scientific knowledge is changing so rapidly that Dana-Farber's doctor-researchers must evolve quickly from generalists to specialists who focus on a highly specialized niche within cancer detection and treatment. Yet tackling cancer requires a multidisciplinary effort, ranging from disease biology to population monitoring. Research efforts can't focus on applying the findings of deep, narrow studies; they must add up to a much broader, more integrated program.

The difficult angle for the Dana-Farber — the challenge shared by many companies — is that collaboration doesn't come naturally to many of the highest performers and the system seems almost geared against teamwork. The organizational stars have tremendous autonomy over key work decisions. And just like software engineers who hold code in their head or a law firm partner who controls critical client relationships, the Dana-Farber scientists hold a credible threat of walking out the door with their IP and grant-winning prowess. The parallels with business are clear: Stars are a crucial but perhaps fragile source of innovation and competitive advantage.

Here was the paradox for leaders: While fostering smart collaboration, they had to maintain Dana-Farber's entrepreneurial approach to research. And they faced big constraints. Because the researchers in question were members of the Harvard faculty, the Dana-Farber leaders couldn't influence promotion criteria, nor could they reward people differentially through compensation.

So how do you jumpstart collaboration without transforming the pay or promotion system? The problem is that collaboration requires an investment. My analyses show that "smart collaboration" — that is, collaboration targeted at the right opportunities — nearly always pays out, but only after people spend time developing the underlying relationships and processes. Many people and companies start the investment, but quit before seeing the returns. Only if you stick with the effort through a long enough time frame can you expect the returns to become positive. This is how collaboration gets embedded as a normal way of working. But how to get through the pain barrier?

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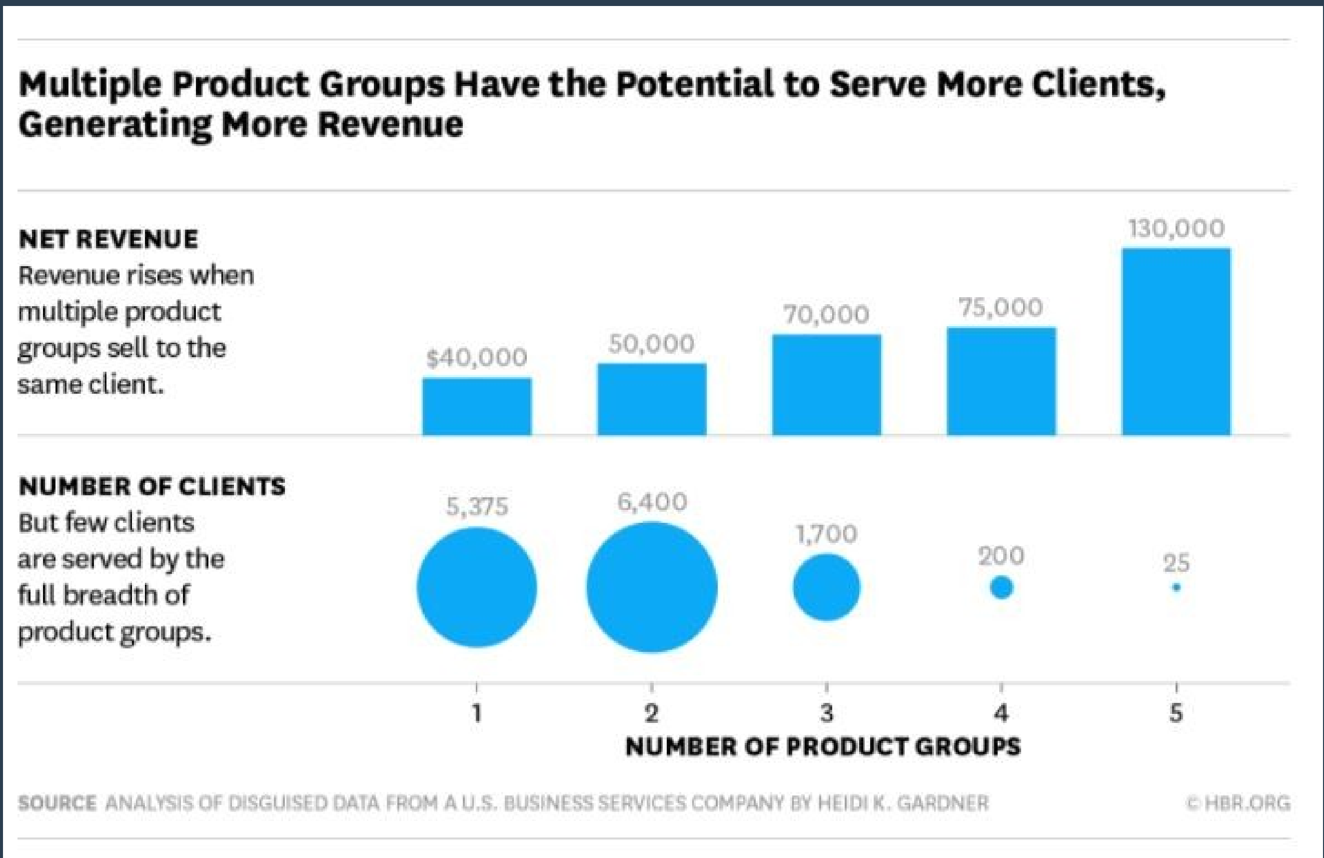
Jumpstarting collaboration

