



**Lawyers on Fire:** Welcome Doctor Theissen. We are in Stuttgart today, as guests of Mr. Theissen, Senior Vice President Legal and General Counsel of Holtzbrinck Publishing Group. Thank you so much for taking the time today to meet with Lawyers on Fire. We have some questions. We took notice of you and you were recommended to us as one of the most innovative lawyers in Germany with regards to certain issues, which we are going to touch on a bit later. I would suggest we start with some general questions and you tell us a little bit about your current remit. What you currently do as head of the legal department here at the company, and a short introduction, because Senior Vice President sounds very important. At the same time this is a very modern and flexible company. Tell us, how can we imagine your daily business to be like?

**Sascha Theissen:** Thank you very much. The legal department here in Stuttgart deals with two big topics. One encompasses all the common issues of a holding, including everything to do with M&A – sale and acquisition of companies for the expansion and restructuring of our portfolio. And also strategic holding issues, which includes global sourcing contracts for services, like global Microsoft licensing or similar. This all happens centrally from the holding. Besides that, we are also the outsourced legal department for our subsidiaries and deal with many of their operative issues. This would include large sale and supply contracts, but also a lot of detailed consultation dealing with whatever happens to our businesses on the market. Our work includes dealing with cease-and-desist orders that might come in; we deal with infringements of our intellectual property rights for our subsidiaries. But there are also many new and innovative ideas which require our support, especially from our digital companies and departments. And we look at how the envisioned business models could be molded into fitting legal terms in order to create a product that can be sold successfully.

**Lawyers on Fire:** Do you yourself counsel or do you mainly organize, as the head of the legal department?

**Sascha Theissen:** When I was assigned as head of the legal department, one colleague asked me who was going to take over my previous job, and I foolishly replied that I of course will keep doing my old job. I will only be doing some admin on the side. But by now of course I mainly deal with these other, new topics. This includes management of staff but also recruitment of the right people and employee development, as well as team building and training. I also have their backs. Then of course my job includes a lot of administration, which means that I cannot spend 90 percent of my time any longer on supporting operations, the way I would have liked it, but maybe only a



third of my time to deal with their topics. And even when I do, I mainly deal with big topics and am otherwise mainly a sparring partner and contact person for my team whenever they need a second opinion or my feedback. And then I am also involved in the education and training of new employees. But my day to day contract work is less than I thought at the beginning.

**Lawyers on Fire:** And looking back on – you said with regards to content your scope changed slightly since you started in this position. What was it that basically changed in your opinion, and looking back, or even if you could start anew, is there anything you would do differently from the start?

**Sascha Theissen:** I think that when I first started with Holtzbrinck we were a typical holding legal department. Just like in many other big companies and holdings in other industries, as I hear from colleagues. We had a reputation of often not really understanding our business and of not always presenting the best and most helpful solutions to a problem, which often was also due to us being consulted quite late in the process – often the product had already been fully developed and were we asked only then to check for legal issues. Often the result was that the end product then could not be released due to high risks. We then had to show the product the red card and became the bogeyman, which naturally made people not really like us. And from the beginning it was my desire to change this process so that we, as the legal department, would be included in the process from the beginning, from the first brainstorming meeting, being able to actively support the project over time and constantly advise on legal aspects. The result is a product that can go live or be released at the end of the process. This requires us to spend a lot of time in the various companies, to know the colleagues there and to have their trust. We needed to reduce their fears and concerns. They had to be convinced that talking to a lawyer is not such a bad thing. I went to the meeting in jeans and sneakers and introduced myself by first name. “Hi, I am Sascha.” I spoke to the technicians and engineers and sat with them. Only two days later they found out that I was a lawyer. Which changed their attitude, because they now knew the person behind the title. This really helped, as did my own personal interest in all things digital and technical stuff. It helped me to show a genuine interest and talk shop with the technicians and helped to find a common basis. What changed when I took over the leadership of the department 2.5 years ago was that I tried to scale the whole thing. I tried to scale my business relationship together with the whole team. Everyone who was working here when I started in my new position, all the people who used to be my equal colleagues, they were great people, great lawyers with a lot of legal knowledge. Nonetheless we did not always manage to convey all that knowledge. One of the reasons for that was us being too



