Collection of Experiences in the Introduction of New Work in German Organizations with Special Consideration of the Concept of Community of Practice

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Outline

Motivation

Research Questions

Research Methodology

Results & Discussion

Conclusion & Future Work

TLT

COVID-19 Pandemic[2]

Factory Closures: Plants in Germany, India, and China faced lockdowns, halting production and slowing R&D across divisions.

Russia-Ukraine War[3]

Supply Chain Volatility: Ukraine's role in components like wiring harnesses and raw materials forced Bosch to re-engineer sourcing strategies.

BOSCH[1]

Changes in the Primary Industry[4]

Disrupted Auto Industry: As a major parts supplier (ECUs, sensors, brake systems), Bosch was hit hard by the collapse in global vehicle demand.

U.S. Tariffs

Supply Chain Disruption: Increased trade restrictions could raise costs for imported components, disrupting supply chains and impacting profitability.

[1]https://upload.wikimedia.org/wikipedia/de/thumb/3/31/Bosch-logotype.svg/1200px-Bosch-logotype.svg.png
[2]https://www.bosch-presse.de/pressportal/de/en/growth-through-medical-technology-bosch-and-randox-invest-heavily-in-the-vivalytic-analysis-platform-264258.html
[3]https://www.dw.com/en/bosch-faces-probe-over-possible-russia-sanctions-violations-report/a-61173586
[4]https://vision-mobility.de/en/news/bosch-fully-caught-by-automotive-crisis-stagnant-e-mobility-slows-down-348480.html

Motivation: Adapting to rapid change and the need for new organizational models

Increasing Challenges

- **COVID-19:** Rapid shift to remote work.

- **Technological Disruption:** Constant innovation demands faster adaptation.

- **Globalization:** Increased competition and the need for agility.

Need for Change

- **Traditional organizations** struggle to adapt to these challenges.

- **Rigid hierarchies** and **slow decision-making** hinder innovation and flexibility.

New Forms of Work Are Needed

- **Decentralized structures**: Empowering employees to make decisions and take ownership.

- **Adaptive, agile models on large scale**: Allowing organizations to respond quickly to changes in the market and workplace dynamics.
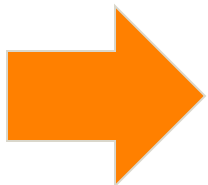
Can **bottom-up** approaches like **Communities of Practice (CoPs)** support organizations in **adapting New Work**?

[1]*Laloux, F. (2014). Reinventing organizations (Vol. 58). Brussels: Nelson Parker.*
[2]*S. Klein, S., Hughes, B., & Fleischmann, F. (2023). Der Loop-Approach: Wie Du Deine Organisation von innen heraus transformierst, plus E-Book inside (ePub, mobi oder pdf). Campus Verlag.*
[3]*Vonier, D., & Keil, L. (2022). Unlearning hierarchy: Expedition in die Selbstorganisation. Vahlen.*

