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"Team" is a

Four-Letter Word

For the average employee, "team" is a four-letter word —just another initiative driven by managers who are constantly trying to solve the problem of generating increased productivity at lower cost. It is put forward as the solution to problems that everyone in the organization knows exists, but whose solutions somehow always seem to be out of reach, if not totally out of focus. Sometimes employees feel as if they have managers who appear to be pulling remedies off the organizational development shelf and forcing them down employees' throats. Under such circumstances, it is not surprising that teamwork is perceived as nothing more than a passing initiative, like management by objectives, diversity, or Workforce 2000.[1]

Though organizational learning and other improvement initiatives have proven beneficial, they must clear a common organizational hurdle if their impact is to be fully realized: How do organizations get all of their employees mentally engaged and

committed to making the process work? If an organization cannot get its employees committed, reaping the full benefits of any management process, no matter how good it is, will be difficult if not impossible.

These management tools are being used with varying degrees of success in many forms in corporations around the world. With the growing trend toward corporate downsizing and outsourcing, however, fewer and fewer employees are being asked to juggle more and more balls. Management groups are discovering that this juggling act becomes easier if they can develop a process in which learning is shared and collectively applied to the task at hand. When an organization learns to function in this way, the term that is used to describe its collective behavior and process is "team." As a result, many organizations are working to implement some version of team-based processes.

Collaboration and Team Dynamics

More and more people seem to be confused about the principles involved in working as a team. To a large extend, the word "team" has become the cliché' of the 21st century organization very much like "managing by objectives" was the organizational buzz phrase of the 1980's. But it is not the fault of employees that they are having trouble catching on to what should be a simple concept, nor is it the fault of organizations who don't seem to be able to effectively communicate the operating principle involved in being the member of a team. To begin uncovering some of the answers as to why these challenges exist, we have to go back to the learning culture that existed for most of us somewhere around the 3rd grade.

Peter Senge once described a team as "a group of people who need each other to get something done. I believe that in Senge's statement there is an underlying interactive process that must be present as part of forming an effective team. That interactive process is collaboration.

Collaboration is a natural sharing of thoughts, ideas, and information in such a way that the whole is greater than the sum of its parts. In other words, when entities successfully collaborate, 1+1=3. A "team", then, is a structured or organized group of people who need each other to get something done, and who work to build an environment where collaboration can occur.

A key word in the above definition of collaboration is "natural". This sharing of thoughts, ideas and information is a natural process that is critical to learning and to the survival of every living organism.

I have observed that children have a strong drive to collaborate. They instinctively want to engage in all kinds of activities with other children. In fact, they actively look for other children with whom to interact. This interaction is called "play". Play is a natural form of social interaction in which children rapidly learn skills of speech, thought, creativity, working together and sharing. During play, children test and develop the values that are essential to the culture in which they live. When children play, they don't need a stated objective. When they are sent outside or to a room to play, children don't ask about the outcome of play, because they instinctively know that the primary objective of "play" is to have fun by interacting with other children and toys, or whatever is in that room. But while the primary objective of "play" is to have fun, the result of "play" is always to introduce and reinforce a more integrated learning and thinking process.

Although we call it "play", some very sophisticated processes are at work in the "play" experience. CEO's may believe that they display high level leadership skills when talking about things like organizational structure and developing a shared vision among the members of the firm, but children are expert at developing a shared vision with their play partners. For example, if the children are playing house, all the partners know who has been identifies as the mommy and the daddy. If an imaginary friend has come to dinner, all the play partners know the imaginary friend's name, and where she is so that they don't step or sit on her. All play the partners share the same vision. Children crave this collaborative experience. Learning at this stage of development is exponential, and it

continues on into kindergarten, 1st and 2nd grades. If left undisturbed, most children are comfortable engaging in this kind activity for hours at a time.

Somewhere around the 3rd grade, children start to have official, designated play periods called recess. They also are given an official, designated learning place called the classroom. The learning process becomes more serious and more structured. We begin teaching children to work independently, to do their own work, to keep their eyes on their own paper. A variety of standardized and non-standardized tests are developed and administered to assess student performance. This is done largely because the educational system wants to know who is learning, how much information is being retained, and who needs help. In recent years, the educational system is also asking itself how student test performance can be used to evaluate teacher performance and effectiveness. While the intent is understandable, many unintended consequences also surface. It is during this stage of development that academic training begins to unhook the learning experience in the classroom from the collaborative relationship on the playground. To reinforce this training, students are consistently rewarded for individual work in the classroom. On the other hand, collaboration and teamwork are gradually nudged out of the classroom environment into the locker room. In fact, in some settings, collaboration in the classroom environment becomes synonymous with cheating (see Figure 1-1).

Interestingly enough, it is about this same time that the concept of "team" is officially introduced to children as a formal entity. "Team" becomes a euphemism for "playing or working together". Through extracurricular activities, children are introduced to the baseball team, or the football team, or the band, or the choir, or any number of organized activities that begin to establish and reinforce the concept of people needing each other to get something done. The team concept as introduced here, however, usually brings to mind activity that most likely occurs in a game environment, where failure has minimal life consequences, as opposed to a real work scenario, where failure is often associated with real economic and personal impact.