far removed from operations and lacking a certain degree of understanding. The channels were often not there, we were not networking enough, especially with our operative businesses. That has been changed since I took over. We also changed the way we worked together within the team. The issue that legal departments are usually deemed very slow. That has completely changed and these days we often hear how very fast we are. We do not work more than we used to, but we work more cleverly than we used to. We now know what is important for our business, in our industry and so we look at priorities and at what needs to be done first. So we look at effectivity and at doing the right things first. We needed to better understand the risks of our industry. And knowing the industry well helps in assessing the risks, which in turn helps when working out contracts or working on legal problems. We don't always have to try any longer to work out a legally perfect contract which doesn't survive contact with the other party anyhow but rather work out a contract with covers all the really important issues at our end but is flexible where possible. If we inform our business people of the risks associated with such an approach, we enable the CEO to then either say 'I want to sign the contract straight away, I do not mind a certain risk level' or say, 'No thanks, I do not want any risks; rather keep negotiation for another six months and make sure there are no risks involved.' This way of working generates faster results where needed and appropriate.

**Lawyers on Fire:** You said you have an interest in IT? You have become known for using management methods known from the IT industry – like Scrum and Kanban. I do not know which lawyer knows what these acronyms stand for. How would you describe these to someone coming to you and asking, 'What is that?'

**Sascha Theissen:** Scrum and Kanban are frameworks that have been created in agile management. They can be seen as a toolbox filled with management tools that are all part of the toolbox labeled 'agile management'. Agile management is a pooling of various management trends, some of them dating back to the 1950s and it uses the best and most practical trends in the sense that as a manager one respects and trusts his employees; trains them well and provides them with what they need – in order to have employees who are proactive and engaged, who can find innovative solutions to problems. All these agile practices help in doing so, as they use approaches that promote and encourage agility. We work according to Kanban. The Kanban principle promotes transparency, and I deem transparency very important. Like in the old days, every member of the team came to work in the morning, locked themselves into their offices and only came back out when it was time to go home. Communication with the colleagues, even if



they were next door, happened mainly via email. This does not really promote transparency. We had a weekly jour fixe in which everyone reported on what he or she had done in the week so far and what they planned on doing in the coming week.

**Lawyers on Fire:** Kind of like a silo, so to say?

**Sascha Theissen:** Absolutely. A total silo culture. And from the beginning one of my main objectives was to get rid of this silo culture. I wanted each colleague to know what the other one does, that each of them had a better understanding of what we do in order to value it. Only once you know how difficult a colleague's work is can you really value it. Otherwise one only sees, oh, something has been done, but without real involvement. I wanted the people to share their knowledge with each other. We used to have a specialist for each area, each issue. Sure, they were all great in what they were doing, but there was very little exchange. If you have several issues that can only be dealt with by one single specialist it takes a lot of time for this specialist to work through them all. If you manage to distribute recurring issues so that different people can work on them, at least on the simpler and easier issues and tasks, a lot more can be delivered on time, and this leaves the specialist with more time to concentrate on the big problems, the big issues only the specialist can tackle. This also makes it easier to organize someone to cover in case of sick leave, holidays et cetera and also in case of high workloads. This requires, however, to break open the silo culture. We did two things to do that. We organized a workshop for the whole team with a really great coach, Robert Misch. He is an agile coach who had been working for one of our subsidiaries. And he came in and explained to our team what agile work is, what the principles of agile work are, so we could understand why it was done. We have tried and tested it in small fun but serious experiences – they are called 'agile games' – which gave us the opportunity to experience e.g. self-organization. Self-organization gives you the opportunity to experience a culture where mistakes are allowed, which is quite exciting, especially for lawyers. At the end of the workshop we said to the colleagues, 'You know now what agile working means, but we are not going to change anything. The only thing we are going to change is to put up a board for everyone to pin their to-do-list on, so that everyone can see the new work that has come in, the work that has been done and the work that still needs to be done. We will meet in front of this board every day and discuss what is on it, so that every single member of the team has the same information.' That was the only thing we changed. So there was not really any change for the team and no one in the team objected, as it was not a massive change process as expected. It was something that everyone could relate to. As it was everyone's one to-do-list on the board



