

## Pass this book on?

Absolutely. There is a good chance that someone passed on this copy of Corporate Jamming 1.0 to you. I therefore ask you, do not place this book on a shelf and just let it sit there.

Pass it on. Because 'jamming' is sharing.

It is building upon each other. On this edition 1.0 and its contents. And building on your notes, observations and thoughts.

Ewout Karel		
Let's jam,		

**CORPORATE JAMMING 1.2 Ewout Karel 2019** Design Fabian Sapthu

ISBN 978-90-90318-806 **NUR 600** 

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corporatejamming.com

**EWOUT KAREL** 

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#### 1.0 PREFACE 1.0

There are writers and researchers out there who are equipped to write about innovation in a much more eloquent or concise manner than I can. There is a simple explanation for this; I am a man of action, more so than a writer; a hands-on kind of person, who learns and grows from practical experience. The 'Smart Creative'. described by Eric Schmidt (Google) is one I can identify with. He describes this profile as follows in his book 'How Google Works': "A smart creative has a deep technical knowledge in how to use the tools of her trade, and plenty of hands-on experience."

This book is not about updating you on the current status of innovation and innovation processes, nor does it concern the question why innovation for organizations is crucial. As you can see, I do write. However, I write from my own practical experience. Since writing is such a specialized skill, the question of whether to

<sup>1</sup> https://howgoogleworks.net

write this book, and if so, what shape it should take occupied my mind for quite some time.

Ultimately, this book has become a 'useful hand-book'. The experiences, insights and pointers can help overcome unnecessary obstacles to innovation. There is a simple path to innovation, one that uses and strengthens people's love, passion and motivation for their work. I have dubbed this 'Corporate Jamming'. In essence this is nothing more than a plea for more freedom, openness and cooperation within and outside our organizations.

This all started in 2015 during the startup pitches of TNW (TheNextWeb<sup>2</sup>, a large tech event) where I was one of the judges. The wide range of the startups I judged did not always match my specific knowledge, experience and craftsmanship (in other words, I knew Jack S\*!%).

<sup>2</sup> https://thenextweb.com

However, as those who know me would confirm, my enthusiasm regarding the innovative ideas that were brought to me knew no bounds.

But every time I asked what I could do to help, representing a corporate like T-Mobile, I got the expected investment pitch. And the answer to the question of how that money would be spent, was invariably "hire knowledge". An answer that felt to me like it was a reflex. Automatic. While the pitched startups with their surprising ideas filled me with incredible enthusiasm, I found the corporate views on how startups could be aided in their development to be obvious, traditional and not very innovative. I even dare say that this approach to collaboration stands in the way of innovation.

As Innovation Manager at T-Mobile and Innovation Director at Chateau Amsterdam, this was therefore something that I would rather to avoid. The insights I gained and the lessons I learned in my role of Innovation Manager are written down in this book. The book helps everyone who, just like me at the time, wonders

how he or she can incorporate innovation in a more structural manner. This is for anyone who wants to innovate. And if you take a look around (and read), you will see that all of us want just that; because there is no organization where the word innovation is not on the agenda.

So, to be a little more specific: this book is mainly for those people in organizations who want to participate in innovation with their entire heart and soul, but whose potential is smothered by KPI's, risk aversion, the inertia of business plans and the burdensome chain of hierarchical accountability.

I think this rings true for many professionals: Those who are employed by a medium to large company, or even a corporate. The barriers you run into as a dreamer (or even as a clearheaded observer, asking yourself: "Why is this done this way? Is there a better way?") are tall and discouraging. They are hard to overcome. And they stand in the way of innovation. Even if 'innovation' is marked on the agenda

With this book I intend to help overcome the barriers that stand in the way of innovation for these professionals and the organizations (corporates) they work for. But I also want to include those outside these barriers. Those that work in a less structured environment: An environment where the barriers are not yet laid, or where if they exist, the light still shines through the cracks, and their foundation is weak: Startups.

The following questions are at the core of this book:

- How can a large company effectively create more space for innovation?
- How can a startup offer its relevance to a larger public in a shorter time frame?
- And especially: How can startups and companies help each other?

Because the biggest profit lies in combining strengths. In 'jamming' together, as musicians would say. On the one hand the startup with its wild, limitless ideas. On the other hand professionals from corporate with

their valuable knowledge to test those ideas, improve on them and make them tangible. And let's not forget about corporate, with its large scale and far reach. Corporate can connect this 'jam' (and eventual innovation) to a larger audience. This is the kind of interaction that allows everybody involved to rise above themselves. Had the parties involved refrained from jamming, they would have never achieved these results.

#### 2.0 CORPORATE JAMMING

To write a book around a new term works quite nicely. It sounds good to use a new term and the required explanation for the term is provided in that same book. The word 'corporate' may need little explanation. It mainly refers to the corporate organizations in which many of us work.

Characteristics of corporate organizations described in this book are:

- Great financial strength
- Large hierarchical structure and reporting "upwards"
- High standards of quality
- High level of execution
- Strong brand
- Limited degrees of freedom for the individual
- Much knowledge available
- Work according to procedures
- Recognizable product / market
- Many meetings
- A lot of in-company politics

Everyone is familiar with different kinds of corporate organizations. We interact with their products daily. Your telephone is made by a corporate such as Apple or Samsung, perhaps the furniture in your house was bought at Ikea, and your doors were bought at Home Depot. The car is from a corporate such as Ford or BMW. Groceries come from Wal-Mart or Costco. There are big companies all around us. They can be commercial organizations such as T-Mobile, but don't forget about a municipality, a government agency, the tax authorities or the police and all other organizations that apply "corporate thinking and conduct" and therefore do not offer sufficient scope for innovation.

The word "jamming" could probably use some further explanation. For some, Bob Marley and the song "Jamming" might come to mind. I most definitely borrowed the word from the music scene. In the world of Jazz, jamming is described as "music of the moment". At any time, led by instinct and carried away by interplay, the musicians take new musical twists and turns. The musicians let go of whatever could be holding

them back, which allows for new melodies to take shape.

Now I for one do not have the talent and /or desire to use my workday to sit down and play some music with my colleagues. But there is something that we can learn from musicians, and that is to collaborate more. Specifically, to collaborate with others from different disciplines (trumpet, drum, piano, bass, guitar, etc.).

In theory this might sound clear-cut. But how often do you walk over to a different department to chat with a colleague who has completely different responsibilities to yours to hear their perspective on your work? Fortunately, some companies do implement multidisciplinary team compositions<sup>3</sup>. Yet making sure that internal departments and positions cooperate is not enough. This multidisciplinary connection and cooperation should also take place outside of the confines of the organization. This is the essence of Corporate Jamming: See

<sup>3</sup> https://organizationbuilders.com

beyond the limits of your organization and connect with relevant ideas and with startups that are exploring and innovating. In this book I describe why and how you can do this. To begin, I want to touch on this subject by addressing the basic insights that follow the question why an organization should 'jam':

- 1. The new organization is open
- 2. The new consumer has a voice
- 3. The new coworker is active
- 4. The new value is not just monetary

#### 2.1 The new role of the organization is open

Startups characterize themselves by breaking with existing business models and financial gain is often less of a primary objective. Unlike almost every other existing company, making money is not their first goal. They are committed to seeking solutions, and want innovate against all odds. This search for new solutions and new value has become the playing field for students and fast-paced, enormously flexible, small businesses. It is as clear as day; large traditional companies are no longer in

control of the search for innovation. The sooner we acknowledge that, the easier it is. Because innovation is never about risk reduction, profit maximization and/or optimization of existing value. Innovation is all about the exploration of new applications and the discovery of new value.

And even though large companies are infinitely equipped at continuously optimizing and improving business processes in order to deliver value as efficiently as possible, this optimization does not constitute innovation.

The difference is that with optimization existing value can become more efficient, whereas innovation creates new value. That is why creators, startups and innovators should not look at the corporate and ask: "What can this innovation do for the corporate?" The question should be: "What can the corporate do for this innovation?"

Students in obscure attics come up with solutions that can quickly be made available to the whole world. Facebook was born that way. Exploring and searching is much easier for

students and startups compared to the effort that renewal takes in an operating company. An operating company already has a clientele, offers a product, has targets and must take the budget into account.

Renewal within operating companies, the corporates, is more difficult because many opinions need to be taken into account, and risk must be avoided.

A good metaphor for this is an 'engine'.

An exploration company is trying to get an engine running.

While an operating company has an engine that already runs smoothly, it just wants it run more efficiently, to get more horsepower out of it. That is why any risk is avoided. Because if the engine stops running, it stops making money.

I am of the opinion that large traditional organizations should become more actively involved with innovation. Currently, large companies

often help startups and innovators by supplying some funding. This effectively is a purely financial incentive to continue exploring. And while funding is of course useful, there is a much greater potential that is still underused. A large organization brings something to the table that is much more valuable to innovation than a straightforward financial injection: Market. Experience. Impact force. And a huge wealth of knowledge. With a financial injection alone, the innovation process misses out on all the benefits that stem from these aforementioned values.

