

The Discovery of the Organizational Effectiveness Model

One Aspect of
Thinking
Within a Company

Michael Ayers

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Section 1: Angela and Joey and Communications

Angela and Joey had become closer and closer over the last few months of dating. From the initial incident with the laundry, through Angela's foray into Joey's family culture and the jumper cable scene, through the discussion about pressure limiting choices – they were beyond casual dating and were becoming a couple. It seemed they could talk more comfortably about whatever came up. And what came up now was much more personal.

Typically they rode to work together in one car. At least a couple times a week, depending on meetings and such, they had lunch together. They did something together – a movie or a concert or a play or just a walk or ride in the park – nearly every weekend. This weekend on Saturday afternoon Angela and Joey planned to attend a concert in the park as one of the last events in the annual Summer Festival.

Angela mentioned in passing that Terry, someone she hadn't seen since college, happened to be in town for the weekend. She asked Joey if it would he would mind if she took Terry to the concert instead of him. She wanted to spend as much time as she could with this unexpected guest. Joey said he understood, and not much more was said about it. Joey was disappointed by the lost chance to spend time this weekend with Angela, and he was surprised by the disappointment. He hadn't realized just how close they had become.

The following Monday, they rode together to work in Joey's car on. At lunch, Joey asked how the weekend had gone. Angela mentioned that Terry enjoyed seeing the concert. She and Terry saw the same group play a few years ago and it was fun to talk about old times. And she enjoyed talking with Terry to catch up on how things were going in his life. At this comment, Joey could not contain his surprise.

“*His* life? Terry is a *guy*?” he asked incredulously.

“Of course! What did you think?” Angela asked innocently.

“I assumed Terry was a woman. Every Terry I've ever known was a woman!”

“Well, Terrence Patrick O'Donnell is definitely not a woman!” Angela smiled.

That remark seemed to set Joey off even more.

“Well, did you and *Mister* O’Donnell have a lovely time? Old friends and all? And him *definitely* not a woman?”

“And what do you mean by that?” Angela asked, suddenly defensive. “Are you suggesting that I did something wrong by going out with someone I’ve known for years? Did someone put you all at once in charge of my social calendar without telling me? Do I need to clear things now with you first?”

Joey was chastened by Angela’s comments. He collected himself, then began again. “No, of course not. I was just surprised that this date was with a guy. I mean you and I have been seeing each other pretty steadily over the last couple months ...”

“I didn’t have a ‘date’ with Terry. We went to a concert together. As friends. We’ve been friends for years. In fact, we never went on a date together in our lives! Or am I not even allowed to have friends now? *Men* friends, that is!”

“Angela, I’m sorry. I didn’t mean to imply that you can’t have friends. I mean I was just surprised that you didn’t mention it, Terry being a guy ...”

“Ahhh, so I need to make all this clear to you in advance. You don’t trust me, is that it? I might go off and do something silly?”

Joey realized that this conversation was rapidly going in a very bad direction. He tried once again.

“Angela,” he began reaching for her hand which she abruptly withdrew. “Angela, I misunderstood something. I made an assumption. If I had known that Terry was a guy, it wouldn’t have bothered me. Since I just found out now, I’m surprised, that’s all. Let’s not make a big issue out of it, okay?”

“Well, I think it *is* an issue,” Angela retorted. “I think trust *is* an issue.”

“You’re right,” he agreed, “trust is an issue. If we’re going to trust each other, we need to be honest with other.”

“So now I’m not being honest with you?”

“Please ... please let me finish. We need to be honest with each other, and we need to communicate with each other, and we need to ... I don’t know. Just hear me out, okay?” He waited while she took a couple deep breaths to calm down.

“Here’s what I was working from. I heard you talk about going to the concert with Terry. I thought that Terry was a woman. That was a piece of information I made

up, and I was wrong. When I found out a couple minutes ago Terry was a man, I assumed you didn't tell me on purpose. I guess I was wrong about that, too. Now I feel afraid that this will escalate out of control." Joey paused to collect himself.

"I agree that trust is a critical issue. I *do* trust you. I hope you're honest with me. I'll try to be honest with you. Maybe sometimes a detail gets left out. I really hope that we won't let that kind of thing get in the way. I *don't* want you to give up your old friends. And I *do* want to be included in your life. What I want is for us both to be happy. And I promise I'll try not to fly off the handle again. I'm sorry." He finished and waited for her to respond.

"I'm sorry, too. I'm as guilty as you are about flying off the handle. I'm just used to being my own person, and not having to answer to anybody about who I see or why. I've told you about my family, haven't I? About how we're not really close?" This time it was Angela who reached for Joey's hand. "Well, I'm just not used to having someone who seems to really care about who I see and what I do. I'm not used to having to talk with anyone about how I feel, or what I want. I'm sorry, too."

They sat together for a few moments, looking at each other but thinking their own thoughts. Joey was wondering how those words had come out of his mouth. He hadn't even consciously thought about himself and Angela seriously together. And where did those comments about being afraid come from? He never talked with anyone about how he felt, not even his parents. Angela was wondering about getting close to someone. She was accustomed to being her own person, setting her own priorities. Now she had just said something about someone caring about her. She wondered whether Joey really cared or that was just a comment in the rush of the moment.

The lunch hour ended and the lunchroom emptied. They took their trash away, and walked back to their desks. Neither was especially focused on work for the rest of the afternoon. They wondered what the ride home together would be like. And what would happen next.

Section 2: Customers and Customers

Ian McGyver served as Supervisor in the Hardware Development group. Since Mark headed the Software group they frequently crossed paths. Ian and Mark entered

Steve's office at about the same time, but not on purpose. They had each received an 'invitation' and each had a hunch about the topic. "Ah, gentlemen," Steve began, "we seem to have a problem. PetroDynamico says they are getting mixed messages from our company. They like our products, and they really like what we have proposed for the next version of the filtration sensor system for their refineries. But they are getting a little concerned that we at CoCoSys don't all seem to be working from the same plan. Why don't you each take a seat while I try to tell you the story."

Ian and Mark sat down in the chairs near the small conference table. Steve moved from behind his desk to join them.

"Once upon a time," he began, "a vice-president visited a big customer. He talked and talked with the customer. He heard what the vice-president at the customer's organization wanted and made some promises about what kinds of products he felt his company could deliver. When the vice-president went back to his own company, he devised a strategy to deliver those products. Then he went to his people and told them what to do in order to implement that strategy. The people, thinking that they understood well enough, began to work on the products as they had been told. And one day a few months later, they took prototypes to the customer. When they got there and talked, it seemed to them that what *they* planned to *deliver* and what the *customer needed* were not exactly the same thing. So they went back to their own organization and made some modifications to meet the customer's needs. And they told the vice-president about this, expecting praise for their willingness to meet the customer's needs. Instead, they got a lecture: the *vice-president* knew what the customer wanted and had given instructions. *They* were not to make changes."

"Steve," Mark cut in, "we get the picture. Ian and I are 'the people' and Tom Flaherty is the vice-president. But he wasn't there and we were," he added plaintively.

"Yeah, we weren't trying to jam things up," Ian added. "But at the work site when we talked to the customer we just got a different sense of what they needed. And what they need we can deliver pretty quickly. It won't take much money, but it will involve some re-work."

“I think you guys are missing the point,” Steve said. “I didn’t mean to insult your intelligence with my little story, but what you’ve done is not consistent with the strategy that CoCoSys has adopted, especially with regard to PetroDynamico.”

Mark replied, “We, or at least *I* don’t know anything about a *strategy*. We were trying to do what we thought best – satisfy one of our big customers. Is that wrong? I mean *we* were *there* talking to them!”

Steve paused then said, “I know it seems like common sense to try to satisfy the customer. Here’s the problem as I see it: you guys and Tom have different customers in mind.”

