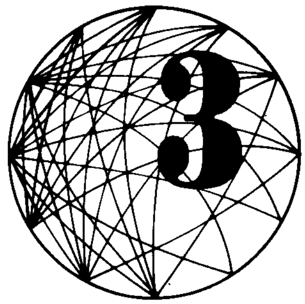


Linoleum, Furniture, and Electrical Systems: Three Different Boundary Crossing Teamnets

Companies of all sizes use teamnets in a variety of situations: a small group in a big company—like Armstrong World Industries' "global teams"; a group of small companies comprising a bigger group—such as The Philadelphia Guild, five independent wood-workers who produce one coordinated line of products; and a large group of companies comprising a larger company—like the 1,300 firms with nearly a quarter of a million employees at Asea Brown Boveri, the electrical systems and equipment giant. These three comp anies bring the Five Thamnet Principles to life: purpose, members, links, leaders, and levels.

Armstrong: How the Linoleum Company Became a Leader in People Networks

If you haven't walked all over its product, then you probably haven't set foot in the United States in the past half-century. For many years, Armstrong was to flooring what Frigidaire once was to refrigerators. Armstrong was synonymous with linoleum. Unbeknown to the general public, in the 1980s, Armstrong became the classic example of a major firm in a somewhat traditional industry thrust into the fast lane of global markets. The twin dynamics of commoditization and "know no boundary" technology changes rapidly reshaped the once-stable floor covering industry.

The company's world headquarters, the seat of decision making as well as most research and development activities, is in Lancaster, Pennsylvania, the rolling hills of the Pennsylvania Dutch community. Even as the Amish routinely trot by the company's buildings in their horse-and-buggies, just as they have done for more than a century, Armstrong's world has been accelerating. To be successful in its global opportunities, Armstrong faces a challenge: to balance large economies of scale with local knowledge of customer needs in specific product and geographic markets.

For Armstrong, international growth has gone on somewhat haphazardly. At the close of the go-go decade, however, the company's management knows it must take a new approach to this burgeoning business. In 1989, senior management launches five "cross-border, cross-functional networks" to "globalize its businesses."'

GLOBALIZING THE BUSINESS

Members and Purpose

Rather than convert from one formal hierarchical structure to another, such as from a functional to a divisional arrangement, Armstrong sets up global boundary crossing teamnets to coordinate within worldwide product lines.

Networks form in building products, insulation, gaskets, textiles, and, of course, flooring. Their charge is to increase boundary crossing—they call it "cross-border collaboration"—and to make more effective global/local trade-offs. The networks also set up a self-evaluation system to assess the networks' benefits in an ongoing, open manner. The survey asks simple questions, such as "How often do you communicate with your team members?" The results lead directly to Armstrong's simplifying its global reporting structure.

Members of the building products network spend 18 months touring all the Armstrong factories in Europe. Out of the trip comes a common sourcing plan with the U.S. manufacturing operations as well as R&D. While looking to understand their customers' needs better, the network spots a window of opportunity in Asia, particularly in Korea. The team encourages Lancaster R&D to quickly develop new products to meet Pacific Rim needs. Within a year, Armstrong's share of the Korean building products market goes from essentially 0 to 15 percent.

Leaders and Links

By their nature, boundary-crossing teamnets are spread out in different locations. So it is hard to get together face-to-face. While face-to-face communication is essential, especially at the beginning to help jump-start trust, every team must find ways to stay connected on an ongoing basis. Armstrong's building products team settles on one very simple way of maintaining group communication—regularly scheduled telephone conference calls. Every other Monday at 7:00 **A.M.** EST, 10 team members from the United States, Europe, and Asia get together for at least an hour on the phone.

Group vice president Henry Bradshaw, who is also one of the teams' leaders, describes the conference calls: "We talk about business conditions .. competitors [and] service, which is especially important in the Pacific … particular orders [and] new products. Europe wants to know where the labs are with a new kind of ceiling board that they think will be a big hit in their market."[72]

Bradshaw then points out the broader value of these exchanges, beyond the obvious virtues of exchanging specific information.