In addition, the barriers surrounding large organizations tend to be tall. Often with the goal of optimizing efficiency and to minimize distractions from the outside world, or to ensure that internal processes remain confidential. The disadvantage of any organization is that it makes relatively few new connections with relevant developments that take place outside of the barriers. Employees have grown accustomed to keeping their focus on what is in front of them,

the task at hand. And the people on the outside have no idea of how they could ever cross the tall barriers. Both fail to see any openings in the barriers that surround the traditional organization. And without those openings they miss out on the most important ingredients for innovation; collaboration and exploration.

In the Netherlands we have a culture that could actually do more to cultivate innovation. I often give the somewhat overdrawn example of something Dutch people know well: The polder. If you are in the Netherlands, there is a chance that you are reading this book someplace where the soil beneath you was once a body of water. Those dry feet... What do you owe them to?

The ground on which we walk in the Netherlands is living proof of collaborating professionals. A polder is an embanked area of low land, reclaimed from the sea or other body of water and protected by dikes. In order to create a polder, you need someone who knows how to dig peat. This person can build a dike. Then someone else is needed who will build a

water-pumping mill on top of that dyke to pump the water out of the polders. The miller is not able to dig the polder, but he knows the job of operating the mill perfectly. The same applies to the person building the dyke. He knows perfectly how to build a dyke, but cannot operate a mill.

Then along comes a farmer with a bag full of grass seed and a stable full of cows. And there you go; we have a polder! A polder is a complex product that can only be achieved by a working community. No single individual is at the core of this, rather it is the relationship between individuals that matters here. Dutch people, perhaps precisely because we live on reclaimed land, are not so keen on loners: That one man or woman who makes it on his or her own. Dutch people tend to have more affinity with the collective, with an open culture and shared values. In the case of the polder, this shared value is easy to explain. "Piet, would you also like your feet to stay dry?"

In the Netherlands dry feet are a shared value. To accept the diversity of different business models, and believe it is not necessary to spell everything out in rules or contracts. The dike builder has a completely different business model to that of the farmer. There is cooperation between companies: A community where different trades and crafts work together to create something new. The urge to find win-win solutions, the belief in the collective, the acceptance that there is diversity in business models, but above all the realization that cooperation between companies leads to progress. That urge, that faith in, that desire for win-win and cooperation: it is the foundation of Dutch culture and a crucial part of innovation.

In order to structurally implement innovation in a new organization it must be open. I describe how this can be done in Chapter 4.

#### 2.2 The new consumer has a voice

With the advent of the internet, the customer's role has changed. In this new role the consumer is much more knowledgeable about services and

products and because her voice is easier to hear, her opinion has gained much more value.

The internet is a fountain of in-depth information about any product you are looking to buy. When today's consumers purchase a television, they have extensive knowledge about what they are taking home. Pixels, Hertz, Smart, Curved, High dynamic range, LED, OLED or plasma. These are highly technical specifications that are all taken into consideration by when a consumer is contemplating a purchase. Back when TVs were black and white, few people would compare the quality of televisions by comparing booster capacitors.

In addition, the customer is simply better heard in the current mass media, with a voice that is much better heard through product reviews. These reviews inform other customers and either attribute value or, on the contrary, question it. The consumer has taken a more active role and no longer passively takes in advertise-

<sup>4</sup> https://coolblue.nl/advies/uitleg-tv-specificaties.html

ments that are forced onto her. The consumer can no longer be reached via a push, but rather via a pull; she needs to be drawn in. The consumer is more actively concerned with what it is that she wants. An increasingly important question when thinking about innovation is therefore: Does the customer want what you are offering?

It can therefore be said that the modern consumer has influence. And that adds value. This kind of influence, for example, has led to the collapse of traditional companies with tall barriers and the emergence of more flexible customer-friendly companies. The shareable experience of the consumer through online reviews has a clear-cut effect. It provides immediate feedback of a bad experience, where a good experience can thrust a product or service forward into mass consumption.

Marshall Mcluhan, a Canadian philosopher and empirical scientist, describes the scandal at the popular game show Twenty-One, where interaction with the public ultimately turned out to be staged. He acknowledged that at the time the consumer played a new role in the totally new medium called television: "If the audience can become involved in the actual process of making the ad, then it is happy. It's like the old quiz shows. They were great TV because they gave the audience a role and something to do. The audience was horrified when it was discovered that it really was left out all the time because the shows were rigged. This was a horrible misunderstanding or TV on the part of the programmers."<sup>5</sup>.

Television was not the only medium that changed. In the development of the computer there was also a moment when the consumer got more influence. Originally, computers were in fact large machines with equipment that was mainly used for government and defense purposes. At that time, computers were used for serious purposes only. Yet when it turned out that you could also have fun on a computer, that you could play games and that those games

<sup>5</sup> Canadian Broadcasting Corporation 1966: This Hour Has Seven Days Interviewer: Robert Fulford

could be improved on by writing (further) code yourself ... Suddenly the computer no longer served only serious goals, it became a source of entertainment. This gave computers a whole new role.

The game 'Spacewar' provides a great example of the changing role of computers. This game, developed by students in 1962, was immensely popular. Not only did people play it, but in fact the game encouraged the public to write new code. Many enjoyed making new versions of the game themselves. Due to this, the game left its mark on the further development of computers and redirected that development towards entertainment; and the public had a large role in doing so.

#### Influence is power

The influence of the public has become so great that initiatives fail when the public is not granted the appropriate role. In the early years of television, programs could be more or

<sup>6</sup> https://thoughtco.com/history-of-spacewar-1992412

less imposed on the public. But it doesn't work like that anymore. The newspaper industry, for example, has first-hand experience with this. Newspapers had already started experimenting with the internet in the early days. In all likelihood under the motto: "At the moment we sell printed newspapers, on the new digital highway we will sell additional e-papers to our customers. We already create the content, so this will mean twice the profit." Things couldn't have turned out more differently. The newspaper industry wanted to introduce e-papers by imposing them on the public. However, it seems the newspapers forgot about the public's new role. The content of the internet turned out to be largely created by the consumer, by the public itself. There was no market for e-papers. Pushing the e-papers did not work. In fact, the consumer even took over part of the newspaper business. Consumers started creating content themselves and distributing it via blogs, reviews and web pages.

Where products used to be pushed at the public, the push now comes from consumers and producers react. By sharing their experiences with others, consumers now have a different, new role.

#### 2.3 The new employee is active

The advent of the internet and new high speed technologies did not only change the consumer. Within companies where engineers and designers (the craftsmen) used to be the last step in an innovation process, they are now the first step of any such process. Let me double back to music to clarify this: Initially, the composer instructed the trumpet player on which notes to play. But in jazz music the trumpet player spontaneously comes up with the notes he wants to play. You can extend this analogy to the developments in the business community. Previously the directors and managers were the ones to initiate innovation. Now innovation is initiated by the professional who builds a new application himself: Because nowadays every craftsman can create a company, product or service in his attic by himself and with the necessary dose of luck and commitment grow it into a company of global proportions.

In our Western society, a paycheck is no longer the only incentive for doing work. Factors such as being challenged, giving meaning<sup>7</sup> and self-development are increasingly important. Professionals with a love for their trade can easily cross the organizational boundaries and even national borders to carry out their profession. They can and want to use their expertise much more broadly than just for the boss, between nine and five. There is a drive to help others, to enrich themselves with new knowledge, and there is passion for what they do. The employee has become aware of this alternate professionalism. And this perspective full of passion and possibilities cannot simply be tucked away. It will keep popping up in the employee's mind until he can act upon it.

In addition to the public's new role, I see a new role for the employee. Every employee has unique craftsmanship and expertise. Unique knowledge about what works and what doesn't. Often so passionate and involved in their

<sup>7</sup> https://fastcompany.com/3028410/ welcome-to-the-purpose-economy

work that they are only too happy to share their knowledge: Especially if this will lead to advancements in their field. This is a large group of professionals with a lot of energy and valuable knowledge. A phenomenon that we should put to good use and that we should respond to by actively involving them in innovation. A craftsman, a professional has unique, 100% up-to-date knowledge about what works and what doesn't. Good professionals are indispensable for every company, regardless if they are repairmen, if they work in the IT department, if they are construction workers or if they create a marketing campaign.

#### Professionals drive companies

However, if the professional performs his job every day and is satisfied doing this, you will not do him any favors by adding innovation goals. However, if said professional feels passion for the profession; then that professional has the frame of mind, the disposition to learn and to take on challenges. Nowadays more and more employees are looking for a challenge. The somewhat older employees have longer job

duration than younger employees. More than half (64%) of all employees aged 55 to 65 have an employment contract of 10 years or longer. But especially the young employee wants and expects more. Research by Statistics Netherlands (CBS)<sup>8,9</sup> shows that they have an increasingly flexible working relationship and work to learn, actively seek out challenge(s), to give meaning and (of course) for the salary. But the challenge is an important factor. A company that provides space for challenges creates space for the development of passion and commitment. A company that does not permit this, denies current and potential employees an important employment condition.

