



## CASE STUDY B. BRAUN: OUT OF THE BOX!

### B. BRAUN'S TRANSFORMATION TOWARDS MORE AGILITY AND SELF-ORGANIZATION

*'Tasks & Teams' is the motto of the change process towards a more agile and self-organized working environment at the global health-care provider B. Braun Melsungen AG. It all started in February 2017, when Corporate Human Resources and Corporate Communications became pilots and established new ways of working. Dr. Lisa Dühring visited B. Braun in August 2018. She talked to executives and employees in both departments about their experiences.*

The change process was initiated at the beginning of 2017 by Prof. Dr. Heinz-Walter Große, Chairman of the Board, and Dr. Bernadette Tillmanns-Estorf, Senior Vice President of Corporate Communications and Corporate Human Resources. The aim was to try out and establish new ways of cooperation in order to enable the company to react more quickly to changing market requirements. The process was supported by a start-up consultancy specialized in self-organization and agility in corporate transformation projects. Two teams – Corporate Communications (CC) and Corporate Human Resources (CHR) – became pilots on B. Braun's way towards becoming a more agile company. The program is called 'Tasks & Teams'. The overall aims are to reduce complexity, to evaluate existing structures and processes, to think in networks instead of silos, to act independently, and to overcome hierarchies that make decisions slow and ineffective. Many things are still in their testing phase and processes are continuously being adapted.

B. Braun wants to establish a self-organized, agile form of cooperation, characterized by autonomy, transparency, and trust: Cooperation is not determined through hierarchies, but through roles and responsibilities; work is organized in so-called 'circles' instead of organizational charts. The aim is to find the best team for a task, independent of functional silos.

#### Hybrid approach – combining existing structures with agile approaches

B. Braun has decided on a hybrid approach that combines existing functional structures with new agile ways of cooperation. The concept has so far been implemented in two pilot departments only. Other departments have just started their journey. CHR underwent major structural changes: The structure of the overall department was slimmed down to only three main teams, namely HR Management & Development, Digital HR, and Compensation & Benefits, each with just one team lead. Thus, leadership positions were reduced and regular staff were offered more responsibility. The CC department did not undergo major restructuring, but here, too, tasks are increasingly organized in so-called circles.

These circles are able to combine both existing and new structures in one working environment. On the one hand, staff handle daily business and individual responsibilities in the existing functional structures. On the other hand, topics, projects and tasks are increasingly organized in circles. Here, members of different teams come together to unite the best people for the task. New circles are advertised department-wide with people free to apply if they have the competencies, skills and capacity needed. Usually, a circle comprises three to six members. It has a clear



purpose and corresponding responsibilities such as the organization of a special event or the conceptualization of the new intranet. Each member has a similarly defined role.

There are procedural roles such as representative, facilitator, or documentarist. The representative ensures that the circle is able to fulfill its purpose. He or she presents the circle and its achievements to other organizational members or even the executive board. The facilitator provides structure and orientation for the circle members and is responsible for effective meetings that follow the principles of cooperation. The documentarist records the results of the circle and provides transparency, either through wiki entries or other forms of result presentation. In addition, there are roles like 'expert', 'functional decision maker', or 'final decision maker' depending on the circle constitution. These roles