“Aren’t we talking about PetroDynamico?” asked Ian.

“Yes, we are. But Tom’s deal, as the V.P. of Products, was with the Señor Hidalgo, as the vice-president of refinery operations. That’s who he made the commitment to. That’s the guy who negotiated and signed the contract. His wants are the ‘wants’ we’re trying to satisfy,” Steve explained. “And my guess is that you did not meet with Señor Hidalgo on your visit.”

“Of course not. We met with the guys who are actually building the new refinery. And while we may not know what Señor Hidalgo wants, we know what the refiners need.”

“That’s the point. You were working with a different customer! The kinds of changes you’re proposing are not a big deal, you’re right. The point is that they will take us, and PetroDynamico, in a different direction from what Tom and Señor Hidalgo agreed on. What you want to do is solve a problem, but not the problem Señor Hidalgo wants solved. And ultimately, *he* is the one that signs the check to CoCoSys.”

Mark started, then stopped, then started again. “So as I understand what you’re saying, we do not understand what Tom wants, and the guys at PetroDynamico do not understand what Señor Hidalgo wants. Right?”

“It sure sounds that way. And I don’t really care about confusion on their end, but I do care about it on our end. Somehow things broke down.”

“We just assumed that we were doing what we were supposed to do – take care of the customer. It never dawned on us that we could be going wrong by doing that. I guess that was a bad assumption.”

“Look,” Steve said. “Tom assumed we were all on the same page on the strategy, but it appears we weren’t. It’s not your fault alone – there’s enough failure to go around for all of us. We all failed to check out those assumptions. Somehow we all have to understand what’s going on so that we can make decisions and take actions that are consistent without having to check up on each other all the time. Tom realizes that, I realize that, now you realize that – we’re all on the hook here, too. But he’s asked me to see what we can do about it for this particular case.”

“You know, I really think that we need a better sense of the strategy up and down the line,” Mark suggested. “If *we* have to make many of the day-to-day decisions – and we *will* have to make them – then we need to have a ‘good enough’ understanding of the strategy. And it’s clear that we don’t have that now. Maybe we need to meet again and have Tom join us this time ...”

“I suppose you’re right. Let me set something up. I’ll try for later this week so we can get on with satisfying PetroDynamico.”

It took Steve a day or so to talk to Tom and talk to him about the need for the meeting. Then it took another few days to clear space on everyone’s calendars. When they did meet later that week in the conference room, it was just Tom, Steve, Mark, and Ian. Since they all knew each other, it did not take long to get down to business. Tom was discouraged by the mixed messages he had sent to PetroDynamico. Mark and Ian were discouraged about not being fully enough informed to prevent them from making such errors. Steve was stuck in the middle and felt that everyone was right.

After a bit, Tom took the conversation in a more thoughtful direction. He pointed at the ground rules still on the wall from some other meeting, and said that what he would tell them now needed to stay in the room. The others agreed. He explained that he figured he had maybe two years left with CoCoSys. This was news to the others, since Tom was just 54. He said he really wanted to retire as soon as he could – he did not want to hang on until the magical fifty-nine-and-a-half when the retirement plan kicked in. While he felt fine and his health was good, he just didn’t want to retire and then not have enough time to enjoy it.

It was not that he was anxious to leave CoCoSys; in fact, far from it. Tom’s father and his father’s brother had both died at 52. He had an older brother who had

apparently inherited the same genetic predisposition to early death, having died two years earlier at the age of 57. In retrospect, Steve remembered the toll that death had taken on Tom at the time. He remember Tom's renewed attention to his health. Tom certainly appeared healthy, both physically and mentally, now. But he wanted a chance to enjoy his retirement. And that meant getting out when he could.

“And I want to leave CoCoSys in the best possible shape that I can,” he continued. “That means we need to take care of our good customers now, and get positioned to capitalize on new products and services that can carry us into the future. By ‘getting positioned’ I mean we need good people, an organizational structure that is sound, a good product mix, and close ties to durable customers, true partnerships. All of that needs to be wrapped in our strategy.”

“The problem for us is not so much *which* strategy you think we should adopt,” Ian offered. “We think that’s your role in the organization. For us the problem is fully *understanding* that strategy so that we can execute it. It has to be spread throughout the organization so that all of the little decisions we have to make are somehow ... um ... coherent. So that they hang together. What we have had here, to use an apt but worn cliché, is a failure to communicate.”

Mark had a vague feeling that somehow this incident connected back to his earlier discussion with Steve about the ‘transition model’ and greater collaboration. Greater collaboration would help bring those little decisions into coherence. This was not the time to talk about it, however.

Tom agreed to make a more concerted effort to get the message out, and asked the others for their help and support. Specifically he asked them to hold him accountable and ask questions where some message was not ‘good enough.’ And he reminded them of the ground rule about confidentiality and his desire that they keep his retirement plans to themselves.

The first step was to pull together all the people in Steve’s organization at one time. That meant that Mark’s staff, Ian’s staff, and Anna’s staff all got together. They were able to schedule that only a week later. People needed to re-schedule other meetings, but since most of those were with one another it was less complex than it seemed. The intent was to first present the strategy to provide a common base of

understanding, then engage in a dialogue about the implications of the strategy for the Software Development group, the Hardware Development group, and the People Development group.

The meeting was well received. It was the first time in memory that all of them, everyone involved, heard the same message at the same time then had the opportunity to talk about it. As a result, a couple things happened.

First, Angela discovered she and the V.P. were on the same page: they both wanted the same things for CoCoSys. That is, the story that induced her to join CoCoSys in the first place was still the same story: providing high quality products and services in long term relationships, not trying to compete as a low-bid contender on a series of one-off contracts. Based on the mixed messages she heard before she wasn't sure. Now it seemed the messages were unintentionally garbled going through channels.

Second, Mark heard for the first time that Tom wanted CoCoSys to move beyond merely selling products. His strategy involved more than selling the devices that formed the current basis of their business. He wanted to extend their reach into their customers' operations and sell a *service*. For example, he wanted to create a market for the *service* of taking over part of the actual production operations for PetroDynamico. That way, when CoCoSys came out with enhanced devices, they could absorb the changes in routines rather than trying to train the customer's staff for each change. In a sense, he wanted the customer to outsource part of the production to CoCoSys. But that meant the customer had to be crystal clear on what they wanted now, where they planned to go in the future, and how this segment of the production fed into the segments coming before and after. Only with that kind of information could CoCoSys decide whether those features defined a game they wanted to play.

Now the reason for Tom's disappointment with Mark and Ian's actions finally came clear. They had been focused on doing the right thing for *now*. But they hadn't understood the direction the *PetroDynamico* was headed, where Tom wanted *CoCoSys* to head, and how they were inadvertently confusing things. It came down to their not fully appreciating the strategy, not understanding the intent. It came down to clear communications.

Section 3: The Perimeter of the Model

Sometimes I just don't get it ... I just don't see how to make any progress at all

Mark was thinking to himself. When Steve walked by Mark's office he saw Mark sitting there looking mighty glum, especially for a Friday mid-afternoon. When Steve poked his head in, Mark switched to thinking aloud, in mid-thought: "How can I make any progress here?"

Mark was clearly discouraged at his lack of progress working with Ian and the Hardware Development Group. After the conversation between the members of the management team about strategy, he assumed things would get better. In fact, they were worse than before. The relationship with Ian was rocky.

Mark joined Software Development in May; it was now early September. Looking over the last four months and magnitude of the change he needed to make in understanding his role, he figured that working with Ian would be a cinch. Mark now understood the difference between the old command-and-control style and the new collaborative style. He was working hard to adopt the newer style. In his estimation Ian had largely made the transition already. Why couldn't they get along better?