"Simple as they sound, these conference calls have been very effective. Before we created the global network, I didn't know most of the guys on it. And we had complicated communication channels; important information got lost. Today we're on a first-name basis. The more we talk, the more we want to talk. The more information we share, the more natural it becomes to share it."

Levels

At Armstrong, higher-level boundary crossing teamnets naturally encourage more junior managers to network among themselves. Stimulated by the site visits in Europe, the plant managers call for a global conference of Armstrong plant managers to share technical information and operational insights. Success leads to a second face-to-face conference and further exchanges among the plants.

Influence of the multiple boundary crossing teamnets also trickles up. As concrete solutions to problems begin to show unmistakable benefits, it becomes apparent that the "hierarchy need[s] simplification." In 1991, Armstrong announces a corporate reorganization that, in particular, streamlines global reporting relationships.

The network simplifies the hierarchy.

The global networks have their effect. "The creation of the global teams and the measuring and sharing of members' perspectives on their work and the company help us make better decisions about people and organization," says Allen Deaver, executive vice president. "This change is designed to facilitate the work of the teams. It is natural, logical, and evolutionary—and perceived as such. So we expect it to generate energy rather than confusion."

Armstrong illustrates several critical lessons about teamnets:

? Geography is no barrier.
? Old-line companies can benefit just as much as fast technology start-ups and service firms.
? Practicing what you preach at the highest levels plows the path for others to follow.

Companies do not have to throw out their hierarchies to create teamnets. Good boundary crossing may lead to a better, leaner hierarchy. It does not inevitably lead to a winner-take-all shoot-out between the Old Machine Paradigm and the New Teamnet Paradigm.

The Philadelphia Guild: The Tale of the Five Woodworkers

Boundary crossing teamnets also cross company boundaries. Come with us now to the Cradle of Liberty, where the entrepreneurial spirit of Benjamin Franklin is alive and well in the furniture industry. On a bright spring Pennsylvania day in April 1992, The Philadelphia Guild features its new home office collection at a trade show. The Vassar Show House is an elegant and prestigious venue for furniture designers and manufacturers to display their work. Buyers receive the new line with great enthusiasm and a little curiosity.

More than a few people on the floor ask, "What is The Philadelphia Guild?" The show always features Delaware Valley companies, a relatively incestuous community in which most firms at least have heard of one another, but few people know of The Philadelphia Guild.

MIDWIFING THE BIRTH

Members

The Guild is a boundary crossing teamnet of five companies. Together, they have been developing a network of business relationships since January 1991. A sixth member of the team is the Delaware Valley Industrial Resource Center (DVIRC), a private nonprofit economic development organization funded by Pennsylvania's Department of Commerce. DVIRC serves as the facilitator for the network. The five companies include four production shops (some unionized and some not) and one design firm.

How did this disparate group grow from a glimmer in the eye to products on a show floor in less than a year and a half? Here, we have a rare meeting-by-meeting glimpse into the development of a boundary crossing teamnet of small businesses as seen through the eyes of Gregg Lichtenstein, one of the pioneer practitioners and researchers in this area.[3]

"The interaction among firms is not being mediated but facilitated by someone who brings them together for mutual interaction," he says, precisely the role he plays for The Philadelphia Guild. To describe his role, Lichtenstein uses the term "facilitator," also known as "network broker" or "mediator."

Links and Leaders

Like many stories of boundary crossing teamnets, this one begins with hard business times.

"In the fall of 1990, the recession finally hits the Philadelphia area real estate market, which slows business for all local woodworkers. Even six to eight months earlier, several members of The Guild have said, there would have been considerably less motivation to look for new opportunities," Lichtenstein explains.