Corporate Jamming is looking for exactly those people who have a passion for their profession. Who want to be challenged and who are experts in their field. In addition to being driven by knowledge development and passion, they are

<sup>8</sup> https://cbs.nl/nl-nl/nieuws/2018/17/1-op-3-werkt-10jaar-of-langer-bij-dezelfde-werkgever

<sup>9</sup> https://cbs.nl/nl-nl/nieuws/2018/17/toename-flexw-erk-vooral-bij-jongeren-met-bijbanen

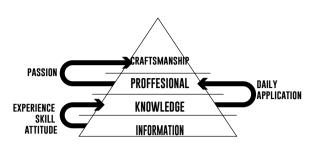


Fig. 1

intrinsically motivated to share with and listen to others. And whether we are talking about a product developer or a paramedic, it doesn't matter. All professionals can participate in innovation. If you do not encourage this, you will exclude a large part of the labor force. If you deny your professionals a challenge, you miss out on knowledge and experience that could be used in the innovation process. And as I wrote before: This is detrimental to the degree of innovation and job satisfaction of employees.

#### Valuable knowledge

We have seen that thanks to the internet information is everywhere. It is easy to obtain and also easy to distribute. A common misconception is that the information that is so easily obtained online is interchangeable with or as valuable as real and useful professional knowledge.

If I were to write a blog post today asking how to assemble a cold nuclear fusion reactor, I know for sure that I would get a variety of answers from people with all sorts of explanations and references to links. After all, all information can be found on the internet. However, if I actually tried to put together a cold nuclear fusion reactor, I would soon discover that just the theoretical information is not enough. My utter lack of experience in building nuclear reactors would hamper my efforts. (Fig. 1).

Mathieu Weggeman, professor at Eindhoven University, once taught me this formula<sup>10</sup> for the genesis of knowledge:

$$K = I * (ESA)$$

Knowledge is Information times (Experience, Skill and Attitude)

Knowledge does not just appear out of thin air. Your individual knowledge is a unique mix of everything you have experienced, the skills that you have taught yourself and your unique attitude.

To be a professional goes one step further. This is knowledge that is used daily, knowledge that is applied. Active Knowledge!

We see the craftsman or craftswoman as the final step in professional development. That describes a professional with a true sense of passion. We all know an enthusiastic craftsman,

<sup>10</sup> Kennismanagement: de praktijk door Mathieu Weggeman

and some readers may recognize themselves. Someone who enjoys what he or she is doing, and who is happy to explain: A doctor who really loves her profession, the man in the garage who enjoys tinkering with a car, the enthusiastic entrepreneur, the whistling garbage collector. They are professionals but with a little extra passion. That employee has an intense drive to take things further: To become even better at his job. These are the people you can jam with.

# Nobody directs

Nowadays the supervisor has a different relationship with the professionals. As we have just discussed: being a professional is more than just access to information. It is applied knowledge on a daily basis. And if you have a professional who wants to grow in her profession, you have to use that! Strangely enough, currently the responsibility for initiating innovation often lies with a manager. Strange, because a management position actually benefits the least from possible change and managers often have little operational expertise.

While exploring, hierarchy does not help in the search for new solutions. Everyone is equally important in the exploration phase. Experiments rule in jamming, learning together is the goal. A big advantage by organizing cooperation according to the Corporate Jamming idea is that nobody directs. The experiments help both parties (Startup and Corporate) learn.

They facilitate each other. The startup facilitates exploration, pioneering and open mindset. The corporate facilitates professionalism, access to the public and network. There is no hierarchy is created in this collaboration; not in the way that this would have happened in a financial investment scenario.

Professional knowledge and experience are not the only important factors here, so is perception. Collaboration according to Corporate Jamming leads to a growing sense of satisfaction. Corporate employees are enjoying themselves and they are also working on self-improvement. Dealing with a startup broadens their horizon. Take the men from the finance department who

know everything there is to know about corporate finance. They have a vague understanding of new technology such as blockchain. But by working together with a blockchain—up, they become acquainted with the technology of the future while having fun. And they, in turn, can teach the startup how large companies currently manage their financial affairs. Both parties learn.

#### As bees do

Rini van Solingen inspired me with his book 'How to lead self-managing teams' (Dutch Title: 'De bijenherder' Translated the Bee shepherd). In it he describes how companies often deploy and manage their staff like one would a herd of sheep. There is one boss, the CEO 'shepherd'. He has a number of his sheep managers drive the herd. As if reacting to high pitched whistles, the managers race towards the sheep, carefully nip some ankles and direct the herd of employees in the desired direction, until they are ready to

<sup>11</sup> http://rinivansolingen.nl/boeken/de-bijenherder

be shorn: A hierarchical top-down control by a single individual.

Van Solingen also sketches the picture of the hive. The bees have their own "craft". There are worker bees, bees that defend the hive, a pollen seeker and a queen. Each of them has a skill that they excel at. The output, the achievements of such a hive depends on its circumstances. If placed in the middle of the highway, the quality of the honey will be different from if it were positioned in a lush meadow. However, even under difficult circumstances, the bees will continue to use their best efforts, even without a manager constantly nipping their ankles. A hive is much more like a business than a herd of sheep is. A business employs different types of people, each is hired to perform a specific function: Defending or collecting pollen, marketing or finance, service or IT. When it comes to innovation, the challenge is to put these professionals and the passion they have for their profession and for the road ahead to good use.

#### 2.4 The new value is not just monetary

But how do I see that reflected in euros?
Well ... you don't. Or at least that should not be the primary motivation. Of course there is no such thing as innovation free of cost and there is a good chance that at the end of the road of exploration there may be financial gain in the form of new business. But what is to be gained first is the value that lies in the happiness and expertise of your employees, compounded by the happiness of your customers who get to try new things. There is value in the relationships with the startups and innovative companies around you. And ultimately there will be value in the content that flows from this approach.

Really making it happen together is a much more effective marketing communication story than just talking about innovation and exploration without actually doing anything. The company provides passionate professionals, craftsmen, knowledge and additionally creates the physical and mental space that is needed to encourage exploration. And such space is not only imperative for innovation; the mere fact

that people have time and the liberty to set their minds to how things could be improved will provide the necessary increase in the pleasure many employees take in their work.

In the quest where the corporate (including its employees) can jam with the startup (and the public of the corporate) in order to experience whether they can mean something to each other, we see 2 types of trajectories: one is a learning sprint and one is a business design sprint.

In the first trajectory, the learning sprint, the companies investigate what value the exploration company offers and where the operating company can contribute. In other words: What are the plans and how can the corporate help with its expertise. If we see that we can help the startup and increase the learning velocity through our involvement, then we make our company and the craftsmen and women avail-

<sup>12</sup> In het boek Groeiland (Frank Kalshoven) wordt de nieuwe indeling van ons arbeidzaam leven beschreven waarin leren, vakantie, werken en familie elkaar niet meer lineair opvolgen.

able to the startup. The intrinsic motivation of the corporate employee is of importance here. She must feel motivated to get on board to advance this plan.

The second trajectory is more directly focused on exploitation. Here the corporate and startup examine whether they can accelerate together with a focus on the customer. It takes time and attention to understand the intended product or service, to research the startup market and to monitor growth. Therefore, the corporate must create time and space to guide this process. The corporate contributes manpower, by which I mean not only craftsmen and women, but also customer surveys, distribution channels, technology, media and research budget.

The ultimate goal is to gain insight into the operating system of this startup. Startups and corporates speak a different language. I have used the metaphor before: The engine in the following example is the money engine of an organization, the revenue stream. A startup wants to get an engine running, a corporate

wants to perfect the way it runs; get as much HP out of it as possible.

By mapping the operation of the engine, consider these things: Where do customers come from, what type of customers are responding, what conversion rate, number of prospects, market size, sales figures, number of customers, service issues, departing customers, its system will be uncovered. This system is something that the corporate craftsmen also understand well. And in particular, they can very competently tinker with it. And so they start fiddling with the engine to make run smoother.

Management of a corporate usually requires all kinds of business cases and scenarios to cover risks. Although the calculations in those business cases can be entirely correct, they are always based on assumptions. If the assumption proves to be false, the business case will not have the predicted outcome. So to properly inform a corporate's board of directors, we must put our heads together and validate those assumptions. Because if you operate and you have customers

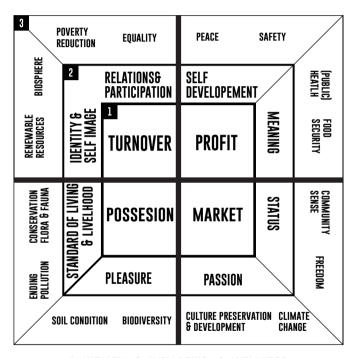
and a product or service, you want to have identified the risks associated with that product.

In addition, it is important to jointly discover how the system behind the business works and how growth can be created. Because if you understand that, you can optimize it. That is precisely what a corporate naturally and continuously does for its own products: Optimizing the system.

Then, when it is clear how the company works and what the product is, then the corporate and the startup can start experimenting together.

At this point a product or service can be offered to five thousand customers (the public) of the corporate. After doing this, first we make an inventory of how many customers respond positively. Then we see how many customers really consume the product or service. And we continue to make note of how many customers still use the service or product after a few months. By conducting such experiments, we

can make assessments of whether the assumptions in the joint business case are valid.



# 1. WEALTH 2. WELLBEING 3. WELLNESS

Fig. 2

#### 3.0 NEW VALUES

In the Netherlands, Kees Klomp can be considered the main advocate of the purpose economy. Kees is a writer of, among others, books on meaningful entrepreneurship<sup>13</sup>. It was his value model that really opened my eyes.