Unfortunately, while the traditional team relationship as introduced in our system of education has value as an instrument for teaching life skills, social skills and the value of working together to a small percentage of students, the concept of team is only loosely connected to strengthening or enhancing the individual's capacity to learn and the learning experience in the classroom environment for all other students. We unintentionally reinforce the mindset that learning takes place primarily in the classroom, while the building of social skills and life skills primarily take place on the "playing field". As a result, learning, which was quick and exponential when children could freely collaborate with each other, now generally becomes slow, laborious, and incremental.

Once this separation is formalized we further strengthen the concepts by looking for and rewarding the individual performer. This principle of rewarding and encouraging the individual performer continues to be reinforced throughout high school and college. Unfortunately, most students don't become members of the choir, or the band, or participate in any of the extracurricular team experiences. Because they have not had a true team experience, it is often difficult for them to grasp the concepts of collaboration and team learning, while at the same time they use team language and team metaphors to describe interactions with others in their work environment. In this new world, collaboration as they once knew it as children, now no longer exists. From this moment forward, most of these students will only relate to the idea of teamwork from the perspective of an observer on the sideline, not as a true team member. When these individuals finally enter the workforce, they often have little concept of what it really means to work as a team, a group of people who need each other to get something done.

Unfortunately for many, the competitive mindset that was established during the academic experience carries over into the workplace. When a new employee signs on with a company, the company probably spends more time helping her learn to maneuver the computer network than helping her to learn how to network with fellow employees. In fact, because of the culture in most organizations, it's not uncommon for employees to expend more energy thinking about competition among their peers within the organization than they do thinking about corporate entities who compete with them in the marketplace.

The accepted culture in many work settings is to look for and to reward the hero. We look for a hero to celebrate when things are successful, and cry for someone to blame when things are not. For a number of years I worked for a Fortune 500 company that awarded bonuses at the end of each year. I was always struck by the fact that this company had an award category for what was called the "individual contributor", but no significant recognition or identification of the most collaborative team.

Corporate groups clearly understand the value of individual contributors. However, because most corporate groups now operate in a global economy, they are also beginning to understand the leverage and strength that emerge when employees learn how to work collaboratively towards a common goal. This realization often rises to a greater level of awareness when a company faces an unexpected threat or opportunity. At such time, they begin to understand that their capacity to make the adjustments necessary to take advantage of the opportunity or to successfully respond to the threat is determined by their willingness to work together, to pool their collective learning and experience. Only in doing this are they able to make the necessary adjustments needed to shape new ideas and develop resilient strategies. When this occurs, corporate leaders and their employees are using the same skill they were using before they moved to the third grade: the skill of articulating the shared vision to connect the hearts and minds of people.

Birth – 3rd Grade	Academic Experience	Work Culture
Collaboration	**Individual Performance**	**Organization Dynamics**
➤ Look for others with whom to interact	➤ Team concept formalized Participation in "Sports" Enter "Sports" Euphemisms	➤ Network the Computers, not the People
➤ Interaction = Play	➤ Learning time is Limited/Structured	➤ Individual Contributor Recognize the Hero,
➤ Shared Imagination	➤ Reward is in the Answer, not in the Question	➤ "Team" is a 4 Letter Word
➤ Shared Vision	➤ Play time is Limited / Structured	➤ Crisis, Threat, Opportunity
➤ Exponential Learning	➤ Collaboration = Cheating	➤ Potential loss of productivity and/or $
	Learning / Collaboration	**Effort to Reconnect**
Collaboration = Learning	**Disconnect Created**	Learning / Collaboration
Figure 1-1		

The Path to Collaboration

Let's look at the principle of collaboration more closely. Previously, I defined collaboration as a natural sharing of thoughts, ideas and information in such a way that the whole is greater than the sum of its individual parts. It is a process of working together so that more ideas and better ideas emerge from the group than might have emerged from any one individual in the group. If this is true, then it is likely that any group that is working together, regardless of make-up, will experience this benefit to some degree.

People in organizations tend to get work done through one of three work structures: 1) there are people who get work done through work groups or Group Interactions, 2) there are people who accomplish their tasks through operating as a team and Team Dynamics, and 3) there are people who accomplish their tasks through Collaborative Relationships (see Figure 1-2). Let's imagine that these three processes represent the corners of a triangle. Since all organizations begin with people coming together to get something done, Group Interactions is the starting point around this triangle. Figure 2 suggests that a work group, by taking the proper development steps, can move toward being a performing team. Figure 2 also suggests that with the right motivation and incentives, any group can move toward having a collaborative relationship, and that it is not necessary to move through the team relationship as we commonly think of it in order to develop a collaborative relationship. Organizations in all three of these areas will generate results, but the quality of those results will differ, depending on whether they are the outputs through the Group Interaction, the Team Dynamics or the Collaborative Interaction. The quality of the results from a performing team is likely to be better than those coming from group interactions. The quality of results from a collaborative relationship is likely to be better than those coming from team dynamics or group interactions. The quality of results from a collaborative relationship that emerges from team dynamics, however, is likely to be better than those coming from a collaborative relationship that developed from group interactions. In other words, the path to results and to a collaborative relationship is important, and all collaborative relationships and their outputs are not created equal.