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Research Questions

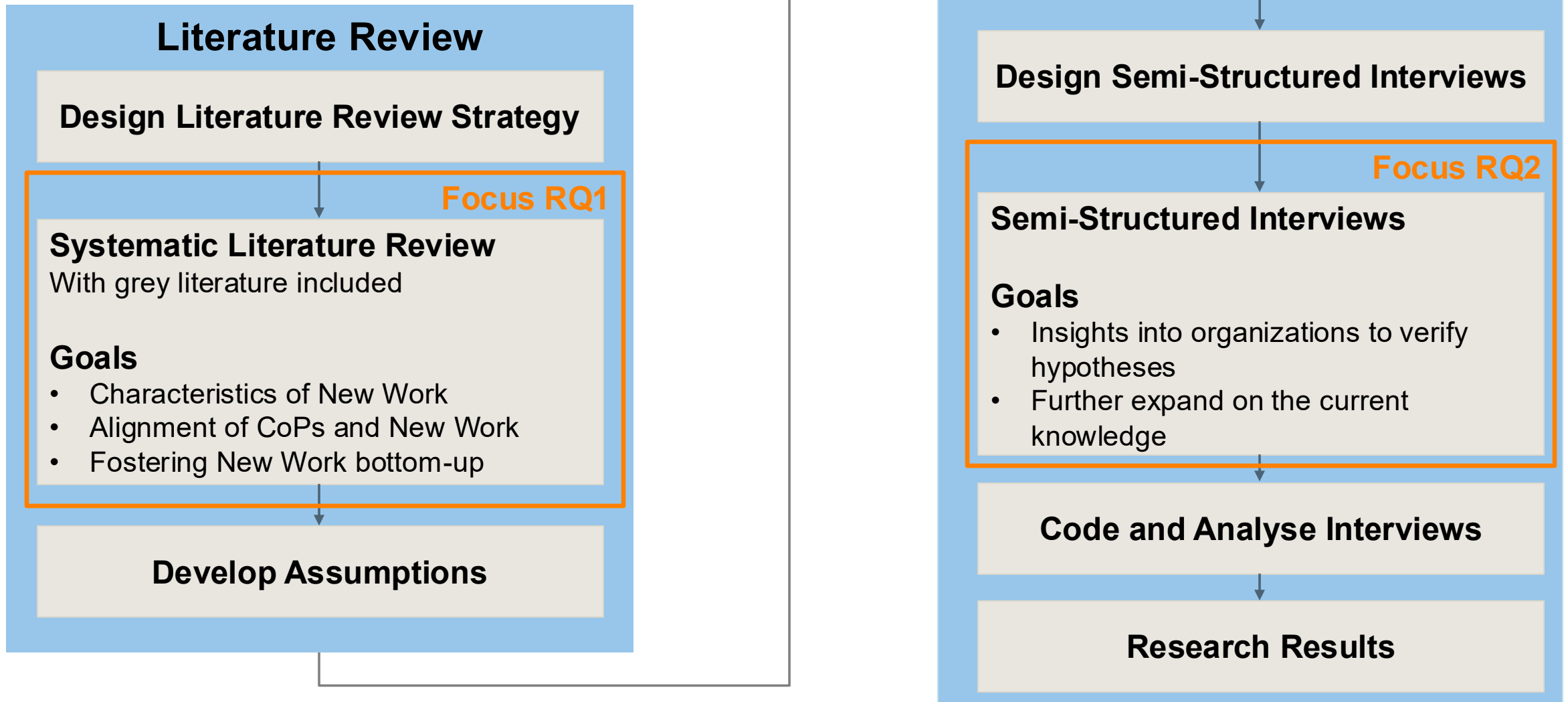| RQ1	What are the key characteristics of New Work and do the concepts of CoPs and New Work align?
RQ2	What are experiences with the introduction and implementation of New Work?

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Research Methodology: A Mixed-Methods approach for combining theoretical knowledge with practical experience

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Literature Review

Design Literature Review Strategy

Focus RQ1

Systematic Literature Review
With grey literature included

Goals
- Characteristics of New Work
- Alignment of CoPs and New Work
- Fostering New Work bottom-up

Develop Assumptions

Semi-Structured Interviews

Design Semi-Structured Interviews

Focus RQ2

Semi-Structured Interviews

Goals
- Insights into organizations to verify hypotheses
- Further expand on the current knowledge

Code and Analyse Interviews

Research Results

[1]Levy, Y., & Ellis, T. J. (2006). A systems approach to conduct an effective literature review in support of information systems research. Informing Science, 9.
[2]Myers, M. D. and M. Newman (2007). "The qualitative interview in IS research: Examining the craft." Information and organization 17(1): 2-26.

