

THE RACING STABLE

MARCEL METZE



**THE
RACING
STABLE**

The Dedicated, Assertive, Adaptive
Journey of The Member Company

Warden **Press**

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COMPASS

HOW TO READ THIS BOOK



This is a book about a high-tech and R&D consultancy based in the high-tech heart of the Netherlands. It's also a book about the world in which this company and its people are living: a futuristic world, filled with technologies that make you feel as if you're in a science fiction movie. And that's still not all because it's also a book about professional and personal development, about setbacks and successes, about how to survive crises, about finding one's way in volatile and uncertain times.

The title, *The Racing Stable*, can only refer to the people who are central to The Member Company: its employeneurs — a term TMC invented to characterize its people, not as staff, personnel or hired hands but as proud and independent entrepreneurial employees. Indeed, the ones I've encountered are all highly qualified engineers, fundamentally optimistic, forward looking, result oriented, fascinated by their projects, determined to give their best to the clients they're working for, while at the same time eager to get the best out of themselves. You can meet them too, if you continue reading.

I A ROADMAP

Being the author, I of course hope you will read this book from beginning to end. But I'm realistic. People are busy and have different interests. For that reason I have prepared a roadmap, with a variety of routes through the book, tailored to the different target groups it wants to reach. So...

Target group		Chapters
Deep Divers		entire book
Graduate Student or recently graduated engineer		introduction 3 and 4
Experienced Engineer		3, 4, 5 and 6
High-tech company executive		1 and 6
Student or teacher in business administration		1, 2, 3, 5 and 7
HR-manager, assessment expert or coach		3, 4 and 6

If you want to take a deep dive into the TMC world...

... meet the group's entrepreneurial engineers, learn about the futuristic projects they are working on, are interested in professional and personal development, and find out what it's like to build a hundred-million-euro company and guide it through three global crises, read: the entire book.

If you're a graduate student or recently graduated engineer...

... and want to know how TMC welcomes its newbies, and what kind of projects TMC engineers are working on, you should certainly read: introduction, chapter 3, chapter 4.

What is your desire? (the introduction) offers you a first look at TMC and the way the company welcomes its new employeers.

In *Transparency, that's the disruptive thing* (chapter 3) you will meet experienced and new employeers, take a deeper look inside the model and get an impression of TMC's internal social systems and support tools.

After that, you may also want to take a look at the section "The pursuit of happiness" in chapter 4 (*The pilots*) and read how Ignacio

Vazquez started to work for TMC. And don't forget to take a peek at the pages about the fantastic technologies that are being co-developed by TMC's engineers in chapter 6 (*The client*) and about the Belgian, French and Swedish experiences in chapter 5 (*Going abroad*).

If you are an experienced engineer...

... and want to know what it's like to work as a TMC employeeneur on projects at high-tech and R&D companies on the frontline of Industry 4.0, you can read: chapters 3, 4, 5 and 6.

In *Transparency, that's the disruptive thing* (chapter 3) you will meet colleagues and learn about the financial stability, transparency, individual profit sharing and entrepreneurial opportunities TMC offers. Once you're done with that, you might meet more colleagues in the four Tech Talk paragraphs in chapter 4 (*The pilots*); read about TMC Belgium, France and Sweden in chapter 5 (*Going abroad*); and find examples of projects at client companies (chapter 6, *The client*).

If you are a high-tech company executive...

...and want to know more about TMC and its people, you could begin by reading: chapters 1 and 6.

Start small, think big (chapter 1) describes TMC's roots, its basic philosophy and its first years.

The client (chapter 6) describes client experiences, which will obviously be interesting for you, as will *Going abroad* (chapter 5), which details TMC's international expansion strategy since 2014; and *Transparency, that's the disruptive thing* (chapter 3), in which you will find out more about TMC's specializations.

If you are a student or teacher in business administration...

...or a business historian, you should definitely read:

- in chapter 1:
 - “Into the core,” about the start of TMC
 - “Fifteen percent, minus that is...,” about the dot.com crisis and 9/11
- in chapter 2:
 - “What is your key technology,” about the group's expansion in the Netherlands in 2005–2007
 - “Eckart Wintzen upgraded” about how TMC took business cells to the next level

- “Going too fast,” how TMC handled a failed takeover and the 2008–2009 credit crisis
- “The buy-out,” how TMC left the stock exchange
- in chapter 3:
 - “TMC’s business cells: continuity, innovation and expansion,” about TMC’s specializations and expansion strategy
- in chapter 5:
 - “A real innovation,” about TMC’s international expansion strategy since 2014
- in chapter 7:
 - how TMC handled the early months of the Covid-19 crisis

If you are an HR manager, assessment expert or coach...