By this time, business is so bad that people are open to all kinds of ideas that they previously wouldn't have considered. One such idea comes from the owner of a firm that ultimately does not become one of The Guild's members.

"He comes to DVIRC with the observation that many woodworking firms in Philadelphia face similar problems," Lichtenstein says. "He suggests that perhaps some firms could get together and address the issues collectively with DVIRC's help."

This seed idea then grows into a series of interviews. That leads to a succession of meetings, first hosted by the DVIRC and then rotated among the participating shops. As trust builds among the competitive firms who work to find ways to cooperate, the more neutral players from the DVIRC provide vital connective tissue. DVIRC takes responsibility for meeting preparation, information flow, and follow-up with individual firms.

"Do we have more than one leader? Yes, absolutely," Lichtenstein says. During the incubation period, several people lead the boundary crossing teamnet, some at the same time. "The man who initiates the idea for the network leads the first meeting but then he becomes ill and is not able to come to the next several meetings. So his partner comes instead. Another firm's owner, who is also an architect and active in woodworking industry associations, takes over as leader.

When the time comes for the owner from the largest company to host the group, he comes forward with a market study that he has conducted. "He volunteers the findings to the group," Lichtenstein says. By rotating meeting locations, each member leads the group in turn, and offers tours of the host's facilities after the meeting.

While the participation of industry leaders seems to be critical to the successful launching of boundary crossing teamnets among small businesses, so, too, is credible, energetic leadership from the outside, particularly at the beginning. In the case of The Philadelphia Guild, DVIRC plays a critical role: it initiates, develops, and maintains the business formation process until the group acquires its own self-organizing capabilities. Then, the DVIRC consultants develop expertise around the market that the firms need, thereby making a content contribution to the work of the network, becoming specialized task leaders.

Purpose and Levels

Although some groups arrive at a clear purpose relatively early, it isn't quite that easy for the group that would eventually form The Guild. For more than a dozen meetings, initially averaging about one a month, the group returns repeatedly to its purpose, working it from different angles and in greater and greater depth.

"The first idea was kind of vague," Lichtenstein says, "but we knew it had to do with collaboration. But collaboration for what purpose? So we start talking about common problems, which puts the focus on the need for expanding markets, which in turn leads to a desire for market research."

Wisely, they recognize that choosing a direction for the group will best result from understanding their new customers—who they are and what their needs entail. "But then we discover that we really don't have the information we want, which leads to an agreement to sponsor the specific regional research that the whole group needs."

In deepening their understanding of the market, the group also inventories their internal capabilities. This helps them better understand their own individual strengths and needs, which point to the areas in which collaboration might be particularly beneficial.

"This is an important step," Lichtenstein says, "because it helps us realize that we have complementarities in the group. We also realize that everyone can benefit from economies of scale if everyone pools their needs."

In June 1991, the group finally snaps into place and names itself, a highly important symbolic act for any new boundary crossing teamnet. "At the same time, we agree to prepare a letter of understanding, which is set to be signed at the next meeting in July," he explains. The group creates a new level of organization, a new whole born out of interacting parts. After an August review of the opportunities produced by merging the newly gathered customer research with a matrix of each firm's capabilities, the newly named Philadelphia Guild decides in early September to focus on a specialty line of home office furniture.

With even more definition of their joint purpose, the pace picks up, and the meetings begin to average two a month. The Guild initiates a product development process, prepares and revises plans, approves sketches, and forms working committees. When they decide to exhibit at the Vassar Show House in April, the external date propels the team to a new level of energy. Responsibility for meetings finally shifts fully from the DVIRC to the firms. The group is clearly launched, propelled by the dynamics of the process they have wrought together.

The Guild revisits its purpose time and again. From vague vision to clear goal to explicit detailed plans, purpose keeps The Philadelphia Guild alive and growing. Purpose is the spark of life in boundary crossing teamnets.