Research Methodology: Semi-Structured Interviews Overview

ID	Nationality	Gender	Experience in years	Industry	Roles	Company Size (New Work)
I1	German	Male	9	Consulting	Consultant*	15
I2	German	Male	7	IT Services/IT Consulting	In-House Strategy Consultant	700
I3	Austrian	Male	10	Consulting	Consultant*	3
I4	German	Female	9	IT Services/IT Consulting	Scrum Master, Agile Coach	700
I5	Swiss	Female	4	IT Services/IT Consulting	Consultant*	250
I6	Swiss	Male	6	Telecommunication	Organization Developer	19,000
I7	German	Female	5	Consulting	Consultant*	45
I8	German	Male	6	Software Development	Organization Developer	1,000
I9	Swiss	Male	10	Consulting	Consultant*	9
I10	German	Male	6	Infrastructure	Organization Developer	130
I11	Swiss	Male	11	Consulting	Consultant*	3
I12	German	Male	10	IT Services/IT Consulting	Project Manager Software Development	650
I13	German	Male	15	Software Development	Lead Agile Coach	220
I14	Swiss	Male	3.5	Software Development	Lead Link Software Development	60
I15	German	Male	14	Chemical Manufacturing	HR	90,000
I16	German	Female	17	Consulting	Consultant*	21
I17	Swiss	Female	2	Telecommunication	HR	19,000
I18	German	Male	12	Chemical Manufacturing	HR	33,000
I19	German	Male	10	Consulting	Consultant*	400
I20	German	Male	7	Software Development	HR	9,000
I21	German	Female	10	Consulting	Consultant*	1
I22	German	Female	5	HR Services	HR	200

- Different Industries but mainly from **IT** and **Consulting**: Consulting, IT Services/IT Consulting, Telecommunication, Infrastructure, Software Development, Chemical Manufacturing

- **15 male** (68%), **7 female** (32%)

- **Years of experience** in New Work: avg. **8.58 years**
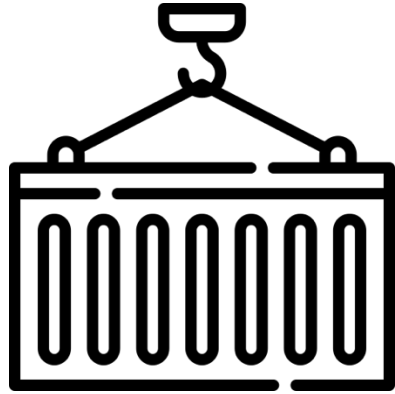
- **Interview length** on average **54 Min**

*New Work Consultant, Agile Coaches

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Different meanings: New Work can range from deep cultural shifts to surface-level trends, depending on context.[1]

Careful what it represents: Organizations must reflect whether New Work is a genuine transformation or just a rebranding.[1]

Key Characteristics

- **Autonomy**[1,2]
  - Decision-making is pushed to the employees.
  - Teams and individuals are free to act, supported by transparent information.

- **Self-Organization**[4]
  - Hierarchies are replaced by flexible, role-based collaboration.
  - Teams coordinate themselves, adapting to change.

- **Evolutionary Purpose** [4]
  - Organizations are guided by an evolving purpose beyond profit.
  - Aligns individual actions with collective impact and long-term sustainability.

[1]Schermuly, C., & Meifert, M. (2023). Ergebnisbericht zum New Work-Barometer 2022. SRH Ber.
[2]Bergmann, F. (2019). New work new culture: Work we want and a culture that strengthens us. John Hunt Publishing.
[3]Väth, M. (2016). Arbeit–die schönste Nebensache der Welt: wie New Work unsere Arbeitswelt revolutioniert. Gabal Verlag GmbH.
[4]Laloux, F. (2014). Reinventing organizations (Vol. 58). Brussels: Nelson Parker.

Results: Tailor the model to fit your organization's needs

1 New Work, New Cultures[1]

- Organizations are adopting **flexible work environments** focused on **autonomy** and **results**, rather than physical presence.

- Employee **well-being, empowerment,** and **continuous learning** are prioritized to retain talent.

2 Teal Organizations[2]

- Explores the evolution of organizations through **different stages of development**.

- Introduces the concept of **Teal Organizations** where **self-management**, **wholeness**, and **evolutionary purpose** are key.

3 Holacracy[3]

- Holacracy replaces traditional hierarchies with a system of **self-managing teams** focused on **clear roles** and **responsibilities**.