... I advise you to read: chapters 3, 4 and 6.

In chapter 3, *Transparency, that’s the disruptive thing*, you could focus on pillar 4: YOUniversity, about TMC’s personal and professional development tools.

Chapter 4, *The pilots*, will probably interest you from beginning to end, since it explains the employeneur analysis and its underlying tests, describes the role of coaching in TMC, and offers stories of employeneurs about their experiences with coaching. The chapter also takes you inside employeneurship theory and the foundations of the employeneurship construct.

In chapter 6, *The client*, you might be interested to read about the “conversion problem” and about the developments in the high-tech consultancy business in the last decade.

Enjoy and learn!

Marcel Metze

September 2020

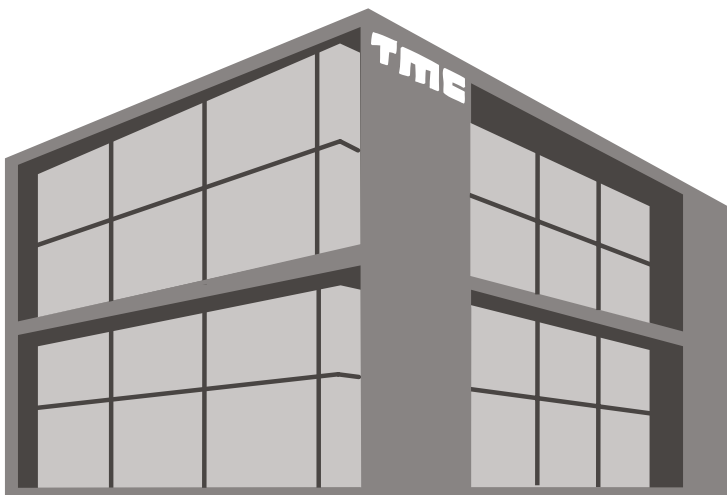
INTRODUCTION

WHAT IS YOUR DESIRE?



I TMC – ALL ABOUT YOU

It's 8:30 in the morning, December 6, 2019. TMC's four-story headquarters is a modest building. It stands in the corner of an open field, next to a similar building, occupied by another company. From a distance, both bear a faint resemblance to Rubik's Cubes, with clear glass panes instead of the colored squares of the 3D puzzle. The field is part of the High Tech Campus on the edge of Eindhoven, an industrial town in the southern province of North Brabant, the Netherlands. Dozens of technological companies have settled on the campus' 250 acres. This particular field is its most recent extension. It offers plenty of space for many more buildings to come, and on one of its edges a brand new parking garage lies waiting, hidden behind an earthen barrier that shields the campus from the noisy A2 highway.



It is winter; at this hour the day is still dawning. Sixteen people, all engineers, gather in a room on the second floor — a standard conference room with white tables arranged in a U shape, a huge LCD screen on one of the white walls, and white light shining down from a white-squared ceiling. Thirteen men, three women, some young, others already showing traces of gray, all casually dressed. They're silent, maybe not quite awake yet, maybe a bit shy — it's the first time they've met and, let's be frank, engineers are not known for their social skills.

Their host is 39-year-old Sven Bongartz, manager of TMC Mechanical, one of the company's business cells. He too is still in low gear. A few minutes into his presentation he realizes he hasn't introduced himself. He apologizes: "My girlfriend and I have a three-year-old daughter and our son was born three weeks ago. So if you think, 'he looks tired,' you're right."

Then he speeds up. Using a somewhat worn-out pun he explains the TMC acronym: no, it does not refer to Thijs Manders, the man who founded the company twenty years ago. It's short for The Member Company. Because "TMC is all about *you*. It's a vehicle for *your* development, and *you* are at the wheel."

To the outsider, these sentences might sound as if Sven took them straight from a recruiting brochure. Yet, this is what TMC deeply believes. The company wants to treat its highly skilled engineers as both employees and entrepreneurs: *employeneurs* in TMC lingo. There are around a thousand of them on its payroll at the time of writing. They don't work for TMC, TMC works for them. The company sends them to a wide variety of high-tech firms in the Netherlands, Belgium, France and, increasingly, other European countries. There, they contribute to projects, mostly in research and development or production innovation, lasting from one to several years. To help them self-manage their careers and career paths, TMC offers them an array of tools and benefits such as individual profit sharing, personal coaching, a YOUiversity to continue their professional development and an Entrepreneurial Lab for those who want to start a business of their own. At the same time, TMC tries to be a home base by providing them the financial security of permanent contracts and

the professional warmth of business cells, where they can meet colleagues who speak their technical language and with whom they can share experiences and ideas. Together, the permanent contracts, the individual profit sharing, the YOUiversity, the lab and the business cells constitute TMC's five core principles.