Organizational Learning

In addition, regardless of whether an organization is operating in a work group, a team, or in collaborative relationship, organizational learning is occurring. The quality of that learning and the speed at which that learning occurs, however, is highly dependent on were the organization is functioning. Arie de Geus, the former Group Planning Director for Royal Dutch Shell, once said, "The ability to learn faster than your competitors may be the only sustainable competitive advantage." So there are two key outputs from each of these paths. The first output is the actual results. Because the results tend to be more tangible and immediately measureable with respect to what the driver or intent was behind a given task, it typically gets noticed first. The results answer the question, "Was the task accomplished? What was the quality of the results?" The second output is organizational learning. This is more subtle. Even though it is often overlooked, it generates an informal tape that is always playing in the background. It asks the questions, "What have we learned from the experience? Where can we apply what we have learned? What did our performance tell us about ourselves? How will we approach similar challenges in the future?" Collaborative relationships get to this level of organizational learning faster. Figure 2-1 indicates that the shortest path to high quality organizational learning is from a collaborative relationship. In the wisdom of Arie de Geus, the greater an organization's capacity to achieve a meaningful level of organizational learning, the more sustainable will be their competitive advantage. Organizations that approach opportunities, threats, and challenges using the framework of collaboration are at a significant advantage over their competitors.
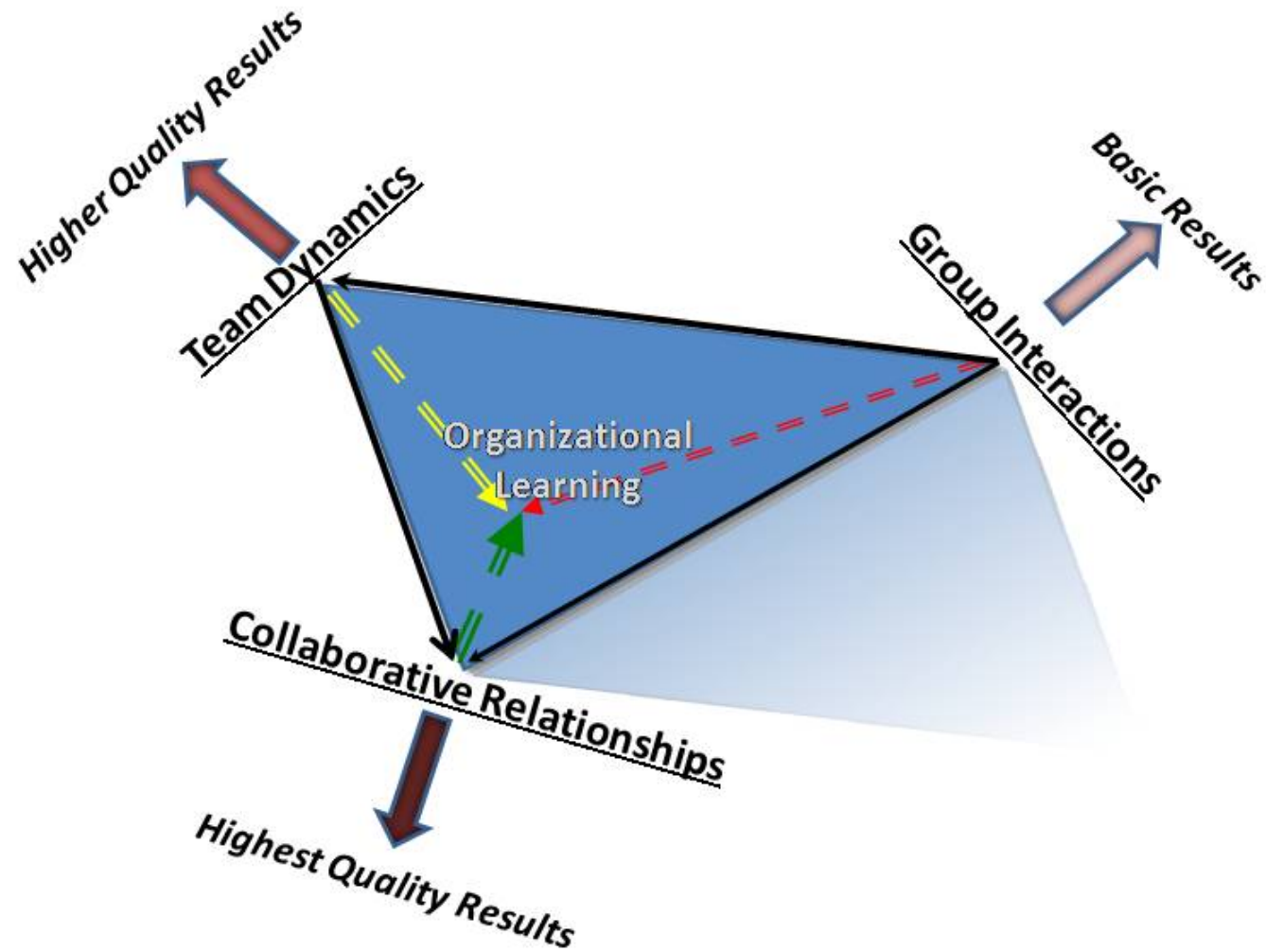
Figure 1-2

Moving to New Organizational Structures

What influences an organization to move through the structures of the triangle? First we have to realize that organizational structures form around a task that must be accomplished, and that the work group or Group Interaction is always the starting point. It doesn't matter if it's reshaping the financial future of the world economy, or planning a birthday party, if they have not agreed on a common goal, there is little or no incentive to form any kind organizational structure. People who come together without a commonly recognized goal are little more than a social gathering. However, once a goal is established, and if they stay together for any length of time, they will develop some organized structure of norms and behaviors for getting the necessary work done.