- **Emphasizes adaptability** and **continuous evolution**, encouraging rapid responses to change without top-down directives.
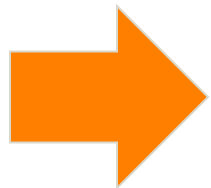
- **Different approaches** can be found in the same organization
- Not always implemented by the book
  - **Adaptations** according to the **needs** of the **organization**
- **No best model available**
  - Depends on factors like e.g., size, people

[1]Bergmann, F. (2019). New work new culture: Work we want and a culture that strengthens us. John Hunt Publishing.
[2]Laloux, F. (2014). Reinventing organizations (Vol. 58). Brussels: Nelson Parker.
[3]Robertson, B. J. (2016). Holacracy: ein revolutionäres Management-System für eine volatile Welt. Vahlen.

Key Steps to Consider[1,2,3]

- **Assess & Define Purpose**
  - Understand the current state and why change is needed.
- **Select a New Work Method**
  - Choose an approach (e.g., Loop Approach, Holacracy).
- **Experiment & Adapt**
  - Try out iterations, learn from feedback, and refine.
- **Embrace Continuous Learning**
  - Build a culture of evolution and adaptability.

Note: Most frameworks are based on real-world case studies from the authors, and the results may vary depending on context and culture.

How to Implement Holacracy[3]

1. **Learn & Align:** Understand Holacracy principles and get team buy-in.

2. **Adopt the Constitution:** Shift authority to a formal governance framework.

3. **Define Roles & Circles:** Set up clear roles and team structures.

4. **Start Governance Meetings:** Regularly evolve roles and rules.

5. **Run Tactical Meetings:** Align day-to-day work and resolve tensions.

6. **Iterate & Support:** Train teams, gather feedback, and improve continuously.

[1]*Klein, S., Hughes, B., & Fleischmann, F. (2023). Der Loop-Approach: Wie Du Deine Organisation von innen heraus transformierst, plus E-Book inside (ePub, pdf). Campus Verlag*
[2]*Laloux, F. (2014). Reinventing organizations (Vol. 58). Brussels: Nelson Parker.*
[3]*Robertson, B. J. (2016). Holacracy: ein revolutionäres Management-System für eine volatile Welt. Vahlen.*

Results: Numerous reasons lead to a New Work implementation with a focus on management participation

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Reasons

- Stay **ahead of competitors** by fostering innovation and adaptability.

- Avoid placing **too much work on the management team** by distributing responsibilities effectively.

- Empower employees who **want more responsibility and decision-making** in their roles.

Top-Down or Bottom-up?

- The approach **depends on the organization**, whether it is more top-down or bottom-up, with many leaning towards a top-down structure.

- Ensure a balance of **both top-down and bottom-up strategies** for a successful implementation.

Implementation Strategies

- **Lighthouse**: Small-scale pilots to test, learn & inspire others.

- **U-Boat**: Subtle roll-out with early adopters, avoiding resistance.

- **Big Bang**: Full organizational transformation with heavy upfront training.

Challenges in Implementing New Work
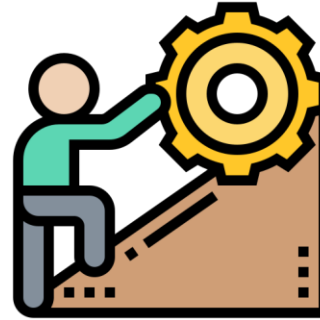
1 **Self-organization** requires active participation and a significant **shift in mindset** to succeed.

2 There are **high expectations for individuals** to take ownership and be accountable.
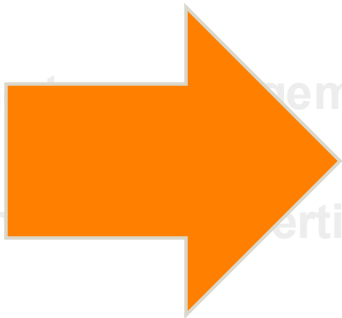
3 Strong **top management involvement** is crucial, along with **middle management** in larger organizations.