"It seems like everyone is trying really hard, and they all seem to be good at what they do. It just doesn't seem like we're together on this at all – almost like we work on different planets or something." Mark continued, offering a couple examples: "I'm finding situations where someone from my group and someone from Ian's group are doing the same thing, or nearly the same thing, and they don't even know it. And other times where two people seem to be working against each other. And *they* don't even know it."

"And there's no reason for it," he lamented. We both sat in when Tom went through the strategy with us. We both asked questions and got useful answers. I thought we were on our way." Mark continued like this for another few minutes, then gradually settled into a depressed funk. "Why is it that working within my group seems to be getting easier while working with Ian's group seems to be getting harder?"

After giving him time to vent his frustrations, and then time to cool off, Steve decided to try a different tack. Each week for the last several weeks, he and Mark had met to go over the week's events. Steve, as a slightly senior member of the management

team, diligently tried to help Mark understand why things did not seem to be working with Ian. Each effort produced about the same results – ranging from no response at all up to mild hostility. But nothing like genuine progress.

Steve had fallen under the influence of an article Anna sent his way earlier in the week. It reinforced his ideas about using questions rather than telling answers. It suggested that people generally have greater commitment to discoveries they make themselves than they do to discoveries made elsewhere and handed to them as *fait accompli*. He tried it a couple times at the office on small things, and it seemed to work! The people understood things much better. Instead of simply having instructions to follow, they understood the reasoning and acted much more intelligently and effectively as a result.

Steve decided to try this approach with Mark. He began, “So, Mark, why do think the two groups don’t work together? What’s going on?”

Mark only slightly raised his head. He had been over this ground already a million times in his own mind. But to humor his friend, he answered, “Ian doesn’t understand what the Software group is trying to do. Someone needs to tell him what’s what.” *Someone* meaning *Steve*.

“Mark,” Steve began slowly. “Think back to that model we were working on, the one about the transition away from command-and-control.”

When Steve hesitated Mark said, “Yeah? I remember it. I don’t see what it has to do with what’s happening here.”

“I think I can see how it *does* apply. When we put it together, we were focused on one segment of the hierarchy, right? From you down to the groups that you worked with?”

“That’s right, me and the people who reported to me,” Mark agreed.

“Well I think the model goes *up*, too. Put yourself at the bottom of the model instead of at the top. You’re now the individual on a team rather than the leader or manager. How do *you* want to work? Employee or participant?”

“Obviously I want to work on the right side. How can there be any question about that?” Mark appeared slightly indignant.

“That may be what you *want*, but that’s not what I *see*. It seems to me like you want collaboration from you on downward, but you want someone to give you – and Ian – a job description and tell you what to do. Meanwhile, for my part, I think *I’m* operating on the right side, trying to work with you on the left side. And frankly I’m getting frustrated.”

Mark looked glum again. “You’re telling me that from your perspective, you see me wanting to be commanded?”

“Remember, it’s not about good or bad,” Steve replied softly. “It’s about effective and ineffective in a situation. I can’t *tell* you how to fix things with Ian. I know that from my view I really need the two of you to get on the same wavelength.”

Steve paused for a moment to frame the next question then said, “Why do you think Ian doesn’t understand? What is necessary for your groups to be coordinated?”

“Well, a couple things, I guess. We certainly need to understand the strategy. And we also need some communications, so we all know where we’re going. We seem to talk a lot, but it’s *still* not enough apparently.”

Steve hesitated then tried again: “Why do you need more communications? Aren’t you all smart enough or something?”

“Good grief, no! I think all of us are really pretty bright. We *have* to be – everything around us is changing so fast ...” Mark’s voice trailed off. He began again, “You know maybe that’s part of the coordination problem. My old group in Production really worked in a pretty stable environment, after all. The work was complex in its own way, but once we got it figured out, it remained pretty much stable. And in the new group, I know there’s a lot of instability. That’s why I work so hard to keep the people in my group talking to each other. Maybe the environment has something to do with our confusion. Maybe Ian and I don’t work in the same kind of environment.”

Seeing an opening, however small, Steve pressed for more information. “‘Structure’ is kind of a big item. What about the structure in unstable?”

Mark warmed to the subject a little, and ticked off the items on his hand, saying, “Number One, the customers can’t seem to agree on exactly what they want. Number Two, our roles in relation to one another across the groups aren’t clear, people’s responsibilities keep changing. Number Three, we seem to have trouble interpreting the

strategy, so we wind up with tactics-of-the-week. Number Four, people don't seem to know what's generally expected of them. Need more?"

Steve refused to take the bait. "You know, if you look at it a little differently these things are all connected . . ." Mark cut him off.

"Steve, thanks for the bulletin: everything is connected to everything. That's why I can't get my hands around this."

"Mark, just sit back and humor me a minute, will you? If – and it's a big if – *if* your customers, out there in the big 'environment', knew what they wanted, and could articulate it clearly enough so you could understand it, then what?"

"Then we'd be able to decide which of parts of *their* 'wants' *we* need to work on, and which belong somewhere else. We can't do everything, even if they want us to. We're good at some things and not at others. And frankly we don't want to even try to get good at some of those other things."

Steve saw an opening to connect a couple ideas. He suggested, "So you think that if the market demands were clear, then you'd be able to formulate some kind of means to execute our strategy to deal with those demands? And you'd be able to settle on one set of tactics? Wouldn't that reduce a couple of the instability factors you mentioned? Something about 'they don't know what they want', and 'we have new tactics every week'?"

Mark began to see a little sense here. He agreed, nodding cautiously. "Yeah, but what about people's expectations, and the changing roles and stuff. Can you package that in here, too?"

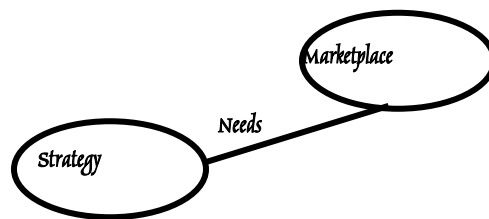
Steve wanted to dodge the ownership of the discussion, so he responded, "Well, *I* can't, but maybe you can. If you knew what the market wanted, and you knew how you planned to meet that market, then what would you do?"

"Well, there would be no excuse for our failing to meet the market needs. I guess it's really pretty simple: if you know what the market wants, then you can settle on a strategy, and then you can meet the market needs . . ." Mark's voice faded away, as though he were trying to convince himself it really was this simple. He seemed lost in thought for a few minutes, so Steve sat quietly and let Mark ponder.

After a couple minutes, Mark brightened up and began again.

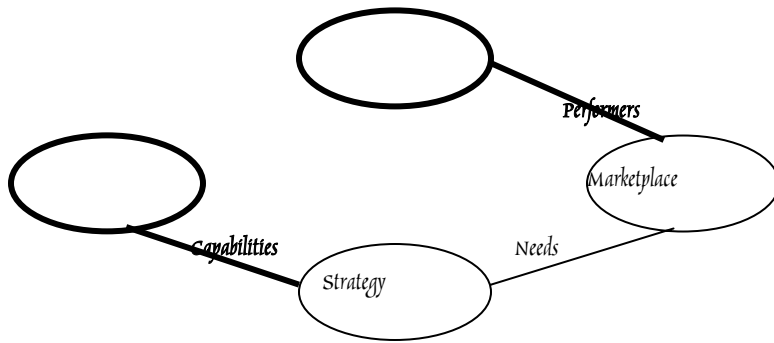
“I was missing a piece before. Now I think there are really four pieces – maybe I’m off by one, but I think I’m *really* close now. Let me start over again.”

He collected himself and took out a blank sheet of paper. Drawing a circle at the right side of the page, he explained, “Start here, with this circle. Let’s call it Marketplace. From that circle I have to extract both what the market needs, and what their priorities are.” He drew a straight line to another circle at the bottom of the page, and labeled the line Needs. “That serves as input for my Strategy.”