To foster collaboration, your initial hurdle is to capture people's attention and give them the confidence to take some risks in order to make the initial investment. Costs naturally drop as people gain experience collaborating and develop the trusted relationships that smooth the process, but you should take steps to lower those costs more quickly. Likewise, your actions can make the benefits start to flow sooner. Both these efforts help the payback period arrive sooner, making collaboration a smarter investment for the next wave of people. Here are steps to keep in mind:

Pick your battles carefully. Make sure you're focusing efforts to foster collaboration where it's most needed: tackling complex problems that require the inputs of multiple specialized experts who couldn't confront the issue without integrating their knowledge. If you're operating in a highly individualistic culture, select a "coalition of the willing," people who are favorably inclined to collaborate and won't gripe to colleagues about a few hiccups while you build momentum.

Convince with quantitative evidence. Harness your internal sales data to show people that smart collaboration is not just a nice-to-have — it's a strategic advantage for capturing market share. The bars in the chart below, for example, show how much your sales force increases revenue per client when people work across boundaries to sell multiple services. But the circles, which indicate how few clients are actually served by the full range, show how much upside potential still exists.

Drive down collaboration costs. Broker important relationships to help people build the necessary networks quickly. Use simple, off-the-shelf tools to make collaboration smoother. For example, make sure Skype and Dropbox or similar programs work with your IT system so that teammates can easily communicate and share documents. Pair a technology whiz with any employee who needs support with the tools; a personal relationship makes the uptake much likelier than expecting someone to learn on their own or to rely on the IT hotline. For major collaboration projects, Dana-Farber assigned coleaders who shouldered the administrative burdens while the superstar researcher provided the thought leadership. Take the heat of other short-term goals so that time spent collaborating feels like less of an opportunity cost.



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Harness the power of competition. Publicize advances that people make collaboratively to stir up some constructive rivalry among peers. Set up contests and award small prizes for steps people take in the right direction, such as submitting joint sales plans rather than individual ones. Some companies now use gamification technology to engage employees in collaborative actions ranging from meeting new colleagues to completing team-based business goals.

Get the benefits flowing faster. Since the financial payout for collaboration can take a while, be sure to reward inputs while people are in the early stages of learning new collaborative processes. Dana-Farber evaluated scientists' efforts at including experts from other disciplines as well as contributing to other researchers' projects — and then recognized them again much later when those efforts turned into publications or successful grants. Make it easy for people to call out colleagues who helped them, and celebrate both the contributor and communicator. Let people directly reward each other. For example, have a stockpile of small gift cards that employees can access to thank each other for their collaborative efforts.

Dana-Farber ultimately succeeded in building 10 integrative research centers that bring together the world's leading researchers to battle cancer in multidisciplinary ways that would be nearly impossible if each specialist was confined to their traditional silo. (You can read my deeper analysis of Dana-Farber here.) Business leaders, too, can harness the power of collaboration by taking some of these steps to sustain momentum until the rewards of collaboration consistently outweigh the costs.

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