4 Develop robust **conflict management** strategies and emphasize **clear communication**.

5 Allocate sufficient **time and resources** to allow the process to unfold successfully.

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Challenges in Implementing New Work
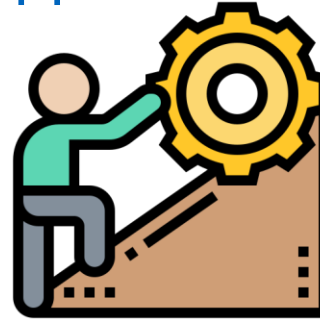
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2 There are **high expectations for individuals** to take ownership and be accountable.

3 Strong management involvement is crucial, along with **middle management** in larger organizations.

(Involved) **People** are **important**

4 The necessary expertise is critical to support the transition and ensure effective implementation.

5 Allocate sufficient **time and resources** to allow the process to unfold successfully.

6 Develop robust **conflict management** strategies and emphasize **clear communication**.

7 Focus on maintaining the **motivation of employees** throughout the transition.

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Evolving Image of the Employee

- Based on **Theory Y and Theory X** (McGregor)[1]: People are **naturally motivated** and capable of self-leadership if trusted.
- Shift from viewing people as resources to recognizing their **individual strengths, emotions, and purpose**.

Key Stakeholders

- Implementation involves **employees, leadership, external consultants, customers,** and peers from other companies.
- Effective change requires **balancing internal insight with external support** and aligning interests.

Leadership Redefined

- Managers shift to **coaches and enablers**—supporting, not controlling.
- **Wider spans of control** and **less hierarchy** promote ownership and autonomy across teams.

Role of Consultants

- External consultants offer **objectivity and expertise** in early stages.
- Aim is to transition toward **internal knowledge and sustainable self-organization**.

[1]*McGregor, D. (1960). Theory X and theory Y. Organization theory, 358(374), 5.*
https://www.flaticon.com

Results: Communication is especially important in a complex New Work environment to facilitate decision-making

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Communication as a Foundation

- Important to get every employee onboard

- Drives understanding, participation, and trust in transformation.

Transparency

- Broad access to organizational info builds trust & informed decision-making.
- Exceptions: HR/personal data.
- Requires structure to avoid overload.

Meetings

- **Regular Meetings**
  - Most prominent from **Holacracy**
  - Tactical: Daily operations; Governance: Roles & structure
- **Other Formats** include:
  - Lean Coffee
  - Barcamps / Open Dialogue
  - Lunch & Learn, Fuck-up Nights

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CoPs are not the primary implementation tool; however, help facilitate exchange in New Work environments

Knowledge Exchange

- **Help organizations** improve **communication and knowledge exchange** across all levels.

- These systems are often **built to exchange knowledge between teams**, developed **bottom-up** with management's support and approval.

Implementation New Work

- **Often not directly implemented**
  - They result from the transformation process and the arising need of employees.
  - In a few cases, they were directly implemented.

- It still plays a significant role in knowledge exchange, which can directly impact the **speed of the transformation**.

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Results: Connection between Communities of Practice & New Work in numbers

Question 1: The concepts of New Work and CoPs align well. Please rate from 1 to 5.

Question 2: How successful are CoPs in fostering New Work? Please rate from 1 to 5.

	Question 1	Question 2
Average	4.18	3.77
STD	0.96	1.16
Median	4	4

- Suggests that although CoPs align with New Work principles, they **may not play a primary role** in actively driving or embedding them.

- CoPs serve more as **supportive environments**—facilitating collaboration, knowledge sharing, and professional development—rather than as core change agents.

- Despite not being the main driver, CoPs remain **valuable by promoting the mindset** and **behaviors** that support New Work practices.
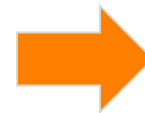
- Organizations should implement effective **bottom-up initiatives** like CoPs to help with parts of the New Work transformation.

