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ABOUT HOLTZBRINCK

Holtzbrinck Publishing Group is a family-owned business in its second generation that was founded by Georg von Holtzbrinck and which has grown to become a global media company. The Holtzbrinck Publishing Group encompasses Macmillan Science and Education, Macmillan Publishers (fiction and non-fiction) and Holtzbrinck Digital, Information & Services (among others Internet companies, DIE ZEIT, AVE and Prognos)..

INITIAL SITUATION

When Sascha Theißen took over the management of the legal department in 2013 he found a team of lawyers that although all of them excellent in their own right, nevertheless worked alone in their own long-cherished silos. Such extreme individual specialization hampered any mutual support within the team and was the reason for the long time it took for the various corporate departments to get any answer to legal queries. Sascha Theißen saw agile methods as a way to create a business-oriented service unit.

SOLUTION

Due to external dependences, short sprints such as those implemented in Scrum were out of the question. Based on the principles and practices of Kanban the team initiated an evolutionary process of improvement.

RESULT

With the aid of visualization of the work processes and the retrospectives the team from Sascha Theißen itself identified the points that would have to be changed in order to improve mutual support. Exchange of knowledge in pair contract writing, more efficient meetings and regular meetings with colleagues from the departments of the Group resulted in a reduction in the work load of individuals, a significant improvement in the mood within the team and colleagues in the Group who are now actively seeking the advice of the legal department again.

The Holtzbrinck Legal/General Counsel: The Agile Lawyers

by Boris Gloger

“If even a legal department can manage it, then others must be able to as well”, says Dr. Sascha Theißen, Senior Vice President Legal/General Counsel of the Holtzbrinck Publishing Group, with a generous dose of self-irony. I met him during the “Manage Agile 2014” where he told me he had introduced Kanban and the first Scrum ideas „pragmatically” in the legal department of the media group. Pragmatism in a legal department of all places – and what is more agile pragmatism? OK – he had me hooked. I just had to find out how he had implemented what I myself have been stressing for years: where Kanban and Scrum are concerned it is completely irrelevant whether software development or self-management of a management team is involved – or in Theißen’s case the cooperation between lawyers, their assistants and the staff of one of the biggest enterprises in Germany. How were his employees transformed into a much in demand, service-oriented team?



More than 400 companies belong to the Holtzbrinck Group and they are all continuously in need of legal advice. Software development contracts, purchase agreements, due diligence, data protection, anti-trust law, copyright law and much, much more – the spectrum is huge. This deluge of demands was met by a non-existent team of nine persons: although the work of each of the lawyers was legally excellent and highly specialized, it took place in long-cherished silos – so that, slowly but surely, the reputation of the department began to suffer. The colleagues in the Group had to wait a

long time for answers, which, even when finally received, did not in fact solve their problems. So, after a while, they stopped asking for advice altogether and instead solved their legal questions themselves in a sometimes counterproductive manner. When Sascha Theißen took over the management in 2013, it was clear to him that something had to change. After all, he regarded himself, in his function as a lawyer specialized in IP and IT law, as a helper for the business, one who was interested in strategic and operative issues just as much as their technical implementation. It was his vision to lead a

business-oriented legal department in which people trusted each other, were acquainted with, and were willing to tackle, the tasks of others and were in a position to help each other in order to actively support and advance the business.

In other words, Sascha Theißen wanted to try something new. He had come across agile methods while managing the digital activities of Holtzbrinck (e.g. StudiVZ, gutefrage.net and other subsidiaries) and he suspected that these principles would also be able to transform the legal lone fighters into a team. He delved into the – mainly IT-intensive – basics of an agile way of working and thought about how he could adapt the principles and rules to the work in his team in such a way that even legal experts would be able to recognize and use their benefits. The strict timeboxing typical of Scrum was entirely out of the question due to the constantly changing requirements in the Group's legal department. So he decided on an adapted form of IT Kanban.

THE BEST BASIS: SUPPORT ON SEVERAL LEVELS

What the legal expert did first after his idea had reached maturity: he sought and found support on three levels. He started off by getting a “green light” from the HR department, which also promised to support his efforts with various measures – e.g. with presentations from Jurgen Appelo. He also reserved the right to look for new areas of responsibility within the Group for certain employees and to bring new members on board at a later date. He then held one-to-one talks about his plans with all employees. And finally Kanban was brought into play: Sascha Theißen found an enthusiastic, agile coach right within the Holtzbrinck Group in the person of Robert Misch from gutefrage.net

SEEING WHERE WE STAND: START AT THE STATUS QUO WITH KANBAN

“We won't change anything to start with” was Robert's clear response in view of the requirements. With one exception: Sascha Theißen's employees should see where the department stood at that moment. The latest workflows, work burden and distribution should be made visible and here Robert Misch favored kicking off in compliance with Kanban principles.

The principles of Kanban

1. Start with what you do now.
2. Pursue incremental, evolutionary change.
3. Respect the current processes, roles, responsibilities and job titles.
4. Encourage leadership on all levels of the organization.