and speaking a little about it was fine. Over time we realized that our way of working was not really efficient. We would for instance see that two colleagues were working on the same case. They would have worked on the same case independently, next to each other, and not knowing that the other was working on the same. Having talked about our to do's in front of the board made us realize this and we could assign one of the colleagues to another case – saving us from doing double work. We also realized that maybe someone else had been working on a similar case recently and could help with advice and knowledge, which in turn helped save time and get better results. So over time the team realized that this new culture with its daily stand-ups and more and better communication was really helpful. We also started to train colleagues. We had cases that needed to be worked on but the assigned person would not have the time, as they were busy with other cases. So we started to auction off those cases. Would there be anyone who please, please had time to squeeze in this case. Someone within the team would always have time, but maybe would lack the needed experience, prior knowledge. So that is why we trained colleagues so they could work on other cases too.

**Lawyers on Fire:** Okay, as a summary: transparency, visualization and then you say that really you have not changed that much and the team had no reason to object. When I came in today, let me explain: You have a big board hanging, talking up half the office space, filled with stones representing the members of the team and their tasks. This is where you meet for the daily stand-up, as you called it. This is where you do your morning gymnastics and meet and start the day? Or how can we imagine these meetings?

**Sascha Theissen:** Exactly. The team meets every morning at 09.20 in front of the board and talks about three things: First, what has happened to the issues that were up on the board the previous day? Have they been dealt with? Are we still waiting for feedback? Is there a problem that still needs to be dealt with? Second: What are the new tasks? Are there any new issues and if so, why are they important? How urgent are they? What is their priority? Can they maybe stay put on the board until the weekly prioritization meeting? And third, are there any other issues that need to be addressed? Organization, administration, any sick or holiday leaves? For colleagues to know what the status of the team is.

**Lawyers on Fire:** You mentioned something really interesting – part of your team is a virtual one, as is the case in many industries today; there is not the luxury to have everyone in the same room. How do you deal with the colleagues that are not working at headquarters in Stuttgart?



**Sascha Theissen:** It used to be the case that those colleagues seemed not to exist. During our weekly jour fixes they used to dial-in over the phone; everyone in the room said what needed to be said and that was it; as we were ready to get up and leave suddenly there was a voice coming through the phone and only then we realized, oh, we forgot about those people on the other end of the line. This is a no-go. It leaves those colleagues with a really bad feeling and we also felt like they were not really part of the team, even though they did show up in person every few weeks. Now, this has changed completely thanks to having these colleagues present via a videoconference every morning. We have a lectern and on top of it a big monitor and wide angle camera - this is how we communicate during team meetings with the colleagues that are elsewhere. This allows all of us to see the colleagues every day and thus perceive them in a completely different way. Once you get used to video conferencing, it becomes easier to use it also from your laptop during the day, communicate with those other colleagues and integrate them. In order to introduce the kanban board and have as little objections as possible, we had a physical rather than an electronic board at the beginning. This posed the problem that someone in say, Berlin, would have to call in a couple of times a day and ask for someone to move her tickets on the physical board or tell her about the next urgent ticket in line. It sounds quite inefficient but in terms of better integration it really worked. Once the colleague from somewhere else was on the phone they would say, 'Oh, by the way, I have another issue I would like to discuss with you.' And this would result in more communication throughout the day and in the team getting closer. I also recruited two new employees and I sent them off to Berlin for four weeks each. They loved it, summer in Berlin, staying there on company expenses, sure, why not. And it had the intended nice side effect of bringing the team there closer together as they were getting to know each other personally as well as professionally. It was the basis for a really good collaboration and we now work really well with people in other offices and communicate on a daily basis – it does not matter where someone is sitting anymore. Distances do not matter anymore. And the team's collaboration has become much stronger.

