

Dortmund Consensus

Common Sense for Common Wealth

by

Hans-Werner Franz

Budapest 2016

SIC Summer School, 24-27 September 2018

Also to be found under www.essi-net.eu



European School of
Social Innovation

„What comes up must go down“

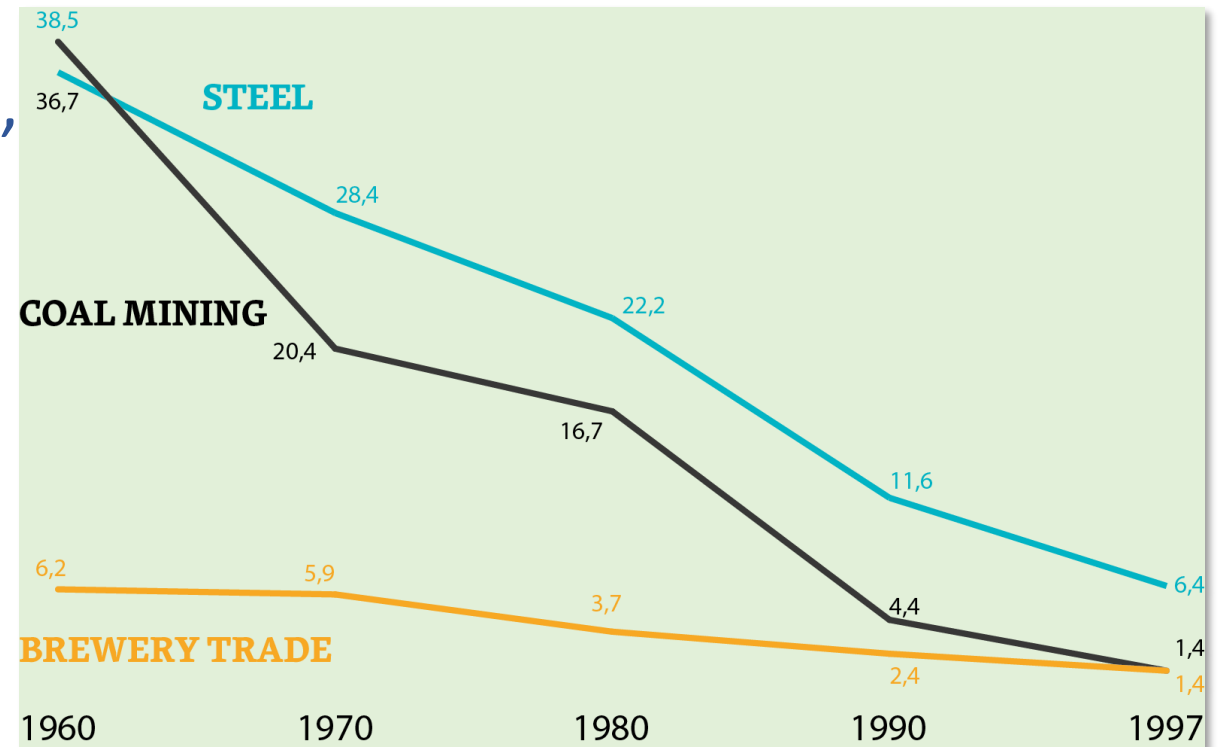
Blood Sweat & Tears (Spinning Wheel), also Isaac Newton