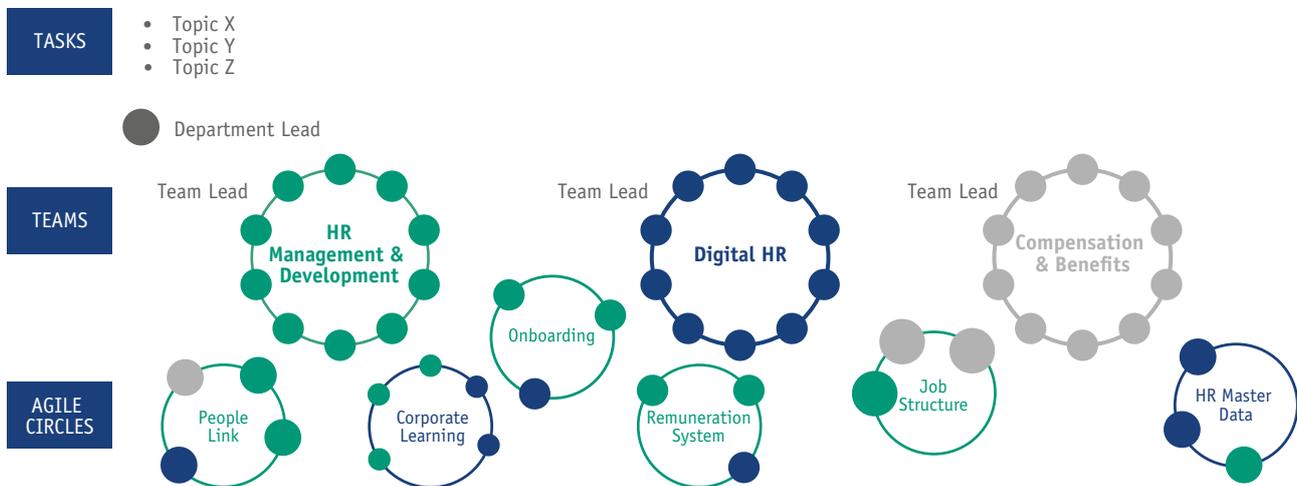
are not fixed but rather depend on the tasks at hand and aim to provide the necessary conditions for an effective and efficient work environment. Functional roles and hierarchies are of no importance here. Members of the circles mutually decide on principles and tools of cooperation, means of decision making, and meeting structure.

There are three main structures in the CC and CHR departments of B. Braun:

- ▶ **Functional teams:** Based on the traditional concept of disciplinary teams. Employees are assigned to a disciplinary executive responsible for goal cascading, prioritization of tasks, budgeting, and career development.
- ▶ **Circles:** Circles with short- or medium-term goals that are comprised of multidisciplinary experts who develop and elaborate a topic or execute a certain project while sharing their knowledge.
- ▶ **Meta circles:** Long-term circles with tasks on a higher level that address the fundamental challenges of Tasks & Teams. These circles (at the moment: Constitution, Coordination, Cooperation, People, Transfer, Change Architects) are committed to optimizing and adapting the concept of Tasks & Teams and to enabling other parts of the company to adopt the concept.

CC and CHR have different tasks and roles depending on the circles they are currently involved in.

## A more flexible org chart at B. Braun



Collaboration at B. Braun is no longer characterized by rigid hierarchies, but by roles and responsibilities that are organized in circles.

## Benefits

Many employees reported that the new structure has led to faster decision making, fewer hierarchies, more motivation, more interdisciplinary work and increased sharing of expertise. They confirmed that the last one and a half years really brought a cultural change. There is a new openness for trial and error, which is a big step for a company that produces highly sensitive health-care products with a zero-mistake aspiration. While this is by no means necessary in many parts of the company, communication and HR management are fields where creativity and trial phases are important. In accordance with B. Braun's motto 'Sharing Expertise', colleagues are continuously learning from each other and acquiring new skills and competencies. Fixed meeting rules help to achieve results faster and in a more effective manner. Current projects and results are more transparent to the whole team than they were previously. Cooperation has become more open and is based on trust and a positive feedback culture. Open Kanban or project boards are used to visualize ongoing work in projects and circles.

Open office and clean desk principles allow for flexible working structures and enable teams to meet independently. Communication and collaboration are in focus. It also opened up old-fashioned structures both hierarchically and in terms of content. Employees are free to explore new topics and tasks and also bear more responsibility. Motivation is higher as tasks are taken on voluntarily and the space to experiment, to be creative, and to be self-responsible has expanded.

## Challenges

However, there are obstacles and challenges, too. Engaging in a radical change program such as this is hard and time-consuming work for everyone involved. Disrupting existing structures and processes does not make a department more agile from the start. On the contrary, it slows down processes and reduces efficiency at the beginning where everyone has to find his or her new role and understand the new process. Our interview partners confirmed that they invested a lot of time in meetings and circles that worked out the 'rules of the game'. The goal of making projects, tasks, and results more transparent leads to extra work documenting and communicating. The return, however, is obvious: The whole team feels much more informed and involved in what their colleagues do.