The core practices of Kanban

1. Visualize workflow.
2. Limit work in progress.
3. Measure and manage flow.
4. Make process policies explicit.
5. Implement feedback mechanisms.
6. Use models to recognize improvement opportunities.

In a one-day workshop Robert spoke not so much about agility and its roots in software development, but concentrated more on the principles and goals of agile work. He kicked off with the Agile Manifesto (www.agilemanifesto.org) and let the lawyers reformulate it: working software, for example, was changed to working solution. The point “Customer collaboration over contract negotiation”, which is rather difficult for lawyers to digest, was interpreted as follows: although contracts are by no means incidental, perfectly legal contracts which nobody is willing to sign should not be drawn up in future. Theißen puts

it in a nutshell, “The goal should be the best possible contract that is acceptable for both parties and that is practicable and avoids any unnecessary time spent negotiating”. Next he transferred the goals of agile working – direct communication, welcome changing requirements, sustainable speed, close collaboration with the customers, trust, inspect and adapt, self-organized teams – to the legal department and explained what changes, but also what benefits these entail. This made it easier for the lawyers to get used to the new ideas. Nevertheless, the message to the team stayed the same: we are not changing anything, except that we will now hang all our tasks on a board and discuss them briefly every day. Together the team developed its first Kanban board, one that initially included the columns To do - Work in Progress - Waiting - Done.

The individual legal fields were entered in the lines of the board – so-called swim lanes. All colleagues stuck their current tasks on the board in the form of tickets – personalized by color coding and buttons – and from now on watched these move across the board from left to right, or not as the case may be. In the following months the team experimented with which level of granularity of the tasks would be expedient. They began breaking down the large tasks until only a few of these remained static on the board, while, instead, hundreds of small tasks quickly moved through the columns. The visualization made one thing abundantly clear to the lawyers: there was a lot hanging in the column “Waiting” – in other words many projects were stagnating. An indication that there were pressing external dependences, but for the moment Robert Misch left things as they were. Alone the fact of the lawyers having become aware of this was a good start.

15 MINUTES INSTEAD OF 3 HOURS: FROM A MEGA MEETING TO A DAILY SCRUM

From now on the team met with Sascha Theißen every morning in front of the board. He clearly stipulated that these daily meetings must not take longer than 15 minutes. The first daily meetings took almost an hour, then 20 minutes and, finally, were finished within the target framework of 15 minutes. My colleagues and I were able to attend such a daily meeting and it was great: each team member told the others what he/she was working on at the moment or what he/she could not continue working on. One colleague from Berlin (currently on parental leave) normally takes part via camera. As the monitor stands on a small high table, the others almost feel as if she were present in person. In the meeting we attended every team member explained what he/she had achieved the day before, they answered questions among themselves and after just seven minutes the whole daily meeting was over.

THE RETROSPECTIVE: A SOURCE OF KNOWLEDGE

After two weeks the first retrospective took place with Robert Misch and what Sascha Theißen had hoped for actually happened: firstly, the team members recognized that each of them was battling away on their own. The personalized tickets had led to only the colleague concerned feeling responsible and if that person's workload was high, then nothing moved on the board. Should things nevertheless have to move more quickly, others were asked if they could take over the task; but this was not possible quite simply due to a lack of knowledge. Theißen's people began to talk with each other and decided: we have got to change that! Se-

condly, Theißen's team realized that the daily Scrum could replace the three-hour jour fixe that, to date, had taken place every Thursday. All they needed to know could be communicated in the 15 minutes. So a net working time of two hours per team member added up to a time saving of 16 hours a week, despite which they were all better informed and kept more up to date than before. The weekly jour fixe was re-introduced after one of the next retrospectives, albeit in a modified form: the team members now held a 45-minute meeting on a defined topic involving not information but an exchange of knowledge – on a legal aspect, for example, that would help all lawyers to conclude a procedure correctly. With time it also became clear: the legal department would have to live with the deluge of tasks that landed daily in the input queue. Iterations every two weeks such as those in product development are not possible. Due to the external dependencies it is often not foreseeable when something can be concluded. But: the Kanban board and daily updates had made the processes more transparent and recurring tasks could be clearly recognized. This gave an indication of which competences the team members needed to have in order to carry out these tasks and to be in a position to help each other when necessary.

Thanks to this visibility the team focuses on a common goal so that, despite the high external dependency, gradual improvements in the work process are, nevertheless, continually achieved. For the most part the color-coded personalized tickets gave way to a uniform color, which clearly indicates that it is now not the responsibility of one specific person to complete the task. Only the colleague in Berlin continued to use her own color so that her tickets could be recognized more easily in

the daily meeting; but even this became unnecessary as she began to work more closely with two new colleagues in Stuttgart. Today all colleagues put the tasks on the board, the team briefly prioritizes these and leaves them as neutral, non-personalized tickets in the backlog until someone starts working on them – or “pulls them” – at which time they are furnished with his/her button.