Population

in 1850: 10.000

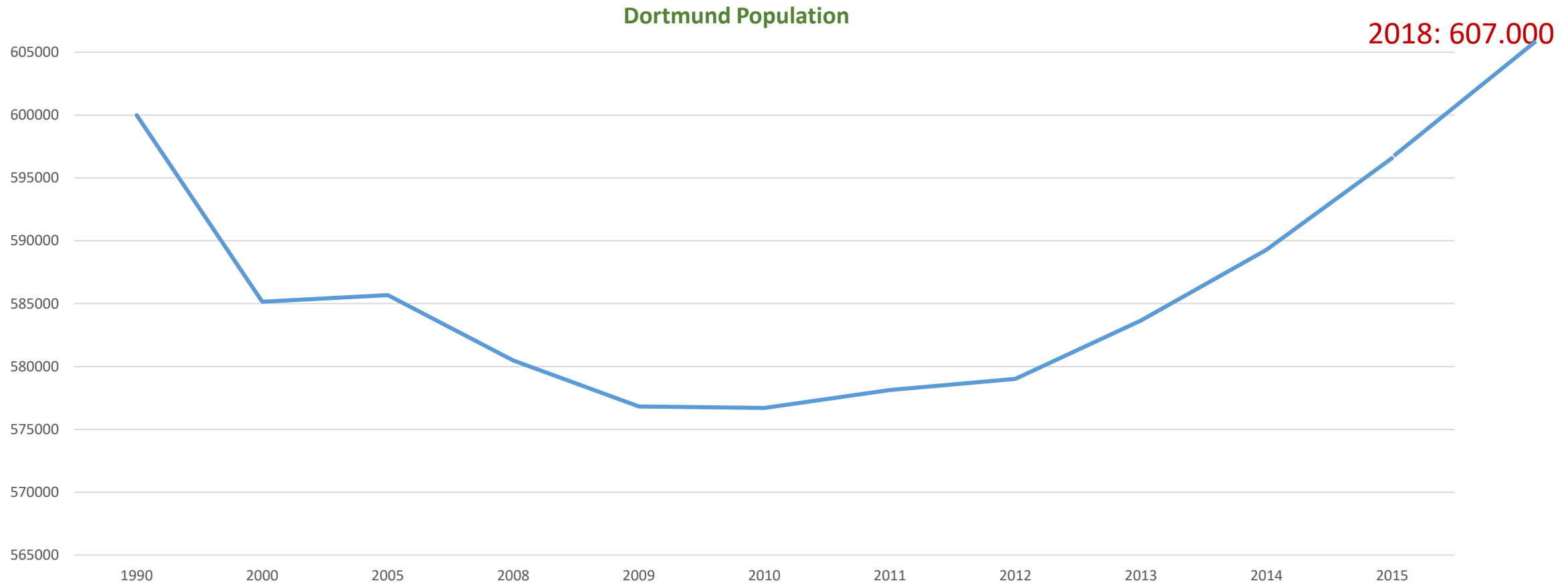
in 1900: 143.000

- More than 100 years of rise, followed by 40 years of decline, loss of about 70.000 jobs from 1970-2000 in coal, steel and beer
- 1980 – 2020 nearly 40 years of shaping structural change



In the Ruhr: Only Dortmund's Population is Growing

Since 2016
also ESSEN



Employment

- In 2013, the active population had reached and surpassed the level of 1983
- **Instead of coal, steel and beer** with large companies and a great number of small dependent industrial services
- Now: SME-structured, technology and services-based local economy with 84.7 per cent of workforce employed in services (industry: 15.2%)
- Largest employers: City and University, city-owned services like Electricity, Gas and Water supplier and Public Transport
- Largest private company is world market leader in high-tech pumps (Wilo), currently building a huge production campus in Dortmund

What remained (2000) & what's there now

More than 53,000
students in
university and
university of applied
sciences

Main trigger

U Tower &
creativity quarter
& new housing

Thier Gallery
(Mall)