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> *"There are no standard recipes that always work. That's why we don't like to talk about best practices, because that implies that it always works, but [we talk] about good practices. Logically, we have a lot of experience with different models and concepts that we bring to the table." (I9)*

Best Practices

- **No best practices like timelines**, as organizations are **complex systems** requiring individual approaches.
  - Rather **good practices**
  - **No direct timeline**, but certain **workshops** are essential to guide the process.
- **Communication** is key to ensuring alignment and clarity during the transformation.
- Help the organization **understand the "why"** behind the transformation to foster engagement.
- Aim to **get working quickly** to maintain momentum and build early successes.
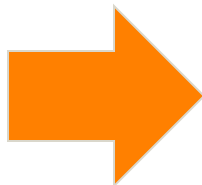
Focus on **clear communication** and **quick action** to maintain momentum

Results: Advantages often outweigh the disadvantages of New Work

Advantages

- **Humanization:** Focus on humanization by creating a people-centric work environment.

- **Employee Engagement:** Encourage employee engagement by fostering active participation and ownership.

- **Flexibility & Attractiveness:** Promote flexibility to effectively address evolving challenges and improve work-life balance.

- **Fewer Management:** Implement fewer management layers to improve agility and empower employees.

- **Customer-Centricity:** Stay closer to the customer to better understand and meet their needs directly.

Disadvantages

- **Adapting to New Structures & Increased Personal Demands:** High expectations for individual responsibility and adaptability can cause stress and resistance.

- **Valley of Tears:** Transformation initially slows down the organization before improving efficiency.

- **Increased Number of Roles:** Too many or unclear roles can create confusion and inefficiencies.

- **Loss of Control for the CEO and Managers:** Distributed decision-making reduces oversight and increases accountability risks.

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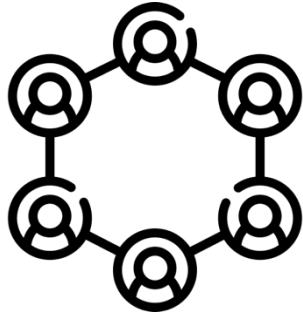
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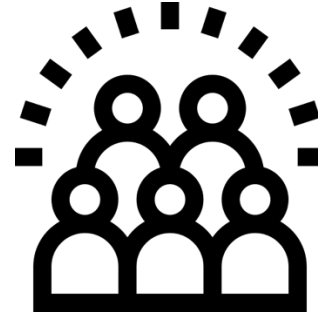
Results & Discussion

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Conclusion: Thriving in a VUCA environment with purpose-driven and adaptive organizational structures

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Key Findings

- New Work can shift organizations from rigid hierarchies to **flexible, decentralized models** focused on **trust, autonomy,** and **purpose**.

- CoPs align with New Work by bridging **communication gaps** and **promoting knowledge sharing** through peer-driven learning.

- **CoPs** are often **not** the **primary method** for the implementation of New Work.

- Without support, especially from those at the **top of the power hierarchy**, transformation efforts usually stall or fail.

- Success depends on **contextual factors** (e.g., company size, culture, sector) and **personal readiness** for change.

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Limitations & Future Work: Further Research is required to validate these findings and assess their relevance in other regions.

1

Researcher & Interviewer Bias

- **Subjectivity** in applying criteria, data interpretation, or question framing.
- Large-scale, mixed-method studies across industries and time to assess **long-term impact**.

2

Cultural Bias

- Insights mainly reflect the DACH context, limiting broader global applicability.
- Move beyond the DACH region to explore New Work in **diverse cultural contexts** and identify potential **regional adaptations.**

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Appendix

Appendix: Implementation New Work Organizations

4 — Loop Approach[1]

- A **framework for organizational transformation** focusing on clarity, collaboration, and adaptability.

- Guides teams through **iterative cycles** to align purpose, roles, and processes.

5 — RenDanHeYi Model[2]

- A model where employees act as entrepreneurs, directly linking personal value to user value.