OUT INTO THE BUSINESS: THE LEGAL DEPARTMENT BECOMES A SERVICE UNIT

The team members became more aware with every step from Sascha Theißen they took that: we have to know what is going on in the different corporate divisions of the Holding. Discussing things together had helped the team internally – so they now did this with the departments as well. At first spontaneously and then regularly – once a month – the team organized informal meetings during their lunch break with colleagues from the three large departments of the Holding. The company treated them to the meal, the heads of the departments explained to the legal team what they were currently working on and which projects with which purposes and goals were planned. Gradually the Theißen team began to understand far better the issues behind the enquiries of their „customers“ and meanwhile the cooperation is carried out proactively. For example, the team now offers workshops to frequently asked questions, such as to the topics of image rights or changed legal requirements for web shops and how these can be implemented pragmatically to the benefit of the business. The impact has been incredible: the reputation of the legal department is starting to change. The team is once again seen as a competent partner and colleagues actively seek advice, for un-

popular topics such as anti-trust law, for example. They themselves requested a training session so they could be sure to behave in compliance with anti-trust law at fairs and branch meetings and were amazed at just how practical and solution-oriented the advice of the legal department was.

KNOWLEDGE TRANSFER: PAIR CONTRACT WRITING AND A NEW DISTRIBUTION OF TASKS

Before the agile turnaround the legal department had been one great bottleneck, due to the specialization of its individual members. One way of getting rid of the jam on the board is to exchange knowledge. It is Sascha Theißen's view that each lawyer should be able to carry out certain frequently recurring issues end-to-end – for example the drawing up of shareholder resolutions or non-disclosure agreements (NDAs). During the course of introducing agility two young employees joined the team and these two continually expand the scope of their knowledge by means of "pair contract writing". Theißen purposely planned this method only for younger employees initially, because the older ones might interpret it as a kind of control. However, this tool has meanwhile become a fixed part of the cooperation within the team.

Systematic analysis of the Kanban board brought another interesting factor to light: the lawyers were spending a considerable part of their working hours on tasks that required no legal training, for example cost controlling and translation – a business economist was taken on to do this work. Thanks to the cross-functionality that has been created in the team standard tasks now pass more quickly through the work process. The colleague in Berlin felt the relief from the strain quite clearly: for the

first time in a long while she was able to enjoy her leave undisturbed by urgent e-mail enquiries without anything important remaining undone despite this. The tickets simply continued to move across the board.

SELF-ORGANIZATION: THINGS WORK EVEN WITHOUT A BOSS

All these changes took place within a period of 14 months, which, in view of the silo structures that had become established over many years, was indeed a remarkably short time. One colleague who no longer felt comfortable in the increasingly agile legal department was given other tasks in another field where she can develop her skills more effectively. In order to underpin the team spirit and new culture Sascha Theißen commissioned his team to work together with children to construct new cabins for a playground and to plan and organize the campaign completely on their own. Not only this self-organized task but many others as well now functioned so well that Sascha Theißen was able to allow himself five weeks to concentrate on an international module of his extra occupational MBA program. "If even a legal department can manage it, then others must be able to as well" – Sascha Theißen had been right. While his own department has learned to enjoy the change and is continuously finding new improvement opportunities (e.g. a JIRA ticketing system to capture tasks more simply across locations and make it easier to distribute the necessary information) his agile ideas have sparked interest in other departments. The HR department is now also making its first trials with Kanban. Because it is true: the new way of working with Scrum, Kanban & Co is not only something that works in software development.

TIPS FOR YOUR OWN PATH

When I thought about the story of the Holzbrinck legal department, it struck me that Sascha Theißen's approach had striking similarities with a case study I had once read. It is called "Lehman Brothers (A): Rise of the Equity Research Department" and describes the reorientation of said department by Jack Rivkin in the years 1990-1992. His approach was essentially the same as that of Sascha Theißen and these are steps that I would highly recommend.

1. Vision. It was Sascha Theißen's vision to re-establish his legal department as a service unit. What is your vision? What exactly do you wish to achieve?
2. Authorization. Get authorization for taking a new path from top management and ensure their commitment to provide the necessary resources. This minimizes the risk of having a spanner thrown into the works from the very start.
3. Support. Look for allies for your project. Sascha Theißen found these on three levels: in his employees, in the HR department and in Robert Misch.
4. Visibility. You can only change what you can see. Whether with Kanban, Scrum or any other method: ensure that knowledge work is visible in the process - with all its strengths and weaknesses. This gives those involved the power to change something themselves.
5. Rules. A system that is to be changed cannot function with the old rules. Sascha Theißen brought only a few new rules into play, but these were clear and irrefutable. And they were what he used to leverage his team's willingness to change.

6. New colleagues. It might sound hard, but: anyone unwilling to change must go. Do not hesitate to part with employees who boycott changes. Bring new colleagues on board instead, ones who bring good prerequisites with them and a readiness to commit themselves to the new culture.

7. Knowledge transfer and training. The legal department at Holtzbrinck demonstrated that pair techniques boost knowledge transfer ideally – not only in software development. Ensure that the colleagues train each other and thus also pass the culture on to the next generation.

8. Investment. A new culture is not created on the drawing board, but by working together. Continually undertake things with your team outside of the office that will promote the team spirit. It does not have to be an expensive team building seminar – going on a hike together is just as effective. Above all make sure you invest: time and lifeblood.

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