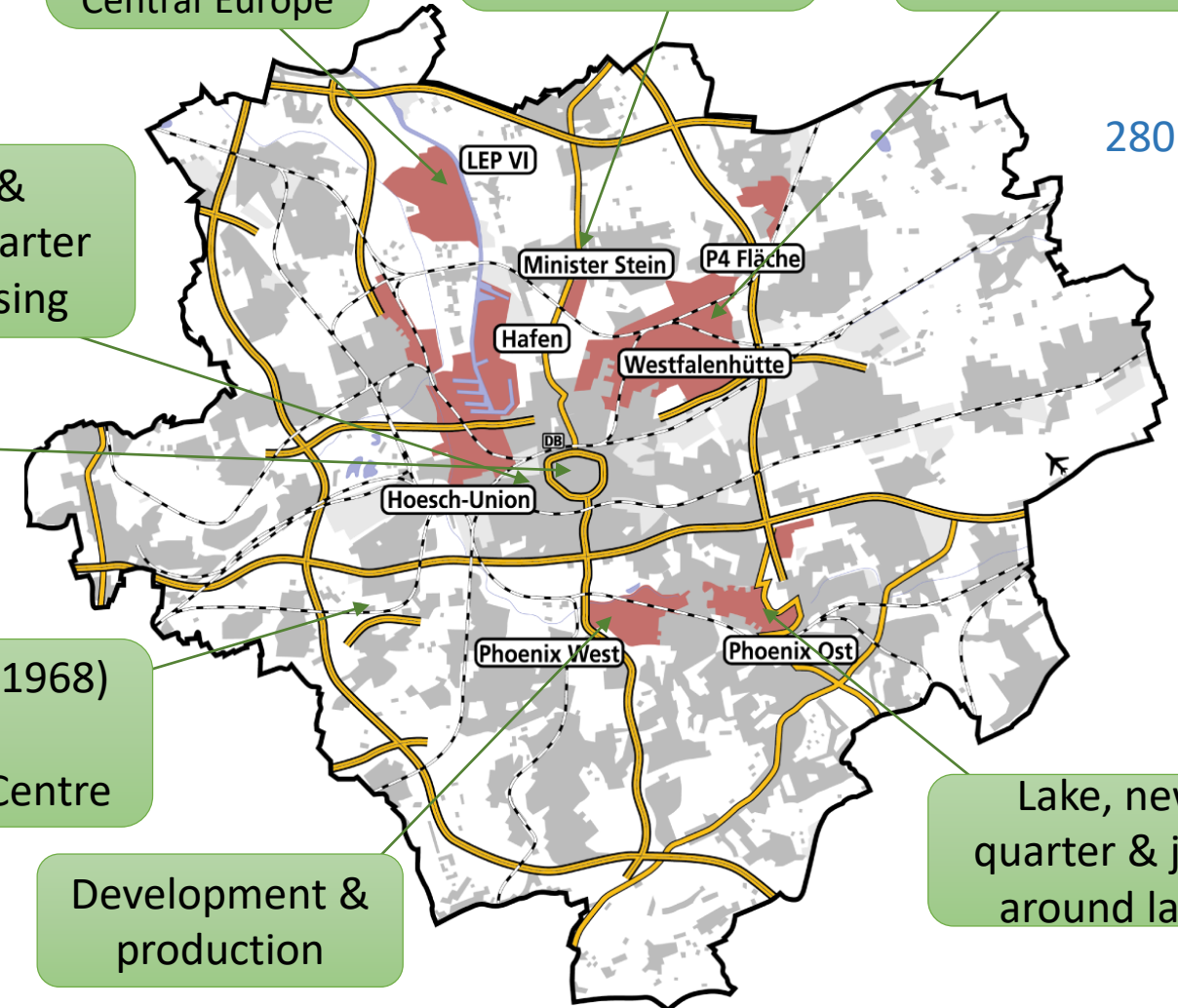
University (*1968)
&
Technology Centre

Development &
production

IKEA
Warehouse for
Central Europe

Social Science
Centre, e.g. sfs
+ commerce

Warehouses
Transport logistics



Lake, new
quarter & jobs
around lake

Success breeds success 1

TechnologieCentreDortmund - 1983



More than 12,000 new jobs



TechnologieCentreDortmund - 2016



Success breeds success 2

Phoenix East – the steelworks

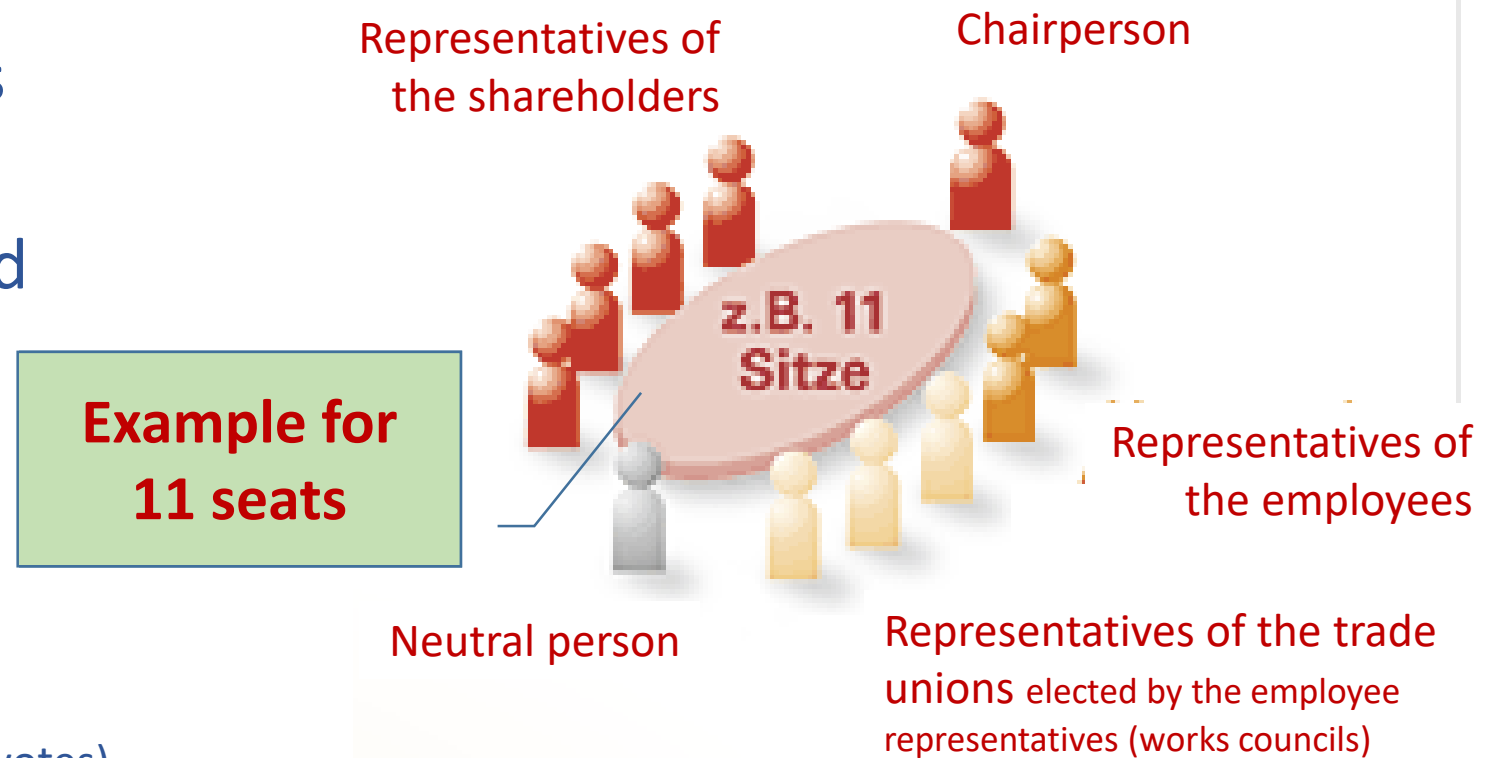


Phoenix East – the lake



Dortmund Consensus – Where it comes from

- §1951: a long tradition of Co-determination in the Coal and Steel Industries
- Equal representation on the Supervisory Board for companies with more than 1000 employees
- Labour Director on the Management Board
(cannot be elected against employee votes)



Continuity of social democratic city government



DORTMUND

- Election results:
1950 – 1999: between 58 and 50 per cent (SPD governing alone)
1999 – 2016: around 40 per cent
(SPD governing with established coalitions or changing coalitions)
- Responsible positions in city administration are shared with other political parties (black/green) approx. according to their share in votes
- Example: most of the Ruhr Area city governments were controlled by the Land until lately due to financial restrictions (more exactly; by Bezirksregierung; intermediate administration level between federal state and municipality levels)
Dortmund has always achieved a common vote on budget.