- **Replaces hierarchies** with **autonomous micro-enterprises** focused on user-driven outcomes.
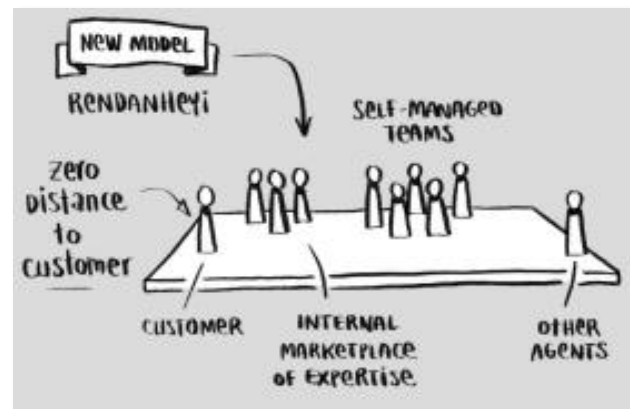
6 — Living Organization[3]

- An organization modelled on living systems, emphasizing **adaptability**, **connection**, and **purpose**.

- Focuses on **continuous evolution** through collaboration and responsiveness to the environment.
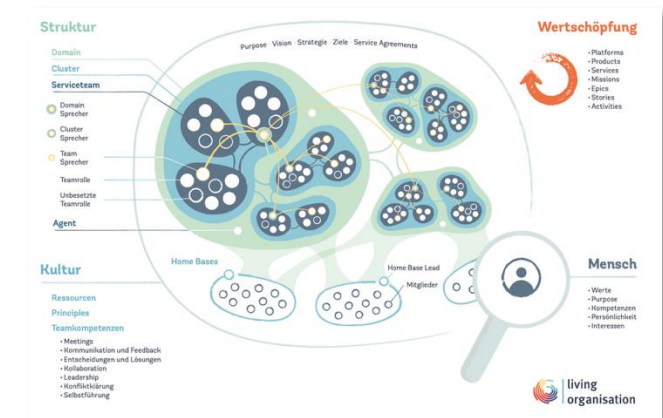
[1]Klein, S., Hughes, B., & Fleischmann, F. (2023). Der Loop-Approach: Wie Du Deine Organisation von innen heraus transformierst, plus E-Book inside (ePub, pdf). Campus Verlag

[2]Frynas, J. G., Mol, M. J., & Mellahi, K. (2018). Management innovation made in China: Haier's Rendanheyi. California management review, 61(1), 71-93.

[3]Maturana, H. R. (1975). The organization of the living: A theory of the living organization. International journal of man-machine studies, 7(3), 313-332.

Appendix: Implementation New Work Organizations

7 AdaptiveOrg[1]

- An organizational model designed for **flexibility**, **resilience**, and **continuous learning**.

- Encourages **decentralized decision-making** and rapid adaptation to change.

8 Management 3.0[2]

- A **people-centric approach** to management that emphasizes collaboration and **empowerment**.

- Focuses on **agile practices**, **innovation**, and **continuous improvement** in teams.

9 Sociocracy[3]

- A governance system emphasizing **equality**, **transparency**, and **shared decision-making**.

- Uses **consent-based decisions** and circular structures for collaboration.

- Basis for **Holacracy**

[1]Adaptive Organization. (n.d.). Adaptive Organization. Retrieved January 21, 2025, from https://www.adaptive-org.net.
[2]Appelo, J. (2011). Management 3.0: leading Agile developers, developing Agile leaders. Pearson Education.
[3]Buck, J. A., & Villines, S. (2017). We the people: Consenting to a deeper democracy. Sociocracy.info.
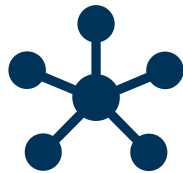
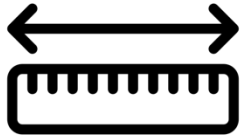**High complexity**: Over 100,000 employees = cultural, regulatory, and structural challenges.

DAX companies can transform but need cultural readiness & leadership commitment.

Regulatory friction: SMEs are more flexible; large organizations face legal & compliance barriers.

No one-size-fits-all

Each organization requires a unique solution.

Depends on, e.g., size and culture.

Start with the "real problem"

Avoid applying the wrong method to the wrong issue.

Frameworks like Holacracy help only when adapted with care.

Culture-first

Success depends on organizational culture, employee mindset & environment.

Consulting approach

Co-creative, exploratory, and needs-based—not prescriptive.

Change is voluntary (invitation-based).