So what influences a work group or Group Interaction to move towards a Collaborative Relationship? There are probably several factors or combination of factors.

1. **The group recognizes or believes there is a common threat.**

   This is probably the strongest influencer. When there is a common threat, even unlikely allies will come together to defeat the enemy. We saw this kind of relationship emerge during the first and second World Wars. The saying "the enemy of my enemy is my friend" was never more true. Even today, many countries are struggling to hold on to fragile collaborative alliances built in the first half of the 20th Century when they shared a common enemy. When the common threat no longer exists, the fragile elements of the collaborative alliance become more evident.

2. **The group recognizes a common opportunity.**

   This rationale usually plays out a little more slowly than the threat motivation. In simple Group Interactions, individuals are first and foremost concerned about their own wellbeing. What's in it for me? The level of trust in the Group Interactions is relatively low. Commonly, the thinking for individuals in a work group is that the pie is not big enough for all of us to share. The perception is that sharing the pie with you means there will be less pie for me. Unless I believe that sharing with you will result in your also sharing with me, I will probably work to get the pie without seeking help from others. So the common

opportunity driver is likely to be a realization that if we don't work together in a collaborative fashion, none of us will get any of the pie. Trust levels and our natural bent towards personal survival, however, must be balanced.

3. **The individuals in the group recognize that when working alone, they don't have enough resources to complete the task.**

   This is like the old group exercises in which individuals are trying to cross a river. Each person has been given some components of a raft, but no one person has enough resources to build a complete raft. The point of the exercise is for individuals to realize that the raft can only be built if each person is willing to share his or her resources. If we fail to share, no one has the capacity to cross the river.

4. **The individuals believe that by working together, they achieve the common good.**

   This driver usually comes about when a strong leader surfaces who is able to make the case with the other members of the group, and help them believe that this is the right thing to do. This driver does not come about easily. Striving together for the common good suggests that there is a level of mutual trust across the group.   Trust does not come easily, and may be difficult to sustain in group interactions. This factor is a dimension of factors #1 and #2. In this driver, strong leadership is actually a catalyst for helping the group recognize the threat or opportunity, and organizing the work.

What influences people to move from group interaction or a work group to Team Dynamics? Perhaps the strongest influence is that individuals recognize that they actually need each other to get something done. This transition involves connecting the hearts and minds of people in the work group in a trusting, more intimate work relationship. The level of trust in that relationship grows deeper as teams move towards high performance. As a result, this transition usually takes longer than the move from group interaction to some level of collaborative relationship. Achieving the goal is still primary, but achieving that goal is specifically achieved through people working together. While accomplishing the task may take longer, the quality of the solutions generated by the team are measurably better than those generated by the work group. Again, there are several factors or combinations of factors that influence a work group to move towards Team Dynamics. Many of them are similar to those that influence the move from work groups to

collaborative relationships, but with a greater degree of intimacy and trust in the interaction between individuals, driven by the keen awareness of need.

1. Work groups recognize mutual need
2. Work groups recognize a common threat.
3. Work groups recognize a common opportunity.
4. Work groups recognize that they have limited resources.
5. Work groups recognize the value of leveraging their resources.
6. Work groups develop a growing mindset of trust.

While an organizational structure of Team Dynamics encourages a collaborative relationship, it does not guarantee a collaborative relationship. A collaborative relationship for teams emerges when there is a willingness to invest time in the development of a deeper personal connection to the task and to each other. This move is largely less skill based and more relational. As a result, other organizations looking from the outside find it difficult to understand why the team is so successful, because relational strength is, for the most part, invisible. In addition to recognizing that they need each other to accomplish the task, they begin to recognize that there is probably an exceptional solution that exceeds their individual grasps, but not their collective reach. What influences a team to move closer to a collaborative relationship?

1. A growing level of trust for each other.
2. Individuals are as concerned about the success and safety of their team members as they are about their own.
3. The dialogue becomes more honest and open.
4. Mistakes are shared and sought after as learning opportunities and teachable moments.
5. There is a growing sense of personal ownership, personal value, and personal contribution to the task.
6. Recognition and celebration of successes on the path to the solution become routine.

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There also appears to be a time factor involved in moving from group interactions directly to a collaborative relationship or through team dynamics to a collaborative relationship. The path to a collaborative relationship through team dynamics is longer, but the quality of the final results are better. Quite often there is a tradeoff. Organizations must decide whether the nature of the business they are in, the decisions that must be made, the time factor involved, and the quality of the results needed indicate that they should investment in a high performance team approach, or whether a group interaction approach is adequate. When the building is on fire, the desired results probably don't warrant the development of a collaborative, high performance team mindset in order to know that people should be told to get out of the building. On the other hand, the need is probably different if we are being asked to develop a series of computer chips as part of the guidance system for a satellite for NASA.

It is apparent that regardless of the work structure people use to get work done, some kind of organizational learning will emerge. It must be noted that this is not necessarily a learning organization as described by Peter Senge in his landmark book "*The Fifth Discipline*"[2], but a perception of the organizational culture, of how things work there, and of how human resources are viewed, treated, and valued. As with the quality of results, the quality and impact of that learning is also going to be influenced by the structure from which the learning surfaced. A learning organization as described by Senge is more likely to emerge from the collaborative relationship that develops in the high performance team structure.

