



## **Changing the way we work**

*Empowerment*

### **Commentary**

Oticon in Copenhagen is at the cutting edge of hearing aid technology. 10 years ago a new leader arrived and decided it was time for a change.

### **Lars Kollnd**

When I arrived at the company in 1988 Oticon was a very traditional business, it was one with hardwood panelled management offices, single person offices, or certain levels in the building where you knew how you'd reached in the hierarchy. Today we have virtually no hierarchy it's an almost completely flat organisation. The manager is virtually never a supervisor, he or she is a partner -he or she works together with the staff .

### **Per Kokholm Sorensen**

If you are sort of say, hungry, this is not the right place to be because you're more much more like a coach, when you feel good as a manager is when you have you see this team working well and make good results

### **Lars Kollnd**

To work in this manner is difficult for managers including for myself. The fact that you are on stage all the time, the fact that you're decisions are questioned all the time, makes life difficult, and it is difficult, but in the next say five or ten years we'll see that virtually any company public or private, will move into becoming much more knowledge intensive, and those companies will need to face the challenge that the hierarchy is just not the right way of organising a company in that situation, you've got to get rid of the structures, you've got to get much more flexible job description, you've got to get a totally open working environment, you've got to have much more fun.

### **Commentary**

At Oticon people belong to several project teams at once, often playing an entirely different role in each.

### **Pernille Ronn**

The best thing about working Oticon is that flexibility, in that you can work on the things that you find you're good at, and that you're interested in and you're not fixed in a certain position just because you happen to be there

### **Larskolind**

For example I love to write, and I have undertaken to write quite a few brochures etc. and, you know, I've been part of a project and I've been criticised by this project leader...

### **Pernille Ronn**

The downside is sometimes that you can be a bit confused or a bit stressed by being in different projects at the same time. You have to you have to keep mind on one thing on one moment and then, oh, you're moving to the next and you have to you have to be there and focused on that.

### **Commentary:**

There are more people than there are desks here, and nobody has exclusive rights to one. Instead, people store their work in their own caddy which can be wheeled to any desk to be near the people who are working on the same project as you that day.

### **Laurent Dorey**

Well, the best thing I enjoy working with Oticon is the freedom I have, freedom to organise myself the freedom to move around, freedom to ask people.

**Christian Etgen**

I like working for Oticon because of the freedom to do funny things, and the flexibility to design my own working day.

**Debby Moller**

From the very beginning it has been assumed that we want to be equal partners and we are adults and we can be trusted, and that we don't have to be regulated like children.

**Lars Kolind**

If you want to manage a company like a machine, you really have to have a full control panel with all the buttons to turn etc. but if you want to manage a company that works like a brain, and that's the concept of tomorrow's knowledge based company, there is no control board, the control board is the set of values.

**Pernille Ronn**

It's built on trust that you do the best you can, and for most people I think that that also encourage them to do their very best

**Prof Kanter**

The kind of trust with teams, with more autonomy in the work place, that's going to be important, is the trust that says, I don't care which hours you work, I don't even care what you're wearing when you work, I care about the results

**Jack Gray**

In the good old days, we use to have to clock in. To put our jobs in now, just touch the screen, swipe the job in.

**Ken Lewis**

Well, when I was a very young man I conformed, else I wouldn't have got promoted so I used to walk around with a dark suit and a deep voice and I used to say the things like T Q M and I S O nine thousand. Er but erm, I just started to think to myself there must be a better way of having a life than worrying about whether people hit the clock at seven thirty in the morning and leave at quarter to six at night. Our problem was that we were moving to a technique called lean manufacture, that means we only make something when our customers want it .When we are slack, we don't want to make any stock, so we found a solution to that by going to the system called annualized hours

**Commentary**

Annualised hours means that each employee is contracted to work for a maximum number of hours per year, which are worked according to customer demand.

**Dave Ward**

Because, it's like Ken Lewis says, it's not Ken Lewis who pays my wage, it's actually the customer who pays my wage, so we have to look after the customer. We've actually had a phone call from the customer, saying, you know, Dave can we have so and so cabinets tomorrow morning, and they're only halfway round the shop, so sometimes we've had to work till ten o'clock at night to get the cabinets out.

**Tina Mason**

Annualized hours can of course lead to some in unpredictability for the individual, and not everyone's comfortable with that and in we made a new arrangement this year for our older employees. We have two who are over 60, and they've actually gone to a new and different flexible working arrangement that allows them to have a more fixed structure, and to also work less hours in the week.

**Ken Lewls**

They are producing more and more with less and less hours. They have decided that they want to be away from here on Wednesday lunchtime, and someone is late with a component, they are in their car and they drive down to the machinists, and they get out the car and they go into the factory and they jump their job in front of everybody else to get it done. Peer pressure you know it's very powerful, more powerful than actually management pressure

**Dave Ward**

The quicker we get it through the shop, the earlier we finish work

**Team Meeting**

That's it, let's go then.