Deep inside I already knew, yet I continued to remain focused on a company's monetary value. Profit, loss, turnover, assets. Kees reminded me of the natural fact that companies bring much more value than solely financial value. He divides that value into 3 categories (Fig. 2). Wealth, wellbeing and wellness. The wealth value, that was my focus. The emphasis was on profits, turnover, loss and assets. I think most employees will definitely recognize the priority that is usually given to this value. All processes are optimized in order to maximize the prosperity value. With every shift in direction come risk analyses or a business case. These exist to

<sup>13</sup> Schrijver van o.a. de boeken; Handboek betekenisvol ondernemen & Pioniers van de nieuwe welvaart http:// businesscontact.nl/auteur/kees-klomp

ensure that the wealth value increases while avoiding risk.

But in addition to wealth, a company also adds personal value to wellbeing. This means to be involved in things that matter, that give you energy and that stir up your passion. To be and feel like part of a group. To be known by other people, to be someone with an identity, status. To participate and communicate and to have fun. The professionals that we talked about earlier, or the craftsmen bouncing with energy, fun and passion. They really get joy from what they contribute. These are all examples of the value of wellbeing.

The value wellness concerns an even larger radius; a community. It transcends the walls of the company or person.

Wellness involves values such as the conservation of biodiversity, climate change mitigation, freedom, biosphere, peace, equality or community spirit. A company plays a very important role in the value wellness.



Fig. 3

It is striking that initially a technology, product, service or company almost always focuses on the outer rings (of the image) and the longer the company exists, the more it focuses on the middle.

Exploration, innovation and renewal. This happens continuously in the outer rings; well-being and wellness. Operation is mainly about the inner ring; wealth.

For example, think of a startup, where people are struggling passionately and full of energy in order to make something materialize. That startup still provides little wealth value (little turnover/assets or profit). But it brings enormous value to wellbeing (passion, sense of purpose, development, status, etc.).

And that's no surprise. Various studies show clearly that an increase in value from the outside to the inside can have a positive effect. But the other way around never works. Lenette Schuijt's describes this beautifully in her book "Met ziel en zakelijkheid", literally translated: "With soul and professionalism".

Investing in or increasing wealth has no effect on wellbeing or wellness. But investing in or increasing wellness can have a positive effect on wellbeing and also on wealth.

It is easy to imagine that a company that focuses on soil conditions and bio atmosphere employs people with a lot of passion and energy for their job. They experience meaning and passion. Ultimately, that can also lead to generating turnover or even profit. Take companies in the wine sector for example, those that focus on organic viticulture and soil conditions. They are currently generating more turnover. We see many similar examples. Think of shoes by TOMS<sup>14</sup>, glasses by Warby Parker<sup>15</sup>, Fairphone<sup>16</sup>, or Tony Chocolonely Fairphone<sup>17</sup> a Dutch company that makes 100% slave free

chocolate. These are companies that were based on the improvement on wellness in some way or another. They did this with passion, and connected with people, because they also brought joy and purpose. And now it appears that these companies are also quite successful in the wealth value. There are many more examples of companies that put social profit above financial profit. The so-called Social Enterprises or B-Corporations<sup>18</sup>.

<sup>14</sup> https://www.shoptoms.nl

<sup>15</sup> https://www.warbyparker.com

<sup>16</sup> https://www.fairphone.com

<sup>17</sup> https://www.tonyschocolonely.com

<sup>18</sup> https://bcorporation.net

1.	Germany	26.4	6.	Luxembourg	29.0
2.	Netherlands	27.3	7.	Belgium	29.6
3.	Norway	27.4	8.	Switserland	30.6
4.	Denmark	28.0	9.	Sweden	31.0
5.	France	28.5	10.	Austria	31.2

Fig. 4 Top-10 countries with the shortest workweek, 2015

The other way around it is much more difficult to do, and in fact I am still looking for examples where this approach led to success. Examples of large companies that focus entirely on their shareholders, such as Shell, KLM or T-Mobile, and which develop a genuine sustainable initiative in terms of the value wellness.

These are very difficult to reconcile. Does that mean that the large corporate should simply withdraw from that challenge? NO, absolutely not!

In Corporate Jamming we advocate for the fact that the wellbeing of the corporate employee can be greatly increased by working together with companies outside the corporate.

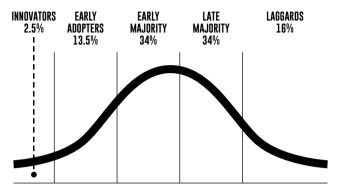


Fig. 5 Diffusion of Innovations door Everett M. Rogers

It is an illusion to think that large companies will completely abandon the focus on wealth in the very short term. But a much easier intermediate step towards increased employee well-being is letting them pitch in and help with explorations that increase wellness: By sharing knowledge sensibly, by participating in startups and by making new discoveries with passion and joy. It has been proven countless times that this works. In Europe (Fig. 4) we have the lowest average of weekly working hours (so we score high on wellbeing), yet we also have the highest level of productivity which means we can generate high turnover/profit (wealth).

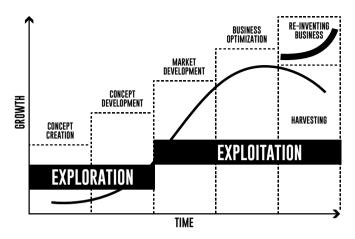


Fig. 6 Product/Business Cycle

Historian and journalist Rutger Bregman even finds that the solution for almost all our problems lies in working less.<sup>19</sup>

# 3.1 Sustainable value retention by continuing to jam The same pattern is seen time and again, and it is described well by Rogers<sup>20</sup> (Fig. 5). When an invention is first made, it expands slowly. The inventors realize that as their products get

<sup>19</sup> https://ideas.ted.com/ how-working-less-could-solve-all-our-problems-really

<sup>20</sup> Diffusion of Innovations door Everett M. Rogers

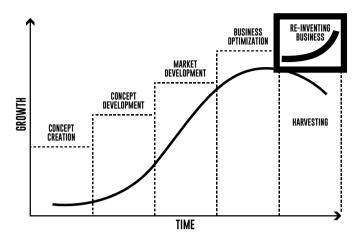


Fig. 7 Product/Business Cycle

more established in the market, they must begin to stabilize the product. They must start with marketing, service provision, etc.: Everything that is needed to prepare to produce on a larger scale.

When we look at the early adoption-phase of a product or service, we see that initial acceptance comes from the innovators and the early adopters. As shown in Fig. 6; after the invention and the first successful concept developments, companies must focus on the market development and optimization of the business.

Market development and optimization are precisely the core competencies of employees in a corporate. Large companies excel at process optimization, at becoming more efficient. While the earlier phases of concept creation, concept development and the final phase of re-inventing business are exactly what startups and scouts are good at.

And so we see that things like mobile telephony, energy and cars are slowly turning into commodities or "normal products". The producers or suppliers of those products see their business slowly diminish. But due to the enormous scale, there is still a lot of optimization to be done and therefore still a lot to earn.

By working together, by jamming with people who are good at optimization, who understand their profession and the people who are good

at exploration, value can be retained in a much more durable way (Fig. 7).

The moment that optimization has reached its limit is the moment decline begins. There is no more growth and the company goes into "harvesting mode". Squeeze out the last drop of wealth. However, by jamming with people who innovate, by being open to what's outside the barriers of the company, you will find new values and you can reap benefits much longer.

Various examples come to mind: Banks making money transfers possible with nothing more than a quick tap or two on your phone<sup>21</sup>, Telephone companies offering handy 4G packages for areas with spotty Wi-Fi<sup>22</sup>, and even the expansion from the production of pickle jars to the production of lamps and electronics<sup>23</sup>. The main, original markets of these companies had stabilized. It was by opening up to new models,

<sup>21</sup> Dutch example: Tikkie by ABN

<sup>22</sup> Dutch example; 4G for Thuis by T-Mobile

<sup>23</sup> Dutch example; Pickle-Lamp from Kesbeke

having an open mind, that growth suddenly came to be possible again.

Bank payments have had the same format for years, yet the Dutch Bank ABN jammed with Tikkie, and created a very easy to use app-based payment system which brought along a huge increase in the number of payments made: Simply because the process just became that much easier.

The telephone company T-Mobile created 4G for the home as the result of a jam. It turned out to be an immediate hit, because this product appealed to totally new target groups: From campers and truck drivers to farms and barges.

And in the Netherlands, the 'Amsterdam Kesbeke pickles' are a well-known household brand. The characteristic packaging jars their pickles are in suddenly became a popular design item on Pinterest. This helped make the company so large that the Pickle producer from Amsterdam is now suddenly also offering electronics. This both strengthens the existing brand, and also

taps into new markets.<sup>24</sup> This both strengthens the existing brand, and also taps into new markets.

These cases all originated from a jam between an existing organization and a new impulse from outside. It proves that by looking outside, beyond your own company and comfort, by connecting with craftsmen, that more sustainable value can be generated.

