Culture Change at Deutsche Telekom AG

**Lead to Win – Deutsche Telekom’s New Leadership Ambition**

Deutsche Telekom is ambitious to become the “Leading European Telco”, as market leader for integrated services in the European footprint. However, never before the concept of leadership has been so contested: customers demand integrated solutions and intelligent connectivity, while organizations and employees require incentives and guidance, yet freedom to act.
LEAD TO WIN’S MISSION

Consolidation in markets and growing technological and organizational complexity require pan-European mindsets and are adding a new cultural dimension to management. Disruptive innovation calls for technical transformation and changes to our traditional modes of communication. Collaboration is replacing hierarchy, encouragement is superseding commands, and virtual leadership is taking the place of an outdated culture of presence.

In order to react to those challenges Deutsche Telekom’s strategy is paving the way to the digital transformation of its business, towards integrated and convergent products, customer-centric services, based on state-of-the-art IP technology. The “What” is clearly defined, but to become the Leading European Telco, Deutsche Telekom must reach excellence in “How” to realize it. This is where Lead to Win comes in.

THE BASIS OF LEAD TO WIN

The goal of the Lead to Win initiative is to elevate the Group’s strategy into a compelling leadership culture. Because it goes without saying that a new culture of entrepreneurship and encouragement must be driven by strong leaders. Thus Deutsche Telekom needs leaders who are passionate for more: who take responsibility, act proactively and anticipative, are willing to take risks, focus on performance, are T-minded, cooperative, and who act entrepreneurial. In short: leaders who know how to “Lead to Win”. Moreover, Höttges’ favorite quote from his studies at Stanford nails down the importance of such an endeavor: “Culture without strategy is aimless. Strategy without culture is powerless”. DT needs both: a high-performing culture able to achieve the strategy, shaped by its leaders and employees.

The conceptual framework of Lead to Win consists of three Leadership Principles:

Collaborate:
- We win and lose together in DT – we act as „dual citizen“
- We foster solution-driven dialog – we challenge decisions when we disagree
- We accept and give feedback to improve together
- … and we are not afraid to take responsibility when things are unclear

Innovate:
- We constantly work on innovating – our customers’ experiences, our processes and our products
- We constantly challenge the status quo and our own behavior and make problems visible
- We are not afraid to make mistakes and we correct them quickly
- We show courage for our ideas and fight for them with passion
- … and we do so based on understanding our business in detail

Empower to Perform:
- We strengthen our team and do not make decisions for others
- We give responsibility to our teams and encourage risk taking
- We support, develop and care for our people
- … and with a clear vision we make our strategy relevant for our team and execute with discipline

Together with Deutsche Telekom’s well established Guiding Principles, they determine the corporate culture. Furthermore, the individual performance assessment, reward and development of Deutsche Telekom’s management is adapted in such a way as to support the principles and provide the right incentives for cooperation, more innovation, and a stronger focus on empowerment.

To avoid the Leadership Principles remain only words on paper and are actually pursued to re-create a new culture with significant impact – new formats, tools and events have been developed.
Hans-Peter Günter: 18 years ago, Hans-Peter Günter started working for Deutsche Telekom AG and joined the HR-Department in 1999. Since 2012 he is the Vice President of Group Performance Development and the responsible Global Category Manager for Performance Management. In 2013, Hans-Peter Günter, together with a small team, developed the Lead to Win initiative and acts since then as the operative project leader for the introduction of Lead to Win. Nowadays, Lead to Win grew to a global campaign, involving many people and departments of Deutsche Telekom AG.

Dr. Reza Moussavian: In his capacity as Vice President of Group Transformational Change at Deutsche Telekom AG, he drives the Shareground initiative intended to create and promote a new culture with regard to collaboration, innovation, and implementation within the company. Shareground is a dynamic community, which seeks to drive transformation and networking with others as a means of establishing today the working culture of tomorrow. Activities include workshops and coaching programs for business teams, cultural partnership programs, as well as the implementation and communication of the guiding and leadership principles, and with that the support of the Lead to Win initiative with focus on activities regarding communication and transformation.
INTRODUCING LEAD TO WIN

Supporting the Mindset-Shift

As Hans-Peter Günter, the operative project manager of Lead to Win, states: “The biggest risk of such an initiative is that it will be perceived solely as a new process or IT-tool – which are at most means to an end. Lead to Win implies more than following new rules, processes or using web-based tools. It is an initiative to change leadership culture with the upmost target to create the necessary understanding and to provide supportive instruments to live it. Therefore it is important to start on the very top. Lead to Win was piloted by targeting the first management level. Only if the top management is committed to transform leadership, other leaders will follow.”

Formats and Tools

As a kick-off, all 2,800 Executives of the Group received the Lead to Win Starter Kit, a tangible box including explanatory and supportive materials, developed by Shareground, Deutsche Telekom’s in-house unit for cultural transformation. “Through its innovative design and hands-on configuration, Executives get in touch with Lead to Win in a playful and positive way, rather than linking it with additional work and effort,” says Dr. Reza Moussavian, Head of Shareground. The Starter Kit provides tools and approaches to tackle the leadership challenges that Executives may face in their day-to-day working life and leaves room for thoughts and ideas. Materials are based on recognized models and adapted to concrete challenges regarding the Leadership Principles.

Furthermore, Shareground developed specific workshops for Lead to Win, provided in the beginning of 2015 to the entire Lead to Win target group. To kick start the exchange about the Leadership Principles in an interactive workshop and to understand their sense and meaning, Executives are invited to join the Leadership Principles sessions. “Here, everyone has the unique opportunity to take the time for reflecting on his or her own role as a leader, formulating a leadership challenge as well as discussing ways to approach them in smart and small groups. It is about change of perspectives, trust and peer-to-peer exchange as well as sharing of personal experiences while acquainting the interconnection of leadership values and performance,” explains Dr. Reza Moussavian. Following the Leadership Principles session, the Lead to Win Enabling Session provides more procedural and technical information on tasks to practice new tools and to get comfortable with the changed requirements. “To create commitment, Executives must have the chance to actively get involved with all upcoming activities, talk to the responsible persons and ask critical questions. Sending out a brochure or informative emails is not sufficient to take leaders on that journey. Additionally, to tell the Lead to Win story in a consistent and holistic way, creative movies are used for the sessions.” says Hans-Peter Günter.

To keep people on track and commitment stable, many more inspiring activities will be provided next year, partly digital and tangible, but foremost interactive and involving.

TO SUMMARIZE...

All in all, Lead to Win establishes an integrated value and performance system. Assessment, reward and development of Deutsche Telekom’s management will be balanced in such a way as to provide the right incentives for cross-functional collaboration, more innovation, and a strong impetus on empowerment to perform. “Cultural change is a long process and hard to measure. It is an unusual step for a multinational corporation to prepare, pilot and complete roll-out to all 2,800 Executives in only one year. If next year our employees experience first changes in how they are led, we are on the right track.” concludes Hans-Peter Günter.

In the words of Timotheus Höttges: “At the end, it is not about words and thoughts, but what we ventured and achieved. For me, this is leadership.”

Marc Wagner, Partner, and Julia Troll, Consultant, advises companies on the topics Transformation & Peoplemanagement.

* Source: Lead to Win Brochure, November 2014