Asea Brown Boveri: Turning Contradictions to Advantage

At the other end of the scale from The Philadelphia Guild is Asea Brown Boveri (ABB), a global giant with almost a quarter of a million people working in 140 countries and 1992 revenues of more than $30 billion. ABB is a dramatic example of large-scale teamnets and the competitive advantages they bring.

Percy Barnevik is the visionary who forged ABB in 1988 by merging Sweden's Asea and Switzerland's Brown Boveri, two century-old pillars of European industry. "ABB is a company with no geographic center, no national ax to grind ... a federation of national companies with a global coordination center," he says.[4]

ABB is not "multinational," he says, but *"multidomestic,"* evoking the local boundaries of "homes" and domestic markets rather than national borders. He says ABB is "not homeless ... it is a company with many homes."

Asea Brown Boveri's story demonstrates both the good news and the bad news about what teamnets mean for hierarchy and bureaucracy. The good news: ABB's global network proves the incomparable value of a lean, focused hierarchy in internal coordination. The company cannot function without it. This is an example of how networks and hierarchy work as complements in a successful system. The bad news: ABB may well portend the probable fate of bureaucratic, centralized jobs: dramatic shrinkage is in store.

"Barnevik is the most insistent enemy of bureaucracy I've met," Tom Peters writes in *Liberation Management*.[5] He sees ABB's star as one likely direction of the future.

ABB uses the Teamnet Principles to structure a world-class megacompany. This is different from Digital's Calypso project or Armstrong's coordination group. There the companies use the team-nets in traditional organizations to address specific cross-boundary areas. In the early 1990s, ABB is a clear example of the large-scale effectiveness of internal networks in large companies. It exemplifies the idea in the way Denmark's economy shows the large-scale effects of external networks among small companies.

DESIGN FOR ORGANIZATIONAL ADVANTAGE

ABB has an explicit strategy for global success. It feeds on the creative tension between cooperation and competition that fuels teamnets. "ABB is an organization with three internal contradictions. We want to be *global* and *local*, *big* and *small*, radically *decentralized* with *centralized* reporting and control. If we resolve those contradictions, we create real organizational advantage," Barnevik says.

> *The teamnet factor* is *organizational advantage.*

Without realizing it, ABB uses the Thamnet Principles, showing how to resolve contradictions such as these. Observing the principles gives ABB a real organizational advantage addressing the "contradictions" of:

? Global and local, big and small—through the principle of levels, and
? Centralizing and decentralizing processes—through the paired principles of purpose-links and members-leaders.