**Lawyers on Fire:** The team aside – did you get reactions to the new work ethics, the new style you introduced? Reactions from clients, external lawyers, internal people? What were their reactions?

**Sascha Theissen:** Really really positive reactions. Although at the beginning people were laughing at us, calling us the team that was working like a start-up, with colorful post-its on the walls et cetera. But after a few weeks the first colleagues came in and said, 'Tell me, something



has changed here. Everyone seems happy and smiling all the time. What did you do? May I come in sometime and take a look at how you work?' We invited them to stand in on our dailies and experience them. Over time other departments got interested too and they also wanted to learn about agile working and how to adopt it. So we have now started a rollout for other departments. We have organized a workshop to explain what is the thought behind - to introduce agility, how does it feel. They also did those agile games and tried self-organization they discovered transparency and other principles. We also got feedback from our in-house clients, saying that they are very satisfied with our work and that we were both much faster in delivering and delivering the right thing, much more useful solutions. We worried a little at the beginning how our clients would respond to our changes. We used to work according to the key account principle, meaning, each lawyer was responsible for certain issues from certain subsidiaries, just like a key account manager. When we decided to break our silo structure and deal with cases and problems in the team, we had to communicate that to our clients. We did a test run and sent out a reply email for every case that came in. In this email we told the client that his email had arrived, the issue is on our board and is being worked on. And in order to work on it faster it is possible that he hears back from someone else in the team rather than the usual contact person, all the while guaranteeing that the quality remains the same. In order to see what the response would be. The overall feedback to these mails was, 'Great, this means my case will be worked on faster, and quality is not an issue anyway.'

**Lawyers on Fire:** If I may ask: I can imagine this system to work really well for general issues like contractual law or something like that. But what if a special issue comes up that requires a specialist? Would it not be much more difficult to find a substitute for a specialist? Or have you started to partially introduce changing responsibilities?

**Sascha Theissen:** We used to work in a way where every member of the team was their own silo. Now the team works more like in two specialist areas, but with an interface between them. For instance I have two people in the team who are exceptionally good lawyers when it comes to M&A and corporate law. They have been dealing with these for many years and have a lot of expertise. Of course I cannot substitute them with someone else expecting the same high level of expertise. So these two still mainly deal with M&A and corporate law, while the other colleagues concentrate more on IP and IT law, distribution law, antitrust legislation. In the latter cases it works really well to have the whole team able to work on it. Our training helped a lot in achieving this. We did a lot of pair work – we stole the idea from the IT industry, where it is called pair



programming. In our case we take two lawyers and put them in front of one computer where they work on one contract as a team – one drafting for ten minutes or so and then they hand over the keyboard to the other one. Sounds totally inefficient, and it is – at least at first. But we have noticed that when one in the pair writes and the other one watches, they start thinking about the contract at hand and question why certain clauses have been framed this way and not that way or another. And then exchange of latent knowledge takes place. People start questioning and they communicate and ask why a certain clause has been framed in a certain way, which leads to the other person replying and relaying all their experience. All latent knowledge comes out and gets relayed to the colleague, which leads to the other colleague having more basic knowledge and maybe being able to work on that type of contract in the future without too much need for input by others.

**Lawyers on Fire:** So it is like a kind of co-training?

**Sascha Theissen:** Exactly. Makes much more sense than saying, 'Why don't you draw up a draft and I will look over it and hand you back a corrected version.' If you receive an edited version you do not transfer any of the necessary background knowledge that goes into it. So we started the pair work in order to introduce and train people in new areas, but also in order to generate common knowledge in certain areas. And in this way we managed to break up our silos very much. We also have colleagues that work closely with our two experts in M&A, say for example when conducting due diligences where - with us being a media company – IP and IT are a big focus. This requires a lot of teamwork and we had one colleague who said that she was also interested in corporate law. She now works at the interface between the two areas. Sometimes she is more involved in corporate law, at other times she is more involved in the other issues. Like that she can relay her knowledge in both directions and act as an interface between the areas. And even though our training approach was a generalist one, we now have better specialists, which is something interesting and exciting.