Mark labeled had now labeled the two circles and the line joining them. “Now that I have the Strategy determined, I can figure out just what I need to be good at to make it happen – I can figure out the Capabilities I need to have.” Mark labeled the next line, going up toward another empty circle, this one at the left of the page.

Mark hesitated, so Steve waited. Finally Mark returned to the right side of the page. “You know, *this* is where the rubber meets the road,” he started again, and drew a line from the top of the page to the circle labeled Marketplace. “Somehow what I really want to have is people willing and able to do the job. That’s what my group and Ian’s group need to provide. That’s what the Market really needs from us. People who can really perform.” He labeled this line Performers.



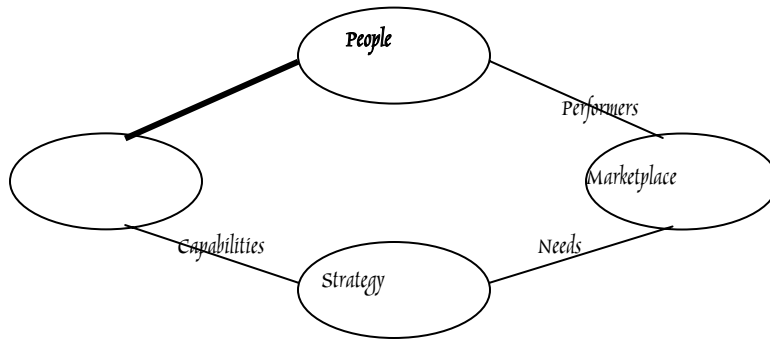
Mark seemed stuck again, despite his enthusiasm of a few seconds earlier. He posed a question aloud saying, “But where do they come from? The other lines are about a kind of output that becomes an input.”

Steve offered an idea. “Didn’t you say that one of your problems was both overlaps and gaps in the work group? Maybe the Capable Performers as you’ve labeled them are really the output of a coherent work group.”

Mark mulled that comment for a few minutes. He did not seem convinced this would work. Absently, he drew a fourth line connecting the unnamed circle at the left with the circle at the top. The picture now looked something like a baseball diamond with bases as the corners.

Steve waited another few seconds, then sensing Mark was stuck again, he tossed out another idea. “What makes a work group actually work together as a group? If the goal, if the output we want is able Performers, where do they come from? From the work group. Okay, but what gives the work group – or multiple groups – the coherence you don’t see now?”

Mark thought again. Then he began, “Well, I need to be able to organize things a lot better. I wouldn’t have – no, wait – then the *people in work group* wouldn’t have this problem of unseen overlaps or working against one another. Of course, ‘work group’ could mean me and Ian, or my group, or Ian’s group. If we had a coherent strategy, and everyone understood it, then the people are smart enough to figure out how to create an environment without those problems. I think that it’s more about the people than the work group. I mean, we have to get down to the level of each person.” He wrote People in the circle at the top of the model.



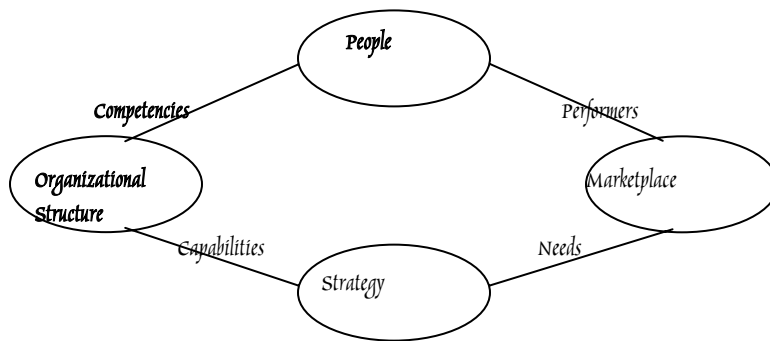
“And that reminds me ...” Mark interrupted himself. “That coherent strategy would lead to coherent decisions if we all understood it the same way. Like when we got tangled up with PetroDynamico – we were making different assumptions. That’s one thing that the people really need to have is a common base of assumptions.”

“I see your point,” Steve responded. “And if we have those common assumptions, then ...?”

“Then we can divide up those Capabilities into some sort of lumps that make sense. I’d like to call it Jobs, but no one has a job description here that’s worth diddly. In my old group, we had job descriptions that actually worked, but everything changes so much” Mark stopped again, looking for a good word. Then he added Competencies to the last unlabeled line, saying, “You know, we talked about this before in that ‘transition model’. In this structure, it’s not so much about dividing things up into static jobs. It’s more about figuring out how *some* things that need to get done line up with *other* things that need to get done, and figuring out the common framework for all those things.”

Steve looked over the picture, and focused on the one unlabeled piece, the circle at the left. He ran through several questions in his own mind as he decided what *he* thought went into the last circle. He was trying to figure out which question would help Mark name this last piece of the puzzle. Finally, he asked, “Okay, you’ve got the Capabilities identified going in and the Competencies coming out. What completes the circuit here? How do you divide those capabilities up? How do you organize them into chunks but not into traditional jobs? Chunks that *complement* each others as Competencies? Your other circles are things – Marketplace, Strategy, People. What *thing* does this?”

Once again Mark sighed heavily. “Geez, it’s everything about the whole internal environment. I said that before, a couple seconds ago. It’s the systems we use to coordinate our efforts, reporting structures, how we talk to each other, everything. It’s the whole darned *organizational structure*, it’s not any one thing. It’s even how we go about deciding to stop being good at *X* so we can focus on getting good at *Y* because of a change in something. It’s about the how the departments work together and interrelate. It’s the whole *organizational structure*,” he said again with emphasis. Steve sat silently with a wry grin, and waited while Mark re-processed what he had just said. Then Steve took the pen and labeled the last circle *Organizational Structure*.



Then Steve said, “All right, now you’ve basically drawn a circle. That’s interesting, because mostly I see people draw things like straight lines starting somewhere and stopping somewhere else. We saw before when we talked about resistance about how important circles or loops can be. And your picture folds back on itself. Walk me through it and see if it makes sense to you, with the labels you’ve put on everything.”

Mark picked up the paper, paused, then launched into the ‘story’ of the picture.

“Okay, it all starts here with the marketplace. We have to find out what they want, and what their priorities are. From that, we can figure out our strategy. From that, we can distill out what we have to be able to do to work that strategy, our capabilities. Once we have those identified, we can figure out just what sort of internal environment will permit us to get our act really together and divide up that into person-sized or group-sized chunks, a suite of competencies so we can look at staffing. Once we have that, now we can figure out who does what, who needs to work with whom, so that the people can

actually become a group that works. And the net of all that is people who can satisfy the customers, and really deliver in the marketplace.”

Mark stopped, just then realizing the implications of drawing this as a circle. He continued excitedly, “And then it starts all over again! That’s it! It’s *because* we can deliver that we have any credibility in the market at all. Now that we’ve *shown* we can deliver the goods, the market will give us *more* opportunities, and we can help them refine their sense of what they want, and that in turn helps us refine our strategy! It all ties together perfectly! This is so cool! This thing is a real gem! We drew it as a diamond, but it turned into a circle. Like magic!”

Steve considered what Mark pointed out about working the model working like a circle. “You know,” he said, “we could stretch the image and talk about it as though it were a wheel, like a bicycle wheel with spokes radiating from the hub. The spokes are there to hold things together, to keep things aligned. But the obvious value of the wheel is here around the perimeter where the rubber meets the road. In order for the wheel to be effective, it needs hub and spokes and rim.”

Mark smiled in agreement. “And the ‘effectiveness model’ is born.”