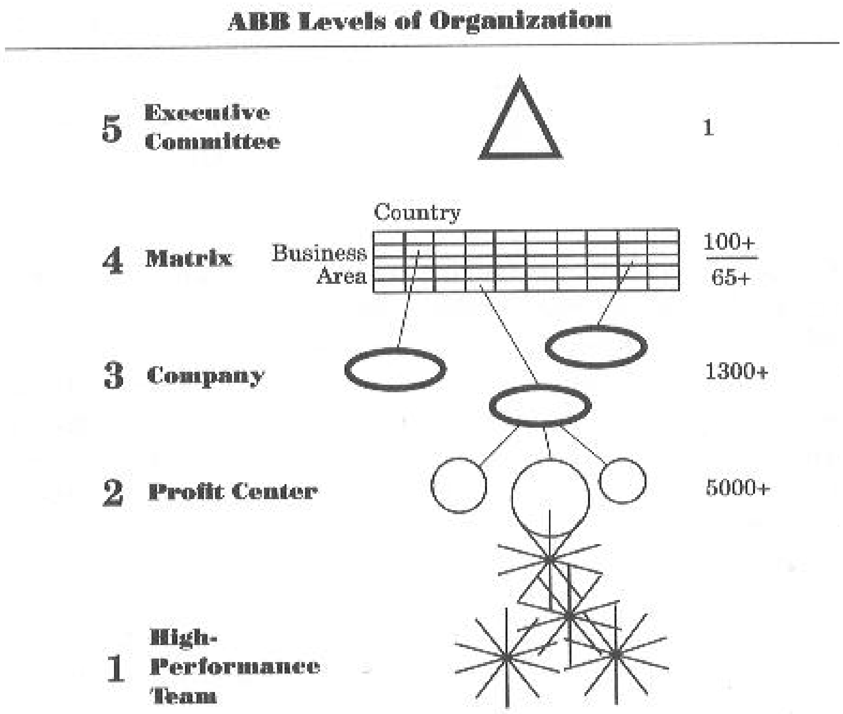
Levels

The place to start understanding ABB's level structure is in the middle. Anchor yourself at the company level, the 1,300-and-growing separately incorporated businesses of roughly 200 people with presidents, balance sheets, and career paths. Two levels above the company (the matrix and executive committee) provide ABB's global strategy and decision making, and two levels below the company contribute local strategy and decision making (profit centers and high-performance teams).

Here's how this teamnet's levels stack up:

1. ABB is governed by a 13-person *Executive Committee* headquartered in Zurich with a total professional staff of 100 people.
2. Directors of the 100 or so *Countries* through which the companies in 140 countries report, and the 65-plus *Business Areas* report to committee members, with the Areas grouping into eight *Business Segments*.
3. *Companies*, 1,300 and growing, with their own incorporated bottom line, have a dual report to Country and Business Area directors.
4. Within the companies are the 5,000 *Profit Centers* of 40 to 50 people, each with P&L responsibility.
5. Finally, there is an ongoing effort to segment Profit Centers into *High-Performance Teams* of 5 to 15 people, the basic small group structure that provides the foundation for larger forms and is to be found repeated at every more-inclusive level.

ABB's innovative transformation of the traditional bureaucratic matrix into an effective network matrix attracts much attention.



Barnevik believes ABB gains its organizational advantage at the Business Areas/Countries level. “This is where the matrix comes in. The matrix is the framework through which we organize our activities. It allows us to optimize our businesses globally and maximize performance in every country in which we operate,” he says.

ABB’s organizational advantage lies in its vast teamnet structure, its small local organizations with their own markets to manage, its very lean and mean hierarchy, and its ability to tap its true resource wealth, its people.

Purpose and Links

ABB is in the electrical systems and equipment business, which it divides into eight general Business Segments, such as “Power Plants” and “Power Distribution.” Each segment holds five to seven

Business Areas focused around specific global markets that ABB believes it can lead. Every three weeks, the Executive Committee meets to set strategy and resolve any of the matrix issues that get to this level. *They revisit their purpose at the top in full-day meetings more than once a month*.

In January 1988, days after Barnevik formalized the merger of Asea and Brown Boveri, the new company's top 300 people met in Cannes, France, to plan its future. The "Policy Bible," the 21-page handbook that emerged from that meeting, is a model of clearly articulated purpose. "It communicates the essential principles by which we run the company. It's no glossy brochure. It's got tough, direct language on the role of Business Area managers, the role of Country managers, the approach to change we just discussed, our commitment to decentralization and strict accountability."

Barnevik gave the managers 60 days from the close of the Cannes meeting to communicate the policy document to ABB's then 30,000 employees. "Communicate" included personally sitting down with the people affected and hashing it out with them. The newly formed company paid attention to communication from the beginning. It also acknowledged that it is very hard to get the right amount of it in the right places. Barnevik's essential prescription is to "overinform. That means breaking taboos. There is a strong tendency among European managers to be selective about sharing information."

To foster open communications, ABB has its Abacus management information system, "the glue of transparent, centralized reporting. Of performance data on ... profit centers." This information infrastructure both gives the sparse hierarchy the information it needs to make fast globally sensitive decisions, and it keeps players "fully informed" on the basic operations of ABB's internal market mechanisms. The information system and market interactions supplant the vast administrative structures endemic to traditional organizations.