Diversity and Collaboration

Does diversity lead to better collaboration? As was stated earlier, collaboration generally leads to a range of solutions and ideas of better quality. The quality of these solutions and ideas continue to improve, however, as the people working on the task become more diverse. A more homogeneous group of people has a good chance of reaching a solution in the shortest time. A homogeneous group will also take less time to establish a set of effective norms, and establish an intimate, interpersonal working relationship that mirrors that of a high performance team. While a like-minded group may come up with a good idea in any organizational structure, a more diverse group generally has the capacity to push that good solution or idea farther and deeper. By engaging a more diverse group, we

are expanding the range of thoughts, backgrounds, and perspectives that can be brought to the table. While it may take more time for the more diverse group to form or connect on an interpersonal level, the resulting solution is likely to be richer and more impactful.

Recently, we have seen the impact of diverse collaborative relationships play out in social networking. Social networking is often thought of as a virtual sharing of thoughts, ideas, and just general stuff. In its most potent form, however, social networking often seems to serve as a catalyst to inspire large groups of people to come together and do something. This coming together may occur in a physical space or cyber space. Whether it is a flash mob in a public building, or a gathering designed to overthrow a government, social networking may be one of the most powerful collaborative tools of the 21st century.

Prior to social networking, the primary tools to inspire others to take action were books, newspapers, radio, newsreels, movies and television. With these tools, the interactive response that occurred was often encumbered by distance and time. Social networking, on the other hand, has few barriers, few filters, and can reach and influence millions instantly. It has the added capacity for instant feedback, instant dialogue, and when necessary, instant adjustments and updates to the information. Social networking is the digital equivalent of birds flocking: one bird moves, and hundreds of other birds move in coordinated response to that one bird.

Not too long ago there was a video on YouTube™ called the "Dancing Man"[3]. In the video, a shirtless man begins dancing alone in a gathering of hundreds of other people. Before long, he is joined first by one person, and then another. In a matter of minutes, hundreds of people are dancing around, and the original dancing man can no longer be seen in the throng. The narrator points out that the leader is nearly forgotten, and after a while, can no longer be seen. The biggest influence on the crowd was, in reality, the first follower, the person who was willing to join in the dance. Once the first follower joins the leader in the dance, it was easier for other to also join the dance. While the dancing man may be the catalyst, the first follower is, in fact the tipping point that inspires and makes it feel safe for the rest of the group to join in. Social networking makes it easier to find the first follower. The amount of real time information available to shape our own decisions and to encourage a first follower continues to escalate. Because of our

increasing interconnectedness, the impact of our decisions and actions are more far reaching, and may have impact beyond our expectations, our imaginations, or our intent.

Complication and Complexity

Interdependency and interconnectedness lead to a greater complexity of problems and potential solutions. Interconnectedness and interdependency move all of us in the direction of some form of collaborative relationships. One of the challenges facing many organizations is that we still think of problems brought on by our interdependency and interconnectedness as complicated, when in reality, they are complex. When we think of a challenge as complicated, it suggests that finding a possible solution is not easy. In the end, regardless of just how far away that end may be, with time, technology, and persistence, an answer, and hopefully *the* answer, will be found.

On the other hand, when a problem is described as complex, it suggests that there are so many interconnected and interdependent parts, that there may be more than one solution. While each solution may have its own degree of risk and uncertainty, each solution is still viable. Complicated is one string tangled on itself. To unravel it, one only has to find an end, and follow it to its conclusion. Complex is multiple strings tangled together. In complex, it is not clear when or whether two ends represent the same string or different strings.

In Search of Teams

Many organizations strive to achieve performance through team-based cultures and processes. Corporate meetings, and meetings of all kinds, are riddled with team analogies and team metaphors to describe their successes, their challenges and their performance. Unfortunately, they often struggle with just what the idea of "team" really means.

A typical team is structured in such a way to get the work done. Conceptually this is a good first step. Usually, however, this suggests that there must be a team leader. Now, this is generally not a bad idea if the role of the leader is to inspire, guide, and nurture an atmosphere in which the members of the team can perform at the highest possible level. But most organizations feel the need for a team leader in order to have someone to reward when things go well, and, perhaps more importantly, to have someone to call or blame when things go poorly. Most organizations think of a team as a group of people who, when taken together, represent a set of critical skills needed to accomplish a specific task. They are thought of as individuals who work effectively and efficiently together. Incremental learning is expected and acceptable. Organizations recognize the need and work to develop teams. The organization's expectation of the team's performance, however, is probably less than that team is capable of producing if working in a collaborative relationship.

But even with comparatively low expectations, employees often find it difficult to operate with ease in a "team-based" environment. Remember, these are the individuals who have experienced many years of an educational and cultural system that has successfully formalized the team concept in their thinking. It has unhooked learning from collaboration. If I share a good idea, will I get proper credit? If my idea does not work, will I get undo blame? In an attempt to address this issue, many organizations will bring in consultants and schedule a variety of teambuilding activities. They use these activities to try and re-instill in their employees some of the principles of working together and collaboration they were already practicing in the 3rd grade.

Collaboration: The Natural Process
Remember, effective teams are structured or organized in such a manner that encourages, or works to build an environment where collaboration can occur.