## 3.2 Replace money as the basis of a connection

By now we know that the startup excels at exploration, at the search for new opportunities, because of its learning capacity, its adaptability and flexibility. But it lacks the multitude of crafts that are needed to swiftly bring the solution to the market on a large scale. The corporate has all the professionals needed to efficiently bring products or services to the market on a large scale, to optimize processes, but lacks the DNA to explore the new and unknown. Between the two a wonderful win-win connection can be

<sup>24</sup> https://kesbeke-online.nl/pickle-lampen

made. However, connections between startups and corporate rate companies are now mostly made on the basis of a financial investment.

I would argue in favor of using something other than a monetary investment to link these companies to one another. The basis of money is flat, creates little involvement, requires immediate red tape and must have a concrete predefined return on investment.

I have often seen money-based startup-corporate connections go astray.

It often goes wrong when the startup (which has received an investment) has found its first customers/market growth. That is the moment when the corporate sees profit and immediately invokes the hierarchical connection that was created by this injection of money. The innovative startup becomes the new source of income and gets incorporated into the corporate. Unfortunately, the integration of this fresh startup into the existing corporate structure often proves to be very problematic.

This goes wrong without almost any exception and in any case the absorption of startups by existing business structures never leads to the potential that was originally dreamed-up.

That is of course not surprising when you consider which character traits are thrown in the mix here

It would be like mixing the kind of people who get into a boat, hoist the sail and sail out of the trench on the hunch: "I think there is land further away" with people who navigate only on certainties. Experts in, for example, sail making, experts in the efficient loading and docking of ships, these experts would stand on shore and watch with surprise. They are people who don't sail without a lifejacket, without knowing for sure where there is land, that the engine is working and that the wind is favorable. They are different characters.

One explores, the other optimizes

In the Corporate Jamming concept we connect
in a different way. We move away from the hier-

archical connection that accompanies money and make the connection based on the characteristics of both business types. We make the connection through the people: The craftsmen from the corporate and those from the startup. After all, innovation is still done by humans. So let's connect the people who actually do things and take action together, because that is when something will be added. Money is only a means of transaction. It does not create anything.

The startups can teach the corporates a lot about new opportunities and the direction of development. But the corporates, in turn, can teach the startup a lot about different disciplines, customer needs and the network in which the corporate operates.

We jam together, from our own strength in order to help the other.

#### 4.0 BE OPEN AND GO OUTSIDE

"If you want to go fast, go alone. If you want to go far, go together." This quote that has always stuck with me during the innovation processes in which I have been involved. It touches on an important element of Corporate Jamming. The current innovation methodologies focus on "fast and alone". However, I have learned and seen that, 'together' is actually much more important for true innovation. The degree and success of innovation depends on it.

For effective innovation, those involved need to have the right frame of mind. Here we recognize the following entities; the customer, the employee and the company.

Collaboration is essential for innovation.

Doing what you are good at, doing what you are passionate about and helping the other through doing so, is actually the quintessence of innovation.

<sup>25</sup> https://forbes.com/sites/michaelsimmons/2013/07/22/ power-of-relational-thinking/#6ce95e710e3b

Doing what you are good at, and using that skill to help the other; it is with that motivation (whether or not consciously) that the carpenter puts together a beautiful cupboard for his clients, that the founder of a startup works around the clock in order to shape his dream solution, that the teacher packs his lunch in the morning, that a bricklayer builds a wall and that the business advisor pores over Excel sheets.

They do what they are good at, what they feel passionate about.

And they do so to help others.

Now also throw cooperation in that mix. Professionals working together who feel passionate about their job and do it well in order to help someone else. Something beautiful and innovative can bloom when these professionals cooperate. That is the essence of Corporate Jamming.

I am not only arguing in favor of giving your employees autonomy in their profession. But I

am also asking you to challenge that passionate employee with new impulses from the outside. Let them do what you hired them to do, but also make them available to other innovative organizations to do their thing.

Combine the specific skills from the operation with the specific skills from the exploration; mix them together. By accelerating exploration on the outside of the organization, the corporate craftsman is challenged. Add that to the craftsman's professional knowledge that has its base within in the organization, and there is room for growth: For the craftswoman to get even better at the profession that she is already passionate about.

Cooperation goes further than competition.
Collaboration creates trust and often speed.
The startup can grow faster in cooperation with corporate professionals. Because no matter how innovative, every new solution consists of a configuration of parts that already exist. And by standing on the shoulders of pre-existing

professional knowledge, the startup does not have to reinvent the wheel.

The clients of a corporate can notice the increased pace of innovation because of this collaboration. Customers can give feedback and are more involved in the innovation that is taking place. The startup and the corporate go through this learning process together as they figure out what works and what doesn't. Work is about doing what you are good at and what you feel passionate about. Not only do you work for yourself, you are also in it to help others. New projects and ideas sprout in collaborations. I will explain exactly how you can do this in the next chapter.

### 4.1 Create space within your organization

But how do you do that? How do you get your employees to jam? The most important thing is to give them space. An employee comes to work every day with a clear task: With a mission, a corporate target that his work contributes to. The people from the marketing department, the ladies and gentlemen of finance, the service

employee, the man behind the sales desk, they are all professionals: People who apply knowledge every day and who learn more about their field every day.

It is precisely with that craftsmanship, with the knowledge that makes them so useful to your company, that they can also do useful things for others. And you know what? It will not cost you that much.

In any case it costs less than the alternative. You could easily invest large sums in every startup that comes by. Much easier than that though, (and with added value) is to give your employees the freedom to help a startup. This can be a few hours per week or even per month to help with exploration, becoming involved in great initiatives.

The challenge for large organizations is to create space for its employees to collaborate with those entrepreneurs/startups that make society more fun, safer, easier and healthier. Improving societal wellness will help your employee because it fuels passion, participation and joy. It allows your employees to learn, to enrich themselves with more insight, and to further develop themselves both personally and professionally.

You increase the wellness of all of your employees. But at the same time you also contribute to the wellness of the world around you: Because professionals from your organization are going outside. They are going outside the walls of your organization to support to the exploration/startup.

So let's get practical: Wouldn't it be a good idea if your employees spend 2 hours a week using their professional knowledge to help startups?

Often the full 2 hours are not even needed, but the just space that those two hours create is very liberating.

The "20%" story from Google can serve as a good reminder for managers in product and service companies who are tasked with evolving an

innovation system as the business they work for develops and expands.

The 20% rule was not perfect. But the freedom that emanates from the concept is very powerful.

"Google's 20% resulted in some of the company's most successful products such as Gmail."

I think it's important to state that this is not just about creating a physical space. I often visit companies with "design spaces" or creative spaces.

These companies will have a sleeping cabins, neck massages, a random 3D printer, a VR glasses and of course a piano. Although these facilities can definitely contribute and be of some help, what matters more is the essence of offering time and mental space to experiment and explore. Buying a 3D printer is easy. It increases values in the "prosperity" category, but offering mental space has a much greater

effect. It influences the values in the "wellness" category.

Another wonderful example of providing freedom is the story of David Marquet<sup>26</sup>, the commander of the USS submarine Santa Fe.

This commander had an impossible task. The Santa Fe was a moderately operating dive boat at best. David Marguet was tasked with making this dive boat do better. Things HAD to change.

But Commander Marquet was trained on a completely different dive boat. He was not familiar with this boat, so he had to rely on his employees. The solution turned out to be to stop giving orders.

The commander simply stopped giving orders (except the order for launching deadly missiles). For navy standards, that is a rather unusual way of doing things. In fact, the navy is the type of organization that is very hierarchical in terms of

<sup>26</sup> https://davidmarquet.com

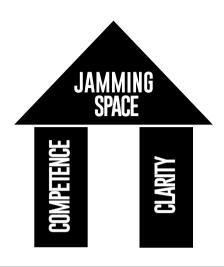


Fig. 9

decision-making; a commander's orders are to be followed, regardless of how nonsensical these orders are. The hierarchical structure of a corporate is similar; it also requires its employees to perform a given task. But in fact, you want your employee to use her autonomy, to think, to use her craftsmanship. Also remember the example of the hive and the sheep.

When any subordinates proposed action the commander of the Santa Fe would ask two

simple questions: Is it safe? Is this the right course of action?

On the dive boat the difference was almost immediately noticeable. The employees took on their duties as if it were a very natural thing. The engineer in the engine room no longer asked to replace the oil filters, he just made it happen. And he did so at the right time, so there was no tampering with the engine when the boat would be in "silent voyage".

The man who cleaned the galley suddenly realized that a lot of cleaning agent was used and started updating the manual and using cleaning agents more efficiently.

In short, create space for your employees to think for themselves.

That freedom must be supported by 2 pillars (Fig. 9): Competence and Clarity.

In the dive boat example 2 questions are asked:

Is it safe?

This question tests competence. Has the mate thought it through? Did he think about potential obstacles or complications?

Is it in line with our mission?

This question gives clarity on whether the proposed action is in line with the goals of this mission.

Of course this also applies in Corporate Jamming.

To create space for employees to jam with outside companies for 2 hours a week, you have to ask 2 questions:

How can your craftsmanship help them?

What value does this provide? (Wellness, wellbeing or wealth?)

If there is an answer to both questions, please give your employee space to explore. Perhaps even more than those 2 hours a week.