Section 4: The Leader at the Hub

Mark spent a lot of time, quite unintentionally, thinking about this new model over the following weekend. The discoveries of Friday afternoon had lingered on the edges of his consciousness. The simplicity offered an uncommon appeal. He was sure it would both help him with Ian and ignite his group the way it had affected him. But he didn’t want to dump the whole thing on them at once – he still didn’t think he had enough credibility to do that.

Still, when Mark went into the office the next week, he was determined to try some new ideas with Ian. Whenever an opportunity came up, he tried to bring the conversation around to some part of the model. It might be the ideas of the customers and their needs. Or identifying the capabilities they needed to make their strategy work. A little here, a little there ... that was his idea ... sell the model a little bit at a time. He held the completed model in his back pocket, like a secret weapon.

But he got virtually nowhere. All week long, his mini-lectures on the pieces of his model were either ignored entirely, or politely dismissed with a “Yeah, but ...”. He was *sure* that this model he had created – well, he and Steve had created – was workable. But it didn’t work. What went wrong? He concluded that while *he* got it, Ian did not. It made such good sense to him, why didn’t the others get it?

The next weekend, he spent a lot of time mulling again. This time instead of dwelling on the wonders of the model, he struggled with the problem of getting it across to Ian, telling him how it worked. So the questions now revolved around getting Ian to buy in. Mark stopped by Steve’s office first thing the following Monday.

“Steve, this model we built a couple weeks ago is really powerful I think. I have tried to tell Ian that this is how we will do business from now on, you know pointing out little pieces here and there. But he doesn’t get it. What do you think?”

“Mark, Mark, Mark,” Steve began, in that kind of long-suffering teacher voice that goes down the vocal scale as you repeat the name. “You can’t just walk into Ian’s office and reveal ‘the truth’ to him. Just because *you’re* convinced doesn’t mean it will make any sense to him. He knows as well as you do that you moved into this group only about six months ago. And if you just drop this on him, he will most likely resent you, the outsider, coming in to ‘fix’ him. Got another way of getting him to accept the ideas?”

“But this is so transparently obvious!” Mark exclaimed. “How can he not get it?”

“It’s obvious to *you* because you were in on the ground floor. You not only *invented* it, you *invested* in it. You were involved in all the thinking and all the talking – remember we spent almost the entire afternoon on this simple picture – and now you want to reduce all that thinking and talking to a presentation of single simplistic-looking picture?” Steve shook his head and paced around Mark’s office.

“All right, smart guy, how do we go about getting Ian to buy in?” Mark was genuinely confused and genuinely vexed. It seemed so easy to him

Steve began thinking out loud. “Look, Ian is really bright, you said that yourself. You can’t just *tell* him what to do – he may be manager-immune or something. It’s like somehow we’ve managed to *evolve* into this state of affairs between the two groups, with all the overlaps and gaps, and now you want to *manage* him out of it. I don’t think it will work.”

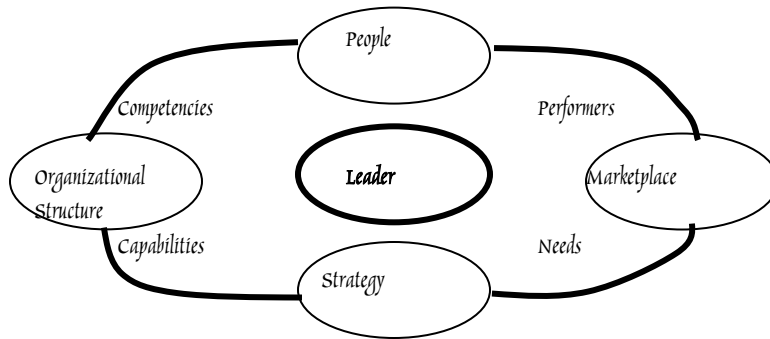
Mark picked up the thought: “Yeah, managing is sort of like pushing, trying to keep things under control. What we need here is some sort of prophet, someone who can get the people to follow.” He smiled and added, “But I don’t recall seeing Staff Prophet on the org chart.”

Steve took it up again. “You’re right about that, we do need something else here. Suppose that some particular group got this model working. Then *keeping* it going, maintaining steady-state or whatever they call it, that would be manager-work. But *getting* it going, that’s another story altogether. That’s about *leading* a change. Maybe we’ve convinced ourselves that our model is complete and it’s really missing something major. Maybe we’ve sold ourselves a bill of goods on this. If this model represents *managing*, then what’s missing – what don’t we see?”

Both were silent, deep in thought for several minutes. Then Mark spoke up again. “Well, I need to think out loud again. Lots of things I’ve read over the last six months talk about the contrast between manager and leader that you just mentioned. Does *leader* fit in here somewhere? I’ve tried to plop it in here and there – like between Market and Strategy – but it just jams things up.”

Now it was Steve’s turn to light up. “I think you’ve got the right idea, but I think Leader doesn’t replace or break up what you’ve drawn so far. We’ve already said that what this needs is some sort of push to get it started. Try drawing Leader smack in the middle, and let’s see what develops from that.”

Mark was clearly reluctant to contaminate the model they had built. He felt it was right the way it was, and any changes would somehow weaken or even ruin it. But he trusted Steve’s judgment and drew a new circle in the middle, labeling it Leader. Then he asked, “Now what does *that* buy us?”



Steve didn't seem too sure himself. "W-e-l-l-l," he began, "when you think of the word *leader*, what kind of stuff comes to mind? A few minutes ago you talked about 'manager' and 'push' and 'control' and 'telling'. What about leader? Think back again to the transition model ..."

Mark took up the challenge, but only hesitantly. "Well, the leader is the one who goes out front – while the manager pushes along from behind!" he laughed. "Sorry. The leader is the one who gets to pick where we're going, then the manager kind of figures out what we'll need to get there. When I think of leader, I tend to think of someone who really believes in something – like a civil rights *leader* – I mean, who ever heard of a civil rights *manager*?"

Steve was making notes as Mark talked. "Okay, so 'being out front', 'believing', 'setting the goals' Anything else come to mind?"

Mark started, then stopped, then started again. "Well, somehow the leader also needs to help put in place the ... the ... the leader needs to convince people that what they're working on is worthwhile, and get them coordinated. Not exactly tell them what to do, but get them so that they take care of stuff themselves. Like making sure everyone *understands*, so that even the *need* for telling goes away. And we talked about the importance of relationships on the right side of the 'transition model'."

Now it was once again Steve taking the lead. "Let's pretend," he said, "that what we have here so far is okay. Right now we have this Leader circle sitting in the middle all alone, not connected to anything. Now we've got a bunch of ideas. Can we connect them up somehow? Again, some of the things you've mentioned really are *things*, like

the lines we have so far. Do these *leaderly things* connect the Leader circle to the other circles?”

From Mark’s blank look, Steve knew *he* had not connected with Mark on this note. He tried another approach. “Okay, that one died. How about this one? Last time you insisted that we start with the Market. Here’s the Leader and here’s the Market. What *thing* connects the leader to the market? Think about the *things* you associated with the leader a few minutes ago.” Referring to his notes, Steve read his scratched out notes: “‘out front’, ‘setting goals’, ‘really believes’, ‘people understand’, ‘telling not needed’”

“What the genuine leader brings to the market,” Mark began very slowly, “is something other than simple reactions. *Managers* react, managers worry about priorities and planning and resources. Managers are like the ship’s helmsman, adjusting to the situation to stay on course, to control the ship. On the other hand, *leaders* determine the destination, to hold up a kind of sense where we’re going. Not where we *are*, but where we’re *going*. You know, it’s more than just where we *might* wind up, it’s where we *want* to be. How do you say that in one word?”