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Supportive Frameworks & Decision Tools

- Methods like *Delegation Poker* clarify who decides and when
- **Role-based decision-making** ensures relevant expertise is included

Transparency Enables Informed Action

- **Open access** to **financial** and **strategic data** supports smarter, aligned decisions.
- **Broad guidelines** replace rigid approval chains, speeding up decision-making.

Agility Through Short Planning Cycles

- **90-day cycles** allow teams to define needs, set budgets, and adjust quickly.
- Teams closest to customers make faster, more relevant product decisions**.**

Culture of Trust & Responsibility

- Managers must let go of control and **build trust** through clear communication.
- Not everyone participates in every decision, but objections are always welcome

Shift from Hierarchy to Empowerment

- Movement from top-down decisions to **decentralized team autonomy**
- Some organizations still require leadership approval; others enable full team ownership

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- **Not Limited to IT**:
  - Transformation projects can come from product development or HR, not just IT.
  - Many consultants work across industries, not just software.
  - Literature also shows examples from non-IT sectors (e.g., Patagonia, Zappos).
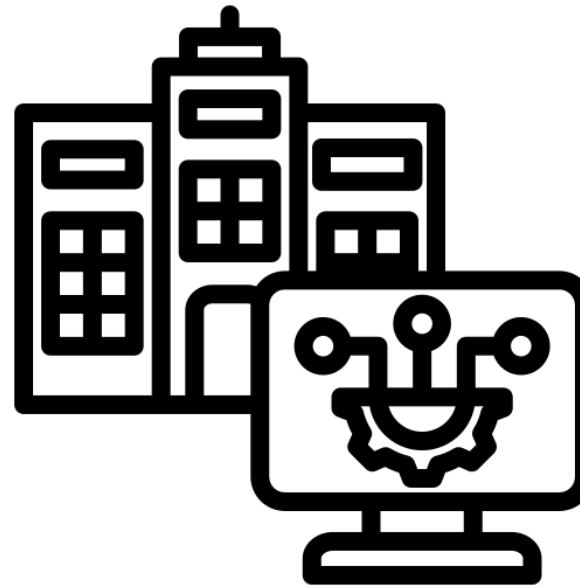
- **IT as a Pioneer**:
  - IT has higher change dynamics and experience with agile methods like Scrum.
  - Seen as adaptable due to frequent tech changes and communication needs.
  - Financial and structural resources in IT support innovation.

- **Challenges in Other Sectors**:
  - Resource constraints (time and money) hinder change in less wealthy industries.
  - Lower employee participation and motivation in sectors like construction.
  - Manual labor fields often show resistance or lack of interest in New Work models.
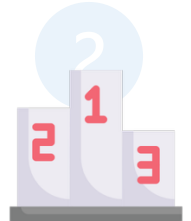
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Purpose of the Ranking

To identify and prioritize the **most significant challenges** organizations face during New Work transformations, based on real-world experiences shared in interviews.

Ranking Methodology

1. Frequency in Interviews
- How often a challenge was **mentioned** across different interviews.
- Indicates how **widespread** or common the challenge is.

2. Criticality to Implementation
- How much the challenge **impacts the success or failure** of the transformation.
- Reflects the **severity of consequences** if not addressed.

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Salary/Bonus

- **Change in how employees get paid** to align with organizational goals.

- **Bonuses are no longer individual**, with the variable portion dependent on the organization's overall success.

- **New Pay**

Suitable for New Work?

- **Problems with employees** who are unwilling to be part of the change can arise.

- There are **mixed responses**, with some believing that **not everyone needs to be part of the change**

- Others suggest that these employees may **just need more time** to adapt.

Conflict Resolution

- **Not always directly addressed** during the transformation process.

- Emphasizes **direct communication** and establishing a **conflict resolution process with mediation** to compensate for the absence of a traditional manager.
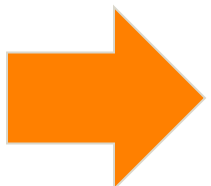
- **Different methods** are shaping the future of organizations.
- These practices are **still not widely adopted** across all organizations.