Let us go back briefly to the metaphor of the title of this book. The reader of this book is a part of or perhaps a conductor of a large company, a symphony orchestra. Together you play the most beautiful music by Beethoven. You practice and optimize until your performance sounds perfect and you sell concert tickets.

Then one of the violinists from the orchestra comes to you with the request to play with a jazz band. Because she thinks she would really enjoy it. Because she really wants to discover how violin music goes together with saxophone and double bass. Because she wants to learn more about that style of music.

Wouldn't you be crazy not to allow that?!

Your musician comes back to the symphony orchestra happy and inspired, having gained experience that you couldn't have offered. After

all, you play classical music, and she learned about jazz. And perhaps, if it really was a great success, your orchestra will end up playing a concert that is a mix of classical and jazz.

#### 4.2 Connect inside with outside

Existing companies tend to have tall barriers, to keep out all external risks. These barriers exist in order not to disrupt the internal business processes and to safeguard the lessons that were learned inside from those on the outside.

And that strategy worked just fine for years. However, due to the changing role of the public and your employees, your organization will also have to change. For the most part, this change concerns being more open. Being open to innovation from the outside but also being open to share.

We have said it before: Large companies are no longer at the helm of innovation. Faster moving self-adjusting startups have popped up on all sides and taken over that helm. These, in turn, cannot yet cope with a large scale market. They

still have a lot to learn there. These 2 kinds of companies could complement each other magnificently, but so far there is not much interaction between them. And when there is, it is almost only initiated by monetary investment. This behavior could be described as navel gazing, or a form of self-segregation.

I once shouted out on stage: "Large elephants do it with other large elephants and mice do it with mice!" Referring to the separation between these two kinds of companies.

The process of self-segregation has long been known within social psychology. This process means that a group of people forms a group based on all members having an idea in common. That same group will shut itself off from any ideas that are at odds with its viewpoint. This leads to the formation of groups of like-minded people. In these groups the ideas of the participants are not only shared but also strengthened. The latter happens because there are no corrective and moderating influences within these groups. And if there are any, they

are usually smothered quickly. With the rise of social media, forming such groups of likeminded people is easier than it has ever been. On social media, such as Facebook, these types of groups are called echo chambers. On Facebook, for example, it appears that people mainly look at information that confirms their pre-existing ideas and look for people who agree with these ideas. For example, there are echo chambers that are pro-Trump and echo chambers that are anti-Trump.

Within your own echo chamber you get the impression that most people agree with you. If you suddenly see someone putting forward an idea that is completely at odds with what you think, this may evoke an emotional reaction in you: "What is this idiot saying?"

A large company is actually a large echo chamber. Everyone in the company works hard to earn money in a certain way. Everyone is dependent on the salary from that company. That makes it hard to accept ideas that differ from the current methods at work.

The same actually applies to all major organizations and governments. That is why Kodak could not properly estimate the future of digital photography at all. Everyone was busy with the day to day: *Developing and selling rolls of film*. The fact that an employee had made a digital camera was wonderful. But after looking at the device in amazement, everyone simply went back to making and developing the trusted rolls of film. The potential of this digital camera for the future of the photography market, their own market, went largely unnoticed.

Or when you look back and see that all telecom operators were already offering data networks. But it turned out to be the startup WhatsApp that took over the SMS market, using the data network of the operators. The telecom operators could have developed a similar app themselves. But in the echo chamber of the telecom companies, everyone focused on selling SMS. The telecom did not see the WhatsApp solution.

That is why the newspapers immediately gave up on e-papers, because e-papers did not work.

This can be explained by using the example of a garage:

All employees in this garage are professionals: People who know everything about cars. Professionals who know the engine front to back, the current exhaust systems, electricity, bodywork, tires. All of them professionals. The garage gains income by maintaining, repairing and refurbishing cars. By doing this in a more efficient manner, more money can be earned.

By storing the tools in the garage in a practical and logical manner, work can get done more quickly. You can improve the workstations, hire additional people, and buy a larger building. Everything to do with car repairs is done more efficiently in this garage.

The moment the innovation of a startup enters the garage - a car with a hydrogen engine, for example - problems arise. This innovation presents a lot of unknowns. The trusted methods for repairing cars do not work here. The target times for maintenance are not being met and

the sales targets are jeopardized. There are grumbles in the garage's echo room: "This is not progress." "I am not reaching my target."

In short, an innovation that suddenly cuts into and disturbs regular business operations is regarded with suspicion. Although everyone who reads this case might find the hydrogen car to be quite a useful development. From outside the echo chamber of the garage it is easier to see the value for the garage. But from inside the garage-bubble, the hydrogen car only seems difficult, since it doesn't help in the short term. Optimizing current value feels more satisfying than exploring new potential value.

But when it comes to innovation, when discovering new value, you have to look outside your echo chamber. You have to go outside, you have to look for those with views other than your own.

By going outside, by being open, you gain a much broader perspective. And that is a condi-

tion for the discovery of new solutions, applications and a different audience.

But in order to get there, you have to take an unusual step. You have to go outside, connect with other skills, dance with other craftsmen. In short: "Jamming". Without expectations of financial gain, without expectations of return on investment. Your motivation to go outside is the pleasure of discovery, to experience what else your craft and experience can contribute to: Simply to learn more.

Back to the garage: Instead of driving the car with the hydrogen engine into the echo chamber of the garage, we take the professional out of the garage to help with the startup. That frees him from the KPIs and daily targets.

The startup creates a new solution. Part of this new solution consists of parts that already exist. Instead of the startup having to invent everything from scratch and learn every detail about the existing systems, we employ the help of professionals with knowledge of the existing

parts. They are perfectly familiar with existing techniques and systems. The hydrogen car has a body, a windscreen and wheels, just like other cars. So we ask the professional from the garage to help, to take a look at this. His knowledge of current systems and experience with problem solving can accelerate the realization of a new solution.

The hydrogen car also needs to be painted: This is when we also ask the man or woman who knows everything about painting a car to help out.

We let the professionals from the garage jam with the professionals from the startup. Of course there will be friction on occasion; one might prioritize the size of the customer base, when the other thinks of the inner workings of 1 car... One has a variety of departments to call on, the other has to do everything by herself.

Perspectives vary enormously, but that is where the power lies. Both professionals in this jam session have experiences, have learned things. And by openly bringing the two together, they can both broaden their perspective and greatly improve the solution.

Working together they can also test the new solution on the customer base of the garage.

The garage and the startup jointly ask all loyal customers of the garage if they would like to have a new experience: Traveling in a hydrogen-powered car. This way they can get valuable feedback from the customers on the pros and cons of the hydrogen car compared to regular cars.

That's how we jam together.

Both the startup and the garage learn by jamming with each other: New melodies arise in the shape of new technology. They hear how the public (customers) reacts to these melodies. They notice where rhythms are out of sync. They identify the disparities with respect to current technology and operations.

However, this is only possible if you and your employees go outside, if they are open and willing to share. If you connect with someone who holds a different opinion and invest time in the exchange of ideas.

Yes, it takes effort, it takes time. But it gives a lot of joy and increases meaning. Participation adds a great deal of value. Stepping out of your echo chamber once in a while and experiencing how the outside world views things, increases wellness and perhaps also wealth.

### 4.3 Selflessly make your resources available

This is a difficult one, or well... It is actually not difficult at all. This one takes guts. Give employees freedom, encourage your people to go outside and meet startups. These things are not impossible, and they can even be made to fit with today's targets or KPIs. This is more fundamental, or more principled actually. The point is not wanting or expecting anything in return, and that is at odds with the way most business operations are run. When you optimize, make business processes more efficient, ensure that

you perform your duties as well as possible, the rewards at the end are tangible: Often in the shape of higher profit and increased turnover

With Corporate Jamming you may discover new value: A jam that the crowds go wild for.

But you can never enter into such exploration with a predetermined expected outcome. Jump into it selflessly, with hope that new value can emerge from the lessons you will learn.

The men who discovered new land in the 17th/18th century also had no guarantees.

The benefit of an exploration process lies in the inspiration, the lessons learned from the process. It lies in the experience gained from this search and the happy employees. It lies in increased meaning and increased wellbeing. And maybe new business will follow, but that should not be the objective.

#### 5.0 CORPORATE JAMMING @T-MOBILE = FUTURELAB

T-Mobile Netherlands is one of the country's largest providers of mobile telecommunications for consumers and business customers. It is part of Deutsche Telekom and has 3.85 million customers. T-Mobile is a leader in the field of mobile internet, but it also offers fixed telephony, television and broadband internet. You can call it a corporate, without a doubt: A corporate that has explored and searched for structural innovation.

From suggestion boxes to very expensive innovation consultants, we at T-Mobile have tried everything. Yet in this search our own 1200 employees have proved to be our greatest asset. T-Mobile Netherlands chose to open its doors and invite the outside world in, with Futurelab. It makes all its professionals available to exploration parties and start-ups/scale-ups that could use our help. The focus on innovation is not directed from the innovation department or from the development department; there are no

accelerator programs and there is no corporate funding.

There is, however, an open laboratory that is seen as both a gathering place for T-Mobile's craftsmen and an outstretched hand to the scouts on the outside. This is Futurelab: Center for Innovation & Crafts. Futurelab forms the bridge between T-Mobile's professionals and the innovators who have wild plans for the future. The laboratory offers the expertise, resources, decisiveness, the network and the relationships of the telecom company, so that tested innovative ideas can be brought to market faster.