Steve offered a suggestion, but not with much gusto. “Well, the opposite of *reaction* is probably *proaction*. But that’s really a weak word. What do you call it when someone dangles an attractive picture in front of you and says, ‘how does this look?’ What does your Staff Prophet offer?”

Mark jumped out of his chair. “Vision! That’s what prophets are notorious for! Vision! The leader has to have, has to *offer* a vision of how things might be, something big and attractive, that can generate interest.”

Steve started to write ‘Vision’ on a line between Leader and Market, but he stopped. Mark noticed and insisted, “Come on, man, write it down. Vision!”

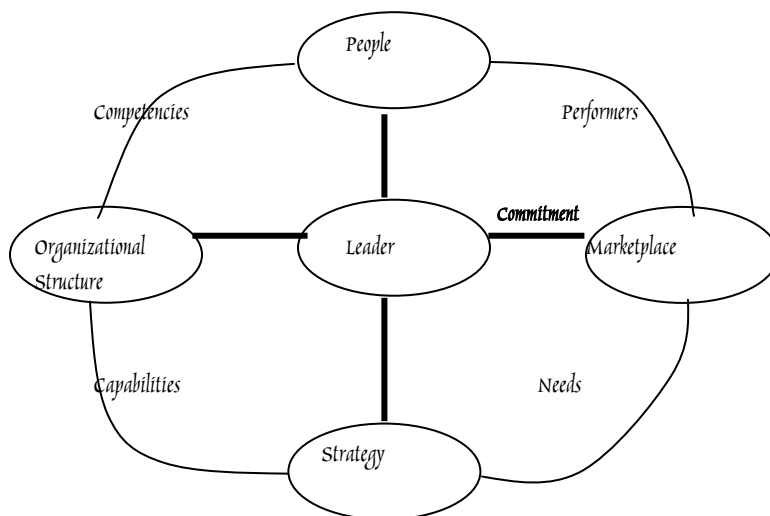
Steve still hesitated. Finally he said, “It doesn’t feel right. If I’m the Market, visions are okay, but something else has to come first. Where does the prophet get the vision in the first place? What comes first? Why does the prophet get the vision?”

Mark still felt he was right about writing Vision on the model. “Now don’t go ‘religious’ on me. I don’t get what you mean.”

“The people who get the visions,” Steve continued, obviously thinking out loud again, “are the ones who believe. You said yourself that one thing a leader does is really believe. Does the leader ‘really believe’ in the market? Is that the connection?”

Mark was still perplexed. “You can’t take this model and add ‘Leader really believes in Market’ to it. Good grief! It’s not that he believes in free enterprise or capitalism that’s important. It’s not those kinds of beliefs. If anything, it’s because he’s committed to the people in marketplace, committed to the success of his customers That’s what connects the leader to the market. It’s looking out ahead and saying, ‘You know, my success depends on your success. I’m committed to your success to enable mine.’”

Steve picked up the pencil again, and started to add Commitment to the link between Leader and Market. He still looked unsure, and Mark didn’t seem convinced either. But Steve finally did write Commitment on the model. Then he returned to the idea of *vision*, something Mark wanted to get into the model. “Okay, let’s pretend that Commitment goes here. Does vision go somewhere now? Can we fit it in somewhere downstream from Commitment?”



Mark still seemed uncomfortable. “Downstream? Hmmm I don’t much like the feel of that. But you know, you’re right about part of this. The vision doesn’t matter so much to the market. What matters more to the market is *their* needs. And their needs drive our

strategy, and Wait – *that's* where it goes. It's the vision that ought to drive the strategy. The strategy is just plans to get *somewhere*. But the *where* is created by the Vision. Write that down!"

Start re-write here

"But wait a minute," Steve countered. "If we have 'commitment to the marketplace, then don't we need something parallel to that on this leg of the model. I mean, you don't 'vision the strategy'. What you do is to ensure that the strategy that you've outlined to serve the market – an external perspective – is consistent with your organization's values and directions – an internal perspective. The strategy has to be valid for both the market and for your organization's sense of what it want to be."

Mark thought about this then said, "You're right. I think we should put Validation on the model for this. It's validating the strategy."

Now they had added another bit of insight to the model. The Leader is connected to the Strategy by the Validation. Hoping the model was indeed symmetrical, what remained now were the links from the Leader to the Organizational Structure and to the People. Steve pointed the link going up to People, and said, "On your list of things leaders do, you mentioned that 'people understand' and 'don't need to be told'. Somehow that has to be connected to the people, doesn't it? It's the people that understand, right?"

"Yeah, you're right," Mark agreed. "Once they're all on the same page, you get that kind of 'order for free'. People just know what to do because ... it's like their minds were kind of on the same wave length and all in phase with one another. People are in placed positions where they can use their natural strengths on behalf of the organization. As a consequence of that, people are much more engaged." It was Steve's turn to interrupt now.

"I like that – Engagement. What connects the leader to the people is engagement." And just as quickly Mark interrupted back again.

"Right! Now that the work group is staffed with people who are fully engaged, people who can bring their passions to do their best, they can actually deliver on that commitment to the customers in the marketplace. And that refined or reinforced commitment can maybe modify the strategy over time. And ... and ..." his voiced trailed

off. “But what comes next? Just because we have this validated strategy doesn’t mean we have the engagement. It’s not just automatic or invisible, like telepathy or something. Something has to mediate at that point. What links the Leader to the Organizational Structure?”

There was a long silence. Eventually Steve began again, “It’s almost easier to see in the negative. I mean, you’ve been in situations -- *I’ve* been in situations -- where the structure just got in the way. You know, narrow job descriptions, turf, politics, silos, not-invented-here ... the usual list of bureaucratic ailments. So what would the opposite of that be? It’s as though instead of just letting the structure evolve on its own, without paying any attention to it, someone has to erase all those bad things and make room for the good things.” Steve looked out the window, then continued, “Tend the garden to let the flowers bloom and”

Mark cut Steve off. “Another metaphor! Please, this is serious. I think you’re onto something, but I refuse to put Gardener on here. No way!”

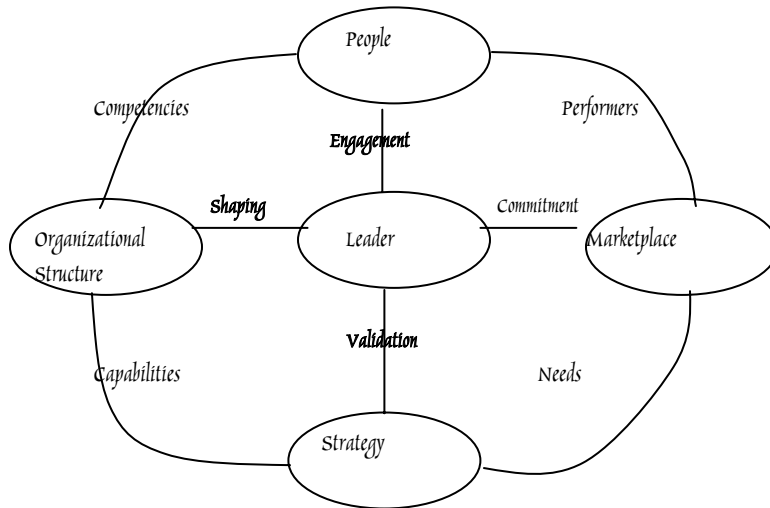
Steve continued with his metaphor anyway. “You know, it is kind of like actively designing the structure. How about the ship metaphor again: the helmsman / manager steers the ship and the leader builds the ship? Does the leader *build* the structure?”

“Not on any local planets!” Mark interjected. “We said before that the manager was more interested in control than the leader was. Control comes afterward. It’s what comes *before* control, before even the possibility of control – it’s the ... ah, the ... grand scheme, the big picture without the details filled in. Like the general contractor coming onto the scene to manage things after the architect is basically done.”