As a natural occurrence, various forms of a collaborative process are found in even the simplest organisms. For instance, as bacteria interact with their environment, they exchange genetic information in order to adapt to new conditions, new threats and challenges.

There is a common concern in the medical community about the overuse of antibiotics. It is well known that over time, bacteria exposed to antibiotics will eventually undergo a change in its DNA called a mutation. The purpose of this mutation is to help the bacteria develop greater resistance and eventual become immune to the drug. In other words, the bacteria interact with the environment, to find a way to guarantee its own survival. Interaction with the environment in this way is analogous to collaboration among people. The resulting mutation in bacteria is analogous to exponential learning. Similarly, when we are given a vaccination, we are intentionally exposing our bodies to just enough of a particular virus to allow the body to develop its own immunity should the real thing come along. This is a biological "learning" process, but the learning only occurs when the human body interacts with something outside of itself.

The label on a can of antiseptic spray claims that the product will kill 99.99% of germs and bacteria. The label never claims that the product will kill 100% of the bacteria. That's because through interaction with the environment, some of the bacteria have made the necessary genetic adjustments to develop resistance to or become immune to the active ingredients in the antiseptic. In other words, because of their exposure to the environment, some of the bacteria have "learned" how to survive or beat the system.

In another example, some parts of the world are experiencing a resurgence of smallpox, a disease long thought to be eradicated. The resurfacing of the disease is apparently occurring because a mutated strain that is resistant to the current vaccines has developed. This mutation is apparently the result of the interaction of the original smallpox strain with elements of the current smallpox vaccination.

The way to keep viruses and bacteria from mutating is to keep them isolated from all interactive environments. Organisms generally improve their chances of survival by interacting with other organisms and adapting to potential threats. As long as the interaction of the bacteria with the environment is kept to a minimum, the probability of adjusting to potential threats and challenges is low, along with the likelihood of survival. The Centers for Disease Control have special procedures for keeping viruses isolated for the purpose of developing effective drugs, and so scientists can tell when a mutation has occurred.

It is evident that collaborative, interactive processes, or processes where organisms "learn" or improve their chances of survival by exchanging information after interacting with other organisms, is indeed a natural process. Collaborative interaction is also a key component in expanding the natural learning capacity of people and organizations. The challenge of many organizations is to find ways of rekindling that pre-3rd grade mindset, reengaging the natural inclination of people to learn through collaborative relationships.

What Is Driving Organizational Processes?

It wasn't too long ago that organizations focused on doing business with people across the street, in their neighborhoods, across town, or perhaps in another part of the state. Then, with a broader range of customer needs, organizations were forced to begin thinking beyond their geographic boundaries. They found new competitors doing business in their own backyards. As a result, they recognized the need to think globally while acting locally. They began to find ways of competing in a geographically broader market while still providing personal, customized service.

Organizations are realizing that "change" is occurring more rapidly, and that they need to find ways of effectively responding to that change. It is estimated that the information learned by the average college graduate has a half life of four years. By the time that college student has worked for four years, half of everything that he or she learned while in college is obsolete. As a result, corporate America, which hires these graduates, must develop and institute processes that help their employees continue to learn. These organizations must themselves find ways to learn, and share that information across all functions.

Organizations are finding that their own customers, whether they are average consumers or a large corporate entity, are experiencing and being affected by change in their environments. How to measure that change as well as respond to it quickly and appropriately is a critical challenge faced by organizations of all types and sizes.

Another driver is the changing responsibility of employees, who are being asked to perform roles instead of jobs. There was a time when someone would ask me what I did for a living I would pull out my business card with my title displayed prominently beneath

my name, and give it to him or her. The recipient would have a pretty good idea about the nature of my work. Now, when someone asks me what I do for a living, I find myself describing a series of roles that I play in order to meet the needs of my organization. Organizations are recruiting potential employees who are able to perform in multiple disciplines. Employees, who are able to wear many hats and still be effective, have become a most valued group within the corporate structure.

Finally, bosses are disappearing and coaches are beginning to emerge. Coaches don't play the game for the players. Coaches develop a structure within which the players can develop to their highest potential and contribute effectively to the success of the entire organization. The old structure, where the boss and the employee played what amounted to a professional game of fetch, is rapidly disappearing. This is where the boss identified the assignments, selected the people, and sent them out to perform a specific, structured task, and to then report back to him. Now organizations want people who can think, and who can add to the value of the organization by their ability to make good decisions quickly and wisely. These people need a clear vision of where the organization is trying to go, but they don't need to be told specifically what to do to get it there. They need coaches who are able to create an atmosphere and an organizational structure where they can perform and contribute to their fullest potential.

Why Is Structure Important?

The pace of business today is faster. In the past, the threat of competition came primarily from local competitors. With the passing of NAFTA, DR-CAFTA, Singapore and a range of other free trade agreements, competition is more global. With the increasing numbers of females, minorities, nationals, and people from a broader range of academic disciplines moving into corporate positions, the face of the workplace, as well as of customers and competitors, is changing. These changes are rapidly making the traditional ways of managing people, doing business, and meeting the challenge of the market less and less effective. The old rules of the game are being challenged, and are quickly disappearing. New rules of the game are being written and rewritten every day. Change is the only dependable constant.