Due to the current hybrid nature of the process, both executives and regular staff work in 'two worlds'. With CC and CHR acting as test pilots for now, other departments in the company are still structured differently. These two mentalities sometimes clash. In particular, executives do not always find it easy to define their

new role – both towards their direct reports as well as towards other executives within the company. In their department a new leadership culture based on enabling and coaching colleagues is advocated, while in other departments more conventional aspects like title, budget, and headcount still apply. Furthermore, staff members sometimes struggle to accommodate both their daily business as well as the work within the circles. The agile concepts of self-organization and self-motivation put high demands on staff – demands that not every person is comfortable with. Thus, some staff members thrive in these new structures while others find it hard to adapt to their new role. Getting every team member on board is certainly a delicate topic and represents a significant leadership challenge.

Other sensitive topics are career development and incentives. As leadership positions have been reduced, at least in the CHR department, and executive roles in general now face scrutiny, formal career development becomes less clear. At the moment, both executives and staff are trying to delineate together what careers and incentives look like in the future. First solutions such as development talks have been introduced.

## Takeaways and outlook

B. Braun's communication and HR departments have started a bold change program that has the potential to act as an example for other parts of the company. It is a process with an open end, which makes it both exciting and challenging at the same time. The key takeaway is that it is important to stick to the fundamental principles of self-organization and agile working like prototyping, iteration, error tolerance, etc. right from the start and throughout the whole process. It is a process that is above all continuously shaped and altered by the people living and working in it, and thus gives the staff the freedom to alter and adapt it according to their needs.

Meanwhile, the project has gained a lot of attention within the rest of the company. Some areas would like to adopt the principles of agile working within their own departments. Thus, CC and CHR have established two special circles – Transfer and Change Architects – that work on concepts, strategies, and materials in order to facilitate the change process in other parts of B. Braun. Some staff members also engage in extra training in order to act as 'meeting pilots' and 'process guides', meaning that they are special contact points within the team who accompany and guide Tasks & Teams during its next steps.

The board has declared its full commitment and formal support to transfer the pilot into standard structures and procedures whenever suitable.



» Trust your team  
and simply do it«

*Dr. Bernadette Tillmanns-Estorff is Senior Vice President Corporate Communications and Corporate Human Resources at B. Braun – a family-owned company founded in 1839. Today the B. Braun Group is one of the world's leading providers and manufacturers of health-care solutions. The company has subsidiaries in 64 countries, employs more than 63,000 people and generated a revenue of 6.8 billion Euros in 2017.*

**B | BRAUN**  
SHARING EXPERTISE

#### **What was the motivation to start the agility program 'Tasks & Teams' at B. Braun?**

*One of the first reasons was to get rid of these 'old fashioned' organizational charts that have the tendency to get bigger and bigger. We wanted to redefine working within our teams without hiring more and more people. Besides, I am convinced that we have to react to challenges put on us by the VUCA world – especially in the domains of communications and HR management. One of my main focuses is leadership. What does contemporary leadership look like? What do we have to do to enable employees to be accountable and to make their own decisions? Another aspect refers to employee development. In relatively small departments like ours with about 35 FTE in the Corporate Communications Department, career paths are more difficult to realize. With our new agility program 'Tasks & Teams' employees have the opportunity to try out new tasks and topics and develop new skills and competencies.*

#### **What was your biggest challenge in implementing 'Tasks & Teams'?**

*One of the biggest challenges was starting this project without knowing what exactly was going to come out of it. We were very deliberate in our decision not to implement a blueprint approach*

*but to develop 'Tasks & Teams' as a tailor-made B. Braun concept for new ways of working. There were times when we had more questions than we had answers and it felt as though we weren't making much progress. In retrospect these moments were really important to go forward because it was us finding the way out and giving the right answers. For sure, this process helped us to strengthen our teams and to learn more about each other.*

#### **What were your takeaways from the process and what is your advice to other colleagues that are at the beginning of a similar process?**

*It is difficult to give general advice as every context is different and it is so valuable to gain your own experience. What I can say is that it is really valuable to have top level support. Agile transformation is a big change and it was a great advantage to have the backing of our chairman of the board. Secondly, I can recommend involving the employees in the development of the process from an early stage. This ensures that you develop and test an approach that actually suits everyone's needs. It also allows us to learn as the process progresses and to develop a new mindset. This was exactly what was important to us: We have excellently trained, competent and motivated employees who can think and act independently and should do so. This benefits the individual as well as the company. So, to sum it up, I would say: Trust your team and don't talk, but do it.*