For labs within a corporate, I would like to give a practical tip: Create some distance between the laboratory and the day to day business. This will greatly improve speed and flexibility in the lab. A corporate environment revolves around risk reduction. Brand Managers, Legal, they are all focused on making things work efficiently and not making mistakes. While during the exploration phase, that is exactly how you learn: By making mistakes. By experiencing

what works and what doesn't. These two worlds do not go together easily. Concluding a quick contract is difficult for a corporate, since it must be signed by a variety of people. This stands in the way of speediness. Creating a new image is complicated, because several Brand Directors must give their approval before anything can move forward. In short, in order to maintain flexibility and speed, it is wise to really keep the laboratory separate from the brand in terms of contracts, branding and customer experience.

This can be achieved quite simply by, for example, making a clear and deliberate distinction between the branding and identity of the laboratory and the corporate. Positioning the lab next to the existing brand (and not under the same flag) increases speed because decisions can be made more autonomously. In addition to the benefits with regards to speed and flexibility, for the consumer it is easier to accept the imperfections that come with testing in a laboratory setting than if the tested product or service were represented by a full-fledged brand like T-Mobile.

Based on the projects that I have been able to do from Futurelab, I have come to define 4 phases. These phases provide guidance and structure to Corporate Jamming and the innovation that flows from it. I call the first phase:

## **IMMERSION**

In this phase I get to meet and sit down with the startup for the first time. We get to know each other, immerse ourselves in the start-up's business model, determine which crafts from T-Mobile are relevant and can be of use, and try to understand the purpose of the product or service that we are going to be working on together. Who do we do this for? What problem do we solve and who do we do that for? How can we help each other?

### LAY FOUNDATION

Is what I call the second phase. Together we look at the numbers and define the goals. We look at where customers come from, what they do with the product/service, what value it currently offers. We talk to each other about what we hope to learn in this process and what numbers would

constitute success. Very important in this phase is that we write down all our assumptions. That means: Everything we presume, and every kind of assumption we make. We come up with and define experiments to investigate these assumptions. We agree on clear milestones that mark when we have learned something and when these experiments can be called a success.

## **EXECUTE EXPERIMENTS**

The assumptions/experiments always relate to a number of categories. These categories are: Acquisition, action and retention. These are the first three factors from "the Metrics for Pirates"<sup>27</sup>. They define the "system" on which our final cooperation proposal will be based. Based on this, T-Mobile's management will assess whether this case has sufficient future prospects to work together. One of the ways to do this is to send a marketing message to a customer group of around 5,000 customers. Suppose that 50% of that group indicate that

<sup>27</sup> https://slideshare.net/dmc500hats/ startup-metrics-for-pirates-long-version

they like this product. Then that represents the acquisition power of this product or service.

After that we send those 2500 customers an offer. Now imagine that 40% is willing to invest something in it. Those 1000 customers are willing to do something to get the product. "Doing something" can be: Paying money, baking an apple pie, taking a picture of themselves doing a handstand, or being part of a group and sharing their experience. That is what is called the action power of this product or service: Are people going to do something in order to get it?

We then deliver the product or service to those 1000 customers. After a few months have passed we check how many people are still actively using the product or service. Let's say that after a few months of use 50% still think it's a good product or service. That is the retention power of this product or service.

After this process, we can put together a business proposal much more confidently. We have

learned a lot about the product or service and we have experienced how it is used. We know how many customers think it's a great product. We know how many people are willing to do something for it. We know how they use it, how often, which aspects they like and which ones they don't like. And we have learned through experience how many service calls to expect. In short, we are now ready to make our pitch.

# **PITCH**

It is in this phase that we make our pitch. This is primarily a summary of the lessons we have learned along the way. And although it is not the core objective, we also pitch a possible form of cooperation. We may have found that the startup fits seamlessly into T-Mobile's business. So we advise T-Mobile to purchase it, or we recommend taking a share, or we sign a white-label agreement, or a purchase obligation. The possibilities for cooperation are countless. But the most important thing is: If the board decides not to proceed cooperation with a startup, then everything we have learned together remains the property of the startup. This way the startup

can find another space and take new steps based on what has been learned.

#### 5.1 The story behind "46 for the home"

Corporate Jamming has been applied in practice a number of times, with good results. The T-Mobile product "4G for the home" is a good example of this.

We came into contact with Pieter Hoenderken, who introduced himself to us as an agricultural IT professional from the Achterhoek (the countryside in the East of the Netherlands). A nice, warm man who translates craftsmanship in Technology into useful solutions. His startup "het Internet Huis" ("the Internet House") is constantly looking for solutions that connect people and technology. Hoenderken and his team make new technology usable and develop new possibilities. For example, they recently pooled their energy and expertise to provide a good internet connection in the countryside.

Farms with slow internet
When Pieter came to Futurelab, he said his

research showed that there are 300,000 farms in the Netherlands with slow internet. For the simple reason that all of these farms are too far from the ADSL exchange. This slows down the signal. An underground COAX cable could be a solution, but that is a very expensive affair. There is no company that can turn underground COAX cables into a viable business case. So the case is: ADSL is slow in the countryside and underground cables will not be installed. This creates the necessary problems, because in the Netherlands farms are quite digitally advanced. Sound internet is desirable to say the least. At the same time, Pieter had discovered that there was a perfect 4G signal in the same area.

Our own colleague Bart van der Hulst, who lives on a farm, experienced exactly the same problem at home.

Pieter found a modem that does not connect to an Ethernet cable, but that takes a SIM card. This modem receives a 4G signal and transmits a Wi-Fi signal. And at a good speed at that. Nice product, good solution. After completing our trajectories, we decided to offer assistance to this trajectory by opening up our crafts.

#### A big success

Pieter was selling this product himself and that had been going pretty well. In addition to sales, "het Internet Huis" also did marketing and service by itself. We kept in touch and continued to share knowledge. A few months later we wanted to run an experiment with both the professionals from Marketing and the professionals from Digital. We decided to create a page on t-mobile.nl that would allow us to gauge interest in this product.

That turned out to be an instant success. At a certain point, a new registration would literally come in every minute. Of course we were all elated.

But how could it be that for a base of around 300,000 farmers' households, "4G for the home" had such a great appeal?

When we analyzed the data and we came in contact with the people who had registered, it turned out that this was not just about farms. We also spoke to boaters, truck drivers and owners of campsites. We even spoke to a crane operator who wanted to use this product in his cabin at great altitude. Many other experiments followed. The hardware was adjusted, we experimented with the antenna. And we asked the group of users that had registered to participate in tests. We discovered all kinds of new challenges, but luckily we also found new solutions. In addition to customers a huge amount of craftsmen and craftswomen passionately dedicated themselves: Network specialists, developers, community managers, product managers, proposition, marketing, finance, hardware specialists and a whole bunch of other professionals.

From a startup that saw an opportunity, to a product that is sold at a corporate. Development and innovation accelerate through Corporate Jamming. Pieter did the exploration; he found the solution for farmers with poor internet.

T-Mobile was able to boost the product through improving efficiency.

Our craftsmanship in sales, service and hardware helped the product reach its current scale.

#### 5.2 Thinking outside the box with BLOCK

At the end of 2015 some of us from Futurelab had an appointment with Fabian Sapthu (co-author of this book), Sidney Vollmer, Daan van Dam, Ernst Koning, Bas van de Poel; the men of BLOCK. This group consisted of designers, marketers and a storyteller. Entirely true to his storyteller craft, Sidney started telling his story.

He sketched today's streetscape: People on their smartphones, who have lost almost all interaction with the outside world. Having a face to face conversation is becoming increasingly difficult.

He told me that we have forgotten something vital with this technology: Soft drinks are put in the fridge. Crockery is stored in the cupboard. Bread can be stored in a bread bin. And you don't park a car in the middle of the street either, but

you neatly park it in a designated space, the garage or in the driveway.

#### A lack of etiquette

Almost everything in your life has its own place to be stored: A place where it belongs. A car standing in the middle of the street will occupy your mind, while a parked car is out of your mind. Crockery spread out all over the countertop? Same. But when it comes to our mobile phone we have forgotten to create a space to store it. To tuck it away so that we can take a break from it. To just sit at the table with friends, to read a book in peace. Of course, you can put your phone in a drawer or on your bedside table, in silent mode or even in airplane mode. But it is not the same, the cell phone is still there. Moreover, you can still see your phone light up on the nightstand. The infrastructure to tidily put your phone away is what is missing, according to Vollmer.

The men at the table clearly were design-professionals. They had brought something beautiful along with them: A box. A useful box for your phone. A Faraday cage. With the sole purpose of giving you a break. They had developed a box that blocks your phone's signal.

A Faraday cage, named after Michael Faraday, is an enclosure of electrically conductive material, such as copper or iron, that prevents static electric fields from penetrating the cage. However, the cage is permeable by static magnetic fields such as the earth's magnetic field. The cage offers protection against static discharges such as lightning.

It might seem like an odd choice for T-Mobile, a company that makes its money from mobile connections, to help develop a box to prevent that connection. Nonetheless, Futurelab wanted to help. The design of the product was beautiful and the story convincing. And we agree: Every now and again society needs a moment offline.