So TMC may be “all about you” — as Sven Bongartz says to the sixteen newbies — but it also wants to be a social environment with shared values and elements of a family culture. In its corporate philosophy, the company celebrates both individualism and inclusion, a seemingly paradoxical combination that, until recently, around the turn of the millennium, could only have been dreamed of.

Then there's music. The new employeneurs — themselves probably not yet used to the term — are invited to dance a bit and then, as soon as the music stops, ask the person closest to them about his or her background. The atmosphere in the room becomes more lively now. Once they have retaken their seats — the tables now set in a square — the introductions continue. One by one, the participants explain who they are and why they have chosen TMC as their professional base. Data scientist Nithin: “I wanted to start an independent practice, but I didn't have the necessary skills.” Nicole says she experiences regular jobs “as a prison” and wants “to develop my entrepreneurial side.” Laura obtained her master's degree in nanotechnology just four months ago. She describes herself as “very inquisitive,” and finds TMC appealing because she doesn't want to spend her entire working life at one company. She wants to eventually start her own business.

The group descends to the ground floor for a short visit to TMC's Entrepreneurial Lab — an L-shaped space filled with high-tech tools and equipment. They are welcomed by Steven Verboom, one of TMC's more experienced employeneurs. Steven describes the lab as a “playroom” for engineers. He points to a wheelchair in a corner: a soccer robot for handicapped children. Using a mechanism attached to its footrest, the children can both kick and catch a ball. Another lab team is working on a Throwabot, a small robot that can be thrown into a building or onto a ship (from another ship) to check for dangerous

explosives. The Dutch Ministry of Defense is interested. “Many people have ideas for new products,” Sven continues, “but at their workplace, they usually won’t get the time and budget to develop them.” So TMC offers them that possibility. Steven’s enthusiasm about The Entrepreneurial Lab knows no bounds: “This is a place where revolutionary ideas are born. It’s the superlative of employeneurship. And if you succeed in bringing your invention to market, you will keep your intellectual ownership.”

When the sixteen new employeneurs return from a lunch break, they find the tables in the conference room in yet another arrangement: joined in sets of two, with four chairs around them. A new host takes over: Loek Ghering, manager of TMC’s YOUiversity. He shows a video “that always makes me silent and reflective”: *what is your desire?* It’s a dreamy film, full of romantic images and gentle music. A warm male voice asks, “What would you like to do if money was no object?” and basically repeats one message: it’s stupid to spend your life doing things you don’t like. It turns out that the voice belongs to Alan Watts (1915–1973), a British philosopher and Zen Buddhist who lived in California and attracted a large following in the 1960s. Watts wrote many books and articles about Zen Buddhism and what we now call mindfulness, and was a firm believer in the richness of human potential. Judging by their popularity on YouTube, the lectures of this hippie guru still find a large audience — his “if money was no object” speech has been watched/listened to almost four million times on the site.¹

In one of his early works, entitled *The Wisdom of Insecurity*, Watts discussed man’s search for stability in vulnerable and uncertain times. His own frame of reference was World War II and the Cold War (he published the book in 1951), during which vulnerability and uncertainty reached their depths. Yet, seven decades later, people in our own prosperous and relatively peaceful Western world might well use these same words to describe their own age, albeit for different reasons than fear of war. In fact, insecurity is a key element in the so-called VUCA model. This world-view came into being in the late 1980s, when the end of the Cold War and the rise of China opened up the perspective of tectonic shifts in the existing geopolitical relations, and became increasingly popular in strategic leadership