Representative Boards and Advisory Boards in all relevant institutions

- Examples
 - Supervisory Board TechnologyCentreDortmund
 - Supervisory Board of Local Labour Agency
 - Advisory Board Economic and Labour Promotion
 - Local Further Education Council
- Representation of all relevant parties, Chambers, Trade Unions, Churches, scientific experts, relevant civil society representatives
- By law: all relevant construction projects on the municipal and the quarter level need regular two-step participation of citizens



Specific local governance model has developed: from strong ties to the strength of weak ties

- What used to be a corporatistic model (co-determination) and felt-like structure of strong ties and politically based bonding has become
- a relatively open model of networking and co-operation
- Evidence: most important non-electoral jobs in public life are now obtained through open, competence-based procedures with most positions occupied from outside (non-dortmunders)
- All players with a large variety of interests influence decision-making processes in many places and through many channels (what Grabher called „controlled redundancy“)
- Once decisions are made, common action in the same direction is prevailing



City as community of performance

Wenger, McDermott, Snyder 2002*: “cultivating communities of practice”

Seven design principles

1. Design for evolution
2. Open a dialogue between internal and external perspectives
3. Invite different levels of participation
4. Develop both public and private community spaces
5. Focus on value
6. Combine familiarity and excitement
7. Create a rhythm for the community

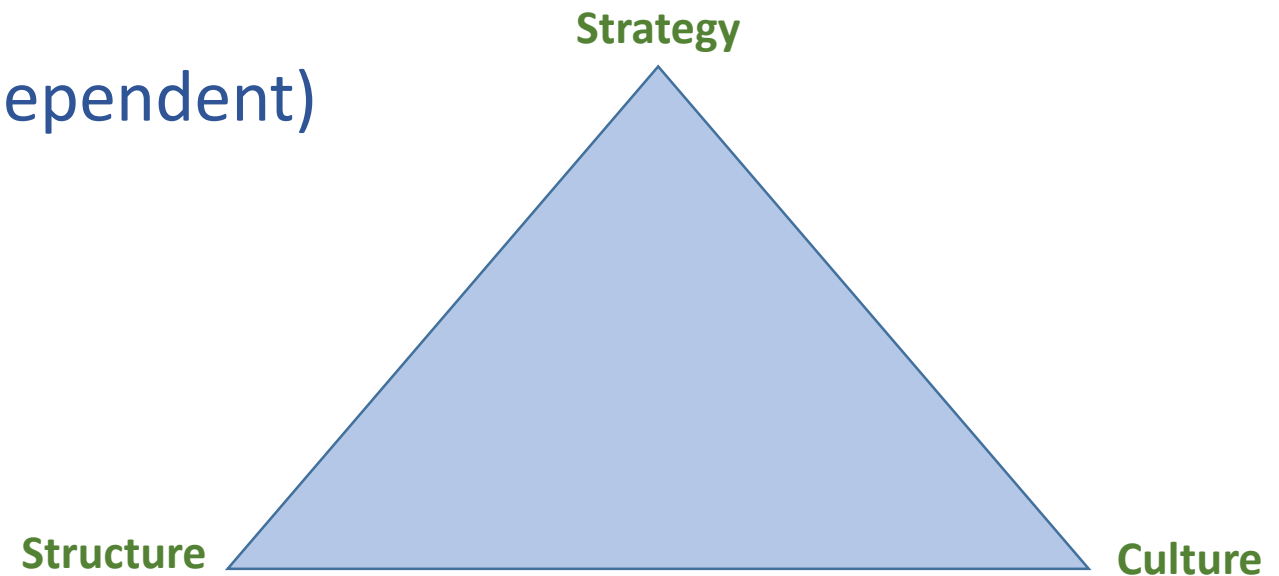


Franz/Kaletka/Pelka/Sarcina
Building Leadership in
Network & Project
Management
2nd edition 2018, Berlin:
Springer

*Wenger, E., Mc Dermott, R., & Snyder, W. M. (2002). Cultivating communities of practice. A guide to managing knowledge. Boston, MA: Harvard Business School Press

Structure vs strategy dilemma

- Structure follows strategy (Chandler)
- VS**
- Strategy follows structure (Hall and Saias; Mintzberg: interdependent)
 - **Overcome by culture of co-operation** (following idea of Sattelberger: Continuous improvement)



Chandler, A.D. Jr. (1962). *Strategy and Structure: Chapters in the of the American Industrial Enterprise*. Cambridge, MA: MIT Press

Hall, D.J. and Saias, M.A. (1980). *Strategy Follows Structure!* Strategic Management Journal, Vol 1 No 2 (April-June 1980) 149-163

Mintzberg, H. (1990). *The Design School: Reconsidering the Basic Premises of Strategic Management*, Strategic Management Journal, Vol 11 No 3 (March-April 1990) 171-195