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COLLECTIVE LEADERSHIP

THE KEYTO WHYTHIS DUTCH BUSINESS HAS HIGH ENGAGEMENT AND EAGER NEW HIRES, EVENTHOUGH IT'S SET TO CLOSE

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COLLECTIVE LEADERSHIP: THE KEYTO WHYTHIS DUTCH BUSINESS HAS HIGH ENGAGEMENT AND EAGER NEW HIRES, EVENTHOUGH IT'S SETTO CLOSE

You have a business line that is dying. A lot of jobs have gone, and the unit will cease to exist in a decade's time. You expect this will make it hard to attract the talent you need to keep going right now. Yet you find people are eagerly applying to work here. Why?

Welcome to 'collective leadership', an embodied leadership development approach. Participants learn to use their head, heart and gut to gain a deep understanding of their own and others' strengths and to draw on their collective intelligence to address challenges, innovate and move forward.

This is the approach adopted by the Individual Life Insurance department of a.s.r., one of the largest Dutch insurance companies with €59bn of assets under management. 'We are putting hierarchy and function and titles aside and becoming a collective team,' says Pauline Derkman, director of the department and a member of a.s.r.'s Business Executive Committee.

Over the past five years, the department has undergone massive upheaval due to changes in tax policy, market demand and IT systems. Employee numbers have halved, and the department will be phased out almost completely in 10-15 years During this turbulent period, the remaining workforce has been learning collective leadership, starting with senior management, and then team managers.

Last year, all the 100 or so employees who are expected to stay on were enrolled onto the program, taking part in a two-day experiential retreat, and individual and team coaching.

Derkman says: 'This is what people really like because they can learn a lot and get a lot of responsibility. We want people to reach their potential. That's very attractive to them, even though in the longer term this department will vanish. People see it as a challenge. Every year, we have to come up with new ideas to reduce costs, and people want to be part of that.'

The evidence shows up in key statistics, she says. Employee engagement in the department showed the biggest increase of any unit in a.s.r. in 2018 and has held at the same level in 2019. Engagement is measured using the <u>Denison Model</u> against a global peer group of companies. The a.s.r. life insurance department scores at the very top end, showing that it has a high performing culture.

Derkman adds that her department now has the lowest sickness absence rate in the company at below 3%, down from around 6% before they embarked on the program. 'People in other parts of the company are looking at our department and saying 'How did they do this?'.

The net promoter score (NPS), representing customers' willingness to recommend the department's products and services, reached +38 last year, well above the target of +30. When vacancies arise, they continue to attract many applicants, mostly young people aged 25 to 35 who are looking to develop their leadership skills.



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How does collective leadership operate in practice? A key element is that it gives people a new language to discuss how best to collaborate, Derkman says. The program, run by Netherlands-based PresenceAtWork, is unusual in using a body-based assessment methodology to reveal each person's core strengths.

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The Leader Being Strength Indicator (LBSI) assigns each participant a profile of four numbers (between I and 9), indicating their main areas of talent, according to how much physical pressure they can absorb from the person testing them when holding nine different postures. The more they can hold their ground, the greater the core strength being tested.

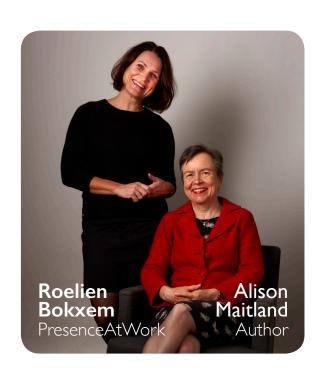
'All the people who went on the collective leadership retreat experienced something they have never experienced before,' says Derkman. 'The embodied part was a bit awkward, but people are still talking about it, a year later. It created a bond. People are still surprised at how spot-on the test is. They use their profile numbers to work together better.'

Here's an example: Derkman's operations manager has four people reporting to him. They decide collectively who should take on which task, according to their profile numbers. One team manager, Edith, has a strong number 3, which means she is very good at getting people on board for change. 'She's the one who is really looking to see if people are motivated,' says Derkman.

Another team manager, Erik, has a strong 5, which means he can think through knotty problems. He takes care of the complicated projects and issues. They divided their portfolio of work between them, stepping in or out according to whether their strengths are needed or not.'

For Derkman, the collective leadership approach is the way forward, not only for a.s.r. life insurance but for any business facing today's complex and rapidly shifting challenges.

'One of the best things about the program is that you get to know your strengths and then act on them, and also who else to involve when you are not the person most fitted to the job,' she says. 'In the past, things were very hierarchical. If you were responsible for operations, it was down to you and no one else could step in. Now we really lean into each other.'



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Introducing the Collective Leadership Council in partnership with PresenceAtWork