During our conversation I enthusiastically put my phone in the "BLOCK" and we called my number. Rrrrrinnngggggg, the phone rang anyway. Astonished, I looked at the men. They in turn were also surprised. Well, they started their story: "It turns out to be quite a challenge to make a truly sealed Faraday cage. The people with the right knowledge to help us are either employed by the telecom operators or are very expensive."

## Challenge

After we had recovered from the initial shock, I fell back on my craft: Solving challenges creatively. I took the group and brought them to the T-Mobile network department. The craftsmen and women here know everything there is to know about the phenomenon 'signal'. These professionals know everything about sinusoids, about radio signal and about how that signal penetrates different materials such as concrete, glass and iron. These employees receive targets from T-Mobile. One of those targets is to provide the best possible 4G coverage: Get 4G everywhere. And they do a fantastic job, because in 2019 for the fourth consecutive year T-Mobile offers the best network in the Netherlands.

As we walk into the department offices, I shout out: "Get 4G everywhere, except in this box." Now that is a challenge that these professionals are only too happy to accept. This is their craft, their professional knowledge, their passion. Normally their work here concerns finding solutions to get a signal through even the thickest walls. The challenge now is to keep that same signal out. Keep it out of the box.

By making a raised edge on the inside of the box, so that the lid could clamp over it, the signal-tight box did become a reality after all. A box that does its name justice: BLOCK. After working on the design, we did experiments. These showed that we could not do all that much more for BLOCK. The production costs ensured that this product would appeal to a target group that is too small for T-Mobile. So, unfortunately, in terms of exploitation/operation BLOCK was not for T-Mobile. Yet we enjoyed a fantastic joint exploration. Fortunately, our craftsmen were able to help and BLOCK has decided to continue.

A few months later I receive a phone call asking: "What is our connection with BLOCK?" It turns out that the BLOCK men had launched their product and received a lot of attention in the press. When telling their story they would praise the collaboration with Futurelab. That generated a huge amount of traffic to the T-Mobile website: So much traffic, that if we were to buy that in advertising, it would cost a great deal of money.

It turned out that for T-Mobile the value of BLOCK was not in the operation, but the exploration yielded a lot: Valuable lessons, fun and a lot of marketing value.

#### 5.3 Alpaca Innovation

The wonderful thing about having a Futurelab within a company is that you make the most special and unexpected connections. For example, I was asked by an alpaca breeder in the Netherlands if we could think of a way to track his animals.

To start, I honestly had no idea what an alpaca was. I soon discovered that it turns out to be a

kind of lama with a very soft woolen coat. Ideal to make clothes out of. For comparison: If you were to look at the hairs of sheep's wool under a microscope, you'll see that it has some scales, some very small ridges. The hairs of an alpaca on the other hand are completely smooth. Sweaters or scarves made out of alpaca wool feel very soft and do not cause itching.

#### Tracking

In the alpaca world everything revolves around the bloodline. The bloodline determines the quality of the wool. The price of an alpaca depends on its quality, and whether you want to buy a hembra (mare) or macho (stallion). Imagine prices from €2,500 to €50,000. What happens to an animal that is worth €50,000 and is walking around in a meadow? Exactly. That animal gets stolen. That is why the breeder wanted a solution: Something to be able to track an alpaca. In the search for a solution, we naturally called the IT farmer we had met before, Pieter Hoenderken from "het Internet Huis". He told us that this is why cows wear a collar with a tracker on it. The tracker broadcasts

the location on the basis of 2G. But when we presented the idea of a collar to the breeder, his answer was pretty clear:

"Ewout, my craft is breeding alpacas and you are making a mistake. These animals are bred and kept for their wool. If you put a collar around their neck, the collar will rub the neck all day, rendering the wool in that area unusable. Also... And more importantly, a thief can simply just cut that collar. That collar will continue sending a signal from the meadow, but the alpaca will already be gone."

#### Donut

So, back to the drawing table. After a lengthy exploration, we contacted someone who knows everything about the inside of such an animal; a veterinarian. She was of great help to us. She helped us understand that an alpaca has quite a special digestive system. They have stomachs with an upper entrance and an upper exit. If you shoot something "heavy" into the stomach, this will land on the bottom and not come back out.

After a visit to the University of Wageningen, it turned out that it is possible to shoot a kind of donut into the stomach. This will not bother the alpaca in the least, and at the same time it can transmit the animal's location. We thought this was the perfect solution and the breeder was happy too. But he also immediately commented: 'When I am sitting on the couch, my legs up in front of the television, I want to receive a message when one of my alpacas starts moving in the direction of Germany at 120 kilometers per hour.' He asked us to create an app. This seemed like a logical request to me. Unfortunately at that time all of T-Mobile's professionals with the capacity to build apps were fully booked. Nobody had the time to build an app in the foreseeable future.

So our exploration continued and we contacted app creators from South Africa. The Polymorph company that offered to build an app employs fantastic craftsmen and women. Polymorph offered to build this app for a low price, but with a special request. In South Africa many rhinos and elephants get poached. They wanted to see

if the 'alpaca donut' could also be a way to help the rangers protect these beautiful animals. In other words: Would this also work for elephants and rhinos? I immediately called the vet again. It turned out: They have similar digestive systems!

This example shows beautifully what a working community can achieve. From securing alpacas in the Netherlands to saving rhinos and elephants in South Africa.

### 6.0 EPILOGUE 2.0 (ADD CONTENT)

It has become clear to me that writing a book is a lonely process. Far too lonely if you ask me. In addition, writing is really not my craft. Let alone designing a book. That is why I am proud to tell you that this book is the product of jamming. And while some books are written by ghostwriters, that would of course not be in line with the methodology published in this book.

Yvonne Brok made my first lines of thought legible. Then Hedde Meima unleashed his technical writing coaching-skills and Fabian Sapthu worked his magic to shape the now legible lines of thought into the book that lies here before you. The first concept is the work of craftswoman and creative mind Celis Jansen. A concept that Fabian continued to develop through jamming. Fabian is the hero who, in addition to using his writing skills, also came up with the jam of passing the book on. More about that later. You can see how much craft is needed before a word is printed. They are craftsmen!

In addition, many people helped me, by reflecting and sharing experience: By jamming with me. Evert Jan Karel, Pieter de Brouwers, Bart Terpstra, Michiel Huisken, Afzal Mangal, Bas Schopman, Ben Smit, Edzard Braam, Viola Rijnsdorp, Michiel van Veen, Johan ten Dolle, Boris van Beek, Kathleen Loods and Jochem van Berne. Big thanks also to the language and technical writing wizard Jeroen Stekelenburg and and Christel Brenninkmeijer for her translation.

The result of the jam with this working community, of these collaborating crafts lies here before you. What now? That is the question. That is also my question to you. Innovation is an ongoing process. Continuously in flux, continuously in transition.

Stagnation means decline and rest is rust. So I'm looking for collaboration, for cooperation. The ideas must be spread along. This was print 1.0, the first print, a start. A baseline.

Based on my experiences, I have tried to hoist the sail and sail out of the trench. But I would like to find our route together. The route to a new innovation approach. An innovative space where we meet each other, where we work together, where we involve the customer. A place where we are open to the outside and actively share our knowledge and insights.

In order to take these ideas further, I am looking for craftsmen with a vision of cooperation and innovation, who want to co-write, add to it, and take this line of thought to the next level. That is why this book is not a "traditional book", it is a book to pass on. My hope is that you would like to make use of the blank pages that follow this chapter to write down your ideas, your experiences with an innovation process or an example of a collaboration that has led to some kind of innovation. Supplement this philosophy. And after you have done so, pass this book on to someone who you think should read it, and encourage them to write an addendum as well.

I collect all of the addendums, and together we will publish those in this book's next edition. This coming year I hope to interview people and record podcasts. Learn about new examples and experiences. The goal: To learn together what an alternative innovation approach could look like.

Corporate Jamming; because the future always holds the best opportunities for those who face it fearlessly and hand in hand.

Let's jam!

**Ewout Karel** 

#### 7.0 LET'S JAM

We'd love to read your reaction!
Scan the QR-code or click here and write freely about your ideas, experiences and reflections on the above.



And of course don't forget to pass this PDF along.

Publisher: In the making B.V. Spaarndammerdijk 254, 1013 ZW, Amsterdam. Innovation. We all want it. But through the corporate walls of KPIs, business plans, risk aversion and hierarchical accountability; we never seem to reach the true potential of innovation. A missed opportunity. In Corporate Jamming 1.2, Ewout Karel describes, based on his own experiences (including as the Innovation Manager of T-Mobile), why and how we can break through the walls of organizations. So that more can be explored. So that corporates and start-ups can meet. And their craftsmen can work and dream together. By "Jamming" as musicians say. The intended result is a much more effective and qualitative climate for innovation.





Ewout Karel is the innovation manager at T-Mobile, innovation director at Chateau Amsterdam, super enthusiastic, passionist, boatbuilder (k-d-s.nl), Chef cook (Cuisine culinaire Amsterdam) and a proud dad. He likes to talk and does it a lot and often about innovation. (and now he's written a book about it)

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