“Bingo!” Steve chimed in. “The leader works with the structure like an architect! It’s a matter of knowing what you ultimately want it to look like, how it will work, how it can serve the larger purpose, but not necessarily having to be a brick layer. So the leader’s connection to the structure is about Shaping!”

Steve stopped as though lost for a second then began again energetically. “Hey, here’s something I never even thought about before. Look at the environment that Tom created with his re-organization.” He sketched out Tom’s org chart on a scrap of paper. “He surely didn’t have that transition model in mind when he did it, but look at how it lays out: Production on the left where managing seems to be most effective, and People

Development on the right where it's really all about relationships. He not only got the key dimension figured out, going from routine to creative, even got the left-side to right-side layout going the right way!"



Both of them sat back and reflected quietly on the modified drawing. Steve suggested almost reverentially, "I wonder how Tom came up with his 'shape'? Do you suppose it was intuitive or something? And this model ... it seems to keep evolving. Don't you think it's really better than it was before?" Steve felt it now had a wholeness that it lacked before.

"Not a bad Monday morning's work, eh?" Mark seemed genuinely pleased with their refinements to the model, too, despite his earlier concern about changing it. In fact, Mark seemed *so* pleased that Steve was reluctant to remind him of why they had gotten together this morning in the first place.

"Mark, remember why you dropped in this morning? Something about 'Ian doesn't get it'? Do you think he'll be any more likely to get it, now that it's even more sophisticated?"

"Oh, man, you're right. Now it'll be even worse," Mark lamented.

"Mark, think about the way we went about this whole model thing." Steve saw his chance to prod Mark into a different kind of understanding. "We talked earlier about your investment in this model, right, and that's part of why it makes so much sense to

you. How can we take this lesson and use it with Ian and your group? How can we get him to see himself as a contributor to the process and not as a victim of it? Not the process of *building* this model, but the process of *taking* this model and applying it, *owning* it in his situation?”

“Think about the civil rights leader you mentioned earlier,” Steve continued. “Based on this model, what the leader brings to the party is the creation of a commitment that satisfies the market, a vision that drives the strategy, an architecture that upholds the right environment, and an engagement that enables everyone involved to perform at their best.”

“Oh, great!” Mark’s earlier self-satisfaction turned quickly and noticeably sour. “Right,” he added, “all that and able to leap tall buildings in a single bound. *Nobody* can do that in any group bigger than a handful – and I mean literally a handful, like five people. You really have just laid out the job description for Superman. We’re doomed by the model *we* created! Arghhh ...”

“I think you may have just pointed out the solution to your own problem,” Steve countered. “You’re right that it’s a load for one person, for one leader. But if we’re right that this all makes sense, and if we’re right that it’s too big for one person, then we just need to make a minor change: we need to change *Leader*, in the singular, to *Leadership*, as a set of obligations or duties or responsibilities that have to be addressed.”

“You’re right again,” Mark offered, coming back around. “In any complex sort of organization, whether we acknowledge it or not, there is a *de facto* leadership *team*. Some people seem to have more aptitude for big-picture vision kinds of things, and others more ability for ‘how can we structure things to allow this to develop’. And it would be a mighty load off my shoulders if we just understood and accepted this idea that *leadership* is what we need, from whatever front, rather than a single all-knowing *leader*. I know that some people in my group are better at parts of this than I am. In fact, my real strength probably relates more to the environment side than the vision side of the model. And I don’t know Ian all that well.”

Steve saw another chance to gently prod Mark. “So, take a second and step back a little bit. Fact one: you think you’re stronger on the structure side than on the vision

side. Fact two: you had more success with your previous group than with this one. Can you draw any conclusions from that?”

Mark sat back and crossed his arms defensively. He looked up at the ceiling. Finally, he looked at Steve and began, “My other group was operating in a pretty stable way. I mean, *managing* them pretty much worked because in some sense it was more about staying on track than on deciding which track to be on. We all knew what we were doing. My strength seems to be in maintaining the right kind of structure rather than on creating the vision. For Ian and me, right now we don’t really have a vision. Take a group without a vision, and a manager who’s not strong at creating or promoting a vision, put them in an unstable structure, and you’ve got the triple whammy.”

“And just what might you do, beyond throwing your hands up in despair – ‘oh, woe is me’?” Steve really wanted Mark to think about this, but didn’t want to push too hard. “Look, that’s a big assignment. Let me check back”

Mark interrupted him, saying “No, I think I’ve got a good answer right here in front of me with this model. We changed it from *leader* to *leadership* – and that’s just what I need to do, to change my viewpoint from demanding a single leader whether it’s you or Tom or whomever. I know pretty much what I’m good at and not good at – well, at least I have some hunches. Maybe Anna can help me with that. We can look inside my group and try to find someone whose long suit has more to do with vision. Maybe we can put together a team to look at the market and the customers. Try to see what they want, then work on a strategy. Then maybe we can do something like that with Ian. If we can work together, try to complement one another and get things on track, then I won’t have to push him. I won’t have to tell him, and he will *own* the consequences, just like I own this model. I just have to find a way to draw him in, without seeming like I’m trying to fix him or manipulate him.”

Mark stopped and smiled, then continued “Well, the wheel may be round, but it still has a few rough spots. ”

Section 5: Key Questions

Steve deliberately stayed out of Mark’s way for the better part of a week. When he did bump into Mark, he made no mention of their conversation or the ‘effectiveness model.’ He wanted to see whether Mark would be able to put it to work, not within his

own group but across his and Ian's group. He wanted to give Mark a chance to make it work, without appearing to look for an instant turnaround. He felt that this was an important step for Mark to take in his development. He was trying to remember some phrase from a book about the role of the leader in serving the people in the organization ... something along the lines of *Do those served grow as persons? Do they become wiser, more autonomous*. The exact quote escaped him at that moment, but the concept was clear.

After a while Steve's curiosity got the better of him. He stopped at Mark's office and poked in his head. "Hey, Mark, got a minute?" Mark looked up from his desk, where he had a large piece of paper covered with notes.

"Yeah, come on in. I was just thinking about you anyway. You remember that model we built? The 'effectiveness' one about leadership and whatnot? Well I've kept it right on my desk since we first put it together. I've really made a conscious effort to use it, to try it out. I've made a few changes, but not big ones. At least not to the basic model. But I've got some kind of interesting new ideas I've added. Want to take a look?"

"Sure, let me see what you've got," Steve responded. He was genuinely interested in hearing how Mark had tried to use the model and how it had further evolved.

"Well, let me start with the smaller changes. Some of them are just clarifications, really. I decided I needed to show what I meant by some of the words, in an informal kind of way, so I threw together some working definitions of a couple key words. For instance, when I walked through the model with Ian, to show him why I thought we needed to pull together a 'customer interest' team, we had some confusion about 'architecture'.

Steve cut in, "But that's not the approach you were taking before. You didn't *want* to show him the whole model, you only wanted to give him little bits of it. Why did you change your approach?"

"Well," Mark explained, "I really felt that I needed to get the whole picture in front of him so that he could understand things the same way I did. And it seems to have worked. Like I was saying, he wanted to know what I meant by 'architecture'. So I explained that meant putting together a combination of appropriate *systems* – like for

incentives and measurements and information – and *structures* – like the actual organization itself. And that led to a discussion about what we meant by ‘structure’, so we talked about how that meant things like being really clear about our group’s ‘community values’ and the importance of keeping things kind of fluid, adjusting to the changes that keep hammering us.” Mark stopped for second then continued.

“Do you remember how you called us in a few weeks ago about the confusion with PetroDynamico? About there being two customers in a sense, and our being out of touch with the larger customer?”