Members and Leaders

There are different "members" depending on which parts of ABB's teamnet you look at. Barnevik and a dozen others comprise the Executive Committee. ABB's big components are the (1) Business Areas, represented by their 65 or so directors who lead on average five-person management teams; and (2) the national businesses of the 100 Countries, traditionally structured, albeit with astonishingly slim central staffs.

Other than the top 250 executives with mandates to optimize globally, everyone else is part of Companies, Profit Centers, and operational work groups. They have mandates to optimize locally within their markets while negotiating a contribution to ABB's overall benefit. Depending on your perspective, each of these levels tells a different teamnet story, with its own players, purposes, communications processes, and leaders.

The matrix threatens to be the bulkiest form of bureaucracy. It's apt to get hideously bloated as it tries to keep up with complexity by spinning out countless rules and directives. ABB cuts this Gordian knot in one stroke by pushing autonomy and responsibility to the lowest layers of the global enterprise and opening internal transactions to external market forces. The need to balance global economies of scale with internal competition has caused massive reorganizations and sometimes wrenching restructuring of markets and layoffs.

Most ABB companies measure themselves against two or three other similar ABB companies as well as external competitors in their niche product or service areas. Sune Karlsson, director of the Power Transformer Business Area, believes that the intense pressure created by the internal comparisons is an even stronger motivator than the external competition.[6]

"We are fervent believers in decentralization," says Barnevik. Leadership flourishes at the Company, Profit Center, and team levels because much of the bureaucracy has been eliminated. "I believe you can go into any traditionally centralized corporation and cut its headquarters staff by 90 percent in one year." And he's done this often, starting with downsizing Asea's central staff from 2,000 to 200 when he arrived in 1980, and the decimation of Brown Boveri's Zurich headquarters staff from 4,000 to just 200. Barnevik calls his general approach to restructuring "30-30-30": 30 percent of the people are redeployed, 30 percent go to new spin-offs, and 30 percent are laid off (considerably higher than the standard 20 percent corporate layoff).

Different types of leaders have different types of roles. Business Area managers need vision, cultural sensitivity, and "the ability to lead without being dictators," wielding targets and influence instead of budgets and the power to fire. Country managers function like traditional CEOs in that country's culture. Presidents of local companies need the unusual ability to report successfully to two equally important bosses. They also need "the self-confidence not to become paralyzed if they receive conflicting signals and the integrity not to play one boss off against the other."

"Our most important strength is that we have 25 factories around the world, each with its own president, design manager, marketing manager, and production manager. These people are working on the same problems and opportunities day after day, year after year, and learning a tremendous amount. We want to create a process of continuous expertise transfer. If we do, that's a source of advantage none of our rivals can match," Karlsson says, referring to the interplay among the companies in his Business Area. ABB's bottom line focus on giving people responsibility and the opportunity to learn as only a global company can provide continuously increases the value of its human capital.[7]

Three Cases in Point

Armstrong, The Philadelphia Guild, and Asea Brown Boveri illustrate the five basic principles of boundary crossing teamnets. Each:

? Clarifies a different *unifying purpose;*

? Has *independent members,* including individuals, groups, and companies;

- ? Creates personal relationships through *voluntary links,* ranging from simple face-to-face meetings to sophisticated telecommunications technologies and fast-paced market mechanisms;
- ? Takes advantage of the power of *multiple leaders,* though key roles vary from one to another; and
- ? *Interacts among different levels* of organization from the internal micro-structure of each teamnet to the external macro-structure of the environment.

Purposes don't automatically come with a "good" tag on them. They may be grand or petty, sacred or profane, "good" or "bad," but all successful boundary crossing teamnets, whatever their sizes, have *some* purpose. All require independence in their members. Connections, both physical and relational links, are essential at both ends of the size scale and everywhere between. While one person or company often is the spark of teamnet life, the emergence of other supportive leaders leads to successful decision-making teamnets. And all successful teamnets operate at two or more levels—at minimum, the level of the members and the level of the network as a whole.