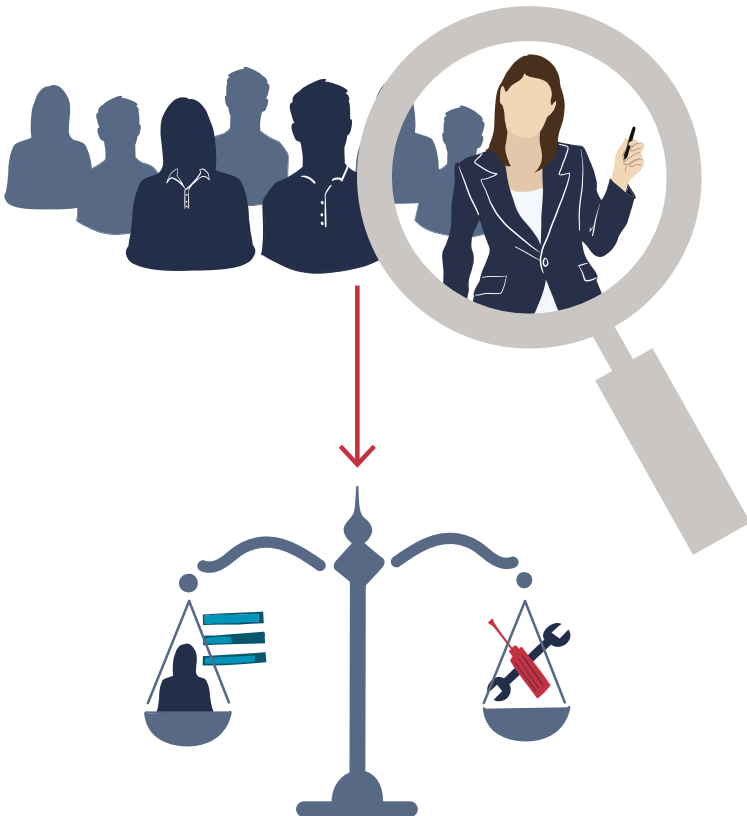
theories at the beginning of the new millennium. Today's reality, the VUCA model says, is *volatile, uncertain, complex* and *ambiguous*. We may lament that, but somehow we have to deal with it. Not by hiding in a corner but by going out into the world and embracing it as it is. One of Alan Watts' key concepts was adaptability. As he wrote, "The art of living in this [...] 'predicament' is neither careless drifting on the one hand nor fearful clinging to the past and the known on the other. It consists in being completely sensitive to each moment, in regarding it as utterly new and unique, in having the mind open and wholly receptive."²

The art of living in a VUCA world also requires, one should add, getting to know yourself and the ability to shape your own course in life — in TMC lingo: to plot your own *Journey*. As TMC's theoretician Freek van Bedaf — himself a staunch adherent to the VUCA world-view — likes to say, "It's all about your self-propelling capacity." We'll meet Van Bedaf more in-depth later in this book. He has spent several decades analyzing and measuring this self-propelling capacity, which he finally decided would be best described as executional intelligence, or XQ. We're not talking about a marketing label here, mind you. Underneath it lies a philosophy of identity and personality that is akin to the ideas of the famous American sociologist Richard Sennett, who has written many books and essays about flexible labor and its effects on career development, professional identity and the development of a coherent personality. That's serious stuff.

What is your desire? After showing the Allan Watts video, TMC's YOUNiversity manager Loek Ghering invites the sixteen newly hired employeneurs to discuss that question and summarize their answers on a whiteboard. Most describe their desires in cautious and abstract terms: "development," "a goal," "balance," "humor." Only one divulges a secret dream: "I'd like to build a warp portal and go to space." Ghering, sensing that the group doesn't know how to react to this frankness, gently warns: "You *can* get lost in freedom." It seems as good a moment as any to introduce the external coaches who are at each employeneur's disposal. Ghering encourages the newbies to fill out the Employeneur Analysis, which was developed by Freek van Bedaf. The results will show the strengths and weaknesses in their XQ and will be a good starting point for a first coaching ses-

sion. Ghering: “You get seven sessions per year, and more if necessary. Do it. You can discuss anything with your coach. That may feel uncomfortable at first, but everything you say will remain confidential.”

So this is how TMC welcomes its new members. Some readers may wonder why this welcome mainly seems to focus on their soft skills. The answer is both simple and complex. The simple part is that their hard skills don’t need much attention. In their technical fields, they belong to the best and brightest. It’s their soft skills that need nurturing for them to thrive in the efficiency-driven and sometimes



very stressful industrial environments in which they will develop or continue their careers. They must be able to work in teams, communicate with non-technicians, manage, supervise, build a professional network, acquire a strategic vision on their career development, et cetera, et cetera. The complex part is to actually do all this in a conscious, mindful way when, in practice, the daily routines of life and work usually allow very little time and space for things like getting to know yourself, improving your soft skills and developing your personality.

TMC sees finding talented engineers and nurturing the balance between their hard and soft skills as the core of its business model. It's a philosophy that has paid off. The group was incorporated in the year 2000. By the end of 2019, it operated from eighteen offices in ten countries, had a turnover of €103 million, realized just over €13 million in earnings (EBITDA)³ and was ready to expand its already ambitious program of internationalization.

Are you curious to find out how they did this?
Then read on.