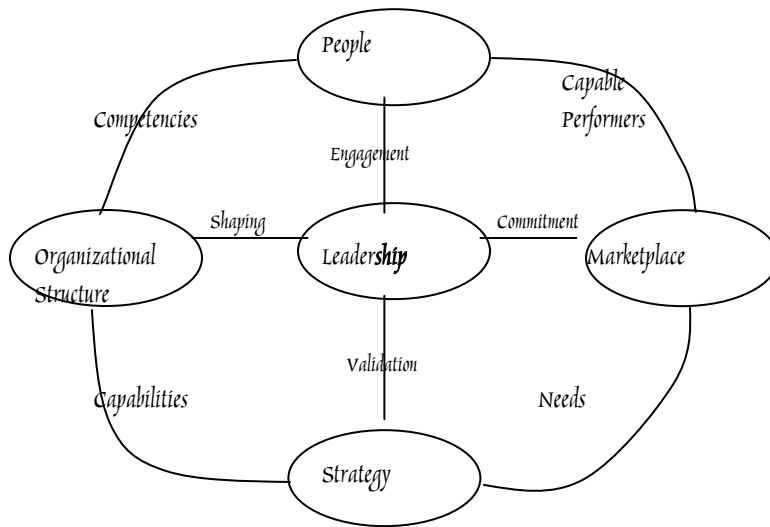
Steve thought back. The image was clear in his mind. “I sure do. Now *that* was uncomfortable! I really was reluctant to do that.”

“Well the lesson wasn’t lost on us. In fact, Ian and I even used this model to help figure out what was happening in that situation. Here’s how we mapped it to the model.” He pointed at the center of the model.

“If you don’t have leadership at the center, then you have a hole, a vacuum. Something has to move in, so by default you get management trying to fill in at the center playing an old-fashioned kind of command-and-control role. The manager talks to the big customer. Then the manager tells the workers about strategy and tells them what to do. Then the workers talk to the little customer and find out something different. Since there’s no provision or expectation for the workers to clue the manager in by communicating upward, things drift apart. The manager has one thing in mind and the workers have something else in mind. The workers deal with the little customer on short term challenges while the manager and the big customer talk on a different plane. Meanwhile the credibility begins to suffer. Management makes one promise, while the workers deliver on a different promise.”

“And you got all of that out of this model?” Steve asked.

“We used our imaginations. I guess the point isn’t whether the model shows that exactly, but the conversation that the model triggered was really valuable to our coming to a common understanding. Anyway, to help explain the model for Ian, I wrote down the questions that I felt each circle or line really tried to focus on. Like for Capable Performers – I changed that name a little – the real question has to do with ‘Do we have the potential to develop customer loyalty?’ That’s what keeps the circle working.”



Steve looked at the questions then said, “Looks like some good work. Did you wind up putting together a short description of each of the circles and the lines?”

“Yeah, they’re here on a separate piece of paper.” He showed Steve the list of elements from the model with the corresponding questions.

Capable Performers

- ✓ What kind of *performance* do we need in order to develop customer loyalty?

Marketplace

- ✓ What do customers / partners actually *value*?

Needs

- ✓ Which products / services do they want from *us*?

Strategy

- ✓ Which products / services *will* we provide?

Capabilities

- ✓ What *capabilities* must we have in order to *provide* those products / services?

Organizational Structure

- ✓ What systems and structures will help us *realize* those capabilities?

Competencies

- ✓ What *competencies* do we need to have in order to *exploit* those system and structures?

People

- ✓ How do we build those competencies into high-performance *teams*?

Leadership

✓ *How do we create a culture that promotes the flourishing of the people?*

Mark waited while Steve glanced at the list then he continued. “Here’s the really cool thing that just came to me a couple days ago. I was noticing how things seem to be moving along a lot better now with Ian. That started me wondering why we seemed able to do things better – you know, fewer complaints and such. It seemed to me that we were simply performing better, we were *executing* better. So I dug out the model and looked at it, and low and behold, it’s right *there*.” Mark pointed to the upper right part of the model, and continued, “If we have solid engagement and we’re really committed, *then* we get top-notch execution!”

Puzzled, Steve asked, “I thought the model was about leadership ...”

Mark replied without hesitation. “Yes, the model *is* about leadership although you remember it didn’t start out that way. We started out with a performance issue for me and Ian – the overlaps and gaps remember? And we wound up with a leadership *answer* after starting with a performance *question*.”

Steve remained unconvinced. “I still don’t get it. You mean to say that you get execution just from engagement and commitment? That doesn’t seem to make sense. Couldn’t you be committed to something that the market doesn’t want?”

Mark’s deep understanding of the model gave him a ready reply. “No, no, no. You can’t take just *part* of the model that way; you have to take the whole thing. All of the individual components have to be aligned. If you work the model right Let me start over.” Mark drew a breath and began again.

“Steve, remember when we were struggling building the ‘transition model’? We talked about alignment in that context, too. It was you who made a comment about the turbulence in today’s environment making it critical that everyone understand things the same way, that everyone be aligned. You see, if I have engagement and commitment, then I get execution. But, working backwards, *execution* depends on *knowledge and skill*. And that’s the product of structure and engagement. And knowledge and skill depends on knowing what we want to do – *focus*. And focus in turn is the product of architecture and vision. Are you with me so far?” Mark asked Steve.

“I guess. I’m almost as lost as Ian probably was ... I need to assimilate this – you created it and you understand, but I need to think about it a while. Anyway, you’ve left out a piece – what happens here?” Steve asked, pointing at the lower right part of the model.

“To get proper focus,” Mark explained, “I need the product of commitment and vision. If I can see it and if I want to make it happen, then you get my *passion*. And I think that’s the real key to this whole model. I am becoming convinced that working the outside, the rim, is really a management function. Tying everything together, serving as the hub holding the spokes in place, is really a leadership function. The key seems to be the ability of leadership to hold the spokes in place. We need to make sure we have an *structure* that serves our *commitment*, and people placed in positions where their skills and passions are *aligned* with the *vision*.”

“Okay, okay! I’m sold!” Steve held up his hand for Mark to stop. “You wrote out questions to go around the rim of the wheel, but what about something for the spokes?”

“I thought about that a little bit,” Mark replied. “But somehow questions didn’t seem right. If it’s about leadership, and setting out a direction and such, it seemed like it ought to be more in the form of statements rather than questions. So I kind of jotted these down as a start.”

Commitment

- ✓ *Our commitment is to our customers’ success.*

Validation

- ✓ *Our strategy will help us realize our potential as an organization, serve our purpose, while delivering value to the market.*

Shaping

- ✓ *The shape of our systems (including information, production, distribution, staffing, organizational, financial, compensation, sales, etc.) supports our commitment to deliver to our customers in the marketplace.*

Engagement

- ✓ *The engagement of our people, both singly and in groups or teams, ensures that our strategy is broadly understood and informs decisions across the board.*

“But I’m thinking that we need something else, something to support this idea of leadership rather *a* leader. Something that surrounds it and nurtures it ...” Mark’s voice faded out.

“A second ago you talked about culture. I think you said we need a culture that supports the emergence of leadership from wherever it originates. Try drawing a larger circle around ‘leadership’ and labeling it ‘culture’. Will that work?”

“Well, it will for now. Do the rest of these ideas fit together for you, Steve? The questions and the statements?”

Steve paused then said he needed some time to reflect on all this, to absorb it. He did offer one final comment to Mark. “As look at this model, there’s something else I notice. The right and bottom and left all have an organizational focus. They are about the whole group. But the top – that’s about one person at a time. It has an individual focus.” Then he thought to himself, *And isn’t it kind of interesting how you have to balance the individual and organizational focus ... and how management and leadership don’t directly connect at all, but depend on each other to keep things turning.*