These five principles apply to groups of all sizes.

What *does change* is how complex boundary crossing teamnets become when they go from small to large.

The examples in this book run the complexity gamut. They are as simple as the five woodworkers who produce a joint line of furniture to as complex as ABB's 1,300 interacting companies or McDonnell Douglas's trying to produce a jumbo jet with a global partnership of 30 megafirms. To gain the advantage of scale, increased complexity results. The problem here is that as things become more complex, new boundaries appear, making the whole slower moving and less flexible. Principles remain the same as scale increases, but their application expands as internal market forces and other teamnet processes replace bureaucratic adjustments.

Teamnets need to put new systems into place to accommodate the complexities of scale. Weekly meetings and telephone messaging may suffice for some small groups to build interdependent relationships, whereas large global teamnets may need voice mail, a computer network, video conferencing, and a weekly newsletter as well to establish adequate links.

LEVELS WITHIN LEVELS WITHIN LEVELS

Larger groups are composed of smaller ones. Inclusive level structure is a fundamental characteristic of both networks and hierarchy.

Teamnets cannot be understood without levels. Every teamnet has several or more major levels of organization. The ability to see levels is an essential conceptual skill of practical systems thinking that grows increasingly valuable with use.

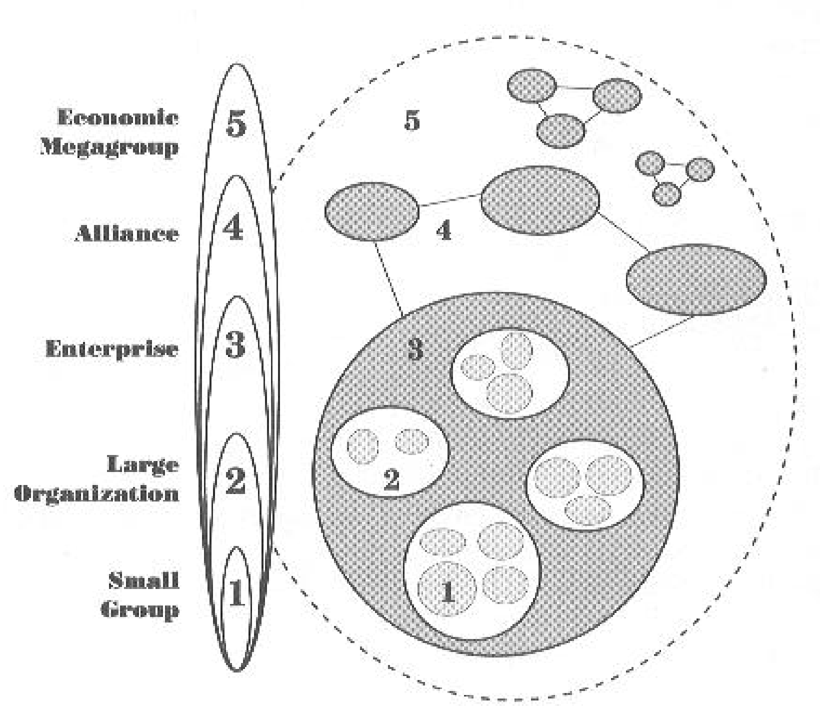
Whether your boundary crossing teamnet is big or small, global or local in extent, it has multiple levels of organization. We describe the overall teamnet world in five generic levels:

? Economic megagroups;
? Alliances;
? Enterprises;
? Large organizations; and
? Small groups.

Size is not the same as levels. Enterprises can be tiny or gargantuan. Some small groups may have complex level structures, while some large groups may seem comparatively flat. In a given context, however, a more inclusive level involves a "larger" organizational form.