What most leaders are looking for is a way to make the greatest impact on their organization's profitability and productivity, at the lowest possible cost, and in the shortest possible time. Traditionally, efforts to accomplish this have been centered in one or more of these four areas:

- Vision: In what direction do we want to go, and where do we want to be?

- Strategic intent: What do we want to be?

- Strategy: How do we get there?

- Alignment: What infrastructure (people and processes) do we use to make it happen?

While all of these areas are important, leaders need to understand that each affects the organization differently, and that each area operates on its own relative impact timetable (see Figure 1-3).

Relative Rate of Organizational Change

Low

Vision: What future do we want to emerge?

Strategic Intent: What do we want to be?

Strategy: How do we get there?

Alignment: What structure do we use?
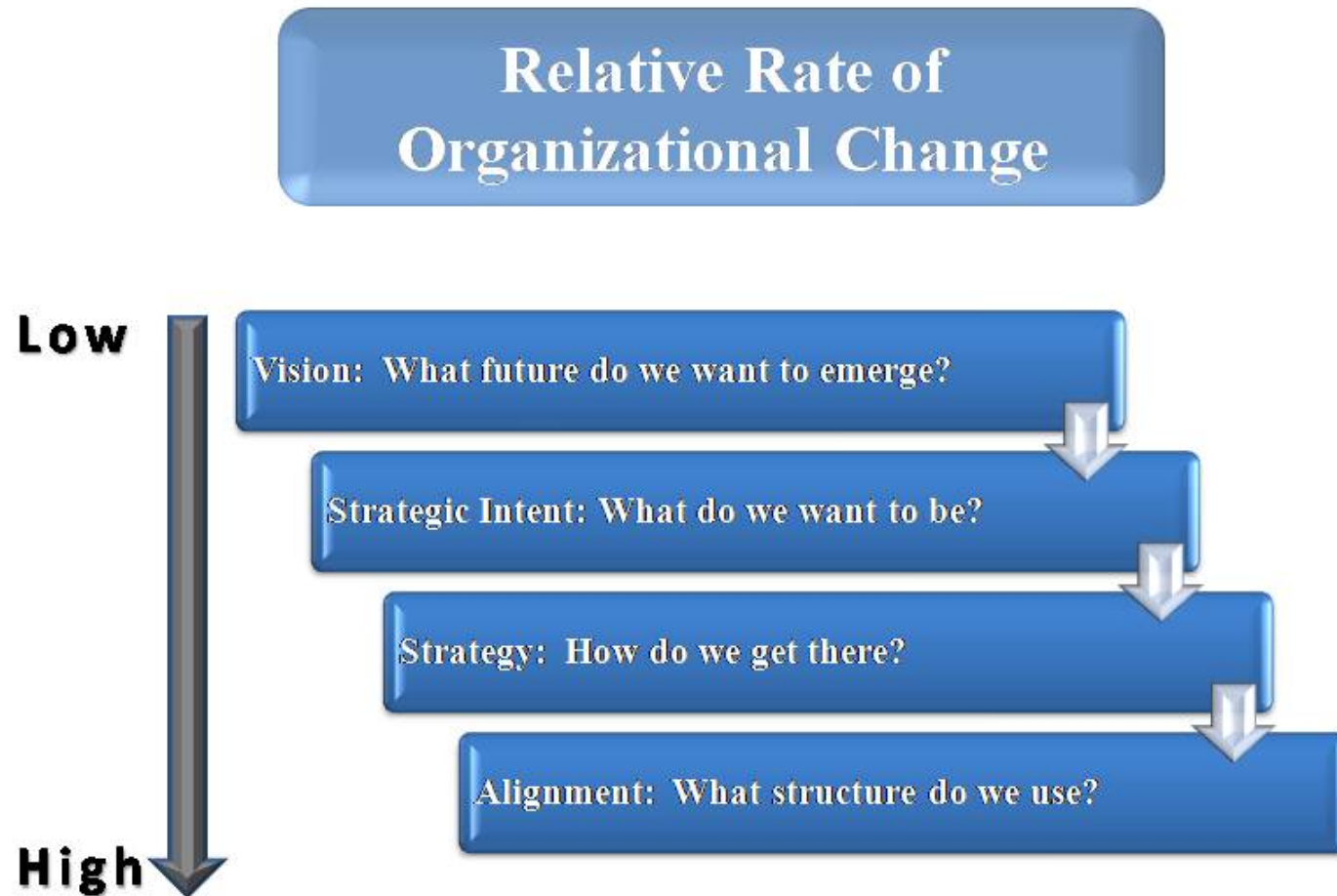
High

Figure 1-3

Vision statements exist in nearly every organization. Often they come about when a high-level group of managers meets for hours on end, sometimes days, to discuss, write, and word-smith where they think the organization should be heading. Usually, the group will pull out a classic vision statement, like President John F. Kennedy's vision of "sending a man to the moon, and returning him safely in this decade," and use it as an example, a role model of how a good vision statement should read and what elements it should contain. Once the vision statement is written and agreed on, it gets shared with the employees in a company ceremony, printed, matted, put in an expensive frame of exotic wood, and hung in the foyer of the corporate offices. Of course, every manager in the company who wants to show allegiance, support, and commitment to the vision has a smaller version hanging on his or her wall. This is all very important, but unfortunately, for many organizations, this is about as far as being visionary goes.