**Lawyers on Fire:** Because they work the details in pairs?

**Sascha Theissen:** On the one hand it is thanks to our training program but also thanks to having more time available to concentrate on one's own special field. We used to have colleagues that were always overworked and had an eternal workload, which did not allow them to look beyond their own plate. Now we have colleagues who can come in and assist them in times of high



workloads, so that they have the time to concentrate on what really matters and work on the specialist issues at hand. So even though we have built up t-shaped competencies and become a bit more generalists, we still have a chance to dig deep and be specialists. This also allows us to send individuals to trainings and workshops.

**Lawyers on Fire:** Does that mean that the workload is distributed more evenly? Do people leave at the same time rather than two or three staying behind working on a case?

**Sascha Theissen:** Exactly. This is also our aim. We want to achieve a consistent workload rather than peak times at the end of which people are half dead and need a week's recuperation. It does not always work, of course, but it has become a much more equal distribution of work.

**Lawyers on Fire:** That could even be interesting for external law practices? Have you had any reactions from other practices? Or do they not really know about the shift within your team?

**Sascha Theissen:** I have discussed this with a few external lawyers and they find this model interesting. They are generally looking for a change because they come to realize that the way they have worked so far has to change. But they often have their limits, starting with remuneration for partners, where 'eat what you kill' is often the principle. In such circumstances it is difficult to hand something over to a colleague and this makes an introduction of our model difficult. They really should start with questioning the basics of their working model and find out what would be a model that could work better long-term. An immediate feedback I got concerning my team was that people do not perceive any sense of hierarchy in our team. In our team it is not like everything has to cross my table, like a bottleneck. If someone in my team commits to a case, it is his or hers. They are then responsible for it and the ones that make decisions, not me. So they are free to voice their views e.g. regarding the legality of an approach, and are allowed to hold their own opinion. They are dealing with the issues, also with regard to all externals and offices. So we are not bouncing the issues back and forth between people in the team unless somebody wants to do so, but for greater efficiency the people dealing with the case of course regularly talk to each other.

**Lawyers on Fire:** How would you describe your own style of work? It almost sounds as if you are making yourself redundant. You have an autonomous law department that works like a jazz orchestra and does not require a conductor anymore, or not?



**Sascha Theissen:** Absolutely. I have made myself partly redundant – especially when it comes to any micro management. I do not have to dictate every last comma to my team, which is really de-motivating for them anyway, when a senior does that. But part of becoming partly redundant results in me having more time for other issues. It is not like I have less work on my plate now – that would be nice – but I have more time to deal with the things that fall within my scope as the leader of the team. It is not my job to be able to achieve better results than any of my employees - I have highly qualified and specialized employees for that, whereas it is my task to lead and manage. To watch out for forces and events that keep my team from being able to work well, then I need to be there to cover my team's back, to defend them externally, and to create ways for them to develop, to grow, become visible, create their own networks, which are incredibly important in order to get the information that they need for their work in due time. I have the time to organize trainings and make sure that the atmosphere within the team is good and fruitful. These are issues that I take care of. I also concentrate on strategic holding issues, where I also work operationally, not only strategically. In this case I am not the leader of the team who manages everyone else but an equal member on the same level as the others. Every input counts and the atmosphere is appreciative because it is possible to discuss issues on a very good basis with very qualified people. This leads to much better results than anyone could achieve by themselves.

**Lawyers on Fire:** In case some of our listeners are General Counsels or directors of legal departments who think that this is a really exciting approach and worth trying, do you have any suggestions for them? You mentioned an electronic board. Any special technology necessary for that? Any special books they should read?