Picture yourself standing on a boundary at each level, a perch from which to look both inward, or "down," and outward, or "up." Cooperation and competition, complementary "inner-outer" dynamics, operate at each level.[8]

Levels of Organization



Level 1—Small Group

No matter where it occurs in an organization—from top to bottom—people usually do real collaborative work in *small groups*. Boards of Directors, Executive Committees, staffs, and work units are all small groups. Knowing how to increase small group perfomance is a critical competitive advantage with potential benefits for all processes involving people who need to cooperate.
In small groups, people know one another by their group roles,

their responsibilities and behaviors. Pauline Nist, certainly a unique person, is a member of the Digital Calypso team. She is a team member on the merits of her overall managerial expertise, and her position as manager of the engineering group. Armstrong's Henry Bradshaw is a group vice president as well as a team member with a small group role.

Level 2—Large Organization

Most companies of almost any size have major components that make up the whole enterprise—functions, departments, divisions' programs, or projects. At this second level, internal organizations are a primary source of "walls" that require climbing over. This level also comprises the thick layers of middle management found in traditional management structures.

Looking inward, large groups decompose into smaller groups. Internal organizations live in a world filled with peer organizations. Calypso is one project among hundreds of projects at Digital. To gain attention and resources from the enterprise as a whole, they directly compete with a number of other projects.

Level 3—Enterprise

The third level is the enterprise, an incorporated legal body— private, public, or governmental. This level is a key point of reference: it anchors the middle of the teamnet scale.

CEOs traditionally have responsibility for the two-faced Janus-view sitting on the company's boundary. The person in charge looks inward and sees an enterprise composed of a handful of organizations, divisions, or departments, which may, in turn, break into a cascade of groups-within-groups. Looking out, the enterprise is enmeshed in a world of enterprises, with many external relationships to manage, including links with customers, suppliers, and market competitors.

In successful teamnets, everyone adopts the "CEO view" from time to time. This helps people to understand their part in the whole, or to seek a new perspective for solving a problem at another level. "Do what's right for the company" is a good answer to a teamnet many layers below the enterprise boundary struggling to resolve an issue—if the company has well-understood strategies and values.

Level 4—Alliance

Relationships among a group of enterprises generate a fourth level of organization: alliances. Alliances are small sets of multinational corporations, teams of tiny companies, or "winning combinations"[9] of large and small enterprises.

The contributing enterprises are internal to the alliance. What's important to the alliance is the role played by each member enterprise. Like personal roles in small groups, company roles in alliances reflect only some parts of their strategic interests.

External to the alliance perspective are other alliances and large-scale economic collaborations. Markets, industries, and the world economy provide an environment just teaming with interenterprise teams. Ford and Mazda team up. Sony and Apple ally. The Guild is only one of a number of small business networks facilitated by DVIRC.

Level 5—Economic Megagroup

The broadest level of teamnet we consider is the "economic megagroup," encompassing such large-scale forms as keiretsu, regional networks, and an integrated national small business strategy. From a global perspective, a rich soup of alliances and relationships in all stages of formation and disintegration simmers within the fuzzy bounds of a megagroup. At this level, you can see macro-networking benefits that accrue to the bottom line on a grand scale, as northern Italy and Denmark demonstrate.

CALIBRATING CO-OPETITION

Everyone is a player in many teamnets. To play your part as only you can, keep the Five Thamnet Principles in mind—unifying purpose, independent members, voluntary links, multiple leaders, and interactive levels. But having the principles in mind is not enough. You need to balance cooperation and competition in boundary crossing teamnets. Otherwise, failure follows.

No teamnet forms when arrogant independence and unrelenting parochial pressure overwhelm a feeble mission and weak ties. Worse, a once-healthy teamnet can fall apart. When persistent peer pressure and a barrage of messages overwhelm individual good sense and silence natural leadership, teamnet structures give way to traditional control forms.

There is no magic meter to calibrate exact doses of independence and interdependence. Each of us makes judgments and acts in ways that bring out the co-opetition dynamic in groups. You can greatly enhance your contribution by learning the lessons of others who have been down similar paths.