The problem that most organizations have is that few people in the organization can actually tell you what the vision is. Few employees can articulate it. If it can't be articulated, the chances are that it has not been internalized. It is not part of the culture of that organization. Visions are often so general that if you went into the lobby of ten similar corporations in the middle of the night and switched them, it would probably take a month before anyone noticed that they had been changed. Unfortunately, the most distinguishable differences in the vision statements of most companies are the frames in which they hang.

The vision is important, but if managers expect a change in the vision statement alone to motivate employees to keep pace with their competitors and their customers, they are in for a big disappointment. If a change occurs at all, it will be very slow. By the time it occurs, competitors and customers will have passed them by. If an organization is looking to bring about change, a clear, shared vision is essential, but vision alone cannot accomplish what is needed.

Strategic Intent and Strategy

The next critical step is to develop a strategic intent. What do we want to be? The difficulty most groups have with strategic intent is that they often confuse it with the strategy. Many organizations will invest a great deal of time, and money, and call in high-powered consultants to help them develop a strategy. Some organizations have entire departments devoted to what they call strategic planning. But most strategies, no matter how detailed and elaborate, rarely achieve their full potential because they are developed around a vision statement rather than a statement of strategic intent. The vision is intentionally broad and long-range—quite different from the strategic intent, which must be clear, concise, and focused.

What a strategy seeks to do is match the organization's resources with its opportunity. It is a balancing act where the available human resources and capital become the critical factors in determining just how aggressive the organization can afford to be in the marketplace. This is an exercise in resource accounting. A group of strategists decides how it will approach the available opportunities, given the perceived strength of the competitors, the projected growth of the market, its current and potential resources, and its limitations.

On the other hand, the strategic intent crystallizes the vision statement. It seeks to create a mismatch between opportunity and resources. It creates a healthy stretching of the organization's view of itself, and what it wants to become relative to its competitors and customers. It is not limited to the current human and capital resources, or current core competencies. Instead, it seeks to establish a creative tension, which motivates and invigorates the organization to reach beyond its grasp. It is around the strategic intent that the employees in an organization are mentally engaged.

Organizational Alignment

While the vision, strategic intent, and strategy are all critical to the success of an organization, it is the organizational alignment that largely determines the level of success the organization will achieve. It is the people who make an organization work. While vision, strategic intent, and strategy help set the direction of the work, the organizational alignment defines what the work is, how it will be done, and by whom.

Visions may change over the life of a company. The strategic intent may change over the life of a set of core competencies or market conditions. The strategy may change or be revised on a yearly basis, but the organizational alignment may be changed at any time. Small tweaks can be made in the system, or large moves can occur in the structure whenever internal or external conditions warrant. The organizational alignment is the area where changes occur most often, and where changes are expected to have the greatest impact.

The relative position of these four areas is very much like the beach balls in a basket at the toy store. The balls near the top of the basket can be removed or added without significantly disturbing the balls beneath them. If the balls near the bottom of the basket are disturbed, however, all the other balls will move in response.

The vision and the strategy of an organization may change with little immediate effect on the work of the average employee. It is impossible, however, for the employees and the way they interact with each other to change without having an effect on the direction and the level of success of the company. If an organization is ever to have maximum impact at minimal cost and in minimum time, it must tap into the potential found in the effective alignment of the people who work there.

There are many organizations that overlook this simple principle. Some believe that the way to have the greatest impact on the performance of the organization is to upgrade the technology. They spend millions of dollars each year traveling around the world, trying to find the latest and greatest technology. When they find it, they install it at the home facility. It often happens, however, that once the new technology is installed, the company does not reap 100 percent of the expected or projected benefit. When this occurs, an executive may ask the project leader whether the group might have missed some key part of making the technology work during their search, or if the seller has held back some key information, hoping to make more money selling a keyhole to a company that has

already purchased a key. The company then starts a new project, this time with its best and brightest engineers. Their task is to figure out how to get the new multimillion-dollar technology to perform at the promised level.

What companies often fail to realize is that the success and impact of any process is not determined by technology alone. It is determined by how well technology is blended with the skills of its people, and how those people are then aligned within the organization to carry out their responsibilities (see Figure 1-4). To achieve maximum effectiveness, technology must be blended with the culture and alignment of an organization. This blend allows core competencies to emerge. The highest degree of control in any organization and the greatest point of influence is in the alignment of its people. A core competency results when technology and the skills of employees are blended and aligned in such a way that they produce a unique, sustainable, competitive advantage.

Figure 1-4

If we had enough money, we could duplicate the physical facilities and technology of GM, IBM, or 3M. That does not mean, however, that we would be able to manufacture products at the same level of quality, consistency, and innovation as these companies. What allows them to do what they do is the unique way in which they blend technology with the skills and alignment of the people who work for them. In fact, there are many companies with less in the way of technology that are very competitive with respect to quality, consistency, and innovation, because they have learned how to apply the power of blending employee skills and organizational alignment.

Organizational alignment simply means having the right people working together, in the right place, doing the right things, at the right time. When a company understands this and begins to act like its most important resource is its people, it starts to tap into a resource that has the power to convert vision statements into something that has value beyond the cost of the expensive frames in which they hang. A properly aligned workforce has the power to transform a vision into reality. People are generally the most underutilized and yet the most critical variable in a business's growth and performance.