**Sascha Theissen:** Yes, of course. The ideas and concepts behind the agile approach is very important for me. I have seen many software companies where agile management has been introduced rather schematically, almost as if following a recipe, which often resulted in all the good stuff getting lost along the way. For instance they implement everything exactly as is being described in the Scrum-guide or something but without having understood the underlying principle. Only by understanding the principle one knows that maybe one or two tools within the toolkit have to be adapted in order to be efficient in one's own company. I find it really important to transfer that message: to see all these guidelines as suggestions and impulses which may have worked for one company or one team, but which may not work exactly the same for another company or team. In order to truly adopt agile methods, one needs to learn the principles and get to know such an agile toolkit ... Two to three years ago, when we first starting implementing agile methods in



our company, doing so was really difficult as there was hardly any good literature that would work for, or be compatible with, lawyers. They were mostly guides for agile software developers; very technical and we needed to do a lot of transfer work in order get it across to my team. If I would have explained to them that agile methods optimize our software development and we will write better codes, they would have looked at me puzzled and asked “What does that have to do with my work?”. There was little general literature. A good introductory book into the concept behind agility is 'Management Y' by Ulf Brandes and others. It is easy to read and rather short, doesn't come with too much technical content, but it is a good introduction to Scrum, Kanban and agile management. If you want to go deeper and find out what it means for an entire company to become agile, which also leads to sustainability because it helps everybody to notice and implement trends faster, then 'The Agile Organization' is a good book. It was published this year, or at the end of 2015. It describes agility from a company's point of view. For a good first approach for team leaders and on how to change their management style, Jurgen Appelo is a good start, he is well known, and even though his 'Management 3.0' book plus the respective Workout book don't aim at explaining agile management, he covers a lot of basic approaches of agile thinking and how to implement them practically. That is very helpful, in order to address the topic. With regard to tools – I use anything that helps. We make use of videoconferences; Google hangout works well; we also tried Skype and various other tools. It depends on what is permitted in each company. I find videoconferences really helpful, as they allow you to see the other person and like that you also get an immediate non-verbal feedback. Nonetheless we also speak on the phone; we do not only do videoconference, but especially when there are more people I find a videoconference much more practical than a conference call. For electronic Kanban boards there are many different tools. It depends on how it is going to be used – electronic board only, or also a physical one? We use JIRA. We saw one our digital businesses use it and that is why we are using it. They created their own script, which allows every new, incoming ticket to be sent to a printer and be printed out as a physical label. That was interesting for us as we still work primarily with the physical Kanban board and the reason we use JIRA. But there are various other tools, some of which we have tried, but we have come back to using a physical board every time.

**Lawyers on Fire:** Last question: You deal a lot with start-ups and exciting new and innovating things, also in other industries. Looking into the future, what do you think is going to be the next big thing in the world of law? Is there anything really exciting to be expected?



**Sascha Theissen:** I think that IT and some sort of artificial intelligence are going to be incorporated much more, text comprehension, like IBM Watson and so on. We already know that from predictive coding applied in antitrust law suits and similar, where it is used to feed all documents through such an electronic tool rather than sort and process them manually. This tool does not only look for certain keywords but also tries to conduct a content analysis, a relationship analysis and to find out what is relevant. This will in future also have impact on due diligences. At the moment this process is totally inefficient. We use armies of young associates to look at thousands of documents in the data room, with the outcome that 70 to 80 percent of these documents are not really relevant. If this could be done mechanically, the whole process could be sped up and changed. It would mean that about 80 percent of the work that is necessary for due diligence will become redundant, as it will be done by a computer. The specialist lawyers can then concentrate on the real toughies. But the current business model of a big law practice that finances the training of its associates by exactly these activities will of course suffer big time from such changes. I think this is one of the big trends to be expected, and is already a big deal in the English speaking world. I expect that to become the state-of-the-art in those countries within the next two to three years. And after that it will come to Germany.

**Lawyers on Fire:** Thank you so much for the interview, Mr.Theissen. All the best. Thank you.

**Sascha Theissen:** A pleasure.